

THE IMPACT OF THE CONFLICT IN SYRIA

The background image shows a large, ancient stone building that has been severely damaged by conflict. The building's facade is pockmarked with bullet holes and shrapnel damage. A large, white, torn paper effect is layered over the right side of the image, partially obscuring the building. The sky is blue with some white clouds.

**A DEVASTATED ECONOMY, PERVASIVE
POVERTY AND A CHALLENGING ROAD
AHEAD TO SOCIAL AND ECONOMIC
RECOVERY**

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INTRODUCTION

As the United Nations Development Programme (UNDP) assesses¹, the impact of almost **14** years of conflict in Syria, it is important to note that the collapse of the previous regime at the end of **2024** may have opened a window of opportunity, placing Syria at the threshold of a new era. While there are hopeful signs, the road to a new Syria remains long and fraught with obstacles. The task of recovery—both in terms of socio-economic and physical reconstruction—is immense and should not be underestimated. Bringing Syria back on a path towards peace and prosperity is essential for long-term stability in the region.

As the United Nations system in Syria is reflecting on its Country Strategic Framework to best respond to the opportunities and challenges of Syria emerging from conflict and in transition, this assessment report is a timely input into this collective UN System efforts in Syria prioritizing and re-strategizing imperative.

Syria, a steadily growing middle-income country in **2010** when the conflict erupted, has seen its Human Development Index (HDI) score regress by nearly half a century. Its current per capita GDP has dropped to only **25%** of its **2010** level and is now just marginally above the poverty line. With significant income disparities, nine out of ten Syrians live in poverty and face food insecurity; **50%** of the country's infrastructure has been destroyed or rendered dysfunctional; and **75%** of the population now depends on some form of humanitarian aid, compared to only **5%** in the first year of the conflict. Enterprises have shut down or relocated to more stable environments overseas and almost half of Syria's population is either internally displaced or has sought refuge abroad.

No other conflict in recent history has resulted in so many of a country's people being killed, disabled, forcibly disappeared, displaced, or forced to flee as has been the case during Syria's **14**-year conflict.

This report, therefore, examines several scenarios for how quickly the economy could return to its 2010 level. This will be crucial for generating public resources needed for investment in social services, social protection, and infrastructure to support economic recovery. No scenario projects a recovery period shorter than the duration of the conflict itself. Beyond the enormous reconstruction challenge, which this report provides an updated estimate for—running into hundreds of billions of dollars—bringing home almost six million Syrians is estimated to require **US\$12–US\$24** billion in support funding to ensure their successful reintegration, long-term stability, and contribution to social cohesion.

However, recovery is not only about economic reconstruction. National cohesion needs to be rebuilt; democratic, accountable, and rule-based governance established; and a new social contract needs to emerge, one that reflects a transformed Syria, ensuring equal opportunities and a voice for every citizen. The "soft" rebuilding—focused on governance, reconciliation, and social cohesion—must be accompanied by the "hard" recovery of infrastructure and economic revitalization. A failure in one could derail the other.

UNDP is joining other agencies of the Syria Country Team to draft a short- and medium-term action plan in and for Syria. This impact assessment contributes to providing an up-to-date estimate of the social and economic impact of the almost **14**-year conflict and the rapid economic progress, under different scenarios, required to revert the dramatic loss in human progress wiped out by nearly **14** years of conflict.

Syria can count on UNDP's support, working in close partnership with the rest of the UN Country Team, as it confronts the challenges ahead. Despite **14** years of devastation, Syria is resilient and striving to emerge, navigating a path towards a cohesive, resilient, and democratic future.

¹ The preparation of this report has not involved additional surveying or data collection, but has drawn on information available in existing reports and which are referenced further



A. The disastrous impact of the conflict: An overview

1. A deep and wide impact across all sectors

In the decades leading up to **2010**, Syria was on a trajectory of steady economic growth and improving human development, despite significant governance challenges and deficits.

A key indicator of human development—life expectancy—increased from **61** years in **1970** to **74** years by **2010**². Unemployment declined to just over **8%** in **2010**, though rates remained significantly higher for women and youth³. The economy expanded at an average annual rate of nearly **5%**, with the gross domestic product (GDP) reaching **US\$61** billion and GDP per capita approaching **US\$3,000** that year. Syria emerged as one of the stronger performers in the region, with a thriving enterprise sector, particularly in Aleppo, where tens of thousands of small, medium, and large businesses contributed to the country's industrial base. With sustained gains in economic and human development, Syria appeared well-positioned for continued advancement and further consolidation of its standing within the region.

At the same time, Syria faced significant governance challenges. The country ranked in the bottom **12%** globally for control of corruption, in the bottom **20%** for regulatory quality and political stability, and in the bottom **5%**⁴ for voice and accountability. These governance deficits were among the underlying factors that contributed to the conflict, which, in turn, had severe socio-economic and human development repercussions, deepening instability and further eroding institutional capacity.

The conflict that began in **2011** had profound and far-reaching consequences across economic, social, and humanitarian spheres, halting and reversing progress in economic growth and human development and exacerbating human suffering. Past achievements built painstakingly over decades were rapidly wiped out, making it clear that even under the most optimistic scenarios, restoring conditions to **2010** levels will require decades of sustained effort.

The impact of the conflict is starkly reflected in Syria's Human Development Index (HDI), which recorded steady progress from **1975** to **2010** but declined sharply following the outbreak of conflict. In **2010**, Syria ranked **115th** on the HDI, comparable to middle-income countries. By **2024**, it had fallen to **157th**, with its HDI score reverting to levels last seen nearly four decades prior (Figure 1, Table 1).⁵

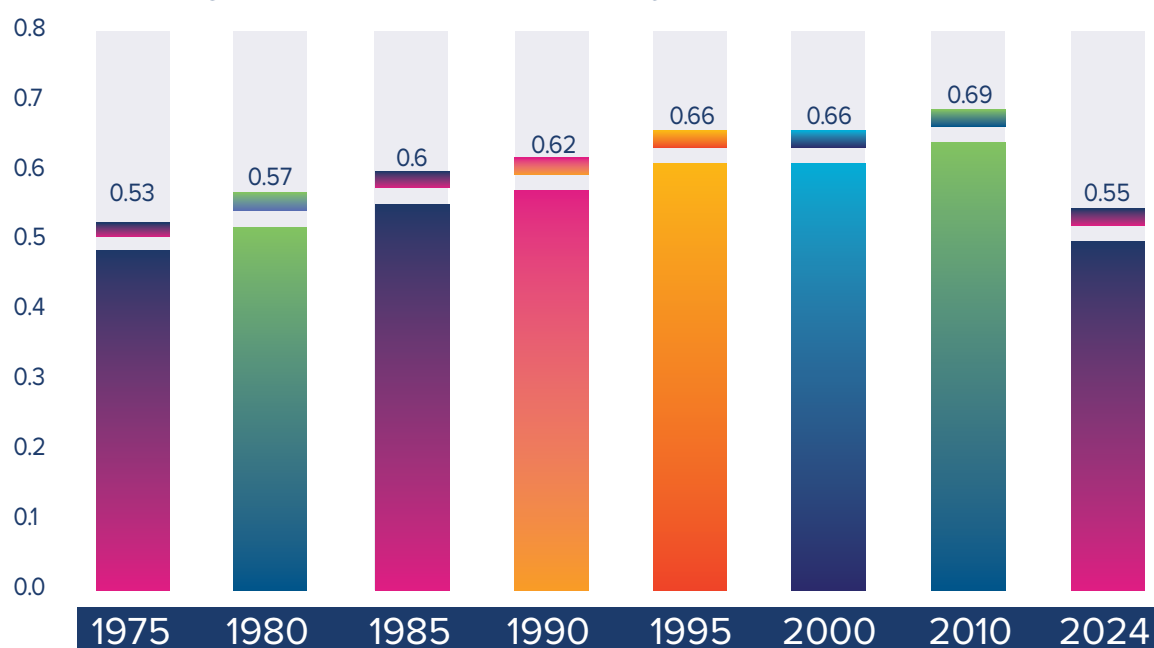
2 World Bank Group Data, Life expectancy at birth, total (years) - Syrian Arab Republic. <https://data.worldbank.org/indicator/SP.DYN.LE00.IN?locations=SY>.

3 Government of Syria, Planning and International Cooperation Authority, Central Bureau of Statistics (2022), Statistical Yearbook. Table 3/1 Size of labour force & unemployment rates by sex.

4 Based on official data from the Central Bureau of Statistics in Syria, using the 2010 average exchange rate of 46.5 SYP per 1 USD and a population of 21 million for that year

5 UNDP, Human Development Reports, Data Centre. <https://hdr.undp.org/data-center/specific-country-data#/countries/SYR>

Figure 1 HDI score turned back by almost four decades



Abbreviations: HDI = Human Development Index.

Source: UNDP, Human Development Reports, Data Centre. <https://hdr.undp.org/data-center/specific-country-data/#/countries/SYR>.

As of **2024**, Syria's GDP has contracted to less than half of its **2010** value⁶. Exports and foreign exchange reserves have declined to a fraction of their pre-conflict levels, severely limiting the country's capacity to import essential goods, materials, and equipment. The impact of these economic shocks has been compounded by international isolation, including sanctions, placing additional strain on an already fragile economy.

With military expenditures taking priority, public debt has soared, resulting in drastic cuts to public investment, social sector funding, and government spends on safety nets. To finance fiscal deficits, the government relied heavily on monetary expansion, leading to rapid currency devaluation and driving inflation to record levels. Industrial capacity declined sharply, with Aleppo experiencing widespread destruction, business closures, and the relocation of enterprises, particularly to Türkiye and Egypt.

The labour market experienced severe disruptions, with an estimated **500,000–600,000** jobs lost annually at the height of the conflict (**2011–2016**), resulting in over three million job losses over five years. As government subsidies for food and essential goods declined and unemployment surged, an increasing number of vulnerable Syrians faced extreme hardship. Household incomes—whether from employment or remittances—failed to keep pace with soaring prices, leaving many unable to afford basic necessities⁷.

⁶ Please see Annex I for more details.

⁷ Government of Syria, Planning and International Cooperation Authority, Central Bureau of Statistics (2023), Labour Force Survey.

Once on a path to eliminating food insecurity and reducing poverty, Syria now faces a dramatic reversal due to the crisis: **90%** of the population can no longer afford essential goods, leaving nine out of ten Syrians below the poverty line⁸.

Table 1: Key human development indicators (best estimates)

Human Development Indicators	2010	2024 unless otherwise mentioned
Human Development Index (HDI) rank	0.661(117)	0.557(157)
Income Poverty	33% (≈7 million person)	90% (≈20.7 million person)
Extreme Income Poverty	11% (≈2.3 million person)	66% (≈15.8 million person)
Food Insecurity	-	89% (≈20.5 million person)
Extreme Food Insecurity	1% (≈0.2 million person)	60% (≈13.8 million person)
Refugees	N/A	6,000,000
Internally Displaced	N/A	7,200,000
Unemployment	8%	24%
GDP/Capita	2,970	850 (2022)
Inequality (Gini)	33	41
Annual Minimum Expenditure Basket (MEB) ⁹	SYP 10,000	SYP 2,719,358

Abbreviations: GDP = gross domestic product, HDI = Human Development Index, SYP = Syrian pound.

Note: Since the World Food Programme began monitoring the prices of MEB in 2013, the value of the MEB in 2010 has been estimated by converting its US\$ value in 2024 into SYP using the average exchange rate from 2010.

Sources:

1. United Nations Development Programme (2010), Human Development Report 2010, The Real Wealth of Nations: Pathways to Human Development, Palgrave Macmillan, NY. <https://hdr.undp.org/system/files/documents/human-development-report-2010-complete-english.human-development-report-2010-complete-english>.
2. United Nations Development Programme (2021/2022), Human Development Report 2021/2022, Uncertain times, unsettled lives Shaping our future in a transforming world, UNDP, New York. https://hdr.undp.org/system/files/documents/global-report-document/hdr2021-22reportenglish_0.pdf.
3. United Nations Development Programme (2024), Human Development Report 2023/2024, Breaking the gridlock: Reimagining cooperation in a polarized world, UNDP, New York. <https://hdr.undp.org/system/files/documents/global-report-document/hdr2023-24reporten.pdf>.

⁸ Government of Syria, Planning and International Cooperation Authority, Central Bureau of Statistics (2023), Food Security Survey, Phase VII. Survey carried out in collaboration with World Food Programme.

