United Nations  $A_{59/747}$ – $S_{2005/187}$ 



Distr.: General 21 March 2005

Original: English

General Assembly Fifty-ninth session Agenda item 163 Security Council Sixtieth year

The situation in the occupied territories of Azerbaijan

#### Letter dated 18 March 2005 from the Permanent Representative of Azerbaijan to the United Nations addressed to the Secretary-General

As a follow-up to my letter of 28 February 2005 (A/59/720-S/2005/132 and Corr.1), I have the honour to transmit herewith the report of the Organization for Security and Cooperation in Europe (OSCE) fact-finding mission to the occupied territories of Azerbaijan and the letter of the OSCE Minsk Group Co-chairmen to the OSCE Permanent Council on the OSCE Minsk Group fact-finding mission to the occupied territories of Azerbaijan (see annexes).

The fact-finding mission confirmed the facts of the Armenian settlement of the occupied territories of Azerbaijan, the original population of which had been completely expelled.

The Co-chairmen of the Minsk Group have requested that any further settlement of the occupied territories of Azerbaijan be discouraged and urged that changes be avoided in the demographic structure of the region, which would make difficult any further efforts to achieve a negotiated settlement of the conflict in and around the Nagorno-Karabakh region of the Republic of Azerbaijan.

I should be grateful if the present letter and its annexes were urgently distributed as a document of the fifty-ninth session of the General Assembly, under agenda item 163, and of the Security Council.

(Signed) Yashar **Aliyev** Ambassador Permanent Representative

#### Annex I

# TO THE OSCE PERMANENT COUNCIL ON THE OSCE MINSK GROUP FACT-FINDING MISSION (FFM) TO THE OCCUPIED TERRITORIES OF AZERBAIJAN SURROUNDING NAGORNO-KARABAKH (NK)

#### Background

After raising the issue of the situation in the occupied territories of Azerbaijan in the fall of 2004, the Government of Azerbaijan through its Mission to the United Nations introduced a draft resolution in the UN General Assembly that called, interalia, for a fact-finding mission to ascertain the situation. Given that discussion of this issue in the UN General Assembly presented a potential obstacle to further consultations on resolution of the Nagorno-Karabakh conflict taking place in Prague between the Foreign Ministers of Azerbaijan and Armenia and mediated by the Minsk Group Co-Chairs, the Co-Chairs organized a number of meetings with the Foreign Ministers in Baku, Moscow, New York, Sofia, Brussels, and Prague. These consultations resulted in agreement between the two parties on conducting an OSCE Minsk Group fact-finding mission (FFM) to the occupied territories. compromise was based on the agreement of Armenia to contribute to such a mission on the condition that Azerbaijan would suspend its UN General Assembly initiative. The two Foreign Ministers agreed as well on the modalities of the mission, selected the Minsk Group member countries that would provide members of the mission, and agreed that the mission would visit the occupied territories around Nagorno-Karabakh.

#### Findings

As described in the attached report, the mission, which took place from January 31 to February 5, 2005, found evidence of the presence of settlers in the territories examined. The mission did not determine that such settlement resulted from a deliberate policy by the Government of Armenia. There was evidence of various degrees of support by the authorities of Nagorno-Karabakh (NK) to settlers in some regions. The Co-Chairs have not assessed the degree to which there is coordination between the NK authorities and the government of Armenia. The NK authorities stated to the Co-Chairs at the outset of this mission that they did indeed encourage settlements in Luchin. The Co-Chairs note that Luchin has been treated as a separate case in previous negotiations.

#### Conclusions

The FFM was not a census-taking team, and its observations cannot be seen as an exhaustive and statistically accurate picture of the current situation in the occupied territories. However, the Co-Chairs believe that the FFM's findings closely reflect the situation in these areas. Based on the findings of the FFM, the Co-Chairs draw the following conclusions:

- The Co-Chairs view the realization of the mission as a positive achievement made possible by the compromise agreed by the parties to the conflict.
- There is little disagreement between the sides on the number of settlers in the
  occupied territories and the nature of the settlements. On these points, the
  findings of the FFM are broadly consistent with information provided by the
  sides (see annexes). The areas of disagreement between the sides are the
  question of government sponsorship and the places from which the settlers
  come, which the FFM has also addressed in its findings.

- Based on the findings of the report and their discussions while in the region, the Co-Chairs conclude that the NK authorities are the primary responsible party in questions regarding support of settlement activity.
- The areas in question have undergone complete destruction. Therefore, all settlers arriving in these areas have had to construct basic shelter, there being virtually no undamaged structures surviving the conflict and its consequences.
- It is apparent that any settlement allowing the return of internally displaced
  persons and refugees must be preceded and accompanied by substantial
  international assistance for reconstruction of shelter and infrastructures, such
  as water supply and sanitation, electricity, and agricultural irrigation, as well
  as demining in specific areas and restoration of transportation links, including
  the completely dismantled railway in the south formerly connecting Baku,
  Nakhichevan and Yerevan.
- Although most settlers interviewed by the FFM expressed a desire to return to
  the areas from which they fled, it is clear that the longer they remain in the
  occupied territories, the deeper their roots and attachments to their present
  places of residence will become. Prolonged continuation of this situation
  could lead to a fait accompli that would seriously complicate the peace
  process.
- In most areas examined except Lachin, settlers were found living in miserable and isolated conditions. In this respect, their situation is comparable to that of many persons dislocated by the conflict. Considering also the appalling conditions of the refugees and IDPs on the Azerbaijani side, the situation in the occupied territories should also be seen in humanitarian terms as an additional factor motivating efforts to achieve a negotiated settlement. Prolonged lack of resolution of the conflict hampers economic development and impedes the possibility of improving living conditions for all its victims.
- The Co-Chairs thank the OSCE Secretariat, the Personal Representative of the Chairman-in-Office and his staff, and the head of the fact-finding mission and all its members for their contributions to the success of the mission. The Co-Chairs also appreciate the cooperation extended by the governments of

Azerbaijan and Armenia, as well as by the NK authorities, before and during the work of the mission.

#### Recommendations

Based on their conclusions from the report of the FFM as well as their experience in the region and the efforts to facilitate a negotiated settlement to the conflict, the Co-Chairs make the following recommendations:

- The Co-Chairs discourage any further settlement of the occupied territories of Azerbaijan.
- The Co-Chairs urge the parties to accelerate negotiations toward a political settlement in order, *Inter alia*, to address the problem of the settlers and to avoid changes in the demographic structure of the region, which would make more difficult any future efforts to achieve a negotiated settlement.
- In view of the extensive preparation that would be required before the return
  of refugees and internally displaced persons could be possible in the
  framework of a negotiated resolution of the conflict, the Co-Chairs
  recommend that the relevant international agencies reevaluate the needs and
  funding assessments in the region, inter alia, for the purpose of resettlement.
- In order to ensure the preservation of the cultural heritage and sacred sites, including, inter alia, cemeteries, of the affected regions, the Co-Chairs urge the parties to allow for direct contacts between the interested communities.
- The Co-Chairs also urge the sides to develop practical measures to build trust and confidence between the parties and the communities and work with their publics to prepare the groundwork for a peaceful settlement.
- Taking into account the implications of the situation for the future settlement of the Nagorno-Karabakh conflict, the Co-Chairs reserve the option of further

investigation and consideration of this issue for the benefit of the Minsk peace process, including fulfillment of this letter's recommendations.

(Signed) Ambussador Yury Merzlyakov

Co-Chair of the Russian Federation

(Signed) Ambassador Sieven Wann

Co-Chair of the United States of America

(Signed) Ambassador Barnard Fassier

Co-Chair of France

#### **Annex II**

# Report of the OSCE Fact-Finding Mission (FFM) to the Occupied Territories of Azerbaijan Surrounding Nagorno-Karabakh (NK)

I.	The Fact-Finding Mission's Mandate and Goals	8
II.	Methodology	8
III.	Findings in Kelbajar, Fizuli, Jebrail, Agdam, Zangelan and Kubatly	11
A.	KELBAJAR	11
<b>B.</b>	FIZULI	14
C.	JEBRAIL	15
D.	AGDAM	16
<b>E.</b>	ZANGELAN	22
F.	KUBATLY	24
IV.	Findings in Lachin	28
V.	Conclusions	33
VI.	Annexes	39

# Report of the OSCE Fact-Finding Mission (FFM) to the Occupied Territories of Azerbaijan Surrounding Nagorno-Karabakh (NK)

#### I. The Fact-Finding Mission's Mandate and Goals

The mandate of the OSCE Fact-Finding Mission, as agreed by the parties, was to visit the occupied territories surrounding Nagorno-Karabakh (the "territories") and determine whether settlements exist in the area. Specifically, the FFM was:

- to observe any rebuilt or new structures, estimating their quantity and determining how many of them were or could be inhabited;
- to attempt to estimate the number of people inhabiting the settlements observed, including their age, gender and family structure;
- to observe any agricultural activity, including farming and livestock industries and other means of livelihood, as well as their connection to any observed settlements;
- to collect statements of settlers or other locals regarding their place of origin, the date of their entry to the area, possible procedures of their recruitment, if any, possible sponsorship or other sources of support, the existence of local administrative structures, taxation and the settlers' intention to continue residing in the areas.

Military structures and personnel were to remain strictly outside the purview of the FFM. In addition, the FFM was supposed to investigate the state of existing buildings or other structures only to the extent that it could indicate the possible existence of settlements. The goals of the FFM were to report its findings to the Co-Chairs of the Minsk Group so that they could pursue their mediation efforts with a clearer understanding of the settlement issue. The FFM was strictly technical and, therefore, political considerations concerning the conflicting claims on the settlement issue were outside its scope.

#### II. Methodology

#### 1. Members

The FFM was composed of ten members. The head of the FFM came from Germany and the Personal Representative (PR) of the OSCE Chairman-in-Office came from Poland. Other fact-finding experts represented Italy, France, Russia, Sweden, Finland and the United States. Furthermore, an additional Polish expert came from the OSCE Secretariat and another was a German specialist in town planning and habitat issues. Nine were experts in the countries of the former Soviet Union, with varying levels of specific experience in the South Caucasus region.

