

# Azerbaijani Foreign Policy in 2025: *Key Highlights*

*By Topchubashov Center Team*

December 2025



### **About the Topchubashov Center**

The Topchubashov Center is an independent non-profit think tank based in Baku, Azerbaijan. It covers the spheres of international affairs, geopolitics, security and energy with the focus on Central and Eastern Europe, Caucasus, Central Asia and Middle East. The Center aims to establish the standards of high-quality impartial research and create an international network of authors sharing similar values and worldview.

### **About the authors**

This report was authored by members of Topchubashov Center's team, Rusif Huseynov, Mahammad Mammadov, Gulkhanim Mammadova, Murad Muradov, and Simona Scotti.

© Topchubashov Center 2025 All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without full attribution.

## Introduction

The year 2025 marked a period of adjustment and consolidation in Azerbaijan's foreign policy. From its immediate vicinity to neighboring regions, Baku approached its external environment not as a challenge to be reacted to, but as an emerging architecture to be proactively shaped in line with its vital interests. The formalisation of peace with Armenia and the gradual normalisation of relations with Russia and Iran coincided with intensified competition among great powers to anchor new transit, energy, and digital corridors stretching across Eurasia. Azerbaijan continued to advance a multi-vector foreign policy that sought strategic autonomy between rival centres of power, while translating military gains of the Karabakh wars into diplomatic, economic, and normative capital.

Three overlapping transformations framed Azerbaijan's foreign policy in 2025, reshaping how Baku views the emerging regional and international (dis)order. First, the consolidation of peace with Armenia through the signing of the draft peace agreement in March and the Washington Declaration in August helped close the chapter of conflict that defined the country's security doctrine for more than three decades. The joint appeal by Armenia and Azerbaijan and the subsequent OSCE ministerial decision on December 1 to close the Minsk Process and its related bodies removed another major obstacle to a durable peace between the two countries. The envisaged "Trump Route for International Peace and Prosperity" (TRIPP), linking mainland Azerbaijan to Nakhchivan via southern Armenia, symbolised the shift from contested borders to

negotiated connectivity, while simultaneously anchoring U.S. interests in preserving stability in the South Caucasus. Baku and Yerevan also underscored their commitment to a sustainable peace by advancing civil society engagement and economic cooperation. Civil society representatives of both countries made mutual visits in 2025. In October, Azerbaijan lifted all restrictions on the transit of goods to Armenia that had been in place since the occupation of its territories. Less than a month later, Armenia received its first batch of food wheat from Kazakhstan through Azerbaijan.

Second, Azerbaijan's expanding role in Eurasian energy and transport geopolitics has elevated connectivity diplomacy from a mere policy instrument to one of the organizing principles of its foreign policy. The Middle Corridor gained additional strategic weight as an alternative rail route between the EU and China, while Azerbaijan enhanced its role in European energy security through new gas and electricity agreements with EU member states. In parallel, Baku invested in eastward and southward linkages, proactively shaping the agendas at the Organization of Turkic States and the D8 Organization for Economic Cooperation. To further buttress its pivotal position in regional connectivity, Azerbaijan showed increased interest in China-led international groupings such as the BRICS and the Shanghai Cooperation Organization. In September 2025, Azerbaijan acquired the new SCO Partner designation – a status that will formalize and potentially deepen Baku's involvement in multilateral cooperation within the organization.

Third, and most importantly, Azerbaijan sought to recalibrate its major-power relationships in an increasingly multipolar and fluid geopolitical environment. Relations with the **United States** were defined above all by Washington's role in brokering the Armenia-Azerbaijan peace agreement. Yet, Baku actively sought to raise the status of its ties with the U.S. to the level of a strategic partnership. In August, the two sides created a working group to prepare a Charter on Strategic Partnership, which clearly defines the directions of future cooperation: mutual investments, energy, transport, connectivity, transit, security, artificial intelligence, and defense industry. President Trump's signing of the document repealing Section 907 of the Freedom Support Act during his meeting with President Aliyev at the Oval Office added further symbolism to the deepening ties between Baku and Washington.

Meanwhile, growing interdependence with the **European Union** in energy and transport spheres was complemented by the EU's increasingly inclusive South Caucasus policy built on greater respect for Azerbaijan's vision of regional order. During the EU High Representative Kaja Kallas' visit to Baku on April 25, Azerbaijan and the EU agreed to resume talks on a new Partnership and Cooperation Agreement. Baku is also presented as an indispensable partner in the EU's first-ever Black Sea Strategy, which highlights the strategic importance of the Türkiye-South Caucasus-Central Asia corridor for securing European supply chains in an increasingly fragmented neighborhood.

In 2025, Azerbaijan's multivectoral foreign policy saw the most rapid upgrades in the

eastern direction. Baku elevated its strategic partnership agreement, which it signed with **China** in July 2024, to a comprehensive strategic partnership in April 2025. The upgrade was swiftly followed by tangible diplomatic and economic dividends. A Chinese company joined the Azerbaijan-Georgia-Kazakhstan joint venture on the Middle Corridor. In November 2025, Azerbaijan, China, and Kazakhstan signed an agreement to establish an intermodal cargo terminal in the Alat Port in Baku. The strategic partnership agreement also declared Beijing's support for Azerbaijan's peace agenda in the South Caucasus, a significant boon to Baku's efforts to consolidate the status quo it established after the Karabakh wars. Deepening ties with China also adds a new layer to Baku's delicate balancing act between the global major powers on the one hand and regional power centers on the other.

