Gas Market Report, Q3-2025

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Abstract

This quarterly *Gas Market Report* provides a short-term outlook for natural gas supply, demand, trade and more in 2025 and 2026. It finds that following a strong expansion in 2024, global gas demand rose at a much slower rate in the first half of 2025. Macroeconomic uncertainty, together with tight supply fundamentals and relatively high prices, weighed on natural gas consumption, particularly in price-sensitive markets in Asia. Both China and India recorded demand declines in the first half of 2025 compared with the same period in 2024.

Europe's liquefied natural gas (LNG) imports are expected to reach an all-time high in 2025, supported by stronger storage injections, higher domestic demand and lower piped gas supplies from Russia. In contrast, China's LNG imports are forecast to fall amid weaker natural gas demand and strong competition from Europe for flexible LNG cargoes.

Geopolitical tensions have continued to fuel price volatility, while adding to the unusually wide range of uncertainties that could affect this report's short-term forecasts. The conflict between Israel and Iran highlighted the Middle East's important role in energy security and served as a stark reminder that geopolitical tensions can easily distort a still-fragile global gas balance. This report includes a special section on the Middle East.

Meanwhile, global LNG supply growth is set to accelerate in 2026 to its fastest pace since 2019, primarily driven by additions in the United States, Canada and Qatar. Easing supply fundamentals are expected to support stronger gas demand growth, especially in key Asian import markets.

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Executive summary

Following a slowdown in 2025, global gas demand growth is forecast to accelerate in 2026

Global natural gas demand returned to structural growth in 2024 and **continued to expand in the first half of 2025,** albeit at a markedly slower pace. Growth was primarily **concentrated in Europe and North America**, with adverse weather leading to stronger gas use in the buildings and power sectors. In contrast, **gas demand was subdued in Asia**, with both China and India recording demand declines in the first half of 2025.

Market fundamentals remained tight in the first half of 2025 due to a combination of lower Russian piped gas exports to the European Union, slower growth in liquefied natural gas (LNG) output and higher storage injection needs in Europe. This supported **higher natural gas prices** in key import markets and weighed on natural gas demand in Asia. Meanwhile, **geopolitical tensions continued to fuel price volatility**. The conflict between **Israel and Iran** was a stark reminder that geopolitical factors can easily strain a fragile global gas balance. The IEA continues to closely monitor developments in the Middle East.

Following an expected slowdown in 2025, **natural gas demand growth is forecast to accelerate in 2026, sending total demand to a new all-time high**. A strong increase in LNG supply is set to ease market fundamentals and foster more robust demand growth in Asia's price-sensitive markets.

Natural gas demand in Asia markedly slowed in the first half of 2025 amid macroeconomic uncertainty and tight supply

Following a relatively strong increase in 2024, **global natural gas demand** grew at a significantly slower rate in the first half of 2025. Preliminary data indicate that **natural gas consumption increased by just 1%** year-on-year (y-o-y) in the markets covered in this report[1]. This growth was almost entirely **driven by Europe and North America**, while natural gas demand remained subdued in Asia and declined in Eurasia.

In **Europe**, natural gas consumption in the first half of 2025 increased by 6.5% y-o-y, primarily supported by the electricity sector amid lower power generation from wind and hydro. While this should not be interpreted as a structural trend, such episodes highlight the key role gas-fired power plants often play in ensuring electricity supply security in markets with higher shares of variable renewables. In **North America**, natural gas demand increased by an estimated 2.5% y-o-y. Growth was concentrated in the first quarter, when colder weather boosted gas use in buildings.

[1] Asia Pacific, Central and South America, Eurasia, Europe and North America.

In contrast, in **Asia**, gas demand growth slowed markedly in the first half of 2025 amid macroeconomic uncertainty and relatively high spot LNG prices. China's natural gas demand declined by an estimated 1% y-o-y, while the country's LNG imports plummeted by more than 20%. India recorded a decline of 7% y-o-y in the first five months of the year, primarily due to lower demand from refining and industry. In **Eurasia**, gas consumption declined by about 2% y-o-y in the first half of 2025 amid an unseasonably mild winter in Russia.

For the full year, global gas demand growth is forecast to slow from 2.8% in 2024 to around 1.3% in 2025. Gas demand in the **Asia-Pacific region** is expected to expand by less than 1% – its weakest annual growth rate since 2022.

Market fundamentals remained tight in the first half of 2025, supporting higher prices in key import markets

Global LNG supply grew by 4% (or 12 bcm) y-o-y in the first half of 2025. This increase was largely supported by the Plaquemines LNG facility in Louisiana, which started operations in late 2024 and accounted for around two-thirds of incremental global LNG supply in the first half of the year. Higher LNG supplies were partly offset by **lower Russian piped gas deliveries** to the European Union, which dropped by 45% (or 6.5 bcm) y-o-y over the same period, following the halt of gas transit flows via Ukraine at the beginning of 2025. In addition, Norway's piped gas supplies to the rest of Europe declined by 4.5% (or 3 bcm) y-o-y due to higher maintenance activity.

Stronger storage injections needs in Europe are also tightening the global gas balance. The European Union closed the 2024/25 heating season with inventories 42% (or 25 bcm) below where they stood a year earlier. In the second quarter of 2025, EU storage injections surged by 36% (or almost 7 bcm) y-o-y, while piped gas exports to Ukraine rose more than twelvefold, primarily to support storage refills. As a result of stronger storage injections, higher domestic demand and lower piped gas imports, **Europe's LNG imports** rose by 25% (or almost 20 bcm) y-o-y, **reaching an all-time high** of 92 bcm in the first half of 2025.

Tighter market fundamentals supported **higher gas prices** in key import markets, with European hub and Asian LNG spot prices averaging 40% and 28% above levels in the first half of 2024, respectively. Higher prices weighed on gas demand in price-sensitive Asian import markets.

The Israel-Iran conflict renewed price volatility

The conflict between Israel and Iran that escalated in June highlighted the Middle East's **crucial role in global energy supply security**. The crisis fuelled **strong price volatility** across commodity markets. Benchmark European **TTF month-ahead prices** surged by 18% to USD 14/million British thermal units (MBtu) between 10 and 19 June – their highest level since late February. **Asian spot LNG prices** followed a similar trajectory, with Platts JKM rising by 16% to a four-month high of USD 14.8/MBtu. In the days after the announcement of the **Israel-Iran ceasefire** on 24 June, gas prices fell by almost 20%, returning close to their pre-crisis levels.

The initial increase in prices was largely driven by the fear that an escalation of the conflict could lead to the closure of the Strait of Hormuz – the world's most critical oil and LNG chokepoint, which is located between Iran and Oman. In the case of gas, higher prices were also supported by the **actual disruption of production and physical trade flows**. Due to rising security concerns, Israel shut gas production at the Leviathan and Karish fields between 13 and 25 June and halted piped gas exports to Egypt and Jordan, leading to the curtailment of fertiliser production. Production and trade flows were gradually restored following the ceasefire. The Israel-Iran conflict highlighted the strong relationship between **gas supply and food supply security**.

Global LNG supply is expected to increase in 2026 at the fastest pace since 2019 …

For the whole of 2025, global LNG supply is expected to increase by 5.5% (or 30 bcm), primarily supported by the ramp-ups of major new LNG projects in North America. These include the Plaquemines LNG project and the Corpus Christi Stage 3 expansion, as well as LNG Canada. Growth in LNG supply is set to be partially offset by **lower Russian piped gas deliveries to Europe**. This forecast assumes no Russian piped gas deliveries via Ukraine for the remainder of the year, which would reduce Russian piped gas supplies to the Europe Union by around 13 bcm in 2025 compared with 2024. **In 2026, global LNG supply growth is set to accelerate to 7%** (or 40 bcm), its strongest increase since 2019. This growth is primarily driven by the United States, Canada and Qatar's North Field East expansion project, which is expected to start operations in mid-2026. **Russia's Arctic LNG 2 project** is not considered a source of firm LNG supply in the current forecast due to the broader sanctions environment.

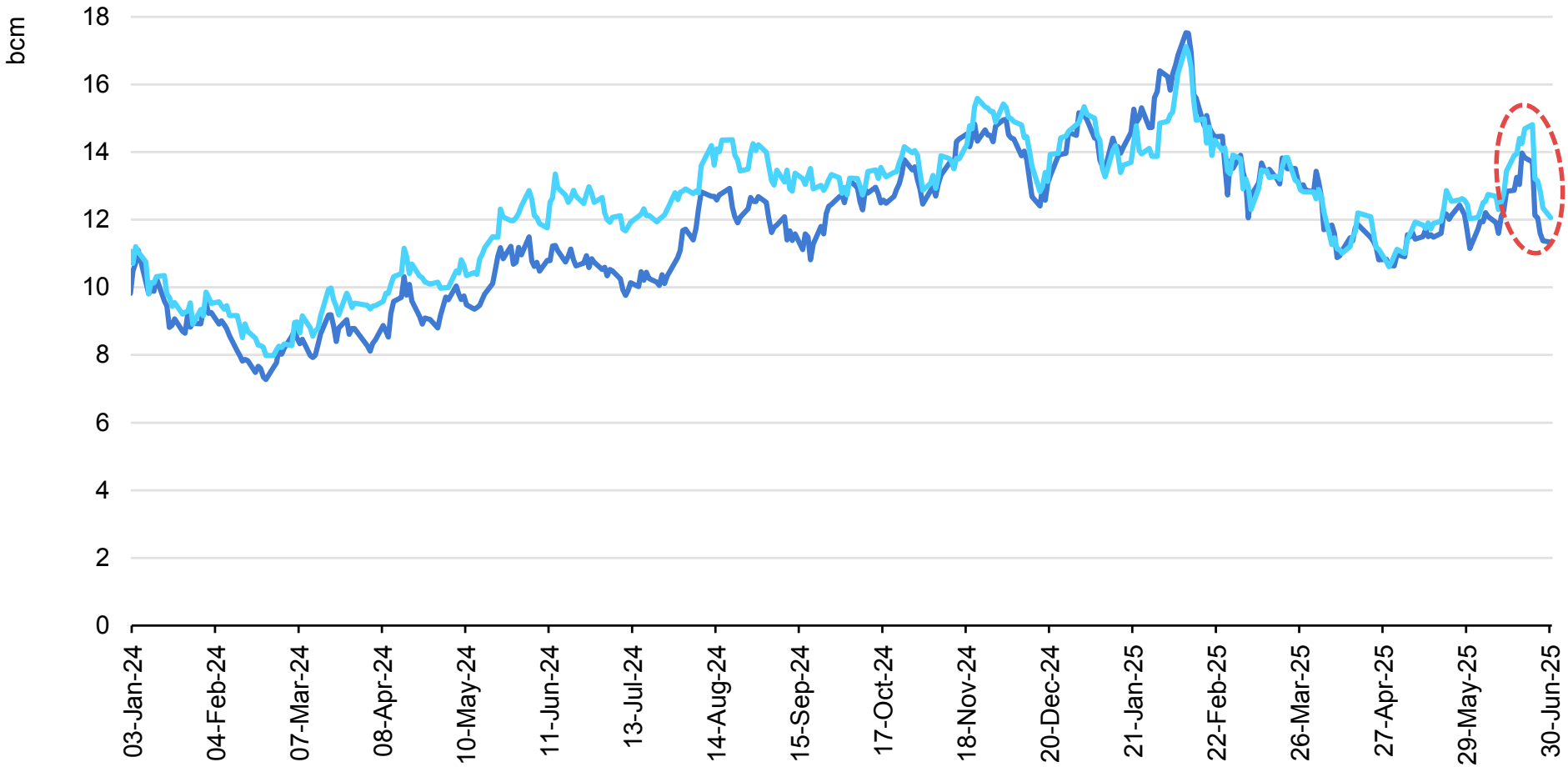
… supporting stronger demand growth in price-sensitive Asian import markets

Global gas consumption is expected to reach an all-time high in 2026, with demand growth accelerating to around 2% amid easing supply fundamentals. **Gas consumption by industry and by the energy sector** is forecast to contribute to around half of incremental gas demand. **Gas-to-power demand** is projected to account for 30% of demand growth in 2026, while gas use in the **residential and commercial sectors** is expected to increase by around 1%, assuming average weather conditions.

Asia's gas demand is expected to rise by more than 4% in 2026, accounting for around half of global gas demand growth. Consequently, the region's **LNG imports** are projected to increase by 10% in 2026 following an expected decline in 2025. In **Eurasia**, gas consumption is forecast to increase by 2%, while combined demand in **Africa** and the **Middle East** is forecast to increase by 3.5%. In **North America**, natural gas demand is expected to increase by less than 1%, primarily supported by the power sector. In **Central and South America**, natural gas use is projected to marginally decline amid higher renewables output. Gas demand in **Europe** is set to decline by 2%, also amid stronger renewables output. That said, this forecast is subject to an **unusually wide range of uncertainties** stemming from the broader geopolitical and macroeconomic environment.

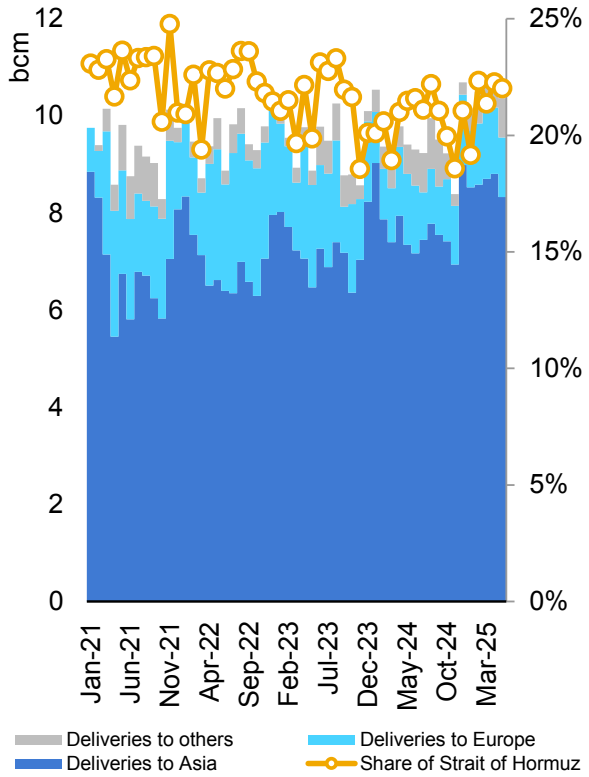
The Israel-Iran conflict spurred heightened price volatility in June 2025

Daily TTF and Platts JKM prices, 2024-2025

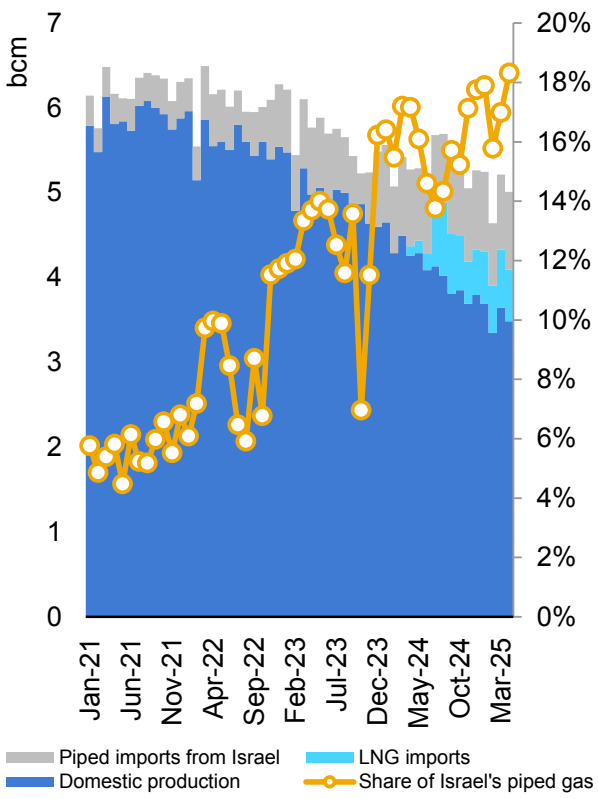


The Middle East plays a key role in regional and global gas supply security

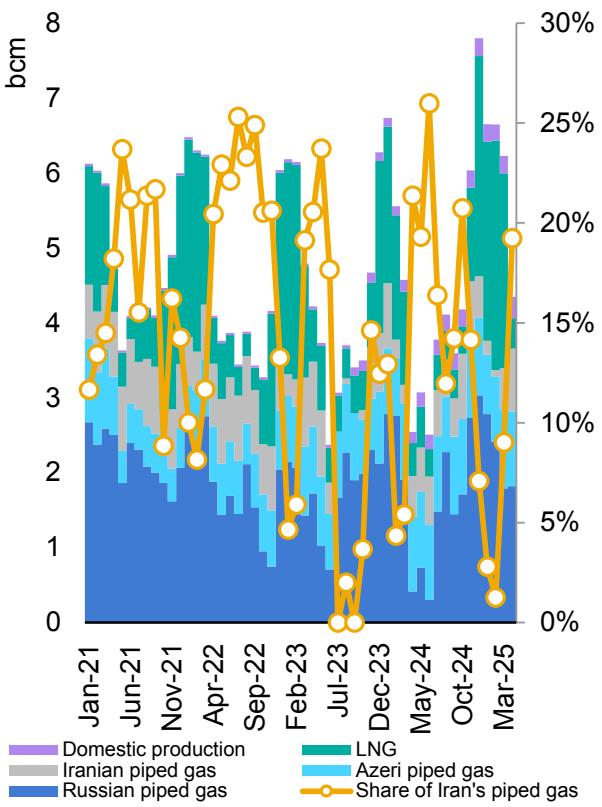
The share of Strait of Hormuz flows in the global LNG balance



The share of Israel's piped gas in Egypt's primary gas supply



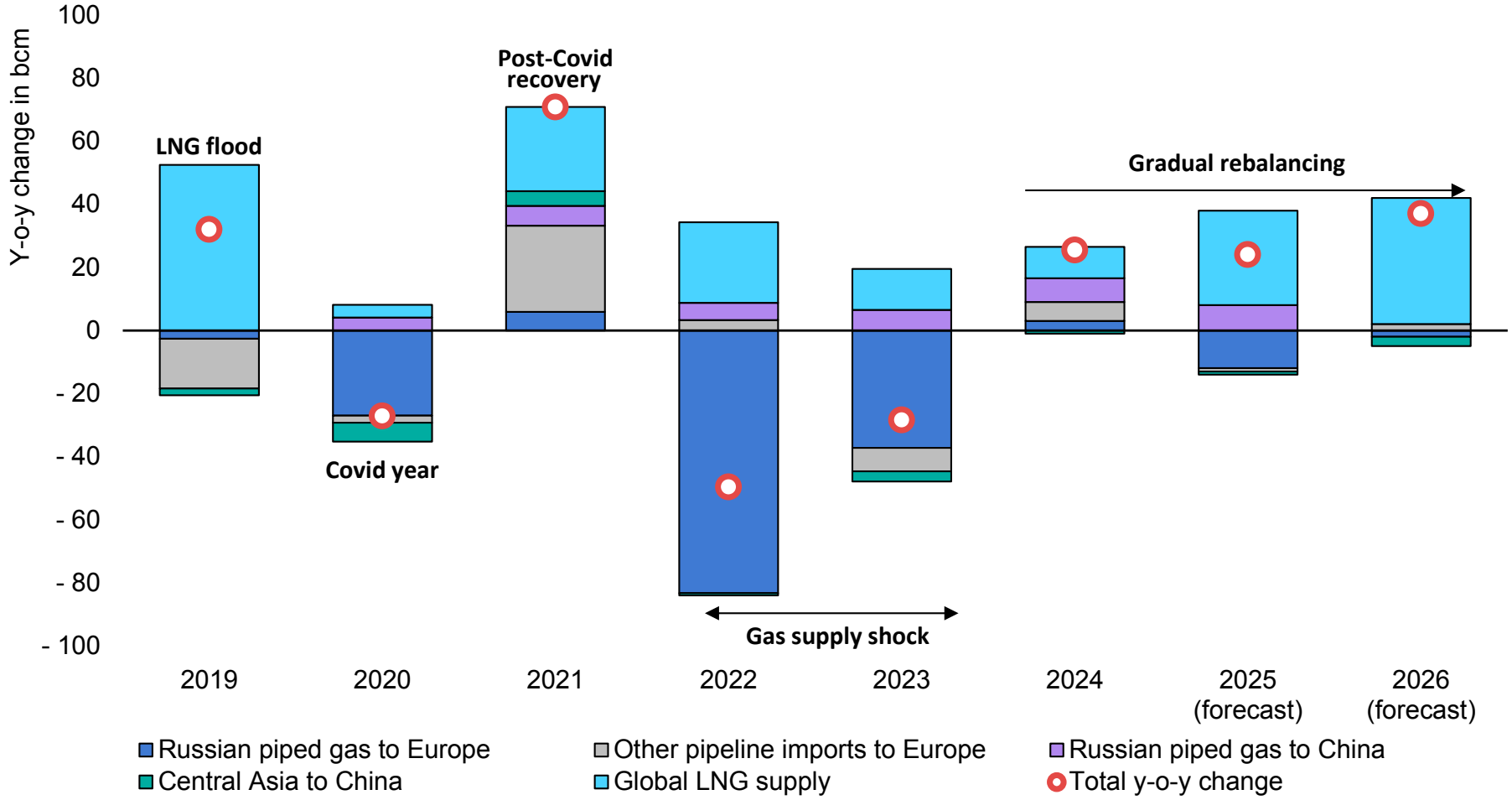
The share of Iran's piped gas in Türkiye's primary gas supply



Note: The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Stronger LNG supply growth is expected to ease market fundamentals in 2026

Year-on-year change in key piped natural gas trade and global LNG supply, 2019-2025



Spotlight on the Middle East

A stable Middle East is critical for global energy supply security

The conflict between Israel and Iran highlighted the energy interdependencies within the Middle East and **the region's crucial role in global oil, natural gas and fertiliser supply security**. The Middle East accounts for 30% of global oil and 18% of global gas production, almost 25% of LNG supplies and around one-third of global urea exports. This special section puts a spotlight on the Middle East and the effects of the Israel-Iran conflict on natural gas and LNG markets.

