



How Close is Peace Between Armenia and Azerbaijan?

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Introduction

By Hugo von Essen

On 13 March, Armenia and Azerbaijan finally agreed on a draft peace treaty text following years of negotiations. From a historical standpoint, this marks a significant milestone in the journey towards peace and normalisation. Achieving a durable peace would bring substantial political, economic, societal and strategic benefits to both adversaries. It could also open up new transit corridors to the benefit of regional and international players such as the European Union (EU) and Türkiye, while allowing the South Caucasus to assert its own agency. The biggest immediate setback would be for Moscow, which has long maintained leverage over both Baku and Yerevan by exploiting the ongoing conflict.

However, it is becoming increasingly clear that the initial optimism surrounding this development might have been misplaced. Numerous obstacles remain. These include issues covered by the treaty – such as the abandonment of international legal claims and the presence of third-party forces along the joint border, notably the fate of the EU mission to Armenia (EUMA) – and issues beyond its scope. Among the unresolved issues not covered by the treaty are border demarcation, the opening of transit routes, the status of the Organisation for Security and Co-operation (OSCE) Minsk Group and a range of Azerbaijani demands, particularly regarding amendments to Armenia's constitution. It is therefore uncertain whether the signing and ratification of the peace treaty will be possible, or realistic, in the foreseeable future, not to speak of its long-term sustainable implementation.

Behind and beyond these concrete obstacles, three more fundamental and long-term issues regarding the normalisation process between the two historic adversaries can be identified. First, the two countries remain deeply divided over the basic parameters of their future coexistence: the fate of displaced populations on both sides, the design and management of future trade and transit routes and, more broadly, what a coherent and more united future South Caucasus region might look like. Should it be autocratic or democratic, European or Eurasian, or western-oriented or part of the non-aligned “Global South”?

Crucially, there are also diverging approaches to the role, legitimacy and credibility of foreign powers and partners – Armenia and Azerbaijan differ significantly regarding almost all regional and international actors. The EU has lost much of its credibility in Baku but is an increasingly valued partner in Yerevan. Russia's weakened regional presence should, in theory, unite the two countries, but Moscow is instead used by each side to accuse the other of serving foreign interests. Türkiye, with which Armenia is seeking to normalise relations, is seemingly refusing to proceed without Azerbaijan's unlikely approval. Iran is seen by Armenia as a partner but by Azerbaijan as a severe threat. Georgia, which is rapidly shifting away from its Euro-Atlantic aspirations towards autocracy and alignment with Russian interests, is increasingly adopting rhetoric that brings it closer to Azerbaijan while posing a growing threat to Armenia's western orientation.

Second, even if both governments were to successfully resolve all outstanding issues, true peace and long-term normalisation must ultimately occur at the societal level. Here, the outlook is grim. Decades of minimal people-to-people contact, deeply rooted fear, hatred and mutual blame, alongside a widespread reluctance to acknowledge one's own role in historical grievances and atrocities, offer few reasons for optimism.

Third, it remains unclear whether either country genuinely believes in the prospects for peace and normalisation. This has profound implications for their long-term strategic planning. Instead of working towards a shared future, both appear to base decisions on calculated assessments that limited windows of opportunity either enable or prohibit certain actions, gains or goals. These perceived time frames are defined by military and economic strength, strategic alliances and rivalries, geopolitical positioning and highly uncertain external variables, such as the outcome of Russia's war against Ukraine, the unpredictability of the Trump administration and the EU's available resources – as well as shifting power dynamics across Eastern Europe, the Middle East and Central Asia. Within this operational framework and mindset, preparing the population for an unrealistic peace is less rational than maximising advantage when the moment is right – and stalling or waiting when it is not.

Given these serious structural and systemic obstacles, and the complex regional context, what should the EU's role and approach be? The two analyses below – one from Armenia and one from Azerbaijan – explore this question further and present perspectives on the normalisation process from both sides.

