



Assessment Study on Syria Food for Peace Bread Program of 2013 to 2020

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CONTENTS

ACRONYMS	3
1. INTRODUCTION	4
2. STUDY OBJECTIVES	4
3. METHODOLOGY	4
4. BACKGROUND AND CONTEXT OVERVIEW	4
5. MAIN STUDY FINDINGS	6
5.1 SUPPORT TO LOCAL BAKERIES AND HOW THE PROGRAM OBJECTIVES WERE EFFECTIVELY MET	6
5.2 PROGRAM IMPACT ON THE MARKET AND UNINTENDED CONSEQUENCES	8
5.3 BREAD PROGRAMS' FOOD SECURITY OUTCOMES AND HOW IT IMPACTED THE TARGET POPULATION	10
5.4 PROGRAM SUSTAINABILITY AND UNINTENDED CONSEQUENCES	11
5.5 BEST PRACTICES AND LESSONS LEARNED	11
6. RECOMMENDATIONS AND REMAINING QUESTIONS FOR FURTHER RESEARCH	12

ACRONYMS

CSI	Coping Strategy Index Score
FCS	Food Consumption Score
FFP	Food for Peace
GoS	Government of Syria
HDD	Household Dietary Diversity Score
HVG	Household Vegetable Gardens
IDP	Internally Displaced People
LC	Local Council
NES	Northeast Syria
NGO	Non-Governmental Organization
NWS	Northwest Syria
SS	South Syria
SYP	Syrian Pound

1. INTRODUCTION

Since 2013, the USAID/Food for Peace (USAID FFP) has been supporting a bread program across Syria, in areas outside of the Syrian Government control, namely, Northeast Syria, Northwest Syria, and South Syria. The USAID FFP funded partners supported bakeries across Syria to increase the supply of bread, as well as to improve people's access to bread, at a stabilized price. The goal of the FFP bread program is to improve household and community-level food security of the conflict-affected vulnerable populations in Syria. iMMAP Regional Office in Jordan was assigned to assess the USAID FFP Syria bread program of 2013 - 2020.

2. STUDY OBJECTIVES

The assessment was based on the following study questions; 1) How effectively did the supported local bakeries meet the program objectives? 2) How did the FFP bread program influence markets, prices of bread, complementary and substitute commodities? 3) How did the programs' food security outcomes impact the target population? and, 4) What are the unintended positive and negative consequences of the FFP bread program?

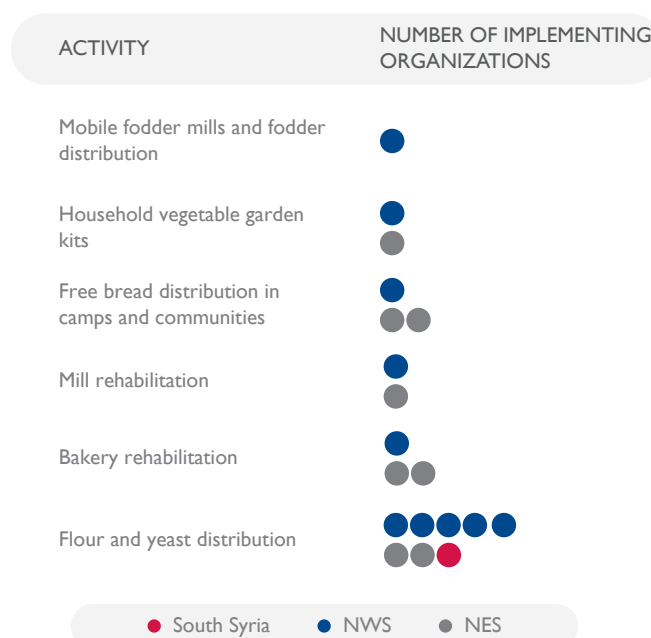
3. METHODOLOGY

The study adopted a mixed methods approach that entailed: a) FFP program desk review, b) key informant interviews with relevant stakeholders of the FFP bread program and, c) in-depth interviews with FFP bread program beneficiaries residing in camps. The study approach assessed the layers of the FFP bread program across different geographic hubs of Northwest, Northeast and Southern Syria. Each evaluation component drew data from both primary and secondary sources.

