

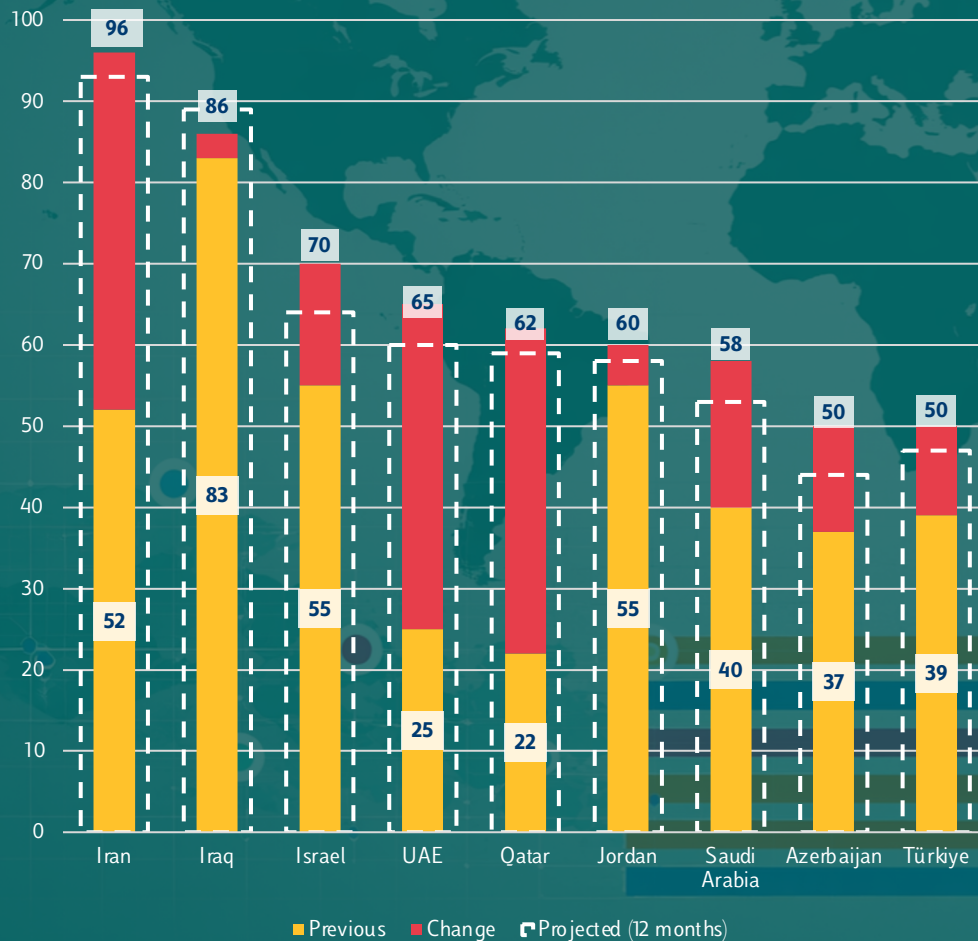
# Latest Updates

20 March 2026

## GRO Risk Index

This short note highlights some of the main findings emerging from the latest round of our geopolitical risk monitoring and forecasting across 48 countries. It offers a glimpse into the granular analysis that feeds into the “heat maps” of the world that appear on the GRO website.

# Security challenge levels in the Middle East



**Israel and the US started massive air attacks on Iran on 28 February.** Iran soon responded by targeting regional allies of the US with missiles and drones. The graph on this page shows how, in our estimation, the security challenge has increased across several Middle Eastern countries. The red portion of the bars indicates changes since the start of military operations. The dotted line represents where we see the level of security challenge in the next 12 months.

# Security challenge levels in the Middle East | Country Briefs

## **Iraq**

Local pro-Iran militias are attacking US-linked and other international targets, while US forces are simultaneously conducting strikes against militia positions on Iraqi soil. US operations have targeted the local bases of the Popular Mobilization Forces (PMF), an Iranian-backed paramilitary umbrella group. At the same time, Iran-aligned militias have struck Iraqi military sites, as well as US diplomatic and military facilities in Baghdad and Erbil. Foreign-operated energy assets in Basra and Iraqi Kurdistan have also come under attack, disrupting production and export logistics through both Iraq's southern maritime route and the northern corridor to Ceyhan. These dynamics are likely to continue for now, triggering staff evacuations and disruption to business operations and supply-chains.

## **United Arab Emirates (UAE)**

In retaliation against US-Israeli attacks, Iran has launched more than 1,800 missiles and drones at the UAE. While air defences repelled most of those, the resulting debris have killed eight people and caused property damage. Attacks have also targeted an oil facility on the east coast of the country, and resulted in the brief closure of UAE airspace.

