Swedish Dialogue Institute
for the Middle East and North Africa

Meeting report on the Syrian Market: Opportunities, Challenges and the Role of the Swedish-Syrian Diaspora

Stockholm, 11 May 2026

Executive summary and recommendations

On 11 May 2026, the Swedish Dialogue Institute for the Middle East and North Africa (SDI) convened a roundtable discussion on the Syrian market and opportunities to revive the Syrian economy. The roundtable brought together representatives from the Swedish Foreign Ministry and government agencies, private companies, international institutions, and the Swedish-Syrian diaspora.

The purpose of the roundtable was to contribute to a more nuanced understanding of market conditions, risks, and possible ways forward for economic recovery in Syria, including the role that Swedish companies and Swedish-Syrian entrepreneurs may be able to play over time.

The discussion took place at a moment of growing international as well as Swedish interest in Syria's economic development. Participants noted that sanctions relief, reopened border crossings, and increased trade flows have created new openings. At the same time, the situation remains marked by significant uncertainty. Security risks, weak institutional capacity, limited financial channels, banks' over-compliance with regulatory requirements, and the lack of reliable data continue to constrain the prospects for private sector-led recovery.

A recurring theme was the strategic importance of the Swedish-Syrian diaspora. Participants underlined the diaspora's potential role in building bridges between Sweden and Syria through their contacts, knowledge, entrepreneurship, and institutional capacity. From a diaspora perspective, the need for more structured mechanisms for matchmaking between Syrian needs and diaspora capacities, safe banking channels and investment, as well as guarantee instruments between Syria and Sweden were mentioned. Diaspora representatives additionally emphasized the need for capacity-building within Syrian institutions, and mutual knowledge exchange between Swedish companies and local Syrian actors. Another idea was to establish direct air connectivity between Damascus and Stockholm to facilitate diaspora engagement.

The roundtable did not aim to produce investment-promoting conclusions. Rather, it served as a joint mapping exercise of the conditions that would need to be in place for actors to engage in a more responsible, informed, and sustainable manner. Participants expressed interest in continued information exchange, follow-up discussions, and a more coordinated Swedish engagement linking development cooperation, trade, finance, and diaspora expertise more closely together.

Several recurring recommendations emerged:

- Continue organising similar meetings to build shared situational awareness, exchange information, and bring together actors interested in Syria's economic development.
- Develop more structured matchmaking between concrete needs and opportunities in Syria and relevant companies, experts, and institutions in Sweden.
- Strengthen links between development cooperation, trade, finance, and diaspora expertise through a more coordinated Team Sweden approach.
- Deepen dialogue with both Swedish and Syrian public actors to identify practical and regulatory obstacles that could be reduced over time.
- Involve the Syrian Embassy in Stockholm in relevant future activities, where appropriate.

- Explore the need for safe and predictable banking channels for transactions to Syria, include establishing a "white list" of banks, guarantee instruments, and other risk-management mechanisms.
- Support capacity-building within Syrian public institutions, including in areas such as statistics, justice and policing, vocational education, transparency, anti-corruption, and competition policy.
- Promote cooperation between research, the private sector, and the public sector, including through models inspired by Swedish innovation and knowledge systems.
- Monitor sectors where Swedish experience may be particularly relevant, including internet and digital technology, water, electricity, agriculture, energy, logistics, recycling, and vocational education.

Detailed report

The meeting was opened by SDI Director Ann Måwe, who emphasised that Syria is a priority area for SDI and highlighted the need for a shared dialogue space where actors can exchange experiences and identify the conditions required for responsible Swedish and Swedish-Syrian engagement. Camilla Mellander, Director-General for Trade Policy at the Swedish Ministry for Foreign Affairs, noted that the EU's sanctions relief has opened new possibilities for trade, though significant obstacles remain. She highlighted Sweden's long-standing humanitarian and development-oriented support, encouraged the engagement of the Syrian diaspora, and welcomed ways to include Swedish expertise in sectors such as energy, construction, and logistics in Syria's recovery.

