



# 2022 IN REVIEW: KEY EVENTS AND TRENDS IN THE GREATER CASPIAN REGION

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CPC



CASPIAN  
POLICY  
CENTER

# ABOUT US

The Caspian Policy Center (CPC) is an independent, nonprofit research think tank based in Washington D.C. Economic, political, energy, and security issues of the Caspian region constitute the central research focus of the Center.

CPC aims at becoming a primary research and debate platform in the Caspian region with relevant publications, events, projects, and media productions to nurture a comprehensive understanding of the intertwined affairs of the Caspian region.

With an inclusive, scholarly, and innovative approach, the Caspian Policy Center presents a platform where diverse voices from academia, business, and policy world from both the region and the nation's capital interact to produce distinct ideas and insights to the outstanding issues of the Caspian region.



The year 2022 was certainly a crucial year in the Greater Caspian Region. From significant changes in security and politics, to major developments in energy, economy, and connectivity. Moreover, 2022 was an important time in developing U.S. relations with and attention to the region. We at the Caspian Policy Center have identified key events of this year that we believe are important to recognize, as well as trends we can predict for the new year, based on these events.

## ENERGY AND ECONOMY

### 1. END TO KUMTOR DISPUTE WITH CANADA

After years of financial, legal, and environmental disputes, on April 4, Kyrgyzstan's President Sadyr Japarov announced that the government reached an agreement with Canada-based company Centerra Gold. Under the agreement, Kyrgyzstan's government gained 100 percent ownership over the Kumtor gold mine and its operating companies, in addition to a \$36.6 million cash payment. Centerra Gold agreed to transfer control of the Kumtor gold mine to Kyrgyzstan authorities, and it disposed of its investments in Kyrgyzstan, receiving a 26% stake from the Kyrgyzstan government for cancellation. As part of the agreement, all legal disputes involving Centerra were terminated and Centerra was not held liable for any damage inflicted. Resolutions to investor-state disputes are rare to come by, and typically they can take years, if not decades, to resolve. Therefore, the end of this dispute may have enhanced the attractiveness of Kyrgyzstan's investment climate. Although the mine will stay under state ownership, the president stated that the dispute was not caused by a desire to nationalize the operation.

However, while it appears that the battle for the Kumtor Gold Mine is over, and state ownership of the mine is projected to strengthen the economy of the Central Asian country, the issue with Centerra could still deter other potential foreign investors.

#### [See more](#)



Khorgos, Kazakhstan – September 22: An electric locomotive at the Khorgos unloading border station.

## **2. CHINA INAUGURATES NEW TRANSCONTINENTAL FREIGHT TRAIN THROUGH THE CASPIAN REGION**

As part of China's Belt and Road Initiative (BRI), on April 15, China inaugurated its 7,000-mile-long railway route, which moves across Kazakhstan, Azerbaijan, Georgia, Romania, Hungary, Slovakia, Czechia, and Germany. This new freight rail will help transport goods between Kazakhstan and Azerbaijan across the Caspian Sea, as well as across the Black Sea to Europe. The decision to bypass Russia indicates a shifting trend in Chinese railway ambitions as well as concerns by European businesses and governments. Developing the BRI in the Caspian region is showing that China sees great potential in the transit capacity of Caspian states. To maximize the region's potential, it is integrating a wide variety of transportation and infrastructure projects. And, at the same time, Caspian countries have been receptive to Chinese investment.

[See more](#)

## **3. KAZAKHSTAN BEGINS EXPORTING OIL AND GAS TO AZERBAIJAN VIA CASPIAN SEA ROUTE**

On August 24, President of Kazakhstan Kassym-Jomart Tokayev met in Baku with President of Azerbaijan Ilham Aliyev. During their meeting, the two leaders signed a declaration vowing to strengthen trade and economic cooperation. They also planned to expand usage of the Trans-Caspian International Transport Route (also known as the middle corridor). This was shown through Kazakhstan's QazaqGaz (national gas company of Kazakhstan) and Azerbaijan's state-owned SOCAR signing a memorandum of understanding which outlined new bilateral gas projects.

