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Khankendi Summit of the Economic Cooperation Organization: its Decisions and Significance

Abstract

The Economic Cooperation Organization (ECO) summit held in Khankendi is an important event in terms of strengthening regional cooperation and economic integration. The summit was organized at the initiative of the Republic of Azerbaijan and aimed to present the process of restoration and development of Karabakh on an international platform and ensure stability in the region. The speeches of the heads of state participating in the event reflected a common will on regional stability, energy security, development of transport corridors, expansion of trade relations, digital economy and environmental problems.

At the end of the summit, decisions were made to increase trade turnover, develop strategic transport routes, promote energy and green technology projects, as well as increase support for the restoration of Karabakh. This event marked the beginning of a new stage in the activities of the ECO and created conditions for strengthening cooperation between member countries, ensuring regional stability and promoting sustainable development.

Keywords: *Khankendi summit, transport corridors, energy projects, digital economy, environmental security, restoration of Karabakh, sustainable development*

Introduction

The role of regional cooperation organizations in the modern system of international relations is increasing and strengthening. These organizations, in addition to deepening economic integration between member countries, also contribute to strengthening mutual trust, ensuring stability and realizing sustainable development. One of them, the Economic Cooperation Organization, attracts attention with its wide geographical coverage and promoting strategic cooperation between member states. The holding of the organization's last summit in the city of Khankendi, Azerbaijan, is of particular importance from both political and economic perspectives. This event not only opened a new stage in the activities of the Economic Cooperation Organization, but also demonstrates the initiative role of the Republic of Azerbaijan in regional cooperation and the importance of international support in the development of the Karabakh economic region.

The Economic Cooperation Organization was established in 1985 at the initiative of Iran, Turkey and Pakistan. The basis of this organization was the Regional Cooperation Organization, which was formed earlier in 1964. The main goal of the new organization was to strengthen economic integration between member countries, increase trade turnover, and implement joint projects in the fields of energy and transport.

Research

The Economic Cooperation Organization includes 10 states: Azerbaijan, Afghanistan, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkey, Turkmenistan and Uzbekistan. These countries cover a large geographical area and have rich natural, especially energy, resources. In 1992, the Central Asian countries and the Republic of Azerbaijan joined the organization, further expanding the geography and importance of the ECO.

The main goals of the ECO include expanding trade between member countries, integrating infrastructure, especially transport and communication networks, promoting mutually beneficial cooperation in the energy sector, implementing joint projects in the fields of industry and agriculture, and exchanging experience in the field of science, technology and culture. Various programs and projects are implemented within the framework of the ECO, including through institutions such as the ECO Trade and Development Bank, the ECO Transport Master Plan, and the ECO Statistical Committee (Economic Cooperation Organization, n.d., p. 3).

The main objectives of the Republic of Azerbaijan's accession to the ECO were to integrate into regional economic cooperation, participate in regional projects in the fields of trade, transport and energy, develop economic relations with the Islamic world and Turkic-speaking countries, and strengthen its position at the international level as a newly independent state. The Republic of Azerbaijan takes an active position within the organization and comes up with important ECO initiatives in many areas. In the field of transport and logistics, the Baku-Tbilisi-Kars railway, Baku International Sea Trade Port and the Middle Corridor (Trans-Caspian international transport route) projects enabled the Republic of Azerbaijan to become a transit center within the ECO.

By cooperating in the field of energy, the Republic of Azerbaijan participates in ECO energy projects to bring the energy resources of the Caspian Sea to international markets. Through economic forums and meetings, Azerbaijan has hosted a number of ECO summits and come up with initiatives supporting the organization's activities. The membership of the Republic of Azerbaijan in the ECO has accelerated the country's integration into the regional economic system, increased trade and transport opportunities, and strengthened its international reputation. Within this organization, the Republic of Azerbaijan, in addition to implementing projects in line with its national interests, contributes to the deepening of stability and cooperation in the region.

