



## **Baku-Tbilisi-Kars Railway: An Example of “Matching Model Relations” between EU and Asia**

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In August 2022, Azerbaijan, Turkey and Georgia have signed an "Agreement amongst three countries on preliminary information exchange for the facilitation of transit customs procedures within the framework of the Baku-Tbilisi-Kars (BTK) railway project" ([az.trend.az](https://www.az.trend.az), 19 August). This agreement aimed at simplifying customs procedures and accelerating border crossing procedures within the framework of the BTK railway project through organizing an electronic exchange of initial information about goods ([report.az](https://www.report.az), 18 August 2022). Therefore, somehow it plays the role of a new breath from a technical point of view to remove obstacles and speed up trade and economic relations between Asian markets and Europe. This agreement will create important opportunities in terms of uninterrupted, timely and efficient transportation of cargo through the BTK railway, which connects the Trans-European and Trans-Asian railway corridors. Consequently, this mega project will strengthen alternative ways for the EU-Central Asia and EU- China trade relations.

The demand to BTK, which was opened in 2017, is currently increasing. Thus, in the first quarter of 2022, 266.3 thousand tons of cargo were transported through the BTK corridor, which is 123% more than in the same period of 2021 ([vergiler.az](https://www.vergiler.az), 24 August 2022). Additionally, the President of Uzbekistan, Shavkat Mirziyoyev, expressed his intention to further increase cargo transportation (especially, for the transit of food and industrial goods) using the BTK railway in a

meeting with his Azerbaijani partner on June 21<sup>st</sup> of 2022 ([president.az](http://president.az), 21 June 2022). This initiative can be considered relevant for the other Central Asian countries as well.

The pace of discussions on the role of the South Caucasus region in transit relations between Europe and Asia has accelerated under the shadow of the Russo-Ukraine war. Yet, with profound need comes unexpected opportunity, as many are realizing that the South Caucasus holds currently untapped potential in this regard, and it is on its way to becoming an important transportation and trade hub. Coincidentally, the region's enormous potential as a reliable energy supplier is also experiencing newfound interest in the light of the recent geopolitical developments. At the same time, it should be noted that hitherto the potential of the South Caucasus as an important transit area was underestimated not only by potential suppliers but also by European major economies ([jamestown.org](http://jamestown.org), 20 April 2022).

Previously, Turkish Foreign Minister Mevlud Çavuşoğlu expressed his country's intention to use the BTK railway more effectively ([azertag.az](http://azertag.az), 28 July 2022). This indicates that the interests of both European countries (demand side) and South Caucasus countries (transit suppliers) on the use of the transit facilities of this railway coincide. Another party whose interests overlap here are the Central Asian countries. It is because that this railway facilitates access to European and world markets of Central Asian countries - Turkmenistan, Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan and Afghanistan ([azertag.az](http://azertag.az), 30 October 2021).

With a length of about 850 kilometers, this railway is considered the shortest and most reliable railway connecting Europe with Asia, and it allows to reduce the time spent on transporting goods by more than 2 times ([azertag.az](http://azertag.az), 30 October 2021). It is planned to transport 5 million tons of cargo in the first stage, 17 million tons in the next stage, and even more after that ([president.az](http://president.az), 30 October 2017).

At the same time, a strong infrastructure has been established by Azerbaijan in the Caspian Sea for the transportation of goods from Central Asia to Europe. Thus, the largest naval fleet in the Caspian Sea belongs to Azerbaijan - a fleet of about 260 ships ([president.az](http://president.az), 30 October 2017). On the other hand, Baku International Sea Trade Port, the largest port on the Caspian Sea, serves as a direct cargo collection point for the BTK railway line ([azertag.az](http://azertag.az), 30 October 2021). This port ensures the collection of goods entering Azerbaijan from the North-South, and East- West corridors, and their transportation along the BTK to Europe or by ships to the east.

It should be noted that the BTK is the main artery and vital part of the Middle Corridor. However, the opening of the Zangazur Corridor, which is considered an essential initiative for South Caucasus and the Central Asian regions, along with the BTK, might expand the transit potential of the Middle Corridor, as noted by regional experts. Previously, some experts predicted that transportation via the BTK will decrease with the Zangazur corridor becoming operationalized. However, the reality is that the interest and trade turnover of the BTK railway is increasing ([oxu.az](http://oxu.az), 13 December 2021). Another interesting factor is that the Zangazur Corridor

would not be an alternative, but it would complement the BTK as transport artery of the Middle Corridor. Thus, both roads may provide diversified independent transport routes to the Middle Corridor. For example, Zurab Batiashvili, a researcher at the Rondeli Foundation of Georgia, asserted that after the Zangazur corridor was operationalized, thanks to the competition, Georgia might try to offer better transit conditions ([azsiyaset.com](https://azsiyaset.com), 24 November 2021). Sinan Ogan, a former deputy of the Turkish Parliament, and head of the Center for International Relations and Strategic Studies, added that both ways should provide communication opportunities once the Zangazur Corridor was opened and peace was established in the region ([azsiyaset.com](https://azsiyaset.com), 24 November 2021).

Thus, it appears that the current global geopolitical landscape is bringing with it new paradigms and megatrends. Along with the diversification of energy sources, acceleration of the transition to green and renewable energy, establishing political and economic unions, orientation to alternative transport corridors are the most prominent manifestations of these global geo-trends observed in the Eurasian space. In this context, the existence of regional alternative infrastructures such as the BTK creates additional opportunities for interregional collaboration. One of the most important factors is that a natural "Matching Model" has been formed here: the views and aspirations of the countries of Central Asia and the South Caucasus regarding economic cooperation, which have transport and adequate energy infrastructure and abundant resources, as well as potential opportunities, coincide with the needs of the European continent.