



Monthly Bulletin for Consumer Price Index and Inflation in Syria

Issue (5) – May 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 **May 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 the local level in all Syrian regions.

Contents

Preface.....	1
List of Tables.....	3
Table of Figures	3
Acronyms and Abbreviations.....	4
1. Inflation in Syria, May 2023	5
2. Inflation by Governorate	6
3. Contributors to Inflation	8
4. Wages in Syria, May 2023	10
Appendix.....	13

List of Tables

Table (1): Monthly consumer price inflation in Syria for May 2023 by consumption group (base year 2021 =100).....	5
Table (2): Average monthly wages in Syria during May 2023.....	10
Table (3): Real Wages Monthly Growth in Syria in May 2023.....	10
Table (4): Monthly wage gap from poverty lines in Syria during May 2023.....	12

Table of Figures

Figure (1): Monthly inflation (M-o-M) of consumer prices in Syria during May 2023	6
Figure (2): Change in the unofficial exchange rate of the SYP and the TL against the USD during May 2023	7
Figure (3): Contribution of major consumption groups to the monthly inflation rate (M-o-M) for May 2023.....	8
Figure (4): Contribution of major consumption groups to the monthly inflation rate (M-o-M) for May 2023 by areas of control.....	9
Figure (5): Monthly poverty lines in Syria during May 2023.....	11

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, May 2023

In May 2023, the general price index exhibited an annual inflation (Y-o-Y) of 81.34 per cent and a monthly inflation (M-o-M) of 5.6 per cent.

The Communications group marked the highest monthly inflation rate at 17.4 per cent in May 2023. The Syrian Telecommunications & Post Regulatory Authority in the GoS areas increased the basic tariffs for mobile communications services by 30 to 35 per cent and raised the basic fare for Landline communications services by 35 to 50 per cent. Due to that, the fare for prepaid mobile calls is set to increase from SYP 27 per minute in April 2023 to SYP 35 per minute in May 2023.¹

The Tobacco group recorded a high monthly inflation rate of 8.4 per cent in May 2023, with the average price of local cigarettes increasing to approximately SYP 4200 within Syria, while the foreign cigarettes reached around SYP 6500.

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

#	Group	April 2023 index	May 2023 index	Monthly Inflation (M-o-M)
	All commodities	296.7	313.4	5.6%
1	Food & non-alcoholic beverages	299.4	311.5	4.0%
2	Tobacco	253.6	274.9	8.4%
3	Clothes & shoes	298.3	321.2	7.7%
4	Housing, water, electricity, gas, and other fuel oils	321.7	343.9	6.9%
5	Household equipment, supplies & maintenance	308.4	327.0	6.0%
6	Health	288.1	303.5	5.3%
7	Transportation	293.0	302.8	3.4%
8	Communications	198.3	232.8	17.4%
9	Entertainment & culture	294.5	310.1	5.3%
10	Education	263.7	274.2	4.0%
11+12	Various commodities & services	292.9	310.8	6.1%

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

The prices Housing, water, electricity, gas and other fuels increased by 6.9 per cent within Syria in May 2023. At the sub-group level, the CPI for the Housing maintenance and repairs activities group rose by 16.2 per cent. This increase was significant in the AA areas, directly attributed to the cessation of importing cement and construction materials following the closure of the “Semalka” border crossing with Iraq on 12 May 2023.² Consequently, cement prices in the black market in Al-Hasakeh, Deir-Ezzor and Ar-Raqqa rose to between SYP 2 and 2.4 million per ton, compared to SYP 700 and 800 thousand before the closure of the border.³

¹ The telecommunications price index increased by 29.9 per cent in GoS areas, and by 28.6 per cent in AA areas. Residents in AA areas depend on the mobile communications services of Syriatel and MTN. Therefore, the impact of the telecommunications price increase affects all Syrian governorates except Aleppo countryside under the SIG and Idlib province under the control of SSG.

