

# Military Escalation in the Gulf: Legal Consequences for Contracts, Supply Chains and Posted Employees



Since 28 February 2026, the Arab Gulf states – Saudi Arabia, the United Arab Emirates (“UAE”), Qatar, Bahrain, Kuwait and the Sultanate of Oman – have been subject to sustained military attacks by Iran. Although the Gulf states are not themselves active parties to the conflict, the attacks have triggered a cascade of disruptions: the closure of airspace across the UAE, Qatar, Bahrain and Kuwait; the blockade of the Strait of Hormuz; widespread interference with port operations; and direct strikes on industrial facilities and commercial infrastructure. The region’s role as a critical global logistics hub – anchored by Dubai International Airport, Hamad International Airport and the Port of Jebel Ali – means that these disruptions carry consequences far beyond the Gulf itself. An estimated 30,000 German nationals in the region are currently affected by the airspace closures. This briefing sets out the principal legal questions arising for German companies and their employees.

## 1. Force Majeure: Contractual and Statutory Framework

The military conflict satisfies, in principle, the conditions for force majeure under both contractual and statutory frameworks. Companies operating in the Gulf should first examine whether their existing contracts contain express force majeure clauses and, if so, whether their wording covers military conflicts, hostilities or comparable events. Following the experiences of the COVID-19 pandemic, many international commercial contracts include force majeure provisions as a matter of course. The decisive questions are whether the specific circumstances of the current conflict fall within the contractually agreed definition and what causal connection the clause requires between the triggering event and the

claimed disruption. Where no contractual clause exists, statutory provisions apply – which requires a prior analysis of the applicable governing law, which in contracts with international elements depends on whether a valid choice-of-law clause has been agreed.

Companies are strongly advised to conduct a careful legal review before notifying counterparties of force majeure or asserting rights that may not in fact exist. Equally, companies that receive force majeure notifications from their own counterparties should subject them to a rigorous examination against the applicable contractual and legal standards. QatarEnergy was among the first major players in the region to invoke force majeure in the initial days of the conflict; further notifications across the supply chain are to be expected.

## 2. Supply Chain Disruptions: Risk Management and Documentation

Given the likelihood of a prolonged disruption to regional supply chains – arising from flight cancellations, the closure of the Strait of Hormuz and the impaired operation of Gulf ports – companies should move promptly on two fronts. First, they should compile and review all contracts affected by the current situation, identifying any specific notification obligations, form requirements and deadlines, including those owed to third parties such as insurers and lenders. Missing contractual deadlines – whether for force majeure notifications, claims, or performance milestone communications – can result in the irreversible loss of legal rights, even where the underlying disruption is beyond dispute.

Second, companies should proactively engage all partners across their supply chains at an early stage to understand mutual expectations and obligations and to manage them in a structured manner. Where alternative routes or contingency measures are available – for instance, rerouting cargo via Sohar in Oman – these should be considered and their implementation documented. Contemporaneous records of the conflict's impact and of mitigation steps taken will form the evidential foundation for any subsequent claims or defences, whether in negotiation or in formal dispute proceedings. Insurance notifications and coverage reviews – particularly for war risk exclusions under standard cargo and construction policies – should be initiated without delay.

## 3. Employer Duty of Care and Repatriation Obligations

German employers who have posted employees to the Gulf states are subject to a positive duty of care under German law, anchored in Section 618 of the German Civil Code (“**BGB**”) and the general principles of occupational safety legislation. This duty requires employers to protect, to the extent possible and reasonable, the personal safety and well-being of posted employees. In the context of international postings, the duty of care regularly extends to the accompanying family members of posted staff.

Where a posted employee expresses a wish to leave the conflict zone and viable departure routes exist, the employer is in principle obliged to actively support the employee's departure. This encompasses the booking of flights or alternative transport to the nearest safe country, the provision of temporary accommodation and – critically – the release of the employee from the obligation to perform work for the duration of the evacuation. Beyond evacuation support, employers should give immediate consideration to work-from-home arrangements for employees remaining in the region, the organisation of local transport to and from the workplace, protective measures at the work location itself, and the identification of an always available point of contact for posted staff. Employers who delay or refuse such support expose themselves to significant liability exposure.

With respect to locally engaged employees in the Gulf states, duty-of-care obligations also apply but are governed by the applicable local employment law rather than German law. These obligations do not extend to supporting local employees in departing the country. Whether and to what extent salary claims continue during a conflict-related operational standstill depends on the applicable local labour law and the specific terms of the individual employment contract.

#### **4. Government Repatriation Obligations**

From a public law perspective, the question arises whether the German Federal Government bears a legal obligation to evacuate German nationals from the Gulf states. The German government has to date announced that a military evacuation is not possible given the closure of the regional airspaces, while also indicating that repatriation measures for vulnerable groups have been initiated. As a matter of constitutional law, Article 2(2) sentence 1 of the Basic Law (Grundgesetz) guarantees the right to life and physical integrity and obliges the state to take protective measures to safeguard it. The Federal Government retains broad discretionary powers as to the form and manner in which it fulfils these protective obligations. However, a further deterioration of the security situation – particularly if a concrete and demonstrable threat to the lives of German nationals were to arise and adequate protection on the ground

were no longer available – could narrow that discretion to such a degree that comprehensive repatriation measures would become legally required. Beyond constitutional obligations, the Consular Act (Konsulargesetz) and the Foreign Service Act (Gesetz über den Auswärtigen Dienst) provide the relevant statutory framework governing consular protection and assistance to Germans abroad.

#### **5. Outlook and Conclusion**

The military escalation in the Gulf confronts German companies and their legal teams with an urgent and multi-layered set of obligations. The immediate priorities are clear. Force majeure notifications must be assessed and, where appropriate, issued without delay, in strict compliance with applicable contractual timelines and formal requirements. All contracts affected by the conflict should be reviewed systematically and relevant deadlines identified. Proactive engagement with counterparties, insurers and lenders is essential, both to preserve legal positions and to manage relationships during a period of exceptional volatility.

On the employment side, employers must act decisively. Employees who wish to leave the conflict zone are entitled to active support, and the practical and financial dimensions of that support – transport, accommodation, release from work obligations – should be organised without hesitation. Work-from-home arrangements, local protective measures and crisis communication structures should be put in place for those remaining in the region.

For now, the imperative is to manage the immediate legal and human conse-

quences of the conflict with care, precision and the urgency the situation demands.

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