

# BUSINESS ACTIVITY LINKED TO HUMAN RIGHTS IN SYRIA

The Syrian Legal Development Programme (SLDP) has documented business-related activities that may contribute to international crimes or human rights violations in Syria between April and September 2018.

**MONITORED PERIOD**  
01 April- 30 September 2018



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The Syrian Legal Development Programme (SLDP)'s Human Rights and Business Unit has been documenting business-related activities that may contribute to international crimes or human rights violations in Syria on an ongoing basis since its founding in April 2018. SLDP has chosen to publish the findings of documentation of activities occurring between the dates of 1 April and 30 September 2018 in this report.

With this report, SLDP aims to provide evidence of the types human rights violations and international crimes business activity in Syria is contributing to. These findings are intended to empower Syrian civil society and international actors by providing them with the information they need to respond to potential violations of international law by Syrian business elites, multinational businesses, and other business actors in Syria.

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## **ABBREVIATIONS**

CIHL	Customary International Humanitarian Law
COI	Independent International Commission of inquiry on The Syrian Arab Republic
HRC	Human Rights Council
HLP	Housing, land and property
IHRL	International Human Rights Law
IHL	International Humanitarian Law
ICCPR	International Covenant on Civil and Political Rights
ICESCR	International Covenant on Social, Economic and Cultural Rights
ICRC	International Committee of The Red Cross
ICC	International Criminal Court
ICTY	The Ad hoc International Tribunal for Former Yugoslavia
ICTR	The Ad hoc International Tribunal for Rwanda
OHCHR	Office of High Commissioner of Human Rights
UN	United Nations
UNHCR	United Nations High Commission for Refugees
UDHR	Universal Declaration of Human Rights

## INTRODUCTION

It has been seven and a half years into the Syrian conflict, yet, attempts to reach a political settlement and bring peace in Syria have failed. Since the start of 2018, the situation on the ground has dramatically changed and the Syrian Government and its allies have managed to recapture most of the Syrian territory. Following the military gains, Russia has been urging the international community to help Syria's economic recovery and aid in post-conflict reconstruction.<sup>1</sup> However, many international actors, including the EU and the US, have explicitly declared that they would not participate in Syria's reconstruction until a political transition is achieved.<sup>2</sup>

However, businesses and states around the world remain interested in participating in Syria's reconstruction, which is estimated will cost between \$100 and \$400 billion.<sup>3</sup> Businesses in states neighboring Syria also hope to reap the profits from the reconstruction process. Yet, businesses operating or intending to invest in Syria risk criminal liability under international law in relation to the international crimes and gross human rights violations that have been committed by warring parties in Syria throughout the conflict, in particular, the Syrian government and its allies.

This report will record business activities that might have contributed to international crimes or human rights violations that have taken place between 1 April and 30 September 2018. It will also provide a legal analysis to such activities using international law. In doing so, this report will draw a picture of the Syrian business elites' activities in relation to the war economy and Syria's reconstruction process. It will provide an account of the involvement of multinational businesses in activities that may contribute to international law violations in Syria. Finally, this report will record business activities carried out according to the new property laws in Syria and might have contributed to the consolidation of forced displacement of civilians brought about through the commission of international crimes.

The information presented in this report will demonstrate that various business actors are likely complicit in human rights violations and international crimes in Syria. This includes Syrian government-owned enterprises, Iranian and Russian governments-owned or linked companies, Syrian business elites, and multinational companies engaged in contracts with the Syrian business

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<sup>1</sup>See for example, 'Russia seeks US help to rebuild Syria', The National (5 August 2018), available at: <https://www.thenational.ae/world/mena/russia-seeks-us-help-to-rebuild-syria-1.756743>; 'Russia presses EU to pay up for rebuilding Syria', Financial Times (10 January 2018), available at: <https://tcf.org/content/report/economics-war-peace-syria/?session=1&agreed=1>.

<sup>2</sup> European Council: Council of the European Union, *Syria: Declaration by the High Representative Federica Mogherini on Behalf of the EU*, available at <http://www.consilium.europa.eu/en/press/press-releases/2018/03/15/syria-declaration-by-the-high-representative-federica-mogherini-on-behalf-of-the-eu/>.

<sup>3</sup> Jihad Yazigi, 'Analysis: No Funds to Foot Syria's Reconstruction', NewsDeeply (4 Dec. 2017), <https://www.newsdeeply.com/syria/community/2017/12/04/analysis-no-funds-to-foot-syrias-reconstruction-bill>

elites. Moreover, businesses intending to invest in Syria during the reconstruction process might find themselves complicit in human rights violations and international crimes committed by the Syrian government and its allies.

### **SETTING THE SCENE, THE SITUATION IN SYRIA**

Little attention has been paid to the major role that the Syrian business community has played throughout the Syrian conflict. Government-linked businessmen have been taking advantage of the war economy using their ties to the government to achieve profits and financial gains. In doing so, they have likely contributed to human rights violations and international crimes.

The Syrian business elites, who include relatives of Bashar Al-Assad, high-level officials, and government-loyal businessmen dominate the entire Syrian economy. It is well known that they are awarded most profitable contracts and are likely most able to handle large reconstruction projects. Consequently, international donors, investors, and multinational businesses intending to participate in Syria's reconstruction are likely to partner with these government-linked businesses.<sup>4</sup>

Additionally, the Syrian Government has been engineering the demographics of the country through the commission of international crimes and human rights violations. This includes destruction of property, forced displacement, and pillage. This has also resulted in countless violations of the housing, land, and property (HLP) rights of Syrians.<sup>5</sup>

Several reconstruction projects have also already been awarded to Syria's allies who have actively participated in international crimes in Syria, such as Russia and Iran. Consequently, Russia and Iran will start reaping the profits from their own international crimes.

In sum, the shape reconstruction of Syria will take is of paramount importance for the future of the Syrian people in the context of an ongoing conflict. Reconstruction, as it is occurring now, will likely create an environment ripe for increased business-related international crimes and human rights violations by foreign or multinational businesses, international donors and investors, as well as by Syrian business elites with close ties to the Syrian Government.

### **INTERNATIONAL LAW AND BUSINESSES**

<sup>4</sup> Bassam Haddad, 'The Syrian Regime's Business Backbone' Middle East Report (2012), at 262, available at: <https://www.merip.org/mer/mer262/syrian-regimes-business-backbone>

<sup>5</sup> The Toll of War: 'The Economic and Social Consequences of the Conflict in Syria', World Bank Group (10 July 2017) 47 [https://www.worldbank.org/en/country/syria/publication/the-toll-of-war-the-economic-and-social-consequences-of-the-conflict-in-syria\\_](https://www.worldbank.org/en/country/syria/publication/the-toll-of-war-the-economic-and-social-consequences-of-the-conflict-in-syria_)

As business activity has become more global, international law has evolved over time to hold businesses liable for their role in violations of international law. There have been several developments aimed at ensuring business compliance with international law. For instance, in 2011, the Human Rights Council endorsed the UN Guiding Principles on Business and Human Rights (UN Guiding Principles). The principles were established with the purpose of providing businesses with exhaustive practical steps and standards that would lead to the implementation of human rights treaties, such as the Universal Declaration of Human rights (UDHR).<sup>6</sup> According to the UN Guiding Principles, businesses are advised to conduct human rights impact assessments before engaging in business activity in conflict-affected areas. They are also expected to refrain from corrupt activities, as corruption violates a number of human rights such as the right to equality and the right to an adequate standard of living.<sup>7</sup>

In addition to human rights obligations, businesses are under obligations stemming from International Humanitarian Law (IHL), which applies in times of armed conflict and encompasses all acts related to an armed conflict, including business activities.<sup>8</sup> For instance, businesses participating in real estate development projects as part of post-conflict reconstruction or selling materials used to produce weapons to a warring party are bound by the rules IHL, which prohibit the pillage of civilian property and the use of chemical weapons.<sup>9</sup> The prohibition of pillage is considered a rule of Customary International Humanitarian Law (CIHL), applicable in both international and non-international armed conflict (IAC and NIAC).<sup>10</sup> Similarly the use of chemical weapons is also prohibited under CIHL in both IAC and NIAC.<sup>11</sup>

Violation of the above-mentioned provisions by businesses may result in the individual liability of business officers or directors under International Criminal Law (ICL). For example, pillage of civilians' property constitutes a war crime under the Statute of the International Criminal Court, in both IAC and NIAC, and entails the individual responsibility of the perpetrators.<sup>12</sup> Similarly, providing a party to the conflict with chemical elements used in the production of poisonous gas may constitute aiding and abetting the crime of employing poisonous gas pursuant to article 25(3)(c) of

<sup>6</sup> Office of the United Nations High Commissioner for Human Rights, 'Business and Human Rights' <https://www.ohchr.org/en/issues/business/pages/businessindex.aspx>.

<sup>7</sup> Joseph Benjamin, 'Corruption: Violation of Human Rights' in VN Viswanathan (ed), *Corruption and Human Rights* (Allied Publishers Ltd 2012) 28-31.

<sup>8</sup> International Committee of the Red Cross, 'Business and International Humanitarian Law: An Introduction to the Rights and Obligations of Business Enterprises under International Humanitarian Law' (ICRC 2006) 14

<https://www.icrc.org/en/publication/0882-business-and-international-humanitarian-law-introduction-rights-and-obligations>.

<sup>9</sup> *Corporate Complicity and Legal Complicity, Criminal Law and International Crime*, Report of the International Commission of Jurist, Volume 2 (2008), P.40-42.

<sup>10</sup> ICRC CIHL study, rule 52.

<sup>11</sup> ICRC CIHL Study, rule 74.

<sup>12</sup> ICC Statute, Articles 8(2)(b)(xvi) and 8(2)(e)(v) respectively.

the ICC Statute.<sup>13</sup> Therefore, businesses operating in Syria must ensure that their activities do not entail complicity in international crimes, as detailed in the following section.

### **Corporate Complicity Under International Criminal Law**

It is well established under international criminal law that those involved in the commission of international crimes can be held liable either as principal perpetrators or as accomplices. The statute of the ICC as well as the statutes of ad hoc tribunals for the Former Yugoslavia (ICTY) and Rwanda (ICTR) provide that an individual can be responsible for committing, planning, ordering, or instigating a crime or for otherwise aiding and abetting a crime.<sup>14</sup>

The international courts' case law has provided a general definition of these terms. For instance, committing a crime is defined as the physical participation of a person in the actual acts that constitute a crime.<sup>15</sup> "Planning" is defined as the situation where one or more individuals contemplate designing the commission of a crime at both the preparatory and execution stages.<sup>16</sup> On the other hand, ordering a crime occurs when an individual uses their authority to instruct another to commit a wrongful act.<sup>17</sup> Additionally, instigating a crime means encouraging another person to commit a crime.<sup>18</sup>

Whilst a person who commits, plans, orders or instigates a crime is described as a principle perpetrator, aiding and abetting someone to perpetrate a crime is commonly characterized under international criminal law as a form of accomplice responsibility.<sup>19</sup> This form of liability can include criminal responsibility for providing assistance to the perpetrator before, during, and after the commission of the crime.<sup>20</sup>

Even a single act or omission is sufficient to render an officer or director of a business criminally liable for their involvement in international crimes and gross violation of human rights. For instance, in order for a company to be responsible for aiding and abetting a crime against humanity -which requires an attack against civilians to be carried out in a widespread or systematic manner- the company officials do not need to participate in the attack or even plan it. It is sufficient if they assist a single act that takes place in the context of the widespread or systematic attack with the

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<sup>13</sup> The Use of poisonous gases is considered a war crime under ICC statute 8(2)(b)(xvii)

<sup>14</sup> ICTY Statute, Article 7(1); ICTR Statute, Article 6(1); ICC Statute, Article 25.

<sup>15</sup> See for example, ICTR, *Rutaganda case*, Trial Chamber, Judgement of 6 December 1999, para. 40; ICTY, *Galic case*, Trial Chamber, judgement of 5 December 2003 para. 168. See also ICC statute, article 25(a).

<sup>16</sup> ICTR, *Rutaganda case* Trial Chamber, judgement of 6 December 1999, para. 37; ICTY, *Galic case*, Trial Chamber, judgement of 5 December 2003, para. 168

<sup>17</sup> ICC Statute, Article 25 (3((b))).

<sup>18</sup> *Ibid.*

<sup>19</sup> *Ibid.*, report of the International Commission of Jurist, *supra* note 9, p. 11.

<sup>20</sup> *Ibid.*, p. 11.

knowledge that that act is part of a widespread or systematic attack.<sup>21</sup>

As mentioned above, aiding and abetting is generally recognized as a category of accomplice liability under international criminal law. However, the question that arises in this context, is what level of aid or assistance should be criminalized? According to ICTY and ICTR case law, aiding and abetting constitutes “acts directed to assist, encourage or lend moral support to the perpetration of a crime, and which have a substantial effect upon its perpetration”.<sup>22</sup> Evidence of a relationship between the conduct of the aider and the commission of the crime, or proof that such conduct served as a condition that led to the perpetration of the crime, is not a requirement. In addition, the act may take place before, during, or after the crime itself has been committed.<sup>23</sup>

Moreover, whether an act constitutes aiding and abetting is matter of a factual assessment and contingent on the circumstance of each case.<sup>24</sup> However, the jurisprudence of the international courts established that certain acts amount to accomplice liability for aiding and abetting. This includes acts such as the provision of goods, services, logistical assistance used in the commission of a crime and banking facilities so that the proceeds of crimes can be deposited.<sup>25</sup>

Furthermore, even an omission or failure to act, when the omission or failure to act has a decisive effect on a crime, can be considered aiding or abetting, and hence may result in the criminal liability of the business concerned. If a business representative does nothing when they have the capacity to prevent, stop, or mitigate a crime, they may be criminally liable for aiding and abetting an international crime. This also applies when silence provides encouragement or moral support to the commission of the crime.<sup>26</sup>

However, a person can only be held responsible for aiding or abetting a crime if they are aware that the assistance will facilitate the crime. Accordingly, an aider or abettor must know that the assistance provided will facilitate the commission of the crime by the main perpetrator.<sup>27</sup> Hence, businesses’ representatives may be accomplices in aiding and abetting international crimes if they

<sup>21</sup> Ibid., p.12.

<sup>22</sup> ICTY, *Blagojevic and Jokic*, (Appeals Chamber) 9 May 2007, para. 127; ICTY, *Simic*, (Appeals Chamber) 28 November 2006, para. 85; ICTY, *Blaskic*, (Appeals Chamber) 29 July 2004, paras. 45-46; ICTY, *Vasiljevic*, (Appeals Chamber) 25 February 2004, para. 102; ICTR, *Ntagerura*, (Appeals Chamber) 7 July 2006, para. 370.

<sup>23</sup> ICTY *Blaskic*, (Appeals Chamber), 29 July 2005, para. 48; Also see ICTY, *Blagojevic and Jokic*, (Appeals Chamber), 9 May 2007. para. 127, ICTY, *Simic* (Appeals Chamber) 28 November 2006, para. 85; ICTR *Ntagerura*, (Appeals Chamber), 7 July 2006, para. 372.

<sup>24</sup> See e.g. ICTY, *Blagojevic and Jokic*, (Appeals Chamber) 9 May 2007. para. 134.

<sup>25</sup> For a comprehensive overview of the actus rea of aiding and abetting, see for example the Report of the International Commission of Jurist, supra note 9.

<sup>26</sup> Ibid., p. 20.

<sup>27</sup> ICTY, *Blagojevic and Jokic*, (Appeals Chamber) 9 May 2007, para. 127; ICTY, *Simic*, (Appeals Chamber) 28 November 2006, para. 86; ICTY, *Blaskic*, (Appeals Chamber) 29 July 2004, paras. 45-46; ICTY, *Vasiljevic*, (Appeals Chamber) 25 February 2004, para. 102.

have the knowledge that their acts may have an impact on the commission of a crime, regardless of whether they intend them to.<sup>28</sup>

In the Syrian context, businesses may be at a high risk of being held criminally liable under international criminal law for aiding and abetting international crimes, if they know that their acts will facilitate, encourage or provide moral support for the commission of a crime by a party to the conflict.

