



Feature Article
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Crossroads of Uncertainty: Iran's Regional Vulnerabilities and Armenia's Security Challenges

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The foreign and security architecture of Armenia has been largely shaped by the transformations of the role and capacity of regional actors after the 2020 Second Karabakh War. Russia's continuing weakness due to its invasion of Ukraine, Turkey's growing role in the region, and Iran's increasing vulnerability due to security challenges and economic crisis have been the key drivers shaping regional developments. At the global level, the US's growing interest in involvement in regional affairs has become another important feature in Armenia's future.

International Republican Institute polls of recent years show that Armenians now view Iran, alongside France, the US, and India, as their country's leading allies, with [53% naming it as Armenia's top political partner and 49% as its key security partner in 2025](#). This marks a sharp rise in Iran's perceived importance amid the decline of Russian-Armenian security ties following the 2020 Karabakh war. Many in Armenia saw



Iran, alongside the EU and US, as the main deterrent after the 2020 Karabakh war to Azerbaijani threats over the Syunik corridor, a stance reinforced by Tehran's warnings and the first-ever joint [Armenian-Iranian military drills](#) in April 2025.

How can these developments be reconciled with Armenia's so-called [“pivot to the West,”](#) especially given that [Armenia and the United States signed a strategic partnership charter in January 2025](#) and [the peace](#)

[declaration between Armenia and Azerbaijan](#) was signed in Washington, witnessed by U.S. President Donald Trump?

After the second Karabakh war in 2020, and especially the attack on the territory of Armenia in September 2022, many analytical circles started to discuss Iran's regional policy and its implications for Armenia. Although Iran, in general, continued [the policy of balancing](#) its forces in the South Caucasus, frequent reciprocal visits with Armenia and periodic statements on the need to preserve Armenia's territorial integrity, as well as its ["war of words"](#) in Iran-Azerbaijan relations, support the strengthening of Iran-Armenian relations.

The war created a significant security gap for Armenia due to challenging relations between Armenia and Russia,¹ as well as with the organizations it was officially a part of, such as the [Collective Security Treaty Organization \(CSTO\)](#). This gap was compounded by the absence of alternative security guarantees from elsewhere, leaving Armenia in a precarious position. The EU took several steps to fill the gap-important steps, but ultimately insufficient. Key among these were the [deployment of the EU civilian mission to Armenia's borders](#), the decisions [to extend its mandate](#), and [the inclusion of a non-member contributor, Canada, in the mission](#).

Iran and France further highlighted these efforts by opening consulates in [Kapan](#) and [Goris](#), respectively, both in Armenia's Syunik region, further highlighted these efforts. Additionally, U.S. involvement in the negotiation process between Armenia and Azerbaijan and U.S. officials' [harsh warnings](#) against any violation of the human rights of Armenians living in Nagorno-Karabakh served as restraining factors against military escalation. But Western actions eventually proved insufficient to prevent the Azerbaijani conquest of Nagorno-Karabakh and the flight of its Armenian population. In Armenian eyes, the subsequent lack of consequences for Azerbaijan has shattered the perceived reliability of Western deterrents. This situation necessitated a re-evaluation of Armenia's strategic partnerships and an urgent pursuit of more robust security frameworks to prevent further destabilization in the region.

Iran's Interests in the Region

After the collapse of the Soviet Union, Iran's policy in the South Caucasus was largely conditioned by its relations with Russia and Turkey. Cooperation and competition in the economic sphere, as well as energy issues, have been the main driving forces of relations between all three over the past decade. These regional rivals used bilateral dialogue,

¹ Narek Sukiasyan, "Armenia's Pivot Away from Russia: Strategic Ambitions Versus Practical

Constraints." *Russian Analytical Digest* 322 (2024): 10-15.

economic cooperation, and energy ties to manage opposing interests, while maintaining a sustained mutual distrust of each other.²

Iran-Armenia and Iran-Azerbaijan relations, therefore, are impossible to distinguish from the relations between these three regional powers and cannot be considered in isolation.³ Iran's national security interests in the South Caucasus region have always included important goals of preserving its territorial integrity, as well as protecting the principle of territorial integrity in general,⁴ ensuring the immutability of borders, and preventing any developments of separatist movements within Iran. Iran's official, mostly neutral, comments on the Karabakh issue have emphasized the importance of preserving territorial integrity and the need to resolve the conflict peacefully and legally. To advance its regional interests, Iran seeks to limit the presence of extraterritorial powers (such as the United States, Israel, and NATO) while acknowledging Russia's role as a balancer against Western and Turkish influence. In this sense, Azerbaijan's relations with Israel, as well

as its deepening relations with Turkey and the Turkish use of proxy militias in regional conflicts to achieve its military-political goals, are a challenge from the point of view of Iran's security.⁵

