

# Syrian Democratic Forces Breach US and European Sanctions and Support the Syrian Regime with Oil and Gas

Investigation Must Be Launched to  
Disclose the Expenditure of Oil and  
Gas Revenues, with Fears These Are  
Being Used to Fund Terrorism

# SNHR

SYRIAN NETWORK FOR HUMAN RIGHTS

الشبكة السورية لحقوق الإنسان

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The Syrian Network for Human Rights (SNHR), founded in June 2011, is a non-governmental, independent group that is considered a primary source for the OHCHR on all death toll-related analyses in Syria.

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## I. Introduction

Over the past eight years, Syrians have been subjected to various types of violations carried out by the ruling authority against them, ranging from extrajudicial killings to torture and enforced disappearance right up to the use of chemical weapons. Many of these violations amounted to crimes against humanity and war crimes, as indicated ever since the first report of the Independent International Commission of Inquiry on the Syrian Arab Republic up to its most recent report, as well as in the resolutions of the United Nations General Assembly, which repeatedly pointed out that the Syrian authorities had committed serious, systematic and widespread violations.

Despite the staggering and exhaustive extent of the violations perpetrated by the ruling authority against the Syrian people, the UN Security Council has failed completely in its mission to fully maintain peace and security in Syria, effectively giving the Syrian regime carte blanche and enabling it to use a weapon of mass destruction against the country's citizens, with the United Nations failing to even impose economic sanctions or an arms embargo in the face of such atrocities. Faced with this massive failure by the Security Council in its duties towards the Syrian people and to justice and accountability regionally and globally, some countries have assumed some of their responsibilities in punishing the Syrian regime and achieving some kind of accountability against its brutal practices; the USA, the Euro-



pean Union and a number of countries worldwide have imposed economic and political sanctions against the Syrian regime in order to pressure it to change its criminal behavior, and in an effort to force it to accept a political path leading to a process of change from the current system of dynastic dictatorship toward real elections, free from the control of the security services.

In this context, any economic or military support for the Syrian regime contributes to relieving pressure on it and to supporting its military capabilities and security services, which continue to commit crimes against humanity up until the moment of publishing this report. Such support is categorized as complicity in support of the Syrian regime perpetrating further crimes, especially through furnishing material support that could be used in military operations. Although the operations to support the Syrian regime are carried out by rogue regimes such as Iran and Russia that do not care about international law and have a shameful human rights record, with both being implicated in war crimes in Syria through their direct military, political and economic support for the Syrian regime and its forces, in this report, which has taken more than four months of work and covers the period until September 18, 2019, we concluded that the Syrian Democratic Forces (SDF) have significantly contributed to supporting the Syrian regime with oil and gas supplies.

In April 2019, several villages and towns in Deir Ez-Zour witnessed public outrage over poor service conditions; although this is an oil-rich region, its inhabitants have not witnessed the restoration of infrastructure or hospitals and have not been provided with basic services since the SDF took control of the region. The living and service conditions are still abysmal up to the time of writing, with the people of Deir Ez-Zour wondering where the revenues of the large quantities of oil and gas extracted by the SDF are going in the absence of any transparent political civil administration or supervisory authority. The Kurdish Self-Management forces have not published any reports showing financial resources and where these are disbursed, failing to demonstrate any transparency or integrity.

In other words, the SDF has, on the one hand, supported a regime implicated in crimes against humanity and under economic sanctions imposed on it specifically by the US administration, a major backer of the SDF, which is surely a strong blow to the US government. On the other hand, the SDF has used the financial gains from its operations without any accountability or transparency, with a large proportion of that money possibly reaching the Kurdistan Workers' Party (PKK), which is classified as a terrorist organization. This implicates the SDF in supporting and financing global terrorism.



## **Methodology:**

This report highlights the SDF's control of Syria's oil fields, and its accompanying failure to disclose or show any transparency in revealing where millions of dollars in oil and gas sales revenues have gone and where they have been disbursed. In addition to this, aiding the Syrian regime and frequently supplying it with oil and gas is a flagrant violation of US, European and Canadian sanctions against the regime, especially since the SDF is primarily supported by the US government.

