

Tackling Azerbaijan's IDP Burden

I. OVERVIEW

Azerbaijan has made significant progress in recent years in caring for roughly 600,000 internally displaced persons (IDPs) who were forcibly evicted from Nagorno-Karabakh and seven surrounding districts by ethnic Armenian forces nearly two decades ago. Though many still face precarious existences, the state has been investing heavily in new housing and increasing benefits. But while some IDPs have fully integrated, many more are still in limbo. The government and most of the displaced favour return to their original homes. That the stalled peace process with Armenia means this is not an immediate prospect should not preclude IDPs from being full participants in Azerbaijan's political and economic life. Yet, their unresolved fate is one of the main reminders of the conflict – and, without a peaceful settlement, puts pressure on the Azerbaijan leadership to prepare for the possibility of a new war.

2011 was a lost year for the peace process, as seven years of talks on a Basic Principles agreement meant to lay the foundation for an eventual comprehensive peace deadlocked. Baku and Yerevan are in the midst of a major arms race and exchange increasingly militaristic statements, while sporadic clashes along the front lines kill about 30 persons annually. Beyond some possible confidence-building measures (CBMs), there is little likelihood of progress for the coming year, with Armenia, Azerbaijan and the OSCE Minsk Group co-chair countries (France, Russia, U.S.) all entering electoral cycles. Earlier Crisis Group reports have explored the threat of resumed fighting and suggested ways to move toward resolution of the conflict. A forthcoming report will again analyse the diplomatic and security situation. This briefing, however, concentrates on a too often ignored human consequence of the crisis.

The Azerbaijan government has begun to expend significantly more resources to improve the lot of the displaced, who are 7 per cent of the total population – one of the highest rates in the world. 108,000 were moved into new housing over the past two years, with space for 115,000 more slated to be constructed by 2015. Some complain, however, of poor construction and infrastructure, lack of community participation in planning and limited access to land or job opportunities in the new communities, all areas that need additional attention and improvement.

Azerbaijan's IDPs benefit from free or low-cost education, health care and energy and have some special employment opportunities, though their ability to express their interests is limited by inability to elect municipal representatives. The some 40,000 from Nagorno-Karabakh are in principle represented as a group by the Azerbaijani Community of Nagorno-Karabakh Social Union, but its leadership is not fully popularly elected, and the 560,000 displaced from the occupied districts around Nagorno-Karabakh are not well represented. The political voice of IDPs thus remains weak. They should be more effectively integrated into decision-making about housing, services, and other community needs, as well as contingency planning for emergencies and confidence-building measures (CBMs).

This briefing includes a section on conditions for those approximately 128,000 IDPs and permanent residents living in close proximity to the 180km-long line of contact (LoC) that marks the 1994 ceasefire between the opposing forces. It does not address the plight of the Armenian refugees from Azerbaijan and vice versa who fled the initial violence in the late 1980s, as the overwhelming majority of them have been largely integrated into their respective new countries. Regular exchange of fire between trenches, snipers, mines and a lingering threat of renewed full-scale hostilities make living conditions near the LoC particularly precarious. A small (six-person) monitoring team from the Organisation for Security and Cooperation in Europe (OSCE) has virtually no resources, meaning it provides inadequate oversight and inspires little confidence among the contending sides or civilians.

To facilitate greater IDP engagement in policies relevant to their lives, the Azerbaijan government should:

- ❑ increase transparency; involve IDPs as much as possible in housing decisions; and streamline processes for reporting incidents of corruption or violations of state law regarding IDP issues; and
- ❑ allow IDPs, while their villages and towns remain occupied, to vote for municipal councils in their places of temporary residence.

To protect IDPs and other civilians along the LoC, the Azerbaijan authorities should:

- ❑ agree with the Armenian government and the de facto authorities in Nagorno-Karabakh to an expanded interim OSCE monitoring role, to an OSCE proposal to remove snipers from the LoC and to set up an incident investigation mechanism, as well as to immediately cease military exercises near the LoC and advancing trench positions; and
- ❑ create an inter-ministerial task force, including the National Agency for Mine Action (ANAMA), to design a strategy to increase the safety of communities near the LoC, including more civil defence training, while refraining from resettling additional IDPs there.

The international community, in particular the co-chairs of the Minsk Group (France, Russia, U.S.) facilitating efforts to reach a comprehensive peace, should:

- ❑ facilitate the creation of an incident investigation mechanism, including the operation of a hotline between the sides to discuss ceasefire breaches, and otherwise protect the civilian population living near the LoC; and
- ❑ develop more on-the-ground CBMs to create an atmosphere of trust, including promoting civil society meetings between the ethnic Armenian population of Nagorno-Karabakh and the ethnic Azeri population expelled from Nagorno-Karabakh and the occupied territories.

II. DISPLACEMENT AND OCCUPATION

The conflict over Nagorno-Karabakh displaced about 1.5 million Azeris and Armenians between 1988 and 1994, fundamentally transforming the demography of the South Caucasus and converting Azerbaijan and Armenia, which had been highly mixed societies into largely mono-ethnic states. A generation on, displacement and occupation continue to mar regional development and security. Lack of sustainable solutions – resettlement, integration or return – especially for the approximate 600,000 Azeris from Nagorno-Karabakh and the surrounding seven occupied districts is an important reason why a negotiated settlement is essential if eventual resumption of all-out war is to be avoided.¹

¹ The conflict and subsequent displacement were caused by disagreement over whether Nagorno-Karabakh should be part of Armenia or Azerbaijan, though the region is internationally recognised as the latter's sovereign territory. Disputes over Nagorno-Karabakh started in 1918, when Armenia and Azerbaijan became independent from the Russian Empire. In 1921, Soviet rule was implemented in the entire Caucasus, and predominantly Armenian-populated Nagorno-Karabakh received autonomous oblast status within the Azerbaijani Soviet Socialist Republic (SSR). The conflict resurfaced in February 1988, after the Na-

During the first wave of inter-ethnic clashes between Azeris and Armenians in 1988-1990, at least 235,000 ethnic Armenians fled to Armenia from Azerbaijan,² and 250,000 ethnic Azeris were forced to leave Armenia for Azerbaijan.³ All but a few thousand of these "first wave" refugees are now resettled.⁴ But high-intensity fighting in 1992-1994 forced over half a million ethnic Azeris from territories in and around Nagorno-Karabakh to flee Armenian advances. There are now about 600,000 registered Azerbaijani IDPs – roughly 40,000 from Nagorno-Karabakh and 560,000 from the surrounding seven occupied districts.⁵ While some have integrated into Azerbaijani society, many remain marginalised. Their status is different than that of the refugees who came from Armenia, because the properties they had to leave behind are in lands internationally recognised as part of Azerbaijan.

Armenia and Karabakh Armenians did not officially have territorial claims over the seven territories around Nagorno-Karabakh from where most of these displaced came.⁶ They attempted to justify the forced displacement by claiming that the "occupied territories" formed a "security belt"

gorno-Karabakh Soviet passed a resolution asking for transfer to the Armenian SSR. An independence referendum was held in Nagorno-Karabakh on 10 December 1991, but the entity has not been internationally recognised, including by Armenia. For Crisis Group reporting, see, inter alia, Europe Report N°167, *Nagorno-Karabakh: A Plan for Peace*, 11 October 2005; and Europe Briefing N°60, *Armenia and Azerbaijan: Preventing War*, 8 February 2011.

