KARAM SHAAR ADVISORY LTD.
MAKING SENSE OF SYRIA'S ECONOMY

NGOs in Syria:

# Frequently Asked Questions on Permitted Activities and Sanctions Compliance

FAQ Document
April 2026

This frequently asked questions ("**FAQ**") document is to help non-governmental organizations ("**NGOs**") that are engaging with Syrian counterparts or operating in Syria to better understand how the lifting of US, EU, and UK sanctions may impact their operations.

Since May 2025, the international sanctions landscape on Syria has undergone a significant transformation. The US, EU, and UK have each moved to lift their comprehensive sanctions regimes. In the US, this includes the revocation of the Syrian Sanctions Regulations and the repeal of the Caesar Act in December 2025. In parallel, the EU and the UK have dismantled most sectoral and economy-wide restrictions, replacing them with more limited, targeted measures.

This document is intended as a general guide to help NGO leaders and decision-makers navigate these changes across US, EU, and UK laws and regulations in plain language, providing clarity on how the new regulatory environments make it easier to provide aid and support long-term recovery in Syria.

The document is organized into two sections. First, it addresses FAQs that are applied across three jurisdictions: the US, EU, and UK. Second, it covers questions that relate specifically to potentially relevant sanctions programs and enforcement issues.

*This document does not provide or seek to provide legal advice and should not be relied upon as a substitute for legal advice.*

These FAQs are for informational purposes only. Sanctions regulations are complex, fact-specific, and subject to change. The information provided here does not create an attorney-client relationship. All NGOs are strongly encouraged to consult with their own legal counsel and compliance specialists to address their specific operational risks and to ensure full compliance with current sanctions regulations.

# Table of Contents

## Permitted Activities

**1) What is the current legal status of US, EU, and UK sanctions on Syria? What is currently in force?**

**US**

The US no longer imposes comprehensive sanctions on Syria. Executive Order ("**EO**") 14312 of June 30, 2025 removed most Syria-related sanctions, and on December 18, 2025, the United States repealed the Caesar Syria Civilian Protection Act that contained certain additional sanctions measures. However, other US sanctions and restrictions still may apply to conduct by NGOs in or involving Syria. These include:

- sanctions targeting individuals and entities designated as Specially Designated Nationals ("**SDNs**") and entities 50% or more directly or indirectly controlled by SDNs (collectively **"Blocked Persons"**), including Bashar al-Assad and certain associates of his and certain human rights abusers, Captagon traffickers, persons linked to Syria's past proliferation activities, ISIS and Al-Qa'ida affiliates, and Iran and its proxies;

- export control restrictions on certain controlled goods, software and technology; and

- export control, foreign aid, and other assistance restrictions incident to Syria's continued designation by the US as a State Sponsor of Terrorism ("**SST**"). (The Secretary of State has been charged with reconsidering the designation, and other actions have eased some of these restrictions.)

**EU**

The EU's Syria sanctions regime is contained in Council Decision 2013/255/CFSP and Council Regulation (EU) No 36/2012 (as amended) (together, the "**EU Regulations**"). The EU Regulations set out the sanctions currently in force against Syria.

Following the fall of the Assad regime in December 2024, the EU suspended certain economic sanctions on Syria in February 2025. In May 2025, the EU announced the lifting of the previously suspended sanctions, along with most of its other financial and trade sanctions on Syria. These changes were made through amendments to the EU Regulations (the "**EU 2025 Amendments**").

Sectoral prohibitions

The EU 2025 Amendments lifted a wide range of the EU sectoral restrictions previously affecting Syria. All economic sanctions except those based on security grounds were removed. This included, among other steps, removing restrictions

on, relationships between EU financial institutions and Syrian financial institutions. Certain trade restrictions were also lifted in relation to, among other things, (i) the export and import of Syrian crude oil or petroleum products, and oil and gas equipment and technology, and (ii) the provision of financing or investment to Syrian entities involved in producing crude oil or electric power plants.

Some targeted restrictions still remain in place under the EU Regulations. The most relevant to the NGO community may include prohibitions on:

- the exporting to Syria of certain equipment which might be used for internal repression in Syria, including related goods and technology and the provision of related services (such as technical assistance, financing and insurance);
- the exporting to Syria of certain equipment, technology or software which might be used by the Syrian regime for the monitoring or intercepting of the Internet or telephone communications in Syria, including related assistance; and
- the importing from, or exporting to, Syria of cultural property illegally removed from Syria.

Asset freezes

The EU Regulations require the freezing of all funds and economic resources owned, held or controlled by a designated person. There is also a prohibition on funds or economic resources being made available, directly or indirectly, to a designated person. The full list of designated persons subject to asset freezes under the EU's sanctions regimes (including its Syria sanctions regime) can be found at the EU Consolidated List or the EU Sanctions Tracker.

In February 2025, the EU delisted five entities from its Syria sanctions list, including Syrian Arab Airlines and several financial institutions. In May 2025, the EU delisted a further 24 entities, including the Central Bank of Syria and key oil production and telecommunications companies.

Asset freezes still apply to a number of individuals and entities under the EU's Syria sanctions regime, including those with links to the Assad regime or chemical weapons. However, Syria's Ministry of the Interior and Ministry of Defence have now been delisted by the EU. Certain other military and intelligence bodies, including the Syrian National Security Bureau, remain designated. Individuals and entities in Syria have also been designated under other EU regimes, such as the Chemical Weapons, Human Rights and Al-Qaeda sanctions regimes.

**UK**

The UK's Syria sanctions regime is contained in The Syria (Sanctions) (EU Exit) Regulations 2019 (as amended) (the "**UK Regulations**"). The UK Regulations set out

the sanctions currently in force against Syria under the UK's sanctions regime.

Following the fall of the Assad regime in December 2024, the UK amended the Regulations in April 2025 through The Syria (Sanctions) (EU Exit) (Amendment) Regulations 2025 (the "**UK 2025 Amendments**") to lift a wide range of sanctions previously imposed on Syria.

Sectoral prohibitions

The UK 2025 Amendments lifted most sanctions previously in force against Syria. Among the many removed prohibitions, including on exporting certain energy and banking items to Syria, the changes most relevant to the NGO community may include the lifting of blanket financial restrictions in relation to, among other things, banking in Syria, transacting with banks in Syria, and buying or selling newly issued Syrian bonds.

However, targeted financial and trade restrictions still remain in place under the UK Regulations. These include many restrictions, like those on certain luxury items, precious metals, and sensitive technology, unlikely relevant to the NGO community. The remaining prohibitions most likely to impact the NGO community may include:

- buying or selling bonds issued by the Assad regime (or providing related services);
- exporting to Syria goods or technology related to chemical or biological weapons, the interception and monitoring of communications, or internal repression; and
- providing interception and monitoring services to the Syrian government.

