SUMMARY

• The 2020 war between Azerbaijan and Armenia created an unexpected opportunity for Turkey and Armenia to normalise their relationship.

• For nearly a century, Turkey and Armenia have had almost no relationship and a closed border due to the legacy of the Armenian genocide, the cold war, and the conflict between Azerbaijan and Armenia.

• But both countries now feel it is in their interest to normalise the relationship and open the border – not least to promote trade and to balance against Russian influence in the region.

• In recent months, Turkey and Armenia have increased the pace of this normalisation by opening air corridors, appointing special representatives, and initiating direct bilateral negotiations over the re-establishment of diplomatic relations and reopening the border.

• This process is a rare example of a positive sea change – and is likely to be one of the few bright spots in an increasingly unstable and competitive international order.
Introduction

When Armenia suffered a devastating defeat in its short war with Azerbaijan in November 2020, nobody imagined anything good would come out of it. But, within a year, Armenia was on the path to normalising relations with Turkey. Following an exchange of positive public statements by Turkish President Recep Tayyip Erdogan and Armenian Prime Minister Nikol Pashinyan in 2021, regional diplomacy has returned – and, with it, the idea of normalisation between Armenia and Turkey. In what was the first high-level pronouncement of their desire to mend fences, Turkish Foreign Minister Mevlut Cavusoglu and his Armenian counterpart, Ararat Mirzoyan, met on 12 March in Antalya – smiling for the cameras and talking about “normalisation without preconditions”.

The prospect of normalising relations between two neighbours may not be a huge accomplishment by global standards. Yet it is different for Turkey and Armenia. Despite nearly a century of estrangement, a bitter historical legacy, and several failed diplomatic efforts in the past, Turkey and Armenia could soon make progress that is significant both for the stability of the Southern Caucasus and for economic development at a challenging time for the two countries.

All this comes at the dawn of a new cold war between the West and Russia, following the Putin regime’s full-scale invasion of Ukraine. As Western leaders deliberate over the future of the European security order, efforts at de-escalation in the South Caucasus can help them achieve their stabilisation goals. Peace between Turkey and Armenia would also help limit the Russian sphere of influence on NATO’s eastern flank, by creating direct links and commercial ties between the two countries – connections that could eventually extend to Azerbaijan.

For nearly a century, closed borders and the absence of diplomatic relations between the two countries have been glaring aberrations. Turkey and Armenia were on different sides of the cold war – and the iron curtain was rendered heavier by their historical animosity. While Turkey developed relations with all Armenia’s neighbours, the post-Soviet conflict over Nagorno-Karabakh, in which Turkey has supported Azerbaijan, has created an insurmountable barrier to establishing good neighbourly ties. But, surprisingly, although the short war between Azerbaijan and Armenia in November 2020 caused a devastating loss of life on both sides, it has also created a political climate that paves the way to normalisation.

The sides’ current diplomatic efforts are starting off with the modest goals of reopening the closed border and establishing diplomatic relations – both of which are minimum requirements for neighbourly relations. The benchmark for success is neither a resolution on historical events that divided the two nations nor a strategic rapprochement, although it could provide a foundation for a
reconciliation or more ambitious goals spanning generations.

Nevertheless, progress in Armenia-Turkey relations can be a rare example of progress in a region long burdened by unresolved conflicts and missed opportunities. Stronger relations can create a sense of geopolitical equilibrium for Armenia, allowing it to balance Russian influence with good relations with Turkey. And it can also boost trade potential at a time when the economies of both Armenia and Turkey are suffering. For the Turkish government, de-escalation could win it global approval at a time when the country is under scrutiny for its democratic backsliding and assertive foreign policy. For the Armenian government, a closer relationship with Turkey can open up trade routes and lessen the country’s dependency on Russia. For both sides, normalisation can also provide grounds for civil society and businesses to seek deeper engagement with their long-estranged neighbours.

Armenia’s unprecedented losses in the 2020 war over Nagorno-Karabakh ushered in an unexpected period of uncertainty and insecurity. Faced with the stark reality of defeat and the loss of territory, Armenia has had to adopt a post-war strategy that pursues de-escalation and stability. Armenia has moved quickly to re-engage with Turkey to try to normalise their relationship.

This paper examines the sudden return of diplomacy to the South Caucasus and evaluates the prospects for normalisation between Turkey and Armenia in the face of future challenges to regional stability and peace. It analyses the circumstances and unique geopolitical environment – with a resurgent Turkey – that have produced this unanticipated political will for reconciliation in Armenia. And it provides policy recommendations for both countries. The paper also examines the implications of normalisation for European policy on the region and how transatlantic partners can contribute to stability and dialogue in the Caucasus.

**The “no preconditions” policy**

This new round of diplomatic re-engagement between Armenia and Turkey has several prominent features. It has been unexpectedly fast paced, without any significant European or US involvement. So far, it has focused on substantive progress relating to trade routes and borders, as opposed to broader historical reconciliation.