The crisis put strong upward pressure on oil, natural gas and fertiliser prices

The Israel-Iran crisis fuelled strong price volatility across commodity markets. **Brent crude futures** rose by 18% between 10 and 20 June to a near five-month high of USD 79/barrel. Similarly to oil, **TTF month-ahead** prices surged by 20% to USD 14/MBtu – their highest level since late February. **Asian spot LNG prices** followed a similar trajectory, with JKM rising to a seasonal high of USD 14.8/MBtu. **Middle Eastern month-ahead urea prices** rose by more than 30% to USD 510/t by 23 June, their highest level since December 2022. On 24 June, the day of the announcement of the **Israel-Iran ceasefire**, oil and natural gas prices fell by around 10%, while Middle Eastern urea prices dropped by nearly 14%.

The strong increase in prices was largely driven by fear of a potential escalation of the conflict leading to the closure of the Strait of Hormuz – the world's most critical oil and LNG chokepoint, located between Iran and Oman.

In the case of natural gas and urea, higher prices were also supported by the **actual disruption of production and physical trade flows**. Due to rising security concerns, Israel shut natural gas production at the Leviathan and Karish fields between 13 and 25 June and halted piped gas exports to Egypt and Jordan, which in turn led to the curtailment of fertiliser production. Production and trade flows were gradually restored following the ceasefire. In Iran, attacks damaged a platform at South Pars Phase 14, reducing output by around 12 million cubic metres per day (mcm/d). Production was restored following the 24 June ceasefire. Iran also reportedly halted ammonia and urea production amid security concerns during the conflict.

Energy flows through the Strait of Hormuz remained unaffected during the conflict

The Strait of Hormuz accounts for around 20% of global LNG trade. With the exception of deliveries to Kuwait, the entirety of LNG exports from Qatar and the United Arab Emirates (UAE) needs to transit the Strait of Hormuz – **with no alternative routes to supply LNG to the global market**. **The importance of the Strait**

of Hormuz is set to further increase in the second half of the decade, as Qatar proceeds with its North Field expansion projects, while the United Arab Emirates commissions the Ruwais LNG export plant. In addition, around one-third of global urea exports transited through the Strait of Hormuz in 2024, with Iran, Qatar and Saudi Arabia being key suppliers to the global market.

Asian markets are notably reliant on the Strait of Hormuz. In H1 2025 around 85% of total LNG exit flows from the Strait of Hormuz were exported to Asian markets, with the remainder to Europe. The **People's Republic of China** (hereafter, "China") **and India are the largest customers** for Qatari and UAE LNG, together accounting for almost 45% of total LNG exports via the Strait of Hormuz. In turn, LNG delivered via the **Strait of Hormuz accounted for around 28% of Asia's total LNG imports** in H1 2025 and for almost 10% of Europe's total LNG inflows during the same period.

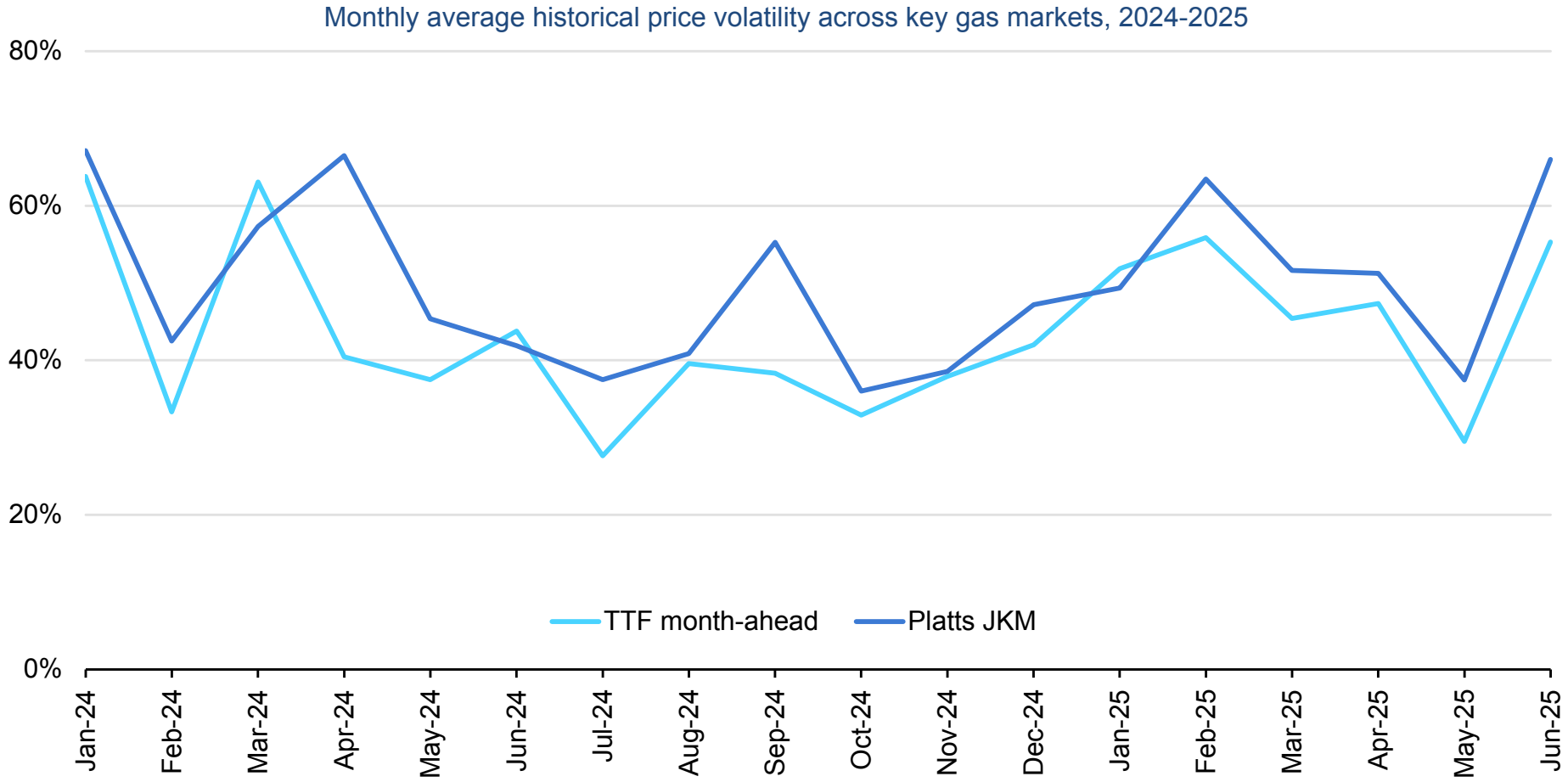
Bangladesh, India, Pakistan and Chinese Taipei are particularly exposed to the Strait of Hormuz. In 2024 Qatari and UAE LNG supplies met more than one-quarter of their natural gas demand, making them particularly vulnerable to potential disruptions to transit flows. Moreover, natural gas plays a key role in the power sector of some of these countries, making adequate gas supplies **crucial to ensuring electricity security**. In Bangladesh, Chinese Taipei and Pakistan, gas-fired generation accounted for 45%, 43% and 24% of electricity generation in 2024, respectively. **In contrast, China's exposure is more limited**: despite being the largest buyer of LNG transiting the Strait of Hormuz, Qatari and UAE LNG accounted for less than 7% of China's natural gas supplies in 2024.

The disruption of LNG flows transiting the Strait of Hormuz would be a major supply shock to the global gas market. LNG supply would drop by around 330 mcm/d – more than Norway's piped gas supplies to the rest of Europe. The loss of around 20% of global LNG supply – even temporarily – would fuel price volatility and necessitate demand adjustments across all key import markets. And while the direct exposure of Asian markets is greater, the effects of such a supply shock would be felt well beyond gas markets relying directly on Qatari and UAE LNG. The shortfall in Qatari and UAE supplies would naturally exacerbate the competition for spot LNG volumes and put strong upward pressure on spot LNG prices both in Asia and Europe.

LNG (and oil) flows remained largely unaffected during the Israel-Iran crisis, with LNG exit flows from the Strait of Hormuz actually increasing by 9% y-o-y. However, various shipping sources reported disruption to GPS signals in the Persian Gulf area during the conflict. At the peak of the tensions, almost 25% of all vessels in the region experienced GPS disruption at least once in a 24-hour period. Consequently, **shipping stakeholders had to take precautionary measures** and adjust operations (such as halting night-time movements). According to various media reports, QatarEnergy instructed LNG carriers to wait outside the Strait of

Hormuz until they were ready to load, to minimise risk during the Israel-Iran conflict. Following the United States' targeted strikes on Iran's nuclear facilities, the Iranian parliament reportedly voted in favour of the closure of the Strait of Hormuz, with the final decision lying with the country's Supreme National Security Council. No such decision was taken and a ceasefire was reached between Israel and Iran on 24 June. This led to a steep downward correction of natural gas prices during 24-27 June.

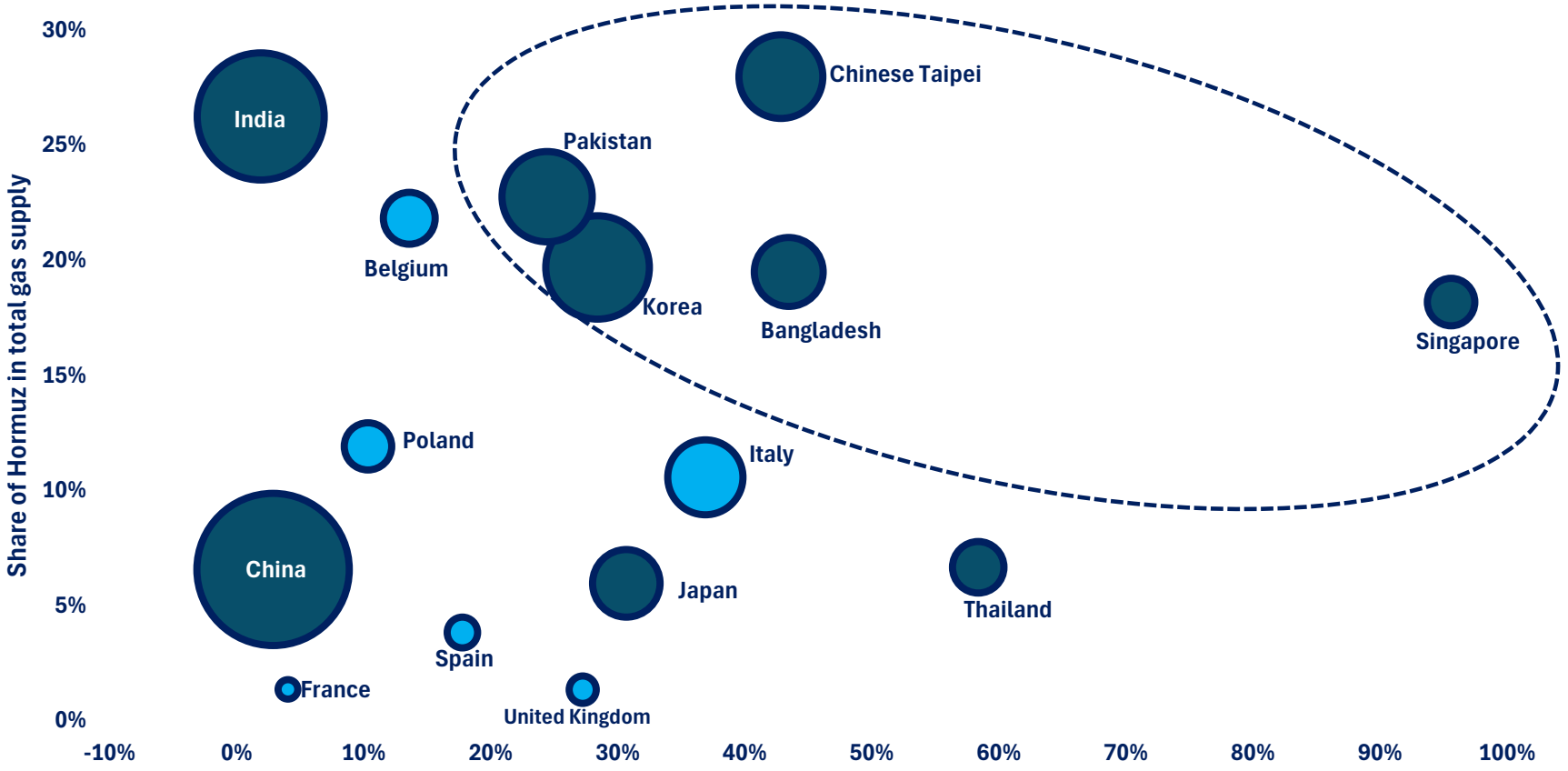
Geopolitical tensions in the Middle East renewed heightened gas price volatility



Sources: IEA analysis based on CME Group (2025), Henry Hub Natural Gas Futures Quotes, Dutch TTF Natural Gas Month Futures Settlements, LNG Japan/Korea Marker (Platts) Futures Settlements; EIA (2025), Henry Hub Natural Gas Spot Price; Powernext (2025), Spot Market Data; S&P Global (2025), Platts Connect.

Asian markets are more exposed to the Strait of Hormuz

LNG supplied via Strait of Hormuz as a share of natural gas demand of key import markets and the share of gas-fired power generation in their power mix in 2024



Note: The size of the bubbles indicates the volume of LNG imports via the Strait of Hormuz. Dark blue bubbles refer to Asian markets and light blue bubbles to European markets.
Source: IEA analysis based on ICIS (2025), LNGEdge.

The conflict disrupted Israel's piped gas exports to Egypt and Jordan

The Israel-Iran crisis profoundly disrupted piped gas flows from Israel to Egypt and Jordan, **highlighting the intra-regional dependencies** in the Eastern Mediterranean.

Israel[2] has significantly expanded its natural gas production during the past decade to become a **key regional piped gas supplie**r, including to Egypt and Jordan. Israeli gas production started in the early 2000s from the country's smaller offshore fields. Its natural gas output has risen more than tenfold since 2009 and reached around 27 bcm in 2024. This strong growth was primarily driven by the development of the **Tamar** (2013), **Leviathan** (2019) and **Karish** (2022) offshore gas fields. In 2024 the Leviathan field produced around 11 bcm, Tamar 10 bcm and Karish 5.5 bcm. The country's natural gas output is expected to increase further from the expansion of the Tamar and Leviathan fields, which could increase the country's production capacity by 7 bcm/yr by 2026.

Israel's successful development of its offshore gas reserves has supported **strong domestic demand growth** and turned the country from a net importer to a key regional piped gas supplier. The country's natural gas demand grew by an impressive 28% (or 3 bcm) between 2018 and 2024, primarily driven by the power and industrial sectors. As production growth rapidly outpaced domestic consumption, **Israel started exporting piped gas to Jordan** in 2017 **and to Egypt** in 2020, with deliveries underpinned by a series of long-term agreements. In 2024 Israel exported around 10 bcm of natural gas to Egypt through the EMG Pipeline and the Arab Gas Pipeline and around 3 bcm to Jordan. Israel's exports are primarily supported by the Leviathan and Tamar fields, while the Karish's output is entirely dedicated to the domestic market. In 2024 around 85% of the Leviathan's and one-third of the Tamar's gas production was destined to Egypt and Jordan.

Egypt's natural gas production has entered a phase of decline in recent years, turning the country from a net exporter to a net importer. Egypt is currently Africa's second-largest gas consumer, with total demand of over 60 bcm, largely concentrated in the power and industrial sectors. Natural gas plays a **key role in Egypt's electricity supply security**, accounting for almost 75% of the country's power mix in 2024. Inadequate gas supplies led to power cuts in the summer of 2024. While Egypt's natural gas demand has remained broadly flat since 2021, the country's natural gas output

[2] The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

fell by almost 30% (or 21 bcm) between 2021 and 2024, primarily driven by the rapidly declining production rates of the offshore Zohr field. This trend accelerated in the first four months of 2025, when Egypt's natural gas output fell by near 20% y-o-y amid worsening upstream deliverability. Consequently, Egypt drastically reduced its LNG exports during 2022-2024 and became a net LNG importer in 2024. In parallel, **piped imports from Israel have increased sharply since 2020** to account for 17% of Egypt's primary natural gas supply in the first four months of 2025.