Asset freezes

The UK Regulations prohibit any person (including individuals and legal entities) from dealing with funds or economic resources owned, held or controlled by a designated person, or making funds or economic resources available (directly or indirectly) to a designated person[1]. The full list of designated persons can be found at the UK Sanctions List.

Consequently, asset freezes still apply to a number of individuals and entities in Syria, including those involved or previously involved in the Assad regime, or otherwise threatening the peace, stability or security of Syria. Individuals and entities in Syria have also been designated under other UK regimes, such as the

1- In March 2025, 24 Syrian entities including the Syrian Central Bank, the Syrian Petroleum Company and Syrian Arab Airlines were delisted from the Syria sanctions list and therefore were no longer subject to asset freezes. In April 2025, Syrian state entities including the Ministry of Interior, the Ministry of Defence, and several intelligence agencies and press outfits, were also delisted; the Government of Syria and its ministries are not designated under any UK sanctions regime.

ISIL (Da'esh) and Al-Qaida, Counter-Terrorism (International) or Chemical Weapons sanctions regimes.

**2) What are the activities generally permitted in Syria following the lifting of most sanctions?**

**US**

The lifting of the comprehensive US sanctions on Syria means that US sanctions no longer apply to most activity in Syria, but export licensing restrictions still apply to exports, reexports and transfers of certain US-export controlled goods, technology and software to or within Syria.

For example, US persons and financial institutions may now establish relationships with Syrian financial institutions and the new Syrian government, including providing financial services, processing payments, or conducting transactions with such entities. For US financial institutions, this includes maintaining accounts for the Commercial Bank of Syria.

The US Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") has designated a few exchange houses in Syria as SDNs, and they should therefore be avoided. More generally, NGOs should screen their counterparties and financial intermediaries in Syria against the OFAC lists.

The US has significantly eased controls on exports, reexports and transfers of goods, technology and software to Syria by waiving a license requirement for many US-origin consumer goods of low-technology items. This means that no prior approval from the US government is required for the export of such goods to Syria. At the same time, the US still requires export licenses for other US export controlled goods, technology and software, even if, in some cases, those goods will now receive a presumption of license approval.

As further discussed in these FAQs, the status of US restrictions on interactions with Syria is generally permissive but several restrictions remain.

**EU**

Following the lifting of the majority of economic and trade sanctions on Syria in the EU 2025 Amendments (including blanket prohibitions on financial services), most activities in Syria are now permitted. As referenced in Question 1 above, the two categories of sanctions that remain in place are (a) targeted sectoral prohibitions, and (b) asset freezes in relation to designated persons under EU sanctions regimes. To the extent that activities do not involve the provision of restricted goods or services, and do not involve designated persons, they are likely to be permitted under the EU Syria sanctions regime - this would include, subject to the aforementioned caveats, transferring money to and from Syria, paying local suppliers, using Syrian banks for transactions, and exporting goods to Syria.

Restrictions may still apply to activities relating to importing arms from Syria, exporting equipment to Syria that might be used by the Syrian regime for internal repression or for monitoring or intercepting Internet and telephone communications, and the importing or exporting of Syrian cultural property. Please see Question 1 for more details.

Asset freezes still apply to a number of Syrian individuals and entities, particularly those with links to the Assad regime. However, some prominent entities (e.g., the Syrian Central Bank and other financial institutions) have been delisted. Please note that the Ministry of the Interior and the Ministry of Defence have now been delisted by the EU. However, the Syrian National Security Bureau and several other military and intelligence bodies remain sanctioned. Please see Question 1 for more details.

**UK**

As with the EU, most activities in Syria are now permitted under the UK's Syria sanctions regime following the lifting of many restrictions by the UK 2025 Amendments. To the extent that activities do not involve any of the activities still subject to specific prohibitions or designated persons under UK sanctions regimes, they are likely to be permitted.

Prohibitions still apply to, among other things, the buying or selling of bonds issued by the Assad regime, the exporting to Syria of luxury goods or goods or technology related to chemical or biological weapons, interception and monitoring of communications, or internal repression, as well as exporting gold, precious metals, or diamonds to the Syrian government. Please see Question 1 for more details.

Asset freezes still apply to certain Syrian individuals and entities, particularly those with links to the Assad regime. However, many prominent entities have been delisted, including companies like Syrian Arab Airlines, public bodies like the Syrian Central Bank, government departments like the Ministry of the Interior and Ministry of Defence, and Syrian intelligence agencies. Please see Question 1 for more details.

**3. Which humanitarian and early recovery activities are permitted under current US, EU, UK, and UN sanctions frameworks? What activities remain prohibited—even for humanitarian purposes—under current sanctions rules?**

**US**

Humanitarian and early recovery activities are generally permitted, provided they do not involve Blocked Persons. For instance, NGOs (and other persons) may export US-origin food and medicine to Syria without a specific license from a US government agency if the transactions do not involve any SDNs or other Blocked Persons.

Even before the lifting of comprehensive sanctions on Syria, there were important exceptions to the sanctions permitting humanitarian activities. Now, with the lifting of the comprehensive sanctions, these exceptions are unnecessary and therefore inapplicable. In other words, because the sanctions restrictions have been lifted, understanding the details of the previous exceptions to the sanctions is no longer necessary. In conducting humanitarian activities in or related to Syria, the focus should be on complying with the specific restrictions that remain in place, such as prohibitions on transacting, directly or indirectly, with Blocked Persons.

**EU/UK**

As set out in the answers to Questions 1 and 2, most activities are now permitted in Syria to the extent that they do not involve the provision of restricted goods or services or designated persons. However, the EU and UK sanctions regime both contain additional carve outs for humanitarian assistance.

**EU**

The EU Regulations contain specific exemptions to some of the remaining trade prohibitions and asset freezes for the payment of funds, or provision of goods and services, necessary to ensure the timely delivery of humanitarian assistance, or to support other activities supporting basic human needs in Syria (**"Humanitarian Activities"**). For example, organisations carrying out Humanitarian Activities may be permitted to make funds available to designated persons, or export to Syria equipment that might be used for internal repression (though the latter requires authorisation by the relevant EU Member State on a case-by-case basis). NGOs should review the relevant EU Regulations to determine whether they automatically benefit from an exemption, or whether they require specific authorisation. For more details on seeking authorisation for humanitarian activity, please see Question 5.

These exemptions apply to a broadly drafted list of humanitarian organisations, including the UN, international organisations, and organisations with observer status with the UN General Assembly, a Human Partnership Certificate, or participating in UN appeals and humanitarian clusters.

