

LNG PCC 2026

LNG Producer-Consumer Conference

LNGPCC2026

Advancing LNG
for the Future:
Resilience and Reliability

Discussion Paper for the LNGPCC 2026

September 11, 2026



METI

Ministry of Economy, Trade and Industry

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The History of LNGPCC

LNGPCC is an international LNG conference initiated by Japan's Ministry of Economy, Trade and Industry (METI). The inaugural LNGPCC in 2012 brought together a wide range of stakeholders from producing and consuming countries for the first time. Over the ensuing decade, LNGPCC served as an important global forum to discuss issues concerning supply stability, energy security, and the development of the LNG market.

The Theme of LNGPCC 2026

The LNG Producer Consumer Conference was launched in 2012 as a common platform for deepening cooperation between LNG producers and consumers and is a globally recognized international conference in the field of LNG. This 15th conference is the fourth to be co-hosted with the International Energy Agency (IEA).

The international energy landscape, shaped by the 2022 energy crisis and the recent geopolitical tensions in the Middle East has highlighted the uncertainties and vulnerabilities in the global energy market, including the LNG market. Over the medium to long term, geopolitical risks, economic growth prospects, and the progress of clean energy development are the main factors driving market uncertainty. Recent disruptions, often characterized by supply-demand imbalances, have once again underscored the importance of close public-private cooperation and strong international cooperation. To address this uncertainty and meet the increasing energy demand driven by economic growth, while advancing energy security, affordable access to energy, and climate change mitigation in an integrated manner, natural gas and LNG will continue to play a crucial role. Ensuring the safe and stable supply of LNG requires indispensable cooperation between the public and private sectors. The LNGPCC serves as a platform to facilitate discussions between both sectors on the direction of future LNG initiatives.

The 15th LNGPCC will be held under the theme of "Advancing LNG for the Future: Resilience and Reliability" and aims to promote multifaceted discussions on ensuring a stable supply of natural gas and LNG, strengthening regional resilience through enhanced cooperation, as well as the evolving role of LNG and related technical challenges. The Conference will be held in person and is expected to foster dynamic discussions and networking among all stakeholders.

IEA-METI 2-Year (2024-2026) Gas Security Work Programme

The 2022-2023 energy crisis caused widespread disruption in the global energy market and served as a stark reminder of the challenges associated with the energy trilemma: the need to balance energy security, affordable energy prices and climate action simultaneously. As it was recognized in the Joint Chair Summary of LNGPCC 2024 by METI and the IEA:

- LNG-fired power generation can help provide security and flexibility for electricity grids, for example by balancing the intermittency of variable renewables, such as wind and solar.
- LNG can meet energy demand and support the transition away from coal in emerging and developing economies across Asia, Africa, and other parts of the world.
- LNG infrastructure, with its already established supply chain, has the potential to be repurposed to support the development of low-emission gases, such as biomethane and e-methane.

To prevent the recurrence of past crises, the IEA, together with its member countries, has been discussing ways to enhance its role in gas security, including by providing transparent and easily accessible information and developing measures that contribute to global gas security. These topics are being widely discussed within the IEA's Natural Gas and Sustainable Gases Security Working Party (GWP), which was originally established as the temporary Task Force on Gas Market Monitoring and Supply Security in 2022 in response to the crisis.

At LNGPCC 2024, METI and the IEA launched a two-year work programme on gas supply security and the role of gas and LNG in the energy transition. The aim of the work programme is to reduce the risk of a recurrence of the 2022-2023 energy crisis and to foster global gas security alongside an orderly energy transition. To achieve these goals, the programme began with a comprehensive analysis of the 2022-23 crisis and the lessons learned from that experience. Based on these findings, further investigation into gas reserve mechanisms, a broader concept that includes various measures to stabilize gas markets, was implemented. The importance of gas reserve mechanisms was recognized in the 2024 IEA Ministerial Communiqué and further reaffirmed in the 2024 G7 Climate, Energy and Environment Ministers' Meeting Communiqué.

In an effort to more comprehensively inform investment decisions, the IEA continues assessing long-term gas and LNG demand through the scenarios that will be presented in WEO 2026, as natural gas demand faces a wide range of uncertainties. In addition, the IEA and METI are collaborating to explore the sources of greenhouse gas emissions that occur along the LNG supply chain and to evaluate the opportunities and costs of reducing these emissions. By providing an overview of emissions from the LNG supply chain and investigating mitigation options, the LNG industry can develop pathways to achieve emission reduction. In this context, international cooperation among all stakeholders, including industry, governments and international organizations, is essential. METI, together with global partners including the IEA, will continue to support the implementation of the Coalition for LNG Emission Abatement toward Net-zero (CLEAN initiative) to enhance international cooperation and explore the possibility of introducing a verification mechanism.

The following is a list of completed and expected deliverables from this work programme.

1. Gas Market Lessons from the 2022-2023 Energy Crisis

- Online workshop (February 2025)
- Orbital event ahead of the IEA Summit on the Future Energy Security (April 2025)
- Draft report (LNGPCC 2025)
- Final report (October 2025, shortly before G7 Ministerial Meeting on Climate, Energy and Environment 2025)

2. Gas Reserve Mechanisms and Flexibility Options: Enhancing Gas Supply Security in a Changing Global Market

- Online workshop series (starting February 2025)
- Orbital event ahead of the IEA Summit on the Future Energy Security (April 2025)
- Final report (LNGPCC 2026)

3. Sensitivity Analysis of Long-Term Gas and LNG Demand

- WEO 2024 publication and scenario development (October 2024)
- WEO 2026 publication and scenario development (November 2026)
- Final report (February 2027)

4. Assessing emissions from LNG supply and abatement options

- Online workshop series and dialogue with industry (starting March 2025)
- Interim report (LNGPCC 2025)
- Final report (LNGPCC 2026)

Abstracts of key deliverables

Gas Market Lessons from the 2022-2023 Energy Crisis

The 2022-2023 energy crisis tested the resilience of global natural gas and LNG markets with a major gas supply shock following Russia's full-scale invasion of Ukraine. From seemingly regional roots, the crisis impact was felt globally and immediately as Europe sought to attract alternative supply to help compensate for the drastic reduction in Russian pipeline gas imports. While LNG played a central role in rebalancing the European – and global – market through a rapid reorganisation of flows in response to global price signals, consumers nonetheless faced severe competition for available LNG cargoes, record-high gas prices and outright demand destruction where supply scarcity could not be softened by fuel switching.

The crisis offers five broad lessons to strengthen preparedness for future gas market shocks. These lessons are presented in the IEA report *Gas Market Lessons from the 2022-2023 Energy Crisis*, published in October 2025 as part of the IEA-METI Gas Security Work Programme for 2024-2026.

The market environment has become structurally and geopolitically more complex

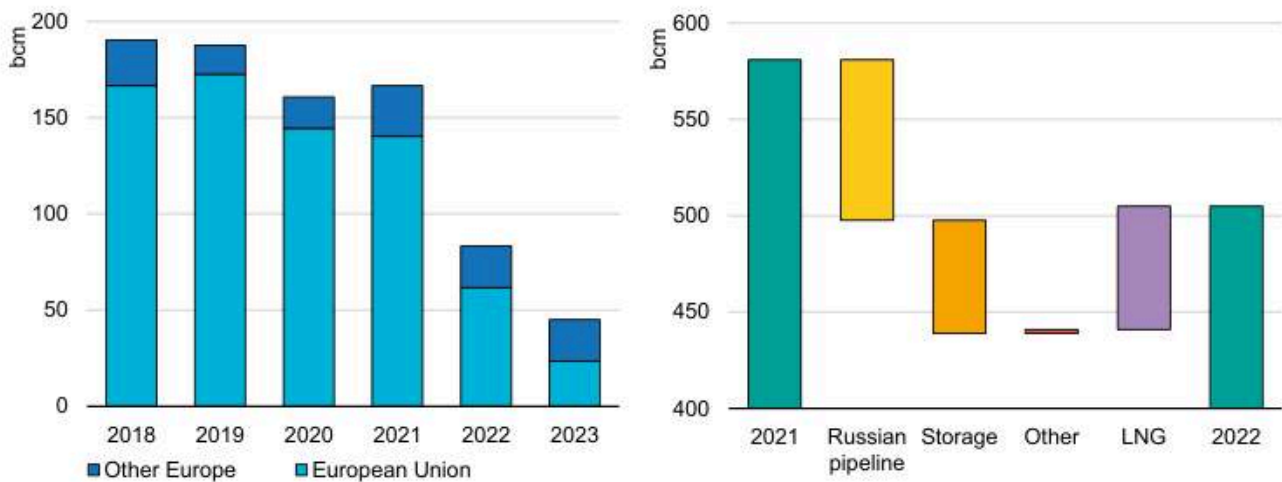
The crisis stemmed from a steep reduction in Russian pipeline gas supplies to Europe, which had previously provided a flexible, price-responsive source of supply for the European and, indirectly, the global gas market.

Europe rebalanced its market with the help of incremental LNG imports, but these were not new volumes on the global market, only cargoes that shifted their destination away from other buyers amid intense buying competition. While LNG trade is highly price-responsive, it offers little upside production potential and is therefore ill suited – on its own – to replacing the flexible gas supply capacity lost during the crisis.

As recognized by IEA ministers, who underscored the importance of well-functioning global LNG markets and gas storage and reserve mechanisms and called on the IEA to explore ways to enhance flexibility, transparency and security of supply, developing new gas reserve mechanisms will be key to safeguarding market flexibility and the security of global gas supply during future market shocks. This is the focus of the IEA report *Gas Reserve Mechanisms and Flexibility Options: Enhancing Gas Supply Security in a Changing Global Market*.