Benjamin Poghosyan of the Applied Policy Research Institute of Armenia (APRI Armenia), writing from an Armenian perspective, argues that Azerbaijan's shifting peace deal demands and refusal to sign an agreement with Armenia heighten the risk of conflict in 2025. US disengagement, EU divisions and a Russia distracted by Ukraine call for urgent EU re-engagement through intensified Track 2 diplomacy, as well as high-level visits to promote the signing of the peace treaty and warn Baku about the consequences of renewed aggression.

Rusif Huseynov of the Topchubashov Center, presenting the Azerbaijani perspective, discusses the "2+2+2" framework – two unresolved articles, two institutional hurdles and two logistical challenges. He argues that to regain credibility in Azerbaijan and play a constructive role, the EU should enhance its humanitarian and development assistance to the country, promote mutual legal guarantees between Armenia and Azerbaijan, support border delimitation and align regional infrastructure development with its Global Gateway vision.

Together, these two guest commentaries provide a multi-faceted understanding of the ongoing conflict and normalisation process between Armenia and Azerbaijan, and their strategic implications for the region's development and its various actors. They also make recommendations on shaping coherent and effective EU policy on both countries and the broader South Caucasus.

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Armenia and Azerbaijan in 2025: Peace, War or Continuation of the Status Quo?

By Benjamin Poghosyan

Executive Summary

- Azerbaijan's ever-changing preconditions for signing a peace agreement with Armenia, and its refusal to sign a deal even after gaining full control over the contested Armenian-populated enclave of Nagorno-Karabakh and the finalisation of the draft text have created a dangerous moment in the negotiations. The waning US interest in the South Caucasus under the Trump administration, growing tensions between the US and the European Union, internal divisions within the EU and Russia's preoccupation with the war in Ukraine have created a dangerous vacuum. These factors increase the likelihood of military action by Azerbaijan against Armenia in 2025.
- Armenia–Türkiye normalisation could have a positive impact on Armenia–Azerbaijan negotiations but Türkiye refuses to move forward despite Armenia's efforts, making normalisation conditional on the signing of an Armenia-Azerbaijan peace agreement.
- The EU should refocus its attention on the Armenia-Azerbaijan peace process. A new military offensive by Azerbaijan would have significant negative consequences for the EU. Such a conflict risks drawing in regional powers, such as Russia, Iran and Türkiye, which could lead to a major war along the EU's eastern frontier and new waves of migration. Renewed hostilities could also undermine the region's strategic transit potential, threatening projects such as the Middle Corridor, and disrupt the flow of fossil fuels from the South Caucasus to Europe.

Armenia–Azerbaijan Negotiations

Negotiations between Armenia and Azerbaijan are proceeding along three tracks: the signing of a peace agreement, the restoration of transport and communications links, and the delimitation and demarcation of borders.

Peace Agreement

Armenia and Azerbaijan failed to sign a peace agreement in 2024. Azerbaijan [rejected](#) Armenia's [offer](#) to sign a document containing 15 agreed articles while negotiations continued to resolve remaining issues. To foster the peace process, on 13 March 2025 Armenia [accepted](#) proposals by Azerbaijan on the two unresolved articles in the agreement and offered to initiate consultations on a time and venue for the signing of the agreement. Azerbaijan [rejected](#) this offer, arguing that an amendment to Armenia's constitution was a prerequisite to allow the signing of the negotiated text and emphasising the need to formally abolish Minsk Group and related OSCE structures. Following these pronouncements, Azerbaijan's Ministry of Defence issued multiple statements claiming that Armenian troops had opened fire on Azerbaijani positions, apparently seeking [to create a pretext](#) to justify

a new Azerbaijani attack. These statements were refuted by the European Union Mission in Armenia (EUMA) and the Armenian [Ministry of Defence](#). Armenia's Office of the Prime Minister [issued](#) a statement asserting that the Armenian Armed Forces had neither a reason nor orders to violate the ceasefire. Prime Minister Nikol Pashinyan [reiterated](#) Armenia's readiness to sign the agreed text in a 21 March interview, and stated that Armenia would initiate the process of dissolving the OSCE Minsk group. Meanwhile, Azerbaijani forces [opened](#) fire on Armenian villages.

