



Monthly Bulletin for Consumer Price and Inflation in Syria

Issue (2) – February 2023



Preface

The bulletin provides an independent assessment of consumer prices and the rate of inflation in all Syrian regions, based on a monthly survey of consumer prices carried out by the Syrian Center for Policy Research (SCPR) since October 2020. The SCPR had developed a methodology for building a price index based on components of consumer basket, weighting, and market selection (See [SCPR's Consumer Price Index in Syria](#))

This bulletin presents the findings of the monthly consumer price survey and the changes in the Consumer Price Index (CPI) for **February 2023** (with 2021 as the base year) broken down by region and the major consumption groups. Based on the CPI changes, the bulletin provides an estimate of the cost of living and poverty lines at local level in all Syrian regions.

Contents

Preface.....	1
Contents.....	2
List of Tables.....	3
Table of Figures	3
Acronyms and Abbreviations.....	4
1. Inflation in Syria, February 2023.....	5
2. Inflation by Governorate	6
3. Contributors to Inflation	9
4. Wages in Syria, February 2023	11
Appendix.....	14

List of Tables

Table (1): Monthly consumer price inflation in Syria for February 2023 by consumption group (base year 2021 =100)	5
Table (2): Average monthly wages in Syria during February 2023.....	11
Table (3): Monthly wage gap from poverty lines in Syria during February 2023.....	13

Table of Figures

Figure (1): Monthly inflation (M-o-M) of consumer prices in Syria during February 2023 .	6
Figure (2): Monthly inflation (M-o-M) of consumer prices in Syria during February 2023 in the governorates that were impacted by the earthquake	7
Figure (3): Change in the exchange rate of the SYP and the TL against the USD during February 2023.....	8
Figure (4): Contribution of major consumption groups to the monthly inflation rate (M-o-M) for February 2023.....	9
Figure (5): Contribution of major consumption groups to the monthly inflation rate (M-o-M) for February 2023 by areas of control.....	10
Figure (6): Monthly poverty lines in Syria during February 2023.....	12

Acronyms and Abbreviations

AA	Autonomous Administration
CPI	Consumer Price Index
GoS	Government of Syria
M-o-M	Month on month
SCPR	Syrian Center for Policy Research
SIG	Syrian Interim Government
SSG	Syrian Salvation Government
SYP	Syrian Pound
TL	Turkish Lira
USD	United States Dollar
Y-o-Y	Year on year

1. Inflation in Syria, February 2023

In February 2023, the general price index recorded annual inflation (Y-o-Y) at 87.3 per cent and monthly inflation (M-o-M) at 5.2 per cent.

The Tobacco group marked the highest monthly inflation rate in February 2023, reaching 8.8 per cent. This surge was attributed to the average price of domestic tobacco in Syria, which increased to approximately SYP 3480. Additionally, the price of imported tobacco rose to SYP 5135.

The Food & non-Alcoholic Beverages group experienced notable inflation in February 2023, with a rate of 8.4 per cent. This increase was driven by elevated prices in categories such as legumes, vegetables, meat, and children's food during the month. Specifically, the prices of legumes and vegetables surged by 21 per cent, with the average price of a kilogram of dry onions doubling to reach SYP 9500 in February 2023. Additionally, the price of a kilogram of eggplants reached SYP 3800, and cucumbers reached SYP 4250 per kilo. Furthermore, the price of a kilogram of crushed lentils reached SYP 9700.

Table (1): Monthly consumer price inflation in Syria for February 2023 by consumption group (base year 2021 =100) and (inflation in percentages)

#	Group	January 2023 index	February 2023 index	Monthly Inflation (M-o-M)
	All commodities	261.3	275.0	%5.2
1	Food & non-alcoholic beverages	251.5	272.6	%8.4
2	Tobacco	208.4	226.8	%8.8
3	Clothes & shoes	250.5	265.9	%6.2
4	Housing, water, electricity, and gas	299.3	306.2	%2.3
5	Household equipment, supplies & maintenance	256.3	271.6	%6.0
6	Health	259.5	269.7	%3.9
7	Transportation	293.9	290.5	%1.2-
8	Communications	192.8	193.5	%0.4
9	Entertainment & culture	245.2	258.7	%5.5
10	Education	242.9	244.9	%0.9
11+12	Various commodities & services	249.3	264.6	%6.1

