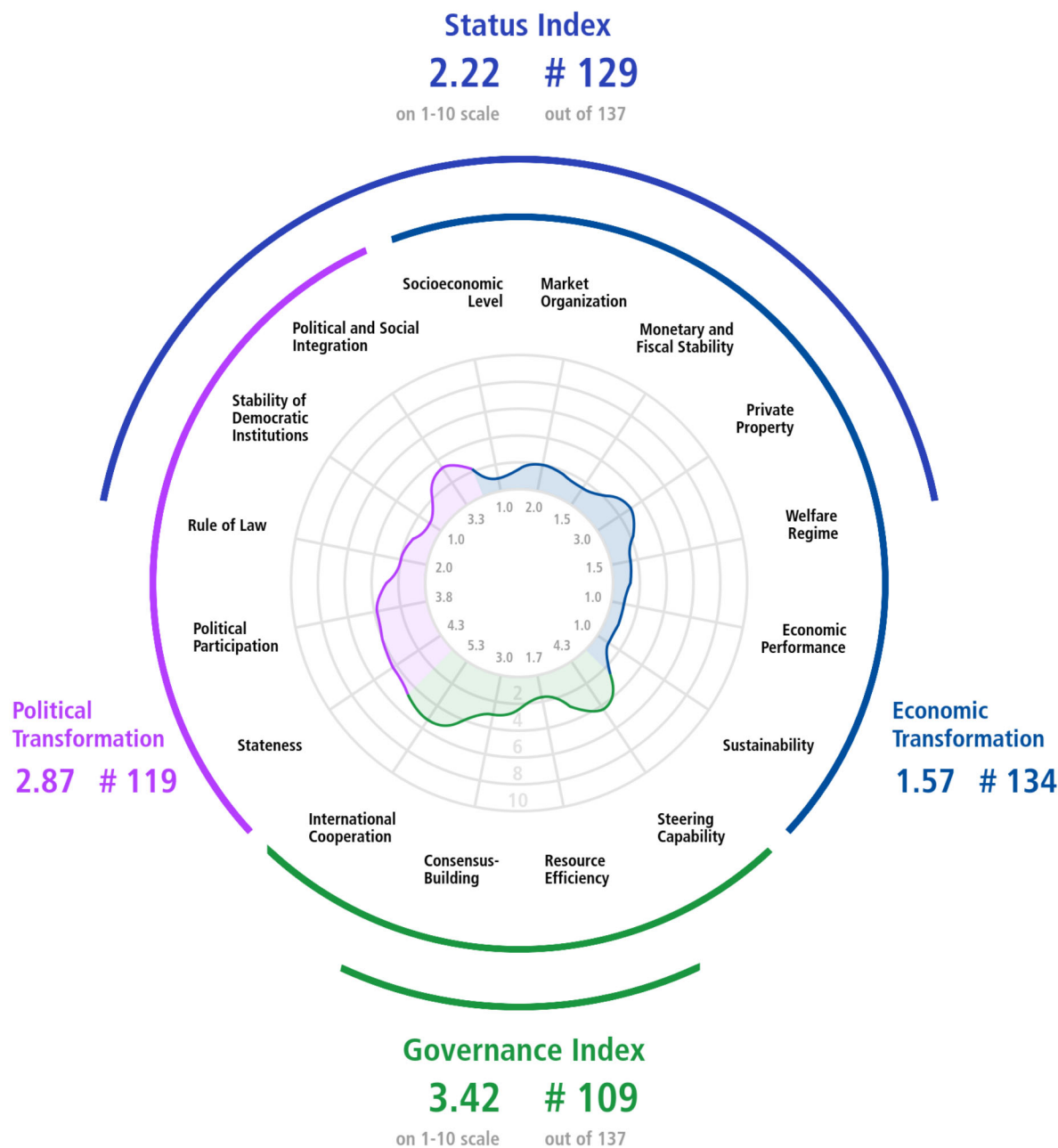


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Syria



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Key Indicators

Population	M	24.7	HDI	0.564	GDP p.c., PPP \$	-
Pop. growth ¹	% p.a.	4.5	HDI rank of 193	162	Gini Index	26.6
Life expectancy	years	72.1	UN Education Index	0.404	Poverty ³	% 67.0
Urban population	%	58.0	Gender inequality ²	0.490	Aid per capita \$	390.2

Sources (as of December 2025): The World Bank, World Development Indicators | UNDP, Human Development Report 2025. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

The changes that have taken place in Syria over the last review period could not be more profound. After years of a seemingly frozen conflict, Hay'at Tahrir al-Sham (HTS) in November 2024 launched a surprise offensive that met little resistance in Aleppo and, within only two weeks, took the cities of Hama, Homs and Damascus. Bashar al-Assad and his family fled to Moscow, and HTS formed a new interim government with ministers of the Syrian Salvation Government (SSG), which it had established in its stronghold city of Idlib in 2017.

In January 2025, HTS leader Ahmad al-Sharaa was declared Syria's president for the transitional phase. He dissolved the parliament and disbanded all militias – including HTS itself – suspended the constitution, and announced the creation of ad hoc committees to draft a new constitution and prepare for elections. However, the proposed timeline spans years rather than months.

The country remains marked by the war's devastation and the heavy toll it has taken on Syria's population. As of January 2025, the United Nations estimates that only 125,000 of the roughly 12 million displaced have returned, while 500,000 people were newly displaced as a result of continued hostilities between the Türkiye-backed Syrian National Army (SNA) and the Syrian Democratic Forces (SDF), as well as Arabs internally displaced returning to Manbij or Tel Rifaat to reclaim their homes that in the meantime had been occupied by Kurdish families, some of whom were themselves displaced from Afrin.

The areas east of the Euphrates are still controlled by the Kurdish-dominated SDF, which is not contesting HTS rule and yet aims for a decentralized state. Similar claims are being made by the Syrian Druze in the southern provinces of Sweida and Daraa. Remnants of the former regime in central Syria and the coastal areas, as well as remnants of the Islamic State (IS) group in Kurdish areas, have acted as spoilers.

Upon the opening of Syria's notorious Sednaya prison, only 4,000 detainees were released, confirming that most of the more than 130,000 missing persons are likely dead. Mass graves of enormous scale were discovered. On January 30, 2025, Ahmad al-Sharaa claimed that transitional justice and accountability are priorities of the transitional government, but little has been done for preservation and evidence gathering yet.

Foreign interference in Syria has shifted but will remain a decisive factor. The former regime's allies, Russia and Iran, have withdrawn, and the transitional government allegedly ended the lease of the Russian naval base in Tartous; it is unclear what will happen with Hmeimin airbase and other Russian assets. The influence of Iran and its allies has been decimated by the Israeli military campaign that killed the entire leadership of Hezbollah. Israel has intensified its bombing campaign against military targets in Syria, weakening the country's defense capabilities. The advancing Israeli occupation in the U.N.-controlled buffer zone of the Golan Heights as well as Türkiye's continued occupation of stretches along the northern border interfere with Syrian sovereignty and are prone to lead to internal and external conflict.

With more than 90% of the population living below the poverty line and 16.7 million people in need of humanitarian assistance, reviving the economy, creating jobs and rehabilitating the energy sector will need to be made priorities. The transitional government has indicated its preference for a market economy and immediately reached out to important potential regional investors such as Türkiye and the Gulf states. The level of destruction is staggering, and apart from the enormous lack of habitable housing, investments in the education sector will be crucial. Reforms of the curricula and textbooks, already announced in December 2024, met with partial approval, yet drew criticism for religious content partially replacing science-based facts.

The transitional government began overhauling the administration, raising salaries for public servants and launching a review of the overstaffed public sector.

History and Characteristics of Transformation

The recent history of Syria has been shaped by 54 years of dictatorship by the Assad family and the Syrian Ba'th party. Hafez al-Assad, who became president in a coup in 1970, led the country until his death in 2000, establishing a "presidential monarchy" and solidifying the Ba'th party's dominance. Al-Assad controlled not only the army but also the security apparatus, which was primarily staffed by Alawis and a new state-dependent bourgeois class who were appeased through limited economic liberalization. Repression, institution-building, patronage and both regional and international support played a role in consolidating the state as a whole.

Apart from a few tolerated opposition movements, the regime arrested and oppressed political opponents and largely eradicated political activism among the population through arbitrary persecution. Islamist uprisings, particularly in the late 1970s and early 1980s, were violently crushed. The massacre in the city of Hama in 1982 left a strong impression on Syrian society. An

estimated 10,000 to 20,000 citizens were killed, with many more forcibly disappeared, and the city center was demolished. The resulting long-term weakness of the opposition was the main hindrance to developing any alternative governance structure for a long time.

The exhaustion of Syria's statist development strategy forced the regime to embark on several waves of economic opening, or "infitah." However, such liberalization failed to achieve sustained momentum, as pressure for reform was periodically alleviated by rent windfalls from oil revenues and foreign aid. Syria's first infitah in the 1970s primarily served to recycle oil money. During the second infitah, which began in the mid-1980s, the private sector was recognized as a partner with the public sector.

Intermarriage and business partnerships between the predominantly Sunni bourgeoisie and the state elite – dominated under the Assads by the Alawi-led security apparatus – gave rise to a military-mercantile complex that became the foundation of a new upper class. The transfer of power from Hafez al-Assad to his son Bashar in 2000 marked the beginning of Syria's third infitah, or "opening." These reforms – endorsed by Western governments – were narrow in scope and primarily designed to consolidate support for the young president by extending select economic privileges. The result was the emergence of a crony-capitalist class that entrenched itself through rent-seeking behavior, exploiting state-granted import monopolies and public contracts. Rather than broadening economic opportunity, this system deepened inequality. As poverty spread, the concentration of wealth and privilege among a small elite fueled growing resentment toward pervasive social and political injustices.

The Syrian revolution erupted in 2011 as a popular uprising driven by political grievances, with dignity and freedom at its core. The regime responded with overwhelming military force. In 2012, defected soldiers founded the Free Syrian Army (FSA), which initially achieved limited territorial gains in northern and eastern Syria but remained poorly equipped compared with regime forces. The Syrian Arab Army (SAA) itself was severely weakened during the war's early years, prompting the regime to issue Legislative Decree 55 (2013), allowing private military companies to protect key infrastructure. Loyalist civilians formed local defense units, while pro-regime businessmen organized private militias. Traditional allies such as the Popular Front for the Liberation of Palestine – General Command (PFLP-GC) deployed armed contingents to secure nearby areas. Above all, Iranian-backed militias, particularly Hezbollah and other Shi'a fighters from across the region, provided decisive ground support to the regime.

By 2014, the self-proclaimed Islamic State (IS) group had infiltrated northern Syria and established a caliphate spanning eastern Syria and western Iraq. The FSA suddenly found itself fighting on two fronts – against both regime forces and IS – an unsustainable burden that allowed Assad's forces to regain the upper hand, particularly after the Russian air force intervened directly in September 2015.

