

**Centre International de Formation Européenne**

**Master in European Integration and Global Affairs**

**Academic Year 2018-2019**



**EU-ARMENIA RELATIONS' DYNAMICS**

**Master thesis by Stepan SARGSYAN**

**Scientific advisor: Dr. Matthias WAECHTR**



Photo source: [ec.europa.eu](http://ec.europa.eu)

**ROME, JUNE 2019**



## ACKNOWLEDGMENT

I would like to express my deep gratitude to my thesis supervisor Dr. Matthias Waechter, Director General of CIFE, for his support and guidance throughout the entire research. Despite his busy schedule he has always been open to my questions, discussions and emails, be it in Berlin, Nice or Rome. His invaluable knowledge in the field allowed me to develop a better understanding of the topic and improve the quality of my work. I am proud that I had the opportunity to work with such a high-level professional and respectable person.

I also want to thank my professors at CIFE for sharing their academic expertise and practical skills with us during the 2018-2019 academic year. Specifically, I would like to express my gratitude to Prof. Dr. Mathias Jopp for his effective lectures on European Neighborhood Policy, which enabled me to gain invaluable first-hand knowledge about the field and to reflect the subject in my thesis.

Finally, I am very grateful to the most important people in my life, my parents and my sister, for supporting me and being by my side in the most difficult moments. Their encouragement and advice motivated me to be a better student and a better human.

### **Abstract**

This work scrutinizes the nature of the EU and Armenia relations through identifying the main internal and external challenges and opportunities affecting on the partnership between the parties.

It discusses the EU's European Neighborhood Policy (ENP), its eastern dimension Eastern Partnership (EaP) project and the EU-Armenia bilateral relations in the institutional frameworks.

We take into consideration how far the EU's projects have gone in Armenia and evaluate their efficiency through achieved results and feedback from the EU and Armenian sides. We also analyze how the 2018 Armenian 'Velvet Revolution' has affected the EU-Armenia integration.

The thesis also reflects the complex geopolitical conditions in the South Caucasus and the role of external factors, which shape the EU-Armenia relations. It focuses on the Armenia-Russia, Armenia-Turkey, Armenia-Iran and Armenia-China bilateral ties and links their side effects with the EU-Armenia association dynamics. The work reveals the political and economic aspects that make Armenia over-dependent on Russia and come up with policy recommendations on how to lessen Armenia's Russian over-dependency and establish a more balanced foreign policy.

And finally, we focus on the Nagorno Karabakh conflict between Armenia and Azerbaijan and how it undermines the EU's regional integration projects in the South Caucasus. We underline the reasons why the EU should increase its involvement in the conflict settlement and come up with recommendations that can strengthen Brussel's positions in the peaceful resolution of the conflict.



## Table of Contents

<b>Introduction.....</b>	<b>6</b>
The objectives and research question of the thesis .....	8
The methodology and used sources .....	9
Structure of Thesis and Contents .....	10
Significance .....	12
<b>Chapter 1.Institutional Frameworks and the Internal Factors influencing the EU-Armenia Integration</b>	<b>14</b>
1.1. The European Neighborhood Policy and Armenia .....	14
1.2. Eastern Partnership .....	20
1.3. EU-Armenia Bilateral Relations .....	26
<b>Chapter 2.The External Factors Affecting the EU-Armenia Relations .....</b>	<b>33</b>
2.1. China as a rising third power in Armenia.....	33
2.2. Armenia as a connecting bridge between the EU and Iran .....	35
2.3. Russia and its Eurasian Economic Union .....	40
2.3.1. The background of Russian overdependence.....	40
2.3.2. Why the EAEU? Pressure by Russia? .....	42
2.3.3. The future in EAEU .....	47
2.4. Relations with Turkey .....	50
<b>Chapter 3.The EU’s role in Nagorno Karabakh conflict .....</b>	<b>53</b>
3.1. Nagorno Karabakh conflict and the current situation in the South Caucasus .....	53
3.2. Security and energy issues: Over-dependency on Russia.....	56
3.3. The EU’s role in the settlement of the NK conflict .....	59
3.4. Why should the EU increase its involvement in the NK conflict? .....	64
3.5. What can be done to strengthen the EU’s positions in conflict management? .....	66
<b>Conclusion .....</b>	<b>71</b>
<b>Bibliography.....</b>	<b>78</b>

### List of Abbreviations

- AA- Association Agreement**
- CEPA- Comprehensive and Enhanced Partnership Agreement**
- CEPOL- European Union Agency for Law Enforcement Training**
- CFSP- Common Foreign and Security Policy**
- CORLEAP- Conference of Local and Regional Authorities for the Eastern Partnership**
- COSME- Competitiveness of Small and Medium-Sized Enterprises**
- CSTO- Collective Security Treaty Organization**
- DCFTA- Deep and Comprehensive Free Trade Area**
- EAEU- Eurasian Economic Union**
- EaP- Eastern Partnership**
- EEAS- European External Action Service**
- EFSA- European Food Safety Authority**
- EMCDDA- European Monitoring Centre for Drugs and Drug Addiction**
- ENP- European Neighborhood Policy**
- EPNK- European Partnership for the Peaceful Settlement of the Conflict over Nagorno-Karabakh**
- EU- European Union**
- FTA- Free Trade Area**
- GDP- Gross Domestic Product**
- GS- Global Strategy**
- GSP- Generalized Scheme of Preferences**
- MG- Minsk Group**
- NATO- North Atlantic Treaty Organization**
- NK- Nagorno Karabakh**
- PfP- Partnership for Peace**
- SCO- Shanghai Cooperation Organization**
- SR- Special Representative**
- USA- United States of America**
- USSR- Union of Soviet Socialist Republics OSCE- Organization for Security and Co-operation in Europe**
- WTO- World Trade Organization**

## Introduction

During the recent 10 years, there have been launched two major integration projects in the South Caucasus, which have largely affected the political and economic changes in the countries involved. Firstly, in 2009, the EU created its Eastern Partnership project, as an eastern dimension of its European Neighborhood Policy. The EaP included six post-soviet states (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine).

Secondly, in 2010 Russia, together with Belarus and Kazakhstan, founded the Eurasian Customs Union (ECU), which in 2015 was renamed as Eurasian Economic Union (EAEU) and included Armenia and Kirgizstan.

Both of the projects offer economic integration opportunities to the participating countries and imply binding legal commitments by the involved states.

Russia labeled the EU's Eastern Partnership program as anti-Russian by default. Russian foreign minister Sergey Lavrov called it as establishing a 'sphere of influence' in the area where according to Dimitri Medvedev<sup>1</sup> Russia has 'privileged interests' (Lavrov, 2009) (Medvedev, 2008).

These mutually exclusive interests in the South Caucasus seem something new for the EU, as since the early 1990s the EU's association projects had never been opposed by the 90s Russian weak leadership and the non-EU countries in the EU's central and eastern neighborhood had been voluntary absorbers of the EU's norms and standards for the sake of financial, economic and institutional awards by the Union. However, the picture of the Eastern Europe and South

---

<sup>1</sup> Medvedev was the president of Russia from 2008 to 2012.

Caucasus changed drastically after the EU's biggest enlargement in 2004 and after the increased Russian influence in the East, which resulted in the creation of a new European Neighborhood Policy in 2004 by Brussels.

The Russian opposing role in the EU's eastern foreign policy became even more obvious in 2013 when Armenia withdrew the DCFTA offered by the EU and joined Russian EAEU in 2015.<sup>2</sup> This was something unfamiliar to Brussels, as previously the neighbors had willingly ratified the DCFTAs in order to deepen the integration with the EU. The Armenian case, however, illustrated that the eastern dimension of the new ENP meets strong competition from the Russian side (DELCOUR, 2015).

The president of Russia Vladimir Putin strives to build a stronger Eurasian Union, which is, in fact, the first post-Soviet organization with real potential. For Armenia, being largely dependent on Russian due to the latter's markets, security guarantees and energy resources, it is a hard task to make choice between the integration projects offered by the EU and Russia. The problem becomes even more complicated for Armenia as because of the Nagorno Karabakh conflict with Azerbaijan, the country has been isolated from most of the regional projects as a result of frozen diplomatic relations and closed borders with Turkey and Azerbaijan.

And even though Armenia is a part of the ENP and the EU is the biggest trading and supporting partner for the country, the association level with the EU still stays limited, mostly because

---

<sup>2</sup> In the second chapter of the thesis we argue that Armenia did not ratified the DCFTA because of the pressures by Russia.

based on Russian pressures, Armenia had to withdraw the Association Agreement<sup>3</sup>, which Brussels offered to Yerevan in 2013.

In this work, we argue that the internal factors in Armenia and in the EU are favorable for a better degree of European integration for Armenia. The growing EU assistance to Armenia and the determination by Brussels and Yerevan to strengthen the bilateral ties are the compelling indicators of the mutual commitments by both sides to the deepen integration. However, the external factors such as the Nagorno Karabakh conflict, the frozen relations with the Turkey and Azerbaijan and the Russian over-dependency, which shape the geopolitical image in the Armenia, limit latter's European aspirations.

### **The objectives and research question of the thesis**

There are several big powers in Armenia among them also Russia, which has a big influence on the country. Taking into consideration Armenia's security, economic and energy dependency on Russia, the EU's ENP should have specific peculiarities in the region to effectively coexist with the other major powers in Armenia, such as Russia, China, Iran and Turkey and in long-term achieve its goals. Therefore, our research question is: *What sort of external and internal challenges and opportunities meets the EU integration in Armenia and how they should be addressed?*

The aim of this thesis is to observe Brussels's European Neighborhood Policy in relation with Armenia, and the geopolitical specifics of the South Caucasus, which make the EU association

---

<sup>3</sup> The Agreement also included a Free Trade Are with the EU, which was the most essential part of the Association Agreement.



relatively more complicated for Yerevan and to come up policy recommendations for the EU and Armenia for enhancing the partnership.

From an Armenian point of view, we consider the Eurasian Economic Union and the European Union, concentrating on the possible positive and negative impact that they may have on the country.

By outlining the specifics of the other major powers in Armenia, we come up with the recommendations for successfully carrying out a balanced foreign policy and for establishing a deeper partnership with the EU.

And finally, the thesis discusses the recent political changes in Armenia after 2018 ‘Velvet Revolution’ and their effects on the EU-Armenia relations. We scrutinize the EU-Armenian relations after the revolution and the formation of the new government.

### **The methodology and used sources**

In order to reach our goals, we have used various related books, articles, normative acts, interviews, policy-papers, and official web-pages from Armenian, European, Russian, and other foreign sources<sup>4</sup>. For the first chapter, we have used the descriptive method of research to scrutinize the reviewed ENP and the EU global strategy and reflected the soft power instrument that the EU uses to achieve its ENP and GS goals in relations with Armenia. In this context, we focus on the work by Daron Acemoglu and James A. Robinson<sup>5</sup> and reflect their suggested

---

<sup>4</sup> I would like to express my gratitude to Mr. Karen Nazaryan, Armenia’s ambassador to Vatican, who helped me to get first-handed information on Armenia-Iran relations and Armenia-EU association.

<sup>5</sup> Daron Acemoglu, James A. Robinson. *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. Chicago : University of Chicago, 2012.

theory of economic growth on the light of the EU's support to building strong state institutes and civil society in Armenia. We have evaluated the efficiency of the EU's projects through analyzing the surveys, estimating the EU's role in political changes in Armenia and reviewing the high-level official statements and interviews from the EU and Armenian sides<sup>6</sup>. The thesis identifies the third power of the region based on the books and articles by Richard Giragosyan, Nicu Popescu, Tigran Mkrtchyan, Tabib Huseynov and Zacha Ondřej, etc.. Through theoretical and empirical methods we link the EU-Armenia relation dynamics with the geopolitical situation in the South Caucasus. We also used the quantitative and comparative research methods to calculate the costs and benefits of Armenian membership in the EAEU. And finally, we have put in use historical and empirical research methods to analyze the Nagorno Karabakh conflict and its impact on the EU's regional integration projects and the relations with Armenia.

### **Structure of Thesis and Contents**

This thesis, which consists of an introduction, three chapters and a conclusion, scrutinizes the EU-Armenia relations in the context of European Neighborhood Policy and the internal and external factors influencing on Armenia's integration with the EU.

The first chapter, consisting of three sub-chapters, discusses the EU's European Neighborhood Policy (ENP), its eastern dimension Eastern Partnership (EaP) project and the EU-Armenia bilateral relations in the institutional frameworks. We pay specific attention to the purposes of

---

<sup>6</sup> The reviewed the statements of Maja Kocijancic (Spokesperson of High Representative of the Union Federica Mogherini), Elmar Brok (EP Foreign Affairs Committee Chairman), Zohrab Mnacakanyan (Minister of Foreign Affairs of Armenia), Nikol Pashinyan (Prime Minister of Armenia), Federica Mogherini (Vice-President of the European Commission and The EU High Representative for Foreign Affairs and Security Policy), Johannes Hahn (Commissioner for European Neighborhood Policy and Enlargement Negotiations), Sergey Lavrov (Minister of Foreign Affairs of Russia), etc..

the reviewed ENP, the main objectives of the project and other related essential details concerning Armenia. The chapter takes into consideration how far the EU's projects have gone in Armenia and evaluates their efficiency through achieved results and feedback from the EU and Armenian sides. Finally, we conclude the chapter by analyzing how the 2018 Armenian 'Velvet Revolution' has affected the EU-Armenia integration.

The second chapter of this work is devoted to external factors and consists of four sub-chapters. Here we observe the third powers in the South Caucasus and in Armenia and analyze what kind of role they play in shaping the EU-Armenia relations. The chapter focuses on the Armenia-Russia, Armenia-Turkey, Armenia-Iran and Armenia-China bilateral ties and links their side effects with the EU-Armenia association dynamics. It also elaborates about the Russian backed Eurasian Economic Union (EAEU), the objectives of the Union and the geopolitical reasons for its creation. It reveals the political and economic aspects that make Armenia over-dependent on Russia. We conclude the second chapter by discussing what can possibly be done to lessen Armenia's Russian over-dependency and establish a more balanced foreign policy between the EU and the EAEU integration projects.

And finally, in the third chapter, we focus on the Nagorno Karabakh conflict between Armenia and Azerbaijan and how it undermines the EU's regional integration projects in the South Caucasus. In the five sub-chapters, we elaborate about the background of the dispute and the EU's role in the conflict after the creation of the Common European Foreign and Security Policy (CFSP) and European Neighborhood Policy. We put forward the reasons why the EU should

increase its involvement in the conflict settlement and come up with recommendations that can strengthen Brussels's positions in the peaceful resolution of the conflict.