² On 12 May 2023, the administration of the “Fishkhapur” crossing in the Kurdistan region of Iraq, opposite the “Semalka” crossing, closed the movement of passengers, cargo and commercial materials until further notice, following a dispute between the Kurdish National Council and the Syrian Democratic Forces (SDF).

³ Aiming at controlling the price of cement, the Economy Authority of the AA issued on 17 May 2023 a decision prohibiting the sale of cement at a price exceeding USD 95 per ton and punishing any trader who violates or monopolizes the commodity.

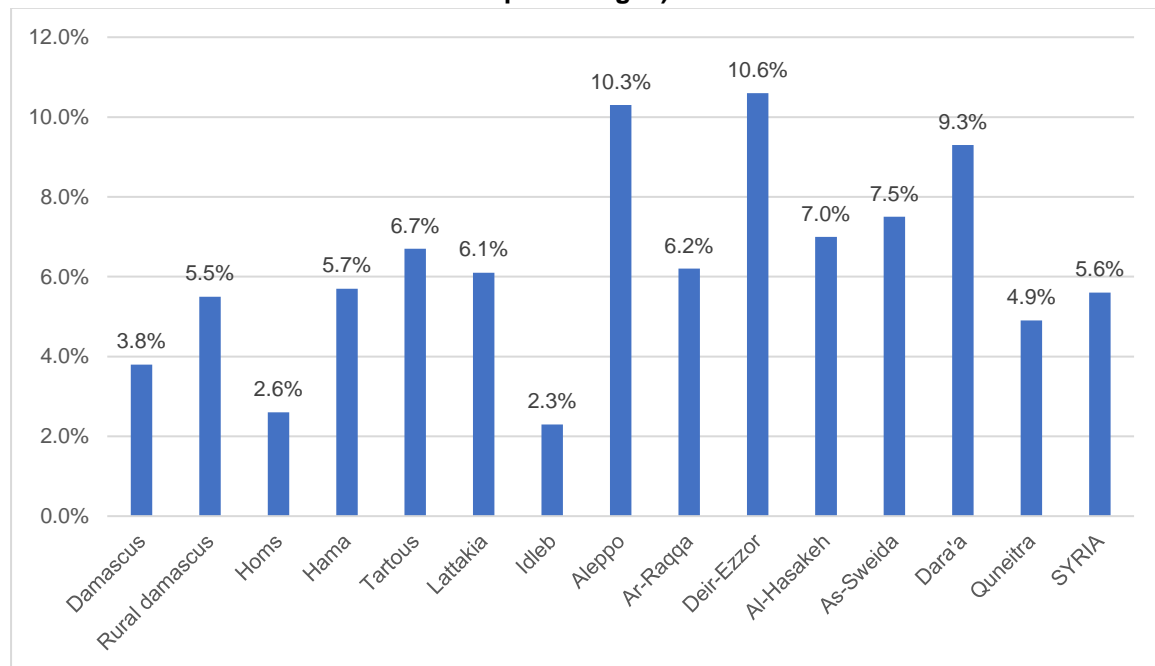
The price index for the Electricity, gas and other fuels group also increased by 5.3 per cent, noticeably in the GoS areas, following the decision of the Ministry of Internal Trade and Consumer Protection to raise the price of subsidized and unsubsidized gas cylinders, distributed via electronic card (Cooking & Industry) at rates ranging from 30 per cent to 50 per cent, bringing the price of the subsidized local gas cylinder to SYP 15000, the unsubsidized cooking gas cylinder, with or without the electronic card, to SYP 50000, and the unsubsidized industrial gas cylinder (16 kilograms) with or without the electronic card to SYP 75000.

2. Inflation by Governorate

In May 2023, the governorates of Deir-Ezzor, Aleppo and Dara'a marked the highest monthly inflation rates, standing at 9.3 per cent and 10.6 per cent, respectively, while the governorates of Idleb, Homs and Damascus recorded the lowest inflation rates, ranging between 2.3 and 3.8 per cent.

Autonomous Administration (AA) areas led in monthly inflation (M-o-M) across all commodities and services in May, recording a rate of 8.8 per cent. Following closely, the Government of Syria (GoS) registered a 6.1 per cent inflation, while the Syrian Interim Government (SIG) and the Syrian Salvation Government (SSG) areas experienced a 2.9 per cent increase.