4. BACKGROUND AND CONTEXT OVERVIEW

At the onset of this USAID FFP program in 2013, the Syrian conflict had forced approximately six million people to leave their homes inside Syria and another two million had sought refugee status in neighboring countries. By the year 2013, over 9 million people were recorded as in need of humanitarian assistance.¹ The escalation of the conflict led to the widespread displacement of people and the humanitarian crisis within Syria and the region. Hostilities continued as shifting frontlines and areas of control forced IDPs into smaller and more congested areas, causing an exacerbation of humanitarian needs. Throughout the course of various cross-border bread support programs and their implementation in Syria, conflict and political dynamics routinely served as both the main drivers and limiters behind human displacement patterns, food insecurity, poor humanitarian conditions and limited humanitarian access.

Figure 1: Syria Food for Peace Program Activities per Hub



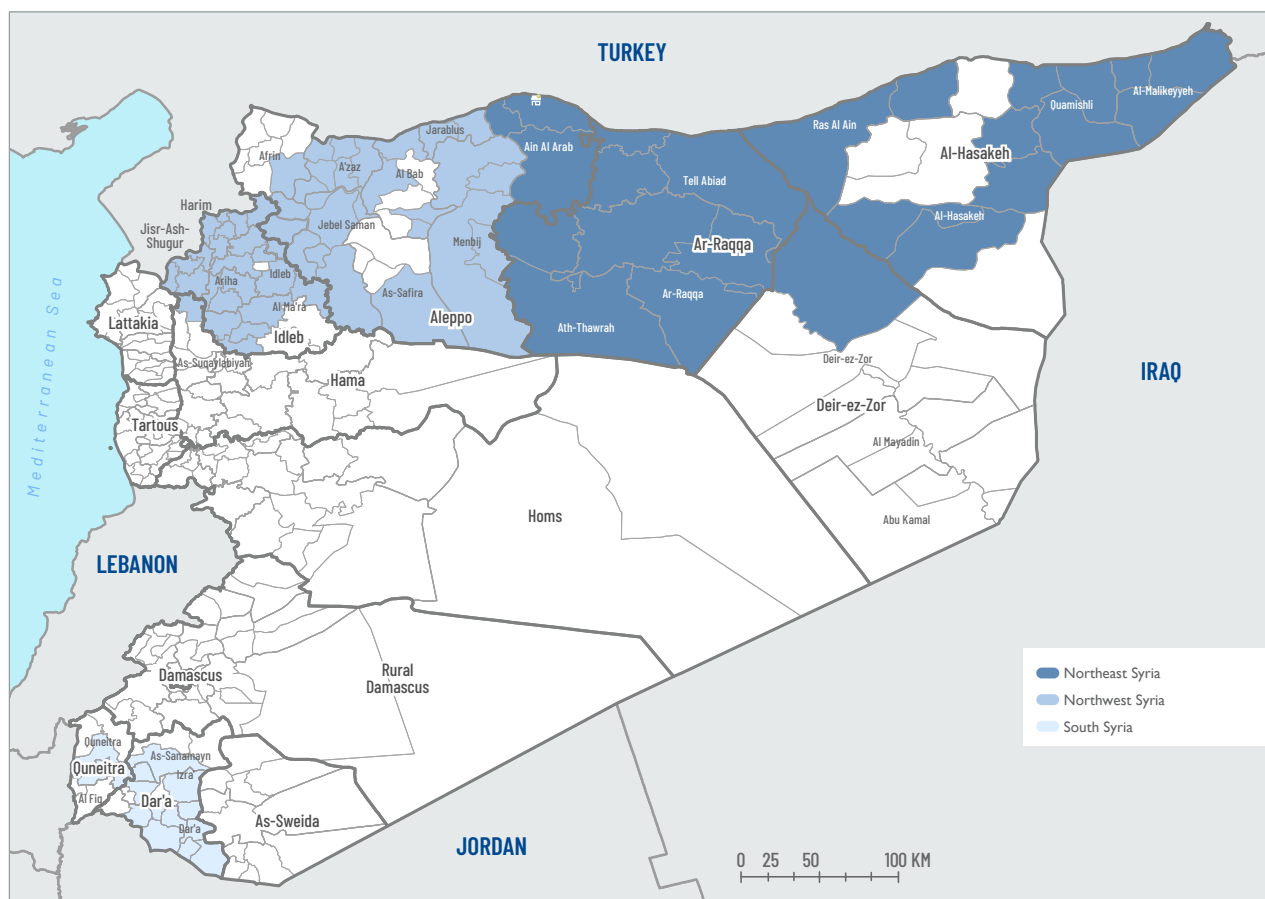
¹ OCHA, Humanitarian Situation in Syria, January 2014

