



SLDP

Syrian Legal Development Programme
البرنامج السوري للتطوير القانوني



Baytna | بيتنا



Involvement of Russian, Iranian, and Chinese Businesses in Syria

January 2022



SLDP

Syrian Legal Development Programme
البرنامج السوري للتطوير القانوني



Baytna | بيتنا

©The Syrian Legal Development Programme and Baytna 2022, «This work is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License. You are free to copy and redistribute the material in any medium or format, as well as to remix, transform, and build upon the material. You must give appropriate credit, provide a link to the license, and indicate if changes were made. You may do so in any reasonable manner, but not in any way that suggests the material for commercial purposes. If you remix, transform or build upon the material, you must distribute your contributions under the same license as the original.»

Table of Contents

Background of the Project 4

Executive Summary and Findings5

Findings 6

Methodology7

Introduction 8

Section 1: Human Rights Implications 9

Section 2: Russian Businesses in Syria11

Section 3: Iranian Businesses in Syria 20

Section 4: Chinese Businesses in Syria 28

Annex 1: Russian Companies Active in Syria 31

Annex 2: Iranian Companies Active in Syria35

Annex 3: Chinese Companies Active in Syria 41

Background of the Project

In the presence of sanctions and other prevailing risks, Western actors conducting business in Syria have been limited. However, Russian, Iranian, and Chinese companies are interested - or have expressed interest - in conducting business in Syria. The paper will help in the understanding of the interrelations and role that is being played by Russian, Iranian, and Chinese businesses. It is a fact-finding effort to document the involvement of those businesses, and aims to provide evidence of how these businesses' activities in Syria are contributing - or may be at risk of contributing - to human rights abuses in the country. The paper aims to support relevant stakeholders, to assist in data collection that would be beneficial when conducting an impact analysis of the human rights resulting from such business activities, by facilitating the identification of the specific human rights risks associated with the Syrian context.

The research was sponsored by Baytna and conducted by the Human Rights and Business Unit (HRBU) of the Syrian Legal Development Programme (SLDP). HRBU was launched in April 2018 as a stand-alone unit to address business related human rights concerns that arise in Syria. Since its establishment, SLDP has received support from the Swiss FDFA, the Dutch MFA, and the European Union. HRBU has engaged in a number of activities aimed at building Syrian civil society's capacity in business and human rights law, including workshops, trainings, and developing a Business and Human Rights toolkit for Syria. SLDP has also monitored and documented business related human rights violations in Syria and developed a number of reports¹. HRBU has further engaged with various stakeholders in business activity in Syria, including international organizations, state actors, UN bodies, and humanitarian aid organizations. The Unit also aims to ensure the increased ability of stakeholders, including Syrian NGOs, state actors, and INGOs, to influence and use alternative forms of accountability against businesses involved in conflict related human rights abuses in Syria.

¹ <https://sldp.ngo/resources>; See also "Caesar's funds" a documentary published by al-Jazeera news channel in December 2020, in which SLDP took part, further exposed the Syrian government's financial network and its reliance on shell companies and business front to evade sanctions, available at:

<https://www.youtube.com/watch?v=4xZfeWtoOik>

Executive Summary and Findings

As detailed in this paper, the Syrian government's allies, namely Russia, Iran, and China have been involved in a number of business activities in the Syrian economy. This both provides financial support to the Syrian government and its military, and helps them establish their respective paramilitary groups.

Below are some of the key points captured from our research, including some on-the-ground insights from the business scene in Syria:

Russia

- The main sector of Russian involvement is oil and gas and the extraction of phosphates. Russia sought to invest and acquire contracts in the extractive sector as a compensation for its military expenditure. The Syrian government ratified laws that would grant Russian oil and gas companies rights to develop and explore oil fields. The companies documented as actively involved in Syrian oil fields are Soyunzeftegaz, Kapital LLC, Velada and Mercury. Another oil company belonging to Yevgeniy Prigozhin, called Evro Polis, was awarded shared revenues with the Syrian government for clearing oil fields from ISIS. The company Rosgeo was provided a contract to perform consultancies and surveys around oil and gas reserves.
- The production of phosphates is monopolized by the Stroytransgas (STG) Logistic Company, which signed three contracts on a long term basis with the Syrian government to operate a fertilizer plant in the Homs governorate, and phosphate mines located in Sharqiyeh and Khneifis, in addition to the management of Tartous port for 49 years.
- Russia is interested in Syria's reconstruction and real estate sector. The Syrian government signed an agreement with Stroyexpert Middle East LLC to supply 144 vehicles used for construction. Stroyexpert Middle East LLC is also involved in the construction of the residential complex Dimas. Russian companies are also interested in investments in the coastal region of Syria; STG Logistic made an investment of USD 90 million at Manara, near Tartous, to develop a hotel.
- Russia has positioned itself as Syria's supplier of wheat. Lebanon is the wheat transport hub where Syrian investors, linked to Samer Foz and Tarif al-Akhras, established offshore companies to act as intermediaries between suppliers from Russia. In addition, other Russian companies are investing in agriculture. The company Stroyexpert Phenic LLC, a subsidiary of Stroyexpert Middle East LLC, is one company that is investing in agricultural water dams and equipment.
- Russian companies began working on infrastructure work related to the reconstruction of Syria. Vodstroy public JSC opened a branch in Syria to extend water, oil, and gas pipelines.

Iran

- Iranian involvement in real estate and reconstruction is driven by Iran's foreign policy objectives, which seek demographic change and hegemony over Shiite shrines. The lands and properties that Iran is acquiring and reconstructing, through a network of associations and businesspersons, are centered around religious shrines.
- Iran is heavily involved in the electricity and energy sectors in Syria. Several companies were granted contracts to rehabilitate power plants and provide power transmission equipment. Some of these companies include Sada Nicu Sepaha, MAPNA, Novin, and Stzor Syria.
- Iranian companies are also involved in the agricultural sector, where companies such as ARD Machine Company are working to build and rehabilitate mills. Other companies, such as ITM and Nero, are supplying tractors to farmers.
- In industry and manufacturing, two Iranian car manufacturers operate in Syria, namely SIAMCO and SIVECO.

Findings

1. The above mentioned businesses do not venture independently into Syria; they are politically linked to both their respective governments and to the Syrian government.
2. When they get to Syria, they are usually allocated a Syrian business partner, meant to facilitate local trade. These Syrian partners are sometimes known, and sometimes unknown.
3. There is competition between Russian and Iranian businesses, and their interests. These are mainly around larger projects and deals, such as mines and ports.
4. The level of business activity depends on the political situation. For example, when Iranian political delegations were coming in and out, the Iranian government was more on the scene. The same goes for the Russians.
5. Russians are getting business by virtue of securing an area; Russia came in to clear that area from ISIS and took over the business - no questions asked.
6. Businesspersons are brought to "let go of deals" with international companies because the regime decided that "the allies" needed it.
7. Chinese companies remain last in terms of interest and size, compared to Russian and Iranian.
8. The majority of the business handed down to the allies remains in sovereign industries, such as the maritime and extractive industry, which the Syrian government concedes. They are not doing genuine reconstruction.

Methodology

HRBU developed a research methodology for this paper that included:

Mapping and analyzing the interest and involvement of the Russian, Iranian, and Chinese businesses in Syria, which was carried out through:

- Extensive desk research, collecting secondary data included in different resources - including various media sources, such as news reports articles and open source investigations.
- Conducting additional research in Russian, Farsi, and Mandarin, in order to capture the nuances, if any, of the different narratives relating to businesses operating in Syria from Russian, Iranian, and Chinese perspectives.
- Engagement with experts and substantive individuals with ground knowledge on the topic.

Introduction

Companies from Russia, Iran, and China are some of those expressing - or have expressed - interest in conducting business in Syria. This paper analyzes the investments and business activities of Russian, Iranian, and Chinese companies in Syria. Its intended outcome is threefold.

First, to identify the main sectors in which the investments of the companies from these countries are concentrated.

Second, to assess whether the business activities and the investments are contributing to, or may be at risk of contributing to, human rights abuses in the country, including as a result of the financial support they may be providing to the Syrian government.

Third, to identify some of the most prominent Russian, Iranian, and Chinese companies in Syria, with a view to explore opportunities to pressure them, so that they refrain from operating in Syria, should they be contributing or at risk of contributing to human rights abuses.

Section 1 outlines how Russian, Iranian, and Chinese business activities in Syria are contributing, or may be at risk of contributing to human rights abuses in the country.

Sections 3, 2 and 4 are, respectively, dedicated to the analysis of Russian, Iranian, and Chinese companies in Syria.

Each section includes a brief overview of the economic relations between the country and Syria before the Syrian conflict, and an analysis of the most significant investments and business activities of the companies from each country after 2011, with a specific focus on investments and activities from 2018 onwards. In addition, each section lists the agreements and the memoranda of understanding concluded between each country and Syria in recent years.

Section 1: Human Rights Implications

This section outlines how Russian, Iranian, and Chinese business activities in Syria are contributing or may be at risk of contributing to human rights abuses in the country.

Companies in the extractive industries operate on the basis of licenses issued by the Syrian government, granting them exclusive exploitation rights over natural resources in exchange for a share of the revenues. These agreements guarantee a crucial source of income to the Syrian government, which enables it to continue its involvement in gross human rights abuses.

Companies involved in construction projects risk contributing or being otherwise linked to the human rights violations - including violations of housing land and property rights - committed by the Syrian government against the population previously residing in the area. Throughout the conflict, the Syrian government has used its policies and efforts with regard to land and property as a weapon of war, by systematically targeting areas associated with the opposition.²

Government policies and efforts include the forcible displacement of civilians,³ the intensive destruction of civilian properties,⁴ the intentional destruction of property records,⁵ and the passing of legislation which has the effect of expropriating residents of their property. The most notorious measures amongst the latter are Decree 2012/66 and Law 10 of 2018, which empower the government to designate areas for urban redevelopment in disregard of the property rights of residents.⁶

2 V. Clerc, 'Informal Settlements in the Syrian Conflict: Urban Planning as a Weapon', (1) 40 (2014) *Built Environment*, 15-12; J.D. Unruh, *Weaponization of the Land and Property Rights System in the Syrian Civil War: Facilitating Restitution?* (2016) *Journal of Intervention and Statebuilding*, 10-6; S.N. Aldeen, 'In Homs, Assad Accused of Using Military for Urban Planning Scheme', *News Deeply*, 2 January 2018; J. Daher, 'Syria: What Kind of Reconstruction Process?' in *Fractured Stability: War Economies and Reconstruction in the MENA*, European University Institute Robert Schuman Centre for Advanced Studies, 37-36, 2019.

