

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

SYRIA

Middle East

Dialogue | Trust | Partnership

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Damascus	Capital and seat of the transitional government; banking-sector recovery, Marota City-style real estate redevelopment, and the new 210-seat transitional parliament (convened July 2026) are all centred here	Financial services, real estate, government-adjacent services
Aleppo	War-damaged industrial heartland now the focus of a \$2bn Saudi-backed phased redevelopment of two international airports (runways, terminals, logistics), alongside the broader Saudi \$5.3bn reconstruction package	Aviation/logistics, manufacturing, industrial reconstruction
Latakia / Tartus (coastal)	Historic Alawite-concentration coastal region and site of Syria's main ports and former Russian naval facilities; relative infrastructure intact but politically sensitive given the coast's association with the former regime	Ports, maritime logistics, light industry
Sweida province	Druze-majority region that has remained outside Damascus's effective control since July 2025 clashes between Druze factions, Bedouin tribes and government-allied forces killed an estimated 940-1,700+ people (sources vary); 3 of its parliamentary seats remain unfilled	Not currently viable for conventional investment; situational monitoring only
Northeast Syria (Hasakeh / Qamishli / oil-and-gas basin)	Former Syrian Democratic Forces (SDF) autonomous zone, holding Syria's main oil and agricultural resources; the SDF formally dissolved and merged into the national army in August 2026 after a January 2026 government offensive, with Kurdish made an official language and citizenship restored to tens of thousands of Hasakeh Kurds	Oil and gas, agriculture, post-integration reconstruction
Golan Heights buffer zone / southern border (Quneitra, Daraa)	Israel has expanded its military presence here since December 2024 (nine bases reported), struck Syrian government sites including in Damascus, and the two sides are still negotiating a proposed demilitarised economic zone under US mediation	Not currently viable for conventional investment pending a security settlement
Homs	Central transit and refining hub linking Damascus, the coast and Aleppo; a key node in the national reconstruction corridor	Oil refining, transport/logistics, reconstruction materials

INVESTOR ENTRY ROUTES

- Syrian Investment Agency / Ministry of Economy and Foreign Trade licensing for new foreign direct investment under the post-sanctions legal framework

- Government-to-government investment packages (the Saudi \$5.3bn February 2026 package and the earlier \$6.4bn/47-agreement July 2025 forum are the template, covering aviation, telecoms, energy, water and real estate)
- Joint ventures with Gulf-state-linked operators already active on the ground (Flynas Syria, Saudi Telecom Company's SilkLink project, ACWA Power, Riyadh Cables Group)
- Banking-channel re-entry as correspondent relationships and SWIFT connectivity are progressively restored (France reopened a banking channel and returned €51m in July 2026)
- Reconstruction-sector contracting tied to specific World Bank-estimated rebuild needs (\$140bn-\$345bn, centred on an approximately \$216bn estimate)
- Direct engagement with the transitional government on legacy-debt resolution as a precondition for broader IMF/multilateral financing access

MARKET-ENTRY OBSERVATION

Syria in October 2026 is executing one of the fastest sanctions-to-investment transitions anywhere in the series: the US and EU lifted sanctions and removed Syria from the US state sponsors of terrorism list in late 2025, and the Arab League followed in September 2026, ending nearly 15 years of institutional sanctions and explicitly opening the door to Arab banking, trade and investment cooperation. Gulf capital did not wait for the final step - Saudi Arabia alone has now committed over \$11bn across two packages (a \$6.4bn, 47-agreement framework in July 2025 and a further \$5.3bn in February 2026), spanning a new low-cost airline joint venture (Flynas Syria, launching Q4 2026), a \$2bn phased redevelopment of two Aleppo airports, a \$1bn SilkLink fibre-optic and data-centre project from Saudi Telecom Company, a large ACWA Power-backed seawater desalination plant, and multiple real estate developments. The IMF reports the economy genuinely recovering - inflation down to low single digits, the currency appreciating, and the central bank not monetising the deficit - while the World Bank puts total reconstruction needs at roughly \$216bn (range \$140bn-\$345bn), a figure that defines the scale of the opportunity far more than it has yet been met by committed capital.