After a flurry of positive messages and statements by both Armenian and Turkish leaders, a breakthrough came in mid-December 2021, with an announcement by Cavusoglu that Turkey will appoint a special envoy to negotiate the normalisation of relations with Armenia. This was followed the next day by a similar announcement from Armenia. The sudden appointment of interlocutors by both Armenia and Turkey less than a week later confirmed the onset of their new policies of re-engagement. This built on the resumption in September 2021 of a parallel diplomatic track between
Azerbaijan and Armenia with a return to negotiations. The process has led to renewed diplomatic efforts to demarcate the border between the two neighbours.

Armenia’s position of “no preconditions” is one of the policies that has enabled re-engagement. It is a rare instance of foreign policy continuity inherited from the previous Armenian government. It consists of removing any direct linkage between normalisation efforts and other long-standing factors, including Turkey’s acknowledgement of the Armenian genocide and progress on the Nagorno-Karabakh conflict. In pursuing this approach, Yerevan decided to limit the focus of relations with Turkey strictly to bilateral relations, thereby removing any demands on or prerequisites for Turkey. Armenia has expected Turkey to take a reciprocal stance and has made it clear that any last-minute demands or prerequisites imposed by Turkey on Armenia would derail the process between the countries.

Diplomatic re-engagement, round two

As normalisation is not a new policy, the current process of diplomatic re-engagement represents ‘round two’. It builds on an earlier period of negotiations during 2008-2009 that resulted in the countries signing two diplomatic protocols in Zurich. This earlier process was facilitated by Swiss mediation and was backed by the European Union and the United States. Although the implementation of normalisation efforts failed, the negotiations leading up to the protocols and their very existence offered important lessons for the current round of negotiations.

One of the clearest differences from the negotiations in 2009 is the launch of a diplomatic process based on direct face-to-face meetings between special envoys. In contrast to the many months of secret diplomacy facilitated by the Swiss in 2008 and 2009, there have been few covert meetings between Armenian and Turkish officials. The second key difference is that current efforts focus on negotiating practical and more modest measures that can be concluded without parliamentary ratification. The ratification process was a political obstacle for the previous protocols in 2009.

The broader context

Armenia-Turkey normalisation is a significant development for several reasons. Firstly, for Turkey, normalisation with Armenia offers it important diplomatic dividends from the West, especially in light of Ankara’s strained relationship with Washington, NATO, and Brussels. Opening the closed border with Armenia would constitute a new strategic opportunity for Ankara to spur economic activity in the impoverished, Kurdish-dominated eastern regions of Turkey – which could play a key
role in the economic stabilisation of these regions.

In addition, diplomatic re-engagement between Ankara and Yerevan would be a rare success in Turkish foreign policy and a positive development after political turmoil in Azerbaijan and an economic crisis in Turkey. This is especially important following Turkey’s isolation within the NATO alliance and its estrangement from the US, a traditional ally. Moreover, this return to normalisation with Armenia would also complement Turkey’s ongoing attempts to pursue de-escalation in the eastern Mediterranean and mend fences with former regional rivals such as Israel, Egypt, and the United Arab Emirates. It would, in some ways, be a throwback to Ankara’s “zero problems with neighbours” policy, which had been the hallmark of Erdogan’s first decade in power.

An open border with Turkey would not only offer Armenia a way to overcome its regional isolation and marginalisation but could also serve as a way for Turkey to leverage Armenia’s membership of the Eurasian Economic Union. Rebooting the bilateral economic relationship would also have a positive impact on the expansion of trade and the development of more formal cooperation in the key areas of customs and border security. The establishment of diplomatic relations would undoubtedly follow these efforts to strengthen bilateral trade ties and cross-border cooperation.

Turkey needs an opening with Armenia more than ever before. Some observers see the 44-day war over Nagorno-Karabakh as a victory for Turkey as much as for Azerbaijan. This view stems from the unprecedented military support and unexpectedly direct engagement the Turkish military provided in waging war alongside Azerbaijan’s forces. And although this joint military effort between Turkey and Azerbaijan succeeded in seizing large areas of territory and capturing parts of Nagorno-Karabakh, this has not translated into as big a strategic gain as Ankara hoped. Russia has stamped its influence on both Azerbaijan and Armenia. In other words, Turkey’s victory was neither as complete nor as convincing as it seemed. This assessment was confirmed by the underwhelming results for Turkey after Russia’s belated engagement in the conflict.
One indication of this has been the controversy over the future peacekeeping mission in the region for both Russia and Turkey. The developments around this peacekeeping mission have been especially embarrassing for Turkey, as Moscow seems to have openly reneged on its promises for Turkish military peacekeepers to be directly involved. In the end, Turkey will play more of a symbolic role, with a minimal and marginal position in the peacekeeping planning and supervision within Azerbaijan itself. This effectively gives Russian peacekeepers the dominant role in the region. Russia also excluded Turkey from the tripartite Armenia-Azerbaijan-Russia working group on regional trade, making normalisation with Armenia more desirable, since it could provide Turkey with a seat at the table and a more active role in regional plans for the restoration of trade and transport.