3 Examples of areas where the forcible displacement of civilians was compounded by housing land and property rights violations include: Basateen al Razi (Arab News, "Luxury Marota City Project Shows Blueprint for Syria's Rebuilding Plan", 5 November 2018); Qaboun (Commission of Inquiry on the Syrian Arab Republic, A/HRC/8, 55/36 August 2017); Jobar (Commission of Inquiry on the Syrian Arab Republic, A/HRC/8, 55/36 August 2017); Daraya (Amnesty International, "We leave, or we die" Forced displacement under Syria's reconciliation agreements, November 33-30, 2017) and parts of Homs and Aleppo (AP News, *Syria Starts Rebuilding even as More Destruction Wreaked*, 26 February 2018; Commission of Inquiry on the Syrian Arab Republic, A/HRC/64/34; The Syria Institute & Pax, "No Return to Homs: A Case Study on Demographic Engineering in Syria", (2017); Amnesty International, "We leave, or we die" Forced displacement under Syria's reconciliation agreements, November 47-34, 2017).

4 Human Rights Watch (HRW), 'Razed to the Ground Syria's Unlawful Neighborhood Demolitions in 30', 2013-2012 January 2014; HRW, 'Syria: Residents Blocked From Returning', 16 October 2018.

5 J.D. Unruh, *Weaponization of the Land and Property Rights System in the Syrian Civil War: Facilitating Restitution?* (2016) *Journal of Intervention and Statebuilding*, 6.

6 PAX, 'Legal Obstacles to Housing, Land and Property Rights in Syria', 6 March 13-9, 2019; HRW, 'Q&A: Syria's New Property Law', 29 May 2018.

In addition, Russian, Iranian, and Chinese companies risk becoming involved in human rights abuses in Syria by entering into business relationships with Syrian businesspersons and other entities, such as armed militias that are themselves involved in human rights abuses. Several prominent Syrian businesspersons have contributed to human rights abuses throughout the conflict, including by providing financial and logistical support to the Syrian government and the Syrian armed forces.⁷

Finally, the human rights risks and the adverse human rights impacts highlighted above are compounded by the fact that Russian, Iranian, and Chinese companies are unlikely to comply with the UN Guiding Principles on Business and Human Rights, or to undertake human rights due diligence when operating in Syria.⁸

⁷ For additional information on the different ways through which Syrian businesspersons are involved in conflict-related human rights abuses see: <https://sldp.ngo/wp-content/uploads/02/2021/Policy-Brief-Accountability.pdf>.

⁸ https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf.

Section 2: Russian Businesses in Syria

Historical Involvement

Russia's involvement in Syria dates back to the cold war period. The USSR was the main foreign economic partner of Syria, and was particularly an important trading partner. It provided Syria with concessionary loans amounting to USD 13.4 billion, and contributed to its development projects such as the Euphrates Dam.

President Bashar al-Assad came to power after the collapse of the USSR, when Syria was attempting to settle its USSR debts with Russia. A settlement was reached between both sides in 2005, with Moscow agreeing to scrap %73 of the USD 13.4 billion owed by Syria, and to reschedule the remaining USD 3.61 billion.

The remaining USD 3.61 billion would be repaid in two forms: first, USD 1.5 billion would be repaid in 20 installments, over a period of ten years. Second, USD 2.118 billion was transferred to the Central Bank of Syria, to allow the Russian government to use that amount to invest and purchase commodities in Syria.⁹

Russia became an important trading partner to Syria, where it stood as the second largest supplier to Syria with exports amounting to USD 1.9 billion in 2009. The most significant Russian exports were wheat and building materials, such as timber and steel. Syria was also an avid buyer of Russian weaponry. According to SIPRI (Stockholm International Peace Research Institute), between 12-2007, Russian weaponry corresponded to %78 of Syrian purchases. The aggregate of Syrian weaponry between 10-2007 amounted to USD 4.7 billion.¹⁰

Furthermore, by 2011, Russian companies held USD 20 billion worth of investments in the Syrian market, particularly in the energy sector.¹¹ Several Russian private companies, such as Soyuzneftegaz and Tatneft, invested in oil and gas exploration, others established subsidiaries in Syria, and the government encouraged private investments in the energy sector. Apart from the energy sector, private Russian companies also invested in real estate development and tourism.¹²

Post-2011

The economic relations changed after the conflict. Most Russian companies retracted their businesses, due to the destabilization caused by the war and the restrictions placed by Western sanctions on Syrian productive sectors. However, following its military intervention in 2015,

⁹ The Syria Report, Factsheet: Syria-Russia Economic Relations, (27 April 2020), <https://www.syria-report.com/library/economic-data/factsheet-syria-russia-economic-relations>

¹⁰ Joseph Daher, Syria After the Uprisings: The Political Economy of State Resilience, (2019), Page 191

¹¹ The Arab Weekly, Russia's Economic Agenda in Syria, (25 September 2015), <https://thearabweekly.com/russias-economic-agenda-syria>

¹² The Syria Report, Factsheet: Syria-Russia Economic Relations, (27 April 2020), <https://www.syria-report.com/library/economic-data/factsheet-syria-russia-economic-relations> The Syria Report, Factsheet: Syria-Russia Economic Relations, (27 April 2020), <https://www.syria-report.com/library/economic-data/factsheet-syria-russia-economic-relations>

Russia was motivated both politically and economically to invest in reconstruction in Syria, and in securing access to selective private sector actors to gain control over Syria's natural resources on a long-term basis. The main sectors Russia operates in are energy, real estate, agriculture, and infrastructure.

Extractive Sector

As the largest business sector in Syria, the energy sector offers Russia opportunities to maximize its economic gains and compensate for its military expenditure. Russia began to secure contracts for its private sector following the Russian military intervention. In addition, the majority of contracts awarded to Russia are from the extractive sectors.¹³ The largest number of Russian companies are operating in the extractive sectors.

In November 2013, the Syrian government signed a production agreement for the exploration and development of offshore blocks 1 and 2 with the Russian company Soyunzeftegaz. The company was expected to invest a total of USD 90 million.¹⁴ The blocks extend from North Tartous to South Baniyas with an area of 2,190 square kilometers. It paused its operations during the Russian intervention, but has reportedly resumed its operations in 2017,¹⁵ through its Syrian subsidiary SNG East Med Amrti S.A.¹⁶

In 2017, more Russian investments into the extractive sectors began to take hold. The Syrian Ministry of Petroleum and Mineral Resources signed an agreement with the Russian company Rosgeo, to provide various consultancies and surveys around oil and gas reserves.¹⁷

In 2018, the Syrian government awarded Russian company Evro Polis the rights to share revenues with the Syrian state-owned General Petroleum Company from oil fields, in exchange for liberating and securing oil fields from ISIS.¹⁸ Evro Polis is a company owned by Yevgeniy Prigozhin, a US-sanctioned Russian oligarch closely associated with the Kremlin.

In December 2019, the Syrian parliament ratified laws that would grant two Russian companies owned by Evgeny Prigozhin, Mercury and Velada, the right to develop three onshore blocks of gas and oil. Velada was granted block 23, while Mercury was granted blocks 7 and 19. Velada was founded in 2015 by Ekaterina Trofimova, replaced in July 2018 by Daria Baranovskaya as the general director. The connection to Prigozhin lies in Trofimova's nominal role as the general director while she worked at another company called Concord, owned by Prigozhin.¹⁹

13 Interview with Syrian businessman.

14 The Syria Report, Syria, Russia Formalise Deal Over Offshore Waters, (6 January 2014), <https://www.syria-report.com/news/oil-gas-mining/syria-russia-formalise-deal-over-offshore-waters>

15 The Syria Report, Syria Ratifies New Offshore Oil Contract with Russian Company, (31 March 2021), <https://www.syria-report.com/news/oil-gas-mining/syria-ratifies-new-offshore-oil-contract-russian-company>

16 The Syria Report, Russian Oil Company to Resume Offshore Works - Report, (16 May 2017), <https://www.syria-report.com/news/oil-gas-mining/russian-oil-company-resume-offshore-works-%E9%80%2report>

17 The Syria Report, Russia Furthers its Interests in Syria's Mining Sector, (12 December 2017), <https://www.syria-report.com/news/oil-gas-mining/russia-furthers-its-interests-syria%E9%80%2s-mining-sector>

18 The Moscow Times, Russian Oil Deals in Syria Linked to 'Putin's Chef' - Novaya Gazeta, (20 January 2020), <https://www.themoscowtimes.com/20/01/2020/russian-oil-deals-in-syria-linked-to-putins-chef-novaya-gazeta-a68964>

19 Novayagazeta, Вагнер. Первая нефть, (19 January 2020), <https://novayagazeta.ru/articles/-83514/19/01/2020/vagner-pervaya-neft>

Digital evidence has shown the involvement of Mercury and Velada in crimes committed by the Wagner group, a Russian private military security company, at Al-Shaer gas facility in Homs, where a Syrian civilian was killed, through the financial and logistical support of the group's nominal management company Evro Polis, also owned by Prigozhin.²⁰

In March 2021 the Syrian president ratified a USD 13 million production-sharing agreement with the Russian company Kapital LLC. The agreement was signed between the Syrian government, General Petroleum Company, and Kapital LLC. The agreement will allow Kapital to explore block 1, located 5 km off the coastal province of Tartous. The three parties agreed to establish a new operating company, Arwad Petroleum Company, located in Damascus, which will be activated 30 days after the discovery of oil.²¹ The ownership of Kapital is unidentified; however, reports suggest it is also a front for Prigozhin.²²

In 2018 and 2019, Stroytransgas (STG) Logistic Company signed three long-term contracts with the Syrian government, to operate a fertilizer plant in the Homs governorate, and phosphate mines located in Sharqiyeh and Khneifis, in addition to the management of Tartous port for 49 years, which will grant STG a monopoly over phosphate production and export in Syria.²³ According to the first contract, STG should invest USD 200 million to restore the three outdated factories belonging to the General Fertilizer Company. In return, STG would share profits for 40 years. The contract to manage Tartous Port granted STG access to the port for 49 years, where STG will be committed to invest USD 500 million to expand the port.²⁴ STG was founded in 1990 as a subsidiary of energy giant Gazprom. The company is now owned by Russian oligarch Gennady Timchenko, and is under US sanctions for its involvement in Crimea after its annexation by Russia in 2014.²⁵

