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## Comprehensive Critical Analysis of the TRIPP Armenia–U.S. Framework Agreement



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## Introduction

Produced by the Armenian National Committee – International, this analysis examines the “Framework Agreement between the Republic of Armenia and the United States of America on Strategic Cooperation Concerning the Trump Route for International Peace and Prosperity (TRIPP),” initialled on 26 May 2026, which stems from the tripartite Armenia–Azerbaijan–United States agreements and understandings reached in Washington D.C. on 8 August 2025. The TRIPP initiative was presented as a connectivity- and peace-oriented regional infrastructure project intended to facilitate multimodal transit between mainland Azerbaijan and the Nakhichevan Autonomous Republic through the sovereign territory of the Republic of Armenia, while simultaneously contributing to regional stability, economic development, and broader international trade integration.

The present analysis focuses primarily on the legal, constitutional, institutional, governance, economic, and sovereignty-related shortcomings and challenges embedded within the Framework Agreement itself, rather than on broader geopolitical considerations alone. While the geopolitical dimension of the project is impossible to fully separate from its legal and institutional architecture, this document seeks above all to assess the internal structural implications of the Agreement for Armenia’s sovereignty, legal order, democratic accountability, economic autonomy, environmental governance, and long-term strategic flexibility.

The analysis identifies several major areas of concern arising from the current structure of the Agreement. These include the granting of long-term exclusive development and operational rights over strategically sensitive infrastructure on Armenian sovereign territory; the establishment of a foreign-majority-controlled governance structure; extensive derogations from Armenian domestic legislation; preferential fiscal and taxation arrangements; weak dispute resolution mechanisms; undefined governance and decision-making procedures; the absence of enforceable reciprocal connectivity rights for Armenia; and the lack of meaningful environmental safeguards or public accountability mechanisms.

The Framework Agreement additionally creates the risk of long-term structural dependency by embedding key aspects of Armenia's transportation and infrastructure governance within externally influenced institutional arrangements extending potentially up to 99 years. At the same time, many of the anticipated economic benefits remain politically framed and non-guaranteed, while Armenia assumes concrete sovereign, territorial, regulatory, and political obligations.

The central concern raised by this analysis is therefore not opposition to regional connectivity or economic cooperation as such, but rather the possibility that the TRIPP Framework Agreement, in its current form, institutionalizes a deeply asymmetric legal and governance structure that does not provide enforceable reciprocal connectivity rights for Armenia and may significantly constrain the country's future strategic autonomy while exposing it to long-term sovereignty, governance, economic, environmental, and security risks in the absence of sufficient safeguards, reciprocity, and democratic oversight.

## Executive Overview

The newly initialled "Framework Agreement between the Republic of Armenia and the United States of America on Strategic Cooperation Concerning the Trump Route for International Peace and Prosperity (TRIPP)" fundamentally transforms both the legal nature and the geopolitical implications of the TRIPP initiative. Whereas earlier public documents and the January 2026 TRIPP Implementation Framework largely outlined political intentions and conceptual implementation mechanisms, the 26 May 2026 Framework Agreement establishes a concrete interstate legal and institutional structure governing strategic infrastructure, concessions, transit corridors, taxation, regulatory arrangements, and sovereign obligations extending potentially up to 99 years.

The Agreement creates a U.S.-controlled joint venture structure, grants long-term exclusive development and land use rights over strategically sensitive infrastructure corridors located on Armenian sovereign territory, establishes extensive preferential tax treatment, commits Armenia to adopt derogations from domestic legislation, and partially externalizes governance through legal and institutional mechanisms linked to foreign jurisdictions.

The ownership structure of the proposed TRIPP Development Company (TDC) lies at the core

of the Agreement’s institutional design. The TDC is envisioned as a joint venture in which TDC US — a commercial entity to be incorporated in Delaware as a wholly owned subsidiary of the United States International Development Finance Corporation (DFC) — would hold a controlling 74% ownership stake, while Armenia would hold only 26%. Although the Agreement foresees a future increase of Armenia’s share to 49% after 49 years, such increase would occur only in exchange for extending the arrangement for an additional 50 years.