Relations with **Russia** incurred significant setbacks after the Russian military shot down an Azerbaijani civilian aircraft in December 2024. Tensions went further south as Russia dragged its feet on making an official apology and paying compensation. The Dushanbe meeting between President Aliyev and Vladimir Putin in October created an impression that pragmatism would soon return as a norm in bilateral relations. However, beneath the constructive tone of economic engagement and frequent high-level contacts, fundamental differences remain between Baku and Moscow over the future shape of their bilateral ties, as Azerbaijan presses for relations grounded in mutual respect for national interests.

Beyond these Eurasian axes, 2025 also witnessed Azerbaijan's expanding outreach to

the Middle East and Central Asia as distinct, but interrelated, theatres. Overall, with Russia's influence waning after 2022, the South Caucasus has grown more exposed to geopolitical dynamics unfolding in adjacent regions, amplifying the regional impact of external crises. In the Middle East, Baku navigated a dense web of partnerships with Türkiye, Israel, Iran, and the Gulf monarchies at a time when regional polarisation, the Iran-Israel conflict, and great-power competition intersected with the South Caucasus peace agenda. In Central Asia, Azerbaijan consolidated its position as a key Western-facing outlet for the region through the trans-Caspian corridor and increasingly institutionalised Turkic cooperation, while simultaneously aligning some of its initiatives with broader Chinese and EU connectivity strategies. In November 2025, Central Asian leaders welcomed Azerbaijan into the C5 framework, transforming the mechanism into C6.

This annual review report purports to map Azerbaijan's foreign policy in 2025 within these broader dynamics. It proceeds region by region, while tracing several cross-cutting themes: the evolution of Baku's multi-vector foreign policy doctrine; the shift from conflict management to post-conflict order-building (or "winning the peace"); the centrality of energy, transport, and digital corridors; and the tensions between zero-sum calculations and pragmatic cooperation. By combining a chronological account of key decisions with an analytical assessment of their strategic implications, the report aims to highlight the major developments of Azerbaijan's foreign policy in 2025.

## **1. Armenia–Azerbaijan Normalization: A Productive Year**

2025 has emerged as a historic year in the long and arduous journey toward peace between Armenia and Azerbaijan. After decades of intermittent conflict, failed ceasefires, and diplomatic stagnation, this year witnessed concrete diplomatic landmarks, practical cooperation, and cautious but real trust-building. Taken together, these developments present a genuine opportunity to resolve one of Eurasia's most enduring feuds. While challenges remain – and should not be underestimated – the achievements of 2025, from the finalization of a peace deal text to high-level summits and tangible breakthroughs on the ground, suggest that the normalization process is finally moving beyond declaratory politics toward implementation.

The year's progress can be best understood through three key milestones. Each marks a qualitative shift from negotiation to agreement, from mediation to direct dialogue, and from intent to political commitment. Firstly, on 13 March 2025, Armenia and Azerbaijan announced the finalization of the text of the draft peace agreement aimed at establishing peaceful interstate relations after decades of conflict. This announcement followed months of intensive negotiations between the foreign ministries of both countries and was welcomed by international partners as a breakthrough moment in the post-conflict normalization process. Although certain technical and legal issues remained unresolved, most notably Azerbaijan's request for constitutional changes in Armenia, the completion of the text itself constituted both a symbolic and substantive milestone. For the first time in years, the

two sides demonstrated that they could agree on the core architecture of a peace treaty, overcoming a stalemate that had long plagued negotiations.

Second, on 10 July 2025, Armenian Prime Minister Nikol Pashinyan and Azerbaijani President Ilham Aliyev met in Abu Dhabi for high-level talks focused on advancing normalization. This summit marked a significant departure from past practice: it was the first bilateral meeting between the leaders in recent decades conducted without the mediation of a major power, signaling a new phase of direct and self-sustaining dialogue between Baku and Yerevan. The Abu Dhabi meeting underscored growing confidence in bilateral diplomacy and reflected a shared understanding that durable peace must ultimately be owned and managed by the parties themselves.

The third and most visible and internationally noted milestone came on 8 August 2025 in Washington, D.C., where Pashinyan and Aliyev, hosted by U.S. President Donald Trump, initialed the peace agreement text and signed a joint declaration committing to full peace and normalization. The summit was widely framed as a potential endpoint to decades of intermittent war. Azerbaijan's leadership publicly described the agreement as marking the end of the conflict, while the Armenian side emphasized its transformative potential. The initialing of the treaty represented a decisive step toward institutionalizing relations based on mutual recognition, respect for borders, and the renunciation of the use of force.

While high-level diplomacy captured headlines, 2025 also delivered practical, day-to-day progress, signaling that normalization is gradually moving from paper to practice.

One of the most symbolic signs of thawing relations emerged at the civil society level. Armenian and Azerbaijani representatives met under the Peace Bridge Initiative, holding constructive discussions in both Yerevan and Baku. These exchanges involved experts, NGOs, and media professionals working to build trust, foster dialogue, and explore joint initiatives beyond state-to-state engagement.

Importantly, these meetings – direct, bilateral, and unmediated – took place with the approval and financial support of both governments, highlighting official recognition of grassroots peacebuilding as a complementary track to diplomacy. Beyond the Peace Bridge Initiative, Azerbaijani experts, including representatives of the Topchubashov Center, also visited Armenia in the fall of 2025. Murad Muradov participated in NATO's Rose-Roth Seminar, while Rusif Huseynov spoke at the Orbeli Forum. These visits would not have been possible without explicit political support from Baku and Yerevan, including individualized security arrangements, underscoring the depth of official commitment to normalization.

