Oil and Gas News Briefs
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U.S. crude oil prices lowest since February 2021

(Wall Street Journal; Oct. 16) - A growing glut of oil and fear of a global economic slowdown have pushed U.S. crude prices to their lowest point since fuel markets were rebounding from the Covid crash. Most actively traded U.S. oil futures ended Oct. 16 at $56.99 a barrel, down 19% from a year ago. That marked the lowest since February 2021. Declines this week bring prices below the depth of the spring sell-off when President Trump unleashed a deluge of tariffs and sparked worries of economic turmoil.

The decline is good news for American consumers because cheaper crude portends lower prices for gasoline, diesel, jet fuel and heating oil. But it is an alarming situation for a U.S. oil industry already beset by narrowing profit margins and shedding jobs by the thousands. U.S. drivers, who were already expected to spend the smallest portion of their disposable income on gasoline in years, are seeing reduced prices thanks to the glut. The average retail price for regular unleaded gasoline was $3.057 a gallon on Oct. 16, about 15 cents less than a year earlier, according to AAA.

With an oversupplied global oil market, a flood of fuel is being stashed offshore. The volume of oil at sea swelled by about 3.4 million barrels a day in September, the greatest increase since the pandemic, according to the International Energy Agency. The IEA is among the energy-market forecasters anticipating that the glut will grow in the coming months, given that producers from the Mideast to Texas are pumping oil even as prices tumble to multiyear lows. U.S. producers notched an output record of more than 13.6 million barrels a day in July, according to the most recent data available.

Oil stored at sea reaches highest level since price war of 2020

(Bloomberg; Oct. 18) - The best place to observe the shift taking place in global oil markets is at sea. More than 1 billion barrels have been amassed on the world’s tanker fleet, according to consultant Vortexa. It’s the biggest flotilla of oil on the water since 2020, when a price war between Saudi Arabia and Russia flooded the market during the Covid-19 pandemic. The phenomenon gives tangible support to long-held predictions that surging production will push the market into surplus.

While China has kept the excess hidden for months by scooping up cheap barrels for its strategic reserves, the market seems to have reached a tipping point. Crude from the Middle East is starting to go unsold and key price gauges signal that supply scarcity is ending. International oil futures have sunk to a five-month low near $60 a barrel and top

traders are braced for a further slide. “For the last 12 months we’ve all known that there’s this surplus that’s coming,” Ben Luckock, global head of oil at Trafigura, said at the Energy Intelligence Forum in London this week. “I think it really is just about here.”

The transition to oil supply abundance should offer relief to consumers after years of price inflation and fulfill President Donald Trump’s desire for cheaper gasoline. But it poses a threat for U.S. shale drillers already fretting over the future, and for the kingdom of Saudi Arabia as it grapples with a soaring budget deficit. The International Energy Agency has been predicting a flood of supplies for more than a year. Additional oil from the U.S., Brazil, Canada and Guyana were seen as overwhelming growth in demand.

‘Missing’ barrels create uncertainty for global oil market

(Reuters commentary; Oct. 16) - The International Energy Agency continues to forecast a big supply glut in the oil market, but uncertainty over the whereabouts of almost 1.5 million barrels per day is throwing this projection into doubt. The IEA has long forecast a severe glut this year and next due to rising global output. In its latest report released Oct. 14, it provided an even more bearish outlook, forecasting a surplus of 2.35 million barrels per day in 2025 and 4 million barrels per day — nearly 4% of global demand — next year. OPEC, however, expects supply to closely track demand through 2026.

The murky picture got even muddier on Oct. 14 when the IEA noted that it was unable to account for 1.47 million barrels per day of oil in its global balances for August. That is a staggeringly big blind spot with significant implications. It is quite common for forecasters to have "holes" in their calculations due to delays in government reporting and the periodic absence of some data. But the sheer scale of the missing barrels in the IEA's report should give traders and investors pause, particularly because it is coming at a time when the market is already trying to make sense of wildly divergent projections.

