

20.yıl | tepav

Bârika-i hakikat, müsâdeme-i efkârdan çıkar

South Caucasus is the center of the world

12-05-2026

Güven Sak

Framework

- TEPAV's interest with the South Caucasus
 - Middle Corridor discussions in Ankara
 - Old Soviet railway line oriented connectivity debate
 - Protocols
 - Ancient bridge over Akhurian
- This time it's different
 - Not a corridor to China but Central Asian industrial development
 - Trump Route for International Peace and Prosperity (TRIPP) is an opportunity
 - TRIPP becomes more bankable with trade and production zones along the way
- How to move forward?
 - Dilucu FTIZ could be an opportunity
 - Looking for business opportunities this time
 - Tourism cooperation between Turkey and Armenia?
 - Caspian Crossing cooperation between Turkey and Azerbaijan?
 - A South Caucasian BIRD?
 - Joint R&D Cooperation Program

Old soviet railways

Multiple connections through Southern and Middle Armenia may be viable



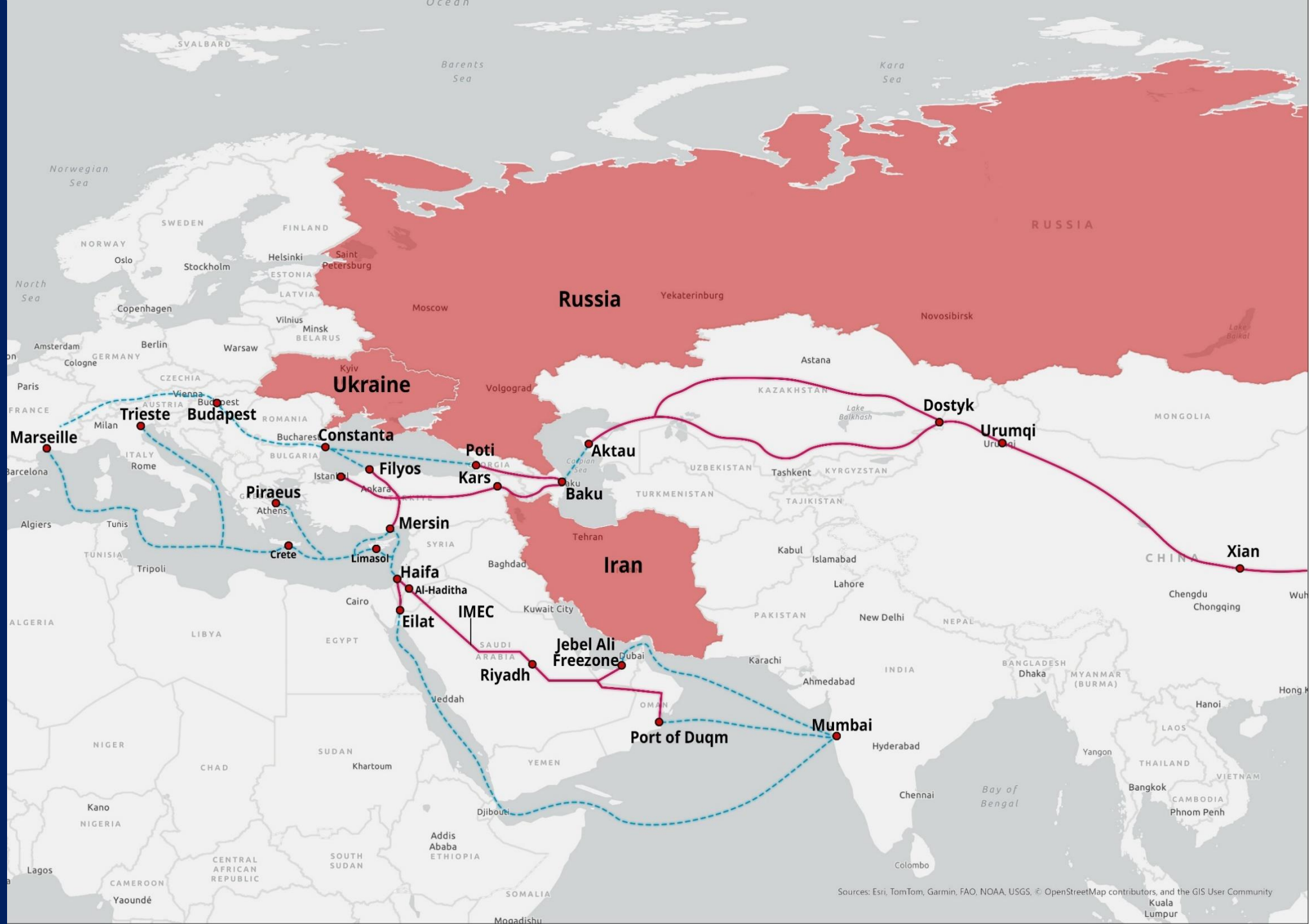
**2010 –
Ani Bridge
restoration
project
proposal**



International flights after the War against Iran



The importance of the Türkiye and the South Caucasus are steadily increasing in the east-west corridor.

