INTERNATIONAL ENERGY FORUM

Joint IEA-IEF-OPEC Technical Workshop

Security of Energy Flows

Maritime Routes and Market Stability

Christof van Agt Ross, IEF Director of Energy Dialogue

Session I 4 November 2026

Safe passage is critical energy infrastructure

The IEF Secretary General Statement,15 May 2026

1 **Protect energy infrastructure and trade routes**

2 **Recognize energy security as a shared responsibility**

3 **Strengthen dialogue on market stability and resilience**

United Nations Convention on the Law of the Sea (UNCLOS) transit-passage rules and UN SG, IMO, GCC-EU and IEF Member Countries reaffirmations and calls to protect maritime safety and infrastructure

IEF17 Ministerial, Riyadh, 11 October 2026

Energy Security and Shared Goals in a New Era · hosted by Saudi Arabia, co-hosted by Italy and Nigeria



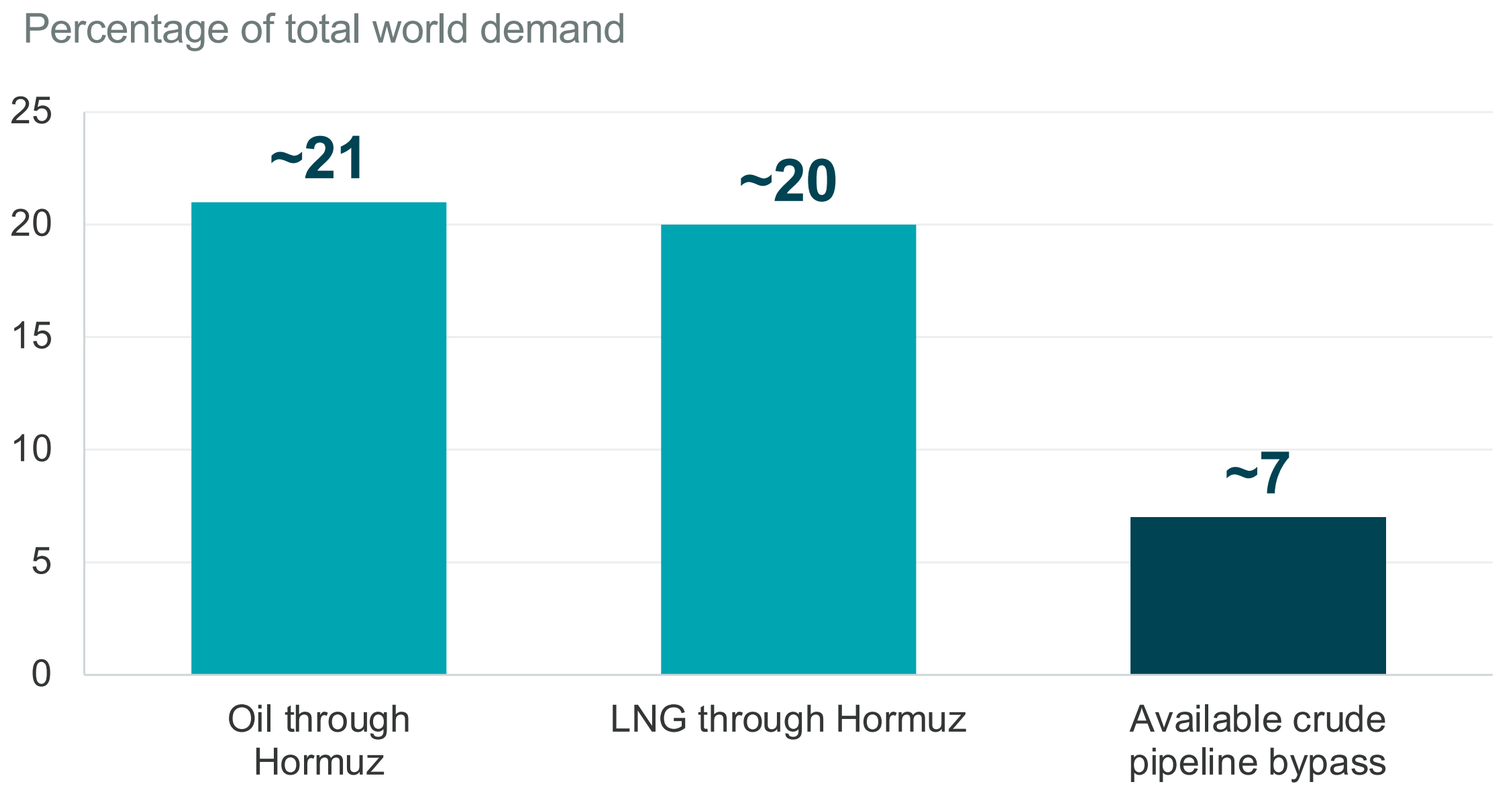
Energy Ministers, industry leaders and heads of international organizations at IEF17, Riyadh · Photo: IEF

