The SEF is an innovative think tank dedicated to building a free, pluralistic, and independent homeland that rests on a strong economy to ensure a life of freedom and dignity for all Syrians. The organization will serve as an information resource for all matters relating to the Syrian economy, and its members will conduct economic research and publish scholarly reports. Beyond those attributes typically associated with a traditional think tank, the SEF will organize the private sector to advocate for the economic reforms needed in post-Assad Syria. The organization will develop policy proposals necessary for the birth of a free market economy that upholds equal opportunities of access for the welfare and prosperity of all Syrians. The days are coming when a free Syria will be governed by laws and not men, and the SEF will be at the forefront of economic restructuring that will restore the status, dignity, and rights of the Syrian homeland and people.

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About Deir Az Zour

Deir Az Zour province is located in eastern Syria, 450 km northeast of the capital Damascus. The province has a surface area of 31,000 km², making it the second largest province after Homs in terms of space. It has a population of about 1.6 million people according to 2007 statistics. The province of Deir Az Zour is divided into three administrative units: Al Mayadin, Al Boukamal, and the city of Deir Az Zour, which is the province’s capital and official center. The city of Deir Az Zour has a population of about 500,000 people according to 2010 statistics. It is located on the vital Euphrates River, which runs through the city.

Economy of Deir Az Zour

The economy of Deir Az Zour province depends on agriculture and industrial crops, particularly cotton, which is exported overseas and has a worldwide reputation. Cotton is grown in agricultural lands along the Euphrates. Wheat and barley are also grown in Deir Az Zour, with wheat considered the second crop after cotton. Barley is grown in lands that are not suitable for the growing of other crops because of high salt content in lands. Other crops grown in Deir Az Zour include: sesame, beetroot, and corn, particularly pastoral corn used for animal feed. Around the city of Deir Az Zour there are agricultural lands that grow a number of summer crops like tomatoes, eggplant, and watermelon. Animal husbandry is very popular in the areas surrounding Deir Az Zour province and its suburbs, particularly cows. There is a number of cattle breeding facilities; the largest is the governmental cow breeding facility 5 km away from the city center, which also produces animal feed. Raising sheep and goats are also popular, followed by donkeys and poultry. The province contains six poultry raising facilities. The abundance of food and animal products caused the industry to convert these products to forms of secondary production. Only 20% of most animal products, especially fresh milk, are sold in the Syrian market, while the remaining amounts are converted into ghee, butter, and cheese. The city contains a number of national factories that produce dairy products among the traditional industries. There are some factories that recently took a turn toward modernity. The traditional industries in the province preserved their heritage. For example, there is the industry of the abaya (famous in Deir Az Zour) and other textiles, in addition to copper handicrafts, such as dishes and pots, sold in the “coppersmiths market” inside the city. The fur industry depends on shearing small sheep. As for heavy industries—often huge plants run by the government—there are plants for the manufacturing of buses, trucks, and tractors. In addition, cotton gins were established in 1966, and the Euphrates Spinning Establishment was founded in 1979. The Deir Az Zour Sugar Establishment was founded in 1981 and has a production capacity of 4,000 tons of beetroot per day. There are also factories for manufacturing concrete columns and paper. In the 1950s, the Syrian government established several grain mills and silos for their storage. The Euphrates Establishment for Converses was also established for the purpose of canning fruits and vegetables. The province has mineralization sites and rock salt extraction sites, such as the fabini mine (about 40 km north) on the west bank of the Euphrates. In addition, salt is extracted from a marsh on the Iraqi-Syrian border. One can note that the city’s industrial industry depends largely on the city and the surrounding areas’ resources, particularly agricultural or animal resources. City markets are the main centers for marketing products from the countryside and Badia. Additionally, in the past, business convoys were driven between Deir Az Zour and most neighboring cities, such as Baghdad and Aleppo. The commercial influence of the province, dramatically reduced with the emergence of Al-Badia and Al-Ghamil, and after the rise in the classification of Raqqa as a province in 1960. The province has an industrial city located about 15 km away from the city center, which covers an area of 2,850 hectares with the latest expansion. Only four factories are currently functioning due to the lack of providing the necessary raw materials. The industrial sector of Deir Az Zour faces a number of difficulties in the transportation and distribution of products due to the absence of safe passages. The province contains a number of oil and gas fields in which many national and foreign companies have invested. Deir Az Zour also contains a number of plants for oil collection and others for the treatment and pumping of gas through the National Syrian Pipeline Network. The largest oil field in Deir Az Zour province is the Tayim field, which is about 6 km away from the city center. Tayineh and Tankil fields are located in the city’s suburbs. The second ground resource available in the province is salt. The region in general is considered to be the main source of salts in Syria. Salt is divided into two types: rock salt, which exists about 45 km away from the city on the borderlines of Badia, and salt extracted from marshes. The province contains asphalt about 70 km to the west of its center. In addition, there are stone quarries and construction sites to extract gravel and sand 25 km away from the city center. Deir Az Zour province has a regional airport, the Deir Az Zour Airport. The airport has flights to other Syrian airports and foreign airports as well. The province also contains a train station for passengers and freight, which connects the province to all of Syria, and a network of roads that spans across the province.