Restoration of Communications

Azerbaijan has demanded unrestricted passage through Armenia to Nakhchivan through the so-called "Zangezur Corridor", insisting on transit without an Armenian passport or customs control. This would effectively be an extraterritorial corridor, even though Baku already has access to Nakhchivan through Iran. Armenia has officially [proposed](#) the reopening of rail connections to Azerbaijan and expressed a willingness to implement simplified control procedures but Azerbaijan has [called](#) these suggestions irrelevant.

Border Delimitation and Demarcation

In 2024, Armenia and Azerbaijan [approved](#) the Regulations of the border delimitation and demarcation commission. It has completed the demarcation of 12.7 kilometres of the border – approximately 1% of its total length – since Pashinyan announced that President Ilham Aliyev had issued an ultimatum on imminent military action unless Armenia withdrew from some territories. In January 2025, both sides [agreed](#) to continue the process from the northern section of the border to its southern edge. Some progress could be achieved on this track by the end of 2025. As Azerbaijan continues to occupy around 220 square kilometres of Armenian territory, the border delimitation process should logically result in the withdrawal of Azerbaijani troops and will hopefully proceed without duress.

Other Demands

Azerbaijan is demanding the establishment of "Western Azerbaijan" in Armenia, arguing that significant parts of the Republic of Armenia were historically Azerbaijani land, and that Azerbaijanis travelling to Armenia should have special rights and security guarantees. Azerbaijan is also demanding that Armenia should cancel arms supply contracts and return weapons already received.

What Comes Next?

Unless Azerbaijan adopts a more constructive approach to negotiations by dropping preconditions, meaningful progress on establishing peace and restoring communications is unlikely in 2025. Azerbaijan's reluctance to sign the agreed peace agreement appears to stem from its strategic interest in keeping open the possibility of future military action against Armenia. The absence of a peace agreement enables Azerbaijan's leadership to rally domestic support against "the external threat" that is supposedly Armenia. Maintaining the potential for military escalation is also aligned with Azerbaijan's broader geopolitical strategy of establishing a direct land connection to Nakhchivan and Türkiye, and reinforces its vision of [uniting](#) the Turkic world. In this context, Azerbaijan is seeking to position itself as the key link between Türkiye and Central Asia. Given these dynamics, the primary objective of partners interested in peace and stable connectivity in the region should be to prevent a new escalation by Azerbaijan in 2025.

Armenia–Türkiye Normalisation Process

Armenia accelerated efforts to normalise relations with Türkiye in [2021](#), recognising that reducing dependence on Russia and reshaping Armenia's security environment would be difficult without improved ties with Ankara. To advance this process, the Armenian government took a number of steps, such as opening up a [debate](#) on “Real vs Historical Armenia”, sending humanitarian aid to Türkiye following the 2023 earthquake and completing the renovation of the Margara checkpoint on the Armenia–Türkiye border. The government also sought to cultivate the goodwill of President of Türkiye Recep Tayyip Erdoğan. Prime Minister Pashinyan [attended](#) Erdoğan's inauguration in 2023 and [accepted](#) his book as a gift during a meeting at the United Nations in 2024.

Many analysts [argue](#) that Türkiye's strategic goal in the South Caucasus is to supplant Russia as the dominant power. Normalising Armenia–Türkiye relations and reducing Armenia's reliance on Moscow would represent progress towards this objective. Despite this conjecture and Armenia's openness, Türkiye continues to [insist](#) that progress on Armenia–Türkiye relations is contingent on the signing of an Armenia–Azerbaijan peace agreement.

There are various possible explanations for this. One factor might be the close personal relationship between President Aliyev and President Erdoğan, and the interests of the business circles connected with them. Another possibility is that Türkiye is not seeking to displace Russia in the South Caucasus but instead prefers to manage regional affairs in coordination with Moscow to avoid confrontation. Türkiye's insistence on tying Armenia–Türkiye normalisation to the Armenia–Azerbaijan peace agreement has created a diplomatic deadlock, reinforcing the status quo among the three countries.