It is reasonable to assume that the gap may be due, in large part, to two factors that have been confounding the crude market all year: the trading of heavily sanctioned oil from Russia, Iran and Venezuela, and China's vast stockpiling of oil. Beijing does not officially disclose the scale of its oil storage capacity or changes in inventories. Calculating production, consumption, exports and storage in the global oil market has never been easy, but the missing-barrels mystery may be an indication that it is going to get even harder moving forward as geopolitics obscure large parts of the market.

Chevron’s oil production has helped finance Venezuelan government

(The New York Times; Oct. 17) - The Trump administration has doubled the bounty on Venezuela’s autocratic leader, calls him a “narcoterrorist” and is now threatening military strikes on Venezuelan soil. But even as pressure builds on President Nicolás Maduro,

he has found a pillar of support in one of the largest U.S. oil companies. Venezuelan oil exports climbed in September to a five-year high, driven in part by the resumption of Chevron's work in Venezuela after a short ban by the Trump administration.

The company has been in Venezuela since 1923. Chevron's oil exports are again channeling hard currency into Venezuela's fragile economy, spotlighting the unusual standing an American capitalist icon enjoys in a country led by self-proclaimed socialists who have expropriated the assets of hundreds of other companies. Chevron's operations constitute nearly a quarter of Venezuela's oil production. In the past two years, Chevron has accounted for as much as 80% of the growth in Venezuela's oil output, said Francisco J. Monaldi, a Venezuelan oil expert at Rice University in Texas.

Given Venezuela's overwhelming reliance on oil exports, economists say Chevron's operations are allowing Venezuelan officials to spend at least some revenues on basic necessities like food and medicine. "Oil revenues are what feeds Venezuela," said Francisco Rodríguez, a Venezuelan economist. Chevron, he said, is helping prevent Venezuela from sliding back into the kind of humanitarian crisis that in recent years led millions of people to flee the country. Chevron has managed to navigate intense political and economic turbulence to maintain access to Venezuela's colossal oil reserves.

Oil, gas, coal leases and permits continue during federal shutdown

(The New York Times; Oct. 17) - More than 700,000 federal employees have been sidelined and thousands more are at risk of being fired as the government shutdown drags on. But the workers responsible for carrying out the president's plans for more fossil fuels and less wind and solar power are still at work. Some are approving permits for companies that want to extract metals, coal, oil and gas from public lands and federal waters. Others are rolling back limits on greenhouse gas emissions.

On Oct. 16, the Bureau of Land Management approved the expansion of a copper mine on public land in Utah. Earlier this week the Interior Department prepared to open more than 250,000 acres of land in Wyoming and Nebraska to oil drilling, and held a coal lease sale for access to Montana's Powder River Basin. And at the Environmental Protection Agency, employees are finalizing a plan to allow more mercury emissions from coal plants, according to two people familiar with the work underway.

Charlotte Taylor, an Interior Department spokeswoman, said the agency was doing what was necessary in light of the president's declaration in January of a national energy emergency. "Work related to permitting, leasing and other essential energy operations is continuing as excepted work to help strengthen the nation's energy security, maintain reliable supplies and protect American consumers from disruption," Taylor said. Most experts say that there is no national energy emergency, pointing to record amounts of oil and gas that is being produced in the United States.

India willing to buy more U.S. oil and gas if prices are competitive

(Associated Press; Oct. 16) - India said it is looking to step up purchases of crude oil and gas from the U.S. as it diversifies its energy supplies and confronts criticism by U.S. President Donald Trump over its imports of discounted Russian oil. India is the second biggest buyer of Russian oil after China. Trump cited its purchases from Moscow when he announced 50% tariffs on imports from India in August.

