

Between War and Oil: The Strait of Hormuz and the Reshaping of Global Energy Contracts

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Abstract:

This article examines the strategic and geopolitical importance of the Strait of Hormuz as a vital artery for the transport of oil and gas, through which a significant share of global energy supplies passes, making any security disruption there have direct repercussions on the stability of energy markets and prices. It sheds light on the legal framework governing navigation in the strait under the 1982 United Nations Convention on the Law of the Sea, particularly the regime of transit passage, and the tensions it generates between the principle of freedom of navigation and the national sovereignty considerations of the littoral states. The article also reviews the history of crises and security threats the strait has witnessed, from tanker wars to threats of closure and blockade, and how these events have contributed to deepening the fragility of maritime security and increasing shipping and insurance costs. It then moves on to analyze the legal and commercial implications of these tensions for international energy contracts, through the redrafting of force majeure and hardship clauses, the restructuring of provisions on the transfer of title and risk allocation in line with international trade terms, and the growing resort to international commercial arbitration to resolve disputes arising from supply disruptions. The article concludes that the Strait of Hormuz constitutes a space where security, legal, and economic considerations intersect, requiring the development of more flexible contractual models capable of absorbing evolving risks without causing sustained disruption to global energy flows.

Keywords: Strait of Hormuz – Energy security – Energy contracts – Force majeure – Freedom of navigation

1. Introduction

The Strait of Hormuz is one of the most prominent vital waterways connecting the Arabian Gulf and Bab el-Mandeb, and it constitutes a vital connection point for the transport of about a fifth of global oil supplies. Due to its strategic geographical location, traffic through it is highly dense, with hundreds of ships transporting crude oil and liquefied natural gas passing through daily, making it one of the most important arteries upon which the global economy relies heavily. Statistics show that the volume of oil flows passing through the strait represents approximately 20 million barrels per day, a number reflecting the extreme importance of security and stability in the region.

The littoral states are divided among Iran, Oman, and the United Arab Emirates, and the extent of their reliance on this corridor varies, as many Asian and European economies rely heavily on oil coming from the region, making any

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disruption in navigation a direct threat to the stability of global markets. The Strait of Hormuz is subject to a specific legal framework under the 1982 United Nations Convention on the Law of the Sea, which is considered the basis for regulating freedom of navigation in international areas, including the right of transit passage, ensuring the passage of commercial vessels without subjecting them to accountability or harassment by littoral states as long as they adhere to legal restrictions.

However, a major challenge emerges represented in the balance between the sovereignty of the states bordering the strait and the necessity of ensuring freedom of international navigation, especially in light of ongoing political and security tensions. The overlap between the national interests of states and international obligations makes managing the region complex, where attempts by some states to impose restrictions or blackmail other states to achieve their interests sometimes manifest.

Throughout history, the strait has witnessed crises and threats confirming the fragility of navigational stability in it, starting from tanker incidents, through ship seizures, to threats of complete closure, which reflects the importance of the security issue in the region. Regional and international interventions, through military sanction operations and continuous military presence, represent real threats to the safety of shipping traffic through the strait, just as political conflicts and strained relations between regional parties and major powers contribute to escalating the state of instability, placing the international community before an ongoing challenge to ensure the protection of navigational security and maintain the uninterrupted flow of oil.

1.1 Study Problematic

The Strait of Hormuz represents one of the most important vital maritime corridors for the transport of oil and gas in the world, as more than 20 million barrels of oil cross it daily, which is nearly a fifth of global consumption of petroleum supplies, making any disruption in navigation through it have a direct impact on the stability of global energy markets, their prices, and their fluctuations.

This geostrategic weight of the strait intersects with the escalation of military and security tensions in the region, from threats of closure and blockade to attacks on tankers and rising marine insurance costs associated with war risks, which re-raises the issue of contractual risk allocation among producers, importers, and shipping and insurance companies in energy contracts.

Given that the strait is subject to the "transit passage" regime according to the 1982 United Nations Convention on the Law of the Sea, and the growing regional and international interventions to ensure the security of navigation, complex legal and commercial problematic issues have emerged relating to force majeure clauses, change of circumstances, and the restructuring of sales, shipping, and insurance contracts, in addition to the shift towards alternative strategies such as pipelines, strategic reserves, and the diversification of supply sources.

Faced with this overlap between war, oil, law, and commerce, this study poses the following central problematic: To what extent have recurrent security tensions in the Strait of Hormuz contributed to reshaping the legal and commercial structure of global energy contracts, and what are the limits of the effectiveness of current contractual mechanisms in absorbing and adapting to the risks of this vital corridor?

From this general problematic, the following questions arise:

- **How has the strategic and geopolitical importance of the Strait of Hormuz, in light of escalating security and military threats, affected the redefinition of maritime transport risks for oil and gas in international energy contracts?**
- **To what extent has the disruption of navigational security in the strait led to the redrafting of force majeure clauses, risk allocation, and change of circumstances in related oil and gas sales contracts, maritime transport, and marine insurance?**
- **What are the most prominent financial and logistical repercussions of these transformations on marine insurance markets, shipping strategies, and alternative infrastructure, and how has this reflected on contracting patterns and geographical diversification policies for energy importers globally?**

1.2 Study Importance

The importance of this study stems from the fact that it addresses the Strait of Hormuz as a sharp meeting point between security and geopolitical considerations on the one hand, and the legal and commercial structure of global energy contracts on the other, in an international context characterized by escalating risks and fluctuating oil and gas markets. Focusing on how the impact of security threats in this vital corridor transfers to contract texts and risk allocation mechanisms between different parties gives this study a direct applied dimension that benefits both legal and commercial decision-makers alike.

The importance of the study is evident in the following:

- Highlighting the pivotal role of the Strait of Hormuz in the global energy security equation and its repercussions on the stability of oil and gas flows.
- Clarifying how the international legal framework (Law of the Sea, freedom of navigation) interacts with the reality of security tensions in the strait.
- Analyzing the impact of recurring crises in the region on the drafting of force majeure clauses, change of circumstances, and risk allocation in energy contracts.
- Revealing the financial, insurance, and logistical repercussions of navigational disruption through the strait on various actors (producers, importers, carriers, insurance companies).
- Highlighting the role of international commercial arbitration in settling disputes arising from supply disruptions through the Strait of Hormuz.
- Contributing to enriching Arabic literature in the field of marine energy contracts and linking it to a sensitive and contemporary geopolitical context.