### **BUSINESS AND HUMAN RIGHTS IN SYRIA**

#### **Syria's Business Elites**

The Syrian business scene has long been characterized by massive corruption and crony capitalism.<sup>29</sup> Syrian business elites, who include relatives of Bashar Al-Assad, high-level officials, and government-loyal businessmen, control entire sectors of the Syrian economy, have access to public resources, and are awarded profitable contracts.<sup>30</sup> It is well known in Syria, for example, that Rami Makhoul, Bashar Al-Assad's cousin, is the most powerful businessman and a major player in the Syrian economy. No one can invest in Syria without the approval or partnership of Makhoul, which explains his possession of shares in almost all large-scale business enterprises or projects.<sup>31</sup>

This atmosphere has hampered fair competition and crippled any sustainable economic growth. Syrian business elites not only contribute to the conflict but have also been exacerbating it and profiteering from its prolongation. In doing so, they likely have violated a number of international laws. Moreover, a class of new business elites have emerged after 2011, by taking advantage of business opportunities created by the conflict. This new class of business elites mainly consists of new government cronies, warlords and intermediaries.<sup>32</sup>

Undoubtedly, the Syrian government and its allies are the main perpetrators of international crimes and human rights violations.<sup>33</sup> However, Syrian business elites might have also contributed to or

<sup>28</sup> Ibid., supra note 9, p. 22.

<sup>29</sup> Aurora Sottimano, 'The Syrian Business Elite: Patronage Networks and War Economy' Syria Untold (24 September 2016) <http://syriauntold.com/2016/09/the-syrian-business-elite-patronage-networks-and-war-economy/>

<sup>30</sup> Bassam Haddad, 'The Syrian Regime's Business Backbone' (2012) 42 (262) Middle East Report, available at: <https://www.merip.org/mer/mer262/syrian-regimes-business-backbone>

<sup>31</sup> Anthony Shadid 'Syrian Businessman Becomes Magnet for Anger and Dissent' The New York Times (30 April 2011), available at: <https://www.nytimes.com/2011/05/01/world/asia/01makhoul.html>

<sup>32</sup> Aron Lund, 'A Glimpse Into Syria War Economy', The Century Foundation (21 February 2018), available at: <https://tcf.org/content/report/factory-glimpse-syrias-war-economy/>

<sup>33</sup> Amnesty International 'We Leave, or We Die: Forced Displacement Under Syria's Reconciliation Agreements' (2017), <https://www.amnesty.org/en/documents/mde24/7309/2017/en/>; Syrian Observatory for Human Rights, 'During 7

committed international crimes under ICL, as many Syrian government-linked businessmen have provided the government with a number of resources to assist in the latter's commission of such crimes. This includes financial, logistical and moral support.<sup>34</sup> As stated above, business elites have financed pro-government militias, which were notorious for pillaging areas recaptured by government forces.<sup>35</sup> Further financial assistance is demonstrated through millions of dollars in business partnerships between the business elites and the Syrian government that allow the latter to profit from such partnerships.<sup>36</sup>

Other business elites opted for providing the Syrian government with logistical support. For instance, oil tycoon Ayman Jaber assisted the government in bypassing the oil embargo imposed on it through organizing convoys of oil shipments from Iraq to Syria.<sup>37</sup> Consequently, Syrian businessmen who have worked closely with the government may also be complicit in a number of international crimes, including intentional attacks against civilians, torture, and forced displacement. Moreover, intermediaries who broker profitable oil deals between ISIS and the Syrian government may be liable for aiding and abetting the warring parties in the commission of international crimes.<sup>38</sup>

Syrian business elites may have also taken part in various violations of IHRL. For example, businessmen who financed the pro-government militias, which brutally suppressed the peaceful protesters in the beginning of the uprising and plundered private property were likely complicit in violations of Syrians' right to life (Article 6, ICCPR), right to freedom of assembly (Article 21, ICCPR) and right to property.<sup>39</sup>

Additionally, some business elites used their connections to engage with security and intelligence forces, known to have been involved in international crimes such as forced disappearances, torture,

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Consecutive Years... about 511 Thousand People Killed since the Start of the Syrian Revolution in 2011' (12 March 2018), available at: <http://www.syriaahr.com/en/?p=86573>

<sup>34</sup> Ibid., Report of the International Commission of Jurist, supra note 9, p.42.

<sup>35</sup> Maen Tallaa, 'Changing the Security Center in Syria', Omran for Strategic Studies (2017) 89 [http://www.kas.de/wf/doc/kas\\_48494-1522-1-30.pdf?180426154154](http://www.kas.de/wf/doc/kas_48494-1522-1-30.pdf?180426154154); The Syria Report, 'Regime Targets One of Syria's Main Warlord' (5 June 2018) <http://syria-report.com/news/economy/regime-targets-one-syrias-main-warlords>. International Committee of the Red Cross, 'Rule 52. Pillage' Customary IHL Database [https://ihl-databases.icrc.org/customary-ihl/eng/docs/v1\\_rul\\_rule52](https://ihl-databases.icrc.org/customary-ihl/eng/docs/v1_rul_rule52)

<sup>36</sup> The Syria Report, 'Samer Foz Acquires Rights over Hundreds of Millions of Dollars in Basatin Al-Razi Project' (21 November 2018) <http://syria-report.com/news/real-estate-construction/samer-foz-acquires-rights-over-hundreds-millions-dollars-basatin-al-ra>; 'Basatin Al-Razi Project Highlights Again Emergence of New Business Figure' The Syria Report (9 January 2018) <http://www.syria-report.com/news/real-estate-construction/basatin-al-razi-project-highlights-again-emergence-new-business-figure>

<sup>37</sup> Julia Payne, 'Exclusive-Assad's secret oil lifeline: Iraqi crude from Egypt' Reuters (23 December 2013) <https://uk.reuters.com/article/syria-oil/exclusive-assads-secret-oil-lifeline-iraqi-crude-from-egypt-idUKL5N0J041G20131223>; Sam Dagher, 'Assad's Not-So-Secret Weapon: Loyal Syrian Businessmen' The Wall Street Journal (24 May 2013) <https://www.wsj.com/articles/SB10001424127887323528404578453043883699474>

<sup>38</sup> Lina Sinjab, 'How Syria's War Economy Propels the Conflict' Chatham House (July 2017) <https://syria.chathamhouse.org/research/how-syrias-war-economy-propels-the-conflict>

<sup>39</sup> Every state is under an obligation to protect the right to property rights. This obligation is derived from the right to adequate housing enshrined in the UDHR (Article 17, 25) and ICESCR (Article 11).

and rape, in order to conduct illegal operations that entrench their power over the market.<sup>40</sup> Corruption practices may violate Syrians' right to equality (Article 3 of ICCPR and ICESCR), their right to an adequate standard of living (Article 11 ICESCR), and their right to development.<sup>41</sup>

Further, many Syrian business elites have been at the forefront of speaking out in support of the Syrian government. The infamous businessman Mohammad Hamsho, for instance, has founded and financed private television stations such as Addounia TV and Sama channels.<sup>42</sup> These channels have been operating as active players in the government's propaganda machine and have been involved in incitement of hostility and violence against protestors and opposition members.<sup>43</sup> For example, in 2011, Addounia TV aired footage in which a guest being interviewed "calls on the Syrian authorities to use decisive force against protesters to end the demonstrations immediately."<sup>44</sup> Addounia TV has also been included in European Union sanctions for incitement to violence against Syrian civilians.<sup>45</sup> Financing and supporting such TV channels may violate Article 20 of the ICCPR which explicitly prohibits any propaganda for war and incitement to discrimination, hostility and violence.<sup>46</sup> Moreover, the founders and financiers of these TV stations may also be liable as principal perpetrators or as accomplices in aiding and abetting the Syrian government to commit international crimes, as moral support and encouragement may constitute complicity in aiding and abetting in the commission of international crimes.<sup>47</sup> Similarly, in Rwanda, media leaders broadcast hate speeches denouncing the Tutsi as enemies.<sup>48</sup> The ICTR charged three media leaders for direct and public incitement to commit genocide, incitement to genocide, extermination and persecution constituting crimes against humanity. Consequently, given the extent of moral support and encouragement Syrian TV and radio stations have provided to the government's actions including its war crimes, financiers of these stations may be liable as accomplices under ICL.

<sup>40</sup>Global Security, 'Syria - Corruption and Government Transparency'  
<https://www.globalsecurity.org/military/world/syria/corruption.htm>

<sup>41</sup>Declaration on the Right to Development, adopted by General Assembly resolution 41/128, 1986. Article 1 of the declaration defines the right to development as "an inalienable human right by virtue of which every human person and all peoples are entitled to participate in, contribute to, and enjoy economic, social, cultural and political development, in which all human rights and fundamental freedoms can be fully realized"

<sup>42</sup> The Syrian Observer, 'Interview: Mohamad Mansour – How Syria's Media Tycoons Control the Market' (11 December 2015) [http://syrianobserver.com/EN/Interviews/30269/Interview\\_Mohamad\\_Mansour\\_How\\_Syria\\_Media\\_Tycoons\\_Control\\_Market](http://syrianobserver.com/EN/Interviews/30269/Interview_Mohamad_Mansour_How_Syria_Media_Tycoons_Control_Market)

<sup>43</sup> European Council Decision 2011/628/CFSP amending Decision 2011/273/CFSP concerning restrictive measures against Syria [2011] OJ L121

<sup>44</sup> Citizen Web, 'The Canadian Connection: An Investigation of Syrian Government and Hezbollah Web Hosting in Canada,' 9, (17 November 2011), available at: [https://citizenlab.ca/wp-content/uploads/2011/11/canadian\\_connection.pdf](https://citizenlab.ca/wp-content/uploads/2011/11/canadian_connection.pdf).

<sup>45</sup> Council of the European Union, 'List of Persons and Entities Under EU Restrictive Measures Over the Situation in Syria,' 45 (30 May 2017), available at: <http://www.europarl.europa.eu/cmsdata/124083/list-persons-entities-EU-restrictive-measures-Syria-30052017.pdf>.

<sup>46</sup> Article 20 of ICCPR states that:

- 1- Any propaganda for war shall be prohibited by law.
- 2- Any advocacy for national, racial or religious hatred that constitutes incitement to discrimination, hostility or violence shall be prohibited by law.

<sup>47</sup> Ibid., Report of the International Commission of Jurist, supra note 9, p.20.

<sup>48</sup> ICTR, case of Prosecutor v. Ferdinand Nahimana, Jean-Bosco Barayagwiza, and Hassan Ngeze (Media Case), Appeal Chamber, Judgement of 28 November 2007.

Syria's elites may have also violated or been complicit in violations of IHL rules through their logistical, financial and military support to the Syrian government. IHL applies to all acts related to an armed conflict including business activities. Hence, a business enterprise that provides financial or logistic support to the Syrian government or other parties of the conflict may violate IHL provisions.<sup>49</sup>

In sum, there is sufficient evidence to suggest that many Syrian business elites might have violated international law, either as principal perpetrators or accomplices in the commission of international crimes and human rights violations throughout the Syrian conflict.

Between 1 April and 30 September of 2018, SLDP documented the following activities and events that may constitute or contribute to violations of international law in relation to the discussed issue:

### Faces of the War Economy

This section will include information regarding new individuals who have risen within the business sector in Syria through the war economy as well as those who have been pursued by sanctions regimes and other foreign accountability mechanisms.

- **08 April 2018:** Samer Foz, a Syrian-Turkish billionaire businessman, entered into an agency agreement with Hyundai Motor Company. He has also established a new private airline called "Fly Aman LCC."<sup>50</sup> In the last few years, Foz has been under the spotlight for his rapid ascension into membership of Syria's business elite. He has been involved in a wide scope of high-level business activities, such as hotel management and real estate development. The two new business deals, mentioned above, are a relatively small part of Foz's vast business empire, which includes an investment worth hundreds of millions of dollars in the controversial real-estate project Marota City that has been built on an expropriated district of Damascus.<sup>51</sup>

Several factors are believed to have led to Foz's powerful and rapid emergence. This includes the absence of international sanctions against him (up until January 2019, when the EU

<sup>49</sup> International Committee of the Red Cross, 'Q&A: *International Humanitarian Law and Business*' (2012) 94(887) International Review of the Red Cross, p. 1127, available at: <https://www.icrc.org/en/download/file/13722/irrc-887-spoerri.pdf>

<sup>50</sup> الاقتصادي، بعد كيا... سامر فوز يحصل على وكالة حصرية من هيونداي (8 نيسان 2018) <https://aligtisadi.com/1070376/الوكيل-الحصري-لهيونداي-جسورية/>

<sup>51</sup> The Syria Report, 'Samer Foz Continues to Expand Scope of Activities' (10 April 2018) <http://www.syria-report.com/news/economy/samer-foz-continues-expand-scope-activities>.

enacted new sanctions against Foz and 10 others),<sup>52</sup> his enormous international network, and his dual nationality.<sup>53</sup> Most importantly, Foz has a personal relationship with Bashar Al Assad and some claim he may be acting as front for Assad's business interests, in the same way other Syrian businessmen do for Rami Makhlouf and Maher Al-Assad (Bashar's brother).<sup>54</sup> As such, Foz is likely to be profiteering from violations of property rights and from his close ties with war criminals. Moreover, due to his involvement with governmental figures and contracts, Foz may be complicit in the international crimes committed by the Syrian government, and hence any business dealing with Foz's businesses may be at risk of accomplice liability.

- **15 May 2018:** Bassam Al-Hasan, the founder of the National Defence Forces 'NDF', and Saqr Rustom, the leader of its Homs branch, established a limited liability company called "Dams Real Estate Development and Investment LCC", the capital of which is likely based on the wealth they have been collecting from looting activities, and as such, is a profit based off of war crimes.<sup>55</sup> NDF is one of the largest pro-government militias with units all across Syria. It has committed international crimes across Syria such as forced displacement and pillage.<sup>56</sup> Both, Al-Hasan and Rustom, are notorious for having ordered and facilitated the systematic looting of civilians' properties across Homs. These acts may amount to the war crime of pillage.<sup>57</sup> They may also violate the civilians' right to property and right to return, which guarantee to all refugees and displaced persons the right to return to their pre-war areas and to have their properties restored.<sup>58</sup>
- **7 June 2018:** Hussam Qaterji is a Syrian businessman and parliament member since 2016. Qaterji was previously an unknown figure in Aleppo but has emerged after 2011 as a powerful businessman with close ties to the Syrian government. Since then, Qaterji and his brother Barra have been profiteering from the conflict through acting as intermediaries between the Syrian government and other fighting parties. The Qaterji brothers have recently

<sup>52</sup> Official Journal of the European Union, Implementing Decision (CFSP) 2019/87 of 21 January 2019, implementing Decision 2013/255/CFSP concerning restrictive measures against Syria, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019D0087&from=EN>.

<sup>53</sup> The Syria Report, 'Factsheet: Samer Foz, Syria's Most Powerful Businessman' (19 April 2018), available at: <http://www.syria-report.com/library/economic-data/factsheet-samer-foz-syria%E2%80%99s-most-powerful-businessman>

<sup>54</sup> Ibid.

<sup>55</sup> The Syria Report, 'Warlords Increasingly Integrating into Syria's Formal Economy' (15 May 2018), available at: <http://syria-report.com/news/economy/warlords-increasingly-integrating-syria%E2%80%99s-formal-economy>

<sup>56</sup> Ibid.

<sup>57</sup> Pillage is prohibited in both international and non-international armed conflicts (Rule 52 of the ICRC study on Customary International Humanitarian Law). Pillage also constitutes a war crime under the ICC statute, Article 8(2)(b)(xvi) and (e) (v).