While Moscow tried to edge Ankara out on peacekeepers, the conflict has seen Turkey regain its position as the primary military patron state for Azerbaijan, replacing Russia as the leading arms provider and source of weapons. The conflict has shifted the balance of power in the region, with a resurgent Turkey empowering an overconfident Azerbaijan after its successful military campaign in Nagorno-Karabakh.

The 2020 war largely reversed the changes that occurred in the first round of fighting in the early 1990s. With strong military backing from Turkey that included the use of Turkish drones on the battlefield, Azerbaijan quickly captured much of the territory it had lost to Armenia in the early 1990s, gaining control of the towns of Fizuli, Jabrayil, and Zangilan, as well as the much-coveted town of Shushi/Susha.

The war dealt a devastating blow to Armenia and was a tragedy for both Armenian and Azerbaijani
peoples, with nearly 4,000 combatants killed on the Armenian side and around 2,800 killed on the Azeri side. For the small republic of Armenia, with a population of three million people, the tragedy was felt across a broad cross-section of society. The conflict prompted many residents of Nagorno-Karabakh to flee to Armenia proper.

Meanwhile, Armenia faced the united front of Azerbaijan and Turkey in a global information war, with both sides accusing each other of committing war crimes. The Turkish media covered the war with a jingoistic fervour as reporters from major organisations on the battlefield and the evening news celebrated Azerbaijani advances. Building-sized Azerbaijani flags covered high-rises in Istanbul and Ankara, while Turkish politicians and commentators used the slogan “one nation, two states” to refer to ties with Azerbaijan. Turkish news outlets discussed Azerbaijani allegations of Armenian atrocities and featured videos of the Azerbaijan President Ilham Aliyev ridiculing Pashinyan.

This information warfare on social media was not the only feature of the conflict that set it apart from previous ones in the South Caucasus. Unlike the war in the 1990s, the one in 2020 took place in a unique geopolitical atmosphere in which the US was occupied with its tumultuous presidential election and Europe was concerned about the fate of the transatlantic alliance. Except for a few statements here and there, the West had no impact on developments on the ground.

But Russia and Turkey did. This geopolitical vacuum allowed Turkey and Russia to shape the war’s outcome. Russia initiated a ceasefire agreement on 10 November, leading to the deployment of nearly 2,000 Russian peacekeepers on the borders of Nagorno-Karabakh for five years, bolstering Moscow’s influence in the South Caucasus.

Meanwhile, Pashinyan found himself in a precarious position during the war and its aftermath. He was targeted in a personalised campaign by Aliyev and marginalised by Moscow.

Pashinyan came to power in 2018 after street demonstrations ousted his predecessor, Serzh Sargsyan. Pashinyan pursued a set of reforms that weakened the position of pro-Russian elites in Armenia, making the journalist-turned-politician unpopular in Moscow. According to one senior Turkish source,[1] part of Russia’s motivation for approving Azerbaijan’s military campaign was “to get rid of Pashinyan”. Moscow hoped that the pressures of war and public sentiment would eventually lead to a new political constellation in Yerevan that was more favourable to Russia.

Nonetheless, the most significant challenge for Pashinyan during the war was not geopolitical but domestic, as he came under rising pressure to leave office from Armenian nationalists, the old guard, and his own military. Armenia’s defeat in the war plunged the country into a political crisis, with large-scale protests calling for Pashinyan’s resignation. The Armenian military, with strong ties to Moscow,
also joined the protests, blaming Pashinyan for military decisions that they claimed led to the loss of territory in Nagorno-Karabakh – something the prime minister publicly refuted.

While the demonstrations weakened Pashinyan’s will to push ahead with reforms, they did not end his mandate. The Armenian leader responded by organising counter-rallies and calling for early elections. By framing efforts to unseat him as a coup attempt, Pashinyan rallied the public behind him again. In June 2021, he won another term with a decisive majority. His main opponent came a distant second.

While all this was happening, Ankara was gradually changing its position on Pashinyan. This was reflected in the Turkish media’s narratives. Early in the war, leading Turkish outlets had a noticeably anti-Armenian tone, some mocking Pashinyan or claiming he had fled the country. Disparaging remarks were made about Pashinyan’s leadership by pro-government voices on social media, which ran in parallel with the public campaign spearheaded by Aliyev. Even after the war ended, Turkish officials were uncertain whether Pashinyan would survive the political turmoil.

But, within weeks, Ankara realised that Pashinyan’s departure could usher in a more nationalist and pro-Russian status quo in the South Caucasus, making it nearly impossible for Turkey to increase its influence, open regional trade routes, or restore diplomatic ties.

On 26 February 2021, Erdogan criticised the demonstrations against Pashinyan in Yerevan using the latter’s language about a coup: “what is happening in Armenia right now is an attempted coup. We are against all types of coups. It is unacceptable for the military to interfere, almost calling for a coup d’état.” Erdogan also said that, if there were a change of government, it would have to be done by the people of Armenia – leaving open the possibility that Pashinyan could be ousted in the upcoming election.