**UK**

To the extent activities remain restricted by specific financial prohibitions or involve designated persons, a broad range of NGOs may benefit from a General Licence for humanitarian activity in Syria. This General Licence protects such organisations from financial sanctions breaches (such as making funds available to designated persons) committed while carrying out Humanitarian Activities.

However, this General Licence does not permit NGOs to use funds or economic resources owned, held or controlled by a designated person, unless the

designated person has been paid by the NGO to provide goods or services in connection with Humanitarian Activities.

Organisations seeking to rely on this General Licence must make a notification to the Office of Financial Sanctions Implementation ("**OFSI**") within 30 days of commencing the relevant activity, and otherwise comply with the specific licence conditions.

**4. How can NGOs determine whether their proposed activities are compliant? Since many general licenses (e.g., GL 22 or GL 25) have been archived or rendered "inactive" because the underlying prohibitions were lifted, what are the primary regulatory documents an NGO should reference to prove its work is legal?**

**US**

NGOs should consult the following:

- The OFAC website for Syria Sanctions. On this page, OFAC describes the changes to the sanctions related to Syria. This webpage also contains information on the previous sanctions.
- The OFAC's sanctions lists that contain the names of Specially Designated Nationals and other individuals and entities that OFAC has designated as sanctions targets. OFAC's Sanctions List Search tool is available for searches of OFAC's sanctions lists.
- Official US Department of Commerce Bureau of Industry and Security ("BIS") and OFAC actions and guidance, such as FAQs and changes to general licenses or other permissions.
- The US Government's Consolidated Screening List can also be used to search all US restricted parties lists in one place, including those published by OFAC and BIS.

**EU**

NGOs should consult the following:

- the most recent consolidated versions of Council Decision 2013/255/CFSP and Council Regulation (EU) No 36/2012 – these regulations set out the remaining prohibitions in force against Syria, and the applicable exemptions. Please ensure that you are viewing the most recent consolidated versions;
- the EU Consolidated List or the EU Sanctions Tracker – these resources provide a full list of designated persons subject to EU sanctions; and
- official EU guidance, such as the recent FAQs on EU sanctions concerning Syria, or the European Commission guidance note on the provision of humanitarian aid in compliance with EU restrictive measures (sanctions).

**UK**

NGOs should consult the following:

- The Syria (Sanctions) (EU Exit) Regulations 2019 – this piece of legislation sets out the remaining prohibitions in force against Syria, and the applicable exemptions. Please ensure that you are viewing the latest revised version.
- the UK Sanctions List – this is the full list of designated persons subject to UK sanctions;
- official UK guidance, such as the Foreign, Commonwealth & Development Office's (the "**FCDO**") Syria sanctions guidance for businesses and NGOs; and
- to the extent NGOs intend to rely on it, the General Licence for Syria Humanitarian Activity.

**5. If an NGO is planning a project that may fall in a gray area, what options do they have to ensure project stakeholders are reassured about the permissibility of the proposed activities? Can an NGO secure a specific license, a comfort letter, or interpretive guidance from OFAC, and are there equivalent mechanisms at the EU or UK level?**

**US**

The US sanctions generally do not prohibit humanitarian projects in Syria, unless they involve Blocked Persons. US export licensing restrictions may still apply to exports, reexports or transfers of controlled goods, software and technology to or within Syria.

To the extent it is not clear if a US sanctions prohibition applies to a project in Syria then NGOs can submit an inquiry to OFAC's Compliance Hotline. The inquiry should describe the proposed project and the clarification on OFAC's sanctions being requested. For complex issues, OFAC might suggest that an NGO apply for a specific license or submit a request for interpretive guidance. OFAC can issue specific licenses for activity that otherwise would be prohibited by its sanctions. More guidance and forms are available on OFAC's "Specific Licenses and Interpretative Guidelines" page.

There may be situations in which an NGO's stakeholders have policies that impose restrictions that are stricter than the current US sanctions restrictions, e.g., by continuing to treat Syria as a sanctioned country. NGOs should discuss these restrictions with their stakeholders as compliance will be based on the requirements of the stakeholder rather than US sanctions requirements. OFAC does not often issue comfort letters regarding proposed activity. However, an NGO receiving specific funding from a government or international agency may be able to obtain a donor letter affirming that the project is for non-sanctionable and humanitarian purposes. Alternatively, NGOs could seek a legal opinion from sanctions counsel that could be provided to the stakeholders.

**EU/UK**

To the extent a proposed project is not covered by the existing humanitarian General Licence or exemptions in the UK and EU respectively, it is possible for NGOs to obtain specific authorisation from the relevant authorities permitting activities that would otherwise be a breach of UK or EU sanctions – please see specific details for each jurisdiction below.

Comfort letters are not traditionally issued by sanctions authorities in the UK or EU. However, an NGO receiving specific funding from a government or international agency may be able to obtain a donor letter affirming that the project is for humanitarian purposes.

To the extent a proposed project falls within a grey area, and no specific license is obtained, NGOs can demonstrate compliance with sanctions regimes to stakeholders by obtaining legal opinions, which should refer to official UK and EU legislation and guidance (such as the resources listed in Question 4).

**EU**

In the EU, NGOs can apply for a 'derogation' (i.e. an authorisation) covering the proposed humanitarian activity from the relevant national competent authority ("NCA"), the national authorities in each Member State responsible for sanctions implementation and enforcement. The derogation should typically be sought from the NCA with which the NGO has the closest connection.

An overview of the process for obtaining a humanitarian derogation is contained within a European Commission factsheet on humanitarian derogations. The EU has published a list (including contact details) of the National Competent Authorities for the implementation of EU restrictive measures (sanctions).

**UK**

In the UK, NGOs can apply for a specific licence from the relevant authority, which varies depending on sanctions involved.

For financial sanctions, NGOs should apply to OFSI for a specific licence permitting the proposed humanitarian activity, to the extent it is not already covered by the General Licence for humanitarian activity in Syria. Official guidance on the process for applying to OFSI for a licence can be found on the page 'How to apply for a financial sanctions licence'.

For trade sanctions, NGOs will need to seek a licence for the proposed humanitarian activity from either the Export Control Joint Unit (the "**ECJU**") or the Office of Trade Sanctions Implementation ("**OTSI**"), depending on the goods and/or destination concerned. These licensing bodies sit within the Department for Business and Trade (the "**DBT**"), which has published guidance entitled 'How to apply for a trade sanctions licence'.