### **Significance**

The 2018 political changes in Armenia injected fresh blood into the negotiations processes over Nagorno Karabakh conflict between Armenia and Azerbaijan. The 2018 'Velvet Revolution' in Armenia, which positively affected the country's democratic image, also has the potential to strengthen the integration with the European Union. These can be a fresh start for the EU to advance its role in the South Caucasus, especially through increasing its intermediary role in the peaceful resolution of the Nagorno Karabakh conflict, which is a potential explosive in the EU's eastern neighborhood and which undermines the Brussels's regional integration projects in the South Caucasus.

Apart from the internal factors in the EU and Armenia, the relations' dynamics between Brussels and Yerevan are also shaped by the complex geopolitical characteristics of the South Caucasus. So, from an EU perspective, it is essential to determine the lines of cooperation with the main external powers in Armenia in order to strengthen its positions and in the long-term achieve its foreign policy goals in relations with the country.

As from the Armenian point of view, the balancing of its foreign policy is a key element for the national security. The Russian dominant position in the country, Nagorno Karabakh Conflict and the closed borders with Turkey and Azerbaijan raise some crucial issues for the country concerning the EU integration.



As a consequence, the links between Brussels and Yerevan are shaped by the complex geopolitical issues in the South Caucasus combined with the internal objectives and developments in the EU and Armenia.

This work discusses the essence of the EU and Armenia relations through identifying the main internal and external opportunities and challenges affecting on the partnership between the parties and comes up with recommendations for Brussels and Yerevan in order to boost the EU integration in Armenia.

## Chapter 1

### Institutional Frameworks and the Internal Factors influencing the EU-Armenia Integration

#### 1.1. The European Neighborhood Policy and Armenia

In order to have a clear understanding of EU-Armenia relations in a more institutional context, first of all, we take into consideration the EU's European Neighborhood Policy (ENP) and its objectives. The ENP was created in 2004 based on the European Commission's approaches to a "Wider Europe" Neighborhood concept. The main purpose of ENP was to establish principles for the political and economic association with the EU's neighboring countries. The ENP, which is the main document defining EU's relations with its eastern and southern neighbors, has last time been modified in November 2015. The basic principles of the policy emphasis the cooperation and association with the Union's eastern and southern neighbors 'to foster stabilization, security and prosperity, in line with the Global Strategy and the European Union's Foreign and Security Policy' (Communications, 2016).

The ENP brings together the EU's eastern and southern neighbors to work jointly on the fields, which are important for the European foreign policy objectives. The key spheres for cooperation include supporting democracies and rule of law, protection of human rights, and strengthening social cohesion. The modified policy strives to promote stabilization in the EU's neighborhood by supporting positive changes in political, economic, and security domains. The main specifics of the modified policy are flexibility, more involvement of the EU member states, shared responsibilities and differentiated association approaches with partners, which means



the better the country makes its policies in line with the EU's guidelines and regulations, the higher the possibilities for financial and institutional support by the EU. Thanks to the new ENP the neighbor countries have the possibilities to better access to the EU markets and regulations, joint programs and the Union's internal institutions.

The EU mainly supports the neighboring regions through its European Neighborhood Instrument with a 15 billion EUR budget for 2014-2020 (Ibid).

The ENP is a joint initiative and requires a commitment to the established guidelines and objectives by both the Union and neighbors. The EU implements its ENP through the European External Action Service (EEAS), European Commission's agencies and with the support of the member states in line with common European Foreign and Security Policies. The EEAS supports the working agenda of the high representative of the Union for Foreign Affairs and Security Policy, vice-president of the Commission Federica Mogherini and the commissioner dealing with the enlargement and neighborhood policy issues.

The EU works with sixteen (Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Republic of Moldova, Morocco, Syria, Palestine, Tunisia, Ukraine) eastern and southern neighboring countries both bilaterally and regionally. Even though the modified policy emphasizes the differentiated 'more for more' bilateral approach, the countries are also included in two regional groups: in the Eastern Partnership (Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova, Ukraine) and the Union for Mediterranean (Albania, Algeria,

Bosnia and Herzegovina, Egypt, Israel, Jordan, Lebanon, Mauritania, Monaco, Montenegro, Morocco, Palestine, Syria (suspended), Tunisia and Turkey, Libya) (Communications, 2016).

Over time the ENP has been largely reviewed and changed in order to address the new challenges concerning stability, security and prosperity. The most recent modification of ENP has been conducted by the EEAS and the European Commission's Services. Considering peace and stability for a precondition for long and medium-term sustainable development, the changes were made in line with EU's Global Strategy, which aims to increase the stabilization in the European Neighborhood. The reviewed policy adopted differentiated, country by country, strategy and encourages individual countries by financial and other support to increase the cooperation in security and economic affairs with the EU in line with the European values and standards.

In this regard, four main areas of collaboration have significant importance for the EU:

1. Good governance, democracy, rule of law and human rights,
2. Economic development for stabilization,
3. Security,
4. Migration and mobility.

The differentiated approach allows the Union and the partners to be more flexible in cooperation. Since each country has a different level of political association and economic integration with the EU, this approach makes cooperation more dynamic for the states, which



better implement the Union's guidelines and regulations. It also betters the control of the fast-changing political and economic situation in partner countries (Ibid).

The ENP countries have potential access to over twenty EU programs to various extents. For the participation in the programs, the ENP countries have to negotiate a special protocol with Brussels. Armenia became a member of Competitiveness of Small and Medium-Sized Enterprises (COSME) in 2015, it also became a full member of Horizon 2020 in 2016. The European Commission has also authorized the ENP countries to participate in a wide range of EU agencies (FRONTEX, EUROPOL, CEPOL, EEA, EFSA, EMCDDA, etc.) (Armenia, 2016). The participation in the agencies varies depending on the structure and the regulation of the respective agencies. Each ENP country has different levels of participation in the EU agencies.

An essential element of the ENP is the bilateral relations with each partner countries. The EU sets specific action planes and association agendas with every country, which defines the political and economic reform for long and medium terms varying from 3 to 5 years. The action planes take into consideration countries needs and abilities and the spheres that are in the EU's interests. Through its ENP, Brussels works with the partners to promote social inclusion and participation in the countries and to assist the neighbors in areas of economic integration and institutional approximation with the EU.

The EU's bilateral and regional cooperation with the ENP countries has proved to be highly effective for the Union and the partners. Bilateral associations allow partners to be more flexible and act in line with the fast changing political and economic environment. It also



motivates countries to accelerate and better implement approximation policies to get more support from the Union. From an EU perspective, it is a better way to differentiate partners who show more political will and readiness for the integration on one hand, and on the other hand it allows the EU to better monitor and manage the resource distribution not only in a country as a whole but also in specific sectors within a country. Furthermore, regional association contributes to the country by the country corporation and the other way around.

Brussels has a significant presence in the specific sectors in the ENP countries. Cooperation with the neighbors in specific fields makes positive changes in citizens' life directly. The improvement of the judicial sector in the ENP countries is one of the prior aspects for the EU. It supports countries to build independent courts and strengthen the rule of law. The approximation of judicial system is the key for fair and equal protection of fundamental human rights and social and economic participation for all citizens.

The ENP countries are encouraged by potential extended access to the EU's internal markets, social and economic domains, on the condition of better governed and stronger institutions, which guarantee the equal and fair social and economic participation of all the people. The better accesses to the economic and social activities are preconditions for the economic growth and job creation. The EU also emphasizes the importance of consumer protection, social protection services, better working conditions, food safety (Communications, 2016).

The ENP is based on the use of the EU's soft power. These elements are clear indications of the EU soft power strategy for the neighbors. It does not directly impose any sanctions or

restrictions on the countries, but it simply makes the neighbors want what it wants, based on 'more for more' principle. So, the countries are eager to absorb the EU's norm and standards in order to get political and financial support through having access to the EU's markets, institutes and programs. To this end, the EU uses the right instruments for the ENP countries, since thanks to this tactic significant changes have happened towards the approximation of the Union's standards and regulations in the ENP countries, which have directly or indirectly resulted in expected positive political and economic changes (Tulmets, 2006). The EU soft power instruments have strong importance in Armenia, as they have helped the country to build more democratic institutions through support to the civil society and judiciary reforms. Brussels is keen on to continue the assistance of these procedures in Armenia thanks to positive political dynamics in the country (Mogherini, 2018). The strong and independent institutes are one of the most important preconditions for sustainable economic growth (Daron Acemoglu, 2012). In this context, the EU's policy to contribute to the strengthening of the governmental institution through its soft power tools in Armenia has a long-run strategic value in Brussel's foreign policy with Yerevan.

The ENP also promotes intercultural interactions, cross-border mobility and people to people exchanges. It fosters relations in the areas of trade, tourism, transport and energy. The policy pays special attention on youth exchanges, educational exchanges in the neighbor countries, hence strengthening human capacities and inclusive civil societies.

EU's sectoral cooperation with the partners is an essential element of ENP. It fosters EU values, well governed-institutions, also gives wide a range of opportunities to the countries to benefit from EU's internal markets and institutional supports.

## **1.2. Eastern Partnership**

Eastern Partnership (EaP) is the eastern dimension of reviewed (2015) EU's ENP. It was created in the Prague Summit in 2009 and aims to bring together 6 eastern neighbors (Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine) to strengthen the bilateral and regional cooperation between the EU and the partners. The Partnership strives to increase the cooperation between the parties to reach tangible results for citizens in the spheres of shared democracy, stability, security and prosperity. Additionally, it helps partners to build resilient societies, to jointly tackle internal and external challenges.

Since its creation, the EaP has developed in line with the changes happened and has enlarged its spheres of policy in sectoral areas with the partners. The most recent policy developments in the EaP are connected with the review of the EU's ENP (2015) and Global Strategy (2016), which both underline the importance of building stable and resilient societies in the European neighborhood. Brussels is committed to establishing mutually beneficial bilateral links with each and every EaP country, depending on the commitment and the political will by their side (European Union External Action, 2016). The bilateral associations of the EaP states with the EU differ from country to country, depending on their engagement in the approximations with the EU norms and standards. Brussels's relations with Georgia, The Republic of Moldova and

Ukraine are based on the Association Agreements and Deep and Comprehensive Free Trade Areas (AA/DCFTAs), which opens a new level of cooperation between parties. It aims to deepen economic integration and political association. The AAs links the countries closer with the EU by aligning them with the Union's legislative frameworks, norms and standards (Ibid.).

Based on the differentiated approach the EU has signed a new Comprehensive and Enhanced Partnership Agreement with Armenia in November 2017, which takes into account the country's commitments to the other international organizations and Unions.

Brussels continues negotiations with Azerbaijan for a new agreement, which better reflects the parties' interests.

As for Belarus, the Union keeps on having its critical engagement in the country. The arrest of opposition leaders after the presidential elections in 2010 and the situation of human rights and freedoms have limited EU support. However, in recent two years, there have been signs progress in visa facilitation processes for Belarus citizens and the country also is involved in multilateral programs between EU and EaP countries. The future progress in EU-Belarus partnership largely depends on the country's commitment to respect fundamental human rights and freedoms (Council's conclusions on Belarus, 2016).

While the bilateral partnership with the EU is mainly based on the commitment level of each of partner countries, the multilateral structure of the EaP involves all the six countries. There are areas, such as migration, border management, climate change and environment, disasters, etc., which require united approaches and shared responsibilities by the partners. The multilateral

partnership also allows the exchange of best practice and fosters close links and cooperation between partner countries among themselves and between the EU.

One of the main objectives of the EU's ENP is the stable neighborhood of the EU, and the peaceful resolution of potential disputes should be addressed in more institutional frameworks through cooperation and partnership.

The multilateral communication between all parties should be one of the main priorities of the EU's EaP policy, as it can serve an important role in conflict prevention in the region, and it also can gradually become a platform, where the parties can address issues of common interests.

Leaders of each EaP member country meet on annual bases at the Eastern Partnership Summit. The last Eastern Partnership Summit took place on 24 of November 2017, in Brussels. During the summit, the heads of the states agreed on the implementation of 20 deliverables by 2020 and new multilateral structure of the EaP. The 20 deliverables focus on four main areas:

1. 'Economic development and market opportunities',
2. 'Strengthening institutions and good governance',
3. 'Connectivity, energy efficiency, environment and climate change'
4. 'Mobility and people-to-people contacts' (20 Deliverables for 2020, 2016)

On 14 May 2019, the EU and the six EaP countries celebrated the 10<sup>th</sup> anniversary of EaP in Brussels. During the high level conference the president of European Commission Jean-Claude Juncker, High Representative of the Union for Foreign Affairs and Security Policy, Vice-President

of the European Commission, Federica Mogherini and the Commissioner for European Neighborhood Policy and Enlargement, Johannes Hahn, together with the leaders and foreign ministers of EaP countries marked the ten years' achievements of the EaP and discussed the future projects and the positive changes for the citizens within the EaP. The leaders paid specific attention to the implementation of '20 deliverables for 2020'. The EU member states' ministers of foreign affairs, civil society representatives, young people and journalists also participated in the conference (E. Commission, 2019).

"The Eastern Partnership is fundamentally a future-oriented partnership for the citizens and with the citizens; firmly focused on what is important for them. Together we are working towards stronger economies, stronger governance, stronger connectivity and stronger societies", said President of European Commission, Jean-Claude Juncker. "And our trade has increased with each of the six Eastern Partnership countries, which together are the EU's 10<sup>th</sup> trading partner. I would like us to continue to focus on the content of what we believe we should do together so that our Partnership can keep its promises" (Ibid).

The commissioner Hahn stressed the importance of the '20 deliverables for 2020' and step by step implementations of the planned actions toward the good governance, stronger economy, society and connectivity in all six EaP countries. 'The Eastern Partnership enables all six partners to address issues of common interest with the EU' said the commissioner during the conference (Ibid).



High representative, Federica Mogherini emphasized the positive changes that the EaP has brought to the citizens especially the young ones. She said that thanks to the partnership, now it is easier for EaP citizens to trade, do business, travel and study in Europe. “Our friendship today is much more mature than it used to be. We are much more focused on what truly matters to our citizens. Their priorities will continue to be the focus of our friendship” said Mogherini (Ibid).

