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The Four-Day War Has Diminished the Chances of Peace in Nagorno-Karabakh

Introduction

The clashes in 2016 at the Nagorno-Karabakh line of contact¹ demonstrated just how fragile the 1994 ceasefire has become in this unresolved territorial conflict. Though the question of who first initiated military activities is still disputed, it appears more likely that this limited offensive was launched by Azerbaijan.² Why should Armenia and Nagorno-Karabakh, the powers that benefit from the status quo, risk such a war? It seems that, on the night of 1-2 April, a number of Azerbaijani brigades stationed near the line of contact attacked positions on Karabakh territory from several directions at once. The Karabakh Armenians and their Armenian backers were caught by surprise and only managed to repel the attack with great difficulty. Against the background of Russia's military involvement in Syria, the conflict in eastern Ukraine, and the deterioration of relations with NATO, the clash was far from convenient for the Kremlin, as it could rapidly destabilize the entire South Caucasus, dragging Moscow into a confrontation with Azerbaijan and Turkey. For that reason, Moscow, which enjoys good relations with both states, immediately began efforts at the highest level to end the conflict quickly.

For the first time since the 1994-95 ceasefire, Nagorno-Karabakh had to accept the loss of a minor amount of territory to Azerbaijan, despite successfully fending off the Azeri attack. This diminutive territorial gain was celebrated throughout Azerbaijan as a first victory. Armenia, by contrast, experienced a series of disappointments in Russia and the Russia-led Collective Security Treaty Organization (CSTO). Moscow was unwilling to explicitly name the original aggressor, and Russia and the other CSTO states provided Armenia with very little public support, whereas Azerbaijan was fully backed in public by Turkey's President Recep Tayyip Erdoğan.

1 The territory of Nagorno-Karabakh consists of the region of Nagorno-Karabakh itself and seven other surrounding regions. It is occupied by the self-defence forces of Nagorno-Karabakh and by Armenian forces. As Nagorno-Karabakh and its surrounding regions are officially part of Azerbaijan, this is not an internationally recognized border, and is thus referred to as the line of contact or line of engagement.

2 Cf. Thomas De Waal, *Dangerous days in Karabakh*, 2 April 2016, at: <http://carnegie.ru/commentary/2016/04/02/dangerous-days-in-karabakh/iwui>; Aleksandra Jarosiewicz/Maciej Falkowski, The four-day war in Nagorno-Karabakh, in: *OSW Newsletter*, 6 April 2016, at: <http://www.osw.waw.pl/print/24257>.

Russia considered itself a mediating power and therefore refrained from public criticism of Azerbaijan.³ Russia's President Vladimir Putin spoke with the presidents of both countries on the telephone and sent Prime Minister Dmitry Medvedev and Minister of Foreign Affairs Sergey Lavrov – the two Russian politicians with the most experience of the region – to their capitals, seeking to bring an end to the dangerous hostilities as rapidly as possible. This led to the presidents of both countries sending the chiefs of their general staffs to Moscow, where on 5 April under Russian mediation, they agreed on a ceasefire based on the earlier ceasefires of 1994-1995. It entered into effect at noon. Thanks to its timely and decisive intervention, Russia had, for the time being, prevented another military conflict in Europe, thereby contributing to security in Europe as a whole.

What Were the Causes of the War?

But who really initiated this brief conflict? And what goals did they have in mind? There have been many rumours. Some have claimed that Russia was ultimately responsible, seeking to demonstrate its dominance in the region following its success in Syria while expanding its influence in the South Caucasus.⁴ Others have alleged that Turkey and its power-hungry President Erdoğan were responsible, or even the USA, as a means to show Russia the limits of its power and to limit Putin's influence in the region.⁵ Yet others have speculated that Azerbaijan believed the time had come to test its increased military strength against Nagorno-Karabakh and gauge the Russian reaction to an attack. After all, the Kremlin was tied up in simultaneous conflicts in Ukraine and Syria, as well as its confrontation with NATO.

There is little evidence to support the first thesis – that Russia was responsible for the war.⁶ Moscow has good relations with both sides and pursues an official policy of balance between Armenia and Azerbaijan. It did not incite Baku to launch this attack, and is certainly unlikely to have encouraged Yerevan. On the contrary, prior to the war, both countries had complained to Moscow about outstanding arms deliveries.⁷ It is highly unlikely that the

3 Cf. *Russia prepared to act as mediator in Karabakh conflict settlement – PM*, TASS, 7 April 2016, at: <http://tass.ru/en/politics/868118>.