The transition remains visibly incomplete, however. Syria's new 210-seat transitional parliament convened for the first time only in July 2026, nineteen months after Assad's fall, with two-thirds of members chosen through indirect regional electoral colleges and one-third directly appointed by interim President Ahmed al-Sharaa - a structure officials attribute to destroyed population records but critics say concentrates executive control. Most of the country is now under Damascus's authority following the Syrian Democratic Forces' August 2026 dissolution and merger into the national army, but Sweida province has remained outside effective government control since catastrophic July 2025 sectarian clashes, and Israel continues to occupy and strike expanded positions in the south pending a still-unresolved demilitarised-zone negotiation.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Sweida/sectarian conflict	Druze-majority Sweida has been outside Damascus's control since July 2025 clashes between Druze factions, Bedouin tribes and government-allied forces; death-toll estimates range from 940 (Syrian Observatory for Human Rights) to roughly 1,700 (UN)	Avoid direct exposure to Sweida; monitor the government's pledged investigative committee and any reconciliation progress
Israeli occupation and strikes in the south	Israel has expanded into Jabal al-Sheikh and the UN buffer zone since December 2024, established roughly nine military bases, and struck Syrian government sites including in Damascus; a US-mediated demilitarised-zone proposal (agreed in principle, Paris, January 2026) remains unimplemented	Avoid Quneitra/Daraa-area exposure pending a security settlement; track the Amman-based joint security mechanism's progress
Unelected transitional governance	The 210-seat parliament convened July 2026 under a 2025 temporary constitutional declaration with limited powers; one-third of seats are presidentially appointed, the government does not require a confidence vote, and no permanent constitution or general election has yet been scheduled	Treat the current political structure as provisional; engage at the government-to-government level (as Gulf investors have) rather than relying on independent parliamentary oversight
Banking-sector immaturity and legacy debt	SWIFT and correspondent-banking connectivity are being restored only gradually (e.g. France's July 2026 reopening of a single banking channel); the IMF flags unresolved legacy debt as the key blocker to fuller external financing access	Structure transactions through the Gulf-backed banking channels already operating rather than assuming full international banking access

Issue	Potential Impact	Possible Mitigation
Scale of reconstruction need vs. committed capital	World Bank estimates \$140bn-\$345bn (centred on ~\$216bn) in rebuild needs against roughly \$11bn in confirmed Saudi commitments plus smaller UAE/Qatari packages - a large funding gap remains	Early-mover positioning in named Gulf-backed projects (airports, telecoms, desalination) offers the clearest, most de-risked entry points
Governance and compliance due diligence	Interim President al-Sharaa's past leadership of an al-Qaida-linked faction (he cut ties in 2016) means some international counterparties and compliance functions remain cautious despite the formal removal of sanctions and the terrorism designation	Expect continued enhanced due diligence from Western banks and insurers even where sanctions no longer formally apply
Post-SDF integration friction	The Syrian Democratic Forces dissolved into the national army only in August 2026 after a January 2026 government offensive; the fate of some units (including SDF's all-female formations) and full practical integration remain unresolved in the northeast	Monitor integration progress before committing to northeast oil, gas or agricultural assets at scale