1.3 Study Objectives

This study seeks to understand how the Strait of Hormuz, in light of recurring security and military tensions, reshapes the legal and commercial framework of global energy contracts through an integrated analysis combining geostrategic, legal, economic, and logistical dimensions.

Based on the proposed problematic, the objectives of the study are defined as follows:

- Analyzing the strategic and geopolitical importance of the Strait of Hormuz and indicating its position on the map of global oil and gas flows.
- Studying the international legal framework governing navigation in the strait, with a focus on the transit passage regime and the limits of the sovereignty of littoral states.
- Deconstructing the legal repercussions of security tensions on force majeure clauses, change of circumstances, and risk allocation in energy sales, maritime transport, and insurance contracts.
- Monitoring the most prominent contractual and arbitral disputes related to supply disruptions through the strait and analyzing the methods of settling them.
- Evaluating the financial and logistical impacts of the strait's crises on shipping and insurance costs, spot market prices, and contingency plans among importers.
- Anticipating future trends in contracting patterns, geographical diversification strategies, and contractual flexibility among energy importers in light of the risks of the Strait of Hormuz.

1.4 Study Methodology

This study adopts a complex analytical methodology based primarily on the descriptive-analytical approach and the dogmatic-legal approach, while drawing upon the comparative approach and the historical approach in a manner consistent with the nature of the topic, which combines the geopolitical, legal, and commercial aspects of energy contracts.

The researcher starts first by describing the geostrategic reality of the Strait of Hormuz and the volume of oil and gas flows through it, then analyzing the repercussions of security and military tensions on navigation traffic and the security of supplies, guided in this by legal and research studies that distinguish between descriptive, analytical, and applied approaches in law. This is followed by employing the analytical-legal approach in studying the relevant texts and rulings, foremost among them the United Nations Convention on the Law of the Sea, and the clauses of force majeure, change of circumstances, and risk allocation in international energy contracts, relying on specialized literature in analyzing these concepts in international commercial contracts.

The research also utilizes the comparative approach to compare the approaches of jurisprudence, the judiciary, and arbitration in addressing force majeure in contracts, and to elucidate how to adapt threats, blockades, and navigation disruptions in maritime corridors within these frameworks, in light of what studies offer in the methodologies of comparative legal research. This is supported by the historical approach by tracing the most prominent crises witnessed by the strait and linking them to the development of the contractual drafting of risk clauses in energy contracts, provided that the findings reached are invested in formulating an analytical-prospective reading of the trends in reshaping energy contracts and strategies for adapting to the risks of the Strait of Hormuz in the future.

2. The Strategic and Geopolitical Importance of the Strait of Hormuz

The Strait of Hormuz enjoys unprecedented geopolitical and economic importance, as it constitutes a vital contact point linking oil sources in the region to global markets, making it a hub for global stability and security. It is located between

Iran and the United Arab Emirates, extending over a relatively small area, but it accommodates about 20% of total global oil traffic, equivalent to more than 18 million barrels per day, in addition to massive quantities of liquefied natural gas, which cross through narrow waterways requiring precise legal and international protection to ensure the continuity of flows (أحمد عبد الرحيم، 2020، ص 45). Oil flows are mainly distributed among the Middle East, Europe, and Asia, where Asian countries rely heavily on oil arriving through this strait in particular, which reflects a close interconnection between regional and international economic and security interests (محمد السعيد، 2019، ص 112). While exported oil sources vary, many countries rely on imports through this region, establishing the strait's position as a strategic center, and its importance increases with geopolitical changes, especially in light of regional

and political conflicts that threaten navigational security (عبد الله بن خالد، 2022، ص ص 34-36). The status of the strait is subject to international laws and agreements, particularly the 1982 United Nations Convention on the Law of the Sea, which highlights the right of transit passage, with the necessity of balancing the national sovereignty of littoral states and international freedom of navigation, posing a continuous challenge in sustaining transit water shipping traffic.

The legal frameworks align with the necessity of ensuring that navigation is not compromised, despite the overlaps imposed by national considerations, which requires careful and flexible handling to ensure the continuous flow of oil in a manner that achieves global economic stability (فاطمة الزهراء علي، 2021، ص 88). In the context of the geopolitical importance of the Strait of Hormuz, it appears that the security threats associated with it are not merely passing risks, but historically include recurring crises such as tanker wars, ship seizures, and threats of closure that could disrupt navigation, which multiplies security concerns, as the interests of regional and international players overlap, using their military presence and imposing economic sanctions to exert pressure and achieve their interests, which directly impacts the security and stability of navigation in the strait (محمود خليل، 2018، ص ص 50-52). These challenges are not limited to security dimensions alone, but extend to creating a tense environment that greatly impacts the stability of the global energy market, reflecting the urgent need for serious and balanced management of relations between littoral states, taking into account international laws, to ensure a continuous and secure flow of oil and gas that maximizes economic and global stability.

2.1 Geographical Map and Volume of Oil Flows

The Strait of Hormuz represents one of the most important maritime crossings in the world, linking the Arabian Gulf and the Bab el-Mandeb Strait, contributing significantly to global oil flows. Oil shipping traffic is mainly distributed between the Gulf states, which constitute the largest source of oil via the strait, and Asian and European countries that rely heavily on importing petroleum resources from the region. Accurate statistics indicate that more than 20 million barrels daily cross the strait, equivalent to roughly a third of global oil production, placing it at the heart of the international energy supply network. The volume of flows varies among exporters, as some countries completely rely on oil arriving from the Gulf region, multiplying their political and security sensitivity. Over the past two decades, the strait has witnessed recurring movements of cargo ships, where difficult political and security conditions require a delicate balance to ensure the continuation of navigation despite various threats, including piracy operations, military acts, and closure attempts.

Several countries with strategic interests are present in the region, directly impacting oil flows and leading to complex political overlaps, making the volume and distribution of flows economically and geographically two essential elements for studying the importance of the strait within the global energy map. It is worth noting that this geographical map is not limited to identifying flows, but also addresses the growing reliance on the corridor by Asian and European markets, as these markets increasingly rely on oil imports from the Gulf, enhancing the strait's importance in managing the stability of energy supplies and protecting the strategic interests of littoral and global states (حسن الشافعي، 2018، ص ص 22-24).

2.1.1 Accurate Statistics for Oil and LNG Traffic Through the Strait

Accurate statistics indicate that the Strait of Hormuz is considered one of the most vital corridors for the transport of oil and liquefied natural gas globally. The volume of shipments expressed daily approaches a million barrels of crude oil, in addition to hundreds of millions of cubic meters of liquefied natural gas. It is worth mentioning that approximately 20% of global oil supplies pass through the strait, reflecting its strategic dimensions and direct impact on international energy markets (عبد الله بن خالد، 2022، ص 115). Numbers and data show that the region continuously handles high flows of oil, stretching from the Arab Gulf countries, which are among the most prominent exporters, to Asian and European countries that rely heavily on their imports through this vital corridor.