Our research revealed that Russian and Iranian businesses are competing over large projects and deals, especially in the mines and phosphates sector which is a strong driver to the agricultural sector in the Syrian economy. The signing of the contract with STG to operate the Sharqiyeh mines coincided with a similar contract being awarded to Iran in January 2017. In June 2018, however, the Syrian parliament ratified an agreement which would allow the Iranians to split profits with the STG: STG will receive 70 percent of revenues, and the Syrian and Iranian governments will receive 15 percent each.²⁶

According to our research, foreign businesses are linked politically to their governments and the regime. When they arrive to Syria, they are usually allocated a Syrian business partner directly from the government. Such is the case with the investments of STG in Syria. Timchenko is closely

20 New America, Inquiry into the Murder of Hamdi Bouta and Wagner Group Operations at the Al-Shaer Gas Plant, Homs, Syria 2017, (June 2020),

21 New America, Inquiry into the Murder of Hamdi Bouta and Wagner Group Operations at the Al-Shaer Gas Plant, Homs, Syria 2017, (June 2020),

22 The Syria Report, Russian Company Wins New Offshore Oil Contract, (8 January 2021), <https://www.syria-report.com/news/economy/russian-company-wins-new-offshore-oil-contract>

23 Azzam al-Allaf and Salam Said, Russian Investment in Syrian Phosphate: Opportunity and Challenges, (February 2021),

24 https://cadmus.eui.eu/bitstream/handle/69882/1814/PB_04_2021_MED.pdf?sequence=1&isAllowed=y ibid

25 The Syria Report, Factsheet: Storytransgas in Syria, (6 April 2020), <https://www.syria-report.com/library/economic-data/factsheet-stroytransgaz-syria>

26 The Syria Report, Factsheet: Syria-Iran Economic Relations, (8 June 2020), <https://www.syria-report.com/library/economic-data/factsheet-syria-iran-economic-relations>

linked to Russian President Vladimir Putin, and is regarded as one of his inner circles. He also has strong ties with the Syrian elite, STG's main partner in Syria being HESCO Engineering and Contracting, a company owned by George Heswani.²⁷

Real Estate and Tourism

Russia attaches importance to Syria's reconstruction, leading to interest by private Russian companies to partake in the real estate sector development.

In 2020, it was reported that Russia was attempting to purchase property in the Handarat Palestinian refugee camp, through funding a Palestinian militia with the aim of turning the area into a military base. The Palestinian militia has been able to buy 70 homes, by telling the residents that the fate of their properties was unclear and that they were under the threat of being demolished.²⁸

On 12 June 2020, the Ministry of Public Works and Housing received 12 Russian Kamaz concrete trucks at the port of Tartus. This shipment is part of an agreement signed between the Ministry and the Russian company Stroyexpert Middle East, which agreed to supply Syria with 144 vehicles from the Russian Kamaz company.²⁹ This support is presented in the form of business to government (B2G) agreements.³⁰

On October 2019 5, in accordance with the same agreement, the Ministry of Public Works and Housing received a shipment of construction equipment from Stroyexpert Middle East. The shipment included ten cement mixers, including eight that are mobile, and a tracked excavator. Stroyexpert is also reported to be involved in the construction of a residential complex in Dimas, a town located in the western Damascus countryside.³¹

In 2018, there was a USD 100 million investment made by a Russian company called Construction, Technologies and Machinery to build ten concrete plants.³²

In June 2021, Russian Peoples' Friendship University entered into discussions with Syrian governorates to implement projects for the smelting of basalt stones. Basalt stones can be used instead of iron for construction, which is considered by the parties to be useful for reconstruction.³³

On 15 March 2021, the Syrian Minister of Tourism, Bishr Yazigi, met with the Russian Minister of

27 ibid

28 The Syria Report, Russia Seeks to Expand Aleppo Military Base Through Property Purchases, (10 March 2021), <https://www.syria-report.com/russia-seeks-expand-aleppo-military-base-through-property-purchases>

29 Syria Times, The Second Batch of Russian KAMAZ Concrete Trucks arrives in Tartous Port, (12 June 2021), <http://syriatimes.sy/index.php/economy/-49137the-second-batch-of-russian-kamaz-concrete-trucks-arrives-in-tartous-port>

30 Igor Matveev, Russian-Syrian Business Cooperation: challenges and prospects, (2019), <https://dam.gcsp.ch/files/doc/russian-syrian-business-cooperation>

31 The Syria Report, Syria Receives First Consignment of Construction Equipment from Russian Firm, (9 October 2019), <https://www.syria-report.com/news/real-estate-construction/syria-receives-first-consignment-construction-equipment-russian-firm>

32 The Syria Report, Business Forum Fails to Lift Doubts about Syria's Attractiveness for Russian Investors, (6 March 2018), <https://www.syria-report.com/news/economy/business-forum-fails-lift-doubts-about-syria%e2%80%99s-attractiveness-russian-investors>

33 Syrian Expert, (23), جامعة الصداقة الروسية تناقش مشروعاً اقتصادياً حيوياً جنوبي سوريا., June 2021), <http://syrianexpert.net/?p=58515>

Tourism, Oleg Sovanov, to discuss investments into the coastal region of Syria. The Russian side is looking into the opportunity for Russian companies to invest in developing the coastal region.³⁴ Previously, in 2018, STG Logistic made an investment of USD 90 million at Manara, near Tartous at the coast, to build two 5-star hotels, a conference hall, a commercial space, and other amenities.³⁵

On 14 November 2020, the news site Zaman al-Wasl reported that the Syrian government granted Russian companies a contract to restore archeological sites at the historical city of Palmyra. Sources reported that the General Authority for Antiquities and Museums signed an agreement with a stones rehabilitation organization in Russia, to seek the assistance of Russian experts and specialists to restore the “Arc de Triomphe” in Palmyra.³⁶

Food and Agriculture

Russia positioned itself as Syria’s supplier of wheat after Syria’s own production declined. Russians imports of wheat have been increasing steadily since Russia’s intervention in 2015, and in 2021, Russia vowed to supply Syria with 1 million tons of wheat.³⁷ Lebanon is the main channel through which wheat deals are made, where Syrian investors have established offshore companies that act as intermediaries between suppliers from Russia.³⁸ These companies include Sestos Offshore and Solid 1 Offshore. A company that is also involved is Midtrade Offshore Sal, which is affiliated with Tarif al-Akhras.³⁹ Other companies are also believed to be affiliated with Samer Foz.⁴⁰ In May 2019, a Russian company called Yugra Construction signed two agreements with the Syrian government to rehabilitate grain silos in the ports of Latakia and Tartous.⁴¹

On 12 November 2020, the Syrian government granted the Russian company Stroyexpert Phenic a contract to invest in agriculture. Sources reported that Stroyexpert Phenic LLC established Stroyexpert Middle East with a capital of SYP 50 million to begin investing in agriculture. The company will be allowed to import and export permitted materials, prepare lands for production, and secure equipment for water dams, sewage treatment plants, and their maintenance and spare parts.⁴²

34 Enab Baladi, 16) دعوة لشركات السياحة الروسية للاستثمار في شواطئ سوريا, March 2021), <https://www.enabbaladi.net/archives/213850>

35 The Syria Report, Works Start on Rare Russian Investment in Syrian Coastal Area, (22 May 2018), <https://www.syria-report.com/news/tourism/works-start-rare-russian-investment-syrian-coastal-area>

36 Zaman Alwasl, 4) التدمري، «قوس النصر» تصل إلى الأطماع الروسية تصل إلى «قوس النصر» November 2020), <https://www.zamanalwsl.net/news/article/131995/>

37 The Syria Report, Russia Vows to Supply One Million Tons of Wheat to Syria, (2 June 2021), <https://www.syria-report.com/news/food-agriculture/russia-vows-supply-one-million-tons-wheat-syria>

38 The Syria Report, Payment Processing Difficulties likely Behind Syrian Wheat Tender Cancellation, (13 November 2019), <https://www.syria-report.com/news/food-agriculture/payment-processing-difficulties-likely-behind-syrian-wheat-tender-cancellation>

39 ibid

40 The Syria Report, Factsheet: Syria’s Wheat Sector, (21 September 2020), <https://www.syria-report.com/library/economic-data/factsheet-syria%E9%80%2s-wheat-sector>

41 The Syria Report, Russia Bidding for New Contracts in Syrian Grains Sector, (7 May 2019), <https://www.syria-report.com/news/food-agriculture/russia-bidding-new-contracts-syrian-grains-sector>

42 Zaman Alwasl, 12) الأسد يقدم لروسيا تنازلا جديدا متعلقا بالاستثمار الزراعي, November 2020), <https://www.zamanalwsl.net/news/article/131935/>

A USD 500 million Russian investment was also allocated to build a grain hub in the Port of Tartous, a move seen as expanding Russian influence in the Middle East as its largest wheat supplier.⁴³

In 2017, Russian conglomerate Rosgeo was awarded a contract to rehabilitate the salt mines in Deir-ez Zor, for a deal worth USD 8.6 million.⁴⁴

Electricity

On 31 January 2018, Russian Energy Minister Aleksandr Novak signed a roadmap agreement with Syrian Minister of Electricity Zuheir Kharboutli, to build a new power plant and repair three turbines in Aleppo Thermal Plant.⁴⁵ The agreement stipulated the building of two steam turbines at Mhardeh power plant and similarly at the Tishreen power plant, the repairing of three turbines in Aleppo's thermal plant, and the construction of a new 500 MW combined cycle plant in Deir ez-Zor, as well as the construction of a 350 MW stream turbine in Aleppo.⁴⁶

The company chosen to execute these projects is Technopromexport.⁴⁷ No detail were disclosed regarding the financing of these projects, but it is estimated that they projects are worth USD 2.3 billion. However, it is unclear whether the Ministry of Electricity is supposed to finance them, or whether they will be financed through a Russian loan.⁴⁸

In November 2020, Stroyexpert Middle East, a Russian architectural and construction firm, was granted the licenses by the Ministry of Electricity to set up two photovoltaic power stations, one with a capacity of one megawatt in the central city of Homs, and the other with a capacity of two megawatts in the Damascus countryside. Stroyexpert Middle East is a limited liability firm that has founded many other local companies in Syria, along with Syrian and Lebanese partners.⁴⁹

43 The Syria Report, Factsheet: Syria-Russia Economic Relations, (27 April 2020), <https://www.syria-report.com/library/economic-data/factsheet-syria-russia-economic-relations>

44 The Syria Report, Syria's Rock Salt Production to Increase following Russian Investment, (17 June 2021), <https://www.syria-report.com/news/oil-gas-mining/syria%E9%80%2s-rock-salt-production-increase-following-russian-investment>

45 Sinan Hatahet and Karam Shaar, Syria's Electricity Sector After a Decade of War: A Comprehensive Assessment, (2021), <https://cadmus.eui.eu/bitstream/handle/72182/1814/QM-984-21-02-EN-N.pdf?sequence=1&isAllowed=y>

46 The Syria Report, Syria Awards Power Plant Contracts to Russia but Has No Money to Pay for Them, (6 February 2018), <https://www.syria-report.com/news/power/syria-awards-power-plant-contracts-russia-has-no-money-pay-them>

47 Sinan Hatahet and Karam Shaar, Syria's Electricity Sector After a Decade of War: A Comprehensive Assessment, (2021), <https://cadmus.eui.eu/bitstream/handle/72182/1814/QM-984-21-02-EN-N.pdf?sequence=1&isAllowed=y>

48 *ibid*

49 The Syria Report, Russian firm Enters Syria's Renewable Energy Sector, (16 December 2020), <https://www.syria-report.com/news/power/russian-firm-enters-syria%E9%80%2s-renewable-energy-sector>

Infrastructure

Russia's involvement in the industrial sector of Syria involves rehabilitating Syria's damaged infrastructure.