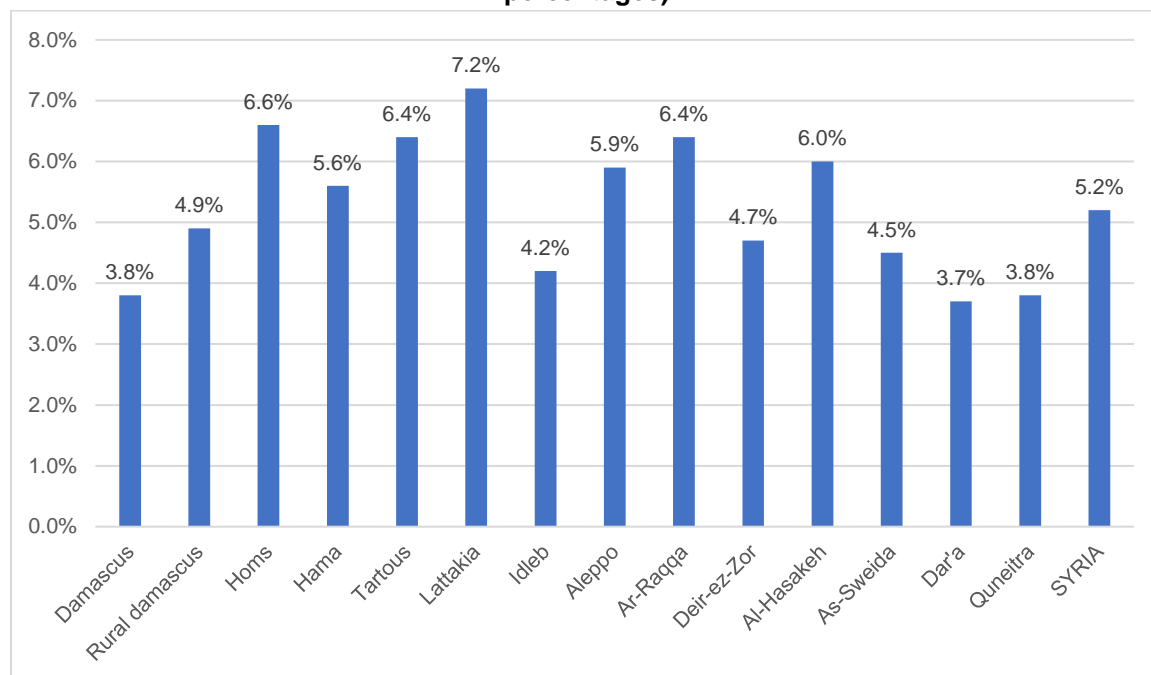
Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

Within the food subgroups, the Meat group saw a substantial monthly inflation of 15.5 per cent in February 2023. This increase was influenced by a reduction in poultry supply, due to elevated feed and fuel prices, causing the average price per kilogram to rise to SYP 20200. The price of mutton also continued its upward trend, reaching SYP 55500. Similarly, the Various Foods group experienced a 15.2 per cent increase in prices, with the average price per kilogram of parsley reaching SYP 3600 in February 2023, and the price of baby food (200 grams) rising to SYP 6000. At the subgroup level of Non-Alcoholic Beverages, the Coffee and Tea subgroup recorded a monthly inflation of 8.9 per cent in the same month, with the average price of a kilogram of black tea increasing to SYP 66400.

2. Inflation by Governorate

In February 2023, the governorates of Lattakia, Homs, Ar-Raqqa, Tartous, Al-Hasakeh, Aleppo, and Hama reported the highest monthly inflation rates, ranging between 5.6 and 7.2 per cent. Conversely, the governorates of Dar'a, Quneitra, and Damascus attained the lowest monthly inflation rates in February, ranging between 3.7 and 3.8 per cent.¹

Figure (1): Monthly inflation (M-o-M) of consumer prices in Syria during February 2023 (in percentages)



