

Geopolitics and Development in Central Asia

Exploring Opportunities for Middle Powers

Hyeyoung Woo



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Abstract

Central Asia has emerged as a key region where the convergence of geopolitics and development cooperation is most visible. Major powers are redefining their approaches: Japan combines official development assistance (ODA) with commercial partnerships to advance connectivity and reform; the EU is emphasising a sustainable infrastructure and governance-oriented approach; the US is expected to catalyse private investment rather than direct aid; China deepens its regional presence through the Belt and Road Initiative; while Russia leverages historical and security ties to maintain influence. Meanwhile, middle powers – countries that do not wield vast influence like major powers but possess substantial capacity to shape international events – are exploring new opportunities for engagement. Türkiye positions itself as a bridge between advanced economies and the Global South, emphasising connectivity and energy cooperation through the Middle Corridor and the Organization of Turkic States. South Korea's 2025 ODA Strategy for Central Asia identifies the region as a strategic partner for shared growth, integrating pragmatic diplomacy with value-based cooperation. By leveraging their soft power and policy experience, these middle powers offer a distinctive model for development partnership. Central Asian governments are responding to a changing international environment by diversifying partnerships through regional integration and more strategic engagement with development partners.

Keywords: development cooperation, geopolitics, Central Asia, middle power, Korea, Türkiye

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Abstract

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Abbreviations

BRI	Belt and Road Initiative
CRM	critical raw materials
DAC	OECD's Development Assistance Committee
DFC	Development Finance Corporation
JICA	Japan International Cooperation Agency
KSP	Knowledge Sharing Program
LCU	local currency units
ODA	official development assistance
OECD	Organisation for Economic Co-operation and Development
OOF	other official flows
SCO	Shanghai Cooperation Organization
USAID	US Agency for International Development

1 Introduction

Central Asia¹ has emerged as a strategic region in today's competitive global arena, driven by important natural resources, trade relations and the need for regional stability. Today, its strategic location – bordering Russia, China, Iran, Pakistan and Afghanistan – confers both geopolitical and geoeconomic significance. The region's significance has grown in recent years amid China's economic rise, the Taliban's return in Afghanistan and Russia's war in Ukraine. While foreign policy towards Central Asia is gaining renewed importance, development policy in the region is facing new challenges and shifting influence from donor countries.

The Trump administration formally dismantled the US Agency for International Development (USAID) on 1 July 2025, hampering international cooperation, including development cooperation with partner countries. The US withdrawal brought new geopolitical dynamics, encouraging strategic foreign policies by other actors such as China and the EU. Development policy strategies should respond to this changing context by improving coordination and communication between national ministries and international aid organisations (Klingebiel & Summer, 2025).

In Central Asia, USAID provided development assistance across sectors such as education, healthcare, agriculture and environmental protection. In 2025, Tajikistan and Kyrgyzstan experienced cuts to 78 per cent and 69 per cent of their USAID-supported programs, respectively, while in Kazakhstan, Turkmenistan, and Uzbekistan, almost all aid initiatives were terminated. The abrupt reduction of US assistance in Central Asia disrupted key initiatives in health, education, infrastructure and climate resilience. The rushed phase-out heightened community vulnerabilities and reduced support for civil society organisations, limiting their capacity to operate under the increasing state pressure of Central Asia (Jalolova, 2025).

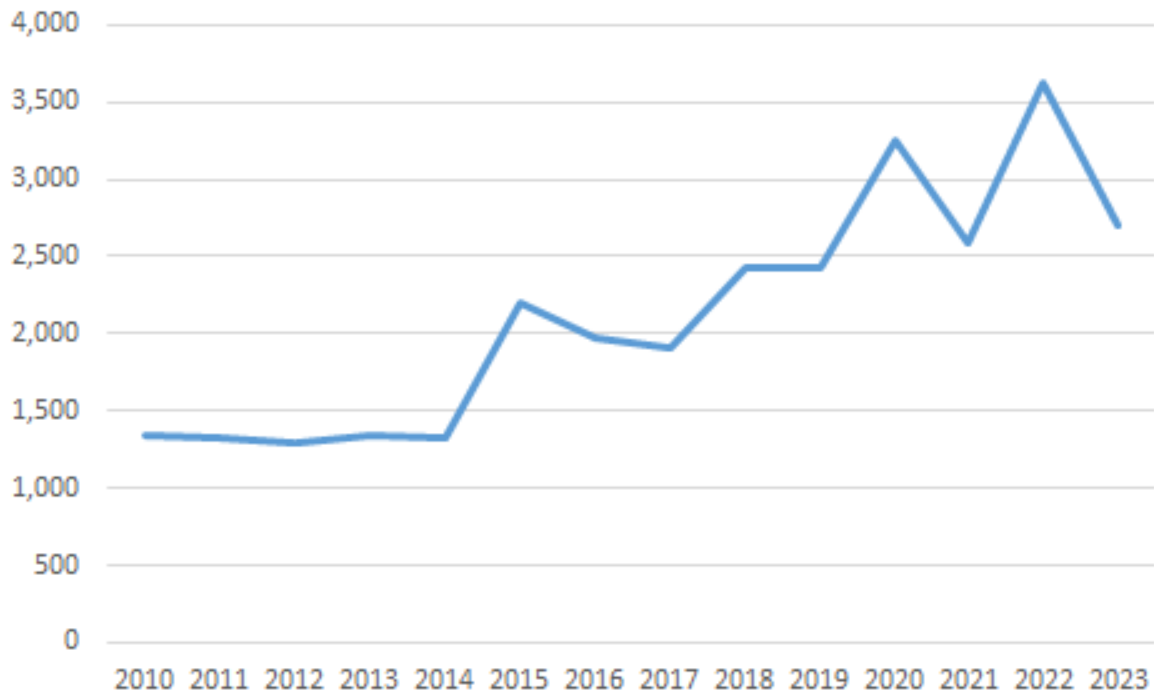
European governments have also reduced their public budgets for official development assistance (ODA) and will continue doing so over the coming years. Estimated aid reductions by the US and Europe in 2025 are projected to amount to 0.6 per cent of the Central Asian region's weighted 2023 GDP. This represents the second-largest proportional decline globally, following Sub-Saharan Africa (0.73 per cent) (Raga et al., 2025).

While the US, the EU and other Western donors initially led efforts to promote democracy and the rule of law following the independence of Central Asia states, such efforts have been weakened in recent years due to declining levels of US and EU assistance and the growing influence of regional powers like Russia and China. Both Russia and China continue to exert influence through a combination of hard and soft power, offering alternative development models that do not place democracy at the centre of governance (Kilichova, 2022).

Before the turmoil, ODA flows to states in the region from official donors had been generally increasing since 2010 (see Figure 1). The ODA volumes between 2010 and 2023 are as follows, from largest to smallest: Uzbekistan (USD 11.9 billion), Kyrgyzstan (USD 8.2 billion), Tajikistan (USD 7.2 billion), Kazakhstan (USD 2 billion) and Turkmenistan (USD 0.5 billion). Their major bilateral and multilateral donors include Japan, the US, EU institutions, Germany and France (see Figure 2).

1 The OECD defines Central Asia as part of Eurasia, within the grouping of Eastern Europe, the Caucasus and Central Asia (EECCA), which includes Armenia, Azerbaijan, Georgia, the Republic of Moldova, Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan, Ukraine and Uzbekistan (OECD, 2025). This paper will focus on Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan as Central Asia.

