ROSA & ROUBINI
ASSOCIATES

POLICY COMPASS

Influence Without Responsibility: China and the Strait of Hormuz

By

Kipp Mann-Benn

8 September 2026

Kipp Mann-Benn

Influence Without Responsibility: China and the Strait of Hormuz

8 September 2026

Table of Contents

Kipp Mann-Benn

Influence Without Responsibility: China and the Strait of Hormuz

8 September 2026

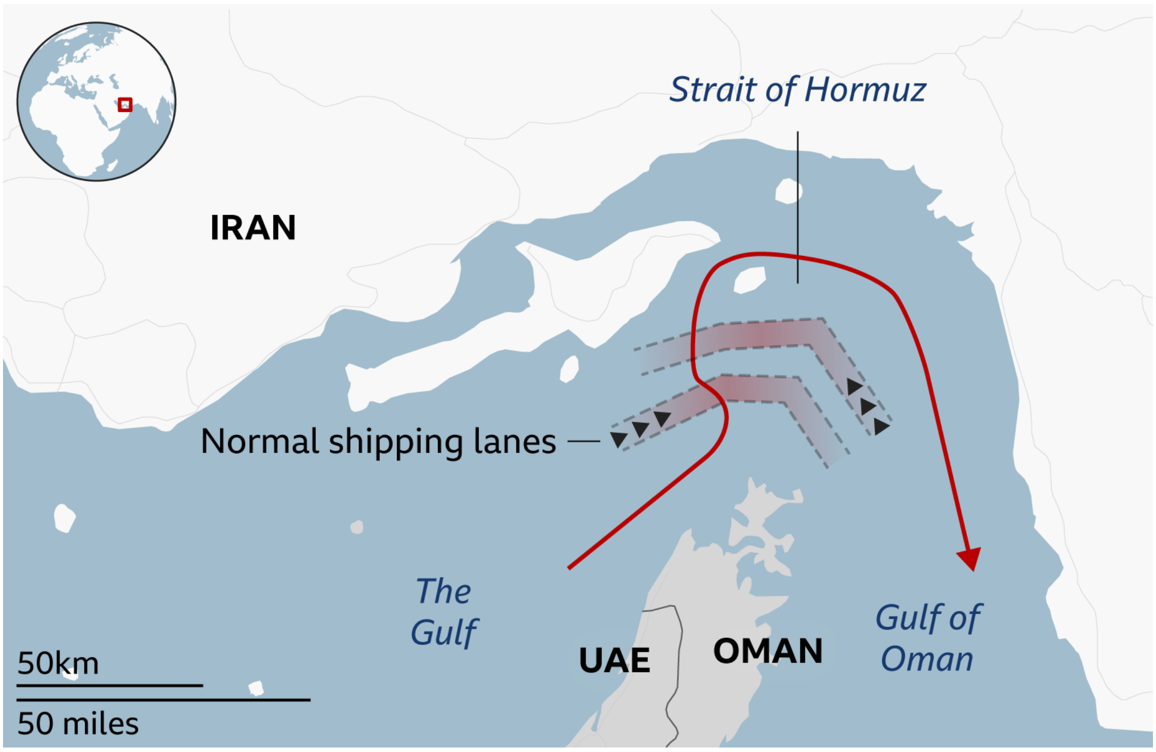
Executive Summary

- Gulf governments have been pressing Beijing since the spring to use its economic leverage over Tehran and reopen the strait, following the failure of six months of American military pressure to achieve it.

  The answer is now legible: China will press Tehran diplomatically and is very unlikely to proceed further.

- Two competing systems now license passage through the strait, one Iranian and one American.
- Chinese-linked shipping is concentrated in the Iranian-authorised corridor, and Iranian transit permission can be settled in renminbi. A Chinese government department publicised the currency arrangement in April.
- Beijing has responded to the closure by reducing its dependence on the strait rather than by working to reopen it, and no Chinese security commitment in the Gulf should be anticipated on any timeframe relevant to current planning.
- The Gulf engagement with China has deepened commercially and diplomatically but stops short of security, with Riyadh distributing its defence relationships across Turkey, Pakistan and others.
- The indicators to watch are whether Chinese traffic remains concentrated in the Iranian corridor and whether Beijing's diversification continues to require investment of the kind now visible in the Arctic.

