Arms transfers to conflict zones: The case of Nagorno-Karabakh

View of Azerbaijan and Armenia from the border region. amanderson2/Flickr

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The conflict between Armenia and Azerbaijan over Nagorno-Karabakh escalated in 2020 into a six-week war in which an estimated 5700 people died. The war was not completely unexpected as deadly skirmishes have occurred regularly since the previous full-scale war between the two states ended in 1994. This topical backgrounder discusses the military build-up in both countries that preceded the 2020 war. It focuses on the role of external arms suppliers and their transfers of major arms and other military equipment to the two countries. This discussion forms part of a broader debate on the risks related to international arms transfers.

Conflict resolution versus arms accumulation

International arms transfers level off after years of sharp growth; Middle Eastern arms imports grow most, says SIPRI

15 March 2021

INTERNATIONAL ARMS TRANSFERS

ARMAMENT AND DISARMAMENT

There is widespread agreement among the international community that the conflict over Nagorno-Karabakh should be resolved peacefully through international mediation efforts. This was most recently highlighted by the United Nations Security Council's condemning the use of force and its calling for restraint and a ceasefire in reaction to the fighting in 2020. Ongoing mediation efforts have been spearheaded by the Organization for Security and Co-operation in Europe's (OSCE) Minsk Group—which is co-chaired by France, Russia and the United States—since the 1990s; at the same time, Russia has been pursuing its own mediation activities outside the OSCE framework. Furthermore, since 1992, the OSCE has had a standing request that its participating states impose a voluntary embargo on deliveries of weapons and munitions to 'Armenian and Azerbaijani forces engaged in combat in the Nagorno-Karabakh area'. Although some states (e.g. Germany) interpret the embargo as prohibiting all arms exports to Armenia and Azerbaijan, the OSCE's request does not apply to arms deliveries to the countries as a whole.

However, as international attempts to resolve the conflict have dragged on, the two countries have prioritized the build-up of their military capabilities. This is illustrated, for example, by the fact that in 2020 Armenia's military spending accounted for 4.9 per cent of its gross domestic product (GDP) and Azerbaijan's accounted for 5.4 per cent. In both cases, the national share of each country was considerably higher than the 2020 world military spending average of 2.4 per cent of global GDP. However, the military spending levels in absolute terms differed significantly between the two countries: in

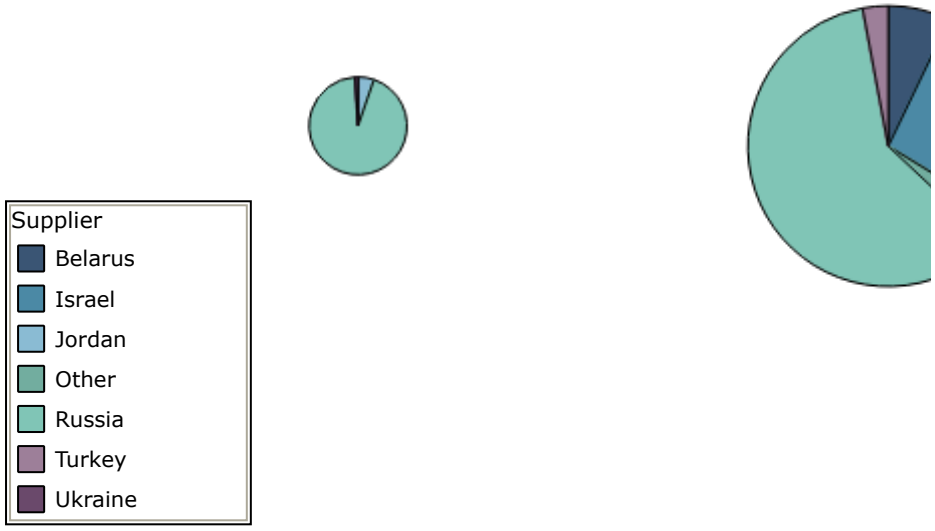
2020, Armenia spent US$634 million and Azerbaijan spent $2238 million.

The military spending of the two countries is partially used for the arms acquisition competition between them. As neither Armenia nor Azerbaijan has a significant arms industry, both have been reliant on external suppliers to help them expand and develop their arsenals. Their resulting arms imports levels were also highly asymmetric: in the period 2011–20 the volume of Azerbaijan's arms imports is estimated by SIPRI to be 8.2 times higher than that of Armenia.

Who supplied the weapons used in the 2020 war over Nagorno-Karabakh?

SIPRI estimates that over the decade 2011–20 Russia was the largest exporter of major arms to both Armenia and Azerbaijan (see figure 1). It supplied nearly all of Armenia's major arms during the period and almost two-thirds of Azerbaijan's. Israel, Belarus and Turkey were, respectively, the second, third and fourth largest suppliers of major arms to Azerbaijan in 2011–20.

