



PRESS RELEASE

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CONTACT: Marnie Satterfield
(202) 223-1420
msatterfield@ieca-us.org

CHINA CONTRACTS FOR 44 PERCENT OF U.S. LNG – IMPLICATIONS TO NATIONAL AND ECONOMIC SECURITY

WASHINGTON, DC – Today, IECA sent a [letter](#) to Congress urging them to examine the national security and economic implications of China’s actions to contract for significant volume of U.S. LNG for periods of up to 20 years.

Paul Cicio, President and CEO of IECA stated:

Since September 2021, China has locked up a minimum of 44 percent of all contracted U.S. LNG, much of it for 20-year periods. This is inconsistent with U.S. national and economic security and there are negative impacts to global geopolitics and the domestic industries that include the supply of defense materials. China is also locking up large volumes of LNG from Russia, Australia, and Qatar. In a period of LNG scarcity, who controls the molecules is important to the U.S. and our allies.^{1 2} The Wall Street Journal reports that China is reselling U.S. LNG to the EU at enormous profits.³

Increased LNG exports to China pose a grave threat of prolonged systemic energy inflation for the U.S. that damages both economic and national security. It is important that the implications of the scope of China’s control over U.S. natural gas is examined, as well as the implications to national and economic security.

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.1 trillion in annual sales, over 11,700 facilities nationwide, and with more than 1.8 million employees worldwide. It is an organization created to promote the interests of manufacturing companies through advocacy and collaboration for which the availability, use and cost of energy, power or feedstock play a significant role in their ability to compete in domestic and world markets. IECA membership represents a diverse set of industries including: chemicals, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, building products, automotive, brewing, independent oil refining, and cement.

¹ Global Gas Scramble to Intensify After European Pipeline Blast, Bloomberg, Sept 28, 2022: https://www.bnnbloomberg.ca/global-gas-scramble-to-intensify-after-european-pipeline-blasts-1.1824790?utm_source=substack&utm_medium=email

² No Additional LNG Supply From Qatar Before 2025, Sept 28, 2022: https://www.msn.com/en-xl/asia/bangladesh/no-additional-lng-supply-from-qatar-before-2025-petrobangla/ar-AA12l9Wz?utm_source=substack&utm_medium=email

³ China is Rerouting U.S. Liquefied Natural Gas to Europe at a Big Profit, WSJ, Oct 3, 2022: <https://www.wsj.com/articles/china-is-rerouting-u-s-liquefied-natural-gas-to-europe-at-a-big-profit-11664772384>