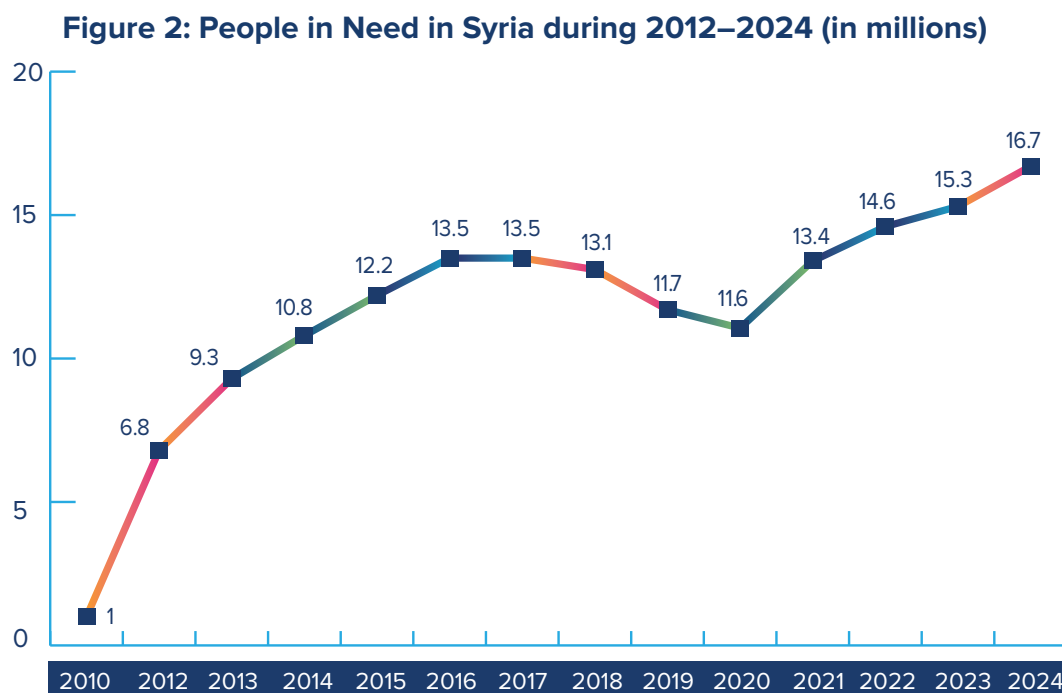
⁹ Since WFP began monitoring the prices of MEB in 2013, the value of the MEB in 2010 has been estimated by converting its 2024 USD value into Syrian Lira using the average exchange rate from 2010.

The physical destruction of both social and productive infrastructure in Syria has reached devastating proportions. Roads, bridges, power plants, grain mills, storage facilities, and bakeries have been damaged or destroyed, often deliberately targeted by warring parties to weaken or harm opponents.

By **2018**, just seven years into the conflict, an estimated **4.4%** of Syria's housing stock had been completely destroyed, with a further 16% partially damaged¹⁰. This equates to **325,000** homes lost completely and between **600,000** and one million homes partially damaged, leaving one in four Syrian families without adequate shelter.

Social infrastructure has been equally devastated. Over **50%** of Syria's education and healthcare facilities are no longer functional, while the remaining facilities face acute funding shortages. As a result, access to essential services has drastically declined¹¹.

The Humanitarian Needs Overview (HNO) **2024** provides clear documentation of the year-on-year increase in the number of People in Need (PiN) across all sectors of humanitarian response, including education, health, water, sanitation, livelihoods, and protection (Figure 2). As a measure, PiN reflects not only the physical destruction of infrastructure but also the growing inability of Syrians to access essential services where infrastructure remains functional. While closely aligned with multidimensional poverty, it differs in that it does not account for monetary poverty.



1. Source: United Nations Office for the Coordination of Humanitarian Affairs (OCHA) (2024), Syrian Arab Republic: 2024, Humanitarian Needs Overview. February. <https://www.unocha.org/publications/report/syrian-arab-republic/syrian-arab-republic-2024-humanitarian-needs-overview-february-2024-enar>.

10 World Bank (2022), A decade of war in Syria: The economic side. p.8. <https://thedocs.worldbank.org/en/doc/ebb9b060753b7019705d1daffe9fe2e35-0280032021/original/April-22-Harun-OnderA-Decade-of-War-in-Syria-The-Economic-Side.pdf>.

11 Government of Syria, Planning and International Cooperation Commission (2022), Second Voluntary Review Report.

In **2010**, approximately one million people in Syria—just under **5%** of the population of **21** million, including two million Iraqi and Palestine refugees—were classified as PiN¹². By late **2024**, this figure has surged to **16.7** million, affecting over **70%** of Syria’s estimated population of **23** million¹³. This sharp increase reflects a severe decline in access to essential social services, driven by widespread infrastructure destruction, deterioration, and the collapse of public sector funding necessary to sustain these services. While some facilities remain non-functional due to direct damage, the primary challenge lies in the state’s inability to restore, maintain, and finance the operational costs of these critical services.

As noted above, the PiN classification in the HNO does not account for financial poverty. According to the latest estimates, more than twenty million Syrians —90% of the population—are financially poor, a stark contrast to the **33%** poverty rate recorded just before the crisis began.

2. The economic cost of the conflict

A **2015** study by the Syria Centre for Policy Research, co-funded by UNDP, estimated the total economic cost of the conflict at **US\$254.7** billion¹⁴. This figure includes both the GDP lost due to the abrupt halt of pre-**2010** growth patterns and the estimated cost of destruction.



12 United Nations Office for the Coordination of Humanitarian Affairs (OCHA) (2024), Syrian Arab Republic: 2024 Humanitarian Needs Overview. February. <https://www.unocha.org/publications/report/syrian-arab-republic/syrian-arab-republic-2024-humanitarian-needs-overview-february-2024-enar>.

13 Ibid.

14 The Syrian Centre for Policy Research (2015), Impact of Syrian Crisis Report (Quarterly). p.6., Beirut, Lebanon.

By **2020**, a study by the United Nations Economic and Social Commission for Western Asia had revised this estimate to **US\$442** billion, attributing US\$118 billion to the destruction of physical infrastructure and **US\$324** billion to lost economic revenue¹⁵.

This figure has been further updated as part of the preparation of this report, with the financial and economic cost estimated to have reached **US\$923** billion by the end of **2024** (Annexe I-2).

A **2021** report by World Vision projected an even higher estimate of **US\$1.2** trillion, with further projections suggesting this could rise to **US\$1.7** trillion by **2035** due to conflict-induced economic stagnation and long-term structural damage to the economy¹⁶.

While these estimates vary, they all point to the same overarching conclusion: the scale of economic devastation is immense. When compared to Syria's current GDP—estimated at approximately **US\$29** billion—the figures illustrate the monumental challenge of reconstruction ahead¹⁷.

Chapters B and C in this report provide a more detailed macroeconomic and social sector analysis based on the limited data and information available.



15 United Nations Economic and Social Commission for Western Asia (2020), Syria at War: Eight Years On. <https://syria.un.org/sites/default/files/remote-resources/c613b26768d32119ac71b1e6b149676f.pdf>.

16 World Vision. (2021). Too high a price to pay: The cost of conflict for Syria's children. <https://www.worldvision.ca/about-us/media-centre/cost-syrian-war-hits-1-trillion>.

17 Various reports by international organizations publish different GDP figures for Syria, primarily due to variations in base years and methodologies. For more details, please see Annex I-4. (add reference of source from annex)

3. The physical impact on people's lives—deaths, disappearances, disability and displacement

Casualties and disappearances

The Syrian conflict has resulted in nearly **618,000** deaths¹⁸ and **113,000** disappearances¹⁹, leaving countless families to bear the burden of loss and uncertainty. Many of those who disappeared have been forcibly taken from their homes, arbitrarily arrested, never brought to justice, and often held in inhumane conditions, with their fate unknown. This unresolved suffering will weigh on Syria for generations, posing a significant barrier to national reconciliation and sustainable recovery.



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Disabilities

Almost six million Syrians (**28%** of the population), many of them children, have been left with permanent disabilities and with proper care often not available to them as a result of the impact of the conflict on health services. This means that about one in six citizens faces some form of impairment, limiting their ability to earn a livelihood and fully participate in reconstruction efforts. At the same time, the demand for psychological, medical, and financial support has risen sharply, placing additional strain on already dwindling government resources²⁰.

18 Syrian Observatory for Human Rights (2024), Syrian Revolution 13 years on: Nearly 618,000 persons killed since the onset of the revolution in March 2011. <https://www.syriahr.com/en/328044/>.

19 Syrian Network for Human Rights (2024); في الذكرى الثالثة عشرة لانطلاق الحراك الشعبي <https://snhr.org/arabic/wp-content/uploads/sites/2/2024/03/R240209A-1.pdf>.

20 Government of Syria, Planning and International Cooperation Commission (2023), Analysis of the development context in Syria.

Refugees

More than six million Syrians have sought refuge outside their country, making this one of the largest refugee crises in modern history. The scale of displacement is comparable to that caused by the ongoing war in Ukraine since **2022**, where a similar number—approximately six million refugees—have fled the country.

The majority of Syrian refugees²¹ (nearly five million) reside in neighbouring countries, where they have been sustained, despite the significant economic strain on host nations (Table 2). Lebanon, for example, hosts **1.4** million refugees—only half of whom are officially registered—effectively increasing the country's population by nearly **30%** to **5.3** million. Another one million Syrians have resettled in Europe, with **60%** in Germany, **10%** in Sweden, and smaller numbers in other EU countries²².

The prospect of refugee return to Syria remains deeply uncertain and highly challenging, given the widespread destruction, lack of infrastructure, limited economic opportunities, and ongoing security concerns. A **2024** UNHCR survey indicated that only **2%** of refugees intended to return within a year, with another **37%** considering return within five years, while **57%** hoped to return at some point in the future²³. However, this survey predates the recent regime change in Syria, which has likely influenced refugee attitudes towards repatriation. The latest data suggest a shift in perceptions, expectations, and intentions, with UNHCR estimating that by early February **2025**, approximately **270,000** Syrians had returned following the events of December **2024**. The same survey indicates that over a quarter of Syrian refugees now intend to return and rebuild their lives within the next **12** months²⁴.

While humanitarian principles underscore the importance of ensuring that refugee return is voluntary, safe and dignified, growing pressures and public concerns over the financial burden of hosting large refugee populations—both in the region and beyond—are leading to increased efforts to encourage repatriation. In some Western countries, financial incentives have been introduced or are under consideration as part of these repatriation initiatives.

The cost of facilitating refugee return and reintegration will be substantial. If the required support package—including temporary housing, home repairs, income assistance, and agricultural start-up or restart costs—ranges between **US\$10,000** and **US\$20,000** per family, then, based on an estimated **1.2** million refugee families (with an average family size of five), the total financial requirement could range from **US\$12** billion to **US\$24** billion²⁵. This would necessitate significant international contributions. For context, the higher estimate is only slightly below Syria's current annual GDP.

21 United Nations High Commissioner for Refugees, Syria website, accessed 30 January 2025. <https://data.unhcr.org/en/country/syr>. United

22 Nations High Commissioner for Refugees, Situation Syria Regional Refugee Response. <https://data.unhcr.org/en/situations/syria>.

23 United Nations High Commissioner for Refugees (2024), Syrian Refugees' Perceptions & Intentions on Return to Syria. <https://data.unhcr.org/en/documents/download/109624>.

24 United Nations High Commissioner for Refugees (2025), Flash Regional Survey on Syrian Refugees' Perceptions and Intentions on Return to Syria. <https://reliefweb.int/report/syrian-arab-republic/flash-regional-survey-syrian-refugees-perceptions-and-intentions-return-syria-february-2025>.

25 UNDP study team analysis.

Table 2: Syrian refugees by country of asylum (as on 31 December 2024)

Country	Number (thousands)	% of total
Türkiye	2,880	61
Lebanon	755	16
Jordan	611	13
Iraq	304	6
Egypt	148	3
Other (North Africa)	43	1
Total registered refugees	4,742	100

Source: United Nations High Commissioner for Refugees. <https://data.unhcr.org/en/country/syr>.

The financial cost of repatriation and successful reintegration will also be substantial. This cost has not been factored into the above economic cost estimates, which focus solely on the physical reconstruction and lost economic value. Similarly, the rehabilitation and restoration cost of human and social capital remains unaccounted for.

Moreover, short-term aid alone is insufficient; sustainable return requires long-term support in employment, housing, and legal protection. Flexible policies are essential to ensure that returnees can resettle in areas where they have access to security, livelihoods, and essential services, rather than being compelled to return to unsuitable conditions.

At the same time, the continued hosting of refugees comes at a significant financial cost, amounting to billions of dollars annually—an unsustainable burden, particularly for host countries in the region, despite the significant contributions these refugees provide to the economies of their host countries.

Returnees, especially those with higher education, professional skills, and transnational networks, have the potential to contribute to economic growth and governance reforms through entrepreneurship, institutional development and diaspora collaboration. However, these benefits are constrained by the severe deterioration of infrastructure, basic services, and limited economic opportunities, posing significant challenges to their reintegration and ability to contribute effectively to recovery efforts.

Whether refugees remain abroad or return, the impact on Syria's demographic composition, labour market, and demand for essential goods and services will be profound, shaping the country's recovery for decades to come.

Internal Displacement

Syria has experienced the largest displacement crisis since World War II, with over half of its pre-conflict population forcibly displaced, either as refugees abroad or as internally displaced persons (IDPs). Today, **7.2** million Syrians (that is, **1–2** million families) remain displaced within the country. While approximately half still reside within their original governorates, they often cannot return to their former homes, which are either destroyed, rendered uninhabitable or occupied by others²⁶.

The challenges faced by the internally displaced Syrians as severe as those faced by refugees. With lost homes, livelihoods and personal belongings, they struggle to find shelter, stability and opportunities to rebuild their lives. Even when conditions improve, facilitating their return and rehabilitation will require substantial financial resources. This adds yet another critical dimension to Syria's post-war reconstruction, further intensifying the already immense financial burden of rebuilding a nation war-torn by almost **14** years of conflict.