‘After 10 Years of Eastern Partnership, there is more Armenia, Azerbaijan, Belarus, Moldova and Ukraine in the EU and more EU in the countries than ever before. We are not only neighbors, but we are also members of the same European family’ said the president of the European Council, Donald Tusk, in his speech during the celebratory dinner for the leader of the EaP countries (Union, 2019).

The achievements of the EaP have been valued also by the Armenian side. During the meeting of the EaP foreign affair ministers on 13 May 2019, the foreign affair minister of Armenia, Zohrab Mnacakanyan, underlined three most important factors for Armenia within the EaP. First of all, he appreciated the Brussels’s recognition of Armenian ‘complimentary’ foreign policy through signing the Comprehensive and Enhanced Partnership Agreement with Yerevan, which allows the latter to develop a more diversified and flexible external relations with the EU and other international partners. Secondly, Minister Mnacakanyan mentioned that Europe and Armenian share similar values based on common civilizational heritage, cooperation, democracy and the respect of human rights and freedoms. And thirdly, the foreign minister of





Armenia valued the EU's and Armenia's commitment and cooperation for strengthening democracy and protecting fundamental human rights, the best illustration of which was the 'Velvet Revolution' in Armenia in 2018.

"We are keen to strengthen our relationship with Europe, based on mutual respect and recognition of interests and security concerns, acceptance of our own responsibilities of democratic governance and accountability, while also expecting European assistance in empowering our reforms and sustainable development, promoting people-to-people contacts, including visa-free travel as well as cultural, educational and scientific exchanges and other exchanges" said Mnacakanyan (M. o. Armenia, 2019).

The EaP also involves participation from civil societies coming from respective countries. The Eastern Partnership Civil Society Forum brings together organizations representing the civil societies of the partner countries. It allows the exchange of best practice between organizations and also ensures their participation and impact on the democratic process in the countries through increasing participatory governance and holding the government accountable bearing on mind the European Integration processes and also potential membership in the future (Forum, 2016).

The civil society plays a major role in democratic transition processes. Prior to the peaceful revolution of 2018 in Armenia, the civil society had been strengthened constantly through participation in several major initiatives and protests, as a result of which the emerging

Armenian civil society played a crucial role in the ‘Velvet Revolution’ in the country in 2018 (Ghevondyan, 2018).

So, we believe that the impact of the EU’s support to the civil society organizations and initiatives have proved to meet the EU’s objectives concerning strengthening democracy in Armenia. It is also a very strong mechanism to keep governments responsible and accountable to people (Ibid). To this end, the EU’s assistance to the civil society organizations should be continued in the post-revolution Armenia to assist the country to finalize establishing strong democratic institutions.

The EaP comprises the Conference of Local and Regional Authorities for the Eastern Partnership (CORLEAP), which represents officials from the governments, who are the closest to the people in governing apparatus and the Euronest Parliamentary Assembly, which provides parliamentary supervision of EaP. In addition, there are youth, business and media events every two years (Eastern Partnership, 2016).

### **1.3. EU-Armenia Bilateral Relations**

Cooperation with the EU is one of the main foreign policy priorities of Armenia. Since independence, the partnership with the EU has positively impacted the reforms in the fields of economy, justice, good governance, and the establishment of strong institutes. It has had an important role in the democratization processes and the protection of fundamental human rights and freedoms.

The new EU-Armenia Comprehensive and Enhanced Partnership Agreement (CEPA), signed on November 24, 2017, opens a new level of cooperation between the EU and Armenia. It mainly focuses on the areas of mutual interest, particularly on economic, political and sectoral cooperation. The parties are also committed to promoting peace and stability on regional and international levels; enlarge the cooperation in the fields of security, justice and human rights. The agreement aims to increase respect for the rule of law and fundamental human rights and freedom.

Armenia is one of the ENP countries and it was also included in the EaP in 2009. The new European Neighborhood Policy, the EaP and the new CEPA replace the previous EU-Armenian Partnership and Cooperation Agreement. The new document provides far-reaching cooperation framework for the parties, including the spheres of policymaking, economy, justice, and culture (COMMISSION, 2017).

A 2018 opinion survey by the EU Neighbors East project shows that the Armenians have growing positive cognition of the EU and its projects.<sup>7</sup>

The positive attitude among the Armenian population about the European Union is rising. 48 % of Armenians have a positive point of view about the EU<sup>8</sup> and only 8 % has a negative opinion on the EU. 80 % of the survey participants think that relations with the EU are good, which is ahead of the regional average (63%). This number has increased by 4 % compared to the

---

<sup>7</sup> The EU Neighbors East initiative carries out annual surveys in six EaP countries on the perception of the EU and its programs.

<sup>8</sup> The same number as in previous, 2017 year.

previous year survey number. 70 % of the population of Armenia trusts the EU<sup>9</sup>, while the number of people trusting in the EAEU has declined (48%). 69 % of people are aware of the EU support to Armenia, which is an increase of 4 % compared with the number of 2017. Up to two third thinks that the EU assistance is helpful for the country (regional average is 48 % in the Eastern neighborhood countries) (E. N. east 2018). Interestingly, for 59 % of interviewed people peace, security and stability are the most important values for Armenia and 77 % of them associate the EU with the mentioned criteria. Over three quarters of Armenians who have heard of the EU strongly or very strongly 'associate it with individual freedom (87%), economic prosperity (86%), human rights (86%), freedom of speech (86%), respect for other cultures (85%), rule of law (82%), freedom of religion (81%) and of the media (79%) and democracy (76%). However, only 48% of the population is convinced that the EU fosters the preservation of traditional values in their society'. Trust towards the EU is mirrored by the opinion of relations between Armenia and the EU. 80% of Armenians (up 4% compared to 2017) describe them as 'fairly good' (71%) or 'very good' (9%). The EU is also perceived as an independent actor in foreign relations by 58% of the population (east, 2018).

Additionally, the majority of the citizens think that Armenia benefits from the EU in the fields of the justice system, infrastructures, healthcare, tourism, education and democracy.

On 5 of March 2019, as a part of his first official visit to Brussels the Prime Minister of Armenia, Nikol Pashinyan met with Federica Mogherini, Vice-President of the European Commission and The EU High Representative for Foreign Affairs and Security Policy. Pashinyan underlined that

---

<sup>9</sup> The number has increased by 5% compared with the year of 2017.

the EU is an important partner for Armenia and that the political changes in the country have strengthened the relations with the Union. He mentioned that Yerevan is eager to deepen the cooperation with Brussels in all areas of mutual interests. The parties also discussed other issues such as the visa liberalization, the EU's assistance to the state institutions and the enhancing of the bilateral partnership (Pashinyan, 2019).

The EU-Armenia partnership is also deeply valued from the EU side. After the Armenian Velvet revolution in spring 2018, positive messages come from Brussels.

On 21 May 2019, the European Union released a report on the EU-Armenia relations after the 2018 May changes in Armenia. The report establishes that Armenia continues to stay committed to strengthening the ties with the Union and implementing the reform agenda through the assistance of the EU. There is still a lot of work to do to fully implement the reforms in the country and the Comprehensive and Enhanced Partnership Agreement with the EU can be an important guideline for the changes.

The Union reports that the trade between the EU and Armenia has increased by 15 % compared with the previous year, reaching the limit of € 1.1 billion. 96 % of the Armenian exports entered the EU with zero tariffs, benefiting from the Generalized Scheme of Preferences (GSP+).

The EU also supported Armenia during the parliamentary election in December 2018, through providing technical assistance and strengthening public participation. According to International Elections Observer Missions, the elections were held in line with the democratic principles and enjoyed wide public trust.

Additionally, Armenia emphasizes the importance of the strong and independent state institutes and the clear separation of the power branches. Brussels has confirmed to fully support the country to establish a free judiciary system (EU-Armenia Partnership Implementation Report, 2019)

In May 2019, the Prime Minister of Armenia, Nikol Pashinyan, announced that the current judiciary system of the country does not have the public trust and it is perceived as a part of the previous corrupted governments. Pashinyan underlined that the reforms in the current system are crucial for a fairer judiciary system in Armenia (T. P. Armenia, 2019).

Soon after the announcement of the Prime Minister, the EU delegation to Armenia and the Ambassadors of the EU Member States to Yerevan came up with a joint statement, that the Union is ready to technically and financially assist Armenia to establish a better Justice strategy in line with the commitments to the CEPA, EaP and the Armenian constitution (D. o. Armenia, 2019).

According to Freedom House, the recent political changes in Armenia have positively affected the democratic picture of Armenia.

Freedom House yearly publishes the freedom rate of the world's countries based on the situation in the countries concerning the protection of fundamental human rights and freedoms. In order to generate the aggregate score of freedom in a country, the annual reports take into consideration the individual freedoms such as the rights of voting in free elections, participation in the political processes, expression of belief and religious, ability to freely

participate in assemblies, equal access to system rule of law, social and economic freedoms, etc.. The level of freedom is estimated through 100-score system, where 0 means least free and 100 means most free.

According to the House's current 2019 report, the political changes in Armenia have positively affected also on the countries freedom score. In 2018, Armenia had 45 scores and according to the current, 2019 report, the freedom score of Armenia is 51, which means the country has improved its positions on the list by 6 points after the 'Velvet Revolution' (House, 2019).

"The European Union has been and will continue to be the biggest supporter of the Armenian government's ambitious reform plan, which is consolidating democracy, the rule of law and promoting human rights in the country", said the High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the European Commission, Federica Mogherini. "Armenia is an important partner for the European Union, and together we are focused on implementing our wide-reaching bilateral agreement, as well as delivering concrete results within the Eastern Partnership. We always keep firmly in mind that our aim is bringing tangible benefits to our citizens" (EU-Armenia Partnership Implementation Report, 2019).

"The EU and Armenia are strong partners and we stand ready to support concrete reforms, including in the area of justice and education, which are key for the people", said the Commissioner for European Neighborhood Policy and Enlargement Negotiations, Johannes Hahn. "The swift implementation of the Comprehensive and Enhanced Partnership Agreement offers new economic opportunities for all Armenian citizens" (Ibid).



In conclusion, the nature of bilateral relations between the EU and Armenia are highly valued by both sides. The political changes in Armenia after the 2018 Velvet Revolution have affected on the links with the EU in a favorable way, as the new government of Armenia, which was elected through fair and transparent elections and enjoys huge public trust, relies on the EU and strives to build closer relations with the Union. In turn, this is acknowledged and appreciated by the EU. Brussels encouraged the peaceful nature of domestic political changes in Armenia and pledged to assist the country in various fields through the CEPA, EaP and ENP instruments.



## Chapter 2

### **The External Factors Affecting the EU-Armenia Relations**

Richard Giragosian describes Armenian foreign policy as ‘complimentary’, meaning that it tends to be inclusive for the Russian, Western and other third powers’ political domains, which have influence in the South Caucasus (R. Giragosian, 2018). It means a more diversified of relations between the two countries have indicated that Kremlin is not a very reliable partner for Yerevan. Increasing Russian arms sales to Azerbaijan and weak support to Armenia during the short war (which took place in April 2016 in Nagorno Karabakh) force Armenia to look for new alternative powers for its security guarantees.

Considering the frozen diplomatic relations with Ankara, Yerevan seeks to find other potential destinations for more diversified foreign policy, particularly through collaborating with the EU, China and Iran. A more diversified foreign policy certainly opens more perspectives for the EU-Armenia integration as well, as it reduces the economic and security dependency from Russia. Therefore, the dynamics of the relations with third powers are prior factors, which can influence the future of the EU-Armenia association. These aspects have specific importance for Armenia, as in order to successfully balance its ‘complimentary’ foreign policy the country has to do accurate calculations between its Russian ‘strategic partnership’ and ‘more pro-western aspirations’ (Ibid).

#### **2.1. China as a rising third power in Armenia**

In order to have a clear idea about the big image of the regional integration of the South Caucasus, it is not enough to limit the research of the Armenian foreign policies and regional integration projects purely from a perspective of the EU-Russian potential confrontation. The picture of the EU's eastern neighborhood is more complicated and multifarious than that. Besides Russia and the EU, there are also other third powers, which have important roles in the region. For this reason, Brussels and Yerevan have to determine all the major powers and their role in Armenia out of a narrow EU-Russian focus. This will assist parties to ensure regional and national security, and to successfully establish differentiated foreign policy (R. Giragosian, 2018).

China is one of the main powers, which tends to strengthen its roots in Armenia and is becoming a more and more influential player in the country. Beijing has ambitious foreign policy objectives, which tends to position China as a security actor in international relations. To reach its goals China has started to export advanced arms and provide a multinational scope of collaboration to increase its trust and dominance in Armenia. Criticizing Russian arms trade with Azerbaijan, Armenia has become the first South Caucasian country to buy sophisticated weapons (AR1A missile system) from China in 2013. Later, Kazakhstan and Turkmenistan also started to buy Chinese military products, hence opening the doors of the EAEU for China. This, in fact, lessens the Russian huge share in the EAEU market, giving the countries more flexibility to have differentiated accesses to international weapons' markets.

Another progress was made in Armenia-China military cooperation in 2017 when the parties signed a collaboration agreement, which allows the Armenian armed forces to receive training by the Chinese military experts. Yerevan has also received a dialogue partner position in Shanghai Cooperation Organization (SCO), with a potential perspective for full membership.

Additionally, the China-Armenia increasing trade volume (in 2016 over 412 million, in 2017 over 600 million) diversifies the Armenian trade relations too, resulting in the lessening of Russian economic over-dependency.

The Chinese increasing security role for Armenia can have both negative and positive consequences for EU integration. The good news is that it weakens Moscow's monopoly positions as an arms provider for Armenia. This can assist Yerevan to become less dependent on Moscow for the security reasons and will allow it to have more flexibility for the foreign policy maneuvers. A reduced dependency can ultimately intensify the EU association for Armenia. On the other hand, Chinese rising power in Armenia and in the other South Caucasian countries might make the EU's eastern neighborhood affairs even more complicated. Beijing is known for also supporting authoritarian regimes, which might challenge Brussels objectives to promote democratic values in the East. In this context, depending on the future developments, the EU may have to consider new strategies to deal not only with the Russian manipulations but also with the possible Chinese negative influence in the East (M. o. Armenia, 2018).

