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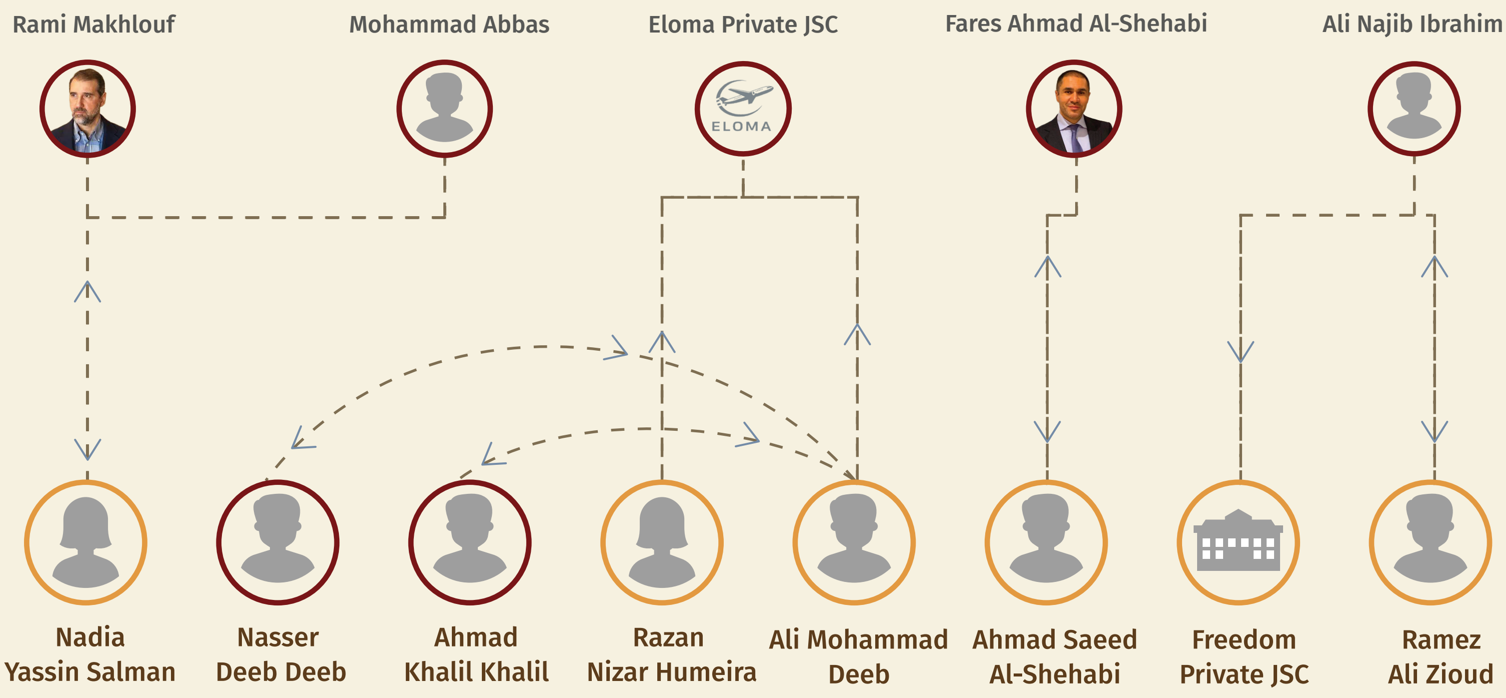
Syria in Figures

Making Sense of Syria's Economy

Unlocking Access: Addressing Compliance Constraints in Syria's Banking Sector

Sanctioned individuals in ownership structures block banks' global reintegration; a way forward is seizing their assets, strengthening compliance and signaling reform.



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Interview: Abdulsalam Haykal, Minister of Telecommunications and Information Technology

External Contribution: Elise Baker, Senior Staff Lawyer for the Strategic Litigation Project

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KARAM SHAAR ADVISORY LTD.
MAKING SENSE OF SYRIA'S ECONOMY

Karam Shaar Advisory is a New Zealand-based limited-liability consulting company. Our work focuses on the economy and politics of Syria.

Unlocking Access: Addressing Compliance Constraints in Syria's Banking Sector

Syria's private banking sector urgently needs international re-engagement, yet some bank shareholders continue to complicate the process. Shareholders subjected to European or American sanctions—or close affiliates of such individuals—pose persistent compliance concerns. Whatever their political roles or wartime loyalties, one fact is clear: as long as they stay in place, re-engagement will be arduous.

Legally, an international bank is not automatically prohibited from working with a Syrian bank that has a sanctioned minority shareholder. However, under EU law, entities "effectively controlled" by a designated person, even with less than 50% ownership, are treated as sanctioned. This means that even without an operational role, the shareholder's presence in the ownership structure can trigger enhanced due diligence, slow onboarding, and heightened scrutiny. These factors increase compliance costs and often lead risk-averse institutions to walk away.

This is especially damaging for Syria's banking sector. With limited incentives for international banks to engage, any added risk undermines the business case. Correspondent relationships need sufficient transaction volume to offset compliance costs. Yet Syria's modest trade and formal remittance flows mean that sanctioned or high-risk shareholders can quickly tip the balance toward disengagement, leaving Syrian banks in the cold.

A Few Names...

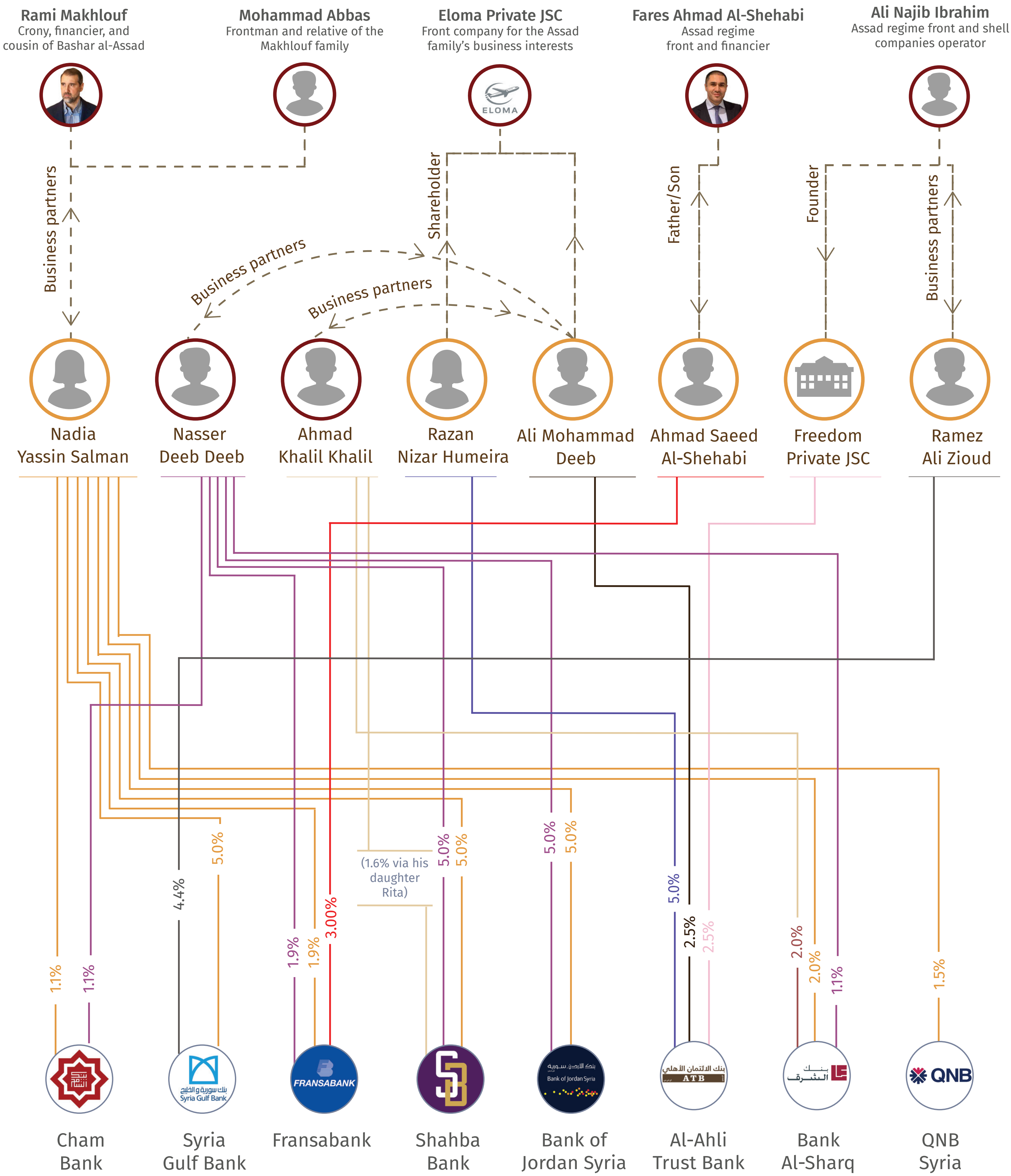
Based on our analysis of the shareholding structures of the country's fifteen private banks as of 20 August 2025, sourced from the Damascus Securities Exchange's website, eight individuals—either directly sanctioned or closely affiliated with sanctioned actors—hold shares in more than half of them.