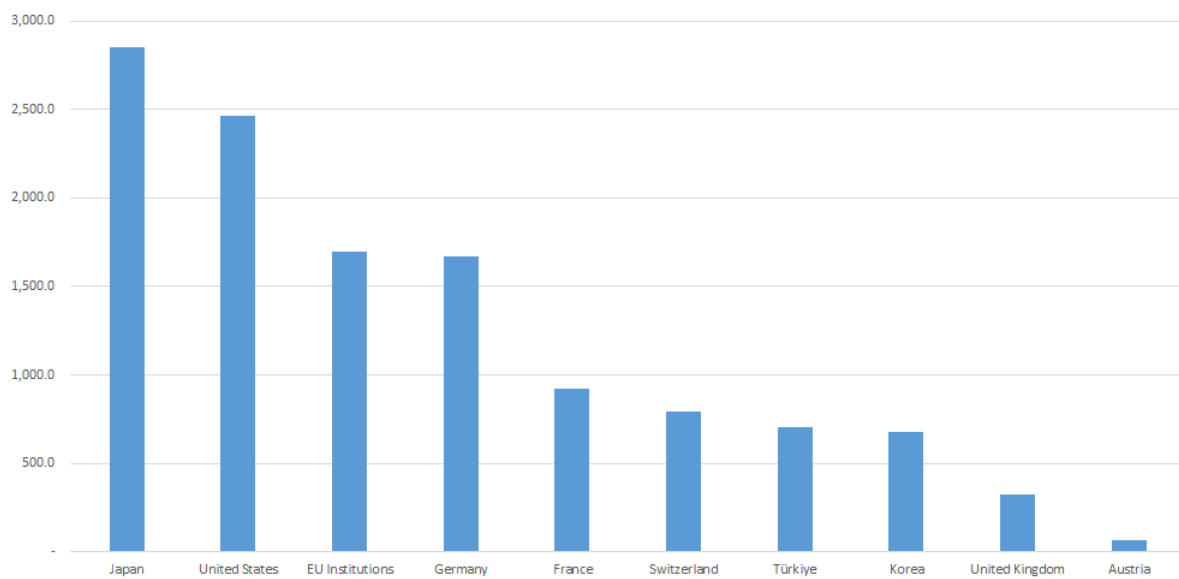
Figure 1: ODA to Central Asia from official donors (2010-2023), in USD millions (2023 constant price)



Notes: Recipients are Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan; flow type is disbursements

Source: OECD (2026)

Figure 2: Top-ten ODA donors to Central Asia (2010-2023), in USD millions (2023 constant price)



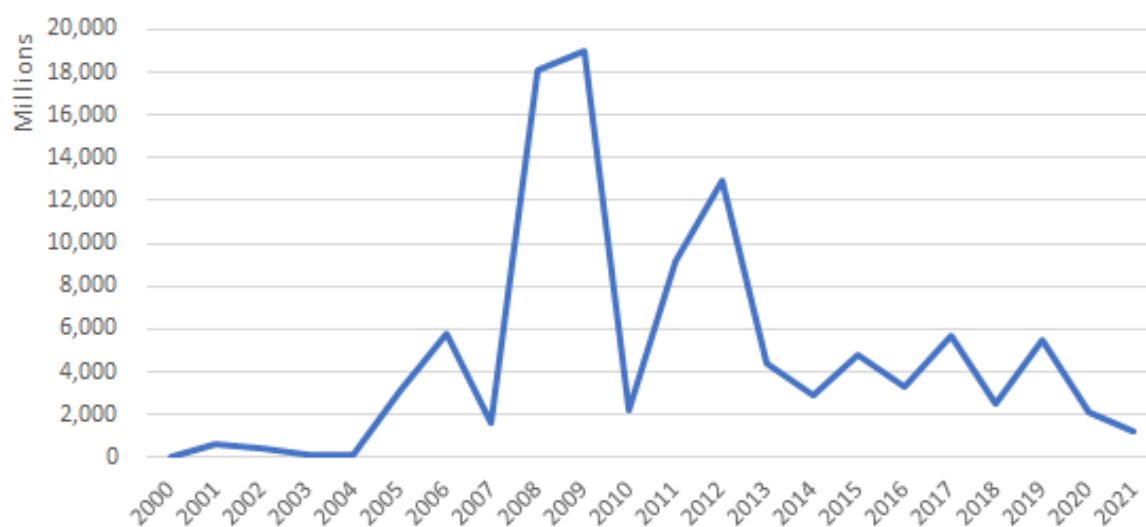
Notes: Recipients are Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan; flow type is disbursements

Source: OECD (2026)

ODA flow from China has fluctuated over the years (see Figure 3). Its ODA-like or other official flows (OOF)-like funding to Central Asia peaked between 2008 and 2009 and showed another increase in 2012. Since then, the amount has declined, but on average it remains higher than that provided by official donor countries. While the US provides aid focused on health, education, infrastructure and climate resilience, China's assistance to the region has prioritised industry, mining and construction, energy, transportation and storage, communications and banking and financial services.

The reasons for the decrease in China's ODA-like, OOF-like flows after 2013 require further study, but one possible factor is a shift in regional and sectoral priorities. Between 2013 and 2018, the majority of aid was directed to Africa (45 per cent), followed by Asia (37 per cent) and Latin America (7 per cent). China's traditional sectoral priorities – agriculture, infrastructure and trade – remained central, although areas such as governance, climate, health and humanitarian assistance received increasing attention (Johnson & Zühr, 2021). It is also important to interpret these figures cautiously, as the data are primarily commitment-based, meaning disbursement patterns may differ from commitment trends.

Figure 3: ODA to Central Asia from China, in USD millions (2021 constant price)



Notes: Recipients are Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan; measure is ODA-like OOF-like flows

Source: AidData (2023)

If the new era of global governance is defined by the growing interplay between geopolitics and development cooperation, Central Asia stands out as a key region exhibiting this trend. It is therefore important to closely examine shifts in the development strategies of major and middle powers towards Central Asia. To understand these dynamics, this paper situates its analysis within a conceptual framework from international relations, focusing on the roles, capacities and strategies of different actors in development cooperation.

In this conceptual framework, middle powers are defined either by their material capabilities and strategic position (realist view) or by their liberal leadership and legitimacy in global affairs (pluralist view). From the pluralist view, they tend to pursue multilateral, coalition-based and niche diplomacy, acting as stabilisers and credible brokers in sustaining international institutions and addressing global issues, such as non-proliferation, debt relief and human security. Their influence stems from diplomatic capacity, moral authority and institutional networks that enable them to shape international agendas and reinforce the rules-based order (Müftüler Baç, 2025).

In this context, exploring the positions and opportunities of middle powers is particularly important. The research question of this paper is: **How is the global landscape of development cooperation in Central Asia changing, and what role does ODA from middle-power countries play in this context?**

To address this question, the paper first examines how the foreign policies of major donor countries, including their development aid, shape engagement with Central Asian countries, and reviews key donor strategies and initiatives in the region. It then focuses on Türkiye and South Korea, which demonstrate active engagement and strategic initiatives in Central Asia as middle powers. Building on this analysis, this paper offers policy recommendations and highlights the implications for middle powers in shifting development cooperation environment. This study draws on a review of relevant literature, statistics and insights from an international seminar.²

2 The evolving place and positioning of the Central Asian region in global geopolitics

After the Soviet Union's collapse in 1991, Central Asian leaders – mostly former Communists – positioned themselves as nation-builders, consolidating regimes that gained international legitimacy. Nation-building reinforced political centralisation, limiting regional cooperation. Shared challenges include radical Islam, heavy labour migration to Russia, and Stalin-era borders that left ethnic minorities outside their home states (Rutland, 2023). Despite persistent underlying tensions, borders in the region remain largely uncontested, keeping the risk of interstate war relatively low. However, clashes and low-intensity conflicts continue along the Kyrgyz-Tajik border and in the Fergana Valley, particularly over pastoral land and transboundary water resources.

