ANALYSIS OF THE MINSK PROCESS
1992-2011

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## SIGNATURE PAGE

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## TABLE OF CONTENTS

Abstract-------------------------------------------------5

Introduction-----------------------------------------------6

Literature Review------------------------------------------12

Research Questions and Methodology------------------------15

Chapter 1: Minsk Process: What has been done so far?-------16

Chapter 2: Explaining Minsk Process Developments---------25

Conclusion-----------------------------------------------35

References-----------------------------------------------39

Appendices---------------------------------------------44
ABSTRACT

This study aims to explore Minsk Process starting from its commencement until 2011. Along with providing an analysis of the successive stages of the Process for the settlement of the Nagorno-Karabakh conflict, it tries to find out possible explanations for intermediation efforts and their development. The conclusion explores the reasons of Minsk Group’s failure so far, and discusses ways of moving forward to bring the parties closer to the settlement of the conflict.
INTRODUCTION

The Nagorno-Karabakh conflict in its current phase started in February 1988 with rising mass demonstrations in Stepanakert and then in Yerevan for Nagorno-Karabakh’s unification with Armenia. This reality was unprecedented in 70 years long Soviet history. Following the protests on 20 February the Soviet of Nagorno-Karabakh Autonomous Oblast "…welcoming the wishes of the workers of the Autonomous Region of Mountainous Karabakh…” requested the supreme soviets of Azerbaijani and Armenian SSRs to "…appreciate the deep aspirations of the Armenian population of Mountainous Karabakh and to transfer the Autonomous region of Mountainous Karabakh from the Azerbaijani SSR to Armenian SSR, at the same time to intercede with the Supreme Soviet of USSR to reach a positive resolution regarding the transfer of the region from the Azerbaijani SSR to the Armenian SSR" (Libaridian 1988, 90).

Massive marches and demonstrations were continuing bringing hundreds of thousands of people to Opera Square. On February 26 the number of protesters reached one million – one fourth of the Armenian population then. However, after the meeting with Gorbachev, two activists of the movement, Sylva Kaputikyan and Zori Balayan, called for a temporary calm down of the protests so that Moscow could study the issue and make appropriate decision for their concerns (De Waal 2003, 47-54).

Not waiting even a day, Azerbaijan’s response came in a manner of pogroms against Armenian population in industrial city Sumgait not far away from Baku on 27-29 of February. According to official sources 32 people died, however, some western sources estimate of 200-300 peoples’ death in Azerbaijan (Walker 1990, 401).

As the months progressed the crisis between two nations was deepening. On 18 July the Supreme Soviet of the USSR, based on article 78 of the Soviet constitution prohibiting the
transfer of territories between Union republics without their consent, decided to leave Nagorno-Karabakh within the territory of Soviet Azerbaijan, which further exacerbated the situation (The Armenian Center for National and International Studies 1997, 7). The tensions were expressed by mass demonstrations, refugee flees from both sides and fights and killings among civilians, which continued till late fall 1988 (Chobajian 2001, 2).

On January 20 1989, Gorbachev established a special authority Nagorno-Karabakh, which was directly governed from Moscow and was headed by Arkady Volsky, a high level official of the Communist Party of the USSR. This was aimed at providing interim resolution to the Karabakh issue (Hakobyan 2010, 69-70). Administration of this type, however, did not last long. On November 28, 1989, based on USSR Supreme Soviet’s resolution, which was adopted mainly under the pressure of Soviet Azerbaijani government and pro-Azerbaijani forces in Moscow, Volsky’s commission was ended (The Armenian Center for National and International Studies 1997, 7).

In January 1990 a new wave of pogroms against Armenian population took place in Baku. 150 people were killed and hundreds of them became refugees. The USSR Supreme Council, however, announced a state of emergency in Baku only on January 19, when the massacre of Armenians had ended and there were no Armenians left in Baku. Armenian pogroms were only a pretext for Moscow to send troops to Baku. The aim was destroying Popular Front of Azerbaijan, an oppositional organization seeking to seize power from Communists (Hakobyan 2010, 76-80).

The conflict got militarized in April 1991, after the so-called “Operation Ring”, during which Soviet and Azerbaijani troops entered the Shaumian district in the northern part of Nagorno-Karabakh, mainly Getashen and Martunashen, and organized ethnic cleansing against the Armenian population of the region The remaining Armenian population of 24 villages were
forced to deport. This made Armenian and Nagorno-Karabakh authorities organize fighting groups that would also comprise core of the Nagorno-Karabakh Army. This marked the beginning of the open armed phase in Karabakh conflict (Libaridian 1999, 8).

Following the recent establishment of Armenian and Azerbaijani independent republics and the Soviet’s break-up, on 10 December 1991 Nagorno-Karabakh in the presence of international observers and media representatives held its own referendum on independence. The vote was supported by 99 percent of participants (The Armenian Center for National and International Studies 1997, 8).

In the meantime the soviet troops had withdrawn from the region letting the conflict to evolve directly between two parties without any buffer. By the beginning of 1992 the last hopes of containing the conflict vanished and it escalated into a full-fledged war.

The first mediation attempt was made by the presidents of Russia and Kasakhstan Boris Eltsin and Nursultan Nazarbaev on 23 September 1991. This move ended with an agreement to continue talks between Armenian and Azeri leaderships (Zheleznovodsk Declaration 1991).

The second one was made by Islamic Republic of Iran in February-March 1992. This attempt culminated in May 8, 1992 in Tehran with the adoption of quadrilateral agreement signed by the high-level officials of Iran, Armenia, Azerbaijan and Russia. However, this attempt was nullified as the military operations reemerged in conflict zone (Joint Statement of the Heads of State in Tehran 1992).

On March 24 1992, during the Helsinki Additional Meeting of the Council of the Conference on Security and Cooperation in Europe (CSCE), the ministers of the Council “expressed their deep concern about the situation in and around Nagorno-Karabakh and its immediate implications on the regional and international security”, agreed that “the CSCE should play a major role in promoting peace process relating to the conflict.” The ministers also
mandated the Chairman-in-office of the CSCE “to visit the region shortly in order to contribute to the establishment and maintenance of an effective cease-fire as well as to the establishment of a framework for an overall peaceful settlement.” The ministers expressed their conviction that “a conference on Nagorno-Karabakh under the auspices of the CSCE would provide an ongoing forum for negotiations towards a peaceful settlement of the conflict and requested the Chairman-in-office to conduct such a conference.” It was decided that the conference should be held in Minsk and would have 11 participant countries, including Armenia and Azerbaijan. Nagorno-Karabakh would be present in the conference as an interested party (CSCE 1992).

Although this conference never took place, however, the CSCE, which later became Organization for Security and Cooperation in Europe (OSCE), particularly Minsk Group became and still is the only internationally mandated body responsible for providing an appropriate framework for conflict resolution- to conduct negotiations, obtain conclusions by the parties on the cessation of the armed conflict, and promote peace process through the deployment of OSCE multinational peacekeeping forces (OSCE 2013).

These mediation efforts, however, were not efficient as they failed to make any progress in imposing a cease-fire or resolving the problem peacefully. In the meantime of these events, the hostilities continued between conflicting parties with attacks and counterattacks from both sides. In May 9, 1992 Armenian forces liberated the strategically important city of Shushi and established a land corridor between Nagorno-Karabakh and Armenia at Lachin on May 18 (De Waal 2003, 179-184).

Armenian success, however, was stopped by Azerbaijan’s counter-offensive in June 1992 and the capture of Martakert and Shaumian region. Azeri offensive, however, was successful only for a few months, as the most disastrous year was coming. From the end of February till November, Nagorno-Karabakh forces not only liberated Martakert region, but also began to
counter-attack and seized six adjacent territories to Nagorno-Karabakh, particularly Kelbajar (establishing second land connection between Armenia and Nagorno-Karabakh), Gubatlu, Jebrail, Zangelan, Aghdam and Fizuli (Hakobyan 2010, 179-185).


By November 1993 Armenian forces reached their maximum territorial extension. Those territories remain under control of the Republic of Nagorno-Karabakh till now and so far have been one of the crucial points of negotiations agenda.

The long-awaited ceasefire agreement was reached in May 1994. By this time both sides of the conflict had already undergone serious physical and military losses. The agreement was signed on May 12 1994, based on previously agreed Bishkek Protocols on May 4-5 1994, and was mediated solely by Russian representative, despite the fact that an internationally mandated and official mediator for the settlement of Nagorno-Karabakh conflict existed in face of OSCE Minsk Group (The Bishkek Protocol 1994).

This Master’s Essay is aimed at analyzing the Minsk Process trying to find out the factors explaining its developments from 1992 to 2011. The first chapter will introduce the documents of OSCE Summits and Ministerial Council with regard to the settlement of Nagorno-Karabakh conflict, the official proposals of the Minsk Group, as well as the statements of the co-chairs and officials involved in the process. The second one will find out the reasoning behind the mentioned Summits, Councils, proposals and statements, answering the question why and how the Process moved, what could have been different and what opportunities have been lost during
the whole process. Based on the analysis it will make conclusions, putting the emphasis on the evaluation of the whole process and the possible changes for the future.

The official proposals of the OSCE Minsk Group for the peaceful settlement of the conflict will be provided in Appendices.
LITERATURE REVIEW

The Nagorno-Karabakh conflict and its settlement have been under consideration of many scholars. Several have focused on historical analysis of the conflict. In his book "Black Garden: Armenia and Azerbaijan through Peace and War" De Waal presents the history of Nagorno-Karabakh from 1988 till 2001 the research for which is based on 120 original interviews done during 2001-2001 in Armenia, Azerbaijan and Nagorno-Karabakh. The book pretends to be one of the objective sources concerning Karabakh's recent history as it considers the objectives and stories of relevant people either from Nagorno-Karabakh, Armenia or Azerbaijan (De Waal 2003).

Hakobyan’s "Karabakh Diary" is another important source contributing to the documentary part of the thesis. It's impartial and open presentation of Karabakh's history of the last two decades relies on a rich and varied sources base (Hakobyan 2010).

"Karabakh File" by Libaridian presents Karabakh's history from 1918 to 1988 and the multi-faceted nature of its question through actual documents and other data leaving the analysis of the data and the answer of the questions "why the conflict reemerged and where does it go?" to the reader (Libaridian 1988).

In comparison with the previous sources, "Nagorno-Karabakh: A White Paper" not only explains the background to the conflict, but offers the basic reasons for the appearance of the Republic of Nagorno-Karabakh and highlights some critical issues on negotiations process relevant at that time (Armenian Center for National and International Studies 1997).

