

Implications of the Rohingya Crisis for Bangladesh

Presented at

Third Meeting of the Bangladesh Economists' Network

Presented by

Towfiqul Islam Khan

Research Fellow, CPD

towfiq@cpd.org.bd

16 January 2018



Background

- ❑ 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.

- ❑ Killing and torture of the Rohingyas in Myanmar started afresh in August 2017.
- ❑ The brutality against the Rohingyas by the Myanmar army has been termed as “ethnic cleansing” by The Office of the United Nations High Commissioner for Human Rights (OHCHR).
- ❑ Around 205,000 Rohingyas were already living in Ukhia and Teknaf upazila of Cox’s Bazar who entered Bangladesh during July 2005-24 August 2017.
- ❑ Ukhia 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 areas of Ramu, Cox’s Bazar pourosova, Bandarban, Chittagong and other areas of Chittagong district.

Understanding the Rohingya Crisis (History)

- ❑ According to a report by the European Commission (2017), Rakhine state of Western Myanmar/Burma is home to at least 800,000 Muslims where the majority identify themselves as Rohingya.
- ❑ The Rohingyas were stripped off their citizenship and right to self-identify by the **1982 Citizenship Law** of Myanmar (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; cannot marry without permission; and lack sufficient access to livelihood opportunities, medical care and education due to movement restrictions.
- ❑ 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 them have entered 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).

Updates on the Rohingya Influx and their Repatriation

- ❑ CPD undertook a study to understand the economic implications of the Rohingya crisis
 - The findings were presented at a dialogue on 11 November 2017.
- ❑ A Memorandum of Understanding was signed on 23 November 2017 between Bangladesh and Myanmar for the repatriation of Rohingyas
- ❑ Myanmar State Counsellor said they would take back daily maximum 300 Rohingyas
- ❑ Bangladesh and Myanmar formed a joint working group (JWG) in December 2017
 - A meeting on the “physical arrangement” regarding repatriation between the JWG commenced on 15 January 2018 and is currently on going with no decisions taken as yet
- ❑ Rohingya repatriation was planned to start from 23 Jan 2018

- ❑ 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 district of Bangladesh
- ❑ 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 (KIIs) 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

World Health Organization's Report on Rohingya Crisis

Report: Weekly Report No. 9 on the Rohingya Refugee Crisis

Date: 6th Jan 2018

- 104 clinically suspected cases were admitted at diphtheria treatment facilities
 - The first round of vaccination campaigns for diphtheria targeting children under 15 years in Rohingya camps took place where 81% coverage was achieved for children between 6 weeks to 7 years and 96.4% coverage for children 7 to under 15 years
 - Preparations are underway for the second round of Penta/Td vaccination
- A vaccination campaign targeting children in the host community was held on 02 January during free book distribution day across 104 schools in Ukhia. A total of 29,377 children were vaccinated
- The upgraded Early Warning, Alert and Response System (EWARS) was launched on 1 January 2018
 - Training is ongoing for DGHS representatives, agency focal points, health facilities, and diphtheria treatment centres to transition reporting to the revised system

UNICEF's Report on the Rohingya Crisis

Report: Humanitarian Situation Report No. 17 (Rohingya influx)

Date: 7th Jan 2018

- ❑ Out of the 656,500 refugees arrived since 25 August 2017, of 58.1% are children.
- ❑ Funding appeal for Rohingya rehabilitation in 2018 stand at \$144.6 million
- ❑ 60,659 refugee children aged 4-14 are enrolled in 576 learning centres and more than 7,000 children in host communities have also been supported with learning materials
- ❑ Over 12.27 metric tonnes of supplies and logistics were dispatched to partners.
 - The current value of supplies in warehouses amounts to USD 0.8 million
 - Storage capacity in Cox's Bazar has been expanded
- ❑ The security situation has remained stable although marked by some petty crimes

