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## Pakistan and Azerbaijan to Establish Joint Groups for Enhanced Trade and Rail Connectivity

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Pakistan and Azerbaijan have agreed to form Joint Working Groups (JWGs) to advance trade and railway connectivity, marking a significant step toward deeper economic ties. This decision, announced on July 20, 2025, following high-level talks at Pakistan's Ministry of Railways, aims to strengthen cross-border linkages and foster regional economic

integration. The move aligns with Pakistan's strategic vision to modernize its infrastructure and expand trade networks, particularly with Central Asia and the Caucasus.

The agreement emerged from a meeting chaired by Pakistan's Minister of State for Railways, Bilal Azhar Kayani, who emphasized Pakistan's commitment to enhancing rail-based trade with Azerbaijan. "We are pursuing a comprehensive strategy to modernize Pakistan Railways and boost regional connectivity," Kayani stated, as reported by Dawn. The discussions included key stakeholders, such as Railways Secretary Syed Mazhar Ali Shah and representatives from the Special Investment Facilitation Council (SIFC) and National Logistics Cell (NLC). A video-linked Azerbaijani delegation, led by Deputy Chairman Arif Aghayev, explored the potential of the Uzbekistan-Afghanistan-Pakistan (UAP) railway project, which could further integrate regional trade networks.

This partnership builds on recent diplomatic momentum between Islamabad and Baku. Prime Minister Shehbaz Sharif's visit to Azerbaijan earlier this year resulted in agreements to elevate bilateral investments to \$2 billion, reflecting a shift toward a robust economic partnership. The JWG's will focus on modernizing rail infrastructure and streamlining freight logistics, potentially linking Pakistan's ports in Karachi and Gwadar to Azerbaijan via Afghanistan and Turkmenistan. Such connectivity promises to reduce cargo transit times by up to five days and cut costs by 40%, according to estimates from the UAP railway project.

For conservative audiences, this development underscores Pakistan's proactive stance in securing economic sovereignty through strategic alliances. By prioritizing rail and trade corridors, Pakistan aims to position itself as a pivotal hub for regional commerce, countering reliance on

traditional routes and fostering economic resilience. As Kayani noted, “This collaboration will create a robust foundation for Pakistan’s rail infrastructure.” The agreement not only strengthens ties with Azerbaijan but also signals Pakistan’s ambition to bridge South Asia and the Caucasus, driving mutual prosperity.