



CENTRAL ASIAN PRISM OF THE BELT AND ROAD INITIATIVE: SOCIAL SUSTAINABILITY AND CAPACITY BUILDING SPECIFICS

JAVOHIR MASHARIPOV^{1*} , ULUGBEK KHASANOV² 

¹Young Researcher, Department of International Relations,
University of World Economy and Diplomacy, Uzbekistan

²Associate Professor, Department of International Relations,
University of World Economy and Diplomacy, Uzbekistan

Article History:

Received: 7 May 2025

Revised: 18 June 2025

Accepted: 23 June 2025



ABSTRACT. *As traditional international institutions decline in effectiveness, states increasingly adopt pragmatic, interest-driven foreign policies. Nowhere is this shift more evident than in Central Asia, where historical legacies, geographic constraints, and economic imperatives necessitate adaptive strategies. This article explores how Central Asian states are redefining their national development and foreign policies amid shifting global dynamics, with a focus on China's Belt and Road Initiative (BRI). It argues that BRI participation enables infrastructure development, industrial diversification, and job creation while reinforcing regional cooperation. Ultimately, the findings demonstrate that BRI engagement helps these states enhance their geopolitical balancing strategies and assert agency in an increasingly multipolar world.*

KEYWORDS: *Belt and Road Initiative (BRI), Central Asia, social sustainability, capacity building, infrastructure development, economic growth, employment and skills transfer, industrial development.*

INTRODUCTION

The 21st century's unravelling of multilateral norms has accelerated a global pivot toward pragmatic nationalism, compelling states, particularly in contested regions, to recalibrate their strategies for survival and growth. Central Asia, a historically contested space between Russia, China, and regional powers, epitomizes this shift. Combining resource wealth and demographic potential with acute vulnerabilities, such as landlocked geography and institutional fragility, the region's states are increasingly aligning their foreign policy with developmental sovereignty. By merging infrastructure diplomacy with developmental rhetoric, China's Belt and Road Initiative (BRI) offers a dual promise: immediate investment for connectivity and long-term frameworks to address structural deficits like industrial under capacity and youth unemployment.

Nevertheless, Central Asia's engagement with the BRI transcends economic calculus. This article argues that regional elites instrumentalize the initiative to consolidate domestic legitimacy, using BRI-linked projects to justify industrial modernization and job creation while balancing great-power pressures. However, such reliance on external platforms risks trading one dependency for another, even as it fosters unprecedented regional cooperation.

*Correspondence to: Javohir Masharipov, email: javohirmasharipov77@gmail.com

Copyright © 2025 The Author(s). Published by the Kazakhstan Institute for Strategic Studies under the President of the Republic of Kazakhstan



This is an open-access article distributed under the terms of the **Creative Commons Attribution 4.0 International License**

JOURNAL OF
**CENTRAL ASIAN
STUDIES**
https://jcas-journal.com

LITERATURE REVIEW

China's Belt and Road Initiative (BRI) has profoundly reshaped Central Asia's development trajectory through infrastructure investment, trade expansion, and industrial cooperation. While proponents highlight its potential to overcome regional connectivity barriers and stimulate economic growth, critics question whether BRI projects genuinely foster social sustainability, equitable employment, and long-term capacity building.

Chinese scholars like Wang Yiwei (2016) frame the BRI as a transformative model of "inclusive globalization" arguing that infrastructure projects address Central Asia's historical "landlocked disadvantage" (Liu Weidong, 2018). Case studies of the China-Kazakhstan logistics corridor and Uzbekistan's railway upgrades (Goulard, 2021; Umarov, 2022) demonstrate improved regional trade flows. However, Cooley and Laruelle (2021) counter that many BRI megaprojects, such as Kyrgyzstan's highways or Tajikistan's hydropower dams, operate as enclaves with weak linkages to local economies, limiting multiplier effects.

A key critique centers on BRI's limited job creation for Central Asians. While Chinese state media highlights employment opportunities (Xinhua, 2019), fieldwork by Kassymbekova (2023) in Kazakhstan reveals that Chinese firms often import labor and materials, relegating locals to low-skilled roles. Similarly, Balasubramaniam et al. (2022) note that Uzbekistan's nascent industrial zones show potential for entrepreneurship but lack systemic skills transfer. The World Bank (2023) confirms that BRI-related employment remains concentrated in construction and extraction, with minimal upward mobility. Rising anti-Chinese sentiment in Kazakhstan (Dave, 2018; Satpayev, 2023) further underscores tensions over labor displacement and opaque hiring practices.

The BRI's environmental record in Central Asia has drawn sharp criticism. Peyrouse (2023) and OSCE (2024) document how Chinese-led mining and energy projects in Kyrgyzstan and Kazakhstan have triggered protests due to ecological damage and land dispossession. Weak governance exacerbates these issues, as BRI contracts frequently bypass local environmental regulations (Crude Accountability, 2020). Meanwhile, ADB (2023) suggests that China's recent "Green BRI" pledges, such as solar investments in Uzbekistan, could mitigate backlash if paired with transparency and community consultation.