This report draws upon the ongoing daily monitoring of news reports and developments by SNHR's team, and on our extensive network of various credible sources that has been built up over the course of our work since 2011. When we receive information or learn some news about violations via the internet or media outlets, our team works to follow up these reports and attempts to verify information and collect evidence and data. In some cases, researchers are able to visit the incident location promptly, although this is a rarity in light of the incredibly high security risks involved, and given the frequency of daily incidents and the scarcity of human and material resources to carry out this work. Therefore, the opportunities available to access evidence vary between one case and another, and consequently the level of certainty in the classification of each incident also varies. SNHR's customary policy in such cases is to rely on accounts from survivors who experienced the violation firsthand or those who were present at the time the violation occurred.

SNHR also analyzes videos and photographs posted online, or submitted by local activists via e-mail, Skype, or social media platforms. These videos and photos show, amongst other things, tanks transporting crude oil from areas controlled by the SDF towards villages under the control of Syrian Regime forces.

This report contains two first-hand accounts that we obtained through speaking directly with eyewitnesses, neither of which are cited from any open sources. We explained the purpose of these interviews beforehand to the eyewitnesses, who gave us permission to use the information they provided without us offering or giving them any incentives. Also, SNHR provided assurances that it will conceal the identity of any witness who prefers to use an alias for reasons of personal safety.

Furthermore, we retain copies of all the videos and photographs outlined in this report in a confidential electronic database, as well as keeping hard disk backup copies. We do not claim, however, that we have documented all cases, given the severe prohibitions, restrictions and persecution by Syrian Regime forces and some other armed groups. Readers are welcome to find out more about SNHR's [methodology](#).



This report only represents the bare minimum that we were able to document of the actual severity and magnitude of the violations that occurred. Also, it doesn't include any analysis of the profound social, economic, and psychological ramifications.

## **II. Syrian Democratic Forces control 80% of Syria's oil and gas production and seize all material revenues without providing any balance sheet or financial transparency for expenses**

In July 2012, forces affiliated with the Kurdish Democratic Union Party clearly emerged and began to spread and control territory across areas of Syria. At the request of the International Coalition against ISIS, in particular the US administration, the Kurdish Democratic Union Party on October 10, 2015, underwent a pro forma change, through which it affiliated some units containing Arab and Assyrian components within its forces, in order to announce the launch of the so-called Syrian Democratic Forces, which was subsequently able, with the help of International Coalition forces, to control the area of northeastern Syria, which contains most of the country's oil fields; the governorates of Raqqa, Hasaka and Deir Ez-Zour in this region contain nearly 20 oil fields, 11 of which are under the control of Syrian Democratic Forces; these 11 fields have a productive capacity far larger than that of the fields under the control of Syrian Regime forces. The following is a list of the oil fields controlled by Syrian Democratic Forces, which control all these fields' financial resources:

### **A. Oil and Gas Fields in Hasaka Governorate:**

**1. Rmelan field:** This field is located in the Badiya [surrounding area] of Rmelan town in the northern suburbs of Hasaka. It is the second largest field in Syria in terms of production, containing approximately 1,320 wells, and supplying the regime-controlled refineries of Homs and Banyas with oil. Rmelan field has been under the control of Syrian Democratic Forces since July 2012.

**2. Al Suwaydiya field:** This field is located in al Suwaydiya town, which is administratively a part of al Malekiya area in the northern suburbs of Hasaka, and has been under the control of Syrian Democratic Forces since July 2012.

**3. Kbeiba field:** This field is located in the Badiya of al Shaddadi city in the southern suburbs of Hasaka and has been under the control of Syrian Democratic Forces since February 2016, when the group took control of it following battles against ISIS.

**4. Markada field:** This field is located in the Badiya of al Shaddadi city in the southern suburbs of Hasaka and has been under the control of Syrian Democratic Forces since February 2016, when the group took control of it following battles against ISIS.

**5. Tishreen field:** This field is located near al Hawl town in the eastern suburbs of Hasaka and has been under the control of Syrian Democratic Forces since mid-2015.



**6. Jabsa field:** This field is located in al Shaddadi city in the southern suburbs of Hasaka and includes dozens of oil and gas wells. Syrian Democratic Forces took control of the field in mid-February 2016 after ISIS withdrew from al Shaddadi area.

### **B. Oil and Gas Fields in Deir Ez-Zour Governorate:**

Deir Ez-Zour governorate is characterized by having the largest oil field and the largest gas field in Syria. Syrian Democratic Forces has controlled all of these, along with their financial revenues, since 2017. The most notable of these fields are:

**1. Al Omar field:** This field is located in the Badiya of Theyban city in the eastern suburbs of Deir Ez-Zour and has been under the control of Syrian Democratic Forces since mid-October 2017, and is the largest oil field in Syria.