IEF17 Ministers reaffirmed key points of the IEF Secretary General's statement of 15 May 2026, and highlighted cooperation on infrastructure investment, spare capacity, strategic storage and preparedness as practical applications of these principles.

IEF17 Ministerial Concluding Statement by the Host Country

Exposure is large. Bypass options limited.

Hormuz oil and LNG flows and estimated available crude pipeline bypass capacity 2025



>20%

of global Oil and LNG trade is Hormuz bound

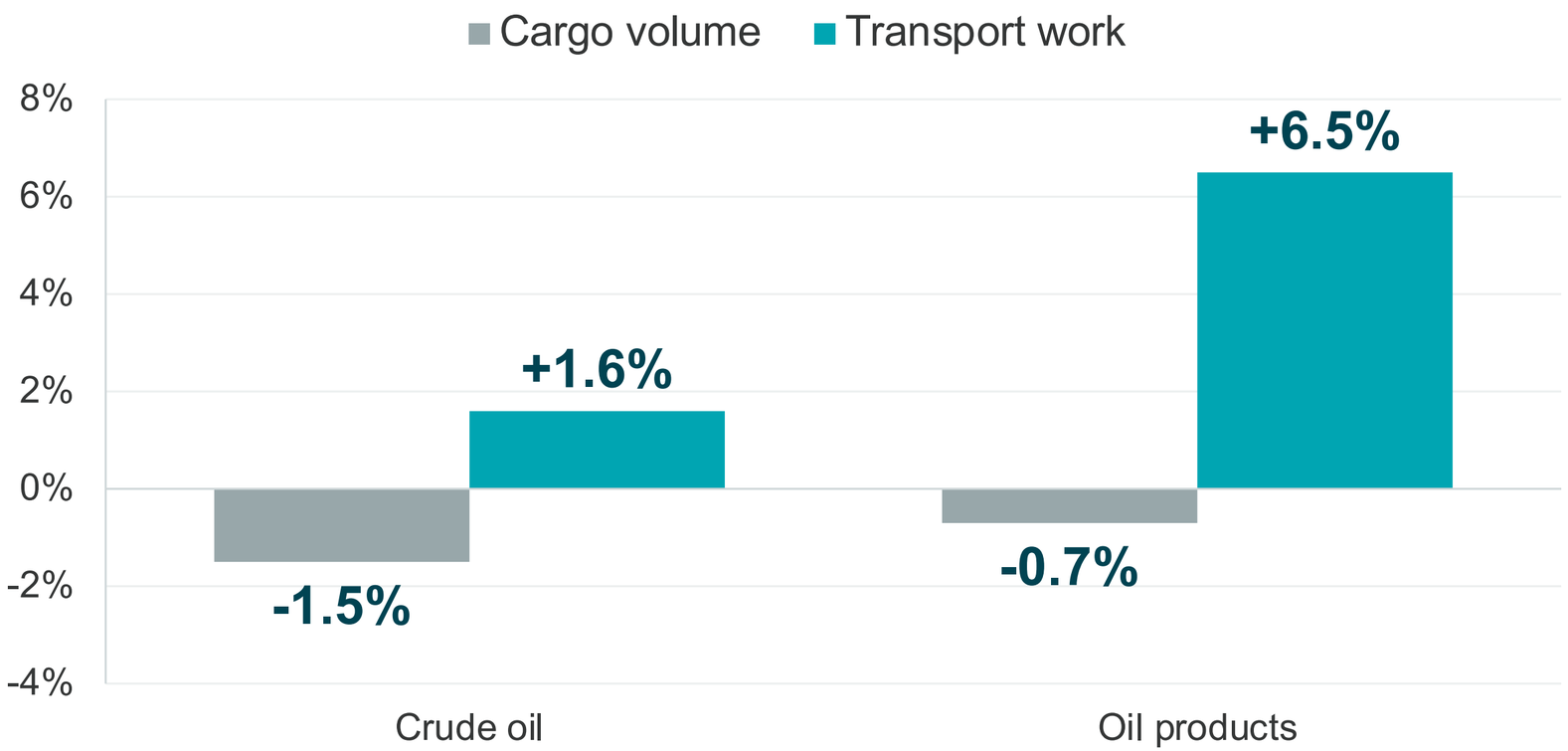
Bypasses and cross border pipelines cannot replace LNG shipping.