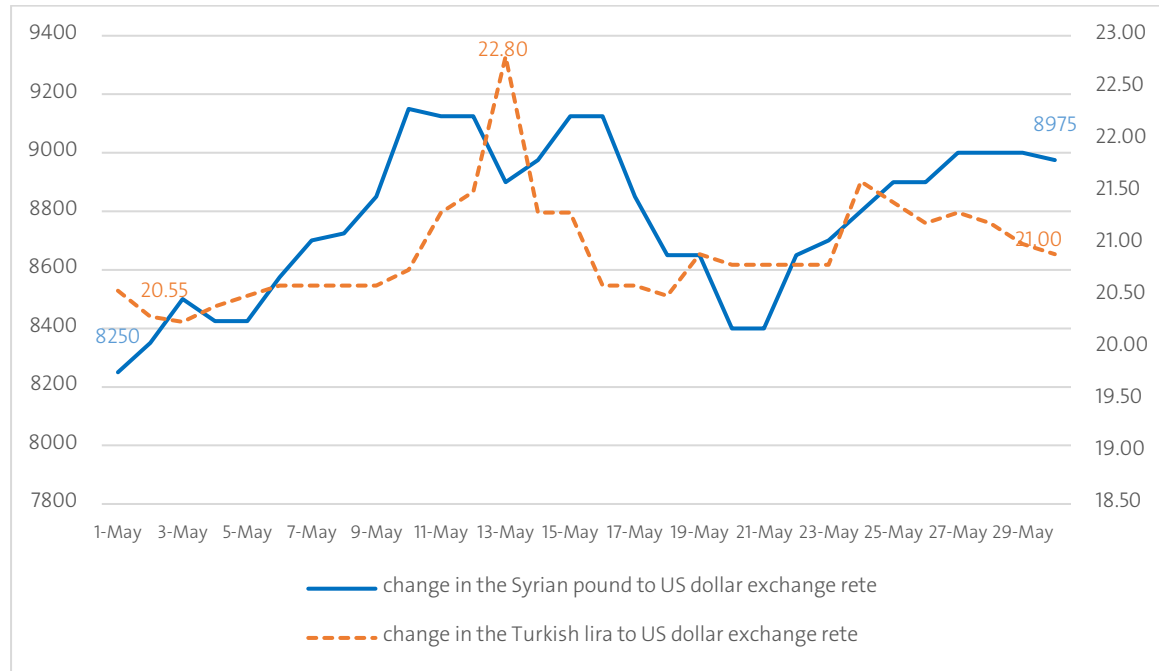
Figure (1): Monthly inflation (M-o-M) of consumer prices in Syria during May 2023 (in percentages)



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

During this period, there was a concurrent decrease in the exchange rates of the SYP and the Turkish Lira (TL) against the USD, each experiencing a 14.2 per cent and 4.4 per cent decline, respectively. By the end of May 2023, the TL was quoted at 21, in contrast to 20.55 at the beginning of the month. Simultaneously, the SYP's value against the USD increased from 8250 to 8975 during the same period.

Figure (2): Change in the unofficial exchange rate of the SYP and the TL against the USD during May 2023