² The UN High Commissioner for Refugees (UNHCR) in 2004 – more than a decade after their exit from Azerbaijan – put the number of ethnic Armenian refugees in Armenia (naturalised and otherwise) from the early days of the conflict at 235,235. See http://assembly.coe.int/Main.asp?link=/Documents/Working_Docs/Doc06/EDOC10835.html. In 2009, UNHCR cited Azerbaijan government figures for ethnic Azeri refugees from Armenia in Azerbaijan at 250,000, www.unhcr.org/4bd7edbd9.html. The Armenian government says that over 360,000 ethnic Armenians fled Azerbaijan for Armenia between 1988 and 1990, and that as of 1997, 254,000 of them were registered as refugees in Armenia, with the remainder considered "absent" or presumed to have emigrated to other countries. The Armenian Migration Service says 1,175 refugee families remain in sub-standard "collective centres" and are in need of permanent housing, and an additional 5,000 refugees live with relatives or in rented quarters. Crisis Group communications, Armenian State Migration Service, February 2012.

³ "All of the refugees from Armenia have already been successfully resettled", Crisis Group interview, State Committee of the Republic of Azerbaijan for Refugees and IDPs, Baku, December 2011.

⁴ Ibid.

⁵ Ibid.

⁶ Many of the IDPs also came from what is now a land corridor that links Nagorno-Karabakh with Armenia through the former Lachin district.

needed to protect Armenian Karabakhi residents from Azerbaijani shelling and attacks. But these areas are now depicted as part of "Artsakh" (the Armenian term for Nagorno-Karabakh and the occupied Azerbaijani territories) on official Armenian maps; in many cases Armenian and de facto Karabakhi authorities have replaced the names of villages or towns – even deserted ones – with Armenian ones. Instead of "occupied territories", Armenian political elites now often call them "liberated territories". Evicting the civilian population and preventing its return are clear violations of the laws of war.⁷ The four resolutions the UN Security Council adopted in 1993 calling for immediate withdrawal by occupying forces and for international agencies to assist IDPs to return to their homes have never been implemented.⁸

Before the war, the seven occupied territories around Nagorno-Karabakh were almost exclusively populated by ethnic Azeris (and some Azerbaijani Kurds), but none remain. The once relatively prosperous regional towns of Agdam, Kelbajar, Jeyrail and Fizuli were methodically dismantled or destroyed. Building materials, such as bricks, copper wiring, street lamps and wooden power line posts, were pillaged, carted away or sold for scrap. In violation of their international commitments, neither the de facto authorities in Nagorno-Karabakh nor the Armenian government did anything to stop the destruction.⁹

In October 2010, the OSCE Minsk Group Co-Chairs, joined by the UN High Commissioner for Refugees (UNHCR) and OSCE officials, conducted a Field Assessment Mission (FAM) in the occupied territories surrounding Nagorno-Karabakh.¹⁰ It concluded that about 14,000 Armenian "settlers" have replaced the more than half a million Azeris forced to flee.¹¹ The Armenian government and diaspora have supplied housing assistance, tax exemptions, free utilities and other subsidies. The 7,898 sq km area is a largely deserted landscape of destroyed towns and villag-

es; most of the Armenian settlers are densely concentrated in strategic locations.¹²

Many Azerbaijanis who fled the occupied territories in 1992-1994 left with few belongings. They set up makeshift quarters wherever they could: in sprawling tent camps, public buildings, structures under construction or even train cars just over the newly established front lines. More than 85 per cent settled in urban centres,¹³ though several tens of thousands stayed near the LoC. Azerbaijan was literally overwhelmed by the influx. With the help of international agencies, the government focused on supplying emergency aid, basic shelter and rudimentary medical care, but chaotic and inexperienced institutions and lack of money made the response haphazard.

III. THE GOVERNMENT'S NEW APPROACH

With no quick solution to the conflict and return to occupied towns and villages in sight, the Azerbaijan government has begun to use a portion of its growing energy revenues to devote much more attention to IDPs.¹⁴ Already in 1999, a long-needed formal framework for IDP protection was established that defined their legal status, and guaranteed them rights to free accommodation, medical care, primary education, various forms of social assistance, agricultural land, free public transport and payment waivers for many utilities. Some income taxes were also waived. In 2004 the government approved the "State Program for Improvement of Living Standards and Increasing of Employment for Refugees and IDPs".¹⁵ This included funding for new housing to resettle the neediest.¹⁶ But to avoid any sense that these would be permanent solutions or that the government was giving up on return, it also called for development of a detailed repatriation program, officially

⁷ Article 49 of the Fourth Geneva Convention; Article 85(4) (a) and (b) of Additional Protocol I to the Geneva Conventions. See also, "The conflict over the Nagorno-Karabakh region dealt with by the OSCE Minsk Conference", Parliamentary Assembly of the Council of Europe, Resolution 1416 (2005).

⁸ Resolutions 822, 853, 874 and 884 of April, July, October and November 1993.

⁹ Crisis Group Europe Report N°166, *Nagorno-Karabakh: Viewing the Conflict from the Ground*, 14 May 2005. Pillage is forbidden by the Fourth Geneva Convention.

¹⁰ This was the first visit by UN personnel to the region in eighteen years.

¹¹ "Report of the OSCE Minsk Group Co-Chairs' Field Assessment Mission to the Occupied Territories of Azerbaijan Surrounding Nagorno-Karabakh", executive summary, 31 March 2011. For background on previous such missions, see "Report of the OSCE Fact-Finding Mission to the Occupied Territories of Azerbaijan Surrounding Nagorno-Karabakh", 2005.

¹² Crisis Group has encountered "settlers" in areas with functioning administrative structures in the occupied territories of Kelbajar and Agdam. Crisis Group Report, *Nagorno-Karabakh: Viewing the Conflict from the Ground*, op. cit.

¹³ The largest concentrations are in Baku (218,000), and Sumgait (50,573). Crisis Group interview, State Committee of the Republic of Azerbaijan for Refugees and IDPs, Baku, December 2011.

¹⁴ The Azerbaijani government is also taking steps to abide by the UNHCR Guiding Principles on Internal Displacement, which themselves draw on existing international standards.

¹⁵ Crisis Group Report, *Nagorno-Karabakh: Viewing the Conflict from the Ground*, op. cit., p. 17.

¹⁶ The decree was seen as partially a reaction to international criticism, *ibid*, p. 16. Several international NGOs had accused Azerbaijan of treating "IDPs as political pawns", hostages to a political settlement; "Political Pawns: Continued Hardship for Azerbaijan's IDPs", Refugees International, 5 November 2002.

called the “Great Return”. Employment and training programs were also launched, and IDPs received some preferential status for state jobs.

The government says it spent a combined AZN 684 (\$871) per capita on IDP needs in 2010¹⁷ and AZN 715 (\$910) per capita in 2011,¹⁸ from the government's central budget and the State Oil Fund,¹⁹ a nearly ten-fold increase in the last decade.²⁰ The increased spending – now about 3 per cent of the state budget²¹ – has had an impact. “In the last two to three years [from 2008-2011] there has been a remarkable change and real progress”, an international official in Baku said. “Of course life for many IDPs is still very difficult, but there is a notable difference in the attitude of the government, despite the shortcomings”.²² Similarly, the UN Special Rapporteur on the human rights of internally displaced persons noted in 2010 that: “The Government of Azerbaijan has provided significant resources towards the improvement of overall living conditions for its displaced population. This has resulted in better housing conditions ... and a significant decline in the poverty rate”.²³

A. HOUSING ISSUES

Since 2005, the government has prioritised better housing for IDPs, especially those living in notorious tent camps, the last of which was closed by the end of 2007.²⁴ Between 2008 and 2011, 108,000 IDPs were resettled in newly constructed “communities” – either single-family houses or apartment dwellings.²⁵ The government promises to build new housing by 2015 for another 115,000 IDPs currently living in flats or homes owned by others, includ-

ing 12,000 in the capital, Baku; much of this construction is already underway.²⁶ Some international funding continues, but the government relies mostly on its own resources.²⁷ The current situation has resulted in friction between IDPs and the legal owners,²⁸ including court cases and at least one ruling by the European Court of Human Rights (ECHR) that a legal owner whose flat was inhabited by IDPs was entitled to his property and compensation.²⁹

While the new resettlements represent progress, some NGO and IDP representatives cite problems with construction and infrastructure, such as sinking foundations, poor plumbing, and/or leaky roofs.³⁰ IDPs complain that some new single-family houses are on salty, non-arable plots. Information on tenders for projects valued at less than AZN 50,000 (\$63,600) is not public, and some critics assert corruption is pervasive.³¹

IDPs report asking for government help to repair deficiencies in their new residences only to be told that they “lacked

¹⁷ Self-Reliance: Livelihoods of Internally Displaced Persons”, World Bank, October 2011, p. 19.

