

January 2023

Humanitarian Access Team Syria

Syria Monthly Report



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Summary

The earthquakes which hit southern Turkey and northern Syria on 6 February have devastated communities in the northwest. HAT Syria is producing a report on the impacts of the disaster, and provides a summary of key developments, in a special report.

Recent developments in the US have served to consolidate its position against Damascus; the US is likely attempting to starve the government of foreign reserves through clamping down on the illicit captagon trade, and preventing Iraqi dollars from entering Syrian markets. This, combined with further justification to geopolitically pressure Assad, his government, and the Syrian military by way of renewed accusations of war crimes, as well as pressure to block any moves toward early recovery in government-held areas, could potentially further exacerbate the complexity of socio-economic issues plaguing millions throughout Syria.

Developments related to the much-discussed improvements in external relations between the Syrian and Turkish governments appear to have stalled, with fundamental disagreements between Turkey and Syria making rapprochement between the governments unlikely.

In government-held areas, traders have been freed from government-controlled price restrictions on goods. They will now be able to set their own prices based on receipts of the actual purchase cost of goods. Introduced to mitigate the negative effects of a fluctuating currency and pricey imports, this new measure could also have been implemented to increase tax revenue by electronically monitoring trader's transactions. Weekly demonstrations are being held in As-Sweida, against rising fuel and food prices and deteriorating living conditions. The increasing anti-government rhetoric has resulted in internal infighting in one of the governorate's stabilizing forces, the Harakat Rijal al-Karama armed group.

Reports of a cooling in Iran–Syria cooperation appear to be overstated, with Iranian shipments of crude oil and gas arriving in Banyas port throughout January. Any dips in supply, for the moment, appear to be because of domestic economic problems in Iran, rather than any significant change in trade agreements between the two countries.

President Joe Biden has passed an act targeting the captagon trade in Syria, an outcome of the US and its allies' concerns over at least the trade's far-reaching and negative impacts, and for some (particularly the US), the narco trade's financial benefits for Assad and his allies. Narcotic use and trade have also become more visible in northeast and northwest Syria. Though speculative, it is possible that the narcotics trade has shifted, or is beginning to shift, from its primary route through southern Syria into Jordan and beyond, to an eastern corridor, where security provision is weak, and the Syrian–Iraqi border is porous.

In the northwest, controlling actors have made steps towards centralizing and consolidating their power. The Syrian Salvation Government has a new cabinet, with ministers close to Hay'at Tahrir al-Sham's leader, Mohammad Al-Jolani appointed to key positions, and new ministries and branches formed to control both the media, and resident's adherence to religious practice. In Aleppo, Turkey has requested factions of the Syrian National Army to form a Military Police to oversee security, including taking charge of all checkpoints and crossings. The success of the Military Police will be reliant on the degree to which its members are professionalized, adhere to hierarchy and MoD policy, and forgo any previous loyalty to armed groups.



Idelb is one of the hardest hit areas in northern Syria. Freezing conditions and rain have hampered rescued efforts in the governorate, where many buildings, health facilities and services struggling, and already damaged by years of conflict. (Source: BBC/Getty images)

Cover photo: Men sit in rubble in front of a collapsed building, Aleppo. Source: AFP

Special Report

Turkey–Syria earthquake

This section provides a very brief overview of the earthquakes and their aftermath. As the situation remains incredibly fluid, some of the details may be out of date at time of reporting; indeed, the details and conclusions of several sections in this Monthly report may be affected by the earthquake. The HAT is currently drafting a report on the disaster which has devastated Syria and Turkey, assessing its immediate and short-term impact on northwest Syria.

In the early hours of Monday, 6 February, a 7.8 magnitude earthquake hit southern Turkey and northern Syria, the most violent in the region for over a century. The epicenter of the quake was near the city of Gaziantep at a depth of 17.9km – it was followed by another quake on Monday afternoon, and dozens of aftershocks. The disaster caused massive destruction to towns and cities in southern Turkish provinces and the Syrian governorates of Aleppo and Idlib. The death toll at the time of writing has [surpassed](#) 33,000 across both countries and is expected to grow, while further thousands of people are wounded and hundreds of thousands of people have been left homeless.

The Syrian Civil Defence ([White Helmets](#)), the [Syrian Interim Government \(SIG\)](#), and the [Syrian Salvation Government \(SSG\)](#) have declared a state of emergency in northwest Syria. The SSG announced the formation of an emergency response committee and has directed its ministries to mobilize to help those affected. A number of local initiatives were launched to help survivors, and to find shelter for those in need but have not been able to deal with the scale of the disaster. The UN resident coordinator, El-Mostafa Benlamlih, has said that the situation is desperate, but remains calm; “The infrastructure is damaged, the roads that we used to use for humanitarian work are damaged, we have to be creative in how to reach the people...but we are working hard.” The director general of the WHO has also [released a statement](#) saying “The death toll in Syria and Turkey does not tell us the truth about

the difficult situation that the families are facing.” The White Helmets have [warned](#) of fuel shortages preventing the use of rescue equipment, and called for further international aid. Teams in the northwest need help removing rubble, rescuing civilians, organizing the emergency response, and food, shelter and medical assistance for those in need.

The global response to the disaster has been swift, with many countries and organizations pledging aid and support to Syria. However, border crossings between Syria and Turkey were initially cut off, with trucks unable to travel because of damage to roads, and interrupted delivery mechanisms. The [Bab al Hawa](#) crossing is now open, and limited aid is passing through. [Madevi Sun-Suon](#), UN OCHA spokesperson, said that “some roads are broken, some are inaccessible; there are logistical issues that need to be worked through.”

International aid has continued to arrive at airports in Damascus and Aleppo, controlled by the Syrian government, while countries have also sent support teams to help in search and rescue operations. The Syrian government has called for international aid to help with the country’s disaster response; on 8 February, for the first time the Syrian government [formally requested](#) EU support through its Civil Protection Mechanism. After a meeting with UN representatives and aid organizations, the Syrian foreign minister, Faisal Mekdad, appealed to member states of the UN, the ICRC, and other humanitarian groups to assist with the emergency response. Syria’s UN representative, Bassam Sabbagh, informed the UN Secretary-General, Antonio Guterres, of the Syrian government’s humanitarian efforts. After the meeting, Sabbagh emphasized that Syria was ready to work with governments and organizations wishing to provide assistance and stressed that access is available, but coordination with the Syrian government would be necessary.

