

Azerbaijan-China Comprehensive Strategic Partnership

Energy, Connectivity, and Emerging Areas of Cooperation

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The approaching first anniversary of the Azerbaijan-China Comprehensive Strategic Partnership offers a useful opportunity to take stock of achievements so far and assess the possibilities ahead.

In April 2025, President Ilham Aliyev’s visit to Beijing culminated in the formal elevation of bilateral ties with the People’s Republic of China from a Strategic Partnership to a Comprehensive Strategic Partnership—a designation Beijing reserves for only a select group of states. Following 33 years of stable political dialogue and cooperation, this upgrade reflects China’s recognition of Azerbaijan as a reliable partner in a region of growing strategic importance.

In light of this development, this IDD Analytical Policy Brief assesses the core pillars of the evolving Azerbaijan-China partnership, reflecting on both the projects undertaken over the past decade and the new areas outlined in the 2025 agreement. In doing so, it examines expanding cooperation in energy—including renewable and green technologies—connectivity (particularly through the Belt and Road Initiative (BRI) and within the context of the Middle Corridor), emerging military cooperation, and the deepening of political trust reinforced by high-level dialogue and growing coordination in multilateral frameworks, such as the Shanghai Cooperation Organization (SCO).

Diplomatic Foundations and Strategic Alignment

The Azerbaijan-China Comprehensive Strategic Partnership should be viewed as a natural extension of Baku’s longstanding multivectoral foreign policy approach. Following

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the restoration of its territorial integrity in the Second Karabakh War and the subsequent emergence of more favorable conditions for regional normalization, Baku has continued to pursue balanced and mutually beneficial partnerships with all major powers. The deepening engagement with China adds strategically to this mosaic.

First and foremost, both countries show a clear alignment on issues of sovereignty and territorial integrity, reflected in Azerbaijan's support for the "One China" policy and Beijing's consistent backing of Baku's post-conflict goals.

Second, as outlined in the 2025 agreement, both sides have committed to aligning China's BRI with Azerbaijan's national development strategies, including the "Revival of the Silk Road" and the 2030 Socio-Economic Development Strategy. This opens the door to expanding energy cooperation, especially in the renewables sector, where Chinese investment and technology play a key role in helping Azerbaijan reach its goal of generating at least 30 percent of its electricity from renewables by 2030.

Third, beyond bilateral engagement, this partnership is increasingly expanding into multilateral frameworks. A clear example is China's support for Azerbaijan's membership in the SCO and its chairmanship of the Consultative Meeting on Confidence-Building Measures in Asia (CICA), reaffirmed during a recent meeting in China between Azerbaijani Parliament Speaker Sahiba Gafarova and Chairman of the Standing Committee of China's National People's Congress Zhao Leji. The visit itself indicates a growth of interparliamentary engagement between the two countries, adding an extra institutional dimension to their cooperation.

This engagement is further strengthened through coordination within broader frameworks such as BRI, climate platforms linked to COP29, and the 2026 World Urban Forum in Baku, positioning Azerbaijan within an expanding network of China-supported multilateral cooperation. While Azerbaijan currently holds the status of a "dialogue partner" within the SCO, these developments indicate a gradual elevation of its role in the organization.

Energy Cooperation and the Quest to Go Green

At the core of this upgraded relationship is a pronounced emphasis on energy cooperation, particularly in the renewable domain, producing clear benefits to both sides.

Under BRI and various agreements signed during and in the wake of COP29, sustainable energy and working on projects related to the green "transition" have become important areas of cooperation, with a growing focus on manufacturing and cross-border electricity corridors. Azerbaijan's strategic location and role within the Middle Corridor enable it to contribute to developing transnational energy routes, such as the Caspian-Black Sea-Europe "Green Energy Corridor." This would elevate Azerbaijan's role from an

energy producer to a green electricity supplier and a facilitator of cross-regional energy connectivity. China, in turn, strengthens its role as a leader in green infrastructure across the Silk Road region.