## **2.2. Armenia as a connecting bridge between the EU and Iran**

Armenia is Iran's most important partner in various key areas and Tehran tries to develop comprehensive relations with Yerevan. The Iranian governments pay specific attention to the economic recovery of the state and this has also been reflected while building the relations with Armenia. In recent years the main focus has been put on economic aspects in the agreements between the two countries. Iran's increasing economic interests in Armenia are very much in favor of the latter's plans to diversify the economy and foreign policy. The partnership between the countries is not only based on historical ties, but also on more practical security issues concerning both sides. Since Armenia is blocked by its western and eastern neighbors – Turkey and Azerbaijan respectively – the strong economic ties and trade relations with Iran play crucial roles for the country (Abrahamyan, 2015).

From an Iranian perspective, taking into consideration the unrests in neighboring Iraq, Afghanistan and Syria, Armenia is the only stable neighbor. Additionally, the two countries have been isolated from one of the biggest regional project Baku-Tbilisi-Ceyhan pipeline and for both the countries the bilateral relations have 'shared sense of isolation and a deepening degree of mutual need' (Giragosian, 2018). So, the bilateral economic and political relations have a specific value for them.

Yerevan and Tehran have initiated bilateral and multilateral cooperation to reach a better level of economic partnership. To boost the multilateral economic partnership, an Armenian-Iranian-Russian-Georgian board has been launched for facilitating the trade relations, business investments and administrative issues between countries (I. Armenia, 2017). On the bilateral

level, the two countries strive to approximate sector-based industries in order to eliminate the procedural obstacles impeding the trade between countries (ARMENPRESS, 2017). Another mechanism, which strengthens the economic ties of the countries, is the ‘preferential tax treatment for Iranian commerce to operate and export to Armenia’ (Sharashenidze, 2015).

The partners have created “Megri” free economic zones, which attract investors from both countries and boost touristic flows (Baghi, 2017). It is expected that the free economic zone will offer a duty-free status to Iranian products and will allow reexporting them to Russian and the EAEU markets. Armenia also tries to increase its role of being a connecting hub between the European and Iranian markets by providing improved railways and roads to better connect the ‘Persian Gulf and Black Sea ports in order to reach European markets’ (R. Giragosian, 2018).

Additionally, Armenia and Iran work together to increase the energy connectivity between the states. A \$120 million project is being carried out to link energy transmission networks, which will allow increasing the Armenian electricity exports to Iran. The new transmission link together with already existing two other similar links will provide seasonal electricity for the northern regions of Iran. This will be a way of electricity exchange by Armenia against Iranian gas.

However, the energy field is the most complicated one for future collaboration. The problem is that Armenia imports over 2 billion cubic meters of its annual gas consumption from Russia (80%) and only 500 million cubic meters (20%) from Iran. The pipeline coming from Iran is limited and any future discussions to increase gas exports from Iran meet strict criticism from

Kremlin. Of course, Russia wants to be out of competition in gas exports to Armenia, which ultimately results in Armenian energy dependency from Russia. Theoretically, the potential increased supply of Iranian gas has the possibilities to reach even to the EU markets through the territory of Armenia. In this scenario, the competition for Russian gas against Iranian gas would rise not only in Armenia but also in Europe (Socor, 2007). This is why Moscow imposed Yerevan to reduce the diameter of the 141-kilometer Iranian pipelines from 1,420 to 700 millimeters to make additional exports impossible.

Other links, which can possibly tie Iran, Armenia and the EU, are the business opportunities. European and western companies have troubles to reenter the Iranian markets not only because of internal and external sanctions against Iran but also because of interruption of business relations. European companies no longer have enough knowledge and expertise in the Iranian markets. In this regard, thanks to the permanent migrations flow and business opportunities between Armenia and Iran, bilateral business relations have never worsened even during the period of western sanctions on Iran. In this context, Armenian enterprises have the ability to become connecting links for the European and Iranian companies to restore the EU's business ties in Iran.

The EU and Iran also have some common geopolitical interests in the South Caucasus, particularly in Armenia-Azerbaijani relations. First of all, the potential escalation of the Nagorno Karabakh frozen conflict between Armenia and Azerbaijan is against the interests of both sides. In April of 2016, when the short war occurred between Armenia and Azerbaijan, the messages

coming from Brussels and Tehran had the same meaning for the fighting parties: to prevent military confrontations. Both the EU and Iran do not want another escalating conflict in their neighborhood. One of the EU's main foreign policy objectives is the stability in its neighborhood, and as for Iran, it is an essential security question not to have another hot-spot close to its northern borders. Taken into consideration the Iranian unstable neighborhood (Iraq in the east, Afghanistan in the west, and Iran's tensed relations with Arab Gulf) another conflict in the northern border can make Iran extremely vulnerable. In this respect, Brussels' and Tehran's positions in the Nagorno Karabakh conflict coincide, as for both of them the peaceful resolution of the frozen conflict is a priority.

Having the same interests in the region, Brussels and Tehran can work together to build a more stable shared neighborhood. Iran has strong political capital and historical ties with both sides of the Nagorno Karabakh conflict Armenia and Azerbaijan (Ibid). And the EU is an important economic and political partner for each of the fighting countries. So, Iran and the EU can use their influence in the region to design joint actions for facilitating the dialogues and trust-building activities between the conflicting parties in order to create the necessary environment for the peaceful settlement of the NK dispute.

In conclusion, Armenia-Iran collaboration has great potential to evolve from a simple bilateral partnership to a multinational project. It can provide more differentiated political, economic and security opportunities for both countries. Armenia has the capacity to become a bridge between Iranian and European markets with an improved railroad structure. At the same time,

being a member of EAEU, it can also successfully link Iranian products with Russian and other EAEU markets. Additionally, Iran has the capability to turn into an alternative energy supplier for the EU and Armenia. However, the future of Iran-Armenia-EU relations largely depends on Kremlin foreign policy and the USA sanctions against Iran (Giragosian, 2015).

### **2.3. Russia and its Eurasian Economic Union**

#### **2.3.1. The background of Russian overdependence**

Even though Armenia tries to bring variety to its foreign policy as much as possible, there is not much space for that. The possible maneuvers by the country are strictly limited because of the frozen conflict of Nagorno Karabakh with Azerbaijan and the closed borders with its western neighbor Turkey.

The Russian oriented foreign policy of Armenia started after the collapse of the Soviet Union when the newly independent country was in a dire need to ensure its national security through partnership with a major power. At that period the choice had a reasonable explanation - the security issues of the country- but over time it has caused overdependence on Russia, which in turn, has had several negative effects on Armenia. In particular, Russia has a big share in such important sectors in the country such are energy and telecommunication sectors, mining industry and railroad system. Russia also supervises the Armenian borders with Turkey and Iran, and the only Russian military base in the region is situated in Armenia. This 'dangerous degree' of over-dependency has been a threat to the national sovereignty of Armenia and has resulted



in a limited level of resiliency in the foreign policy of the country. The withdrawal of Association Agreement with the EU is a compelling example of this.

In return to the commitment to its partner, Armenia gets cheaper arms and military equipment from Russia and security guarantees by being a member of Russian led CSTO, which provides a military umbrella for Armenia. However, Russia also trades weapons with rival Azerbaijan, which is logically an armament campaign by Moscow against its own strategic partner Armenia. The four days war in April 2016 and the Russian reaction on the confrontation also reveal the signs that Armenia should not so heavily rely on Russia and its sponsored CSTO. This logic of the events and the rhetoric of the Russian side have resulted in Yerevan's realization of 'poor relation' in security aspects with Moscow. And this has led to a crisis in Russian-Armenian relations, which ultimately has forced Armenia to reevaluate its foreign policy orientations and seek better balancing of external powers for national security (R. Giragosian, 2018).

In this context, Armenia managed to successfully start another round of negotiations with the EU, which resulted in signing the Comprehensive and Enhanced Partnership Agreement in November 2017. However, the CEPA offers much less economic benefits for Armenia than the Association Agreement offered by the EU previously (H. K., Giragosian, 2017). Interestingly, the balancing policy trials by Armenia are more obvious in the defense field. Armenia has continuously deepened the relations with the NATO's Partnership for Peace (PfP) while being a member of the Russian dominant Collective Security Treaty Organization (CSTO) and Eurasian

Economic Union. Obviously, this is an indicator of Armenia's efforts to establish a more divergent foreign policy for its national security.

The majority of the Armenian population has more confidence in the EU rather than in the EAEU. According to a survey by EU neighboring East, 53 % of the Armenians trust the EU and only 47 % trust the EAEU (Oddo, 2019). However, Armenia still remains a member of the EAEU.

The political aspects that keep the EEU running mostly lay on the geopolitical agenda of the Russian leadership to reintegrate the post-Soviet countries in a new union. This has been Russian main foreign policy priorities since the collapse of the Soviet Union. And at present Russia has more power to implement this plan. It is one of the most important foreign policy objectives of Vladimir Putin's third presidency. He does not consider the regional integration only purely from an economic point of view but also takes into account the geopolitical benefits that the EAEU brings to the country and domestic popularity to his presidency. That is why Russians are ready to spend several billion dollars on such kind of geopolitical projects (Popescu, 2014).

### **2.3.2. Why the EAEU? Pressure by Russia?**

In September 2013, the president of Armenia Serzh Sargsyan announced that the country was going to join the Eurasian Economic Union (EAEU). The decision was criticized by opposition parties, economists and experts, mainly because the membership in the EAEU put the ratification of Association Agreement with European Union in danger (Hergnyan, 2018).

In the same year, the EU withdrew the Association Agreement with Armenia. The European Commission reasonably argued that the withdrawal of the agreement was connected with Armenia's decision to join to the Eurasian Economic Union since the country cannot be a member in two different customs unions at the same time.

In January 2015, Armenia officially became a full member of EAEU. This is, of course, a big challenge for Armenia's further association with the EU, as the country being a member of EAEU, does not have the possibility to ratify EU's FTA, which is one of the most important driving forces for the partner countries to deeper associate with the EU.

This sub-chapter of the thesis will discuss the possible alternatives of EU-Armenia future association paths, taking into account that Armenia is already a full member in Russian backed EAEU.

Armenia's decision to join to EAEU was quite unexpected at the time, as besides the fact that Armenia preferred to join newly formed EAEU with vague future, it also missed the chance to sign a Free Trade Agreement with the EU, which has the biggest and one of the most developed markets in the world. This, together with other facts and events, come to prove that this decision was not taken based on rational calculations of national economic cost and benefits, but based on Russian political manipulations (Ibid).

To begin with, prior to Serzh Sargsyan's announcement about joining the EAEU, on July 24, 2013, the European Commission had announced that the negotiations between EU and Armenia had been successful and the Free Trade Agreement had been a part of the Association

Agreement. President Sargsyan's announcement came on 3 of September 2013. This means that the Armenian side had less than 40 days to make this 180-degree policy change, which is a too short time for such an important decision.

In September 2013, the former president of the European Parliament Committee on Foreign Affairs Elmar Brok, in an interview with Azatutyun Radio Station, mentioned that during the negotiations he had noticed that Armenia is under a big pressure by Russia, and the decision not to ratify the Association Agreement was made because the Russian side had manipulated Armenia by the unsolved conflict of Nagorno Karabakh (Brok, 2013) .

In May 2017, the spokesman for European External Action Service Maya Kocijancic mentioned that in 2013, in the last moment, Armenia decided not to sign the Deep and Comprehensive Free Trade Agreement with EU (Kocijancic, 2017).

Moscow labeled the EU's Eastern Neighborhood policy as anti-Russian by default. The foreign minister Lavrov called it as establishing a 'sphere of influence' in the area where according to Medvedev Russia has 'privileged interests' (Lavrov, 2009).

The president of Russia Vladimir Putin strives to build a stronger Eurasian Economic Union, which is, in fact, the first post-Soviet organization with real potential. Russian backed EAEU is now the main integration option for Armenia, as the country largely depends on Russia because of its market, energy supplies and national security guarantees.

"Russia supports the decision by Armenia to enter the customs union ... We will fully work for this to happen," Putin said at the bilateral talks with Armenia in 2013 (Putin, 2013).

Trade relations with Russia is very important for Armenia, as it is the second largest export destination for Armenia (first is EU) with a share of 27.6 % of total exports.

Total Goods: Top trading partners 2018						Armenia			Source: IMF		
Imports			Exports			Total trade					
Partner	Value Mio €	% World	Partner	Value Mio €	% World	Partner	Value Mio €	% World	Partner	Value Mio €	% World
World	4,203	100.0	World	2,042	100.0	World	6,245	100.0			
1 Russia	1,065	25.3	1 EU 28	579	28.4	1 Russia	1,630	26.1			
2 EU 28	971	23.1	2 Russia	564	27.6	2 EU 28	1,550	24.8			
3 China	562	13.4	3 Switzerland	285	13.9	3 China	653	10.5			
4 Iran	228	5.4	4 Iraq	128	6.2	4 Switzerland	394	6.3			
5 Turkey	214	5.1	5 China	91	4.4	5 Iran	308	4.9			
6 USA	151	3.6	6 Iran	80	3.9	6 Turkey	216	3.5			
7 Ukraine	130	3.1	7 United Arab Emi...	63	3.1	7 USA	191	3.1			
8 Switzerland	109	2.6	8 Georgia	58	2.8	8 United Arab Emi...	152	2.4			
9 United Arab Emi...	90	2.1	9 Syria	47	2.3	9 Ukraine	146	2.3			
10 Japan	84	2.0	10 USA	40	2.0	10 Iraq	132	2.1			
2 EU 28	971	23.1	1 EU 28	579	28.4	2 EU 28	1,550	24.8			

World trade: excluding intra-region trade  
 Top partners: excluding region member states  
 % Growth: relative variation between current and previous period

There are also several other factors that stimulate the participation of Armenia in the EAEU.