On 3 March 2021, the Syrian ambassador to Russia, Riad Haddad, confirmed that Russian companies began working on laying out the infrastructure related to the reconstruction of Syria, adding that infrastructure comes as a priority for these projects.⁵⁰

In June 2021, the Syrian Ministry of Economy and Trade granted a registration certificate to a branch of Vodstroy, a Russian public joint stock company with a capital of 170.3 million SYP, to operate in Syria. The opening of the branch has been approved under the administration of Mikhael Yuryevich Vorobyov. The company plans to implement infrastructure and extend water, gas, and oil pipelines.⁵¹

Another engineering company, Sovintervod, is supervising work on a new dam in the Latakia countryside in cooperation with the Ministry of Housing Establishment and the General Commission for Water Resources. The cost of the dam was estimated at SYP 7 billion.⁵²

For examples of Russian companies active in Syria, please see Annex 1.

Agreements and Diplomatic Relations

- On 31 January 2018, a roadmap agreement was signed during the visit to Moscow by Syrian Minister of Electricity, Zuheir Kharboutli. The agreement stipulates the building of two steam turbines at the Mhardeh power plant, repairing three turbines at the Aleppo thermal power plant, constructing a combined cycle plant in Deir ez-Zor, as well as a new steam turbine in Aleppo.⁵³
- On 16 October 2018, agreements were reached during the visit of a delegation from the Republic of Crimea to Damascus. These include the establishment of two trade houses in Crimea and Syria, the launch of direct shipping and air links, and an economic and trade cooperation framework deal.⁵⁴
- In January 2019, Syria and Russia agreed on 30 investment projects for 2019-2021, of which eight are in the industrial sector. The most significant projects are the rehabilitation of a car tire factory in Hama, and the construction of a new cement plant in Aleppo province. Five

50 Shaam Times, 3) شركات روسية بدأت مشاريع إعادة الإعمار, March 2021), <https://shaamtimes.net/شركات-روسية-بدأت-مشاريع-إعادة-الإعمار/305852/>

51 Manhom, 29) ترخيص فرع لشركة روسيا في دمشق للعمل بمجال تمديد شبكات المياه والغاز والنفط, June 2021), <https://manhom.com/-2047150/فرع-لشركة-روسية-بدمشق/>

52 The Syria Report, Russia Strengthens Economic Foothold in Syria, (4 August 2021), <https://www.syria-report.com/news/economy/russia-strengthens-economic-foothold-syria>

53 The Syria Report, Syria Awards Power Plant Contracts to Russia but Has No Money to Pay for Them, (6 February 2018), <https://www.syria-report.com/news/power/syria-awards-power-plant-contracts-russia-has-no-money-pay-them>

54 The Syria Report, Syria, Crimea Sign Economic Cooperation Agreements, (16 October 2018), <https://www.syria-report.com/news/economy/syria-crimea-sign-economic-cooperation-agreements>

projects will be implemented in water resources, seven in housing, three in food, and two in training and research. There are two other projects in the health sector, the most important of which is the construction of a Russian-Syrian vaccine plant. Russian companies will also be involved in renovating the railway to the port city.⁵⁵

- On 7 September 2020, a high-level Russian delegation visited Damascus to expand trade and economic ties. Deputy Prime Minister Yuri Borisov announced a framework agreement that includes more than 40 investment projects, mostly in the sectors of energy and reconstruction.⁵⁶
- On 21 September 2020, the Rosatom State Atomic Energy Corporation and the Atomic Energy Commission of Syria signed a Memorandum of Understanding to cooperate in peaceful non-energy applications of nuclear technologies.
- In November 2020, the Russian Prime Minister signed a decree establishing a trade mission for Russia in Syria, with the opening of a commercial representation of the Russian Federation in Damascus in 2020.⁵⁷
- On 18 November 2020, Russia announced the allocation of USD 1 billion to carry out Syria's reconstruction work, including the restoration of Syria's power network. The announcement followed the international conference for the return of refugees held in Damascus. Following the conference, eight memoranda of cooperation were also signed in the fields of healthcare, education, environmental management, housing construction, and trade, as well as for scientific and technical cooperation. The memoranda include the following:
 - An agreement in the secondary education sector signed by the ministries of education. Russia will build new schools and restore others, and will also offer Russian language courses for Syrian teachers and staff.
 - Syria's Ministry of Labor and Social Affairs and the Russian Ministry of Labor and Social Protection signed an agreement to provide cover for people with disabilities.
 - The Syrian Ministry of Public Works and Housing signed a Memorandum of understanding with the Russian Ministry of Construction, Housing and Utilities to develop communication and cooperation in the fields of construction, low income housing amongst others.⁵⁸

55 Russia Syria Expo, Российские компании приступают к активной работе в Сирии, (14 January 2019), <https://russia-syria-expo.ru/russian-companies-start-active-work-in-syria/>

56 The Syria Report, Syrian Delegation Visits Moscow to Accelerate Economic Deal, but Possible Loan Faces Hurdles, (14 October 2020), <https://www.syria-report.com/news/economy/syrian-delegation-visits-moscow-accelerate-economic-deal-possible-loan-faces-hurdles>

57 Enab Baladi, 22) الممثلة التجارية الروسية بدمشق.. مزيد من الخطوات في طريق الهيمنة الاقتصادية, (November 2021), <https://www.enabbaladi.net/archives/433498>

58 The Syria Report, Russia Pledges USD 1 Billion for Syria Reconstruction, Signs New MoUs, (18 November 2020), <https://www.syria-report.com/news/economy/russia-pledges-usd-1-billion-syria-reconstruction-signs-new-mous>

- On 24 July 2021, Russia and Syria signed 15 agreements during a Russian delegation visit. A memorandum of understanding was signed between the Syrian General Civil Aviation Authority and the Russian logistics company Aviadelo. The MOU aims for the resumption of flights between Syria and Russia.⁵⁹ The remainder of the agreements were not disclosed, but the visit generated several business and high-level engagements, including:
 - The Syrian Minister of Information met with representatives from the Russian Ministry of Digital Development, Communications and Mass Media, from the TASS and Rossiya Segodnya news agencies, and from the Rossiyskaya Gazeta newspaper.
 - Representatives from the Institute for the History of Material Culture of the Russian Academy of Sciences met with Syrian officials to discuss heritage preservation.
 - Representatives from Syria's Ministry of Education and from Moscow State Pedagogical University discussed plans to include the Russian language in teaching, in cooperation with the Russian Ministry of Education.
 - The first deputy head of the Russian Federal Customs Service met with officials from Latakia Port to discuss installing an electronic system, to exchange information on cargo transport between the two countries.
 - Officials from the Ministry of Electricity met with representatives from Technoprom-export, which is part of the state-owned Rostec conglomerate.
 - The Minister of Petroleum and Mineral Resources met with representatives from the Russian Federation Council Committee on Defense and Security, to discuss oil projects and the supply of oil equipment.⁶⁰

59 Shaam Times, 24 July 2021), مذكرة تفاهم لفتح جميع الخطوط الجوية بين سورية وروسيا الاتحادية قريباً, <https://shaamtimes.net//339576/مذكرة-تفاهم-لفتح-جميع-الخطوط-الجوية-بي>

60 The Syria Report, Russia Strengthens Economic Foothold in Syria, (4 August 2021), <https://www.syria-report.com/news/economy/russia-strengthens-economic-foothold-syria>

Section 3: Iranian Businesses in Syria

Pre-2011

Economic and trade relations between Syria and Iran were relatively low pre-2011. In terms of trade, according to COMTRADE, Syrian imports from Iran in 2010 and 2011 amounted to USD 475 million respectively, while exports amounted to USD 29 million and USD 25 million.⁶¹ This was mainly due to weak networks between the business communities of both countries, and the absence of links connecting the land transport following the Iran-Iraq war. In the 1980s, the only import to Syria from Iran was crude oil, but that was halted following the discovery of oil in Syria by Shell and Total in the late 1980s.⁶²

Post-2011

Following the onset of the Syrian conflict, Iran extended credit lines in support of the Syrian government's dire economic situation. Iran provided a total of USD 5.6 billion in the form of credit lines to import Iranian fuel and Iranian commodities.⁶³ In July 2013, the Syrian government and Iran signed an agreement worth USD 3.6 billion to import Iranian crude oil and its derivatives. Iran also approved two other credit lines worth USD 1 billion each, to be used to import Iranian machinery and equipment.⁶⁴ In January 2017, Iran approved a new credit line of USD 1 billion to the Syrian government; the new loan was used to pay for imports of crude oil and of agricultural and industrial supplies, all procured through Iranian companies.⁶⁵

Real Estate and Construction

Iranian involvement in real estate and reconstruction is driven by Iran's foreign policy objectives, which many claim seeks to reengineer Syrian society along Shiite and the Syrian government loyalist lines, and to claim hegemony over Shiite shrines.⁶⁶ This objective was reflected in a statement made by Iran's Deputy Minister of Industry, Hamid Zdboum, stating that the reconstruction of Syria is a religious obligation.⁶⁷

61 <https://www.syria-report.com/news/economy/syria-iran-preferential-trade-agreement-enters-force>

62 The Syria Report, Factsheet: Syria-Iran Economic Relation, (8 June 2020), <https://www.syria-report.com/library/economic-data/factsheet-syria-iran-economic-relations>

63 Sinan Hatahet, Russia and Iran: Economic Influence in Syria, Chatham House, (March 2019)

64 The Syria Report, Factsheet: Syria-Iran Economic Relation, (8 June 2020), <https://www.syria-report.com/library/economic-data/factsheet-syria-iran-economic-relations>