Russian pipeline natural gas exports to Europe, 2018-2023

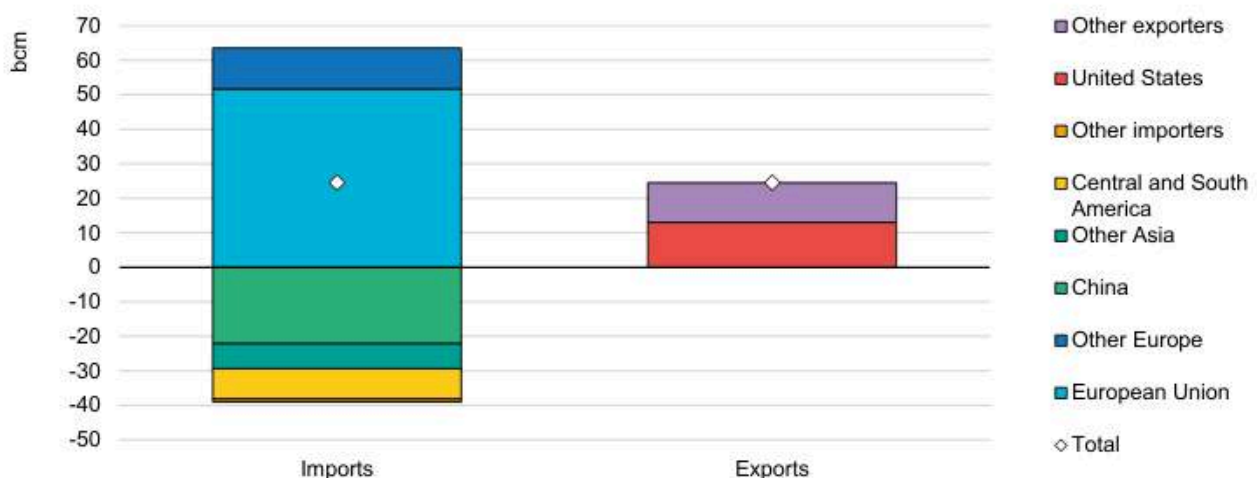
Changes in European gas supply, 2022 vs. 2021



Co-operation and co-ordination can help ease the zero-sum dynamics of LNG market balancing

Rebalancing the global gas market through the 2022-2023 crisis highlighted the zero-sum nature of shifts in LNG trade flows in response to pricing signals, particularly in tight market conditions. Although competition may be inevitable in a market system, strengthening co-operation and co-ordination among importers and suppliers can help avoid the worst impacts of bidding wars and increase transparency on how the market balances in crisis periods. Importantly, these co-operative developments should take place ahead of potential future supply shocks.

Year-on-year change in global LNG exports and imports by key region, 2021-2022



Source: IEA analysis based on ICIS (2026), [ICIS LNG Edge](#).

Infrastructure needs are likely to be greater in a less certain energy landscape

Infrastructure remains a key pillar of liquid and flexible gas markets, providing opportunity for trade, supply optionality and the smoothing of bottlenecks in the gas supply chain. In a structurally more fragile energy landscape, targeted infrastructure redundancy along the gas value chain can act as an insurance policy, much like the rapid installation of floating storage and regasification units across the European Union in response to the 2022-2023 crisis.

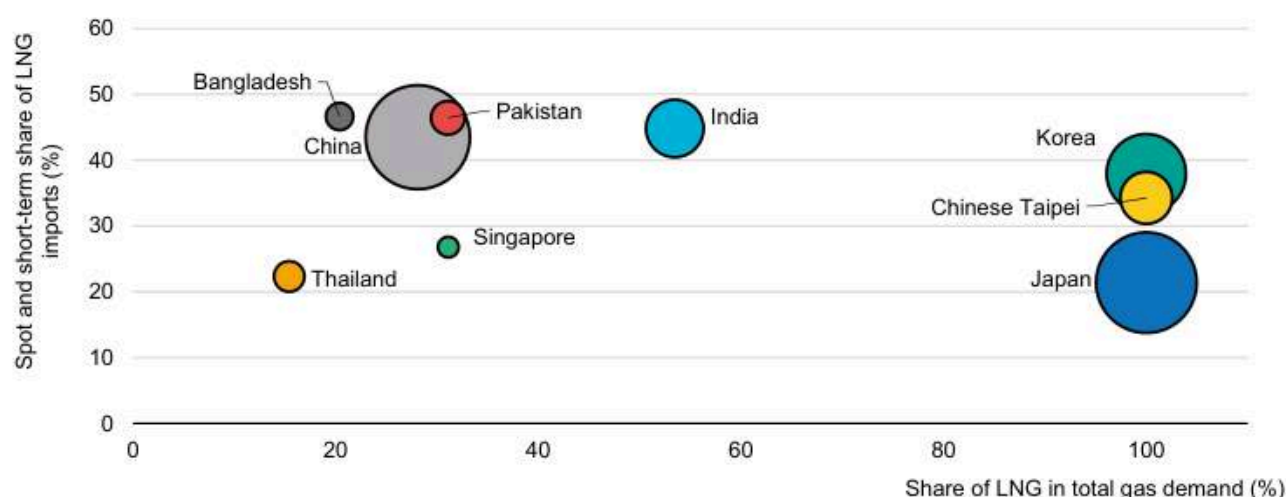
Careful analysis of the costs and benefits of mobilising investments in gas and wider energy infrastructure – or extending certain legacy infrastructure lifespans – within countries' long-term energy planning will be key in unlocking the potential redundancy value of infrastructure in responding to gas market shocks.

LNG portfolio structuring is key in achieving supply security goals

Contracting strategies will vary across gas market actors, but contractual and pricing terms in an LNG supply portfolio must reflect the intentions of actors' supply strategies and the risk – with respect to both price and volume – that buyers are ready to take.

The 2022-2023 supply shock highlighted how different contracting strategies led to different impacts across importing regions. Japan's access to LNG during the crisis was largely unaffected and average prices remained below prevailing spot indices thanks to a large share of long-term contracts indexed to oil prices. A predominance of short-term and spot-sourced volumes in Europe, however, meant that attracting volumes that were not secured under long-term deals came at a significant cost. Other markets, like smaller importers in Asia, did not have the purchasing power to retain volumes that they previously accessed in more benign spot market conditions.

Exposure to LNG and spot LNG, 2019-2021



Source: IEA based on data from [GIIGNL \(2026\)](#).

Note: Average rates shown for the 2019-2021 period. Bubble size represents LNG imports in 2021.

Energy affordability is paramount to energy security

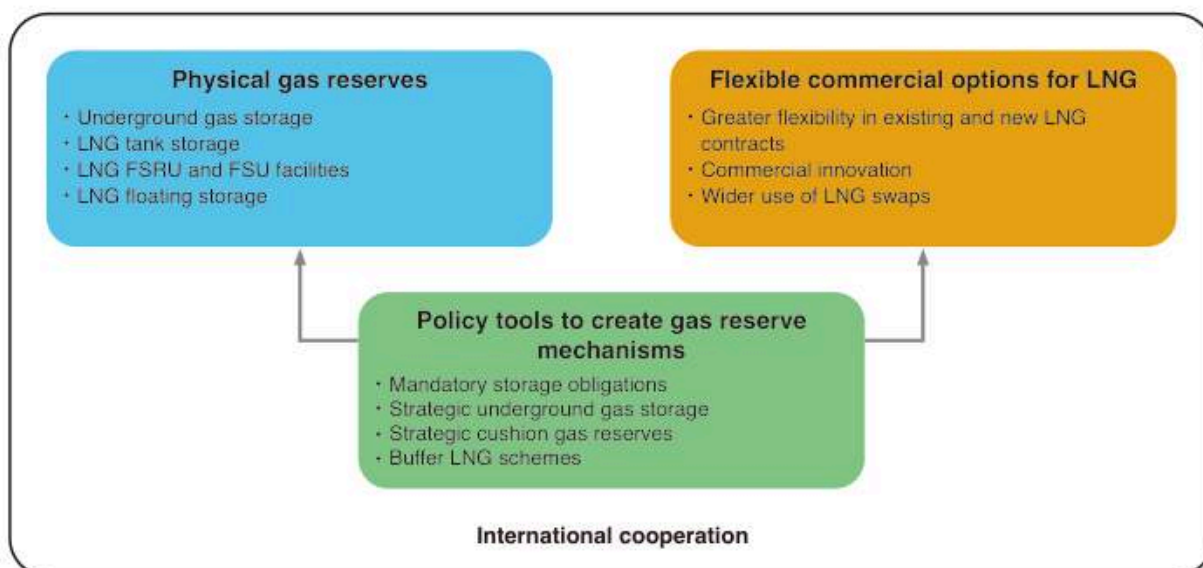
Balancing supply and demand purely through market price signals during crisis periods can have significant political and social repercussions. High spot prices in the 2022-2023 crisis made LNG inaccessible to some buyers, weighing heavily on national current account balances and creating a strain on consumer countries' economic fabric.

Governments will seek to shield their most vulnerable consumers from the worst effects of such crises, but finding the right balance between affordability and demand response measures – without undermining either of the two – will be key in bolstering security of supply. Addressing these issues beyond the national sphere will be key in enhancing the market's collective capacity to respond to future crises.

Gas Reserve Mechanisms and Flexibility Options: Enhancing Gas Supply Security in a Changing Global Market

As part of the IEA-METI Two-Year Gas Security Work Programme for 2024-2026, the IEA has undertaken a comprehensive study on gas reserve mechanisms and flexibility options that can strengthen gas system resilience against short-term supply disruptions. Focusing on practical measures that can be implemented over the next five years, the report examines how gas-importing countries can enhance supply security through a combination of physical reserve assets, flexible commercial arrangements, and policy-based mechanisms, complementing longer-term efforts to diversify supply sources and expand gas infrastructure. The report's release was timed to coincide with LNGPCC 2026 in the hope that it will advance the dialogue on gas supply security and foster deeper international cooperation on voluntary gas reserve mechanisms among like-minded importers and exporters of LNG.

Overview of gas reserve mechanisms and flexibility options



Recent gas crises exposed key vulnerabilities

Over the past five years, two major gas supply crises—the 2022-2023 energy crisis following Russia’s invasion of Ukraine and the disruption of LNG flows through the Strait of Hormuz during the 2026 Middle East conflict—have fundamentally challenged long-held assumptions about gas supply security. These crises demonstrated that events previously considered extreme can materialise with significant consequences for import-dependent economies in both Europe and Asia. While well-functioning gas and LNG markets remained the first line of defence, allowing supplies to be redirected towards regions with the greatest need (and ability to pay) through market signals and international trade, the crises also showed that market mechanisms alone may not always be sufficient during periods of acute stress. Intense competition for limited LNG cargoes can lead to extreme price volatility, amplify economic impacts and, in some cases, fail to prevent physical shortages.

