



EMBASSY OF THE
UNITED ARAB EMIRATES

BACKGROUND

ABU DHABI CRUDE OIL PIPELINE PROJECT (ADCOP)

On June 30th, 2012, the Abu Dhabi Crude Oil Pipeline (ADCOP, alternatively known as the Habshan-Fujairah Pipeline) began transporting crude oil. The pipeline project underscores the United Arab Emirates' (UAE) commitment to ensuring the reliable and safe delivery of crude oil from the UAE to global markets.

Extending from the Habshan oil field in the emirate of Abu Dhabi across 380 kilometers of the UAE to Fujairah, an emirate located along the Gulf of Oman, the pipeline provides an alternate location outside the Strait of Hormuz for ships to on-load crude oil from the UAE.

When fully operational in late 2012, the ADCOP will be able to transport approximately one-half (or 1.5 million barrels) of the UAE's daily crude oil production to the terminal and export facility in Fujairah.

“Its location is transforming this emirate... into a bulwark of Gulf security and a global energy hub.”

*“Fujairah: The Crucial Emirate,”
BusinessWeek, June 14, 2012*



KEY FACTS

- ❖ Over time, the ADCOP is expected to transport 1.8 million barrels of oil per day, essentially handling nearly two-thirds of the UAE's crude oil production and 10% of the oil that currently passes through the Strait of Hormuz.
- ❖ In Fujairah, the pipeline's main terminal will have storage capacity for eight million barrels of oil, with loading facilities located adjacently offshore. There are plans to construct four additional storage tanks, each with the ability to hold one million barrels.
- ❖ The ADCOP is a world-class infrastructure project, built to rigid specifications to ensure safety and environmentally friendly operations. It was constructed at a cost of \$3.3 billion.
- ❖ Nearly 35% of the world's seaborne oil shipments and 20% of oil traded worldwide passes through the Strait of Hormuz on an average of 14 tankers each day. The ADCOP will ease tanker congestion at this strategic chokepoint.
- ❖ In addition to utilizing sophisticated monitoring systems to ensure security, the ADCOP will be protected by Abu Dhabi's Critical National Infrastructure Authority.
- ❖ According to a report by Clarkson Research Services, the pipeline will save tankers two days of sailing time and an estimated average of \$38,000 in costs.
- ❖ Abu Dhabi-based International Petroleum Investment Company (IPIC) owns and controls the ADCOP and adjacent facilities. IPIC is also planning to construct a 200,000 barrel-a-day oil refinery in Fujairah.
- ❖ The oil pipeline was designed by Australian firm WorleyParsons and built by China Petroleum Engineering & Construction Corporation (CPECC). Construction began in March of 2008. Dutch firm Van Oord is responsible for constructing the offshore loading facilities in Fujairah.