Economic indicators

	November 2022	December 2022	January 2023
SYP/USD official exchange rate	3,000	3,000	3,000
SYP/USD parallel market rate	5,373.8 (5.6%)	6,245.6 (16.2%)	6,491.6 (3.9%)
TRY/USD official rate	18.6 (0.1%)	18.6 (0.3%)	18.8 (0.7%)

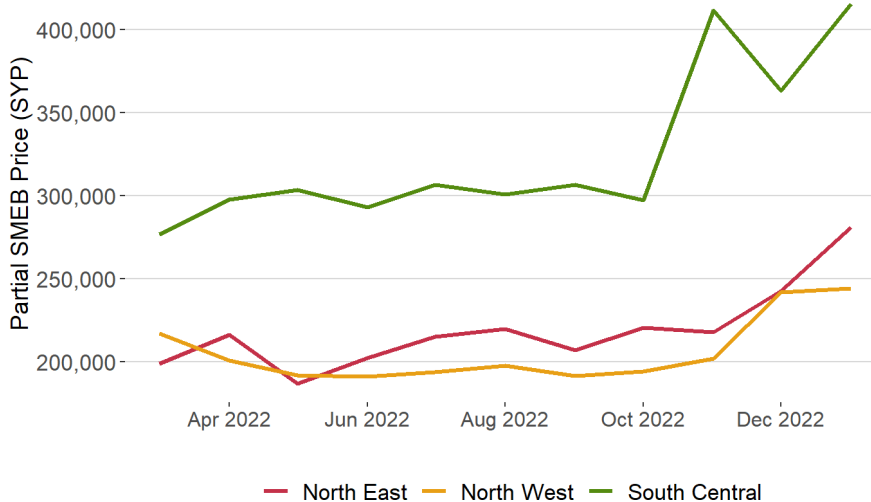
Economic indicator 1.

Official and parallel market exchange rates, SYP/USD and TRY/USD, August–November 2022



Economic indicator 2.

SYP/USD and TRY/USD, January 2021–March 2023 (predicted)



Economic indicator 3.

Change in partial SMEB price by zone of control, April–December 2022

HAT's partial SMEB price monitoring tool is in part built on Sphere recommendations of a 2100kcal daily diet per person. Items covered in the assessment include basic food items such as bread, rice, bulghur, lentils, oil, sugar, meats, vegetables, and fruits.

International

US introduces new policies and operational shifts in Syria

The US remains staunch in its opposition to normalization with Assad, his allies, and the Damascus government. Recent events have had the effect of both a reiteration and tightening of the US' position by stifling the profitable captagon trade (discussed in the northeast section), preventing Iraqi dollars from entering Syria, and making sure the government does not have access to raw commodities such as crude oil. The US is likely attempting to starve the government of foreign reserves. This, combined with further justification to geopolitically pressure Assad, his government, and the Syrian military by way of renewed accusations of war crimes, as well as pressure to block any moves toward early recovery in government-held areas, could potentially further exacerbate the complexity of socio-economic issues plaguing millions throughout Syria.

US-led International Coalition bases in northeast Syria

In November 2022, the US set up a new base in [Naqara](#) village, 3km from the northeastern governorate of Al-Hasakeh. [Media sources](#) said that a convoy of armored military vehicles arrived in Ar-Raqqa city as part of preparations to build a new base in the area – this move goes contrary to statements by the Biden administration that there be only a minimized military [presence](#) in Syria. The reasons for the base are unclear, however, if the US-led International Coalition strengthens or even reinforces its foothold in northeast Syria, it will prevent the Syrian government from either implementing a military offensive to retake territory or from attempting to retake control of the lucrative [oil fields](#), removing the potential to restart this sector of the economy.

The US military has been present in northeast Syria since 2015 when it led International Coalition forc-

es in strikes against ISIS. Then, in 2019, then-president Donald Trump announced his decision to evacuate all US soldiers. This announcement never came to fruition, as a small contingent of US military personnel was present to continue the fight against ISIS and protect the oil fields.

Duma Chemical Attack and OPCW Report

On 27 December 2023, the US, alongside the UK, France, and Germany, released a [joint statement](#) on the findings of an investigation by the Organization for the Prohibition of Chemical Weapons ([OPCW](#)), which showed that the Syrian government was responsible for chemical attacks on civilians in Douma in 2018. The statement condemned “in the strongest terms the Syrian regime’s use of these horrific weapons” and went on to highlight Russia’s facilitation of the attacks. The statement also called for the immediate destruction of any chemical weaponry in Syria.

In its findings, the OPCW report revealed evidence that on 7 April 2018, at least one helicopter belonging to the Syrian air force dropped two cylinders of toxic chlorine gas on two civilian apartment buildings which may have led to the deaths of 43 individuals. For its part, the Syrian government continues to deny these allegations. As a signatory of the Geneva Protocol, Syria is subject to the terms under international law which ban the use of ‘asphyxiating, poisonous or other gasses’ during war.¹ The findings of the OPCW consolidate the US opposition to Assad and his allies, long accused of war crimes.

Iraqi Central Bank foreign exchange and money transfer regulations

In January 2023, the US Federal Reserve enacted stricter [regulations](#) on currency exchange in Iraq, which has increased monitoring, to target money laundering through dollar auctions, with funds sent to sanctioned Iran and Syria. Since the US invasion of Iraq in 2003, Iraq’s foreign currency reserves have been housed at the Federal Reserve, giving the US significant control over Iraq’s supply

¹ Although the use of these weapons in Syria would be within Syria’s borders, rather than between states, making the legal situation less certain.

of dollars. Under the new regulations, individuals and entities are now expected to show extensive proof of needing the funds and their stated purpose. For example, personal dollar transfers for education, and currency exchange for travel to certain countries require high burdens of proof by recipients or benefactors.² In addition, Iraqi banks are required to record all dollar transfers electronically. This is then assessed by the US Federal Reserve and if deemed [suspicious](#) is canceled immediately. This process of assessment has seen a rejection of [80%](#) of money transfer requests to Iraqi banks due to suspicion of the final recipient.

By introducing these controls on Iraqi dollars, yet another source of foreign currency could be cut off from Syria. A negative impact of tightened restrictions on Iraqi access to the dollar could be to reduce liquidity in the northeast. In northeast Syria, under Autonomous Administration control, dollars are critical for humanitarian and early recovery operations, as well as commerce and trade, as the greenback is widely used for medium- to large-scale transactions. For the Syrian government, already struggling with its balance of payments deficit and a lack of foreign currency reserves, this is likely to be a blow for the Central Bank, particularly as trade between Iraq and Syria is seemingly on the table given a late-January [announcement](#).

Humanitarian sanctions

US conditions on humanitarian aid have also caught the attention of the US legislature, which is [increasingly concerned](#) that the Syrian government could benefit from US assistance. In a 25 January letter to US Secretary of State Anthony Blinken, Rep. Michael McCaul, the newly-assigned Republican chairman of the House Foreign Affairs Committee, expressed concern that the assistance to Syria was not complying with US policy against reconstruction and development (business development training, bakery rehabilitation, and climate change programs were cited). In particular, the letter pointed out apparent conceptual discrepan-

cies of ‘early recovery,’ between UN and US classifications. In response, the Treasury has provided [clarification](#) on its policies, which were already endorsed by the UNSC.

