



...It is vital to finalize appropriate environment to encourage and diversify investments and orienting them towards promising sectors in our country and to overcome all bureaucratic hindrances which prevent that, mainly as we have developed laws which regulate investments and we have offered all facilitations.

It is important to adopt regional planning in our development policies to orient our future projects towards the suitable direction, throughout setting an economic, social, and educational and investment clear map, in the light of needs on one hand and the official tasks of country's region on the other. And in the framework of achieving just and balanced development that is integrated with the orientation towards administrative decentralization in current plans, to guarantee comprehensive development in each regions and governorates in integration and cooperation with other regions and governorates in the country.

President Bashar Al Assad

Preamble

Syrian Investment Agency has the pleasure to present the fourth annual investment report in Syria of 2009 , in continuation of the transparent methodology , in monitoring the most important economic developments with assed in Syria with principal concentration on the most date which monitor's the investment process and its results , especially after application of provisions decree Nr.8 of 2007 . All by depending upon the data base of the SIA .

Investment is the real bet and the semi-sole to push economic wheel forward , and to achieve development and prosperity . Many developed countries are taking quick steps towards this truth to make investment wheel the development locomotive.

This is why competitiveness among all government investment competent authorities , is very important in all countries in providing investment climate which attracts capitals .

Investment in Syria became along recent years .

Continuous success story, that is not embodies towards integration by volume of direct investment flows only , but by how they are oriented awards true economic sectors and by increasing the percentage of its actual participation in the GDP , and by its generation in social and economic development process .

Today after finalizing all investment aspects in Syria : A qualified investment Agency ... launching the investment map which is translated into many languages establishing the one-stop-shop ...opening branches of the SIA in the most of the Syrian governorates ... industrial cities has the authorities of the agency with Syrian missions abroad ... yes and after all the aforementioned the door is open now widely for promising investment ingredients , was based on a new strategic vision about investment led by his Excellency President of the Syrian Arab Republic Dr. Bashar Al Assad .. Syria is the heart of the world linkage of the four seas in the Middle East .

Syria is a free zone between the East and the West .

We hope this report shall be a real enrichment for those who are concerned with economic affairs in Syria . We would like to thank and appreciate highly ministries and other public authorities who participated by providing necessary and required information and data .

Director General of the
Syrian Investment Agency
Dr. Ahmad Abdol Aziz

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Macro Economic indicator

Syrian economic registered a satisfactory performance in relative values within the worst world financial crisis in modern history . It succeeded in avoiding stagnation and negative growth rates registered by countries in the region and in the world .

Interior factors had their rate in growth in Syria within 2009 , also progress achieved in foreign political relations , and gradual economic liberalization to create suitable internal business climate , in addition to local investments which became active remarkably , profiting from increasing bank credits granted to private sector , as well as the increase in private consumption due to increasing wages in the previous years .

The net effect of variable oil price in 2009 , was very limited because imports of Syria of refined products began to go parallel to export of crude oil from the view point of value where as now oil exports were affected clearly by the slow down witnessed by Syria's partners in foreign trade, with decrease in many transfers of workers outside Syria due to slight decrease in their wages or due to the loss of jobs of some of them in some Arab or western hosting countries .

Regional pressures were on FDI , because of the shrinkage of regional liquidity , were compensated partially by the increased trust in Syrian economy as a result of developed political relations in general , as Syria was one of the few countries in the world which witnessed a high number of tourists in 2009.

Many policies were adopted to face periodical changes within regional and world economic climate , such as procedures taken by the government to decrease obligatory reserve for industrial sector crediting , to encourage investments , during the crisis . And because the banking sector which is subject to region procedures did not suffer from direct loss due to world crisis , there was no need for a tangible support in the aftermath of the crisis.

We find that economic growth prospects are very , now to regional and international up raise indicators and also to interior factors such as the increase of credits by banks working in Syria , and public sectors and also the effect of reforms adopted in infrastructure of business climate in Syria .

In this context IMF expected a real growth of 5% for 2010 (5.5 in the average for the five next years) parallel to an inflation , agricultural base in Syria forms a strength point in Syria economy , due to the low cost of workforce and the support by many transfers from abroad , in addition to rigid control system over financial sector and reserved banking activities as well as efforts to apply economic structural and wide reforms . In spite of the fact that Syrian economy has weakness points such as :

- Low oil production .
- Bureaucracy .
- High – rate unemployment .
- In sufficient role of the banking sector which needs to activate the role of banks in spite of the increase of their numbers and activities in the few last years .
- But we find strength points in Syrian economy such as :

- Wide economic capacities , unused resources and great growth possibilities .
- Important current and potential infrastructure projects .
- Attractive tourism sector due to increasing foreign interest .
- Continuous liberalization of financial sector which may contribute to providing more financing to all economic sectors in Syria .

On the field of risks many challenges appear and they are linked specifically with general financial ambiguities and continuous interior social pressures and regional political and security risks in general .

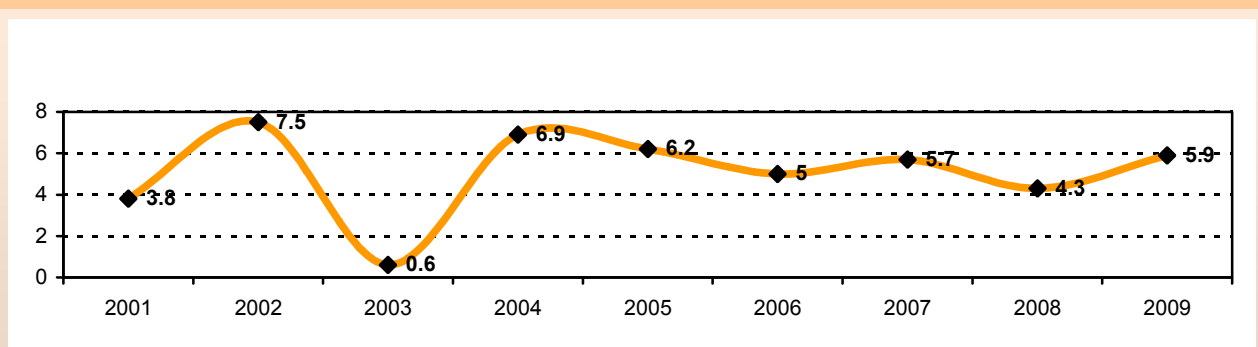
All risks remain serious challenges but we see that wide opportunities are exceeding risks , because when world economy started to raise up , Syrian economy found a historical opportunity to perform financial and structural reforms to support national economy , starting from openness , economic diversification , and investment promotion .

In order to encourage capitals towards national economy and local consumption and increase of investments to achieve gradual improvement in living level in coming years .

1. Economic growth trends :

Approximate data by the central Bureau of statistics CBS , refer to that growth rate shall continue increasing to reach 5.9% in 2009 whereas it was 4.3% in 2008 as per the following chart :

Figure (1) Economic growth rate within 2001-2009



Source : (Central Bureau of Statistics data(Expectations))

2- State public budget :

The following table clarifies the actual executed processes in the state public budget till 2008 . We notice a drop in the deficit in the budget from 6096 million S.P to 57489 million S.P Revenues (current and investments) increased to reach 548393 million S.P in 2008 while foreign credits kept stable such as in 2009 i.e 13195 million S.P

Table(1) : Implemented operations of public budget for 2000-2008(millions S.P)

Item	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total revenue	245574	305286	301660	320939	342465	356290	434865	459571	490904
Current revenue	170872	226325	221583	236122	238242	251509	296625	301350	364984
Investment revenue	74702	78961	80077	84817	104223	104781	138240	158221	125920
Expenditures Total	246193	274831	314050	353651	405145	431402	493700	520531	548393
Current expenditures	151297	164761	178332	200780	248497	277044	317213	325697	375327
Investment expenditures	94896	110070	135718	152871	156648	154358	176487	194834	173066
Deficit	619-	30455	12390-	31607-	62680-	75112-	58835-	60960-	57489-
Grants	3792	0	0	1105	0	0	0	259	0
Foreign loans	15180	11796	11456	9708	11572	14769	14159	13119	13195

Source :Ministry of Finance

3- Economic variables in national economy as per national accounts :

A- Total national production in fixed markets prices of 2000 :

is still achieving progress and growth and it is expected to reach 2413638 million S.P in 2009 , with an increase rate of 7.07% compared with 2008 where the increase rate was 2.14% compared with 2007 . Converted industries sector contributed mostly in the GDP . 22.6% and then agriculture and irrigation sector which contributed with a growth rate of 17.6%in2009 against15.6% in 2008 . As clarified in the following total :

Statistics refer to the increase in the contribution of private sector in the GDP from 52.5% in 2000 to 62.8% in 2009 . While the public sector contribute as clarified in the following table :

Table (2): Total Gross Production in Fixed Prices 2000(million S.P)

Economic sectors	2006		2007		2008*		2009**	
	Production values	Contribution	Production values	Contribution	Production values	Contribution	Production values	Contribution
Irrigation and agriculture	432713	20.7	378378	16.8	351511	15.6	423337	17.6
Extraction Industries	191566	9.1	185417	8	191422	8.5	185573	7.7
Converted Industries	475229	22.7	501534	23.6	522496	23.2	544973	22.6
Water and Electricity	64217	3.1	67546	3.1	70223	3.1	79186	3.3
Building and construction	142220	6.6	145516	6.8	134609	6.0	142547	5.9
Retail and wholesale	267884	12.8	320126	15	356241	15.8	375357	15.6
Transport and storage	198126	9.5	220648	9.9	228389	10.1	242439	10.1
Money , insurance and real-estates	63631	3.0	77468	3.5	82853	3.7	93655	3.9
Social services	239257	11.4	286318	12.8	291955	13.0	302571	12.6
Duties	23040	1.1	23870	0.5	24445	1.1	24000	0.7
Total	2097883	100	2206821	100	2254144	100	2413638	100

Source : (Central Bureau of Statistics data(Expectations))

Table (3): Contribution of public and private sectors in the GDP in fixed prices(millionS.P)

Years	Production			Production Contribution rates %		
	Public sector	Private sector	Total	public	Private	Total
2000	739940	817860	1557800	47.5	52.5	100
2001	722893	872580	1595473	45.3	54.7	100
2002	779315	936279	1715594	45.4	54.6	100
2003	756978	986793	1743771	43.4	56.6	100
2004	823961	1038083	1862044	44.3	55.7	100
2005	837669	1172722	2010391	41.7	58.3	100
2006	837599	1260284	2097883	39.9	60.1	100
2007	868735	1338086	2206821	39.4	60.6	100
*2008	856288	1397856	2254144	38	62	100
**2009	898911	1514727	2413638	37.2	62.8	100

Source : (Central Bureau of Statistics data(Expectations))

B- GDP in markets fixed prices for 2000 :

It is expected to have an increase in the GDP in fixed prices of 2000 . So it is expected to reach to 141822 million SP in 2009 .i.e at a growth rate of 5.9% compared to 2008 where this growth rate achieved an increase of 4.3% in 2008 compared to 2007 as per the following:

While contribution of the private sector in the GDP in fixed price of 2000 achieved an increase in 2009 and it reached 65.5% against a decline in the contribution of public sector as it reached to 34.5% as per the following table :

Table(4): GDP in fixed prices(million S.P)

Economic sectors	2006		2007		2008*		2009**	
	Value	Contribution	Value	Contribution	Value	Contribution	Value	Contribution
Economic sectors	292457	24.1	252856	19.7	230747	17.2	279403.0	19.6
Irrigation and agriculture	179765	14.8	172160	13.4	178537	13.3	173064.0	12.2
Extraction industries	80738	6.6	96784	7.5	106152	7.9	123452.3	8.7
Converted industries	27637	2.3	30117	2.3	30908	2.3	33309.0	2.3
Water and electricity	52726	4.3	53096	4.1	48797	3.6	51747.6	3.6
Building and construction	222230	18.3	249817	19.5	286582	21.4	298274.6	21
Wholesale and retail trade	136902	11.3	152564	11.9	158635	11.8	163172.1	11.5
Transport and storage	57551	4.7	69909	5.4	73861	5.5	83555.6	5.9
Money,insurance and real-estates	165080	13.6	206262	16.1	215935	16.1	218444.2	15.4
Duties	-4	0.0	470	0.0	9131	0.7	-5600	-0.2
Total	1215082	100	1284035	100	1339284	100	1418822	100

While contribution of the private sector in the GDP in fixed price of 2000 achieved an increase in 2009 and it reached 65.5% against a decline in the contribution of public sector as it reached to 34.5% as per the following table :

Table(5): Contribution of public and private sector in the GDP in fixed prices for 2000-2009(million S.P)

Years	Production			Production Contribution rates %		
	Public sector	Private sector	Total	Public	Private	Total formation (million S.P)
2000	395322	509301	904623	43.7	56.3	100
2001	389460	549479	938939	41.5	58.5	100
2002	415136	597590	1012726	41	59	100
2003	394010	624699	1018709	38.7	61.3	100
2004	438122	650904	1089026	40.2	59.8	100
2005	412742	743973	1156715	35.7	64.3	100
2006	421045	794037	1215082	34.7	65.3	100
2007	455063	828972	1284035	35.4	64.6	100
2008*	470210	869075	1339285	35.1	64.9	100
2009**	489151	929671	1418822	34.5	65.5	100

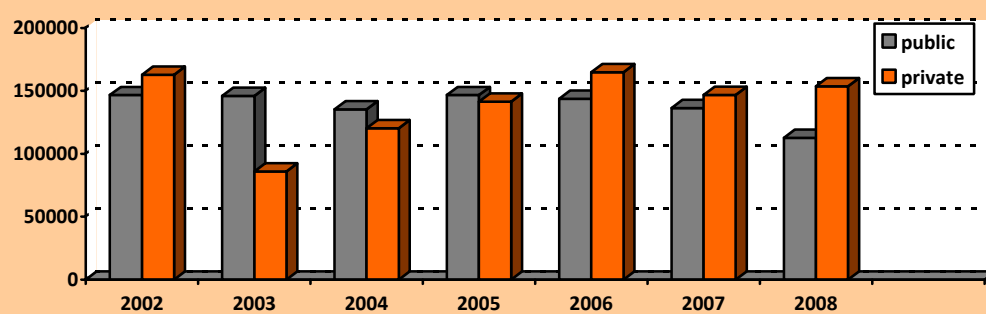
Source : (Central Bureau of Statistics data(Expectations))

C- Capital formation (Investment of public and private sector) :

Capital formation reached a percentage of 19.8 in 2008 of the GDP in fixed price of 2000 , where public sector achieved a contribution of 42.3% , in a decline of that of 2007 where it was 48.2% while private sector achieved an increase in its contribution in 2008 as it reached up to 57.7 , while it was 51.8% in 2007 as per the following table :

Table(6) : Contribution of public and private sector in capital formation (millionS.P)

Years	Capital formation in markets fixed prices for 2000			Contribution rate %		
	Public sector	Private sector	Total	Public	Private	Total formation (million S.P)
2002	146688	162925	309613	47.4	52.6	100
2003	146049	85895	231944	63.0	37.0	100
2004	135318	120449	255767	52.9	47.1	100
2005	146688	141505	288193	50.9	49.1	100
2006	143791	164878	308669	46.6	53.4	100
2007	136400	146699	283099	48.2	51.8	100
2008*	112739	153749	266488	42.3	57.7	100



Source : (Central Bureau of Statistics data(Expectations))

4- Inflation :

According to the following table it is expected that inflation rate shall decline in 2009 to become 3.2% . Also the following table clarifies the variation in inflation rates within last years .

Table (7) : Inflation rate 2000-2009

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008*	2009**
Inflation rate	9.8	2.9	-1.9	4.5	10.4	11.9	7.8	12.0	8.9	3.2

Source : (Central Bureau of Statistics data(Expectations))

5- Per Capita Rate of GDP :

per capita rate of GDP in fixed price of 2000 achieved an increase in 2008 compared to 2007 at a rate of 1.7% , it is expected that this increase should continue that per capita becomes 70656 SP i.e at a growth rate of 3.6% in 2008 .

Table (8): Portion per capita rate of the GDP(S.P)

Year	2005	2006	2007	2008*	2009**
Portion per capita	63316	64919	66974	68178	70656

Source : (Central Bureau of Statistics data(Expectations))

6- Unemployment Rate :

unemployment rate in 2009 remained high , and remained stable in rate as per statistics of CBS , and it achieved 10.9% in 2008 , where in 2007 it witnessed a relative decline of 8,4 in 2007 , as per the following table :

Table (9): Unemployment rates in 2000-2009

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Unemployment rate	9.5	11.2	11.7	10.9	12,3	8	8.2	8.4	10.9	10.9

Source : (Central Bureau of Statistics data(Expectations))

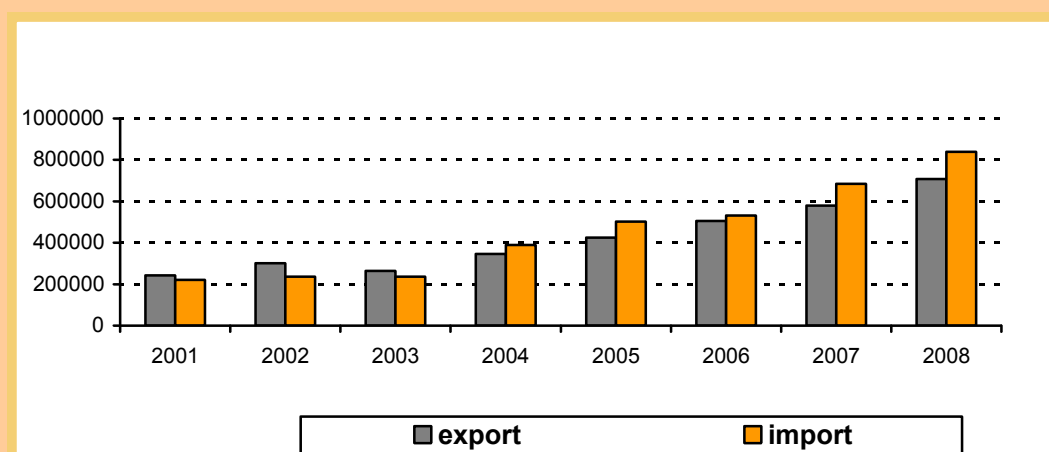
7- Trade Balance :

trade balance showed a surplus in favour of exports in 2008 at 131621 million SP , while it was (-105523) million SP in 2007 , Also , the value imports increased 2008 to be 707798 million SP , and it was 579034 million SP in 2007 , according to the following table:

Table (10): Trade balance 2003-2008 (million S.P)

Years	Export	Import	Surplus
2003	265039	236769	28270
2004	346037	389022	42985-
2005	424300	502369	78069-
2006	505012	531325	26313-
2007	579034	684557	105523-
2008	707798	839419	131621-

Figure(3) Development of Syrian Trade Balance during 2001-2008



Source : (Central Bank)

Table (11): Detailed trade balance 2003-2008

Period	Imports					Exports					Trade balance
	Oil and derivative	Non-oil	Total public sector	Public sector	Total imports	Oil and derivative	Non-oil	Total public sector	Private sector	Total export	
2003	8928	46526	55454	181315	236769	189094	20941	210035	55004	265039	28270
2004	54340	54682	109022	280000	389022	168355	15682	184037	162000	346037	42985-
2005	120699	48566	169265	333104	502369	191969	20961	212930	211370	424300	78069-
2006	143673	71190	214864	316461	531325	203477	22617	226094	278918	505012	26313-
2007	213000	95103	308103	376454	684557	219000	26567	245567	333467	579034	105523-
2008	263772	27700	291472	547947	839419	260710	22731	283442	424357	707798	131621-

Source : (Central Bank)

8- Payments Balance :

payment balance , in current prices in the period 2000-2008 recorded a surplus of 46175 million SP in 2008 , where it was 64064 million SP in 2007 as per the following table :

Table(12): **Payment balance 2000-2008**

Years	Result of current , capital and finance of account (in current prices)		
	<i>Creditor</i>	<i>Debtor</i>	<i>Balance</i>
2000	419327	383308	36019
2001	472765	442508	30257
2002	505178	479821	25357
2003	469070	437870	31200
2004	672290	645827	26463
2005	797767	761918	35849
2006	821678	826357	-4679
2007	1007769	943705	64064
2008*	1141230	1095055	46175

9- Taxes and Duties :

as per the following table , tax outcome achieved an increase of (1.9%) in 2008 compared to percentage shall increase in 2009 , to be 331 milliard SP this year

Table(13): Actual outcome of taxes and duties sector including customs duties 1990-2009

YEAR	1990	1996	2000	2002	2004	2005*	2006*	2007*	2008**	2009**
Actual outcome (milliard S.P)	49.277	130.31	170.87	221.58	238.24	252	296	302	308	331

Source : (Central Bureau of Statistics data(Expectations))

Investment Climate in Syria

Introduction :

Investment climate in Syria witnessed during last few years a series of economic , administrative and legislative modernization , to support that investment climate and the attraction of foreign , Arab and local investments , profiting from the strategic geographic location as a meeting point among three continents (Asia , Europe and Africa) , and being near to international trade passages between the west and the East , available investment opportunities in industry , agriculture , tourism , real – estates, transport and services sector ..

Great attraction was paid to simplification of investment procedures , support of promotion of promising sectors in Syria , creation of a relation between private and public sectors to attract investors and foreign capitals .

1- Investment encouraging aspects in Syria :

- Strategic geographic location .
- Political and security stability .
- Commitment in reasonable orientation towards social market economy.
- Stability of Syrian Pound exchange price since 1990 .
- Limited foreign debts .
- Available big and diversified reserve of foreign currency .
- Low inflation rates .
- Diversified natural resources .
- Low production costs .
- Qualified workforce .
- Relatively adequate infrastructure .
- Access to Arab and international markets .
- Industrial cities and zones with adequate infrastructure
- Moderate human development indicator .
- Privileges , exemptions and facilitations for investments projects .
- International and Arab agreements to provide guarantees for foreign capitals .
- The strength of Syrian economy in general .

Many laws and decrees were promulgated to encourage business and investment climate in Syria , in addition to key changes to cope with Syria's integration into global economy within a clear vision by adopting the social market principle , and establishing free zones in Damascus countryside (A'adra) , Homs (Hyssiah) , Aleppo (Sheikh Najar) and Deir Ezzour .

