Syria

Fiscal Year 2026

Capacity Development Activities

Central Bank Operations

Syria Currency Exchange; Remote and in-person (December 10-23; January 19-22)

METAC provided technical assistance to the Central Bank of Syria to support the initial implementation of its currency exchange program. The latter involved removing two zeros from the national currency and fully replacing existing banknotes. The mission assessed the main elements of the reform, including the denomination structure, cost factors as well as operational aspects related to the organizational structure of CBS's cash management operations, logistical infrastructure and internal controls required for an effective currency rollout.

Government Finance Statistics and Public Sector Debt Statistics

Advancing Fiscal Transparency in Syria through GFSM 2014 (January 19-22)

METAC conducted a diagnostic technical assistance mission in Damascus in January 2026 to start regular statistical reporting of Government Finance Statistics (GFS) for Syria's Budgetary Central Government in line with GFSM 2014. The mission assessed fiscal reporting practices, source data availability, institutional coverage, and the ways to bridge the Chart of Accounts with GFSM 2014. Authorities demonstrated strong engagement, provided detailed information on source data, and completed a GFS diagnostic questionnaire. The mission confirmed that budget execution and public debt data are broadly adequate for GFS compilation and outlined an action plan for gradually transitioning to GFSM-compliant fiscal reporting. The mission emphasized the need to establish a dedicated GFS compilation team and finalize the FY2024 accounts as prerequisites for introducing and testing GFSM 2014 classifications It was agreed to continue with technical assistance over the next months.

Financial Supervision and Regulation

Diagnostic on Technical Assistance Needs in Regulation and Supervision (February 22-26)

METAC support helped lay the foundations for strengthening banking regulation and supervision in Syria by clarifying reform priorities and establishing a structured, risk-based reform path. The engagement supported the Central Bank of Syria in identifying key gaps in the regulatory and supervisory framework and in prioritizing actions to transition from a predominantly compliance-based approach toward forward-looking, risk-based supervision consistent with the Basel Core Principles. The assistance helped clarify supervisory priorities across core areas, including risk-based supervision frameworks, supervisory tools and processes, regulatory governance, and capacity needs related to IFRS 9, Islamic banking, IT and cybersecurity risks, and AML/CFT. It also supported the authorities in identifying reforms to strengthen ownership transparency, corporate governance, and fiduciary safeguards, reinforcing the regulatory foundations for a safer and more transparent banking system.

Public Debt Management

Scoping Mission and Training on Debt Management (March 30-April 4)

METAC's technical assistance enhanced the capacity of Ministry of Finance staff to benchmark existing debt management practices against sound international principles and strengthened familiarity with core concepts related to legal and institutional arrangements, debt instruments, and portfolio risk management. The engagement also provided a structured platform for identifying priority technical assistance needs, helping the authorities clarify reform gaps related to domestic debt issuance, debt strategy development, and debt reporting and transparency.

Public Financial Management

Assessment of Core PFM Functions

IMF staff completed the first CD visit to Syria in 14 years. This successful joint HQ–METAC mission from October 26-30 engaged senior officials across the Ministry of Finance and the Central Bank and reviewed ongoing reforms, including the introduction of a digital budget platform, plans for a Treasury Single Account (TSA), and steps to improve fiscal reporting. The mission provided practical guidance on finalizing the 2026 budget, advised on steps to strengthen future budget planning, and discussed measures to consolidate government bank accounts and enhance cash forecasting. The authorities expressed strong commitment to continued collaboration, including follow-up capacity development on the preparation of the 2026 Budget, cash forecasting, TSA implementation, and fiscal reporting.

FY26 Budget Preparation (November 23 - 27)

The joint FAD and METAC mission supported the Ministry of Finance in preparing a template for the 2026 budget statement (Beyan). The team presented international examples, analyzed the 2023 Beyan and available fiscal series, and worked with the Budget Directorate on a draft structure for the 2026 document.

FY26 Cash Management (November 30-December 4)

The joint FAD and METAC mission provided capacity development support to strengthen the MoF's cash forecasting capacity. The mission advised on key institutional requirements, including designating cash management as a core treasury function, appointing dedicated staff for this role, and ensuring the necessary legal backing in the ongoing drafting of the Basic Financial Law. The mission team also discussed follow-up technical assistance and training on compiling data for a cash forecasting table and technical analysis on cash forecasts once institutional arrangements are in place in early 2026.

Real Sector Statistics

Developing a New National Accounts Benchmark

METAC conducted two missions in September (in person) and October (remotely) with the Central Bureau of Statistics to start compiling a new national accounts benchmark for 2023, improve GDP coverage and consistency, enhance methodologies, and strengthen statistical capacities. METAC has collaborated with United Nations Economic and Social Commission for Western Asia (UN ESCWA).

Real Sector - National Accounts (November 5-December 26)

METAC produced revised GDP estimates for 2023 and submitted them to the Central Bureau of Statistics (CBS) for review. The update reflects the integration of all available source data and improved compilation methodologies. Despite significant data limitations, the mission addressed these constraints by applying IMF input-output models, cross-country ratios, and sector-specific assumptions, particularly for oil extraction and government activities. Detailed input-output tables covering 74 industries were developed to enhance internal consistency. The CBS is expected to review the estimates in early 2026, and revisions may follow as assumptions are assessed.

Revenue Administration

Joint Tax Policy Revenue Administration mission (January 27-29)

The joint FAD–METAC engagement provided support for the tax authorities to refine draft tax laws covering income taxation, sales tax, and fees and stamp duties grounded in international experience and adapted to fragile-state conditions.