



GULF October 2019

The Rise of Fujairah: The ‘Beyond-Hormuz’ Strategy of the UAE

Oil storage and bunkering, non-oil sectors as petrochemical and bitumen, refineries, roads, maritime infrastructures and urban development plans: the emirate of Fujairah (United Arab Emirates, UAE) is the object of many Abu Dhabi-led investment projects carrying global security implications.

Fujairah, small and northern emirate of the UAE, stands in a critical geographical position: it is the only federal emirate to be naturally placed beyond the strait of Hormuz, thus allowing people and goods to reach the Gulf of Oman and the Indian Ocean bypassing this troubled choke-point. An ancient Portuguese fort in the 1500s, Fujairah was part of the emirate of Sharjah till 1952: the neighbouring town of Khor Fakkan is an enclave still belonging to Sharjah.

In the last few years, investments have risen in Fujairah: Abu Dhabi leads the effort due to energy security interests and freedom of navigation goals. First of all, the Hasbhan-Fujairah pipeline is the only Emirati energy infrastructure conveying crude oil from Abu Dhabi to the east of Hormuz. For this reason, the eastern emirate is a cornerstone of UAE’s national security, although its security cannot be taken for granted: in May 2019, a likely Iranian asymmetrical attack occurred in the waters of Fujairah, when an oil tanker was sabotaged in unknown circumstances provoking the increase of insurance premiums for the vessels that refuel in the emirate [Dania Saadi, “Trading up: Fujairah’s plan for growth”, *S&P Global Platts*, 5 September 2019].

Infrastructures represent the bulk of Fujairah’s development strategy. Abu Dhabi Ports Company (ADPC) owns Fujairah Terminals and an expansion plan was signed in 2017 together with a 35 years concession to operate the port. The emirate has increased storage and bunkering activities (bunkering refers to the sequence of the shipping operations performed to transfer oil) at a global level, thus paving the way for an open competition with the new Duqm port in Oman; moreover, the Abu Dhabi National Oil Company (ADNOC) signed in 2019 a contract with the South Korea’s SK Engineering and Construction (SKEC) to build what should become the largest crude oil storage facility in the eastern

emirate. With regard to the expansion of the international airport, it is a joint venture between Egypt's Orascom and the UAE's Al Sahraa Group.

Strategic development in sensitive areas as oil, post-oil sectors (petrochemicals, bitumen) and infrastructures combines with a greater attention by the federal government to community-development and living standards improvement (for instance, education and health facilities, integration of local economies in broader projects) [Gavin Davids, "Fujairah develops major infrastructure projects for economic diversification, *Middle East Construction News*, 19 May 2019]. This is a quite recent trend that affects also the northern and less wealthy emirates of Ajman, Umm al Quwain and Ras al-Khaimah.

As the development of Fujairah suggests, politics and geopolitics are able to redesign the geographical appraisal of what is "peripheral", or not. Adopting an Abu Dhabi-centred lens of analysis, Fujairah appears far from the UAE's heartland: but this turns it into a driving force in times of a beyond-Hormuz strategy.

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