#### 2. Orientation and Briefing

The Co-chairs met in Baku and the head of the FFM met in Baku on 28 January for detailed briefings form Azerbaijani officials and received briefing materials and video clips which are attached in annex 2 of this report. The FFM experts (or their representatives) met for briefings and orientation in Vienna, Austria, on 21 January 2005 and again in Yerevan, Armenia, on 29 January 2005 where the Co-chairs provided the FFM with the material received in Baku. The FFM also received detailed maps of NK and the territories covered by the mandate.

The FFM travelled to Stepanakert/Khankendi on 30 January 2005 where it was briefed by the Nagorno-Karabakh authorities, who provided it with position papers, newspaper articles and additional maps. The NK authorities answered all questions posed by the FFM.

#### 3. Support and Routing

All travel to the territories originated from Stepanakert/Khankendi. The team had full use of the OSCE PR's residence there, which provided all necessary support. The FFM had at its disposal seven OSCE all-terrain vehicles with drivers, binoculars, a digital tape recorder, still and video cameras and three tri-lingual interpreters (Armenian, Russian, English).

The FFM explored a different district of the territories each day from 31 January through 5 February 2005. The FFM agreed to notify the NK authorities 24 hours in advance about which district it would next be visiting. Each day the group left Stepanakert/Khankendi at 8 a.m. and was accompanied throughout its visits by Mr. Masis Mailyan, "Deputy Foreign Minister" of Nagorno-Karabakh, local authorities or their representatives, and police and security personnel. Their co-operation was generally full and forthcoming and they left the choice of itinerary, routes and stops almost entirely in the hands of the FFM. In a few instances, they denied access to specific points that they said were close to military installations. Furthermore they provided advice on the condition and suitability of the roads given the severe winter conditions.

#### 4. Approach

One-way travel time to the territories varied from one hour (Agdam, Lachin) to three or four hours (Jebrail, Zangelan). In order to save time, the group brought its lunch on the road and ate it in the vehicles or at quick rest stops. The FFM divided itself variously into two, three or four teams using three interpreters; one team with strong or native Russian speakers worked without an interpreter. As a general matter, the FFM would first survey a target area either in the convoy or by map and then disperse in different directions to make observations and interview residents. In this way, a great deal of ground was covered.

The FFM conducted interviews with anyone it found in the territories, including, but not limited to, local leaders, settlers, nomads, shepherds, scavengers, farmers, motorists and passers-by. At no time, however, did the FFM speak with any representatives of the military. The FFM also made constant observation of the

builtup environment to corroborate what it had been told in interviews. The group took copious notes on the road. As a rule, each evening when the FFM returned to Stepanakert/Khankendi (between 6 and 9 p.m.) it met in the OSCE PR's residence to debrief and plan the next day's research.

#### 5. Confidentiality

It was vital to the FFM's success that those interviewed feel comfortable expressing their thoughts freely and without any fear of retaliation. Thus, during the interviews, the FFM made a point to stress that statements would not be attributed to individuals and would only be reported in general terms. The FFM also insisted that accompanying non-OSCE personnel refrain not only from taking part in the interviews, but also from listening in on them. The NK authorities claimed they needed to ensure the FFM's security. However, the accompanying personnel ultimately agreed to keep within visual distance only, without listening to the conversations.

#### 6. Photography

Due to security constraints imposed by the NK authorities, it was not possible in many places to take still photographs or video film. These restrictions were also imposed in locations far from any military facility and in places where settlement activity put them squarely within the FFM's mandate.

#### 7. Local Awareness of the FFM's Visit

In many locations visited by the FFM, particularly Kelbajar, Zangelan, Kubatly and Lachin, it was apparent that the local inhabitants were aware of the visit and/or activities of the FFM. It is possible that this was the result of information disseminated through mass media and by word-of-mouth. Additionally it may suggest an interest on the part of the authorities to influence or control the information that the FFM could elicit from the local populations. Secondly, it may have been done to avert concern and suspicion arising from a potential misinterpretation of the FFM's mandate by the local people, who might have seen the FFM's presence as a police enquiry or challenge concerning their future. There is probably some truth to both explanations, although the FFM is confident that it was able to elicit reliable information from residents in all areas visited.

#### 8. Definitions

In this report, people living in the territories are referred to as 'settlers,' 'villagers,' 'residents,' 'inhabitants' and 'people,' these expressions being interchangeable. All habitations in the territories had been, at some point in the war, deserted. This implies that all people present today in the territories have moved into these locations after the cease-fire.

#### 9. Use of Names of Settlements in the Occupied Territories

For settlements in the occupied territories, this report uses the names on the maps with which the FFM was provided, which date from the 1970's and the 1980's. In

certain cases, it has not been possible to determine the pre-war or traditional names of settlements. In those cases, this report only describes the approximate location of the settlement.

#### III. Findings in the Territories Covered by the Mandate

#### A. KELBAJAR

#### 1. Date of Visit

31 January 2005

#### 2. Territory Covered by the FFM

The Kelbajar District spans some 1,936 square kilometers of mountains and valleys north-west of Stepanakert/Khankendi. The FFM traveled as a group north through the Mardakert/Agdere Region to Kelbajar town. At that point it split into two teams and covered the town itself, and the villages of Chaikend (Team 1) and Kenderi and Kilitchli (Team 2), which are both in the Terter Valley towards the NK border.

#### 3. Overview

The Settlement Authorities in Stepanakert/Khankendi estimate that approximately 2,700 people have settled in this area. This would considerably exceed the FFM's estimate of approximately 1,500 settlers in the areas visited, based on interviews and direct observation.

The overwhelming majority of houses are destroyed, and throughout the area on average no more than ten percent of the houses and lots have been reconstructed for current use.

The road from the Nagorno-Karabakh border to Kelbajar town is dotted with settlements ranging in size from five reconstructed houses huddled together to some 40 structures spread over a large area. Housing conditions vary widely, but generally those that are occupied exhibit only partial repair to their central core and a new roof. There were a few cases of active construction, and a handful of dwellings that were completely rebuilt. The FFM discovered certain cases where the local administration has offered newcomers houses on a turn-key basis. But, as a general matter residents claim that they have been left to their own devices.

Nothing in the District or in Kelbajar town would indicate a plan of full-scale reconstruction. Kelbajar town does have, however, a basic infrastructure, with its administration building, large thoroughfare, school, store, and basic medical facility. There is an infrequent bus connection with NK.

For the scattered settlements nearby, the Kelbajar authorities provide limited leadership and support. Residents in both the villages and in Kelbajar town, however, stressed the Armenian diaspora's role in financing reconstruction efforts.

People in Kelbajar town said that they only took part in local elections, although one person mentioned voting in the NK elections as well. In the villages nearby the answers were mixed on this question.

The overall impression was that the Kelbajar authorities only have a rudimentary control over developments in the area and are unable to proactively create the physical and administrative conditions that would allow for the rapid growth of settlements.

#### 4. Locations Visited

#### 4.1 Kelbajar Town

#### Size

The local authorities estimated some 350 to 400 residents in Kelbajar town. The FFM's interviews and observations, however, put the number higher, in the range of 450 to 500.

#### **Origin of Settlers**

The town's administration told the FFM that most settlers in Kelbajar had come from the Khanlar and Goranboy districts. This statement conflicted with the findings of the FFM, based on interviews with residents also from Shamkir, Martuni/Khojavend, Ganja and Mardakert/Agdere. Many said that they had come to Kelbajar after a sojourn in temporary shelters in Armenia. Often they had heard about the possibility of settling in Kelbajar by word-of-mouth, and moved there to join neighbors or family. In other cases, they knew about the region because they had lived not far away in Azerbaijan before the conflict, had fought nearby or had heard it advertised for settlement in the Armenian media. One mentioned encouragement by the Karabakh Refugee Committee. The first settlers had come as early as 1993, with the rest trickling in gradually over the following decade. They denied having been encouraged or assisted by the authorities in their migration. The FFM met several settlers who had come within the last two years.

#### Housing

Housing conditions were basic and no more than 20 to 30 percent of the ruins were reconstructed, usually in a crude and make-shift manner. Some were without glass windows and were only heated by a small wood-burning stove. Other houses were in better shape, with electricity and running water. No one had paid for his house; rather, people took or were assigned a specific ruin upon arrival and had to make it inhabitable themselves. Most people denied receiving official support in restoring their dwellings, although some said the administration had provided them with building materials. With great frequency, residents cited financial help from relatives and the diaspora. In a few instances, the local authorities gave settlers a fully reconstructed house — with water and power — on a turn-key basis. On the main street of Kelbajar the FFM observed a new roof being framed out on a large ruin near the administration building.

#### **Infrastructure and Social Services**

The Kelbajar authorities provide basic social services. Kelbajar has a school handling some 80 to 100 pupils and a basic medical facility with two doctors and a nurse. Some said a kindergarten would soon follow, to be built with diaspora money. There was no post office and houses were not numbered. The only public transportation was an infrequent bus to NK. Most residents said they had not received any support from officials, displaying some discontent in this regard. They said that they pay no taxes and that their electricity was heavily subsidized, although they did not consider this an incentive for settlement. Most money for infrastructure projects comes from the diaspora, either directly to settlers from relatives or filtered through the administration. For example, the schools in Kelbajar and Chaikend had been financed by wealthy Armenians living in Iran and Russia respectively. Although the Nagorno- Karabakh authorities cover teachers' salaries, basic health care and electricity, the overall influence of NK seems weak. In fact, the FFM only learned of one visit in the last five years by NK officials.

