MARKET OVERVIEW

Hama city and Aleppo city | Rapid Market Assessment (RMA)

13-14 January 2024

INTRODUCTION

Syria is undergoing major political and social shifts. These changes create both challenges and opportunities for humanitarian efforts. Multi-purpose cash assistance (MPCA) remains vital, offering flexibility for crisis-affected populations to address their needs. However, its effectiveness depends on market functionality, which has been severely impacted by years of conflict and infrastructure damage.

In the cities of Hama and Aleppo, being the major market hubs in their respective governorates, the assessment of market functionality is critical to guiding cash-based interventions. As the country moves into a transitional phase, understanding and addressing market dynamics will remain essential for tailoring effective humanitarian responses that support recovery and resilience.

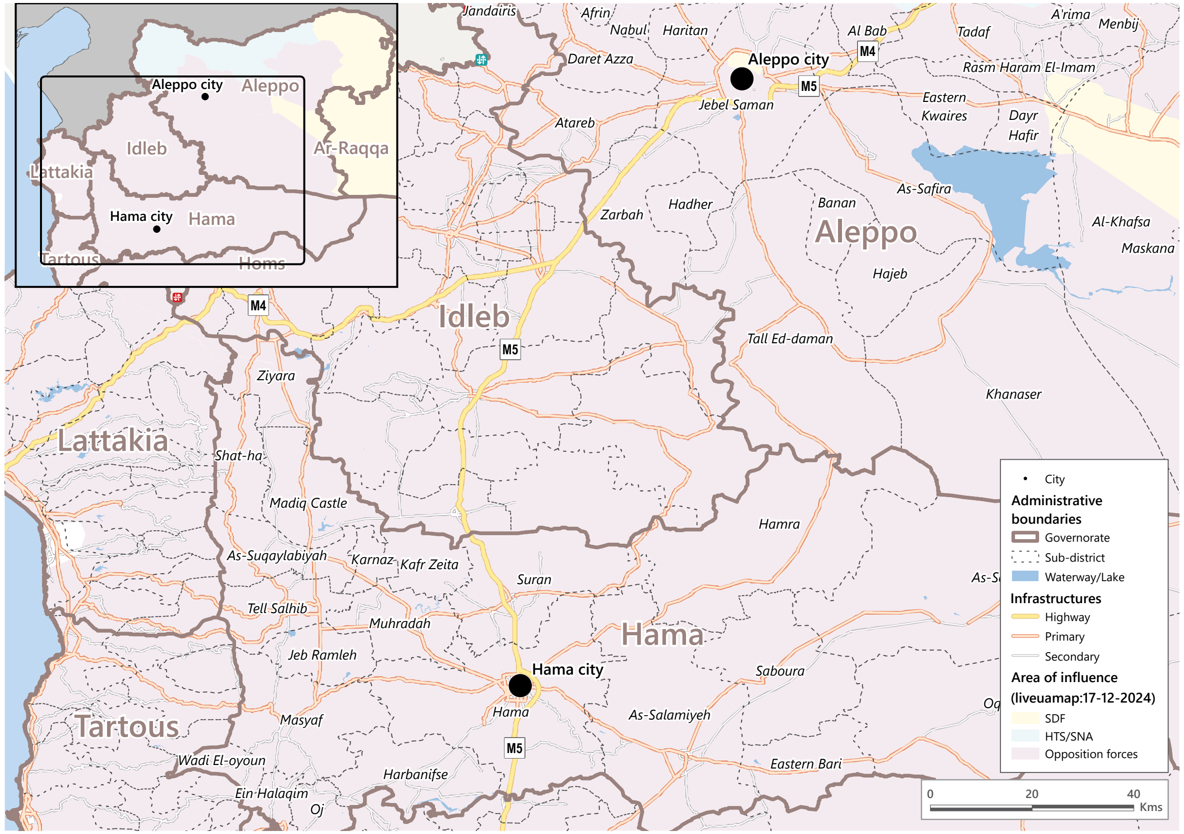
In response to these developments, REACH conducted a rapid market assessment on January 13–14.