2- Ease of doing business indicator :

Ease of doing business indicator in Syria improved , as Syria in 2008 had the rank 140 among 178 countries and in 2009 it became at the rank 137 among 181 . This progress was supported by the positive impacts of administrative , technological and legislative developments during the few last years , which led to an increase in the volume of local and foreign investment flow into production sectors , in spite of the fact that they still need to be developed and the necessity of modernizing infrastructure " The Digital structure Readiness indicator showed the rank 110 among 127 countries in 2008 . The following table shows the rank of Syria as per business doing indicator according to items upon which this indicator depended .

Table(14): Syria ranking in doing business indicator

Classification as per doing business indicator (Syria)

No	Indicator	Rank	Secondary indicator	Rank
1	Project establishment	124	Number of procedures	8
			Work days	17
			Cost	18.2
			Minimum capital	4354
2	Trade across borders	111	Number of Export documents	8
			Export required days	15
			Export cost for each shipment	1190
			Number of import documents	9
			Import required days	21
			Import cost for each shipment in USD	1625
3	Licenses	132	Number of procedures	26
			Work days	128
			Cost as a percentage of national come	697
4	Investor Protection	113	Disclosure indicator (0-10)	6
			Responsibility of administration (0-10)	5
			Ease of suing administration by shareholders (0-10)	2
			Extent of shareholders protection indicator (0-10)	4.3
5	Employment	122	Employment difficulty (0-10)	11
			Work hours stagnation indicator (0-100)	40
			Workers dismissal indicator (0-100)	50
			Difficulties of employment indicator (0-100)	34

			Employment cost as a rate of salary	80
6	Ownership registration	71	Number of procedures	4
			Number of work days	19
			Cost	28
7	Getting credits	178	Rights guarantee indicator (0-10)	1
			Credit information indicators (0-6)	0
			Public records coverage	0
			Private offices records coverage	0
8	Tax payment	99	Payments (number)	20
			Time (hour per year)	336
			Profits tax rate	23.2
			Workers payment and taxes rates	19.3
			Rate of other taxes	1
			Total taxes	43.5
9	Contracts coming into force	174	Number of procedures	55
			Time (days)	872
			Cost (as a rate of debt)	29.3
10	Liquidation of business	84	Time (years)	4.1
			Cost (as a rate of money after bankruptcy)	9
			Import rate (cent of USD)	29.5

Also Syria took distinguished international ranks as per international competitiveness Report of 2009 published at the International Economic Forum , among 128 countries as per strength points indicators in the Syrian economy stated in this table :

Table:(15): Syria ranking in doing business indicator

Indicator	Rank
Ownership rights	46
Cost of combating violence and crime	2
Protection of rights of minority of shareholders	49
Extent and effect of taxes	34
Time required to start business	49
Agricultural works cost	46
Flexibility in salary adoption	50
Quality of infrastructure	77
Roads Quality	88

State debt	45
Surplus rate against deficit	95
Number of local importers	54
Quality of local importers	94
Availability of scientists and engineers	43

Arab Institute in Kuwait issued the Arab competitiveness Report in 2009 , and Syria was in the 21th position among 24 countries , as Syria had the following remarks of the indicators stated in the following table .

Table:(16): Syria ranking in doing business indicator

Indicator	2003	2005	Change 2003-2009	2009	Change 2005-2009
Economic performance	0.622	0.649	Positive	0.547	Negative
Infrastructure	0.125	0.07	Negative	0.07	Positive
Infrastructure	0.056	0.222	Positive	0.339	Positive
Government intervention	0.299	0.76	Positive	0.498	Negative
Human capital	0.415	0.418	Positive	0.432	Positive
Investment attractiveness	0.333	0.277	Negative	0.166	Negative
Dynamism of markets , specialization and products	0.322	0.463	Positive	0.283	Negative
Production cost	0.407	0.603	Positive	0.468	Negative
Business cost	0	0.253	Positive	0.253	Negative
Governance and effectiveness of institutions	0.525	0.404	Negative	0.333	Positive
Innovation and technology	0.254	0.138	Positive	0.137	Positive
Arab competitiveness indicator	0.336	0.387	Positive	0.321	Negative

Competitiveness indicator	Value of indicator	Rank
Total competitiveness indicator	0.321	21
Current competitiveness indicator	0.327	21
Implicit competitiveness indicator	0.303	20

Syria is a member in the following Arab and International trade and economic .

- The Arab League .
- The Arab Free Trade Organization
- Council of Arab Economic Unity .
- Arab Investment Insurance Organization .
- UNIDO
- UN
- UNDP
- Islamic Conference Organization .
- Islamic Development Bank IDB .
- World Bank WB .
- International Monetary Fund IMF .
- ESCWA .
- Economic Cooperation & Development Organization OECD
- The Mediterranean Network of Investment Agencies ANIMA .
- In July 2002 Syria became a member of the International Organization for Investment Insurance MIGA .
- The International Center for settlement of Investment Disputes ICSID .
- In 2001 Syria applied to join the world Trade Organization WTO

3- Effective most important political and economic development :

Since 2000 , it is noticed that Syrian investment climate developed by entering the Great Arab Free Trade Zone and by concluding mutual free trade agreement , Also government investment conferences had their position effective throughout discussion of obstacles facing all economic sectors and by having a set of new laws and legislations .

FIRST: The most important laws and resolutions aiming at developing legislative environment .

1. Unifying the exchange rate applied by The Syrian Arab Republic on imports, which were distributed on three prices, in addition to decreasing domestic interest rates twice in the year 2004, for the first time since 1981, and opening accounts in foreign currencies was allowed.
2. And in 2004 a court of first instance was established (Chamber No. 2) in all governorates, to review the disputes relating to investment law; these courts were instructed to review disputes soon without any delay.
3. Law No. 23 for 2000 was issued " Fund & Loan Council", in order to supervise over monetary and banking cases
4. Law No. 28 for 2001 was issued, which opened the door before banking sector.
5. Law No. 29 for 2001 was issued regarding banking secrecy.
6. Abolishment of decree Nr. 33 for 2003 of Law No. 24 for the year 1986 and amendments included in Law 6 for 2000, that are the two laws restricting dealing with foreign currencies, and were considered impediments on the way of foreign investment in Syria.

7. Law No. /59/ for the year 2003, regarding money laundry, was issued; thus Money Laundry Authority was established.
8. Legislative decree Nr. /60/ for 2004, regarding canceling Expatriation Fee, was issued.
9. Law Nr. /5/ for 2005, regarding approval of Syria's participation in countering funding terrorism.
10. Legislative decree Nr. 35 for 2005 allowed the establishment of Islamic banks in Syria.
11. Act No. 43 for 2005, which opened insurance sector before private sector; previously as well, the door was opened to private investment in health and higher education.
12. Law Nr. 25 for 2006 was issued including the 10th development plan, with its ambitious objectives.
13. Decree Nr. 51 for 2006 was issued, including amendment of income-tax law No. 24 for 2003, to decrease the income-tax rates to encouraging levels.
14. Decree Nr. 55 for 2006 including the establishment of Damascus Financial Market was issued.
15. Legislative decree Nr. 60 for 2007, including establishment of governmental monetary market, was issued.
16. Legislative decree Nr. 61 for 2007, including allowing companies to re-estimate their fixed assets and to integrate, was issued.
17. Act No. /8/ for 2007 regarding encouragement of investment was issued.
18. Law No. 9 for 2007, including establishment of The Syrian Investment Agency / SIA/, was issued.
19. Law No. 9 for 2007, including endorsement of the Pact for establishment of The Syrian-Qatari Investment Company was issued.
20. Law No. 32 for 2007 was issued, allowing Non-Syrian Investors owners of projects covered by stipulations of Law No. /21/ for 1958 in industrial zones, to own and rent lands and real states that they require.
21. Law No. 36 for 2007, for trade, which cancelled decree Nr. /149/ for the year 1949 and amendments, was issued.
22. Law No. 41 for 2007, including establishment of a General Tax & Fees Agency, was issued.
23. Law No. /15/ for 2008, for Real Estate Development and Investment, was issued.
24. Law of companies was issued.
25. Joining the convention of The Hague concerning international registration of industrial prototypes.
26. Law of protecting national product, from bad practices in Intl., trade practices.
27. Law of protecting Trade marks, Geographic Indicators, and Industrial Prototypes, was issued.
28. Law No. 15 for 2008, for real estate development and investment, was issued.
29. In addition to a group of procedures and instructions, that came to prop a wide range of legislations that lay the foundation for a promising future.

Reforms had been entered in the realm of freeing trade & encouragement of exports, the most important of which were:

- Number of Mutual Trade Pacts were signed with (Turkey, Tunisia, Yemen, Egypt, Iran, China, Jordan, and GCC countries... etc.) along with forming or activating the mutual higher committees with number of countries.
- It was planned to establish a special economic area (Agropolis) in Al-Ghaab Plain, that perform investment, production and export of agricultural products, that have competitive privileges.
- Also efforts aiming at establishing programs to encourage exports, had been done, with the study of their sources of finance; also efforts had been done to support agricultural production, the thing which support exports.

Second :The Most Important laws and Resolutions on financial policy level :

- 1- Resolution Nr.2428 of 23/8/2006 to establish a new department for VIP tax payers ,
- 2- Legislative decree 22 of 2009 to exempt from profits tax and financial duties for the year 2007 and years before.
- 3- Legislative decree 54 of 2009 which exempts projects in Al Raqqa , Al Hassakeh and Deir Ezzour from income profit tax for ten years , if licensed as per :
 - A- Legislative decree 8 of 2007 .
 - B- Law Nr.15 of Real – Estate investment and development .
 - C- Resolution Nr.186 of 1980 by the Tourism supreme council .
- 4- Law Nr. 39 of 2009 of establishing the General Commission of Real – Estate Financing aiming at organizing real – estate financing sector to support national economy .

Third :The most important legal accomplishments and amendments on monetary policy and financial liberalization levels :

- 1- Decree Nr.8 to encourage investments .
- 2- Permission to finance tourism investments as per B.O.T by banks in Syria .
- 3- Law Nr.24 of 2006 . Regarding Licensing money exchange professing in Syria
- 4- Organizing foreign currency center work by a resolution issued by the credit and currency council .
- 5- liberalization of the current account from payment became by a set of procedures .
 - A- Liberation of current account and import and export processes , by performing all processes by the bank apparatus .
 - B- Residents and non-residents are allowed to open accounts in foreign currencies .

- C- Private banks can sell Syrian Citizens (and those whom are treated as Syrian) an amount of 10000 USD per month maximum (or its equivalent in Arab or foreign currencies) .
 - D- Private banks are allowed to sell Syrian citizens (or those who are considered Syrian) foreign currencies to feed international payment cards to be used inside and outside the country .
 - E- Obligation of licensed aviation companies to sell travel tickets in Syrian Pounds for residents or those who are considered Syrian , and in foreign currency for non-resident Syrian , Arabs and foreigners .
 - F- Cancellation of the commitment to refunding export currency , if the Syrian exporter became able to keep the currency coming out of export processes .
- 6- Gradual and controlled liberalizations of capital account by enabling investors of having credits in foreign currency , to support foreign investments .

The most important resolutions issued by the Currency and Credit Council :

- 1- Resolution Nr. 348 of 16.1.2008 which allows licensed banks to grant credits in foreign currencies to finance investment projects licensed by investment encouraging laws .
- 2- Resolution 381 of 27.3.2009 Regarding granting bank facilitations in foreign currencies .
- 3- Resolution 395 of 29.5.2008 . Regarding adoption of instructions of facilitations and financings given to natural or legal persons or to an integrated group , specified of 25% of banks money , where as it was 20% .
- 4- Resolution 460 of 31 .1.2009 . Which allows Central Bank of Syria to finance banks in Syrian Pounds to support their liquidity , if financing aims were for investment purposes .
- 5- Resolution 461 of 2009 , to exempt development investment projects , from commitment to instructions of bank risks concentrations . So that they do not exceed 35% of the total of net money instead of 25% .
- 6- Resolution 462 of 31.1.2009 of Reduction of profits rates on assets for a term at one percent point ,to become 8-6% ⁺2% and it was 9-7% ⁺2% .
- 7- The principal system of the Credit Guarantee Risks Foundation in Syria , was approved on 26.4.2009 .
- 8- Resolution Nr.502 of 10.5.2009 reserved requirements on part of the assets , which are facilitations and financing of industrial sector from one point to five points , so that the rate of obligatory reserve imposed on part of banks asserts .
- 9- Resolution Nr.512 of 13.5.2009 , to adopt instructions of granting approval to open representing offices of banks and other financial institution (non Syrian) in Syria .

In addition to the resolution Nr.5269 of 1.10.2009 , By the Prime Minister of the mechanism of transferring the outcome of the portion of Syria , Arab of foreign investor , in transferable currency also , the possibility of transferable currency , also ,

the possibility of retransferring of foreign money in transferable currency after 6 months after entering Syria if it prohibited its investment .

The most important resolutions and procedures by the central bank of Syria to achieve liberalization of current account of payment balance , to attract the FDI .

- 1- complete liberalization of imports financing processes in 2006 as per resolution Nr.5204 of 15.11.2006 which permits banks to finance imports of private and joint sector in foreign currency .
- 2- Money Exchange companies can sell foreign currency to imports from their accounts open at licensed banks strictly throughout foreign transfer .
- 3- Cancellation of the commitment of retransferring export currency , so that the Syrian exporter becomes able to keep the currency coming out of exports .

The most important reformation procedures in the field of trade liberalization and exports encouraging .

- Establishing of Exportation Supreme Council .
- Exports Development and Promotion Agency .
- Establishing Exports Federation .
- Cancellation of resolution and commission registration on all imports for government institutions strictly .
- Establishing Exports Development Fund .
- Conclusion of many mutual free trade agreements (with Turkey , Tunisia , Yemen , Egypt , Iran , China , Jordan and GCC countries etc..) formulation or activation of joint supreme councils and committees with different countries .
- Setting a plan to establish private economic zone (Agropolis) in Alghab vally , to produce , produce and export high avidity and competitive products .

4- Future vision of Investment climate :

The Tenth Five-Year Plan (2006-2010) stressed the following strategic objectives:

- Encouraging foreign capital to enter the Syrian Market.
- Facilitating investment" transfer into currency, spurring long term investment.
- Increasing reasonable judgment and placidness of fiscal establishments, and pertinent governmental circles.
- Increasing the number of products and services.
- To complete the establishment of Securities Exchange, providing the legislative and institutional framework, to banknote the fiscal assets.
- Providing consultancy profession and services and providing the legislative framework to achieve flourishing of fiscal sector.
- To amend Investment decree 8 and Labor Law.
- Establishment of special courts for investment and Comm., disputes.
- Marketing of foreign investments.

The Tenth Five-Year Plan forms a source to draw the policy of SIA, and the future vision. The plan adopted a promising vision to achieve the following objectives:

- Average growth rate of GDP (7%).
- High sharing rate of participation of local and foreign private sector in GDP.
- Creating about (1250) job opportunity annually.
- Decreasing unemployment rate to (8%).
- Decreasing rate of inhabitants under poverty level to (7.12%).
- Increasing rate of foreign investment to (2.9%) of GDP.
- Increasing the rate of private investment in total investment to (47%).

The plan asserted the rise of productivity, and raising the productive capability, to increase the returns, and to get use of the achieved level, in order to support compatibility, and to supply services in a distinctive qualitative level. Therefore, a group of bases had been adopted in allocating resources, and distributing investments on the sectors, so that to achieve the prospective growth rate of the tenth five-year plan, such as:

- Asserting the priority of investment in promising sectors, that may achieve quick returns, resulting in wide range of benefits, along with encouraging the development of infrastructure to meet the requirements of the industry and productions of high rates of revenues.
- Asserting the role of transformation industries, in the continuous development process, providing work opportunities. Improving trade balance, and asserting the necessity to increase investment in the sectors of power, education, health, and in the field of scientific research and technological development.
- To make proper promotion to encourage the entry of private investment to the realm of communications, IT technology, tourism, transport, construction and building, power, transformation industry and agriculture, working on drawing new patterns of investment, through partnership with public sector, or with foreign capitals.
- Supply of more reforms suitable climates for attracting direct foreign investment, and to improve the work context of domestic private sector.

- Adopting decentralization and enforcement of economic and local administrative systems and smooth operation of all public entities in order to succeed the regional investment.
- Working on increasing national savings, through ensuring stability of economic regimes, and to achieve development of the money market and capitalism.
- Trying to increase production and productivity, through marketing to use suitable technologies of cheap cost, to develop small and medium installations. In order to increase its share in economic development.

5- Legislations Regulating Investment in Syria

there are numerous laws and regulations that govern the investment policy, licensing and investment encouraging awards in Syria, namely:

1. Law Nr. 47 for 1952 relating to small industries and handicrafts.
2. Decree Nr. 103 for 1952 regarding fiscal exemptions of industrial projects.
3. Law Nr. 21 for 1958.
4. Decree Nr. 10 for 1986 relating to investment in agricultural projects.
5. Regulation adopted by the Ministry of Oil and Mineral Resources in assigning investments to oil company.
6. Decision of Supreme Investment Council Nr. 198 for 1985, regarding Tourism Investment.
7. Decision of Supreme Investment Council Nr. 198 for 1987, regarding Tourism Investment.
8. Law of Currency & Loans Council, to license private banks.
9. Decisions regulating licensing of transport projects.
10. Legislative decree Nr. /36/ for 2001, regarding licensing of private Universities.
11. Decisions of the Ministry of Education to license private schools.
12. Law of Free Zones Organization regarding investment in the free zones.
13. Decree Nr. /8/ for 2007 for encouraging investment.
14. Law Nr. /15/ for 2008 for Real Estate Development and Investment.

6- Tax Incentives as per provisions of decree Nr. 8 of 2007 :

Legislative decree Nr. /8/ for the year 2007 stated that in order to encourage investment, the investment projects included are subject to dynamic tax deduction, according to the stipulations of Legislative decree Nr. /51/ for 2006 of income tax:

1. The Maximum project tax rate in its highest chunks (28%) on net profits.
2. As for Shareholding Companies that put their shares to public subscription with a rate not less (50%), their tax rate is (14%).
3. projects included in investment encouragement, their tax rate is (22%), and this rate will be decreased on the following bases:
 - **Two degrees** for industrial enterprises in the governorates (Raqqa, Deir Ezour, Hasaka, Idleb, Sweida, Daraa and Quneitra).
 - **One degree** for industrial enterprises that employ /25/ workers or more, duly registered at Social Insurance Organization.
 - **Two degrees** for industrial enterprises that employ /75/ workers or more, duly registered at Social Insurance Establishment.

- **Three degrees** for industrial enterprises that employ /150/ workers or more, duly registered at Social Insurance Organization.
- **One degree** for industrial enterprises in the industrial zones.
- **Two degrees** for industrial projects duly licensed according to decree Nr. /8/ for the year 2007, in the two industrial cities of Hysia, and Deir Ezour.
- **Two degrees** in the light of the availability of the following bases:
 - Industrial projects that depend on local raw materials.
 - Industrial projects that save power.
 - Industrial projects that use means, tools and machineries that preserve environment and prevent environmental pollution.
 - Industrial projects that export (50%) of their production.
- **Two degrees** for investment projects that are licensed according to decree Nr. /8/ for 2007, in the eastern region, which contains: (Raqqa, Deir Ezzour and Hasakeh)

SYRIAN INVESTMENT AGENCY

First : Goals and policies :

Syrian Investment Agency SIA had been established as per legislative decree Nr.9 of 2007 , together with publishing legislative decree Nr.8 of 2007 . SIA has its legal personality and it enjoys financial and administrative independence , but affiliated to his Excellency the Prime Minister .

The agency aims at implementation of national investment policies and developing investment environment in the Syrian Arab Republic . As per decree Nr.9 of 2007 , the BOD of SIA shall perform the following tasks :

1. To draw strategies and general policies of investment in Syria.
2. Study of laws and regulations relating to investment.
3. Adopting the investment map for Syria.
4. Study of reports pertaining to included investment projects, and appraisal of the results of SIA's performance.
5. Issuing the regulations relating to the operation of SIA, according to a suggestion of the Board.
6. Discussing the subjects, submitted to it by the Board, and adopting suitable decisions towards them.

1- Vision :

To reach a level in which SIA becomes one of the most professional and qualified agencies on international and regional levels , in the field of streamlining procedures and attraction of investments towards sustainable economic development .

2- Mission :

To enforce trust in national economy , investment promotion and investors protection , via modern legislations , developing of human resources and following technical developments as per international standards .

3- Institutional Values :

- Team – spirit work .
- Innovation and initiation
- Domination of law .
- Staff is the real wealth of the agency .
- Belief in change towards the best .
- Accomplishing required tasks to achieve best results .
- Communication ,cooperation with Arab and international agencies and related organizations .
- Commitment of project services to investors .
- Efforts to raise scientific and vocational level to international practices .

- Faith in work
- Exchange of information and simplification of procedures .

4- National Goals :

- 1- Facilitation of foreign investments to guarantee transparency.
- 2- Revision of investment laws , work laws and sectorial legislations , formation of a supreme council for foreign investments and its activation for being an administration for cooperation , control and following – up to encourage investments
- 3- Alleviation and lifting of administrative restrictions and amendment of investment laws to provide necessary incentives for investments .
- 4- Right application of the one-stop-shop mechanism and establishing supervisory committee to control good application to decrease the cost and money of business doing procedures .
- 5- Establishing investment courts or depending on international courts (Joining international agreements to settle investment disputes) :
- 6- Providing attractive investment environment .
- 7- Increase of investment contribution to achieve an increase of economic growth rate .
- 8- Organization of promotion companies
- 9- Publication of promotional materials of investment opportunities , and distribute them through modern media and information channels .
- 10- Organizing training programs to prepare commercial attachés , and representatives of the agency in Syrian embassies abroad mainly in countries of promising markets .
- 11- Preparation of manuals for workers in institutions which receive foreign investors , to instruct them how to deal with investors in best ways .

5- Goals on international cooperation level :

- Enforcing international cooperation's role in attracting foreign investments through image building .
- Supporting and profiting from technology transfer by international cooperation .
- Supporting the role of international cooperation in social-economic development process
- To achieve the above , the plan aims at profiting from available opportunities in this field .

