

DOING BUSINESS IN SYRIA

INVESTOR GUIDE

Telecommunications and Technology Sector



TABLE OF CONTENTS

1. Market Reality	5
1.1 Supply–Demand Dynamics	5
1.2 Infrastructure Constraints	5
1.3 Sector Structure and Market Organization	5
1.4 Investment Activity and Market Momentum	6
1.5 Key Actors	6
2. Entry Pathways	8
2.1 Common Entry Models	8
2.1.1 Concessions and PPP Models (Core Infrastructure)	8
2.1.2 Vendor and Service Provision (Primary Entry Route)	8
2.1.3 Technology and Digital Services (Low-Capital Entry)	9
2.1.4 Mobile Network Participation (Selective Entry)	9
3. Execution Environment	10
3.1 Infrastructure and Power Considerations	10
3.2 Governance and Regulatory Considerations	10
3.3 Cybersecurity, Data Governance, and Hosting Requirements	10
3.4 Financial and Banking Considerations	11
3.5 Market Structure and Competition Considerations	11
3.6 Operational and Scaling Considerations	11
ANNEX 1: Comprehensive Contact List	12
ANNEX 2: Key Laws and Regulatory References	14
ANNEX 3: Entry Steps and Practical Considerations	14

Disclaimer

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The political, regulatory, and economic environment in Syria remains fluid and subject to rapid change. Laws, regulations, sanctions frameworks, and administrative practices may evolve, and investors are encouraged to conduct independent legal and compliance due diligence before engaging.

Acknowledgment

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Telecoms and Technology Snapshot

Demand is surging faster than current infrastructure can respond, creating immediate openings in connectivity and longer-term upside in digital services.

**Demand surging,
infrastructure tight**

Top Opportunities

Traffic growth and execution-ready projects are creating tangible early commercial openings.

- 1 **Exponential demand growth**
Internet traffic rose roughly 150 percent in 2024-2025, while infrastructure remains highly constrained.
- 2 **Last-mile fiber and modernization**
FTTP licensing, backbone expansion, and congestion relief are Immediate system priorities.
- 3 **Bankable connectivity projects**
FTTP concessions, submarine cables, and backbone upgrades are moving into execution.
- 4 **Energy-efficiency upgrades**
Replacing legacy telecom equipment could sharply reduce power consumption and improve resilience.
- 5 **High-potential technology layer**
Digital payments, enterprise software, cybersecurity, and e-government solutions offer lower-capital entry paths.

Key Risks

The demand story is compelling, but scalability still depends on infrastructure reliability, approvals, and payments.

- Infrastructure bottlenecks and power instability continue to limit service quality, resilience, and last-mile expansion.
- The regulatory environment remains highly centralized and discretionary across licensing, spectrum, and approvals.
- Banking and financial execution constraints remain a major bottleneck for payment flows and project financing.

Why Now

The market is shifting from planning to execution just as connectivity becomes central to economic recovery.

- **Demand is outpacing capacity** Creating immediate and visible commercial opportunities across the value chain.
- **Projects are moving forward** FTTP, submarine cable, and mobile license initiatives are advancing beyond the planning stage.
- **Government prioritization** Digital infrastructure and services are increasingly seen as central to recovery.
- **Early-mover advantage** Competition remains limited in advanced telecom and technology segments.

Telecoms and technology offer a high-growth but infrastructure-constrained opportunity: near-term upside is clearest in connectivity projects, while digital services offer a compelling longer-term layer for investors that can navigate regulatory complexity and operational constraints.

1. Market Reality

- Demand for connectivity far exceeds supply ► rapid usage growth is outpacing infrastructure
- Last-mile and power constraints are the main bottlenecks
- System is expanding, but congestion persists ► new capacity is quickly absorbed
- Telecom is state-dominated; the tech layer is more open and flexible
- Execution—not demand—is the binding constraint



1.1 Supply–Demand Dynamics

Syria's telecommunications sector is defined by a structural imbalance between rapidly growing demand and constrained infrastructure capacity. Internet traffic increased by more than 150 percent between December 2024 and December 2025, while mobile download speeds rose by approximately 56 percent, reflecting a significant increase in usage across households and businesses.

