Implications of the Rohingya Crisis for Bangladesh

Presented by
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At the dialogue on
“Addressing Rohingya Crisis: Options for Bangladesh”

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1. Introduction

1.1. The Context

• The forced displacement of the Rohingya people from Myanmar and their influx to Bangladesh have given rise to a grave situation for Bangladesh with potentially serious consequences from a number of dimensions.

• Several initiatives have been undertaken to address the crisis, at various levels and in various ways.

• The Government of Bangladesh (GoB) has been actively engaged to deal with the concerned multi-pronged issues. International agencies and non-state actors in Bangladesh have also been involved in addressing the attendant concerns.

• Despite worldwide concern for and condemnation of the atrocious act of the Myanmar military government, Rohingya people continue to take shelter in Bangladesh everyday.

• In this backdrop, there is a need for greater awareness about the dimensions of the crisis and to develop an enlightened, consolidated and strategic outlook to resolve the crisis.

• Taking cognisance of the above-mentioned aspects, the Centre for Policy Dialogue (CPD) has organised today’s dialogue titled “Addressing Rohingya Crisis: Options for Bangladesh”.

1. Introduction

1.2. Objectives

• The dialogue provides a platform to have an open and in-depth exchange of views on the emergent Rohingya crisis.

• The specific objectives of this presentation are as follows:

  i. To understand the different dimensions of the Rohingya Crisis such as humanitarian, geo-political, regional cooperation, security, economic, social and environment.

  ii. To assess the implications of the Rohingya Crisis for Bangladesh in terms of dealing with the challenges through relief operation and coordination, resource management, domestic and foreign policies and security measures.

  iii. To make a set of recommendations for addressing the Rohingya crisis.

• This presentation sets the tone of today’s dialogue by providing an overview of a host of issues related to the emergent Rohingya crisis.
1. Introduction

1.3. Methodology and Sources of Information

- Information have been collected both from primary and secondary sources.
- The study adopts both qualitative and quantitative approach in analyzing the issue.
- Primary information has been collected through interviews of relevant stakeholders and first hand observations at the Rohingya camps in Ukhia and Teknaf upazillas of Cox’s Bazar.
- CPD study team had conducted field investigation from 30 October to 02 November 2017 in several sites in Cox’s Bazar, including the camps in Ukhia and Teknaf.
- During the field visit, CPD researchers conducted:
  - Eight (8) Focus Group Discussions (FGDs) with Rohingyas (both old and new entrants) and local people of Ukhia upazila
  - Fifteen (15) Key Informant Interviews (KII) of government officials, development workers, local hotel staffs, businessmen and small traders
  - Discussion with local people
  - First hand observation at the camp sites
- The respondents of the study were selected purposively to understand their perspectives on the problem. Qualitative data collected through this exercise were then compared with relevant published documents to check consistency of information.
1. Introduction

1.4. Structure of the Paper

• First, the paper provides a broad understanding of the Rohingya crisis by exploring its historical roots and ethno-political issues of concern.

• Second, the paper discusses various measures taken by other national and international organisations to deal with the problem. This section provides a brief review on how the relief is being managed, what diplomatic initiatives have been taken at the bilateral and multilateral level, and how the issue of legal status of the Rohingyas has been addressed by the GoB.

• Based on the data collected and analyzed, the paper also provides an understanding of the budgetary implications of the crisis for Bangladesh. This has been examined through economic, social and environmental aspects.

• Finally, this paper provides a set of recommendations to address the emergent crisis.
2. Understanding the Rohingya Crisis
2. Understanding the Rohingya Crisis

2.1. Historical Background

• According to the report of the UN Office for the Coordination of Humanitarian Affairs (UN OCHA, 2017), at least 800,000 Muslims live in Rakhine state of Western Myanmar/Burma, where majority identify themselves as Rohingya.

• The Rohingyas were stripped off their citizenship and right to self-identify by the 1982 Citizenship Law (European Commission, 2017).

• The Rohingyas are also subject to many restrictions in day to day life. For example, they are banned from travelling without authorization; prohibited from working outside their villages; they cannot marry without permission; due to movement restrictions, they lack sufficient access to livelihood opportunities, medical care and education.

