

## **Re-thinking Syria Sanctions Policy**

The end of the Assad regime is a historical moment for Syria and beyond, creating new realities on the ground. The EU needs to adjust its policies accordingly.

As one element, we need to reconsider our sanctions policy towards Syria, in view of the fall of the repressive Assad regime which was the objective of our restrictive measures, and view it as a tool moving forward. The review of existing sanctions can be a tool to encourage a peaceful political Syrian-led transition which guarantees protection and representation of all parts of the Syrian population, especially women. In the short term, we should immediately begin adjusting our sanctions regime in order to encourage a peaceful transition, improve conditions for humanitarian assistance, recovery and reconstruction of critical infrastructure, and thereby facilitating the return of displaced Syrians to their homeland. The Syrian economy is in a dire state and the EU has a unique opportunity to position itself as an economic player, herewith creating leverage to achieve our political goals and diminish the influence of malign actors like Russia.

### **Maintaining reversibility:**

As agreed in the December European Council Conclusions, creating the conditions for an inclusive and peaceful political transition is of utmost importance. To achieve this, respect for human rights, including women's rights and the protection of members of religious and ethnic minorities, the preservation of public liberties, and the fight against impunity towards reconciliation must be adhered to. We remain committed to the fight against terrorism, chemical weapon activities, the protection of diplomatic premises and stress the critical need that security guarantees be provided for all Syrians. While we propose this initial lifting of sanctions, as set out in this paper, it is important to note that if EU expectations, as set out in the December European Council Conclusions, are not met, a further lifting of sanctions may not be possible and a snapback mechanism applied to sanctions that have already been lifted (refer to point 2), as proposed in this paper, will apply. We therefore propose a mechanism to temporarily suspend the relevant measures (refer to point 2) in EU Regulation 36/2012 until a future date with a view to extend this suspension until the next regime review in 2026 at which point the prospect of the measures shall be re-visited. Measures could, however, be reimposed at any time, should the situation on the ground run counter our expectations expressed vis-à-vis the new leadership in Syria.

In order to maintain a coherent approach, the EU should closely coordinate with G7 partners. To provide effective sanctions relief for the Syrian people, revision of EU restrictive measures should also take into account the recent announcement of US sanctions waivers and seek harmonization, where possible.

**Time is of the essence:** The US have just announced a new general license, providing swift broad, albeit temporary, sanctions exemptions. The EU should swiftly follow with the below-described measures before the start of the annual review of measures and designations under EU Regulation 36/2012. It will be urgent to pass a Council Decision along the lines mentioned above at the upcoming FAC on 27.01.

### **We therefore suggest the following approach for immediate action:**

#### **1. Sanctions to be kept:**

Members of the Assad regime and its supporters should continue to be listed and restrictive measures on non-proliferation should be kept in place. As designation criteria under EU Regulation 36/2012 were drafted under drastically different circumstances, a separate track of strategic discussions will be necessary to provide for ways to maintain asset freezes and entry bans and identify solutions for their frozen assets in the long term.

## **2. Sanctions to be amended in the short term in EU Regulation 36/2012:**

As a first gesture towards the Syrian people, we should identify the measures to be suspended swiftly without any prerequisites (specific provisions to be revised will be subject of WP-level discussions).

- **Facilitating transport between the EU and Syria (Art. 7a, Art. 26a, Art. 2d)**

This entails lifting of sanctions on companies including Syrian Arab Airlines to facilitate civilian flight operations between the EU and Syria, and the export of jet fuel to Syria and to help members of the Syrian diaspora return to their homes and communities in Syria. More consideration will need to be paid to certain goods and components that may fall under dual-use restrictions but may be relevant for flight operations (i.e. ground-radar installations).

- **Addressing acute humanitarian needs (Art. 16a)**

To immediately address the desolate humanitarian situation, the current humanitarian exemptions should be extended beyond June 2025 in order to be practical for humanitarian organizations, ideally without expiration date. It should reflect the horizontal compromise reached between MS (ST 13559).

- **Reevaluate sanctions on high value goods (Art. 11b)**

Syrians, who wish to relocate their businesses to Syria, and others who aim to invest in the country should be able to export their high-value commercial assets, such as vehicles, to Syria in order to support the future economic basis of the country.

- **Allowing for transactions and engagement in infrastructure and energy (Art. 6, Art. 8, Art. 9, Art. 12, Art. 13 (2) b)**

Syria's power plants for electricity production are in dire condition which poses a significant humanitarian risk, in addition to the shortage of fuel currently experienced by the population. These issues should be addressed by removing the export ban on oil and gas technology, as well as the restrictions on exports and participation in infrastructure projects and financing thereof.

- **Assessing options for reopening banking and investment relations with Syria (Art. 25)**

Syrians need access to their personal finances. To ensure this, essential financial channels between the EU and Syria need to be reopened (including the reestablishment of some banking relationships between Syrian banks and EU banks). Lifting financial sanctions on Syria should be closely monitored by governments, in conjunction with the financial sector subject to AML-CFT regulations, in order to mitigate the risks associated with their removal. Allowing financial investment in Syria and dealings with the financial sector is a necessary step to provide effective sanctions relief in line with the steps above.

To accompany the above-mentioned suspension of sectoral measures, specific and temporary "exceptions" (i.e. on reconstruction-related transactions) could be applied to relevant individual listings (individuals and entities) needed for transactions and engagement (e.g. in banking and transport). Members of the Assad regime and its supporters should not benefit from sanctions relief.

**Possible de-listing under UN ISIL / AQ sanctions regime** (which then would be implemented by EU) would have to be discussed at UNSC level and coordinated with our close partners. It will depend on our joint assessment of the listed entity HTS and its leader Al-Shara'a and of the evolution on the ground in Syria. Any delisting of the group would have to be condition-based, to prevent any risk of terrorism financing and to ensure that Syria does not turn into a place for terrorist groups which foreign fighters would wish to join.