**2. Al Tanak field:** This field is located in the Badiya of al Sh'aitat area in the eastern suburbs of Deir Ez-Zour and has been under the control of Syrian Democratic Forces since the beginning of November 2017.

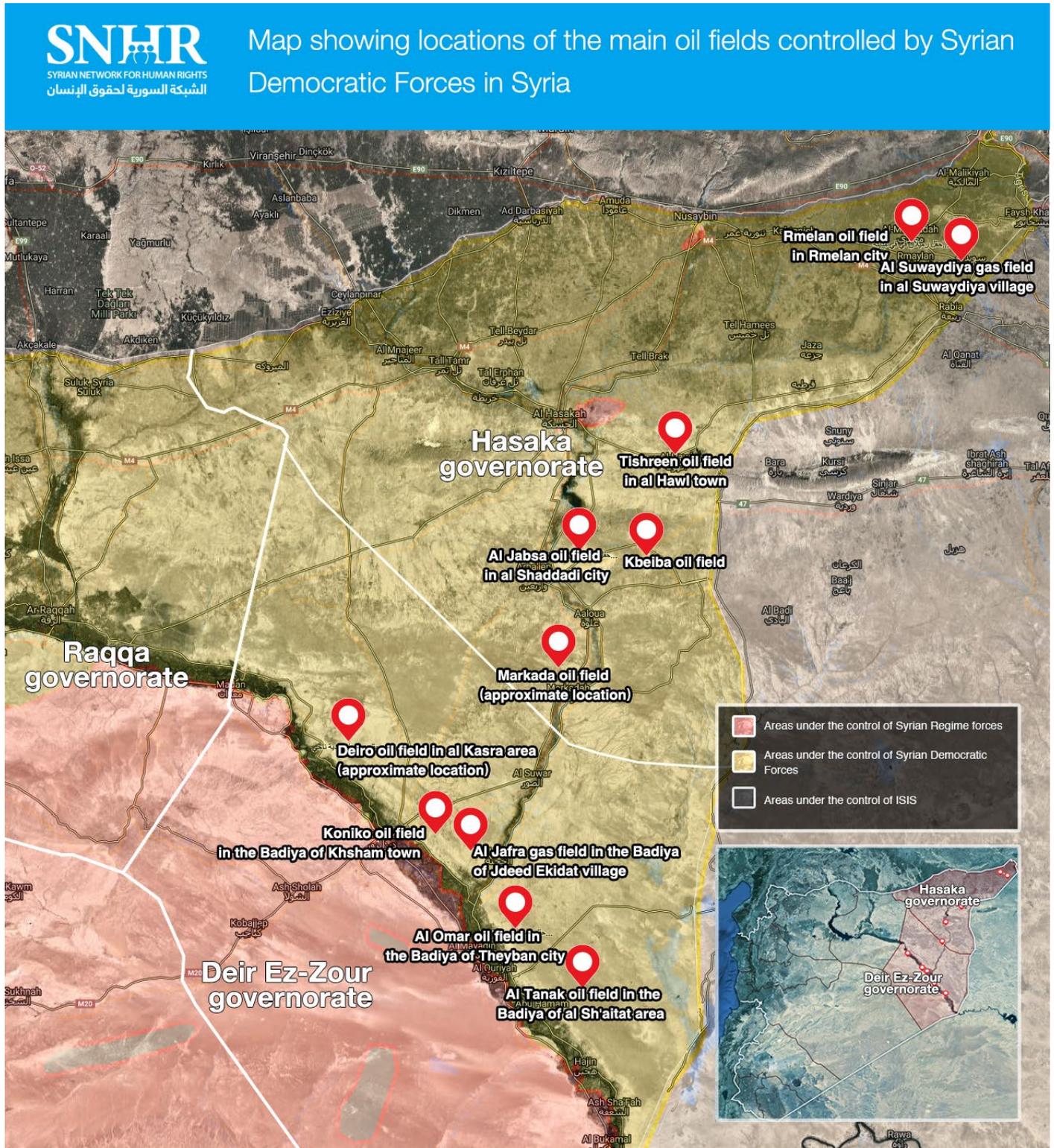
**3. Koniko field:** This field is located in the Badiya of Khsham town in the eastern suburbs of Deir Ez-Zour, and has been under the control of Syrian Democratic Forces since mid-September 2017, and is the largest gas field in Syria.

