



# Investor Briefing: Corporate Exposure to the Conflict In Nagorno-Karabakh



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**INVESTOR ALLIANCE  
FOR HUMAN RIGHTS**  
AN INITIATIVE OF ICCR

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# Investor Alliance for Human Rights

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# Investor Briefing – Corporate Exposure to the Conflict In Nagorno-Karabakh

January 18, 2024

Presented by Investor Alliance for Human Rights

Zaven A. Sargsian

# Overview – 10 minutes

1. Historical background
2. 2020 War (Sept. 26, 2020 – Nov. 9, 2020)
3. Starvation blockade (Dec. 2022 – Sept. 2023)
4. Ethnic cleansing (Sept. 19, 2023)
5. International response and increasing risk of sanctions on the Republic of Azerbaijan
6. Briefly about the Armenian Bar Association ESG Committee

# Terminology

- Nagorno Karabakh Autonomous Oblast
- Nagorno Karabakh (generic)
- Nagorno Karabakh Republic or NKR
- Republic of Artsakh



# 1928 Map





# Nagorno Karabakh and Armenia do not share a border

- No common border between Armenia SSR and Nagorno Karabakh Autonomous Oblast
- “Lachin” is the shortest distance between Armenia SSR (city of Goris) and NKAO
- Strip of land, less than 10 km wide, often referred to as “Lachin corridor”



# Escalation to First Karabakh War

- **1989 USSR Census** – NKAO population was appx. 189,000 of which 77% were ethnic Armenians, and 22% ethnic Azeris
- **February 20, 1988** – NKAO Soviet of People’s Deputies vote (110 to 17) and pass resolution “On Petitioning the Supreme Soviets of Azerbaijani SSR and Armenian SSR for the transfer of NKAO from Azerbaijan SSR to Armenain SSR.”
- **March 23, 1988** – request rejected by Supreme Soviet of USSR; also rejected by Azerbaijani SSR
- **1988 – 1990**: Mass demonstrations in Armenia calling for unification of NKAO with Armenia. Anti-Armenian riots in Azerbaijani cities, including Sumgait (Feb. 1988 – 26 Armenians killed) and Baku (Jan. 1990 – 34 Armenians killed)

- **April 3, 1990** – USSR adopts law on *The Procedure for Resolving Questions connected with the Secession of a Union Republic from the USSR*.

Article 3 reserved the right for an Autonomous Oblast to “independently decide the question of its presence within the USSR or the seceding Soviet Republic, and also to raise the question of its state-legal status.”

- **September 2, 1991** – NKAO declares independence from Azerbaijan SSR pursuant to Article 3
- **December 10, 1991** – Referendum held in NKAO with 99.9% of participants voting to succeed from Azerbaijan. The Azeris of Nagorno Karabakh boycotted the referendum.
- **Early 1992** – conflict escalated into full scale war.



- **May 5, 1994** – Armenia, Azerbaijan, and NKR sign a ceasefire agreement, known as “Bishkek Protocol.” Ethnic Armenian forces had gained significant ground.
- **December 1994** – Organization for Security and Co-operation in Europe (OSCE) held summit in Budapest discussing settlement of the conflict and establishing the “Minsk Group,” (co-chairs are U.S., Russia, and France)
- **November 2007** – OSCE meeting in Madrid; OSCE Minsk Group co-chairs presented “Basic Principles” to Azerbaijan and Armenia (a/k/a “Madrid document” or “Madrid Principles”)

Basic Principles were a compromise based on the Helsinki Final Act principles of Non-Use of Force, Territorial Integrity, and the Equal Rights and Self-Determination of Peoples.

The Basic Principles call for inter alia:

- return of the territories surrounding Nagorno-Karabakh to Azerbaijani control;
- an interim status for Nagorno-Karabakh providing guarantees for security and self-governance;
- a corridor linking Armenia to Nagorno-Karabakh;
- future determination of the final legal status of Nagorno-Karabakh through a legally binding expression of will;
- the right of all internally displaced persons and refugees to return to their former places of residence; and
- international security guarantees that would include a peacekeeping operation.