<sup>58</sup> For an overview of the right to return, see for example, UNHCR, "the international law of voluntarily repatriation", available at: <https://www.unhcr.org/5ae079557.pdf>

established a joint stock company, called Arfada Petroleum Private JCS with the purpose of providing services for oil and gas projects.<sup>59</sup>

Reports indicate that the Qaterji brothers have collected a large wealth as a result of brokering several oil and wheat deals between the government, ISIS and the Kurdish PYD.<sup>60</sup> It has also been claimed that Hussam Qaterji's election into the Syrian Parliament was a reward for his successful role as an intermediary.<sup>61</sup> In the last couple of years, the Qaterjis have been formalizing their questionable wealth through establishing companies and investing in various economic sectors such as the real estate sector.<sup>62</sup> The Qaterjis' role as intermediaries may constitute a contribution to the financing of international crimes committed by the government, ISIS, and the Kurdish PYD. Moreover, the logistical support they have provided to the government may render them complicit in the international crimes committed by government forces. Hussam Qaterji was added to the EU sanctions list on 11 January 2019.<sup>63</sup>

- **12 June 2018:** Three Syrian and five Russian businessmen have been accused by the US Department of Justice of conspiracy to violate the US economic sanctions against Syrian and Crimean individuals and entities.<sup>64</sup> Six of the charged individuals are employees of Sovfracht, which is a Russian shipping company sanctioned by the US Treasury Department and prohibited from transacting in US Dollars. The three Syrians include Yasser Naser, a Syrian working on behalf of Sovfracht to coordinate business, and Farid and Gabriel Bitar who are petroleum inspectors in Baniyas Port in Syria. The accused have used a company called "Maritime Assistance LLC" as a front company for Sovfracht. In doing so, Sovfracht was conducting transactions in US Dollars through Maritime Assistance for the delivery of jet fuel shipments to Syria. All jet fuel shipments had been delivered to the designated Baniyas Refinery company; a petroleum company owned by the Syrian State sanctioned by the US.<sup>65</sup>

<sup>59</sup> الاقتصادي، مجموعة قاطرجي تؤسس شركة للنفط برأس مال مليار ل.س (7 حزيران 2018) <https://aliqtisadi.com/1108798/مجموعة-قاطرجي-تؤسس-شركة-للنفط-برأس-مال-1108798>

<sup>60</sup> Joseph Daher, 'Assad Regime Still Reliant on Fractions of the Sunni Bourgeoisie' Syria Untold (21 December 2017), available at: <http://syriauntold.com/2017/12/assad-regime-still-reliant-on-fractions-of-the-sunni-bourgeoisie/>

<sup>61</sup> Ibid.

<sup>62</sup> The Syria Report, 'Warlord Continues to Play Key Role in Oil Deals between Damascus and PYD', (22 June 2018), available at: <https://www.syria-report.com/news/economy/warlord-continues-play-key-role-oil-deals-between-damascus-and-pyd>

<sup>63</sup> Official Journal of the European Union, Implementing Decision (CFSP) 2019/87 of 21 January 2019, implementing Decision 2013/255/CFSP concerning restrictive measures against Syria, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019D0087&from=EN>.

<sup>64</sup> US Department of Justice Press Release 'Russian and Syrian Nationals Charged with Laundering Millions of U.S. Dollars for Designated Russian Company that Shipped Jet Fuel to Syria in Violation of U.S. Sanctions' (12 June 2018), available at: <https://www.justice.gov/opa/pr/russian-and-syrian-nationals-charged-laundering-millions-us-dollars-designated-russian>;

The Syria Report, 'U.S. Indicts Three Syrians for Sanctions Busting' (19 June 2018) <http://syria-report.com/news/economy/us-indicts-three-syrians-sanctions-busting>

<sup>65</sup> Ibid.

In addition to violating US sanctions, the accused may have also violated international law by providing the Syrian government with jet fuel, as well as with financial and logistical support that it can employ in committing international crimes. This may amount to accomplice liability in the government's international crimes. Further, the Russian government has claimed that the jet fuel shipments in question were intended for the use by its forces in Syria.<sup>66</sup> This suggests a contractual relationship between Sovfracht and the Russian government, linking Sovfracht to potential complicity in Russia's war crimes.

- **30 June 2018:** Nader Kalai, a Syrian-Canadian businessman, has been charged by the Canada Border Services Agency 'CBSA' with violating the Canadian government's economic sanctions against Syrian individuals and entities.<sup>67</sup> CBSA alleges that Kalai invested in Syria and has been engaged in many business deals with the infamous businessman Rami Makhlouf, who is himself sanctioned by the Canadian government. Kalai is considered one of the most powerful businessmen in Syria. He used to be a shareholder and general manager in Syriatel, one of Makhlouf's most profitable companies.<sup>68</sup> Given that Makhlouf is well known as a government figure and a funder of armed militias,<sup>69</sup> by working so closely with him, Kalai may be complicit in the international crimes committed by Makhlouf and the Syrian government, by way of financing them. The charges are the first to be brought for violation of Canadian sanctions against Syria.
- **7 August 2018:** UN agencies have provided over \$160 million USD in contracts to Syrian companies, some of which are subject to western sanctions or have ties to the Syrian government.<sup>70</sup> Given the dismal state of the economy and the urgent need of economic resources to sustain the war efforts, UN money represented an important financial source. Among other procurement contracts, the UN has awarded \$9.8 million to the Four Seasons Hotel, owned by Samer Foz and the Ministry of Tourism, which is subject to international sanctions. As a result, the UN agencies have allowed the Assad government to take control

<sup>66</sup> Sputniks, 'Moscow Slams US Sanctions on Russian Firm Supplying Fuel to Syria' (13 June 2018), available at: <https://sputniknews.com/world/201806131065364259-us-sanctions-sovfracht/>

<sup>67</sup> Steve Bruce, 'Halifax Man Charged with Violating Sanctions on Syria', The Chronicle Herald (30 June 2018) <https://www.pressreader.com/canada/cape-breton-post/20180630/281840054410214>; The Syria Report, 'Canada Charges Makhlouf-Linked Investor for Breaching Sanctions' (3 July 2018) <http://www.syria-report.com/news/economy/canada-charges-makhlouf-linked-investor-breaching-sanctions>

<sup>68</sup> Ibid.

<sup>69</sup> U.S. Department of the Treasury Press Release, 'Treasury Sanctions Additional Individuals and Entities in Response to Continuing Violent Attacks on Syrian Citizens by the Syrian Government' (16 May 2017) <https://www.treasury.gov/press-center/press-releases/Pages/sm0087.aspx>

<sup>70</sup> The Syria Report, 'UN Contracted Syrian Companies for More than USD 160 million in 2017', (7 August 2018), available at: <https://www.syria-report.com/news/economy/un-contracted-syrian-companies-more-usd-160-million-2017>; The Syria Report, 'List of Syrian Companies Contracted by the UN in 2017', (7 August 2018), available at: <https://syria-report.com/library/economic-data/list-syrian-companies-contracted-un-2017>

of the \$30 billion international humanitarian response, using donor funds to skirt sanctions and subsidize the government's war efforts.<sup>71</sup>

UN agencies have also directly funded several ministries, NGOs, and businesses affiliated with the Syrian government and accused of financing pro-government militias. For example, UNICEF has partnered with Al Bustan, which is a local NGO owned and run by Rami Makhlouf, the Syrian president's cousin. As a result, UNICEF has paid the charity \$267,933 for projects related to water supply, hygiene, education, and distribution of winter clothes.<sup>72</sup> In addition to the fact that Rami Makhlouf himself is on the US and EU sanctions list, it has been reported that Al Bustan charity has been supporting several pro-government militias involved in human rights violations and international crimes.<sup>73</sup> By providing financial means to charities affiliated with the Syrian government and to State-entities, UN agencies have likely enabled the Syrian government to use those funds to support their military efforts, which may make UN agencies liable for financing and aiding and abetting international crimes.

### New Business Deals

This section will document information regarding new business deals that may result in human rights violations or international crimes. This section also includes business deals that may result in financing of perpetrators of international law violations in Syria, such as the Syrian Government. Although the focus of this section is Syrian businesses, it may also include information regarding foreign businesses and states and their involvement in Syria.

- **12 June 2018:** Hussam Qaterji brokered an oil deal between the Syrian Government and the Kurdish PYD.<sup>74</sup> The deal involves a share of oil production from the Omar oil field located in Deir Ezzor governorate. It is believed that this field produces nearly 15,000 barrels of oil per day.<sup>75</sup> At the time when the news about the deal came out, it was revealed that Hussam Qaterji, together with his brother, established an oil and gas company (Arfada Petroleum Private JCS).<sup>76</sup> Taking into consideration that both the Syrian government and the Kurdish

<sup>71</sup> Annie Sparrow, 'How UN Humanitarian Aid Has Propped Up Assad', Foreign Affairs (20 September 2018), available at: <https://www.foreignaffairs.com/articles/syria/2018-09-20/how-un-humanitarian-aid-has-propped-up-assad?cid=int-fls&pgtype=hpg>

<sup>72</sup> The Guardian, "UN pays Millions to Assad's Regime Under Syria Aid Programme", 29 August 2016, Available at: [https://www.theguardian.com/world/2016/aug/29/un-pays-tens-of-millions-to-assad-regime-syria-aid-programme-contracts?CMP=share\\_btn\\_link](https://www.theguardian.com/world/2016/aug/29/un-pays-tens-of-millions-to-assad-regime-syria-aid-programme-contracts?CMP=share_btn_link)

<sup>73</sup> Ibid.

<sup>74</sup> The Syria Report, 'Warlord Continues to Play Key Role in Oil Deals Between Damascus and PYD' (12 June 2018), available at: <http://syria-report.com/news/economy/warlord-continues-play-key-role-oil-deals-between-damascus-and-pyd>

<sup>75</sup> Ibid.

<sup>76</sup> The Syria Report, 'Warlord Continues to Play Key Role in Oil Deals between Damascus and PYD', (22 June 2018), available at: <https://www.syria-report.com/news/economy/warlord-continues-play-key-role-oil-deals-between-damascus-and-pyd>

PYD have been engaged in international crimes, the deal is likely to contribute to the financing of such crimes.

- **21 August 2018:** The Syrian government has cancelled a contract with a company which has been contracted before 2011 to manage the Massa Plaza Mall in the upscale district of Malki, in Damascus, in favour of a recently risen Syrian government-crony, Wassim Qattan, who offered a far greater deal for the government.<sup>77</sup> The manner in which Wassim Qattan took control of the Massa Plaza Mall is similar to the way he took control of another mall in Damascus, the Qassioun Mall.

Wassim Qattan quickly became one of the most influential and richest businessmen of Damascus with the start of the conflict. His quick surge is likely a result of his role as a front for influential government figures. For potential investors, both local and foreign, the Massa Plaza development is a reminder of the power of Syrian government-affiliated cronies. This demonstrates the level at which certain businessmen are connected with the Syrian government.

Qattan has been the beneficiary of a number of Syrian government investments, indicating that he is part of a group of businessmen complicit in Syria's war crimes and allowing them to continue. However, there is little evidence as to what Qattan's role is. He does not have ties to any armed groups or armed actors. Nevertheless, as Qattan is a beneficiary of Syrian government investments and continues to engage in business activity despite the widespread knowledge of the Syrian government's international crimes, Qattan is likely complicit in financing those crimes.

It has also been suggested that Qattan may be a front for other actors. However, even as frontman, Qattan is likely complicit in Syria's war crimes and is taking part in the larger scheme. This event demonstrates the extent to which foreign businesses intending to participate and invest in Syria's economy will be convinced to enter in partnerships with figures such as Qattan, therefore incurring in criminal liability for complicity in international crimes they or the Syrian government had committed.

- **03 August 2018:** For the first time in 7 years, a Syrian cargo vessel owned by the Syrian General Authority for Maritime Transport crossed the Bosphorus. It first arrived into a Turkish

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<sup>77</sup> The Syria Report, 'Contract Awarded to Regime Crony Highlights Insecure Legal Environment for Investors in Syria', (21 August 2018), available at: <http://www.syria-report.com/news/economy/contract-awarded-regime-crony-highlights-insecure-legal-environment-investors-syria>; The Syria Report, 'New Investor Emerges in Syrian Business Community', (20 March 2018), available at: <http://syria-report.com/news/tourism/new-investor-emerges-syrian-business-community>

port and then transited towards a Russian port.<sup>78</sup> This incident may mark a first step leading to the normalization of political and economic relations between Turkey and Syria, especially considering the current Turkish-Russian rapprochement. Any restoration of political relations with the Syrian government undermines the efforts aimed at achieving a political transition and accountability for its international crimes. Additionally, given that the Syrian General Authority for Maritime Transport has been sanctioned by the US Administration, this incident constitutes a violation of those sanctions by the Turkish actors associated with this.

- **07 August 2018:** A Syrian company will be launching a sea lane between Latakia and Mersin, Turkey. This step would re-open trading activities between Latakia and neighboring ports, such as Alexandria and Benghazi.<sup>79</sup> This move follows the recent transit of Syrian cargo to Russia through the Bosphorus. In 2017, Syria announced the start of a sea lane between Latakia and Novorossiysk, which was supposed to transit through the Bosphorus.

Such economic development is another economic step which will likely lead to the normalization of political relations between Turkey and Syria and the lifting of Turkish sanctions against Syria.<sup>80</sup> Any restoration of political relations with the Syrian government undermines the efforts aimed at achieving a political transition and accountability for its international crimes. Moreover, such normalization may amount to complicity of the Turkish government in the said crimes. Indeed, providing financial means to the Syrian government may amount to criminal liability for complicity in such crimes. Additionally, business deals arising from such normalization between the two governments and their businesses may amount to liability in aiding and abetting international crimes committed by the Syrian government and/or by the businesses affiliated with it. This is particularly true in the case of investment and economic deals in the real-estate sector where several Syrian businesses are committing the war crimes of pillage and forced displacement.

### **Business Activity by International Actors (Foreign States, Multinational and Foreign Businesses)**

Many states have taken a stance against participation in reconstruction in Syria until a political

<sup>78</sup> عنب بلدي، لأول مرة منذ سنوات باخرة سورية تعبر مضيق البوسفور، (3 آب 2018) <https://www.enabbaladi.net/archives/244684>

<sup>79</sup> الاقتصادي، خط بحري جديد بين سوريا وتركيا قريباً، (7 آب 2018) <https://aliqtisadi.com/1168582-روسيا-تركيانحو-ر-وسيا-1168582/>

<sup>80</sup> For overview of the Turkish sanctions on Syria see for example, Ian Black, 'Turkey Imposes Sanctions on Syria', The Guardian (30 November 2011), available at: <https://www.theguardian.com/world/2011/nov/30/turkey-imposes-sanctions-on-syria>

transition has been reached.<sup>81</sup> Therefore the Syrian government's allies will likely take the leading role in Syria's reconstruction.<sup>82</sup> However, the prospect for reconstruction in Syria has also attracted businesses from other countries to participate and reap the financial and economic benefits, despite their government's refusal to participate in Syria's reconstruction.<sup>83</sup> This is particularly true for businesses from states bordering Syria, such as Jordan and Lebanon.<sup>84</sup> It is believed that the Jordanian and Lebanese economies will witness progress as a result of reconstruction efforts directed toward Syria as businesses will need to transport reconstruction materials and logistical support through their borders.<sup>85</sup>

Additionally, states and businesses in the Middle East, North Africa, and even outside the region have expressed an interest in participating in reconstruction in Syria.<sup>86</sup> Throughout the time period monitored, a number of businesses and government delegations from different countries had official meetings with Syrian government and economic officials. This includes delegations from Brazil, Egypt, Jordan, and India.<sup>87</sup>

Despite this, the Syrian government has given first priority to Russian and Iranian businesses for reconstruction contracts. It has even adopted a policy against accepting reconstruction related deals with many western states which have taken an anti-Syrian government stance.<sup>88</sup> The Syrian

<sup>81</sup> Federica Mogherini, 'Syria: Declaration by the High Representative Federica Mogherini on Behalf of the EU' European Council of the European Union (15 March 2018) <http://www.consilium.europa.eu/en/press/press-releases/2018/03/15/syria-declaration-by-the-high-representative-federica-mogherini-on-behalf-of-the-eu/>

<sup>82</sup> Paul Cochrane, 'After the War: Who's Going to Pay for Syria's Reconstruction?' Middle East Eye (12 November 2017), available at: <http://www.middleeasteye.net/essays/after-war-who-is-going-pay-syria-reconstruction-russia-iran-assad-china-871238355>

<sup>83</sup> Cochrane (n 40).

<sup>84</sup> Ibid.