INVESTOR RISK NOTE

Syria combines, in one country, the fastest sanctions-relief trajectory and some of the most acute residual security risk in this series. The headline trend is genuinely positive and well-evidenced: real Gulf capital (over \$11bn in named Saudi deals alone) is already executing specific, named projects rather than signing speculative framework agreements, the IMF reports falling inflation and a stabilising currency, and the Arab League's September 2026 sanctions removal formally reopens regional banking and trade channels. But two separate, unresolved conflict zones persist within Syria's own borders - Sweida province, outside Damascus's control since catastrophic 2025 sectarian violence with death-toll estimates that vary significantly by source, and the Israeli-occupied/contested south, where a demilitarised-zone framework was agreed in principle in January 2026 but has not translated into Israeli withdrawal or a halt to strikes. The transitional government itself remains explicitly provisional - no permanent constitution, no general election, and a parliament one-third appointed by the president - meaning the political and legal environment investors are entering remains a work in progress, not a settled system. The practical read for investors: the specific, named Gulf-backed project pipeline (aviation, telecoms, energy, water, real estate) is real and executing, and is the most appropriate near-term entry point; broader, independent investment outside that pipeline, and any exposure to Sweida or the southern border zone, carries meaningfully higher and less quantifiable risk.

MARKET ACCESS

Post-sanctions market access is improving rapidly but unevenly. US and EU sanctions relief (late 2025) and the Arab League's September 2026 decision together remove the formal legal barriers that blocked most foreign investment, banking transactions and trade finance for over a decade. In practice, access runs most smoothly through the government-to-government investment-package model Saudi Arabia has pioneered (two packages totalling over \$11bn) and through joint ventures with Gulf operators already licensed and operating (Flynas Syria, STC's SilkLink, ACWA Power). Independent banking access remains constrained - SWIFT and correspondent-banking connectivity are being restored country-by-country and transaction-by-transaction (France's single-channel reopening in July 2026 is illustrative) rather than fully normalised, and the IMF identifies unresolved legacy sovereign debt as the principal remaining obstacle to broader multilateral financing.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Ministry of Economy and Foreign Trade / Syrian Investment Agency	Primary government counterpart for new foreign direct investment licensing and incentive structuring	First point of contact for any new, independently structured investment proposal
Central Bank of Syria	Managing currency stabilisation, non-monetisation of the deficit, and the gradual restoration of correspondent-banking and SWIFT connectivity	Essential counterpart for any transaction requiring cross-border banking access
General Authority of Civil Aviation	Syrian counterpart in the Flynas Syria joint venture and the Aleppo airport redevelopment programme	Relevant for aviation, logistics and airport-infrastructure mandates

Actor	Why It Matters	Waverley Engagement Angle
Syrian transitional parliament (People's Assembly)	210-seat chamber convened July 2026 with limited legislative powers under the 2025 temporary constitutional declaration; holds authority until a permanent constitution and elections	Secondary engagement channel; most substantive investment decisions currently run through the executive rather than the legislature
Gulf government investment vehicles (Saudi-led packages, UAE and Qatari counterparts)	Already executing named, large-scale projects (aviation, telecoms, energy, water, real estate) and serving as the practical template and often the co-investment partner for new entrants	The most de-risked near-term route to market for most sectors
World Bank / IMF	Tracking Syria's recovery, flagging legacy-debt resolution, central-bank independence and banking-sector restructuring as preconditions for fuller multilateral financing	Relevant for understanding the macro-financing trajectory and timing of broader (non-Gulf) institutional capital access
US-Israel-Syria joint security mechanism (Amman-based, proposed January 2026)	Negotiating forum for the demilitarised southern economic zone and broader security de-escalation; not yet operational in practice	Monitor for any breakthrough that would de-risk southern Syria (Quneitra/Daraa) investment

CURRENT INTERNATIONAL BUSINESS CHANNELS

Syria's international business engagement currently runs almost entirely through state-to-state channels - the Saudi-Syrian Investment Forum model (July 2025 and February 2026), parallel UAE and Qatari engagement, and multilateral tracking by the IMF and World Bank - rather than through mature independent trade and banking infrastructure, which is still being rebuilt. Western governments and companies are engaging cautiously but directly with the al-Sharaa government, which has prioritised close ties with the US and Gulf states as part of its post-sanctions normalisation strategy, while the Amman-based US-Israel-Syria security talks represent a parallel, security-focused channel relevant to any southern-Syria-exposed business.

