

# Development Road and its Potential Linkage with the Zangezur Corridor

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In recent years, Iraq has launched the Development Road Project, a major logistics and transport initiative designed to transform the country into a regional transit hub. This study examines the strategic, economic, and geopolitical implications of the project for Iraq and Türkiye, situating it within broader regional connectivity frameworks such as the Middle Corridor. Special attention is given to the potential integration of the Zangezur Corridor, a proposed route that could link Azerbaijan with Türkiye via Armenia. The analysis reveals that this integration could significantly improve East-West connectivity, diversify transit options, and support economic stability and regional cooperation. The study concludes by assessing the potential benefits and challenges facing the project in a complex geopolitical environment.

**Keywords:** Development Road Project, Iraq, Türkiye, Zangezur Corridor, Middle Corridor, Geopolitics, Regional Connectivity, Infrastructure Diplomacy.



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### ***Introduction***

The changing geopolitical and economic dynamics of the Middle East and Eurasia have necessitated the emergence of new transport and logistics corridors that can reduce dependency on maritime routes and strengthen overland trade. In this context, the Development Road Project, launched by Iraq in 2023, represents a bold strategic initiative aimed at enhancing the country's role as a transit corridor between the Gulf region and Europe via Türkiye. The project holds the potential to diversify Iraq's economy, attract foreign investment, and reassert its role in regional geopolitics.

This study analyses the Development Road Project through a geopolitical lens, exploring its implications for Iraq, Türkiye, and regional connectivity. A particular focus is placed on the potential integration of the Zangezur Corridor into the Middle Corridor network, which could enhance East–West transit capacity across the South Caucasus region. By situating the Development Road Project within broader transregional developments, this study contributes to the expanding body of research on infrastructure diplomacy, economic corridors, and Eurasian connectivity.

### ***The Development Road Project: Overview***

In July 2025, land-based transportation between Iraq and Kuwait resumed for the first time in over two decades, signalling a significant shift in regional logistics dynamics. A newly operational corridor enabled trucks carrying goods from Türkiye to Kuwait to transit through Iraq, passing the Al-Abdali border crossing between Iraq and Jordan and completing customs procedures at the Sulaymaniyah dry port in northeastern Iraq's Kurdistan Region. This route reduced cargo delivery times from 45 days by sea to just 4 days by land.

This logistical achievement marked not only the operational launch of Iraq's Development Road Project but also the country's re-emergence as an important transit route between the Gulf and Eurasian markets. As a strategic initiative, the Development Road aims to position Iraq as a vital transit hub linking the Middle East, Europe, and Asia – offering benefits that extend beyond logistics to broader economic and geopolitical dimensions.<sup>1</sup>

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<sup>1</sup> Bazaartimes, *Turkey revives Gulf trade routes: New land corridor cuts shipping time*

First proposed in 2023, the Development Road Project envisions the construction of approximately 1,200 km of rail and highway networks extending from the Grand Faw Port in southern Iraq to the Turkish border.<sup>2</sup> On the Turkish side, it includes an additional 130 km of new railway and 300 km of roadway infrastructure. As of 2025, some segments of the project are in the planning and early development stages, with investment expected from a combination of the Iraqi and Turkish governments alongside potential international investors. With an estimated total investment of US\$22 billion – US\$16 billion for rail and US\$6 billion for roads – the project is one of the most ambitious transport ventures in the region.<sup>3</sup>

In April 2024, Iraq, Türkiye, the United Arab Emirates (UAE), and Qatar signed a Joint Cooperation Memorandum for the project. This multilateral agreement underscores the project's transregional scope and its alignment with broader connectivity initiatives, particularly the Middle Corridor. Upon reaching Türkiye, the Development Road will link to this corridor via the cities of Sivas and Erzurum in Türkiye, thereby enhancing regional freight capacity. The project is expected to reduce the duration of cargo delivery from 33 days by sea to 15 days by land and to generate approximately US\$4 billion in annual revenue.<sup>4</sup>

### ***Objectives and Implementation Phases***

*Strategic objectives:* The Development Road Project is designed to fulfil a set of interrelated economic, strategic, and geopolitical goals: connect Iraq's southern hinterland to the border with Türkiye, transforming Iraq into a regional transport hub; diversify Iraq's economy by reducing dependency on oil revenues; facilitate Iraq's integration into Eurasian transit networks; boost bilateral trade and cooperation between Iraq and

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from 45 days to 4, July 11, 2025, Available at: <https://bazaartimes.com/turkey-revives-gulf-trade-routes-new-land-corridor-cuts-shipping-time-from-45-days-to-4/> (Accessed: August 13, 2025).