# 2020 Karabakh War

# 2020 Nagorno Karabakh War

- **September 27, 2020** – Azerbaijani military launches large-scale military operation against NK
- **Not disputed Azerbaijan initiated conflict** -
  - “I have repeatedly said in recent years that the people of Azerbaijan will never come to terms with this situation . . . . My words were materialized, and Azerbaijan started the War of Salvation” – President Aliyev interview to CNN Turk TV Channel
  - “We waged a war in the interests of justice. We waged a war for our dignity [and] national pride. We waged a holy war.” - President Aliyev address to nation Sept. 2021
- **44 days of war**
- **Numerous alleged violations of international law**



# Breach of Peace and use of force to resolve disputes

- Q: “What would you say your mission is? Is it to win a war or to bring lasting peace?”
- A: “Well, to win a war was a mission of my life, of my political life, which ended successfully.”

Interview by Euronews TV (July 22, 2023)

# Mercenaryism

- Violation of International Convention Against the Recruitment, Use, Financing and Training of Mercenaries – Ratified by Azerbaijan
- Azerbaijan recruited from Syria, with assistance of Turkey
- Reportedly included some fighters from FTO designated by U.S. Dept of State (e.g., al-Nusra Front)
- Sources range from 1,500 to 4,000 fighters
- Fighters participated mostly for private gain, and reportedly, in some instances, for ideological reasons

“The UN Working Group on the use of mercenaries said there were widespread reports that the Government of Azerbaijan, with Turkey’s assistance, relied on Syrian fighters to shore-up and sustain its military operations in the Nagorno-Karabakh conflict Zone, including on the frontline. The fighters appeared to be motivated primarily by private gain . . . the UN experts said.”

*- Mercenaries in and around the Nagorno-Karabakh conflict zone must be withdrawn – UN experts, United Nations Human Rights Office of the High Comm’r (Nov. 11, 2020)*

# Use of Banned Munitions

- Violation of UN Protocol on Prohibitions or Restrictions on the Use of Incendiary Weapons (Protocol III)
- HRW – “Azerbaijan has repeatedly used widely banned cluster munitions in residential areas of Nagorno Karabakh . . . .”
- Violation of 2008 UN Convention on Cluster Munitions (not ratified by Azerbaijan)
- Used banned white phosphorous munitions – cause human injury and death, as well as significant environmental damage
- Wax like chemical substance

Video – cluster munitions in NK capital

<https://www.youtube.com/watch?v=Bv7NUyyHcl4>

# Unlawful Detention of Armenian POWs

- Violation of Geneva Convention
- European Parliament (2021) – “approximately 200 Armenians are being held in Azerbaijani captivity”
- European Court of Human Rights – “received complaints regarding 249 Armenian captured in Azerbaijan . . . .”
- HRW (2021) – numerous reports of ill treatment of POWs  
*“Azerbaijani forces abused Armenian prisoners of war (POWs) from the 2020 Nagorno-Karabakh conflict, subjecting them to cruel and degrading treatment and torture either when they were captured during their transfer, or while in custody at various detention facilities.”*

# Response to POWs

- March 16, 2021 – bipartisan group of U.S. Congressional leaders introduce resolution “calling on Azerbaijan to immediately release all prisoners of war . . . and civilians detained in the aftermath of 2020 war in Nagorno-Karabakh”
- May 20, 2021 – European Parliament passed resolution demanding “the immediate and unconditional release of all Armenian prisoners, both military and civilian, detained during and after the conflict . . . .”
- May 27, 2021 – U.S. State Department: “the United States is concerned by . . . the detention of several Armenian soldiers by Azerbaijani forces.”

# Destruction and desecration of Armenian cultural monuments and heritage sites

European Parliament resolution of 10 March 2022 on the destruction of cultural heritage in Nagorno-Karabakh (2022/2582(RSP))

- “1,456 monuments . . . came under Azerbaijan control after 2020 war”
- “considerable deliberate damage was caused by Azerbaijan to Armenian cultural heritage during the 2020 war”
- “during his visit to the 12<sup>th</sup> century Armenian Church in Tsakuri, President Aliyev vowed to remove its Armenian inscriptions.”



# European Parliament Resolution

- “Strongly condemns Azerbaijan’s continued policy of erasing and denying the Armenian cultural heritage in and around Nagorno-Karabakh, in violation of international law”
- “Acknowledges that the erasure of the Armenian cultural heritage is a part of a wider pattern of a systematic, state-level policy of Armenophobia, historical revisionism and hatred towards Armenians promoted by the Azerbaijani authorities, including dehumanization, the glorification of violence and territorial claims against the Republic of Armenia . . . .”