Jordan is a relatively small natural gas market, with annual consumption of just over 4 bcm. Demand is largely concentrated in the power and industrial sectors. **Natural gas accounted for more than half of the country's power mix** in 2024. The country has limited domestic production, with more than 95% of demand met through imports, primarily from Israel. Jordan also leased a floating storage and regasification unit (FSRU), which started operations in 2015 and supplied 1.1 bcm of gas in 2024. Following the expiry of the lease agreement, the FSRU moved from Jordan to Egypt in early June 2025, leaving Jordan entirely reliant on Israeli piped gas. In December 2024 Jordan's National Electric Power Company (NEPCO) and Egypt's Natural Gas Holding Company (EGAS) signed a co-operation agreement enabling Jordan to access Egypt's FSRUs until the end of 2026, after which a new regasification unit in the port of Aqaba is expected to start operations.

The conflict between Israel and Iran profoundly disrupted regional gas trade. Israel **shut production at the Leviathan and Karish fields** from 13 to 25 June due to security concerns. This reduced the country's natural gas output by around 60% and effectively led to a production loss estimate at 0.45 bcm. The Tamar field continued operations, although its deliveries were redirected entirely to the domestic market to ensure Israel's energy security. Following the shut-in of the Leviathan and Karish fields, **Israel had to halt its piped gas exports to Egypt and Jordan**. Both countries enacted **energy emergency plans**. In Egypt, natural gas deliveries were curtailed to industrial gas users in order to prioritise gas allocations to the power sector and ensure electricity supply security. Consequently, Egypt's **fertiliser companies halted operations**, which provided further upward pressure on urea prices**.** In addition, the emergency plan included measures to maximise diesel use in power plants in place of natural gas.

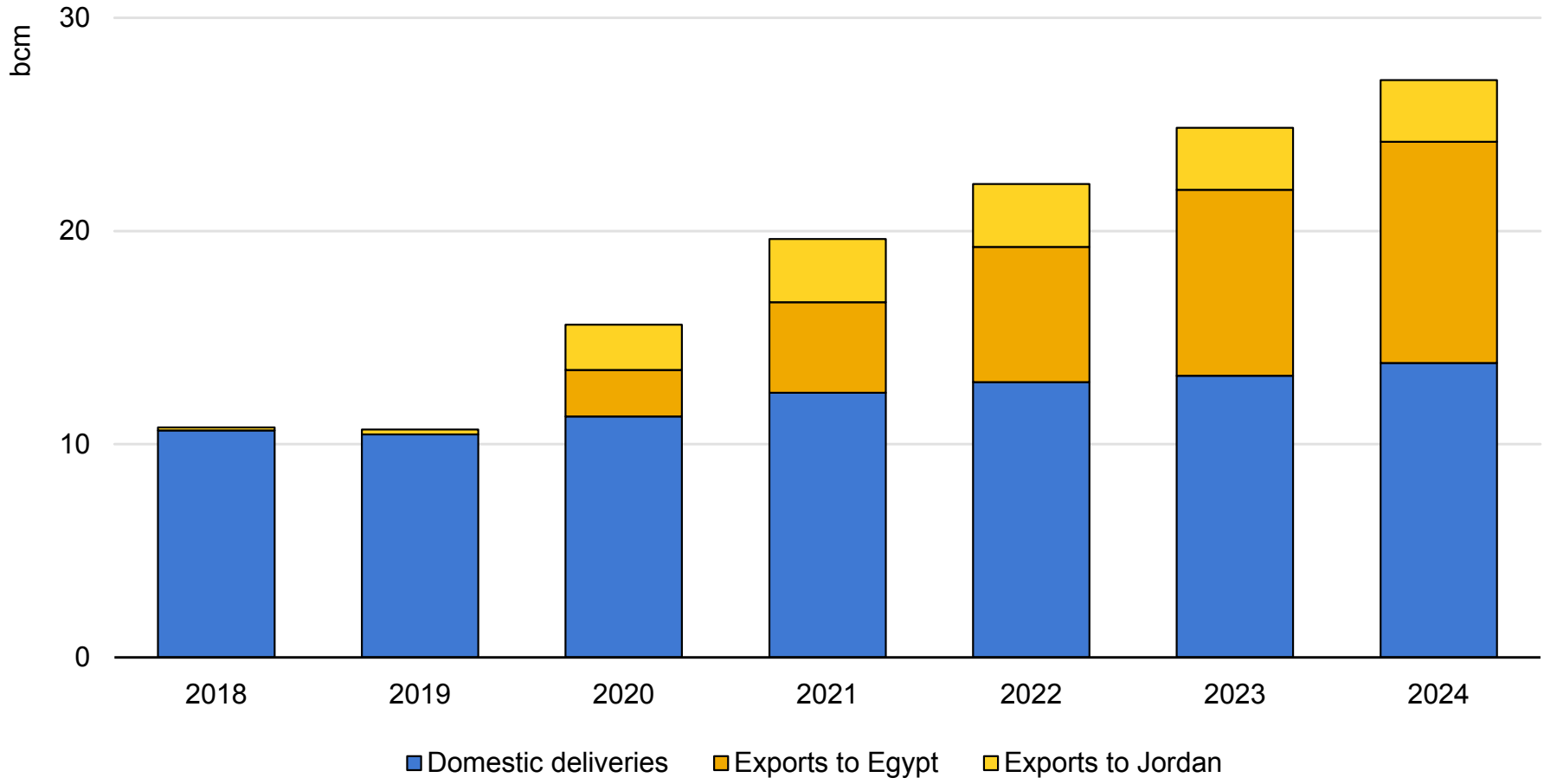
In **Jordan**, NEPCO activated **its emergency response plan** on 16 June to prioritise natural gas distribution to essential sectors. Despite the steep decline in piped gas inflows, the country's power supply remained stable throughout the crisis. **Dual-fired power plants** played a key role in ensuring electricity supply security by switching to alternatives, such as diesel and fuel oil. On 18 June Jordan also started to receive around 3 mcm/d of natural gas from Egypt through reverse flows via the Arab Gas Pipeline.

Israel gradually restarted piped gas exports to Egypt and Jordan, which stabilised energy security in the region. During 20-24 June, Israel sent surplus gas (not needed for its power sector) to its neighbouring markets – albeit at volumes well below

their pre-crisis levels. Following the announed ceasfire with Iran, Israel ordered the restart of the Leviathan and Karish fields on 25 June. Piped gas deliveries to Egypt and Jordan were ramped up in the consecutive days and had returned close to their pre-crisis levels by the end of the week. Consequently, Egypt's largest fertiliser producers gradually restarted operations. Egypt received its second FSRU at the end of June and is expected to receive two more FSRUs during the summer, which should strenghten its natural gas supply security.

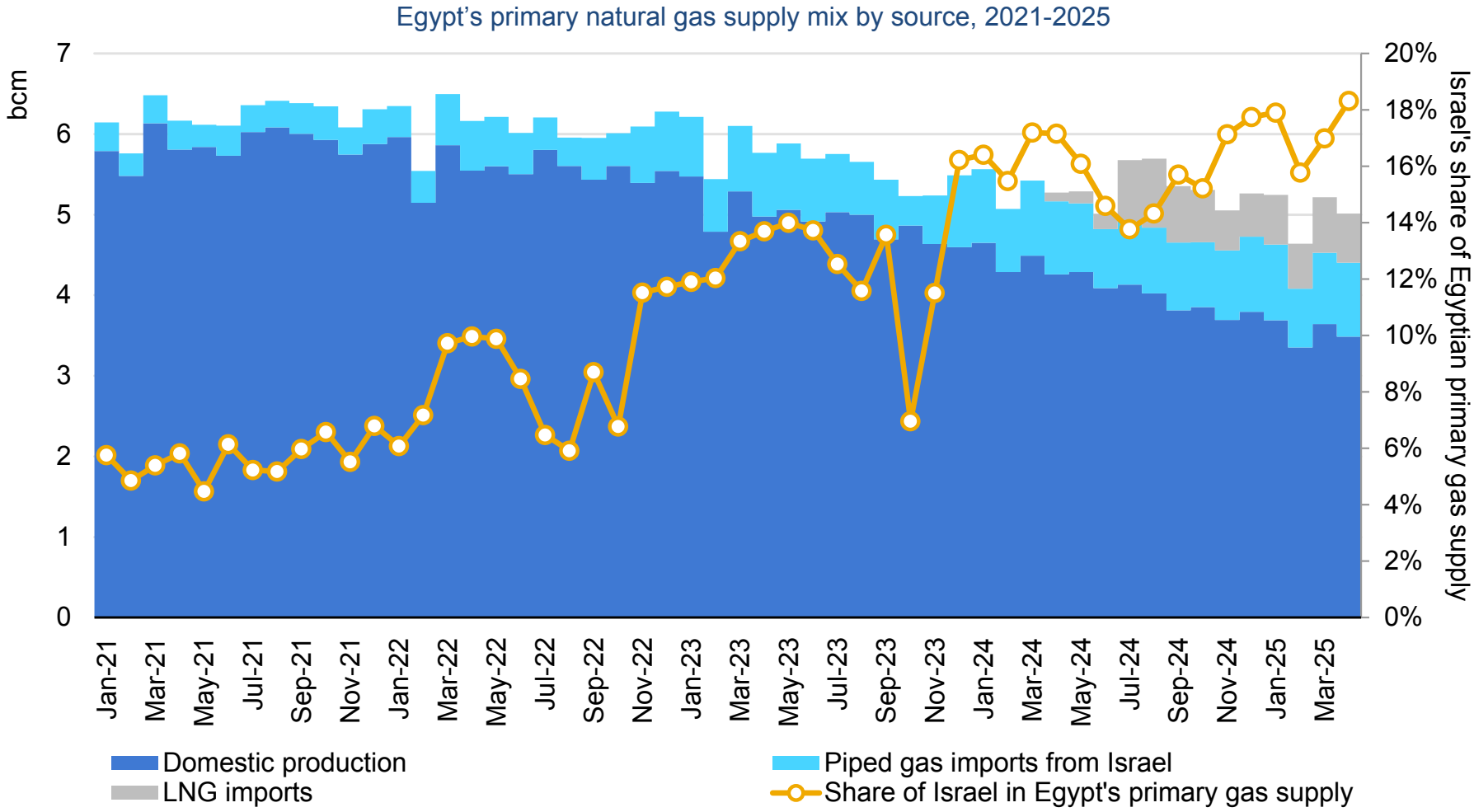
Since 2020 Israel has become a key regional piped gas supplier to Egypt and Jordan…

Israel's domestic gas demand and piped gas exports to Egypt and Jordan, 2018-2024



Sources: IEA analysis based on IEA (2025), World Natural Gas Statistics; JODI (2025), JODI Gas World; MEES (2025).

…accounting for 17% of Egypt's primary gas supply in the first four months of 2025



Source: IEA analysis based on JODI (2025), JODI Gas World.

Geopolitical tensions tested the resilience of Iran's natural gas sector

Iran is the world's third-largest producer of natural gas, after the United States and the Russian Federation (hereafter, "Russia"). While the country consumes around 95% of its natural gas output domestically, it is also an important piped gas supplier to Iraq and Republic of Türkiye (hereafter, "Türkiye").

Iran's natural gas output was reported at 270 bcm in 2023 and likely increased further in 2024 following the start-up of South Pars Phase 11 in the second half of 2023. The **supergiant offshore South Pars gas field** (shared with Qatar, where it is known as the North Field) is the cornerstone of Iran's gas-based economy. The field was developed in 24 phases and currently accounts for more than 70% of Iran's total natural gas output. Much of the remaining production is concentrated in a handful of onshore legacy fields – such as Kangan, Aghar and Tabnak – also located in the southern part of the country.

Iran's economy is heavily reliant on natural gas, which accounts for more than 70% of the primary energy mix and 80% of the country's power mix. In 2023 Iran consumed about 255 bcm of gas, making it the world's fourth-largest user (after the United States, Russia and China). Gas is used widely across the Iranian economy, with power generation, industry, and residential and commercial users each accounting for roughly 30% of total demand. The remaining consumption is in the energy sector (mainly upstream operations and refineries), as well as in the country's large fleet of compressed natural gas (CNG) vehicles in the transport sector.

Despite the country's vast natural gas reserves and high production levels, **Iran regularly faces gas supply shortages**, especially during the winter peak demand period. At the end of 2024 Iran's daily natural gas deficit reached around 350 mcm/d, leading to widespread supply curtailment for industrial consumers and power shortages. The country has limited gas storage infrastructure, with a working capacity of just over 3 bcm, equivalent to around 1% of its domestic gas demand. This makes the country particularly vulnerable to unforeseen changes in supply and/or demand.

Iran's gas supply infrastructure sustained some damage during the June 2025 conflict. On 14 June drone strikes reportedly hit one of the gas treatmant plants at South Pars Phase 14, disrupting 12 mcm/d (4.4 bcm/yr) of production capacity. The facility was repaired and restarted operations on 26 June, resuming injections to the country's transmission system. In the same drone strike, the Fajr Jam gas processing plant – which handles gas from both South Pars and the Kangan field – also caught fire, but the blaze was swiftly contained. There were no reported production outages at this facility.

Amid the June 2025 conflict with Israel, Iran also reportedly shut down all seven of its ammonia and urea plants as a precaution, further contributing to the increase in regional urea prices. The

plants gradually restarted operations after the annoucement of the ceasefire with Israel.

Although Iran mainly produces gas for the domestic market, it has become a significant piped gas exporter to Iraq and Türkiye. In 2024 Iran exported around 7 bcm of natural gas to Türkiye, accounting for around 13% of the country's total primary gas supply. According to the Energy Ministry of Türkiye, piped gas deliveries from Iran were not affected during the Israel-Iran conflict. Since March 2025 Iran has also been facilitating gas flows from Turkmenistan to Türkiye under a 2 bcm/yr swap deal. Deliveries under this arrangement continued uninterrupted during the June 2025 crisis, according to Türkiye's Energy Ministry.

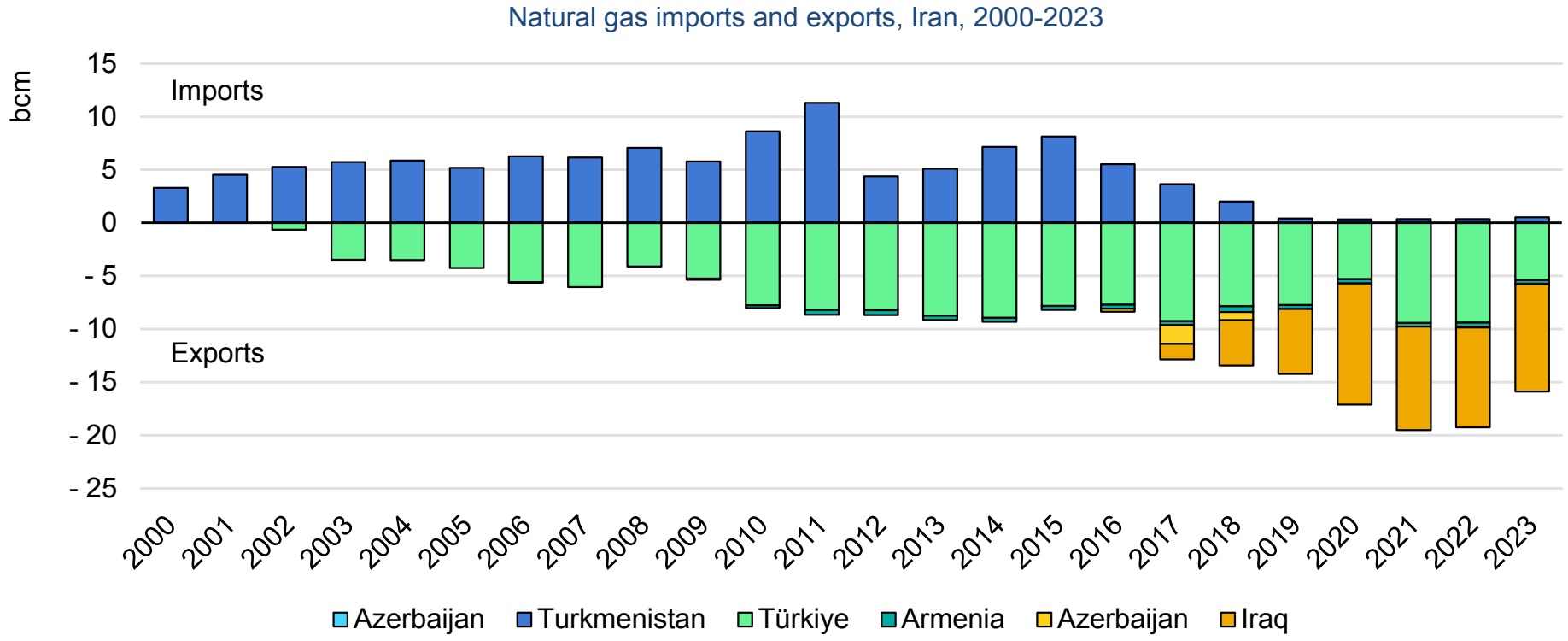
Iranian gas deliveries play a key role in ensuring Iraq's gas and electricity supply security

Since around 2017 Iraq has faced a significant gas supply–demand gap, as the start-up of new gas-fired power plants drove accelerated gas demand growth and domestic production struggled to keep pace. Security and economic challenges have hampered gas investment, both in upstream and transmission infrastructure, leaving the country reliant on gas and electricity imports from Iran to cover a significant share of its domestic needs. However, the more recent revival of upstream concessions, growing upstream investment and advances in gas capture facilities to recover associated gas output at key oil fields all point to a progressive turnaround in Iraq's gas balance dynamics.

Iranian piped gas deliveries to Iraq totalled at around 9 bcm in 2023 and in April 2024 Iran and Iraq reached an agreement to increase daily deliveries to 50 mcm/d. However, there are no reported data and deliveries were most likely significantly lower considering Iran's domestic gas supply challenges and reports of a period of curtailed gas flows in late 2024. The continuity of these trade flows also depends on US sanction waivers, which, since 2018, have allowed Iraq to import both gas and electricity from Iran without falling foul of US economic sanctions on Iran. While the latest gas waiver remains in place, the US administration rescinded Iraq's waiver for electricity imports in March 2025.

Iraq is aiming to phase out Iranian piped gas imports by 2028, due to persistent supply disruptions. The country is targeting increases in domestic natural gas output and aims to become self-sufficient by 2030, including by bringing flared gas volumes to the market (around 18 bcm of gas was flared in 2023). Iraq has also awarded and set up new oil and gas concessions, and key existing gas assets are set to increase production in the coming years. The country is also considering diversifying its imports through LNG via an FSRU. However, unless Iraq significantly increases its domestic output, it is likely to remain dependent on Iran's piped gas deliveries.