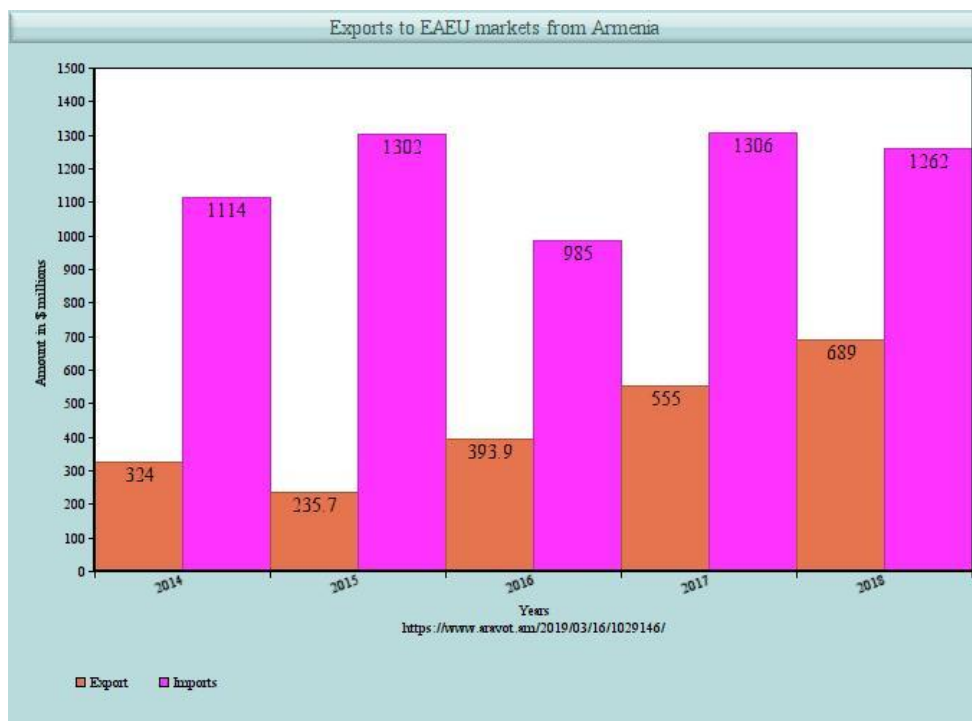
To begin with, Armenia heavily depends on Russian gas supplies, as annually around 2 billion cubic meters gas comes through Russian pipelines.

Secondly, according to the ministry of territorial development and administration of Armenia, yearly, more than 200,000 Armenians go to Russia for seasonal employment, and according to Bank of Russia, the transfers coming from Russia contribute 8% of the Armenian annual GDP (Oddo, 2019). The EAEU facilitated the coordination of the high numbers of migrants to Russia, and ensure that Armenian workers are legally protected and benefit from social guarantees (Karelidze, 2018).

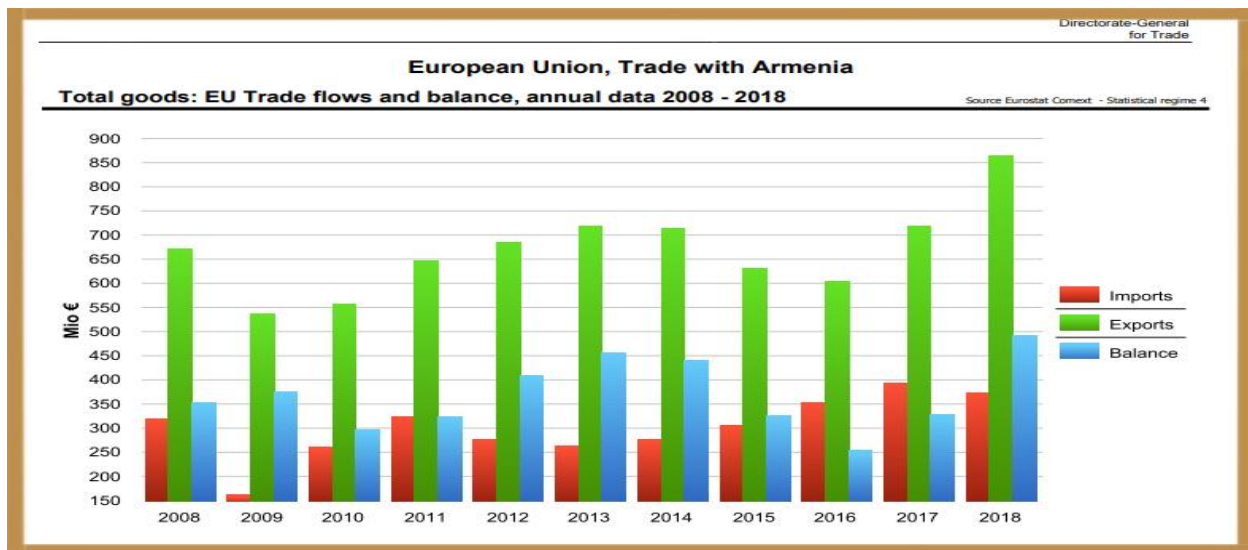
Thirdly, Armenia can buy cheap arms from the Russian weapon market as a member of EAEU, and Russia provides ‘security guarantees’ for Armenia by the Russian led Collective Security Treaty Organization.

And lastly, Russia offers subsidies to the members of the EAEU, which have problems with compensating taxes on the frame of WTO agreements. The subsidies might be in forms of loans or direct subsidies.

Even though the membership in the EAEU might have seemed quite attractive for Armenia in the beginning, but four years later after joining the union, the country meets some challenges, which questions the benefits of its membership. To be more specific, 97% of Armenian exports to the EAEU go to Russian markets, and the trade with the other 3 EAEU countries (Belarus, Kazakhstan, and Kirgizstan) does not have a significant weigh in the Armenian economy.



So, instead of commitments to EAEU’s customs union’s binding responsibilities, Armenia could have signed a preferential trade agreement only with Russia, which would allow Armenia to be more open and flexible for the EU markets. In this context, it is due to mention that despite the fact that Armenia is a member state of the EAEU, the EU still remains the country’s first biggest exporting destination. EU-Armenia trade dynamic shows that it has a big potential, and Armenia can benefit by extending in the European market and vice-versa.



The establishment of the Eurasian Union was a move by Russia to challenge the EU’s regional integration projects. Despite the fact that Russian EAEU in its current form was not economically compatible with EU’s DCFTA, in September 2013, Armenia preferred to join Russian backed EAEU instead of ratifying DCFTA with the EU.

### 2.3.3. The future in EAEU

The recent developments in Armenia-Russia relations come to prove that Armenia should not rely on Russia and its EAEU so much. The first setback in Armenia-Russia relations was in April 2016 during the 'four-day war' between Azerbaijan and Armenia. Russia did not seem to do a lot to support its 'close strategic partner'. Moreover, Russia has increased weapon sales to rival Azerbaijan, to the chagrin of many Armenians (Balsyte, 2017).

As for gas, Russia offers a relatively cheaper price for Armenia, which directly affects the people's lives in the countries, meaning that this method of support has huge popularity and attractiveness among ordinary people in Armenia. However, there is a drawback in this respect too. After the meeting of the leaders of the two countries on 28 December 2018, the Russian side increased the gas prices for Armenian by 10%. The previous price was \$150 for one cubic meter and the Russians have increased it up to \$165.

Additionally, since there is not a common border between Russia and Armenia, they have to use Georgia as a transit country for land exports and imports, which, in its turn, increase the trade costs. Moreover, because of weather conditions, in winters sometimes the roads are closed and the entire trade might be interrupted.

Apparently, Armenia's benefits in EAEU are becoming more and more skeptical, as the potential advantages that the country expects as a member of the union are constantly challenged by Russian manipulations. So, these are clear indications that Armenia faces some key strategic issues as a member of EAEU.



## **Recommendations for the EU and Armenia to reduce the latter's economic dependency on Russia**

Being in a Russian trap, Armenia misses the opportunities that it could harvest from EU's FTA. Overdependence on Russia is also an obstacle for a deeper economic and political association with the EU.

In order to guarantee the national security and lessen the dependency on Russia, Armenia should make diversification in its economic and security sectors. However, closed borders with its eastern and western neighbors (Azerbaijan and Turkey) leave not many diversification options for the country (Tigran Mkrtchyan, 2009).

The EU and Armenia should work together to establish a 'complimentary' policy for the latter in the relations with the EU and the EAEU since both markets are very important for the Armenian economy.

EU still remains Armenia's biggest exporting market. In order to make its soft power more efficient and to increase the influence in Armenia, the EU should support the country by expanding GSP+ trade areas. Armenia, in its turn, should negotiate in EAEU Economic Council to prolong the reduced duties on European imports to the country. In order to promote the competitiveness of Armenian products in European markets, the EU should increase the financial support to modernize the industrial facilities in Armenia. This, of course, will be a strong motivation for Armenia to reorientate towards European markets.

It is also a crucial point that the EU and Armenia negotiate the lines of possible cooperation with Russia, allowing the states to simultaneously benefit from every side. Furthermore, the cooperation with Russia in the region can not only be the most fruitful solution for all concerned parties but also a good accord from the EU to Russia to build a more stable shared neighborhood, which is, after all, one of the main targets of EU's Eastern Neighborhood Policy.

The second economic diversification option for Armenia is its southern neighbor Iran. 'Energy against natural gas' program allows Armenia to exchange electricity against natural gas with Iran. The partners are also creating "Megri" free economic zones, which attract investors from both countries and boost touristic flows (Abrahamyan, 2015). Armenia-Iran collaboration has great potential to evolve from simple bilateral cooperation to a multinational project. It can provide more differentiated political, economic and security opportunities for both countries. Additionally, Armenia has the capacity to become a connecting bridge between Iranian and European markets with a bettered railroad structure. As a member of the EAEU, Armenia can also successfully link Iranian products with EAEU markets. However, the future of Iran-Armenia-EU relations largely depends on Kremlin foreign policy and the western sanctions against Iran (Secrieru 2018).

#### **2.4. Relations with Turkey**

In 1993, during the Nagorno-Karabakh war between Armenia and Azerbaijan, Turkey closed the borders with Armenia and the diplomatic relations between Ankara and Yerevan have been cut since then. Even though in 1991 Turkey was one of the first countries to recognize the

independence of Armenia after the collapse of Soviet Union, it has refused to establish political relations with Armenia, putting several preconditions for normalization of the bilateral relations.

The frozen diplomatic and economic links between Armenia and Turkey remain other issues, which impede the EU's regional integration objectives. Both Armenia and Turkey have close relations with the EU. Turkey is a candidate country for the EU accession and Armenia has a Comprehensive and Enhanced Partnership Agreement with the Union. Therefore, Brussels has a wide range of mechanisms to play an intermediary role in activating the relations between the countries through using its instruments of conditionality. The 'normalization' of the relations between Ankara and Yerevan will strengthen the EU's regional integration plans and at the same time have mutually beneficial results for both countries in terms of political credibility and economic cooperation. The immediate positive results of establishing diplomatic relations would be obvious especially for Armenia, as because of closed borders with Turkey it is isolated from regional projects and faces limited trade opportunities (R. Giragosian, 2016). The frozen relations between the two nations negatively affect the EU's efforts to build a more stable and integrated neighborhood in its east. However, by now little has been done by the EU to facilitate the reconciliation processes between Turkey and Azerbaijan.

The present state of Armenia-Turkey relations is mainly determined by the Turkish preconditions. First of all, Ankara claims that Yerevan has to recognize the Nagorno-Karabakh as a part of Azerbaijani territory and return the Armenian-controlled parts of the NK to Baku.

Second, they demand that the Armenians have to stop pursuing international recognition of the 1915 Armenian Genocide committed by Turks.

The Armenian governments have always shown the will to set up relations without preconditions. The first president of Armenia Levon Ter Petrosyan (1991-1998) removed the international recognition of Armenian genocide from his foreign policy agenda, the following heads of the state have put special emphasis on the recognition of the Armenian genocide by international communities, but none of them has ever linked the recognition issue as a precondition for 'normalization' of bilateral relations with Turkey. Moreover, there have never been territorial claims by Armenian governments toward Turkey and Yerevan has not lobbied the EU to put the Genocide as a precondition for Turkey's membership in the Union.

The second precondition by Turkey for opening the borders with Armenia is the resolution of the Nagorno Karabakh conflict in the frame of Azerbaijan's territorial integrity principle.

The third chapter of the thesis elaborates more on the links between the Armenia-Azerbaijan NK conflict and the Turkish role.

## Chapter 3

### The EU's role in Nagorno Karabakh conflict

#### 3.1. Nagorno Karabakh conflict and the current situation in the South Caucasus

During the Soviet Union period, Nagorno-Karabakh was an autonomous region in the form of USSR. The conflict over the NK between Armenia and Azerbaijan emerged after the collapse of USSR, as Armenians demand the right of the self-determination of the Karabakhi people and Azerbaijan, in turn, claims that Nagorno Karabakh is a part of Azerbaijani territory.

In order to address the threats and challenges in post-cold war 'New Europe', the Europeans reestablished the Organization for Security and Co-operation in Europe (OSCE). The Nagorno-Karabakh conflict was the first trial for the organization. In 1992, OSCE Minsk Group was created to deal with the hostilities in the region and solve the conflict between Yerevan and Baku. France, Russia, and the US were appointed as co-chairing countries of the group and eight other countries, including Armenia and Azerbaijan as permanent group members (OSCE, 2019). In 1993, the Maastricht treaty was signed by the EU member states, which authorized the union to carry out Common Foreign and Security Policy. However, the newly signed CFSP did not focus on the South Caucasus in the first stages of its existence. After the big bang enlargement in 2004, the EU established a new European Neighborhood Policy, which included all three countries of the South Caucasus (CORNELL, 2017). This means that the EU is a relatively new player in the negotiations over the Nagorno-Karabakh conflict, still with an uncertain position (Ó BEACHÀIN, 2013).

The establishment of first pro-western government in the South Caucasus after the Georgian 'Rose revolution' in 2003 and the big bang enlargement in Eastern Europe in 2004, motivated Brussels's to have a stronger presence in the region.

The NK conflict is one of the main reasons for hostilities and the insecure environment in the South Caucasus. The long-lasting conflict between the countries is a potential threat to the security and stability in the EU's close eastern neighborhood. The conflict impedes the perspectives of regional integration and the joint actions between Armenia and Azerbaijan. It also directly and indirectly negatively impacts the EU association for both countries, especially for Armenia. The bigger picture of the region is not limited only with the two rival countries, but it also includes other major players, such as Russia, Turkey and the EU, which all play important roles for the developments of the events in the South Caucasus.