Among the most challenging figures to reconcile with from a compliance standpoint are Ahmad Khalil Khalil and Nasser Deeb Deeb, both directly sanctioned by the EU for acting as business frontmen for the Assad regime.

Ahmad Khalil Khalil holds direct stakes in Bank Al-Sharq (2.0%) and indirect stakes through his daughter Rita in Shahba Bank (1.6%). Together with his daughters, Rana and Rita, Khalil is widely recognized as a central figure in a network of shell companies, based on our review of the Official Gazette, many of which are tied to sanctioned actors or regime cronies. He is also the co-founder of Sanad Protection Services, a company with close ties to Russia's Wagner Group, previously active in Syria.

Nasser Deeb Deeb, sanctioned for being the co-founder of Sanad Protection Services and for his alleged involvement in the captagon trade, also presents a particularly difficult compliance case. He holds shares in at least five banks—Cham Bank (1.1%), Fransabank (1.2%), Shahba Bank (5.0%), Bank of Jordan Syria (5.0%), and Bank Al-Sharq (1.1%).

Key Compromised Individuals in Private Banks



○ Sanctioned individual or entity
○ Linked to a sanctioned individual or entity
— Links between sanctioned and non-sanctioned individuals and entities

Source: Confidential data collected, compiled, and designed by Karam Shaar Advisory LTD.

His name consistently appears in shareholder registries of institutions considered shells for the regime's economic interests. At the same time, his stakes appear to have been systematically transferred from Ehab Makhlouf, Rami Makhlouf's brother, on 18 November 2020, according to our review of shareholding changes, suggesting a possible link between the two.

By being both sanctioned and entrenched in the former regime's economic networks, Khalil and Deeb present significant barriers to external re-engagement. In line with EU law, entities can be treated as sanctioned not only when designated persons hold 50% or more of ownership, but also when they exercise effective control or decisive influence. This means that even minority shareholders acting as a front for powerful sanctioned actors can cast a long shadow over compliance assessments and discourage international partnerships.

Moreover, with FATF guidance, correspondent banks must understand "who the beneficial owner(s) of the respondent institution is/are" and "require customer relationships to be terminated where identified risks cannot be managed." While this does not outright prohibit correspondent banking where sanctioned individuals are involved, higher risks drive up compliance costs—already a barrier to establishing correspondent relations—and further erode commercial incentives to maintain or establish new relationships with banks in high-risk countries such as Syria.

Another seemingly compromised individual is Nadia Yassin Salman, a shareholder in seven Syrian banks (see chart above). While not directly sanctioned, since 6 June 2021 our review of shareholding structures has shown a systemic pattern: Rami Makhlouf's shares disappear, and Nadia Yassin Salman's appear in similar amounts. This happened following Rami Makhlouf's downfall. She also seems to have taken over the shares of Mohammad Hassan Abbas—a US-designated proxy for Rami Makhlouf—in the company "STC Specialized in Transportation Projects," according to our review of the Official Gazette. These moves could indicate either an attempt to shield Rami Makhlouf's assets or a regime-orchestrated transfer to a trusted proxy—placing her in a questionable position in either case.

...But a System-wide Problem

Beyond these two names, a broader cast of sanctioned individuals, politically exposed persons, and affiliated entities dominate shareholder registries across the banking sector, making international re-engagement increasingly complex.

At Al-Ahli Trust Bank (ATB), three shareholders illustrate the problem. Razan Nizar Humeira (4.5%) is a principal shareholder in Eloma Investment Private JSC (also written as Iloma), a company sanctioned by the EU, and has been involved in creating front companies with regime-aligned and sanctioned actors; her dealings show a deliberate pattern of obfuscation and proximity to Assad.

Ali Mohammad Deeb (2.5%) is similarly entrenched and has engaged in joint ventures with Ahmad Khalil Khalil and Nasser Deeb Deeb, including through sanctioned entities, based on our review of the Official Gazette.

Ali Najib Ibrahim—a sanctioned individual and a key figure in the Khalil/Deeb shell-company network—remains a principal actor in Freedom Private JSC, a holding company with equity in ATB.

Other individuals raise potential compliance concerns through familial or business associations. Nisreen Hussein Ibrahim, who owns shares in Al-Baraka Bank Syria, is individually sanctioned by the US and is the sister of Assad's leading front Yassar Hussein Ibrahim. Ramez Ali Ziyoud, a shareholder in Syria Gulf Bank (4.4%), is not directly sanctioned but is linked to Ali Najib Ibrahim. Similarly, Ahmad Saeed Al-Shehabi, tied to Fransabank (3.0%), is the father of EU-designated regime-aligned businessman Fares Al-Shehabi.

Context and Solutions

Under global compliance standards, even a small stake held by a sanctioned person could make a bank's access to the international system more difficult.

However, this situation presents a structural dilemma. According to several banking professionals in Damascus, some sanctioned individuals cannot divest their stakes because their assets have been effectively frozen by the new authorities, though it is unclear by which state institution exactly. While some businessmen have reportedly settled their cases with authorities, this might not apply to all. In other instances, regime-linked shareholders have left the country, making transfers practically unfeasible. Multiple bankers in Damascus noted at the end of July that these individuals no longer participate in shareholder meetings or decision-making processes.

Another reality is easy to overlook: at least some of these stakes were never freely chosen by the banks themselves. Some shareholders are likely to have been imposed during the Assad era, often as part of coercive asset transfers orchestrated by the regime. When Rami Makhlouf's holdings were seized during his fallout with Assad, large share blocks were reportedly redistributed to frontmen and loyalists, leaving banks with little say.

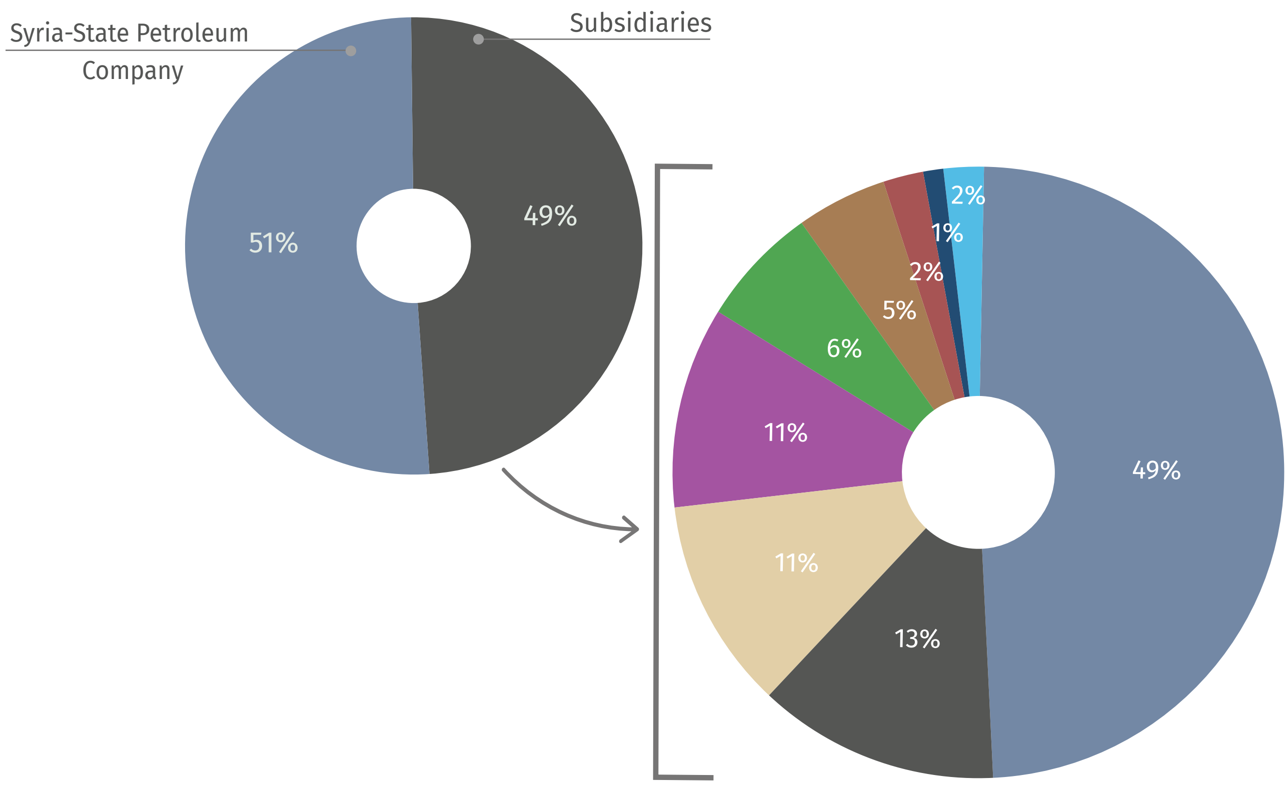
A way forward is for the Syrian judiciary or presidency to issue verdicts or edicts that formally freeze and confiscate these assets, supporting the revival of the banking sector. Private banks should lobby for such measures to protect the sector's viability and signal a break from the past.