Although the Agreement repeatedly reaffirms Armenia’s sovereignty, territorial integrity, and jurisdiction, its operational architecture creates substantial functional constraints on Armenia’s future regulatory, economic, and strategic autonomy. In practice, the document institutionalizes long-term dependencies and governance asymmetries that may significantly outlast any immediate political or economic benefits associated with the project.

The Agreement additionally fails to address several core Armenian concerns that have accompanied regional connectivity negotiations for decades. It does not provide legally guaranteed reciprocal Armenian transit rights through Azerbaijan or Nakhichevan, does not establish enforceable mechanisms regarding the lifting of the Turkish-Azerbaijani blockade imposed on Armenia for more than thirty years, and does not address restoration of Armenia’s historical regional railway connectivity.

Equally notable is the complete absence of any meaningful reference to environmental protection, environmental impact assessments, ecological risk mitigation, or sustainability obligations. The Agreement contains no provisions concerning:

- environmental review procedures,
- biodiversity protection,
- land rehabilitation,
- pollution control,
- climate-related standards,
- or public environmental oversight mechanisms.

Given the scale, duration, and strategic sensitivity of the proposed infrastructure projects — including rail, roads, pipelines, electricity infrastructure, and fiberoptic systems — this omission represents a significant governance and public policy deficiency.

The Framework Agreement therefore represents not merely a transportation or investment arrangement, but the establishment of a long-term geopolitical and governance regime with potentially profound implications for Armenia’s sovereignty, institutional autonomy, economic leverage, environmental governance, and regional positioning.

# 1. Strategic Context and Legal Foundations

The 26 May 2026 Framework Agreement marks a substantial evolution from earlier political declarations toward a formalized interstate governance architecture for TRIPP. Unlike the earlier implementation framework, which largely described political intentions and operational aspirations, the new agreement institutionalizes concrete legal, regulatory, financial, and governance obligations.

The Agreement establishes the TRIPP Development Company (TDC), defines its ownership structure, outlines the future creation of special purpose vehicles (SPVs), provides for extensive concession arrangements, and commits Armenia to facilitate the implementation of the project through legislative, regulatory, and administrative measures.

At the center of the Agreement lies a fundamental structural asymmetry. The document explicitly identifies the creation of “unimpeded, multimodal transit connectivity” between mainland Azerbaijan and Nakhichevan through Armenian territory as one of its principal strategic purposes. Azerbaijan’s long-standing objective of securing direct transit access to Nakhichevan is therefore operationalized through:

- long-term infrastructure governance,
- concession rights,
- special operational mechanisms,
- and dedicated transit arrangements located on Armenian sovereign territory.

By contrast, Armenia receives no corresponding treaty-based guarantees regarding:

- reciprocal transit rights through Azerbaijani territory,
- equivalent access through Nakhichevan,
- restoration of regional railway connectivity,
- or legally enforceable lifting of the transportation blockade imposed by Azerbaijan and Türkiye.

The Agreement repeatedly refers to “reciprocal benefits” for Armenia, yet these benefits remain undefined in operational and legal terms. No enforceable mechanisms are established regarding Armenian access to regional transport routes, while Azerbaijan’s connectivity objectives are institutionalized in concrete form through infrastructure and governance arrangements.

This asymmetry becomes particularly important when viewed against the broader geopolitical context. Turkey and Azerbaijan have consistently pursued parallel infrastructure projects designed to bypass Armenian territory, including the Kars–Nakhichevan railway project.

Consequently, the strategic logic of exclusion has not disappeared; rather, it now coexists alongside a highly asymmetric transit arrangement inside Armenian sovereign territory.

## 2. Constitutional and Legal Supremacy Concerns

One of the most consequential provisions of the Framework Agreement appears in Article 5(5), which states that the Agreement shall apply in the event of conflict with Armenian law, consistent with Armenia's Constitution.