To begin with, Armenia's closed borders with Turkey and the absence of diplomatic relations between two states are mainly interconnected with the NK conflict.<sup>10</sup> The Turkish governments use the NK conflict as a precondition for the opening of the borders with Armenia and establishing diplomatic relations. Turks have close friendly relations with the 'little brother' Azerbaijan and support Baku its position in the NK conflict. In 2008, the negotiations between Armenia and Turkey over the borders and diplomatic relations did not succeed, as Azerbaijan extensively lobbied Turkish government to adopt an unfavorable position towards the on-going negotiations over the opening of the borders (Punsmann, 2013). As a result, the dialogues

---

<sup>10</sup> Ankara also demand that Armenians has to stop claiming international recognition of 1915 Armenian genocide committed by Turks

between Yerevan and Ankara ended without any positive outcomes. Notably, the negotiations were strongly supported and facilitated by European countries. The closed borders, in the west with Turkey and in the east with Azerbaijan, strictly limit the possibilities for Yerevan to building economic and political relations with the West. Armenia depends on its northern and southern neighbors - Georgia and Iran respectively - for the land trades with the rest of the world. Moreover, the western sanctions on Iran make the situation even worse, as the US encourage Yerevan to limit trade relations with Iran. In the given circumstances, the only more or less reliable land window to the world for Armenia remains Georgia. However, things are not perfect here too. The main destinations for Armenian land exports are Russian markets and the products have to cross Armenian-Georgian and Georgian-Russian borders to reach to Russia. The Armenia-Georgia-Russia international highways pass through mountain regions, and in winters because of weather conditions and in summers because of long traffics, the ways might be temporarily closed, which blocks the entire land trade between Armenia and Russia.

The map of Armenia and surrounding countries



Map source: contropiano.org

### 3.2. Security and energy issues: Over-dependency from Russia

The NK conflict is also one of the main reasons that make Armenia over-dependent from Russia. The two fighting countries, Armenia and Azerbaijan, keep on increasing military expenditures not to fall behind in the arms race. In this context, Russia plays a key role for Armenia, as being a member of the Russian backed Eurasian Economic Union and the Collective Security Treaty Organization Armenia has preferential access to Russian weapon market. The two countries are also 'strategic partners' and Russia provides a security umbrella for Armenia as well through the Collective Security Treaty Organization. However, things are not as easy for Armenia in the relations with Russia as they might seem. To be more specific, Russians sell weapons to the Azerbaijani side too. This means that the NK conflict provides new markets for Russian arms. The NK conflict is also a means for Russia to maintain its influence in the South Caucasus. The concerns by Yerevan about Moscow's security umbrella proved to be quite reasonable especially after the 'four-day war' in April 2016, during which the Russian side did not seem to be very supportive towards its 'strategic partner' Armenia. The Russian side is a key player in the conflict not only because of security reasons but also because it is one of three co-chair states in the OSCE Minsk Group, which is currently the main platform for negotiations over the NK conflict. Throughout the history of the dispute, Russia has used the conflict to sustain its influence over Armenia and Azerbaijan, as both states recognize the importance of the Russian role in the region. Russia is the main arm seller to Azerbaijan: from 2013 to 2017, 65% of Azerbaijani arms were bought from Russia (Sipri.org, 2018). The arms trade with Azerbaijan is



quite beneficial for Russia as the volume of sales keeps on increasing and unlike Armenia Azerbaijan pays the full price for the weapons without any discounts. Maintaining the Azerbaijani weapon market is quite essential for Russia, as it is not only a source of high incomes but also a political tool to keep Baku dependent on Moscow. By selling arms to Azerbaijan and providing defense guarantees to Armenia, Kremlin successfully keeps the 'escalation/de-escalation cycles' of the conflict (Aliyev, 2018). The Russian side has a specific interest in the conflict, as the strong influence on both conflicting sides makes Moscow the primary broker in the dispute, which assists Kremlin to successfully block the access of any possible third powers in the region.

Additionally, Moscow keeps NK dispute as one of the 'gray zones' (Donbas in Ukraine, Transnistria in Moldova, and Abkhazia and South Ossetia in Georgia) in the European Neighborhood to manipulate the West when needed.

Russia is also one of the permanent co-chair states in OCSE MG, which allows Moscow to play an important role in the negotiation processes as well.

Even though the Kremlin has big political and economic influence on the countries, which could have been used to finally broker a consensus in the territorial dispute between the rival nations, it arguably does not have a strong motivation to do so. On the contrary, Russia seems to be quite comfortable to maintain the status quo in the NK dispute in order to retain its control over Baku and Yerevan and manipulate the conflict for Moscow's interests (Ibid).

The Armenian side is also in an unfavorable situation in regards to energy sources. Armenia itself does not have any oil or gas resources and has to import them from other countries. Annually over 2 billion cubic meters of Russian gas is being exported to Armenian through Russian Gazprom pipelines, which is 80% of the country's total gas imports. Armenia also imports 500 million cubic meters gas from Iran annually, covering only 20% of the total gas needs of Armenia. The imported amount of gas from Iran could have been larger, but because of the Russian pressure, the diameter of Armenia-Iran pipelines was reduced from what initially was planned (Socor, 2009). So, in the given conditions, Armenia largely depends on Russia also for its energy supplies.

Theoretically, the resolution of NK conflict could allow Armenia and Azerbaijan to build mutually beneficial trade relations. Armenia could buy gas from Azerbaijani sources, which will reduce energy dependence from Russia. Yerevan would also have more freedom to increase gas imports from Iran without being afraid that the plans would be distorted by Russia. The resolution of NK conflict is also the main precondition for Turkey's government to consider the opening of the borders with Armenia. If the NK conflict was solved, the open borders with Turkey would allow Armenia to be one step closer to the EU's markets, as Ankara has a Customs Union Agreement with the EU (EU, 1995). This sort of scenario would result in reduced energy, security and economic dependence on Russia and would tremendously influence the EU integration processes in the region. This illustration shows how the NK conflict resolution could change the picture of the whole region in favor of the EU integration forces. It also

assumes that the EU should increase its role in the NK conflict resolution in order to reach the goals of its foreign and security policy and regional integration projects.

### **3.3. The EU's role in the settlement of the NK conflict**

This sub-chapter of the thesis pays a closer look at the history of negotiations over NK conflict and the role that the EU has played for the resolution of the issues.

The NK dispute has been watched by the UE and also by the international communities for a long time. However, because of insufficient political involvement, many chances have been missed to solve the conflict. The EU has mainly relied on OSCE Minsk Group to find ways out of the further escalation of the tension between Armenia and Azerbaijan. Nevertheless, the OSCE MG has not been able to find any feasible solutions for the NK conflict so far. This uncertainty resulted in a short war between the conflicting parties in April 2016 and caused victims from both sides.

During the evolution of the conflict, the EU has tried to have a mediating role through political language, but this sort of approach has not seemed to have any positive results. Moreover, because of controversial standards, it has increased the tension between Armenia and Azerbaijan. The initial involvement of the EU in the resolution of the Nagorno-Karabakh conflict was through action plans with Armenia and Azerbaijan. Unfortunately, this first steps by Brussels caused more harm than good, as the controversial language used in the action plans increased the tension between the countries even more (CORNELL, 2017). In the case of Azerbaijan, the conflict resolution was the first priority in the Action Plan, whereas in the Action

Plan with Armenia it lays only the seventh place. Even though the EU's position in the ranking logic might be quite reasonable, as the Azerbaijani side is usually the first initiator of aggression on the borders, the EU's hierarchy of priorities is still controversial (Armenia Action Plan, 2006), (Azerbaijan Action Plan, 2006). Most importantly, there is a confusion of international principles in the Action Planes with Yerevan and Baku. In Armenian Action Plan, it is written that the "...settlement efforts on the basis of international norms and principles, including the principle of self-determination of peoples" (Armenia Action Plan, 2006). It does not mention anything about territorial integrity. However, in the Action Plan with Azerbaijan, it establishes about "...settlement efforts on the basis of the relevant UN Security Council resolutions and OSCE documents and decisions" (Azerbaijan Action Plan, 2006). This initial confusion has made both fighting sides skeptical about European intervention in the NK conflict (Ó BEACHÀIN, 2013). Nevertheless, the EU's position in Kosovo in 2008 seems to match with the statements in the Action Plan with Armenia, as most of the EU member states recognized the self-determination of Kosovo (POPESCU, 2006). Even so, then why the EU does not prioritize the same principle in the South Caucasus? These issues raise skepticism about Brussels regional foreign policy efficiency.

In May 2009, the EU launched the Eastern Partnership initiative, in order to strengthen its position in Eastern Europe and the South Caucasus. The EaP has been a successful project in terms of fostering bilateral relations between the EU and the partner countries. Nevertheless, the project does not concentrate on security issues and lacks coherent multilateral platforms

for the region. The bilateral partnership dynamics between the EU and the South Caucasus countries differ from country to country. Georgia has already ratified the Association Agreement with the EU, Armenia has ratified the 'Comprehensive and Enhanced Partnership Agreement', which does not include a free trade agreement, and Azerbaijan-EU relations are still based on the initial Action Plan (Zacha, 2018).

The weak multilateral frameworks in EaP make it incapable to initiate any result orientated negotiations over the NK dispute. However, it plays a significant role in bridging civil society representatives from both countries through its societal platforms.

Another instrument that ties the EU with the NK conflict is the EU Special Representative in the South Caucasus. Even though the SR is supposed to represent the EU's voice in the conflict zones of the whole South Caucasus, his responsibilities mainly include the conflicts in South Ossetia and Abkhazia between Russia and Georgia. Practically speaking, the SR has no official involvement in NK dispute. He is dealing with many issues in all three South Caucasus countries and his limited staff and resources do not allow SR to have any significant say in the NK dispute (WHITMAN, 2010).

The EU's last initiative to address the NK conflict was the creation of the European Partnership for the Peaceful Settlement of the Conflict over Nagorno-Karabakh (EPNK) in 2009. The EPNK mainly support to the NGOs from involved countries to foster cross-border communication, peacebuilding activities, support to local communities interested in conflict management and research. The project has been the only direct involvement by the EU in the NK conflict. The

progress in EPNK is not deniable, but it also meets some shortages. First of all, the increasing aggression in the language used by both governments undermines the reconciliation effect of the EPNK on Armenian and Azerbaijani communities. Secondly, Armenian and Azerbaijani main stakeholders of the project are fairly tolerant and constructive collaborators, but their voices are not being listened, as they are not by any means directly involved in the formal negotiation processes. And lastly, the structure of the EPNK also impedes the fruitful outcomes of the project. The long intervals between the main stages of the program negatively impact the work efficiency of participating organizations.

The EU increased its engagement in NK conflict in 2008 when an EU-supported negotiation started between Armenia and Turkey aimed at opening the closed borders and establishing diplomatic relations between countries (CORNELL, 2017). The negotiations were promising in the beginning and the parties could even reach a protocol, which was signed in Zurich 2009. The reconciliation processes were also supported by the US and could have put an end to the blockade of Armenia, which in turn would have largely enhanced the regional integration and trade relations. However, the ‘football diplomacy’, which was a part of the Turkish ‘zero problems with neighbors’ (ASKEROV, 2017) policy, was manipulated by Turkey and its partner Azerbaijan. The resolution of the NK conflict with Baku was made as a precondition by the Turkish Parliament for ratifying the protocol, whereas the negotiations were initially launched without any preconditions. Turkey’s actions raised opposition in Armenia and after a long

period of uncertainty and no progress, the dialogues officially ended in 2018 after the presidency of Serzh Sargsyan, who had initiated the 'football diplomacy'.

In 2008, there was a unique chance for the reconciliation, as both the EU and Russia shared the same view for the resolution of the conflict. They both expected some degree of consensus from Baku and Yerevan. Russian president, at that time Mikael Medvedev, met the leaders of Armenia and Azerbaijan several times, but no compromise was reached by them, which stagnated the negotiations. The distrust and increasing hostilities between the two nations are results of the lack of confidence building and post-conflict management. These are the 'soft-security' issues, which are, as a rule, best handled by the EU. However, previously little had been done to bring conflicting sides together for confidence building, which, in turn, resulted in the failure of consensus by Baku and Yerevan (Zacha, 2018).

After the 'four-day war' in 2016, meetings between conflicting sides took place in St. Petersburg and Vienna. This was another opportunity to finally reach a breakthrough in the negotiations. The EU played some role during the talks, particularly, High Representative of the Union Federica Mogherini met with the leaders of Armenia and Azerbaijan. This was seen as a chance for the EU to increase its role in negotiation. However, the EU preferred to underline its political support to the OSCE MG rather than have any direct mediatory role. Even though there was a relatively favorable environment for a consensus by the conflicting parties, the EU did not manage to increase its presence in the negotiations this time too. The lack of engagement in the post-conflict management led to a further escalation of the conflict. The aggressive rhetoric

by the Azerbaijani side has forced Armenia to increase the expenditures on the military field, which in turn lead to more hardened positions from both sides.

### **3.4. Why should the EU increase its involvement in the NK conflict?**

In the EU's global strategy it is mentioned that the Union should use its comprehensive and effective approaches to prevent violent conflict. The EU is committed to using all the tools that it poses to increase involvement in a diplomatic resolution of conflicts. In order to guarantee human security, the EU can use top-down and bottom-up involvement in all phases of the conflict by its special representatives, diplomatic services and other possible recourses to reach peaceful resolutions in conflict management (Service, 2016).

If Brussels really strives to reach the objectives mentioned in the GS, then the EU has to intensify its intermediation in the peaceful resolution processes in Nagorno-Karabakh conflict, as the Nagorno-Karabakh frozen conflict is a potential source of instability in the EU's neighboring east and it remains the only regional dispute in EU's neighborhood, where it does not have a significant weight.

Since the ceasefire between Baku and Yerevan, the increasing distrust and tension have led to a larger escalation of the conflict. The rival countries have increased their military expenditures, and since little or no progress have been achieved in the negotiations, the dispute tends to become more violent time by time resulting in casualties from both sides and impeding the regional development, peace and stability in the South Caucasus. The most recent escalation in 2016, which was nicknamed 'four-day war', proves there can be an outbreak of hostilities any



time unless confidence and trust are not being built between Yerevan and Baku by the international communities.

In this context, the EU's stronger intermediary position in the peaceful resolution of the conflict would be a big asset, as it has the abilities and necessary resources to create platforms, which will build favorable conditions for the post-conflict management and dialogues among parties.

The other involved countries and organizations have not accomplished any tangible results in the negotiations so far. The OSCE Minsk Group, with its three co-chairs, has been the main facilitating body of the negotiations, but it has not been effective enough to reach feasible results in long-lasting negotiations. Even though each of the co-chairing countries (France, Russia and the USA) has a significant weight in international relations, the increasing tension between the west and Russia undermine the role of OSCE MG. Moreover, Moscow uses the dispute to maintain its influence in the South Caucasus and does not seem to be much interested to broker peace between Yerevan and Baku. Additionally, Azerbaijan tries to use the stage of the Council of Europe, but the role of the Council is limited as it does not have the liability to involve in security affairs.

To this end, the EU remains the only main actor, which can possibly mediate a consensus between the rival countries through its post-conflict management and confidence building tools and platforms.

