

The Potential of the Syrian Diaspora in the US to Invest in Northwest Syria

Executive Summary⁽¹⁾

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The US announced a sanction exemption for twelve economic areas in specific territories of Syria controlled by the YPG and the areas controlled by the Syrian Interim Government – except Afrin. Within the same time frame, the Turkish government announced its eight-step plan to facilitate the voluntary return of 1 million Syrian refugees back to Syria. As these two overlap, the Syrian diaspora and its financial capacity to invest in NW Syria provide an opportunity for a win-win-win situation for all. Based on the 2014 census, this report elaborates on the Syrian diaspora in the US and looks further into examples of investments by this diaspora in NW Syria. The paper took three different examples of donations, large infrastructure projects in telecommunication, and housing projects for IDPs to measure the potential of investments from the Syrian American community in NW Syria. The next part of the report about potential obstacles and solutions was based on information gathered from six online interviews with eleven persons with knowledge about the Syrian American community, their investment potential, their demands, and their fears. In this manner, the report finds out mainly four areas of potential obstacles: security, law, financial infrastructure, and trust:

Security:

- External security threats and internal security concerns could be tackled by establishing industrial and employment centers as well as housing sites outside of the 15km range from the frontlines

Law:

- Law enforcement and the impartiality of courts are of serious concern for potential investors and improvement of law enforcement as well as the judicial system is required to increase investment potential

Financial infrastructure:

- Financial infrastructure provided by PTT is regarded as insufficient by investors, creates bureaucratic hurdles, and can lead up to a 6-8% loss of the investment money. A mechanism to facilitate money transfer into Syria like establishing bank branches in Syria is needed.

⁽¹⁾ Original paper published on September 13, 2022, in Turkish, <https://bit.ly/3DziK3M>

Trust:

- To establish trust, investments should begin with investment projects with an average value of \$100 thousand. Furthermore, partnership of investors with Turkish businessmen should be facilitated and the establishment of a joint board tasked with reaching out to potential investors and aiding them in their investments has to be formed. A new mechanism should be introduced that allows investors to visit Syria with fewer bureaucratic hurdles and less economic costs.

Depending on how much of these suggestions are implemented, the Syrian diaspora in the US is estimated to invest in NW Syria \$100-750 million over the next five years.