In conclusion, the BRI has undeniably reshaped Central Asia's infrastructure landscape, but its socioeconomic impacts remain uneven. While Chinese narratives emphasize connectivity and win-win cooperation, Central Asian scholars (Kassymbekova, 2023; Satpayev, 2023) and Western analysts (Peyrouse, 2023; World Bank, 2023) stress the risks of dependency, environmental harm, and missed opportunities for inclusive development. Moving forward, the BRI's success in the region will hinge on stronger local partnerships, enforceable labor and environmental standards, and meaningful integration with national capacity-building strategies.

METHODOLOGY

This study uses a mixed-methods approach, combining quantitative data analysis with qualitative insights. Economic indicators, including employment rates, industrial output, and FDI inflows, were collected from the World Bank, national statistics, and international institutions. Qualitative data were derived from policy documents and academic literature.

THE REGIONAL SIGNIFICANCE OF THE BRI

Central Asian countries, strategically positioned along vital trade routes, serve as critical land bridges in China's Belt and Road Initiative (BRI). This role is increasingly crucial as China seeks diverse transportation avenues to mitigate bottlenecks and delays inherent in traditional maritime shipping and to enhance supply chain resilience.

Kazakhstan and Uzbekistan, as the region's largest and most economically influential nations, stand out as pivotal transit hubs within the BRI network. Kazakhstan, notably, acts as a cornerstone for the extensive China-Kazakhstan-Europe rail corridor. This corridor has seen significant expansion, with efforts continually boosting its capacity. By 2024, freight train services between Kazakhstan and China reached a record high of 32 million tons, marking a substantial increase. In the first quarter of 2025, traffic through the Khorgos border, a key gateway, saw a 28.5% rise in China-Europe trains ("Kazakh-China Rail Cargo Transportation," 2025). This robust growth underscores Kazakhstan's reinforced position as a vital logistics hub, handling an increasing volume of goods traversing Eurasia. Initiatives like the construction of a third railway checkpoint at Ayagoz-Bakhty are underway to further expand rail capacity with China. Moreover, Kazakhstan is making significant domestic infrastructure investments, including the construction of second tracks along the 836-kilometer Dostyk-Moiynty section, expected to open by June 2025 and projected to increase capacity fivefold.

Crucially, Kazakhstan is also vigorously developing the Trans-Caspian International Transport Route (TITR), or Middle Corridor, offering a vital alternative, particularly in light of recent geopolitical shifts. In 2024, cargo transportation along the TITR surged to 4.5 million tons, a 62% increase from the previous year, and container shipments saw a remarkable 170% increase to 56,500 TEU containers. Kazakhstan is actively investing in its Caspian ports (Aktau and Kuryk) to bolster this route, aiming to transport 5.2 million tons of goods and 70,000 TEUs via TITR in 2025 ("Volume of Container Transportation," 2025).

Uzbekistan is also emerging as a key logistical and industrial hub. The long-awaited China-Kyrgyzstan-Uzbekistan railway, with an estimated cost of \$8 billion, is set to commence construction in July 2025 and aims for completion by 2030 ("The China-Kyrgyzstan-Uzbekistan Railway," 2025). This railway will significantly shorten the China-Europe rail journey by 900 kilometers, reducing both transit time and costs. Uzbekistan is also actively involved in diversifying its trade routes, including its participation in the Middle Corridor. In 2024, cargo transit via the Caspian Sea between Uzbekistan and Europe reached 1.1 million tons, a 55% increase from 2020 ("Embassy of the Republic of Uzbekistan," 2025). Uzbekistan is further enhancing its transport infrastructure by modernizing key airports and developing logistics hubs in cities like Tashkent, Termez, and Navoi. As of January 2025, nearly half of

Uzbekistan's railway network (2,404.8 km) is electrified, marking a 23.8% jump in electrification compared to the previous year, with efforts ongoing towards complete electrification ("Uzbekistan's Railways," 2025). These collective and diversified efforts solidify Central Asia's indispensable and evolving role in facilitating global trade and connectivity under the BRI.

Energy Corridor and Natural Resources

Central Asia holds vast deposits of oil, gas, coal, and minerals, which are essential for meeting China's ever-growing demand for raw materials and bolstering its energy security strategy. Kazakhstan, for instance, is a global leader in uranium production. In 2024, Kazakhstan produced approximately 23,270 tonnes of uranium, accounting for over 40% of the world's supply (World Nuclear Association, 2025). Looking ahead, Kazatomprom, the national atomic company, expects 2025 production to be between 25,000 and 26,500 tonnes of uranium, solidifying its dominant position (JSC National Atomic Co. Kazatomprom, 2025).

Turkmenistan holds some of the largest natural gas reserves globally, particularly in the super-giant Galkynysh gas field, which is pivotal to China's energy diversification strategy. Independent British company Gafney, Cline & Associates estimates the reserves of Galkynysh at more than 27 trillion cubic meters of gas ("New Industrial Flow," 2025). In 2024, Turkmenistan's natural gas production exceeded 77.6 billion cubic meters (Türkmen-Gaz, 2025).

