



CENTER OF ANALYSIS OF INTERNATIONAL RELATIONS  
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# BULLETIN

HIGHLIGHT OF THE FOREIGN POLICY OF REPUBLIC OF AZERBAIJAN

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## I. 2022 is the “Year of Shusha”

In his address to the nation on the occasion of the Day of Solidarity of World Azerbaijanis and the New Year, President Ilham Aliyev announced that the year of 2022 will be celebrated as the “Year of Shusha”. “In 2022, we will celebrate the 270th anniversary of Shusha. Panahali Khan laid the foundation of Shusha in 1752, and we will celebrate this anniversary with great solemnity in the coming year. In light of this glorious history and to accelerate the restoration of Shusha, I declare the new year a “Year of Shusha,” President Ilham Aliyev noted. President Ilham Aliyev also said that he has visited Shusha seven times after its liberation and that the largest restoration work in the liberated lands is being carried out in the city. President Ilham Aliyev also noted that signing the Shusha Declaration with Turkey, which raised “Turkey-Azerbaijan relations to an alliance level”, had a special meaning exactly because it was signed in Shusha.

The Ministry of Culture of Azerbaijan has already launched an action plan within the Year of Shusha. “As part of the work carried out in the cultural capital of Azerbaijan, it’s planned to restore historical monuments, museums and libraries, and other cultural institutions of the city,” the spokesperson for the Ministry of Culture said. “It’s also planned to hold local and international events, concerts and festivals in the city throughout the year, organize media tours, and shoot new films.” “Along with traditional cultural events such as “Kharibulbul”, “Days of Vagif’s Poetry”, “International Music Festival of Uzeyir Hajibayli [famous Azerbaijani composer of the 20th century]”, this year it’s also planned to hold a literary festival in Shusha to celebrate the 190th anniversary of Khurshidbanu Natavan [famous Azerbaijani poet and philanthropist],” the spokesperson noted.

Shusha, which is also known as the “Pearl of Karabakh”, with its traditionally rich cultural life and architecture has always been the heart of political and socio-cultural life of Azerbaijan. Founded by the head of Karabakh khanate Panahali khan in the 18th century as “an eternal and invincible fortress in a firm and impassable place in the mountains” and initially called Panahabad, Shusha quickly became one of the most important cities in the Caucasus region. Gradually Shusha became a significant trade center in the region. Shusha has also played a fundamental role in the development of carpet weaving industry in Azerbaijan. The city was Karabakh’s carpet-weaving center in the second half of the 19th century and carpets produced in Shusha have been exported abroad. Carpet-weavers from Shusha participated and won awards in an international show in Paris in 1867. Dubbed “the temple and cradle of Azerbaijani music” and “conservatoire of the Caucasus” and being a center of a major branch of traditional Azerbaijani music of mugham, Shusha is a birthplace for a number of famous Azerbaijani musicians and composers, including Jabbar Garyaghdioğlu, Gurban Pirimov, Bulbul, Seyid Shushinski, Khan Shushinski, Uzeyir Hajibeyov, Rashid Behbudov, Niyazi, and Fikret Amirov.

Throughout Tsarist and Soviet times, Shusha has witnessed a systemic campaign of terror, oppression, and ethnic cleansing committed against its indigenous Azerbaijani population in order to push them out of the area. During the Soviet Union, in order to erase the Azerbaijani heritage in Shusha, many historical buildings, architectural monuments, and cultural heritage sites belonging to the local Azerbaijani population were blown up and destroyed. Following the collapse of the Soviet Union, Armenia launched a military aggression against Azerbaijan, occupying Karabakh, including the city of Shusha. As a result of the

occupation, more than 30000 Azerbaijanis were killed and one million people were expelled from their lands in a systematic ethnic cleansing campaign conducted by the Armenian government.

On November 8, 2020, the Armed Forces of Azerbaijan liberated the city of Shusha. The liberation of Shusha, considered to be an impossible task by many military experts, became the most important military achievement of the 44-Day War. In a televised address to the nation on November 8, President Ilham Aliyev said that “it is with great pride that I declare that the town of Shusha has been liberated from the occupation! Shusha is ours! Karabakh is ours! I congratulate all the people of Azerbaijan on this occasion with all my heart. I congratulate all the people of Shusha with all my heart. Shusha, which was under occupation for 28 years and six months, was liberated! Shusha is free now! We have returned to Shusha! We have won this historic victory in the battlefield - 8 November 2020 will forever remain in the history of Azerbaijan. This history will live forever. This is the day of our glorious victory!”

During the three decades-long occupation, the Armenian government engaged in cultural genocide, seeking to destroy and completely erase the Azerbaijani heritage and legacy of the region. Before the First Karabakh War (1988-1994), the Karabakh region of Azerbaijan was home to 706 historic and cultural monuments: 11 monuments of global importance (6 of them architectural and 5 archaeological), 240 of state importance (119 architectural and 121 archeological), and 455 of local importance (393 architectural, 22 archaeological, 23 parks and memorial monuments, and 17 decorative artworks). However, 22 museums containing more than 100,000 artifacts, 927 libraries possessing 4.6 million books, 85 music schools, 4 theaters, 2

concert halls, 4 art galleries, and 808 recreational venues were destroyed as a result of the Armenian occupation. According to recent estimates, within the newly liberated territories returned to Azerbaijan as a result of the Second Karabakh War, over 400 monuments have been destroyed. Apart from the decades-long destruction and desecration of Azerbaijani heritage, acts of appropriation of the Azerbaijani culture in these lands have also been part of a clearly targeted policy pursued by the Armenian occupying forces.