McCaul’s critique of the Syria Policy could indeed be an internal political struggle between Congressional Republicans, aiming for stricter measures on foreign aid, and the Democratic Biden administration. However, they also hold the Biden administration accountable for the commitment to ensuring the Assad government does not, and will not, benefit from US aid.

Turkish–Syrian rapprochement stalled

This section was drafted prior to the 6 February earthquake and its aftermath in Turkey and Syria; while much of this is still relevant in the context of ‘rapprochement,’ several aspects – particularly Turkish presidential elections – will likely be affected by the earthquake’s response. This will be discussed in a forthcoming report focused on the earthquake.

Developments related to the much-discussed improvements in external relations between the Syrian and Turkish governments appear to have stalled, despite the apparent success of a trilateral meeting between the Russian, Turkish and Syrian defense ministers in December 2022. The ministers reportedly discussed potential resolutions to the Syrian conflict, the refugee crisis, and joint efforts to combat extremist groups. Hulusi Akar, the Turkish defense minister, said that the [necessary agreements](#) – the reestablishment of joint Turkish–Russian patrols, and a commitment to further trilateral meetings – were reached. Rumors then began circulating of another meeting, this time between the Syrian and Turkish foreign ministers, to be hosted by either the UAE or Moscow, as preparation for a higher-level presidential meeting. However, fundamental disagreements between Turkey and Syria remain, making rapprochement between the governments unlikely.

² A student studying abroad and in need of money must provide proof that he/she is a student, in which country, presenting a travel ticket, residence permit, and visa of the country of residence. An Iraqi citizen traveling to Russia, Iran, Belarus is not allowed to exchange dinars to dollars for the purpose of their travel.

Erdogan prepares for upcoming elections

Recep Tayyip Erdogan, the Turkish president, is seeking reelection in May 2023. [According to Turkish polls](#), refugees are the third most important issue for voters behind the economy and unemployment.³ Erdogan, in floating the idea of a rapprochement, is trying to convince voters that cooperation with Assad will lead to returns to Syria (despite Syrians in Turkey disagreeing)⁴ – an idea originally successfully promoted by the main Turkish opposition party. With only months to ensure his policy platform resonates with Turkish voters, Erdogan is having to work quickly to show any progress.

Conditions for rapprochement, public and speculated, by both Turkey and the Syrian government are plentiful. Erdogan would likely require support for the ongoing conflict against the alleged presence of the Kurdistan Workers' Party (PKK) in northern Syria; Turkish rapprochement with Damascus would likely require the latter to sever – or significantly curtail – relations between the Autonomous Administration and Damascus while addressing Turkey's goal of 'removing terrorists' from its southern border. The Russian and Syrian governments seem unsure which would be more beneficial – a good relationship with the Administration which could improve supplies of wheat and oil, or with Turkey, which could potentially lead to increased political geopolitical capital and potentially incremental control of Syria's northern border, albeit in the long term. Damascus is keen to come to an agreement with Turkey, however with its own conditions. The Syrian government's agenda is focused on territorial sovereignty, control over resources, and elimination of political and military foes; as is well known, Assad's outspoken conditions include Turkey's withdrawal from the border regions of northern Syria, and for it to stop supporting the factions of the Syrian National Army (SNA), which could facilitate regaining the northwest.

Further complicating the situation is US military

presence, and support for the Autonomous Administration and its Syrian Democratic Forces (SDF), in the war against ISIS. The US' political and operational presence is often seen acting as a deterrent to broader Turkish ground offensives (who, speculation characterizes, will avoid attacks on its NATO ally; some observers [argue against](#) this logic), and military action by Damascus (or Russia), wary of directly engaging US forces, to try to regain territory. Iran also wants to secure its interests in Syria, and has been keen to get involved with any future meetings between the countries; the Iranian foreign minister visited both Damascus and Ankara in January, this was followed by separate [Turkish](#), [Russian](#) and Syrian statements emphasizing the importance of Iran's presence during any agreements toward rapprochement.

Within these regional developments, the US and EU continue to reject any form of normalization with the Syrian government. Ned Price, a State Department spokesperson, [stressed](#) his country's opposition to Syrian-Turkish normalization, saying that the US would not support countries "upgrading their relations or expressing support to rehabilitate the brutal dictator Bashar al-Assad". The EU also [reconfirmed](#), in a meeting on 17 January, its rejection of normalization with Assad, as long as his government refuses to be part of a political solution to the conflict, as called for by the UN Security Council in Resolution 2254.

Opposition criticizes Turkey

The Moscow meeting sparked a renewed wave of [popular protests](#) in various locations across northwest Syria. The leader of Hay'at Tahrir al-Sham (HTS), [Abu Mohammed Al-Jolani](#) voiced his discontent over the talks between the Syrian, Russian and Turkish ministers, calling them a "serious deviation" that affected "the goals of the Syrian revolution." He rejected reconciliation with the Syrian government and vowed "the continuation of the revolution until the overthrow of the Syrian government and the liberation of Damascus." The

³ These polls were conducted prior to the February 6 earthquake and its aftermath, the response to which is very likely to either be a priority for Turkish voters, affect perceptions of Erdogan and his administration, or both.

⁴ This was articulated in *The Economist*, in a Special Report on Turkey, January 21st–27th 2023.

scope and scale of this local response indicated a widespread stance among civilians and combatants alike that any future settlements between Damascus and the opposition, as it stands, would not be accepted without the removal of Assad.

The protests have also exposed the uneasy and complex nature of Turkey's position, in northwest Syria and beyond, particularly related to maintaining a balance between its role as the direct sponsor of the SNA and of border territory, and a key regional power with a set of strategic interests overlapping and conflicting with other regional stakeholders. The Turkish foreign minister, Mevlüt Çavuşoğlu, after a meeting with the president of the Syrian Opposition Coalition, the head of the Syrian Negotiations Commission, and the prime minister of the Syrian Interim Government, [stated](#) that the group addressed the recent developments regarding Syria, and reiterated Ankara's support for the Syrian opposition (against Assad) and the Syrian people in line with Resolution 2254.

Security council extends cross-border aid through Bab Al Hawa



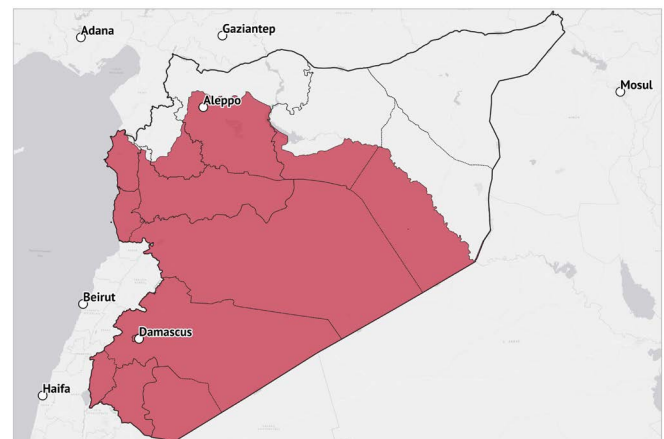
Local aid workers call on the UN Security Council to keep the border crossing between Turkey and Syria open to aid. (Source: [Rudaw](#)).