¹⁸ Crisis Group interviews, State Committee of the Republic of Azerbaijan for Refugees and IDPs, Baku, December 2011.

¹⁹ In 2011, the State Oil Fund allocated AZN 140 million (\$178 million) for refugees and IDPs. Official website, www.oilfund.az/en.

²⁰ Crisis Group interviews, State Committee of the Republic of Azerbaijan for Refugees and IDPs, Baku, December 2011.

²¹ “Self-Reliance”, op. cit., p. 19.

²² Crisis Group interviews, UNHCR officials, Baku, December 2011.

²³ Report of the Special Rapporteur on the human rights of internally displaced persons, Chaloka Beyani, Office of the UN High Commissioner for Human Rights (UNHCHR), 20 December 2010, pp. 7-8.

²⁴ Ibid.

²⁵ Crisis Group interviews, State Committee of the Republic of Azerbaijan for Refugees and IDPs, Baku, December 2011. For example, in 2010, the government completed construction on 67 settlements in rural regions and individual housing for 18,190 IDP families (81,800 people), 123 school buildings, 45 medical units, and major infrastructural developments for electricity and sewage systems.

²⁶ Ibid.

²⁷ “New Project to Provide Better Living Condition, More Employment Opportunities to 185,000 Internally Displaced Persons in Azerbaijan”, press release, 2012/135/2012, <http://web.worldbank.org/>.

²⁸ Crisis Group interviews, IDPs, July 2011; State Committee of the Republic of Azerbaijan for Refugees and IDPs, December 2011, both Baku.

²⁹ *Hasanov v. Azerbaijan*, ECHR, judgment, Strasbourg, 22 April 2010. Hasanov was given a “voucher” empowering him with ownership rights to an unfinished Baku flat in which a family of IDPs had been living for several years. In 1998 an Azerbaijan court ordered the IDPs to vacate, but they refused. When he filed another lawsuit in 2007, the court refused his motion for eviction, citing a presidential order (1 July 2004) on “Approval of the State Program for Improvement of Living Conditions and Increase of Employment of Refugees and Internally Displaced Persons”, instructing state organs that until the return of the IDPs to their homes or their temporary settlement in new houses, they should not be evicted from public apartments, flats, lands and other premises where they had settled between 1992 and 1998. The ECHR ruled that the government was required to execute the original 1998 court order and enforce the plaintiff's ownership rights, but it also found the €72,944 punitive damages he sought “excessive” and awarded him only €10,376.

³⁰ Crisis Group interviews, individual IDPs and local NGO representatives, Sabirabad, Barda, Fizuli regions, 24–29 July 2011.

³¹ According to the State Committee for Refugees and IDPs, construction tenders for less than AZN 50,000 do not go through open bid processes. Crisis Group interview, representatives from the State Committee for Refugees and IDPs, Baku, 31 July 2011. Independent analysts and investigative journalists say corruption occurs at both the local and central government levels. Crisis Group interviews, Baku, 19-21 July 2011. Also see “Fate of Megabucks”, Investigative Journalists Network, Azerbaijan, Open Society Assistance Foundation, 2009.

necessary funding".³² The IDPs do not receive ownership rights³³ and must sign documents acknowledging that they will not sell or deed the temporary dwellings or make significant structural changes.³⁴ Some 400,000 IDPs, many of whom live in unfinished apartments, warehouses or converted factories in urban areas, still need better housing.³⁵ Small communities of them remain in homemade mud and reed huts, where health and other problems associated with poor living conditions are commonplace.³⁶

The government financed two major IDP resettlement communities in districts adjoining the LoC, "to maintain community cohesion and ties to occupied villages and towns".³⁷ Most of the IDPs had been living in tent camps and other makeshift facilities there for years. By massing some IDPs in dense housing "compounds" close to their places of origin, Baku sought to make a poignant, although risky from a security standpoint, demonstration of its sovereign right to the occupied districts.³⁸

³² Crisis Group interviews, individual IDPs and local NGO representatives, Sabirabad, Barda, Terter regions, 24-29 July 2011. IDPs requested funding to repair cracked foundations, fill in damaged walls and leaking roofs and/or fix bad plumbing.

³³ Crisis Group Report, *Nagorno-Karabakh: Viewing the Conflict from the Ground*, op. cit. Crisis Group interviews, individual IDPs and local NGO representatives, Sabirabad, Barda, Fizuli regions, 24-29 July 2011.

³⁴ Due to the "temporary nature" of their residence status, IDPs are by law provided free "temporary" housing and land. While they thus appear to enjoy privileges for obtaining living space and property, ownership among them is extremely low (15 per cent) compared to local families (83 per cent). They are also not consulted about the ongoing privatisation process in many rural areas, complicating their ability to obtain land. "Azerbaijan: Analysis of Gaps in Protection of Internally Displaced Persons", UNHCR, October 2009; "Azerbaijan: After some 20 years, IDPs still face barriers to self-reliance", Internal Displacement Monitoring Centre, 10 December 2010.

³⁵ Crisis Group interviews, State Committee of the Republic of Azerbaijan for Refugees and IDPs, Baku, December 2011. "Report of the Representative of the Secretary-General on the human rights of internally displaced persons, follow-up to the visit to Azerbaijan in 2007", UNHCR, 23 December 2010.

²⁸ Crisis Group field observations, March, July, August 2011; Yulia Gureyeva-Aliyeva and Tabib Huseynov, "Can you be an IDP for Twenty Years?", Brookings Institution-London School of Economics Project on Internal Displacement, Baku, December 2010, p. 15.

³⁷ Crisis Group interviews, Azerbaijani IDPs, March, July, August 2011.

³⁸ Crisis Group interviews, Azerbaijani political analysts, 19-21 July 2011. According to representatives from the State Committee for Refugees and IDPs, people are relocated based on "pre-displacement" communities in order to maintain social cohesion and extended family networks. Crisis Group interview, Baku, 31 July 2011.

Although the government says IDPs are integrated into decision-making about the new housing, some IDPs complain that they were not consulted on relocations. Officials say they make efforts to coordinate with IDPs and even have backed down when IDPs, often from cities like Baku, refused to accept accommodations in places they felt were undesirable.³⁹ Some IDPs say they are at times given only one or two days notice and are not always provided with assistance to move their belongings.⁴⁰

Commendably, some district "Executive Committee" officials, appointed by the central government to represent IDP communities from occupied regions "in exile", have established regular consultation hours, but for those settled in remote areas, attending such sessions can be problematic. Many IDPs still say they feel abandoned by the state and that the responsiveness of local officials depends on individual personalities. Local NGOs say authorities can be "out of touch with the IDP community's needs".⁴¹ Official policy encourages IDP communities to accept their living situation as temporary, pending a full peace settlement, which compounds their dependence on the state.⁴²

B. LIVING STANDARDS

Azerbaijan's IDPs are an increasingly diverse group in terms of income, social mobility and the degree to which they have integrated into the larger society. According to a 2010 World Bank study, the IDP poverty rate had fallen to 11-13 per cent, similar to that among the general population. Some other international organisations currently estimate poverty among IDPs at about 25 per cent, however, and government officials use a figure of about 20

³⁹ Crisis Group interviews, State Committee for Refugees and IDPs, Baku, December 2011.

