



Legislations of Syrian Economy First Half of 2023

Summary:

❖ Decisions of the Monetary and Credit Council and the Central Bank of Syria:

▪ Monetary and Credit Council (MCC):

- Decision No. 169/M.C.C dated 04/04/2023; Granting loans in foreign currencies to finance developmental investment projects.
- Decision No. 189/ M.C.C dated 16/05/2023; Amending certain Articles of Decision No. 1465/ M.C.C of 2016 on adopting the general rules of banking risks and clients in default.
- Decision No. 204/ M.C.C dated 08/06/2023; Regulations related to granting credit facilities to finance productive sectors and other sectors.
- Decision No. 210/ M.C.C dated 22/06/2023; Instructions related to the possession, entry, and exit of both; Syrian pound and foreign currencies into and out of Syria.

▪ Management Committee of the Central Bank of Syria:

- Decision No. 112/M.C dated 26/01/2023; Allowing exporters to use their foreign exchange revenues generated from exporting.
- Decision No. 113/M.C dated 26/01/2023; Amending Decision No. 1071 of 2021 on exporting.
- Decision No. 144/M.C dated 01/02/2023; Issuing daily bulletins "Remittances and Exchange Bulletin" and "Banks Bulletin".

- Decision No. 149/M.C dated 02/02/2023; Amending the list of items regulated by the provisions of Decision No. 1070 of 2021.
- Decision No. 211/M.C dated 13/02/2023; Nullifying Decision No. 1631/M.C of 2020 on the Allowances Bulletin.
- Decision No. 320/M.C dated 08/03/2023; Instructions related to the application of Council of Ministers' Decision No. (9) of 2023 on the sale of real estate and vehicles.
- Decision No. 336/M.C dated 13/03/2023; Instructions related to the compliances to refund export funds of manufactured and imported materials.
- Decision No. 613/M.C dated 15/05/2023; Procedures necessary to address violations of the provisions of Decision No. 1070/M.C of 2021.
- Decision No. 700/M.C dated 30/05/2023; Amending the appointed period stipulated in Article (6) of Decision No. 613/M.C dated 15/05/2023.

▪ **Circulars:**

- Circular No. 12/16 dated 02/01/2023; Determining the daily cash withdrawal limits.
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- Circular No. 1545/16 dated 23/03/2023, cash withdrawal limits from bank deposit accounts.

❖ **Council of Ministers**

- Decision No. 1/C.M dated 04/01/2023; Exchanging an amount of USD 100 upon entering Syria.
- Decision No. 2/C.M dated 05/01/2023; Instructions for granting a loan of SYP 420,000 to state employees.
- Decision No. 3/C.M dated 05/01/2023; Granting a monthly bonus for doctors with specific specialties.

- Decision No. 11 dated 05/01/2023 The Unified Industrial Classification (UIC) Manual of 2022.
- Decision No. 7/C.M dated 12/1/2023; Increasing the tax imposed on premium gasoline liter.
- Decision No. (171) dated 28/01/2023; Exchange Rate Bulletins issued by the Central Bank of Syria.
- Decision No. 9/C.M dated 01/02/2023 Obligating public bodies legally authorized to maintain records of real estate and vehicle ownership to refrain from registering sale contracts before attaching evidence of payment of the price or part thereof.
- Decision No. 15/C.M dated 09/03/2023; Defining remote and semi-remote areas.
- Decision No. (715) dated 14/05/2023; Adopting a model system for job motivation at the Presidency of the Council of Ministers.
- Decision No. (729) dated 17/05/2023; Determining the amount of care compensation paid for drivers and operators of government vehicles.
- Decision No. (796) dated 28/05/2023; The amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Ministry of Electricity.
- Decision No. 26/C.M dated 07/06/2023; Obligating public bodies, when contracting by mutual consent for the purchase of materials for the purpose of sale, to obtain prior approval from the Economic Committee.
- Decision No. 911 dated 12/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the General Secretariat of the Presidency of the Council of Ministers.
- Decision No. 977 dated 13/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Ministry of Tourism.
- Decision No. 978 dated 13/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Ministry of Industry.
- Decision No. 980 dated 13/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Atomic Energy Authority.

- Decision No. 1043 dated 22/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Ministry of Agriculture and Agrarian Reform.
- Decision No. 1044 dated 22/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Central Bank of Syria.

❖ **Ministry of Economy and Foreign Trade**

- Decision No. (12) dated 04/01/2023; Ceasing the export of potatoes.
- Decision No. (159) dated 19/02/2023; Amending the upper limit of the value of postal parcels.
- Decision No. (307) dated 24/04/2023; Allowing the export of Linden flowers, leaves, and yield.
- Decision No. (393) dated 22/05/2023; Allowing the export of potatoes.
- Decision No. (394) dated 22/05/2023; Allowing the export of spring garlic.

❖ **Ministry of Finance**

- Decision No. 433 dated 05/02/2023 Determining the wages of the chairmen and members of the committees, and data entry personnel involved in estimating the fair value of real estate units.
- Decision No. 945/O dated 30/3/2023; Amending the seal manufacturing price.
- Decision No. 947/O dated 30/3/2023; Determining the bookbinding of the Official Gazette.
- Decision No. 948/O dated 30/3/2023; Amending the prices of publications issued by the Ministry of Finance.
- Decision No. 865 dated 03/05/2023; Settling the violations of financial fines imposed by means of financial stamps>

❖ **Ministry of Internal Trade and Consumer Protection**

- Decision No. (38) dated 03/01/2023; Amending the price of 95-octane gasoline.
- Decision No. (1558) dated 22/05/2023; Determining the selling price of butane gas.

- Decision No. (1559) dated 22/05/2023; Determining the selling price of 95-octane premium gasoline.

❖ **Decrees**

- Legislative Decree No. (1) dated 12/01/2023; Amending articles of the regulations attached to Legislative Decree No. 14 of 2008 concerning Hourly Compensation for Flight Crew members.
- Decree No. (8) dated 12/1/2023; Determining the categories, number, value, and specifications of tuberculosis control stamps.
- Legislative Decree No. (3) dated 12/03/2023; Exempting individuals affected in the disaster-stricken areas.
- Legislative Decree No. (4) dated 02/04/2023; Amending the salary of the presidents of universities.
- Legislative Decree No. (5) dated 11/04/2023; Disbursement of a one-time grant at the lump sum of SYP 150,000.
- Legislative Decree No. (7) dated 01/05/2023; Establishing the National Fund for Supporting Earthquake-affected population.
- Decree No. (150) dated 15/06/2023; Licensing the opening of a regional office for the Arab Free Zones Union.

❖ **Laws**

- Law No. (1) dated 20/03/2023; Amending Legislative Decree No. (44) of 2005 and amendments thereto concerning the financial stamp duty.
- Law No. (2) dated 22/03/2023; Amending articles of Investment Law No. (18) of 2021.
- Law No. (6) dated 27/04/2023; Judicial fees and insurance.
- Law No. (8) dated 23/05/2023; Exempting the process of importing cows from fees and taxes.
- Law No. (10) dated 19/06/2023; Organizing the plan of shifting to modern irrigation in irrigated agricultural lands in Syria.

- Law No. (11) dated 22/06/2023; Merging or Converting of (Joint Liability Companies, limited partnership Companies, limited liability Companies, and Closed Joint Stock Companies) into Public Joint Stock Companies.

❖ **Decisions of the Monetary and Credit Council and the Central Bank of Syria**

▪ **Monetary and Credit Council:**

Decision No. 169/M.C.C dated 04/04/2023; Granting loans in foreign currencies to finance developmental investment projects:

This Decision allows banks licensed to conduct transactions in foreign currency to grant foreign currency loans to finance developmental investment projects in Syria, provided that the borrower is a resident in the Syrian Arab Republic and shall undertake to repay the loan installments in foreign currency from his accounts with locally licensed banks or from his accounts abroad or in cash. The project shall have activities that lead to the generation of foreign currency cash flows of no less than the value of the installments and interests on the granted credit facilities, and the bank shall bear the liability of verifying the same. The loan shall be used to finance the project's investment needs, such as importing machinery, equipment, tools, service vehicles, or raw materials. The loan shall, in all cases, be matched by assets in the investment project, and it may not be used to finance real estate.

The bank shall bear the liability to receive the necessary guarantees for repaying the loan, and to ensure that the loan is used for the purposes for which it was granted. The bank grants the loan in installments according to a specific timetable.