Control Distribution in city of Deir Az Zour

While the Free Syrian Army controlled the remaining neighborhoods, after that, Deir Az Zour entered a new phase characterized by darkness as the so-called Islamic State (ISIS) gained full control over the western and eastern countryside and parts of the Northern countryside. ISIS besieged the province and the Free Syrian Army groups chose to withdraw from the province to prevent the shedding of blood. Deir Az Zour province currently lives under extreme injustice perpetrated by ISIS on the one hand and by the Syrian regime on the other hand.

Areas under ISIS control 40%
Conditions in the province of Deir Az Zour, Beginning of 2015

The Syrian Economic Forum (SEF) trained several Syrian people as liaisons inside Syria in the liberated areas to collect data on the economic and social reality in Syria, in the following governorates: Aleppo, Idlib, Lattakia countryside, Deir Az Zour, Raqqa, Hama, Homs, and Damascus Countryside. Data was collected from these governorates.

The people who were selected as liaisons were trained in Gaziantep on collecting data to fill out the questionnaire. The IT staff at SEF prepared a special program for the liaisons and uploaded it to the SEF website. This allowed the liaisons to mobilize data in an easy and efficient manner, so that data arrives daily to SEF and is placed in the database suitable to their nature.

We have two liaisons in the province of Deir Az Zour, the first in the city of Deir Az Zour and the second in rural area of Deir Az Zour. Below is an overview of the data collected from the province of Deir Az Zour.

Deir Az Zour Governorate Data:

Prices of basic goods in Deir Az Zour:

1. U.S. dollar exchange rate:

As shown in Figure (1), U.S. dollar exchange rates fluctuated during the period from December 2014 to the beginning of March 2015. The value of the Syrian pound deteriorated from 186 SP to 240 SP. Meanwhile, the Central Bank fixed the official U.S. dollar exchange rate at 199.8 SP per dollar, and the dollar exchange rate averaged 252 SP in the regime-controlled areas.

2. Gas cylinder prices:

Gas cylinder prices fluctuated from December 2014 to the end of February 2015. Figure (2) below shows that the value of a gas cylinder rose from 3,900 SP to 5,000 SP, and then decreased to 4,200 SP. Although prices declined, the price of a gas cylinder is still very high when compared to its official price, which is 1,250 SP. The price of a gas cylinder is very high in comparison to its official price, which is 1,250 SP. The price of a gas cylinder is very high in comparison to its official price, which is 1,250 SP.

3. Diesel prices (per liter):

Diesel prices fluctuated between December 2014 and February 2015. Figure (3) below shows that the price of a liter of diesel during the first month witnessed sharp fluctuations, with an increase from 113 SP to 125 SP. Note that this price of diesel was still higher than the official rate, which was 85 SP, and also higher than its price in the regime-controlled areas, which is 100 SP.
4. Petrol prices (per liter):

The price of a liter of petrol increased from 250 SP to 263 SP and then increased again to 275 SP from December 2014 to the end of February 2015, as shown in Figure (4). The official rate of a liter of petrol is 125 SP, but the selling price of a liter of petrol in the regime-controlled areas reached 400 SP.

