

The Selective Reconstruction of Syria: Challenges for EU Policy

by Munqeth Othman Agha

An integrated, whole-country reconstruction might never happen in Syria. Knowing this, the Syrian regime, Russia, Iran and Turkey have begun to test different approaches to implement their own reconstruction blueprints within areas they control. These plans are necessarily selective, and only target areas and sectors that serve these actors' interests, gradually creating disjointed islands with varying degrees of stability and development across the war-torn country.

Following a period of military de-escalation, it is increasingly obvious that actors with extensive influence in Syria will not wait for western funds, but are rather ready to mobilise whatever resources are available to rebuild areas under their influence. Such an accumulation of simultaneous small-scale projects in different parts of the country will lead to certain areas being neglected and cannot therefore be conducive to Syria's long-term stability or even the preservation of territorial integrity.

It must first of all be remembered that a majority of the physical damage and deprivation in Syria has been done by the very same actors that are now leading the reconstruction phase. Ironically, the goals of reconstruction match those of destruction. By destroying and then rebuilding, these actors wish to double their economic profits.

The EU, meanwhile, despite its official policy of not funding Syria's reconstruction before a genuine political transition takes place, is supporting "a joint non-humanitarian programme with the UN" in regime-held areas,¹ which includes infrastructure rehabilitation such as irrigation systems, schools and sewage networks.² While the EU maintains

¹ "Q&A with Dan Stoenescu, Head of the E.U. Delegation to Syria", in *The Syria Report*, 14 June 2022, <https://syria-report.com/?p=608629>.

² See for example: UNDP, UNFPA and UNICEF, *Italy Contributes €2.5 Million to Support Vulnerable Communities in Homs with Enhanced Access to Safe Water, Sanitation Services and*

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that these activities are not part of any reconstruction plan or a step toward normalisation with the Assad regime, increased engagement by the EU in regime-held areas has been noticed as of late. This includes the first visit of the Head of the EU Delegation to Syria, Dan Stoenescu, to areas outside of Damascus since the crisis began.³

Moving away from humanitarian toward early recovery activities and operating in all parts of the country should remain a priority for the EU. Yet, this engagement should also remain conditional, accompanied by political agreements to safeguard aid from diversion and politicisation. The risk otherwise is that the EU will be dragged into funding these selective reconstruction blueprints, effectively backing efforts aimed at re-engineering the Syrian social fabric and the continued plundering of local resources.

To provide a better understanding of the stakes tied to these emerging reconstruction islands in Syria, it is worth looking at each approach separately.

Livelihoods, 26 July 2022, <https://www.undp.org/arab-states/press-releases/italy-contributes-eu25-million-support-vulnerable-communities-homs-enhanced-access-safe-water-sanitation-services-and>; ECHO Middle East, "With EU support, @triangle_gh rehabilitated a sewage system...", *Twitter post*, 1 September 2021, https://twitter.com/ECHO_MiddleEast/status/1432967270200979456; FAO in Syria, "Mike Robson, @FAO representative in #Syria stated...", *Twitter post*, 23 May 2019, <https://twitter.com/FAOSyria/status/1131465849678770176>.

³ UN Resident and Humanitarian Coordinator in Syria, *Head of European Union Delegation on a Joint Field Visit to Aleppo, Homs & Hama*, 30 August 2022, <https://reliefweb.int/node/3881480>.

The Syrian regime: Useful Syria and useful Syrians

Much has been written about the Syrian regime's plans to depopulate and demolish areas inhabited by poor and opposition communities to replace them later with people from different political affiliations or socioeconomic backgrounds.⁴ This strategy has been implemented through military as well as legal tools. Those properties that have not been destroyed by bombs are confiscated or included in urban development masterplans. The Syrian regime also capitalises on depriving and marginalising recaptured opposition communities by utilising them as a gateway for international foreign aid and a source of cheap labour for war economy activities, such as mercenaries and narco-trafficking.

The regime's policy is clear, selectively reconstruct and provide services only to areas that have political or economic value. In particular, these include Damascus and the coastal areas. On the other hand, it creates a system to ensure that any activities implemented by other actors in areas less important (former opposition-controlled communities) will also benefit its inner business or security apparatuses. This is done by systematically restricting

⁴ Valérie Clerc, "Informal Settlements in the Syrian Conflict: Urban Planning as a Weapon", in *Built Environment*, Vol. 40, No. 1 (2014), p. 34-51, <https://halshs.archives-ouvertes.fr/halshs-01185193>; Munqeth Othman Agha, "Class and Exclusion in Syria. The Marginalised Socio-Economics of Forced Displacements", in *Rosa-Luxemburg-Stiftung Publications*, July 2018, <https://www.rosalux.de/en/publication/id/39119>.

the operational environment;⁵ manipulating and diverting aid; and monopolising the market for construction materials.

