**THE TERMEZ DIALOGUE OPENS THE**

**GATEWAY TO SOUTH ASIA**

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***Abstract***

*This article analyzes the results and significance of the first interregional forum "Termez Dialogue," held in May 2025 at the International Trade Center "Termez" in the Republic of Uzbekistan. The forum was the practical realization of the UN General Assembly Resolution "Strengthening Connectivity Between Central and South Asia," initiated by Uzbekistan. Discussions focused on trade and economic relations, transportation and energy cooperation, and sustainable development issues, including water resource management. Particular attention was given to Afghanistan's role as a key link in ensuring regional connectivity. The article explores mechanisms for institutionalizing interregional cooperation, the potential of cross-border infrastructure, and prospects for sustainable integration across the Eurasian space. Termez is positioned as a new hub for international dialogue, evolving from a logistical center into a geo-economic platform for regional stability and cooperation. The study is based on official documents, expert presentations, and statistical data collected during the forum. It aims to contribute to the academic foundation for evaluating new models of interregional interaction.*

***Keywords*** *Termez Dialogue, interregional integration, Central–South Asia connectivity, Afghanistan’s economic integration, Uzbekistan’s geoeconomic role, international logistics, Uzbekistan’s geostrategy, political stabilization in Afghanistan, institutionalization of regional dialogue.*

Amid rising turbulence in the global economy, the development of regional ties has become increasingly essential. Central and South Asia, more than ever, require optimal solutions in logistics, trade, investment, and security, with enhanced cooperation between regions holding enormous potential. However, achieving this necessitates greater mutual trust and strategic interconnectedness.

**Core Issue**

In the face of growing fragmentation in the global economy and mounting geopolitical instability, the formation of resilient interregional ties has become a key challenge. These connections must stimulate economic development and serve as a foundation for political stability. This study focuses on the institutionalization of a new architecture of connectivity between Central and South Asia, grounded in practical mechanisms of regional cooperation, particularly the Termez Dialogue format. Its significance lies in rethinking the role of transit countries such as Uzbekistan and Afghanistan, not passive territories but active agents of peaceful development and logistics integration. A key issue explored here is the integration of Afghanistan into regional processes as an essential condition for sustainable development across the Eurasian space[[1]](#footnote-1). This places the topic at the forefront of contemporary international research, uniting geoeconomics, security, and sustainable development issues while contributing to a new interregional agenda beyond conflict-based models.

**The First Termez Dialogue: From Logistics to Policy**

Against the backdrop of a fragmented global economy and the realignment of global value chains, the first interregional forum "Termez Dialogue" was held in May 2025 at the International Trade Center "Termez." The inaugural meeting on connectivity between Central and South Asia occurred under the theme "Building a Shared Space of Peace, Friendship, and Prosperity." The forum addressed interregional trade, transport, investment, ecology, and water resources.

Its primary goal was to establish a multilateral dialogue platform for advancing the 2022 UN General Assembly Resolution on "Strengthening Connectivity Between Central and South Asia," initiated by the President of Uzbekistan, Shavkat Mirziyoyev.

The forum brought together around 200 participants from Central and South Asia, Europe, the CIS, the Asia-Pacific, the Middle East, and the Americas. Notable participants included experts from prestigious think tanks such as the UK’s Royal Institute of International Affairs, the U.S.-based Central Asia–Caucasus Institute, the Finnish Martti Ahtisaari Peace Foundation, the German Berghof Foundation, the Indian Council of World Affairs, Observer Research Foundation, Pakistan’s Institute of Strategic Studies, and the Institute of Russia, Eastern Europe, and Central Asia under the Chinese Academy of Social Sciences[[2]](#footnote-2).

High-level representatives and experts from international and regional organizations also participated, including the UN Assistance Mission in Afghanistan (UNAMA), the UN Regional Centre for Preventive Diplomacy for Central Asia, the Shanghai Cooperation Organization, the Commonwealth of Independent States, the UN Development Programme, the UNHCR, the OSCE, the International Organization for Migration, and the Conference on Interaction and Confidence Building Measures in Asia.

The forum’s final communiqué emphasized the urgent need to integrate Afghanistan into regional economic processes. It also highlighted the importance of developing mechanisms to adapt to climate change and water scarcity. A key outcome was the decision to hold the dialogue regularly, effectively establishing a stable platform for aligning regional interests.

**The Road to the Termez Dialogue**

Historically, Central and South Asia have been crucial in building interconnectivity across the Eurasian continent. United by geography, shared routes, mutual interests, and centuries of intercultural exchange, these regions developed parallel and often within standard political or economic systems.

However, the rise of maritime trade and geographic discoveries diminished the importance of continental routes such as the Great Silk Road. The subsequent geopolitical transformations, including colonial restructuring and twentieth-century conflicts, led to a loss of the deep connections between Central and South Asia.