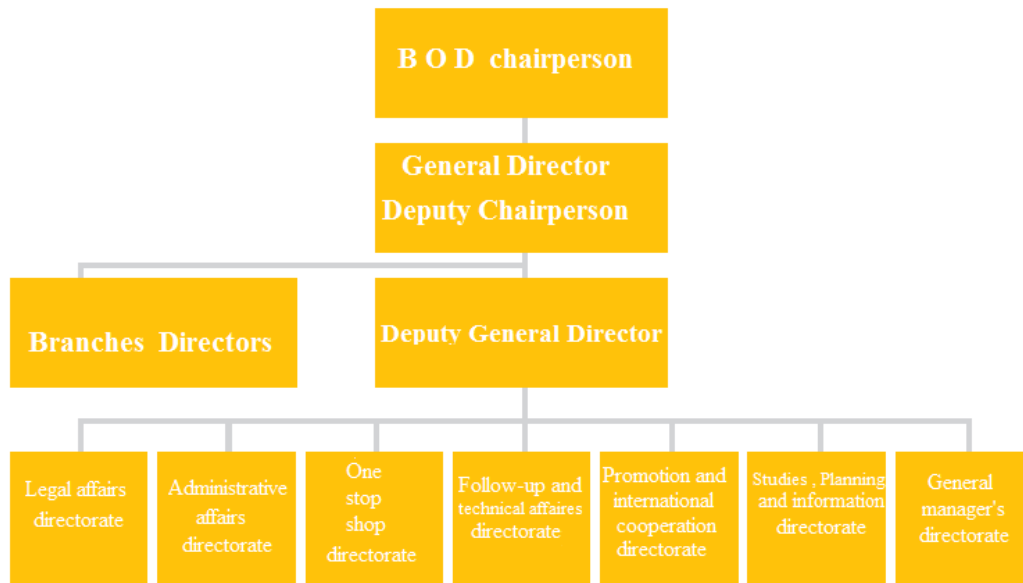
6- Strategic institutional goals of SIA :

- Automation
- Network linkage with branches and industrial cities .
- Updating of SIA's website and investment map's website .
- Financing infrastructure .
- Cooperation with related authorities to establish a branch for investment arbitration .
- Supporting SIA with professional human resources.
- capacity building
- Organizing and participation in conferences .

- Interior and exterior training for commercial missions in Syrian embassies abroad .
- Designation of promotion of SIA .
- Building cooperation bridges with obligations and institutions.
- Preparations of directories and presentations about SIA .
- Economic and investment annual reports .
- Publishing SIA's magazine on time .
- Following –up interior systems .
- Field follow-up processes in all governorates.
- Investor's procedural directory .
- FDI report's .

Second : Administration of SIA :

- **As per laws and regulations :**
 - 1- BOD shall perform tasks according to interior system of 12.5.2009 .
 - 2- Supervision of good application of decree 8
 - 3- Implementation of SIA's policy .
 - 4- Suggestion of establishing branches inside and outside Syria .
 - 5- Non-Syrian investor is permitted to rent or own properties for investment purpose .
 - 6- Studying investor's suggestions regarding investment's projects , with keeping his right to go to legal competent references .
 - 7- Adopting annual report and budget and presenting them to the Prime Ministry .
 - 8- Suggesting acceptance of grants and gifts as per laws in force .
 - 9- Specifying the compensation of investment services .
 - 10- Adoption of Syrian investment map .
 - 11- Studying projects follow – up reports and evaluation of SIA's work .
 - 12- Setting Principles and criteria of investments in order to simplify procedures .
- **Structural Organization of SIA :**
 - 1- General manager's directorate .
 - 2- Administrative affairs directorate .
 - 3- Studies , Planning and information directorate .
 - 4- Legal affairs directorate .
 - 5- Promotion and international cooperation directorate .
 - 6- One – stop – shop .
 - 7- Follow-up and technical affaires directorate .
 - 8- Branches or offices directors .



Many resolutions and decree were issued to enforce the role of SIA and to simplify investment process procedures such as :

- Issuance of decree Nr. /29/ for 2008, including naming Mr. Abdullah Al-Dardari, Deputy Premier For Economic Affairs, Head of SIA.
- Issuance of decree Nr. /339/ for 2007, including naming Mr. Ahmed Abdul Aziz, as General Manager of SIA.
- Issuance of Premier's Decision Nr. /458/ on 28/1/2008 including the reformation of The Board of SIA.
- Issuance of Premier's Decision Nr. /827/ on 12/2/2008 including establishment of branches for the Agency in the governorates, to perform the professions of SIA, excluding the projects covered by the Legislative decree Nr. /8/ for the year 2007 from presenting it before the committee of Notification No. /10/ for the year 2004.
- Issuance of the decision of the Supreme Council for Investment No. /5055/ on 12/11/2008 including the one-stop-shop operation mechanism.
- Opening of the one-stop-shop service, which serves all investors, and represents government ministries and entities, interested in investment, through empowered staff, that may complete all procedures, offering all required licenses.
- Releasing the first investment map in Syria, which prepare the information, statements and legislations that are of interest to investors, specifying a number of available investment opportunities.
- Acceptance of all applications submitted to the Agency for inclusion of projects, and canceling the lists of projects that don't deserve the privileges and exemptions of Investment decree 8.
- Law for inclusion of projects and amendments was issued directly from the one-stop-shop, without the need to submit them to government ministries or SIA's Board.

- Preparation of promotion plan for the year 2009, and allocating required expenditure for it.
- Accomplishment of the Internal Regulation and Structural Diagram of SIA.
- Issuance of Staff Regulation of SIA.
- Empowerment of industrial zones in (Adra, Hyssya, Sheikh Najjar, and Deir Ezzour) to issue all inclusion decisions and amendments, and follow up of procedures.
- Issuance of HE Premier's Circular to indulge SIA in all activities, held by the ministries and other authorities in the field of investment.
- Issuance of HE Premier's Circular to consider SIA the competent authority for organizing meetings and symposiums for investments, and marketing, except Tourist.
- Issuance of the annual investment report for the year 2007.
- Publication of annual investment report of 2008 .
- Issuance of a circular by vice foreign affairs minister , which states authorization of one diplomat in Syrian embassies abroad to follow - up investment affairs .

Third :The most important activities of the Syrian Investment in 2009 :

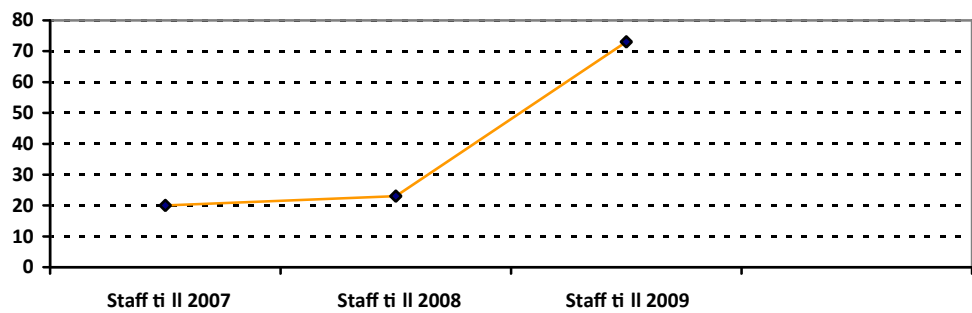
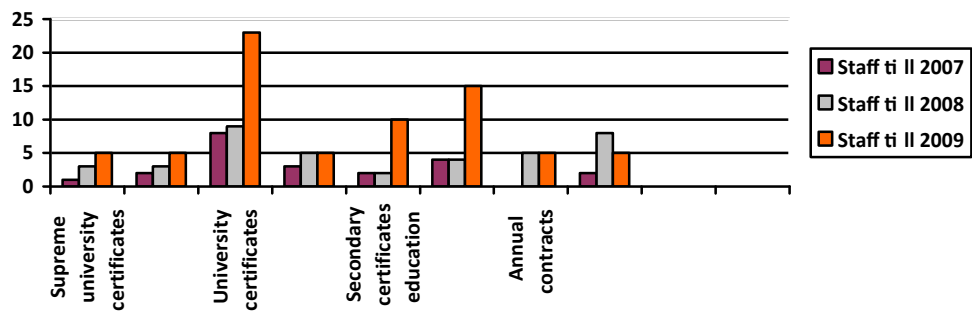
1- On human resources and training level:

- **Staff :**

The decree of SIA's staff was issued , and it included 100 posts of various titles . Also , a resolution of establishing the interior and financial system of the cooperation fund for the staff , as well as a resolution of granting incentives . The agency finalized filling the posts and increasing staff number as in 2007 the number was /20/ in 2008 it was 23 and at the end of 2009 it became 73 .

Table(17): Changes occurred on human resources in Syrian Investment Agency

Education level	Staff till 2007	Staff till 2008	Staff till 2009
Supreme university certificates	1	3	5
Engineering sciences	2	3	5
University certificates	8	9	23
Intermediate institutes	3	5	5
Secondary certificates education	2	2	10
Basic education and above	4	4	15
Annual contracts		5	5
Secondment	2	8	5
Total	20	23	73
Ministries representatives			34



- **Training courses :**

The agency put methodology to develop and build capacities by organizing interior and exterior training courses in different fields .

Number of internal courses one for 104 trainees

Table (18): Internal and abroad courses

Abroad		Local					
Abroad		Administrative and specialized		Technical		Language	
Number of courses	Number of trainees	Number of courses	Number of trainees	Number of courses	Number of trainees	Number of courses	Number of trainees
3	8	7	66	2	11	2	43

The abovementioned courses are within the framework of implementing the goals of the project " Enhancing Investment Environment " to support staff's skills , mainly linguistic capacities to facilitate dealing with foreign investors .

2- Institutional activities :

- **Investment magazine :**

Investment agency began to issue a quarterly magazine as per the approval of his Excellency the Prime Minister , the magazine contains economic and investment articles , for promotion purposes . Three issues were published during 2009 .

- **Enhancing Investment Environment project :**

This project is implemented in cooperation between Syrian Investment Agency , state planning commission and UNDP .It aims at :

- 1- Enforcing legal and legislative framework to support private investments .
- 2- Institutional capacity building of the SIA .
- 3- Capacity building for the state of SIA .
- 4- Supporting infrastructure .
- 5- Technical support to simplify procedures .
- 6- Technical support by providing modern , developed information technology systems certain procedures were taken to implement ITC work mechanism :
 - 1- New data base .
 - 2- Linking statistical reports related to investment project of information administration system and the annual statistical report
 - 3- Electronic archiving for all files .
 - 4- Technical support for the state in the field of computer network and main applied software's .
 - 5- Building an electronic library which contains international and local reports and documents in fields of economy , promotion , law

and statistics , in addition to documents of the Tenth Five years plan .

3- On Following – up level :

As per the interior system of May 2009 , the following – up directorate was established and it performed the following measures :

- 1- Receiving studying and treating all investors complaints .
- 2- Continuous follow – up of correspondences .
- 3- Mediation in favor of investors of different public entities to speed granting licensed and approvals for their projects .
- 4- Receiving investors and providing them with consultations .
- 5- Removing many obstacles which may face certain project s in cooperation with many related ministers .
- 6- Performing field tours to investment projects .
- 7- Following – up health projects by field tours to medicines plants and private hospitals in Damascus countryside , Damascus and Al Sweida .
- 8- Preparation of memos about projects facing problems to be presented to the B.O.D .

4- One – stop – shop :

It performed the following measures during 2009 .

- 1- Establishing customs office , the director of this office has the authorities to grant customs exemption on imports of projects established as per investment laws , such as machines , installations , equipments and non – tourist services transport means 279 exemptions were granted in 2007 .
- 2- 252 projects were licensed .
- 3- 837 extention and amendment resolutions were granted
- 4- Granting 2791 import licenses . In addition to 938 correction , cancellation processes for projects .
- 5- 59 resolution issued by the industry sector at the one-stop-shop .
- 6- Establishing Immigration and passports office to grant entry visas and residences to non – Syrian workers and investors .

5- Investment Promotion :

Syrian Investment Agency put its promotion plan for 2009 by profiting from promotion programmes , and tools of each ANIMA , MIGA, OECD , Arab Institute for Planning in Kuwait and ICIEC promotion activities in 2009 are listed in the following table :

Table(19):Promotional activities of SIA in 2009:			
No	Activity	Organizer	Place
1	Fourth Investment Forum in Cairo	Ministry of Investment	Cairo
2	First International Finance and Development conference		Aleppo
3	Seminar about Investment	Aleppo chamber of	Aleppo

		Industry	
4	Fourth Investment and Securities Exchange market conference	Agency	Damascus
5	Round table about investment and obstacles	Agency	Damascus
6	Motex Fair	Fair Ground	Damascus
7	Mediterranean Investment Forum		Beirut
8	International Investment Forum		Japan
9	Publishing " Made in Syria " Catalogue		Aleppo
10	First Arab Tourism Investment Forum	Agency	Damascus
11	Chinese – Syrian Seminar	China	Damascus
12	First Gulf Investment Forum	Agency	Damascus
13	Arab Investment Forum	Agency	London
14	Investment In Free Zones Forum		Japan
15	Investment and Real-Estate Fair		Aleppo
16	Islamic Banks and Financial Institutions in Syria , Fourth conference	Agency	Damascus
17	First Middle East Data centers strategic conference		Abu Dhabi
18	Investment in Arab Countries First Forum		Beirut
19	Financial and Economic Forum in the Mediterranean	Milan – Chamber of Commerce	Italy
20	Private Economic Zones Forum		Al Sharjah
21	Tourism and Real – Estate Investment in Syria (Third Forum)		Damascus
22	Export , Investment and Financing Arab second conference		Cairo
23	Damascus Investment Fair		Damascus
24	Indian Economic Forum	Damascus Chamber of commerce	Damascus
25	First international Forum and Fair for Financial , Business , Insurance and Banking and development services	Company	Damascus
26	A seminar about Arbitration and its Risks in Enhancing investment Environment and	Agency and ICIEC	Damascus

	Establishing a national Arbitration center		
27	A Seminar about investment in Syria reality and prospects	Syrian colony and Syrian – Kuwaiti Businessmen council	Kuwait
28	Japanese – Arab Economic Forum	Ministry of Economy, Industry and Foreign Affairs in Japan	

In cooperation with Syrian embassies abroad , new investment legislations and compact CDs , were all distributed . Also so the Agency prepared the first edition of the " Investors Guide " which shall be published in Arabic and English languages .

6- Investment map :

SIA and in cooperation UNDP programme , set the website at the agency which contains all information required investors and a linkage of investment map , information about investment in Syria , statistics and studies as a promotional step and a unique gate for investment .

Syrian Investment Map was launched on 31.12.2008 on the electronic website : **www.syriainvestmentmap.org**

In addition to the site of Syria within the Arab Investment Map which contains about 4000 investment opportunity classified according to sector and it includes 15 Arab states , and about 20 Arab investment promotion agencies , on the website : **www.arabinvestmentmap.com**

Which includes also investment agreements , economic news and investment laws .

The agency is enforcing , always , joint cooperation with its counterparts on Arabic and international levels .

SIA is participating now in setting the investment map for industrial zones , in Syria to support investment resolution of industrial zones from the point of view of priority , financing , execution stages and ways , administration of industrial zones and its future vision .

Investment in Syria as per law Nr.10 of 1991 and legislative Decree Nr.8 of 2007

The government is still working raising economic growth rate throughout development legislative , and international infrastructure , to attract local , Arab and foreign capitals to invest in Syria .

One of the most important legislations was law /8/ of 2007 , due to the privileges granted to investors . In this chapter we shall study licensed and implemented projects as per provisions of this law till 2009 , in addition to some other laws

- **Legislative projects :**

In 2009 the B.O.D of SIA and in its 11th session , approved licensing 279 project in many economic fields at an approximate value of 247 milliard Syrian Pounds i.e 14.8% of the total value of investment costs for projects from 1991 which amounted 1670,8 milliard Syrian Pounds . It is expected that those approved projects shall create about 22835 job opportunities in 2009 . Industrial sector had the great portion in licensed projects during last year , their number was 130 projects , and transport projects were 101 , agricultures projects were 40 in addition to two projects in other activities . It is worth mentioning that in the last third of the value of machines equipments and non – services transport means of licensed projects are calculated invested of calculation of the value of approximate investment value :

Table (20) Investment projects as per law 10 of 1991 and legislative decree (8) of 2007 as per years , economic activity , investment costs volume and job opportunities during 1991-2009

Years	Number of licenses projects as per economic activities				Total	Investment cost Milliard S.P	Job opportunities
	Industry	Agriculture	Transport	Others			
1995-1991	219	7	234	4	464	64.9	32320
2000-1996	159	3	174	5	341	55.4	16148
2001	109	6	203	1	319	25.8	9208
2002	81	4	273	1	359	42.8	10906
2003	79	14	101	2	196	24	7946
2004	105	10	129	1	245	82.8	14969

2005	106	16	82	8	212	165.7	27062
2006	181	34	276	6	497	369.1	31899
2007	111	20	50	3	184	144.9	13841
2008	115	29	58	3	205	448.4	19223
2009	130	40	101	8	279	247	22835
Total	1395	183	1681	42	3301	1670.8	206357
RATE 2009 %	9.3	21.9	6	19	8.5	14.8	11.1

Source: SIA data base

Figure (7) : Development of number of licensed projects as per law (10) of 1991 and decree (8) of 2007 as per years and sector

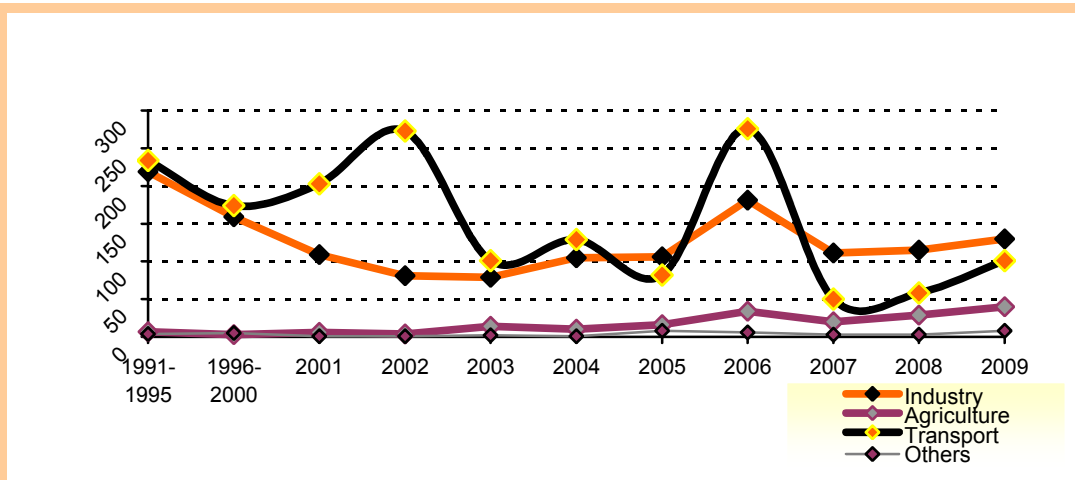


Figure (8) : Investment cost distribution in projects licensed as per provisions of investment law as per years (milliard S.P)

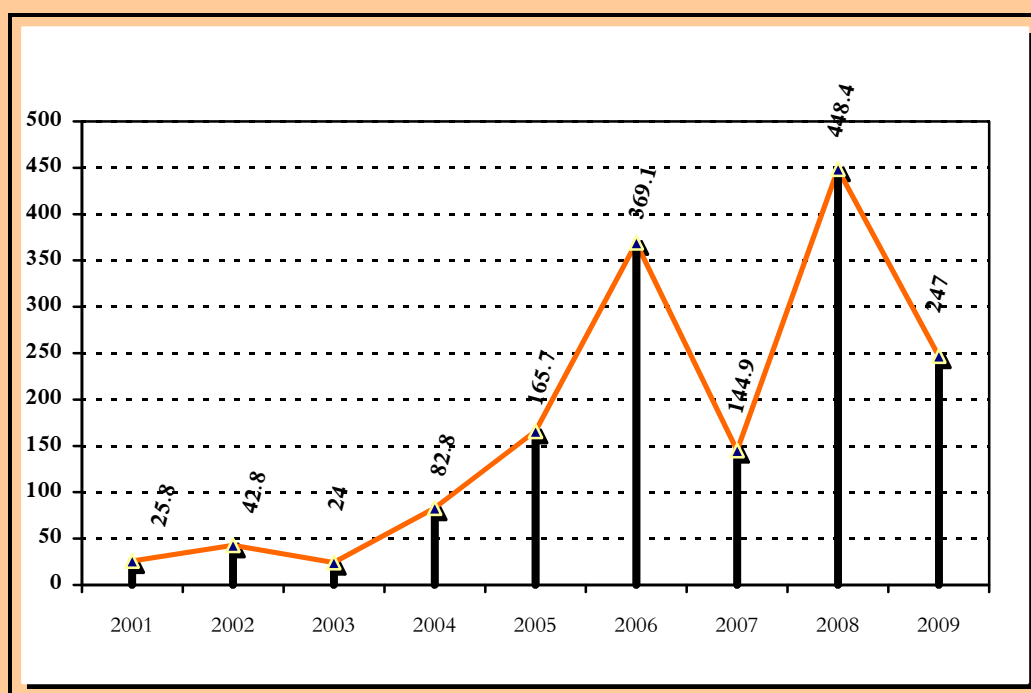
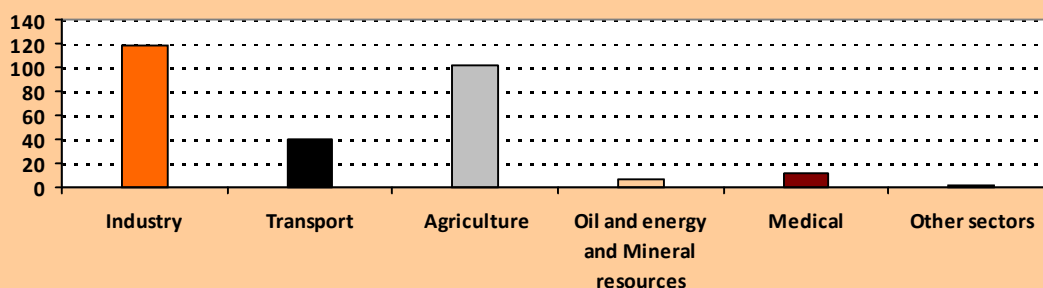


Table (21) : Investment projects licensed as per investment law as per economic activities cost volume and value of machines , equipments and service transport means and job opportunities during 2009

Sector	Projects		Investment cost (milliard S.P)		Number of workers %
	Number	%	Cost	Number	
Industry	119	42,7	48.3	41.6	9741
Agriculture	40	14,3	2.3	1.8	1405
Transport	101	36,2	7	3.6	4982
Oil and energy and Mineral resources	6	2.1	122.4	0	2537
Medical	11	3.9	9.6	0.6	1142
Other sectors	2	0.8	5	0	457
Total	279	%100	194.6	47.6	202664
Total	247				
	10% was added to the value of machines and equipments , and services transport means then added to investment costs				

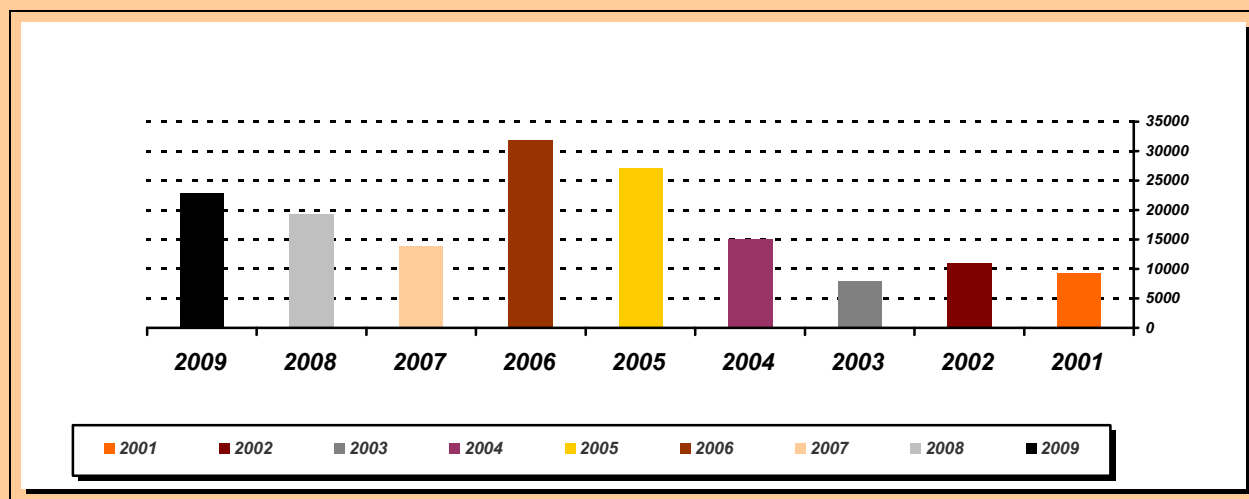
Resource : SIA data base

Figure (9):Number of projects licensed as per law 8 of 2007 as per sector in 2009.