# Cornell – Caucasus Heritage Watch

- <https://caucasuseritage.cornell.edu/>
- Viewing heritage sites through satellite imagery
- “Hundreds of Armenian Heritage sites at risk in Nagorno-Karabakh” – Cornell College of Arts & Sciences
- Reports can be found at [https://caucasuseritage.cornell.edu/?page\\_id=866](https://caucasuseritage.cornell.edu/?page_id=866)

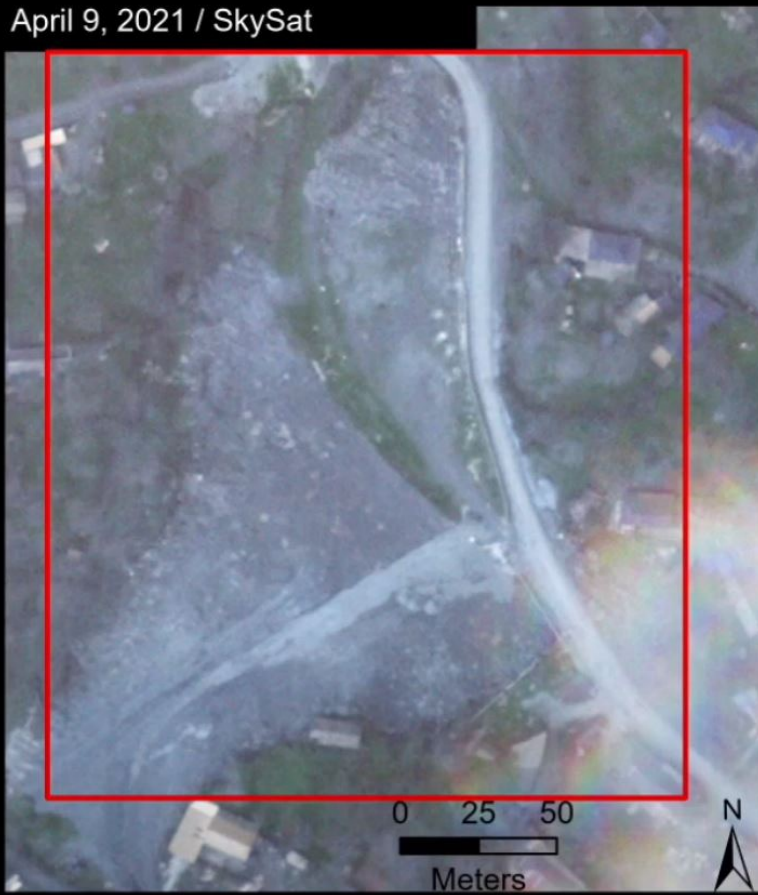
# HT.069-1. Mets T'agher Cemetery



June 21, 2020 / GeoEye1



April 9, 2021 / SkySat



May 16, 2021 / SkySat





# Azerbaijan Trophy Park



Aliyev showing his scalps (photos from president.az)



Getty Images





Aliyev posing in front of a sign reading “Karabakh is Azerbaijan” crafted from Armenian license plate frames (Photo: Office of the President of the Republic of Azerbaijan, April 12, 2021)

# Ceasefire – Trilateral Statement

- Signed Nov. 9, 2020

“6 . . . The Lachin corridor (5km wide) which will ensure the communication between Nagorno Karabakh and Armenia . . . Shall remain under the control of the peacekeeping contingent of the Russian Federation.”

“The Republic of Azerbaijan shall guarantee safe movement of citizens, vehicles and cargo in both directions along the Lachin corridor.”



Crimes committed between  
2020 and 2022

# Violations of International Law

- Occupation of Armenian sovereign territory
- Extra-judicial executions (number and source)
- Desecration and mutilation of bodies

# Encroachment and Occupation of Armenia

- May 21, 2021 – Azerbaijani forces crossed the internationally recognized boundary towards the direction of Sev Lake (Black Lake).
- August 16, 2021 – Azerbaijani forces advanced inside Armenian territory near Yeraskh – two Armenian service members killed.
- November 16, 2021 – Azerbaijani forces attack Armenia with artillery, armored vehicles, and heavy weaponry – fifteen Armenian service members killed.
- September 13, 2022 – Large scale attack towards the direction of Jermuk, Kapan, and Vartenis – 202 Armenian service members and five civilians were killed.

# September 13, 2022

- Large scale attack
- Extrajudicial killing of seven Armenian service members – verified by HRW
- U.S. Department of State (Net Price): “[t]he United States [was] deeply disturbed by recent reports of Azerbaijani soldiers executing unarmed Armenian prisoners.”
- British Embassy in Azerbaijan: “horrified by a video which appears to show captured Armenian soldiers being shot by Azerbaijani forces.”
- French Embassy: “videos of the Azerbaijani military executions of Armenian prisoners are deeply shocking.”