#### **Economy**

People here survive mainly on subsistence farming. Few people work in formal "day" jobs, with the exception of the teacher, medical personnel, and a guard. The FFM found some limited evidence of trading activity and sporadic construction work. At one point, a large flat-bed truck drove down the main street loaded with logs, some as wide as two feet in diameter. The FFM noticed a second, different, truck on another occasion, which was carrying a similar cargo of wood, but from younger trees. At one point, a chain saw could be heard in the forest. The FFM was unable to ascertain whether this harvested wood was being used for local construction or sold elsewhere.

#### 4.2 Chaikend: Team 1

The FFM counted some 53 reconstructed houses. Residents said that approximately 40 families and about 200 people live in the village. They expect to receive 10 newcomers in the spring. Settlers said they had all built their houses themselves and had received no help from elsewhere. The school, built by a wealthy Armenian sponsor living in Russia, serves some 60 children. The village plans to build a kindergarten with diaspora money. A guard who serves the village is paid by the Kelbajar authorities. Electricity has been in place for about a year (ten years after the first settlers arrived), and is subsidized to 14 drams per kilowatt. Mobile phone coverage came to the region several months ago, and at least one villager has working service. None of the residents described relations with Stepanakert/Khankendi, and they neither vote nor pay taxes. As in Kelbajar town, subsistence farming is the backbone of the local economy. Two recently widowed women told the FFM their husbands had been buried not locally but in Armenia.

#### 4.3 Kenderi and Kilitchli: Team 2

Kenderi and Kilitchli are on the road from Kelbajar town back towards the Mardakert/Agdere District. In Kenderi, the FFM estimated some 40 families (totaling perhaps 250 people) and a school with approximately 60 children.

The dwellings have new roofs and windows; smoke was often visible coming from the long pipes of wood-burning stoves. Villagers claimed that local elections took place last August here and in the other nearby settlements. They denied visits by outsiders, including the authorities or from NGOs. Signs of beekeeping, domestic cultivation, animal husbandry (cows, pigs and chickens) were all visible, and a new power line runs along the road. One kilometer beyond Kenderi there is a smaller grouping of houses (12 to 15) surrounding a medium-sized structure with a new zinc roof. It appeared to be a school.

Kilitchli contains some 40 to 50 habitable houses with roofs and windows. All of them appear to have been built on the ruins of former dwellings. The FFM observed small-scale cultivation, bottled gas for heating or cooking, a school with an improvised dirt soccer field delineated using tree branches, and one house that had a cement mixer in its yard which appeared to be in working condition.

#### B. FIZULI

#### 1. Date of Visit

1 February 2005

#### 2. Territory Covered by the FFM

The total area of the Fizuli District is approximately 1,386 square kilometers, of which 693 square kilometers fall within the territories covered by the mandate. The FFM entered the area from the north and traveled consistently south to Dovletyarli, Fizuli town and the remnants of Karakollu and Jebrail. Due to the proximity to the line of contact, some areas east of Fizuli could not be accessed.

#### 3. Overview

The Fizuli District is essentially deserted. There is no significant settlement of any kind in the area from north of the town of Fizuli down to the Iranian border. Economic activity in the region is seen in the form of extraction of construction materials, firewood, scrap metal of all kinds, and in seasonal agricultural activity over large fields or animal grazing. The FFM estimates that no more than ten people live in the Fizuli District.

#### 4. Observations

Between Martuni/Khojavend and Fizuli town, as well as south of Fizuli town, the FFM saw signs of extensive cultivation, but found no evidence of people or settlements in the surrounding areas. Farmers in Emervarli (see Jebrail section) have corroborated this information, saying that seasonal and migratory workers are brought in and out of the region by organized farmers or businessmen.

Fizuli town is now in total ruins and almost completely empty. The FFM entered the town along the main road, and continued on it, passing the center by without seeing any sign of settlement.

In Fizuli town there were, however, traces of scavenging for building materials, parts of the technical infrastructure (pipes, street lamps) and firewood. Approximately 150 to 200 steel water pipes extracted from the ground were stacked along the road.

All settlements before and beyond Fizuli town appeared to be totally destroyed, and there were no signs of life apart from a small number of very temporary structures seen from afar. For example, the village of Govshatly revealed no sign of settlement.

Approximately thirteen kilometers past Fizuli on the main road, the FFM noted a back-hoe actively digging up irrigation pipes from the vineyards. Rows of freshly dug trenches were seen along the fields. Also, the FFM noted many dozens of irrigation pipes piled alongside the road for pickup. Outside Fizuli, large piles of other types of scrap metal lay at the road-side pending pickup.

#### C. JEBRAIL

#### 1. Date of Visit

1 February 2005

#### 2. Territory Covered by the FFM

The Jebrail District covers an area of 1,050 square kilometres of rolling hills and fields. It is connected with the Zangelan District to the west by a passably paved twolane road which runs through the Arax river valley. The FFM, coming from Fizuli District, travelled from Jebrail town in the direction of Sukurbeyli, Sultanli and Mamedbeyli.

#### 3. Overview

The town of Jebrail is totally uninhabited and in complete ruins. There are no other major towns in the district. The FFM saw evidence that the fields of the Arax valley are being extensively cultivated, but no sign of villages that might support this activity. The area's vast vineyards have all withered. In the countryside, there are very few people – mostly shepherds, scavengers and a handful of farmers – but almost no habitable houses. There was significant evidence of the extraction of construction materials, firewood, metals of all kinds. The FFM estimates that no more than 100 people live in Jebrail District.

#### 4. Specific Locations Visited: All Teams

Near Shikhaliagali, along the main road at the Iranian border, the FFM talked to two men who reported that their friend was in a car looking for someone who they called the "boss." They said that he lived in Gadruth, within NK, and had a house nearby in Sukurbeyli. They had understood that "the boss" would hire them to pull up reinforced concrete stakes from vineyards in the Arax valley for resale. The FFM noted that such stakes are extensively used throughout the territories covered by the mandate as construction materials.

In the ruins of the village of Quyzhak the FFM interviewed three men extracting scrap metal among the ruins. They were from NK and had come to this region for the day to gather building material for their own use, and not, they reported, for resale. In particular, they were interested in small-diameter pipes and firewood.

The FFM noted that former irrigation canals (half-pipe concrete canals above ground) have been systematically removed. They seem to have been replaced by open ditches that connect to feeder canals. Technical infrastructure, such as water pipes, street lamps and wooden power line posts, have been or are being removed from the ground.

On the road between Jebrail and Sukurbeyli the FFM encountered four men and one youth from around Goris, Armenia. They keep horses, cows and goats for the production of milk, cheese and yoghurt. In late autumn 2004, they decided to stay year-round in Jebrail, while their families remain in Goris. They live in one room and do not have electricity. The men said that they transport their produce to Goris on a regular basis to provide for their families.

Three kilometers past Sultanli in the direction of Mamedbeyli the FFM met a nomadic shepherd on horseback tending his flock of approximately 50-70 goats and sheep. He stated that he is from Sisyan, Armenia and that he uses the low grassy hills close to the Iranian border in the Arax valley as winter pasture for his animals. In summer he drives them back to Sisyan, which is some 150 kilometers away. The FFM was told that there are two or three other shepherds like him from Goris and other places in Armenia in the border area with flocks of similar size, which the FFM corroborated through direct observation.

Three kilometres east of Sultanli, in Arkasthla, the FFM discovered a working farm about 800 metres off the main road. It occupied the premises of a former collective farm and had seven functioning tractors, two combines, four large carts, one minibus, a large tank for fuel and extensive farm equipment in functioning condition. The FFM interviewed a man from Armenia who had learned from a relative about work opportunities on this farm. He said that the farm was run by a man from the Martuni/Khojavend area who handled the finances and paid the salaries. This person had also financed reconstruction of irrigation system, which draws water from the Arax river. Interviews revealed that, depending on the season, some 10-15 people work on the farm, which largely produces grain.

#### D. AGDAM

#### 1. Date of Visit

2 February 2005

#### 2. Territory Covered by the FFM

Agdam is approximately 1,094 square kilometers, of which 875 square kilometers fall within the territories covered by the mandate. a large town approximately 25 kilometers northeast of Stepanakert/ Khankendi. From Stepanakert/Khankendi, the FFM approached Agdam town on the main road, surveying the center and stopping

at numerous locations in the town itself. From the center, the FFM moved northwest on the main road towards Mardakert/Agdere, stopping at villages as far as Papravend, which is approximately 18 kilometers from Agdam. Along the same road, approximately 10 kilometers away from Agdam lies the village of Kyzyl Kengerli. From this point, the FFM travelled six kilometers southwest towards Alimadatli, stopping at Kyurdlyar and Mollalar.

#### 3. Overview

The FFM estimated a population of 800 to 1,000 persons in the area, who mostly come from that part of the Mardakert/Agdere region which is under Azerbaijani control; some also come from NK, including for winter-only cattle grazing, and a lesser number comes from Armenia. The entire town of Agdam is in complete ruins with the exception of the mosque in the center. The town and the area to the south of it are barely populated, but to the north along the road to Mardakert/Agdere, as well as in the Khachinchai river valley, the FFM found several large, well-organized and relatively prosperous settlements with a population intent on staying. In those villages with new houses, relatives and the diaspora are said to play a central role in financing improvements. Administratively, much of the area is oriented toward Mardakert/Agdere, while what little life is in or around Agdam town seems more oriented toward Askeran, largely due to physical proximity. Although the mine problem remains in some areas, some large fields along the main roads both to the north and south of Agdam town are being cultivated, seemingly with the help of heavy equipment. The FFM noted a newly laid pipeline, apparently for water distribution in the direction of Mardakert/Agdere.

#### 4. Locations Visited

#### 4.1 Agdam Town

The FFM first moved through the town of Agdam which has been completely destroyed and is void of almost all life. Throughout the city only some twenty homesteads with inhabitants were observed. The repair of these houses is minimal and basic.

