

The University of World Economy and Diplomacy

Institute for Advanced
International Studies

IAIS Policy Compass

Volume 2. Issue 9

GEOPOLITICAL TRANSFORMATION OF ENERGY AND TRANSIT ROUTES IN EURASIA UNDER THE 2026 IRANIAN CRISIS

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Abstract

This article examines the systemic crisis of the global energy and transport markets triggered by the escalation of the military conflict surrounding Iran in early 2026. It explores the impact of the functional blockade of the Strait of Hormuz on global energy prices and food supply chains. Particular attention is paid to the consequences for Central Asian states, which have found themselves in a state of “double blockade” of southern routes due to instability in Iran and the border conflict between Afghanistan and Pakistan. Using the Republic of Uzbekistan as a case study, the article analyzes the forced shift in logistical paradigms: the transition from utilizing Iranian and Pakistani ports to the accelerated development of the Middle Corridor (TITR) and the construction of the China–Kyrgyzstan–Uzbekistan railway. The author concludes that the current crisis marks the final transition of the global economy to an era of “geopolitical realism”, where security and route diversification prevail over economic optimization.

Keywords

Energy security, global energy market, Strait of Hormuz blockade, Central Asia, transport corridors, Middle Corridor (TITR), China–Kyrgyzstan–Uzbekistan railway, food security, geopolitical risk.



Introduction: The End of “Pleasant Illusions” and the New Reality of Eurasian Logistics

By early 2026, the global security and international trade architecture faced challenges of a magnitude exceeding the oil shocks of the 1970s. Analysts at the World Economic Forum characterized the current moment as the “sunset of pleasant illusions” regarding the inviolability of international law and the openness of maritime routes. In a new era defined by the “law of the jungle”, energy and transport resources have definitively transformed into instruments of direct military and economic coercion.

The key detonator of this systemic shift was the event of February 28, 2026, when the launch of a large-scale military operation by the U.S. and Israel against Iran led to the death of Supreme Leader Ali Khamenei and the subsequent paralysis of the Strait of Hormuz. From that moment, energy security ceased to be a matter of price volatility, turning into a factor of existential survival for states. Energy has become a weapon, where the blockage of a narrow maritime strait can collapse the economies of entire continents.

For the states of Central Asia, and particularly for Uzbekistan as a landlocked nation, this crisis created a situation of “strategic encirclement”. The breakdown of established ties with Iran and instability in South Asia deprived the region of its hopes for a cheap and short outlet to the world ocean, forcing governments to urgently redraw the map of national interests.

Global Energy Shock and the Functional Blockade of the Strait of Hormuz

The Strait of Hormuz is a critical “chokepoint” of the global economy, facilitating the transit of approximately 20 million barrels of oil per day (roughly 20% of global consumption) and a significant share of global liquefied natural gas (LNG) exports. The functional blockade of the strait, caused by military actions and threats from the IRGC, led to the largest supply disruption in the history of the oil market.

The market reaction was immediate and destructive. The price of Brent crude, which stood in the \$70–\$75 range before the conflict, surpassed the psychological mark of \$100 in early March and reached a peak of \$126 per barrel. In Europe, gas prices soared more than twofold—from €30 to €60+ per MWh—due to the cessation of Qatari LNG supplies, which are entirely dependent on the strait.

This shock is systemic in nature, as it affects not only fuel but also agriculture. About one-third of the global export of nitrogen fertilizers depends on resources passing through the Strait of Hormuz.

The jump in natural gas prices (the primary raw material for fertilizers) and the logistical blockade led to a 25% increase in urea prices within the first week of March. This creates a threat of long-term reduction in yields and a global food crisis, which will be felt most acutely by developing countries.

South Asia and the Food Crisis in the Central Asian Region

The situation in Central Asia is complicated by the fact that the southern direction has been blocked along two axes simultaneously. In addition to the maritime blockade of Iran, overland transit through Afghanistan and Pakistan was frozen due to the resumption of “open war” on the border of these countries in February 2026. Fighting in the Durand Line area led to the death of Pakistani soldiers and the complete closure of borders, which de facto halted the implementation of the TAPI (Turkmenistan–Afghanistan–Pakistan–India) gas pipeline project.

For the states of the region, the Iranian crisis turned into a food security shock. On March 3, 2026, the Iranian government imposed a total ban on food exports, seeking to prevent internal shortages under wartime conditions. Prior to the conflict, Iranian food exports to Central Asia and Russia exceeded \$7 billion annually.