In Shusha alone, 8 museums, 31 libraries, and 8 historic culture houses were destroyed and ruined. “When captured on 9 May 1992 by Armenian forces, the Azeri population fled, while the city was looted and burned. By the mid-2000s, 80% of the city still were kept in ruins. With cultural sites being destroyed and plundered, their exhibits were put on sale in different countries. Bronze statues of Shusha’s renowned woman poet Natavan, singer and songwriter Bulbul, and composer Uzeyir Hajibeyli were designated to be sold as bronze scrap metal in Georgia before the Azerbaijani government bought them for \$500,000. The looting and appropriation of Azerbaijan’s culture in the Karabakh region did not occur only during the almost 30-year-long occupation but was also evident during and after the Second Karabakh War. On February 15, 2021, it was announced that the Alexander Tamanyan National Museum-Institute of Architecture of Armenia would host an exhibition of carpets that were illegally removed from the Shusha Carpet Museum on November 1, 2020. The oldest stolen carpet is about 350 years old; 160 carpets were stolen, but only were exhibited.

In the XIX century, the city of Shusha was home to 17 mosques. Immediately following the Armenian military occupation and ethnic cleansing, religious monuments in Shusha,

including the XIX century Yukhary and Ashaghy Govharagha mosques with their madrasas, were destroyed, burned, and plundered. Only the walls of the Ashaghy Govharagha Mosque were left untouched. Shortly before the liberation of Shusha, the Yukhary Govharagha Mosque was “reconstructed” and “renovated” by the Armenian occupational regime in the Persian style in order to intentionally misrepresent the Azerbaijani-Muslim heritage of Shusha as part of “the history and culture of Iran” despite the fact that the Yukhary Govharagha Mosque was built by Karbalayi Safikhan Sultanhuseyn oglu Garabaghi by command of Govharagha, daughter of the Khan of Karabakh, Ibrahim Khalil Khan, in 1883–1884.

Shortly after the liberation of the city, President Ilham Aliyev signed an order declaring the city of Shusha as the cultural capital of Azerbaijan in order to restore the historical appearance of the city destroyed during the three decades-long Armenian occupation. Immediately after the liberation of the city of Shusha, Azerbaijan started the construction of a new, more than a hundred kilometers long, road to the city that was completed in less than a year. In Fuzuli, a newly liberated Karabakh town close to Shusha, an international airport was quickly built in order to facilitate the access to the region from abroad and as such to boost its tourism potential.

Azerbaijan allocated AZN 2.2bn (€1.1bn) for the reconstruction in the liberated territories in 2021. These funds were primarily earmarked for the restoration of infrastructure (electricity, gas, water, communications, roads, education, health, etc.), as well as cultural and historical monuments. The same amount of funds from the state budget was allocated for this purpose in 2022.

Azerbaijan is also trying to draw international funds to the reconstruction of the region which had been home to more than 700,000 Azerbaijanis before the occupation and its subsequent destruction. International assistance is critical to enable swift rehabilitation of these territories and establish necessary living conditions for the return of thousands of IDPs after up to 30 years of forced displacement.

As Vasif Huseynov, a senior advisor at the Center of Analysis of International Relations (AIR Center), put it “in May 2021, Azerbaijan’s President Ilham Aliyev signed an order declaring the city of Shusha as Azerbaijan’s cultural capital. This decision was made in order to restore the city’s historical appearance, to bring its former glory to it and to reunite it with the traditionally rich cultural life, as well as to promote it in the international arena as a pearl of centuries-old rich culture, architecture, and urban planning of Azerbaijan,” adding that “declaring 2022 as the “Year of Shusha”, Azerbaijan clearly designated its priority for the upcoming year: The people of Azerbaijan are determined to rebuild the destroyed towns and villages and bring back life to the formerly occupied territories. The people of Azerbaijan are determined to make Shusha again the cultural center of the Caucasus.”

## **II. Top foreign-policy takeaways from President Ilham Aliyev’s interview with local TV channels**

On January 12, President Ilham Aliyev was interviewed by five national TV channels. In the interview, President Ilham Aliyev made a number of important statements that sets the agenda for foreign policy of Azerbaijan for 2022. President Ilham Aliyev noted that Baku is interested in the normalization of relations

with Armenia, opening regional communication links, and signing a peace treaty based on mutual recognition of each other's territorial integrity.

"We have actually presented this peace agenda to them and made very clear proposals on delimitation, and if it happens, then demarcation. As you know, at the initial stage, Armenia did not respond, did not say yes or no. In other words, this shows again that the Armenian leadership does not have a clear vision of the future. Our policy is very clear – whether it is related to the war, to the settlement of the past Karabakh conflict or to the future. We suggested that the two countries should recognize each other's territorial integrity, start work on the delimitation of borders, start the process of opening communications and sign a peace agreement. In other words, the signing of a peace agreement is not a 100 percent guarantee, but in any case it would greatly minimize the risk of war. However, we must also know that any peace agreement can be just a piece of paper for Armenia. Whether it is signed now or not, as I said, we will always increase and must build up our military capacity. The Armenian side is hesitant. Again, this shows that their official circles have not yet been able to form an opinion on this issue. On the one hand, they understand that without a peace agreement and with a strong Azerbaijan, they may have some concerns. On the other hand, they understand that if a peace agreement is signed, there must be a provision for both countries to recognize each other's territorial integrity, and they must be ready for that. You know, as they say, they are caught up between two stones. But they have to make a choice, they have to make the right choice," the president noted.

President Ilham Aliyev also warned that if Armenia does not recognize our territorial

integrity, then we will not recognize their territorial integrity either. "We have perhaps a hundred times more grounds not to recognize the territorial integrity of Armenia than they have not to recognize our territorial integrity. Because everyone already knows this, and so does the world community, that in November 1920 our historical lands of Zangazur, as well as Goycha, were severed from us and annexed to Armenia. The city of Yerevan was ceded to Armenia on 29 May 1918. So there are many factors for us, as they say, not to recognize the territorial integrity of Armenia. Nevertheless, we are ready for this for the sake of future peace and the establishment of relations between the countries. But I cannot guarantee that things will be the same six months later. If they do not want it, well, then we will see what happens," President Ilham Aliyev noted.