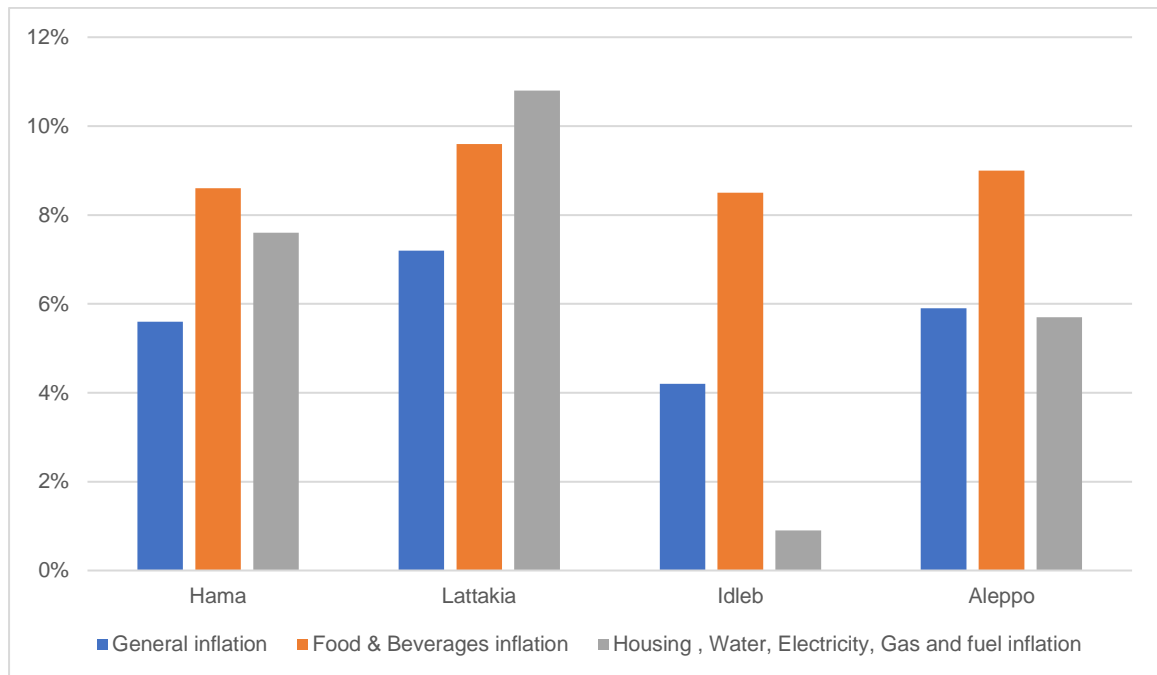
Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

Areas controlled by the Government of Syria (GoS) recorded the highest monthly inflation rate (M-o-M) in February 2023, at 5.8 per cent. Following closely were the areas controlled by the Autonomous Administration (AA), with a monthly inflation rate of 5 per cent. Meanwhile, the monthly inflation rate in the Syrian Interim Government (SIG) and Syrian Salvation Government (SSG) areas did not exceed 3 per cent during the same month, reflecting the stability in the exchange rate of the Turkish Lira (TL) against the USD. The GoS areas led in monthly food price inflation at 9.3 per cent, followed by the SIG and SSG areas at 6.4 per cent, while AA areas recorded 5.9 per cent.

The earthquake that struck Turkey and Syria on February 6, 2023, exerted inflationary pressures, causing an increase in the prices of commodities and services in the four earthquake-affected governorates (Idleb, Aleppo, Lattakia, and Hama). The monthly inflation rates in these areas ranged between 4.2 per cent and 7.2 per cent. The impact of the event on food prices was evident, with monthly food inflation ranging between 8.5 per cent and 9.6 per cent in the earthquake-affected governorates.

¹ For further details on the monthly inflation rate by governorate, see Appendix (1)

Figure (2): Monthly inflation (M-o-M) of consumer prices in Syria during February 2023 in the governorates that were impacted by the earthquake (in percentages)

