

# EU-Azerbaijan Relations in Transition

## From Tension to Pragmatic Partnership

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The relationship between the EU and Azerbaijan has grown more complicated and occasionally inconsistent in recent years. The EU has been actively engaged in relations with Azerbaijan, particularly following the Second Karabakh War, focusing on initiatives supporting peace efforts. In the aftermath of that war, several initiatives and engagements signaled that Brussels wants to use the Armenia-Azerbaijan peace process as a focal point for its South Caucasus agenda.

Although the EU did not play any role in the resolution and mediation process of the conflict over Karabakh before the war, its most senior officeholder (Charles Michel, President of the Council of the European Union) subsequently attempted to counter what many Western officials and analysts interpreted as a Russian monopoly in the Armenia-Azerbaijan peace process.

At the same time, Azerbaijan's role as a significant energy supplier strengthened its ties with the EU following the start of the 2022 Russia-Ukraine war. Vacillations in political relations and recurrent disagreements over democratic governance and human rights issues, however, stand in stark contrast to this expanding energy cooperation.

Although developments in the wake of Azerbaijan's anti-terror operations in Karabakh in September 2023 did produce a downturn in Azerbaijan-EU relations, they do not appear to indicate a lasting breakdown in ties. Over the past two decades, this relationship has been defined by firm, reciprocal negotiations rather than being dictated solely by the EU's agenda. Azerbaijan remains open to close cooperation with the EU but insists on a

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partnership grounded in mutual respect for its sovereignty and national interests. This approach, which sees no need for a normative component, has been strengthened by Azerbaijan's growing influence in energy and regional geopolitics, allowing it to resist unilateral moves by the EU and assert a more equal footing in the relationship.

In recent months, EU-Azerbaijan ties have seen a pragmatic shift upward, despite long-standing tensions. Baku is becoming more actively involved in projects in the EU, political engagement is restarting, peace and demining operations are being backed, and energy cooperation is growing.

This IDD Analytical Policy Brief will analyze recent developments in EU-Azerbaijan relations and their possible consequences, opportunities, and prospects for further rapprochement in the time ahead.

## *Background and State of Play*

The European Parliament made a choice to condemn Azerbaijan's anti-terrorist operation in Karabakh a few weeks after its successful conclusion. This EU body labeled it a violation of international law and characterized the voluntary departure of Karabakh Armenians as "ethnic cleansing." MEPs called for targeted sanctions against Azerbaijani officials responsible for ceasefire violations and human rights abuses, urged the suspension of EU partnership negotiations and the July 2022 Strategic Energy Partnership between Baku and Brussels, and demanded a full review of EU-Azerbaijan relations. They also criticized Türkiye's support for Azerbaijan, warned against Azerbaijani incursions into Armenia, and advocated reducing the EU's dependency on Azerbaijani energy imports, including a potential ban if hostilities escalate.

Furthermore, the Parliamentary Assembly of the Council of Europe (PACE) declined to certify the Azerbaijani delegation's credentials on 25 January 2024—again, this was in the wake of Azerbaijan's anti-terrorist operation on its own territory. The Azerbaijani delegation responded by declaring that it would no longer participate in PACE sessions or any other form of collaboration going forward. Baku reacted strongly to the hostile attitude of some EU member states and EU institutions toward Azerbaijan. "Baku will examine its membership in the Council of Europe and the ECHR if the PACE does not restore the rights of the Azerbaijani delegation," [said](#) President Ilham Aliyev. The French foreign minister even accused Azerbaijan of meddling in Overseas France (remnants of the French colonial empire) amid current tensions.

The European Parliament's biased resolutions, along with remarks by EU High Representative for Foreign Affairs and Security Policy Josep Borrell, deepened tensions with Azerbaijan. While the EU quickly provided financial support to Armenia for military development through the European Peace Facility and for infrastructure improvements in the wake of the Second Karabakh War, it failed to sufficiently acknowledge or assist with

Azerbaijan's significant challenges in rebuilding areas devastated and heavily mined—an estimated 1.5 million landmines—during the decades of Armenian occupation.