5. Chicken meat prices (per kilogram):

We can note from Figure (5) below that the price of 1 kg of chicken meat remained stable between December 2014 and the end of February 2015, ranging between 450 SP and 625 SP. The official price of 1 kg of chicken meat is 450 SP and its price in the regime-controlled areas is 525 SP.

6. Egg carton prices (30 eggs):

We can note from Figure (6) below that the price of an egg carton increased from 568 SP to 700 SP between December 2014 and the end of February 2015. The official price is 525 SP, while the price in the regime-controlled areas reached 750 SP.

7. Burgul prices (per kilogram):

Figure (7) shows that the price of 1 kg of burgul increased from 113 SP to 135 SP during the period from December 2014 to the end of February 2015. This price is higher than its official price, which is 85 SP, and higher than its price in the regime-controlled areas, which is 100 SP.
8. Rice prices (per kilogram):

Figure (8) shows that between December 2014 and the end of February 2015, the price of 1 kg of rice rose from 188 SP to 275 SP. Despite the increase in the price of 1 kg of rice, it is still lower than its price in the regime-controlled areas, which is 300 SP. The official price is 170 SP.

9. Sugar prices (per kilogram):

The price of 1 kg of sugar rose from 138 SP to 170 SP between December 2014 and the end of February 2015, as shown in Figure (9). The price of 1 kg of sugar in the regime-controlled areas is 130 SP.

10. Tea prices (per kilogram):

Between December 2014 and the end of February 2015, the price of 1 kg of tea increased from 1,388 SP to 1,600 SP, as shown in Figure (10). The official price is 950 SP, while its price in the regime-controlled areas reached 1,500 SP.
Livelihood conditions of families in the province of Deir Az Zour

1- Availability of electricity

The average usage of electricity for households in the province of Deir Az Zour is 12.5 hours per day.

Electricity comes from three sources: the public network, private generators, or by buying Amperes (large generators that belong to the private sector).

Figure (11) shows the sources of electricity, irrespective of consumption hours.

We can note from Figure (11) that 95.2% of households in the province of Deir Az Zour responded that their homes are still connected to the government’s public network, but they never receive electricity through this network. 33% of households buy Amperes for power, and the average use depends on demand. 71.4% of households have private generators as a source of electricity. Many families seek to provide electricity through the purchase of Amperes or private generators in order to assure the availability of electricity for more than 12.5 hours per day, with an average monthly cost exceeding 2,995 SP.

2- Availability of diesel:

Households consume an average of 46 liters of diesel per month, with an average monthly cost of 5,508 SP.

Diesel fuel is 96% available in markets.

3- Availability of petrol:

Households consume an average of 55 liters of petrol per month, with an average monthly cost of 10,870 SP.

Petrol is 100% available in local markets and is mostly used as fuel for generators.

4- Availability of gas:

Households consume an average of 28 liters of gas per month, which is almost equal to one gas cylinder, with an average monthly cost of 4,382 SP.

Gas is 55% available in markets but at a very high cost.

5- Availability of firewood:

Households consume an average of 46 kg of firewood per month, with an average monthly cost of 1,600 SP.

Firewood is 80% available in markets and is specifically used for heating in limited areas in Deir Az Zour.

6- Availability of water:

As shown in Figure (12), the main water sources for households in Deir Az Zour are the public network, private wells, or by buying water from water tankers.

We can note from Figure (12) that 59.1% of households in the province of Deir Az Zour receive water from the public network, though the amounts differ per household. 36.4% of households buy water from tankers upon demand, and 18.2% of households own private wells.

Water is 77.3% available.

The average monthly cost of water exceeds 1,055 SP.

7- Housing conditions:

Basic services are available in 100% of households.

38.1% of households contain a large number of residents.

76.2% of respondents feel that their household is unsafe.

Approximately 61.9% of residents live in apartment-style housing, 38.1% in Arabian-style housing.

