

ed their airspace amid escalating hostilities between the United States, Isra-

as expired after their planned departures were cancelled or diverted.

ior military officials. Tehran retained with missile and drone strikes target-

Strait of Hormuz: What happens if Iran shuts global oil corridor?

BY BBC

TEHRAN. Iran says it will "set fire" to any ships trying to pass through the Strait of Hormuz, the world's busiest oil shipping channel.

Usually, about 20 percent of global oil and gas passes through the narrow shipping lane in the Gulf. But Iran's General Sardar Jabbari said Tehran will now "not let a single drop of oil leave the region".

Uncertainty and disruption to international trade caused by Iran's response to US and Israeli strikes has already ratcheted up oil prices.

Blocking the strait could further inflate the cost of goods and services worldwide, and hit some of the world's biggest economies, including China, India and Japan, which are among the top importers of crude oil passing through the waterway.

What is the Strait of Hormuz?

The Strait of Hormuz is one of the world's most important shipping routes, and its most vital oil transit choke point.

Bounded to the north by Iran and to the south by Oman and the United Arab Emirates (UAE), the corridor – which

is only about 50km (31 miles) wide at its entrance and exit, and about 33km wide at its narrowest point, connects the Gulf with the Arabian Sea.

The strait is deep enough for the world's biggest crude oil tankers, and is used by the major oil and gas producers in the Middle East and their customers.

In 2025, about 20 million barrels of oil passed through the Strait of Hormuz per day, according to estimates from the US Energy Information Administration (EIA). That is nearly \$600b (£447b) worth of energy trade yearly.

That oil comes not only from Iran, but also other Gulf states such as Iraq, Kuwait, Qatar, Saudi Arabia and the UAE.

What is the impact of its closure?

About 3,000 or so ships sail through the strait monthly. Arne Lohmann Rasmussen, chief analyst at Global Risk Management said going through could lead to attack and you can't get insurance or it is extremely expensive, so you have to wait until the security situation is better.

"While there is no physical blockade, threats from the Iranians, plus drone and missile attacks, mean tankers are not going through the strait. If oil and gas coming from the strait is cut off, that

has significant ramifications for the market," he said.

The global benchmark Brent crude briefly hit \$82 (£61) a barrel on Monday, after at least three ships were attacked near the Strait of Hormuz at the weekend. That has left about 150 tankers stranded.

3,000

The number of ships that sail through the Strait of Hormuz monthly.

According to data from the London Stock Exchange Group, the cost of hiring a supertanker to ship oil from the Middle East to China has almost doubled from last week's price to a record high of more than \$400,000 (£298,300).

The closure of the vital shipping lane will also hurt Gulf countries, like Saudi Arabia, whose economies rely heavily on energy exports.

Iran, by comparison, exports about 1.7 million barrels daily, according to the International Energy Agency. Iran exported \$67b (£50b) worth of oil in the

financial year ending March 2025, its highest oil revenue in the past decade, according to estimates by the Central Bank of Iran.

A blockade of the strait will also hit Asia hard. In 2022, around 82 percent of crude oil and condensates (low-density liquid hydrocarbons that typically occur with natural gas) leaving the Strait of Hormuz were bound for Asian countries, according to EIA estimates.

China alone is estimated to buy around 90 percent of the oil that Iran exports to the global market.

Because China uses that oil to make products it then exports to other countries, higher oil prices could also mean higher prices for consumers around the world.

How can Iran close the strait?

United Nations rules allow countries to exercise control of territorial seas up to 12 nautical miles (13.8 miles) from their coastline.

At its narrowest point, the Strait of Hormuz and its shipping lanes lie entirely within Iran and Oman's territorial waters. It is unclear exactly how Iran plans to shut the strait but according to experts one of the most effective ways for them to do it would be to lay mines

using fast attack boats and submarines.

Iran's regular navy and the IRGC navy could potentially launch attacks on foreign warships and commercial vessels. However, large military ships may in turn become easy targets for US air strikes, and US President Donald Trump has said that one of his aims is to destroy Iran's navy.

Can alternative routes offset the blockade?

The persistent threat of a closure of the Strait of Hormuz has, over the years, prompted oil-exporting countries in the Gulf region to develop alternative export routes. Saudi Arabia operates a 1,200km-long pipeline capable of transporting up to 5 million barrels of crude oil per day, according to the EIA.

In the past it has also temporarily repurposed a natural gas pipeline to carry crude oil. The United Arab Emirates has connected its inland oilfields to the port of Fujairah on the Gulf of Oman via a pipeline with a daily capacity of at least 1.5 million barrels.

Oil could be diverted along the alternate infrastructure to bypass the Strait of Hormuz, but *Reuters* reports that would lead to a drop in supply of between 8 and 10 million barrels per day.