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Strait of Hormuz: the world's most important oil artery

Reuters

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Oil tankers pass through the Strait of Hormuz, December 21, 2018. REUTERS/Hamad I Mohammed/File Photo [Acquire Licensing Rights](#)

Oct 20 (Reuters) - The Israel-Hamas war has raised the spectre of a wider regional conflict which could embroil Iran and other regional factions.

Analysts and market observers say the conflict could prompt the United States to [tighten sanctions](#) on Iran, which may spur Tehran to take retaliatory action against ships in the Strait in Hormuz.

The Marshall Islands registry, one of the world's top shipping flags, last week flagged that [vessels](#) with links to Israel or the United States may face a



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WHAT IS THE STRAIT OF HORMUZ?

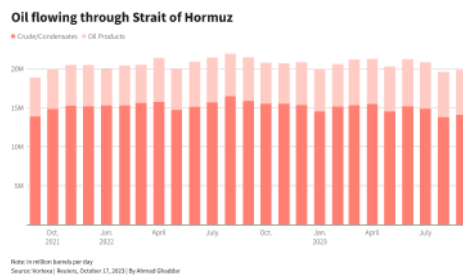
- * The strait lies between Oman and Iran.
- * It links the Gulf north of it with the Gulf of Oman to the south and the Arabian Sea beyond.
- * It is 21 miles (33 km) wide at its narrowest point, with the shipping lane just two miles (three km) wide in either direction.
- * The United Arab Emirates and Saudi Arabia have sought to find [other routes](#) to bypass the Strait, including building more oil pipelines.



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WHY DOES IT MATTER?

* About a fifth of the volume of the world's total oil consumption passes through the Strait on a daily basis. An average of 20.5 million barrels per day (bpd) of crude oil, condensate and oil products passed through Hormuz in January-September 2023, data from analytics firm Vortexa showed.



Reuters Graphics

* OPEC members Saudi Arabia, Iran, the UAE, Kuwait and Iraq export most of their crude via the Strait.

* Qatar, the world's biggest liquefied natural gas (LNG) exporter, sends almost all of its LNG through the Strait.

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* Some 80 million metric tons, or 20% of global LNG flows go through the Strait every year, Vortexa said.

* "If the conflict broadens to include the closure of the Strait of Hormuz —the world's busiest oil-shipping channel— it would shut down the region's oil trade, supercharging oil prices," JP Morgan said in a note this week.

"Crucially, while Iran has threatened over the years to block the strait, it had never followed through," the bank added.

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IMPACT OF U.S. SANCTIONS

- * The United States has imposed sanctions on Iran aimed at halting its oil exports.
- * Iran has threatened to disrupt oil shipments through the Strait of Hormuz if the United States tries to strangle its economy.
- * The U.S. Fifth Fleet, based in Bahrain, is tasked with protecting commercial shipping in the area.

RISING TENSIONS

- * The Israeli army is readying for a [ground invasion](#) with the aim of annihilating Hamas, raising the risk of a wider conflict.

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- * Iranian Foreign Minister Hossein Amirabdollahian on Oct. 18 called on Muslim countries to impose an [oil embargo](#) and other sanctions on Israel, but OPEC sources dismissed such a scenario.
 - * In 1973, Arab producers led by Saudi Arabia slapped an oil embargo on Western supporters of Israel in its war with Egypt, targeting Canada, Japan, the Netherlands, Britain and the United States.
 - * While Western countries were the main buyers of crude produced by the Arab countries at the time, nowadays Asia is the main buyer of OPEC's crude.

PAST INCIDENTS

- * During the 1980-1988 Iran-Iraq war, the two sides sought to disrupt each other's oil exports in what was known as the Tanker War.
- * In July 1988, the U.S. warship Vincennes shot down an Iranian airliner, killing all 290 aboard, in what Washington said was an accident and Tehran said was a deliberate attack.
- * In early 2008, the United States said Iranian vessels threatened three U.S. Navy ships in the Strait.
- * In July 2010, Japanese oil tanker M Star was attacked in the Strait by a militant group called Abdullah Azzam Brigades linked to al Qaeda claiming responsibility.
- * In January 2012, Iran threatened to block the Strait in retaliation for U.S. and European sanctions that targeted its oil revenue in an attempt to stop Tehran's nuclear programme.
- * In May 2015, Iranian ships seized a container ship in the Strait and fired shots at a Singapore-flagged tanker which it said had damaged an Iranian oil platform.
- * In July 2018, President Hassan Rouhani hinted Iran could disrupt oil trade through the Strait in response to U.S. calls to reduce Iran's oil exports to zero.
- * In May 2019, four vessels - including two Saudi oil tankers - were attacked off the UAE coast near Fujairah, one of the world's largest bunkering hubs, just outside the Strait of Hormuz.
- * In January 2021, Iran [seized](#) a South Korean-flagged tanker in Gulf waters and detained its crew.
- * In December 2022, the U.S. military said that an Islamic Revolutionary Guard Corps Navy boat [came within](#) 150 yards of American warships in the Strait.
- * In May 2023, Iran [seized](#) two oil tankers while passing through the Strait.

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* In July 2023, the U.S. Navy said it had intervened to prevent Iran from seizing two commercial tankers in the Gulf of Oman. A Navy statement said that since 2021, Iran had "harassed, attacked or seized nearly 20 internationally flagged merchant vessels".

Reporting by Ahmad Ghaddar; Editing by Susan Fenton

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