**4. Al Jafra field:** This field is located in the Badiya of Jdeed Ekidat village in the eastern suburbs of Deir Ez-Zour, and has been under the control of Syrian Democratic Forces since late September 2017.

**5. Deiro field:** This field is located in al Kasra area in the western suburbs of Deir Ez-Zour, and has been under the control of Syrian Democratic Forces since early September 2017.



Map showing locations of the main oil fields controlled by Syrian Democratic Forces in Syria



Since taking control over the oil and gas fields, the SDF and its administration have not disclosed the amount of money they have received in income from these fields, although this knowledge is the right of the local Syrian people in those areas, and this income should be clearly reflected in the provision of infrastructure, services, schools and hospitals. Despite this, however, Syrian Democratic Forces haven't submitted or published a single report in this regard, meaning that their operations are effectively looting the Syrian people's resources to misuse these monies for arming their own forces and accumulating huge funds for the SDF and its administration.

For an approximate estimate of the amount of these funds, we refer to [a report](#) issued by the Energy Information Administration (EIA), an independent statistical agency of the US Department of Energy, created by Congress in 1977, published in August 2011, which noted that Syria's oil production in 2010 was approximately 400,000 barrels of oil per day, further stating that the al Omar and al Jabsa fields are the largest ones, with their daily production reaching between 100,000 to 200,000 barrels per day.

According to [CEIC Data](#), a platform consisting of a team of economists and analysts providing accurate data in both developed and developing economies around the world, Syria's oil production decreased to nearly 16,000 barrels per day at the end of 2018; with the SDF controlling the largest number of oil fields in Syria, it can be safely asserted that these fields produce approximately 14,000 barrels of oil per day.

According to information SNHR obtained from residents of a number of areas near the oil fields, some of whom previously worked in the oil trade, we estimate that, on average, the SDF sells a barrel of crude oil to the Syrian regime for around US \$ 30, making a total daily return estimated at \$ 420,000, a monthly return estimated at US \$ 12.6 million, and an annual return estimated at 378 million dollars; this sum does not include the gas revenues.

### **III. Indicators suggesting coordination between Syrian Democratic Forces and the Syrian regime**

Syrian Regime forces withdrew from large areas in Hasaka governorate in mid-2012, as forces of the Kurdish Democratic Union Part took their place, clearly demonstrating systematic coordination between Syrian Regime forces and the Kurdish Democratic Union Party forces, who seemed quite obviously to have reached a mutual agreement to share areas of influence and control of the city's neighborhoods, as well as agreeing on control of different military checkpoints. In mid-2015, when the ISIS terrorist organization's forces attacked Hasaka city, joint military units consisting of Syrian Regime forces and Kurdish Democratic Union Party forces were formed to repel the attack.



After U.S. President Donald Trump announced his country's intention to withdraw from Syrian territory in December 2018, several leaders of the SDF rushed to hold meetings with Syria regime officials and to pay visits to them. These meetings resulted in cooperation on several issues such as: attempting to rehabilitate the Euphrates Dam, where a number of people told us about visits by engineers coming from areas controlled by the Syrian regime; it also seems probable that cooperation in oil smuggling operations was on the agenda of discussions during these meetings.

#### **IV. Syrian Democratic Forces' administration supports the Syrian regime which is involved in crimes against humanity with crude oil in clear breach of US, European and Canadian sanctions**

According to the investigations we conducted and through talking to a large number of people in the region, the SDF began its oil smuggling operations to the Syrian regime at the end of 2017, when the SDF tightened its control over the oil and gas fields in Deir Ez-Zour governorate following its battles against ISIS.

A number of local activists in Hasaka governorate told the Syrian Network for Human Rights that the supply of oil to the Syrian regime from the al Rmelan and al Suwaydiya fields in Hasaka governorate has not stopped since the Kurdish Democratic Union Party took control of the two fields in mid-2012, as these fields are subject to agreements between the two parties, with the workers at both fields still receiving their wages from the Syrian regime.