The loan shall be repaid in the same foreign currency in which it was granted or by the stipulated means of payment in foreign currencies. The bank shall take all necessary measures to avoid the risks associated with granting the loan while adhering to the ratios and precautionary measures. Banks shall also collect interests and commissions in foreign currency.

Decision No. 189/M.C.C dated 16/05/2023; Amending certain Articles of Decision No. 1465/M.C.C of 2016 on adopting the general rules of banking risks and clients in default.

This Decision includes the approval to amend Article (2) of Decision No. 1465/M.C.C of 2016. Thereby, Banks shall inquire from the Banking Supervision Department - Risks Centrality Department about the value and type of facilities granted to or used by a specific client, as well as the details and information of the facilities according to Form No. (4). The client may also

request declaration of the granting banks. The results of the inquiry shall be valid for a period of (3) months as of the date of notifying the banks of the same.

The decision has also amended Article (3) of the aforementioned decision, thereby; the Risks Centrality Department shall collect an amount of SYP 5,000 for inquiries about ordinary clients, and an amount of SYP 15,000 for inquiries about legal persons, provided that each party shall pay the due amounts within 5 working days from the date of notifying them of the fees due thereto.

Decision No. 204/M.C.C dated 08/06/2023; including the regulations for granting Credit Facilities to finance productive sectors and other sectors.

The Decision clarifies the specific regulations for granting credit facilities to finance the productive sectors and other sectors as follows:

Firstly; The Productive Sectors: Banks are required to finance the productive sectors by no less than 75% of the portfolio of direct productive credit facilities, with adhering to the submission of an economic feasibility study for the project requesting financing, demonstrating the availability of cash flows capable of covering the debt burden. The credit decision shall be made in accordance with the authority chain of the bank after evaluating the creditworthiness of the client and adopting standards to mitigate the potential risks associated with the financing upon granting. The amount of the facility is disbursed in installments according to the project implementation milestones. The ratios shall be determined through relating to the added value achieved by the project product, provided that the financing ratio does not exceed 70% of the total cost of the project. However, it can be increased to 80% if the project relies on renewable energy or if its inputs are locally produced or if its feasibility study proves its ability to export more than 30% of its production. In the event that the regulations of Decision No. 169/M.C.C of 2023 are not applicable for the project, in this case, it is allowed to allocate a part of OR all of the amount of the facility granted in Syrian pounds to finance the value of imports necessary for the productive sectors, provided that it is used in full and exclusively within the financed project and at the liability of the bank. The foreign currency required for the import financing process is purchased in accordance with the directions and regulations of the Central Bank of Syria. Banks are restricted from granting any credit facilities without guarantees. If the amount of the facility exceeds 1 per thousand of the bank's own funds, the bank is obliged to grant the facility in exchange for obtaining one of the guarantees that are considered risk mitigators at a ratio of no less than 100% of the value of the granted facility. The facilities for each project shall be granted by one bank only, with the exception of large-scale projects that require pooled financing from multiple banks. new facilities for the same project can only be granted after ensuring the completion of implementation milestones and the validity of revenue in the form of cash flows. The sums of the granted facilities shall be disbursed into the bank accounts if the client, with granting him the capacity to conduct withdrawals provided that the value of these withdrawals

does not exceed 50% of the amount of the facilities. The facilities granted to public sector projects are not subject to the specified financing ratios.

Secondly, For Other Sectors: Banks shall ensure that the clients possess cash flows that are sufficient to cover the debt burden, these cash flows shall be proved by the relevant documents and the assessment of creditworthiness of the client, along with adopting standards to mitigate potential risks associated with financing. The financing ratio shall not exceed 75% of the total cost at the date of submitting the financing request. Banks are restricted from granting financing without guarantees, and the amounts of the facilities shall be disbursed into the bank accounts of the clients, and the value of withdrawals shall not exceed 50% of the total amount of facilities.

Thirdly, Revolving Credit Facility (RCF): Banks are mandated to limit the revolving credit facilities to no more than 10% of the direct productive credit facilities portfolio. These facilities may be extended or renewed to finance working capital, provided that the requisite documentation, demonstrating the client's commencement of his business activity three years before the extension or renewal date, is available, in addition, active cash flows shall be evident in the client's accounts. Such facilities are exclusively granted by a single bank, and their limit cannot be increased until one full year has elapsed since the initial grant or renewal. The guarantees provided must amount to no less than 150% of the granted facility. Disbursement of these facilities occurs directly into the client's bank accounts and may only be accessed via bank remittances.

The decision also permits active banks to provide direct credit facilities exclusively in Syrian pounds to productive sectors, against a gold security, with a minimum ratio of 100% of the facility granted. However, banks are restricted from granting credit facilities in Syrian pounds for import purposes, as such facilities shall be exclusively granted in foreign currencies. Additionally, it is prohibited to grant any facilities or financing intended for covering the value of cash supplies/ insurance. Real estate Bank, Credit Bank, and Savings Bank are exempt from the aforementioned stipulated ratios, taking into consideration that Decision No. 433/M.C.C, dated 30/10/2021 has been nullified.

Decision No. 210/ M.C.C dated 22/06/2023, including the instructions related to the possession, entry, and exit of the Syrian pound and foreign currencies into and out of Syria:

The Decision allows the possession of all means of payment issued in foreign currencies and credit cards, and conducting transactions in the same exclusively through banks and exchange institutions operating in Syria. The Decision also sets out instructions for the entry and exit of the Syrian pound and foreign currencies to and from outside Syria as follows:

Syrian Pound: Any individual entering into Syria, regardless of his nationality, is allowed to bring in any amounts in Syrian pounds regardless of their value, provided that these amounts are declared at the Syrian Customs Authority. A departing Syrian or non-Syrian resident is allowed to

carry out an amount of no more than SYP 500,000, while an Arab or non-resident foreigner departing Syria is allowed to carry out no more than SYP 50,000.

Foreign Currencies: Any individual entering into Syria is permitted to bring in foreign banknotes up to a value of USD 500,000 or its equivalent in other foreign currencies, provided that they declare such amounts to the Syrian Customs Authority. Additionally, any Syrian citizen departing from Syria may carry out an amount not exceeding USD 10,000, while non-Syrian departers may take out amounts not exceeding USD 5,000 or its equivalent in other foreign currencies, or up to the amount declared upon entry into Syria. The declaration must be presented to the Customs Authority upon departure from Syria. All departing individuals, regardless of nationality, are allowed to carry out all other means of payment in foreign currencies and credit cards, regardless of their value.

Any amounts that exceed the limits stipulated by the Decision shall be deemed as shipments and are subject to the decisions of the Central Bank of Syria. The Customs Authority shall bear the duty of organizing a report of any amounts that exceed the prescribed limits, this report shall be referred along with these amounts to the Central Bank of Syria to exercise the right of prosecution, without obstructing the entry and exit procedures for the concerned individual.

▪ **Management Committee of the Central Bank of Syria**

Decision No. 112/M.C, dated 26/01/2023; Allowing exporters to use foreign exchange revenues generated from exporting:

The Decision allowed exporters to utilize their foreign currency revenues generated from exporting through selling all or part of the amount permitted to be retained, which is 50%, to the Central Bank of Syria at the price prescribed by the banks bulletin published on the date of sale, plus export premium. Exporters are not allowed to sell or waiver any part of the foreign currency amount directly to another importer. The Decision also permits industrial exporters to utilize a part or all of the foreign currency amounts (including the part required to be sold to the Central Bank of Syria) to cover the value of their imports, provided that the imports consist of raw materials and production requirements necessary for their facilities that the products of which are being exported. This is only allowed after providing the necessary proofs and documentation to obtain the approval of the Central Bank of Syria, after that, the exporter shall submit a written application to the bank which issued the pledge, requesting permission to utilize the foreign currency amount before the specified deadline for fulfilling the export commitment. The same procedures shall be followed in case of requesting extending the deadline for fulfilling the commitment in the event of delay in the arrival of imports. If the total value of the imports listed in these certificates does not fully cover the value of the exported goods, the bank is obliged to sell to the Central Bank of Syria the value of the foreign currency amount resulting from exporting that is not covered by import customs certificates within the specified repayment period.

