

The South Caucasus, Connectivity and the European Union's Strategic Turn

Jordi Xuclà*

This article examines the South Caucasus as an emerging geoeconomic hub and analyses the European Union's strategic turn towards the region since 2022. This turn was driven by the interaction of three factors. First, Russia's war against Ukraine forced the European Union (EU) to accelerate energy diversification and to give greater value to east-west routes outside Russian control. Second, the Armenia-Azerbaijan normalization process and the weakening of Russia's regional role made the South Caucasus more available for energy, transport and diplomacy. Finally, Azerbaijan exploited this opening through its energy infrastructure, transit position, relationship with Türkiye and multi-vector foreign policy. This causal sequence creates the article's main puzzle: although the EU has become more dependent on a stable and connected South Caucasus, its institutions have not moved in the same direction. The European Commission, the Council of the EU and several member states of the Union have treated Azerbaijan as a necessary partner for energy security, access to the Caspian and Central Asia, and the development of the Middle Corridor. However, the European Parliament has followed a more hostile line, often returning to conflict-era language and weakening the EU's credibility in the post-conflict regional order. The South Caucasus simultaneously constitutes a corridor of energy diversification, east-west connectivity and geopolitical competition. The EU's influence in the region will depend on its capacity to align strategic language, institutional discipline and investment decisions.

Keywords: South Caucasus, European Union, Azerbaijan, connectivity, Middle Corridor.



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Introduction: The South Caucasus and the European Union in a Connected World

Real-time flight tracking platforms provide a striking and immediate illustration of the South Caucasus' renewed geopolitical centrality. The closure of Russian airspace following the war in Ukraine, combined with the successive closures of Iranian airspace during the Israel–Iran confrontation of June 2025 and the renewed strikes of early 2026, has redirected a significant share of air traffic between Europe and Asia through the South Caucasus corridor. What these platforms reveal is a dense and continuous flow of passenger and cargo flights crossing this space. This visible reconfiguration of aerial routes offers a clear expression of the region's evolving role as a necessary junction in the movement of goods and people between Europe and Asia.

This image introduces a wider transformation. The EU now looks at the South Caucasus as a region of more direct political and economic relevance, and seeks more structured relations with Azerbaijan, Armenia and Georgia through diplomacy and connectivity initiatives.¹

This article argues that the EU's strategic turn towards the South Caucasus was driven by a change in European priorities after 2022. Russia's war against Ukraine made energy diversification and establishing routes outside Russian control more urgent.² Meanwhile, the weakening of Russia's role in the South Caucasus and the Armenia–Azerbaijan normalization process made deeper regional engagement more politically viable. Azerbaijan exploited this opening through its energy infrastructure, transit position, relationship with Türkiye and multi-vector foreign policy. The article considers the EU's shift as the result of three connected factors: European need, regional change and Azerbaijani agency. It also examines the tension within the EU itself. The European Commission and the Council of the EU have moved towards pragmatic engagement with Baku, while the European Parliament has followed a more hostile and conflict-centred line. This institutional divergence helps explain why the EU's policy has become more strategic but remains uneven.

The division has practical consequences. The EU has become more dependent on a stable and connected South Caucasus, but its

1 European Commission, "Global Gateway: Building Sustainable Links Around the World", December 1, 2021, Available at: <https://ec.europa.eu>.

2 European Commission, "REPowerEU Plan", May 18, 2022, Available at: <https://ec.europa.eu>.

institutions have not moved in the same direction. The Commission and the Council must deal with energy supplies, transport corridors, sanctions against Russia, access to Central Asia and the management of regional escalation. The European Parliament does not carry the same operational burden. It can adopt a more hostile vocabulary without having to manage its consequences for gas flows, corridor development or regional negotiations. This explains why one part of the EU has moved towards a working partnership with Azerbaijan, while another continues to frame the region in terms of conflict-era categories.

The article uses a qualitative causal approach. It distinguishes between three elements: the shock that pushed the EU to adjust its position, the regional conditions that made deeper engagement possible and the institutional factors that kept the European response divided.