Trade, investment, and portfolio risk management gain importance.

Source: US EIA. Historical exposure baseline, not current operating flows. Bypass is crude-only and not a like-for-like substitute; IEF–JOGMEC, Global LNG Market Security (2026)

Successive reroutings absorb shipping capacity

Change in seaborne cargo volume and transport work



Reduced volumes, longer journeys using more vessels, fuel, and time at much higher risk exposures

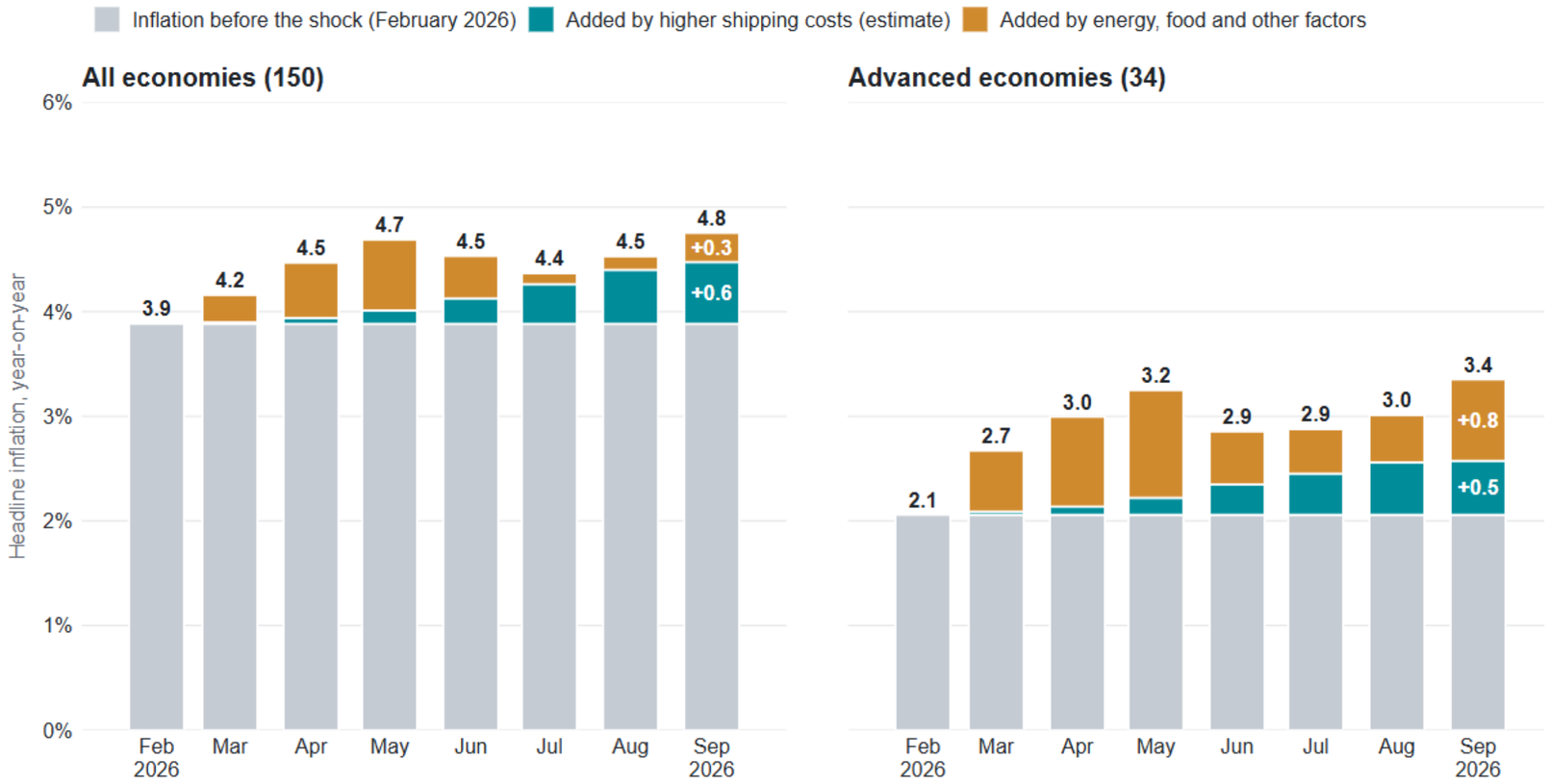
Transport work = cargo × distance