Arab and Kurdish ground forces, supported by an international coalition from the air, defeated IS in March 2018.

The United States supported the Kurdish-dominated Syrian Democratic Forces (SDF), which took control of Raqqa and Deir ez-Zor. These areas east of the Euphrates, along with the Kurdish provinces of Hasakah and Qamishli, are now administered by the Democratic Autonomous Administration of North and East Syria (DAANES).

In 2017, the regime and its international backers regained control over most of Syria, leaving only the northern part of Idlib province under rebel control, governed by the so-called Syria Salvation Government (SSG) led by Hay'at Tahrir al-Sham (HTS), and Afrin, on the Syrian side of the Turkish-Syrian border, under the Turkish-backed Syrian Interim Government (SIG) with the Syrian National Army (SNA) serving as its military wing.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

Following the ousting of former Syrian President Bashar al-Assad and his regime on December 8, 2024, the dominant Islamist armed group Hay'at Tahrir al-Sham (HTS) established a quasi-monopoly on the use of force across the country that is shared between its forces and the Kurdish-led Syrian Democratic Forces (SDF) east of the Euphrates and contested only in a few locations.

In the province of Homs and the coastal areas, where pockets of pro-Assad militia resistance remain, tensions and clashes are still being reported at the time of writing.

In northern Syria, the Syrian National Army (SNA), backed by the Turkish government, continues to control areas along the Syrian-Turkish border.

While the IS Group appears to have largely withdrawn from the Syrian desert, continued attacks in SDF-controlled areas show that IS still poses a challenge to the monopoly on the use of force, as documented by ETANA in its regular “Syria Updates.”

On December 24, 2024, the transitional government announced that all armed groups had agreed to integrate into a national army in what al-Jazeera reporter Resul Serdar described as perhaps the most important development since the fall of the regime. This agreement did not yet include the SDF. Ahmad al-Sharaa has reached out to SDF's leader Mazloum Abdi on this issue.

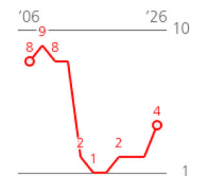
Apart from the internal challenges to the state monopoly on the use of force, Türkiye's occupation of areas along the northern border as well as bombardments of Kurdish regions have continued after December 8, 2024.

According to data from the Armed Conflict Location & Event Data Project (ACLED), Israel has not only continued its airstrikes on Syria but its strikes have recently reached an “all-time high.” In violation of the 1974 disengagement agreement, Israeli forces have expanded their presence from the occupied Golan Heights into the buffer zone, where they have reportedly threatened and detained civilians.

Question
Score

Monopoly on the
use of force

4



Most Syrians, both at home and abroad, continue to identify with Syria as a nation-state. After the ousting of President Bashar al-Assad, mass celebrations across the country revived the revolutionary chant of 2011 – *wahid, wahid, wahid* (“one, one, one”) – underscoring a renewed yearning for unity.

However, in a multi-sectarian and multiethnic society, there are debates about what the state should be called and what form it should take. There is also an important question of how displaced returnees will influence post-Assad state-building.

Syria’s Kurds, in particular, challenge the official name “Syrian Arab Republic,” which they see as excluding non-Arab identities. The 1962 census stripped or denied citizenship to more than 300,000 Kurds – a stark example of ethnic discrimination that still echoes today. Although a 2011 decree granted citizenship to some 115,000 Kurds, many remain without full rights, leaving them marginalized within Syrian society, according to UNHCR figures from 2019.

The Kurdish areas of Syria, Hasakah and Qamishli, with the expanded control of the Kurdish-led Syrian Democratic Forces (SDF) over all areas east of the Euphrates, have been referring to themselves as the Democratic Autonomous Administration of North and East Syria (DAANES), suggesting federalism as a possible future form of state organization. In an interview on December 12, 2024, the co-chair of the Syrian Democratic Unity Party, Salih Muslim, explicitly identified decentralization as a desirable option for Syria. Sheikh Hikmat al-Hajri, a prominent religious and political leader of the Druze community, expressed a similar view in an interview on December 19, 2024.

For the approximately 450,000 Palestinians – descendants of the 85,000 Palestinian refugees of 1948 – it has so far been impossible to obtain Syrian nationality. Nationality is passed on only by the father, meaning that, to this day, Syrian women married to foreigners cannot pass their nationality to their children. With Syria undergoing a transition, these issues will arise and reforms may become possible.

One of the biggest questions for Syria’s transition is the extent to which religious dogmas will influence the legal order and political institutions.

HTS is an Islamist group that abandoned its jihadist element in 2016 when it distanced itself from al-Qaeda and Jabhat al-Nusra, from which it emerged. It has formulated its goals as exclusively national and presented itself as willing to establish a new order in Syria in which it, according to Muhammad al-Bashir, after being appointed prime minister on December 11, 2024, “would grant all religious groups rights.”

At the same time, some of those appointed to positions in the interim government have faced public criticism for having a narrow understanding of representation. One such appointee is the representative for women’s affairs, Aisha al-Dibs, who stated in an interview with Turkish television TRT that she would not open the path for

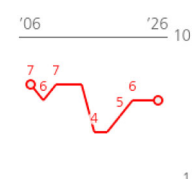
State identity

6



No interference of religious dogmas

6



those who did not agree with her. Another example is Obeida Arnaout, spokesperson for the interim government, whose misogynist comments were made public. The key determinant will be how the HTS-led transition government insists on a constitutional process and legal reforms that reflect a commitment to Islamic doctrine.

Over the past decade, Syria has been divided into zones controlled by rival armed groups. Each has focused on maintaining or building its own administrative machinery – often fragile, inefficient and burdened by a collapsing economy and international sanctions.

While governance was arguably strongest in Syria's northeast, which suffered less destruction than other parts of the country, modernization and digitalization advanced further in Idlib because of preferential access to Türkiye. The central state apparatus remains intact but has limited institutional capacity to enact major policies throughout the country.

Despite droughts and damage to water infrastructure, access to basic water sources remained high, with an average of 94.1%, according to 2022 World Bank data; similarly, access to basic sanitation reached 95% of the Syrian population. Nonetheless, the World Health Organization (WHO) noted an increase in waterborne diseases and in November 2023 reported more than 217,000 suspected cases of cholera across 14 provinces, most of them in the northwest, followed by the northeast.

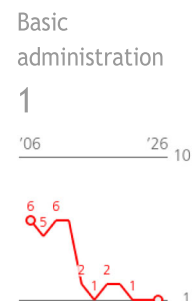
Electricity access continued to decline during the review period. Although 89% of households were nominally connected to the grid, supply was highly unreliable, often limited to just two to four hours a day in government-held areas, according to U.N. data. Researchers Karam Shaar and Sinan Hatahet estimated that by 2021, per capita electricity consumption had fallen to just 15% of its 2010 level.

To improve the power supply, officials announced in December 2024 a reconnection of the grid with Jordan, increased imports from Türkiye, power barges with a productivity of 800 megawatts off the Syrian coast and a German commitment to refurbish the Deir Ali power station with a capacity of 1,500 megawatts, according to the Syrian newspaper Enab Baladi.

Throughout the conflict, education deteriorated. By 2024, according to UNICEF, more than 7,000 schools had been damaged and gone out of service, and more than 2 million children were not enrolled in schools. This has affected primarily the internally displaced and those in previously besieged areas.

Mafia-like state structures and rampant corruption by the regime and its proxies have undermined basic administrative structures and services, a dysfunctionality described by Syria expert Paul McLaughlin as a reason for the regime's collapse.

Journalist Riham Alkoussa in January 2025 interviewed five newly appointed ministers of the transitional government, all of whom highlighted the need to slim down state administration and make it more efficient. As a first step, a revision of the



distribution of tasks in the often overstaffed departments began, as reported by the Financial Times in mid-December. At the beginning of January 2025, the monthly salaries of state employees were increased from \$25 to \$100, Reuters reports.

2 | Political Participation

No free and fair national elections have been held for decades. At the national level, HTS announced in December 2024 that the interim government would remain in place until March 2025. Ahmad al-Sharaa was quoted by the BBC in December 2024 as saying it could take up to four years to hold nationwide elections.

Elections would be crucial to establishing a democratic system, preventing the reemergence of single-party rule, and fostering legitimacy and trust. Yet such a process would first require a political parties law to create the basis for pluralistic competition – an issue that has so far been absent from public debate.

Equally vital are a constitution and electoral law that enjoy broad public acceptance and inclusivity. A potential foundation for this could be the work produced by the legal committee under the U.N.-led process in Geneva to implement U.N. Security Council Resolution 2254, or alternative drafts developed by initiatives such as the Syrian Center for Legal Studies and Research.

With half of Syria's population still displaced, technical constraints limit participation by large segments of the electorate.

This is particularly relevant to Syria's political elite. Many of Syria's political activists have had to leave the country and spend years in exile. If they have not yet obtained the nationality of their host countries or permanent status, they will have difficulty traveling to Syria and participating in elections both actively and passively.

Local-level elections planned for DAANES for June 2024 were repeatedly postponed and ultimately not held due to concerns raised by outside parties such as Türkiye and the United States. Additionally, domestic groups, mainly Christians, have declared they would withdraw from these local elections, citing distrust in the fairness of the process.

Free and fair elections

1

'06 '26 10



There are no democratically elected actors in Syria. The autocratic rule of Bashar al-Assad was ended by militias that toppled his regime. The parliament – which was not democratically elected – was dissolved following December 8, 2024. New democratic procedures are not yet in place.

Effective power to govern

1

'06 '26 10

HTS has not established any restrictions on assembly rights. Although authoritarian in nature, protests against both the Syrian regime and HTS have been common in Idlib in recent years.

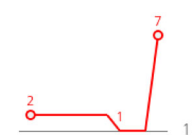


Association / assembly rights

7

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When the Syrian Women's League wanted to hold a protest in Damascus in December 2024, they were not sure whether this – as among Assad's regime – needed prior approval, and they were told by HTS officials that they could do whatever they wanted. Ultimately, there was no HTS presence at the protest.



In January 2025, dozens of prominent Syrian intellectuals, including Waad al-Khateab, Mustafa Khalifa or Dima Wannous, issued a petition urging the regime to respect public freedoms, as Arab News and others have reported.

Under HTS rule, freedom of expression in Idlib has remained tightly restricted. Detention and torture for expressing dissenting views have been common in areas under HTS control – as in the rest of Syria – though not on the same scale as the systematic torture practiced in regime-held areas.

Freedom of expression

6

'06 '26 10

There have been many public protests against the Syrian Salvation Government and HTS itself, with demonstrators demanding the release of political prisoners, tax reforms and an end to corruption. HTS has refused to meet these demands but, unlike the former regime, has refrained from using lethal force against protesters.