Iran's approach to the South Caucasus after the second Nagorno-Karabakh war reflects its core national security priorities: safeguarding territorial integrity, preventing border changes, limiting extra-regional involvement, and balancing the role of Turkey.⁶ Additionally, good relations with Christian Armenia⁷ have been an important factor for Iran to reduce negative international perceptions of itself. At the same time, Tehran seeks to reinforce its role as a regional power by joining multilateral formats like the 3+3 framework and signing a free trade agreement with the Eurasian Economic Union while maintaining strong cultural and religious ties that emphasize its historical influence. These overlapping interests mean that [Iran's rejection of the "Zangezur Corridor"](#) and opposition to Turkish expansionism, including activities in

² Stephen J. Flanagan, "The Turkey–Russia–Iran Nexus: Eurasian Power Dynamics," *The Washington Quarterly* 36, no 1 (2013): 163–178.

³ Abdollah Baei Lashaki, Masoumeh Rad Goudarzi, and Davood Amraei, "The Roots of Tension in South Caucasus: The Case of Iran-Azerbaijan Relationship," *Journal of Politics and Law* 6, no. 4 (2013) 141.

⁴ Mahmood Sariolghalam, *Iran in Search of Itself, Current History* 107, no. 713 (2008): 425–431.

⁵ Kira Rauschenbakh, "The Nagorno-Karabakh Conflict Challenges Iran.," *Critical Threats*, October 7, 2020.

<https://www.criticalthreats.org/analysis/the-nagorno-karabakh-conflict-challenges-iran>.

⁶ Hamidreza Azizi, and Daria Isachenko. *Turkey-Iran rivalry in the changing geopolitics of the South Caucasus*. No. 49/2023. SWP Comment, 2023.

⁷ Julien Zarifian, "Christian Armenia, Islamic Iran: Two (Not so) Strange Companions Geopolitical Stakes and Significance of a Special Relationship." *Iran & the Caucasus* 12, no. 1 (2008): 123–51. <http://www.jstor.org/stable/25597359>.

Syria and Azerbaijan, align directly with Armenia's security needs.

However, Iran's positions do not fully converge with Armenia's aspirations. Iran was one of the first countries to congratulate [Azerbaijan after the 44-day war](#), underscoring its desire to maintain influence among Shia populations. Tehran has remained silent on the humanitarian crisis in Nagorno-Karabakh, reflecting a divergence with Armenia's emphasis on self-determination and human rights. The Iranian president also [participated in an economic summit in Karabakh](#) and discussed with his Azerbaijani counterpart Karabakh's territorial integrity as a part of Azerbaijan. Iran also signed without reservations the [declaration adopted by the Assembly of the Organization of Islamic Cooperation in Istanbul](#), which also referred to the right of return of so-called "Western Azerbaijanis." This revisionist term is borrowed from official Azerbaijani statements which label parts of Armenia as "[Western Azerbaijan](#)," and call for the return of those Azerbaijanis who resided there prior to the late 1980s.⁸ Against this backdrop, from Armenia's perspective, Iran's statements against border changes—echoing those of Western actors—were and still are crucial for stability. This recent momentum builds on a longer history of

Armenia–Iran cooperation, where strategic infrastructure projects have repeatedly served as important milestones for Armenia in times of crisis. One of the pivotal moments in shaping Armenia–Iran economic ties was the construction of the Meghri Bridge during the First Karabakh War. Completed in 1996, it stood as the first major joint project designed to help Armenia cope with the consequences of the embargo imposed upon it by Turkey and Azerbaijan. Another initiative of that period was the establishment of the first Iran–Armenia electricity transmission line, which gained particular significance given that the second unit of Armenia's Metsamor Nuclear Power Plant had been shut down following the 1988 earthquake. At the time, Armenia was under an embargo due to the conflict with Azerbaijan and the closure of the Turkish border. The situation was further strained by Georgia's instability—marked by civil war and clashes in Abkhazia and South Ossetia—which cut off the Transcaucasian railway, connecting Armenia to Russia. In addition, ethnic Azerbaijani groups in Georgia disrupted the Soviet-era pipeline supplying Armenia with Russian fuel. In this context, Armenia's border with Iran emerged as its only reliable outlet to the world, turning the road in the south into a vital "lifeline."