⁴⁰ Crisis Group interviews, individual IDPs, Sabirabad and Fizuli, 24-29 July 2011.

⁴¹ Crisis Group interviews, individual IDPs and local NGO representatives, Sabirabad, Barda, Fizuli, Beylaan, Terter, July 2011. For example, the Fizuli regional governor, appointed in March 2011, was described as "responsive to the socio-economic and housing needs of IDPs". IDPs in Sabirabad, however, reported that their sole interaction with government representatives was in 2008 during their resettlement process. An NGO representative related a case in which his agency organised donor funding for a vocational training program. The local Azerbaijani authorities reportedly would not sign off on this, as the donor had selected expatriate advisers to supervise and implement the project. The donor cancelled the funding, and the local agency lost the project.

⁴² Crisis Group interviews, international NGO representatives, 19 July 2011.

per cent.⁴³ Still, these levels are several times lower than just a few years ago.⁴⁴

There are other signs of improvement. In 2005, the UN's World Food Programme (WFP) estimated that over 90 per cent of IDPs considered themselves "food insecure";⁴⁵ but by 2011, it had scaled back its operations in Azerbaijan to a three-person local staff and a total annual budget of \$100,000 financed solely by the Azerbaijani government. The WFP concluded that food insecurity remarkably no longer afflicted a major portion of the population.⁴⁶

Also by 2011, the government reported spending 3 per cent of its annual budget on IDP needs, the highest percentage of any country in the world.⁴⁷ Very basic government aid is still provided to all, including \$20 "bread money" monthly, as well as employment preferences, tax exemptions and free utilities, public transport and, in theory at least, medical care. A 2009 UNHCR report was highly congratulatory: "Whereas in many situations of internal displacement it is the Government itself that contributes to the problem, in Azerbaijan the displaced generally enjoy the same rights as other citizens and do not experience any discernable discrimination".⁴⁸

Official statistics put unemployment among IDPs living in temporary government facilities at about 10 per cent, but local NGOs say the actual rate is much higher.⁴⁹ 71 per cent of IDPs say that they rely on government assistance for the bulk of their income, only 18 per cent that salary is their main resource.⁵⁰ Reliable estimates are hard to come

by, however, as many IDPs are eager participants in the informal economy, working as day labourers and gypsy taxi drivers or in other non-registered jobs. Although some opportunities have been reserved for IDPs in government offices, schools and clinics, these do not meet all the needs.

Conditions are particularly difficult in rural areas, where seasonal agricultural work is one of the few occupations available. Many men consider work in the fields "undignified", so it is mainly women and children who perform it. The pay is low – \$10-\$12 a day – but several times higher, even when adjusted for inflation, than in 2005, when it was only about \$1 a day.⁵¹ A woman labourer explained: "After paying for food and my share of a truck [for a ride], I can only bring my family \$5 a day ... that is, if they pay us at all".⁵² The government originally "loaned" land plots near IDP settlements for farming or cattle grazing.⁵³ However, settlements built at later stages often did not have ready access to land, and IDPs complain of being given poor quality or distant plots.

C. EDUCATION AND HEALTH CARE

IDPs in larger communities are offered education and health services separate from the rest of the population. Parents can choose where to send their children, and roughly 60 per cent attend special schools established to preserve the "social fabric" of displaced communities.⁵⁴ Parents claim to prefer their children be taught by IDP teachers who maintain the memories of displacement through lessons, song and dance, activities and visual aids meant to preserve "a sense of history about who we are and what we suffered".⁵⁵ Although instruction at state universities is free for IDPs who pass the entrance exams, not all are

⁴³ "Azerbaijan: Living Conditions Assessment Report", World Bank, 1 March 2010, para. 3.23, p. 36.

⁴⁴ Crisis Group interviews, international organisations, Baku, December 2011.

⁴⁵ "Food Security and Nutrition Survey", conducted September-October 2004, p. 91; 73 per cent of respondents said they often ran out of food or money to buy it.

⁴⁶ Crisis Group interviews, WFP, Baku, February 2012. In 2007, the government gave the WFP a \$3 million grant, www.wfp.org/news/news-release/wfp-welcomes-us2-million-donation-russia-azerbaijan.

⁴⁷ "Self-Reliance: Livelihoods of Internally Displaced Persons", World Bank, October 2011.

⁴⁸ "Azerbaijan: Analysis of Gaps", UNHCR, op. cit.

⁴⁹ International and local NGO representatives in some front-line areas visited by Crisis Group placed unemployment as high as 85-90 per cent. Crisis Group interviews, Barda, Terter, Adgam, Fizuli regions, 24-29 July 2011. However, representatives from the State Committee for Refugees and IDPs estimated the following overall IDP figures: 42 per cent have permanent jobs, 48 per cent have seasonal employment and 10 per cent are unemployed. Crisis Group interview, Baku, 31 July 2011.

⁵⁰ Government statistics show that 76,977 IDPs received jobs over the past seven years. "Azerbaijan: Building Assets and Promoting Self-Reliance: The Livelihoods of Internally Dis-

placed Persons", World Bank Report no. AAA64-Az, October 2011, p. 10, fn. 3.

⁵¹ Crisis Group interviews, IDP families and community representatives, Sabirabad, Terter, Barda, Fizuli, Chojavent, 24-29 July 2011.

⁵² Crisis Group interview, IDP, Sabirabad, 24 July 2011.

⁵³ The vast majority of IDP communities were originally engaged in farming or cattle herding, so government policy seeks to build upon these skills.

⁵⁴ "Azerbaijan: IDPs Still Trapped in Poverty and Dependence", Internal Displacement Monitoring Centre, 14 July 2008.

⁵⁵ Crisis Group interviews, IDP and returnee families, Barda, Terter, Fizuli, 24-29 July 2011. IDP and returnee parents reported a sense of comfort that they could send their children to an IDP only school. Crisis Group interviews, Barda, Terter, Beylagan, local NGO representatives, 24-28 July 2011. Local NGO representatives who had either visited or funded such schools related the activities and visual aids used to recreate the experience of displacement and life prior to the conflict.

able to afford the living costs, and others report that it often takes “gifts” – bribes – to get into reputable institutions.⁵⁶

The government has made efforts to improve IDP access to health care by distributing free treatment, medicine, and vaccinations and by constructing health centres in new settlements, but IDPs still complain that it is inadequate.⁵⁷ Services are spotty; new housing facilities may have an on-site “medical centre” that lacks equipment and competent personnel. IDPs complain that payment is demanded especially for surgeries.⁵⁸ Those living along the LoC are often 20km to 25km away from full-care facilities.⁵⁹ As a result, many self-treat illnesses⁶⁰ and say that access to medical care is among their most serious concerns.⁶¹ Residents wounded by Armenian gunfire have reportedly on occasion died while being transported to distant emergency-care centres.⁶² The government should concentrate on building more full-service clinics in areas close to IDP concentrations.⁶³

⁵⁶ Crisis Group interviews, local NGO representatives and IDPs, Barda, Terter, Beylagan, Agdam, 24-29 July; “Azerbaijan: IDPs Still Trapped”, op. cit.