Role of the United States, Russia and the European Union

The Biden administration actively [promoted](#) an Armenia–Azerbaijan peace agreement and Armenia–Türkiye normalisation, viewing these efforts as a way to stabilise the South Caucasus and diminish Russia's influence. Washington also took [steps](#) to strengthen relations with Armenia. It is too early to assess the Trump administration's policies on the South Caucasus. However, given its decision [to start](#) dialogue with Russia and its general preference for reducing US involvement abroad, it is likely that the new administration will pay less attention to the region.

Russia initially dominated Armenia–Azerbaijan negotiations following the 2020 Nagorno-Karabakh War but shifted its focus to Ukraine after February 2022. Moscow [viewed](#) the increasing involvement of the US and the EU in the negotiations negatively, seeing it as an attempt by the West to push Russia out of the region. As relations between Moscow and Yerevan started to deteriorate, Russia sought to strengthen its partnership with Azerbaijan. Russia and Azerbaijan [signed](#) a declaration of allied interaction in February 2022 and President Putin [paid](#) a state visit to Azerbaijan in 2024. If active hostilities in Ukraine end in 2025, Russia might refocus its efforts on the South Caucasus, seeking to reassert control over the negotiation process.

The EU's separate mediation efforts in 2021–2023 failed because they could not prevent Azerbaijan's incursion into Armenia in 2022, or Baku's military operation in Nagorno-Karabakh

and the forced displacement of Armenians in 2023. Azerbaijan [rejected](#) EU-facilitated talks after taking full control of Nagorno-Karabakh. In response, Brussels has sought to [strengthen ties](#) with Armenia, compensating for Azerbaijan's disengagement with increased assistance to Yerevan.

Conclusions

Coupled with declining international engagement, the absence of a peace agreement between Armenia and Azerbaijan increases the likelihood of escalation in 2025. Azerbaijan could resort to military action to consolidate domestic support. In addition, renewed aggression could be driven by Azerbaijan's broader strategic goals, such as advancing the concept of "Western Azerbaijan" or furthering the vision of "Turkic world unification", which envisage a direct land connection between Türkiye and Central Asia through Azerbaijan. A large-scale escalation could push the region towards a broader war, which would have severe and lasting consequences for its transit potential and the flow of hydrocarbon resources.

Policy Recommendations

The EU should refocus its attention on the Armenia-Azerbaijan peace process. The President of the European Council, the High Representative of the European Union for Foreign Affairs and Security Policy and the Foreign Minister of Poland, as a representative of the country currently holding the rotating presidency of the Council of the European Union, should make a joint visit to Armenia and Azerbaijan in the first half of 2025, to emphasise the need to sign the agreed text of the peace agreement to ensure stability and security in the region.

Brussels should deliver a clear message to Baku that any new Azerbaijani aggression will have tangible consequences for EU-Azerbaijan relations, which would include sanctions on the Azerbaijani oil and gas sectors. Given the current precarious "no war, no peace" deadlock, the EU should also increase its involvement in Track 2 diplomacy and expand the scope and scale of the EU4Peace III initiative by intensifying meetings between Armenian and Azerbaijani experts and including representatives from Georgia, Türkiye and Iran in the process.

Armenia-Azerbaijan Peace Talks: The View From Baku

By Rusif Huseynov

Executive Summary

- Armenia and Azerbaijan finalised the text of a long-awaited peace agreement in March 2025, marking a potential turning point in the decades-long conflict. Despite significant progress – 15 rounds of talks and agreement on nearly all of the 17 articles – key obstacles remain, particularly around third-party border presence and mutual legal claims. The 2+2+2 framework – two unresolved articles, two institutional hurdles and two logistical challenges – captures the complexity of the final stage of the negotiations.
- Institutionally, Baku is demanding constitutional amendments in Armenia to eliminate lingering territorial claims, and sees this as a prerequisite for a sustainable and irreversible peace. Logistical issues, such as border delimitation and the opening of the Zangezur corridor, remain crucial for long-term regional integration and economic connectivity. Meanwhile, scepticism regarding the role of the EU has increased in Azerbaijan, which sees the EU as increasingly biased in favour of Armenia. Nonetheless, there are still room and opportunities for the EU to find its role in the Armenia-Azerbaijan context.
- The Armenia-Azerbaijan peace process stands at a decisive moment. Whether this becomes a durable breakthrough or another deferred resolution will depend on the ability of all stakeholders to address core concerns and invest in a stable regional future.

