

Northern Syria Market Monitoring Exercise

August 2016

Cash-Based Responses
Technical Working Group

REACH Informing
more effective
humanitarian action

INTRODUCTION

To understand market functionality in northern Syria and how markets cope with challenges created by the conflict, the Cash-Based Responses Technical Working Group (CBR-TWG) and REACH conduct monthly monitoring of key markets. In each assessed market, field teams record the prices and stock levels of selected food and non-food items (NFIs) sold by local traders and retailers. Commodities have been identified based on what is typically available, sold and used by an average Syrian household. Many are components of the Survival Minimum Expenditure Basket (SMEB), detailed in the table to the right, which outlines the minimum culturally-adjusted group of items required for survival for a six-person household over a one-month period.

This report provides an overview of price ranges and medians during the month of August for key foods, NFIs and types of fuel across the areas assessed, as well as of water trucking expenses and currency exchange rates. In order to illustrate variation in prices and availability, REACH has used the collected data to map the price of an SMEB in each subdistrict. The cleaned data sets are available on the REACH Resource Centre and are distributed to CBR-TWG partners, as well as to the clusters.

WHAT IS THE CASH-BASED RESPONSES TECHNICAL WORKING GROUP?

The Cash-Based Responses Technical Working Group (CBR-TWG) was established in March 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.

METHODOLOGY

Between 15 and 22 August 2016, a network of enumerators affiliated with CBR-TWG members collected detailed information about the availability and prices of key food items, non-food items and fuel in northern Syria. Seven partners (Concern, GOAL, IRC, Mercy Corps, People in Need, REACH and Solidarités International) contributed data from 27 subdistricts across Lattakia, Idleb, Aleppo, ar-Raqqa, Deir-ez-Zor and al-Hasakeh governorates.

Ten survey forms were deployed on KoBo to capture price and stock information from different types of establishments, including grocery stores, fuel traders, currency exchange shops and water trucking services, among others. In most cases, enumerators used the KoBoCollect Android app to upload data.

In order to be included in the Market Monitoring Exercise, markets had to be permanent in nature, large enough to support at least two wholesalers, and diverse enough to provide a sufficient variety of goods and commodities. The shops surveyed within each market had to be housed in permanent

CHALLENGES AND LIMITATIONS

CBR-TWG partners closely monitor the security context in the subdistricts where they have committed to collect data and are encouraged not to expose their enumerators to undue risk. In some subdistricts, this means that enumerators cannot collect data from certain communities or neighbourhoods. This was the case in the divided cities of al-Hasakeh, Qamishli and Deir-ez-Zor, where some neighbourhoods could not be surveyed. In addition, the overall security context in the city of Aleppo made it impossible for CBR-TWG partners to deploy enumerators there or

structures and had to sell certain items to be eligible for inclusion.

REACH and CBR-TWG members trained all enumerators on the methodology and tools. Each enumerator assessed three to five shops of each type in the main market in their assigned subdistrict, using surveys to collect information about prices, current product inventory and the time needed to replace current stocks. In subdistricts where direct surveying by enumerators was not possible, such as Lattakia and Deir-ez-Zor, data collection was conducted through key informants, who included shop owners and suppliers as well as consumers.

Following data collection, REACH and the CBR-TWG compiled and cleaned all partners' data, normalising prices and cross-checking outliers. The cleaned data was then analysed by commodity and by subdistrict. Prices were divided into quartiles and boxplots were created to help CBR-TWG members understand the distribution of prices. In addition, the average cost of an SMEB in each subdistrict was calculated and mapped by REACH.

collect prices from local markets.

Coordinating a cross-border price monitoring exercise via remote management is inherently challenging, as issues of enumerator training, consistent communication and verification of results are harder to resolve from afar. CBR-TWG members have sought to overcome these issues by aligning their efforts, using a single set of online survey forms, uploading all data to a central server, and harmonising procedures to ensure that the data uploaded are as accurate as possible.

