

Armenian railroad: vectors and directions

ARVAK Center comment, February 23.02.2026¹

Abstract

ARVAK Center analyzes the sharp escalation regarding the concession agreement for the management of Armenian railroads by “Russian Railways” (specifically, “South Caucasus Railway” CJSC or SCR). The comment examines Prime Minister Nikol Pashinyan’s statements regarding the potential transfer of the concession to third-party countries and their correlation with U.S. Vice President J.D. Vance’s visit to the region. The Center explores the systemic measures taken by the Armenian leadership to squeeze Russian capital out of strategic sectors (energy, logistics) and evaluates alternative transport projects proposed by the opposition, represented by Robert Kocharyan. The conclusion formulates the dilemma facing Moscow amid the loss of control over key logistical hubs in the South Caucasus.

Keywords: Armenia, SCR, Russian Railways, Nikol Pashinyan, Robert Kocharyan, J.D. Vance, transport corridors, “Crossroads of Peace”, TRIPP, integration, concession.

1. An Anniversary ultimatum: new demands for SCR

On February 13, 2026 – exactly 18 years to the day since the signing of the agreement transferring Armenian railroads to the management of a Russian operator – Armenian Prime Minister Nikol Pashinyan stated at a briefing that he does not rule out selling the concession of the South Caucasus Railway (SCR) to “*some country friendly to both Russia and Armenia*” [1]. He noted that through personal conversations with the top leadership of the Russian Federation, he became convinced of Moscow’s understanding of the opportunities opening up for Armenia and its readiness to support projects aimed at strengthening Yerevan’s transit potential.

However, the Prime Minister also expressed regret that potential Armenian partners are allegedly making the alienation of the Russian Federation’s concession rights a prerequisite for Armenia’s inclusion in regional transit megaprojects. They reportedly view cooperation with Russia as high-risk and do not wish for the Armenian section of trade routes to remain under Russian control.

2. From state management to a “third party”: the transformation of N. Pashinyan’s rhetoric

This is not the first time N. Pashinyan has raised the issue of revising the 2008 interstate agreement. In December 2025, the Prime Minister stated that Yerevan had approached Moscow with a proposal to quickly restore railway sections leading to the borders of Turkey and Azerbaijan. According to Pashinyan, should the Russian side encounter difficulties in financing or repairs, Armenia would be forced to terminate the concession agreement. While in December 2025 the rhetoric focused on returning the concession to state management [2], he has now openly declared that the government is considering transferring it to a third party. In this context, Kazakhstan, the UAE, and Qatar were mentioned as examples.

While the Russian side initially criticized Pashinyan’s December statements, only a day before the February briefing – where the head of the Armenian government essentially threatened to revoke the concession – Russian Deputy Prime Minister Alexei Overchuk stated Moscow’s readiness to consider Yerevan’s proposal and jointly develop a plan to integrate SCR

¹ The original (in Rus.) was posted on our website on 23.03.2026.

infrastructure into the region's announced transit routes [3]. This statement signified Moscow's willingness to modernize Armenia's entire railway system almost from scratch, provided the 18-year-old agreement remains in force and Russian management continues.

3. Economic blackmail or a political strategy for displacement

A number of Armenian experts believe that Pashinyan's categorical stance is intended to prod the Russian side into accelerating work and stimulating a flow of major investments into SCR infrastructure. At the same time, other analysts argue that the current Armenian government is deliberately provoking the Russian Federation to create grounds for terminating the February 13, 2008, agreement, which was signed for 30 years with a 10-year extension option [4].

According to this view, the political decision to strip Russia of its management rights over Armenian rail has already been made, and a successor party for the concession has likely been chosen. Analysts justify this conviction by pointing to the broader strategic program of the current Armenian leadership aimed at the systematic displacement of Russia and its capital from key sectors of the economy: energy, logistics, and mining.

Notably, in November 2025, the Armenian government revoked the license of "*Electric Networks of Armenia*" (ENA), held by "*Tashir Capital*", a company owned by a Russian businessman Samvel Karapetyan [5]. Following this, on February 9, 2026, Prime Minister Pashinyan and U.S. Vice President J.D. Vance signed a "Statement of Cooperation on Atomic Energy", which envisions the long-term replacement of the foundational Armenian-Russian nuclear partnership with an American program for small modular reactors (SMRs) [6]. Now, the focus has shifted to the railway, the management rights of which are considered one of Russia's primary strategic assets in Armenia. Experts suggest these measures are part of a comprehensive effort to eliminate residual Russian influence. By demanding modernization, the Armenian authorities likely seek not to improve the platforms but to create justifications for their subsequent nationalization and transfer to other interested parties.

4. J.D. Vance's visit and the radicalization of Yerevan's position

The root of this problem is political rather than economic, a fact reinforced by J.D. Vance's visit to Armenia. It was immediately following this visit that Prime Minister Pashinyan radicalized his rhetoric, effectively suggesting there is no alternative but to transfer the railroads to a third party, regardless of Moscow's readiness to invest in their restoration.

In this context, it is noteworthy that the Armenian opposition's reaction was relatively weak, confined mostly to general warnings about the potential transfer of management to a "Turkish-Azerbaijani tandem". Only Robert Kocharyan, leader of the "Armenia" political alliance and former president, addressed the topic in a rational and polemical manner. At a press conference in Yerevan on January 29, 2026, he stated that the TRIPP project, centered on a rail link through Armenia's Syunik province, cannot be considered effective for Armenia unless it includes communications from the eastern borders of Nakhijevan to Yeraskh in Armenia [7]. According to the former president, only under such conditions would American management guarantee a benefit for Armenia by providing a short and profitable route to its southern regions and the Iranian border. Furthermore, Kocharyan emphasized that Armenia would benefit if countries such as Russia and China participated in the development and operation of this route.