Another major practical breakthrough came in October 2025, when Azerbaijan lifted the de facto embargo on Armenia-bound cargo transit, a restriction in place since the early 1990s. The decision immediately enabled grain shipments from Russia and Kazakhstan to reach Armenia via Azerbaijani territory. President Aliyev framed the move as evidence that peace was taking shape “in practice, not just on paper.” Armenian officials welcomed it as a critical step toward reopening regional connectivity and rebuilding mutual trust. The lifting of transit

restrictions represented not only an economic gesture but also a powerful political signal that the logic of isolation was giving way to cooperation.

In December 2025, Azerbaijan began exporting petroleum products to Armenia by rail for the first time in decades. This development was not merely a commercial transaction; it was a striking illustration of how peace can translate into tangible economic interdependence between two states that had been locked in conflict for more than thirty years. That former adversaries had moved from warfare to trade marked a psychological and political turning point. Armenian leaders welcomed the shipment as a direct outcome of the improved political climate and a confidence-building signal for future economic cooperation.

Beyond headline agreements, a series of quieter but meaningful steps further underscored the depth of the normalization process. Discussions on transport connectivity at international platforms, most notably the Doha Forum, continued alongside technical coordination on border delimitation and renewed dialogue on regional infrastructure. Notably, one session of the Armenia–Azerbaijan border delimitation commissions in November was held in Azerbaijan itself, with the Armenian delegation led by the Deputy Prime Minister traveling to the provincial town of Qabala. Such developments highlight that normalization is no longer confined to diplomatic statements but is gradually translating into practical cooperation and institutional engagement on the ground.

One of the most important features of the 2025 process is its fundamentally bilateral character. Credit is due to Armenian and Azerbaijani diplomats who negotiated and

finalized the peace deal text. While the Abu Dhabi and Washington meetings required facilitation by the UAE and the United States, they would not have been possible without the political groundwork laid by policymakers in Baku and Yerevan. This ownership is critical: a peace imposed from outside would be fragile, whereas a bilateral peace stands a better chance of durability.

On the ground, Armenia and Azerbaijan have enjoyed a sustained *de facto* peace throughout 2025, with no major clashes reported and both sides highlighting the most peaceful phase of bilateral relations in many years. This reality suggests that even in the absence of a fully ratified peace treaty, the incentives for hostilities have largely receded.

The peace process has also been accompanied by symbolic gestures that, while seemingly minor, carry emotional weight. Azerbaijani juror Samira Efendi awarded the highest points to the Armenian participant at the Silk Way song competition in Kazakhstan. Azerbaijani jurors gave points to Armenia also at Junior Eurovision, where the Speaker of Armenia’s National Assembly publicly congratulated the Azerbaijani contestant. In December 2025, Azerbaijan’s ambassador to Germany greeted Prime Minister Pashinyan in Armenian at an international event in Berlin. Such gestures may appear trivial, but they humanize the peace process, soften entrenched narratives, and help societies emotionally adjust to a post-conflict reality.

The June 2026 parliamentary elections in Armenia have introduced a pre-election paradox for the peace process. In Azerbaijan, the leadership remains cautious about pushing full normalization before political

outcomes in Armenia are clear, particularly amid concerns over a possible return of revanchist forces that could undermine existing commitments. In Armenia, Prime Minister Pashinyan has invested significant political capital in the peace process. Tangible progress, both in the Armenia-Azerbaijan and Armenia-Türkiye normalization, would definitely strengthen his domestic position, even as segments of the electorate remain skeptical. As a result, peace remains partially contingent on electoral calendars and domestic political calculations on both sides.

As 2025 draws to a close, the Armenia-Azerbaijan normalization process has achieved unprecedented momentum. Diplomatic milestones, combined with practical breakthroughs in trade, transit, and civil society engagement, reflect a shift from rhetoric to results. Yet peace is not inevitable. Political transitions, unresolved legal and symbolic disputes, and the enduring weight of historical grievances continue to cast long shadows. If 2025 has demonstrated anything, it is that peace requires sustained effort, political courage, and careful management of both domestic and external pressures. The challenge now – as the process moves from declaration to implementation – is to ensure that peace sticks not just in the capitals and in the headlines, but in the everyday lives of Armenians and Azerbaijanis. Only then will the promise of 2025 be fully realized.

## **2. The United States and European Union: Re-anchoring Western influence in the South Caucasus**

After several years of limited engagement, 2025 marked a clear return of the United

States to the South Caucasus, with Azerbaijan emerging as a central partner. This renewed involvement translated into concrete financial and infrastructure projects, reflecting Washington's intention to re-anchor itself in a region of increasing strategic importance amid changing global alignments.

The most visible signal of this shift came in August, when Azerbaijani President Ilham Aliyev and Armenian Prime Minister Nikol Pashinyan met U.S. President Donald Trump in Washington. The meeting culminated in the signing of a trilateral declaration on the development of the Trump Route for International Peace and Prosperity, widely referred to as TRIPP. The project envisions a major infrastructure corridor connecting mainland Azerbaijan with its exclave of Nakhchivan through southern Armenia. While the route will remain under Armenian sovereignty, the U.S. were granted development rights for a period of ninety-nine years, ensuring a long-term American economic and strategic footprint in the region. Moreover, beyond its economic value, TRIPP carries significant political weight as it positions the United States as a direct stakeholder in post-war connectivity arrangements between Armenia and Azerbaijan.

The August visit also produced concrete steps toward institutionalizing bilateral relations between Azerbaijan and the United States. One of the most relevant outcomes was the agreement to waive the application of Section 907 of the Freedom Support Act. On December 10, U.S. House of Representatives member Anna Paulina Luna introduced a bill aimed at fully repealing Section 907. This provision had long restricted di-



rect U.S. government assistance to Azerbaijan and was a persistent source of political friction, especially after the Biden administration did not issue a waiver in 2024. Trump's reversal of the process removed a structural obstacle to deeper cooperation. As such, it was interpreted in Baku as a long-awaited recognition of Azerbaijan's strategic relevance.