Responding to the question about the role of the Minsk Group, President Ilham Aliyev made it clear that Baku considers the conflict resolved and therefore the pre-war agenda of the Minsk Group is no longer acceptable to Azerbaijan. "I think they should formulate an agenda for themselves. This is not our job. However, I have an idea of what they should be doing and what they should not be doing. I can say what they should not be doing. They should not be dealing with the Nagorno-Karabakh conflict because it has been resolved. We have resolved this issue instead of them. I think this is the reason for their absence. Because no matter how difficult it is for them, they must accept this new reality. They should know that they will no longer deal with the Karabakh issue. Because we will not allow it. We were a party to this conflict. If one side says that the conflict has been resolved, then there is no room for mediation and our position has been communicated to them. They will probably have to think about what they should be doing. As far as I know, there is

no unity among the co-chairs, as was the case in the past. My judgments are evidence of that. The relations between these countries have recently become particularly tense, and they have differing views on the past conflict and the current situation. I don't think they can come to an agreement," President Ilham Aliyev added. President Ilham Aliyev further added that "first, the viability of this group needs to be clarified. Second, they should present an agenda of what they plan to do, and this agenda should be agreed between the three of them. Then the Azerbaijani and Armenian sides must express their attitude to it. These first two points are not there yet. Therefore, in principle, there is nothing to talk about."

Assessing the state of relations between Azerbaijan and France, President Ilham Aliyev noted that trilateral meeting held at the initiative of French President Macron in December helped clarify many issues between Baku and Paris, and that there are opportunities now to normalize relations between two countries.

President Ilham Aliyev also touched the issue of Russian peacekeepers temporarily stationed in Karabakh, pointing out the issues of concerns. "In assessing the work of peacekeepers, I think we need to look at it from a broader perspective, and, of course, there are many sources of concern. At the same time, it would be unfair not to mention their positive function. They are performing an important function now. At the same time, they accompany the sending and transportation of both our servicemen and cargo to Kalbajar and Lachin districts, and I can say in principle that I am positive about their overall activities. Last year clarified many things, because at the same time, a new element emerged in our relations with Russia, which did not exist before. Azerbaijani-Russian

relations have always been very positive. But last year, these relations became more dynamic and there were more contacts, including those at the presidential level and various other levels. This was a novelty for our relations, and this innovation could have created problems for bilateral relations or strengthened them. I can say that when analyzing last year and this year, the peacekeeping mission has had a positive impact on bilateral relations with Azerbaijani partners," the president noted.

At the same time, President Ilham Aliyev pointed out that "As for the issues of concern, this, of course, annoys us, and several claims have been made to Russia regarding such illegal visits. The defense minister has sent several letters to his counterpart, and objections were made to the head of the peacekeeping mission. The same steps were taken in connection with the recent illegal visit of Valerie Pécresse. We were told that they did not see it, did not know of it, that it fell out of focus that she went there in an ordinary car, and so on. However, this doesn't sound very convincing. I have to state everything the way it is – positive and negative things. It was an organized trip; because Valerie Pécresse could not go there with the escort, she wanted and went with a few people. She was accompanied by France's former foreign minister, ex-EU Commissioner Barnier, and an MP. They went there secretly and returned. The news came out only when they had returned. They were probably afraid that we would have stopped them in the Lachin corridor. Because if we knew they were there, we wouldn't have allowed them back. The Lachin corridor is under our control. You have been to Shusha and seen it. We can stop any car there, and no one can do anything about it. Therefore, such cases do occur, and it is absolutely unacceptable and must be stopped. According

to my information, Armenian representatives visiting Karabakh appeal to the peacekeeping mission regarding the visits of foreign citizens. These are either allowed or not allowed. In general, I can say that we have accurate information about all the events taking place at the entrance and exit to and from Khankandi and in surrounding areas. Therefore, it is far from seriousness to try to conceal something from us or to say, "We did not see or did not know about that."

President Ilham Aliyev also noted that "another irritating issue is that we see that the number of arrivals in Karabakh, Khankandi and other places controlled by Russian peacekeeping forces is very different from the number of departures. More people are leaving. We are watching it. We can also see that 91 percent of inbound cars – notice how accurate out information is, 91 percent – are not checked. However, only 46 percent of outbound cars are not checked. What does this show? It shows that Russian peacekeeping forces are trying to make the entrance easy and create certain problems for those leaving. In other words, they stop cars, question them and so on. So they want people not to leave. This cannot be a coincidence. There cannot be such a difference. We know the number of cars and people, we know how many people have entered and how many have left, and this is not acceptable. According to our information, 38,000 of the population who left during the second Karabakh war have now returned, and 11,000 of those who returned left permanently. It is estimated that 27,000 people now live in the area controlled by Russian peacekeepers."

During the interview, President Ilham Aliyev noted that Azerbaijan will continue to play a dynamic role in the international arena, including in the Non-Aligned Movement. President Ilham Aliyev noted that the NAM

needs to evolve in the direction of institutionalization and follow the path of a structural change. President Ilham Aliyev underscored that "we have taken certain steps in this direction. The first is the forthcoming Baku meeting of the heads of parliaments that are members of the Movement. We want to create a parliamentary component. An agreement has already been reached. We also want to create a youth component of this Movement and thus go through structural changes. Of course, this will require the consent of all countries. As you know, there are complicated relations between some member countries of the Movement. We take all this into account and therefore act very carefully but persistently."