4 Cf. Jarosiewicz/Falkowski, cited above (Note 2); Wojciech Górecki, *Nagorno-Karabakh: what is Russia up to?* OSW Newsletter, 13 April 2016, at: <http://www.osw.waw.pl/en/publikacje/analyses/2016-04-13/nagorno-karabakh-what-russia-to>.

5 At least according to Prime Minister Medvedev, cf. *Medvedev says aggravation of Karabakh conflict could be caused by external factors*, TASS, 9 April 2016, at: <http://tass.ru/en/politics/868494>.

6 Cf. Arzu Geybullayeva, *De Waal: Kremlin 'Not Primary Actor' Behind Nagorno-Karabakh Conflict*, Radio Free Europe/Radio Liberty, 4 April 2016, at: <http://www.rferl.org/a/russia-armenia-azerbaijan-nagorno-karabakh-de-waal-kremlin-not-primary-actor/27654309.html>.

7 Azerbaijan appears to have deliberately omitted to pay bills due for Russian arms in order to express its dissatisfaction at the 200 million dollar loan that Russia had made to Arme-

military action was launched by Armenia, as the Armenians appear to have been genuinely surprised. While the war would have served to distract from the poor state of the country's economy, a major military conflict would have been far too expensive for Armenia. Furthermore, if the political leadership had really prepared an attack, mobilizing the necessary reserves, it is unlikely that Armenia would have lost the territory that it did.

In Armenia, criticism of Russia grew considerably as a result of the conflict. There have been open calls for the country to recognize Nagorno-Karabakh and to leave the Russian-led military alliance.⁸ The Armenian leadership itself threatened in public to recognize Nagorno-Karabakh if Azerbaijan should launch a further attack.⁹ Furthermore, leading Armenian politicians have been increasingly vocal in criticizing Russian arms sales to Azerbaijan – not just internally but increasingly also in public.

Was Turkey behind the Azerbaijani offensive? There is little evidence of this, either, even if Ankara would be interested in reducing Russian and Armenian influence in the South Caucasus. Nonetheless, Lavrov has condemned Erdoğan's open support for Azerbaijan as "unacceptable".¹⁰ Ultimately, Turkey is also a member of the OSCE Minsk Group, which mediates between the conflict parties, and would therefore be obliged to show more restraint should hostilities break out. Erdoğan's partisan support for one side would hardly convince the remaining members of the Minsk Group to include Turkey as a mediating power in the future.

The most likely thesis is that Azerbaijan itself was largely responsible for this short war, which it launched as a means of testing its recently acquired military capabilities against Nagorno-Karabakh and Armenia, while gauging Russia's reaction, and simultaneously distracting the domestic population from the drastic decline in government revenue as a result of falling gas and oil prices. The results were mixed. The four-day war showed that the military balance has not shifted significantly in Baku's favour, even if Azerbaijan did make a few symbolic territorial gains. On the other hand, the first territorial gains since the 1990s show that the military balance could further develop in favour of Azerbaijan in the medium term, and this could

nia in mid-2015 for the purchase of Russian weapons. In response, Russia stopped the export of weapons to Baku. At the same time, Armenia complained about bureaucratic "delays" in the implementation of this arms loan deal, which the Russian government had announced in early February 2016. Cf. Joshua Kucera, *Azerbaijan Unable, Or Unwilling, To Pay For Russian Weapons: Reports*, 3 March 2016, at: <http://www.eurasianet.org/node/77646>; and, e.g., *Russian arms delivery to Armenia late "for unknown reasons" – MP*, Pan Armenian Net, 11 April 2016, at: <http://panarmenian.net/m/eng/news/210022>.

8 Cf. Hrant Apovian, *Bitter Lessons Learned: Aftermath of Azerbaijan's Blitz Attack*, Azbarez, 15 April 2016, at: <http://asbarez.com/148859/bitter-lessons-learned-aftermath-of-azerbajjans-blitz-attack>.

9 *Armenian parliament turns down initiative to consider Karabakh recognition*, TASS, 16 May 2016, at: <http://tass.ru/en/world/876004>.