ISGC's Report on the Rohingya Crisis

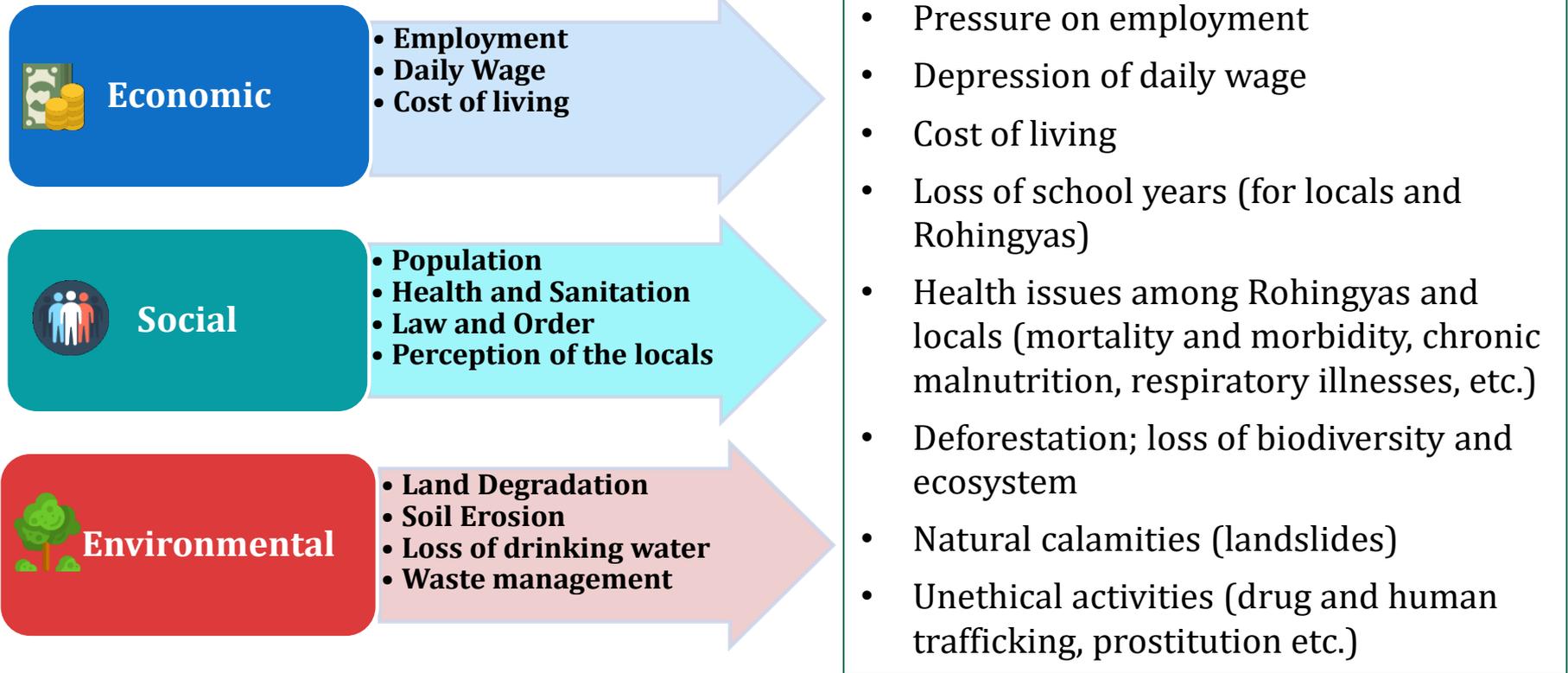
Inter Sector Coordination Group (ISGC) hosted by IOM Report: **Rohingya Refugee Crisis**

Date: 14th Jan 2018

- IOM Needs and Population Monitoring and UNHCR Family Counting
- As of 11 January, the Bangladeshi Immigration and Passports Department has registered 971,627 people through biometric registration.
- The number of arrivals is holding steady with no significant influx over the past several weeks
- **Need Requirements of the Rohingyas:**
 - **Education:** 453,000 people need education
 - **Food:**
 - the entire refugee population needs food security
 - the new influx of refugees need ready to eat food including fortified biscuits and cooked meals
 - there is a need to increase access to local markets
 - **Health:**
 - 3,960 clinically suspected Diphtheria case-patients were reported; 31 reported dead
 - Only 22% of birth deliveries are under health facilities
 - Respiratory infections and water diarrhea are increasing
 - **Water Sanitation:**
 - 749,107 people are provided with WASH assistance
 - The existing public health conditions in the camps are unsatisfactory due to poor sanitation facilities, poor water quality, space limitation and increased population