Decision No. 113/M.C dated 26/01/2023; Amendment to Decision No. 1071 of 2021 on Exports:

Decision No. 1071/M.C dated 31/08/2021, was hereby amended as follows:

Firstly: The phrase "based on the provisions of Article 19 of Legislative Decree No. 21 of 2011" shall be repealed.

Secondly: (Article 7): The bank which issued the export commitment shall, at its sole liability, verify the exporter's financial solvency, reputation, and legitimacy of his business activity, and it is required to submit a proof document issued by the relevant Chamber of Commerce, Industry, or Agriculture, proving the vocational activity of the exporter. Furthermore, the issuing bank shall thoroughly examine and verify all submitted documents, compare the value of the goods specified in the export commitment with the value mentioned in the invoice or the approval issued by the Ministry of Economy in the case of temporary export. The issuing bank shall also follow up on the correctness of the process of repaying the commitment, verify the accuracy of the information declared by the exporter, affix the legal stamp on the original version of the commitment, or duly collect the value of the same.

Thirdly: (Article 9, paragraph B) requires the vegetable and fruit exporters to commit to returning 50% of the foreign currency amount calculated by multiplying the actual quantity of the exported goods by the price specified on the invoice. The commitment is to be fulfilled for all types of exported goods (except for exporters who have obtained approval from the Central Bank of Syria) through a transfer or a banknote payable in any country outside Syria to the account specified in coordination with the bank that organized and issued the export commitment. The bank may assign the exchange company to collect the foreign currency amount outside Syria.

Fourthly: (Article 10, Clause 3, Paragraph B); If the exporter fails to return the exported goods under a temporary export commitment within the specified deadline, provided that the goods are allowed for permanent export, the exporter must pay 50% of their estimated value. In accordance with (Clause 4 of the same Article), if the exported goods that were temporarily exported are not allowed for permanent export, and the specified deadlines for their return have passed without being returned, the exporter shall be liable and prosecuted for the offense of export in the form of smuggling and the bank which issued the commitment is obligated to inform the Central Bank of Syria of the exporter's failure to fulfil the commitment.

Fifthly: (Article 11, Clause 2): The bank shall send the copy upon which the repayment was made to the Export Department at the concerned branch of the Central Bank of Syria, attached to Record 2, this shall be done after specifying the date of depositing the foreign currency amount into the designated account on the same record.

Sixthly: (Article 12): the exporter who has reasons preventing him from fulfilling the commitment may, through the bank which issued the commitment, submit a request for an extension, the bank shall then refer the request attached with all required documents to the Central Bank of Syria. Any extension request that does not meet the required conditions shall be rejected.

Seventhly: (Article 13, Clause 4); The bank shall, within three working days from the elapse of the five-month period following the deadline for fulfilling the commitment in case of the exporter's failure to duly settle his violation, be obliged to inform the Central Bank of Syria - External Relations Directorate and the concerned branch of the Central Bank of Syria for initiating the necessary legal proceedings. The exporter shall then commit to fully returning the unpaid amount of foreign currency generated from exporting, and the entire insurance amount shall be transferred to the account of settlement compensation payments due on exporters in Syrian pounds in exchange for export commitments.

Eighthly: (Article 17, Clauses 9 and 10): The bank which issued the commitment shall be subject to a settlement fee of SYP 100,000 if it fails to send the letter regarding the lack of commitments to return the foreign currency amounts granted for exporting within the specified period, this settlement fee shall be paid for each month of delay, and any period less than a month shall be deemed as a complete month. The bank shall transfer the settlement fee in Syrian pounds to the account of "settlement fees in Syrian pounds due on banks for export commitments".

Ninthly: (Article 18, Clause 5); Any violation of the provisions of this Decision shall be deemed a violation of the provisions of the applicable foreign currency regulations, and the Central Bank of Syria shall take legal action against the perpetrators of such violations and prosecute them for the crime of smuggling foreign currency abroad.

Tenthly: (Article 16, Clauses 1 and 2): The phrase "3 working days" shall be replaced with "5 working days".

Decision No. 144/M.C dated 01/02/2023; Issuing daily bulletins "Remittances and Exchange Bulletin" and "Banks Bulletin".

The Central Bank of Syria, through its Banking Operations Directorate, issues two daily bulletins: the "Remittances and Exchange Bulletin" and the "Banks Bulletin". The first bulletin applies to the following; Purchase of foreign currency in cash from natural persons through exchange companies and banks, Purchase of commercial external remittances and remittances received by natural persons through international transfer networks, and when evaluating the periodic financial statements of licensed exchange companies. The "Banks Bulletin" on the other hand shall replace the "Banks and Exchange Bulletin". The "Delivery Price of Remittances for Legal Entities" included in the "Banks Bulletin" shall replace the "Personal Remittances Delivery Price" included in the "Banks and Exchange Bulletin". The same shall be applicable for the purchase of remittances received from abroad by legal entities that are not included by the scope of the first bulletin. The Decision shall be deemed active as of 02/02/2023.

Decision No. 149/M.C, dated 02/02/2023, Including amendments to the list of items subject to the provisions of Decision No. 1070 of 2021.

By virtue of this Decision, the list of items subject to the provisions of Decision No. 1070/M.C dated 31/08/2021 and amendments thereto by adding items to Table (1) and deleting items from Table (2). Imported items listed in Table (1) that had its bills of lading issued before the date of effectiveness of the Decision are exempt from the provisions of Decision No. 1070/M.C of 2021. while imported items listed in Table (2) that arrived at Customs Authorities before the date of effectiveness of the Decision remain subject to the provisions of the aforementioned Decision. Table (3) attached to the Decision includes all items subject to the provisions of Decision No. 1070/M.C of 2021. The Decision shall be deemed effective as of the first working day following its issuance.

Decision No. 211/M.C dated 13/02/2023, including the nullifying of Decision No. 1631/M.C of 2020 related to the Compensations Bulletin.

This Decision nullifies Decision No. 1631/M.C dated 17/11/2020, which included issuing a "Compensations Bulletin" By the Central Bank of Syria.

Decision No. 320/M.C dated 08/03/2023; Including the instructions related to the application of presidency of the Council of Ministers' Decision No. (9) of 2023 on the sale of real estate and vehicles.

This decision included the implementational instructions for Prime Minister's Decision No. 9 dated 1/2/2023 regarding the sale of real estate and vehicles. Regarding the payment of the price of the real estate unit or part thereof through bank accounts, the following was outlined:

First: Calculation and payment mechanism for the price of the real estate or vehicle subject to the sale contract:

The relevant financial departments grant a financial clearance accompanied by a financial registration document detailing the prevailing value of the real estate unit subject to sale. The concerned person or his authorized representative, as per the law, presents this document to the bank when conducting the bank transfer to pay for the real estate or part of it. The relevant bank is responsible for calculating the minimum amount for the payment process in the owner's or authorized person's bank account, equivalent to 50% of the prevailing value of the real estate, and issuing the banking notification for the transfer process, ensuring consistency between the real estate unit data listed in the banking notification and the financial registration document.

Second: Transfer from bank accounts for real estate sales:

The seller and the transferee may transfer the entire or partial amount to any other bank account. Additionally, they have the option to use the balance of the transferee account to make payments, including payments using electronic payment methods.

Third: Cash withdrawals from bank accounts for real estate sales:

The daily withdrawal limit from accounts in cases of real estate sales has been raised to a maximum limit of 25 million Syrian pounds. If there is a need to withdraw larger amounts, the account holder can submit a request to the Central Bank of Syria. Any amendments to the cash withdrawal limit shall be subject to the circulars of the Central Bank of Syria.

As for the procedures for paying the price of vehicles subject to sale, or part thereof, through bank accounts are as follows:

1. The parties involved (buyer / transfer applicant) or their legal representatives shall submit an acceptable original document containing the year of manufacturing of the vehicle subject to the sale contract before the bank when conducting the bank transfer to pay all or part of the price of the vehicle.
2. The bank shall determine the minimum amount for the required bank transfer based on the vehicle's year of manufacturing, and issue the banking notification for the transfer process.
3. The bank shall ensure the consistency of the vehicle's data listed in the notification with the document provided to it.
4. The sale of agricultural tractors and motorcycles is not subject to the provisions of this Decision.

Under this decision, an amount of 500,000 Syrian pounds shall be retained in the seller's account for a minimum period of three months after completing the transfer transaction. The amount shall be released, and the account holder may dispose of it after the expiration of that period. Microfinance banks are subject to the provisions of Decision No. 5 of 2020 and amendments thereof, and in accordance with any other specific regulations that may be issued by the Central Bank of Syria. The decision shall come into effect as of the date of effectiveness of the aforementioned Decision No. 9, dated 10/3/2023.