Iran: Imposing an irreversible reality

From the Iranian perspective, rebuilding Syria – or parts of it – has to achieve two strategic goals. The first is to secure a permanent stronghold in the country by directly influencing essential economic sectors and re-engineering the social and urban fabric in areas that have geostrategic, religious or economic significance, such as Damascus, Aleppo and Deir-ez-Zor. For example, several reports highlight the systematic and deliberate destruction around Shiite holy shrines such as the Sayyida Zeinab Shrine in Southern Damascus and the Sayyida Sukayna Shrine in Darraya.⁶ The destruction was accompanied by the uprooting of local residents and the confiscation, purchase and reconstruction of properties to accommodate Shiite families and religious tourists instead.

The same process took place in eastern rural Deir-ez-Zor where Iran has actively participated in destroying and displacing whole communities during the war against ISIS. Simultaneously, the implementation of humanitarian and early recovery projects (i.e., cash assistance and healthcare) by Iranian-

linked organisations such as Jihad al-Bina'a and the Imam Khomeini Relief Committee is also done in areas where Iran tends to woo locals and build local influence such as Southern Damascus and Deir-ez-Zor.⁷

The second strategic goal pursued by Iran, is that of developing direct economic benefits through imposing treaties on and securing profitable and long-term trade agreements with the Syrian regime. This is particularly the case in the fields of fuel, electricity⁸ and telecommunications.⁹ Moreover, Iran has declared its intention to sell construction materials in Syria at preferential rates and build residential units.¹⁰ This level of engagement follows a centralised and government-to-government form and is undertaken by state-linked companies and agencies such as Khatam al-Anbiya (linked to the Islamic Revolutionary Guard Corps – IRGC).

Russia: Time for harvesting

Like Iran, Russia has invested considerable economic and military capital in the survival of the Assad

⁵ Haid Haid, "Principled Aid in Syria. A Framework for International Agencies", in *Chatham House Research Papers*, July 2019, <https://www.chathamhouse.org/node/23191>.

⁶ "Iran's Strategy of Looting Syrian's Properties: Southern Damascus as an Example" (in Arabic), in *Focus Aleppo*, 31 March 2022, <https://focusaleppo.com/?p=162430>.

⁷ Waleed Abu al-Khair, "Iran-funded Foundation Makes 'Soft Power' Inroads in Syria", in *Al-Mashareq*, 11 September 2018, https://almashareq.com/en_GB/articles/cnmi_am/features/2018/09/11/feature-02.

⁸ Associated Press, "Syria Signs Aleppo Power Plant Contract with Iran", in *VOA News*, 12 September 2017, <https://www.voanews.com/a/4025859.html>.

⁹ "Iran to Lease Syrian Container Port of Latakia", in *PortSEurope*, 8 April 2019, <https://wp.me/pc5iPj-9f8>.

¹⁰ Mohammad Abdolmajid, *Iran and the Reconstruction of Syria*, Ankara, IRAM Center, March 2019, <https://iramcenter.org/en/iran-and-the-reconstruction-of-syria>.

regime. Reconstruction is seen by Russia as an opportunity to cash-in on that investment. Russia's involvement in Syria has been undertaken on two levels.¹¹ A first is government-to-government modalities, which focus more on forms of military and diplomatic cooperation that guarantee Russian strategic interests, especially centred around the Khmeimim Airbase. A second approach is business-to-business cooperation that grants Russian large- and medium-sized businesses access to the Syrian market, especially in the sectors of energy, tourism and transport. Since 2017, several companies linked to the Russian government have signed contracts for oil and gas discovery,¹² constructing tourist resorts¹³ and high-rise residential buildings in Tartus, Latakia and Homs;¹⁴ or operating major transport infrastructures such as the Tartus seaport, the Syrian railway and Damascus International Airport.

Investing exclusively in essential and lucrative sectors, and in areas that are the least impacted by the conflict, suggests a Russian desire to maximise profits and create de-facto "first preference" status to ensure a

¹¹ Igor A. Matveev, "Russian-Syrian Business Cooperation: Challenges and Prospects", in *Syria Transition Challenges Project Discussion Papers*, No. 1 (December 2019), <https://www.gcsp.ch/node/828>.

¹² "Syria Hands Oil Exploration Contracts to Two Russian Firms", in *Reuters*, 17 December 2019, <https://reut.rs/2YX8RH2>.

¹³ "Company Linked to Russian Oligarch to Build Tourist Resort in Lattakia", in *The Syria Report*, 12 July 2022, <https://syria-report.com/?p=609985>.

