

AZERBAIJAN, KAZAKHSTAN AND CHINA COORDINATE LOGISTICS ALONG THE MIDDLE CORRIDOR

Vusal Guliyev

Azerbaijan, Kazakhstan, and China increasingly seek to strengthen the Middle Corridor as a trans-Eurasian trade and logistics route. China's [proposal](#) to extend Lianyungang Port's existing logistics chain to Baku, alongside expanding container capacity at Aktau and new multimodal transport agreements, reflects a shift toward integrating previously separate infrastructure projects. Building on the [existing](#) Lianyungang–Khorgos–Aktau “Three Nodes” logistics chain, the proposed extension to Baku could further integrate transport networks across China, Central Asia, and the South Caucasus, strengthening freight connectivity with European markets. It could also create opportunities for Japan and South Korea to diversify their trade and energy routes amid disruptions to traditional supply chains. However, its long-term viability will depend on whether the participating countries can coordinate railway services, port operations, customs procedures, and digital systems to deliver reliable, cost-effective, and commercially competitive freight services.

BACKGROUND: On September 9, 2026, Kazakh President Kassym-Jomart Tokayev's [interview](#) with Xinhua highlighted the growing importance of the Azerbaijan–Kazakhstan–China logistics connection. The same day in Baku, at the CICA Conference of Port Authorities, Jiang Wei, Vice President for External Relations of Lianyungang Port, [proposed](#) incorporating Baku into the existing Lianyungang–Khorgos–Aktau “Three Nodes” logistics chain.

At the sidelines of the conference, Rovshan Rustamov, Chairman of Azerbaijan Railways (ADY), [met](#) with representatives of China's Shanghai International Port Group (SIPG), NIZE Tech, and Lianyungang Port. Discussions focused on developing the Lianyungang–Baku route, expanding regular container and block-train services, attracting additional Chinese cargo bound for Europe, and introducing smart-port technologies and digital solutions. The participants also highlighted the importance of exchanging information on cargo forecasts, train schedules, and logistical requirements to improve coordination between railway and port operations and strengthen the Middle Corridor's competitiveness.

On September 8, Tahir Budagov, Deputy Chairman of Azerbaijan's ruling New Azerbaijan Party (YAP), [met](#) with a Chinese delegation led by Liu Haixing, Minister of the International Department of the Communist Party of China (CPC) Central Committee. Their discussions focused on trade, transportation, the Belt and Road Initiative (BRI), the Zangezur Corridor, and Beijing's support for Azerbaijan's deeper engagement with the Shanghai Cooperation Organization (SCO).

These developments build on a growing network of infrastructure investments and bilateral agreements established in previous years, supported by sustained high-level engagement among the participating governments. On July 3, 2024, Azerbaijan and China [adopted](#) a Joint Declaration on the Establishment of a Strategic Partnership in Astana. The declaration committed both countries to strengthening cooperation on the Middle Corridor and accelerating the development of China–Europe freight-train services. That same day, KTZ Express, Aktau International Commercial Sea Port, and Lianyungang Port Group [reached](#) an agreement on the key terms for establishing a joint

venture to develop a container hub at Aktau Port. The US\$ 96 million project envisaged the construction, management, and operation of a new container terminal with a planned annual capacity of 500,000 TEUs (twenty-foot equivalent unit).

In September 2024, Lianyungang Port Group Co., Ltd., Kazakhstan Express Rail Company, and Aktau International Commercial Sea Port [signed](#) agreements to implement the Aktau Port Container Hub project. The facility officially [began](#) operations on June 9, 2025, strengthening Kazakhstan's transit capacity along the Trans-Caspian International Transport Route. Meanwhile, in November 2024, during COP29 in Baku, Azerbaijan, Kazakhstan, and China's Xi'an Free Trade Port Construction and Operation Co., Ltd. [agreed](#) to establish a joint venture to develop an intermodal cargo terminal on an initial 40-hectare site at the Port of Baku in Alat. In April 2025, the transport ministers of Azerbaijan and China [inked](#) the Agreement on International Multimodal Transportation in Beijing. In July 2025, Azerbaijan Railways (ADY) [concluded](#) separate agreements with China State Railway Group and Xi'an Free Trade Port to strengthen the Baku–Tbilisi–Kars railway, expand rail transit, and establish a container yard at Xi'an with an annual handling capacity of 20,000 TEUs.

These joint initiatives establish the foundations for a logistics network connecting Chinese inland and coastal transport hubs with Kazakhstan's railways and Caspian ports, Azerbaijan's transport infrastructure, and onward routes to Europe.

IMPLICATIONS: The [proposed](#) extension of the Lianyungang–Khorgos–Aktau chain to Baku represents a shift from developing individual transport projects toward coordinating a broader logistics network. The initiative seeks to connect existing facilities through more integrated freight services and information systems.