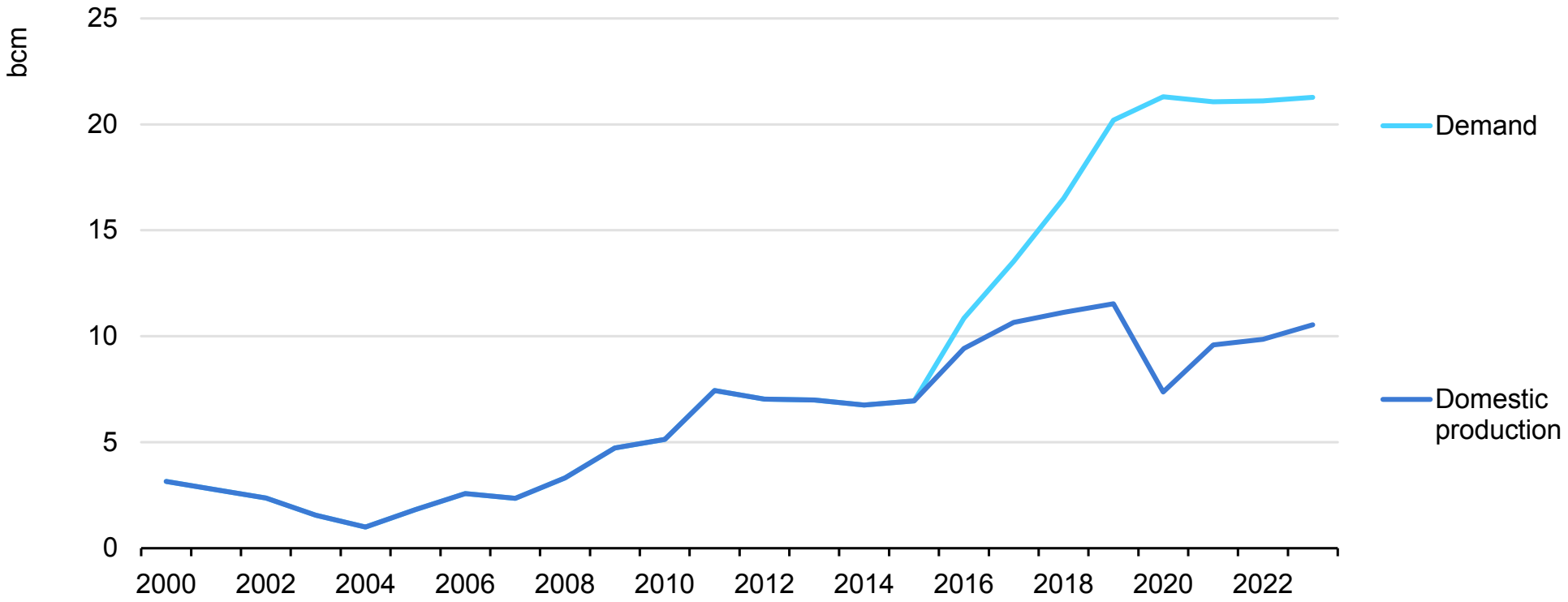
Iran has emerged as a key pipeline gas supplier to Iraq and Türkiye in recent years…



Source: IEA (2025), World Natural Gas Statistics.

…while Iraq's gas supply–demand gap has continued to widen in recent years

Natural gas demand and production, Iraq, 2000-2024



Gas market update

Natural gas demand growth slowed markedly in H1 2025

Following a relatively strong increase in 2024, **global gas demand growth slowed markedly** in H1 2025. Higher natural gas prices together with heightened macroeconomic uncertainty and tight supply fundamentals weighed on natural gas consumption. In contrast with previous years, demand **growth was largely concentrated in Europe and North America**, while in Asia natural gas consumption remained broadly flat compared to the same period last year.

Preliminary data suggest that **natural gas demand increased by just 1%** (or less than 20 bcm) y-o-y in H1 2025 in the markets covered in this market update,[3] primarily driven by Europe and North America. **Supply fundamentals remained tight**. While global LNG supply increased by 4% (or 12 bcm) y-o-y in H1 2025, this was partially offset by lower Russian and Norwegian piped gas deliveries to the European Union (down by 9 bcm). Strong storage injections in the European Union further tighened market fundamentals.

In **North America** natural gas demand **increased** by almost 2.5%. This relatively strong demand growth was primarily supported by colder temperatures, which increased space heating requirements across Canada and the United States in Q1. First data suggest that natural gas consumption declined marginally in Q2 compared to the same period last year, as higher natural gas prices weighed on gas-fired power generation.

In **Central and South America** preliminary data indicate that natural gas consumption increased by almost 2% (or 1 bcm) y-o-y in H1 2025. This growth was largely driven by stronger **gas-fired power generation** in Argentina and Brazil. Despite higher consumption, the region's LNG imports declined by 13% (or about 1 bcm) y-o-y amid strong production growth in Argentina and Brazil (up by 7% and 10% respectively in the first five months of 2025).

Following relatively strong expansion in 2024, natural gas **demand growth in Asia turned negative** in the first half of 2025 primarily due to weaker demand fundamentals in China and India. Preliminary data suggest that the region's natural gas demand fell by 1.5% y-o-y in the first half of the year. **China**'s natural gas demand declined by an estimated 1% compared to last year in the first half of 2025 and the country's LNG imports plummeted by 21% during the same period. **India** recorded a decline of 7% y-o-y in the first five months of 2025, primarily due to lower demand in refining and industry. **Japan**'s natural gas demand fell by 5.5% y-o-y in Q1 2025 amid higher nuclear availability, while **Korea** recorded an increase of 3% y-o-y during the same period, with demand supported by colder temperatures in Q1. In **Emerging Asia** natural gas consumption

[3] Asia Pacific, Central and South America, Eurasia, Europe and North America.

declined by an estimated 1% y-o-y in the first half of the year, as high spot prices weighed on demand.

Natural gas consumption in **OECD Europe** rose by an estimated 6.5% (or 15 bcm) y-o-y in H1 2025. The **power sector** was the most important driver behind higher gas use and alone accounted for almost 80% of the incremental gas demand in H1 2025 amid lower renewable power output.

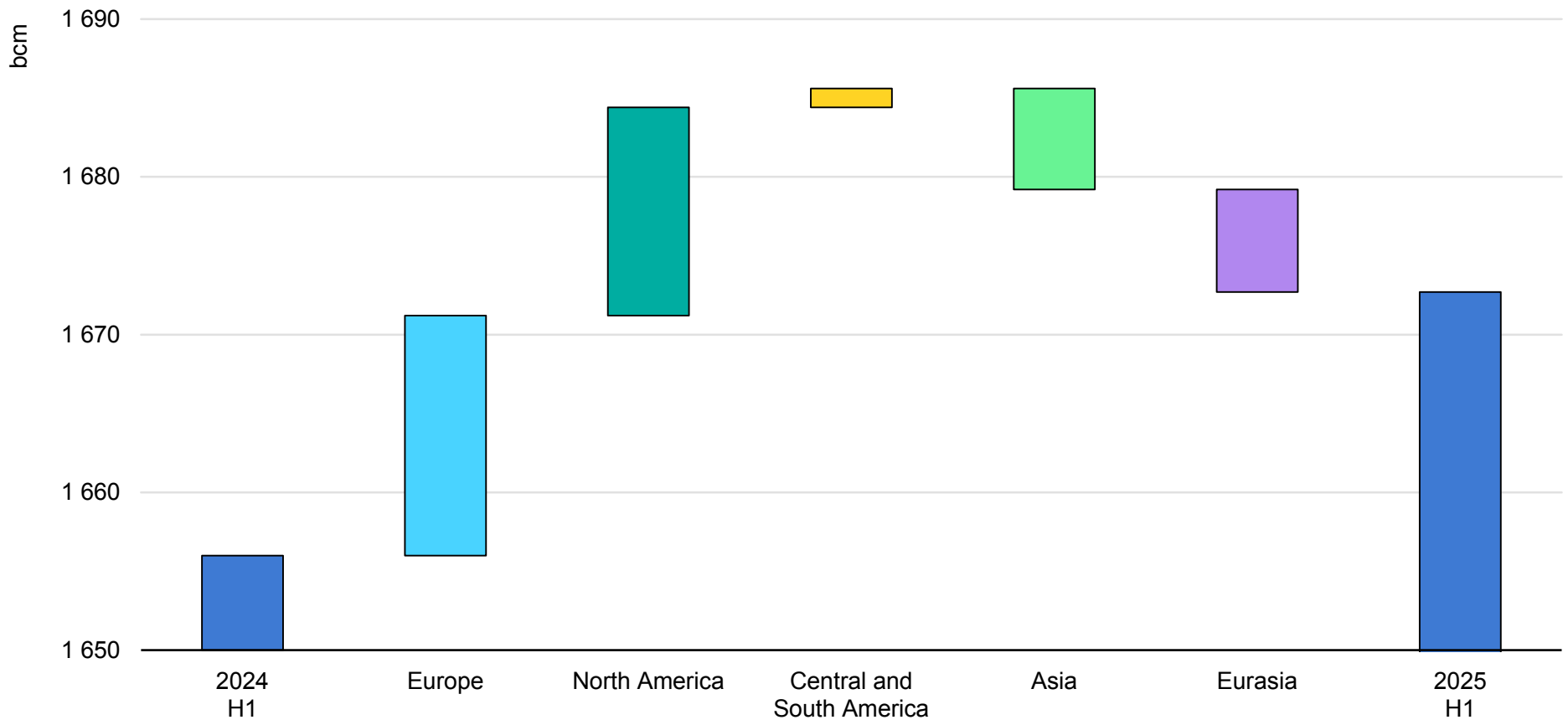
In **Eurasia** natural gas consumption fell by an estimated 2% y-o-y in H1 2025. This was primarily due to an unseasonably mild Q1 in Russia, which depressed space heating requirements and weighed on natural gas used for district heating. Russia's natural gas production declined by 3% (or 10 bcm) y-o-y in the first five months of 2025 amid lower piped gas exports to the European Union.

For the full year of 2025 global gas demand growth is expected to increase by around 1.3%. Tighter market conditions are expected to weigh on global gas demand growth, primarily in price-sensitive import market. While LNG supply is forecast to accelerate and increase by 5.5% (or 30 bcm) in 2025, the halt of Russian piped gas transit via Ukraine, together with higher storage injection needs in Europe, is set to keep market fundamentals tight. Heightened geopolitical tensions could fuel additional price volatility, which presents another downward risk for global gas demand. Natural gas demand in the **Asia Pacific region** is expected to expand by less than 1% compared to 2024 – its weakest growth since 2022. Following a cold Q1, natural gas consumption in **North America** is projected to increase by just over 1% compared to 2024. In **Central and South America** natural gas demand is forecast to increase by less than 1%, supported by Argentina and Brazil. In **Europe** natural gas demand is expected to increase by 3%. Combined gas demand in **Africa and the Middle East** is forecast to increase by 2%. **Eurasian** gas demand is projected to remain broadly flat.

Global gas consumption is expected to reach a new all-time high in 2026, with demand growth accelerating to around 2%. **Global LNG supply** is forecast to increase by a strong 7% (or 40 bcm), primarily driven by Canada, Qatar and the United States. Improving supply fundamentals are expected to support stronger demand, especially in fast-growing and price-sensitive Asian markets. Natural gas demand in the **Asia Pacific region** is expected to increase by over 4% in 2026, accounting for around half of global gas demand growth. In **North America** natural gas demand is projected to increase by less than 1% in 2026 on the back of coal-to-gas switching dynamics in the power sector. In contrast, natural gas use is projected to marginally decline in **Central and South America** amid higher renewables output. In **Europe** the continued expansion of renewables is expected to reduce gas demand by 2%. In **Eurasia** gas consumption is forecast to increase by 2% assuming a return to average weather conditions. Combined demand in **Africa** and the **Middle East** is projected to increase by 3.5% amid higher gas use in industry and the power sector. This short-term forecast is subject to an **unusually wide range of uncertainties**, stemming from the broader geopolitical and macroeconomic environment.

Europe and North America drove demand growth in H1 2025

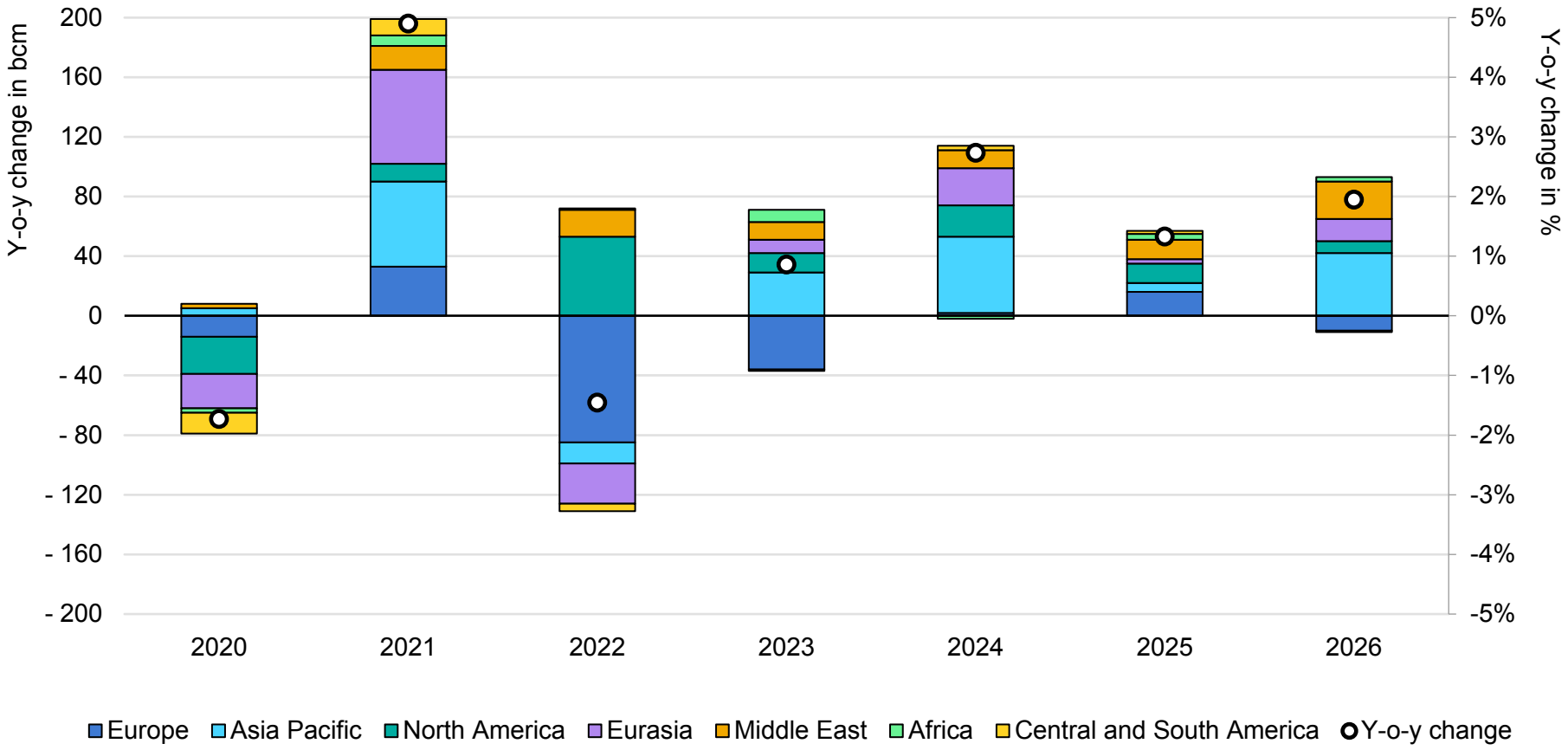
Estimated year-on-year change in natural gas demand in key regions, H1 2025



Notes: Asia comprises Bangladesh, China, India, Indonesia, Japan, Korea, Malaysia, Pakistan, the Philippines, Singapore and Thailand.

Global gas demand growth is expected to accelerate in 2026 amid improving LNG supply

Y-o-y change in natural gas demand in key regions, 2020-2026



Higher natural gas prices weighed on demand in North America in Q2 2025…

Natural gas consumption in North America increased by almost 2.5% (or 13 bcm) y-o-y in H1 2025. This growth was primarily concentrated in Q1, when colder temperatures increased space heating requirements across Canada and the United States. First data suggest that natural gas consumptiond declined marginally in Q2, as higher natural gas prices weighed on gas-fired power generation. Natural gas use in industry increased marginally compared to last year.

In the **United States** natural gas consumption increased by around 2.5% (or 12 bcm) y-o-y in H1 2025. This growth was primarily supported by colder winter and spring temperatures, which increased space heating requirements across the **residential and commercial sectors**. Heating degree days were up by 10% y-o-y in the first five months of 2025, which drove up natural gas use in the buildings sector by around 10% y-o-y during the same period.

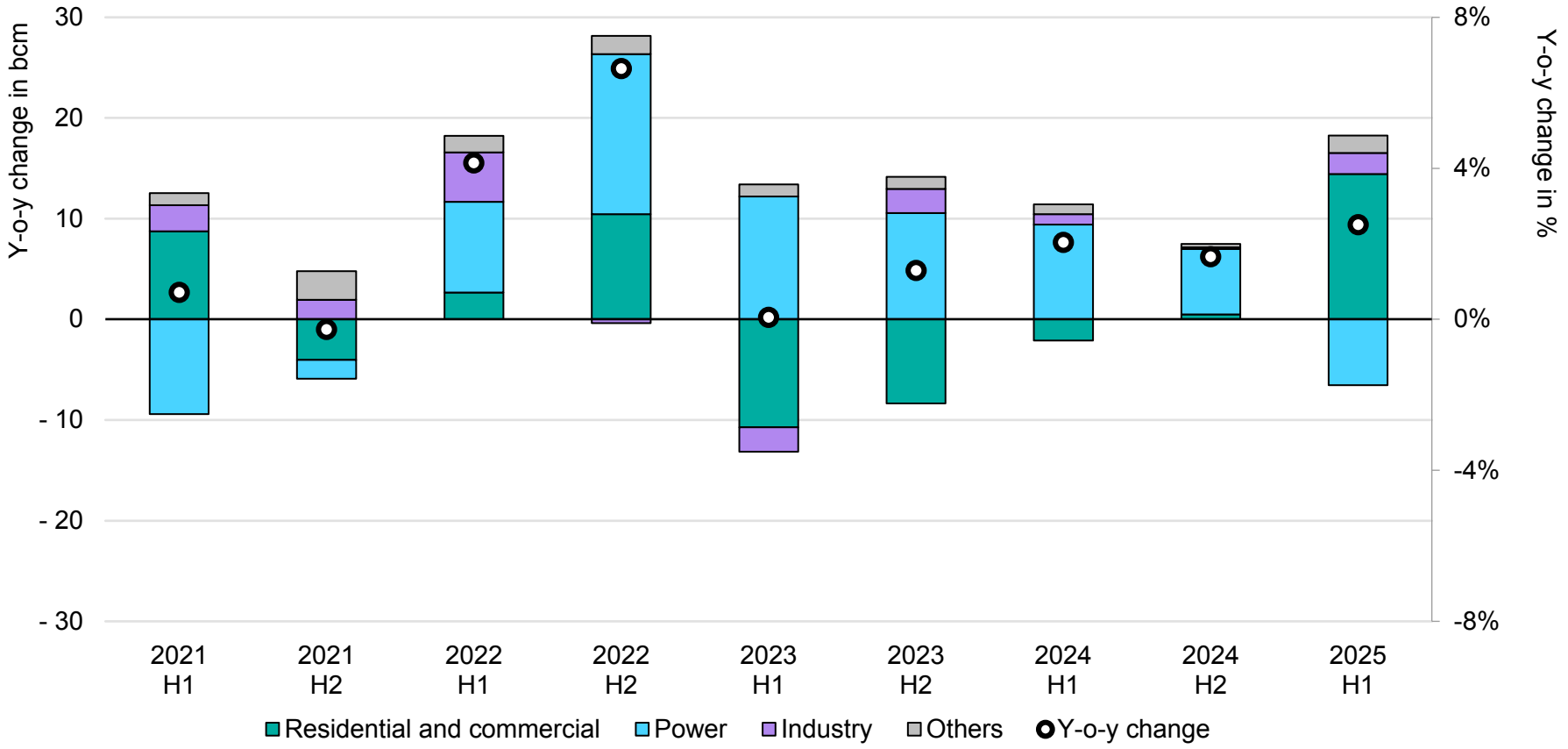
In contrast, **gas-to-power demand** in the United States declined by around 4% (or more than 6 bcm) y-o-y in H1 2025, amid stronger renewable power output and price-driven gas-to-coal switching. Stronger demand from the residential and commercial sectors, together with below-average storage levels at the end of the heating season, provided upward pressure on natural gas prices, with Henry Hub averaging 70% above last year's levels in H1 2025. This strong increase in natural gas prices eroded the cost-competitiveness of gas-fired power generation vis-à-vis coal-fired power plants, which increased their output by almost 15% y-o-y. Consequently, the share of natural gas in power generation declined from 40% in H1 2024 to 38% in H1 2025. Natural gas demand in **industry and the energy sector** increased by an estimated 2% (or almost 4 bcm) y-o-y, partly supported by stronger gas use by the country's growing LNG liquefaction fleet.