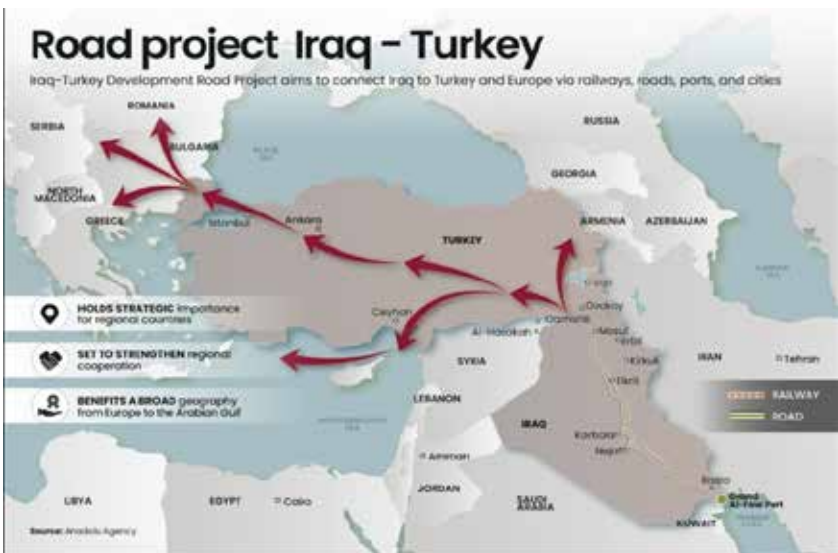
2 Rawabet - Center for Research and Strategic Studies, *The Turkish-Iraqi Development Road Project: A major development investment on the trade map*, April 27, 2024, Available at: <https://rawabetcenter.com/archives/173795> (Accessed: August 15, 2025).

3 Middle East Council on Global Affairs, *Iraq's Development Road Project: A Path Toward Prosperity or Instability?*, October 31, 2025, Available at: <https://mecouncil.org/article/iraq-development-road-prosperity-or-instability/> (Accessed: August 13, 2025).

4 Middle East Council on Global Affairs, *Development Road Project – Views from the Council*, May 9, 2025, Available at: <https://mecouncil.org/opinion/development-road-project-council-views/> (Accessed: August 18, 2025)

Türkiye; and create thousands of new jobs during both the construction and the operational phases.

*Implementation phases:* The Development Road Project is structured into three major implementation phases, reflecting a gradual expansion of both capacity and strategic outreach. The first phase, expected to be completed by 2028, envisions the transportation of approximately 1.4 million containers annually, corresponding to nearly 25 million tons of cargo, alongside passenger traffic projected to reach 14 million tons of cargo. The second phase, anticipated by 2038, aims to significantly increase container throughput to 7.5 million units annually, equating to around 33 million tons of freight. Finally, the third phase, targeted for completion by 2050, entails the geographic extension of the corridor toward the Mediterranean and European markets, ultimately transforming the Development Road into a principal economic artery linking the Gulf region to continental Europe.



**Figure 1.** *The Iraq–Türkiye Development Road Project and its integration with regional trade routes.* Source: Anadolu Agency, 2024.<sup>5</sup>

<sup>5</sup> Anadolu Agency, *Türkiye-Iraq Development Road Project: Enhancing regional connectivity, trade*, September 16, 2023, Available at: <https://www.aa.com.tr/en/middle-east/turkiye-iraq-development-road-project-enhancing-regional-connectivity-trade/2993555> (Accessed: August 13, 2025)

### ***Strategic Importance of the Development Road Project for Iraq***

The Development Road Project carries deep strategic significance for Iraq in several interrelated domains: trade, geopolitics, and economic diversification.