Another source of tension between the EU and Azerbaijan has been the deployment of successive EU “monitoring missions,” beginning in early 2023, in Armenia—mostly along its border with Azerbaijan. In January 2025, at the instigation of Kaja Kallas (Borrell's successor as EU High Representative), the EU Council extended the mandate of the current mission for another two years, with increased funding and a larger number of personnel.

Azerbaijani President Ilham Aliyev has several times accused the mission of causing distrust in Azerbaijan-EU relations. “In October 2022, during the Prague meeting, Azerbaijan agreed to allow this mission to stay for two months and to be composed of a limited number of retired military officers. However, when the mission's mandate was extended, no one consulted us. Now, discussions are underway about extending it even further. The behavior of the mission members—what you might call ‘binocular diplomacy’—was completely unacceptable and fell far outside any standard of normal political conduct. We will raise this issue in our contacts with the European Union,” Aliyev [stated](#) while receiving the credentials of the newly appointed Belgian ambassador in October 2024. He has also referred to the mission as developing into a “NATO mission,” highlighting Canada's participation (which is, obviously, not an EU member state, although it is a NATO member state, as are most of the EU member states that have deployed personnel to this EU mission) and portraying it as a roadblock to the peace process. With a similar mission operating in Georgia, Azerbaijan views the EUMA's presence as progressively depicting it as an aggressor (as it does Russia, in the context of its Georgian mission).

In July 2024, the EU Council adopted the first-ever assistance measure in support of the Armenian Armed Forces through the European Peace Facility (EPF) to send military aid to Armenia, which Azerbaijan has repeatedly criticized. Baku saw this action as biased and a betrayal of the EU's impartial mediation position in the South Caucasus. Azerbaijani officials warned that the EU may be contributing to regional instability rather than promoting peace by strengthening Armenia's military capacity. They also pointed out that while the EU is financing Armenia's defense and resilience efforts, it has largely overlooked Azerbaijan's post-conflict reconstruction needs—particularly the massive challenges of clearing over a million landmines and rebuilding devastated territories. Azerbaijan argued that this imbalance not only fuels hostility but also undermines the fragile prospects for sustainable peace and regional cooperation. Unsurprisingly, the EU's role in the Armenia-Azerbaijan peace process is now insignificant.

Another important development was the EU's intention to contribute €10 million to mobilize for the International Centre of Excellence and Training for Mine Action for 2024-2025, which, with that EU support for demining operations in Azerbaijan, will

reach a total of approximately €23 million. With this, the EU will be contributing to safe access for communities in Karabakh to natural resources and creating the conditions for displaced people to return to their homes in safety and dignity.

Even though the series of developments has caused growing tension between Brussels and Baku, in a bid to recalibrate its approach and re-engage with Azerbaijan, the European Union and its member states initiated a series of high-level diplomatic visits to Baku starting in April 2025, signaling a renewed effort to maintain dialogue and cooperation amid rising geopolitical sensitivities in the South Caucasus.

On 1 April 2025, German President Frank-Walter Steinmeier paid a key diplomatic visit to Baku. During his visit, Steinmeier reaffirmed his country's support for Azerbaijan's territorial integrity and acknowledged all the liberated territories as belonging to Azerbaijan. During a news briefing with Aliyev in Baku, Steinmeier [mentioned](#), "If you look at the policies of German governments in recent years, you will probably see that there has been a very balanced attitude towards both Armenia and Azerbaijan [...] We know and recognize that the Karabakh region is the territory of Azerbaijan." During the meeting, Steinmeier also pointed out the importance of cooperation with Azerbaijan. He [stated](#), "Your country plays a critical role in our trade relations, not just with Central Asia, but also with the Far East, Southwest Asia, and China. The existing trade routes are currently limited, but the role of the Central Corridor passing through Azerbaijan is crucial for the German economy. This presents a promising prospect for both countries."

Shortly thereafter, on 4 April 2025, EU Commissioner for Energy and Housing Dan Jorgensen visited Baku, taking part in the annual ministerial meetings of the Southern Gas Corridor Advisory Council and the Green Energy Advisory Council.

