

CHAIR REPORT

Committee: General Assembly 2 (ECOFIN)

Topic: The Question of diversifying global energy routes to reduce dependence on the Strait of Hormuz

Name: Sovanreach Koeut

Position: Head Chair

Introduction

The Strait of Hormuz plays a vital role in providing the world with sufficient energy. Its narrow waters are believed to carry 20 percent of the world's oil and liquefied gas. Any interference with its passage represents an immediate threat to world trade, economic stability, and the supply of energy internationally. The location between the Persian Gulf and the Gulf of Oman makes it a center of geopolitical rivalry and a danger for both its producers and its consumers.

The regional tensions of recent years have shown the dangers of such dependence. Shipping has become more dangerous because of drone strikes, tanker seizures and clashes between Iran and other powers. These problems raise costs for companies and add uncertainty to economies in Asia and Europe that depend heavily on Gulf energy. This route can be so fragile, as the “Tanker War” in the 1980s and recent attacks demonstrate.

To solve this, countries are working on alternative routes. Saudi Arabia uses its East–West Pipeline to move oil to the Red Sea, while the UAE has a pipeline to Fujairah that avoids Hormuz. Iraq connects to the Mediterranean through Turkey, and Iran has built the Goreh–Jask pipeline to the Arabian Sea. New projects, like pipelines to Jordan or Oman, are also being planned. Diversifying these routes is key to global energy

security because it reduces reliance on one chokepoint and makes the world's energy supply more stable.

Key Terms

The Strait of Hormuz

A narrow body of water that connects the Persian Gulf and the Gulf of Oman. It represents the world's most important energy choke point, with 20% of the world's oil and gasses passing through

Energy Checkpoint

A strategic location where large quantities of oil and gas have to pass by. Disruption at a chokepoint can initiate global energy shortages and price spikes.

Pipeline Bypass

Another land route for oil and gas to get to ports without going through Hormuz. They include Saudi Arabia's East-West Pipeline and the UAE's Habshan-Fujairah Pipeline.

Global Energy Security

Global efforts to secure dependable and safe energy supplies. That means protecting trade routes, diversifying supply chains, and reducing dependence on vulnerable chokepoints.

Diversification

It is the process of building a variety of routes and supply chains so that there is less dependence on a particular checkpoint such as Hormuz.

UAE Habshan-Fujairah Pipeline (ADCOP)

A passage that transports oil from Abu Dhabi to the port of Fujairah on the Gulf of Oman which avoids Hormuz.

Background Information

Developing nations often rely on external funding from global powers due to a lack of fiscal capacity and are extremely vulnerable to global market change. For instance, it is important to highlight that the recent COVID-19 pandemic interrupted economic growth, stagnated the economy, and increased the need for financial leverage. Not only

that, conflicts play a major role in the economy, as seen in the ongoing war in Ukraine, which raised the cost of imports, exports, and inflation.

Because of these factors, many nations owe money to international organizations such as the International Monetary Fund. This highly impacts internal development since governments divert large amounts of budgets to debt instead of focusing on healthcare, education, or the construction of infrastructure. On a global scale, rising debt weakens long-term growth and shifts away from achieving the UN Sustainable Development Goals.

The debt crisis shows how interconnected the global economy has become. For example, developing nations are the most vulnerable to rising debt, but in addition to that, their financial instability can also disrupt international markets, as seen in Zambia and Sri Lanka's crash. At the same time, major economies highly influence global markets, like the United States of America, with its monetary policy, which often raises repayment costs for countries with dollar-denominated loans through the rise of interest rates, while China's Belt and Road Initiative is central in restructuring talks. These elements show that the debt crisis is both a difficulty for developing nations and a global challenge shaped by the decisions of the world's largest economies seen in the case of the Strait of Hormuz

Timeline of Events

<i>Date</i>	<i>Description</i>
<i>2008</i>	<i>This year depicts a global financial crisis, since governments heavily sought financial leverage to stabilize economies. Consequently, this mass debt created long-term fragilities, strongly affecting developing nations.</i>
<i>2015</i>	<i>Zambia struggled with mass debt by relying on multiple lenders shows how it can make restructuring complicated and slow.</i>

- 2020 *The COVID-19 pandemic forced many nations to seek financial aid. Although there is a Debt Service Suspension Initiative (DSSI) put in place by the G20, debt levels continue to rise.*
- 2020-2023 *Sri Lanka's incapability to discharge from debt led to its economical crisis and protests, showing the absolute vulnerability of developing nations.*