10 *Lavrov says Turkey's statements on Karabakh are calls for war*, TASS, 22 April 2016, at: <http://tass.ru/en/politics/871837>.

soon encourage the regime to undertake a further war. This puts further pressure on Armenia's political leadership.

The security concerns of neighbouring countries in the region have grown as well. Georgia fears that Russia could boost its military presence in the region as a consequence of the war,¹¹ while Iran is concerned that a deterioration of the security situation could lead to the growth of Turkish and Israeli influence upon Azerbaijan.¹²

Russia immediately saw the conflict as an opportunity to extend its influence. The three Co-Chairs of the Minsk Group (ambassadorial-level representatives of the USA, France, and Russia), tasked by the OSCE since 1992 with finding a political resolution to the conflict, were largely sidelined in the process that led to the signing of the new ceasefire agreement in Moscow. Only thereafter did the diplomatic wheels grind into motion, with Russia playing a clever double game. Moscow was able to successfully demonstrate its regional predominance while continuing to hold the door open to the other two Minsk Group Co-Chairs – after all it is one of them and, moreover, it is unlikely to be able to resolve the conflict by itself. In this way, Russia also ensured the continued support of the OSCE.

Shortly after the brief war, Moscow reiterated to both sides its proposal, first made in the 1990s, for the stationing of Russian peacekeeping troops and continued support for efforts to bring about a speedy diplomatic solution. But the two states rejected the offer of Russian peacekeepers for different reasons. Baku feared that the presence of Russian troops would unnecessarily prolong the conflict while increasing Azerbaijan's reliance on Moscow. The government in Yerevan, on the other hand, was at pains to avoid displaying any weakness by accepting further restrictions to its own sovereignty. In addition, the Armenian president rejected new talks on a political settlement until new security guarantees were concluded to improve the situation at the line of contact and the border between the two states in the long run.¹³ This was a reaction to the significant increase in Azerbaijani military activities at the line of contact and the border since 2014, which seeks to pressure Armenia to resolve the conflict politically.

The Armenian government believes that were it to give in to Azerbaijani pressure without receiving such concessions in return, this would send out a dangerous signal. Baku could receive the impression that the military pressure and the four-day war had proven a successful political means of forcing Armenia to back down in the conflict. If it took this path, Yerevan would encourage Baku to undertake further military activities against Na-

11 Cf. *Georgian Defense Minister Speaks by Phone with Armenian, Azerbaijani Counterparts*, Civil Georgia, 4 April 2016, at: <http://civil.ge/eng/article.php?id=29082>.

12 Cf. Nazrin Gadimova, *Tehran says Karabakh conflict to broaden insecurity in region*, 25 April 2016, at: <http://www.today.az/print/news/politics/150079.html>.

13 Cf. Sara Khojoyan/Anthony Halpin, *War May Resume at "Any Moment," Armenian President Warns*, Bloomberg, 24 April 2016, at: <http://www.bloomberg.com/news/articles/2016-04-24/caucasus-war-may-resume-at-any-moment-armenian-president-says>.

gorno-Karabakh, which it is precisely the priority of the Armenia government to avoid.

For Azerbaijan, the war brought some initial political and military gains, if only symbolic ones. It gained a small amount of territory while avoiding being branded an aggressor. That reduced interest in a diplomatic solution, albeit for different reasons than in Armenia. Overall, the four-day war has deepened the gulf between the two sides, while heightening tension. It has also made improving diplomatic relations and rapprochement in the short term almost impossible.¹⁴ Russia, the three Minsk Group Co-Chairs, and Germany, which holds the OSCE Chairmanship in 2016, have therefore strengthened their efforts to at least stabilize the fragile ceasefire and prevent the situation from deteriorating further. Before describing and evaluating these intensified diplomatic efforts more closely, we should first turn to the growing asymmetry in military developments, as they have destabilized the military situation in recent years.