• The brutal killing of the Rohingya people and violence against them for several decades by the government of Myanmar have forced the Rohingyas to leave their country and take shelter in neighbouring countries.

• Most of the tortured Rohingyas fled to Bangladesh.

• Though the Rohingyas have been coming to Bangladesh since the 70s, a massive influx happened during 1991-1992. Among those who arrived in the early nineties, 33,148 are living in Nayapara and Kutupalong camps in Cox’s Bazar managed by the UN Refugee Agency (European Commission, 2017).
2. Understanding the Rohingya Crisis

2.2. Recent Crisis and Influx to Bangladesh

- The brutality against the Rohingyas by the Myanmar army has been termed as “ethnic cleansing” by the UNHCR.
- According to the office of the Cox’s Bazar District Commissioner, from 25 August, 2017 to 25 October 2017, a total of 605,000 Rohingyas have arrived in Cox’s Bazar district of Bangladesh.
- Around 203,431 Rohingyas were already living in Ukhiya and Teknaf upazila of Cox’s Bazar who entered Bangladesh during July 2005-24 August 2017.
- Ukhiya and Teknaf upazilas of Cox’s Bazar are the focal areas of Rohingya camps.
- Except these two areas, about 200,000 Rohingyas are living in the surrounding area of Ramu, Cox’s Bazar pourosova, Bandarban, Chittagong and other areas of Chittagong district.

Source: Report on Relief Distribution to Myanmar Nationals in Cox’s Bazar, (Relief and Rehabilitation Branch, DC, Cox’s bazar, Bangladesh; Memorandum No. 51.01.2200.000.24.016.17-555), 26 October, 2017
2. Understanding the Rohingya Crisis

2.2. Recent Crisis and Influx to Bangladesh

- The influx of the Rohingyas to Bangladesh continues till now.
- According to the UN OCHA (2017), total number of the Rohingya influx to Cox’s Bazar of Bangladesh stood at about 821,000 from 25 August to 05 November 2007.

2. Understanding the Rohingya Crisis

2.2. Recent Crisis and Influx to Bangladesh

- Till 25 October 2017, a cumulative number of Rohingyas staying in Bangladesh is 1,008,431. These include both old and new entrants.
- Figure 2 shows the distribution of the Rohingyas in different areas of Cox’s Bazar.

![Figure 2: Distribution of the Rohingyas in Bangladesh (%)](image)

**Source:** Report on Relief Distribution to Myanmar Nationals in Cox’s Bazar; (Relief and Rehabilitation Branch, DC, Cox’s Bazar, Bangladesh; Memorandum No. 51.01.2200.000.24.016.17-555); 26 October, 2017
2. Understanding the Rohingya Crisis

2.2. Recent Crisis and Influx to Bangladesh

- Figure 3 shows the distribution and estimated number of the Rohingyas (based on UN OCHA figures) living in different areas of Cox’s Bazar.

3. Dealing with the Recent Challenges
3. Dealing with the Recent Challenges

3.1. Humanitarian Support for the Rohingyas

- The Ministry of Disaster Management and Relief of the Government of Bangladesh and several national and international organizations have been providing humanitarian support to the Rohingyas.

- At a pledging conference in Geneva organised by the United Nations, IOM, UNHCR, OCHA and co-hosted by Kuwait and the European Union (EU), a total of US$ 434 million was sought as humanitarian assistance to the Rohingya people.

- A total of USD 344 million was committed by 35 sources at the pledging conference.

- According to UN website (UNOCHA) total incoming fund is equivalent to USD 143.19 million as of 10 November 2017 which is 33% of appeal fund.
### 3.1. Humanitarian Support for the Rohingyas

Table 1: Funding Progress by Appeal Sector (as of 10 November, 2017)