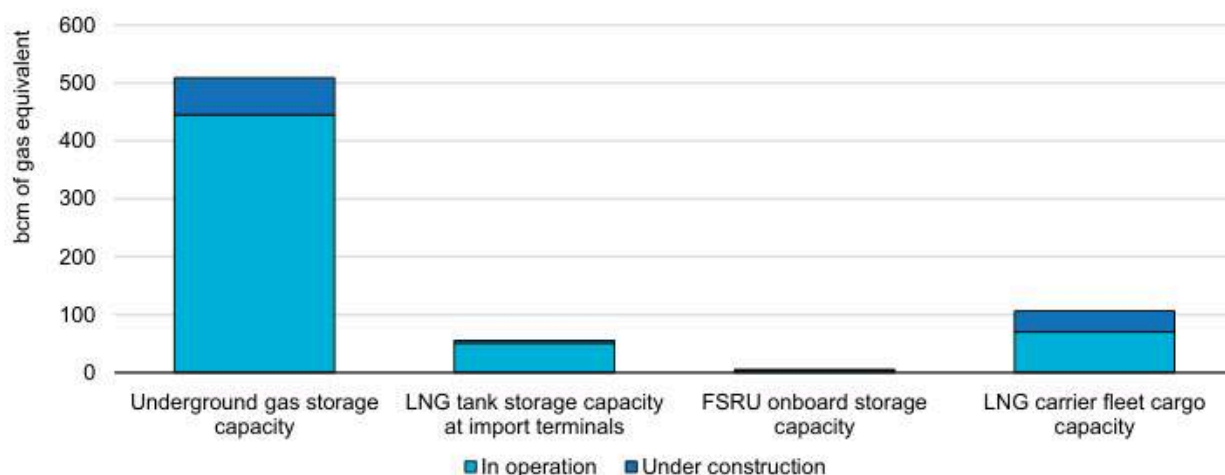
A more complex global gas market

The global gas market has become structurally and geopolitically more complex in recent years. Increased geopolitical risks, greater trade fragmentation, stronger weather sensitivity of gas flows and demand, and reduced supply flexibility—particularly following the loss of pipeline import optionality in Europe—have increased the risk of future supply disruptions. Although a wave of new LNG supply is expected later this decade, a more comfortable market balance should not lead to complacency. Instead, it provides an opportunity not only to underscore the importance of LNG supply diversification, but also to strengthen resilience, build strategic buffers and deepen international cooperation before the next major disruption occurs.

Physical reserves remain a cornerstone of gas security

Physical gas reserves play a vital role in strengthening gas security, but existing storage assets alone cannot fully address future supply risks. Underground gas storage, LNG tanks and floating storage facilities all contribute to system resilience, although their effectiveness is constrained by geography, infrastructure, commercial incentives and technical limitations. Expanding storage capacity also requires significant investment and long lead times. Physical reserves therefore need to be complemented by greater commercial flexibility and appropriate policy mechanisms to strengthen overall system resilience.

Physical storage capacity in operation and under construction worldwide, end of 2024



IEA. CC BY 4.0.

Source: IEA analysis based on data from the International Group of Liquefied Natural Gas Importers (GIIGNL), Annual Report 2025, and CEDIGAZ (2026), UGS Dataset.

Commercial flexibility can be further strengthened

Commercial flexibility is an essential complement to physical reserves. More flexible LNG contracts, commercial innovation and wider use of LNG cargo swaps can improve the allocation of available supply during market disruptions, strengthen overall market flexibility, enhance system resilience and help moderate price volatility without requiring major new infrastructure investments.

Tailored policy mechanisms can further strengthen resilience

Policy-based reserve mechanisms can make a meaningful contribution to gas security, but they should be tailored to national circumstances rather than follow a single model. Policy options such as mandatory storage obligations, strategic reserves and buffer LNG schemes each offer distinct advantages but also involve different costs, governance arrangements and operational trade-offs. Beyond domestic policies, there is considerable scope to strengthen gas security through cross-border reserve arrangements, shared infrastructure, coordinated emergency planning and greater knowledge sharing. Combining national measures with regional and international cooperation can improve resilience while making more efficient use of existing assets.

Closer international cooperation is essential for strengthening gas security

International cooperation, as a complement to national measures, is essential to strengthening gas security in an increasingly interconnected but geopolitically complex gas market. While the IEA's oil emergency response framework cannot be

directly replicated for natural gas, it provides valuable lessons for developing voluntary gas reserve mechanisms. Governments can advance international cooperation by strengthening coordination and dialogue, increasing transparency, enhancing market flexibility and jointly exploring new types of gas reserve mechanisms.

Gas market resilience comes at a cost

Strengthening gas market resilience comes at a cost. Maintaining strategic reserves, securing commercial flexibility and preserving unused capacity all require investments that are ultimately borne by consumers, taxpayers or market participants. However, recent crises have shown that the economic and social costs of inadequate preparedness can be substantially higher. Investments in resilience measures are akin to an insurance policy: while the upfront premium may never be recovered, it can provide significant value when highly disruptive events occur unexpectedly.

No one-size-fits-all model for gas security

There is no single model for strengthening gas security. Countries differ in their resource endowment, infrastructure, geography, import dependence, market design, and regulatory frameworks. Therefore, the most appropriate mix of physical reserve mechanisms, commercial flexibility, and policy tools will vary according to national market conditions, risk profiles, and security objectives. Many of the concepts presented in the report warrant further technical analysis, economic assessment, and international dialogue to better understand their costs, benefits, trade-offs, and implementation challenges. The IEA stands ready to support further analysis, knowledge sharing, and international collaboration to strengthen gas security, including through its Working Party on Natural Gas and Sustainable Gases Security (GWP). The analysis evaluates existing gas storage and reserve mechanisms globally and quantifies how they perform under disruption scenarios. It further identifies additional reserve approaches that could be implemented in line with regional market structures, policy frameworks and geographic characteristics, helping to reinforce energy security and strengthen market resilience.

Summary of recommendations

The recommendations presented in the report focus on four areas where governments can advance international cooperation on gas reserves and market flexibility:

1. Cooperation and dialogue

- Deepen cooperation through existing platforms, including through the IEA.
- Establish other consultative forums and industry advisory bodies.

- Conduct regular emergency exercises.
- Undertake joint studies on reserve mechanisms.
- Facilitate the exchange of best practices.

2. Transparency

- Establish a framework for information sharing on reserve mechanisms and policies impacting gas security.
- Strengthen data transparency via standardised and timely reporting.
- Enhance LNG contract transparency within legal and confidentiality limits.

3. Deepening market flexibility

- Support the development of LNG reloading infrastructure and third-party access.
- Establish a working group on LNG swaps.
- Facilitate the relaxation of restrictive clauses in legacy LNG contracts.
- Encourage flexibility in new LNG contracts.

4. Developing voluntary gas reserve mechanisms

- Assess the feasibility of a joint strategic gas reserve in Ukraine.
- Enable cross-border stockholding arrangements.
- Study options for strategic floating storage using existing LNG vessels.
- Evaluate the use of cushion gas as strategic reserve.
- Explore cross-regional buffer LNG schemes.
- Assess the feasibility of pooling LNG call options into a jointly managed security buffer.

Assessing emissions from LNG supply and abatement options

There is a very wide range of reported greenhouse gas emissions intensities of delivered liquefied natural gas (LNG). Even after harmonisation, methane emissions vary more than tenfold between different sources, and CO₂ emissions by a factor of nearly threefold. Building on an interim report presented at LNGPCC 2025, the IEA has released new analysis that draws on the latest and best available data, including estimates from scientific studies and measurement campaigns to provide a comprehensive overview of emissions from along the LNG supply chain.

Emissions estimates from liquefied natural gas

The IEA estimates that total GHG emissions from LNG supply in 2025 were 390 Mt CO₂-eq, excluding transport emissions of gas after regasification and combustion at the point of use. Around 70% of these emissions were CO₂, either combusted or vented, while the remaining 30% was methane that escaped unburnt into the

atmosphere. The main sources of methane were flares and leakages during production and processing, while the main source of CO₂ emissions was the energy required to liquefy natural gas, followed by upstream production and processing. Globally, the average GHG emissions intensity of delivered LNG in 2025 is estimated to be 18.6 g CO₂-eq/MJ, compared with an average of 12 g CO₂/MJ for natural gas supply. This average masks a wide range; the highest intensity LNG supply is more than four times the lowest intensity supply.

Global average emissions from LNG supply by part of the supply chain, 2025

	PRODUCTION AND PROCESSING	TRANSMISSION	LIQUEFACTION	SHIPPING	REGASIFICATION	GLOBAL AVERAGE EMISSIONS INTENSITY (g CO ₂ -eq/MJ)
% total GHG emissions	40%	11%	33%	15%	1%	18.6
% of supply chain CO ₂ emissions	27%	11%	45%	17%	1%	12.9
% of supply chain CH ₄ emissions	70%	12%	6%	10%	2%	5.7
Key technology levers to lower GHG emissions	• LDAR • CCUS • Electrification	• Electrification • Flow improvements • LDAR	• Electrification • CCUS	• Low-emissions fuels • Slow steaming • BOG recovery	• Low-emissions vaporisers • Cold energy recovery	

IEA. CC BY 4.0.

Notes: GHG = Greenhouse gas; CO₂ = carbon dioxide; CH₄ = methane; LDAR = leak detection and repair; CCUS = carbon capture, utilisation and storage; BOG = boil-off gas. Production and processing includes production, gathering, and processing. Transmission includes compression and pipeline transport to liquefaction facilities. One tonne of methane is taken to be equivalent to 30 tonnes of carbon dioxide (t CO₂) based on a 100-year global warming potential (GWP) (IPCC, 2021). Emissions intensities are based on global average figures, but intensities vary across different parts of the supply chain and by country and basin. Percentages may not add up to 100% due to rounding.