## Ensuring Compliance

**6. What are the practical steps an NGO should take to ensure sanctions compliance while undertaking work in Syria?**

There are no US, EU, or UK sanctions requirements for NGOs to register with the relevant authorities before operating in Syria. However, NGOs operating in Syria should consider the following practical steps to ensure sanctions compliance:

- stay informed on changes to the US, EU, and UK sanctions related to Syria, particularly any changes to the remaining specific prohibitions;
- screen all partners and beneficiaries against the full US Consolidated Screening List, UK Sanctions List, and EU Consolidated List (not just the Syria sanctions lists) and conduct regular re-screening during the course of a project; and
- conduct due diligence on partners and suppliers in Syria, including verifying business registrations, ownership structure and reputation. Particular attention should be paid to any individuals or entities which may exercise 'ownership or control' over a partner or supplier – please see Question 9 for more details.

**7. What constitutes a reasonable level of due diligence an NGO should undertake in the current sanctions environment? How can an NGO working with Syrian counterparties ensure they are not "blocked" under residual authorities, such as EO 13894?**

**US**

OFAC does not prescribe any specific level or type of diligence that should be carried out by NGOs. Instead, OFAC recommends that NGOs (and other persons) adopt a risk-based sanctions compliance program tailored to their operations.

At a minimum, NGOs should take reasonable steps to:

- understand the nature and purpose of counterparty relationships and develop a risk profile for each counterparty;
- screen counterparties and relevant related parties to confirm they are not Blocked Persons, controlled by or acting on behalf of Blocked Persons, or otherwise associated with sanctions targets;
- conduct ongoing monitoring of counterparties and transactions and update diligence information periodically on a risk-based basis.

OFAC also encourages organizations to maintain sanctions compliance programs with core elements such as internal controls and employee training. The compliance programs should be scaled to the organization's risk profile—that is, the level of sanctions risk that its activities create. For example, an NGO operating in an area where a sanctioned person is known to have significant influence should have heightened procedures proportional to that risk.

For NGOs working with Syrian counterparties, continued diligence remains important, including due to the designation of persons as SDNs under EO 13894, as amended by EO 14142. Even where a counterparty is not itself a Blocked Person, NGOs must ensure that transactions do not involve persons who are acting on behalf of SDNs. NGOs should also monitor OFAC designations on an ongoing basis, as entities may become Blocked Persons through future designations.

**EU/UK**

The relevant EU and UK authorities do not prescribe the level or type of sanctions due diligence that should be carried out by NGOs, or any other entity. However, NGOs should at a minimum screen counterparties against the full UK Sanctions List and EU Consolidated List (not just the Syria sanctions lists), and conduct due diligence on their ownership and control (for which, please see Question 9). Any potential links to designated persons should be treated as a 'red flag' and fully investigated before commencing with a transaction or relationship (for more details on red flags, please see Question 8).

OFSI has specified in its financial sanctions enforcement and monetary penalties guidance that the amount of due diligence required will depend on the degree of sanctions risk and the nature of the transaction. However, OFSI will explicitly consider the "*degree and quality of research and due diligence*" when assessing financial sanctions breaches relating to ownership and control. A failure to carry out appropriate due diligence on ownership or control, or carrying out such due diligence in bad faith, may be considered an aggravating factor by OFSI. Aggravating factors can increase OFSI's assessment of the seriousness of a breach, and may increase the monetary penalty imposed.

The EU Sanctions Helpdesk's guidance on sanctions due diligence similarly emphasises that the amount of due diligence required is risk-based and will vary depending on the sanctions risk of a particular transaction or relationship. According to this guidance, undertaking appropriate, risk-based due diligence may give an NGO a legal defence in the event it inadvertently breaches EU sanctions (though this will depend on the sanctions regime in the relevant Member State).

**8. What red flags, beyond formal sanctions lists, should NGOs look for when screening vendors and partners? Ownership and control?**

NGOs should consider utilizing third-party screening services, such as World-Check, to supplement formal sanctions lists. These services often include information on alternate spellings and aliases of designated persons and associations with sanctioned persons, and therefore can identify red flags in potential transactions or relationships that would not be caught by screening processes purely based on formal sanctions list. It is important that NGOs' screening processes account for common variations and transliteration issues in

the names of designated persons. In Syria, NGOs should be alert in particular to any partners, suppliers or individuals with links to the Assad regime.

In addition, the EU Sanctions Helpdesk has published guidance on red flags in sanctions due diligence. This guidance contains a wide range of hypothetical red flags NGOs should be aware of, including entities with complex corporate or trust structures that are not justified by the business profile of the entity, the involvement of sanctioned goods in the transaction, reluctance by a counterparty to disclose the end-user or end-use of goods or services, and a vendor being vague about the source of materials or their country of origin.

For ownership and control considerations, please see Question 9.

**9. Are NGOs permitted to contract with companies partially owned by sanctioned individuals?**

**US**

In general, US persons (including US NGOs) are not automatically prohibited from contracting with entities partially owned by SDNs unless an entity is 50% or more owned directly or indirectly by the SDNs.

The 50% Rule is not the end of the inquiry, however. Notably, although exercising control over a company does not constitute ownership for the sake of OFAC's 50% Rule, a transaction that indirectly benefits an SDN or involves an interest in property of an SDN may still violate a different restriction. See OFAC's FAQ 398, which explains OFAC's position on control and the 50% Rule. Recent OFAC enforcement actions have targeted dealings with trusts and other entities subject to the control of, or organized for the benefit of, an SDN, even where the entities do not meet the 50% Rule. Thus, NGOs should look beyond the formal legal structures of Syrian entities and evaluate who controls and/or provides financial support for the entities to determine sanction risks.

There are also several reasons to be cautious when dealing with entities in which an SDN's ownership interest falls short of the 50% threshold. OFAC may later designate the entity or otherwise identify the entity as blocked property if OFAC determines that one or more designated persons control the entity, adding it to OFAC's SDN List. In addition, the absence of a 50% or greater ownership interest does not permit other interactions with an SDN, even when the SDN is acting on the entity's behalf. Therefore, any transactions, such as contracts, with a given entity should not involve the SDN or be signed by an SDN. Finally, even if the entity itself is not blocked under OFAC's 50% rule, there may still be a blocked property interest in some of its transactions. NGOs should continue to monitor OFAC's designations and understand the foreign actors involved, directly or indirectly, to ensure compliance.

**EU**

In the EU, an entity is considered to be owned by a designated person if the designated person owns **50% or more** of the shares or voting rights in the entity.

An entity is considered to be controlled by a designated person if they, among other things, have the right to appoint or remove a majority of the members of its leadership body, can control alone, including through a shareholder agreement, a majority of the voting rights, have the right or power to exercise a dominant influence over the entity, or have the right to use all or part of the entity's assets.

NGOs cannot contract with an entity owned or controlled by a designated person under an EU sanctions regime, as the asset freeze will apply to this entity as well as the designated person.