Asymmetrical Military Development

The asymmetrical military development of Armenia and Azerbaijan since the middle of the last decade is essentially a consequence of the different economic starting positions of the two countries. Armenia is a poor country, dependent on both Russian economic and military assistance and the remittances of the Armenian diaspora. The economic embargo that Turkey and Azerbaijan have imposed on Armenia since the ceasefire in Nagorno-Karabakh further limits the country's opportunities for economic development and trade. By contrast, Azerbaijan possesses rich reserves of gas and oil, whose prices have risen significantly over the last decade, enabling Baku to sharply increase its military spending since 2005-2006. Since 2011, Azerbaijan's defence outlay, at three billion US dollars annually, is as large as the entire Armenian state budget. Between 2010 and 2015, Azerbaijan increased its defence spending from 2.8 to 4.6 per cent of GDP.¹⁵ Nonetheless, it needs to be borne in mind that Azerbaijan's GDP fell by nearly 30 per cent from 2014 to 2015 as a result of the crash in energy prices. During the same period, Armenia's defence spending varied between 3.8 and 4.5 per cent of that country's far lower GDP, which lay between 9.3 and 11.6 billion US dollars per annum, amounting to total annual defence expenditure of somewhere between 400 and 500 million dollars per year.¹⁶ The asymmetry in defence

14 Cf. Sergei Markedonov, *Unfreezing the Status Quo in the Caucasus*, Carnegie Moscow Center, 15 April 2106, at: <http://carnegie.ru/commentary/?fa=63337>.

15 Cf. Stockholm International Peace Research Institute (SIPRI), *Military Expenditure Database, Military expenditure by country as a share of GDP, 2002-2015*, at: <https://www.sipri.org/sites/default/files/Milex-GDP-share.pdf>.

16 Cf. *ibid*; World Bank, *Armenia GDP (current US\$)*, at: <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=AM>. Azerbaijan's GDP rose from 52.9 billion

spending has thus shifted slightly in favour of Armenia, albeit from a position of overwhelming Azerbaijani dominance.

This is also evident in the changing numbers of conventional weapon systems possessed by the land and air forces of both sides. According to the data submitted annually under the Treaty on Conventional Armed Forces in Europe (CFE Treaty), both sides have increased their weapon holdings in certain categories in breach of their treaty ceilings. In 2013-2014, Armenia received over 35 used T-72 tanks and over 110 used armoured combat vehicles from Russia. Most of Armenia's armed forces are equipped with previous generation Russian weapons. In 2016, Armenia possesses 241 armoured combat vehicles, which places it 21 units over its CFE ceilings. However, Yerevan plans to destroy 21 obsolete vehicles in 2017 with German financial assistance, thereby fulfilling its outstanding arms reduction commitments from the 1990s and falling in line once again with its CFE ceiling requirements. In the categories of artillery and combat aircraft, Armenia has slightly reduced its holdings, while the number of attack helicopters has remained constant. The number of troops in both land and air forces has fallen over the same period by some ten per cent.

*Armenia's CFE-Relevant Arms Holdings and Troop Numbers 2010-2015*¹⁷

Category/ Year	Battle Tanks	Armoured Combat Vehicles	Artillery pieces 100mm+	Combat Aircraft	Attack Helicopters	Troops
2010	110	140	239	16	8	48,570
2011	110	140	239	16	8	48,834
2012	110	140	239	16	8	46,804
2013	109	143	232	16	8	44,787
2014	144	262	232	15	8	ca. 43,600
2015	144	242	232	15	8	ca. 43,700
CFE Ceiling	220	220	285	100	50	60,000

Numbers that exceed CFE ceilings are in italics.

It is important to note that these figures concern only troop and weapon numbers in Armenia itself, and do not include either Armenian troops and weap-

US dollars in 2010 to 75.2 billion in 2014, falling to 35.1 billion in 2016 (estimated) as a result of the collapse in energy prices. Cf. World Bank, *Azerbaijan GDP (Current US\$)*, at: <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=AZ>. Cf. also: Stockholm International Peace Research Institute (SIPRI), *Military Expenditure Database, Military expenditure by country, in constant (2014) US\$ m., 2006-2015*, at: <https://www.sipri.org/sites/default/files/Milex-constant-USD.pdf>.