Chapter B provides a detailed examination of the economic repercussions of the conflict, assessing its financial toll, the decline in economic growth, the sharp erosion of purchasing power, the collapse of trade and the deterioration of public finances. Most importantly, the chapter connects these dramatic trends to their direct impact on the lives and well-being of Syrians.

Chapter C examines the social sector impacts of the conflict, analysing its effects on Syria's HDI, population dynamics, employment, health, education, housing, food security and access to basic services.

Chapter D explores the challenges on Syria's path to recovery, assessing various scenarios for restoring the country's **2010** GDP and identifying key opportunities for post-conflict reconstruction and economic revitalization in the wake of the events of late **2024** and the potential beginning of a new, conflict-free chapter in Syria's history



26 Development Context Analysis - Within the Framework of the Social Protection Report, Planning and International Cooperation Authority - 2023.



B. The impact of the conflict on the Syrian economy

1. Syria's promising trajectory as a middle-income country dramatically reversed

Before the conflict erupted in **2011**, Syria's economy was on a trajectory of strong growth, with an average annual GDP growth rate exceeding **5%** over the preceding five years.

Inflation remained relatively moderate at an average of **7%**, unemployment stood at **8%**, foreign debt was at a manageable level, and the state budget was largely balanced. Structural reforms were underway to reduce dependence on oil—which had long accounted for a significant share of exports and government revenue—while increasing the private sector's contributions to GDP, exports, employment, and tax revenues.

The IMF shared this optimism, projecting steady growth above **5%** for the five years following **2010**, coinciding with the launch of the **2011–2015** Development Plan.

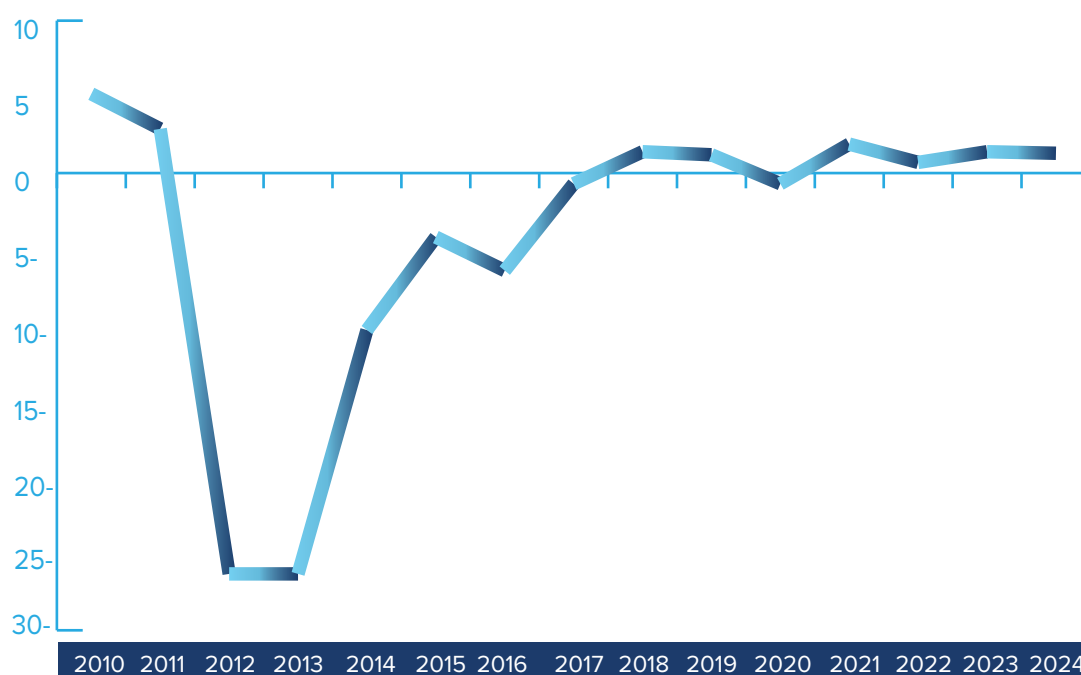
However, the outbreak of conflict brought an abrupt and severe economic downturn, with all key macroeconomic indicators deteriorating rapidly. Local investments and enterprises relocated to neighbouring countries, and the economy contracted sharply, resulting in a GDP loss of more than half compared to its pre-conflict level by the end of **2024**.

Beyond the direct impact of the conflict, external shocks further exacerbated Syria's economic decline. These included the Lebanese banking crisis, which restricted access to foreign exchange reserves; the **COVID-19** pandemic; international sanctions affecting trade; the **2023** earthquake in northern Syria; and regional conflicts, such as those in Gaza and Lebanon, which disrupted economic dynamics.

Despite the conflict's reduced intensity since **2018**, Syria has struggled to recover economically. Between **2018** and **2024**, the country failed to achieve an annual growth rate exceeding **1.1%**. In stark contrast to **2010**, when GDP was double its current size and growth rates stood at **5%**, today's economic stagnation reflects the depth of Syria's challenges.

With the poverty line set at approximately **US\$800** per year (**US\$2.15** per day) and GDP per capita currently around **US\$850**, widespread poverty has become deeply entrenched after almost **14** years of conflict.

Figure 3: GDP growth during the period of conflict 2010–2024 (at 2000 constant prices)



Sources:

4. 2010–2022: Central Bureau of Statistics, Government of Syria.

5. 2023–2024: UNDP study team projections.

Fourteen years of continuous economic contraction and stagnation have resulted in an immense loss of value and foregone opportunities. The total estimated ‘lost GDP’ over the period from **2011** to **2024** stands at approximately **US\$800** billion (at **2010** prices).

This is an extraordinary figure when compared to Syria’s current annual GDP of **US\$29** billion. In per capita terms, the economic loss is even more striking: with a total loss of **US\$35,000** per person, this is equivalent to **35** years of GDP per capita at today’s level of **US\$850**.

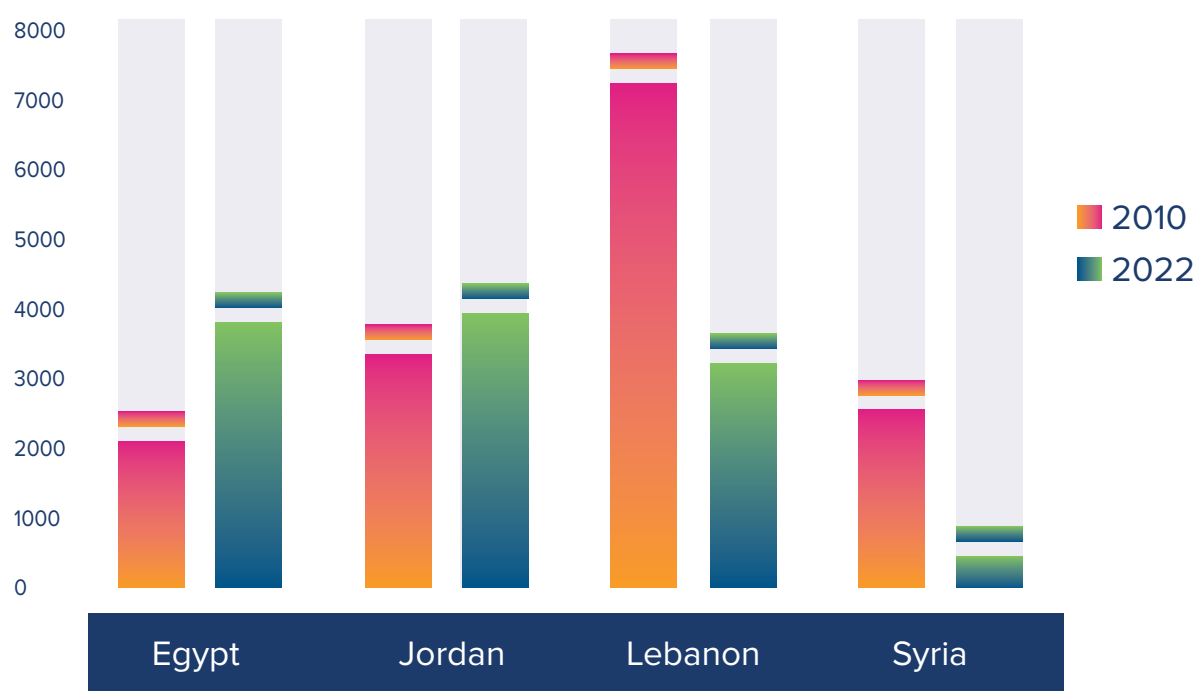
Crucially, this estimate does not even account for the destruction of physical capital, which is valued at approximately **US\$123** billion. This figure builds upon ESCWA’s **2020** estimate of **US\$117.7** billion, with additional damages from the **2023** earthquake in northern Syria (estimated at **US\$5.1** billion by the World Bank) and **US\$0.5** billion in destruction from local battles in northeast and northwest Syria, as assessed by the study team (Annexe I-2).

To understand the implications of these numbers for living standards in Syria, the team examined the experiences of comparable economies in the region. While Egypt has managed to double its per capita income over this same period, and Jordan has seen a modest increase, Syria’s per capita income has plummeted—from nearly **US\$3,000** per year in **2010** to around **US\$850** today, representing a staggering decline of **70%**. As a result, both Egypt and Jordan now have significantly higher GDP per capita than Syria²⁷.

Moreover, Syria’s GDP per capita is now nearly equivalent to the national poverty line (approximately **US\$800** per year or **US\$2.15** per day). In addition, the war economy has led to an increase of income inequalities in the country—reflected in the Gini coefficient comparison presented in Table 1— and made poverty pervasive across all regions and social groups.

27 World Bank Open Data.

Figure 4: Comparing per capita incomes of select countries in 2010 with 2022



Source: World Bank Open Data²⁸.

2. After fourteen years of persisting conflict, a 200-fold increase in inflation

Inflation in Syria has surged to unprecedented levels, with an average annual rate exceeding **50%**. As a result, the Consumer Price Index (CPI) has skyrocketed from a base of **100** in **2010** to an estimated **20,000** by the end of **2024**, marking a **200-fold** increase over the past **14** years.

This extreme inflation has devastated purchasing power, leading to worsening living conditions and making it increasingly difficult for Syrians—especially vulnerable populations—to afford basic necessities such as food and energy. As of late **2024**, nearly **90%** of the Syrians are estimated to be people in need, either food insecure or at risk of food insecurity²⁹, though earlier government reports suggested a lower figure of below **60%**.

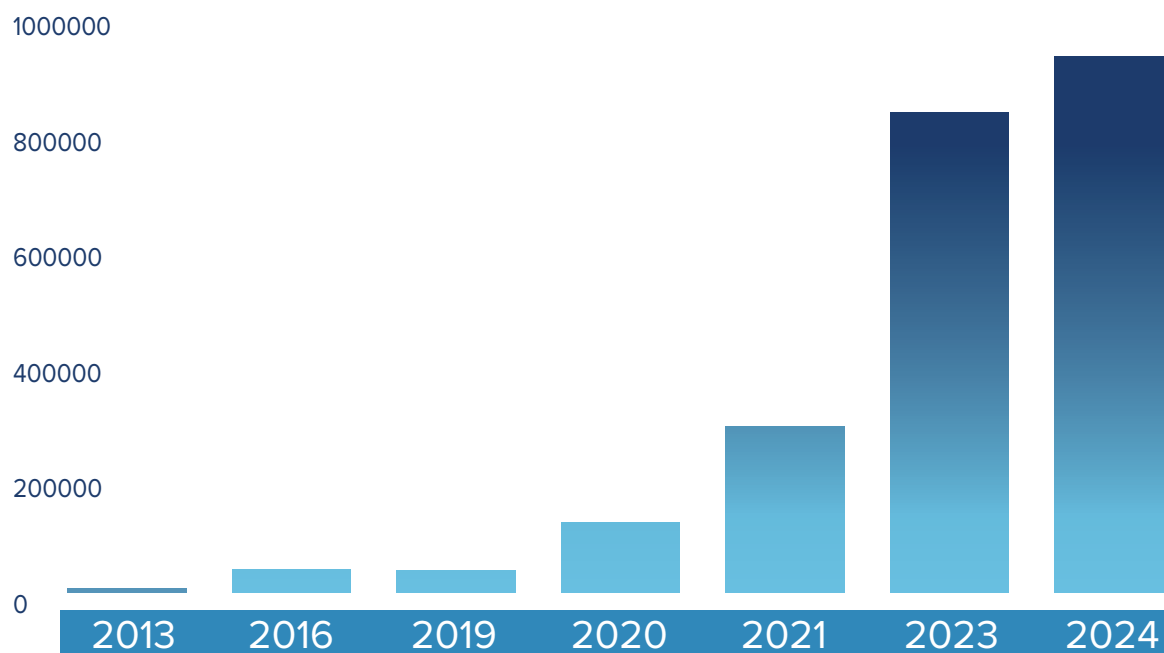
Persistent inflation has severely eroded the financial capacity of Syrian households. According to the World Food Programme (WFP), the Minimum Expenditure Basket (MEB)—which includes food, energy, cotton, and communications—averaged **SYP2,719,358** (approximately **US\$200**) per month for a family of five in October **2024**³⁰. In **2010**, this same **US\$200** worth of goods would have cost only **SYP 10,000**, based on the exchange rate at the time. This **200-fold** depreciation of the Syrian currency highlights the extreme economic deterioration since the onset of the conflict.