The energy relationship is concretely demonstrated by key infrastructure projects. The China-Kazakhstan oil pipeline, initially operational from Atyrau to Alashankou, has a current capacity of 14 million tons per year, with plans to expand it. In 2023, CNPC and KazMunayGas signed a deal to expand the Kenkiyak-Kumkol section from 10 to 15 million tons, and Kenkiyak-Atyrau from 6 to 12 million tons, further integrating Kazakh oil into China's energy supply (Samruk-Kazyna, 2023).

The Central Asia-China gas pipeline, operational since 2009, is another cornerstone. This massive pipeline network, comprising Lines A, B, and C, links Turkmenistan with China, passing through Uzbekistan and Kazakhstan, and has a combined total capacity of 55 billion cubic meters of gas annually. Since its commissioning, the pipeline had delivered over 500 billion cubic meters of natural gas to China as of November 2024 (Kun.uz, 2024). While Line D, aimed at adding another 30 billion cubic meters per year capacity, has faced delays, there are indications from PetroChina that its construction could resume in 2024, significantly increasing overall delivery capacity to 85 billion cubic meters per year upon completion. This extensive energy corridor underscores Central Asia's indispensable role in China's long-term energy security and diversification efforts (M. Bakri Mat and Amna Khalid, 2024).

Security and Stability in Xinjiang

Central Asia's strategic importance for China extends significantly beyond mere economic factors, encompassing vital security interests directly linked to the Xinjiang Uyghur Autonomous Region (XUAR). Located in China's western periphery, Xinjiang shares extensive borders with Kazakhstan, Kyrgyzstan, and Tajikistan. Given the

region's strategic significance as a gateway to Central Asia and its potential for fostering cross-border economic ties, China views the stability of its western frontiers as an absolute critical national security priority. Consequently, China has made substantial investments in both infrastructure and security cooperation within Central Asia, leveraging economic cooperation as a means to stabilize its border regions with Xinjiang and mitigate the impact of any regional instability.

China's engagement with Central Asia is deeply intertwined with its multi-faceted efforts to secure Xinjiang's development and prevent the spread of unrest, separatism, or extremism, often referred to as the "three evil forces" (SpecialEurasia, 2024). By meticulously integrating Xinjiang with Central Asia through robust infrastructure projects, including highways, railways, and pipelines, China aims to promote sustained regional economic growth. The underlying premise is that economic prosperity and improved living standards will naturally help to stabilize Xinjiang's complex socio-political environment and reduce the perceived appeal of extremist ideologies.

Recent developments underscore this inextricable link. The Second China-Central Asia Summit, held in Astana in June 2025, significantly emphasized enhanced regional security governance, with a strong focus on countering terrorism, separatism, and extremism. During this summit, the six countries (China and Central Asian states) affirmed their commitment to jointly combat these threats, pledging to address issues such as cross-border infiltration of terrorist forces, drug smuggling, transnational organized crime, and cybercrime (XinhuaNet, 2025). This cooperation is designed to ensure the smooth and stable progress of BRI projects and collectively respond to evolving security challenges.

Furthermore, China actively participates in and often leads security initiatives within multilateral frameworks like the Shanghai Cooperation Organization (SCO). The SCO's Regional Anti-Terrorist Structure (RATS) is a key platform through which China and Central Asian states conduct joint counter-terrorism exercises and intelligence sharing. In October 2024, a Chinese Criminal Police University delegation trained Tajik Ministry of Internal Affairs representatives in critical areas such as crime scene investigation, counter-terrorism, and anti-money laundering, showcasing direct capacity-building efforts. Tajikistan, for example, has participated in numerous joint military exercises with China between 2002 and 2024, specifically focusing on border security and counter-terrorism operations (Carnegie Endowment for International Peace, 2025). This ongoing security collaboration highlights China's strategic investment in maintaining regional stability as a direct extension of its domestic security concerns related to Xinjiang.

Geopolitical Leverage and Risks

Central Asia's strategic centrality provides its states with substantial leverage in their foreign relations, a concept often termed "multi-vector foreign policy"(Laruelle, 2018). This approach allows Central Asian countries to engage with a diverse array of global powers, meticulously balancing their relationships with China, Russia, and the West. This balancing act enables the region to navigate complex geopolitical dynamics, secure diversified investments, and pursue national interests without excessive alignment with

any single bloc. Evidence of this strategy is seen in the frequent high-level diplomatic engagements Central Asian leaders undertake with various partners, including the "C5+1" platforms with the US, EU, Germany, and others, alongside their deep ties with China and Russia.

