

ISSUE BRIEF

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NEGOTIATING STABILITY: ASSESSING THE COMPLEXITIES OF THE ARMENIA-AZERBAIJAN PEACE PROCESS

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January 25, 2024

(Views expressed in the brief are those of the author, and do not represent those of ISSI)



The two Caucasian neighbours, Azerbaijan and Armenia, have been embroiled in a conflict on diplomatic as well as external front leading to two wars spanning over three decades over the disputed territory of Nagorno Karabakh. Nagorno Karabakh or Artsakh as known to Armenians is a landlocked region in the Caucasus mountains lying within the borders of Azerbaijan. Internationally, the region is recognized as part of Azerbaijan but it has been the home to 120,000 ethnic Armenians.¹ On September 19, 2023, Azerbaijan launched a military offensive calling it an operation against anti-terrorist activities in the disputed region of Nagorno-Karabakh demanding a "complete withdrawal" of Armenian forces as a condition for peace.² Faced with the situation at hand, about one hundred thousand people, nearly 80 percent of the people living in Nagorno Karabakh, fled to Armenia in only one week. This military offensive brought an end to the ethnic Armenian rule in the Nagorno-Karabakh region and Azerbaijan called it the

 Christian Edwards, "Why have there been clashes over control of Nagorno-Karabakh?" published on September 20, 2023 https://edition.cnn.com/2023/09/20/asia/azerbaijan-armenia-nagorno-karabakh-explainerintl/index.html
 AlJazeera, "What we know about the Azerbaijan offensive in Nagorno-Karabakh," published on September

Aljazeera, "What we know about the Azerbaijan offensive in Nagorno-Karabakh," published on September 19, 2020
 https://www.aljazeera.com/news/2023/9/19/explainer-what-we-know-about-the-azerbaijan-offensive-innagorno-karabakh

"liberation" of the occupied territories. Since then, the ties between the two states had become further strained.

However, on 7, December, 2023, Azerbaijan and Armenia issued a joint statement, the very first of its kind, in which the two countries said that they were optimistic about the future and saw a historical chance for the "long-awaited peace".³ The statement read, "Following a round of talks between the Presidential Administration of the Republic of Azerbaijan and the Office of the Prime Minister of the Republic of Armenia, an agreement has been made in taking tangible steps towards building confidence between the two countries."⁴ There was a consensus that it was a 'historical chance' to achieve a long awaited peace in the region. It was emphasized by the two sides that on the basis of the principles of sovereignty and territorial integrity, relations will be normalized and peace treaty will be reached. The statement also appreciated Armenia's support for Azerbaijan's bid to host COP29 by withdrawing itself as a candidate.⁵ Likewise, Azerbaijan has supported the Armenian candidacy for Eastern European Group COP Bureau membership.

This joint statement was highly significant for the two states, because since the Second Karabakh War in 2020, the peace talks between Azerbaijan and Armenia have been repeatedly unsuccessful and were held at a multilateral level rather than bilaterally; Russia, EU and U.S. being the chief mediators. As another gesture of goodwill, on 13 December, 2023, Azerbaijan released 32 Armenian military officers.⁶

Following the joint statement, President Ilham Aliyev of Azerbaijan met the Prime Minister of Armenia, Nikol Pashinyan in St. Petersburg on 26 December, 2023. This was the first physical meeting between the two leaders after the major exodus of Armenians from Karabakh.⁷ Although many hopes were attached for the positive outcomes, very little came out of it.

 Heydar Isayev, "Armenia, Azerbaijan issue landmark joint statement," published on December 8, 2023 https://eurasianet.org/armenia-azerbaijan-issue-landmark-jointstatement#:~:text=On%20December%207%20evening%2C%20Armenia%20and%20Azerbaijan%20issued,t o%20achieve%20a%20long-awaited%20peace%20in%20the%20region.

