



Weekly Briefing

Latvia external relations briefing:
Bridging Latvia and Central Asia Through the Strengthening of
Political and Economic Cooperation
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Bridging Latvia and Central Asia Through the Strengthening of Political and Economic Cooperation

Summary

Latvia's economic and political cooperation with Central Asian countries—Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, and Turkmenistan—reveals a tapestry of diverse and evolving partnerships. Latvia leverages Kazakhstan's strategic position as a transport hub, fostering robust economic collaboration. With Uzbekistan, the relationship extends beyond economics to education and culture, marked by a rise in Uzbek students in Latvian institutions. Although Latvia's engagement with Kyrgyzstan is less economically focused, it is rich in political dialogue and shared security interests. The budding partnership with Tajikistan shows promise in transportation and security, aligning with regional developmental goals. Similarly, cooperation with Turkmenistan revolves around developing transport corridors and economic interests. Latvia's pivotal role in the 19th European Union - Central Asia Ministerial Meeting and the adoption of the Joint Roadmap for Deepening Ties underscores its commitment to enhancing regional stability, economic integration, and cultural exchange, thus highlighting its influence in shaping a prosperous Eurasian region.

Introduction

In the realm of international relations, the dynamics between Latvia and Central Asian countries, specifically Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, and Turkmenistan, present a fascinating study of evolving partnerships rooted in economic and political cooperation. These relationships, defined by a blend of historical ties, strategic interests, and shared goals, have gained momentum in recent years, highlighting Latvia's growing focus on Central Asia. This article delves into the multifaceted nature of Latvia's bilateral relations with each of these nations, underscoring the intricate weave of political dialogue, economic engagement, and mutual interests that shape these ties. From Kazakhstan's significant role as a transport corridor to Uzbekistan's potential as a key player in regional routes, each country brings unique strengths and opportunities to the table. Kyrgyzstan's participation in international dialogues, Tajikistan's strategic position in regional security, and Turkmenistan's pivotal role in EU-Central Asia connectivity further illustrate the diverse but interconnected

nature of these relationships. This complexity is mirrored in the varied sectors of cooperation, ranging from transportation, logistics, and education to security, stability, and regional development. Moreover, Latvia's involvement in the EU-Central Asia partnership, epitomized by the 19th European Union - Central Asia Ministerial Meeting, highlights its commitment to strengthening ties with this strategically important region. The adoption of the Joint Roadmap for Deepening Ties underscores the broader implications of Latvia's bilateral relations within the context of EU strategy, encompassing political dialogue, economic ties, energy, environment, and people-to-people contacts. This briefing offers an in-depth exploration of Latvia's bilateral ties with each Central Asian country, providing insights into their current state, historical context, and future prospects, while situating these relationships within the larger tapestry of European-Central Asian cooperation.

Kazakhstan

Latvia and Kazakhstan have been actively fostering their bilateral relations, particularly in recent years. The latest political consultations between the two nations were held in Riga on November 23, 2023. These consultations involved high-ranking officials from both sides, including the Under-Secretary of State – Political Director of the Ministry of Foreign Affairs of Latvia, Andzejs Vilumsons, and the Deputy Minister of Foreign Affairs of Kazakhstan, Roman Vassilenko.

During these talks, the parties discussed several important aspects of their bilateral relations. They emphasized the development of economic cooperation and the cooperation between the two countries in international organizations. The discussions also included topical issues on the regional and international agenda. Both sides welcomed the positive trends in their economic relations and acknowledged the constructive dialogue between Latvian and Kazakh sectoral ministries and businesses. This collaboration has been beneficial in enhancing bilateral cooperation.

The economic sphere has shown particularly positive dynamics. The trade turnover for the first nine months of 2023 amounted to \$257 million, marking a significant increase of 76% compared to 2022. This growth in trade reflects the strengthening economic ties between Latvia and Kazakhstan.

There's also a focus on improving the bilateral legal framework, with both parties expressing interest in holding an Intergovernmental Commission on economic, scientific, and technical cooperation in 2024. Furthermore, the discussions touched on deepening EU-Central Asia relations, including measures to enhance connectivity between the two regions.

Beyond economic and political aspects, there are prospects for enhanced cooperation in education, pharmaceuticals, and IT. Such diversification of collaborative areas indicates a broadening of the scope of Latvia-Kazakhstan relations.

Additionally, Kazakhstan's strategic geographical position as the ninth-largest country in the world and a key segment of the Central Asian transport corridor makes it a significant partner for Latvia, especially in the transport industry. This strategic partnership underlines the importance of Kazakhstan to Latvia's interests in Central Asia.

Latvia and Kazakhstan have been actively working to strengthen their cooperation across various sectors, including politics, economics, education, and technology. The increasing trade figures, ongoing political consultations, and planned future collaborations suggest a robust and expanding relationship between the two nations, with potential for further growth and diversification in the coming years.