Despite this expansion, network development has not kept pace. Congestion remains widespread, particularly in high-density urban areas, and price increases of 500–1,000 percent for mobile internet services reflect both strong demand and capacity constraints.

As a result, the market is characterized by strong demand, with network capacity representing the primary constraint.

1.2 Infrastructure Constraints

Telecommunications infrastructure remains structurally constrained, particularly at the last-mile level. While international bandwidth has increased—reaching approximately 1.5 Tbps following upgrades such as the Ugarit-2 submarine cable—end-user experience continues to be shaped by bottlenecks in access networks.

Key constraints include:

- Insufficient last-mile fiber deployment
- Congestion in backbone and access networks
- Limited network densification

Electricity availability is also an important operational factor. Telecom operators rely heavily on self-generation systems, which increase operating costs and affect scalability, particularly outside major urban centers.

1.3 Sector Structure and Market Organization

The telecommunications sector operates under a state-dominant, vertically integrated structure. Core infrastructure—including backbone networks, international gateways, and fixed-line systems—is controlled by the Syrian Telecommunications Company (SyTC).

Private mobile operators operate under licensing arrangements but remain dependent on state-owned infrastructure for access and interconnection.

By contrast, the technology segment is largely private and more flexible, encompassing:

- Software and digital services
- Cloud and hosting

- Cybersecurity and fintech
- Enterprise IT systems and startups

The technology segment remains dependent on:

- Connectivity quality
- Power availability
- Regulatory approvals

This results in a dual structure:

- Telecom: capital-intensive, regulated, state-led
- Technology: lower-capital, private, and infrastructure-dependent

1.4 Investment Activity and Market Momentum

The sector is transitioning from capacity expansion to structured investment deployment. Recent developments include:

- Expansion of international bandwidth (Ugarit-2 and regional links)
- Launch of fiber-to-the-premises (FTTP) concession models (BarqNet)
- Planned issuance of a new mobile license

These projects signal a shift toward:

- Modular, bankable infrastructure investments
- PPP-style deployment models
- Greater private-sector participation

Additional opportunities may emerge through: selective privatization or restructuring of state-owned entities

Most projects remain in early execution stages, with service improvements expected to be gradual as demand continues to absorb new capacity.

1.5 Key Actors

The telecommunications sector is led by state-owned operators, with private participation concentrated in mobile services and the broader technology ecosystem. Core infrastructure and regulatory oversight remain centralized, while private firms operate through licensing and service agreements.

The list below provides an overview of key institutions and contact points; a more comprehensive listing is provided in Annex 1.

Ministry of Communications and Information Technology

- mcit.gov.sy (Website)
- info@mcit.gov.sy (Email)

Syrian Investment Authority (SIA)

- sia.gov.sy (Website)
- info@sia.gov.sy (Email)

The SIA acts as a coordination and facilitation platform for qualifying investments, supporting project structuring and engagement with relevant authorities.

Telecommunications and Post Regulatory Authority (TPRA)

- sytpa.gov.sy (Website)
- communication.dir@sytra.gov.sy (Email)

Syrian Telecommunications Company (SyTC)

- sytc.sy (Website)
- info@sytc.sy (Email)

National Agency for Information Technology Services (NAITS)