This significance causes the Strait of Hormuz to be a major link in global supply chains, as any disruption or potential closure could cause widespread disturbances in global oil markets and energy prices. It is mentioned that temporal data confirms that shipping traffic through the strait is characterized by relative regularity, despite indicators of recurring security threats, such as incidents of ship seizures or threats of closure. Further detailed analysis of numbers and statistics is counted on to highlight the extent of the world's reliance on this strategic corridor, and the extent to which oil and gas flows are affected by the regional and international political and security nature, which reflects the necessity of continuously monitoring these data to take necessary measures to ensure the stability of global energy supplies (زينب محمود، 2020، ص ص 40-42).

2.1.2 Map of the Most Exporting, Importing, and Reliant Countries on this Corridor

The countries most exporting, importing, and reliant on the Strait of Hormuz are considered crucial factors in shaping the geopolitical and economic dynamics of the region. Statistics indicate that the Gulf countries, led by the Kingdom of Saudi Arabia, the UAE, and Kuwait, rely heavily on this corridor to transport most of their oil exports, with the reliance rate reaching over 70% of the total oil exports of those countries. In contrast, China and India are among the largest importers of oil via the strait, as their economies depend heavily on oil flows coming from the region, which enhances the strait's importance as a vital center for securing their economic interests (إبراهيم يوسف، 2022، ص 25). In addition, Europe and the United States play a pivotal role as major senders and receivers in the oil trade passing through the Strait of Hormuz. European countries rely on importing oil from the Gulf to a high degree, with their reliance rate reaching more than 50% of their oil imports from the region, making the stability of navigation through the strait of strategic importance to them. Overall, this corridor is considered a lifeline for the industrialized world, as a result of it being the main corridor for transporting more than 20 million barrels of oil daily, which reflects the scale of global reliance on it.

On the other hand, there is a significant disparity in the extent to which countries rely on the Strait of Hormuz; some small countries with limited domestic consumption, like neighboring Gulf countries, rely heavily on supplies imported through it, while other countries, especially those with self-sufficiency or exporting large quantities, focus on reducing reliance or diversifying corridors. Consequently, any disruption or security threat to the strait threatens the stability of global energy supplies, necessitating continuous monitoring and evaluation of the interests of countries highly dependent on this vital corridor (محمد السعيد، 2019، ص ص 60-62).

3. The International Legal Framework Governing Navigation in the Strait

The Strait of Hormuz is subject to a specific international legal framework derived primarily from the international convention on the law of the sea adopted by the UN office in 1982. This framework defines the rights and obligations for littoral states and non-bordering states with interests in the strait, to enable them to regulate maritime navigation operations within certain limits. The text stipulates the right of transit passage for international navigation, which allows vessels to pass respectfully and unimpeded through the strait, provided that these operations do not infringe upon the sovereignty and national security of the littoral states (فاطمة الزهراء علي، 2021، ص 45). Despite the clarity of the fundamental principles, the issue of national sovereignty overlaps with the concept of maritime freedom, sometimes leading to legal and diplomatic complications.

Littoral states, exercising their sovereignty over coastal areas, seek to ensure their security and the safety of their facilities, while international laws are committed to ensuring freedom of navigation for all vessels, regardless of their nationalities. This ambiguity is considered one of the main challenges in managing the legal status of the waterway, especially in light of security tensions and regional conflicts that may lead to violations threatening the stability of oil and navigation traffic in it. Generally, the legal framework provides a basis for reducing disputes, but at the same time does not prevent the emergence of disagreements between parties, especially when economic and security interests overlap, requiring international cooperation and continuous negotiations to ensure continued freedom of navigation and reduce the risks of exposure to any potential closure or disruption threatening global oil flows (زينب محمود، 2020، ص ص 95-97).

3.1 The Status of the Strait in Light of the United Nations Convention on the Law of the Sea (1982) and the Right of Transit Passage

The 1982 United Nations Convention on the Law of the Sea defines the legal framework governing the status of the Strait of Hormuz, where it considered the strait an international corridor characterized by a special rule ensuring freedom of navigation, based on the principle of the right of transit passage. This right entails that ships pass through the strait without obstruction, regardless of the ownership of the bordering lands, provided they adhere to international navigation and safety laws and work to protect the marine environment.

Despite this legal characterization, littoral states face challenges in applying the standards and balancing national interests with international obligations, especially given sovereignty sensitivities and fears of the strait being used for military or political purposes. The principle of the right of transit passage stipulates not allowing any state or entity to infringe upon the sovereignty of the countries bordering the strait, while respecting the international laws contained in the convention, which enhances freedom of navigation and ensures the passage of commercial and military vessels of a peaceful nature. However, historical tensions and crises that recurred in the region have shown that applying this right requires a delicate balance between the smoothness of oil flows and regional security, especially when political ambitions overlap or signs of a potential closure of the strait appear, necessitating a reminder of the importance of adhering to the legal rule to ensure the security and stability of a vital corridor linking East and West (فاطمة الزهراء علي، 2021، ص ص 50-52).

3.2 Intersections Between the National Sovereignty of Littoral States and Freedom of International Navigation

The interaction between the national sovereignty of littoral states and the general principles of international freedom of navigation is one of the most prominent challenges framed by the status of the Strait of Hormuz within an international legal framework. Although the 1982 United Nations Convention on the Law of the Sea established the concept of the right of transit passage ensuring ships' access through the strait without prior permission, applying this right faces several

problematic issues, as the interests of coastal states intersect in ensuring their sovereignty over territorial waters, pushing them sometimes to strengthen control over the water spaces in front of them or impose restrictions on the movement of ships passing through the strait, especially those carrying oil or strategic materials.

These intersections are evident in situations of tension or conflicts, where littoral states seek to protect their national interests and prevent any military provocation or threat to their national security by foreign forces. On the other hand, transiting states, especially those relying heavily on energy supplies from the strait, entrench their right to free navigation to ensure the security of their supplies and the stability of their markets. This leads to a state of legal and diplomatic deadlock, as it requires a delicate balance between respecting national sovereignty and committing to the rules of international law that focus on freedom of navigation as a fundamental principle regulating interaction across the strait (زينب محمود، 2020، ص 130). This situation is also exacerbated by political and military interventions, where regional and international powers exploit the importance of the strait to achieve their goals, whether by imposing sanctions, launching military maneuvers, or enhancing naval presence, which negatively reflects on the concept of international cooperation and increases the possibilities of escalating tensions. The issue of reconciling the protection of national sovereignty with the necessity of ensuring freedom of navigation remains an ongoing challenge requiring flexible and effective legal and diplomatic mechanisms to manage potential disagreements and maintain the stability of one of the most important maritime crossings in the world (أحمد عبد الرحيم، 2020، ص ص 70-72).