Several inhabitants stay in Agdam town from September to May grazing cattle on a subsistence or even contractual basis. One man from an NK village grazes some 30 cattle for others, including an official from Askeran, making 30,000 drams per month, and assuring the temporary use of some buildings by paying a kind of mortgage. He said that over 100 inhabitants of his village Khanachki came to Agdam during winter with cattle. In the northern parts of town, the FFM met another five families from Khanachki who had come to the town on the same basis some three years ago. They said that the government had not encouraged them to settle in the area, but "decided that we could do better here".

Two elderly men, who said they were year-round settlers from NK, have equipment for gathering metal scrap. In the yard of another settler, the FFM observed several piles of pipes and other scrap metals. At different places in town, larger pipes for water supply and sewage lay along ditches from which they had been dug up, some only recently.

About one kilometer further up the road from the center the FFM encountered a mass of steel material – destroyed farm equipment, barrels, household appliances, structural metal – lined up for collection.

Members of a family of 12 with six children covering three generations said it had spent the last ten years in small, rudimentary repaired structures. They explained that their house in Stepanakert/Khankendi was still in ruins from the war. Another yearround settler said that land and weather were better in Agdam than back home. One of his neighbours showed yoghurt and cheese that he produces and sells in Stepanakert/Khankendi. At a few dwellings a car was parked.

All in all, it is unlikely that Agdam town has more than 60 dwellings spread across the whole town and its outskirts. All structures seen were small and of a temporary nature, and had no electricity although an electricity line did run through the center of town. One settler said that police from Askeran regularly patrolled the city. A gas station had been set up in the western outskirts of town.

In sum, no systematic settlement activity takes place in the town. The area is used for economic purposes of different kinds, in particular limited amounts of cattle grazing, subsistence crop farming, and scavenging for building materials.

#### 4.2 Villages Between Agdam and Kyzyl Kengerli

Villages along this route are almost completely destroyed. The few settlers encountered live in poor conditions and are either from NK, looking for better winter conditions for cattle grazing, or displaced persons who came in mostly from the Mardakert/Agdere region. There is some large scale agricultural activity along the road, and several agricultural machines for sowing and ploughing were observed. They reportedly belong to a wealthy person who appears from time to time. There are only few traces of infrastructure, of apparent village organization, or assistance to the villagers. For instance, a woman interviewed lives on subsistence farming; her house is in poor condition and does not have electricity or water.

#### 4.3 Kyzyl Kengerli

Upon arrival, the FFM was received by the local leadership who informed it that most villagers had come from Leninavan, in the eastern part of the Mardakert/Agdere region. They had arrived over the last ten years, some after a stay in NK or, in fewer cases, in Armenia. The FFM corroborated the village head's figures of 400 people and approximately 70 houses in the settlement.

Early settlers said that Stepanakert/Khankendi had been their refuge until May 1994 when they received approval from NK authorities to settle in Kyzyl Kengerli. Five families from Baku and Mingechevir were already there; they had come in 1988-89 and still remain.

The village gave a mixed impression. There were some signs of relative well-being, but evidence of exceedingly poor living conditions as well. Most of the houses were built on ruins, but had been well restored. There were few unused houses in the village and ten were said to have been built over the past few years.

There was electricity from a Mardakert/Agdere power grid and some houses had running water. Most inhabitants lived self-sufficiently, sold produce where possible, and some did seasonal work on the fields. One villager expected the village to grow, although the influx had decreased in recent years. Several said that humanitarian organizations had never been seen in the village, government officials only rarely. Villagers said they did not participate in any elections.

The local administration said it gathered tax from each household based on livestock (for example 2,000 drams per cow per year) for common projects, which was confirmed in interviews with villagers. Most money for improvements, however, comes from former Leninavan villagers now living in Russia. One villager said his family receives irregular financial support from diaspora sources, but little from the local administration, and none from the NK authorities. The administration is in frequent contact with Leninavan diaspora groups, and said that if they were able to build the proper infrastructure, the entire Leninavan community would come.

The village had some limited piped water distribution. Electricity had been provided three years earlier. Some sidewalks have been constructed using extracted concrete vineyard posts, and the road is in fairly good condition. The village has a large newly constructed school in the outskirts of the town, reportedly with 60 to 70 pupils and room for more. There is also a small newly constructed building for medical purposes. The village has a small store with goods from Stepanakert/Khankendi. The FFM learned that the village had police assigned to it and a few neighboring villages.

Several people in the village spoke about the close economic and administrative linkages to the city of Mardakert/Agdere, under whose 'area of responsibility' the village was said to fall. They said that permission for new settlement had to be sought from the Mardakert/Agdere authorities. On the whole, the village gave an impression of a community trying to improve living conditions for the longer term. Village solidarity, diaspora contacts, and subordination to Mardakert/Agdere made this one of the more organized settlement efforts.

#### 4.4 Along the Road Towards Mardakert/Agdere

The FFM visited two smaller villages further in the direction of Mardakert/Agdere, Boyachmedly and Papravend. Both villages featured numerous houses of identical design which seemed to be newly built – in Boyachmedly about six, in Papravend about 13. Many houses in these villages further away from the road are in ruins.

In both places, the residents knew the FFM was coming. At times local authorities seemed keen to control the talks. Their goal appeared to be to make the FFM conclude that everyone was from Leninavan, and to stress that people had paid for their houses themselves without planned external assistance. At most, villagers said the diaspora had helped them with some financing, but in some cases avoided the subject.

In Boyachmedly, a man with a family of four said they had arrived three years ago, after being displaced from Azerbaijan and living some time in Stepanakert/

Khankendi. He said 67 people lived in the village, including 27 children. He considered the place his home, but would return to his village of origin if possible.

The village had a self-organized school, whose head teacher was the informal village leader and seemed to be in charge of distributing whatever assistance was forthcoming. Subsistence farming was the only source of livelihood.

In the village of Papravend the FFM observed across both sides of the main road approximately 13 new or relatively new houses, some of which had been inhabited for one or two years while others were empty and waiting for inhabitants. They were all built from the same basic plan. They were modest in size, but well-built, with covered porches, glass windows and working locks. Several of them had running water from a pipe near the front door which came from an extensive water system that the FFM saw along the roads all around the area. One freshly painted pink house had wallpaper already applied to the interior walls. The new houses were nestled among the ruins of some twenty other houses.

One man of approximately 30 stated that he had built his house – one of the new ones – with own funds, with the help of friends, and said he owed nothing to anybody and therefore also paid no taxes. He said the area was never visited by government officials or humanitarian organizations. Another male interviewed came from Gyumri, Armenia, where he had lost his house in the 1988 earthquake. Some friends in NK had facilitated his arrival some 10 years ago, and he now lived on subsistence farming (cattle, chicken, fruit) and by selling some of his produce on the market. This man said he received no assistance.

Both villages added to the impression that settlements in the area south of Mardakert/Agdere were part of a more organized plan. Houses were new and seemed to function as an incentive to draw people to the area. As in Kyzyl Kengerli, the proximity to Mardakert/Agdere seemed to play an important role.

From Papravend, the FFM headed south by southwest and observed an aqueduct, which it learned was for water distribution to Mardakert/Agdere. It was made of 40-and 50-centimeter diameter steel pipes welded roughly together. The FFM determined that they had been removed from the ground elsewhere and reassembled here. The pipeline illustrates organized activity of a scale far beyond the means of the individual villages along its route. The water was likely drawn from a nearby reservoir.

#### 4.5 Mollalar and Kyurdlyar

From the main road, the FFM observed newly built houses in the twin villages of Mollalar and Kyurdlyar, situated a few kilometers north of the road towards Alimadatly. The FFM sent three teams to the villages and a fourth team to Alimadatly.

Mollalar and Kyurdlyar proved to be a sizeable community with roughly 20 to 25 similar, more or less new houses, all with electricity and some with running water. Some six houses in Mollalar were built on ruins — these generally had scrap metal

roofs and barns nearby also built on ruins. There were ruins on the outskirts of the villages.

According to the villagers, the settlement consisted entirely of refugees from Chailu in Mardakert/Agdere District, now under Azerbaijani control. Several villagers said that 100 to 120 people lived in the village. The FFM learned from several villagers that two to three families per year were newly settling in Mollalar, all of whom had some connection to Chailu. Sometimes houses were built from scratch for these newcomers before they arrived. Much depended on the level of diaspora funding and villagers' resources. The FFM was shown a house under construction by one of the builders who lives in the village; he said that further construction at this site was currently on hold due to lack of money.

The most recent newcomers were a couple with two children who had arrived in September 2004. For them, the villagers had prepared a substantially finished house built on ruins but with roof and windows. Decisions as to whom a house would be assigned were taken in the village council which seemed to favor newcomers, perhaps as an incentive for settlement.

The FFM was told by the village leadership that in 2005 the villagers had hoped to build five new houses, but only had money for two. They were in frequent phone contact with well-off relatives in Russia and Ukraine. Several times a year, the latter came to Mollalar with money or clothing. The FFM was told that NK authorities did not encourage settlers to come to Mollalar. The first newcomers to the area did, however, have to apply for permission in Stepanakert/Khankendi to settle at the site. The town elder said that he rarely saw officials from Stepanakert/Khankendi. He added that the village levied a tax on livestock holdings (for example 2,000 drams per year on cows, 200 drams on goats) for common purposes such as medicine purchases, water system improvements or teachers' salaries.

The FFM investigated a two-story school in the middle of town which was built two years ago with money from donors (relatives and charitable Armenians in Russia). About 35 children were taught over eight grade levels by five teachers. The FFM learned that teachers' salaries were not paid by Stepanakert/Khankendi but by voluntary contributions. The school was large and surrounded by a well-built fence and a well-kept dirt soccer field. The school had more rooms than were currently needed to accommodate the village's children.

Villagers grow wheat for their own consumption in nearby fields and raise livestock. Several complained of a lack of adequate water for irrigation. The village had been connected to the Mardakert/Agdere power grid, something which was paid for with common means, as was the water supply. There were as yet no medical facilities in the village, nor any shops. A wooden ballot box in the school seemed to demonstrate that elections were held in the village. Villagers said that they for voting purposes were registered in Mardakert/Agdere. Trees were planted in the villages and some residents were growing grapes as the vineyards were being restored. An elderly villager died last year and was buried in a new cemetery on the outskirts of the village.