In areas controlled by HTS and the SDF, many incidents of repression of freedom of expression occurred, yet these were on an entirely different scale from the brutality with which Assad's regime had repressed civil freedoms. Despite lingering skepticism toward the new authorities, many Syrians believe that a measure of freedom will endure. Following the regime's fall, activists began using their real names again – something unthinkable for years, when fear of regime reprisals against family members forced them into anonymity. Those who could never publicly speak out about the fate of forcibly disappeared relatives started to engage in their search.

As of January 2025, political prisoners of HTS and those of the SDF remain in detention; however, no red lines on freedom of expression have been discernible. Mohammad al-Omar, the interim minister for information, promised press freedom and freedom of expression. This would be a remarkable change, with Syria previously ranked as the second-worst country worldwide in terms of press freedom by Reporters Without Borders.

3 | Rule of Law

In January 2025, Ahmad al-Sharaa suspended the 2012 constitution. Although all previous constitutions had formally enshrined the separation of powers, decades of presidential dominance and martial law had long eroded the principle in practice. Current proposals to grant the president authority to appoint one-third of parliament would further entrench executive power.

Separation of powers



In the absence of a valid constitution, the separation of powers is no longer guaranteed, as the main framework and legal reference is absent.



Fawaz Gerges, professor of international relations at the London School of Economics, argued that the move “formalized” al-Sharaa’s role as Syria’s strongman and warned against the consolidation of single-party Islamist rule.

In the DAANES, the “Social Contract” – a document akin to a constitution – has been revised several times, most recently in 2023. However, it does not explicitly address the separation of powers.

In regime-held areas, the judiciary was constitutionally independent during the review period but, in practice, subject to extensive interference by the executive branch, according to a 2024 report by Syrians for Truth and Justice.

Independent judiciary



Former Syrian judge Mohammad Nour a-Din al-Hameidi, who defected from the regime, noted that various rebel factions applied different legal codes, leading to inconsistency and confusion.

Following HTS’s takeover of power in late 2024, concerns emerged that female judges might be dismissed. However, Radio Free Asia reported on December 12, 2024, that all former court employees had been instructed by the Ministry of Justice to return to work.



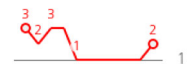
Without a constitutional framework, it is unclear how the independence of the judiciary can be ensured.

The transition of power has created opportunities for prosecuting former regime officials for abuse of office, though accountability is unlikely to extend to those implicated in human rights violations or crimes committed by non-regime factions during the civil war. So far, the authorities have not articulated a clear vision for a transitional justice process.

Prosecution of office abuse



Among those detained soon after the regime’s fall was Judge Mohammad Kanjo Hasan, who allegedly sentenced thousands of people to death without fair trial in Sednaya prison, according to the Syrian Observatory for Human Rights.



In January 2025, Syria Direct reported the arrest of Assad's cousin Atef Najib, who was responsible for the detention and torture of children in 2011, an episode widely regarded as the spark that ignited the Syrian uprising.

In contrast, the Minister of Justice in the transitional government remains in office despite verified video evidence showing him overseeing the execution of a woman in Idlib in 2015, as reported by the Foundation for the Defense of Democracies and others.

The political transition of December 8, 2024, has enhanced citizens' ability to exercise certain rights, such as the right to assemble and freedom of speech, both of which were harshly repressed in regime territories and, although to a lesser extent, in Idlib and DAANES during recent decades.

Immediately after taking power, the rebels freed thousands of political prisoners from various prisons across the country, sending a strong signal that the Assad regime's unlimited use of arbitrary arrest and torture had ended. Ahmad al-Sharaa promised to punish those involved in the previous mass tortures and executions.

Encouraged by these developments, protesting citizens demanded information about Syria's more than 100,000 missing and accountability for all factions. In January 2025, citizens gathered in Hama, taking this first opportunity to commemorate the massacre of 1982 in which the Syrian regime had killed tens of thousands and which still poses a deep-seated collective trauma for many Syrians. At least five mass graves were discovered with allegedly more than 100,000 human remains, posing immediate challenges to the interim government of preserving criminal evidence about the former regime's abuses.

Robert Petit, head of the U.N.-affiliated International, Impartial and Independent Mechanism for Syria, stated during his first visit to Damascus in December 2024 that the new Syrian government was "very receptive" to calls for cooperation in gathering evidence about systematic violations of civil rights by the former regime, yet little was done for preservation and evidence gathering in the following weeks.

Given the absence of a constitutional framework, there is currently no legal basis for claiming civil rights.

Civil rights

3

'06 '26 10



4 | Stability of Democratic Institutions

Syria currently has no functioning national democratic institutions and no constitution in place.

The closest approximation to democratic governance exists in the Kurdish-administered areas of the DAANES which, according to a November 2024 Tufts University blog, have achieved “a wealth of progressive reforms unheard of throughout the majority of Northeast Syria.” This primarily refers to gender equality and revisions of the personal status law.

To illustrate how institutional transitions might unfold, Munqeth Othman Agha of the Middle East Institute points to developments in Idlib. After establishing the Syrian Salvation Government (SSG) in November by co-opting or suppressing its rivals, HTS has invested significantly in building technocratic institutions, focusing on service provision and the economy.

Protests between February and September 2024 broke out over corruption, taxation and political arrests. In some cases, demonstrators compared HTS to the Assad regime. HTS tolerated these protests yet failed to address people’s grievances, and organizations working on women’s rights and empowerment were particularly hindered by the SSG. This experience in governance has, however, run parallel to a more pragmatic, less ideological approach.

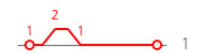
As of January 2025, no member of the transitional government has explicitly referred to democracy. Ahmad al-Sharaa said he was working on an “inclusive transitional government that reflects Syria’s diversity” and said there will be “free and fair elections.” He has described a “consultative” political system.

SDF endorsed democracy and changed its name to DAANES in December 2023, adding “Democratic” to its previous name, AANES, and developed more democratic institutions than in the rest of the country.

After the fall of the Assad regime, many Syrians have pointed to the loss of human life and the destruction of infrastructure, saying they did not endure all of this only to live under authoritarian rule again.

In theory, the desire for and acceptance of democratic institutions seems to exist; however, these institutions will need to be established first and must also deliver on pressing needs. The relevant legal structures establishing political parties and governing democratic deliberation must also be put in place.

Performance of
democratic
institutions



Commitment to
democratic
institutions



5 | Political and Social Integration

The suspension of activities of Syria's Ba'th Party and the transfer of the party's assets to the transitional government in December 2024 marked a major change in the Syrian party system, in which it had played the leading role as stipulated by the constitution.

After his inauguration as president of the transitional government in January 2025, Ahmad al-Sharaa announced that the Ba'th party would be dissolved.

The party system remains fragmented. Given the restrictions on political activity – both for the traditionally tolerated parties within the National Progressive Front and for opposition groups in the National Democratic Front – none has emerged with a stronger profile since the fall of Assad's regime.

In the past 13 years, several new parties have been founded. Researcher Manhal Baresh refers to these as “micro-parties that defy traditional political labels such as leftist, conservative or nationalist” in his 2024 study. He identifies five parties that include members both inside Syria and in the diaspora. It remains to be seen how a political parties law will take shape and what this means for existing and future parties in Syria.

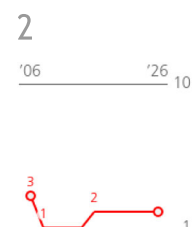
Organizations such as syndicates, unions and even NGOs were co-opted and controlled by the state in regime-held areas. Informal collective power, through Chambers of Commerce and Industry or urban religious establishments, exercised some influence on the state.

After December 8, 2024, major civil society organizations that had formed in the diaspora and, at times, operated in areas outside regime control in Syria expressed their intent to register in the country. The White Helmets followed the offensive and offered their services to all citizens of Syria. In mid-December 2024, Sawsan Abi Zeineddin, head of Syria's civil society umbrella organization Madaniya, met with Ahmad al-Sharaa.

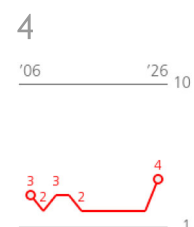
Organizations working on Syria's disappeared, such as Families for Freedom, the Caesar Families Organization as well as justice-focused groups like Mazen Darwish's Syrian Center for Media and Freedom of Expression (SCM), immediately held meetings to discuss ways to get engaged.

The freezes on USAID may negatively affect Syrian organizations. On January 24, 2025, for example, the Syrian Justice and Accountability Center (SJAC) announced an immediate suspension of its programs due to the U.S. funding freeze.

Party system

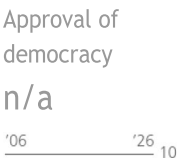


Interest groups



Outside Syria, there is a broad range of organizations working in the justice sector, civil society and online media. Although many have been banned from Syria, they have maintained ties with organizations inside the country. However, cooperation among them is not guaranteed, even if they have the opportunity to resume work inside Syria in the future.

Civil society groups and intellectuals have expressed a desire for a democratic Syrian state. However, representatives of the transitional government have not used this term. So far, there are no reliable surveys.



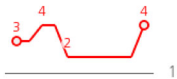
Self-organization in sectors such as education and agriculture has remained strong throughout the conflict. The transitional authorities have sought to strengthen local governance to improve the delivery of basic services.

Yet Syrians inside the country have had limited contact with most organizations, groups, and associations, partly because many operated only in select regions. December 8, 2024, marked a turning point: for the first time in decades, many Syrians said they felt free to speak openly. As playwright Mohammad al-Attar wrote in al-Jumhurriya on December 19, 2024, it felt like “the birth of a new Syria. The walls have stopped listening.”



With more than 130,000 people still missing and nearly 17,000 identified perpetrators of human rights violations, rebuilding trust – both among citizens and between society and civic institutions – will be central to any reconciliation process.

The White Helmets, whose performance has been widely recognized, could play a role in this effort. Expanding their operations across former regime-held territories might help foster confidence in community-based initiatives.



II. Economic Transformation

6 | Level of Socioeconomic Development

Syria’s level of human development remains low. The UNDP’s Human Development Report 2023/24 classifies the country as having medium human development, with a Human Development Index (HDI) score of 0.557, ranking 157th globally. The figure reflects widespread deprivation in education, health and income, leading to deep social and economic exclusion.

The country’s HDI figure further highlights how pervasive poverty is in Syria. An overwhelming 90% of the population lives below the poverty line, with 65% experiencing extreme poverty. Additionally, 12.9 million Syrians are categorized as food insecure. These conditions are worsened by a sharp decline in wages, rising inflation and the withdrawal of state subsidies.

The financial strain on households has intensified dramatically. The average upper poverty line for a family rose to SYP 3.5 million (\$331) per month in 2023, up from SYP 1.6 million (\$363) a year earlier. According to U.N. agencies, 16.7 million people – nearly 70% of the population – now require humanitarian assistance. The Syrian Center for Policy Research (2024) identifies Deir Ezzor, Hama, Idlib and Homs as the governorates most affected by extreme poverty and economic collapse.