A statement Oct. 16 by India's foreign ministry said the government's consistent priority was to safeguard the interests of Indian consumers in a volatile energy environment. "Ensuring stable energy prices and secured supplies have been the twin goals of our energy policy. This includes broad basing our energy sourcing and diversifying as appropriate to meet market conditions," said Randhir Jaiswal, a ministry spokesman.

He said the Trump administration had shown interest in deepening energy cooperation and talks on that were underway. Expanding India's energy dealings with the U.S. could help India mitigate supply disruptions and align with Washington's push to reduce global dependence on Russian oil. India's Trade Secretary Rajesh Agarwal said on Oct. 15 that India is willing to increase its purchases of U.S. oil and gas if prices are competitive.

U.K. steps up sanctions on Russia's two largest oil companies

(Reuters; Oct. 15) - Britain targeted Russia's two largest oil companies, Lukoil and Rosneft, and 44 shadow fleet tankers on Oct. 15 in what it described as a new bid to tighten energy sanctions and choke off Kremlin revenues. Lukoil and Rosneft were designated under Britain's Russia sanctions laws for what London described as their role in supporting the Russian government. They are subject to an asset freeze, director disqualification, transport restrictions and a ban on British trust services.

The two companies were considered strategically significant to the Kremlin, the government said, adding that their activities were of economic importance to Russia, contributing to state revenues that help sustain its war in Ukraine. "We are introducing targeted sanctions against the two biggest oil companies in Russia, Lukoil and Rosneft," Britain's Finance Minister Rachel Reeves told reporters while on a trip in the U.S.

"At the same time, we are ramping up pressure on companies in third countries, including India and China, that continue to facilitate getting Russia oil onto global markets." Also designated by London were Chinese refiner Shandong Yulong Petrochemical and several port operators — Shandong Jingang Port, Shandong Baogang International and Shandong Haixin Port, all in the refining hub of Shandong.

U.S. and Europe continue pressure on buyers of Russian oil and gas

(Reuters; Oct.17) - U.S. and European pressure on Asian buyers of Russian energy could restrict India's oil imports in December, leading to more of the cheaper Russian oil supplies going to China, while Japan is unlikely to halt its Sakhalin liquefied natural gas shipments for now, trade sources and analysts said. Washington is exerting pressure on China, India and Japan through trade talks to reduce their purchases of Russian oil and LNG, while Britain has just imposed sanctions on Chinese and Indian entities.

China and India's combined seaborne imports of key Russian crude grades are expected to rebound to about 3.1 million barrels per day in October, the highest since June, data from analytics firm Kpler showed. Imports are expected to remain high into November given the sharp rise in exports from Russia, Kpler's senior oil analyst said. "However, the sudden U.K. sanctions on Chinese and Indian refineries — and the possibility of more measures from the European Union or even the U.S. — could prompt buyers to take a more cautious approach when placing new orders," she added.

Tokyo has agreed with other G7 countries to phase out Russian oil imports in response to Moscow's 2022 invasion of Ukraine, but has exemptions to continue importing LNG from the Sakhalin-2 project under long-term contracts. An early termination of these contracts would result in penalties, said Yuriy Humber, CEO of Tokyo-based consultancy Yuri Group. Also, buying an additional 6 million tonnes of LNG a year on the spot market to replace Russian supply would not be easy and would be "massively expensive," he said. Russian LNG accounts for about 9% of Japanese imports.

Qatar warns EU to ease up on sustainability rules or risk losing LNG

(Reuters; Oct. 16) - Qatar will not be able to do business in the European Union, including supplying Europe with liquefied natural gas to plug its energy gap, if further changes are not made to its corporate sustainability rules, Qatar's Energy Minister Saad al-Kaabi told Reuters on Oct. 16. Qatar, one of the world's top LNG exporters, has argued that the EU's Corporate Sustainability Due Diligence Directive adopted in 2024 poses a significant risk to state-owned QatarEnergy.