Figure 1. Arms transfers to Armenia and Azerbaijan



Notes: The volume of arms transfers in SIPRI trend-indicator values is depicted by size of the circle. The boundaries used in this map do not imply any endorsement c acceptance by SIPRI.
Source: SIPRI Arms Transfers Database. Mar. 2020.

Russia

Despite Russia acting as a leading mediator in the conflict between the two countries, in 2011–20, it accounted for 94 per cent of Armenia's imports of major arms and 60 per cent of Azerbaijan's.

Over the decade 2011–20, Russian deliveries to Armenia included armoured personnel carriers, air defence systems and multiple rocket launchers and tanks—all of which were used in the 2020 war. Among the deliveries were Iskander surface-to-surface missiles with a range of 300 kilometres, which Russia supplied in 2016. Armenia reportedly used one of these missiles against a target deep inside Azerbaijan during the 2020 war. There were also reports that Armenia fired Smerch rockets, supplied by Russia in 2016–17, at Azerbaijani cities. Russia delivered four Su-30SM combat aircraft to Armenia in 2019. While these aircraft have the potential to significantly strengthen Armenia's strike capability, they do not appear to have been used during the war.

Russia's supplies to Azerbaijan included armoured vehicles, air defence systems, transport and combat helicopters, artillery, multiple rocket launchers and tanks. All of these weapon types were used during the 2020 war over Nagorno-Karabakh. For example, there were reports that some of Azerbaijan's Russian-supplied armoured vehicles were damaged or destroyed by Armenian anti-tank missile systems and artillery supplied by Russia. Russia supplied Smerch multiple rocket launchers in 2013, and it was reported that Azerbaijan used Smerch rockets against populated targets in Nagorno-Karabakh in 2020.

Arms transfers are part of Russia's broader military cooperation with Armenia. Armenia hosts Russian military bases and is the only current member of the post-Soviet Collective Security Treaty Organization that is located in the South Caucasus. Russia often supplies arms to Armenia at reduced prices or in the form of military aid, with the likely aim of maintaining influence in the region. In contrast, Azerbaijan reportedly usually pays the full price for its Russian-supplied arms. Azerbaijani President Ilham Aliyev stated in 2018 that Azerbaijan had spent an estimated total of $5 billion on military equipment from Russia. This suggests that economic interests are likely to be an important motive for Russian arms sales to Azerbaijan.

Israel

Israel accounted for 27 per cent of Azerbaijan's imports of major arms over the decade 2011–20. Most of these deliveries took place in 2016–20, with Israel accounting for 69 per cent of Azerbaijan's imports of major arms in that period. While there is sufficient information available publicly to determine the types of weapon supplied by Israel to Azerbaijan, little is known about the actual number of arms transferred. Of the major arms supplied by Israel, loitering munitions, reconnaissance unmanned aerial vehicles (UAVs), guided missiles and ballistic missiles were known to have been used in the 2020 war with Armenia as well as during some of the earlier border skirmishes.

For example, Israel delivered HAROP loitering munitions to Azerbaijan for the first time around 2015. They were reportedly used

in border skirmishes in 2016 and saw widespread use in 2020. In addition, Azerbaijan has several Israeli-produced Hermes-900 reconnaissance UAVs. Some analysts have argued that Israeli-supplied loitering munitions and UAVs were an important component of Azerbaijan's military superiority over Armenia during the 2020 war.

Israel supplied Azerbaijan LORA surface-to-surface guided ballistic missiles (with a range of 430 km) in 2018. This came shortly after Russia supplied a batch of a similar type of missile, the Iskander, to Armenia. There are reports that Azerbaijan used a LORA missile on at least one occasion in 2020, in an attempt to destroy a bridge in Armenia. Israel also supplied a Barak-8 air and missile defence system to Azerbaijan in 2016, which according to unconfirmed reports shot down an Armenian Iskander missile in 2020.

SIPRI estimates that arms exports to Azerbaijan accounted for 17 per cent of Israel's total exports of major arms in 2016–20, showing the growing importance of Azerbaijan for the Israeli arms industry. In 2016 President Aliyev stated that Azerbaijan had spent $5 billion on military equipment from Israel. There is some speculation as to whether economic revenue is the primary driver for Israel's ongoing arms transfers to Azerbaijan or if there are other major motives, such as Israel's dependence on oil from Azerbaijan or a shared threat perception towards Iran.

Belarus

Over the decade 2011–20, Belarus accounted for 7.1 per cent of Azerbaijan's major arms imports. It supplied a few ground attack aircraft, air defence systems, tanks, artillery and guided rockets. Such arms supplies have become an important part of the relations between the two countries, not in the least due to Belarus's growing demand for Azerbaijani oil in an attempt to become less dependent on Russian oil.

Exports of major arms from Belarus to Armenia have not been identified in 2011–20. However, the two countries cooperate in combat training and operational planning; further military and technical cooperation may have included the supply of military equipment or repair and maintenance services for such equipment.