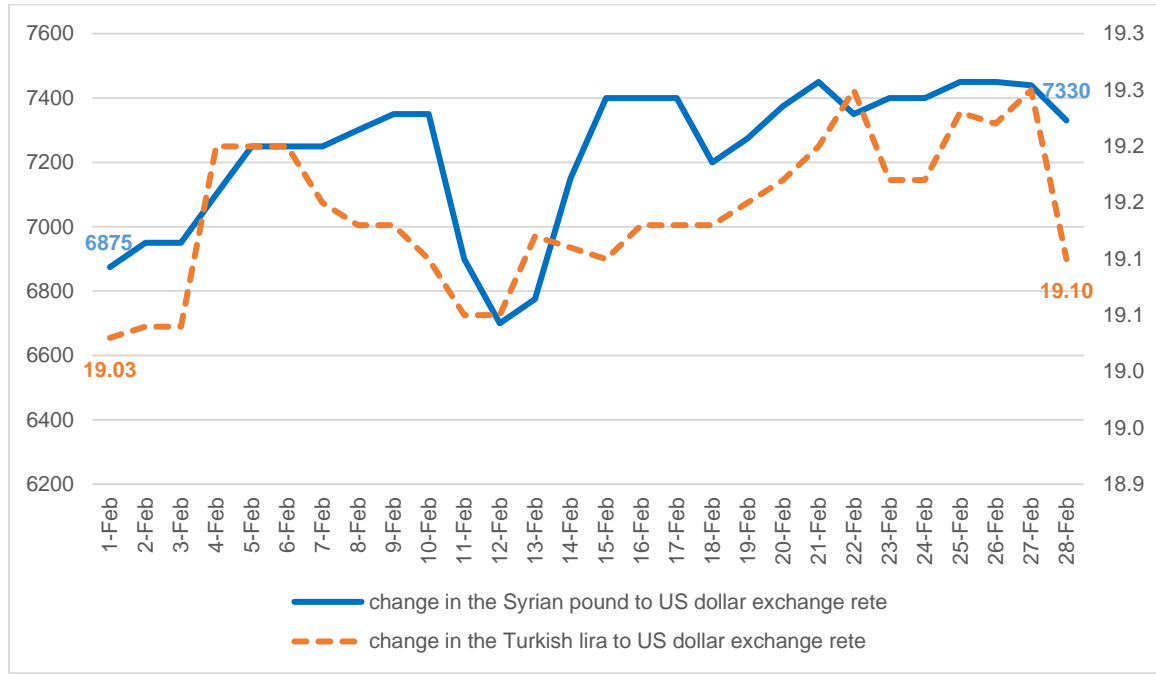


Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

In Aleppo, Hama, and Lattakia, prices of the Housing, Water, Electricity, Gas, and other fuel oils group increased by 5.7 per cent, 7.6 per cent, and 10.8 per cent, respectively. However, in Idleb (Harem, Jarabulus, and the center of Idleb), the rise was minimal, reaching only 1 per cent. This was attributed to a decline in the demand for residential rent in Idleb and areas of the Aleppo countryside (Afrin, Jindires, A'zaz, and Al-Bab) due to people's apprehension about returning in multistory buildings. Instead, they opted for ground-level houses, or set up tents near their homes. Meanwhile, rental allowances increased in areas under the control of the GoS, especially in cities (excluding neighborhoods affected by the earthquake). The average monthly rent in the Lattakia governorate rose from SYP 450 thousand in January 2023 to SYP 520 thousand in February 2023. Additionally, average monthly rents in the Hama governorate increased from SYP 310 to 335 thousand during the same period. In Aleppo city, average monthly rents rose from SYP 315 to 365 thousand.

During February, the value of the TL against the USD increased from 19 in the beginning of February to 19.1 at the end of the month. Similarly, the value of the SYP against the USD reached SYP 7330 in late February 2023, compared to SYP 6875 in the beginning of February.

Figure (3): Change in the exchange rate of the SYP and the TL against the USD during February 2023