On the same occasion, Presidents Aliyev and Trump signed a memorandum of understanding establishing a Strategic Working Group tasked with developing a Charter on Strategic Partnership. The document set out an ambitious agenda, identifying regional connectivity, including energy, trade, and transit as core priorities. It also highlighted economic investment, with particular emphasis on artificial intelligence and digital infrastructure, as well as cooperation in defense, security, and counterterrorism. Taken together, these steps elevated bilateral relations to a qualitatively new level and marked a clear departure from the more reserved and at times critical approach of the Biden administration.

On the other hand, the European Union's engagement with the South Caucasus in 2025 was shaped by a more pragmatic approach compared to the one adopted in previous years. Indeed, against the backdrop of post-war realities and the gradual normalization of Armenia-Azerbaijan relations, Brussels appeared increasingly willing to adjust its policies to evolving conditions on the ground. A notable turning point came in April, when the EU high representative Kaja Kallas paid an official visit to Azerbaijan. During her trip, she held talks with President Aliyev, Foreign Minister Bayramov, and other senior officials. While no major agreements were signed, the visit

was widely portrayed as decisive in resetting a relationship that had been constrained over the previous years. In an official statement following the meetings, the High Representative's office announced that the EU and Azerbaijan had agreed to resume negotiations on a new Partnership and Cooperation Agreement. The talks laid the groundwork for relaunching this process, with energy cooperation continuing to stand at its core. The Southern Gas Corridor remained the most visible symbol of this partnership, reflecting mutual interests in energy security and diversification.

In May, the EU adopted its Black Sea Strategy, a comprehensive framework aimed at strengthening the resilience of the Black Sea region. Connectivity was identified as one of its three main pillars, and the South Caucasus was repeatedly highlighted as a crucial bridge linking Europe with Central Asia through the Black Sea. In this context, Azerbaijan's recent entry into the C6 format with other Central Asian countries further increased its potential as a connector between the regions.

Energy cooperation acquired an additional dimension in June, when the third meeting of the High-Level Energy Dialogue between Azerbaijan and the European Union took place. Discussions focused on the development of renewable energy capacities in Azerbaijan and the implementation of large-scale green energy projects. Particular attention was given to the Caspian-Black Sea-European Green Energy Corridor, a flagship initiative designed to transport green electricity produced in Azerbaijan through Georgia and across the Black Sea to European markets via Bulgaria and Romania. In December 2025, this project was officially granted the status of

Project of Mutual Interest by the European Commission. Such a designation reflects the strategic importance attributed to the corridor and opens the way for substantial financial backing, and, in this regard, the European Union is expected to allocate up to 2.3 billion euros for its development, which proves the long-term nature of this cooperation.

Energy ties between Baku and Brussels continued to deepen throughout the year. Azerbaijan currently exports natural gas to fourteen countries, eight of which are members of the European Union. Italy, Greece, Bulgaria, Romania, Hungary, Slovenia, Croatia and Slovakia all received Azerbaijani gas in 2025, with Italy alone accounting for 38 percent of total exports. Overall, around half of Azerbaijan's gas exports during the year were directed to the EU, confirming its position as Baku's main energy market.

Despite these positive dynamics, a degree of misalignment persisted between policy actions and political rhetoric. While institutional cooperation and economic engagement advanced steadily, some statements and positions adopted by certain EU bodies continued to be perceived in Baku as overly critical or hostile. This gap between practice and narrative remains a structural challenge in the relations between Azerbaijan and the EU, as it prevents them from reaching their full potential.

### **3. Russia: Managing a deteriorating partnership**

2025 has witnessed the most significant and prolonged crisis in the history of relations between sovereign Azerbaijan and Russia.

After the low of the early 1990s when Moscow took Yerevan's side during the First Karabakh war, the bilateral ties had generally been on an upward trajectory, culminating in the signing of the Declaration on Allied Interaction by Presidents Aliyev and Putin in February 2022. Russian invasion of Ukraine posed significant challenges to Baku's delicate balance vis-a-vis Moscow: while Azerbaijan did not join anti-Russian sanctions and maintained its normal political and economic engagement, it also unambiguously supported Ukrainian territorial integrity and provided a plenty of humanitarian and infrastructural aid to Kyiv, including free petrol distributed by SOCAR during the first weeks of the invasion and electricity generators following the start of Russian bombing campaign targeting Ukrainian grid. Moreover, President Aliyev, on several occasions, made it clear that Baku strongly opposes attempts to challenge the principle of territorial integrity and change of borders through force, and the public opinion in Azerbaijan was clearly leaning towards Ukraine. Still, relations with Russia seemed to remain positive, and in August 2024, President Putin even came to Baku with a state visit.

Bilateral ties took a dramatic turn downward with the crash of an Azerbaijani Airlines plane on 25 December 2024, when it suffered damage near its destination in Grozny but managed to fly all the way to Aktau in Kazakhstan, where it fell. Himself in the air travelling to the CIS summit in Saint Petersburg, President Aliyev, upon learning the news, decided to immediately return to Baku.

While initial comments from the Russian side pointed to an unfortunate accident, soon evidence started to mount that the

plane was damaged by a missile strike, attributable only to a Russian air defense system. The Azerbaijani side chose to speak about it openly and call on the Kremlin to accept responsibility and conduct an honest investigation. Instead, Putin, in a phone conversation, stated his “regrets” about the tragedy, shunning any apology. As the investigation came out to support the Azerbaijani version, Baku took measured steps showing its frustration, such as the closure of the Russian federal agency for humanitarian cooperation (“Rossotrudnichestvo”) office in Baku and the downgrading of the status of “Sputnik” media in Azerbaijan. Later on, Aliyev refused to attend the 80th-anniversary of the Victory Day parade in Moscow, despite its special personal significance for Putin.