Central Asia's post-independence development is shaped and constrained by geography and geopolitics. All five states are landlocked and depend on outdated Soviet-era transport networks that now face new border controls, limiting trade and connectivity (Batsaikhan & Dabrowski, 2017). Since 2017, the region has seen improvements in transportation, particularly with recent infrastructural developments supporting trade, such as the Kazakhstan-Turkmenistan-Iran Railway Line.

The region's geopolitical landscape adds further complexity. Russia remains a dominant actor, but China has significantly expanded its influence over the past two decades through large-scale infrastructure investments. Türkiye, though not a direct neighbour, actively strengthens economic, political and cultural ties based on shared history and language. The US engages selectively, primarily during the NATO-led military mission in Afghanistan (2001-2014), focusing on securing military access and logistical support from Kyrgyzstan, Tajikistan and Uzbekistan for NATO operations (Batsaikhan & Dabrowski, 2017).

Recent developments, including the US withdrawal from Afghanistan, Russian aggression against Ukraine, and China's rise as a global economic power, have reshaped the regional balance of power. This has created a new geopolitical space that is attracting new actors seeking influence in Central Asia. In the UN General Assembly vote on Ukraine, none of the five Central Asian republics supported the resolution; all either abstained or did not participate. While states in the region remain closely aligned with Moscow (Tiezzi, 2022), this abstention can be

2 "New Directions in Development: Comparing the Engagement of Turkey, the EU, and China with the Global South" organised by the Istanbul Policy Center-Sabancı University-Stiftung Mercator Initiative (IPC), in collaboration with the European Think Tanks Group (ETTg) and the German Institute of Development and Sustainability (IDOS), on 15-16 September 2025 (ETTg, 2026).

cautiously interpreted as a subtle signal of criticism towards Russia, reflecting a careful balancing of historical ties and emerging geopolitical considerations.

Countries, such as those in the Gulf Cooperation Council (GCC), Türkiye, Iran, Azerbaijan, India and Pakistan, are increasingly active primarily in the energy and transportation sectors. They bring significant economic capacity and a readiness to invest collectively. Central Asian governments have strategically welcomed these partnerships to diversify their economic and political engagements (Djamalov et al., 2024). Reflecting this trend, there is growing momentum for regional integration as countries seek to better coordinate and manage the changing international environment. In November 2025, Uzbek President Shavkat Mirziyoyev proposed the establishment of a regional cooperation framework, the Community of Central Asia, to advance economic integration across a region of more than 80 million people (Reuters, 2025). In parallel, individual ODA recipient countries are pursuing more strategic engagement with development partners. For instance, Kyrgyzstan has requested policy consultations with the Korean government to assess ODA-financed public investment projects and improve their alignment with national development strategies, thereby enhancing their contribution to long-term economic development (Korea Development Institute, 2025; KSP, 2025).

The EU promotes its values globally as a normative power, emphasising universal core principles such as the rule of law, human rights and labour standards, but it also takes a pragmatic approach. It avoids direct competition with Russia or China in the geopolitical and security spheres, focusing instead on economic and sustainable infrastructure initiatives in the region (Winn & Gänzle, 2023). Since 2022, EU-Central Asia relations have deepened under the 2019 EU Strategy and Global Gateway Initiative, with Germany taking the lead among member states. Germany has pursued both EU-level coordination and active bilateral diplomacy, hosting the first summit with all five Central Asian leaders in 2023 and expanding cooperation in energy, labour migration and infrastructure. France and Italy have also stepped up engagement, while the EU collectively remains the region's largest investor, accounting for about 40 per cent of foreign direct investment (Heckenthaler, 2024).

ODA plays an uneven role across Central Asia, reflecting differences in economic capacity and aid dependence. Kazakhstan, with a GNI of nearly USD 200 billion, and Turkmenistan, with a GNI USD 58 billion receive only marginal amounts of ODA, less than 0.1 per cent of their respective GNIs, indicating limited reliance on external assistance. In contrast, Uzbekistan receives ODA equivalent to 1.8 per cent of GNI, which accounts for 4.9 per cent of gross capital formation and 4.4 per cent of imports of goods, services and primary income.

Aid dependence is more pronounced in lower-income economies: in the Kyrgyz Republic and Tajikistan, ODA represents 5.6 per cent and 5 per cent of GNI, respectively, with even higher shares when measured against gross capital formation and imports. Aid dependence in Kyrgyzstan and Tajikistan is closely linked to limited industrial capacity and narrow economic bases. Kyrgyzstan, a landlocked country, relies on minerals, agriculture and remittances, with investment and export diversification constrained by a challenging business environment (Country Reports, 2025a). Tajikistan possesses some mineral resources, but restrictive governance and weak investment conditions leave the economy dependent on agriculture and migrant remittances (Country Reports, 2025b).

This variation highlights the region's heterogeneity, with ODA serving as a marginal input for resource-rich states but an important source of financing for more aid-dependent economies (see Table 1).

Table 1: GNI and net ODA received in Central Asia

Indicators	2018	2019	2020	2021	2022
Kazakhstan					
GNI (current USD, million)	157,279	158,975	156,010	172,923	199,981
GNI growth (annual %)	6.2	3.9	-2.2	4.4	13.8
GNI per capita (current local currency units (LCU), million)	2.9	3.2	3.3	3.7	4.6
Net ODA received (% of GNI)	0.1	0.0	0.0	0.0	0.0
Net ODA received (% of gross capital formation)	0.2	0.1	0.2	0.1	0.1
Net ODA received (% of imports of goods, services and primary income)	0.1	0.1	0.1	0.1	0.1
Kyrgyz Republic					
GNI (current USD, million)	8,020	8,592	8,014	8,627	11,865
GNI growth (annual %)	6.2	3.3	-0.6	4.1	19.8
GNI per capita (current LCU, million)	0.1	0.1	0.1	0.1	0.1
Net ODA received (% of GNI)	5.5	5.2	5.9	5.2	6.2
Net ODA received (% of gross capital formation)	14.7	13.7	22.9	18.5	16.9
Net ODA received (% of imports of goods, services and primary income)	7.1	6.8	10.9	6.9	6.7
Tajikistan					
GNI (current USD, million)	8,991	9,631	9,498	10,759	14,211
GNI growth (annual %)	17.4	-1.1	-8.4	-29.2	76.9
GNI per capita (current LCU, million)	0.0	0.0	0.0	0.0	0.0
Net ODA received (% of GNI)	4.5	3.8	7.5	5.2	4.1
Net ODA received (% of gross capital formation)	14.0	12.3	26.2	17.8	15.5
Net ODA received (% of imports of goods, services and primary income)	11.4	9.7	21.8	12.4	10.6
Turkmenistan					
GNI (current USD, million)	39,048	44,588	45,567	49,698	58,200
GNI growth (annual %)	..	..	..	..	..
GNI per capita (current LCU, million)	0.0	0.0	0.0	0.0	0.0
Net ODA received (% of GNI)	0.1	0.1	0.1	0.1	0.0
Net ODA received (% of gross capital formation)	..	..	..	..	..
Net ODA received (% of imports of goods, services and primary income)	..	..	..	..	..
Uzbekistan					
GNI (current USD, million)	60,203	68,030	66,603	77,697	91,110
GNI growth (annual %)	..	..	..	..	..
GNI per capita (current LCU, million)	15.0	18.2	19.9	24.1	28.8
Net ODA received (% of GNI)	1.8	1.7	2.2	1.5	1.7
Net ODA received (% of gross capital formation)	5.2	4.4	5.9	4.0	5.1
Net ODA received (% of imports of goods, services and primary income)	4.2	4.0	6.0	3.9	4.1

Source: Author's calculation from World Bank (2026)

3 Development policy from major donor countries and regional institutions

This section discusses the priorities and approaches of Central Asian development partners, in order of the size of their financial contributions (Japan, US and EU institutions), foreign policy influence (Russia and China) and the engagement of middle-power donors (South Korea and Türkiye). The following characteristics of each are explored: foreign policy, ODA strategy, priority areas and recent changes in trends.