Implications of the Rohingya Crisis for Bangladesh

- ❑ Bangladesh will face several challenges due to the unfolding crisis of the Rohingya influx
 - These will have three dimensions- economic, social and environmental



Economic Implications of the Rohingya Crises for Bangladesh

- ❑ 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 is eligible for the jobs.
- ❑ Some local people have created **small businesses** to sell fish, vegetables, bamboos, sticks, etc. inside the camps. Since shelters are mostly made of bamboos, it has become a profitable commodity.
- ❑ On the other hand, it was also reported that the **daily wage has gone down**.
 - It was reported that existing pay was BDT 400-500 per day in Cox's Bazar; contrarily, due to availability of people inside the camps, a **day-labourer earns BDT 150-200 per day**.
- ❑ The **day-labourers** are also switching from local markets to work with the aid agencies 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 labour.
- ❑ **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 overnight 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".
 - Livelihood of a large section of the population in St. Martin is dependant on tourism.

Social Implications of the Rohingya Crisis for Bangladesh

❑ 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.

❑ Health Concerns

- According to one of the NGOs working on WASH, each latrine is dedicated for 10 families (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.
- Families often show reluctance 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
- Placement of the tube-wells also raises concerns because some of the implementers have installed shallow ones at a low height (30-40 feet).
- This means they 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.

Social Implications of the Rohingya Crisis for Bangladesh (contd.)

❑ Education

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

Locals	Rohingyas
Some schools are being used as military barracks to hold the soldiers	The schools in the new campus do not teach Bangla
Students are skipping colleges to work in the camps	Many families send their children to Maqtabs in the camps

Perception of Local People

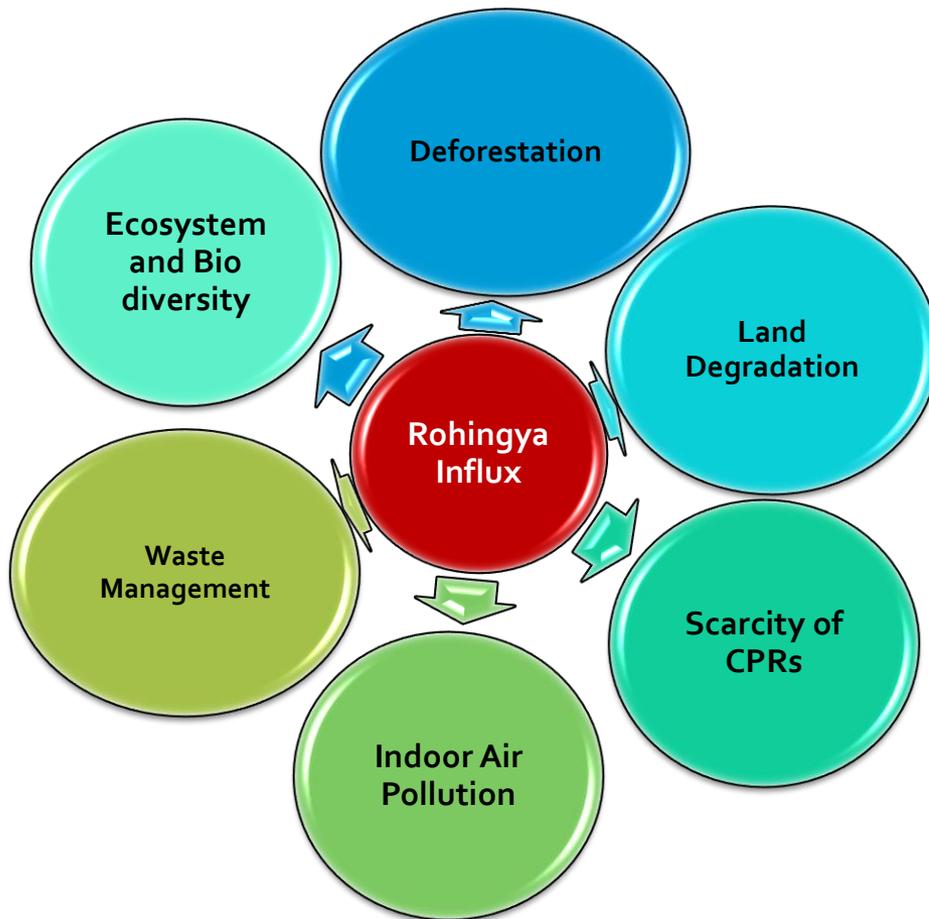
- During our interview of the Rohingyas, we found out that the Rohingyas had tried to get into the local villages to collect firewood. But the villagers did not allow them entry and confiscated the tools and knives the Rohingyas were carrying.
- Locals were found to be discontent due to the following reasons: price hike of essentials, aid received by the Rohingyas, security concerns and loss of income.
- Some local families said 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 claimed that he incurred loss of Tk. 1 crore in social afforestation programme since the lands he had invested in are now being used as camps for the Rohingyas.
- Before the recent crisis, local people had used the nearby lands for grazing their cows, which is not available now.

