

Assessing Damage Caused by the Illegal Activities of Armenia to Azerbaijan in the Liberated (Formerly Occupied) Territories

Javid Alyarli* and Arzu Abbasova**

The liberation of Azerbaijan's Armenian-occupied territories as a result of 44 days of war laid bare a rarely-discussed topic – the damage caused to Azerbaijan due to Armenia's illegal activities in the formerly occupied territories. Therefore, this paper seeks to touch upon some of these activities; however, its primary focus is on ascertaining the level of damage caused during the entire period of the Armenian occupation. By highlighting the financial parameters and legal ramifications of the illegitimate actions, the article finds that an underlying political motive was cementing the Armenian occupation and promoting annexationism. In fact, the new reality being created on the ground was being used at the diplomatic table by the Armenian government to drive the negotiating process down a blind alley. Meanwhile, an economic aspiration encapsulated gaining financially through the cultivation of agricultural land, use of water resources for electricity production, export of mineral and natural resources, and even drug trafficking. The paper reveals that a military purpose was also pursued latterly with the recruitment of mercenaries and foreign fighters by Armenia. The article concludes that identification of the amount of direct and collateral damage is likely to provide the beginning of a strong legal basis for demanding compensation.

Keywords: Armenia, occupation, Azerbaijan, Nagorno-Karabakh region, damage, illegal activities



* **Javid Alyarli** is researcher affiliated to Baku State University and holds a Master's degree in China Studies from Zhejiang University, China.

** **Arzu Abbasova** is Dual Degree Master's Candidate in International Security and International Relations between Sciences Po Paris, France, and the London School of Economics, United Kingdom.

Introduction

Since the end of the First Karabakh War in 1994, Armenia has striven through all possible means to strengthen the results of the unlawful use of force and create a mechanism for benefiting politically, economically and militarily from the formerly occupied territories of Azerbaijan. To that end, several illegitimate activities were implemented, ranging from the illegal settlement of Armenians and foreign nationals of Armenian origin in Azerbaijan's Nagorno-Karabakh region and its adjacent districts to the illegal restoration and construction of economic infrastructure, exploitation of resources, as well as the purposeful removal of the cultural identity of Azerbaijan.

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The illegal settlement of ethnic Armenians in the formerly occupied territories of Azerbaijan progressed to the deployment of terrorists and mercenaries, largely from Middle Eastern countries, therein. In parallel, drug cultivation and trafficking provided funding for financing and maintaining Armenian control in the occupied lands. Along with cultivating Azerbaijani lands for private gain and supplying the subordinate separatist regime created in those territories and itself with food, Armenia also destroyed agricultural facilities and irrigation systems. Besides the pillage of the mineral and natural resources of Azerbaijan, extensive infrastructure changes were made to enable transporting extracted metals, thereby leading to the overexploitation of various mines and damage to the ecosystem. Moreover, the cultural, historical and religious heritage of the formerly occupied territories was exposed to either damage, destruction or alteration of architectural styles with the purpose of erasing the Azerbaijani identity of the region.

To pursue these actions, the government of Armenia and Armenian private companies provided financial support to the subordinate illegal entity in Nagorno Karabakh.¹ Alongside other private funding organizations, the "Armenia Fund" has hitherto raised over US\$372.9 million through annual telethon events since 1992.²

To assess the amount of damage inflicted to Azerbaijan through illegal

1 Asbarez, *Strong Economic Growth Reported in Artsakh*, December 26, 2014, available at <https://asbarez.com/130231/strong-economic-growth-reported-in-artsakh/> (accessed: November 16, 2020).

2 Asbarez, *More than \$35 Million Raised in Armenia Fund Telethon*, November 28, 2008, available at <https://asbarez.com/59644/more-than-35-million-raised-in-armenia-fund-telethon/>; Massis Post, *Telethon 2020 Raises \$22.9 million*, November 26, 2020, available at <https://massispost.com/2020/11/telethon-2020-raises-22-9-million/> (both sources accessed: November 16, 2020).

activities, various calculation methodologies can be applied, ranging from the four-category investigation developed by the World Bank to a two-step process evaluating the direct and collateral damage. Although the official amount of damage is not currently available, estimates in 2000 by the United Nations Development Programme (UNDP) on the amount of damage caused to Azerbaijan ran to US\$5.83 billion.³ Nonetheless, the up-to-date level of havoc caused by Armenia is likely to be much higher, considering the exploitation of agricultural and water resources, depletion of mineral and natural resources, and destruction of cultural facilities over subsequent years as well as the recent casualties that occurred during the Second Karabakh War and, lately, the houses burnt in the formerly occupied Kalbajar, Aghdam, and Lachyn districts before their handover to Azerbaijan's control. This paper aims to uncover Armenia's illicit activities implemented in the formerly occupied territories of Azerbaijan and the purposes lying behind them, with a focus on the amount of damage inflicted on Azerbaijan. Considering that in the First Karabakh War (1992–1994) the Armenian armed forces had already caused destruction or damage to some agricultural and natural resources and cultural, historical, and religious facilities of Azerbaijan, the article widens the duration of the research, starting from 1992 and covering the entire period of the occupation.

Illegal settlement of Armenians in the previously occupied territories of Azerbaijan

Following the forceful displacement of nearly 750,000 Azerbaijanis in the First Karabakh War, Armenia gradually conducted the resettlement of the formerly occupied territories of Azerbaijan.⁴ Such a repopulation strategy was a coordinated and intentional effort by the Armenian government to create a new reality on the ground, that is, a new demographic situation to maintain the status quo, impose a fait accompli, and prevent the prospects of a return of Azerbaijani internally displaced persons (IDP).⁵ From a military

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3 United Nations Development Programme, "Azerbaijan Human Development Report 2000," March 9, 2001, available at http://hdr.undp.org/sites/default/files/azerbaijan_2000_en.pdf pp. 53–57 (accessed: January 11, 2021).

4 United Nations, "General Assembly Adopts Resolution Reaffirming Territorial Integrity of Azerbaijan, Demanding Withdrawal of All Armenian Forces," Press Release, March 14, 2008, available at <https://www.un.org/press/en/2008/ga10693.doc.htm> (accessed: November 16, 2020).

5 Ministry of Foreign Affairs of the Republic of Azerbaijan, "Report on the Illegal Economic and Other Activities in the Occupied Territories of Azerbaijan," 2016 (accessed: November 16, 2020).

perspective, however, such calculated settlements and “manning” of the cities also aimed to provide support (both physical, logistical, and technical) to the army in case of war, as former defence minister of Armenia, Seyran Ohanyan, stated in an interview.⁶

In 2001, a 10-year strategic settlement plan identifying geographical objectives was prepared that aimed to bring 36,000 people to the formerly occupied territories and build infrastructure for them costing up to US\$120 million.⁷ Between 1994 and 2004, 7,263 Armenian families (18,500 people) were settled in formerly occupied districts including Lachyn, Gubadly, Zangilan, Kalbajar, Jabrayil, and Fuzuli districts and Shusha town.⁸ Yet, as recently as 2018, US\$800,000 were allocated for constructing new houses and developing settlements in the region.⁹ Indeed, the Armenian state and diaspora have been directly involved in implementing different projects to encourage a flow of Armenian families to these areas. The repopulation project of the Hayastan All-Armenian Fund, along with initiatives from the diaspora, including the Lebanon-based “Artsakh Roots Investments” company, “Armenian General Benevolent Union”, “Cherchian Family Foundation”, and others, have for years been implementing resettlement projects and providing construction materials for renovating buildings to the new settlers.¹⁰

A particular direction in this resettlement strategy has been encouraging ethnic Armenians from Syria and Lebanon to move to these lands. The outbreak of the Syrian war created a massive wave involving the transfer of about 11,000 ethnic Armenians from Syria to Lachyn, Gubadly, Jabrayil, and Zangilan districts. This transfer was facilitated by the Armenian government’s “Help Your Brother” programme, which also raised funds for housing construction.¹¹ Thus, on November 7, 2020,

6 Avetisyan, A. “‘Enhanced security’: Armenian settlers in Nagorno-Karabakh,” *OC Media*, October 3, 2018, available at <https://oc-media.org/features/enhanced-security-armenian-settlers-in-nagorno-karabakh/> (accessed: December 29, 2020).

7 Baghdasaryan, E. “Repopulation is an essential question for all Armenians,” *Hetq.am*, June 25, 2007, available at <https://hetq.am/en/article/6744> (accessed: December 15, 2020).