5. Kocharyan's alternative: the Abkhazian railway

On February 13, 2026, Kocharyan highlighted the Abkhazian railway, arguing that its unblocking would provide Armenia with a shorter and more cost-effective link to Russia compared to routes passing through Azerbaijan. According to R. Kocharyan, restarting the Abkhazian section is strategically beneficial for Russia, Turkey, Armenia, and Georgia – the latter of which fears losing its competitive edge in transit if it does not facilitate a route to Russia [8]. The former president described the reluctance to pursue this task as a “*crime*”, asserting that its resolution would free Armenia from dependency on “*international partners*” who threaten to leave the country out of regional processes.

In essence, the former president seeks to demonstrate that the government's actions are driven solely by political motives. However, his proposed “*alternative*” is itself debatable. The unblocking of the Abkhazian railway has been discussed for over 30 years without significant progress. While R. Kocharyan is economically correct, political factors have consistently derailed negotiations.

6. The Turkish-Azerbaijani vector and Russian isolation

Turkey's interest in restarting the Tbilisi–Sukhumi–Sochi line also remains doubtful. Following the 2020 events in the South Caucasus and against the backdrop of the Russia–Ukraine war, Ankara shifted its priorities. Turkey is now focused on West–East routes opening a path to Central Asia, rather than the North–South direction, which would allow Russia to maintain its foothold in the Black Sea–Caspian region. In this matter, Ankara is supported by Baku, which allows for the launch of North–South transit routes only through its own territory and under its own control.

Azerbaijan possesses significant economic leverage over Georgia to block any hypothetical initiative regarding Abkhazia and demonstrates total rejection of Armenian initiatives that would allow Yerevan to become a regional transit hub. This was reaffirmed by Ilham Aliyev's statements at the Munich Security Conference in February 2026. First, he expressed doubt regarding the feasibility of connecting the Armenian rail branch in Yeraskh to the Kars–Igdir–Nakhijevan–Baku route. Second, he ironically hinted that Pashinyan's “*mythical*” “Crossroads of Peace” project is not destined to become a reality [9].

7. Conclusion: a dilemma for Moscow

The new geopolitical reality forces Armenia to settle for a role as a transit link exclusively within the logic of the West–East axis, utilizing route configurations acceptable to Turkey and Azerbaijan. Armenia's rail link with Russia to the north and Iran to the south will, in both cases, have to pass through Azerbaijani territory, placing Yerevan in critical economic dependence on Baku.

Moscow, for its part, faces a difficult dilemma: either it abandons SCR and exits the game – move that fundamentally contradicts its strategic interests in the South Caucasus – or betting on potential shifts in Armenia's domestic political situation, it increases investment in an infrastructure that, should N. Pashinyan remain in power, will be used to serve the interests of Russia's geopolitical rivals.

References

- [1] «Пашинян предложил РФ продать концессию на ж/д Армении третьей стране». *Ведомости*, 14.02.2026, <https://www.vedomosti.ru/politics/news/2026/02/14/1176359-pashinyan-predlozhit-prodat> (дата обращения: 16.02.2026).
- [2] «Пашинян и Путин обсуждали вопрос восстановления участков железной дороги в Армении». *ARKA News Agency*, 25.12.2025, <https://arka.am/news/economy/pashinyan-i-putin-obsuzhdali-vopros-vosstanovleniya-uchastkov-zheleznoy-dorogi-v-armenii/> (дата обращения: 16.02.2026).
- [3] «Россия поможет Армении наладить железнодорожное сообщение с Азербайджаном и Турцией». *ARKA News Agency*, 12.02.2026, <https://arka.am/news/economy/rossiya-pomozhet-armenii-naladit-zheleznodorozhnoe-soobshchenie-s-azerbaydzhanom-i-turtsiei/> (дата обращения: 16.02.2026).
- [4] «Ереван больше не устраивает российская концессия на железные дороги Армении». *Ритм Евразии*, 15.02.2026, <https://www.ritmeurasia.ru/news--2026-02-15-erevan-bolshe-ne-ustrivaet-rossijskaja-koncessija-na-zheleznye-dorogi-armenii-85868> (дата обращения: 16.02.2026).
- [5] «ЗАО «Электросети Армении» лишено лицензии на распределение электроэнергии и мощности». *ARKA News Agency*, 17.11.2025, <https://arka.am/news/economy/zao-elektroseti-armenii-lisheno-litsenzii-na-raspredelenie-elektoenergii-i-moshchnosti-/> (дата обращения: 07.02.2026).
- [6] «Что заставило власти Армении спешно подписать с Вэнсом заявление о модульных АЭС: эксперт». *Sputnik Armenia*, 11.02.2026, <https://am.sputniknews.ru/20260211/cht-zastavilo-vlasti-armenii-speshno-podpisat-s-vensom-zayavlenie-o-modulnykh-aes-ekspert--98653116.html> (дата обращения: 17.02.2026).
- [7] «Кочарян назвал проект TRIPP крупнейшей угрозой безопасности Армении». *Голос Армении*, 29.01.2026, <https://www.golosarmenii.am/кочарян-назвал-проект-tripp-крупнейшей-угр/> (дата обращения: 17.02.2026).
- [8] «Роберт Кочарян: Ж/Д сообщение через Грузию и Абхазию – полностью реалистичный проект, которым надо заниматься». *NEWS.am*, 13.02.2026, <https://news.am/rus/news/930469.html> (дата обращения: 17.02.2026).
- [9] «Он и перезапустит ваш «Перекресток мира»» - ВИДЕО. *Qafqazinfo*, 14.02.2026, <https://qafqazinfo.az/news/detailru/-61542> (дата обращения: 18.02.2026).