[See more](#)

## **4. AZERBAIJAN-UZBEKISTAN ENERGY DEAL**

On August 29, Azerbaijan and Uzbekistan signed an agreement on the manufacturing and distributing of oil and gas, petrochemicals, and renewables. The agreement outlined "promotion of mutual investments in energy projects (including electricity and natural gas), the exchange of experience in liberalization and the creation of markets, and the participation of the parties in privatization." Against the backdrop of Russia's invasion of Ukraine, this historic deal should be regarded as a way to diminish Russia's global energy dominance and boost Caspian energy investment opportunities. Particularly in the Caspian Region, it is becoming evident that nations are reevaluating their international positions, especially about Russia. These countries will be able to gain greater sovereignty and self-sufficiency by joining forces in economic, energy, and political endeavors.

[See more:](#)

## 5. RUSSIA REPEATEDLY SHUTS DOWN KAZAKHSTAN'S CPC PIPELINE

In August, Kazakhstan's main export pipeline was shut down for the fourth time since the start of Russia's invasion of Ukraine. The Caspian Pipeline Consortium (CPC) accounts for 1% of global crude oil and 80% of Kazakhstan's exported oil, however its passage through Russian borders has caused a major slowdown in flows this year. The Novorossiysk terminal has been the site of each disruption; and it has been speculated that Russia's disruptions were a deliberate bottleneck for natural gas and oil supplies in world markets, not only limiting its supply and coordinating OPEC+ to limit their own, but also exploiting its transit status for Central Asian oil. Aware of Russia's ability to choke the transit of their energy shipments, Caspian countries have begun to diversify their energy export routes to decrease their dependence on Russia.

Although the CPC pipeline has been restored to full usage, agreements made between Azerbaijani President Ilham Aliyev and Kazakhstan's President Kassym-Jomart Tokayev have increased the usage of the Middle Corridor Caspian Sea route, supporting Kazakhstan's export diversification efforts.

### [See more](#)



Work on the construction of the Greece-Bulgaria interconnector. Laying of natural gas transmission pipes

## 6. IGB PIPELINE INAUGURATION

As part of Europe's efforts to diversify its energy imports, on October 1, the Interconnector Greece-Bulgaria (IGB) Pipeline officially opened for operation. The IGB is connected to the Trans-Adriatic Pipeline (TAP) and provides Greece, Bulgaria, and surrounding countries with a reliable natural gas supply. With a capacity of 3 billion cubic meters (bcm) annually, this interconnector is a critical route that will contribute to the deal between the European Union (EU) and Azerbaijan made in July to double the supply of Azeri gas to Europe by 2027. The 93-mile-long pipeline, which extends from Komotini, Greece, and Stara Zagora, Bulgaria, has the potential to increase capacity to 5 bcm yearly after the construction of a compressor station in Komotini, which will be complete by 2024.

Since the grand opening ceremony in October, 80% of IGB's capacity for 2023 has been booked, and reports are indicating that Moldova has reserved a portion of its capacity. Moldova's energy sector has been dominated by Gazprom, making this development evidence of Europe's larger adapting energy security strategy. As winter approaches, the IGB Pipeline will enable Caspian energy resources to reach parts of Europe in need of energy. It is also an indication of widespread commitment to taking substantial steps to diversify energy resources for the future.

[See more](#)

## 7. 6TH CICA SUMMIT IN ASTANA

Kazakhstan demonstrated its increasing regional influence in 2022, and this was especially visible through its hosting the 6th Conference on Interaction and Confidence Building Measures in Asia (CICA) summit in Astana in October. This conference was deemed "one of the most significant post-pandemic foreign policy events in [Kazakhstan] and on the continent," and was attended by heads of state from Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, the Palestinian Authority, Russia, Tajikistan, Türkiye, and Uzbekistan, and Belarus along with the Emir of Qatar, Vice Presidents of Vietnam and China, and about 50 delegations. During this summit, officials representing member countries adopted the Astana Statement, which marked the transformation of CICA to an actual supranational entity. It also outlined key objectives for the new organization which prioritized cooperation in economy, decarbonization and climate issues, food security, and education. Also adding to the significance of 2022's CICA summit, was Turkmenistan's ascension to a member country.