- 17 This data is derived from the annual disarmament reports of the German government, *Bericht der Bundesregierung zum Stand der Bemühungen um Rüstungskontrolle, Abrüstung und Nichtverbreitung sowie über die Entwicklung der Streitkräftepotenziale (Jahresabrüstungsbericht)* [Report by the German Federal Government on the State of Arms Control, Disarmament, and Non-Proliferation Efforts, and Current Force Strengths (German Annual Disarmament Report)]. Cf. *German Annual Disarmament Reports 2013*, p. 171; *2014*, pp. 124 and 155; and *2015*, pp. 120 and 152.

ons deployed within Nagorno-Karabakh or those belonging to the Nagorno-Karabakh self-defence forces. Around a third of the estimated 23,000 members of the Nagorno-Karabakh self-defence forces consists of members of the Armenian military.¹⁸ However the CFE Treaty does not currently apply in the parts of Azerbaijan around Nagorno-Karabakh that are occupied by Karabakh Armenians.¹⁹ If the arms that Armenia has stationed there were also counted, it is likely that Armenia would not only exceed its CFE limits in the category of armoured combat vehicles, but also in the categories of artillery and battle tanks.

Over the same period, Azerbaijan raised its already significantly higher number of 381 battle tanks by 82, its 425 artillery systems by 371, and its 15 attack helicopters by 33. The number of armoured combat vehicles fell slightly from 181 to 179, and the number of combat aircraft more sharply, from 75 to 54, as a result of problems the Azerbaijani forces had with maintaining and operating too many different aircraft models. The number of troops in the Azerbaijani land and air forces combined remained steady at about 64,900. Azerbaijan's armed forces have thus received significantly more arms than those of Armenia. Furthermore, in the form of 100 T-90 tanks and BMP-3 infantry fighting vehicles, Azerbaijan has received the latest generation of arms from Russia, and is thus not only quantitatively but also qualitatively much better equipped than Armenia.

*Azerbaijan's CFE-Relevant Arms Holdings and Troop Numbers 2010-2015*²⁰

Category/ Year	Battle Tanks	Armoured Combat Vehicles	Artillery pieces 100mm+	Combat Aircraft	Attack Heli- copters	Troops
2010	<i>381</i>	181	<i>425</i>	75	15	64,850
2011	<i>381</i>	181	<i>469</i>	79	26	64,964
2012	<i>381</i>	181	<i>516</i>	79	27	64,990
2013	<i>381</i>	181	<i>516</i>	88	27	64,999
2014	<i>484</i>	134	<i>624</i>	53	27	ca. 64,900
2015	<i>463</i>	179	<i>796</i>	54	48	ca. 64,900
CFE Ceiling	220	220	285	100	50	70,000

Numbers that exceed CFE ceilings are in italics.

18 Cf. Annual Disarmament Report 2013, cited above (Note 17) p. 134.

19 In Azerbaijan, however, a different view has prevailed since 2001. Baku has given several locations within the Azerbaijani territory controlled by Karabakh Armenians as the peacetime locations of its troops. Since troops can only be inspected at their peacetime locations, the troop contingents registered in those locations are not covered by the Treaty's verification system and cannot be checked. This course of action on the part of Azerbaijan is also equivalent to Armenia's removal of its troops from the CFE Treaty provisions by stationing them in Nagorno-Karabakh. Through their actions, both states weaken the CFE Treaty.

20 Data from German annual disarmament reports, cited above (Note 17).

We can see that Azerbaijan has exceeded severalfold its CFE ceilings in the categories of battle tanks and artillery systems. Baku justifies these major infringements with reference to the fact that Armenia has stationed a major proportion of its forces in Nagorno-Karabakh and received secret arms deliveries from Russia during the 1990s that remain unregistered to this day. What is true is that Armenia has not registered all its weapon shipments, and that this contributes to regional insecurity. However, the same applies to Azerbaijan. A brief glance at the UN Register of Conventional Arms²¹ is enough to show that the exact numbers of arms deliveries to both countries tend not to be notified by the countries themselves but are more likely to come from the exporting nations. Nevertheless, this does not serve to justify Azerbaijan's exorbitant increase. This needs rather to be seen in terms of Azerbaijan's military doctrine, which was revised in 2010 and now both envisages the recapture of the occupied territories and defines Armenia as Azerbaijan's main enemy.²²

The figures on arms shipments to both states from 2010 until 2015 give a similar picture, as the following tables show. Between 2010 and 2015 Armenia took delivery of 35 tanks, 110 armoured combat vehicles, 16 artillery systems, and two light training aircraft. The weapons came from Russia, Ukraine, and Montenegro. Yerevan is also said to have bought multiple rocket launchers from China in 2011, but there is no official confirmation of this.

