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E-mail: gulahmadovmahammad@gmail.com**THE BEGINNING OF A NEW TRANSPORT ERA: THE ZANGAZUR CORRIDOR AS THE BACKBONE OF POST-WAR REGIONAL COOPERATION PROJECTS IN SOUTH CAUCASUS****Abstract**

The commencement of the Second Karabakh War between Azerbaijan and Armenia transformed the geopolitical realities of the South Caucasus and served as a "wake-up" call for the countries to recognize the importance of peace and stability for the region. The reconstruction of the transport corridor in the areas liberated following the Second Karabakh War is regarded to be essential for Azerbaijan's economic development and social well-being. Azerbaijan is currently adopting a quick restoration policy in the liberated territory. In this regard, the reconstruction of the commercial and transportation systems in Karabakh and neighboring regions will turn these areas into significant regional transit hubs. The country is taking serious steps to build the main transport projects in these areas, focusing primarily on the development of transport and transit systems in two important regions: The Karabakh and Zengezur economic regions, which are considered the region's transit hubs. Thus, the article also considers the potential economic aspects of a transport corridor in these areas, provided that in the future Karabakh and Zengezur become the main transport corridor connecting East and West.

Keywords: economic aspects, transport hub, Karabakh, East Zangazur corridor, logistics, Azerbaijan

JEL: O 18**1. Introduction**

The study focuses on the possible economic integration and regional cooperation needed to convert Karabakh into a significant regional transport hub connecting East and West. Following the Second Karabakh War, the balance of power in the South Caucasus region shifted, resulting in a new geostrategic position. At present, Azerbaijan is taking appropriate measures to turn the Karabakh and East Zangezur regions into a major transport hub connecting Central Asia with the South Caucasus and Europe. The author will mainly analyze the main economic factors that may affect the formation of potential transport corridors in Karabakh and Eastern Zangezur, which may also affect the states of the region [1]. The condition of the roads intended for the movement of vehicles is the main factor that indicates the level of economy, culture and work that needs to be carried out in this area. The transport infrastructure created in Karabakh will turn Azerbaijan into a logistics hub between

Central Asia and Europe. All transport projects promise to accelerate the economic development of Karabakh and turn this war-torn region into an important regional transport hub. Connecting new and reconstructed transit routes in and around Karabakh with existing road and rail links in eastern Azerbaijan, as well as the Zangezur Corridor, will not only expand the regional transport network, but will also have a positive impact on regional cooperation.

The result of the second Karabakh war with the victory of Azerbaijan and the end of the conflict created the basis for the emergence of new relations in the region. The tripartite statement, signed on November 10, 2020, included a provision on the construction of new transport links linking Nakhchivan with the main territory of Azerbaijan. Currently, active work is underway in the direction of the Zangezur corridor, and the implementation of this corridor will play an important strategic role in trade and economic exchange and increase the potential of not only

Azerbaijan, but also the region and neighboring states [4]. The implementation of Article 9 of the November 10 statement, which provides for the restoration of economic and transport links, is the main and decisive stage in the development of Karabakh. Armenia's obligations are stated in the statement: "...guarantees the security of transport links between the western regions of the Republic of Azerbaijan and the Nakhchivan Autonomous Republic." In this regard, the opening of the Zangezur corridor is quite legal and is a historical necessity [2].

With the opening of the Zangezur corridor, all transport and economic ties in the region will be freed from the blockade, and the distance between Azerbaijan's regions will be shortened. As a result, Azerbaijan will have to connect with Turkey via train and road via Nakhchivan. On the other side, the opening of the Zangezur corridor will have a significant impact on the Turkic peoples' economies, particularly Turkey. As a result, East-West and North-South transport corridors will be formed, and Azerbaijan will become a transport hub and an important economic and strategic center for the whole world. The implementation of road and rail projects in the northern, southern and eastern directions, the road to the villages of Sugovushan and Talysh, the Ahmedbeyli-Fizuli-Shusha road, the Horadiz-Aghband railway, the Barda-Agdam railway are the main part of the Karabakh development strategy [3].