International Oil Companies: The Return to Syria

Following more than a decade of international isolation and armed conflict, Syria's oil and gas sector is beginning to recover. This article builds on our previous examination of the sector's governance framework to explore recent developments, legal shifts, macroeconomic consequences, and the strategic implications of renewed foreign interest.

Since the 1950s, the sector's growth has been strongly supported by international companies, whose advanced technologies and practices enhanced exploration and production. Legally, investment has been structured around joint ventures between state-owned entities and foreign firms operating through subsidiaries. By 2010, international companies accounted for about half of oil production, underscoring their substantial role.

International Companies' Contribution to the Total Production of Oil in 2010



- Al-Furat Petroleum Company: Partnership with Shell PLC, Chinese National Petroleum Company, and India's Oil & Natural Gas Corporation
- Dijla Petroleum Company: Partnership with UK Gulfsands Petroleum and China's Sinochem Group
- Deir Ezzor Petroleum Company: Partnership with TotalEnergies SE
- Oudeh Petroleum Company: Partnership with China Petroleum & Chemical Corporation (SINOPEC)
- Syria-Sino Alkawkab Oil Company: Partnership with Chinese National Petroleum Company
- Hayan Petroleum Company: Partnership with Croatian INA Industrija Nafte DD
- Al Rashid Petroleum Company: Partnership with American IPR Group of Companies and India's Oil & Natural Gas Corporation
- Al Bou Kamal Petroleum Company: Partnership with Russian Tatneft
- Ebla Petroleum Company: Partnership with Canadian Suncor Energy

Source: General Petroleum Company, Chatham House, and the US Energy Information Administration. Calculations and data compiled by Karam Shaar Advisory LTD.

From 2011 onward, however, international sanctions were imposed by the US, EU, and UK, among others. They targeted public entities such as the Ministry of Petroleum and Mineral Resources and the General Petroleum Company, while also restricting dealings with the Central Bank of Syria. These sanctions, combined with deteriorated security conditions, pushed most foreign firms to withdraw or suspend operations under force majeure. Although local courts allowed joint ventures to continue with local staff after foreign withdrawals, the legacy of suspended partnerships still generates legal and financial complications.

After the collapse of the Assad regime, however, policy shifts in Western capitals transformed the operating environment. In May, the US Treasury issued General License 25, granting immediate sanctions relief. The State Department also introduced a 180-day waiver from sanctions imposed under the Caesar Act. That same month, the EU formally lifted all economic sanctions and removed 24 entities from its sanctions list, including oil production and refining companies. Earlier in March, the UK had also eased restrictions on energy services and lifted the asset freeze on several local oil companies.

Syrian officials welcomed the lifting of sanctions on key sectors. The caretaker Energy Minister called it "an important step that will enable us to accelerate the development of the oil sector, rehabilitate infrastructure, and build national capacities in a way that enhances the independence and sustainability of this vital sector."

In response, multiple governments expressed interest in reviving Syria's oil and gas sector. Türkiye moved first, announcing plans to rehabilitate and equip the Kilis–Aleppo natural gas pipeline, as well as develop additional transit routes linking Syrian oil and gas resources to Türkiye's export terminals.

Azerbaijan also emerged as a key player. At the Antalya Diplomacy Forum in April, Interim President Ahmad al-Sharaa met with Azerbaijani President Ilham Aliyev to discuss cooperation, including the involvement of the State Oil Company of the Republic of Azerbaijan (SOCAR). This materialized later in August with the start of gas deliveries from Azerbaijan to Syria via Türkiye, funded by Qatar.

Iraq followed suit. In April, a delegation visited Damascus to explore reopening the Kirkuk–Baniyas pipeline, damaged in 2003 and estimated to cost USD 300–600 million to repair. The Syrian Energy Minister then visited Baghdad in August to continue discussions.

In May, Energy Minister Mohammad al-Bashir and Saudi Arabia's Deputy Minister of Industry and Mineral Resources discussed joint investment opportunities and regional energy cooperation. Around the same time, reports surfaced that President Sharaa had offered US companies privileged access to Syria's energy sector to ease sanctions and improve ties with Washington. A confidential plan revealed in May outlined a proposed joint venture, *SyriUS Energy*, between Syrian authorities and US firms. The five-phase strategy involves oil field security and infrastructure repair, supply restoration, creating a national oil company, ensuring transparent governance, and enabling exports through regional networks.

The proposed company would be listed in the US stock market and 30%-owned by a Syrian sovereign wealth fund. The plan, submitted by the CEO of Argent Liquefied Natural Gas (LNG), may have limited success, as many of Syria's current oil blocks are already claimed by companies forced to suspend operations because of conflict and sanctions.

In February, then-Minister of Oil and Mineral Resources Ghiath Diab publicly called on previously operating oil companies to return and revitalize the sector, stressing that natural resources and national determination would be key to restoring Syria's position in the energy landscape despite prevailing challenges. As part of this effort, Damascus formally invited Russia's Tatneft to resume activity in Block 27 near the Iraqi border, where it had operated between 2005 and the end of 2011.

Although Russia has scaled back its military presence in the country since the fall of Assad, the new administration appears committed to sustaining—and perhaps expanding—Russian economic engagement. During his visit to Moscow, described by Damascus as "historic," the Syrian Foreign Minister emphasized the country's intention to reset relations with Russia and foster a balanced partnership.

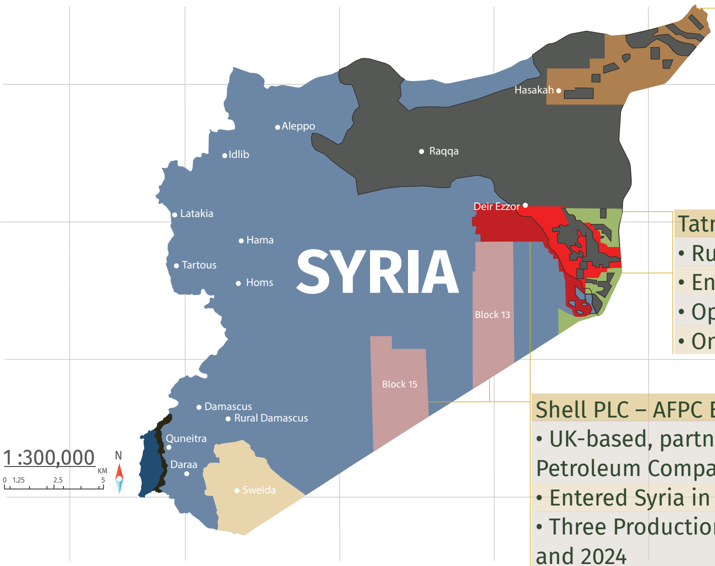
Gulfsands Petroleum, a UK-based company that held production rights in Block 26 (northeastern Syria) before declaring force majeure in 2011, has been among the first to take steps toward return. The company maintains strategic interest in the Syrian market and has closely monitored unlawful production activities in Block 26 throughout the conflict.

In 2023, before Assad's collapse, Gulfsands sought to resume operations in Syria, launching "Project Hope," a proposed "humanitarian and economic stimulus" initiative designed to revive international energy operations in northeast Syria. It would have let the company restart operations and channel oil profits into an internationally administered fund to finance recovery, humanitarian, economic, and security projects across the country. The initiative was never implemented.

In May 2025, senior leadership from Gulfsands visited Syria to discuss re-entry plans with government officials. In June, the CEO confirmed the company is preparing to resume operations and is working with the new Syrian authorities to resolve issues following its force majeure declaration. On 27 August, the company visited Damascus again and met with the Minister of Energy to follow up on the possibility of resuming operations.

