



Investment opportunities available in SYRIA

Profitability and turnover are the prime drives of investment opportunity that looks lucrative at one time, due to a certain circumstance or a certain place, may not continue to be should it not be accompanied by a favorable investment climate that is stable and encouraging.

Syria, in its endeavour to attract capitals, was not satisfied with the promising investment opportunities it has in various fields of industry, agriculture and services, but it has been exerting every strenuous effort, right since the issuance of the investment Encouraging Law no. 10 of 1991 with all its facilities, exemptions and privileges, to build up the attractive investment atmosphere. Therefore and throughout the last three years, many economic and social laws and legislations have been reviewed and amended in order to create a proper climate of the new economic work.

Efforts are still going on and on legislations are being enacted to improve this climate and create a state of positive competitiveness right from the administrative, economic, taxation and banking reforms, through rendering utmost authorities and opportunities to the private sector, and ending with the expansion and development of the infrastructure of industrial parks so qualified to attract more investments.

In this regard, the roles of the investment Bureau and the Higher Investment Council should be highly valued for the great efforts they make to promote, support and facilitate procedures and to offer information to investors. We may have not attained our goals, but modern Syria with its young and wise leadership is stretching a hand to cooperate with all to achieve the interests of all.

Syria is opening up for every economic effort in favour of this omeland. It welcomes every new investor willing to take part in the development and growth process and in the domain the investor is interested in without any obstacles or difficulties.

This is Syria. It will continue to be as it has always been throughout history, a torchlight for knowledge and industry, a good and fertile land of agriculture and caring for everything new and useful.

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INVESTMENT OPPORTUNITIES AVAILABLE IN SYRIA

Syria is considered as a virgin country with plenty of lucrative investment opportunities which offer certain profitability, besides the existence of the basic requirements for attracting investments. It has huge economic and human abilities with various resources, and it also has a relatively big market, with qualified and cheap work force. Syrian businessmen are serious, qualified and ready for cooperation and partnership. Syria also enjoys a modern and developed infrastructure which makes it an attractive climate for investment.

1. INVESTMENT OPPORTUNITIES IN THE AGRICULTURAL SECTOR :

The government has accorded special attention to improve and develop the agricultural sector. A number of policies and procedures have been adopted aiming at expanding the investment potentials in this sector, and to increase the areas of agricultural lands by building dams, irrigation and draining projects and the expansion in planting forage crops and caring about the livestock, as well as increasing the areas which produce wheat and various kinds of cereals, also concentrating on exporting agro products like roses, citrus fruit, olive, olive oil, etc...

Syria is rich in its agro products such as cotton, cereals, legumes, olive, vegetables and fruits, in addition to livestock products, fish as it exports huge amounts of these products to the Gulf countries, Jordan, Lebanon, Egypt as well as to the European Union market.

Syrian agricultural sector enjoys important privileges :

- a. Vast areas of agricultural fertile soil.
- b. Good water resources.
- c. Country-wide natural variety of landscape, mountains and plains, with the ability of farming in all seasons.

There are many investment opportunities of priority in this sector which enjoy feasibility studies as well initial technical studies at the investment office, such as :

1. Project for producing modern irrigation accessories, and modern irrigation equipment.
2. Project for developing milk production and marketing in Aighab area / integrated project/.
3. Project for developing milk production in Aighab area – Tar Alala – Alasharneh.
4. Project for developing milk production and marketing in the coastal region.
5. Project for fish-breeding in Al-Assad Lake.
6. Project for marketing and preparing vegetables and fruits.
7. Project for selecting and classifying vegetables and fruits.
8. Project for packing vegetables and fruits.
9. Cow farm, dairy and cheese farm.
10. Cooling and freezing vegetables, fruits and meat.

In addition to feasibility studies prepared by the Arab Organization for Agricultural Development :

1. Study for construction of an industrial dairy compound.
2. Study for integrated fodder production plant in Syrian Arab Republic.
3. Study for storing and freezing vegetables and fruits project in Syria.
4. Study for vegetables production, protected agriculture systems for local consumption and export project.
5. Study for production of flowers and home plants in green houses for local consumption and export project.

2. INVESTMENT OPPORTUNITIES IN OIL MINERALS SECTOR :

Due to the big development achieved in the oil and gas sector in Syria, there rises the need to establish industrial projects in the chemical fields which depend on petro-chemical products. The policy of the government is based on using it as a substitute for the energy generated from fuel in the big production facilities. In Syria there are various mineral resources in huge amounts encouraging investment like phosphate, quartz sand, asphalt and basalt rocks and volcanic surges ... etc.

- Establishing electric power station using petroleum coak produced in Horns refinery as fuel.
- Study to construct a new oil pipeline starting in 2004.
- Study to produce airplane fuel with special specifications.
- Tecimology of transporting oil by-products by pipelines.
- Modern methods by measuring tools to gauge oil reservoirs.
- Setting up oil refinery.

