

BUSINESS ACTIVITY LINKED TO HUMAN RIGHTS ABUSES IN SYRIA

The Syrian Legal Development Programme (SLDP) has been monitoring and documenting the involvement of businesses in international crimes and human rights abuses in Syria since April 2018.

In this issue, we monitor business-related activities taking place in Syria between May 01 and May 31, 2020.

MONITORED PERIOD
01 -31 May 2020



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SYRIAN LEGAL DEVELOPMENT PROGRAMME
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Background:

The Syrian Legal Development Programme (SLDP)'s Human Rights and Business Unit (HRBU) has been documenting the involvement of businesses in human rights abuses and international crimes in Syria on an ongoing basis since its founding in April 2018. With this report, SLDP aims to provide evidence of the types of human rights violations and international crimes businesses are involved with in Syria.

According to the UN Guiding Principles on Business and Human Rights, businesses may become involved in human rights violations in three different ways.

1. The first is that businesses may cause human rights violations directly through their own activities.
2. Secondly, businesses may contribute to human rights violations that arise through a business' own activities alongside another entity or through another entity. This happens when a business' activities assist in the commission of a human rights violation.
3. Third, in a situation where there is a direct link between the operations, products, or services of a business and the human rights violations committed by an entity, including other businesses and state and non-state entities, with which it has a business relationship.

Businesses have been involved in human rights violations in Syria through all the above types of involvement through a number of activities. Many of Syria's elite businesspersons have provided financial support to either the Syrian government and its military or have established and financed their own pro-government paramilitary groups. Moreover, businesses have been able to benefit from the war economy. Some businesses have taken advantage of conflict conditions, such as siege and the resulting starvation and checkpoints to gain profit. Individuals who have made their wealth through such conditions are also opening and running new businesses with the wealth they have gained through criminal activity. Businesses are also involved in the pillage and destruction of civilian property. Businesses in Syria are pillaging scrap metals from the homes of displaced persons and selling them either domestically or through export. Finally, businesses are involved in urban redevelopment projects in which properties are arbitrarily expropriated and which result in furthering forced displacement and in entrenching existing displacements.

The findings gathered in this report are intended to empower Syrian civil society and international actors by providing them with the information they need to respond to potential violations of international law by Syrian business elites, multinational businesses, and other business actors in Syria.

The present report records business activities that have taken place between 1 May and 31 May 2020 that might constitute involvement in international crimes or human rights violations. The gathered information is grouped under the following categories:

- **Syria's Allies: Russia and Iran:** SLDP considers relevant for the purpose of this report information on business activities concerning Russia and Iran, including Russian and Iranian businesses, because the business opportunities they are afforded in Syria are arguably a reward for the military and financial support Russia and Iran provided to Syria during the conflict. The support provided enabled the perpetration of international crimes and gross human rights violations by the Syrian state and included the perpetration of international crimes and gross human rights abuses.
- **Businesses from The Middle East and North Africa and, Business from Other Countries:** Information regarding foreign businesses which may be engaging in economic or trade deals with Syrian state entities, or business dealings with Syrian businesses involved in human rights abuses, as well as information on foreign businesses' potential involvement in human rights abuses in Syria are all relevant for this report. The involvement of the Syrian state in gross human rights violations and international crimes throughout the conflict is widely documented.
- **Syria's Business Elite:** Syria's business scene is dominated by a set of elites with social and family links to the government and are frequently the main actors reaping the benefits of and facilitating the Syrian government's human rights violations and international crimes. This category also includes information concerning the "conflict elite" composed of previously little known businesspersons and leaders of paramilitary groups that, by becoming involved in the war economy, accumulated considerable wealth during the conflict and that are now progressively integrating into the formal economy, as well as rewarded by the Syrian government for their loyalty and continued support by giving them preferential access to industries and sectors. This category specifically focuses on information concerning members of Syria's business elite that are known to be involved in human rights abuses: the undertaking of any of the activities identified in page 1 of this report is a strong indication of involvement in human rights abuses.
- **Sanction Regime:** Despite the lack of uniformity in the criteria for inclusion in the EU and US sanctions lists, information concerning sanctions regimes, specifically information concerning targeted as opposed to sectoral sanctions, is relevant for the purpose of this report as the vast majority of sanctioned individuals and entities are involved in human rights abuses.