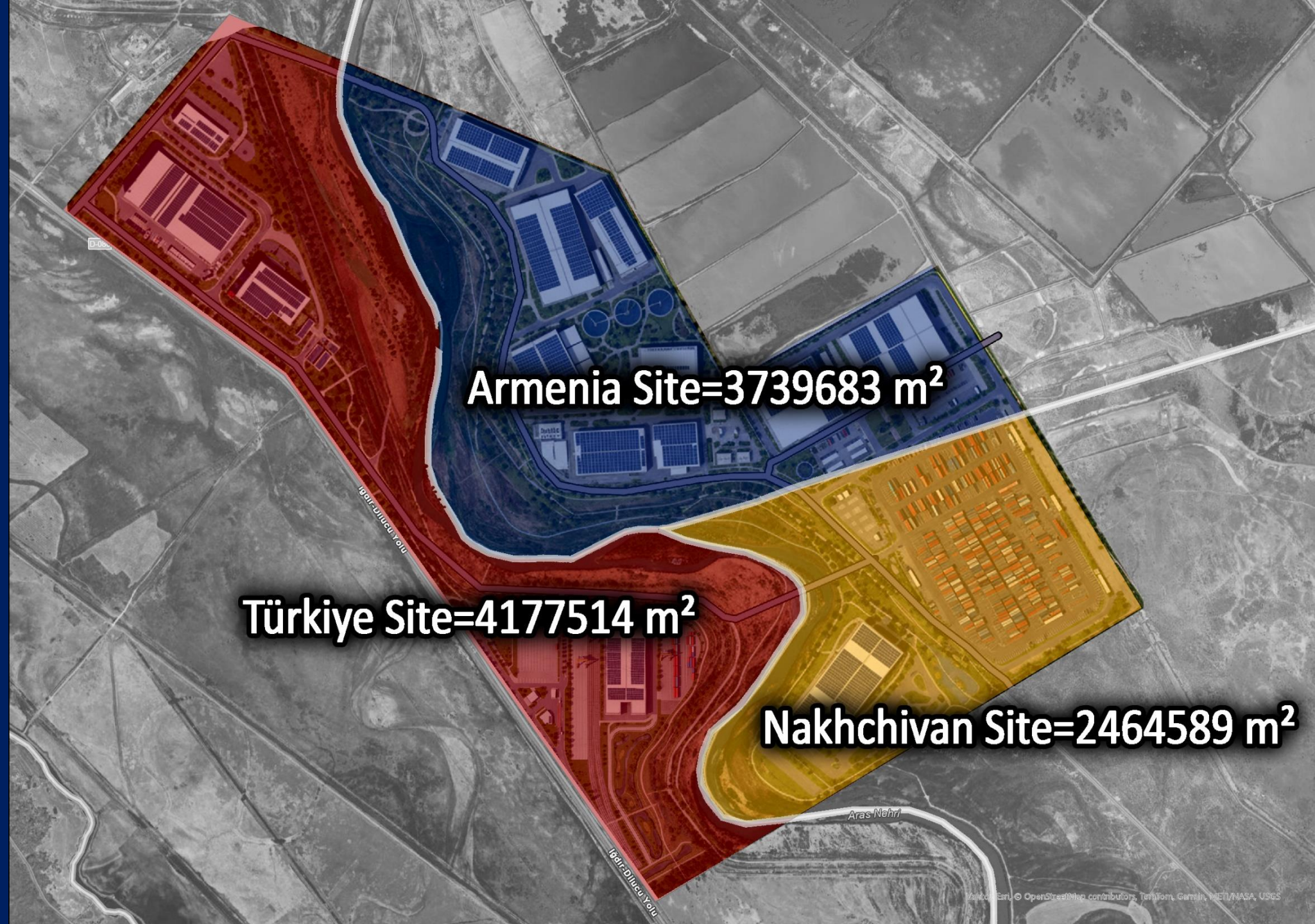


Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Free Trade Zone Project along TRIPP



**Free Trade
Zone Project
Area
Boundaries
of Countries**



**Free
Trade
Zone
Project
Area-3d
concepts**

Aras Peace Park



What happens if the war with Iran drags on?

- The importance of the South Caucasus in terms of both air and land connections increases.
- Opening the border with Armenia becomes crucial.
- Azerbaijan becomes Europe's gateway to Asia.



Source: World Bank

Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

What kind of pilot model can foster mutual gains for Turkish, Armenian and Azerbaijani industrial ecosystems?

- Matching Turkey's horizontal technologies with region's industrial strengths
 - Conducting in-depth analysis of complementary areas across key value chains
 - A pilot "Think Tank with Labs" initiative: Learning from Fraunhofer model as a best practice
 - Designing joint R&D partnership
 - High-Level Policy Dialogue
 - Core Technology Zones: Joint Pilot Projects in selected technology domains
 - This time: Positioning Turkish OIZs as 'Technology Interfaces'
- Establishing a South Caucasian BIRD to fund joint company projects
 - Risk sharing mechanism for FTIZ
 - Joint fund with a scientific board to choose relevant projects

BIRD can be a concrete facilitator of industrial development

- Binational Industrial Research and Development Foundation (BIRD) est. 1977 between IL and the USA
 - American high tech company with its experience in product development and marketing
 - Israeli start-up with a new technology
- Conditional grant up to 50% of the project budget
 - Conditional as the grant is repaid from sales revenues and license payments of the successfully implemented project
 - Close monitoring with semiannual fiscal reports of the project as well as developments in grantees' other projects and products
- BIRD model can support high-risk/high-reward R&D projects
 - IL BIRD is only the most functional: It is still operational.

Concluding Comments

- Regional conflicts are making the South Caucasus an important junction
 - The South Caucasus turning into the center if the World
- Look for the low hanging fruits
 - TRIPP to connect Central Asia to Europe
 - TRIPP needs free trade and industrial zones (FTIZs)
 - TRIPP *is* connectivity and requires open borders
- How to move forward?
 - Dilucu or a concrete FTIZ idea useful to proceed
 - Looking for business opportunities this time
 - Tourism cooperation between Turkey and Armenia?
 - Caspian Crossing cooperation between Turkey and Azerbaijan?
 - A South Caucasian BIRD?
 - Joint R&D Cooperation Program