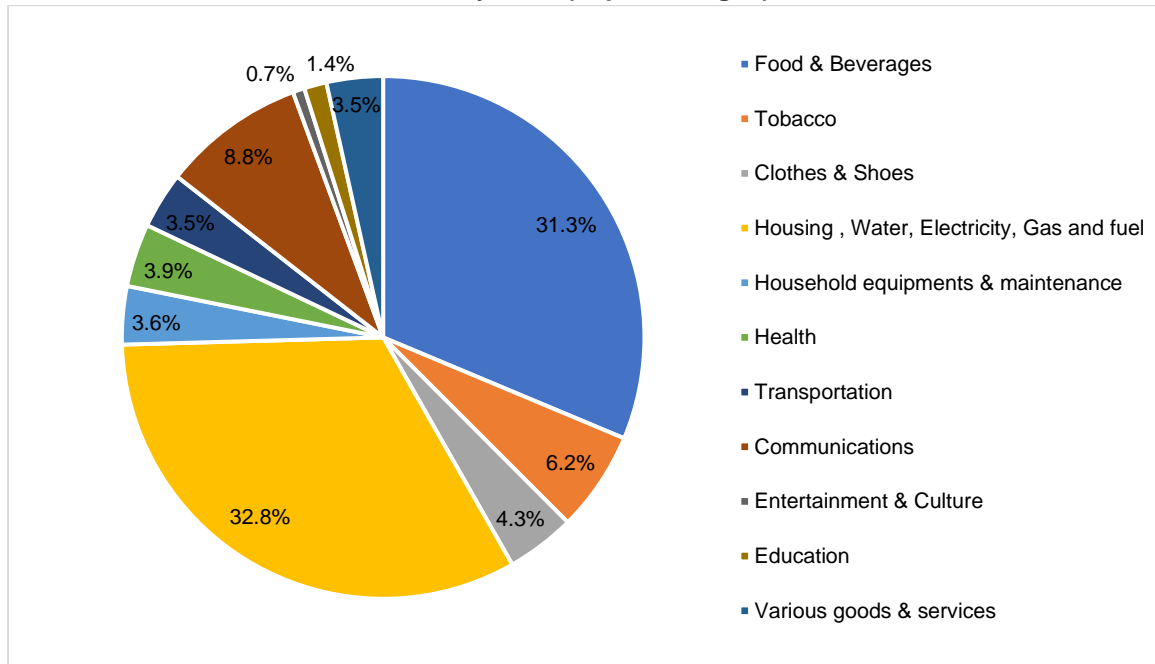


Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

3. Contributors to Inflation

In May 2023, the Housing, water, electricity, gas, and other fuel oils group⁴ contributed significantly to the monthly inflation (M-o-M) with 5.6 per cent, making up 32.8 per cent of the total, followed by Food & non-alcoholic beverages group with a contribution of 31.3 per cent, and trailed by the Communications group at 8.8 per cent.

Figure (3): Contribution of major consumption groups to the monthly inflation rate (M-o-M) for May 2023 (in percentages)



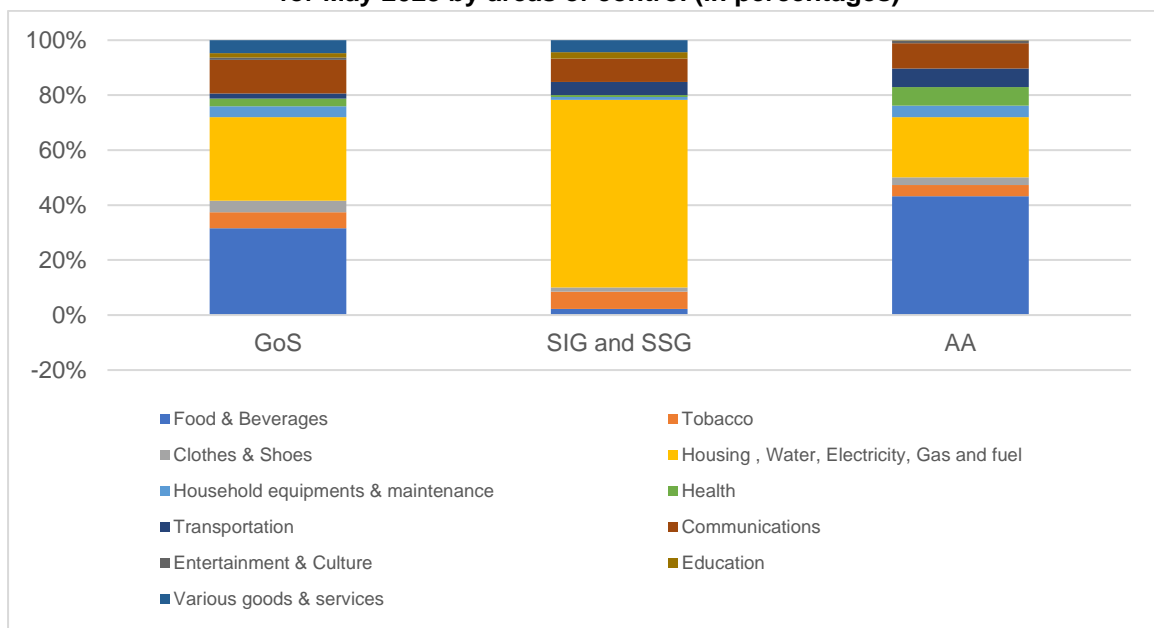
Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