Under a mandate of the cross-border resolution, programs operated from countries adjacent to Syria and specifically target non-GoS controlled territory. This ensured that the vulnerable civilian population in these areas would have access to affordable quality bread. The FFP bread programs provided assistance in non-GoS controlled areas based on need as government subsidies were cut when opposition groups took territorial control. If the opposition in Syria seizes new locations, the FFP bread programs would have to expand their coverage to include them. If the opposition lost territory, the program covering those areas would shrink because the GoS would provide government subsidies to support the wheat-flour to bread value chain in all GoS controlled areas.

As the conflict continued across Syria and non-GoS entities seized more territory, these entities began to establish a complex set of local and regional level governance structures to administer over their areas of control. Some of the sanctioned militia governance groups often resorted to coopt humanitarian programs to increase their perceived legitimacy via influencing beneficiary targeting and inputs distribution or sought to levy taxes (directly and indirectly) on humanitarian assistance to fund their administrative activities. Accordingly, the FFP program became entrenched directly and indirectly with threats and intimidations within these political structures and the localized wartime economies that existed across the program locations. While the FFP program impacts on market dynamics can be measured and tracked, the political influence of bread was often outside the scope and capacity of the FFP bread program's monitoring and evaluation plan.

Figure 1 presents the number of partners which implemented various activities during the study period of the FFP bread program across the non-government controlled areas in Syria. The FFP bread program activities mostly targeted the wheat-flour to bread value chain components to improve household access to affordable bread. One organization introduced "Household Vegetable Gardens Intervention" in NES, that intended to build resilience and improve the dietary diversity of vulnerable, food-insecure households. As for South of Syria, the FFP bread program was suspended in July 2018 as the partner lost humanitarian access to program areas when the GoS regained control of South Syria.

Map 1: Geographical Coverage of Food for Peace Program Activities



The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the IMMAP.

The most dominant activity was the distribution of bread production inputs (flour and yeast) to bakeries, where flour distribution support covered 30-50% of the targeted bakeries' bread production needs. Due to the major disruption in the local production of wheat and flour, most of the flour distributed to bakeries was imported from the region. Some organizations (one organization in NES, two organizations in NWS, one organization in SS) purchased local flour where this approach aimed at revitalizing the local wheat-flour to bread value chain development.

5. MAIN STUDY FINDINGS

5.1 SUPPORT TO LOCAL BAKERIES AND HOW THE PROGRAM OBJECTIVES WERE EFFECTIVELY MET

The desk review recorded that all implemented FFP bread program activities achieved set targets regarding their beneficiary numbers and other output targets, although in most cases this required several no-cost time extensions to consider time lost because of insecurity and conflicts related incidencies that disrupted the program. Key informants from FFP bread program partners reported that beneficiaries in targeted areas remained satisfied with bread quality and its subsidized price. However, internally displaced people (IDP) as camp beneficiaries expressed less satisfaction with bread quantity, complained that two loaves per average household size of six were too small (0.33kg bread per person), despite that this quantity meets the SPHERE standards. By covering all the population within the geographical coverage of the supported bakeries and all the inhabitants of the refugee and IDP camps, the USAID FFP bread program reached over 2.5 million people as both direct and indirect beneficiaries for the period 2013 to 2020 in Syria.