Turkey

Turkey accounted for 2.9 per cent of Azerbaijan's imports of major arms over the decade 2011–20. Deliveries from Turkey to Azerbaijan in this period included armoured patrol vehicles, rocket artillery, missiles and armed UAVs. The armed UAVs, which were delivered shortly before the 2020 war, included at least five Bayraktar-TB2 UAVs armed with MAM-L guided bombs. The use of these UAVs during the war received significant international attention. While it is unclear whether and how Azerbaijan used other major arms supplied by Turkey in the 2020 war, some reports do suggest their involvement. For example, Turkish-supplied TRG-300 multiple rocket launchers were reported to be located in positions of strategic importance for Azerbaijan's offensive in Nagorno-Karabakh in 2020.

Turkey's arms transfers to Azerbaijan seem to be linked not only to the strong economic ties and cultural links between the two countries, but also to Turkey's broader foreign policy interests. Through strengthening relations with Azerbaijan, Turkey also appears to be expanding its political presence in the South Caucasus —notably in competition with Russia, currently the dominant power in the region.

Other arms suppliers

Several other countries supplied smaller volumes of arms to either Armenia or Azerbaijan in 2011–20.

Jordan supplied a small number of second-hand air defence systems to Armenia in 2019, and Bulgaria reported the supply of 500 portable rocket launchers to Armenia in 2019 and 1094 light machine guns in 2017.

Azerbaijan received in 2017 and 2018 artillery produced in Slovakia and multiple rocket launchers produced in Czechia. In both cases the weapons were shipped via a company in Israel. Spain supplied an air defence radar to Azerbaijan in 2019. Other countries exported small amounts of components. For example, Romania supplied spare parts for mortar sights and military electronics to Azerbaijan in 2019. Finally, there are some instances of great uncertainty about claims of possible arms exports or plans for such exports. For example, in 2019 the Azerbaijani Government reported that it was negotiating with French companies for the possible procurement of armoured vehicles and 'robotic weapons'. French arms producing companies were also

present at the ADEX arms fair in Baku in 2018. However, in 2021 the French ambassador to Azerbaijan stated that France respects the OSCE's voluntary arms embargo, implying that France was not among the suppliers of arms to Azerbaijan.

Monitoring arms transfers: more and better transparency needed

The existence of several multilateral instruments to which states have agreed to submit selected information about their arms exports and imports highlights the value of monitoring arms flows—not least in the effort to detect potentially destabilizing accumulations of arms. Among these instruments are the UN Register of Conventional Arms (UNROCA) and the exchange of information on conventional arms transfers between OSCE participating states. However, there are large variations in how states participate in these instruments; as a result, the instruments cannot provide a reliable and comprehensive picture of global or regional arms transfers.

In the case of arms exports to Armenia and Azerbaijan for the period 2011–20, the reporting to these instruments varied between suppliers and, therefore, was not sufficient by itself to show the military build-up in the two countries. Belarus and Turkey seem to have reported all their exports of major arms to Azerbaijan and included details of the types of weapons involved. While Russia appears to have reported to UNROCA and the OSCE on most of its deliveries of major arms to Armenia and Azerbaijan, the reports only include information on generic categories of major arms. If more information had been provided on the specific types of weapon involved, then a better

assessment could have been made of how weapons could affect the recipient state's military capability. Furthermore, Russia omitted the delivery of Iskander ballistic missiles to Armenia in 2016. Israel, which is not an OSCE participating state, generally reports to UNROCA on exports of major arms, but it has omitted all of its exports of major arms to Azerbaijan.

Conclusions

Although the immediate causes for the war in 2020 are difficult to assess, the fact that Armenia and Azerbaijan had access to more weapons than it had in the past—including new types of weapon, such as UAVs—appears to have at least partly driven the escalation of the conflict. As the Azerbaijani military superiority in the 2020 war indicates, asymmetric investments in weapons, in both quantitative and qualitative terms, changed the military balance between the two states. Considering the militarized rhetoric of the Azerbaijani leadership well before 2020, this asymmetry may have lowered the threshold for Azerbaijan to choose force over diplomacy to recapture Nagorno-Karabakh.

This backgrounder shows that—despite the risk that the ongoing conflict between Armenia and Azerbaijan could escalate to war—several states nevertheless exported arms to the two countries. This finding stresses that there continues to be a need for better understanding and appreciating the potential effects of arms exports on provoking, prolonging and exacerbating armed conflict. This finding should also feed into discussions on how to ensure effective and consistent use of arms transfer controls that aim to reduce the

likelihood of armed conflict. One element of those debates should be an in-depth assessment of how states have implemented the OSCE request to refrain from supplying arms to forces engaged in combat in Nagorno-Karabakh. The fact that there are significant gaps in the data about arms transfers to Armenia and Azerbaijan informs another element of the discussions on controlling arms transfers, namely the need to promote and improve multilateral transparency instruments in the area of arms transfers.

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