This clause significantly elevates the legal and constitutional implications of the Agreement. It effectively grants the framework a superior normative status over ordinary Armenian legislation in areas relevant to corporate governance, procurement, taxation, concessions, and public-private partnerships. In practical terms, future Armenian governments and legislatures may find themselves constrained in their ability to modify legal frameworks affecting TRIPP-related structures without risking conflict with interstate obligations already undertaken.

The issue becomes particularly serious given the duration and scope of the commitments involved. The Agreement contemplates exclusive development and operational rights extending for an initial 49-year period with the possibility of an additional 50-year extension. Such long-term arrangements inevitably raise constitutional questions concerning democratic reversibility, proportionality, and the delegation of strategic control over infrastructure located on sovereign territory.

The Agreement also commits Armenia to adopt deviations from domestic legislation governing joint stock companies, procurement, and public-private partnerships. This creates a special legal regime specifically tailored for the TRIPP structure, introducing a form of legal exceptionalism that may weaken ordinary safeguards relating to transparency, competition, accountability, and anti-corruption oversight.

Taken together, these provisions move TRIPP beyond the realm of ordinary infrastructure cooperation and into the domain of structural constitutional and institutional transformation.

## 3. The Sovereignty Paradox

The Framework Agreement repeatedly emphasizes that Armenia retains full sovereignty, territorial integrity, and jurisdiction over all TRIPP implementation areas. However, the operational design of the Agreement simultaneously creates substantial functional constraints on the exercise of that sovereignty.

The clearest example appears in Article 6(2), under which Armenia grants the TDC exclusive land use rights, development rights, permissions, and associated operational authorities for an initial term of 49 years, with the possibility of extension for another 50 years. Although sovereignty formally remains with Armenia, the practical management and operational control of strategically sensitive transit infrastructure become embedded within a foreign-majority-

controlled governance structure.

The Agreement additionally permits the assignment of these rights to SPVs and allows the involvement of concessionaires, contractors, operators, and external engineering entities. This creates fragmented governance chains that dilute accountability and complicate effective sovereign oversight.

An additional source of concern lies in the repeated references to undefined “political considerations,” “reserved matters,” and “national security” issues. The Agreement establishes future decision-making mechanisms for such matters without defining their scope, procedural safeguards, or dispute resolution mechanisms. This introduces broad discretionary governance authority into strategically important infrastructure management while leaving key institutional details deferred to future confidential arrangements.

The result is a condition best described as “formal sovereignty with functional constraints”: Armenia retains nominal sovereign authority while significant operational, regulatory, and strategic influence becomes embedded within externally dominated governance structures.

#### 4. Governance, Accountability, and Legal Externalization

The governance architecture established by the Agreement significantly externalizes elements of strategic infrastructure management into foreign legal and institutional systems.

The Shareholders’ Agreement governing the TDC is to be governed by the laws of the State of New York, while TDC US is to be incorporated in Delaware as a wholly owned subsidiary of the U.S. International Development Finance Corporation (DFC). This creates a hybrid governance structure in which strategically important infrastructure located on Armenian sovereign territory becomes partially governed through foreign legal frameworks and institutions.

The Agreement also leaves critical governance arrangements undefined. It confirms the future establishment of “special decision-making mechanisms” and “reserved matters” requiring mutual consent, including issues related to share transfers, SPVs, concession rights, financial decisions, national security, and political considerations. However, the Agreement itself does not define:

- voting mechanisms,
- veto structures,
- deadlock resolution procedures,
- or the hierarchy between Armenian domestic institutions and TDC governance structures.

This absence of clarity creates the risk of future opaque governance arrangements negotiated outside ordinary public scrutiny.

The possibility of future changes in beneficial ownership or operational structures also remains insufficiently regulated. While the Agreement states that TDC US shall remain wholly owned by the United States, the framework does not establish robust prohibitions preventing indirect Azerbaijani or Turkish participation through contractors, SPVs, subcontractors, financing arrangements, or intermediary corporate structures.