Regarding the direct impact of FFP bread program activities on bakeries, **supported bakeries confirmed that the bread program reduced the financial burden, enhanced the bread production quality, and created new job opportunities with more personnel employed by bakeries as well as more people engaged as bread traders/ vendors.** Partners practiced regular bread quality monitoring by measuring the weight, checking on the taste, color and aroma of random samples from the baked bread and carried out beneficiary satisfaction surveys to ensure the quality of subsidized bread produced met the program stringent standards within the agreed range of 1 to 1.2kg per package with 8 to 10 loaves of bread. Overall, the FFP bread program as implemented and monitored by one partner in NES, recorded the beneficiaries' satisfaction rate that ranged from 86 – 91% throughout the program duration². This confirmed the FFP program partner's capacity to ensure its subsidized bread remained of high quality. Furthermore, the change in more employment opportunities for bread vendors was very noticeable. In 2014, the Emergency Market Mapping and Analysis by one FFP program partner in NWS reported that the number of bread vendors increased by 42%³. The increase was partly attributed to the breakdown in government regulation, where prior to the conflict, bread vendors required a government-issued license to operate. Feedback on the bread vendor numbers was reported to have increased dramatically and there was an emphasis on the importance of this employment in terms of livelihood. Prior to the conflict, only slightly more than 50% of the community members interviewed reported purchasing bread from bread vendors, however, with the onset of the FFP bread program, 97% of study respondents reported purchasing bread from bread vendors.⁴ Key informants reported that community members increasingly fear crowded public places (bakery queues), which could be targeted in airstrikes, thus people prefer to buy bread from vendors who had to be employed in large numbers to sell/distribute bread at household level. Many Local Councils were asking people not to go to the bakeries because they may be targeted, so there was also an increase in employed bread vendors to make up for this as well.

Most study respondents reported that subsidized bread supplement non-subsidized bread production, resulting in most community members being able to access bread. The FFP bread program partners confirmed that the program had an influence of even stabilizing the price of non-subsidized bread (on average decreased by 65% in NES and about 35% decrease in NWS, during the study period) by increasing competition in the market. However, the prices of complementary and substitute commodities (e.g., rice and lentils) to bread were ever-increasing over the years. The main reason behind the surge in prices was due to the rapid depreciation of the Syrian pound (+2,463% SYP/USD, Oct 2011 – 2020). This had negative effects on the purchasing power of vulnerable households and small/medium market actors, with incomes not keeping up with inflation and limited access to USD. Other reported spillover effects were related to the increased input prices such as fuel cost, which led to high transportation costs on both the wheat-flour-bread trading as well as the complementary and substitute commodities. Despite the high input cost of bread production, all the FFP program supported bakers and half of the traders (50%) as study respondents, reported that wheat demand and their sales increased during the FFP program period of 2013-2020.

² NES FFP INGO Partner, Satisfaction Survey, December 2019

³ NWS FFP INGO Partner, Wheat Market Assessment Northern Idleb governorate, Syria May 2017

⁴ NWS FFP INGO Partner, Wheat Market Assessment Northern Idleb governorate, Syria May 2017

5.2 PROGRAM IMPACT ON THE MARKET AND UNINTENDED CONSEQUENCES

The evident impact of the FFP bread program activities on the market was focused on the bread production segment of the wheat-flour to bread value chain. The free distribution of flour and yeast to bakeries, done with the use of imported flour contributed to making bread accessible and affordable to consumers. Price of bread from supported bakeries remained low and stable against the highly volatile market. This positive impact could have been wider on the local market chain actors in the wheat-flour to bread value chain and the local market for wheat and flour; if the FFP bread program had also focused more on supporting farmers on local wheat production. However, due to several factors that included the emergency nature of the bread program, the lower levels of local wheat production, the destruction of wheat storage and flour processing facilities, the FFP bread partners had to rely on direct flour distribution with flour imported across the neighboring regions/ countries.

