



Scott Wilcox Middle East

Management & Advisory Services

Syria Report: 19 - 24 July 2012





Key Judgements

- The United States' threat to use the 'Friends of Syria' group as a means to circumvent the UN Security Council is a major development that allows for Western and Arab states to more aggressively pressure President Assad's government to comply with Annan's peace plan and conduct negotiations with the opposition.
- The FSA's ability to hold the town of Azaz and the critical border crossing with Turkey is a major development that could lead to the creation of a northern humanitarian corridor. However, the government's recent offensive in Aleppo could move onto to Azaz and crush this possibility in the coming days.
- The closure of Turkish-Syrian border crossings to trucks coming from Turkey mostly results from the intense fighting between government and rebel forces in this area. With the Syrian military conducting a major offensive in Aleppo in the coming days, this security situation is unlikely to improve in the near future.

This report assesses political, security and economic issues that have arisen over the past week. For a detailed record of security incidents occurring in Syria, subscribers should refer to Scott Wilcox Online information System (OIS).

Political Situation

Western states plan on using 'Friends of Syria' to circumvent UNSC after veto: On 25 July, the Deputy US Ambassador to the UN Jeffrey DeLaurentis responded to the stalemate in the UN Security Council (UNSC) by announcing that 'since this Council failed to shoulder its responsibilities, the United States will continue to work with the Friends of Syria.' The UNSC has failed to agree on consequences for Syria's violations of UN-Arab League envoy Kofi Annan's peace plan. Deputy Ambassador DeLaurentis further specified that Washington would work to increase pressure on the Syrian government, support the Syrian opposition, organize aid, and help prepare for a Syrian-led, democratic transition. The announcement came after Russia and China vetoed a resolution that threatened Syrian authorities with sanctions if they did not stop using heavy weapons in towns. Russia has objected over what it sees as one-sided blame on President Assad's regime.

UN reduces aid staff in Syria by 50%: On 25 July, a UN official announced that the organization has halved the number of international aid workers deployed in Syria in the past week due to the deteriorating security situation in Damascus. The decision to 'relocate' staff deemed non-essential for humanitarian operations was taken by UN security officials on 19 July, a day after an explosion killed the Minister of Defence and the president's brother-in-law. According to the UN official, there are now 30 international staff in Damascus and 'non-essential missions to Syria have been put on hold.' Another UN source was quoted as saying that the staff had relocated to



Amman and Beirut and would wait to see how the situation evolved. The UN has been trying to launch a full-scale humanitarian operation in Syria, and currently about 1.5 million Syrians need assistance.

Russia and Israel threaten Syria over chemical weapons: On 25 July, Russia, with its strongest language yet, told Syria that it was unacceptable to threaten to use chemical weapons. In a meeting with Syria's ambassador to Moscow, Russia's Deputy Foreign Minister Mikhail Bogdanov, according to a statement released by the Russian Foreign Ministry, 'laid out in an extremely clear form Russia's position on the inadmissibility of any threats of the use of chemical weapons.' In response to concerns over the security of Syria's chemical weapons stockpile, Israel said that if Syrian-backed Hezbollah guerrillas used the situation to take control of the weapons, it would 'act immediately and with utmost force.'

Syrian ambassadors to UAE and Cyprus defect: On 25 July, Syria's ambassadors to the United Arab Emirates and Cyprus, who are husband and wife, defected to Qatar according to an announcement by the Syrian National Council. They are the only senior diplomats, in addition to the ambassador to Iraq, that have defected during the uprising. Ambassador Abdelatif al-Dabbagh is the ambassador to the UAE and is married to Lamia al-Hariri, the ambassador to Cyprus. Hariri, a Sunni Muslim from the southern province of Deraa, widely considered to be the birthplace of the uprising, is the niece of Syrian Vice President Farouq al-Sharaa.

Putin says Syrian crisis must be resolved through talks, crisis could continue after Assad: On 23 July, Russian President Vladimir Putin said that Syria's crisis must be resolved through negotiations not force, and warned that if President Assad's government was toppled a civil war could continue. According to Putin's statement, 'the future of a country should not be decided on the basis of military victory or defeat of one of the sides, but through a negotiation process, on the basis of compromise and agreements reached' and that 'the current Syrian leadership and the armed opposition must find in themselves the strength to organize a negotiation process.' Putin continued to stand firm on Russia's insistence that President Assad's exit from power could not be a precondition for such a process and warned that the overthrow of the government would only bring more bloodshed, stating that 'if the current leadership is removed from power unconstitutionally, the opposition and the current leadership may simply trade places ... nobody knows how long civil war would continue.'