[See more](#)

## 8. TURKMENISTAN AND AFGHANISTAN AGREE ON TAPI PIPELINE CONSTRUCTION PLAN

On October 9, the delegation of Afghanistan and Turkmenistan's Ministry of Foreign Affairs (MoFA) reached an agreement on the construction plan for the Turkmenistan-Afghanistan-Pakistan-India Pipeline project (TAPI). This pipeline, stretching from Galkynysh, Turkmenistan, to Fazilka, India, hopes to export 33 billion cubic meters of natural gas to Afghanistan, Pakistan, and India. The predicted pipeline capacity is, however, reduced without existing energy infrastructure in Herat. Not only does the TAPI project lack investment needed to build a compressor station and expand capacity, but the project has been delayed several times due to regional conflicts, policies in Turkmenistan, and commercial doubts.

[See more](#)



Gobustan. Azerbaijan - Solar panel technology

Source: <https://www.shutterstock.com/image-photo/gobustan-azerbaijan-0307-year-small-town-1941441988>

## 9. EUROPEAN ELECTRICITY AND GAS PRICES HIT AN ALL-TIME-HIGH IN AUGUST

As Russia wages an energy war against the European Union (EU), European energy prices have reached an all-time-high this year. In August, the price peak was met with [995 euros per megawatt hour](#) (MWh) in Germany and 1,100 euros per MWh in France. Some countries had even raised the price limit on electricity usage to combat energy shortages. In Britain, the leading energy regulator, Ofgem, [raised the cap](#) on consumer energy bills to 3,549 (\$4,197) from 1,971 a year. Europe is beginning to seek alternative sources of energy to reduce its heavy dependence on Russian oil and gas, and all eyes are on the Caspian Region as a potential supplier.

Next year, the EU has set forth plans to further reduce Russian gas imports, some predicting a potential shortfall of [30 billion cubic meters](#) of gas in 2023. Energy prices have soared in Europe, and to lessen the impact of reduced Russian imports, on December 19, the EU has agreed to place a 35 cap on liquefied natural gas (LNG), and a benchmark electricity price of [€180 \(\\$191\) per MWh](#) on the natural gas futures on the Dutch Title Transfer Facility (TTF). With these new price caps, Europe will need to find several energy producers to offset the implications of its Russian dependency, and, in fact, several agreements with Caspian countries have been made to jump start this process.

[See more](#)

## 10. AZERBAIJAN INVESTS IN GEORGIA'S RAILWAY CAPACITY

On November 25 Azerbaijan's President Ilham Aliyev announced an additional [\\$100 million](#) in funding for the Georgian section of the Baku-Tbilisi-Kars (BTK) Railway project. As cargo transport are expected to increase in the upcoming years, the BTK railways demands an increase in "capacity of the railway to five million tons of cargo per year." In order to adapt to the changing global environment, routes leading to Europe must quickly modernize and develop railway infrastructure, logistics, and transshipment capacity to accommodate Azerbaijan's cargo transit volumes. The November 25 announcement by Aliyev was an opportunistic one in light of the global economy's current transitory period. Azerbaijan is playing an important role in ensuring regional connectivity by providing investment to less economically-integrated countries in the Caspian Region.

[See more](#)

## 11. NEW TRAIN GOING FROM TÜRKIYE TO UZBEKISTAN

"The [fastest and most convenient](#)" transit method to export goods from Türkiye to Uzbekistan began operation on December 3 with the launch of the Türkiye-Uzbekistan railway. This new transit route carries exported goods from Türkiye's Mediterranean shores of Izmir to Uzbekistan's destination point of Tashkent, nearly [5,150 kilometers](#), crossing four borders. During the November 11 Organization of Turkic States ([OTS](#)) Summit



in Samarkand, this railway was a key topic of discussion as it helps connect the Eastern Caspian states to the Western Caspian states, and even further, it enables Central Asian exports to reach the European market in less than two-weeks. While reducing transport costs and shipment times, this route offers an attractive route for the transport of Uzbekistan's goods to international purchasers. Further, showing signs of increased regional connectivity, this new railway supports the development of a new [transport corridor](#) from the Eastern to Western Caspian.