In **Canada** natural gas demand rose by an estimated 5% (or over 3 bcm) y-o-y in H1 2025. Similarly to the United States, colder weather conditions prompted higher gas use in the residential and commercial sectors, which inceased by more than 10% y-o-y in the first four months of 2025. Combined gas demand in the industrial and power sectors rose by 3% y-o-y during the same period, largely supported by stronger gas-fired generation. In **Mexico** natural gas consumption declined by an estimated 4% (or almost 2 bcm) y-o-y in H1 2025, primarily driven by lower gas-fired power generation.

Natural gas demand in North America is forecast to increase by just over 1% in 2025 as a whole. After reaching an all-time high in 2024, gas-to-power demand is expected to marginally decline in 2025 amid the continued expansion of renewables. In contrast, gas use in the residential and commercial sectors is expected to increase, assuming average weather conditions during the rest of the year. This forecast expects natural gas demand in North America to increase by less than 1% in 2026, primarily driven by stronger gas use in power, industry and the energy sector.

…largely due to lower gas-fired power generation in the United States

Estimated y-o-y change in semi-annual natural gas demand, United States, 2021-2025



Sources: IEA analysis based on EIA (2024), Natural Gas Consumption; Natural Gas Weekly Update.

Asian natural gas demand loses steam after a strong 2024

After having accelerated to about 5.5% in 2024, natural gas demand growth in Asia turned negative in the first half of 2025. Preliminary data suggest that the region's gas demand fell by 1.5% y-o-y in the first half of the year. This decline was driven by weaker macroeconomic conditions, relatively high spot LNG prices, mild weather conditions in northeast China, and reduced natural gas use in the power generation sector amid the growing availability of nuclear, hydro and renewable energy. For 2025 as a whole, Asia's gas demand is expected to expand by less than 1%, largely supported by a modest recovery in power sector gas use during the remainder of the year. In 2026 total consumption in Asia is projected to grow significantly more rapidly, by more than 4%, driven by rebounding industrial demand due to improved LNG availability, and – to a lesser extent – by modest increases in the power, residential and commercial sectors.

China's gas demand showed clear signs of weakness in the first half of 2025, shifting significantly from the dynamics that dominated most of 2024. Following robust growth in the first three-quarters of 2024 that carried Chinese gas demand to an all-time annual high, faltering fundamentals and mild weather combined to pull demand down year-on-year in both November and December 2024. In H1 2025 demand is estimated to have fallen by about 1% year-on-year, weighed down by the industrial sector, which accounted for the largest volumetric shift, and below-average heating demand in the winter months.

Full-year demand for 2025 is expected to increase by around 1% from 2024 levels. Uncertain macroeconomic signals are likely to temper any serious industrial demand recovery and weak first-quarter city gas demand will weigh on the full-year trend. While electricity generation accounts for only around 20% of the China's gas demand, fluctuations in renewable output could lead power sector gas burn to shift total demand dynamics.

On the supply side, full utilisation of the Power of Siberia pipeline is set to add close to 8 bcm of Russian pipeline gas to the Chinese balance in 2025, although weak imports from Central Asia are likely to pare back total incremental pipeline supply. Domestic production is also set to keep growing at a strong pace, although slightly below the three-year average of close to 7%. Given the relatively robust combined growth of these supply sources and weak demand prospects, Chinese LNG imports are expected to decrease by about 12% year-on-year in 2025.

In 2026, Chinese demand growth is expected to recover from the 2025 slowdown, reaching around 6% as easing economic headwinds drive industrial activity and accelerating global LNG liquefaction capacity additions provide supply-side support to Chinese buyers.

Japan's gas consumption decreased by 5.5% y-o-y between January and March 2025, mainly due to lower demand for gas-fired electricity. While nuclear, coal and renewable output increased in

Q1 2025, gas-fired generation registered a 5% y-o-y decline over the same period. Meanwhile, demand from the industrial sector remained largely stable, and residential and commercial demand increased by 3.5% y-o-y. Total gas consumption in 2025 is expected to decrease by 1.3%, driven by reduced gas use for power generation. One nuclear reactor (Kashiwazaki Kariwa Unit 6) is scheduled to restart in 2025, modestly reducing gas-fired power generation. Growing renewable output is expected to squeeze gas-fired power plants even further in Japan's generation mix throughout 2025. In 2026 Japan's gas demand is expected to decline by close to 2.5%, mainly driven by lower gas use in power generation amid nuclear restarts and robust renewable growth.

Korea's gas demand between January and March 2025 increased by 3% y-o-y, supported by strong demand in the power generation sector, as well as in industry and energy sector own use. In 2025 total gas demand is expected to rise by 1.4% y-o-y, mainly driven by the power sector, along with more modest increases in the residential and commercial sectors and in industry. Gas burn in the power sector will be supported by the delayed completion of the Saeul 3 and 4 nuclear reactors, now expected in 2026. Despite the addition of new nuclear capacity, gas demand in 2026 is projected to remain flat, as declining coal use in the power generation sector and modest increases in industrial, residential and commercial consumption fully offset the headwinds from nuclear.

India's total gas consumption decreased by 7% y-o-y between January and May 2025, based on preliminary data. This decline was mainly driven by lower consumption in the power generation and oil refining sectors (both down 23%), as well as in industry (down 4%), which includes fertilisers and petrochemicals. By contrast, the residential and commercial (up 8%) and the transport sector (up 6%) experienced continued growth in the first five months of 2025. Since July 2024 domestic gas production has recorded year-on-year declines. Between January and May 2025 total natural gas output declined by 3% y-o-y.

During January-May 2025, India's net LNG imports fell by 5% y-o-y. This was largely due to spot LNG prices averaging 35% higher than in the same period in 2024. This decline was supported by lower naphtha prices and increased naphtha availability for the refining, petrochemical and fertiliser sectors. Similarly, ceramic tile manufacturers opted for cheaper LPG, which was freed up due to shutdowns at Reliance Industries' Jamnagar refinery and maintenance at key fertiliser plants. LNG import dynamics varied greatly during the first five months of 2025. January saw a sharp 13% y-o-y decline due to weak industrial demand and elevated spot prices. In contrast, April 2025 experienced a 10% y-o-y increase, driven by early heatwaves and strong electricity demand. From January to May LNG cargo tenders declined by over 20% y-o-y, and the allocation rate, defined as the share of tendered LNG cargoes that were successfully awarded in full or in part, dropped from 87% to 36%, signalling weak demand for high-priced spot cargoes.

India's natural gas demand is expected to decline by 1% in 2025, a notable shift from the 10% growth seen in 2024. This forecast

assumes a return to a relatively healthy growth trajectory in the remainder of 2025, driven by India's growing energy needs, expanding domestic gas infrastructure and rapid economic growth. In 2026 India's gas consumption growth is forecast to reach 7%, driven by the ongoing expansion of India's city gas distribution and CNG filling station networks, expanding industrial gas use and rising electricity needs.

Emerging Asia's gas consumption is estimated to have declined by around 1% y-o-y in the first half of 2025, driven by weak demand in the electricity sector, especially in Thailand, the region's largest user of gas for power generation. This weak demand coincided with sluggish LNG import growth of around 2% y-o-y during H1 2025 and production declines in some of the region's producers in the first four months, including Malaysia (down 3%) and the Philippines (down 10%).

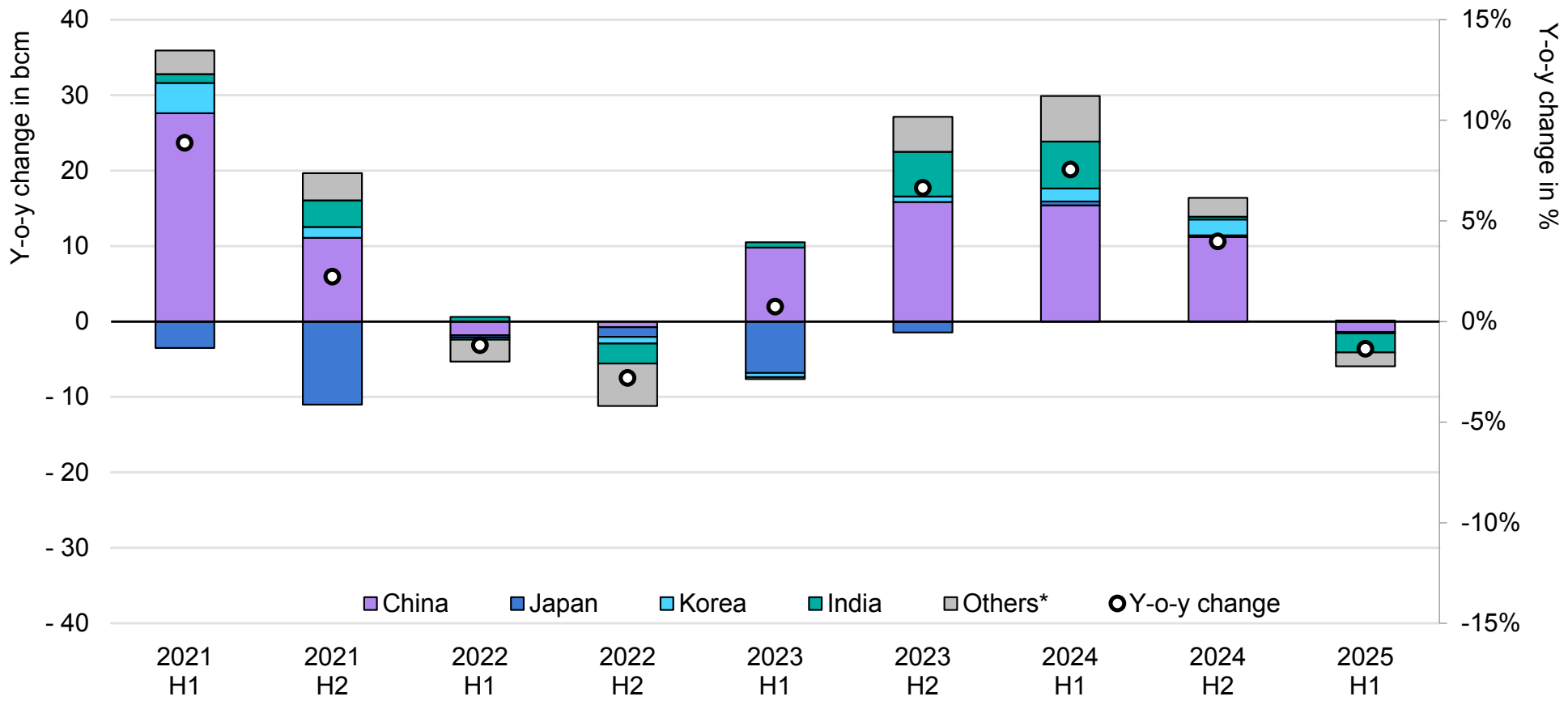
Thailand's natural gas consumption fell by 13% y-o-y in the first five months of 2025, driven by steep declines in power sector gas use (down 23%) and transport sector demand (down 17%). Indonesia's total consumption rose by 11% y-o-y in the first two months, supported by strong growth in industry and more modest expansion in power sector demand. Malaysia's gas demand declined by nearly 4% y-o-y in the first four months of 2025, while Singapore's power sector-led demand decreased by 2% over the same period.

Pakistan's total consumption is estimated to have declined 8% y-o-y in the first five months of 2025, primarily due to reduced demand in the power sector (down 10%) and periods of weak industrial demand between January and April. The country's gas-fired power plants were squeezed by surging solar output and a sharp recovery in coal-fired generation. LNG imports were similarly subdued (down 11%) in the first five months amid continuing diversion of contracted LNG cargoes. Bangladesh's natural gas demand rose by an estimated 2% y-o-y in the first four months of 2025, driven by growing power demand (up 1%) as well as in industry. LNG imports increased by 30% y-o-y in the first four months and by 24% in the first half of 2025 to meet rising overall gas demand.

For 2025 as a whole, gas demand growth in Emerging Asia is projected to slow from around 3% in 2024 to approximately 1% in 2025, as relatively high LNG prices and macroeconomic headwinds weigh on natural gas use. In 2026 Emerging Asia's gas consumption growth is expected to re-accelerate to around 5%, driven by recovering gas use in both the power and industrial sectors amid rising overall energy needs, moderating prices and improving macroeconomic conditions.

Asia's natural gas demand remained broadly flat in H1 2025

Estimated year-on-year change in semi-annual natural gas demand, Asia, 2022-2025

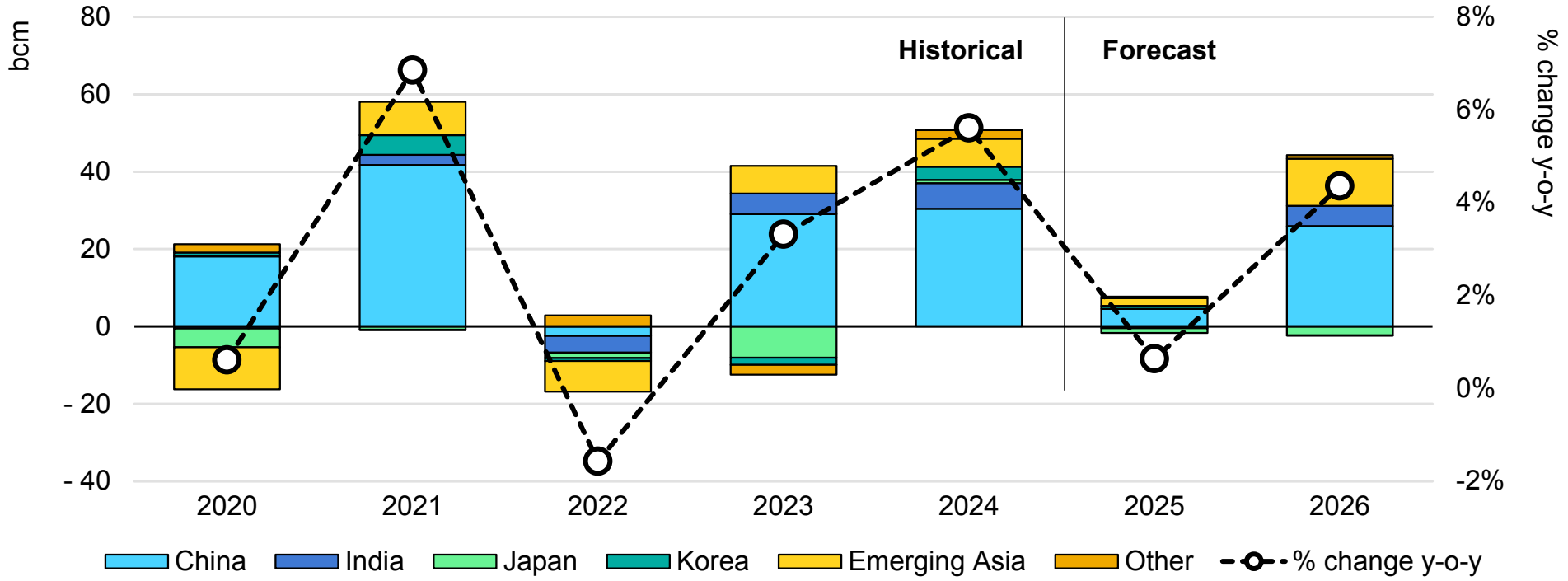


Note: "Others" comprises Bangladesh, Indonesia, Malaysia, Pakistan, the Philippines, Singapore and Thailand.

Sources: IEA analysis based on ICIS (2025), ICIS LNG Edge; CQPGX (2025), Nanbin Observation; JODI (2025), Gas World Database; PPAC (2025), Gas Consumption; EPPO (2025), Energy Statistics; Korea Energy Economics Institute (2025), Monthly Energy Statistics; Japan, Ministry of Economy, Trade and Industry (2025), METI Statistics.

Natural gas demand in Asia is expected to return to stronger growth in 2026

Year-on-year change in natural gas demand in Asia Pacific, 2020-2026



Note: “Emerging Asia” comprises Bangladesh, Indonesia, Malaysia, Myanmar, Pakistan, the Philippines, Singapore, Thailand and Viet Nam.

European natural gas consumption expanded strongly in H1 2025…

Natural gas consumption in OECD Europe rose by an estimated 6.5% (or 15 bcm) y-o-y in H1 2025. Growth was **primarily concentrated** in Q1, when cold weather and lower renewable power output drove up natural gas demand by 9% y-o-y. Demand growth continued during Q2, albeit slowing to below 2% y-o-y. The **power sector was the most important driver** behind higher gas use and alone accounted for almost 80% of the incremental gas demand in H1 2025 amid lower renewable power output. In contrast, higher natural gas prices weighed on natural gas use in industry during the first half of 2025.

Distribution network-related consumption rose by an estimated 4.5% (or almost 5 bcm) y-o-y in H1 2025, with growth entirely concentrated in Q1. Heating degree days increased by more than 10% y-o-y in Q1, which naturally drove up space heating requirements across households and commercial users. First data suggest that natural gas demand in buildings declined marginally in Q2 amid warmer spring temperatures in April.