Analyst's comment: Vladimir Putin's recent statements made on 23 July reflect a concerted effort on the part of Moscow to stake out the diplomatic middle ground that sees the possibility of the Syrian opposition coming to power with just as much concern as prolonged rule by President Assad. At this point, no doubt the Russian Foreign Ministry has come to terms with President Assad's inevitable downfall, however, they continue to resist western resolutions and sanctions because they prefer a negotiated settlement that sees Assad step down from power rather than a coup-like military defeat that sees Assad flee the country. This is primarily because Moscow would like to see their own interests regarding the port at Tartous and various defence agreements secured through this negotiated transition process, and viewed any sudden rebel



victory as a threat to these interests. Putin's talks with the opposition have proven to be difficult, and as long as Moscow has reservations over the opposition coming to power, they will continue to block resolutions punishing the Assad regime and push for mediated talks.

Security Situation

Syrian military orders major offensive in Aleppo: On 25 July, the Syrian army ordered an armoured column to advance on Aleppo in a major offensive against rebel forces that involves artillery shelling and attack helicopters. The offensive comes in response to an all-out assault conducted by Free Syrian Army Forces for control of Aleppo (FSA) on 20 July. According to the Syrian Observatory for Human Rights (SOHR), the fighting that began on the 25 July and on into the 26 July has been centred in two parts of the city. 'There are clashes in the Muhafaza district and shelling on the Mushhad and Sheikh Badr neighbourhoods, which killed a child and injured seven people.' Aleppo's Salaheddin neighbourhood, which has been a scene of fierce fighting since the 20 July, was also bombarded by regime troops during the night of the 25 July. Despite the fighting, there have been mass demonstrations in the Furqan, Ashrafiyeh and New Aleppo districts calling for the end of President Assad's rule. The SOHR reports that 19 civilians and three rebels were killed on the 25 July, however no numbers have been given for the soldier's death toll.

Fighting continues in Damascus despite government gains: On 26 July, residents of Palestinian Yarmouk camp in the south of the capital reported that fierce street battles were being fought in the area. According to one local resident, 'there are clashes on Street 30 in the Yarmouk camp between regime forces and fighters from rebel units. It started at 7:00 am ... they are using RPGs and heavy machineguns.' After a week of heavy clashes in Damascus, activists say government forces have largely regained control of the city, with only a few pockets of continued fighting remaining. In the northern Damascus suburb of al-Tel, government forces used artillery and fired rockets on 25 July in an attempt to seize the area from rebel forces. One local activist Rafe Alam observed 'military helicopters flying over the town ... electricity and telephones have been cut off.' Opposition sources also reported helicopters and machineguns firing on the Damascus neighbourhood of Hajar al-Aswad, a slum lying on the southern outskirts of the capital, and haven for rebels sneaking into the city from the suburbs.

Rebel forces maintain control of northern town and border crossing: The Syrian town of Azaz, a few miles south of the Turkish border, remains under the control of rebel forces after heavy clashes over the past month in which they succeeded in driving out government forces, leaving the town almost completely demolished. Burnt-out armoured personnel carriers are scorched on the roads after rebels had hit them with rocket-propelled grenades. Most of the town's residents fled during the latest fighting, which drove government forces out and ended in rebels taking the Bab al-Salam border crossing with Turkey on 22 July.



Europe tightens arms embargo against Syria: On 23 July, the European Union tightened an arms embargo on Syria and expanded other sanctions in an effort to hasten the end of the conflict between government and rebel forces. The new embargo rules require EU countries to search planes and ships, starting 24 July if they suspect they are carrying arms, dual-use goods or equipment used for repression in Syria. The new sanctions also include a ban on the Syrian national airline that will prevent it from landing at EU airports, although it will still be able to fly over EU countries and make emergency stops. Ministers added 26 people, mostly military officials, to a list of those subject to EU travel bans and asset freezes. The EU decision sharpens differences with Russia, which has provided the Syrian government with weaponry and has blocked Western moves to get a UN Security Council resolution threatening Syria with sanctions. All 27 EU countries must enforce the sanctions, including Cyprus, which some Western diplomats suspect is used by Russia as a shipment route to supply arms to the Syrian military. The tighter EU sanctions could also make it more difficult to supply weapons to President Assad's opponents.

Analyst's comment: The 16 month uprising against President Assad has recently been transformed from an insurgency in remote provinces into a battle for control of the two main cities, Aleppo and Damascus. Government forces have launched massive counter assaults in both cities and appear to have beaten the rebel forces back from the surrounding neighbourhoods and suburbs of Damascus and are now turning towards Aleppo, a critical commercial hub in the north. Fighting is and around Aleppo will most likely prompt an exodus across the Turkish border despite the fact that many Syrian refugees there have recently complained about poor conditions and have clashed with riot police in disputes over food. Rebel control over the northern town of Azaz and the Bab al-Salam border crossing is also of critical importance due to the expressed desire by Turkey and its western partners to establish a humanitarian corridor in Syria to allow a 'safe zone' for refugees as well as the seat of an alternative government to begin to take hold. Thus far, government forces have been able to overwhelm such efforts by concentrating their forces to retake territory falling into rebel hands, however if the rebels are able to force the Syrian military into dividing its strength between Damascus in the south and Aleppo in the north, then the rebels may see some success in establishing a real protected foothold with this northern region around Azaz and Bab al-Salam a likely candidate.