As a result of the Syrian regime continuously committing crimes against humanity and repeating its use of chemical weapons with total disregard for the political process, the US administration increased the level of economic sanctions imposed on the regime in mid-2018, which in turn increased the regime's need for and reliance on cooperation and coordination with the SDF to fill the vacuum. The SDF responded positively to the Syrian regime's desire to further bolster their relations, and we noted an unprecedented rise in smuggling operations since this period, with these operations assuming a more organized form, and taking place either through selling crude oil from SDF-controlled fields to traders and companies affiliated with the Syrian regime or through using vessels travelling between water crossings on opposite banks of the Euphrates River, one of which is controlled by the SDF, while the other is controlled by Syrian Regime forces.

Without a doubt, this massive amount of oil and gas smuggling cannot take place without the patronage of the Syrian Democratic Forces. It is behind the smuggling operations as the dominant force controlling the oil and gas fields, having seized hundreds of millions of dollars from these smuggling operations without disclosing their destination and how and where these funds were spent.



The smuggling operations take two forms, via overland routes or water crossings, as follows:

### **The first stage through overland routes:**

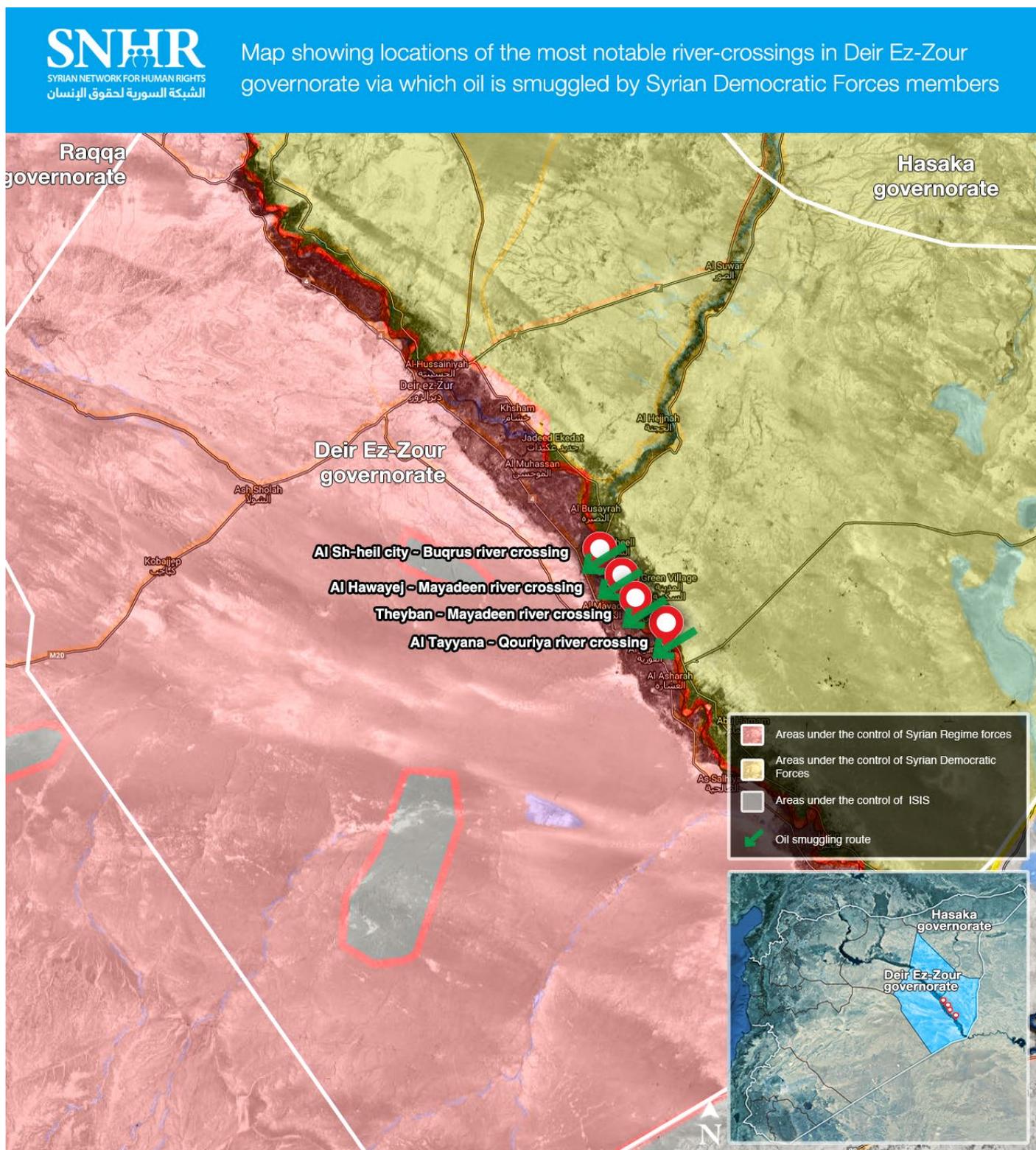
The SDF allows a large number of tanker-trucks and lorries coming from Syrian regime-controlled areas, often owned by Syrian regime merchants and companies, to enter crude oil fields such as the Rmelan field in Hasaka governorate, and similarly to the oil fields in Deir Ez-Zour governorate. Once in the oil fields, these tanker-trucks and lorries are supplied with crude oil and then return to areas controlled by the Syrian regime via the Deir Ez-Zour-Raqqa-Manbej Road and then to the oil refinery in Banyas or Homs. These two-way trips are routine and continuous, and are regularly observed by the inhabitants of the areas the tanks and trucks go through.