**A surprising outcome**

The Moscow-brokered ceasefire between Azerbaijan and Armenia decisively increased Russia’s influence on both countries, creating an uncomfortable level of dependency in both Azerbaijan and Armenia. Pashinyan had survived the war and its aftermath but was now reliant on Russian security guarantees in an arrangement that involved the deployment of Russian peacekeepers in Nagorno-Karabakh.

Azerbaijan was slightly luckier, having gained territory and been able to declare itself as the winner of the war. Baku was also in a position to leverage relations between Moscow and Ankara to balance one against the other. For Azerbaijan, Turkey was a military partner but also a strategic counterweight for
Russian influence. Armenia was deprived of this leverage, meaning that it had to accept Russian mediation and peacekeepers on its soil.

As Turkey and Azerbaijan are bound by ethnic ties, Ankara has vowed to support its ally “on the battlefield and the negotiating table”. Even though there have been ups and downs in relations between Erdogan and Aliyev during the two decades of the Justice and Development Party’s reign in Ankara, Azerbaijan has recently emerged as a key economic and military partner for Turkey. Turkey remains the main conduit for Azerbaijan’s oil and gas exports, while Azerbaijan is has increased its investments in Turkey. In the 2020 war, Turkish drones shifted the military balance in favour of Azerbaijan, while Turkish military advisers reportedly played a role in the country’s offensive.

The thaw in Turkey-Armenia relations

Somewhat counterintuitively, the results of the war and the new geopolitical map of the region paved the way for de-escalation and the return of diplomacy.

Soon after winning a new term in the June 2021 election, Pashinyan called for the normalisation of relations with Turkey, despite Ankara’s obvious track record supporting Azerbaijan in the war against Armenia. Yerevan followed up this call with a series of confidence-building steps with Ankara, including opening its air corridor to Turkish flights.

As discussed, Turkish-Armenian relations have long been burdened by history. Ankara rejects the use of the term ‘genocide’ to describe the 1915 mass killings of Armenians in the final days of the Ottoman Empire, using lobbyists in Washington and elsewhere to fight calls by the Armenian diaspora for formal recognition of the event (even though most historians view it as the first genocide of the twentieth century). Turkey and Armenia had no relationship during the Soviet period. And the brief thaw in their diplomatic relations after the breakup of the Soviet Union ended with the onset of the Azerbaijan-Armenia war. Turkey sealed its border with Armenia in 1993 in solidarity with Azerbaijan. For nearly three decades, the Minsk Group, established by the Organization for Security and Cooperation in Europe (OSCE), held peace negotiations on the Nagorno-Karabakh conflict but failed to produce results. A major push for normalisation between Turkey and Armenia in 2009, brokered by the US and the Minsk Group, ended prematurely when Erdogan stepped back from formal reconciliation out of fear that this would upset Azerbaijan.

Since the failed talks in 2009, Ankara had declared that establishing formal ties with Armenia was conditional on its withdrawal from occupied Azeri territory. But, surprisingly, the 2020 war took care of that conditionality, with Azerbaijan regaining much of the territory it lost in 1993. Soon after the conflict, Turkish officials started mentioning the prospect of normalisation with Armenia, with the
stated goal of restoring trade routes between Turkey and central Asia.

Ankara saw the process of Turkey-Armenia normalisation not as reconciliation but as a pragmatic move to deepen regional trade relations and expand Turkish influence in central Asia. From Ankara's perspective, normalisation involved reopening the Turkey-Armenia border and establishing diplomatic relations – not a historic recognition of the tragedy of 1915. Soon after the war ended, a senior Turkish official said: “the problem for us has always been Armenian occupation of Azeri territory. That’s now resolved. If Armenia is willing to take a step, we are ready.”

While restoring regional trade and expanding regional influence seemed to be the primary motivations for Ankara, Turkish officials were also aware of the international approval such a process would bring. Ankara hoped its offer for normalisation could dissuade the Biden administration from officially labelling the mass killings and deportation of Armenians in 1915 as genocide. This did not turn out as Turkey planned. On 24 April 2021, US President Joe Biden issued a statement that officially recognised the Armenian genocide. Instead of creating new tensions, the declaration ended up removing one of the key long-term irritants in the US-Turkish relationship. The response from Ankara was relatively muted.

**Why now for normalisation?**

These developments ended up setting the stage for a series of confidence-building measures that were aimed at building trust and public support for the normalisation of the Turkey-Armenia relationship. With a new geopolitical climate and political will on both sides, this initiative has a better chance of succeeding than the one in 2009.

In October 2021, Armenia opened its airspace to Turkish and Azeri flights, allowing Turkish airlines to use a shorter and cheaper route on its scheduled flights to Azerbaijan and other central Asian republics. In December, Turkey issued a licence for charter flights between Turkey and Armenia, and FlyOne Armenia – a local aviation company – started operating charter flights between Yerevan and Istanbul, restoring the air link between the two countries. Ankara also encouraged a local carrier – Pegasus – to start flying to Yerevan. In January 2022, Pegasus applied to the Armenian civil aviation authority for a licence to fly to Yerevan.