The rule requires larger companies operating in the EU to find and fix human rights and environmental issues in their supply chains or face financial penalties. This week, the European Parliament's legal committee backed plans to water down the law, having faced pushback from companies, but Kaabi said the changes did not address key concerns. Kaabi, who is also the CEO of QatarEnergy, told Reuters his concern centers on the potential for fines of up to 5% of total global revenue for companies that do not have climate-change transition plans aligned with the Paris Agreement goal.

Qatar supplies between 12% and 14% of Europe's LNG since Russia's 2022 invasion of Ukraine. QatarEnergy has long-term supply contracts with Britain's Shell, France's

TotalEnergies and Italy's Eni. "We have been seeking to constructively engage with the key players at both the European Commission and every EU member state for almost a year now," Kaabi said, adding that the commission had not responded.

Developer looks to raise $5 billion for LNG project in Louisiana

(Bloomberg Law; Oct. 16) - EIG Global Energy Partners' MidOcean Energy is looking to raise $5 billion for the proposed Lake Charles liquefied natural gas export project in Louisiana, according to people familiar with the matter. The financing package would include $2 billion in equity and $3 billion in debt, according to the people, who asked not to be identified because the discussions were private. JPMorgan Chase is working with Mizuho Financial Group on the debt portion, the people added.

Energy Transfer has delayed its targeted final investment decision for Lake Charles LNG to the first quarter of 2026 from the end of this year, according to people familiar with the matter. The company blamed rising costs and the need for more time to finalize offtake contracts as reasons for the delay, according to sources. The developer received federal approval in 2015 to construct and operate the facility, and with the extension now has until 2031 to put the plant into operation.

Lake Charles LNG is planned for 16.5 million tonnes per year production capacity. U.S. LNG developers are pushing to secure financing and begin construction on projects before the next global supply wave potentially surpasses demand.

U.S. LNG producer commits to expansion of Texas facility

(Reuters; Oct. 16) - U.S. liquefied natural gas producer NextDecade said on Oct. 16 that it had reached a positive final investment decision on the fifth liquefaction train of its Rio Grande export project in Texas. Train 5 has a planned LNG production capacity of 6 million tonnes per year, bringing the total expected LNG production capacity under development to about 30 million tonnes at Rio Grande LNG, the company said.

The announcement marks the fifth positive FID for an LNG export project in the U.S. this year. Developers typically reach an FID on projects once they have secured enough supply deals to obtain the necessary financing for construction. Construction is underway on the first three production trains at the Next Decade site — with the first cargoes expected in 2027 — and with FIDs taken this year on the next two units.

Train 5 is commercially supported by 4.5 million tonnes per year of 20-year sale and purchase agreements with Japan's JERA, EQT Corp. and ConocoPhillips, with commercial deliveries scheduled to start in the first half of 2031, Next Decade said. Project costs for Train 5 and related infrastructure are expected to total approximately

$6.7 billion, including engineering, procurement and construction costs, owner's costs, contingencies, financing fees and interest during construction, the company said.

FERC gives Venture Global more time to finish Louisiana LNG plant

(Reuters; Oct. 16) - Federal regulators on Oct. 16 approved a request from Venture Global for more time to keep its Plaquemines LNG plant in Louisiana in a commissioning stage before declaring the start of full commercial operations, a regulatory filing showed. Extending the commissioning phase to Dec. 31, 2027, will allow Venture Global to sell the liquefied natural gas on the global spot market at higher prices than under long-term contracts that apply during full operations.

The Federal Energy Regulatory Commission said that while two of Venture Global's long-term customers — Chevron and Orlen — asked to provide input, neither raised specific objections to the extension. Both companies filed on Oct. 14 to intervene in the case, which would have allowed them to provide FERC with detailed reasons to reject the extension. Separately, at Venture Global's first LNG project in Louisiana, an international arbitration tribunal found last week the company had breached an agreement with BP to start timely commercial operations at its Calcasieu Pass plant.