The EU Sanctions Helpdesk has recently published guidance on ownership and control.

**UK**

In the UK, an entity is considered to be owned or controlled by a designated person if:

- the designated person holds (directly or indirectly) **more than 50%** of the shares or voting rights in an entity; or
- the designated person has the right (directly or indirectly) to appoint or remove a majority of the board of directors of the entity; or
- it is reasonable to expect that the person would be able to ensure the affairs of the entity are conducted in accordance with the person's wishes.

If a designated person's ownership or control of an entity meets any of the above criteria, then the entity will be considered to be owned or controlled by the designated person. Under the UK sanctions regime, an NGO cannot contract with a company owned or controlled by a designated person without a specific licence; the asset freeze that applies to the designated person also applies to that entity.

OFSI's general guidance on financial sanctions includes an overview of the ownership and control test.

**10. How should NGOs assess risks when working with Syrian municipalities or quasi-state entities?**

Although the Government of Syria as a whole is not sanctioned by the US, EU, or UK, as a first step NGOs should check whether the municipality or quasi-state entity, or any of its known employees or officials, are a designated person on OFAC's SDN List, the UK Sanctions List or EU Consolidated List. No Syrian government ministries are currently sanctioned by the US, EU, or UK. However, certain military and intelligence bodies, including the Syrian National Security

Bureau, remain designated under the EU's Syria sanctions regime. As such, NGOs should take particular care in any work with municipalities and state or quasi-state entities that may involve designated military or intelligence bodies, or individuals or entities owned or controlled by designated persons. Enhanced due diligence, including ownership and control assessments in line with the tests set out in Question 9, should be carried out before any proposed association with municipalities and state or quasi-entities is commenced.

For US compliance purposes, NGOs should remain alert to the continuing legal and operational risks associated with Syria's SST designation, which can significantly restrict permissible activities and trigger overlapping sanctions and export control obligations.

**11. Are NGOs permitted to sub-grant funds to local Syrian NGOs or Community-Based Organizations ("CBOs")?**

There is no specific US, EU, or UK sanctions prohibition on NGOs sub-granting funds to local Syrian NGOs or CBOs, provided these entities are not designated persons, are not owned or controlled by designated persons, and are not involved in activities in violation of the remaining specific prohibitions under the US, EU, and UK Syria sanctions regimes.

As with due diligence in general, the US, EU, and UK authorities do not mandate a particular level of downstream vetting for NGOs. However, NGOs should ensure that their compliance requirements cover their relationships with local partners and other downstream entities where possible, as any downstream use of funds provided by an NGO in violation of sanctions could also result in enforcement against the NGO for breach of sanctions. Enforcement risk is higher if the NGO should have known, based on reasonable diligence, about the involvement of sanctioned persons in downstream activities and did not take actions to prevent such involvement. Agreements should include clauses mandating that parties will not use funds in violation of US, EU, or UK sanctions regimes. Sanctions screening and due diligence should also be conducted where the downstream entities or individuals in a particular arrangement are identifiable.

The UK Syria Humanitarian Activity General Licence and the EU humanitarian exemption may protect NGOs from inadvertent sanctions breaches committed whilst engaged in Humanitarian Activities, particularly where appropriate due diligence and mitigation measures were taken in advance of a particular transaction or project. However, this should not be relied upon, and NGOs should ensure they have appropriate procedures and mitigation measures in place.

## Financial Access

**12. What restrictions govern the use of the Syrian banking system in the US, EU, and UK? Can NGOs legally transfer US dollars, euros, or pounds sterling directly to Syria?**

**US**

As of July 1, 2025, the US has lifted restrictions on the use of the Syrian banking system. US persons may now provide financial services to and receive financial services from Syria, process payments for third-country financial institutions involving Syrian financial institutions, and conduct transactions with the Government of Syria and Syrian financial institutions, provided that the transactions do not involve Blocked Persons. NGOs may legally transfer funds, including US dollars, directly to Syria. OFAC strongly encourages financial institutions to employ a risk-based sanctions compliance program and update it as appropriate in consideration of new business lines.

**EU/UK**

The EU and UK lifted all blanket banking restrictions on Syria in 2025, alongside delisting prominent financial institutions including the Syrian Central Bank. There are currently no general restrictions under EU or UK sanctions on NGOs using the Syrian banking system or transferring US dollars, euros or pounds sterling directly to Syria, subject to the involvement of any designated persons or prohibited goods and services. NGOs should always conduct sanctions screening of the banks and counterparties involved before using the Syrian banking system or making any Syria-related transfers of funds; this is to ensure funds are not inadvertently made available to a designated person.

**13. What documentation do banks typically demand to clear Syria-related transfers in 2026?**

**US**

For US compliance purposes, the requested documentation would generally be the same as that listed below for the EU and UK. The required documentation can vary depending on the banks' assessment of the entity's risk profile, which is generally heightened where the entity operates in a region with historically higher sanctions or money laundering violations. Financial institutions' know-your-customer ("**KYC**") documentation requirements may apply at both the account-opening stage as well as for the approval of a specific transfer.

**EU/UK**

NGOs seeking to make Syria-related transfers may be asked to provide the following documentation:

- detailed information on the intended purpose of the payment;

- counterparty details (such as their full name and address);

- evidence of legal authorisation – this could include any applicable general licence or humanitarian exemption (see Question 3), and any specific licence obtained from a UK licensing authority or an NCA (see Question 5). The EU's recent FAQs on EU sanctions concerning Syria suggest providing legal references to the applicable EU sanctions and exceptions and any comfort letters provided by the NGO's donors. To the extent activity is not covered by the General Licence or humanitarian exemptions, a legal opinion, or memorandum from the NGO, setting out the relevant legal frameworks, prohibitions and guidance could be provided;

- the NGO's risk assessment of the transaction and mitigating measures; and
- details of the NGO's sanctions screening procedures.

**14. Are NGOs permitted to use money service businesses and informal financial channels (e.g., Hawala) to move money in and out of Syria?**

There are no specific US, EU, or UK sanctions prohibitions on using money service businesses and informal financial channels like Hawala to move money in and out of Syria. However, NGOs should conduct sanctions screening and due diligence on any transaction counterparties and the businesses or informal channels being used to confirm they are not sanctioned persons.

Informal channels inherently raise more anti-money laundering ("**AML**") and counter-terrorist financing ("**CTF**") concerns than licensed financial institutions. As a result, NGOs should keep strict records of any transactions utilizing informal channels, including relevant physical or digital documentation received from the counterparty, and the results of any KYC, sanctions screening or AML/CTF checks. Enhanced due diligence should be carried out on the counterparty and money service business or financial channel being used. If use of a money service business or informal financial channel is necessary, licensed entities should be preferred where possible.