³ Barbara Tasch, "Armenia and Azerbaijan to work towards peace deal," published on December 7, 2023 https://www.bbc.com/news/world-europe-67655940

⁵ Ibid

G "Joint statement of the Presidential Administration of the Republic of Azerbaijan and the Office of the Prime Minister of the Republic of Armenia," December 7, 2023 https://azertag.az/en/xeber/joint_statement_of_the_presidential_administration_of_the_republic_of_az erbaijan_and_the_office_of_the_prime_minister_of_the_republic_of_armenia-2844029#:~:text=The%20Presidential%20Administration%20of%20t

Patrick Wintour, "Azerbaijan close to peace agreement with Armenia, officials say," published on December 27, 2023

It should be noted that, seven drafts for short term peace agreement have been exchanged between the two countries. Recently, the Azerbaijani President's representative on special assignments, Elchin Amirbayov, said that Azerbaijan was waiting for Armenia's response on the draft proposals. He further stated that, at this crucial time when the two sides are quite close to achieving a final agreement, there is a need to perform an exercise focused on achieving desired results.⁸ It was quite evident from his remarks that because of the protracted conflict spanning three decades, there definitely was some scepticism and frustration on both sides regarding the length of the peace negotiations without acquiring any favourable results.

Apart from the respect for basic principles like territorial integrity, sovereignty and inviolability of internationally recognized borders the government of Azerbaijan also proposed to have some form of dispute resolution mechanism to give the agreement a practical form.9 It was proposed that an article regarding the establishment of a bilateral commission should be added in the agreement. This commission will help to address the misunderstandings as well as the misinterpretations on both sides. Although, initially, the response of the two governments on the peace negotiations appeared quite encouraging there still were a few unsettled issues. Particularly, the unresolved issue of the link between main part of Azerbaijan and its external region of Nakhichevan. One of the key objectives of Azerbaijan was to construct a road, 'Zangezur Corridor' crossing the Armenian Syunik region, which would link mainland Azerbaijan with its exclave on the other side of Armenia, Nakhichevan.10 The establishment of this corridor is a provision that stemmed from the ceasefire agreement of November 9, 2020.11 The provision unequivocally specifies, "All transport and economic transportation links shall be unblocked and fully restored. Furthermore, the Republic of Armenia will ensure the safety of transport communication between the Nakhichevan Autonomous Republic and the Western regions of the Republic of Azerbaijan in order to ensure free two-way movement of people, cargo and vehicles. There was a joint consensus that the Border Guard Service of the Federal Security Service of Russia will supervise the transportation and security of this

https://www.theguardian.com/world/2023/dec/27/azerbaijan-close-to-peace-agreement-with-armenia-officials-say?ref=mc.news

8 Ibid

Patrick Wintour, "Azerbaijan close to peace agreement with Armenia, officials say," published on December 27, 2023

https://www.theguardian.com/world/2023/dec/27/azerbaijan-close-to-peace-agreement-with-armenia-officials-say?ref=mc.news

New Troubles in Nagorno-Karabakh: Understanding the Lachin Corridor Crisis," published on May 22, 2023 https://www.crisisgroup.org/europe-central-asia/caucasus/nagorno-karabakh-conflict/new-troublesnagorno-karabakh-understanding-lachin-corridor-crisis

[&]quot;Statement by the Prime Minister of the Republic of Armenia, the President of the Republic of Azerbaijan and the President of the Russian Federation," published on November 10, 2020 https://www.primeminister.am/en/press-release/item/2020/11/10/Announcement/

corridor."₁₂ However, it was later reported by the government of Azerbaijan that Armenia cancelled the trilateral inter-ministerial meetings, where a practical framework was to be laid out for the road and rail construction in Nakhichevan, Russia being the third party in facilitating these talks.₁₃

Undoubtedly, the construction and operationalization of Zangezur Corridor has been integral to Azerbaijan's vision of becoming a "Eurasian Transportation Hub" to tap into the regional market. Most recently, Azerbaijan has expedited the construction of the Zangezur Corridor along with Turkiye. Over 80 percent of construction of rail and road infrastructure has been completed. On the other hand, Armenia has failed to fulfil its commitments. As a result, Azerbaijan is exploring alternate routes with other countries like Iran.¹⁴ Azerbaijan has begun the construction of a highway bridge in Aghbad, its Zangilan district. This bridge will extend to Araz River to connect to the Iranian province of Eastern Azerbaijan. It is believed that this road would now be standing in the place of the Zangezur Corridor.¹⁵ The establishment of the new highway signifies a major alteration in the regional dynamics between Armenia and Azerbaijan in the Caucasus.