<sup>85</sup> Steven Heydemann, 'Rules for Reconstruction in Syria' Brookings (24 August 2017), available at: <https://www.brookings.edu/blog/markaz/2017/08/24/rules-for-reconstruction-in-syria/>; Jane Ferguson, 'In Syria's Reconstruction, Lebanon Sees Economic Opportunity' PBS News Hour (8 January 2018), available at: <https://www.pbs.org/newshour/show/in-syrias-reconstruction-lebanon-sees-economic-opportunity>; Shehab Al-Makahleh, 'Jordan to Build Logistics Airport For Syria, Iraq Reconstruction' Alarabiya (20 November 2017), available at: <https://english.alarabiya.net/en/features/2017/11/20/Jordan-to-build-logistics-airport-for-Syria-and-Iraq-reconstruction.html>

<sup>86</sup> Ibid., Heydemann; Ibid., Ferguson; Ibid., Al-Makahleh; Al Shahid Witness; 'Egyptian Companies Set Sights on Share of Syrian Reconstruction Projects' (12 February 2018), available at: <https://alshahidwitness.com/egyptian-companies-syria-reconstruction/>; Reem Hibrawi, 'Why States Are Still Investing in Syria Amid Continued Instability,' Syria Deeply (21 June, 2017), available: <https://www.newsdeeply.com/syria/community/2017/06/21/why-states-are-still-investing-in-syria-amid-continued-instability>

<sup>87</sup> Hazem Sabbagh, 'MOU for Boosting Cooperation and Commercial Exchange Between Syria and Brazil,' SANA (15 Sept. 2018) <<https://www.sana.sy/en/?p=147074>>; Hana Namrouqa 'Jordanian Delegation Due in Syria for Agricultural Trade Talks,' The Jordan Times (23 Oct. 2018), available at: <http://www.jordantimes.com/news/local/jordanian-delegation-due-syria-agricultural-trade-talks>; KNN Bureau 'Multi-Pronged Business Delegation to Travel to Syria & Lebanon With MEA; FISME Sees Big Opportunities for Indian MSMEs,' KNN (7 Aug. 2018), available at: <https://knnindia.co.in/news/newsdetails/msme/multi-pronged-business-delegation-to-travel-to-syria-fisme-sees-big-opportunities-for-indian-msmes>; Ahmad Abd Alhaleim 'Egypt Eyes Extensive Role in Syria Reconstruction Efforts,' Al-Monitor (5 Jan. 2018), available: <https://www.al-monitor.com/pulse/originals/2018/01/egypt-companies-reconstruction-syria-war.html>

<sup>88</sup> Ibid.

government has also given preference to Chinese businesses in reconstruction agreements.<sup>89</sup>

The Syrian government is believed to give preference specifically to Russian and Iranian businesses with close ties to their own governments, and likely involved in the international crimes and human rights violations committed by their own governments.<sup>90</sup> This allows Russian and Iranian businesses to play a major part in Syria's reconstruction and profit from their own international crimes.

Businesses entering Syria for reconstruction purposes may also be complicit in violations of international law. As the Syrian government and government-linked businessmen are the main actors in Syria's reconstruction, it is likely that many foreign businesses participating in Syria's reconstruction may find themselves contributing to international crimes and human rights violations committed by the government and its affiliated businessmen.

The below sections will present information documented relating to foreign states and businesses and the potential human rights impact of their business activities in Syria. Information on foreign businesses may also be available in previous sections as well. Between 1 April and 30 September of 2018, SLDP documented the following events and activities that could result in violations of international law:

### Syria's Allies: Russia and Iran

- **03 April 2018:** Russian businesses have been heavily involved in Syria's energy sector. It has been reported that the Syrian government has invited several Russian businesses and leading oil companies with close ties to the Russian government, such as Lukoil and Gazprom Neft, to invest in Syria.<sup>91</sup> Lukoil appeared on a U.S. government list of Russian 'oligarchs' which included businessmen that had close ties to the Russian government.<sup>92</sup> The US Treasury Department also mentioned Gazprom Neft's CEO in a list of Russian oligarchs profiting from corruption in the Russian government.<sup>93</sup> Hence, Russian government-linked businesses engaging in business deals with the Syrian government may be complicit in the

<sup>89</sup> Ibid.

<sup>90</sup> Human Rights Watch, 'Syria: Events of 2017' (2017), available at: <https://www.hrw.org/world-report/2018/country-chapters/syria>

<sup>91</sup> Russia Today (RT), 'Russia Rebuilding Syria's Energy Sector' (3 April 2018), available at: <https://www.rt.com/business/423063-syria-energy-sector-russia/>

<sup>92</sup> Reuters, 'Russia's Lukoil Says Banks Stricter with It After U.S. 'Oligarch List'' (15 February 2018), available at: <https://www.reuters.com/article/us-russia-lukoil-banks-sanctions/russias-lukoil-says-banks-stricter-with-it-after-u-s-oligarch-list-idUSKCN1FZ19A>

<sup>93</sup> Saleha Mohsin and others 'U.S. Sanctions Hit Putin Allies, Including Billionaire Deripaska' Bloomberg (6 April 2018), available at: <https://www.bloomberg.com/news/articles/2018-04-06/u-s-sanctions-top-russian-oligarchs-companies-officials>

international crimes committed by Syria and Russia, through acts such as financing and encouraging criminal activities.

- **17 May 2018:** The Syrian Prime Minister Imad Khamis met with Iran's Roads and Urban Development Minister. He welcomed Iran's participation in the process to reconstruct Syria and announced that many facilitations will be extended towards Iran in this regard.<sup>94</sup> The large scale of civilian forced displacement carried out by the Syrian government combined with Iran's undisguised interest in the purchase of property in Syria<sup>95</sup> raises many concerns with respect to housing, land, and property rights, as it might prevent many displaced persons from returning to their homes and will contribute to the Syrian government's demographic change scheme.
- **22 May 2018:** STG Logistic, a Russian company, contracted with the Syrian Ministry of Tourism to invest in the development of a luxury sea tourism resort project in Tartous, including two hotels.<sup>96</sup> Evidence suggests that STG Logistic belongs to a company owned by Gennady Timchenko,<sup>97</sup> who is designated by the US Treasury Department as an oligarch closely affiliated with the Russian President.<sup>98</sup> As such, the company is likely profiting from Russia's involvement in international crimes in Syria. Hence, engaging in such a deal, Timchenko is likely contributing financially to the international crimes committed by Syria and Russia.
- **28 May 2018:** An Iranian company contracted with the Syrian Farmers Federation to supply it with 3,000 agricultural tractors.<sup>99</sup> It has been reported that the deal is funded by Iran's credit line to the benefit of the Syrian government, and the Syrian state-owned Agriculture Cooperative Bank will grant loans to individual farmers if they wish to buy one of said tractors.<sup>100</sup> This is a clear sign that Iranian businesses are seeking to invest in every vital sector in the Syrian market, and that those investing likely have close ties with the Iranian

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<sup>94</sup>SANA, 'Syrian-Iranian Reconstruction and Rebuilding Prospects Discussed' (17 May 2018), available at: <https://sana.sy/en/?p=137984>

<sup>95</sup> Naame Shaam, 'Silent Sectarian Cleansing: Iranian Role in Mass Demolitions and Population Transfers in Syria' (Report, 2015), P.29, available at: [http://www.naameshaam.org/wp-content/uploads/2015/05/Silent\\_Ethnic\\_Cleansing\\_in\\_Syria\\_NaameShaamReport\\_ENGLISH\\_May20151.pdf](http://www.naameshaam.org/wp-content/uploads/2015/05/Silent_Ethnic_Cleansing_in_Syria_NaameShaamReport_ENGLISH_May20151.pdf)

<sup>96</sup> The Syria Report, 'Works Start on Rare Russian Investment in Syrian Coastal Area' (22 May 2018), available at: <http://www.syria-report.com/news/tourism/works-start-rare-russian-investment-syrian-coastal-area>

<sup>97</sup> 'Timchenko's Former Top-Managers to Build Luxury Hotel in Syria' Crime Russia (6 July 2018), available at: <https://en.crimerrussia.com/oligarchs/timchenko-s-former-top-managers-to-build-luxury-hotel-in-syria/>

<sup>98</sup> U.S. Department of the Treasury Press Release, 'Treasury Designates Russian Oligarchs, Officials, and Entities in Response to Worldwide Malign Activity' (6 April 2018), available at: <https://home.treasury.gov/news/press-releases/sm0338>

<sup>99</sup> The Syria Report, 'Iran Wins Contract to Supply Thousands of Tractors to Syrian Farmers' (28 May 2018), available at: <http://www.syria-report.com/news/food-agriculture/iran-wins-contract-supply-thousands-tractors-syrian-farmers>

<sup>100</sup> Ibid.

government. This means that the Iranian company mentioned may be complicit in the crimes committed by the Iranian government in Syria.

- **05 June 2018:** Russian and Iranian businesses are actively investing in the Syrian agricultural sector, with many facilities granted to them by the Syrian government. It is believed that Russian and Iranian companies are winning profitable deals in return for the relentless military support their governments have provided to the Syrian government.<sup>101</sup>

Several economic cooperation agreements have been already signed between the Syrian government and the Russian and Iranian governments. Hence, there is a risk that the Russian and Iranian businesses investing in different sectors in Syria following these agreements are affiliated with their governments and therefore may be complicit in international crimes committed by their governments as well as by the Syria government.

- **19 June 2018:** The Syrian Parliament ratified the agreement between the Syrian and Iranian governments that grants Iran the right to develop Syria's phosphate mines located near Palmyra.<sup>102</sup> This agreement represents a considerable payback for Iran's continuous political and military support to the Syrian government. As such, it allows Iran to profit from its direct involvement and complicity in international crimes committed by the Syrian government. Moreover, this agreement will allow Iran to continue financing international crimes committed by its forces as well as by the Syrian government.
- **22 June 2018:** Crimea, annexed and controlled by Russia, shipped hundreds of thousands of tons of grain to Syria. This deal followed a series of business talks between the two countries, most prominently when a high-level Syrian delegation headed by the Syrian Minister of Economy participated in the Yalta International Economic Forum held in Crimea last April.<sup>103</sup>

The deals, which seem to be on the path to becoming regular, were likely a result of Russia's control of Crimea. Therefore, it is likely that the businesses involved in these deals are linked to the Russian government, and thus may be at risk of being complicit in international crimes committed by the Syrian and Russian governments throughout the Syrian conflict. These deals also benefit Russia, as Crimea and Syria are both under international economic

<sup>101</sup> سوريتنا برس، 'سباق روسي إيراني للسيطرة على القطاع الزراعي في سوريا، (5 حزيران 2018) <http://www.souriatnapress.net/سباق-روسى-إيراني-للسيطرة-على-القطاع-الزراعى-في-سوريا/>

<sup>102</sup> The Syria Report, 'Iran Gains Access to Syria's Large Phosphate Reserves' (19 June 2018), available at: <http://www.syria-report.com/news/oil-gas-mining/iran-gains-access-syria%E2%80%99s-large-phosphate-reserves>

<sup>103</sup> Jonathan Saul and Polina Devitt, 'Syria's Assad gets Food Lifeline from Crimea', Reuters (21 June 2018) <https://www.reuters.com/article/us-mideast-crisis-syria-crimea-insight/syrias-assad-gets-food-lifeline-from-crimea-idUSKBN1JH1F7>

sanctions, making them ideal business partners.

- **30 July 2018:** The Russian construction company, Stroy Export Middle East, has made several proposals for joint investment and construction projects with the Syrian state agency General Organization for Housing.<sup>104</sup> The Russian company aims to participate in real estate projects in Qudsaya and Al-Dimas areas near Damascus.<sup>105</sup>

By investing and participating in construction projects led by Syrian state entities, the Russian company Stroy Export Middle East risks incurring in criminal complicity for financing and aiding and abetting the international crimes committed by the Syrian government during the conflict and the crimes occurring in the construction projects in Syria.

- **04 August 2018:** Syrian and Russian businessmen are set to have a joint forum during the Damascus international fair to discuss investment in Syria's economy, trade, tourism and reconstruction opportunities for Russia businesses in Syria.<sup>106</sup>

Russian businesses have been granted favorable treatment in their investment and involvement in Syria's economy.<sup>107</sup> This is likely caused by the fact that many of Russian companies, just as the Syrian ones, have strong links with the Russian government. In this way, both the Russian and Syrian businesses are benefiting from their governments' international crimes in Syria. By investing and operating in Syria's economy, they are likely to incur in criminal responsibility for committing and/or aiding and abetting international crimes and human rights violations.

- **13 August 2018:** Ural Vagon Zavod, a Russian Machine Building Company, is holding discussions with the General Organization of Railway Networks on potential collaboration in conducting the renovation works needed for the Syrian railways' networks.<sup>108</sup> Already in 2017, several Russian companies promised full support to the renovation and construction of the Syrian railways. Work on the renovation, construction, and improvement of the railways sector in Syria will be key to the reconstruction process in Syria.

<sup>104</sup> روسيا اليوم، شركة روسية تسعى للفوز بمشاريع إسكان في ريف دمشق، (30 تموز 2017) <http://www.souriatnapress.net/السيطرة-على-القطاع-ال/سياق-روسي-ايز-اني-للسيطرة-على-القطاع-ال/>

<sup>105</sup> Ibid.

<sup>106</sup> SANA, 'Damascus to Host Second Forum for Syrian-Russian Businessmen', (4 August 2018), available at: <https://sana.sy/en/?p=144116>

<sup>107</sup> Paul Cochrane, 'After the War: Who's Going to Pay for Syria's Reconstruction?' Middle East Eye (12 November 2017), available at: <http://www.middleeasteye.net/essays/after-war-who-is-going-pay-syria-reconstruction-russia-iran-assad-china-871238355>

<sup>108</sup> الاقتصادي، زافود الروسية تنوي تزويد سورية بعربات للسكك الحديدية، (13 آب 2018) <https://aligtisadi.com/1175611-مشاركة-روسية-بتجديد-سكك-حديد-سورية-1175611>

Given Russia's significant contribution to the military efforts of the Syrian government, many reconstruction contracts are being openly awarded to Russian businesses. In this way, Russian businesses continue to reap the benefits of the Russian government's complicity and commission of international crimes in Syria along with the Syrian government. Additionally, Russian businesses themselves may incur criminal liability for financing and aiding and abetting the international crimes committed by the Syrian government, by investing in Syria's economy and providing the financial means that would facilitate the commission of ongoing and further crimes.

- **14 August 2018:** An Iranian delegation met with a Syrian delegation on issues of economic cooperation between the two countries. The two discussed long-term economic cooperation and Iranian involvement in reconstruction goals.<sup>109</sup> Iran has contributed significantly to international human rights and international criminal violations in Syria.<sup>110</sup>

Iranian government participation in Syria's reconstruction allows them to profit from their war crimes in Syria. Additionally, Iranian businesses themselves may incur in criminal liability for financing and aiding and abetting the international crimes committed by the Syrian government, by investing in Syria's economy and providing the financial means that would facilitate the commission of ongoing and further crimes. Moreover, Iranian businesses engaging in reconstruction in Syria may risk liability for aiding and abetting the international crimes of pillage and forced displacement occurring in the real-estate sectors.

- **09 September 2018:** The Deputy President of Russia's Chamber of Commerce and Industry announced that a Russian-Syrian partnership will be established for a project involving the construction of 2,000 housing units in Syria.<sup>111</sup> Such initiative is connected to the Russian government's active involvement in participating and investing in Syria's economy in all sector.

Given the favorable treatment Syria has given to Russian-led economic projects, Russian businesses involved in this partnership would be reaping the benefits of the Russian government's complicity and commission of war crimes in Syria along with the Syrian

<sup>109</sup> SANA, 'Iranian Delegation Discusses Joint Agreements with Syria', (14 August 2018), available at: <https://sana.sy/en/?p=144750>

<sup>110</sup> See for example, Human Rights Watch, *World Report 2018, Syria Events 2017*, available at: <https://www.hrw.org/world-report/2018/country-chapters/syria>

<sup>111</sup> الاقتصادي، الاتفاق على إنشاء شركة روسية سورية لبناء شقق سكنية، (9 أيلول 2018)

<https://aliqtisadi.com/1201497-تأسيس-شركة-مقاوات-سورية-1201497>

<https://www.hrw.org/world-report/2018/country-chapters/syria> /?utm\_content=buffer46af4&utm\_medium=social&utm\_source=twitter.com&utm\_campaign=sy.t

government. Additionally, since the real-estate sector (and most of Syria's economy) are ruled by businessmen affiliated with the Syrian government, it is likely that those businesses may incur in criminal liability for financing and/or aiding and abetting the international crimes committed by the Syrian government and the war crimes of pillage and forced displacement occurring in real-estate projects.