8 Ministry of Foreign Affairs of the Republic of Azerbaijan, “Report on the Illegal Economic and Other Activities in the Occupied Territories of Azerbaijan,” 2016 (accessed: November 16, 2020); Balkhian, S., “The Housing Conundrum: Syrian Armenians in Armenia,” *The Armenian Weekly*, January 14, 2014, available at <https://armenianweekly.com/2014/01/14/the-housing-conundrum-syrian-armenians-in-armenia/> (accessed: November 16, 2020).

9 International Crisis Group, *Digging out of Deadlock in Nagorno Karabakh*, December 20, 2019, available at <https://www.crisisgroup.org/europe-central-asia/caucasus/nagorno-karabakh-conflict/255-digging-out-deadlock-nagorno-karabakh> (accessed December 28, 2020).

10 Ministry of Foreign Affairs of the Republic of Azerbaijan, “Report on the Illegal Economic and Other Activities in the Occupied Territories of Azerbaijan,” 2016 (accessed: November 16, 2020).

11 *Ibid.*

upon the liberation of the Zangilan district from the Armenian occupation, several items of documentary proof listing the names of 60 Syrian-Armenians (representing 19 families) settled therein were found in a building used by the National Security Service of Armenia.¹² As an incentive, Syrian families settling in the formerly occupied territories were exempt from paying maintenance fees.¹³ Further, such incentives included: covering settlement costs; financial assistance for setting up small businesses; 6,000 m² land allocation to each member of the settled family; exemptions from paying utility bills for 5 years; etc.¹⁴ Following the recent explosion at the Port of Beirut on August 4, 2020, the Armenian government had voiced its will to relocate Lebanese-Armenians to those territories. Along with the approval of assistance programs worth 25 million drams (equal to US\$51,000), 100–150 families were then accepted for moving to the formerly occupied territories, while the first Armenian family was reportedly settled in Shusha town on September 10, 2020.¹⁵ Such short-sighted policies not only drove the peace prospects into a dead end but also put these civilians in a dangerous limbo, as was seen at the end of the Second Karabakh War.

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Although the final number of illegally built settlement projects is still unknown, looking at the fact-finding mission reports from the then-occupied territories might help to understand the extent of such a target-oriented policy of Armenia. Against this backdrop, the OSCE's 2005 fact-finding mission's report showed notable evidence of Armenian settlements in the [then] occupied territories of Azerbaijan.¹⁶ With that report, the Minsk Group noted that “[p]rolonged continuation of this situation could lead to a fait accompli that would seriously complicate the peace process” and further urged “to avoid changes in the demographic structure of the region, which would make more difficult any future

12 Apa, Hikmat Hajiyev: *Another evidence of the illegal settlement policy pursued by Armenia in our occupied territories for many years, emerged*, November 7, 2020, available at <https://apa.az/en/foreign-news/Hikmet-Hajiyev-Another-evidence-of-the-illegal-settlement-policy-pursued-by-Armenia-in-our-occupied-territories-for-many-years-emerged-334941> (accessed: November 16, 2020).

13 Caucasian Knot, *Armenian students from Syria to study for free in Nagorno Karabakh universities*, November 9, 2012, available at <http://www.eng.kavkaz-uzel.eu/articles/22841/> (accessed: December 29, 2020).

14 Avetisyan, A. “‘Enhanced security’: Armenian settlers in Nagorno-Karabakh,” *OC Media*, October 3, 2018, available at <https://oc-media.org/features/enhanced-security-armenian-settlers-in-nagorno-karabakh/>.

15 Huseynov, V., “Armenian Resettlement From Lebanon to the Occupied Territories of Azerbaijan Endangers Peace Process,” *The Jamestown Foundation*, September 23, 2020, available at <https://jamestown.org/program/armenian-resettlement-from-lebanon-to-the-occupied-territories-of-azerbaijan-endangers-peace-process/> (accessed: January 11, 2021).

16 “Report of the OSCE Fact-Finding mission to the Occupied Territories of Azerbaijan Surrounding Nagorno Karabakh,” available at http://www.partnership.am/res/General%20Publications_Eng/050317_osce_report1.pdf (accessed: December 29, 2020).

efforts to achieve a negotiated settlement.”¹⁷ Similarly, another Minsk Group fact-finding mission report (2010) revealed that about 14,000 Armenians lived in the seven [then] occupied districts around the Nagorno-Karabakh region and called on the Armenians “to avoid any activities in the territories [...] that would prejudice the final settlement or change the character of these areas.”¹⁸

The expulsion of indigenous Azerbaijanis from the then-occupied territories not only violated their human rights and property rights, but also caused significant implications for the psychological state and mental health of IDPs. Although the construction of residential complexes to accommodate all IDPs started since 1993, the majority of IDPs lived in harsh conditions in refugee camps and public premises for many years. According to UNDP data from 2000, of 789,832 IDPs, 18.7% of families resided in camps (tents), 19.1% in railway wagons, 23.3% in schools, 16.6% in hostels, and 1.4% in sanatoria and camps for children. Having spent the early years of an IDP life in such places, many children suffered from dystrophy: similarly, 30.5% of youngsters between the ages of 6 and 59 months were diagnosed with chronic malnutrition, while 46% were anaemic. Nearly 13.2% of IDP women were exposed to various diseases ranging from malaria to tuberculosis, anaemia, diabetes, hypertonia, heart disease, etc. Moreover, IDPs and refugees during that period faced a shortage of medical equipment and instruments as well as medicines.¹⁹

Involvement of mercenaries and foreign terrorist fighters (FTFs)

The illegal settlement of Syrian and Lebanese nationals was accompanied by the involvement of mercenaries to fight in the Armenia–Azerbaijan war zone, given that Armenia had a longstanding alignment with terrorist organizations such as the Armenian Secret Army for the Liberation of Armenia (ASALA), Justice Commandos of the Armenian Genocide (JCAG), along with frequent unofficial contacts with the PKK and its Syrian wing, YPG. Some reports attest that, before the start of the Second Karabakh War, about 300 militants belonging to the “Kurdistan

17 European Parliament, “Letter of the OSCE Minsk Group Co-Chairs to the OSCE Permanent Council on the OSCE Minsk Group Fact Finding Mission to the Occupied territories of Azerbaijan Surrounding Nagorno Karabakh,” available at https://www.europarl.europa.eu/meetdocs/2004_2009/documents/fd/dsca20050413_11/dsca20050413_11en.pdf (accessed December 17, 2020).

18 Ministry of Foreign Affairs of the Republic of Azerbaijan, “Report on the Illegal Economic and Other Activities in the Occupied Territories of Azerbaijan,” 2016 (accessed: November 16, 2020).

19 United Nations Development Programme, “Azerbaijan Human Development Report 2000,” March 9, 2001, available at http://hdr.undp.org/sites/default/files/azerbaijan_2000_en.pdf, pp. 53-57 (accessed January 11, 2021).

Workers' Party" (PKK) terrorist organization were transferred to the Nagorno-Karabakh war zone.²⁰ Moreover, several sources, including Radio France International, depicted fighters joining from Lebanon, Syria, and Latin America to fight on the side of Armenia.²¹

Azerbaijan's intelligence services revealed data on flights taken from Sulaymaniyah, Iraq, to Yerevan on September 9 and 19, as well as on October 8 and 13, 2020, carrying about 300 passengers each time.²²

Moreover, on October 6, 2020, the State Security Service of Azerbaijan released a recording of a conversation among foreign mercenaries, including members of the PKK, taking part in the armed hostilities on Armenia's side against Azerbaijan.²³

Armenian militias were mainly recruited and trained by a military volunteer formation called VoMA. VoMA was created by Russian-Armenian citizen Vladimir Vartanov and others in 2014, and it consists of 1,300 participants, 445 of whom come from the Armenian diaspora,²⁴ and involves members of ASALA, PKK, and other terrorist groups.²⁵ Having 53 camps, VoMA, with the expertise of PKK militants conducted guerrilla-style training encompassing infantry tactics, emergency combat medical training, and alpinism for Armenian "volunteers" aged between 18 and 55 to fight in the complex mountainous reliefs and harsh climates.²⁶ "After finishing accelerated courses of military

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20 Middle East Monitor, *Turkey: Armenia transports hundreds of PKK militants to fight Azerbaijan*, September 30, 2020, available at <https://www.middleeastmonitor.com/20200930-armenia-transport-hundreds-of-pkk-militants-to-fight-azerbaijan/> (accessed November 20, 2020).

