

Armenia and Azerbaijan Agreed on a Draft Peace Agreement: What Comes Next?

An APRI Armenia Analysis

Updated on March 20, 2025

On March 13, 2025, Azerbaijan's Ministry of Foreign Affairs, followed by Armenia's Ministry of Foreign Affairs, issued statements that the text of the peace agreement between the two countries had been finalized. This development follows more than two years of bilateral negotiations amid an increasingly uncertain and volatile world order.

This APRI Armenia Analysis examines the significance of this step and its implications for Armenia's security and regional stability.

What Happened

On March 13, 2025, the [Azerbaijani](#) and [Armenian](#) Ministries of Foreign Affairs issued unilateral statements announcing the finalization of the text of a peace agreement. Armenia [expressed](#) readiness to begin consultations on the timing of and venue for its signing. Azerbaijan, on the other hand, [stated](#) that an amendment to Armenia's Constitution was a prerequisite for signing the negotiated agreement and emphasized the necessity of formally abolishing the Organization for Security and Cooperation in Europe (OSCE)'s Minsk Group.

Following these announcements, Azerbaijan's Ministry of Defense has been issuing a dozen statements since March 16 (such as [Statement 1](#), [Statement 2](#), [Statement 3](#), and [Statement 4](#), and [Statement 5](#)) claiming that Armenian troops had opened fire on Azerbaijani positions along the border in Armenia's Syunik and Gegharkunik provinces. These statements appear to seek a pretext for justifying a new Azerbaijani attack.

The European Union's mission in Armenia has [refuted](#) these claims, stating that it had observed no active incidents along the border as of March 17. The Armenian Ministry of Defense also [denied](#) the allegations. Amid growing concerns about a possible escalation, Armenia's prime minister issued a special [statement](#), asserting that the Armenian Armed Forces had neither a reason nor orders to violate the ceasefire.

Armenia's Peace Efforts: A Sisyphean Struggle

By agreeing to finalize the agreement, Armenia made another significant concession to facilitate peace. For months, the draft agreement had stalled due to Azerbaijani demands, framed as two outstanding articles: the mutual withdrawal of legal cases from international courts and the nondeployment of foreign forces along the Armenia–Azerbaijan border.

On the first point, both countries have filed cases against each other at the International Court of Justice and in the European Court of Human Rights. But Armenia's ratification of the Rome Statute presents a potential risk for Azerbaijani leaders, who could face trial for crimes against humanity committed in 2022 and 2023.

The second outstanding article implicitly targeted the European Union's Mission in Armenia, an initiative that Baku has repeatedly denigrated—and at times threatened—including in President Aliyev's January 7 television [interview](#). Despite these objections, the EU mission has significantly strengthened human security at the border.

Previously, Armenia had [offered](#) to remove European observers from delimited areas of the border while maintaining their presence along nondelimited sections, viewing them as a deterrent against potential escalations by Azerbaijan. The Armenian government had also [stated](#) that it was willing to withdraw the lawsuits from international courts—if convinced that a stable and lasting peace had been established—otherwise seeing them as a leverage against Azerbaijan.

From Azerbaijan's perspective, Armenia's withdrawal of legal cases would formally close the chapter on developments from 2020 to 2023, absolving Azerbaijan of accusations of violating international law during the 2020 Nagorno-Karabakh War, 2021 and 2022 incursions into Armenia and the 2023 military takeover of Nagorno-Karabakh and the forced displacement of Armenians.

The removal of the European observers from the Armenia–Azerbaijan border aligns with Azerbaijan's broader strategy of eliminating mediators, facilitators, and observers between the two countries. This helps Azerbaijan to fully exploit the power imbalance between sides without any external intervention.

Notably, the draft agreement contains no references to Armenian prisoners of war held in Azerbaijani prisons. It also does not address the contentious issue of transportation and communications links, which both [agreed](#) to remove from the agreement and discuss separately in 2024—just as they [did](#) for the border demarcation and delimitation, [signing](#) a separate document to regulate the delimitation commissions.

The entire text has been finalized amid a growing information [campaign](#) in the Azerbaijani press accusing Armenia of preparing an attack in April 2025. **As Baku has been working to justify a new “preventive” military operation, coupled with intensive military drills, Armenia’s acceptance of Azerbaijan’s proposals on the two unresolved articles appears to be an attempt to deprive Baku of any pretext for invasion** and to counter the narrative that Armenia is an uncooperative negotiating partner. The move also serves as a direct message to Armenians and the international community that Armenia remains committed to peace—even at the cost of additional painful concessions.