The following chart shows distribution of job opportunities , provided by investment projects during 2001-2009 . Improvement is noticed in 2009 , there were 22835 against 19223 in 2008

Figure (10) : Distribution of job opportunities for years 2001-2009



- **Implemented and under execution projects :**

Syrian Investment Agency follows – up execution of licensed projects , its indicators show that licensed projects within the period 1991-2009 , (3301 projects) including projects of industrial cities , achieved an execution percentage of 68.4% and in 2009 it was 28% for 279 licensed project as clarified in the following table :

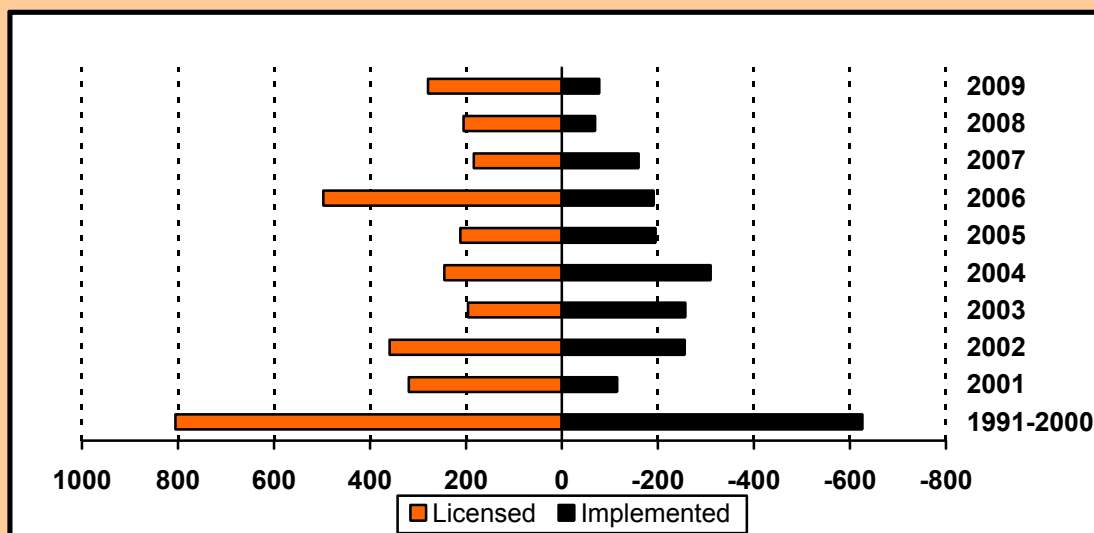
Table (22) : Implemented and under implementation projects as per investment law Nr(10) of 1991 and decree (8) of 2007 including industrial zones as per project type (1991-2009)

Years	Number of licensed projects	Implemented or under implementation projects				Total Number	Implementation Rate%
		Industry	Transport	Agriculture	Others		
2000–1991	805	256	360	6	4	626	77.8
2001	319	52	61	0	2	115	36.1
2002	359	72	181	1	2	256	71.3
2003	196	75	178	4	0	257	131.1

2004	245	91	211	8	0	310	126.5
2005	212	79	11	5	0	195	92
2006	497	104	75	11	1	191	38.4
2007	184	85	56	19	0	160	87
2008	205	41	27	1	0	69	33.7
2009	279	49	13	14	1	78	28
Total	3301	904	1173	69	10	2257	68.4

Source : SIA data base

Figure (11) Rate of implemented projects to licensed projects as per years



The following table shows executed and under execution projects in 2009, in details, projects under execution, and which have industrial and agricultural licenses. In addition to executed transport projects are all 58 projects, including those of industrial cities, at approximate investment cost of 39.7 milliards S.P

But executed projects in the same year, and which took partial or final register are 20 projects, and their value of machines were 100.1 milliard S.P

Table (23) : Number of implemented or under implementation projects costs and job opportunities as per investment law , including industrial zones as per volume of investment cost during 1991-2009 (milliard S.P)

Under implementation (Industrial license – Agriculture license) + Implemented Transport				Implemented partial register – Final register		
Implementation date	Number of under implemented	Approximate investment cost	Job opportunities	Number of implemented projects	Value of actually machines	Job opportunities
2000–1991	373	38.35	18945	253	19.37	19242
2001	68	3.77	1717	47	2.6	2163
2002	192	4.5	2851	64	3	3924
2003	196	6.56	3012	61	3.4	3803
2004	248	25.9	8042	62	5.9	4468
2005	145	22.4	4588	50	4.2	3345
2006	137	27.3	6278	54	3.93	3785
2007	126	68.59	68.7	34	3.5	2926
2008	45	18.5	2796	24	7.7	4569
2009	58	39.7	4080	20	100.1	1291
Total	1588	255.57	52377.7	669	154	49516

Source : SIA data base

Table (24) : Investment cost for implemented projects as per provisions of investment law including industrial zones as per volume of investment costs for 2009 (milliard S.P)

Activity	Agriculture projects	Industrial projects	Transport projects	Total
Investment costs	14984	100125	523	115632

- **Cancelled projects :**

According to the executive instruction of Nr.10 of 1991 license resolution shall be cancelled if the project owner does not within a year of having been notified of approval , start serious procedures to execute his project , unless he presents his justifications to the Investment Supreme Council to extend execution period and the council agrees upon that . So resolutions are cancelled and not projects as some people think . As a result of following – up projects , reasons on non – execution and consequently cancellation are specified as follows :

- 1- It is very easy to get approval resolution for any project and also its cancellation does not impose on investor any financial or procedural commitments .
- 2- Unability of financing the project by investor and failure in getting credits from banks for many reasons, the most important of which is inability of submitting guarantees required by licensed banks .
- 3- Insufficient fees : ability studies
- 4- Disputes among partners on different issues .
- 5- Some investors get investment licensing resolutions for trading looking for partners , SIA controlled such procedures in legal ways .
- 6- Insufficient study of projects location .

First : Industrial sector :

a- Licensed industrial projects :

Industry is the backbone of Syrian economy , as it contributes at 25% of the GDP . And the governorate is doing efforts towards reorganizing industrial cities , setting reformation legislations and opening the door for the private sector to invest in certain industries which were in the past restricted to the public sector such as sugar and cement industry . The current industries policy aims at enforcing heavy industries , like engineering and chemical industries which are growing rapidly . In a quick reading of industrial projects indicators , we notice an increase in number of licensed projects , in 2009 it achieved 9.4% of the total number of licensed industrial projects within 1991-2009 , 130 industrial projects were licensed at an investment cost of 104.4 milliard S.P compared to 115 one in 2008 . As clarified in the following table :

Table (25) : Industrial projects licensed as per provisions of investment law according to years and volume of investment costs and job opportunities during 1991-2009

Years	Number of projects	Investment cots(milliard S.P)	Job opportunities (workers)
2000-1991	378	92	27799
2001	109	20.3	6102
2002	81	35.9	7438
2003	79	19.1	6064
2004	105	75	11549
2005	106	80	12392
2006	181	231.3	21030
2007	111	48.4	10471
2008	115	118.3	12331
2009	130	104.4	13454
Total	1395	824.7	128630

Source : SIA data base

If we look at the distribution of industrial projects according to industrial cities , we notice that engineering projects enjoy the biggest portion . 51 project in 20009 . The total of those projects was 443 one . i.e 31.8% of the total of industrial projects licensed in industrial cities .

Foodstuffs projects were 390 one i.e 27.9% of the total , chemical industries projects were 32 one in 2009 of 287 (the total) , percentage of foodstuffs industries projects was 20.5% of the total within 1991-2009 .

8 textile projects only in 2009 according to the following table:

Table (26) : Showing development of distribution of licensed industrial projects as per activity during 1991-200

Industrial activity according years	Engineering	Foot stuffs	Chemical	Textile	Total
1995-1991	61	73	55	30	219
2000-1996	47	46	28	38	159
2001	44	12	18	35	109
2002	27	13	18	23	81
2003	31	16	15	17	79
2004	35	16	14	40	105
2005	27	28	20	31	106
2006	54	56	41	30	181
2007	19	53	25	14	111
2008	47	38	21	9	115
2009	51	39	32	8	130
Total	443	390	287	275	1395
Proportional distribution %	31,8	27,9	20,5	19,7	%100

Source : SIA data base

b- Industrial Executed projects :

Indicators show an increase in the rate of executed and under execution industrial projects in 2009 (51 project of 130 project licensed in this year , including projects of industrial cities i.e 39.2%

Thus (944) project within the period 1991-2009 , achieved an execution percentage of 67.6% of the total number of licensed projects of that period .

Table (27) : Following – up of implemented and under implementation industrial projects including industrial zones during 1991-2009

Years	Number of licensed projects	Implemented and under Implementation			Total	Implementation rate %
		Industrial license	Partial register	Final register		
2000–1991	378	12	39	214	265	70.1
2001	109	7	18	29	54	49.5
2002	81	11	15	49	75	92.5
2003	79	14	20	41	75	95
2004	105	33	22	40	94	89.5
2005	106	34	20	30	84	79.2
2006	181	60	36	18	114	63
2007	111	57	24	10	88	79.2
2008	115	16	14	10	40	34.7
2009	130	31	13	7	51	39.2
Total	1395	275	221	448	944	67.6

Table(28):Implemented industrial implemented enterprises as per law 21 of 1958.2005-2009 (million S.P)

Activity	Item	2005	2006	2007	2008	2009
Engineering Industries	Number of projects	140	117	172	139	160
	Capital	951	3192	3735	12168	3375.868
	Number of workers	792	1455	1838	1285	1672
Chemical Industries	Number of projects	247	246	166	174	201
	Capital	2496	5235	6053.9	3318.5	6113.512
	Number of workers	1604	2504	1974	1632	2063
Foodstuff Industries	Number of projects	380	333	278	317	266
	Capital	2838	3415	2923.4	3871.7	7533.203
	Number of workers	1724	1983	1929	1786	1422
Textile Industries	Number of projects	227	240	134	156	130
	Capital	1259	4331	917.8	1188.8	1628.895
	Number of workers	1773	1857	1396	1225	1331
Total	Number of projects	994	936	750	786	757
	Capital	7544	16173	13630.8	20574	18651.478
	Number of workers	5893	7799	7137	5988	6488

Source :Statements of Ministry of Industry 2008

Table (29) : Implemented handcrafted enterprises for2009

Industrial activity	Number of enterprises	Capital (million S.P)	Number of workers
Engineering	398	285.022	842
Chemical	47	42.057	131
Foodstuffs	183	204.826	481
Textile	70	46.093	284
Total	698	577.998	1738

Source :Statements of Ministry of Industry 2008

Second : Industrial Cities :

Industrial cities were established in Syria to encourage local , Arab and foreign investment , and became of the arbitrary plants in agricultural lands , and in order to decrease pollution .

Industrial cities do provide job opportunities , adequate infrastructure , and an ideal climate for industrial investments.

Advantages of investing in industrial cities :

- Providing well - equipped lands .
- Selling lands to investors via mutual consent contracts, in real prices without projects to be settled in installments for 3 years .
- Residences for workers .
- Low costs of electricity stations compared to costs out side industrial cities .
- Money , time and efforts saving in administrative procedures.
- Providing integration among industries, and crafts being gathered in one place
- Low tax rates for enterprises and plants .

Table(30):Development of investment indicators in industrial cities

Indicator	Unit	Sheikh Najjar	Adraa	Hyssiah	Total
No. of factories	Factory	1321	1477	350	3148
Volume of total investment	Billion S.p	72	93	30	195
No. of workers in building and operation of factories	workers	26000	24060	11529	61589
Subsidies for infrastructure	Billion S.p	2.167	1.750	1.490	5.407
Actual accumulated expenditure for infrastructure	Billion S.p	7.438	5.834	2.745	16.017
Net accumulated investment resource	Billion S.p	5.780	5.818	1.556	13.154
Total value of fees and duties of engineers syndicate	Billion S.p	1.575	1.139	0.159	2.873

A. Hyssiah industrial in Homs governorate :

Hyssia industrial city lies on Homs – Damascus international road , it is 25 Kilometers , on an area of 2500 hectares , population capacity 7000 capita In 2009 , 10 projects were licensed out of 83 licensed projects within the period 2004-2009 , achieving an execution rate of 46.98%

Table(31): Implementation of investment projects in Hyssiah industrial cities in 2004-2009

Years	Licensed projects	Implemented and implementation projects				Parentage %	Implemented investment cost	Job opportunities
		Industrial licensed	Partial register	Final register	Total implemented			
2004	11	6	4	0	10	% 91	16840	2630
2005	10	6	0	4	10	% 100	2104	303
2006	33	7	0	1	8	% 24.2	25214	2902
2007	11	5	0	0	5	% 45.5	1852	449
2008	8	8	3	2	5	%62.05	1620	211
2009	10	9	1	0	1	%10	50	327
Total	83	41	8	7	39	%46.98	47680	6822

Source : Ministry of local Administration (Industrial cities 2008)

Table (32) Distribution of Industrial Licensed projects as per provisions of Investment law in Hyssiah Industrial city as per 2004-2009

Years	Foodstuffs	Textile industries	Engineering industries	Chemical industries	others	Total
2004	4	1	3	3	0	11
2005	0	1	0	4	5	10
2006	8	1	8	15	1	33

Table (33) : Implemented Industrial Enterprises in Hyssiah Industrial City as per law (21 of 2004 – 2009) (million S.P)

Activity	Item	2004	2005	2006	2007	2008	2009	Total
Engineering Industries	Number of Enterprises	4	58	47	26	25	6	168
	Capital	220	3813	2075	772	2532	285	9767
	Number of workers	113	672	836	246	366	88	2334
Chemical Industries	Number of Enterprises	4	30	30	20	11	3	99
	Capital	370	1985	2458	902	595	400	6725

	Number of workers	72	433	468	370	106	100	1557
Foodstuffs Industries	Number of Enterprises	1	36	15	14	9	1	80
	Item	70	1066	1980	859	608	1500	6304
	Number of Enterprises	40	429	311	266	139	35	1267
Textile Industries	Capital	2	6	4	2	3	1	18
	Number of workers	150	145	271	125	300	200	1191
	Number of Enterprises	45	138	105	160	170	15	633
Total	Capital	11	130	96	62	48	11	365
	Number of workers	810	7009	6784	2658	4035	2385	23987
	Number of Enterprises	270	1672	1720	1042	781	238	5791

Source : Ministry of local Administration (Industrial cities 2008)

B. Al Sheikh Najar industrial city in Aleppo :

Al Sheikh Najar industrial city lies in the east northern part of Aleppo , 15 Km far from Aleppo , on an area of 4412 hectares . Licensed projects within the period 2004-2009 were 75 project achieving an execution rate of 42.7%

Table (34) : Implemented of Investment implemented projects as per investment law in Sheikh Najar industrial city 2004-2009

years	Number of licensed projects	Implemented and under implementation projects			Implementation rate	Implemented investment cost (million)	Job opportunities
		Partial register	Final register	Total implemented			
2004	32	15	5	20	%62	4660	1683
2005	20	5	4	9	%45	3710	1547
2006	7	1	-	1	%14	2240	887
2007	8	1	-	1	%12	1780	379
2008	7	1	-	1	%14	1120	517
2009	1	-	-	-	%0	250	86
Total	75	23	9	32	%42.7	14360	5150

Source : Ministry of local Administration (Industrial cities 2008)

Table (35) : Distribution of licensed Industrial projects as per investment law in Sheikh Najar Industrial city as per activity 2004-2009

Years	Foodstuffs Industry	Textile Industry	Engineering Industry	Chemical Industry	Total
2004	2	24	6	-	32
2005	-	14	5	1	20
2006	1	2	1	3	7
2007	1	2	1	4	8
2008	-	4	-	3	7
2009	-	1	-	-	1
Total	4	47	13	11	75

Source : Ministry of local Administration (Industrial cities 2008)

Table (36) : Implemented Industrial enterprises in Sheikh Najar as per law (21 of 1958) 2004-2009 (million S.P)

Years	Number of projects	Number of Implemented industrial registers	Capital	Number of opportunities
2004	0	0	0	0
2005	795	6	11109	4394
2006	280	43	18426	1847
2007	560	56	8558	3558
2008	357	42	13393	5473

2009	225	86	4378	1842
Total	2217	233	55864	17114

Source : Ministry of local Administration and Environment (Industrial cities 2008)

C. Adra Industrial city in Damascus Countryside :

It lies on north – south Baghdad – Damascus road . It is 35 Km far from Damascus , on an area of 7000 hectares . 6 projects were licensed in 2009 , diversified return engineering and chemical industries , at an investment cost of 2263 million S.P , achieving an execution rate of 100%

Table (37) : Licensed Implemented Investment projects as per investment law in Adra Industrial city 2004-2009

years	Number of licensed projects	Implemented and under implementation projects				Implementation rate	Implemented investment cost (million)	Job opportunities
		Industrial Licensed	Partial register	Final register	Total implemented			
2004	2	0	0	2	2	% 100	3105	179
2005	7	0	5	2	7	%100	2382	421
2006	23	0	23	0	23	% 100	16147	2530
2007	4	0	4	0	4	% 100	1803	387
2008	3	3	0	0	0	% 100	6789	585
2009	6	4	2	0	2	% 100	2263	985
Total	45	7	34	4	38	% 100	32489	5087

Source : Ministry of local Administration and Environment (Industrial cities 2008)

Table (38) Distribution of Licensed industrial projects as per investment law in Adra industrial city according to activity 2004-2009

Years	Foodstuffs Industry	Textile Industry	Engineering Industry	Chemical Industry	others	Total
2004	1	0	1	0	0	2
2005	0	3	4	0	0	7
2006	2	0	19	1	1	23
2007	3	0	0	1	0	4
2008	1	0	1	1	0	3
2009	0	0	4	2	0	6
Total	7	3	29	5	1	45

Source : Ministry of local Administration and Environment (Industrial cities 2008)

Table(39) : Following – up industrial Implemented projects as per provisions law (21) of 1958 in Adra Industrial city 2004-2009

years	Number of licensed projects	Implemented and under implementation projects				Implementation rate	Implemented investment cost (million)
		Industrial Licensed	Partial register	Final register	Total implemented		
2004	0	0	0	0	0	0	
2005	146	140	0	6	146	1743	
2006	646	635	4	7	646	5009	
2007	334	319	5	10	334	16066	
2008	22	0	6	16	22	1418	
2009	151	93	27	31	151	24284	
Total	1299	1187	42	70	1299	43770	

Source : Ministry of local Administration and Environment (Industrial cities 2008)

D. Deir Ezzour Industrial city :

This industrial city is the most modern one in Syria , established as per decree 110 of 2007 . It is 15 Km far from Deir Ezzour city , at an area of 2850 hectares with expansion area , 8 projects were established in this industrial city since established . 5 projects were licensed in 2009 .

Table(40) : Showing actual implementation of licensed investment projects as per investment law in Deir Ezzour industrial city 2008-2009

years	Number of licensed projects	Implemented and under implementation projects			Implementation rate	Implemented investment cost (million)	Job opportunities
		Partial register	Final register	Total implemented			
2008	3	0	0	0	0	320	73
2009	5	0	0	0	0	573	172
Total	8	0	0	0	0	893	245

Table(41) : Distribution of Licensed industrial projects as per investment law in Deir Ezzour industrial city according to activity 2008-2009

Years	Foodstuffs Industry	Textile Industry	Engineering Industry	Chemical Industry	Total
2008	3	0	0	0	3
2009	3	0	1	1	5
Total	6	0	1	1	8

Table(42) : Following up of Implemented Industrial project as per law (21) of 1958 in Deir Ezzour industrial city 2008-2009

years	Number of projects	Number of industrial register	Investment costs	Number of job opportunities
2008	0	0	0	0
2009	3	0	127	35
Total	3	0	127	35

E. Total at investment projects in industrial cities :

Data of the ministry of local administration shows that in 2009 , execution percentage of licensed projects in the four industrial cities was (13.6%) for 22 projects at an actual investment cost 3136 million S.P Distributed as follows 8 engineering projects , 7 foodstuffs projects – 6 chemical and one textile projects .