In his study "The Nagorno Karabakh Conflict" Cornel tries to analyze the Karabakh conflict from its historical roots till 1999, at the same time putting the emphasis on the policies of
the four regional and international powers (Russia, the United States, Turkey and Iran) whose behavior had a significant impact on the development of the conflict (Cornell 1999).

Mooradian and Druckman in the study of Karabakh conflict from 1990-95 argue that a mutually hurting stalemate is a condition for negotiating a ceasefire and reducing violence between warring parties (Mooradian and Druckman 1999).

In a periodical review of peace initiatives "Accord" the authors try to analyze the official mediation process over the Nagorno-Karabakh conflict from different perspectives. For instance, Jacoby argues that the OSCE can be as strong and the Minsk Group can be as efficient as its member-participants allow it to be (Jacoby 2005). Zulfuqarov addressed Azeri perspective with regards to the settlement of the conflict, arguing that the conflict settlement is moving from the "package" and "step-by-step" dichotomy, which has lost its currency in the last years to the concept of "interim status," however, he states that unless Armenia abandons the strategy to include in the agreement the predetermination of Nagorno-Karabakh's status as an independent state, the talks have little chance to succeed (Zulfuqarov 2005).

Zourabian (2006), Harutunian (2010) and Ziyadov (2010) in their studies of Nagorno-Karabakh conflict and its settlement process try to find out the reasons of Minsk Group's failure in certain points and suggest possible scenarios for the future development of the resolutions.

And last but not least, De Waal (2010) in his article "Remaking the Nagorno-Karabakh Peace Process" concentrates on the current impasse in the settlement process, trying to find out reasons behind it and how certain changes could bring the process out of it (De Waal 2010).
RESEARCH QUESTION AND METHODOLOGY

The research question of this study is: “What factors explain the Minsk Group Process in its different stages from 1992 to 2011

For the purposes of this study both primary and secondary data are considered. The primary data include the official documents of the OSCE Summits and Council Meetings, OSCE Minsk Group Proposals, as well as other documents concerning the Nagorno-Karabakh conflict and its settlement process from 1988 to 2011. Primary data includes also the speeches of relevant high-level officials important for the negotiations process.

The secondary data involves books, as well as scholarly and news articles covering the Nagorno-Karabakh conflict’s recent history and the mediation process.
CHAPTER 1

THE MINSK PROCESS: WHAT HAS BEEN DONE SO FAR?

The idea of a Conference to deal with the settlement of Nagorno-Karabakh conflict was first proposed during the Helsinki additional meeting of the Council of CSCE on March 24, 1992. The CSCE created in 1970s is “a multilateral forum for dialogue and negotiation between East and West.” (CSCE 1992). During the mentioned meeting it was decided that “the CSCE must play a major role in promoting a peace process relating to the Nagorno-Karabakh conflict for the maintenance of regional and international security” (ibid. 14). The future conference should have been conducted in Minsk as earlier as possible and it would have provided a forum for negotiations between the conflicting parties for the peaceful settlement of the conflict based on the principles and provisions of the CSCE. The participating states were Armenia, Azerbaijan, Belarus, Czech and Slovak Federal Republic, France, Germany, Italy, Russian Federation, Sweden, Turkey and The United States of America. The representatives of Nagorno-Karabakh would be invited as interested parties by the Chairman of the Conference after consultations with the participants (ibid).

During the Helsinki meeting the Chairman-in-Office of the Council of Ministers together with a few diplomats representing the member states of the future conference were mandated to visit the region with the aim of contributing to the establishment and maintenance of the ceasefire and further settlement of the conflict (ibid). Although the conference in Minsk did not take place due to the lack of commitment within the conflicting parties to solve the dispute peacefully, however, “Minsk Group” remained as the name of the body which was officially mandated for mediation in the settlement of Nagorno-Karabakh conflict.
The first two years of mediation were rather inefficient: despite the rare “emergency talks” between the representatives of conflicting parties and reached agreements setting deadlines for permanent ceasefire, no serious achievements were signed by the Minsk Group for the settlement of the conflict through peaceful means. This is explained by the fact that mediation efforts were accompanied by the continuous clashes on the battlefield (Zulfuqarov 2005, 39). Thus, the period from 1992 to 1994 is the first stage of the settlement process, mainly characterized with Russia's dominant role among other Minsk Group members. It is worth to mention that it was solely Russian representative not Minsk Group who mediated the 1994 ceasefire (Jacoby 2005, 31).

However, during the CSCE Budapest Summit in December 1994, during which the name of the CSCE change to the Organization on Security and Cooperation in Europe, the members of the conference had to acknowledge crucial Russian contribution and express their willingness to harmonize their mediation efforts with Russian ones for the peaceful settlement of the conflict within the framework of OSCE. For this purpose they first of all agreed to establish co-chairmen of the Minsk Group for the assurance of common and agreed ground for negotiations and coordination of all mediation efforts. The primary task of the co-chairmen was the coordination of all efforts of OSCE members to promote the continuation of existing ceasefire, to conduct negotiations with the parties for the conclusion of political agreement on the cessation of the conflict. There was also stressed the role of the co-chairmen for further implementation of confidence-building measures among conflicting parties, especially in the humanitarian field (CSCE 1994).

In the scope of OSCE attempts to incorporate Russia into the organization and to extend cooperation, Russia was given the post of permanent co-chairmanship. This post it should carry out together with a rotating co-chair country, which was first Sweden, and later from April 1995
Finland. The mandate of the co-chairmanship was established on 3 March 1995, according to which, the co-chairmen will be guided by the principles and norms of the OSCE, UN Charter, the decisions of the OSCE, as well as Council of Ministers, in addition to the UNSC resolutions. Among the most important tasks of the co-chairmen were the strengthening of the ceasefire, developing a common basis for negotiations to achieve a political agreement to the conflict, promoting direct contacts and talks between the parties, working on confidence-building measures, primarily in the humanitarian field, regularly visit the region of the conflict to maintain contacts with parties to the conflict, as well as jointly chair the Minsk Conference and the meetings leading to it (OSCE 1995).

The time period from 1994 to 1996 till Lisbon summit is the second stage of the Process. This stage is characterized by two presidents and their respective representatives' cooperation addressed to the diagnosis of the common problem and finding possible solutions to it. This period is worth mentioning also for the compromised behaviors of mediators, particularly of Russia and the West, with Russia being granted the permanent co-chairmanship of the Minsk Group.

A turning point in the Minsk Process in the sense of increasing international attention towards the Nagorno-Karabakh conflict can be considered the OSCE Lisbon Summit of December 1996, which marked the beginning of a new stage in the Process. During this summit three principles were recommended by the co-chairmen of the Minsk Group for the settlement of Nagorno-Karabakh conflict. Those principles were territorial integrity of the republics of Armenia and Azerbaijan, the highest degree of self-rule for Nagorno-Karabakh within Azerbaijan, and a guaranteed security for Nagorno-Karabakh and its population. These principles were agreed by all the members of the Minsk Group except Armenia. The latter provided its concern for a few issues included in the statement of the co-chairman. Particularly there was
emphasized the fact that the statement does not reflect the contend of the Minsk Group Mandate as well as the decision of the OSCE Ministerial Council of 1992, according to which the problem of status should be a subject of direct negotiations and it should be decided after reaching a political agreement. Also there was mentioned that the agreement was reached based on the basis of international law and the principles laid down in Helsinki Final Act, particularly self-determination, which was ignored in the statement of the co-chair. The result of this was the summit document, consisting of the chairman’s declaration and an attached note to the document, making clear the positions of all OSCE member states (OSCE 1996).

In December 1996 France replaced Finland as a co-chair country, and in the beginning of the next year the United States became the third co-chair country. (OSCE website) Thus, in 1997 a permanent co-chairmanship of Russia, France and the United States was established, and consequently concentrated the efforts of the Minsk Group for the settlement of Nagorno-Karabakh conflict in the hands of these three countries, the two of which: Russia and the United States had their direct interests in the region, naturally making them compete for having dominant influence. An active period of shuttle diplomacy followed this aimed at finding a solution for Nagorno-Karabakh’s status and security, as well as for the issue of IDPs (Jacoby 2005, 31).

In July 1997 the OSCE Minsk Group presented its first comprehensive agreement to resolve the Nagorno-Karabakh conflict based on the so-called “package” approach. This proposal, supposing that the parties to the conflict are committed to the provisions of UN Charter, basic principles and decisions of the OSCE and the full implementation of UNSCR 822, 853, 974 and 884, favored talking about all issues simultaneously, including Karabakh’s final status. This proposal consisted of two agendas: Agreement I supposed that the parties should end the armed conflict including troop withdrawal, peacekeeping operations, return of displaced
persons and other relevant measures for establishing normal relations, and Agreement II concerned the determination of Karabakh's final status which would later be approved by Minsk Conference (see Appendix 1). The proposal was rejected by Armenia and Nagorno-Karabakh for not expressing the will of the Nagorno-Karabakh people and their right to self-determination.

A few months later the Minsk Group provided another comprehensive agreement for the settlement of the conflict, at this time based on the “step-by-step” approach. The measures and issues in this peace agreement are similar to the previous one, particularly, they also include reliable security guarantees for Nagorno-Karabakh population, withdrawal of armed forces to the 1988 borders of Nagorno-Karabakh Autonomous Oblast the return of refugees and IDPs to their home, and the normalization of relations, including trade, road and other communication links between Armenia and Azerbaijan (See Appendix 2). However, the crucial difference between these proposals was that the latter postponed the agreement on the final status of Nagorno-Karabakh to the indefinite future. This proposal was rejected as well at this time due to the demands of Karabakh Armenians who claimed that there cannot be any vertical relationship between Azerbaijan and Nagorno-Karabakh, which means that Nagorno-Karabakh cannot be subordinated to Azerbaijan (Zourabian 2006, 259).

In the beginning of 1998 the differences between the positions of Yerevan and Stepanakert became tenser. Armenian president Ter-Petrosyan accepted the principles of this proposal, the rationale of which was that “Maintaining current status-quo for a long time is impossible as neither international community nor Armenian economy will allow it. The unresolved conflict is not profitable for either Armenia, or for Karabakh, as it makes obstacles for the economic development of Armenia, which means for Karabakh as well, creates problems for the relations with international community and more with the neighboring countries, which can have fatal consequences. The only way to resolve Nagorno-Karabakh conflict is a
compromise, which doesn’t necessarily mean the victory of one side and defeat of the other, but a possible agreement reached in the saturation of the conflict” (Ter-Petrosyan 1997).