Social Implications of the Rohingya Crisis for Bangladesh (contd.)

❑ Law and Order

- **Human Trafficking:** Newspaper reports indicates 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 posses 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 charged. This is worrying since the GoB has banned telecom operators from selling SIMs to the Rohingyas

Environmental Implications of Rohingya Crisis for Bangladesh



❑ Waste Generation

- Major shelter materials, except bamboo, are tarpaulin and aluminum and bamboo.
- Plastic containers were found to be used to supply drinking water to the Rohingya camps.
- Concerns regarding their impact on the environment is high since these items are non-biodegradable.

Environmental Implications of Rohingya Crisis for Bangladesh (contd.)

❑ Deforestation in Camp Area

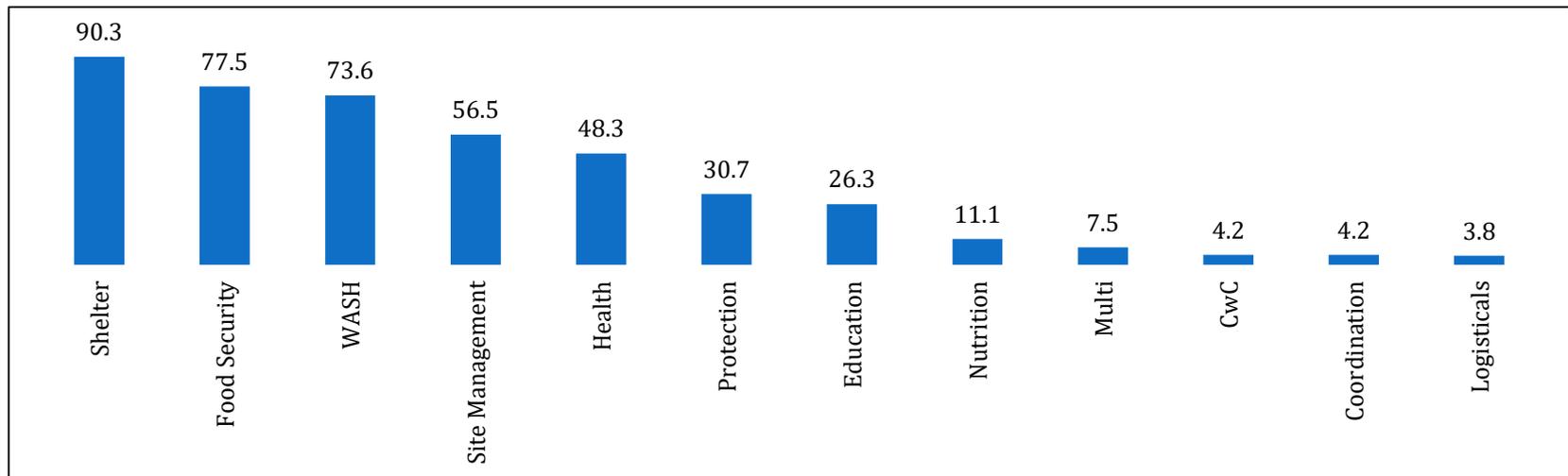
- The influx of the Rohingyas since August 2017 has resulted in enormous amount of deforestation to accommodate the Rohingyas. **6,000 acres** of land was deforested by the Rohingya camps
- CPD has estimated the cost of this deforestation. Four types of costs are taken into consideration for this exercise. These are (i) loss of timber and fuelwood; (ii) loss of carbon stock; (iii) loss of non-timber forest products (NTFPs); and (iv) loss of fodder yield.
- Our estimation shows that the total value of 6,000 acres of deforested land in the Rohingya camps is equivalent to **Taka 741.31 crore or USD 86.67 million.**