Table(43) : The actual licensed investment projects as per investment law in the four industrial in Deir Ezzour industrial city according to activity 2008-2009

years	Number of licensed projects	Implemented and under implementation projects				Implementation rate	Implemented investment cost (million)	Job opportunities
		Industrial Licensed	Partial register	Final register	Total implemented			
2004	45	6	19	7	32	%71.1	24605	4492
2005	37	6	10	10	26	%70.3	8196	2271
2006	63	7	24	1	32	%50.8	43601	6319
2007	23	5	5	0	10	%43.5	5435	1215
2008	21	11	4	2	6	%28.6	9849	1386
2009	22	13	3	0	3	%13.6	3136	1570
Total	211	48	69	20	109	%51.7	95022	17193

Source : Ministry of Local Administration (Industrial cities 2008)

Table 44 :Implemented industrial projects in the three industrial cities as per activity 2004-2009

Years	Foodstuffs Industry	Textile Industry	Engineering Industry	Chemical Industry	Others	Total
2004	7	25	10	3	0	45
2005	0	18	9	5	5	37
2006	11	3	28	19	2	63
2007	6	2	2	8	5	23
2008	5	5	5	6	0	21
2009	7	1	8	6	0	22
Total	36	54	62	47	12	211

Source : Ministry of local Administration (Industrial cities 2008)

Table (45) : Implemented industrial projects in industrial cities

Years	Number of projects	implemented Investment costs(million)	Number of Job opportunities
2004	11	810	270
2005	1071	19518	7809
2006	1022	25812	8576
2007	956	27282	10114
2008	427	18846	6524
2009	390	31174	5651
Total	3877	123442	28944

Source : Ministry of local Administration and Environment (Industrial cities 2008)

Third : Transport sector :

Due to the relation between adequate transport and other sectors such as tourism and trade , Syrian government is developing transport networks and related facilities to make Syria a main center on international trade passages , transit and multi means transport points , in addition to facilitating tourist services .

Also by giving choices to the private sector to invest in land , air and maritime transport throughout PPP and B.O.T contracts and attraction of FDIs .

Number of transport projects of the three types and which are licensed as per law investments , during 1991-2009 was raised to reach 1681 project 101 one in 2009 .

The total number of executed transport projects was 1365 project , Actually those projects , created about 3692 job opportunity . Their investment cost amounted 57 milliard S.P . Execution rate of transport project was (81.2%) from the view pointed their number .

Table (46) Number of licensed transport projects as per investment laws according to governorates 1991-2009 and the implemented in the same period

governorate	2006-1991			2007			2008			2009			Licensed Implemented		
	Licensed	Implemented	Implementation rate	Licensed	Implemented	Implementation rate	Licensed	Implemented	Implementation rate	Licensed	Implemented	Implementation rate	Licensed	Implemented	Implementation rate
Damascus	222	201	87.4 %	11	0	0	14	0	0	21	0	0	268	201	73.9 %
Damascus countryside	235	194	87.8 %	6	2	28.6 %	10	2	%33.3	13	4	33.3 %	264	202	82.1 %
Aleppo	282	258	92.8 %	11	4	%40	15	7	%63.6	10	2	%25	318	271	88.3 %
Hama	227	216	96.4 %	1	0	0	4	1	%33.3	3	1	33.3 %	235	218	94.4 %
Homs	169	158	94.6 %	3	0	0	1	0	0	14	0	0	187	158	85.9 %
Lattakia	90	78	95.1 %	4	0	0	2	1	%50	13	3	23.1 %	109	82	81.9 %
Tartus	95	86	87.8 %	7	2	28.8 %	7	5	%83.3	10	6	%60	119	99	81.8 %
Idleb	49	46	95.8 %	2	1	%50	0	0	0	1	0	0	52	47	92.2 %
AlRaqqa	16	12	100 %	1	0	0	1	1	%100	6	0	0	24	13	68.4 %

Deir Ezzour	38	27	79.4 %	2	0	0	1	0	0	5	1	%20	46	28	66.7 %
AlHassakeh	21	19	%95	0	0	0	1	0	0	3	0	0	25	19	82.6 %
Dara'a	19	18	94.7 %	1	1	%100	1	0	0	1	0	0	22	19	86.4 %
AlSweida	5	3	%75	1	0	0	1	0	0	1	0	0	8	3	%50
AlQuneitra	4	5	100 %	0	0	0	0	0	0	0	0	0	4	5	%100
Total	147	132	%91	50	10	%20	58	17	%40.5	101	17	17.7 %	168	136	83.7 %

Source : Implemented projects , statements of Ministry of Transport (Licensed by SIA)

Figure(12) Licensed and Implemented

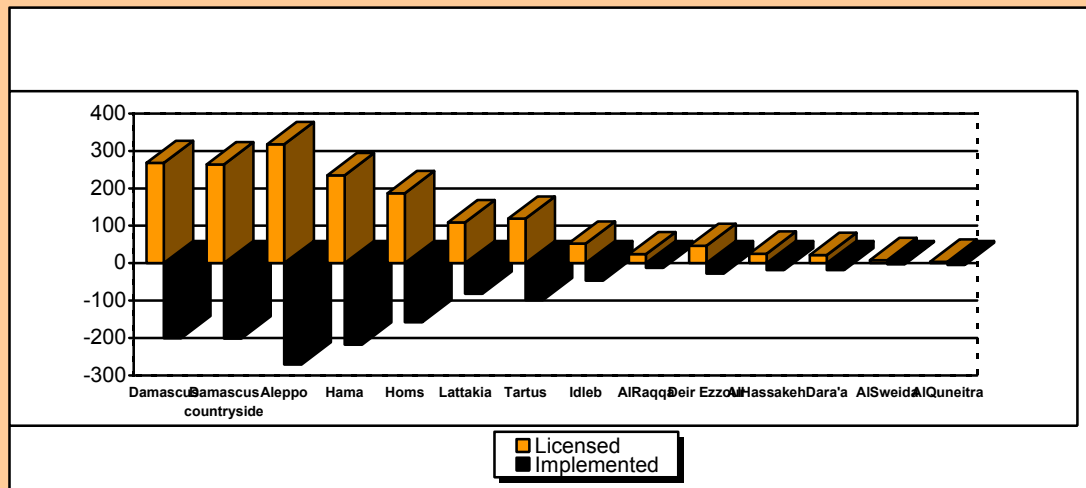


Table (47) : Transport projects licensed and implemented as per investment law according to years and volume of investment costs and job opportunities 1991-2009

Years	Investment costs for the licensed (million)	Investment costs for Implemented projects (million S.P)	Implementation Rate	Implemented job opportunities	Years	Investment costs for the licensed (million)	Investment costs for Implemented projects (million S.P)
-1991 2000	407	404	29.9	25280020	25202820	44.1	187273
2001	173	173	12.7	3909300	3909300	6.8	2480
2002	290	290	21.2	5457790	5457790	9.6	3366
2003	102	102	7.5	2103900	2103900	3.7	1163
2004	120	116	8.5	4137770	4026270	7	2142
2005	83	80	5.9	10504700	4125700	7.2	2108
2006	267	156	11.4	20105700	8118600	14.2	3312
2007	50	10	0.7	5628850	1157850	2	866
2008	42	17	1.2	9224200	1606400	2.8	917
2009	96	17	1.2	10329500	1432800	2.5	811
Total	1630	1365	100	96681730	57141430	100	36292

Fourth : Real – Estate sector :

Real – estate witnessed a tangible development during last few years , to face recession in performance in the last quarter of 2008 and the beginning of 2009 , due to world economic and financial crisis , on prospects of sustainability of financing real – estates and properties projects (expected and existing) , in spite of that no existing real – estate project was cancelled .

Properties market in Syria , witnesses big joint ventures between Syrian and non – Syrian investors mainly from Arab states . World financial crisis affected channels of financing real – estates projects . Arab regional resources refer to that the slow down in properties market movement shall lead to the decrease of prices . Syria was recorded in the 8 rank internationally from the view point of expensive real – estates in 2009 .

But according to some international resources , properties prices in Syria decreased in Syria at 20% in the second half of 2008 . It is expected that decrease in prices shall continue at 10% during 2009 . Reference should be made to the law Nr.15 of 2008 , regarding Real – Estates Investment Development , which is the main reference of real – estates investors to invest in Syria .

The following table states real – estates complexes projects licensed as per investment law Nr.10 of 1991 . They are three projects in Damascus countryside . It is worth mentioning that investment in real – estates has a private law and legislative decree Nr.8 of 2007 provisions are not applied on real – estates investments .

Table (48) : Real – Estate complexes projects licensed by investment law (10) of 1991 and its amendments

Investors	Governorate	Investment costs (Million S.P)	
		Local Currency	Foreign Currency
International Trade Center	Damascus countryside	277.3	6232
Eight Gate Projects	Damascus countryside	26440	3161
Finance and Business	Damascus countryside	585	16300
Total			25693

Source : SIA's data base

Fifth : Agriculture sector :

Agriculture sector is one of the most important sectors in Syrian economy due to its great share in the GDP which is about 22% . This sector witnessed a weakness during last two years , because of draught . Also market liberalization from restrictions had its adverse impact on farmers and producers , as prices of fertilizers increased together with doubling of energy prices and the shrinkage in world economy which led to the increase of production cost and to weakening of its competitiveness . But the government set long – term projects to encourage investment in rural regions , it provided non direct support to this sector . And for this purpose a fund for agriculture support has been found in 2008 .

Number of agricultural projects licensed in 2009 , there was 40 projects , 14 one of them were executed . And out of 183 licensed projects 69 one were executed as per investment laws during the period from 1991 to 2009 . Investment cost of executed projects in the same period was 10607.7 million S.P for the year 2009 providing 3048 job opportunities 352 one in 2009 .

Table (49) Licensed and implemented agricultural projects as per investment law according to years , investment costs and job opportunities 1991-2009

Years	Number of agriculture projects			Investment cost (million S.P)			Job opportunities	
	Licensed	Implemented	%	Licensed	Implemented	%	Licensed	Implemented
-1991 2000	10	6	60	1007.3	418.8	41.6	466	218
2001	6	0	0	1008	0	0	374	0
2002	4	1	25	263.6	85.9	32.6	143	56
2003	14	4	28.6	2523.2	319.1	12.6	564	129
2004	10	8	80	3114.1	805.7	25.9	486	327
2005	16	5	31.3	3180.1	1066.9	33.5	1119	310
2006	34	11	32.4	7196.4	1452.6	20.2	1668	595
2007	20	19	95	2588.3	4993.2	193	728	981
2008	29	1	3.4	5919	268.5	4.5	1593	80
2009	40	15	35	4308.2	1498.4	59.8	1405	413
Total	183	70	37.7	31108.2	10802.1	30.6	8546	3109
Rate%	%21.9	%20.3			12.9		16.4	13.3

Table (50) : Agriculture Investment projects Distribution during 2009 according to Activities (Thousand S.P)

Activity Type	Number of projects	Job opportunities	Assets Value	With Initial License
Animals Breeding	25	630	1440744	17
Animals Breeding and Food production	7	321	441934	2
Foodstuffs industries	3	124	104461	1
Agriculture production equipment	1	20	26750	0
Vegetal production	5	98	205070	3
Animal and Vegetal production	6	577	1937835	3
Total	47	1770	4156794	26

Source : Agriculture Ministry

Table (51) : Agriculture Investment projects Distribution during 2009 according to governorates (Thousand S.P)

Governorate	Number of projects	Job opportunities	Assets Value	With Initial License
Tartus	1	31	58853	0
AlHassakeh	1	30	30000	0
AlRaqqqa	3	510	1783613	1
AlSweida	9	164	272160	5

AlQuneitra	2	122	456400	2
Lattakia	1	25	85000	1
Idleb	1	20	60700	1
Aleppo	1	28	60700	1
Hama	3	61	178350	1
Homs	1	21	50850	1
Dara'a	11	340	411053	8
Deir Ezzour	8	179	370249	3
Damascus countryside	5	239	371726	2
Total	47	1770	4156794	26

Source : Agriculture Ministry

Sixth : Health sector :

Growth of health sector indicators in any country is a clear evidence of high development rates in this country . As it is related to human real fortune of any country mainly as it can be integrated into different sectors such as , health sector became attractive to investments , in Syria , because of the availability of required infrastructure , qualified and experienced human ask for in this field .

The following table states an increase in number of specialized hospitals , licensed as per provisions of investment laws , in 2009 . Five hospitals out of 31 hospitals licensed during the period 2002-2009 at an approximate investment east of 038.140 million S.P of 2009 . It is expected that those projects shall provide 380 job opportunity .

Table (52) : Specialized Licensed hospitals as per investment law according to years and Volume of Investment costs and number of job opportunities 2001-2009 (millionS.P)

Years	Number of hospitals	Investment costs	Job opportunities
2002	2	625.4	148
2003	1	265	115
2004	3	3632.217	708
2005	5	3321.275	914
2006	11	18402.078	2659
2007	2	8420.352	2874
2008	2	1377.992	414
2009	5	3538,140	380
Total	31	39582,454	8212

Source : SIA's data base

In the field of pharmaceutical industries , number of projects was 31 licensed projects during the period 1991-2009 at an investment cost of 15.58 milliard S.P whereas medial instruments projects licensed in the same period were 17 project at an investment cost of 8.33 milliards S.P . As per the following table :

Table (53) Number of Licensed Investment projects according to economic activity and volume of investment cost and number of workers

Activity	Number of projects	Investment costs (milliard S.P)	Job opportunities
Medicines	31	15.58	3065
Medical tools	17	8.33	1683
Total	48	23.91	4748

Source : SIA's data base

Seventh : Oil , Mineral Resources and Energy sector :

Economic and political openness of Syria in front of the west has its vital role in orienting foreign investments towards natural gas and oil in the field of refining , production and production of petroleum derivatives , There are two oil refineries working in Syria with a total capacity of 240 thousand barrel per day . Syria is making efforts to develop those refineries , and contracting to establish new ones to produce more oil derivatives mainly , light products as per European need's of different energy resources . Also , it is worth mentioning that Syria is doing efforts to transfer its consumption of energy resources from oil to natural gas , profiting from its geographic location as a main passage , for transit transport of Iranian , Egyptian and Iranian gas , Reserve volume of gas in Syria is estimated at 8.5 trillion square feet . Most of the production is consumed locally , in addition to importing about 5 milliards square feet . Syria is trying to construct pipe lines to transport natural gas with many countries . And against the decline in oil production volume , it is expected that demand upon oil derivatives shall increase at about 4-5% annually , because Syria became a net importer of oil derivatives . On the other hand , we notice an increase in number of licensed projects which aims at producing Portland , 21 projects within the period 1991-2009 at an investment cost of 194155,1 million S.P . And electricity generation stations (normal and renewable) , there were in the second position 7 projects for the same period at a cost of 562162.3 million S.P , then oil services 5 projects , electric power installations , 4 projects in oil energy and mineral resources as per provisions of investment law Nr.10 of 1991 and decree /8/ of 2007 within the period 1991-2009 were (43) project at a cost of 996090.6 million S.P , providing 15602 job opportunity .

Table (54) : Oil and mineral resources and energy sectors licensed as per investment according to volume of investment costs value of imported machines and job opportunities 1991-2009

Activity	Number of projects	Costs (million S.P)	Foreign currency	Machines value	Job opportunities
Part land cement production	21	194155.1	151223.6	126116.4	9232
Oil refineries	2	88204.6	66114	4296.6	2400
Oil services	5	148401	1395.7	119302	198
Electricity generation stations (normal and renewable)	2	1430	1389.2	1274.9	251
Electricity power equipments (normal and renewable)	7	562162.3	556171.7	461173.7	3070
Electricity power project consultations	4	1687.6	1502.9	442	419
	2	50	8	0	32
Total	43	996090.6	777805.1	712605.6	15602

Source : SIA's data base

Eighth: Distribution of Investment projects according to governorates :

Within the framework of balanced and comprehensive development , investment projects began orienting towards less developed regions and providing certain investment facilities and incentives to those areas .

Throughout the following table we notice concentration of investment projects between 1991-2009 in Damascus countryside 759 i.e 23% of the total projects in Syria . In the same period licensed projects in Aleppo were 666 one i.e 20.2% . In Homs 10.9% Hama 10.3% , Damascus 9% , Al Hassakeh , Al Sweida and Al Quneitra projects were less , as in Al Hassakeh there were 63 , in Al Sweida 53 , and in Al Quneitra 10 projects at 0.3% out of the total number of projects 3301 project for the period 1991-2009

Table (55) Distribution of licensed investment projects as per investment law according to governorates 1991-2009

Count down classification of governorates according to governorate – No of projects – Rate of number of project

Governorate	Number of projects	Rate of number of projects
Damascus countryside	759	23
Aleppo	666	20.2
Homs	360	10.9
Hama	339	10.3
Lattakia	298	9
Tartus	166	5
Deir Ezzour	163	4.9
Dara'a	121	3.7
Idleb	106	3.2
AlRaqqa	104	3.2
AlHassakeh	90	2.7
AlSweidah	63	1.9
AlQuneitra	53	1.6
To be renewed	10	0.3
Total	3	0.1
Lattakia	3301	100

Source : SIA's data base

Ninth :Distributed of licensed Investment projects as per legal form:

Table(51) : Licensed projects as per legal form 1991-2009

Legal form	Number of projects	Distribution %	Implemented cost (milliard S.P)	Job opportunities
Individual	1573	47.7	284.2	67915
Shareholding (joint)	128	3.9	496.5	38236
Limited Liability (joint)	13	0.4	8.8	2031
Shareholding (joint)	5	0.2	23.5	2492
Limited Liability	262	7.9	633.3	28306
Simple recommendation	434	13.1	75.4	24700
Solidarity	877	26.6	125.6	38520
Shareholding	4	0.1	7	859
Others	5	0.2	11.3	3298
Total	3301	100	1665.6	206357

Source : SIA's data base

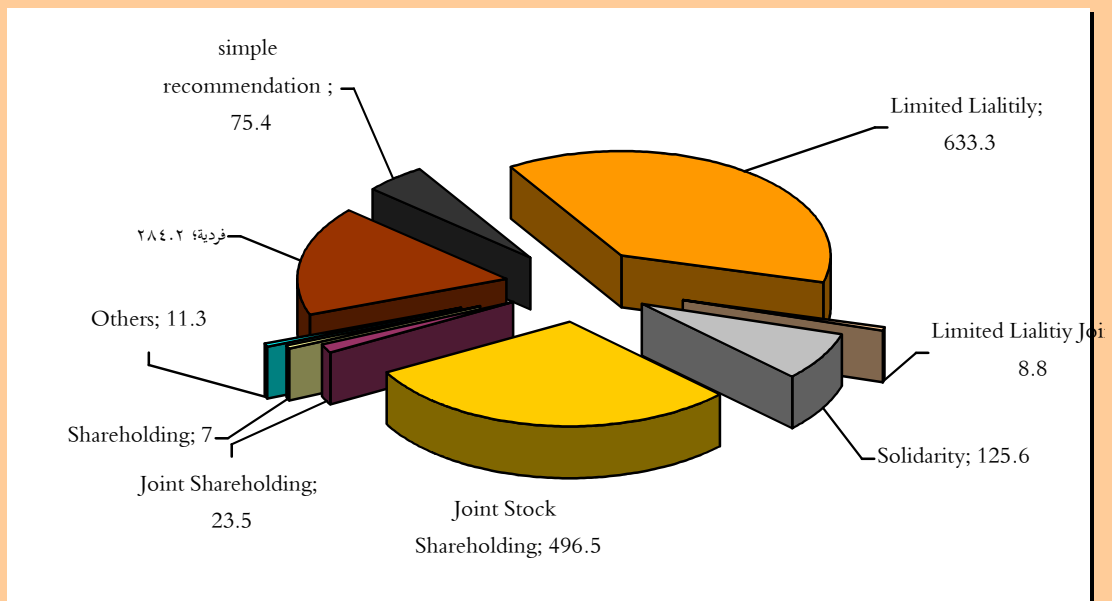
Taking into consideration the legal far of investment projects as per law /10/ of 1991 and decree /8/ of 2007 , we notice that individual institutions dominate by a rate of 47.7% , then solidarity companies at 26.6% , then simple recommendation companies at 13.1% during the period 1991-2009 . That was reflected on investment cost of those projects , so regarding individual institutions they amounted 284.2 milliard S.P while , solidarity companies they were 125,6 milliard S.P , for simple recommendation companies 75.4 milliard S.P . A decrease in investment costs for shareholding companies as they amounted /7/ milliard S.P only due to few number of those companies which are only four (4) companies . As illustrated in the following table , we can say that the nature of companies are rather simple in the way of establishing , and the more they are complicated , their number is less . SIA is exerting efforts to simply procedures of establishing companies by investors to achieve wider participation in ownership these companies and to profit from privileges granted to this companies ,

Table (57) : Holding Companies and Volume of their capital 1991-2009 (million S.P)

Name of Holding Company	Capital	Equivalent in U.S. dollars (million \$)
Syrian Qatari Company	250000	5000
Al Za'aem Holding Company	1000	20
Al Oufooq Investment Holding	1250	25
Insha'a Holding	1000	20
Sham Holding	18025	360.5
Syria Holding	4000	80
Kuwaiti Holding	10000	200
Al Sharaq Investment fund Holding company	4000	80
Castle Invest Holding company	1000	20
Al Imar materials Holding company	2170	43.4
Total	292445	5848.9

Source : SIA's data base

Figure(13) Distribution of Investment costs as per legal



INVESTMENT IN OTHER ACTIVITIES AND SECTORS

First - Tourism sector :

This sector witnessed a qualitative development from the view point of tourism enterprises , put in service or under construction . Syria was in position 76 out of 176 countries , as per statistics of

2008 and it moved to position 71 out of 181 countries in 2009 as per the report of the Travel and Tourism International Council . Syrian tourism achieved progress , on international level in eight of tourism economic indicators , the event of Tourism Investment Market Forum was an important stage , in addition to a set of resolutions and procedures by the Tourism Supreme Council .