The article is structured accordingly. It first examines how the South Caucasus has acquired renewed geopolitical relevance and how this has affected the EU's approach. It then looks more closely at the evolution of EU policy, focusing on the gradual move from a predominantly critical posture to a more pragmatic form of engagement. The following section turns to the legal and political developments that have made this shift possible, particularly in the context of the Armenia–Azerbaijan normalization process. The final part analyses the material dimension of this transformation, with a focus on energy flows, transport routes and the broader logic of Eurasian connectivity.

Why the South Caucasus Became More Relevant

The renewed centrality of the South Caucasus is rooted in geography, but the current geopolitical context has made that geography significantly more consequential. Situated between the Black Sea and the Caspian basin, and bordering Russia, Türkiye and Iran, the region has long been exposed to competing external pressures. What has changed is not its location, but the intensity and scale of the use made of that location.

Routes that once appeared secondary now carry growing volumes of energy, trade and transit flows, placing Azerbaijan, Armenia and Georgia more firmly within the core of Eurasian dynamics.

For the EU, this shift became particularly evident after 2022. The disruption of established energy supply patterns, combined with the urgent need to

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reduce dependence on Russian gas, triggered a rapid reassessment of external partnerships. In this context, Azerbaijan's role as a supplier became substantially more relevant. Gas exports to the EU increased from around 8 bcm in 2021 to approximately 12 bcm in 2023 and have continued to grow, reaching levels close to 13 bcm in 2024–2025, with deliveries to Italy, Greece and Bulgaria through the Trans Adriatic Pipeline.³ Additional volumes have been channelled to Southeast Europe through interconnectors, particularly the Greece–Bulgaria link, with further extensions under development.⁴ The Memorandum of Understanding signed in July 2022 between the European Commission and Azerbaijan established a political objective of increasing these flows to at least 20 bcm annually by 2027, a target that continues to shape infrastructure expansion and upstream investment decisions.⁵

Georgia plays an important role in regional connectivity, hosting key segments of the Southern Gas Corridor as well as transport infrastructure linking the Caspian basin to the Black Sea. While transit revenues and infrastructure investments remain central to its economic model, its current foreign policy orientation has made it a less dynamic actor within the evolving regional framework.

Armenia, traditionally marginal to these connectivity dynamics owing to closed borders and the legacy of conflict, may enter a new phase of regional integration. If political continuity is maintained following the parliamentary elections of June 7, 2026, and the current government's approach is sustained, Armenia could become an active component of emerging connectivity initiatives. In this scenario, improved relations with Azerbaijan and Türkiye would allow it to benefit from a more constructive neighbourhood policy and from its integration into regional transport and economic networks.

Beyond energy, the importance of the South Caucasus has grown in the transport and logistics spheres. The Trans-Caspian International Transport Route (also known as the Middle Corridor) has gained increasing attention as trade flows between China and Europe adjust to new geopolitical realities. Rail freight volumes have expanded since

3 Energy Institute, *Statistical Review of World Energy 2024*, London, Energy Institute, 2024.

4 Trans Adriatic Pipeline, "TAP delivers 50 billion cubic metres of natural gas to Europe", September 1, 2025, Available at: <https://www.tap-ag.com/news/news-stories/tap-delivers-50-billion-cubic-metres-of-natural-gas-to-europe>.

5 European Commission, "EU-Azerbaijan Energy Memorandum of Understanding", July 18, 2022.

2022, with Kazakhstan, Azerbaijan and Georgia coordinating transit operations across the Caspian and Black Sea segments. By the end of 2025, cargo volumes are estimated to have reached between 4 and 5 million tonnes annually, with container traffic the fastest-growing segment. Transit times have also decreased, in some cases approaching 15–20 days under optimal conditions, bringing the corridor closer to commercial competitiveness.⁶

