

## The Armenia-Azerbaijan Conflict: Geopolitical Significance of the Washington Peace Declaration for the South Caucasus

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- [The Washington Peace Declaration](#) presents a realistic opportunity to conclude the long-standing conflict between Armenia and Azerbaijan and to establish a framework for regional cooperation.
  - [The Trump Route for International Peace and Prosperity \(TRIPP\)](#) and other transport projects could strengthen the South Caucasus as a key transit hub connecting Europe and Asia.
  - Dialogue between Armenia and Türkiye may open new trade and economic opportunities in the region.
  - Active international engagement, particularly by the United States (US) and the European Union (EU), remains indispensable for ensuring stability and attracting sustainable investment

### Reccomendations

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- Strengthen political trust while developing economic links.
- Implement border demarcation and phased transport infrastructure development.
- Pursue a shared pro-Western strategy and deepen cooperation with international partners to enhance regional integration.

### Abstract

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This paper aims to study the Washington Peace Declaration between Armenia and Azerbaijan and its potential impact on security and economic integration in the South Caucasus region. TRIPP and related transport initiatives could enable Armenia and Azerbaijan to serve as critical components of a strategic

transit corridor linking Europe and Asia. US and EU engagement is highlighted as essential for maintaining stability and attracting investment in the region. The paper also considers post-conflict challenges and opportunities, emphasising the agreement's long-term significance for regional security and development.

## Introduction

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The South Caucasus region has historically been regarded as one of the most complex regions in the world, where geopolitical rivalries, ethnic disputes, and energy security risks collide. One of the longest-lasting conflicts in the region is the dispute over Nagorno-Karabakh.

The Nagorno-Karabakh conflict represents a longstanding historical and ethnic dispute between Armenia and Azerbaijan, with roots tracing back to the early 20th century. Following the collapse of the Russian Empire in 1918, the [Transcaucasian Democratic Federative Republic](#) was briefly established with its capital in Tbilisi. Soon thereafter, three independent states emerged: Georgia, Armenia, and Azerbaijan.

In 1920, the Russian Red Army occupied and annexed both countries and incorporated them into the Soviet Union as Soviet Socialist Republics (SSR). Beginning in 1921, Nagorno-Karabakh was designated as an administrative-territorial unit within the Azerbaijan Soviet Socialist Republic, holding a degree of autonomy. In 1923, it was formally granted the status of an autonomous oblast, the Nagorno-Karabakh Autonomous Oblast (NKAO), within the Azerbaijan SSR. The majority of its population at that time was ethnic Armenians.

[The immediate trigger for conflict came in 1988, when Nagorno-Karabakh's regional council voted to join Armenia.](#) Clashes soon escalated into broader hostilities that continued after the collapse of the Soviet Union, resulting in significant casualties and displacement. Over time, the conflict unfolded in distinct phases: the [First Karabakh War \(1988–1994\)](#), a period of frozen tensions, the [Second Karabakh War \(2020\)](#), and the [2023 Azerbaijani military operation that restored full control of Nagorno-Karabakh to Baku.](#) Despite multiple ceasefire agreements, underlying disputes over territory and identity remained unresolved.

Control over transport routes, energy corridors, and regional alliances have turned the Nagorno-Karabakh conflict into a central arena of geopolitical competition. Beyond its immediate local dynamics, the conflict has played a decisive role in shaping the broader geopolitical landscape of the South Caucasus.

The region's strategic location linking Europe, Russia, the Middle East, and Central Asia has long attracted the attention of major powers, including Russia, Türkiye, Iran, and, more recently, Western countries. This intersection of interests has elevated the South Caucasus from a peripheral zone into a key area of strategic rivalry and influence.

## Peace Process and the Washington Declaration

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Following Azerbaijan's 2023 military takeover of Nagorno-Karabakh, [Armenia and Azerbaijan began negotiations on border delimitation and demarcation.](#) [In 2024, Yerevan transferred four border villages to Azerbaijan, while Baku called for constitutional revisions related to Nagorno-Karabakh.](#) Armenian Prime

Minister Nikol Pashinyan [expressed willingness](#) to hold a referendum on these amendments by 2027, though [public opposition remains significant](#).

Central to the talks has been the proposed [Zangezur Corridor](#), envisioned to connect mainland Azerbaijan with its exclave Nakhchivan as well as Türkiye via southern Armenia. This route holds profound geopolitical and economic importance for both Azerbaijan and Türkiye, [as it represents both a material and symbolic connection of the Turkic world](#) while reinforcing Türkiye's position as a regional hub for trade and energy flows.

The [Washington Peace Declaration](#), signed on 8 August 2025 by the leaders of Armenia, Azerbaijan, and the US, seeks to normalize bilateral relations and establish a durable peace framework. Its core component, the [TRIPP Corridor](#), introduces a novel arrangement: a transit route under Armenian sovereignty but managed by the US for 99 years. This mechanism preserves Armenia's formal authority while granting Washington sustained operational oversight, reflecting a delicate balance between sovereignty and strategic assurance.

