

The Day After Hormuz: Can the Gulf Free Itself from the Chokepoint?

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The war with Iran has demonstrated that the Strait of Hormuz is a vulnerability not only for energy exports, but also for the connection of the entire Gulf economy to the wider world. Existing alternatives have proven their value, but also their limitations: rerouting Saudi oil to Yanbu increased exposure to Bab al-Mandab, which is under a Houthi blockade; Fujairah provides only a partial solution; there is currently no alternative route for Qatari LNG exports. Therefore, the goal is not to replace Hormuz, but to create an architecture of redundancy—a network of pipelines, ports, and corridors that will allow for the containment of its blockade.

Within this framework, consideration should be given to laying a pipeline from eastern Saudi Arabia through Oman to the Arabian Sea. Such a route would bypass both Hormuz and Bab al-Mandab while providing direct access to Asian markets. The same logic mandates a re-examination of the IMEC corridor. As long as its eastern entry point is the Port of Jebel Ali, the corridor will remain dependent on Hormuz. There is no sense in abandoning Jebel Ali, the most important logistical hub in the Middle East, but the war highlighted the risk of relying on it as the corridor's sole gateway. Additional entry points outside Hormuz should therefore be developed alongside Jebel Ali outside of Hormuz, at Fujairah and Duqm. This would transform IMEC from a corridor dependent on a single chokepoint into a network with built-in redundancy.

The ongoing disruptions to tanker traffic, the damage to exports from the Gulf states, and the surge in energy prices illustrate the vulnerability inherent in having such a significant portion of global energy supply dependent on the Strait of Hormuz, the narrow maritime passage adjacent to Iran. Despite this, U.S. Treasury Secretary Scott Bessent recently declared that [within two years the strait would become "worthless," as Gulf states redirect a large portion of their energy exports through overland pipelines.](#)

EIA data show that, prior to the war, [roughly 21 million barrels of crude oil per day passed through Hormuz, in addition to refined products and condensate, accounting for approximately one-fifth of global oil consumption. In the second quarter of 2026, traffic dropped to just ~4.9 million barrels per day, a decline of more than 75 percent. By late August, an average of only 17 vessels per day were passing through Hormuz, compared to 135 prior to the war.](#)

At the same time, a substantial volume of Saudi oil was rerouted to Yanbu and from there through Bab al-Mandab: [flow through Bab al-Mandab rose from 5.4 million barrels per day in the final quarter of 2025 to 8.1 million in the second quarter of 2026—an increase of approximately 50 percent.](#) However, these figures do not account for the blockade declared by the Houthis in July, which led to a sharp decline in traffic through the Bab al-Mandab Strait, as well. Consequently, [Saudi oil exports fell in August 2026 to](#)

[a decade-low of just 3 million barrels per day—compared with 7.3 million barrels per day in February.](#) This outcome demonstrates both the potential and the limitations of reducing dependence on Hormuz: reducing exposure to one chokepoint increased exposure to another.

The physical risk in Hormuz is compounded by a less quantifiable factor: uncertainty and a lack of reliable information regarding conditions in the strait. Data from various sources on the number of attacks, traffic volume, sea mines, and high-risk zones do not always align, and under wartime conditions, it is difficult to determine whether a given route is genuinely safe. For shipping and insurance companies, even a partial reopening of the strait is insufficient if doubt remains regarding actual risk. As long as ships continue to be targeted by missiles and drones, this very uncertainty deters companies from returning to Hormuz, drives up insurance premiums, and prolongs the disruption long after the direct military threat has subsided. Thus, a further dimension is added to the Gulf states' concerns: it is not enough to ensure that Hormuz is open—the market must also be convinced that it is safe. Hence, restoring freedom of navigation is largely a challenge of information, confidence, and risk perception, rather than purely military control over the maritime arena.

This article examines whether, and to what extent, the straits can be bypassed using pipelines (which transport only crude oil, not refined products) and alternative export routes. It analyzes the limitations of each alternative, and proposes the option of laying an oil pipeline from Saudi Arabia to Oman. The significance of this issue extends beyond energy security: the more successful the region's states are in building a network of alternative routes, the more they may erode one of Iran's principal sources of strategic leverage and gradually alter the Gulf's geostrategic landscape. The question is not whether Hormuz can be dispensed with entirely, but whether its closure can be transformed from a paralyzing event into a manageable one.