This evolution reflects infrastructure investment and better corridor coordination. Ports, railways, customs procedures and tariffs now serve the same purpose: making the Middle Corridor reliable enough to work as a commercial route, not only as a political alternative to Russian routes. The EU has increasingly positioned itself as part of this process. Through the Global Gateway strategy, the EU supports and reinforces connectivity between Europe and Asia, including through transport infrastructure, digital networks and regulatory convergence. The South Caucasus features prominently within this framework as part of a wider system linking European and Asian markets.⁷

This shift has also exposed sharp institutional divisions in Europe. The Commission and the Council have increasingly approached the region in terms of stability, energy diversification and connectivity. The European Parliament⁸ and the Parliamentary Assembly of the Council of Europe⁹ (PACE) have followed a more confrontational line. PACE's decision, in January 2024, not to ratify the credentials of the delegation of Azerbaijan went beyond political criticism: it excluded Azerbaijani parliamentarians from the Assembly's ordinary work and from a forum that participates in the election of the Secretary General of the Council of Europe, the Commissioner for Human Rights and judges of the European Court of Human Rights. This created a serious asymmetry.¹⁰

6 World Bank, *Middle Trade and Transport Corridor: Policies and Investments to Triple Freight Volumes and Halve Travel Time by 2030*, Washington, DC, World Bank, November 2023.

7 European Commission, "Global Gateway: Building Sustainable Links Around the World", December 1, 2021.

8 European Parliament, "Resolution on the Situation in Nagorno-Karabakh", October 2024.

9 Parliamentary Assembly of the Council of Europe, Resolution 2527 (2024), "Challenge, on substantive grounds, of the still unratified credentials of the parliamentary delegation of Azerbaijan", January 2024.

10 Putnam, R.D., "Diplomacy and Domestic Politics: The Logic of Two-Level Games", *International Organization*, Vol. 42, No. 3, 1988, pp. 427–460; Xuclà, J., "Reasons Why the New Spanish Coalition Government Had to Adjust Its Foreign Affairs Policy Along Venezuela's Political Position, the Sahara's Conflict, and the Renewal of the U.S. Military Basis", *American Behavioral Scientist*, Vol. 66, No. 3, 2022, pp. 339–356.

A member state remained subject to the institutional and judicial architecture of the Council of Europe, while its elected parliamentarians were deprived of participation in one of its central parliamentary bodies. The institutional consequences of this confrontational approach are developed in the following section.

Two European Logics: Strategic Engagement and Parliamentary Confrontation

The evolution of EU policy towards Azerbaijan cannot be understood as a single European line. It is better explained as the coexistence of two institutional logics. The first is executive and pragmatic. It is represented by the Commission, the Council and several member states, which have treated Azerbaijan as a necessary partner for energy diversification, regional connectivity, and access to the Caspian and Central Asia. This logic became stronger after 2022, when Russia's war against Ukraine made dependence on Russian energy and Russian-controlled routes more costly.

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The second logic is parliamentary and confrontational. It has been most visible in the European Parliament, where resolutions on Azerbaijan have often returned to a conflict-centred and anti-Azerbaijani vocabulary and have not followed the direction of the Armenia–Azerbaijan normalization process. This creates a credibility problem for the EU. While the Commission and the Council seek to build a structured partnership with Baku, the Parliament often acts as if the conflict had not been resolved. The result is a divided European message: engagement through executive channels; pressure and hostility through parliamentary discourse.¹¹

This institutional division also needs to be read together with Azerbaijan's own foreign policy strategy. As noted by Vasif Huseynov, the South Caucasus has long been characterized by a high degree of geopolitical heterogeneity, where external actors tend to project competing normative and strategic agendas onto the region. In this context, Azerbaijan's foreign policy has been shaped by a deliberate effort to maintain flexibility by engaging with multiple partners while avoiding overdependence on any single axis.¹² Far from being an

¹¹ Amiraslanova, E., "Two EUs in the South Caucasus: The European Parliament and the European Commission", Analytical Policy Brief, *Institute for Development and Diplomacy*, ADA University, May 21, 2026.