21 Radio France International, *Dans le Haut-Karabakh, les volontaires arméniens découvrent la guerre*, October 4, 2020, available at <https://www.rfi.fr/fr/europe/20201003-le-haut-karabakh-les-volontaires-arm%C3%A9niens-d%C3%A9couvrent-la-guerre> (accessed November 20, 2020).

22 UN General Assembly, "Letter dated 18 November 2020 from the Permanent Representative of Azerbaijan to the United Nations addressed to the Secretary-General," December 4, 2020, Available at <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N20/343/35/PDF/N2034335.pdf> (accessed: December 16, 2020)

23 Azernews, *State Security Service intercepts radio talks of terrorists participating in military operations against Azerbaijan* [VIDEO], October 6, 2020, available at <https://www.azernews.az/nation/170135.html> (accessed: November 20, 2020)

24 Azertag, *Azerbaijani Prosecutor General's Office launches criminal case against those who established terrorist organizations in occupied territories*, November 3, 2020, available at https://azertag.az/en/xeber/Azerbaijani_Prosecutor_Generals_Office_launches_criminal_case_against_those_who_established_terrorist_organizations_in_occupied_territories-1632619; VoMA ("Voxj Mnalu Arvest" – "the art of survival") Center, available at <https://www.voma.center/en> (both sources accessed: December 27, 2020)

25 Barkey, H.J. and Fuller, G.E., "Turkey's Kurdish Question", *Carnegie Corporation of New York: Carnegie Commission on Preventing Deadly Conflict*, 1998, p:32, available at https://media.carnegie.org/filer_public/c5/3f/c53f7ed9-172e-45b0-95a2-88a3d4f19351/ccny_book_1998_turkey.pdf (accessed: November 20, 2020)

26 VoMA - The Art of Staying Alive (translation from Armenian), Facebook, December 13, 2016, 00:55 am,

training, our battalion under the command of the Armenian Defense Ministry will be sent into combat actions in the assigned territories,” the VoMA Center wrote.²⁷ During the Second Karabakh War, 300 volunteers were reportedly recruited by VoMA to take part in the war against Azerbaijan.²⁸ A charter flight was also organized from Moscow to Yerevan and free tickets were offered to those unable to afford them.²⁹

Apart from citizens of Middle Eastern countries, a group of Greek citizens consisting of 80 people (of whom 50 were of Armenian origin) with combat experience in NATO missions in Afghanistan and Kosovo, and, later, about 500–800 more Greek nationals were reportedly brought in to participate in military operations.³⁰ Moreover, French nationals of Armenian origin, including a leader of the extreme right-wing group Zouaves Paris (ZVP), Marc de Cacqueray-Valmenier, who describes himself as a “fascist”, announced they were joining the military operations against Azerbaijan alongside Armenian forces.³¹ Foreign nationals of other countries ranging from Russia to the USA³² were also listed among “volunteers” and included the so-called “Bagramyan battalion” (well-known for its cruelties against the civilian population since 1993) consisting of ethnic Armenians from the Abkhazia region of Georgia.³³

available at <https://www.facebook.com/vomacenter/photos/%D5%B8մա-ն-հայտարարում-է-ձմեռային-նազմետուսումնական-գործառնական-մասին-որը-կանցկացվի-մեր/1264367113602696/>; Elliott, R., “Diaspora Armenians train to protect Artsakh,” the Armenian Weekly, October 28, 2020, available at <https://armenianweekly.com/2020/10/28/diaspora-armenians-train-to-protect-artsakh/> (both sources accessed: November 20, 2020)

27 Leonov, S., “Armenia recruits mercenaries for the war in Nagorno-Karabakh,” *The Greater Middle East*, October 14, 2020, available at <https://tgme.org/2020/10/armenia-recruits-mercenaries-for-the-war-in-nagorno-karabakh/> (accessed: December 16, 2020)

28 Ibid; News, Recruitment of terrorists by Armenians via “VoMa” shows Armenia’s loss – Russian expert, November 4, 2020, available at <https://news.az/news/recruitment-of-terrorists-by-armenians-via-voma-shows-armenias-loss-russian-expert> (accessed: January 11, 2021)

29 Ibid.

30 Antonopoulos, P., “Greek City Times Exclusive: “I cannot watch what is happening and not fight” – Approximately 80 Greeks going to Artsakh battlefield,” *Greek City Times*, October 1, 2020, available at <https://greekcitytimes.com/2020/10/01/greeks-going-to-artsakh-battlefront/>; Greek City Times, *Former non-commissioned officer: “I’m going to Artsakh with 500-800 Greeks to crush the Turks* (translation from Greek), available at <https://greekcitytimes.com/2020/10/03/former-non-commissioned-officer-im-going-to-artsakh-with-500-800-greeks-to-crush-the-turks/?amp> (accessed: November 28, 2020)

31 Daily Sabah, *French Armenians in Nagorno-Karabakh to fight Azerbaijan*, October 7, 2020, available at <https://www.dailysabah.com/politics/french-armenians-in-nagorno-karabakh-to-fight-azerbaijan/news> (accessed: November 28, 2020); Liberation, *Extreme droite : le patron des Zouaves Paris part combattre au Haut-Karabakh*, October 30, 2020, available at https://www.liberation.fr/france/2020/10/30/extreme-droite-le-patron-des-zouaves-paris-part-combattre-au-haut-karabakh_1803962 (accessed: November 29, 2020)

32 Seidman, L., “Bound by duty and love, some L.A. Armenians are joining the battle lines in their homeland,” *Los Angeles Times*, October 9, 2020, available at <https://www.latimes.com/california/story/2020-10-09/armenia-azerbaijan-los-angeles-artsakh-war-connections> (accessed: November 29, 2020)

33 Minval, *Sukhumi — Karabakh: tranzit terroristov prodolzhayetsya*, November 6, 2020, available at <https://minval.az/news/124053297>; Ibid. (accessed: November 29, 2020)

Drug trafficking

Yet, unsurprisingly, a surge in organised crime has occurred in tandem with drug trafficking in the formerly occupied territories, causing a worrying security risk. As Howard and Traughber³⁴ noted, owing to the nonexistence of taxation regulations, drug trafficking and trade have constituted a great revenue extraction sphere in this area. Drug trafficking has for years not only undermined stability in the region, but has also created a security vacuum providing a space for transnational security challenges.³⁵ Indeed, the US State Department's International Narcotics Control Strategy Reports³⁶ have recurrently noted that the South Caucasus has become a transit corridor and part of the "Balkan route" as it is situated along the route from Afghanistan to Europe. Within its collaborative efforts with the United Nations Office on Drugs and Crime (UNODC) to prevent drug trafficking, Azerbaijan has noted several times that the occupying Armenian Armed Forces controlling its lands were profiting from these illegal activities. Notably, this was also confirmed in the World Drug Report of 2010,³⁷ which stated that "hindering drug law enforcement over Azerbaijan's 132 km long border with the Islamic Republic of Iran is the existence of uncontrolled territories due to an unresolved conflict."

Although Armenia has denied these reports,³⁸ as German³⁹ argues, "there is little doubt that in an area that lies on a key transit route between Asia and Europe the lack of a stable law enforcement regime, combined with porous borders, could facilitate the development of criminal activities such as drugs smuggling from Central Asia to the markets of Europe." Notably, a study conducted by the Azerbaijan National Anti-drugs Propaganda Office, acting within the framework of the UNDP, stated that the Nagorno-Karabakh region is not only a heaven for drug traffickers, but these lands are also exploited for the cultivation of narcotic plants.⁴⁰

34 Howard, R.D. and Traughber, C.M., "The 'new silk road' of terrorism and organized crime: the key to countering the terror-crime nexus," *Armed Groups: Studies in National Security, Counterterrorism, and Counterinsurgency*, 2008. pp.371-387.

35 German, T., "The Nagorno-Karabakh Conflict between Azerbaijan and Armenia: Security Issues in the Caucasus", *Journal of Muslim Minority Affairs*, Vol 32 No 2, 2012. pp.216-229.

36 US Department of State, "International Narcotic Control Strategy Reports", available at: <https://www.state.gov/international-narcotics-control-strategy-reports/>.