Across Central Asian countries, donors show divergent priorities rather than a uniform pattern of engagement (Table 2). The US has been the most dominant donor from 2010 to 2023, leading in four of the five countries (Kazakhstan, Kyrgyz Republic, Tajikistan and Turkmenistan). The EU institutions focus on the relatively more aid-dependent Kyrgyz Republic, Tajikistan and Turkmenistan, while Germany maintains broad, balanced engagement across most countries. Türkiye appears among the top-five donors to Kazakhstan, Kyrgyz Republic and Turkmenistan. Japan adopts a selective approach centred on Uzbekistan, and Korea similarly prioritises Uzbekistan with more limited involvement elsewhere.

Table 2: Top-five donors to Central Asian countries by ODA volume, 2010-2023, in USD millions (2023 constant prices)

	Kazakhstan		Kyrgyz Republic		Tajikistan		Turkmenistan		Uzbekistan	
1	US	428.6	US	895.9	US	679.2	US	104.6	Japan	2,140.5
2	Türkiye	256.3	EU	619.6	EU	560.0	EU	61.7	France	817.4
3	Germany	253.4	Germany	535.4	Germany	439.9	Germany	22.9	Korea	497.8
4	EU	134.7	Türkiye	364.5	Switzerland	351.5	Türkiye	15.6	Germany	416.4
5	Japan	99.0	Switzerland	361.1	Japan	322.3	Korea	12.1	US	354.8

Note: "EU" is short for "EU institutions".

Source: Author's calculation from OECD (2026)

3.1 Major development cooperation partners: Japan, the US and the EU

3.1.1 Japan

Japan's development cooperation has been guided by the Development Cooperation Charter (revised in June 2023), which emphasises equal partnerships to address development challenges, as well as advance Japan's national interests, which include peace, security and economic growth (Ministry of Foreign Affairs of Japan, 2023).

Japan recognises the geopolitical importance of the Central Asian and Caucasus region linking East Asia, South Asia, the Middle East, Europe and Russia, with abundant natural resources and strategic energy transport routes. The Japanese government supports the region's free, open and sustainable development through initiatives in infrastructure, democratic and market reforms, and security measures. It has promoted regional cooperation since 2004 via the "Central Asia plus Japan" dialogue, with the 12th Tokyo Dialogue in March 2023 highlighting connectivity and fostering discussions among Central Asian countries, Azerbaijan and Georgia (Ministry of Foreign Affairs of Japan, 2023).

According to the Japan International Cooperation Agency (JICA), Central Asia is considered part of a broader group that includes East Asia and the Caucasus. JICA notes that while Azerbaijan, Kazakhstan, Turkmenistan and Uzbekistan are rich in energy and mineral resources, their economies are vulnerable to global commodity price fluctuations. In contrast, Tajikistan and the Kyrgyz Republic have limited fossil fuel resources, relying heavily on remittances from citizens working abroad, highlighting the need to develop domestic industries and create employment for economic self-reliance (JICA, 2025).

To support the stability and autonomy of these countries – which is vital for Eurasian stability – JICA focuses on four key areas: enhancing governance and legal systems; promoting industrial diversification and private-sector-led growth; developing infrastructure such as airports, roads, and power plants; and fostering human resources through training centres and scholarship programs. Under its regional priorities, Japan implements country-specific programs with partner governments in Central Asia. JICA also advances regional cooperation, providing financial support to Uzbekistan and conducting logistics surveys for the Caspian Sea Route bypassing Russia, which is currently under economic sanctions (JICA, 2025).

Another characteristic of Japan's ODA in Central Asia, beyond the strategies noted above, is its emphasis on community empowerment for sustainable economic development. Programs leverage models like "One Village, One Product" to boost local production, create employment and enhance market access, while broader objectives include environmental preservation, democratic governance and regional stability (Dadabaev, 2016).

The Japanese government is pursuing two main objectives in Central Asia according to an article from a think tank of the Eurasia Daily Monitor (Goble, 2025): expanding soft power initiatives and facilitating greater access for Japanese companies to the region's vast natural resources. In line with this, the Japanese government has organised meetings between domestic firms and Central Asian authorities to explore new avenues of economic cooperation. For example, during Turkmen President Serdar Berdimukhamedov's official visit to Japan in April 2025, he attended a trade exhibition, met with the prime minister, the emperor and other senior officials and held discussions with business leaders. The visit focused on strengthening bilateral trade and expanding Japanese investment in Turkmenistan's energy sector (Goble, 2025).

There is an observation that Japan's engagement in Central Asia will shift from JICA-led ODA initiatives towards more commercial, Japan Bank for International Cooperation (JBIC)-driven cooperation, particularly in large-scale investment and infrastructure projects. This trend is reflected in the Memorandum of Understanding signed in June 2024 between JBIC and Uzbekistan's Ministry of Transport. This anticipated transition is further reinforced by growing private-sector participation, including companies such as Sojitz Corporation in high-tech industries. Together, these developments point to a move towards partnerships that advance both regional development and Japan's strategic interests (Zhiyenbayev, 2025).

3.1.2 The US

Between 2010 and 2023, the US ranked as the second-largest donor country after Japan to Central Asia among the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) countries (Figure 2), but its contributions drastically decreased as a consequence of the folding of USAID (Jalolova, 2025). Until recently, US strategic priorities in the region emphasised the sovereignty, independence and territorial integrity of the five Central Asian states. American engagement sought to promote stability, democratic governance, human rights and regional prosperity (US Department of State, 2025).

Key initiatives include bilateral trade and investment reforms, regional projects such as CASA-1000 (Central Asia-South Asia Electricity Transmission and Trade Project), and the C5+1

(Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan plus the US) platform, which coordinates activities in the areas of economy, energy, environment and security while incorporating human rights considerations (US Department of State, 2025).

The US strategy for Central Asia for 2019-2025 outlined five key policy objectives: supporting and strengthening the sovereignty and independence of Central Asian states; reducing terrorist threats in the region; expanding and sustaining support for stability in Afghanistan; promoting connectivity between Central Asia and Afghanistan; advancing rule of law reforms and respect for human rights; and encouraging US investment in and development of the region (US Department of State, 2020). Overall, governance, regional stability and connectivity with Afghanistan appeared to be central pillars of the US development policy in Central Asia.

A notable development during President Trump's second term was the introduction of large-scale "reciprocal" US import tariffs, with Kazakhstan initially facing a 27 per cent rate and other Central Asian countries, including Uzbekistan, a 10 per cent base rate. These higher tariffs were later paused for 90 days, with a universal 10 per cent rate applied temporarily (Tilavoldiev, 2025). Kazakhstan's government stated that the US accounts for only a small share of its trade and that most Kazakh exports to the US, including oil, uranium and silver, are exempt from the new tariff measures. As a result, only about 4.8 per cent of Kazakhstan's US-bound exports will be affected, and the country is consulting with the US on possible further exemptions while reaffirming its commitment to World Trade Organization rules (The Astana Times, 2025).