¹² Huseynov, V., "The Success of Azerbaijan's Multi-Vectored Foreign Policy", *AIR*

expression of ambiguity, this strategy can be understood as a form of adaptive positioning within a fluid and competitive international system. As Farid Shafiyev has argued, difficulties in EU–Azerbaijan relations have, in part, stemmed from differing interpretations of sovereignty, security and the sequencing of political change, particularly in a region marked by protracted conflict.¹³

The 2022 EU–Azerbaijan Memorandum of Understanding on Energy gave institutional form to this change. The relationship already existed through the Southern Gas Corridor, but the memorandum changed its political meaning. Azerbaijani gas became part of the EU’s wider effort to replace Russian supplies, diversify routes and reduce exposure to a single strategic supplier.¹⁴

Developments within the region itself began to reshape the political landscape. The normalisation process between Armenia and Azerbaijan, culminating in the initialling of a peace agreement in August 2025, introduced a new framework for stability. Central to this process has been the reaffirmation of the principles of sovereignty and territorial integrity, anchored in the reference to the 1991 Alma-Ata Declaration.¹⁵ By recognizing that the former administrative boundaries of the Soviet republics constitute the basis of international borders, this approach aligns with the logic of *uti possidetis juris*, understood in international practice as a mechanism for stabilizing territorial arrangements in post-federal

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Center, June 14, 2021; Huseynov, V., “Azerbaijan is a Bridge Between Various Power Centers”, *Modern Diplomacy*, May 24, 2024, Available at: <https://aircenter.az/en/single/azerbaijan-is-a-bridge-between-various-power-centers-1472>; Huseynov, V., “Azerbaijan is not de-coupling from the West”, *commonsplace.eu*, February 20, 2024, Available at: <https://www.commonspace.eu/opinion/opinion-azerbaijan-not-de-coupling-west>.

13 Shafiyev, F., *Resettling the Borderlands: State Relocations and Ethnic Conflict in the South Caucasus*, (Montreal: McGill-Queen’s University Press, 2018); Shafiyev, F., “Nagorno-Karabakh Conflict: Deconstructing Stereotypes and International Imagery”, in Farid Shafiyev (ed.), *Azerbaijan’s Geopolitical Landscape: Contemporary Issues, 1991–2018* (Prague: Karolinum Press, 2020), pp. 12–27.

14 European Commission, “EU–Azerbaijan Energy Memorandum of Understanding”, July 18, 2022,

15 The Alma-Ata Declaration, adopted on 21 December 1991 by eleven former Soviet republics, confirmed the establishment of the Commonwealth of Independent States (CIS) and declared that, as a result, the Soviet Union had ceased to exist. The three Baltic republics, already oriented toward full independence outside the post-Soviet framework, did not participate, nor did Georgia, which was undergoing an internal crisis in 1991 and only joined the CIS in 1993. “Alma-Ata Declaration”, Almaty Conference, December 21, 1991.

contexts. As international jurisprudence has suggested, such an approach serves to reduce the risks associated with contested sovereignty by limiting the scope for competing territorial interpretations.¹⁶ The withdrawal of Russian peacekeepers from the Garabagh region of Azerbaijan in 2024, together with the formal closure of the OSCE Minsk Process in 2025, marked the end of a long-standing model of conflict management based on external mediation and military presence.¹⁷ This combination of external and internal developments has led to a gradual redefinition of the EU's engagement in the South Caucasus. The relationship has moved beyond a predominantly critical and conditional framework towards a more structured form of interaction in which strategic considerations and shared interests play a more prominent role.

At the same time, the changing international environment has reshaped how certain foreign policy strategies are perceived. Azerbaijan's multi-vector approach has gained renewed relevance as middle powers navigate an increasingly multipolar system. Rather than reflecting ambiguity, it can be understood as a form of strategic adaptability, enabling engagement with multiple partners while preserving autonomy. This interpretation aligns with broader debates in international relations, where more flexible patterns of alignment are emerging.¹⁸

From a European policy perspective, this evolution has led to a more pragmatic understanding of engagement in the South Caucasus. The region is no longer approached primarily as a site of normative transformation but as a partner in areas where interests concerning energy, connectivity and regional stability converge. This shift is visible not only in official documents but also in the growing density of political contacts, high-level meetings and joint initiatives developed since

16 International Court of Justice (ICJ), *Frontier Dispute (Burkina Faso/Mali)*, Judgment of 22 December 1986, The Hague: ICJ.