37 United Nations Office on Drugs and Crime, "World Drug Report 2010," 2010. pp. 56. available at https://www.unodc.org/documents/wdr/WDR_2010/World_Drug_Report_2010_lo-res.pdf (accessed: December 28, 2020)

38 Armenpress, *Alik Sargsyan Says News on Drug Production in Nagorno Karabakh Speculations*, July 6, 2011, available at <https://armenpress.am/eng/news/657663/> (accessed: December 29, 2020).

39 German, T., "The Nagorno-Karabakh Conflict between Azerbaijan and Armenia: Security Issues in the Caucasus", *Journal of Muslim Minority Affairs*, Vol 32 No 2, 2012, p. 224.

40 Azernews, *Occupied Nagorno Karabakh seen as a regional hub for drug trafficking*, September 4, 2013,

Moreover, confirmation of these claims came right after the liberation of Fuzuli district, where the Azerbaijani Army found a major drug plantation and laboratory, publishing a video of it.⁴¹

Damage to agricultural and water resources

The end of the First Karabakh War led to the loss of 1,226,674 hectares, including 139,336 ha of irrigated lands, 34,600 ha of vineyards and orchards, 127,000 ha of fertile lands, 70% of summer pasture, and a total of 4.1 million ha of Azerbaijan’s agricultural lands, which accounted for the production of 14.3% of the nation’s grain, 31.5% of grapes, 14.5% of meat, 17.1% of milk, 19.3% of wool, and 17% of silkworms before the occupation.⁴² Thus, Armenia made the most use of the agricultural potential of these territories, illegally, to cover its food and consumption demands. So, in 2019, 228,000 hectares were harvested in Armenia, whereas, in the formerly occupied territories, there were 89,000 hectares of sown area providing 25% of Armenia’s grain supply.⁴³

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Armenia has not only enjoyed benefits to its economy from its illegal control of Azerbaijan’s territories, but also inflicted damage on some of the agricultural resources of those lands. In particular, more than 6,000 manufacturing, agricultural, and other kinds of factories and plants were pillaged, while 30 irrigation systems, including irrigation channels with a total length of 1,200 km, were destroyed.⁴⁴ In addition, flocks of 244,000 sheep, 69,000 cattle, as well as the Aghdam horse collective farm’s Karabakh pedigree horses were driven out of Karabakh and 206,600 cubic meters of valuable timber species were looted to Armenia. Moreover, more than 311 agricultural enterprises, 145 newly

available at <https://www.azernews.az/nation/58955.html>. (accessed: December 24, 2020).

41 Azertag, *Armenian drug plantation and laboratory found in Fuzuli*, October 15, 2020, available at https://azertag.az/en/xeber/Armenian_drug_plantation_and_laboratory_found_in_Fuzuli_VIDEO-1614553 (accessed: December 14, 2020).

42 Ministry of Foreign Affairs of the Republic of Azerbaijan, “Socio-economic consequences of Armenia’s aggression against Azerbaijan,” available at <https://mfa.gov.az/en/content/112/socio-economic-consequences>; Department of Economic and Social Geography of BSU, *Damage caused to Agriculture of the region, Azerbaijan. az*, available at <https://azerbaijan.az/en/related-information/126> (accessed: November 20, 2020).

43 Turan, *Consequences of Loss of Karabakh for Armenian Economy*, December 17, 2020, available at <https://www.turan.az/ext/news/2020/12/free/analytics/en/131009.htm> (accessed: December 20, 2020).

44 Reliefweb, *Letter from Azerbaijan to the UN SG: Report on Armenian aggression against Azerbaijan and recent developments (A/58/594-S/2003/1090)*, November 13, 2003, available at <https://reliefweb.int/report/armenia/letter-azerbaijan-un-sg-report-armenian-aggression-against-azerbaijan-and-recent> (accessed: December 20, 2020).

established wine farms, over 7,000 hydraulic pumps, and 40 pumping stations were demolished.⁴⁵

During 28 years of occupation, electricity lines with a total length of 14,500 km; 2,500 electrical transformers; 2,300 km of water pipes; 240 km of sewerage lines; and 160 water basins were destroyed in these territories.⁴⁶ Moreover, the Sarsang reservoir built on the Tartar river (in the previously occupied part of Tartar district) that provided irrigation water for more than a hundred thousand hectares of fertile lands for six districts of Azerbaijan was purposefully blocked or its flow reduced during the summer months, but opened during spring and autumn to cause damage to Azerbaijan's agricultural lands by creating artificial floods.⁴⁷ Moreover, such malicious mismanagement of the floodgates aimed to deprive the local people of Azerbaijan's Tartar district of drinking water.⁴⁸

On December 12, 2015, the Parliamentary Assembly of the Council of Europe's (PACE) rapporteur, Milica Marković, submitted a report emphasizing that a lack of regular technical maintenance for over twenty years on the Sarsang reservoir had caused several impairments, including the loss of use of irrigation infrastructure for the border regions of Azerbaijan, shortage of water for irrigation, poor quality of potable water, flooding, soil erosion, a lack of productivity in agriculture, etc.⁴⁹ Upon publication of the report, PACE adopted Resolution 2085 requesting the immediate withdrawal of the Armenian forces from the Nagorno-Karabakh region and the surrounding districts of Azerbaijan to enable access for independent engineers and hydrologists to conduct thorough on-the-spot research. The document also included an appeal to the Armenian authorities to cease using water resources as tools of political influence.⁵⁰

45 Ibid.

46 Ministry of Foreign Affairs of the Republic of Azerbaijan, "Socio-economic consequences of Armenia's aggression against Azerbaijan," available at <https://mfa.gov.az/en/content/112/socio-economic-consequences> (accessed: November 20, 2020).

47 Azernews, *Armenia carries out eco-terrorism against Azerbaijan*, October 23, 2020, available at <https://www.azernews.az/nation/171302.html> (accessed: December 19, 2020).

48 Shikhali, I., and Safarova, D., "Azerbaijan: Can a Water Reservoir Help Resolve the Karabakh Conflict?," *Eurasianet*, March 22, 2016, available at <https://eurasianet.org/azerbaijan-can-a-water-reservoir-help-resolve-the-karabakh-conflict> (accessed: December 19, 2020).

49 Marković, M. "Inhabitants of frontier regions of Azerbaijan are deliberately deprived of water," *Parliamentary Assembly of the Council of Europe*, December 12, 2015, available at <http://assembly.coe.int/nw/xml/XRef/Xref-XML2HTML-en.asp?fileid=22290> (accessed: December 23, 2020).

50 Parliamentary Assembly of the Council of Europe. "Inhabitants of frontier regions of Azerbaijan are deliberately deprived of water," Resolution 2085, January 26, 2016, available at <https://assembly.coe.int/nw/xml/XRef/Xref-XML2HTML-EN.asp?fileid=22429&lang=en> (accessed: December 25, 2020)

Armenia masterfully used and exploited the resources of the occupied lands for its own economic benefits.

Overexploitation of mineral and natural resources

Armenia masterfully used and exploited the resources of the occupied lands for its own economic benefits. Owing to the existence of 15 metallic and 51 non-metallic mines, including 155 deposits of precious minerals, metals, building materials as well as strategic metals such as gold, mercury, copper, and other natural resources, Armenia had quickly become one of the world's leading precious metal exporters through illegal exploitation of, particularly, mineral resources.⁵¹ According to reports for the year of 2019, the volume of the mining industry amounted to 47 billion drams (over US\$89 million).⁵² An International Crisis Group Report⁵³ notes that mining products extracted in the territories were transported to Armenia for sale. For instance, the recorded statistics for gold produced in Armenia between 1994 and 2012 reveal a sharp rise from 100 kg to between 3,000 and 4,000 kg.⁵⁴

Both Armenian and foreign companies were directly involved in the exploitation of the natural resources through supplying relevant technology and machinery. Base Metals, a subsidiary of Armenian Vallex Group, exploited the Gyzybulag and Demirli copper mines, causing their depletion. As a result of the excessive exploitation of the Gyzybulag mine near Heyvaly village in the formerly occupied Kalbajar district, the mine was depleted in 2012 after having 3 million tons (out of 3.2 million tons) extracted during its 10 years of illegal management.

Both Armenian and foreign companies were directly involved in the exploitation of the natural resources through supplying relevant technology and machinery.