Given the strategic sensitivity of the project, the absence of comprehensive beneficial ownership safeguards constitutes a significant structural vulnerability.

## 5. Economic Structure and Fiscal Sovereignty

The economic architecture of the Agreement reveals a pronounced imbalance between Armenia's sovereign contributions and its long-term economic participation.

Under Article 3(2), the ownership structure of the TDC allocates 74% ownership to TDC US and only 26% to Armenia. Yet Armenia contributes:

- sovereign territory,
- strategic transit corridors,
- land acquisition obligations,
- regulatory facilitation,
- infrastructure permissions,
- political risk exposure,
- and long-term sovereign commitments.

At the same time, the Agreement does not establish any fixed minimum financing obligations by the United States or the TDC structure. Instead, Article 5(6) merely states that the United States “intends to provide for and/or assist in securing financing for TRIPP Projects, subject to the availability of funds.”

Thus, while Armenia undertakes concrete and long-term sovereign, territorial, regulatory, and political obligations, the financing commitments themselves remain politically framed, conditional, and undefined in terms of guaranteed scale, timing, or minimum investment thresholds.

The fiscal provisions further deepen this asymmetry. Article 9 establishes extensive preferential tax treatment for the TDC structure, including exemptions from taxation on dividends, capital gains, and transfers of rights associated with TRIPP implementation.

Such provisions substantially reduce Armenia's future fiscal capture from strategically important infrastructure projects located on its own territory. The resulting structure resembles

concession-style or special economic zone arrangements more than a balanced strategic partnership framework.

The Agreement similarly lacks:

- binding investment guarantees,
- mandatory employment benchmarks,
- local participation requirements,
- technology transfer obligations,
- or enforceable benefit-sharing mechanisms.

As a result, many of the economic benefits associated with TRIPP remain aspirational rather than contractually guaranteed.

## 6. Environmental Governance Deficit

One of the most striking omissions in the Framework Agreement is the complete absence of any meaningful environmental governance framework.

The Agreement contains no provisions concerning:

- environmental impact assessments,
- ecological risk mitigation,
- biodiversity protection,
- land rehabilitation,
- climate resilience,
- pollution control,
- environmental monitoring,
- or public environmental accountability mechanisms.

This omission is particularly significant given that the Agreement expressly contemplates the development of:

- rail infrastructure,
- roads,
- oil and gas pipelines,
- electricity projects,
- and fiberoptic infrastructure across strategically sensitive areas of Armenia.

Large-scale infrastructure projects of this nature inevitably create substantial environmental risks, including:

1. land degradation,
2. ecosystem fragmentation,
3. water resource disruption,
4. pollution exposure,
5. and long-term ecological impacts.

Yet the Agreement contains no requirement for:

- environmental review procedures,
- independent assessments,
- public consultations,
- mitigation obligations,
- or remediation mechanisms.

The absence of environmental governance safeguards becomes even more concerning given the long-term and concession-style nature of the project. Without clearly defined environmental standards and oversight obligations, Armenia may face significant long-term ecological and public policy risks with limited ability to impose future regulatory changes due to the Agreement's legal and operational entrenchment mechanisms.

## 7. Border Management and Security Concerns

The border and customs provisions introduce additional sovereignty and security concerns.

The Agreement establishes a “front office/back office” operational model under which Armenia agrees to use private operators for customer-facing services at border crossing points within TRIPP implementation areas. Although Armenia formally retains sovereign authority over customs, immigration, border security, and law enforcement, the operational involvement of private actors introduces potential ambiguity regarding accountability, data handling, and security oversight.

The emphasis on digital interoperability and optimized regional transit integration additionally raises concerns relating to cybersecurity, data sovereignty, and external access to strategically sensitive systems.

These concerns are compounded by the long duration of the project and by the potential involvement of multiple subcontractors, operators, and SPVs whose relationships and oversight structures remain only partially defined.

## 8. Geopolitical Dependency and Structural Vulnerability

The Framework Agreement explicitly links the success of TRIPP to broader geopolitical developments, including Armenia-Azerbaijan normalization, Armenia-Türkiye normalization, sustained U.S. engagement, and regional cooperation.