More recently, a series of agreements signed during Aliyev's 2025 visit to Beijing translated this into concrete projects, positioning Azerbaijan as a regional energy hub and China, a global leader in renewable energy, as a key partner and supplier in this endeavor.

These include plans for a 2 GW offshore wind farm in the Caspian Sea with PowerChina and China Datang, a 100 MW floating solar plant on Lake Boyukshor, and multiple solar and battery installations across the country. Chinese-supported solar installations in Karabakh are particularly significant, providing clean energy for community needs while advancing Azerbaijan's strategy of transforming liberated territories into hubs for renewable energy.

Additional projects, such as the 100 MW Gobustan solar plant, awarded to China's Universal International Limited company through Azerbaijan's first renewable energy auction, are estimated to save 57 million cubic meters of natural gas and cut carbon emissions by 124,000 tons per year. For Azerbaijan, aiming to generate 30 percent of its electricity from renewables by 2030 and cut greenhouse gas emissions by 40 percent by 2050, such initiatives help accelerate this transition toward a diversified economy with reduced hydrocarbon dependence. For China, this partnership offers a green footprint in the South Caucasus, as well as an opportunity to demonstrate its technological capabilities, ranging from equipment supply to training programs and working groups.

Moreover, Chinese participation extends well beyond project financing. A number of power plants, though developed by third-country firms, heavily rely on Chinese-made hardware. A convincing example is the Garadagh 230 MW Solar Park, currently the largest solar plant in the CIS region, developed by the UAE's Masdar using Chinese panels and monitoring systems. The facility reduces emissions by roughly 200,000 tons annually.

Similarly, Azerbaijan's first large-scale wind project, the Khizi-Absheron 240 MW Wind Farm led by ACWA Power, incorporated Chinese turbine technology to enable quicker deployment and cost savings. The benefits are evident, aligning with Azerbaijan's economic diversification goals and China's concept of a "win-win cooperation" outlined in its Global Security Initiative.

Another key element of Azerbaijan-China energy cooperation is technology transfer. Besides providing essential components for Baku's solar and wind projects, technology transfer has recently expanded to include expertise. Chinese companies have helped with project design, grid integration, and large-scale energy management, where Beijing's domestic experience enhances operational efficiency.

Similarly, a meeting held in late 2025 between Azerbaijan's Minister of Energy, Parviz Shahbazov, and the Chairman of the Board of Directors of China Datang Corporation confirmed plans for training programs and joint working groups for energy specialists in Azerbaijan. Plans to establish a "Joint Research Center for Green Energy Development" in Baku are already underway following discussions with China Energy Engineering Group and its affiliates.

Looking ahead, these projects have the potential to accelerate Azerbaijan's green "transition," strengthen its economic resilience and post-conflict regional position, while deepening bilateral engagement with Beijing.

Connectivity and Azerbaijan's Role in the Middle Corridor

It is unsurprising that connectivity looms large over the Azerbaijan-China partnership, with the Middle Corridor emerging as its central operational pillar. Stretching from China through Central Asia, across the Caspian Sea, and through Azerbaijan to Europe, this corridor offers a viable and scalable east-west route, particularly as traditional northern routes through Russia and southern routes through Iran have become less reliable in recent years. Important, too, is not merely that the route bypasses riskier zones, but that it does so without requiring a wholesale geopolitical realignment from the states along it. Therefore, the corridor offers both utility and optionality, and clear benefits for both Azerbaijan and China.

Located on the western shore of the Caspian, Azerbaijan is indispensable to the functioning of the Middle Corridor. The Port of Baku, following recent investments in its expansion, operates simultaneously as a maritime terminal, a rail junction, and a multimodal integration hub, with an annual capacity of 15 million tons of cargo and aiming to triple it by 2030. All cargo crossing the Caspian from Kazakhstan or Turkmenistan must pass through Azerbaijan, making it the central node through which the corridor is consolidated.