ASSESSED GOVERNORATES



SURVIVAL MINIMUM EXPENDITURE BASKET (SMEB) CONTENTS

	Item	Quantity
Food Items	Bread	37 kg
	Bulgur	15 kg
	Chicken	4 kg
	Dried pulses	19 kg
	Eggs	6 kg
	Fresh vegetables	6 kg
	Ghee	7 kg
	Rice	19 kg
	Salt	1 kg
	Sugar	5 kg
	Tomato paste	6 kg
Non-Food Items	Individual soap	12 pcs
	Laundry/dish soap	2 kg
	Sanitary pads	4 packs of 10
	Toothpaste	2 pcs
Fuel	Kerosene (manually refined)	25 L
Water	Water	2790 L
Other	6% float*	6% total value

* 6% float was excluded from SMEB calculations due to the commonality of incomplete baskets.

AUGUST 2016: NORTHERN SYRIA CONTEXT

Throughout July and August 2016, the international headlines on Syria were dominated by a severe escalation of fighting in the city of Aleppo. The partial reopening of the Castello and Ramouseh roads in early August, which has allowed limited amounts of commercial goods and humanitarian aid to enter the city, has improved Aleppo civilians' access to food, fuel, NFIs and especially water. Though markets remain functional, commodity shortages are epidemic, and prices of staple foods continue to rise beyond residents' ability to cope.

In mid-August, a sudden intensification of fighting in al-Hasakeh city resulted in the mass displacement of an estimated 70,000 people to surrounding villages and subdistricts. The influx placed strain on local markets, particularly in destination communities such as Amuda, Darbasiyah, Qamishli and Ras al-Ain, causing increased prices and a decline in the availability of core items such as flour, rice and bulgur. Though the al-Hasakeh displacement was relatively short-term due to a ceasefire agreement on 23 August, its effects continue to linger.

COMMODITY PRICE CHANGES

During the month of August, Syrian pound exchange rates, which have been volatile over the past few months, began to rise again after a brief period of decrease. The median informal US dollar sell rate was 536 SYP/USD, up from 495 SYP/USD in July; this represented a rise of 8.3% since July, but a fall of 15.2% since inflation rates peaked in May 2016. Rates continued to range far more widely than normal across northern Syria, with a low of 530 SYP/USD in Darkosh subdistrict and a high of

**MEDIAN EXCHANGE RATES
AUGUST 2016**
536 SYP/USD
183 SYP/TRY

MAIN PRICE CHANGES

**SUGAR, EGGS, NATURAL GAS,
TOMATOES, LAUNDRY SOAP**

558 SYP/USD in Lower Shyookh subdistrict. As for the Turkish lira, which has itself been somewhat volatile throughout July and August, the median August sell rate was 183 SYP/TRY, with rates at individual shops ranging from 175 to 188 SYP/TRY. This median has risen by 9.6% since July and fallen by 13.3% since May.

August food prices in most parts of northern Syria were unexpectedly stable despite the shifts in exchange rates, with the median prices of eight staple commodities (chicken, red lentils, rice, bread, flour, salt, cucumbers and onions) staying identical or nearly identical to those observed in July. That said, the median prices of several other commodities rose well beyond the rate of inflation over the same time period. Those of sugar, which rose from 430 to 600 SYP (0.87 to 1.12 USD, 39.5%), and eggs, which rose from 1050 to 1200 SYP for a pack of 30 (2.12 to 2.24 USD, 14.3%), changed most dramatically; the prices of potatoes and tomatoes also rose back to normal levels after falling in July. The changes in median sugar and vegetable prices, in particular, were driven by localized price spikes in al-Hasakeh governorate and nearby areas that depend on its supply routes.

The prices of most monitored hygiene NFIs, meanwhile, fell significantly from their July levels. The median price of laundry soap fell from 575 to 480 SYP (1.17 to 0.90 USD, 16.5%), for example, and that of individual bars of soap fell from 150 to 100 SYP (0.31 to 0.19 USD, 33.3%). Median toothpaste prices, on the other hand, rose by 50 SYP (0.06 USD) over their July levels.

The median prices of all fuels dropped even more significantly, particularly those of natural gas (275 to 150 SYP, 0.43 to 0.28 USD, 45.5%)

MAIN SHORTAGES

**KEROSENE, WATER, CHICKEN,
GOVERNMENT PETROL / DIESEL**

and government-produced diesel (165 to 37 SYP, 0.26 to 0.07, 77.6%). The price of kerosene, the most commonly used cooking fuel across northern Syria, dropped by 75 SYP (0.08 USD) between July and August. As is usual with fuel prices, these shifts in the Syria-wide medians were driven less by price decreases in individual shops and more by the difficulty of obtaining most monitored fuels in the northwestern governorates, which resulted in a lack of data from the area where prices are generally highest.

