

SYRIA COUNTRY LEGAL PROFILE

LEGAL SYSTEM OVERVIEW

Syria's legal system is classed as one of civil law combined with Islamic law for matters of personal status. The Constitution of 2012 is supreme and all laws passed must be deemed constitutional. The Constitution also confirms the role of Islam in the state: being the religion of the President as well as a major source of legislation. The Constitution also enshrines certain personal freedoms, such as the freedom of belief and the right to privacy.¹ The People's Council of Syria is the legislative authority and are elected by popular vote, but is dominated by Assad's Ba'athist supporters. Furthermore, the constitution also allows the President to dissolve the parliament, prepare laws and to assume the authority of legislation in a wide number of instances.

The independence of the judiciary is also confirmed by the Constitution, although this is *de facto* untrue. The Supreme Judicial Council is headed by the President and is responsible for the organisation of the court system, including the appointing of judges, whilst the Court of Cassation acts as the highest appeals court. The Supreme Constitutional Court is officially also an independent judicial body, responsible for determining the constitutionality of laws, however the President of the Court is appointed by the President of the Republic. Thus, the judicial system is in effect highly controlled by the regime, even before the civil war broke out; judges are often linked to the Ba'ath party, or members of it. As previously mentioned, the judicial system is also heavily corrupt. A statement by one judge, 'Whoever pays more wins the case', shows the systemic corruption through Syria's legal system. Bribery, abuse of power and the embezzlement of public funds are the most common forms of corruption seen.²

The Syrian Civil Code, Legislative Decree 84/1949, is the primary source of legislation concerning matters of contracts, their annulment and protections for parties who may have entered a contract by error or under false understanding.³ The Commercial Code, Law 33/2007, further governs commercial life, particularly on aspects of financial services, such as mortgages and banking, whilst the Foreign Business Law, Law 34/2008, deals with corporate matters, intermediaries and the entities that foreign businesses may establish. Furthermore, the Companies Law, Legislative Decree 29/2011, regulates the establishment of certain entities and defines the boundaries for foreign ownership of companies: in general, no such restrictions apply to Joint Stock Companies, Limited Liability Companies or Partnerships.⁴ Syrian Civil Law is also valid in Rojava, that is the Kurdish controlled cantons of Syria, as long as they do not conflict with the Constitution of Rojava. In the absence of a legal provision, Islamic Law is applicable.

Syria is a signatory to the Geneva Conventions and Protocol One, the International Centre on the Settlement of Investment Disputes Convention which provides a mechanism for foreign investors to settle disputes as well as the Biological and Chemical Weapons Conventions, although compliance with the latter is questionable following the 4 April 2017 chemical attack on Khan Shaykhun. Syria has also signed, but not ratified the UN Convention Against

¹ <http://www.voltairenet.org/article173033.html>.

² http://www.syrianef.org/assets/estimate_position/english/Corruption-in-Syria.pdf.

³ D. Stigall, 'The Civil Codes of Libya and Syria: Hybridity, Durability, and Post-Revolution Viability in the Aftermath of the Arab Spring', US Department of Justice; https://works.bepress.com/dan_e_stigall/6/.

⁴ <http://www.syrianlawjournal.com/index.php/main-legislation/commercial-law/#14-1>.

Corruption. Syria is a member of, amongst others, the Arab League, Organisation of Islamic Cooperation and the World Health Organisation.

BUSINESS SECTOR

The Syrian economy has suffered greatly since 2011; GDP has been estimated by the World Bank to have contracted by 63% between 2011 and 2016, plummeting to just \$15 billion. Meanwhile, last year the Consumer Price Index inflation was measured at 58%, although areas with greater conflict experienced much higher inflation and the cumulative CPI increase between 2011 and 2016 stands at over 350%. Furthermore, the Syrian Pound is now worth less than a tenth of its 2011 value against the US dollar whilst imports and exports have decreased annually by 25% and 45% respectively, since 2010.⁵

Conflict, rampant corruption, legal inconsistency and inadequate banking systems all provide considerable obstacles to doing business in Syria. Indeed, Syria ranks at 133 of 190 in the World Bank's Starting a Business Index and 174 of 190 in their Ease of Doing Business rankings.⁶ There are seven procedures to starting a business within Syria all of which take time and require payments, although the time and cost involved is lower than the average across the Middle East and North Africa. The Syrian Government is also subject to numerous sanctions, embargoes and restrictions, particularly concerning military or dual-use items and Syria's oil and gas industries, which makes participation in Syria's economy extremely difficult by Western firms, although there are exemptions for UN supplies and non-lethal equipment for humanitarian use. Extensive information on the restrictions can be found on respective government websites, such as that of the UK Government or the US Treasury.⁷ At least 255 persons and 67 entities are also subject to EU sanctions.