Understanding the future of Azerbaijani-China cooperation requires acknowledging the connectivity projects and institutional arrangements that have already taken shape before the 2025 upgrade. Azerbaijan had spent years investing in the hard and soft infrastructure needed to make the route viable: expanding the Port of Baku at Alat, modernizing rail links, developing logistics facilities, and digitalizing customs procedures.

China, too, had already been involved in a number of landmark initiatives in the region: from the growing use of the Baku-Tbilisi-Kars railway by China-linked freight traffic to efforts to integrate the Port of Baku in Alat into wider Belt and Road logistics networks. In 2015, Azerbaijan and China signed an MoU on the Silk Road Economic Belt; in 2019, AzerTelecom and China Telecom signed a document on developing an

Asia-Europe telecommunications corridor under the Azerbaijan Digital Hub program, while Azerbaijan's State Customs Committee partnered with Huawei to introduce a "single window" customs system.

The 2025 Comprehensive Strategic Partnership gave this reality a formal bilateral framework. A key aspect of the document was the signing of the International Multimodal Transportation Agreement, under which the two sides committed themselves to developing reliable, safe, and efficient China-Europe-China Trans-Caspian routes. It elevated the relationship from broad political and financial support for BRI to a more concrete, operational commitment.

The significance of these investments and projects became clearer in October 2025, when a new multimodal freight corridor was launched linking China with Kyrgyzstan, Uzbekistan, and Turkmenistan before reaching the Caspian Sea and continuing westward through Azerbaijan via the Baku-Tbilisi-Kars railway toward Europe. While limited in scale, the shipment proved that an integrated overland-maritime chain linking western China to Europe via the Caspian is already operational, and Azerbaijan is increasingly vital in facilitating transcontinental connectivity.

For China, the benefits are clear. Beijing sees the Middle Corridor as part of its broader strategy to diversify trade routes and increase its presence in the Silk Road region, especially as changing regional dynamics have heightened the area's strategic importance. For Azerbaijan, this elevates the country's role from mainly a commodities supplier to a key hub and a dependable partner in connectivity across the Silk Road region. As freight volumes grow and coordination improves, the Azerbaijan-China partnership is likely to remain a crucial part of the evolving connectivity architecture across the Silk Road region.

Emerging Security and Defense Cooperation

The final area of cooperation this policy brief examines is the steadily evolving Azerbaijan-China security and defense engagement. In the 2025 Comprehensive Strategic Partnership agreement, both countries pledged to deepen their military ties. This shift has been most visible in the growing presence of Chinese-made air defense systems within Azerbaijan's arsenal.

In November 2025, a military parade marking the fifth anniversary of Azerbaijan's victory in the Second Karabakh War featured several Chinese systems (an unprecedented development), including HQ-9, HQ-22, and HQ-17AE. The HQ-9BE long-range air defense system, Azerbaijan's first major defense acquisition from China, in particular, represents an important step in strengthening the country's air defense capabilities, as it provides the country with the capability to intercept aircraft, drones, and ballistic missiles at extended ranges.

More importantly, this development points to a shift in procurement patterns. Azerbaijan is increasingly engaging directly with Chinese defense manufacturers, rather than acquiring Chinese systems through intermediaries.

While still limited in scope, these developments indicate that defense cooperation is gradually emerging as a functional, albeit secondary, dimension of the broader Azerbaijan-China strategic partnership.

Structured and Expanded Upgrade

This IDD Analytical Policy Brief examined the evolving Azerbaijan-China partnership in light of the Comprehensive Strategic Partnership signed in April 2025. What is emerging is a more structured and expanded upgrade of an already solid relationship.

Looking ahead, Azerbaijan is poised to benefit most from areas where cooperation is already active: increasing cargo flows through the Middle Corridor, expanding Chinese-supported renewable energy projects, and deepening technology transfer in both energy and logistics. This aligns with Baku's broader strategy of using external partnerships to support its economic diversification and enhance its role as a regional transit and energy hub.