

## Overview

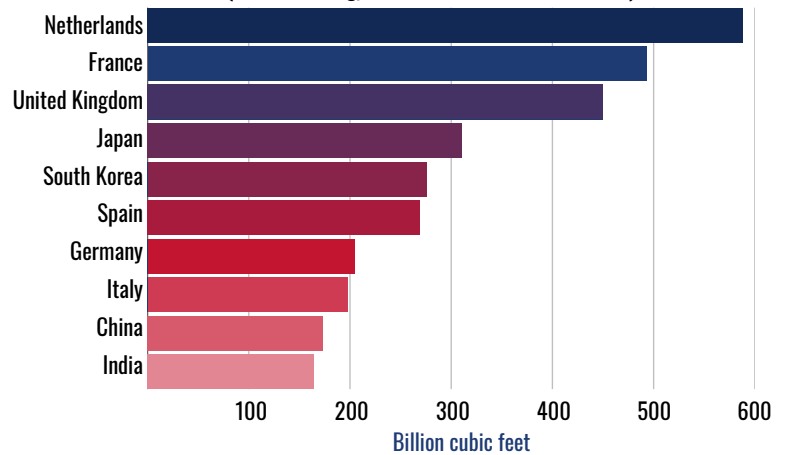
- The United States is the world's largest exporter of liquefied natural gas (LNG), and its export capacity is expected to grow rapidly over the current Trump administration and beyond.
- U.S. LNG exports have improved global energy security and reduced energy dependence on risky oil and gas suppliers, shielding friendly nations from supply chain interruptions in Russia and the Middle East.
- The United States' LNG dominance is a powerful geopolitical tool to bolster strategic alliances, increase global engagement and influence, and restrict adversaries' opportunities for coercion.
- However, overreliance on LNG carries strategic risks and negative environmental impacts. LNG facilities may be vulnerable to attack during a conflict, and U.S. exports depend on the accessibility of key shipping lanes that may be obstructed by violence or extreme weather.
- Growth in global demand for LNG is expected to decelerate dramatically in the coming years, and risks of market oversupply are looming. With demand from critical buyers dropping as they transition to low-carbon alternatives, the U.S. will not be able to sustain long-term energy dominance through LNG alone.

## Securing Europe's Energy Supply

- U.S. LNG exports to Europe have skyrocketed, more than doubling from 2021 to 2022. The United States is now the top supplier of LNG to the European Union (EU).
- Before Moscow's invasion of Ukraine in 2022, Russia provided over 40% of the EU's natural gas imports. U.S. LNG helped European allies diversify their energy supply, reducing the revenue flowing into Putin's war chest.
- However, Europe remains largely dependent on Russian LNG, importing "record levels" from Moscow last year. Russia has been the EU's second-largest source of LNG since 2023.
- The EU has imposed limited sanctions to curb Russia's LNG trade. U.S. LNG could help Europe move further away from Russian gas, stem revenue flows to Moscow, and boost Washington's negotiating position in future peace talks.

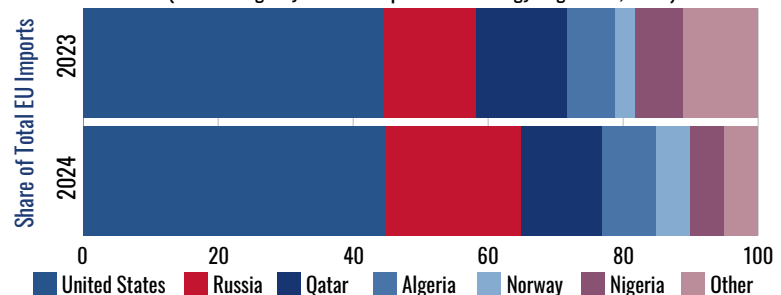
### U.S. LNG Export Destinations, 2023

(Data: U.S. Energy Information Administration, 2025)



### EU LNG Import Origins

(Data: EU Agency for the Cooperation of Energy Regulators, 2024)