65 Joseph Daher, Syria After the Uprisings: The Political Economy of State Resilience, (2019)

66 Omar Idlebi, 2) الدور الإيراني في إعادة هندسة المجتمع August 2021), <https://www.harmoon.org/researches/الدور-الإيراني-في-إعادة-هندسة-المجتمع>

67 Radio Farda, Iranian Deputy Minister Outlines Reconstruction Projects Funded By Tehran In Syria, (6 October 2021), <https://en.radiofarda.com/a/iranian-deputy-minister-outlines-reconstruction-projects-funded-by-tehran-in-syria-/30878768.html>

Among Iran's largest exports to Syria are building materials.⁶⁸ In 2018, Tehran and Damascus signed an MOU with the Mass Construction Society of Iran company to build 200,000 houses.⁶⁹ In July 2021, a business delegation visited Damascus during the Buildex exhibition and discussed sending building materials.⁷⁰

The lands and properties that Iran is acquiring and reconstructing are centered around religious shrines; in Syria, there are 7 Shiite holy shrines. In Damascus, there is the Sayyida Ruqayya at the old city of Damascus; the shrine of Sayyida Sakina in the rural areas of Damascus near the city of Daraya; the shrine of Hajr bin Oday in the Adra region; and the shrine of Sayyida Zeinab in southern Damascus. In addition, located in Aleppo is the head of Hussein, and located in Raqqa are the shrines of Ammar ibn Yasir and Owais al Qarni.⁷¹ Also, the patterns in Iran's real estate acquisitions suggests that it aims to connect the areas of southern Damascus, such as Sayyida Zeinab to the Palestinian Yarmouk camp.⁷²

In June 2020, in Damascus, it was reported that properties, including commercial properties, owned by Damascene families in prestigious neighborhoods such as Malki and Abu Rummanah were sold to Iranian affiliated militias. Between April and July 2020, more than 100 transactions took place in the countryside of Aleppo for the sale of residential homes and agricultural land.⁷³

Iran relies on a network of affiliated companies and covert charitable and religious organizations to acquire properties in these areas. There are more than 18 charitable organizations in Syria that receive support from the Iranian Cultural Chancellery and Iranian embassy.⁷⁴ One of these is Nikeen Syria, which is owned by Iranians and Syrians and has been acquiring property in southern Damascus.⁷⁵

Other examples of the networks of associations, and businessmen associated with Iranian purchases of properties, are Jaafari, Jihad al-Binaa, the al-Bayt Authority, and "The Committee for the Reconstruction of the Holy Shrines." Examples of businessmen are Bashar Kiwan, Mazen al-Tarazi, Mohammad Jamul, Saeb Nahas, Muhammad Abdul Sattar Sayyid, Daas Daas, Firas Jahm, Nawaf al-Bashir, and Mohammad al-Masha'li.⁷⁶

68 Iran International, 5) مساعِد وزير الصناعة يعلن إرسال مواد بناء إلى دمشق لإعادة إعمار سوريا, (October 2020), <https://iranintl.com/ar//إيران-مساعِد-وزير-الصناعة-يعلن-إرسال-مواد-بناء-إلى-دمشق-لإعادة-إعمار-سوريا>

69 MEMO, Iran to Build 200,000 housing units in Syria, (26 February 2019), <https://www.middleeastmonitor.com/-/20190226iran-to-build-200000-housing-units-in-syria/> ; The Syria Report, Iran Says it Plans to Build Large Housing Project Around Damascus, (6 March 2019), <https://www.syria-report.com/news/real-estate-construction/iran-says-it-plans-build-large-housing-project-around-damascus>

70 Enab Baladi, 13) إعادة الإعمار.. إيران ترسل وفدًا إلى سوريا لتنسيق تصدير الأسمنت, (July 2021), <https://www.enabbaladi.net/archives/492823>

71 Eqtsad, 12) زرع الأوتاد في محيط «المقامات», (June 2020), <https://www.eqtsad.net/news/article/30235/>

72 Orient News, 17) مستغلة الانهيار الاقتصادي.. هكذا تتمدد أذرع إيران العقارية بدمشق وجنوبها, (August 2020), <https://orient-news.net/ar/news/O/183477/مستغلة-الانهيار-الاقتصادي-هكذا-تتمدد-أذرع-إيران-العقارية-بدمشق-وجنوبها/show>

73 Syrian observer, Real Estate Market Flourishing Amid Exploitation by Iran, (17 July 2020), <https://syrianobserver.com/news/59267/real-estate-market-flourishing-amid-exploitation-by-iran.html>

74 Eqtsad, 12) زرع الأوتاد في محيط «المقامات», (June 2020), <https://www.eqtsad.net/news/article/30235/>

75 Orient News, 17) مستغلة الانهيار الاقتصادي.. هكذا تتمدد أذرع إيران العقارية بدمشق وجنوبها, (August 2020), <https://orient-news.net/ar/news/O/183477/مستغلة-الانهيار-الاقتصادي-هكذا-تتمدد-أذرع-إيران-العقارية-بدمشق-وجنوبها/show>

76 Navvar Saban, Significant Cooperation between the Syrian Regime and Iran During 2019-2018, (November 2019), <https://omranstudies.org/publications/reports/significant-economic-cooperation-between-the-syrian-regime-and-iran-during19-2018-.html>

Furthermore, Iran has also been establishing joint construction companies to aid in the reconstruction process. Nikan Engineering Development opened in 2020 as a branch in Syria to provide equipment required for reconstruction.⁷⁷ In addition, the Syrian government signed a contract worth EUR 322 thousand with Yasna Trading Company, to open cement factories in Aleppo and Homs.⁷⁸

Electricity and Energy Sector

Iran is heavily involved in the electricity and energy sectors in Syria. Iran builds its networks at the local level along sectarian and tribal lines,⁷⁹ therefore, supplying energy to local communities enhances its legitimacy amongst local communities.

In May 2012, the Iranian company Safa Nicu Sepaha was awarded a EUR 14.8 million contract to renovate the Euphrates hydroelectric plant, and a EUR 767,000 contract to carry the same work on a hydroelectric plant in the Baath Dam.⁸⁰

In June 2013, the Iranian credit lines were extended to fund a 650 megawatt power plant in the Syrian coastal region, with a cost of USD 500 million. A EUR 50 million deal was signed with Sanergy, an Iranian engineering company, for the supply of power transmission equipment.⁸¹ Another deal, worth EUR 40 million, was signed between the Public Establishment for Electricity Transport and the Iranian company Sunir, to supply electrical equipment for the electrical distribution networks.⁸²

In September 2017, the Syrian government signed an MOU with MAPNA to rehabilitate energy plants. The MOU includes building five gas-fired electricity stations in Baniyas with a capacity of 125 megawatts (MW), a -540MW power plant in Latakia, reassessing damages made to the thermal station in Aleppo, rehabilitating a -90 megawatt power station in Deir ez-Zor, and rehabilitating the Jandar station in Homs.⁸³

77 Enab Baladi, 1) سوريا, شركة إعمار إيرانية تحصل على ترخيص في سوريا, (October 2020), <https://www.enabbaladi.net/archives/354491>

78 Enab Baladi, 13) سوريا لتتسابق لتصدير الأسمنت, (July 2021); Industry News, توقيع أول عقد بين العربية للأسمنت وشركة, <http://industrynews.sy/توقيع-اول-عقد-بين-العربية-للأسمنت-وشركة/>, ياسنا الإيرانية بقيمة 322 ألف يورو

79 Sinan Hatahet, Russia and Iran: Economic Influence in Syria, Chatham House, (March 2019)

80 The Syria Report, Iranian Engineering Firm to Renovate Hydroelectric Plants on Euphrates Dam - Report, (14 May 2012), <https://www.syria-report.com/news/power/iranian-engineering-firm-renovate-hydroelectric-plants-euphrates-dam-report>

81 The Syria Report, Iranian Credit Line Go to Power Sector, (21 January 2013), <https://www.syria-report.com/news/economy/iranian-credit-line-go-power-sector>

82 The Syria Report, Syria to Purchase EUR 40 million Worth of Iranian Electrical Equipment, (10 June 2013), <https://www.syria-report.com/news/economy/syria-purchase-eur-40-million-worth-iranian-electrical-equipment>

83 Mehr News, 12) إيران تسهم بحل أزمة الكهرباء في سوريا, (September 2017), <https://ar.mehrnews.com/news/1876142/إيران-تسهم-بحل-أزمة-الكهرباء-في-سوريا>

الكهرباء في سوريا

In addition, in 2018, MAPNA was contracted to build a -540MW power plant in Latakia for the value of EUR 411 million.⁸⁴ MAPNA is an Iranian conglomerate that builds thermal power plants, and oil and gas stations. It is also involved in railways transportation, steam turbines and electrical generators.⁸⁵

In September 2019, the Syrian government signed a cooperation agreement with the Iranian company Novin to generate electrical power, with a production capacity of 5 megawatts, in the areas between Homs and Hasya.⁸⁶

Also in September 2019, an agreement was reached with the Iranian company Stzor Syria to rehabilitate the power station in Aleppo, which will cost USD 93 million.⁸⁷

On February 2020 25, the Syrian government signed with a private Iranian company a contract worth USD 58 million to rehabilitate power turbine number 5, with a capacity of 220 MW.⁸⁸

Agriculture and Food

In July 2019, the Syrian Grain Foundation announced the start of contracts with Iranian ARD Machine Company to build a number of mills in Raqqa, Deir ez-Zor, and Hassakeh.⁸⁹ ARD Machine Company is also working to rehabilitate other mills and increase their production capacity.⁹⁰ Also, in October 2017, the Federation of Syrian Chamber of Agriculture and the Iranian companies ITM and Nero agreed on the distribution of 2,000 tractors used for farming.⁹¹

On 24 May 2018, the General Federation for Syrian Farmers signed a contract with Iran Tractor Manufacturing Company to buy 3,000 agricultural tractors with 47 HP and 75 HP engines. The deal was funded by the Iranian credit lines.⁹²

84 Al-Monitor, (17) إيران تعزز حضورها في سوريا عبر قطاع الكهرباء, (17 October 2018), <https://www.al-monitor.com/ar/contents/articles/originals/10/2018/iran-reconstruction-syria-process-electricity-priority-debt.html>

85 Navvar Saban, Significant Economic Cooperation Between The Syrian Regime and Iran During 15), 19-2018 November 2019), <https://omranstudies.org/publications/reports/significant-economic-cooperation-between-the-syrian-regime-and-iran-during19-2018-.html>