The most severe consequences are observed in the following countries:

- Turkmenistan: The country traditionally used “gas-for-food” barter schemes. The cessation of supplies from Tehran puts Ashgabat before a threat of a fiscal crisis and physical food shortages.
- Tajikistan: Trade turnover with Iran reached a record \$484 million in 2025. The share of Iranian sugar, oil, and dairy products in the population’s diet was critically high, leading to an immediate doubling of prices in Dushanbe markets after the ban.
- Kazakhstan: Despite its status as a major grain exporter, the country imported significant volumes of vegetables, fruits, and petrochemical products from Iran. The disruption of ties via the Amirabad terminal caused an inflationary spike in the domestic market.

Transit Vulnerability of Uzbekistan and Revision of Foreign Economic Strategy

Uzbekistan entered 2026 with impressive foreign trade figures: by the end of 2025, trade turnover amounted to \$81.2 billion (a 20.7% increase compared to 2024). However, the logistical structure proved to be extremely vulnerable. About 60% of Uzbek transit toward Turkey and the European Union was historically provided through Iranian territory.

The blockade of the Strait of Hormuz and the Iranian ports of Bandar Abbas and Chabahar struck 30% of all Uzbek textile exports, which were traditionally brought to world markets via the south. Short-term losses from the need to redirect cargo are already estimated at a 30% increase in transport costs.

In these circumstances, the government of Uzbekistan is forced to intensify its search for alternatives. While the southern direction (through Afghanistan to Pakistan) was previously considered a priority (the Trans-Afghan railway project costing about \$7 billion), today security risks make it unviable in the short term. The main focus is shifting to two other vectors: the Middle Corridor and the eastern direction.

Forcing the Middle Corridor (TITR) and the China–Kyrgyzstan–Uzbekistan Project

The Trans-Caspian International Transport Route (Middle Corridor) effectively became the only reliable alternative for connecting China and Central Asia with Europe in March 2026, bypassing sanctioned and military zones. Demand for transport along the TITR grew by an unprecedented 450–500% in the first week following the start of the Iranian crisis.

The advantages of the route in current conditions are evident:

- Speed: Transit from China to Azerbaijan takes about 11–15 days, whereas the maritime route around Africa now requires 45–55 days.
- Security: The route passes through the politically stable territories of Azerbaijan, Kazakhstan, and Georgia.
- Modernization: In 2026, Kazakhstan is completing the construction of 475 km of second tracks, which will reduce delivery time from the Chinese border to the Caspian Sea from 84 to 55 hours.

Parallel to the development of the TITR, the China–Kyrgyzstan–Uzbekistan (CKU) railway project received its final impetus. Financing for the project in the amount of \$4.7 billion was finalized in December 2025. Currently, construction has entered an active phase: work is underway on 18 of the 29 planned tunnels and 17 bridges. Despite the difficult mountainous conditions of the Naryn region, the project is moving on schedule, promising to shorten the path to Europe by 900 km and generate up to \$300 million in annual transit revenue for Kyrgyzstan. This project transforms Uzbekistan from a landlocked country into a key “land-linked” transit hub, connecting the east and west of Eurasia via the shortest overland path.

Conclusion: Strategic Resilience in an Era of Fragmentation

The geopolitical shock of 2026 has become a “moment of truth” for the transport and energy architecture of Eurasia. The blockade of Iran and instability in South Asia proved that geographical proximity to ports does not guarantee access to markets in conditions of modern high-intensity conflicts.

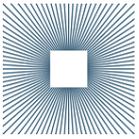
For the states of Central Asia, the conclusions are clear. First, the era of searching for the “cheapest” path has ended—the era of searching for the “most protected” path has arrived. The Middle Corridor and the CKU project have evolved from ambitious plans into conditions for national survival. Second, the region must strive to create redundant infrastructure that allows for the rapid switching of cargo flows depending on the political situation.

Uzbekistan, having successfully diversified its trade to \$81.2 billion in 2025, now faces the challenge of converting its geographical position into real geopolitical capital. The success of implementing the eastern railway corridor and integration into Trans-Caspian routes will define the economic face of the republic and the entire region for decades to come. The world of 2026 does not forgive slowness, and the current transformation is the only way to preserve sovereignty amidst global chaos.



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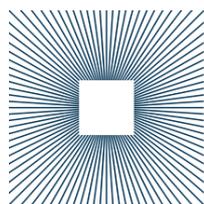
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