⁸ "Leaked Files Reveal Baku's Western Azerbaijan Campaign as State-Run Propaganda Plot Against Armenia" *The Armenia Report*, November 4, 2025.

(<https://www.thearmenianreport.com/post/leaked-files-reveal-baku-s-western-azerbaijan-campaign-as-state-run-propaganda-plot-against-armenia>).

Economic cooperation between Armenia and Iran has steadily expanded since the establishment of the Intergovernmental Commission in 1992, which has convened eighteen times to promote joint investment and business links. Key projects—such as the Araxes River bridge, power transmission lines, wind power stations, and the “Gas for Electricity” barter agreement—have created tangible foundations for bilateral partnership. During Iranian President Masoud Pezeshkian’s visit to Armenia, the importance of the North-South and Persian Gulf-Black Sea transit corridors was underscored, and the countries agreed on [the construction of a second bridge at the Meghri-Norduz border checkpoint](#), the improvement of the existing bridge, the regulation of terminals, and the adjustment of truck fees. Trade volumes demonstrate significant growth, jumping from \$401 million in 2020 to a peak of \$710 million in 2022 before [approaching the \\$1.0 billion mark in 2025](#). Additionally, during the Business Forum in Yerevan, [Pezeshkian declared](#) that “increasing the volume of bilateral trade turnover to \$3 billion is quite achievable.”

[The 2023 signing of a free trade agreement](#) between Iran and the Eurasian Economic Union, eliminating tariffs on 87% of traded goods, is expected to give further impetus to these exchanges. However, sanctions on Iran have challenged almost all the joint projects.

Energy and infrastructure remain central pillars of cooperation. For Armenia, highly

dependent on Russia for energy, Iran provides the only real alternative. Since 2009, Armenia has imported natural gas from Iran in exchange for electricity exports, an arrangement recently extended until 2030, though uncertainties remain due to Russia’s control over the transit pipeline.

Meanwhile, transport projects such as Armenia’s “Crossroads of Peace” initiative and the Persian Gulf-Black Sea Corridor highlight how connectivity and infrastructure are now closely tied to security considerations. [Iran has welcomed these efforts](#), aligning them with its own vision of the North-South Corridor linking India to Europe. Concrete steps, such as [awarding Iranian companies a \\$215 million contract to upgrade the key Meghri highway](#) in Syunik, underscore the practical dimension of these ambitions. Together, these developments show how Armenia-Iran economic ties are not only commercial but also strategically significant for regional balance and resilience. Iran’s stance during Azerbaijan’s [attack on Armenia proper in September 2022](#) became another important stage where the security interests of Armenia and Iran coincided and where their positions were aligned with those of the Western powers.

After the [ethnic cleansing of Nagorno Karabakh](#) in 2023, these interests were primarily anchored on joint opposition to the so-called “Zangezur corridor,” the most contentious issue in the Armenia-Azerbaijan normalization process – a concept promoted by

Baku and Ankara and treated ambiguously by Moscow. Armenia rejected this framing for years, stressing that the November 9 trilateral agreement only envisioned the reopening of communications under Armenian sovereignty, not an extraterritorial passage. In this regard, Western actors have consistently emphasized sovereignty and territorial integrity, a position fully in line with Armenia's interpretation. For Yerevan, this support has been strategically vital, since an extraterritorial corridor would undermine Armenia's control over its territory, heighten the risk of new clashes, and marginalize the country in regional economic networks.

Iran's stance similarly strengthened Armenia's position. Tehran had repeatedly [opposed any plan that would sever its direct border with Armenia](#), describing the idea of an extraterritorial corridor as a "red line." This convergence between the West's emphasis on sovereignty and Iran's defense of the Armenia-Iran border placed Yerevan in a comparatively favorable position. It meant that two very different sets of actors—Western governments and Iran—shared a fundamental interest in preventing the corridor scenario that Baku and Ankara were advancing. This alignment offered Armenia a unique diplomatic space; it could leverage both Western and Iranian positions to safeguard its sovereignty, avoid new escalations, and pursue regional connectivity projects that integrate Armenia rather than bypass it. It was in this context that

Armenia [signed a charter](#) on strategic partnership with the United States in January 2025, strengthening its resilience and enlarging the possible fields of cooperation with the US. Simultaneously, Iran was [assured](#) that any US-Armenia cooperation would not threaten its security or interests. Without mutual trust, [joint military drills](#) taking place in the following months would not have been possible. This mutual trust was also tested during the 12-day war: Armenia [condemned Israeli strikes](#) on Iran's nuclear facilities and called for an immediate end to the military actions.

