Cooley

US, UK and EU Begin Easing Sanctions on Syria Amid Political Transition

June 2, 2025

Following an announcement by President Donald Trump on May 13, 2025, that he would order the cessation of US sanctions against Syria, the US Department of the Treasury's Office of Foreign Assets Control (OFAC) issued General License No. 25 (GL25) and related FAQs. GL25 authorizes a range of transactions previously prohibited by the Syrian Sanctions Regulations (SySR). In addition to permitting transactions with the new Government of Syria, GL25 contains an annex listing 28 sanctioned individuals and entities with whom US persons are now generally permitted to do business (Annex Parties). Dealings with sanctioned persons not identified in the annex remain prohibited. Pursuant to GL25, the provision of services to certain individuals and entities in Syria, new investment in Syria, and imports of or dealings in petroleum and petroleum products from Syria are now authorized.

Importantly, GL25 does not revoke the SySR. Excluding the Annex Parties, the SySR continue to prohibit transactions with – including the provision of services to – individuals and entities identified on OFAC's Specially Designated Nationals (SDNs) and Blocked Persons List and entities in which any such SDN directly or indirectly owns, individually or in the aggregate, 50% or greater interest. Further, GL25 does not result in the unblocking of any property blocked as of May 22, 2025 – even with respect to the Annex Parties. Transactions (including the provision of goods or services) for or on behalf of the Russian, Iranian, or North Korean governments, or the provision of services between those jurisdictions and Syria, remain prohibited.

Notably, GL25 does not alter current export-related restrictions pursuant to the US Department of State's International Traffic in Arms Regulations (ITAR) or the US Department of Commerce's Bureau of Industry and Security's Export Administration Regulations (EAR). With few exceptions, nearly all items subject to US export control jurisdiction continue to require export licensing for Syria.

To comply with remaining sanctions and export control laws related to Syria, persons subject to these regulatory regimes are advised to undertake reasonable due diligence, including conducting screening and assessing licensing requirements, before engaging in dealings involving Syria.

In parallel with OFAC developments, the US State Department issued a 180-day waiver of sanctions under the Caesar Syria Civilian Protection Act of 2019 in an effort to facilitate the provision to Syria of critical utilities and other services in furtherance of Syria's recovery and reconstruction efforts. The waiver's authorizations are similar in scope to GL25, limited to Annex Parties, and restrict transactions for or on behalf of Russia, Iran and North Korea.

Lastly, the Treasury Department's Financial Crimes Enforcement Network (FinCEN) also published exceptive relief under Section 311 of the USA PATRIOT Act to permit "covered financial institutions" (as defined in 31 CFR § 1010.653(a)(3)) to open and maintain correspondent accounts for, or on behalf of, the Commercial Bank of Syria, provided that the correspondent account is established, maintained, administered or managed in the United States by the covered financial institution.

UK amends sanctions to support Syrian recovery

In furtherance of its Plan for Change, aimed at promoting peace and regional stability, the UK also modified its Syria sanctions regime, effective April 25, 2025. Key changes include the lifting of sanctions on 12 Syrian entities, including the Ministry of Defense, Ministry of Interior and several media companies, as well as the easing of restrictions on the financial services and energy sectors to facilitate investment in Syria's infrastructure.

Notably, many other sanctions remain in place, including sanctions on persons associated with the regime of

former Syrian President Bashar al-Assad and restrictions on the export to Syria of gold, precious metals, diamonds, and military goods and technology.

EU announces lifting of Syrian sanctions

On May 21, 2025, the Council of the European Union (EU) issued a formal statement announcing the lifting of all its economic sanctions on Syria. This decision follows a phased approach that began in February 2025 with a more limited suspension of sanctions.

Despite these developments, the EU continues to maintain targeted sanctions related to the former Assad regime, as well as arms embargoes and restrictions on surveillance technologies. Additionally, the EU announced that new restrictive measures will be introduced targeting individuals and groups responsible for human rights violations and ongoing instability in Syria.

The upshot

Although there is now greater permissiveness around Syria-related transactions, many sanctions and export control restrictions remain intact. Accordingly, dealings with Syria continue to be high-risk from a regulatory compliance perspective for the time being. Any contemplated direct or indirect transactions involving Syria should be evaluated closely to ensure compliance with applicable regulatory regimes.

If you have questions regarding these programs, please reach out to a member of Cooley's export controls team.

This content is provided for general informational purposes only, and your access or use of the content does not create an attorney-client relationship between you or your organization and Cooley LLP, Cooley (UK) LLP, or any other affiliated practice or entity (collectively referred to as "Cooley"). By accessing this content, you agree that the information provided does not constitute legal or other professional advice. This content is not a substitute for obtaining legal advice from a qualified attorney licensed in your jurisdiction, and you should not act or refrain from acting based on this content. This content may be changed without notice. It is not guaranteed to be complete, correct or up to date, and it may not reflect the most current legal developments. Prior results do not guarantee a similar outcome. Do not send any confidential information to Cooley, as we do not have any duty to keep any information you provide to us confidential. When advising companies, our attorney-client relationship is with the company, not with any individual. This content may have been generated with the assistance of artificial intelligence (AI) in accordance with our AI Principles, may be considered Attorney Advertising and is subject to our legal notices.

Key Contacts

Kevin King **Washington, DC**	**kking@cooley.com** **+1 202 842 7823**
Annie Froehlich Washington, DC	afroehlich@cooley.com +1 202 776 2019
Rebecca Ross Washington, DC	rross@cooley.com +1 202 728 7150

Karen Tsai Washington, DC	ktsai@cooley.com +1 202 842 7857
Shannon MacMichael Washington, DC	smacmichael@cooley.com +1 202 728 7069
Juan Nascimbene London	jnascimbene@cooley.com +44 (0) 20 7556 4558
Shelby Saunders New York	ssaunders@cooley.com +1 212 479 6978
Emily Mok Reston	emok@cooley.com

This information is a general description of the law; it is not intended to provide specific legal advice nor is it intended to create an attorney-client relationship with Cooley LLP. Before taking any action on this information you should seek professional counsel.

Copyright © 2023 Cooley LLP, 3175 Hanover Street, Palo Alto, CA 94304; Cooley (UK) LLP, 22 Bishopsgate, London, UK EC2N 4BQ. Permission is granted to make and redistribute, without charge, copies of this entire document provided that such copies are complete and unaltered and identify Cooley LLP as the author. All other rights reserved.