86 SANA, (5) اتفاقية تعاون بين شركتين من سورية وإيران لإنتاج الكهرباء بالطاقة البديلة, (5 September 2019), <https://www.sana.sy/?p=1010974>

87 Al Watan, (7) لا يوجد حالياً تقنين في سورية ... وزير الكهرباء: نخطط لرفع التوليد إلى 9 آلاف ميغا واط في عام 2023 والشبكة عادت قوية كما كانت قبل الحرب, (7 November 2019), <https://alwatan.sy/archives/219744>

88 The Syria Report, Sanctions, Funding Likely to Weigh on Rare Contract to Repair Power Plant, (26 February 2020), <https://www.syria-report.com/news/power/sanctions-funding-likely-weigh-rare-contract-repair-power-plant>

89 The Syrian Observer, Iranian "Mills Project" Kicks off in Three Governorates, (17 July 2020), <https://syrianobserver.com/news/59283/iranian-mills-project-kicks-off-in-three-governorates.html>

90 Enab Baladi, (6) شركة إيرانية "عازمة" على بناء محطة خاصة وورشة صيانة في سوريا, (6 February 2020), <https://www.enabbaladi.net/archives/#361211>

91 Manhom, (19) الصناعة-تتقدم-اتفاقيات- (19 October 2017), <https://manhom.com/-/الصناعة-تتقدم-اتفاقيات-> /مجم-شركات-إيران

92 The Syria Report, Iran Wins Contract to Supply Thousands of Tractors to Syrian Farmers, (28 May 2018), <https://www.syria-report.com/news/food-agriculture/iran-wins-contract-supply-thousands-tractors-syrian-farmers>

For several years, there have been exchanges regarding the establishment of a joint Syrian-Iranian commercial agreement between the Syrian Trade Corporation and the Iranian Etkā Company. Etkā aims to exchange agricultural products and establish a shopping center to display Iranian goods.⁹³

Oil

According to the Ministry of Petroleum and Mineral Resources in Syria, the Syrian parliament's Economy and Energy Committee has approved a contract signed on 28 January 2020, for the exploration and production of oil in Block 12 with the Syrian government, awarding Iran a contract to explore oil and gas on the Iraqi border (Al-Boukamal).⁹⁴

Ports and Infrastructure

Iranian President Hassan Rouhani revealed in a statement that a new railway project will connect Iran with Iraq, Syria, and the Mediterranean. He stated that an agreement is already signed with Iraq connecting the cities of Basra and Shalmajah. He claimed that the project linking Iran to the Mediterranean is important and would be followed up until completion in the coming years.

An important point, captured from a discussion with an insider to the business scene, is that both Russia and Iran are competing for influence over the Mediterranean; therefore, there is also a large competition over businesses and their interests around ports. We know Russia secured access to the Tartous Port on a long-term basis, while Iran has ambitions to extend a railway from Iran to the Mediterranean. Access to the Mediterranean will be a gamechanger in terms of sanctions, as it will allow Iran to ship oil to Europe by transporting it through Iraq and Syria.⁹⁵

There is a fierce competition between Iran and Russia to control ports and the Mediterranean. Syria has been holding discussions and has agreed to hand over the Latakia container terminal of Latakia Port to Iran,⁹⁶ The Latakia Port agreement gives Iran the right to use a Syrian harbor with 23 warehouses for economic purposes.⁹⁷ A foothold in Latakia fulfils the ambition of Iran to have access to the Mediterranean.⁹⁸

93 Syrian Observer, Iranian Exports to Syria up 21%, 73 June 2021, <https://syrianobserver.com/features/67209/iranian-exports-to-syria-up73-.html>

94 The Syria Report, Syria Grants Iran First Oil Production Contract to Repay Debt, (6 May 2020), <https://www.syria-report.com/news/oil-gas-mining/syria-grants-iran-first-oil-production-contract-repay-debt/>

95 Al Souria, 13) إمبر بسورية.. الرئيس الإيراني يكشف عن مشروع يصل إيران بالمتوسط, (13 May 2021), <https://www.alsouria.net/معرض-يسودية-الرئيس-الإيراني-يكتشف-عن-مشروع-يصل-إيران-بالمتوسط-13-ماي-2021/>

96 Ports Europe, Iran to lease Syrian container port of Latakia, (8 April 2019), <https://www.portseurope.com/iran-to-lease-syrian-container-port-of-latakia/>

97 Asia Times, Syria Leases Mediterranean Port to Iran, (5 April 2019), <https://asiatimes.com/04/2019/syria-leases-mediterranean-port-to-iran-raising-alarms/>

98 Asia Times, Syria Leases Mediterranean Port to Iran, (5 April 2019), <https://asiatimes.com/04/2019/syria-leases-mediterranean-port-to-iran-raising-alarms/>

Manufacturing

There are two automobile assembly plants in Syria operated by Iranian companies, namely SIAMCO and SIVECO. It was reported that SIAMCO suspended its operations in 2019, citing financial difficulties.⁹⁹ For its part, SIVECO has reportedly dismissed 178 employees in August 2020 without paying compensations.¹⁰⁰

In 2017, an agreement was signed between the Iranian company Bihin Ghostar Persion and the Syrian General Organization for Engineering Industries to rehabilitate several companies, including General Company for Metallic Industries-Barda, Syronics, and the battery factory located in Aleppo.¹⁰¹ Another agreement was signed between the Syrian Cement and Building Materials Company and Yasna Trading Company for the supply of spare parts in Hama.

Phosphates

In January 2017, the Syrian government signed with Iran an agreement for the extraction of phosphates from the Sharqia mines in Palmyra. However, a few months later, that right was awarded to Storytransgas, a Russian company, to develop these mines. However, it appears that Iran has not been completely excluded from these mines; it was confirmed a few months later that the revenues would be shared between the three countries - Russia with 70 percent of the revenues, and Syria and Iran with 15 percent each.¹⁰²

For examples of Iranian companies active in Syria, please see Annex 2.

Diplomatic Agreements

- In March 2015, Syria signed new bilateral economic agreements to boost trade ties between both countries. The agreements signed cover the energy, manufacturing, and agricultural sectors, as well as the promotion of bilateral investments. 103
- In 2015, the Syrian Minister of Tourism signed a memorandum of understanding with the

99 The Syria Report, Factsheet: Syria-Iran Economic Relation, (8 June 2020), <https://www.syria-report.com/library/economic-data/factsheet-syria-iran-economic-relations>

100 SyriaTV, 4) (2021), <https://www.syria.tv/-/تعمسيفاً-ومن-دون-تعويضات-تطرد-عشرات-العمال-الشركة-الإيرانية-السودية-تطرد-عشرات-العمال>

101 Navvar Saban, Significant Economic Cooperation Between the Syrian Regime and Iran During 15) ,2019-2018 November 2019), <https://omranstudies.org/publications/reports/significant-economic-cooperation-between-the-syrian-regime-and-iran-during19-2018-.html>

102 The Syria Report, Factsheet: Syria-Iran Economic Relation, (8 June 2020), <https://www.syria-report.com/library/economic-data/factsheet-syria-iran-economic-relations>

103 The Syria Report, Iran Acts as Creditor, Supplier and Alternative to Sanctions for Syria, (24 March 2015), <https://www.syria-report.com/news/economy/iran-acts-creditor-supplier-and-alternative-sanctions-syria>

Iranian organization to bring Iranians and others into Syria for religious tourism.¹⁰⁴

- In May 2016, Syria and Iran put their Preferential Trade Agreement into force, lowering custom duties on all goods traded between the two countries down to 4 percent.¹⁰⁵
- In September 2017, Syria and Iran signed several agreements in the electricity sector worth USD 142 million. The Iranian and Syrian Ministers of Electricity signed two memorandums of understanding for the transfer of Iranian technology, equipment, and know-how in the electricity sector. The agreements include the supply of a gas-fired power generator to the Aleppo thermal plant, and the expansion and renovation of the Baniyas Power Station, amongst other power plants.¹⁰⁶
- In January 2017, five economic agreements were signed between Iran and Syria, concerning the transfer of Syrian assets to Iran. Those include:
 - The transfer to Iran of the Sharqieh phosphate mines near Palmyra on a long-term basis.
 - The award of the mobile phone license to the Mobile Telecommunication Company of Iran (MCI), which is also known under its brand name Hamrahe Aval, which in Persian stands for The First Companion.
 - Three agreements involving the transfer of Syrian lands on a lease basis to Iranian companies. It is estimated that 5,000 hectares will be transferred for growing agricultural crops, another 1,000 will be used for cow breeding, and 5,000 will be used for oil storage and reservoirs.¹⁰⁷
- In October 2018, several agreements were signed during a visit by 50 Syrian investors to a bilateral economic forum. Amongst the agreements signed during the event was an agreement to accelerate the establishment of a joint Iranian-Syrian chamber of commerce. The new chamber will be a joint venture between the Federation of Syrian Chambers of Commerce and the Iran Chamber of Commerce, Industry, Mines and Agriculture.¹⁰⁸
- On 30 December 2018, during the Joint Syrian-Iranian Economic Committee meeting in Tehran, Samer al-Khalil, the Syrian Minister of Economy and Foreign Trade, and Mohammad Eslami, the Iranian minister of Roads and Urban Development, signed an economic agreement for a long term basis.¹⁰⁹

104 Navvar Saban, Significant Economic Cooperation Between the Syrian Regime and Iran During 15) ,2019-2018 November 2019), <https://omranstudies.org/publications/reports/significant-economic-cooperation-between-the-syrian-regime-and-iran-during19-2018-.html>

105 The Syria Report, Syria, Iran Preferential Trade Agreement Enters Into Force, (7 June 2016), <https://www.syria-report.com/news/economy/syria-iran-preferential-trade-agreement-enters-force>

106 The Syria Report, Iran, Syria Sign Several Deals in Electricity Sector Although Most are Unlikely to Materialize, (19 September 2019), <https://www.syria-report.com/news/power/iran-syria-sign-several-deals-electricity-sector-although-most-are-unlikely-materialize>

107 The Syria Report, Revolutionary Guards Get Hold of Syrian Mobile Phone Licence as Part of Broader Tehran Grab on Economic Assets, (17 January 2017), <https://www.syria-report.com/news/economy/revolutionary-guards-get-hold-syrian-mobile-phone-licence-part-broader-tehran-grab-econ>

108 The Syria Report, Syria and Iran to Establish Joint Chamber of Commerce, (23 October 2018), <https://www.syria-report.com/news/economy/syria-and-iran-establish-joint-chamber-commerce>

109 The Syria Report, Iran, Syria Sign New Economic Agreement, (8 January 2019), <https://www.syria-report.com/news/economy/iran-syria-sign-new-economic-agreement>

- On 28 January 2019, ten memoranda of understanding and one strategic long-term economic cooperation agreement were signed during the Joint Syrian-Iranian Higher Committee in Damascus. The areas covered in the agreements include money laundering and terrorism financing, rail transport, electricity, housing, public utilities, mapping, culture, cinema and education. Another agreement on joint bank cooperation was signed the following day.¹¹⁰
- On 2 November 2019, another MOU was signed between the Iranian Minister of Energy Rida Ardakanian and the Syrian counterpart for the localization of power technologies in Syria. The agreement includes the development of electrical equipment in Syria, localization of the electrical equipment, establishment of power plants, and rebuilding the damaged electricity network.¹¹¹
- On 23 January 2020, Iran and Syria signed a memorandum of understanding in the educational field, which should help encourage the spread of the Persian language. The Ministers of Higher Education of Iran and Syria discussed developing educational and scientific cooperation, as well as issuing scholarships rehabilitating schools, providing training programs and exchanging expertise.¹¹²
- In March 2021, a memorandum of understanding for a new credit line to Syria was signed, during a visit by an Iranian technological delegation to Damascus to enhance technological ties between both countries. A USD 10 million credit line was granted solely for the purchase of Iranian high-tech products and services.¹¹³
- For a list of Iranian companies active in Syria, please see Annex 2.