2. Materials and Methods

The objective of this study is to examine the construction of a transit corridor in Azerbaijan's liberated regions, as well as the economic and commercial benefits that using this corridor can bring to the country and region as the core part of regional integration in the region. The major focus of the diploma work is the rehabilitation of the transport infrastructure of the economic regions of Karabakh and East Zangezur, as well as the assessment of their transit potential. The transformation of the de-occupied territories of Azerbaijan into an important transport and transport hub connecting East and West will be further substantiated by relevant facts and arguments in the article. Azerbaijan is the country that will benefit the most from the infrastructure projects that will be built in accordance with the

terms of the post-war agreement. Because Azerbaijan will receive an economic benefit, as well as a geopolitical advantage over Nakhchivan. The realization of existing economic opportunities in the liberated territories through a new division of economic regions will make a significant contribution to the development of not only the economy of Karabakh and Azerbaijan, but also the trade and transport systems [5]. The economic development of the Karabakh and East Zangezur economic regions and their access to the international north-south and east-west transport corridors, as well as the Zangezur corridor, will make Karabakh an economic locomotive for the entire South Caucasus. As a result, Karabakh will become a symbol of regional cooperation, and not a zone of conflict, as it was during the Armenian occupation. The emerging transport hub in Karabakh will strengthen the position of the entire South Caucasus in the context of trans-Eurasian transport projects, such as the Middle Corridor and the North-South International Transport Corridor - another example of how the outcome of the Second Karabakh War corrects the geopolitical realities of this region of the world [6].

The Zangazur Corridor is one of the eco-



Source: Turan News.

Picture 1. The Zangazur corridor operated during the USSR period

economic benefits provided to the region following Azerbaijan's victory in the Second Karabakh War and liberation of its territory from decades of illegal Armenian domination in 2020. As part of the Zangazur corridor, Azerbaijan has been rehabilitating the critical Horadiz-Aghband line, which reaches to the Armenia-Azerbaijan state boundary in the country's Zangilan province. The project is being carried out in three stages, with a total length of 110.4 kilometers, is

planned to be operational in 2023. Azerbaijani officials believe that regional transportation projects including the Zangazur Corridor may promote peace and cooperation while also opening up new opportunities. According to some observers, the corridor will serve as an important connection in the East-West and North-South transport corridors, benefiting all regional countries and contributing to Eurasian trade and transport communications that include the region's \$1.1 trillion nominal GDP. At the same time, the country's multimodal transportation infrastructure, notably the Baku Sea Trade Port on the Caspian Sea coast and the Baku-Tbilisi-Kars railway, which runs from Azerbaijan to Turkey via Georgia, is expected to support the Zangazur corridor's viability [7].

Globally gazed at geopolitical disputes, specifically the Russian-Ukrainian War, led to new demands all around the world. One of these

needs is the supply chain, which means that the goods can be carried safely and quickly through the countries in the current economic condition. The activity of Black Sea ports on Ukraine's coast has ceased as a result of Russia's military engagement. There is no interest in routes crossing via Russia, both for security reasons and because of the sanctions imposed. The establishment of such financial circumstances has substantially raised the Middle Corridor's relevance. The Middle Corridor, also known as the Trans-Caspian International Transport Corridor, was founded in February 2014 following the collaboration of Azerbaijan, Kazakhstan, and Georgia's essential entities. The initiative grew in the years that followed, passing across Azerbaijan, Georgia, Turkey, and eventually reaching Europe. It is currently regarded as the shortest and most convenient route connecting Europe and Asia.

Table 1.
Activity of the “Europe-Caucasus-Asia” transport corridor Cargo transportation, thsd, Tons

2005	2010	2015	2019	2020	2021	Means of transport
46741	51688	52240	52762	38491	39627	Total
24685	20578	15521	13327	12820	13463	railway
8488	9370	6067	4824	5015	4558	sea
13568	21740	30652	34611	20656	21606	road
of which transit cargo transportation, thsd. Tons						
15051	15971	9494	8077	8382	8826	Total
7328	8253	3927	3796	4132	4585	railway
7723	7718	5567	4281	4250	4241	sea
Freight turnover, million tons – km						
13446	13222	10956	11158	9254	9592	Total
8534	6874	4557	4890	4607	5086	railway
3162	3672	2354	1801	1873	1712	sea
1750	2676	4045	4467	2774	2794	road
of which turnover of transit goods million tons – km						
6680	7120	4360	3698	3731	3864	Total
3767	4040	2190	2104	2121	2272	railway
2913	3080	2170	1592	1592	1592	sea
Income from freight transportation, thsd. Manats						
191701	322276	545265	673207	513141	539843	Total
122379	131635	187966	228960	211299	230991	railway
50594	75778	76948	138116	130913	122369	sea
18728	114863	280351	306131	170929	186483	road