Only with the independence of Central Asian states in the early 1990s did efforts to revive interregional ties begin to emerge. Yet, the chronic crisis in Afghanistan, now over four decades long, remains a structural barrier to fully realizing the potential of regional cooperation.

Uzbekistan, Afghanistan’s closest neighbor, has consistently worked to support the country's peaceful and sustainable development while expanding ties with South Asian countries. For this reason, President Mirziyoyev proposed a regional connectivity initiative in his address to the Parliament on December 29, 2020. Promoting cooperation with South Asia and facilitating Afghanistan’s socioeconomic reconstruction were identified as key foreign policy priorities[[3]](#footnote-3).

As part of this initiative, Uzbekistan, Afghanistan, and Pakistan agreed to build the Mazar-i-Sharif – Kabul – Peshawar railway. Gulf nations like the UAE and Qatar have also expressed interest in the project.

In July 2021, Tashkent hosted a high-level international conference titled “Central and South Asia: Regional Connectivity—Challenges and Opportunities. " The conference aimed to establish a political and expert platform for multilateral discussion of a strategic partnership model between Central and South Asia. Topics included transport, logistics, energy, trade, investment, technology, and cultural-humanitarian cooperation.

The conference clearly demanded stronger economic engagement between South and Central Asian countries, supported by major international stakeholders and financial institutions[[4]](#footnote-4).

**Mutual Economic Interest**

South and Central Asia are two vast regions whose economic engagement has long remained limited due to geopolitical fragmentation and weak transport connectivity. According to the United Nations classification, South Asia comprises Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, and Sri Lanka. The region covers 4.5 million square kilometers – about 10% of Asia’s landmass and 3% of the Earth's surface. Its population represents 40% of Asia’s population and 24.2% of the world’s population. In 2023, the combined GDP of South Asia reached $4.9 trillion, accounting for approximately 4.5% of global GDP.

Central Asia covers 4 million square kilometers, or 2.7% of the world’s land surface, and is home to over 80 million people, over 1% of the global population. The region’s total nominal GDP exceeds $500 billion.

Despite their considerable economic potential, trade between the two regions remains modest. In 2023, total trade turnover amounted to just over $5 billion – far below Central Asia’s trade with China ($95 billion) and the European Union ($55 billion). South Asia’s foreign trade volume in 2024 reached $1.4 trillion, while Central Asia recorded $253 billion. These figures highlight an immense untapped potential for mutual trade, which can be unlocked through improved transport links and deeper economic integration.

A key driver for increasing trade flows could be the development of the Trans-Afghan Corridor, which would provide the shortest route from Central Asian countries to Indian Ocean ports and connect South Asia with the markets of Central Asia, China, Russia, and Europe. Importantly, implementing this corridor is expected to serve as a powerful catalyst for sustainable development in Central and South Asia while fostering regional consensus around peace and stability in Afghanistan[[5]](#footnote-5).

Signs of progress are already visible. The volume of cargo transported through the Trans-Afghan Corridor has more than doubled from 1.8 million tons in 2021 to 4 million tons in 2024. Transit traffic through Afghanistan also shows strong growth, rising from 805,000 tons in 2021 to 2 million tons in 2024, while the volume of road freight has increased eightfold, from 56,000 tons to 470,000 tons over the same period.

Economic cooperation between Central and South Asian countries also includes a range of significant infrastructure projects. Uzbekistan is implementing a project to build a 500 kV power transmission line, “Surkhan—Pul-E-Khumri,” which will connect Afghanistan’s power grid with the systems of Uzbekistan and Central Asia[[6]](#footnote-6).

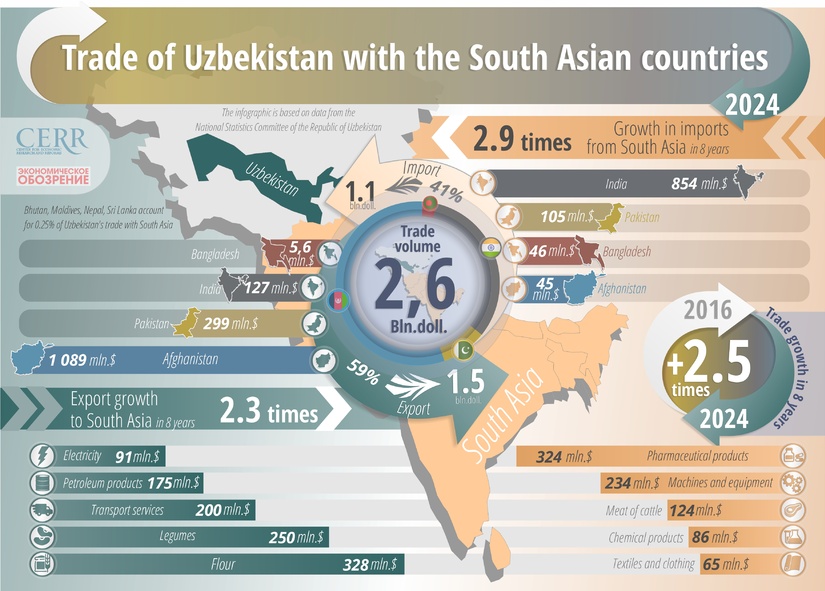
Kyrgyzstan and Tajikistan are actively engaged in the CASA-1000 (Central Asia–South Asia) project, which aims to supply electricity from Central Asia to Afghanistan and Pakistan. The total cost of this project is estimated at $1.1 billion.