- **21 September 2018:** According to the Russian Minister of Industry and Trade, Russia has been awarded a contract to organize all construction materials as part of Syria's infrastructure projects.<sup>112</sup> This economic deal fits into the bigger picture of favorable contracts being awarded to Russian companies as reward for the Russian government's support and active involvement in the military efforts of the Syrian government. Russian businesses involved in this partnership would be reaping the benefits of the Russian government's complicity in and commission of war crimes in Syria along with the Syrian government. Additionally, since the real-estate sector (and most of Syria's economy) are ruled by businessmen affiliated with the Syrian government, it is likely that those businesses may incur in criminal liability for financing and/or aiding and abetting the international crimes committed by the Syrian government and the war crimes of pillage and forced displacement occurring in real-estate projects.
- **25 September 2018:** An Iranian economic delegation met with the Damascus Chamber of Commerce in Damascus to increase trade cooperation.<sup>113</sup> Such an economic meeting is part of increasing economic efforts between Syria and Iran to enhance their economic relations and promote Iranian businesses' investment and participation in Syria's economy and reconstruction. By participating in these economic deals, Iranian businesses may risk incurring criminal liability for financing and aiding and abetting international crimes in Syria.

### Businesses from the Middle East and North Africa

- **11 April 2018:** Lebanese businesses are eagerly awaiting the beginning of Syria's construction and are expected to be among the significant contributors to it. The Lebanese government remaining officially 'neutral' during the Syrian conflict has made the Lebanese

<sup>112</sup> عنب بلدي، روسيا تعلن عن خطة لتنظيم إنتاج مواد البناء في سوريا، (12 أيلول 2018) <https://aliqtisadi.com/1201497-تأسيس-شركة-مقاو-لات-سورية-1201497>  
<sup>113</sup> بزئس نو بزئس سوريا، وفد اقتصادي إيراني يبحث في غرفة تجارة دمشق سبل زيادة حجم التبادل التجاري، (25 أيلول 2018) <http://b2b-sy.com/news/51442/>

businesses ideal partners for the Syrian government in the upcoming reconstruction process.<sup>114</sup>

In 2013, the operator of the port's container, Gulftainer Lebanon, signed a long-term deal to expand the port and create a free zone. Many Russian businesses have expressed interest in settling in the free zone.<sup>115</sup> If said businesses are publicly known to be linked to the Russian government and thus complicit in its international crimes, Gulftainer Lebanon may be at risk of accomplice liability for its deals with businesses involved in international crimes.

- **10 July 2018:** After the Syrian army's recapture of the Nasib border crossing with Jordan in early July, Jordan is preparing to reopen the Nassib border crossing.<sup>116</sup> By retaking control of the Nasib border crossing, the Syrian government has access to a border crossing other than with Lebanon for the first time since 2015. Besides the political boost for the Syrian government, such reopening will result in significant economic benefits for the Syrian government and its businesses, such as access to the Gulf market, increase in exports and imports to and from Jordan, the Gulf, and Iraq, and increase of transit revenues to and from Lebanon.<sup>117</sup>

The re-opening of the Nasib crossing marks the most important step taken in the Middle East region so far toward the normalization of political relations between the Syrian government and Arab states. While most of the Arab states have boycotted Syria politically since the start of the conflict, the restoration of economic relations is the first step towards restoration of political and diplomatic relations. Consequently, it undermines the efforts aimed at achieving a political transition and accountability for international crimes committed by the Syrian government.

Moreover, such normalization may lead to complicity in the crimes committed by the Syrian government. Indeed, future business activities between Arab businesses and Syrian ones may amount to financing the international crimes committed by the Syrian government, given that many sectors of the Syrian economy are controlled by government-linked businesses which have supported and continue to support the repressive and military efforts

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<sup>114</sup> Chloe Domat, 'Lebanon Ready To Rebuild Syria' Global Finance (11 April 2018), available at: <https://www.gfmag.com/magazine/april-2018/lebanon-ready-rebuild-syria>

<sup>115</sup> Ibid.

<sup>116</sup> Jordan officially reopened Nassib border on 15<sup>th</sup> October 2018, see for example, Suliman Al-Kjhalidi and Lisa Barrington, *Jordan and Syria Reopen Nassib Border Crossing*, Reuters (15 October 2018), available at: <https://www.reuters.com/article/us-mideast-crisis-syria-jordan/jordan-and-syria-reopen-nassib-border-crossing-idUSKCN1MP0L4>

<sup>117</sup> The Syria Report, 'Opening of Jordan Border to Bring Significant Benefits to Syrian Economy', (10 July 2018), available at: <https://syria-report.com/news/economy/opening-jordan-border-bring-significant-benefits-syrian-economy>

of the Syrian government. Additionally, Arab businesses which may decide to invest in Syria's economy and the reconstruction process may risk incurring criminal responsibility for aiding and abetting the ongoing war crimes of pillage and forced displacement which are occurring in re-development areas.

- **16 July 2018:** Syrian and Iraqi officials met to discuss means to enhance trade and investment relations between the two countries. Among other issues, the officials discussed cooperation in re-opening the border crossings between Syria and Iraq and Iraqi businesses' opportunities to invest and participate in Syria's reconstruction.<sup>118</sup>

Iraqi government officials collaborating on reconstruction with the Syrian government and engaging in business deals with the Syrian government and its cronies may risk incurring criminal responsibility for financing international crimes. Indeed, by providing financial or other means to the Syrian government and its affiliated businessmen, they risk financing and aiding and abetting the commission of such crimes.

- **25 July 2018:** The Syrian Prime Minister Imad Khamis met with the Lebanese Industry Minister to discuss opportunities for Lebanese economic cooperation and investment in Syria's economy.<sup>119</sup> Lebanese government's investments and deals with the Syrian government and its affiliated businessmen may amount to complicity in the international crimes committed by the Syrian government, if the Lebanese government is aware that such crimes are occurring at the time the deal was made. Additionally, in case of economic deals with the Syrian government, providing financial means to the Syrian government may amount to complicity in the commission of international crimes. This is particularly true in the case of investment in the real-estate sector in which the Syrian government and its affiliated businessmen are responsible for ongoing war crimes of pillage and forced displacement.
- **31 July 2018:** The Jordan Chamber of Industry has sent invitations to the Damascus Chamber of Commerce and Industry to visit Amman, in relation to the re-opening of the Nasib border crossing and the return of trade activities and business opportunities.<sup>120</sup> Such a move by Jordan is an additional step taken towards restoring its economic and political ties with Damascus.

<sup>118</sup> Muraselon 'Syria, Iraq Review Activation of Joint Committee, The Reopening of Border Crossings', (16 July 2018), available at: <https://en.muraselon.com/2018/07/syria-iraq-review-activation-of-joint-committee-the-reopening-of-border-crossings/>

<sup>119</sup> SANA 'Syria, Lebanon to Enhance Economic, Industrial Sector', (25 July 2018), available at: <https://sana.sy/en/?p=143363>

<sup>120</sup> The Syria Report, 'Jordan Invites Syrian Business Chambers', (31 July 2018), available at: <https://syria-report.com/news/economy/jordan-invites-syrian-business-chambers>

Such economic developments pave the way for the normalization of political relations between Syria and Jordan, which undermines efforts aimed at achieving accountability for international crimes committed by the Syrian government. Additionally, such normalization may amount to complicity in the crimes committed by the Syrian government. Indeed, future business activities between Jordanian businesses and Syrian businesses may amount to financing the international crimes committed by the Syrian government, given that many sectors of the Syrian economy are controlled by government-linked businesses which have supported and continue to support the repressive and military efforts of the Syrian government. Additionally, Jordanian businesses which may decide to invest in Syria's economy and the reconstruction process may risk incurring in criminal responsibility for aiding and abetting the ongoing war crimes of pillage and forced displacement which are occurring in re-development areas.

- **08 August 2018:** Abdul Jalil al-Blooki, a well-known Emirati businessman, made a visit to the headquarters of the government-owned Damascus Cham JSC, which is currently developing the controversial 'Marota City' and 'Basilia City' real-estate projects. Al-Blooki established a company in Syria in 2013 for real-estate investment purposes.<sup>121</sup> His visit to Damascus Cham and his ability to establish a company during the conflict seem to testify its closeness to the Syrian government.

The visit of such a prominent businessman to the Syrian government marks one additional step in the efforts by UAE to normalize its relations with the Syrian governments. Restoring economic ties with the Syrian government risks to cause the normalization of the Syrian government and the international crimes committed during the conflict. Additionally, such normalization may cause complicity in such crimes. Indeed, by participating and investing in Syria's economy, UAE government and its businesses risk liability in financing international crimes of the Syrian government. In regard to the specific action taken by Abdul Jalil al-Blooki, since the two real-estate projects are launched on pillaged properties, by partnering with Damascus Cham JSC, he puts his business at a high risk of complicity in the war crime of pillage and forced displacement. Moreover, he would be enabling criminals to profit from their crimes and participating in violating the residents' right to adequate housing, right to property, and right to return.

<sup>121</sup> The Syria Report, 'Prominent UAE Investor Visits Damascus', (7 August 2018), available at: <https://www.syria-report.com/news/real-estate-construction/prominent-uae-investor-visits-damascus>



Jordanian companies which may invest in Syria's reconstruction plans may risk incurring criminal responsibility for aiding and abetting the commission of the war crimes of pillage and forced displacement by the Syrian government and its affiliated businessmen.

- **10 September 2018:** An Iraqi businessman is reportedly planning to establish an assembly plan in Syria at a cost of \$25 million and discussions are underway with Syrian investors in this regard. 180 Iraqi businessmen are taking part in the ongoing 60<sup>th</sup> annual Damascus International Fair, and several deals have been already signed between Iraqi and Syrian businesses.<sup>125</sup> Iraqi businesses entering into partnership with Syria may incur complicity in the Syrian government's international crimes. The provision of financial or other forms of support to the Syrian government may amount to financing and aiding and abetting the commission of the Syrian government's crimes. Additionally, Iraqi companies which may invest in Syria's reconstruction plans may risk incurring in criminal responsibility for aiding and abetting the commission of the war crimes of pillage and forced displacement by the Syrian government and its affiliated businesses.
- **17 September 2018:** In a meeting between the Iraq ambassador in Syria and a prominent Syrian politician, the parties agreed on the re-opening of the three border crossings between the two states with the aim of restoring and enhancing trade relations between the states.<sup>126</sup>

The restoration of economic ties with Iraq allows the Syrian government to enhance its normalization efforts, and therefore avoid justice and accountability for international crimes committed by the Syrian government. However, this normalization may amount to complicity in the crimes committed by the Syrian government. Indeed, future business activities between Iraqi businesses and Syrian businesses may amount to financing the international crimes committed by the Syrian government, given that many sectors of the Syrian economy are controlled by government-linked businessmen who have supported and continue to support the repressive and military efforts of the Syrian government. Additionally, Iraqi businesses which may decide to invest in Syria's economy and the reconstruction process may risk incurring criminal responsibility for aiding and abetting the ongoing war crimes of pillage and forced displacement which are occurring in re-development areas.

<sup>125</sup> الاقتصادي، مستثمر عراقي يخطط لإحداث مصنع في سورية بـ 25 مليون دولار، (10 أيلول 2018)

<https://aliqtisadi.com/1202009-خطط-لإقامة-مصنع-تجميع-الآليات-->

[https://?utm\\_content=buffera454b&utm\\_medium=social&utm\\_source=twitter.com&utm\\_campaign=sy.t](https://?utm_content=buffera454b&utm_medium=social&utm_source=twitter.com&utm_campaign=sy.t)

<sup>126</sup> عنب بلدي، بعد الأردن.. النظام السوري يبحث فتح المعابر مع العراق، (17 أيلول 2018)

<https://www.enabbaladi.net/archives/252274>

## Businesses from Europe

- **10 April 2018:** Gulfsands Petroleum, a British petroleum company, has declared the resumption of its oil extraction operations in northern Syria, through a joint venture with the government-owned General Petroleum Corporation.<sup>127</sup> Gulfsands was previously partnered with the most powerful Syrian businessman and cousin of the Syrian President, Rami Makhlouf.<sup>128</sup> The company claims that it is not getting any revenues and thereby not violating sanctions. However, it is still at risk of liability since its operations may be profitable to the Syrian government. Consequently, the company may be financing the latter's war crimes.

The operations may also be profitable to another party of the conflict, namely the Kurdish PYD, which shares the extraction revenues with the government.<sup>129</sup> The PYD's armed wing has been accused of committing the war crime of forced displacement of residents of certain areas in Northern Syria.<sup>130</sup> Therefore, company may be at risk of accomplice liability in the international crimes committed by both PYD and the Syrian government.

- **18 April 2018:** Three Belgian companies - AAE Chemie Trading, Anex Customs, and Danmar Logistics, are facing criminal charges before a Belgian Criminal Court. The charges concern the export of large amounts of Isopropanol (a sarin precursor) to Syria between 2014 and 2016.<sup>131</sup> Sarin is a nerve agent that has been repeatedly employed as a chemical weapon by the Syrian government in different areas across Syria.<sup>132</sup>

The first documented use of chemical weapons by the Syrian government was as early as December 2012.<sup>133</sup> The companies exported the Isopropanol to Syria nearly two years after the government's first reported use of chemical weapons, and long after the Syrian

<sup>127</sup> The Syria Report, 'British Oil Company Confirms Continued Operations in its Syria Fields – but Gets No Revenues' (10 April 2018), available at: <http://www.syria-report.com/news/oil-gas-mining/british-oil-company-confirms-continued-operations-its-syria-fields-%E2%80%93gets-no-rev>

<sup>128</sup> Ibid.

<sup>129</sup> Middle East Monitor, 'Syria, PKK, PYD share oil revenues in Al-Hassakeh', (27 July 2017), available at: <https://www.middleeastmonitor.com/20170727-syria-pkkpyd-share-oil-revenues-in-al-hasakah/>

<sup>130</sup> Amnesty International, 'Syria: US Ally's Razing of Villages Amounts to War Crimes' (13 October 2015), available at: <https://www.amnesty.org/en/press-releases/2015/10/syria-us-allys-razing-of-villages-amounts-to-war-crimes/>

<sup>131</sup> Jeff Deutch, 'Belgium Illegally Shipped 96 Tonnes of Sarin Precursor to Syria' Syrian Archive (18 April 2018), available at: <https://syrianarchive.org/en/investigations/belgium-isopropanol/>

<sup>132</sup> Anthony Deutsch, 'Exclusive: Tests Link Syrian Government Stockpile To Largest Sarin Attack - Sources' Reuters (30 January 2018), available at: <https://www.reuters.com/article/us-syria-crisis-chemicalweapons-exclusiv/exclusive-tests-link-syrian-government-stockpile-to-largest-sarin-attack-sources-idUSKBN1FJ0MG>

<sup>133</sup> Josh Rogin, 'Exclusive: Secret State Department cable: Chemical weapons used in Syria' Foreign Policy (15 January 2013), available at: <https://foreignpolicy.com/2013/01/15/exclusive-secret-state-department-cable-chemical-weapons-used-in-syria/>

government confirmed possession of such weapons.<sup>134</sup> Consequently, the sale of a material used in the production of chemical weapons to the Syrian government may constitute a violation of international law, as the production and use of chemical weapons is prohibited under international law and amounts to a war crime (Article 25(3)(c) of the ICC Statute).<sup>135</sup> Hence, all three companies may be criminally liable for aiding and abetting in the perpetration of the war crime of employing poisonous gas in conflicts.