In 2024, for instance, leaders from Central Asian states undertook numerous foreign visits, demonstrating their commitment to multi-vector diplomacy. Kazakhstan's President Kassym-Jomart Tokayev made 23 foreign trips, including state visits to Italy, Qatar, Azerbaijan, Singapore, France, and Hungary, alongside participation in forums like the SCO Summit in Astana and the UN COP29 Climate Conference. Similarly, Uzbekistan's President Shavkat Mirziyoyev conducted 18 international visits, including state visits to China, Russia, Azerbaijan, and Turkey, and participation in the SCO and CIS summits (National News Agency of Uzbekistan, 2024).

Economic Dependence and Influence

China has emerged as Central Asia's primary trade partner, surpassing Russia in economic influence. In 2023, trade between China and Central Asia reached \$89.4 billion, reflecting a 27% increase from the previous year (Chinadaily.com.cn, 2025). This impressive growth trajectory continued into 2024, with the total trade volume between China and Central Asian countries reaching a new high of \$94.8 billion, representing an increase of approximately \$5.4 billion from 2023 (Kazinform, 2025). This surge is projected to hit \$100 billion in 2025, with over 10,000 joint ventures and projects underway. Kazakhstan remains the largest trading partner for China within the region, accounting for nearly half of this total. In 2024, bilateral trade between Kazakhstan and China hit a record \$43.8 billion. Uzbekistan also saw substantial trade with China, reaching \$13.7 billion in 2024 (The Astana Times, 2025).

The Rising Influence of the Organization of Turkic States (OTS)

The Organization of Turkic States (OTS), which includes Azerbaijan, Kazakhstan, Kyrgyzstan, Turkey, and Uzbekistan as full members, with Hungary, Turkmenistan, and the Turkish Republic of Northern Cyprus (TRNC) as observers, is strategically establishing itself as a unified economic and cultural entity. The organization actively fosters intra-regional commerce, infrastructure development, and digital connectivity while promoting cultural and linguistic commonalities among its members. The OTS provides a platform for member states to deepen cooperation based on shared linguistic, cultural, and historical ties (Organization of Turkic States, n.d.).

The OTS aims to become a more cohesive and independent economic bloc within Eurasia, offering a complementary rather than conflicting dimension to existing partnerships. Its strengthening reflects a desire among Turkic states to enhance their collective influence and reduce reliance on traditional external powers. Trade between OTS countries has seen marked growth, reaching \$58.17 billion in 2024, a significant increase from \$38.3 billion in 2023 (SpecialEurasia, 2025).

Consequently, Central Asian countries must carefully manage their deepening economic ties with China while simultaneously leveraging platforms like the OTS. Their multi-vector foreign policy is vital in this context, as they actively seek to

diversify partnerships with other global actors like the EU, the US, and Gulf states, and strengthen regional blocs like the OTS, to retain autonomy and strengthen their negotiating position amidst a complex global landscape.

Infrastructure Projects

Among the most prominent infrastructure projects bolstering Central Asia's role in global trade are the Khorgos Gateway in Kazakhstan and the Angren-Pap railway in Uzbekistan. These initiatives have significantly improved trade routes and reduced transportation costs across the Eurasian landmass.

The Khorgos Gateway, located at the Kazakhstan-China border, stands as one of the largest dry ports in the world and plays a central role in facilitating trade between China and Europe. This pivotal logistics hub significantly reduces transportation time for goods by bypassing congested sea routes, firmly positioning Kazakhstan as a key transit nation for Central Asia and the broader Eurasian Economic Union. The port continues to see remarkable growth in traffic. In 2024, Khorgos's overall freight volume surged to 13.727 million tons, marking a 17.1% year-on-year increase (Gilmantruck.com, 2024). While specific annual TEU (Twenty-foot Equivalent Unit) figures for the entire dry port can vary, its capacity is continually expanding. Looking to 2025, the growth trend continues: in the first quarter alone, 2,375 freight trains passed through the Khorgos border, representing a 28.5% increase from the same period in the previous year, with the transported cargo volume reaching 3.336 million tons, up 26% (Transport Corridors, 2025). This sustained expansion and strategic location underscore Khorgos's increasing importance in global trade corridors. Beyond direct transit, Khorgos is also becoming a key conduit for specialized cargo, with China's used car exports, for instance, surging through the gateway to Central Asian markets in 2024.