28 While official data for Syria's per capita income may differ slightly from the World Bank's figures, we have used the World Bank's data here to illustrate comparative trends in per capita income between Syria and other diversified economies in the region.

29 OCHA (2024); Humanitarian Needs Overview (HNO) 2024, Syrian Arab Republic.

30 World Food Programme (2024), Food Security Analysis, Syria, October 2024, Monthly Market Price Bulletin, WFP Vulnerability Analysis and Mapping.

Figure 5: Prices of the standard food basket in Syria (Syrian Pounds at current prices)



Source: World Food Programme (2024), Monthly Market Price Bulletin for Syria. October. <https://fscluster.org/sites/default/files/2024-12/WFP%20Syria%20Price%20Bulletin%20October%202024.pdf>.

The continuous explosion in Syria's Cost-of-Living Index has been primarily driven by the devaluation of the Syrian pound, which resulted from the economy's prolonged contraction.

Despite relative stability in the exchange rate throughout **2024**, inflation has persisted, fuelled by

- higher production costs, driven by price liberalization policies and supply chain disruptions; and
- increased transaction costs, exacerbated by widespread corruption, as duty bearers seek to compensate for low public sector salaries.



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3. Decline in access to hard currency for essential imports

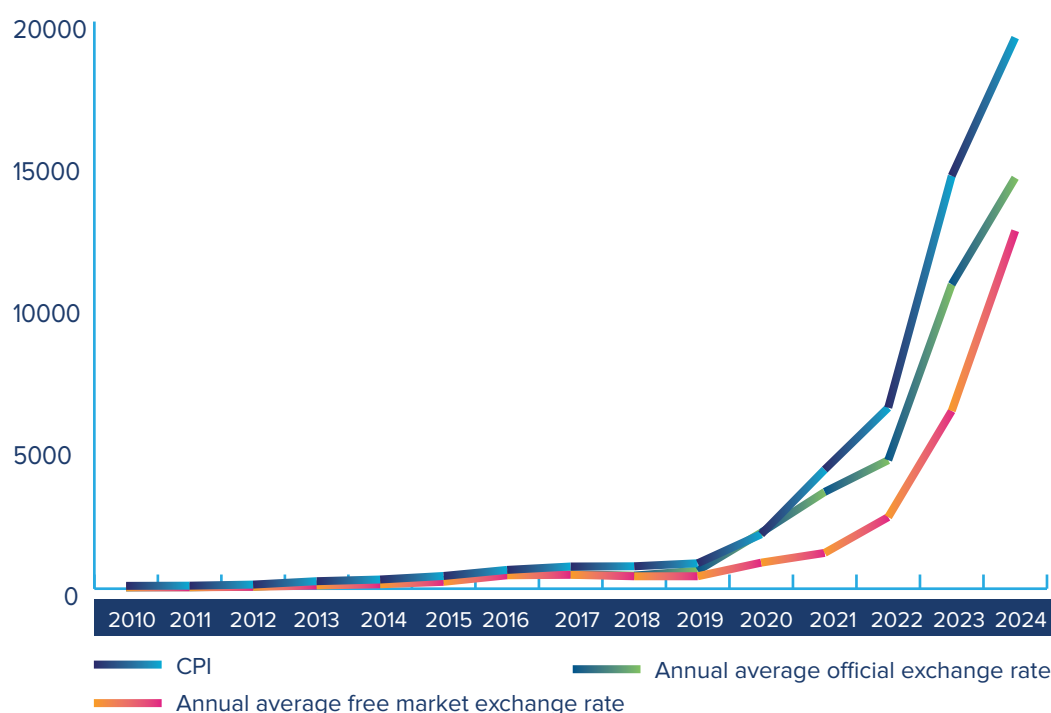
Before the conflict, the Syrian pound's exchange rate was stable. However, the war caused a sharp depreciation, largely due to the collapse of production capacity and disruption of supply chains; loss of human capital and skilled labour; and international sanctions restricting trade and financial transactions.

Between **2019** and **2023**, the Syrian pound suffered its most severe depreciation (Figure 6), triggered by a combination of external and internal shocks:

- the Lebanese banking crisis, which restricted Syrian access to foreign exchange;
- international sanctions, further isolating Syria from global trade;
- global trade disruptions due to the **COVID-19** pandemic;
- the Russia–Ukraine war, which impacted food and energy prices worldwide;
- the 2023 earthquake, causing further economic losses;
- regional conflicts in Gaza and Lebanon, disrupting trade and financial flows; and
- gross economic mismanagement by the former regime, exacerbating fiscal and monetary instability.

These factors have severely weakened Syria's ability to access hard currency, making essential imports increasingly expensive and unaffordable for most citizens.

Figure 6: The rapid devaluation of the Syrian pound since 2010



Sources:

1. 2010–2022: Central Bureau of Statistics, Government of Syria
2. 2023–2024: UNDP study team projections.
3. Official exchange rates: Central Bank of Syria's daily bulletins.
4. Free-market exchange rate: various sources.

Sanctions have played a key role in isolating Syria from the global financial system, restricting trade, increasing import costs, and significantly reducing both exports and remittances. These factors have contributed to the continued depreciation of the national currency.

By November **2024**, the Syrian pound had lost **99.7%** of its value, with the exchange rate reaching **SYP14,000** per **US\$** at the market rate, compared to **SYP50** per **US\$** in **2010**. In efforts to stem the currency's decline, the previous government implemented a series of measures, including tightened currency controls, restrictions on non-essential imports, and requirements for exporters to deposit foreign earnings into the Central Bank. However, these interventions proved largely ineffective, compelling the Central Bank to frequently adjust the official exchange rate to align with market dynamics.

Following developments in December **2024**, the currency showed initial signs of recovery, primarily driven by two factors: an influx of Syrians from abroad bringing in hard currency and constrained liquidity within banks, which limited cash withdrawals.

4. Syria's growing isolation from international markets—declining exports and an unsustainable trade deficit

Foreign trade has been severely disrupted by the Syrian conflict, further exacerbated by multiple crises in recent years. Official data indicate that exports plummeted from **US\$12.24** billion in **2010** to just **US\$0.88** billion in **2022**, representing a decline to only **7%** of their pre-conflict level.

Imports, half of which comprised fuel and mineral oils, did not decrease as sharply as exports, resulting in a persistently widening trade deficit. Oil, formerly Syria's primary export and a major source of both government revenue and foreign exchange, was lost to external control in **2016**, with severe consequences for the trade balance and an escalating fiscal deficit.



5. Growing government budget deficit and the increasing recourse to money printing

Syria's fragile economic situation, shaped by prolonged conflict and successive external shocks, has necessitated difficult trade-offs between controlling inflation and stimulating production. The expansion of the informal sector and parallel monetary flows has weakened the effectiveness of monetary policy, eroding traditional financial instruments and narrowing the tax base.

In response, the government, through the Central Bank, has implemented direct interventions, including executive orders to restrict lending, limit cash withdrawals, manage currency demand, and curb the depreciation of the Syrian pound. However, as evidenced by exchange rate fluctuations, rising living costs, and declining private sector activity, these measures have largely failed to stabilize the economy, and the challenges have only intensified over time.

Despite persistent economic shocks, the banking system has demonstrated resilience and managed to remain operational. Nonetheless, currency devaluation has significantly diminished its financial standing when measured in **US\$**. By the end of **2020**, liquidity in Syrian pounds had increased by nearly **50%**, yet in dollar terms, it accounted for less than **5%** of bank holdings in **2010**.

6. Shrinking tax base and rising conflict costs—no public funds for investment, social services or safety nets

Syria's budget has undergone a significant shift since **2010**, characterized by a steady decline in both government expenditures and revenues. With traditional revenue sources such as taxes and oil exports drying up, the decline has been accompanied by a growing reliance on direct financing from the Central Bank to cover fiscal deficits, resulting in inflationary pressures eroding public purchasing power and exacerbating economic instability.

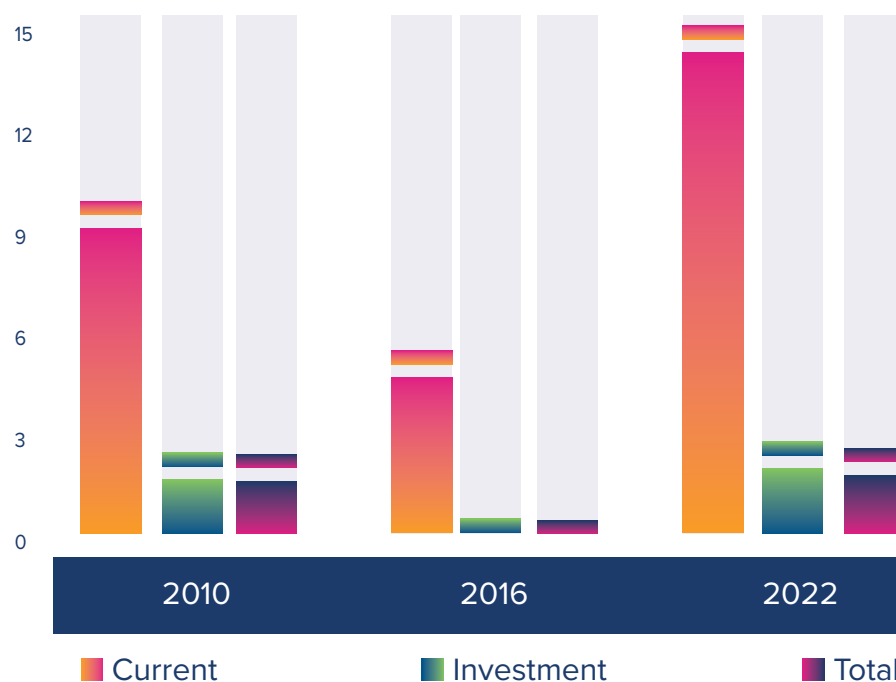
Total government expenditures experienced a sharp decline, falling from **US\$15** billion in **2020** to only **US\$2.5** billion in **2022** (Figure 7). This illustrates the government's diminishing capacity to sustain public spending amid falling revenues and limited financing options. Current expenditures, which cover wages, subsidies, and essential public services, declined from **US\$9.8** billion in **2020** to **US\$2.2** billion in **2022**, which implied an unavoidable reduction in public services and social sector financing. In **2022**, no more than **US\$0.3** billion could be allocated for investment expenditures.

Contraction in public expenditure significantly affected social programmes and government service delivery, worsening the living conditions of large segments of the population and making it impossible to implement a social safety net programme, despite the dire need for one. Though the subsidies on fuel, bread, and electricity saw a sharp nominal (SYP) increase during the conflict, expenditure in real terms (US\$) dropped due to currency devaluation. The government also reduced the number of families receiving subsidies through an electronic card system, cutting off **600,000** families in **2023**.

Meanwhile, as noted above, investment expenditures—vital for infrastructure development and economic recovery—plummeted from **US\$5.3 billion** in **2020** to just **US\$0.3 billion** in **2022**. Given that current expenditures could not be further reduced, particularly due to the priority allocation of resources to military efforts, this sharp decline in public investment made it unfeasible for the government to prioritize social infrastructure or long-term productive investments, despite their critical role in stimulating future growth and safeguarding public welfare.

The prioritization of short-term fiscal survival over social and productive development spending will significantly hinder Syria's long-term economic recovery and sustainable growth.

Figure 7: Government expenditure in Syria (current US\$ billion)



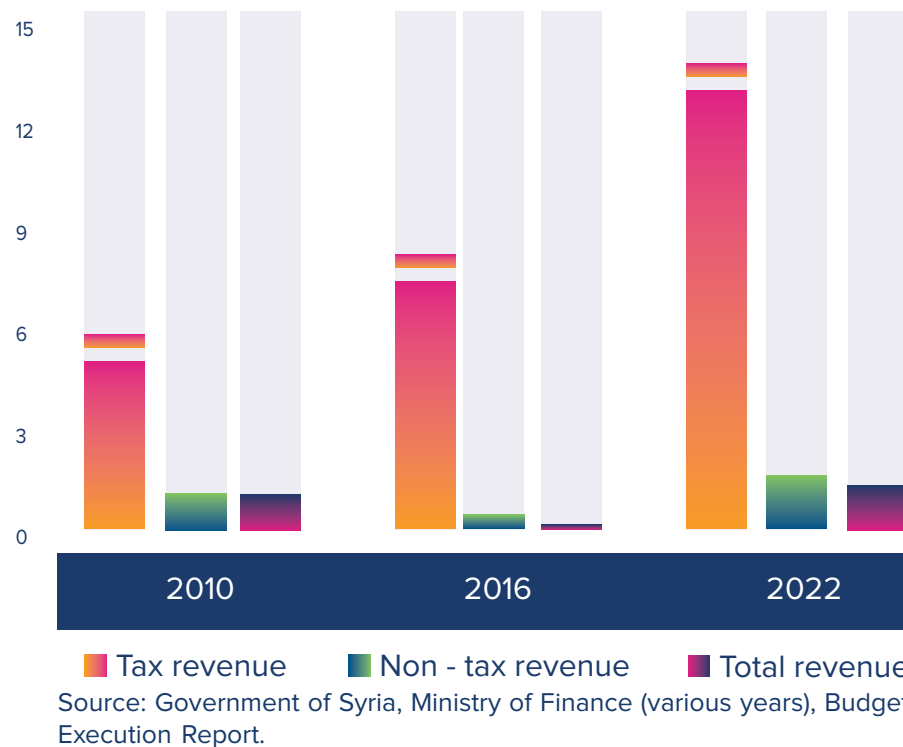
Source: Government of Syria, Ministry of Finance (various years), Budget Execution Report.

