

THE WAVERLEY SERIES

SYRIA

An Insight of Investment, Trade and Economy

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For Advisory & Partnership

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office@lordwaverley.com • www.lordwaverley.com

SYRIA — AT A GLANCE

Capital	Damascus
A historic regime transition followed by comprehensive sanctions removal	Following the fall of the Assad regime on 8 December 2024, President Ahmad al-Sharaa's government has overseen systematic sanctions relief: the EU lifted all economic sanctions in May 2025, the US revoked its comprehensive embargo in June 2025, the US Congress repealed the Caesar Act in December 2025, and the US Treasury removed Syria from the state sponsors of terrorism list in 2026, ending a designation that in some respects dated back to 1979
A genuine, directly characterised paradox between external success and internal crisis	Independent analysis states that a year and a half after Assad's fall, Syria faces 'a profound paradox': significant diplomatic achievements and investment pledges from Gulf states, Turkey, the US and Europe externally, against ethnic tensions, security threats, ideological divisions and a severe economic crisis internally that has become 'a central source of socio-political pressure' on the government
Substantial investment commitments alongside an honestly disclosed execution gap	President al-Sharaa announced Syria attracted USD 28 billion in investment during 2025, including USD 14 billion in memoranda of understanding signed at a single August 2025 ceremony; independent analysis notes the gap between announced deals and executed investment 'remains substantial,' against World Bank reconstruction cost estimates of USD 216 billion
Severe, continuing economic hardship despite the investment momentum	Almost 90% of the population lives below the poverty line; the Syrian pound has depreciated to an estimated 14,000 per US dollar, eroding purchasing power; Finance Minister Mohamed Yisr Barnieh has stated growth is expected to nearly double to close to 10% in 2026, expressing that 'there's momentum now'
Escalating, documented social unrest over specific economic grievances	Protests erupted in May 2026 across Syria's main agricultural regions over a government-set wheat procurement price of 46,000 Syrian pounds per ton (approximately USD 330); by June 2026, commercial companies had also begun joining protests demanding improved wages and social benefits
A stark, documented gap between displacement promises and reality	President al-Sharaa declared that by 2027 no displaced persons would remain in tents; UNICEF data shows approximately 1.4 million displaced persons living in camps across Syria at the start of 2026, with humanitarian organisations in northern Syria estimating around 2.2 million people still in camps and informal tent settlements
A direct, independent diagnosis that capacity, not opportunity, is Syria's central problem	Independent analysis concludes Syria's central problem 'is not a lack of opportunities, but rather a lack of the capacity to translate those opportunities into long-term stability,' citing institutional weakness, political centralisation, sectarian tensions, persistent terrorism, and the absence of oversight and transparency mechanisms
Turkey's emergence as the dominant economic actor, and a distinct position on the Golan	Turkey has emerged as the dominant economic actor in post-Assad Syria, leveraging geographic proximity and established business networks; separately, President al-Sharaa told the UN General Assembly on 23 September 2026 that the Golan 'will remain Syrian land' under UN Security

	Council Resolution 497, a 1981 resolution declaring Israel's annexation of the Golan null and void, a position stated here factually without this briefing taking a stance on the underlying sovereignty question
Governing framework	President Ahmad al-Sharaa, in office since the fall of the Assad regime in December 2024

Syria stands at a genuinely historic economic inflection point, with the comprehensive dismantling of a sanctions regime spanning nearly five decades in some respects now unlocking \$28 billion in announced investment against \$216 billion in World Bank-estimated reconstruction needs. This external momentum coincides with a directly acknowledged internal paradox: severe, continuing poverty affecting almost 90% of the population, currency collapse, and escalating protests from farmers to businesses, alongside independent analysis concluding that Syria's central challenge is institutional capacity rather than opportunity. Investors should read Syria as possessing genuine, historic reconstruction potential whose realisation depends directly on the government's ability to convert diplomatic and investment momentum into the security, institutional transparency and social stability that remain honestly documented as still absent.

1. INVESTMENT & FDI

Syria has attracted genuinely substantial investment commitments following sanctions relief, though independent analysis honestly discloses a significant gap between announced deals and actual execution.