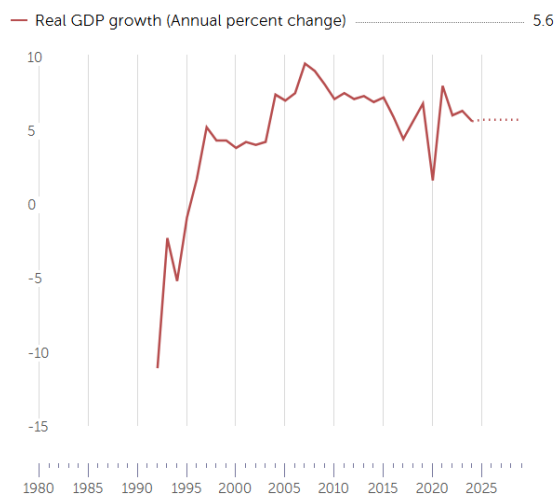
Similarly, the Angren-Pap railway in Uzbekistan, a major BRI initiative, serves a critical role in connecting the densely populated eastern regions of Uzbekistan (the Fergana Valley) with the capital, Tashkent, and the rest of the country. This nearly \$2 billion project, completed in 2016, includes the 19.2-kilometer Qamchiq Tunnel, the longest railway tunnel in Central Asia (XinhuaNet, 2016). The railway has not only dramatically reduced travel time between these key regions by up to 50% but has also opened new avenues for trade within the region. It eliminates the need to transit through neighboring countries like Tajikistan, significantly cutting costs and transit fees. The Angren-Pap railway plays a vital role in facilitating the export of Uzbek goods to China and other international markets, enhancing Uzbekistan's integration into regional and global trade networks. Uzbekistan Railways continues to invest in its network, with a focus on electrification, further boosting efficiency and capacity across its key lines, including those connected to the Angren-Pap route.

Uzbekistan's 2030 Strategy

Uzbekistan's strategic trajectory is firmly set by its Development Strategy for 2030, approved in 2023. This ambitious plan builds upon earlier roadmaps, aiming to transform Uzbekistan into a "Welfare State with a Market Economy" and achieve upper-middle-income status by 2030. The strategy's core pillars are sustainable economic growth, environmental conservation, and enhanced social services, with audacious

targets including doubling GDP and per capita income. A strong emphasis is placed on improving citizens' living standards through significant investments in education, health, and critical infrastructure.

Graph 1. GDP Growth in Uzbekistan (1980–2025)



Source: IMF, April 2024

In 2024, Uzbekistan's economy demonstrated robust performance, with a real GDP growth rate of 6.5%, building on 6.3% in 2023. This growth was primarily fueled by strong private consumption, which accelerated to 7.5%, and a substantial 27.6% increase in real investment in fixed capital, largely driven by non-centralized investments and foreign direct investment (FDI) (World Bank, 2025). According to the Central Bank, FDI in Uzbekistan reached an impressive \$11.9 billion in 2024, representing a more than 50% increase from the previous year (Central Bank of the Republic of Uzbekistan, 2025). The country's nominal GDP reached approximately \$115.0 billion, reflecting ongoing structural reforms and improved investor confidence (Kun.uz, 2025). GDP per capita rose to around \$3,094, marking a real-term increase of 4.4% compared to the previous year (Kun.uz, 2025). Meanwhile, the inflation rate moderated slightly to 9.63% in 2024, down from 9.96% in 2023, indicating the effectiveness of monetary tightening measures (FocusEconomics, 2025). With a population of approximately 37.17 million (as of end 2024), Uzbekistan continues to position itself as a key economic player in Central Asia, balancing rapid growth with social and institutional development (World Bank, 2025).

Key priorities in the Strategy 2030 include:

- **Human Capital Development:** The strategy aims to drastically improve skills, with targets such as training 1 million youth in vocational and digital skills annually. Efforts are ongoing, with pilot programs showing promising results. For instance, there was an 18% increase in digital literacy among vocational students between 2021 and 2024. This improvement is attributed to greater access to e-learning platforms and digital workshops (Ministry of Employment and Poverty Reduction of the Republic

of Uzbekistan, 2024). UNESCO is also supporting initiatives to strengthen digital competencies among Technical and Vocational Education and Training (TVET) educators, with workshops held in March 2025.

- Infrastructure and Industrial Zones Expansion: There is a strong focus on expanding infrastructure and industrial zones across all 14 regions of Uzbekistan. As of 2024, Uzbekistan operates 23 Free Economic Zones (FEZs), including major ones like Angren and Navoi. These zones, often supported by Chinese co-investment, target diverse sectors such as light industry, pharmaceuticals, and logistics. For example, joint technology parks are successfully operating, and new projects are being developed in green energy, chemicals, and metallurgy within these zones.
- Promoting Technology Transfer through PPPs: Uzbekistan is actively promoting technology transfer through joint ventures and public-private partnerships (PPPs). In 2025, nearly \$4.5 billion worth of PPP projects have been launched in sectors like road construction, energy, and water supply (Newsline.uz., 2025). Foreign companies, including Chinese firms like BYD (which opened an electric vehicle factory in July 2024 in partnership with UzAuto Motors), are playing a vital role in advancing these goals (President.uz. (n.d.)). Joint training centers between Chinese firms and Uzbek vocational institutes are also emerging, though still in nascent stages, fostering direct skill and knowledge transfer.