In September 2021, the Armenian and Azerbaijani foreign ministers spoke on the sidelines of the UN General Assembly meeting in New York. This was followed by a one-on-one meeting between Aliyev and Pashinyan in Brussels in December 2021, hosted by European Council President Charles Michel, who left the room while the two leaders spoke directly. Michel welcomed the release of Armenian
detainees and the handover of mine maps, calling for the remaining prisoners held by Azerbaijan to be released and for trade routes to be restored.

In mid-December 2021, Turkey and Armenia appointed high-level special envoys for the normalisation process. Ankara’s pick was Serdar Kilic, former Turkish ambassador to the US, and Yerevan’s was Ruben Rubinyan, the deputy parliamentary speaker and a close ally of Pashinyan.

An initial round of talks between Turkey and Armenia took place on 14 January 2022 in Moscow – a location that was deliberately chosen to signal that this was not intended as an initiative designed to undercut Russian influence in the area. In fact, Russia’s supportive role in the normalisation process – and the noticeable absence of Western and European interlocutors – sets it apart from previous efforts at reconciliation, reflecting the new political reality in the region.

On 24 February, Turkish and Armenian interlocutors met again in Vienna to discuss a range of issues and set the stage for the next meeting in Turkey in March.

The most significant and visible manifestation of the will to reconcile was the 12 March meeting between Cavusoglu and Mirzoyan. Cavusoglu called it “extremely fruitful and constructive”. This was a bigger step for Armenia than for Turkey – as Mirzoyan was willing to take a political risk by flying to a country that Armenians see as a culprit for the military losses they suffered in the 2020 war.

Aspirations and asymmetry

This current round of engagement has many unique features that go beyond the new post-war reality. The first lies in the new disparities between Armenia and Turkey. Despite Armenia’s unprecedented defeat and subsequent state weakness in the 2020 war over Nagorno-Karabakh, the Armenian government survived. Having won a resounding majority in the June 2021 election, the Pashinyan government has weathered that post-war political challenge and greatly improved the outlook for stability in Armenia.

However, the Erdogan government is considerably weaker, embattled by both a significant decline in popularity and a serious economic crisis. In this context, normalisation with Armenia offers Turkey the possibility of a rare victory in foreign policy and an opportunity for international recognition. Combined with efforts to normalise relations with Israel, Egypt, the United Arab Emirates, and other regional players that Ankara previously saw as rivals, Turkey is aiming to break out of its regional isolation.

Despite that difference in domestic political outlooks, the asymmetry in size, diplomatic heft, and
Military prowess between Armenia and Turkey remains a constant concern for Armenians. This imbalance is also reflected in the diplomatic match-up between both sides. For example, while Turkey appointed a career diplomat and former ambassador to the US as its special envoy for talks with Armenia, the Armenian side appointed a 31-year-old parliamentarian with little diplomatic experience.

Armenia’s lack of institutional memory and of negotiators from the previous government is a weakness when Turkey can rely on decades of diplomatic experience from prior talks on normalisation with Armenia.

Yet there could also be a silver lining for Armenia. The normalisation process is driven by the political needs of elected leaders on both sides. This means that, even with a special envoy in place, Turkey’s approach will largely be defined by Erdogan, while the Turkish Ministry of Foreign Affairs will be relegated to a support role. Armenia’s special representative may not be an experienced diplomat, but he has the full support of, and direct access to, Pashinyan. Therefore, Rubinyan, as a loyal confidant of the prime minister, has more authority and autonomy to initiate policy. This provides Armenia with a tactical advantage in the form of agility and responsiveness that could overcome the greater diplomatic experience of Turkey’s Kilic.

**The Azerbaijan factor**

Another difference from 2009 is that the current second round of re-engagement now has Baku’s blessing. Turkey says it has secured Azerbaijan’s approval for the process and that it intends to coordinate steps in the normalisation process with the country. More importantly, in a parallel process, diplomacy between Armenia and Azerbaijan has started, making it easier for Turkey to move ahead with its planned steps. The focus of the Armenian-Azeri dialogue has been the restoration of trade and transport routes, and delineation of the border between the two countries. Diplomatic engagement also reduces the risk of renewed hostilities. Nonetheless, the process requires small steps that lead up to broader regional engagement on trade and transport.

In June 2021, as part of a deal largely brokered by the US and the EU, Azerbaijan released 15 Armenian prisoners of war in exchange for maps showing the exact locations of landmines in territory previously occupied by Armenia but controlled by Azerbaijan since the 2020 war. The government of Georgia also played a key role as an intermediary between the two rivals. The prisoners were released on the Georgian border with Azerbaijan.

This negotiation was not a reconciliation effort but a confidence-building measure for both countries, as Azerbaijan was believed to hold dozens more prisoners and Armenia had additional mine maps.
Indeed, in early December 2021, Azerbaijan released another cohort of Armenian detainees in return for more mine maps. Meanwhile, a process of direct political dialogue was gradually being established between Azerbaijan and Armenia.