Meanwhile, **Baku continues to insist on two preconditions before signing the draft peace agreement, as emphasized once again in its latest official [statement](#).** The question remains: Has the region made real progress toward peace when Azerbaijan still maintains nonnegotiable conditions for signing the now-finalized agreement?

Where Do We Go From Here?

As we have said [before](#), Azerbaijan appears to have no genuine intention of making peace with Armenia—or, by extension, helping establish peace in the region.

Contrary to the [statement](#) of December 2023 and allegedly what was planned between the two parties, the recent announcement was not bilateral. Baku has set two preconditions for signing the peace agreement: Armenia must amend its Constitution and other laws to remove alleged territorial claims against Azerbaijan, and the OSCE Minsk Group must be dissolved. While Armenia is [open](#) to considering the latter, the Armenian [government](#) and the country’s [Constitutional Court](#) maintain that the Constitution contains no territorial claims against Azerbaijan or any other state.

Beyond these two preconditions, Azerbaijan has also set additional conditions that it considers separate from the peace agreement:

- The cancellation of Armenia’s arms purchase contracts and the return of already delivered weapons
- The “return” of and special minority rights for so-called “Western Azerbaijanis” in Armenia, based on Azerbaijan’s [claim](#) that part or all of Armenia constitutes historic “Western Azerbaijan”
- The establishment of the “Zangezur Corridor,” a direct and unhindered passage—without Armenian control—from Azerbaijan to Nakhichevan via Armenian territory

Two other conditions, raised last year but referenced less frequently in recent Azerbaijani statements, include:

- The return of “Azerbaijani enclaves,” including Tigranashen, Sofulu, Barkhudarlu, and Verin Voskepar
- Armenia’s recognition of the so-called “Khojaly Massacre” as an act of genocide

Azerbaijan appears intent on undermining the positive environment created by Armenia’s concessions. The Azerbaijani Defense Ministry’s recent statements reinforce its aggressive stance toward Armenia and highlight the stabilizing role of the European Union’s mission—a security measure that Yerevan had already agreed to modify, if not remove.

Azerbaijan is keeping the window open for further escalation and may launch an attack anytime. Without significant international pressure on Baku, signing a peace agreement in the foreseeable future remains unlikely.

Recommendations

As escalation risks persist, a greater balance of power between the two countries and more efficient use of economic and diplomatic leverage are needed.

Partners interested in peace and security in the region should continue to make clear to Azerbaijan that any attack—physical or verbal—on Armenia’s territorial integrity is unacceptable and will carry negative consequences, including economic ones. They should also emphasize the necessity of signing the peace agreement without delays. In this context, the March 14 [statement](#) by the Russian Foreign Ministry Spokesperson welcoming the completion of the negotiations, and the March 16 [statement](#) by the US National Security Advisor on Armenia–Azerbaijan relations, calling for the finalization of the peace deal and the release of prisoners, are steps in the right direction.

A key way to deter Baku from escalating is to increase the cost of aggression. While serious consequences for the use or threat of force should be established, partners can also continue supporting Armenia economically, politically, and militarily as a counterweight.

Armenia should also closely assess the effectiveness of making concessions to postpone military escalation. Past precedents—such as the October 2022 Prague [statement](#), in which Armenia accepted Nagorno-Karabakh as part of Azerbaijan to reduce the risk of further escalation after Baku’s September 2022 incursion into Armenia—show that this approach does not always yield the intended results.

Additionally, given the geopolitical landscape—especially the course of the war in Ukraine and potential US–Russia normalization—Armenia should consider steps to reset relations with Russia as this could enhance its deterrence posture against Azerbaijan.

In Ancient Greek mythology, Sisyphus was condemned to an eternity of futile labor, rolling a boulder up a hill only for it to roll back down again, forcing him to restart the task. One can only hope that the two countries will finally break the Sisyphean curse by sealing a historic peace on equitable terms—or they will find themselves at the bottom of the hill once more, nursing grievances and preparing for the next round of conflict.

For the South Caucasus and the generations who have known war for too long, the hope is that the summit is near and the boulder of peace will finally come to rest, ending the Sisyphean cycle.

About APRI Armenia

APRI Armenia is an independent and nonpartisan think tank focused on advancing regional security, sustainable prosperity, and civic engagement. Our mission is to shift Armenia’s—and the wider region’s—trajectory toward a more stable, sustainable, and democratic future.

You can find us [online](#) and on [LinkedIn](#).