The OIC faces a number of difficulties in achieving its goals. Thus, political disagreements between member countries, insufficient relations in the field of transport and logistics, institutional weakness, bureaucratic obstacles and insufficient attraction of foreign investments prevent the organization from fully utilizing its potential. However, in recent years, against the background of increasing integration trends and changing global economic trends, the role of the OIC has become relevant again. The OIC is one of the rare regional platforms that unites different regions of Asia. If coordination between member states is strengthened and a common economic strategy is formulated, the organization can become a more effective regional powerhouse in the future. The initiative of the Republic of Azerbaijan and its growing role in the region are of particular importance in this regard. The successful future of the OIC will depend on the commitment of member states to cooperation and institutional reforms.

The 17th Economic Cooperation Organization (ECO) Summit was held in Khankendi, Karabakh region of the Republic of Azerbaijan, on 3–4 July 2025. The meeting was organized under the slogan "New ECO Summit: A Sustainable and Climate-Resilient Future" was held. Before the summit, the Youth Forum was held in Agdam on July 1, the Women's Forum in Lachin on July 2, and the 6th ECO Business Forum was held in Shusha.

The organization of the 17th summit of the Economic Cooperation Organization in Khankendi at the initiative of the Republic of Azerbaijan is of particular importance both politically and symbolically. Holding an international event in this city for the first time after the end of the long-standing conflict and the full reintegration of the Karabakh region is not only an affirmation of the sovereign rights of the Republic of Azerbaijan, but also marks the beginning of a new stage of development in the region. Our Republic tried to achieve several important goals with this initiative. First of all, the intention was to demonstrate to the whole world that Karabakh had transformed from a conflict zone into a zone of cooperation and stability (European Bank for Reconstruction and Development, 2023–2024, p. 112). On the other hand, holding the summit in Khankendi demonstrated to the international community the commitment of the Republic of Azerbaijan to the policy of peace and cooperation. This step also showed that the economic potential of the region is open to international projects, and that the process of Karabakh's restoration and development can bring

beneficial results not only for the Republic of Azerbaijan, but also for the entire Organization of Islamic Cooperation (Aliyev, 2023, p. 112) Thus, this decision, implemented at the initiative of the Republic of Azerbaijan, can be assessed as a strategic step in terms of both strengthening the country's diplomatic position and expanding regional cooperation.

The summit of the Economic Cooperation Organization held in Khankendi was characterized by a high level of organization and a rich agenda. The event hosted by the Republic of Azerbaijan was attended by heads of ECO member states, government representatives and international observers. The venue where the summit was held was specially restored and equipped with modern technical facilities, which demonstrated the achievements achieved in the process of Karabakh's reconstruction.

The summit's agenda included issues of expanding regional economic cooperation, developing transport corridors, prospects for energy projects, increasing trade turnover, as well as solving digital economy and environmental problems. In particular, the opening of the Zangezur corridor, the diversification of East-West and North-South transport lines were among the main topics of discussion (Hasanov, 2025, p. 47).