Venture Global asked FERC last month to give it until 2027, to keep the Plaquemines plant in a commissioning stage, citing multiple issues. The original deadline for putting the 27.2 million-tonne-per-year export facility into full service was Sept. 30, 2026. Plaquemines is the second-largest LNG facility in the U.S. Venture Global has typically used a strategy that involves building its plants quickly to sell commissioning cargoes at higher prices on the spot market for a time before formal commercial operations kick off with lower, longer-term pricing to contracted buyers.

LNG Canada terminal initial production short of expectations

(Financial Post; Canada; Oct. 17) - The number of tankers carrying liquefied natural gas from LNG Canada's terminal fell short of analysts' expectations last month, as technical hiccups have slowed the British Columbia facility's startup at a tough time for Western Canada gas producers. Just five vessels sailed from the terminal in Kitimat, B.C., during the month of September, LNG Canada confirmed last week. It was short of the seven that had been expected, RBC Capital Markets said in note which pointed to a slower ramp-up of production at the Shell-led project since operations began in July.

Roughly 15 tankers per month will be required once the facility reaches full capacity, "For the last few months LNG Canada has been behind expectations," Ian Archer, associate director, North American natural gas at S&P Global, said. "There's been one or two LNG tankers kind of consistently floating off the coast of Haida Gwaii, waiting to

be loaded, which suggests that the ships were scheduled at a certain rate, but the LNG facility (output) was disappointing.”

Technical issues have slowed the ramp-up, though the second of two giant processing units, known as Train 2, has begun the process of starting up. “The facility is now struggling to meet our initial demand expectations,” a team of TD analysts said in a note last week, suggesting LNG Canada’s demand for gas had averaged between 0.6 billion and 0.7 billion cubic feet per day in September, well short of expectations. Sluggish exports have led to slower-than-expected gas uptake, causing knock-on effects for gas drillers in Western Canada that saw spot prices fall into negative territory last month.

China designates one terminal to receive sanctioned Russian LNG

(Bloomberg; Oct. 15) - Blacklisted Russian liquefied natural gas shipments are poised to keep entering China as both countries seem prepared to circumvent the U.K.’s latest sanctions. The U.K. on Oct. 15 imposed restrictions on the Beihai LNG terminal in southern China, citing its imports of fuel from a sanctioned Russian LNG export facility. However, at least one shipment is currently headed to the terminal, with another vessel waiting offshore, ship-tracking data compiled by Bloomberg show.

Moscow and Beijing had anticipated Western action against Beihai. China designated the terminal as the sole entry point for cargoes from Arctic LNG 2 — a Russian project sanctioned by the U.S. and U.K. Other Chinese importers have since stopped using the terminal. By concentrating such imports at a single facility that doesn’t ensnare other companies, Beijing has effectively shielded its broader gas sector from any potential fallout. Traders surveyed by Bloomberg expect Arctic LNG 2 flows to China to continue.

“Only a more concerted and unified approach by the U.S. and the European Union, including secondary sanctions, could likely persuade China to reconsider its stance on Russian LNG,” said Malte Humpert, founder of the Arctic Institute, a Washington-based think-tank. Beihai has taken deliveries from Arctic LNG 2 since late-August, according to ship-tracking data compiled by Bloomberg. Nine cargoes have arrived during that period. Meanwhile, Russia continues to export from the facility.

North American manufacturers stick with gas as Europe electrifies

(Reuters commentary; Oct. 17) - Manufacturers in North America and Europe are set to embark on starkly different power-source paths in the decades ahead, which could reshape the future prospects for goods producers on both sides of the Atlantic. In North America, gas is primed to remain the main power source for factories and production lines thanks to the massive deposits across the region. In Europe, a push to cut reliance on imported fossil fuels is set to shift most factories to run on electricity by mid-century.