Kazakhstan's Industrial Development

Kazakhstan is actively pursuing industrial diversification to reduce its historical reliance on hydrocarbons, a strategic imperative now formalized in its National Development Plan, adopted in August 2024. This ambitious plan sets a target to double the country's GDP by 2029, with an average economic growth pace of 6-7% envisioned (Kazinform, 2024). The plan prioritizes robust growth in non-oil sectors, including manufacturing, agriculture, logistics, and information technology (IT), aiming to foster a more diversified and resilient economy. Manufacturing, for instance, demonstrated significant progress, achieving 5.1% growth in the first half of 2024, solidifying its position as a primary economic driver. Looking ahead, Kazakhstan has ambitious plans to launch 190 industrial projects worth an estimated \$3 billion in 2025 (GlobeNewswire, 2025). These new initiatives will primarily focus on high-value-added sectors such as metallurgy, machine building, and the chemical industry, to boost local production and diversify the export portfolio.

Central to this diversification strategy are Special Economic Zones (SEZs). The Khorgos Dry Port, built with significant Chinese support, exemplifies this approach. It is not merely a critical transit hub connecting East and West along the Belt and Road Initiative, but also the cornerstone of a larger SEZ designed to attract investment, foster local manufacturing, and develop advanced logistics services. The expansion of these zones continues to be a priority. In May 2025, Kazakhstan established the new Korkyt Ata SEZ in the Kyzylorda Region, covering 550 hectares and designated with "port SEZ" status (Kazinform, 2025). This strategic move aims to leverage its proximity to the "Western Europe – Western China" international transport corridor for industrial growth. Furthermore, the government granted "port SEZ" status to five other existing zones (Ontustik, Astana-Technopolis, Saryarka, Alatau, and Aktobe) in May 2025,

underscoring the ongoing commitment to these zones as vital tools for attracting investment, introducing advanced technologies, and diversifying the national economy.

While these initiatives demonstrate strong government commitment, the sustained effectiveness of SEZs in genuinely promoting local firms and ensuring broad-based economic benefits remains a continuous area of focus. Challenges highlighted in earlier assessments, such as potential reliance on foreign contractors and the need for rigorous regulatory enforcement to ensure fair competition, are continually being addressed. However, the renewed emphasis on private sector growth, coupled with ongoing improvements in the investment climate and a reduced state footprint as outlined in the 2024 National Development Plan, aims to create a more dynamic and equitable environment for local businesses to thrive within these strategic economic hubs, ultimately contributing to Kazakhstan's long-term industrialization goals.

Debt Accumulation and Financial Exposure

Kyrgyzstan, Tajikistan, and increasingly Turkmenistan have become significantly indebted to China. Over 40% of Kyrgyzstan's external debt is owed to the Export-Import Bank of China (IMF, 2024). Similarly, China is Tajikistan's largest single creditor, holding about 30-34% of its total public and publicly guaranteed external debt (IMF, 2024; World Bank, 2024).

In Turkmenistan, the situation is even more pronounced, with an estimated 80% of its total external debt reaching around \$12.2 billion in total debt to China by 2024, primarily for gas infrastructure projects (AidData, 2025).

In contrast, Uzbekistan and Kazakhstan maintain more diversified debt portfolios. While Uzbekistan's total external debt amounted to \$64.1 billion at the end of 2024 (Central Bank of the Republic of Uzbekistan, 2025), only approximately \$3.8 billion of its debt was owed to China in the first half of 2023 (Carnegie Endowment, 2024). Kazakhstan, the region's largest economy, had an external debt burden of \$164.7 billion as of January 1, 2025 (National Bank of Kazakhstan, 2025), of which about \$9.2 billion was owed to China as of January 1, 2024 (Carnegie Endowment, 2024). Although the absolute figures are substantial, the relative share of Chinese debt in these economies is markedly lower, reflecting broader access to international credit markets and a more balanced creditor mix. The prevalence of Chinese loans in Kyrgyzstan and Tajikistan has fueled ongoing concerns over so-called "debt-trap diplomacy", a narrative suggesting that China might leverage unsustainable debt levels to extract strategic concessions or secure control over critical infrastructure. While this notion has gained traction in media and political discourse, scholars such as Cooley and Laruelle (2021) argue that the risks are often overstated in the Central Asian context. They emphasize that the greater dangers lie not necessarily in Chinese intent, but in structural weaknesses within the recipient countries: opaque contract terms, elite-driven decision-making, and a lack of parliamentary or public oversight. These factors heighten the vulnerability of state institutions and may lead to the alienation of key national assets, including energy infrastructure, transportation networks, or natural resource concessions.

In sum, while not all Central Asian nations are equally exposed to Chinese debt, the concentration of liabilities in certain states, combined with governance and transparency challenges, presents a nuanced but significant risk to regional stability and sovereignty.

Table 1. External Debt & China’s Share (2022–2024)

Country	Total External Debt (USD)	Debt to China (USD)	% of Debt to China
Uzbekistan	\$60.2 billion	\$3.8 billion	6.3%
Kyrgyzstan	\$4.5 billion	\$1.8 billion	40%
Tajikistan	\$3.6 billion	\$1.62 billion	45%
Kazakhstan	\$160 billion	\$9.2 billion	5.8%
Turkmenistan	\$10 billion	\$8 billion	80%

Source: World Bank. (2024). International Debt Statistics 2024.