Azerbaijan has played an active role in the global fight against the coronavirus pandemic since its beginning. Summoning an extraordinary summit of the Non-Aligned Movement in May 2020 and initiating discussions within the UN General Assembly, Azerbaijan took a pioneer position in this fight. On November 18, 2021, at the initiative of Azerbaijan, as the chairman of the Non-Aligned Movement, the UN General Assembly adopted a resolution to ensure universal access to COVID-19 vaccines. Prior to the adoption of this resolution, on September 24, in his speech at the UN General Assembly, Azerbaijani President Ilham Aliyev sharply criticized "vaccine nationalism" and expressed concern that underdeveloped countries still do not have access to enough vaccines. It should be noted that while calling on the world community to be more careful in this matter, Azerbaijan has also taken steps in this direction, providing \$10 million to the World Health Organization in 2020 and making financial and humanitarian assistance to more than 30 pandemic-hit countries, and helping certain countries in the vaccine supply.

President Ilham Aliyev also noted that “as a responsible member of the international community and a country chairing the Non-Aligned Movement, Azerbaijan will, of course, continue to defend the rule of international law. We will take an active part in the activities of world institutions – the United Nations and other institutions established after the second World war, and we will be able to avail ourselves of these opportunities more easily today. Because we have already lifted the heavy burden of the Karabakh problem off our chest, and I think we will be one of the countries initiating the new world order. Because this has already happened de facto, and we are fully prepared for this de facto situation with all the internal resources. Both the moral side and the mobilization of our people, the unity of the people and the government, our economic independence, our energy independence, our political agenda and growing opportunities, especially after the Karabakh Victory – we are fully prepared and ready for any option. If the world continues to develop in the traditional way – although I do not believe in that – we are ready. If the world and international architecture completely collapses, we are ready for that too. So we are like a team. We must be ready to perform any task anywhere and at any moment based on our own strength, and always hold our flag high.”

Responding to the question on the prospects of Azerbaijan-EU relations, President Ilham Aliyev noted that “I have a positive assessment. The visit of President Charles Michel to Azerbaijan and the meeting we had here were very positive. I can say the same about our meeting in Brussels last month. The main task for us was to properly formulate our future plans with the European Union. I have repeatedly stated this during meetings with the former leadership. I said, as you may know,

that we don't have any special expectations. As you know, we did not join the association agreement. Life is showing that we were right. I would not want to say anything about the countries that joined. If we look realistically, what did this association agreement give? Of course, this is a legitimate question. So, is there a prospect of membership? There isn't – not in the near future and in the medium term at least. Are there any other benefits? I don't know. I am saying this again. Our position has always been realistic. I said that we should not cling to the skirts of things we could not do, so to speak. Let's be realistic. We want closer ties with Europe. Europe also wants the situation on its borders to be stable. I think that during the meetings with Mr. Michel, we were able to formulate this agenda. I do hope that this joint approach will allow the new agreement to be fully agreed soon. At present, about 90-92 percent of the agreement has been agreed. There are several articles we disagree on. But I think that if there is a serious determination, we can achieve this on both sides.” President Ilham Aliyev further added that the EU could play a positive role in normalization of relations between Azerbaijan and Armenia.

Responding to the question on the revanchist tendencies in Armenia, President Ilham Aliyev noted that “revanchist tendencies in Armenia are manifested not only by former government officials, but also by current ones. Because first of all, as I said, we saw military provocations in the post-war period, and there were several such attempts – in November, prior to that, yesterday and it is possible that such attempts will be made in the future too. Of course, the Armenian leadership and society as a whole have not yet recovered from the defeat in the war. They have been hit so hard psychologically that all their ideological foundations have been shattered. In other words, all the myths they invented and

believed in have been blown to smithereens. We showed it in a matter of 44 days. Therefore, such tendencies do exist in Armenian society. Any government must take into account public opinion. Therefore, such tendencies will be continued.”

President Ilham Aliyev also pointed out that “whereas the current government is acting more constructive today, it is actually responsible for making the war an inevitability in the pre-war period. After all, it was a representative of the current government who said that “Karabakh is Armenia, full stop”. It was a representative of the current government who threatened us with a “new war for new territories”. It was a representative of the current government who danced in the Jidir Duzu and insulted the dignity of the Azerbaijani people. In other words, we shouldn’t be misled by the conduct of the current government. We must not deceive ourselves. It was them who intended to keep the territories of Azerbaijan under constant occupation. The current government wanted to move the parliament of the so-called “Nagorno-Karabakh Republic” to Shusha and even completed the masonry work on a building there. We have destroyed it now. It was the current government who said that we should negotiate with the self-styled “Nagorno-Karabakh Republic” and the so-called “Nagorno-Karabakh Republic” should be represented at the negotiating table. In other words, it wasn’t Kocharyan-Sargsyan, but the current government who did all this. Therefore, I repeat, we must never be deceived by the kind words of the current government.”

Pointing out that revanchist sentiments in Armenia are still very strong, President Ilham Aliyev underscored the importance of continued modernization of the military in order to be prepared to adequately respond to

those revanchist provocations. “Just yesterday, another military provocation was committed against Azerbaijani servicemen. As a result of this baseless aggression, an Azerbaijani serviceman was killed. It is not the first time this has happened since the war. Unfortunately, Armenia did not learn the lesson from all our previous punitive measures. Yesterday's incident is no exception,” President Ilham Aliyev said. The president further added “Azerbaijani Armed Forces have taken decisive measures to punish the criminals. According to the information I received from the Minister of Defense today, six to eight enemy servicemen were killed, and many others were wounded. Shortly after this incident, the Armenian side insistently requested a ceasefire. However, they must understand that the death of an Azerbaijani serviceman will never be forgiven. Despite numerous requests from the Armenian side, I would even say pleas – since this incident took place, not in the area of responsibility of Russian peacekeepers, but the direction of Kalbadjar. Based on the requests of Russian peacekeepers, I ordered the Defense Minister at 21:30 to cease fire and let the Armenian side collect their numerous wounded servicemen. In other words, both this incident and all previous incidents ended in this way – crimes, provocations, covert provocations, punitive measures by the Azerbaijani side, and then pleas for a ceasefire. As a result, Azerbaijan has once again demonstrated humanism, but only after we concluded that the punitive operation should be stopped.”