Source: UNCTAD, Review of Maritime Transport 2025, Chapter I. Transport work measured in tonne-miles.

Supply shocks sustain inflation, increasing cost of living

Shipping Costs Account for About 40% to 70% of the Rise in Inflation since February 2026

Average headline inflation each month, broken down into the level before the shock and what has been added since February 2026



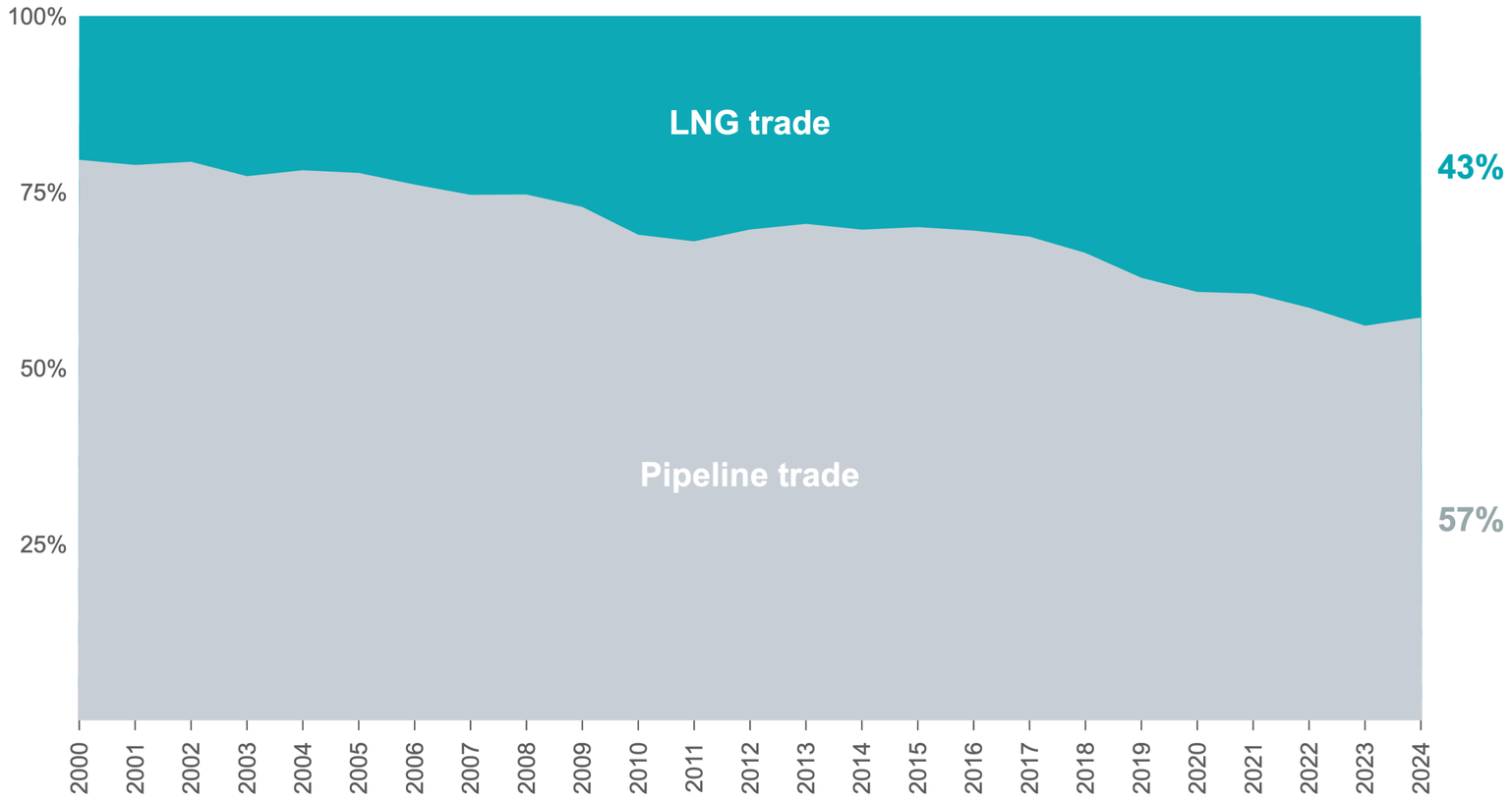
Higher shipping costs account for an estimated 70% of the rise in global inflation since February 2026, and around 40% in advanced economies.

