

# Azerbaijan's 'Smart Diplomacy'

## Baku's Foreign Policy Transformation and Global Development Engagement

---

*Inara Yagubova*

---

In recent years, Azerbaijan has undergone a notable shift in its foreign policy posture, engaging with an increasing number of political, economic, and regional partners across multiple geographies as part of a multivector approach aimed at expanding its influence worldwide.

By utilizing its geographic location and resources as diplomatic tools, Baku skillfully balances its relations with important actors including the European Union, Russia, Türkiye, the United States, and major Asian partners, rather than aligning solely with any one power or bloc. Additionally, Baku has taken several steps to position itself as a regional actor, with an increasingly active role in mediating regional and global affairs. These efforts demonstrate Baku's deliberate pursuit of what can be called "smart diplomacy"—a sophisticated and pragmatic strategy that leverages the country's strategic position, economic potential, and balanced foreign policy to enhance its global standing and boost its influence abroad.

Azerbaijan's strategic recalibration of the terms of its international participation has not only improved the country's political power but also widened the scope of its foreign policy objectives. Baku is increasingly coordinating its diplomatic engagement with tangible contributions to international development and humanitarian endeavors in an effort to project an image of itself as a trustworthy and accountable player on the global scene. This change marks a departure from conventional geopolitical concerns toward a more diverse approach to global affairs.

One manifestation of Baku's new approach is the integration of development aid and donor engagement as an instrument of foreign policy. It serves as a form of

---

*Inara Yagubova is a Senior Research Fellow at the Institute for Development and Diplomacy at ADA University, where she previously served as Project Manager of its Centre for Excellence in EU Studies. The views and opinions expressed herein are solely those of the author.*

soft power diplomacy, complementing the country's traditional political, economic, and security strategies. This strategic shift shows a broader change in Azerbaijan's external engagement. After regaining independence, it started shifting from a recipient of aid to a contributor, a process that has become a significant aspect of its foreign policy, including contributions to global financial institutions like the Asian Development Bank and the World Bank. Azerbaijan is now an emerging donor country, actively providing humanitarian and development assistance to other UN member states through its Azerbaijan International Development Agency (AIDA) and other channels.

This IDD Analytical Policy Brief explores Baku's role as an emerging donor country and its contributions to international development across different regions. The paper will also discuss some of the foreign policy implications and benefits of the work done by Baku at the international level.

## *From Recipient to Donor*

Azerbaijan has increasingly positioned itself as a growing contributor to international development efforts, drawing on its own successful (ongoing) economic transition. In recent years, the country has moved away from reliance on external aid and instead expanded its support to other states through both bilateral and multilateral development partnerships. As a result, development cooperation has become a key part of Azerbaijan's foreign policy, reflecting its commitment to advancing global development priorities and shared prosperity. In 2024, Azerbaijan [allocated](#) an estimated \$61.9 million in official development assistance (ODA), which is about 0.08 percent of its gross national income (GNI), according to preliminary data.

Speaking at an event marking the launch of the World Bank's 2024 World Development Report (WDR), presidential adviser Shahmar Movsumov highlighted Azerbaijan's progress since joining the organization in 1992. "After joining the World Bank in 1992, Azerbaijan underwent a profound transformation. The country, once dependent on foreign assistance, has now become a donor, providing financial support to the World Bank's International Development Association," Movsumov [said](#).

Established in 2011 under the Ministry of Foreign Affairs, AIDA acts as the main channel for the country's foreign aid and development programs. AIDA has [reportedly](#) provided assistance to over 140 countries, including nearly all African ones, through initiatives in social infrastructure, health, education, poverty reduction, and technical cooperation. The Heydar Aliyev Foundation is a key component of Azerbaijan's humanitarian diplomacy, supporting AIDA's efforts. The Foundation has funded international reconstruction projects, delivered emergency relief after natural disasters, and provided medical assistance.

A clear sign of Azerbaijan's growing global influence in international development was COP29, held in Baku in November 2024, which marked a significant milestone in global climate negotiations and highlighted Azerbaijan's growing leadership. Climate finance and sustainable development were at the forefront of its agenda, and as COP29 President, Azerbaijan has actively promoted stronger international cooperation on climate action and sustainable growth.