Syria’s female HDI score in 2022 was 0.481, notably lower than the male HDI score of 0.597. The economic downturn since the start of the civil war has disproportionately impacted women, who experience higher rates of gender-based violence, sexual exploitation and forced marriage. The UNFPA (2024) reports a surge in child marriages as Syrian families continue to struggle with economic hardship and displacement. Overcrowded shelters and camps have left women and girls increasingly vulnerable to exploitation and abuse. Furthermore, the lack of employment opportunities for women contributes to their exposure to violence and exploitation, as documented by U.N. Women in early 2025.

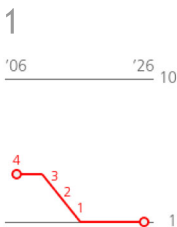
The food security situation has also worsened, with the World Food Programme (WFP) discontinuing its food basket distribution in December 2023, leading to a 5% monthly increase in food prices at the beginning of 2024, according to the World Bank.

Income and wealth inequality further reinforce socioeconomic exclusion.

Inequality compounds social exclusion. Wage gaps persist, and inflation continues to erode household purchasing power. The Consumer Price Index reached record levels in 2023, with inflation highest in territories controlled by the DAANES, where Al-

Question
Score

Socioeconomic
barriers



Hasakeh saw a rate of 148%. In regime-held Tartous, inflation hit 135%, while opposition-controlled Idlib recorded 60%. The richest 1% of Syrians accounted for 20.7% of national income in 2022. Real wages fell year on year in 2023 – by 17% in the private sector and 13% in the civil sector.

Gender disparities exacerbate social and economic exclusion. Syria ranked 157th on the Gender Development Index in 2022 with a score of 0.805, while its Gender Inequality Index stood at 0.487, ranking 123rd globally. The income gap between men and women, though slightly decreased over recent years, remains stark. Female Gross National Income per capita was \$1,049 in 2022, compared to \$6,132 for men. These inequalities have dire social consequences – in 2022, 74% of those in need of nutritional assistance in Syria were women and girls, further emphasizing the disproportionate impact of economic deprivation on the female population, as the OHCHR lays out.

The ethnic minorities of Syria – mainly, though not exclusively, Kurds, Christians, Druze and Alawites – experience distinct economic inequalities, though reliable data remain limited. Kurdish populations in the northeast face heightened economic hardship due to weak infrastructure and poor access to state services. Christians, historically a middle-class group, have suffered from displacement, loss of property and diminished economic opportunities. The Druze, concentrated in the south, struggle with economic marginalization due to a lack of state investment and reliance on remittances. Meanwhile, the Alawite community, despite its association with the ruling elite, is starkly divided. While some have benefited economically from government patronage, many endure the same poverty and instability that afflict much of the population, worsened by heavy conscription and war losses among Alawite men.

Economic indicators		2021	2022	2023	2024
GDP	\$ M	14353.2	23622.8	19993.4	-
GDP growth	%	1.9	0.7	-1.2	-
Inflation (CPI)	%	-	-	-	-
Unemployment	%	14.9	13.3	13.2	13.0
Foreign direct investment	% of GDP	-	-	-	-
Export growth	%	15.8	30.7	-	-
Import growth	%	122.0	-7.6	-	-
Current account balance	\$ M	-	-	-	-

Economic indicators		2021	2022	2023	2024
Public debt	% of GDP	-	-	-	-
External debt	\$ M	5028.6	4862.0	4875.5	-
Total debt service	\$ M	0.4	10.3	28.7	-
Net lending/borrowing	% of GDP	-	-	-	-
Tax revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	6.8	2.7	-	-
Public education spending	% of GDP	-	-	-	-
Public health spending	% of GDP	1.7	1.4	-	-
R&D expenditure	% of GDP	-	0.1	-	-
Military expenditure	% of GDP	-	-	-	-

Sources (as of December 2025): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

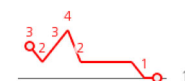
The fundamentals of market-based competition in Syria remain severely underdeveloped. While the – now suspended – constitution formally guarantees free competition under the Syria Competition Commission (Law No. 7 of 2008), the reality has been shaped by monopolization, crony capitalism and illicit economic activities. Under the Assad regime, economic power was concentrated in the hands of military and security elites, who controlled key sectors through loyalty-driven patronage networks.

At the time of writing, HTS has announced plans to liberalize Syria's economy into a market-based system and hopes these reforms will aid in the country's economic recovery after 54 years of Assad rule.

Market
organization

1

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Before the fall of the Assad regime, Syria's economy was dominated by figures closely linked to Bashar al-Assad, his brother Maher, and his wife Asma. The 4th Armored Division, led by Maher al-Assad, controlled the lucrative oil trade, fuel smuggling and illicit Captagon production, which at its peak accounted for 70% of global production, generating an estimated \$2.4 billion annually, as Caroline Rose and Karam Shaar report for *New Lines Magazine*. The division also profited from passage fees (tarsim) and commercial convoy protection services, as Ayman Aldassouky reports (2020). According to Taki Mehchy of the London School of Economics' Conflict Research Programme, businessmen such as Hosam and Baraa Qaterji – once minor rural traders – established monopolies in oil transport and refining through their company Arvada Petroleum, importing Iranian oil and profiting from regime ties. Baraa Qaterji was killed July 15, 2024 in a targeted Israeli airstrike. Another key figure, Yassar Hussein Ibrahim, emerged as one of Assad's most trusted financial advisers after the fallout between Bashar al-Assad and his cousin Rami Makhlof. Ibrahim used front companies such as Al-Ahed Trading and Investment to secure major government contracts and funnel parts of its profits back to the Assad family. Ibrahim also co-owned Al-Sayyad Company for Guarding and Protection Services, which was responsible for protecting Russian oil and gas operations and recruiting mercenaries for Russian deployment in Libya and Ukraine.

The Assad economic model systematically suppressed competition through punitive regulations, arbitrary fines and forced acquisitions designed to maintain regime-controlled monopolies. Independent businesses faced barriers to foreign currency access and were frequently targeted under pretexts such as administrative errors. The Assad regime has used price setting to circumvent rising costs of goods due to international sanctions, but it is these sanctions that have threatened many medium-sized and small businesses and forced them to charge illegally high prices for their goods, thus making them even more susceptible to arbitrary fines and the need for bribery of officers of the Ministry of Finance, as one Damascene store-owner told Nazih Osseiran (2025). Due to the tightly controlled economic climate, independent businesses were often forced to sell their assets to regime loyalists under duress, effectively eradicating competition in many sectors. The informal sector dominates, with 92% of micro, small and medium enterprises (MSMEs) operating outside formal regulations due to high taxes, arbitrary restrictions and lack of state support.

Syria is not currently a member of the International Competition Network (ICN).

In former opposition-held territories, the economic picture differs in structure but not in strain. Since 2020, parts of northwest Syria under the control of Hay'at Tahrir al-Sham's Salvation Government have seen modest recovery efforts. As Sinan Hatahet noted for the Atlantic Council, investments in industrial zones, agriculture and small-scale manufacturing have aimed to liberalize the market, but infrastructure destruction continues to hinder recovery. The 2023 earthquake compounded these challenges, disrupting production and reinforcing reliance on informal trade networks that bypass formal banking channels.

Competition policy

2

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The new interim authorities have pledged to open the Syrian economy and reform it into a market-based system. They have also vowed to dismantle the monopolies established under Assad rule, although they have not targeted the business elite's assets and properties for appropriation. The effects of these announcements cannot yet be reliably measured.

Syria's foreign trade remains heavily constrained by sanctions, international isolation and state monopolies. The latest Two Tariff Profiles of 2020 averaged Syria's most-favored-nation (MFN) tariffs at 10.8%. The former government tightly controlled imports and imposed strict currency exchange restrictions, leading to monopolistic pricing and inefficiencies, as Timour Azhari reported for Reuters in 2024.

A 2024 report from the Emirates Policy Center illustrates how the U.S. Caesar Act of 2020 severely restricted foreign trade by imposing stringent sanctions on entities engaging with the Assad regime. Over-compliance with these sanctions further limited trade opportunities, even for countries politically aligned with Syria such as China, Iran and Russia, which scaled back dealings due to the risk of penalties, as Karam Shaar and Steven Heydemann (2024) report. Despite these constraints, trade of essential goods like fuel and machinery in return for Syrian resources persisted with these nations. However, by 2024, Iran's oil exports to Syria had reached their lowest levels since 2020.

Syria's exports have sharply declined, dropping from \$8.8 billion in 2010 to just \$1.0 billion in 2023, according to official figures from the Central Bank of Syria. Oil exports collapsed due to both a decrease in domestic production and the loss of oil-rich territories now under the control of the Kurdish DAANES. The Observatory of Economic Complexity reports that in 2021, total exports were \$1.8 billion, with primary goods including olive oil, cotton, nuts and spice seeds. Most trade partners are regional, with Türkiye the top export destination (\$226 million in 2022), followed by fast-growing markets such as Kuwait, where exports increased by 164% to \$70.8 million between 2021 and 2022.

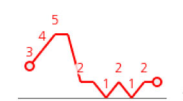
The illicit Captagon trade has become a crucial revenue stream for the late Assad regime. Produced mainly in former regime-controlled areas, it is smuggled into Jordan, Lebanon and Gulf states. The slow normalization with other Arab states along with Syria's re-entry into the League of Arab States is largely motivated by Arab nations that are major importers of Captagon seeking to persuade Assad to scale back the illicit trade in exchange for formal business relations with countries such as the GCC. However, as Karam Shaar (2024) analyzed, by the fall of the Assad regime in December 2024, these efforts had not succeeded.

The combined impact of international sanctions, state monopolies and the diversion of trade toward allies has made Syria's foreign trade a tool for sustaining the regime's survival rather than promoting broader economic growth. The limited scope of foreign trade and the regime's reliance on illicit market dealings severely limit the country's ability to engage with the global economy. With the Islamist HTS now serving as Syria's interim authority in early 2025, the country remains under

Liberalization of
foreign trade

2

'06 '26 10



significant trade restrictions due to the group's designation as a terrorist organization by Western nations. The European Union has announced plans to gradually ease sanctions, contingent on HTS governance reforms, while maintaining their reversibility. Meanwhile, the U.S. Office of Foreign Assets Control (OFAC) has issued General License 24, permitting personal remittance payments and some energy transactions but retaining broader sanctions and the terrorist designation of HTS. These measures aim to facilitate humanitarian aid following the collapse of the Assad regime on December 8, 2024.

Syria's banking system is deeply connected to the state, as the central government maintains significant control over financial activities through state-owned banks and the Central Bank of Syria (CBS). In the final years of Assad's rule, the CBS conducted foreign transactions using banks in Lebanon. As a result, the financial crisis in Lebanon in 2019 severely affected Syria's banking system. There are few private banks, and foreign banks are not allowed to operate in the country, resulting in limited competition and innovation in financial services. The private banks still operating in Syria all have international partners in neighboring countries and the Gulf states. However, private banks faced many restrictions in credit allocation imposed by the Assad government before its fall.