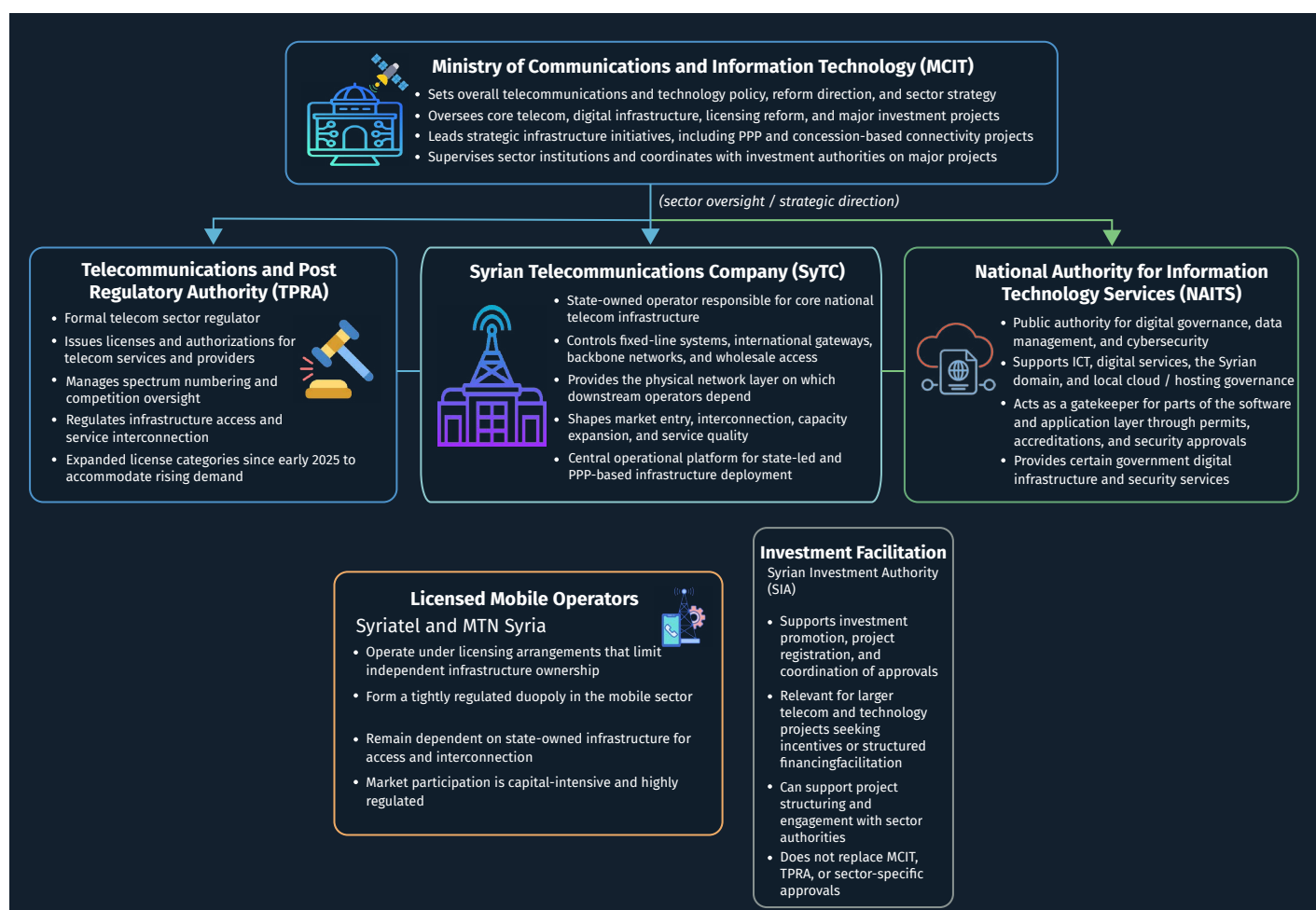
- naits.gov.sy (Website)
- info@naits.gov.sy (Email)

Syriatel

- syriatel.sy

MTN Syria

- mtn.com.sy

FIGURE 1: Institutional Structure of the Telecommunications and Technology Sector in Syria

2. Entry Pathways

- **Concession-based and PPP models are the primary pathways for infrastructure entry**
- **Service provision and vendor roles offer rapid market access**
- **Technology and digital services provide low-capital entry options**
- **Full ownership is possible in the technology layer, with limitations in core telecom**
- **Regulatory alignment and licensing are essential from the outset**
- **Engagement with the Syrian Investment Authority (SIA) can support project structuring and facilitate coordination during the approvals process**



2.1 Common Entry Models

2.1.1 Concessions and PPP Models (Core Infrastructure)

Large-scale telecom infrastructure projects are primarily structured through concessions or PPP-style arrangements, particularly for:

- FOTP networks
- Backbone expansion
- International connectivity infrastructure

Under these models:

- The state retains control over core infrastructure
- Private investors finance, deploy, and operate networks under defined terms

Projects are typically:

- Structured in modular lots (e.g., geographic clusters)
- Based on long-term licenses or concession agreements

This model offers:

- Access to large-scale, bankable projects
- Structured revenue streams linked to user demand

Project implementation depends on regulatory approvals, licensing processes, and coordination with state counterparties and infrastructure providers.