Over the past decade, revenue trends have reflected the severe economic toll of prolonged conflict and fiscal instability. Tax revenues steadily declined from **US\$5.7 billion** in **2010** to **US\$1 billion** in **2022**, driven by the contraction of the formal economy, widespread tax evasion, and the government's diminished capacity to enforce tax collection.

Similarly, non-tax revenues plummeted from **US\$8.1 billion** in **2010** to just **US\$0.2 billion** in **2022**, reflecting significant losses from state-owned enterprises, reduced export earnings, and diminished returns on state assets, further exacerbating fiscal challenges. As a result, total revenues—comprising both tax and non-tax sources—dropped sharply from **US\$13.7 billion** in **2010** to **US\$1.2 billion** in **2022** (Figure 8).

This steep decline underscores the government's shrinking fiscal base and mounting financial pressures, severely limiting its capacity to sustain public expenditure—even with reliance on Central Bank monetary expansion—and constraining its ability to fund essential services and development initiatives.

Figure 8: Government revenue in Syria (current US\$ billion)

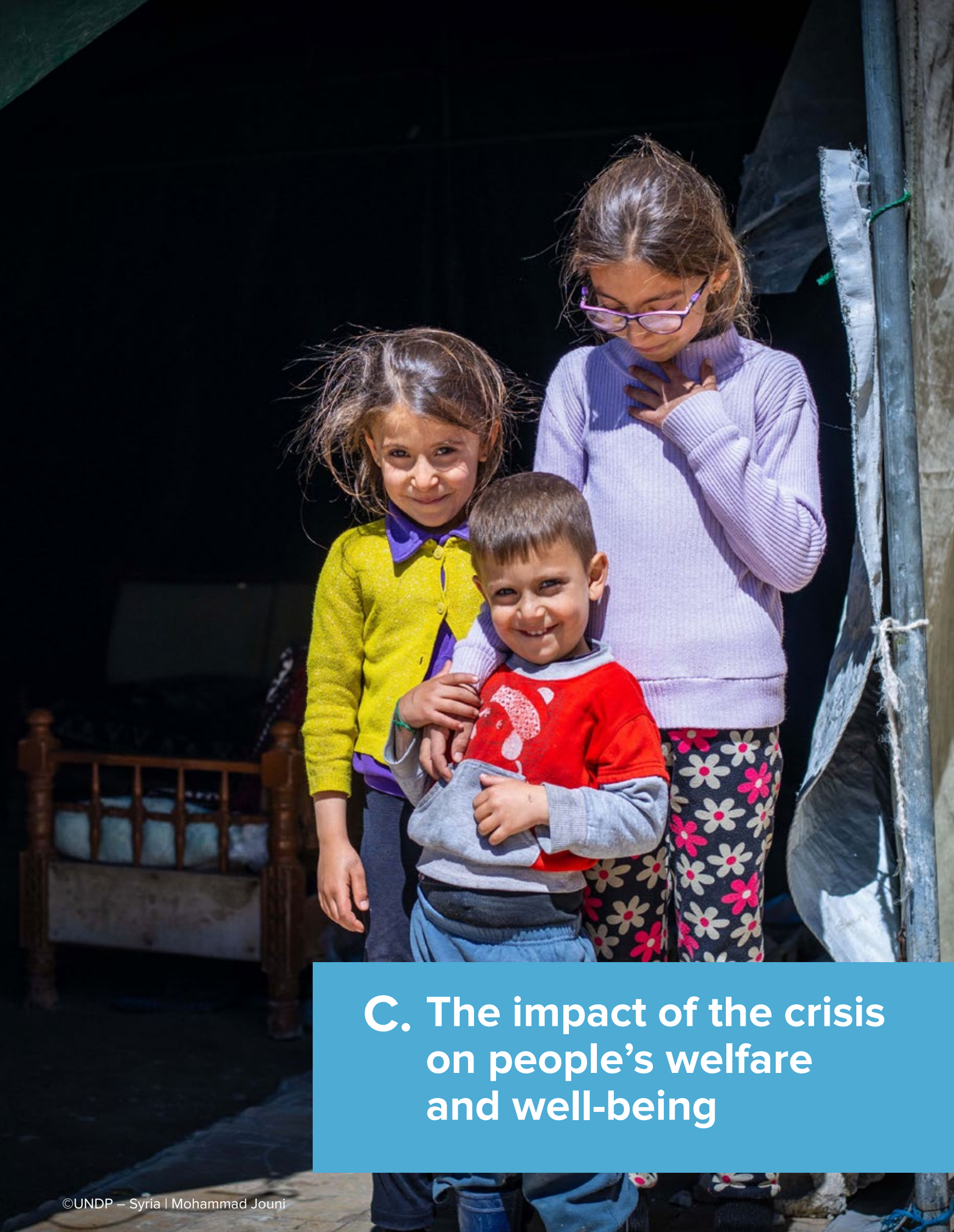


The Central Bank's monetary interventions became increasingly constrained after **2016** due to depleted foreign reserves and heightened inflationary risks. Meanwhile, external loans remained negligible throughout the period, as international sanctions and diplomatic isolation severely restricted access to foreign financing.

These trends underscore Syria's deepening economic isolation, marked by declining trade interactions, exclusion from the international banking system, and heavy reliance on domestic borrowing amid fiscal distress and limited financing options (Figure 9).

Figure 9: Government deficit and its funding in Syria (current US\$ billion)





C. The impact of the crisis on people's welfare and well-being

Beyond its economic impact, the conflict in Syria has had profound social consequences. Citizens are experiencing unprecedented levels of unemployment, inflation, poverty, and food insecurity, exacerbating household fragility and deepening the welfare crisis.

The conflict has also led to a substantial loss of human capital, not only due to casualties, disability, and displacement but also as a result of the sharp decline in education and training opportunities. This has significantly diminished prospects for younger Syrians to enter the labour market at income levels that ensure a decent standard of living.

As the conflict has persisted, recovery challenges have become increasingly complex. Research on post-conflict economic recovery indicates that the longer a conflict endures the slower and less comprehensive the recovery. One study estimates that after a six-year conflict, approximately **40%** of the GDP gap can be recovered within four years. However, if a conflict extends to ten years, this recovery rate drops to **28%**³¹.

A robust social sector—supported by adequate public funding, an effective safety net, and a comprehensive social security system—requires a strong economic foundation. Sustainable recovery depends on the parallel revitalization of both the economy and social services.

In Syria, almost **14** years of conflict have severely compounded these challenges. Restoring social and economic stability will be a complex and resource-intensive process, requiring substantial investment. The recovery effort is further complicated by the need to address not only economic and physical reconstruction but also critical issues of social cohesion and governance.

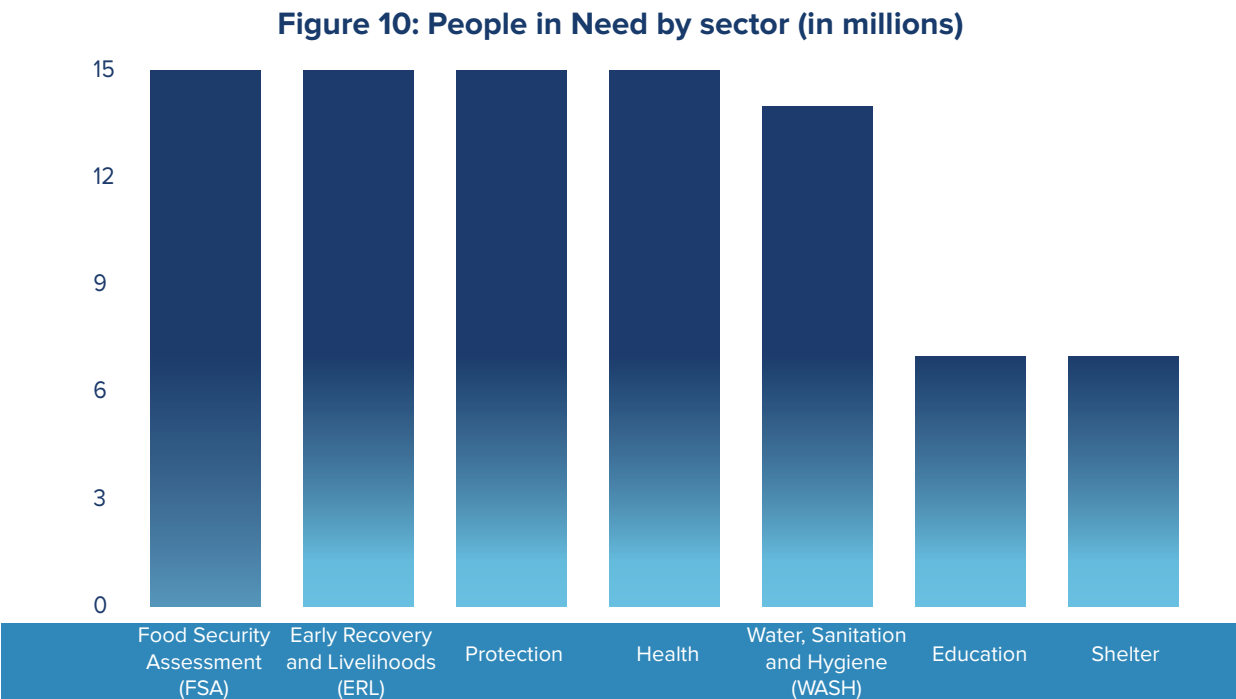


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31 World Bank (2017), The Toll of War: The Economic and Social Consequences of the Conflict in Syria. p.98. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/811541499699386849/the-toll-of-war-the-economic-and-social-consequences-of-the-conflict-in-syria>.

1. Synopsis of social sector deficiencies

As of February 2024, the total number of PiN in Syria is estimated at **16.7** million, representing three-quarters of the population³². The highest levels of need have been identified in the livelihoods and early recovery, health and water and sanitation sectors, which are unable to meet the needs of up to **65% to 70%** of Syria’s population (Figure 10). Additionally, access constraints in the education and water and sanitation sectors affect approximately half the population.

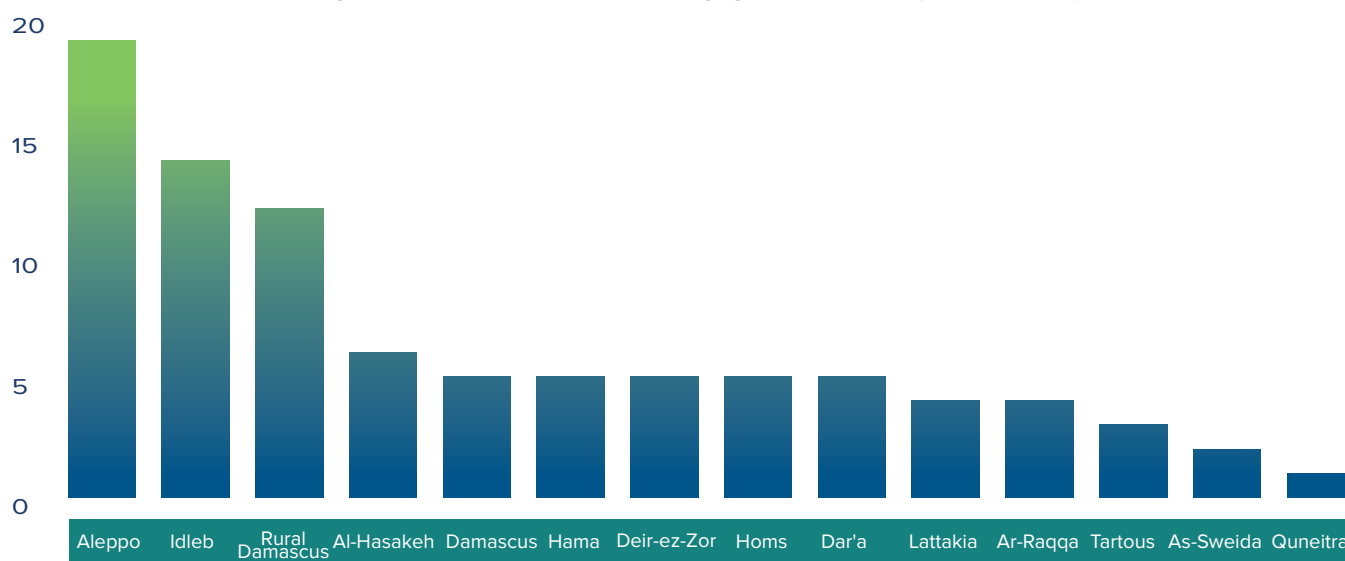


Source: United Nations Office for the Coordination of Humanitarian Affairs (OCHA) (2024), Syrian Arab Republic: 2024, Humanitarian Needs Overview. February. <https://www.unocha.org/publications/report/syrian-arab-republic/syrian-arab-republic-2024-humanitarian-needs-overview-february-2024-enar>

The data further indicate that Aleppo, Idlib, and Rural Damascus have the highest levels of need across these sectors. These three governorates endured the most intense fighting—both ground and aerial—throughout the almost **14** years of conflict (Figure 11). As a result, challenges in the six sectors shown in Figure 10 are significantly higher than the country-wide averages.