American engagement in this initiative serves wider geopolitical aims like diversifying transportation and energy routes, reducing reliance on Russia and Iran, and embedding Western stability mechanisms in the South Caucasus. The TRIPP Corridor is intended to connect Azerbaijan with Nakhchivan through Armenia, facilitating trade, energy transport, and regional integration. Managed by a US-led consortium of private companies, with oversight from Armenian authorities, it is expected to ensure security, neutrality, and transparency. Although the route will remain under Armenian jurisdiction, the US, from its side, will lease the land and manage operations and construction through US contractors. For the US, this Corridor offers a platform to project influence through partnership rather than coercion; for Türkiye, it fulfils its trans-Eurasian ambitions; and for Azerbaijan, it delivers long-sought direct access to its western territories. Armenia, though cautious, stands to benefit economically through enhanced connectivity and infrastructure investment, provided sovereignty concerns are adequately addressed.

Constitutional reform remains an integral part of this evolving framework. Prime Minister Pashinyan's [proposed referendum on revising Armenia's constitution](#), particularly the removal of references to Nagorno-Karabakh, has sparked domestic controversy. [Critics argue that such amendments could symbolically sever Armenia's historical and legal claims, turning a constitutional issue into a broader debate about national identity and post-conflict statehood.](#)

## Geopolitical Implications of the Washington Declaration and TRIPP

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The Washington Declaration and TRIPP project signify a profound reconfiguration of power relations in the South Caucasus. Each regional actor views these developments through the prism of its strategic interests.

**Armenia** has begun cautiously reorienting its foreign policy toward greater cooperation with Western partners, seeking to lessen its reliance on Russia as a security guarantor. This diversification offers economic and diplomatic opportunities but also requires prudence, given the risk of provoking Moscow's retaliation.

**Azerbaijan**, by contrast, has consolidated its position as a regional power. The operationalization of TRIPP strengthens Baku's role in Eurasian trade and transit networks, increasing both its economic resilience and diplomatic leverage.

**Türkiye** stands to gain substantially from the Corridor, as it will link directly to Central Asia and can expand its influence across the Turkic world. Enhanced trade, energy, and defence cooperation through this route reinforces Ankara's strategic depth and economic outreach.

**The United States** now occupies a central position in the emerging regional order. Acting as mediator and guarantor, Washington has embedded itself in the South Caucasus' security architecture, thereby extending Western influence into a space historically dominated by Russia.

The **European Union**, pursuing its energy diversification agenda, complements these efforts through initiatives promoting infrastructure modernization, governance reform, and economic connectivity.

Meanwhile, **Russia** faces a marked decline in its regional influence. Preoccupied with internal and external challenges, Moscow finds it increasingly difficult to sustain its traditional role as security arbiter. **Iran**, bypassed by the Corridor, experiences similar marginalization as TRIPP reduces its geographical leverage and political influence.

Taken together, these shifts illustrate how the South Caucasus has evolved from a peripheral region into a focal point of global geopolitical competition where transport and energy corridors function as instruments of diplomacy and strategic alignment.

## Challenges and Prospects

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The implementation of the Washington Declaration and TRIPP is not without obstacles. Several interrelated challenges could slow or complicate progress: residual Russian influence, infrastructure deficits, political uncertainty, and persistent mistrust among regional actors.

### **Russian Leverage and Armenia's Strategic Dilemma:**

Moscow's muted response during the 2020 and 2023 crises weakened its authority in Armenia, sparking a public debate about the viability of the Collective Security Treaty Organization (CSTO). Although Armenia has frozen its participation in the CSTO, it remains formally affiliated with both the CSTO and the Eurasian Economic Union, limiting its ability to fully align itself with the West. Russia continues to exert influence through energy dependence, economic interconnectedness, and its military base in Gyumri, leased until 2044.

### **Georgia's Transit Role:**

Georgia remains indispensable as the South Caucasus' principal transit corridor linking the Caspian basin to European markets. Key pipelines and railways, Baku-Supsa, Baku-Tbilisi-Ceyhan, and the Southern Gas Corridor underline this function. Political instability or renewed Russian pressure in Georgia could therefore endanger TRIPP's viability.

### **Infrastructure Limitations:**

Armenia's transportation network remains underdeveloped. The absence of modern road and rail systems capable of handling high trade volumes poses a significant constraint. Addressing this will require sustained international investment and regional coordination.

### **Armenia-Türkiye Relations:**

Historical grievances and unresolved disputes continue to impede normalization. Despite clear economic incentives, political mistrust remains deep. Without gradual confidence-building and careful diplomacy, these tensions could undermine the broader peace process.

Ultimately, the success of the Washington Declaration depends on each actor's ability to balance sovereignty with cooperation, manage external pressures, and sustain long-term commitment to shared stability.

## **Conclusion**

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The Washington Peace Declaration offers a historic chance to move beyond the Armenia-Azerbaijan conflict and to redefine the South Caucasus as a zone of cooperation rather than confrontation. The TRIPP initiative, if realized, could transform the region into a vital bridge between Europe and Asia. Yet its success hinges on multiple variables: constitutional reform in Armenia, continued confidence-building, infrastructure development, and unwavering Western engagement to offset Russian and Iranian influence.

Whether this new framework produces enduring peace or reopens old divisions will depend on the political will of regional leaders and the steadiness of international commitment. The coming decade will reveal whether the Washington Declaration becomes a foundation for stability or another fleeting diplomatic experiment in the turbulent history of the South Caucasus.