2	Assessed governorates
2	Assessed sub-districts
2	Assessed markets
91	Vendors surveyed in Aleppo
102	Vendors surveyed in Hama

KEY INDICATORS

Unsubsidized diesel	Subsidized bread	USD/SYP
12000 SYP/L	4000 SYP/unit	informal exchange rate
1.02 USD/L	0.34 USD/unit	11800 SYP

Markets Coverage Map



KEY FINDINGS

- **Markets in Hama and Aleppo were found to be largely stable and functional.** The vast majority of vendors reported that most (44%) or all (51%) shops in the marketplace were open, with no significant changes reported in conditions during the week prior to data collection. Additionally, **vendor reports on the supply chain indicate stability, with no disruptions reported or anticipated and no issues with restocking.**
- **The majority (62%) of assessed vendors reported no item shortages in their shops** during the seven days prior to data collection. However, there was a notable difference between the two cities, with a significantly higher proportion of vendors in Hama (50%) reporting shortages of at least one item during this period, compared to Aleppo (22%).
- **Reported price trends in the seven days before data collection indicate overall market stability, with no significant price increases,** suggesting that item accessibility remained mostly unchanged across the two cities.

Shops operational status

Markets in the assessed cities were largely stable and functional. The vast majority of vendor reported that most (44%) or all (51%) shops in the marketplace were open and that conditions had not changed in the week prior to data collection. Additionally, the proportion of vendors reporting stable operations was consistent across both cities, further supporting the idea that this trend may be regional.

Around half of the interviewed vendors in Aleppo (54%) and Hama (44%) reported facing no difficulties or barriers in keeping their businesses operational at the time of data collection.

A smaller proportion of vendors—almost all based in Aleppo, representing 24% of respondents there—reported security incidents negatively affecting their businesses, customers, or personal safety. The most frequently mentioned incidents were robbery and looting.

Percentage of surveyed vendors per city reporting no security issues in or near the marketplace in the past 7 days prior to data collection

76% Aleppo

99% Hama

Top 5 most frequently reported challenges to maintaining business operational, by percentage of vendors who faced at least one barrier

	Aleppo	Hama
Lack of funds	40%	62%
Physically dangerous conditions in this area	48%	23%
High prices from suppliers impacts ability to buy stocks	31%	25%
Increases/high cost of customs fees	24%	23%
Difficulties accessing enough physical banknotes	7%	13%

Percentage of shops open in market as reported by overall surveyed vendors

All vendors are open (100%)	51%
Most of the vendors are open (between 75% and 99%)	44%
A lot of the vendors are open (between 50% and 74%)	4%

Reported changes in the number of shops open in past 7 days prior to data collection, by overall surveyed vendors

The situation is the same	82%
Significantly more vendors are open	13%
Somewhat more vendors are open	5%

Stock and restock capacity

Vendors reports indicate that supply chains were stable, with no disruptions reported or anticipated, and no issues with restocking. The vast majority of vendors (97%) in both cities reported smooth operations and no supply chain disruptions in the seven days leading up to data collection.

Similarly, 94% of vendors stated they did not experience any challenges with restocking during this period, and 95% did not foresee any issues in the seven days following the interview.

The median estimated duration for stock to last without reordering was consistent across both cities, standing at 10 days.

Basic items availability

The majority (62%) of assessed vendors reported no item shortages in their shops during the seven days prior to data collection. However, there was a notable difference between the two cities, with a significantly higher proportion of vendors in Hama (50%) reporting shortages of at least one item during this period, compared to Aleppo (22%).