Responding to the question about army-building and a new military unit for commando forces in Hadrut settlement of Khojavand District, President Ilham Aliyev added that “actually, this explains why we continue building the army. There are a number of aspects here. First, of course, we used a lot of

the ammunition during the war, so we have to replenish that now, and the new contacts will provide us with this opportunity. Supplies of weapons and ammunition is already underway. The next issue is the purchase of modern weapons systems of different types. We have always attached great importance to this issue. Military technology is evolving fast and we always want to get the best equipment available. As you know, we do not have a problem with the number of parties interested in selling weapons to us. The third issue is to increase the combat capability of the Armed Forces. The second Karabakh war is not only a great victory for us, it is also a great experience in the field of operations. It has been a practical test of the Armed Forces not in training, but in real operations, and our Armed Forces took this test with dignity. However, the second Karabakh war also showed us what to do next, what elements of the military infrastructure we did not use, used in a very limited manner, or that they were weak. This is also a great experience. For obvious reasons, I cannot say more now.”

President Ilham Aliyev also touched upon the importance of special operations forces going forward. “Creating a commando force is just one of the elements of improving our military capabilities, but it is also a vital element. As I have already said, this process has begun and will be continued. Our special forces showed their best during the second Karabakh war. I have said this many times. Therefore, the improvement of these forces and the creation of a new special force is a necessity dictated by the situation,” President Ilham Aliyev said, adding that “due to our measures, the Azerbaijani Armed Forces will become even more potent than they were during the second Karabakh war. However, as we all know, the experts and the public of a number of countries do not conceal their admiration for

what we demonstrated during the war. Of course, this unexpected and explicit admiration made all of us feel very proud of ourselves. But at the same time, we must not become complacent or arrogant, as they say, and not repeat the mistakes of the Armenian side, which considers themselves to be great fighters but, in reality, set a new record in the sprint. Of course, this will not happen, but in any case, my actions now, including those within the framework of army building, aim to keep our feet on the ground. We have done what is necessary, and we have done it with dignity, honor and justice. And now, we must think about the future and the ability of the Azerbaijani Armed Forces to protect our people and state from all possible threats.”

President Ilham Aliyev also noted that Baku is closely watching military build-up in Armenia, both with their resources and their partners' help, underlining that “if we see even the slightest threat to our security, we will immediately crush it no matter where it is and no matter how deep it is in the territory of Armenia. Everyone, first of all, the Armenian leadership should know and understand this.”

President Ilham Aliyev also said that the cause of January 11 border provocations by Armenia could be recent events in the CIS countries. “They believe that their opportunities have increased or they can get support from somewhere. But they must not forget, as was the case in the second Karabakh war, that no matter who will help them, we will achieve what we want and no-one can stop us. Nothing can stop us. The only thing that stops us is that we do not want a third war, which is not in our plans. We want the war to end. We want normal relations to be established and Armenia to finally recognize the territorial integrity of Azerbaijan. We want that. But if we see that, as I said, there is a threat to us, that

threat will be crushed on the spot,” President Ilham Aliyev warned.

### **III. Azerbaijan and Ukraine set to deepen economic ties**

On January 14, President Ilham Aliyev arrived in Ukraine for a working visit at the invitation of the President of Ukraine Volodymyr Zelenskyy. During the visit between, six bilateral documents aimed at deepening and strengthening ties between Azerbaijan and Ukraine were signed. In his statement for the press following the ceremony of signing the documents, President Ilham Aliyev noted that “soon we will celebrate the 30th anniversary of our diplomatic relations, on 6 February. I must say that during independence, Ukraine and Azerbaijan have always supported each other, always supported each other's independence, territorial integrity and sovereignty, and this support is reflected in the Joint Declaration we signed today.” President Ilham Aliyev also emphasized that “friendly ties bind our people together, and as you know, there is a great interest and respect for the culture of the Ukrainian people in Azerbaijan. This respect can also be seen in Baku. A monument to great Ukrainian son Taras Shevchenko was erected on my initiative in one of the central parts of Baku a few years ago, and both Baku residents and visitors to our city come to this park to have rest. At the same time, one of the largest squares in Baku is named after Ukraine. So these facts in themselves show that there is an excellent history of relations between our peoples, and we maintain these relations.”

President Ilham Aliyev also drew attention to the plans to deepen energy cooperation between Ukraine and Azerbaijan. “We have new plans in the field of energy, which is a traditional area of cooperation, and I am confident that these plans will be

implemented. The State Oil Company of Azerbaijan (SOCAR) intends to expand its activities in Ukraine, and I am glad that the Ukrainian side also supports it. At present, SOCAR has an extensive network of filling stations in Ukraine, and, of course, the new steps in the export and processing of oil and oil products will further deepen our cooperation. There is no disagreement on cooperation on other types of energy,” President Ilham Aliyev underscored.

President Ilham Aliyev also highlighted the importance of cooperation in the field of food security, noting that “the agreements on food security reached today will allow Azerbaijan the opportunity to ensure its food security to a greater extent. At the same time, the groundwork has been laid today for the establishment of joint ventures, joint activities related to the processing and export of agricultural products. This is a novelty, and it is one of the essential steps in our relations in this area.”

“I want to say again that our cooperation is based on friendly relations. I do hope that this visit, which is taking place at the beginning of the year, will contribute to closing this year with good results on a bilateral level and provide a sound basis for future years,” President Ilham Aliyev concluded.