Economic Situation

Turkey closes its border with Syria to trucks: On 25 July, Turkey sealed its border with Syria to trucks, cutting off a vital supply line in response to growing security concerns in the commercial capital of Aleppo. According to a statement by Turkish Economic Minister Zafer Caglayan, Turkey has 'serious concerns over the safety of Turkish trucks regarding their entry and return from Syria.' Minister Caglayan further specified his remarks by noting that even though Turkish trucks would not be allowed to enter Syria, no restrictions were being imposed on trucks going into Turkey from Syria. Turkey's decision will see the closure of the only three border gates that were still open – Cilvegozu, Oncupinar and Karkamis.



Gasmasks in demand as Israel raises concerns over Syria's chemical weapons: Concern over Syria's stockpile of chemical weapons and the possibility they may fall into the hands of Hezbollah has caused Israeli defence official to announce on 24 July that the Syrian government is still in full control of its chemical weapons. President Assad's government said this week that such weapons are secure and could be used only as a last resort against Syria's foreign enemies, an allusion to outside military intervention. The rhetoric stoked demand in Israel for state-funded gas masks, which have been distributed over the last few years as part of the country's wider preparations for a possible showdown over Iran's disputed nuclear weapons program. Israel is still technically at war with Syria and occupies the Golan Heights though they have not traded blows in three decades.

Analyst's comment: So far this year, there has already been an 87% drop in trucks travelling to Syria from Turkey. However, the closure will still deprive Syria of a common route for imports. Security for transit in this area remains a major concern with dozens of Turkish trucks either looted or torched, particularly during the rebel offensive to capture the border crossing of Bab al-Hawa last week. If the rebels across the border can find a way to coordinate better with their command centre in Turkey, then a transit agreement may be reached to see secure passage for some trucks passing into Syria in the coming weeks. The border closing is unlikely to have any major impact on the flow of refugees into Turkey due to typical use of smuggling routes rather than main roads and border crossings.

Travel Advisory

Attacks on buses occurring in the North near borders with Lebanon and Turkey: Various attacks have occurred against buses travelling near the northern border area with Lebanon and Turkey. On 7 April, gunmen fired on a Lebanese bus from the Syria side of the border at the eastern Al-Jusiyeh crossing, killing seven and leaving dozens injured. In November of last year, Syrian soldiers stopped a Turkish bus at a checkpoint just across the border in Syria. The soldiers ordered the passengers off the bus, and when some of them fled, they were fired upon leading to a number of injuries. Checkpoints and border controls in this area are very tight due to concerns regarding the influx of militants and weapons coming across these borders. Avoid travelling by bus in this region if possible.

Travel restrictions issued for males age 18 to 42: In a sign of growing anxiety about the security situation, Syrian authorities have banned men of military age from leaving the country. The restrictions, issued on 24 March, require men between the age of 18 and 42 to get permission from military recruitment and immigration departments before travelling. Border traffic at the main crossing between Beirut and Damascus has fallen by 60 per cent since the regulation. The move may impact the flow of thousands of Syrian workers who go to Lebanon for agricultural and construction projects, a major source of income in rural areas already hit by economic hardship.



- All travel to the Syrian Arab Republic is ill advised as it is highly unlikely embassies will be able to provide normal consular service in the event of increased violent civil disorder. Likely communication and travel restriction would make evacuation options limited.
- The Arab League has agreed to sanctions on airline travel to and from Syria with a 50% percent reduction in flights from 15 December 2011. Commercial aviation services are currently operating, but the security environment has the potential to deteriorate rapidly, potentially affecting your travel options.
- Make sure you have valid exit stamps on your travel documents if you need to leave Syria. Arrests have been made at border crossings even with proper documentation.
- Violent protests have taken place in front of a number of embassies and consulates in Damascus, Aleppo and Latakia and in some cases buildings were attacked. Exercise extreme vigilance and avoid crowds.
- Avoid the Ar Ramtha border crossing to Jordan and the Tal Kalakh/Hdaideh crossing in to northeast Lebanon. Do not attempt to enter Iraq via the Syrian border, which is subject to restrictions on both sides.
- All dollar payments and dollar bank accounts in Syria have effectively been frozen; it has become very difficult to withdraw dollars and Euros, and most cash withdrawals are limited to Syrian pounds.

•••



Scott Wilcox Middle East

Management & Advisory Services

SicuroGroup LLC

503 Arenco Tower

Dubai Internet City

Dubai, 30964

United Arab Emirates

Tel: +971 (4) 4471489

SicuroGroup UK Ltd

145-147 St. John Street

London, EC1V 4PW

United Kingdom

Tel: +44 (208) 1234190