However, Ter-Petrosyan’s position was not acceptable not only for Karabakh’s Armenians, but also for leading members of his cabinet, including Prime Minister Robert Kocharian and Interior and National Security Minister Serzh Sargsyan, both having Karabakh origins and being past members of Karabakh administration, as well as Defense Minister Vazgen Sargsyan. These differences as well the power divide within his government eventually led to Ter-Petrosyan’s resignation and coming to power of Robert Kocharyan as a president of Armenia. This marked the end of the previous stage leaving behind both the "package" and "step-by-step" solutions based on Lisbon principles, and at the same time the beginning of a new stage. Opposing the previous proposals by Minsk Group as a basis for negotiations, Kocharian and his allies believed that Armenian side was in a position to insist on a package deal that could provide independence for Karabakh (Libaridian 2005, 37).

In November 1998, the OSCE Troika presented the so-called “common state” proposal to the conflicting parties. This was a step back from the step-by-step to package approach and at the same time a step back from Lisbon principles of defending Azerbaijan’s territorial integrity and fulfilling the self-determination right of Nagorno-Karabakh people only within Azerbaijan. The idea of common-state envisages that Nagorno-Karabakh and Azerbaijan should be two parts of one state (See Appendix 3). This was a brainchild of at that time Russian Foreign Minister Primakov, and was used by Russia in negotiations over the conflicts of Transdniestria and Abkhazia. Although the lack of specifications with regard to certain details of the concept and the equality of the status of two entities made the concept vague, according to its authors, it was vague enough to bring the parties to the negotiations table. This proposal was supported both by Armenia and Nagorno-Karabakh, however, this time it was rejected by Azerbaijan, claiming that
it opposed its territorial integrity and violated the norms of international law (Hakobyan 2010, 250-251).

From April 1999 the negotiations moved to the level of presidents turning the mediators into spectators. The Minsk Group co-chairs organized direct negotiations between the presidents of Armenia and Azerbaijan aimed at providing opportunity for the sides to develop a model for settlement expressing common interests and wills. In the scope of these meetings a so-called “land-swap” proposal was developed. Although the specific details of it are still secret, however, the whole idea of land-swap was that Nagorno-Karabakh should be annexed to Armenia and instead Azerbaijan should have control over Armenian Meghri region linking the latter to its exclave Nakhichevan. These talks were unpopular both within the governments of Armenia and Azerbaijan, which led to some changes suggesting only passageway rights for Azerbaijan through Meghri in return for full sovereignty of Nagorno-Karabakh. However, even with some adjustments the plans ended with failure in 2001 after Key West meeting (Zourabian 2006, 260-261). This stage was characterized most importantly with Nagorno-Karabakh's removal from the mediation process as an interested party, as well as adopting as a basis for negotiations the "package" deal. This was due to the Armenian side’s confidence that it was in a position to give back the adjacent territories to Nagorno-Karabakh only in case of getting Karabakh’s independence.

Certain intrastate changes and developments in both countries relatively slowed the Minsk process, which continued till 2003. Starting from 2003, the negotiations were to be held at the level of foreign ministers, with occasional meetings between the presidents. With this round of negotiations a new period was starting in the Minsk Process which later became to be known as “Prague Process.” A new method was agreed on between the parties: “no agenda, no commitment, no negotiation, but a free discussion, on any issue proposed by Armenia, by
Azerbaijan, or by the Co-Chairs” (OSCE 2004). This would be the beginning of a new stage. The past five years favoring the “package” method of solution were fruitless, which eventually led to the building of a new method which will somehow be the mixture of the previous two proposals.

After a few meetings between the foreign ministers and visits to two countries the co-chairs presented possible scenarios of the format of negotiations to the presidents. What was common in those scenarios was that the current status quo should not be maintained anymore, the determination of the status of Nagorno-Karabakh should be postponed, instead the parties should agree on the way of deciding the status in the future, necessarily after implementing all the provisions of normalizing relations between the parties (ibid). During this period the Nagorno-Karabakh would get an “interim status,” which will stay as long as the impact of confidence-building measures and security guarantees are felt. The latter includes withdrawal of Karabakh Armenian forces from the occupied territories, return of IDPs to their homes and deployment of international peacekeeping forces in those territories. Only after the implementation of these provisions in certain years the status of Nagorno-Karabakh could be determined. After the presentation of the mentioned plans by the co-chairs in August 2005, the presidents of two countries had a few opportunities to discuss it, among them the meetings in Rambouillet and Bucharest in February and July 2006 (International Crisis Group 2007, 2-5).

The Prague Process and the meetings in the scope of it both in foreign ministerial and presidential levels resulted in the introduction of “Madrid Principles” by the co-chairs of the Minsk Group in 2007. The principles include the return of the territories surrounding Nagorno-Karabakh to Azerbaijan’s control, an interim status for Nagorno-Karabakh providing guarantees for security and self-rule, land connection between Armenia and Nagorno-Karabakh, further determination of the status of Nagorno-Karabakh based on referendum, return of IDPs and
refugees to their previous places of residence, international guarantees for security, including involvement of peacekeeping forces (Republic of Armenia, Ministry of Foreign Affairs 2009).

Following the introduction of Madrid Principles by the co-chairs a series of meetings took place between both the presidents and the foreign ministers of two countries conducted for the negotiations over the mentioned principles and their acceptance as the basis for further settlement of the conflict. So far, they are considered the basic principles for the settlement of Nagorno-Karabakh conflict and their complete acceptance by the conflicting parties would provide an opportunity to process a thorough project aimed at establishing peace in the region and a ground for further development (Republic of Armenia, Ministry of Foreign Affairs 2010, 2011).

From 2007 the mediation process entered a new deadlocked stage when the parties are engaged in time consuming having their respective reasons for that. Direct contact between the conflicting parties is less than rare, and contrary to it the ceasefire violations become more frequent. This stalemate makes more and more difficult for the mediators to process a Document of Basic Principles to overpass the main differences between two sides’ approaches.
CHAPTER 2: EXPLAINING MINSK PROCESS DEVELOPMENTS

The CSCE started to deal with the settlement of Nagorno-Karabakh conflict from March 1992, soon after the newly independent republics of Armenia and Azerbaijan joined it. With its regional functions the CSCE appeared a better candidate than the UN to deal with the Karabakh conflict. According to Druckman, it was an opportunity for the CSCE to gain such an experience and become a conflict prevention organization. At the same time, the CSCE had shortcomings as well if dealing with NK conflict: “CSCE’s lack of experience with these types of conflicts and reduced solidarity among its members, combined with Russia’s regional ambitions and Turkey’s advocacy role serve to weaken the intervention…” (Mooradian and Druckman 1999, 709-717).

As was mentioned earlier, the first years of mediation process were not productive in the sense that the parties were not ready to solve the conflict peacefully, but through war. This phase of mediation was also remarkable with the complicated relations between Russia and the western states of the CSCE. In addition to being a CSCE member, more important for Russia was the role of a dominant regional actor, which continuously undermined the CSCE’s position making it difficult for them even to establish an agenda for meetings (Baser 2008, 90-93).

Russia’s efforts of becoming a dominant actor in the Caucasus were, of course, not within the interest of other Minsk Group members. This competition, in addition to the fact that the CSCE lacked the relevant practice, institutions and measures to deal with such a conflict made the CSCE mandate weak and eventually led to the mediation efforts’ concentration in Russian hands. The result of this was the 1994 ceasefire agreement mediated by solely Russian representative, despite the fact that the head of the CSCE was making parallel efforts of ceasing the armed conflict (Walker 1998, 21-22).
Tensions and disagreements between Russia and the West existed after the ceasefire as well, particularly concerning the composition and leadership of peacekeeping forces to be involved in the region. Moscow preferred merely Russian troops or at least CIS ones. The South Caucasus, as a region of former Soviet countries, in addition to Azerbaijan’s oil resources, had a huge importance for Russia and it wanted to have a dominant role in the region to the extent of excluding other big players, such as the U.S. or Turkey. For obvious reasons, western countries, especially those having their interests in the South Caucasus opposed to this preference and refused to allow Russian-only troops to be involved under OSCE mandate. Later Moscow was ready for at least half of the forces to be Russian; however, again the CSCE members rejected this option insisting on only a third of Russian and 17% of other CIS countries’ troops. Besides, Russia insisted on its leadership based on the Russian doctrine at that time to establish exclusively Russian forces in the former Soviet territory, and the CSCE members aimed at establishing UN practice, according to which the force commander should not come from the largest contingent of forces. As a result of these tensions a ceasefire was agreed without peacekeeping forces, which is an unusual fact in the international practice (Cornell 1999, 121-123).

In addition to this situation, starting from 1994, another major player was involved in the game. With regard to the presence of oil in Caspian sea and the possible scenarios of circumventing Iran and diminishing its role in the region through diversification of oil production and its transportation made the US to be more present in the regional issues, including the NK conflict (Jacoby 2005, 31).

All these factors explain the inefficiency of the Minsk Group’s mediation efforts, which itself makes grounds for the conflicting parties to maneuver between alternative ways of solution in search of a more favorable one, or not any at all. However, these contradictions were
somehow solved after OSCE Budapest Summit of December 1994, during which there were made steps to “harmonize the mediation efforts of Russia and the OSCE into a single coordinated effort within the framework of the OSCE.” The harmonization efforts, as was mentioned earlier, resulted in the establishment of dual co-chairmanship with a permanent Russian chair (Zourabian 2006, 255).

This period of relative cooperation was rather progressive in the sense that few actual steps were undertaken towards the resolution of the conflict. It was mainly due to the unity of the mediators, which maybe occurred because both Sweden and later Finland were quite experienced in cooperation with Russia. Particularly, this period was fruitful in organizing direct talks between the representatives of two parties in 1995-96 during which serious progress was achieved which could have resulted in solving the status of NK. However, this problem solving approach toward the conflict soon became useless after Azerbaijani decision to play its oil diplomacy instead of going to unwarranted concessions, and the great powers’ involvement in the mediation. The beginning of this shift in the process can be considered the OSCE Lisbon Summit of 1996 (Libaridian 2005, 36).