The “Yekaterinburg affair” of late June, when two Azerbaijanis died, and a few more were seriously injured during an operation conducted by the Russian Security Service, presumably against “ethnocriminal groups”, triggered a dramatic intensification of the crisis. In the following weeks, several other notable Azerbaijani diaspora members were detained, while the media launched a campaign to expose their criminal activities. Baku denounced these events in very strong terms, calling the treatment of Azerbaijanis “racist” and “chauvinistic” and openly questioned the friendly character of relations with Moscow. A few Russian citizens were detained, including the “Sputnik” journalists accredited in Baku, who were accused of espionage, while Baku also canceled official meetings and cultural events involving Russian performers. The crisis took obvious geopolitical undertones as Moscow struck the infrastructure of Azerbaijan’s State Oil Company (SOCAR) in Odessa and a petrol station in

Kyiv; an incident with contamination of the Azerbaijani export oil at the Romanian port of Constanța was widely interpreted as caused by Russian sabotage. At the same time, Russian media, particularly the “patriotic” propagandists and Telegram channels, started a systematic campaign representing Azerbaijan as an unfriendly state with geopolitical interests that run against Moscow’s, which aims to weaken Russia in tight cooperation with Türkiye and the United Kingdom, citing the late-2024 change of government in Syria as the harbinger of this trend. This narrative views the Azerbaijani diaspora as a foreign agent mostly loyal to the kin state and abusing the resources available in Russia; it specifically targets the rapidly developing Organisation of Turkic States (OTS) as a potential core of the so-called “Great Turan”, represented as the anti-Russian belt in Eurasia.

The crisis seemed to be fading away when a big intergovernmental meeting between the delegations headed by Deputy Prime Ministers Mustafayev and Overchuk took place in Astrakhan in August, and then Presidents Aliyev and Putin met in Dushanbe at the margins of the CIS summit on October 9. In an unlikely gesture, the Russian leader gave an indirect apology and acknowledged that the crash had been caused by an air defence missile, promising also to pay compensation. However, though this meeting was interpreted as a return to normality, it hasn’t happened: further arrests of Azerbaijani businessmen in Russia followed, while Azerbaijani media published several articles denouncing Moscow’s unwillingness to amend for the previous missteps.

The persistent character of the Azerbaijani-Russian contradictions, as well as the rise

of hostile narratives, indicates to the systemic problems that cannot be fixed by the “special relationship” between the two presidents who had managed to keep a careful balance for years, even after Baku’s triumph in the 44-day war which has profoundly shifted the balance of power in the South Caucasus. This break has a number of reasons. Azerbaijan’s aforementioned victory, followed by the ultimate military operation in Karabakh in September 2023 and the withdrawal of Russian peacekeepers a few months later, irritated a significant group within the Russian political elite who believe Baku’s rise and the concomitant strengthening of Ankara in the South Caucasus have compromised Moscow’s vital interests and status as the key power broker. Moreover, the breakthroughs in the Azerbaijani-Armenian peace process achieved in 2025 were bound to worry Russia. The conflict remained Moscow’s tool of choice for manipulating Baku and Yerevan for decades, and the Kremlin clearly hoped for a new round of hostilities between the old enemies that would further alienate the West from the South Caucasus and preserve Russian leverage. Not only didn’t this happen, but on August 8, Azerbaijan and Armenia initialed a historic peace agreement at the meeting in Washington in the presence of U.S. President Donald Trump. This meeting also brought about TRIPP, heralding American entry into potentially the most strategic regional project that could enhance connectivity between Europe and Central Asia. Moscow’s frustration, especially given the fact that the Trilateral Statement of Armenia, Azerbaijan, and Russia, signed on November 9, 2020, envisaged Russian control over the would-be Zangezur corridor, is unsurprising.

The long-term effects of the war in Ukraine figure heavily in this equation, too. The militarisation of Russian society and economy and the resulting heavy financial burden on the Russian budget are putting increasing pressure on the private sector, while the growing influence of xenophobic and imperialist circles pushes the government to tilt to the right and incorporate some part of their narratives in the public ideology. In this new reality, prosperous diasporas are more and more viewed as milk cows, while their external connections, once considered positive for spreading Russia’s influence, are now viewed with increasing suspicion.

Personal trust between the leaders, coupled with significant economic and infrastructural interests, helped to preserve the fragile balance between the countries, but Baku’s firm reaction to the airplane tragedy exposed the negativity accumulated underneath. Moscow’s steps targeting the Azerbaijani energy sector have added a strong geopolitical element to the countries’ controversies, making a return to the previous normal very unlikely. Recently emerging misunderstandings between Azerbaijan and Georgia, whereby Azerbaijani truck drivers complain about the Georgian customs officers’ behaviour and inexplicably long waiting periods at the border, have added to Baku’s concerns that Russia may put pressure on Azerbaijan via Tbilisi, challenging its whole economic resilience strategy.