⁵⁷ “State Program on Improving of Living Conditions of Refugees and IDPs and Increasing Employment Generation (English version),” presidential decree, 4 July 2004. By law, IDPs do not have to pay for most medicine and receive free comprehensive health care and treatment. But facilities are distant from most resettlements visited, requiring IDPs to travel two to three hours for treatment. Crisis Group interviews, IDPs and community representatives, Sabirabad, Chojavent, Marneuli, Fizuli, Beylagan, 24-29 July 2011.

⁵⁸ Crisis Group interviews, IDP families, local NGO representatives, Barda, Terter, Beylagan, Chojavent, Agdam, 24-29 July 2011. “Azerbaijan: IDPs Still Trapped”, op. cit.; “Azerbaijan: Analysis of Gaps”, UNHCR, op. cit.

⁵⁹ Crisis Group interviews, IDP families, Agdam, Fizuli, 24, 28-29 July 2011.

⁶⁰ Crisis Group interviews, IDP families and local NGO representatives, Barda, Terter, Beylagan, Chojavent, Agdam, 24-29 July 2011. Several IDPs complained of chronic and severe health conditions, such as cancerous growths, paralysis and extensive liver disease and said they had to buy their own medications and were unable to pay a doctor.

⁶¹ Crisis Group interviews, IDP families and community representatives, Sabirabad, Barda, Beylagan, Chojavent, Fizuli, 24-29 July 2011. “Azerbaijan: Displaced then discriminated against – the plight of the internally displaced population”, Amnesty International Index, 28 June 2007.

⁶² The grandmother of nine-year old Fariz Budalov, shot in 2011 (see below) while playing in his family's yard, reported that he died on the way to the region's medical care facility from a serious head wound. The lack of a nearby emergency facility helped ensure he had little chance for survival. Crisis Group interviews, permanent residents of Agdam region, 25 July 2011.

⁶³ Crisis Group interviews, international NGO representatives, Baku, 19-20 July 2011.

D. POLITICAL REPRESENTATION

IDPs have full rights to participate in parliamentary and presidential elections. Administrative structures from Nagorno-Karabakh and the surrounding occupied territories were retained and moved to areas of high concentration of IDPs from individual regions. There are currently eleven deputies from Nagorno-Karabakh and the seven either fully or partially occupied territories in the 125-member Milli Mejlis (parliament).

But local councils were suspended after the occupied territories were taken over by Armenian forces. IDPs are not allowed to vote in municipal council elections where they presently (temporarily) reside, thus decreasing their ability to affect local decision-making. Allowing them to vote or stand for the local council where they live would be a useful reform that has support among some members of the parliament.⁶⁴ In his 2010 report, the Special Rapporteur on the human rights of internally displaced persons also “stressed the need to increase initiatives and promote mechanisms to engage internally displaced persons in consultative and participatory processes on issues affecting them”.⁶⁵

The Azerbaijani Community of Nagorno-Karabakh Social Union (ACNKSU) was formed in 1992 to represent the interests of the displaced from Nagorno-Karabakh itself and has always been headed by figures from Shusha, which was the largest majority-Azeri district of the region and is deeply revered as a citadel of Azeri culture. The ACNKSU claims to have 65,000 members. It is ostensibly a government-supported NGO and has become more visible politically, although its formal role is not well defined. Its 22-member executive board was “elected” in 2009 by a “congress” of 350 IDPs, most of whom were chosen by the government or government-controlled executive committees.⁶⁶ Allowing all IDPs to directly elect its executive board could enhance ACNKSU's credibility among them; this would also give the displaced a more direct public voice and help focus attention on IDP problems.

IV. FRONT-LINE COMMUNITIES – PRECARIOUS LIVES

Tensions along the front line are high, with regular cease-fire violations. At least 128,000 people, including IDPs as well as permanent residents of villages and towns, are estimated by Azerbaijan to be living in areas roughly 5km

⁶⁴ Crisis Group interviews, Azerbaijani parliamentarian, Baku, December 2011.

⁶⁵ Report of the Special Rapporteur, op. cit., p. 8.

⁶⁶ The delegates were chosen by the “executive committees” in exile from Nagorno-Karabakh, ie, by government appointees.

from the LoC.⁶⁷ They have to cope with automatic gunfire, landmines, unexploded munitions, water contamination and fires deliberately set to fields and forests as a military tactic.⁶⁸ On average about 30 people, mostly military, are killed on both sides combined each year. Four Azerbaijani civilians were reported killed in 2011.⁶⁹ At least ten Armenian or Karabakh-Armenian soldiers were reported killed and 28 wounded on the Armenian side of the LoC, along with one civilian death.⁷⁰ There are an estimated 30,000 Armenian and de facto Nagorno-Karabakh troops and some 35,000 to 45,000 Azerbaijan soldiers in the vicinity.⁷¹

As indicated in previous Crisis Group reports, formidable defensive fortifications, replete with underground tunnels and minefields, have been erected and expanded along the LoC. The parties conduct, on average, two to four offensives per year to advance their lines. According to Azerbaijani military analysts, these kill more civilians than regular ceasefire violations.⁷² They have also brought the opposing positions steadily closer. In some villages in the Agdam and Fizuli districts, civilians and soldiers are close enough for locals to laughingly relate witnessing soldiers throwing “stones and rocks at each other, maybe because they didn't want to waste bullets”.⁷³ A premeditated major offensive by either side is less likely in the near term than the growing risk that front-line tensions could spill over into a full war in which residents and IDPs would be among

the first victims.⁷⁴ The sporadic hostilities heighten the sense of insecurity and stress.⁷⁵

A. LIFE ALONG THE LINE OF CONTACT

Communities along the LoC are scarred by boarded-up windows, makeshift corrugated metal sheets put up to protect sidewalks and bullet-riddled homes, buildings and schools.⁷⁶ Azerbaijanis have acclimated to their precarious living conditions by implementing basic, though effective, self-protective security measures and relying mainly on “their communities” for help. Families and government organisations say they schedule even the most mundane daily tasks to avoid times deemed most likely for Armenian sniper activity. Parents decide for children when it is “safe to leave for school or play in their yards” or when they need to stay inside.⁷⁷ After nine-year old Fariz Budalov was killed near the LoC by a sniper on 8 March 2011, residents of the village stopped sending their children to school for a time out of fear that they would be “shot by Armenian snipers”.⁷⁸

Crisis Group spoke with families who cannot use fields for cultivation or animal grazing for fear of being “targeted or fired on” by Armenian snipers.⁷⁹ Others use exposed land less than 1km from the LoC for lack of alternatives. They have become accustomed to the omnipresent danger, and some have been caught during sudden exchanges of gunfire. They report incidents in which they are forced to lie down and take cover – sometimes for hours.⁸⁰ Social activities, such as weddings and religious celebrations,

⁶⁷ Crisis Group telephone interview, Azerbaijani State Committee for Refugees and IDPs, January, 2012. The number includes those living not only near the front lines near the occupied territories, but also in some villages along the international frontier between Azerbaijan and Armenia, which extends northward to the border with Georgia.

⁶⁸ For Azerbaijani statistics, see “On Military Losses in Past Year”, 30 December 2011, www.milaz.info/en/news.php?id=7226. Armenians in the occupied territories face the same security issues, but there are few settlements near the LoC on the Armenian or de facto Nagorno-Karabakh-controlled side.

⁶⁹ According to the Azerbaijan defence ministry (see <http://en.apa.az/news.php?id=162802>), nineteen people were killed on Azerbaijan's side of the LoC in 2011 (fifteen servicemen and four civilians, including two children); 24 were wounded, including five civilians.

