

Investment Promotion Law 18 of 2021

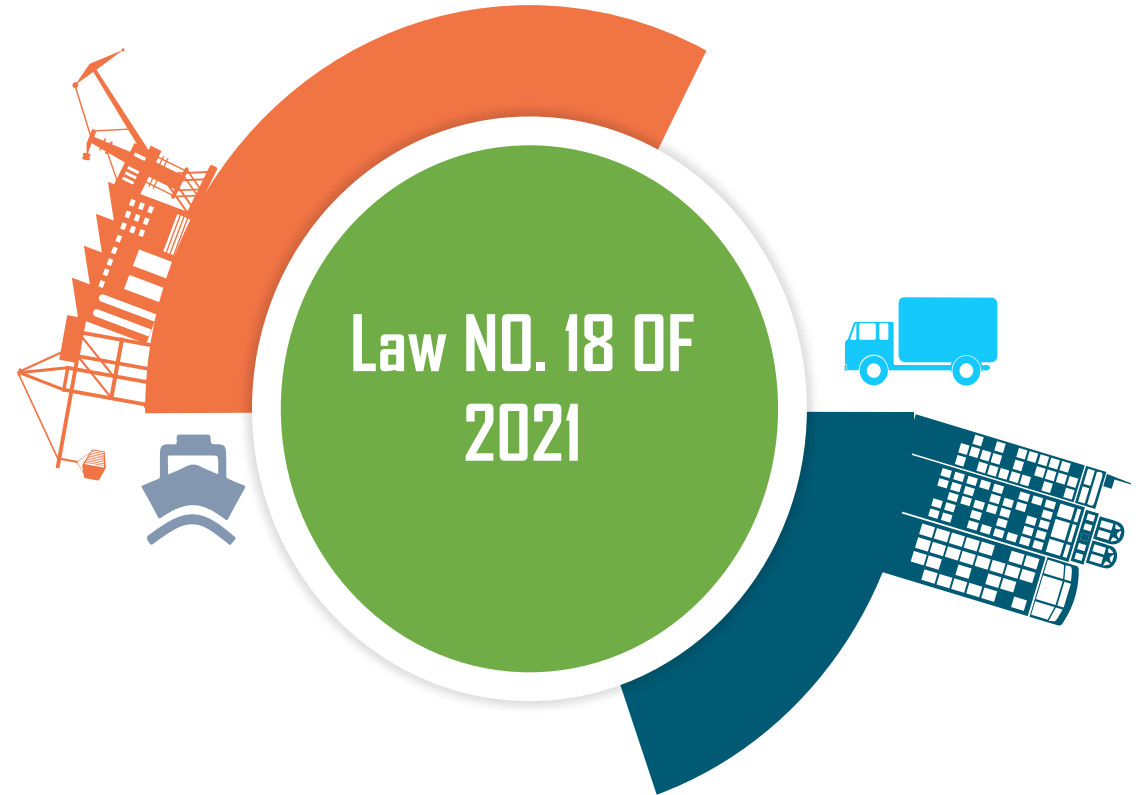
With investment, we build our country

2021



The Objective of the Law

- 01** Create a competitive investment environment.
- 02** Expand production base.
- 03** Increase job opportunities.
- 04** Raising economic growth rates.
- 05** Comprehensive and Sustainable Development