Russia’s imperial background and its aggression in Ukraine are severely limiting its soft power potential, while the frustration on the right wing of the political spectrum with what they call “the squeezing out of Moscow” from the South Caucasus adds an element of unpredictability. On the other

hand, an intricate balance of interests with Türkiye and Iran and the importance of Azerbaijan in terms of logistics with the Global South keeps the Kremlin from escalating further. Indeed, trade volumes between the two countries have grown, albeit modestly, in 2025, while the sides continue to express commitment to developing the North-South corridor infrastructure via Azerbaijan. Commenting on the outcomes of the Washington meeting, President Aliyev invited Russia to benefit from the future TRIPP to connect with Iran and further on. Still, it is hard to predict whether Azerbaijan and Russia will find a “new normal” necessary to stabilise their relations. While Baku is ready for pragmatic cooperation as long as it doesn’t promote the concepts like “Russian world” nor endow the Kremlin with the exclusive status in the South Caucasus, various interests are pulling Russian policy in different directions, making it hard for consistency to take shape.

#### **4. Türkiye: Alliance politics beyond symbolism**

In 2025, relations between Azerbaijan and Türkiye developed primarily towards coordination and joint planning along a number of regional and global agendas, attesting to the dynamic development and intensification of the Baku-Ankara allied ties. The most significant of them was the normalisation process between Baku and Yerevan. Ankara has been an integral part of the negotiations involving the U.S. administration leading to the Washington Declaration due to its special relationship with Azerbaijan, strong interest in opening borders with Armenia, and status as a NATO member. Ankara’s role in the normalisation process is synchronised with Baku. Türkiye made it

clear that the complete reopening of its border with Armenia and the establishment of diplomatic relations will be possible once Baku and Yerevan sign the peace treaty.

This firm stance has strongly helped to push Armenia towards peace, since the normalisation of relations with Ankara is among the key foreign policy priorities of the Pashinyan government. On 20 June 2025, the Armenian Prime Minister Nikol Pashinyan visited Türkiye to meet President Erdoğan, while in September, Aliyev, Pashinyan, and Erdogan held a trilateral meeting at the Shanghai Cooperation Organisation (SCO) summit in China. At the same time, the annual Antalya Diplomatic Forum held in Türkiye on 11-13 April featured the first panel discussion of its kind with the presence of foreign ministers of Armenia, Azerbaijan, and Georgia, in an important step signalling Ankara’s support for the shaping of the regional agenda in the South Caucasus. Depending on the progress of peace talks, certain confidence-building steps on behalf of Ankara, such as the opening of the border for third countries’ citizens, could be made before the full normalisation.

Another key dimension of the Azerbaijani-Turkish relations has been their coordination within the framework of the Organisation of Turkic States (OTS), which has continued to expand in scope and substance this year. Both countries share a strong interest in the progress of OTS as it promotes their geopolitical, economic, and cultural aspirations. In 2025, Azerbaijan hosted two summits of this group: the regular summit in October in Gabala and the informal one in July in the liberated Shusha. The declaration adopted in Gabala reiterated support for peace, prosperity, and integration, building on the Turkic World Vision–2040

adopted four years earlier, while President Aliyev stressed that the OTS should not be content with adjusting to shifting international realities but instead, should grow into an actor capable of shaping them. This vision strongly reverberates President Erdogan's pro-active concept of "the world bigger than five", envisaging the rise of the regional actors' status and weight in the nascent world order. President Aliyev's remarks praising Erdoğan's leadership in unifying the Turkic world speak directly to this objective. Azerbaijan and Türkiye have promoted the creation of bodies within the OTS, such as the Turkic Investment Fund, a joint media platform, and a common university framework – all contributing to a more comprehensive integration process.

On the other hand, the passing year featured the cementing of the trilateral format between Baku, Ankara, and Islamabad, for now centered around Azerbaijan's victory in the 44-day war and its growing regional status. On May 28, the three countries' leaders met in Lachin, one of the Azerbaijani regions de-occupied in the 2020 war, where they pledged to develop multi-dimensional partnership both between themselves and coordinating each other's efforts in the multilateral platforms, while Erdogan and Sharif were the only foreign leaders to attend the anniversary 5-year victory parade in Baku on November 8 that featured a Turkish air forces group of F-16s. In his speeches on these occasions, President Aliyev emphasized the security-centered nature of this trilateral format and specifically congratulated Türkiye on the peaceful dissolution of the terrorist PKK group.

The biggest hallmark on the infrastructural track between Azerbaijan and Türkiye was the opening of the Iğdır–Nakhchivan gas

pipeline, inaugurated during President Aliyev's visit to Türkiye on March 5, 2025. This pipeline is aimed at bolstering the energy security of Nakhchivan, the region that has been isolated from mainland Azerbaijan since the start of the first Karabakh war. At the same time, a more ambitious project in the making is the 224-kilometer Kars–Iğdır–Aralık–Dilucu railway line linking eastern Türkiye with Nakhchivan, whose construction started this year. It is designed as a double-track electrified connection with capacity for both freight and passenger movement. With the start of TRIPP, this line can constitute an important link in the connectivity between Europe and Central Asia, thus building on another layer of mutually beneficial cooperation between Baku and Ankara that expands their agency as crucial energy and logistics hubs. Azerbaijan's energy major SOCAR is now expected to boost its presence in Türkiye, as it's eyeing a huge, \$7 billion-worth investment in the country's petrochemical industry, which was reportedly discussed by the two countries' leaders during the SCO summit in China.

## **5. Central Asia: From peripheral engagement to institutional integration**

Azerbaijan's relations with Central Asia in 2025 became one of the most significant and dynamic vectors of its foreign policy. It was driven by three interlocking dimensions: political integration, trade and economic cooperation, and energy and connectivity. By the end of the year, Azerbaijan had advanced from being a peripheral to an active participant in the Central Asian geopolitical space. Unlike earlier phases char-

acterized largely by symbolism, 2025 became a shift toward institutionalized and operational engagement.