### **The second stage: water crossings**

There are a number of jetties where civilians gather to be transported across the Euphrates by boats, small ships or water ferries, with the river extending about 610 km in Syrian territory. Civilians have become increasingly dependent on these crossings as a result of the bridges usually used to cross the river being frequently targeted by the parties to the conflict, as we explained previously in [an extensive report](#); as a result of this, the use of water crossings grew steeply since September 2018 after most bridges were destroyed.



Map showing locations of the most notable river-crossings in Deir Ez-Zour governorate via which oil is smuggled by Syrian Democratic Forces members towards the Syrian regime's areas of control:



Oil is transported via tanker trucks or smaller vehicles from the oil fields, as we explained above, until they reach the east bank of the Euphrates. The oil load is then discharged into special ferries equipped with tanks ranging in size from 30 to 100 liters. The oil is then transported to the river's west bank, where Syrian Regime forces are located, and traders mediate and receive deliveries between the SDF and Syrian Regime forces.

Since the beginning of January 2019, the SDF has resorted to developing a new oil transportation mechanism across the Euphrates, by extending plastic pipelines through which oil is transported between the two banks of the river. The SDF places tight security at the water crossings and tightly regulates this work.

We were able to obtain information indicating that the main persons responsible for these oil smuggling operations are individuals working for al Qatirji Company, whose owner, Mohammad al Qatirji, was placed under sanctions by the United States in September 2018 for his clear support of the Syrian regime and its crimes against the Syrian people. These traders are dispersed between the areas of control of the Syrian regime and Syrian Democratic Forces in Deir Ez-Zour governorate, where they are tasked with concluding deals between the two sides indirectly; these are the individuals who pay money to the leaders of Syrian Democratic Forces and the Military Council of Deir Ez-Zour, which is administratively affiliated with the Syrian Democratic Forces; this council is an essential part of the oil smuggling operation.

We were able to identify four crossings via which oil is smuggled: al Sh-heil- Buqrus Tahtani crossing, al Tayyana - al Qouriya crossing, al Hawayej/ Theyban – al Mayadeen crossing, and Darnag – Sbaikhan crossing.

The SNHR spoke with Hamid <sup>1</sup>, a young man from Sh-heil city in Deir Ez-Zour suburbs, who told us: **“At the end of 2018, members I know personally belonging to the SDF extended an oil pipeline running from the al Sh-heil city crossing under their control towards the Buqrus Tahtani village crossing under the control of the Syrian regime.”**

These pipes are equipped with push pumps. This pipeline is installed on oil tanks coming from the al Omar field and pumps oil towards the other bank of the Euphrates River, where the Syrian regime has installed large tanks where the oil is stored until it is transported by oil tanker trucks.

**“I saw them when I was near the crossing, and I noticed that there was communication between SDF members via radio telephones with people on the other side that I think were from the regime, and they were talking about the amounts of oil that should be transported today,”** Hamid said.