<table>
<thead>
<tr>
<th>Cluster/Sector</th>
<th>Required (USD million)</th>
<th>Funded (USD million)</th>
<th>Coverage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communicating with Community (CwC)</td>
<td>4.22</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>Education</td>
<td>26.32</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>Food Security</td>
<td>77.54</td>
<td>18</td>
<td>23.2</td>
</tr>
<tr>
<td>Health</td>
<td>48.33</td>
<td>2.64</td>
<td>5.5</td>
</tr>
<tr>
<td>Inter-Sector Coordination</td>
<td>4.2</td>
<td>0.04</td>
<td>1</td>
</tr>
<tr>
<td>Logistics</td>
<td>3.75</td>
<td>1.00</td>
<td>26.7</td>
</tr>
<tr>
<td>Nutrition</td>
<td>11.09</td>
<td>7.04</td>
<td>63.5</td>
</tr>
<tr>
<td>Protection</td>
<td>30.69</td>
<td>5.9</td>
<td>19.1</td>
</tr>
<tr>
<td>Refugee Response (Multi-Sector)</td>
<td>7.55</td>
<td>2.3</td>
<td>29.9</td>
</tr>
<tr>
<td>Shelter-Non Food Items (NFI)</td>
<td>90.33</td>
<td>8.6</td>
<td>9.6</td>
</tr>
<tr>
<td>Site Management</td>
<td>56.47</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>WASH</td>
<td>73.59</td>
<td>16.7</td>
<td>22.7</td>
</tr>
<tr>
<td>Not specified</td>
<td>n/a</td>
<td>78</td>
<td>0</td>
</tr>
<tr>
<td>Multiple clusters/sectors (shared)</td>
<td>n/a</td>
<td>3</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: UN OCHA
### 3. Dealing with the Recent Challenges

#### 3.1. Humanitarian Support for the Rohingyas

Table 2: Organization based Relief Initiatives

<table>
<thead>
<tr>
<th>Donor Org.</th>
<th>Org Types</th>
<th>Sector</th>
<th>Amount (in USD)</th>
<th>% of total appeal</th>
<th>Pledge (in USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>UN Agencies</td>
<td>UN Office for Project Service, IOM, WFP</td>
<td>Nutrition, Logistic, Food Security</td>
<td>224,589</td>
<td>0.1</td>
<td>0</td>
</tr>
<tr>
<td>Red Cross/ Red Crescent</td>
<td>Shelter, NFI</td>
<td></td>
<td>152,393</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>Private Organization/ Foundations</td>
<td>Wash, Health, Shelter, NFI</td>
<td></td>
<td>1,716,296</td>
<td>0.4</td>
<td>1,170,331</td>
</tr>
<tr>
<td>Polled Fund</td>
<td>CERF</td>
<td>Multi Sector, Food, Protection, Wash, Health, Shelter</td>
<td>19,012,077</td>
<td>4.4%</td>
<td>0</td>
</tr>
<tr>
<td>National Government</td>
<td>Govt. of Australia, Canada, UK, Denmark, etc.</td>
<td>Wash, Protection, Shelter, Food, Health, Multi sector</td>
<td>105,916,022</td>
<td>24.4%</td>
<td>7,238,464</td>
</tr>
<tr>
<td>Inter Governmental</td>
<td>ACF, Solidarities International, IOM, WFP, etc.</td>
<td>Wash, Protection, Nutrition</td>
<td>10,963,118</td>
<td>2.5%</td>
<td>0</td>
</tr>
<tr>
<td>Local NGO</td>
<td>BRAC</td>
<td>Wash</td>
<td>1,275,792</td>
<td>0.3%</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total (As of 09 November 2017)</strong></td>
<td></td>
<td></td>
<td></td>
<td>32.1</td>
<td></td>
</tr>
</tbody>
</table>