As far as Ankara is concerned, Baku’s approval is a key factor for Armenia-Turkey normalisation. In the words of one Turkish diplomat, Azerbaijan could be a facilitator or a spoiler in this process – hence, it is critical for Turkey to keep the country on board. As it was Azerbaijan that derailed the earlier round of diplomacy for normalisation, Turkey has been cautious but determined to gain Azerbaijan’s permission to extend such an offer to Armenia. In this context, the outlook for normalisation also depends as much on Turkish domestic politics as on the separate track of Armenia-Azerbaijan diplomatic talks.

The challenge posed by Azerbaijan stems from the country’s post-war strategy, which comprises three specific elements. Firstly, Azerbaijan has adopted a relatively successful transactional approach designed to extract as many concessions from Armenia as possible, from the refusal to release Armenian prisoners of war and non-combatants to its May 2021 military incursions into Armenian territory. In this way, Azerbaijan is constantly pressuring the Armenian government to strengthen its own position both diplomatically and militarily. After successful releases of prisoners, Azerbaijan is likely to continue using prisoners of war as diplomatic currency and a political commodity, making incremental prisoner releases over a long timeframe to pursue its goals.

The second element of this new Azerbaijani post-war strategy is rooted in an ambitious move to challenge Russia. Baku has openly defied Moscow by refusing to implement the terms of the Russian-imposed ceasefire of November 2020. This has been matched by a potentially reckless series of attacks along the Armenia-Azerbaijan border that undermines the planned expansion of the Russian military presence in southern Armenia. This activity also exposes the operational impotence of security guarantees from both Russia and the Collective Security Treaty Organization.

The third component of this strategy stems from considerations in Azerbaijani politics. The Aliyev regime calculates that the recent ‘victory’ in Nagorno-Karabakh was neither clear nor convincing enough to secure its long-term survival. Moreover, the military outcome of the war did not force a decisive settlement of the Nagorno-Karabakh conflict. In fact, without the conflict to justify a lack of democratic reforms and distract citizens from the entrenched corruption of the Aliyev family, the threat to the stability of Azerbaijan and to the security of the Azerbaijani leadership would be more acute.

Therefore, the border attacks provide Aliyev with a politically important way to bolster his popularity and prolong a state of war with Armenia (and Nagorno-Karabakh). Yet this is a short-term and
unsustainable strategy for the Aliyev government – especially in the face of dangerously high expectations and demands for a more convincing victory.

**What comes next for Turkey and Armenia?**

There are two main expectations for normalisation in the coming months, given Azerbaijan’s agitation and the return to diplomacy.

Firstly, largely driven by Russian objectives, there is an expectation of an agreement to formalise the first stage of the restoration of road and railway links between Azerbaijan and Nakhichevan. This is of particular importance to Azerbaijan, both as an important post-war victory and as the fulfilment of the most important component of the larger plan to restore regional trade and transport.

The second expectation centres on the issue of border demarcation. While unblocking road and rail links to Nakhichevan is a priority for Azerbaijan, border demarcation is critical for Armenia. Two options are currently being considered: the formation of a trilateral working group that is empowered to negotiate the delineation and demarcation of the Armenian-Azerbaijan border; and the assignment of this task to the existing working group on trade and transport. Regardless of the precise model, either option would provide an essential legal and institutional framework for border demarcation, thereby contributing to the de-escalation of the conflict and preventing border disputes from being resolved by force (as Azerbaijan has done since May 2021).

**The need for a strategic road map**

Despite official diplomatic negotiations between the special envoys from Armenia and Turkey, the absence of any well-defined strategic road map will only slow the process. With the record of negotiations during 2008–2009, as well as the two bilateral diplomatic protocols that were reached at an earlier stage, there is little reason to ignore the pressing need for a detailed road map. As the basic objectives of this current round of the normalisation process are both clear and practical, it should not be difficult to create one.

One of the core policy areas of any road map is the issue of trade and transport. Both countries have an opportunity to build on progress made on this issue by the tripartite working group (comprising Armenia, Azerbaijan, and Russia). Standing out as the only area of progress and as the only arena of consistent diplomatic engagement for all sides, the issue would be the logical centrepiece of an Armenia-Turkey road map.

Restoring regional trade and transport is significant for two main reasons. Firstly, it is the only clear
example of a mutually beneficial scenario for post-war stability, because the economic and trade opportunities on the table are important for both Armenia to overcome isolation and for Turkey to reopen the border as a follow-up step to gaining a direct connection to Nakhichevan. Russia would also benefit from this since it could contribute to the process of regional reintegration – not least because it owns the Armenian railway network.

The second reason is that this is the one area of positive diplomatic negotiations between Armenia and Azerbaijan, with a working group that offers some hopeful signs for confidence-building between Yerevan and Baku. Trade opportunities and other economic incentives have been elevated to a new and unprecedented degree of importance that, due to the Nagorno-Karabakh conflict, had long been missing from the parties’ discussions.