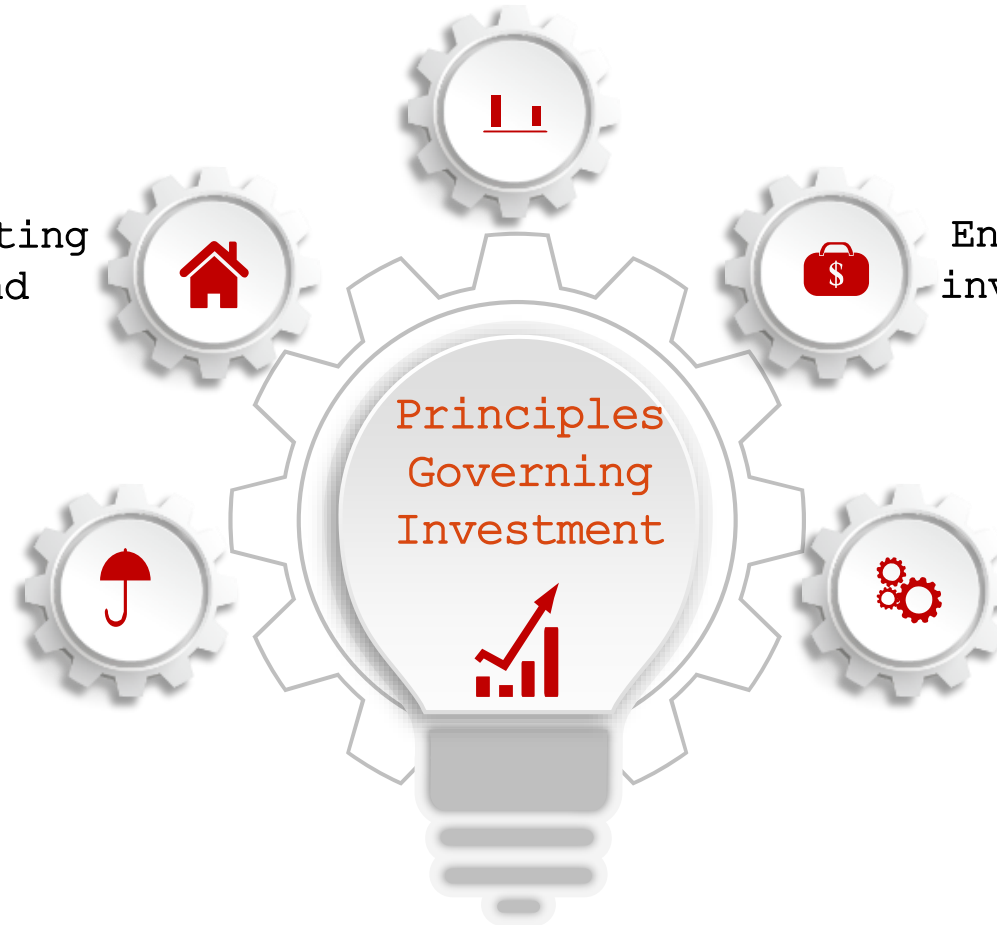


Principles Governing Investment in the Syrian Arab Republic

Freedom of investment and the fight against monopolistic and anti-competitive practices

Speed and quality in completing investor transactions, and simplifying procedures

Taking into account aspects of the social dimension, environmental protection and public health.



Ensuring the stability of the investment promotion policy in the country.

Fair treatment and granting investment opportunities.

investment guarantees



1

A precautionary attachment may not be placed on the project's assets, assets and bank accounts, in addition to all real estate owned by it, except by virtue of a judicial ruling issued by the competent judicial authorities.

2

The project may not be expropriated except for the public interest, and in return for a fair compensation equivalent to its real value, according to the prevailing price at the date of expropriation.

3

The project may not be subject to any new procedural burdens resulting from decisions, circulars and communications issued by any public authority, not mentioned in the procedural manual in force on the date of submitting the application for an investment license

4

The project may not be subject to any new financial burdens not mentioned in the procedural manual in force on the date of submitting the application for an investment license, during the establishment stage.

5

The investment license may not be canceled except after warning the investor of the violations attributed to him related to the project and giving him a period of ninety days to remove the violation starting from the day following the notification of the warning to remove the violations



Classification of Sectors Subject to the Provisions of Law 18 of 2021

Agricultural Sector

Mineral Wealth Manufacturing Sector

Communications and Technology Sector

Real Estate Development Sector

Industry Sector

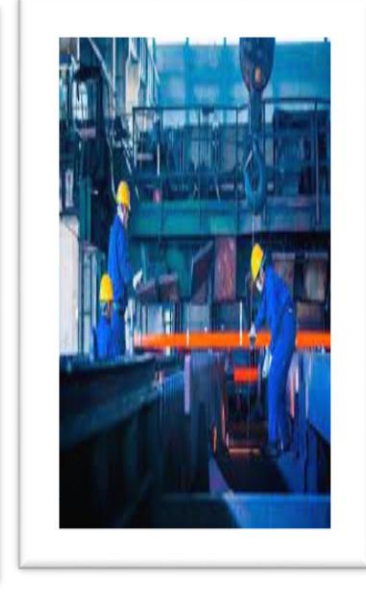
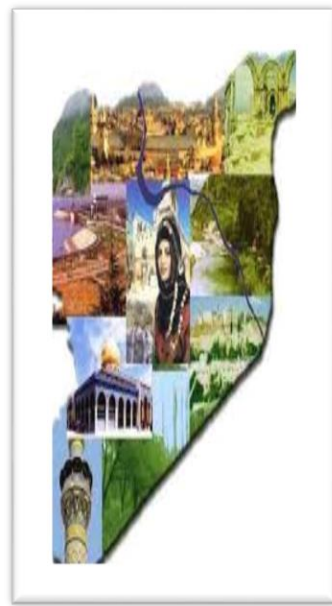
Service Sector