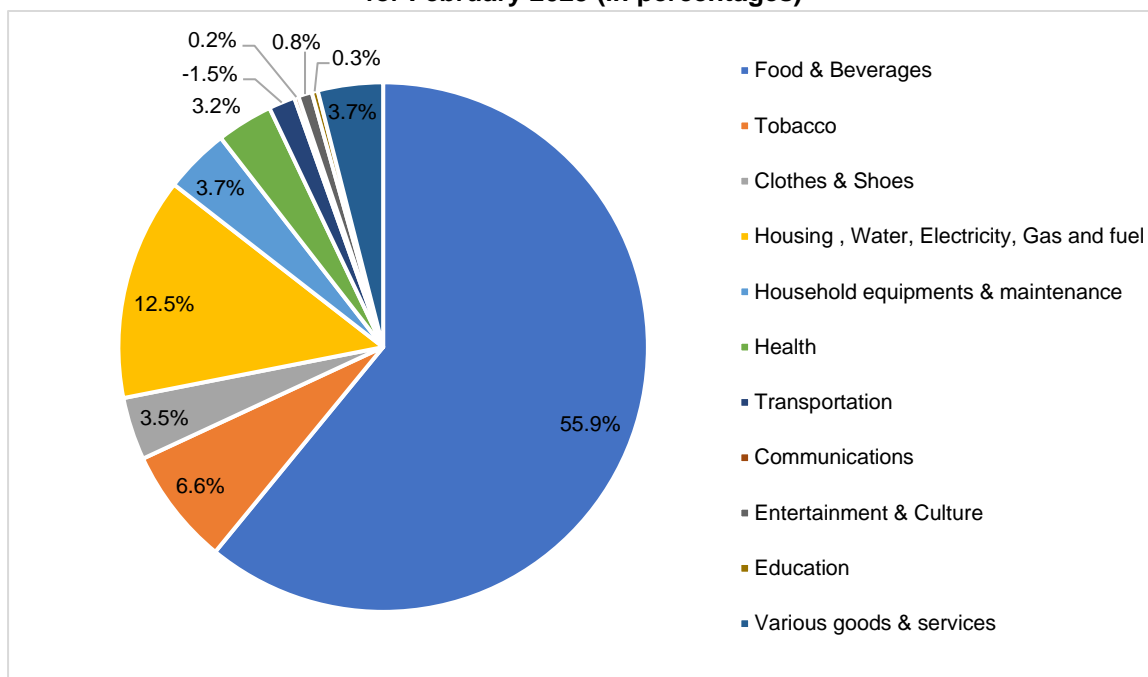


Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

3. Contributors to Inflation

The Food & Non-Alcoholic Beverages group made the most substantial contribution² to the monthly inflation (M-o-M) for the prices of February 2023, accounting for 55.9 per cent of the total increase of 5.2 per cent. This underscores the sensitivity of food commodity prices to disturbances and natural disasters, especially in areas affected by the earthquake that are primarily agricultural (Aleppo countryside, Idleb countryside, Hama countryside, and Lattakia countryside). Following this, the Housing, Water, Electricity, Gas, and other fuel oils group contributed with a rate of 12.5 per cent, and the Tobacco group contributed with a rate of 6.6 per cent.

Figure (4): Contribution of major consumption groups to the monthly inflation rate (M-o-M) for February 2023 (in percentages)