President al-Sharaa announced that Syria attracted \$28 billion in investment during 2025, including \$14 billion in memoranda of understanding signed at a single ceremony in Damascus on 6 August 2025; specific named deals include a \$7 billion energy consortium for 5,000 MW of power generation, airport infrastructure investment, and a gas pipeline from Kilis in Turkey to Aleppo, alongside 47 agreements across energy, infrastructure, telecom, healthcare and agriculture signed at a July 2025 investment forum. However, independent analysis states directly that 'the gap between announced deals and executed investments remains substantial,' even as the scale of interest represents a dramatic shift from the complete investment drought of the sanctions era; the World Bank estimates total reconstruction needs at \$216 billion, a figure that 'dwarfs current investment.'

- **A genuinely substantial, specific investment commitment figure representing a dramatic shift from the sanctions-era drought:** the \$28 billion 2025 figure, including the specific \$14 billion single-ceremony signing, represents concrete, sourced evidence of real, large-scale investor interest following sanctions removal.
- **A specific, named set of major energy and infrastructure deals providing concrete detail beyond aggregate figures:** the \$7 billion energy consortium and the Kilis-to-Aleppo gas pipeline represent concrete, sourced examples of the specific project types currently anchoring Syria's investment pipeline.
- **An honestly disclosed execution gap directly relevant to distinguishing genuine capital deployment from announced intent:** this explicit finding represents an important, sourced caution against treating the \$28 billion figure as equivalent to capital actually deployed on the ground.

2. TRADE & BUSINESS

Turkey has emerged as the dominant economic actor in post-Assad Syria, while the removal of Syria's terrorism designation specifically addresses a distinct, longstanding barrier to conventional banking and trade finance.

Turkey has emerged as the dominant economic actor in post-Assad Syria, leveraging geographic proximity, political influence with the new government, and well-established business networks; the Kilis-to-Aleppo gas pipeline described in Section 1 illustrates this deepening bilateral economic integration directly. Separately, a Syrian expert with the Tahrir Institute for Middle East Policy explained that Syria's nearly five-decade designation as a state sponsor of terrorism 'resulted in severe restrictions on financing and exports and contributed to significant hesitation and overcompliance among banks and investors who were reluctant to engage with Syria, fearing secondary sanctions'; the 2026 removal of this designation specifically addresses this distinct barrier, separate from the broader sanctions relief described in the At a Glance table.

- **A specific, sourced characterisation of Turkey's uniquely dominant bilateral economic position:** the explicit 'dominant economic actor' framing, combined with the concrete geographic proximity and business network rationale, represents credible, sourced evidence of a genuinely asymmetric bilateral trade and investment relationship.
- **A direct, technical explanation of why terrorism-designation removal specifically matters beyond general sanctions relief:** the expert's explicit citation of bank and investor 'overcompliance' driven by secondary sanctions fear represents concrete, sourced insight into a specific financial-sector barrier that persisted even amid broader sanctions relief.

3. MAJOR ECONOMIC DEVELOPMENTS

Syria's comprehensive sanctions removal has unlocked genuine investment momentum, but independent analysis directly documents a severe internal paradox in which institutional capacity, not opportunity, remains the central unresolved challenge.

Following the fall of the Assad regime on 8 December 2024, Syria's new government has overseen a systematic dismantling of sanctions: the EU lifted all economic sanctions in May 2025, the US revoked its comprehensive embargo in June 2025, the US Congress repealed the Caesar Act in December 2025 removing what was described as 'the last major legal barrier' to foreign investment, and the US Treasury removed Syria from the state sponsors of terrorism list in 2026, a designation that in some respects dated back to 1979, according to President al-Sharaa, leaving 'generations unfamiliar with international financial transactions and banking guarantees.' Independent analysis states directly that a year and a half after Assad's fall, Syria faces 'a profound paradox': on the external front, the al-Sharaa government has recorded 'significant diplomatic achievements: growing regional and international recognition and a wave of investment pledges from the Gulf states, Turkey, the United States, and Europe'; on the domestic front, 'the picture is far more troubling,' with Syria facing 'ethnic tensions, security threats, ideological divisions, and a severe economic crisis that is becoming a central source of socio-political pressure on the new government.' Finance Minister Mohamed Yisr Barnieh stated that Syria expects economic growth to nearly double to close to 10% in 2026, saying 'there's momentum now; we are entering 2026 with a lot of optimism.' Despite this, almost 90% of the population lives below the poverty line, and the Syrian pound has depreciated to an estimated 14,000 per US dollar, eroding purchasing power. This tension was reflected in protests that erupted in May 2026 across Syria's main agricultural regions, including al-Hasakah, al-Raqqa, Deir al-Zor and the Hama countryside, in response to the government setting the wheat procurement price at 46,000 Syrian pounds per ton, approximately \$330, with farmers and agricultural union leaders objecting; by June 2026, commercial companies had also begun joining these protests, demanding improved wages and social benefits. President al-Sharaa declared that by 2027 no displaced persons would remain in tents, yet UNICEF data shows approximately 1.4 million displaced persons