All that contribute to a great extent to creating an attractive investment environment to transfer gradually to be a focal point for tourism , after removing the bottle neck , in contracting procedures , reflecting the efforts of the government to provide an attractive investment climate , which correspond to economic reforms .

1- Tourism and Investment :

The total volume of tourism investments (In service and under construction) during four years of the tenth five – years plan , was 503 milliard S.P in 2009 against 287 milliard S.P in 2008 . Out of them there are tourism investments , which have got establishing licenses , and their contracts are approved with an amount of 296 milliards S.P for 2009 against 101 milliards for 2006 (Their annual growth average was 43%) . Investments , put in service 207 milliard S.P for 2006 (Their annual growth average was 4%) including temporary restoration project .

Table (58) : Tourism projects indicators 2006-2009 (milliard S.P)

Item	Till 2006	Till 2007	Till 2008	Till 2009	Average of annual growth rate
Total Investments milliard S.P	287	355	428	503	21%
In service Investment milliard S.P	186	193	198	207	4%
Under implementation Investments	101	162	230	296	43%

Source : Ministry of Tourism

2- Implement tourism investments 2006-2009 :

The volume of tourism investments actually implemented and achieved during four years of the years of the tenth five – years plan , was 137 milliards S.P at an achievement rate of 190% of planned investments which amounted 72 milliards S.P 41.100 milliards S.P the volume of new projects , in service , including all temporary habilitation projects , 96 milliards S.P was the value of actual investment expenditure of under – construction projects , which was calculated according to tour fields , percentage of the accomplishment of under construction projects are as stated in the following table :

Table (59) : Implemented Tourism projects

	Actual Implemented during 2006-2009	Planned (2006-2009)
In service projects (New)	41.100	72
Actual Investment Expenditure for Under Implementation projects	96	
Actual Investment Expenditure	137	

Source : Ministry of Tourism

3-Development of tourism investment put in service between 2008 and 2009:

- Number of projects in service were 203 tourism enterprise 2009 , 37 hotels , 166 restaurants against 79 tourist enterprise in 2008 , 26 hotels , 53 restaurant at a growth rate of 157% . Investment cost of projects put in service were 8.9 milliards S.P for 2009 against 4.7 milliard S.P for 2008 at a growth rate of 89%.
- Number of beds put in service was 2318 in 2009 against 1366 beds in 2008 at a growth rate of 70% , which reflects a remarkable development in the growth of hotels capacity , which is expected to accelerate more during 2010 . As 8000 new beds are expected to be put in service .
- Number of feeding chairs put in service were 24703 chairs in 2009 against 10134 chairs in 2008 , at a growth rate of 144% , 100000 new chairs are expected to be put in service during 2010 as per the following table :

Table (60) : Development of in service projects (2008-2009) milliard

Item	Number of	Capacity		Tourism Investment
		No. of Beds	No. of Chairs	
2008	79	1366	10134	4.7
2009	203	2318	24703	8.9
Growth rate	157+	70+	144+	89+

Source : Ministry of Tourism

4-Development of under construction investment projects between 2008 and 2009 :

- Tourism projects licensed during 2009 were 117 one , against 82 project during 2008 at a growth rate of 43% . Investment cost of said projects amounted 66 milliards S.P in 2009 , against 67 milliard S.P in 2008 . The reason is the demand in smaller and of less projects , was more due to the impact of financial crisis. In addition to not licensing in governorates of Damascus countryside and Lattakia because of regional planning .

- Number of licensed beds in 2009 was 17537 against 10793 in 2008 at growth rate of 62% and 61519 feeding chair in 2009 against 40481 one in 2008 at growth rate of 52% as per the following table :

Table (61) : Development of under implementation projects during 2008-2009 (milliard S.P)

Item	No. of Enterprises	Capacity		Tourism Investment
		No. of Beds	No. of Chairs	
2008	82	10793	40481	67
2009	117	17537	61519	66
Growth rate	43+	62+	52+	1-

Source : Ministry of Tourism

5-Geographic distribution of tourism investment projects :

Geographic distribution of tourism investment projects reflected remarkable development in Tartus governorate , where total of tourism projects formed 8% of projects put in service , 25% for under construction projects .The portion of Damascus countryside was 20% for projects which are put in service projects and 27% for under construction projects . The great percentage of tourism investments remained concentrated (put in service and under construction) in six governorates , distributed in percentages as per the following table :

Table (62) : Geographic Distribution of Tourism Investments as per enterprises

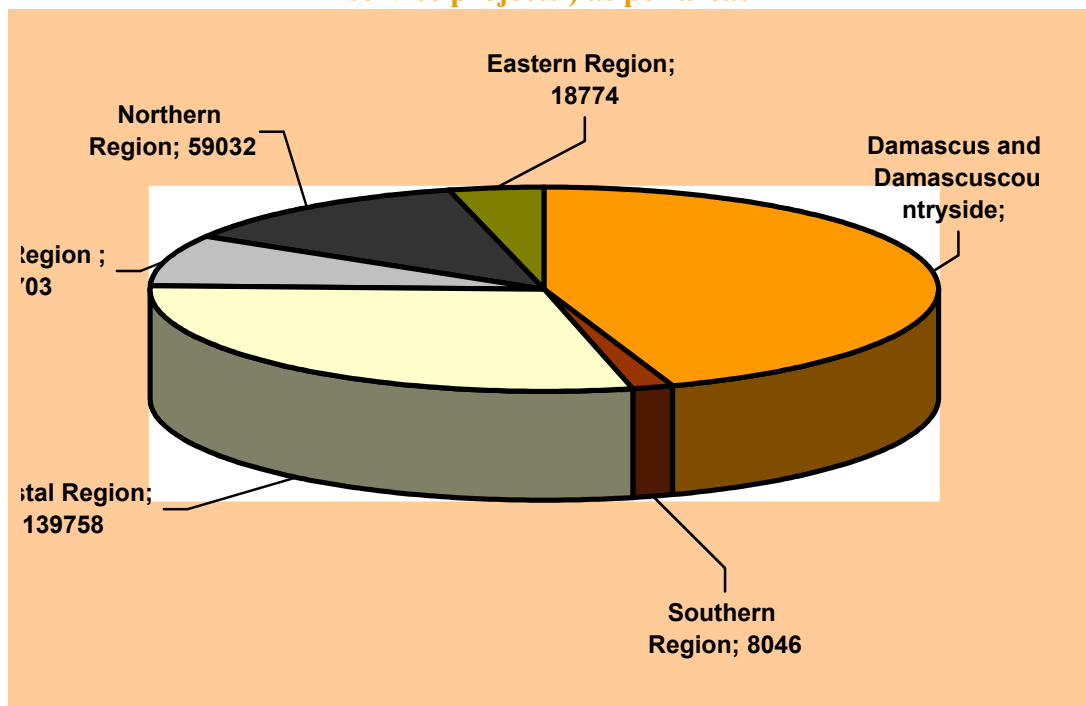
Tourism Investments	Damascus	Damascus countryside	Tartus	Lattakia	Aleppo	Homs	Others
Under construction %	15	27	25	11	11	6	5
In service %	28	20	8	14	12	7	11

Source : Ministry of Tourism

6-Geographic distribution of the (under construction and put in service projects) as per areas :

The following chart refers to under construction and put in service tourist investment as per tourist regions as from 2004 till the end of 2009 , The portion of Damascus and its countryside had the bigger portion of 45% of the table value of investments. The coast at region (Tartus and Lattakia) was in the second position at 29% , then north region (Idleb and Aleppo) at 12% , middle region (Homs and Hama) at 8% ,, eastern region (Deir Ezzour , Al Raqqa and Al Hassakeh) at 4% , but the southern region (2%)

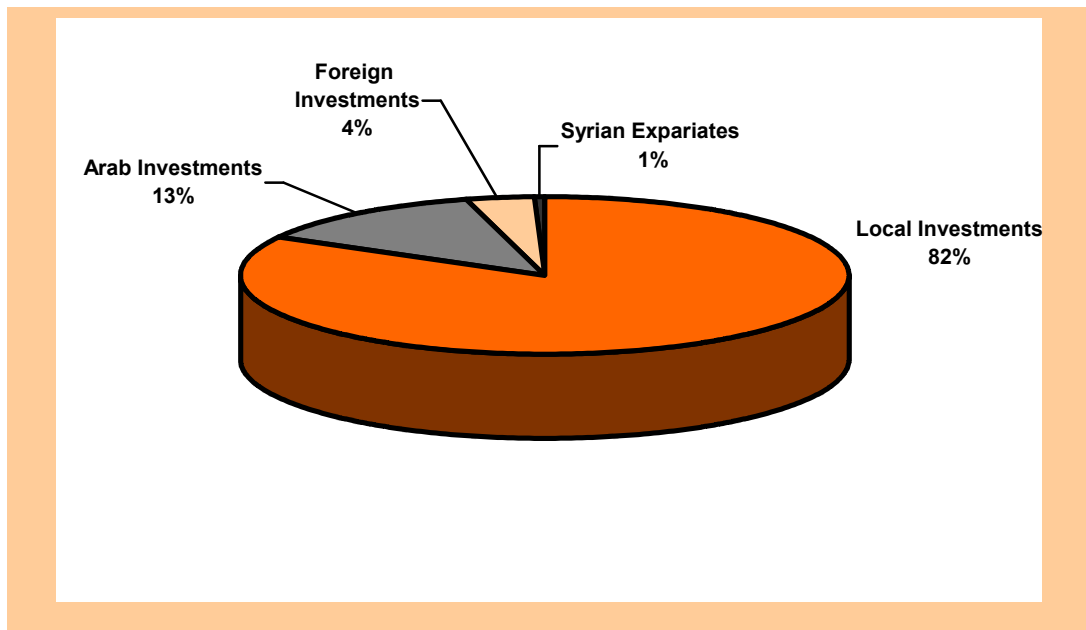
Figure (14) : Geographic distribution of the (under construction and put in service projects) as per areas



7-Local , Arab and foreign tourist investments (under construction and put in service projects) :

The total value of Arab , foreign and local tourist investment projects (put in service + under construction) amounted 503 milliard S.P till 2009 , 64 milliard S.P , Arab investments of 13%, foreign investments 18 milliard S.P at 4% , investments by Syrian expatriates 3 milliard S.P at 1% , local investments (Syrian) 4.8 milliard S.P at 82% , as clarified in the following chart :

Figure (15) : Geographic distribution of tourism investments (put insurance and under construction as per financing party)



Second : Financial sector :

● Banks:

- Banks total of assets at the central bank of Syria , declined at 3.2% in June 2009 , compared to the same period , in the previous year , due to the decline in the value of local assets at 4.1% and also the decline in the volume of exported currency at 5.5% , also the decline in assets of local banks at the Central Bank refers to that the unified budget of banks , recorded a decline at 9% on an annual basis to amount 1.793.704 million S.P at the end of June 2009 . Because of the decline in local assets at 17.5% , also the decline in deposits volume under demand at 12% and the volume of saving deposits of private sector at 1.55% .
- The end of 2008 recorded an increase in the total of assets at the Central Bank at 11.17% , in addition to growth in the volume of foreign assets at 11.1% , and the volume of exported currency of 11.6% , as well as the increase in local banks of the central Bank at 25.4% at the end of 2008 . The unified budget off local banks recorded a great decline at a rate of 89.2% at the end of 2008 , mainly due to the decline in the volume of foreign assets at 26.5% and also , because of the increase in volume of assets deposits as per request at 14.7% , the volume of saving assets of the private sector increased at 0.66% .

Table (63) : Banking Sector Indicators

Million S.P	2007	2008	June 2008	June 2009
Budget of Central Bank				
Foreign Assets	1034832	1150373	1132921	1096198
Local Assets	208951	233110	229140	229435
Exported Currency	825881	917264	903781	866764
Local Bank Assets	441385	492719	483798	457143
In Syria Pounds	201227	252270	286325	234967
• Foreign	189149	212564	271296	210193
• In Currency	12078	39706	15030	24774
Unlined Budget of Local Banks				
Total Assets = Total Demands	1593228	1716198	1793704	1632817
Foreign Assets	531550	390856	383734	469914
Local Assets	1061678	1325343	1409970	1162904
Assets under request	324632	372425	47910	358490
Saving Assets (For resident private sector)	233584	235118	241196	237447

Source : Central Bank of Syria (Monetary Bank Statistics) Till June 2009

The Central Bank of Syria , puts the monetary policy within the framework of total economic policy , to take encouraging procedures to attract foreign investments into Syria , in addition to encouraging banks to operate their monetary bult in different economic sectors , by expansion in granting credits and financing required by those sectors , in addition to continuous work to diversify and to deepen Syrian banks sector to fulfill needs of Syrian society .

And within this framework , private Banks Law Nr.28 of 2001 and Islamic Banks Law Nr.35 of 2005 were issued , As per those laws many licenses were grated to many banks , the total number of banks , till 31.12.2009 was (11) traditional banks , and two /2/ Islamic banks . Those banks are distributed in all Syrian governorates , throughout 438 branches till 31.12.2009 . The wide expansion of banks contributed to providing an important base for investors to perform their financial processes throughout branches in shortest time and less efforts possible . The value of foreign direct investment projects in 2008 was initially 1467 million Syrian Pounds .

Table (64) : Volume of investments and percentage foreign investments and number of branches in traditional licensed private banks

Traditional Private Banks					
Bank Name	Commencement date	Capital (million)	Foreign Currency %	No. of Branches	No. of Workers
Bemo-Saudi-French Bank	2004/1/4	3250	% 49	30	613
Syria and Overseas Bank	2004/1/7	3000	% 49	21	356
Trade and Finance International Bank	2004/4/3	3000	% 49	26	392
Audi Bank – Syria	2005/9/15	5000	% 49	21	469
Arab Bank Syria	2006/1/2	3000	% 49	16	293
Byblos Bank – Syria	2005/12/5	2000	% 49	9	312
Syria and Gulf Bank	2007/6/13	3000	% 49	8	146
Jordan Bank	2008/11/18	3000	%49	7	149
France Bank – Syria	2009/1/15	1750	%49	3	100
Orient (Al Sharq) Bank	2009/5/3	2500	%49	3	65
Qatar National Bank	2009/11/16	5000	%49	1	76
Total	–	34500	% 49	145	2980

Source : Central Bank of Syria

Table (65) : Islamic Licensed Bank 2006-2008

Bank	Capital(million)S.P	Foreign Currency rate	Commencement date	Number of branches	Number of workers
Syrian Islamic International Bank	5000	%49	2007/9/15	8	326
Al Cham Bank	2500	%49	2007/8/27	5	103
Al Barakeh Bank - Syria	5000	%49	–	–	–

- Insurance :

The importance of insurance increased and became linked to all life aspects of individuals or entities , whether in commercial , industrial agricultural or social fields Insurance is a key tool in investments or saving , because insurance installments may be a method of saving for individuals , collected by insurance institutions to re-invest them to support national economy .

Today insurance industry , attracts big licensed investments , which compacts with big financial and economic sectors . It is expected to have an increase in contributions of insurance market in the GDP , from 0.5% up to 2% . Insurance sector in Syria , doubled the volume of installments as per statistics of 2009 , at three doubles rate compared of that in 2006 .

Installments accomplished at the end of last year were about 3.14 milliard S.P . Market value is still not reflecting abilities of Syrian economy , and efforts are gathered so that market volume becomes (500) million S.P , in the next few years . We state hereunder a table of names and data of private and Islamic companies in Syria .

Table (66) : Private insurance companies in Syria and Foreign contributions in them till 2009

Company	Capital (million S.P)	Foreign contributions S.P	Rate of Foreign contributions %
United for Insurance	850	255	% 30
Syrian Arab Insurance company	1000	600	% 60
National for Insurance	850	272	% 32
International Syrian (Aroob)	1000	340	% 34
Arabian – Syria for Insurance	1050	535	% 50.95
Kuwaiti – Syrian for Insurance	850	424	% 49.9
Arab Orient for Insurance	850	340	% 40
Trust Syrian Insurance	850	833	% 98
Al Aqeelah Takaful Insurance	2000	740	% 37
Cooperative Federation for Insurance	1000	400	% 40
Noor Takaful Insurance	ألغي الترخيص	ألغي الترخيص	ألغي الترخيص
Adeer Insurance	1250	700	% 56
Syrian Islamic Insurance	1000	540	% 54
Aman Takaful Insurance	1300	637	%49
Total	13850	6616	%45.06

Source : Insurance Supervising Commission

Third – Free Zones :

Revenues of free zones amounted 1033 million USD in 2009 , where as they were 1034 million USD in 2008 . In 2009 number of employees in free zones was 9778 in 1253 enterprise . Number of foreign companies investing free zones , increased in 2009 at 4 companies , so that they capital of 274 million S.P , and in 2008 they were 72 company with an invested capital of 268 million S.P as stated in the following table :

Table (67) : Financial indicators in the General Organization of Free Zones

years	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues (million S.P)	426	498	607	560	705	786	925	1077	1034	1033
Goods movement (inward – outward) Commercial exchange (milliard S.P)	44	70	88	104	125	158	206	230	240	214
Invested Capital in Free Zones (million USD)	514	524	535	546	557	627	653	706	797	884
No. of Enterprises	610	630	654	678	712	786	932	1009	1191	1253
No. of workers in invested Enterprises	4829	4927	5535	6219	6345	7081	8266	8959	9019	9778
Foreign companies	-	-	32	41	52	58	62	63	72	76
Invested capital for foreign companies (million USD)	-	-	-	-	-	-	-	-	268	274

Source : General Organization of Free Zones data base

Table (68) : Volume of foreign investments in the General Organization of Free Zones 2009

Branch	Number of investors	Total capital	Number of workers	No. of Foreign companies	Volume of Foreign capital USD	Number of workers
Damascus Branch	298	311897550	2950	28	184000000	124
Airport	61	15834550	208	3	600000	5
Adra	484	203000000	3200	16	21559400	388
Aleppo	164	6560200	1689	7	4380000	50
Tartus	162	245906136	650	14	5876700	51
Lattakia City	48	39685681	574	4	3764000	161
Lattakia port	32	56850500	347	3	18500000	19
Al Yaroubieh	4	3620000	160	4	100000	4
Total	1253	883354617	9778	76	238780100	802

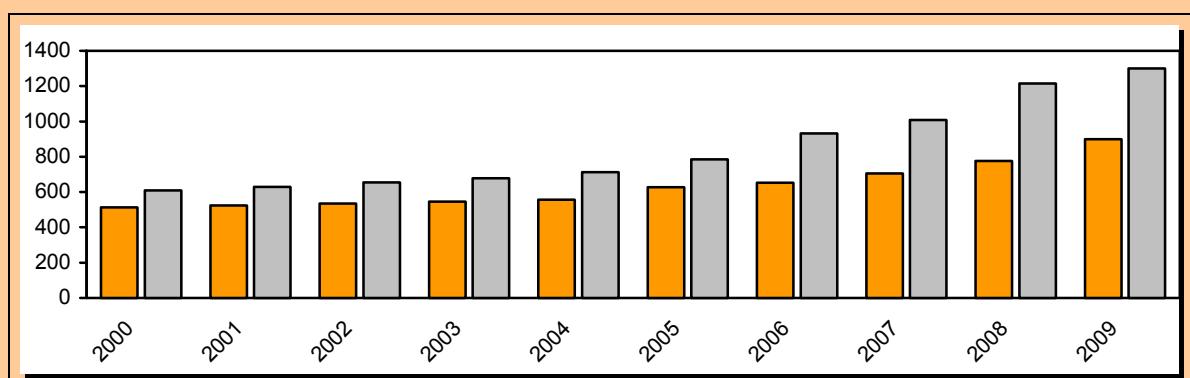
Number of investors in free zones in 2009 was 1253 , Number of investors in Adraa Free Zone was 484 .

Table (69) : Number of Investors for 2009 in Free Zone

Branch	Commercial	Industrial	Services	Banking	Total
Tartus	158	2	2	0	162
Airport	52	6	3	0	61
Lattakia port	29	3	0	0	32
Damascus	185	47	60	6	298
Aleppo	145	15	4	0	164
Lattakia City	39	7	2	0	48
Adra	421	47	16	0	484
Al Yarobieh	3	1	0	0	4
Total	1032	128	87	6	1253

Source : General Organization of Free Zones data Base

Figure (16) Development of Volume of invested capital and number of enterprises in Free Zones according to years 2001-2009



Forth : High education :

Table (70) : Private Universities in Syria

No	Project	Nationality	Rate of Foreign contribution	Location	Projects capital	Percentage of partnership (Syrian)
1	Science and art Private university	Italy	%50	Syria- Aleppo	million S.P 400	%50
2	Syrian International private University for science and Technologies	Iraq	%70	Syria – Damascus countryside	500 million S.P	%30
3	Al Andalus private University for Medical sciences	Syrian Expatriate	%58	Syria- Tartus	milliard and five million S.P	%42
4	Al Itihad private university	UAE	%2	Syria- AlRaqqqa - Manbej	300 million S.P	%63
		Iraq	%35			
5	Al Mamon private University for Science and Technologies	Egypt	%1.5	Syria- Aleppo - AlQamishli	300 million S.P	%98.5
6	International Arab private university	Lebanon	%4	Syria- Dara'a	600 million S.P	%96
7	International private University for Science and Technologies	Jordan	%40	Syria-Dara'a	450 million S.P	%30
		Saudi Arabia	%20			
		Yemen	%7			
		Palestine	%3			
8	Al Jazeera private university	Kuwait	%37.125	Syria-Deir Ezzour	26.25 million S.P	%62.875
9	Al Rasheed International private university for science and Technologies	Iraq	%70	Syria-Dara'a	630 million S.P	%30
10	Arab Private University for science and Technologies	Iraq	% 55	Syria-Hama	150 million S.P	% 45
11	AlYarmook Private University	UAE	% 10	Syria-Dara'a	225 million S.P	%90
12	United Private University	Greece	%50	Syria- AlQunitra	240 million S.P	%50

Foreign Direct Investment (FDI)

Foreign direct investment is one of the most important supporting aspects in national economy , due to its vital rate in social and economic development , throughout entrance of foreign capitals , technologies and experiences , into local markets .