Tourism Sector

Environmental Sector

Electricity Sector

Health Sector



Minimum Values of Assets for Investment Projects Classified According to the Provisions of Law 18 of 2021

Invest Today for Promising Future



Minimum Asset Value for Manufacturing Sector



Activity Classification	Value
Engineering Industries	3 billion Syrian pounds
Food industry	1.5 billion Syrian pounds
Textile Industries	2 billion Syrian pounds
Chemical Industries	3 billion Syrian pounds
Human Medicines	3 billion Syrian pounds
veterinary medicine	2 billion Syrian pounds

Minimum Asset Value for Mineral Resources Manufacturing Sector



Activity Classification	Billion Syrian Pounds
Zeolite manufacture	3
Silica manufacturing	10
Salt manufacture	2
Basalt manufacture	15
Manufacture of volcanic tuff	2
Silica block manufacturing	1
Marble manufacturing	2
Oil shale manufacturing	150
Black cement	900
Gypsum board production	2
Dolomite refractories	2
Pylon production	2
Wealth not mentioned in the classification	2

Minimum Asset Value for the Renewable Energy Sector

ACTIVITY CLASSIFICATION

Renewable energy projects
(photovoltaic generating
stations - wind power plants
(onshore) - wind power
plants (marine) -
hydroelectric generation
projects - biomass projects).

Minimum fixed assets
/ 5 / billion Syrian
pounds



Minimum asset value for conventional generation projects

ACTIVITY CLASSIFICATION

Conventional Generation
Projects:

- (Combined circuit - gas turbines - steam turbines - coal - combined circuit projects (heat and electricity) - oil shale).
- (Direct incineration projects for waste resulting from landfills).

**Minimum fixed assets / 40 /
billion Syrian pounds**

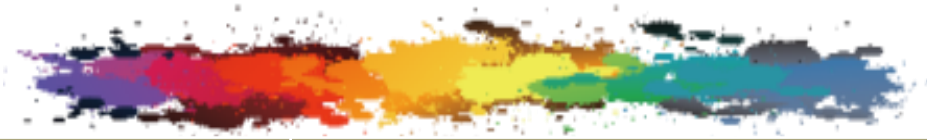


Minimum Asset Value for Tourism Projects



Establishment type and level / stars/	Minimum Number of Rooms	Minimum investment costs
Bed and breakfast facility /5 stars/	100	35 billion SYP
Bed and breakfast facility /4 stars/	50	12 billion SYP
Bed and breakfast facility /3 stars/	30	5billion SYP
Bed and breakfast facility /2 stars/	15	1 billion SYP
Heritage hotels /4 stars/	can not be determined	250 million SP per room
Heritage hotels /2-3stars/	can not be determined	175 million SP per room

Minimum asset value for agricultural sector projects, both agricultural and livestock production



Classification of activities	Minimum Asset	Minimum Capital
Establishing integrated complexes for raising poultry (chickens, turkeys, ostriches, or fryes...) to produce meat and eggs.	-120 thousand birds for the poultry per cycle. -100 thousand laying hens per cycle. - 30 thousand turkeys...30 thousand for other species.	1 billion SP
Establishment of integrated complexes for raising cows for the purpose of producing milk and fattening calves. A factory can be set up to manufacture their milk products. Buffalo breeding	/100/ imported head according to the established technical and animal health conditions...With regard to buffalo / 50 / imported head.	4billion SP
Integrated complexes (farms for raising male sheep and goats for the purpose of fattening and manufacturing their offal).	4000 heads per cycle / cycle is 4 months.	1 billion SP
Stables for breeding and developing purebred Arabian horses.	20 purebred Arabian horses	–
Bio fertilizer plant	–	1 billion SP
One integrated complex for establishing laboratories and facilities for the production, processing and packaging of agricultural seeds and mushrooms.	–	500 billion SP
Establishment of modern workshops for sorting, packing, cooling and packaging agricultural products.	–	1 billion SP
Fish farming with floating cages in the water.	–	1 billion SP
Veterinary hospital	–	400 million SP



Minimum Asset Value for ICT Projects

ACTIVITY CLASSIFICATION

ICT projects

-(Establishing a technology complex that includes local and international communications and information technology companies.)