Estimated Amount of Forest Deforestation*	Quantity/ Volume	Cost in Tk. (Crore)
Loss of Timber and Fuelwood	46.57 m ³ /ha	723.5
Loss of carbon stock	87,000 ton CO ₂	14.5
Loss of NTFPs	-	2.1
Loss fodder yield	-	21.0
Total Direct loss (est.)		741.3

Fiscal Implications of Rohingya Rehabilitation in Bangladesh

- ❑ According to OCHA, USD 434 million will be required for the period September 2017 – February 2018.
- ❑ In addition to this, UNHCR sought USD 83.7 million as additional funds for September 2017 – February 2018. In this regard, total fund requirement for the six month period would be USD 517.78 million.
- ❑ Based on the UNHCR numbers, CPD estimates that USD 882.0 million will be required for 10 months, for the period September 2017 - June 2018.

Fund Requirement for September 2017 - February 2018



Source: Humanitarian Response Plan; OCHA 2017

Fiscal Implications of Rohingya Rehabilitation in Bangladesh (contd.)

- ❑ Recent bilateral and political developments have indicated towards Rohingya repatriation
- ❑ In this context, CPD has estimated the cost of hosting the Rohingyas based on three scenarios

Description of hypothetical scenarios and their underlying assumptions

Scenario 1: Assuming 300 Rohingyas are repatriated every day, without incorporating population growth and inflation

Scenario 2: First scenario repeated by incorporating population growth and inflation

Scenario 3: Assuming 200 Rohingyas are repatriated every day by incorporating population growth and inflation rate

Common Assumptions:

- Total Rohingyas: 860,000
 - Previous Rohingyas: 205,000
 - New Rohingyas: 655,000
- Working days: 25 days per month
- Inflation rate: 6% every year
- Population growth rate: 1.5%
- Estimates indicate only direct costs to be incurred for the Rohingyas
- Implicit costs for the environmental degradation and morbidity and mortality can be large
- Repatriation and relocation costs not included