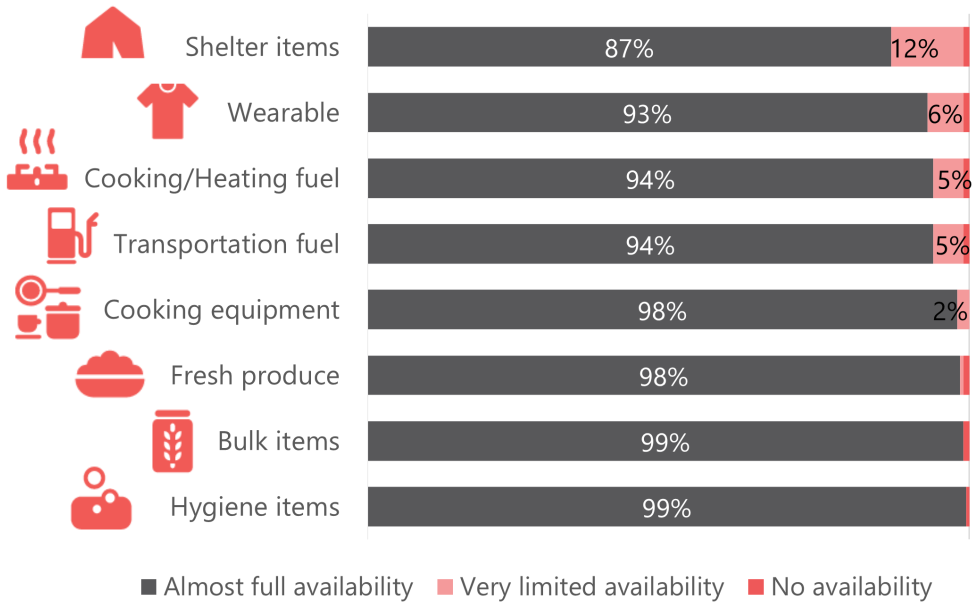
Top 5 items most commonly reported as facing shortages in the seven days prior to data collection, by percentage of surveyed vendors who reported items shortages in each city

	Aleppo	Hama
Subsidised manually refined diesel for transportation	80%	74%
Subsidised bread	60%	67%
Subsidised manually refined petrol for transportation	30%	65%
Subsidised LPG gas	35%	58%
Manually refined kerosene	10%	40%

Basic items price trends

Reported price trends in the seven days before data collection indicate overall market stability, with no significant price increases, suggesting that item accessibility remained unchanged. In Aleppo and Hama, the majority of interviewed vendors reported either a moderate decrease or no change in the prices of selected item categories over the week preceding data collection. The highest reported price increases were for construction equipment and cooking/heating fuels, each cited by 30% of respondents, suggesting that these items may be more susceptible to price increases.

Reported level of items category availability in marketplace on the day of data collection, as a percentage of all surveyed vendors



Median of prices reported by vendors for selected items, by city (SYP)

	Aleppo	Hama
Subsidized bread (1 unit)	4000	4000
Unsubsidized bread (1 unit)	4000	4000
Rice (1 Kg)	12000	12000
Tomatoes (1 Kg)	6500	7500
Chicken (1 Kg)	37000	38000
Bathing soap (1 unit)	7000	6000
Subsidized LPG gas canister	210000	172000
Unsubsidized LPG gas canister	190000	200000
Diesel (1 L)	12000	12400

Reported price trend over the seven days prior to data collection, by percentage of overall assessed vendors

	Decreased	Remained the same	Increased
Construction equipment	24%	45%	30%
Cooking or heating fuels	44%	26%	30%
Winter items	31%	40%	28%
Transportation fuels	36%	39%	24%
Bulk items	62%	18%	20%
Cooking stove and utensils	32%	50%	18%
Hygiene items	55%	29%	16%
Fresh vegetables	58%	29%	14%

Financial service provider and money exchange functionality

Reports on the availability of credit payment options across assessed shops and businesses were similar in both cities, with responses fairly evenly distributed across different levels of accessibility.

Regarding financial service provider (FSP) functionality, overall levels were high, with the majority of vendors reporting full (59%) or partial (28%) functionality. **Nevertheless, variations were noted between the two cities, with findings suggesting that Aleppo had lower levels of FSP functionality compared to Hama.**

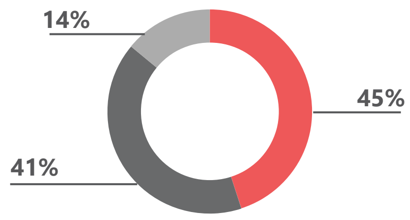
Similarly, money exchange services were more widely reported as fully functional in Hama (72%) compared to Aleppo (45%), further suggesting a higher level of financial service functionality in Hama

Reported level of FSP functionality, by percentage of assessed vendors in each city

	Aleppo	Hama
Fully functional	43%	71%
Somewhat functional	37%	20%
Limited functionality	19%	6%
Not functioning	1%	3%

Reported change in customer demand in the seven days prior to data collection, by percentage of overall assessed vendors

- No change in demand
- Yes, demand has decreased
- Yes, demand has **increased**



Customer demand

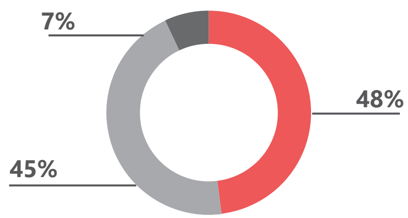
Vendor reports indicate no substantial increase in customer demand in the week before data collection, suggesting stable demand trends and no major market disruptions linked to demand changes. Notably, among respondents who reported increased demand, the vast majority (21/27) also reported facing no barriers or challenges in meeting it.