## SECURITY AND POLITICS

### 1. NEW KAZAKHSTAN

A series of deadly protests, now known as "Bloody January," erupted in Kazakhstan on [January 2-8](#). Bloody January's aftermath was a major overhaul of Kazakhstan's governmental system. The origins of the unrest began with peaceful protests over rising [fuel prices](#), and escalated to larger-scale, more intense riots that President Kassym-Jomart Tokayev claimed were overridden by people wanting to oust him from the presidency. While these protests started with discontent over fuel prices, they can also be largely attributed to an increasingly disillusioned generation, disapproving of the remnants of what is known as the "[old regime](#)," largely still influenced by former President Nursultan Nazarbayev (who ruled almost 30 years) and those close to him. The protests resulted in hundreds of deaths (with the official number stating [238](#)) and an estimated [4,578 injured](#).

Bloody January resulted in President Tokayev's vow to bring Kazakhstan into a new era, transforming it from the "old regime" to a "[New Kazakhstan](#)." To forge this New Kazakhstan, [Tokayev stripped](#) Nazarbayev of his status as "Supreme Leader" and removed many of Nazarbayev's close associates and family members from positions of power. He also vowed to enact many new reforms, which included a [successful referendum](#) on constitutional changes in June.

As part of ensuring the creation of a "New Kazakhstan," Tokayev announced snap elections to take place in November. Tokayev won the popular vote by 81.31%.

#### [See more](#)

[New Amendments Enhance Kazakhstan's Military Doctrine](#)

[Tokayev's First Weeks in a New Term: What Can We Make of His Recent Visits?](#)



Almaty, Kazakhstan - Destroyed Military Equipment from 'Bloody January'

## 2. ARMENIA-TÜRKIYE NORMALIZATION

On January 14, Turkish and Armenian diplomats convened in Moscow to discuss normalizing relations between the two countries, historically at odds, as well as opening land-borders. In 1993, not long after Armenia gained its independence, Türkiye closed its borders to Armenia in response to Armenian occupation of the Kelbajar district of the Nagorno-Karabakh region. Türkiye is a traditional staunch ally of Azerbaijan, and the decision to normalize ties with Armenia became more plausible when Azerbaijan completed its military victory in the 2020 Second Karabakh War, since there was no longer a reason for Azerbaijan and Armenia to fight over the disputed territory. While the two countries have not resolved all of their past disputes and roadblocks since January, both countries have made progress in furthering their relations. The number of flights between Türkiye and Armenia have since increased, and possibilities have thus opened for expanding connectivity in the region. As a signal of further progress, Türkiye has even appointed its first Armenian-descent governor in August.

[See more](#)

### 3. CENTRAL ASIA SUMMIT IN INDIA

On January 27, Indian Prime Minister Narendra Modi hosted the first India-Central Asia Summit. This Summit was attended virtually by President Kassym-Jomart Tokayev of Kazakhstan, President Sadyr Japarov of Kyrgyzstan, President Emomali Rahmon of Tajikistan, President Gurbanguly Berdimukhamedov of Turkmenistan, and President Shavkat Mirziyoyev of Uzbekistan. This summit was held primarily to commemorate 30 years of diplomatic relations between India and the five Central Asia republics. The event highlighted India's desire to not only boost its cooperation with the Central Asian countries, but also boost its own diplomatic status on the world stage.

During the summit, the participants emphasized that investment levels between the Central Asian countries and India have not nearly reached their potential, even with India investing over \$360 million in Kazakhstan and \$43.9 million in Tajikistan. To increase investment levels, the summit participants suggested that the India-Central Asia Business Council (ICABC) focus on measures that would attract investment. Participants also discussed recent initiatives that have boosted economic engagement with India such as India founding a \$200 million line of credit that would enable Kyrgyzstan to finance projects that would fund small community development.

[See more](#)



Irpin, Ukraine: Ukrainian soldier stands on the check point to the city Irpin near Kyiv during the evacuation of local people under the shelling of the Russian troops.