Text is Ready: A Step Forward or Another Deadlock?

In mid-March, Armenia and Azerbaijan made a long-anticipated but unexpected [announcement](#): finalisation of a peace agreement text after years of negotiations.

The post-war talks began at the end of 2021 and gained clarity with Baku's [five-point peace plan](#) in March 2022. At the time of the historic announcement in mid-March 2025, only two – or arguably 1.5 – of the 17 articles remained unresolved. The finalised draft was the 12th version of the agreement, following over 15 rounds of exchanges between the top negotiators from the two countries. While recent developments sparked much optimism and were hailed as a historic step towards ending the decades-long conflict, there is no guarantee of an imminent signing as key challenges remain.

2+2+2

Which topics, obstacles and developments have shaped the Armenian-Azerbaijani peace framework? Where does the process stand and what are the prospects for the formalisation of a peace deal any time soon? Answering these questions and understanding the next phase of the negotiations requires a structured approach. The current situation and the next phase can be explained by a 2+2+2 framework, which comprises two (un)resolved articles, two institutional hurdles and two logistical challenges.

Two (Un)resolved Articles

Much time has recently been spent by the negotiators on two sticking points: a third-party presence along the border (Article 7) and the annulment of mutual legal claims in international bodies (Article 15).

The former is related to Azerbaijan's concerns over what might be seen as the "[Djiboutisation](#)" of Armenia, and what are viewed as sources of instability: the stationing of numerous actors on the Armenian side of the border, such as the Armenian Border Guard, the EU Monitoring Mission (EUMA), non-governmental paramilitary organisations and local militias and, until recently, the Russian Border Guard. Incidents like the February 2024 border clash, which was [triggered](#) by members of the [Yerkrapah](#) militia, reinforce Baku's concerns.

In this case, Azerbaijan is especially opposed to the presence of the EUMA, which was initially deployed with Baku's consent. The Azerbaijani authorities are concerned about its true mission, referencing the worries of former [military and intelligence officers](#) in the mission about the [continuous surveillance](#) of Azerbaijani areas, and seeing what they call [binocular diplomacy](#) as humiliating, undiplomatic and [provocative](#).

Article 15 addresses the annulment of legal claims such as mutual lawsuits in international bodies, and represents a significant concession by Baku. Relinquishing demands for justice over historical grievances, such as the traumatic Khojaly massacre, and over the Armenian occupation of Karabakh, which resulted in ghost towns, minefields and overexploited [local natural resources](#), is explained as a confidence-building step, although the public in Azerbaijan might not be happy about such a move. There are ongoing [demands](#) within Azerbaijani society for justice, accountability for war crimes and [reparations](#) from the Armenian side.

Two Institutional Hurdles

Another huge obstacle in the peace talks is Azerbaijan's demand that Armenia amend its Constitution, which still references the 1990 Declaration of Sovereignty and its call for unification with Nagorno-Karabakh. Baku sees this as a legal loophole that could fuel future territorial claims. It cites past ambiguities, such as in the 1998 Armenian presidential election when Robert Kocharyan's candidacy was [allowed](#) despite residency rules, by effectively treating Karabakh as part of Armenia.

Yerevan maintains that constitutional amendments should be a domestic matter rather than a prerequisite for peace. It suggests resolving the issue through a provision within the treaty itself, which would elevate the document as superior to domestic legislation. Baku does not accept this argument, however, believing that no treaty provision can override a country's constitution. The experts in Baku draw parallels with cases such as Ireland's [removal](#) of territorial claims over Northern Ireland in the Good Friday Agreement and North Macedonia's [constitutional changes](#) under Greek pressure.

For Azerbaijan, ensuring a lasting peace requires Armenian public endorsement in a constitutional referendum, which would prevent future revanchist governments from renegotiating the deal. [Baku's message](#) is that: "The peace agreement should be signed not only with Prime Minister Nikol Pashinyan, but also – and perhaps most importantly – with the Armenian people".