The information included in this report is based on different resources including various media sources such as news reports, articles, and open source investigations.

MAY 2020 OVERVIEW:

When considering the literature from the monitored period, it is apparent that the business activity has remained largely unchanged in the region especially with COVID 19 news taking over as well as the family feud between Rami Makhoul and Bashar Al Assad.

In the case of Iran and Russia, May has seen a change of dynamics in the oil business in Syria. Notably, Syria granted Iran the first oil production contract in an attempt to repay debt. Talks are on the rise about Iran's credit line to Syria where Iranian voices are claiming the tens of billions of dollars their country has spent defending the regime.

Russia, on the other hand, is pushing through its defense and foreign ministries to hold talks with Damascus, with a view to Moscow obtaining additional facilities and maritime access in Syria.

Most notably, the family feud between Rami Makhoul and Bashar Al Assad continued where more punitive measures were imposed on Makhoul by the Syrian authorities.

More broadly, on the MENA region involvement and interaction, May has seen a slow movement in the business activities of MENA region countries. One piece of news that stood out was the establishment of a company in Syria belonging to Saudi businessmen, the first Saudi company in Syria since 2011.

The below sections will present information documented relating to foreign states and businesses in Syria. In May 2020, SLDP documented the following business and reconstruction related events and activities that could result in violations of international law:

SYRIA'S ALLIES: RUSSIA AND IRAN

- **06 May 2020: Syria Grants Iran First Oil Production Contract to Repay Debt.**

According to the Ministry of Petroleum and Mineral Resources in Syria, Syrian parliament's economy and energy committee has approved a contract signed on January 28 for the exploration and eventual production of oil in Block 12 with the Iranian government, awarding Iran a contract to explore for oil and gas on the Iraqi border (Al-Boukamal) to repay its debts to Tehran.

It said that the agreement was signed between the governments of the two countries, rather than with a specific Iranian company as would normally be the case, and that the contract was within the framework of the cooperation agreement signed between the two countries in March 2015.

Also, while exploration contracts are usually signed under a production-sharing framework, the ministry said that the revenues generated from the sale of the oil extracted would be used to repay the credit lines granted by Iran.¹

¹ The Syria Report, Syria Grants Iran First Oil Production Contract to Repay Debt, (06 May 2020), <https://www.syria-report.com/news/oil-gas-mining/syria-grants-iran-first-oil-production-contract-repay-debt>

- **21 May 2020: Under Iranian Supervision, The Syrian Authorities Are Rehabilitating a Chemical Weapons' Manufacturing Facility Near Aleppo.**

Zaman Al-Wasl has obtained information that the Syrian authorities have rehabilitated the three tunnels belonging to Unit 416 chemistry, southwest of Aleppo, during the past four months. It was also stated that the rehabilitation process is supervised by Iranian experts.

The source revealed that the three tunnels were intended to store various types of deadly chemical precursors, especially nerve gases, in addition to sophisticated laboratories and devices.

The source also stated that the Syrian authorities, after completing the maintenance of the three tunnels during the past few months, began to transfer very sophisticated machines and tools that Iran had moved to Syria during an earlier time, and most of these machines are manufactured in South Korea. There were some Turkish machineries as well as some machineries from European industry such as German and French.²

- **21 May 2020: Syria, Iran Agree On Following Up Executive Steps To Establish A Joint Free Industrial Zone.**

According to The Syria Times- an e-newspaper owned by the Syrian government- Iranian Finance and Economic Affairs Minister Farhad Dejjasand and Syria's Ambassador in Tehran Adnan Mashmoud discussed during a meeting economic and investment cooperation between Syria and Iran to serve the interests of the peoples of the two countries and enhance their steadfastness in the confrontation of the economic war and the unfair western sanctions targeting them.

The two sides agreed on following up the executive steps to establish a joint free industrial zone that contributes to boosting Syria's productive and industrial abilities and reconstructing the country's infrastructure which has been damaged because of the heinous terrorist war.³

- **27 May 2020: Iranian Lawmaker Wants USD 20-30 Billion Spent on Syria Paid Back.**

Heshmatollah Falahatpisheh, a lawmaker and former chairman of Iranian parliament's National Security and Foreign Policy Commission, told an Iranian media outlet on May 19 that Iran had spent between USD 20-30 billion during the conflict in Syria and had to be paid back.