#### 4. RUSSIA'S WAR ON UKRAINE

On February 24, Russia invaded Ukraine, resulting in the months-long, ongoing war between the two countries. This invasion also sparked a global energy crisis as well as contributed to a complete overhaul of international alliances and priorities. For the Caspian Region, this has not only served as an alarming reminder to the importance of safeguarding their national sovereignties while sharing borders with Russia, but also to differentiate their alliances and dependencies, especially regarding their economies. While many countries remained relatively silent toward the crisis, Azerbaijan, Georgia, and Kazakhstan eventually adopted more openly critical stances toward Russia's war on Ukraine.

Moreover, Russian President Vladimir Putin's announcement of mass-mobilization on September 21 saw a massive influx of Russian citizens fleeing to Central Asian and South Caucasus countries. Since the announcement, hundreds of thousands of Russian citizens have fled. While countries such as Kazakhstan have welcomed those fleeing with open arms, the mass influx has created economic challenges in the region such as surging rent prices.

#### [See more](#)

[The Caspian Region Countries React to Putin's War in Ukraine](#)

#### 5. AZERBAIJAN-ARMENIA PEACE PROCESS

2022 proved to be an especially impactful year for the Azerbaijan-Armenia peace process. In April, May, and August President of the European Council (EC) Charles Michel, hosted Prime Minister of Armenia Nikol Pashinyan and President of Azerbaijan Ilham Aliyev. On April 11, following the first EU-mediated meeting, Aliyev and Pashinyan held their first publicized telephone call, after which both countries' Foreign Ministers were asked to begin drafting a peace treaty. The peace talks stalled when deadly fighting broke out on September 13 along the Armenia-Azerbaijan border which resulted in around 200 deaths of soldiers on both sides. On October 7, on the margins of the first meeting of the European Political Community in Prague, Aliyev and Pashinyan met with Michel and French President Emmanuel Macron which resulted in the two leaders to agree on having civilian EU mission situated along the Armenian-Azerbaijani border. Following a series of high-level meetings in New York City and Washington, DC, Deputy Prime Ministers of Armenia and Azerbaijan convened in Brussels again in November.

#### [See more](#)

## 6. TURKMENISTAN ELECTS NEW PRESIDENT

March 15, following the 15-year term of President Gurbanguly Berdimukhamedov of Turkmenistan, his son Serdar ascended to the presidency. Serdar Berdimukhamedov's run for office was much anticipated, and when he turned 40 (the minimum age requirement for the position in Turkmenistan), his run for presidency was successful, with him winning 73 percent of the vote. Many speculated over what the younger Berdimukhamedov's presidency will mean for the historically isolationist Turkmenistan, with some even hoping this would make way for a "New Turkmenistan." While Turkmenistan has since retained its isolationist policies, it certainly has shown signs of opening up to more partnerships and relations. This can be seen through milestones such as Turkmenistan joining as a member state of CICA, hints of it joining as a member state of the OTS, as well it agreeing to a Caspian Sea border delimitation with Kazakhstan.

[See more](#)



Ashgabat, Turkmenistan - Independence Monument with President Saparmurat Niyazov Statue

## 7. KARAKALPAKSTAN

On [July 2-3](#), in Uzbekistan's Karakalpakstan, which is the country's only semi-autonomous republic, began the worst period of fighting that Uzbekistan has experienced since 2005. For two days, the city of Nukus experienced tumultuous fighting between protesters and security forces, which resulted in [21 dead](#) and 243 injured. The protests were met with considerable force from the state security regiment and arrests, with around [500 detentions](#).

The unrest began when a popular journalist from Nukus [Dauletmurat Tazhimuratov](#) was arrested for publicly speaking out against a proposal to amend Uzbekistan's constitution to strip Karakalpakstan of its autonomous status. This proposal was especially controversial because it came about without consulting the public. Karakalpakstan as a semi-autonomous republic has its own parliament and government, as well as its own distinct culture.

Following the protests, the [government announced](#) that an independent commission would investigate the two-day deadly protests, a sign of governmental change and reform, that the government might take accountability if necessary. Moreover, in response to the protests, President Shavkat Mirziyoyev of Uzbekistan [cancelled](#) the controversial constitutional amendment.