The Security Council adopted [Resolution 2672](#) on 9 January 2023, extending the delivery of UN cross-border aid into Syria for another six months. The new resolution was agreed upon with the same contingencies in place as Resolution 2642 (which expired on 10 January 2023).

The resolution mandates that the Secretary-General provides a monthly brief and a regular report, at least every 60 days, on the implementation of the resolutions agreements to include “overall trends in unhindered, safe UN cross-line operations” and detailed information on humanitarian assistance delivered through cross-border operations. The Security Council also encouraged the “convening of an informal interactive dialogue (also known as IID) every two months to regularly review the implementation of the resolution, including progress in early recovery projects.”

The Russian ambassador to the UN stated that “there neither can nor will be a discussion of a mechanical extension of the Mechanism, and a new six-month extension in July will not occur unless the approach to providing humanitarian assistance in Syria changes.”

South & central



Government removes price control measures

The Syrian Ministry of Domestic Trade and Consumer Protection issued a [circular](#) on 16 January, removing price-setting restrictions for all commodities except medicine. According to the circular, commercial traders will now be able to set prices of goods based on receipts of purchase or the cost at which the trader purchased the items. The Ministry asked administrators to rely on the purchase receipt when evaluating pricing, accounting

for profit margins. The circular nullifies the official price lists previously set by the government, somewhat liberating market prices though effectively capping the potential profits of commercial actors. For consumers, however, low market availability of basic goods, as well as associated price volatility, is likely to continue.

The decision was welcomed by traders who have faced several pricing restrictions, and who were subject to fines and legal action for violations; traders would often price their products higher than official lists dictated, to avoid losses particularly due to increasing import prices and fluctuating currency rates. A member of the Damascus Chamber of Commerce, Yasser Karim, [said](#) that the circular was an “economic breakthrough”. The new rules would allow businesspeople to secure appropriate profits without fear of punishment.

Circular issued to encourage supply

Head of the Syrian Chambers of Commerce Union, Mohamad Abu al-Hoda Laham, [said](#) that the new circular would encourage traders to increase supply despite the numerous challenges facing them; a fluctuating exchange rate, increase in transportation costs, increase in electricity prices, and increase in fuel costs have all made trade more expensive. Traders would [no longer](#) need to hoard their goods as pricing would be determined by the quality of products, rather than pricing restrictions. Imports are also expected to increase, with price-setting powers enabling traders to continue purchasing foreign goods despite fluctuating exchange rates.

Supply shortages caused by market shock

The circular was issued after Syrian markets were shocked by regular exchange rate fluctuations, resulting in reduced supply. The pound hit an all-time low on 30 December 2022, reaching 7,150 SYP per USD, a 27% depreciation in December alone. The depreciation caused chaos at the time, with traders unsure of how to price items, and goods becoming increasingly expensive. Media sources reported a shortage of many items, particularly food. The Damascus Chamber of Commerce [said](#) that many traders were hesitant to introduce a stock to the market for fear of

further depreciations reducing their profit margins. Since then, the pound has [appreciated slightly](#), however, food prices have not come down.

Several reasons for continuously high prices have been offered. The Central Bank devalued the official customs exchange rate (among others), on 2 January following the steep depreciation on the black market (shown below) – this increased customs fees by 25–30%. Additionally, traders continue to face import funding delays by exchange companies, which have increased their losses; traders usually know the exchange rate at which they will [purchase](#) their foreign currency only after it is delivered. Finally, a [decision](#) by the Ministry of Domestic Trade required importers to sell 10% of their imported items to the Syrian Trade Establishment, at the cost of production with a 2% profit margin. This decision was problematic, as it did not consider other costs associated with imports (for instance, transportation costs, warehouse rental prices and general service and administrative fees).

Type	Old exchange rate (SYP to USD)	New exchange rate (SYP to USD)	% change
Official	2500	3000	20%
IMTA	3000	4500	50%
Military deferral	2800	4500	61%
Customs fee	3000	4000	33%
Bank	3015	4522	50%

Central Bank devaluation of Syria’s official exchange rates

“Patience needed”, says Damascus Chamber of Commerce

Despite the optimism surrounding the circular, pro-government media reported in late January that many items are still unavailable in markets, and that prices have continued to increase; sugar, for example, increased from 6,000 to 7,000 SYP per kilogram in

January. The Damascus Chamber of Commerce has [advocated](#) for patience, as prices are not expected to drop immediately; import delays and disruption, and disorganization implementing the new system (the government's electronic monitoring system is not yet ready to use) have meant traders prefer to hedge their bets on higher prices. There is also an absence of solutions to facilitate import operations and ensure the timely delivery of foreign currency funding for importers, meaning market supply is unlikely to increase significantly. Prices are expected to continue fluctuating if the government cannot ensure economic and financial stability.

Electronic payment to facilitate tax collection

There is speculation that the latest measures taken by the government are aimed at more efficient tax collection, rather than any desire for market stability. A statement issued by the Ministry of Domestic Trade and Consumer Protection reminded business owners of their obligation to apply for a commercial license regardless of the size of their business and trade volume under [law 8/2021](#). A commercial license [costs](#) between SYP 0.8–1 million, in addition to other fees; many businesses are worried that receiving a license would make their receipts 'trackable,' enabling the government to tax them more efficiently.

It seems that the government aims to set up the new tax collection system through a triangulated system of receipt-based pricing, commercial licensing, and the electronic payment system: The circular requires businesses to price their products according to receipts that are trackable through their license, all of which are tracked, managed, and taxed through the system. However, overall success is contingent on many uncertainties, including the commercial sector's cooperation with the government decisions, and the proper functioning of electronic and telecommunications infrastructures.

Instability in As-Sweida

Intensifying socioeconomic pressures have increased instability in As-Sweida since the beginning of the year. Residents in the governorate have experienced prolonged electricity and [water cuts](#) because of insufficient fuel allocations, infrastruc-

ture damage and theft, and institutional corruption. The lack of service provision continues to financially burden residents, no longer able to rely on state support to meet basic needs; many families who are not receiving water are [forced to use water trucking services](#) at expensive rates. Communities have also been forced to rely on local initiatives for basic service provision; community leaders in Qanawat (As-Sweida subdistrict) are soliciting donations to purchase solar panels and repair water and telecommunications infrastructure in their town.