FDI Distribution :

The following table shows the distribution of foreign investments during the years from 2004 till 2008 , according to investment type in tourism and oil sectors , in addition to financial and banking investments .

Table (71) : Distribution of FDI according to activity 2004-2008

	2004	2005	2006	2007	2008
Foreign Oil Investments	157	100	111	282	600
Investment in Tourism sector	60	300	225	385	490
Investment licensed by investment law No.10	13	55	92	110	250
Private insurance licensed company	0	0	93	40	23
Islamic private licensed banks	45	45	64	130	28
Increase of capital of some private banks	0	0	15	30	22
Investment in other sectors	45	83	59	265	54
Total	320	583	659	1241	1467

Because of the continuous need to improve the database of FDI's , as one of the important fields of great and growing importance in all economies , mainly the developing ones and economies of emerging ones . As the FDI has vital role in reinforcing the power of the economy to achieve growth in GDP , added value and work force .

SIA and in cooperation with UNDP's program to " Enhance Investment Environment " and the Central Bureau of Statistics , the only executive and authorized authority , performed statistical surveys in Syria .

The purpose of the surveys :

- Building a database of FDI in Syria to provide decision makers with statistics and data which enable taking decisions and preparing adequate climate that is attractive for enhancing investment environment . Highlighting the role of FDI in development process ,
- Monitoring the distribution of FDI's as per economic sectors or geographic criteria and the country of origin .
- Providing information about the effect of FDI on national economy in fields of work force exports , imports and technology transfer .

Survey results :

Field tours results showed that the number of enterprises which were subject to survey process , was 178 executed projects , and which presented the budget of the first year . And the remaining 319 enterprises were not among surveyed projects , some of them did not start execution and some others were executed and started work but without presenting the first year's budget , and some others were not executed for a certain reason or another .

This survey is the database for coming reports , the SIA shall perform it annually .

Most projects were in Damascus and its countryside and in Aleppo at a rate of 65.5% of the total number of projects 33.7% in Damascus , 18.5% in Aleppo and 16.3% in Damascus countryside.

According to distribution as per economic activity , converted industries , had the highest percentage i.e(41%) of the total . And as per number of workers from 1-5 workers i.e 54.5% of the total number of projects .

Projects were distributed as per nationality of investors as follows :

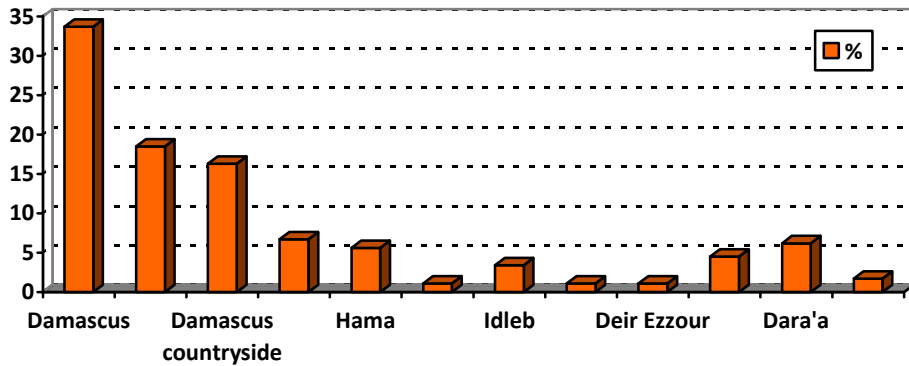
Syrian investors 32.8% , Jordanian 8.8% , Iranian 7.6% , then Saudi investors 7.1% .

The biggest capital as per nationality of investor after Syrian investors , was Kuwaiti , British then Canadian subsequently .

Table (72) Distribution of Enterprises According to Governorates

Governorate	Number	%
Damascus	60	33.7
Aleppo	33	18.5
Damascus countryside	29	16.3
Homs	12	6.7
Hama	10	5.6
Lattakia	2	1.1
Idleb	6	3.4
Al Hassakeh	2	1.1
Deir Ezzour	2	1.1
Tartus	8	4.5
Dara'a	11	6.2
AlSweida	3	1.7
Total	178	100.0

Figure (17) : Distribution of Enterprises according to governorates



Projects Distribution as per Economic Activity :

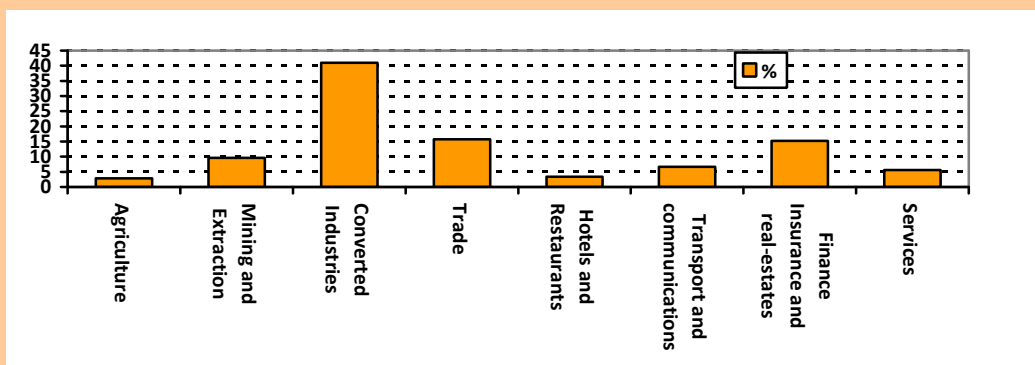
It is remarkable as per the following table that the highest contribution was for converted industries sector by 41.2% while contribution of agriculture activity in FDIs was at 2.8% , and for mining and extraction field it was at 9.6% , where as commerce trade sector achieved a contribution rate of 15.7%

Table (73) Distribution as per Economic Activity

Economic Activity	NO	%
Agriculture	5	2.8
Mining and Extraction	17	9.6
Converted Industries	73	41
Trade	28	15.7
Hotels and Restaurants	6	3.4
Transport and communications	12	6.7
Finance Insurance and real-estates	27	15.2
Services	10	5.6
Total	178	100

Source : SIA's data base

Figure (18) : Distribution as per Economic Activity



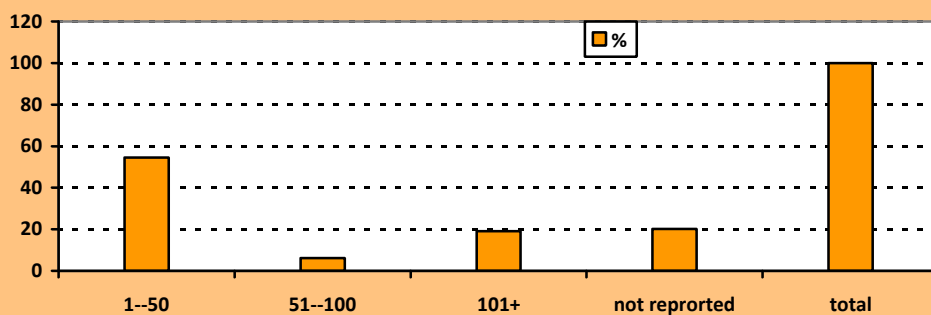
Table(75) :Distribution of Enterprises according to number of workers

Workers	Number	%
1-50	97	54.5
51-100	11	6.2
101+	34	19.1
Not Reported	36	20.2
Total	178	100.0

Source : SIA's data bas

e

Figure (19) : Distribution of Enterprises according to number of workers



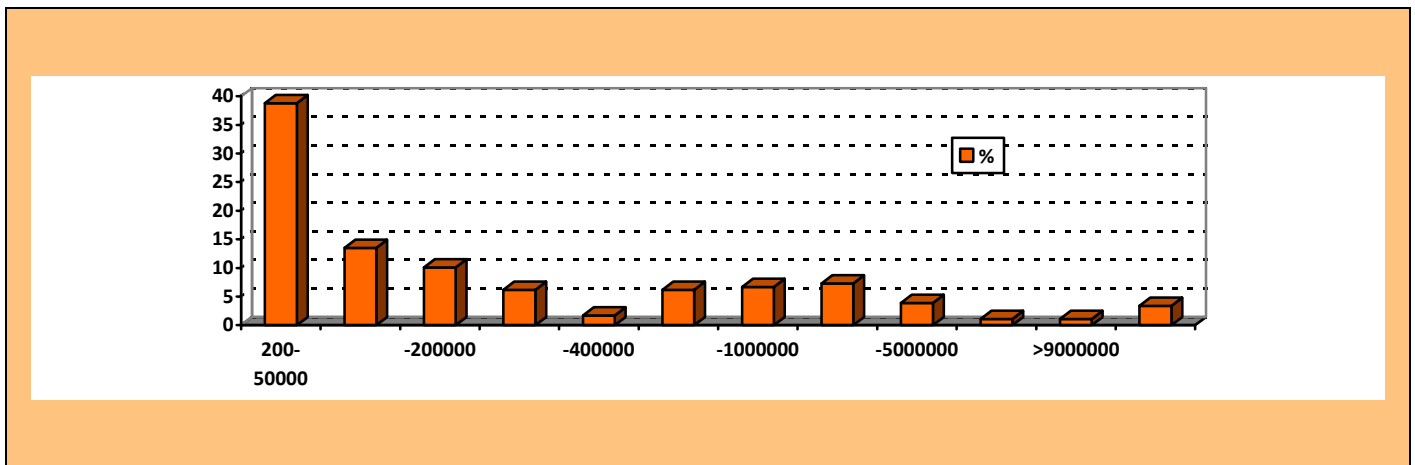
	101+								1	1
	Not Reported	2		1					1	4
	Total	3		4					4	11
AISweida	1-50			2						2
	51-100			1						1
	Total			3						3
1-50		3	9	42	21	2	6	10	4	97
51-100				5			2	2	2	11
101+			6	14	2	4		7	1	34
Not Reported		2	2	12	5		4	8	3	36
Total		5	17	73	28	6	12	27	10	178

Table (77) : Distribution of Enterprises according to paid capital in thousand Syrian Pounds

Distribution of paid capital	Number	%
200-50000	69	38.8
- 100000	24	13.5
- 200000	18	10.1
- 300000	11	6.2
- 400000	3	1.7
- 600000	11	6.2
- 1000000	12	6.7
- 2000000	13	7.3
- 5000000	7	3.9
- 9000000	2	1.1
> 9000000	2	1.1
Not Reported	6	3.4
Total	178	100.0

Source : SIA's data base

Figure (19) : Distribution of Enterprises according to paid capital in thousand Syrian Pounds



The balance of the both value of FDI , is calculated as per the availability of the six components of the general budget of the company so that : (The share of the foreign investor of the sharing capital + his share of reserved profits + long – term requirements + short – term requirements or indebted accounts of direct investors group + short – term assets claims or indicated accounts of foreign investors + long – term assets of foreign investors) .

The value of books valued of foreign investments should be provided of the end of the general budget period .

- The balance value amounted 75022338 thousand S.P for 140 company where the six components of information were available of which 1235453 thousand S.P was the value of local investment .
- The GDP in Syria in 2000 amounted 2291529000 S.P . The rate of FDI was 3.27% the highest percentage of companies in telecommunication sectors , the 178 surveyed companies .
- The value of capital in Syria in 2008 amounted 408725000 S.P , the percentage of FDI was 18.36% . The highest rate was that of telecommunication sector 4.10% then cables activity at 2.02% .
- The value of DI shares as per nationality was 65367597 thousand S.P , the highest rate of FDI in Syria , after Syrian nationality was that of Saudi investors , 5.95% . Jordan 5.33% , and then Lebanon 4.77% , the value of shares of unknown nationality projects was 27.5% approximately .
- The value of investment shares in total communication sectors was the highest rate 25.98% of the balance of FDI , then financial brokerage at 17.27% , electric supplies at 11.28% . extraction sector 6.98% , hotels and restaurants at 5.88% , while the food industries sector had a negative value because the loss of Al Jabal Juice company in Al Sweida .
- The highest rate of FDI as per industrial classification was in telecommunication sector 29.28% then banks 19.42% and 10.97% in insurance sector .

The highest contribution rate of this activity concentrated as per nationality in Syria , Jordan , Lebanon and Brazil . then extraction activity was of Chinese and Syrian nationality , hotels and restaurants and insurance activities .

- The rate of women workers was reduced as it was 12.99% , while men-workers rate was (87.01%) , the highest employment rate was in oil companies i.e (22,4%) then in tourism sector at (8.3%) .
- It is worth mentioning that the number of workers in investment companies is not a sufficient indicator , as there are some companies which did not announce the number of workers and wages of workers and wages did not contain data and those which announced their number of workers were 142 company out of 178 ones .
- Rate of women working in higher administration was 7.2% only and for for men it was 92.2% , also some companies did not provide data about workers only (122) company did .
- Number of workers was 13494,300 of them were foreigners , at 2.22% , local workers were 13194 at 97.77% .
- Number of companies which provided data about exports were 39 one only the rate of highest value of their exports 24.77% of the total value of food industries sector .
- The highest rate imports was that of oil companies at 67% of the total of imports .
- The highest value of expenditure on new technologies was that of telecommunication companies at 61.84%of the total value. then that of oil companies at 31.16% .
- Number of workers in development and research field was 56 workers only in 22 company .

Final remark : This report does not include data about FDI in real – estate sector .

Recommendations

- 1- Keep on developing the role of the one-stop-shop in the headquarter and branches to simplify procedures and expanding the range of its authorities in granting licenses .
- 2- To continue enhancing investment climate by developing related legislations .
- 3- Adoption of a new and unified law for foreign and national investments including all sectors .
- 4- Joining the International Agreement for Investment Disputes Settlements .
- 5- Supporting international cooperation by concluding mutual agreements to protect investments , with neighboring countries .
- 6- Enforcing relations with Arab and regional agencies and organizations concerned with investment .
- 7- The active participation in activities of international federations of investment promotion agencies .
- 8- Continuous follow-up of FDI surveys with competent authorities
- 9- Cooperation with concerned international organizations , to develop technical programmes regarding FDI .
- 10- Developing investment promotion tools and coordination with its multiple references .
- 11- To keep on establishing branches of the SIA in all governorates .
- 12- Joining the WAIPA
- 13- To work to Syria's position in investment indicators international reports .
- 14- To keep on issuing studies related to investment process development and its reflection upon social and economic process .
- 15- To concentrate on developing and enabling human resources working in investment promotion .

Annex (1) International and Arab agreements

1. Investment Agreements:

Investment Agreements with Arab countries :

State	Agreement	Signature Date	Ratification Date	Coming into force
Kuwait	Investment Promotion Agreement	16/8/2001	Law No.12 on 26/2/2002	Became valid as from 23/3/2004
Bahrain	Investment Promotion and Protection Agreement	20/9/2000	Legislative decree No.4 on 1/4/2001	Valid from 18/12/2001
UAE	Investment Promotion and Protection Agreement	26/11/97	Law No. 14 on 4/8/1998	Valid from 10/1/2001
Qatar	Mou per Qatari Investment in Syria Investment Promotion and Protection Agreement	24/10/2003	Law No. 7 on 1/4/2004	Valid from 27/4/2006
Oman	Investment Promotion and Protection Agreement	14/9/2005	Law No. 23 on 24/4/2006	Valid from 1/6/2006
Jordan	Investment Promotion and Protection Agreement	10/8/2001	Legislative decree 12 on 9/2/2002	Became valid as from 11/5/2002
Yemen	Investment Promotion and Protection Agreement	9/10/1996	Law No. 18 on 4/8/1998	Valid from 22/7/2005
Lebanon	Investment Promotion Agreement	12/1/1997	Law No. 15 on 4/8/1998	Became valid from 15/9/1999
Iraq	Investment Promotion and Protection Agreement	29/8/2002	Endorsed	
Egypt	Investment Promotion and Protection Agreement	28/5/1997	Law No. 16 on 4/8/1998	Valid from 5/10/1998
Tunisia	Investment Promotion and Protection Agreement	23/1/2001	Law No. 11 on 26/2/2002	Valid from 12/3/2003
Algeria	Investment Promotion and Protection Agreement	14/9/1997	Legislative decree No.23 on 9/8/2000	Valid from 18/6/2002
Morocco	Investment Promotion and Protection Agreement	23/10/2001	Law No. 37 on 20/5/2002	Valid from 29/3/2003
Libya	Investment Promotion and Protection Agreement	2/8/1993	Law No. 7 on 26/5/1993	Valid from 7/10/1995
Sudan	Investment Promotion and Protection Agreement	7/1/2000	Legislative decree 3 on 1/4/2001	Valid from 1/9/2001

Investment Agreements with Foreign countries :

State	Signature Date	Endorsement Deed and Date	Agreement Status	Remark
Senegal	14/11/1975	Decree No. 589 on 3/3/1976	Valid	
USA	9/8/1976	Decree No. 33 on 1/8/1977	Valid	
Switzerland	22/6/1977	Decree No. 24 on 12/7/1978	Valid until renewal	
Germany	2/8/1977	Decree No. 34 on 11/9/1978	Valid	
France	28/11/1977	Decree No. 30 on 31/7/1978	Valid	
Pakistan	25/4/1996	Law No. 5 on 2/7/1997	Valid from 4/11/1977	
China	9/12/1996	Law No. 10 on 4/8/1998	Valid from 1/10/1999	
Indonesia	27/6/1997	Law No.1 9 on 31/12/1997	Valid from 20/2/2000	
Iran	5/2/1998	Decree No. 3 on 11/2/1998	Valid from 16/11/2005	
Bella Russia	11/3/1998	Decree No. 8 on 4/8/1998	Valid from 1998	
Bulgaria	21/5/2000	Decree No. 10 on 12/5/2001	Valid from 10/11/2001	
Italy	20/2/2002	Decree No. 43 on 13/7/2002	Valid from 13/11/2003	
Ukraine	21/4/2002	Decree No. 56 on 8/9/2003	Valid from 16/3/2003	
Greece	23/2/2003	Decree No. 39 on 27/7/2003	Valid from 27/2/2004	
Spain	20/10/2003	Decree No. 19 on 12/4/2004	Valid from 14/12/2004	
Turkey	6/1/2004	Decree No. 40 on 1/7/2004	Valid from 3/1/2006	
Russia	27/1/2005	Law No. 21 on 16/6/2005	Valid from 13/7/2008	
Democratic Korea	14/5/2006	Law No. 51 on 5/12/2006	Valid from 20/12/2006	
Federal Nigeria	10/12/2006	Law No. 14 on 17/6/2007	Under Procedures to be Valid	
Tajikistan	10/2/2007	Decree No. 18 on 2/4/2008	Valid from 30/5/2008	
Cyprus	10/6/2006	-	Under Procedures to be Valid	
India	18/6/2008	Decree No. 58 on 23/9/2008	Valid from 22/1/2009	

Romania	-	Decree No. 61 on 28/9/2008	Under Procedures to be endorsed	
Malaysia	9/1/2009	-	Under Procedures to be endorsed	
Czech Republic	20/11/2008	-	Under Procedures to be endorsed	
Slovakia	18/2/2008		Under Procedures to be endorsed	
Azerbaijan	8/7/2009	Law No. 4 on 4/1/2010	During the visit of his Excellency the President to Azerbaijan	A waiting the Azeri party to finalize ratification procedures
Armenia	17/6/2009	Law No. 5 on 4/1/2010	Valid from 26/5/2010	
France			Signed during the visit of the Minister of economy on 12.5.2009 replacing the previous agreement signed on 28/11/1977	A waiting the agreement copy from the ministry of foreign affairs to finalize ratification procedures

2. Collective agreements Syria joined us in the framework of the Council of Arab Economic Unity :

Agreement	Date of signature	Date of Ratification	Remarks
Economic Unity Agreement between Arab League countries	Adopted by social and Economic council by resolution 85 of 13/6/1957	As per decree 291 of 22/2/1963	Valid from 30/4/1964
Arab Joint Market Agreement	Resolution of Unity council on 13.8.1964	As per decree 81 of 31/10/1964	Activated by unity council's resolution 1225 of 11/12/2003 And as from 1/1/2005 the date of liberalization from all customs duties session 78
Double taxation and income and capital tax evasion avoidance agreement among Arab Economic Unity council	Agreed upon by council's resolution Nr.1069 of 3.12.1998 session 68	Ratified by decree 30 of 14.8.2000	Valid from 3.9.2000
Cooperation agreement	Agreed upon by	Ratified as per decree 32	Valid as from 9.10.2000

in the field of fees and taxes among Arab Economic Unity council	council's resolution 1090 of 6.12.1998 session 68	of 16.8.2000	
Agreement on cooperation in collection of taxes and duties among Arab Economic Unity	Agreed upon the council by resolution on 1090 of 6.12.1998 session 68	Ratified by decree 32 of 16.8.2000	Valid as from 9.10.2000
Agreement on to encourage and protection of investments and capital's transfer among Arab countries	Agreed upon the council's resolution 1125 of 7.6.2000 session 71	Ratified by decree 44 of 25.7.2004	
Agreement on investments disputes settlement in Arab countries	Agreed upon council's resolution Nr, 1138 of 6.12.2000	Decree Nr.43 of 20.7.2004	
Agreement on establishing Arab academy for electronic works	Suggested by unity council's its 75 th session held in Mouritania as per resolution 1184 of 6.6.2002	Ratified by Law 17 of 14.10.2008	Discussing on location to the 80 th session among permanent representatives of Egypt – Jordan and Syria
Agreement on developing commercial exchange among Arab countries	Council's resolution Nr.848 of 27.2.1981	Law 11 of 3.4.1986	Valid as from 26.11.1982
Unified agreement on investing Arab capitals in Arab countries	Signed in Amman on 27.11.1980	Law 27 of 22.7.1986	After the joining of three countries . it was replaced by the above mentioned agreement
Agreement on exchange of tax exemption on Arab civil aviation institutions works and equipment	Adopted on 5.9.1997	Law 27 of 1985	After the joining of three countries
Executive programme on agreement of developing Arab Great Free Trade Area	Adopted by Prime Ministry's resolution Nr.6 of 29.12.1997		Resolution 1317 on session 59 of 19.2.1997 announcing Arab Great Free Trade Area

3. Atvaviac trade and economic cooperation, trade and technical

Investment Agreements with Arab countries :