17 Bagirova, N., "Ceasefire Monitoring Centre in Nagorno-Karabakh Shuts as Russian Peacekeepers Withdraw", *Reuters*, April 26, 2024, Available at: <https://www.reuters.com/world/ceasefire-monitoring-centre-nagorno-karabakh-shuts-russian-peacekeepers-withdraw-2024-04-26/>.

18 For further discussion on the concept of multivector foreign policy and its application in the region: Huseynov, V., "Azerbaijan's Multivector Foreign Policy: Between Regional Pressures and Global Opportunities", *Journal of Eurasian Studies*, Vol.12, No.2, 2021, pp.145–160; Shafiyev, F., "Azerbaijan's Foreign Policy in a Changing World Order", AIR Center Policy Paper, 2022; Cornell, S.E., "Azerbaijan Since Independence: Regional Power Dynamics and Strategic Choices", in S.E. Cornell (ed.), *Azerbaijan Since Independence*, New York: M.E. Sharpe, 2011; Cooley, A. and Nexon, D., *Exit from Hegemony: The Unraveling of the American Global Order*, Oxford: Oxford University Press, 2020, pp.120–135.

2022.¹⁹ This shift has also created the conditions for a more substantive phase of cooperation, increasingly reflected in concrete projects and infrastructure developments across the region.

Peace as a Framework for Regional Cooperation

The evolving approach of the EU toward the South Caucasus is closely linked to a broader transformation in the region itself. For decades, unresolved conflict constrained both regional interaction and external engagement. Today, the gradual consolidation of a post-conflict environment following the initialling of the Armenia-Azerbaijan peace agreement in August 2025 has begun to redefine the region not simply as a space of instability, but as one of emerging opportunity. Rather than focusing on legal disputes or competing historical narratives, the current phase is increasingly shaped by forward-looking considerations related to cooperation, connectivity and regional integration.²⁰

This shift has important practical implications. The normalization process is progressively enabling the reopening of transport routes, the re-establishment of cross-border links and the possibility of more predictable economic interaction. What was previously a fragmented regional space is beginning to take the form of a more interconnected system, where political stabilization supports economic exchange. In this context, peace is not only a diplomatic outcome but also a functional condition for regional development.

The broader geopolitical environment reinforced this transformation. The OSCE Minsk Process had become inoperative. It failed to produce a settlement and, after 2020, no longer corresponded to the new balance established on the ground. The Russian military presence established after the 2020 Trilateral Statement also ceased to operate as a stable conflict-management mechanism and ended with the withdrawal of Russian peacekeepers from the Garabagh region in 2024. The so-called ‘Brussels track’, led by former European Council President Charles Michel, then became relevant. His meetings with Azerbaijan’s President Ilham Aliyev and Armenia’s Prime Minister Nikol Pashinyan helped

19 Council of the European Union, “*Statement by the High Representative on the Armenia–Azerbaijan Normalization Process*”, August 8, 2025, Available at: <https://www.consilium.europa.eu/en/press/press-releases/2025/08/08/armeniaazerbaijan-statement-by-the-high-representative-on-behalf-of-the-european-union-on-the-initialling-of-the-armenia-azerbaijan-peace-treaty/>.

20 Xuclà, J., “Legal and Geopolitical Approach to the Armenia-Azerbaijan Peace Agreement and the Resolution of the Karabakh Conflict”, in E. Casares Landauro (ed.), *Ideas y argumentos: Diálogos en filosofía y ciencias sociales* (Madrid: Dykinson, 2025), pp.79–101.

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advance discussions towards a peace treaty, border delimitation, humanitarian issues and the reopening of regional communications.²¹ These parties remained the central actors. The EU provided a practical channel for normalization when the older mediation formats had exhausted their political usefulness. Its role moved towards facilitation of a post-conflict agenda based on stability, connectivity and cooperation.