*Arms Deliveries to Armenia 2010-2015*²³

Category/ Year	Battle Tanks	Armoured Combat Vehicles	Artillery pieces	Combat Aircraft	Attack Helicopters
2010			16	2 trainers	
2011					
2012					
2013	35	110			
2014					
2015					
Total	35	110	16	2 trainers	

Over the same period, Azerbaijan received 193 tanks, 446 armoured combat vehicles, 738 artillery systems, seven combat aircraft, and 26 attack helicopters from Russia, Belarus, Ukraine, Turkey, South Africa, Israel, and Bosnia and Herzegovina. From 2011-2015, Azerbaijan's largest supplier, Russia, alone delivered arms and equipment worth four billion US dollars, amounting

21 Cf. *The Global Reported Arms Trade. The UN Register of Conventional Arms*, at: <http://www.un-register.org/HeavyWeapons/Index.aspx>.

22 Cf. *Annual Disarmament Report 2013*, cited above (Note 17) p. 134.

23 Data taken from the UN Register of Conventional Arms, cited above (Note 21).

to 4.9 per cent of the country's arms exports.²⁴ From 2006-2010, the equivalent figure was a far lower 0.7 per cent.

*Arms Deliveries to Azerbaijan 2010-2015*²⁵

Category/ Year	Battle Tanks	Armoured Combat Vehicles	Artillery pieces	Combat Aircraft	Attack Helicopters
2010		106	57	1	1
2011	31	208	95	5	4
2012	62	14	18	1	8
2013	10	10	438		13
2014	65	78	118		
2015	25	30	12		
Total	193	446	738	7	26

These arms deliveries have been made despite an OSCE Decision of 28 February 1992 calling for an embargo on sales of arms and military equipment to both countries as a means of supporting the ceasefire.²⁶ The states that have denied this embargo have done so for various reasons. Russia supplies arms in order to protect its influence in Azerbaijan; Ukraine and Bosnia and Herzegovina seek to earn much needed foreign currency; Turkey wants to expand its influence, and Israel to maintain the option of using Azerbaijani air bases to destroy Iranian nuclear facilities, in case the 2015 nuclear deal should collapse.

The volume of weapons delivered to Azerbaijan is also significantly higher than the increase in arms deployed with forces as notified under the CFE Treaty. For example, Azerbaijan imported 193 tanks in the observation period, though notification was only given for 82 deployed with troops. There could be many reasons for this. It could, for instance, be the result of a large number of older tanks being decommissioned, but it could also indicate that Baku has been having serious problems in training military personnel in the maintenance and use of the new weapons, which has caused considerable delays in their deployment. As a result, Azerbaijan was not able to make use of the better quality and numerical superiority of its weapons in the four-day war. Russia, the major arms exporter to both sides, is determined to maintain its sales despite the growing risks and criticism. Furthermore, Moscow and Yerevan began to create a "United Group of Troops" in Armenia in Decem-

24 Cf. Aude Fleurant/Sam Perlo-Freeman/et al., *Trends in International Arms Transfers 2015*, SIPRI Fact Sheet, February 2016, p. 3, at: <http://books.sipri.org/files/FS/SIPRIFS1602.pdf>.

25 Data taken from the UN Register of Conventional Arms, cited above (Note 21).

26 Cf. *CSCE, Seventh Meeting of the Committee of Senior Officials, Prague 1992, Journal No. 2*, Prague, 28 February 1992, at: <http://www.osce.org/resources/183791>. As the decision applies only to CSCE/OSCE participating States, it does not apply to Israel and South Africa.

ber 2016 to deter potential aggressors more effectively.²⁷ However, this also allows Moscow to keep a closer check on Armenian forces, in case Yerevan plans an attack of its own.