Country	Agreement	Signature date	Ratification Date	Conclusion Date	Remarks
Saudi Arabia	Trade and Economic Agreement	4/3/1972	16/4/1977	Valid	Amendment of article 15 was ratified by law 315 of 14/10/2003
	Agreement on free trade area	20/1/2001	Decree 18 of 10/7/2001	As from 1/2/2002	Customs exemptions became 100%
	Agreement in joint supreme committee	5/2/1991	Law 3 of 12/3/1991		The committee convenes periodically
Kuwait	Trade and Economic Cooperation agreement	17/12/1991	Decree 1 of 29/1/1992	Valid as from 17/12/1999	
	Trade and Economic Cooperation agreement	20/11/1994	Law 2 of 20/1/1995	Valid from 14/10/1996	
Bahrain	Joint supreme committee	20/9/2000	Decree 211 of 3/4/2001	Valid as from 19/4/2001	
	Technical trade and Economic cooperation agreement	2/4/200	Decree 430 of 30/9/200	Valid as from 9/4/2000	
UAE	Agreement to establish free trade zone	2/4/2000	Decree 55 of 30/9/2000	Valid as from 28/1/2001	On 1/1/2003 customs exemptions become 100%
	Trade and Economic cooperation agreement	2/12/1990	Law 45 of 21/12/1990	Valid as from 27/3/1991	
Qatar	Minute of the Joint committee	4/5/2000	No need for ratification	Adopted by prime Ministry published to all concerned authorities . It was agreed by the two countries to shorten the Arab Great Free Trade area to 2003 as per trade agreement signed between the two countries and it is not to be executed by customs	Valid as from

	Agreement to establish a supreme joint committee	23/10/2003	Decree 91 of 2/32004	27/4/2006	
GCC countries	Free Trade Zone agreement draft	Signed initially on 31/6/2004		Shall be signed finally later on	
Oman	Trade and Economic cooperation agreement	6/1/1990	Law 1of 7/3/1990	Valid as from 31/8/1991	
Jordan	Agreement establish free trade zone	10/8/2001	Decree of 2/2/2002	Valid as from 23/5/2003	On 1/1/2005 customs exemptions became 100%
Yemen	Commercial agreement	9/10/1996	Law 7 of 4/8/1998	19/11/1998	No customs exemptions Ie was agreed to free exchange of industrial products and reduction of 25% of customs duties annually as from 1/1/1999 as per law 4 of 4/8/1998 . Also , it was agreed to free exchange of agricultural products and exemptions from customs duties as per tables stated in the minute of coordination commission meeting of 1999 ratified by decree 21 on 7/8/2000 as from ratification date on 7/8/2002
	Economic agreement	5/3/1953	Decree 10 if 12/3/1995	Concludes on 25/3/1953 Valid as from 27/3/1953	
Lebanon	-Agreement on economic and social cooperation -Free Trade zone protocol - Supreme joint committee	16/9/1993 31/1/2002 13/8/2001	Law 23 on 22/12/1994 Decree 14of 10/3/2001 Under ratification	Valid as from 26/11/1993 14/3/2001	

Iraq	- Scientific , trade , economic , cultural and technical cooperation agreement	13/8/2001	14/5/2002		
	-Trade agreement	19/7/1991	Decree 12 of 5/9/1991	1/12/1991	
Egypt	-Supreme joint committee	3/5/1990	Law 26 on 10/7/1990		
	- Trade agreement	22/5/1977	Law 35 of 15/3/1978	9/11/1978	
Tunisia	Free Trade zone agreement	15/4/2002	Law 16 of 14/10/2003	Valid as from 10/3/205	
Algeria	-Trade agreement	14/9/1997	Decree 477 of 19/10/2000	15/4/2001	Replaced 1997 agreement
	- Economic and trade organizing agreement	28/8/1972	Decree 969 of 21/3/1973	Valid as from 27/2/2003	
Morocco	- Supreme joint committee	11/4/2001	Decree 320 of 24/6/2001 23/4/1973		26/5/1974
	- Economic and trade cooperation agreement and trade exchange organizing	17/1/1973		26/5/1973	
Somalia	Economic and trade cooperation agreement and trade exchange organizing	3/2/1978	31/7/1978	3/10/1979	
Libya	Trade and economic cooperation agreement	2/3/1987	31/7/1978	10/3/1979	
Sudan	Free Trade agreement	31/5/2001	Law 38/ of 20/5/2002	The agreement is not effective due to non agreement upon industrial commodities exception from agreement provision	

4. General Table of Pacts Under Study and Negotiations:

State	Subject	Remarks
South Africa	Mutual protection of investments	
South Africa	Economic commercial Technical Cooperation Pact	
Senegal	Mutual protection of investments	With Senegal for reply
Guyana	Trade Agreement Project	Under discussion
Brunei	Mutual protection of investments	Brunei for reply
Finland	Mutual protection of investments	With Finland for Reply
Belgium	Mutual protection of investments	Singed with Initials
Austria	Mutual protection of investments	Final form agreed
Japan	Mutual protection of investments	With Japanese side for reply
Albania	Mutual protection of investments	Albanian side had the two projects of the two pact
Kazakhstan	Mutual protection of investments	Waiting Kazakhstan reply
Granada	Trade Agreement Project	With Granada for reply
Sweden	Mutual protection of investments	Sweden will reply
Norway	Mutual protection of investments	Norway for Reply
Croatia	Mutual protection of investments	Croatia for reply
Denmark	Mutual protection of investments	Under study
Cuba	Mutual protection of investments	Under study
Georgia	Mutual protection of investments	Under study
Lithuania	Mutual protection of investments	Under study
Bosnia	Mutual protection of investments	Bosnia will reply
Turkmenistan	Mutual protection of investments	Turkmenistan will reply
Holland	Mutual protection of investments	Holland will reply
Vietnam	Mutual protection of investments	Vietnam will reply
Hungary	Economic Cooperation Project	Signed by initials
Bulgaria	Economic Cooperation Project	Under achieving the final form

5. Free Trade & Preference Pacts:

- Partnership Pact establishing for a Free Zone signed with Turkey on 22/12/2004 in Damascus , endorsed under decree No. 37 on 4/5/2005 became valid from 1/1/2007.
- Preference pact signed with Iran on 23/2/2006 in Damascus endorsed under decree No. 13 on 3/11/2008
- Partnership Pact, establishing for a free trade zone with the EU, has been signed by Initials, on 19/10/2004. and the revised edition has been signed in Damascus on 14/12/2008.
- There is a suggestion to sign a preference agreement with Pakistan.
- There is a suggestion to sign a free trade agreement with Ukraine – Bella Russia and Malaysia .
- Announcement of good intentions has been signed with Kazakhstan on 14/8/2008.

Protocol Investment Cooperation Signed Between SIA and Other Countries			
Country	Signing Party		Signature Date
	Syria	Other Country	
Tunisia	Ministry of Economy and Trade	Foreign Investment Promotion Agency	23/1/2001
Jordan	Syrian Investment Agency/ SIA/	Jordan Investment Board	29/6/2006
Libya	Ministry of Commerce and Trade	Investment Promotion Agency	10/5/2007
Egypt	Ministry of Commerce and Trade	Ministry of Trade & Industry	14/12/2006
Malaysia	Syria's Ambassador to Malaysia	Malaysian Industrial Development Authority	3/6/2007
Kuwait	Syrian Investment Agency / SIA/	The Arab Investment & Export credit corporation	12/2/2007
Sudan	Ministry of Commerce and Trade	Investment Authority	31/5/2001
Kuwait	Syrian Investment Agency/ SIA/	The Arab Investment & Export Credit Guarantee Corporation	18/2/2008
KSA	Syrian Investment Agency/ SIA/	The Islamic Corporation for the Insurance of Investment and Export Credit	16/11/2008
Cyprus	Syrian Investment Agency / SIA/	- Cypriot Investment Promotion Agency	9/6/2008
		- Islamic Development Bank	16/11/2008

Annex (2)

Main Investors List for projects executed according to decree 8 their investment costs exceed Sp 0.5 milliard

No.	Owner of the Project	Objective	Location	Invest., Costs (SP Millions)	Employees
1	National Sugar Co.	Refining Raw Sugar & Extraction of White sugar /Molas/	Homs	14866	2312
2	Imad Nouri Hmaishu & Partners	Reinforcement Steel Bars	Lattakia	10334	100
3	Ahmed Ahmed Al-Swaidi & Badee Al-Droubi & Partners	Cables Manufacture	Damascus suburb	5639	500
4	General Organization for Engineering Industries & Iran Khoudrou	Assembling and Manufacturing of cars	Damascus suburb	2988	127
5	Mhd. Sulaiman Tlas, Farzat & Patners	Hydrogenation of sunflower, cotton seeds and Soya oils	Homs	2689	100
6	Siba Iranian Co., & Hmaishu Trading Co.	Assembling and Manufacturing of cars	Homs	2427	606
7	Nael Daleel s/o Ahmed	Curtains and furniture Textile Production	Aleppo	2247	46
8	Hama Chamber of Commerce & Industry	Oil, Milk Products	Hama	2233	370
9	Fromagerie Bel M & Soupaic Co. MMM French Co.	Processed Cheese (La Vache qui Rit, Regal Pecon, Kiri)	Damascus suburb	2219	318
10	Amir Asbet Sanjian	Jewelry	Raqqa	2136	35
11	Bassam Olabi	Cotton & mixed yarns	Aleppo	1967	126
12	Nestle Switzerland	Milk products	Damascus suburb	1804	118
13	Waseem Al-Ikhwan & Rasha Hosami	Plastic & PVC pipes	Homs	1758	135

14	Issam Anbouba	Oil & Fodder, and Soap	Homs	1753	254
15	Mhd. Labib Al-Ikhwani	Bags for Packing Agricultural Products	Homs	1573	338
16	Ali Mhd. Ismael	Juice	Lattakia	1392	453
17	Bassam Olabi & Partner	Textile, Curtains & Clothes of cotton & mixed yarn	Aleppo	1301	182
18	Mouhammad Mazen Daaboul	Plastic Sheets	Damascus suburb	1265	50
19	Saeb Nahas & Partners	Human Medicaments	Damascus suburb	1264	143
20	Mouhammad Samer Al Aqad & Partners	Carbonated Water Packing and drinks	Damascus suburb	1252	270
21	Mouhammad & Mawafak, Mhd., Momtaz Daaboul & Partners	Preparation of Aluminum & Steel sheets	Damascus suburb	1196	76
22	Mhd. Mahran Al Baloshi	Napkins	Daraa	1039	45
23	Ali Ismael & Partners	Juice	Lattakia	930.6	157
24	Sabagh and Sharabati Ltd. (Nour)	Textile	Aleppo	917.5	538
25	Tahseen Almbrouk AlAbd AlRazaq (Saudi)	Iron bars and metal sections	Lattakia	914.5	124
26	Mouhammad Sheikh Omar & Partners	Blended yarns polyester, viscose Yarns	Aleppo	8731	200
27	Issam s/o Kheir allah Anbouba	Soya, sunflower oils, butter	Homs	868.3	113
28	Tarabishi & Bizra	Pipes of Profiles Aluminum	Damascus suburb	849.9	300
29	Issam Anbouba & Partners	Bricks	Homs	815.7	92
30	Wael Al Noqari	Acrylic yarn	Aleppo	788.1	168
31	Moustafa Oghlu (Turkish)	Acrylic Yarn	Aleppo	745.5	48
32	Mouhammad Maamoun and Mazen Al Malt	Metal Sections Cable holders	Damascus suburb	712.4	62
33	Balancia Trading Shareholding Co.	Textile	Aleppo	704.9	200
34	Khaldoun AlAkk	Polyethelene Pipes	Aleppo	688.1	150

35	Mouhammad Aref Almahayni & Partners	Irrigation Equipment	Damascus suburb	686.0	200
36	Adham Mhd. Mahameed	CDROM	Daraa	685.2	125
37	Ibrahim Kurdi	Oil & Ghee	Hama	679.6	78
38	Mahmoud Mhd. Zoubi & Partner	Human Medicine and Vegetarian	Damascus suburb	674.9	171
39	Walid Tabaa & Partners (German & Arab)	Polyester	Damascus suburb	674.1	318
40	Mahmoud Shabariq & Brothers	Ind., Yarn	Idleb	660.3	78
41	Mhd. Aljarah	Aluminum	Damascus suburb	658.6	200
42	Mostafa Mosli Kurdi	Oil	Hama	658.1	65
43	Vimpex Austrian co.	Rehabilitation Paper Machines	Deir Ezour	649.2	73
44	Jamal Eddin Qambaria & Hassan Al Dibs	Sanitary tissues from paper	Damascus suburb	633.970	100
45	Abdul Aziz Dandal	Ind. Textile	Raqqa	627.9	38
46	Bakri Farwati	Macaroni & Alcohol	Aleppo	627.2	335
47	Khaled Olabi	Polyester Yarn	Aleppo	620.3	99
48	Mohamed Badr & Ryad Toama & Partners	Glycerin & Soap	Damascus suburb	618.4	91
49	Mhd. Alsheikh Taha & Partners	Colored fossilized glass	Aleppo	613.0	90
50	Monir Nahas s/o Mostafa & Partners	Polyster Yarn	Aleppo	609.4	125
51	Nizar Al Asaad & Habib Baitnjani & Partners	Oil, Ghee	Tartous	594.6	146
52	Hassan Hasan Hajjar & Partners	Acrylic Yarn	Damascus suburb	587.8	327
53	Yousef Aswad & Partners	Pipes & reservoirs tempered by fiberglass	Aleppo	585.1	66
54	Hani Kamil Azoz	Formica and fibers Panels	Aleppo	567.8	125
55	Al Matin & Al Khorafi Kuwaiti Co.	Plastic P.E.T.	Homs	547.9	60
56	Shiraz Yirwant Tafnakji	Reinforced Steel	Aleppo	537.8	200
57	Shihada Salah Eddin	Juice	Swaida	530.0	63
58	Abdulla Jarbou	Polyester Yarn	Aleppo	508.4	61
59	Naela Karbouj	Synthetic Yarn and ginned cotton	Aleppo	507.4	44

60	Mostafa AlFakhouri	Chicken production and pgf	Hama	503.7	114
61	Haitham Soubhi Joud	Household Appliances	Lattakia	503.5	140
62	Monzer Haj Maf	Cartoon Boxes	Damascus suburb	502.1	49
63	Wahib Kamil Maree & Partner	Iron bars	Tartous	500.3	107

Annex (3)

List of Addresses Of Main Governmental Entities & Ministries

<p>Syrian Prime Ministry Damascus – Kafar Sousseh Tel. : 2/1/2226000 Fax : 2237842 www.youropinion.gov.net</p>	<p>Syrian Investment Agency Tel. : 2062 Tel. : + 963114412039 Fax : + 963114428124 E-mail: syinvest@mail.sy Investment Chart Site: www.syriainvestmentmap.org SIA Site: www.investinsyria.org</p>
<p>Ministry of Industry Damascus – Maysaloun Str. P.O.Box: 12835 Tel. : 2231834 – 2231845 Fax : 2231097 Ministry's Site: www.syrianindustry.org</p>	<p>Ministry of Information Damascus – Meza Autostrade – Dar Al Baath Tel. : 6624220 / 6624217 Fax : 6665166 Website: www.moi.gov.sy</p>
<p>Ministry of Foreign Affairs Damascus : Muhajreen – Shoura Tel. : 3331200/1/2/3 Fax : 3327620 Email syr-mofa@scs-net.org</p>	<p>Ministry of Interior Damascus : Marja Tel. : 2220101 / 2220102 Fax : 2223428 E-mail: somi@net.sy</p>
<p>Ministry of Electricity Damascus : Quatli Str.,P.O.Box (4900) Tel. : 2119934 / 6/ 5 Fax : 2227736 E-mail: peegt@net.sy</p>	<p>Ministry of Petroleum & Mineral Resources Damascus : Adawi – P.O.Box (40) Tel. : 4445610-4455972 Fax : 4457786 Website: www.moepmr-sy.org E-mail: mopmr@net.sy</p>
<p>Ministry of Economy & Trade Damascus - Maysaloun Str. Tel. : 2213513 / 5/ 4 Fax : 2225695 Website: www.syrecon.org E-mail: econ-min@net.sy</p>	<p>Ministry of Social Affairs & Labor Damascus : Yousif Al-Azma Tel. : 2225948 - 2210355 Fax : 2247499</p>
<p>Ministry of Agriculture & Agrarian Reform Damascus : Hijaz Square – Jabri Str. Tel. : 2213613 / 4 Fax : 2244078 Website: http://www.syrianagriculture.org E-mail: agri-min@syriatel.net</p>	<p>Ministry of Tourism Damascus – Quwatli Str. Tel. : 2237940 / 2210122 Fax : 2242646 Website: www.syriatourism.org E-mail: min-tourism@mail.sy</p>

Ministry of Transport
Damascus : Abu Rummana.
Tel. : 5447101 / 5440078
Fax : 5426477
Website: www.min-trans.net
E-mail: gctp-dam@min-trans.net

Ministry of Housing & Facilities
Damascus – Yousef Al-Azma Square.
Tel. : 2217570 / 1/ 2
Fax : 221757
E-mail: mhu@net.sy

Ministry of Finance
Damascus : Al-Tahreer – P.O.Box: (13136)
Tel. : 2211300 / 2216300 / 2 /3
Fax : 2224701
E-mail: mof@net.sy

Syrian Chambers of Commerce Federation
Damascus – Mosa Bin Nusair Str.
Tel. : 3311504 / 3337344+
Fax : 3331127+
E-mail: syr-trade@mail.sy
Website: www.fedcommsyr.org

Ministry of Local Administration
Damascus : Al-Mohafaza Square.
Tel. : 2317854 - 2317911
Fax : 2316921
Website: www.mlac-sy.org

Adra Industrial City
Damascus Suburb: Adra
Tel. : 5850018 - 5850024
Website: www.aic.org

Hisia Industrial City
Homs – Hisia
Tel. : +96331536000718
Fax: 5360003
Website: www.ic-homs.sy
E-mail: customer@ic-homs.sy

Sheikh Najjar Industrial City
Aleppo – Sheikh Najjar
Tel. : 476901-+963214769011
Fax: 2272479
Website: www.aic.org.sy
E-mail: alp-city@net.sy

Syrian Central Bank
Damascus – Saba Bahrat Square
Tel. : 2212642 – 2216802
Fax : 2248329
E-mail: info@bcs.gov.sy

Central Statistics Bureau
Damascus – Abu Rummana – Abdul Malek
Bin Marwan Str.
Tel. : 3335830
Fax: 3322292

State Planning Commission
Damascus – Bin Al Nafis
Tel.: 5161024 – 5161035
Fax : 5161011
Website: www.planning.gov.sy

UNDP
Damascus – Mezza – Western Villas
Tel. : 00963116129811
Fax: 096311611451
Website: www.undp.org

Directory of the most important Syrian election's sites

Guide of The Most Important Syrian Electronic Websites	
Syrian Investment Agency / SIA /	www.investinsyria.org
Ministry of Irrigation	www.irrigation-sy.com
Ministry of Industry	www.syrianindustry.org
Ministry of Agriculture	www.syrian-agriculture.org
Ministry of Interior	www.civilaffair-moi.gov.sy-sy.org
Ministry of Expatriates	www.ministryofexpatriates.gov.sy
Ministry of Tourism	www.syriatourism.org
Ministry of Culture	www.culture-sy.org
Ministry of Education	www.syrianeducation.org
Ministry of Oil & Mineral Resources	www.mopmr-sy.org
Ministry of Transport	www.min-trans.net
Ministry of Information	www.moi.gov.sy
Ministry of Communications & Tech.,	www.moct.gov.sy
Ministry of Health	www.moh.gov.sy
Ministry of Finance	www.syriafinance.org
Syrian Chambers of Commerce Federation	www.fedcommsyr.org
Damascus Chamber of Commerce	www.dcc-sy.com
Damascus Chamber of Commerce	www.dci-syria.org
Aleppo Chamber of Commerce	www.aleppochamber.com
Lattakia Chamber of Commerce	www.chamberlattakia.com
Aleppo Chamber of Industry	www.aleppo-coi.org
Homs Chamber of Commerce & Industry	www.homschamber.org
Daraa Chamber of Commerce & Industry	www.daraacci.org
Central Bank	www.banquecentrale.gov.sy
Real Estate Bank	www.realestatebank-sy.com
Commercial Bank	www.cbs-bank.com
Syrian Petroleum Company (SPC)	www.spc-sy.com
Syrian Oil Products Storage & Distribution Co.	www.mahrukat.gov.sy
General Housing Est.	www.ghe-syria.com
General Company For Tartous Port	www.tartousport.com

Information about Syria

Syrian Arab Republic is located on the eastern coast of the Mediterranean. Turkey is on the north border, Iraq is on the east, Palestine and Jordan on the south boarder Mediterranean and Lebanon lie on its western borders.

Capital : Damascus

Language : Arabic .

Area : 185.179.000 Sq.Km

Population : 21 million inhabitants approximately.

Syrian Arab Republic is divided into four natural geographic regions as follows :

Coastal region is between mountains and the sea .

Mountainous region : It contains mountains and hills from north to south , parallel to the shore of the Mediterranean .

Interior region : It contains valleys of Damascus , Homs , Hama , Aleppo , Al Hassakeh and Dara'a . It is located eastern to mountains region .

Desert region : Desert Valleys which are suitable for pasture in the eastern south on Jordanian – Iraqi borders .

Climate : Rainy and cold winter , hot and dry summer and two short Autumn and spring .

Weather : Temperature's rate is 32⁰ centigrade in summer , 8 in winter and 22 in Autumn and spring .

Syria is divided for administrative purposes into fourteen governorates as follows : Damascus – Damascus country side , Homs , Hama , Aleppo , Idleb , Latakia , Tartus , Deir Ezzour , Al Hassakeh , Dara'a and AlQuneitra .

Economic Resources : Agriculture wheat , cotton , olives , sugar , beet , citrus , vegetables and fruits .

Strategic industries : Oil and gas .

Converted industries : Textile and chemicals .

Electricity power : 220 volt/Hertz

Weighs and Measures : Meter and Kilogram

Currency : Syrian Pound

Work time : From 8 a.m till 15.30 p.m

Holiday : Friday and Saturday

Winter timing is from October till March (+ 2 hours GMT) Summer timing is from April till October (+3 hours GMT)

International Code : + 963