Rerouting Westward: Yanbu

The most significant alternative for "bypassing" Hormuz is the Saudi pipeline system connecting the kingdom's eastern oil fields to the port of Yanbu on the Red Sea coast. According to Aramco, the Saudi East–West Pipeline has a capacity of approximately 7 million barrels per day. However, about 2 million barrels are supplied to refineries in the western part of the kingdom, leaving around 5 million barrels per day available for export—although it is unclear whether this maximum flow can be sustained over time. The war has already significantly increased the route's importance, and [Riyadh is even considering expanding the pipeline's capacity by an additional two million barrels per day and integrating neighboring countries, including Kuwait.](#) This is the route with the greatest potential to change the Hormuz equation. If Saudi Arabia can increase the pipeline's capacity, strengthen Yanbu Port's ability to handle larger volumes of oil, and permanently shift the bulk of its oil exports westward, Iran's ability to use the strait against the kingdom will be greatly reduced. Furthermore, a future connection of Kuwait or other oil-producing countries to the Saudi network would transform it from national infrastructure into a regional "strategic artery."

However, this does not constitute a complete solution. Exporting from Yanbu exposes the pipeline infrastructure to attack (as Iran has already demonstrated) and swaps one chokepoint for another: Bab al-Mandab, where a Houthi blockade currently exists. Oil can be piped north through the Red Sea to Ain Sokhna, and from there via Egypt's SUMED pipeline, which has a capacity of roughly 2.5 million barrels per day, to Sidi Kerir on the Mediterranean, or via tanker transit through the Suez Canal. Yet these are

emergency alternatives rather than full-fledged economically viable substitutes. Most buyers of Saudi oil are in Asia, so oil reaching the Mediterranean must either be integrated into global cargo swaps or continue through the Strait of Gibraltar and around the Cape of Good Hope before heading east again. The result is longer sailing times, higher shipping and insurance costs, and the need for a larger number of tankers. Hence, SUMED and Suez offer the kingdom a degree of redundancy, but do not solve the problem of the Saudi market's geography.

Rerouting Southward: Fujairah

The United Arab Emirates is in a more geographically convenient position. The Habshan–Fujairah pipeline connects Abu Dhabi's oil fields directly to the coast of the Gulf of Oman, that is, outside the Strait of Hormuz. The current capacity of the pipeline is about 1.5–1.8 million barrels per day. Abu Dhabi announced that it is working to double the pipeline's capacity, a move that could enable it to move over 3 million barrels per day in 2027. In this sense, the Emirati model comes closest to "bypassing Hormuz": a relatively short pipeline, located entirely within national territory, providing direct access to the Indian Ocean and not dependent on Bab al-Mandeb or the Suez Canal. However, this route is not immune to attack either. Fujairah lies on the Gulf of Oman, within reach of missiles, drones, sea mines, and Iranian activity.

Furthermore, the problem is not limited to energy exports. With the exception of Saudi Arabia, which also has significant access to the Red Sea, the Gulf states depend on Hormuz for their routine trade as well. The principal ports of Kuwait, Qatar, and Bahrain, as well as Jebel Ali Port in Dubai, additional ports in the UAE, and main Saudi ports, are all located inside the Gulf. A prolonged disruption of traffic through Hormuz therefore harms not only oil and gas exports but also incoming container ships, food, raw materials, and imported goods. Hence, the strategic challenge is much broader than energy security. The case of Dubai illustrates the dimensions of the problem: [before the war, Jebel Ali handled approximately 40,000 containers \(TEU\) per day, but in the first weeks of the war, activity plummeted by more than 90 percent and has barely recovered since](#). Nor is this merely a matter of port activity: the economic system that has developed around Jebel Ali is responsible for more than a fifth of Dubai's GDP. Hence, even a country such as the United Arab Emirates, which managed to create a partial alternative for oil exports through Fujairah, remains highly vulnerable to the closure of Hormuz, whose blockage has disconnected a significant share of the Gulf economies from global trade chains.

The Emirati challenge is expected to grow even further. The UAE's withdrawal from OPEC in May 2026 was intended, in part, to allow it to make freer use of the production capacity it has expanded in recent years, aiming for a capacity of approximately 5 million barrels per day in 2027. Yet even after the planned expansion of the Habshan–Fujairah pipeline, its capacity is expected to reach only around 3 million barrels per day. Consequently, even if the expansion is completed in full, the pipeline will not be enough to carry the UAE's entire export potential. The gap demonstrates that greater independence in production policy does not equate to independence in export capability.

Iraq: Northward and Westward Outlets

The war has demonstrated Iraq's acute vulnerability, as most of its oil exports exited from Basra through Hormuz. In response, Baghdad has begun to revive a series of alternative export routes. The central component is the Basra–Haditha pipeline, which is intended to transport up to roughly 2.5 million barrels per day from southern to western Iraq, creating the potential to connect to Syria, Turkey, and

even Jordan. At the same time, discussions are underway regarding the renewal of the route through Syria to Baniyas and Tripoli, as well as expanding exports via the Kirkuk–Ceyhan pipeline in Turkey. If realized, these projects could constitute some of the most significant structural changes to emerge from the crisis: creating an Iraqi capacity to direct oil westward to the Mediterranean. However, these are costly, multi-year projects that depend on political and security stability in Iraq and Syria. They should be regarded not as a solution to the current crisis but as an investment in resilience for the coming decade.