Mr Falahatpisheh did not elaborate on how the money had been spent and whether it included the direct cost of Iran's military intervention or only economic aid to the Syrian government and armed forces. Also, he did not say in what form he expected this money to be paid back.

The timing of the statement may reflect discontent in Iran at the significant amount of money spent on the Syrian conflict at a time of economic hardship at home.⁴

The news was also featured in baladi news and several other news outlets https://www.baladi-news.com/public/ar/articles/60311?fbclid=IwAR1DABYBwyfBeN4-QnCkpX_g0VEpk_y_GJ7AmiSPi4fLVwkYFluuB5zaHDc

² Zaman Al Wasl, بإشراف إيراني.. الأسد يعيد تأهيل منشأة لصناعة أسلحة كيميائية قرب حلب, (21 May 2020), <https://www.zamanalwsl.net/news/article/124033/>

³ The Syria Times, Syria, Iran agree on following up executive steps to establish a joint free industrial zone, (23 May 2020), <http://syriatimes.sy/index.php/economy/48719-syria-iran-agree-on-following-up-executive-steps-to-establish-a-joint-free-industrial-zone>

- **28 May 2020: Putin Appoints Third Special Envoy to Syria.**

Russian President Vladimir Putin appointed Moscow's ambassador in Damascus, Alexander Efimov, as his special envoy for developing relations with Syria on May 25. It is a newly created post and an addition to the two already existing envoys working with Damascus, the Kremlin's special envoy for Syria Alexander Lavrentiev and its special presidential envoy on the Middle East, Deputy Foreign Minister Mikhail Bogdanov. Efimov will keep his job as Syrian ambassador, a position he has held since 2018. Prior to the assignment, Efimov spent five years as Russia's ambassador to the United Arab Emirates.

Efimov's appointment may serve to help the Kremlin find the right balance between the diplomatic and military segments of Russia's foreign policy team overseeing Syria. The new envoy can bring a more economic and diplomatic component to the task of managing the situation in Syria.

The second aspect of Efimov's appointment has to do with the task of rebuilding Syria, a topic that has been steadily rising on the Kremlin's agenda. Efimov's past experience of working with the United Arab Emirates, an ally of growing importance to Russia and Syria, may also prove useful.⁵

- **29 May 2020: Russian Military, Diplomats to Negotiate Agreement with Syria On More Facilities & Maritime Access**

President Vladimir Putin ordered Russia's defense and foreign ministries on Friday to hold talks with Damascus, with a view to Moscow obtaining additional facilities and maritime access in Syria.

A protocol could be signed to the agreement with Syria on deploying Russia's air task force, which stipulates the transfer of additional facilities and water area to the force, according to the president's instruction posted on the government's legal information web portal.

The ministries were instructed to hold negotiations with the Syrian side and, upon reaching an agreement, sign the protocol on Russia's behalf, allowing minor amendments to be made to the draft with the Russian government's approval.⁶

BUSINESSES FROM THE MIDDLE EAST AND NORTH AFRICA

- **04 May 2020: Two Saudi Businessmen Establish a Company in Syria With a Capital of Five Million Syrian Pounds.**

Two Saudi businessmen established a company in Syria that operates in the field of construction materials, with a capital of five million Syrian pounds, according to the Ministry of Internal Trade in Syria.

⁴ The Syria Report, Iranian Lawmaker Wants USD 20-30 Billion Spent on Syria Paid Back, (27 May 2020), <https://www.syria-report.com/news/economy/iranian-lawmaker-wants-usd-20-30-billion-spent-syria-paid-back>

⁵ Al-Monitor, Putin appoints third special envoy to Syria, (28 May 2020), <https://www.al-monitor.com/pulse/originals/2020/05/russia-putin-new-envoy-syria-damascus-conflict-efimov.html#ixzz6OmmZEZ00>

⁶ RT, Russian military, diplomats to negotiate agreement with Syria on more facilities & maritime access, (29 May 2020), <https://www.rt.com/newsline/490172-russia-syria-air-facilities/>

The company is owned by Jaafar Abdullah Al-Mubeyrek, at 95%, and Abdullah Jaafar Al-Mubeyrek at 5% of the company's capital.