While early movers like Gulfsands have shown strong interest in re-engaging, such efforts reflect a unique case, as most of the company's assets are tied to Syria. Recently, however, momentum has spread. The Minister of Energy met with Shell representatives to discuss rehabilitating Syria's oil infrastructure and potential future cooperation, with Shell signaling willingness to explore resuming operations under suitable legal and technical conditions. By contrast, other major firms such as TotalEnergies and Suncor have not publicly expressed interest.

Foreign Oil Companies in Discussions with the Syrian Government to Resume Production



Gulfsands Petroleum – Block 26:
- UK-based (moved from US in 2008 due to sanctions)
- Partnered with Sinochem via Dijla Petroleum Co.
- Entered Syria in 2003 (Decree 43)
- Contracts initially valid till 2030 and 2036
- Operations suspended (force majeure, Dec 2011)

Tatneft – Block 27:
- Russian company via Al Bou Kamal Petroleum Co.
- Entered Syria in 2005 (Law 24)
- Operations began in 2010, halted in Dec 2011 (instability)
- One contract initially valid till 2030

Shell PLC – AFPC Block
- UK-based, partnered with China's CNPC and India's ONGC via Al-Furat Petroleum Company
- Entered Syria in 1977 (Law 43) and began operations in 1985
- Three Production Sharing Contracts with initial expirations between 2018 and 2024
- Acquired two additional exploration agreements in 2008 for blocks 13 and 15, initially valid for 2011 and 2014, respectively
- Suspended operations in Sep 2011 (force majeure following sanctions)

- Syrian Interim Government
- Syrian Democratic Forces (SDF)
- Golan Heights
- Areas Recently Occupied by Israel
- Druze Armed Groups

Source: Karam Shaar Advisory compiled the data from Liveuamap, the Ministry of Oil and Mineral Resources of Syria, the General Petroleum Company, as well as media articles and other primary sources.

The return of international oil companies marks a pivotal moment in the country's post-conflict recovery. Yet the path ahead remains complex. A major obstacle is the lack of progress on the March 2025 agreement between the central government in Damascus and the de facto authorities in oil-rich areas, the SDF, which limits central government control over oil output.

If Damascus engaged firms without SDF involvement, as evidence suggests, the moves risk resistance or delays. And the cost of return is high; infrastructure across key oil fields has suffered extensive damage and neglect, requiring not only major capital investment but also technical assessments and feasibility studies.

Meanwhile, many foreign firms still hold binding contracts and unpaid claims against the Syrian government for extracted oil—estimated at USD 800 million to 1 billion—dating back to before the suspension of operations in 2011. These claims may also extend to potential shares of production from 2011 through 2025, should settlements be reached.

Therefore, while the lifting of sanctions has created an opening, the return of large-scale international investment will depend on the new authorities' ability to provide assurances on contract enforcement and a secure operating environment.

Before the conflict, oil contributed nearly 18 percent of GDP and a quarter of state revenue, according to IMF projections in 2010, with the state budget estimating oil revenues at about 3.3 billion USD for production of 387 thousand barrels per day (bpd). Today, output is about one-third of pre-conflict levels, with most revenue bypassing the treasury through SDF affiliates.

If the central government in Damascus were to regain control, annual revenues could reach around 1.1 billion USD,[1] making oil the largest single source of revenue, with total state income down to nearly 2 billion USD annually (excluding borrowing), according to figures reviewed by Karam Shaar Advisory Ltd.

1- ...neglecting the slight decrease in global oil prices since 2010, possible revisions to production-sharing contracts, changes in government royalties, and regardless of any revenue-sharing arrangements with Kurdish forces.

The Interim Government has begun shifting toward a market-oriented model, reducing the state's role as the primary employer. Authorities have launched a three-pronged process: stabilizing payroll management through a unified employee database and salary adjustments; reviewing staffing through dismissals and reinstatements; and drafting a new civil service law to lay the foundation for long-term reform.

Workforce Numbers and Payroll Pressures in Transition

The first measure to address dysfunction in the public sector has focused on restoring payroll integrity amid disputes over the true size of the state workforce. In 2022, the number of public employees stood at about 1.5 million, according to the Central Bureau of Statistics. This represented a 6.0% increase compared to 2011—an unlikely rise given the scale of displacement, economic collapse, territorial fragmentation, and administrative breakdown in the areas outside the government's control. In fact, a 2024 study by the Institut National d'Administration (INA) in Damascus found that five ministries lost over 50% of their workforce between 2010 and 2022.

In January 2025, the caretaker Finance Minister acknowledged that only 900,000 of the roughly 1.3 million people then on the payroll were actually showing up to work, exposing the extent of ghost employment.

Several factors explain this: many had informally resigned, as formal resignation is often blocked or delayed, making quitting technically illegal. However, the larger factor likely stems from corruption: individuals receiving salaries without showing up to work, and outright employment of people under fake names. These salaries may have been siphoned off by complicit employees, as seen in other contexts such as Kenya, Iraq, and Afghanistan.

To address these problems, the Interim Government launched a Unified National Employee Database in April 2025. According to the Ministry of Administrative Development (MOAD), the database is intended to improve oversight, reduce corruption, and support evidence-based reform. At the same time, MOAD launched a digitization project aimed at preserving and archiving employee records. It should be noted, however, that projects of this scale typically take years to complete, making the reported speed and scope of these initiatives difficult to verify.

In January 2025, the government announced a 400.0% salary hike for public employees. However, payroll audits uncovered inflated rosters, delaying the measure. By June 2025, following adoption of the unified database, the government proceeded with a 200.0% raise instead. While the Minister of Finance attributed the smaller increase to irregularities in payroll records, our analysis suggests the more likely reason was a lack of fiscal space to finance such a large raise without fueling inflationary pressures.

Such increases were nonetheless

critical. In 2022, over a million public employees earned just USD 20–33 per month (see table below), while a standard food basket for a family of five cost USD 67. The 200.0% salary increase therefore provided significant relief for hundreds of thousands of families.

The recent increase is estimated to add USD 762 million to the annual wage bill, according to our calculations, or nearly 30% of the state's projected 2024 revenue. Qatar pledged partial and temporary support, which has yet to arrive. Without more external aid, concerns remain that the gap is being covered through money printing and subsidy cuts, fueling inflation.

Public Sector Employees by Salary Range in 2011 (Exchange Rate: 1 USD = 47 SYP)

Salary Bracket (USD)	Salary Bracket (SYP)	Number of Employees (% of Total)
192+	9,001+	1,066,521 (78.4%)
170 - 192	8,001 - 9,000	99,980 (7.4%)
149 - 170	7,001 - 8,000	86,399 (6.4%)
127 - 149	6,001 - 7,000	38,771 (2.9%)
106 - 127	5,001 - 6,000	14,322 (1.1%)
< 106	< 5,000	54,028 (4.0%)
Total		**1,360,021**

Source: Central Bureau of Statistics. Data compiled by Karam Shaar Advisory LTD.

Public Sector Employees by Salary Range in 2022 (Exchange Rate: 1 USD = 4,491 SYP)

Salary Bracket (USD)	Salary Bracket (SYP)	Number of Employees (% of Total)
100+	450,000+	1,208 (0.1%)
73 - 100	330,001 - 450,000	1,242 (0.1%)
60 - 73	270,001 - 330,000	16,673 (1.2%)
47 - 60	210,001 - 270,000	32,360 (2.2%)
33 - 47	150,001 - 210,000	274,595 (19.0%)
20 - 33	90,001 - 150,000	1,069,673 (74.0%)
< 20	< 90,000	52,144 (3.6%)
Total		**1,447,895**

Source: Central Bureau of Statistics. Data compiled by Karam Shaar Advisory LTD.

