



Executive Summary

The Forgotten South: Food Security & Livelihoods in Southern Syria

BACKGROUND While there is a broad understanding of basic humanitarian needs in Southern Syria, there has been limited analysis of the current economic and livelihoods challenges and opportunities in conflict-affected communities. Although high amounts of food aid are provided, livelihood interventions are extremely limited, leaving people at risk of dependence on external emergency relief. CARE, in partnership with the RFSAN/FAO and NRC conducted a livelihoods assessment and an Emergency Market Mapping and Analysis (EMMA) between August and October 2015 in the opposition-held areas of Da'ra and Quneitra governorates. The objectives were the following:

1. Understand **livelihoods strategies** currently in place to ensure access to income for men and women in rural and urban areas, and how the conflict is affecting household economies. Analyze how the conflict impacted agricultural livelihoods (crop and livestock production), small businesses and employment opportunities.
2. Understand dynamics on **critical market systems** for key livelihood sectors.

88%

of households fall under the extreme poverty line.

Households relying on armed groups for their main source of income show a high level of vulnerability.

87%

of households are dependent on food aid.

Assessment coverage

The study covered opposition-held areas of both Da'ra and Quneitra governorates. It was designed to equally cover both agroecological zones within which the area is stretched (the 250-350mm and >350mm rainfall zones). The livelihoods assessment surveyed more than 1,200 households, which complemented the findings of 25 focus group discussions and 40 interviews with key informants. The EMMA was based on the preliminary livelihood assessment findings and covered the same areas with more than 70 interviews with market actors from the selected critical market systems.

Key findings of the Livelihoods Assessment

Livelihoods have been severely eroded by the conflict. At least 88 percent of households in southern Syria fall under the extreme poverty line. Currently, food aid is supporting 87 percent households in meeting their basic food needs, but evidence shows that low households' income and limited access to cash do not enable them to cover other needs, including livelihood needs. However, opportunities for strategic investment exist to restore livelihoods, which would empower households to develop greater resilience and have the economic capacity to deal with repeated shocks.

1. HOUSEHOLD ECONOMY AND FOOD SECURITY

The most common source of income is engagement in armed groups, (17 percent of households list it as their primary source), followed closely by remittances from abroad and support from inside Syria. Livestock production is the third main source of income (primarily for rural households only). The average income as captured for the month of August 2015 was \$123 (using the black market exchange rate). Overall, 88 percent of households fall under the extreme poverty line (\$1.25 per person

per day) and 54 percent of households are affected by debt incurred in the previous year.

The current level of food aid appears to cover basic food need, with 92% of the households found to have an acceptable score of food consumption (reflecting dietary diversity more than quantity). The primary source for most food items overall is purchase in markets, but 87 percent of the population remains dependent on food aid as a primary source of one or more food items. Due to the current level of food assistance, households are more reliant on longer-term livelihood coping strategies than food-based coping strategies.

2. AGRICULTURE

In a region where an estimated 70% of the pre-crisis workforce were engaged in activities related to agriculture, now only 10% of households report that agriculture constitutes their primary source of income. This is mainly due to the lack of income from agricultural activities, (i.e., earnings are not able to cover production costs). With the disruption of previous government support to the sector, farmers are facing difficulties in engaging the private sector. The main challenges are: high price of inputs (seeds, fertilizers, pesticides), lack of availability and costliness of diesel, lack of access to water for irrigation, crop pests and diseases, lack of satisfactory access to processing facilities and markets.

3. LIVESTOCK

Almost 23 percent of households engage in livestock as a source of income. Even though the absolute number of livestock heads overall seems to have increased, the average size of herd has decreased. In the last six months, 60 percent of farmers resorted to the sale of distressed livestock. But the prices of outputs hardly match production costs. Challenges faced by herders are: high price of inputs, costliness of water for livestock, lack of available land for grazing, lack



of veterinary inputs and services, constrained access to processing facilities and markets.