Base Metals, which has come to be recognized as the single largest private employer and “taxpayer” for its illegal activities in the region (paying an average of \$8.3 million USD⁵⁵) has further exploited the Heyvaly (*Drmbon*) reserves since 2001 and quickly exhausted them through producing 20,000 tons of ore.⁵⁶ As a result, a bigger project was initiated

51 Baghirov, O. “Illegal Economic Activities in the Armenia occupied territories of Azerbaijan,” *Caucasus International Journal*, Vol 9 No, 1/2, 2019, pp. 27-36; *ibid*.

52 Hergnyan, S., “Fate of Artsakh’s Kashen Mine, a Major Taxpayer, Remains Unclear,” *Hetq*, December 11, 2020, available at <https://hetq.am/en/article/125270> (accessed: December 26, 2020).

53 International Crisis Group, “Improving Prospects for Peace after the Nagorno Karabakh War,” December 22, 2020, available at <https://www.crisisgroup.org/europe-central-asia/caucasus/nagorno-karabakh-conflict/b91-improving-prospects-peace-after-nagorno-karabakh-war> (accessed January 1, 2020).

54 NarcoKarabakh, *Where did all the gold go*, Chapter 19, available at <https://narcokarabakh.net/en/stories/ch19> (accessed: December 26, 2020).

55 Azatutyun, *New Mining Complex Inaugurated in Karabakh*, January 5, 2016, available at <https://www.azatutyun.am/a/27468929.html> (accessed: December 20, 2020).

56 Musayelian, L. “Armenian Mining Giant to Expand Karabakh Operations,” *Azatutyun*, March 20, 2012, available at <https://www.azatutyun.am/a/24522183.html> (accessed December 26, 2020).

at the Kashen deposit (containing an estimated 17 million tons of ore) where Vallex Group invested US\$130 million to build new facilities for its mining operations and employed 1,400 people.⁵⁷ Suren Karayan⁵⁸ (at the time Minister of Economic Development and Investment of Armenia) stated that Vallex Group paid more than US\$40 million into the government budget of Armenia in 2016. Between 2009 and 2017, Vallex Group declared US\$177.5 million in profits from the then-occupied territories' metal deposits. (Owing to such illegal activities Azerbaijan has already applied to Interpol.⁵⁹) Furthermore, since 2007, GPM Gold, a subsidiary of GeoProMining, has been extracting ore from Soyudlu gold mine (which has 155 tons of deposits) located in formerly occupied Kalbajar district.⁶⁰ Moreover, Gold Star Company, financed by Swiss Armenian businessman Vartan Sirmakes (who is also the co-founder of the Swiss luxury brand Frank Muller), has earned most of its profits from the exploitation of a gold mine near Vejnaly village in Zangilan district. Several other foreign companies, including Haik Watch, Jewelry Co, and Deccan Gold Mines Ltd, have for years operated in the formerly occupied territories, particularly in Shusha city, Lachyn, and Kalbajar districts.⁶¹

Indeed, an International Crisis Group⁶² report noted that a profitable scrap metal industry in the (formerly) occupied territories has been operated through “dismantling infrastructure, housing and other pre-war structures for the resale of metal, bricks and building materials”. The report goes on to say that such practices might “simply be termed as either robbery or the purposeful and irreversible dismantling of community structures to impede the return of pre-war inhabitants”.⁶³ Moreover, the irreversible dismantling has not been limited only to mass destruction but also includes extensive economic and transport

57 Asbarez, *New Mining Complex Inaugurated in Karabakh*, January 5, 2016, available at <https://asbarez.com/143995/new-mining-complex-inaugurated-in-karabakh/> (accessed December 20, 2020).

58 Miningsee, *\$700 million invested by Vallex Group in Armenia's mining industry over past two decades*, June 22, 2017, available at <https://www.miningsee.eu/700-million-invested-vallex-group-armenias-mining-industry-past-two-decades/>. (accessed: December 13, 2020).

59 Gafarli, T. “Unscrupulous profiteers of Armenia's Nagorno Karabakh occupation,” *Anadolu Ajansi*, November 12, 2020, available at <https://www.aa.com.tr/en/analysis/analysis-unscrupulous-profteers-of-armenia-s-nagorno-karabakh-occupation-/2041427> (accessed: December 15, 2020).

60 Ministry of Foreign Affairs of the Republic of Azerbaijan, “Report on the Illegal Economic and Other Activities in the Occupied Territories of Azerbaijan,” 2016 (accessed: November 16, 2020).

61 Apa, *Azerbaijan opens criminal case against foreign companies illegally operating in occupied territories*, March 4, 2017, available at https://apa.az/en/Nagorno%20Garabagh/xeber_azerbaijan_opens_criminal_over_illegal_a_-257039 (accessed December 14, 2020).

62 International Crisis Group., “Nagorno-Karabakh: Viewing the Conflict from the ground,” September 14, 2005, available at: <https://d2071andvip0wj.cloudfront.net/166-nagorno-karabakh-viewing-the-conflict-from-the-ground.pdf> (accessed: January 10, 2021) p. 14.

63 *Ibid.*, p.14.

infrastructure changes to serve the needs of Armenia, the Vardenis–Aghdere and Kapan–Hadrut highways being examples.

Moreover, exploiting natural resources through mining has not only brought easy profits to Armenia, but has also systematically supported an increase in the labour flow to the formerly occupied territories and has undoubtedly had long-term demographic effects. It was noted that due to the Aghdere (“Martakert”) mine alone, the total number of people employed in those territories rose from 41,000 in 2007 to 50,300 in 2014.⁶⁴ That is to say, illegal mining was indeed a motive for encouraging more settlement in the formerly occupied territories.

Moreover, exploiting natural resources through mining has not only brought easy profits to Armenia, but has also systematically supported an increase in the labour flow to the formerly occupied territories

Nevertheless, the importance of the exploitation of such deposits for Armenia came to the surface, particularly when tension arose around the Zod Gold Mine after the recent war. The Zod (in Armenian, Sotk) gold-ore field is located on the border between Azerbaijan and Armenia; both sides of the field were subjected to exploitation by Armenia until the end of the Second Karabakh War. Yet, according to the trilateral statement of November 10, the Armenians had to leave Kalbajar district and give up the Soyudlu-

Zod gold deposit (on the Azerbaijani side) containing around 112 tonnes of gold, which also left the Sotk field (Armenian side; the largest gold mine in Armenia) out of use.⁶⁵ Vahe Davtyan, an Armenian political analyst, explaining the gravity of giving up the Zod mine, said that, besides the fact that “GeoProMining Gold Company which manages the [Zod] mine, is one of the largest taxpayers in Armenia, [with its closure] the work of ‘Ararat’ gold recovery plant is called into question. At the same time, South Caucasian Railway is in danger of being paralyzed, more than 50% of the turnover of which is the transportation of ore from ‘Sotk’ to ‘Ararat’.”⁶⁶

Throughout the 28 years of occupation, the national resources of Azerbaijan, including nearly 280,000 hectares of forests (accounting

64 Asbarez, *New Mining Complex Inaugurated in Karabakh*, January 5, 2016, available at: <https://asbarez.com/143995/new-mining-complex-inaugurated-in-karabakh/> (accessed: December 20, 2020).

65 Zargaryan, R., “The Sotk gold mine is currently unoperational” (Translation from Armenian), *Azatutyun*, December 3, 2020, available at: <https://www.azatutyun.am/a/30982009.html>; Azertag, *War will cause serious damage to mining industry of Armenia*, October 19, 2020, available at https://azertag.az/en/xeber/War_will_cause_serious_damage_to_mining_industry_of_Armenia-1618247 (accessed: December 26, 2020).