Figure 2: Al-Hasakeh Governorate Bread Price Tracking (Nov 2014 - Sep 2016)⁵

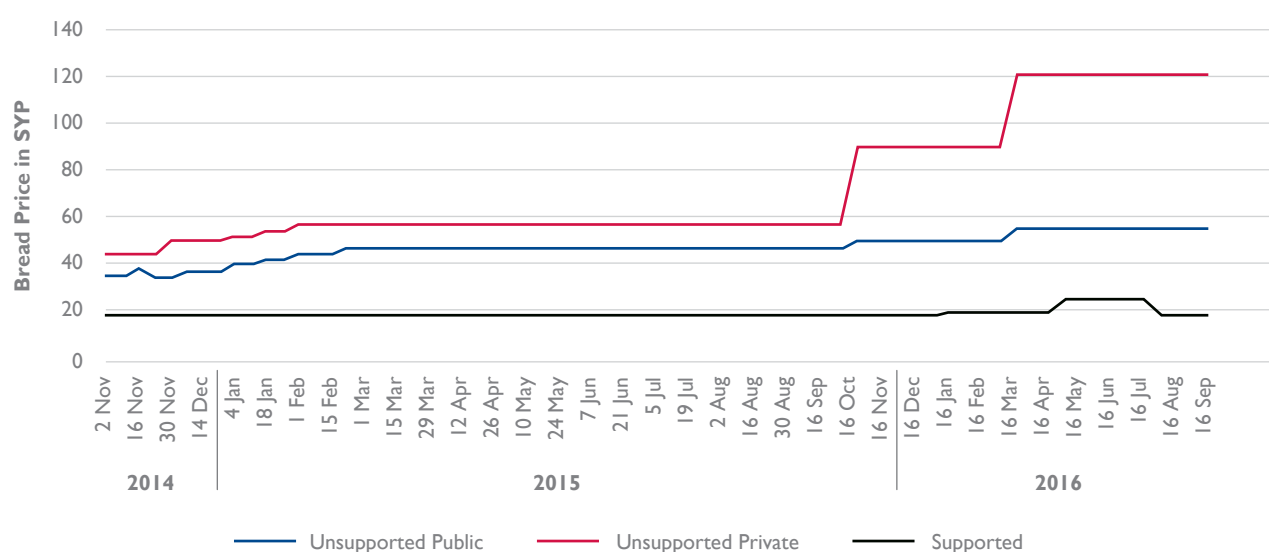


Table 1: Reported Bread Prices (2011 - 2020)

HUB	Bread Type	June 2020 Reported Price	2013-2017 Reported Price	2011-2012 Reported Price
NES	Public Regular	Range: 50-92 SYP/kg Average: 75 SYP/kg	Range: 14-71 SYP/kg Average: 47 SYP/kg	Range: 11-28 SYP/kg Average: 12 SYP/kg
	Aid Supported bread	Average: 20 SYP/kg	Average: 20 SYP/kg	Not applicable
	SYP Exchange Rate (USD/SYP)	Average: 513	Average: 270 Range: 77 - 517	Average: 56 Range: 47 - 77
NWS	Public Regular	Range: 824-1,412 SYP/kg	Range: 125 - 208 SYP/kg	Range: 824-1,412 SYP/kg
	Aid Supported bread	400 SYP/kg	Range: 95 - 200 SYP/kg	Not applicable
	SYP Exchange Rate (USD/SYP)	Average: 513	Average: 270 Range: 77 - 517	Average: 56 Range: 47 - 77

⁵ NES FFP INGO Partner, 2016 Quarter 4

Figure 3: Al-Hasakeh Governorate Bread Price Tracking (Jan 2017 - Jun 2017)⁶

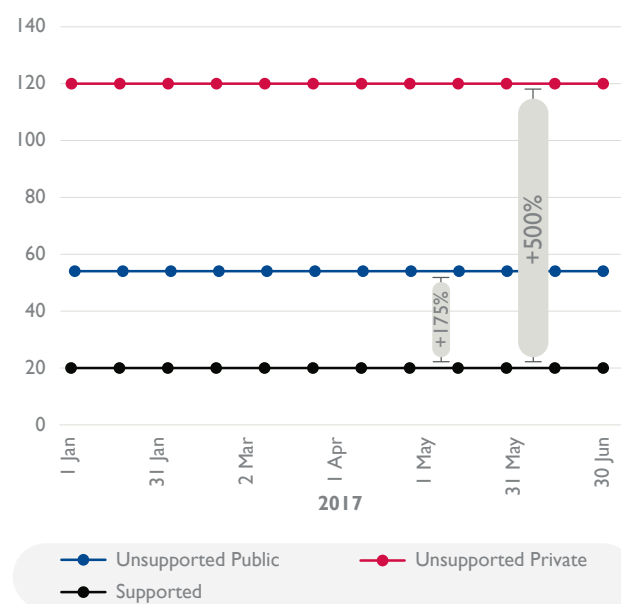
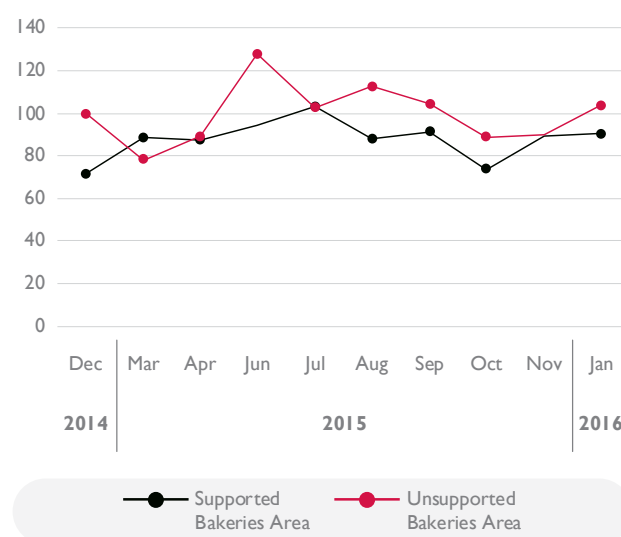