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<sup>1</sup> Via WhatsApp on April 25



Hamid added that some civilians buy crude oil from the al Omar field and then transport it via small ferries and boats. He added: **“People gather in Buqrus – Manadeeb crossing to buy the 200-liter barrel for about 15-20 thousand Syrian pounds per barrel.”**



[Video](#) showing oil tanks in Buqrus Tahtani village, which is under the control of the Syrian regime, heading to Deir Ez-Zour city after loading crude oil through al Sh-heil city crossing – Video source: Social networking sites – April23, 2019

The SNHR contacted Mr. Abu Amir<sup>2</sup>, a local media activist from al Tayyana village in the eastern suburbs of Deir Ez-Zour. Abo Amir says: **“The operations of transporting and smuggling oil towards the areas of the regime take place on a daily basis. I see every day from morning till late at night, hundreds of oil tanks that are loaded from the al Omar field, and then transferred to the crossings on the banks of the Euphrates to be transferred to areas controlled by the regime. All this happens despite the presence of military checkpoints belonging to Syrian Democratic Forces distributed along the road between the field and the crossings.”**

Amir added that the SDF has dozens of plastic hoses running across the Euphrates River, via which they transport oil to the Syrian regime areas.

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<sup>2</sup> Via a WhatsApp call on May 7



## V. Joint attacks by International Coalition forces and Syrian Democratic Forces on oil smuggling crossings may not be sufficient

After the spread of the oil smuggling trade on a large scale, especially in 2018 and the beginning of 2019, the International Coalition forces received confirmed information about this illicit oil trade, its support for the Syrian regime and its revenues of millions of dollars; the International Coalition forces launched a campaign to end this trade, and forced the SDF to take part in a campaign in order to demonstrate its fight against this trade. On May 7, 2019, a joint patrol of International Coalition forces and Syrian Democratic Forces backed by helicopters belonging to International Coalition forces attacked several oil crossings dispersed between al Sh-heil city and al Hawayej village in the eastern suburbs of Deir Ez-Zour, targeting water ferries with heavy machine guns in addition to confiscating hoses and pipes used to transport crude oil. A number of residents of the area told us that this patrol threatened them in the event of their participation in the work of transporting crude oil trade towards areas of the Syrian regime.

The occurrence of these joint attacks on the oil crossings confirms the existence of a popular oil trade that has been going on for years; when it was exposed, it called for the intervention of International Coalition forces. We believe that military force alone is not enough and that investigations should be opened into those involved in supplying oil to the Syrian regime, where the resulting financial revenues have gone and how much they are worth. Based on this attack, prosecution and exposing the looting and smuggling operations, [the Legislative Council issued](#) a circular on April 14, 2019, prohibiting the manufacture of water ferries and confiscating those exist on the eastern bank of the Euphrates River.

Although there were several raids carried out by joint patrols after the May attack, we monitored [continuous attempts of smuggling](#). We were informed by residents of al Sh-heil village in the eastern suburbs of Deir Ez-Zour that smuggling operations has returned in full view of SDF members via the al Sh-heil – Buqrus Tahtani crossing towards the Syrian regime's areas of control.

## VI. Conclusions and recommendations

- The Syrian Democratic Forces have breached economic sanctions imposed on the Syrian regime by civilized democratic countries around the world that constitute a near international consensus against a regime that has committed crimes against humanity, and is primarily supported by states like Iran and Russia that do not respect international law and which are involved in committing war crimes and crimes against humanity and in defending and justifying the regime's crimes.



- The Syrian Democratic Forces, through their oil-smuggling operations, have supported the Syrian regime which is involved in war crimes and crimes against humanity, knowing that the regime may use that oil in its ground and military operations. Worse, the Syrian Democratic Forces support the Syrian regime with oil owned by the Syrian people, again reflecting in the crimes and violations against the Syrian people who rose up to demand the change of the ruling regime's dynastic despotism.
- The Syrian Democratic Forces have treated the oil and gas fields as though these facilities were their own property and that of the Self-Management and Kurdish Democratic Union Party, which may have transferred some of the funds earned from these sales to its leaders in the PKK, which is on the US terrorism lists. This falls into the category of providing financing and support for terrorism in the world.

### **Recommendations:**

#### **The US government and the governments of countries participating in supporting the International Coalition against ISIS:**

- Open an immediate investigation into the involvement of Syrian Democratic Forces in oil-smuggling operations benefiting the Syrian regime, which is on US sanctions lists.
- Request that the leadership of the SDF disclose all the money it has received from oil and gas since 2012 to date and provide a financial statement on where and how the money was spent, noting that it may have been stolen for private accounts or for use in financing and supporting terrorism.
- Stop supporting the SDF and the PYD fully and immediately if it is proven to be transferring funds from Syria's oil and gas revenues to the terrorist PKK.
- Make genuine efforts to establish legitimate civilian local governance and democratic elections in northeast Syria as a substitute for the dominant military forces, placing military forces under the authority of the democratically elected civilian governance, and placing the region's resources under its control, which will be reflected in positive effects on services and infrastructure.