4. Security Threats and the History of Crises in the Region

Over the decades, the region has witnessed a series of security challenges that have affected the stability of navigation traffic in the Strait of Hormuz and highlighted the complexity of the geopolitical structures surrounding it. Since the emergence of regional conflicts, such as the tanker war in the 1980s and tensions with Iran, the risks of undeclared closure of the strait have escalated, jeopardizing global oil supplies in times of crisis. Over the past decades, recurrent crises have formed, including ship seizures, threats to target tankers, and oil shipments, reflecting the fragility of the security situation in the region.

In addition, the presence of regional and international powers, such as American forces and military battleships, has fueled bickering and even direct threats to impose a blockade or close the strait in the event of widespread conflicts erupting. Historical data confirm that military interventions and economic sanctions have played a role in destabilizing navigation, as some parties have benefited from stoking tensions to force their opponents to retreat or to impose political conditions. Added to this is that legal challenges, linked to international understandings and their disputes over the right of passage, deepen the state of uncertainty, as national sovereignty policies sometimes overlap with freedom of navigation, increasing the risks of escalation. The continuation of these dynamics reflects the complexity of the security landscape in the strait and highlights the ongoing need for international initiatives to control escalation and ensure the safe passage of vital shipments for the entire world (محمود خليل، 2018، ص ص 60-62).

4.1 Historical Tracking of Major Tensions Over the Decades

The Strait of Hormuz has recorded a series of tensions that have directly affected international navigation traffic and the balances of the global oil market. Initially, the region witnessed in the 1970s periods of tension resulting from political disputes between littoral states, especially Iran and Iraq, which sometimes led to an escalation of naval clashes and threatened the safety of transiting ships. Among the most prominent crises were those occurring during the Iran-Iraq War, where both sides targeted oil tankers and ports, resulting in a significant disruption of oil flow through the strait (عبد الله بن خالد، 2022، ص 85). The threat of closure also emerged during periods of escalating tensions, especially after the Iranian Revolution in 1979, leading to widespread international tensions over fears of disrupting global energy supplies. In the 1990s, international interventions and military presence increased in the region, aiming to ensure freedom of navigation, particularly with the escalation of threats and tensions between Iran and major powers.

Instances of ship seizures and threats of closure recurred, which led to the reinforcement of diplomatic and security efforts to ensure the stability of the vital corridor, and the use of military force as a deterrent means to curb attempts at closure or harassment of commercial ships. Historically, regional tensions and conflicts between major powers, such as the United States and Iran, have constituted main drivers in fueling the state of instability, with many maritime and security incidents occurring, such as tanker clashes and partial closures, directly impacting the oil market and the political and geopolitical trends associated with the waterway. Over time, these events have led to intensifying international efforts to develop legal and security mechanisms to regulate traffic in it, while preserving the right of littoral states to sovereignty, with respect for freedom of navigation, an issue which has become a central axis in contemporary legal and diplomatic conflicts and discussions (محمد السعيد، 2019، ص ص 140-142).

4.2 The Impact of Regional and International Actors on Navigational Stability

Regional and international actors play a pivotal role in directing the paths of navigational stability through the Strait of Hormuz, where their interests overlap and either harmonize or conflict depending on geopolitical contexts and security challenges. The littoral states, especially Iran, represent an active party that sometimes adopts hardline positions and historically shows tendencies towards asserting its sovereignty over the strait, raising fears of selectively disrupting maritime traffic and its directions.

Iranian interventions, whether through direct threats or controlling some transit points, are among the most prominent factors destabilizing navigation, as well as its continuous attempts to disrupt or threaten the context of oil flows in the region. Accordingly, regional powers affiliated with foreign entities, such as the United States and European countries, play a dual role. They take the Strait of Hormuz as a strategic corridor to ensure the flow of oil and meet their security interests; however, the presence of international naval forces and military bases in the region is sometimes misused to stoke tensions or impose specific policies through surveillance operations and maneuvers. Moreover, sanctions imposed on Iran, especially those targeting its oil sector, sometimes lead to an escalation of situations and a narrowing of options for transiting ships, increasing the level of security threats.

In a related context, international policies and interactions between major powers undermine navigational stability, whether through exerting economic pressures or through military presence operations that make littoral states feel insecure, sometimes prompting them to take defensive positions or measures reflecting their desire to secure their interests. Thus, the overlap and competition of regional and international actors deepen the state of uncertainty and hinder efforts to ensure navigational security, causing disruptions that may directly affect global energy markets, and complicating the task of ensuring a safe and continuous flow of oil through the strait (أحمد عبد الرحيم، 2020، ص 105-107).

5. Legal and Commercial Repercussions on the Drafting of Energy Contracts

The challenges arising from disruptions in the Strait of Hormuz fundamentally affect the drafting of energy contracts, requiring a reassessment of the precision of legal clauses and their modification to suit the new reality. It is necessary to enhance the flexibility of force majeure conditions to be more compatible with the nature of ongoing threats, which do not reach the level of all-out war but still greatly affect the flow of supplies. The necessity of adapting the criteria for invoking the force majeure clause emerges, taking into account the differences in international commercial jurisprudence, especially when considering a blockade or threat of closure as a justified force for suspending contractual obligations, which directly reflects on the balance between the interests of the parties and the protection of their rights (طارق الشمري، 2023، ص 110). Additionally, it has become imperative to restructure risk allocation mechanisms, especially by amending provisions on the transfer of title and bearing costs according to international trade terms (Incoterms), aiming to minimize unforeseen risks for the parties involved.

Furthermore, the introduction of a "change of circumstances" clause is considered a flexible solution aimed at protecting parties from contractual collapse when unforeseen changes occur, which allows greater flexibility in reacting to ongoing crises. In the context of dispute resolution, the importance of adopting international commercial arbitration mechanisms, which are concerned with settling disputes resulting from supply disruptions, stands out, as parties face claims for delay in delivery and compensation related to changing shipping routes. These mechanisms are considered necessary to ensure a speedy resolution of disputes and reduce negative impacts on the continuity of contracts. Consequently, it is clear that adapting contracts to reflect the challenges of the Strait of Hormuz requires advanced strategies to ensure greater flexibility and resilience in facing crises, while preserving the rights of the parties and facilitating the continuity of global energy supply operations (إيلي عبد الحميد، 2020، ص 25-27).