Household ownership statistics show that 61.9% of residences are owned by their residents, and 38.1% are rented at an average monthly rent of 4,000 SP.

8- Availability of humanitarian assistance:

No organizations provide humanitarian assistance in the province of Deir Az Zour due to the presence of ISIS.

9- Security status of residential areas:

93.8% of families confirmed that their area of residence is secure, although his security is relative.

62.5% confirmed that there are no hostile actions in the region, and 75% confirmed that they have not found any mines or explosives in the region.

All residents confirmed that there are airstrikes and missile strikes over the area on daily bases.
Our liaisons collected data on the availability of basic production elements and the state of safety in factories. The surveyed facilities, which are small-sized factories, are still functioning. As shown in figure (13), a large number of factories were not included in the study because they have been abandoned by their owners. As shown in Figure (13), 100% of surveyed factory owners confirmed the availability of workers. This is due to the fact that a large proportion of residents in these areas did not leave their houses and are in need any work that guarantees them a decent life. 80% of the surveyed factory owners also confirmed the availability of raw materials.

As for the availability of electricity, the surveyed factory owners confirmed that it is available by 33% from various sources, but with a very low average number of daily hours. As for health services, 22% of factory owners confirmed that they can be secured but with difficulty. In addition, 39% found it very difficult to secure emergency services.

The demand for factories’ products exceeded 89%. 61% of factory owners found that their factories are secure. Despite the dangerous situation and the lack of security in the region, a number of factories continue to operate. This is because the owners did not leave their homes and need to provide an income for their workers and themselves, in addition to the pressing need for the products to meet the needs of the Syrian people.

Figure (13)
Status of Industrial Facilities in Deir Az Zour
Recommendations

Major areas of the province of Deir Az Zour currently fall under the control of ISIS. Furthermore, ISIS forces have raided the headquarters of local councils, and prevented them from doing their jobs and carrying out their activity. Consequently, local councils are no longer able to work or undertake activities. Thus, based on the above findings, the Syrian Economic Forum recommends the following:

1. Some local councils fled from the oppression and brutality of ISIS and settled outside the province. These councils are still familiar with the living conditions in the province through their coordination with citizens still residing in the province. Thus, Syrian Economic Forum recommends strengthening these councils, cooperating with them, and providing them with all the services needed to be familiar with the situation and secure the needs of citizens in Deir Az Zour province.

2. Syrian Economic Forum recommends that civil society organizations and relief organizations help provide the grassroots population with the essentials of basic living. This grassroots population, the majority of whom are against the existence of ISIS, are the best hope for countering ISIS’s extremist ideas. If ISIS is allowed to control the people and their living essentials, this will allow ISIS to expand its popular base and implement its agenda to achieve its objectives.

3. Syrian Economic Forum recommends opening discreet channels of communication with reliable people that were formerly local council members and anti-ISIS activists in order to deliver support through these people to local residents.

4. The international community should commit to draining the economic, logistical, and human support resources that come from outside Syria to ISIS and to make sure that ISIS is not receiving any kind of support.

5. Syrian Economic Forum recommends the National Coalition of Syrian Revolutionary and Opposition Forces to seriously and continuously seek to highlight the suffering of local residents in Deir Az Zour province, which is as important as highlighting the suffering of the residents living in the regime-controlled areas, and to offer solutions. It is important for citizens to know that there is a better alternative to these competing forces of tyranny.

6. Syrian Economic Forum recommends that the Syrian Interim Government seek permanent coordination with all the international bodies and civil society organizations to find the solutions and means to provide humanitarian assistance and meet the needs of the local residents in the province.

7. The province of Deir Az Zour, whether in the parts controlled by the regime forces or in the parts controlled by ISIS, is currently suffering from very bad living conditions. The province lacks the minimum necessities of life, such as water and electricity, because of the conflict between the two parties. ISIS is imposing a siege on the regime-controlled areas and at the same time, Assad forces are imposing restrictions on citizens. Thus, all private and governmental international bodies must draw attention to the tragedy of the residents of this province.

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