This transformation is also dependent on Armenian domestic politics. The results of the parliamentary elections of June 7, 2026, are relevant because they will test whether Armenia can maintain the political line that made the August 2025 peace agreement possible. A government able to sustain normalization with Azerbaijan and enable the opening of regional routes would make the South Caucasus a more coherent space for interaction. A reversal or a weaker mandate would make implementation slower and less certain. Peace also requires domestic capacity to stick to commitments over time.

For the EU, this creates an opportunity and a responsibility. A more stable South Caucasus enables deeper engagement, but it also requires sustained political commitment and strategic consistency. The Union's support for the normalization process, grounded in respect for sovereignty and territorial integrity, reflects an understanding that legal clarity and political stability are prerequisites for economic integration and connectivity, and increasingly position the region as a strategic corridor linking Europe and Asia.

The South Caucasus as a Corridor of Eurasian Integration

Connectivity defines the substance of the EU's new relationship with the South Caucasus. Brussels now sees this region as a strategic corridor linking the Black Sea, the Caspian and Central Asia, and is starting to act accordingly. This is the real novelty of the post-2022 period: the EU has become more pragmatic because the region has become more important. The South Caucasus offers Europe energy diversification,

21 European Council, "Statement of European Council President Charles Michel following the Second Trilateral Meeting with President Ilham Aliyev and Prime Minister Nikol Pashinyan", April 6, 2022, Available at: <https://www.consilium.europa.eu/en/press/press-releases/2022/04/06/statement-of-european-council-president-charles-michel-following-the-second-trilateral-meeting-with-president-ilham-aliyev-and-prime-minister-nikol-pashinyan/>.

alternative transport routes and a credible platform for a wider presence across Eurasia. Recent scholarship captures this change well. For example, Smolnik, Fehlings and Darieva describe the region through the tension between hub and periphery; the current political trend points clearly in the direction of hub.²²

The first pillar of this new phase is gas. Beyond current volumes and the 2027 target already noted, what matters at this stage is the structural role that the Southern Gas Corridor now plays within Europe's energy architecture. It is no longer treated as one diversification option among several, but as a fixed reference point for supply planning in Southeast Europe and Italy. Two features explain this consolidation. The first is reliability: deliveries through TAP have continued without interruption during a period of acute volatility in European gas markets, which has given Azerbaijani supplies a political value that exceeds their share of total EU imports. The second is the corridor's expansion logic. The Interconnector Greece–Bulgaria, the planned Vertical Corridor towards Moldova and Ukraine, and the upstream investments in the Shah Deniz and Absheron fields all point to a system designed to grow rather than to plateau. This is the basis on which the EU has built the rest of its energy and connectivity agenda with Baku.²³

At the political level, this was stated without ambiguity in the joint declaration issued in Baku by President of the European Council António Costa and President of Azerbaijan Ilham Aliyev in March 2026, which presented Azerbaijan as a strategic partner in security, energy and transport, and placed the country at the centre of a wider Black Sea–South Caucasus–Central Asia connectivity space.²⁴

22 Smolnik, F., Fehlings, S. and Darieva, T., “Hub or Periphery? Changing Connectivity and Disconnectivity in the South Caucasus”, *Mobilities*, Vol. 20, No. 6, 2025, pp. 1023–1037, Available at: <https://ideas.repec.org/a/taf/rmobxx/v20y2025i6p1023-1037.html>.

23 Council of the European Union, “*Strengthening regional energy security: Greece's pivotal role*”, Note 16650/25, December 10, 2025, Available at: <https://data.consilium.europa.eu/doc/document/ST-16650-2025-INIT/en/pdf>; Reuters, “*EU, operators agree tariffs to make gas corridor more competitive*”, March 27, 2026, Available at: <https://www.reuters.com/sustainability/boards-policy-regulation/eu-operators-agree-tariffs-make-gas-corridor-more-competitive-2026-03-27/>; OilPrice, “*Azerbaijan Promises More Gas to Europe as Production Reality Lags*”, January 23, 2026, Available at: <https://oilprice.com/Energy/Energy-General/Azerbaijan-Promises-More-Gas-to-Europe-as-Production-Reality-Lags.html>.