Source: UN OCHA, 2017.
3. Dealing with the Recent Challenges

3.2. Diplomatic Initiatives

- The UNHCR has termed the atrocities against the Rohingyas in Myanmar as ethnic cleansing.
- The five-point proposal by Prime Minister of Bangladesh Sheikh Hasina:
  - Myanmar must unconditionally stop the violence and the practice of ethnic cleansing in the Rakhine State immediately and forever.
  - Secretary General of the United Nations should immediately send a Fact-Finding Mission to Myanmar.
  - All civilians irrespective of religion and ethnicity must be protected in Myanmar. For that "safe zones" could be created inside Myanmar under UN supervision.
  - Ensure sustainable return of all forcibly displaced Rohingyas in Bangladesh to their homes in Myanmar.
  - The recommendations of Kofi Annan Commission Report must be immediately implemented unconditionally and in its entirety.
- UN Security Council Calls on Myanmar to end excessive military force and intercommunal violence in Rakhine state.
- Kofi Annan commission calls on Myanmar to resolve Rohingya crisis in Rakhine.
- The EU has renewed its sanctions against Myanmar until 30 April 2018 that imposes embargo on providing Myanmar with arms and goods
- The US has declared withdrawal of military assistance from Myanmar in the view Myanmar treatment to the Rohingya people.
- Re-imposition of targeted sanctions on Myanmar is also being considered by the USA.

Source: [http://www.bscn.nl/sanctions-consulting/sanctions-list-countries](http://www.bscn.nl/sanctions-consulting/sanctions-list-countries)
3. Dealing with the Recent Challenges

3.3. Bilateral Agreement

- Bangladesh’s home minister visited Myanmar on 24-27 October 2017 and discussed possible ways to repatriate the Rohingyas back to Myanmar with the Myanmar’s minister for home affairs.

- During the visit Bangladesh and Myanmar signed two agreements on security and border cooperation.

- They agreed to take concrete efforts and measures for safe, honourable and secured return of the Rohingyas to their homeland Myanmar.

- They agreed to restore normalcy in the Rakhaine State to enable the displaced Myanmar citizen to return to their homeland at the earliest.
3. Dealing with the Recent Challenges

3.3. Legal Status of Rohingyas

- Rohingyas have been suffering from identity crisis for long.
- Despite their contributions to the economy and society, their origin, ethnicity, and identity have been questioned.
- The Myanmar government identifies them as “illegal Bengali immigrants to Myanmar”.
- Bangladesh has strongly opposed Myanmar’s official position on the ethnic identity of the Rohingyas as “illegal Bengali immigrants to Myanmar”.
- The government of Bangladesh does not recognise them as Rohingya refugees from Myanmar and has defined them as “forcefully displaced Myanmar citizens”.
- Bangladesh is signatory to several international human rights treaties. Their provisions indirectly promote the rights of refugees. However, they are not enforceable in courts of law.
- Bangladesh has been issuing identity cards to the Rohingyas as *Myanmar Nationals*.
- These Myanmar Nationals have been biometrically registered by Immigration and Passport Department of Bangladesh. The Registered Rohingyas receive three types of humanitarian support including relief, medical support, and shelter.
4. Impact of the Rohingya Crisis
4. Impact of the Rohingya Crisis

4.1. Challenges

- Bangladesh will face several challenges due to the emergent Rohingya crisis from 3 main aspects – economic, social and environmental. The extent of the impact of such challenges will depend on the length of stay of the Rohingyas.

- Pressure on employment
- Depression of daily wage
- Cost of living
- Loss of school years (for locals and Rohingyas)
- Loss of tourism (especially in St. Martin)
- Health issues among Rohingyas and locals (mortality and morbidity, chronic malnutrition, respiratory illnesses, etc.)
- Deforestation; loss of biodiversity
- Natural calamities (landslides)
- Unethical activities (drug and human trafficking, prostitution etc.)
4. Impact of the Rohingya Crisis

4.2. Economic Impact

• There were several indications of changing structure of the employment in the local economy.

• The language spoken by the Rohingyas and the local people of Cox’s Bazar are almost similar which allows the Rohingyas to assimilate quickly with the locals.

• Many local students, who previously had no work, are working with the development partners in various capacities. A student who has passed HSC are eligible for the jobs.

• The daily wage earners are also switching to work with the aid agencies to work in the camps since the jobs are readily available. This creates problems for the farmers since it has now become difficult for them to find labourers to work in their farms.

• Some local people have created small businesses to sell fish, vegetables, bamboos, sticks, etc inside the camps. Since shelters are mostly made of bamboos, the bamboos have become a booming business.