Azerbaijan is also pushing for the dismantling of the infamous OSCE Minsk Group. For Baku, the Minsk Group is a failed institution that only [procrastinated](#) to preserve the status quo instead of working for a fair resolution of the Karabakh problem, and now obsolete and irrelevant since Azerbaijan “[restored justice](#)” by bringing the occupied territories under its control in 2020–2023. While Armenia initially sought to keep the group involved, it has gradually accepted the new reality. Prime Minister Pashinyan has [signalled](#) a readiness to move beyond its framework.

Two logistical challenges

An important element of the peace framework, although not a precondition for peace, is the issue of communications. A crucial step in this effort is the restoration of transport links, particularly between Azerbaijan and its Nakhchivan exclave. The latter's residents have endured the greatest hardship due to their isolation from mainland Azerbaijan for three decades. They ought to be among the first to benefit from the peace process.

The passage dubbed the Zangezur Corridor by the Azerbaijani side might not be just an intra-Azerbaijani project. On a global scale, the Zangezur Corridor could attract interest from European and Asian markets, providing an alternative to existing overland transport routes that are often subject to geopolitical instability. If fully developed, the corridor could enhance the role of the South Caucasus as a transit hub, increasing economic interdependence and fostering regional cooperation.

In this context, border delimitation between Armenia and Azerbaijan has emerged as one of the most significant and successful achievements in their bilateral relations. The gradual demarcation of the 1,000-km border, overseen by an intergovernmental commission, has not only facilitated progress in defining territorial boundaries, but also fostered confidence building and helped to maintain stability on the ground.

Conclusions: A defining Moment for Peace

The finalisation of the Armenia-Azerbaijan peace agreement marks a significant milestone but the path to a formalised and lasting peace remains fraught with challenges. The unresolved articles, institutional hurdles and logistical complexities underscore the fragility of the process.

While Armenia might accuse Azerbaijan of procrastination in the talks on the above-mentioned issues, Azerbaijan seeks a sustainable peace that will remain in effect after Pashinyan. For this reason, Baku wants to eliminate the *raison d'être* for the conflict between the parties – the territorial claims of Armenia against Azerbaijan in the former's legislative acts – by closing any legal loopholes for subsequent Armenian governments that might possess certain revanchist sentiments. In addition, projects such as the Zangezur corridor are seen as tools for fostering regional cooperation and elevating the global significance of the South Caucasus.

The stakes are high: failure to capitalise on this moment could see the region once again entangled in power struggles and lead to missed economic opportunities. Conversely, a successful peace agreement could unlock regional integration, bolster economic cooperation and lay the foundations for long-term stability.

Policy Recommendations

Once seen as a trusted mediator, the EU has lost credibility in Azerbaijan since 2023 due to its perceived bias towards Armenia, linked to the extension of the EU Monitoring Mission, its calls for sanctions and the provision of €10 million in military aid to Yerevan under the European Peace Facility while denying a similar request from Baku.

Despite these strains, the EU can still play a constructive role in post-conflict recovery if it adopts a more balanced and neutral approach. Reassessing its strategy to avoid perceptions of partiality will be key, as unequal treatment undermines its legitimacy as a peace facilitator.

A pivot towards humanitarian and development assistance could restore trust. Prioritising demining, infrastructure rehabilitation and the resettlement of Internally Displaced Persons (IDPs) would directly support Azerbaijan, one of the world's most mine-contaminated countries that is working to return nearly 800,000 IDPs to Karabakh. A donor conference organised by the EU would demonstrate meaningful support and implicitly acknowledge Karabakh as part of Azerbaijan.

The EU could also assist Armenia's internal constitutional dialogue by offering legal expertise – such as on renouncing territorial claims, drawing on models like the Good Friday Agreement – and promoting mutual legal guarantees.

In addition, the EU could support border delimitation and co-finance Zangezur corridor infrastructure development by aligning it with the Global Gateway vision and framing it as a step towards practical connectivity rather than geopolitical alignment.



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