The median price to deliver 1 litre of water via private water trucking services rose to 0.57 SYP in August, a rise from 0.51 SYP in July. Prices varied relatively widely from a minimum of 0.32 SYP in Sarin subdistrict to a maximum of 1.40 in Darkosh subdistrict. Meanwhile, the median price of a 150x200 cm winter blanket with a minimum thickness of 5 mm continued to fall, reaching 3,000 SYP (5.60 USD) in mid-August.

ISSUES OF AVAILABILITY

During August 2016, a majority of SMEB commodities were widely available across the assessed area. Exceptions included chicken, which was unavailable in seven northeastern subdistricts near the Turkish border; kerosene, which was unavailable in five widely spaced subdistricts of Aleppo governorate; and water from privately operated trucks, which was unavailable in most assessed parts of Deir-ez-Zor and ar-Raqqa governorates. Eggs and bread were also missing from markets in four and three subdistricts, respectively.

Non-SMEB fuels, particularly those produced by the Syrian government, were more difficult to

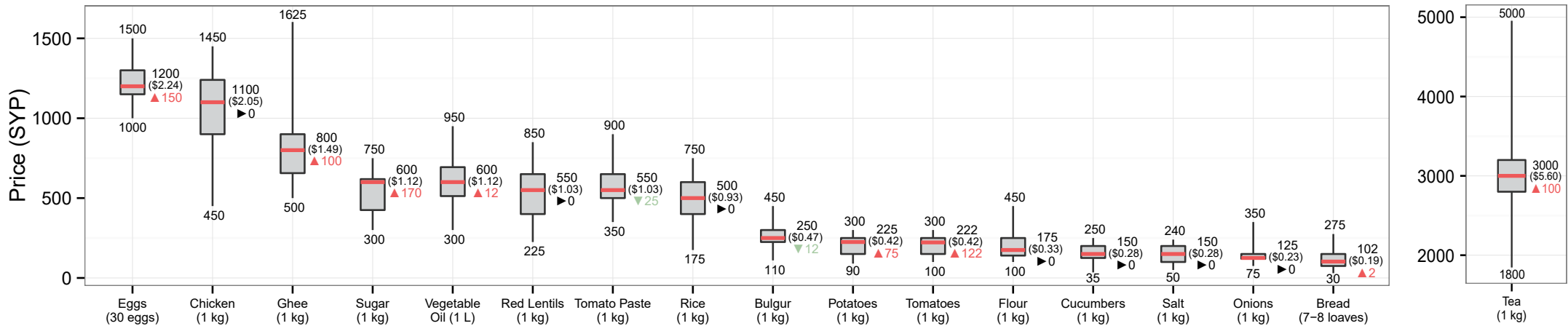
find. Government petrol was unavailable in seven assessed subdistricts, and 20-litre cylinders of natural gas were unavailable in five. Government diesel, meanwhile, was missing from 11 of the 24 subdistricts for which fuel data was submitted, making it, as in previous months, the monitored commodity with the most widespread shortages.

SMEB VALUES

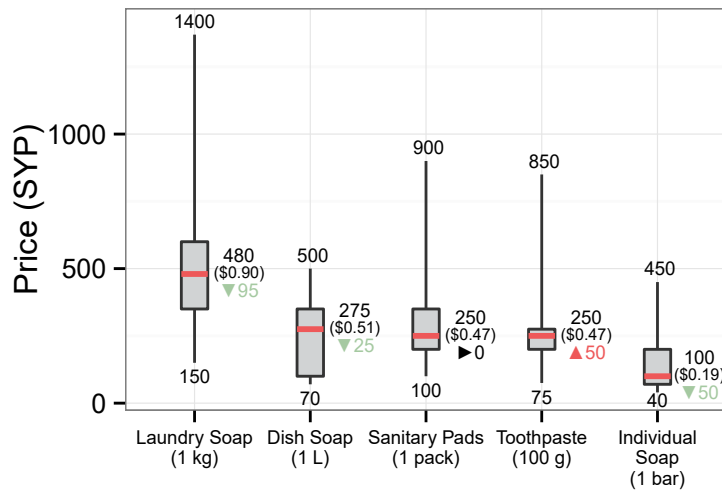
The value of a Survival Minimum Expenditure Basket (SMEB) is calculated for each assessed subdistrict by calculating the median prices of all SMEB commodities in that subdistrict and multiplying these medians by the number of units that an average northern Syrian household must purchase in a month. Due to the prevalence of shortages in August, complete SMEBs could be assembled for only 12 of 28 assessed subdistricts, most of them in Idlib and al-Hasakeh governorates. The least expensive complete SMEB was observed in Saraqab subdistrict (48,513 SYP, 90.51 USD), the value of which dropped by 13.9% since July. The most expensive complete SMEBs, meanwhile, were in Lattakia city (65,790 SYP, 122.74 USD) and Dana subdistrict (63,253 SYP, 118.01 USD), both of which were available for prices roughly equivalent to those calculated last month.