The team that went on to Alimadatli reported a sparsely populated village containing perhaps some 10 houses in various degrees of repair among 35 deserted ruins. The nearby village of Aliagadli had an estimated 10 houses in various states of disrepair, and about 30 deserted ruins.

#### E. ZANGELAN

#### 1. Date of Visit

3 February 2005

#### 2. Territory Covered by the FFM

The Zangelan District covers some 707 square kilometers. It is connected by road to the Fizuli District in the east and the Kubatly District in the north. In Soviet times there was a railroad connection to Kapan and Meghri which was destroyed during the war. The FFM used the eastern route through Fizuli, and drove through the Arax river valley where it covered Mindzhevan, Zangelan and other small villages. Teams also visited Udgyun, southeast of Zangelan and Kechikly, northwest of Zangelan.

#### 3. Overview

The FFM was able to estimate a population of at least 700 - 1,000 in the areas of the district covered by the FFM. Zangelan has a loose public-transportation system and small-scale trading connections with the Armenian town of Kapan. The area along the Arax river southwest from the Jebrail region is sparsely populated, although there was evidence of organized seasonal farming and sporadic homesteading.

Most interviewees were internally displaced persons from Azerbaijan, although some were displaced persons from the Gyumri earthquake. All came to Zangelan after years in temporary shelter in Armenia to find a dwelling and make some kind of a living by cultivating land. There are no signs of a recent influx of people. Despite the poor living conditions and unemployment, few said that they wanted to leave.

A greater percentage of the houses in Mindzhevan were repaired than in Zangelan town, although the living conditions in both places are comparable. Residents themselves said they did the repairs without help from local authorities.

As a general matter, settlements in this district depend on the Lachin authorities to pay teachers' salaries, provide medical services and, in some cases, supply minimal social benefits. Lachin also provided electrification three years ago, although at least in the southern part of the district the electricity comes from Kapan, Armenia. There is also a bus connection to Kapan and some of the Mindzhevan inhabitants used the post office there. People said they pay some form of local taxes or contributions.

The farther north one moved into the orbit of Kubatly and Lachin, the more social services and subsidies were provided in towns along the road.

#### 4. Locations Visited:

#### 4.1 Mindzhevan

The FFM estimated the population of Mindzhevan between 170 and 300 people. The village elder had heard that the FFM was coming and showed the FFM his neatly appointed home and the local school, which handles around 60 children. Its two teachers come from Armenia and NK, and according to other villagers, their salaries are paid by voluntary contributions within the community. The elder noted that residents were originally from Baku, Sumgayit, Goranboy, Ganja and Nakhichevan, as well as regions near to the territories covered by the mandate. In one case a family originated from Armenia and had come to Mindzhevan due to the difficult economic situation there.

After some ten years of settlement, a lesser percentage of the ruins of Mindzhevan have been rehabilitated and inhabited, almost always without the assistance of the Lachin authorities. People in Mindzhevan live on farming and on barter among themselves or trade, mostly with the Armenian city of Kapan some 50 kilometres away. The town has three shops, one of them a bakery that also serves as a meeting point for the villagers, hosting some 20-30 people at a time. The Lachin authorities provided electricity some three years ago. Lachin sends someone twice a month to check on the power lines. The head of the village, who is in the process of being appointed, told the FFM that besides providing electricity, the authorities had given little other assistance.

Most residents the FFM talked to said they had no identity documents, which complicates their ability to avail themselves of those limited social benefits that Lachin or NK might sporadically provide.

Two young men said that over the last years they had been hired as farm hands by "people who come each year from Yerevan." They were taken out to the fields, sometimes near Mindzhevan and sometimes farther. Both men were originally from Baku and arrived in Mindzhevan (via Armenia) some seven years ago. They were unsure whether the people who had hired them would come back this year.

#### 4.2 Zangelan

Approximately 200 people live here in low-quality housing conditions. Newcomers generally occupy ruins, which they then have to rebuild themselves. Most people cultivate small plots and raise livestock. A few are employed in the local administration, which enjoys a large new building that the Lachin authorities constructed in mid-2004. The consensus was that the mayor had been appointed by Lachin, although one interviewee said she had recently voted for him in a local election.

Zangelan's school serves about 60 children, and Lachin has paid the teachers' salaries for the last several years. Lachin also recently rehabilitated a small medical clinic, which provides free medicine to locals. One interviewee said that as many as 15 people work in the clinic's six large rooms and offices.

Two medical personnel there said they had come here from Armenia in search of employment, better housing and land - one from Yerevan nine years ago, the other from Gyumri five years ago. The clinic occasionally receives support and medicine from the diaspora, they said.

There is a regular bus connection to Kapan, Armenia, but only a monthly bus to Lachin. The Lachin authorities provided electricity three years ago, and it remains free.

#### 4.3 Other Areas

In the village of Kirakh Mushlan, the FFM found some 20 houses rebuilt on ruins and at least three working automobiles. A number of residents had come from Sumgayit after sojourns in Armenia since 1994. The FFM was informed that everyone in the village works the land and raises livestock.

On the road along the river Akera towards Khanlik the FFM saw approximately 75 houses with improvements spread along a ten to 15 kilometer section of road. One large building on the right side of the road had been partially covered with a new zinc roof and new walls. The FFM also saw shepherding activity in this area.

In Udgyun the FFM saw 18 inhabited houses (around 100 residents), who live in very poor conditions on small-scale farming. Most settlers came from Mingachevir via Armenia, with the first arriving in 1996. There is no electricity. The villagers have constructed a water supply themselves, using pipes to draw from nearby springs. Lachin authorities handle applications for identification documents, but otherwise it is more or less invisible to residents. The closest school is in Mindzhevan, several kilometres away, but most school-age children are sent to a charitable boarding school in Kapan where they live during the week. Residents said they receive no assistance from the authorities other than monthly child welfare payments of 2,000 drams per child, which did not fully cover the children's expenses while at the boarding school. The community also receives some support from diaspora benefactors. Northeast of Zangelan in Kechikly, the FFM saw 13 families living in conditions better than those in Udgyun. The village receives help from the diaspora, which financed the small well-built school and electrical lines. The English teacher (an Armenian from Lebanon) at the school also provides financial assistance herself. The head-master comes from Yerevan, but other teachers are locals. One teacher's main source of income comes from two sizeable greenhouses in which she grows flowers for sale to Kapan traders. Electricity in the village is provided for free, even to the greenhouses.

#### F. KUBATLY

#### 1. Date of Visit

4 February 2005

#### 2. Territory Covered by the FFM

The Kubatly district covers a total of 802 square kilometers of rolling foothills and river valleys. Kubatly was reached from Lachin using the Lachin-Goris route,

turning 3 kilometer before Goris to the south at Khndzoresk village. The southeastern route in the Bazarchai river valley from Kubatly to Khanlik links Kubatly to the neighboring district of Zangelan in the south. On the road to Kubatly after Khndzoresk the FFM did not see any settlements. In Kubatly town the FFM divided into four teams with two members in each car to cover following routes:

Team 1: visited the villages of Sarai (some 6 kilometers southeast of Kubatly), Kazian (some 3 kilometers further down the same road), Gilidzhan (some 20 kilometers southeast of Kubatly), and Khumarli (some 30 kilometers southeast from Kubatly).

Team 2: stopped at the villages of Mirlyar, Dondarly, and Sarai, all south-east of Kubatly on the right bank of the river Bazarchai by the main road.

Team 3: drove southwards from Kubatly on the left side of river Bazarchai, continuing on through the village of Khanlik, turning left and northwards approximately 15 kilometers along the left bank of the river Akera, stopping at villages along the way.

Team 4: visited the villages of Khanlik and Muganly, both at a distance of some 15 and 19 kilometers respectively from Kubatly on the left bank of the river Akera.

#### 3. Overview

The FFM estimates that about 1,000 to 1,500 settlers live in the areas of Kubatly district visited by the FFM. There are considerable differences in the condition of the houses within the region. The general standard of living is very low. Kubatly town and many villages are in ruins. In other parts of the region, for instance in the valley of the rivers Bazarchai and Akera, the FFM saw numerous rehabilitated houses. Several schools had recently been built. The condition of the roads did not differ from other areas visited by the FFM. Most people interviewed in the Kubatly district said they were orgininally from Baku, Sumgayit, Ganja, Chaikent, Artsvashen and also Leninavan. Most had gotten to know each other in Stepanakert/Khankendi and decided to settle together here, arriving in the region during the period 1994 to 2002.

Nearly all of the interviewed inhabitants of Kubatly District complained they received no support at all from authorities. Most said they had no other place to go and no means to leave; they lived on subsistence farming (crops, animals). All said that they neither paid taxes nor participated in elections.

The interviews revealed a clear dependence on the Lachin authorities in administration, education, law and order, and healthcare (although natal care was said to be available in Zangelan). Other support from the Lachin authorities came in the form of electricity supply and salaries for the local school teachers. At least in the southern part of the district the electricity came from Kapan, Armenia.

Approaching Kubatly from the north, the fields had mostly been cultivated during the season, as were the large fields closer to the Zangelan District border towards the south. The FFM noted two agricultural machines as well as two trucks at a house in Sarai, a village at the road going south from Kubatly, but little more.

The area does not exhibit a proactive and co-ordinated settlement policy. On the other hand, elements of social welfare and infrastructure such as schools, medical care, and electricity have gradually been growing, albeit mainly as a result of local demands.