As was mentioned previously the OSCE Lisbon Summit was a turning point in the history of the Minsk Process. Although technically Armenia used its veto power not to let the summit document to establish an official basis for future negotiations, however, that was a diplomatic victory for Azerbaijan. If before the summit there was a tendency of international opinion to favor Armenia, after it most international actors turned to Azerbaijani side mainly for economic reasons, thus supporting the settlement of the conflict based on territorial integrity of Azerbaijan and providing internationally guaranteed autonomy for Karabakh (Cornell 1999, 123-124).
Right with establishment of the ceasefire, differences between Yerevan and Stepanakert with regard to certain issues started to show up. Among those issues were first of all the status, security and consequences of the conflict and then the methodology of a solution. The latter particularly concerns to dealing with the conflict through package or step-by-step approach.

During his presidency Ter-Petrosyan gradually came to the conviction that the most important issue for Karabakh is its security and the right to self-determination, which does not necessarily mean independence. His approach was that NK would be legally part of Azerbaijan with a higher autonomy than before 1988, and in return Azerbaijan would guarantee the security of NK population, lift the existing blockades and allow Armenia’s control over Lachin corridor and territory. Ter-Petrosyan was sure that internationally recognized independence for NK or its unification with Armenia was as good as impossible. According to him, Armenia could survive the blockades, but economic development for it would be impossible in the continuous state of possible renewal of fighting which itself requires state resources to be deprived from other fields. In addition, Ter-Petrosyan’s administration believed that the support and resources of Diaspora were not sufficient to counterbalance Azerbaijan’s oil revenues and increasing military budget. Thus, the first president focused on resolving the issue with the formula of “territories for peace,” while Stepanakert was sure that the territories were the strongest card in their hand to demand NK’s unification with Armenia or at least independence from Azerbaijan (Libaridian 2005, 36).

These differences between Yerevan and Stepanakert sharpened more in September 1997 when the Minsk Group presented its proposal for the settlement of the conflict based on this time step-by-step approach, as the previous package proposal was rejected by the parties. The proposal was accepted by Armenia and Azerbaijan with serious reservations. However, it was
rejected by Karabakh authorities, explaining that they refuse any proposal which restores NK to Azerbaijani sovereignty (De Waal 2010, 166-174).

This line of thought was characteristic for a few powerful members of Ter-Petrosyan’s own cabinet as well, among them the Prime Minister Robert Kocharyan, Interior and National Security Minister Serzh Sargsyan and Defence Minister Vazgen Sargsyan. This harsh resistance from his own administration, in addition to the opposition of public, eventually led to Ter-Petrosyan’s resignation and accession of Kocharyan to the presidency (Cornell 1999, 125-126).

Kocharyan with his allies strongly believed that Armenia was in a position to insist on Karabakh’s independence or unification with Armenia. Except for not sharing Ter-Petrosyan’s urgency in solving the conflict for Armenia’s own national interests, they even blamed him for not using Diaspora resources and at the same time for readiness to go for concessions. Kocharyan’s coming to power buried the Minsk Group’s step-by-step proposal for all, making a step back to package deal.

Another important aspect was that thereafter the process was characterized by the harmonization in Yerevan’s and Stepanakert’s positions, which indirectly brought Karabakh out of negotiation process as an interested party. With his strong Karabakh identification Kocharyan favored only one solution to NK conflict: return of occupied territories for the independence of Karabakh (Zourabian 2006, 258-260).

As was stated above, in November 1998 the co-chairs presented a new comprehensive proposal called “common-state,” which was a shift from step-by-step to package method. It is natural that Armenian side approved this proposal as it denied the Lisbon principles defending only Azerbaijan’s territorial integrity, and considered it as a diplomatic victory. According to NK president Ghukasyan, “the plan envisages direct negotiations between Azerbaijan and Karabakh as coequal parties… poses no preliminary conditions and introduces unconventional elements
necessary to overcome the contradiction between the territorial integrity principle and the national self-determination principle,” hence fulfilling many of the earlier demands of the Armenian side (Cornell 1999, 128). Like Azerbaijan relied on the “Lisbon principles before and accused Armenia in international arena for not being able to compromise, now the Armenian side was in a position to depict Azerbaijan as a party refusing to comply. In Azerbaijani perspective, the plan “departed from the OSCE’s own norms, blindsided Azerbaijan virtually on the eve of the OSCE’s year-end conference, and appeared designed to shift onto Baku the blame for the mediators’ ineffectiveness” (ibid, 128-129).

Thereafter, a new phase started in Minsk Process, known as “land-swap” talks, during which there were suggested to exchange certain Armenian and Azerbaijani territories and draw a new line of border. The talks took place between the presidents Kocharyan and Aliyev, and with a few later adjustments could have brought the parties to compromise. However, as different sources provide, Azerbaijan’s president at the last moment refused to sign the proposal, mainly explained by a harsh opposition from his own cabinet and unpopularity in broad public (Jacoby 2005, 32).

This relative progressive period in the process ended with Key West failure, after which it entered a relative frozen period. The process started to move starting from 2003, after the presidential change in Azerbaijan and new presidential elections in Armenia. A new stage was beginning, later called “Prague Process”. The last methods and formats of negotiations were proven to be inefficient as no serious progress was achieved during the previous years. Negotiations at presidential level did not provide the desired results and the main reason for that was that the presidents of both countries did not have the relevant power or abilities to “sell” the proposals or plans discussed during the negotiations domestically (De Waal 2010, 168-173).
The new leadership in Azerbaijan rejected to continue negotiations in “package” method, claiming that the previous eight years were unfruitful in deciding NK’s final status. Azerbaijan’s confidence in insisting its position can be explained with increasing oil revenues, military budget, and more importantly with the opening of Baku-Tbilisi-Ceyhan pipeline, a highly important and profitable project for the whole region. Azerbaijan was sure that the continuous blockade highly affects Armenian economy and takes it out of the most important regional projects. Taking into account these factors and the fact that PACE adopted a resolution accusing Armenia in occupying Azerbaijani territories gave Armenia no other choice than to enter in Prague Process and to yield the international pressure to give up the “package” method which was once unacceptable to him (Mehtiyev 2005, 3-6).

However, in order to somehow satisfy the interests of both parties there was agreed that a new method will be used which will be a somewhat mixture of “package” and “step-by-step” ones: the sense is that the parties will first agree on the way that the final status of NK would be determined and this is a characteristics of a “package” deal and then based on the provisions of that agreement, the final status would be determined and this can take five, ten or fifteen years. One thing was clear, the status of NK could not be decided in signing one comprehensive agreement, rather it should take a long period of time (International Crisis Group 2007, 2-4).

Another characteristics of this Process was that the co-chairs were aimed at gradually making the negotiations process public domestically, in an effort of launching public debate on the issue. The launching of the “Prague Process” supposed that principles would be agreed by both sides according to which the final status of NK would be determined. Those principles should include the withdrawal of Armenian forces from the occupied territories, return of IDPs to their homes, certain confidence-building measures between the two sides, and after that the final status would be determined through referendum vote (Harutunian 2010, 69).
Thus the key points in the negotiations during the Prague Process were the concept of “interim status,” the referendum, as well as special provisions for Lachin and Kelbajar regions. As the final status of NK is one of the crucial factors in solving this conflict because the parties have radically different positions with regard to it relying on two contradicting principles of international law, thus there was decided not to sign agreement over the final status at negotiations table, but let it be decided by referendum vote. The details concerning when and how the referendum will be held, will it be conducted after the refugees returned to their homes or before that was left for the future discussions.

The concept of interim status meant granting NK with a temporary legal framework, under which its population would have all political rights, would produce and trade goods, receive aid from foreign countries and organizations. The people would have the right of protecting and controlling their political and economic viability and security, would elect officials of government, as well as would have the right to access international markets (International Crisis Group 2007, 4-5).

Within the scope of the Prague Process, as was mentioned, was envisaged the return of occupied territories to Azerbaijani control. However, special provisions were provided for the districts of Lachin and Kelbajar. These regions are especially important for Armenian side as they are the territorial bridge between Armenia and NK. Much discussion was going on especially over the Kelbajar region during the meeting in Rambouillet, as it has a strategic importance from security perspective as well. Armenian side was concerned that losing control over Kelbajar would weaken its bargaining power, allowing Azerbaijan not to proceed with referendum. In Azeri perspective, there is no linkage between Kelbajar and the implementation of referendum, Kelbajar must not be held a hostage to the referendum and all the displaced persons from the region should return to their homes as soon as possible. Concerning the issue of
security, it should be maintained by the peacekeepers deployed and the renunciation of the use of force in the conflict zone. Finally, it was decided to separate Kelbajar from the referendum and link it to the agreement on interim status together with the Lachin district (ibid, 5-6).

Disagreements over the Lachin district existed as well. Although there was a common understanding that Lachin corridor should serve as a communication line between NK and Armenia, however, the width of that corridor and its status still remained an issue of dispute. According to Yerevan, the security of NK can be guaranteed only if it has a territorial link with Armenia, so insists on the corridor’s status to be the same as the whole entity both during the period of interim status and after that. Azerbaijan, on the other hand insisted that the corridor and the road linking Agdam-Lachin-Goris-Nakhichevan should be used commonly by Armenia and Azerbaijan, and its security should be within the interests of both sides. In these circumstances, the co-chairs suggested a proposal in September 2007, according to which Lachin district would be returned to Azerbaijan, while Lachin corridor would remain under Armenian control until the parties come to an agreement concerning the common use of it (Ziyadov 2010, 120-121).

After the round of meeting with the representatives of two countries in November 2007 the co-chairs presented them the basic principles for the settlement of NK. The subsequent meetings were supposed to resolve the differences between the parties with regard to the principles, make the details clear and finalize them as basic principles for the settlement of the conflict. Based on the commitment of the parties these principles could be used to draft a comprehensive settlement for the peace and security in the border (Republic of Armenia, Ministry of Foreign Affairs 2009).

Although a series of meetings took place between the presidents and the foreign ministers of two countries, particularly in L’Aquila, Muskoka, Astana in 2010 and in Deauville and Vilnius in 2011 under the auspices of co-chair countries, and the co-chairs always state that the
parties are committed to solve the conflict peacefully, and after each meeting the differences between the positions of the parties are resolving, however, the reality remains the same and still no comprehensive settlement plan was presented and agreed by the parties for the settlement of this conflict (Republic of Armenia, Ministry of Foreign Affairs 2010, 2011).
CONCLUSION

The unresolved conflict of NK, which dates back to more than twenty years in its current phase, remains a threat to not only the security of NK, Armenia and Azerbaijan, but also to the whole region.