These diverging power pathways have their own benefits and risks, and stand to affect the competitiveness of the businesses that run on them. Over time, the very viability of certain manufacturing bases could be at stake as two of the world's largest economies opt to build out very different energy foundations — with different costs to users — for producers of components and finished goods and the jobs they create.

Both North America and Europe rely on gas for a substantial share of their energy needs, with gas accounting for 36% of North America's and 24% of Europe's total energy supplies in 2024, according to data from the Energy Institute. However, due to its mammoth gas deposits, North America is not only self-sufficient in gas, with lower prices than Europe, but is also the world's largest natural gas exporter, mainly in the form of liquefied natural gas. Europe, on the other hand, has to import more than half of its gas, which leaves the region heavily reliant on other nations for supplies.

By 2050, 48% of European manufacturers are expected to be electrified, compared to only 34% in North America. Currently, around 28% of European manufacturers are powered by gas, but only 11% are expected to be gas-powered by 2050. In North America, about 46% of manufacturers are gas-powered. Price matters, and higher-cost manufacturers will end up being undercut by lower-cost rivals making similar products, even after factoring in transportation costs to cross the Atlantic.

Decision helps Santos avoid higher costs at Australia LNG plant

(Australian Broadcasting Corp.; Oct. 16) - Santos has managed to avoid additional costs on managing carbon pollution from its leaking Darwin liquefied natural gas plant in northern Australia after telling the federal government that forcing "international best practice" on emissions at the aging facility posed an "intolerable risk" to the company. Documents released under Freedom of Information requests show the company last year was concerned that its aging Darwin plant could be forced to achieve net-zero emissions as part of bringing online its huge new Barossa gas project in the Timor Sea.

But Santos took advantage of what environmental law expert Andrew Macintosh said was a legal "loophole" in federal rules to avoid the extra cost of potentially having to offset millions of tonnes of carbon pollution a year at the Darwin plant. A major methane leak at the plant was revealed by the Australian Broadcasting Corp. last month. It was branded a "national scandal" by environmentalists and cited as a factor in the collapse of an Abu Dhabi National Oil Co. effort to take over Santos.

Barossa has been slammed by federal opposition party members and environmentalists because of the high concentration of carbon dioxide in the gas. The Darwin LNG plant was approved for an extension of its operating authorization until 2050 to accommodate the Barossa gas. In an email to federal officials in January last year, Santos flagged concerns that regulators could force net-zero emissions on Darwin if it was treated as a

"combined asset" with Barossa. But the government decided the two projects would be considered separate, saving Santos from more expense to operate the Darwin plant.

Australian unions call for heavier tax on oil and gas exports

(The Sydney Morning Herald; Oct. 16) - The Australian government is facing calls from the union movement to makes changes to taxes on oil and gas exports, in a move the unions said would raise $17 billion a year to be pumped into housing. Unions believe the petroleum resource rent tax, which the government overhauled in its first term in a bid to raise more revenue from energy exports, should be axed and replaced with a flat 25% tax on all LNG exports.

But the business community believes the best way to lift productivity and strengthen the economy is for Treasurer Jim Chalmers to pick up key proposals from his economic roundtable, including tax incentives to boost business investment. This year, the resource tax is forecast to raise almost $2 billion, but the unions believe a 25% tax would earn the federal government $17 billion that could be used by the government to build 50,000 social and affordable houses across the country.

That would more than double the expected 30,000 affordable homes the government has pledged to build out of its $10 billion Housing Australia Future Fund. Australian Council of Trade Unions President Michele O'Neil said the resource tax, which allows oil and gas developers to recover their capital investment before paying the tax, had become a scam on the Australian people, arguing large companies were making a "killing" out of LNG exports and the public were seeing almost nothing in return.