It is in this context that Iran's response to any developments in the region is important for Armenia, both from economic and political perspectives, but also in the context of partnership in strategically important security issues concerning the shared border.

12-day War and Iran's Response to TRIPP

Despite mutual declarations of "victory," the outcome of Israel's attack on Iran during the 12-day war reflected strategic setbacks for all sides, as disagreements over Iran's nuclear ambitions remained unresolved and no decisive shift in U.S.-Iran relations emerged. The conflict revealed Iran's significant vulnerabilities, with its nuclear infrastructure heavily damaged and its capacity to advance toward weaponization delayed. Tehran reportedly safeguarded part of its enriched uranium in advance, suggesting foreknowledge of the strikes, while informal

U.S.-Iranian contacts reportedly continued even amid hostilities. Meanwhile, Russia and China, once expected as reliable allies of Iran, limited their response to symbolic condemnations, underscoring Iran's isolation in a shifting geopolitical landscape.

It was in this regional context that on August 8, the leaders of Armenia and Azerbaijan, Nikol Pashinyan and Ilham Aliyev, signed a peace declaration in the White House, witnessed by U.S. President Donald Trump. Along with points like dedication to peace negotiations and the joint application to terminate the OSCE Minsk Group, the declaration also contains a reference to constructing the Trump Route for International Peace and Prosperity (TRIPP). This 42-kilometer transit route under the sovereignty and jurisdiction of Armenia will serve as a bridging route between Azerbaijan proper and its exclave, Nakhchivan. Analytical and opposition circles in Armenia expected that the decision would provoke a harsh reaction from Iran and Russia, two regional powers with competing interests in transit routes. Iran has long opposed any kind of extraterritorial corridor, while Russia seeks to secure its active presence in such routes. But the reactions from Iran were perceived as ambiguous and yet surprising. The military escalation in Iran during the summer might be one significant reason, with the changed logic of the route itself serving as another.

Before the August 8 developments, there were some discussions already in place in the

context of the transit route through Armenia's Syunik and the U.S. proposal for that route. The details of the proposal, or presumably the proposals, were not officially known. But after Olesya Vardanyan, an expert with the Carnegie Foundation, published an [article](#) detailing negotiations between Armenia and the US on a transit corridor deal, and the U.S. Ambassador to Turkey confirmed the deal in a [statement](#), the Armenian and international press began discussing such a possibility. Iran's reaction to the event at the White House was twofold. On the one hand, just before the signing of the declaration, Ali Akbar published a scathing [article](#) about this "third-party involvement" in the region. He reiterated Iran's opposition to the "Zangezur Corridor" and to any alteration of the border between Armenia and Iran and the presence of third-party security forces in his expression of concern. However, the point referring to the route in the declaration clearly [states](#) that all the communications will be "based on respect for the sovereignty, territorial integrity, and jurisdiction of the States." Thus, under these conditions, the TRIPP lacks the characteristics of the extraterritorial Zangezur Corridor that Azerbaijan had been demanding for years. Furthermore, despite several publications speaking about [leasing the land to the US for 99 years](#), in [the published documents](#), there is no mention of the lease of land or the duration of the cooperation within the framework of the "Crossroads of Peace" project.

After the text of the declaration was published, Tehran's official response emerged first through a press release from the Ministry of Foreign Affairs that both welcomed efforts to establish peace between Armenia and Azerbaijan and expressed concerns about a possible American presence in the region. Meanwhile, in the days following the signing of the declaration, telephone calls took place between [Prime Minister Pashinyan and President Pezeshkian](#), as well as foreign ministers [Ararat Mirzoyan and Abbas Araghchi](#). Following these phone calls, and especially following Armenian Deputy Foreign Minister Vahan Kostanyan's visit to Tehran, Iranian President Pezeshkian and Foreign Minister [Araghchi](#) made several statements that Iran was assured its [red lines were taken into account](#) in the declaration, that there is no mention of the presence of a third party (particularly an armed presence), and that the Armenian side has assured that the signed declaration would in no way hurt the common Iran-Armenia border.

