



4. Socio-economic situation with a focus on Damascus city

4.1. Overview of economic situation

In 2025, Syria experienced a modest but fragile economic recovery, with real GDP growth estimated at 2-4 %, driven by the lifting of sanctions, renewed trade, increased public-sector wages, and refugee returns.[954](#) Authorities have taken steps towards the liberalisation of the economy, while making efforts to unify macroeconomic, fiscal, and monetary policies.[955](#) Despite these improvements, economic conditions remained severe, with inflation, high unemployment, and declining purchasing power significantly impacting daily life.[956](#) Price increases affecting many basic goods and food items were reported in the first quarter of 2026, driven by rising production costs, currency depreciation,[957](#) and regional geopolitical tensions.[958](#) The regional conflict in the Middle East has led to increased import costs, disrupted supply chains, negatively affected food production,[959](#) and reduced electricity supply.[960](#) Authorities efforts to improve access to food, fuel[961](#) and services such as electricity have often come with significant price increases.[962](#) As a result, services are more accessible but often unaffordable,[963](#) leading to public protests against rising cost of living, particularly high fuel and electricity bills.[964](#)

The World Food Programme's (WFP) Minimum Expenditure Basket (MEB)[965](#) far exceeded the minimum wage, leaving nearly 90 % of households struggling to meet basic needs, while Syria's 2025 humanitarian plan was only 35 % funded.[966](#) WFP has cut emergency food assistance by 50 %, reducing support from 1.3 million to 650 000 people in May 2026, and ended a nationwide bread subsidy programme that had assisted millions each day.[967](#) In 2025, Syria faced its most severe drought in nearly 40 years, significantly impacting water availability and food security, with an estimated 2.7 million-ton wheat deficit affecting at least 16.2 million people.[968](#) Since late May 2026, severe flooding along the Euphrates in Deir Ez-Zor and Raqqa has caused displacement, damaged infrastructure, and disrupted livelihoods during the harvest season, further exacerbating food insecurity in some of Syria's most vulnerable areas.[969](#)

UNOCHA estimated that in 2026, 15.6 million people in Syria require humanitarian assistance, including over 5.5 million IDPs, as well IDP returnees and refugee returnees. This represents a decrease of 900 000 people compared to 2025, which was attributed to 'some nominal improvements' and stricter scope of humanitarian assistance.[970](#)

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