Decision No. 336/M.C, dated 13/03/2023; Specific directives on the pledges to return the foreign currency amounts granted for exporting manufactured materials and imported materials:

"The decision outlines the instructions regarding pledges to return the foreign currency amounts granted for exporting manufactured materials and imported materials, whereas every party that imported raw materials and production necessities for manufacturing under a temporary import declaration for manufacturing and re-exportation, must consult one of the banks operating in

Syria before conducting the export operation to arrange and issue a pledge to return the foreign currency amounts at a rate of 100% of the value of the foreign currency amounts equivalent to the cost of the local materials used for the manufacturing of the goods intended for exportation.

Customs authorities are committed to prohibit the export of these items unless there is a duly organized and issued pledge. A new pledge to return the foreign currency amounts shall be issued for each exporting operation. The exporter shall issue all pledges with only one bank, and if they wish to change their bank, they must settle the full value of the issued commitments and obtain a written statement from the old bank proving the fulfilling of these commitments, along with a statement from the Export Department of the relevant branch of the Central Bank of Syria confirming the absence of any outstanding commitments. These documents are then submitted to the new bank.

The pledge shall be organized only after the exporter submits all of the required documents in two copies according to the form attached to the decision. The first copy is to be submitted along with the invoice to the Customs Authority to be sent later by official mail to the relevant branch of the Central Bank of Syria after being endorsed, weighed, and stamped within one working week from the date of exportation. As for the second copy, the exporter is to return it to the bank, sealed and endorsed by the Customs Authority.

The exporter shall pay, upon organizing the pledge, a cash insurance in Syrian pounds deposited in a frozen account with the bank, which should be equivalent to 5% of the value of the foreign currency amount according to the Bank's Exchange Bulletin issued on the date of organizing the pledge. The bank shall refund the insurance amount to the exporter upon the full payment of the pledge or upon its cancellation. The exporter shall submit the pledge to the Customs Authority, which shall process it within a maximum period of six months from the date of organizing customs statement for the temporary importation, according to which the pledge was organized. The pledge shall be considered void if the deadline passes without conducting export activities. Then, the copies shall be returned to the bank that organized the pledge, which, in turn, returns them to the relevant branch of the Central Bank of Syria after branding them as "cancelled" within a maximum period of 15 days.

The bank that organized the pledge shall verify all documents and information, calculate 100% of the foreign currency amount, monitor the validity of payment process, and refrain from organizing any new pledges for the exporter if there is a due and unpaid pledges. The payment deadline for the pledge is set at 30 days, not extendable. During this period, the exporter shall commit to return 100% of the foreign currency amount equivalent to the cost of the local materials used in the manufacturing of the exported goods through a remittance or a banknote to any country outside Syria. It is permissible to assign exchange companies to collect the foreign

currency amounts abroad. The date of depositing the foreign currency amount in the designated account is considered the date of payment. The bank shall purchase the foreign currency amount at the exchange rate stipulated by the Banks Bulletin on the date of payment, plus an export premium stated in the latest Export Premiums Bulletin, and then sells it to the Central Bank of Syria.

The decision also outlines the procedures for fulfilling and addressing delays in repayment. The bank is obligated to inform the Central Bank of Syria - External Relations Directorate if the exporter fails to pay within five working days from the end of the specified deadline for fulfilling the commitment. Within three working days from the end of the specified deadline for fulfilling the commitment, the bank shall transfer the insurance amount, in Syrian pounds, to the account of "Insurance amounts Held Upon Export Pledges", and the exporter in default must conduct the necessary settlement with the bank that organized the commitment, whereas the bank deducts a settlement fee in Syrian pounds from the withheld insurance amount at a rate of 1% per month of the unpaid value, provided that the deducted amount is not less than a minimum threshold of SYP 100,000. If the subsequent five-month period from the deadline for fulfilling the commitment expires without settling the delay violation, the file of the delinquent exporter is referred to the Central Bank of Syria for necessary legal action.

The decision also specifies the statistical data required from banks, the settlement fees imposed in case of non-compliance with the provisions of the decision, and other miscellaneous provisions. The decision shall be deemed effective from the date of its issuance.

Decision No. 613/M.C dated 15/05/2023; including the necessary procedures for handling the violations to the Decision No. 1070/M.C of 2021:

The decision includes procedures required to handle violations of the importers who fail to comply with the provisions of Decision 1070 of 2021 and its amendments regarding failure to comply with the requirement of proving the source of financing within the specified deadline and according to the pledge, the importer must conduct the necessary settlement with the relevant branch of the Central Bank of Syria within 30 days from the elapse of the deadline for submitting the required documents to prove the source of financing. After the Import Department verifies the validity of the documents, the Legal Affairs Department completes the settlement procedures, where the violator pays a settlement fee of 5,000 Syrian pounds for each day of delay after the prescribed term has elapsed. If the settlement is not made before the deadline, the matter is then referred to the Legal Affairs Department to take appropriate actions, including determining the type of violation and referring it to the State Cases Administration if no documents are received from the importer within 15 days, this results in filing a judicial claim for

the amount due for settling the violation in Syrian pounds equivalent to 35% of the value of the imported goods subject to the violation, according to the exchange rate stipulated in the Remittances and Exchange Bulletin issued the date of writing the report.

If the importer submits settlement documents after the file is referred to the Legal Affairs Department but before it is sent to the State Cases Administration, the importer is then charged a settlement fee of 5,000 Syrian pounds for each day of delay until the date on which he submitted the documents. If the documents are submitted after the file is referred to the State Cases Administration, the importer is requested to provide a statement of the lawsuit, and after confirming the issuance of a final judicial verdict, he is requested to pay the settlement fee equivalent to 35% of the value of the goods.

All violators are granted a period of 30 days from the date of issuance of this decision to settle their violations, regardless of the date the violation occurred.

Decision No. 700/M.C dated 30/05/2023; amendment to the prescribed time limit stipulated in Article 6 of Decision No. 613/M.C dated 15/05/2023:

In accordance with this Decision, Article 6 of decision No. 613/M.C dated 15/05/2023 is amended to grant all violators of the provisions of the Decision a time limit of 60 days instead of 30 days for settling their violations.

▪ **Circulars**

Circular No. 12/16 dated 02/01/2023; determining the limit of the daily cash withdrawals:

The circular included instructions to all financial banking institutions operating in Syria to adhere to the daily cash withdrawal limit from accounts opened for natural and legal persons, set at 10 million Syrian pounds for ordinary transactions and 15 million Syrian pounds for real estate transactions. As for the open limits, they remain unchanged until further directives are issued. The circular reiterated the content of Circular No. 1930/16 dated 2022, which exempts cash deposits by natural and legal persons accepted after the date of effectiveness of Decision No. 68 dated 03/04/2022, from the specified daily cash withdrawal limit.

Circular No. 191/17 dated 29/1/2023; Amendment to the amounts permissible to be carried out between governorates:

Pursuant to Circular No. 961/17/E dated 01/06/2020, the amounts permissible to be carried out between governorates are amended to 15 million Syrian pounds, with an exception for transfers between Damascus, Damascus Countryside, and Al-Quneitra governorates from adhering to the aforementioned limit.

Circular No. 455/8 dated 13/02/2023; Regarding collecting Conscription Exemptions Fees pursuant to Legislative Decree No. 31 of 2020 and Decision No. 145/M.C of 2023:

The Circular directed all branches of the Central Bank of Syria to collect Conscription Exemptions Fees from individuals taxed in US dollars, euros, or Syrian pounds pursuant to Legislative Decree No. 31 of 2020 and Decision No. 145/M.C date 01/02/2023, as follows:

1. For Conscription Exemptions Fees payable in Syrian pounds and military service forfeit allowances: The Banks Bulletin (the average bank exchange rate) is applied to calculate the equivalent in Syrian pounds, as well as the value of the bond for individuals obligated to compulsory and reserve military service and those wishing to travel.
2. In US dollars or its equivalent in euros, exclusively according to the euro's exchange rate specified in the Interbank Bulletin issued by the Central Bank of Syria.