⁴ The contribution rate to inflation means the percentage of the contribution of each consumption group to annual inflation, out of 100%.

In particular, the Food & non-alcoholic beverages group drove the monthly inflation of the AA areas in May 2023, contributing a substantial 43.3 per cent. It also likely had a noticeable effect on the monthly inflation of GoS areas, contributing 31.5 per cent, while the contribution of the SIG & SSG areas was low and recorded at 2.2 per cent.

The Housing, water, electricity, gas, and other fuel oils group played a dominant role in driving the monthly inflation of the SIG and the SSG areas in May 2023, contributing a significant 68.3 per cent, attributed to the sustained surge in housing demand and the rising costs of building materials, three months after the earthquake that struck areas of northern Syria in February 2023. The group also contributed 30.4 per cent to the monthly inflation of GoS areas, while its impact was relatively weaker in the AA areas, where its contribution reached 22 per cent.

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



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

4. Wages in Syria, May 2023

In May 2023, the average monthly wage in Syria stood roughly at SYP 292 thousand for a university-educated employee in the public sector at the start of their appointment. Wages in the private sector reached around SYP 433 thousand on average, while it counted at SYP 1.26 million in the civil sector.

Upon comparing wage levels between areas of control in Syria, it is evident that wages in both the public and private sectors in the SIG and the SSG areas are the highest, followed by wages in AA areas and the GoS areas. Furthermore, the wages in the public and private sectors were lower than in the civil sector, as wages in the private and public sectors were approximately 34 per cent and 23 per cent of the wages in the civil sector within Syria, respectively.⁵

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

	GoS areas	SIG and SSG areas	AA areas	Whole of Syria
A- Public sector workers				
Staff wages (professor)	224,232	3,951,039	1,545,000	875,063
Staff wages (university-educated)	103,838	1,062,198	530,000	291,720
Staff wages (4th band)	95,346	751,473	520,000	245,996
B- Private sector workers				
Company director salary	1,005,162	2,946,816	1,116,667	1,243,414
Shop worker salary	343,918	981,109	435,933	432,784
C- Civil sector workers				
Staff wages (university-educated)	683,171	3,457,160	2,277,489	1,262,308

Note: Employees' wages in the SSG areas are denominated in USD dollars or their equivalent in Turkish lira, and those in the SIG areas are paid in Turkish lira. The wage values in this table have been converted to the Syrian pound for comparison with other areas.

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

The monthly inflation in May 2023 had a significant impact, leading to a decrease in the real wages of public sector workers⁶ in GoS areas by 5.7 per cent compared to April 2023. Similarly, the worker wages in AA areas decreased by 8 per cent, while wages for the workers in SSG and SIG areas witnessed a slight increase of 0.8 per cent during the month.

During May 2023, the purchasing power of wages for private sector workers in GoS areas decreased by 2.2 per cent compared to April 2023. Conversely, wages increased by 1 per cent in SIG and SSG areas and 2.3 per cent in AA areas. The real wages for employees in the civil sector declined by 4.9 per cent in the GoS areas and by 4.5 per cent in the AA areas while increasing only by 1.2 per cent in the SIG and SSG areas.