The Minsk Process as an internationally recognized format of negotiations over the conflict of NK was launched in March 1992. However, the first two years of its existence were completely inefficient given the fact that the military fighting was intensively going on between the two sides. Besides, these years were remarkable in expressed dissent between the members of the Minsk Group particularly Russia and the West. It took a time until the efforts of these sides started to be harmonized and it happened particularly after OSCE Budapest Summit in 1994. In 1995 a co-chairmanship was established, first Russia and Sweden, then Sweden was replaced by Finland, and after 1997 permanent three partite co-chairmanship was established consisting of Russia, France and the USA, eventually overshadowing the other members of the Minsk Group.

The troika of co-chairs has till now presented three comprehensive proposals for the settlement of the conflict; however, all of them were rejected by either one party or the other. In the middle of 2000’s a new period started called the “Prague Process,” which somehow changed the content and form of negotiations. New concepts were imported in the Process, among them the “interim status,” which will be given to NK until the determination of its final status through referendum. Based on the meetings and discussion during the Prague Process basic principles were presented by the co-chairs that are currently the basis of negotiations and a path for the settlement of the conflict.

This paper in overall tried to present and analyze the OSCE Minsk Group’s efforts to mediate the NK conflict settlement as the only internationally recognized and mandated form of mediation. Given the current “no war, no peace” situation, it can be claimed that during the past
twenty years no serious progress has been achieved by the mediators to settle the conflict, that is determining a final status for NK, provide the relevant security guarantees for the NK population or making real steps towards building confidence between two sides.

Certain reasons explain this situation and among them the most important is the parties’ unwillingness to go for compromises. Both sides have always been sure that any concession would put their security and national identity under threat. The history of the peace process has shown that many times these convictions made the parties to miscalculate their military, political or economic resources to impose their will and position on the other side.

At the current stage of the conflict settlement the two sides have quite different strategies of solving the conflict. The Armenian side relies on principle of people’s right to self-determination and continuously makes steps towards building NK as a de-facto state to show the international community of its ability of being an independent state. The Azeri side puts the emphasis on its oil revenues and rising military budget, as well as isolation of Armenia from big economic projects in the region (Harutunian 2010, 70-72).

At the same time the third party mediators are engaged in shuttle diplomacy and not the solving of a conflict, and have made the negotiations process as a forum of propaganda. The only fact that till now no international troops are deployed in the Line of Contact that divides Armenian and Azerbaijani territories makes conclude that the international community does not consider this conflict as a one with high priority or a sufficiently mature. Maybe this is the reason, in addition to the Co-Chairs’ limited mandate, that the Minsk Group does not fulfill its primary function, that is: to monitor the ceasefire along the line of contact. Because of this each year a large number of soldiers die from both sides. These casualties are somehow a barometer for the efficiency in the peace process. When the peace talks are relatively in a healthy
atmosphere and intensive, the situation in the line of contact was relatively quiet (De Waal, 2010, 170-174).

An important issue concerning the inefficiency of the peace process is that negotiations are held extremely secretly, and very few details are open for public. This is the reason that this far there have been opportunities to find a solution; however, the high-level officials have been afraid of public disclosure and opposition. This means that any proposal is bound to fail if it does not correspond to broad public needs and interests.

An important issue is the exclusion of NK as a party to negotiations. It is kind of anomaly the negotiations are held about the NK, but only Armenia and Azerbaijan take part in it as interested parties. It is interesting that instead of being a real fact, the question of Karabakh’s becoming a member of negotiations is itself an issue of it. Thus, to increase the efficiency of the process, an important step should be the inclusion of NK as a party to negotiations.

The peace process has still showed that the typical approaches of conflict resolution did not provide any serious results. The main explanation for it is parties’ believe that time consuming will eventually provide their desired results. Azerbaijan relies on the socio-economic and geo-political shift in the balance of power in the South Caucasus. It is sure that the increasing oil revenues, especially after the inauguration of Baku-Tbilisi-Ceyhan pipeline, in addition to the confidence that their military budget allows to solve the issue through war if the negotiations not realize their maximum demands will let it to settle the conflict based on territorial integrity of Azerbaijan. Armenia itself consumes time in maintaining the current status quo relying on international tendencies towards supporting people’s right to self-determination, citing particularly Kosovo’s case as an example. Besides, Armenia is sure that continuous building-up of Karabakh state including the reinforcement of state institutions would not make their collapse possible.
Possible obstacles for the peace process are Minsk Group’s engagement in peacemaking, trying to persuade the parties to sign a comprehensive agreement on peace plan, principles, etc., instead of engaging in peace building by creating the relevant atmosphere where compromised solutions can be achieved. Maybe for the international community the NK conflict yet has a low priority assuming that the danger of war is far away. That the Minsk Group has so far done work to mediate the differences between parties is undoubtable. However, the relevant political will to persuade them change their calculations and make steps towards compromise has not yet been shown. From the other side this can also mean that the parties still don’t consider the peace through compromise as a best alternative.

One thing is clear: over the last twenty years NK, Armenia and Azerbaijan have been experiencing a “no war, no peace” situation which requires huge economic and political resources. To say that Minsk Process was completely inefficient is wrong, at least having in mind the ceasefire reached under the mediation of one of its members’ proposals offered to the parties trying to solve the existing differences between their perspectives, and certain periods of productive cooperation between the representative of conflicting parties having a real problem solving approach under the auspices of the Minsk Group. However, to consider Minsk Group efficient is twice wrong, at least bearing in mind current stagnated situation and the absence of any political agreement between about the method of solution not to say about solution itself. However, the problem is not necessarily deciding Minsk Group's effectiveness at this stage, there is no even sense of it. The only thing to do is to be conscious that with the above mentioned obstacles existing, any peaceful solution is possible, but the endless "no war, no peace."
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Appendices

OSCE MINSK GROUP CO-CHAIRMANSHP

Comprehensive Agreement
to Resolve the Nagorno-Karabakh Conflict

Preamble

The Parties, well aware of the benefits of peace and cooperation in the region to the prosperity and well-being of their peoples, are determined to bring about a peaceful resolution to the long-standing conflict over Nagorno-Karabakh. The settlement of the Caucasus, allowing the people of the region to live normal, productive lives under democratic institutions, with a rising standard of living and a promising future. Cooperation under this agreement will lead to normal trade, transportation and communications links throughout the region, allow people to reconstruct their home towns and villages with the assistance of international institutions, produce the stability necessary for a major increase in external investment in the region and open the way for mutually beneficial trade leading to the realization, for all of the people, of the natural prosperity inherent in the Caucasus region. Reconciliation and interaction among the peoples will unleash their enormous potential for the good of their neighbors and for the people of the world.

Thus, the Parties, being committed to the provisions of the UN Charter, to the basic principles and decisions of the OSCE and the universally accepted norms of international law, and to the full implementation of Resolutions 822, 853, 874 and 884 of the UN Security Council, agree hereby to take the steps outlined in Agreement I to cease the armed conflict and to reestablish normal relations, and to reach agreement on Nagorno-Karabakh’s final status outlined in Agreement II.

Agreement I – CESSATION OF ARMED CONFLICT

The Parties undertake to:

I Renounce the use of armed force to settle disputes among them, including, for the implementation of this Agreement.

II Withdraw all armed forces in two stages:

In the First Stage, forces along the current line of contact to the east and south of Nagorno-Karabakh will be withdrawn several kilometers to lines delineated in Annex 1, with due consideration for the recommendations of the OSCE High Level Planning Group (“HLPG”), to facilitate initial deployment of the vanguard of an OSCE multinational force in a military sound transitional buffer zone, to separate the Parties along that line and to provide security during the second stage of withdrawals.

In the Second Stage, forces will withdraw in accordance with the schedule set forth in Annex I as follows:
A. The forces of Armenia to within the boundaries of the Republic of Armenia.

B. The forces of Nagorno-Karabakh to within the 1988 boundaries of the Nagorno-Karabakh Autonomous Oblast (with exception listed below, paragraphs VII and IX).


D. Heavy armaments shall be withdrawn farther, to positions specified in Annex 1, on the basis of the recommendations of the High Level Planning Group, with requirements for transparency and reporting as set forth in that Annex.

III Respect the resultant zone as a Zone of Separation in which OSCE Peace-keeping forces together with the Permanent Mixed Commission shall be responsible for security. The forces of no side shall be permitted to enter the Zone of Separation except under the auspices of the OSCE peace-keeping force and Permanent Mixed Commission as outlined in Annex II. It will envisage formation of mutually agreed units for border service, mine clearing and civilian police. The Parties agree to cease all military flights in the Zone of Separation and in the Buffer Zone.

IV Facilitate the deployment of an OSCE multi-national peace-keeping force in a Buffer Zone to guarantee security jointly with the Permanent Mixed Commission. The OSCE PKF may be constituted by the OSCE and mandated by recommendation of the OSCE Chairman-in-Office.

V Implement a return of displaced persons to their former places of permanent residence within the Zone of Separation. The security of the returning population shall be under the monitored by the OSCE peace-keeping force, which shall ensure the party that the demilitarized status of the Zone is kept.

VI Simultaneously with the withdrawal, work through the Permanent Mixed Commission to open roads, railroads, power, communications, trade and other links, including other work necessary to accomplish this. The parties shall guarantee use of these links to all, including ethnic minorities, guaranteeing the latter access to their co-ethnics elsewhere in the region. Each Party commits itself to lift all blockades and facilitate delivery of humanitarian and other assistance to all the other parties without hindrance. Armenia and Azerbaijan shall guarantee free rail communication to each other, in particular on the route Baku-Horadiz-Megri-Ordubad-Nakhichevan-Yerevan.

VII Cooperate with the ICRC, UNHCR and other international humanitarian organizations to ensure the return of all persons detained in connection with the conflict, investigation of the fate of those missing in action and the repatriation of all remains.

VIII The following arrangement for the Lachin Corridor:

A. Azerbaijan shall lease the Corridor to the OSCE, which shall contract for the Corridor’s exclusive use by the Nagorno-Karabakh authorities (with exceptions for transit noted below, point E).

B. The OSCE shall oversee security in cooperation with the Nagorno-Karabakh authorities.
C. The boundaries of the Lachin Corridor shall be as drawn in Annex II, with recommendations of the Permanent Mixed Commission duly taken into account.

D. The OSCE shall oversee the building of a road bypassing the town of Lachin. Once the road is complete, the town of Lachin shall be excluded from the lachin corridor. It shall return to Azerbaijan administration (as part of the Zone of Separation) and its previous residents may return.

E. No permanent settlement or military forces other than the authorized security contingent shall be permitted in the Corridor. OSCE officials, monitors and peace-keepers have the right to transit in any direction upon prior notification, as do Azeri residents of the region transiting in the direction between Lachin and Qubatly regions or vice versa. Areas of the Lachin region outside the Corridor shall be part of the Zone of Separation.