Dismissals and Reinstatements in the Post-Assad Public Sector

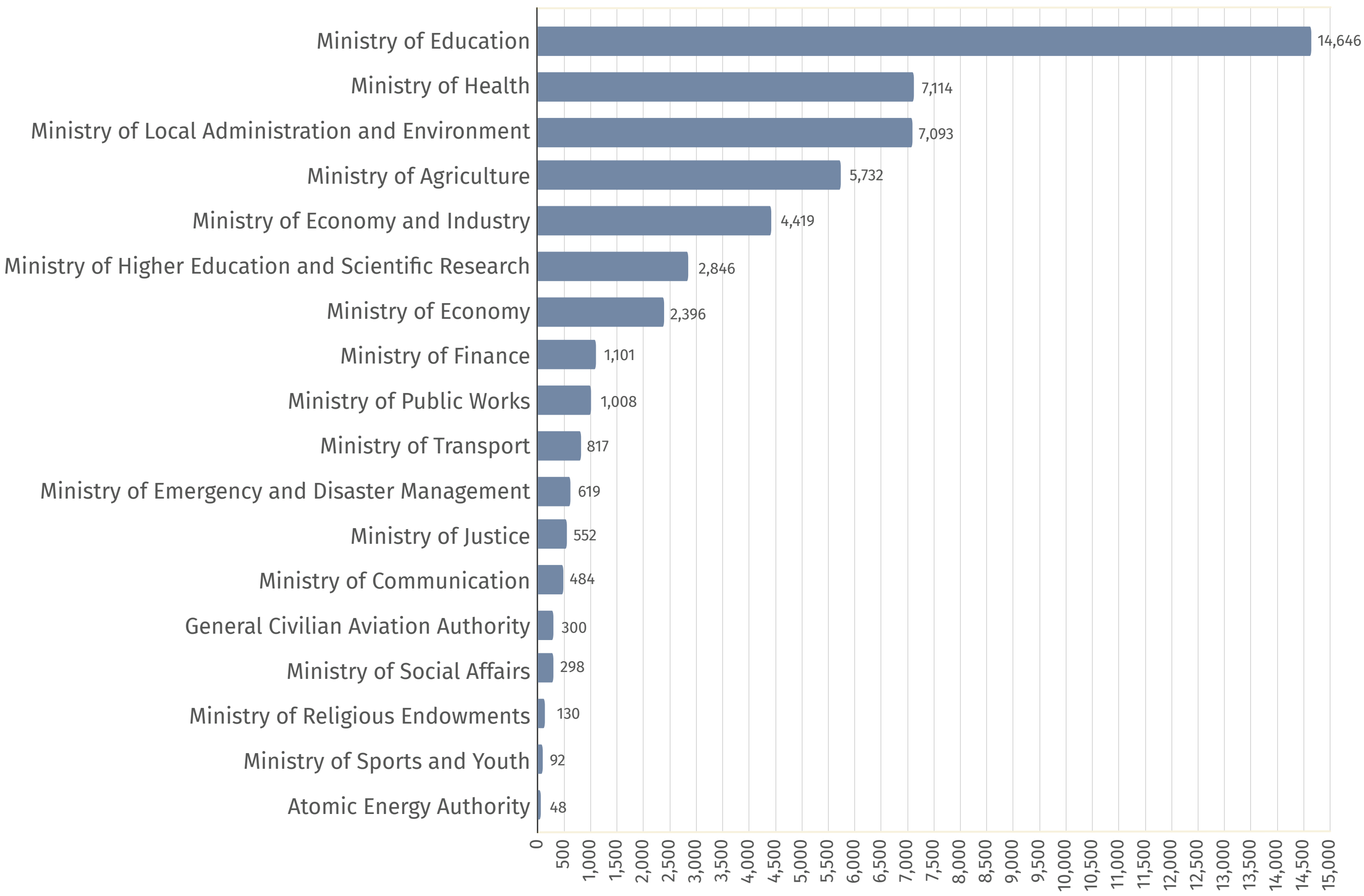
The second major intervention focused on purging and correcting the composition of the workforce. In the wake of the regime's fall, the caretaker authorities pledged to restructure public employment to downsize the bureaucracy, leading to mass dismissals. Ministries and state-owned enterprises were reportedly instructed to terminate the contracts of employees accused of corruption, absenteeism, or complicity in crimes against civilians.

In December 2024, the Spokesperson for Political Affairs of the caretaker government announced that employees who had "committed crimes and harmed the population will be dismissed and held accountable," with the Caretaker Minister of Administrative Development aiming to reduce the public workforce by "more than half." These dismissals, however, intended as a form of accountability and fiscal responsibility, lacked due process. They provoked widespread protests under slogans such as "No to Arbitrary Dismissals," with demonstrations breaking out in several cities including Damascus, Sweida, and Aleppo.

The restructuring process has unfolded unevenly. Some ministries placed employees on paid leave, while others dismissed them outright. In some cases, ministries reversed dismissals; in others, employees were required to retake qualification exams before returning to work.

Alongside this poorly coordinated and partially reversed policy, the government has also opened a parallel track of reinstatements, particularly for civil servants expelled by the Assad regime for supporting the 2011 uprising. The first wave of recalls came on 14 April 2025, with 14,646 employees in the Ministry of Education invited to return to their original departments. Since then, MOAD has stepped up efforts to restore these workers to their posts. As of 18 August 2025, 49,800 former employees have been invited to return to their original departments (see below).

Recalled Employees by Institution



Source: Ministry of Administrative Development. Data compiled by Karam Shaar Advisory LTD.

Another major development has been the dismissal of security and armed forces. Although precise figures remain unclear, the Syrian Arab Army was estimated at around 220,000 troops as of 2011. While their removal eases the state's payroll burden, it has the potential to generate serious social and security challenges, similar to what happened in Iraq when thousands of former officers and conscripts suddenly lost both income and status. Those challenges in turn risk fueling social unrest and the emergence of armed networks outside state control. In fact, some of these so-called "remnants of the regime" have reportedly regrouped, with some of them playing a role in triggering the violence in the coastal region.

Legal Reform and the Redefinition of Public Employment

The third shift of the public sector transformation lies in the legal overhaul of civil service governance.

In June 2025, MOAD launched the drafting process for a new Civil Service Law to replace Law 50 of 2004, the long-standing legal foundation of public employment. Ministerial Decision 302 formally established a Final Drafting Committee to complete a final version of the law within 45 days—by mid-August 2025.

This reform effort is set to significantly change the public sector's identity in a post-Assad Syria. According to MOAD, the new law will "promote the principles of merit and equal opportunity" in the civil service. Under the Assad regime, the public sector was marked by rampant corruption across all areas of administration.

This initiative is part of a broader effort to build a more skilled and accountable public sector. In addition to MOAD's work, Presidential Decrees 43, 44, 45, and 46 introduced new mechanisms for staffing leadership positions and evaluating performance across executive and mid-level posts.

To support administrative reform, MOAD has partnered with institutions like INA and the Higher Institute of Business Administration (HIBA) to develop graduate programs, link students to practical reform projects, and integrate academic expertise into restructuring efforts. A new permanent committee now oversees the placement of INA graduates through interviews with ministries to match skills with institutional needs.

Public sector reform is urgently needed. However, the current direction—while promising—remains fragmented, with state departments sending mixed signals and operating without a clear framework. If managed with transparency and adequate external support, today's piecemeal measures could evolve into a coherent system for a leaner, more accountable state. The coming months will determine whether this transition cements into lasting reform or slips back into the inefficiencies and patronage that have defined the public sector for decades.

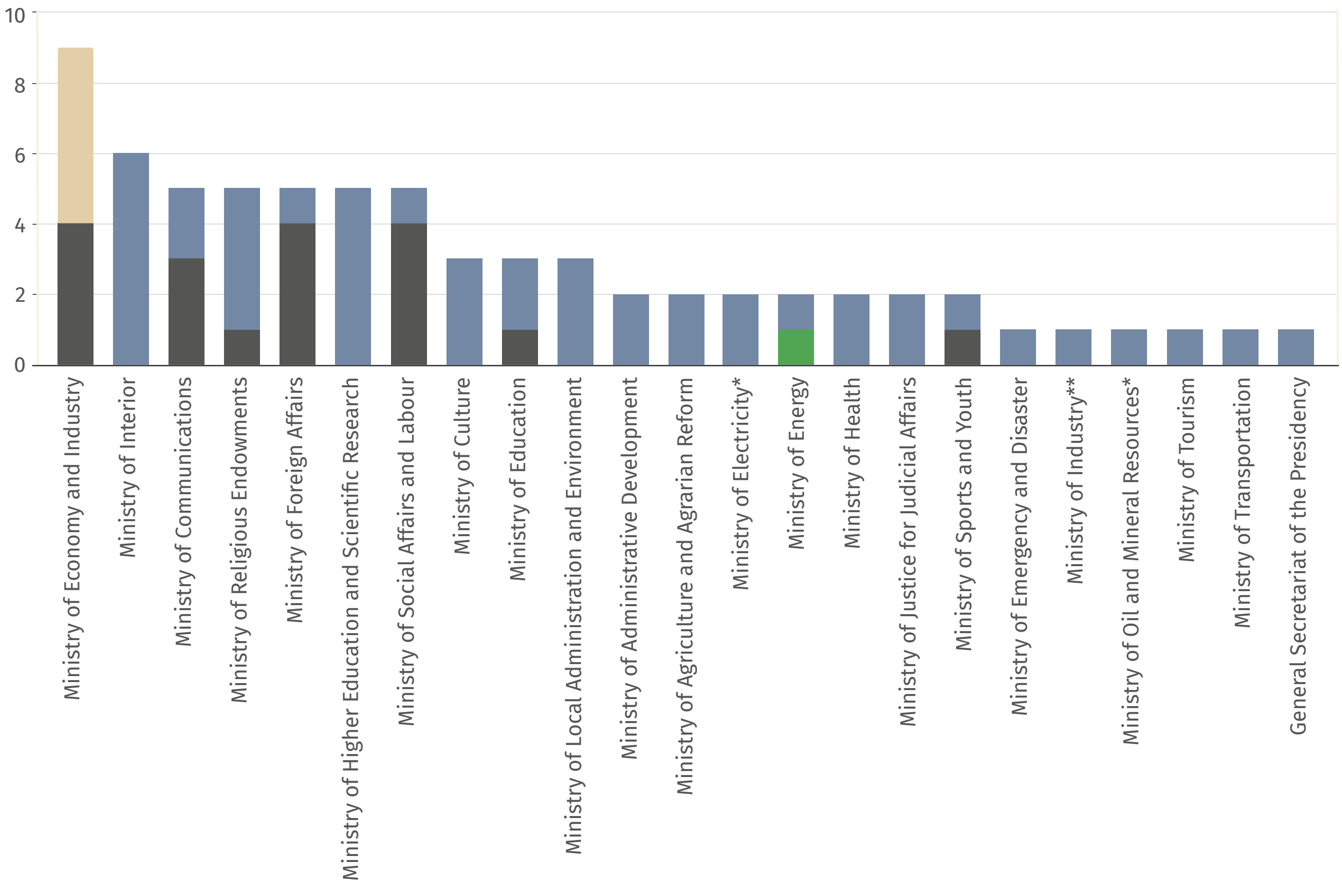
Opaque Appointments: Ministerial Advisors and Assistants in Syria