Malaysia wants to ramp up gas-fired power capacity to displace coal

(Reuters; Oct. 16) - Malaysia will generate more electricity from natural gas than coal by 2032 as the country ramps up its gas-fired power capacity, the chief executive of state-run utility Tenaga Nasional (TNB) told Reuters. With demand from power-hungry data centers expected to stabilize, total electricity use is likely to be in line with Malaysia's projected economic growth of 4% to 4.5% in 2026, TNB CEO Megat Jalaluddin said on the sidelines of the ASEAN Energy Business Forum on Oct. 15.

Surging demand from data centers in recent months has pushed Malaysia to crank up its coal-fired power output and boost imports of the fuel. It expects to import 35 million tonnes of coal annually until 2028, according to a TNB presentation reviewed by Reuters. Coal's share in Malaysia's power generation has steadily risen to 43% in 2024 from 6% in 2000, while gas' share has plunged to 37% in 2024 from 80% at the beginning of the century, data from energy think tank Ember showed.

However, coal imports are set to decline from 2029, according to the TNB presentation, and push Malaysia, the fifth-largest exporter of liquefied natural gas, to use more gas for power generation and start importing the fuel as domestic gas reserves decline. The Southeast Asian nation is expected to add 50% more gas-fired power capacity by 2030 to tackle data centers' growing electricity consumption, which will help gas overtake coal as Malaysia's main power fuel by 2032, Jalaluddin said.

India would need to spend $217 billion to reach nuclear capacity goal

(Bloomberg; Oct. 14) - India will require nearly 19.3 trillion rupees ($217 billion) of investment to reach its target of installing 100 gigawatts of nuclear power capacity by 2047, according to a power ministry panel's report, published Oct. 14. The report assumed that India's domestic pressurized heavy-water reactors will continue to be the mainstay technology for the sector, accounting for nearly 46% of the target. Large foreign reactors are seen constituting about 39% of the capacity. Funds needed to build local equipment-manufacturing plants will be additional, it said.

The report comes at a time when Prime Minister Narendra Modi's government has promised ambitious changes in the law to encourage private investment in the moribund nuclear sector. The reforms also reflect a global tilt toward nuclear technology to achieve decarbonization goals.

One of the proposed changes is to a law that holds plant developers and equipment suppliers liable for damages in case of a nuclear incident and exposes them to civil lawsuits. This has stymied projects, including those planned by General Electric and Electricite de France. As a result, India currently has about 8.8 gigawatts of nuclear power capacity, less than 2% of the of the country's total generation. The power ministry panel recommended that suppliers' liability should be restricted to the contract value, the operator's liability or a value specified in the contract — whichever is lower.

U.S. helps block U.N.-backed plan to decarbonize seaborne shipping

(Wall Street Journal; Oct. 17) - A United Nations-backed plan to decarbonize the maritime shipping industry was put on ice Oct. 17 amid fierce opposition from the Trump administration. Under the plan, shipowners would have to pay a fee for their carbon emissions in a bid to spur investment in low-carbon fuels and ships that run on them. Nations had been scheduled to vote on ratifying the plan this week, but the ballot was postponed for a year after a lobbying campaign from the U.S.

"The United States will NOT stand for this Global Green New Scam Tax on Shipping, and will not adhere to it in any way, shape or form," President Trump said in a social-media post Oct. 16. The U.S. threatened countries that endorsed the International

Maritime Organization's net-zero plan with retaliatory measures, including sanctions on officials, visa restrictions, port fees and blocking vessels from U.S. ports. The vote's postponement casts doubt on the future of what was ready to be the most ambitious emissions-cutting strategy agreed upon by an entire sector of the global economy.

The postponement comes amid a broader pullback from policies aimed at reducing greenhouse-gas emissions. The plan to decarbonize the shipping industry had been in the works for years. National representatives at the IMO, a U.N. body, approved outlines of the plan in April. More than 60 members, including European countries and leading exporters such as China and Brazil, were in favor of the proposals. Some 16 countries opposed, including Saudi Arabia and other fossil-fuel producers. The U.S. abstained.