2.1.2 Vendor and Service Provision (Primary Entry Route)

Many international firms enter through equipment supply and service provision, including:

- Network equipment (e.g., base station, fiber optic cables)
- Installation and integration services
- Maintenance and network optimization
- Energy solutions for telecom infrastructure

These activities are typically delivered through:

- Contracts with state-owned operators (e.g., SyTC)
- Agreements with licensed private operators

This model offers:

- Short entry timelines and scalability
- Low capital requirements
- Alignment with immediate infrastructure needs

2.1.3 Technology and Digital Services (Low-Capital Entry)

The technology layer provides the most flexible entry point, particularly for:

- Digital payments and fintech
- Enterprise software and cloud solutions
- Cybersecurity and data services
- E-government platforms and digital public services
- Development and modernization of the postal system (identified as an urgent opportunity by the Ministry)

These activities can be structured through:

- Local subsidiaries or partnerships
- Licensing or subscription-based models
- Service agreements with public or private clients

This model offers:

- Full or majority foreign ownership in many cases
- Low capital requirements
- Scalability across service lines

Project implementation depends on connectivity quality and regulatory approvals.

2.1.4 Mobile Network Participation (Selective Entry)

New mobile licensing rounds and network expansion projects may offer entry opportunities for:

- Strategic investors
- Infrastructure and telecom companies
- Technology partners

Participation is typically:

- Regulated through government-led licensing processes
- Capital-intensive
- Linked to coordination with public-sector entities

This model offers:

- Access to large user bases
- Long-term revenue potential

Project implementation depends on regulatory approvals, licensing processes, and alignment with public-sector stakeholders.

3. Execution Environment

- Execution considerations—not demand—shape project delivery
- Power availability directly affects network performance and operating costs
- Regulatory processes are centralized and multi-layered
- Banking and payment channels are a key operational factor
- Infrastructure conditions influence scalability and service quality
- Insurance availability and pricing affect project structuring and operating costs



3.1 Infrastructure and Power Considerations

A defining feature of Syria's telecom sector is the combined impact of infrastructure capacity and electricity availability.

While international bandwidth has expanded, last-mile networks remain underdeveloped, resulting in congestion, variable service quality, and limited coverage expansion. At the same time, electricity availability requires operators to rely on backup generation, increasing operating costs and affecting network rollout.

This creates a structural dynamic in which service delivery is shaped by physical and energy infrastructure conditions, even where demand is present.

3.2 Governance and Regulatory Considerations

The sector operates under a centralized and multi-layered regulatory framework, involving:

- Ministry of Communications and Information Technology (MCIT)
- Telecommunications and Post Regulatory Authority (TPRA)
- National Authority for Information Technology Services (NAITS)
- State-owned operators (e.g., SyTC)

Licensing, spectrum allocation, infrastructure access, and project approvals are:

- Coordinated across multiple institutions
- Managed through administrative processes
- Continuing to develop in terms of standardization

As a result, regulatory processes are a key factor influencing project timelines, particularly for large infrastructure projects.

3.3 Cybersecurity, Data Governance, and Hosting Requirements

Technology and digital service providers operate within an evolving framework governing cybersecurity, hosting, and data governance.