At the 17th Summit of the Economic Cooperation Organization held in Khankendi, many important and topical issues were discussed. These included 1. Strengthening regional economic cooperation - increasing trade volume between the ECO countries, promoting investment, and creating a free trade zone. Initiatives for digitalization, simplification of customs procedures, and optimization of border crossings were put forward. 2. Integration in the field of transport and logistics - the importance of projects such as the Middle Corridor (Trans-Caspian International Transport Route) and the North-South transport corridor was emphasized. The expansion of intra-regional railways, highways, and air connections was presented as a key priority (Asian Development Bank, 2023, p. 24). 3. Energy security and green energy - Issues such as diversification of energy resources, expansion of renewable energy projects and establishment of sustainable energy platforms were discussed. The ECO Clean Energy Centre has been launched, institutional foundations of energy cooperation will be strengthened (International Energy Agency. World Energy Outlook, 2023, p. 58). 4. Restoration of Karabakh and East Zangezur and the Great Return - President Ilham Aliyev provided detailed information on the reconstruction work carried out in the liberated territories, infrastructure projects, the process of demining and the return of the population. It was emphasized that these territories could be a development model for the ECO. 5. Environment and climate change - Since the Summit was held under the slogan "Sustainable and Climate - Sustainable Future", the fight against climate change, ecological stability, green economy and zero waste initiatives were at the forefront. The President of Kyrgyzstan proposed a new platform called "Mountain Youth and Climate" (United Nations. Transforming our world: The 2030 Agenda for Sustainable Development). 6. Gender equality and social inclusion - The role of women in regional development, gender equality, and support for social initiatives were discussed within the framework of the OIC Women's Forum held in Lachin. The leadership role of Azerbaijan's First Vice President Mehriban Aliyeva and Turkey's First Lady Emine Erdoğan in the "Zero Waste" initiative was specially noted. 7. Science, education and technology - An OIC Artificial Intelligence Center to be established in Iran was proposed. Education, youth exchange and technological innovation programs will be supported within the framework of the ECO. 8. International politics and security - There were speeches on the Israeli-Palestinian conflict and Iran's territorial integrity. Turkey and Iran noted the need to maintain regional stability, dialogue and take international law as the basis. such topics include (Organization of Islamic Cooperation. Economic Outlook Report, 2024, p. 77).

During the event, a number of bilateral and multilateral meetings were held between the participants and negotiations were held to bring cooperation opportunities to a more concrete level. The summit attracted attention with its businesslike atmosphere, as well as the spirit of mutual trust and cooperation, and created a solid foundation for future cooperation.

President of Azerbaijan Ilham Aliyev, speaking at the 17th OIC Summit, emphasized the special symbolic significance of holding the summit in Khankendi. He said that this city is hosting an international event for the first time after many years of occupation, and this is of great importance

as a confirmation of Azerbaijan's sovereignty. The President drew attention to Azerbaijan's economic achievements and noted that nearly \$350 billion has been invested in the country's economy over the past 20 years, half of which is foreign investment. He noted that Azerbaijan currently exports gas to 12 countries and plays the role of a reliable energy supplier in the region. In his speech, the President emphasized that large-scale restoration and reconstruction work is being carried out in Karabakh and East Zangezur, and noted that Armenia has placed more than 1 million mines in those areas, as a result of which nearly 400 people have been killed or injured. Recalling that more than a million Azerbaijanis were deported from their native lands as a result of ethnic cleansing during the occupation, he noted that their right to return with dignity is enshrined in international documents. It was noted that a Youth Forum was held in Agdam, a Women's Forum in Lachin and a Business Forum in Shusha prior to the summit, and that these events served to strengthen cooperation within the organization. It was noted that work was in the final stages towards establishing the ECO Clean Energy Center and the ECO Research Center in Azerbaijan. The President emphasized that the declaration of Shusha as the ECO Tourism Capital in 2026 was an important step in terms of the development of the region. In the field of transport, Azerbaijan has become a key participant in the North-South and East-West corridors, and the country has become a regional logistics center in these directions.

It was stated that it played a role as. Ilham Aliyev's speech reflected the economic power of the Republic of Azerbaijan, energy leadership, the recovery process and its contribution to regional cooperation (Aliyev, 2025, p. 102).

Turkish President Erdogan, in his speech at the 17th ECO Summit held in Khankendi, covering the organization's cooperation opportunities and regional issues, noted that Turkey attaches great importance to regional stability. He emphasized the symbolic importance of holding the summit in Khankendi and stated that the city would become a center of peace and development in the Caucasus. Erdogan proposed to increase regional trade turnover to \$100 billion and implement the 2035 Strategy in order to strengthen economic cooperation. At the same time, he noted the "Zero Waste" initiative, Turkey's "net zero carbon" target by 2053 and the initiative to establish clean energy centers in the Republic of Azerbaijan. The President, who also touched upon regional security in his speech, criticized Israel's policy and defended the primacy of international law in the Palestinian issue. He called for ensuring peace and development in Afghanistan and Syria. Erdogan also stressed the importance of expanding the relations of the Turkish Republic of Northern Cyprus with the ECO. These speeches reflected Turkey's position in the organization and regional integration initiatives. (Hasanov, 2025, p. 88).