#### **Syrian Democratic Forces:**

- Immediately disclose the amount of money obtained by the smuggling and sale of oil, how these funds were disbursed and whether part of that money was transferred to the PKK, which is classified on the US terrorism lists.
- Open an investigation into those involved in oil and gas smuggling operations, and coordinating with and supporting the Syrian regime, and hold them accountable by trial conducted by an independent judiciary that is not affiliated with the SDF or Self-Management.



- Use the oil and gas revenues for the benefit of society, restore infrastructure and services, and commit to financial transparency in this.
- The SDF must not support the Syrian regime which is involved in committing crimes against humanity, as this could lead to a charge of collusion against the SDF and its political and military leaderships.
- Respond to the correspondence of the Syrian Network for Human Rights in case of requests for information or clarification on the investigations and reports issued by us.

### **UN Security Council:**

- The UN Security Council should impose sanctions on the Syrian regime targeting the organs and persons involved in committing atrocities and violations, above all to impose an arms embargo and travel ban.

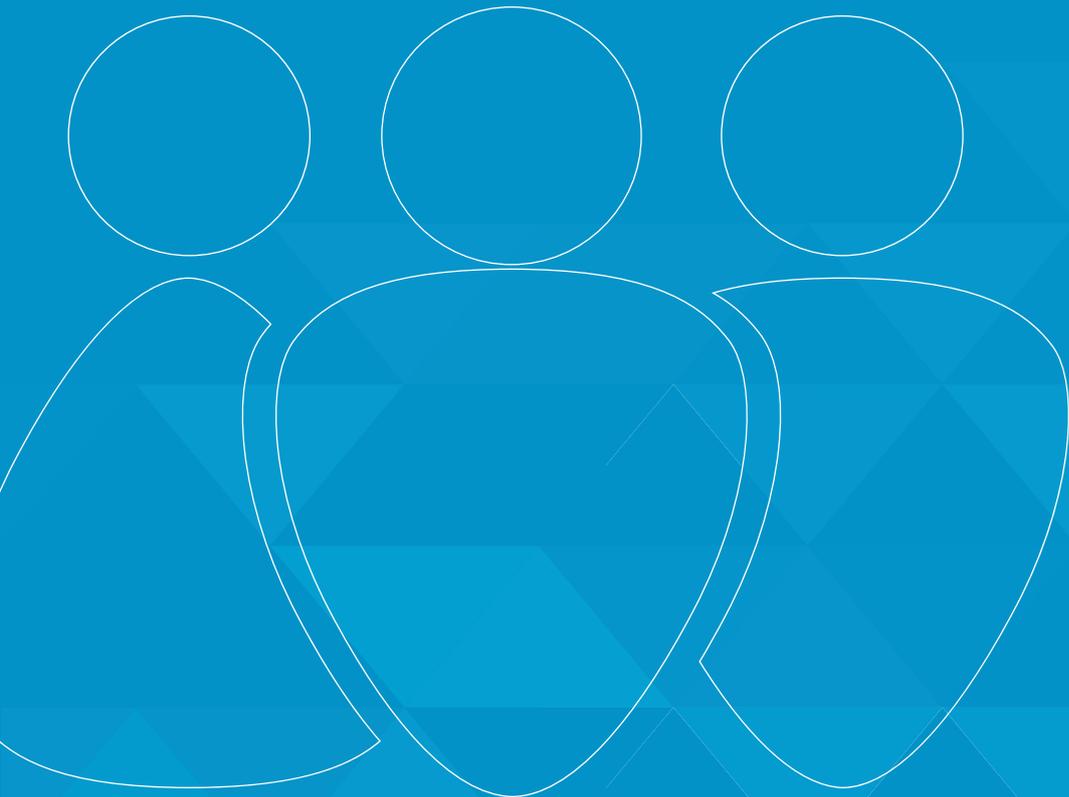
### **OHCHR and the International Commission of Inquiry:**

- Recommend that the Security Council imposes sanctions against the Syrian regime in accordance with the Charter of the United Nations and international law, including a comprehensive arms embargo.
- Stress the imposition of sanctions, including legal and criminal accountability for all those who actively support the Syrian regime in its military and criminal operations against the Syrian people.

### **Thanks**

We extend our sincere thanks to the local people and activists without whose contributions, we could not have published this report.





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