**15. How can an NGO reasonably demonstrate that payments do not benefit sanctioned actors? What forms of monitoring do regulators or enforcement authorities expect to ensure that payments have not been diverted from their intended beneficiary or purpose?**

NGOs should consider the following practical steps to demonstrate that payments do no benefit sanctioned persons:

- maintaining a clear paper trail for all transactions;
- conducting enhanced due diligence, including detailed ownership and control assessments – while an entity may not be owned or controlled by a designated person, such a person may still hold a minority interest and therefore benefit from any payments to the entity;
- undergoing regular external audits;
- carrying out beneficiary verification (e.g., checking beneficiary lists against sanctions lists, ID checks, community feedback mechanisms to identify whether aid is reaching its intended recipients); and
- ensuring all contracts with local partners and suppliers include sanctions compliance clauses.

## Procurement and Local Operations

**16. Are NGOs permitted under US, EU, and UK law to establish local operations in Syria? Is it legal to pay taxes, fees, and customs duties to the current Syrian authorities?**

**US**

Following the revocation of OFAC's Syrian Sanctions Regulations effective July 1, 2025, the US no longer maintains country wide sanctions on Syria. As a result, NGOs may establish local operations in Syria, provided their activities comply with remaining US sanctions, export controls, and counterterrorism restrictions.

The Government of Syria is no longer a Blocked Person. In addition, OFAC's Syria-related General License 25, issued in connection with sanctions programs targeting, among others, weapons proliferators and foreign terrorist organizations, authorizes transactions with the Government of Syria as constituted after May 13, 2025 notwithstanding reference in those sanctions programs to the Government of Syria and particular entities. Accordingly, NGOs may generally pay routine taxes, fees and customs duties to Syrian governmental authorities, so long as such payments are not made to Blocked Persons.

Notwithstanding this relief, transactions involving Blocked Persons or terrorist organizations remain prohibited absent authorization. In addition, US export controls restrictions and other legal constraints continue to require heightened diligence for Syria-related activity.

**EU/UK**

NGOs are permitted to establish offices and operations in Syria under UK and EU sanctions regimes. Payments of taxes, fees and customs duties are also permitted provided they are not for the benefit of a designated person. Following the EU delisting of Syria's Ministry of the Interior and Ministry of Defence, routine payments to these ministries, such as taxes, fees or customs duties, should no longer constitute a breach of EU sanctions solely on the basis of those ministries' previous designations. As with any payment, thorough sanctions screening and due diligence should be conducted in advance to ensure that the transaction does not involve any other designated person or prohibited activity.

**17. Are NGOs allowed to import into Syria "dual-use" equipment (e.g., vehicles, high-end IT, or water treatment chemicals)?**

**US**

Until the US removes Syria from the SST list, US-origin, dual-use imports into Syria are generally still subject to US export licensing requirements. Nonetheless, as previously described, BIS issued a rule on September 2, 2025, relaxing requirements for "U.S.-origin goods, software, and technology that have

predominantly civilian uses." This includes a presumption of approval for items that support the economic development and stability of Syria. The rule allows expedited licensing for exports involving "telecommunications infrastructure, sanitation, power generation, civil aviation, and certain other civil services." All other dual-use items will be reviewed on a case-by-case basis.

For sanctions purposes, the import of US-origin and non-US origin items into Syria is prohibited to the extent the recipient is a Blocked Person. When the United States has jurisdiction over an individual or their conduct (see Question 18) that individual is barred from transacting in dual-use equipment with a sanctioned individual or entity, as they would be barred from other transactions with such persons.

**EU/UK**

While there is no blanket ban on exporting dual-use goods to Syria, certain categories of dual-use equipment are still subject to restrictions under the EU and UK Syria sanctions regimes. For example, the EU and UK regimes both prohibit the exporting into Syria of equipment that might be used for internal repression or the monitoring and intercepting of communications.

Commercially available goods are unlikely to be covered by the remaining prohibitions; for example, commercially available cars, trucks, laptops and phones for use by NGO employees are unlikely to be a point of concern. However, high-end IT and communication systems may be prohibited, as well as chemicals that can be used both in water treatment and chemical weapons (e.g., chlorine). To the extent that these items are restricted by the remaining prohibitions, authorisation will need to be sought from the relevant authority.

**EU**

An NGO seeking to export restricted goods to Syria may be able to benefit from the humanitarian exemptions in the EU Regulations. However, these do not allow NGOs to freely export restricted goods, instead permitting NCAs to authorise specific derogations from the prohibitions for humanitarian activities. NGOs may need to apply for such a derogation from the relevant NCA. Please see Question 5 for more details.

**UK**

In the UK, an NGO seeking to import restricted goods into Syria will need to seek a licence from either the ECJU or OTSI, depending on the goods and/or destination concerned. These licensing bodies sit within the DBT, which has published guidance entitled 'How to apply for a trade sanctions licence'.

**18. Under what circumstances can a person be held personally liable for violating**

**US**

An individual US Person can be personally liable for engaging in or facilitating activity that violates US sanctions. OFAC defines "**US Persons**" to include (a) US citizens and lawful permanent residents (green-card holders) globally, including dual nationals and (b) individuals physically present in the United States. even temporarily.

Non-US persons may also face personal liability in circumstances where their conduct causes, aids, abets, or conspires to cause a US person to violate US sanctions, even if the US person does so unknowingly. A non-US person would be liable, for example:

- for knowingly routing payments on behalf of Blocked Persons through US banks; or
- misleading a US person into exporting goods to a Blocked Person.

For NGO staff who are non-US persons, personal liability is generally less likely where their conduct is wholly outside the US and does not involve US persons, US financial institutions, or exports of US-origin items. However, the risk increases as the conduct becomes more closely connected to the United States. For example, engaging in a prohibited transaction through an NGO's US bank account, or knowingly misrepresenting the nature or recipient of a transaction to a US counterparty, can create personal exposure.

**EU**

EU sanctions apply to any individual or entity within the EU, any national of a Member State or legal entity incorporated under the laws of a Member State (including branches in third countries) wherever they are located, and any legal entity doing business in the EU.

Sanctions enforcement in the EU is the responsibility of each individual Member State. However, Directive (EU) 2024/1226, which entered into force in 2024, imposed a number of baseline requirements for national enforcement. The criminal offences set out in this Directive include, among others, making funds or economic resources available to a designated person, failing to freeze funds or economic resources belonging to designated persons, and importing or exporting restricted goods. Each of these offences may be committed by an individual, to the extent that EU sanctions apply to them. The Directive mandates maximum penalties for individuals who commit sanctions offences; for example, financial sanctions breaches involving funds or economic resources of at least EUR 100,000 must be punishable with a maximum term of imprisonment of at least five years. The Directive also provides that individuals liable for sanctions breaches may face additional criminal or non-criminal penalties, including fines and bans on running for public office.