The CBS has attempted to maintain some degree of control over the economy through monetary policy and repeated devaluations of the SYP in 2024, as World Bank (2024) reports have indicated, but its ability to regulate the financial system remains limited. The CBS has struggled to control inflation, stabilize the SYP and maintain adequate foreign currency reserves. The country's dependence on external actors, particularly Iran, to provide oil and fuel further complicates Syria's monetary policies.

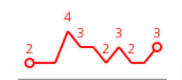
Due to the lack of transparency and the absence of the bank's access to international capital markets, many businesses have little faith in the formal banking system, preferring to use informal financial services to manage transactions. Reforms in the banking sector have been limited, and the regime's tight control over the sector has hindered much-needed investment in financial infrastructure in recent years. After the fall of Assad, the interim authorities appointed Maysaa Sabrine as the CBS's director and vowed to reform Syria's banking system, but these efforts had not been implemented by early 2025.

In former opposition-controlled areas, the absence of formal banking infrastructure means businesses and individuals must rely on informal financial systems. Cross-border smuggling, especially through Türkiye, has become a crucial channel for both goods and currency. According to Tokmajyan and Khaddour at the Carnegie Middle East Center (2022), these trade routes also act as lifelines, enabling local populations to access essential goods such as fuel and food, which are otherwise hard to obtain due to the siege-like conditions imposed by both the regime and external sanctions. How the fall of the Assad regime will affect the banking system and Syria's capital market is yet to be determined.

Banking system

3

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8 | Monetary and fiscal stability

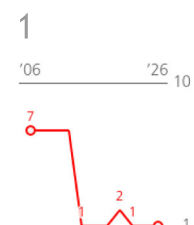
Syria's monetary landscape in 2024 reflects a deeply fractured economy that continues to bear the scars of more than a decade of war, sanctions and economic mismanagement. The economic crisis in neighboring Lebanon in 2019 – whose banking system had long served as Syria's informal financial lifeline – further accelerated the depreciation of the Syrian pound (SYP). While the official exchange rate remains artificially fixed, the real value of the currency has collapsed, mirroring the broader instability gripping the economy.

According to Karam Shaar's exchange rate tracker, the official rate at the end of January 2025 stood at SYP 13,130 per U.S. dollar, compared with roughly SYP 11,600 on the parallel market. The disparity reflects the Syrian government's failure to manage its currency effectively, compounded by an acute shortage of foreign exchange. Since the onset of the conflict in 2011, the pound has lost 99% of its prewar value, World Bank data show. Remittance transactions, which are a vital lifeline for many Syrians, are carried out at a rate of SYP 13,065 per U.S. dollar; the United Nations rate is SYP 12,999 per dollar. A key factor in this divergence is the influx of remittances from Syrians abroad, which are a significant source of foreign currency. However, this also points to the lack of trust in Syria's official financial institutions, as citizens turn to alternative channels like the illicit market to access dollars, even though those rates are subject to high fluctuation. The new HTS government has pledged to adopt a unified exchange rate to combat the competing exchange rates the Assad government had introduced to safeguard access to hard currency.

Syria's inflationary pressures have further deepened the economic crisis. According to the World Bank's Syria Economic Monitor (2024), between 2020 and 2021, the Syrian economy contracted by 50% and the market rate declined 80-fold between 2011 and 2022. Estimates suggest the economy has continued to shrink through 2024, even though current data is not yet available to confirm this hypothesis. Inflation in Syria, particularly for essential goods, has skyrocketed. In 2023, the Consumer Price Index (CPI) reached a 400-fold increase from prices in 2021. The cost of basic foodstuffs has risen dramatically, putting enormous pressure on Syrian households. For example, the World Food Programme's (WFP) food basket, which includes basic items like rice, flour and oil, has seen a significant rise in prices. Elizabeth Tsurkov of New Lines Magazine emphasizes the stark price increases, reporting that the price for one WFP food basket has risen from around SYP 32,000 to up to SYP 180,000 between autumn 2019 and spring 2021, reflecting the broader inflationary trend.

The effects of this inflation are most keenly felt by the Syrian population. Wages have been eroded by the devaluation of the SYP. André Bank and Ronja Herrschner report that in early 2024, wages were 15 times lower than needed to sustain a family of five in the private sector and 37 times lower in the public sector. In response, the HTS

Monetary stability



interim government announced a 400-fold increase in public sector wages. But in the absence of effective monetary policy and with the central bank's limited ability to stabilize the currency, the cost of living has become increasingly unaffordable for many.

In response to these pressures, the CBS has employed various tactics in recent years to stabilize the economy, combat Syria's foreign currency shortages and stabilize the exchange rate. The Assad government has reduced the list of essential goods that can be imported into Syria. It also encourages exporters to funnel their foreign currency earnings back into the central bank, which aims to bolster foreign reserves. However, Syria's foreign reserves have dwindled to a mere \$200 million as of 2024, compared to around \$18.5 billion in 2010, according to 2024 World Bank estimates.

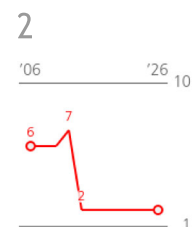
Syria faces a significant fiscal deficit estimated at \$1.75 billion. Fiscal revenue for 2023 fell by 35% compared to 2022 and by an even more dramatic 85% compared to prewar levels. This decline is largely attributed to reduced agricultural production and the loss of oil revenue, with Syria's oil fields now under the control of DAANES, as well as the disruption of international trade due to ongoing conflict and sanctions.

According to World Bank estimates, Syria's external debt was \$4.76 billion in 2020. Data from The Syria Report suggests that the external debt has risen further since 2020, as 33.4% of the national budget for 2024 was allocated to foreign debt repayments.

Despite these setbacks, tax collection increased slightly in 2023 compared to 2022, though it remains far below prewar levels. Government revenues are further strained by a burgeoning informal economy, which complicates tax collection efforts. The fiscal budget has, to the detriment of the Syrian population, steadily decreased its expenditures on subsidies. The news agency Enab Baladi reports that the Assad regime had previously extended subsidies for gasoline, petroleum and pharmaceuticals but, due to budget constraints, consistently raised the "subsidized" price for fuel, resulting in a 200% increase during 2023. In 2023, subsidies accounted for 19% of total public expenditures. However, by 2024, subsidies have been slashed to just 7% – reflecting both the declining fiscal space and the need to focus on more urgent financial priorities, as Karam Shaar and Steven Heydemann write in a 2024 article for Brookings.

The new interim government has announced plans to ease strains on Syria's fiscal budget by reforming the public sector and cutting many redundant public sector jobs.

Fiscal stability



9 | Private Property

Following a period of economic liberalization in the early 2000s, Syria's private sector has been reshaped by years of conflict, international sanctions and the Assad regime's systematic control. While Article 15 of the Syrian constitution formally protects private property, this right has been consistently undermined when it served regime interests. One notable example was the systematic auctioning of lands belonging to internally displaced persons (IDPs) and refugees. In late 2024, auctions of agricultural land – particularly pistachio farms and other properties in regime-controlled Idlib – became a tool for revenue generation and redistribution to regime loyalists. An article by The Syria Report of late 2024 explains that the Assad regime ensured only select individuals could participate by requiring substantial deposits, particularly for land near frontlines, disadvantaging previous landowners and their relatives. Relatives of displaced Syrians who owned the land lost their preferential status in these auctions after amendments to the Unified Contracting System by the Ministry of Agriculture and Agrarian Reform in 2024. These measures effectively legalized property appropriation, making it nearly impossible for displaced individuals to reclaim their assets.

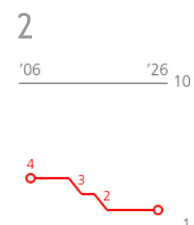
The fall of the Assad regime has triggered large-scale displacement, both within Syria and across its borders. The former regime's systematic dispossession of internally displaced persons has created significant risks of social tension and disputes over property rights as Syrians attempt to return and reclaim their homes and land.

In addition to property auctions, asset freezes were common in regime-controlled areas. Under Decree 63 of 2012, the Ministry of Finance had the authority to freeze assets of individuals suspected of links to terrorism, often without formal charges. Since early 2024, mass asset freezes have targeted families in areas such as Zakia, south of Damascus, where properties were confiscated as collective punishment of families connected to suspected opposition figures. Human Rights Watch sharply criticizes this practice as a form of collective punishment and for rendering constitutional property protections meaningless for many Syrians.

In former opposition-held areas, property rights were precarious due to the absence of centralized governance and clear legal frameworks. Land ownership disputes were common, especially regarding properties abandoned by displaced persons. In 2020, the International Crisis Group reported that HTS' Salvation Government (SSG) Planning Directorate of the Ministry of Development and Humanitarian Affairs began establishing a rudimentary land registration system in Idlib in 2021, but enforcement often remained inconsistent due to limited resources.

Investment in these areas remained risky, given the lack of a functioning banking system, unreliable infrastructure and the persistent threat of military escalation. Without secure property rights, businesses and landowners have hesitated to commit

Property rights



resources, further hindering economic recovery. Informal trade and smuggling have been more common than formal business activities, and property transactions frequently took place without legal documentation, exacerbating uncertainty and instability.

Syria's private business sector has operated under significant constraints, primarily due to the Assad regime's tight control over economic activity. Before the fall of Bashar al-Assad, businesses faced a strict regulatory environment marked by excessive bureaucracy, arbitrary taxation and the need for more licenses and permits, which often required businesses to pay bribes to officials. Nazih Osseiran reports that these bribes, which can consume up to 30% of a business's revenue, diverted resources from productive investment – stifling growth and innovation.

The private sector was further constrained by monopolistic control exerted by regime loyalists who dominate key industries like oil, telecommunications and trade. This concentration of economic power has reduced market competition, the diversity of the private sector and limited the scope for smaller businesses to thrive, as reported by the Emirates Policy Center. A network of business cronies supported the regime's grip on power while funding its survival, even in the face of international sanctions.

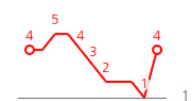
The scarcity of credit and a dysfunctional banking sector exacerbate these challenges. Without access to loans or financing, new businesses struggle to emerge and existing ones face difficulties expanding or maintaining operations. Additionally, energy shortages and poor infrastructure further inflate production costs. Smuggling and illicit activities have become common strategies for businesses trying to survive, but this has led to inflated prices and a breakdown in market trust.

Ultimately, Syria's privatization process has been neither consistent with market principles nor conducive to a vibrant, competitive private sector in recent decades. Centralized control by the regime and its loyalists has entrenched monopolies, leaving little room for innovation or economic diversification. Restoring a thriving private sector will depend on a significant overhaul of property rights and market protections. HTS has announced a refocus of Syria's economy on private enterprise and a market-based economic system. The effects have yet to be measured.