We believe that Brussels also has quite critical reasons to do so, as a military confrontation between Armenia and Azerbaijan will undermine the EU sponsored programs that have been

implemented in the South Caucasus in the last decades. The violent conflict in the EU's eastern neighborhood will put in danger one of its main foreign policy objectives - to build a peaceful and resilient neighborhood. Moreover, Brussels has always been advocating peace and stability and a potential war in the South Caucasus will weaken the EU's value in conflict-management in its own neighborhood. Lastly, the Nagorno-Karabakh conflict has been one of the main obstacles, which has disturbed the EU's regional integration plans with Armenia, as the Russian side leverage the conflict to maintain Armenia and Azerbaijan closer to Moscow's orbit. Russians sell arms to both fighting parties and the NK conflict fuels Moscow's weapon trade with Yerevan and Baku. Additionally, the closed borders with Azerbaijan and Turkey make Armenia heavily dependent on Russia for its energy sources and markets. The overdependence from Moscow force Yerevan to have limited integration with the EU. Therefore, it is for Brussels interests to increase its role in the reconciliation of NK conflict.

### **3.5. What can be done to strengthen the EU's positions in conflict management?**

The EU has mainly had verbal involvement in the negotiations. In its support to OSCE MG. Brussels only uses a language to encourage the peaceful resolution of the conflict, and, practically speaking, little has been done by the EU to reconcile the conflicting sides. Moreover, in the bilateral agreements with Yerevan and Baku, the controversial approach of international norms and standards has been applied by Brussels. In the Association Agreement with Armenia, the EU prioritized the principle of self-determination of people, whereas in the Action plan with Azerbaijani it emphasizes the principle of territorial integrity. This sort of controversial language

has resulted in 'war of worlds' and further escalation of tension between the parties (Zacha, 2018).

If the EU wants to deepen its positions in the peaceful settlement of the NK dispute, it has to follow its own statements made in the EU's Global Strategy: Top-down and bottom-up involvement in all phases of the conflict by its special representatives, diplomatic services and other possible recourses to reach peaceful resolutions in conflict management (Service, 2016).

These approaches get more relevance especially when it is about the EU's doorstep.

After velvet revolution in Armenia (2018), the features of the negotiations have changed, as the democratically elected Armenian Prime Minister Nikol Pashinyan, the first time in the history of negotiations, emphasizes the role of Armenian and Azerbaijani peoples' dialogue. "I am convinced that mere dialogue between the leaders is not enough for settling the issue. It is very important to launch a dialogue between societies, as well, so that we prepare our respective societies for peace and not for war," mentioned Pashinyan at during his speech at the Council of Europe (Pashinyan, 2019). He also stated that Armenia is committed to the peaceful settlement principle. The first official meeting between Azerbaijani president Ilham Aliyev and Armenian Prime Minister Nikol Pashinyan took place on 29<sup>th</sup> of March in Vienna. After two hours of negotiations facilitated by OSCE MG co-chairs, both leaders had positive views about the talks. On the same day, in a meeting with the Armenian diaspora in Vienna, Pashinyan appreciated the fact that the negotiations had started again and he also mentioned that for the first time, the negotiators did not think about completing the negotiations as a winner or loser.

Later in an interview with RIA Novosti, Ilham Aliyev said that the meeting took place in a

constructive and positive environment, and both leaders agreed to strengthen the ceasefire and enhance communication measures. Stefan Visconti, the co-chair of OSCE MG from France stated that the meeting between Aliev and Pashinyan was ‘long, meaningful and effective’ (JAMnews, 2019).

However, the situation in the negotiations still remains uncertain and shaky. Pashinyan seeks to bring the representatives of Nagorno Karabakh to the table of negotiations, which according to Prime Minister is not a change in the format of negotiations. Pashinyan argues that the previous leaders of Armenia, Robert Qocharyan and Serzh Sargsyan had Karabakhi roots<sup>11</sup> and therefore they had the right to negotiate on behalf of Karabakhi people, but he does not have any right to negotiate from the name of Karabakhi people as neither he has any roots in the NK nor he was elected there (Morgan, 2019). Baku, in turn, argues that this is a change in the format of the negotiations and does not accept Yerevan’s position.

Nevertheless, the fresh start of the negotiations, the positive assessments of the leaders and mediators indicate that there is a historic moment to reconcile the two nations. For the first time, Pashinyan’s ideas about involving the civil society actors and preparing the peoples of Armenia and Azerbaijan for peace and Aliev’s pledges to strengthen ceasefire, prepare a new background for peace.

Since currently there are not any direct diplomatic or official lines between Yerevan and Baku, the further commitments to peace-building and spirit of mutual trust, largely depend on the mediators. In this context, the EU has a significant potential to play a

---

<sup>11</sup> Qocharyan was the first president of NK, and Sargsyan was the defense minister of NK during the war.

valuable role in the reconciliation processes, as it has the necessary resources and means to assist parties in confidence building.

First of all, the EU should strengthen the positions of EPNK, which has already proved to be one of the most effective EU mechanisms in the dispute. This can be done through expanding the objectives of the EPNK in line with the EU Global Strategy goals, by focusing on the security issues of the region, human safety and ‘top-down, bottom-up efforts’. The enhanced financing of the body will allow it to come up with research-based solutions to address the roots of the conflict and reach civic society based outcomes.

Secondly, Brussels should expand the office of the EU Special Representative in South Caucasus. The EUSR deals with many complicated questions in the region with limited resources. The enlargement of the office will allow the EUSR to express the EU’s position in the negotiations, which in turn will increase the EU’s direct role in the reconciliation process of the fighting states.

Thirdly, the EU should use more similar wording in the bilateral agreements with each conflicting side. In the short term, Brussels has to adjust the language regarding the NK conflict in the anticipated EU-Azerbaijan new agreement with the same wording used in the CEPA with Armenia. This will prevent Yerevan and Baku to enter a new phase of confusion and ‘word of war’ and will reconfirm the EU’s commitment to similar international principles.



And last but not least, the EU should enhance its EaP and EPNK multilateral frameworks to promote the political and societal dialogue between the countries. They are both powerful platforms, which can indirectly affect the positive outcomes of negotiations through civic society representatives and sectoral cooperation between the nations.

## Conclusion

Throughout the EU-Armenia relations history, there have been ups and downs, which have been connected not only with the parties' commitment to the two-sided integration but also with diverse external factors.

The EU and Armenia collaborate in bilateral and multilateral frameworks. Armenia is one of the EU's ENP countries, and it is also included in the EU's Eastern Partnership project.

The bilateral relations between Brussels and Yerevan are currently based on Comprehensive and Enhanced Partnership Agreement, which was signed on November 24, 2017, and entered into provisional enforcement from June 1, 2019. The CEPA deepens the collaboration between the two sides in the areas of mutual interest, such as economic, political and sectoral partnerships.

The 2018 'Velvet Revolution' in Armenia and the following parliamentary elections have been welcomed by the EU. The political changes in Armenia have fostered the democracy in the country and gave a new driving force to the EU-Armenian relations. Brussels encourages Armenia for the positive political changes and the messages coming from high-level EU officials reassure Brussels' devotion to strengthening the links with Yerevan. The EU expresses its readiness to continue supporting Armenia to further reinforce its judiciary bodies and state institutes.

The current state of the EU-Armenia relationship is not only shaped by the internal factors in the EU and Armenia but also by the geopolitical specifics of Armenia.

In particular, the scope of EU association has been limited due to Armenian's dependent relations with Russia. The most typical case of Russian dependency and how it affected Armenia's association with the EU was Yerevan's withdrawal of DCFTA, which Brussels had offered to Armenia. In September 2013, Armenian governments decided not to sign the Association Agreement with the EU because of security reasons.

In September 2013, the former president of the European Parliament Committee on Foreign Affairs Elmar Brok in an interview with Azatutyun Radio, mentioned that during the negotiations he had noticed that Armenia is under a big pressure by Russia, and the decision not to ratify the Association Agreement had been made because the Russian side had manipulated Armenia by the unsolved conflict of Nagorno Karabakh. He also underlined that the EU should have had more involvement in the peaceful settlement of regional conflicts (Brok 2013).

Armenia has a huge economic and security dependency on Russia. The Nagorno Karabakh conflict and the Russian dominant position in the South Caucasus play a crucial role in determining the Armenian foreign policy. The NK conflict between Armenia and Azerbaijan, the armament race and the aggressive rhetoric of Azerbaijani political elites made Armenia prefer Russian economically less beneficial and limited EAEU, rather than free trade relations with the EU. However, during the whole negotiation period of the Association Agreement with Armenia, the EU had not rationally estimated the Russian influence in the country, which ultimately led to the failure of the agreement. The EU should have had a more detailed analysis of political



stance in the South Caucasus and should have not gone so far in negotiations considering the specifics of Armenian geopolitical situation. This means that EU's foreign policy in relations with Armenia lacked comprehensive estimations of the political and economic situation of the country. In spring 2014, Nicu Popescu, senior analyst at the EU Institute for Security, said that he was surprised not by the point that Armenia had decided not to ratify the agreement, but by the fact that the EU and Armenia could have gone so far in negotiations, not considering the Russian pressures on Armenia. He assumed that Armenia had not signed the agreement not because it had not wanted the association with EU, but because it depended on Russia for its security affairs (Popescu 2014).

Studying the EU-Armenia relations purely from an angle of EU-Russia contradicting integration projects would be limited and incomplete. Apart from Russia and the EU, there are also third powers and components which play significant roles in Armenia's foreign policy. To begin with, Armenia and China have started to develop closer relations, which keep on getting deeper. China is not only an important trading partner for Armenia but it also strives to build stronger military partnership through arms sales and defense trainings. The increasing Chinese role can indeed diversify the Armenian foreign policy and lessen the Russian dependency, which will, in turn, positively effect on the EU integration.

Secondly, Iran is another influencing third power in Armenia. 20% of Armenian gas imports come from Iran and the parties have developed electricity for the gas scheme. Armenia exports electricity to the northern regions of Iran in exchange for gas. The growingly deepening

partnership between Armenia and Iran is the second option, which can balance the former's foreign policy overdependence on Russia. Armenia can also be a bridge between the EU and Iran through a bettered railroad and highway networks. However, the future of EU-Armenia-Iran relations depends on the Western sanctions on Iran and the Russian reaction to the deepening cooperation with Iran.

The Nagorno Karabakh conflict and the closed borders between Armenia and Turkey and Armenia and Azerbaijan arguably remain the biggest challenge for the regional stability and for the EU's regional integration projects in the South Caucasus. The frozen conflict between Yerevan and Baku can potentially become a hot-spot in the EU's close neighborhood, which in turn would undermine Brussels's Grand Strategy objectives, to build stability in its neighborhoods. Moreover, Armenia's closed borders and frozen diplomatic relations with Turkey are also a result of the NK conflict, as Turkey supports its close ally Azerbaijan in its position in the NK dispute and together Ankara and Baku keep the borders closed with Armenia, trying to blockade the country from the regional projects and trade. As a consequence, these factors increase the Russian role in the region even more. Armenia is a member of the Russian backed Organization of Collective Security Treaty, which provides a security umbrella for the country. Kremlin is also the biggest arms seller for Armenia and Azerbaijan, meaning that fighting countries are in an arms race, which is being fueled by Russia. As a result, the NK conflict stimulates the Russian control over Armenia and Azerbaijan, and

therefore Moscow is not fully motivated to broker a peaceful resolution of the NK conflict between Yerevan and Baku.

As about the EU's position on how a substantive solution of the NK issue can look like, there has not been any concrete suggestion so far. Brussels relies on the OSCE Minsk group for the settlement of the conflict, which does not seem to have any success by now. The EU itself uses two controversial principles in the bilateral agreements with Armenia and Azerbaijan for the resolution. In the case of Armenia, it establishes that the conflict should be solved with respect of the self-determination right of Karabakhi people, whereas in the Partnership Agreement with Azerbaijan it underlines the principle of territorial integrity.

Brussels also emphasize that the dispute has to be solved only through negotiations and consensus by both sides, but how a consensus should look like neither the EU nor any other mediator has ever come up with a substantive solution. Moreover, Brussels has had several opportunities to increase its direct role in the negotiations over the NK dispute, but they have been wasted because the EU has done little to tackle the issue apart from expressing its reliance on Minsk Group.

So, for these reasons, we argue that the EU's involvement in the NK conflict is weak and it needs to enhance its positions in order to reach feasible results in the conflict management.

The geopolitical stance in the region is complex and the EU should clearly understand that the Nagorno Karabakh issue ties Armenia with the power, which has more instruments for security guarantees. At the moment Russia is the most powerful player in the region for Armenia, and

the EU should take this into consideration while building the partnership with Armenia. Otherwise, the EU policy in the region can be politically and economically inefficient, since no matter how attractive the EU is in sense of economic and political cooperation, Armenia will prefer the Russian side because of security reasons.

The third chapter of the thesis established that Brussels has the necessary instruments and resources to take a decisive role in the peaceful settlement of the conflict. It can be achieved through top-down and bottom-up involvement in all phases of the conflict by its special representatives, diplomatic services and other possible recourses to reach peaceful resolutions in conflict management. First of all, Brussels can promote the political and societal dialogue between the disputing countries through enhancing EaP and EPNK multilateral platforms. Secondly, it should expand the office of the EU Special Representative in South Caucasus allowing the representative to increase his responsibilities in the NK dispute management. Thirdly, the EU should adopt similar principles in the bilateral agreements with Yerevan and Baku in order to reconfirm the EU's commitment to similar international principles of its position and to prevent the conflicting sides from entering a new phase of confusion and 'word of war'.

Additionally, both the EU and Armenia have to reconsider the fast-changing geopolitical scenarios in the South Caucasus bearing in mind the perspectives of deeper EU association.

The geopolitical situation in the South Caucasus stays complex and the EU should take into consideration every potential development in the region to effectively implement its foreign



policy objective. Brussels needs to clearly defines the roles of the third powers in Armenia and find the lines of cooperation with them. As for Armenia, it has to seek a more diversified foreign policy, which will reduce Russian dependency and in the long-run result in better integration dynamics with the EU.