32 United Nations Office for the Coordination of Humanitarian Affairs (2024), Syrian Arab Republic: 2024, Humanitarian Needs Overview. February. <https://www.unocha.org/publications/report/syrian-arab-republic/syrian-arab-republic-2024-humanitarian-needs-overview-february-2024-enar>.

Figure 11: People in Need by governorate (in millions)



Source: United Nations Office for the Coordination of Humanitarian Affairs (OCHA) (2024), Syrian Arab Republic: 2024, Humanitarian Needs Overview. February. <https://www.unocha.org/publications/report/syrian-arab-republic/syrian-arab-republic-2024-humanitarian-needs-overview-february-2024-enar>.

The six sectors outlined in Figure 10 are typically used to assess multidimensional poverty but do not account for financial poverty considerations. This distinction explains the disparity between poverty estimates **(90%)**³³ and People in Need (PiN) figures **(70%)**³⁴ in Syria (as mentioned earlier).

However, access to these sectors and their services is also closely linked to affordability—especially when public funding is limited or non-existent or when families must bear costs for essential services such as educational materials, medicines, water charges, or transport. Given this, the impact of the conflict on rising poverty, joblessness, and food insecurity is examined first, followed by education, health, water and sanitation implications.



³³ United Nations Development Programme (2024), Human Development Report 2023/2024, Breaking the gridlock: Reimagining cooperation in a polarized world. <https://hdr.undp.org/system/files/documents/global-report-document/hdr2023-24reporten.pdf>.

³⁴ United Nations Office for the Coordination of Humanitarian Affairs (2024), Syrian Arab Republic: 2024, Humanitarian Needs Overview. February. <https://www.unocha.org/publications/report/syrian-arab-republic/syrian-arab-republic-2024-humanitarian-needs-overview-february-2024-enar>.

2. Poverty at alarming levels

In recent years, Syria has experienced an unprecedented surge in poverty rates due to the ongoing conflict, which has profoundly impacted both economic and social life. The worsening security and economic conditions have significantly eroded living standards, leaving the majority of the population unable to meet their basic needs.

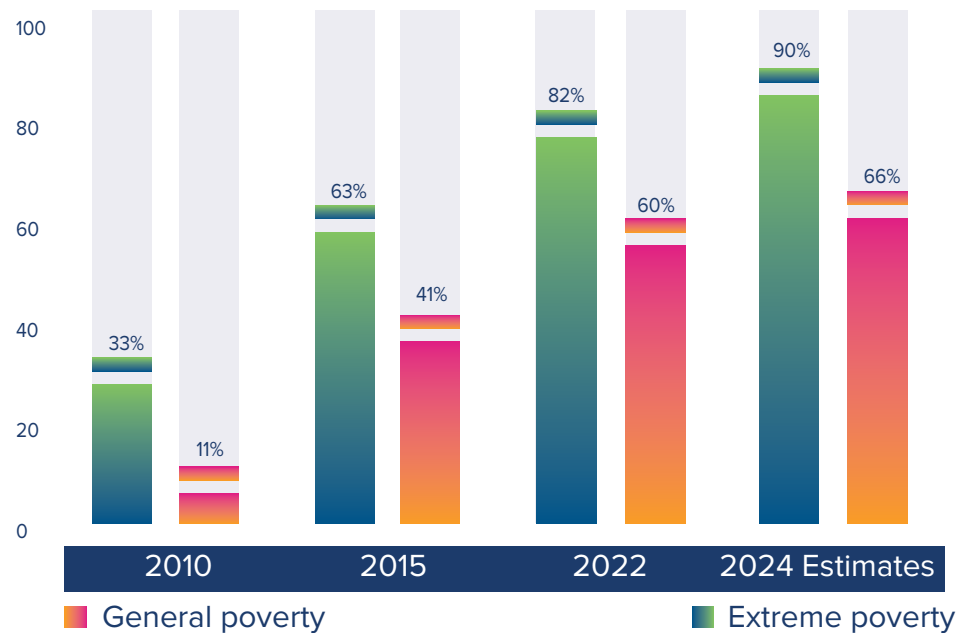
Since the conflict began, poverty levels have escalated sharply. The proportion of Syrians living in extreme poverty rose from **11%** in **2010** to approximately **60%** in **2022**, while general poverty increased from **33%** to **82%** during the same period—rising further to **90%** in **2024**, according to the latest analysis (Figure 12)³⁵.

Although official figures are unavailable, further analysis conducted for this report—factoring in the latest economic data—estimates that extreme poverty may have reached **66%** of the population in **2024**. This translates to **16** million people, exceeding the combined populations of Jordan and Lebanon.

The same analysis finds that the total number of Syrians living below the poverty line in **2024** has surged to **90%**, up from roughly one-third of the population before the conflict—a figure equivalent to one and a half times the population of Tunisia.

This represents a staggering decline in living standards in just over a decade, with the crisis now affecting nearly all Syrians.

Figure 12: Change in general poverty and extreme poverty in Syria between 2010 and 2024



Source: UNDP study team analysis.

35 Government of Syria, Planning and International Cooperation Authority, Central Bureau of Statistics (2023), Food Security Survey, Phase VII. Survey carried out in collaboration with World Food Programme.

The key drivers of poverty in Syria include the economic crisis, rapid and extreme inflation, plummeting employment and wages, and the sharp decline in purchasing power. Even those still employed in the public and private sectors find their monthly salaries insufficient to cover basic needs such as food, housing, and education. As a result, families are increasingly forced to cut expenses to a bare minimum or depend on humanitarian aid.

The economic crisis and rising poverty have had severe social consequences. Declining household incomes have led to rising school dropout rates, as many families can no longer afford out-of-pocket education costs and are compelled to send their children into the labour market to supplement household income. The quality of education has also deteriorated due to underfunding and teacher migration, leaving many children and youth without access to the education necessary for a better future.

Food insecurity has also worsened, with malnutrition on the rise, particularly among children, making them more vulnerable to disease. As conditions deteriorate, reliance on humanitarian aid has increased, though it remains insufficient to meet the needs of all vulnerable groups.

The crisis has also severely impacted social cohesion. Poverty, displacement, and migration have led to the fragmentation of families, with many young people leaving Syria in search of work abroad. This has resulted in a loss of skills and human resources, further complicating the country's future recovery.

A worrying consequence of the surge in poverty has been the rise in crime, as many individuals resort to illegal activities for survival. Domestic violence and organized crime have also escalated amid ongoing economic and social instability. At the same time, healthcare services have deteriorated, as most Syrians can no longer afford medical care, leading to higher disease rates and an overall decline in the quality of healthcare.

3. Disappearing jobs

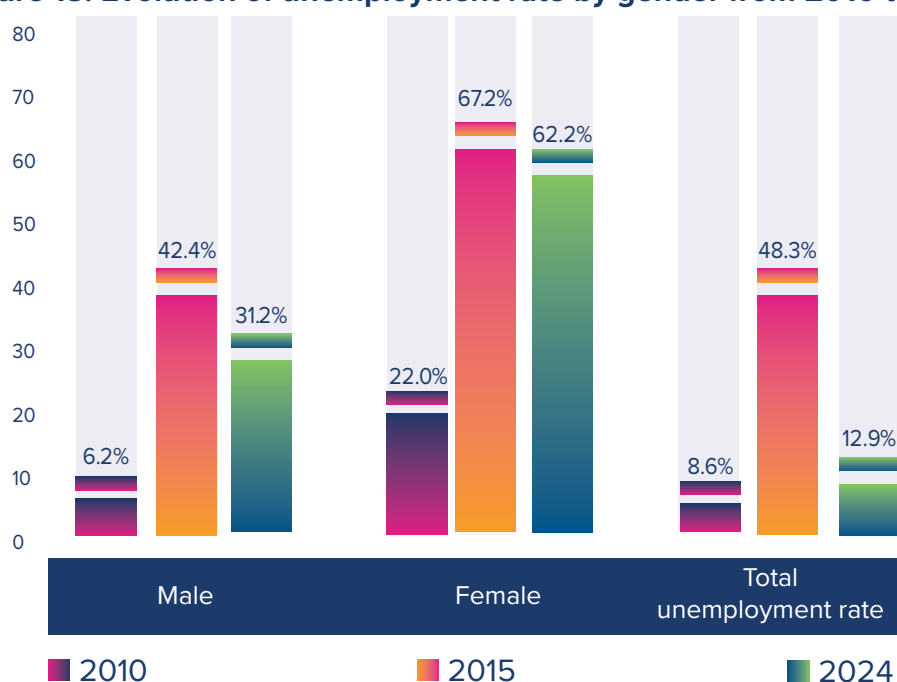
The conflict in Syria resulted in the loss of more than **3** million jobs within its first five years³⁶. This was driven by the destruction of enterprises and infrastructure, the rapid economic decline, the public finance crisis, and the deteriorating security situation.

From the early years of the conflict, these massive job losses triggered a wave of external migration as many Syrians sought opportunities abroad. The unemployment rate surged from **8%** in **2010** to **24%** in **2023** (official data), with levels exceeding **50%** in **2015–2016**, during the peak of the fighting.

Youth and women were disproportionately affected. By **2022**, youth unemployment had reached **60%**, three times higher than in **2010**. Meanwhile, female unemployment more than doubled by **2023**, compounding the already low female workforce participation, which in **2010** was just one-third that of men.

36 Government of Syria, Planning and International Cooperation Authority, Central Bureau of Statistics (2024), Labour Force Survey.

Figure 13: Evolution of unemployment rate by gender from 2010 to 2024



Source: Government of Syria, Central Bureau of Statistics, Labour Force Survey 2024.

4. Food deficiency and insecurity

Before the conflict, extreme food poverty in Syria was at its lowest, with only **1.1%** of the population experiencing food insecurity in **2010**. This was largely due to Syria's diversified economy and self-sufficiency in most essential food items³⁷.

However, the war triggered a sharp rise in food insecurity, severely impacting food production and households' purchasing power. Syria's isolation from international trade, combined with reduced access to hard currency and disruptions in agricultural inputs, further weakened national food production.

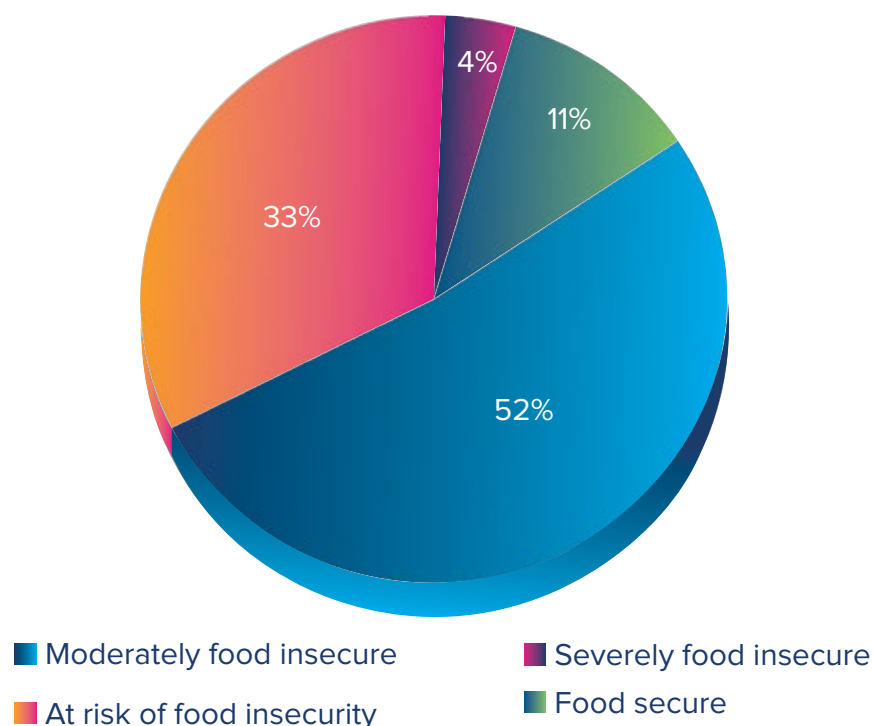
Once a net food exporter in **2010**, Syria now struggles to meet domestic demand. By **2024**, national wheat production was estimated to cover only **65%** of consumption needs.

A **2023** informal study found that just 11% of households—about **2.5** million people—were food secure. The report also estimated that **4%** of Syrians were severely food insecure, **52%** were moderately food insecure, and 33% faced a constant risk of falling into food insecurity (Figure 14)³⁸.

³⁷ Government of Syria, Planning and International Cooperation Authority, Central Bureau of Statistics (2024), Food Security Survey - Phase VII. Survey carried out in collaboration with World Food Programme.