Circular No. 1545/16 dated 23/03/2023; Regarding the limits of cash withdrawal from the bank deposit accounts:

The Circular directed all banks operating in Syria reiterating the content of Article 4 of Decision No. 17/M.C.C of 2021, which include controls over the interest rates imposed on the foreign currency deposits, and reiterating the Clause “First” of the Circular No. 1930/16/of 2022 issued by Central Bank of Syria, which includes exempting only the cash deposits that were newly deposited with the banks from the withdrawal limit, whereas by virtue of the Circular, all deposited amounts are exempted, as directed, from the specified withdrawal limits stipulated by circulars and directives in force.

❖ **Council of Ministers**

Decision No. 1/C.M dated 04/01/2023; Exchanging an amount of USD 100 upon entering Syrian territory:

This Decision The decision mandated Syrian citizens and others with the same legal consideration to exchange an amount of USD 100, or its equivalent in foreign currencies accepted by the Central Bank of Syria into Syrian pounds upon entering the territory of the Syrian Arab Republic.

Decision No. 2/C.M dated 05/01/2023; Instructions for granting a loan of SYP 420,000 to state employees:

The decision allowed the following public banks; Commercial Bank, Real Estate Bank, Savings Bank, and Public Lending Bank to grant loans to employees of the state, including civilians and military personnel, as well as retired individuals. The loan amount was set at 420,000 Syrian pounds, repayable in monthly installments over one year, without the need for a guarantor for permanent employees or those under temporary contracts renewed for at least three years. Retired individuals, however, are required to have only one guarantor. A 5% commission on the loan value was to be borne by the state treasury, while borrowers shall pay an amount of 10,000 Syrian pounds for fees and stamps associated with the loan contract, deducted immediately.

The Decision allowed Commercial Bank to link interest-free deposits with Public Lending Bank and Savings Bank, under bilateral agreements with specified terms and conditions. Additionally, the Decision permitted loan installments to exceed the maximum deduction limit of 40% from salaries and fixed compensations. The Decision outlined that it is impermissible to transfer salary localization for the employee, accepting resignations, or granting unpaid leaves before settling all loan installments. Applications from employees seeking to receive loans were received by public authorities, and then transferred to the relevant authorities at the onset of each weak, with each employee eligible for the loan only once.

Decision No. 3/C.M dated 05/01/2023; Granting a monthly bonus for doctors with specific specialties:

Decision No. 7/C.M of 2021, which stipulates granting a monthly bonus to for doctors with specialties prescribed thereof, has been extended from 08/01/2023, until 16/03/2023, or until the issuance of the incentive system specific to the same. Forensic medical practitioners working at the Ministry of Interior and the Ministry of Higher Education and Scientific Research also benefit from the provisions of this decision, starting from the beginning of the month following its issuance.

Decision No. 11 dated 05/01/2023 The Unified Industrial Classification Manual of 2022.

The decision approved the Unified Industrial Classification Manual for all economic activities /Fourth Revision ISIC4/ for the year 2022, which is attached to the decision, as it is approved to

be adopted for application by all state agencies, public, private, and joint sectors and non-profit bodies in Syria.

Decision No. 7/C.M dated 12/1/2023; Increasing the tax imposed on premium gasoline liter:

The decision increased the tax imposed on each sold liter of premium gasoline from SYP 9 to become only SYP 50.

Decision No. (171) dated 28/01/2023; Exchange Rate Bulletins issued by the Central Bank of Syria:

By virtue of the decision, the Central Bank of Syria issues the following exchange rate bulletins:

1. **Quarterly Bulletin**: Issued periodically, this bulletin relies on the average rates listed in the official bulletin for the previous month before the date of issuance of each quarterly bulletin. The first quarterly bulletin of each year applies throughout the fiscal year concerning the transfer of allowances for diplomatic and consular missions, entitlements for their heads and employees, and the allowances for incoming students. The regular quarterly bulletin applies to foreign currency transactions related to public bodies and administrations designated by the Central Bank of Syria.

2. **Customs and Aviation Bulletin**: Issued bi-weekly, this bulletin determines the exchange rate based on a study conducted by the Central Bank of Syria on the current variables affected by its applications. It is applied when converting the value of imported and exported goods denominated in foreign currencies into Syrian pounds, as well as customs duties, consumption taxes, transit fees, and all other types of transactions, fees, allowances, compensations, wages, fines, interests, and penalties. It also applies to the valuation of airfare cards and the evaluation of foreign exchange sales when calculating the auditing commission payable to the Central Bank of Syria. The Central Bank of Syria issues the implementing instructions for this decision, effective as of 02/01/2023.

Decision No. 9/C.M dated 01/02/2023 Obligating public bodies legally authorized to maintain records of real estate and vehicle ownership to refrain from registering sale contracts before attaching evidence of payment of the price or part thereof:

Public authorities authorized by law to maintain records of property ownership of real estate and vehicles, of all types, in addition to notary public personnel, shall refrain from notarizing contracts

of sale or POAs involving completed and irrevocable sales without attaching a notice of payment of the full price or a part thereof to the owner's bank account as outlined below:

First - Regarding the sale of residential and commercial real estates and land plots: 50% of the prevailing value of the sold real estate unit shall be deposited into bank accounts. The entire amount or a portion thereof may be transferred to another bank account and be used for payments without a limit. Additionally, the daily withdrawal limit is increased to 25 million Syrian pounds. If larger amounts are needed, a request must be submitted to the Central Bank of Syria.

Second - Regarding the sale of vehicles: the amounts deposited in bank accounts are determined based on the year of manufacture of the vehicle. By virtue of the decision, an amount of 500,000 Syrian pounds shall be frozen in the accounts used for sales transactions for a minimum of three months. Sales transactions of agricultural tractors and motorcycles are not subject to these provisions. The decision shall be effective 30 days after the date of publishing.

Decision No. 15/C.M dated 09/03/2023; Defining remote and semi-remote areas:

The Decision defined remote and semi-remote areas within Syrian governorates in the framework of applying Articles (1&2) of Law 45 of 2022.

Decision No. (715) dated 14/05/2023; Adopting a model system for Job Incentives at the Presidency of the Council of Ministers:

By virtue of the decision, the model system for Job Incentives attached thereto the same shall be adopted by the Presidency of the Council of Ministers, and the costs thereof shall be disbursed from the credits earmarked for this purpose within the budget plan of the Presidency of the Council of Ministers.

Decision No. (729) dated 17/05/2023; Determining the amount of care compensation paid for drivers and operators of government vehicles:

The decision specifies the amount of the care and maintenance compensation payable to drivers and operators of government vehicles as follows:

- 5,000 Syrian pounds per month for drivers and operators of small passenger, transport, and various types of vehicles.
- 6,500 Syrian pounds per month for drivers of medium and large passenger vehicles and vehicles weighing up to 3 tons.
- 7,500 Syrian pounds for vehicles weighing more than 3 tons but not exceeding 6 tons.
- 8,500 Syrian pounds for vehicles between 6 and 10 tons.
- 10,000 Syrian pounds for vehicles over 10 tons.

The granted compensation shall be distributed according to ratios related to the nature of work and maintenance, based on meeting eligibility criteria. A committee shall be formed to bear the task of determining the due compensation amount for each recipient.

Decision No. (796) dated 28/05/2023; The amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Ministry of Electricity:

The decision specifies the amount of the care and maintenance compensation payable to drivers and operators of government vehicles of the Ministry of Electricity and its institutions as follows:

- 1- 5,000 Syrian pounds per month for drivers and operators of small passenger, transport, and various types of vehicles.
- 2- 6,500 Syrian pounds per month for drivers of medium and large passenger vehicles (Microbus – Bus – Tourism Bus) and vehicles weighing up to 3 tons.
- 3- 7,500 Syrian pounds for vehicles weighing between 3 – 6 tons.
- 4- 8,500 Syrian pounds for vehicles between 6 - 10 tons.
- 5- 10,000 Syrian pounds for vehicles over 10 tons.

The decision outlined the mechanism and conditions for disbursing the compensation, and a committee shall be formed within the Central Administration of the Ministry of Electricity to bear the task of determining the due compensation amount for each recipient and the extent to which he meets eligibility criteria.