5.1 The Force Majeure Clause and the Challenges of its Adaptation

The force majeure clause is considered one of the most prominent legal tools that compel the involved parties to justify and postpone obligations in cases of unforeseen and emerging circumstances. With the increasing complications associated with ongoing threats in the Strait of Hormuz, significant challenges arise in adapting this clause to fit the new reality that has not yet turned into an all-out war but imposes actual risks on energy supplies and international trade. Determining the extent to which the force majeure clause is invoked requires, in this context, a careful examination of legal and judicial parameters, as jurisprudence differs on whether ongoing threats like blockades or attempted closures can be classified as legal constants leading to exempting parties from their liability, or whether they require additional elements of legal or factual proof.

On the other hand, international judicial decisions, especially from commercial courts, vary in their adaptation of blockades, as some courts view the threat of closure as force majeure, while others reject it on the grounds that it does not amount to a completely unforeseen disaster and consider it an incident that can be tolerated or facilitated within the framework of scheduled contractual amendments. Despite this, these challenges necessitate creatively adapting contracts to ensure flexibility in dealing with unexpected changes in circumstances, by adopting flexible clauses that allow for reevaluating obligations or amending contract conditions when necessary. Adapting the content of force majeure clauses, therefore, trends towards escalating the need to develop legal and technical tools to ensure the stability of contracts, while anticipating potential disputes related to a change in circumstances, especially in an environment experiencing rapid disruptions in supply and shipping lines, which could be among the results of developments in the Strait of Hormuz, calling for a deeper understanding of the intentions of the parties and judicial jurisdictions in the deterioration of market conditions, and finding effective mechanisms to settle disputes arising from supply disruptions, particularly those related to the use of international arbitration as an effective means of resolving complex disputes (سواء عبد الرحمن، 2019، ص 40-42).

5.1.1 Conditions for Invoking Force Majeure

In light of ongoing threats that have not amounted to an all-out war, the continuous threats that have not evolved into comprehensive conflicts impose significant challenges on the application of the force majeure clause in energy contracts. Under multiple international trends, clear and specific conditions must be set for invoking this clause so that it covers situations falling under the state of inability to perform due to indirect and recurrent threats, such as threats of closure or imposing a blockade, without reaching the level of a declaration of war. Legal jurisprudence emphasizes the necessity of the availability of basic elements such as the occurrence of an unexpected external event, the inability of the parties to control it, and the inability to foresee it previously. In this context, a disparity emerges in international judicial jurisprudence, as some courts consider circumstances related to a blockade or threat of closure as cases of force majeure, especially if it is proven that these threats were continuous and had a decisive impact on the execution of contracts, with the necessity of proving the impossibility of avoiding them or mitigating their effects. Conversely, other laws and systems place more stringent conditions requiring that the threat be unforeseeable in a way that makes executing the obligation impossible or unreasonable.

Owing to this diversity, parties in energy contracts must amend their clauses to match the nature of ongoing threats, while establishing clear mechanisms for invoking the force majeure clause. This includes, for example, specifying the cases where competent authorities or relevant parties assess that the threat is a primary reason for disrupting supplies, with the necessity of strong evidence of the continuation of this situation. In addition, direction must be given that if threats continue without turning into war, contracts must consider possibilities for mitigation or flexibility within the force majeure framework, taking into account the intertwining of international interests and the authorities to enter into exceptional measures, to ensure the stability of contractual relationships despite the security and economic challenges associated with the Strait of Hormuz (سنة عبد الرحمن، 2019، ص 125).

5.1.2 Discrepancies in International Commercial Jurisprudence Regarding the Adaptation of Blockade or Threat of Closure as Force Majeure

The positions of international commercial jurisprudence in adapting the scope of force majeure when threatening or imposing a blockade on oil production or export centers, especially in the context of the Strait of Hormuz, have ranged between considering the blockade a direct and recurrent threat that mandates its application as force majeure, and refusing to consider it an event that is unexpected or insufficiently unforeseeable to be deemed an overriding circumstance. In some rulings, the classification was that the blockade or threat of closure represents force majeure circumstances exceeding the possibility of anticipation or control on the part of the parties, justifying the suspension of obligations or pausing execution, in response to the subsequent damage and under the condition that the party obliged to this situation does not exploit it arbitrarily. In other cases, however, the judiciary refrained from considering such threats "force majeure" if they were viewed as part of the usual risks associated with a specific geographic location or political context, bringing them closer to the level of unquantifiable or uncontrollable risks. Furthermore, the divergence of jurisprudence stemmed from different interpretations of objective and subjective criteria for the occurrence of force majeure, as many judges stipulate that the event must be unexpected and significantly impede the capabilities of the obligated party to perform without it being a result of its negligence or shortcoming. In some rulings, the threat of closure was considered a clear sign of the danger of living in a turbulent region, imposing the application of the force majeure principle, but with additional conditions attached to ensure the situation is not exploited and the necessity of proving that the event led to a total inability to perform without the possibility of compensation or mitigation of damages through alternative measures. These discrepancies reflect the legal challenges associated with adapting the concepts of force majeure to changing and continuous political contexts, where the decision of adaptation remains contingent on the courts' assessment and the context of the events, with a multifaceted vision that varies between considering such threats an overriding circumstance and a reason for execution rulings or suspension of obligations, or excluding them as they are part of the risks recognized in advance in international contracts (كريم العبيدي، 2022، ص 130-132).

5.2 Restructuring Risk Allocation in Contracts

This is considered one of the fundamental pillars for ensuring the stability of contractual relations amidst the uncertainty imposed by ongoing threats in the Strait of Hormuz. The parties' reliance on precise clauses defining the responsibilities of each party in emergency circumstances helps reduce disputes, especially when unexpected events occur such as export embargoes or the closure of the waterway.

On the one hand, amendments to the provisions on the transfer of title and classifying the responsibility for costs according to international trade terms (Incoterms) require flexibility in dealing with situation shifts, so that the scope of responsibility is expanded or reduced according to the development of situations, while taking care to protect the rights of both parties. On the other hand, the "change of circumstances" clause is considered an effective tool for fortifying contracts against contractual collapse, as it allows the affected party to request a review or modification of the terms when vastly unexpected circumstances emerge, which reduces litigation cases and leads to more consensual solutions. Invoking this clause requires the availability of clear criteria to determine the extent of the change in circumstances and the nature of the damage, which enhances its effectiveness and reduces legal disputes.