“This visit is special, very symbolic and very substantial. It takes place on the eve of the 30th anniversary of establishing diplomatic relations between our countries. And its result gives high-quality substance to our partnership, political, economic and security ties,” President Zelenskyy noted following the ceremony of signing documents, adding that “we have signed a Joint Declaration of Presidents of Ukraine and Azerbaijan enshrining the commitment to provide mutual support for the sovereignty and territorial

integrity of our countries within internationally recognized borders, joint efforts to combat hybrid threats, aspiration to maintain peace and security in the Black Sea and Caspian region and beyond. This and other items of the declaration testify to the unity and similarity of our views on many issues and challenges, be they regional or global.”

President Zelenskyy also noted that “we have extensively discussed all spheres of current cooperation and all opportunities to strengthen it. The outcome of the meeting is six bilateral documents of cooperation in agriculture, energy and trade. Their implementation will simplify investment activity, which is very important. We have many plans that we have extensively discussed with the President of Azerbaijan. It will also strengthen food and energy security, increase bilateral trade turnover. By the way, the latter has diminished due to the pandemic taking place globally. Despite COVID, despite the pandemic, and for the first time in seven years, trade turnover has reached a record-breaking high of almost one billion dollars. At the same time, we understand that this is not the limit, as evidenced by the new ambitious goal that we have determined to double the bilateral trade by 2024. I hope we can do that.”

During the visit, President of the Republic of Azerbaijan Ilham Aliyev and President of Ukraine Volodymyr Zelenskyy signed a Joint Declaration of the President of the Republic of Azerbaijan and the President of Ukraine. “The document confirms the readiness of the parties to deepen the strategic partnership, in particular through the implementation of specific projects in areas of mutual interest. Among other things, on ensuring peace and stability in the Black Sea-Caspian region and beyond,” the statement from the official website of the President of Ukraine noted. The official website of the President of Ukraine also

added that “the Joint Declaration enshrines agreements to provide mutual support for the sovereignty and territorial integrity of the two states within their internationally recognized borders; the desire to intensify bilateral substantive cooperation in political and security, trade and economic, fuel and energy, military and technical, infrastructure, transport, aircraft, agro-industrial, cultural, humanitarian and other fields. The readiness to intensify cooperation in combating hybrid threats is also stipulated. It also envisages further strengthening cooperation in the field of defense industry by completing current and developing new joint projects, directly mentions the intention to deepen cooperation within international and regional organizations and fora, including the UN, OSCE, Council of Europe, GUAM, BSEC.”

The Minister of Energy of the Republic of Azerbaijan and Co-Chair of the Intergovernmental Commission, Parviz Shahbazov, and the Deputy Prime Minister of Ukraine and Co-Chair of the Intergovernmental Commission, Iryna Vereshchuk, signed an “Agreement on Cooperation in Food Security” between the Cabinet of Ministers of Ukraine and the Government of the Republic of Azerbaijan. The document “concerns cooperation in simplifying procedures for the import, export, transit and re-export of food products. In order to ensure their safety, the possibility of inspecting market operators who produce and trade food is envisaged,” the official website of the President of Ukraine said.

The Minister of Economy of the Republic of Azerbaijan, Mikayil Jabbarov, and the Deputy Prime Minister of Ukraine and Co-Chair of the Intergovernmental Commission, Irina Vereshchuk, signed a Memorandum of Understanding on “Emergency Cooperation in Bilateral Trade” between the Ministry of

Economy of Ukraine and the Ministry of Economy of the Republic of Azerbaijan.

The Minister of Economy of the Republic of Azerbaijan, Mikayil Jabbarov, and the Minister of Agrarian Policy and Food of Ukraine, Roman Leshchenko, signed a Memorandum of Understanding on “Cooperation in the Agrarian Sector” between the Ministry of Agrarian Policy and Food of Ukraine and the Ministry of Economy of the Republic of Azerbaijan. According to the official website of the President of Ukraine, “the document will promote cooperation in crop production and food security, mutual legal assistance in the field of land relations, efficient use of agricultural land, investment in projects for processing agricultural raw materials, trade in fertilizers and more.”

The Minister of Economy of the Republic of Azerbaijan and Chairman of SOCAR Supervisory Board, Mikayil Jabbarov, and the Chairman of the Board of the National Joint Stock Company “Naftogaz of Ukraine”, Yuriy Vitrenko, signed a Memorandum of Understanding on “Energy Cooperation” between the National Joint Stock Company “Naftogaz of Ukraine” and SOCAR. “The document creates conditions for expanding cooperation in the energy sector and joint implementation of projects in the oil and gas market of Ukraine, including oil supply and transportation to our country, transportation of oil products, joint use of oil pipelines, exploration and production of hydrocarbons, construction of new oil refining facilities on the territory of Ukraine and reconstruction of existing ones, supply of natural gas to Ukraine, its storage in underground storage facilities on the territory of our state, etc,” the official website of the President of Ukraine said.

The Minister of Economy of the Republic of Azerbaijan, Mikayil Jabbarov, and the Acting

Chairman of the State Service of Ukraine for Geodesy, Cartography and Cadastre, Serhiy Zavadsky, signed a Memorandum of Understanding on “Cooperation in Land Relations, Management of State Property Land and State Land Cadastre” between the State Service for Geodesy, Cartography and Cadastre of Ukraine and the Ministry of Economy of the Republic of Azerbaijan. The MoU will secure closer cooperation in the field of land relations, state land management and state land cadastre in terms of providing legal mutual assistance in land relations, management of state-owned lands and lands of state land cadastre, as well as exchange of experience, information, consulting services.