Decision No. 26/C.M dated 07/06/2023; Obligating public bodies, when contracting by mutual consent for the purchase of materials for the purpose of sale, to obtain prior approval from the Economic Committee:

The Decision obligates public entities, in the case of contracting by mutual consent to purchase materials for resale, to obtain prior approval from the Economic Committee if the estimated value of the materials to be purchased exceeds one billion Syrian pounds. The request for approval must include clarifications regarding the (extent of necessity of adopting the mutual agreement contracting method - types of materials to be purchased - technical specifications and conditions - estimated value - appropriateness of prices - the party with whom the contract will be concluded - term of implementation of the contract - and total value of the same).

Decision No. 911 dated 12/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the General Secretariat of the Presidency of the Council of Ministers:

The decision specifies the amount of the care and maintenance compensation payable to drivers and operators of government vehicles of the General Secretariat of the Presidency of the Council of Ministers as follows:

- 1- 5,000 Syrian pounds per month for drivers and operators of small passenger, transport, and various types of vehicles.
- 2- 6,500 Syrian pounds per month for drivers of medium and large passenger vehicles (Microbus – Bus – Tourism Bus) and vehicles weighing up to 3 tons.
- 3- 7,500 Syrian pounds for vehicles weighing between 3 – 6 tons.
- 4- 8,500 Syrian pounds for vehicles between 6 - 10 tons.
- 5- 10,000 Syrian pounds for vehicles over 10 tons.

25% of the compensation shall be disbursed in exchange for job nature and circumstances, and 75% of the same shall be in exchange for care and maintenance. The compensation shall be disbursed at the end of each period of 3 months, and a committee shall be formed within the General Secretariat of the Presidency of the Council of Ministers to bear the task of determining the due compensation amount for each recipient and the extent to which he meets eligibility criteria.

Decision No. 977 dated 13/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Ministry of Tourism:

The decision specifies the amount of the care and maintenance compensation payable to drivers and operators of government vehicles of the Ministry of Tourism and its institutions as follows:

1- 5,000 Syrian pounds per month for drivers and operators of small passenger, transport, and various types of vehicles.

2- 6,500 Syrian pounds per month for drivers of medium and large passenger vehicles (Microbus – Bus – Tourism Bus) and vehicles weighing up to 3 tons.

3- 7,500 Syrian pounds for vehicles weighing between 3 – 6 tons.

4- 8,500 Syrian pounds for vehicles between 6 - 10 tons.

5- 10,000 Syrian pounds for vehicles over 10 tons.

25% of the compensation shall be disbursed in exchange for job nature and circumstances, and 75% of the same shall be in exchange for care and maintenance. The compensation shall be disbursed at the end of each period of 3 months, and a committee shall be formed within the Central Administration of the Ministry of Tourism to bear the task of determining the due compensation amount for each recipient and the extent to which he meets eligibility criteria.

Decision No. 978 dated 13/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Ministry of Industry:

The decision specifies the amount of the care and maintenance compensation payable to drivers and operators of government vehicles of the Ministry of Industry and its institutions as follows:

1- 5,000 Syrian pounds per month for drivers and operators of small passenger, transport, and various types of vehicles.

2- 6,500 Syrian pounds per month for drivers of medium and large passenger vehicles (Microbus – Bus – Tourism Bus) and vehicles weighing up to 3 tons.

3- 7,500 Syrian pounds for vehicles weighing between 3 – 6 tons.

4- 8,500 Syrian pounds for vehicles between 6 - 10 tons.

5- 10,000 Syrian pounds for vehicles over 10 tons.

25% of the compensation shall be disbursed in exchange for job nature and circumstances, and 75% of the same shall be in exchange for care and maintenance. The compensation shall be disbursed at the end of each period of 3 months, and a committee shall be formed within the Central Administration of the Ministry of Industry to bear the task of determining the due compensation amount for each recipient and the extent to which he meets eligibility criteria.

Decision No. 980 dated 13/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Atomic Energy Authority:

The decision specifies the amount of the care and maintenance compensation payable to drivers and operators of government vehicles of the Atomic Energy Authority as follows:

1- 5,000 Syrian pounds per month for drivers and operators of small passenger, transport, and various types of vehicles.

2- 6,500 Syrian pounds per month for drivers of medium and large passenger vehicles (Microbus – Bus – Tourism Bus) and vehicles weighing up to 3 tons.

3- 7,500 Syrian pounds for vehicles weighing between 3 – 6 tons.

4- 8,500 Syrian pounds for vehicles between 6 - 10 tons.

5- 10,000 Syrian pounds for vehicles over 10 tons.

25% of the compensation shall be disbursed in exchange for job nature and circumstances, and 75% of the same shall be in exchange for care and maintenance. The compensation shall be disbursed at the end of each period of 3 months, and a committee shall be formed within the Atomic Energy Authority to bear the task of determining the due compensation amount for each recipient and the extent to which he meets eligibility criteria.

Decision No. 1043 dated 22/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Ministry of Agriculture and Agrarian Reform:

The decision specifies the amount of the care and maintenance compensation payable to drivers and operators of government vehicles of the Ministry of Agriculture and Agrarian Reform and its institutions as follows:

1- 5,000 Syrian pounds per month for drivers and operators of small passenger, transport, and various types of vehicles.

2- 6,500 Syrian pounds per month for drivers of medium and large passenger vehicles (Microbus – Bus – Tourism Bus) and vehicles weighing up to 3 tons.

3- 7,500 Syrian pounds for vehicles weighing between 3 – 6 tons.

4- 8,500 Syrian pounds for vehicles between 6 - 10 tons.

5- 10,000 Syrian pounds for vehicles over 10 tons.

25% of the compensation shall be disbursed in exchange for job nature and circumstances, and 75% of the same shall be in exchange for care and maintenance. The compensation shall be disbursed at the end of each period of 3 months, and a committee shall be formed within the Central Administration of the Ministry of Agriculture and Agrarian Reform to bear the task of determining the due compensation amount for each recipient and the extent to which he meets eligibility criteria.

Decision No. 1044 dated 22/06/2023; Determining the amount of care and maintenance compensation paid for drivers and operators of government vehicles at the Central Bank of Syria.

The decision specifies the amount of the care and maintenance compensation payable to drivers and operators of government vehicles of the Central Bank of Syria as follows:

- 1- 5,000 Syrian pounds per month for drivers and operators of small passenger, transport, and various types of vehicles.
- 2- 6,500 Syrian pounds per month for drivers of medium and large passenger vehicles (Microbus – Bus – Tourism Bus) and vehicles weighing up to 3 tons.
- 3- 7,500 Syrian pounds for vehicles weighing between 3 – 6 tons.
- 4- 8,500 Syrian pounds for vehicles between 6 - 10 tons.
- 5- 10,000 Syrian pounds for vehicles over 10 tons.

25% of the compensation shall be disbursed in exchange for job nature and circumstances, and 75% of the same shall be in exchange for care and maintenance. The compensation shall be disbursed at the end of each period of 3 months, and a committee shall be formed within the Central Administration of the Central Bank of Syria to bear the task of determining the due compensation amount for each recipient and the extent to which he meets eligibility criteria.

❖ Ministry of Economy and Foreign Trade

Decision No. (12) dated 04/01/2023; Ceasing the export of potatoes:

The decision ceased the export of potatoes as of 01/01/2023 until 31/03/2023.

Decision No. (159) dated 19/02/2023; Amending the upper limit of the value of postal parcels:

The Decision amends Article 1 of Decision No. 251 dated 04/05/2014, issued by the Ministry of Economy and Foreign Trade on the limit of the value of postal parcels, whether inbound by air, land, or sea. The limit thereof has been amended to one million Syrian pounds for items allowed to be imported under the provisions of the adopted Implementation Guide for granting approvals for import licenses and permits. The decision shall be effective from its date of issuance.

Decision No. (307) dated 24/04/2023; Allowing the export of Linden flowers, leaves, and yield:

The decision allows the export of Linden flowers, leaves, and yield until the end of 2023.

Decision No. (393) dated 22/05/2023; Allowing the export of potatoes:

The decision allows the export of potatoes at a maximum quantity of 40,000 tons until this quantity is depleted. The decision shall be effective from its date of issuance.

Decision No. (394) dated 22/05/2023; Allowing the export of spring garlic:

The decision allowed the export of spring garlic at a maximum quantity of 5,000 tons for a period of only two months starting from its date of issuance.