**Russia’s role in restoring trade and transport**

While a meeting between representatives of Turkey and Armenia in Sochi in November 2021 represented an important return to diplomacy, there are still unfulfilled elements of the Russian-imposed ceasefire of November 2020.

Among these outstanding issues are, as discussed, Azerbaijan’s refusal to return a substantial number of Armenian prisoners of war and non-combatants, and the fact that border demarcation is necessary to mitigate further armed incursions.

Despite Azerbaijan’s violation of the Russian-crafted ceasefire, Russia seems quite willing to be patient on the issue – and even appears set to reward Azerbaijan. More specifically, as host of the Sochi summit, Russian President Vladimir Putin revealed that Moscow and Baku share the same priority of initiating the restoration of regional trade and transport, starting with road and railway links between Azerbaijan and Nakhichevan.

For Russia, restoring trade and transport connections are an important instrument of leverage, as the viability and security of all such links is guaranteed by Russian border guards and customs officials.

For Armenia, there is no longer any question that all the road and railway networks crossing Armenian territory will remain within its jurisdiction, thanks to the parties’ preliminary agreement. The agreement also confirmed unilateral Russian supervision of road and rail traffic, including legal provisions for customs control and access. The successful agreement over the restoration of regional trade and transport is limited to the links between Azerbaijan and Nakhichevan. However, there are plans to rebuild a Soviet-era railway link and construct a highway.[3]
The broader second stage of regional trade and transport encompasses a more expansive (and significantly more expensive) strategy that includes reopening the closed border between Turkey and Armenia; restoring the railway line between Kars and Gyumri; and extending the Azerbaijani railway network to allow Armenian rolling stock to move from southern Armenia to Baku and onwards to southern Russia.


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Discussions in this tripartite working group also include a Russian pledge to provide a new natural gas pipeline that will run through Azerbaijan to provide Russian energy to Armenia. This will help to ease Armenia’s dependence on a single gas pipeline from Russia that runs through Georgia.
Looming challenges

During the diplomatic negotiations between Armenia and Turkey, there are three factors that could make an agreement hard to come by.

Firstly, although the diplomatic process has started quickly, the negotiations are vulnerable to sudden military clashes between Armenia and Azerbaijan, which are quite possible given the attacks and incursions into Armenian territory by Azerbaijani forces that occurred throughout much of 2021 (as well as the continued detention of Armenian prisoners of war and non-combatants). The fate of Armenian prisoners of Azerbaijan continues to be an emotional issue for the Armenian public and, if there is no progress on this issue, might eventually cause Armenia to resist the normalisation process.

A second risk stems from looming elections in Turkey and the political crisis that is brewing there. The normalisation process could become hostage to Turkish domestic politics. Facing a united opposition and declining popularity, the Turkish president may decide to postpone any meaningful progress on opening the border if he feels that this might cost him the support of nationalists. But, so far, both Erdogan’s ultra-nationalist allies and the opposition seem supportive of the idea of normalisation with Armenia.

A bigger risk for the Turkish government could come from Azerbaijan ending its support for normalisation – becoming a “spoiler”, in the words of one senior Turkish official. This is one of the reasons Turkey needs to coordinate its activities with Azerbaijan and ensure its diplomacy with Armenia is in sequence with Azerbaijan-Armenia negotiations.

The third factor that could obstruct progress is the Russian invasion of Ukraine and the resulting escalation between the West and Russia. Turkey has been supplying Ukrainian army with armed drones that have proven effective against the Russian military. But Ankara, having developed a close relationship with Moscow in the past few years, now finds itself in an extremely vulnerable position. Turkey is reliant on Russian natural gas and Russian tourism, while Russia effectively has control over parts of Syria. In its delicate balancing act between NATO and Russia, Turkey may be unable to fully focus on the diplomacy needed to meet Armenia’s expectations. The war in Ukraine may overshadow Turkish and Armenian attempts at reconciliation or slow them down. Moscow may even attempt to derail the process if it perceives Turkish-Armenian normalisation as a potential threat to its influence in Armenia and the South Caucasus more broadly.
Policy recommendations

While this is a process led by Armenia and Turkey, there are ways that the EU and the other international actors can support it. Beyond a strategic road map to provide direction and planning for diplomatic negotiations, external actors need to help ensure that any agreement over Armenia-Turkey normalisation is effective and enable its implementation. This set of policy recommendations includes several measures for both sides, important unilateral steps for each country, and policies for both Russia and the international community.

Recommendations for Armenia and Turkey

- Expand the scale and scope of direct flights beyond Yerevan-Istanbul to include those from Yerevan to Van and other sites of historical importance to Armenians.

- Hold the next meetings between the Turkish and Armenian envoys in Turkey and Armenia respectively to show the public on both sides that the process is moving ahead.

- Create a bilateral ministerial working group to prepare for the reopening of the Armenia-Turkey border. This should be created internally and at the cabinet level to formulate policies related to public health, including covid-19 measures; cross-border policing in areas such as counter-narcotics, trafficking, and smuggling; customs, sanitary, and health inspections; uniform standards for trucks and cargo shipments; and tourism and public transport.