110 The Syria Report, Iran-Syria Sign New Economic Deals but Doubts Remain on their Significance, (5 February 2019), <https://www.syria-report.com/news/economy/iran-syria-sign-new-economic-deals-doubts-remain-their-significance>

111 SANA, 2) سورية وإيران توقعان مذكرة تفاهم لتوطين التكنولوجيا وصناعة التجهيزات الكهربائية في سورية, (November 2019), <https://www.sana.sy/?p=1046439>

112 The Syria Report, Iran Signs Deal to Spread Persian Language in Syria, (29 January 2020), <https://www.syria-report.com/news/education/iran-signs-deal-spread-persian-language-syria>

113 The Syria Report, Iran Ramps Up Efforts to Expand Economic Footprint in Syria, (10 March 2021), <https://www.syria-report.com/news/economy/iran-ramps-efforts-expand-economic-footprint-syria>

Section 4: Chinese Businesses in Syria

Historical Economic Involvement in Syria

Chinese exports to Syria were at USD 223.2 million in 2001 and jumped to USD 2.443 billion in 2010 as the economy liberalized. In the same period, Syrian exports to China went from 0 to 40.3 million in 2010. Trade declined significantly following the uprising. In 2010, exports from China amounted to USD 2.443 billion and in 2020, they amounted to 833.6 million.¹¹⁴

Investments also declined in the period following the uprising. Turnover from Chinese investments in Syria amounted to USD 862.3 million, which later dropped to USD 226.3 million between 2011 and 2017. Chinese foreign direct investment dropped from USD 16.6 million in 2010 to USD 6.4 million in 2013, growing back to USD 10.3 million in 2017.¹¹⁵

Chinese investments in Syria prior to the uprisings were specifically focused on hydrocarbons and energy. The China National Petroleum Corporation (CNPC) signed a 25-year production agreement with the Syrian Petroleum Company in 2003. The CNPC, in 2006 and 2010, acquired in stages a 20 percent stake in Al Furat Petroleum Company.¹¹⁶ In 2008, China Petroleum and Chemical (Sinopec) invested USD 1,990 billion into Syria's oil sector, but both companies pulled out of Syria in 2013.¹¹⁷ In 2009, another Chinese state-owned enterprise entered the Syrian market, acquiring Emerald Energy for an estimated value of USD 878 million.¹¹⁸

Post-2011

While China evacuated most of its businesses following the conflict, it is still operating in the country in limited scope. However, on the level of declared intents, China still includes Syria as part of its Belt and Road Initiative (BRI) plans, although the narratives of whether or not it will act on them are contested.¹¹⁹ Incorporating Syria into the BRI will allow China to connect to the Eastern Mediterranean region. Adding Syria will allow for more trade and transportation between Turkey, Lebanon, Iran, Iraq, and Jordan, and will give easier access to oil from the Arabian Peninsula. China plans to build a railway between Tripoli and the Syrian city of Homs, which will reduce the

114 China Med Data, ChinaMed Index for Syria, <https://www.chinamed.it/chinamed-data/middle-east/syria>

115 Guy Burton, Nicholas Lyall, Logan Pauly, China and the Reconstruction of Syria, (Spring 2021), <https://muse.jhu.edu/article/790172>

116 The Syria Report, Factsheet: Syria-China Economic Relations, (12 July 2018), <https://www.syria-report.com/library/economic-data/factsheet-syria-china-economic-relations>

117 American Enterprise Institute, Chinese Investments and Contracts in Syria (2021-2005), <https://www.aei.org/china-global-investment-tracker/>

118 American Enterprise Institute, Chinese Investments and Contracts in Syria (2021-2005), <https://www.aei.org/china-global-investment-tracker/>

119 Chine UN, Syrian President Bashar al-Assad Meets with Wang Yi, (18 July 2021), <http://www.china-un.ch/eng/zgyw/t1892970.htm>

Agreements

China's engagement in the diplomatic realm has been limited, despite declared intentions over Syria's reconstruction as part of the Belt and Road Initiative.

- In 2017, the Chinese and Syrian governments signed three agreements for the provision of humanitarian aid to Syria, worth USD 40 million.¹²⁷
- In March 2020, Syria and China signed an agreement for economic and technical cooperation. The agreement stipulated that China will provide a grant valued at USD 14 million to the Syrian government for humanitarian purposes. The agreement was signed between the Syrian head of the International Planning and Cooperation Commission, Dr. Imad Sabouni, and the Ambassador of China to Damascus, Feng Biao.¹²⁸
- On 17 July 2021, during Chinese Foreign Minister Wang Yi's visit to Damascus to show support for the Syrian government, the Chinese ambassador to Damascus, Feng Biao, signed several agreements with Imad Sabouni, head of the Planning and International Cooperation Commission. One of the agreements disclosed related to economic and technical cooperation.¹²⁹

127 CGTN, China Delivers Food Aid to Syria Under the Belt and Road Initiative, (21 November 2017), https://news.cgtn.com/news/3263544d78637a6333566d54/share_p.html

128 The Syrian Observer, Syria, China Sign Economic and Technical Cooperation Agreement, (5 March 2020), <https://syrianobserver.com/news/56483/syria-china-sign-economic-and-technical-cooperation-agreement.html>

129 The Syria Report, Top Chinese Official Visits Syria in Show of Support for Regime, (21 July 2021), <https://www.syria-report.com/news/economy/top-chinese-official-visits-syria-show-support-regime>

Annex 1: Russian Companies Active in Syria

Name of Iranian Business	Sector	Business in Syria
Moscow State Pedagogical University	Education	Talked with the Syrian Ministry of Education about plans to expand the teaching of the Russian language in cooperation with the Ministry of Education
Synergy	Education	Synergy is putting in place a Russian language teaching curriculum in the Higher Institute of Languages at Damascus University.
Stroyexpert	Electricity/ infrastructure	Granted licenses to cover two stations one with a capacity of one megawatt (MW) in the central city of Homs, and another with a capacity of two megawatts in the Damascus countryside. Also implementation and financing of projects related to sanitation, drinking water networks, dams, canals, among others.
Tempbank	Finance	Delivering cash to the Central Bank of Syria and cooperating with Sytrol, Syria's oil marketing company.
Adyg Yurak	Food and Agriculture	Plans to export a first lot of 200,000 tons to Syria in August as part of a total consignment of 1.2 million to be supplied in 2017 and 2018. In 2016, Late last year it signed an agreement to establish a permanent exhibition centre for Syrian products in Russia called the Syrian House and based in the Republic of Adygea in the Caucasus region.
Sovocrim	Food and Agriculture	Working on a EUR 70 million contract to build four flour mills in the Homs Governorate.
Almaz-Antey	Military	
Biocad	Health	
Zarubezhgeologia	Geological	

Rostselmash	Food and Agriculture	
Uralvagonzavod Corporation	Military	
Fruit Villa Suvia	Food and Agriculture	
Victoria	Food and Agriculture	
Yugra Construction	Construction	First memorandum involves the rehabilitation and expansion of the silo in the Lattakia Port. The second involves investing in, and managing, the grain silo in Tartous.
Stroytransgaz	Extractive	Phosphate extraction, Port Management, Fertilizers
Capital LLC	Oil	Explore for oil and gas in Syria's offshore Block No. 1
Corporation Ural Technostroy	Oil	The company had a project to develop an oil gathering station in Tal Adas in the Hassakeh governorate
DVK	Oil	General Establishment of Geology and Mineral Resources established a joint venture (Al-Bishri Petroleum) with DVK to develop asphalt deposits near Deir e Zor
Evro Polis	Oil	Awarded the rights to collect a share of its oil and gas revenues in exchange for contributing to free territory from the Islamic State.
Gazprom Neft	Oil	Studying a proposal by the Syrian Government to participate in rebuilding oil and gas projects, infrastructure development and pipeline construction
Zarubezhneft	Oil	Studying a proposal by the Syrian Government to participate in rebuilding oil and gas projects, infrastructure development and pipeline construction
Lukoil	Oil	Studying a proposal by the Syrian Government to participate in rebuilding oil and gas projects, infrastructure development and pipeline construction
Mercury	Oil	Mercury signed contracts for two blocks
Velada	Oil	Velada for block one

Rosgeo	Oil	Develop Syrian oil, gas and mining assets
RM-Inntechno	Oil	
Sibur	Oil	Planning to purchase 200 thousand tons of liquefied petroleum gas from Russia
Soyuzneftegaz	Oil	Granted license in 2013 for offshore exploration - reportedly resumed activity in 2017
STG Engineering	Oil	Interested in operating in the Syrian energy sector
Technopromexport	Oil	Interested in operating in the Syrian energy sector
Transnational	Oil	Two crude oil refineries in Homs and Banias
Vodstroy	Infrastructure	Sub-contractor for the various Russian companies that are now involved in the Syrian oil and gas sector
Rosatom	Nuclear	Signed a MoU to cooperate in peaceful non-energy applications of nuclear technologies.
Construction Technologies and Machinery	Infrastructure	Plan to build ten reinforced concrete plants with a combined investment cost of USD 100 million
Nash Bruyket	Infrastructure	Discuss business opportunities in the cement and steel industries
OMZ	Infrastructure	Interested in the construction of a large cement plant in Aleppo, on a contracting basis
Adyg Yurak	Retail and Trade	An agreement was signed to establish an exhibition centre for Syrian products in Russia.
Zenden	Retail and Trade	Signed an agreement with the Syrian Minister of Economy. Details of the contract weren't disclosed but Zenden has been sandals from suppliers in Lattakia
Rostec	Telecom and IT	Signed a contract with a Russian entity to build what it called an electronic government