Table (3): Real Wages Monthly Growth in Syria in May 2023 (Percentage)

	GoS areas	SIG and SSG areas	AA areas
Public sector workers	-5.74%	0.78%	-8.08%
Private sector workers	-2.15%	0.97%	2.33%
Civil sector workers	-4.86%	1.17%	-4.45%

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

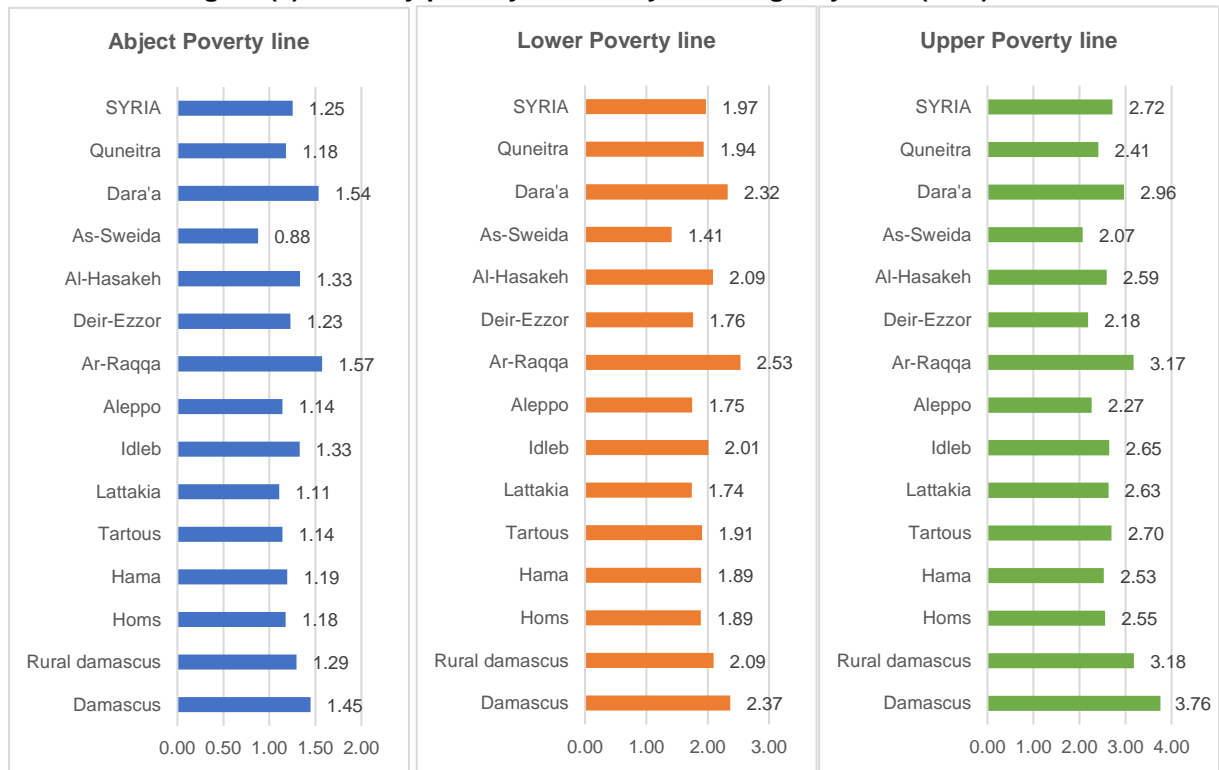
⁵ Although the wages of civil sector workers in the GoS areas are relatively high compared to public and private sector wages, they are very low compared to the rest of the areas. It equates to 30 per cent of the wages of civil sector workers in the AA areas, and 20 per cent of the wages of civil sector workers in the SSG & SIG areas in May 2023.

⁶ 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, May 2023

In May 2023, the abject poverty line for families,⁷ serving as an indicator of food insecurity, rose to SYP 1.25 million per month, marking an increase of SYP 63 thousand from April 2023. The lower poverty line increased by SYP 99 thousand from the previous month to reach 1.97 million, while the upper poverty line saw an SYP 136 thousand increase, reaching 2.72 million. The highest values for poverty lines were recorded in the governorates of Ar-Raqqa, Dara'a, and Damascus, while As-Sweida recorded the lowest poverty lines in May 2023.

