

Azerbaijan-China Strategic Partnership and the Future of the Middle Corridor

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From 22 to 24 April 2025, Azerbaijani President Ilham Aliyev paid a state visit to China at the invitation of his counterpart Xi Jinping. This milestone event came amid heightened geopolitical and geoeconomic locomotion as well as against the background of a flurry of diplomatic activity centered on Azerbaijan. In the month of April, there were visits by the President of Iran (28 April), the OSCE Secretary General (25 April), the High Representative of the European Union for Foreign Affairs and Security Policy and Vice-President of the European Commission (25 April), the President of Georgia (16 April), and the President of Germany (2 April), as well as several visits by cabinet ministers and senior officials of intergovernmental organizations. Baku also played host to several high-level gatherings, including the 11th Southern Gas Corridor Advisory Council Ministerial Meeting and the 3rd Green Energy Advisory Council Ministerial Meeting (4 April). Other, less publicized conferences also took place in the past month. Last but not least, there was the most recent ADA University's international forum of senior scholars, experts, and analysts themed, gathered around the theme "Facing the New World Order," which included an [interactive session](#) with the President.

All this activity points to the success of Azerbaijan's pragmatic foreign policy agenda, a focal point of which remains engaging with the other countries belonging to the core of the Silk Road region, its immediate neighbors, as well as traditional friends and allies, near and far. Increasingly, this agenda now also includes deepening partnerships with powerhouse actors like China. Azerbaijan, like China, conducts an independent foreign policy.

This burgeoning relationship is enabling Azerbaijan to diversify its economic ties while boosting its role as a key country in international supply chain arrangements that support

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the ambitious goals of many of the countries that associate themselves with the Belt and Road Initiative. Therefore, the President's visit to China, which centered on signing [a Joint Statement](#) on the Establishment of a Comprehensive Strategic Partnership, needs to be understood as an important qualitative milestone in what will surely be an increasingly important bilateral relationship for both Baku and Beijing.

Evolving Strategic Partnership

It is important to understand the accelerated dynamic underway. It was less than a year ago (July 2024) that Azerbaijan and China signed an initial Joint Statement on the Establishment of Strategic Partnership on the margins of the Astana SCO Summit. The latest document elevates this strategic partnership to a new level—and this was done in record time. Geopolitical reasons aside, another more concrete reason may be the fact that China is now, as Aliyev [said](#) during his state visit, Azerbaijan's "number one partner in imports and number four partner in trade turnover."

The April 2025 Joint Statement includes nearly 20 substantive clauses, [reflecting concrete actions](#) and initiatives rather than aspirational goals. Its provisions align with the active and growing cooperation already underway across diverse sectors between the two countries. Aliyev's visit has significantly accelerated the pace, scope, and depth of this collaboration.

Indeed, one of the significant outcomes of the visit is encapsulated in what can be considered to be some of the most important sentences of the Joint Statement. A few examples will suffice.

First, "The Parties firmly support each other in pursuing development paths chosen by their respective peoples and in accordance with their national conditions, and provide resolute support to each other in safeguarding fundamental interests, sovereignty, security, and territorial integrity."

Second, "The Parties support the reform of the international financial architecture to better align with changes in the global economic landscape. The Parties advocate for the liberalization and simplification of trade and investment, oppose unilateralism and protectionism, despotism and dismantling of world trade rules, and are committed to jointly defending the multilateral trading system to ensure prosperity for all."

Third, "The Parties are committed to upholding the UN-centered world order and the international system based on international law and the fundamental norms of international relations based on the purposes and principles of the UN Charter, and oppose hegemony and power politics. The Parties advocate for the

promotion of universal values—peace, development, equality, justice, democracy and freedom—and strive to create a new type of international relations and a community of common destiny for mankind.”

Fourth, “The Parties are prepared to promote the improvement of the global governance system, upholding the principles of joint consultation, joint contribution, and shared benefits, while reaffirming their commitment to multilateralism. The Parties advocate for strengthening the central coordinating role of the UN, increasing the representation and voting rights of emerging market economies and developing countries, and are ready to continue close interaction within the UN and other multilateral structures.”

Concrete Cooperation and Partnership

In addition to the Joint Statement, [the two countries signed over 20](#) intergovernmental and interagency agreements during Aliyev’s state visit, many of them focused on critical sectors such as renewable energy, legal cooperation, education, and intellectual property protection. The new joint declaration aims at enhancing bilateral trade flow more, as in the first two months of 2025, [bilateral trade turnover](#) surged to \$745.4 million—a 1.5-fold increase compared to the same period in 2024. Talks on a free trade agreement are to begin, a successful outcome of which would further institutionalize trade and investment relations.

Consequently, the new comprehensive agreement envisages further enhancing energy partnerships, specifically in the renewable energy field. Under the new commitment, [Chinese companies will co-develop](#) the 100 MW Gobustan Solar Power Plant and participate in an ambitious 2 GW offshore wind project in the Caspian Sea. These initiatives establish Azerbaijan as both a fossil fuel exporter and a regional clean energy innovation hub. Indeed, Azerbaijan’s strategy to diversify its economy and reduce dependence on fossil fuels aligns closely with China’s regional connectivity initiatives.