- **26 June 2018:** An unknown Spanish company in partnership with a Syrian investor won a contract to supply a photovoltaic power station to the Sheikh Najjar industrial city in the countryside of Aleppo.<sup>136</sup> As mentioned above, all local investors who are capable of winning such profitable contracts are likely among Syria's business elites and have strong ties to the Syrian government.<sup>137</sup> Therefore, there is a high risk that the deal with the Spanish company would contribute to the international crimes committed by the Syrian government and may result in the criminal liability of the Spanish company.
- **28 June 2018:** The French cement company Lafarge operated in Northeastern Syria through a subsidiary between 2012 and 2015. At the time, ISIS had de facto control over the area where the cement plant is located.<sup>138</sup> It is believed that the company was funneling monthly payments to ISIS through an intermediary to ensure that they did not interfere with its work and that the cement plant could remain operational. During this period, the company's employees also had to work in very dangerous conditions. Consequently, several Lafarge executives have already been indicted for a number of charges including financing of a terrorist organization.<sup>139</sup>

Further, a criminal complaint was filed against Lafarge itself by the European Center for Constitutional and Human Rights along with eleven former employees. As a result, Lafarge, the parent company, has been indicted by French investigative judges for complicity in crimes against humanity, financing of a terrorist organization, and endangerment of people's lives.<sup>140</sup> Lafarge operations in Syria are an example of how multinational corporations

<sup>134</sup> Neil Macfarquhar and Eric Schmitt, 'Syria Threatens Chemical Attack on Foreign Force' The New York Times (23 July 2012), available at: <https://www.nytimes.com/2012/07/24/world/middleeast/chemical-weapons-wont-be-used-in-rebellion-syria-says.html>

<sup>135</sup> ICC Statute, Article 25 (3)(c).

<sup>136</sup> The Syria Report 'Western Companies Remain Largely Reluctant to Enter Syrian Market' (26 June 2018) <http://www.syria-report.com/news/economy/western-companies-remain-largely-reluctant-enter-syrian-market>

<sup>137</sup> See above, supra notes 29 and 30

<sup>138</sup> European Center for Constitutional and Human Rights, 'Landmark Decision in Lafarge Case' (28 June 2018) <https://www.ecchr.eu/nc/en/press-release/landmark-decision-in-lafarge-case/>

<sup>139</sup> Liz Alderman, French Cement Giant Lafarge Indicted on Terror Financing Charge in Syria, The New York Times (28 June 2018), available at: <https://www.nytimes.com/2018/06/28/business/lafarge-holcim-syria-terrorist-financing.html>

<sup>140</sup> Ibid.

operating in conflict-affected areas can exacerbate conflict and adversely affect the human rights conditions.

- **09 August 2018:** Greek companies have been purchasing phosphates from Syria, providing an economic lifeline to the Syrian government. The Syrian phosphate market is dominated by Syrian businesses close to the Syrian government or by Russian businesses close to the Syrian and Russian governments, such as the OAO Stroytransgaz, which exports phosphates to European states, such as Greece, from the port of Tartous.<sup>141</sup> Syria's phosphate industry is likely to become one of the most attractive export opportunities for Syria with the end of the conflict. Indeed, following EU's reforms on the permissible level of cadmium in EU's phosphate imports, European countries will likely cut ties with countries such as Senegal, Morocco, and Algeria (now main exporters of phosphate to Europe) and switch to imports from Syria, where the phosphate has far lower cadmium levels.

The phosphate industry is one of the few industries that allowed the Syrian government to achieve some sort of economic survival during the conflict. Now, most of the sector is in the hands of Russian businesses which have been granted contracts to develop and export Syrian phosphate as reward for Russia's involvement in military operations and in the commission of international crimes in Syria. By buying phosphates from Syria, Greek businesses are enabling the Syrian and the Russian governments to profit from their international crimes. Those economic deals may also amount to financing of international crimes, by providing the financial means to commit such crimes.

### Reconstruction Conferences and Events

- **10 May 2018:** Under the auspices of the Syrian Ministry of Public Works and Housing, the 5th International Exhibition for Construction Technology was held in the Damascus Fairgrounds.<sup>142</sup> Around 80 Syrian business enterprises as well as a number of Lebanese and Egyptian companies specialized in construction and real estate development were present. The exhibition is one of a series of exhibitions held in the last few years under the banner of reconstruction.<sup>143</sup>

<sup>141</sup> Simon Marks, 'Greece Throws Lifeline to Assad by Buying Phosphate', Politico, (9 August 2018), available at: <https://www.politico.eu/article/syria-europe-greece-throws-lifeline-bashar-al-assad-by-buying-phosphates/>

<sup>142</sup> الوكالة السورية للأنباء (سانا)، افتتاح معرض "تكنوبيلد" ... أحدث المعدات التقنية في البناء والتطوير العقاري، (10 أيار 2018) <https://www.sana.sy/?p=751847>

<sup>143</sup> Ibid.

Business enterprises that are preparing to take part in the reconstruction of Syria might risk contributing to international crimes and human rights violations committed by the Syrian government and its affiliated businesses. Such risks are higher for foreign businesses investing in real estate projects, where residents have been forcibly displaced, and their properties have been destroyed or pillaged by the Syrian government and its allies.

- **19 May 2018:** A Syrian delegation visited Benghazi, Libya to attend the 'Made in Syria' exhibition. The exhibition is a private sector initiative launched by the Syrian Exporters Union and aimed at promoting goods that are made in Syria, such as food and clothes. Similar exhibitions were previously held in Baghdad and Moscow.<sup>144</sup>

The exhibition was attended by 100 Syrian and Libyan companies and was covered by the Syrian state television,<sup>145</sup> which indicates links to the Syrian government. Moreover, the Syrian Civil Aviation Authority granted Libyan airlines permission to resume flights from Damascus to Benghazi.<sup>146</sup>

- The exhibition was followed by a series of business delegation meetings between Libya and Syria. Libyan businesses which enter into trade deals with Syrian government-linked businesses may be putting themselves at risk of contributing to the international crimes and human rights violations committed by the Syrian government.
- **26 May 2018:** Prodex 2018, an 'Equipment of Factories & Manufacturing & Selling Production Lines' exhibition kicked off in Damascus with the participation of over 50 national and foreign companies. The exhibition was hosted by the Syrian Chinese Business Council and was part of the Council's efforts to further improve trade relations between Syria and China.<sup>147</sup> The conference is a government-sponsored event and is hosted by the Syrian Chinese Business Council, which is headed by Mohammed Hamsho, known to be close to the Syrian government.<sup>148</sup>

Multinational businesses participating in this conference may risk complicity in international crimes if they agree to enter into economic partnerships and trade deals with Syrian

<sup>144</sup> عنب بلدي، بعد بنغازي، معرض "صنع في سوريا" في الخرطوم، (26 أيار 2018) <https://www.enabbaladi.net/archives/230894>

<sup>145</sup> Sami Zabtia, 'Syrian Delegation Arrives in Benghazi for the "Made in Syria" Fair' Libya Herald (22 May 2018), <https://www.libyaherald.com/2018/05/22/syrian-delegation-arrives-in-benghazi-for-the-made-in-syria-fair/>

<sup>146</sup> عربي، ليبيا تستعد لإقامة معرض للصناعات السورية في بنغازي، (7 أيار 2018) [https://arabic.sputniknews.com/arab\\_world/201805071032170315/ليبيا-تستعد-لإقامة-معرض-لصناعات-السورية-في-بنغازي/](https://arabic.sputniknews.com/arab_world/201805071032170315/ليبيا-تستعد-لإقامة-معرض-لصناعات-السورية-في-بنغازي/)

<sup>147</sup> SANA, 'Prodex 2018 Kicks off with Participation of over 50 Companies', (19 July 2018), available at: <https://sana.sy/en/?p=142778>

<sup>148</sup> Ibid.

businesses which are affiliated to the Syrian government. Such businesses, as mentioned above, are likely complicit in the international crimes committed by the Syrian government or by the militias they have funded, by providing logistical, financial, and other forms of support for the commission of such crimes.

- **26 July 2018:** The 'Conference of Businessmen and Investors in Syria and the World 2018' kicked off in Damascus.<sup>149</sup> The Conference is state-sponsored event that is meant to highlight the investment opportunities available in Syria, most of all in relation to the reconstruction process through the involvement of foreign investors and businesses.<sup>150</sup>

Multinational businesses participating in this conference may risk complicity in international crimes if they agree to enter into economic partnerships and trade deals with Syrian government and businesses which are affiliated to the Syrian government. Such businesses are likely complicit in the commission of international crimes committed by the Syrian government or by the militias they have funded, by providing logistical, financial, and other forms of support for the commission of such crimes.

- **29 July 2018:** 600 invitations were sent out to businessmen from several countries to participate in Syria's 60<sup>th</sup> Annual Damascus International Fair, which is a government-sponsored event that took place in September 2018.<sup>151</sup> It is set to be larger than the 2017 fair with more companies from 46 countries set to attend. Syrian companies hope to engage in trade agreements with multinational corporations to expand their businesses.<sup>152</sup> Multinational businesses participating in this conference may risk complicity in international crimes if they agree to enter into economic partnerships and trade deals with Syrian government and businesses which are affiliated to the Syrian government. Such businesses are likely complicit in the commission of international crimes committed by the Syrian government or by the militias they have funded, by providing logistical support, financial means and other means for the commission of such crimes.
- **01 August 2018:** 30 private and public companies from India, including construction and IT giants and PSU giants such as the ONGC and BHEL, are expected to attend the International

<sup>149</sup>SANA, 'Businessmen and Investors in Syria and the World 2018' Conference Kicks off in Damascus', (26 July 2018), <https://sana.sy/en/?p=143450>

<sup>150</sup> Ibid.

<sup>151</sup> الاقتصادي، دعوة 600 رجل أعمال من عدة دول إلى معرض دمشق الدولي، (29 تموز 2018) <https://aliktisadi.com/1157662-تقديم-تسهيلات-لمشاركي-معرض-دمشق->

<sup>152</sup>SANA, 'Damascus International Fair, an Opportunity for Local Companies to Strengthen their Presence', (7 August 2018), <https://sana.sy/en/?p=144335>; SANA, '46 Countries to Participate in 60<sup>th</sup> Edition of Damascus International Fair', (27 July 2018), available at: <https://sana.sy/en/?p=143476>

Trade Fair in Damascus and are expected to sign reconstruction-related business agreements.<sup>153</sup> In addition to investment in Syria's economy, the Syrian Ambassador to India also appealed Indian companies to participate in the reconstruction process by promising tax relaxations and special provisions for Indian companies. Before the 2011, India had signed a \$320 million power plant project, overseen by BHEL, along with a steel plan in Hama, and these contracts are pending completion. Since the start of the conflict, India and Syria maintained a strong bilateral relationship.

Indian businesses entering into partnership agreements with Syria may incur complicity in Syria's international crimes. The provision of financial or other means of support to the Syrian government may amount to aiding and abetting the commission of the government's crimes. Some of these businesses are public and their involvement could mean complicity by the Indian government as well.

- **20 August 2018:** 10 Chinese businesses working in real-estate and construction were set to participate in the 60<sup>th</sup> annual Damascus International Fair. China and Syria's established economic cooperation will be brought to a higher level, whereby China is set to be one of the main partners in Syria's reconstruction.<sup>154</sup>

Chinese businesses intending to invest in Syria may incur criminal liability for aiding and abetting the international crimes committed by the Syrian government and its allies by investing in Syria's economy and providing the financial support that could facilitate the latter commission of ongoing and further crimes.

- **21 August 2018:** A side event was held at the Damascus International Trade Fair for Russian businesses.<sup>155</sup> According to the head of the Syrian Russian Business Council, some 70 businessmen were expected to participate in the second meeting since the beginning of the year. In February, a similar event was held in Sochi.<sup>156</sup>

<sup>153</sup> Sunday Guardian Live 'Syrian Offers Tax Relaxations to Indians Firms at Trade Fair', (4 August 2018), available at: <https://www.sundayguardianlive.com/news/syria-offers-tax-relaxations-indian-firms-trade-fair>; DevDiscourse, 'Indian Companies to Participate in Damascus International Trade Fair in Syria', (1 August 2018), available at: <https://www.devdiscourse.com/Article/98831-30-indian-companies-to-participate-in-damascus-international-trade-fair-in-syria>

<sup>154</sup> الاقتصادي، أكثر من 10 شركات صينية للمقاولات تشارك في معرض دمشق الدولي، (20 آب 2018) <https://aliqtisadi.com/1183831-10-شركات-صينية-للمقاولات-تشارك-بمعرض-دمشق-20-أب-2018>

<sup>155</sup> The Syria Report, Russian Business Event in Damascus in September', (21 August 2018), available at: <https://www.syria-report.com/news/b2b/russian-business-event-damascus-september>; 'Syrian Russian Business Council', The Syria Report, (4 September 2017), available at: <https://www.syria-report.com/directory/business-support/business-support-centres/syrian-russian-business-council>

<sup>156</sup> The Syria Report, 'Russian, Syrian Businessmen to Meet Next Month', (9 January 2018), available at: <https://syria-report.com/news/b2b/russian-syrian-businessmen-meet-next-month>

Russia has significantly contributed to the military operations of the Syrian government in the country and it has committed several human rights abuses and international crimes.<sup>157</sup> This means that Russian businesses will reap the benefits of the international crimes committed by Russian government. As such, Russian businesses may risk complicity in the international crimes committed in Syria.

- **04 September 2018:** An Armenian MP met the Syrian ambassador to Armenia and stated interest in taking part in Syria's reconstruction.<sup>158</sup> Restoring economic partnerships with the Syrian government risks undermining efforts taken to achieve accountability and justice for Syria. Such normalization is driven by foreign states' interest in participating, investing in, and profiting from reconstruction projects in Syria. However, such normalization may amount to complicity in human rights violations and international crimes occurring in reconstruction projects. Armenian companies which may invest in Syria's reconstruction plans may risk incurring criminal responsibility for aiding and abetting the commission of the war crimes of pillage and forced displacement by the Syrian government and its affiliated businesses.

### Sanctions

- **25 July 2018:** The US and France have imposed sanctions on five entities and eight individuals involved in global procurement for Syria's chemical weapons programme. Among others, the US and France have sanctioned Electronics Katrangi Trading (EKT), a Lebanon-based business which has been procuring goods and services for the benefit of Syria's Scientific Studies and Research Centre (SSRC). SSRC is the governmental agency that develops Syria's chemical weapons. The supplied goods include one used for the productions of chemical weapons. The sanctions also targeted a vast network that had been involved with EKT in its support to the SSRC.<sup>159</sup>

The Lebanese company EKT has provided to the SSRC goods and services which were necessary to commit serious war crimes and crimes against humanity in Syria and/or that

<sup>157</sup> See for example, COI Report, A/HRC/37/72, 1 February 2018, paras. 18 and 72; The Guardian, 'Russia Accused of war crimes in Syria at UN security Council Session', (26 September 2016), available at:

<https://www.theguardian.com/world/2016/sep/25/russia-accused-war-crimes-syria-un-security-council-aleppo>

<sup>158</sup> Radio Free Europe Radio Liberty, 'Lawmaker Says Armenia Willing To Take Part in Syria Reconstruction', (4 September 2018), available at: <https://www.rferl.org/a/babloyan-armenian-parliament-speaker-says-armenia-willing-take-part-syria-reconstruction/29469541.html>

<sup>159</sup> European Sanctions, 'USA, France Coordinate Sanctions on Global Procurement Network for Syria's Chemical Weapons Programme', (25 July 2018), available at: <https://europeansanctions.com/2018/07/26/usa-france-coordinate-sanctions-on-global-procurement-network-for-syrias-chemical-weapons-programme/>; U.S. Department of the Treasury, 'The United States and France Take Coordinated Action on Global Procurement Network for Syria's Chemical Weapons Program', (25 July 2018), available at: <https://home.treasury.gov/news/press-releases/sm443>

facilitated their commission. By doing so with knowledge of the use of those goods and/or awareness of previous chemical attacks occurred in Syria. EKT is likely to be considered an accessory to the crimes committed by the Syrian government and liable for aiding and abetting the war crime of employing poisonous gas in conflict.

### Abkhazia

- **09 August 2018:** A Syrian government delegation met with a delegation from the Republic of Abkhazia to discuss issues of economic cooperation between the two.<sup>160</sup> Abkhazian businessmen entering into partnership with Syria may incur complicity in the Syrian government's international crimes. The provision of financial or other means of support to the Syrian government likely amounts to aiding and abetting the commission of such crimes.

### Brazil

- **17 September 2018:** A memorandum of understanding was signed between the Syrian Ministry of Internal Trade and the Arab Brazilian Chamber of Commerce for strengthening economic relations between the two states.<sup>161</sup> Brazilian businesses entering into partnership with Syrian state-owned entities, Syrian government and/or Syrian businessmen may incur complicity in the international crimes and human rights violations committed by the Syrian government and its affiliated businesses during the conflict. Indeed, by providing financial or other means of support to the Syrian government, they risk aiding and abetting the commission of such crimes.

