Israel and Azerbaijan: Trusted friends and reliable partners



Israeli-Azerbaijani relations are based on two main pillars: patient and cordial political relations as well as defense cooperation and arms sales. While the former reached a more intensive level this year, with the <u>opening</u> of an Azerbaijani embassy in Tel Aviv in late March, the latter pillar of the relationship was well developed long before, as Israel became Azerbaijan's largest weapons supplier.

Political developments

After decades of keeping a low diplomatic profile vis-à-vis Israel, in November 2022 the Azerbaijani parliament approved a bill on opening an embassy in Tel Aviv. This was a historic decision as, until then, Azerbaijan had consistently rejected Israeli overtures to send a permanent ambassador, despite the opening of an Israeli embassy in Baku in August 1993. It took almost 30 years for Azerbaijan to reciprocate since the country's leadership did not want to alienate other Muslim-majority states or provoke the Iranian

authorities, who blamed Israel for worsening relations along the Baku-Tehran axis. However, in the wake of the 2020 signing of the Abraham Accords on diplomatic normalization between Israel and Bahrain, Morocco, Sudan, and the United Arab Emirates, followed by the exchange of Israeli and Turkish ambassadors two years later, Azerbaijan's President Ilham Aliyev felt that the time was right to follow suit. Aliyev appointed the first Azerbaijani ambassador to Israel, Muxtar Mammadov, on Jan. 11, 2023; and Foreign Minister Jeyhun Bayramov visited Jerusalem and Tel Aviv on March 29, for talks with his Israeli counterpart, Eli Cohen, and to attend the embassy's inauguration ceremony.

Military relations

The elevation of bilateral diplomatic relations was preceded by vital Israeli military support to Azerbaijan over the years, including, importantly, while Azerbaijan's closest ally, Turkey, was not yet in a position to supply it with the same types of advanced arms. In the last few years, that situation has reversed somewhat, with Turkey stepping up the quality and value of weaponry it has been providing to Azerbaijan, while Israeli arms exports have shifted more toward European consumers, including a \$3 billion deal to sell Germany the Arrow 3 air-defense system. Nonetheless, Israeli arms manufacturers continue to keep a close eye on the Azerbaijani market since the latter country's defense budget has steadily increased, from \$2.6 billion in 2022 to \$3.1 billion in 2023, with 30% of these expenditures earmarked for weapons procurement. The newly elevated bilateral diplomatic ties may also translate into new arms purchases. Notably, last February, then-Israeli Defense Minister Yoav Gallant met with President Aliyev on the sidelines of the Munich Security Conference, where Azerbaijan's leader lauded the progress the two partners have made in various areas of cooperation, particularly in the defense and military-technical spheres. And illustratively, two new Israeli defense technology firms, Meteor Aerospace and SpearUAV, are expected to sign deals with Azerbaijan on drone development as early as this year or by 2024.

Israeli and Turkish arms exports to Azerbaijan

According to data from the Stockholm International Peace Research Institute, between 2013 and 2016 Azerbaijan received 30% of its arms imports from Israel; in 2016-20, that share reached 69%. The main Israeli partners of Azerbaijan's Ministry of Defense Industry are Elbit Systems, Israeli Aerospace Industries (IAI), and Aeronautics Defense Systems, the latter of which was acquired by Rafael Advanced Defense Systems in 2019.

Azerbaijan's military imports from Israel are substantial: In 2016, the South Caucasus country spent \$5 billion and, in 2017, \$137 million on Israeli weapons. No open-source data exists for Azerbaijan's military purchases from Israel between 2018 and 2022. It is known, however, that most of money spent prior to 2018 went to the purchase of Hermes 450/900 and Orbiter unmanned aerial vehicles (UAVs), Harop loitering munitions, LORA surface-to-surface guided ballistic missiles, Barak-8 air- and missiledefense systems, reconnaissance satellite technology, and Spike anti-tank guided missiles (ATGMs).

It should be emphasized that besides selling off-the-shelf weapons, Israel established at least one joint venture with Azerbaijan, in March 2011 — between the Baku-based defense ministry-associated Azad Systems Co. and Israel's Aeronautics Defense Systems to manufacture Aerostar and Orbiter UAVs. As for Turkey, despite the massive publicity associated with its Bayraktar TB2 combat UAVs, which it has also supplied to Azerbaijan, Ankara has yet to establish a joint venture to co-manufacture this weapons system with its eastern ally. The only known country where Turkey presently has plans to construct a Bayraktar factory is Ukraine.

The experience of the Sept. 27-Nov. 10, 2020, war between Azerbaijan and Armenia underscored for Baku the critical value of bilateral Azerbaijani-Israeli relations, and it reinforced the picture of Israel as not just a friendly country but also a reliable source of high-quality arms even in the middle of hostilities. In addition to Israeli firms selling Baku the aforementioned

valuable weaponry, Elta Systems, a subsidiary of IAI, carried out <u>digital</u> <u>mapping of Karabakh</u>, which helped Azerbaijani forces conduct their battlefield operations during the 44-day war.

Turkey's arms exports to Azerbaijan, on the other hand, began in earnest in 2019. According to a Reuters report, military sales from Turkey to Azerbaijan in the first nine months of 2019 totaled \$20.7 million, while in the first nine months of 2020, the value of Turkish weapons provisions to its South Caucasus partner increased to \$123 million. Most of Baku's purchases included UAVs (largely Bayraktar TB2s), multiple-launch rocket systems (MLRS), ammunition, and other (unspecified) items.

It is important to note that the arms exports to Azerbaijan from these two countries largely do not compete against one another, except possibly when it comes to some loitering munitions and UAVs, such as regarding the respective surveillance capabilities of the Israeli Hermes 900 and Turkish Bayraktar TB2. It remains to be seen whether or not Turkey will eventually sell ATGMs or other types of missiles, akin to the LORA and Barak-8, to Azerbaijan.

Conclusion

Politically, Israel and Azerbaijan have reached a new level of relations with the opening of the Azerbaijani embassy and appointment of a first Azerbaijani ambassador to Israel. Following this milestone, cooperation between the two countries is also likely to further expand. According to an unnamed diplomatic source, an official meeting of several Israeli ambassadors to Eurasian countries was held in Baku in mid-January, with the participation of high-ranking officials from Azerbaijan's foreign ministry. Whereas, in military-to-military terms, we can expect new orders for the Sa'ar 62-class offshore patrol vessel, designed by Israel Shipyards and locally built by the Center for Construction and Repair of Ships of the Azerbaijani Coast Guard, in Turkan. More LORA and Barak-8 missiles purchases are also likely, as is perhaps Israel's vaunted Iron Dome air-

defense system. So even though Turkish arms sales have become more important in recent years, last February's Aliyev-Gallant meeting in Munich clearly signaled that Azerbaijan remains interested in what Israeli weapons producers have to offer.

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