Oman: A Potential Alternative

Oman possesses an advantage of a different kind, due to its strategic location. Its ports at Duqm and Salalah face directly toward the Arabian Sea and the Indian Ocean. Consequently, Oman could gradually become the Gulf's "back door." In the short term, there is currently no pipeline system capable of pumping large volumes of Saudi, Emirati, or Kuwaiti oil to Duqm or Salalah. In the medium and long term, however, one can envision a combination of pipelines, railways, storage facilities, refineries, and ports. The planned connection between the Emirati rail network and Sohar illustrates Oman's potential to become part of a broader bypass architecture. The advantage of the Omani route is twofold: it bypasses Hormuz and does not require passage through Bab al-Mandab. Yet this route is not entirely immune to attack either, given its relative proximity to Iran, which has fired on Oman and signaled its ability to strike strategic facilities on Omani territory as well.

The possibility of laying a pipeline from the oil fields of eastern Saudi Arabia southward through the Rub al-Khali to Oman should be examined. From an engineering perspective, such a route is not unfeasible—Aramco has already laid longer pipelines. Desert conditions are not an insurmountable barrier either; a pipeline already connects the Shaybah field to Aramco facilities to the north. According to proposals published in the past, a Saudi–Omani pipeline could reach a capacity of up to 7 million barrels per day. Thus, [its advantage is clear: it would grant Saudi Arabia an additional export outlet with direct access to the Arabian Sea and Asian markets, without requiring passage through Hormuz or Bab al-Mandab](#). The downside is the high construction cost and the need to rely on Oman as a transit state. Nevertheless, it is worth reassessing whether this price would be lower than the strategic cost of continued dependence on Hormuz.

The idea is not new and has previously received public support from senior Omani officials. In November 2021, Omani Minister of Economy Said bin Mohammed al-Saqri called for the revival of a plan to lay an oil pipeline from Saudi Arabia to Oman. [Al-Saqri described the project's implementation as being of "strategic importance" and argued that the time had come to transport Saudi oil to the Arabian Sea via Oman](#). The plan has not since progressed into a practical project, but the war has given it renewed strategic logic: unlike Yanbu, an outlet in Duqm would bypass both Hormuz and Bab al-Mandab, and unlike northern routes to the Mediterranean, it would direct oil straight toward Asia—the primary market for Saudi oil.

The Vulnerability: LNG

Any discussion of "bypassing Hormuz" must distinguish between oil and liquefied natural gas (LNG). While alternatives exist for oil, virtually none exist for LNG. For instance, almost all of Qatar's LNG exports to the global market pass through Hormuz, with about 80 percent bound for Asia. Today, there is no alternative route capable of bringing these volumes to the global market. The Dolphin pipeline from

Qatar to the UAE and Oman is limited in capacity, and Oman's liquefaction facilities are already operating near full capacity. Therefore, while it may be possible to significantly reduce the oil export dependency on Hormuz, doing so for gas is far more difficult. In the long term, one can imagine a gas pipeline from Qatar to Oman and the establishment of additional LNG facilities in Duqm or along the Arabian coast. This would be an immense engineering and geopolitical undertaking, but following the war, it can no longer be dismissed as purely theoretical. For Qatar, whose export capacity forms the bedrock of its economic and political power, creating a "second outlet" to the global market may become a strategic necessity.

The war illustrated that even if freedom of navigation in the strait could be guaranteed, the production and liquefaction infrastructure itself remains a key vulnerability. Iranian attacks in March 2026 struck Ras Laffan, Qatar's principal liquefaction center, causing a loss of roughly 17 percent of Qatari export capacity. Estimates point to three to five years for repairs and an annual revenue loss of about \$20 billion. QatarEnergy declared force majeure and was even forced to purchase American LNG cargoes to fulfill some of its commitments to customers in Asia. The scale of the disruption has been extraordinary: [during the first six months of the war, Qatar exported only 18 LNG cargoes, compared to 509 in the corresponding period last year—a collapse of over 90 percent in exports](#). Hence, the Qatari challenge is not only how to bypass Hormuz, but how to create redundancy across the entire export chain—from gas extraction and liquefaction to its transport to markets. Laying a pipeline to Oman, for example, would only be meaningful if a large and protected liquefaction capacity were also built at its terminus outside the Gulf. Therefore, in Qatar's case, a genuine solution would therefore be far more costly and complex than laying an alternative oil pipeline. A future connection between Qatar and the Saudi network and Yanbu (through an LNG pipeline running adjacent to the East-West Pipeline) could also be an intriguing strategic concept: it would grant Doha its first overland option westward independent of Hormuz, though such a move would require expanding its capacity and securing Saudi approval.