These are feasibility and initial technical studies for many industrial projects in this field, set for investment promotion such as :

1. Exploiting natural asphalt rocks in Kafriah area.
2. Project for investing and manufacturing volcanic surges.
3. Condensity of the quartz sand in Al-Qaryatain area.
4. Investing and condensing raw Ziolet for industrial and agricultural uses.
5. Investing and condensing raw phosphate.
6. Washing classifying quartz sand in Al-Qaryatain area (submitted by public establishment for phosphate and mines). This project is to be financed by the ministry of petroleum and mineral resources, the general establishment for phosphate and mines, or by a loan from general debt fund.
7. Resume of the study justifying basalt manufacturing in Sweidaa.
8. Resume of the study justifying volcanic surges manufacturing in Sweidaa.

3. INVESTMENT OPPORTUNITIES IN THE FIELD OF INDUSTRY :

From the horizontal perspective Syria has a vast industrial sector. Its policy is based on keeping, developing and modernizing the industrial public sector and allowing the private and joint sectors to participate in all industrial activities, where all the three sectors perform in the same market in a competitive spirit.

Priority in the industrial activity is given to kinds of industries which use local raw materials like cotton, wool, oil edible seeds and mineral resources, in addition to industries supplying the agricultural sector with its needs, such as machinery, inputs and its products and industries with high technology.

The focus on:

- ❖ Industries with high local VAT which support the industrial integration at all levels.
- ❖ Industries which participate in exploiting local resources and raw materials.
- ❖ Industries which contribute to transferring and settling the modern technologies.
- ❖ Export industries.
- ❖ Creating more business opportunities.

In Syria there are many good investment opportunities in various branches of industry, some have feasibility and initial technical studies such as:

a. Food Industries :

- Technical and feasibility study of tomato paste production project and packaging in plastic .
- Technical and feasibility study of starch and its derivatives producing factory.
- Technical and feasibility study for a new production line of Kashkaval cheese in Aleppo dairy factory.
- Resume of technical and feasibility study of condensed juice production project (ordinary and natural juice) from citrus and various kind of fruits.
- Technical and feasibility study for the olive oil production and refining project.
- Vegetable oil production project.
- Technical and feasibility study for developing the Syrian Arab company (Damascus).
- Technical and feasibility study for the automatic packaging at Homs grape manufacturing Co.
- Technical and feasibility study for adding new equipment to improve beer quality.
- Citric acid production project.

b. Textile industries :

- Resume of polyester spinning yarns production.
- Initial justifying study for the cotton fabrics (preparing, printing and dyeing) project.
- Initial justifying study for the various mixed yarns production project.
- Initial feasibility and technical studies for the wool textile project.
- Resume of the initial technical study for the creation of the cotton, spinning plant with the cooperation of the General Company of Textile Industries.
- Project for the production of various kinds of cotton fabrics and yarns to be used in producing cotton fabrics (preparing, dyeing and handling).
- Dyeing, printing and preparing fabrics, also dyeing and preparing yarns.
- Mixed fabrics and spin production.
- Cotton spin, mixed cotton, cotton and mixed fabrics production.
- Curly and drawn polyester yarn production.

c. Chemical industries :

- Resume of initial feasibility study for the production and consumption of sodium sulphate and hydro sodium.
- Production of car and truck tires and tubes.
- Study for the production of high quality heatproof glass (Pyrex).
- Ammonia urea plant project.
- Hydro sodium, hydrochloride.
- All kinds of human medicines.
- Veterinary medicines, vitamins and antiseptics.
- Soft and hard sulphonic acid, and sulphates.
- Calcium carbide and Estelline gas & derivatives.
- Chlorine, sodium hydroxide and hydrochloride.
- Sodium hydroxide, chloride gas and sodium hypochloride.
- Production of flat glass (float).

d. Metal industries :

- Resume of feasibility study for the Aluminum sheets production project.
- Ordinary construction and iron bars.
- Production of service and transport cars.
- Production of metal sheets, (cold and hot drawn).

e. Non-Metal industries :

- Study for manufacturing black cement (Portland).
- White cement production.

4. OTHER INVESTMENT OPPORTUNITIES IN THE FIELD OF INDUSTRY :

Establishing joint venture companies for electronics industries (in Syria), and a particular computers, systems and electronics software, not only for the needs in Syria, but also to be exported to the markets open to the sixteen Arab countries members of the Great Arab Free-Trade Area and the markets of Asian republics, and Arab Maghreb area.

Setting up joint venture of petro-chemical industries depending on the gas imported to Syria through the gas line passing from Egypt to Syria. And on top of these industries comes the industry of plastic granules like polyethylene, poly vinyl chloride PVC, polyester PS ,....,etc depending on natural gas on two axes, first axis is Olyphenat ethylene which is formed by time, the other axis is the fragrances NYLIN, PVC, VC.