³⁸ Ibid.

Figure 14: Distribution of households according to their level of food security in 2024



Source: Government of Syria, Central Bureau of Statistics (2024), Food Security Survey Phase VII.

The rapid deterioration of food security in Syria has had severe consequences on public health, economic productivity, and social stability. It has significantly affected citizens' well-being, limiting their ability to work and support their families. The crisis has been particularly devastating for children, impacting their health, education, and future opportunities.

Among the most alarming effects of food insecurity is its impact on children's health and education. Between **2021** and **2022** alone, acute malnutrition among Syrian children rose by **48%**, severely affecting their physical and cognitive development. Malnourished children struggle with learning difficulties and poor academic performance, which will limit their future opportunities and economic potential.

To cope with worsening food insecurity, Syrian families have adopted survival strategies, including reducing daily meals, relying on cheaper, less nutritious food, sending children to work or (worse) to fight for pay in armed conflict, and marrying off young girls to ease financial burdens. While these measures offer short-term relief to families, they have long-term consequences for individual health, child development, and Syria's ability to recover and rebuild in the future.

5. Stalled social security and support programmes

Before **2011**, Syria had a relatively strong social support system, including subsidies for essential goods and social services. However, since the outbreak of the conflict, social security and protection benefits have sharply declined, disproportionately affecting vulnerable groups—including poor persons, the unemployed, older persons, persons with disabilities, those amputated in the war, and women-headed households.

While two million people remained enrolled in Syria's social security program between **2010** and **2022**, only **750,000** actually received social security or pension payments in **2022**. This means that more than half of those enrolled did not receive benefits, highlighting the system's reduced outreach capacity due to severe budget constraints. Moreover, even for those still receiving support, benefit amounts have failed to keep pace with skyrocketing inflation and the rising cost of living, further weakening the system's ability to protect those in need³⁹.



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39 Government of Syria, Planning and International Cooperation Authority, Central Bureau of Statistics (2023), Development Context Analysis: Within the Framework of the Social Protection Report.

6. Breakdown of the education system putting children at extreme risk

During the conflict, public spending on education fell dramatically, with its share in the budget dropping to **9%** in **2022**—less than half of **2010** levels. As GDP halved over the same period, the education sector effectively lost three-quarters of its funding between **2010** and **2022**⁴⁰.

The impact on education infrastructure has been severe: **30%** to **50%** of schools are out of service, damaged, destroyed, or repurposed due to war-related destruction or lack of maintenance. Even operational schools no longer receive state funding for basic utilities like water, electricity, or heating in winter.

The crisis is reflected in staggering dropout rates: as of **2024**, an estimated **2.5** million children are out of school, with another one million at constant risk of dropping out. This means **3.5** million children—**40%** to **50%** of those aged **6** to **15**—are missing out on education, significantly limiting their future earning potential⁴¹. Primary education gaps are particularly alarming, while in secondary education, only one-third of enrolled students complete their studies⁴².

The conflict's impact extends beyond academics. Child labour, early marriage, and forced recruitment have surged, while children face rising psychological and behavioural disorders, including anxiety, depression, and loss of hope for the future. Child labour rates have tripled, though unofficial estimates suggest the situation is even worse.

Education's decline deepens generational poverty, as millions of children face a lifetime of reduced opportunities. Some families, particularly wealthier ones, have left Syria to access private education abroad, further widening the gap between rich and poor.

In conclusion, the drastic decline in education investment has had devastating human, economic, and social consequences, making Syria's future recovery and reconstruction far more challenging.



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40 Development Context Analysis - Within the Framework of the Social Protection Report, Planning and International Cooperation Authority - 2023.

41 Ibid.

42 Voluntary Review Report, Second, Planning and International Cooperation Authority 2023.

7. Mortality rates worsened by health system collapse

The Syrian healthcare system has suffered immense damage due to the prolonged conflict, with devastating consequences for access to medical care. Informally available data indicates that one-third of health centres and clinics have been completely or partially destroyed, while half of ambulance services are now out of operation. The World Health Organization (WHO) has reported severe shortages of medicines, medical equipment, and healthcare workers. The World Bank's **2016** report on Syria even estimated that more Syrians may have died from the collapse of the healthcare system—due to the lack of treatment for deadly diseases—than from direct conflict-related violence⁴³.

The crisis in healthcare has been exacerbated by a sharp decline in public sector funding. Throughout the conflict, public health spending remained at only **%1** of GDP. However, since Syria's GDP has halved, real healthcare funding has dropped by **%50**, and per capita spending has declined even further due to population growth. Compared to other crisis-affected countries, Syria now spends less on public health than Yemen, a country ranked at the bottom of the global human development index.

The deterioration of healthcare services is reflected in several key indicators. In **2010**, there was one hospital bed per **650** people; today, there is only one per **3,000**. Similarly, each health centre that previously served **10,000** people now serves **15,000**. The number of doctors per person has also drastically declined. While each doctor served an average of **700** people in **2010**, today, due to widespread doctor migration, one doctor serves over **2,000** people⁴⁴.



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For the millions of Syrians who have fallen into extreme poverty, healthcare has become almost entirely inaccessible. Even minimal medical costs are unaffordable, forcing families to deplete their savings or sell their assets just to pay for basic medical care. This financial burden has pushed many deeper into poverty, making it even harder for them to recover.

The collapse of Syria's healthcare system has had severe consequences, including rising mortality rates, the resurgence of preventable diseases such as polio and measles, and an overall decline in life expectancy. Without urgent intervention, Syria faces a long-term public health crisis with generational consequences.

43 World Bank (2017), The Toll of War: The Economic and Social Consequences of the Conflict in Syria. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/811541499699386849/the-toll-of-war-the-economic-and-social-consequences-of-the-conflict-in-syria>.

44 Development Context Analysis - Within the Framework of the Social Protection Report, Planning and International Cooperation Authority - 2023.

8. Water and sanitation crisis

The prolonged conflict in Syria has had a devastating impact on the country's water and sanitation systems, leaving millions without access to clean water and safe sanitation facilities. More than half of the population—approximately **14** million Syrians—lack adequate access to essential water, sanitation, and hygiene services.

Over **50%** of the country's water treatment plants and sewerage systems have been damaged or have ceased to function. The damage to infrastructure, combined with ongoing instability, has drastically reduced the availability of clean water. According to UNICEF, Syria's water supply has decreased by **40%** compared to pre-war levels, further exacerbating the crisis⁴⁵.

The destruction of water treatment facilities and wastewater disposal systems has also led to severe environmental and health risks. Currently, an estimated **50%** of the country's water is no longer being treated safely, contributing to widespread pollution, the increased prevalence of waterborne diseases, and further challenges in securing clean drinking water. For many Syrians, accessing safe water has become a daily struggle, worsening an already dire humanitarian situation.

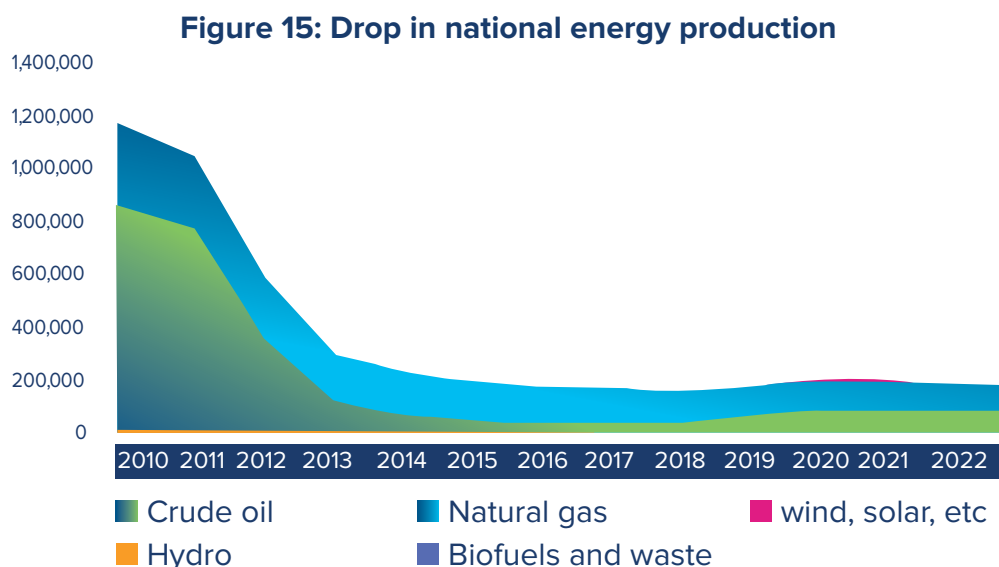


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45 Government of Syria, Planning and International Cooperation Authority, Central Bureau of Statistics (2023), Second National Report (Progress Achieved). Study carried out with support from United Nations Children's Fund.

9. Loss of energy production capacity

The energy and electricity sector in Syria has been left in ruins, with over **70%** of power plants and transmission lines sustaining significant damage. As a result, the capacity of the national grid has been reduced by more than **75%**, severely disrupting the country's ability to provide reliable electricity. Energy production has dropped by **80%** since the onset of the conflict, further compounding the crisis (Figure 15).



These losses have resulted in widespread power outages, severely disrupting economic activity, social infrastructure, security, and overall welfare. With electricity supply becoming increasingly unreliable, businesses have struggled to operate, essential services such as hospitals and schools have faced severe limitations, and daily life for millions of Syrians has become even more difficult.

Additionally, the fragmentation of control over Syria's oil and gas production sites among various factions has led to the loss of significant energy resources. Oil, once a major source of domestic energy production and a crucial export commodity, has been largely inaccessible to the government. This disruption has had far-reaching consequences, contributing to a sharp decline in foreign exchange reserves, a shrinking national budget, and a severe reduction in government spending capacity. Combined with these economic pressures, the loss of energy revenues has also fuelled skyrocketing inflation, making basic goods and services increasingly unaffordable for ordinary Syrians.

10. Severe damage to the housing stock

The housing sector has been one of the most severely impacted by the war, with a significant percentage of Syrians losing their homes as cities and residential areas were turned into battlefields. The conflict has led to the complete destruction of an estimated **328,000** homes, while another million housing units have sustained moderate or minor damage. In total, nearly one-third of Syria's housing stock—**1.3** million units—has been either entirely destroyed or severely damaged, a staggering figure when compared to the country's estimated **4.5** million families.

This widespread destruction, coupled with large-scale displacement, rising housing costs, and restricted access to essential housing, land and property (HLP) documentation, has fuelled the growth of informal settlements. These now account for more than **60%** of urban housing, where living conditions are often dire, with limited access to basic services such as clean water, sanitation, and electricity.

The latest HNO estimates that **5.7** million people in Syria currently require shelter assistance⁴⁶. However, this figure does not account for returning refugees, for whom the availability of adequate housing will be a key factor in their decision to repatriate. Without a comprehensive housing recovery plan, the challenges of displacement and homelessness are likely to persist, further complicating Syria's path to post-conflict reconstruction and stability.



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46 United Nations Office for the Coordination of Humanitarian Affairs (2024), Syrian Arab Republic: 2024, Humanitarian Needs Overview. February. <https://www.unocha.org/publications/report/syrian-arab-republic/syrian-arab-republic-2024-humanitarian-needs-overview-february-2024-enar>.



D. A challenging way forward for post-conflict recovery and development

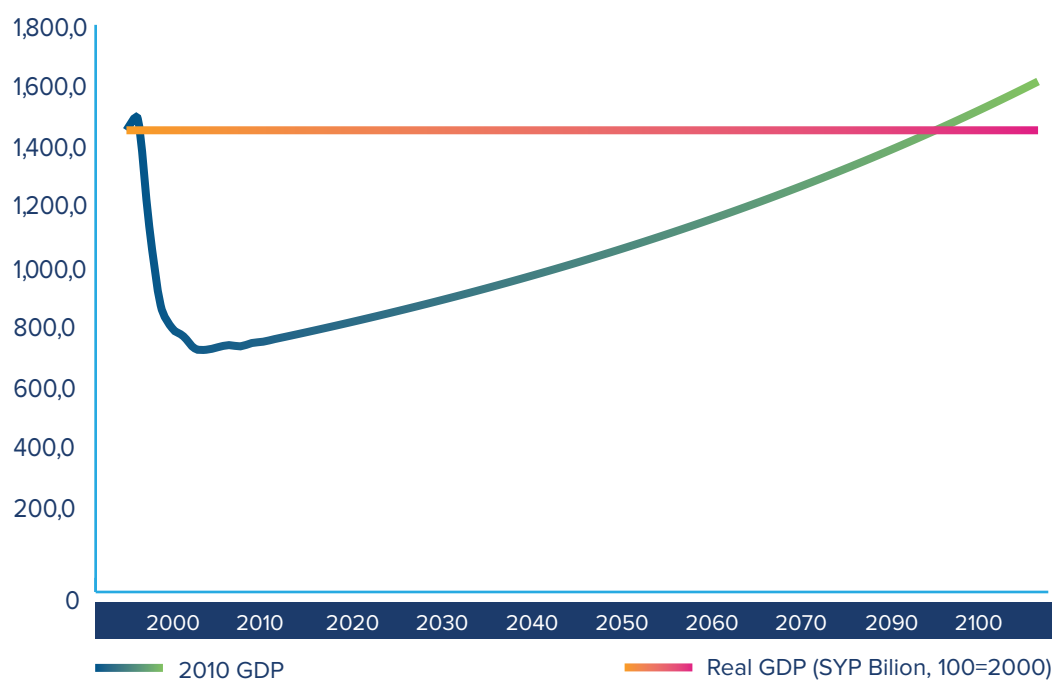
Syria's post-conflict economic recovery must ensure sustainable and high levels of growth to rebuild the vast destruction caused by the war and to provide decent livelihoods for all Syrians, including those who will return home after years of forced displacement. The recovery must create well-paying jobs for those able to work while ensuring adequate public funding for social safety nets to support those who cannot. In addition, restoring pre-war living standards and rebuilding an efficient social service infrastructure must happen as quickly as possible, with sound public finances that can sustain essential services for all citizens.