24 Council of the European Union, “*Joint press statement by President of the European Council, António Costa, and President of the Republic of Azerbaijan, Ilham Aliyev*”, March 11, 2026, Available at: <https://www.consilium.europa.eu/en/press/press-releases/2026/03/11/joint-press-statement-by-president-of-the-european-council-antonio-costa-and-president-of-the-republic-of-azerbaijan-ilham-aliyev/>.

The second pillar is the energy transition. Azerbaijan is not presenting itself only as a gas supplier. It is also seeking a place in Europe's future electricity map. This is part of a wider pattern that deserves more attention: major hydrocarbon-producing states are also trying to lead in renewables, green diplomacy and climate governance. The United Arab Emirates (UAE) did this at the 2024 United Nations Climate Change Conference (COP28), and Azerbaijan repeated it at COP29 in Baku. In both cases, fossil-fuel producers used the climate summit as a platform to project their influence in the transition era while accelerating investment in solar, wind and grid interconnection. In Azerbaijan's case, this strategy is visible in the Black Sea submarine cable project with Georgia and Romania, and in large-scale renewable projects developed with the UAE's Masdar, Saudi Arabia's ACWA Power and other foreign partners. The March 2026 joint statement of António Costa and Ilham Aliyev explicitly linked EU–Azerbaijan cooperation to renewables, wind, solar and the Black Sea Submarine Cable.²⁵

Transport is where the political meaning of this shift becomes even clearer. The Middle Corridor is no longer an aspirational route. It is an operating corridor with measurable growth. According to official Kazakh data, cargo volumes on the Trans-Caspian route rose from 2.764 million tons in 2023 to 4.484 million tons in 2024 and reached 4.119 million tons in 2025; container traffic in 2025 stood at roughly 77,000 TEU. Delivery times, once around 28–32 days, have been reduced to 13–17 days under improved operating conditions. These figures do not place the route on the scale of older Eurasian arteries, but they do show that it has moved beyond the pilot stage. It is now a functioning corridor with political backing and commercial plausibility.²⁶

This progress rests on a dense layer of practical improvements. Baku's Alat port has expanded capacity, Aktau has upgraded handling facilities, customs procedures have become more digital and railway coordination has become more consistent. The EU is no longer observing these changes from a distance. In January 2026, the EU, Azerbaijan and the

25 Xuclà, J. and Pascal, M., “De la COP28 en Dubái a la COP29 en Bakú: cómo las potencias de los combustibles fósiles lideran y comunican la agenda contra el cambio climático”, in Manuel Bermúdez Vázquez and Julio Otero Santamaría (eds.), *La trama del pensamiento: palabra, mente y belleza en la cultura contemporánea* (Madrid: Dykinson, 2024), pp. 362–380.

26 Birbayeva, A., “Trans-Caspian Transport Route Cargo Volumes Increase Fivefold in Seven Years”, *The Astana Times*, March 10, 2026; World Bank, *Middle Trade and Transport Corridor: Policies and Investments to Triple Freight Volumes and Halve Travel Time by 2030* (Washington, DC: World Bank, 2023).

European Bank for Reconstruction and Development (EBRD) launched a feasibility study for the Nakhchivan railway project and described it as a key investment within the broader Trans-Caspian route, with a target transit time of 15 days between Europe and Central Asia. In March 2026, President António Costa and President Ilham Aliyev welcomed support for railway modernization in the Nakhchivan Autonomous Republic and ongoing work on the Trump Route for International Peace and Prosperity (TRIPP) under the Global Gateway framework. This is stronger and more operational language than anything Brussels used regarding the region a few years ago.²⁷