However, the most expensive SMEBs by far were the partial baskets in Deir-ez-Zor (89,055 SYP, 166.15 USD) and ar-Raqqa (84,140 SYP, 156.98 USD). Though these baskets were missing water, they still exceeded complete SMEB values in all other regions of Syria by 25-85%. The inclusion of water prices would have raised each of these SMEB values by an estimated 2,000-4,000 SYP. The values of incomplete baskets can be compared using the SMEB map, though caution should be taken to compare only baskets that are missing the same commodities.

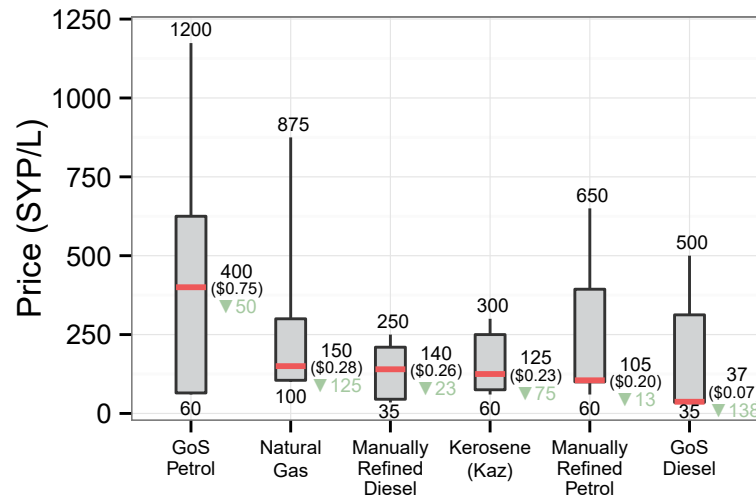
FOOD ITEMS



NON-FOOD ITEMS

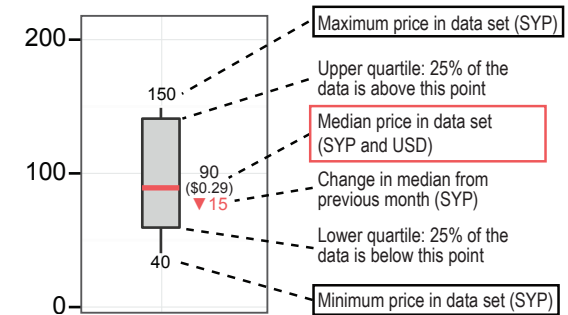


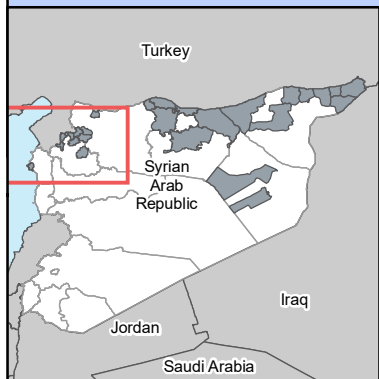
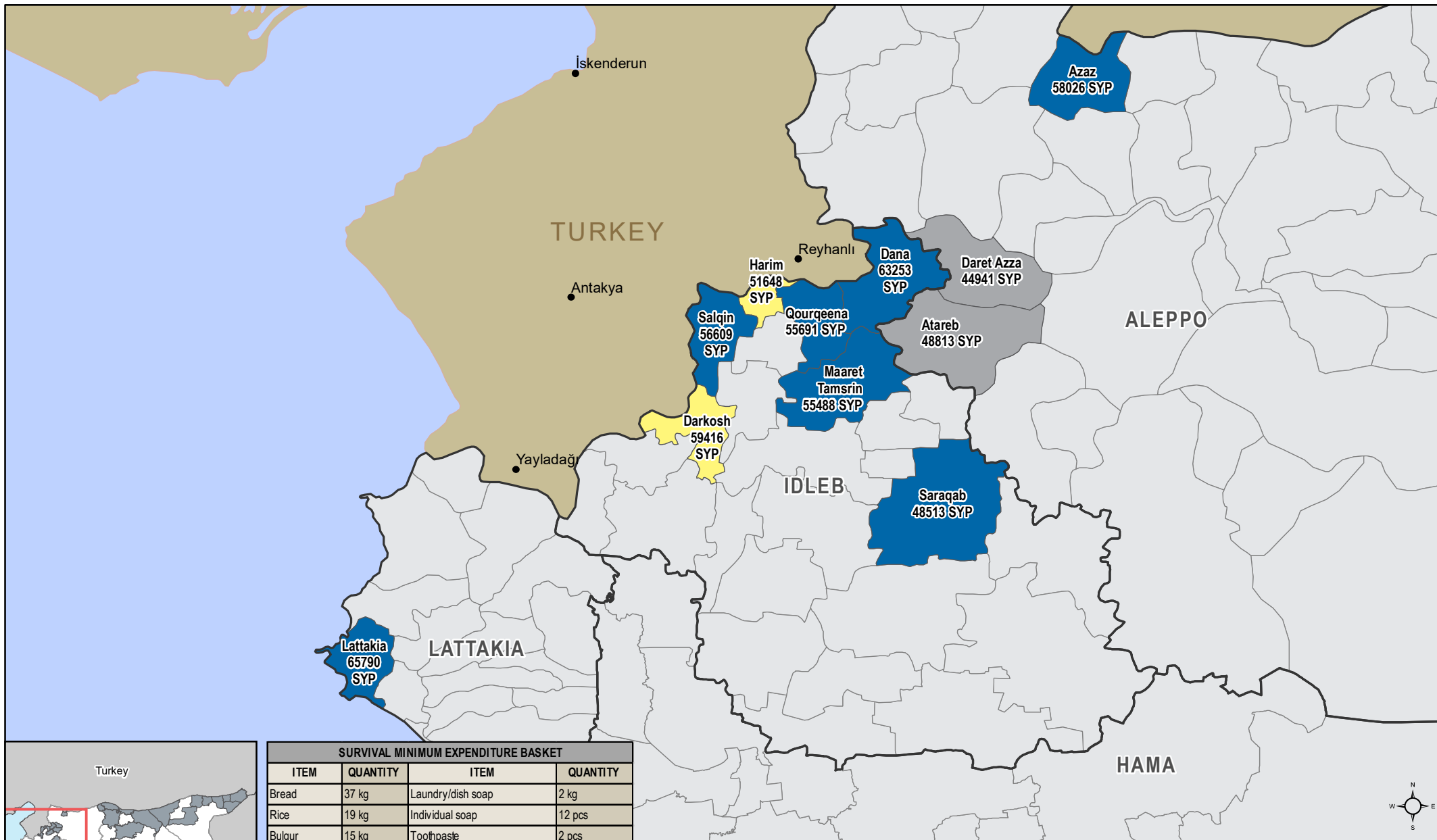
FUEL



How to read a box plot

Box plots provide a variety of data to aid in understanding the distribution of the data set. Prices are in SYP unless otherwise marked.