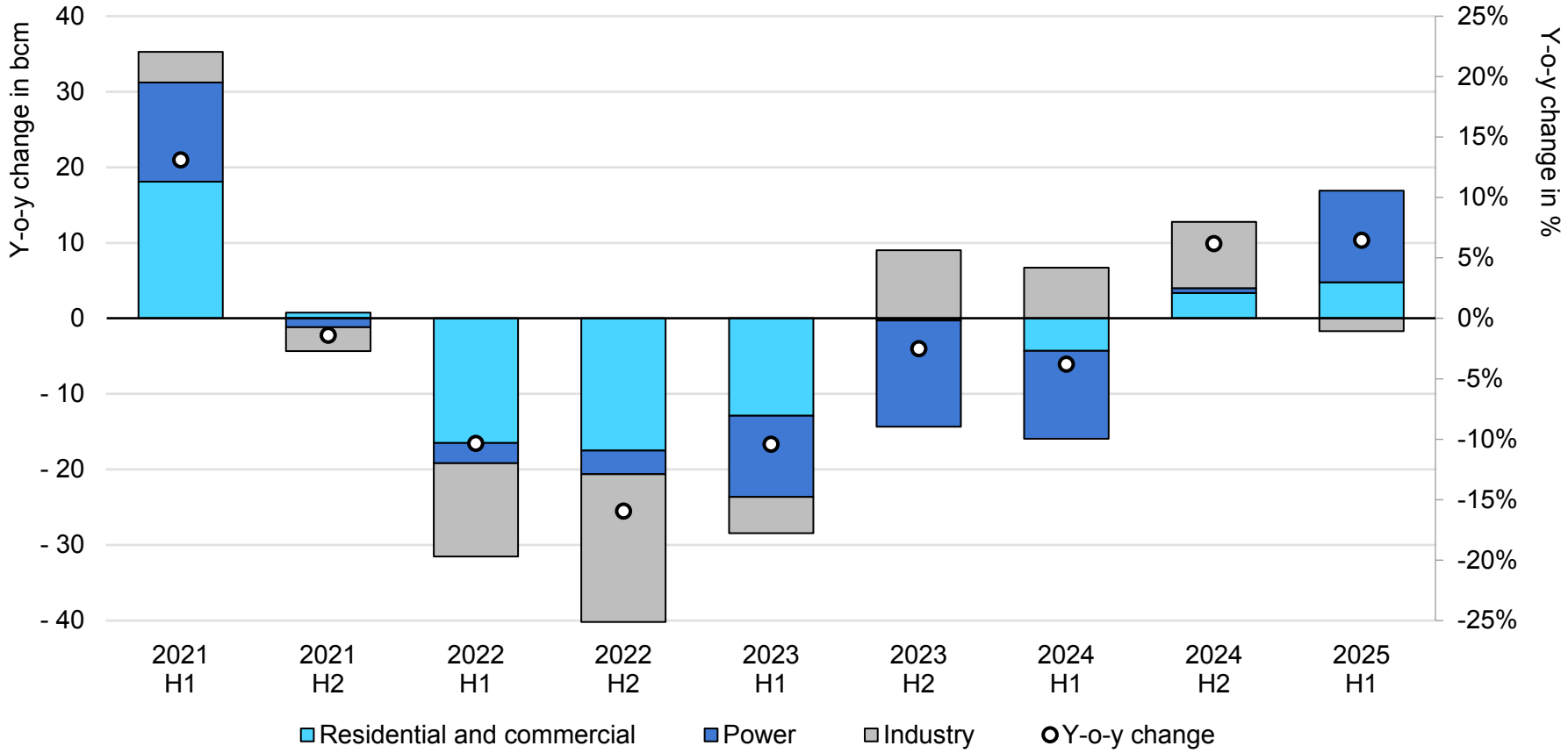
Gas-to-power demand rose by around 20% (or 12 bcm) y-o-y in H1 2025. This steep increase was primarily supported by lower renewable power generation. While solar power generation rose by an impressive 25% y-o-y, this was more than offset by lower wind and hydro generation. Wind power output recorded an 8% y-o-y decline amid slower wind speeds across Northwest Europe, while hydropower generation fell by near 12%, primarily due to lower hydro availability in Southern Europe. Gas-fired power plants played a key role in ensuring electricity supply security during periods of low renewable power output by providing back-up to the power system.

Natural gas consumption in industry declined by an estimated 2% y-o-y in H1 2025, amid higher natural gas prices. Estimated industrial gas consumption decreased by 3% y-o-y in Belgium, by 6% in France and Spain and by more than 10% in the Netherlands. First data suggest that this decline was primarily driven by the refining and fertiliser sectors.

For the full year of 2025, this **forecast** expects natural gas demand in OECD Europe to increase by nearly 3%. Gas-to-power demand is projected to increase by almost 8% as the continued expansion of renewables is expected to partially offset the stronger gas-fired power generation recorded in H1 2025. Natural gas demand in buildings is expected to increase, assuming average winter weather conditions in Q4. Gas use in industry is forecast to decline for the remainder of the year, as higher prices are expected to weigh on energy-intensive industries. This forecast expects Europe's natural gas demand to decline by 2% in 2026, as the continued expansion of renewables weighs on gas burn in the power sector.

…primarily driven by stronger gas burn in the power sector

Estimated year-on-year change in semi-annual natural gas demand, OECD Europe, 2021-2025



Sources: IEA analysis based on Enagas (2025), Natural Gas Demand; ENTSOG (2025), Transparency Platform; EPIAS (2025), Transparency Platform; Trading Hub Europe (2025), Aggregated consumption.

Strong European LNG imports pull volumes away from Asia despite accelerating supply growth

Global LNG trade growth accelerated to 4% in the first half of 2025, with exporters adding about 60% more LNG supply to the market than was added in the whole of 2024. North America and the Middle East drove almost all of the supply growth thanks to the ramp-up of new liquefaction plants (North America) and better operations at legacy projects (Middle East). On the import side, Europe took in more than the volume of incremental supply as Asian importers, led by China, significantly pared back their imports.

These trends are set to continue during the rest of 2025, with full-year LNG supply growth expected to reach 5.5%, or 30 bcm, as new projects continue to come online and ramp up production. Europe's increased call on the market is also set to continue as the continent balances lower Russian pipeline flows compared with 2024. As a result, despite accelerated supply growth, interbasin competition for LNG volumes is expected to remain high, maintaining downward pressure on Asian LNG imports.

North American exports set to drive LNG market growth

The vast majority of incremental LNG supply in 2025 is set to come from North America, and the United States in particular. In the United States, Plaquemines LNG Phase 1 (18 bcm nameplate capacity) added nearly 8 bcm of LNG to the global balance in its first six months of operations (January to June). Coupled with improved operations at the existing Freeport LNG plant (which had suffered outages in the first half of 2024) and smaller incremental volumes from the Corpus Christi expansion, total US LNG supply growth reached over 12 bcm, or 21%, in the first half of 2025.

Mexico's Fast LNG Altamira Train 1 has already added much of its potential upside to the market in the first half of 2025 (having started exports in third-quarter 2024) and is expected to continue exporting steady volumes in the second half of 2025. Canada's eponymous liquefaction project, LNG Canada (19 bcm nameplate capacity), loaded its first cargo on 30 June and is set to add to supply growth in the second half of the year. In total, combined LNG exports from Canada, Mexico and the United States are set to grow by an impressive 27%, or 32 bcm, in 2025, more than the continent's incremental supply from the past three years combined.

Outside North America, Qatar is the only supply market to have shown notable growth in the first half of 2025, increasing its exports by about 5 bcm, or 9%, attributable to operational improvements and a likely delay in regular maintenance.

Despite these bullish factors, a number of markets saw a decline in their exports over this period for a total setback of more than 8 bcm. Most notably, Algerian LNG exports were down by 23%, or nearly 2 bcm, in the first half of 2025 as strong domestic demand compounded uncertain upstream dynamics. Although exports showed a modest quarter-on-quarter recovery in Q2 2025, the

underlying domestic market fundamentals at play are likely to maintain bearish pressure on exports in the second half of the year.

Russian supply declined by 7%, or 1.6 bcm, attributable mostly to sanctions halting exports at the country's two small-scale plants (Portovaya LNG and Vysotsk LNG) from late February.

In Norway, unplanned maintenance in the first quarter and extended planned maintenance in the second pared back exports by 44% (or 1.4 bcm) in the first half of the year. Egyptian exports were down by about 1 bcm as a result of the halt in exports and the shift to net imports in the second quarter of 2024. Exports from Australia were also down by about 2%, or over 1 bcm, mostly due to the retirement of one train at the North West Shelf project in late 2024 and cyclone-related disruptions in the first qurter of 2025.

Europe drives intensified competition for LNG volumes

The vast majority of LNG import growth in the first half of 2025 was concentrated in Europe, with Africa and the Middle East taking in smaller, yet relatively significant, incremental volumes. Combined, the increased call from these three regions was nearly double the volume of net incremental LNG supply over this period. As a result, imports into Asia and Latin America contracted, marking a clear shift from the overarching trends of 2024.

European LNG imports grew by 25% (or almost 20 bcm) in the first half of the year, as the region sought to balance its supply mix following the expiry of the Ukrainian pipeline transit agreement for Russian gas (at the end of 2024) and lower pipeline flows from Norway.

Türkiye and the United Kingdom accounted for over one-quarter of this upside, concentrated mostly in the winter months, in line with both countries' highly seasonal import patterns. While EU imports were also up in the first quarter of 2025, this growth was most notable during March-June, driven by increased underground gas storage injection requirements to recover from below-average end-of-winter levels.

In total, Europe is expected to import 26% (or 35 bcm) more LNG in the whole of 2025 as both demand and storage injections remain above 2024 levels and piped gas supplies ease. This stands in stark contrast to the 18% (or 29 bcm) decrease in European LNG imports in 2024.

Middle Eastern and African LNG imports grew by a more modest 4 bcm in the first half of 2025, representing an 80% increase year-on-year for the combined regions, notably as Egypt (aided by extra imports through Jordan) sought to compensate for its own faltering production and meet strong domestic demand. The underlying dynamics in these markets are expected to persist, keeping imports strong for the rest of 2025.

Asia and Latin America are acting as counterweights to the strong demand pull from the above-mentioned markets in 2025, marking a shift from their import growth dynamics in 2024. As European

imports started to accelerate in late 2024, Asian buyers began retreating from the market, increasingly pressured by higher spot LNG prices and an uncertain economic outlook in some countries. These trends continued into the first half of 2025 and are set to persist for the rest of the year.

China is the primary driver of this effect, with imports dropping by 21% (or 11 bcm) in the first half of 2025. Its natural gas demand is estimated to have fallen by around 2% in the first half of the year and the market remained well supplied thanks to growth in both domestic production and pipeline imports. As a result LNG import requirements (typically the supply-side balancing factor in the Chinese gas market) fell considerably. LNG imports may show some recovery during the rest of the year as gas demand recovers from weakness early in 2025, but we expect them to continue trending below 2024 levels. As a result, we forecast Chinese LNG imports to decrease by around 11%, or 12 bcm, in 2025.

Imports also fell in other Asian markets, including India (down 8%), Pakistan (down 8%) and Singapore (down 8%) for a combined drop of over 2 bcm in H1 2025. Sustained interbasin competition for LNG cargoes is likely to keep pressure on buyers in historically price-sensitive markets like India and Pakistan for the rest of the year, where fuel switching options exist across a number of sectors (e.g. in power generation and industry).

However, imports rose in the more mature markets of Japan (2.5%) and Taiwan (12%), for a combined upside of about 2 bcm. Slightly cooler weather in winter and a warm streak in spring kept demand for gas slightly above 2024 levels.

In total, Asian LNG imports fell by 5.5%, or 10 bcm, in the first half of 2025. Although global LNG supply will continue to grow over the rest of 2025 as new liquefaction projects ramp up production, we expect the sustained pull on LNG cargoes from Europe to keep full-year Asian LNG imports approximately 2% (or 8 bcm) below their 2024 levels.

In Latin America LNG imports fell by 13%, or 1.2 bcm, in the first half of the year as improved hydropower conditions significantly reduced power sector gas burn (particularly in Brazil and Colombia) and Argentinian domestic gas production accounted for a growing share of the country's demand.

Short-term risks to the 2025 outlook

Despite accelerated LNG supply growth this year, strong cross-basin competition for cargoes means that the market remains vulnerable to unexpected shocks. Military strikes in the Middle East led to Israel turning down its offshore gas production in June. Although production has since resumed, any further outages in the Eastern Mediterranean would weigh on the region's gas balance, driving increased LNG imports in markets such as Egypt.

Furthemore, close to 20% of global LNG supply transits through the Strait of Hormuz. No disruptions occurred at this key global energy transit point during the June Israel-Iran military conflict, but flare-ups in the region elevate the risk of potential disruption to global LNG flows.

Finally, while new liquefaction projects are set to bring further incremental volumes to market in the second half of the year, any unexpected hiccups in the start-up and ramp-up schedules of these plants would effectively tighten the global LNG balance.

A widening liquefaction wave in 2026

While 2025 marks the start of the next wave of new liquefaction projects coming online in the second half of this decade, incremental capacity additions in 2026 are expected to be about 60% greater than in 2025, as indicated in the new IEA Global LNG Capacity Tracker.[4] North America is set to account for the lion's share of this incremental capacity, with Qatar also accounting for a significant share. As a result of this new liquefaction capacity, global LNG supply is expected to grow by 7%, or about 40 bcm, in 2026, the largest annual upside – in both volumetric and percentage terms – since 2019.

The United States, Canada and Mexico together are expected to account for over 70% of total global incremental capacity in 2026. US additions will be largely driven by the start of Golden Pass LNG, but a spillover effect from projects starting in 2025 and working toward full utilisation 2026 will also contribute to supply upside. As such, Plaquemines LNG and Corpus Christi Stage 3 expansion are also set to contribute to incremental LNG exports in 2026, much like LNG Canada, which started exporting on 30 June 2025. In Mexico, Energia Costa Azul LNG (about 4 bcm/yr nameplate capacity) is expected to come online in 2026, further boosting LNG supply from the Atlantic Basin.

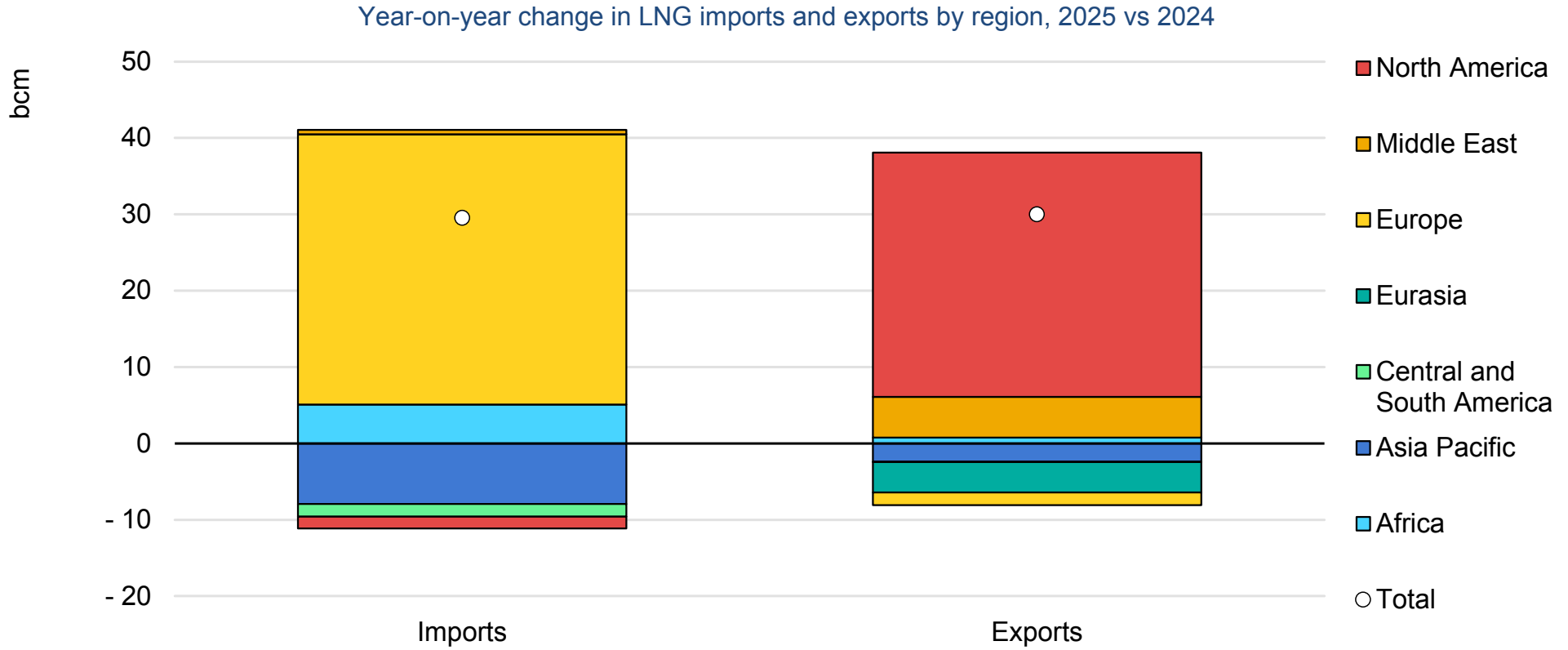
Qatar's North Field East project is set to start exports in 2026, although much of its expected upside will spill into 2027.

On the demand side, the wave of LNG supply is set to allow a return to more significant import growth across a number of countries that are expected to dial back their buying in 2025. Asian LNG imports are set to grow by about 10% in 2026. China, the world's largest LNG importer, is expected to act as the primary growth factor, swinging from an anticipated 11% LNG import contraction in 2025 to 25% (23 bcm) growth in 2026. Combined LNG import growth from smaller and emerging Asian markets, including India, is expected to reach about 19% (or 17 bcm). Among the more mature Asian importers, Japan is set to decrease its take as nuclear start-ups reduce power sector gas burn, but Korea is likely to maintain relatively steady LNG imports.

[4] Capacity additions reflect expected project start-up and ramp-up schedules.

Europe’s LNG imports are expected to marginally decline amid lower domestic demand and higher piped gas deliveries from Norway. African imports are set to remain high as Egypt’s gas balance remains tight, and growing adoption of gas use in the Middle East continues to drive LNG import growth of about 15% in the region.

Europe and North America lead the LNG market shift in 2025



Source: IEA analysis based on ICIS (2025), LNGEdge.

Spot LNG charter rates remain low as fleet expansion outpaces demand, with oversupply likely to persist into 2026

The LNG charter market remained sluggish throughout the first half of 2025, with spot charter rates staying close to their historical lows. After reaching a record low of USD 5 000/day in January, rates in the Atlantic increased during the spring, averaging USD 25 800/day in April and climbing to USD 38 700/day by June. However, this limited rebound has not altered the broader picture: rates remain well below the three-year average of USD 107 000/day, and the fundamental imbalance between fleet supply and shipping demand continues to define the market.

Fleet growth has continued to surpass LNG trade expansion. Between January and June 2025, approximately 30 to 40 newly built LNG carriers were delivered, with an additional 50 expected before the end of the year. Looking further ahead, over 80 new vessels are scheduled for delivery in 2026. While some older vessels are expected to be retired or repurposed, the pace of scrapping remains limited – only 8 vessels were removed from service in H1 2025 and between 50 and 80 vessels are expected to be retired by the end of 2026. As a result, the global LNG carrier fleet is on track to expand faster than LNG production, raising the likelihood of prolonged overcapacity throughout 2026 and into the latter part of the decade.

In response to the depressed spot environment, shipowners and charterers have adapted their strategies by shifting toward longer-term contracts. While only 13 vessels were publicly reported under new time charter agreements between January and June 2025, it is estimated that around 30-50 deals were signed globally, down from 60–70 in the same period of 2024. This decline reflects weaker market confidence and the absence of charter activity driven by megaprojects, such as those seen from QatarEnergy in early 2024. However, pricing power remains firmly with charterers, and the terms of new charters reflect weak market conditions. Legacy vessels, especially steam turbine carriers, face mounting commercial pressure due to their operational inefficiency, yet have remained active, often deployed on shorter or intra-basin routes where their limitations are less of a concern.