Likewise, reliance is placed on flexible models and unified evaluation criteria to ensure a quick and appropriate response, while avoiding narrow or biased interpretations that could hinder the adaptation process. These approaches, along with consulting legal and commercial experts, contribute to building more flexible and adaptable contracts and mitigate the effects of harassments and challenges related to the disruption of energy supplies via the Strait of Hormuz. Ultimately, the ability to restructure the distribution of risks remains a key to maintaining the continuity of contracts and achieving the mutual interest of the contracting parties amidst unstable geopolitical and economic shifts (طارق الشمري، 2023، ص 150).

5.2.1 Amendments to Provisions on the Transfer of Title and Risk Bearing According to International Trade Terms (Incoterms)

The restructuring of provisions regarding the transfer of title and the loading of consequences in energy contracts is experiencing significant interaction with developments in security and political situations affecting oil flows through the Strait of Hormuz. According to international trade terms (Incoterms), determining the point of transfer of title from the seller to the buyer is a decisive factor in distributing risks and responsibilities among the parties, especially in light of continuous threats that do not reach the level of an all-out war but greatly affect supply chains. Therefore, contract clauses must be characterized by clarity and precision regarding the place of transfer of title, whether it is at a specific delivery point on shore, after customs clearance procedures, or upon the exporter's arrival at the receiving port.

In the context of amendments, it is necessary to reconsider the timing and responsibility of bearing the costs resulting from the risks of shipping disruption or strait closure, where the responsibility for bearing costs and expenses falls upon the party assuming the risks based on the type of commercial classification of responsibility. Alongside this, some contracts have begun to include flexible clauses allowing the modification of the parties' responsibilities to align with the developments of the circumstances, with the aim of reducing disputes and achieving contractual sustainability. This trend is consistent with risk redistribution strategies, where the party controlling the shipping is given greater responsibility in the event of unexpected disruptions.

(إيلي عبد الحميد، 2020، ص 170) A need has also emerged to determine the responsibility for costs associated with geographical and political changes, which led to adopting flexible drafting for the rules of title transfer based on a balance of interests, with noting the necessity of clear amendment and cancellation mechanisms if unexpected changes arise, such as closing the strait or imposing a blockade. This highlighted the importance of including flexible clauses enabling the parties to deal with unforeseen circumstances more effectively, and reducing the likelihood of legal disputes arising, especially given the disparity in jurisprudence regarding adapting the responsibilities of each party according to the nature of events. Ultimately, the interaction between the amendments in the title transfer clauses and the different resulting consequences reflects the need to draft resilient and flexible contracts that ensure the continuity of understanding and the settlement of responsibilities in a fair and transparent manner, keeping pace with the unconventional challenges the Strait of Hormuz imposes on the global energy market (هدى القاسمي، 2022، ص ص 145-147).

5.2.2 The Change of Circumstances (Hardship) Clause as an Alternative to Protect Parties from Contractual Collapse

The change of circumstances clause is considered one of the effective alternatives for facing risks arising from unexpected developments that could threaten the stability of contracts and cause their contractual collapse, especially in light of the political and economic environment knocking at the Strait of Hormuz. This clause is founded on the principle that radical changes in execution circumstances, whether political, economic, or legal, can justify modifying or terminating contractual obligations in a way that observes justice and spares the parties unlawful harm. This principle is heavily relied upon when there is no clear formula for dealing with changes in contracts, as it provides flexibility allowing parties to adapt to new market or geographical conditions without the necessity of unfair compensation claims.

The change of circumstances clause also allows providing legal protection for the parties despite the absence of a specific force majeure incident, as it can be interpreted broadly to include cases of unexpected changes that do not meet traditional force majeure criteria, such as the continuous threat of closure or blockade, which has not always been considered a complete force majeure in some international judicial jurisprudence. Thus, the clause contributes to the sustainability of the contract and achieving a balance between the interest of the party clinging to executing the obligations and the party facing unexpected circumstances beyond control.

In the context of restructuring risk distribution, the change of circumstances clause provides a legal framework ensuring that parties are not burdened with bearing the consequences of unexpected changes unfairly. Instead of one side bearing the entire responsibility, the terms of the contract can be modified to suit the new reality, which could include changing the provisions related to the transfer of title or payment obligations based on international trade terms. Through this, the burdens of changes are recognized, which alleviates legal pressures and enhances the continuation of the contractual relationship. In light of the crises imposed by the Strait of Hormuz, the change of circumstances clause retains great flexibility preventing the collapse of contracts, where contractual modification or termination mechanisms can be adopted commensurate with cases of unconventional threats like a blockade or threat of closure, even if this condition is not considered force majeure in its traditional sense. In this way, parties are given flexible legal tools to face unexpected

and recurring challenges, which ensures the continuity of supplies and limits legal disputes when the market is exposed to unprecedented crises (كريم العبيدي، 2022، ص ص 70-72).

6. Arbitral Disputes Arising from Supply Disruptions

Arbitral disputes arising from supply disruptions in energy contracts result from the inability to meet contractual deadlines due to altering shipping routes or delaying the movement of tankers because of political or security interventions in the strait. Under turbulent conditions, claims for delay in delivery emerge, where parties seek to obtain compensation for losses caused by sudden changes in shipping routes or unexpected supply halts, which directly affects oil flows and international energy markets.

Also, the urgent need to effectively resolve commercial disputes has led to an increasing resort to international commercial arbitration, which is considered an effective mechanism for addressing such crises. Arbitration processes are characterized by their ability for abbreviation and flexibility, allowing parties to adjudicate disputes quickly and execute decisions in a way that ensures the stability of contracts and their resilience in facing unexpected challenges. Arbitration in the field of energy contracts faces numerous challenges related to determining liability, especially in cases of supply disruption caused by events beyond control, where it requires adapting contractual clauses to explicitly stipulate the application of arbitration rules in emergencies and define mechanisms for resolving disputes related to altering shipping routes and delay.

In this context, the importance of having a clear formula for dispute resolution mechanisms relating to the passing of unforeseen events becomes apparent, while ensuring the rights of all parties, and providing a flexible framework for settling disputes in a way that achieves the purpose of the contracts and eliminates long and costly conflicts, which greatly contributes to maintaining the stability of the global energy market amid ongoing regional tensions (ياسين مصطفى، 2021، ص 80).