“We discussed in detail all areas of existing cooperation and all opportunities for its strengthening. The meeting resulted in six bilateral documents on cooperation: in agriculture, energy and trade. Their implementation will simplify investment activities, strengthen food and energy security, and increase bilateral trade. We have many plans, which we talked about in great detail with the President of Azerbaijan,” President Volodymyr Zelenskyy said after the meeting with President Ilham Aliyev adding that “we also want to increase the amount of mutual investment and the number of large-scale joint projects. This includes the participation of Azerbaijani companies in the “Large Construction” program, as well as the participation of Ukrainian companies in infrastructure projects to which Mr. President has invited Ukrainian business.”

Despite the COVID-19 pandemic, trade between Ukraine and Azerbaijan has reached a record high of almost \$1 billion for the first time in seven years. The sides agreed to carry out a meeting of the Joint Intergovernmental Commission on Economic Cooperation in the first half of 2022. At the same time, Azerbaijan

and Ukraine agreed to double bilateral trade by 2024. The participation of Azerbaijani business in large-scale privatization in Ukraine was also a subject of discussion between the sides.

“We should intensify cooperation in the field of international road and rail transport, as well as in the field of aviation. We will continue to work together on a number of prospects, including the creation of a transport corridor within GUAM, which unites Ukraine, Azerbaijan, Georgia and Moldova,” President Zelenskyy noted, adding that “I am confident that the agreements we have reached today are beginning a new stage in our strategic, historical, correct substantive cooperation.”

Commenting on deepening ties between Ukraine and Azerbaijan, Shahmar Hajiyev, a leading advisor at the Center of Analysis of International Relations (AIR Center), noted that “the meeting between the Azerbaijani and Ukrainian presidents demonstrates the strategic partnership between the two states and their common approach to global issues,” adding that “Baku is interested in increasing trade volume and intensifying economic cooperation through the BSEC and GUAM formats. In this regard, the improvement of Turkish-Ukrainian-Azerbaijani relations will continue to create new opportunities for trilateral cooperation and bolster economic engagement and security in the Caspian and Black Sea regions.”

#### **IV. Azerbaijan continues to play a major role in European energy security**

In an article on crisis with Russia and Ukraine published on his blog on January 30, High Representative of the European Union for Foreign Affairs and Security Policy Joseph

Borrell said the EU was in talks with the USA, Qatar and Azerbaijan on the issue of gas supply in case Russia decides to reduce or halt deliveries. “We are prepared in case diplomacy fails and we are looking at all options. This includes improving our resilience, including by working with partners like the US, Qatar and Azerbaijan, on the issue of gas supply in case Russia decides to reduce or halt deliveries,” Borrell noted. On January 28, Bloomberg reported that European Commissioner for Energy Kadri Simson would attend a ministerial meeting of the Southern Gas Corridor in Baku on February 4.

In his interview with Italian “Il Sole 24 Ore” newspaper in December, answering the question whether Azerbaijan would help if the European Union asks Baku to provide more natural gas, President Ilham Aliyev affirmed Azerbaijan’s readiness to increase its natural gas production and export, noting that “our gas strategy was very clear and open. And for many years, we did a lot in Azerbaijan and worked with the partners to build this vital project [the Southern Gas Corridor], which is considered one of the most significant infrastructure projects in the 21st century.”

President Ilham Aliyev pointed out that “there is a possibility of increasing the output and export. But that will depend, of course, on demand from the European consumers. The European Commission was assisting us in that process,” adding that “we regularly convene in Baku the Advisory Council of the Southern Gas Corridor, chaired by representatives of the European Union and Azerbaijan. And the next session will take place next February, where we address all the issues and plan our future steps.” President Ilham Aliyev also noted that “starting from 1 January we supplied 7.2 billion cubic meters of gas to Italy, Greece and Bulgaria, next year it will be 9, in 2023 it will be at least 11. So, it is a serious increase. But to

increase the production we need, of course, to invest and in order to do that we need to have contracts with consumers. So the contracts first, investments second and gas third. This is the consequence of the stages of the process. But we are ready, as you said. We have future deposits, brand new modern infrastructure, with potential interconnectors to other destinations in Europe. You mentioned the Balkans, and I also would add Central Europe. And that will be the diversification of supplies for us and diversification for consumers.”

In the interview, President Ilham Aliyev also denied any rivalry between Baku and Moscow over gas deliveries to Europe, noting that “this issue is sometimes artificially exaggerated.” “We are in no way competitors to Russia because Russia is supplying hundreds of billions of cubic meters to Europe, and demand for Russian gas is growing. Azerbaijan just started. As I said, our supply to Europe will be 11 billion in 2023, and it can stay like that if we don't have a new contract and don't invest in new production,” President Ilham Aliyev added.

In an interview with Bloomberg on January 28, Ambassador Extraordinary and Plenipotentiary of the Republic of Azerbaijan to the United Kingdom of Great Britain and Northern Ireland Elin Suleymanov said that Baku was ready to provide Europe with emergency gas supplies. “If there is an urgent need as we saw in Turkey, some volumes of course would be made available,” Ambassador Elin Suleymanov said in an interview. “But Azerbaijani volumes are not equal to the Russian volumes, that’s obvious.” Azerbaijan can produce more gas and expand its Southern Gas Corridor. It can also channel flows from Turkmenistan. But any significant boost in volumes would require Europe to sign long-term gas contracts, Ambassador Elin Suleymanov said, according to Bloomberg.

“We don’t look at energy security and potential expansion and increase in volumes through a short term crisis, you cannot succeed with short-term mandates. It’s long-term planning, it is a process,” Ambassador Elin Suleymanov said in an interview with Bloomberg.