Azerbaijan's greater integration into the trans-Eurasian maritime network could strengthen China's connectivity with markets west of the Caspian Sea and improve links between its inland logistics centers and European destinations. With an annual cargo [throughput](#) of 367 million tons and 7.1598 million TEUs, Lianyungang Port [serves](#) as a key transit gateway connecting China's maritime trade routes with its inland transport networks, while Khorgos [facilitates](#) cross-border rail connectivity between China and the wider Caspian–Central Asia region. Aktau [provides](#) access to the Caspian Sea, while Baku serves as a gateway to the South Caucasus and onward transport routes through Georgia and Türkiye. With a planned annual cargo-handling capacity of 25 million tons, the Port of Baku [is positioned](#) to play a vital role in strengthening Eurasian connectivity. Closer integration with the Lianyungang–Khorgos–Aktau network could reinforce Azerbaijan's strategic importance in the trans-Caspian trade and logistics ecosystem. Closer coordination with Baku [is also enabling](#) Astana to better leverage its Caspian logistics infrastructure and reinforce its position along westbound trade routes. To expand the Middle Corridor's capacity, Kazakhstan [plans](#) to increase the combined cargo-handling capacity of the Aktau and Kuryk ports from 21 million to 30 million tons through modernization efforts. Authorities in Azerbaijan and Kazakhstan have been working to improve trans-Caspian freight transport along the Baku–Aktau route. As part of these efforts, an electronic data exchange system [was introduced](#) between the two ports in April 2025 to enhance inter-port coordination, streamline cargo operations, and improve freight efficiency across the Caspian basin.

Moreover, given the [proximity](#) of Lianyungang Port to major maritime hubs in Japan and South Korea, the Lianyungang–Khorgos–Aktau–Baku logistics chain could provide both countries with an additional trade route into the wider Caspian–Central Asian region. Amid escalating geopolitical tensions, sanctions-related constraints, and disruptions linked to the war in Ukraine and the ongoing conflict in the Persian Gulf, the Middle Corridor is gaining prominence as a potentially more resilient supply channel for both countries. [Tokyo](#) and [Seoul](#) have already expanded their engagement with Central Asia through multilateral cooperation frameworks that strongly support their [involvement](#) in the Middle Corridor’s development.

Despite the expansion of transport infrastructure, integrating the Lianyungang–Khorgos–Aktau–Baku route into a commercially competitive logistics network will require overcoming several operational challenges. Differences in railway timetables, port-handling procedures, customs documentation, and cargo-tracking systems [can cause delays](#) at transfer points, particularly where shipments move between rail and maritime transport. Limited digitalization of transport and customs procedures, together with the lack of interoperable information systems and real-time data sharing among participating countries, [could further hinder](#) cargo tracking, information exchange, and coordination among logistics operators.

Caspian crossings add another layer of complexity, as vessel availability, weather conditions, and the coordination of loading and unloading operations can affect transit schedules. The Caspian Sea’s [declining](#) water levels pose an additional long-term challenge by potentially reducing navigable depths, restricting vessel access to ports, and increasing dredging requirements and transportation costs. These conditions [could further disrupt](#) maritime operations and undermine the reliability of transit schedules along the Middle Corridor. Ostensibly, infrastructure expansion alone will not guarantee higher freight volumes if tariffs remain uncompetitive or cargo owners cannot rely on predictable delivery times.

Addressing these constraints will require closer coordination among railway operators, port authorities, customs administrations, and logistics companies, supported by interoperable digital systems and reliable information-sharing mechanisms. Efficient transshipment operations, adequate vessel capacity, streamlined customs procedures, and dependable rail connections will be essential to reducing logistical uncertainty and facilitating the movement of intercontinental cargo across the Caspian Sea.

CONCLUSIONS: The developments outlined above indicate that Azerbaijan, Kazakhstan, and China are moving toward closer coordination in developing the Middle Corridor’s logistics network. The proposed integration of Baku into Lianyungang’s “Three Nodes” logistics chain builds on container-handling infrastructure at Aktau, plans for an intermodal terminal at the Port of Baku, and agreements connecting Chinese logistics hubs with Azerbaijan’s railway network. The key challenge lies in transforming these individual projects into reliable, integrated freight services. Progress in these areas could further consolidate Azerbaijan’s role as a regional transit hub, strengthen Kazakhstan’s position in Caspian connectivity, and expand China’s access to markets across the wider Caspian–Central Asian region and beyond.

AUTHOR'S BIO: Vusal Guliyev is an Indo-Pacific and Eurasian Affairs Analyst with professional and academic experience spanning leading research institutions, think tanks, and fellowship programs across Azerbaijan, Türkiye, China, Japan, South Korea, and the United States. He currently works as a Leading Advisor at the Baku-based Center for Analysis of International Relations and Multiculturalism (AIR Center).