INVESTOR PROFILE BEST SUITED

Best suited to investors prepared to enter through, or alongside, the established Gulf government-investment-package model - aviation, telecoms, energy, water and real estate sponsors with Saudi, UAE or Qatari co-investment already have the clearest template and the most de-risked path to execution. Independent investors without Gulf-government backing should expect a slower, more bespoke process given Syria's still-developing banking infrastructure and legal framework, and should treat Sweida province and the Israeli-contested south as categorically off-limits for now rather than merely higher-risk. This is an early-stage frontier opportunity for patient capital comfortable with a genuinely transitional political and legal environment, not a market for investors requiring settled institutions from day one.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Identify the Gulf-backed template closest to the target sector

Review the Saudi aviation, telecoms, energy, water and real estate packages as the operating model most likely to translate into an executable project.

STEP 2: Engage the Ministry of Economy and Foreign Trade / Syrian Investment Agency

Establish the licensing pathway for the specific investment, factoring in the still-developing regulatory framework.

STEP 3: Confirm banking and funds-transfer capability

Verify which correspondent-banking or SWIFT channels are currently open for the relevant jurisdictions and counterparties before committing capital.

STEP 4: Exclude Sweida and the southern border zone from scope

Structure any mandate to explicitly exclude Sweida province and the Quneitra/Daraa Israeli-contested zone pending a security resolution.

STEP 5: Build in enhanced compliance due diligence

Anticipate continued elevated compliance scrutiny from Western banks and insurers even where formal sanctions no longer apply, given the government's recent history.

WAVERLEY'S ROLE

- Advise on the Gulf government-investment-package model as the most de-risked entry template for the investor's sector
- Facilitate introductions to the Ministry of Economy and Foreign Trade, the Syrian Investment Agency and relevant Gulf co-investment partners
- Provide real-time monitoring of the Sweida situation and the Israeli-Syrian security negotiations for any mandate with geographic proximity to either
- Support banking-channel and compliance due-diligence structuring given Syria's still-developing financial infrastructure

INVESTOR CALL TO ACTION

Syria in October 2026 offers one of the most genuine frontier-market openings anywhere in this series - sanctions lifted, real Gulf capital already executing named projects, and a \$216bn reconstruction opportunity - alongside two unresolved internal conflict zones and a still-provisional political system.

Waverley can help investors move quickly on the de-risked Gulf-backed template while avoiding the areas that remain genuinely unsettled.

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

The pipeline is defined by the World Bank's \$216bn central reconstruction estimate (range \$140bn-\$345bn) against roughly \$11bn in confirmed Saudi commitments to date, implying substantial unmet capital need across aviation, telecoms, energy, water, industry and real estate. Named near-term projects include Flynas Syria's Q4 2026 launch, the \$2bn phased Aleppo airport redevelopment, STC's \$1bn SilkLink fibre and data-centre build-out, a major ACWA Power-backed desalination plant, and multiple real estate developments, with further UAE and Qatari packages following the Saudi template. Post-sanctions regional reintegration (Arab League, September 2026) and gradual banking-channel restoration point toward an expanding, not narrowing, opportunity set over the medium term, contingent on continued progress on Sweida reconciliation and the southern security negotiation.

POSITIONING

Syria occupies a genuinely unique position in the Waverley Gateway Guide series: a country moving faster from comprehensive sanctions to active, named Gulf-backed investment execution than almost any comparable post-conflict transition, while still containing two live, unresolved internal conflict zones and a transitional government operating under temporary constitutional arrangements.

For investors, the opportunity is real and already being captured by first-movers, but it is a frontier opportunity in the fullest sense - best approached through the established Gulf-government-investment-package template, with Sweida and the Israeli-contested south treated as explicitly out of scope until resolved.

SELECTED SOURCES

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- Asharq Al-Awsat (August 25, 2026): SDF dissolution and merger into the Syrian national army
- The New Arab / Oman Observer (2026): US-mediated Syria-Israel demilitarised-zone talks; Sweida sectarian-clash death toll (940-1,700, sources vary)