#### 4. Locations Visited

#### 4.1 Team 1

Kazian has approximately 15 to 20 inhabited houses and 40 to 60 inhabitants. Houses have undergone basic rehabilitation amidst many ruins. Most of the people in the village come from Chaikent in Khanlar district. The director of the school came to the village in 1994 when there was no electricity and very few children. At present the school, which the villagers built themselves, serves 41 children. There is an NK emblem on the facade of the school saying it belongs to the Lachin District. The salaries of teachers (50,000 drams per month) are paid by the NK authorities. A parttime librarian says she receives 6,000 drams per month.

In Khumarli there are 50 houses, mostly residents say they are originally from Baku, Artsvashen, Chaikent, Goranboy, and Leninavan. The houses have undergone only basic rehabilitation and are in bad condition. There are 42 children and nine teachers in the local school. There has been no electricity in the village for 6 to 7 months. Electricity is said to be free of charge up to 200 kilowatt hours per month, after which one has to pay. The FFM noted new electricity lines.

The settlers of the approximately 12 houses of the village of Gilidzhan are mostly from Sumgayit, Azerbaijan. The houses are basically rehabilitated but in bad condition. A family of eight complained they receive no help from the authorities due to lack of identity documents. The family lived in Spitak until the earthquake in 1988, then in Yerevan, where they had learned from neighbours about the possibility to move to Kubatly district. They said they have no other place to go to nor the means to leave. There is a school with 60 children and 10 teachers for the five nearby villages. Only the teachers were said to be employed. The rest lives on small-scale farming, cultivating the land without any mechanized tools.

#### 4.2 Team 2

The FFM found no settlements northwest of Kubatly town.

In Mirlyar village southeast of Kubatly, the FFM found three inhabited houses and signs of infrastructure and social organization. All the residents came via Yerevan from Azerbaijan or from Gyumri. Their documents were arranged for in Lachin. The nearest school is five to seven kilometres away.

Approximately ten families live in Dondarly village, further up the river bank, most of them having arrived eleven years ago. The village seems completely cut off from the outside world. Villagers claim not to be registered by the authorities. They live

on small-scale farming and their children do not go to school. People complained that they get no assistance from anyone.

In the village of Delyalimyuskanli, four kilometres south of Kubatly town, the first residents arrived via Armenia in 1994, all displaced persons from locations in Azerbaijan. There are 14 houses with conditions ranging from emergency repair to basic rehabilitation. The village (with 70 to 80 inhabitants) has no electricity; running water is said to be coming soon. There is no organized medical care, but one of the villagers is able to provide basic medical services. Lachin is administratively responsible for the village, and one school serves it and two other villages. Lachin and NK support the school but otherwise provide no assistance. People expect to receive their NK identity documents shortly; two persons had their Azerbaijan passport changed for an Armenian one. The village head has the full registery of inhabitants, who pay no taxes. An attempt to open a shop has failed due to the very low purchasing power of local residents. They live on basic farming; the FFM observed a mechanized plough and harrow as well as two trucks.

#### 4.3 Team 3

Some ten kilometres south of the town of Kubatly the FFM encountered one of the few signs of place-based commerce in the Kubatly region, a mechanic roughly advertising car repairs and the fixing of tires. The owner admitted that he only services two to three vehicles per month.

The next village further down the road has 18 families and approximately 50 residents. 34 children attend the school which was rebuilt on ruins in 2003 with money provided by a wealthy French Armenian who once had visited the region on a charity tour. The school also serves another nearby village. The adults take turns teaching the children. The villagers claim that they receive no help from Lachin or Stepanakert/Khankendi. There is no electricity and the locals live on basic subsistence farming and some barter. The next village, a few kilometres before the road forks across the peninsula to Khanlik, has some 100 people living in 20 to 25 houses. It had been "adopted" by an Armenian-American benefactor a few years ago. He paid for the electrification of the village and also had a small mill constructed in September 2004. The inhabitants are mostly displaced persons originally from Azerbaijan who have come to the village over the past ten years.

#### 4.4 Team 4

In Khanlik people are all displaced persons from Baku, Sumgayit, Ganja, Leninavan and the Goranboy region who had arrived via Armenia over the last ten years. There are allegedly some 50 families (approximately 250 people) living in the village. The inhabitants neither get assistance nor pay taxes. The village had a well-built threestory school with some 50 children which the FFM was told was constructed with diaspora financial support. Initially several of the wives in the village taught the children, but now there were full-time teachers who were also financed by the diaspora or the Lachin authorities. There is no electricity except for that provided by a locally built water mill generator.

North from Khanlik in the direction of Lachin, the road along the river Akera becomes progressively more heavily settled. Approximately 10 to 12 kilometers north from Khanlik there was a village with 25 to 30 reconstructed houses and a large school. In another village two kilometers further, perhaps 80% of the approximately 25 houses had been rebuilt. Further along, two more villages had reconstruction rates of approximately 65 to 75%. In another village nearby the FFM saw a large multistory building being reconstructed with a new roof and framed-out windows.

In the village Muganly, five kilometres south of Khanlik, all inhabitants are displaced persons from Goranboy. They have electricity. A total of five families (30 people) live in the settlement. There is a bus to Lachin, but only once or twice a month.

#### IV. Findings in Lachin

#### 1. Date of Visit

5 February 2005

#### 2. Territory Covered by the FFM

Lachin District covers some 1,835 square kilometers of mountainous terrain. An asphalt road connects Lachin with both Stepanakert/Khankendi and Armenia. From Lachin, a northern route via Karikacha, three kilometers north of Lachin, leads to Bjuljuldjus and beyond. A south-western route leads, via Nizhny Sus, Verkhny Sus and other settlements, among them Gyusulyu, to Armenia. (The FFM checked the remaining fourth route, leading from Lachin to the border of Kubatly District, on 3 February 2005 when returning from Kubatly via Lachin to Stepanakert/Khankendi. Few settlements were observed on that route.) In Lachin, the FFM divided into four teams with two members each. Two teams covered the town of Lachin, one traveled on the northern route and another took the southern route.

#### 3. Overview

The Lachin and NK authorities have presented disparate figures on the settlement in Lachin. They vary from 5,000 (deputy head of Lachin administration) and 6,700 (NK settlement authority) to 8,000 (other NK authorities) for the entire district. The last figure would exceed the FFM's estimates, based on the villages and settlements seen in the area. Virtually all settlements seen by or known to the FFM were at a relatively close distance from the main road from Armenia to NK except for some settlements on the southern route.

Lachin town and some of its village communities are clearly better organized than those in other districts. The local authorities spoke with some pride of their accomplishment in housing, infrastructure, and relations with Stepanakert/Khankendi and Yerevan. Housing rehabilitation and reconstruction in quantitative and qualitative terms are more advanced than in the other territories that the FFM visited. Land registration and a cadastre are being set up. In Lachin town, residence permits ('propiska') are required, something that was not mentioned in the villages.

In fact, residents from all over the district spoke about various registration requirements.

The level of organization and infrastructure declines as one leaves Lachin town, but generally exceeds that witnessed by the FFM in the other territories it visited. Electricity and running water are being provided in Lachin and in the northern areas of Lachin District at least up to Karikacha, but have not reached all the way south – although local settlers expect them soon. Taxes are being collected, and pensions, child welfare and other forms of assistance are widely mentioned, although not in every area.

The FFM conducted numerous interviews over the entire Lachin District which revealed that private initiative and not government action was the driving force prompting a move to Lachin. The FFM has found no evidence that the authorities, in a planned and organized manner, actually asked or selected people to settle in Lachin town. They have tried, however, to create basic conditions for normal life and are, in this way, actively encouraging settlements. People interviewed have also noted with approval that the current leadership in Lachin has displayed increased energy in tackling the housing problem.

The ties between Lachin and NK are more evident than in other districts. The head of the Lachin administration stated that a budget line was assigned by Stepanakert/Khankendi, and additional contributions were provided by the diaspora. People in both Lachin town as well as in local villages confirmed that they take part in local and NK-wide elections, with some even voting in Armenian national elections.

#### 4. Locations Visited

#### 4.1 Lachin Town, Visited by Teams 1 and 2

#### Size

The authorities claim that Lachin has approximately 3,000 inhabitants. This has been corroborated, to the extent possible, by the observations of both teams covering Lachin town. The mayor conceded, however, that no precise figures exist, as people come and go and the registration system is still inaccurate.

#### Influx

The number of new settlers arriving each year remains unclear and the town officials said that they could not specify. Some people interviewed claimed that there was no major influx anymore, while one woman mentioned that some 100 people were coming to settle every year. Most current residents said they learned about the settlement possibilities by word-of-mouth or through the mass media. Stepanakert/Khankendi authorities told the FFM that they did not advertise these possibilities in the media but private organizations and political parties did. They specifically mentioned the Karabakh Refugee Committee in this context. Some interviewees mentioned cases of people leaving, especially among the few coming from Armenia. Settlers in Lachin town explained they needed a residence permit

('propiska') from local authorities to move to Lachin district, something that was not mentioned in the villages. It was stated that four years ago the town authorities attempted to establish a cadastre allowing for registration and land taxation. However, neither land registration nor the cadastre seems to be fully operational.

Several persons interviewed, including some displaced from Azerbaijan, showed passports of the Republic of Armenia that had been issued to them over the past year.

#### **Origins**

The FFM spoke with numerous people in Lachin town. The vast majority said they were refugees originally from various parts of Azerbaijan (Baku, Sumgayit, Ganja, Goranboy District, Khanlar District, Yevlach, Terter, and Mardakert/Agdere District and Nakhichevan). The first arrivals came as early as 1994, but the bulk came later, after periods in NK or Yerevan. In addition, one native of Lachin had returned. Some people interviewed mentioned that they come from Armenia. These were either victims of the 1988 earthquake in Gyumri and Spitak who could not find housing or people who had left Yerevan for financial reasons.

#### Housing

Some 85% of the houses in the center of the town have been reconstructed while a few have been newly built. The percentage of ruins increases towards the edges of town. Even on the outskirts, some houses of relatively high standard can be found and signs of initial reconstruction are visible on numerous buildings. Town officials and residents confirm that construction and rehabilitation are, in contrast to the period predating 1996, handled by the authorities. Upon arrival, settlers are frequently directed to live temporarily in small apartments in 4-story houses pending their receipt of a reconstructed house. The waiting list for such housing can be two years or more.