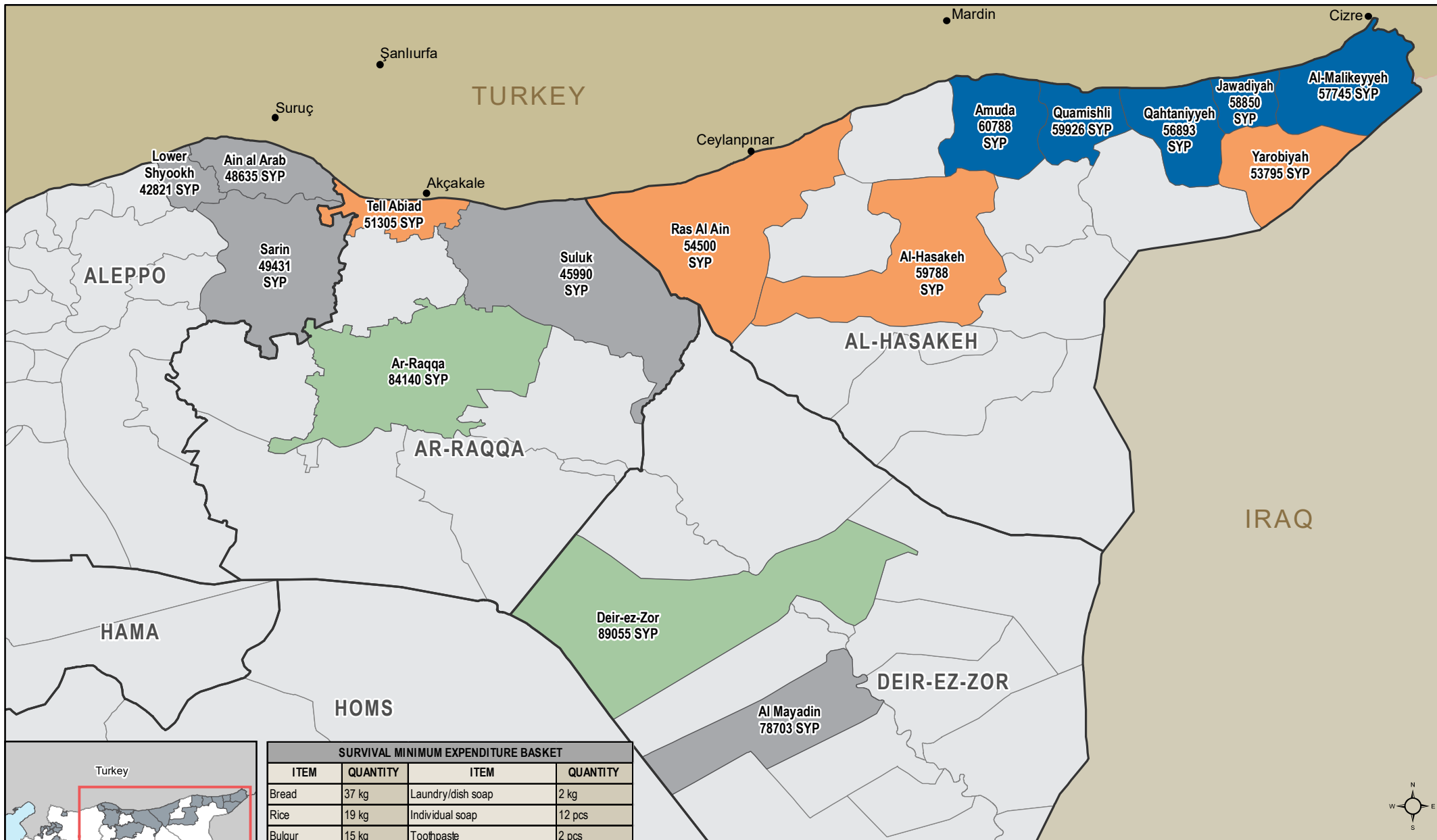
SURVIVAL MINIMUM EXPENDITURE BASKET			
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Chicken	4 kg	Kerosene (manually refined)	25 L
Eggs	6 kg	Water	2790 L
Salt	1 kg	6% float*	6% total value

* not included in SMEB calculations

- Complete SMEB
- SMEB without bread
- SMEB without chicken
- SMEB without water
- SMEB without multiple items
- Subdistricts not surveyed

Data sources:
 Boundaries - UN OCHA COD
 Market monitoring data - REACH, CBR-TWG
 Coordinate System: GCS WGS 1984
 File: REACH_SYR_SMEB_Aug2016_NW_A4_V1
 Contact: reach.mapping@impact-initiatives.org

Note: Data, designations and boundaries contained on this map are not warranted to be error-free and do not imply acceptance by the REACH partners, associates or donors mentioned on this map.



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