⁷⁰ Crisis Group monitoring of Armenian media reports and official Armenian sources for 2011. See also: www.panarmenian.net/eng/world/news/69681/.

⁷¹ Crisis Group Briefing, *Armenia and Azerbaijan: Preventing War*, op. cit.

⁷² Ibid; Crisis Group interview, Azerbaijani military analyst, Baku, 31 July 2011.

⁷³ Crisis Group interviews, residents of Agdam and Fizuli regions, 24-26 July 2011.

⁷⁴ Crisis Group Briefing, *Armenia and Azerbaijan: Preventing War*, op. cit. For example, on 24 June 2010, Azerbaijan conducted its most serious military exercise ever, overseen personally by President Aliyev and involving more than 4,000 troops, 100 tanks, 77 armoured vehicles, 125 artillery pieces, seventeen fighter aircraft and twelve combat helicopters. The scenario was a response to “military aggression against Azerbaijan”, including a counter-attack to restore territorial integrity.

⁷⁵ Crisis Group interviews, Azerbaijani military and political analysts, Baku, 20, 31 July 2011; IDPs in government resettlement, Fizuli region, 27-28 July 2011.

⁷⁶ Crisis Group interviews, Agdam, Fizuli, 24-26 July 2011. In Horadz, a Fizuli region village some 150 metres from the front line, houses are reinforced with horizontal cement slabs and top-floor windows are sometimes covered with metal and wood.

⁷⁷ Crisis Group interviews, IDP community representatives, Baku, 22 July 2011.

⁷⁸ Crisis Group interview, Agdam, 25 July 2011.

⁷⁹ Crisis Group interviews, Agdam, Fizuli, 25-28 July 2011.

⁸⁰ Ibid; Crisis Group interview Azerbaijani journalists, Agdam, 26 July 2011.

are kept low key out of fear that music and loud noise will draw sniper fire.⁸¹

Some seem numbed to the immediate dangers. A resident calmly showed Crisis Group his outhouse and a storage building fifteen metres from his house. Both had been damaged by mortar shelling from Armenian trenches just 150 to 200 metres away. This man and his son assisted the local ANAMA team to remove shell fragments but did not have the resources to rebuild. "What's the point anyway?" he asked. "If we rebuild, the [Armenian] soldiers will just shoot them up again".⁸²

In response to the killing of Budalov,⁸³ Azerbaijan reportedly commissioned a civilian governmental body, the Agency for Reconstruction and Rehabilitation of the Territories, to fortify select areas by the end of 2011. The government said about 2.7 km of protective cover was to be built to help shield people from sniper fire, though such elementary defences would, of course, be useless against the occasional mortar round.⁸⁴ De-mining and increased awareness have vastly reduced mine hazards. In 2005, for example, land mines killed ten and injured 49; during 2011 three people were killed and seven injured.⁸⁵ Thanks to ANAMA's intensive efforts, remaining mines do not generally hinder access to roads, hospitals, and schools;⁸⁶ most

locations thought to pose a danger are well known to local residents.⁸⁷

The OSCE Minsk Group co-chairs have asked the parties since December 2008 to pull back their snipers. Armenia says it would agree to a mutual pledge, but Baku rejects this, calling sniper use a defensive measure to deter deeper Armenian incursions.⁸⁸ But snipers are a real physical and psychological burden and cause of stress for local inhabitants on both sides, though perhaps particularly for the Azerbaijanis, who live in fear of an "Armenian invasion" due to their war traumas.⁸⁹

B. STRENGTHENING THE CEASEFIRE AND INCREASING SECURITY FOR THOSE ALONG THE LOC

The fragile ceasefire regime and insecurity along the LoC is compounded by lack of any effective security mechanisms or meaningful monitoring presence on the ground. The OSCE observation mission has only six members and a weak mandate. As Crisis Group previously recommended,⁹⁰ the OSCE should encourage the parties to approve more observers to investigate truce violations, do spontaneous monitoring and use remote surveillance. Azerbaijan has been reluctant to approve a more robust OSCE presence and in December 2011 vetoed a budget increase for the monitoring team.⁹¹

⁸¹ Crisis Group interviews, Agdam, Barda, Terter, 24-27 July 2011; IDPs in government resettlements, Fizuli, 26-27 July 2011; returnees, Fizuli returnee villages, March, July 2011.

⁸² Crisis Group interviews IDP community representative, Baku, 22 July 2011; residents, Agdam, Fizuli, March, July 2011.

⁸³ Budalov's death was condemned by the government, OSCE and the Parliamentary Assembly of the Council of Europe (PACE) and prompted Baku to start rebuilding protective fortifications in the front-line villages, such as Orta Gervand, Chiragli, Mirzabayli and Alkhanli in the Agdam district and Gapanly and Garagadjy in the Tartar and Tapgaragoyunlu in the Goranboy districts. This is funded and implemented solely by the government. Crisis Group email correspondence, ICRC representatives, 17 November 2011; Azerbaijani political analyst, 15-16 November 2011; "Azeris Wall off Front-line Zones", Institute for War & Peace Reporting, 4 November 2011; "PACE Adopts Statement Condemning Murder of Azerbaijani Child by Armenian Snipers", *Trend*, 14 April 2011; "OSCE Chairman Proposes Armenia to Withdraw Snipers from the Contact Line", Pik TV, 18 March 2011.

⁸⁴ In February 2012, local officials in Orga Gervend and Chiragli said that 1.5km of new walls protecting 30 families had been built in those two villages, while officials in Terter said older fortifications were being reinforced. Officials in Agdam district said fortification works were underway, though they were unable to give their exact dimensions. Crisis Group telephone interviews, Orga Gervend, Chiragli, Terter, February, 2012.

⁸⁵ ANAMA monthly report, January 2012, www.anama.gov.az/.

⁸⁶ Crisis Group interview, ANAMA representatives, Terter, 27 July 2011. According to ANAMA field representatives, 514,000 people were affected by 970 suspected hazardous areas cover-

ing 736 sq km of land in 2003. By 2006, ANAMA field agents had more than halved the overall estimated contamination to 306 sq km. ANAMA has since identified additional new suspected hazardous areas. According to its field representatives and as reported by UNHCR, the Agdam and Fizuli districts are the most contaminated, with landmines and ERWs preventing residents and local IDPs from having normal lives. "Azerbaijan: Analysis of Gaps", UNHCR, op. cit., October 2009.

⁸⁷ Crisis Group interview, ANAMA representatives, Terter, 27 July 2011; "Azerbaijan: IDPs still trapped", op. cit.

⁸⁸ Crisis Group interview, Russian official, Moscow, March 2011. Armenia's foreign minister, Edvard Nalbandian, said in September 2010 the withdrawal of snipers would "strongly contribute to the establishment of a regime of non-use of force". "UN head calls for removal of snipers along Karabakh line of contact", *Asbarez* (Armenian Diaspora newspaper, online), 27 September 2010. Crisis Group interviews, political analyst, Baku, December, 2011; government and military officials, Baku, January 2011.

⁸⁹ Crisis Group interviews, NGOs, Azerbaijan, July-August 2011.

⁹⁰ Crisis Group Briefing, *Armenia and Azerbaijan: Preventing War*, op. cit.

⁹¹ Crisis Group email correspondence, international official, January 2012. See also Armenian Foreign Minister Edvard Nalbandian, press conference, 16 January 2012, www.mfa.am/en/press-conference/item/2012/01/16/annual_pc/.