#### **Infrastructure**

The town authorities have an organized structure which includes a mayor, head of administration, police, conscription office and prosecutor's office. Residents take part both in local and NK elections and, according to some of those interviewed, even in the Armenian national elections. The social welfare system goes far beyond anything that the FFM saw in the other territories. It includes a hospital with seven doctors and ten nurses, a medical laboratory, a church with a priest, two schools with approximately 500 pupils, a kindergarten with some 40 children, a smaller music school, an art school, a sports school, a museum and a library. In addition, there is a diaspora Agape school and craft center. The Goris-Stepanakert/Khankendi bus stops in Lachin every day. On the outskirts of Lachin, a new Armenian cemetery has been established. Along the main road leading up to the center of Lachin, Teams 1 and 2 saw many dozen saplings that had been methodically planted and encircled for protection by metal fencing.

#### **Economy**

Nearly everyone interviewed said they had work (architects, doctors, nurses, teachers, bookkeepers, administration members, six or seven policemen, shopkeepers, prosecutor, builders, workers at a water plant). By contrast, one woman with three adult sons said they were all unemployed. There are up to twenty shops and a small post office scattered over town. No one interviewed mentioned agriculture as a key business. Some spoke of cultivating their garden plot for personal consumption, but added that the land was not very good and hard to cultivate.

#### **Settlement Incentives**

Settlement incentives offered by the local authorities include free housing, access to property, social infrastructure, inexpensive or sometimes free electricity, running water, low taxes or limited tax exemptions. According to a number of people interviewed, newcomers to the Lachin District receive 25,000 drams per couple and 5,000 drams per child, plus a cow as a basis for starting anew. As a separate matter, they said, newcomers are now also put on a waiting list for another cow, although the wait can be up to a year. Families with small children are given expedited consideration for this benefit. This assistance was more or less favorably viewed by people interviewed. Nonetheless, a number of residents said that it was still difficult to make a living and that the money and cow given to newcomers were scant support on which to base a new beginning. Exemption from military service does not seem to be one of the benefits offered to new settlers. Lachin has a conscription office, and the FFM learned from families that their sons had to serve in the armed forces starting at the age of 18.

#### 4.2 Northern Route, Team 3

In Karikacha village, three kilometers north of Lachin town, the houses were in good, and in some cases excellent condition, built with durable material and with their outside walls plastered. The houses were comparable with those in Lachin town and they were numbered. This, along with the fact that people mentioned taxation of their land suggested the existence of a cadastre. The roads were dirt track, ranging from passable to bad. Sixty-five families live in the village, totalling 218 people. This information was corroborated by interviews with the mayor and some residents. The village structure includes a school for approximately 80 children, with teachers' salaries paid by the Lachin authorities.

Team 3 continued on 20 kilometers north of Lachin town in the direction of Kelbajar and then returned because of time constraints and bad road conditions. It found the remains of several uninhabitable villages, but no signs of settlement. According to Lachin's deputy mayor, some 500 to 600 people live further north in the area's river valleys.

#### 4.3 Southern Route, Team 4

Team 4 travelled south of Lachin town where it found considerably worse housing conditions. Neither water nor electricity was being supplied, but the authorities said

these would soon be available. Most of the people interviewed said they were registered, took part in local and NK-wide elections and received pensions. Here, the FFM met with one of the rare instances in which the local residents, who claimed they were from Leninavan in the Mardakert/Agdere district, had passports issued by the Republic of Armenia.

The village of Nizhny Sus, south of Lachin town, has about 42 inhabited houses with over 200 inhabitants. The condition of the houses is considerably worse than in Lachin town, but not uniformly so. There was evidence of a certain level of social infrastructure. A school opened two years ago, with now 72 pupils attending.

Settlers confirmed that they received pensions or children welfare benefits (from 1,700 drams to 2,500 drams per month) and settlement assistance (provision of a cow). They stated that they take part only in local, not in NK, elections and that they have NK identification cards. The degree of content with the Lachin authorities was noticeably lower than in Lachin town. Some mentioned a French citizen of Armenian descent who helped the village in repairing houses, the water system and the school. Agriculture, vineyards and cattle breeding seem to be the backbone of the local economy. The settlers had come from various places (Mardakert/Agdere District, Spitak in Armenia after the earthquake) and had often come to Nizhny Sus via either Stepanakert/Khankendi or Yerevan, where they had learned of the opportunity to settle in the Lachin area. One person interviewed mentioned that a refugee organization had suggested this possibility to him.

The local authorities said that there were also inhabitants in Verkhny Sus and in another settlement – both a few kilometers from Nizhny Sus. Dangerous road conditions prevented Team 4 from visiting those places.

In another village, west of Nizhny Sus, electricity and running water are available in some but not all houses. In any event, there are only a few scattered houses generally in a very poor condition of repair. The main occupation here is subsistence farming.

On the way to Gyuyulyu at the southwestern end of the district, scattered inhabited houses can be seen. The village itself includes some 30 houses that have been repaired for habitation, though conditions were poor. People said they received free electricity and that the water supply was organized by the local residents themselves. Residents mentioned child welfare support and that some 30 pupils attend the local school. Settlers stated that they have no identification documents but expect to receive them this year. They claimed that they do not, as yet, take part in any elections. The local leader, who will be the conduit to the Lachin authorities, is due to be chosen at an upcoming meeting of the residents.

Local leaders said that there were more inhabited villages in the vicinity, but due to time constraints and unfavorable weather the team had to turn back.

#### V. Conclusions

#### 1. Settlement Figures for Kelbajar, Fizuli, Jebrail, Agdam, Zangelan and Kubatly

It is very difficult for the FFM to precisely estimate the number of settlers in these six districts. No district appears to have a working registration system or a land cadastre and inhabitants are spread over large distances in atomized clusters reachable only over frequently impassable roads. For this reason, the FFM has been extremely careful in coming to conclusions on figures and can only report on populations that it itself has interviewed, counted or directly observed. Therefore, the FFM's population estimates reflect its best count of only those populations in the areas it visited which are discussed in this report. The FFM did not extrapolate population figures from that which it observed in part of a district to estimate a figure for the entire district and it did not accept individuals' statements (for example, those of a village elder) as reliable until it could corroborate them. That said, the FFM is confident that it did not miss any significant population point in the territories.

Settlement figures for the areas discussed in this report, whose populations the FFM has interviewed, counted or directly observed, are as follows: in Kelbajar District approximately 1,500; in Agdam District from 800 to 1,000, in Fizuli District under 10; in Jebrail District under 100; in Zangelan District from 700 to 1,000; and in Kubatly District from 1000 to 1,500. Thus, the FFM's conclusions on the number of settlers do not precisely correspond with population figures provided by the local authorities, which were higher.

As the FFM's narrative and numerical estimates show, population densities and distributions vary significantly both within and across districts. Given the size of the territories and their former populations, overall settlement is quite limited.

# 2. Characteristics of the Settlements in Kelbajar, Fizuli, Jebrail, Agdam, Zangelan and Kubatly

#### 2.1 Categories of Settlements

Throughout the territories, the FFM observed people reconstructing and inhabiting structures, villages or towns that were destroyed in the conflict. No single newly planned or established settlement was observed, but the FFM did examine three villages in Agdam District over which at least twenty identical new houses had been built and finished for occupancy on the ruined foundations of previous dwellings.

As a general matter, the standard of reconstruction in the areas visited by the FFM ranged from:

- "no intervention" with the settlement infrastructure (village in ruins and no habitation); to
- "basic rehabilitation" (including, but not limited to, provisional electrical supply, provisional water supply, possible school and/or local administration building); to

- "reconstruction" (exhibiting a wider range of social and physical infrastructure, and at higher quality).

#### 2.2 Nature of Structures

Specifically, standards of repair to buildings observed by the FFM in the territories ranged from:

- "emergency repairs" (executed in a haphazard, makeshift or provisional manner, using material from nearby ruins); to
- "rehabilitation" (involving partial repair to the structure's central core and a new roof, using both new materials and materials from nearby ruins); to
- "reconstruction" (structures that are completely new or with everything new but the foundations).

Almost all inhabitable buildings observed in the territories have been rehabilitated by people who made use of the existing walls and foundations of pre-war structures. In only a few cases did the FFM find structures where the walls and foundations were completely new. Nearly all those structures, however, were rebuilt on previously existing sites and in the physical context of pre-war settlements.

#### 3. Origins of Settlers

The FFM has concluded that the overwhelming majority of settlers are displaced persons from various parts of Azerbaijan, notably from Goranboy, Chaikent, Sumgayit and Baku. Most of them, however, came to the territories after a period living as displaced persons in Armenia.

Apart from these displaced persons, the FFM has found three categories of Armenians from Armenia in the territories. In relative terms, the largest group (although in absolute numbers probably rather small) consists of victims of Armenia's 1988 earthquake who spent long periods in temporary shelters before entering the territories. The next largest category is made up of Armenians who came to the territories for economic reasons, whether to build a better life or escape debts at home. Seasonal agricultural workers and shepherds belong to a third group. Most settlers have no passports and many lack NK identity cards, facts about which they often complained.

#### 4. Settlers' Reasons for Coming

Practically all settlers (both displaced persons from Azerbaijan and earthquake victims from Armenia) who came to the territories did so because they were homeless. They usually heard about the option of settlement by word-of-mouth, through the media or from NGOs in Armenia and NK. In connection with the latter, settlers often mentioned the Karabakh Refugee Committee. The FFM found no clear indications that the NK or Armenian authorities directly organized resettlement. As well, there was no sign of non-voluntary resettlement in the territories. Likewise,

the FFM found no evidence of systematic recruitment of settlers to come to the territories.