*Trade and transit challenges:* Despite possessing vast oil and natural gas reserves, Iraq's access to international markets has long been constrained. Following the Gulf War and subsequent border changes, Iraq was left with only a 58-kilometer coastline – marshy, shallow, and unsuitable for large-scale maritime exports. As a result, the country has been forced to rely on the ports of neighbouring states – primarily Türkiye (Ceyhan), Kuwait, and Saudi Arabia – for the export of oil and other goods. In this context, the construction of the Grand Faw Port, along with the Development Road, is a strategic effort to overcome these limitations. The project aims to give Iraq more control over its trade routes, reduce transit dependency, and establish a self-sufficient export infrastructure connected to Europe via Türkiye.

*Geopolitical relevance and regional role:* The geopolitical environment further amplifies the relevance of the project. The Red Sea crisis, triggered by the outbreak of the Hamas–Israel war in October 2023 and subsequent Houthi attacks on commercial shipping, has disrupted global maritime trade. Many vessels have been forced to reroute around the Cape of Good Hope, located at the southern tip of South Africa, increasing the duration of delivery and related costs. The Development Road presents an overland alternative aligned with China's Belt and Road Initiative (BRI), bypassing maritime chokepoints. It will enable cargo movement from the Gulf to Türkiye – and onward to Europe – within an estimated 25 days, significantly faster than the current maritime routes via the Cape, which take around 35–45 days on average.<sup>6</sup> Strategically, this elevates Iraq's role as a land bridge within the emerging Eurasian logistics architecture. While Chinese investment in Iraq has historically lagged behind that in other Gulf states, the Development Road could become a catalyst for enhanced Sino-Iraqi cooperation under the BRI framework.

*Economic diversification and domestic development:* The project also addresses Iraq's urgent need to diversify its economy. The expected annual revenue from the project stands at around US\$4 billion, while it is estimated to create over 100,000 direct and indirect jobs

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6 Daily Sabah, *Development Road project to contribute to reducing logistics costs*, April 23, 2025, Available at: <https://www.dailysabah.com/business/transportation/development-road-project-to-contribute-to-reducing-logistics-costs> (Accessed: August 13, 2025)

during construction and operational phases.<sup>7</sup> Furthermore, improved connectivity is expected to stimulate industrialization, production, and export potential. Beyond freight, the project could promote social and cultural exchange, foster regional stability, and strengthen Iraq's integration with neighbouring markets.

*Strategic autonomy and regional competition:* Finally, the Development Road enhances Iraq's strategic autonomy by reducing its dependence on external transport corridors. However, this shift may also generate tensions with competing regional infrastructure projects and ports, such as Iran's Chabahar Port, Kuwait's Mubarak Al-Kabeer Port, and the UAE's Jebel Ali Port, which currently serve as Iraq's primary maritime gateways. In this regard, Iraq must navigate the fine balance between cooperation and competition in regional infrastructure diplomacy by engaging in transparent partnerships, aligning its projects with regional connectivity frameworks, and avoiding zero-sum rivalries.

### ***Strategic and Economic Implications for Türkiye***

Türkiye plays a pivotal role in regional connectivity and energy diplomacy, serving as a critical transit point between Asia, the Middle East, and Europe. The Development Road Project reinforces this role by deepening Türkiye's strategic position in both the economic and the geopolitical domain.

*Strategic relevance and energy transit:* Amid Europe's ongoing efforts to diversify its energy sources and reduce dependence on Russian oil and gas, Türkiye has emerged as an essential corridor for energy exports from the South Caucasus – particularly Azerbaijan – and the Gulf. Major energy infrastructure projects – including the Trans-Anatolian Natural Gas Pipeline (TANAP), the Trans Adriatic Pipeline (TAP), TurkStream, and the Ceyhan oil terminal – position Türkiye as a key actor in regional energy transit. The Development Road, which links the Gulf to Europe via Iraq and Türkiye, will further solidify Türkiye's role as a strategic energy and logistics hub. The project also enables Türkiye to enhance its land-based access to markets in Iraq, Jordan, Kuwait, and other Gulf countries, offering an alternative to the maritime and costly air transport routes that have traditionally dominated trade in this corridor.