The company works in the trade of construction materials, clothing, electrical and electronic appliances, and cars, importing and exporting all permitted materials, in addition to participating in tenders and auctions. It is the first company to be established by Saudis in Syria since the political relations between the two countries were troubled due to the conflict.⁷

- **21 May 2020: Egyptian Ships Do Not Leave the Shores of Syria.**

The past few weeks have witnessed an active movement of Egyptian ships towards the Syrian shores, and while some of these ships carry the Egyptian flag, others carrying foreign flags and have used Egyptian ports as a staging station towards Syria.

According to the article, monitoring "Marinetraffic" website (specialized in maritime traffic) reflected that the Egyptian "EGY CROWN" ship left the port of Latakia on May 21st after its arrival to it a day before. In addition, "PRINCE 4" ship, carrying a Comoros flag, arrived to the port of Latakia from the Egyptian port of Sokhna. After monitoring the website, it became clear that the Egyptian ships are not leaving the Syrian ports, in Latakia and Tartous. They are usually departing from the ports of Sokhna, Domiat and Alexandria.

The Syrian authorities do not disclose the source of goods and ships that reach the Syrian coast. It is alleged that the current Egyptian government is providing security and military support to the Syrian authorities, which intersects with statements by Bashar al-Assad in an interview with Al-Manar TV, in August 2015 in which he said "there is cooperation between Egypt and Syria on the security and military levels, and meetings between Syrian and Egyptian officials."⁸

BUSINESS FROM OTHER COUNTRIES

- **07 May 2020: Greece Sends Its Ambassador Back to Syria, but as an 'Envoy'.**

Greece has announced that it will be sending a special envoy to Syria, in a sign that it could be starting to restore diplomatic ties with the country, writes Alsouria Net. The Greek Foreign Ministry announced the appointment of a new Special Envoy for Syria, for the first time since Greece cut off diplomatic relations with the Assad regime in 2012. The ministry published a statement on its official website saying that Foreign Minister Nikos Dendias had appointed Tasia Athanassiou as a Special Envoy to Syria, eight years after Greece halted its diplomatic mission in Syria.

According to the statement, the new envoy's mission will be to carry out international communications with regards to the Syria file, discuss relevant humanitarian actions, and coordinate efforts to rebuild Syria. This is an issue of concern considering that Greek involvement in efforts to rebuild Syria may include involvement in Syrian government reconstruction and urban redevelopment plans, which involve a number of human rights abuses.

⁷ (04 May 2020), <https://www.enabbaladi.net/archives/381771> عنب بلدي، سعوديآن يؤسسان شركة في سوريا برأسمال خمسة ملايين ليرة،

⁸ (21 May 2020), <https://www.enabbaladi.net/archives/386627#ixzz6N5jIwf52> عنب بلدي، السفن المصرية لا تغادر شواطئ سوريا،

Referencing analysts, unnamed diplomatic sources told the local news site Greek City Times that the appointment of the new envoy to Syria is a prelude to reopening the Greek embassy in Damascus. Meanwhile, Greek newspaper Kathimerini reported that the decision to appoint a new envoy came within the framework of Greece trying to contribute to efforts toward a political solution in Syria. This came after repeated meetings between the Greek foreign ministry and UN Special Envoy to Syria, Geir Pedersen.⁹

- **14 May 2020: A Malaysian Company to Issue Syrian Electronic Passports.**

The Minister of the Interior in Syria, Muhammad Rahmoun, announced that the ministry has contracted with a Malaysian company to issue Syrian biometric passports.

Rahmoun said in an interview with "Al-Watan Online" website, that the ministry is working on two steps, the first is to issue electronic passports, and a Malaysian company was contracted to establish this. The second is a project to amend personal identities, but it "will start after the regime forces take over the entire Syrian lands," he said. The company was not identified, nor mentioned in the article.¹⁰

- **21 May 2020: "Cham Wings" Airlines Announces Two Flights from Damascus to Stockholm And Frankfurt.**

"Cham Wings" Airlines has announced that it will be operating two flights to Stockholm and Frankfurt between May 29 and June 2.