Reported availability of credit payment modality, by percentage of overall assessed vendors

All of the customers (100%)	0%
Most of the customers (between 75% and 99%)	17%
A lot of the customers (between 50% and 74%)	16%
Some of the customers (between 25% and 49%)	22%
Few of the customers (between 1% and 24%)	25%
I do not offer credit to my customers	19%

Reported change in customer demand for credit payments in the seven days prior to data collection, by percentage of overall assessed

- No change in credit demand
- Yes, demand for credit has **increased**
- Yes, demand for credit has decreased



Methodology

The Rapid Market Assessment aims to inform market-based programming in Syria.

Coverage

Coverage was determined through identifying key market hubs using REACH's 2023 Market Network Analysis research, which highlights the number of surrounding communities that depend on market hubs to access key commodities and services.

Data Collection

Primary data collection was conducted in-person and remotely by REACH and partners' enumerators. Using a quantitative tool, the structured KI interviews with vendors aims to collect data at community-level in identified market hubs on the key indicators of market functionality (e.g. shop closures, item availability, price changes, supply chain resilience etc.). Enumerators interviewed 10-12 vendor KIs per assessed community, targeting vendors previous engaged with market monitoring where possible. Vendors were targeted as a priority that sell basic commodities falling within the following categories:

- Basic food items
- Basic (non-food items including hygiene items)
- Shelter items (plastic sheets, tents, tools and materials)
- Water
- Fuel
- Winter items (blankets, jerry cans, winter clothes)

Identification of traders

Field teams identify traders to assess based on the following criteria:

- Traders are retailers selling directly to consumers.
- Traders need to be representative of the local price level.
- Traders have knowledge of the shop operations.

To the extent possible, the same traders are revisited in every data collection round.

Enumerators and training

The data are collected by field staff familiar with local market conditions. They undergo training on the methodology and tools provided by REACH. Training sessions occur each time a new partner joins the assessment, at partner request. Additionally, field teams are equipped with a Standardised Operational Procedure (SOP) offering guidance on market identification, trader assessment, and pricing. The REACH Cash & Markets team manages the integration of partner feedback on the SOP, sharing updates, and conducting re-training with the field, as needed. Data collection is carried out using the KOBO Collect mobile application.

Data cleaning and analysis

After data collection, REACH compiles and cleans all partner data, standardizing prices, cross-checking outliers, and calculating the median cost of prices in each assessed location. Follow-ups are initiated with field teams to address data queries, including outliers, missing data, and incorrect entries. The median item prices reported in this factsheet are 'location medians,' designed to mitigate the impact of outliers and variations in data quantity among assessed locations.

Challenges and limitations

- Price data is only indicative for the time frame within which it was collected. Prices may vary between data collection rounds.
- With current coverage, data is mostly collected from main markets, which may not be representative of rural areas.
- As the assessment continues to expand and is extended to additional locations, the reported changes in the overall median prices may be driven by shifts in coverage rather than actual price changes.

About the CWG

The JMMI exists within the framework of the Cash Working Group (CWG). In northwest Syria (NWS), the CWG was established in May 2014 to analyse the impact of the ongoing conflict on markets in Syria and guide the implementation of humanitarian cash and voucher programmes within those markets. For more information about the CWG in NWS, please contact the cash working group coordinator at cbr.twg@gmail.com.

About REACH

REACH Initiative facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions in emergency, recovery and development contexts. The methodologies used by REACH include primary data collection and in-depth analysis, and all activities are conducted through inter-agency aid coordination mechanisms. REACH is a joint initiative of IMPACT Initiatives, ACTED and the United Nations Institute for Training and Research - Operational Satellite Applications Programme (UNITAR-UNOSAT).