

RECOMMENDATION 20 OF 20

REGIONAL

Act within 1 year · by September 2027

Share ship-tracking data and create African war-risk insurance for Red Sea trade

Related briefings: [Security and conflict](#)

IN BRIEF

- The Houthis now hold the Yemeni shore of the Bab al-Mandeb strait, through which about 12% of world trade passes.
- African states on this route should pool their ship-tracking data. They should also back insurance against war damage for African cargo, written by ATIDI, the African insurer of trade and investment.
- Djibouti and Kenya should go first, because they sit on the route and already host facilities under the regional code against piracy.

Why this matters

On 11 and 12 September 2026 the Houthis took the port of Mocha and Perim island, about 20 kilometres from the African coast. No African leader raised this at the General Assembly, although five African states lie on the route.

After the Houthis declared a blockade on 21 July, traffic through the strait fell by 30% the next day. Insurance against war damage cost 0.5% of a ship's value, against 0.1% on routes that avoid Yemen. Ships that go around the Cape instead take more than ten extra days. When money costs 20% a year, that delay adds about 0.55% to the value of the cargo.

Today these costs are set by insurers in London, using evidence that African states do not see. A shared African facility would keep some of the insurance money, and the data, on the continent.

Africa has done parts of this before. The Djibouti Code of Conduct, a 2009 agreement against piracy, was widened in 2017 to cover trafficking and illegal fishing. Since 2014 the African Risk Capacity, an AU agency, has run a shared insurer for climate disasters.

Sources for this section (11)

- [Al Jazeera: the Houthis take the Yemeni shore of the Bab al-Mandeb](#)
- [Al Jazeera: traffic and war-risk insurance after the July blockade](#)
- [BISI: the cost of Red Sea detours to African trade](#)
- [Lloyd's Market Association: the Joint War Committee list of high-risk areas](#)
- [IMO: the Djibouti Code of Conduct and the Jeddah Amendment](#)
- [African Risk Capacity: about the agency](#)
- [Britannia P&I: dates of the IMO Maritime Safety Committee](#)
- [AfricanLII: the AU decision adopting the maritime strategy in 2014](#)
- [IGAD: maritime safety and security](#)
- [Africa Center for Strategic Studies: Kenya and the Djibouti Code](#)
- [CNBC Africa: the African Development Bank becomes the largest shareholder in ATIDI](#)

Four levels of action

1 What Africa asks of the world

The Joint War Committee of London insurers marks sea areas as high risk, and its list includes Djibouti, Eritrea, Somalia and Sudan. It should publish the evidence behind the list and review it against shared African tracking data. Members of the International Maritime Organization (IMO), the UN shipping agency, should support the data pool.

WHO	The Joint War Committee of the Lloyd's Market Association; IMO member states
WHEN	IMO Maritime Safety Committee, 14 to 18 December 2026

2 What the African Union does

The AU Commission uses Africa's maritime strategy to 2050, adopted by AU leaders in January 2014, as its mandate. ATIDI writes the insurance, and the African Development Bank provides capital for the pool.

WHO	The AU Commission, the African Development Bank and ATIDI
WHEN	Study of whether the pool can work, by June 2027

3 What regional groups do

States that signed the 2017 Jeddah Amendment to the Djibouti Code share their tracking data. IGAD, the bloc of states in the Horn of Africa, has a maritime security plan to 2030 and hosts the work. Egypt, Sudan and Eritrea did not sign, so they are invited through the Red Sea Council, formed in Riyadh in January 2020.

WHO IGAD and the African signatories of the Jeddah Amendment; the Red Sea Council

WHEN By March 2027

4 Which country goes first, and why

Djibouti and Kenya go first. Djibouti sits on the strait, gave the Djibouti Code its name in 2009 and is on the insurers' high-risk list. Kenya signed the Jeddah Amendment and hosts search-and-rescue and training centres for the Code at Mombasa.

WHO The governments and port authorities of Djibouti and Kenya

WHEN Monthly port figures from January 2027

Before another country can do this

- ☒ Signature of the Jeddah Amendment, or an agreement to share data with the pool.
- ☒ A national centre able to send ship-tracking data.
- ☒ A law that lets naval data reach a regulated private company.
- ☒ Port authorities willing to publish figures on detours and extra charges each month.

What does not carry over from the first country

- Djibouti's place on the strait gives it a view of traffic no other African state has.
- Mombasa's facilities under the Code were built with outside support over many years.

Who else is ready

COUNTRY	WHY	SOURCE
Egypt	It lost about \$7 billion in Suez Canal income in 2023 and 2024, and sits on the Red Sea Council.	Source
Tanzania	It signed the Jeddah Amendment in 2017.	Source
Mozambique	It signed the Jeddah Amendment, and insurers list the waters off Cabo Delgado as high risk.	Source
Eritrea	Insurers list it as high risk, and it sits on the Red Sea Council without having signed the Jeddah Amendment.	Source

Has this worked before?