Fuel and food prices have been high (shown below) as household purchasing power continues to be low; the [average cost of living](#) in Syria (2,800,000 SYP) is approximately 180% higher than the [average salary](#) in the country (149,000 SYP). Local sources have stated that young men are increasingly turning to substance abuse, joining armed groups, or actively working to leave the country due to difficulties in finding a job with an adequate income source. These negative coping mechanisms have contributed to an [increase](#) in criminality; local media reported increased accounts of [theft](#) in the governorate. For example, more than four shops were robbed in As-Sweida city alone this past week, with one of them, a cell phone shop, completely emptied — the stolen items were estimated to be worth SYP 40 million (\$5,922).

Item	15 Dec 2022 (SYP)	30 Jan 2023 (SYP)	% change
Sugar (1 kg)	5,500	8,000	45%
Tomatoes (1 kg)	3,500	4,500	29%
Sunflower oil (1 L)	13,000	15,000	15%
Tourism bread	3,500	5,500	57%
Eggs (Dozen)	14,000	18,000	29%

Food prices in As-Sweida governorate between 15 December 2022 and 30 January

Weekly protests

Protests condemning a lack of action by authorities to counter deteriorating conditions have been held weekly since late last year. The most violent incident occurred in December, when residents and armed men [clashed](#) with security forces, stormed the governorate building, and then proceeded to burn it; two people were killed and eighteen more injured. Protesters initially called for an improvement in living conditions and demonstrated against the widespread poverty and economic decline. However, as they have continued, protests have become more political; residents began calling for the implementation of UN Resolution 2254, and an end to the rule of the Assads. As the protests became more organized, supporters of the ruling Baath party began organizing [counter-protests](#) praising Assad and calling for an end to the economic sanctions imposed on Syria.

Militia force destabilized

The increasing anti-government rhetoric has resulted in a crack in the structure of one of the armed groups in the governorate, Harakat Rijal al-Karama (HRK). HRK, one of the governorate's strongest and most popular militias, has until recently acted as a stabilizing force. It has repeatedly mediated between different groups and between residents and the government when disputes arise. It has also acted as a de-facto police force when security agencies have fallen short.

The past two months have threatened its structure; the HRK unit, Bayraq al-Adham, based in Kafr township (As-Sweida subdistrict) defected to join Laith al-Balous, the HRK founder's son and staunch anti-government figure in the governorate. Local sources stated that the HRK leadership and Laith al-Balous reached an agreement stipulating that the defecting combatants hand over their weapons before leaving. Bayraq al-Adham's commander [stated](#) that they remain ready to fight for As-Sweida and its residents, adding that they chose to "suspend their participation in the HRK for internal reasons."

However, local sources say that the unit members departed because of an increasing perception that the HRK commander, Yahya al-Hajjar, was too close to the Syrian government. Laith al-Balous [accused](#) Hajjar of coordinating with Military Intelligence (MID) personnel, pointing to a [video](#) showing him with Kifah al-Milhim, head of As-Sweida's MID branch. While Bayraq al-Adham's departure will not constitute a major blow to the militia's formation, it is concerning as the political wedge between former opposition and government widens.

Iran delivers fuel to Syria

There have been a series of developments in Iranian-Syrian bilateral relations, with direct ramifications on the ongoing fuel crisis in government-held areas. Consecutive arrivals of fuel shipments to the Banyas port in January 2023 have resulted in a temporary alleviation of fuel shortages on the local market, increased fuel deliveries to the industrial and agricultural sectors, a reduction in delays to the provision of subsidized petrol, domestic gas, and diesel allocations to eligible citizens, and a resumption of public sector functions and services, including education.

On 15 January, the Wall Street Journal [reported](#) that Iran was going to restrict cheap oil shipments to Syria and ask for payment up-front rather than through extending credit lines, which it had previously done. The article indicated that Iran has doubled the price of fuel exports, from \$35 to almost \$70 per barrel, adding that the Syrian government would be required to pay an amount close to the market price for crude oil imports. Shortly after, on 16 January, the pro-government al-Watan newspaper quoted Iranian officials [refuting](#) the Wall Street Journal's report, stating that no changes had been made to the Syrian-Iranian oil agreement – that relations between the two countries remained positive, following a [recent visit](#) to Damascus by Iran's minister of foreign affairs, Hussein Amir Abdul Lahian.⁵

It does initially appear as though the article's claims were overstated, at least in relation to imports from

5 Please see: Syria Report, [Iran to Raise Price of Crude Sold to Syria, Require Cash Payments – Report](#), January 2023

Iran over the past month. Multiple crude oil, diesel, and domestic gas shipments aboard Iranian tankers have arrived at the Banyas port in January; These include the [arrival](#) of a tanker carrying one million barrels of crude oil and two tankers carrying around 4,000 tonnes of domestic gas on 10 January, [followed](#) by another 2,000-tonne gas shipment and an 8,000-tonne diesel shipment in mid-January, and lastly the [arrival](#) of two one-million-barrel crude oil shipments and a 2,000-tonne gas shipment on 24 January. While it is highly unlikely that the Syrian government has paid in cash for the recent incoming shipments, there may be an underlying agreement whereby payment for Iranian-supplied fuel shipments goes beyond the framework of the credit line.

The Syria Report, moreover, suggested that Iran's request to increase its asking price for fuel exports may stem from the perception that the Syrian government generates more foreign currency than it discloses, especially when taking the lucrative captagon industry (discussed in the northeast section) into consideration. While this analysis is feasible and supports the argument that Iran may be suspicious of the Syrian government's 'true' financial situation, the former might be able to benefit through other means; pro-government media sources [indicated](#) that upon the visit of the Syrian Iranian Friendship Association to Damascus between late December and early January, multiple deals were signed with the Syrian government's Ministry of Telecommunications, the Agricultural Bank, Ministry of Public Works and Housing, and the Ministry of Economy and Internal Trade; the details of these agreements remain unclear, yet they may represent further attempts by Iran to increase its economic footprint in government-held areas.

Government-held areas in Syria require an estimated 6 million barrels of crude oil per month; the January shipments of fuel are expected to – in part – fulfill this demand, though how the fuel will be allocated is unknown. For its part, the Syrian government has taken measures to address de-

lays in the distribution of domestic gas cylinders. On 6 January, Hussein Arnous, the Syrian prime minister, [approved](#) the Economic Committee's recommendation to allow the Ministry of Petroleum and Mineral Resources to purchase domestic gas through existing and licensed private firms that manufacture gas cylinders. This represents a shift towards a larger engagement of the private sector in the fuel products sector, as government purchases of gas cylinders were previously limited to one client, the [Defense Factories Establishment](#) (affiliated with the government's Ministry of Defense).