### Malaysia

- **10 July 2018:** Malaysian investors established a joint-venture company with a Syrian state entity to produce equipment for water treatment plants.<sup>162</sup> Malaysian companies have long been involved in Syria's water treatment sector before 2011 and during the conflict they have previously visited Damascus regarding prospects for business opportunities in the state.

Malaysian businesses entering into partnerships with Syrian state-owned entities may incur complicity in the international crimes and human rights violations committed by the Syrian government during the conflict. Indeed, by providing financial or other means of support to

<sup>160</sup> SANA 'Syria, Abkhazia Discuss Mechanisms of Economic Cooperation', (9 August 2018), available at: <https://sana.sy/en/?p=144467>

<sup>161</sup> The Syrian Observer, 'Syria and Brazil Sign MoU Boosting Economic Cooperation', (17 September 2018), [https://syrianobserver.com/EN/news/46323/syria\\_brazil\\_sign\\_mou\\_boosting\\_economic\\_cooperation.html](https://syrianobserver.com/EN/news/46323/syria_brazil_sign_mou_boosting_economic_cooperation.html)

<sup>162</sup> The Syria Report, 'Malaysian Company Invests in Syria's Water Sector', (10 July 2018), available at: <https://www.syria-report.com/news/water/malaysian-company-invests-syria-s-water-sector>

the Syrian government, they risk financing and aiding and abetting the commission of such crimes.

### North Korea

- **10 August 2018:** A UN sanctions committee investigative report found that North Korea has continued to engage in illicit arms deals with Arab countries such as Libya, Sudan, Yemen, and Syria.<sup>163</sup> According to the report, North Korean weapons and military equipment traders have travelled frequently to and from Syria in 2016 and 2017 to carry out trade with Syrian Defence companies. Additionally, they have also worked on behalf of blacklisted Syrian entities and collaborated with Syrian arms brokers.<sup>164</sup>

North Korean arms dealers are knowingly selling arms to actors widely recognized as violating international law and engaging in war crimes. Therefore, North Korean arms dealers' provision of arms to assist in war crimes in Syria likely amounts to complicity in Syria's war crimes, particularly where it can be proven that North Korean arms were used in certain instances or by certain actors.<sup>165</sup>

- **05 September 2018:** North Korean Ambassador in Damascus meet the Syrian Minister of Industry and discuss North Korean companies' investment and participation opportunities in Syria's reconstruction.<sup>166</sup> By investing and participating in reconstruction in Syria, North Korean companies may risk incurring criminal liability for financing and aiding and abetting the international crimes committed by the Syrian government and its allies.

### South Korea

- **08 April 2018:** Hyundai Motor Company (HMC), a global commercial vehicles manufacturer, entered into an agency agreement with the Syrian government-linked businessman Samer Foz.<sup>167</sup> As mentioned in an earlier section of this report, Foz's business presence has grown exponentially since the start of the Syrian conflict, and it is believed that this is a result of a

<sup>163</sup> The Syrian Observer, 'Syrian Arms Trafficker Brokers Deals Between N. Korea, Houthis, Libyans', (10 August 2018), [https://syrianobserver.com/EN/features/19695/syrian\\_arms\\_trafficker\\_brokers\\_deals\\_between\\_n\\_korea\\_houthis\\_libyans.html](https://syrianobserver.com/EN/features/19695/syrian_arms_trafficker_brokers_deals_between_n_korea_houthis_libyans.html)

<sup>164</sup> Ibid.

<sup>165</sup> Ibid.

<sup>166</sup> أخبار الاقتصاد السوري، الشركات الكورية مهتمة بإعادة إعمار سورية. وزير الصناعة: مجالات عديدة للتعاون المشترك، (5 أيلول 2018) <https://sensyria.com/blog/archives/28068>

<sup>167</sup> الاقتصادي، بعد كنيا.. بسامر فوز يحصل على وكالة حصرية من هيونداي، (8 نيسان 2018) <https://aligtisadi.com/1070376/الوكيل-الحصري-لهيونداي-يسورية/>

lack of western economic sanctions against Foz at that time,<sup>168</sup> as well as his close relationship with the Syrian government.<sup>169</sup> Although there is no evidence of Foz's direction in any particular crimes or rights violations in Syria, his close relationship with the Syrian government puts him into question.<sup>170</sup>

### **Business Activity Related to Housing, Land, and Property Issues**

Throughout the conflict, the various parties, particularly the Syrian government and its allies, have used several methods to deliberately uproot civilians from their homes. This includes indiscriminate attacks on densely populated areas, aerial bombardment, collective punishments, siege, destruction of civilian objects, and forcible displacement as a tactic of war.<sup>171</sup> In the view of the Commission of Inquiry (COI), the Human rights violations and international crimes, which are the main cause of displacement, have been committed on discriminatory grounds, such as the geographic origin, religious, political, or other perceived affiliation of displaced civilians.<sup>172</sup>

However, the methods employed by the parties to uproot civilians from their towns failed short of achieving the complete removal of the undesirable civilians. This eventually prompted the parties to negotiate the evacuation of the remaining civilians from besieged areas. Consequently, a number of bilateral agreements have taken place between the government and various opposition armed groups concerning the evacuation of civilians from different areas across Syria. The agreements aimed at the complete removal of the civilians who are perceived as disloyal to the government and the demographic re-engineering of these areas.<sup>173</sup> Targeting civilian populations, deliberate destruction of property with no military necessity, and forced displacement of civilians constitute violations of IHL, IHRL, and amount to war crimes and crimes against humanity under ICL.<sup>174</sup>

Following the forced displacement of civilians, private properties were subject to appropriation and/or looting by the Syrian army and other pro-government militias.<sup>175</sup> Appropriation and looting of

<sup>168</sup> Samer Foz was sanctioned by the EU on 21 January 2019 for providing financial and other support to the Syrian Government. Official Journal of the European Union, Implementing Decision (CFSP) 2019/87 of 21 January 2019, implementing Decision 2013/255/CFSP concerning restrictive measures against Syria, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019D0087&from=EN>

<sup>169</sup> The Syria Report, 'Factsheet: Samer Foz, Syria's Most Powerful Businessman,' (19 April 2018) <http://www.syria-report.com/library/economic-data/factsheet-samer-foz-syria%E2%80%99s-most-powerful-businessman>

<sup>170</sup> Ibid.

<sup>171</sup> UNGA, *Protection of and assistance to internally displaced persons: situation of internally displaced persons in the Syrian Arab Republic*, report of the special rapporteur on the human rights of the internally displaced persons, A/67/931, 15 July 2013, para.6; COI report, A/HRC/23/58, 4 June 2013, paras. 149-151 and 154-156.

<sup>172</sup> COI Reports, A/HRC/67/931 para. 16 and A/HCR/23/58, paras. 38-50, 51-57, 64-69 and 141-151.

<sup>173</sup> For an overview of the Syria's evacuation agreements, see for example, Amnesty International report "We leave, or we die" *Forced displacement under Syria's reconciliation agreements*, (13 November 2017); COI report A/HRC/36/55, 8 August 2017, para 2

<sup>174</sup> ICC Statute, Articles 7 and 8.

<sup>175</sup> COI report, A/HCR/39/65, 10 August 2018, paras. 28, 29 and 30.

civilians property by the Syrian government and its allies may constitute a violation of IHL,<sup>176</sup> and amount to the war crime of pillage.<sup>177</sup> Moreover, looting and appropriation practices by governmental forces have been so widespread as to prevent many displaced persons from returning to their homes.<sup>178</sup> As such, these practices violate civilians' right to return as enshrined in the UDHR, ICCPR, as well as customary IHL.<sup>179</sup> Furthermore, pillage violates several HLP rights, including the right to ownership of property and the right not to be deprived of one's property as provided in the UDHR and ICCPR.<sup>180</sup>

Moreover, it has been widely reported that Iranian traders have purchased a large number of real estate properties in several cities across Syria, including Damascus and Homs.<sup>181</sup> This practice has been supported by the Syrian government as part of the government's strategy to engineer the demographics of the country.<sup>182</sup> It is believed that the Iranian traders buying properties in Syria are Iranian officials with links to the Syrian government.<sup>183</sup> In some cases, Syrian property owners were coerced into selling their properties.<sup>184</sup> In other cases, residents claimed that their properties were sold without their knowledge and that government-linked agents have falsified property records.<sup>185</sup>

In line with these trends, the Syrian government has issued a number of property laws intended as a tool to promote demographic change and compromise civilians' enjoyment of their HLP rights. Legislative Decree no. 66 of 2012, for instance, allows the government to redevelop areas of unauthorized housing and informal settlements and replace them with modern real estate projects. In a similar vein, the Syrian president enacted Law no.10 of 2018, which expanded the application of Decree 66 to apply to the entirety of Syria, as opposed to just select parts of Damascus.<sup>186</sup> These laws are seen as a tool for punishment against the populations of anti-government areas, as all areas selected by the decree are perceived as opposition areas, while other areas inhabited by the

<sup>176</sup> ICRC CIHL study, rule 52.

<sup>177</sup> ICC Statute, Articles 8(2)(b)(xvi) and 8(2)(e)(v).

<sup>178</sup> The Syria Institute, *No Return to Homs: A case study on demographic engineering in Syria* (Utrecht, PAX 2017) p. 26, <https://www.paxforpeace.nl/publications/all-publications/no-return-to-homs>

<sup>179</sup> UDHR art 13; ICCPR art 12(4).

<sup>180</sup> UDHR art 12; ICCPR art 17.

<sup>181</sup> The Syrian Observer, *Best of 2016: Iran's Plan to Seize Damascus Continues with Support from Assad Regime* (30 December 2016), available at:

[https://syrianobserver.com/EN/news/24489/best\\_2\\_iran\\_plan\\_seize\\_damascus\\_continues\\_with\\_support\\_from\\_assad\\_regime.html](https://syrianobserver.com/EN/news/24489/best_2_iran_plan_seize_damascus_continues_with_support_from_assad_regime.html)

<sup>182</sup> Ibid.

<sup>183</sup> Naame Shaam, *Silent Sectarian Cleansing: Iranian Role in Mass Demolitions and Population Transfers in Syria* (2015), p. 29, available at: [http://www.naameshaam.org/wp-content/uploads/2015/05/Silent\\_Ethnic\\_Cleansing\\_in\\_Syria\\_NaameShaamReport\\_ENGLISH\\_May20151.pdf](http://www.naameshaam.org/wp-content/uploads/2015/05/Silent_Ethnic_Cleansing_in_Syria_NaameShaamReport_ENGLISH_May20151.pdf)

<sup>184</sup> Ibid., p. 29.

<sup>185</sup> The Syria Institute, *No Return to Homs: A case study on demographic engineering in Syria* (Utrecht, PAX 2017) p.44, <https://www.paxforpeace.nl/publications/all-publications/no-return-to-homs>

<sup>186</sup> Joseph Daher, *Decree 66 and the impact of its national expansion*, Atlantic Council, (7 March 2018), available at: <http://www.atlanticcouncil.org/blogs/syriasource/decree-66-and-the-impact-of-its-national-expansion>

government supporters are not included by the decree.<sup>187</sup>

The new property laws enacted by the Syrian government will likely constitute a major obstacle to returning home for refugees and displaced persons and for the restoration of their property rights. In addition, the seizure of properties resulting from the implementation of these laws may violate several HLP rights of the original residents and amount to the war crime of pillage. Therefore, international organizations and businesses taking part in Syria's reconstruction will allow the Syrian government to benefit from the war crimes of forced displacement and pillage, among others. Consequently, these businesses and international organizations may find themselves complicit in the international crimes and human rights violations committed by the Syrian government if they were aware of or had reason to know of the criminal acts associated with these developments.

Between 1 April and 30 September of 2018, SLDP documented the following news reports and updates that constitute or may constitute violations of international law in relation to HLP issues:

### Decree 66 Projects

- **01 April 2018:** Several Syrian government-linked businesses are investing in the Marota city project; a real estate development project in Basateen Al-Razi, Damascus. The project was launched pursuant to Legislative Decree no. 66 of 2012. The decree provides the government with a legal basis to redevelop areas of unauthorized housing perceived as proposition neighborhoods. Reportedly, the former residents of Basateen Al-Razi were forcibly evacuated and have yet to be compensated.<sup>188</sup>

It is believed that the Marota City project is being financed by a number of Syrian investors and developers who established a joint-venture with Damascus Cham Holding ('DCH'), a government co-owned company. Rami Makhoulf, joined the project through four companies partially or wholly owned by him - the four Makhoulf companies are Ramak Development and Humanitarian projects, AL-Amar, Timeet Trading LLC, and Wings Private JSC.<sup>189</sup> Samer Foz, one of the powerful businessmen who emerged after 2011, is also engaged with the project through his company, Aman group.<sup>190</sup> Several unknown businesses are also investing

<sup>187</sup> Ibid.

<sup>188</sup> Tom Rollins, 'Decree 66: The Blueprint for al-Assad's Reconstruction of Syria?' IRIN (20 April 2017), available at: <https://www.irinnews.org/investigations/2017/04/20/decreed-66-blueprint-al-assad%E2%80%99s-reconstruction-syria>.

<sup>189</sup> The Syria Report, 'Makhoulf Invests in Marota City' (27 March 2018), available at: <http://www.syria-report.com/news/real-estate-construction/makhoulf-invests-marota-city>

<sup>190</sup> The Syria Report, 'Factsheet: Marota City, Syria's Most Controversial Investment Project', (1 June 2018), available at: <http://syria-report.com/library/economic-data/factsheet-marota-city-syrias-most-controversial-investment-project>

in the project, such as the Kuwait-based Mazen Tarazi, Hayan Qaddour, and Maen Haykal.<sup>191</sup>

Almost all businesses investing in Marota City, except Rami Makhlof, are not subject to EU nor US sanctions<sup>192</sup> (up until January 2019, when the EU enacted new sanctions against Foz, Tarazi Qaterji, Qaddour and others).<sup>193</sup> This enabled the Syrian government to mitigate some of the adverse effects of international sanctions imposed on it and receive funds through these businesses.<sup>194</sup> Moreover, some of these businesses are based outside Syria, such as in Gulf States. As such, it is expected that these businesses might act as a front for secret investors in the project.<sup>195</sup>

These businesses' contributions to this project may amount to complicity in the war crime of pillaging the original residents' properties. They may also be liable for violating the original residents' right to ownership of property, right not to be deprived of one's property, right to adequate housing, and right to return.<sup>196</sup>

- **18 April 2018:** The Syrian government announced the initiation of the long overdue plan of alternative housing for former residents of the Basateen Al-Razi district. The area has been undergoing redevelopment and reconstruction pursuant to Decree No. 66 as described in this report. Some residents were evicted in 2015 and have not been compensated and left without alternative housing. It is believed that the estimated cost of the planned alternative housing exceeds the financial capabilities of most former residents.<sup>197</sup>

The implementation of the controversial Decree no. 66 will likely infringe upon the rights of the original residents of the Basateen Al-Razi. Although the decree states that alternative housing will be provided for those who are able to prove their property ownership, implementation of this provision has been repeatedly delayed.<sup>198</sup> Due to the high-end nature of the project, low-cost housing units will have no place in the new development. Moreover, the high cost of the alternative housing will lead most owners to sell their shares to government-affiliated real estate businesses. Therefore, businesses involved in this project

<sup>191</sup> Ibid.

<sup>192</sup> Ibid.

<sup>193</sup> Official Journal of the European Union, Implementing Decision (CFSP) 2019/87 of 21 January 2019, implementing Decision 2013/255/CFSP concerning restrictive measures against Syria, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019D0087&from=EN>.

<sup>194</sup> Ibid.

<sup>195</sup> عنب بلدي، تحالف شركات يستحوذ على تنظييمات دمشق الجديدة، (1 نيسان 2018) <https://www.enabbaladi.net/archives/217667>

<sup>196</sup> Ibid.

<sup>197</sup> الاقتصادي، بعض طول انتظار بعض أهالي خلف الرازي: السكن البديل لا يهمننا، (18 نيسان 2018) <https://aliqtisadi.com/1076371-نوزيع-السكن-النيل-في-كفر-سوسة-قريباً-1076371>

<sup>198</sup> قاسيون، ماروتا سبتي: هل من سكن بديل؟، (24 حزيران 2018) <https://kassiounpaper.com/syria/item/33338-2018-06-24-20-51-35>

may violate the HLP rights of Basateen Al-Razi inhabitants. This includes the right to property, right not to be deprived of their property, and right to adequate housing. They may also be complicit in or even directly accountable for the war crime of pillage.