This creates a situation in which Armenia assumes extensive long-term obligations while many of the project's anticipated benefits remain dependent on political conditions largely outside Armenian control.

The Agreement also openly embeds TRIPP within broader U.S. strategic objectives. The fact that TDC US is wholly owned by the DFC confirms that the project is not merely commercial in character but also geopolitical in nature.

At the same time, Azerbaijan's principal strategic objective—unimpeded connectivity between mainland Azerbaijan and Nakhichevan—is concretely institutionalized, whereas Armenian reciprocal connectivity rights remain undefined. This reinforces the perception that TRIPP risks functioning less as a balanced regional integration framework and more as a structurally asymmetric transit arrangement.

## 9. Dispute Settlement Deficits

Despite the extensive and long-term obligations created by the Agreement, its dispute settlement mechanisms remain remarkably weak.

Article 10 provides only for consultations and cooperation between the Parties in the event of disputes concerning interpretation or application of the Agreement. The Agreement contains no:

- arbitration mechanisms,
- neutral tribunals,
- enforcement procedures,
- or judicial review structures.

This creates a substantial imbalance. Armenia undertakes extensive structural commitments affecting sovereign territory, legislation, taxation, and strategic infrastructure governance, while retaining limited enforceable remedies should disputes arise.

The absence of robust dispute resolution mechanisms becomes particularly problematic given the complexity, duration, and geopolitical sensitivity of the project.

## 10. Conclusion and Strategic Assessment

The 26 May 2026 Framework Agreement fundamentally alters the character of TRIPP. The

initiative can no longer be understood merely as a transportation or infrastructure project. It represents the creation of a long-term geopolitical, legal, and governance architecture with potentially profound implications for Armenia's sovereignty, institutional autonomy, fiscal policy, environmental governance, and strategic positioning.

The Agreement combines:

- long-term exclusive rights,
- foreign-majority operational control,
- preferential fiscal treatment,
- legal derogations,
- externally linked governance mechanisms,
- weak environmental safeguards,
- and limited dispute resolution protections.

At the same time, it leaves unresolved the central issue of reciprocal Armenian connectivity rights and does not provide legally enforceable guarantees concerning the lifting of the regional blockade against Armenia or Armenia's reintegration into broader regional transport systems.

Whether TRIPP ultimately evolves into a stabilizing regional infrastructure mechanism or a long-term source of structural dependency will depend largely on the introduction of safeguards that are currently absent or underdeveloped. These include stronger constitutional oversight, enhanced parliamentary scrutiny, robust transparency requirements, meaningful environmental review mechanisms, stricter beneficial ownership protections, clearer national security review procedures, enforceable economic guarantees, and balanced dispute settlement mechanisms.

Absent such safeguards, the Agreement risks institutionalizing a highly asymmetric governance structure in which Armenia assumes disproportionate sovereign, political, environmental, and strategic obligations while much of the long-term leverage and operational control remains externalized.

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# KEY CONCERNS RAISED BY THE TRIPP FRAMEWORK AGREEMENT



This analysis, produced by the Armenian National Committee – International, identifies major legal, institutional, economic, environmental and governance shortcomings in the TRIPP Framework Agreement, initialled on 26 May 2026. While presented as a connectivity and peace-oriented project, the Agreement creates significant long-term risks for Armenia's sovereignty, legal order, economic autonomy and strategic future.



**OVERALL RISK** The TRIPP Framework Agreement, in its current form, institutionalizes a deeply asymmetric legal and governance structure that may constrain Armenia's strategic autonomy and expose the country to long-term sovereignty, governance, economic, environmental and security risks without sufficient safeguards, reciprocity or democratic oversight.



## THE WAY FORWARD

To protect Armenia's national interests, the Agreement must be strengthened with enforceable reciprocal rights, constitutional safeguards, transparent governance, environmental protections, clear economic guarantees, robust dispute resolution and full public accountability.