❖ Ministry of Finance

Decision No. 433 dated 05/02/2023 Determining the wages of the chairmen and members of the committees, and data entry personnel involved in estimating the fair value of real estate units:

This decision, issued by the Ministry of Finance- General Authority of Taxes and Fees, has specified the wages of the chairmen and members of the main committees and sub-committees, and data entry personnel for estimating the fair value of real estate units in all governorates and regions at an amount of one-hundred thousand Syrian pounds for each member for each estimation process.

Decision No. 945 dated 30/3/2023; Amending the seal manufacturing price:

The decision amends the manufacturing price of the seal from 10,000 Syrian pounds to 14,000 Syrian pounds. This applies for seals manufactured at the Directorate of Printing and Publications in the Central Administration of the Ministry of Finance. Additionally, an amount equivalent to the length of the seal multiplied by its width shall be added to the aforementioned price if the area of the seal exceeds 12 square centimeters.

Decision No. 947 dated 30/3/2023; Determining the fees for bookbinding of the Official Gazette:

The decision specified the fees for bookbinding of the official gazette at an amount of 20,913 Syrian pounds.

Decision No. 948 dated 30/3/2023; Amending the prices of publications issued by the Ministry of Finance:

By virtue of this decision, the prices of publications printed and sold by the Ministry of Finance to all ministries, administrations, public, and private institutions have been amended in alignment with the increase in prices of raw materials used in the printing process, after adding a profit margin along with transportation costs, effective from the date of issuance, as per the table attached to the decision.

Decision No. 865 dated 03/05/2023; Settling the violations of financial fines imposed by means of financial stamps:

The General Authority for Taxes and Fees has determined the ratios related to settlement of agreements regarding violations and financial fines imposed under the Financial Stamp Duty Law, which are committed by entities of public economic and administrative sectors when dealing with each other or with private sector entities. Additionally, it has set the maximum limit of fines after settling with the public sector and those authorized to settle agreements.

❖ **Ministry of Internal Trade and Consumer Protection**

Decision No. (38) dated 03/01/2023; Amending the price of 95-octane gasoline:

The decision amended the price of 95-octane gasoline listed in Article 1 of Decision No. 3710 of 2022 to become 5750 Syrian pounds per liter.

Decision No. (1558) dated 22/05/2023; Determining the selling price of butane gas:

The decision specifies the selling price of butane gas for consumers and all sectors as follows:

- Subsidized household gas cylinder with a capacity of 10 kilograms at a price of 15,000 Syrian pounds.
- Unsubsidized household gas cylinder with a capacity of 10 kilograms at a price of 50,000 Syrian pounds.
- Industrial gas cylinder with a capacity of 16 kilograms at a price of 75,000 Syrian pounds for consumers.

The decision shall be effective as of the morning of Tuesday 23/05/2023.

Decision No. (1559) dated 22/05/2023; Determining the selling price of 95-octane premium gasoline:

The decision set the price of 95-octane premium gasoline at 7600 Syrian pounds per liter. This price includes the annual renewal fees for gasoline-powered vehicles, which is 50 Syrian pounds per liter, and the decision shall be effective as of the morning of Tuesday 23/05/2023.

❖ **Decrees**

Legislative Decree No. (1) dated 12/01/2023; Amending articles of the regulations attached to Legislative Decree No. 14 of 2008 concerning Hourly Compensation for Flight Crew members:

By virtue of this decree, Articles 9 and 10 of the regulations attached to Legislative Decree No. 14 of 2008 regarding the provision of meal allowances and cash pocket money for flight crew members in the Syrian Aviation Authority have been amended in accordance with the night shift

hours and compensations for flight crew members who are not among the staff of the Syrian Airlines, as per the tables attached to the decree.

Decree No. (8) dated 12/1/2023; Determining the categories, number, value, and specifications of tuberculosis control stamps:

The decree stipulated the value category of the tuberculosis control stamp at 500 SYP, and the number of printed copies at 4 million, at a total cost of 2 billion Syrian pounds, in addition to outlining the specifications thereof, all for the years 2023 and 2024.

Legislative Decree No. (3) dated 12/03/2023; Exempting individuals affected in the disaster-stricken areas:

The legislative decree exempted people affected by the earthquake in the afflicted areas from all taxes, financial fees, local fees and charges, service charges, and licensing fees, additions, and supplements if they are property owners. This exemption is effective until 31/12/2024. Additionally, it exempted affected individuals from income tax on net profits and income tax on salaries, wages, revenues, compensations, and rewards, as well as revenue tax imposed on properties and vacant lots, and stamp duty for paper forms related to practicing professional, industrial, commercial, and non-commercial professions, in addition to local fees and charges until 31/12/2024. Furthermore, Syrian nationals and individuals similarly situated are exempt from the fees that shall be paid upon registering civil status events for a period of six months. The decree abolishes all tax investigations for the affected individuals, benefits, delay fines imposed prior to the date of effectiveness of the decree, revenue tax investigations for real estate and vacant lots, subscription fees, and consumption values. The exemption, abolishment, postponement, and loss mitigation granted to the affected individuals are limited to their establishments, shops, homes, or buildings that have been completely or partially demolished or have experienced cracks requiring reinforcement only.

The decree allows for the deferral of loan installments due from affected individuals from 06/02/2023, until 31/03/2024, without accruing any delay-based interests or fines. Additionally, public banks are permitted to grant loans for a period of ten years to affected individuals willing to benefit from the same, with a limit of 200 million Syrian pounds for complete or partial reconstruction or rehabilitation of their buildings. Repayment of these loans begins after three years from receiving them, and they are exempt from the stamp duty specified in Legislative Decree No. 44 of 2005. Furthermore, donations and aid for relief efforts are exempt from income tax and consumption spending fees.

Legislative Decree No. (4) dated 02/04/2023; Amending the salary of the presidents of universities:

The legislative decree amended the salary of the presidents of universities to become 200,500 Syrian pounds, and the sabbatical compensation, specified by virtue of the Sabbatical Law No. 7

of 2006 and any amendments thereto, shall not be subject to any taxes or fees of whatsoever type.

Legislative Decree No. (5) dated 11/04/2023; Disbursement of a one-time grant at the lump sum of SYP 150,000:

By virtue of the legislative decree, a one-time grant of a lump sum of 150,000 Syrian pounds shall be granted to all workers within the Syrian Arab Republic, including civilians and military personnel, encompassing workers who are appointed on a monthly or daily basis, permanent and temporary employees, whether they are working as assistants, temporary workers, seasonal workers, contract-based workers, employed under scoring tables or under invoicing systems, or coupons system. The grant also extends to workers who are not registered as official staff who are appointed under registration recruitment systems and others. Additionally, the retirees are entitled to this grant, which is exempt from income tax and any other deductions imposed on salaries and wages.

Legislative Decree No. (7) dated 01/05/2023; Establishing the National Fund for Supporting Earthquake-affected population:

By virtue of this legislative decree, a fund named the "National Fund for Supporting Earthquake-affected Population" shall be established. This fund shall be financially independent, and it falls under the jurisdiction of the Presidency of the Council of Ministers. The task of this fund is to provide financial support to earthquake-affected population to help them overcome the damages they incurred. The fund may establish one or more current accounts, to which the specified financial resources are deposited, including allocations from the State's general budget, grants, aid, donations, contributions, local and international financial contributions, bank interests on deposits to the Fund and any other approved resources.

All fund transfers, whether to or from the Fund, shall be fully exempt from taxes, financial fees, local charges, commissions, charges, and any other associated costs. All grants, donations, and contributions shall be considered taxation-accepted expenses, and shall be subtracted from the net profits subject to taxation. Taxpayers across different categories who donate to the Fund are entitled to a 10% tax deduction for the subsequent two years following the year of donation, provided that the donated amount exceeds 20% of the taxable income, with a minimum threshold of 500 million Syrian pounds.

The legislative decree named the members of the Fund's board of directors, as well as the responsibilities of the Fund. The chairman of the Fund shall be appointed by a decision issued by the Presidency of the Council of Ministers. This decree remains active for a duration of three years from the date of announcing it in the official gazette.

Decree No. (150) dated 15/06/2023; Licensing the opening of a regional office for the Arab Free Zones Union.

The decree grants permission for the Arab Free Zones Union, operating within the framework of the Arab Economic Unity Council, to open its regional office in Syria, headquartered in Damascus. This office shall operate under the provisions of the charter of the Arab Free Zones Union, provided that it does not conflict with existing laws and regulations. The relations and procedures shall be regulated in accordance with a cooperation agreement between the General Authority for Free Zones and the aforementioned Union. This agreement shall be authenticated by the Council of Ministers.

