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The Shift in LNG Logistics Brought About by 2026

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The 2026 LNG market has been defined by a succession of surprising developments - events that, until recently, would have been considered unimaginable. In this article, the author examines both the immediate shifts in logistics within the short-term market and several noteworthy developments likely to fundamentally alter the landscape over the medium to long term. In the August piece, the author highlighted the emergence of the North American Pacific coast as a vital new hub for LNG supplies destined for the Asia-Pacific region. Here, the author outlines three additional developments with significant long-term implications: (1) the acceleration of QatarEnergy's evolution into a global portfolio player; (2) the rise in LNG shipments via the Arctic route; and (3) progress in both the production and consumption of LNG across Southeast Asia.

From January to October 2026, Japan's LNG imports totalled 49.94 million tonnes, falling below China's 50.12 million tonnes. However, as five cargoes were re-exported from China to Japan during this period, the two countries are roughly on par in terms of net imports. The combined LNG imports for the four markets in Northeast Asia reached 157 million tonnes during the same period, a 4.6% decrease compared to the previous year.

Global LNG imports from January to October 2026 totalled 337 million tonnes, a decrease of 2.2% (7.4 million tonnes) compared to the same period in 2025. While imports saw a notable decline in the European Union (EU), China, Korea, Japan, and Pakistan, they increased significantly in Egypt, India, and Southeast Asia. Qatar's LNG exports fell from 67 million tonnes in the same period of 2025 to 25 million tonnes. In contrast, LNG exports from the United States, Canada, and Russia rose by 17 million tonnes, 7 million tonnes, and 3 million tonnes, respectively.

1. The acceleration of QatarEnergy's evolution into a global portfolio player

Poland's ORLEN- Poland's state-owned energy company and the nation's largest LNG importer - announced on 10 November 2026 that it had exercised its right to terminate one of its two long-term LNG purchase agreements with QatarEnergy. The decision follows persistent supply shortfalls attributed to a declaration of 'force majeure' by the seller. The terminated contract, which provided for 1 million tonnes per year of LNG, featured a pricing mechanism linked to crude oil prices. This agreement was originally signed in June 2009 between the Polish state-owned oil and gas company, PGNiG, and Qatargas; ORLEN subsequently assumed the contract following its integration of PGNiG in 2022. LNG deliveries under this agreement

began in 2015 and were scheduled to continue until 2034. ORLEN continues to fulfil its other agreement with QatarEnergy, which is priced based on gas hub indices and covers the supply of up to 1 million tonnes per year of LNG through 2034. The circumstances surrounding this cancellation - and the possibility that similar situations could arise elsewhere - are matters of significant interest.

In parallel with these developments regarding the supply and sale of Qatari LNG, QatarEnergy has been stepping up its efforts to procure LNG from the United States. Long-term sale and purchase agreements (SPAs) were announced on 22 October for a total of 4 million tonnes per year on an FOB (free-on-board) basis, sourced from Cheniere Energy's Sabine Pass and Corpus Christi export terminals; these agreements span from the early 2030s through 2054. Another long-term SPA was announced on 29 October for 3 million tonnes per year also on an FOB basis from the Louisiana LNG project, which is being developed by Australia's Woodside Energy. In addition to those latest deals, QatarEnergy handles the marketing of LNG from the Golden Pass project - a venture it is developing in partnership with ExxonMobil - in proportion to its equity stake. The Golden Pass site was originally conceived for the purpose of importing Qatari LNG into the United States and was placed into operation as an LNG importing facility in 2011. However, in August 2012, an application was filed to convert it into an export facility. The project commenced LNG exports in April 2026.

With these additions, QatarEnergy will hold a supply portfolio of 20 million tonnes per year of U.S.-sourced LNG by the 2030s, making it one of the largest off-takers of LNG from the United States. It is also rumoured that the company is in negotiations regarding other U.S. LNG projects. By incorporating U.S.-sourced LNG - which offers highly flexible contractual terms - into a significant portion of its portfolio, QatarEnergy will be better positioned to meet the diverse requirements of its various LNG buyers. At the same time, it remains to be seen how this will influence the flexibility of terms within the company's long-term LNG sales contracts originating from Qatar. As of 2026, "diversification" has become a key watchword for both LNG consumers and suppliers, signalling an evolution in the LNG market toward an era defined by global portfolios. QatarEnergy's recent moves serve as a prime example of this trend.

2. The rise in LNG shipments via the Arctic route

In September 2026, Russia became the largest LNG supplier to China for the first time, delivering 1.85 million tonnes. Australia, the runner-up that month, supplied 1.82 million tonnes to China. The number of LNG vessels transiting via the Northern Sea Route increased significantly, from 24 in the third quarter of 2025 to 46 in the third quarter of 2026. This trend is likely influenced by the European Union's policy to phase out Russian LNG. LNG supplies to China included volumes from Sakhalin-2, Yamal LNG, and Arctic LNG 2, as well as one cargo per month from the Portovaya LNG facility, which is operated by Gazprom in the Baltic

region.

3. Progress in both the production and consumption of LNG across Southeast Asia

In Asia - particularly in Southeast Asia - LNG project development is advancing across both the production and consumption sectors. In Indonesia, the Abadi LNG project, which utilizes gas from the Masela block in the Arafura Sea in eastern Indonesia, is moving forward. According to the lead developer, INPEX CORPORATION, the Front-End Engineering Design (FEED) for the project - encompassing both an FPSO (Floating Production, Storage, and Offloading) unit and an onshore LNG facility - was completed in October. The project has now entered the bidding phase for the Engineering, Procurement, and Construction (EPC) contract, which also includes subsea production systems and subsea gas pipelines. Sales agreements (SPAs and GSAs) for LNG and pipeline gas were reached with three buyers in October. The project is targeting an FID (Final Investment Decision) by mid-2027. Elsewhere in Indonesia, the development of new gas fields is underway off the coast of East Kalimantan, a region that also hosts the Bontang LNG facility.

As of 2026, the global LNG market remains in a phase of high uncertainty, underscored by factors such as tensions in the Middle East and high levels of natural gas prices in Europe and Asia. Within this landscape, Southeast Asia is increasingly significant - serving as both a producer and a consumer of LNG. On the demand side, countries including Vietnam, the Philippines, Thailand, Singapore, and Indonesia are seeing an expansion in LNG receiving terminals and demand for gas-fired power generation. The fact that LNG imports have continued to grow at a relatively robust pace despite high price levels - with imports across the ASEAN region reaching 21 million tonnes between January and October, a 17% increase year-on-year - indicates that natural gas demand in the region is in a phase of structural growth.

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