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MIDDLE EAST

Iranian Tanker Damaged in Possible Missile Attack Off Saudi Coast

Crew is unhurt; tanker company says ship has two holes in it



The owner of oil tanker Sabiti said the vessel was off the Saudi Arabian coast when it was likely hit by missiles. **PHOTO:** /ASSOCIATED PRESS

By Sune Engel Rasmussen, Aresu Eqbali and Benoit Faucon Updated Oct. 11, 2019 12:48 pm ET

An Iranian tanker was damaged in an attack near the Saudi Arabian coast Friday, the ship's operator said, the latest incident to raise tensions in the Middle East and heighten concerns over the security of oil infrastructure.

The National Iranian Tanker Co., which owns the oil tanker Sabiti, said the vessel was in the Red Sea, about 60 miles off the Saudi Arabian port of Jeddah, when it was likely hit by missiles that damaged its main tanks. The ship's crew was unharmed, the company said on its Telegram messaging account.

There are two holes in the vessel, a senior official from the National Iranian Tanker Co. told The Wall Street Journal. "It looks like" it could be a missile attack but "we are not sure," he added.

The initial reports of the alleged attack sent oil prices higher. Brent crude, the global benchmark, climbed 1.7% to \$60.11 a barrel. West Texas Intermediate futures rose 1.4% to \$54.28 a barrel.

On Friday afternoon, the damaged Iranian vessel was returning to Iran at a healthy speed of about 10 knots, according to marine data.

Brokers said the tanker was laden with approximately 1 million tons of crude likely destined for Syria, one of Iran's last remaining customers. An Iranian oil official denied that Syria was the destination, but wouldn't say where the vessel was headed.

The alleged missile strike couldn't be independently verified. It wasn't immediately clear if the holes in the ship's hull were caused by missile strikes or mines, given the extent of damage claimed by the Iranians. Mines have been used in recent months to sabotage other tankers in the region.

A U.S. official who focuses on Iran said the two holes suggested the possibility of limpet mines, similar to those used to sabotages tankers earlier in 2019. U.S. officials had blamed Iran for those strikes, which Tehran denied.

Iran didn't immediately blame anyone for the alleged attack.

"Examination of the details and perpetrators of this dangerous action continues and will be announced after reaching the result," Iran's foreign ministry spokesman Abbas Mousavi said.

Iran's main regional rivals Saudi Arabia and Israel both have the capability to carry out such an attack, according to Mark Gray, a former colonel in the British Royal Marines who now heads U.K. security firm MNG Maritime. A missile could have been launched from the shore, he said, adding that the limited damage was also consistent with explosions from limpet mines or torpedoes.

But Friday's incident doesn't fit their agendas, Mr. Gray said. The Saudis are busy repairing their recently attacked oil facilities, while seeking to de-escalate tensions as they prepare for the coming initial public offering of Saudi Arabian Oil Co., Mr. Gray said. Israel tends to operate in its immediate neighborhood in Syria and Lebanon, he added.

The National Iranian Tanker Co. said there was no indication that Saudi Arabia was behind Friday's incident and stressed that the company was the sole source of legitimate information about the incident.

Friday's incident comes at a time when the Middle East's energy infrastructure has been at the center of an increase in tensions in the region.

Saudi Arabia and the U.S. accused Iran in September of attacking oil facilities in the kingdom with missiles and drones. The U.S. has also blamed Iran for the sabotage of six oil tankers in the Gulf of Oman.

Tehran has denied any involvement in the attacks. In July, Iran seized a U.K.-flagged oil tanker in the Persian Gulf and held it for two months, after British forces impounded an Iranian tanker off Gibraltar, which the U.K. said was carrying oil to Syria in violation of European Union sanctions.

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Washington and Tehran have seesawed between threats and calls for diplomacy since May.

President Trump has offered to meet with his Iranian counterpart Hassan Rouhani without precondition. However, the U.S. continues to tighten sanctions it imposed on Iran after leaving the 2015 multilateral nuclear deal last year.

Iran has rejected any meeting unless Washington lifts sanctions that are strangling its economy. The recent incidents in the region are viewed as Iran's attempts to raise the costs to the Trump administration of its "maximum pressure" campaign against Tehran.

Pictures on the official Iranian IRNA news agency website showed smoke rising from the hull of a ship. However, the National Iranian Tanker Co. said the photos posted didn't depict Friday's incident. Iran's oil ministry said the fire had been extinguished, but then later said there was no fire.

The crew may not have seen the attack as it allegedly occurred below the vessel's deck level, which unverified pictures showed wasn't damaged. Such vessels, typically manned by about 30 crew members, are partly automatically operated by a central control room.

Tehran has warned that any attack on its soil could lead to an "all-out war." And while Iran has denied involvement in attacks on rival energy facilities, it has repeatedly emphasized that it is responsible for security in the Persian Gulf and the Strait of Hormuz, calling for U.S. forces to leave the region.

At the United Nations General Assembly in September, President Rouhani proposed forming a coalition with Iran's Arab neighbors around the Gulf to secure the freedom of maritime navigation.

"We shall respond decisively and strongly to any sort of transgression to and violation of our security and territorial integrity," Mr. Rouhani said in his U.N. address.

—Costas Paris in New York contributed to this article.

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