Source: IEA estimates based on scientific literature and latest available data, including measured, satellite and inferred data; data availability and quality varies widely across basins, countries and regions.

Emissions reduction opportunities and costs

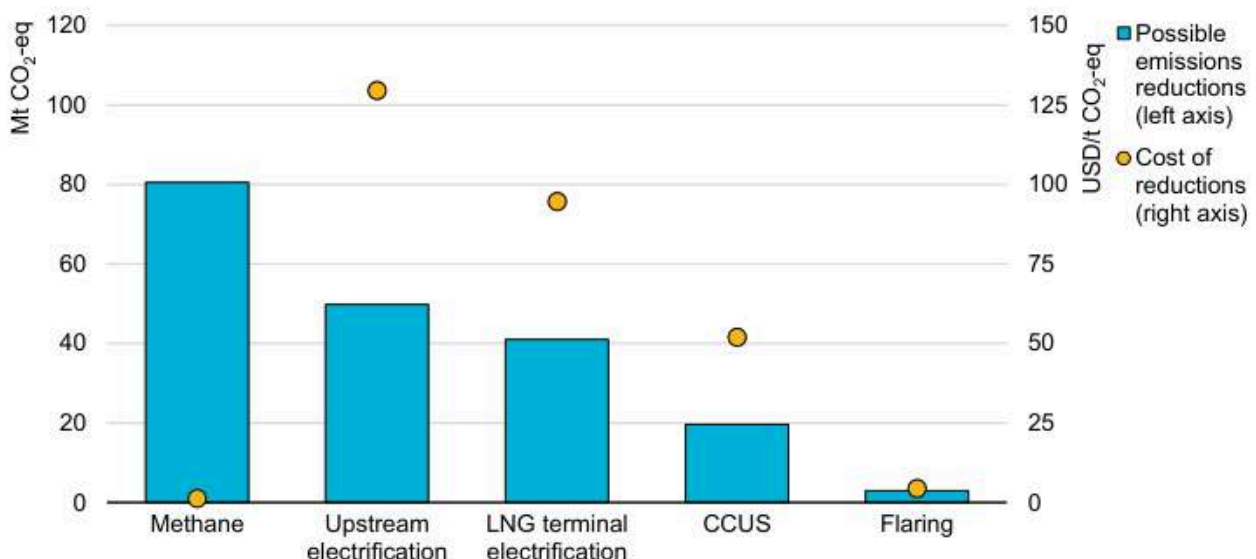
Large emissions reductions across the LNG supply chain are technically achievable today, and many measures can achieve this at low or moderate cost. Tackling methane emissions is the most cost-effective way to reduce emissions from LNG supply: reducing methane leaks can cut emissions by 80 Mt CO₂-eq, and around half

of methane emissions from LNG supply could be cut at no net cost. Deployment remains constrained by practical and commercial barriers.

More than 40% of upstream gas production sites that feed LNG terminals are located near an electricity grid, and electrifying selected liquefaction terminals could reduce emissions by around 40 Mt CO₂eq per year, while electrifying upstream facilities supplying LNG terminals could reduce a further 50 Mt CO₂eq. Upfront costs for electrification can be steep but they can also provide large cost savings that accrue over time. CCUS is under way in parts of the LNG supply chain, and the IEA estimates that a further 20 Mt CO₂ could be captured annually from liquefaction plants where naturally occurring CO₂ is separated during processing.

In total, the IEA estimates that implementing all available emissions reduction measures would require around USD 100 billion in upfront investment, 90% for upstream and LNG terminal electrification, USD 7 billion for CCUS and just over USD 5 billion for methane abatement and flaring reduction measures. Together, these measures could avoid around 200 Mt CO₂eq of GHG emissions per year, equivalent to around half of total emissions from the LNG supply chain, at a weighted average

Annual emissions reduction potential in the LNG supply chain by selected measure and global production weighted average CO₂-eq cost, 2025



IEA. CC BY 4.0.

Notes: Cost of reductions can vary widely between basins, LNG facilities, and countries. CO₂ costs shown are global averages weighted by production. Assumes electrification either through a grid connection with low-emissions electricity or a dedicated renewable electricity installation. CCUS estimates are based on capturing pure streams of naturally occurring CO₂ (not post combustion emissions) and injecting into a nearby basin. One tonne of methane is taken to be equivalent to 30 t CO₂ based on a 100-year GWP (IPCC, 2021).

cost of USD 60/t CO₂. Globally, this would add around USD 1/MBtu to the delivered cost of LNG from existing facilities, with lower costs likely for new projects that incorporate emissions reduction measures during the design phase.

Policy and finance considerations

Realising these emissions reduction potentials will depend on a combination of regulatory, voluntary and financial levers. Methane regulation has emerged as the most immediate driver of emissions mitigation in many jurisdictions, particularly in Europe, North America and Australia. Tighter requirements on measurement, reporting and verification, leak detection and repair, pneumatic equipment standards and venting restrictions can also deliver flaring reductions as a co-benefit. However, their effectiveness depends on the availability of enabling infrastructure.

Voluntary initiatives, including buyer-led performance standards, third-party assurance and certification schemes, and sector-wide commitments, are reinforcing regulatory expectations by improving transparency, comparability and profitability across LNG supply chains. Financing from private capital, public programmes and multilateral institutions is particularly important for capital-intensive measures such as CCUS, electrification and first-of-a-kind low-emissions projects. Revenue commitments, strategic equity stakes and public-private financing partnerships can further de-risk investment and enable project deployment.

What has changed since the 2025 interim report

This analysis builds on an interim report presented at LNGPCC 2025, updating the reference year from 2024 to 2025 and adding new studies and measurement data. The main developments are:

- **Wider coverage:** the final report now spans 51 upstream basins in 24 countries, 52 liquefaction and 220 regasification terminals.
- **New producers and volumes:** LNG exports in 2025 were around 30 bcm higher than in 2024, driven mainly by the United States, and new entrants Canada, Mexico and Mauritania/Senegal.
- **New data inputs:** includes four new published studies, new shipping data, and updates from the IEA's Global Methane Tracker 2026.
- **Revised results:** the global average LNG intensity has been revised down to 18.6 CO₂-eq/MJ (from 19.5 CO₂-eq/MJ in the interim report), mainly due to lower emissions from shipping and transmission.

IEA-METI 2-Year (2026-2028) Gas Security Work Programme

1. Facilitating Country-Level Engagement on Gas Security Measures and Voluntary Gas Reserve Mechanisms

Building on a report “Gas Reserve Mechanisms and Flexibility Options for a Changing Global Gas Market” published in September 2026^{*1}, this workstream aims to promote the implementation of voluntary gas reserve mechanisms in consuming countries.

International cooperation and stakeholder engagement will be advanced through roundtable events and related activities, bringing together participants from governments, industry, and academia.

Discussions will reflect national policies, geographical conditions, and other relevant characteristics, and may also identify the need for regional coordination mechanisms where appropriate. The IEA will prepare event summaries and policy recommendations for each event aimed at strengthening energy security and promoting market stability in the target countries/regions. Event summaries will be prepared by the IEA.

2. Outreach Activities

Co-organisation of the annual LNGPCC conference includes IEA contributions to conference background and summary documents, participation as keynote speakers, panelists and/or moderators at the conference, and organization of potential side-events alongside the LNGPCC.

Organisation of a gas security workshop in coordination with the GWP and the planned Gas Industry Advisory Board.

3. The Role of LNG Supply in Global Gas Security

This in-depth report is intended to examine the characteristics of, and requirements for, reliable LNG supply, as well as measures that major LNG-producing countries, such as the United States, Canada, Australia, Qatar, Indonesia, and Malaysia, can take to ensure adequate and reliable LNG supply. It will also examine pathways for buyers and governments in LNG-importing countries to support investment in gas and LNG supply in producing countries, including through equity participation, export credit agency (ECA) support, and innovative contractual arrangements, as well as opportunities to strengthen international cooperation and dialogue between exporters and importers of LNG. In addition, the report will consider options for

*1 The report provides a comprehensive analysis of gas reserve mechanisms and flexibility options that contribute to the stabilisation of gas markets in the evolving market environment following the 2022 energy crisis. It covers physical infrastructure such as underground storage and LNG tanks, contractual and commercial flexibility, and policy tools, and provides policy implications including the role of international cooperation, with a view to supporting gas-importing countries in strengthening their energy security strategies.

importing countries to assess and differentiate supply sources based on their reliability, for instance by drawing on relevant precedents and certification, accreditation, or preferred-supplier mechanisms from other industries. The report will focus on measures, mechanisms, and policy options that can plausibly be implemented by governments within the next five years, even if their effects and benefits materialise over a longer time horizon.

4. Gas in transitions

Natural gas is at an inflection point. Building on the gas field decline rate analysis report published in September 2025 (The Implications of Oil and Gas Field Decline Rates), this workstream will examine the role that natural gas and LNG have played, can continue to play in the medium to long term, the impacts of that role taking into account the characteristics and roles of coal and oil, and the policy implications, including the ongoing importance of international cooperation.

The work will look at the competitiveness of gas demand in different regions and sectors, considering pricing and investment, and fuel switching dynamics. Building on the natural gas and LNG supply-demand outlooks presented in the latest WEO, it will explore the need for ongoing upstream investment, the role LNG plays in different WEO scenarios through the lens of security of supply, and the emissions performance of different gaseous fuels, including the cost and economic efficiency of greenhouse gas mitigation options.

Annex 1.

Key Takeaways from the ERIA-PETRONAS-IEEJ Workshop on LNG security (23 July 2026, Malaysia)

The Economic Research Institute for ASEAN and East Asia (ERIA), PETRONAS, and the Institute of Energy Economics, Japan (IEEJ) co-hosted a workshop titled “The Middle East Crisis and its Impact on the Asian LNG market” in Malaysia on 23 July 2026.

As the background of the workshop, the blockade of the Strait of Hormuz has stalled LNG exports from Qatar and the UAE, which account for 20% of global LNG trade. LNG spot prices for Asia also more than doubled in March compared to pre-crisis levels, and even after the June ceasefire agreement, prices have remained higher than pre-ceasefire levels. This situation has also had a significant impact on Asian countries that have imported large amounts of LNG from Qatar and the UAE. In particular, South Asia, which is highly dependent on the Strait of Hormuz, has seen power outages or the sign of returning to coal due to LNG shortages. Meanwhile, other Asian countries are also pursuing alternative LNG procurement, but they cannot remain immune to the impact of soaring import prices. At the same time, the importance of energy security is being re-recognized, and efforts to address GHG emissions, including methane, may sometimes be regressed.