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<sup>7</sup> AlarabyTv\_News, *Iraq: The Challenges of the "Development Road" Project and Its Role in Supporting the Economy*, September 15, 2025, Available at: [https://www.youtube.com/watch?v=XYV\\_942J-to](https://www.youtube.com/watch?v=XYV_942J-to) (Accessed: August 14, 2025)

Additionally, Türkiye aims to capitalize on the revitalization of the Kirkuk–Ceyhan Oil Pipeline. According to a decision announced on July 22, the long-standing agreement on this pipeline, originally signed in 1973, will expire in July 2026. Türkiye has described the pipeline’s underutilization as a “major missed opportunity”, and both Türkiye and Iraq are currently in discussions to renew the agreement with higher capacity and revised pricing mechanisms. If implemented, the pipeline could increase its capacity from 500,000 barrels per day to 2.2 million barrels per day, aligning with the broader goals of the Development Road initiative.

*Economic and trade benefits:* Bilateral trade between Türkiye and Iraq has seen a substantial increase over the past two decades, rising from approximately US\$1 billion in the early 2000s to over US\$20 billion by 2024.<sup>8</sup> With the completion of key infrastructure components under the Development Road Project, this volume is expected to grow further. The Development Road route will pass through 11 Iraqi provinces, with an additional 7 located in close proximity – creating broad market access for Turkish goods. The resulting trade expansion is anticipated to enhance Türkiye’s position as a trans-Eurasian logistics hub, especially within the framework of the Middle Corridor.<sup>9</sup>

*Investment potential and private sector engagement:* Turkish companies stand to benefit significantly from the project, not only through transportation and logistics contracts but also across broader industrial sectors. Among the 26 signed agreements within the project’s framework – among Turkish companies, the Iraqi government, and relevant regional partners – are contracts for water resource management, agriculture, and industrial development.<sup>10</sup> Turkish engineering and construction firms are already involved in project design and execution, providing specialized expertise in infrastructure

8 Ministry of Foreign Affairs, *Relations between Türkiye and Iraq*, April 23, 2024, Available at: <https://www.dailysabah.com/business/transportation/development-road-project-to-contribute-to-reducing-logistics-costs> (Accessed: August 13, 2025)

9 Iraqnews, *Iraq’s imports from Turkey reach \$13 billion in 2024*, February 4, 2025, Available at: <https://www.iraqnews.com/iraq/iraqs-imports-from-turkey-reach-13-billion-in-2024/> (Accessed: August 21, 2025)

10 Forbasmiddleeast, *Türkiye And Iraq Sign 26 Agreements During Erdogan’s Rare Visit, Boosting Security, Economic And Trade Ties*, April 22, 2024, Available at: <https://www.forbasmiddleeast.com/featured/politics-security/turkiye-and-iraq-sign-26-agreements-during-erdogans-rare-visit-boosting-security-economic-and-trade-ties> (Accessed: August 21, 2025)

development.<sup>11</sup> Furthermore, the establishment of industrial zones and manufacturing centres along the corridor opens avenues for long-term economic engagement. These investments are expected to increase Türkiye's soft power and influence across the wider region, particularly regarding Iraq's rebuilding and modernization efforts.

### ***Potential integration of the Zangezur Corridor into the Development Road Project***

The Development Road Project, while primarily framed within Iraq–Türkiye cooperation, holds broader significance for transregional connectivity. One of the most promising prospects for regional integration, envisioned as part of the second stage of the Development Road Project, is its potential linkage with the Zangezur Corridor, currently a proposed route connecting mainland Azerbaijan with its Nakhchivan Autonomous Republic via Armenia's southern province and further extending into Türkiye.

