



RSC Analytical Briefing Developments in Armenia & South Caucasus Region

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RSC Online Briefings

- Monday, 29 September;
14:00
- Tuesday, 30 September;
18:00

RSC Briefing Issues

- *Foreign Policy Issues*
 - Armenia-Azerbaijan diplomacy
 - “Normalization” with Türkiye
 - “Diversification” strategy & what next?
- *Domestic politics*
 - “Vendetta politics”
 - Entering election year
- *Economics and trade*

Armenia-Azerbaijan Diplomacy



- March 2025: negotiations over post-war bilateral peace treaty closed
- Notable de-escalation of discourse
- July 2025: Abu Dhabi bilateral summit

Personal Chemistry



The Washington “Peace Summit”



August 2025

Washington Peace Summit

- US presidential initiative: the “art of the deal”
- Broader context of positive diplomatic momentum
- Bilateral peace treaty initialed
- Connectivity framework signed

Armenia-Azerbaijan Bilateral Peace Treaty

- *Negative* elements
 - Punitive peace as premise
 - Flawed premise & dangerous precedents
 - The “day after” & no international guarantee or guarantor
 - Does little to address roots of conflict

Armenia-Azerbaijan Bilateral Peace Treaty

- *Positive* elements
 - Renounces territorial claims & recognizes current borders
 - Commits to no use of force or threat of use of force
 - Combats intolerance & extremism
 - Calls for diplomatic recognition

Trump Route for International Peace & Prosperity (TRIPP)



Regional Repercussions



Regional Repercussions

- Russian reaction uncharacteristically passive & pensive
- Iran's sole "red line" respected
- Georgia as "loser state"
- Positive outlook for Armenia-Türkiye "Normalization"
- European engagement will be key (not American)

Armenia-Türkiye “Normalization”



- Establishing diplomatic relations
- Re-opening the closed border

Armenia-Türkiye “Normalization”



The Turkish position: guarded optimism

- Wary of Azerbaijan
- Caution & half measures

Armenia-Türkiye “Normalization”

- Renewed Turkish interest: regaining regional role
- Looking beyond “Zangezur” with focus on border connectivity
- Türkiye waiting for political cover from Armenia-Azerbaijan progress
- Tension between Ankara & Baku

Domestic Implications

- Opposition further discredited by lack of alternative strategy
- Agreements as deliverables, moving closer to peace than conflict
- TRIPP connectivity to overcome isolation and countering Russia
- Self-confidence = statesmanship

Economics & Trade

- Slower GDP growth: 4-4.5 % for 2025; deeper downward trend: 12.6% in 2022, 8.3% in 2023, 5.9% in 2024
- One-time boost from re-exports ending, seen in \$7.4 billion in trade (gold & diamonds) in 2024
- Direction of trade (2024): 41% with Russia, 7.7% with EU, 1.4% with US

Conclusion:

Three Trends & Triggers

- Engagement with Azerbaijan
- Storm on the horizon: Resurgent Russia may be tempted to intervene & interfere in 2026 elections
- Economics & local politics will define 2026 election



For more information:

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