Temporary relief from fuel shortages

The positive impacts of incoming Iranian fuel shipments are already evident in government-held areas. For instance, Issa Issa, head of maintenance and operations at the Mahrukut Company, indicated that an increase in crude oil and gas shipments would [reduce](#) delivery times for petrol and diesel allocations, and improve power supplies. Issa also said that the distribution of diesel for heating had resumed, following disruptions in November and December 2022. Notifications, sent by SMS to people receiving subsidized allocations, are now saying fuel will be ready to collect after a waiting period of [12 days](#), down from 20, while the waiting time for domestic gas cylinders has been reduced to 60 days (compared with over 100 days) following the shipments' arrival. Local sources added that diesel deliveries to farmers and industrialists alike have increased during this period, positively impacting local outputs and reducing the costs of local production.

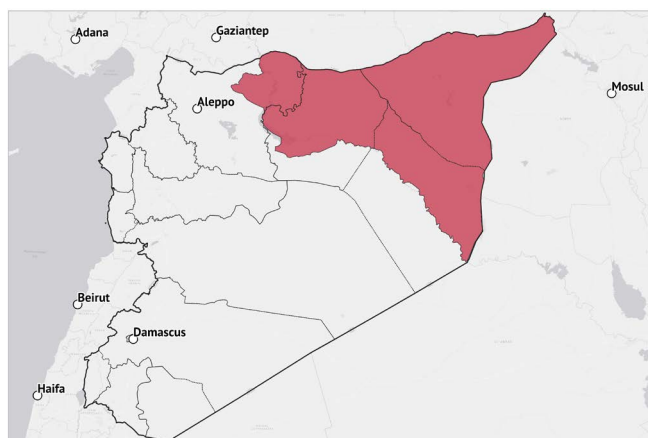
Iran–Syria relationship stable

Despite the recent increase in Iranian fuel shipments to the Syrian government, Iran's commitment to supporting the Syrian government's economy, while experiencing its own serious economic problems, could be at risk. United Against Nuclear Iran (UANI),⁶ which tracks Iranian oil shipments, [indicates](#) that Iranian crude oil shipments to Syria

⁶ United Against Nuclear Iran (UANI) defines itself as a nonprofit and non-partisan policy organization formed to combat the threats posed by the Islamic Republic of Iran. UANI's diverse Advisory Board includes policy experts and distinguished former government officials.

in January 2023 were lower than those exported in December and November (57,906 barrels per day in January 2023 compared with 76,365 in December and 58,631 in November). Yet, the reduction in Iranian crude oil exports has not only been limited to Syria but also to China, its primary client, with UANI data also indicating that crude oil exports to China in January 2023 were [comparably lower](#) than those in November and December 2022. Moreover, the official Islamic Republic News Agency (IRNA) reportedly estimated that Iran's income from crude oil exports in 2023 is expected to [decline](#) due to weaker global demand. The decline in Iranian crude oil exports may therefore be a broader trend governed by issues surrounding domestic production and potential global demand, rather than shaped by Iranian–Syrian bilateral ties.

Northeast



Captagon trade moves north

Over the past month, Autonomous Administration's Internal Security Forces (Asayish) have arrested dozens of alleged smugglers reportedly involved in narcotics trade throughout northeast Syria, including [Menbij](#), [Ar-Raqqa](#), [Deir-ez-Zor](#), and [Al-Hasakeh](#) governorates. According to the announcements, the Asayish have seized large quantities of narcotics in the crackdown, including hashish, captagon, and methamphetamine. Despite the arrests, dozens of civilians [held](#) a protest on 17 January in front of the Ar-Raqqa Civil Council, against SDF actions, partly to criticize the SDF for failing to

effectively combat the narcotics trade. In October 2022, the Autonomous Administration [approved](#) an Anti-Narcotics law; prison sentences and fines were imposed on users, dealers, and manufacturers.

Narcotics smuggling routes to Iraq

An Asayish spokesperson has [said that](#) networks of narcotics smugglers were using Autonomous Administration-held areas as a transit point towards Iraq, after large quantities of narcotic pills and warehouses of narcotics manufacturing materials were seized in Quamishli in March 2022. Local sources indicated that narcotics are smuggled from government-held areas to the northeast through several unofficial routes across the Euphrates. Local actors in Administration-held areas then distribute the narcotics in the region and smuggle them further into Iraq. In what could be an indication of their involvement in the trade, Iranian militias have been strengthening their presence in border areas of Deir-ez-Zor and on Syria's southern borders with Jordan.

Narcotic use and trade have also become more visible in northwest Syria. Security and armed forces continue to conduct anti-trafficking operations; in Idleb, SSG-affiliated security forces a narcotics dealer in January, seizing 70,000 captagon pills and manufacturing equipment – media sources indicated that the pills and the equipment were brought to Idleb from Syrian government-held areas through Menbij city, in the Aleppo countryside. The SSG's Ministry of Interior [announced](#) that a narcotics control branch would be established to prevent narcotics use and trade, maintain security, and combat criminality.

Two potential conclusions can be drawn from these developments: a potential shift in narcotics smuggling routes and an increase in narcotics use throughout Syria.

Though speculative, it is possible that the narcotics trade has shifted, or is beginning to shift, from its primary route through southern Syria into Jordan and beyond, to an eastern corridor, where security provision is weak, and the Syrian–Iraqi border

is porous. The potential shift of the narcotics trade to the east could also be a reflection of recent Jordanian [success](#) in combating ongoing [cross-border smuggling](#), largely due to changes in Jordanian rules of engagement and/or US support. Other factors, including diplomatic understandings between Amman and Damascus, or cross-border tribal agreements, are possible as well. However, further evidence and analysis are required to confirm this potential shift and the underlying rationale.



Asayish forces find hidden captagon pills during a warehouse raid in Quamishli, northeast Syria. (Source: Delil Suleiman/AFP)

The social impact of increased narcotics use in Syria has not gone unnoticed by local communities. In virtually all zones of control in Syria, the availability and use of narcotics has reportedly been on the rise over the past year. Protests that include condemnation of narcotics use continue throughout Syria, including in government-held areas such as [As-Sweida](#) and [Dar'a](#) governorates; in these protests, demonstrators demanded that local relevant authorities to be held accountable for the growth in the narcotics trade, and the subsequent increase in social issues related to narcotics use and trade.