Olympic Tour	Tourism	The company's head met with the Minister of Tourism, and was offered to resume his activities
STG Logistic	Tourism	Investing in a project involving the construction of a sea tourist resort that will include two hotels, one of which will be rated 5-star
Aviadelo	Tourism	Signing of an MoU between a Russian transport and logistics company called Aviadelo
Irkut Corporation	Tourism	Syrian government considering buying MC-21 airplanes
Sovfrancht	Tourism	Agreement to promote entrepreneurship
Syrrus Line	Tourism	Opened a representative office in Tartous
Rostec	Infrastructure	rebuild the railways network
Russian Railways	Infrastructure	Looking for opportunities to develop Syria's railway network and infrastructure.
Delovaya Rossiya	Various	Agreement to promote entrepreneurship
Manufacturing	Infrastructure	Supervising work on a new dam in the Lattakia countryside
Stroy Expert Phenic	Food and Agriculture	Investment in Agriculture
New Inmaa LLC	Construction	
EK LLC	Various	
Russian Arab Company for Information and Communication LLC	Various	
ROJ Technical Company LLC	Various	
Al-Ruken Al-Kabeer LLC	Various	
Russar Trading LLC	Various	
Russian-Syrian Investment and	Various	
Uralmash LLC	Various	
SIRIUS LLC	Various	
Drilling and Services LLC	Various	
Monolite Capital Story LLC	Construction	
Ros Transstroy LLC	Infrastructure	
Syrian International Services and Technology Co. LLC	Various	

Annex 2: Iranian Companies Active in Syria

Name of Iranian Business	Sector	Business in Syria
Mass Construction Society of Iran	Construction	Construction of 200,000 housing units mostly around Damascus
NIAN Electronic	Telecom and IT	Supply and install electrical power systems to the ministry communications and technology and affiliated institutions
Iran Powerplant Repair Company	Manufacturing	Repair works on the Aleppo thermal plant.
RBS-Iran Building Solution Company	Construction	Delegation visit
Sahand Rasam Electronic Company	Telecom and IT	Delegation visit
Kian Mobtakeran Industries		Delegation visit
Eurasia Equipment Supplier		Delegation visit
Mobin Trust Consortium	Telecom and IT	Among six international companies that bid for the award of Syria's third mobile phone license
World Forum for Proximity of Islamic Schools of Thought	Education	Signed a memorandum of understanding in the educational field, which, according to the Iranian Minister of Education, should help encourage the spread of the Persian language.
Islamic Azad University	Education	Signed a memorandum of understanding in the educational field, which, according to the Iranian Minister of Education, should help encourage the spread of the Persian language.
Melli Sakhteman	Infrastructure	Build rail tracks from Damascus to various suburbs, known as the suburbs rail network (SRN)
Novin	Infrastructure	
International Educational Technology Systems (IETS)	Infrastructure	
Ehdasse Sanat Corporation	Infrastructure	The first project is a new production line at the state-owned Hama Cement Plant, with an annual capacity of 1.1 million tons. The added capacity will increase the total annual production of the plant to 1.4 million tons.

Iran Export Development Bank	Banking	The money will be used to finance the import of goods and to implement projects.
Iranian Financial Intelligence Unit	Banking	
Bank Saderat	Banking	
Iran Tractor Manufacturing Company	Food and Agriculture	The General Federation for Syrian Farmers signed a contract on May 24 with Iran Tractor Manufacturing Company to buy 3,000 agricultural tractors with 47 HP and 75 HP engines.
ARD	Food and Agriculture	An Iranian company is set to commission a new flour mill near Suweida as part of a contract funded by a credit line granted by Tehran.
Razi Institute for Serums and Vaccines	Food and Agriculture	Will build a plant in Lattakia to produce the food and mouth disease vaccine.
Iran Khodro	Manufacturing	Will build a bus and lorry assembly plant in partnership with Syrian partners
Arta Wheel Tyre Company	Manufacturing	Will develop and introduce new production lines at the Syrian Company for Tyre Industries, Aphia, in Hama.
Firouzkouh Dairy Company of Iran	Food and Agriculture	Start within a month the building of a milk and dairy products factory, in joint-venture with the Syrian ministries of Industry and Agriculture
Zam Zam	Food and Agriculture	Iran's largest producer of soft drinks will produce a soft drinks and non-alcoholic beer factory in Syria.
Tosee Siloha	Food and Agriculture	Will renovate the Lattakia grain silo at a cost of EUR 30 million.

Safir Nour Janat	Food and Agriculture	Signed a contract to import 50,000 tons of flour through an Iranian company in order to meet local demand.
SIAMCO	Manufacturing	Established 2007, Car manufacturing
SIVECO	Manufacturing	Assembles cars under the Saipa brand, including the Saba, Tiba and Emissa models.
Kaveh	Manufacturing	Has opened a floating glass plant outside Damascus, a rare example of a direct investment by an Iranian company in Syria.
Persian Gulf Petrochemical Industry Commercial Company	Extractive	
Damascus Petrochemical Refinery	Extractive	Which is a joint Syrian-Iranian project, will refine the equivalent of 220,000 barrels of mineral oil products a year. Its production is expected to supply both the domestic and export markets.
MAPNA	Power	Iranian credit line granted to Syria, such as the contract awarded to MAPNA to build a power plant in Lattakia.
Iran Powerplant Repair Company	Power	Carry repair works on the Aleppo thermal plant
Sanergy	Power	Agreements signed between the two countries include the construction of a 650MW power plant in the Syrian coastal area as well as a EUR 50 million deal for the supply of power transmission equipment
Sunir	Power	Four contracts to supply transformers and spare parts for the country's electrical distribution network
Safa Nicu Sepaha	Power	An Iranian company has won a contract to rehabilitate two hydroelectric plants located on the Euphrates River in the northeast of the country.

Iran Aseman Airlines	Transport	Syrianair has signed a contract with an Iranian company to repair part of its fleet while Cham Wings has been authorized to provide direct flights to the United Arab Emirates.
Mahan Air	Transport	Leased an airbus
Sabir	Water	Completed the digging of a 5km tunnel that is part of a wider project to irrigate the southern plains of the governorate of Aleppo with water from the Euphrates River.
Nikeen	Construction	Acquiring property in Southern Damascus
Nikan Engineering Development	Construction	Providing equipment required for reconstruction
Yasna Trading Company	Construction	Opening cement factories in Aleppo and Homs
Stzor	Power	Rehabilitate the power station in Aleppo
ITM	Food and Agriculture	Distribution of 2000 tractors used for farming
Nero	Food and Agriculture	Distribution of 2000 tractors used for farming
Azar Energy	Various	
Partean for IT and Technical Business LLC		
Jeefan Trading LLC	Construction	
B.R.ELMA LLC	Telecom and IT	
Al-Kawthar Al-Safi Trading and Investments LLC	Various	
Sarzamine Nour Trading LLC	Various	
Kharej Az Keshvar LLC	Various	
Akam Trading LLC	Construction	
Israa Trading LLC	Various	
Al-Ayam Shipping and Transportation LLC	Transport	
Ghadran Al-Kheir LLC	Various	
Al-Sadeq for Trading and Contracting LLC	Various	
Habs Trading LLC	Various	
Al-Mashraqieh Information Technology LLC	Telecom and IT	
Ajami and Bawi Trading LLC	Various	

Afaq Al-Shurouq LLC	Various	
Ariya Sarv Sahi LLC	Power	
Zaker Trading and Contracting LLC	Various	
Exeer Trading LLC	Various	
Afaq Al-Munawara Shipping and Transportation LLC	Transport	
Tis for Trade and Investment LLC	Various	
Asan Shayan LLC	Various	
Iso-Tech LLC	Extractive	
Shorouk for Security Services LLC	Security	
Sirano LLC	Telecom and IT	
Lubra Oil LLC	Various	
Mediterranean Crown for Trading LLC	Various	
Aramit LLC	Various	
Sudrat Al-Nour LLC	Various	
Noin Future LLC	Clothes	
Diwan Al-Cham Investment LLC	Clothes	
Horizon Knights Trading and Contracting LLC	infrastructure	
Shamira Trading LLC	Medical	
Avan LLC	Various	
Red Agate Trading LLC	Real Estate	
Fayd Nasab LLC	Various	
Hakimi Medical Equipment Trading LLC	Various	
KMKA Company (foreign company)	Extractive	
Saadat Sooran LLC	Various	
Nakin Syria LLC	Various	
Signal Investment LLC	Telecom and IT	
Al-Obaydi Medical Tourism LLC	Medical	
Souran LLC	Telecom and IT	
Obeidi and Partner Trading and Contracting LLC	Construction	
Export Cham LLC	Various	
Funoon Al-Emaar Investment and Trade LLC	Various	
Al-Dar Trading and Investment LLC	Various	
Ghazal Al-Bar LLC	Import and Export	
Syrian-Iranian Exchange LLC	Import and Export	

Future Horizon Engineering Trading LLC	General Trading	
Toufic Trading and Investment LLC	Medical	
Good Land LLC	General Trading	
Tehran Mirab LLC	Infrastructure	
Gaston Banna and Sons (GBS) LLC	Manufacturing	
Ahl Al-Bayt Trading and Investment Development LLC	Transport	
Yara Al-Sham LLC	Various	
Syrian Iranian Investment LLC	Various	
Al-Zahraa Trading and Investment LLC	General Trading	
Five Star Car Parts Manufacturing LLC	Manufacturing	
Horizon Dawn Commercial Engineering LLC	Manufacturing	
Digital Systems LLC	Telecom and IT	
Iran Power and Water Equipment and Services Export LLC (SUNIR)	Extractive	
Iranian-Kuwaiti Al-Safa Trading LLC	General Trading	

Annex 3: Chinese Companies Active in Syria

Name of Chinese Business	Sector	Business in Syria
Huawei technologies	Telecommunications	Signed an agreement to advise the Syrian Government on its IT strategy
Long Life Building Supplies and Materials Company	Construction	
Sinoma Group	Construction	Approved to build three cement production lines in Adra, Tartous, and Hama cement plants