Uzbekistan

Latvia and Uzbekistan have developed a significant bilateral relationship since establishing diplomatic ties on November 3, 1992. The Latvian Embassy in Tashkent opened in November 1992, followed by the Uzbek Embassy in Riga in June 1995. Ambassadors were appointed in 1994 and 2002, enhancing the quality of their relations.

Their cooperation is multifaceted, covering political, economic, educational, and cultural aspects. Politically, Latvia and Uzbekistan maintain a good relationship, with regular high-level visits and consistent dialogue through political consultations and meetings of the Intergovernmental Commission on economic issues.

Economically, the two countries focus on expanding cooperation, leveraging their geographic positions and economic potential. Latvia, interested in Uzbekistan's use of its logistics for exporting goods to Europe, sees Uzbekistan as a key player in regional routes. Key sectors for cooperation include pharmaceuticals, agriculture, food processing, information technologies, waste processing, green technologies, and tourism. The Latvia-Uzbekistan

Intergovernmental Commission, established in 1998, plays a pivotal role in economic collaboration, with meetings setting priorities in transport, transit, tourism, education, agriculture, and ICT.

In education, Latvia's higher education institutions attract a significant number of Uzbek students, with Uzbekistan ranking second after India in terms of foreign student numbers in Latvia. Popular study programs for Uzbek students include transport, banking and finance, technical subjects, medicine, aviation, among others.

The countries have shared numerous high-level visits and meetings, reflecting their commitment to strengthening ties. These visits have involved various officials, including presidents, ministers, and parliamentary delegates, and have covered a range of issues from economic cooperation to cultural exchange.

As of 2017, trade between Latvia and Uzbekistan accounted for 0.36% of Latvia's total goods turnover, with a positive trade balance favouring Latvia. The main exports from Latvia to Uzbekistan were chemical products, machinery, and electrical equipment, while imports included vegetable products, textiles, and metals.

Investment relationships are also growing, with cumulative foreign direct investment from Uzbekistan in Latvia amounting to 31 MEUR and Latvian investment in Uzbekistan reaching 2 MEUR by the end of 2017. There were 368 companies of shared Latvian-Uzbek ownership in Latvia, with significant private investment from Uzbekistan.

The cooperation between Latvia and Uzbekistan demonstrates a strong and evolving partnership, with potential for further growth in various sectors. Their collaborative efforts contribute not only to their bilateral ties but also to the broader regional stability and economic integration in Central Asia.

Kyrgyzstan

Cooperation between Latvia and Kyrgyzstan encompasses a range of areas including political dialogue, economic engagement, and concerns for regional security and stability. This article delves into the historical context, current state of relations, and future prospects of this partnership.

Latvia and Kyrgyzstan have engaged in periodic political consultations to strengthen their bilateral relationship. The most recent consultation took place in October 2023 in Riga, Latvia.

These meetings, which previously occurred in 2019 in Bishkek, Kyrgyzstan, highlight the ongoing dialogue between the two nations. Discussions have revolved around enhancing the legal framework for cooperation, collaborative efforts in international organizations, and addressing regional and global issues. The war in Ukraine, for instance, has been a topic of common concern, emphasizing the need for close cooperation, especially in preventing the circumvention of EU sanctions.

The economic relationship between Latvia and Kyrgyzstan has been a focus, particularly in the context of the broader Central Asian region. In 2021, during the high-level week of the 76th session of the United Nations General Assembly, the Foreign Ministers of both countries met to discuss bilateral relations and the dialogue between the European Union and Kyrgyzstan. They acknowledged the impact of Afghanistan's situation on Central Asia's stability and sustainable development. Latvia, as a member of the EU and NATO, expressed its commitment to supporting Afghans who have cooperated with these organizations and are now in danger.

Latvia's support for Kyrgyzstan extends to sharing its reform experience through development cooperation projects. This includes investing in the education of Kyrgyzstan's young professionals, as evidenced by the participation of 27 students from Kyrgyzstan in the European Law and Economics program at Riga Graduate School of Law since 2014. Economic cooperation, focusing on sectors like education, science, transport, and logistics, is a key area of mutual interest.

In terms of security, Latvia's approach is grounded in strengthening its own security and enhancing economic competitiveness. The President of Latvia, Edgars Rinkevics, has emphasized the lack of significant security concerns for Latvia and the importance of economic competitiveness as a foundation for security. The Riga Security Forum, organized by the Latvian Institute of International Affairs, is a platform where international experts discuss various aspects of security, politics, technology, education, and defence. The theme for the 2023 forum was "How European is European Security?", reflecting a focus on global security issues and the role of European nations in addressing them.