CONCLUSION

Countries like Uzbekistan and Kazakhstan have made notable strides in integrating Belt and Road Initiative (BRI) investments with their broader national development strategies. Uzbekistan's Development Strategy for 2030 and Kazakhstan's National Development Plan, adopted in August 2024, both aim to enhance local capacity, human capital, and export diversification, reflecting a deliberate effort to align foreign investment with national priorities.

Despite these successes and the significant infrastructure advancements, concerns persist over the socio-economic and environmental impacts of large-scale BRI projects. These include issues such as potential labor displacement due to reliance on foreign labor, environmental degradation from large-scale construction, limited skills transfer to local workforces, and the broader implications of economic dependence on a single external power.

For the BRI to truly serve as a catalyst for inclusive and sustainable development in Central Asia, three critical conditions must be met:

First, recipient governments must enhance transparency, local participation, and regulatory oversight. This involves making project agreements publicly accessible, ensuring meaningful engagement with local communities, and enforcing national labor and environmental laws rigorously. Greater transparency, for example, could help address concerns about the equitable distribution of project benefits and risks.

Second, Chinese stakeholders should deepen localization efforts through vocational training, knowledge transfer, and inclusive project design. This means moving beyond merely completing infrastructure projects to actively building local capacities. Investing in local supply chains, employing and training local workers, and transferring technological know-how are crucial for long-term sustainable development and ensuring that projects genuinely benefit the host countries.

Third, there must be a shared commitment to long-term social and environmental sustainability. This necessitates integrating robust environmental safeguards, conducting thorough impact assessments, and establishing effective grievance mechanisms into all major projects from conception to completion. Addressing issues like water resource management in a climate-vulnerable region and protecting biodiversity are paramount for the well-being of local populations.

Ultimately, the success of the BRI in Central Asia will depend on whether it can move beyond simply building physical infrastructure to become a genuine platform for regional development, cooperation, and resilience. This involves strengthening not only vital trade routes but also the social fabric, human capital, and sovereign capacities of its partner nations, ensuring a mutually beneficial and sustainable future for Central Asia.

FUNDING

The authors report no financial or non-financial support from individuals or organizations not listed as co-authors.

CONFLICTS OF INTEREST

The authors have no competing interests to disclose.

AUTHORS' CONTRIBUTIONS

JM: formal analysis, investigation, resources, data curation, writing – original draft, visualization; UK: conceptualization, methodology, validation, writing – review & editing, supervision, project administration.

REFERENCES:

1. Asian Development Bank. (2024/2025). Asian Development Outlook (latest editions).
2. The China-Kyrgyzstan-Uzbekistan Railway: China's strategic expansion in Russia's backyard. (2025, January 16). CACI Analyst. <https://www.cacianalyst.org/publications/analytical-articles/item/13837-the-china-kyrgyzstan-uzbekistan-railway-chinas-strategic-expansion-in-russias-backyard.html>.
3. Carnegie Endowment for International Peace. (2024, August 19). Chinese lending adapts to Central Asia's realities. <https://carnegieendowment.org/posts/2024/08/china-investment-central-asia-debt?lang=en>.
4. Central Bank of the Republic of Uzbekistan. (2025, March 29). Balance of payments and international investment position of Uzbekistan: Annual report | 2024. https://cbu.uz/upload/medialibrary/c03/ps1wvqf3ba03bcpbc7iy15eamyplt0in/eng_BOP_IIP_ED_2024Q4.pdf.
5. Central Bank of Uzbekistan. (2024–2025). Key economic indicators (Annual and Quarterly Reports).
6. Charter Cities Institute. (2025, March). Unlocking the potential of Kazakhstan's special economic zones: Enhancing governance, transparency, and investment attraction [Policy brief].
7. Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan. (2024–2025). Official statistical data.
8. Cooley, A. (2021). Great games, local rules: The new great power contest in Central Asia. Oxford University Press.
9. Cooley, A., & Laruelle, M. (2021). The China model: A new world order. Oxford University Press.
10. Dave, B. (2018). Kazakhstan and the Belt and Road Initiative: Local perceptions and rising tensions. *Central Asian Journal of Social Studies*, 12(2), 34–52.
11. Embassy of the Republic of Uzbekistan in the People's Republic of China. (2025, April 17). [mfa.uz. https://china.mfa.uz/news/3681?language=en](https://china.mfa.uz/news/3681?language=en).
12. FocusEconomics. (2025). Uzbekistan inflation (CPI, ann. var. %, aop). <https://www.focus-economics.com/country-indicator/uzbekistan/inflation/>
13. Invexi.org. (2024). Economic growth of Uzbekistan in 2024: GDP results and trends. <https://invexi.org/en/press/economic-growth-of-uzbekistan-in-2024>