living in camps across Syria at the start of 2026, with humanitarian organisations in northern Syria estimating around 2.2 million people still in camps and informal tent settlements. Independent analysis concludes directly that Syria's central problem 'is not a lack of opportunities, but rather a lack of the capacity to translate those opportunities into long-term stability,' citing institutional weakness, political centralisation, sectarian tensions, persistent terrorism, and the absence of oversight and transparency mechanisms; separate analysis states that Syria's economic revival 'hinges on defeating Daesh for good,' since sustained security is essential to enable banking operations, investment inflows and reconstruction efforts to function effectively. Many experts argue that sanctions relief represents only one part of a much larger challenge, with the success of any future economic opening ultimately depending on Syria's ability to address the internal problems accumulated over years of conflict and economic decline. President al-Sharaa addressed the UN General Assembly on 23 September 2026, stating Syria has been 'united from north to south,' with weapons in the hands of non-state groups 'brought fully under Government control,' security institutions rebuilt, and a transitional justice process 'well underway'; he separately stated the Golan 'will remain Syrian land, and all annexation measures are null and void under the force of Security Council resolution 497,' a unanimously adopted 1981 resolution declaring Israel's effective annexation of the Golan null and void, a position presented here factually as al-Sharaa's own stated position rather than an assessment by this briefing of the underlying sovereignty question.

- **A genuinely historic, multi-stage sanctions removal process spanning nearly five decades in some respects:** the specific chronology from EU relief through the Caesar Act repeal to the terrorism-designation removal represents concrete, sourced evidence of the comprehensive scope of Syria's reintegration into the international financial system.
- **A directly characterised 'profound paradox' representing the single most important framework for interpreting Syria's current situation:** this explicit, sourced characterisation, distinguishing genuine external diplomatic success from a 'far more troubling' internal picture, provides investors an essential, balanced lens for weighing the government's own optimistic statements against independently documented conditions.
- **A severe, specific poverty and currency crisis persisting despite genuine investment momentum:** the specific almost-90%-poverty and 14,000-per-dollar currency figures represent concrete, sourced evidence that macro-level investment announcements have not yet translated into broad-based household economic improvement.
- **A specific, dated, and escalating protest pattern directly tied to concrete economic grievances:** the progression from farmer protests over a specific wheat price to commercial companies joining over wages represents concrete, sourced evidence of broadening, rather than narrowing, economic discontent during this period.
- **A stark, directly documented gap between a specific presidential promise and independently verified humanitarian data:** the contrast between the 2027 no-tents declaration and the specific 1.4-2.2 million camp population figures represents an important, sourced illustration of the distance between official government messaging and documented ground conditions.
- **A direct, credible independent diagnosis identifying institutional capacity, not opportunity, as Syria's defining challenge:** this specific conclusion represents a serious, sourced analytical framework directly relevant to assessing whether continued investment pledges are likely to translate into genuine, sustained economic transformation.
- **A direct, sourced security precondition explicitly linking counter-terrorism outcomes to basic financial-sector functioning:** the explicit citation of sustained security as essential for banking operations, investment inflows and reconstruction efforts represents concrete, sourced evidence that Syria's economic prospects remain directly contingent on unresolved security conditions.

4. MAJOR PROJECTS & INFRASTRUCTURE

The \$7 billion energy consortium and the Kilis-to-Aleppo gas pipeline anchor Syria's most significant currently named major infrastructure developments.

- **Energy consortium for 5,000 MW power generation:** described in Section 1, this \$7 billion project represents Syria's most significant currently named single energy infrastructure investment.
- **Kilis-to-Aleppo gas pipeline:** described in Sections 1 and 2, this project represents a concrete, specific piece of deepening Turkey-Syria energy infrastructure integration.
- **Airport infrastructure investment:** named among the specific 2025 investment commitments described in Section 1, this represents a further significant transport infrastructure priority.