In this workshop, a total of 30 government and industry representatives from across the Asia-Pacific region participated, with the aim to frankly discuss under the Chatham House Rule about the impact and challenges of the Middle East crisis on the Asian LNG market from both the perspectives of LNG supply and demand, and to examine the ideal future LNG production and consumption relationship from multiple perspectives, including GHG emission responses and financing for LNG.



Panel 1: “Balancing Global LNG Market Stability and Domestic Energy Security”

<Key Points Raised During the Discussion>

“The Importance of Stable and Predictable Investment Policies”

- LNG projects require substantial capital investment over long periods, making predictable investment policies essential.
- At the same time, it is important for LNG-exporting countries to ensure an affordable and stable energy supply for their domestic markets, and policy or regulatory changes may sometimes be necessary in response to changing circumstances.
- To ensure both LNG supply stability and domestic energy security, any policy changes should be implemented in a predictable and gradual manner, while respecting existing projects and contractual arrangements.
- A decline in policy predictability could discourage new investment in LNG-exporting countries. Ultimately, maintaining predictable investment policies contributes to the energy security of both exporting and importing countries.

“The Resilience of Global LNG Markets”

- Even amid LNG supply disruptions caused by the closure of the Strait of Hormuz, the LNG market has demonstrated a certain degree of resilience. On the demand side, China increased pipeline gas imports and reduced LNG imports, while on the supply side, LNG supply mainly increased from countries such as the United States and Canada.
- However, whether this resilience is structural will depend on whether the supply and demand adjustment by the market mechanism continues to function effectively as demand increases from summer toward winter in the Northern Hemisphere. This will be an important test of the market's resilience.
- In fact, some Asian countries have shown vulnerability to price volatility, including by declaring energy emergencies, reducing LNG imports, increasing the use of lower-cost coal-fired power generation, and implementing rolling blackouts.
- Supply capacity and actual supply are not the same and both can be significantly affected by geopolitical developments such as the current crisis in the Middle East. Therefore, it is important not to overestimate the resilience of the market, but instead to further diversify supply sources and strengthen cooperation between producing and consuming countries, as well as between governments and companies. Long-term contracts may also be reassessed, not only as a means of ensuring stable procurement for buyers, but also as a tool for providing long-term revenue certainty for suppliers and thereby supporting supply stability.

<Summary>

- As the Middle East crisis has caused significant disruptions to LNG supply, stabilizing the LNG market has become an urgent priority. At the same time,

ensuring an affordable and sufficient energy supply for domestic markets in LNG-exporting countries has also become important. To ensure both LNG market stability and domestic energy security, the focus should not simply be on how to allocate existing domestic energy supply sources, but rather on how to expand the overall supply sources. Maintaining predictable investment policies will be essential to attracting the investment needed to achieve this.

- Although the global LNG market has demonstrated a certain degree of resilience during the current Middle East crisis, the outlook remains highly uncertain and fluid. Rather than taking a passive approach that relies on market resilience, countries should pursue proactive measures to strengthen energy security through cooperation, including the diversification of LNG supply sources.
- At the same time, ensuring both LNG market stability and domestic energy security cannot be achieved easily or overnight. Therefore, it is essential for LNG-importing and LNG-exporting countries to continue close dialogue and build mutually beneficial, trust-based relationships that can deliver win-win outcomes for both sides.

Panel 2: “Balancing Energy Security and GHG Emissions Reduction”

<Key Points Raised During the Discussion>

“GHG Emissions Reduction Measures from an Energy Security Perspective”

- Securing affordable and reliable LNG supplies and reducing GHG emissions across the LNG value chain are not mutually exclusive objectives. Both are important priorities.
- For example, the CLEAN Initiative emphasizes the introduction of effective measures, including leak detection and repair (LDAR), as well as cost-effective approaches that take into account the circumstances of individual countries and operators. Such efforts pursue a safe and stable LNG supply system and long-term energy security through dialogue between producers and consumers. Hubs such as SEA METEC also provide an important platform for companies in ASEAN countries to share knowledge and best practices and to advance their respective efforts to the next stage.
- Reducing methane leakage, venting, and flaring not only contributes to GHG emissions reduction but also prevents the loss of usable energy. These measures can often achieve significant emissions reduction relatively easily and at low cost. In addition, by selling or utilising the recovered methane, such measures may in some cases be implemented at little or no net additional cost, or may even generate economic benefits exceeding their costs.
- Effective GHG emissions reduction measures are important for ensuring that LNG can continue to be used as a sustainable energy source. In practice, it is essential to objectively identify the sources and volumes of GHG emissions and to pursue

continuous reductions based on such information. To this end, improving the visibility and sophistication of monitoring, reporting, and verification (MRV), including through satellite-based monitoring, will be important.

“Enhancing Access to Finance for LNG Projects Across the Value Chain”

- Improving the visibility and sophistication of MRV for GHG emissions is also important from a financing perspective, as it enables more objective assessments of LNG projects' emissions reduction efforts and their long-term competitiveness.
- POWERR Asia, launched by the Japanese government in April 2026, provides financial support to Asian countries in response to fuel supply shortages and supply chain disruptions caused by the Middle East crisis. In addition to emergency assistance, it can be regarded as a groundbreaking initiative that also incorporates structural measures to promote the diversification of energy sources, including LNG, and strengthen resilience. Therefore, it has the potential to provide longer-term support for the development of LNG-related infrastructure in Asia, including LNG receiving terminals, storage tanks, and pipelines.

<Summary>

- As the Middle East crisis has renewed awareness of the importance of energy security across Asia, there is a risk that efforts to reduce GHG emissions, including methane emissions, could be postponed.
- At the same time, many workshop participants emphasized that ensuring energy security and reducing GHG emissions are not mutually exclusive. Rather, measures to reduce GHG emissions across the LNG value chain can help minimize the loss of usable energy sources and, from a financing perspective, enhance the long-term competitiveness of LNG projects.
- Enhancing the competitiveness of LNG projects in this way could, in turn, help promote more affordable LNG supply and contribute to achieving both energy security and GHG emissions reduction in the Asian market.

Annex 2.

The impact of the Hormuz crisis on global gas and LNG markets

Abstract

The Middle East crisis has dealt a major supply shock to global natural gas markets. The gradual easing in market balances that had been underway since the second half of 2025 was significantly disrupted by the de facto closure of the Strait of Hormuz following the outbreak of the war in the Middle East at the end of February. The current crisis highlights the need to further strengthen the architecture of global energy and gas supply security. This will require adequate investments across the gas and LNG value chain, as well as closer international cooperation, including between LNG producers and consumers. The International Energy Agency (IEA) supports this dialogue through its continued engagement with its member and association countries, the recently established Natural Gas and Sustainable Gases Security Working Party and the LNG Producer-Consumer Conference.

The impact of the Hormuz crisis on global gas and LNG markets

Summary

The Middle East crisis has created a major supply shock for global gas markets, with Asian importers bearing the brunt of the disruption. The de facto closure of the Strait of Hormuz tightened short-term market fundamentals and constrained LNG availability in Asia, while damage to liquefaction infrastructure is reshaping the medium-term outlook for LNG supply and global gas balances.

Natural gas supply from the Middle East declined sharply in 2026, but a strong supply response from other exporters helped cushion the impact. LNG loadings from Qatar and the United Arab Emirates fell by 43 bcm year-on-year between March and July. Around two-thirds of this decline was offset by increased LNG exports from North America and Africa, highlighting the growing flexibility and diversification of global gas supply.

Natural gas prices in Asia and Europe have been highly volatile since the onset of the crisis and remain significantly above 2025 levels. Through March-July 2026, European TTF spot prices averaged USD 16.5/MBtu, up 37% year-on-year, while Asian JKM prices rose nearly 50% year-on-year to USD 18.5/MBtu. The sharper increase in Asian benchmark prices underscores the region's greater exposure to disruptions in Middle Eastern LNG supply.

Natural gas demand in Asia has declined since the beginning of the crisis amid tighter market conditions and higher prices. Preliminary data indicate that Asian gas demand fell by 3% year-on-year through March-June, reflecting both price-driven demand destruction and increased fuel-switching measures. These developments underline the disproportionate impact of the crisis on gas-consuming economies across Asia.

In the European Union, gas storage levels remain well below their historical norms, raising concerns ahead of the 2026/27 winter. At the end of July, inventories were 22% (16.5 bcm) below their five-year average. If injections continue at their historical average pace, storage sites would reach only 74% fullness by early November, marking the lowest pre-winter fill level since 2013 and leaving the region more exposed to supply and weather-related risks.

The continued disruption of LNG flows through the Strait of Hormuz during July and August has delayed the recovery of Gulf exports ahead of Q4 2026. Should these disruptions persist later into the year, global LNG trade could record its first annual contraction since 2012.

A decline in global LNG trade would have implications beyond the gas sector, reducing market flexibility and limiting the ability of LNG to balance regional supply-demand gaps. This would increase competition for available cargoes, amplify price volatility, and heighten energy security concerns among importing countries, particularly in Asia and Europe.

Global gas demand is expected to decline by around 0.5% in 2026, marking only the third annual contraction of the decade after 2020 and 2022. A prolonged disruption of LNG trade through the Strait of Hormuz could further weaken market fundamentals and result in a decline in global gas demand closer to 1%.