### 5. Settlement Incentives in Kelbajar, Fizuli, Jebrail, Agdam, Zangelan and Kubatly

The FFM observed disparate settlement incentives traceable to the authorities within and between the various territories. Broadly speaking, there are some indications of proactive, but uneven, incentives in Kelbajar (west of NK) and in parts of Agdam District close to Mardakert/Agdere (due east of NK). In Zangelan and parts of Kubatly Districts (southwest of NK) there are signs of a more reactive provision of incentives, while in the relevant parts of Fizuli District, in Jebrail District (south and southeast of NK) and in other parts of Agdam District, the FFM found what appeared to be a policy of turning a blind eye to the economic activities taking place there.

Thus, on the proactive side in Kelbajar, the FFM found evidence of limited benefits for settlers, including the assignment of ruins or plots or the actual provision of houses (sometimes on a turn-key basis), modest infrastructure and social welfare, tax exemptions, and low or no utility fees. In other places, the authorities have done no more than accommodate settlers' needs after they had begun to trickle into the area.

In Agdam District, the situation is even more variable. For example, Agdam town and its outskirts are completely without incentives or infrastructure. In the town and surrounding suburbs, limited economic activity appears to be tolerated. Further north in the district, the FFM found proactive incentives including electrification, water supply and the construction and distribution of newly built and outfitted homes on a turn-key basis.

The Lachin authorities have extended elements of infrastructure to the neighboring districts of Kubatly and Zangelan to accommodate people's needs after they began to settle in those places. To be sure, such steps can also attract new settlers. In any event, infrastructure improvements do not seem to go beyond reactive, low-level support.

In Fizuli, Jebrail and parts of Agdam, including Agdam town, the FFM witnessed the signs of a 'laissez faire' policy, which tolerated the de facto extraction of material from the infrastructure and buildings as well as the extensive cultivation of agricultural land for economic gain.

## 6. The Role of the Armenian Diaspora in Kelbajar, Fizuli, Jebrail, Agdam, Zangelan and Kubatly

Local authorities and interviewees frequently stressed that the Armenian diaspora provides support for infrastructure, medical care, social welfare and housing. In some situations, these efforts are outside of the local authorities' knowledge and control. However, its effects are clearly visible and boost the local authorities. Thus, in certain cases, the diaspora factor can be seen as constituting an indirect element of settlement policy.

# 7. Involvement of the Armenian and NK Authorities in Kelbajar, Fizuli, Jebrail, Agdam, Zangelan and Kubatly

The FFM has seen no evidence of direct involvement by the authorities of Armenia in the territories, except for the provision of electricity to parts of the Jebrail and Kubatly Districts from Kapan, Armenia. The FFM has encountered NK's direct involvement in some of the territories, to wit: official acknowledgement of responsibility for schools in Kelbajar, payment of salaries for some 70 to 80 school teachers in the Kubatly and Zangelan Districts, and supply of basic health care and law and order especially in, but not limited to, the areas under administration by the Lachin authorities. The FFM learned of cases in Kelbajar and a small strip of Agdam District where people voted in both local and NK elections.

#### 8. Economic Activities in Kelbajar, Fizuli, Jebrail, Agdam, Zangelan and Kubatly

Almost everywhere in the territories where the FFM encountered people, it observed the cultivation of small-scale subsistence plots and the personal re-use of construction materials taken from nearby ruins. The more organized extraction of metals and bricks for resale was also seen universally, albeit sporadically, throughout the territories. The FFM witnessed, and confirmed with the NK authorities, that the systematic conversion of former vineyards to wheat cultivation is taking place. In this connection, the FFM witnessed the extensive and often systematic extraction of vineyard infrastructure, including removal of irrigation pipes and reinforced-concrete vine supports.

In the Kelbajar District, the FFM observed organized, large-scale farming activity. Bee-keeping is quite widespread there as well. In and around Kelbajar town, the FFM saw long-haul flat-bed trucks transporting large logs extracted from the region's forests.

In Agdam District, the FFM encountered both small-scale dairy activity and largescale agricultural efforts whose harvests are intended for resale. In Agdam town and in its suburbs the FFM saw evidence of some extraction of metal and building materials from ruins and infrastructure, as well as limited grazing activity.

In Fizuli and Jebrail Districts, there is extensive large-scale farming. Given that almost no one lives in these districts, this activity appears to be managed and manned seasonally by people from the outside. Throughout these two districts, the FFM has seen the evidence of the extraction of materials from ruins and infrastructure, including water pipes, metal scraps, bricks and stones. In some cases, these materials were neatly stacked alongside the road for pick-up. Limited nomadic grazing and herding also take place.

In Zangelan and Kubatly Districts, the FFM observed extensive agricultural activity, grazing and herding, and infrastructure extraction.

#### 9. Lachin District

#### 9.1 Settlement Figures

The local and NK authorities report that some 3,000 settlers live in Lachin town. Concerning Lachin District, they could only offer a range of between 5,000 and 8,000 settlers, despite the fact that Lachin authorities have a settlement permission requirement and formal registration system ('propiska') in place.

As mentioned above in Chapter V-1, the FFM was extremely careful in reaching conclusions on figures and can only report on settlements and populations that it has actually observed, counted or interviewed. Thus, while the authorities' figure of 3,000 settlers in Lachin town corresponds with the FFM's findings, the FFM estimates that fewer than 8,000 people live in the district overall.

#### 9.2 Characteristics of Settlements and Structures

Lachin town's physical and social infrastructure is well developed. Although it still contains many ruins and not all of its infrastructure has been repaired, the FFM observed many fully reconstructed or built-from-scratch buildings and houses. The quality of reconstruction is generally higher in Lachin town than in the rest of Lachin District. Throughout Lachin District, the FFM often found only basic infrastructure, which usually included a local administration and school, but not always electricity and running water. As well, the FFM saw a considerable number of villages that are completely destroyed and deserted.

#### 9.3 Origins of Settlers

Generally, the pattern of settlers' origins in Lachin is the same as in the other territories. Thus, the overwhelming majority has come to Lachin from various parts of Azerbaijan, mostly after years of living in temporary shelters in Armenia. A comparatively small minority are Armenians from Armenia, including earthquake victims. They heard about Lachin as a settlement options by word-of-mouth, through the media or from NGOs in Armenia and NK. There was no evidence of nonvoluntary resettlement or systematic recruitment.

#### 9.4 Settlers' Reasons for Coming

Although incentives and quality of life played a larger role in people's decision to move to Lachin, the general reasons for settlement do not differ markedly from those found in the other territories. Because conditions are better in Lachin, it also draws settlers away from the other territories. For example, the FFM interviewed residents of Lachin town who had moved from Kelbajar District in search of less hardship.

#### 9.5 Settlement Incentives

Settlement incentives are readily apparent. In Lachin town, and to a lesser and uneven extent in Lachin District, they include social welfare, medical care, a functioning infrastructure and administration, schools, decent roads, tax exemption

or tax benefits, reduced rates for utilities, cheap or free electricity, and running water. The FFM determined, however, that the Lachin incentives do not include exemption from military service for males. On the basis of all of its observations and interviews in Lachin District, the FFM has concluded that the authorities pursue a proactive settlement policy.

#### 9.6 The Role of the Armenian Diaspora

The FFM saw and was told of substantial diaspora contributions to reconstruction, infrastructure and social welfare in Lachin District and Lachin town. The local authorities acknowledge the importance of this contribution. Thus, the diasporan factor is an important part of settlement policy in Lachin.

#### 9.7 Involvement of the NK and Armenian Authorities in Lachin

The direct involvement of NK in Lachin District is uncontested. Nagorno-Karabakh provides the Lachin budget and openly acknowledges direct responsibility for the district. Lachin residents take part both in local and NK elections.

While the links between Nagorno Karabakh and the Republic of Armenia remain outside the purview of this report, the FFM found no evidence of direct involvement of the government of Armenia in Lachin settlement. However, the FFM did interview certain Lachin residents who had Armenian passports and claimed to take part in Armenian elections.

#### 9.8 Economic Activities in Lachin

In Lachin town, the FFM found signs of normal urban existence, including shopping, dining in restaurants, and going to school (albeit often without heat or electricity in all three cases). There, settlers also cultivated small garden plots, but more as a supplement to their livelihoods than as the basis for it. In Lachin District, agriculture and dairy farming played an important role in the economy.

Prague, February 28, 2005

Emily Haber Head of the Fact Finding Mission

#### Annexes

Annex 1	Members of the Fact Finding Mission
Annex 2	Documents presented by the Government of Azerbaijan
Annex 3	Paper presented by the Government of Armenia
Annex 4	Dossier presented by the Nagorno Karabakh Authorities

#### **Members of the Fact Finding Mission**

Emily Haber (Head of Mission, Germany)

Alexis Chahtahtinsky (France)

Alexey Dvinyanin (Russian Federation)

Ambassador Andrzej Kasprzyk (Special Representative of the CIO, Poland)

Louis O'Neill (USA)

Jaroslaw Pietrusiewicz (OSCE Secretariat, Poland)

Andreas Seebacher (Germany)

Ambassador Mario Sica (Italy)

Anders Troedsson (Sweden)

Vesa Vasara (Finland)

#### **Documents Presented by the Government of Azerbaijan**

The set of documents mentioned in Chapter II, 2 was annexed to the original version of this report as handed over by the Head of the Fact Finding Mission to the Co-Chairs in Prague on February 28, 2005.

#### Paper Presented by the Government of Armenia

A paper presented to the Co-Chairs and the Head of the FFM by the government of Armenia was annexed to the original version of this report as handed over by the Head of the Fact Finding Mission to the Co-Chairs in Prague on February 28, 2005.

#### Dossier Presented by the Authorities of Nagorno Karabakh

A dossier presented to the members of the FFM by the authorities in Nagorno Karabakh was annexed to the original version of this report as handed over by the Head of the Fact Finding Mission to the Co-Chairs in Prague on February 28, 2005.