Key Picture: Strait of Hormuz Transit Corridors (Route Taken by Pakistan Oil Tanker)



Source: BCC

1. Introduction

On 28 February 2026 the United States and Israel began their war against Iran, and Tehran closed the Strait of Hormuz in response. Six months later the war continues and the waterway, which carried about a fifth of the world's seaborne oil and liquefied natural gas, is still shut. The 60-day negotiating window created by the Islamabad Memorandum of 17 June lapsed on 17 August without an agreement, and nothing has replaced it. Crude that managed to leave the Gulf over those two months ran at well under half its normal volume.[1]

The commercial damage is the easier of the two to measure, but the political consequence is likely to prove the more lasting. Gulf governments have spent the year discovering that American military power could not reopen the waterway their revenues depend on, and they have begun asking Beijing to do it instead. Indeed, this is not new, they have been asking since the spring, but the pattern of the answer is now clear enough to read.

2. What the Gulf Asked For

Reuters reported on 30 July that Gulf Arab states had begun looking to China rather than Washington to use its economic leverage over Tehran and open both Hormuz and the Red Sea. There is a logic to it, since China takes more oil through the strait than any other country and has for years bought the great majority of Iran's exported crude. One Gulf official told Reuters that Gulf governments can buy Chinese technology, investment and drones, but cannot buy Chinese leverage that works independently of Beijing's relations with Washington.[2]

Beijing has endorsed the Gulf's objective at every level. Xi Jinping met Abu Dhabi's crown prince in April and told the Saudi crown prince by telephone that the strait should remain open; Wang Yi told Iran's foreign minister the same month that safe navigation had to be guaranteed, repeated it when Abbas Araghchi visited Beijing in May, and was still saying it to Kuwait's foreign minister on 24 August.[3] Special envoy Zhai Jun has toured Gulf capitals and Tehran since the spring.

However, despite this, none of that has extended to enforcement. China abstained in March when the Security Council condemned Iranian interference with shipping, then in April joined Russia in vetoing the follow-up, a text sponsored by six Gulf states which had already been stripped of any authorisation of force. Bahrain's foreign minister said afterwards that the Council had failed to shoulder its responsibility.[4]

Washington itself asked publicly in late March for Chinese warships to help reopen the strait, and the answer can be read in China's own defence ministry announcements. The navy has kept a standing escort force in the Gulf of Aden since 2008; through six months of closure it stayed there, well over a thousand miles from Hormuz, and in August Beijing rotated the next task force into the same station on the same routine terms.[5] Mediation has been left to Pakistan and Oman instead.

3. Two Authorities in One Waterway

What has emerged in the absence of enforcement is a waterway with two authorities. Iran's Persian Gulf Strait Authority issues permits to ships that apply in advance and pay a fee, reported by Bloomberg at around a dollar a barrel, which for a large tanker approaches two million dollars a voyage. The fees were suspended under the June memorandum and returned when it lapsed, and on 23 August the authority warned that ships breaking its rules face fines, detention or seizure, as does anyone who trades with them.[6]

The competing authority is American and operates in Omani water, where the US Navy escorts traffic through the southern corridor and the coalition recorded more than a thousand escorted transits in the two months to 19 August. On 13 July President Trump proposed a twenty per cent American toll on cargo moving through the strait, saying the United States should be paid for guarding it, and in August he posted a map of the strait labelled as new American territory.[7] Both governments now claim the right to license passage through an international waterway.

China sits inside this arrangement on the Iranian side. Satellite tracking by United Against Nuclear Iran, a group that campaigns against the Iranian government, shows the northern corridor carrying mostly Iranian and Chinese-linked ships. Bloomberg reported in April that the fees were being settled in renminbi, and that China's Ministry of Commerce had published a note on its own website recording as much, after which shares in Chinese payment firms rose.[8]

Three things qualify this further. Chinese operators were wary at first, and mainstream Chinese tanker owners avoided the route in March after one of their ships was hit.[9] There is no evidence that Chinese state carriers pay the fees as a matter of course, and none at all about what has happened since the regime restarted. Most notably however, a commerce ministry post is not a Politburo decision. What remains is narrower but still substantial: Chinese shipping takes part in an Iranian system, a Chinese department has advertised the currency behind it, and Beijing has done nothing to raise its cost.

4. Why Beijing Stops Short

Four things get run together when people ask whether China will act. Beijing plainly has influence, and its purchasing position gives it leverage in quantity. But it has declined enforcement at every juncture since March, and it has never offered security provision outside its own region. Gulf governments are learning that these do not convert into one another.

Moreover, there is a precedent for this in the Red Sea. Chatham House found that when Houthi attacks closed that route in 2024, Beijing pressed Iran only as far as was needed to protect Chinese ships, and Reuters reported in July that China has opened its own channel to the Houthis for the same purpose while the wider campaign goes on.[10] Beijing appears willing to absorb disruption to a waterway it depends on rather than police it and to do so only for Chinese ships.