Looking ahead, the future of Latvia-Kyrgyzstan relations appears promising, with a focus on enhancing bilateral cooperation in various domains. The continued political dialogue, economic collaboration, and shared concerns over regional stability and security issues provide a solid foundation for further strengthening ties. Latvia's interest in the Central Asian region, coupled with Kyrgyzstan's engagement in international dialogue, suggests potential growth in these bilateral relations.

In conclusion, the cooperation between Latvia and Kyrgyzstan, rooted in mutual interests and shared concerns, is poised to evolve and deepen. This partnership, encompassing political, economic, and security dimensions, reflects a broader trend of increasing engagement between European nations and Central Asian countries.

Tajikistan

Latvia and Tajikistan have been developing their bilateral relations with a focus on several key areas, including political dialogue, economic cooperation, security, and stability. The historical and current state of their relations, along with future prospects, paint a picture of growing collaboration between these two nations. It is clear that both countries have been working to strengthen their relations in recent years, particularly since Latvia's focus on the Central Asian region has grown.

In December 2021, a significant meeting between the foreign ministers of Latvia and Tajikistan occurred on the margins of the OSCE Ministerial Council. This meeting underscored Latvia's interest in enhancing political dialogue and expanding economic cooperation with Tajikistan. Latvia has identified the Central Asian region as a priority in its foreign policy and development cooperation, which includes strengthening relationships between the European Union (EU) and Central Asia.

Economic cooperation between Latvia and Tajikistan has been a key focus, particularly in the areas of transportation and logistics. In a meeting between the State Secretary of the Latvian Foreign Ministry and the outgoing Ambassador of Tajikistan to Latvia, both parties agreed on the importance of further developing their high-level dialogue and economic ties. This includes a focus on facilitating cooperation in transportation and logistics, which is vital for both countries.

Security and stability in the region, particularly regarding the situation in Afghanistan, have been critical topics in Latvia-Tajikistan relations. Latvia has played a pivotal role in the EU-funded Border Management Programme in Central Asia (BOMCA), aiming to improve security and stability in the region. This programme supports cross-border cooperation and seeks to enhance the living conditions of people in border areas of Central Asian countries and Afghanistan.

Looking forward, Latvia and Tajikistan have shown a commitment to maintaining active and friendly bilateral relations. The intention is to continue promoting cooperation between

Central Asian countries and the European Union. This ongoing cooperation is expected to focus significantly on transportation and logistics, a sector that is crucial for the economic development of both nations.

In summary, Latvia and Tajikistan's cooperative relationship, while not steeped in a long historical context, has been growing in recent years with a clear focus on enhancing political dialogue, economic ties, and regional security. The ongoing commitment of both nations to these areas suggests a promising future for their bilateral relations, particularly in the context of broader EU-Central Asia cooperation.

Turkmenistan

The cooperation between Latvia and Turkmenistan, spanning over three decades since the establishment of diplomatic relations in 1993, illustrates the evolving dynamic between the two nations. The current state of relations, driven by diplomatic efforts and mutual interests, has seen notable developments, particularly in the areas of economic and political collaboration, as well as in fostering security and stability.

In December 2022, Latvia's Ambassador to Uzbekistan, Reinis Trokša, responsible for Turkmenistan affairs as well, who emphasized the commitment to enhance political and economic dialogue. This included a focus on strengthening cooperation in sectors like transit, logistics, information and communication technologies, and education. The Turkmenistani side reciprocated this sentiment, expressing interest in bolstering inter-parliamentary cooperation.

Economic cooperation, although gradual, has seen significant strides. Prospects for economic ties seem promising, especially with the introduction of new railway sections potentially altering container train routes from Latvia.

Security and stability, particularly in the context of transport and logistics, have been a focal point in the Latvia-Turkmenistan relationship. Latvia has prioritized cooperation in air transport, airport management, road transport, and railway rolling stock maintenance. In light of geopolitical challenges, such as Russia's war against Ukraine, Latvia views the development of efficient transport corridors between the EU and Central Asia, with Turkmenistan playing a pivotal role, as crucial. This is evident from the memorandum of understanding between the Turkmen Logistics Association and the Latvian Association of Freight Forwarders and Logistics (LAFF), aimed at developing the TRACECA transport corridor.

Looking ahead, the prospects for deeper cooperation are significant. Latvia's expertise in areas like port reform and airport personnel training can greatly benefit Turkmenistan. Moreover, the shared interest in developing sustainable transport connections presents an opportunity for both nations to play a strategic role in enhancing EU-Central Asia connectivity. The commitment to organize regular joint discussions with experts from different countries further reinforces the potential for collaborative growth and shared benefits.