In political integration, the key breakthrough occurred in mid-November at the Tashkent summit, when Azerbaijan was officially included in the Consultative Meetings of the Central Asian heads of state. The unanimous decision to transform the C5 format into the C6 signaled a collective judgment by Central Asian leaders that Azerbaijan's inclusion would strengthen, rather than dilute, the platform. For Baku, this signified a transition from a South Caucasus-focused actor to a participant in Central Asia's emerging regional order. Importantly, discussions during the meeting on establishing a rotating secretariat and appointing presidential envoys pointed to ambitions to gradually move beyond ad hoc consultations toward a more structured format of cooperation.

Parallel to political integration, Azerbaijan significantly deepened its economic engagement with Central Asia through a series of bilateral and multilateral agreements. On 20 June 2025, the 14th meeting of the Azerbaijan-Uzbekistan Joint Intergovernmental Commission in Baku produced a comprehensive package covering trade, industrial cooperation, transport and logistics, and investment. The meeting also endorsed a trade expansion roadmap targeting an increase in bilateral trade turnover to \$1 billion annually by 2030. Later in October 2025, during the Azerbaijan-Kazakhstan Supreme Interstate Council in Astana, a package of intergovernmental agreements on strategic planning, transport coordination, digitalisation of customs procedures, and long-term freight volume guarantees along the Middle Corridor was adopted.

Later, the Azerbaijani president's official visit to Astana on 20-21 October consolidated this dynamic. The visit yielded a series of bilateral memoranda and agreements, such as joint investment targets, industrial cooperation, digital infrastructure, internal affairs collaboration, and a strategic energy partnership, all structured under expanded Supreme Interstate Council mechanisms designed to double bilateral trade and scale freight flows along the Middle Corridor by 2030.

In 2025, Azerbaijan's pivotal position on the Middle Corridor positioned it as the main facilitator of emerging energy and connectivity linkages with Central Asia and beyond. At the Awaza trilateral summit on 22 August, co-hosted with Turkmenistan and Uzbekistan, the leaders agreed on six binding documents on transport, aviation, shipbuilding, trade, and regional cooperation. The meeting also touched upon cooperation in hydrocarbon and electricity export initiatives, with commitments to explore energy projects that would link Central Asian producers to Caspian and global markets. In addition, at the Tashkent Consultative Meeting, connectivity featured prominently, with discussions centered on freight corridors such as the China-Kyrgyzstan-Uzbekistan railway and on integrating Azerbaijan's ports into wider Eurasian logistics networks. The formal accession to the consultative format also allowed Azerbaijan to participate fully in crafting shared approaches to physical connectivity, energy transmission, and trade logistics, foregrounding the Middle Corridor as an operational artery connecting Central Asia's landlocked economies to Europe and global markets.

Meanwhile, the strategic partnership agreement signed between Azerbaijan and China in 2024 was elevated to a comprehensive strategic partnership in April 2025. With this upgrade, a Chinese company joined the Azerbaijan-Georgia-Kazakhstan joint venture operating along the Middle Corridor. In November 2025, Azerbaijan, China, and Kazakhstan signed an agreement to establish an intermodal cargo terminal at the Alat Port. Besides its growing clout in regional connectivity, Baku emerged as a crucial linchpin of the trans-Eurasian supply chains.

Beyond hydrocarbons and transport, 2025 also highlighted the growing potential for green energy cooperation with Central Asia. In April, the Asian Development Bank, the Asian Infrastructure Investment Bank, and the energy ministries of Azerbaijan, Kazakhstan, and Uzbekistan signed a memorandum of understanding to support a feasibility study for the Caspian Green Energy Corridor Project. The aim is to interconnect national energy systems and establish a corridor for renewable energy transmission and trade. In September 2025, Baku hosted the Azerbaijan and Central Asia Green Energy Week 2025. The event aimed to move green energy cooperation from the feasibility and financing phases into the realm of policy coordination. Discussions focused on cross-border grid interconnection, regulatory harmonization for renewable electricity trade, joint investment frameworks for wind and solar projects, and the role of the Caspian basin as a hub for both green electricity and green hydrogen exports.

Looking ahead, the developments of 2025 suggest that Azerbaijan's role in Central Asia is likely to deepen, though not without

constraints. The future effectiveness of the C6 will depend on whether member states are willing to invest in institutional development and policy coordination. Azerbaijan is likely to support institutionalization, particularly in areas related to connectivity, trade, and transport governance, where its interests are most directly engaged. At the same time, Baku may act as a bridge between Central Asia and external partners, including China and the European Union. Baku is expected to focus on coordinating projects and stabilizing cooperation frameworks. If sustained, the developments of 2025 may come to be seen as the point at which Azerbaijan secured a durable place within Central Asia's political and geo-economic landscape, which will redefine the mental maps through which Eurasian regions are understood.

## **6. Middle East: Expanding engagement and managing risks**

In 2025, Azerbaijan's engagement with the Middle East was shaped by four interrelated dynamics: an expanded mediation role in regional security crises, a more assertive energy and investment footprint, the careful management of relations with Iran amid heightened regional uncertainty, and the expansion of strategic cooperation with Gulf monarchies. These moves underscored Baku's gradual transformation from a peripheral actor into a proactive power broker in the Middle East. One might say Azerbaijan's steady rise as a regional leader in the South Caucasus has afforded it new opportunities to extend its influence beyond its immediate neighborhood.