In an article published in *Foreign Policy* entitled [“The Time for Paradigm Shift is Now”](#) former Iranian foreign minister Javad Zarif (who also served as a vice president during the first month of Pezeshkian's presidency but was [forced to resign](#) because of the demand of the conservatives), writes about the necessity to open the country for possible cooperation with the region and the West, anchoring its relations on the mutually beneficial economic projects.

Coming to the Armenia-Azerbaijan agreement, Zarif stresses that:

Through the prism of this possibility's paradigm, Iran and even Russia and Turkey can view the recent agreement between Azerbaijan and Armenia in Washington not as a threat, but as an opportunity—a chance to revive the previously proposed transit cooperation in the Caucasus between Iran, Russia, and Turkey, together with Armenia, Azerbaijan, and Georgia. The new agreement provides a global context that makes our 2019 regional initiative more feasible and sustainable. And it will provide unique investment opportunities for the private sector in the United States and other countries.

During President Pezeshkian's visit to Armenia, on August 18-19, 2025, 10 [memoranda of understanding](#) were signed and [a joint declaration](#) about the countries “desire to deepen the relations of the two countries and elevate the ties to the level of strategic partnership.” During the [joint press conference](#), the leaders underlined the special role of preserving international borders and new connectivity possibilities. This visit was an important opportunity to eliminate all of Iran's remaining concerns about the transit route in the Syunik region and the US's involvement in it, and to discuss details of the opened opportunities of collaboration, also considering the new circumstances. The [joint business forum](#), which took place during the visit, “aimed at deepening and diversifying

trade and economic ties between the two countries.” During his visit to Belarus following his trip to Armenia, [Iran's president spoke](#) about the International North–South Transport Corridor (INSTC). This was interpreted as a sign that the logic of the crossroads had been discussed in Yerevan.

[Iran's balanced response](#) to the radical change in developments in the South Caucasus on August 8 is an important indicator of Iran's possible future role, as well as the potential for changes in Iran-U.S. relations in the wider region. For Armenia, Iran's engagement—or at least its interest—in regional projects backed by the US creates a favorable environment where sovereignty, security, and economic stability can be safeguarded while geo-strategic interests are taken into account. That will mean having a true [“Crossroad of Peace,”](#) as suggested by the Armenian government.

Both Armenian and Iranian leaders stressed the preservation of international borders and new opportunities in the connectivity field. On September 20, during the congress of the ruling party of Armenia “Civic Contract,” [Nikol Pashinyan declared](#): “Security is the opening and unblocking of transport communications in the region, and the Trump Route for International Peace and Prosperity project will enable us to integrate with the world, have rail connections with different parts of Armenia, but also with the Islamic Republic of Iran, the Russian Federation, China, Central Asia, and become a crossroads of peace”.

Conclusion

Armenia cannot treat Iran as a guarantor of security, but it can strategically leverage Tehran's interests to counterbalance Azerbaijan and Turkey while deepening engagement with Western partners. Looking ahead, Armenia's resilience will depend not only on Western commitments but also on how Iran navigates its own crossroads—between confrontation and cooperation, rigidity and pragmatism. For Yerevan, which adopted a [policy of balancing](#) between the powers, Iran will remain neither a guarantor nor a bystander, but a decisive variable in the shifting balance of the South Caucasus.

Iran's strategic uncertainty—marked by lost regional alliances, the possibility of shifting relations with the US, and the probability of internal reconfiguration—remains closely tied to Armenia's security environment. Tehran's balanced response to TRIPP shows that caution and pragmatism, rather than ideology, increasingly guide its South Caucasus policy. For Yerevan, this means Iran can support projects like the North–South Corridor in parallel with TRIPP, reinforcing Armenia's ambition to become a genuine “Crossroad of Peace.”

By contrast, a renewed Israel–Iran confrontation, particularly if joined by the US, can intensify these risks and, in the case of prolonged conflict, fuel separatist dynamics

inside Iran, which could elevate Azerbaijan's geopolitical role and create additional threats for Yerevan. Such instability would still strengthen Baku's demands for a transit corridor through Syunik, even before TRIPP is constructed.

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