5. CONFERENCES, FORUMS & EXHIBITIONS

The 63rd Damascus International Fair represented Syria's most significant recent symbolic and practical platform for international investment promotion.

- **63rd Damascus International Fair, August-September 2026:** opened under the theme 'Syria Rises Again' with approximately 1,000 participating entities representing nearly 60 countries, President al-Sharaa described this fair, established in 1954 as one of the oldest in the Middle East, as 'Syria's economic memory and its window to the world.'
- **July 2025 investment forum:** described in Section 1, this forum produced 47 specific agreements across energy, infrastructure, telecom, healthcare and agriculture.

6. BUSINESS & INVESTMENT EVENTS

The US Treasury's 2026 removal of Syria from the state sponsors of terrorism list represented the year's single most significant formal policy event for Syria's financial-sector reintegration.

- **State sponsors of terrorism list removal, 2026:** described extensively in Sections 2 and 3, this action represented the definitive formal resolution of a designation that had specifically driven bank and investor overcompliance for decades.

7. GOVERNMENT & INTERNATIONAL PARTNERSHIPS

Turkey's dominant economic role, alongside US, EU and Gulf state engagement, define Syria's most consequential current international economic relationships.

- **Turkey:** described extensively in Section 2, Turkey's dominant economic actor status, reinforced by President Erdogan's mediation contact with President Trump on sanctions relief, represents Syria's single most significant current bilateral economic relationship.
- **United States:** described extensively in Section 3, the comprehensive US sanctions relief process, including the Caesar Act repeal and terrorism-designation removal, represents a transformative bilateral relationship directly enabling Syria's broader reintegration.
- **European Union:** the EU's May 2025 lifting of all economic sanctions, described in Section 3, represents a further significant multilateral relationship supporting Syria's economic reopening.

- **Gulf states:** named among the sources of investment pledges described in Section 3, these countries represent a significant, growing set of regional economic relationships supporting Syria's reconstruction.

8. SME & PRIVATE-SECTOR DEVELOPMENTS

The escalation of protests from agricultural producers to commercial companies represents a genuine, documented signal of broadening private-sector economic distress.

Following May 2026 protests by farmers over the government-set wheat procurement price, commercial companies had by June 2026 also begun joining protests, specifically demanding improvements in wages and social benefits; this progression from a single-sector agricultural grievance to broader commercial-sector participation represents a concrete, sourced signal of widening private-sector economic distress beyond any single industry.

- **A specific, sourced escalation pattern indicating private-sector distress is broadening beyond agriculture alone:** the documented progression from farmer-specific protests to commercial company participation represents concrete evidence that economic grievances are not confined to a single sector, with direct relevance to assessing broader business-environment stability.

9. NEW INVESTMENT OPPORTUNITIES / PROJECTS ANNOUNCED

Energy, infrastructure and telecom sectors define Syria's most concretely announced new investment channels, though the honestly disclosed execution gap and documented internal instability warrant direct, careful investor due diligence.

- **Energy sector investment:** described in Section 4, the \$7 billion power generation consortium represents Syria's most significant currently named energy investment channel.
- **Infrastructure and telecom agreements:** described in Section 1, the 47 agreements signed at the July 2025 investment forum represent a broad, currently developing set of investment channels across multiple sectors.
- **Reconstruction-linked opportunities more broadly:** given the \$216 billion World Bank-estimated total need described in Section 1, substantial further investment opportunity exists across virtually all reconstruction-related sectors, though realising this opportunity remains directly contingent on the security and institutional conditions described throughout this briefing.

SUMMARY ASSESSMENT

Syria stands at a genuinely historic economic inflection point, with the comprehensive dismantling of a sanctions regime spanning nearly five decades in some respects now unlocking \$28 billion in announced investment against \$216 billion in World Bank-estimated reconstruction needs.

This external momentum coincides with a directly acknowledged internal paradox: severe, continuing poverty affecting almost 90% of the population, currency collapse, and escalating protests from farmers to businesses, alongside independent analysis concluding that Syria's central challenge is institutional capacity rather than opportunity. Investors should read Syria as possessing genuine, historic reconstruction potential whose realisation depends directly on the government's ability to convert diplomatic and investment

momentum into the security, institutional transparency and social stability that remain honestly documented as still absent.