## 8. SCO SUMMIT IN SAMARKAND

[September 15-16](#), the 22nd Shanghai Cooperation Organization (SCO) Summit took place in Samarkand, Uzbekistan. This was the first event since the COVID-19 pandemic that brought together in person, leaders of Azerbaijan, China, India, Iran, Kyrgyzstan, Mongolia, Pakistan, Russia, Tajikistan, Türkiye, and Uzbekistan. This [summit addressed](#) "regional security challenges, trade, and energy supply" as well as strengthening the Eurasian political, economic, and security alliance.

## 9. ISRAEL-TÜRKIYE RELATIONS

On August 17, Türkiye and Israel agreed to resume diplomatic relations and reinstate ambassadors and consuls-general to both countries. Diplomatic relations grew increasingly tense since the Mavi Marmara Raid in 2010, and in 2018 Türkiye recalled its Ambassador from Israel. Since then, both countries have demonstrated their willingness to collaborate in the fields of security, trade, and connectivity. Toward the latter, during Israeli President Isaac Herzog's visit to Ankara in March, he and Turkish officials discussed establishing an [underwater gas pipeline](#) linking Türkiye and Israel's Leviathan Field, an endeavor that could transport natural gas to Europe from the Eastern Mediterranean. As a strong partner to Türkiye, Azerbaijan's increased engagement with Israel has been credited in part to the re-established diplomatic ties. Israel's Ambassador to Azerbaijan, [George Deek stated](#): "Baku played an important role, making a lot of efforts to restore closer relations between Israel and [Türkiye]. For which we are sincerely grateful to the leadership of Azerbaijan, with whose participation another step has been taken in the regional process of Israel's rapprochement with Arab and Muslim countries."

## [See more](#)

### 10. KYRGYZSTAN-TAJIKISTAN CONFLICT

Beginning September 14, intense fighting broke between Tajikistan's and Kyrgyzstan's border forces, resulting in over [100 fatalities](#). The source of the fighting could be attributed largely to borders drawn up originally by the Soviet Union, which did not take into account ethnic exclaves beyond the designated national [borders](#). The use of [weaponry such as](#) fighter drones, mortars, rockets, and tanks devastated local infrastructure for both sides, especially in Kyrgyzstan's Batken region and Tajikistan's Sughd province. Finally, on September 20, both countries signed a [peace deal](#), bringing the fighting to an end.

### 11. FIRST EU-CENTRAL ASIA SUMMIT

On October 27, the European Union (EU) held the first EU-Central Asia Summit in Astana. This meeting was the first of its kind and was attended by President of the European Council (EC) Charles Michel, President Sadyr Zhaparov of Kyrgyzstan, President Kassym-Jomart Tokayev of Kazakhstan, President Emomali Rahmon of Tajikistan, President Shavkat Mirziyoyev of Uzbekistan, and Turkmenistan's Deputy Chair of the Cabinet of Ministers. The leaders expressed their desires to increase cooperation with the EU and also evaluated the last 30 years of multilateral cooperation.

Toward EU cooperation with the countries of Central Asia, Tokayev stated: "I would like to emphasize that the European Union was one of the first to recognize Central Asia as a single unified region with deep historical and cultural roots. Over 30 years, our relationship has significantly developed and contributed to strengthening the sovereignty, independence, and territorial integrity of the Central Asian states."

This summit concluded with the release of a joint statement reiterating the leaders' common "commitment to work together for peace, security, democracy, the rule of law, and sustainable development, with full respect for international law." Also, the leaders agreed on the importance of strengthening initiatives that promote stronger regional connectivity such as the EU Global Gateway strategy as well as other regional transport and transit projects.