Syria will need significant post-conflict investment and reconstruction, particularly in its energy sector which has been severely disrupted since 2011. Syria's geostrategic location and potential as an energy transit country, in the long term, may provide significant opportunities. Nevertheless, this heavily depends on the length of the conflict and the continuing geopolitical environment. Currently, owing to Western sanctions and domestic Syrian obstacles, doing business in Syria is extremely challenging.

SECURITY SITUATION

The situation in Syria remains dangerous and unpredictable. The civil war continues to rage between pro-Regime forces, including Hezbollah and foreign Shi'a militias, and opposition forces, which range from pluralists such as the Free Syrian Army to nationalist Islamists such as Ahrar al-Sham and the al-Qaeda linked Hayat Tahrir al-Sham. Daesh continues to operate within Syria, although is now largely confined to the Deir az-Zor Governorate along the Syria-Iraq border, facing the predominantly Kurdish Syrian Democratic Forces to the north and pro-government forces to the south and west.

There is also significant intervention by third parties. Russia continues to provide military support for Assad through primarily air and missile strikes, targeting both Islamic State and opposition groups they deem terrorists. Iranian Revolutionary Guard forces are also active, as are Western military advisors and air forces whilst the Turkish military have a presence in

⁵ Toll of War, World Bank Group; 'Syria's Conflict Economy', IMF Working Paper; <https://atlas.media.mit.edu/en/profile/country/syr/>.

⁶ <http://www.doingbusiness.org/Rankings>.

⁷ <https://www.gov.uk/guidance/sanctions-on-syria#extent-of-restrictive-measures-imposed-on-syria>; <https://www.treasury.gov/resource-center/sanctions/Programs/pages/syria.aspx>.

northern Aleppo Governorate and Idlib. Israeli Defence Forces have also operated within and over Syria striking both regime and Hezbollah targets.

As such, no part of Syria is safe from conflict; attacks, including those of a chemical nature, may transpire with little or no warning. The risk of terrorism remains extremely high owing to the presence of Daesh and other Islamist designated terrorist groups such as Tahrir al-Sham. The use of suicide bombers and improvised explosive devices have been widespread and targeted government buildings, shopping areas and road checkpoints in major urban centres. The risk of kidnapping, for financial, political or ideological motivations, is also high with Westerners viewed as high value targets. As such, for these reasons all travel to Syria is advised against.⁸

COUNTRY OVERVIEW

The Syrian Arab Republic is a country located in the Near East, South West Asia, and borders Turkey, Iraq, Jordan, Israel and Lebanon. It has a population of 18.02 million, making it the 63rd most populous country in the world. The capital is Damascus, with a population of roughly 2.56 million people, whilst the most populous city, Aleppo, contains 3.56 million people. Arabic is the official language of Syria, although Kurdish, Armenian, French and English are also spoken. The majority religion is Sunni Islam, with Shi'a sects being a minority. Further minorities include various sects of Christianity and Druze communities.⁹

Syria remains a high-risk country, continuing to be gripped in the midst of a brutal civil war that has seen over 470,000 deaths, including 55,000 children.¹⁰ The political-military situation is extremely complicated and the country is divided in physical, ethnic, political and religious terms as full-scale warfare continues in much of the country. The risk of terrorism remains high owing to the presence of Daesh and designated terrorist groups such as Tahrir al-Sham.

Syria is viewed as one of the most corrupt countries in the world, being ranked at 173 of 176 countries by Transparency International's 2016 Corruption Index.¹¹ Corruption exists in every aspect of the Syrian state, stemming from the regime itself, and particularly in its judiciary. Anti-corruption legislation is occasionally passed through government, but this would appear to be merely symbolic.

The Syrian economy is in turmoil. Syria's GDP has been estimated by the World Bank at just US\$15 billion in 2016 with poor forecasts owing to the ongoing conflict. The main currency is the Syrian Pound.

Syria is officially a semi-presidential republic. Bashar al-Assad is the current President, Head of State and Commander-in-Chief, who holds executive power and appoints the cabinet. The current head of government is Prime Minister Imad Muhammad Dib Khamis. The president is elected every seven years by a majority popular vote, the last of which occurred in 2014. al-Assad won with 88.7% of the vote; although the Gulf Cooperation Council, EU and United States condemned the election as meaningless', an international delegation of thirty countries including Brazil, Russia, Iran and Venezuela stated that the election was free and transparent.¹²

⁸ <https://www.gov.uk/foreign-travel-advice/syria>; <https://travel.state.gov/content/passports/en/alertswarnings/syria-travel-warning.html>.

⁹ <https://www.cia.gov/library/publications/the-world-factbook/geos/sy.html>.

¹⁰ <https://www.gov.uk/foreign-travel-advice/syria>.

¹¹ https://www.transparency.org/news/feature/corruption_perceptions_index_2016.

¹² <http://www.bbc.co.uk/news/world-middle-east-27706471>