Source: States Statistical Committee of the Republic of Azerbaijan

Limitation

As it covers the last years and the current period, the fundamental restriction of the article is

a lack of literature, scholarly monographs, and periodicals. After the end of the Second Karabakh War, news regarding key events in the

liberated regions may only be received from official websites of governmental authorities and publications of research centers. There are almost no indexed scientific articles that reflect important recommendations and opinions of domestic scientists for the advancement of theoretical knowledge. In this regard, the chosen paper is based on a longitudinal case study, and as a result, the author will conduct a comparative analysis of the relevant works and processes. Simultaneously, the author should conduct traditional interviews with employees of important government agencies and specialists from research centers to acquire more full information and highlight the topic in the report. On the other hand, there is little information regarding the transportation potential of the freed lands in foreign magazines and news sources, and it is mostly published on the pages of the media.

Conclusion

The commencement of the Zangezur Corridor will be critical to the economic development of Azerbaijan. It will increase gas shipments to Turkey and Europe, in addition to money from transit cargo. Azerbaijan will no longer pay a 15% charge to Iran for transporting gas to Nakhchivan, resulting in Azerbaijani companies dealing through this corridor, as well as lower domestic sales of products transported into our country from Turkey. The Zangezur corridor will cut the distance between Azerbaijan and Turkey by 400 kilometers. As a result, transportation costs will be reduced. The corridor's opening will be significant for European and Asian countries. Thus, the pipeline and Trans-Caspian pipeline projects, which were intended to run from Turkmenistan to Turkey but were halted in 2017 owing to a financial dispute, may be put back on the agenda. At the same time, Turkmen gas can be supplied to Europe via the existing Azerbaijan-Georgia-Turkey pipelines. In addition, the global economy will gain a new logistics route from Central Asia to China.

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E-mail: gulahmadovmahammad@gmail.com**НАЧАЛО НОВОЙ ТРАНСПОРТНОЙ ЭПОХИ: ЗАНГАЗУРСКИЙ КОРИДОР КАК
ОСНОВА ПОСЛЕВОЕННЫХ ПРОЕКТОВ РЕГИОНАЛЬНОГО СОТРУДНИЧЕСТВА
НА ЮЖНОМ КAVKAZE****Резюме**

Начало Второй карабахской войны между Азербайджаном и Арменией изменило геополитические реалии Южного Кавказа и стало «тревожным» звонком для стран осознать важность мира и стабильности для региона. Реконструкция транспортного коридора на освобожденных после Второй карабахской войны территориях имеет большое значение для экономического развития и социального благосостояния Азербайджана. В настоящее время Азербайджан проводит политику быстрого восстановления на освобожденной от оккупации территории. В связи с этим реконструкция торгово-транспортной системы в Карабахе и соседних регионах превратит эти районы в важные региональные транзитные узлы. В статье рассматривается потенциальный экономический потенциал/аспекты транспортного коридора в этих районах при условии, что Карабах и Зангезур станут в будущем основным транспортным коридором, соединяющим Восток и Запад.

Ключевые слова: Азербайджан, энергетическая безопасность, зеленая энергия, Нагорный Карабах, послевоенный период, возобновляемые источники энергии.

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E-mail: gulahmadovmahammad@gmail.com**YENİ NƏQLİYYAT DÖVRÜNÜN BAŞLANMASI: ZƏNGƏZUR DƏHLİZİ CƏNUBİ
QAFQAZDA MÜHARİBƏDƏN SONRAKI REGIONAL ƏMƏKDAŞLIQ
LAYİHƏLƏRİNİN SÜTUNU KİMİ****Xülasə**

Azərbaycan və Ermənistan arasında İkinci Qarabağ Müharibəsinin başlanması Cənubi Qafqazın geosiyasi reallıqlarını dəyişdirdi və ölkələrə regionda sülh və sabitliyin vacibliyini dərk etmələri üçün “oyanış” çağırışı oldu. İkinci Qarabağ müharibəsindən sonra azad edilmiş ərazilərdə nəqliyyat dəhlizinin yenidən qurulması Azərbaycanın iqtisadi inkişafı və sosial rifahı üçün mühüm əhəmiyyət kəsb edir. Məqalədə gələcəkdə Qarabağ və Zəngəzurun Şərqlə Qərbi birləşdirən əsas nəqliyyat dəhlizinə çevrilməsi şərti ilə bu ərazilərdə nəqliyyat dəhlizinin potensial iqtisadi aspektləri də nəzərdən keçirilir.

Açar sözlər: iqtisadi aspektlər, nəqliyyat qovşağı, Qarabağ, Şərqi Zəngəzur dəhlizi, logistika, Azərbaycan