Shipping routes: Some recovery for Panama Canal, but risks have amplified in the Middle East

Water levels in Gatun Lake recovered in early 2025, allowing the Panama Canal Authority to raise total daily transit capacity to 27 vessels across all ship types. However, LNG carriers, limited to just 1-2 Neopanamax slots per day and prohibited from night transits, remain structurally constrained. During the 2023-2024 drought, many US LNG cargoes shifted to Europe or were rerouted via the Cape of Good Hope to reach Asia, favouring reliability over shorter paths. These routing patterns have persisted into 2025. US-Europe LNG flows rose by 48% y-o-y in the first half of 2025,

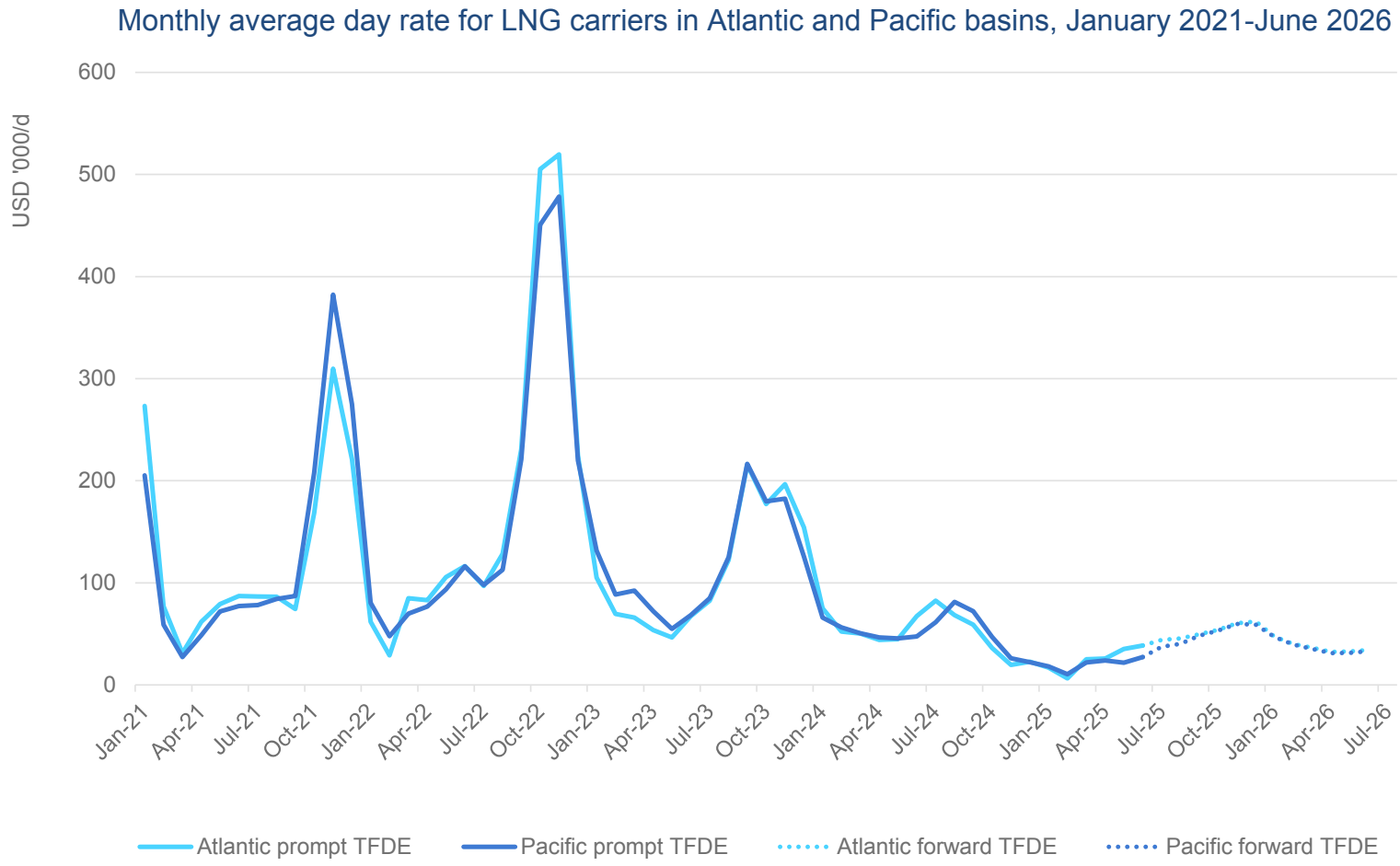
while canal-linked Asian deliveries declined by a third. Unless Asia-Pacific LNG demand recovers more robustly to justify the time savings of the Panama route over the Cape of Good Hope, the current lower canal utilisation by LNG carriers may become a new baseline rather than a temporary deviation.

Red Sea transit remained constrained due to ongoing security concerns. In the first half of 2025, three LNG transits via the Red Sea were recorded, probably under heightened insurance and security protocols. This represents an increase from a complete stop between mid-January and June 2024, but remains far below pre-crisis levels. Most operators continue to favour the longer Cape of Good Hope route for east-of-Suez deliveries, adding voyage time and costs, but avoiding the risks associated with the Bab-al-Mandeb Strait.

However, a sharp escalation in early July 2025, including the sinking of two merchant vessels by Houthi forces, has reignited concerns about maritime safety in the region. War risk premiums for vessels transiting the Red Sea have more than doubled, from 0.4% to 1% of a ship's insured value. While not specific to LNG carriers, the surge further discourages east-of-Suez transits through the Red Sea.

Additionally, military activity and geopolitical tensions in the wider Middle East have extended beyond the Red Sea, impacting vessel movement through the Strait of Hormuz. While no direct attacks on LNG tankers have occurred in that corridor, concerns over spillover effects from regional conflicts have led to elevated war risk premiums and rising insurance costs for vessels transiting the area. Some charterers have pre-emptively rerouted cargoes or implemented enhanced security protocols, further inflating voyage costs and contributing to commercial uncertainty.gWhile the global LNG shipping market is expected to remain broadly oversupplied during 2025 and 2026, regional security risks and longer rerouting distances are introducing localised tightness in vessel availability. Extended voyages via the Cape of Good Hope, combined with heightened insurance and security requirements, are resulting in operational delays. This inefficiency in fleet utilisation, rather than an actual shortage of ships, has contributed to upward pressure on forward charter rates. The recent sinking of two vessels in the Red Sea has reinforced market concerns and further supported higher forward pricing. The market is thus balancing oversupply fundamentals with operational friction, leading to a forward charter rate curve reflecting a 20% y-o-y increase for the period from July 2025 to June 2026. This is driven by tighter availability on a time-adjusted basis, particularly for east-of-Suez routes.

Forward LNG charter rates until June 2026 suggest a 20% year-on-year increase, reflecting expectations of tighter vessel availability



Note: TFDE = tri-fuel diesel electric vessel.
Source: Spark Commodities, as of 11 July 2025.

US supply growth is being driven by LNG export projects

US dry natural gas production in the first half of 2025 rose by 2.4% compared with the same period last year, driven by a strong second-quarter performance offsetting a mixed picture earlier in the year and defining more clearly the departure from the bearish fundamentals that defined 2024. Henry Hub prices averaged USD 3.67/MBtu in H1 2025 – up 74% from the USD 2.11 average for H1 2024 – reflecting robust demand growth and supporting ongoing US upstream investment.

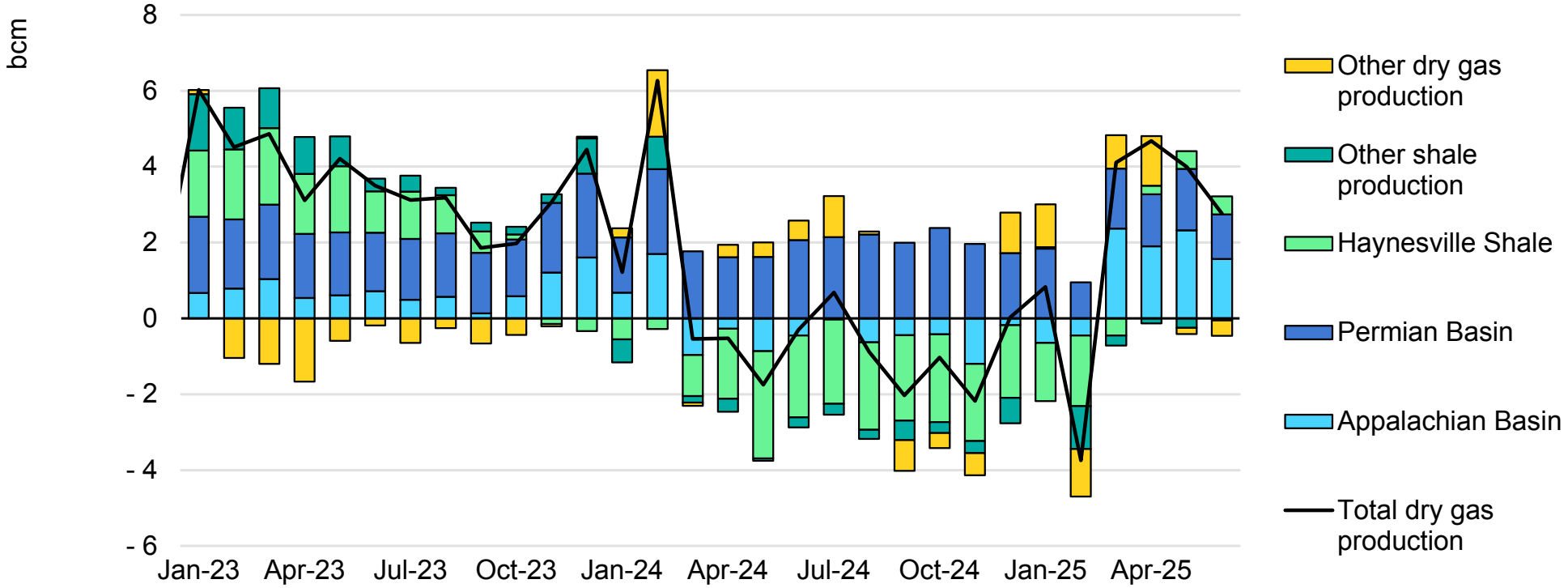
In the Appalachian Basin, gas production returned to year-on-year growth as of March 2025, with higher pricing underpinning increased production and a progressive uptick in rig count. Capital expenditure in the region stabilised in the first quarter of 2025, marking a contrast to the sharp cutbacks seen in early 2024. However, concerns about takeaway capacity persist as production edges slightly over the highs last reached in December 2023.

Associated gas production in the Permian Basin continues to grow steadily, driven by resilient oil production in the region as well as growing gas-to-oil ratios – a trend expected to persist throughout the forecast period. The second quarter of 2025 also saw modest growth in higher-cost Haynesville Shale production, which recorded positive year-on-year growth in April of this year for the first time in 18 months. Collectively, these gains more than offset moderate declines in dry gas production elsewhere in the country, marking the beginning of a return to growth projected for 2025 and contrasting with the production declines seen in 2024. In the remaining months of 2025, feedgas demand from new LNG export terminals is expected to continue growing, exerting upward pressure on supply requirements alongside healthy industrial and power sector demand. While storage injections contributed to demand during the spring – following a larger-than-usual winter drawdown – storage levels had already returned to the five-year average as of June 2025. As such, storage is unlikely to exert notably more pressure on the domestic market than in prior years. While production in the second half of the year is expected to keep pace with the ramp-up of new liquefaction terminals such as Plaquemines LNG and the Corpus Christi expansion, any lag in supply growth could tighten the domestic market.

This forecast expects US natural gas output to increase at an average rate of 2.5% through 2025-26 and reach an all-time high in both years, as stronger domestic demand together with the continued expansion of LNG exports are expected to support higher dry gas production. The United States is projected to increase its LNG output by 13% (or 18 bcm) in 2026, solidifying its leading position in the global LNG market. In addition, piped gas exports to Mexico are set to increase, driven by Mexico's declining domestic production and higher gas demand (partly supported by new LNG export projects, such as ECA LNG Phase 1).

Higher gas prices year-on-year drive a recovery in non-associated gas production

Year-on-year change in monthly dry natural gas production, United States, 2023-2025



Note: May and June include estimated data.
Source: EIA (2025), Natural Gas.

Europe's LNG imports surged to an all-time high in H1 2025…

OECD Europe's primary natural gas supply increased by an estimated 5% (or over 10 bcm) y-o-y in H1 2025. The strong increase in LNG imports offset the declines recorded in piped gas imports, while Europe's non-Norwegian gas production remained broadly flat compared with last year.

Europe's **LNG imports** rose by 25% (or almost 20 bcm) y-o-y to reach an all-time high of 92 bcm in H1 2025. Stronger domestic demand, together with lower piped gas imports and higher storage injections since April, kept European LNG netback prices at a premium compared to key Asian markets. This in turn incentivised flexible LNG cargoes to flow towards Europe. Consequently, the share of LNG in Europe's primary natural gas supply rose from 33% in H1 2024 to near 40% in H1 2025. The United States increased its LNG deliveries to Europe by 45% y-o-y in H1 2025 and alone accounted for nearly 90% of incremental LNG supply to Europe during this period. This reinforced the US position as Europe's largest LNG supplier, to account for almost 60% of Europe's LNG imports in H1 2025. **Russian LNG** inflows fell by 4% (or 0.5 bcm) y-o-y, although Russia remained Europe's second-largest LNG supplier. Belgium, France and Spain accounted for over 85% of Europe's total LNG imports from Russia in H1 2025.

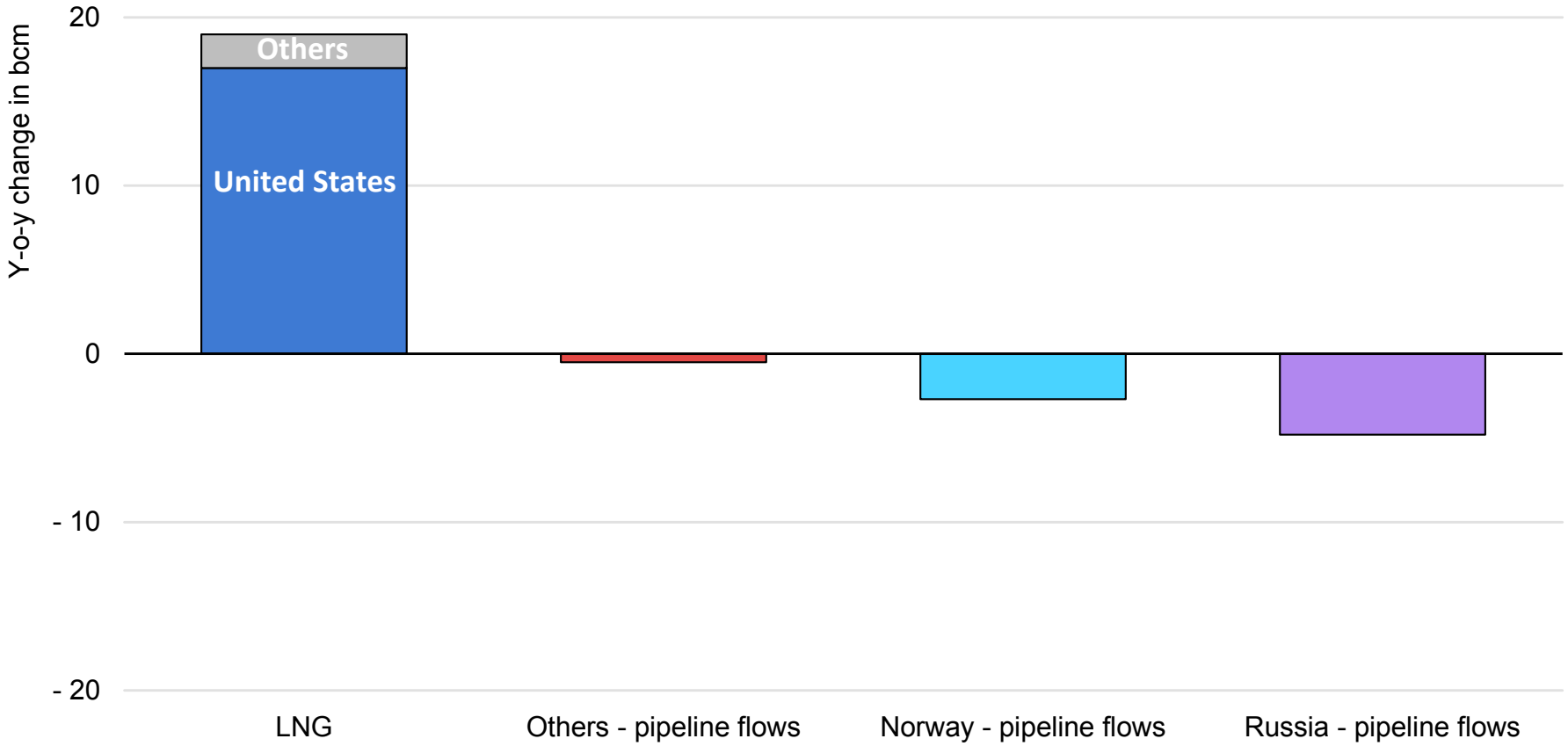
Norway's piped gas deliveries to the rest of Europe declined by 4.5% (or 3 bcm) y-o-y in H1 2025 amid unplanned outages and higher maintenance works. **Non-Norwegian domestic production** remained broadly flat compared to last year in the first five months of 2025. Natural gas output in United Kingdom dropped by around 6% (or 1 bcm) y-o-y amid the deteriorating production rates of the ageing fields in the North Sea. These declines were largely offset by strong production growth recorded in Denmark, Italy and Türkiye. In Denmark, domestic production grew by 70% (or 0.45 bcm) y-o-y on the back of the redeveloped Tyra field. In Türkiye natural gas output expanded by 70% with growth driven by the Sakarya field.

Russia's piped gas supplies fell by an esimated 20% (or 4.5 bcm) in H1 2025. Deliveries to the European Union fell by 45% (or 6.6 bcm) amid the halt of gas transit via Ukraine. Exports to Türkiye rose by 12% y-o-y in the first four months of 2025. The share of Russian piped gas in Europe's gas demand stood below 8% in H1 2025. Piped gas supplies from **North Africa** remained broadly flat, while **Azeri flows** via the TAP pipeline fell by 7.5% in H1 2025.

This **forecast** does not assume the restart of Russian gas transit flows via Ukraine, after their halt on 1 January 2025. This translates into a decline of 13 bcm of Russian piped deliveries to the European Union compared with 2024. Lower Russian and Norwegian piped gas supplies, together with stronger storage injection requirements, are expected to increase Europe's LNG imports by around 25% in 2025. For 2026 this forecast expects Europe's LNG imports to marginally decline amid lower demand and higher piped gas deliveries from Norway.

…primarily supported by stronger deliveries from the United States

Estimated year-on-year change in European natural gas imports and deliveries from Norway, H1 2025 vs H1 2024



Sources: IEA analysis based on Enagas (2025), Natural Gas Demand; ENTSOG (2025), Transparency Platform; EPIAS (2025), Transparency Platform; Trading Hub Europe (2025), Aggregated consumption.

Natural gas prices remained well above last year's levels in Q2 2025

Natural gas prices moderated in all key markets in Q2 2025 compared with the previous quarter, albeit remaining well above their levels in 2024. Tight supply fundamentals together with geopolitical tensions continued to fuel price volatility.

In **Europe**, TTF spot prices fell by 18% in Q2 2025 compared with Q1 to an average of USD 12/MBtu – albeit standing almost 20% above last year's Q2 levels. Strong storage injection needs (up by 35% y-o-y) together with lower piped gas imports from Russia and Norway provided upward pressure on European hub prices. Ongoing geopolitical tensions fuelled additional short-term price variability across European gas hubs. TTF prices soared by 20% between 10 and 19 June to a seasonal high of USD 13.9/MBtu amid the escalating tensions between between Israel and Iran. TTF month-ahead prices displayed volatility of 50% in Q2, well above the average Q1 volatility of 30% recorded during 2010-2019.