In the Gulf of Guinea, 25 states signed the Yaoundé Code of Conduct against piracy in 2013. From 2019 Nigeria spent about \$200 million on its own maritime security project, Deep Blue. Reported piracy fell from 84 incidents in 2020 to 18 in 2024. The study behind these figures finds that the fall came once Nigeria's own spending took effect, on top of the sharing of information. Shared data works best when a coastal state also pays for its own patrols. [Source](#)

Center for Maritime Strategy: piracy in the Gulf of Guinea

First steps

- 1** **AFRICAN UNION** ATIDI and the African Development Bank order a study of war-risk insurance for cargo bound for Africa, to report by June 2027.
- 2** **REGIONAL GROUPS** the African Jeddah signatories agree through IGAD, by March 2027, to share tracking data with the pool, and invite Egypt, Sudan and Eritrea through the Red Sea Council.
- 3** **DJIBOUTI AND KENYA** the port authorities of Djibouti and Mombasa publish monthly figures on detours and extra charges from January 2027.

Who acts, and with what

WHO LEADS	IGAD and the African signatories of the Djibouti Code, with ATIDI and the African Development Bank; Djibouti and Kenya as first contributors
INSTRUMENT	A shared data and insurance pool under the Djibouti Code and IGAD
HOW PROGRESS IS CHECKED	A first insurance policy written on cargo bound for Africa
SIGNAL TO CHANGE COURSE	Insurance costs keep rising and there is still no African alternative
WHAT STANDS IN THE WAY	No such product exists today. War damage tends to hit many ships at once, so the pool would need backing from the same London market it competes with. States may refuse to share naval data with private companies.
COST AND MONEY	The cost is not yet known. Nigeria's Deep Blue project, the nearest comparison, cost about \$200 million. Capital would come from ATIDI, the African Development Bank and port operators, and shippers would pay the premiums.

Who else contributes

WHO	CONTRIBUTION
Navies and coastguards of the Red Sea states	Share tracking data
ATIDI	Writes the insurance and leads the study
African Development Bank	Provides capital; its \$125 million in ATIDI, announced in June 2026, makes it the largest shareholder
Port authorities of Djibouti and Mombasa	Host the data centre
Shipping lines	Buy the insurance and share voyage data

What each audience can do

Business and investors

WHAT YOU CAN DO

Invest in the pool and buy its insurance

WHAT YOU GAIN

Lower costs and safer supply

Governments

WHAT YOU CAN DO

Sign the Jeddah Amendment and
share coastguard data

WHAT YOU GAIN

Safer trade routes

AU and regional bodies

WHAT YOU CAN DO

Place the pool under the Djibouti Code
and IGAD

WHAT YOU GAIN

A picture of the seas owned by African
states

Social entrepreneurs

WHAT YOU CAN DO

Build tools that track ships and
measure risk

WHAT YOU GAIN

A market in maritime data

Researchers and media

WHAT YOU CAN DO

Publish shipping and insurance data

WHAT YOU GAIN

Evidence on what the crisis costs
Africa

The briefings behind this

Sector · Observed

Security and conflict

Africa's wars were discussed in side meetings with no money attached, while African armies grew and the African Union mission in Somalia ran short of cash.

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Words used on this page

The Houthis

An armed movement that controls much of Yemen, including most of its Red Sea coast. It has attacked ships in the Red Sea since 2023. [Security and conflict briefing](#) · [Glossary](#)

Bab al-Mandeb

The narrow strait between Yemen and Djibouti and Eritrea at the southern end of the Red Sea. Before 2023, about a tenth of world sea trade passed through it. [Security and conflict briefing](#) · [Glossary](#)

War-risk insurance

Insurance that covers ships against war, piracy and terrorism. A committee of London insurers, the Joint War Committee, lists the sea areas where extra cover must be bought, and its list includes Djibouti, Eritrea, Somalia and Sudan. [Security and conflict briefing](#) · [Glossary](#) · [Source: lmalloyds.com](#)

ATIDI

African Trade and Investment Development Insurance, an insurer owned by 24 African states and other investors. It insures trade and investment in Africa against risks such as war and unpaid debts. The African Development Bank became its largest shareholder in 2026. [Glossary](#) · [Source: cnbcafrica.com](#)

UN General Assembly

The meeting of all 193 UN member states, each with one vote. It meets every year from September. It can make statements, elect members of other bodies and approve the UN budget, but most of what it says does not bind governments. [Glossary](#) · [Source: un.org](#)

Djibouti Code of Conduct

An agreement made in 2009 under the UN shipping agency to fight piracy in the western Indian Ocean and the Gulf of Aden. The 2017 Jeddah Amendment widened it to cover trafficking, illegal fishing and other crimes at sea. [Security and conflict briefing](#) · [Glossary](#) · [Source: imo.org](#)

African Risk Capacity

An African Union agency, set up in 2012, that helps governments plan for and respond to droughts and other disasters. Its sister company sells drought insurance to African governments and pays out when agreed conditions are met. [Our recommendation on this](#) · [Food and agriculture briefing](#) · [Glossary](#) · [Source: arc.int](#)

African Union (AU)

The organisation of 55 African states, based in Addis Ababa. Its heads of state meet each February. It can suspend members after a coup. [Glossary](#) · [Source: au.int](#)

International Maritime Organization (IMO)

The UN agency that sets rules for shipping, including safety and security at sea. [Glossary](#) · [Source: imo.org](#)

African Union Commission

The African Union's secretariat. It prepares decisions for heads of state and carries them out. [Glossary](#)

IGAD

The Intergovernmental Authority on Development, a bloc of eight states in the Horn of Africa and East Africa. [Glossary](#) · [Source: igad.int](#)

Data centres and compute

Buildings full of computers that store data and run AI. Their size is measured in megawatts (MW) of electricity. "Compute" means the computing power needed to build and run AI. AI and technology briefing · Glossary