Figure 4: Northwest Bread Price Tracking (Dec 2014-Jan2016)⁷



The study asked all targeted stakeholders questions seeking to assess what kind and how large of an impact the FFP bread program had on the local markets for wheat, flour, yeast, and bread over the duration of the study period. The response ‘increased the supply of bread overall’ was positive, as it suggested that the production of subsidized bread did not push non-subsidized bread, or the bakeries producing it, out of the market. Instead of replacing it, subsidized bread supplemented non-subsidized bread production, resulting in most community members being able to access bread. In northwest Syria, it appeared the frequency of the response ‘reduced bread prices, even for non-subsidized bread due to competition’ indicated that the FFP bread program was effective at increasing accessibility of affordable bread even beyond just the provision of subsidized bread. These responses indicated – and discussions with high-level stakeholders from the FFP partners interviewed during this study, validated the fact that – the FFP bread program also influenced the reduction of the price of non-subsidized bread in NWS by increasing competition in the market. Although there appeared to have been rare issues with the limited supply of bread during the FFP bread program implementation in specific communities, mostly coinciding with the sporadic influx of increasing IDP populations within the catchment areas associated with supported bakeries. Overall, the coverage of subsidized bread within FFP program locations appeared good and acceptable. **Other unintended consequences to take note for future bread programs were related to rare occasions reported by a minority of non-supported bakeries (7 out of 20) that FFP program supported bakeries appeared to have succeeded at the expense of the non-supported bakeries,** with bread business activities shifting away from the non-supported bakeries and their sales of non-subsidized bread. However, most non-supported bakeries (13 out of 20) interviewed, disputed this notion.

⁶ NES FFP INGO Partner, 2017 Program Report

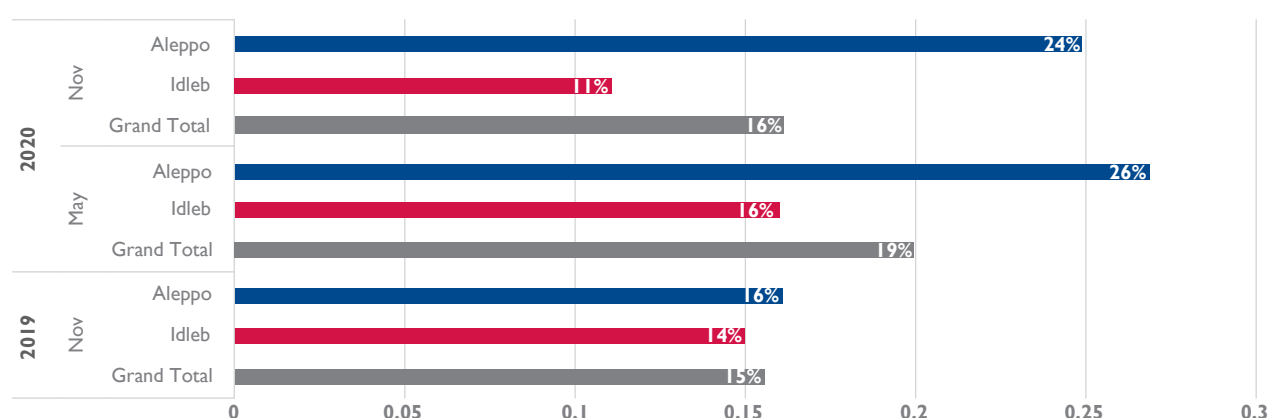
⁷ NWS FFP INGO Partner, Bread Price Tracking in Syria (2014 – 2016)