**Minimum fixed assets / 5 /
billion Syrian pounds**



Minimum Assets Value of Service Sector Projects

ACTIVITY

CLASSIFICATION

- Service sector projects.
- Cleanliness projects (collection, deportation and waste treatment)

**Minimum fixed assets / 15 /
billion Syrian pounds**



Minimum Asset Value for Health Sector Projects



Activity Classification	Minimum Asset	Minimum Capital
Hospital (general - specialized)	100 beds	300 million SP per bed
Hospital (specialized) outside city centers	100 beds	200 million SP per bed

Private Economic Zones



The economic zone shall be established by a decision of the Council based on the proposal of the Board of Directors, and after coordination with the concerned authorities, or upon a request submitted by any of these entities to the Board of Directors.

Encouraging activities or sectors because they are of particular importance, or because they are growth vectors.
Encouraging the establishment of a coherent set of economic activities in the form of production or service clusters.
Develop the affected or developing regions to achieve comprehensive growth.

The Supreme Investment Council is responsible for





Advantages and incentives

Customs exemptions – tax incentives – non-tax incentives – procedural incentives



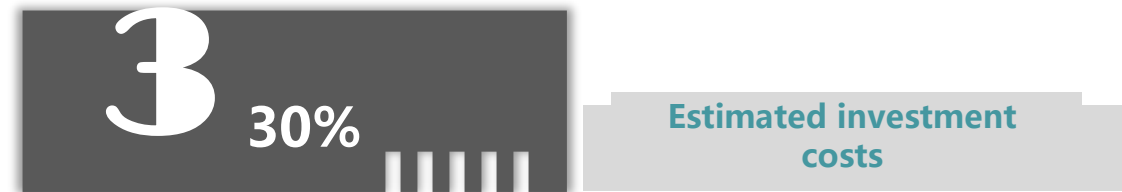


Investment Incentives



Imports of machinery, equipment, production lines and non-tourist service vehicles

Imports of building materials, tools, equipment, machinery, non-tourist service means of transport and furniture necessary for the establishment, equipment, furnishing and operation of tourist complexes, hotels and tourist accommodation facilities



Tourism establishments



Excellent and international level facilities

First and second level facilities

Rehabilitation damaged tourist facilities

Tourist facilities



Agricultural and livestock production projects

Agricultural and animal production projects are exempt from permanent tax exemption of 100% of income tax.



Projects established in development areas within the sectors targeted for development

Tax exemption of 75% of income tax for ten years starting from the date of operation

Tax Incentives

75%

For ten years

01 Industrial Projects that export 50% of their production

02 Tourist complexes, hotels and accommodation facilities

International level, premium, first and second class, restaurants and entertainment facilities in which it invests

50%

For ten years

Projects outside the development areas

An additional five-year tax deduction of 5% for every 100 Syrian national workers participating in the General Organization for Social Insurance, provided that the tax deduction does not exceed 15%.

Projects

01
OPTION

Industrial projects that use a local component of at least 50%.

02
OPTION

Industrial projects that produce an added value of not less than 40%.

03
OPTION

Projects with high technical content.

04
OPTION

Medical industrial projects and human and veterinary drugs

05
OPTION

Renewable Energy Projects

06
OPTION

Waste Recycling Projects

07
OPTION

Agricultural and livestock industrial projects

08
OPTION

Industrial projects based on patent investment.

08
OPTION

Sorting and packaging agricultural produce facilities

0 4 Non-tax incentives

1

Permission to import as an exception to the provisions prohibiting and restricting import and the country of origin requirement for production requirements that have no equivalent in local production.

2

Benefit from the services of the Local Production and Export Development Support Fund, based on the proposal of the Ministry of Economy and Foreign Trade.

3

Benefit from the technical support programs for small and medium enterprises through the Small and Medium Enterprises Development Authority.

Contracts, deeds, documents and all papers relating to the mentioned projects are exempted from stamp duty

**Non-tax
incentives**



We make the investment, we view needs as opportunities, we study the opportunities we identify and deal with them systematically, and we seek to maximize their value and return on investment.

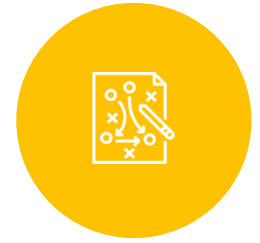
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Our Services



Granting an investment license

Granting an investment license after obtaining all necessary licenses and approvals



Providing advice, information and services

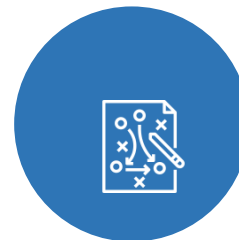
to make an investment decision



Carrying out promotional activities to attract investment



Integrated care for investment projects



Preparing and updating the private investment map in coordination with the concerned authorities:



Issuance of Procedural Guide

Reducing the cost, effort and time for the investor

Granting an investment license

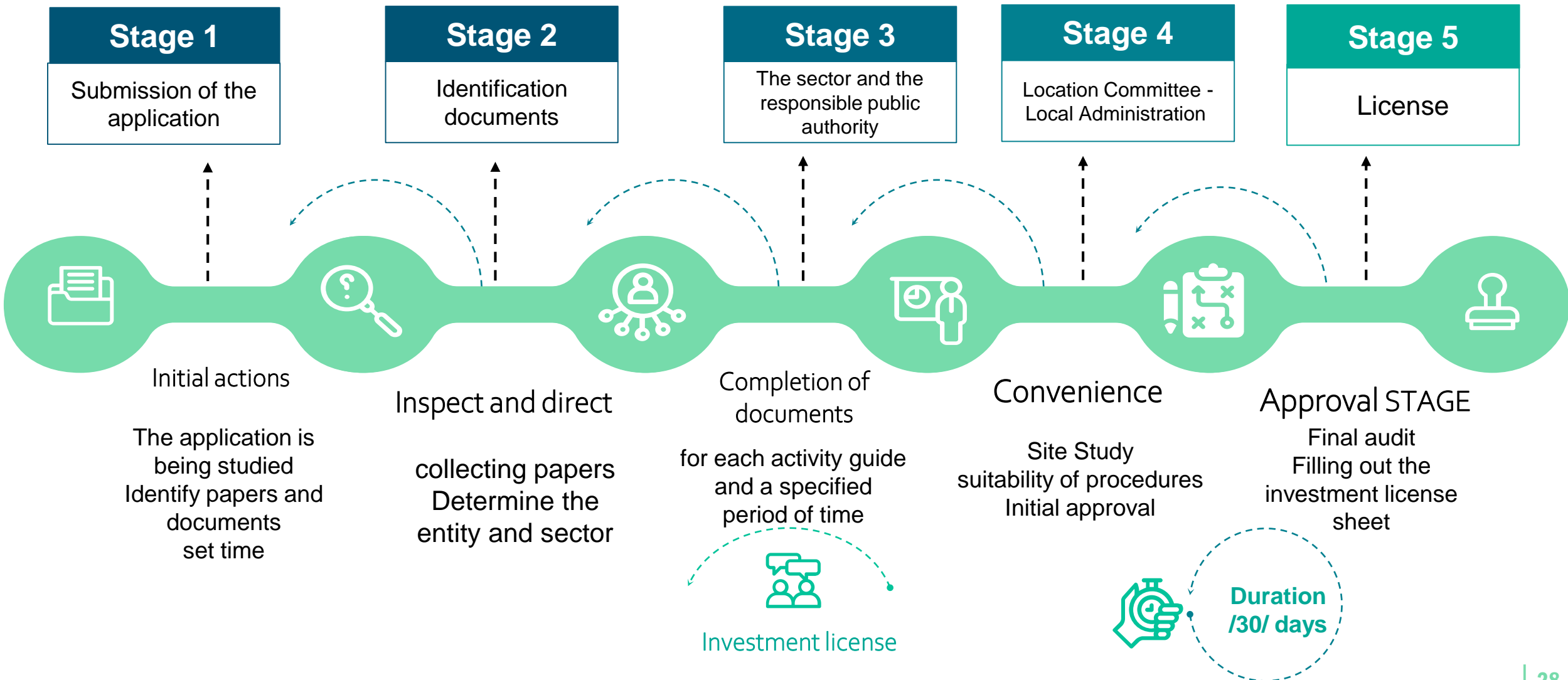


Investment license requirements

- An economic and technical feasibility study for the project.
- A list of needs for the assets necessary for the project, including buildings, machinery, tools, fixtures, equipment, production lines, and non-tourist means of transportation, as the case may be, including any needs necessary for the development, modernization or expansion of the project.
- Duration of the project.
- The time schedule required to establish the project, including the expected date of commencement of operation.
- Documents of projects implemented by the investor locally and abroad, if any.
- A declaration of perusal of the law, instructions and Procedure Guide, and his responsibility for the correctness of the data contained in the application.
- Legal power of attorney (a notary agency) for the applicant.
- A copy of the investor's ID card or the foreign investor's passport.
- Real estate registration statement for the investment property.
- Receipt of payment of the investment leave service allowance.
- Any other document required by the concerned authority according to the type of activity, as determined by the Procedure Guide.



The procedural process for granting an investment license





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SYRIAN INVESTMENT AGENCY

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