Turkmenistan's priority is the construction of the TAPI gas pipeline (Turkmenistan–Afghanistan–Pakistan—India), which has a projected capacity of 33 billion cubic meters of gas per year. A consortium that includes energy companies from Afghanistan, Pakistan, and India supports the project.

Thus, ensuring stability and security in Afghanistan and the successful implementation of transport and energy projects across its territory will create the necessary conditions for closer economic integration between Central and South Asia. In the face of modern global challenges, this integration offers both regions an optimal path to long-term, sustainable economic development.

**Uzbekistan’s Trade with South Asian Countries**

As global supply chains undergo reconfiguration and international demand becomes increasingly fragmented, Uzbekistan, having confidently embarked on a course to expand economic cooperation to the south, has emerged as the most dynamic Central Asian country in building trade and economic ties with South Asia.



*Infographic, Center for Economic Research and Reforms*

Between 2016 and 2024, Uzbekistan’s trade with South Asian countries increased 2.5 times, reaching $2.7 billion. Exports alone grew 2.3 times, reflecting the rising competitiveness of Uzbek products in South Asian markets. Uzbekistan’s export structure is dominated by the agro-industrial and energy sectors, including $328 million in flour products, $250 million in legumes, $200 million in transport services, $175 million in petroleum products, and $91 million in electricity.

Imports are primarily composed of pharmaceuticals ($324 million), machinery and equipment ($234 million), food products ($124 million), chemical goods ($86 million), and textiles ($65 million), indicating a balanced trade structure with both raw materials and high-tech goods.

Trade with Afghanistan is particularly intensive. In 2024, bilateral trade reached $1.1 billion, of which over $1 billion was Uzbek exports. Afghanistan remains the principal market for Uzbek electricity, food, and transport services and a vital transit partner on routes to South Asia.

India is Uzbekistan’s second-largest trading partner in the region, with a trade turnover of $980 million in 2024. Imports accounted for $854 million, while exports totaled $126 million. Uzbekistan primarily exports chemical products, non-ferrous metals, electrical goods, and business services to India, while importing pharmaceuticals, food, and machinery.

Pakistan ranks third, with a total trade volume of $400 million in 2024, including $300 million in exports and $100 million in imports. This growth reflects the increasing significance of Pakistan's direction in regional trade and logistics projects, particularly in connection with the Trans-Afghan Corridor[[7]](#footnote-7).

South Asia is becoming a strategic direction for Uzbekistan, not only in terms of market diversification but also in the context of regional connectivity. The country is focusing not just on trade flows but on building long-term infrastructure and political partnerships. In light of increasing global pressure on international supply chains, the southern vector appears ever more rational and well-grounded, offering stable and reliable economic relations critical to sustainable economic growth.

**A Transit Bridge Between Central and South Asia**

The location of the first interregional forum on connectivity between Central and South Asia holds unique historical significance. Once a closed border town, Termez – situated just 500 meters from the Afghan border – has, since the opening of the Termez International Trade Center in August 2024, become a key hub in the new regional architecture.

Historically, Termez held this status due to its location at the border of two ancient civilizations – the Greco-Bactrian and Kushan Kingdoms. Its geographical position made it, in modern terms, a transit hub that connected India and Central Asia long before the emergence of the Silk Road.

The city flourished during the Timurid era, becoming an administrative, commercial, and scientific center.

Since 2016, the “Termez Cargo Center” logistics hub has operated at the crossroads of three countries – Afghanistan, Tajikistan, and Turkmenistan – with infrastructure capable of receiving up to 70 railcars daily. Since 2021, the center has been used by the World Food Programme and the UNHCR to deliver humanitarian aid to Afghanistan. Between 2021 and September 2024, more than 144,000 tons of aid, including food, medicine, tents, and solar lamps, were shipped through the terminal.

A free trade zone with extraterritorial privileges has also been established here for businesses from South Asian countries. A 15-day visa-free regime exists, foreign currency transactions are permitted, and entrepreneurs from Afghanistan and Pakistan may lease or acquire property within the zone[[8]](#footnote-8). The center currently employs over 1,000 residents and around 140 Afghan nationals. The annual export volume of goods produced in the zone has reached $1.2 billion.

