

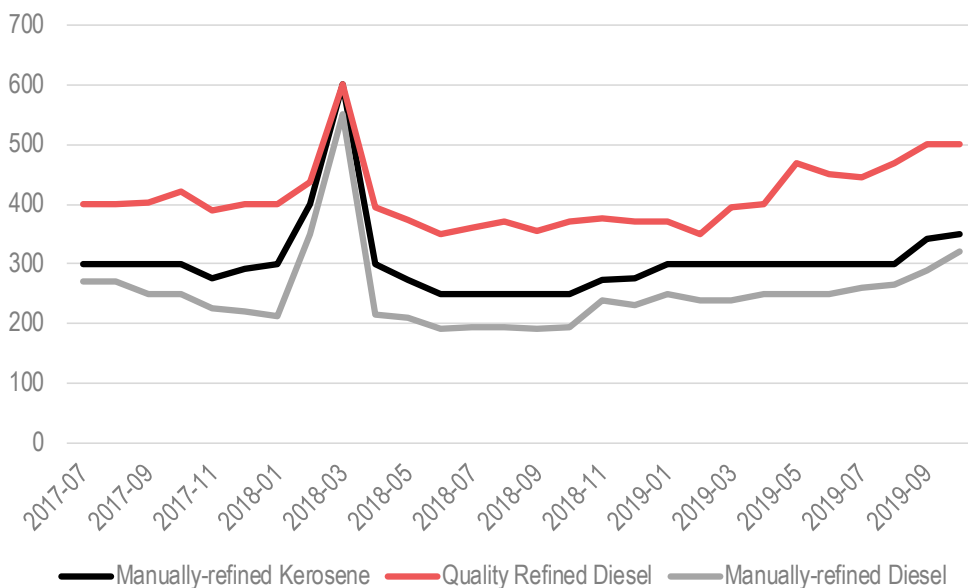
MARKET MONITORING - HEATING FUEL IN NORTHWEST SYRIA

JULY 2017 - OCTOBER 2019

To inform humanitarian cash programming, the Cash-Based Responses Technical Working Group Market Monitoring Exercise monitors the prices of basic commodities across northwest Syria (NWS) on a monthly basis. Among these items are heating fuels, including manually refined kerosene—used for heaters in winter months in addition to being a source of cooking fuel—and diesel, used for generators and heaters. The following is a secondary data review conducted by REACH of the prices of heating fuel from Market Monitoring data between July 2017 to October 2019 and aims to provide partners with a more contextual understanding of price changes beyond the monthly dataset. Findings should be considered indicative only.

Market Monitoring data do not show a spike in heating fuel prices during the winter months. However, fuel prices have steadily increased over the past year. In fact, aside from February and March of 2018, in which prices spiked during the Afrin Offensive when supplies from northeast Syria (NES) were cut off, current heating fuel prices are the highest recorded by the Market Monitoring Exercise within the previous two years. The high price and steady increase are likely due to a combination of sanctions on oil imports, coupled with the depreciation of the Syrian Pound (SYP) against the United States Dollar (USD) and supply challenges due to the situation in NES.¹

HEATING FUEL, MEDIAN REGIONAL PRICES, SYP PER LITRE, NORTHWEST SYRIA



1 See [Market Monitoring timeseries dataset](#), October 2019

2 See [Rapid Market Monitoring Exercise](#), 21 October 2019

GRADUAL INCREASE IN PRICES

Supply disruptions and the costs associated with importing fuel from NES affect NWS fuel availability and prices. As most oil fields are located in NES, locally manufactured fuel is imported from Self-Administrative Authority areas into NWS. Higher quality fuel is imported through Turkey or processed in Government of Syria (GoS)-controlled areas before entering NWS.

The current escalation of conflict in NES has caused challenges with the importing of fuels from NES. This lowers supply despite high demands for fuel, thus driving up the price. Last month, some fuel vendors in NWS who participated in a Rapid Market Monitoring Exercise² reported that GoS fuel was unavailable and they were relying on European fuel imported through Turkey. This higher-quality, imported fuel is subsequently sold to the public at a higher price. During October's Market Monitoring Exercise, it was reported that individuals were relying on alternative heating sources, including firewood, coal, and olive residue, which are cheaper and more widely available.

While monthly Market Monitoring data do not show a spike in heating fuel prices during the winter months, the current situation in the northeast, coupled with the continued depreciation of the Syrian Pound (see below), indicate that prices will likely continue to increase in the coming months.

UNOFFICIAL EXCHANGE RATE, SYP PER USD DOLLAR, NORTHWEST SYRIA