The company stated that the first flight will go from Damascus to Armenia, from Armenia to Minsk and from Minsk to Frankfurt. While the second flight will go from Damascus to Armenia, from Armenia to Minsk and from Minsk to Stockholm.

A source pointed out to "Business 2 Business Syria" website, that these two trips will return Syrians holding valid residency to Germany and Sweden.¹¹

The United States Department of the Treasury's Office of Foreign Assets Control (OFAC) has designated Syria-based Cham Wings Airlines (Cham Wings) in 2016, for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, the Government of Syria and Syrian Arab Airlines. Cham Wings has cooperated with Government of Syria officials to transport militants to Syria to fight on behalf of the Syrian regime and assisted the previously designated Syrian Military Intelligence (SMI) in moving weapons and equipment for the Syrian regime.¹²

⁹ The Syrian Observer, Greece Sends Its Ambassador Back to Syria, but as an 'Envoy',

<https://syrianobserver.com/EN/news/57845/greece-sends-its-ambassador-back-to-syria-but-as-an-envoy.html>

¹⁰ شركة ماليزية لإصدار جوازات سفر سورية إلكترونية، (14 May 2020), <https://www.enabbaladi.net/archives/384629>

¹¹ أجنحة الشام للطيران تعلن عن تسخير رحلتين من دمشق إلى ستوكهولم وفرانكفورت، (21 May 2020), <https://b2b-sy.com/news/1033349203/>

¹² <https://www.treasury.gov/press-center/press-releases/Pages/j10690.aspx>

SYRIA'S BUSINESS ELITES

- **03 May 2020: A Joint Stock Company in “MTN” Announces Its Willingness to Pay Its Dues.** TeleInvest Ltd. one of the main partners of “MTN” telecommunications company in Syria, has announced its willingness to pay its dues pertaining to its legal stake in “MTN”, which is the first joint stock company in the two major cellular companies to take this action, according to the Syrian Telecommunications Regulatory Authority’s Facebook page. The dues are relevant to the payment requested from Syriatel relative to its phone license, imposed by The Syrian Telecommunication Regulatory Authority (SYTRA).¹³

On Teleinvest Ltd, the company owns a balance of 25% of MTN Syria (MTNS), while MTN Dubai (MTND) owns 75% shares of the company.¹⁴ Bassem Al Taji, Partner and Vice Chairman of the Board of Directors at “MTN”, was also the official representative of Teleinvest Ltd. However, it was announced through different media outlets that he was recently replaced by Nisreen Ibrahim. She is rumored to be a rising figure within MTN’s board, of which she is the vice-president and allegedly a close figure to Asmaa Al Akhras, wife of Bashar Al Assad.¹⁵

Teleinvest is originally a Cayman Islands-registered investment tool of the Dallah Al-Baraka group, owned by Saudi billionaire Salah Kamel. It is unclear if Teleinvest has other shareholders.¹⁶

- **13 May 2020: Pressure on Phone Companies Suggest Possible Change in Structure and Ownership.**

Three board members of MTN-Syria resigned this week as government pressure continues to impact the telecommunications sector.

On May 10, Bashir Al-Munajjed, the chairman of the board of MTN-Syria (who is a former minister of telecommunications), the smaller of Syria’s two primary mobile phone operators, resigned along with two other board members, Nasir Sabeh and George Fakiani. Officially, the three resigned for personal reasons.

Practically, Investcom Mobile Communication (IMC), which is the majority and strategic shareholder of the company with 73.47 percent of the shares, is now left with only one representative on the board, Ismail Jaroudi. IMC is owned by MTN Group, a South African telecommunications company, which includes among its shareholders Taha and Najib Mikati, who held the original phone license. Najib Mikati is a former Lebanese prime minister.