Setting up joint industries to produce intermediaries and production input whose raw materials are available in the local market, like caustic soda, dyeing materials, packing and packaging paper like natural solofan and paper used in wrapping candies and appetizers, and printing them with the center of bio-technology applications in the food industry.

- ❖ Production of spare parts for the spinning and textile machines.
- ❖ Setting up industries depending on high technology-automated production lines for foodstuff and textile industries depending on the Chinese expertise.
- ❖ Setting up modern industries for spinning, textile and clothes, depending on the Syrian cotton and the Chinese companies expertise aimed at exporting to the European markets, which are close to Syria, thus reducing transport and freight costs to these markets.
- ❖ Base oils producing plant project.
- ❖ Washing, sieving and classifying Quartz Granules in Al-Qaryatain area in order to produce Pyrex.
- ❖ Ammonia urea production project.
- ❖ Phosphate fertilizer production project.

5. INVESTMENT OPPORTUNITIES IN THE FIELD OF COMMUNICATION :

Syria has achieved a great development in the field of communications in the recent years mini telecommunications and in the field of Email and Internet, and in communication networks and informatics.

There still is a great chance to invest in this field as it forms a vast scope for lucrative investments.

Studies available at the ministry and its affiliated establishments offer some summaries about:

1. Smart network project IN.
2. Wireless equipment WLL.
3. Spectrum management.
4. Customers and services managing.
5. 1.65 million phone line extension project.
6. Supplying villages with telephones lines.

6. INVESTMENT OPPORTUNITIES IN THE FIELD OF TOURSIM :

Syria enjoys excellent tourist potentials like :

- The existence of many ancient historical sites.
- Natural and climatic variation.
- Being close to Europe.

Tourism has recently witnessed remarkable development. This is one of the positive results of the great attention taken by the government and private sector in developing the infrastructure and the supra-structure of the tourist sites which are available to receive tourists coming from different parts of the world. Since the tourist sector will witness a great development in the future, there are many good investment opportunities in this field. Feasibility studies are available for those opportunities:

1. Detailed study of the tourist development project of the hotels of Al-Assad Lake.
2. Detailed study of the tourist development project of southern Lattakia area.
3. Detailed study of the tourist development project of northern Lattakia area.
4. Amreet tourist project.

Some of the most important opportunities of investment in the field of tourism are in the following areas :

- Developing ancient and historical, and desert sites and encouraging tourism and sports.
- Improving and investing the Syrian beaches.
- Establishing tourist accommodations, hotels and tourist facilities in addition to tourist villages in suitable areas.
- Ensuring tourist services and utilities.
- Establishing motels, tourist rest houses.
- Establishing and managing tourist amusement parks in suitable areas.
- Establishing and improving public tourist facilities.
- Such potentials are in all the Syrian cities and particularly in :
 1. City centers.
 2. Mediterranean coasts in Lattakia and Tartous.
 3. Mountains and summer resorts in all governorates.
 4. Syrian semi-desert Badieh.
 5. Surroundings of lakes and spas.

These investments can be in the form of :

- Hotels of all classes, and as a chain in a number of cities and governorates.
- Tourist and shopping malls.
- Tourist villages.
- Maritime activities compounds, amusement parks.
- Mineral water treatment spas and recreation center.
- Maintenance and restoration of ruins, historical palaces, citadels and amphitheatres and investing them.

Emphasizing on :

- Allocation lands to establish the above mentioned projects.
- The urgent need for such facilities as the demand is much bigger than supply.
- The availability of infrastructure for all the areas proposed for such projects.
- The average period of capital-regain in tourist investment in Syria is 7 years.

The Ministry of tourism however is drawing a regional plan for tourism investment in Syria.

7. INVESTMENT OPPORTUNITIES IN THE FIELD OF ELECTRICITY :

1. Lists of equipment and materials that can be locally manufactured with their basic standards and the expected quantities of annual consumption, during the next ten years.
2. Feasibility and technical study to establish a 5 megawatt capacity windmill park in Homs.
3. Fluorescent lamps production of all sizes using Syrian sand.

It is however possible to locally manufacture some imported materials being widely imported used in the electricity grid, such as :

1. Pylon.
2. Insulators
3. Capacity transformers
4. 20 KVA cells
5. Ring-connection units
6. Internal and external medium voltage breakers.
7. Distribution transformers
8. Vacuum and SFC breakers.
9. Low-voltage breakers
10. Low-voltage fuses
11. Medium-voltage fuses
12. Medium-voltage insulator accessories
13. High-voltage transmission insulator accessories
14. Pre-made transformation centers

8. INVESTMENT OPPORTUNITIES IN THE FIELD OF TRANSPORT :

There are many opportunities in the field of sea, air, and land transport :

1. Investment in the field of maritime transport :

- a. Establishing a free zone with a port of its own
- b. Lattakia-port free zone
- c. Cargo-villages (stores, tanks, package equipment, haulage etc)
- d. Improving the Wharfs in Lattakia and Tartous ports.
- e. Setting up joint companies for cargo and passenger ships.
- f. Pollutant port.
- g. Establishing joint companies for cargo and passenger services in seaports.
- h. Dry dock for ship repair.
- i. Establishing tourist facilities in the sea public –grounds.