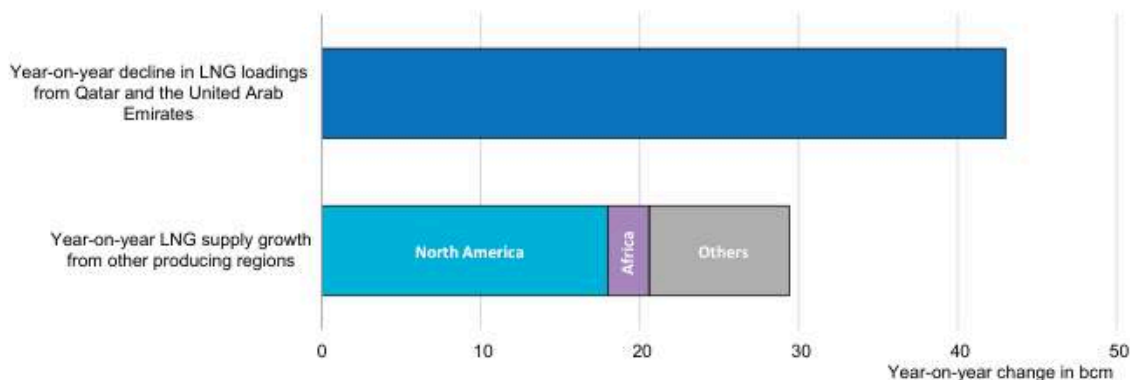
The Middle East conflict is delaying the full impact of the emerging LNG supply wave by around two years. Cumulative LNG supply losses between 2026 and 2030 are estimated at almost 150 bcm, with the majority concentrated in 2026-27.

Recent investment decisions and strengthened producer-consumer dialogue can help enhance global gas security in an increasingly uncertain market environment. Since the beginning of March, three major LNG liquefaction projects in the United States have reached final investment decisions. At the same time, closer dialogue between producing and consuming countries can improve transparency regarding supply availability, investment plans and emergency response measures, thereby reducing uncertainty and supporting a more resilient and secure global gas market.

Strong growth in new LNG supply has partially offset the decline in Gulf deliveries through July

Natural gas supply from Middle Eastern producers has plunged in 2026, but other suppliers have stepped up. Between March and July, LNG loadings from Qatar and the United Arab Emirates declined by 43 billion cubic metres (bcm) year-on-year - a reduction equal to almost half of Japan's annual natural gas consumption in 2025. However, this steep decline was partially offset by higher LNG output from new projects in North America and Africa and the improved availability of feedgas supply from legacy producers in Africa and Asia. During this period, Non-Gulf LNG production grew by around 15% (or almost 30 bcm) year-on-year, offsetting around two-thirds of the decline in Gulf LNG deliveries. Altogether, global LNG production fell by almost 6% (or nearly 14 bcm year-on-year) from March to July.

Year-on-year decline in LNG loadings from Qatar and the United Arab Emirates compared with year-on-year LNG supply growth from other producing regions, March-July 2026



IEA. CC BY 4.0.

Source: IEA analysis based on ICIS (2026), [LNGEdge](#).

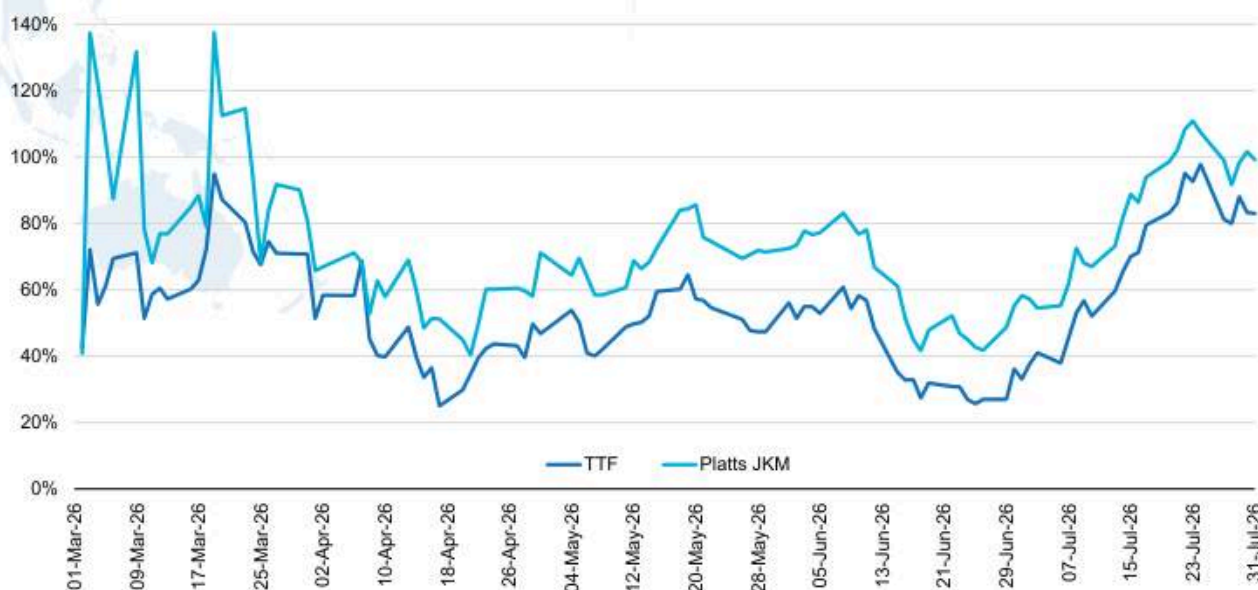
To help fill the gaps, exporters have adopted measures aimed at boosting LNG supply. In March, the US government authorized the Plaquemines LNG plant to increase its exports by 13% (or 4.6 bcm/year) to both free trade and non-free trade agreement countries. The Elba Island LNG plant was authorized in early April to increase its exports by 22% (or 0.8 bcm) to non-free trade agreement countries. Australia and Singapore issued a Joint Statement on Economic Resilience and Essential Supplies in early April to support the flow of essential goods, including LNG.

Natural gas prices in Asia and Europe have displayed strong volatility since the start of the crisis and remain well above their 2025 levels

Spot prices in Asia and Europe reacted swiftly to the supply disruption caused by the effective closure of the Strait of Hormuz. In March, they reached their highest monthly averages since January 2023 (during the 2022-2023 gas supply crisis). While prices softened in the second quarter of 2026, they rose sharply in July amid renewed geopolitical tensions and remained well above their 2025 levels in early August. In Europe, TTF spot prices rose by 37% y-o-y to an average over to USD 16.5/MBtu through March-July 2026 – their highest seasonal price level since 2022. The steep decline in LNG inflows (down by almost 13% y-o-y) provided strong upward pressure on natural gas prices. The market uncertainty created by the sudden loss of almost 20% of global LNG supply supported strong short-term price variability. TTF month-ahead price volatility during March-July 2026 was significantly above its ten-year average^{*2}, reflecting the broader market uncertainty. Seasonal price spreads on TTF averaged EUR -1.45/MWh (or USD 0.5/MMBtu) during the April-July period (with winter contracts trading at a discount to spot prices), which reduced the commercial incentive for underground storage filling.

^{*2} TTF month-ahead price volatility averaged close to 90% through March-July 2026, standing 50% above its ten-year average.

Percentage change in TTF month-ahead and Platts JKM prices compared with 27 February 2026, March-July 2026



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Sources: IEA analysis based on CME (2026), [Dutch TTF Natural Gas](#) and S&P Global (2026), [Platts Connect](#).

In Asia, Platts JKM prices followed a similar trajectory. Asian spot LNG prices rose by close to 50% y-o-y to an average of over USD 18.5/MBtu during the March-July period, their highest seasonal level since 2022. The disruption to LNG flows via the Strait of Hormuz provided upward pressure on Asian spot LNG prices. JKM month-ahead price volatility during March-July 2026 was significantly above its ten-year average^{*3}, reflecting the broader market uncertainty after the closure of the Strait of Hormuz.

The spread between JKM and TTF prices flipped from a European premium of USD 0.9/MBtu during January-February to an Asian premium averaging USD 2/MBtu since March. This supported a diversion of flexible LNG cargoes from Europe to Asian markets, which are more directly affected by the closure of the Strait of Hormuz. Oil-indexed LNG prices oscillated in an estimated range of USD 11-14/MBtu during March-July, averaging around 5% above its last year's levels. The impact of higher oil prices is expected to become more pronounced in H2 2026, as oil prices filter through the gas contract price formulae with a typical lag of five to six months.

Asia's natural gas demand declined since the start of the crisis amid tighter supply fundamentals

The disruption of LNG flows via the Strait of Hormuz has prompted the adoption of demand-side measures and fuel-switching policies across Asian markets since the beginning of March, which together with higher prices, has weighed on the region's natural gas consumption.

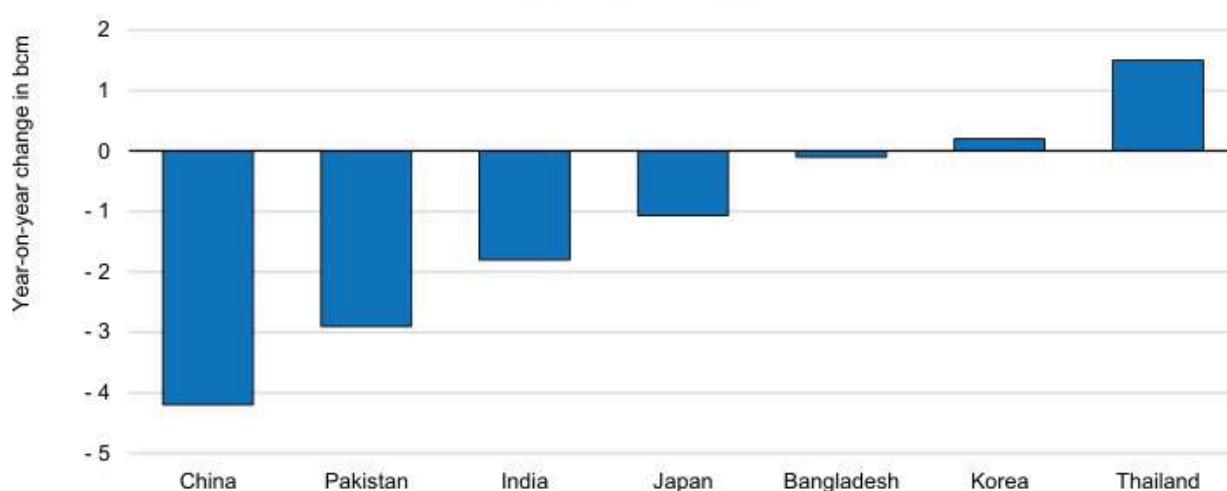
^{*3} The volatility on JKM averaged around 100% through March-July 2026, standing 98% above its ten-year average.