A commercial fact complicates any reading of this as neutrality. Iranian oil has kept leaving the Gulf throughout the closure, sold at a heavy discount and bound mostly for China, with one tracking group putting the revenue at around six billion dollars since mid-June.[11] Whatever Beijing intends, Chinese buying helps sustain the state that closed the strait. Chinese analysts make a serious case that this is risk management. Writing for Brookings this month, Zhao Long of the Shanghai Institutes for International Studies argues that Beijing's priorities are containing the spillover, spreading its dependencies and staying out of other powers' confrontations, and that Washington overestimates what China can deliver because of the Saudi–Iranian rapprochement it brokered in 2023.[12] Chinese crude imports fell in June to their lowest in almost a decade, demonstrating the continued significant costs it faces of prolonging disruption.

The evidence does not settle which explanation is right, and for a reader trying to anticipate Chinese behaviour it may not need to. Washington is itself trying to redefine the terms of passage, so any Chinese effort to force Tehran back to open navigation may be inopportune. What can be observed is that every decision Beijing has taken since March has left it better placed and no more committed.

Its own answer to the closure has been to reduce its exposure rather than to end it. Coal and renewables carry the Chinese power system, so a shortfall in Gulf gas does less damage than it would in most economies, and reserves built from discounted sanctioned crude cover months of seaborne imports. Routes are shifting too: the shipping company Sea Legend has opened the first scheduled container service through the Arctic, roughly halving the sailing time from eastern China to Britain, though the season is short and the route runs through Russian-controlled water adding further geopolitical complexity.[13]

5. The Verdict

Gulf engagement with China has deepened materially in the commercial and diplomatic spheres but has not extended to security cooperation. Chinese commercial exposure continues to rise, and Riyadh's plans for infrastructure that bypasses the strait constitute natural Belt and Road work. Diplomatic alignment has followed a similar trajectory, evidenced by the first GCC–China senior officials meeting since the war, convened in Riyadh on 20 August with the strait dominating its agenda. Defence represents the exception. Riyadh has distributed its security relationships rather than substituting one protector for another, and the agreement concluded with Turkey and Pakistan on 7 August treats an attack on one as an attack on all. China, acutely, is not party to it.

Beijing's posture is better understood as preference than as indecision. It retains influence over the strait, assumes no responsibility for its governance, and purchases discounted crude from the state that closed it. Whether Chinese traffic remains concentrated in the Iranian corridor, and whether Beijing presses Tehran on the permit regime itself, will indicate whether this arrangement is settled or if continued diversification and the necessary investment to deliver it is required, as observed in the arctic.

NOTES

[1]"Iran Sets Up Hormuz Transit Authority to Charge Ships for Passage," Euronews, 18 May 2026, https://www.euronews.com/2026/05/18/iran-sets-up-hormuz-transit-authority-to-charge-ships-for-passage; "60 Days of a Broken US–Iran MoU: The Market Stopped Waiting for Hormuz," Kpler, 19 August 2026, https://www.kpler.com/blog/60-days-of-a-broken-us-iran-mou-the-market-stopped-waiting-for-hormuz.

[2]Samia Nakhoul and Timour Azhari, "Analysis: Can China Restrain Iran? Gulf States Test Beijing's Influence," Reuters, 30 July 2026, https://www.usnews.com/news/world/articles/2026-07-30/analysis-can-china-restrain-iran-gulf-states-test-beijings-influence; Morgan Bazilian and Jamie Webster, "How China Turned the Strait of Hormuz Crisis into an Advantage," The National Interest, 23 June 2026, https://nationalinterest.org/blog/energy-world/how-china-turned-the-strait-of-hormuz-crisis-into-an-advantage.

[3]"China's Xi, in Call with Saudi Crown Prince, Calls for Strait of Hormuz to Remain Open," Reuters, 20 April 2026, https://www.reuters.com/world/china/chinas-xi-call-with-saudi-crown-prince-calls-strait-hormuz-remain-open-2026-04-20/; "Wang Yi Has a Phone Call with Iranian Foreign Minister Seyed Abbas Araghchi," Ministry of Foreign Affairs of the People's Republic of China, 15 April 2026, https://www.fmprc.gov.cn/eng/wjb/wjbz/hd/202604/t20260416_11893024.html; "China's Wang Yi and Iran's Araghchi Support New Regional Security Framework in Gulf," South China Morning Post, 6 May 2026, https://www.scmp.com/news/china/diplomacy/article/3352590/chinese-fm-wang-yi-calls-swift-reopening-strait-hormuz; Shi Bu and Liz Lee, "China Says Middle East at Critical Point, Calls for Cooling Tensions and Dialogue," Reuters, 24 August 2026, https://www.reuters.com/world/china/china-says-middle-east-critical-point-calls-cooling-tensions-dialogue-2026-08-24/.