Their growing impact on consumer prices underlines the importance of secure maritime routes and resilient supply chains.

Source: IEF estimates based on IMF Consumer Price Index, IMF World Economic Outlook (GDP at PPP), IMF Primary Commodity Prices and US Bureau of Labor Statistics (deep-sea freight PPI). Note: Average year-on-year inflation, weighted by GDP at purchasing power parity, across 150 economies with data for every month from February to September 2026; latest months are estimated for economies that had not yet published them. Numbers above the bars show observed inflation. The shipping contribution is estimated with local projections of the historical relationship between freight costs and inflation (163 economies, 2001-2026, excluding hyperinflation episodes), controlling for energy and food prices; the remainder of the rise reflects energy, food and other factors.

Gas Trade is Increasingly Moving by Sea

LNG and Pipeline Shares of International Gas Trade

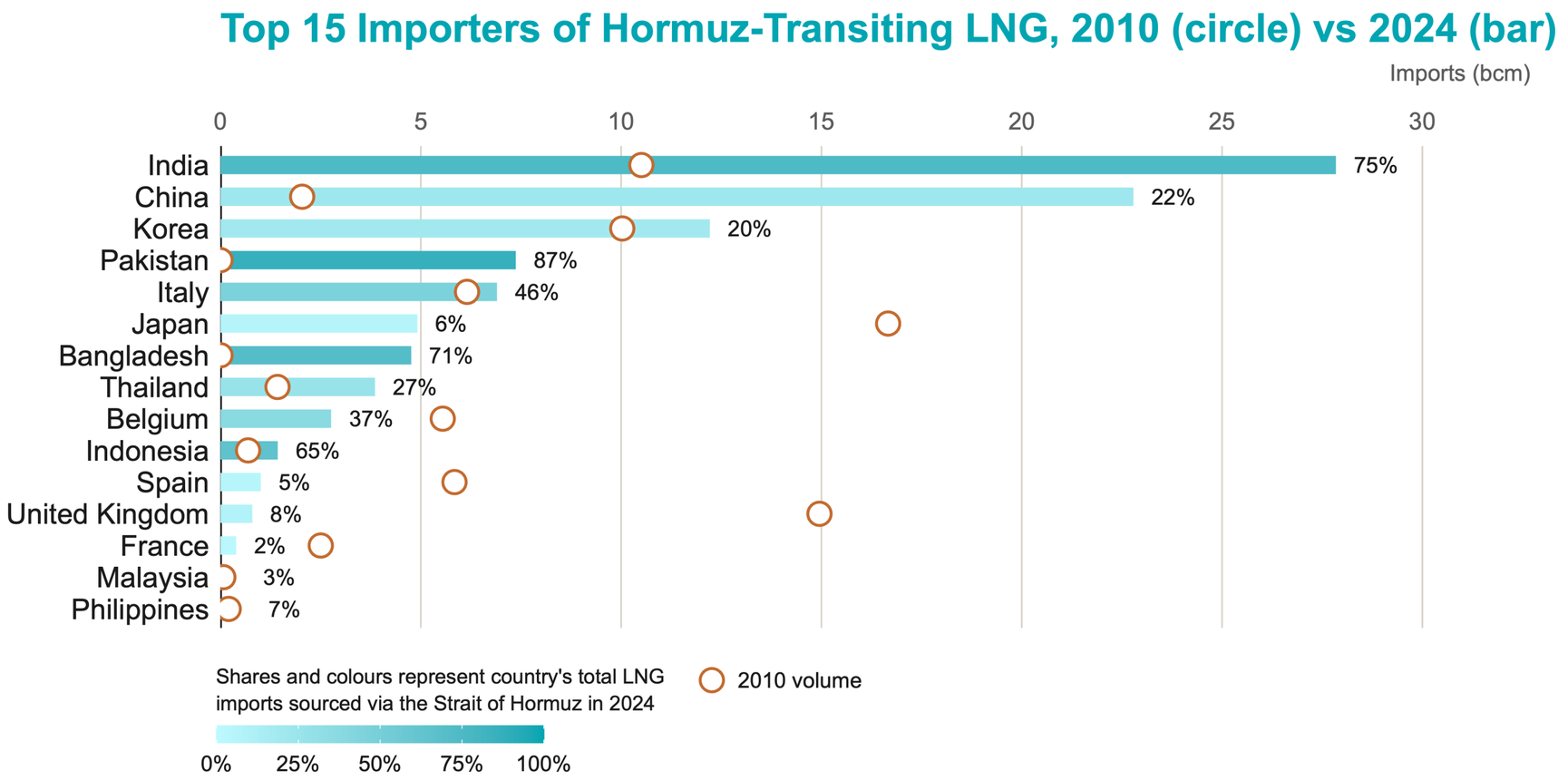


Sources: IEF-JOGMEC, Global LNG Market Security (2026).

LNG's share of international gas trade has more than doubled in the past two decades.

Reliable and secure shipping lanes are increasingly central to gas market stability, for both exporting and importing countries.