COP29 acted as a catalyst for enhancing global climate action. A major achievement of COP29 was the launch of the Baku Finance Goal (BFG), an ambitious commitment to mobilize \$1.3 trillion in annual climate finance for developing countries, tripling the previous target and strengthening efforts to tackle climate change challenges where support is most urgently needed. Central to this initiative is a pledge by developed countries to allocate at least \$300 billion annually to climate mitigation and adaptation projects in the developing world, thereby speeding up investment flows and resilience-building efforts. The results of COP29 not only promote global climate objectives but also boost Azerbaijan's growing role in shaping development cooperation, with the principles and practices of climate financing expected to positively influence broader international development strategies aimed at addressing critical challenges faced by developing nations.

Following its role in hosting and presiding over COP29, Azerbaijan continued to demonstrate strong leadership in advancing climate action, climate justice, and sustainable development. Beyond using its heightened convening power on climate issues, Baku is actively contributing to implementation through concrete initiatives, including the establishment of the Baku Climate and Peace Action Hub in late 2024. This platform underscores Baku's enduring commitment to translating COP29 outcomes into sustained action, fostering climate-peace linkages, and positioning the city as a long-term center for inclusive and results-oriented climate engagement. These initiatives aim to establish pilot programs in countries like Guinea-Bissau and The Gambia in order to connect climate action with peacebuilding in vulnerable areas. Beyond its conventional economic and energy diplomacy, this helps Baku become more visible internationally and establishes it as a state capable of offering positive solutions to global concerns.

The idea is to make Baku Hub a crucial institutional tool for Azerbaijan's foreign policy aspirations, development cooperation, climate diplomacy, and peacebuilding initiatives, reflecting a move away from an exclusive focus on advancing its national interests toward carving out a more visible role in advancing global objectives.

As part of its evolving foreign aid strategy, Azerbaijan has extended humanitarian and development assistance to a broad range of African countries through institutions such as AIDA and the Heydar Aliyev Foundation. Baku's cooperation and coordination initiatives and its contribution to the development of the African continent have been realized through humanitarian aid, educational programs, and cultural initiatives.

According to [official data](#), 53 out of 54 African states have benefited from Azerbaijani development cooperation and humanitarian programs. In education, for instance, the 2023/2024 academic year saw 365 students from 35 African countries enrolled in Azerbaijani universities under the Heydar Aliyev International Education Grant Program, a fully funded initiative launched to offer tuition-free opportunities to students from developing countries. Meanwhile, the Heydar Aliyev Foundation's activities in Africa have included infrastructure projects in education and healthcare—strengthening local schools, equipping them with modern resources such as computers and internet access, and providing medical support in several African states.

Beyond education, humanitarian and technical aid have addressed urgent needs in the health and social welfare sectors. AIDA has implemented medical aid and technical assistance programs in countries including Angola, Chad, Ethiopia, Sudan, and Sierra Leone, delivering essential supplies and supporting vulnerable populations. Azerbaijan's humanitarian and development engagement in Africa is reflected in [initiatives](#) such as the Combating Preventable Vision Loss (AFAB) project, implemented in partnership with the Islamic Development Bank. Through AIDA's financial support, the project provided eye surgeries to 3,000 patients, medical examinations to 12,600 individuals, and professional training for 68 healthcare workers in Somalia in 2023, thereby contributing directly to the SDGs related to health, poverty reduction, and inequality mitigation.

Furthermore, in Kenya, AIDA funded a youth-skills center with an allocated budget of [\\$34,000](#) to strengthen training and capacity building for local communities. Cooperation also extends to governance and institutional assistance: during diplomatic and technical cooperation missions, AIDA works with African governments to plan and carry out sustainable development projects, thereby promoting stable growth and long-term partnerships. Through this multi-faceted engagement—covering education, humanitarian relief, technical assistance, and institutional cooperation—Azerbaijan is increasingly recognized as a dedicated and capable partner, contributing to sustainable development in Africa and beyond.

Azerbaijan's export of the ASAN government services model has become a key part of its development cooperation with African countries, highlighting its ability to help with institutional modernization and good governance abroad. By sharing its award-winning public service model through the State Agency for Public Service and Social Innovations, Azerbaijan has supported Uganda in becoming the first African state to operationalize ASAN-inspired public service centers, starting in 2022. From 2022 to 2024, [six of these centers](#) were established in Uganda, handling high volumes of public requests and demonstrating measurable improvements in access and service efficiency.