Key features include:

- Oversight by the National Authority for Information Technology Services (NAITS)
- Approval requirements for certain digital platforms, hosting arrangements, and technology services
- Regulatory sensitivity surrounding financial, personal, security-related, and public-sector data

In practice:

- Cloud hosting and digital services may be operated from outside Syria, subject to regulatory approval
- Certain applications and platforms may require local authorization, technical review, or security-related clearances
- Data handling requirements may vary depending on the type of data, user scale, and sector involved

Technology providers should also assess applicable export control requirements for software, cloud, cybersecurity, encryption, and telecommunications-related products, particularly under U.S. Export Administration Regulations (EAR) and related licensing frameworks.

3.4 Financial and Banking Considerations

Despite sanctions easing, financial operability remains an important factor shaping sector activity. The sector continues to face:

- Limited correspondent banking relationships
- High compliance thresholds for international transactions
- Delays in cross-border payments

Foreign exchange (FX) conditions also affect project execution, including:

- Currency volatility
- Limited convertibility and repatriation options

Proposed tax reforms are expected to introduce a simplified corporate tax structure, including a 10 percent rate for priority sectors such as technology and 15 percent rate for others, subject to the issuance of formal legislation and implementing regulations. Detailed tax and customs incentives are outlined in the Investor's Handbook.

Digital activities are not tax-exempt and may fall under existing tax regimes, including income tax and applicable fees, depending on the nature of the activity and legal structure.

3.5 Market Structure and Competition Considerations

The telecom sector remains state-dominant and structurally concentrated, with core infrastructure controlled by public entities.

This results in:

- Reliance on state-owned backbone and access networks
- Limited competition in certain segments
- Structured conditions for independent infrastructure development

The technology segment is more open but remains linked to telecom infrastructure and regulatory processes.

3.6 Operational and Scaling Considerations

Telecom and technology investments operate within practical scaling conditions, including:

- Network congestion and limited last-mile capacity
- Energy costs and operational requirements
- Reliance on imported equipment and supply chains

In addition, strong demand growth can outpace infrastructure expansion, meaning that:

- New capacity may be rapidly absorbed
- Service improvements may follow investment over time

ANNEX 1: Comprehensive Contact List

Entity	Role / Function	Key Contacts & Access	Notes
Ministry of Communications and Information Technology <i>Government authority</i>	<ul style="list-style-type: none"> Primary policy and regulatory authority Oversees licensing, and sector development Supervises state-owned telecom entities Leads strategic investments, PPPs, and infrastructure planning 	General contact: <ul style="list-style-type: none"> info@moct.gov.sy Website: <ul style="list-style-type: none"> moct.gov.sy Key officials: <ul style="list-style-type: none"> Abdul Salam Haykal, Minister Abdullah Saleh Dabboul, Director, Office of the Minister (+963 955987009) Ahmad Bayram, Startup Advisor (+49 176 21422247) Mahmoud Musa, Deputy Minister (+963 982222095) 	Central coordinating authority for telecom and technology policy, licensing, and sector regulation
Syrian Telecommunications Company (SyTC) <i>State-owned enterprise (telecom operator)</i>	<ul style="list-style-type: none"> Primary state operator for telecom infrastructure Counterpart for connectivity projects and infrastructure access Commercial terms influence project structuring and delivery 	General contact: <ul style="list-style-type: none"> info@sytc.sy Website: <ul style="list-style-type: none"> sytc.sy 	
Telecommunications and Post Regulatory Authority (TPRA) <i>Regulatory authority</i>	<ul style="list-style-type: none"> Central authority for telecom licensing and spectrum allocation Regulates infrastructure access and service authorization 	General contact: <ul style="list-style-type: none"> communication.dir@sytra.gov.sy Website: <ul style="list-style-type: none"> sytpa.gov.sy Phone: <ul style="list-style-type: none"> +963 116136242 +963 116131932 	
National Authority for Information Technology Services (NAITS) <i>Public-sector implementing agency (digital and IT services)</i>	<ul style="list-style-type: none"> Public-sector counterpart for digital services, cloud, cybersecurity, and IT infrastructure Acts as both regulator and service provider controls permits, accreditations, and security approvals Involved in approvals and implementation of technology and e-government systems 	General contact: <ul style="list-style-type: none"> info@naits.gov.sy Website: <ul style="list-style-type: none"> naits.gov.sy 	
Syria Angels Network <i>Private-sector network (investment and startup support)</i>	<ul style="list-style-type: none"> Supports startup investment and early-stage financing, particularly in fintech 	General contact: <ul style="list-style-type: none"> info@syrianangels.sy Website: <ul style="list-style-type: none"> syrianangels.sy 	
SYNC <i>Non-governmental organization (digital and innovation ecosystem)</i>	<ul style="list-style-type: none"> Connects Syrian tech talent with international employers and project opportunities Supports recruitment, workforce development, and integration into global tech markets Facilitates collaboration between diaspora technologists and local innovation ecosystems 	General contact: <ul style="list-style-type: none"> hello@sync.ngo Key officials: <ul style="list-style-type: none"> Bassel Yassin Oijeh — Executive Committee Member Phone / WhatsApp: <ul style="list-style-type: none"> +963 14084763282 Website: <ul style="list-style-type: none"> sync.ngo 	
Syrian Investment Authority (SIA) <i>Government authority (investment facilitation)</i>	<ul style="list-style-type: none"> Facilitates investment licensing, incentives, and regulatory navigation Relevant for PPP-style or large-scale projects seeking incentives or coordination Entry point for investment registration, licensing applications, and incentive requests 	General contact: <ul style="list-style-type: none"> info@sia.gov.sy Phone / WhatsApp: <ul style="list-style-type: none"> +963 114410448 Website: <ul style="list-style-type: none"> invest.gov.sy 	Reactivated and restructured post-2024. Active engagement with international investors.