Finally, on 25 April 2025, Kallas visited Baku. During her stay, she held bilateral talks with Aliyev and the country's foreign minister. During her meeting with Aliyev, Kallas reaffirmed the EU's strong commitment to deepening ties with Azerbaijan and acknowledged Baku's vital role as a strategic partner in strengthening Europe's energy security. The meeting seemed to shed light on Azerbaijan's future role as a growing gas supplier to the EU. Earlier in that month, Aliyev had criticized the EU for delaying the enlargement of the Southern Gas Corridor, which is needed to accommodate Azerbaijan's planned increase in gas exports to the EU, in accordance with the terms of the July 2022 document mentioned above.

Kallas also emphasized the importance of Azerbaijan's geopolitical location, which makes it a key player in the region. This candid acknowledgement of Azerbaijan's significance marks a shift in the European Union's stance, demonstrating a more constructive attitude that contrasts with the posture adopted by her predecessor, Borrell.

More recently, on 18 September 2025, The EU's Commissioner for Enlargement Marta Kos paid an official visit to Azerbaijan. The discussions focused on the ongoing cooperation agenda between Azerbaijan and the EU, as well as the prospects for broadening bilateral relations. Both sides emphasized the value of high-level contacts in deepening ties, especially at a time when there are considerable opportunities for partnership. Energy security, transport connectivity, and renewable energy development were also highlighted as priority areas for cooperation.

## What's Next?

The outcome of the Kallas visit may signify a turning point in EU-Azerbaijan relations, reflecting the European Union's increasing recognition of Azerbaijan's strategic significance and a clear intent to restore ties following a period of tension.

The previous slowdown in relations was driven by several factors, including critical resolutions adopted by the European Parliament, statements made by Kallas's predecessor that were taken unfavorably by Baku, the EU's unilateral provision of military aid to Armenia, and actions related to the EU's monitoring mission in Armenia along the Azerbaijani border. Notably, the agreed text of the peace treaty between Armenia and Azerbaijan contains a clause prohibiting the deployment of third-party military forces along the provisional border, making the latter issue particularly sensitive. Despite all these political tensions, the EU has been Azerbaijan's largest trading partner, representing roughly 53 percent of its total foreign trade.

Despite all these developments, it is unlikely that the EU will be able to play a significant security role in the region, given the absence of a clear strategy of the EU and existing divisions in the approaches of its member states regarding the South Caucasus. The issue at hand is the EU's ability to establish a coherent strategic posture for engagement with Azerbaijan. Bilateral and regional cooperation among these three countries should be prioritized to set an acceptable and clear agenda.

There was a reasonable chance for the EU's influence in the South Caucasus to expand and partially fill the vacuum resulting from Russia's preoccupation with the conflict over Ukraine and America's disengagement with the region; however, the EU has been unable to fill this vacuum.

That is why the EU-Azerbaijan relationship is expected to be defined less by geopolitical alignment and more by growing geoeconomic interdependence, particularly in energy and connectivity. As both a crucial supplier of non-Russian oil and gas and a pivotal hub along the Middle Corridor, Azerbaijan has become central to the EU's strategic reorientation. This partnership highlights a pragmatic shift in EU external policy—placing greater emphasis on dependable partners than on formal integration frameworks or normative considerations.

This is particularly the case in the context of connectivity. Azerbaijan represents the only viable, unsanctioned-by-the-EU overland link between the EU, China, and Central Asia—a role that may become even more significant. Central Asia is becoming increasingly important to the EU as a source of raw materials, labor, and a growing market. However, access to the region is only possible via Azerbaijan.

It is worth mentioning that in the first half of this year, Azerbaijan's exports to EU countries increased by 24.2 percent. This represents the political and economic dimension of a broader process of mending ties, which began to take shape in spring 2025.

One way for each side to demonstrate its good intentions to the other would be to renew work on finalizing the new Azerbaijan-EU framework agreement (i.e., the one that should replace the existing and, in many parts, outdated Partnership and Cooperation Agreement, which came into force in 1999). There are certainly other ways forward, as well.