Relevant UN Treaties and Events

- ***UN Convention on the Law of the Sea (UNCLOS)*** : This convention establishes international legal frameworks for freedom of navigation and maritime security. It is critical for energy shipments passing through global waterways like the Strait of Hormuz and alternative sea routes.
- ***UN General Assembly Resolutions on Energy Security***: This UN general assembly reaffirms the importance of secure and diversified energy supply chains. It highlights the importance of cooperation among producing and consuming nations to reduce dependencies of single chokepoints.
- ***International Maritime Organization (IMO)***: This organization has a particular focus on protecting shipping lanes, for instance the Bab el-Mandeb and Red Sea, which are alternatives to Hormuz. IMO conventions aim to ameliorate safety standards and reduce risks of disruption.
- ***UN Security Council Debates on Gulf Security***: This UN assembly highlights the risks of depending on the Strait of Hormuz, especially during tanker attacks and regional conflicts. In addition to this, the assembly stressed the need to diversify pipelines and maritime routes.

Previous Attempts to solve the issue

Middle-east regional powers have created alternative waterways and routes to bypass the Strait of Hormuz. For example, Saudi Arabia's East-West Pipeline carries crude to the Red Sea, and the UAE's Habshan-Fujairah pipeline links directly to the Gulf of Oman. Besides, Iraq also used the Kirkuk-Ceyhan pipeline, but it has been blocked several times due to political instability. These projects are indicative of the regional states' efforts to reduce their vulnerability to Hormuz. But obstacles remain in the form of financial and geopolitical capacity and security concerns.

In the international scale, states have focused their efforts on improving maritime security and global energy cooperation. For example, higher security regulations have been imposed by the International Maritime Organization on some shipping lanes, such as the Bab el-Mandeb and Suez Canal. Moreover, the UN General Assembly urged for the diversification of waterways for the transportation of crude. Hence, the Strait of Hormuz is still highly depended on, which raises questions about long-term solutions that will require more investment, regional coordination, and international support.

Possible Solutions

Building alternative pipelines that bypass Hormuz is a possible solution. For example, Saudi Arabia could expand the East-West Pipeline by improving its capacity. In addition to that, investments in new pipelines connecting to Turkey could be made by Iraq and other Gulf states, which would strongly decrease the reliance on Hormuz. These projects require a massive amount of financial investment, and regional cooperation must be sought after.

Another possibility is to increase maritime security and diversify shipping routes. The Bab el-Mandeb Strait, the Suez Canal, and Red Sea corridors could adopt higher security standards to allow safer and smoother energy flow by cooperating with nations with the UN overlooking initiatives. This could be done, for example, through the International Maritime Organization and the UN General Assembly as it promotes safe navigation and encourages investment in diversified infrastructure. Consequently, these measures significantly reduce reliance on the Strait of Hormuz and further improves global energy security through pipelines.

Work cited

- International Energy Agency. (2026, February). Strait of Hormuz. *International Energy Agency*. <https://www.iea.org/about/oil-security-and-emergency-ission/strait-of-hormuz>
- U.S. Energy Information Administration. (2025, June 16). Amid regional conflict, the Strait of Hormuz remains critical oil chokepoint. *U.S. Energy Information Administration*. <https://www.eia.gov/todayinenergy/detail.php?id=65504>
- U.S. Energy Information Administration. (2026). World oil transit chokepoints. *U.S. Energy Information Administration*. https://www.eia.gov/international/content/analysis/special_topics/World_Oil_Transit_Chokepoints/
- Reuters. (2026, April 21). Alternative routes for Middle East oil and gas due to Hormuz disruption. *Reuters*. <https://www.reuters.com/business/energy/alternative-routes-middle-east-oil-gas-due-hormuz-disruption-2026-04-21/>
- Reuters. (2026, August 17). New Syria-Iraq crude pipeline still years away, sources say. *Reuters*. <https://www.reuters.com/business/energy/new-syria-iraq-crude-pipeline-still-years-away-sources-say-2026-08-17/>
- International Energy Agency. (2026, June). How global oil supplies have readjusted to help fill the huge gap left by the Strait of Hormuz shock. *International Energy Agency*. <https://www.iea.org/commentaries/how-global-oil-supplies-have-readjusted-to-help-fill-the-huge-gap-left-by-the-strait-of-hormuz-shock>

- Dzulhisham, Huzeir Ezekiel. (2026, April 29). Alternatives to Hormuz: How to Export Oil and Gas from the Persian Gulf. *RSIS*. <https://rsis.edu.sg/rsis-publication/rsis/co26093/>
- European Commission. (2026, March 4). What are Europe's oil route alternatives to the Strait of Hormuz? *Euronews*.
<https://www.euronews.com/my-europe/2026/03/04/what-are-europes-oil-route-alternatives-to-the-strait-of-hormuz>