EU-Azerbaijan relations

The EU–Azerbaijan Partnership and Cooperation Agreement (PCA), in force since 1999, sets the framework for bilateral relations. Azerbaijan, considered an authoritarian regime, is an important energy supplier to the EU. Recently, the EU has boosted its role as a mediator between Armenia and Azerbaijan. The European Parliament is due to discuss an own-initiative report on EU-Azerbaijan relations during the March I plenary session.

Background

Azerbaijan and Armenia have been in intermittent conflict over the Nagorno-Karabakh region ever since the end of the Cold War. Under the Russia-brokered 2020 November ceasefire agreement, Azerbaijan regained control of several contested districts, thereby significantly strengthening the authoritarian regime of Ilham Aliyev. In the EIU Democracy Index 2022, Azerbaijan ranked 134th of 167 countries. Russian peacekeeping troops were deployed in the Nagorno-Karabakh conflict zone as part of the agreement. The September 2022 clashes in Armenian territory evidenced the need for renewed international mediation to avert a new full-fledged war. Since mid-December 2022, the Lachin corridor, connecting Nagorno-Karabakh to Armenia, has been blocked by pro-government Azerbaijani protesters, amidst inaction by the Russian peacekeeping forces. Furthermore, Azerbaijan is pressing to open the corridor connecting it to its exclave of Nakhchivan along the Armenia-Iran border. This has reportedly alarmed Iran, as such a move could compromise its connecting route with Armenia across their shared border. In 2010, Azerbaijan and Turkey signed an agreement on strategic partnership and mutual support, including a mutual defence clause. In February 2022, Azerbaijan signed a ‘declaration on allied interaction’ with Russia. Having played an active role as mediator in the conflict between Azerbaijan and Armenia, the EU has recently boosted its role further, by establishing a civilian EU Mission in Armenia (EUMA), which builds on the previous monitoring capacity mission (EUMCAP). Russia has responded with open criticism, and Baku with suspicion.

EU-Azerbaijan bilateral relations

The EU–Azerbaijan Partnership and Cooperation Agreement (PCA), in force since 1999, is the framework for bilateral relations, and negotiations on a new comprehensive agreement were launched in 2017. Several EU-Azerbaijan sectoral agreements are in place, and Azerbaijan participates in the Eastern Partnership. The most recent meeting of the EU-Azerbaijan Cooperation Council took place on 19 July 2022. A day earlier, the two parties signed a memorandum of understanding (MoU) on a strategic energy partnership, aimed at increasing Azerbaijani gas deliveries to the EU through the Southern Gas Corridor to at least 20 billion cubic metres per year by 2027 (from 8.1 billion in 2021). The EU is Azerbaijan’s top trading partner, followed by Russia and Turkey. The EU imports 4.3% of its oil from Azerbaijan and is the biggest investor there.

European Parliament position

On 9 February, the Committee on Foreign Affairs adopted a report on EU-Azerbaijan relations, urging Azerbaijan and Armenia to fully implement the November 2020 ceasefire agreement, while condemning Azerbaijan for its violations, including September 2022 incursions in Armenia. The report urges Azerbaijan to ensure free movement along the Lachin corridor, insists that both parties find a viable solution to link the Nakhchivan region with the rest of Azerbaijan, and calls on Azerbaijan to allow EU monitors on its side of the border. It highlights Azerbaijan’s poor record on respect for human rights and fundamental freedoms, and stresses the need to make further EU–Azerbaijan cooperation conditional on the country’s effective and tangible progress towards respect for international standards and commitments.

Own-initiative report: 2021/2231(INI); Committee responsible: AFET; Rapporteur: Željana Zovko, EPP, Croatia