Another concern involves US migration and visa policies, which include full or partial entry bans for certain countries such as Turkmenistan and raised the possibility of future restrictions targeting Kyrgyzstan and other nations (Tilavoldiev, 2025). Heavy dependence on a single migration destination – such as Russia – leaves remittance-reliant economies highly vulnerable to external economic fluctuations. Kyrgyzstan illustrates this exposure, with 83 per cent of its remittances originating from Russia in the first three quarters of 2021; in Tajikistan, the figure was 58 per cent. This concentration underscores the need to diversify labour-migration pathways, yet US visa restrictions may hinder such diversification and constrain viable alternative destinations (Lillis, 2022).

Under the second Trump administration, US engagement in Central Asia emphasised a business-oriented approach, using energy and strategic minerals as key levers. The Development Finance Corporation (DFC), established under Trump in 2020, has been used to leverage US political and financial support for strategic projects in Central Asia, including USD 1 billion agreements with Kazakhstan and Uzbekistan that were not implemented under the Biden administration. The future of the US role in Central Asia remains uncertain; however, the US may leverage the DFC to catalyse strategic investments, positioning the region as a hub for resources and economic development (Rudenshiold, 2024).

3.1.3 The EU

The EU is the third largest donor to Central Asia. It introduced its first strategy for the region in 2007, which was subsequently updated in 2019. This strategy encompasses the five Central Asian states all of which maintain long-standing relations with the EU. Central Asia occupies a strategically significant position between Europe and Asia, underscoring its importance both in terms of market potential and regional security (EU, 2025b).

The EU strategy is structured around three interconnected and mutually reinforcing priorities: supporting partner countries in achieving socio-economic development and ensuring security ("partnering for resilience"); fostering the growth of a competitive private sector and an enabling investment environment ("partnering for prosperity"); and strengthening political dialogue alongside greater civil society participation ("working better together"). In addition, the strategy serves as a framework for programming EU development cooperation and assistance. The EU

considers its development cooperation to be aligned with the United Nations 2030 Agenda for Sustainable Development and seeks to enhance synergies with the policies of member states, as well as with the private sector and civil society (EC, 2019).

High-level engagement has intensified in recent years, exemplified by the first meetings between the heads of state of Central Asia and the President of the European Council in 2022, in Astana, Kazakhstan, which culminated in the adoption of a joint roadmap for deeper cooperation in 2023. The roadmap identifies five priority areas: (1) deepening inter-regional political dialogue; (2) strengthening economic relations, trade and investment; (3) advancing cooperation on energy, the transition to a climate-neutral economy and connectivity; (4) addressing common security challenges; and (5) enhancing people-to-people contacts and mobility (EU, 2023).

Sustainable infrastructure is a central theme of the roadmap, with the EU seeking to generate synergies with existing frameworks such as the Team Europe Initiatives and the European Green Deal (EU, 2023). The Team Europe approach brings together the EU, its member states, their development agencies and banks, as well as the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) to pool resources and expertise so that EU external action has a greater impact than individual efforts (EC, 2026). Initially created to coordinate the EU's COVID-19 response, it has since become the core operating model of Global Europe (2021-2027), with Team Europe Initiatives serving as its flagship instruments. Its rapid institutionalisation reflects a renewed ambition to “work better together”, driven by policy entrepreneurship within the European Commission, member-state interests, low politicisation and a shifting geopolitical landscape that has pushed the EU to adopt a more strategic, globally assertive role (Koch et al., 2024).

The Team Europe Initiative on water, energy and climate change addresses not only the environmental challenges facing the region but also aims to strengthen regional cooperation and governance, promote digital connectivity and mitigate the digital divide. Cooperation on critical raw materials constitutes another key dimension of the green and digital transitions. The EU signed Memoranda of Understanding with Kazakhstan in 2022 and Uzbekistan in 2024, and provides European funding to support cooperation on critical raw materials (CRM) in Central Asia. By combining financial support with European expertise in advanced CRM mining, processing and recycling, these initiatives provide a strong foundation for enhanced EU-Central Asia cooperation and partnership (EU, 2025a).

Although this Team Europe Initiative and the European Green Deal indicate a strong commitment to promoting sustainable development objectives and climate action, there are signals that the EU's strategy is turning towards geopolitical interests. The EU's Global Gateway initiative, launched in 2021, illustrates the Commission's geopolitical ambitions by mobilising public and private resources under the Team Europe framework. Its strategy centres on expanding EU market influence, increasing power through large-scale investment (especially in climate finance) and targeting sectors where Europe holds competitive advantages.

However, this geopolitical orientation risks sidelining traditional normative objectives like human rights and rule of law in external assistance (Szent-Iványi & Piroška, 2025). A recent study characterises the Global Gateway's emphasis on mutual benefit and self-interest as a form of “southernisation”, drawing parallels with Southern providers such as China's Belt and Road Initiative (BRI). At the same time, Europe's evolving discourse and practice indicate a deeper strategic shift, with the EU and other OECD members increasingly expressing the intention to move beyond traditional “donor-recipient” dynamics and transition “from aid to investment” (Keijzer, 2024).

Zipatolla (2025) has expressed concern that the scope of the Team Europe Initiative is overly broad, limiting its ability to address the region's specific needs. A more targeted approach could

enable the initiative to contribute more effectively to the decarbonisation of road, rail and waterway transport along the Middle Corridor (which links China and Central Asia to Europe via the Caspian Sea and Azerbaijan before branching through either Georgia and the Black Sea or Türkiye and the Mediterranean), particularly in light of rising traffic volumes. Instead of dispersing resources across loosely coordinated or overly ambitious projects – such as efforts to save the Aral Sea – the EU would benefit from pursuing focused and achievable objectives. A coherent and integrated strategy would facilitate stronger coordination, enhance impact and generate tangible benefits for both the Middle Corridor and the wider region (Zipatolla, 2025).

The EU has long supported people-to-people initiatives in Central Asia, beginning with the 2019 EU Strategy, which emphasised youth, education, innovation, culture and civil-society engagement, and further elaborated in the 2023 Joint Roadmap through measures such as sustainable tourism, cultural capital nominations and revitalised Civil Society Forums. Europe-Central Asia Monitoring (EUCAM) highlights that these efforts should be reinforced with capacity development programs that bring together civil servants, civil society, the private sector and European and Central Asian experts to enhance knowledge of good governance, the rule of law and cross-sectoral networks. By funding such initiatives, the EU can simultaneously promote higher governance standards and cultivate reliable partners and interlocutors for future cooperation (Boonstra & Smagulova, 2024).

3.2 Major foreign policy partners: Russia and China

3.2.1 Russia

The end of the Cold War transformed Russia from one of the two global superpowers into a regional actor with less influence and fewer allies. This shift posed both challenges and opportunities as Russia sought to redefine its international role. Despite economic and social crises and ongoing military conflicts, Russia engaged in global governance through humanitarian aid and peacekeeping, using these efforts to strengthen its international image and safeguard core national interests (Barakat, 2023).

Russia regards Central Asia and the South Caucasus as strategically essential due to historical ties, Soviet Union-era economic integration and their role in securing its southern borders. The regions host joint military facilities, a unified air defence system and bilateral security agreements coordinated through the Collective Security Treaty Organization (CSTO). Despite Western sanctions and growing engagement from China, Türkiye, the EU and others since Russia's 2022 military operation, Russia has maintained and even strengthened its political, economic and investment ties with these countries (Pritchkin, 2025).