At the same time, Azerbaijan seeks to transform itself into an “energy hub” exporting not only crude oil and natural gas but also electricity. Shahmar Hajiyev, a leading advisor at the Center of Analysis of International Relations (AIR Center), noted that “the country already fully meets its domestic demand and exports electricity to neighboring countries. Azerbaijan has increased electricity production by 1.5 billion kWh, bringing the volume to 22.8 billion kWh in January–October 2021. Some 252.8 million kWh of electricity were exported to Iran, 318.6 million kWh to Turkey, 79.1 million kWh to Russia, and 505.5 million kWh to Georgia. The energy demand in neighboring countries and in Europe is growing year on year, and it is in Azerbaijan’s interest to increase the export of electricity in the coming years.”

Azerbaijan has already started to develop its renewable energy capacity, and one of the country’s primary goals is to support a sustainable energy future. To this end, Azerbaijan’s national renewable energy policy is set out in the State Program on Use of Alternative and Renewable Energy Sources in the Republic of Azerbaijan. The State Program’s main objective is to promote power generation from renewable and environmentally sound sources and to utilize hydrocarbon energy sources more efficiently. The State Program also envisages increasing the country’s energy capacities through the utilization of alternative energy sources and thereby achieving energy security for the country. The State Program has created

support for assessing the country's potential major renewable energy sources and for their use. Key sources of renewable energy in Azerbaijan are hydropower, wind, solar, biomass, and geothermal energy. The potential for solar and wind power generation is especially significant. The possibilities for wind-power development are very strong, especially on the Absheron Peninsula, the Caspian seashore, and islands in the northwest of the Caspian basin.

It is worth noting that the government is focusing on the development of a long-term energy strategy. This strategy will cover the period until 2050 and will reflect important areas such as electricity and natural gas supply, energy efficiency, and the use of renewables. As is clear from the strategy, the government intends to support a "twin-pillar" approach to promote sustainable energy for achieving its long-term goals. This process will help the country produce electricity using renewable energy sources while decreasing the use of natural gas for electricity production. For example, in 2020, the electricity generated from renewables made up about 6 percent of total production. Increasing the share of renewables in power generation will also decrease greenhouse gas emissions in the country. Therefore, as defined in "Azerbaijan 2030: National Priorities for Socio-Economic Development," the country has incentives to prioritize becoming a "green growth" country by 2030.

In recent years, Azerbaijan has initiated sustainable development in the energy sector through the creation of green energy zones and the gradual process of decarbonization. The key aim is to attract international investment in the green energy sector by providing a high level of protection of foreign investment.

Currently, Azerbaijan actively collaborates with Saudi Arabia's ACWA Power energy company and Masdar from the United Arab Emirates. An agreement on a solar power plant project with a capacity of 230 MW has been signed with Masdar. According to Minister of Energy Parviz Shahbazov, "by signing these contracts for a solar power plant worth about \$200 million, we are one step closer to our goals for the renewable energy and carbon emissions. The solar power plant to be built in Baku and Absheron district will produce about 500 million kWh of electricity annually, save 110 million cubic meters of natural gas, reduce carbon emissions by 200,000 tons, create new jobs, and attract other investors to new projects."

Notably, another important project, the 240-MW Khizi-Absheron Wind Power Plant, will be built by ACWA Power. A ground-breaking ceremony was held on January 13, 2022, with the participation of President Ilham Aliyev and Saudi minister of energy Prince Abdulaziz bin Salman al-Saud. Total investment for both projects is \$400 million, and this overseas investment is economically significant as it will create many jobs and save natural gas. The Khizi-Absheron project, implemented through the attraction of foreign investment, will be the largest wind farm in the country. These investments will also stimulate future investment pathways. Azerbaijan has proved itself a reliable partner, and the economic and energy policies being implemented in the country create a favorable investment climate for foreign investors.

Most importantly, the Khizi-Absheron wind power project "will prevent the release of over 400,000 tons of carbon dioxide into the atmosphere and save 200 million cubic meters of gas per year. At the same time, it will help the country increase the share of renewable

energy sources in the country's energy system to 30 percent by 2030."

Another important development is Azerbaijan's plan to develop "green energy zones" in Karabakh. President Ilham Aliyev has declared the Karabakh and East Zangazur economic regions green energy zones. These regions have great potential for renewable energy, especially hydro-energy. It should be noted that about 25 percent of Azerbaijan's water resources rise in the Karabakh region, which creates favorable conditions for hydropower plants. In addition, the regions have potential for solar and wind power. According to preliminary calculations by the International Renewable Energy Agency, these regions have more than 4,000 MW of solar and up to 500 MW of wind-energy potential. Thus, the renewable-energy potential of these regions will allow the generation of electricity from these sources to supply the "smart cities and villages" that Azerbaijan is building in its liberated territories.

In his interview on January 12, President Ilham Aliyev noted that "the implementation of the Southern Gas Corridor is unequivocally a historic event, and the implementation of this huge energy project with such a high quality and in a difficult geopolitical situation required tremendous effort," adding that "about 19

billion cubic meters of gas will be exported this year. More than 8 billion of it will be exported to Turkey and more than 7 billion to Italy. The remaining gas will be divided between Georgia, Bulgaria and Greece." President Ilham Aliyev also pointed out that "it is our project that has also facilitated the construction of interconnectors and connections between European countries, and work is being done in this area. Thus, physically, i.e. from the point of view of infrastructure, we can deliver our gas to other countries, taking into account the fact that Shah Deniz has great potential. It is true that the approved volume is more than 1 trillion cubic meters. But I am sure that there will be more, as was the case in Azeri-Chirag-Gunashli. Preliminary estimates put the figure at 500 million tons, but its potential already exceeds 1 billion tons. In addition, the Absheron gas field will be commissioned in the future. Umid, Babek, Asiman, i.e. many of our gas fields will gradually become operational and our volume will increase significantly. This is our great advantage. It will also bring additional funds to our country, expand our country's international capabilities and, of course, this factor will continue to play an important role in EU-Azerbaijan relations."