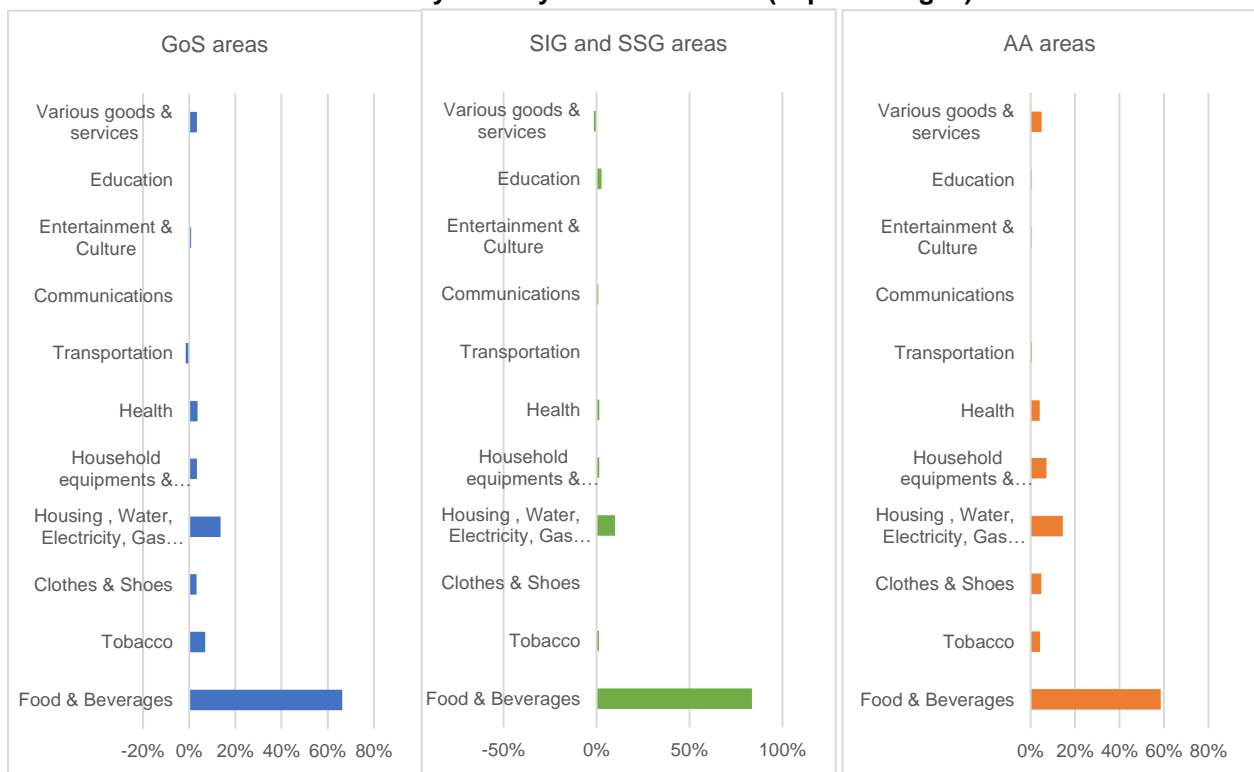


Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

² The contribution rate to inflation means the percentage of the contribution of each consumption group to annual inflation, out of 100%.

When considering areas of control, the Food & non-Alcoholic Beverages group played a substantial role in contributing to the monthly inflation of areas administered by SIG and SSG, which were severely impacted by the earthquake. It accounted for 83.6 per cent of the total monthly inflation for February 2023. Additionally, it contributed 66.3 per cent to the monthly inflation of the GoS areas and 58.5 per cent to the monthly inflation of AA areas. The Housing, Water, Electricity, Gas, and other fuel oils group secured the second-highest contribution to the monthly inflation rate in the GoS areas, at 13.6 per cent. It also contributed 14.5 per cent to the monthly inflation in AA areas, and 10 per cent in the SIG and SSG areas. Consequently, the Food & non-Alcoholic Beverages group, and the Housing, Water, Gas, and other fuel oils group alone contributed a massive 93.5 per cent of monthly inflation in the SIG and SSG areas in February 2023, along with 80 per cent of the monthly inflation of the GoS areas, and 73 per cent of the monthly inflation of AA areas.

Figure (5): Contribution of major consumption groups to the monthly inflation rate (M-o-M) for February 2023 by areas of control (in percentages)



Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

4. Wages in Syria, February 2023

In February 2023, the average monthly wage in Syria was approximately SYP 238 thousand for a university-educated employee in the public sector, at the start of their appointment. For workers in the private sector, it amounted to about SYP 368 thousand, while workers in the civil society sector earned around SYP 1.06 million. When comparing wage levels across control areas in Syria, it becomes evident that wages in the public and private sectors are highest in the SIG and SSG areas, followed by the areas of the AA, and lastly, the areas of the GoS. It is noteworthy that wages in the civil society sector are significantly higher in all areas compared to public and private sector wages. However, the civil society sector wages in the SIG and SSG areas, as well as the areas of the AA, are much higher than their counterparts in the areas of the GoS.

Table (2): Average monthly wages in Syria during February 2023 (SYP)

	GoS areas	SIG and SSG areas	AA areas	Whole of Syria
A- Public sector workers				
Staff wages (professor)	224,232	3,142,426	1,150,000	711,831
Staff wages (university educated)	103,838	841,521	390,000	238,232
Staff wages (4th band)	95,346	602,783	380,000	202,105
B- Private sector workers				
Company director salary	841,201	2,388,243	1,000,000	1,031,570
Shop worker salary	288,810	876,426	356,667	368,121
C- Civil society workers				
Staff wages (university educated)	629,567	2,828,184	1,775,000	1,061,255

Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

When examining real wages³ in February 2023 at the Syria level, it is evident that the purchasing power of wages for February decreased by 1.4 per cent compared to January 2023. The decrease was more pronounced in areas administered by the GoS and areas of the AA, reaching 5.49 per cent and 4.73 per cent, respectively. In contrast, real wages in the SIG and SSG areas experienced an increase of 5.85 per cent. This increase is attributed to the adoption of the United States Dollar as the basis for wages in SSG and SIG areas, and in the wages of the civil society sector in areas of the SIG.