Since the start of Russia's full-scale invasion of Ukraine in 2022, Central Asia has emerged as a key logistics corridor enabling Russia to circumvent sanctions. Kazakhstan has become a major re-export point for EU-made electronics, including items used for chip extraction. Uzbekistan and Kyrgyzstan increasingly serve as intermediaries for Chinese goods directed to Russia, reflecting Chinese firms' efforts to limit direct exposure to potential secondary sanctions (Kazantsev-Vaisman, 2023). Kyrgyzstan recorded strong 10 per cent GDP growth in the first nine months of 2025, driven by significant expansions in construction, trade, industry and mining. Much of this post-2022 acceleration reflects the rerouting of Russia-linked trade through third countries in response to Western sanctions (Turgunbaeva, 2025).

Russian aid to countries in the region has been largely symbolic and short-term (estimated at around USD 1 billion annually), while declining aid is offset by expanding state-backed loans, positioning debt and in-kind assistance as tools of geopolitical influence in countries closely tied to its economy (Bartosiewicz, 2025). In the development cooperation sphere, Russia deploys anti-colonial narratives and contests Western-led development norms and approaches,

positioning itself as a proponent of a multipolar world order (Novoselova, 2025). Due to its marginal aid volume and controversial reputation, development cooperation plays a smaller role in this region than foreign policy.

While development cooperation remains limited, Russia's international assistance agency (Rossotrudnichestvo) promotes humanitarian aid abroad and operates in 71 countries through 87 foreign missions, informally known since 2021 as "Russian Houses". Established by presidential decree in 2008, the agency traces its roots to the 1925 All-Union Society for Cultural Relations Abroad (VOKS) and evolved through the Soviet Union-era Union of Soviet Societies of Friendship and Cultural Ties (1958) and the Roszarubezhcenter (Russian Centre for International Scientific and Cultural Cooperation) (1994). Rossotrudnichestvo prioritises engagement with CIS countries, collaborates with international organisations, participates in regional assistance programs and implements federal initiatives (Rossotrudnichestvo, 2025).

Recent figures are not available, but between 2004 and 2017, Russia reported its development cooperation to the international community and expanded its aid activities during that period. Its international development assistance focused on (i) improving governance and trade conditions; (ii) fostering industrial and innovation capacities, boosting economic activity; (iii) strengthening systems against organised crime and terrorism; (iv) supporting post-conflict peacebuilding; and (v) implementing social and economic projects (World Bank Group, 2025). According to the World Bank, 40.5 per cent of Russia's development aid flowed to Europe and Central Asia (USD 354.9 million in 2014) (World Bank Group, 2025).

A significant part of Russia's efforts is delivered through trust funds that promote knowledge and capacity development, including the Europe and Central Asia Capacity Development Program, Europe and Central Asia Statistical Capacity Building, Russian Education Aid for Development, and Public Finance Management programs. These funds support technical assistance, training, peer-to-peer knowledge exchange and the development of toolkits and methodologies (World Bank Group, 2025).

Rossotrudnichestvo combines maintaining ties with the Russian diaspora and promoting goodwill through humanitarian and cultural programs. Operating in 70 countries, its most visible presence is through Russian Houses, primarily in former Soviet states and the EU. The agency's head, Yevgeny Primakov, seeks to expand its role to fill gaps left by the decline of USAID and to use development assistance to enhance Russia's global influence (Eurasianet, 2025).

3.2.2 China

China is rapidly increasing its influence in Central Asia, leveraging economic partnerships, infrastructure projects and strategic diplomacy. While Russia historically dominated the region due to Soviet-era ties, China has become Central Asia's leading trade partner, surpassing Russia in economic influence. Key initiatives include the BRI, infrastructure investments in Kyrgyzstan and Tajikistan and enhanced trade agreements with Kazakhstan and Uzbekistan (Meena, 2025).

One key mechanism is the China-Central Asia (C+C5) mechanism, linking China and the five Central Asian states through summits and a permanent secretariat established in 2024. It promotes sustainable development, regional security and practical cooperation under the BRI and the concept of a China-Central Asia community with a shared future.

Another important framework is the Shanghai Cooperation Organization (SCO), which provides China with a platform to advance regional economic and security initiatives, sometimes independent of Russian preferences. Originally founded as the Shanghai Five in 1996 by China, Russia, Kyrgyzstan, Kazakhstan and Tajikistan, and expanded to include Uzbekistan in 2001,

the SCO remains an important forum for Central Asian states, although its agenda has broadened to address wider regional and global issues beyond the region (Putz, 2015).

On 1 September 2025, the 25th SCO Council of Heads of State Summit convened in Tianjin. Leaders discussed a wide range of issues, extending beyond trade and investment to include politics, security, energy, industry, sustainable development, emerging technologies and broader regional and international affairs (SCO, 2025). President Xi Jinping called for accelerating the creation of an SCO-run development bank to strengthen the institutional foundations for security and economic cooperation among member states. He also announced CNY 2 billion (USD 280 million) in grants for SCO members this year and committed to providing CNY 10 billion (USD 1.4 billion) in loans over the next three years through the SCO Interbank Consortium (Satubaldina, 2025).

Launched in 2013, the BRI was later incorporated into the Constitution of the Chinese Communist Party in 2017, highlighting its significance as both a political and economic strategy. China's engagement with Central Asia has long been guided by principles of peaceful coexistence, mutual benefit, non-interference and respect for sovereignty – echoing the Five Principles of Peaceful Coexistence applied in Southeast Asia. While analysts initially debated whether the BRI constituted a grand strategy, China has steadily expanded its influence in the region through trade, investment, infrastructure development and cultural and educational exchanges (Christoffersen, 2024).

Even before the launch of the BRI, Figure 3 shows that surges in ODA-like and OOF-like transfers from China to Central Asian countries had already occurred. From 2008 to 2009, assistance was provided for the Galkynysh Gas Field Project in Turkmenistan (USD 6.01 billion) and the Central Asia-China Gas Pipeline Project in Kazakhstan (USD 5.72 billion). Between 2011 and 2012, commitments were made to the Beineu-Bozoi-Shymkent Gas Pipeline Project (USD 2.76 billion) in Kazakhstan. Recent major ODA projects include the Dushanbe-Kulma Road Construction Project in Turkmenistan (USD 0.12 billion) and the donation of 40,000 tons of flour, 20,000 tons of sugar and 20,000 tons of vegetable oil to the Kyrgyz Republic (USD 0.045 billion) in 2021 (AidData, 2023).

China's influence in Central Asia is rising as Russia's traditional dominance declines and its reliance on China grows. While China supports the sovereignty and territorial integrity of regional states, it has not become a full security guarantor, as seen in its cautious stance on the war in Ukraine. Despite potential perceptions of rivalry, China and Russia coordinate closely in the region, issuing joint statements for three consecutive years to emphasise cooperation and counter Western influence, demonstrating continued strategic alignment alongside China's expanding regional presence (Umarov, 2024).

Despite these gains, Chinese engagement faces significant local resistance for, for example, "many problematic laws and policies" against Muslim communities in Xinjiang (UN News, 2024). Public opposition, fuelled by fears of debt dependency, land acquisitions, job displacement and environmental impacts, remains a challenge. For example, in 2019, protests erupted in Kazakh cities, including Astana, Almaty, and Zhanaozen, against Chinese industrial projects. Public concerns focused on potential environmental damage, economic dependence on China and fears that Chinese investments could result in land leases or permanent settlements by Chinese workers (Meena, 2025).

China's influence in Central Asia is expanding through the China-Central Asia (C+C5) mechanism, the SCO and the BRI, supported by long-standing trade relations and a growing mix of ODA-like and OOF-like financing. China increasingly presents itself as a viable alternative to Western-led institutions, which are often viewed in the region as imposing political conditions or acting unilaterally. However, China's expanding footprint is not without risks. Large-scale investment and infrastructure projects raise concerns regarding environmental impacts, long-

term financial sustainability and deepening economic dependence on China. These dynamics call for closer scrutiny from major donors and research communities. Enhanced donor coordination and harmonisation will be essential to ensure that regional development remains sustainable.