Entity	Role / Function	Key Contacts & Access	Notes
Partnership Office of the Planning and International Cooperation Commission <i>Government entity (project coordination and PPP facilitation)</i>	<ul style="list-style-type: none"> Leads national economic and development planning Aligns investment projects with national development priorities Supports coordination of PPP and large-scale infrastructure initiatives across government entities 	<i>Refer via Syrian Investment Authority (SIA) or relevant line ministry</i>	<p>Formerly the State Planning Commission; central body for development strategy and inter-agency coordination</p> <p>Engagement typically coordinated through SIA or relevant sector ministry</p>
U.S.-Syria Business Council <i>Private sector advocacy and coordination body</i>	<ul style="list-style-type: none"> Facilitates dialogue between U.S. investors and Syrian public and private sector stakeholders Supports business-to-business engagement and policy advocacy Units: <ul style="list-style-type: none"> Energy & Infrastructure Working Group 	Website: <ul style="list-style-type: none"> ussybc.org 	<p>Verify current operational status and contact details following the post-2024 transition.</p>
U.S. Chamber of Commerce <i>Business association and private-sector advocacy body</i>	<ul style="list-style-type: none"> Represents U.S. business interests globally, and works to advance commercial relations between the U.S. and markets around the world, including Syria. Supports U.S. companies interested in the Syrian market through policy advocacy and convening U.S. business leaders with relevant officials from the Syrian and U.S. governments. 	General contact: <ul style="list-style-type: none"> ncondrey@uschamber.com Website: <ul style="list-style-type: none"> uschamber.com 	<p>Engagement is primarily oriented toward U.S. companies; services are membership-based.</p>
Karam Shaar Advisory Limited <i>Private sector economic and energy advisory firm</i>	<ul style="list-style-type: none"> Provides market analysis, investment risk assessment, and strategy support Advises companies, international organizations, governments, and NGOs 	General contact: <ul style="list-style-type: none"> info@karamshaar.com Website: <ul style="list-style-type: none"> karamshaar.com 	<p>Consulting firm based in New Zealand and Damascus, specializing in Syria's political economy and business environment.</p>

ANNEX 2: Key Laws and Regulatory References

Note: Cross-sector laws have been consolidated in the Investor's Handbook.

This annex lists principal laws, decrees, and regulatory instruments relevant to telecommunications and technology sector investment. Investors should confirm the most recent amendments, implementing regulations, and sector-specific instructions with competent authorities.