The discussion on reducing dependence on Hormuz also extends to Iran, which has long recognized that a chokepoint is both a source of power and a source of vulnerability. For this reason, it laid a pipeline connecting oil regions in the west of the country to the Jask terminal in the Gulf of Oman, beyond Hormuz. Inaugurated in 2021, the project was designed to enable oil exports in the event of disruption or a blockade of the strait. [In 2026, the terminal resumed loading cargoes, albeit in limited volumes](#). Iran's own investment in an alternative to Hormuz underscores the paradox: its ability to threaten the strait gives it significant leverage over its neighbors and the global energy market, yet its own reliance on that same passage restricts its freedom of action.

Implications

The primary policy conclusion is that one should not seek a "substitute for Hormuz." No single route can carry the volumes of oil, gas, and goods that have traditionally passed through the strait. What is needed instead is an architecture of redundancy: multiple pipelines, ports, and shipping routes, ensuring that damage to one does not paralyze the entire system. For Saudi Arabia, this means expanding the pipeline to Yanbu while simultaneously developing options toward Oman. For the UAE—expanding Fujairah and the overland connection to Oman. For Qatar—examining a gas pipeline and liquefaction facilities outside the Gulf. These measures should be complemented by strategic storage, refining capacity, and the export of refined petroleum products outside the Gulf, railway networks, and electrical

infrastructure. Resilience does not stem from replacing one route with another, but from having several routes to choose from during a crisis.

An additional limitation of some alternatives to Hormuz is commercial rather than engineering-based. In principle, Iraqi oil can be transported north to Turkey, but the primary customers of Iraqi oil are located in East Asia. Saudi Arabia faces a similar problem, as most of its customers are also in East Asia. When traffic in Hormuz is disrupted, oil reaching Yanbu must pass through Bab al-Mandab on its way to Asia. If Bab al-Mandab is also blocked, Yanbu oil destined for Asia must head to the Mediterranean, circumnavigate Africa, and return to the Indian Ocean—a route that adds weeks to the journey, increases shipping and insurance costs, and imposes restrictions on the types and sizes of tankers that can be used. Therefore, northern and western routes are not a true substitute for Hormuz. This is also why a southern alternative through Oman is particularly compelling: it not only bypasses Hormuz and Bab al-Mandab, but routes the oil directly out into the Indian Ocean in the direction of the markets where most of its customers are already located.

The war is already accelerating a shift from emergency solutions to a new logistical architecture. For example, DP World has expanded the use of overland routes connecting Jebel Ali to East Coast ports, while Dubai and Oman established a "green corridor," allowing cargo to be unloaded in Oman and transported overland to the UAE. What began as a temporary response to disruptions in Hormuz may become a permanent fixture of the regional trade apparatus. Concurrently, Oman is holding discussions with Iran on future arrangements for safe passage through Hormuz, and the Gulf states hope that Muscat can reach understandings with Tehran that will permit the resumption of regular traffic in the strait—even if this ultimately entails an agreed-upon arrangement or payment for secure transit. The Gulf states seek to build alternatives, but they also recognize that the strait will remain a vital artery and that a mechanism is therefore needed to mitigate the risks to navigation within it.

In light of this, the forecast by the U.S. Treasury Secretary is far-fetched and was likely voiced in a political context. Hormuz is not expected to lose its importance, certainly not within two years. Yet behind the rhetoric lies a potential shift: the war has accelerated the transition toward a mindset of reducing reliance on Hormuz. The realistic goal is not a world without the Strait of Hormuz, but a regional energy system in which disruptions to the strait no longer paralyze Gulf energy exports. Saudi Arabia and the UAE managed to partially export oil due to infrastructure established prior to the war. By contrast, the revenues of Iraq, Qatar, and Kuwait have plummeted, with adverse effects already being felt across their economies. The alternatives are not immune either: both Saudi pipeline infrastructure and facilities at the Port of Fujairah have been targeted during the war.

Israel has an interest in reducing the region's dependence on Hormuz, as doing so would diminish Iran's ability to translate military threats to shipping into global economic pressure. Furthermore, Israel has an additional interest: as the regional energy system becomes more land-based and interconnected, the importance of transit and infrastructure corridors crossing the Middle East rises. In the long term, connecting the Arabian Peninsula, Jordan, and the Mediterranean could add economic and infrastructural logic to projects such as IMEC. However, the corridor's eastern leg connects India to ports in the UAE, foremost among them Jebel Ali, which are situated inside the Gulf and depend on passage through Hormuz. Under these conditions, IMEC does not resolve the primary vulnerability in the chain: Hormuz. The war thus requires, at the very least, a reconsideration of IMEC's route. The corridor's

eastern entry point should be located outside Hormuz—for example, at Fujairah or Duqm—and connect from there to Saudi Arabia. Otherwise, IMEC will inherit precisely the strategic dependency that it is intended to help reduce.

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