Figure (5): Monthly poverty lines in Syria during May 2023 (SYP)



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

AA areas ranked highest in poverty lines in May 2023, as the abject poverty line reached SYP 1.39 million, and the upper poverty line reached SYP 2.64 million. Then comes the areas of the GoS, with an abject poverty line of SYP 1.21 million and an upper poverty line exceeding SYP 2.64 million per month. Lastly, the SIG and the SSG areas had an abject poverty line of SYP 1.17 million and an upper poverty line above SYP 2.33 million.

Comparing the wages in current prices and monthly poverty lines reveals that the wage gap⁸ increased about 76.7 per cent for a university-educated employee in the public sector, 65.4 per cent for a private sector worker from the abject poverty line at the Syria level in May 2023, civil sector wage level was 0.9 per cent higher than the abject poverty line. Notably, wages of civil sector workers in the SIG and the SSG areas, along with AA areas, surpassed the abject poverty line by 196 per cent and 63.6 per cent, respectively, whereas wages in the civil sector in the GoS areas were 43 per cent lower than the abject poverty line. The wage gap from the upper poverty line was 89.3 per cent for a university-

⁷ The poverty lines (abject, lower and upper) were calculated by measuring the impact of inflation on the 2009 poverty lines.

⁸ Equals 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.

educated employee in the public sector, 54 per cent for a worker in the private sector, and 53.5 per cent for a worker in the civil sector, highlighting the elevated poverty levels, especially among public sector workers.

Table (4): Monthly wage gap from poverty lines in Syria during May 2023 (in percentages)

	GoS areas	SIG and SSG areas	AA areas	Whole of Syria
A- Wage gap from the abject poverty line				
University-educated employees in the public sector	-91.4%	-9.1%	-61.9%	-76.7%
Private sector worker	-71.5%	-16.0%	-68.7%	-65.4%
Civil sector worker	-43.4%	+195.9%	+63.6%	+0.9%
B- Wage gap from the lower poverty line				
University-educated employees in the public sector	-94.6%	-40.3%	-75.2%	-85.2%
Private sector worker	-82.0%	-44.9%	-79.6%	-78.0%
Civil sector worker	-64.2%	+94.2%	+6.7%	-35.9%
C- Wage gap from the upper poverty line				
University-educated employees in the public sector	-96.1%	-54.3%	-80.1%	-89.3%
Private sector worker	-62.0%	+26.7%	-58.0%	-54.2%
Civil sector worker	-74.1%	+48.6%	-14.3%	-53.5%

Note: Negative (-) indicates a gap and positive (+) indicates an 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 May 2023, (2021 = 100)

	Damascus	Rural Damascus	Homs	Hama	Tartous	Lattakia	Idleb	Aleppo	Ar-Raqqa	Deir-Ezzor	Al-Hasakeh	As-Sweida	Dara'a	Quneitra	SYRIA
All commodities	346	305	298	305	317	328	263	310	326	294	338	307	323	306	313
Food and non-alcoholic beverages	324	317	311	305	321	332	271	321	292	306	362	307	328	313	312
Tobacco	277	284	273	260	282	286	227	249	247	320	304	301	299	258	275
Clothing and footwear	305	297	276	379	361	399	300	313	468	328	345	385	277	243	321
Housing, water, electricity, gas, and other fuels	410	294	288	294	324	346	267	320	487	249	324	306	349	309	344
Household equipment and maintenance	410	340	335	391	373	378	211	250	307	344	466	316	346	299	327
Health	278	351	283	251	281	336	232	338	334	309	310	332	368	324	304
Transportation	313	290	321	336	275	315	297	301	237	297	381	298	314	307	303
Communications	234	236	233	232	235	236	236	257	245	238	246	227	229	225	233
Culture and entertainment	274	383	331	301	358	303	244	294	326	349	419	284	291	264	310
Education	278	255	258	228	331	313	251	265	360	259	264	269	254	227	274
Various goods and services	256	335	294	368	395	306	249	315	252	291	260	369	279	416	311

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

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

