

**STATEMENT BY THE MINSK GROUP CO-CHAIRS TO THE OSCE  
PERMANENT COUNCIL**

**Vienna, November 8, 2007**

Mr. Chairman,  
Your Excellencies,  
Ladies and Gentlemen,

Since our previous statement to the OSCE Permanent Council almost a year ago the Minsk Group Co-Chairs have continued intensively their mediation efforts aimed at making the parties to the Nagorno-Karabakh conflict agree on all the basic principles of its settlement. During this period we organized two summits between the Presidents of Armenia and Azerbaijan and several bilateral meetings between the Foreign Ministers of both countries, apart from a dozen of separate contacts of the Co-Chairs with each of them. We visited together the region of the Southern Caucasus seven times, or more often than twice every two months, besides a number of Co-Chair trips to Baku and Yerevan on a bilateral basis, or on behalf of the Troika. What are the results of this activity? Unfortunately, the breakthrough in the settlement process that we had in mind, the endorsement of the basic principles, which we urged both parties to achieve in our Statement to the Permanent Council last year, didn't occur. At their two last summits in Minsk and Saint-Petersburg Presidents Robert Kocharian and Ilham Aliev could not finalize these basic principles of the Nagorno-Karabakh settlement, proposed by the Co-Chairs. But significant differences between the Parties, which existed last year, have been minimized by now. In fact, only one major issue remains unsettled, but it is a very important and fundamental one.

Mr. Chairman,

Does it mean that a complete agreement on the basic principles of the Nagorno-Karabakh settlement will occur soon and even before the presidential elections in Armenia, or, in other words, in the forthcoming two or three months? Alas, no, it does not, although additional progress is not excluded. There is always the possibility that the process of finding a mutually acceptable solution will turn out to be protracted or inconclusive. Nevertheless, we arranged with both Presidents for the process of endorsing the basic principles to be continued during the electoral campaign in Armenia through the shuttle diplomacy of the Co-Chairs. Furthermore, we reached an understanding that after the new President of Armenia is elected, the contacts at the highest level would be resumed not from scratch, but on the basis of the principles already agreed.

Last year before this Council we told about the negative effect, the national elections can have on negotiations. But today we note with satisfaction that the present situation differs advantageously from the one of 2003 – the year of previous presidential elections both in Armenia and Azerbaijan.

Then the talks and any contacts between the parties remained suspended for more than a year. Now they will go on. Then it took more than a year after the resumption of the talks to work out a mutually acceptable model of discussing the basis for the settlement. Now such a basis already exists in the form of the basic principles of the NK settlement, proposed by the Co-Chairs. The absolute majority of these basis principles has already been preliminarily agreed by the parties. Then outcome of the previous four years cycle of negotiation went down the drain after the Key-West summit. Now the results of the last three years of negotiations will remain continuously in use.

Mr. Chairman,

On behalf of the U.S. Co-Chair who unfortunately couldn't be with us today, I'm grateful for this opportunity to address the Permanent Council.

Both sides have repeatedly told us that there is no other mutually acceptable basis for the settlement except for the one currently on the table. Both sides stated publicly that they do not want to lose this framework even if it is impossible to finalize the endorsement of all the basic principles before the elections in both countries. That is why we are thinking now about how to register in the OSCE records and files our confidential paper on the basic principles with our latest proposals on the remaining differences, which we intend to transmit to both parties soon. We also plan to discuss these proposals with both Presidents during our next trip to the region in early December.

Such are in brief the results of our work during the past year and our plans for the immediate future. Perhaps the greatest achievement of our work in the last year is that the electoral year 2008 promises not to be idle, but rather a year of intensive work with both sides on finalizing the basic principles for the NK settlement.

If this happens, as we hope, the coming year will also see the beginning of the process of drafting a future peace agreement on the basis of these basic principles.

In conclusion, Mr. Chairman, we would like to express our sincere gratitude to the Chairman in Office, Minister Moratinos, whose close interest and attention to the issue of the Nagorno-Karabakh settlement have contributed greatly to our work. We'd also like to extend our thanks to the Permanent Representative of the Chairman in Office, Ambassador Andrzej Kasprzyk, for his invaluable support.