In comparison to wages in 2021, the purchasing power of workers in the public sector, private sector, and civil society sector decreased by 35.9 per cent, 25.1 per cent, and 22.7 per cent, respectively. This highlights the ongoing deterioration of wages over the past two years, rendering workers unable to purchase the same commodities they could afford in 2021.

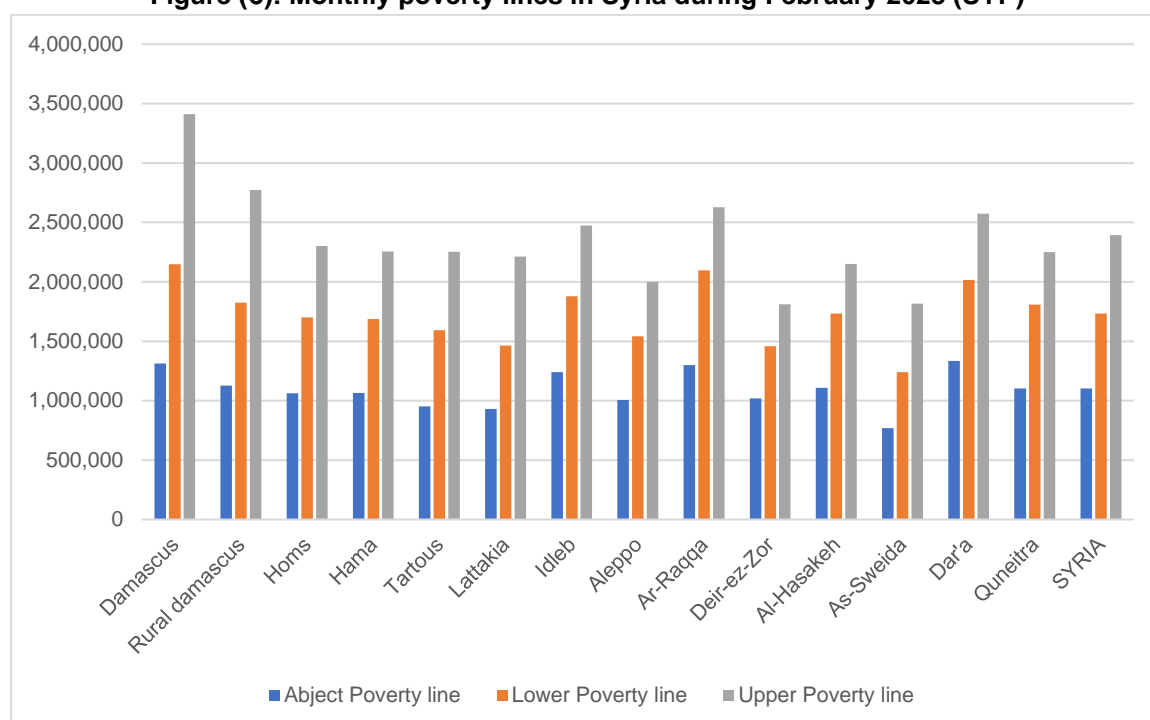
³ Real wages were calculated by dividing nominal wages by the CPI index. For details see: ILO. (2010). Global Wage Report 2010-2011: Wage Policies in Times of Crisis.

5. Poverty Lines in Syria, February 2023

In February 2023, the abject poverty line for families⁴, serving as an indicator of food insecurity, rose to SYP 1.1 million per month. This marked an increase of SYP 43 thousand from January 2023. The lower poverty line reached SYP 1.73 million, representing a surge of SYP 70 thousand from the previous month. Additionally, the upper poverty line reached SYP 2.39 million, increasing from SYP 88 thousand in January.