# Continued - Mutilation of bodies

- Video circulating on Telegram channels of the dead body of female Armenian service member who was stripped and mutilated.
- Volunteer service member
- Another female military nurse. Similar circumstances – stripped naked with hands and legs cut.

# Ten-Month Blockade

# Let's Put Everything in Context

- No land route to Armenia – no ingress or egress
- Nov. 9, 2020 Trilateral statement – Azerbaijan obligated to ensure flow of civilian traffic
- Sept. 16, 2021 – Armenia institutes proceedings against Azerbaijan regarding alleged violations of the International Convention on the Elimination of All Forms of Racial Discrimination (CERD)

The Applicant contends that “[f]or decades, Azerbaijan has subjected Armenians to racial discrimination” and that, “[a]s a result of this State-sponsored policy of Armenian hatred, Armenians have been subjected to systemic discrimination, mass killings, torture and other abuse”. According to Armenia, these violations are directed at individuals of Armenian ethnic or national origin regardless of their actual nationality. Armenia claims that “[t]hese practices once again came to the fore in September 2020, after Azerbaijan’s aggression against the Republic of Artsakh and Armenia” and that “[d]uring that armed conflict, Azerbaijan committed grave violations of the CERD”. The Applicant alleges that “[e]ven after the end of hostilities”, following a ceasefire which entered into effect on 10 November 2020, “Azerbaijan has continued to engage in the murder, torture and other abuse of Armenian prisoners of war, hostages and other detained persons”.

# Blockade

- **December 12, 2022** – civilian traffic between Armenia and NK on the Lachin Corridor is blocked by Azerbaijani “eco-activists.” Disrupted transfers to hospitals, importation of essential goods, causing shortages of food, medicine, and other life saving medical supplies.
- **February 22, 2023** – ICJ grants Armenia’s request for provisional measures: *“The Court concludes that Azerbaijan shall, pending the final decision in the case and in accordance with its obligations under CERD, take all measures at its disposal to ensure unimpeded movement of persons, vehicles and cargo along the Lachin Corridor in both directions.”*





Azerbaijani "eco-activists" have blocked the Lachin corridor since December 12. Tofik Babayev—AFP/Getty Images

- **April 23, 2023** – AZ establishes checkpoint on the Lachin Corridor. Condemned by U.S., France, and Russia. U.S. stated: *“deeply concerned that Azerbaijan’s establishment of a checkpoint undermines efforts to establish confidence in the peace process”*
- **June 15, 2023** – AZ closes checkpoint due to nearby incident.
- **June 22, 2023** – AZ Installs concrete barriers on Lachin Corridor blocking traffic.
- **June 23, 2023** – Russia confirms blockade stating: *“We call on Baku to take steps to completely unblock the [Lachin] corridor for humanitarian purposes and not to hold Karabakh’s population hostage to political disagreements with Yerevan.”* Limited ICRC health evacuations continued.

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Ադրբեջանցիները բետոնե արգելապատնեշ են տեղադրում  
Արցախ-Հայաստան միակ ճանապարհին՝ Լաչինի միջանցքում  
Azerbaijans are installing concrete barriers on the only road

- **July 11, 2023** – all traffic suspended, including ICRC evacuations, due to discovery of contraband: “15 undeclared mobile phones,” “spare mobile parts,” “848 packs of cigarettes,” and “320 liters of gasoline” in one vehicle, and “125 packs of cigarettes” and “1000 liters of gasoline” in another vehicle.
- **July 12, 2023** – U.S. and EU condemn suspension of ICRC traffic.  
*“Yesterday’s halting of humanitarian traffic exacerbates a worsening humanitarian situation and undermines efforts to establish confidence in the peace process. Free and open transit through Lachin corridor must be restored immediately.”*

# Effects of the Blockade

- **Disruption to natural gas** – HRW: “The humanitarian situation was further aggravated by the disruption in the natural gas that is supplied to Nagorno-Karabakh via a pipeline that runs from Armenia via Azerbaijani-held areas.”
- **No fuel or electricity** – Amnesty International: “Disruptions to the supply of electricity, natural gas and vehicle fuel add up to extreme hardship . . . .”
- **Food shortages** – Amnesty International: “The blockade has caused a food shortage”

# UNHR – Office of The High Commissioner

GENEVA (7 August 2023) – A group of UN experts\* today expressed alarm over the ongoing blockade of the Lachin corridor by Azerbaijan, which has led to a dire humanitarian crisis in the region of Nagorno-Karabakh.