Although the state of affairs between the two states was settling down a little, and it appeared as if the ongoing peace process might have led to something concrete, the construction of Zangezur Corridor and the passive response of the Armenian government coupled with a few other things like the transfer of lost villages in the 1990s back to Azerbaijan have once again affected the momentum of the peace process. However, regarding the lost villages, Azerbaijan maintains the position that it always placed the matter of the occupied villages high on the agenda because of its historical significance. Furthermore, while Armenian government had put forth many proposals forward during the bilateral and multilateral negotiations, Azerbaijan never once agreed to those as it was an issue of its territorial integrity and sovereignty and there was a need to resolve all such issues through a comprehensive and systematic approach.₁₆

The issue of the Nakhichevan exclave and the ambiguity regarding the exact borders has been the point of contention between the two states for a very long time. According to Pashinyan, the Alma-Alta Declaration of 1991 is the document that officially recognizes the territorial sovereignty and

¹² Ibid

¹³ "Iran and Azerbaijan begin building road to Nakhchivan," published on October 11, 2023 https://caliber.az/en/post/195883/

Anadolu Agency, "Azerbaijan expedites construction on strategic Zangezur Corridor" published on January
 10, 2024

https://www.dailysabah.com/business/transportation/azerbaijan-expedites-construction-on-strategiczangezurcorridor

¹⁵ Robert M Cutler "Iran and Azerbaijan begin building road to Nakhchivan," published on October 11, 2023 https://asiatimes.com/2023/10/iran-and-azerbaijan-begin-building-road-to-nakhchivan/

¹⁶ "Ilham Aliyev was interviewed by local TV channels," published on January 10, 2024 https://president.az/en/articles/view/63017

integrity of the two states based on Soviet era borders.¹⁷ He alleged that Azerbaijan has violated the principles of this agreement, suggesting that Azerbaijan was backtracking from the peace agreement through such actions.

On the other hand, the government of Azerbaijan claims that a handful of religious figures in Armenia like Karekin II, the supreme religious leader of Armenia, along with the foreign lobbyists are still instigating hatred and revenge for Azerbaijan among the government circles and common people. Azerbaijan considers it as one of the major impediments in realizing the peace process between the two states. Furthermore, Azerbaijan also criticizes the U.S. for putting Azerbaijan on its Religious Freedom Watch List on the basis of lack of religious tolerance, which it believes is making this relationship even more complicated.¹⁸

In the early stages of the latter half of 2023, there was a discernible momentum in the efforts of Armenia and Azerbaijan to forge a concrete framework for sustainable peace. However, the optimism that characterized this period began to diminish towards the end of the year. A resurgence of disagreements, notably centred on issues of territorial sovereignty, Western influence on Armenian policies towards Azerbaijan, and Azerbaijan's construction of an alternate highway with Iran, introduced fresh challenges. This intricate backdrop led to lessening of high-level bilateral engagements, creating an environment of confusion and disagreement on pivotal issues.

The current state of affairs suggests a setback in achieving the once-promising peace agreement, rendering it seemingly unattainable and redundant. The departure of Charles Michel, a key figure in advancing the Armenia-Azerbaijan normalization process as the President of the European Council, adds another layer of complexity, further threatening the progress made.

This backdrop has contributed to a corrosion of ties and a rapid decline in the humanitarian situation in Karabakh. Swift measures are essential to foster stability in the region, with direct dialogues between Baku and Yerevan. While multilateral mediations have their merits, it's crucial that both states tackle their issues bilaterally, working together to find solutions and overcome disagreements.

It is time for Armenia and Azerbaijan to recognize the need for a lasting normalization of relations, prioritizing the well-being of their peoples. Essentially, the present situation requires continued constructive engagement and pragmatic approaches to build the foundation for a stable and collaborative future.

¹⁷ Ibid

[&]quot;U.S. Puts Baku On Religious Freedom Watch List As Commission Takes Dim View Of Belarus Law," published on January 5, 2024
https://www.forl.egg/a/caligious/freedom exerbaijan belarus/writed states report/2027/1002 btms/