IX The following arrangement for the town of Shusha and Shaumyan District:

A. The Parties shall withdraw military units from the two areas with the exception of anti-aircraft units with limited support personnel.

B. Local administrations will assist in the deployment of ODIHR observers.

C. Displaced persons may return to their former places of permanent residence. Their security shall be guaranteed by respective local authorities.

D. Returning residents shall enjoy full civil rights, including the right to form political parties. They shall be represented in the Parliaments in Baku and Stepanakert, respectively, and in elected councils, police and security forces in these localities in accordance with their percentage of the population in the localities.

E. The Permanent Mixed Commission shall coordinated international assistance to reconstruct in these localities equitably and to the benefit of both populations.

F. Residents of the town of Shusha and Shaumyan district shall have guaranteed road access, telecommunication and other links to the rest of Azerbaijan and Nagorno-Karabakh, respectively.

X Establish a Permanent Mixed Commission (PMC) to supervise implementation of the provisions of this Agreement with regard to issues affecting Azerbaijan and Nagorno-Karabakh. The PMC shall have three Co-Chairs: one Azerbaijani, one from Nagorno-Karabakh and a Representative of the OSCE Chairman-in-Office. The primary responsibility of the Azerbaijani and Nagorno-Karabakh Co-Chairs shall be implementation of the Agreement; the primary responsibility of the OSCE Co-Chair shall be to mediate and arbitrate cases of disagreement. The PMC shall have the following Subcommissions: the Military Subcommission, the Economic Subcommission and the Human Rights and Cultural Subcommission. The duties of the PMC and the subcommissions are outlined in Annex II.

XI Establish full diplomatic relations between the Republic of Armenia and the Azerbaijan Republic.
XII  Create an Armenian-Azerbaijani Binational Commission (AABC), with one Co-Chair from the Republic of Armenia and one from the Azerbaijan Republic. The OSCE CiO shall be represented on the Commission. The AABC shall have the responsibility of preventing border incidents, conduct liaison between border troops and other relevant security forces of both countries; and monitors arrangements for opening roads, railroads, trade, communications, pipelines and other links.

XIII  The UN Security Council shall serve as guarantor to the present agreement.

XIV  This agreement shall be in effect until a comprehensive settlement agreement is signed at the OSCE Minsk Conference, which is to establish, in particular, permanent mechanisms of security and peacekeeping to replace those envisaged by this Agreement.

Annex I

Implementation of troop withdrawal and return of the displaced persons, geographic parameters, schedules and security issues.

Annex II

Intermediate security measures: the mandate of the Commissions, parameters of monitoring and of the security regime.

Agreement II: STATUS

Preamble:

The status of Nagorno-Karabakh is of interest to the international community, including the Republic of Armenia, and may not be determined by unilateral action either of the Azerbaijan Republic or of the authorities in Nagorno-Karabakh. The status shall be determined by the following parameters:

I  Recognition by all the Parties to the conflict of the territorial integrity and inviolability of borders of Azerbaijan and Armenia

II  Nagorno-Karabakh is a statal and territorial formation, within the borders of Azerbaijan, whose self-determination shall include the rights and privileges listed below, as formalized in an agreement between the two, ratified by the Minsk Conference and incorporated into the constitutions of Azerbaijan and Nagorno-Karabakh.

III  Nagorno-Karabakh and Nakhichevan shall have the right to free and unhindered transport and communications access to both Armenia and Azerbaijan.

IV  The administrative borders of Nagorno-Karabakh are established as the borders of the former NKAO.

V  Nagorno-Karabakh shall have its own constitution, adopted by the people of Nagorno-Karabakh in a referendum. This constitution shall incorporate the formal agreement between the Nagorno-Karabakh authorities and Azerbaijan on the form of self-determination on the basis of
this document. Azerbaijan will likewise amend its constitution to incorporate these agreements. Nagorno-Karabakh shall have its own flag, seal and anthem.

VI The constitution and laws of Nagorno-Karabakh shall be in effect on the territory of Nagorno-Karabakh. The laws, regulations and executive decisions of Azerbaijan shall be in effect on the territory of Nagorno-Karabakh if they do not contradict the constitution and laws of the latter.

VII Nagorno-Karabakh shall autonomously form its legislative, executive and judicial authorities.

VIII The population of Nagorno-Karabakh shall elect representatives to the Parliament of Azerbaijan, and shall participate in the election of the president of Azerbaijan.

IX Nagorno-Karabakh will have the right to establish direct external contacts in the areas of economics, science, culture, sports and humanitarian affairs with foreign states and international organizations with appropriate representation abroad. Political parties within Nagorno-Karabakh shall have the right to establish links with political parties in other countries.

X Citizens of Nagorno-Karabakh shall bear Azerbaijani passports with the special notation, “Nagorno-Karabakh.” Citizens of Nagorno-Karabakh shall not be considered foreigners under Armenian law, may emigrate at any time to Armenia and may take up Armenian citizenship upon permanent emigration to the Republic of Armenia.

XI Nagorno-Karabakh shall be a free economic zone with free circulation of currencies.

XII Nagorno-Karabakh shall possess National Guard and Police forces. Citizens of Nagorno-Karabakh have the right to fulfill their service obligations on the territory of Nagorno-Karabakh.

XIII The army, security and police forces of Azerbaijan will not have the right to enter the territory of Nagorno-Karabakh except with the permission of the Nagorno-Karabakh authorities.

XIV The budget of Nagorno-Karabakh Government shall encourage and guarantee investment by Azerbaijani and foreign persons and companies.

XV Nagorno-Karabakh is multi-ethnic; each citizen has the right to use his or her native language in all official and non-official contexts.

XV The UN Security Council shall serve as guarantor to the present agreement.

Confidence-Building Measures for the Nagorno-Karabakh Conflict

As a demonstration of the parties’ respective commitment to a peaceful resolution of the conflict, they could implement any or all the following CSBMs in advance of any other agreement:

- Azerbaijan and Armenia could commit themselves to immediate reactivation of the cease-fire regime along their border to the Ijevan-Qazax sector. The regime, which was applied in 1992, involved a telephone hot-line and joint border patrols.
The Parties could concur in an increase in the size of the CiO’s monitoring mission for additional Nagorno-Karabakh-related monitoring, for example along the Armenian-Azerbaijani border in the Ijevan-Qazax sector.

Dialogue through UNHCR/ICRC for a humanitarian needs assessment (both for Azerbaijani IDPs and within Nagorno-Karabakh). This could proceed following concurrence of wither the UNHCR or ICRC.

Opening daily or weekly markets in the Nagorno-Karabakh region with access for both Armenians and Azeris. This would require establishing a crossing point, opening and demining a roadway to the market site, and agreeing on modalities of transit regimes and merchant

Appendix 2

OSCE MINSK GROUP CO-CHAIRMANSHP
Agreement on the Cessation of the Nagorno-Karabakh Armed Conflict

Preamble
The Parties, determined to bring about a peaceful resolution to the long-standing Nagorno-Karabakh conflict, transforming the existing ceasefire into a lasting peace; recognizing the benefits of peace and cooperation in the region to the prosperity and well-being of their peoples; desiring to establish the basis for cooperative economic development of the Caucasus, allowing the people of the region to live normal, productive lives and a promising future; understanding that cooperation under this Agreement will lead to normal trade, transformation and communications links throughout the region, allow people to reconstruct their home towns and villages with the assistance of international institutions, produce the stability necessary for a major increase in external investment in the region, and open the way for mutually beneficial trade leading to the realization, for all of the people, of the natural prosperity inherent in the Caucasus region, and that reconciliation and interaction among the peoples will unleash their enormous potential for the good of their neighbors and for the people of the world; committed to the provisions of the UN Charter, to the basic principles and decisions of the OSCE and the universally accepted norms of international law, and to the full implementation of Resolutions 822, 853, 874, 884 of the UN Security Council; recalling the pledge of the participating States of the OSCE, at their 1994 Summit in Budapest, to redouble the efforts and assistance of the OSCE towards a peaceful settlement of the conflict; their direction to the Co-Chairmen of the Minsk Conference to conduct speedy negotiations; and the declaration of their political will to provide, with an appropriate resolution from the UN Security Council, a multinational OSCE peacekeeping force following an agreement among the parties for cessation of the armed conflict; and determined to continue the peace process in good faith to reach without delay a comprehensive settlement which shall resolve the final status of Nagorno-Karabakh; commit themselves to the actions outlined below.

The Parties shall refrain from the threat or use of force to settle disputes among them. They shall settle all such disputes, including any that may arise in connection with the implementation of the present Agreement, by peaceful means.
II. The Parties shall withdraw their armed forces in accordance with the following provisions and as set forth in detail in Annex 1:

A. In the First Stage, forces along the current line of contact to the east and south of Nagorno-Karabakh shall withdraw to lines delineated in Annex 1, and in accordance with the schedule therein, with due consideration for the recommendations of the High Level Planning Group ("HLPG"), to allow initial deployment of the vanguard of an OSCE multinational force in a militarily sound transitional buffer zone, to separate the Parties along that line and to provide security during the second stage of withdrawals.

B. In the Second Stage, forces shall withdraw in accordance with the schedule set forth in Annex 1 as follows:

1. Any forces of Armenia located outside the frontiers of the Republic of Armenia shall withdraw behind those frontiers.

2. The forces of Nagorno-Karabakh shall withdraw behind the 1988 boundaries of the Nagorno-Karabakh Autonomous Oblast ("NKAO") with the exception of the Lachin District.

3. The forces of Azerbaijan shall withdraw behind lines, delineated in Annex 1 on the basis of the recommendations of the HLPG and outside any territory of Armenia.

4. Heavy armaments shall be withdrawn to positions specified in Annex 1 on the basis of the recommendations of the HLPG, to be monitored by the OSCE peacekeeping force, with requirements for transparency and reporting as set forth in that Annex.

III. The territory subject to these withdrawals shall constitute a Buffer Zone and a Zone of Separation, the details of which are set forth in Annex 2.

A. Upon completion of the withdrawal of forces, the Buffer Zone shall be located around the 1988 boundaries of the NKAO, the northern and southern boundaries of the Lachin District. The Buffer Zone shall be unpopulated and completely demilitarized except for the presence of elements of the OSCE Peace Keeping Operation.