66 JamNews, *Gold deposit on new Armenian-Azerbaijani border-whose mine is it?*, November 28, 2020, available at: <https://jam-news.net/sotk-gold-mine-struggle-for-mine-armenia-nagorno-karabakh-azerbaijan/> (accessed: December 27, 2020)

for 1/4 of the country's total forested area), two national parks and four national nature reserves, as well as 200 fossils, had also remained under Armenian control. More than 110,000 hectares of land were demolished as a result of fires between 2006 and 2016, posing threats to the unique flora and fauna of those areas.⁶⁷ In addition, those fires in Fuzuli and Jabrayil destroyed pasture covering 10,000 hectares, while 550 hectares of land were damaged in Tartar district⁶⁸ and 15 rare species destroyed in the Garachuka and Nargiztepe natural areas in the Khojavend district. In total, 21 endemic Azerbaijani species, along with hundreds of rare and endangered plants, were eradicated as a result of Armenian aggression.⁶⁹

Moreover, as a consequence of the overexploitation of mineral resources, a massive deforestation has also been recorded in the affected areas. For instance, 20–30 ha of forest had to be cut down for the Gyzybulag mine, while this figure reached 3–4 ha in the case of the Demirli open-pit copper mine.⁷⁰ In Kalbajar district, 968 hectares of *Corylus colurna*, included on the IUCN Red List, as well as 200 medicinal plants were shredded and sold abroad.⁷¹ Also, the state-protected Bashitchay State Reserve in Zangilan district and trees and shrubs in the Gulluce, Garvand, and Goytapa areas of Aghdam district were among the wreckage of Armenian aggression.⁷²

Destruction of cultural heritage

During the period of the Armenian occupation, the historical and religious heritage and cultural identity of Azerbaijan in the then-occupied territories were exposed to change or destruction. Even during the Second Karabakh War, 4 mosques and churches, 15 cemeteries, and more than 50 school buildings were damaged as a result of Armenia's disproportionate shelling of civilian settlements.⁷³ Among these

67 Ministry of Ecology and Natural Resources, "Damage posed to the environment and natural resources in the occupied territories of Azerbaijan" (translation from Azerbaijani), available at: http://eco.gov.az/frq-content/plugins/pages_v1/entry/20190823174831_88765600.pdf (accessed: January 11, 2021)

68 Mustafayeva, A., and Garayev, R., "Legal Aspects of Reparation for Damage Caused to Azerbaijan as a Result of Armenian Aggression," *IRS Heritage*, No. 14, 2013, pp. 51–61 (accessed: December 31, 2020)

69 Zerkalo, *Armyanskiye okkupanty unichtozhili 82 vida endemikov Kavkaza*, 19 October 2020, available at: <https://zerkalo.az/armyanskiye-okkupanty-unichtozhili-82-vida-endemikov-kavkaza/> (accessed: January 11, 2021)

70 Paremuzyan, L., "Base Metals Launches Second Mine in Artsakh; An Open-Pit Operation," *Hetq*, 3 July 2013, available at: <https://hetq.am/en/article/27846> (accessed: December 26, 2020)

71 *Ibid.*

72 *Ibid.*

73 *Apa, 4 mosques and churches, 15 cemeteries, more than 50 school buildings damaged as a result of Armenian provocation*, November 13, 2020, available at: https://apa.az/en/nagorno_garabagh/4-mosques-and-churches-15-cemeteries-more-than-50-school-buildings-damaged-as-a-result-of-Armenian-provocation-335437 (accessed: January 11, 2021)

damaged facilities are the 1887 Russian Orthodox Church “Alexander Nevsky”, the 14th century “Imamzadeh” Religious Complex, the Azerbaijan State Agrarian University, the Music College in Ganja city, as well as the Sheikh Baba mausoleum in Fuzuli district.⁷⁴

This figure increases significantly when cataloguing the entire 28-year duration of the occupation. Thus, 927 libraries housing 4.6 million books; 808 cultural centres; 85 music and art schools; and over 102,757 museum

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exhibits hosted in 22 museums, 4 state galleries, 4 theatres, 2 concert halls, 8 cultural and recreation parks were damaged, while famous Azerbaijani carpets, historical jewellery and sculptures, and memorial objects of famous Azerbaijani persons were looted by Armenia to sell abroad.⁷⁵ Also, a report published on November 12, 2020, encapsulated the evidence of Armenian aggression towards 2,645 historical-culturally significant buildings; 1,814 architecturally significant ones; 747 of archaeological significance; 64 garden and park monuments; and 376 paintings.⁷⁶

The multi-ethnic and multicultural features of Azerbaijan had allowed all artefacts of religious heritage to be represented in the Nagorno-Karabakh region and its surrounding districts, including, but not limited to, mosques, churches, monasteries, and temples—until 1992, when the territories were occupied by the Armenian Armed Forces. Essentially, Armenia’s policy of the purposeful removal of the cultural identity of the region has annihilated 63 mosques totally and 4 of them partially.⁷⁷ Importantly, religious sites were subjected to the “Persianization” of their architectural style, replacing key Azerbaijani-Muslim elements.⁷⁸

74 Trend, *Religious communities strongly condemn Armenia's missile attack on Azerbaijan's Ganja*, October 14, 2020, available at <https://en.trend.az/azerbaijan/politics/3316745.html>; Lmahammad, A., “Old Orthodox church in Ganja damaged in Armenian missile attack,” *Azernews*, October 13, 2020, available at: <https://www.azernews.az/aggression/170598.html>; Azertag, *Armenian vandalism against historical and religious monuments of Azerbaijan*, October 8, 2020, available at: https://azertag.az/en/xeber/Armenian_vandalism_against_historical_and_religious_monuments_of_Azerbaijan-1608221 (accessed: January 11, 2021)

75 Ministry of Culture of the Republic of Azerbaijan, “A briefing was held in the topic of the crimes Armenia conducted against the historical and cultural heritage” (translation from Azerbaijani), October 28, 2020, available at: <http://mct.gov.az/az/umumi-xeberler/13291>; Karabakh.org, *Damages to Azerbaijani culture as a result of Armenian occupation*, available at: <https://karabakh.org/conflict/aggression/damages-to-azerbaijani-culture-as-a-result-of-armenian-occupation/> (accessed: December 24, 2020).

76 Ali, S., “Report on destruction by Armenians of Azerbaijani historical, cultural monuments presented,” *Trend*, November 11, 2020, available at: <https://en.trend.az/azerbaijan/society/3333116.html> (accessed: December 24, 2020).

77 Azvision, *63 mosques destroyed in Nagorno-Karabakh and adjacent regions*, November 11, 2020, available at: <https://en.azvision.az/news/134762/-63-mosques-completely-destroyed-in-nagorno-karabakh-and-adjacent-regions-.html> (accessed: December 24, 2020).

78 AzStudies Collective, *Documenting destruction of Azerbaijani cultural heritage*, December 19, 2020, available

For instance, in Shusha town, a cultural centre of Azerbaijan, the Yukhari Govhar Agha Mosque was labelled with the sign “Persian Mosque”, while the town’s Mamavi mosque was engraved with the Armenian cross and writings in Arabic characters.⁷⁹

Azerbaijani President Ilham Aliyev’s visit to Aghdam (a formerly occupied district) on November 22, 2020, illuminated the level of destruction for the first time through the lenses of local and international media.⁸⁰ International journalists, including a well-known French photographer, Reza Deghati, described the district as the “Hiroshima of the 21st Century” after seeing the ruins.⁸¹ Among the acts of cultural terror are the vandalization of Aghdam’s Juma (Friday) Mosque by turning it into a pigsty and the destruction of the Bread Museum in Aghdam.⁸² Matthew Bryza, a former US ambassador to Azerbaijan, stated, “when I last visited the district of Agdam, no structure was intact ... [e]verything was taken, completely, by the Armenian side.”⁸³

Even during the destruction of Azerbaijan’s cultural heritage in the formerly occupied territories, Armenia was advertising the Nagorno-Karabakh region of Azerbaijan as a “tourist destination” and organizing illegal tourist visits to propagate its subordinate separatist regime. In this regard, international agencies were recruited to encourage foreign nationals to travel to the region.⁸⁴

at: <https://azstudies-editor.medium.com/documenting-destruction-of-azerbaijani-cultural-heritage-16cff8f3648b> (accessed: December 27, 2020).

79 Ministry of Foreign Affairs of the Republic of Azerbaijan, “Damage to cultural heritage,” available at: <https://mfa.gov.az/en/content/114/damage-to-cultural-heritage>; *ibid.* (accessed: December 27, 2020).

80 “Azerbaijan: Aghdam buildings in ruins following the withdrawal of Armenian troops,” Ruptly, Youtube video, November 22, 2020, available at: <https://www.youtube.com/watch?v=B-rcnc8IHNM> (accessed: December 27, 2020).

81 Deghati, R., “#Agdam, the Hiroshima of 21 century I found that statue almost one kilometre from where it used to stand in front of the city Theatre. I could not find his head. Find more about following me on Instagram an Facebook #Azerbaijan #Agdam #Karabakh,” Twitter, December 7, 2020, 2:02 am., available at: <https://twitter.com/rezaphotography/status/1335706304854241284> (accessed: December 27, 2020).