The first and most visible dimension of Azerbaijan's Middle East policy in 2025 was its quiet mediation diplomacy. In April and May, Baku hosted a series of meetings between officials from Türkiye and Israel – two strategically vital partners whose direct confrontation would undermine Azerbaijan's carefully calibrated alignment policy. Furthermore, in July, Baku provided a venue for the meeting between Syrian and Israeli security officials on the sidelines of Syrian President Ahmad al-Sharaa's visit to Azerbaijan. Drawing on its allied ties with Türkiye, a deep security partnership with Israel, and functional channels with the new leadership in Damascus, Azerbaijan sought to de-escalate military tensions and prevent miscalculation, particularly in the context of Israeli interventions in Syria and Ankara's increasingly assertive regional posture. While these efforts did not culminate in formal agreements, they contributed to restoring direct channels and preventing escalations from spiralling into large-scale clashes. For Azerbaijani foreign policy, this mediation role was significant not because it repositioned Baku as a neutral player, but because it demonstrated Azerbaijan's capacity to leverage trust asymmetrically across rival camps – an asset few middle powers in the region currently possess. At the same time, Baku's active mediation to ease the security pressures on its key regional partners has reinforced its image as a reliable ally on the international stage.

Azerbaijan also leveraged energy diplomacy to advance its interests in the Middle East. In July, SOCAR and the Syrian government signed a memorandum of understanding in Baku to supply Syria with 1.2 billion cubic meters of Azerbaijani gas annually. Deliveries started in August, and as of December, 153 million cubic meters of

natural gas have been exported to Syria via Turkish territory and the Kilis-Aleppo pipeline. The gas exports to Syria represent a meaningful southward expansion of Azerbaijan's energy diplomacy, beyond its traditional focus on Türkiye and Europe. Furthermore, this move contributes to Ankara and Doha's reconstruction efforts in post-Assad Syria, hence strengthening Baku's regional alignments, while bringing soft power dividends, reinforced by humanitarian assistance delivered in February and June. Besides this, SOCAR acquired a 10 percent stake in Israel's Tamar gas field in January 2025. According to the agreement, SOCAR will hold 7% of Tamar through a 48.3% holding in Union Energy and 3% thanks to a 17.9% stake in the Tel Aviv-listed Tamar Petroleum. The move diversifies SOCAR's asset base beyond the Caspian Sea, strengthens Azerbaijan's role in Israel's energy security, and enhances Baku's role as both a producer and an investor in regional gas markets.

Yet, relations with Iran represented the most delicate and structurally complex dimension of Azerbaijan's Middle East policy in 2025. The 12-day war between Iran and Israel in June placed Baku in a difficult position, as Tehran initially insinuated that Israeli fighter jets and drones had used Azerbaijani airspace – an allegation later walked back, but one that underscored Iran's persistent suspicions. Azerbaijan's measured response, combining categorical denials with restraint in public messaging, reflected its determination to avoid involvement in a conflict that could undermine regional stability and its own security. At the same time, Baku resisted pressures to publicly align with either side, maintaining its long-standing policy of strategic ambiguity in Iran-Israel tensions. Despite the brewing

uncertainty, the parallel track of Azerbaijani-Iranian normalisation advanced steadily throughout the year. President Masoud Pezeshkian's two visits to Azerbaijan in 2025 injected political momentum into bilateral partnerships, while negotiations on the International North–South Transport Corridor (INSTC) and the Aras Corridor gained renewed traction. These initiatives signalled a shared interest in compartmentalising geopolitical tensions from economic and infrastructural cooperation. For Azerbaijan, engagement with Iran serves to mitigate security risks along its southern border while it doubles down on its normalization talks with Armenia. For Iran, pragmatic partnerships with neighboring states, including Azerbaijan, have taken on renewed importance as the 12-day war and Washington's "maximum pressure" campaign have narrowed Tehran's strategic depth across the region. Baku is also becoming a pivotal partner for Tehran's efforts to access Russian and EAEU markets, helping to mitigate the constraints of its economic isolation.

Last but certainly not less consequential dimension of Azerbaijan's Middle East policy in 2025 was the deepening strategic partnerships with the Gulf monarchies, particularly the UAE and Saudi Arabia. These relationships moved beyond political dialogue and traditional investment cooperation to focus on green energy, infrastructure, and sustainable connectivity projects. Azerbaijan expanded cooperation with the UAE's Masdar and Saudi Arabia's Aqua Power in renewable energy generation, especially solar and wind, aligning its domestic energy transition with broader decarbonisation agendas promoted by Abu Dhabi and Riyadh. At the same time, Gulf sover-

eign wealth funds and investment institutions showed growing interest in Azerbaijan's transport and logistics infrastructure, viewing the Middle Corridor as a viable and geopolitically resilient route connecting the Gulf with the European and Central Asian markets. For Baku, engagement with the Gulf served a dual strategic goal. On the one hand, it diversified sources of capital for large-scale infrastructure projects while embedding Azerbaijan more firmly into emerging South-South connectivity networks. On the other hand, by coupling green energy partnerships with transit-oriented investment, Azerbaijan positioned itself as a bridge not only between Europe and Asia, but also between the Gulf and the wider Eurasian region, an increasingly valuable role amid global supply-chain fragmentation.

In 2026, the challenges Azerbaijan faced in 2025 may intensify, demanding strategic agility from Baku. A renewed escalation between Iran and Israel is not a distant possibility, as the structural causes of war have not faded. Similarly, the risk of a direct clash between Israel and Türkiye in Syria – particularly over military presence, airspace control, or Kurdish dynamics – could complicate Azerbaijan's mediation role and strain its capacity to maintain balanced relations with two of its closest regional partners simultaneously. Baku cannot afford to simply wait for circumstances to turn in its favor. It needs to keep finding the fine balance between leveraging influence in the Middle East, mostly in tandem with regional partners, while limiting strategic risks emanating from the region. Yet, this commitment should be balanced with Baku's engagements in other strategically vital regions.