Private enterprise

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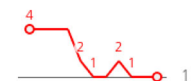
10 | Welfare Regime

Due to the destruction caused by the civil war since 2011, Syria's once-functioning welfare state has been largely dismantled. Social safety nets are rudimentary and cover few programs for a limited number of beneficiaries. In early 2025, the country's social services are barely existent, with widespread cuts in essential services like health care, education and food subsidies. The state has largely withdrawn from its welfare responsibilities, which has led to increased reliance on civil society groups, international aid and regime-aligned organizations, creating a deeply fragmented welfare system. André Bank and Ronja Herrschner (2024) show how universal social

Social safety nets

1

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support structures have been replaced with a clientelist structure, where aid and services are allocated based on loyalty to the Assad regime, leaving millions of Syrians in dire need of humanitarian assistance.

In the face of this collapse, public expenditures on health care, education and subsidies for bread and fuel have sharply declined. Since 2011, government spending on social welfare has decreased by over 40%, as the World Bank reports. As a result, many Syrians have been left without access to critical resources, forcing them to rely on international aid, which in turn has become increasingly politicized and controlled by the Assad regime.

The Assad regime, particularly through Asma al-Assad, has monopolized international aid, using or founding humanitarian organizations such as the Syria Trust for Development (STD) and the Syrian Arab Red Crescent (SARC) to distribute assistance based on political loyalty. The Syrian Network for Human Rights analyzed in 2023 how the STD has systematically diverted donor money to the palace and funneled lucrative reconstruction contracts to regime-affiliated businessmen, diverting aid while critical infrastructure remains unbuilt. Dyari, an STD subsidiary, continues to receive high-value U.N. contracts despite its repeated failure to complete projects. In the final years of Assad rule, humanitarian aid thus has become a tool of economic and political control rather than a means of relief.

Regime-controlled aid organizations actively excluded opposition communities. The above-mentioned report by the Syrian Network for Human Rights details that following the regime's recapture of Daraa, communities that had previously protested against the government were denied food assistance. In December 2023, an alarming 70% of families in need were removed from the aid roster simply because their political loyalty was in question – reinforcing sectarian divisions and exacerbating humanitarian suffering.

Economic collapse and the monopolization of humanitarian aid by the former regime have eroded Syria's social welfare system. The HTS interim government has not yet announced any concrete plans for welfare reform or increased fiscal spending on social services, although it has made food and electricity security one of its priorities.

Social safety nets in former opposition-controlled areas remain equally inadequate. The Syrian Interim Government (SIG) and Syrian National Army (SNA) have struggled to establish a functioning welfare system, prioritizing military control over social services. Al-Jazeera declared in mid-2024 that in the northwest, governed by opposition groups, public health and education systems are in a constant state of collapse as infrastructure is destroyed or underfunded and aid is delivered insufficiently.

In regions controlled by DAANES, authorities have shown commitment to developing a structured universal welfare system, but resource constraints and economic instability limit local authorities' ability to provide basic social programs, as an expert on DAANES, Christopher Wimmer, detailed in an article for Rosa-Luxemburg-Stiftung in 2022.

Overall, Syria's social safety nets remain highly deficient, providing minimal protection against social risks. Until the fall of Bashar al-Assad, state welfare operated on a clientelist basis, excluding large portions of the population. This poses a significant challenge for HTS and the long-term acceptance of its rule.

The 2012 Syrian constitution includes "the principle of equal opportunities among citizens." However, widespread discrimination and structural inequalities continue to persist across the country.

In the UNDP Gender Inequality Index (2023 – 2024), Syria recorded a score of 0.487, reflecting systemic disadvantages faced by women across nearly all spheres of life. Educational attainment remains low: the national average for years of schooling is 5.7, compared with just 5.4 for women. Political representation is similarly limited. Until the fall of Bashar al-Assad, women held only 11.2% of parliamentary seats. In the workforce, female labor participation among those over 15 stands at just 14.4% to 18.9%, compared with 68.9% for men.

Women cannot pass on Syrian citizenship to their children, and they face barriers in inheritance and property ownership. Estimates suggest that only 2% to 5% of women in Syria own residential property.

Under the new leadership of the Islamist HTS, concerns about further marginalization of women are rising, although these developments have yet to be fully confirmed. While some women have been appointed to central positions of power, such as Maysaa Sabrine's appointment as the new director of the CBS, and no restrictions on women's dress or mobility have been implemented, some voices within HTS argue that women are unfit to serve as judges, which may in the future restrict their involvement in the justice system. Notably, the Arab Weekly published a video showing interim Justice Minister Shadi al-Waisi presiding over the executions of women for adultery in Idlib in 2015, which has sparked doubts of inherent misogyny in HTS ranks. These actions, along with the potential for greater repression, represent a worrying trend that could marginalize women further in social and political spheres.

Inequalities among ethnic minorities, particularly Kurds and Palestinians, have persisted for decades. Neither group enjoys full citizenship and rights and both face barriers to access in key areas such as health care, education and employment. Additionally, they are excluded from political participation, including voting rights and citizenship.

Equal opportunity

2

'06 '26 10



Religious minorities, including Christians, Yazidis and Druze, have also suffered growing marginalization during the war. The Christian population, estimated at 1.5 million in 2011, had fallen to around 300,000 by 2022, according to The Syrian Observer. Under HTS control, however, religious minorities have so far experienced relative tolerance. When members of the Islamist militia Ansar al-Tawhid burned a Christmas tree in December 2024, HTS arrested those responsible. Furthermore, Yassin Musharbash reported that liquor stores run by Syrian Christians displayed only nonalcoholic beverages in December 2024 but went back to openly selling alcohol in January 2025.

HTS leader Ahmed al-Sharaa has publicly reaffirmed his commitment to religious freedom in a Syria after Assad. However, it remains unclear whether these pledges to respect the rights of religious minorities, nominally protected under Article 35(2) of the suspended Syrian Constitution, will hold.

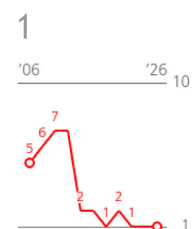
11 | Economic Performance

Syria's economic performance continues to deteriorate due to the destruction of infrastructure, the impact of extensive international sanctions, Lebanon's financial crisis and the effects of war-related volatility. Structural weaknesses, compounded by reliance on informal markets, have further undermined economic stability.

Although no official GDP figure has been reported since 2018, when GDP stood at \$21.45 billion, Syria's GDP is expected to shrink by 1% in 2025 compared to 2024, as Karin Stocker and Libby George reported for Reuters in 2025. The economy was already decimated by around 50% between 2020 and 2021 – a figure many analysts believe underestimates the true scale of decline. Excluded from international debt markets, Syria has relied heavily on loans and financial assistance from Russia and Iran. Foreign direct investment (FDI) continues to come mainly from those two countries. According to Karam Shaar (2025), Russia has secured long-term profit-sharing agreements – lasting up to 45 years – in sectors such as energy and extractives (23.8%), construction (22.6%) and security services (25%). Iran, too, has played a significant role in Syria's investment landscape, primarily focusing on infrastructure projects such as cement production, housing and roads. As The New Arab reported, Tehran's financial support has helped sustain the Assad regime, but the long-term economic impact remains uncertain, as many of these projects are state-backed rather than driven by private sector engagement.

Inflation remains one of Syria's most acute economic challenges. Although the SYP showed tentative signs of stabilization following Assad's fall, consumer prices remain volatile. The interim authorities have begun privatizing state-run industries and removing subsidies – especially in infrastructure, ports, airports and telecommunications – according to Los Angeles Times reporter Nabih Bulos. Nevertheless, consumer prices remain volatile. The World Bank estimates that

Output strength



consumer prices rose by 93% after the 2023 earthquake in northwestern Syria. Food inflation has been particularly severe, with the price of bread increasing tenfold since the rollback of subsidies after Assad's fall. Meanwhile, electricity costs, crucial for industrial output, have soared, further limiting production capacity and economic recovery.

The World Bank reports that external debt in 2023 was estimated at \$4.8 billion, and IMF estimates from 2015 suggested debt levels exceeding 100 times the country's GDP, a figure believed to have risen further due to continued borrowing. In 2024, 33.4% of the national budget was allocated to foreign debt repayment, according to a Syria Report article from late 2024. The interim authorities have prioritized economic stabilization to attract foreign investment as a means of recovery. The effects of these measures are yet to be measured.

Unemployment remains persistently high. Data from Trading Economics (2025) indicates that the unemployment rate stood at 13.5% in 2023 and is projected to rise to 15%, while youth unemployment sits at 69%. The informal sector accounted for 65.6% of all workers in 2015, and this number is expected to have increased since then.

The return of refugees presents both challenges and opportunities. While remittances from the Syrian diaspora continue to serve as an economic lifeline, large-scale returns could strain public services and labor markets, particularly in conflict-affected regions. The policy direction of Syria's new Islamist rulers – including a transition to a market economy and large-scale public sector layoffs, along with a 400-fold increase in public sector wages – could further exacerbate social tensions.

Long-term economic stabilization depends on attracting foreign investment, especially in reconstruction and infrastructure development. However, without significant improvements in governance, security and financial transparency, sustained growth remains unlikely.

12 | Sustainability

Syria is vulnerable to climate change and already severely affected by it. It ranks 158th out of 187 nations on the Index of the Notre Dame Global Adaptation Initiative, which also notes little engagement by the Syrian regime to improve the country's resilience.

Droughts have been particularly harmful for Syria's northeast and south, while increasingly common wildfires have destroyed forests and ruined harvests.

The Syrian regime joined the Paris Climate Accord in 2017; however, it has taken little action to combat the effects of climate change, some of which have been exacerbated by the war.

Environmental
policy

1

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Deforestation has increased as a result of displacement and energy scarcity. At the same time, water scarcity in northeast Syria has worsened due to Türkiye cutting the region off from its water supplies. With Israel's advances on the Golan Heights, a dam and reservoir in Quneitra province crucial to water provision in Daraa has come under Israeli control.

Reconstruction of Syria will need to take climate change-related challenges into consideration; with a focus on return, it will be necessary to concentrate not only on reconstruction but also on preserving fertile lands and the livelihoods connected to agriculture.

Syria's education sector has been severely impacted by years of conflict, leading to stark declines in enrollment and access. As of early 2025, 25% of children are not attending school due to the destruction of educational facilities and large-scale displacement. An estimated 2.4 million children are currently not in education, with another one million at risk of dropping out, as data collected by UNICEF suggests.

Despite high prewar literacy rates, the educational system has experienced significant setbacks. The literacy rate remained high at 94% in 2021, but overall educational attainment levels are low – the UNDP Education Index gave Syria a score of only 0.396 in 2022 (0.548 in 2012). According to the UNDP Human Development Index, mean years of schooling stand at 5.7 years, with a gender gap in both expected years of schooling and secondary education. Expected average years of schooling are 7.2 years for females and 7.7 for males. In 2022, 32% of men had at least some secondary education compared to 24.1% of women.