Intensified Diplomatic Efforts

In 1999, the then presidents of the two republics were very close to resolving the conflict, but an armed attack on the Armenian parliament by opponents of the proposed deal derailed the process. In view of these dramatic events, subsequent Armenian presidents have been even more cautious, and their freedom to negotiate has been limited by domestic factors. To this must be added that the current Armenian president, Serzh Sargsyan, was born in Stepanakert, the largest city in Nagorno-Karabakh, which makes him deeply mistrustful of the efforts of the Azerbaijani president, Ilham Aliyev, to make peace. The two foreign ministers, Edward Nalbandian of Armenia and Elmar Məmmədیارov of Azerbaijan, are also said not to have the best relationship. The four-day war of April 2016, for which Azerbaijan is primarily responsible, is unlikely to have increased confidence in Yerevan and Stepanakert. The prospects for a rapid improvement of the situation are thus not favourable. That is why Armenia is demanding a renewed commitment to refrain from the use of military force and improvements in the security situation on both sides of the border and at the line of contact with Azerbaijan before it is willing to enter into further discussions or make additional concessions.²⁸ In the meantime, there has been no let up in the almost daily exchanges of fire, for which each side holds the other responsible.²⁹

Russia and the three Co-Chairs of the Minsk Group have therefore increased their efforts to stabilize the fragile ceasefire as a means of bringing about a political settlement to the Nagorno-Karabakh conflict more rapidly.³⁰ On 12th May, a meeting was arranged for the 16th between the three foreign ministers of the Minsk Group Co-Chairs and the two presidents in Vienna. All participants agreed to reaffirm the 1994/1995 ceasefire and to work towards a peaceful resolution to the conflict. Armenia consequently withdrew its threat of granting official recognition to the Nagorno-Karabakh entity. Two additional confidence-building measures were planned in parallel with the aim of stabilizing and improving the fragile border situation: First, an OSCE mechanism for the investigation of the many military incidents at the

27 Cf. *Russia and Armenia seal deal to create United Group of Troops*, TASS, 30 November 2016, at: <http://tass.com/defense/915668>.

28 Cf. *German foreign minister names conditions for de-escalation of Nagorno-Karabakh conflict*, TASS, 6 April 2016, at: <http://tass.ru/en/world/867800>.

29 Cf. OSCE, Press Release, *Statement by the Co-Chairs of the OSCE Minsk Group*, Moscow/Paris/Washington, 9 January 2017, at: <http://www.osce.org/mg/292991>.

30 Cf. *Co-Chairs Condemn Civilian Attacks, No Agreement After Regional Visit*, Asbarez, 9 April 2016, at: <http://asbarez.com/148524/co-chairs-condemn-civilian-attacks-no-agreement-after-regional-visit>.

border is to be finalized as soon as possible, and second, the Tbilisi-based office of the Personal Representative of the OSCE Chairperson-in-Office, Andrzej Kasprzyk, is to be strengthened in order to carry out additional inspections. The office is responsible for the on-site inspections carried out on both sides of the line of contact every 14 days. It was finally agreed that data exchange on missing persons under the auspices of the International Committee of the Red Cross could continue as before. The next meeting was scheduled for June 2016.³¹

Since then, lively discussions have been ongoing with both sides in the OSCE and the Office of the Personal Representative to work out how these measures should be implemented. In early June, the three Co-Chairs presented their initial proposals to the two sides and it was agreed to hold a trilateral summit with Putin and the two presidents in St Petersburg on 20th June. Progress was made at the summit, but there was no breakthrough. In a trilateral statement, the two presidents accepted the basic need for more OSCE observers to monitor both sides of the line of contact as well as the conditions that would apply to further talks, if it proved possible to hold them.³² Less progress was made on the mechanism for the investigation of incidents at the contact line, as Azerbaijan would like to tie this mechanism to the removal of Armenian troops from the other seven occupied districts of Azerbaijan around Nagorno-Karabakh.³³ For its part, Armenia does not wish to open negotiations on a final settlement of the conflict until after the establishment of an OSCE investigation mechanism at the line of contact.³⁴

Details of the OSCE investigation mechanism and the modalities for raising the number of observers and on-site inspections have been under discussion ever since. On 22nd September 2016 in New York, the Co-Chairs of the Minsk Group could only meet the two foreign ministers separately to discuss proposals on how to proceed. This was to be built upon by a visit to the region by the Co-Chairs in late October, and continued at the Ministerial Council Meeting in Hamburg on 8th December. However, the 3+2 meeting planned for Hamburg did not take place, as the Armenian foreign minister failed to show up.³⁵ As announced in Hamburg, the talks should be shifted to presidential level as soon as possible to maximize the chances of progress.

31 Cf. *Joint Statement of the Minister of Foreign Affairs of the Russian Federation, Secretary of State of the United States of America, and State Secretary for European Affairs of France*, 16 May 2016, at: <https://2009-2017.state.gov/r/pa/prs/ps/2016/05/257278.htm>.

