



Unwinding Syria's Sanctions Regime

Administration Policy:

During his recent Middle East trip, President Trump [announced](#) “I will be ordering the cessation of sanctions against Syria in order to give them a chance at greatness. It's their time to shine.”

On May 23rd, the Department of the Treasury's Office of Foreign Assets Control (OFAC) issued [Syria General License \(GL\) 25](#) to provide immediate sanctions relief for Syria in line with the President's announcement. On the same day, Secretary of State Marco Rubio issued a [waiver certification](#) under the [Ceasar Syria Civilian Protection Act of 2019](#) (Ceasar Act), waiving the law which imposes secondary sanctions on Syria for a period of 180-days.

In testimony before Congress, Secretary Rubio noted that the administration intends to continue to renew the waivers under the Caesar Act every 180-days until Congress repeals the law. Similarly, Ambassador Tom Barrack, the Special Envoy for Syria, has [called on](#) Congress to repeal the law within the 180 day waiver window.

Background:

General License 25

General License 25 authorizes all transactions prohibited by the Syria Sanctions Regulations, effectively lifting sanctions on Syria. The [Syria Sanctions Regulations](#), administered by OFAC, are a set of U.S. economic sanctions and restrictions targeting the Syrian government and certain individuals and entities associated with it. These regulations aimed to pressure the former Syrian regime led by Bashar al-Assad to cease human rights abuses, support for terrorism, and other activities deemed detrimental to U.S. interests.

GL 25 [authorizes](#) transactions that would otherwise be prohibited under the U.S. economic sanctions on Syria, including new investment in Syria; the provision of financial and other services to Syria; and transactions related to Syrian-origin petroleum or petroleum products. GL 25 also authorizes all transactions with the new Government of Syria, as well as a number of persons that have been sanctioned by OFAC including Syrian Arab Airlines, the new Syrian President Ahmad al-Sharaa, Syrian Interior Minister Anas Khattab, the Commercial and Central Bank of Syria, and a number of oil and gas refineries.

GL 25 continues to block transactions involving any individual or entity identified on OFAC's [List of Specially Designated Nationals and Blocked Persons](#) (SDN) that are not explicitly mentioned in the annex of GL 25, as well as any entity in which one or more of such SDNs own, directly or indirectly, individually or in the aggregate, a 50 percent or greater interest, unless separately authorized.

Finally, GL 25 continues to prohibit any transactions for, or on behalf of, the Government of Russia, the Government of Iran, and the Government of North Korea or related to the transfer or provision of goods, technology, software, funds, financing, or services to or from Iran, Russia, or North Korea.

Caesar Act Waiver

The Caesar Act waiver issued by Secretary Rubio certifies, pursuant to section 7432(b)(1) of the Ceaser Act, that it is in the U.S. national security interest to waive certain sanctions under the law for 180 days. The waiver applies to most transactions restricted by U.S. sanctions on Syria, except those involving specifically designated individuals or entities not listed in a specific Annex. It excludes transactions tied to Iran, Russia, North Korea, or SDNs outside the Annex and takes effect upon being sent to Congress.

The Caesar Act was passed into law in December 2019 and set to sunset in December 2024. However, the law's sunset was extended by 5 years in the FY2025 National Defense Authorization Act which was [signed into law](#) on December 23rd, 2024, two weeks after the fall of the Assad regime on December 8th 2025. The Caesar Act imposes [secondary sanctions](#) on Syria thereby prohibiting foreign persons and countries which seek to invest in Syria from using the U.S. financial system.

Strategic Rationale

President Trump's decision to lift sanctions on Syria is intended to ensure the enduring defeat of ISIS while boxing out Chinese and Russian influence in the country. Secretary of State Rubio has [testified](#) before Congress that maintaining the sanctions on Syria may have led to the "potential collapse" of Syria's interim authorities, leading to a "full scale civil war" making the region unstable and facing a potential resurgence of ISIS and Iran-backed militias in Syria. Special Envoy Barrack has [stated](#) that "the cessation of sanctions against Syria will preserve the integrity of our primary objective – the enduring defeat of ISIS – and will give the people of Syria a chance for a better future."

In February, Chinese officials [opened](#) discussions with Syria about possible infrastructure projects, and in the following months 22 Chinese firms participated in a Syrian reconstruction conference. Syria's General Authority for Land and Sea Ports [signed](#) a Memorandum of Understanding with China's Fidi Contracting, granting it investment rights in 850,000 m² of the Hasiya free zone (Homs) and 300,000 m² in Adra (Rif Dimashq). In addition, despite backing the Assad regime during Syria's Civil War, Russia has [engaged vigorously](#) with the transitional authorities including negotiating with them to attempt to secure a long-term agreement allowing Russia a continued military presence in the country. The lifting of sanctions on Syria, which has historically been a U.S. adversary, is intended to serve as a strategic step to mitigate the resurgence of Chinese and Russian influence in the heart of the Levant.