6.1 Claims for Delay in Delivery and Compensation Related to Rerouting Shipments

Claims for delay in delivery are among the most prominent disputes arising as a result of changing shipping routes in energy contracts, especially under conditions characterized by instability and unexpected events in the Strait of Hormuz region. In the event of changing shipping routes due to disruptions or security threats, this may lead to a delay in the delivery of oil or gas products, exposing the parties to claims for compensation resulting from non-compliance with agreed-upon delivery dates. Contracts usually address clauses specifying the responsibility of each party in the event of a delay, determining the terms and conditions permitting the suspension or modification of routes to ensure shipping security and the safety of goods, while committing to relevant legal requirements.

In this context, the parties seek to define clear conditions for calculating appropriate compensation covering damages resulting from the delay, taking into consideration the exceptional circumstances that might lead to altering the routes. Modern contracts are more flexible, incorporating clauses allowing actions resulting from unexpected disruptions to be interpreted as force majeure, while adhering to the general principles ensuring the rights of all parties and avoiding prolonged legal disputes. On another note, the role of international commercial arbitration emerges as an effective mechanism for resolving disputes resulting from delayed delivery, particularly in cases where multilateral legal and commercial issues intertwine. It provides flexibility and breadth in procedures and helps reach fair and agreed-upon solutions relatively quickly. Looking into the rerouting of shipping and its repercussions on contracts reflects the extent of the need for flexible drafting tied to temporal and security circumstances, to ensure fair distribution and deserved compensations, with the necessity of adopting clear rules regarding claims for delayed delivery and related compensations, to guarantee the protection of the parties' rights amid the security and geographic fluctuations characterizing the strait region (كمال الدين حسين، 2023، ص ص 165-167).

6.2 The Role of International Commercial Arbitration in Resolving Energy Contract Disputes Related to Hormuz Crises

International commercial arbitration plays a pivotal role in resolving disputes related to energy contracts during the Strait of Hormuz crises, as it is considered an effective and flexible means to settle conflicts arising from supply disruptions and political changes affecting shipping and delivery lines. This mechanism is distinguished by its speed and ability to provide technical and technological solutions fitting the nature of international contracts, which reduces execution time and contributes to maintaining the stability of commercial businesses.

Arbitral bodies rely on internationally agreed-upon rules, such as the rules issued by the International Chamber of Commerce (ICC) or the Abu Dhabi Commercial Conciliation and Arbitration Centre, which include flexible procedures allowing both parties to activate easy and transparent processes, especially in emergency cases requiring quick and effective decisions. Moreover, the use of arbitration allows both parties to appeal to independent judicial expertise representing a highly credible technical and legal reference, helping overcome some obstacles that national courts might face, particularly given the complexities of disputes of an international nature. One of the advantages of arbitration is that it allows both parties to maintain the confidentiality of the dispute, an issue of utmost importance in energy transactions characterized by their sensitivity. It also contributes to enhancing trust between the parties and encourages

the conclusion of flexible contracts adaptable to unforeseen circumstances, such as changing shipping routes or altering political conditions that could lead to supply disruptions. In this context, it has become necessary to have clear arbitration agreements laying down explicit rules for dispute resolution, including criteria for activating force majeure mechanisms, taking into account the variations in international jurisprudence, to enable the parties to manage crises effectively and reduce financial and operational losses.

Consequently, international commercial arbitration is adopted as a strategic plan to ensure the continuity of commercial business relations during crises, especially those related to the Strait of Hormuz, which remains one of the most vital arteries for transporting oil and energy globally (ياسين مصطفى، 2021، ص 95).

7. Financial Consequences of Tanker Delays on Spot Market Prices

The delay of tankers due to geopolitical risks in the Strait of Hormuz results in direct financial repercussions on spot market prices for oil. Long waiting times in front of chosen ports lead to a decline in the supply chain and sharp fluctuations in prices, as markets become more sensitive to sudden changes in supply and demand. This causes an increase in shipping costs, as companies are forced to pay higher risk premiums, in addition to the rise in spot contract prices as a result of the scarcity of available supply.

Furthermore, the unexpected timing of shipments leads to disruptions in the distribution schedule and increases storage costs, as the need for reserve resources increases to set the balance in the market. Given this situation, the financial risks borne by buyers and sellers alike magnify, pushing them to modify their contractual strategies. It thus becomes necessary to adopt more flexible models allowing for more effective handling of market fluctuations.

This is counted on by increasing investments in alternative infrastructure, such as developing new pipelines to reduce reliance on sensitive transit corridors, and forming strategic reserves to absorb momentary shocks in supply. All of this reflects strategic trends aiming to reduce financial risks resulting from tanker delays, and achieve greater stability in prices, in addition to this aligning with the urgent need to diversify energy sources and reduce reliance on Middle Eastern suppliers, so that the market can be immunized against unexpected disruptions in the Strait of Hormuz (نورة السليمان، 2020، ص ص 60-62).

8. Logistical Strategies and the Development of Alternative Infrastructure

Modern logistical systems in the energy sector require adopting multiple strategies to enhance their resilience and capability to deal with the challenges resulting from the escalation of security tensions in the Strait of Hormuz region. Amidst continuous anxiety over the possibilities of the outbreak of armed conflicts affecting supply chains, the need has become urgent to develop alternative infrastructure guaranteeing the continuity of oil flow to global markets. This includes evaluating the effectiveness of alternative pipelines such as the East-West pipeline and the Habshan-Fujairah pipeline, which are among the vital options for reducing reliance on traditional maritime routes, especially those passing through the Strait of Hormuz, which are exposed to the risk of interruption or delay as a result of security and political events.

Additionally, (سعيد النعيمي، 2021، ص 190) importing countries rely on building massive strategic reserves to absorb the impact of sudden shocks in oil supplies, which contributes to the cohesion of markets and reduces their fluctuations resulting from any unexpected logistical challenges. On the contractual front, policies have witnessed a fundamental shift towards increasing the flexibility of contractual conditions, by inserting clauses permitting the amendment of agreements according to security and economic developments, and reducing reliance on long-term contracts that may not fit the nature of the occurring changes.

On the other hand, the geographical diversification of supply sources works to mitigate the effects of relying on a single supplier, which enhances the capability to confront crises and bolsters global market stability. All these strategies require effective coordination among the concerned entities, with a focus on establishing a resilient logistical network based on efficient infrastructure, aiming to ensure the continued flow of oil in a manner that reduces the financial and logistical repercussions resulting from security risks, and enhances the sustainability of energy markets against future fluctuations (حسن الشافعي، 2018، ص 70).