Today, the Termez International Trade Center spans 36 hectares, comprises over 3,000 retail outlets, and provides 5,500 jobs, including 140 for Afghan citizens. Since its opening, it has welcomed over 440,000 visitors, and annual exports from the zone have reached $1.2 billion. The Center’s infrastructure includes a modern 70-bed clinic, which by late 2024 had provided medical assistance to over 33,000 Afghan patients. It also houses the Central Asia University business school, offering free Dari, Pashto, and English education.

Therefore, Termez has established itself as a regional transportation and logistics hub and a free trade zone, reviving its historic role as an interregional bridge between Central and South Asia. This, in turn, has created the most favorable conditions for a constructive dialogue on regional connectivity and cooperation.

**Findings of the Dialogue**

Analyzing the discussions and perspectives during the Termez Dialogue yields several key conclusions. In recent years, Central Asia has transformed into a space of trust, good neighborliness, and mutually beneficial cooperation, mainly due to the political will of the region’s leadership. Economically, the area has become more resilient and stable, embarking on a steady growth trajectory and increasingly positioning itself as a center of economic and investment activity. Notably, the European Bank for Reconstruction and Development (EBRD) forecasts regional GDP growth this year to reach 6%[[9]](#footnote-9), a rate significantly above the global average.

However, the current volume of trade and economic cooperation between Central and South Asia remains modest and does not reflect the true potential of their bilateral relations. Participants emphasized the importance of expanding the involvement of the private sector, which accounts for approximately 75% of South Asia’s economy and around 50% in Central Asia.

Afghanistan is pivotal in transregional connectivity, serving as a transport bridge linking Central and South Asia. Therefore, a key focus of cooperation between the two regions should be Afghanistan's stabilization and sustainable development. This requires coordinated strategies for the country’s socio-economic reconstruction and full integration into regional economic frameworks.

At the same time, several challenges hinder the deepening of interregional economic ties – most of them geopolitical, including trade tensions with third countries and the threat of sanctions. While Central Asian countries have resolved mainly political differences among themselves and are pursuing coordinated economic integration, South Asia continues to grapple with significant political tensions, particularly between India and Pakistan, which at times escalate into open hostility. Additionally, strained relations between Pakistan and Afghanistan complicate joint efforts to advance projects like the Trans-Afghan Corridor.

Another risk factor affecting economic interaction between Central and South Asia is the escalation of the conflict between Israel and Iran into a military phase. This could disrupt cargo routes along the Iranian corridor to the Indian Ocean. Any disruption in oil supplies from the Persian Gulf may further negatively impact the economic and external trade dynamics of South Asian countries.

Despite these challenges, the political consolidation, high levels of trust, and joint initiatives emerging from Central and South Asia provide a unique opportunity to build a robust architecture of interregional connectivity. Strengthening ties between the regions creates a “win-win” scenario that will promote peace while laying the foundation for a unified economic space – a crucial prerequisite for long-term and sustainable regional stability[[10]](#footnote-10).

Experts believe that the launch of the Termez Dialogue marks an essential step toward strengthening and expanding interregional connectivity. It will enable both regions to leverage their political and economic potential fully.

**Conclusion**

It is important to note that Termez is currently undergoing a phase of modernization, reclaiming its historical role as a bridge between Central and South Asia and becoming the southern gateway of Uzbekistan. The Termez International Trade Center is not merely a commercial venue, but a geo-economic platform where humanitarian, educational, and logistical initiatives converge.

The Termez Dialogue should be viewed as a practical implementation of the UN General Assembly resolution adopted in 2022 at the initiative of the President of the Republic of Uzbekistan, Shavkat Mirziyoyev. In this context, Uzbekistan is not only the initiator but also the institutional node of a new regional policy based on openness, transparency, and mutual benefit – in contrast to models rooted in bloc rivalry. The Termez Dialogue has the potential to evolve into a prototype for sustainable integration free from geopolitical confrontation.

The final communiqué adopted after the first Termez Dialogue represents a significant step toward institutionalizing the format and sets the direction for deeper rapprochement between Central and South Asia. The document highlights the necessity of fully integrating Afghanistan into regional economic processes, which is seen as an essential condition for the sustainable development of the broader Eurasian space.

Special attention was given to the need for climate adaptation, joint water resource management, and transport and energy connectivity development. Participants agreed that the Termez format should become a regular platform for dialogue, capable of uniting neighboring states and global partners invested in regional stability.

In conclusion, the forum unveiled unprecedented opportunities for joint problem-solving and promoting shared interests. Deeper connectivity between regions will lay the foundation for a common cooperation space, free from conflict and geopolitical rivalry. Termez, therefore, is no longer simply a geographic point on the map but a symbol of a new model of international engagement – pragmatic, resilient, and focused on shared challenges and collective opportunities.

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