5.3 BREAD PROGRAMS' FOOD SECURITY OUTCOMES AND HOW IT IMPACTED THE TARGET POPULATION

Secondary information from FFP bread program partners in NWS recorded that, about 52% of the sample from the target population had a record of acceptable Food Consumption Score (FCS) and Average Coping Strategies Index Score (CSI) ≤ 5 as at June 2018 as compared to the baseline status in July 2013 which had only 37% of the population with a record of acceptable FCS and with an average (CSI) of 27⁸. The lower prevalence of food insecurity could be attributed to the FFP bread program and monthly food assistance that was often provided in the same communities across the target geographical areas. This was in comparison of the program duration to the pre-program period. Secondary sources from FFP bread program partners recorded an increase in percentage of households who reported that they had sufficient food for their needs, from baseline (37%) to end line (83%). The household dietary diversity score (HDDS) of targeted beneficiaries increased over the FFP bread program period from a baseline HDDS: 5.2 to end line HDDS: 6.2.⁹ The mean HDDS increased by 1.2 points dominated by the bread constituted food group and food type classification. Over 80% of the FFP supported bakeries surveyed reported that they were satisfied with the quality of flour and yeast distributed by FFP bread program partners, stating that the quality of flour and yeast was better than from other sources.

The FFP bread program support was maintained over a substantial duration of time of over eight years, during which there were several dynamic factors that were affecting program implementation. These included major security/conflict issues, local currency inflation and price instability and influxes of IDPs into many of the areas covered by the program. Maintaining consistent geographical coverage throughout despite these issues helped ensure that a major dietary staple bread remained increasingly accessible for most households within the targeted area. Figure 5 highlight an increasing trend of household access (16-27%, from November 2019 to November 2020) to subsidized bread as supported by the FFP bread program, Local Councils and other NGOs funded programs across northwest Syria. However, numbers representing households' access to subsidized bread attributed solely to the FFP bread program was not readily available at the time of the study. Figure 5 presents the cumulative population (878,047 people) trend of households who had access to subsidized bread in NWS, (assuming that the local daily needs per person is 330g of bread).

Figure 5: Population Bread Needs Covered by Subsidized Bread production in Northwest Syria¹⁰



⁸ NWS FFP INGO Partner, 2017 Quarter One Report

⁹ NWS FFP INGO Partner, 2017 Quarter One Report

¹⁰ iMMAP Wheat-to-Bread Processing Facility Mapping

5.4 PROGRAM SUSTAINABILITY AND UNINTENDED CONSEQUENCES

Sustainability remains a point of debate. The FFP bread program activities were mainly designed to rapidly respond to an emergency related to disruption in the supply chain management and value chain development of the most staple food (bread) in the region. **The FFP program activities ensured continuation of bread production, bread sales at affordable prices and sustained bread access to the most vulnerable groups. That said, in the case of several bakeries, the support offered by the FFP bread program prevented targeted bakeries from having to stop operations due to prohibitive costs of production inputs.** Although the sustainability of these impacts was limited – when the FFP bread program support ended in certain program locations, bakeries became responsible for 100% of its production input costs – it was evident that the FFP bread program support allowed the bakeries to continue producing bread when they would not otherwise be able to, also allowing some targeted bakeries to continue generating profit. This profit helps some bakeries maintain operations, despite high input costs after the FFP program exit. Some evidence showed most FFP bread program partners put effort into building the local capacities in the management of bakery operations and supporting local wheat production.

With such a long FFP bread program duration, bread traders/vendors and owners of supported bakeries reported that they were able to build positive working relationships during the program period. In a couple of cases specifically, bread vendors indicated that they continued to purchase bread from previously supported bakeries following the end of the FFP program support because of the positive relationship and mutual respect generated throughout the program duration. Similarly, several bakery owners indicated that one of the positive impacts of their participation in the FFP bread program was that they gained a reputation in the surrounding communities for producing high-quality bread. The longer duration of the FFP bread program enabled or at least assisted with the development of that reputation, as people would have been consistently purchasing the subsidized bread, produced by the targeted bakeries for over eight years. Such market linkages based on mutual respect among the wheat-flour to bread value chain actors were a key proxy indicator to drive the sustainability of bread production beyond the FFP program exit, across the targeted geographical locations.