On 2 August 2025, the Secretary-General of the Republic, Ahmad al-Sharaa's brother, Maher, issued a directive canceling all advisor appointments within central administrations and affiliated entities, rendering dozens of contracts null and void.

Citing the need to streamline performance and align with State Council Law 32 of 2019, the decision halts the proliferation of ad hoc advisory roles that had emerged during the post-Assad transition. While framed as a step toward institutional order, it also highlights the opaque and improvised nature of the appointment process in recent months.

Even if many roles have been retroactively voided, looking at how they were selected remains key to understanding some of the dynamics underpinning transitional institutions.

Distribution of Ministerial Assistants and Advisors (January–July 2025)



*Merged into the Ministry of Energy
** Merged into the Ministry of Economy and Industry
■ Executive Advisor ■ Assistant ■ Advisor Assistant ■ Advisor

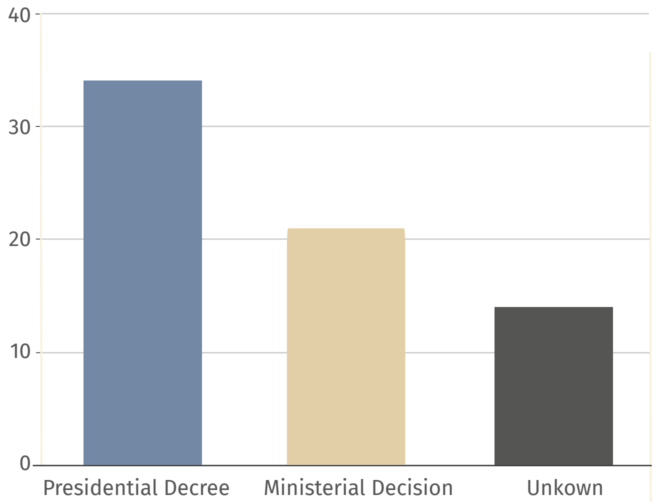
Source: Data collected from open sources and analyzed by Karam Shaar Advisory LTD.

Opaque Appointment Methods

Since December 2024, our data shows that appointment processes were extremely opaque, with no standardized or transparent mechanism governing who is appointed, how, or under what legal framework.

While 31 assistants and 3 advisors were officially appointed by presidential decree, others (8 assistants, 8 advisors, and 5 executive advisors) appear to have been installed directly through ministerial decisions. Notably, 14 appointments occurred entirely through undocumented channels, with no public record of the procedures involved. In practice, these individuals simply appeared in the media or alongside their ministers, introduced as advisors or assistants despite the absence of any formal announcement or legal appointment.

Method of Appointment of Ministerial Assistants and Advisors (January–July 2025)



Source: Data collected from open sources and analyzed by Karam Shaar Advisory LTD.

Moreover, there is no centralized database or official registry of appointments. Instead, announcements are sporadically made on social media, or occasionally on ministry-affiliated platforms, bypassing the Official Gazette most of the time. Only 18 appointments (all of whom being assistants appointed via presidential decree) were published in the Gazette. No advisor appointments were published there, and some presidential decrees were also omitted, further complicating the process. This lack of consistency raises concerns about accountability, legal standing, and the criteria by which individuals are elevated to senior government roles.

According to Law 32 of 2019 governing the State Council, ministries and public bodies can request advisors, assistant advisors, or first-grade deputies, but the process is tightly regulated. The State Council is Syria's highest administrative court and chief legal advisor. It oversees the legality of administrative acts and drafts laws, decrees, and contracts.

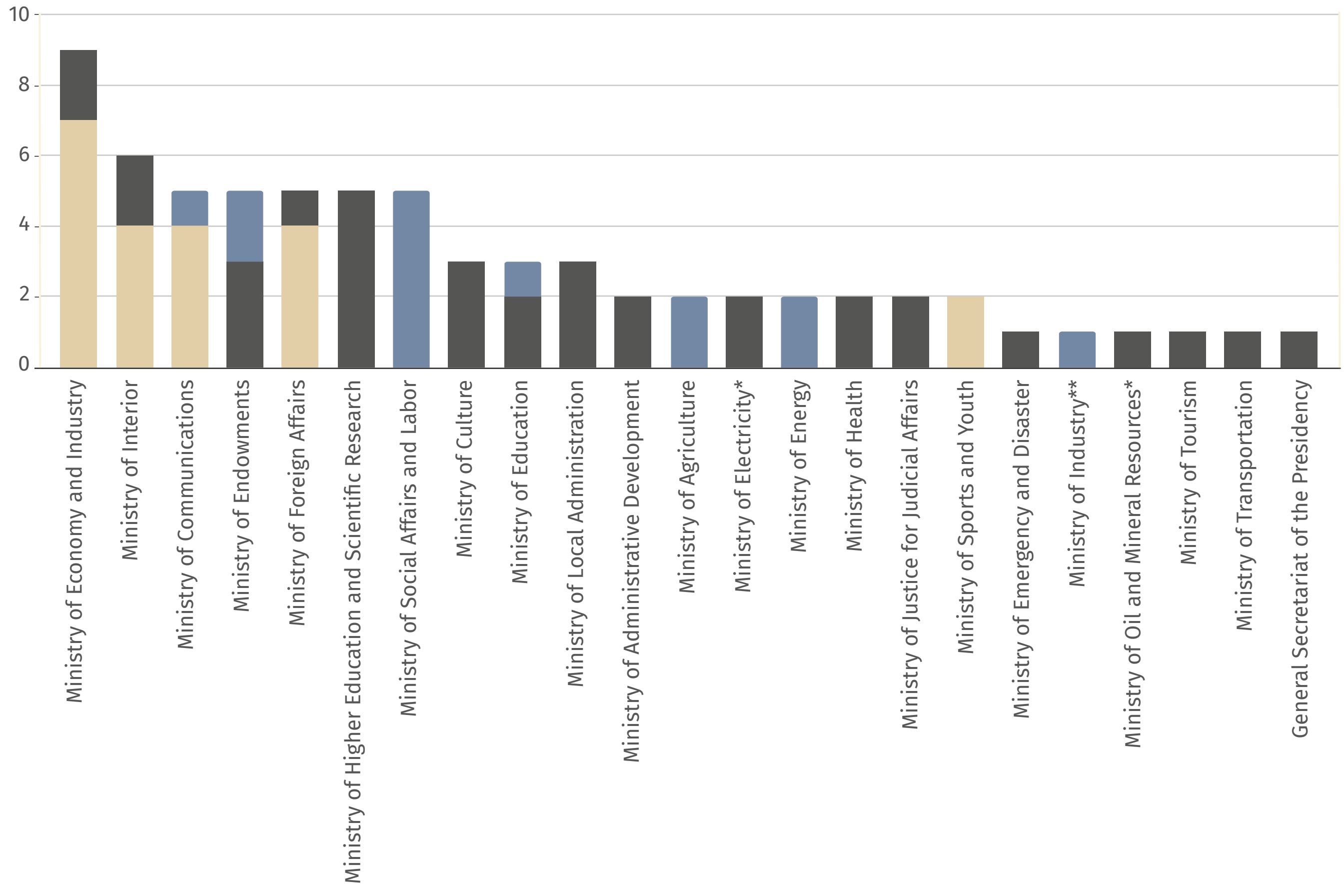
Under Article 68, such appointments are not unilateral ministerial prerogatives. They require a formal request from the ministry, approval by the State Council's Special Council, and a decision by the President of the State Council. The law also stipulates that these roles are secondments, not permanent positions within the ministry's staffing structure, and that seconded officials remain administratively attached to the State Council. Since 4 June, the Council has been headed by AbdulRazzaq Mustafa Al-Kaadi.