## **Qatar**

After US-Israeli attacks, Iran has targeted Qatar with dozens of daily drone and missile strikes. Attacks have targeted US military infrastructure, specifically the Al Udeid Air Base, as well as residential areas and Hamad International Airport. On 18 March, Qatar's Ras Laffan LNG production facility, which is the world's largest, suffered serious damage.

## **Türkiye**

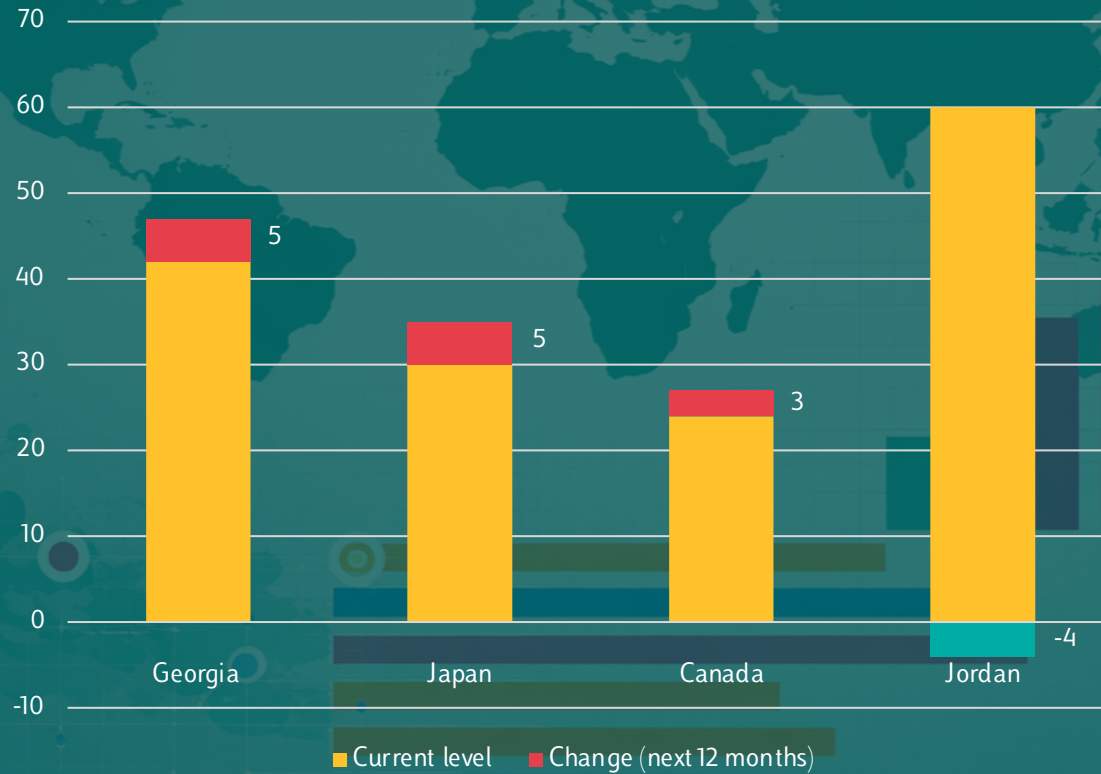
Since the start of the US-Israel attacks on Iran, Iranian retaliatory actions have included missile launches that triggered air-defence responses over Turkish territory and caused temporary security alerts. Although this has not affected Türkiye's main commercial centres, such incidents have generated short-term disruptions and heightened security measures, with effects on transport, logistics and aviation.

## **Saudi Arabia**

Iran's retaliatory strikes amount to a sustained campaign of drone and missile attacks targeting Saudi infrastructure. Despite effective interceptions, such as the defence of the Ras Tanura refinery, these attacks have disrupted operations. Also, Iran has threatened maritime traffic through the Strait of Hormuz, heavily disrupting energy exports, supply chains and financial stability.

# Regulatory challenge, expected changes

The graph below highlights countries where we expect changes in the business regulatory environment over the next 12 months:



# Regulatory challenge, expected changes | Country Briefs

## Georgia (+5) 🇧🇪

On the 24th of February, the UK sanctioned two pro-government Georgian broadcasters. Relations with Western partners are to worsen further and to precipitate further sanctions. Indeed, a European Union proposal emerged in early February on how Georgian oil ports might be added to the sanctions list in the near future.

## Canada (+3) 🇨🇦

The approaching 2026 USMCA/CUSMA review could weaken the competitiveness of Canadian exports by adding new regulatory requirements, such as stricter rules of origin. Some members of CUSMA may decide to exit the agreement, leading to rising trade barriers and to lower levels of standardization across trading partners.