The most consequential development is that regional connectivity is producing material effects. On April 2, 2026, President Ilham Aliyev stated that approximately 90 per cent of the highway and about 70 per cent of the railway associated with the Zangezur Corridor had been completed on Azerbaijan's side and linked this work to the construction of the Kars–Nakhchivan railway in Türkiye.²⁸ This has numerous implications for the actors involved. Azerbaijan moves closer to direct land access to Nakhchivan and Türkiye. Türkiye strengthens its connection with the Caspian and Central Asia. Armenia faces a practical choice: remain outside the new routes or use normalization to gain transit value. Recent developments already point to movement. In May 2026, Armenia announced that the Akhalkalaki–Kars railway through Georgia and Türkiye was open for Armenian exports and imports, although the direct Armenia–Türkiye land border remained closed. Regional normalization is already changing the transport map.

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If this trajectory continues, the implications will extend beyond Azerbaijan and Türkiye. A functioning east–west connection through TRIPP/Zangezur Corridor would reshape the economic logic of the whole region. It would give Azerbaijan direct land access to Nakhchivan and Türkiye, would strengthen the Middle Corridor and would create a realistic opening for Armenia, provided that political continuity is maintained after the parliamentary elections of June 7, 2026, and the current line of normalization is preserved. In that scenario, improved

27 European Commission, “EU and Azerbaijan Step Up Cooperation to Boost Investment and Connectivity”, *op.cit.*

28 President.az, “Ilham Aliyev received participants of meeting of Heads of Government/ Vice President of member states of Organization of Turkic States”, April 2, 2026, Available at: <https://president.az/en/articles/view/72004>.

relations with Azerbaijan and Türkiye could allow Armenia to move from relative isolation to active participation in regional connectivity. This is where the peace process acquires its full economic meaning: it opens routes, and routes create incentives for cooperation.

The next issue is corridor governance. New railways, ports and road links will not, by themselves, turn the South Caucasus into a stable hub. The Middle Corridor still depends on customs procedures, tariffs, Caspian Sea crossings, railway interoperability and political trust. Infrastructure opens routes, but weak coordination can keep them slow, expensive or politically fragile. The region's relevance will depend less on the announcement of new corridors and more on the capacity to make them regular, secure and commercially credible.²⁹

Conclusion

The South Caucasus has become more relevant for the EU because energy, transport and political stabilization now converge in the same regional space. The first driver for this was Russia's war against Ukraine, which increased the cost of dependence on Russian energy and Russian-controlled routes. The second was the Armenia-Azerbaijan normalization process, which made regional connectivity more politically viable. The third was Azerbaijan's capacity to use its gas infrastructure, transit position, relationship with Türkiye and multi-vector diplomacy to build a more structured relationship with Brussels. This turn does not mean that the South Caucasus has already become an integrated region. The decisive issue now is implementation. Gas flows, railway projects, the Middle Corridor, the TRIPP/Zangezur Corridor and the emerging Armenia-Türkiye connection through Georgia all point in the same direction: the region is acquiring greater corridor value. That value will depend on corridor governance, customs procedures, border management, railway interoperability, investment decisions and political trust. Infrastructure can open routes, but it cannot by itself make cooperation predictable.

The EU also faces an internal test. The Commission and the Council have

29 Guliyev, F., "The South Caucasus: Connectivity Initiatives and Regional Fragmentation", *Third World Quarterly*, Vol 47, No. 11, February 8, 2026, Available at: <https://www.tandfonline.com/doi/full/10.1080/01436597.2026.2621911>; Hurrell, A., "Explaining the Resurgence of Regionalism in World Politics", *Review of International Studies*, Vol. 21, No. 4, 1995, pp. 331–358, Available at: <https://www.cambridge.org/core/journals/review-of-international-studies/article/explaining-the-resurgence-of-regionalism-in-world-politics/30F0C03F224387E212491E98EE42FBED>.

moved towards pragmatic engagement with Baku, while the European Parliament and PACE have maintained a more confrontational line. This weakens the EU's credibility in a region where influence depends on coherence and political discipline. The South Caucasus is now a strategic bridge between Europe, the Caspian and Central Asia. The EU's influence there will only be meaningful if its institutions align strategic language with investment and diplomatic practice.