Increased monitoring and security guarantees should not be seen as solidifying the status quo and occupation, as some in Baku fear. A beefed-up monitoring mission would help prevent escalations until a bona fide international peacekeeping force can be deployed as part of a peace agreement.⁹² Its enhanced visibility and wider contacts could help increase feelings of security among those living along the LoC. While IDPs and returnees have heard of the OSCE, only one person Crisis Group interviewed said he had ever seen a monitor and appeared to understand the OSCE's limited mandate.

The OSCE secured rare pledges of agreement by the Armenian and Azerbaijani presidents in 2010, then again in 2011 and 2012, to assist it in investigating incidents on the LoC, though the details are only beginning to be looked into.⁹³ An incident investigation mechanism, or at least a radio hotline, should be developed to exchange accurate information, so ceasefire violations, including against civilians, do not spiral out of control. The OSCE should also engage both governments to develop a plan and timeline for the Azerbaijani Agency for Reconstruction and Rehabilitation of the Territories to protect front-line homes and villages without fear of being shot at by Armenian snipers.⁹⁴

While stability would be best ensured by endorsement of a Basic Principles agreement or at least talks aimed at a comprehensive peace, on-the-ground CBMs could help shore up the shaky ceasefire. International organisations, such as the International Committee of the Red Cross (ICRC), are already gathering data to protect and help Azerbaijani IDPs; these activities should be retained.⁹⁵ From June 2010 through 2011, the European Union (EU) funded confidence-building projects worth €2 million for journalists, youth, women and political parties from both countries; it is planning to launch a follow-up €6 million,

eighteen-month program in summer 2012. Though a drop in the bucket, these efforts help defeat negative stereotypes about the "other" and increase understanding of each other's position on the conflict.

Any renewed major fighting could again cause displacement. Baku says it has contingency plans to shield civilians in the event of widescale hostilities of any type or natural disasters. These are developed under the purview of the emergency situations ministry (MES), formed in 2006 and widely regarded as one of the best managed, staffed and equipped state bodies. Its extraordinarily wide mandate includes control over civil defence, state grain stocks, the fire service and a militarised guard unit with its own fleet of Caspian Sea ships.

Ministry officials say tight coordination and contingency planning ensure that they can handle even serious military hostilities along the LoC.⁹⁶ They say that regional and district MES centres near the LoC have specific instructions about what to do in such a case, but the government does not divulge these plans on the grounds that to do so would be a sign of weakness.⁹⁷ Still, local officials should work now with residents and IDPs living close to the LoC – or at least liaise with organisations like the ICRC – to reassure and inform about basic measures to be taken in the event of major conflict. As an international NGO representative said, "evacuation plans must be created and implemented to avoid a loss of life" in the event of war.⁹⁸

The government's recent initiative to rebuild protective walls around front-line villages is a good step and should be extended to all residential areas within 1km of the LoC. Feedback from residents and IDPs is vital, as is reassuring them that the authorities will assist in repairing damaged homes. At present, residents must often rely on communally pooled funds, if available, to rebuild makeshift security fences or protect their homes from war damage.⁹⁹ ANAMA, which has de-mined areas along the LoC, is one state-funded body that does outreach and education

⁹² Crisis Group Briefing, *Armenia and Azerbaijan: Preventing War*, op. cit.

⁹³ The first of these agreements, reached in Astrakhan, Russia on 27 October 2010, included pledges to exchange prisoners of war and the bodies of those killed, a demonstration that there is occasional cooperation between the two armies. The presidents made further agreements to assist the OSCE in LoC investigations at Sochi, Russia in March 2011 and January 2012. Crisis Group interview, official, Moscow, 15 February 2011.

⁹⁴ Residents and local NGO representatives both indicated that the most immediate way to increase safety along the LoC in the short term would be by building or reinforcing protective walls in nearby residential areas. Crisis Group interviews, Agdam, Barda, Terter, Fizuli, 23-24 March, 24-28 July 2011.

⁹⁵ The ICRC is involved in several projects in LoC areas, including information-gathering on ceasefire violations and civilian casualties, working with communities to develop self-protection mechanisms, and developing a DNA database for exhumations of human remains after a peace settlement. Crisis Group interview, ICRC representative, Baku, 19 July 2011.

⁹⁶ During an unannounced visit to a regional MES command centre, officials showed large maps of the country on touch-sensitive plasma screens that could reveal any region or district, as well as numbers of their hospital beds, transport craft and medical personnel. Regional and local officials along the LoC and elsewhere in the country are all reportedly connected by fibre-optic video and telephone links.

⁹⁷ Crisis Group interviews, representatives from the Azerbaijani Community of Nagorno-Karabakh Social Union, Baku, 22 July 2011; representatives from the State Committee for Refugees and IDPs, Baku, 31 July 2011.

⁹⁸ Crisis Group interview, international NGO representative, Baku, 19 July 2011.

⁹⁹ Crisis Group interviews, community representatives, Agdam and Fizuli, 24-27 July 2011; local NGO representatives and journalists, Barda, Terter, Agdam, Fizuli, 24-28 July 2011.

training on security issues¹⁰⁰ and LoC-area residents say they trust.¹⁰¹ The government should capitalise on this and use ANAMA to help develop more comprehensive civil protection measures.

C. THE "GREAT RETURN" PLAN

In 2005, the government and UNHCR partnered to create a plan to facilitate the "safe and respectful return of IDPs" to Nagorno-Karabakh and the occupied territories once a peace accord is reached.¹⁰² The "Great Return" plan was devised out of concern that there were no long-term and sustainable solutions for assisting those IDPs who wished to voluntarily return.¹⁰³ According to a working draft, UN bodies and the ICRC would help ensure initial rehabilitation and social needs in collaboration with the government, while the World Bank would fund part of the reconstruction process. Although local NGOs are aware of this, they have not been involved in its drafting. IDPs and returnees generally say they are unaware of any government strategy to return them safely.¹⁰⁴ Many observers remain sceptical of the government's ability to carry out a mass return. As the OSCE reported in March 2011 with reference to the total dismantling of towns and villages, the long Armenian occupation has left "disastrous consequences" in the occupied territories.¹⁰⁵

The government nevertheless wants to keep the hope of return alive. Some international NGOs have criticised it for limiting local IDPs' capacity to "exercise a choice" between return to their original homes or integration and permanent resettlement elsewhere.¹⁰⁶ But even twenty years

after displacement, many IDPs consider return their priority and say they are ready "to take up weapons to retake our homes" when "Baku gives the word".¹⁰⁷

IDPs living in government resettlement communities nearest the LoC talk about taking walks close to the front lines "in the hopes that we could see our old homes". Some IDPs in other areas even feel envy toward permanent residents of LoC towns and villages for being "so close to paradise" – their homes in Nagorno-Karabakh and the occupied territories.¹⁰⁸ When asked what they would do in the case of new large-scale hostilities, IDPs often say "fight with the Azerbaijani army" or even that they would stay in their homes, despite the risks. However, a generational gap may be developing, with some younger IDPs admitting that though they wish to see their old lands, they may not want to return permanently.¹⁰⁹ Some young people are divided over "wanting to get a job and have a normal life" or "returning to our homeland".¹¹⁰ But the choice is artificial until there is a peace agreement.

To help build the confidence needed for a peace deal and its successful implementation, Azerbaijan should support any efforts that could directly reconnect IDPs to their former lands, even starting in one of the occupied territories. This could begin with cooperation across the LoC on secu-

¹⁰⁰ ANAMA also conducts mine education, with a particular focus on children, with the education ministry and UNICEF. In Barda and Terter, it also cooperates with the International Organisation for Migration (IOM) to provide business training and micro-credits to survivors of mine accidents. Crisis Group interview, ANAMA representatives, Barda and Terter, 27 July 2011.