Pressure on the country’s two mobile phone companies has been piling up for months. The dispute between the Ministry of Communications and Technology and the other operator, Syriatel, was far

¹³ (03 May 2020) عنب بلدي، شركة مساهمة في “ام.تي.ان” تعلن استعدادها لدفع مستحقات مترتبة عليها،

<https://www.enabbaladi.net/archives/381490>

¹⁴ Multilateral Investment Guarantee Agency (MIGA) World Bank Group, <https://www.miga.org/project/mtn-syria>

¹⁵ "مدونة هادي العبدالله، روسيا ترفع كرتاً أحمر لمخلوف وترسل رجل بوتين للاستحواذ على "ام تي ان" (12 May 2020) <https://bit.ly/37eGpnR>

¹⁶ The Syria Report, Pressure on Phone Companies Suggest Possible Change in Structure and Ownership, (13 May 2020), <https://www.syria-report.com/news/telecoms-it/pressure-phone-companies-suggest-possible-change-structure-and-ownership>

more publicized because of its owner, Rami Makhlouf. But MTN-Syria saw its assets frozen in November, along with those of Mr Ramadan and of several board members, including Mr Sbeih and Mr Fakiani, on charges of owing money to the treasury. The claims came following rumors that relations between the Syrian authorities and Taha and Najib Mikati had cooled.

The pressure on the two companies culminated a few weeks ago when the ministry asked Syriatel and MTN-Syria to pay a combined SYP 233.8 billion related to the original license award.

In addition to the amount related to the license, the Ministry of Finance is also accusing the Syria's two primary telecommunications companies of tax evasion. Syriatel is estimated to have transferred the equivalent of five percent of its revenues to two subsidiaries and recorded them as administrative expenses related to the payment of its senior management. By registering these amounts as expenses, the company reduces its tax bill. The amounts involved reached SYP 9.2 billion in 2018 and SYP 10.8 billion in 2019.

It is worth mentioning that Syriatel has been on the EU and US sanctions list since 2011.¹⁷ While agreements both companies signed with the government were largely favorable to them throughout the last 10 years, they still net a significant amount of money for the government; rendering both MTN and Syriatel major contributors to Syrian treasury.

Lastly, the Syrian telecommunicators sector is likely only at the beginning of a significant change in its structure and/or in the ownership of the companies operating in it. The stakes are high because Syriatel and MTN-Syria are two of Syria's largest private sector companies and generate significant cash flows.¹⁸

- **27 May 2020: Barazi Seeks to Make His Mark.**

Just a few days after his appointment, Syria's new minister of domestic trade—and potential future prime minister—Talal Al-Barazi, has started to make his presence known.

Mr Barazi ordered officials from his ministry to raid and inspect the inventories of warehouses belonging to some of the country's most influential traders, such as Tarif Al-Akhras and Issam Anbouba in Homs, and the Joud Group in Lattakia. Mr Akhras, Mr Anbouba and the Joud family are well established within the business community and did not build their wealth during the conflict.

Additionally, Mr Barazi revoked the licences of two security services companies, Alpha Protection and Security Systems LLC, and Falcon for Security Systems and Services. Falcon's clients include several companies owned by, or affiliated with, Rami Makhlouf, such as Syriatel, Milkman, and Cham Wings.

¹⁷ <https://www.reuters.com/article/us-syria-eu-sanctions-idUSTRE78N1DY20110924>

¹⁸ The Syria Report, Pressure on Phone Companies Suggest Possible Change in Structure and Ownership, (13 May 2020), <https://www.syria-report.com/news/telecoms-it/pressure-phone-companies-suggest-possible-change-structure-and-ownership>

Mr Barazi's moves, which could not have taken place without the green light of the presidential palace, aim at showing that he is taking decisive actions to meet the population's concerns and that he will not hesitate to target influential businessmen.

Mr Barazi is seen as an increasingly influential person and is touted as a potential future prime minister. His tenure in Homs was considered relatively successful and he reportedly built strong relations with the Iranians. There are also some reports that he is close to Mrs Assad, although this is difficult to confirm. He is also a member of the Baath Party, which is a condition for becoming prime minister. Besides his political role, Mr Barazi has a business background and is a shareholder in various companies, including Bawadi Projects LLC, a contracting firm, and Assayil Tourism Investment Company LLC, a hotel management company.¹⁹

- **06 May 2020: Latest News on Marota City.**

Delays in the Marota City project are generating increasing criticism, including from a prominent Iran-linked investor who believes the project may eventually die. On April 29, Musan Nahas said that he and his partners, some of whom are Lebanese and Kuwaiti, were struggling to get their planned investments in Marota underway. Mr Nahas said that he planned to build two 17-storey residential towers with a floor area of 7,000 square metres each and established a company called Al-Qayssar Investments, Caesar Investments in Arabic, for that purpose. In an interview with a local website, *Al-Iqtisadi*, he blamed Damascus Cham Holding (DCH), the company owned by the Damascus governorate which manages Marota, for creating various obstacles that are delaying investments.