B. The Zone of Separation shall be demilitarized with the exception of forces permitted to operate in cooperation with the Permanent Mixed Commission as set forth in detail in Annex 2, to include:

1. Elements of the OSCE Peace Keeping Operation;

2. Formations for border patrolling and demining;

3. Civilian police whose numbers and permitted weaponry are delimited by Annex 2.

C. A no-fly zone shall be established in the Buffer Zone and Zone of Separation, in which the Parties shall exclude military flight with monitoring by the OSCE peacekeeping force, as set forth in Annex 2.

D. After withdrawal of forces in accordance with Article II, security in all the regions which remain under the control of Nagorno-Karabakh shall be maintained by relevant security forces of Nagorno-Karabakh.

IV. Pursuant to OSCE's decisions at the 1994 Budapest Summit, and with the assistance and cooperation of the Parties, an OSCE multinational peacekeeping force ("PKF"), in cooperation with the Permanent Mixed Commission and the Armenian-Azerbaijani Binational Commission, shall monitor the withdrawal of forces and heavy weapons, the exclusion of military flights, the maintenance of the demilitarization regime and the situation along the Armenian-Azerbaijani frontier as set forth in Annex 2. The Parties call on the UN Security Council to adopt an appropriate Resolution for an initial period of no more than one year, renewable as necessary upon recommendation of the OSCE Chairman-in-Office. The Parties agree that overall duration of the PKO shall be kept to the
minimum period necessary in light of the situation in the region and the pace of the comprehensive settlement of the conflict. The Parties shall cooperate fully with the PKF to ensure the implementation of this Agreement, and to prevent any breach in or interruption of the peacekeeping operation.

V. The Parties shall facilitate the safe and voluntary return of displaced persons to their former places of residence within the Zone of Separation, as set forth in Annex 2. The PKF in cooperation with the Permanent Mixed Commission will monitor the security of the returning populations and promote confidence on all sides in the observance of the demilitarization regime in this zone. The Parties shall conduct negotiation to achieve the earliest safe and voluntary return of all other persons, not covered by this Agreement or the comprehensive settlement, who were displaced by the conflict and by tensions between Armenia and Azerbaijan since 1987.

VI. Simultaneously with the withdrawal of forces, the Parties shall undertake immediate measures to open roads, railroads, power, communications, trade and other links, including all work necessary to accomplish this in the shortest possible period, according to the schedule and detailed provisions set forth in Annex 3. The Parties shall guarantee the use of these links to all, including ethnic minorities, guaranteeing the latter access to their co-ethnics elsewhere in the region. Each Party commits itself to lift all blockades and ensure delivery of goods and people to the other Parties without hindrance. The Parties shall guarantee free and safe rail communication to one another.

VII. The Parties shall cooperate fully with the ICRC, UNHCR and other international entities to ensure the prompt and safe return of all persons detained in connection with the conflict, the investigation of the fate of those missing in action, repatriation of all remains and the delivery without discrimination of humanitarian and reconstruction aid through territories under their control to the regions that have suffered during the conflict. The Parties shall cooperate with the OSCE PKF through the Permanent Mixed Commission to establish confidence-building measures.

VIII. The Parties shall immediately establish a Permanent Mixed Commission ("PMC") to supervise the implementation of the provisions of this Agreement with regard to issues affecting Azerbaijan and Nagorno-Karabakh. The Chairman of the PMC shall be a representative designated by the OSCE Chairman-in-Office. The Vice Chairmen of the PMC shall be representatives of Azerbaijan and Nagorno-Karabakh. The primary responsibility of the PMC shall be to supervise implementation of the Agreement. The responsibilities of the OSCE Chairman shall also include mediation of cases of disagreement and authorization of responses to emergencies such as natural disasters. The PMC shall have Military, Economic, Humanitarian and Cultural, and Liaison Subcommissions. The structure, duties and other details concerning the PMC are set forth in Annex 4.

IX. The Parties shall immediately establish an Armenian- Azerbaijani Binational Commission ("AABC") to assist in the prevention of border incidents between Armenia and Azerbaijan, conduct liaison between border troops and other relevant security forces of both countries and observe and facilitate the arrangements for opening roads, railroads, trade, communications, pipelines and other links. The AABC shall have two Co-chairs, one from Armenia and one from Azerbaijan. The Commission shall include a representative designated by the OSCE Chairman-in-Office. The structure, duties and other details concerning the AABC are set forth in Annex 5.

X. The Azerbaijan Republic and the Republic of Armenia shall promptly establish full diplomatic relations with permanent diplomatic missions headed by ambassadors. The
Azerbaijan Republic and the Republic of Armenia shall engage in negotiations, bilaterally and, multilaterally in appropriate international and regional fora, to ensure larger security of the region, including military transparency and full compliance with the CFE/Treaty.

XI. Having brought to the end the military aspect of the conflict, the three Parties to the current agreement shall continue to negotiate in good faith (in cooperation with the Co-chairs of the Minsk conference and other appropriate parties invited by the OSCE Chairman-in-Office) to achieve without delay a comprehensive settlement which shall include resolution of the status of Nagorno-Karabakh and of the issues of Lachin district, Shusha and Shaumyan district; after such a settlement is achieved during the negotiations and signed by the three above Parties, it is subject to recognition by the international community at the Minsk Conference convened at the earliest possible date.

XII. Each Party shall fully respect the security of the other Parties and their populations; undertake to promote good-neighborly relations among their peoples, facilitating trade and normal interaction among them; and refrain from statements or actions that could undermine this Agreement or good relations.

XIII. In addition to the specific provisions concerning peacekeeping and monitoring of withdrawals set forth above, and recalling the relevant principles and commitments of the OSCE, including those reflected in the Helsinki Document of 1992 and the Budapest Document of 1994, the OSCE, through appropriate mechanisms, shall monitor the full implementation of all aspects of the present Agreement and take appropriate steps, in accordance with those principles and decisions, to prevent and respond to violations of the terms of this Agreement. The witnesses of the present Agreement acting through the OSCE Permanent Council and the UN Security Council, facilitate its full implementation. In case of a serious violation of the present Agreement they consult each other about the necessary steps to be taken, inform immediately the OSCE Chairman-in-Office, the Chairman of the UN Security Council and the UN Secretary General and ask the OSCE Permanent Council or the UN Security Council to consider appropriate actions.

XIV. The Parties assume mutual obligations to ensure compliance with the provisions of this Agreement including guarantees for the security of Nagorno-Karabakh, its whole population, and the returning displaced persons, to undertake necessary measures for implementation of all commitments resulting from the present Agreement.

XVI. This Agreement shall enter into force upon signature and ratification and shall remain in force except as provided in the comprehensive settlement referred to in Paragraph XI. The present Agreement can be modified, supplemented and stopped with the consent of all the Parties.

**Annexes**

Annex 1 Implementation of withdrawal of forces and return of displaced persons
Annex 2 Security regime for the Zone of Separation
Annex 3 Restoration of communications and transportation links
Annex 4 Permanent Mixed Commission
Annex 5 Armenian-Azerbaijani Binational Commission

**Appendix 3**
OSCE MINSK GROUP CO-CHAIRMANSHIP

On the Principles of Comprehensive Settlement of the Nagorno-Karabakh Armed Conflict

Being determined to implement a peaceful settlement of the Nagorno-Karabakh conflict in accordance with the norms and principles of international law including principles of territorial integrity of states and self-determination of people, Armenia, Azerbaijan and Nagorno-Karabakh agree on the following:

Agreement on the Status of Nagorno-Karabakh

The Parties shall conclude an Agreement on status of Nagorno-Karabakh which includes the following provisions:

Nagorno-Karabakh is a statal and territorial entity in the form of a Republic which constitutes a common state with Azerbaijan within its internationally recognized borders. Azerbaijan and Nagorno-Karabakh shall sign an Agreement on delimitation of spheres of competence and on reciprocal delegation of powers between the relevant authorities, which shall have the force of a Constitutional Law.

Azerbaijan and Nagorno-Karabakh shall establish a Joint Committee, which shall include representatives of the presidents, prime-ministers, and chairmen of the parliaments, whose mission shall be to define policies and activities within the sphere of joint competence.

In order to maintain contacts and effect coordination of joint actions, reciprocal representations of Nagorno-Karabakh and Azerbaijan shall be established in Baku and Stepanakert respectively. Nagorno-Karabakh shall have the right to establish direct external contacts with foreign states and relevant regional and international organizations in the areas of economics, science, culture, sports and humanitarian affairs through appropriate representations abroad. Political parties and non-governmental organizations in Nagorno-Karabakh shall have the right to establish links with political parties and non-governmental organizations of foreign states.

Nagorno-Karabakh shall participate in execution of the foreign policies of Azerbaijan, with respect to the issues touching upon its interests. Decisions on such issues shall not be taken without consent of the two Parties.

Where it has special interests, the government of Nagorno-Karabakh shall be entitled to have its own representatives in the embassies and consular missions of Azerbaijan accredited in foreign states. Nagorno-Karabakh may include its experts in Azerbaijani delegations to take part in international negotiations that impinge upon the interests of Nagorno-Karabakh.

The borders of Nagorno-Karabakh shall correspond to the borders of the former Nagorno-Karabakh Autonomous Oblast. Should there be verification or alterations, these shall be the subject of special agreement between Azerbaijan and Nagorno-Karabakh.

The borders between Azerbaijan and Nagorno-Karabakh shall be reciprocally open for free movement by their unarmed citizens. Citizens travelling and conducting business across the borders shall not be subject to customs fees and other tariffs. Their respective governments shall have the competence to grant the right of permanent residence. Azerbaijan and Nagorno-Karabakh shall not use force or threaten to use force to settle disputes.

In the event of disputes or differences that cannot be resolved within the framework of the Joint Committee, the Parties shall be entitled to seek a consultative opinion of the OSCE Chairman-in-Office, which shall be taken into account in the final decision.

Nagorno-Karabakh shall also enjoy the rights and privileges, listed below, that shall be formalized in the Agreement on the Status of Nagorno-Karabakh and endorsed by the Minsk Conference.
1. Nagorno-Karabakh shall have its own constitution, adopted by the people of Nagorno-Karabakh through a referendum. The Constitution shall incorporate the provisions of the Agreement of the Status of Nagorno-Karabakh. Azerbaijan shall likewise amend its constitution to incorporate this Agreement. The provisions of that Agreement, and those portions of the Nagorno-Karabakh and Azerbaijani constitutions that incorporate them, shall not be changed without the consent of all three parties.

2. The constitution and laws of Nagorno-Karabakh shall be in effect on the territory of Nagorno-Karabakh. The laws, regulations and executive decisions of Azerbaijan shall be in effect on the territory of Nagorno-Karabakh if they do not contradict the constitution and laws of the latter.