The destruction of educational infrastructure has significantly hindered access to education. By 2019, 40% of school infrastructure had been destroyed, particularly in now-former opposition-controlled areas, as reported by UNICEF. This has created limited access to education, particularly for IDPs and refugees. Due to large-scale displacement and migration, Syria also faces a serious shortage of teachers.

Severe budget constraints have further reduced educational standards. The Assad government allocated only 3.6% of its fiscal budget to education in 2022, decreasing state spending on education by 78% since the onset of war in 2011. Furthermore, research and development (R&D) remain underfunded. Majd Aljamali writes in the Syrian Journal for Science and Innovation that in 2015, Syria allocated only 0.02% of its GDP to R&D, far below the world average of 2.63%. The country has seen a significant brain drain, with intellectuals and researchers leaving the country in large numbers. While their potential return remains uncertain after the fall of the Assad regime, the current administration under HTS has not prioritized higher education or research development.

Regarding primary and secondary education, the BBC reported that HTS announced curriculum amendments in early January 2025 that introduce a stronger Islamic focus, remove pro-Assad propaganda and exclude evolution from the curriculum. The history curriculum was also revised to downplay Syria's pre-Islamic past.

Education policy /
R&D

1

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Governance

I. Level of Difficulty

Thirteen years of war – followed by the twin shocks of the pandemic and the 2023 earthquake – pushed more than 90% of Syrians below the poverty line in 2024, according to U.N. figures.

Once famous for its high level of education, particularly in engineering and medicine, Syria has seen widespread destruction of its schools. The conflict has damaged or destroyed more than 7,000 schools and left 2 million children out of the classroom. Combined with the prolonged displacement of roughly half the population, UNICEF warns “increasingly, a generation of children that have never enrolled in school.”

Large parts of the country’s southeast are desert, and droughts had already threatened harvests before 2011. Years of war have further devastated fertile land, leaving many areas contaminated with cluster munitions, land mines and unexploded ordnance.

More than 100 Turkish attacks on infrastructure between 2019 and November 2024 have cut access to water for one million people in Syria, according to BBC reports. Damage to the Tishreen Dam on December 10, 2024, deprived an additional 413,000 people of water and electricity, the Strategic Steering Group reported in its humanitarian response plan for early 2025.

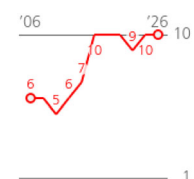
By early 2025, The New Arab reports that Israel brought the al-Mantada Dam in Quneitra under its control – the main source of irrigation in the province.

Syria’s dwindling oil and gas resources have fallen under the control of various factions during the war; exploration – which requires cooperation with international companies – has nearly come to a halt. As of January 2025, according to The New Arab, major refineries remained out of service.

The transitional government has limited reserves to begin rebuilding the country’s infrastructure and has little power to prevent continued external interventions.

Structural
constraints

10



Civil society inside Syria has always been strictly controlled, oppressed or co-opted. Independent activism has been nearly impossible in regime-controlled areas, limited to only a few artistic collaborations and small, clandestine networks in recent years. During the review period, it was heavily controlled and restricted in Idlib, and monitored and restricted in DAANES.

A major exception to the lack of long-term engagement by civil society working inside Syria is the White Helmets. In the diaspora, many organizations have been working for over a decade on documentation for justice and accountability. One such organization is the Syria Archive Project. Syria's transitional government held a first meeting with 50 of these organizations at the end of January 2025. Throughout Syria, informal groupings of citizens have formed and disbanded in response to needs in their locales.

Other sectors in which successful civil society initiatives have been established over the past 13 years – in exile but with links and outreach inside Syria – include media, such as al-Jumhuriya or Enab Baladi, as well as arts and culture, such as Co-Culture in Berlin.

As of January 2025, only one active military front remains. In northeast Syria, attacks by Türkiye and Türkiye-backed factions continue, according to Human Rights Watch.

The Syrian Network for Human Rights (SNHR) reported 236 conflict-related deaths in January 2025 – nearly three times the monthly average of 2024. About 30% of the casualties were caused by remnants of war, including land mines and cluster munitions. Of the deaths documented by SNHR, 21 were attributed to the Syrian Democratic Forces (SDF), making it the largest identified perpetrator, followed closely by the Syrian National Army (SNA) with 20 deaths.

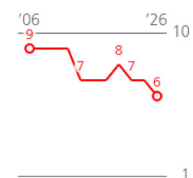
Sporadic attacks by remaining regime elements in the coastal and Homs regions, as well as car bombings – particularly in DAANES and allegedly by IS – have continued to fuel tensions along sectarian and ethnic lines.

The former government had long exploited sectarian narratives for political purposes. As Rana Khalaf, Thomas McGee, and Haian Dukhan noted in a 2024 study, “The ruling Ba’th Party has long cultivated a role for itself as both mediator between different sections of society and ‘protector of vulnerable minorities.’”

While sectarian divisions deepened during the war, they never escalated to the levels seen in neighboring countries. This remains true following the transition of power, which occurred largely peacefully. The transitional authorities have repeatedly emphasized inclusivity – a stance that will be essential for rebuilding trust among Syria's diverse sectarian communities.

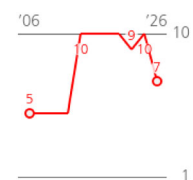
Civil society traditions

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Conflict intensity

7



Syria expert Gregory Waters has cautioned against the spread of sectarian disinformation but noted that experiences with the transitional government are mixed. In particular, he highlighted that in Latakia and Jableh, “HTS-assigned officials (many of whom are from these cities) have been deeply engaged in interfaith efforts since day one.” Waters also cited the predominantly Ismaili town of Salamiyah as a microcosm – and a potential model – of peaceful coexistence as of January 2025.

II. Governance Performance

14 | Steering Capability

The transitional government carefully avoided mistakes from other contexts and neither dissolved the army nor dismissed administrative staff, which allowed for an orderly transformation, at least in the first months. In his speech on January 30, 2025, Ahmad al-Sharaa also mentioned “civil peace” as a top priority. Related to that, he underlined the importance of accountability for human rights violations.

Before that speech, restoring services such as water and electricity had been mentioned as a priority. These worked fairly well in Idlib, whereas in central Syria, electricity in January 2025 was available for 45 to 60 minutes every eight hours, a U.N. update on the humanitarian situation points out. For these purposes, the lifting of sanctions was highlighted by Sharaa.

The caretaker government had already initiated a reform process for the administration, announcing in early January 2025 an increase in public sector employees’ salaries from \$25 a month to \$100, while at the same time conducting a review of the bloated public sector.

Administrative and tax reforms were announced, including the issuance of a new tax law to ensure transparency and win the trust of the population.

These efforts are part of the broader interest in attracting foreign investment and support. As of now, there is no clear economic reconstruction vision that reflects long-term policy objectives.

It will be essential to prioritize civil peace, transparency and justice for all to sustainably address Syria’s past. Concerns are rising because prisons have reopened only in former regime-held territories, not in Idlib or in DAANES. Furthermore, SNHR reported 229 arbitrary arrests in January 2025 alone.

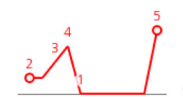
HTS has found in Idlib that people publicly express their dissatisfaction, and it has shown considerable ability to implement administrative reforms, encourage innovation and improve the economy on a limited scale. Syrian researcher Suhail al-

Question
Score

Prioritization

5

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Implementation

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Ghazi said that as of January 25, 2025, no visible progress had been made regarding access to daily commodities but assumed that by reducing the former regime's corruption, the local population was in a better position to improve their situation.

Implementing reforms at the national level will require integrating elements of the former government and persuading its staff to adapt to a new level of performance. Visible improvements in the provision of basic goods such as water, electricity, fuel and bread will be key to achieving this. The lack of a strong fiscal base from which to initiate reconstruction and rehabilitation will impede the government's ability to formulate and implement policies.

When examining Syria's transition, policy learning appears to have played a notable role – drawing on both domestic experiences and international precedents. Domestically, HTS's recent focus on improving service delivery in Idlib reflects an understanding of the population's priorities for stability and better socioeconomic conditions. While its Islamist ideology has remained evident – particularly in restrictions affecting women's rights and gender-related initiatives – HTS has often acted pragmatically rather than dogmatically.

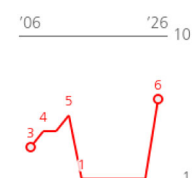
In overthrowing the Assad regime, HTS has been careful to present itself as an Islamist but nationalist movement, both in domestic discourse and in its external relations, and to clearly distance itself from global jihadism. The group had long been preparing – militarily and politically – for the regime's downfall. Even during the final offensive, HTS sought to reassure minorities that their rights and ways of life would be respected.

Unlike in Iraq, Syria's armed forces were not disbanded after the fall of the regime. Instead, settlement centers have been established, and a process began to integrate the army, militias and other non-state armed groups into a unified force.

The new government includes all ministers of the Syrian Salvation Government with substantial governance experience, even if only at the governorate level.

Policy learning

6



15 | Resource Efficiency

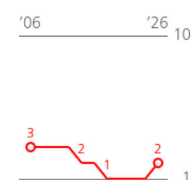
Human resources may be the greatest challenge facing the new Syrian government.

Syria's highly inefficient public administration could benefit from experiences in Idlib, where, on a small scale, professionalization of personnel together with a technical upgrade has already been implemented.

When taking control of most of Syria, it quickly became clear that the new authorities were understaffed to handle the task. State capacity had been so severely diminished that it prevented quick reconstruction and rehabilitation efforts.

Efficient use of assets

2



To allow for a managed transition, public servants, with the exception of security sector officials, were not removed from their posts unless they were clearly involved in human rights violations at the helm of institutions.

The head of Syria's central bank was replaced by his deputy, Maysaa Sabrine, who had previously held several other relevant finance-related positions before her promotion.

It is too early to determine how the transitional government will coordinate conflicting objectives. Among the major challenges will be reaching an agreement with DAANES and balancing this with Türkiye's influence.

Key areas to observe will be balancing different approaches to transitional justice and accountability for war crimes, human rights violations and crimes against humanity by all perpetrators. This is not exclusively a question of civil peace, but it has ramifications in other sectors, first and foremost the security sector, which needs to be rebuilt and for which plans for its transformation so far focus solely on the army. Other ministries and sectors of the economy will need to be rehabilitated. Coordination mechanisms across state ministries do not exist and need to be established.

It is also related to the economy. Given the dire need to improve the economy, a key challenge will be how to address the actors in Syria's business elite who were involved in or benefited from human rights violations. Mohammed Hamsho and Maher al-Assad, for example, were able to monopolize the scrap metal business in Aleppo due to their close ties to the former regime, as reported by Lizzie Porter in January 2025.