Mr Nahas's comments forced DCH to make a statement in which it said that it was keen to facilitate investments in Marota and that the dispute with Al-Qayssar related to different methods for estimating the value of its investment.

Mr Nahas was not very well-known in the Syrian business community until recently. His main activity seems to be event management through his company, called the International Company for Investment (ICI), which organises trade fairs such as the High Auto Fair, an exhibition dedicated to the car industry, and IBEX, dedicated to reconstruction. He also runs a jewellery business called Lazord. More importantly, he holds the strategic position of secretary-general of the Syrian Iranian Chamber of Commerce, which was established in 2018.²⁰

On Another hand, Damascus Cham Holding has given more details on one of the large developments it is seeking to promote in Marota City. DCH stated that one of the joint ventures it established with local investors, Developers Private Joint Stock Company (DP JSC), plans to build two residential towers to be called the Swiss Twin Towers. In addition, a commercial mall, to be called Le Cinq Etoiles – “The Five Stars” in French — will be built.

¹⁹ The Syria Report, Barazi Seeks to Make His Mark, (27 May 2020), <https://www.syria-report.com/news/economy/barazi-seeks-make-his-mark>

²⁰ The Syria Report, Marota City Faces Renewed Criticism, (06 May 2020), <https://www.syria-report.com/news/real-estate-construction/marota-city-faces-renewed-criticism>

DP JSC was established in 2018 by Damascus Cham Holding (DCH) and Exceed Development and Investment LLC, a company founded by businessmen Hayan Mohammad Nazem Qaddour and Maen RizkAllah Haykal. Both individuals, along with all investors involved in the project, were put under European sanctions in early 2019. However, a legal source recently told *The Syria Report* that Mr Qaddour and Mr Haykal have taken legal action in European courts to have the sanctions on them lifted and that a decision on their case was expected soon. It is surprising that DCH is giving more details about the project, and therefore publicizing it, when a court decision is expected.²¹

SANCTION REGIMES

- **28 May 2020: EU Renews Sanctions on Syrian Regime**

The European Union renewed sanctions against the government of Syrian President Bashar Assad and other top political officials, military officers and businesspeople for another year.

The decision comes as the Assad regime continues its crackdown on civilians in the conflict-torn country, according to a May 28 statement by the European Council.

The European Council, said sanctions would be extended until June 1, 2021, more than a decade after the conflict began, “as the repression of the civilian population continues.”

The EU’s renewal of sanctions comes as Washington has been rallying its allies to keep up the pressure on the Assad regime and not provide reconstruction money to Damascus.

The administration of US President Donald Trump argues that any money intended for reconstruction would eventually be squandered by the Assad regime, which should not be rewarded for waging war on its own population.²²

The Syrian Foreign Ministry condemned the EU extension of its sanctions against the Syrian government, according to the state news agency SANA, in a statement, where he said the EU decision to renew sanctions on the Syrian government for another year underscores EU support for "terrorist groups" in Syria. The statement said the "unjust" sanctions directly affect the Syrian people and their livelihoods as well as public health in the country amid the COVID-19 pandemic.²³

²¹ The Syria report, More Details on One of Marota’s Developments, (13 May 2020), <https://www.syria-report.com/news/real-estate-construction/more-details-one-marota%E2%80%99s-developments>

²² The Arab Weekly, EU renews sanctions against Assad as Syria war enters 10th year, (29 May 2020), <https://theArabweekly.com/eu-renews-sanctions-against-assad-syria-war-enters-10th-year>

²³ China Daily, Syria condemns extension of EU sanctions, (29 May 2020), <https://www.chinadailyhk.com/article/132133>