In practice, sector application is shaped by ministerial decisions, regulatory authority guidance, and implementing instructions. Current operative frameworks and procedures should be verified with competent authorities prior to commitment.

Telecommunications and Technology Sector

- Ministry of Communications and Information Technology (MCIT) regulations and licensing procedures: Sets sector policy; oversees telecommunications and technology institutions; approves major projects and reforms
- Telecommunications and Post Regulatory Authority (TPRA): Sector regulator, responsible for licensing, spectrum, numbering, and competition oversight
- National Agency for Information Technology Services (NAITS): Regulates data sovereignty, cybersecurity, PKI, domains, hosting, cloud, and electronic applications
- Syrian Telecommunications Company (SyTC) framework: Administers core infrastructure ownership, backbone networks, and wholesale access

Infrastructure, Planning, and Environmental Approvals

- Urban Planning Law 23 of 2015: Governs zoning and permitting for infrastructure deployment
- Environmental Protection Law 12 of 2012: Environmental impact assessment (EIA) and compliance requirements

ANNEX 3: Entry Steps and Practical Considerations

Step	Objective	Key Actions	Primary Authorities and Actors	Practical Considerations
Step 1: Define activity and regulatory perimeter	Precisely classify the intended activity	<ul style="list-style-type: none"> • Determine whether the activity qualifies as telecom, technology, hosting, software, cybersecurity, or public-sector IT • Confirm regulatory classification with relevant authorities • Engage with the Syrian Investment Authority (SIA) to support project structuring and coordination with relevant authorities 	<ul style="list-style-type: none"> • TPRA • NAITS • Ministry of Communications & IT (MCIT) 	<ul style="list-style-type: none"> • Accurate classification supports correct licensing pathways and timely approvals • Early legal scoping supports efficient regulatory engagement
Step 2: Select legal presence and structure	Choose the most suitable operating vehicle	<ul style="list-style-type: none"> • Decide between Syrian LLC, foreign branch, representative, or project-based presence • Assess ownership structure and regulatory implications 	<ul style="list-style-type: none"> • Commercial Registry • Sector regulators 	<ul style="list-style-type: none"> • Syrian entities offer operational flexibility with local compliance requirements • Branch structures involve direct linkage to the parent company
Step 3: Incorporation and registration	Establish legal existence	<ul style="list-style-type: none"> • Register the legal entity with the Commercial Registry • Authenticate foreign documents through the full legalization chain 	<ul style="list-style-type: none"> • Commercial Registry • Syrian MFA 	<ul style="list-style-type: none"> • Document authentication requires sequencing across multiple authorities • Processing timelines vary depending on documentation completeness
Step 4: Licensing and sectoral approvals	Obtain all required operational authorizations	<ul style="list-style-type: none"> • Secure premises and obtain zoning/municipal approvals • Apply for sector licenses and regulatory approvals • Conclude interconnection agreements and obtain security clearances 	<ul style="list-style-type: none"> • TPRA • NAITS • SyTC • municipalities • Ministry of Interior 	<ul style="list-style-type: none"> • Approvals are typically processed sequentially across authorities • Early-stage coordination supports overall timeline management

Step	Objective	Key Actions	Primary Authorities and Actors	Practical Considerations
Step 5: Banking and payments setup	Enable financial operability	<ul style="list-style-type: none"> • Open a corporate bank account • Complete KYC/UBO requirements • Establish payment and transaction channels 	<ul style="list-style-type: none"> • Syrian banks • Correspondent banks 	<ul style="list-style-type: none"> • Banking setup is a key operational step requiring early engagement • Payment structuring should be aligned with available financial channels
Step 6: Due diligence and ongoing compliance	Manage sanctions, AML/CFT, and execution risk	<ul style="list-style-type: none"> • Implement due diligence, screening, and monitoring procedures • Establish internal escalation and compliance protocols 	<ul style="list-style-type: none"> • Internal compliance teams • banks • regulators 	<ul style="list-style-type: none"> • Compliance requirements continue throughout project execution • Ongoing monitoring and internal controls support regulatory alignment