In summary, Latvia and Turkmenistan's relationship, grounded in shared economic and political interests, is poised for continued growth and deeper cooperation. With Latvia's expertise and Turkmenistan's strategic position, their partnership can significantly contribute to regional stability and development, especially in the realm of transport and logistics. The ongoing dialogue and commitment to joint projects indicate a promising future for this bilateral relationship.

19th European Union – Central Asia Ministerial Meeting

The 19th European Union - Central Asia Ministerial Meeting, held on 23 October 2023 in Luxembourg, marked a significant step in strengthening ties between Latvia, the European Union, and Central Asia. The Latvian Foreign Minister, Krišjānis Kariņš, played a vital role in these discussions, emphasizing the importance of the Baltic States in this partnership.

One of the meeting's key outcomes was the adoption of the Joint Roadmap for Deepening Ties between the EU and Central Asia. This roadmap is built upon the EU Central Asia Strategy of 2019, aiming to advance cooperation in five key areas: political dialogue, economic ties, energy and environment, security challenges, and people-to-people contacts.

In the political arena, the Roadmap aims to deepen inter-regional dialogue and cooperation. This includes regular high-level meetings and exploring foreign policy convergence in defense of international law. For economic ties, the focus is on enhancing trade and investment, with an emphasis on economic governance, connectivity, digitalization, and the prevention of sanction circumvention.

Regarding energy and the environment, the Roadmap aligns with the EU's Global Gateway and the Green Deal, promoting sustainable connectivity and cooperation on critical raw materials and climate-neutral energy. Security challenges addressed include cooperation in cybersecurity, counterterrorism, and addressing the situation in Afghanistan, emphasizing the importance of an inclusive governance system respecting human rights.

People-to-people contacts are also a crucial part of this partnership. Initiatives to promote cultural diplomacy, educational exchanges, and sustainable tourism are outlined to strengthen these ties further. These actions demonstrate a comprehensive approach to foster a resilient and prosperous relationship between the EU and Central Asia, with Latvia playing a pivotal role in this strategic partnership.

Kariņš, representing the Baltic States, stressed the importance of these relations in contributing to regional resilience and prosperity. He highlighted the Baltic States' readiness to participate actively in implementing the Roadmap, particularly through enhancing transport and logistics infrastructure. He also mentioned the Baltic States' reform experience and readiness to transfer this knowledge to Central Asia.

Furthermore, the Latvian Foreign Minister underscored the need for cooperation to protect the international order and ensure that Central Asia is not used to circumvent EU sanctions against Russia and Belarus. He also emphasized the significance of legal cooperation in the field of citizen protection.

Conclusions

Based on the comprehensive analysis of Latvia's economic and political cooperation with Central Asian countries, it is evident that this partnership is multifaceted and progressively evolving. Latvia's bilateral relations with Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, and Turkmenistan, each unique in their scope and focus, collectively signify a strategic shift in Latvia's foreign policy towards Central Asia. Kazakhstan emerges as a vital partner, leveraging its geographical advantage as a transport corridor, with significant strides in economic collaboration. The burgeoning trade and planned future collaborations in sectors like education, pharmaceuticals, and IT hint at a dynamic, expanding relationship. In the case of Uzbekistan, the partnership is diverse, spanning economic, educational, and cultural dimensions. Latvia's interest in leveraging Uzbekistan's logistic capabilities and the growing investment ties indicate a deepening economic engagement. The influx of Uzbek students in Latvian institutions further cements cultural and educational ties. Latvia's relationship with Kyrgyzstan, while less economically driven, focuses on political dialogue and shared regional security concerns. The mutual interest in enhancing legal frameworks and collaborating in international organizations points to a strong political alliance. The Latvia-Tajikistan relationship, though relatively young, shows promise, especially in the realms of transportation, logistics, and regional security. The

cooperation in these areas, crucial for economic development, highlights a shared vision for stability and growth. With Turkmenistan, Latvia's focus on developing efficient transport corridors and shared economic interests pave the way for a strengthened partnership. The commitment to joint projects and dialogues reinforces the potential for collaborative growth. The 19th European Union - Central Asia Ministerial Meeting, featuring the adoption of the Joint Roadmap for Deepening Ties, underlines Latvia's pivotal role in EU-Central Asia relations. This strategic alignment with the EU's broader goals in political dialogue, economic ties, energy, environment, and people-to-people contacts, showcases Latvia's commitment to a resilient and prosperous partnership with Central Asia. In conclusion, Latvia's engagement with Central Asian countries is characterized by a diverse, yet interconnected set of bilateral relationships. These partnerships, each with their distinct focus areas, collectively enhance regional stability, economic integration, and cultural exchange. Latvia's strategic positioning and active involvement in shaping EU-Central Asia relations signify its growing influence and commitment to fostering a stable, economically vibrant, and interconnected Eurasian region.

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