• On the other hand, it was also reported that the daily wage has gone down. This is especially true in the camps.
  - The existing pay is Tk. 400-500 per day; but in the camps a day-labourer earns Tk. 150-200 per day.
  - However, the camps offer regular work and hence day labourers prefer to go there.
4. Impact of the Rohingya Crisis

4.2. Economic Impact (cont....)

- **Low tourist turnout in Saint Martin**
  - A ban on ship traffic has been implemented because of the ongoing unrest along the Bangladesh-Myanmar border.
  - In addition to regular tourists, a large part stays at Cox’s Bazar before travelling to St. Martin island.
  - Tour Operators in Cox’s Bazar claim that “risk of losing more than a million tourists this season”.
4.3. Social Impact

Population and Child Birth

- Several NGO workers noted that the Rohingyas lack awareness regarding family planning.

- The Rohingya population in the camps is likely to increase in the coming days which will put further pressure on food, employment, health and other basic needs.
4. Impact of the Rohingya Crisis

4.3. Social Impact

Health Concerns

- According to one of the NGOs working on WASH, each latrine is dedicated for 10 families i.e. 60 people while each of their tube-well is placed for 50 families.

- Concerns exist regarding the latrine pits as some latrines have 2-3 rings which means they get filled up fast.
  - There have been cases where families were reluctant to accept new and better latrines because they believe the new ones would be like the old ones.
  - Open defecation is likely to arise in future which will increase the risk of diseases

- There are also concerns regarding the placement of tube-wells because some of the implementers have installed shallow ones at a much lower height (30-40 feet).
  - This means the tubewells will become useless after sometime since they will not reach the groundwater.
  - Hence, scarcity of safe drinking water is likely to arise.

- The children in the camps either have no shoes or do not want to wear them at all. Hence, there is a high risk of diseases.

- Moreover, the makeshift shelters do not have any windows.

- With cooking done mostly indoors, the risk of respiratory infection is high.
4. Impact of the Rohingya Crisis

4.3. Social Impact

Major Needs of the Rohingyas

• During the FGDs, it was evident that their major problems were shortage of water, latrines, bathing place and cooking fuel.
  • Women feel shy in using the latrines as they are far from their shelters, and there are often long queues.
  • Mostly women and children collect water and fuel. This raises security concerns for women and children.
4. Impact of the Rohingya Crisis

4.3. Social Impact

Education

The implications of education are two-fold - for locals and the Rohingyas.

<table>
<thead>
<tr>
<th>Locals</th>
<th>Rohingyas</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Some schools are being used as military barracks to hold the soldiers</td>
<td>- The schools in the new camps do not teach Bangla</td>
</tr>
<tr>
<td>- Students are skipping colleges to work in the camps</td>
<td>- Many families send their children to Maqtabs in the camps</td>
</tr>
</tbody>
</table>
4. Impact of the Rohingya Crisis

4.3. Social Impact

Perception of Local People

- During our interview of the Rohingyas, we found out that the Rohingyas had tried to get into the local villages to collect firewood. But the villagers didn’t allow them entry and confiscated the tools and knives the Rohingyas were carrying.

- Locals were found to be discontent due to the following reasons: price hike of essentials, aid received by the Rohingyas, security concerns and loss of income.

- Some local families told that they used to receive medical care at the MSF Holland, but after the Rohingya crisis, they are not given free services anymore.

- Moreover, WFP used to give them a monthly stipend of Tk. 1050 which has been stopped since the crisis began.

- Previously, they were free to move around but now they have to carry identity cards.

- A local businessman claims he incurred Tk. 1 crore as the Rohingyas have taken over his land which he invested for social afforestation programme.

- Before the recent crisis, local people had used land for grazing their cows, which is not available now.
4. Impact of the Rohingya Crisis

4.3 Social Impact

Law and Order

- Human Trafficking: Newspaper reports indicate that crime syndicates involved in Rohingya trafficking charge between BDT 20,000 and BDT 50,000 to smuggle the Rohingyas who are reluctant to stay in the camps. During the field visit, several aid workers have also echoed similar concerns, especially regarding women trafficking to international markets for unethical activities.

- Forced prostitution: Many previous wave of female entrants are involved in prostitution due to poor living conditions (Reuters, 2017). Interview respondents have raised concerns that the newcomers are at risk of falling prey to the fixers that set up the meetings with clients.