*Strategic rationale behind the Zangezur Corridor:* The idea of the Zangezur Corridor gained momentum following the Second Garabagh War in 2020, which ended with the liberation of the internationally recognized territories of Azerbaijan. In this context, Azerbaijan's President Ilham Aliyev has repeatedly emphasized the strategic necessity of establishing a land connection between Azerbaijan and Nakhchivan through Armenia's southern regions – reviving the historic route that existed before the Soviet-era territorial rearrangements in the 1920s.<sup>12</sup>

The Zangezur Corridor is not just a national priority for Azerbaijan; it also fits into the broader vision of East–West connectivity across the South Caucasus. If realized, it would provide a shorter and more direct route across the Caspian Sea to Türkiye and Europe, enhancing the operational efficiency of the Middle Corridor.<sup>13</sup>

11 Erem Business, *Iraq announces first phase of Development Road to be launched mid-2025*, January 26, 2025, Available at: <https://www.erembusiness.com/economy/gi3wjh6> (Accessed: August 21, 2025)

12 Anadolu Agency, *Zangezur corridor to provide new link between Turkey, Azerbaijan*, June 6, 2021, Available at: <https://www.aa.com.tr/en/economy/zangezur-corridor-to-provide-new-link-between-turkey-azerbaijan/2260088> (Accessed: August 21, 2025)

13 Republic of Türkiye Ministry of Transport and Infrastructure, *Zengezur Corridor to support the Middle Corridor*, June 1, 2025, Available at: <https://www.uab.gov.tr/haberler/zengezur-koridoru-orta-koridor-u-destekleyecek> (Accessed: August 22, 2025)

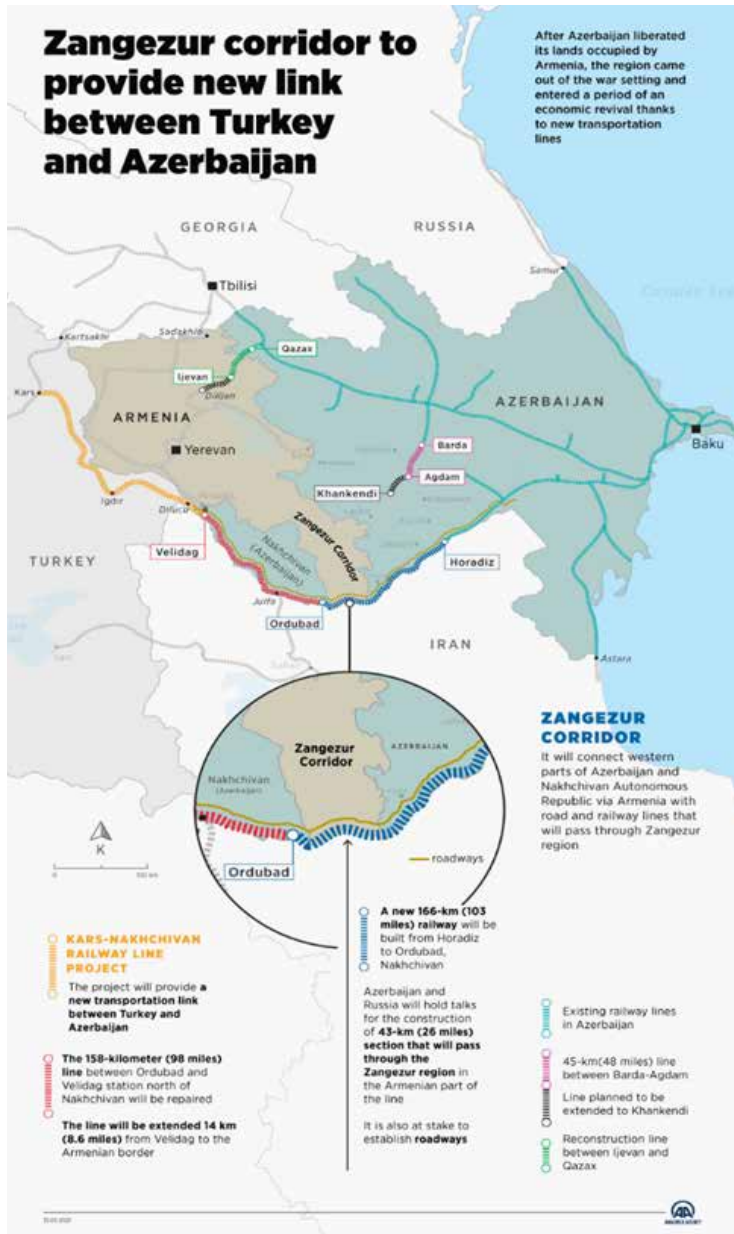
*Integration with the Development Road:* The potential integration of the Zangezur Corridor with Iraq’s Development Road Project could significantly reshape regional logistics. The Development Road, by connecting the Gulf to Türkiye, already offers a land-based alternative to congested and risky maritime routes. If integrated with the Zangezur Corridor, this network could evolve into a seamless cross-regional transit chain linking the Persian Gulf, Iraq, Türkiye, the South Caucasus, Central Asia, and Europe.