¹⁰¹ Crisis Group interviews, local NGO representatives, Barda, Terter, Beylagan, Fizuli, 24-29 July 2011; IDP community representatives at opposition Musavat Party, Baku, 22 July 2011; IDPs and returnees, Agdam and Fizuli, 24-29 July 2011.

¹⁰² Nazim Muzaffarli and Eldar Ismailov, "Basic Principles for the Rehabilitation of Azerbaijan's Post Conflict Territories", Institute of Strategic Studies of the Caucasus (Stockholm, 2010), p. 217, estimated that, excluding Nagorno-Karabakh, 450,000-520,000 would go home in phases, and post-conflict rehabilitation would cost the state \$28.4 billion (adjusted for inflation), p. 217.

¹⁰³ UNHCR, "Azerbaijan: Analysis of Gaps", UNHCR, op. cit.; "Azerbaijan: IDPs still trapped", op. cit.; UNHCR, "Report of the Representative of the Secretary-General", UNHCR, op. cit.

¹⁰⁴ Ibid.

¹⁰⁵ "Report of the OSCE Minsk Group Co-Chairs' Field Assessment Mission", op. cit.

¹⁰⁶ "Azerbaijan: Displaced then discriminated against", op. cit.

¹⁰⁷ Crisis Group interviews, IDPs in government resettlements, Chojavent, Zobudjuk, Fizuli, 27-29 July 2011; residents, Agdam and Fizuli, 24-29 July 2011. These sentiments were confirmed by international organisations during community assessments and surveys such as "Azerbaijan: Analysis of Gaps", UNHCR, op. cit.; "Azerbaijan: IDPs still trapped", op. cit.; "Report of the Representative of the Secretary-General", UNHCR, op. cit.

¹⁰⁸ Crisis Group interviews, IDP individuals in government resettlements, Barda, Zobudjuk, Sabirabad, 24-29 July 2011.

¹⁰⁹ Crisis Group interview, international NGO representatives, Baku, 20 July 2011; also, "Azerbaijan: IDPs still trapped", op. cit. No comprehensive assessment exists that effectively analyses the attitude toward return among IDPs and returnees, especially one that looks at inter-generational disagreements.

¹¹⁰ Ibid. Crisis Group interviews, IDP individuals in government resettlement areas, Barda, Zobudjuk, Sabirabad, 24-29 July 2011. International NGOs that conducted focus groups among rural IDPs to measure their desire "to return" relative to other social concerns found that the majority, regardless of age, prioritised return. Housing and jobs were second or third. International NGOs also reported that "a majority of IDPs felt it would be best if they returned together as a family unit". However, many wanted to be involved in the return planning process and to send a "senior or male family member" to visit their homes in preparation for return. Some IDPs also reported not being able to decide if all family members should return, as many had built successful lives outside Nagorno-Karabakh. IDPs aged 40 and older said that return was their "only remaining wish". "Azerbaijan: Analysis of Gaps", UNHCR, op. cit.; "Azerbaijan: IDPs still trapped", op. cit.; "Report of the Representative of the Secretary-General", UNHCR, op. cit.

rity measures, including to combat fires and environmental and health problems. Eventually IDPs could take part in home or graveyard visits and meetings with ethnic Armenians who now live in Nagorno-Karabakh or the surrounding territories. The level of destruction in the occupied territories would make such visits painful for all involved, but they would be indispensable to any planning for a secure return. Baku in the past was resistant to projects across the LoC but may be changing.¹¹¹

V. CONCLUSION

After twenty years, one could assume that the main problems of displacement from the Nagorno-Karabakh conflict have been resolved, but this would be wrong. The Azerbaijan government, aided by increasing oil wealth, has over the past few years, made important strides in dealing with IDP needs. Its activism is in stark contrast to the virtual absence of state policy to help the displaced people in the first five years following the 1994 ceasefire. Azerbaijan now claims to spend more proportionately than any other country on its IDP population, which itself is one of the highest percentages of total population in the world. New housing has improved conditions for many, though 400,000 still live in sub-standard dwellings. Much more is needed to ensure that IDPs, an increasingly diverse group in terms of integration and income levels, lead dignified lives while they await the chance to return to their homes. The government, aided by international organisations, can help build confidence by enhancing communication with IDPs and integrating them and bodies representing them into decisions that affect their lives.

But while many technical challenges have been tackled, the status quo is neither acceptable nor safe. The right to return for people displaced from Nagorno-Karabakh and the surrounding districts has yet to be upheld, or an alternative formula agreed, for example based on compensation and exchange. This increases pressure on Azerbaijan's leadership to threaten military action to retake lost sovereign territory. The very existence of 600,000 Azerbaijani IDPs – still prevented from returning to their homes and land two decades after fleeing the Nagorno-Karabakh conflict – is a clear demonstration of why it is urgent to renew international efforts to facilitate an agreement between Azerbaijan and Armenia.

Baku/Tbilisi/Istanbul/Brussels, 27 February 2012

¹¹¹ Crisis Group interviews, Azerbaijani government officials, think-tanks, and journalists, Baku, November 2011.

APPENDIX A

MAP OF SOUTH CAUCASUS



APPENDIX B

MAP OF NAGORNO-KARABAKH AND SURROUNDING SEVEN DISTRICTS



This map is for reference only and should not be taken to imply political endorsement of its content.

APPENDIX C

ABOUT THE INTERNATIONAL CRISIS GROUP

The International Crisis Group (Crisis Group) is an independent, non-profit, non-governmental organisation, with some 130 staff members on five continents, working through field-based analysis and high-level advocacy to prevent and resolve deadly conflict.

Crisis Group's approach is grounded in field research. Teams of political analysts are located within or close by countries at risk of outbreak, escalation or recurrence of violent conflict. Based on information and assessments from the field, it produces analytical reports containing practical recommendations targeted at key international decision-takers. Crisis Group also publishes *CrisisWatch*, a twelve-page monthly bulletin, providing a succinct regular update on the state of play in all the most significant situations of conflict or potential conflict around the world.

Crisis Group's reports and briefing papers are distributed widely by email and made available simultaneously on the website, www.crisisgroup.org. Crisis Group works closely with governments and those who influence them, including the media, to highlight its crisis analyses and to generate support for its policy prescriptions.

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Crisis Group's international headquarters is in Brussels, with major advocacy offices in Washington DC (where it is based as a legal entity), New York and a smaller one in London, as well as liaison presences in Moscow and Beijing. The organisation currently has field offices or analysts based in 27 locations: Abuja, Bangkok, Beirut, Bishkek, Bogotá, Bujumbura, Cairo, Dakar, Damascus, Gaza, Jerusalem, Kabul, Kathmandu, Islamabad, Istanbul, Jakarta, Johannesburg, Nairobi, Port-au-Prince, Pristina, Rabat, Sanaa, Sarajevo, Seoul, Tbilisi, Tripoli, and Tunis. Crisis Group currently covers some 70 areas of actual or potential conflict across four continents. In Africa, this includes, Burundi, Cameroon, Central African Republic, Chad, Côte d'Ivoire, Democratic Republic of the Congo, Eritrea, Ethiopia, Guinea, Guinea-Bissau, Kenya, Liberia, Madagascar, Nigeria, Rwanda, Sierra Leone, Somalia, South Sudan, Sudan, Uganda and Zimbabwe; in Asia, Afghanistan, Burma/Myanmar, Indonesia, Kashmir, Kazakhstan, Kyrgyzstan, Nepal, North Korea, Pakistan, Philippines,

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Regional Offices and Field Representation

Crisis Group also operates out of over 25 different locations in Africa, Asia, Europe, the Middle East and Latin America.

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