US Captagon Act

Against the backdrop of ongoing trafficking, the US government has implemented legal measures to crack down on captagon production and distribution in Syria. Joe Biden, as US president, [signed](#) the 2023 National Defense Authorization Act (NDAA), or Captagon Act; a law that stipulates the prevention of narcotics production and the dismantlement of narcotics trafficking networks linked to the Syrian government. The agencies involved in the \$858 billion defense spending bill are the Department of Defense, the Department of State, the Department of the Treasury, the Drug Enforcement Administration, the Office of the Director of National Intelligence, and other federal agencies. The Act proposes [six measures](#) to combat the captagon trade in Syria, centered on targeting and disrupting criminal networks, using sanctions to target individuals involved with the trade, engaging diplomatically to apply economic pressure against the Assad government; and leveraging cooperation with multilateral institutions.⁷

On 11 January, Ayman Safadi, the Jordanian deputy prime minister and minister of foreign affairs, [met](#) with Alexander Lavrentiev, the Russian special envoy to Syria, to address narcotics smuggling from Syria into Jordan. Syrian government forces are allegedly involved in facilitating the trade, relying on profits as a primary source of income – despite the government officially denying any involvement. The Carnegie Middle East Center, a think tank, [estimates](#) the amount of money made through the production and distribution of narcotics is up to \$3.4 billion, an amount higher than the state budget. The captagon trade has transformed the illicit border economy between the two countries, with the scale of operations and amount of mon-

7 (i) [Targeting](#), disrupting, and degrading networks that directly or indirectly support the narcotics infrastructure of the Assad regime, mainly through diplomatic and intelligence support to law enforcement investigations, and building counter-narcotics capacity to partner countries through assistance and training to law enforcement services in countries, other than Syria, that are receiving or transiting large quantities of Captagon; (ii) Using sanctions to target individuals and entities directly or indirectly associated with the narcotics infrastructure of the Assad regime; (iii) Using global diplomatic engagements associated with the economic pressure campaign against the Assad regime to target its narcotics infrastructure; (iv) Leveraging multilateral institutions and cooperation with international partners; (v) Mobilizing a public communications campaign to increase awareness of the extent of the connection of the Assad regime to illicit narcotics trade; (vi) Identifying the countries receiving or transiting large shipments of Captagon and assessing the counter-narcotics capacity to disrupt drug smuggling, including assessing the current U.S. assistance and training programs to build such capacity.”

ey changing hands making it unlikely that there is no state involvement. The global captagon trade, of which a large amount of the pills are manufactured in Syria and smuggled through [Jordanian](#) and [Lebanese](#) borders, has [reached](#) countries including Iraq, Jordan, Libya, Egypt, Kuwait, Saudi Arabia, Italy, Greece, and Romania.

The introduction of the [Captagon Act](#) is an outcome of the US and its allies' concerns over at least the trade's far-reaching and negative impacts, and for some (particularly the US), the narco trade's financial benefits for Assad and his allies. Indeed, the stated aim of the US legislation in December is to sever means by which Assad, his family, and other close Syrian allies benefit from and control the production and distribution of captagon. The US implemented similar policies in [Afghanistan](#), to curb the opium trade, said to partially fund the Taliban – however, observers at the time said that countering trade in and cultivation of narcotics requires improved security, governance, and economic growth for greater success; steps the US has limited capacity to take.

Security campaigns against ISIS

In late December 2022, the SDF [announced](#) the launch of operation Al-Jazira Thunderbolt against ISIS, in coordination with International Coalition forces. During the eight-day operation conducted in 55 villages of Tal Hmis, Hole, and Tal Brak in Al-Hasakeh governorate and large areas near Syrian–Iraqi border, 102 members of ISIS, 27 'supporters' of the organization (logistic and ideological), and 25 individuals involved in criminal activities were arrested. ISIS cells had reportedly been securing external supply lines through these areas to facilitate and execute their operations. According to the SDF Press Center, this operation was planned to take place in November 2022, however, due to Operation Claw-Sword, the SDF had to direct its resources towards deterring Turkish attacks – adding that ISIS cells took advantage of the unstable security situation in northeast Syria and attempted to strengthen their positions in the desert near the border and in residential areas in Al-Hasakeh.

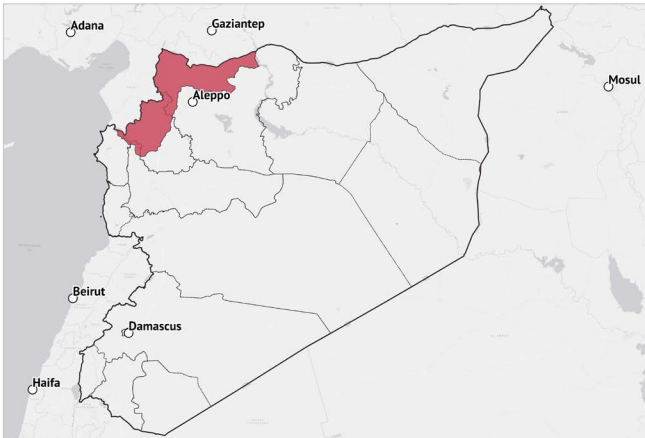
This operation [coincided](#) with the imposition of a security cordon in Ar-Raqqa city in late December, where ISIS cells attacked the headquarters of the Asayish, killing six members. Local sources noted that these security measures and movement restrictions have also impeded humanitarian aid delivery and healthcare workers' access to civilians in need of medical intervention in and around Ar-Raqqa city. This was followed by several ISIS attacks in Ar-Raqqa; on 2 January; ISIS [claimed](#) responsibility for an attack on SDF military vehicles in the northern governorate. The SDF then [intensified](#) its security presence around Ghazleh prison – housing ISIS prisoners – to prevent any potential terrorist attack.

On 25 January, the SDF [announced](#) the launch of a new security campaign – revenge for the martyrs of Ar-Raqqa city – in Tabqa and Karama in Ar-Raqqa governorate. Subsequently, the SDF [released](#) a recording of Wali Raqqa (an ISIS leader in Ar-Raqqa), arrested along with 68 others, in which he admitted to organizing the attack on Asayish headquarters, and to blackmailing civilians. The SDF, with the support of the International Coalition, arrested 127 wanted and suspected members of ISIS during the revenge operation, which ended on 2 February. The US Central Command [announced](#) that International Coalition and partner forces conducted 43 operations against ISIS during January in Iraq and Syria, towards "fighting terrorism and restoring stability in the region."

US floats agreement between Turkey and Autonomous Administration

The need for a security presence to guard ISIS prisons and other detainees throughout northeast Syria means continued US support for the SDF. Rumors are surfacing that the US is going further, trying to establish an alliance between the [SDF and Ankara](#). Such an alliance would serve US' efforts to prevent a Syrian–Turkish rapprochement, however, would be a significant departure from the current relationship between the two sides. Any agreement between Turkey and the SDF would be conditional on the SDF cutting all ties with PKK, to which Turkey claims it is aligned. Turkey would have to remove all threats of a military offensive in the region.