**UK**

UK sanctions apply to all persons (both individuals and entities) within the territory of the UK, and to all UK persons (including UK nationals and entities established under UK law, and their branches) around the world. Sanctions enforcement for breaches that occur outside the UK requires a 'UK nexus', i.e. a connection to the UK. This could include, for example, a UK company working overseas, or a UK company directing the overseas actions of a local subsidiary.

Individuals to whom UK sanctions apply can be held criminally or civilly liable for breaches. Criminal offences are set out in the relevant sanctions legislation; for example, The Syria (Sanctions) (EU Exit) Regulations 2019 sets out a number of criminal offences, including making funds or economic resources available to a designated person or exporting restricted goods under the UK's Syria sanctions regime. This legislation also specifies the relevant penalties following conviction for each offence (including imprisonment and fines). In this scenario, individuals would be referred to the relevant authority for criminal prosecution – His Majesty's Revenue and Customs ("**HMRC**") handles criminal prosecution for breaches of trade sanctions, while the Crown Prosecution Service and/or the National Crime Agency typically handle the criminal prosecution of financial sanctions. As an alternative to criminal prosecution, OFSI and OTSI have the power to publicise breaches and impose civil monetary penalties. From 2022, OFSI and OTSI do not have to prove an individual knew or had reasonable cause to suspect they were in breach of UK sanctions to impose a civil penalty.

**19. Under what circumstances can an NGO be held liable at the entity level for violating sanctions in the US, EU, and UK?**

**US**

Entities are generally treated the same as individuals for purposes of sanctions liability (See Question 18).

Entities organized US law and their foreign branches are "US Persons" for sanctions purposes. OFAC also imposes sanctions compliance obligations on non-US entities that are owned or controlled by US Persons in regard to its Cuba and Iran sanctions programs and on non-US entities that are owned or controlled by US financial institutions under its North Korea sanctions program. Such entities can be held liable for engaging in or facilitating activity that violates US sanctions, regardless of where the activity takes place.

Non-US entities (that are not US-owned or controlled) also can be held liable, for example if they cause, aid, abet or conspire to cause a US Person (whether an employee, counterparty or financial institution) to violate US sanctions.

**EU**

As stated in Question 18, EU sanctions apply to any legal entity incorporated under the laws of a Member State (including branches in third countries), and any legal entity doing business in the EU.

Sanctions enforcement in the EU is the responsibility of each individual Member State. However, Directive (EU) 2024/1226 provides that all Member States must allow for legal entities to be held liable for sanctions-related criminal offences where the offences were committed for the benefit of the entity, by any person with a leading position with the entity. The individual with a leading position must have had a power to represent the entity, an authority to take decisions on behalf of the entity, or an authority to exercise control with the entity. Entities will also be held liable where a lack of supervision or control by such an individual with a leading position made possible the commission of an offence.

The Directive specifies that the liability of an entity for sanctions breaches does not preclude criminal prosecution for the individuals involved in the offence.

**UK**

As stated in Question 18, UK sanctions apply to all UK persons (including entities established under UK law and their branches in third countries). As with individuals, entities who breach UK sanctions may face criminal prosecution from the relevant authority or the imposition of civil monetary penalties by OFSI or OTSI. From 2022, OFSI and OTSI do not have to prove an entity knew or had reasonable cause to suspect it was in breach of UK sanctions to impose a monetary penalty.

**20. What should an NGO do if it discovers that it may have breached sanctions or that a payment may have reached a sanctioned actor?**

**US**

An NGO has the option, but not a requirement, to submit a voluntary self-disclosure to OFAC if it believes it has violated US sanctions. OFAC provides a 50% reduction in its base civil penalty if one is imposed for violations that are appropriately voluntarily self-disclosed. OFAC has launched an online portal for submitting voluntary self-disclosures. The disclosing party is expected include or submit a report within a reasonable time after the disclosure (usually no more than 180 days) detailing the apparent violation. A voluntary self-disclosure only qualifies for mitigation if, among other things, it is self-initiated and not materially incomplete.

However, NGOs should always consult sanctions counsel prior to submitting a voluntary self-disclosure to ensure they have a full understanding of the associated issues, risks and options.

**EU**

There is no centralised EU sanctions enforcement authority, and as such NGOs should report suspected EU sanctions breaches to the relevant NCA at the earliest opportunity. As referenced in Question 5, the EU has published a list (including contact details) of the National Competent Authorities for the implementation of EU restrictive measures (sanctions). The reporting process, and any penalty reduction for voluntary disclosure, will vary depending on the NCA.

The EU sanctions whistleblower tool allows for information regarding violations of EU sanctions to be voluntarily provided directly to the European Commission. This can be done anonymously through a secure online portal. However, depending on the relevant Member State, an NGO which suspects it has violated EU sanctions may be under an obligation to report sanctions breaches directly to its NCA. Submitting a report via the EU sanctions whistleblower tool may not fulfill this obligation.

**UK**

NGOs should report any suspected UK sanctions breaches to the relevant authority at the earliest opportunity. This will be either HMRC or OTSI for breaches of trade sanctions, and OFSI for financial sanctions breaches. DBT and OTSI have issued guidance on reporting suspected trade sanctions breaches, including an overview of which authority certain breaches should be reported to, and details on the reporting process. OFSI has issued equivalent guidance on reporting suspected financial sanctions breaches.

Voluntary disclosure of sanctions breaches to OFSI or OTSI may reduce the level of any civil monetary imposed. For OFSI, voluntary disclosure can lead to a discount of up to 30% of the baseline penalty. Similarly, OFSI's early account scheme (which involves providing a comprehensive account of a breach at an early stage) can lead to an additional discount of up to 20%. Please see OFSI's financial sanctions enforcement and monetary penalties guidance for more details.

## US-Specific Sanctions Risk

**21. How does the repeal of the Caesar Act in December 2025 affect non-US NGOs? Does this remove the risk of secondary sanctions and similar extraterritorial exposure?**

**US**

On December 18, 2025, the US repealed the Caesar Syria Civilian Protection Act, eliminating the Syria specific secondary sanctions framework that the Caesar Act imposed on non-US persons. As a result, a non-US NGO does not face Caesar Act secondary sanctions exposure solely because it operates in Syria or engages with Syrian counterparties. Before repeal, the Caesar Act targeted certain conduct by non-US persons and threatened consequences such as restrictions on access to US markets and the US financial system if and when OFAC might impose sanctions under the Act.