32 Cf. President of Russia, *Meeting with Serzh Sargsyan and Ilham Aliyev*, St Petersburg, 20 June 2016, at: <http://en.kremlin.ru/events/president/news/52189>.

33 Cf. President of Russia, *Meeting with President of Azerbaijan Ilham Aliyev*, St Petersburg, 20 June 2016, at: <http://en.kremlin.ru/events/president/news/52188>.

34 Cf. President of Russia, *Meeting with President of Armenia Serzh Sargsyan*, St Petersburg, 20 June 2016, at: <http://en.kremlin.ru/events/president/news/52187>.

35 Cf. OSCE, Press Release, *Statement by Co-Chairs of OSCE Minsk Group*, Vienna, 24 June 2016, at: <http://www.osce.org/mg/248616>; OSCE, Press Statement, *Statement by Co-Chairs of OSCE Minsk Group*, New York, 22 September 2016, at: <http://www.osce.org/mg/266881>; OSCE, Press Release, *Statement by the Co-Chairs of the OSCE Minsk Group*, Moscow/Washington, D.C./Paris, 26 October 2016, at: <http://www.osce.org/mg/277091>;

No Prospects of an Early Settlement

In view of the growing risk of a new war, the urgency to make rapid political progress to resolve the Nagorno-Karabakh conflict should be greater than ever, yet both sides remain trapped in their old confrontational positions. The three Co-Chairs of the Minsk Group and other OSCE institutions are not to blame for this; with support from Russia, they have sharply intensified their activities in recent years. Establishing an OSCE mechanism for the investigation of military incidents at the border and improving on-site conflict monitoring would be further ways to build confidence between the sides. Some progress has been made in the negotiations on these issues, but no breakthrough is in sight. Yet for Armenia, these two measures are the key precondition for serious negotiations. Equally, Azerbaijan fears that if Armenia achieves this goal, it will then let up and hang on to the new status quo. Baku has therefore made its support for the investigation mechanism provisional upon the return of the first occupied territories.

And yet the key elements of a potential political compromise have been clear since 1999. Nagorno-Karabakh proper would remain in Armenian hands at first, until a referendum is held to decide its ultimate fate. In return, Armenia and the Karabakh Armenians would evacuate all the other occupied territories around Nagorno-Karabakh, returning them all to Azerbaijan, with the exception of the Lachin corridor. At the same time, a direct connection would be established through Armenia between Azerbaijan and the Azerbaijani exclave of Nakhichevan. Internally displaced persons could return to the areas where they had formerly lived. An OSCE peacekeeping force of up to 3,000 would further safeguard this peaceful compromise during an interim period. Of course, the devil is in the detail, but if both sides really possess the political will to find a solution, that should not pose a problem.

If there is to be any progress at all, it is currently only possible via contacts between the presidents of the two conflict parties. In the long term, this is a flimsy foundation for a stable and lasting peace process. A genuine peace process needs lasting broad political and societal support. In this regard, it is regrettable that in Azerbaijan, as in Russia, foreign financial support for NGOs has been forbidden by law since 2014.³⁶ Voluntary peace activists in Baku, who used to meet with Armenians and Karabakh Armenians in Georgia or Turkey to search for new forms of co-operation can now no longer afford to do this. In Azerbaijan, the existence of Nagorno-Karabakh and its population, as well as its special status in the negotiations, are not publically acknowledged, even though Baku has to share responsibility for this. Steps

OSCE, Press Statement, *Joint Statement by the Heads of Delegation of the OSCE Minsk Group Co-Chair Countries*, Hamburg, 8 December 2016, at: <http://www.osce.org/mg/287531>.

36 Cf. Friedrich Schmidt, Einsamer Mahner in den Bergen des Kaukasus [Lonely Admonisher in the Caucasus Mountains], in: *Frankfurter Allgemeine Zeitung*, 4 October 2016, p. 5.

towards changing this attitude could build confidence in Yerevan and Stepanakert. Yet Armenia also has to be willing to shift its position; in the past it has too often rested on the status quo. A serious diplomatic signal that it is willing to peacefully return the seven districts around Nagorno-Karabakh is necessary. If nothing of this kind is done, Azerbaijan will soon attempt to recapture this territory by force once again.