5.5 BEST PRACTICES AND LESSONS LEARNED

FFP bread program partners were or have been also implementing projects related to livelihood/agriculture, education, and WASH sectors across the same geographical locations in Syria as funded by either USAID or other donors. **Across such a range of humanitarian project activities, some of the FFP program partners managed to register unintended positive impact by providing a holistic and integrated approach to best meet both emergency needs of vulnerable people resulting from the rapid-onset of the crises (such as mass displacement of people, etc.), whilst meeting short-medium term needs of vulnerable people through resilience building by linking relief and early recovery activities across the non-GoS controlled areas.** Rather than viewing emergency and recovery/development initiatives in isolation, wherever possible, FFP program partners managed to contribute towards the integration of emergency and recovery activities for the greater overall positive impact among the conflict affected communities in Syria. To continue supporting bakeries to increase bread production volumes in areas with high demand for bread remains a viable option to ensure that bread availability and its accessibility remain within acceptable levels for the targeted vulnerable people in Syria. Rather than mostly supporting bakeries with bread production inputs only, **there is need to consider for upscaling the bakery rehabilitation support which was low with the FFP bread program under the present assessment. Mills could also be supported through guaranteed contracts for locally milled flour if quantities are agreed in advance and mills are given the opportunity to mobilize local wheat supply from local farmers, where local wheat can be procured at competitive market price.**

A pilot livelihood activity of home vegetable gardens (HVGs) support proved to be a sustainable activity for vulnerable populations, as most beneficiaries who were benefiting from the household income generating gardens continued to produce vegetables after the FFP program exit. Household income generated from the sale of surplus vegetables was used as working capital for subsequent cropping seasons. Integrating **the bread program with other funded activities towards household income generation like the agricultural input support and cash for work, improved household purchasing power to access bread.**

6. RECOMMENDATIONS AND REMAINING QUESTIONS FOR FURTHER RESEARCH

Exploring the option of supporting Syrian flour mills/distributors and even Syrian wheat farmers were frequently mentioned as a priority by high-level stakeholders as well as by bakery owners and in-country mill/ flour distributors themselves. Establishing these local inputs procurement relationships may also help improve the sustainability of bread program outputs-outcome by working on developing in-country capacity to produce flour and/or wheat rather than ensuring continued reliance on imported inputs from Turkey, Iraq or elsewhere. Imports of flour can only be done where there is evidence of a lack of capacity for local wheat and flour production or where local procurement can distort the local price of wheat or flour. While some of the USAID/FFP-supported bread programs procured local flour and targeted the broader wheat-flour to bread value chain, **The USAID FFP program can consider opportunities to support the input supply chain management and value chain development of the whole wheat-flour to bread value chain e.g., support farmers, millers, bakeries for improved management and production.** Interestingly, there were some efforts (although relatively small) to do this under the FFP programs that were reviewed in this study.

As mentioned above, some organizations (one organization in NES, two organizations in NWS, one organization in SS) purchased local flour and this revitalized the local wheat value chain and supported local flour processing.

There was need to consider other types of bread production inputs support to be provided to bakeries. A few participating bakery owners indicated that **there were needs associated with inputs other than flour and yeast, including casual labor and fuel as well as more minor expenses like bread package bags. Moreover, the cost of bakery maintenance and old bakery machinery/equipment replacements were mentioned as a concern prohibiting increased bread production.** Several diverse kinds of stakeholders (local councils, supported bakeries, community members, etc.) reported that the breakdown of machinery at supported bakeries meant that subsidized bread was sometimes not available during the FFP bread program period. Considering cost- effective ways of assisting with these needs that may generate substantial expense for participating bakeries could help increase these bakeries' ability and willingness to produce more subsidized bread while minimizing the relative expenses they accrue through participation and production of subsidized bread. **With an upscaled support towards the rehabilitation of bakeries and mills, owners/bakeries were optimistic that they could maintain expected quality and quantity in bread production once the FFP program exits.**

ADDITIONAL RESEARCH QUESTIONS TO BE CONSIDERED FOR FUTURE STUDIES.

- I. Do vulnerable people afford to buy subsidized bread across the FFP bread program targeted communities? (Quarterly analysis)
- II. What are the challenges and opportunities of the local wheat value chain that can influence the bread program in a particular region of Syria? (Seasonal/Bi-annual analysis).
- III. Do ex-FFP bread program supported bakeries easily manage to register with local authorities or GoS after the termination of FFP support? (Annual study)
- IV. In some areas, the FFP bread program supported bakeries appear to have succeeded at the expense of the non-supported bakeries, whereas, in other areas that was not the case. It may be beneficial to undertake additional research to understand why there was complementarity happening in some cases while in others the supported bakeries appeared to have shut the non-supported bakeries out of the market (Once-off study).