- Fake Identity: Several respondents reported that many old entrants have paid bribes to third parties to gain Bangladeshi identification.

- Drug Cartel: Local representatives and aid workers fear that the Rohingyas might be allured into distribution of drugs.

- SIM Cards: Some Rohingyas possess Bangladeshi SIM cards. One Rohingya was using social networking sites. Local social workers of the camps have also noted that many new Rohingyas have access to mobile phones. They pay Tk. 5-10 to get their phones charges. This is worrying since the GoB has banned telecom operators from selling SIMs to the Rohingyas.
4. Impact of the Rohingya Crisis

4.4. Environmental Impact

- Deforestation
- Land Degradation
- Scarcity of CPRs
- Indoor Air Pollution
- Waste Management
- Ecosystem and Biodiversity

Rohingya Influx
4. Impact of the Rohingya Crisis

4.4. Environmental Impact

Deforestation in Camp Area

- Total Forest Area in Cox’s Bazar (2016): 2,092,016 acres

- Due to Rohingya influx, initial loss of forest area: 3,500 acres

- Which is equivalent to 1.67% loss in Cox’s bazar forest area and 0.05% loss in total national forest area.

- The value of forest land occupied by the Rohingyas has been estimated to be BDT 500 crore.

Source: Department of Forestry, GoB.
4. Impact of the Rohingya Crisis

4.4. Environmental Impact

Waste Generation

- Major shelter materials in Camp area are tarpaulin, aluminum and bamboo which are non disposable item except bamboo.

- Drinking water are supplied to the Rohingya camps through plastic container that is another non disposable item and harmful for the environment.

Source: Field Observation, Kutupalong, Cox’s Bazar.
5. Budgetary Implications

5.1. Estimation of Requirements for the Rohingyas

- The funding requirement by sector for 1.2 million Rohingya people staying in Bangladesh for the next six months (September 2017 - February 2018) is estimated to be USD 434 million (UN OCHA, 2017).

Figure 5: Funding Requirements for the Rohingyas (in USD million)

Source: UNOCHA (2017)
5. Budgetary Implications

5.1. Estimation of Requirements for the Rohingyaas

- Appeal for additional requirement for USD 83.7 million has been made by UNHCR.
- This makes the total need for the Rohingyaas during September 2017 – February 2018, USD 517.78 million (source: UN website).

**Figure 6: Additional Funding Requirements for the Rohingyaas (in USD million)**

<table>
<thead>
<tr>
<th>Category</th>
<th>USD million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>83.7</td>
</tr>
<tr>
<td>Basic needs and services</td>
<td>43.5</td>
</tr>
<tr>
<td>Establishment and management of camps and infrastructure</td>
<td>10.5</td>
</tr>
<tr>
<td>Logistics and airlifts</td>
<td>9</td>
</tr>
<tr>
<td>Protection</td>
<td>7.7</td>
</tr>
<tr>
<td>Support costs</td>
<td>5.4</td>
</tr>
<tr>
<td>Community Empowerment</td>
<td>5</td>
</tr>
<tr>
<td>Emergency staff deployment</td>
<td>2.6</td>
</tr>
</tbody>
</table>
5. Budgetary Implications

5.2. Future fund requirement for the Rohingyas

- CPD has estimated the fund requirement for FY2017-18 i.e. from September 2017 to June 2018 (10 Months) based on the estimation of the UNHCR.

- Assuming the requirement will be the same, an amount of **USD 882 million or BDT 7,126 crore** will be required for 10 months (September 2017 – June 2018).

- Thus, expenditure required **per Rohingya** for the period September 2017 to June 2018 is **USD 735 or BDT 59,388**.

- **Per day expenditure per Rohingya stands at USD 2.45 or BDT 198.**
5. Budgetary Implications

5.3. What is the cost to the government of Bangladesh

• The humanitarian support currently provided by the international organisation will not continue for a long period.

• Hence, the burden will befall on the government of Bangladesh.

• The extent of government expenditure for the Rohingyas will depend on the length of stay of the Rohingyas.

• Given the present budgetary framework for FY 2017-18, there is not much room for additional public spending.