3. Nagorno-Karabakh shall have its own flag, seal and anthem.

4. Nagorno-Karabakh shall, pursuant to its Constitution, form its own legislative, executive and judicial authorities.

5. Citizens of Nagorno-Karabakh shall bear as their identification documents Azerbaijani passports carrying the special notation “Nagorno-Karabakh.” The government of Nagorno-Karabakh or its authorized agencies shall have the exclusive right to issue such passports. The citizens of Nagorno-Karabakh of Armenian descent may emigrate to Armenia and, in the case of a permanent resettlement, they may take up Armenian citizenship in accordance with laws of that country.

6. The people of Nagorno-Karabakh shall have the right to elect their representatives to the parliament of Azerbaijan and to participate in the election of the President of Azerbaijan.

7. Nagorno-Karabakh shall constitute a Free Economic Zone. It shall have the right to issue its own currency notes, which will be in circulation along with Azerbaijani currency notes, as well as the right to issue its own stamps.

8. Nagorno-Karabakh shall have the right to free and unrestricted transport and communications access to Armenia and Azerbaijan.

9. Nagorno-Karabakh shall possess National Guard (security forces) and police forces formed on a voluntary basis. These forces may not operate outside Nagorno-Karabakh without the consent or special request of the government of Azerbaijan.

10. The army, security and police forces of Azerbaijan shall not have the right to enter the territory of Nagorno-Karabakh except with the consent of the Nagorno-Karabakh authorities.

11. The Armenian language shall be the primary official language in Nagorno-Karabakh. The second official language shall be Azerbaijani. Each citizen shall enjoy the right to use his or her native language in all official and non-official contexts.

12. The budget of Nagorno-Karabakh shall consist of receipts derived from its own resources. The Nagorno-Karabakh Government shall encourage and guarantee investments by Azerbaijaniis and foreign companies and persons.

II

Regarding the Lachin Corridor

The question of utilization of the Lachin Corridor by Nagorno-Karabakh, with a view to ensuring unrestricted communication between Nagorno-Karabakh and Armenia, shall be agreed upon separately, provided Azerbaijan and Nagorno-Karabakh do not agree on other arrangements concerning a special status of the Lachin district. The Lachin district shall remain permanently a fully demilitarized zone.

III

Regarding the towns of Shusha and Shaumyan
The Parties agree that all Azerbaijani refugees may return to the places of their residence in the town of Shusha. Their security shall be guaranteed by the appropriate authorities of Nagorno-Karabakh. They shall enjoy equal rights with all citizens of Nagorno-Karabakh, including the right to form political parties, to participate in elections at all levels, to be elected to all legislative bodies and organs of local self-governance and to serve in state bodies, inclusive law enforcement agencies.

The same rights shall be granted to Armenian refugees on their return to the town of Shaumyan. 

Citizens of the towns of Shusha and Shaumyan shall have unrestricted access by road, telecommunications and other links with the rest of Azerbaijan and Nagorno-Karabakh. The authorities of Nagorno-Karabakh and Azerbaijan shall assist in the deployment and activities of the OSCE Office of Democratic Institutions and Human Rights (ODIHR) missions.

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The Agreement on the status of Nagorno-Karabakh shall be signed by the three parties and enter into force upon its endorsement by the Minsk Conference.

IV

Agreement on the Cessation of the Armed Conflict

The Parties agree that the agreement on the cessation of the Armed Conflict shall include the following provisions:

I. The Parties renounce the threat or use of force to settle disputes among them. They shall settle all such disputes, including any that may arise in connection with the implementation of the agreement on the cessation of the armed conflict by peaceful means, above all, through direct negotiations or in the framework of the OSCE Minsk process.

II. The Parties shall withdraw their armed forces in accordance with the following provisions and as set forth in detail in Annex 1

A. In the First Stage, forces along the current line of contact to the east and south of Nagorno-Karabakh shall withdraw to lines delineated in Annex 1, and in accordance with the schedule therein, with due consideration for the recommendations of the OSCE High Level Planning Group ("HLPG"), to facilitate initial deployment of the vanguard of an OSCE multinational force in a militarily sound transitional buffer zone, to separate the Parties along that line and to provide security during the second stage of withdrawals.

B. In the Second Stage, forces shall withdraw simultaneously and in accordance with the schedule set forth in Annex 1 as follows:

1. Any forces of Armenia located outside the frontiers of the Republic of Armenia shall withdraw behind those frontiers.

2. The forces of Nagorno-Karabakh shall withdraw behind the 1988 boundaries of the Nagorno-Karabakh Autonomous Oblast ("NKAO"), with the exception of the Lachin District, until achievement of an agreement on unrestricted communication between Nagorno-Karabakh and Armenia.

3. The forces of Azerbaijan shall withdraw behind lines delineated in Annex I on the basis of the recommendations of the HLPG and shall withdraw from any territory of Armenia. (4) Heavy armaments shall be withdrawn to positions specified in Annex 1, on the basis of the recommendations of the HLPG. These withdrawals shall be monitored by the OSCE peacekeeping force, with requirements for transparency and reporting as set forth in that Annex.

III. The territory subject to these withdrawals shall constitute a Buffer Zone and a Zone of Separation, the details of which are set forth in Annex 2.

A. Upon completion of the withdrawal of forces, the Buffer Zone shall be located around the 1988 boundaries of the NKAO. It may be also located along the northern and southern
boundaries of the Lachin District in the event of an appropriate agreement. The Buffer Zone shall be completely demilitarized and unpopulated except for the presence of elements of the OSCE Peace Keeping Operation (PKO).
B. The Zone of Separation shall be demilitarized with the exception of forces permitted to operate for the PKO in cooperation with the Permanent Mixed Commission, as set forth in detail in Annex 2, to include:
(1) Elements of the PKO
(2) Azerbaijani units for border patrolling and demining; and
(3) Azerbaijani civilian police whose numbers and permitted weaponry are delimited by Annex 2.
C. A no-fly zone shall be established in the Buffer Zone and the Zone of Separation in which the Parties shall exclude military flights, with monitoring by the OSCE peacekeeping force as set forth in Annex 2.
D. After withdrawal of forces in accordance with Article II, security in all the regions which remain under the control of Nagorno-Karabakh shall be maintained by relevant security forces of Nagorno-Karabakh.
IV. Pursuant to OSCE's decisions at the 1994 Budapest Summit, the Parties shall invite and facilitate deployment of the OSCE multinational peacekeeping operation ("PKO") which will act in cooperation with the Permanent Mixed Commission (PMC) and the Armenian-Azerbaijani Intergovernmental Commission (AAIC). The PKO shall monitor the withdrawal of forces and heavy weapons, the exclusion of military flights, the maintenance of the demilitarization regime and the situation along the Armenian- Azerbaijani frontier, as set forth in Annex 2.
The peacekeeping operation shall be established pursuant to an appropriate UN Security Council Resolution for an initial period of no more than one year, renewable as necessary upon recommendation of the OSCE Chairman-in-Office. The Parties agree that overall duration of the PKO shall be kept to the minimum period necessary in light of the situation in the region and the pace of the comprehensive settlement of the conflict. The Parties shall cooperate fully with the PKO to ensure the implementation of this Agreement, and to prevent any breach in or interruption of the peacekeeping operation.
V. The Parties shall facilitate the safe and voluntary return of displaced persons to their former places of residence within the Zone of Separation, as set forth in Annex 2. The PKF, in cooperation with the Permanent Mixed Commission, will monitor the security of the returnees and promote confidence of all the Parties in the observance of the demilitarization regime in this zone. The Parties shall conduct negotiations to achieve the earliest safe and voluntary return of all other persons not covered by this Agreement or the comprehensive settlement who were displaced by the conflict and by tensions between Armenia and Azerbaijan since 1987.
VI. Simultaneously with the withdrawal of forces, the Parties shall undertake immediate measures to open roads, railroads, power, communications, trade and other links, including all work necessary to accomplish this in the shortest possible period, according to the schedule and detailed provisions set forth in Annex 3. The Parties shall ensure unrestricted use of these links to all, including unrestricted access by specific communities to corresponding communities elsewhere in the region. Each Party commits itself to lift all blockades and ensure delivery of goods and people to the other Parties without hindrance. The Parties shall ensure free and safe rail communication to one another.
VII. The Parties shall cooperate fully with the ICRC, UNHCR and other international institutions to ensure (1) prompt and safe return of all persons detained in connection with the
(XI) the Parties shall immediately establish an Armenian-Azerbaijani Intergovernmental Commission ("AAIC") to assist in the prevention of border incidents between Armenia and Azerbaijan, to conduct liaison between border-guard troops and other relevant security forces of both countries, and to observe and facilitate arrangements for opening roads, railroads, trade, communications, pipelines and other links. The AAIC shall have two Co-Chairs, one from Armenia and one from Azerbaijan. The Commission shall also include a representative designated by the OSCE Chairman-in-Office.

(XII) In addition to the specific provisions concerning peacekeeping and monitoring of withdrawals set forth above, and recalling the relevant principles and commitments of the OSCE, including those reflected in the Helsinki Document of 1992 and the Budapest Document of 1994, the OSCE, through appropriate mechanisms, shall monitor the full implementation of all aspects of the present Agreement and take appropriate steps, in accordance with those principles and decisions, to prevent and respond to violations of the terms of this Agreement.

(XIII) The Agreement on the Cessation of the Armed conflict shall be signed by the three Parties and shall enter into force upon its endorsement by the Minsk Conference and ratification by Parliaments of the three Parties.

(XIV) The Azerbaijani Republic and the Republic of Armenia shall establish full diplomatic relations, with permanent diplomatic missions headed by ambassadors, following signature of the agreements and their endorsement by the Minsk Conference.

V

On Guarantees

1. The Parties shall take upon themselves mutual commitments to ensure compliance with
the aforementioned Agreements, including guarantees of the security of Nagorno-Karabakh, its population and those refugees and displaced persons returning to the places of their former residence.
2. The UN Security Council shall monitor implementation of the Comprehensive Agreement.
3. The Agreement on the status of Nagorno-Karabakh and the Agreement on the Cessation of the Armed Conflict may be signed by the Minsk Conference Co-Chairs as witnesses. The Presidents of France, the Russian Federation and the United States of America affirm the intention of the three countries to work in unison to monitor closely the progress of implementation of the Agreements and to take appropriate measures to promote compliance with this Agreement. The OSCE and the UN Security Council shall adopt appropriate diplomatic, economic or, in extreme cases, military measures in accordance with the UN Charter, should the need arise.