82 Rehimov, R., “Mosque turned into pigsty under Armenia’s occupation,” *Anadolu Agency*, October 22, 2020, available at: <https://www.aa.com.tr/en/azerbaijan-front-line/mosque-turned-into-pigsty-under-armenias-occupation/2015903> (accessed: December 27, 2020).

83 Synovitz, R., “Analysis: Nagorno-Karabakh War Transforms the Legacy of Azerbaijani President Aliyev,” *Radio Free Europe/Radio Liberty*, December 17, 2020, available at: <https://www.rferl.org/a/nagorno-karabakh-legacy-azerbaijani-president-aliyev/31006302.html> (accessed: December 27, 2020).

84 Arka News Agency, *Armenia and Artsakh participate at TTG Incontri tourism exhibition*, October 10, 2014, available at http://arka.am/en/news/tourism/armenia_and_artsakh_participate_at_ttg_incontri_tourism_exhibition/; Armen Press, *‘Artsakh’ presented at Paris international tourism expo in separate pavilion*, October 1, 2014, available at: <https://armenpress.am/eng/news/778416/artsakh-presented-at-paris-international-tourism-expo-in-separate-pavilion.html>; Hetq, *Armenia and Artsakh To Be Represented at World Travel Market 2013*, November 4, 2013, available at: <https://hetq.am/en/article/30454> (accessed: December 14, 2020).

Financial aspects of the damage

In order to assess the damage caused to Azerbaijan, various relevant methods can be applied. According to the methodology of the World Bank, the calculation of the damage is conducted according to four aspects: (1) damage to property and infrastructure, (2) damage as a result of human loss and living an IDP life, (3) damage created with economic results, and (4) damage to human development.⁸⁵ Another procedure for identifying the amount of damage involves two steps: (1) evaluating direct losses with a special emphasis on the destroyed infrastructure; (2) identifying collateral damage, focusing on lost opportunities and ancillary benefits.⁸⁶ Based on the identification of the total amount of damage, Armenia will be held accountable before the international courts for paying compensation.⁸⁷ In this regard, the European Court of Human Rights, the 1950 “European Convention for the Protection of Human Rights and Freedoms”, and the Geneva Conventions can provide legal ground for suing Armenia.⁸⁸

In 2018, estimates from a preliminary forensic examination carried out to determine the amount of material damage amounted to US\$818.88 billion.⁸⁹ Although the official estimate of the total damage to date is yet to be released, according to various initial estimates from Azerbaijan, the amount of compensation Armenia will have to pay for damage amounts to between US\$1.2 and US\$1.3 trillion; each formerly occupied region suffered nearly US\$6–8 billion worth of damage.⁹⁰ Gevorg Kostanyan, a former prosecutor general of Armenia, said that European lawyers have

85 Vahid, F., “Procedure for calculating damage caused to Azerbaijan as a result of Armenian occupation promulgated,” *Apa.az*, November 27, 2020, available at: https://apa.az/en/nagorno_garabagh/Procedure-for-calculating-damage-caused-to-Azerbaijan-as-a-result-of-Armenian-occupation-promulgated-336438.

86 Azertag, *Vusal Gasimli: Armenia will be held responsible under international law*, November 11, 2020, available at: https://azertag.az/en/xeber/Vusal_Gasimli_Armenia_will_be_held_responsible_under_international_law-1640871 (accessed: December 13, 2020).

87 Turan, *Armenians to Pay Compensation for Damage to Occupied Regions – İlham Aliyev*, November 17, 2020, available at: <https://www.turan.az/ext/news/2020/11/free/politics%20news/en/129963.htm>; President.az, *İlham Aliyev addressed the nation*, Events, December 1, 2020, available at <https://en.president.az/articles/48205> (accessed: December 14, 2020).

88 Huseynov, V., “Azerbaijan Demands Compensation From Armenia for Destruction of Previously Occupied Territories,” *The Jamestown Foundation*, Vol. 17, Issue 177, December 14, 2020, available at: <https://jamestown.org/program/azerbaijan-demands-compensation-from-armenia-for-destruction-of-previously-occupied-territories/>. (accessed: December 15, 2020).

89 Apa, *Azerbaijan’s damage from Armenian occupation surpasses \$818 billion*, March 14, 2018, available at: https://apa.az/en/nagorno_garabagh/xeber_azerbaijan___s_damage_from_armenian_occupa_-272480 (accessed: January 11, 2021).

90 Isabalayeva, I., “The amount of damage Armenia caused to Azerbaijan may be close to US\$1.3 trillion - Expert” (translation from Azerbaijani), *Trend*, November 18, 2020, available at: <https://az.trend.az/business/3336339.html>; Apa, *Posol Azerbaydzhana v Moldove: Provoditsya rabota po obespecheniyu vyplaty usherba, prichinnogo nashey strane Armeniyey*, November 25, 2020, available at: <https://apa.az/ru/vnesnyaya-politika-azerbaydjana/Posol-Azerbaydzhana-v-Moldove-Provoditsya-rabota-po-obespecheniyu-vyplaty-usherba-prichinnogo-nashey-strane-Armeniej-430259> (both sources accessed: January 11, 2021).

calculated the value of damage at above \$50 billion USD.⁹¹ Notably, the calculation made by one foreign expert is close to that of his Azerbaijani counterparts at US\$1.1 trillion.⁹²

The settlement of foreign nationals of Armenian origin in the formerly occupied territories at the expense of expelling around 750,000 indigenous Azerbaijani people has caused Azerbaijan to allocate a significant amount of finance to ensure the social welfare of IDPs since 1993. According to data received from the State Committee for Affairs of Refugees and Internally Displaced Persons of Azerbaijan, between 1993 and 2018, 7.1 billion manat (over US\$4 billion) were allocated for the improvement of living conditions of IDPs.⁹³ Furthermore, 111 state-of-the-art multi-story residential complexes were built to accommodate more than 60,000 families (over 300,000 people) in 30 cities and districts of Azerbaijan by May 2020.⁹⁴ Also, as of the first quarter of 2019, 496,436 IDPs were provided with a single monthly allowance.⁹⁵

The economy of Azerbaijan was also deprived of benefit from the rich agricultural resources of the formerly occupied territories. Given that agriculture in the Azerbaijani territories (excluding the formerly occupied territories) contributed 5.72% of Azerbaijan's GDP in 2019, the intermountain and foothill plains and plateaus suitable for agriculture in the liberated territories will enable grain-growing, fodder production, viticulture, and tobacco, potato, and cotton growing, as well as dairy and meat production.⁹⁶ Moreover, the destruction of irrigation systems during

The settlement of foreign nationals of Armenian origin in the formerly occupied territories at the expense of expelling around 750,000 indigenous Azerbaijani people has caused Azerbaijan to allocate a significant amount of finance to ensure the social welfare of IDPs since 1993.

91 News, *Gevork Kostanyan: Po etomu dokumentu na Armeniyu nalozheno obyazatelstvo v razmere boleye chem na 50 mlrd. Dollarov*, November 12, 2020, available at: <https://news.am/rus/news/612951.html> (accessed: January 11, 2021).

92 Apa, *The discussion on the methodology and initial assessment of the damage caused by Armenian occupation to Azerbaijan was conducted at the UNEC* (translation from Azerbaijani), November 16, 2020, available at: https://apa.az/az/sosial_xeberler/UNEC-d-Ermnistan-iscalinin-Azrbaycana-vurdugu-zrrin-metodologiyasi-v-ilkin-qymtIldirmsi-il-bagli-muzakir-aparilib-615426 (accessed: January 11, 2021).

93 State Committee for Affairs of Refugees and Internally Displaced Persons of the Republic of Azerbaijan, "IDPs: State Care: President," available at: <http://idp.gov.az/en/care//parent/21> (accessed: December 29, 2020).

94 MehribanAliyeva.az, *President Ilham Aliyev and First Lady Mehriban Aliyeva attend the inauguration of the residential complex Gobu Park-3 developed for IDP families*, May 28, 2020, available at: <https://mehriban-aliyeva.az/en/news/node/848371> (accessed: December 29, 2020).

95 Permanent Mission of the Republic of Azerbaijan to the UN Office and other International Organizations, Ref: 0861/12/19/20, "Azerbaijani government builds residential complexes for IDPs," November 25, 2019, available at: <https://www.ohchr.org/Documents/Issues/Housing/Azerbaijan.pdf> (accessed: December 29, 2020).