14. International Monetary Fund. (2024, March 4). Kyrgyz Republic: Staff report for the 2023 Article IV consultation—Debt sustainability analysis. IMF Staff Country Reports, (2024/064). <https://www.elibrary.imf.org/view/journals/002/2024/064/article-A003-en.xml>
15. International Monetary Fund. (2024/2025). Country reports for Kazakhstan and Uzbekistan (Article IV Consultations).
16. JSC National Atomic Co. Kazatomprom. (2025, January 26). Kazatomprom 4Q24 Operations and Trading Update (via London Stock Exchange). <https://www.londonstockexchange.com/news-article/KAP/Kazatomprom-4q24-operations-and-trading-update/16869726>
17. Kassenova, N. (2020). Central Asia and the Belt and Road Initiative: Challenges and opportunities. *Asia Policy*, 20(3), 89–102.
18. Kazatomprom. (2024–2025). Annual reports and investor presentations.
19. KazMunayGas. (2024–2025). Annual reports and press releases.
20. Kazakh-China rail cargo transportation reaches record 32 million tons in 2024. (2025, January 20). *The Astana Times*. <https://astanatimes.com/2025/01/kazakh-china-rail-cargo-transportation-reaches-record-32-million-tons-in-2024/>
21. Kun.uz. (2025, February 10). Uzbekistan's GDP reached \$115 billion in 2024. <https://kun.uz/en/news/2025/02/10/uzbekistans-gdp-reached-115-billion-in-2024>
22. Laruelle, M. (2018). China's Central Asia strategy: A new world order? Palgrave Macmillan.
23. Laruelle, M. (2019). Central Asia and the Belt and Road Initiative: The geopolitical risks and opportunities. *Journal of Eurasian Studies*, 12(4), 167–189.
24. Ministry of Employment and Poverty Reduction of the Republic of Uzbekistan. (2024). Annual report on the labor market. (As cited in Khamrakulova & Sagidullaeva, 2025, p. 55).
25. More than 77 billion cubic meters of gas and over 8 million tons of oil were produced in Turkmenistan in 2024. (2025, February 10). *Türkmen-Gaz*. <https://oilgas.gov.tm/en/posts/news/13104/in-2024-turkmenistan-produced-over-776-billion-cubic-meters-of-gas-and-over-83-million-tons-of-oil>
26. National Bank of Kazakhstan. (2025, April 10). External Debt. <https://nationalbank.kz/en/news/vneshniy-dolg>
27. New industrial flow of natural gas was obtained at the Galkynysh field. (2025, April 14). *Türkmen-Gaz*. <https://www.oilgas.gov.tm/en/posts/habarlari/13753/new-industrial-flow-of-natural-gas-was-obtained-at-the-galkynysh-field>
28. Organization of Turkic States. (n.d.). About Us. <https://www.turkicstates.org/en/about-us>
29. Over 500 billion cubic meters of gas delivered to China via Central Asia pipeline in 14 years. (2024, November 20). Kun.uz. <https://kun.uz/en/news/2024/11/20/over-500-billion-cubic-meters-of-gas-delivered-to-china-via-central-asia-pipeline-in-14-years>
30. Republic of Kazakhstan, Government. (2024, August). National development plan.
31. Reuters, Bloomberg, & TASS. (2024). News releases on trade, pipelines, and infrastructure developments.
32. Samruk-Kazyna. (2023, June 7). Samruk-Kazyna Group and Chinese CNPC to Develop Jointly the Oil and Gas Industry of Kazakhstan [Press Release]. <https://www.sk.kz/press-center/news/76887/?lang=en>
33. The import and export freight volume at the Torugart and Khorgos ports has significantly increased. (2024, May 29). Gilmantruck.com. <https://www.gilmantruck.com/news/15.html>
34. United Nations Development Programme. (2023–2025). Central Asia regional reports.
35. Uzbekistan Government. (n.d.). Uzbekistan – 2030 strategy.
36. Uzbekistan Railways. (2016). Angren–Pap railway project overview. <https://www.uzrailway.uz/en/projects/angren-pap>
37. Uzbekistan's railways pushing ahead with electrification milestones. (2025, May 15). Trend News Agency. <https://en.trend.az/business/4044042.html>
38. World Nuclear Association. (2025, May). Uranium and Nuclear Power in Kazakhstan. <https://world-nuclear.org/information-library/country-profiles/countries-g-n/kazakhstan>
39. Volume of container transportation on Aktau–Alyat route in 2025 revealed. (2025, March 4). SEA-NEWS. <https://sea-news.az/2025/03/04/volume-of-container-transportation-on-aktau-alyat-route-in-2025-revealed/>
40. World Bank. (2024, April 2). Republic of Tajikistan: Request for a twenty-two-month policy coordination instrument—Debt sustainability analysis. IMF eLibrary. <https://www.elibrary.imf.org/view/journals/002/2024/084/article-A002-en.xml>
41. World Bank. (n.d.). Uzbekistan overview: Development news, research, data. <https://www.worldbank.org/en/country/uzbekistan/overview>
42. World Bank. (2024). Uzbekistan: Employment and labor market indicators. <https://www.worldbank.org/en/country/uzbekistan>