¹⁴ "Russian Investors Eye Syria's Land and Properties", in *The Syria Report*, 31 October 2017, <https://syria-report.com/?p=570357>.

preferential position for its companies (through economic monopolisation and long-term contracts) if and when foreign investments one day return to Syria.

Turkey: Strategic barriers and humanitarian shelters

Since its first military operation in Syria in 2016, Turkish policy has undergone a major turning point. The new policy is based on two pillars: directly controlling territories inside Syria and establishing stabilised areas. This in turn serves two objectives: diminishing the possible establishment of a Kurdish entity and creating a safe zone for the return of Syrian refugees currently in Turkey.

Thus, Turkey has not only rehabilitated infrastructure and public facilities such as hospitals, universities and industrial cities,¹⁵ but also built up governance and security structures in areas under its control. However, all local governance structures are directly subordinated to their counterparts in Turkey,¹⁶ and humanitarian and early recovery projects are also exclusively supervised by Turkish humanitarian and development agencies. Moreover, emerging markets in northern Syria have offered opportunities for Turkish firms and enterprises to expand economically, albeit while engaging in unfair competition with local

¹⁵ Laura Pitel, "Turkey Holds Up Jarablus as Blueprint for Role in Syria", in *Financial Times*, 7 May 2018, <https://www.ft.com/content/75995068-512f-11e8-b3ee-41e0209208ec>.

¹⁶ COAR Global, *Northern Corridor. Needs Oriented Strategic Area Profile*, October 2019, <https://coar-global.org/download/47897>.

enterprises.

Responding to the rising anti-refugee sentiment, Turkey has repeatedly voiced its intention to send more than one million Syrian refugees back to northern Syria,¹⁷ despite the fact that the vast majority do not originate from such areas. To absorb this influx, Turkey has supported the new regulatory plans announced by local councils,¹⁸ and initiated large-scale projects to construct new cities. These include new residential units which are directly built by Turkish agencies and Syrian NGOs.

Life between islands

A multiplicity of actors have already begun reconstruction efforts in areas and sectors that benefit their respective interests. Against this backdrop, the EU should not refrain from engaging in rehabilitation efforts, but it needs to ensure that its engagement will not diminish the political viability of the reconstruction card, or serve the objectives of other controlling actors.

This can be achieved by applying a two-fold strategy. First, creating a space for inclusive recovery in Syria to take place, which must follow a political

dialogue with de-facto controlling actors (possibly under the UN's auspices) to enhance the operational environment and ensure the integrity of national service networks and social cohesion. Supporting rehabilitation projects can be also utilised as an entry point to test a more-for-more approach with the Syrian regime in exchange for specific demands such as preserving property rights, ensuring a safe return for refugees or approving the release of political prisoners.

Capitalising on the space created earlier, the second level of engagement should include direct outreach to local actors to ensure their access to means of local development. This approach should aim to fill gaps by targeting communities, actors and sectors that are less likely to receive attention from controlling states. Promoting projects that achieve economic independence for these communities can be done by moving away from a primarily humanitarian lens toward developmental and early recovery projects. Again, this shift should be buttressed by a set of political and operational conditions, and a strict Monitoring and Evaluation process.

More specifically, the EU should prioritise projects that economically and socially connect or reconnect these "islands" to one another. By doing this, European donors and member states should work to reverse any potential long-term impact of selective reconstruction efforts, such as spatial inequality across Syrian communities and the fragmentation of the national infrastructure (i.e. water, electricity and road networks).

¹⁷ Mahmoud Hamza, "Turkey Eyes Voluntary Return for 1 Million Syrian Refugees, but 'the Problem is Bigger than Providing Housing'", in *Syria Direct*, 17 May 2022, <https://syriadirect.org/?p=44487>.

¹⁸ "The Beginnings of Re-zoning in Azaz", in *The Syria Report*, 4 January 2022, <https://hlp.syria-report.com/?p=601887>; "Opposition Expands Zoning Plans in Al-Rai Town after Consulting Real Estate Owners", in *The Syria Report*, 2 December 2020, <https://hlp.syria-report.com/?p=584040>.

Reconstruction blueprints currently applied to Syria are selective and opportunistic. They threaten property rights and the social fabric and allow foreign actors or regime cronies to monopolise vital economic sectors and natural resources. This will lead to uneven local development, and perpetuate the suffering of Syrians in Syria while diminishing the hope of returning for those abroad. Preserving the life in between these islands is the only way to ensure a sustainable reconstruction for all Syrians and a safe return for refugees, while simultaneously preserving a modicum of European leverage over these processes and ultimately helping promote the continued territorial integrity – and viability – of Syria.

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