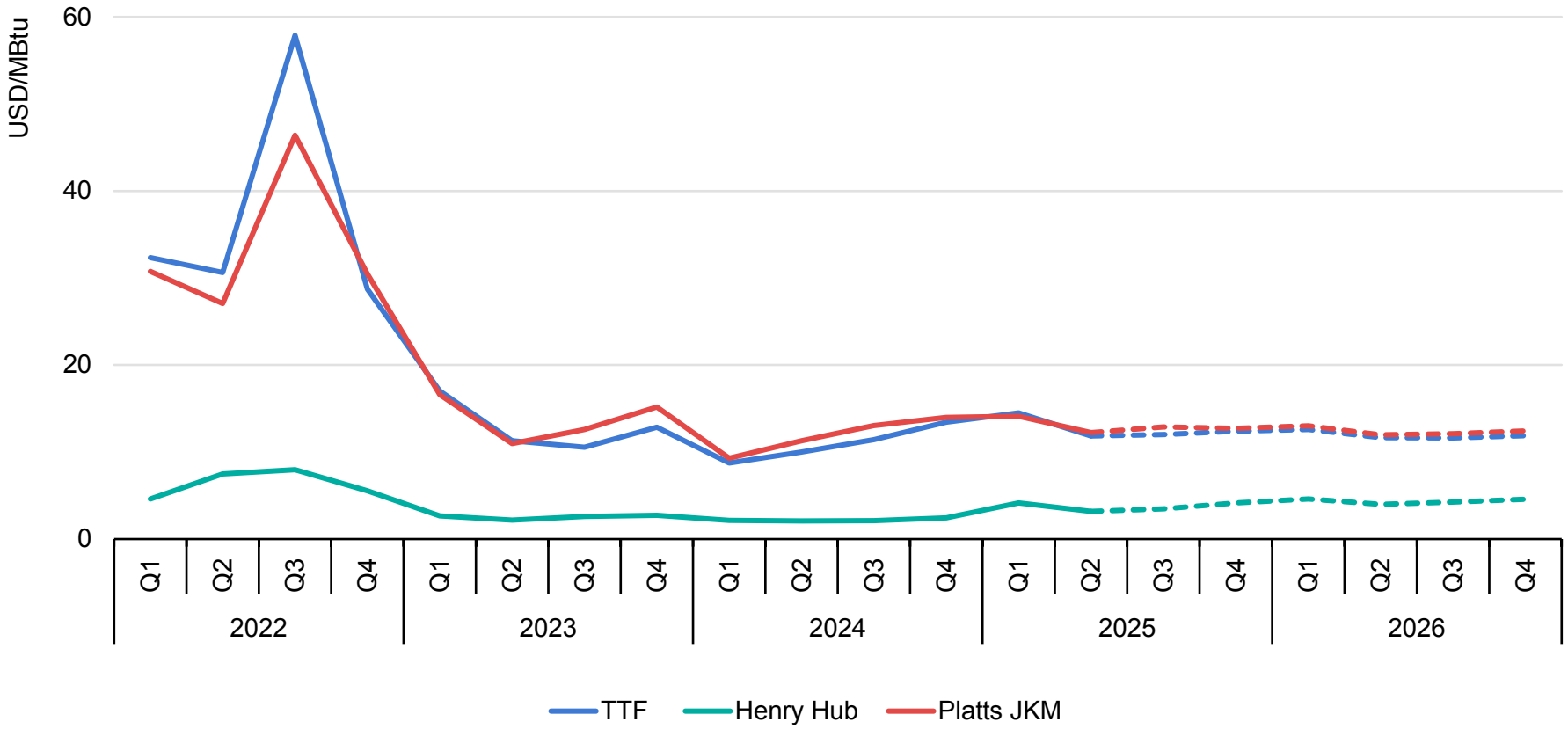
In **Asia**, Platts JKM prices followed a similar trajectory and declined by 13% on the quarter to an average of USD 12.2/MBtu in Q2 2025, remaining 8% above last year's Q2 levels. Tight supply fundamentals together with strong competition from Europe for flexible LNG cargoes provided upward pressure on Asian spot prices. Similarly to TTF, Asian spot LNG prices rose sharply following the escalation of Middle East tensions. JKM surged to a seasonal high of USD 14.8/MBtu on 23 June. Oil-indexed LNG prices traded in an estimated range of USD 11-12/MBtu, incentivising Asian buyers to reduce their spot LNG procurements and nominate higher volumes through long-term contracts.

In the **United States**, Henry Hub prices fell by more than 20% on the quarter to an average of USD 3.2/MBtu in Q2 2025, albeit trading 50% above last year's Q2 levels. Relatively low storage levels following the 2024/25 winter and higher injection needs provided upward pressure on Henry Hub prices.

Forward curves as of mid-July suggest that TTF prices could increase by 16% in 2025 and average just over USD 12.5/MBtu. Higher storage injections through the summer, together with lower piped gas imports and continued competition for flexible LNG cargoes, are expected to support higher gas prices. Forward curves indicate that JKM prices could increase by 9% in 2025 to an average of almost USD 13/MBtu. A tight TTF-JKM spread is expected to incentivise stronger LNG flows towards Europe. Based on US forward curves, Henry Hub prices are expected to increase by 70% to average USD 3.7/MBtu in 2025 amid tighter market fundamentals. Forward curves suggest that Asian and European gas prices could soften in 2026. TTF prices could decline by 6% and average just below USD 12/MBtu, while JKM could fall by 5% to near USD 12.5/MBtu, amid improving LNG availability. In contrast, forward curves suggest that Henry Hub prices could increase by 15% and average USD 4.3/MBtu amid tighter market fundamentals.

Asian and European gas prices could moderate in 2026 amid improving LNG supply

Main spot and forward natural gas prices, 2022-2026



Note: Future prices are based on forward curves as of mid-July and do not represent a price forecast.

Sources: IEA analysis based on CME Group (2025), Henry Hub Natural Gas Futures Quotes, Dutch TTF Natural Gas Month Futures Settlements, LNG Japan/Korea Marker (Platts) Futures Settlements; EIA (2025), Henry Hub Natural Gas Spot Price; Powernext (2025), Spot Market Data; S&P Global (2025), Platts Connect.

Strong injection requirements set to weigh on regional gas balances in second half of 2025

Underground gas storage levels in Europe ended winter at their lowest level since 2022, following months of strong drawdown that reflected lower pipeline supply since the start of 2025. In Q2 2025 injections were about 6%higher than the five-year average, reducing the deficit to last year's fill level from about 42% at the end of March to 24% at the end of June. Nevertheless, gas volumes in store remained about 13% below the five-year average by mid-year.

In June, the European Commission and the Council found a provisional political agreement to introduce flexibility in reaching the EU-wide gas storage target. Under the early agreement, the 90% fill target before winter would remain in place, but could be reached at any point from 1 October to 1 December (instead of by 1 November). Furthermore, the proposal would introduce greater flexibility in situations of adverse market conditions.

Although no changes had yet been made to the EU storage regulation by the end of June 2025, Germany already announced a reduction in its storage target to 80% in March 2025. Despite discussions around loosening storage obligations, EU storage injections are set to remain strong in the second half of the year. Reaching the current 90% fill target by 1 November would imply 68% higher injections (13 bcm) over the rest of the filling season than in 2024.

In Ukraine storage levels fell to new record lows, ending the winter period about 80% below their 2024 levels. Despite relatively strong injections since mid-April, the deficit to 2024 storage levels remained at around 35% at the end of June. Reaching the same fill level as last year by 1 November would entail 65% higher injections than last year from July through the rest of the filling season.

US storage levels ended the withdrawal season below the five-year average amid strong domestic winter gas demand, and reached their low point considerably earlier than usual (early March instead of late March). Strong injections during the second quarter of 2025 brought storage levels above the five-year average by early May and within 6% (5 bcm) of 2024 levels by the the end of June. Despite continued growth in feedgas requirements for LNG exports, US storage levels are expected to remain above the five-year average for the rest of the filling season.

Combined LNG stocks in Japan and Korea remained above their five-year average but below the previous year's levels during the winter season. Combined demand in the two markets remained relatively robust during the spring months, but strong LNG imports supported a jump LNG stocks in both ountries in April.

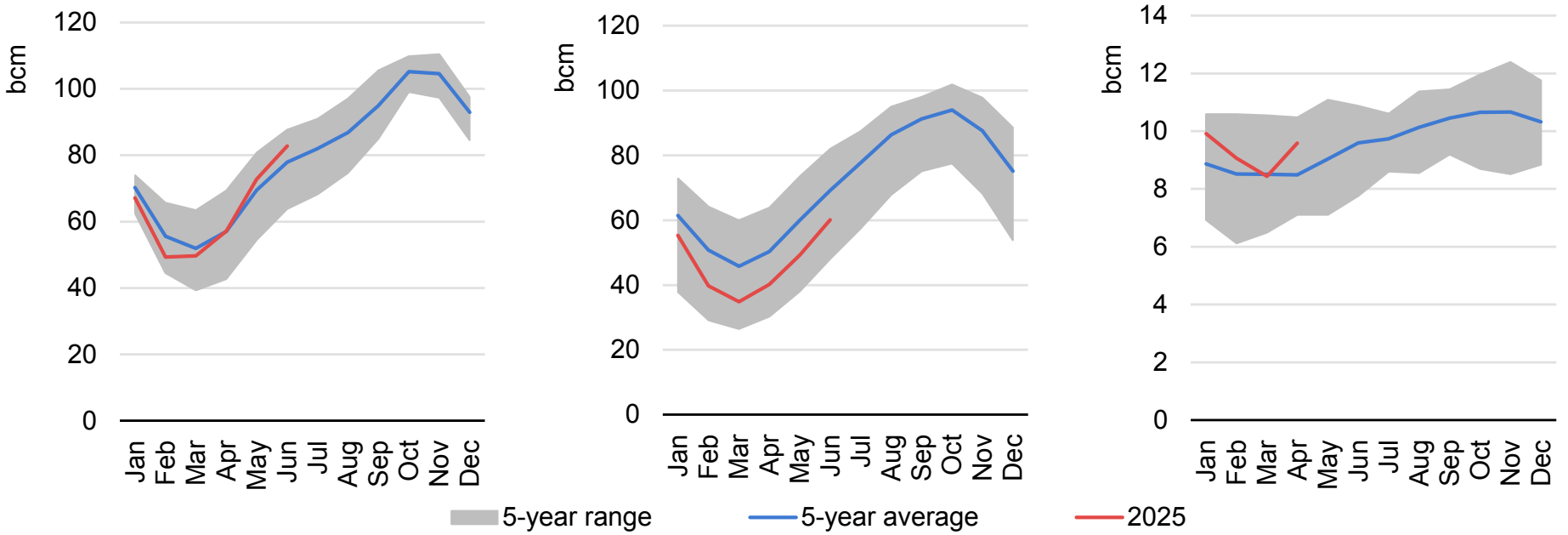
In May LNG stocks at major Japanese power utilities stood above their levels a year ago, but had started sliding in June, in line with the traditional seasonal drawdown in the summer period.

Storage levels recovered considerably in Q2 2025, but remain below 2024 levels

US underground storage inventories

EU underground storage inventories

Japan and Korea LNG inventories



Source: IEA analysis based on EIA (2025), Weekly Working Gas in Underground Storage; GIE (2025), AGSI+ Database; JODI (2025), Gas World Database.

Annex

Summary table

World natural gas consumption and production by region and key country (bcm)

	Consumption					Production				
	2022	2023	2024	2025	2026	2022	2023	2024	2025	2026
Africa	170	177	175	179	182	250	255	245	244	245
Asia Pacific	877	906	957	963	1 005	660	675	694	700	710
of which China	*364*	*393*	*424*	*428*	*454*	*218*	*230*	*245*	*255*	*265*
Central and South America	148	147	150	152	151	149	147	147	151	150
Eurasia	622	631	656	659	674	865	830	860	867	880
of which Russia	*487*	*495*	*517*	*518*	*530*	*672*	*638*	*685*	*690*	*708*
Europe	524	488	490	506	496	230	215	218	212	215
Middle East	580	592	604	617	642	715	725	736	755	780
North America	1 144	1 157	1 178	1 191	1 199	1 240	1 285	1 280	1 320	1 370
of which United States	*919*	*928*	*946*	*956*	*961*	*1 021*	*1 061*	*1 060*	*1 090*	*1 115*
World	**4 065**	**4 098**	**4 210**	**4 267**	**4 349**	**4 109**	**4 132**	**4 180**	**4 249**	**4 350**

Regional and country groupings

Africa – Algeria, Angola, Benin, Botswana, Cameroon, Congo, Democratic Republic of the Congo, Côte d'Ivoire, Egypt, Eritrea, Ethiopia, Gabon, Ghana, Kenya, Libya, Morocco, Mozambique, Namibia, Nigeria, Senegal, South Africa, Sudan, United Republic of Tanzania, Togo, Tunisia, Zambia, Zimbabwe and other countries and territories.[1]

Asia Pacific – Australia, Bangladesh, Brunei Darussalam, Cambodia, Chinese Taipei, India, Indonesia, Japan, Korea, the Democratic People's Republic of Korea, Malaysia, Mongolia, Myanmar, Nepal, New Zealand, Pakistan, the People's Republic of China,[2] the Philippines, Singapore, Sri Lanka, Thailand, Viet Nam and other countries and territories.[3]

Central and South America – Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, the Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Netherlands Antilles, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Uruguay, Venezuela and other countries and territories.[4]

Eurasia – Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, the Russian Federation, Tajikistan, Turkmenistan and Uzbekistan.

Europe – Albania, Austria, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus,[5,6] the Czech Republic, Denmark, Estonia, Finland, the Former Yugoslav Republic of North Macedonia, France, Germany, Gibraltar, Greece, Hungary, Iceland, Ireland, Italy, Kosovo,[7] Latvia, Lithuania, Luxembourg, Malta, the Republic of Moldova, Montenegro, the Netherlands, Norway, Poland, Portugal, Romania, Serbia, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Republic of Türkiye, Ukraine and the United Kingdom.

European Union – Austria, Belgium, Bulgaria, Croatia, Cyprus,[5,6] the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, the Slovak Republic, Slovenia, Spain and Sweden.

Middle East – Bahrain, the Islamic Republic of Iran, Iraq, Israel,[8] Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, the Syrian Arab Republic, the United Arab Emirates and Yemen.

North Africa – Algeria, Egypt, Libya, Morocco and Tunisia.

North America – Canada, Mexico and the United States.

[1] Individual data are not available and are estimated in aggregate for: Burkina Faso, Burundi, Cape Verde, the Central African Republic, Chad, Comoros, Djibouti, Equatorial Guinea, Gambia, Guinea, Guinea-Bissau, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Niger, Reunion, Rwanda, Sao Tome and Principe, Seychelles, Sierra Leone, Somalia, Swaziland and Uganda.

[2] Including Hong Kong.

[3] Individual data are not available and are estimated in aggregate for: Afghanistan, Bhutan, Cook Islands, Fiji, French Polynesia, Kiribati, the Lao People's Democratic Republic, Macau (China), Maldives, New Caledonia, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga and Vanuatu.

[4] Individual data are not available and are estimated in aggregate for: Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Falkland Islands (Malvinas), French Guyana, Grenada, Guadeloupe, Guyana, Martinique, Montserrat, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Suriname and Turks and Caicos Islands.

[5] Note by the Republic of Türkiye.
The information in this document with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. The Republic of Türkiye recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, The Republic of Türkiye shall preserve its position concerning the "Cyprus issue".

[6] Note by all the European Union Member States of the OECD and the European Union
The Republic of Cyprus is recognised by all members of the United Nations with the exception of Türkiye. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

[7] The designation is without prejudice to positions on status, and is in line with the United Nations Security Council Resolution 1244/99 and the Advisory Opinion of the International Court of Justice on Kosovo's declaration of Independence.

[8] The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD and/or the IEA is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Abbreviations and acronyms

ANP	National Petroleum Agency (Brazil)
AFTC	Alternative Fuels Tax Credit
ANP	National Petroleum Agency (Brazil)
BMC	Colombian Mercantile Exchange (Colombia)
CAPEX	capital expenditure
CBG	compressed biogas
CCUS	Carbon Capture, Utilisation and Storage
CME	Chicago Mercantile Exchange (United States)
CNE	National Energy Commission (Chile)
CO_2	carbon dioxide
CQPGX	Chongqing Petroleum Exchange (the People's Republic of China)
EIA	Energy Information Administration (United States)
ENARGAS	National Gas Regulatory Entity (Argentina)
ENTSOG	European Network of Transmission System Operators for Gas
EPC	engineering, procurement and construction
EPIAS	Energy Markets Operations Inc. (Republic of Türkiye)
EPPO	Energy Policy and Planning Office (Thailand)
EU	European Union
EUR	Euro
FCEVs	fuel cell electric vehicles
FID	final investment decision
FLNG	floating liquefied natural gas
FOB	free on board
FSRU	floating storage and regasification unit
FY	fiscal year
GHGs	greenhouse gases
GIE	Gas Infrastructure Europe
GMR	IEA Gas Market Report
GST	goods and services tax
HDDs	heating degree days
HH	Henry Hub
HoA	Head of Agreement
IEA	International Energy Agency
ICE	Intercontinental Exchange
ICIS	Independent Chemical Information Services
IEA	International Energy Agency
ITC	investment tax credit
JKM	Japan Korea Marker
JODI	Joint Oil Data Initiative
JPY	Japanese yen
LBG	liquefied biomethane
LCFS	Low Carbon Fuel Standard
LCV	light commercial vehicles
LEGWP	Low-Emission Gases Work Programme
LNG	liquefied natural gas
METI	Ministry of Economy, Trade and Industry (Japan)
MoU	Memorandum of Understanding
MME	Ministry of Mines and Energy (Brazil)
MVP	Mountain Valley Pipeline
NBP	National Balancing Point (United Kingdom)

NDRC	National Development and Reform Commission (the People's Republic of China)
NLNG	Nigeria liquefied natural gas
OECD	Organisation for Economic Co-operation and Development
ONS	National Electric System Operator (Brazil)
OSINERG	Energy Regulatory Commission (Peru)
PPAC	Petroleum Planning and Analysis Cell (India)
PTC	production tax credit
RNG	renewable natural gas
RFS	Renewable Fuel Standard
SAF	sustainable aviation fuel
SBL	Strategic Buffer LNG
SMR	steam methane reforming
SPA	Sales and Purchase Agreement
TAP	Trans Adriatic Pipeline
TFDE	Tri-fuel diesel electric
TFFS	Task Force on Gas and Clean Fuels Market Monitoring and Supply and Security
TTF	Title Transfer Facility (the Netherlands)
UGS	underground storage
USD	United States dollar
y-o-y	year-on-year

Units of measure

bcf	billion cubic feet
bcf/d	billion cubic feet per day
bcm	billion cubic metres
bcm_{eq}	billion cubic metre equivalent
bcm/yr	billion cubic metres per year
GJ	gigajoule
GW	gigawatt
kWh	kilowatt hour
MBtu	million British thermal units
Mt	million tonnes
Mt/yr	million tonnes per year
m^3/hr	cubic metres per hour
$m^3/yr/hr$	cubic metres per year per hour
m^3/yr	cubic metres per year
Nm^3	normal cubic metre
TWh	terawatt hour

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