

The Impact of the Russian War Against Ukraine on the EaP Region: ARMENIA

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Russia's full-scale invasion of Ukraine made the security environment in and around Armenia even more vulnerable. After February 2022, Russia's role and capabilities in the South Caucasus decreased, and Azerbaijan has used this as a chance to show its military aggression even on a bigger scale. [On September 13-14, 2022, Azerbaijan launched the most large-scale attack on the territory of the sovereign Republic of Armenia](#) (unrelated to the line of contact of Nagorno Karabakh) not only since the last war in 2020 but in the entire history of the conflict. These actions were accompanied by political statements about the so-called "Zangezur corridor" which would go through Armenia and connect Azerbaijan with its extraterritorial exclave Nakhichevan. Russia is also interested in the opening of the corridor, as it would create better links for trade and allow the bypassing of sanctions through Turkey. From the Armenian perspective, the transit route mentioned in the statement of November 9 does not by any means relate to the corridor of any kind. Russia and Turkey are also interested to have this corridor, Russia in order to bypass Western sanctions and Turkey to have direct connection to Azerbaijan and the Caspian Sea. Key question is not, if the "corridor" comes but under which conditions. From Russian side the vision is that the transit route must be not only controlled by Russian FSB border troops but the route must be geographically 'cut' from Armenian territory and transferred to Russian control. Thus, on one hand, there is a big geopolitical interest of Russia to monitor the transit between Azerbaijan and Turkey, and on the other hand, after the deepening confrontation with the West, it will be an important transport corridor for Russia to reach its strategic partner Turkey bypassing Georgia and undermining Georgia's role as a transit country.

The geopolitical environment around Armenia has changed with the Russian invasion, too. Because of Russia's invasion of Ukraine, and recent attacks by Azerbaijan against Armenia, there are initiatives in the EU countries and the US to play a greater role in the region. Both Brussels and Washington have proposed an alternative platform for negotiations between Yerevan and Baku. And even though the EU has made very clear, that this is a facilitation platform, which is not competing with Russia and that it has no problem if there are parallel negotiations with Moscow, there is an assumption in Armenia that those are competing platforms. Meanwhile, the Nagorno Karabakh has called for UN-mandated peacekeeping mission, as the mandate of Russian peacekeepers will in end in 2 years and needs to be renewed then which is very unlikely, because Baku will not agree.

No details have been revealed concerning the proposed peace deals but there is an assumption that when choosing the proper mediator and the best platform, Armenia anchors its decision not as much on the content of the deal (it seems there is a silent consensus in the Armenian political elite that there cannot be any positive solution of the conflict for the Armenian side), as on the mediator who can influence Azerbaijan's possible aggressive actions towards not only Karabakh but also towards Armenia. First Charles Michel, and after the September invasion of Azerbaijan also US secretary of state Anthony Blinken show not only institutional but also personal interest in becoming a reliable mediator for both parties: assuring Armenia that they are doing their best to prevent another escalation and assuring Azerbaijan that Armenia will sign the peace agreement thus recognizing the territorial integrity of Azerbaijan. The president of France Emmanuel Macron also shows a big

interest in playing mediator's role but his pro-Armenian statements make him not a desirable partner for Azerbaijan. The supposed December 9 meeting of Pashinyan and Aliiev, for example, has been delayed because of [Azerbaijan's claim to exclude Macron from the mediation team](#).

The main security issue Armenia now faces is the possibility of yet another large-scale war attack, which would enable both Azerbaijan and Russia to reach their strategic goals of opening the corridor in the South of Armenia. [Both military and civil provocations](#) by Azerbaijan are making that fear even more realistic. During editing of this paper, for example, [a group of Azerbaijanis have been keeping blocked the sole road connecting Nagorno-Karabakh to Armenia for the second time in nine days](#). Given the situation in Ukraine and the West's priorities concerning the War against Russia, Armenian society fears that both the invasion of Armenia and possible ethnic cleansing in Nagorno Karabakh will remain unnoticed or will be accompanied by empty political statements only. Even though the EU Parliament has called for targeted sanctions against Azerbaijan, no sanctions have been introduced and the EU is increasing its gas supply from Azerbaijan.

Another extreme in Armenian society is in the "expectation management" concerning the West, and Russia, in Karabakh. The deployment of the EU monitoring mission on the Armenian side of the border with Azerbaijan for two months was warmly welcomed and created a new window of hope that the West is interested and will be able to prevent another war in the region. Likewise, the appointment of Armenian-Russian businessman Ruben Vardanyan in the position of State secretary of Nagorno Karabakh makes an illusion that Russia will help the unrecognized country to gain recognition. These extreme expectations can hinder the negotiation process, too, increasing the risk of military escalation.

Another issue connected with Russia's war in Ukraine is the huge number of Russian immigrants to Armenia, which fled Russia, the number is estimated at around 50,000 people. This has brought significant economic benefits for the country, with Armenia [seeing growth of 14.8%](#), but also increases economic polarization and social challenges. The rent prices in the country skyrocketed leaving many Armenian citizens and refugees from Karabakh unable to maintain apartments. The influx of Russians to Armenia and a soaring ruble resulted in Armenian's dram's appreciation against the dollar, which [has posed a serious challenge to IT companies, export-oriented firms, and other businesses in Armenia that receive their revenues in foreign currency](#).

The political situation in the country is vulnerable, too. All the above-mentioned challenges are continuously being linked to the incapability of the government for reforms and solving these issues as well as Russian mistrust towards the Pashinyan government. These assumptions create extreme discourses about the need to change the foreign orientation of the country or change the government and have a more pro-Russian one. Even though the parliamentary opposition failed in its plans to overthrow the government by street rallies, they stand to gain power with the strong list of candidates in the elections of the Yerevan Council of Elders in 2023. The son of Robert Kocharyan is seen as one of these new politicians who will probably be the candidate of the Mayor of Yerevan.

Thus, the key issues for 2023 are mostly connected with the insecurity and increasing risk of a new war, possible economic challenges for the citizens and businesses, and political instability related to the previous challenges and the municipal elections which can also lead to the failure of the government, if it signs a "peace agreement" with Azerbaijan which is not acceptable to many Armenians.