Poverty lines reached their highest values in Damascus, Dar'a, Ar-Raqqa, and Idleb in February 2023, while Deir-ez-Zor recorded the lowest poverty lines. When comparing the three areas of control, AA areas secured the top position in terms of abject poverty lines, with the abject poverty line reaching SYP 1.14 million. Following closely were the SIG and SSG areas, registering an abject poverty line of SYP 1.09 million, and then the areas of the GoS with an abject poverty line of SYP 1.06 million.

Figure (6): Monthly poverty lines in Syria during February 2023 (SYP)



Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

A comparison of nominal wages with monthly poverty lines at the Syria level in February 2023 reveals a widening⁵ wage gap. For university-educated employees in the public sector, the gap reached 78.4 per cent, while it was 66.6 per cent for private sector workers, and 3.8 per cent for civil society sector workers. Notably, civil society sector workers in the SIG and SSG areas, along with AA areas, earned wages surpassing the abject poverty line by 159 and 56 per cent. Conversely, wages in the civil society sector in areas administered by the GoS were 41 per cent lower than the abject poverty line. From the upper poverty line, the wage gap was 90.1 per cent for university-educated employees in the public sector, 57 per cent for private sector workers, and 55.7 per cent for civil society sector workers. The expanding gap between wages and poverty lines indicates that a

⁴ The poverty lines (abject, lower and upper) were calculated by measuring the impact of inflation on the 2009 poverty lines.

⁵ Equal to the relative difference between the monthly wage and the poverty line. ILO. For details see: International Labour Organization. (2013). Equal Pay – an introductory guide. Geneva.

significant portion of Syrians are entering the cycle of poverty, escalating the level of deprivation.

Table (3): Monthly wage gap from poverty lines in Syria during February 2023 (in percentages)

	GoS areas	SIG and SSG areas	AA areas	Whole of Syria
A- Wage gap from the abject poverty line				
University-educated employee in the public sector	-90.2	-23.0	-65.7	-78.4
Private sector worker	-72.8	-19.9	-68.7	-66.6
Civil society worker	-40.8	+158.6	+56.0	-3.8
B- Wage gap from the lower poverty line				
University-educated employee in the public sector	-93.8	-49.5	-77.7	-86.3
Private sector worker	-82.8	-47.4	-79.6	-78.8
Civil society worker	-62.5	+69.7	+1.7	-38.8
C- Wage gap from the upper poverty line				
University-educated employee in the public sector	-95.5	-61.4	-82.1	-90.1
Private sector worker	-63.8	+9.7	-54.0	-56.9
Civil society worker	-72.9	+29.9	-18.3	-55.7

Note: Negative (-) indicates gap and positive (+) indicates excess.

Source: Syrian Center for Policy Research 2023, Monthly consumer price survey in Syria.

Appendix

Appendix (1): Consumer Price Index in Syria by Major consumption groups in February 2023, (2021 = 100)

	Damascus	Rural Damascus	Homs	Hama	Tartous	Lattakia	Idleb	Aleppo	Ar-Raqqa	Deir- ez-Zor	Al- Hasakeh	As- Sweida	Dar'a	Quneitra	SYRIA
All commodities	319	264	268	272	261	281	243	262	274	244	283	266	274	275	275
Food and non-alcoholic beverages	278	278	276	276	267	270	262	281	250	251	307	268	285	287	273
Tobacco	227	238	215	204	222	234	218	225	175	235	295	244	257	221	227
Clothing and footwear	225	247	243	309	318	299	283	264	416	279	245	330	218	207	266
Housing, water, electricity, gas, and other fuels	409	263	271	278	256	329	226	256	389	218	261	268	274	265	306
Household equipment and maintenance	322	277	282	293	285	301	205	222	282	252	376	244	266	259	272
Health	249	284	268	235	246	309	213	310	286	287	267	267	323	292	270
Transportation	307	268	317	332	251	306	270	278	218	273	348	296	275	282	291
Communications	179	181	179	179	181	181	215	205	190	183	190	174	176	172	194
Culture and entertainment	243	305	283	250	292	242	229	266	247	269	334	255	251	215	259
Education	269	244	248	195	284	244	239	244	279	206	257	261	224	209	245
Various goods and services	233	262	260	287	302	252	227	267	206	231	240	294	284	419	265

Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.



scpr-syria.org
info@scpr-syria.org