• Discussions are ongoing for loan from the World Bank.
5. Budgetary Implications

Table 3: Estimation of requirements by UNHCR for 6 months (September 2017-February 2018)

<table>
<thead>
<tr>
<th>Requirement estimation by UNHCR (September 2017-February 2018)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial USD million</td>
</tr>
<tr>
<td>---------------------</td>
</tr>
<tr>
<td>434</td>
</tr>
</tbody>
</table>

Table 4: CPD estimation of requirements for 10 months (September 2017-June 2018)

<table>
<thead>
<tr>
<th>Based on UNHCR estimation requirement for September 2017-June 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD million</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>882</td>
</tr>
</tbody>
</table>

- The requirement for September 2017 – June 2018 (USD 882 million) is equivalent to:
  - 1.8% of national budget for FY 2017-18
  - 0.3% of GDP of FY 2017-18
  - 2.5% of total revenue of Bangladesh
  - 13.1% of social protection and empowerment allocation for FY 2017-18
5. Budgetary Implications

Based on the funding requirements estimated by UNOCHA (2017),

Scenario 1: The Second-Six Months (March 2018-August 2018)

Assumptions:
- Donors do not incur the total fund requirement
- GoB pays 50% of the required funds
- Shelter and WASH structures from last period still remains usable
- Inflation rate during FY2017-18
  - 5.8% (7th FYP)
- Exchange Rate
  - USD 1 = BDT 80.8 (BB: September 2017)

Total Cost to GoB:
USD 167.8 million
or
BDT 1,356 crore

Share of Budget 2017-18:
0.4%

Share of GDP:
0.1%
5. Budgetary Implications

Scenario 2: The Third-Six Months (September 2018-February 2019)

Assumptions:
- Donors do not incur the total fund requirement
- GoB pays 50% of the required funds
- Since the area is disaster prone, half of the shelters and WASH structures have to be built
- Inflation rate during FY2018-19
  - 5.7% (7th FYP)
- Exchange Rate for FY2018-19
  - USD 1 = BDT 83.1 (7th FYP)

Total Cost to GoB:
- USD240 million or BDT 2,000 crore

Share of Budget 2018-19:
- 0.8%

Share of GDP**:
- 0.13%

*Budget is expected to grow at 13.4% (source: Medium Term Macroeconomic Policy Statement FY18-20)
**Projected GDP = BDT 2,522,500 crore
5. Budgetary Implications

5.4. Shortcomings of the cost estimations

• The estimated requirement by various organisations is only indicative as those are the direct costs to be incurred for the Rohingyas.

• If the Rohingyas are to be relocated in the proposed Bhashanchar area, there will be cost for development of land and infrastructure.

• Implicit costs for the loss of ecosystem due to deforestation, and morbidity and mortality due to health problems can be large.

• Many of these costs cannot be translated in monetary terms. These costs are also irreversible.
6. Conclusions and Recommendations
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- The Rohingya crisis has given rise to multi-dimensional problem for Bangladesh.
- While the government of Bangladesh and international and non-government organisations are playing the critical role to provide humanitarian support to the Rohingyas, major global players are yet to take strong positions in resolving the crisis.
- In view of the emergent challenges, a number of measures need to be undertaken. Some of these are as follows:
  - The Government of Bangladesh has to continue energetic diplomacy, particularly with the regional partners to solve the problem. Platforms such as BIMSTEC and BCIM which aim to deepening regional and sub-regional trade, investment and transport connectivity should be used for arriving at a solution.
  - Extra-regional platforms such as ASEAN should play a role for addressing the crisis.
6. Conclusions and Recommendations

✓ An in-depth study to assess the short, medium and long-term implications for domestic and foreign resources should be undertaken. All explicit and implicit costs related to the Rohingya crisis should be estimated.

✓ Preparation for post-Geneva follow-up meeting for resource mobilisation has to begin now.

✓ Support for the Rohingyas from the donors such as the World Bank should in the form of grants only. Hence, World Bank’s grant and loan components should be unpacked.

✓ Security measures in the Rohingya camps and adjacent areas, particularly in the Southern of the country have to be strengthened. The law enforcing agencies have to be vigilant to stop illegal activities, drug trade, trafficking and terrorism.
Thank You