Similarly, Azerbaijan has contributed to digital capacity-building in North Africa. After signing a Memorandum of Understanding with Morocco in 2023, Moroccan specialists received training in Baku, and ASAN solutions were later integrated into the national

“Digital Morocco 2030” strategy. Meanwhile, ongoing technical consultations with Kenya and Rwanda since 2023 indicate increasing interest in adapting the model to improve e-government reforms in East Africa. In June 2025, the official presentation of the MESOB public service center in Ethiopia took place; it, too, was established on the basis of the ASAN Service model. Through these partnerships, Azerbaijan is becoming an exporter of institutional expertise, advancing international development by promoting citizen-centered governance, transparency, and public sector innovation across Africa. As of mid-2025, ASAN service cooperation includes 30 partner countries worldwide, with a growing number in Africa actively working to implement or adapt the model to their national needs

Another important aspect of Azerbaijan’s contribution to international development is its reconstruction and peacebuilding efforts in Ukraine and Syria. In late 2024, Azerbaijan sent a 200-ton [aid](#) convoy to Syria to deliver food and basic supplies to areas in dire need. By January 2025, the aid had reached internally displaced people in Aleppo province, exemplifying Azerbaijan’s humanitarian involvement. In July 2025, Syrian President Ahmed al-Sharaa paid an official visit to Baku, during which he discussed a broad range of issues with his Azerbaijani counterpart, including bilateral political relations, energy cooperation, infrastructure reconstruction, and prospects for Syria’s post-conflict economic recovery. A key focus of the discussions was the potential entry of Azerbaijani natural gas into the Syrian market.

Progress in this direction materialized in August 2025, when Azerbaijan commenced gas deliveries to Syria as part of the broader Azerbaijan-Türkiye-Syria energy cooperation framework. The project is expected to export approximately 1.2 bcm of gas annually and to support the generation of up to megawatts of electricity, thereby making a significant contribution to the reconstruction and rehabilitation of Syria’s energy infrastructure.

Besides, Azerbaijan formally expressed its willingness to support Syria’s post-conflict growth and reconstruction in 2025. Baku stressed that the reopening of its mission in Damascus represents a new chapter in bilateral relations during a June meeting between the foreign ministers of Azerbaijan and Syria. Azerbaijan reaffirmed its willingness to participate in Syria’s reconstruction efforts, combining increased economic and humanitarian cooperation with political discourse.

Azerbaijan has consistently demonstrated its commitment to supporting Ukraine’s humanitarian needs and postwar recovery, providing more than \$42 million in assistance since the onset of the current stage of the conflict over Ukraine in February 2022. Recent efforts include a presidential order [allocating](#) an additional \$2 million from the 2025 state budget to supply Azerbaijani-produced electrical equipment to help restore damaged energy infrastructure, building on earlier aid shipments (e.g., \$1 million worth of electrical cables, transformers, and generators).



Beyond emergency relief, Azerbaijan has funded reconstruction initiatives in war-affected Irpin, including the renovation of a city polyclinic, a secondary school, a humanitarian lyceum, and ongoing work on four additional facilities—a cultural house, a youth sports school, a cultural center, and a residential building. Humanitarian assistance has also reached Ukrainian civilians displaced or impacted by the war, with rehabilitation programs in Baku hosting over [300](#) Ukrainian children as of August 2025. Through these continuous efforts, carried out through both bilateral and multilateral channels, Azerbaijan continues to play a significant role in Ukraine's recovery and resilience-building efforts.

## *Development Aid as Soft Power*

International aid is a key element of modern foreign policy, enabling donor countries to pursue various strategic objectives beyond traditional diplomacy. It is commonly regarded as a geopolitical risk-management tool that lets donor countries influence and shape both domestic and international environments in ways consistent with their own national interests, rather than a mere altruistic transfer of resources.

In this strategic context, Azerbaijan's increasing donor and humanitarian aid activities are a key part of a broader foreign policy aimed at boosting soft power, diversifying alliances, gaining economic and geopolitical benefits, and promoting global stability. By utilizing institutions like AIDA, exporting governance models, investing in development cooperation, and engaging in humanitarian diplomacy, Baku expands its international footprint and reshapes its role from a regional actor to a globally engaged partner.

Azerbaijan's shift from being a recipient of aid to a donor state improves its standing internationally and solidifies its identity as a responsible, proactive actor on the world stage. Particularly, its contributions to international development across Africa and other parts of the developing world help forge new political and economic alliances. Baku's efforts to fund development projects, humanitarian aid, digital governance collaboration, and overseas capacity building lay the groundwork for long-term bilateral relationships that could benefit its geopolitical interests, open markets for Azerbaijani companies, and promote cooperation in energy, trade, and governance. These moves contribute to the strategic diversification of the partners and decrease excessive dependence on current partners and allies.