Hence, transport connectivity remained on the top agenda of both leaders during the meeting in Beijing as Azerbaijan saw more opportunities to boost its role within the Middle Corridor route connecting China and Central Asia to Europe through the Caspian basin. The importance of this route [has increased markedly](#) because of the West’s sanctions on Russia, which has reduced the viability of the Northern Corridor. It is expected that the further growth of cargo transportation via the Middle Corridor will expand cooperation in logistics between the two states. Considering Azerbaijan’s geographical proximity to Europe and Central Asia, [China views the country](#) as a central part of its economic expansion strategy, particularly within the framework of the newly-signed Agreement on International Multimodal Transportation. As the Joint Statement puts it, “China is ready to cooperate with Azerbaijan and other

countries along the route to continuously improve customs clearance convenience and cargo transportation efficiency, thereby jointly establishing safe, stable, and direct China-Europe-China Trans-Caspian express routes.”

Therefore, Aliyev’s visit to Beijing will quite likely embolden China to set mid-term and long-term strategies for involvement in the Middle Corridor project. On the other hand, the explicitly growing potential of the route makes it vitally important for the EU as well. As these developments accelerate, [the Middle Corridor’s potential](#) is becoming increasingly apparent, calling for a closer analysis of how the EU should engage. For Brussels, a main benefit of the Middle Corridor in the past three years has been an additional trade route that avoids transiting through Russia, which it and its member states have sanctioned (along with a few other countries). It is, therefore, in the EU’s interest to ensure that Russia is not able to co-opt this route for its own purpose.

To increase efficiency and attractiveness [for foreign investors and companies](#), Azerbaijan initiated the development of an eastern branch of the Middle Corridor. This effort led to the establishment of the Eurasian Transport Route International Association, including joint ventures such as Middle Corridor Multimodal Ltd. and BTKI Railways LLC in collaboration with Kazakhstan and Georgia to ensure the corridor’s smooth operation. Nevertheless, Azerbaijan acknowledges the existing problems within the Middle Corridor route, such as the lack of a common tariff policy, backlog with the necessary infrastructure in the Caspian Sea, and lack of a sufficient number of wagons for timely transportation of all goods from China to Europe and vice versa.

Customs procedures, tariff structures, and [trade regulations differ significantly](#) between the countries along the route, leading to inefficiencies in border crossings and transit logistics. Without harmonized trade policies and standardized pricing models, logistics operators face cost unpredictability and delays in delivery timelines. To address the issue, Singapore-based Global DTC Pte Ltd [announced that it launched](#) a new digital platform for the trade corridor to simplify cargo transportation between Asia and Europe.

In addition to tariff and customs regulations, another challenge to the Middle Corridor is that the main direction of [trade is overwhelmingly](#) east-to-west, as there is a lack of European exports. Hence, the absence of return cargo poses a significant challenge to its long-term cost-effectiveness. Notwithstanding this fact, China is willing to boost its bilateral partnership with Azerbaijan amid rising confrontation with the US beyond the BRI initiative. The renewed approach of [Chinese soft power diplomacy](#) entails the deepening partnership with small but energy-rich countries like Azerbaijan accompanied by investment flow into various fields, thus strengthening the footprint in the region.

China's Expanding Footprint and Azerbaijan's "Strongest" Strategic Partnership

Azerbaijan is moving efficiently with the times, working to ensure it does not fall victim to a rapidly changing geopolitical and geoeconomic landscape in the wider Silk Road region, by doing what needs to be done for the country to take an advantageous place in the new world order. Therefore, [a strong emphasis](#) on strategically important infrastructure projects, namely railway and highway networks and international transit routes, continues to be a part of Azerbaijan's pragmatic foreign policy agenda.

Azerbaijan's foreign policy has traditionally revolved around strategic balancing, and this latest visit to Beijing exemplifies Baku's ability to navigate competing interests. Considering the recent elevation of Baku-Beijing ties to the level of comprehensive strategic partnership relations, [Baku will likely push for further](#) development of infrastructure projects in the Caspian basin and railway networks through additional funding. In this context, China will likely emerge as the Middle Corridor's next vital financier, as investment in the Middle Corridor remains a critical issue. Thus, the elevation of the Azerbaijan-China strategic partnership to a comprehensive level will open new horizons not only for Azerbaijan but all the other core countries of the Silk road region in terms of transit routes and infrastructure-related investments.

Consequently, in addition to economic and transit partnership, an important emerging area in the Azerbaijan-China [partnership is cooperation](#) under the Digital Silk Road. As Azerbaijan modernizes its digital infrastructure, [China offers opportunities in 5G](#), cloud computing, AI logistics, and e-commerce platforms, particularly to support trade along the Middle Corridor. Joint efforts in customs digitalization and smart logistics could enhance connectivity and efficiency. However, Azerbaijan will need to carefully balance digital cooperation with China while maintaining data security and alignment with its own digital standards, which take into account those used by other major powers, Western and non-Western.

In short, Aliyev's landmark visit to China and the establishment of a Comprehensive Strategic Partnership represents a pivotal evolution in Azerbaijan's foreign policy. By deepening ties with Beijing while advancing the Middle Corridor project, Azerbaijan is positioning itself as a critical regional connectivity hub in a rapidly shifting geopolitical and geoeconomic landscape.

However, sustained success will require Baku to continue its posture of careful balancing between competing interests, strategic investments in connectivity infrastructure, and proactive engagement with China, the EU and its member states, and other major powers with stakes in the area of connectivity, including Türkiye. If managed skillfully, Azerbaijan stands to become an indispensable conduit between East and West, securing a prosperous and strategically autonomous future in the process.

The final assessing word can be left to the President, who [stated](#) in his interview with China's CGTN television network conducted during the state visit, "I can tell you that Azerbaijan signed the Declaration on Strategic Partnership with many countries in our region and also with some European countries, but China is the strongest among them."