3.3 Middle power development partner countries: Türkiye and South Korea

3.3.1 Türkiye

Türkiye is a relatively recent but increasingly active development donor. Its ODA expanded significantly over the past 15 years, though it has declined since 2020 because of geopolitical and national economic pressures. Türkiye has prioritised engagement with the non-Western world as a core element of its foreign policy, expanding trade, investment and diplomatic presence across Asia and Africa. Trade with Asia has surpassed Europe, African trade has grown over 50 per cent between 2014 and 2024 and the number of Turkish embassies in Africa has more than tripled since 2002. These moves reflect Türkiye's ambition to position itself as a connector country facilitating investment, transport and energy flows between continents (Kutlay, 2025).

Türkiye has a long-standing engagement in multilateral relations. It has been a member of NATO since 1952 (Republic of Türkiye Ministry of Foreign Affairs, 2025), the OECD since 1961 (Republic of Türkiye Ministry of Foreign Affairs, 2025) and assumed the G20 Presidency in 2014 (G20 2015 Turkey, 2025). Türkiye's engagement with non-Western institutions also reinforces this strategy. It became a dialogue partner of the SCO in 2012, joined the BRI in 2015 and applied to join the BRICS in 2024 (Kutlay, 2025). Investments through public-private partnerships have upgraded infrastructure along Türkiye's Middle Corridor, enhancing connectivity between East Asia, Central Asia, the Caucasus and Europe. The Middle Corridor initiative seeks to establish Türkiye as a logistics and energy hub between Europe and Asia. With an annual capacity of up to 100,000 containers, the corridor enhances transport efficiency and regional integration. To realise this vision, Türkiye has invested in major infrastructure projects, including bridges, tunnels, railways and container ports such as Filyos, Çandarlı and Mersin (Kılavuz, 2025).

The Turkish Cooperation and Coordination Agency (TİKA) coordinates aid through 62 offices in 60 countries including all Central Asian countries, reflecting the country's post-Cold War foreign policy activism and growing economic capacity to support ODA (Tüyoğlu, 2021). Since the 1990s, Türkiye has leveraged the independence of Central Asian Turkic states and the Balkan transitions to expand its foreign policy influence through development assistance. Through TİKA, it promotes economic interdependence, strengthens bilateral relations, and engages countries within its historical and cultural spheres, particularly Muslim-majority nations and states with an Ottoman legacy (Lange & Glos, 2021).

While Türkiye aligns with emerging or Southern donor practices, delivering most aid bilaterally and rejecting political conditionality, it also retains some characteristics of Western/Northern donors. It holds observer status in the DAC, reports aid data and participates in high-level DAC meetings. This dual alignment positions Türkiye uniquely between Western norms and emerging or Southern principles, enhancing its role as a middle power (Tüyoğlu, 2021).

Türkiye's middle-power strategy faces both opportunities and risks in a fragmented, multipolar world. Its flexible, transactional approach allows engagement with multiple major powers and expanding influence across the Global South. However, domestic political instability, economic vulnerability and multiple dependencies on rival blocs complicate this balancing act. Without strong institutions and economic policies, pursuing expansive foreign policy ambitions could

overstretch the country and undermine the effectiveness of its development assistance, emphasising the need for realistic expectations in its international engagements (Kutlay, 2025).

3.3.2 South Korea

Over the past 30 years, Korea has undergone one of the fastest development transformations in modern history, shifting from an aid recipient to a donor with its accession to the DAC in 2010. Korea leverages development cooperation to enhance its international influence and soft power, prioritising an infrastructure- and industry-oriented model grounded in co-prosperity. Notably, European donors have only recently renewed their emphasis on infrastructure through initiatives such as the EU's Global Gateway and Germany's G7 Presidency (Keijzer et al., 2024).

South Korea's ODA engagement in Central Asia began with the establishment of Korea International Cooperation Agency (KOICA) offices in Kazakhstan and Uzbekistan (1995) and the Korea Exim Bank office in Tashkent (2007) (Korea Eximbank, 2024). According to the OECD Common Reporting Standard (CRS) database, recorded ODA flows date back to 2002. Since then, South Korea has actively positioned itself as a development partner in the region, leveraging its role as a middle power. Recognising the strategic importance of Central Asia, South Korea published an ODA strategy for the region in February 2025. The new administration is pursuing more pragmatic aid and more effective management aligned with national priorities.

The Korean government launched the Korea-Central Asia K-Silk Road Initiative in 2022, marking the 30th anniversary of diplomatic relations with Central Asian countries. Building on over 30 years of cooperation, the initiative aims to strengthen partnerships through three main areas: (1) strategic energy and resource development, (2) mutually beneficial and practical development cooperation and (3) partnerships based on longstanding ties, promoting youth and cultural exchanges and engaging the ethnic Korean community in Central Asia as active participants in joint development and business initiatives. Based on the principles of partnership, integration and innovation, the initiative seeks to foster sustainable growth, strategic synergies and new models of Eurasian cooperation for shared prosperity (Korean Government, 2024).

The Republic of Korea published its strategies for development cooperation in Central Asia in February 2025, following the K-Silk Road Initiative, which designates ODA as a central tool for collaboration. South Korea engages with Central Asia in development cooperation due to the region's growth potential, abundant resources, youthful population and strategic location linking Europe and Asia (Korean Government, 2025). It aims to support resource management and poverty reduction by leveraging its strengths in energy infrastructure, vocational training and digital governance. The strategy emphasises building on existing bilateral achievements and addressing cross-border challenges through strategic cooperation. Recognising the region's development potential and in line with its diplomatic strategy, the K-Silk Road Initiative, the government proposed three pillars: "partnership for people" (health and human resources development), "partnership for growth" (industrialisation and efficient public administration), and "partnership for sustainability" (rural development and climate change mitigation) (Korean Government, 2025).

The new administration of South Korea, under President Lee Jae-myung, has articulated a diplomatic strategy called "national-interest-centred pragmatic diplomacy", which proactively addresses various issues at the Korean Peninsula, regional and global levels to safeguard national interests while demonstrating diplomatic flexibility and pragmatism. In addition to pragmatic diplomacy, the government is pursuing a "global leading nation" strategy that links national interests with values such as openness, inclusiveness and solidarity, aiming to achieve international shared prosperity across practical sectors including economy, advanced technology, development cooperation, energy, defence, climate change, maritime security, disaster relief, culture and networking (Min, 2025).

South Korea can leverage its strengths and identify opportunities for development cooperation while accounting for the strategies of major powers. Although US aid has declined significantly, development and economic cooperation, particularly in infrastructure and CRM, is being leveraged to strengthen strategic economic ties with major donors through coordinated development initiatives and foreign policy. South Korea should seek niche areas among major partners, utilising its development experience and comparative advantages.

In this context, South Korea's role as a middle power donor and a knowledge partner becomes increasingly important. South Korea's expertise lies in strategically using foreign resources, including ODA, achieving economic development with strong ownership and implementing long-term industrial policies. Moreover, South Korea brings democratic values and experience transitioning from aid recipient to donor, enhancing its credibility as a development partner. While historically focused on education (27 per cent) and health (24 per cent) (2019-2023) (Korean Government, 2025), South Korea is now diversifying its assistance into "partnerships for growth" (industrialisation and efficient public administration) and "partnerships for sustainability" (rural development and climate change mitigation).