Northwest



Sixth SSG cabinet appointed

On 19 January, Ali Keda, head of the Syrian Salvation Government (SSG) in Idleb, announced the formation of a [new government for 2023](#). As has been the norm since the SSG's inception in 2017, the prime minister submits the resignation of the government to the Idleb Shura Council each December, which then in turn assigns a new prime minister within 30 days from the date of resignation. This year, Keda was again nominated, his fourth consecutive term as SSG prime minister. The cabinet, consisting of ten ministers, now includes a minister for information for the first time. As a result of the cabinet's formation, new ministers were assigned to head the Local Administration and Services, Justice and Education ministries.

Cabinet linked to extremism

In recent years, the SSG has been trying to strengthen its role in various aspects of public life in the opposition-controlled northwest, all part of its goal to become (or at least to appear) an elected government which represents its people with the ability to manage the administrative affairs of its districts; this is seen, in part, as a push by HTS towards legitimacy and against its designation as a [terrorist](#) group. However, increased HTS intervention within the new government has signaled a regression in some areas of the structure. This year, Keda was assigned the premiership by the Shura Council to form the

cabinet without [elections](#), a departure from times when the SSG was keen to show the position was democratically elected.

The new [Ministry of Information](#) is also a concern, as it represents further administrative control over the media and free speech. Media agencies and individuals must now operate under the Ministry's regulations; though they had already been doing so under the smaller General Directorate of Information since 2019, the new Ministry is an expansion of the Directorate's powers. HTS has been accused of censorship and unlawfully detaining journalists and media activists in the past – far from encouraging a freer press, the new Ministry is likely to increase crackdowns on the media.

The new information minister, Muhammad al-Omar, is the son of Yaqoub al-Omar, a well-known judge in the armed group Jabhat al-Nusra, who was assassinated in rural Idleb with one of his sons in August 2014. Omar has worked for a number of years for HTS-affiliated media agencies, including Al-Manara Al-Bayda, Ibaa Agency, Amjad Network, and finally the Al-Sham News Agency, considered the SSG's official media platform. He is known to have a good relationship with Jolani, who has relied on him for sympathetic content over the years.

The new local administration and services minister, Muhammad Musallam (previously Abu Muhammad Muslim), is also linked to Jabhat al-Nusra. In addition to these two new ministers, further concerns were raised when the interior minister announced plans to establish a Public Morals Protection Unit in the police force, considered tantamount to the return of the religious police force, 'Al-Falah', which was [dissolved](#) in August 2021. At the time, HTS signaled a desire to separate religion from criminal practice, to move away from police interference in civil life, and to avoid criminal enforcement for religious infractions.

These changes signal a regression to centralized power for Jolani (by appointing loyal ministers), and more conservative HTS and SSG governance. Whether this has happened because Jolani's efforts towards legitimacy are not being noticed by the in-

ternational community, or to try to regain support from his local support base is unclear.



The General Shura Council meeting in Idlib during the assignment of Ali Keda to head the SSG. (Source: [Facebook](#))

Turkey establishes consolidated Military Police to oversee security

On 24 January, the SIG’s Ministry of Defense (MoD) announced that it would be handing over all its checkpoints in northern Syria – in northern and eastern Aleppo, Tell Abiad city and Ras al Ain – to its affiliated Military Police. Brigadier General Ayman Sharara, the official spokesman for the MoD, announced these measures as part of a concerted effort by the SNA to consolidate security in the northwest under a single force to “ease communication, maintain security, and improve organization.”

The new security structure is an implementation of instructions given by Turkish authorities during a meeting with SNA faction leaders. The instructions reflect a plan to unify the SNA factions, disband security services affiliated with different factions, and replace them with a single security agency for the entire region. Security in the northwest has been plagued with SNA infighting for years, in large part due to disagreements over allegiances, control over crossings and important trade routes, and personal disputes.

[Media sources reported](#) a list of unconfirmed action points for the faction leaders, to include:

- Form a military council under the SIG Ministry of Defense

- Hand over checkpoints to the military police
- Restructure the military police
- Resolve all the SNA factions’ security offices and release all detainees
- Abstain from coordinating with foreign parties directly, without going through the SIG
- Evacuate military units from cities and residential areas
- Form an advisory group consisting of officers in the Ministry of Defense
- Stop the Syrian Islamic Council and reconciliation committees from interfering in the factions.

Several of these points have already been implemented. The Military Advisory Council, composed of the Minister of Defense and the commanders representing the three SNA Corps, was formed in December. A number of individuals have also been appointed to the MoD and Military Police, in preparation for taking over the checkpoints.

Military Police to reestablish control over strategic crossings

As part of the plan, the Military Police will supervise the crossings connecting SNA and government-controlled areas (all of which are currently closed), and those connecting with the Autonomous Administration territory in the northeast (including the strategic Al-Hamran and Aoun Al-Dadat crossings). Further, a unified financial fund will be created to distribute earnings from the crossings to the SNA Corps, to support the work of the Military Police; theoretically, this would eliminate the practice of rent-seeking by SNA factions by centralizing collection and management of fees charged at crossings. In practice, however, the success of this will be reliant on the degree to which the SIG Military Police are professionalized, adhere to hierarchy and MoD policy, and forgo any previous loyalty to SNA-affiliated armed groups.

The success of centralizing checkpoint control is also contingent upon proper handover by cur-

rent controlling armed groups. For example, the Al-Hamran crossing, near Jarablus city, remains under the control of the Al-Hamza Division along with members of Ahrar al-Sham (eastern section) and alleged [undercover HTS presence](#) (the crossing was seized from the SNA's Third Corps in clashes in October 2022). The crossing is one of the north-west's [most important](#) and lucrative trade routes for crude oil imports from Autonomous Administration to opposition-controlled areas. HTS is demanding 15% of the revenues before it allows Ahrar al-Sham to hand over Al-Hamran to the Military Police – at the time of reporting, an agreement is yet to be reached.

Albeit limited, centralization of checkpoint control has occurred. The Aoun Al-Dadat crossing, which links SNA and Administration-held areas of Jarablus and Menbij cities, was handed over to the Military Police in January. The SIG announced it would be [opened](#) to civilian movement, to prevent people smuggling and facilitate travel between the zones of control. The crossing's administration and the Military Police set [conditions](#) for those who wish to move to or from Syrian government or SDF-controlled areas. These include proof of sponsorship through local councils and military IDs, proof of the duration of stay ('permanent' visitors – those staying more than a month – will need to obtain an ID from the local council), and a signed pledge that the traveler would not enter Turkey, (fines will be imposed in case of a violation). Men between the ages of 18 and 30 are also not allowed to leave SNA-controlled areas. The crossing, due to open at the beginning of February, remains closed due to delays in administrative procedures.

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The Humanitarian Access Team (HAT) was established in Beirut in March 2015 in response to the collective challenges facing the remote humanitarian response in Syria. HAT's most important function is to collect and analyze disparate data and information. Since 2015, HAT analysis has provided a forward-looking template for international interventions in Syria, and facilitated an increasingly adaptive, integrated, and ultimately impactful international response to the conflict.