Such integration would produce several strategic outcomes: diversification of routes, reducing overreliance on the Red Sea and Suez Canal; shortened transit times, creating faster alternatives to both maritime shipping and existing overland corridors; and increased competitiveness, strengthening the Middle Corridor by expanding its access points and improving its efficiency.

Currently, two main land routes operate along the Middle Corridor: the Baku–Tbilisi–Kars (BTK) railway and the Central Asia (Uzbekistan, Turkmenistan)–Iran–Türkiye transit route.

A future linkage between the Development Road and the Zangezur Corridor would offer an even more direct and efficient option, bypassing some of the current bottlenecks. As Türkiye’s Minister of Transport and Infrastructure, Abdulkadir Uraloğlu, emphasized: “Among all these routes, the shortest and most efficient path will be through Zangezur – the opening of this corridor will further strengthen the Middle Corridor.”

*Regional dynamics and diplomatic considerations:* Iraq and the UAE – key stakeholders in the Development Road Project – maintain diplomatic ties with both Armenia and Azerbaijan, potentially positioning them as facilitators in future regional connectivity and transport negotiations between the two countries. Potential integration of the Zangezur Corridor into the Development Road framework could not only improve regional connectivity but also serve as a tool for confidence building and economic cooperation in the post-conflict South Caucasus.



**Figure 2.** The Zangezur corridor, a strategic transport link connecting Turkey and Azerbaijan via Armenia. Source: Anadolu Agency, 2021.<sup>14</sup>

14 Anadolu Agency, *Zangezur corridor to provide new link between Turkey, Azerbaijan*, June 1, 2021, Available at: <https://www.aa.com.tr/en/economy/zangezur-corridor-to-provide-new-link-between-turkey-azerbaijan/2260088>, (Accessed: August 22, 2025)

## ***Conclusion***

Above all, the development road is a bold and necessary project for Iraq, a country that for decades has faced civil wars, ethnic and sectarian conflicts, and geopolitical crises. With this initiative, Iraq will regain its role as a strategic hub for transit freight. The realization of the project is expected not only to benefit Iraq and its partners but also to become a key catalyst for the overall economic progress of the region.

Moreover, the implementation of this initiative will significantly enrich the logistics landscape in the Middle East. The restoration of Iraq's role as a logistical corridor between the eastern and southern Gulf will not only strengthen regional economic ties but also create a platform for raising interstate cooperation to a new level.

For Türkiye, a key strategic aspect of the Development Road Project is that it serves as an alternative to the India–Middle East–Europe Economic Corridor (IMEC), from which Türkiye was excluded despite being a major regional participant. The project further ensures Türkiye's continued role in Europe–Asia trade, reinforcing its position as a critical transit hub and diversifying regional transport options.

Another factor enhancing the importance of the project is the complex geopolitical environment and ongoing wars in the region, which have created the need for more efficient and secure transport hubs. The Development Road also offers a faster delivery route compared to parallel corridors.

Türkiye views the Kirkuk–Ceyhan Oil Pipeline not merely as an oil transport facility in its current state but also as a foundation for broader and more strategic cooperation between Türkiye and Iraq in the fields of energy and infrastructure.

Alongside the advantages the project promises, potential challenges cannot be ruled out. Possible terrorist attacks, internal instability, and conflicts within Iraq, as well as structural issues such as political disputes, could slow down or constrain the process. In addition, the operation of the Grand Faw Port may reduce the strategic significance of other regional ports, potentially giving rise to competition and geopolitical tensions. For this reason, certain risks concerning the project's sustainability and the stability of investments must also be taken into account.

Overall, the Development Road should be viewed as a strategic opportunity for reshaping the logistics and connectivity landscape of the wider Middle East and Eurasia. If supported by robust political will, multilateral cooperation, and sustained investment, the project could become a cornerstone of regional economic integration and a model for post-conflict reconstruction and modernization.