## Bibliography

- Abrahamyan, Gayane. *Could Russia spoil Armenia's Iranian investment dreams*. Eurasianet, 2015.
- Aliyev, Nurlan. «Russia's Arms Sales: A Foreign Policy Tool in Relations With Azerbaijan and Armenia». *Eurasia Daily Monitor Volume: 15 Issue: p. 47*, 2018.
- ARMENPRESS, *Procedural barriers for exporting Armenian products to Iran to be settled*. 31 05 2017, available at: <https://armenpress.am/eng/news/893040/proceduralbarriers-for-exporting-armenian-products-to-iran-to-be-settled-mou-signed.html> (Visited on: 31 05 2019).
- ASKEROV, Ali. *Turkey's "Zero Problems with the Neighbors" Policy: Was It Realistic?* Contemporary Review of the Middle East. 4(2) 149–167, 2017.
- Baghi, Mohsen Khadem Arab. *Iran, Armenia to establish joint coop. office*. 5 11 2017, available at: <https://en.mehrnews.com/news/129214/Iran-Armenia-to-establish-joint-coop-office> (Visited on: 12 05 2019).
- Balsyte, Erika. *Armenia: Russia first, EU second?* Paris: EU Institute for Security Studies, 2017.
- Brok, Elmar, interviewer Azatutyun Radio Station. *Armenian President made the decision to join the CIS Customs Union under Russian pressure* (04 09 2013).
- CORNELL, Svante E. *The International Politics of the Armenian-Azerbaijani Conflict: The International Politics of the Armenian-Azerbaijani Conflict: The original "Frozen Conflict" and European Security*, pp. 158, 150, New York: Palgrave Macmillan, 2017.
- Council of the European Union, *Council conclusions on Belarus*. 15 02 2016, available at: <https://www.consilium.europa.eu/en/press/press-releases/2016/02/15/fac-belarus-conclusions/> (Visited on: 01 06 2019).
- . *Welcoming remarks by President Donald Tusk at the celebratory dinner marking the 10th anniversary of the Eastern Partnership*. 13 05 2019, available at: <https://www.consilium.europa.eu/en/press/press-releases/2019/05/13/welcoming-remarks-by-president-donald-tusk-at-the-celebratory-dinner-marking-the-10th-anniversary-of-eastern-partnership/> (Visited on: 29 05 2019 r.).

Daron Acemoglu, James A. Robinson. *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. Chicago: pp. 252-288, University of Chicago, 2012.

Eastern Partnership Civil Society Forum. available at: *eap-csf.eu*. 2016. <https://eap-csf.eu/our-mission-strategy/?lang=ru> (Visited on: 03 06 2019).

EUROPEAN COMMISSION. «The Comprehensive and Enhanced Partnership Agreement, Article 1.» 25 09 2017, available at: [https://eeas.europa.eu/sites/eeas/files/eu\\_armenia\\_comprehensive\\_and\\_enhanced\\_partnership\\_agreement\\_cepa.pdf](https://eeas.europa.eu/sites/eeas/files/eu_armenia_comprehensive_and_enhanced_partnership_agreement_cepa.pdf) (Visited on: 03 06 2019).

— *Enhancement of EU-Turkey bilateral trade relations and modernisation of the EU-Turkey Customs Union*, December 1995, available at: <http://ec.europa.eu/trade/policy/countries-and-regions/countries/turkey/> (Visited on: 15 06 2019).

— *Celebrating 10 years of the Eastern Partnership*. 14 05 2019, available at: [http://europa.eu/rapid/press-release\\_IP-19-2489\\_en.htm](http://europa.eu/rapid/press-release_IP-19-2489_en.htm) (Visited on: 29 05 2019).

— *EU-Armenia Partnership Implementation Report*. 21 05 2019, available at: [http://europa.eu/rapid/press-release\\_IP-19-2651\\_en.htm](http://europa.eu/rapid/press-release_IP-19-2651_en.htm) (Visited on: 30 05 2019).

EU NEIGHBOURS east. *Opinion Survey 2018: Armenia*. 10 07 2018, available at: <https://www.euneighbours.eu/en/east/stay-informed/publications/opinion-survey-2018-armenia> (Visited on: 28 05 2019).

*European Union, Azerbaijan Action Plan, 2006*, available at: [https://eeas.europa.eu/sites/eeas/files/azerbaijan\\_enp\\_ap\\_final\\_en.pdf](https://eeas.europa.eu/sites/eeas/files/azerbaijan_enp_ap_final_en.pdf), (Visited on: 15 06 2019).

— *European Union, Armenia Action Plan, 2006*, available at: [https://eeas.europa.eu/sites/eeas/files/armenia\\_enp\\_ap\\_final\\_en.pdf](https://eeas.europa.eu/sites/eeas/files/armenia_enp_ap_final_en.pdf) (Visited on: 27 05 2019).

— *Shared Vision, Common Action: A Stronger Europe A Global Strategy for the European Union, 2016*, available at: [https://eeas.europa.eu/topics/eu-global-strategy\\_en](https://eeas.europa.eu/topics/eu-global-strategy_en). (Visited on: 27 05 2019).

- . Strategic Communications. 21 12 2016, available at:  
[https://eeas.europa.eu/headquarters/headquarters-homepage/330/european-neighbourhood-policy-enp\\_en](https://eeas.europa.eu/headquarters/headquarters-homepage/330/european-neighbourhood-policy-enp_en) (Visited on: 27 05 2019).
  
- European Union External Action. *20 Deliverables for 2020*, 12. 2016 , available at:  
[https://eeas.europa.eu/sites/eeas/files/20\\_deliverables\\_for\\_2020.pdf](https://eeas.europa.eu/sites/eeas/files/20_deliverables_for_2020.pdf) (Visited on: 01 06 2019).
  
- . *Eastern Partnership*. 19 10 2016, available at:  
[https://eeas.europa.eu/headquarters/headquarters-homepage\\_en/419/Eastern%20Partnership](https://eeas.europa.eu/headquarters/headquarters-homepage_en/419/Eastern%20Partnership) (Visited on: 01 06 2019).
  
- . *Eastern Partnership*. 19 10 2016, available at: [https://eeas.europa.eu/diplomatic-network/eastern-partnership/419/eastern-partnership\\_en](https://eeas.europa.eu/diplomatic-network/eastern-partnership/419/eastern-partnership_en) (Visited on: 31 05 2019).
  
- Ghevondyan, Robert. «CIVIL SOCIETY AWAKENING IN THE CONTEXT OF VELVET REVOLUTION.» in *SCIENTIFIC ARTSAKH* , YEREVAN STATE UNIVERSITY (YSU),pp. 201-204. Yerevan : UNION OF YOUNG SCIENTISTS AND SPECIALISTS OF ARTSAKH (UYSSA), 2018.
  
- Giragosian R., *Armenia as a bridge to Iran? Russia won't like it*. 30 08 2015, available at:  
<https://www.aljazeera.com/indepth/opinion/2015/08/armenia-bridge-iran-russia-won-150830063735998.html> (Visited on: 03 06 2019).
  
- . *The Nagorno-Karabakh conflict: Ceasing fire is not a ceasefire*, pp. 15-17, London School of Economics and Political Science: London School of Economics and Political Science, 2016.
  
- . The third powers and Armenia, in *Third powers in Europe's east*, creators Nicu Popescu and Stanislav Secieru, pp. 93-101. Paris : Institute for Security Studies, 2018.
  
- Giragosian R., Kostanyan H., «EU-ARMENIAN RELATIONS: CHARTING A FRESH COURSE», Centre for European Policy Studies (CEPS)), 2017.
  
- Freedom House. *Freedom in the World 2019*. available at:  
<https://freedomhouse.org/report/freedom-world/2019/armenia> (Visited on: 31 05 2019).



- Hergnyan, Seda. *Three Years After Joining the EAEU: What's Been the Impact on Armenia's Economy?* 02 02 2018, available at: <https://hetq.am/hy/article/85461> (Visited on: 31 05 2019).
- Invest Armenia, *Armenia-Russia-Iran-Georgia business chamber to be established*. 12 5 2017, available at: <https://armenpress.am/eng/news/890403/armeniarussia-iran-georgia-business-chamber-to-be-established---invest-armenia.html> (Visited on: 01 06 2019).
- JAMnews, *Results of 1<sup>st</sup> official meeting of Armenian PM and Azerbaijani president*, 30 03 2019, available at: <https://jam-news.net/results-of-1st-official-meeting-of-armenian-pm-and-azerbaijan-president/> (Visited on: 01 05 2019)
- Karelidze, Tamara. *Russia remains preferred destination for Armenian migrants*. 25 09 2018, available at: <https://emerging-europe.com/news/russia-remains-preferred-destination-for-armenian-migrants/> (Visited on: 15 06 2019)
- Kocijancic, Maja, interviewer Mediamax. *Mogherini's spokesperson calls new EU-Armenia agreement "ambitious"* (22 03 2017). available at: <https://www.mediamax.am/en/news/foreignpolicy/22702/> (Visited on: 15 06 2019).
- LAURE DELCOUR, HRANT KOSTANYAN, BRUNO VANDECASTEELE & PETER VAN ELSUWEGE. *The Implications of Eurasian Integration for the EU's Relations with the Countries in the post-Sovietspace*. STUDIA DIPLOMATICA, 2015.
- Lavrov, Sergei. *EU expanding its 'sphere of influence,' Russia says*. VALENTINA POP. 21 03 2009, available at: <https://euobserver.com/foreign/27827> (Visited on: 15 06 2019).
- Ministry of Foreign Affairs of the Republic of Armenia, 08 01 2018, available at: <https://www.mfa.am/hy/bilateral-relations/cn> (Visited on: 01 06 2019).
- . *Foreign Minister Zohrab Mnatsakanyan participated in the meeting of the Eastern Partnership Foreign Ministers*. 13 05 2019, available at: [https://www.mfa.am/hy/press-releases/2019/05/13/eap\\_minister\\_10\\_anniversary/9552](https://www.mfa.am/hy/press-releases/2019/05/13/eap_minister_10_anniversary/9552) (Visited on: 29 06 2019).
- Mogherini, Federica, *European Union External Action*. 03 07 2018, available at: [https://eeas.europa.eu/regions/eastern-europe/47924/speech-hrvp-mogherini-eu-armenia-relations-european-parliament\\_en](https://eeas.europa.eu/regions/eastern-europe/47924/speech-hrvp-mogherini-eu-armenia-relations-european-parliament_en) (Visited on: 01 06 2019).

- Ó BEACHÁIN, Donnacha. «The Role of the EU and the OSCE in Promoting Security and Cooperation in the South Caucasus and Moldova.» In *NATO Science for Peace and Security Series, E:Human and Societal Dynamics*, pp. 42–57, Security and Cross-Border Cooperation in the EU, the Black Sea Region and Southern Caucasus, 2013.
- Oddo, Paola Lo Bue. *The new federalist*. 28 03 2019, available at:  
<https://www.thenewfederalist.eu/the-eu-or-russia-interests-and-ties-in-the-south-caucasus> (Visited on: 2019 05 27).
- OSCE, *Who we are*, 20 05 2019, available at: <https://www.osce.org/minsk-group/108306> (Visited on: 2019 05 27).
- Pashinyan, Nikol. *Council of Europe*. 11 04 2019, available at:  
<https://www.coe.int/en/web/portal/-/nikol-pashinyan-armenia-is-today-unequivocally-a-democratic-country-> (Visited on: 2019 05 27).
- . *The European Union is ready to continue supporting the democratic reforms in Armenia*. 05 03 2019, available at: <https://www.primeminister.am/en/press-release/item/2019/03/05/Nikol-Pashinyan-Federika-Mogerini/> (Visited on: 31 05 2019).
- . Interviewer Sam Morgan, *EURACTIVE*. 04 03 2019, available at:  
<https://www.euractiv.com/section/armenia/interview/armenia-pm-nagorno-karabakh-talks-must-include-republic-of-artsakh/> (Visited on: 01 06 2019).
- Press and information team of the Delegation to Armenia. *Delegation of the European Union to Armenia*. 11 05 2016, available at:  
[https://eeas.europa.eu/delegations/armenia/896/armenia-and-eu\\_en](https://eeas.europa.eu/delegations/armenia/896/armenia-and-eu_en) (Visited on: 27 05 2019).
- Popescu, N. and Secieru S., *Third powers in Europe's east*. Paris: European Union Institute for Security Studies, 2018.
- POPESCU, Nico. *"Outsourcing' de facto Statehood: Russia and the Secessionist Entities in Georgia and Moldova*. CEPS Policy Brief no. 109, 2006.
- Popescu, Nicu, interviewer Ara Tadevosyan. *Armenia wanted to sign the Association Agreement* (16 04 2014 r.).

- Popescu, Nicu, *Eurasian Union: the real, the imaginary and the likely*. Paris: EU Institute for Security Studies, 2014.
- Punsmann, Burcu Gültekin. «Implications of Turkish-Azerbaijani Relations for Regional Security and Development.» B IAI *WORKING PAPERS 13*, ISSN 2280-4331 . Istituto Affari Internazionali , 2013.
- Putin, Vladimir. *Armenia chooses Russian trade deal over EU*. 03 09 2013 r. available at: <https://www.rt.com/business/russia-armenia-customs-eu-391/>(Visited on: 27 05 2019).
- Sharashenidze Tornike, Richard Giragosian «Engaging Iran: Implications for the South Caucasus.» *Wider Europe Forum*, 18 09 2015.
- Sipri.org, SIPRI Fact Sheet, Trends in International Arms Transfers., March 2018, available at: <https://www.sipri.org/publications/2018/sipri-fact-sheets/trends-international-arms-transfers-2017> (Visited on: 13 06 2019).
- Socor, Vladimir. «Iran-Armenia gas pipeline: far more than meets the eye.», p. 56, *Eurasia Daily Monitor Volume: 4 Issue: , Jamestown Foundation*, 2009.
- Tigran Mkrtchyan, Tabib Huseynov and Kakha Gogolashvili. *The European Union and the South Caucasus*. Gütersloh: Europe in Dialogue, 2009.
- The Prime Minister of the Republic of Armenia. *Prime Minister Nikol Pashinyan's Statement on Judiciary System*. 20 05 2019, available at: <http://www.primeminister.am/hy/statements-and-messages/item/2019/05/20/Nikol-Pashinyan-Speech/> (Visited on: 31 05 2019).
- Tulmets, Elsa. *The European Neighbourhood Policy: A Framework for Modernisation?* Fiesole: European University Institute, 2006.
- WHITMAN, Richard G. a WOLFF, Stefan. *The EU as a conflict manager? The case of Georgia and its implications*. International Affairs. 87-107, 2010.
- Zacha, Ondřej. «EU Policy Gaps Towards.», pp. 1-4, 9, *Strategic Policy Institute*, 2018.