Session one: the state of the Syrian economy

The first thematic session focused on the current state of the Syrian market, including economic conditions, compliance, institutional capacity, and possible forms of support. Experts described Syria's economy as extremely fragile after fourteen years of conflict. GDP in 2024 was estimated at around half of its 2010 level, GNI per capita stood at USD 830, and damage to infrastructure and buildings was estimated at more than USD 200 billion. Poverty remains widespread, and many households continue to struggle to meet basic needs. At the same time, early signs of renewed economic activity were noted, including increased trade flows through Syrian ports, reopened border crossings, lower prices, and some salary increases. However, the recovery was described as fragile due to localised violence, economic fragmentation, weak institutional capacity, and continued uncertainty.

Participants also highlighted Syria's long-term economic potential, pointing to its geography, agricultural capacity, trade networks, energy resources, and historical role as a regional trade hub. Sectors such as construction and building materials, logistics, banking, agriculture, digital services, and energy were identified as areas with possible long-term potential. However, major obstacles remain, including the absence of a functioning banking sector, difficulties with remittances, a cash-intensive economy, limited access to capital, unreliable data, regulatory uncertainty, and banks' over-compliance with sanctions and compliance requirements. Concerns were also raised about high electricity tariffs, reduced local industrial production, weak coordination between Syrian ministries, limited administrative capacity, and competition from external Turkish and Chinese suppliers that undermined domestic manufacturers and traders.

Security and regional dynamics were repeatedly identified as decisive factors. Participants referred to continued military escalation, disruptions to regional energy infrastructure, and uncertainty around borders and trade flows. Several noted that many memoranda of understanding with regional and Gulf actors have not yet translated into concrete activity on the ground. Growing Gulf-based investment interest, including in port infrastructure, was discussed as an example of how regional actors are positioning themselves for Syria's future recovery. Participants also noted that intra-Gulf competition may shape future engagement. Transport and logistics were another recurring theme, with Syria's potential role as a regional trade and transit hub described as significant but still far from mature.

Session two: opportunities for diaspora-led Entrepreneurship

The second session focused on the role of the Swedish-Syrian diaspora in entrepreneurship, trade, and recovery. Participants stressed that the diaspora could contribute to Syria's economic recovery on the micro level, through entrepreneurship, institutional capacity-building, and reconstruction. The approximately 200,000 Syrians in Sweden were described as an important resource, although their potential is constrained by financial and practical obstacles, particularly banks' over-implementation of compliance requirements. Proposals included an appeal to Swedish government agencies to establish a Syria Business Desk, advisory services, digital platforms connecting talent with employers and companies, and more structured matchmaking between needs in Syria and expertise in Sweden.

Participants also called for a clearer Team Sweden approach, including safe banking channels for vetted actors, circular mobility opportunities for Swedish-Syrian experts, and institutional support to reduce operational uncertainty. Potential diaspora-driven initiatives included support to data and statistics systems, fintech development, leadership training, vocational education, justice and police reform, and broader public sector capacity-building. The discussion also underlined that Syria needs jobs and functioning livelihoods, not only aid. Recycling was mentioned as one area where Swedish technology, standards, and experience could be relevant, provided that legal frameworks, quality assurance, and oversight are in place.

Session three: Swedish perspectives on supporting Syria's recovery

The third session invited representatives of Swedish government and private entities to reflect on possibilities to support Syria's recovery directly or indirectly. Speakers noted that Swedish public support to companies has been important in complex environments and that the diaspora needs to be organised more effectively. The Triple Helix model — cooperation between academia, industry, and government — was highlighted as a useful framework for innovation, capacity-building, and long-term economic development. Speakers further stressed that engagement in fragile markets requires realistic expectations, time, resources, relationship-building, and careful selection of local partners. A lack of reliable data was identified as a fundamental challenge for economic analysis, risk assessment, and support design. Sweden's development cooperation led by Sida was also discussed, with emphasis on livelihoods, private sector development, basic services, and area-based approaches that combine support to infrastructure, agriculture, health, education, and local livelihoods. For the private sector to grow and create jobs, functioning infrastructure, financial systems, access to finance, and possible guarantee instruments for local lending was described as essential.