Corruption has been an issue throughout Syria, even prior to 2011. The war diversified patterns of corruption, and some of the most blatant cases involve the former presidential family and its regime's cronies.

HTS in Idlib faced intense protests from February to September 2024, criticizing its corruption among other issues. In this area and other border regions, smuggling and human trafficking were among the illicit businesses linked to corrupt practices.

Neither the regime nor HTS has a record of systematically combating corruption. Both have instead accused political opponents of corruption as a pretext to punish them.

With December 8, 2024, many regime affiliates involved in corruption left the country. Furthermore, with the fall of the regime, some reasons and sources of corruption became less relevant – such as the extortion of money from detainees' families or human trafficking.

Raising salaries of civil servants can be understood as a measure to limit corruption; however, no integrity mechanisms have yet been established.

Policy coordination

2

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Anti-corruption policy

1

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16 | Consensus-Building

There is ongoing disagreement between Syria's two main political actors – HTS and the Kurdish-led SDF – over the country's future political and economic framework. Ahmad al-Sharaa has spoken of “inclusive governance,” a new constitution, and free and fair elections – goals that align in part with the SDF's stated priorities – yet he has notably avoided using the term “democracy.” Another potential cleavage concerns centralized versus decentralized state structures, with the latter favored by the SDF.

SDF, according to the DAANES Social Contract of 2023, promotes “the idea of the societal economy, meaning the economy and society work closely together on the basis of cooperatives.” In contrast, according to Reuters, Basil Abdel Hanan, minister of economy of the transitional government, announced a shift toward “a competitive free-market economy.”

Anti-democratic actors – including remnants of IS, the former regime and the SNA – may act as spoilers in the transition process.

HTS has governed Idlib in an authoritarian manner, while DAANES, despite its stated commitment to democracy, has continued to restrict civil freedoms.

External nondemocratic forces are also likely to shape Syria's trajectory. Türkiye and several Gulf states wield considerable influence, while Iran and Russia may still seek to interfere in the country's political future. Israel's involvement during the transition appears focused not on supporting democratization but on weakening any emerging Syrian government. Meanwhile, the United Nations has had little real impact on the political transition process.

Many Syrians have expressed that they do not want to live under authoritarian rule again, yet given these significant challenges, it will be difficult for reformers and the democratic opposition to implement a democratic system.

The transitional government has steered clear of populism, has spoken of inclusive governance and is in dialogue with relevant internal actors. It has invested heavily in avoiding sectarian tensions between Muslims and Christians and has moderated its Islamist tone.

However, these cleavages exist and could easily be manipulated. Disinformation about sectarian incidents has already resulted in fear and violence.

Syrian researcher and HTS expert Haid Haid underlined the importance of the announced National Dialogue Conference, for which, as of January 2025, no date has been set, for understanding how well the transitional government will bridge cleavages.

Consensus on goals

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Anti-democratic actors

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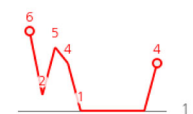
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Cleavage / conflict management

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During the first weeks of the new leadership's tenure, civil society groups voiced concern that the government appeared more focused on meeting foreign officials than on engaging with domestic civil society actors.

Meeting early on with Madaniye – with Syrian billionaire Ayman Asfari reportedly involved – while postponing talks with associations representing the families of the disappeared until late January 2025 has fueled discontent.

Many civil society activists fear that HTS will replicate at the national level its restrictive approach toward civil society in Idlib, where tolerance was largely confined to humanitarian organizations. When protests against its governance broke out in February 2024, Syrians for Truth and Justice documented HTS's use of excessive force against demonstrators.

As of January 2025, the transitional government has not announced any strategy on how to meaningfully involve Syria's vibrant civil society.

The only clear acknowledgment of civil society's relevance so far has been the appointment of the governor of Sweida, Muhsina al-Mahithawi, who has a civil society background.

Reconciliation was a concept largely alien to the Assad regime. Although Ahmad al-Sharaa identified justice and accountability as priorities in his January 30, 2025, address, these commitments have yet to translate into a concrete roadmap for justice or any indication of how perpetrators will be held accountable.

Among its own ranks, as of January 2025, HTS's strategy appears to focus on co-opting potential spoilers – for example, by appointing foreign fighters to high positions in the army, as reported by France24 in December 2024. Civil society activists criticized this practice, emphasizing that foreign fighters of any side should be leaving Syria.

Since December 8, 2024, incidents of vigilante justice have been reported. However, it remains unclear whether these acts represent a continuation of previous circumstances in which, at the local level, different militias resorted to extrajudicial killings, attacks and kidnappings against each other.

17 | International Cooperation

In 2023, the League of Arab States (LAS) restored ties with Syria. However, expectations that this normalization would revive the economy in regime-held areas went largely unmet. The transitional government, by contrast, has sought to strengthen relations with both Western and regional governments and organizations in an effort to attract funding for reconstruction.

Lifting international sanctions, a priority of the transition government, was addressed by the U.S. administration under Joe Biden with the issuance of General License 24, which authorized transactions with governing institutions in Syria and certain

Public
consultation

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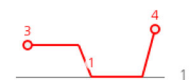
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Reconciliation

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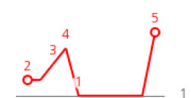
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Effective use of
support

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transactions related to energy and personal remittances. The removal of EU sanctions is seen as especially crucial to enabling the Europe-based Syrian diaspora to participate meaningfully in the country's post-Assad recovery.

In contrast to the Assad regime, which did not encourage return, the transitional government has called for Syrians to come home – an issue resonating well with the host states of large numbers of Syrian refugees, particularly Lebanon, Türkiye and Jordan.

Already on December 7, 2024, before reaching Damascus, HTS issued a statement announcing its “full readiness to cooperate with the international community in monitoring weapons and sensitive sites,” Syria expert Charles Lister writes, posting the respective statement.

It would be a significant positive development if cooperation with the Organization for the Proliferation of Chemical Weapons were guaranteed, as it was obstructed by the Assad regime for many years. A dependable dismantling of all facilities related to the production or stockpiling of weapons of mass destruction would help build trust in HTS among the population and neighboring states.

Additional factors shaping the international community's trust in the new Syrian government include how it structures power domestically – whether it paves the way for free and fair elections, adopts a constitution that guarantees equal rights for all communities, and meaningfully addresses women's rights. These factors will mainly influence the trust of European governments, where concerns about Islamist rule are significant. Another key question concerns foreign influence in Syria: whether the new government will address Russia's presence and leases for its air and naval bases, and whether they will act to curb Iranian influence and weapons transfers through Syrian territory.

Ahmad al-Sharaa has also pledged a hard-line policy against the Captagon business. High profit margins, demand and limited economic opportunities for Syria might make it challenging to implement this.

HTS signaled a credible interest in improving relations with Syria's neighbors as early as December 2024. During the offensive toward Damascus, when it was unclear whether militias from Iraq would come to support Assad, HTS stated it was not posing a threat to Iraq.

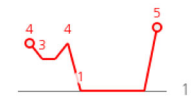
At the end of December 2024, the new governor of Damascus, Maher Marwan, emphasized that the new government did not have a problem with Israel and would not engage in anything threatening Israel's – or any other country's – security.

Among the first foreign trips by Transitional Foreign Minister Asaad al-Shibani were visits to Saudi Arabia, Qatar and the United Arab Emirates – signaling an effort to engage potential regional donors and investors, as well as a desire to open a new

Credibility

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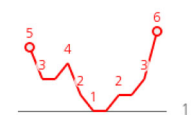
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Regional cooperation

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chapter in diplomatic relations. Saudi Arabia had played a key role in the League of Arab States' decision to normalize ties with the Assad regime, but Damascus ultimately failed to meet Riyadh's expectations.

HTS' relations with Türkiye, while not as close as those between Türkiye and SNA, are good and were highlighted as a strategic priority by al-Sharaa in December 2024. Several members of the transitional government have lived in Türkiye, speak Turkish and received part of their education there, factors that the Royal United Services Institute analyzed as an important foundation for beneficial relations in the future.

These developments underscore the new leadership's interest in seeking improvements with states in the region as well as in Europe.

This interest was also substantiated by numerous seizures of Captagon carried out by the new authorities. The drug trade was a major grievance for Syria's neighboring states before, particularly Jordan. Neither the bilateral normalization between Jordan and Syria nor the reintegration of Syria in the League of Arab States in 2023 motivated the regime to stop the profitable trade.

Strategic Outlook

Transformation in Syria is underway. Given the magnitude of the Assad regime's repression and brutality, it is unlikely the country will return to its previous level of authoritarianism, but there is no clear agreement among major players on democracy.

Important milestones include whether the transitional government fulfills its promise of inclusive governance, beginning with the announced National Dialogue Conference. Syrian civil society activists emphasize civil rights for all of Syria's citizens as essential, and it will be relevant for the new authorities to develop a consensual solution for decentralization as desired by Kurdish, Druze and possibly Alawite communities, under which national unity can be strengthened. It is important that the transitional government earns the trust of large segments of the population; given the persistent hardship, poverty, significant disparities between different groups and a lack of basic services such as energy, water, electricity, health care and education, only trust in the new government will persuade people to engage with and support it.

Road maps will be needed for the pressing issues of justice and accountability as well as for free and fair elections.

For external actors to support a peaceful transition and stabilization of Syria, recognition and respect for Syria's sovereignty is crucial. This applies mainly to the neighboring states Israel and Türkiye, but also to Iran, the Gulf states and Russia.

Improving Syria's socioeconomic situation requires the removal of sanctions to enable reconstruction and investment. Most important is the lifting of U.S. sanctions, as well as the sectoral sanctions imposed by the European Union. A major concern is the ongoing lack of clarity in U.S. policy toward Syria. U.S. President Donald Trump has announced the withdrawal of U.S. forces from northeastern Syria and frozen funding for humanitarian purposes. Both decisions might disrupt the delicate power balance in the region, create further security risks and undermine civil society efforts to work toward a better future for Syria.

Türkiye is likely to expand its influence, possibly more through soft power than hard power. The interim foreign minister and other high-ranking personnel of the transitional government studied in Türkiye, speak Turkish and may seek to establish a rule similar to Erdoğan's. The ambitions of Gulf states, mainly Qatar and Saudi Arabia, could move in a similar direction and all appear ready to engage in Syria's reconstruction.

For Israel, this would be a historic opportunity to establish new relations with the post-Assad government, which has signaled acceptance of Israeli security interests. In southern Syria, hundreds, if not thousands, were treated in Israeli hospitals during the war, and a constructive approach that recognizes Syria's territorial integrity could make a major difference.

Stabilization of Syria primarily matters to neighboring states, especially Lebanon, Türkiye and Jordan, which are interested in conditions that enable the return of millions of Syrian refugees. In Europe, this has largely been a populist issue. Still, stabilization would present an opportunity for Europe, and particularly Germany, to leverage the support provided during the war to exile networks, experts and activists and support a democratic transition.