President of Kyrgyzstan Sadyr Japarov stressed the importance of the link between economic development and climate change. He put forward joint cooperation initiatives in areas such as the creation of the "Mountain Youth and Climate" international platform, smart infrastructure for agriculture and green energy. He raised the issues of simplifying border crossing procedures, unifying tariffs and digitizing logistics (Guliyev, 2025, p. 95).

Iranian President Masoud Pezeshkian, commenting on the events between Iran and Israel, assessed the attacks as a violation of international law. He stated that Iran responded to targeted operations against nuclear facilities and civilian objects on its territory and disrupted the enemy's plans. He put forward proposals to establish an "Artificial Intelligence Center" and a Free Trade Zone within the ECO by 2025.

At the Economic Cooperation Organization summit held in Khankendi, representatives of the participating states highlighted a number of important points in their speeches. First of all, it was emphasized that lasting peace and stability in the region are the main conditions for economic development. The leaders who spoke specifically noted that the reconstruction and construction work in Karabakh opens up new opportunities for international cooperation (Mammadov, 2021, p. 75).

The leaders of the member states focused on the issues of diversification of energy resources, development of alternative and green energy sources, ensuring energy security. Expansion of transport corridors and increasing transit opportunities, especially the strategic importance of the

Zangezur corridor for the region, were one of the main topics of the speeches. In addition, increasing trade turnover, simplifying cooperation in the field of customs and logistics, developing the digital economy and e-commerce were indicated as important directions. The participants also called for solving environmental problems, joint fight against climate change, and implementation of sustainable development goals emphasized the importance of the joint activities of the Organization of Islamic Cooperation in holding the 2015 Summit.

At the Khankendi Summit, the Economic Cooperation Organization adopted a number of important decisions. Their main directions are as follows:

1. Strengthening trade and economic relations - It was decided to develop new mechanisms to increase trade turnover between member countries and simplify customs procedures.

2. Expanding transport and transit opportunities - Supporting the development of the Zangezur corridor and other strategic transport lines, increasing the transit potential of the region were among the main priorities of the summit (World Bank, 2022, p. 35)

3. Energy and green technologies - It was decided to implement joint projects aimed at the efficient use of energy resources, the development of alternative and renewable energy sources, as well as ensuring energy security.

4. Digital economy and innovations - Strengthening cooperation in the field of e-commerce, digital services and technology, and establishing new innovative platforms were among the issues highlighted at the summit (United Nations Development Programme, 2021, p. 89).

5. Ecological and sustainable development issues – It was decided to implement joint measures against climate change, ensure environmental security and prepare sustainable development strategies (European Bank for Reconstruction and Development, 2024, p. 3).

6. Karabakh restoration and development projects – Increasing support for the socio-economic development of the region, implementation of infrastructure projects with the participation of the member states of the Organization of Islamic Cooperation was given special attention at the summit (State Statistical Committee, 2023, p. 210).

The Khankendi summit is of great importance for the Economic Cooperation Organization from both a symbolic and practical point of view. First, the event served to strengthen regional stability and increase trust between member countries. Through this summit, the Republic of Azerbaijan presented the process of restoration and development of Karabakh on an international platform and demonstrated the potential for reconstruction of the region.

Secondly, the decisions of the summit gave impetus to the expansion of economic and trade relations between the member states, the development of transport and energy projects. This is of practical importance in the implementation of the strategic goals of the Economic Cooperation Organization and serves to strengthen regional integration.