8.1 Evaluating the Effectiveness of Alternative Pipelines

Such as the East-West pipeline and the Habshan-Fujairah pipeline. Evaluating the effectiveness of alternative pipelines, like the East-West pipeline and the Habshan-Fujairah pipeline, reflects strategic importance to neutralize the repercussions of the disruption of the Strait of Hormuz on global oil supplies. The East-West pipeline, extending from Asia to Europe, is considered one of the effective options due to providing alternative routes that reduce direct reliance on the strait, as it also contributes to enhancing the flexibility of supply chains and reducing sensitivity to crisis shocks in the region. However, its limited operational capacity and high construction and maintenance costs represent major challenges affecting its ability to absorb full quantities of oil, which requires precise coordination with other logistical networks to ensure its efficiency.

As for the Habshan-Fujairah pipeline, it provides a route extending across the UAE and can be a strategic solution for securing oil supplies from the Gulf region, particularly in emergency situations. Nevertheless, it requires significant investments and infrastructure development, which raises the overall cost and impacts the ability to continuously rely on it as a reliable alternative source. Therefore, evaluating effectiveness depends on the ability of these pipelines to absorb the required quantities, alongside economic and technical aspects, in order to secure the sustainability of supplies and reduce vulnerability to potential political or security disruptions in the Strait of Hormuz.

Despite the challenges, these pipelines are considered vital components of logistical diversification policies, because of the alternative options they provide that contribute to enhancing energy security and reducing risks associated with reliance on single routes (منى جلال، 2021، ص ص 182-180).

8.2 Building Strategic Reserves for Importing Countries

To absorb sudden supply shocks, building strategic reserves is considered one of the most prominent measures adopted by oil-importing countries to increase their resilience and ability to confront sudden supply shocks, particularly in light of escalating geopolitical tensions threatening to disrupt oil supplies through the Strait of Hormuz. The importance of these reserves lies in providing a sufficient backup enabling them to respond to emergencies and reduce reliance on live market flows, which contributes to price stability and reducing fluctuations. The establishment of these reserves relies on a precise assessment of future demand and consumption, in addition to a continuous update of available storage constraints and capabilities, to ensure resource availability in times of crisis. Furthermore, the integration of inventory management systems with demand strategies and economic policies enhances the effectiveness of these measures and ensures their alignment with the requirements of economic and strategic balance.

Moreover, diversifying supply sources and reducing reliance on the Middle East region would alleviate cost burdens and enhance the capability to deal with supply disruptions. Developing a fixed and flexible infrastructure, including diverse options of pipelines or aerial and maritime storage facilities, is among the factors supporting government efforts in facing unexpected crises. Ultimately, building strategic reserves constitutes a main pillar in the long-term risk management system, as it strikes a balance between the need to secure reliable energy supplies and reduce financial burdens resulting from sudden market disruptions, which enhances economic stability and ensures the continuity of growth amidst changing geopolitical challenges (رياض صالح، 2019، ص ص 82-80).

8.3 Strategy of Geographical Diversification and Reducing Reliance on Middle Eastern Suppliers

The strategy of geographical diversification and reducing reliance on Middle Eastern suppliers is considered one of the fundamental pillars establishing greater flexibility in the global energy market, especially given the challenges imposed by the Strait of Hormuz regarding geopolitical risks and security threats. Importing countries increasingly rely on diversifying their oil and gas supply sources by exploring new resources in other regions such as East Africa, Central Asia, and North America, which contributes to reducing excessive reliance on the Middle East region, which witnesses frequent disruptions and conflicts.

This approach comes with the aim of reducing the impacts of any sudden crisis that might lead to interrupted supplies or increased costs, as well as reducing reliance on specific pipelines or maritime routes that may be exposed to security or political risks. Additionally, diversifying sources works to enhance countries' capability to negotiate more effectively, achieve more sustainable prices, and reduce market volatility that is negatively affected by any potential disruptions.

On the other hand, applying this strategy requires significant investment in new infrastructure, developing flexible import capabilities, and establishing strategic reserves capable of withstanding transient crises. Geographical diversification is considered an important step towards consolidating energy independence and reducing the fragility resulting from the continuous risks of the Strait of Hormuz, thereby enhancing the stability and sustainability of global energy markets in the long term (إبراهيم يوسف، 2022، ص ص 102-100).

9. Conclusion

This study addresses the Strait of Hormuz as a sharp meeting point between security and geopolitical considerations on the one hand, and the legal and commercial structure of global energy contracts on the other, in an international context characterized by escalating tensions and the fluctuation of oil and gas markets. The analytical treatment has shown that the geostrategic importance of the strait, with the weight it carries in global oil and gas flows, has made any security disruption or threat of closure a direct factor in redefining maritime transport risks and redrafting contracting conditions in the areas of sales, transport, and marine insurance.

The research demonstrated that the framework of the 1982 United Nations Convention on the Law of the Sea, particularly the transit passage regime, provides a legal basis for freedom of navigation; however, its practical application remains governed by the intersections of the national sovereignty of littoral states with the interests of importing countries and international actors, resulting in continuous tension between energy security requirements and regional security requirements. Tracking the history of crises also showed that recurrent threats to blockade the strait or disrupt navigation contributed to transferring geopolitical risks to the core of contract texts, through expanding the use of the

force majeure clause, introducing more flexible formulas for the change of circumstances clause, and restructuring provisions for the transfer of title and distribution of consequences according to international trade terms.

The study concluded that the disparity in the jurisprudence of the judiciary and international commercial arbitration in adapting the blockade or threat of closure as force majeure deepens the state of contractual uncertainty, and makes the precise drafting of risk and arbitration clauses a fundamental pillar to ensure the stability of contractual relationships in energy contracts. The findings also highlighted that the disruption of navigation in the strait financially reflects on spot market prices, shipping and insurance costs, and pushes actors to adopt alternative logistical and financial strategies, such as developing pipelines, building strategic reserves, and pursuing policies of geographical diversification of supply sources.

In light of this, it is clear that security tensions in the Strait of Hormuz do not represent a mere passing emergency circumstance, but a driving mechanism to reshape the structure of global energy contracts at the legal and commercial levels, which compels the legislator, jurisprudence, and judiciary, along with economic decision-makers, to work on developing more flexible and realistic contractual models to absorb risks, without disrupting the continuity of energy flows and the security of international navigation. Hence, the study proposes engaging in further comparative applied research on the formulas of force majeure and change of circumstances in marine energy contracts, and linking them to modern arbitration experiences, in order to crystallize more consistent and equitable criteria in adapting the risks associated with the Strait of Hormuz.

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