In the meantime, however, most recent ministerial decisions related to appointments do not seem based on relevant grounds. For instance, Ministry of Economy and Industry Decision 416 cites only "based on work requirements" (بناء على مقتضيات العمل). Decision 391 is based on Presidential Decision 9 (on the formation of the cabinet), which does not cover procedures for the appointment of advisors or assistants. Other appointments have simply been "announced" on social media.

Presidential decrees do not offer a stronger legal basis. They cite only the "provisions of the constitutional declaration," which itself does not provide for such appointments.

As a result, the Secretary-General's directive—citing Article 68 as its legal basis—appears aimed at reasserting this formal process and nullifying appointments made outside it. By framing the cancellations within the State Council's statutory authority, the move appears to be a corrective to recent ad hoc practices. However, the government has yet to provide a public explanation of its rationale or outline how future appointments will be handled. Paradoxically, questions also linger over the precise legal mandate of the Secretary-General and the scope of authority exercised by his Secretariat.

Method of Appointing Assistants & Advisors (January–July 2025)



*Merged into the Ministry of Energy
** Merged into the Ministry of Economy and Industry

Unknown   Presidential decree   Ministerial decision

Source: Data collected from open sources and analyzed by Karam Shaar Advisory LTD.

Some observers, however, have linked the timing of the Secretary-General's directive to the resignation of Sima Abdel Rabbo. She was appointed without an official announcement as Senior Advisor to the Minister of Economy and Industry for Governance and Public Relations on 31 May 2025, then resigned after a public post condemning the government's handling of the Sweida crisis and calling for international intervention. The backlash to her comments and her resignation may have prompted the government to tighten control over advisory appointments, using the new directive both to vet candidates more rigorously and to limit the risk of public dissent from within senior ranks.

Finally, the extent to which the directive has been implemented and which appointments it targets remains unclear. Public communications and media appearances after 2 August still refer to certain individuals by their advisory titles—and they have likewise introduced themselves to us in the same capacity—suggesting that, in practice, the directive's application may be uneven or delayed.

External Contribution: Elise Baker, Senior Staff Lawyer for the Strategic Litigation Project

States Have Profited from the Conflict in Syria. They Should Use Those Profits to Establish the Syria Victims Fund.

States have collected over USD 1 billion from violations linked to the conflict in Syria. In 2022, French cement company Lafarge paid the United States USD 778 million in fines and forfeitures after pleading guilty to conspiring to provide material support to designated terrorist organizations, the Islamic State and al-Nusra Front. In 2021, a Danish court issued fines and confiscations totaling over USD 7 million against Bunker Holding, its executive, and a subsidiary, for breaching EU sanctions by delivering jet fuel used by Russia in Syria. In 2019, a Belgian court collected fines totaling EUR 350,000 from three companies and two managers who shipped precursors for chemical weapons to Syria without necessary licenses. That same year, UK authorities fined a telecom company GBP 146,341 for breaching UK sanctions on Syria and separately seized over GBP 24,000 from a bank account held by Bashar al-Assad's niece, due to money laundering and sanctions evasion. These are just some of the cases that have been identified so far.

These fines, penalties, and forfeitures are generally deposited into national bank accounts and used for unrelated domestic purposes—allowing governments to profit from violations in Syria. No state should materially benefit from these harms. Instead, states should redirect Syria-linked financial recoveries to benefit victims and survivors.

Syria Victims Fund Design

My team at the Atlantic Council Strategic Litigation Project has been working with Syrian civil society partners to develop a proposal for the Syria Victims Fund (SVF)—a mechanism to ensure that proceeds from legal actions related to Syria's conflict are redirected to benefit victims and survivors of international law violations. Last year, we convened a working group of 19 diverse Syrian civil society leaders, victim representatives, and experts to discuss the design of the SVF. Through a series of online discussions and an in-person workshop, the group developed a policy brief that lays out recommendations on host and governance structure, funding sources, beneficiaries, and types of support for the SVF.

By consensus, the working group agreed that the EU should establish and host the SVF, with non-EU Member States able to join through agreement. (Alternatively, the SVF could be established through the United Nations or a multilateral agreement between states.) Participating states would then deposit Syria-linked forfeitures, fines, and penalties into the SVF, for distribution to benefit victim communities. The SVF should not receive Syrian state assets or judgments awarded to individual victims, as these belong to the Syrian population and individual victims, respectively. The SVF should take a victim-centered approach and include monitoring and advisory roles for victims and survivors. It should also collaborate with trusted Syrian civil society and international organizations, to ensure efficiency and prevent duplication of efforts.

The working group recommends an inclusive approach to defining victims, covering any victim of international law violations committed in Syria by any perpetrator since 2011. However, recognizing the vast number of victims and limited resources, the SVF should identify priority communities and areas for support, focusing on the most vulnerable groups, and periodically re-evaluate those priorities. To maximize the number of beneficiaries served, the SVF should provide collective support—for example, physical and mental health services, education, livelihoods, and legal aid—targeted to address harms that resulted from international law violations. Support could be provided through local and international organizations with a track record of serving victim and survivor communities in Syria and a commitment to a victim-centered approach.

The SVF could also support longer-term, more comprehensive transitional justice efforts—for example, mapping violations, building a victim registry, and developing national capacity for victim registration, documentation, and verification.

International Momentum for the Syria Victims Fund

The SVF proposal aligns with European Parliament recommendations. In 2024, the Parliament called on EU Member States "to establish a European fund for victims of serious violations of international law in Syria … by identifying existing funds linked to violations of international law in Syria within their jurisdictions, such as monetary judgments, sanctions, fines and penalties, forfeiture orders, funds frozen as they are linked to property unlawfully acquired by the Syrian regime, and other revenue" and to design the fund "in full cooperation with the families of the victims." The Parliament reiterated this call in 2025, "invit[ing] the EU to explore pathways to use frozen assets of the Assad regime for a trust fund for Syrian reconstruction, rehabilitation, and compensation of victims."

The SVF also builds upon creative efforts to redirect Russian assets to benefit Ukraine. In 2024, the United States transferred USD 500,000 in Russian-linked assets to Estonia, "for the express purpose of assisting Ukraine." These funds were collected through a criminal forfeiture, the same modality by which Lafarge paid hundreds of millions to the United States. In addition, Ukraine has received part of the revenue generated from frozen Russian state assets' investments, as well as loans to be repaid from revenue generated from frozen Russian state assets. Belgium has also announced that it would repurpose the tax it collects on Russian state assets—USD 2.3 billion in 2024—to benefit Ukraine. The EU has also established the Ukraine Facility, a funding mechanism that has so far directed over EUR 19 billion to Ukraine and is financed by the EU annual budget and EU bonds.

State Action is Needed

As the EU Parliament has highlighted and many states have acknowledged, there remains a pressing need to increase support for vulnerable Syrians, including victims of international law violations. Efforts on Ukraine clearly demonstrate that states have the means to redirect proceeds to benefit victim communities; where existing tools are insufficient, they are inspired to develop new ones. Syrian civil society is simply calling on states to support Syrians, just as they support Ukrainians.

States committed to supporting transitional justice, victims, and survivors should take concrete action to lay the groundwork for the SVF. They should offer diplomatic backing for establishing the SVF—for example, through public statements of support and closed briefings to socialize the concept among likeminded states, including at the European Council. They should also pledge voluntary contribution to finance the establishment and operation of the SVF. States collecting monetary judgments linked to violations in Syria should review their national legislative and policy frameworks to determine whether changes are needed to redirect money to the SVF. Where changes are necessary, they should be implemented; where frameworks already allow it, Syria-linked sums should be earmarked for the SVF. Existing United Nations and other international bodies supporting accountability for Syria should also offer technical expertise and advisory support to guide the SVF's design and foundational stages, and later commit to information sharing during the SVF's operation.