Thirdly, the summit created conditions for promoting joint activities in such future-oriented areas as climate change, environmental security and the digital economy. In this regard, the event serves as a platform not only for economic cooperation, but also for sustainable development and technological progress. Thus, the Khankendi summit symbolizes the beginning of a new stage in the activities of the Economic Cooperation Organization and plays an important role in the socio-economic development of the region.

As a result of the seminar, the Khankendi Declaration was adopted - the declaration highly appreciated the reconstruction work carried out in the Karabakh and East Zangezur regions of the Republic of Azerbaijan and confirmed the right of deported Azerbaijanis to return with dignity. The statement specifically noted that the “Zero Waste” initiative is led by female leaders - First Vice President of the Republic of Azerbaijan Mehriban Aliyeva and First Lady of Turkey Emine Erdogan. It was recommended to launch the OIC Clean Energy Center, expand the OIC Research Center, strengthen the mandates of structures such as the OIC Trade and Development Bank and chambers of commerce, and the Single Information Space. In addition, urban planning and sustainable development of the urban environment were highlighted as important topics. Thus, the importance of the World Urban Forum to be held in Baku next year was emphasized.

The final document of the summit, the “Khankendi Declaration”, was adopted. In this document, the member countries expressed their support for the territorial integrity and sovereignty of Azerbaijan, highly appreciated the restoration and reconstruction work carried out in Karabakh and East Zangezur, and recognized and supported the right of return of Azerbaijanis who were subjected to ethnic cleansing in the region. Hamshi's member states agreed that a strategic roadmap for the economic and institutional development of the OIC for the coming decade will be prepared. In particular, the OIC Clean Energy Center began its activities to strengthen regional cooperation on alternative and renewable energy. At the initiative of Iran, a proposal was put forward to establish the OIC Artificial Intelligence Center. The results of the Lachin Women's Forum and the Aghdam Youth Forum were supported to increase the role of youth and women. Initiatives were agreed on simplifying customs procedures, promoting digital trade and developing free trade zones among member states.

Conclusion

The Economic Cooperation Organization summit held in Khankendi was a significant turning point in the history of regional cooperation. The summit not only aimed to strengthen economic and trade relations of the Economic Cooperation Organization member states, but also served to provide international support for the restoration and development of Karabakh. It showed that the territorial integrity of the Republic of Azerbaijan over Karabakh is recognized internationally. Holding a global event in the liberated territories demonstrated the successful restoration and development strategy of the Republic of Azerbaijan in the post-conflict period. At the summit, the heads of state and government of 10 countries demonstrated a common position, which strengthened economic and political solidarity in the region. Member countries indirectly criticized Armenia's aggressive policy and supported the Republic of Azerbaijan. Agreements on the Middle Corridor, North-South transport route and Caspian energy projects on the ECO agenda received more concrete content at the summit. The summit was remembered for initiatives in the fields of climate change, green energy and zero waste. The “Zero Waste” movement and green energy cooperation were aligned with sustainable development goals. In conclusion, the 17th ECO Summit held in Khankendi strengthened the position of the Republic of Azerbaijan as a regional leader, deepened economic cooperation between member countries, presented the restoration of Karabakh as a model of regional development and made practical decisions on the preparation of strategic documents for the future of the organization (International Monetary Fund, 2024, p. 39).

The decisions taken within the framework of the event – increasing trade turnover, developing transport corridors, expanding cooperation in the fields of energy and the digital economy – were an indicator of the common will of the member states. At the same time The summit focused on environmental issues and sustainable development goals, creating an opportunity to form a strategic vision for the future.

Thus, the Khankendi summit is of particular importance in terms of strengthening regional stability, deepening economic integration and increasing the international prestige of the Republic of Azerbaijan. This event symbolizes a new stage of mutual cooperation between the member states of the Economic Cooperation Organization and creates the basis for the implementation of broader economic, social and technological projects in the future.

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