[4]"Russia and China Veto Watered-Down UN Resolution Aimed at Reopening the Strait of Hormuz," PBS News, 7 April 2026, https://www.pbs.org/newshour/world/russia-and-china-veto-watered-down-un-resolution-aimed-at-reopening-the-strait-of-hormuz; "Security Council: Russia and China Veto Resolution on Strait of Hormuz," UN News, 7 April 2026, https://news.un.org/en/story/2026/04/1167261.

[5]Ian M. Ralby, "China Won't Send Warships to the Strait of Hormuz; Here's Why," Diplomatic Courier, 30 March 2026, https://www.diplomaticourier.com/posts/china-wont-send-warships-to-the-strait-of-hormuz-heres-why; "49th Chinese Naval Escort Task Force Departs for Gulf of Aden," Ministry of National Defense of the People's Republic of China, 14 August 2026, http://eng.mod.gov.cn/2025xb/N/T/16479390.html.

[6]Salma El Wardany, Alex Longley, Weilun Soon and Serene Cheong, "Strait of Hormuz: Ships Paying Iran Yuan and Crypto Tolls for Safe Passage," Bloomberg, 1 April 2026, https://www.bloomberg.com/news/articles/2026-04-01/strait-of-hormuz-ships-paying-iran-yuan-and-crypto-tolls-for-safe-passage; "Persian Gulf Strait Authority Warns Violating Ships Will Face 'Fines, Detention, Confiscation'," IRNA, 23 August 2026, https://en.irna.ir/news/86243752/Persian-Gulf-Strait-Authority-warns-violating-ships-will-face; The Strait of Hormuz: Security Developments and Impacts on Oil, Gas, and Other Commodities (Washington, DC: Congressional Research Service, August 2026), https://www.congress.gov/crs-product/R45281.

[7]"Iran Shipping Update – August 21, 2026," United Against Nuclear Iran, https://www.unitedagainstnucleariran.com/analysis/iran-shipping-update-august-21-2026; "Trump Proposes 20% Toll on Cargo through Strait of Hormuz; Restarts Iran Blockade," CNBC, 13 July 2026, https://www.cnbc.com/2026/07/13/trump-iran-hormuz-strait-charge-reimburse.html.

[8]"Yuan Fees for Ships to Pass Hormuz Boost Chinese Payment Stocks," Bloomberg, 3 April 2026, https://www.bloomberg.com/news/articles/2026-04-03/yuan-fees-for-ships-to-pass-hormuz-boost-chinese-payment-stocks; "Iran Shipping Update – August 21, 2026," United Against Nuclear Iran.

[9]"Traffic Is Trickling through Strait of Hormuz: Who's Moving and Who's Stranded," CNBC, 18 March 2026, reporting Lloyd's List Intelligence data, https://www.cnbc.com/2026/03/18/hormuz-bottleneck-vessel-tanker-tracker-shipping-strait-of-hormuz.html.

[10]"Yes, China Pressured Iran on Red Sea Attacks – but Only to Protect Its Own Ships," Chatham House, 7 February 2024, https://www.chathamhouse.org/2024/02/yes-china-pressured-iran-red-sea-attacks-only-protect-its-own-ships; Nakhoul and Azhari, "Can China Restrain Iran?"

[11]"Iran Shipping Update – August 21, 2026," United Against Nuclear Iran.

[12]Zhao Long, "Beyond Winning and Losing: What Beijing Wants from the Iran War," Brookings Institution, 20 August 2026, https://www.brookings.edu/articles/beyond-winning-and-losing-what-beijing-wants-from-the-iran-war/; "Hormuz Closure Clouds China's Crude Imports after They Hit a 3-Month High in July," CNBC, 7 August 2026, https://www.cnbc.com/2026/08/07/china-crude-imports-july-hormuz-iran-war-.html.

[13]Michal Meidan, Disruption in the Strait of Hormuz: Implications for China's Energy Markets and Policies (Oxford: Oxford Institute for Energy Studies, March 2026), https://www.oxfordenergy.org/wpcms/wp-content/uploads/2026/03/Comment-Turmoil-in-the-Middle-East.pdf; Bazilian and Webster, "How China Turned the Strait of Hormuz Crisis into an Advantage"; Jonathan Yerushalmy and Alicia Chen, "After Hormuz, China Looks to the Promise – and Peril – of the Arctic's 'Ice Silk Road'," The Guardian, 17 August 2026, https://www.theguardian.com/world/2026/aug/17/after-hormuz-china-looks-to-the-promise-and-peril-of-the-arctics-ice-silk-road.