2. Investment in the field of air transport :

- a. Establishing integrated air-cargo services centers (cargo-villages).
- b. Establishing and investing free zones inside the airport premises or campus.
- c. A study to establish an airport in the mid-land.
- d. Improving airport premises and tarmacs
- e. Air-taxi company establishment..

3. Investment in the field of land transport :

- a. *Establishing gas station (CNG) as a step in the project of turning vehicles to be run by gas.*
- b. *Metro networks (tunnel, fly-over, surface) working on BOT system.*
- c. *Setting up and investing land-roads constructions between cities on the axes :*
 - i. *Damascus – Aleppo*
 - ii. *Damascus – Der al-Zour*

Railway Transport :

1. Setting up joint projects for manufacturing wagons and spare parts.
2. Establishing companies for cargo-container services.
3. Constructing railways between cities (Damascus – Dara), (Damascus – Aleppo)
4. Investing the narrow railways run by the General establishment of Hijaz Railways

9. INVESTMENT OPPORTUNITIES IN THE FIELD OF HEALTH :

1. Project for producing blood by-products
2. Project for manufacturing hospital appliances
3. Surgery and medical threads production project.
4. Project for producing effective materials of medicines.
5. Inoculation production project.
6. Setting up cardiology radiotherapy centers.

10. INVESTMENT OPPORTUNITIES IN THE FINANCIAL AND BANKING FIELDS :

It is a new and vast field for investment after the law thereby allowing the set-up of private and joint sector share-holding companies had been approved particularly in the light of Syrian economic sectors needs for all kinds of financing operations, in addition to the investment opportunities in the stock exchange market, export credit and financing corporations, and other corporations required by the Syrian market.

11. INVESTMENT IN TRAINING FIELDS :

Another new scope of investment whereby foreign universities may establish branches in Syria in all fields of higher education.

Investment opportunities available in Syria :

(primary studies of feasibility are not available),

There are many other investment opportunities in the afore-mentioned fields and other fields like: services, technology & informatics, popular and medium housing, education, etc...

Here are some thoughts about opportunities whose feasibility studies are not available :

1. Generators and electric motors (that are not currently manufactured by the public sector)
2. All kinds of spare-parts for machinery, equipment, cars, radio & TV sets, and cassette recorders.
3. Some machines and equipment used in spinning & textile industry.
4. Air-conditioning, central heating, and cooling systems.

5. Electronic control units for machines and equipment.
6. Computer and its accessories.
7. Packaging and packing machines
8. Diesel and petrol engines and their spares in cooperation with the Tractors Factory in Syria.
9. Setting up ship, boat and fishing boat building plants.
10. Making industrial moulds.
11. Making telecommunication equipment.
12. Software production center.
13. Petrochemicals (polypropylene and rubber granules) depending on crude oil.
14. Synthetic yarns to make synthetic threads.
15. Leather & leather products industry.
16. Making Asbestos from Basalt.
17. Paper-pulp production in cooperation with Der-al-Zour Paper Factory.
18. Rehabilitating the General Establishment for Agricultural Mechanization.
19. Cotton seeds ginning in cooperation with the General Establishment for Seeds Multiplication.
20. Combating desertification project.
21. Irrigation tunnel projects.
22. Projects for berry farming and silkworm breeding to produce and manufacture natural silk.
23. Projects for investment in forests.
24. Medical herbs farming and extracting effective materials.
25. Spice plants farming and packaging.
26. Conserve and canned food projects.
27. Projects for natural fruit juice production especially citrus fruit and tomato.

The Syrian legislation guarantees and protects individual's properties. Moreover, many national and regional institutions, like the Syrian establishment for Insurance and the Arab Institution for Investment Guarantee offer investment guarantees against all hazards. It is to be noted that the Syrian Establishment for Insurance is a governmental company guaranteed by the Syrian government to cover all risks and hazards of investment.

All the steps have been taken by directives of President Bashar Al-Assad who is leading the modernization and development march in Syria. In his speck of the oath, the President emphasized the necessity of initiating economic changes by modernizing laws and removing bureaucratic obstacles before internal and external investments, mobilizing public and private capitals, activating the private sector and offering it better business opportunities.

In this perspective, the Syrian government, within one year, issued many legislations and amended others to activate business for the private sector and attract investments to contribute to the economic and social development.

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