South Korea has positioned itself as a knowledge-sharing partner rather than merely a financial donor. The following is an example of South Korea leveraging its strengths in development cooperation through knowledge sharing.

Box 1: Leveraging South Korea's strength in development cooperation: The Knowledge Sharing Program

Korea's Ministry of Economy and Finance has been providing the Knowledge Sharing Program (KSP) since 2004, which is composed of policy consultation, capacity development and economic cooperation. The Korea Development Institute (KDI), South Korea's leading research institute on economic and social development, has significantly contributed to advancing policy advice, capacity development and the overall planning, coordination and delivery of the program since its inception.

For example, Uzbekistan, the first partner country of the KSP since 2004, has engaged in a diverse range of topics, from the development of a national medical complex to the establishment of Free Economic Zones in Navoi and Angren. Recently, the Korean and Uzbek governments jointly launched a three-year KSP Plus program focused on a regulatory sandbox to promote the fintech industry. In Kazakhstan, KSP has supported policy consultations on housing guarantee policies, public-private partnerships (PPP) and sustainable power plants aimed at improving energy efficiency.

In the Kyrgyz Republic, collaboration has focused on capacity development for government officials, budget policy and the recent evaluation of development cooperation programs – an initiative that strengthens local ownership as an ODA recipient. Similarly, Armenia, Azerbaijan, Moldova, Tajikistan and Turkmenistan have participated in KSP across multiple sectors, reflecting the program's broad reach and adaptability to partner country needs.

These programs link South Korean expertise with Central Asia's development needs, fostering mutually beneficial partnerships.

Source: KSP (2026)

To support economic development in Central Asia, South Korea needs to increase the volume of its ODA, which currently totals approximately USD 340 million (2019-2023), representing just 3.3 per cent of bilateral aid. Uzbekistan received the largest share (68 per cent, USD 230 million), followed by Kyrgyzstan (19 per cent), Tajikistan (7 per cent), Kazakhstan (3 per cent) and Turkmenistan (2 per cent) (Korean Government, 2025). Expanding funding and diversifying development partners are key to strengthening South Korea's impact in the region.

Central Asia's young population and resource wealth offer additional opportunities for mutually beneficial collaboration. For example, South Korea's micro-manufacturing industry, driven by skilled craftsmanship in fabrication, metalwork, leather and welding, is declining due to rising costs and reduced national demand. Collaboration in these sectors can allow Korean craftsmen to transfer technology and preserve their industries, while simultaneously benefitting from Central Asia's youth engagement and resource base. It is also important to consider building adaptive capacities by developing industrial ecosystems to mitigate brain drain when direct technology transfer is constrained by intellectual property regulations or other barriers.

To increase its impact, South Korea requires a strategic focus and deep understanding of partner countries. This includes studying economic structures, demographics and political histories to design tailored programs that address local priorities. Collaboration with the EU presents a promising avenue, leveraging the EU's long-standing engagement to create synergies in digital inclusiveness and sustainable development, including climate change mitigation, while sharing Korea's technical expertise and innovative approaches.

In summary, South Korea can position itself as a strategic and credible partner in Central Asia by leveraging its democratic values, development experience, and industrial expertise. Beyond financial aid, Korea should focus on knowledge-sharing, capacity development and tailored programs, using initiatives such as KSP. It can foster partnerships with the EU to promote innovation, sustainable development and digital inclusion. Targeting sectors like micro-manufacturing and engaging the region's youth and resources can support mutually beneficial growth, enhance Korea's regional presence and support preparedness for future strategic challenges. A potential future area of cooperation is addressing the persistent gender gap in both Central Asia and South Korea, making the exchange of policy know-how and the development of alternative solutions particularly important.

4 Discussion and conclusion

Central Asia has become a strategically significant region due to its abundant resources, key trade routes and the imperative of regional stability. Its location, bordering Russia, China, Iran, Pakistan and Afghanistan, gives it both geopolitical and geoeconomic importance. Historically, USAID supported development across sectors such as education, healthcare, agriculture and environmental protection. However, abrupt reductions in US assistance have disrupted programs in health, education, infrastructure and climate resilience, particularly in Tajikistan and Kyrgyzstan, while a substantial share of aid in Kazakhstan, Turkmenistan and Uzbekistan was terminated. These cuts have heightened community vulnerabilities and weakened civil society's capacity under increasing state pressure.

Major powers pursue distinct strategies in Central Asia, reflecting their political, economic, and security priorities. Japan's development cooperation in Central Asia combines ODA and commercial partnerships to promote regional development while advancing its strategic and economic interests, emphasising infrastructure, reforms, security and regional connectivity.

The EU emphasises sustainable development, security, private sector growth and stronger political and civil society engagement, aligning its aid with the UN 2030 Agenda and coordinating with member states, the private sector and civil society. The EU has recently intensified high-level engagement with Central Asian states, for example, the first meetings between the heads of state of Central Asia and the President of the European Council in 2022, focusing on political dialogue, economic and energy cooperation, security, connectivity and people-to-people exchanges.

Recently, signs indicate that the EU's strategy is shifting from prioritising sustainability and civil society towards advancing geopolitical interests through large-scale investments and Europe's competitive advantages, though these risks potentially undermining its normative role, including human rights and the rule of law, in development cooperation. ODA from the US has declined significantly, reducing the scope of direct aid programs. Instead, the US is likely to adopt a business-driven approach, leveraging energy and strategic minerals to catalyse investment.

Russia considers Central Asia strategically vital due to historical ties, Soviet-era economic integration and regional security concerns. While development cooperation is limited, Russia maintains a military presence and strong political and economic relationships, with foreign policy playing a dominant role. China has rapidly expanded its influence through trade, infrastructure investment and strategic diplomacy, using the BRI to strengthen economic integration. China emphasises mutual benefit, respect for sovereignty, and non-interference, positioning itself as the region's leading trade partner.

While major development partners are pursuing more pragmatic strategies, aligning aid with national interests, the closure of US aid agencies and the sharp decline in assistance has given way to greater uncertainty. Major donors increasingly view development cooperation as being in crisis, while emerging donors present it as an opportunity. Emerging donors are positioning themselves as bridges between advanced economies and the Central Asian region.

Türkiye's strategy towards Central Asian countries emphasises strengthening connectivity, energy cooperation and collaboration through the Organization of the Turkic States. Central to this approach is the Middle Corridor, which provides an alternative strategic pathway in a multipolar world. However, domestic political instability, economic vulnerabilities and multiple dependencies on rival blocs must be addressed to enable effective development cooperation. South Korea's initiatives, including the K-Silk Road Initiative and the 2025 development strategy, prioritise human resources, industrial growth and sustainable development, aligning national interests with global values under the government's pragmatic diplomacy. By expanding assistance beyond education and health to cover industrialisation, public administration, rural development and climate change mitigation, Korea positions itself as a credible knowledge-sharing partner (e.g., the Knowledge Sharing Program), strengthening strategic ties and promoting mutually beneficial development.

The evolving geopolitical and development landscape in Central Asia presents significant opportunities for middle powers such as South Korea and Türkiye. Middle-power countries can harness their own democratic values, industrial expertise and development experience to advance knowledge-sharing, capacity development and sector-specific programs in energy, vocational training, digital governance, climate change and infrastructure. Connectivity-related projects, such as Türkiye's Middle Corridor and the K-Silk Road Initiative, further enhance their regional relevance. To maintain credibility amid competition from major powers, middle powers must pursue consistent, values-driven and technically-informed cooperation while managing domestic political and economic risks. They should also coordinate with major donors, such as Japan and the EU, and balance engagement with large-scale infrastructure programs like China's BRI, positioning themselves as facilitators of donor harmonisation in the region.

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