

**Economics Legislation Committee**  
ANSWERS TO QUESTIONS ON NOTICE  
Industry, Science and Resources Portfolio  
2024-2025 Supplementary Budget Estimates

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**AGENCY/DEPARTMENT:** Department of Industry, Science and Resources

**OUTCOME:** Program 1.3: Supporting a strong resources sector

**TOPIC:** Japanese LNG trade data

**REFERENCE:** Spoken Question (Hansard Page 105) – Senator David Pocock

**QUESTION DATE:** 19 November 2024

**QUESTION No.:** SI-125

Senator DAVID POCOCK: On notice, please could I ask for the evidence that they don't export as much gas as we sell them.

Ms Urquhart: Senator, I might be able to shed some light on this. I think you're referring to the Institute for Energy Economics and Financial Analysis report released in 2024 where it was suggested that Japan, onselling LNG cargos, could be in competition with Australian LNG exporters. The reporting suggested that the volume of LNG Japan onsold to third-party countries was equal to or more than the amount of LNG Australia exported to Japan in the same financial years. The references in that report were to annual survey data produced by the Japanese government's metals and energy security organisation, and that organisation acknowledges that double counting may have occurred including in cases where multiple Japanese businesses were involved in the sales processes.

It's important to note that sales of LNG to Japan do not put east coast gas supply at risk. That is obviously in sharp focus for the government, given emerging shortfalls reflected in 2027-28. Gas and LNG are often traded, swapped, to balance seasonal demand. That could see Japan import more gas in winter months when demand is high and export gas in the summer months when demand drops or in the intervening period if there are ups and downs. I hope that's helpful, Senator.

Senator DAVID POCOCK: Sure, it's helpful, but I don't think anything you've said means that it isn't true.

Ms Quinn: We are happy to take it on notice. I have seen more detailed analysis that suggests that there was double counting.

**ANSWER**

The Japanese Government's Metals and Energy Security Organization (JOGMEC) 2024 survey *FY2024 Survey of LNG Handling Volumes by Japanese Companies* found that in the 2023 Japanese financial year (April 2023 – March 2024), Japanese companies on-sold 38.25 Mt of LNG sourced from all their supplier countries.

The JOGMEC survey captures multiple processes including sales and offtake agreements, term contracts and spot trades. 30 Japanese companies separately provided input into the survey. JOGMEC acknowledges that multiple companies might have reported trading the same shipment of LNG including cases where multiple Japanese businesses were involved in a single sales process. A single cargo may also be traded by a number of companies before it reaches Japan, and therefore be included in JOGMEC's total more than once.

Alternative reputable evidence such as Kpler shipping data suggests that the volume of LNG, from all sources, on-sold by Japanese companies to third party countries during the same period was 16.7 Mt. This is significantly lower than the 38.25 Mt published in the JOGMEC survey results.