Preliminary data suggests that natural gas demand in Asia has fallen by 3% (or almost 10 bcm) y-o-y through March-June, while the region's LNG imports declined by 5% (or 6 bcm) y-o-y during the same period. The People's Republic of China [hereafter China]'s apparent natural gas consumption fell by an estimated 3% (or over 4 bcm) y-o-y in the March-June period. This reduction was primarily supported by storage movements and gas-to-coal switching dynamics in the power sector. Together with stronger domestic gas production in China, this drove down Chinese LNG imports by 12% (or 3 bcm) compared with the same period in 2025 and helped to balance the global gas market.

In Japan, estimated natural gas demand fell by 4% (or 1 bcm) y-o-y through the March-June period. This was largely driven by lower gas burn in the power sector (-10%), as higher gas prices incentivised stronger coal-fired power generation (up by 7% y-o-y). In Korea, natural gas demand remained close to last year's levels during the March-June period. While gas-to-coal switching dynamics reduced gas-fired power generation (-2%), its impact was less pronounced than in Japan amid lower nuclear availability in Korea.

In India, natural gas consumption fell by 8% (or almost 2 bcm) y-o-y during the March-June period. The decline was primarily driven by lower gas deliveries to the fertilisers sector (down by 6% y-o-y), less gas burn in the power sector (-20% y-o-y) and lower gas use in refining and petrochemicals (-30% y-o-y). In Bangladesh, estimated natural gas consumption fell by 1.5% y-o-y amid lower gas use in the power sector. Pakistan's natural gas consumption plummeted by over 20% y-o-y during the March-June period. This steep decline was driven by a combination of weaker gas burn in the power sector and lower deliveries to industrial consumers.

Estimated year-on-year in natural gas demand across key Asian markets, March-June 2026



IEA. CC BY 4.0.

Source: IEA analysis based on JODI (2026), [JODI Gas World](#) and various national statistics sources.

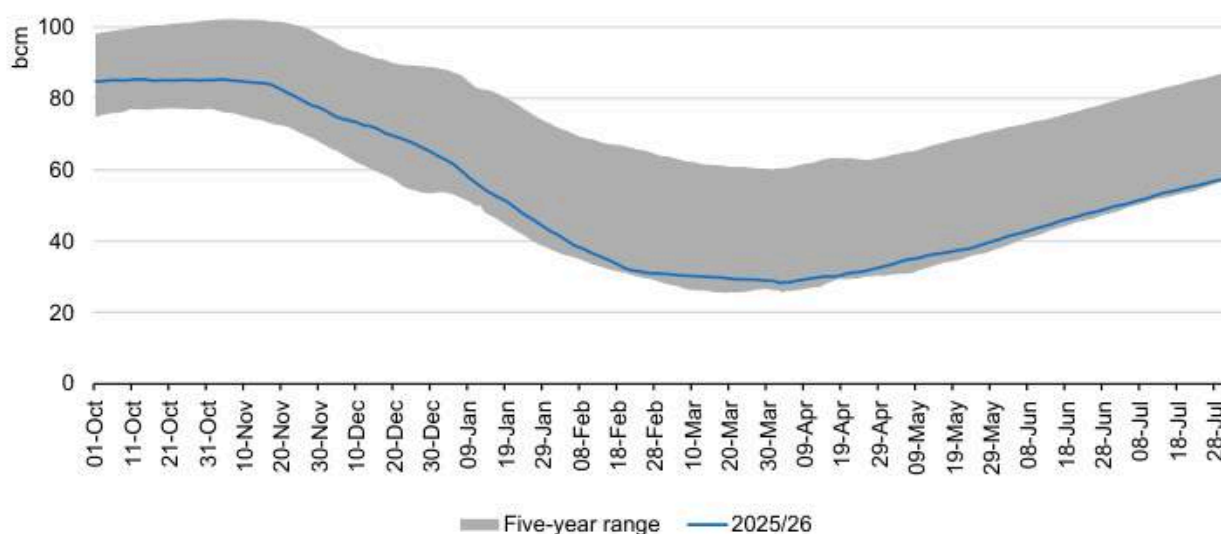
Pakistan is one of the markets most affected by the disruption of LNG supplies via the Strait of Hormuz, with Qatar accounting for 98% of the country's LNG imports in 2025. In contrast with many other Asian markets, Thailand's natural gas consumption grew by 9% (or 1.5 bcm) y-o-y during the March-June period. This growth was largely driven by higher gas use in the power (+12%) and industrial (+6%) sectors.

In OECD Europe, the decline of natural gas consumption was less pronounced than in Asian markets. Preliminary data suggests that the region's natural gas demand fell by around 1% (or almost 2 bcm) y-o-y during the March-July period. This decline was primarily driven by lower gas burn in the power sector amid stronger renewables power generation. First estimates indicate that natural gas use in industry remained close to last year's levels.

In the European Union, storage fill levels remain well below their five-year average

In the European Union, underground storage sites closed the 2025/26 heating season with inventory levels standing 32% (or 13 bcm) below their five-year average. Seasonal price spreads on TTF averaged EUR -1.45/MWh (USD 0.5/MBtu) during the April-July period (with winter contracts trading at a discount to spot prices), which reduced the commercial incentive for underground storage filling. Storage injections stood 11% (or 3.5 bcm) below their five-year average during the April-July period. Consequently, the deficit of the EU inventory levels compared to their five-year average grew to 16.5 bcm by the end of July.

Underground storage levels in the European Union, 2021/22 – 2025/26



IEA. CC BY 4.0.

Source: IEA analysis based on AGSI (2026), Aggregated Gas Storage Inventory.

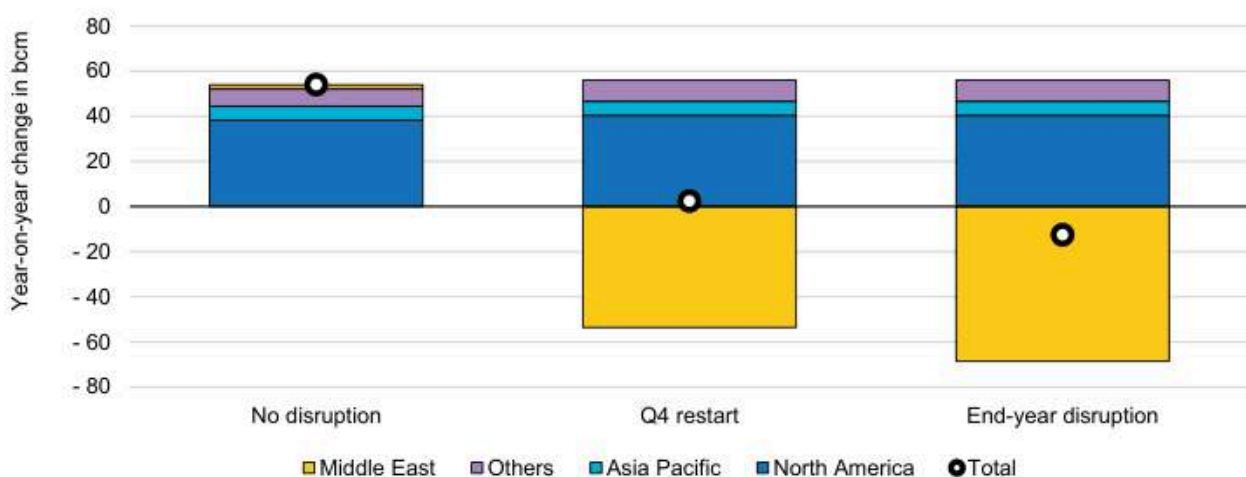
If the rate of EU storage injections would return to its five-year average, EU storage sites would be filled up to 75 bcm by 1st November - which would be their lowest fill level since 2013. These lower inventory levels could necessitate stronger LNG imports through the 2026/27 winter to meet higher seasonal natural gas demand. This in turn could intensify competition with Asian buyers for flexible LNG cargoes.

The duration of the supply disruption via the Strait of Hormuz remains a key uncertainty

Since March, the Strait of Hormuz has been largely closed to LNG traffic. However, a limited number of cargoes from both Qatar and the United Arab Emirates (UAE) have managed to exit the Persian Gulf as vessels have turned to deactivating their positioning signal as they approach the Strait, while reactivating it once they have cleared it. From May to July, more than 20 LNG (around 2.5 bcm) cargoes have been delivered from Qatar and the UAE to markets outside of the Gulf. Attacks on several LNG carriers in early July put a halt on LNG transit flows through the Strait of Hormuz for the remainder of the month. Qatar's Al Areesh LNG carrier has reportedly crossed the Strait at the end of July.

