



INSIGHT BRIEFINGS

ENERGY MARKETS OUTLOOK



FUJAIRAH'S NEXT INFRASTRUCTURE FRONTIER ***Transforming Redundancy & Alternative*** ***Capacity into Strategic Assets***

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Infrastructure resilience is no longer simply seen as a question of additional capacity, but of connectivity, operational flexibility, security and coordinated investment.

The 2026 disruption to energy flows through the Strait of Hormuz has fundamentally reshaped infrastructure investment priorities across the Gulf, elevating Fujairah's strategic importance as an alternative energy logistics hub. However, the next phase of development must move beyond conventional storage and terminal expansion towards an integrated regional infrastructure network capable of sustaining energy trade during prolonged geopolitical disruption.

Fujairah's existing network of terminals, pipelines, storage facilities and maritime infrastructure provides a strong foundation. Yet the unprecedented pressure on logistics, shipping movements and commodity handling has exposed limitations in infrastructure designed primarily for normal operating conditions. Greater coordination between port operators, terminal owners, logistics providers and government authorities will be essential to maximize available capacity and maintain operational continuity.

A critical investment priority is the development of alternative transportation and distribution infrastructure for refined products. While existing crude export infrastructure has provided some protection against Hormuz disruptions, diesel, jet fuel and other refined products remain particularly exposed. Dedicated product pipelines, additional processing capacity and diversified distribution routes could strengthen regional supply security and reduce dependence on vulnerable maritime corridors.

Fujairah's investment strategy must also evolve beyond traditional oil storage towards refining, blending, sustainable fuels and other value-added processing activities. These capabilities would strengthen domestic supply security, support emerging industrial demand and position the emirate to capture greater commercial value from regional energy flows.

Regional integration emerged as another defining requirement

for long-term resilience. Fujairah cannot independently absorb all the logistics requirements of Gulf producers and consumers. Complementary infrastructure development across the UAE, Oman and Saudi Arabia, including alternative port access, interconnected pipelines and strategic storage facilities, could create a more diversified regional energy network.

However, physical infrastructure alone will not guarantee resilience. Clear commercial arrangements, coordinated contingency planning, capacity-sharing agreements and effective governance across jurisdictions will be necessary to ensure that alternative routes remain operational during crises.

Security considerations are equally reshaping investment economics. The vulnerability of terminals, pipelines and pumping stations to physical attacks has reinforced the importance of infrastructure protection, operational redundancy and credible security assurances for private investors.

Meanwhile, exceptional freight volatility and constrained tanker availability have strengthened the commercial rationale for greater shipping asset ownership, overseas storage diversification and more direct control over energy logistics.

Digitalization will also become central to future competitiveness. Real-time vessel tracking, shared capacity information and integrated operational platforms can improve efficiency, transparency and infrastructure utilization, provided they are supported by robust cybersecurity and system redundancy.

Ultimately, Fujairah's next competitive advantage will depend on transforming its role from a major storage and bunkering center into a strategically connected, secure and operationally flexible regional energy hub. Achieving this transformation will require coordinated public-private investment, regional collaboration and a fundamental shift towards treating infrastructure resilience as a long-term commercial asset rather than an emergency contingency.

Top 10 Strategic Recommendations

01 PRIORITIZE INFRASTRUCTURE INTEGRATION OVER STORAGE EXPANSION

Optimize existing terminals, pipelines, berths and storage through coordinated operations, real-time capacity visibility and stress-tested contingency plans before committing to further conventional storage expansion.

02 ACCELERATE REFINED-PRODUCT PIPELINE INVESTMENT

Develop alternative transportation infrastructure for diesel, jet fuel and other refined products, addressing critical supply vulnerabilities that existing crude export pipelines cannot resolve during prolonged maritime disruptions.

03 ESTABLISH AN INTEGRATED GCC ENERGY LOGISTICS NETWORK

Strengthen connectivity between Fujairah and complementary infrastructure in Oman and Saudi Arabia through coordinated port development, alternative export corridors, strategic storage and cross-border operational agreements.

04 EXPAND VALUE-ADDED PROCESSING AND REFINING CAPACITY

Redirect investment towards refining, blending, product processing and sustainable fuels infrastructure, enabling Fujairah to strengthen domestic supply security while capturing greater commercial value beyond conventional storage services.

05 EMBED PHYSICAL SECURITY INTO INFRASTRUCTURE INVESTMENT

Integrate stronger protection for terminals, pipelines and pumping stations into future development plans, supported by government-level security coordination, operational redundancy and credible assurances that strengthen private investor confidence.

06 DIVERSIFY SHIPPING ASSETS AND STRATEGIC OVERSEAS STORAGE

Encourage energy producers and trading companies to evaluate greater tanker ownership, long-term vessel access and overseas storage arrangements to mitigate freight volatility and maintain customer supply during disruptions.

07 INSTITUTIONALIZE REGIONAL CONTINGENCY PLANNING AND CAPACITY SHARING

Establish clear emergency operating protocols, commercial responsibilities and capacity-sharing mechanisms across port authorities, terminal operators and government agencies to enable faster responses when primary logistics routes become constrained.

08 PREPARE FLEXIBLE INFRASTRUCTURE FOR ALTERNATIVE MARINE FUELS

Incorporate LNG, biofuels and emerging marine fuel requirements into long-term bunkering and processing plans, ensuring infrastructure can accommodate changing demand without prematurely committing to a single fuel technology.

09 INVEST IN SHARED DIGITAL INFRASTRUCTURE AND CYBERSECURITY

Develop interoperable operational platforms providing real-time vessel movements, available capacity and logistics information while strengthening cybersecurity, backup systems and digital redundancy across critical energy infrastructure.

10 MAKE RESILIENCE A CORE CRITERION FOR INFRASTRUCTURE CAPITAL ALLOCATION

Evaluate future investments against their contribution to supply continuity, route diversification, operational flexibility and security, recognizing that strategic redundancy can deliver commercial value even when assets are underutilized. ■

THE
ROAD
AHEAD



Fujairah's next infrastructure investment cycle should be measured not simply by how much additional capacity it delivers, but by how effectively it strengthens regional energy security, diversifies market access and sustains commercial operations under disruption.



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