A critical question remains: how long will it take for Syria's economy to recover to its pre-war **2011** level?

1. Status quo scenario

Economic growth simulations indicate that if Syria continues to grow at the modest rate observed in recent years—around **1.3%** annually between **2018** and **2024**—its GDP will not return to **2010** levels until **2080**, nearly **55** years from now (Figure 16). This stark projection underscores the immense economic challenges ahead and the urgent need for policies that accelerate growth, attract investment, and rebuild essential infrastructure and industries to shorten the recovery timeline.

Figure 16: Syria's economic growth projection on a recovery path



Abbreviations: GDP = gross domestic product, SYP = Syrian pound.

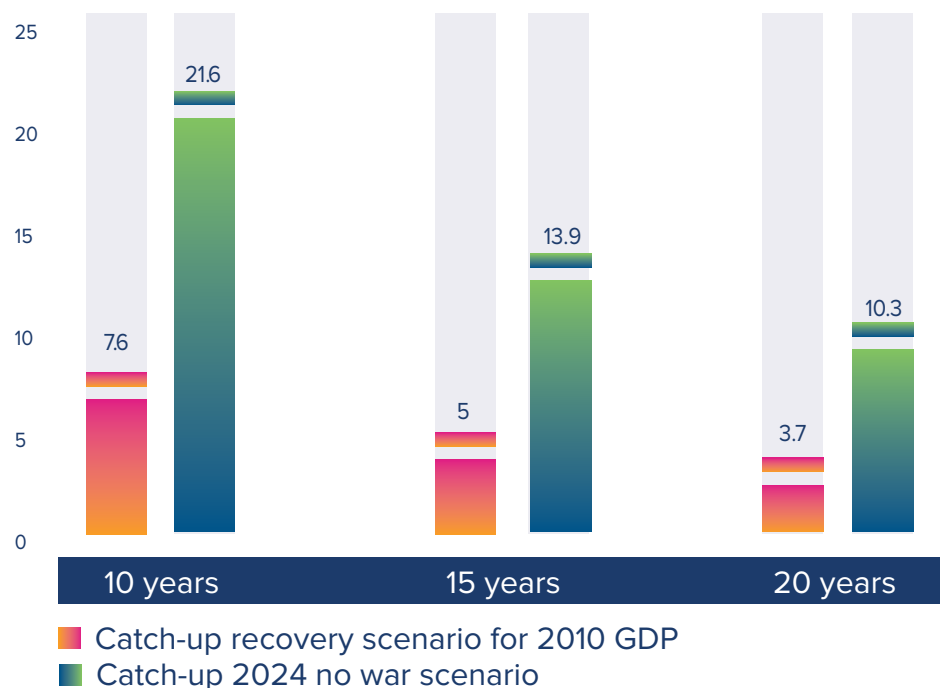
Note: Real GDP assumes year 2000 as the base year.

Source: UNDP study team analysis.

2. Recovering GDP level in post-conflict scenario

If the goal were not only to restore Syria's economy to its **2010** level but also to reach the GDP Syria would have had without the conflict, the required growth rate would be exceptionally high. In a purely theoretical scenario, achieving this lost economic potential within a decade—by **2035**—would require an annual growth rate of **21.6%**. If, instead, the economy were to grow at an average annual rate of **10.3%**, full recovery to the no-conflict GDP trajectory would take **20** years (Figure 17).

Figure 16: Required growth performance for Catch-up scenarios



Source: UNDP study team analysis.

3. Recovering 2010's GDP level in post-conflict scenario

A more realistic yet still ambitious scenario suggests that if Syria's economy were to grow at an average annual rate of **7.6%**, it could return to its **2010** GDP level (in constant prices) within a decade. However, this scenario does not account for the additional GDP losses incurred since **2010** due to the prolonged conflict. Even at this accelerated pace, the country would still face a long road to achieving the economic stability and growth that could have been possible in the absence of war.

The three scenarios outlined above underscore the scale of the recovery challenge, which is further compounded by substantial infrastructure reconstruction needs and the imperative of facilitating the return of refugees.

Achieving any of these ambitious targets will depend on several critical factors. The projections assume the potential return of six million refugees, which would increase demand for goods and services, thereby revitalizing the labour market and stimulating local production. Furthermore, with an annual population growth rate of **2.4%**, significant investments in infrastructure and productive sectors will be essential to accommodate demographic expansion and ensure sustainable economic recovery.

Restoring the economy will require the revitalization of key sectors such as agriculture, oil, and manufacturing, alongside efforts to address macroeconomic challenges, including fiscal deficits, inflation, and exchange rate volatility. The Syrian government must prioritize rebuilding productive capacity, enhancing the business environment, and attracting investment, with a particular focus on the private sector, including micro-, small- and medium-sized enterprises (MSMEs).



The extensive destruction of infrastructure, housing, and social services over almost **14** years represents a significant financial burden. This challenge is compounded by the need to support millions of refugees and IDPs in returning to their homes and reintegrating into the economy. For this process to be viable, economic recovery and infrastructure rehabilitation must be complemented by temporary financial assistance to returning refugees, enabling them to repair housing and restore sustainable livelihoods.

The private sector, particularly MSMEs, will play a central role in recovery efforts. Improving access to finance, reducing bureaucratic constraints, and combating corruption will be critical to fostering job creation and economic growth. These measures will be instrumental in rebuilding livelihoods and providing economic opportunities for vulnerable populations.

Addressing the ongoing humanitarian crisis must also remain a priority. Strengthening social protection systems, restoring healthcare and education, and ensuring equitable access to essential services are vital for meeting urgent needs, reducing inequalities, and fostering social cohesion.

Syria also faces the formidable task of rebuilding state institutions, which have been severely weakened by conflict and corruption. Institutional reforms, including the establishment of a new and inclusive social contract, will be essential to restoring trust between the state and its citizens. Strengthening public administration, promoting transparency, and advancing decentralization will be necessary to establish effective governance and enhance service delivery.

A comprehensive and integrated strategy is required to address the interrelated challenges of governance reform, macroeconomic stabilization, private sector revitalization, infrastructure rehabilitation, and social protection. This will necessitate a clear national vision, substantive reforms, and effective institutional coordination.

However, before these challenges can be effectively tackled, Syria must first establish a foundation for a governance system that is law-based, predictable, and accountable.

Finally, easing sanctions and improving access to global markets will be critical in strengthening Syria's economic prospects, advancing its recovery, and ultimately fostering long-term peace.



Annexe I: Methodological note

1. Data limitations

The conflict in Syria has significantly compromised the availability, reliability, and consistency of socio-economic data, posing major challenges for analysis. The fragmentation of control across government-held, opposition-held, and non-state actor-influenced areas has disrupted data collection, leading to gaps and inconsistencies. The Central Bureau of Statistics (CBS) has faced considerable constraints, including the displacement and migration of skilled professionals, which have weakened its capacity to collect, verify, and analyse data. Security risks further impede fieldwork, necessitating reliance on outdated methodologies or incomplete datasets.

In areas outside government control, direct data collection is unfeasible, resulting in the use of secondary sources or estimates that may not accurately reflect prevailing conditions. Key indicators—including unemployment, inflation, and poverty—are often underreported or entirely missing, particularly in conflict-affected regions where informal labour markets prevail, parallel exchange rates and multiple currencies influence inflation, and poverty assessments are hindered by restricted access and mass displacement. The destruction of infrastructure and the collapse of service delivery have also affected the accuracy of health and education statistics.

Additionally, the expansion of informal and black-market economies, which are difficult to quantify, further distorts economic data. The absence of standardized reporting mechanisms and weak coordination among various data-collecting entities have resulted in inconsistencies, rendering national-level statistics unreliable. Political and operational constraints, including potential biases in reporting, further undermine the credibility of available data. These limitations necessitate a cautious interpretation of socioeconomic indicators and underscore the urgent need for enhanced data collection mechanisms to facilitate a more accurate assessment of the conflict's impact.

2. Cross-country comparisons

Cross-country comparisons of socio-economic indicators have been challenging due to several factors. First, Syria's protracted conflict is shaped by unique socio-economic, political, and regional dynamics, characterized by unprecedented levels of violence, displacement, and destruction, as well as extensive regional and international involvement. These factors have resulted in extraordinary humanitarian and socio-economic repercussions that extend beyond measurable indicators, profoundly affecting social cohesion, levels of violence, cultural life, and the formation of a political community that reflects Syria's diverse social fabric.

Second, while comparisons with other conflict-affected countries in the region—such as Yemen and Libya—may seem relevant, differences in conflict dynamics, duration, pre-war income levels, and growth drivers have led to distinct socioeconomic outcomes, making direct comparisons difficult.

Third, data limitations further hinder meaningful assessments. Key indicators in Syria, such as poverty and food insecurity, are often derived from outdated or inconsistent methodologies that differ from those used in other countries, reducing comparability.

For example, food security analysis in Syria relies on sample-based surveys conducted jointly by the Central Bureau of Statistics and the World Food Programme, which estimate food security levels based on calorie consumption. However, variations in data collection and analytical methodologies across countries complicate direct comparisons, making cross-country assessments of socio-economic conditions particularly challenging.

3. Syria's GDP estimates

Various international organizations report different GDP figures at constant prices for Syria, primarily due to variations in base years and methodologies. Different institutions adopt different base years for estimating GDP at constant prices—for example, the Syrian Centre for Policy Research uses **2000**, ESCWA uses **2010**, and the World Bank uses **2015**—resulting in discrepancies in reported figures.

Moreover, differences in methodologies, data sources, and exchange rate assumptions further contribute to inconsistencies, particularly in GDP estimates at current prices in US dollars. For instance, the World Bank integrates night-time light data to estimate Syria's GDP trends, whereas other organizations may rely on official statistics, sectoral output estimates, or alternative economic indicators.

These methodological variations underscore the challenges in accurately assessing Syria's economic performance and necessitate careful interpretation of GDP figures across different sources.

		Actual Data		Authors' projections	
		2010	2022	2023	2024
Syrian official data	Real GDP (SYP Billion, 2000=100)	1,494.6	696.8	706.6	715.8
	Real GDP (USD Billion, 2000=100, Average 2010's exchange rate 49.36 SYP per 1 USD)	30.3	14.1	14.3	14.5
Food Insecurity	Real growth rate	5.2	0.7	1.4	1.3
Syrian official data	Real GDP (SYP Billion, 2010=100)	2,834.5	1,321.5	1,340.0	1,357.4
	Real GDP (USD Billion, 2010=100, Average 2010's exchange rate 46.3 SYP per 1 USD)	61.2	28.5	28.9	29.3
	Real growth rate	5.2	0.7	1.4	1.3
	Annual average black market exchange rate for 2000	46.3	4,531.7	4,532.7	4,533.7
Syrian official data	Nominal GDP (SYP Billion)	2,834.5	88,590.5	-	-
	Nominal GDP (USD Billion)	61.2	19.5	-	-
World Bank (Data portal)	Syria GDP at current USD billion	61.4	23.6		
	Syria GDP at constant prices of 2015 (USD billion)	34.3	16.0		

4. Estimating GDP loss for Syria during 2011-2024

The economic cost of the conflict in Syria is estimated by combining GDP loss—representing forgone economic growth—and the destruction of physical capital. Loss in GDP is calculated on the assumption that Syria's real GDP (at constant **2010** prices) would have grown at a steady annual rate of 5% in the absence of conflict. Based on this projection, the cumulative difference between actual and potential real GDP is expected to reach **US\$799.4** billion by the end of **2024**.

In addition, physical capital destruction is estimated at **US\$123.3** billion, incorporating United Nations Economic and Social Commission for Western Asia's (ESCWA's) **2020** estimate of **US\$117.7** billion⁴⁷, plus an additional **US\$5.1** billion in damages from the **2023** earthquake in Syria⁴⁸ and **US\$0.5** billion from localized battles (as estimated by the study team).



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47 United Nations Economic and Social Commission for Western Asia (2020), Syria at War: Eight Years On. <https://syria.un.org/sites/default/files/remote-resources/c613b26768d32119ac71b1e6b149676f.pdf>.

48 World Bank (2023), Syria Global Rapid Post-Disaster Damage Estimation (GRADE). <http://documents.worldbank.org/curated/en/099084502282328299/pdf/P1721710045bd103f089f109cfbc15aa2b.pdf>.