- Open border crossings to diplomatic passport holders after the third or fourth meeting of special envoys, with the aim of building public support for the process.

- Prepare the public for diplomatic relations and make a clear case for the need to establish good neighbourly relations. Turkey and Armenia are currently approaching this process in a transactional manner and are focused on diplomatic and economic terms. While that may be suitable – and even desirable – for the normalisation phase, this process is of huge historical and political importance. The sides should not simply brush it off as a trade negotiation. At some later stage in the process, Turkish and Armenian leaders, preferably Erdogan and Pashinyan, need to prepare the public by explaining why the re-establishment of relations makes sense.

- Focus on the accreditation of a Turkish ambassador to Armenia – initially from Tbilisi, to avoid the emotionally charged opening of a Turkish Embassy in Armenia proper. Armenia, which
already has a diplomatic presence in Istanbul, should expand and elevate its diplomatic
credence to Ankara, while both countries should build sufficient capacity to offer consular
services.

- Empower civil society groups to support efforts to strengthen Armenia-Turkey ties and secure
normalisation on both sides. This could involve the expansion of people-to-people contacts and
civic cooperation – between NGOs, think-tanks, and academic institutions – and cooperation
and exchanges in the educational, media, vocational, and private sectors.

- Engage in new collaboration and cooperation in the security sector, based on shared threats
ranging from terrorism to drug trafficking and cross-border crime. This could include a formal
extradition treaty, intelligence sharing between law enforcement and security personnel, and
the resumption of military contacts and previous mutual inspections of military bases under
the Conventional Forces in Europe Treaty.

- Establish direct contact and cooperation between relevant state ministries to prepare for
disasters such as earthquakes, floods, or nuclear accidents. Due to the shared risk of such
accidents, direct contact and cooperation can help both parties plan emergency responses.

- Prepare to engage in a conversation on climate action, with a view to assessing each other’s
potential to develop clean energy and discussing ways to cooperate on this.

**Recommendations for Armenia**

- Armenia should lift the ‘cyber-blockade’ and ban on accessing Turkish state websites at the
same time as the border is reopened.

- Launch a public relations campaign to build public support for normalisation. The Armenian
diaspora is also an important constituency and plays a role in shaping international opinions on
Armenia. To consolidate normalisation, Armenia needs to embark on a public campaign to
elevate the discourse and soften hard-line attitudes on engagement with Turkey. It should also
seek to engage the global Armenian diaspora as part of a broader campaign of outreach to
broaden the constituency and empower stakeholders in normalisation.

- Armenia should prepare new strategies for the development of medical tourism and other
comparative advantages from the IT and service sectors to maximise the economic and
commercial opportunities from the reopening of the border.
Recommendations for Turkey

- Turkey should empower and enable local Armenian leaders and institutions to play a role in supporting and sustaining the development of bilateral relations with Armenia. This should involve attentiveness to the state of Armenian churches, the legal problems faced by Armenian foundations, and the financial challenges encountered by Armenian community schools and Armenian charitable foundations that operate in Turkey.

- Focus on elevating media coverage and political discourse on Armenia and Armenian-related issues with a view to countering hate speech and other forms of intolerance, while also easing restrictions on the discussion of historical issues.

- Encourage Turkish cities close to the Armenian border to consider exchanges between business chambers, municipalities, and academics. Initial border visits could open to diplomatic passport holders, helping to build public support for a grand reopening. At a later stage, cultural institutions could play a role in organising exchanges and visits.

Recommendations for Russia

- Moscow can help promote and facilitate cooperation on rail safety, given that – as discussed – it owns and operates the Armenian railway network. Moscow can also be involved in monitoring and preventing nuclear accidents, since it manages Armenia’s nuclear power plant.

Recommendations for the EU and the international community

- The EU and multinational organisations need to support engagement between Turkey and Armenia as a fragile, locally driven process. The sides have made encouraging progress, but this could easily be reversed. EU and international support should only be offered in consultation with local actors that are sensitive to the geopolitical challenges of the process, including those related to Russia’s role.

- The EU is uniquely positioned to provide valuable technical expertise to help reopen, manage, and secure the Turkey-Armenia border, including by working with the United Nations in areas such as migration, environment, and customs assistance.

- The EU should also offer Turkey – which is technically still a candidate for EU membership and
is receiving pre-accession funds – financial support for some of the cultural and diplomatic activities involved in normalisation. This could come from the Instrument for Pre-Accession Assistance funding that is available to Turkey.

- Relevant international financial institutions – including the European Bank for Reconstruction and Development, the Asian Development Bank, and the World Bank – can be instrumental in providing trade financing and other incentives for normalisation. They can assist with the establishment of small and medium-sized enterprises and – alongside the EU – help promote connectivity between Armenia and Turkey.

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[1] Interview with a Turkish politician, November 2020.


[3] The rather ambitious terms of the agreement envision road construction and railway restoration over a period of two or two and a half years, though there is a lack of clarity over financing.
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