❖ **Laws**

Law No. (1) dated 20/03/2023; Amending Legislative Decree No. (44) of 2005 and amendments thereto concerning the financial stamp duty:

The Law amended certain articles of the Legislative Decree No. 44 of 2005 as set forth below:

1. Article 8: In the case of collecting taxes, foreign currencies shall be converted based on the exchange rates bulletin issued by the Central Bank of Syria for collecting taxes and fees at the date of paying the fees, which shall be settled using an account that received cash flows in foreign currencies. If a public entity is obligated to pay stamp duty for its contracts, deeds, or documents denominated in foreign currencies, the duty shall be paid in Syrian pounds.
2. Article 10: Stamp duty can be paid by affixing the stamp, and the maximum limit amount shall be determined by the Minister of Finance. This limit may be exceeded in the case of electronic stamp duty. The stamp becomes void after being affixed to the document.
3. Article 15: The Minister of Finance has the exclusive authority to appoint a person/s whom he deems competent to review the records of public entities based on the assignment of the General Authority for Taxes and Fees. The violation of non-compliance by employees when they perform their duties shall be subject to a fine of 100,000 Syrian pounds, which shall be doubled upon repeated violations.
4. Articles on penalties listed within Chapter Four were amended.
5. Article 23: Objections shall be referred to the General Authority for Taxes and Fees, and the final decision regarding the same shall be decided by a committee chaired by a judge at the rank of consultant (appointed by the President of the State Council at the request of the Minister of Finance). The committee shall also include the Director-General of the General Authority for

Taxes and Fees, the Deputy Director-General, the Director of Tax Legislation, and an expert appointed by the objecting taxpayer as members. The committee shall convene periodically, and its meetings shall only be valid if attended by two-thirds of its members, and the compensations of the members shall be determined by a decision issued by the Minister of Finance.

6. Article 25 shall be repealed, and Article 27 is amended to specify that the officials responsible for enforcing the legislative decree are appointed by the Central Administration of the General Authority for Taxes and Fees and its directorates in the governorates. These officials are endowed with judicial authority and shall take the legal oath before the President of the Civil Court of First Instance.

7. Some clauses and appendices attached to the decree were also amended.

The law has also amended the share allocated to the General Treasury from the amounts collected by the General Authority for Taxes and Fees, which are collected from fines imposed for tax evasion violations, fines, and the value of confiscations resulting from violations of taxes and indirect fees stipulated in Article 29 of the aforementioned decree, and in each of the following articles: (Article 17 of Law No. 25 of 2003, Article 7 of Legislative Decree No. 11 of 2015, Article 43 of Legislative Decree No. 1684 of 1977). The Law shall come into effect as of the first day of the month following its date of issuance.

Law No. (2) dated 22/03/2023; Amending articles of Investment Law No. (18) of 2021:

In accordance with this law, Law No. 18 of 2021 was subject to several amendments such as;

- Article 2: the Law aims at enhancing the competitive investment environment to attract capital inflows to contribute to the process of construction and urban development, expand and diversify the production base with the aim of increasing employment opportunities and raising economic growth rates, which positively impacts the increase of national income and ultimately leads to comprehensive and sustainable development.
- Article 3: The provisions of the Law shall be applicable to projects established by individual investors or joint ventures, with the exception of (banks, exchange companies, microfinance banks, and all financial institutions that accept deposits), additionally, these provisions shall be applicable to projects established based on the public sector's offering of its own properties for investment, development and real estate investment projects, licensed projects, and real estate development and investment zones established during the period of effectiveness of Law No. 15 of 2008.

The amendments have also included the tasks of the board of directors, customs incentives, and the forms of private economic zones, the phrase "Syrian Investment Authority" shall replace the phrase "General Authority for Development and Real Estate Investment", and the

phrase "Minister of Economy and Foreign Trade" shall replace the phrase "Minister of Public Works and Housing", in addition to further amendments.

Law No. (6) dated 27/04/2023; Judicial fees and insurance:

The law specifies provisions of the paid and collected amounts of fees, security deposits, and judicial expenses, including the fees collected by civil courts for conciliation, first instance, and appellate lawsuits proceedings, as well as proportional and fixed fees pertaining to judgments and rulings in accordance with the lawsuits stated by the Law, in addition to fees collected by penal courts, legal fees, fees of the executorial authorities, and other fees associated with criminal claims and executorial lawsuits and exemptions. Additionally, the Law outlined the procedures for determining and collecting fees, as well as their statute of limitations.

Law No. (8) dated 23/05/2023; Exempting the process of importing cows from fees and taxes:

By virtue of this Law, cows imported for the purpose of raising shall be exempted from custom's fees, taxes, and any other fees for a period of five years starting from the date of effectiveness of the Law, and the import licenses thereof shall be granted based on prior consents by the Ministry of Agriculture and Agrarian Reform.

Law No. (10) dated 19/06/2023; Organizing the plan of shifting to modern irrigation in irrigated agricultural lands in Syria:

The purpose of the law is to regulate the plan of transition to modern irrigation for agriculturally utilized lands in Syria, and to extend support and assistance to beneficiaries through the provision of loans and grants from the fund. As per the legislation, a higher committee for transition to modern irrigation shall be formed, this committee is to be chaired by the Council of Ministers, and its tasks include sanctioning the annual project for the national modern irrigation transition project, making essential decisions to address challenges, sanctioning the areas in which irrigated areas must undergo transition to modern irrigation, and revising the capital of the fund, repayment term, grant conditions, grounds and ratios of contribution of the fund in financing beneficiaries.

The Law stipulates establishing a fund within the Ministry of Agriculture, named "Fund for Financing National Project for Transition to Modern Irrigation," with a capital of 150 billion Syrian pounds to be repaid over ten years. The resources of this fund include credits allocated in the general budget of the State, sums recovered from beneficiaries, grants, donations, interest on the fund's current accounts, default fines and interests, implementation fees, as well as any other resources approved by the Council of Ministers. Additionally, a current account for the fund shall be opened with the Agricultural Cooperative Bank, into which the sums disbursed to finance the fund shall be deposited, and the funds in this account shall be allocated to provide loans and

grants to beneficiaries to finance equipment and expenses of transition to modern irrigation and to settle the fund's expenses.

The fund shall be managed by a board of directors whose members and tasks are named by Law. The Law have also specified central committees and sub-committees and their tasks. Anyone whose land falls within the area sanctioned for mandatory transition to modern irrigation and refuses to fulfill the obligations imposed, unless there is a technical or legal reason, shall be considered in violation of the provisions of the Law. The newly established fund shall replace the “Fund for Financing National Project for Transition to Modern Irrigation” established by virtue of Legislative Decree No. 91 of 2005.

Law No. (11) dated 22/06/2023; Merging or Converting of (Joint Liability Companies, limited partnership Companies, limited liability Companies, and Closed Joint Stock Companies) into Public Joint Stock Companies:

In accordance with this Law, (general partnership companies, limited partnership companies, limited liability companies, and joint stock companies) have the right to merge, provided that the merger results in the establishment of a public joint stock company. Additionally, any of these companies may convert into a public joint stock company, provided that three years have elapsed since its establishment. Companies willing to convert or merge are allowed to reevaluate their fixed assets and prepare a revaluation balance sheet, and submit it for accreditation by a licensed and experienced accounting firm, provided that total differences resulting from the revaluation process do not lead to decreasing the capital of the company willing to convert or merge. In case the net assets are less than the minimum amount required for establishing the public joint stock company, the deficiency must be completed within two years.

The law outlines the advantages and exemptions that companies benefit from when undergoing revaluation for the purpose of conversion or merger, as well as the public joint stock company resulting from the conversion or merger. In case the conversion or merger fails, the company reverts to its original status.

The Law also specifies the procedures for conversion and merger, which requires approval from the Syrian Securities and Markets Authority for the following: (application for conversion or merger, approval of new shares for the resulting public joint stock company, procedures for issuance and offering for public subscription for public joint stock companies).

Any public joint stock company or limited liability company existing before the issuance of this decree has the right to reevaluate its tangible fixed assets. The provisions of the Law shall apply on companies operating in the banking and exchange sector after obtaining approval from the Credit and Monetary Council, and shall also apply on insurance companies after obtaining

approval from the Insurance Regulatory Authority. The Law becomes effective in 30 days after its issuance.