96 Plecher, H., "Azerbaijan: Share of economic sectors in the gross domestic product (GDP) from 2009 to 2019," *Statista*, November 18, 2020, available at: <https://www.statista.com/statistics/457577/share-of-economic-sectors-in-the-gdp-in-;Ibid>.

the First Karabakh War caused losses to five adjacent districts through the absence of irrigation and loss of revenues amounting to US\$53.5 billion of financial damage.⁹⁷ Armenia inflicted on Azerbaijan damage valued at US\$4.4 billion through appropriation of the mineral waters of Kalbajar district⁹⁸ and US\$265.3 billion in environmental damage due to the exploitation of natural resources and the destruction of the flora and fauna system.⁹⁹ Lastly, the value of the general damage to cultural objects amounts to roughly US\$6.71 billion.¹⁰⁰

Furthermore, Armenian companies' involvement in the illicit exploitation of the mineral and natural resources of Azerbaijan is an act of robbery; hence the private gains of entities could be assessed as financial damage. The Prosecutor General's Office of Azerbaijan issued criminal proceedings against Base Metals CJSC owing to its illegitimate profits (between 2009 and 2017) to a total of 301.9 million manat (nearly US\$177.5 million) in Vejnaly village of Azerbaijan's Zangilan district.¹⁰¹

Legal aspects of Armenia's activities in the formerly occupied territories of Azerbaijan

Firstly, Armenia's policy of artificially changing the demographics of the formerly occupied territories constitutes a flagrant breach of international humanitarian law, notably the Geneva Conventions (1949); Article 85(4) (a) of Additional Protocol I to the Geneva Conventions; the Fourth Geneva Convention for the Protection of Civilian Persons in Time of War (1949); Principle VI of the Nuremberg Principles (1950); and Article 8(2) (b)(8) of the Rome Statute of the International Criminal Court (1998).¹⁰²

Secondly, several international documents, including Article 5 of the International Convention against the Recruitment, Use, Financing and Training of Mercenaries (1989) prohibit and condemn the recruitment

97 Baghirov, O., "Economic Impact of the Nagorno-Karabakh Conflict," *International Policy Digest*, April 12, 2017, available at: <https://intpolicydigest.org/2017/04/12/economic-impact-of-the-nagorno-karabakh-conflict/> (accessed December 29, 2020).

98 Isabalayeva, I., "Azerbaijan discloses amount of damage caused by Armenia by exporting its mineral water," *Trend*, December 22, 2020, available at: <https://en.trend.az/azerbaijan/business/3353890.html#:~:text=The%20Armenians%20caused%20damage%20to,22>.

99 Azertag, *Azerbaijan suffered \$265 billion environmental damage as a result of Armenian aggression*, February 11, 2016, available at: https://azertag.az/en/xeber/Azerbaijan_suffered_265_billion_environmental_damage_as_a_result_of_Armenian_aggression-926394.

100 Ministry of Culture, "Brief Information on Material and Moral Damage Caused to Azerbaijan Culture as a Result of the Armenia-Azerbaijan Conflict", Azerbaijan, available at: <https://azerbaijan.az/en/related-information/127> (accessed January 11, 2021).

101 Trend, *Persons illegally exploiting gold deposits in Karabakh put on int'l wanted list*, November 2, 2020, available at: <https://en.trend.az/azerbaijan/politics/3327837.html> (accessed December 29, 2020).

102 Ibid.

of foreign nationals to the territories of another sovereign country for military purposes.¹⁰³ Furthermore, UNSC Resolution 2396 (2017) calls on Member States to take appropriate actions regarding suspected terrorists and their accompanying family members including by considering appropriate prosecution, rehabilitation, and reintegration measures; while another UNSC Resolution—2462 (2019)—encapsulates a demand to all States to prevent and suppress the financing of terrorist acts or providing any form of support to those involved in them.¹⁰⁴

Thirdly, there are some international documents identifying legal implications for the mismanagement of water installations and pollution of the resources. Pursuant to Principle I of the Dublin Statement (1992), effective water management should involve a holistic approach, linking the land and water uses across the whole of a catchment area or groundwater aquifer, while Principle IV reasserts the basic right of all human beings to have access to clean water and sanitation.¹⁰⁵ Furthermore, Armenia's refusal to participate in the preparation of the PACE report on the Sarsang reservoir could be evaluated in accordance with the Protocol on Strategic Environmental Assessment to the Convention on Environmental Impact Assessment in a Transboundary Context (1991), which asserts that parties to the protocol are responsible for the provision of reports on the scrutinization of the environmental, including health, effects of various activities.¹⁰⁶

Fourthly, illegitimate activities against the cultural heritage of Azerbaijan represent a violation of international humanitarian law, in particular the Hague Convention for the Protection of Cultural Property in the Event of Armed Conflict (1954) and the UNESCO Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property (1970).¹⁰⁷ To authenticate the cultural erosion conducted in the occupied territories, Azerbaijan invited UNESCO to send missions to the occupied territories in 2008 and

103 United Nations, "International Convention Against the Recruitment, Use, Financing, and Training of Mercenaries," December 4, 1989, available at: https://treaties.un.org/doc/Treaties/1989/12/19891204%2008-54%20AM/Ch_XVIII_6p.pdf (accessed: January 11, 2021).

104 United Nations, "United Nations Security Council Resolution 2396 (2017)," December 21, 2017, available at: <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N17/460/25/PDF/N1746025.pdf?OpenElement>; United Nations, "United Nations Security Council Resolution 2462 (2019)," March 28, 2019, available at: <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N19/090/16/PDF/N1909016.pdf?OpenElement> (accessed: January 11, 2021).

105 UN Documents, "The Dublin Statement on Water and Sustainable Development," International Conference on Water and the Environment, January 31, 1992, available at: <http://www.un-documents.net/h2o-dub.htm> (accessed: December 25, 2020).

106 The United Nations Economic Commission for Europe, "Protocol on Strategic Environmental Assessment to the Convention on Environmental Impact Assessment in a Transboundary Context," available at: <https://unece.org/fileadmin/DAM/env/cia/documents/legaltexts/protocolenglish.pdf> (accessed December 26, 2020).

107 *Ibid.*

2015; nevertheless, all the requests failed to be implemented owing to Armenia's efforts in preventing this mission.¹⁰⁸

Conclusion

During the 28 years of occupation, Armenia has consolidated its control in the occupied territories through facilitating various illegal activities that can be described within three rationales: political, economic, and military. Concerning political aspirations, the Armenian government had fallen into an illusion that the repopulation of those territories could serve the promotion of annexationism through the artificial change of the demographics of the then-occupied districts and erasure of the Azerbaijani cultural identity of the region. Also, purposeful illegal resettlement incentives tried to change the “on-the ground reality” to gain an advantage at the diplomatic table while Armenia continued to imitate negotiating for a peaceful solution.

Economic interests were realized through ensuring a contribution to the economy of Armenia from the rich resources of the territories. Armenia has supplied itself with sufficient resources, such as food and electricity, through the cultivation of land and construction of hydropower plants to exploit water resources. Moreover, the extraction of natural resources, particularly gold, copper, and precious stones, as well as illicit drug trafficking and narcotic substance cultivation, have brought enormous financial benefit to the country.

Lastly, the recent war uncovered the military motive behind the illegitimate actions of Armenia, which was the transfer of foreign terrorist fighters and mercenaries from Middle East countries as well as Greece, France, Russia, the United States, and Georgia to the conflict zone.

The liberation of the occupied territories attached a new item to the agenda of future negotiations between two countries: that is, concerning the damage instigated by Armenia and the associated possible compensation, unofficially estimated at between US\$50 billion and US\$1.3 trillion. Yet, although the level of impairment has sometimes been visible through concrete evidence, an on-the-spot investigation is necessary to illustrate the exact amount of overall damage. Nevertheless, the reality is that profiting from all these illegal activities for years has now come back to hit COVID affected and war-torn Armenian economy.

108 Apa, Hikmat Hajiyev: *Protection of cultural heritage is a universal obligation and should not be used by UNESCO for political purposes*, December 28, 2020, available at: https://apa.az/en/nagorno_garabagh/Hikmat-Hajiyev-Protection-of-cultural-heritage-is-a-universal-obligation-and-should-not-be-used-by-UNESCO-for-political-purposes-339036 (accessed: December 27, 2020).