## Japan (+5) 🇯🇵

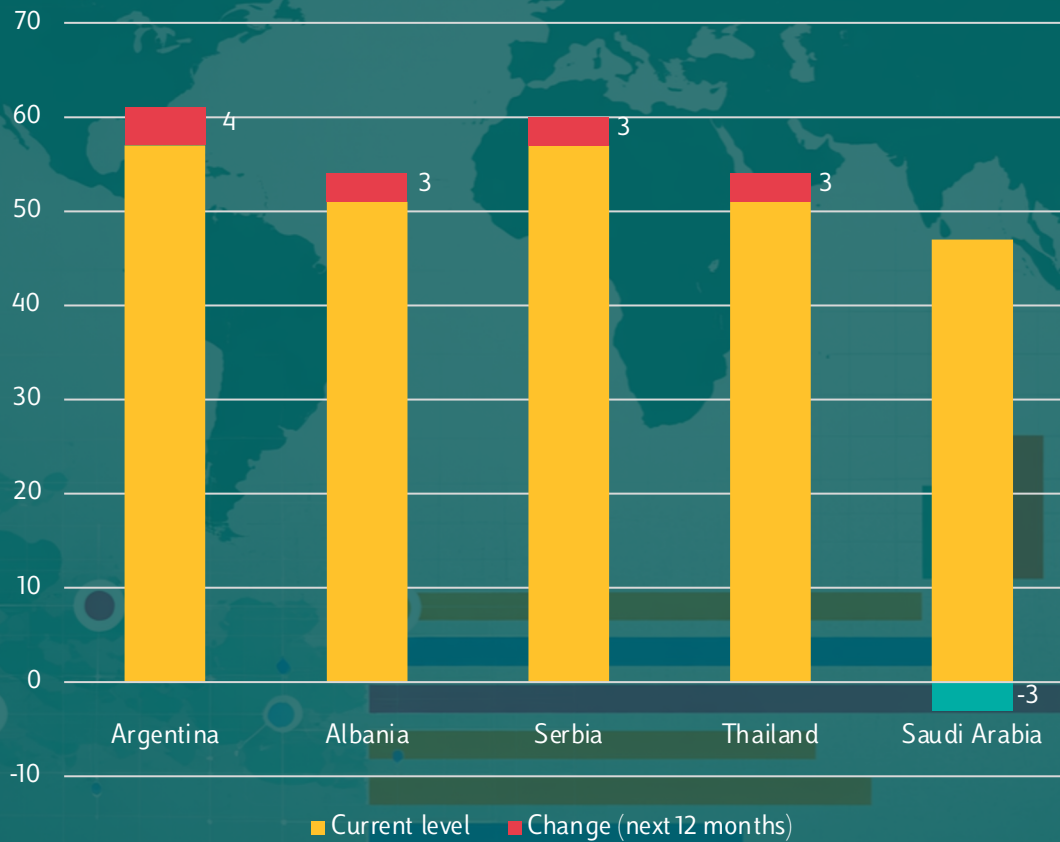
The government is likely to introduce new restrictions on foreign purchases of land and other sensitive assets. This fits within a broader trend for tighter screening of foreign investment in strategic sectors.

## Jordan (-4, improvement) 🇯🇴

The successful outcome of the first EU–Jordan Summit on 8 January has already delivered a tangible result with the EU preparing an investment conference on Jordan scheduled for April. This initiative is expected to facilitate new agreements and improve the regulatory and operational environment for EU investors.

# Governance challenge, expected changes

This last graph highlights countries where we expect changes in the quality of governance over the next 12 months:



# Governance challenge, expected changes | Country Briefs

## **Saudi Arabia (-3, improvement)**

The government maintains a strong commitment to Vision 2030 and to attracting FDI, leveraging centralized control. We expect a strengthening of anti-corruption efforts, led by the National Anti-Corruption Commission (Nazaha), as part of this strategy. This will particularly apply in the areas of public procurement and tenders issued by the Public Investment Fund (PIF), Saudi Arabia's sovereign wealth fund.

## **Albania (+3)**

Beyond the protests that recently took place, themselves a result of a rather panoptic corruption scandal, the government has stated the intention of changing criminal procedure rules in order to limit the ability of the courts to suspend ministers under investigation. This will likely come to fruition and further weaken judicial independence and rule of law.

## **Serbia (+3)**

The passing of controversial judicial amendments confirm the weakness of institutional constraints against corruption. This permissive environment will likely lead to a further weakening of the rule of law. Arbitrary regulations and biased court decisions become marginally more likely for business.

## **Thailand (+3)**

The political system will likely continue to see polarized contestation among political factions, legal challenges surrounding elections, and the influence of entrenched vested interests. These dynamics will likely boost legal uncertainty and complicate the implementation of needed economic reforms.

## **Argentina (+4)**

Continued executive assertiveness, labour activism, political polarisation and institutional contestation will likely result in higher regulatory uncertainty for firms.



Please, get in touch to learn more about our methodology and how we can provide geopolitical risk monitoring tailored to your organization.



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