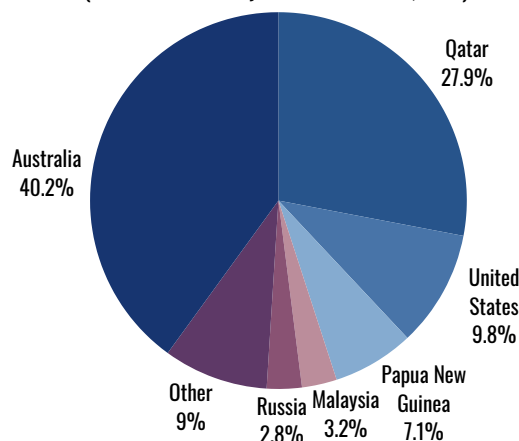


# Strengthening Indo-Pacific Partnerships

- As the second-largest destination for U.S. LNG exports and home to the world's top LNG importers, Asia is a vital market for U.S. natural gas.
- Strong Indo-Pacific partnerships are integral to U.S. efforts to maintain regional influence and stability. U.S. LNG exports can strengthen critical relationships by bolstering the energy security of import-dependent partners such as South Korea, Japan, and Taiwan.
- Taiwan imports nearly 98% of its energy, a key vulnerability in the event of a confrontation with China. In 2025, natural gas is expected to power half of Taiwan's electricity generation.
- A maritime blockade could prevent Taiwan from accessing critical seaborne energy imports, including U.S. LNG. LNG facilities may also offer tempting targets for Beijing to cripple Taipei's energy supply without assuming the high risk of an attack on nuclear energy facilities.
- To deter Chinese aggression against Taiwan and reduce the risk of a U.S.-China conflict, the U.S. should discourage overreliance on LNG by working with Taipei to develop its energy production capacity and expand its energy reserves.
- Rising demand for LNG in South and Southeast Asia may offer an opportunity for the U.S. to foster cooperation with other security partners like the Philippines.

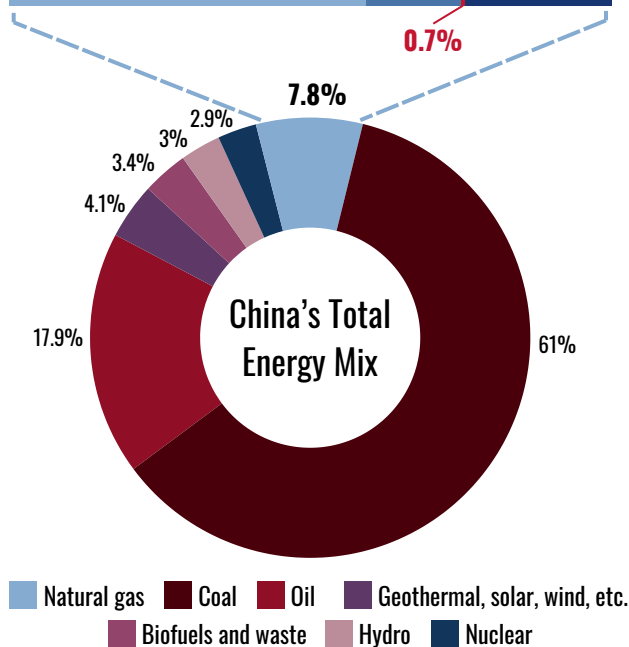
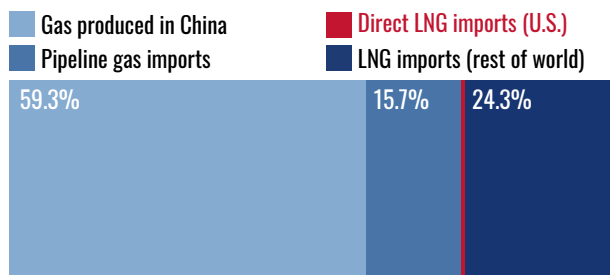
## Taiwan LNG Import Origins, 2023

(Data: Taiwan Ministry of Economic Affairs, 2024)



## U.S. LNG Share in China's Energy Mix, 2022

(Data: IEA 2025, Energy Institute Statistical Review of World Energy 2023)



## China's Pursuit of Energy

- China is the world's largest importer of LNG, and its import volumes are expected to rise. However, in 2022, LNG made up less than 8% of China's total energy mix.
- In 2024, the U.S. supplied just 5% of China's total LNG imports. This relatively low share limits the utility of U.S. LNG as a geopolitical tool to gain leverage over China.
- Beijing profits from the resale of cheap U.S. LNG to markets where prices are high, fueling the expansion of China's global influence through its advanced energy industry and infrastructure investments abroad.
- New U.S. tariffs on Chinese goods have provoked retaliatory measures from China, including levies on U.S. LNG. These levies may reduce Chinese demand for U.S. LNG and could make natural gas reserves in the South China Sea more attractive.
- Increased Chinese activity in these disputed waters would likely drive up tensions with U.S. treaty allies such as Japan and the Philippines, which contest China's territorial claims in the South China Sea, raising the risk of conflict and escalation.