The blockade, obstructing the sole road connecting Nagorno-Karabakh to Armenia for the past seven months, has left the population facing acute shortages of food staples, medication, and hygiene products, impacted the functioning of medical and educational institutions, and placed the lives of the residents – especially children, persons with disabilities, older persons, pregnant women, and the sick – at significant risk.

“The blockade of the Lachin Corridor is a humanitarian emergency that has created severe shortages of essential food staples including sunflower oil, fish, chicken, dairy products, cereal, sugar and baby formula,” the experts said.

# Ethnic Cleansing

# Ethnic Cleansing – “Anti-Terrorism Operation”

- September 19, 2023 – Azerbaijan initiates “anti-terrorist operation.” Bombing civilian centers or near civilian centers.  
(<https://www.bbc.com/news/world-europe-66925791>)
- More than 100,000 civilians forcibly displaced
- 223 killed - 25 civilians – 5 minors
- 244 wounded – 76 civilians – 10 minors
- 20 missing – 5 civilians.
- ~70 dead en route to Armenia



# Crimes Against Humanity and Genocide

- Ethnic cleansing - Rome Statute of the ICC
  - “Ethnic cleansing” is crime of “deportation or forcible transfer of population”  
– crime against humanity
  - Question: was transfer forcible?
- Genocide
  - Luis Moreno Ocampo – first chief prosecutor of ICC - “***there is a reasonable basis to believe that a genocide is being committed***”
  - Expert report (Aug. 7, 2023):  
[https://luismorenoocampo.com/lmo\\_en/report-armenia/](https://luismorenoocampo.com/lmo_en/report-armenia/)

# Calls to Protect the NK Population

- UN Human Rights Council-appointed Special Rapporteur – “Azerbaijan must also promptly and independently investigate alleged or suspected violations of the right to life reported in the context of its latest military offensive . . . .”

# Lingering Concerns

**“WE WILL TURN KARABAKH AND  
EASTERN ZANGAZUR  
INTO A PARADISE”.**

President of the Republic of Azerbaijan  
**ILHAM ALIYEV**



# Growing call for sanctions

- October 4, 2023 – European Parliament pass (491 in favor to 9 against)  
“Resolution on the situation in Nagorno-Karabakh after Azerbaijan’s attack and the continuing threats against Armenia.”

“considers that the current situation **amounts to ethnic cleansing** and strongly condemns the threats and acts of violence committed by Azerbaijani troops against the population of Nagorno Karabakh.”

“[c]all[s] for the EU and its Member States to **adopt targeted sanctions** against individuals in the Azerbaijani Government responsible for multiple . . . violations of human rights in Nagorno Karabakh”

- November 15, 2023 – James O’Brien, Assistant Secretary of State for European and Eurasian Affairs testimony before House Foreign Affairs Committee

“The United States has condemned Azerbaijani actions in Nagorno-Karabakh, canceled high-level bilateral meetings and engagements with Azerbaijan, and suspended plans for future events.”

“Yes, we are looking at all tools we have. I’m not going to preview **any sanctions** decision, but that’s **certainly a tool in our toolkit.**” (Response to Rep. Darrell Issa (R-CA))

- November 15, 2023 – U.S. Senate unanimously passes the Armenian Protection Act of 2023. Introduced by:
  - Senator Chris Van Hollen (D-Md.)
  - Gary Peters (D-Mich.)
  - Marco Rubio (R-Fla.)
  - Jeanne Shaheen (D-N.H.)
  - Bill Cassidy (R-La.)
  - Pete Ricketts (R-Neb.)
  - John Kennedy (R-La.)

Prevents the U.S. from providing security assistance to Azerbaijan

Senator Rubio: “This bill is an important first step, as would be **sanctioning Azerbaijani officials** under the Global Magnitsky Human Rights Accountability Act.”

- January 4, 2024 – U.S. Secretary of State Antony Blinken added Azerbaijan to the Special Watch List based on recommendation of the U.S. Commission of International Religious Freedom, following fears for Christian heritage after Azerbaijan seized Nagorno-Karabakh.

Added “for committing or tolerating severe violations of religious freedom pursuant to the International Religious Freedom Act (IRFA).”

U.S. Commission on International Religious Freedom 2023 Country Update: “Azerbaijan consistently ranks at the bottom of indices documenting the status of human rights.”

Carry the possibility of imposing sanctions against Azerbaijan if religious freedom violations are not cured.

# Armenian Bar Association

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