## [See more](#)

### 12. OTS HOSTS 9TH SUMMIT IN SAMARKAND

On November 10-11 the Organization of Turkic States (OTS) held its 9th Summit in Samarkand. President of Uzbekistan, Shavkat Mirziyoyev hailed this summit the "New era for the Turkic civilization: Towards common development and prosperity," as this particular meeting of the OTS was especially significant for the organization. Following the 8th summit in 2021 which marked the change in the organization's original name from the

'Turkic Council,' its first year as the new Organization of Turkic States saw Turkmenistan join as an observer state. Preceding the 9th summit, Türkiye's Foreign Minister Mevlüt Çavuşoğlu even announced that Turkmenistan would join as a member state. While this did not yet happen, 2022 certainly proved an influential year for the OTS. CPC's CEO Efgan Nifti stated: "Since independence, regional integration and connectivity have been a priority of the Caspian countries. With its wide array of working groups, OTS is becoming one of the main drivers of regional cooperation." Perhaps most tangibly important during this meeting was the establishment of the Turkic Investment Fund, which is the "first joint financial institution established by the Turkic states," which "aims to mobilize the economic potential of member states."

## U.S. INVOLVEMENT

### 1. ARMENIA-AZERBAIJAN PEACE PROCESS MEETINGS IN DC

In September, on the margins of the UN Assembly, U.S. Secretary of State Antony Blinken met with Foreign Ministers of Armenia and Azerbaijan, Ararat Mirzoyan and Jeyhun Bayramov, separately. Following this, Blinken hosted both officials simultaneously in Washington, DC on November 7, where they also met together with Assistant Secretary of State for European and Eurasian Affairs Karen Donfried. This meeting proved to be influential, as this was followed by the Deputy Prime Ministers of Armenia and Azerbaijan both meeting in Brussels a week later. Also in September, U.S. National Security Adviser Jake Sullivan hosted a trilateral meeting at the White House with Armenia's Secretary of the Security Council Armen Grigoryan and Foreign Policy Advisor to the President of Azerbaijan Hikmat Hajiyev

[See more](#)



Samarkand, Uzbekistan - Presidents of Kyrgyzstan, Kazakhstan, Türkiye, Uzbekistan, Azerbaijan, Hungary and former President of Turkmenistan convene for 9th OTS Summit





Washington, DC - U.S. Secretary of State Antony Blinken Moderates Bilateral Discussion between Foreign Ministers of Armenia and Azerbaijan, Ararat Mirzoyan and Jeyhun Bayramov

## 2. CENTRAL ASIA SUMMIT IN INDIA

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[See more](#)

### 3. SPEAKER PELOSI VISITS ARMENIA

[On September 17](#), U.S. Speaker of the House Nancy Pelosi embarked on an official visit to Yerevan, Armenia. Her visit coincided with the renewed fighting between Armenian and Azerbaijani forces that broke out on September 13. Pelosi's visit marked the highest-ranking U.S. political official to visit Armenia. Pelosi's visit received mixed feedback, as many were happy for the show of solidarity to Armenia, while many disapproved because by not visiting Azerbaijan, and through her rhetoric, she was effectively taking a more one-sided position to the extremely complicated conflict, which has inflicted pain and trauma to both sides involved.

### 4. NATIONAL SECURITY STRATEGY

On October 12, the Biden Administration released its 48-page National Security Strategy (NSS), which primarily placed emphasis on rising U.S. competition with China, Russia's aggression as seen in the war on Ukraine, and the wavering state of U.S. democracy. While the NSS was originally set to be released in January, the administration held off and readjusted it so that it would address Russia's war in Ukraine and the spillover effects that have come with it.

The NSS also mentioned the United States' priorities in Central Asia and the South Caucasus, especially acknowledging the threat Russia may pose to national sovereignties. It reads that Russia may "undermine internal democratic processes in countries across Europe, Central Asia, and around the world," and that the United States and the North Atlantic Treaty Organization (NATO) "will continue to support the independence, sovereignty and territorial integrity of Central Asia." The NSS further addresses its policies toward the region through continuing to utilize the C5+1 format "to advance climate adaptation, improve regional energy and food security, enhance integration."