One Component of Transitional Justice

Syria is at a pivotal moment. After 13 years of war and decades of dictatorship and repression, there is finally an opportunity to ensure justice and accountability. That process will take time: the Syrian transitional government is still establishing itself, the National Commission for Transitional Justice is only a few months old, and the judiciary requires rebuilding to ensure due process and rule of law. Syria must develop a national transitional justice program that addresses all violations from the conflict, regardless of perpetrator, and ensures the full, meaningful, and equal participation of a diverse Syrian civil society. The process should also ensure victims' right to reparation, which includes the restoration of rights, rehabilitation, compensation, satisfaction, and guarantees of non-repetition.

While holistic transitional justice programs are being established, victim communities need immediate support. The Syria Victims Fund can provide such support, helping victims begin their recovery process while paving the way for longer-term justice and accountability. Delaying support risks further marginalizing victims, while acting now mitigates ongoing harm and empowers victims to continue their fight against impunity.

Interview: Abdulsalam Haykal, Minister of Telecommunications and Information Technology

Progress, Security, and Needs

Strategic Vision & Priorities

Q: Could you briefly outline the top three priorities you set for the Ministry at the start of your mandate, and where each stands today in terms of measurable results?

The first priority was infrastructure. Syria ranks among the lowest globally in broadband and mobile connectivity, and this required urgent intervention. Infrastructure projects take time, but the key was to launch them and put them on track. We issued requests for information (RFIs) for two landmark projects: SilkLink, a public-private partnership (PPP) to build Syria's new national backbone and carry internet traffic between Europe and Asia, and Barq, a PPP to roll out fiber-to-the-home. Both attracted major investors, and we engaged the global consulting firm Arthur D. Little to help evaluate the offers received.

The second priority was mobile connectivity. Syria remains in the bottom five globally, making it essential to reform and upgrade the two existing mobile licenses. After years of underinvestment, networks must now catch up with the needs of the 21st century, which has driven a surge in demand for mobile internet services. We have resolved key business and legal legacies and expect the transition to begin in Q4 2025. In addition to meeting citizens' needs, this will provide a unique investment opportunity for qualified international operators.

The third priority is digital services. These may appear as technical tools on the surface, but in reality they are building blocks of dignity and quality of life. No citizen should have to wait in line, travel long distances, or pay speed money for paperwork. We want to change this for Syrians in an efficient and sustainable way. To achieve this, we are building the soft infrastructure—standards, digital signatures, interoperability layers—and establishing a national technology company to deliver these services in cooperation with regional and international firms. This initiative will also help us retain and mobilize Syrian tech talent, both at home and abroad, many of whom are eager to contribute to the country's rebirth.

We have pursued all these priorities under the shadow of US sanctions, which continue to be crippling for the technology sector. Our approach has been to prepare the ground for the day these restrictions are lifted, which we hope will be soon. Encouragingly, our American partners—Ambassador Thomas Barrack and his team—have shown receptiveness and cooperation in recognizing that restoring US and global technology services to Syrians is not just a matter of access, but a driver of economic participation, growth, and long-term stability. We are not just repairing the past; we are laying the backbone of Syria's digital future.

Q: For years, successive governments have spoken about digital transformation—and your Ministry has announced ambitious new platforms and services. Yet the reality for most Syrians is still the same: internet speeds are abysmal, electricity supply is scarce, and online penetration remains low. How do you reconcile this gap between vision and reality, and what concrete steps are you taking to address these basic necessities for digital transformation? Can the two run in tandem?

Vision is about creating a new reality, so gaps are natural. Large projects take time, but we are also working on immediate remedies. The challenge lies in fundamental infrastructure limitations. Imagine a thousand people queuing at a kiosk: adding two more kiosks will make only a minimal difference, but serving everyone properly requires a larger building, many more kiosks, and staff—and that takes time. That is where we are now: managing the immediate load while building the larger system.

Electricity is a critical factor. Antennas and switching centers require power. As supply improves, we are upgrading centers with modern hardware that consumes 75% less energy. Step by step, these efforts will accumulate and lead to a tipping point that Syrians will feel in their daily lives.

Q: The Ministry has been active in international engagement, including rejoining the Global System for Mobile Communications (GSMA – the industry association that represents mobile network operators worldwide) and signing MoUs with multiple countries. How will these partnerships translate into concrete technology transfers or infrastructure upgrades?

Technology is global by nature—standards, platforms, and networks are interconnected. Syria must be part of this ecosystem. Engagement with GSMA and other international partners strengthens our value proposition by combining Syria's talent, vision, and geographic position with access to global standards, training, and technology. These partnerships form the foundation for infrastructure upgrades and future investment, while also giving Syria a seat at the table. Through global engagement, Syria is transforming its talent and geography into a digital advantage.

Infrastructure & Market Development

Q: Several flagship infrastructure projects have been launched—such as Barq Net (stable, high-speed internet), Silk Link (regional data corridor), and Ougarit 2 (submarine cable upgrade). How do these integrate into the government's broader economic strategy, and what safeguards are in place to ensure they don't suffer the delays, cost overruns, and opaque contracting that plagued similar projects in the past?

All three are structured as public-private partnerships, financed and executed with private capital. Once completed, they will position Syria as a global connectivity hub, with more international cables landing on ourcoast and the potential to host data centers for companies such as Google, Meta, and Amazon Web Services (AWS). We are inviting the world to connect through us. To attract such players, proper governance is essential, including robust data protection laws. To this end, we are embedding governance and transparency mechanisms into the PPP framework to ensure efficiency and accountability. Our collaboration with Arthur D. Little and leading international law firms is part of this effort, aligning these projects with global best practices.

Governance, Security & Regulation

Q: The Ministry has committed to personal data protection since early 2025. What enforcement actions have you taken against violators so far? Can we expect a public compliance report to be released in the near future?

No commitment has been made. The content of the link was misunderstood. However, we are developing a data protection policy, which will be shared for public consultation in the coming weeks.

Q: The National Cybersecurity teams have issued repeated alerts about phishing and WhatsApp account takeovers. What is your ministry doing about this and when will a unified national incident reporting and response center be operational for citizens and businesses?

We are building cybersecurity capacity at multiple levels: legislation, regulation, service delivery, and execution. The National Information Security Center is being strengthened through investments in SIEM, SOC, and workforce training. As new critical infrastructure comes online, the demand for robust cybersecurity protection will grow, and we are preparing accordingly.

Q: Given widespread public concern over the security and service quality of the Sham Cash platform, and the fact that it creates a single point of failure for public-sector salaries while being hosted outside Damascus on a Türkiye-linked network, what oversight role does the Ministry play to ensure both system resilience and data security?

We have formed a joint commission with the Central Bank to review the entire fintech sector in preparation for establishing a dedicated regulator. Our role is to ensure compliance with technology and data security, while the Central Bank oversees financial regulation. Every platform will be required to meet global standards of reliability, efficiency, security, transparency, and AML compliance.

Public Perception Over Sensitive Issues

Q: There have been multiple reports and online testimonies alleging the confiscation of Starlink (foreign satellite-based internet service provider) equipment inside Syria. Given that overall connectivity in Syria remains poor—and that Starlink could serve as a good interim alternative—is the Ministry involved in these seizures, and if so, how does that align with your stated goal of expanding connectivity and bridging the digital divide?

We are open to all communication

technologies, provided they comply with national regulatory requirements. Projects like SilkLink will also enable Syria to host global ground stations. We have already held constructive discussions with SpaceX in Damascus and expect Starlink to officially enter the market in due course. Its role will be to serve as a supplementary option for specific users, not as a substitute for national infrastructure. By nature, the service cannot be a universal solution due to cost and other limitations. The reported seizures targeted smugglers exploiting demand—not legitimate users.

Q: In July, the Ministry attributed telecom outages in As-Suwayda to logistical fuel shortages. Many residents, however, argue this was politically motivated. At the same time, there has also been unexplained, unreported port-filtering observed at the national level. How do you respond to these accusations?

Connectivity issues in As-Suwayda were purely technical and logistical. Any suggestion of political intent is misinformation.

Foreign Support

Q: If you had three requests for the international community to support your ministry, what would they be, and how urgent are they?

First, the removal of all export controls that block Syria's access to essential technologies.

Second, the return of global platforms—such as Google, Apple, Meta, AWS, Microsoft, and others—which will enable Syrians to reconnect with the digital economy.

Third, support for capacity-building in Syria's technology sector.

Syria presents a unique opportunity: a large, educated, entrepreneurial, and productive population eager to recover after 15 years of isolation, and a strategic location that connects continents. Companies that engage now will not only gain access to a promising market but also leave a lasting legacy by contributing to one of the most transformative political, economic, and digital transitions of modern history.

What is Syria in Figures?

Syria in Figures is a monthly publication that provides data-driven and insightful analysis of developments shaping Syria's political economy. It prioritizes relevance and novelty, which makes it a vital resource for policymakers, humanitarian implementers, researchers, and other stakeholders attempting to understand Syria's complex landscape.

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