The duration of the Strait of Hormuz closure, as well as the conditions of its reopening, remain highly uncertain. The IEA's latest Quarterly Gas Report, published in early July 2026, assumed that the reopening of the Strait takes place in the third quarter of 2026, with a progressive ramp-up of Qatari and UAE LNG deliveries until full operations by the start of the fourth quarter. Under these assumptions, global LNG trade would remain broadly flat in 2026, as lower LNG supply from Qatar and the United Arab Emirates (a decline of 55 bcm y-o-y) would be offset by a strong growth in LNG exports from other producing regions. New projects in North America, Africa and Australia should continue to deliver supply upside, adding close

Year-on-year change in global LNG supply in 2026 based on different disruption assumptions



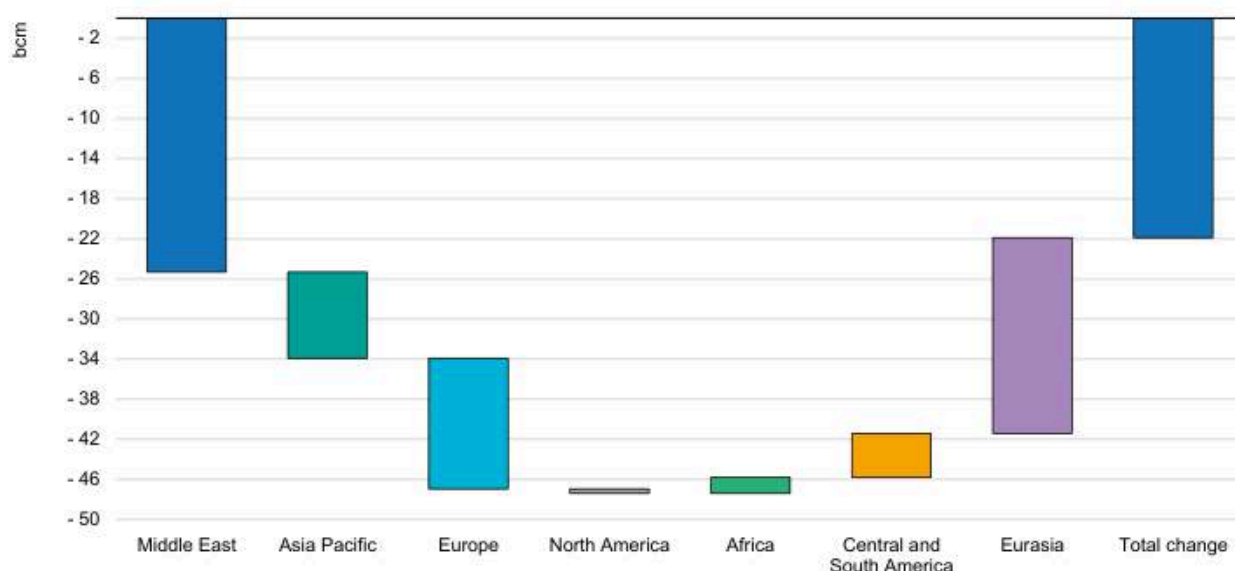
to 50 bcm y-o-y to the global balance. A limited number of legacy projects are expected to add around 10 bcm y-o-y of combined extra supply in 2026. The continued disruption of LNG flows via the Strait of Hormuz through July and August put at risk the recovery of Gulf exports ahead of Q4 2026. Depending on the duration and extent of disruptions to LNG flows via the Strait of Hormuz toward the end of 2026, global LNG trade could record its first annual decline since 2012. A prolonged disruption would increase the risk of heightened gas price volatility through the 2026/27 heating season.

Annual global gas demand is expected to decline for the third time this decade

Global gas demand is expected to fall by around 0.5% (or 20 bcm) in 2026, the third annual decline this decade following previous decreases in 2020 and 2022. A prolonged disruption of LNG trade flows via the Strait of Hormuz could further worsen the current short-term outlook, potentially resulting in a global gas demand decline closer to 1% in 2026.

The impact of the conflict varies across regions. In the Middle East, where local gas production and processing facilities have been damaged and the output of gas-intensive industries such as fertiliser production has decreased, gas demand is projected to contract by around 4% in 2026 – the region's first annual decline in consumption since 1993. In Asia, natural gas demand is forecast to decline by 0.5% in 2026 as higher LNG prices spur gas-to-coal switching in the power sector and lead to lower operating rates across gas- and energy intensive industries. In Europe, a combination of strong growth in power output from renewables and higher natural gas prices is expected to reduce gas demand by more than 2% in 2026.

Year-on-year change in natural gas demand across key markets, 2026 vs 2025



IEA. CC BY 4.0.

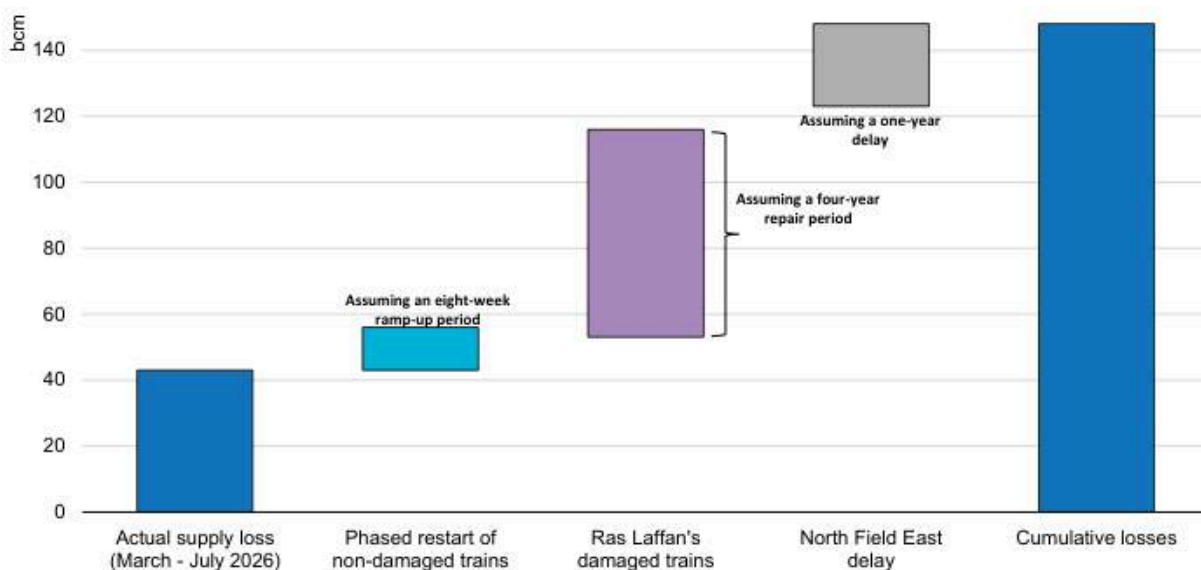
The conflict is set to have a limited impact on gas demand in regions with no or limited reliance on LNG imports. In Africa, gas demand is projected to remain broadly flat, while in Central and South America, it is set to rise by 3% as lower hydropower output results in stronger gas use in the power sector. Gas demand in North America is forecast to marginally decline after relatively mild weather in the first quarter reduced gas use in buildings. In contrast, natural gas demand in Eurasia is expected to expand by nearly 3% in 2026 following colder winter temperatures in the first quarter.

The Middle East conflict is delaying the full effect of the unfolding LNG wave

The cumulative LNG supply losses between 2026 and 2030 are estimated at almost 150 bcm when considering the combined effect of near-term supply disruptions and the medium-term implications of damage to gas infrastructure – including the Ras Laffan site in Qatar.

Almost 45 bcm of LNG supply has been lost during the March-July period due to the disruption of trade flows through the Strait of Hormuz. The restart and ramp-up of LNG liquefaction plants could take several weeks according to various industry estimates, resulting in output around 10 bcm lower compared with regular operations. The damage caused by Iran's attacks on Qatar's LNG facilities could reduce the country's LNG output by over 60 bcm by 2030, assuming a repair period of around four years. In addition, delaying the North Field East expansion project could reduce LNG supply by around 25 bcm over the 2026-2030 period.

The cumulative impact of the Middle East conflict on global LNG supply, 2026-2030

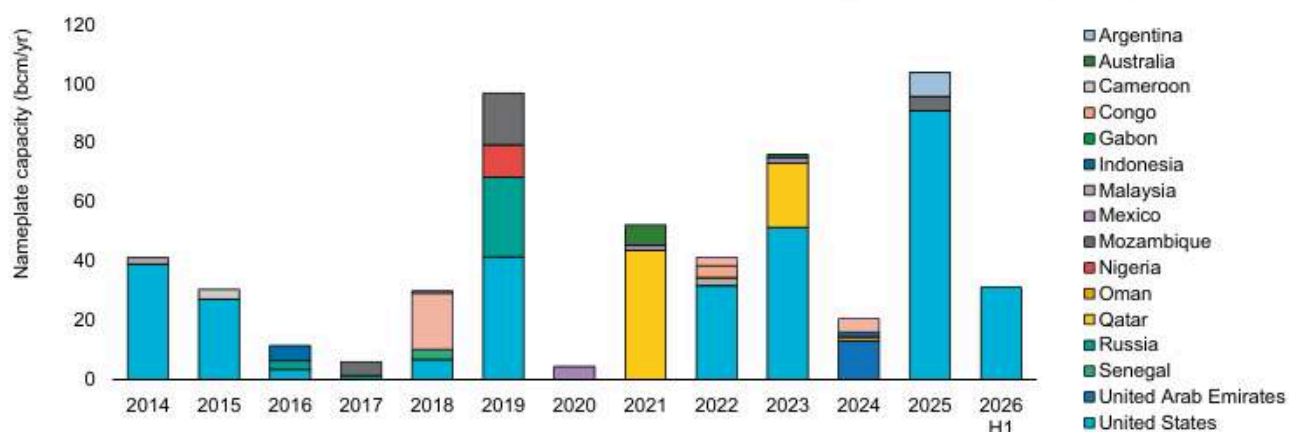


The losses resulting from the Middle East conflict are equivalent to 15% of the amount of new LNG supply that is set to be added globally over the 2026-2030 period. The impact on supply growth is set to be largely concentrated in 2026 and 2027, which means markets could remain tighter than had been previously expected over the next two years.

New investments and closer international dialogue are strengthening global gas supply security

Since the beginning of March, three major planned LNG liquefaction projects – all located in the United States – reached a final investment decision. The decision on the CP2 Phase 2 liquefaction project is set to increase the overall peak production capacity of the CP2 project to 40 bcm per year when commercial operations begin in the second half of 2030. Delfin LNG's first floating LNG vessel (6 bcm per year) is set to start production in 2030, as is the Commonwealth LNG project (13 bcm per year). These new LNG export projects can contribute to enhancing gas supply security and affordability.

Final investment decisions for new LNG liquefaction capacity



IEA. CC BY 4.0.

Source: IEA (2026), [Global LNG Capacity Tracker](#).

In addition to adequate investments, strengthening the architecture of global gas supply security requires closer international cooperation, including between producers and consumers. The International Energy Agency supports this dialogue through its Gas Working Party and the LNG Producer-Consumer Conference, organised jointly with Japan's Ministry of Economy, Trade and Industry.

MEMO

An aerial photograph of the ocean with white-capped waves. A semi-transparent globe is centered in the lower half of the image, showing the continents of North and South America. The text is overlaid on the globe.

LNG PCC 2026

LNG Producer-Consumer Conference