[See more](#)

### 4. ASSISTANT SECRETARY DONALD LU VISITS CENTRAL ASIA

November 6–11 U.S. Assistant Secretary for South and Central Asia Donald Lu embarked on an official visit to Kazakhstan, Turkmenistan, and Uzbekistan. His visit coincided with the launch of the Economic Resilience Initiative in Central Asia, which "will provide \$25 million in funding to bolster regional trade routes and capacity, educate and train a skilled workforce, and attract international investment to Central Asia." While in Turkmenistan, Lu met with President Serdar Berdimukhamedov and Foreign Minister Rashid Meredov to discuss nurturing bilateral U.S.–Turkmenistan relations. Lu's time in Uzbekistan focused on "meet[ing] with government officials as well as civil society and cultural groups to further advance [the U.S.] support for women and girls' empowerment and freedom of religion or belief." Finally, his time in Kazakhstan was marked by "meet[ing] with economic and business leaders to discuss Central Asia's economic stability and regional connectivity as well as civil society leaders to support their vital role in shaping Kazakhstan's future."

[See more](#)

## TRENDS

### 1. THE TURKIC IDENTITY BECOMING MORE PROMINENT THAN POST-SOVIET

Through the rising influence of entities such as the Organization of Turkic States, the Greater Caspian Region has been establishing that a common Turkic identity shared throughout many countries in the region. This has served as a unifying factor that has become more apparent since Russia's military invasion of Ukraine in February. Whereas many regional leaders would have used Russian as a lingua franca in meetings, during a meeting in August between Azerbaijani President Ilham Aliyev and Kazakhstani President Kassym-Jomart Tokayev, the two leaders instead spoke in their native Turkic languages without an interpreter. This bond has shown to be influential through other means such as the trilateral meeting between Azerbaijan, Türkiye, and Turkmenistan [December 21](#).

[See more](#)

### 2. REDEFINING RELATIONS WITH RUSSIA

Following the beginning of the Russo-Ukraine war, many countries in the region realized the dangers of being too dependent on Russia. As Russia has become bolder in its attempts to wage power over neighboring countries' economies and borders, it has become clear that for countries in the Caspian, it is not only important to maintain cordial relations with Russia, but also nurture alternative alliances and projects with other countries.

### 3. INCREASED U.S. ENGAGEMENT

Through the NSS, official visits to the region from Assistant Secretary Donald Lu and Speaker Nancy Pelosi, and through the U.S. role in the Armenia-Azerbaijan peace process, U.S.-engagement with the Greater Caspian Region has certainly seen an uptick in 2022. Endeavors such as the Economic Resilience Initiative in Central Asia and ongoing communication in the South Caucasus demonstrate that engagement is likely to continue at this rate in the new year.

### 4. INCREASED CONNECTIVITY

2022 has shown that connectivity was a main focus for the region. The war in Ukraine has demonstrated the need for alternative routes. Since the war, routes that go through the Black Sea or through Russia, such as the Baku-Novorossiysk pipeline are more vulnerable due to Russia's volatility. Furthermore, Russia demonstrated not only its ability but its willingness to foil export routes such as the Caspian Consortium Pipeline (CPC). In 2023, we are bound to see an increase in attention to projects that offer different import-export and transit routes, especially ones that bypass Russia.

### 5. INCREASED EU ENGAGEMENT

The European Union (EU) has also increased its engagement in the region. This comes as no surprise, as it was Europe who was hit the hardest by the global energy crisis and dependence on Russian energy. Since the beginning of the Russo-Ukrainian war, the EU has demonstrated its intentions to decrease dependency on Russia and invest in new energy transport routes. This was especially evident through endeavors such as the European Commission's (EC) agreement to fund a subsea electricity cable worth [EUR 2.3 billion](#) which would transport electricity from Azerbaijan to Romania, and green energy to Hungary, and then to the rest of the European Union (EU), including Ukraine and Moldova.

## **6. INCREASED CHINA INVOLVEMENT**

As Russia's diplomatic and economic clout and capacity wanes, China's influence and investment in the region has certainly increased. China's President Xi Jinping chose Kazakhstan as his first destination to visit following the COVID-19 pandemic and there he made a strong statement toward Kazakhstan's sovereignty, a clear message to Russia amid its war in Ukraine. He stated: "No matter how the international situation changes, we will continue our strong support to Kazakhstan in protecting its independence, sovereignty and territorial integrity, as well as firm support to the reforms you are carrying out to ensure stability and development, and strongly oppose to the interference of any forces in the internal affairs of your country." This, along with increased economic engagement signals a stronger Chinese regional engagement for 2023.

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