4. SMALL BUSINESSES

At least 14 percent of households interviewed run a small business. The main items traded in the area are food, livestock products and fuel. This is complemented by clothes, spare parts and electronics in urban areas and Eastern Dar'a. The main challenges that small business owners are facing are: lack of capital, mainly due to a decreased demand (loss of customers' purchasing power), difficulty to move goods, high operating costs, increased market power for a few suppliers with connections to smuggle goods in from government-controlled areas. Markets are functional in most places across



65% of the economically active population in agriculture in Syria is estimated to be female, but women only make up 22% of the economically active population as a whole.
(Source: FAOSTAT)

both governorates but with a limited capacity as supply lines are constrained.

5. EMPLOYMENT

There is a huge lack of job opportunities and all sectors are facing constraints in terms of their capacity to hire and pay salaries, operating challenges, transport issues, etc. Some government employees are still receiving salaries although erratically (mostly in the education sector). Salaries increased in absolute terms but not enough when compared to the increased cost of living. Transport is a key issue, with a large proportion of employees having to travel to government-controlled areas to get their salaries (costliness, lack of security, checkpoints).

Key findings of the EMMA

Based on the outcomes of the livelihoods assessment, two critical market systems for analysis in the EMMA: agricultural inputs (seeds, fertilizers, pesticides) and animal feed. These markets were analyzed within the broader value chains in



which they are an input, namely the wheat and tomato market system and the cattle and sheep market system (for milk and meat production).

The soaring prices of inputs were influenced by a combination of disruptions and new dynamics in the market systems. The agriculture used to be strongly supported by the government, and inputs supplied at subsidized prices through farmers associations and cooperatives. Currently, all government support has stopped, and producers (farmers and herders) are depending solely on private traders. Extension services are not provided anymore, and agricultural loans are now non-existent. Credit practices are now rare. Producers generally have to pay the inputs based on their value in USD, while they sell their products in SYP, further pressuring the minimal profit they could have gained.

In addition, transport and energy supply are key issues. Transport is affected by very high costs of fuel and a deep change in transport routes, as goods are brought in from government-controlled areas by people with connections in these areas and at checkpoints. The lack of energy impacts operating costs (no electricity for refrigeration equipment and other machinery like grinders, presses, etc.).

Pre-conflict environmental vulnerabilities still apply, and available land for grazing is further jeopardized by military activities and lack of irrigation.

Market power is a key concern, as a few traders have the capacity to bring in supplies, making all economic actors and

activity inside the opposition-held areas dependent on their ability to function.

Such findings on dynamics and constraints apply to other market systems in the area, especially in terms of transport, energy supply and market power.

Recommendations

Supporting livelihood resilience implies that humanitarian actors expand interventions beyond life-saving support, to address longer-term livelihood needs by supporting restoration of income generation for households. The following set of recommendations are intended to help achieve this goal with interventions designed and implemented in a complementary and coordinated manner so as to support supply, demand, and governance.

- 1. Support services and better governance.** The conflict has brought a completely new situation for society. Agriculture, as well as small businesses, have been heavily affected and many people involved in those and other sectors have had to change occupations. Developing capacities and supporting local initiatives can help stabilize affected communities to get back on track and become more resilient in these difficult circumstances.
- 2. Promote local markets.** By providing access to agricultural inputs, processing facilities and markets, the heavily affected rural economy can be improved and growth can be generated. Since the import of many of the required inputs is limited due to high prices and lack of fuel and electricity is a major challenge, it can be beneficial to invest into alternative sources of energy (e.g. solar) and inputs (e.g. conservation farming). The easing of cross-border trade restrictions for certain inputs and products should be considered to support local economies.
- 3. Encourage small business development** in complementary sectors, thus supporting processing, marketing, and demand through appropriate cash-based programming (when conditions allow).
- 4. Consider the use of cash and vouchers for future assistance, and the effects of long term food aid** on an agricultural society. When food is available for purchase from retailers, a cash and voucher based response could be more efficient than free distribution

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