Vulnerable importers have fewer LNG alternatives



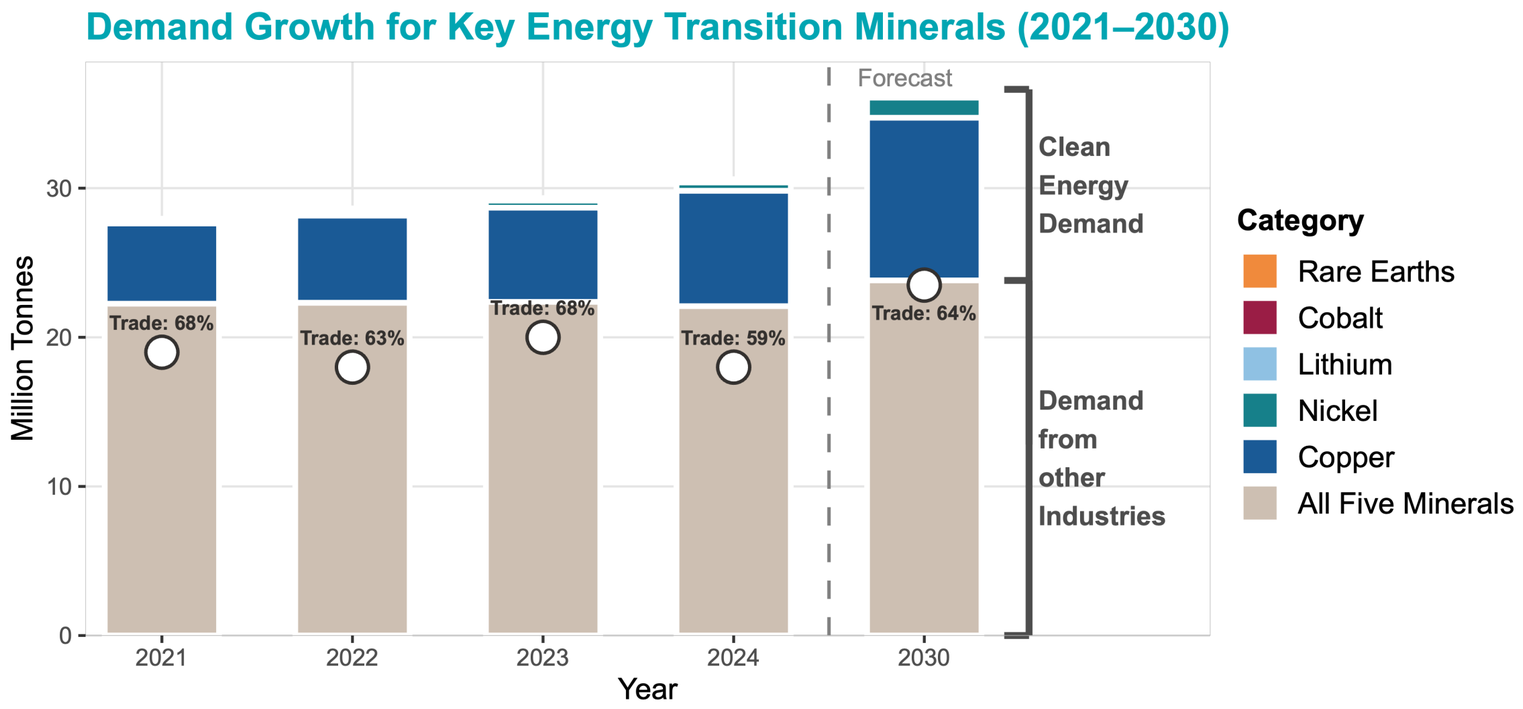
Exposure is magnified by limited credit, foreign exchange and fiscal space.

Diversification has improved resilience, but critical chokepoints remain.

Sources: IEF-JOGMEC, Global LNG Market Security (2026).

Transitions also depend on secure trade

Open trade routes are essential to the energy transition



Fuel security and clean-energy supply security must advance together.

Rising shipping costs translate into higher costs for clean energy technologies.

Source: IEF, A Critical Enabled Energy Future (2025). Note: Some minerals account for a very small share of total demand and may not be visible in the chart.

Investment must sustain supply, routes, and sources

Stranded issues

>10%

Annual upstream investment shortfall accelerates declines and lowers replacement rates

Sustained underinvestment concentrates supplies at higher risk and prices

Well known solutions

Diversify upstream development and essential infrastructure

Assess exposure to shifting refining and processing locations

Reward production and preparedness in shareholder value through policy

Sources: IEA field-decline analysis (2025); IEF–BCG, IHS Market, S&P upstream investment outlooks (2020-2024) and refining (2022) studies.

Stepped up investment and shared preparedness

Solutions to boost world market stability and affordability in the new risk environment

Joint strategic reserves	Share investment, capacity, and release rules
Usable spare capacity	Share cost and benefits for readiness and delivery
Cross-border infrastructure	Diversify corridors and connect regional markets
Finance for underserved markets	Rebalance risks and rewards to protect affordability

Producer-consumer cooperation on joint stocks, spare capacity, protection of energy shipping and infrastructure to boost energy affordability and market stability requires urgent attention

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An IEF agenda for shared resilience

1. Fuller stocks and product-flow data through JODI
2. Shared approaches to respond to maritime and infrastructure disruptions
3. Dialogue on facilitating finance, trade, investment, and preparedness