The repeal does not eliminate all extraterritorial or secondary sanctions risk. For example, a non-US NGO can still be exposed to sanctions designation risk for activity involving Blocked Persons, even if there is no US nexus to the activity.

**22. How should an NGO apply the "50% rule" in a landscape where many Syrian businesses have complex, opaque ownership structures involving former regime members?**

The OFAC 50% Rule imposes automatic blocking sanctions on individuals or entities that are 50% or more (in the aggregate), directly or indirectly, owned by SDNs. US Persons are prohibited from engaging in transactions and activities involving such Blocked Persons unless authorized by an OFAC license or exemption.

SDNs often use layered or indirect ownership arrangements to evade sanctions. Therefore, NGOs operating in Syria should conduct reasonable sanctions diligence on partners and counterparties, including sanctions screening (as noted in Question 8 above using a third-party service such as World-Check can be helpful). In addition, as noted in Question 9 above, NGOs should proceed cautiously in situations involving less than 50% ownership, as restrictions might still exist for certain transactions.

**23. Does the September 2025 rule easing licensing requirements apply to all NGOs, or do NGOs still need approval from the Bureau of Industry and Security for certain "luxury" or "security-related" items?**

In September 2025, as discussed in Question 17 above, BIS created the Syria Peace and Prosperity licensing exception. The license exception, and its applicability to items subject to the EAR, depends on the type of item being exported, not, in most cases, the identity of the exporter (e.g., an NGO). Further, this exception does not

affect licenses required due to the identity of the end-user, e.g., an SDN.

- EAR99 Items and Certain Other Goods: If none of the parties are on a US export control or sanctions blacklist, an NGO does not need a license to export or reexport to Syria EAR99 items and US-origin goods, software, and technology that have predominantly civilian uses, as well as specified consumer communications devices and items related to civil aviation. EAR99 items are generally low-technology goods, such as consumer items sold at retail outlets.
- All Other Items: All other items will be reviewed on a case-by-case basis. Note, however, that a presumption of approval for exports will apply to items on the Commerce Control List to Syria with commercial end uses that support the Syrian people and Syria's economic development without making a significant contribution to Syria's military potential or ability to support acts of international terrorism.

**24. Under what circumstances can a US or non-US person be held secondarily liable for an NGO's violation of sanctions (for example, under theories of conspiracy, aiding and abetting, or other forms of secondary liability)?**

Except for an entity being liable for actions of its personnel in the course of their employment, US sanctions authorities do not impute one person's violations onto another person. There must be an individual basis for holding that person liable. This includes the person's direct or indirect violation of US sanctions as well as causing, aiding, abetting, or conspiring to cause a US Person to commit a sanctions violation.

For example, in a situation where an NGO has a local partner later found to have violated US sanctions by engaging with a former Assad regime official designated as an SDN, the local partner's violation alone generally would not expose the NGO to liability, unless, for example, with the involvement of US Persons:

- the NGO through the local partner provided funds, goods or services to or received funds, goods or services from the SDN, or

- the NGO's transactions with the local partner were intended to benefit the SDN.

**25. Can an NGO face "Material Support to Terrorism" charges?**

The Antiterrorism Act of 1992 (the "**ATA**") prohibits providing material support or resources to terrorists or designated foreign terrorist organizations ("**FTOs**"). Materiality is a fact-intensive inquiry that can extend to monetary support as well as the provision of goods, services, training, or advice. An NGO is subject to these prohibitions as any other party would be.

- Support of a Terrorist Act

  First, it is unlawful for any person subject to US jurisdiction to knowingly or intentionally provide, or attempt or conspire to provide, material support or resources for the preparation or carrying out of a terrorist act specified by US law. Knowingly or intentionally means knowing or intending the support to be for the preparation, carrying out, concealment of an escape from, or carrying out the concealment of an escape from a terrorist act.

- Support of a Foreign Terrorist Organization ("**FTO**")
  Second, it is unlawful for any person subject to US jurisdiction to knowingly provide or attempt or conspire to provide material support or resources to an FTO. "Knowingly" means acting with knowledge that the organization is an FTO or has engaged in terrorist activity or terrorism as defined by US law. Courts have interpreted "support" broadly to include providing money, goods, services, training, expert advice, personnel, or other tangible or intangible assistance to an FTO, whether directly or through intermediaries, and regardless of whether the assistance is violent or intended to further terrorist acts. Even speech, advocacy, humanitarian aid, or charitable activity may constitute unlawful support if it is coordinated with, directed by, or performed for the benefit of an FTO.

Even with Syria-specific sanctions lifted, certain groups present in Syria remain designated as FTOs, including ISIS, Al-Qa'ida, and the PKK. Material support for these FTOs or their actions could expose an NGO to criminal liability, but only if the NGO provides material support with the requisite mental state. This contrasts with civil sanctions violations, which generally do not turn on whether a party acted with knowledge or intent.

An NGO can also face civil liability for material support to terrorism under the ATA, which creates a private right of action for US nationals injured by acts of international terrorism. A plaintiff may bring a civil claim against any person or entity that knowingly provides substantial assistance to a person who commits an act of international terrorism. Civil liability does not require that the defendant directly commit a terrorist act. It is sufficient that the defendant's support materially assisted the person or organization responsible for the attack.

**26. If an NGO has a board-approved sanctions compliance policy, does that legally mitigate the penalties in the event of an accidental breach? Is there a "Compliance Defense"?**

OFAC considers the existence of an appropriately risk-based sanctions compliance program as a mitigating factor when considering the enforcement response to a sanctions violation. However, having a sanctions compliance policy that is not appropriate to the NGO's risks or has not been implemented would be unlikely to result in significant mitigation if OFAC decides a penalty is an appropriate response to a violation.

OFAC's consideration of a sanctions compliance program would take into account the size and resources of the entity. OFAC encourages US and non-US persons to implement risk-based compliance programs to have the following five components:

- management should commit to policies, create adequate, internal reporting authority and channels, and provide adequate resources relative to the entity's operations;
- holistic risk assessment on a routine and, if necessary, ongoing basis;
- internal controls facilitating the identification, interdiction, escalation, reporting, and recording of sanctions-related activity;
- testing and auditing to assess the effectiveness of and weaknesses in the processes in place; and
- training and assessing all appropriate employees on a periodic basis to identify and communicate sanctions risks specific to their roles.

In addition, OFAC would consider whether the NGO knew or should have known, based on reasonable diligence, of the facts that resulted in the sanctions violation. Therefore, being able to show that the NGO conducted reasonable sanctions diligence but was still unable to identify the involvement of a Blocked Person (for example) would be helpful.

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MAKING SENSE OF SYRIA'S ECONOMY