- **31 July 2018:** The Syrian government has begun implementing zoning plans for the Basilia City reconstruction project under Decree 66 in South-Damascus suburbs.<sup>199</sup> The Basilia City Project includes areas of Mezzeh, Qanawat Basteen, Daraya, Al-Qadam and Kafr Sousa and it is the second re-development and organizational area planned for Damascus suburbs, after Marota City project.

### Law 10 Projects

- **02 April 2018:** The Syrian president, Bashar Al Assad, enacted Law No.10 in April 2018; an amended and expanded version of Decree 66 of 2012.<sup>200</sup> Since then, the Syrian government has been promoting the law as an urban-planning mechanism that will allow for the establishment of designated redevelopment zones across Syria. However, the procedural requirement to prove ownership combined with the political context in which the law was issued make it very likely that this law will be used as a measure to seize the displaced people's properties and make permanent the displacement of civilians brought about by war crimes.<sup>201</sup>

Law No.10 requires, among other things, that the residents of the selected areas be able to prove ownership of their property within a very short period of time<sup>202</sup>(30 days). Taking into account that a significant number of the owners have been internally displaced or have left the country (some have been killed or detained), proof of ownership will be very difficult, if not impossible, to achieve. Additionally, many displaced Syrians have been deprived of the deeds to their homes and their identities which renders it impossible to prove their property ownership.<sup>203</sup>

<sup>199</sup> The Syrian Observer, 'Assad Government Starts Implementing Its Zoning Plans for Areas South of Damascus', (31 July 2018) [https://syrianobserver.com/EN/news/19793/assad\\_government\\_starts\\_implementing\\_its\\_zoning\\_plans\\_areas\\_south\\_damascus.html](https://syrianobserver.com/EN/news/19793/assad_government_starts_implementing_its_zoning_plans_areas_south_damascus.html)

<sup>200</sup> الوكالة السورية للأنباء (سانا)، الرئيس الأسد يصدر قانوناً يجيز إحداث مناطق تنظيمية ضمن المخطط التنظيمي، (2 نيسان 2018) <https://www.sana.sy/?p=733959>.

<sup>201</sup> Human Rights Watch, 'Q&A: Syria's New Property Law' (29 May 2018), available at: [https://www.hrw.org/news/2018/05/29/qa-syrias-new-property-law#.How\\_do\\_property](https://www.hrw.org/news/2018/05/29/qa-syrias-new-property-law#.How_do_property)

<sup>202</sup> Law 10, Article 1(a).

<sup>203</sup> Astrid Zweynert, 'Syria Faces 2 Million Lawsuits over Lost and Damaged Property: Experts' Reuters (28 February 2018) available at: <https://www.reuters.com/article/us-syria-landrights-restitution/syria-faces-2-million-lawsuits-over-lost-and-damaged-property-experts-idUSKCN1GB300>; Laura Cunial and others, 'Briefing Note: Housing Land and Property (HLP) in the

Consequently, it is believed that Law No.10 will likely infringe on the HLP rights of the displaced persons. It may violate the original residents' right to ownership of property, the right not to be deprived of one's property, and right to adequate housing, as the law does not directly provide the original residents with alternative housing. Moreover, the law may constitute a major obstacle for refugees and displaced persons to return home, as many will not be able to prove their property rights as required by the law's text.

- **09 April 2018:** The Syrian Minister of Local Administration announced that the Baba Amr district of Homs would undergo redevelopment and reconstruction in accordance with Law No. 10.<sup>204</sup> In 2012, the Syrian government launched a brutal military campaign on the opposition-held area of Baba Amr and imposed a brutal siege that lasted a month.<sup>205</sup> This resulted in the destruction of two-thirds of the neighborhood and the displacement of an estimated 60,000 civilians.<sup>206</sup> Law No. 10 will likely enable the Syrian government to profit from the war crimes of extensive destruction of property and forced displacement committed in areas such as Baba Amr, since all its remaining residents have been displaced and the proof of ownership within the short period Law No. 10 will be very difficult, if not impossible.

Additionally, the law violates several HLP rights of the original residents and may amount to the war crime of pillage as explained above. Moreover, the redevelopment of an iconic opposition stronghold area such as Baba Amr, combined with many reported appropriations of properties in Homs, is a clear sign that Law No.10 is politically motivated and aims at facilitating demographic change.<sup>207</sup>

- **19 June 2018:** The Syrian government has begun preparations for reconstruction in Qaboun and Jobar neighborhoods in Damascus, in accordance with Law No. 10.<sup>208</sup> Both Qaboun and Jobar had been under prolonged besiegement and aerial bombardment campaigns by the Syrian government, before local truce agreements were reached with armed groups controlling those areas. The truce agreements provided for the departure of fighters and

Syrian Arab Republic' (Norwegian Refugee Council 2016) 15, available at:

<https://www.nrc.no/globalassets/pdf/reports/housing-land-and-property-hlp-in-the-syrian-arab-republic.pdf>

<sup>204</sup> ماجيسني نيوز، مخلوف: تطبيق القانون رقم 10 لتنظيم العشوائيات في المحافظات بما فيها بابا عمرو ومدخل دمشق الشمالي، 8 نيسان 2018

<https://majestynews.com/?p=49486#.WyxwtfZul2w>

<sup>205</sup> The Syria Institute report, supra note 177, pp. 20-21.

<sup>206</sup> Ibid 21-22.

<sup>207</sup> Ibid 44.

<sup>208</sup> The Syrian Observer 'The Regime Begins to Reap the Rewards of Law No. 10' (19 June 2018), available at: [http://syrianobserver.com/EN/Features/34382/The\\_Regime\\_Begins\\_Reap\\_Rewards\\_Law\\_No/](http://syrianobserver.com/EN/Features/34382/The_Regime_Begins_Reap_Rewards_Law_No/)

civilians to Idlib in northern Syria, which resulted in the displacement of thousands of civilians.<sup>209</sup>

It is believed that the inhabitants of Qaboun and Jobar will not be able to prove ownership of their properties as required by Law No.10, since a significant number of the owners have been internally displaced, killed or detained, and as a result, proof of ownership will be very difficult for them to demonstrate. Therefore, the businesses' contributions to the projects that might take places in Qaboun and Jobar, either through financing or through buying the properties of the displaced, may find themselves complicit in the war crimes of forced displacement and pillage. They may also be liable for violating the original residents' right to ownership of property, right not to be deprived of one's property, right to adequate housing, and right to return.

- **25 September 2018:** The Homs City Council had finalized three new zoning plans for the formerly opposition-held neighborhoods of the city, Jouret al-Shiyah, al-Qoussour and al-Qarabees.<sup>210</sup> These districts were among the first areas that rose against the government, and hence, they were largely targeted by Syrian government forces between 2012 and 2013 and their civilian populations displaced. At the time of writing, they remain empty and almost none of the former residents have returned.<sup>211</sup>

No mention has been made whether Law No. 10 is used as the legal framework backing these reconstruction projects in Homs. Nevertheless, given the political and security situation in which the former population has been forcibly displaced from their homes and the demographic change approach that is behind much of the Syrian government's reconstruction approach, it is likely that reconstruction in Homs district will follow the same patterns of the ones implemented in Damascus and result in the same abuses occurring in other parts of Syria.

The reconstruction projects in Homs will likely violate a number of HLP rights such as the right to property of former residents and their right to adequate housing, as it legitimizes the unlawful seizure of their property. The unlawful seizure of property may amount to the war crime of pillage. Moreover, given the current security situation which denies former residents their right to return and the absence of practical safeguards to reclaim their property rights,

<sup>209</sup> COI Report A/HRC/36/55, 8 August 2017, paras. 19, 26, and Annex III.

<sup>210</sup> The Syria Report, 'Homs City Council Finalizes Zoning Plans for Three Formerly Opposition-held Districts', (25 September 2018), available at: <https://www.syria-report.com/news/real-estate-construction/homs-city-council-finalizes-zoning-plans-three-formerly-opposition-hel>

<sup>211</sup> Ibid.

the reconstruction projects also likely amount to the ongoing war crime of forced displacement. With the implementation of these projects, the Syrian government and businesses participating in reconstruction of those areas will likely profit from the war crimes of pillage and forced displacement through foreign investments in reconstruction.

### Iranian Real Estate in Syria

- **16 May 2018:** Jihad Al Binaa, a development and real estate organization, opened an office in Al-Bukamal city of Deir Ezzor, which is under the influence of Iranian militia.<sup>212</sup> The declared aim of the organization is to purchase property in the city and take part in its reconstruction. However, it is believed that the organization provides support to the Iranian militias present in Deir Ezzor.<sup>213</sup> The organization, which was founded by Hezbollah in Lebanon and is funded by Iran, has been designated a terrorist entity by the US Treasury Department since 2007.<sup>214</sup>

It has been widely reported that Iranian militias have been directly involved in international crimes in Syria, including forced displacement.<sup>215</sup> Therefore, by providing support to such militias, Jihad Al Binaa is at risk of financing international crimes committed by them. Moreover, the founder of Jihad Al Binaa, the Iranian government, has also been involved in international crimes, such as forced displacement of civilians and unlawful destruction and appropriation of property. Hence, the organization would be profiting from complicity in such crimes, if it was aware of them.

Additionally, purchase or acquisition of property by Jihad Al Binaa may adversely impact the original residents' human rights. Offering the original residents to sell their property to an Iranian militia linked organization is intimidating to them, and as a result, sales of property are likely to be coerced. This may constitute an infringement of the right not to be deprived of one's property and violate the right to return. Finally, it is important to mention that large-scale purchases of real estate may contribute to the demographic change scheme led by the Syrian government.

<sup>212</sup> Muhammed Hassan, 'Iran Deepens its Footprint in Deir Ez-Zor' Chatham House (February 2018), available at: <https://syria.chathamhouse.org/research/iran-deepens-its-footprint-in-deir-ez-zor>

<sup>213</sup> تلفزيون سوريا، تعرّف على مهام منظمة "جهاد البناء" الإيرانية في دير الزور، (15 أيار 2016) <https://www.syria.tv/content/تعرّف-على-مهام-منظمة-جهاد-البناء-الإيرانية-في-دير-الزور/>

<sup>214</sup> U.S. Department of the Treasury Press Release, 'Treasury Designates Hizballah's Construction Arm' (20 February 2007), available at: <https://www.treasury.gov/press-center/press-releases/Pages/hp271.aspx>

<sup>215</sup> Michael Knights, 'Iran's Foreign Legion: The Role of Iraqi Shiite Militias in Syria.' Washington Institute for Near East Policy, (27 June 2013), available at: <http://www.washingtoninstitute.org/policy-analysis/view/irans-foreign-legion-the-role-of-iraqi-shiite-militias-in-syria>

- **31 May 2018:** Following the forced displacement carried out by the Syrian government in some rural areas in northern Homs and southern Hama, Iranian nationals and businesses have been purchasing the properties of the displaced persons through government agents.<sup>216</sup> In addition to that, Iran has been encouraging Iranian businesses and contractors to purchase properties in Syria by providing them with loans to large amounts and in foreign currencies, with the objective of investing invest in reconstruction in the country.<sup>217</sup>

By doing so, they are profiting from the Syrian government's war crime of forced displacement. Moreover, offering the inhabitants of the mentioned areas to sell their property through Syrian government-linked agents may be intimidating to them, and hence, such sales of property are likely coerced. This in turn may violate the original residents' right to property, right not to be deprived of one's property, and their right to return. Finally, if purchase of property by Iranians is carried out on a large scale, it may contribute to the Syrian government's demographic engineering scheme.

- **19 June 2018:** It has been reported that the Syrian government, through its Military Security Branch, has been facilitating the sale of displaced civilians' properties in Palmyra city to members of the Iranian militias who have recently become Syrian citizens at extremely low prices.<sup>218</sup> Based on these circumstances, the sales have likely been completed under duress. Consequently, such purchases may result in the violation of the original residents' right to property, right not to be deprived of one's property, as well as their right to return.

Moreover, facilitating the sale of property to members of the Iranian militias at very low prices will allow such militias to gain profit as a result of the perpetration of international crimes, such as forced displacement.

- **15 August 2018:** As part of the economic cooperation agreed between Iran and Syria, Iranian businesses will build 30,000 housing units for the 'youth housing' project of the Syrian Ministry of Housing, which would spread across Damascus, Aleppo, and Homs.<sup>219</sup> The housing sector in Syria has faced several difficulties over the past years, especially in

<sup>216</sup> The Syrian Observer, 'Regime Agents Buy up Property in Homs and Hama for Iranians' (31 May 2018), [http://syrianobserver.com/EN/Features/34306/Regime\\_Agents\\_Buy\\_Property\\_Homs\\_Hama\\_Iranians](http://syrianobserver.com/EN/Features/34306/Regime_Agents_Buy_Property_Homs_Hama_Iranians)

<sup>217</sup> جسر للدراسات، الدور الإيراني في سورية التوصيف والسياسات المحتملة، (17 آب 2018) <http://jusoer.co/details/442/الدور-الإيراني-في-سورية-التوصيف-والسياسات-الممكنة>

<sup>218</sup> سمارة نيوز، إيران تشتري منازل في مدينة تدمر، (19 حزيران 2018) <http://smartnews-agency.com/ar/wires/301699/إيران-تشتري-منازل-في-مدينة-تدمر>

<sup>219</sup> عنق بلدي، شركات إيرانية لتنفيذ مشاريع الإسكان في سوريا، (15 آب 2018) <https://www.enabbaladi.net/archives/246772>

regards to the 'youth housing' project, which was started before 2002 and postponed because of the repercussions of the security situation in the country.

Such economic deals between Iran and Syria allow both governments to profit from their international crimes in Syria. Additionally, if any of these housing projects take place in areas where people were forcibly displaced, and their properties pillaged, the Iranian businesses taking part in those projects would likely be at risk of complicity for financing and aiding and abetting in those war crimes.

### **CONCLUSION**

This SLDP report presents information concerning business activities that may contribute to violations of international law in Syria. The report documents various economic, business, and reconstruction activities that are likely to violate international law and have taken place between 1 April and 30 September of 2018.

Based on the information demonstrated in this report, business related international crimes and violations of human rights form a large part of the human rights impact of the conflict in Syria. As the conflict continued over time, those close to the Syrian Government further entrenched their power by continuing to support the Syrian Government through financing the government's crimes as well as through implementing the government's reconstruction related policies. Moreover, the new class of business elites that has emerged as a result of the conflict's war economy is providing further support to the government. These business elites are continuing to build their power by developing new businesses and joining together for joint business opportunities. In addition to the government's allies inside Syria, Syria's international allies, Russia and Iran, are also engaging in a number of reconstruction related business deals which are intended to build their power and influence in the region as reward for their participation in human rights violations and war crimes.

As the above documented incidents demonstrate, Syria's international allies are not the only states with interest in Syria's reconstruction. Businesses around the world are hoping to benefit from Syria's reconstruction. Such businesses may find themselves complicit in the Syrian Government's international crimes and human rights violations if they are not careful about assessing what impact their operations will have in Syria and what involvement the various actors they partner with and procure from have in international crimes and human rights violations in Syria. Businesses operating in Syria may be at a high risk of criminal liability under ICL for aiding and abetting international crimes, if they have knowledge that their acts would facilitate, encourage, or provide moral support to the commission of a crime by a party to the conflict. Therefore, to avoid any risk of liability from engaging in the reconstruction process, businesses must duly conduct human rights due diligence prior to initiating their work or entering into partnerships with local investors in Syria.

### **Methodology of Documentation**

The present report records business activities that have taken place between 1 April and 30 September 2018 that might have contributed to international crimes or human rights violations. This report divides violations documented into three categories; the first one includes business activities relating to Syria's business elites and the war economy. The second category contains foreign or multinational businesses activities in Syria. The third category consists of business activities impacting housing, land, and property rights.

The information contained in this report is based on different resources including human rights reports and publications by international organizations on the situation in Syria, documents produced by specialized agencies such as OHCHR or UNHCR, and various media sources such as news reports, articles, and investigations.