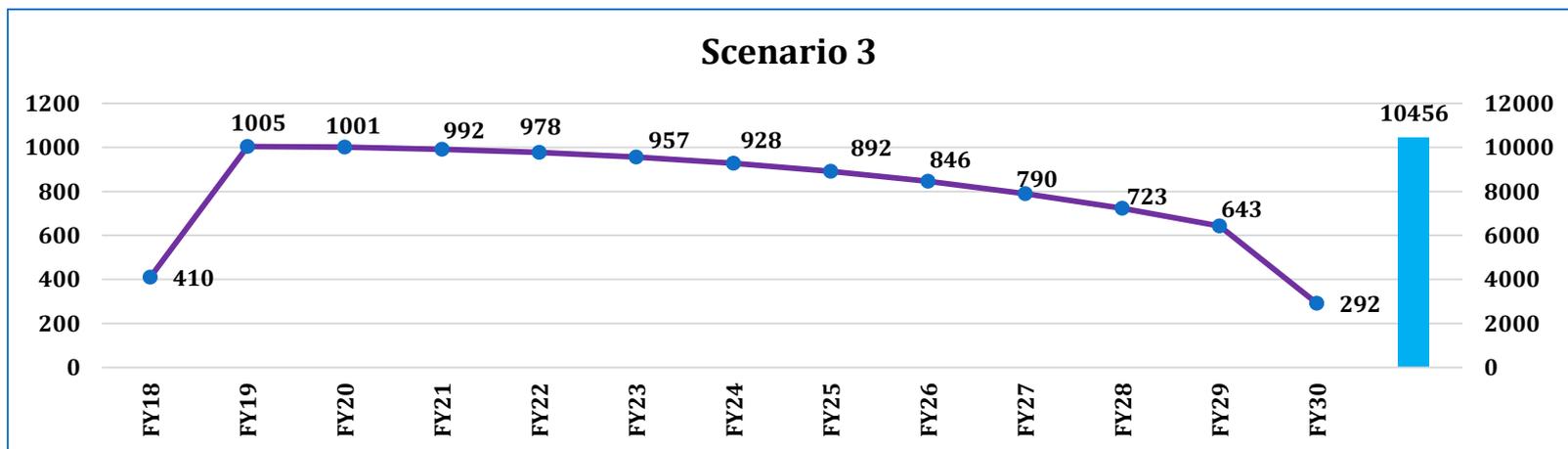
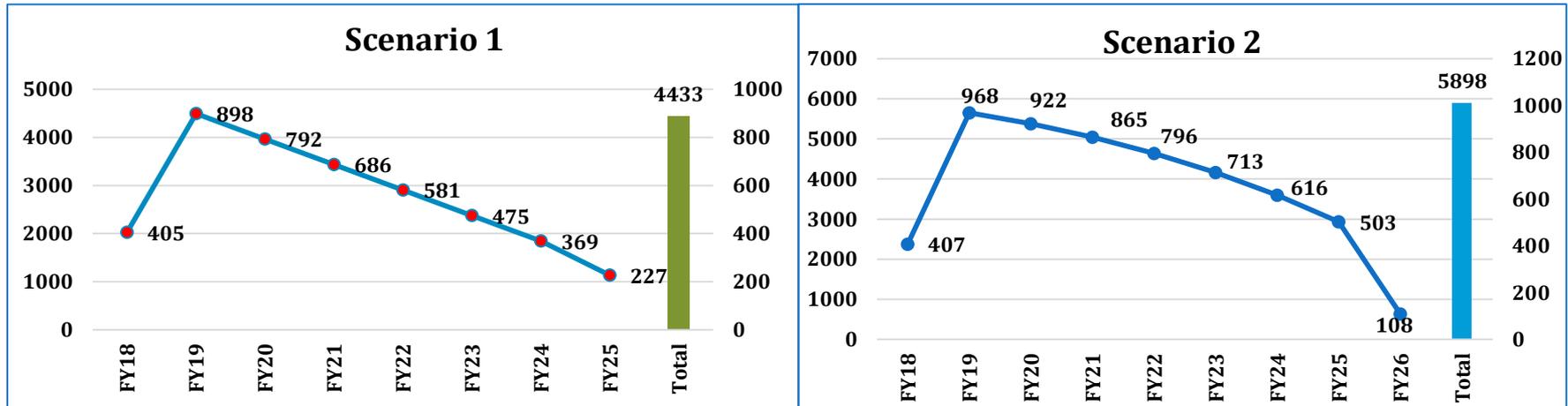
Fiscal Implications of Rohingya Rehabilitation in Bangladesh (contd.)

Table: Summary Findings on Repatriation Time and Cost of Hosting Rohingyas

Scenarios	Assumptions	Required years for repatriation	Cost of hosting Rohingyas (USD mln)	Previous Rohingya entrants	
				Remaining after repatriation	Cost of hosting in the following period (USD mln)
Scenario 1	-300 Rohingyas per day -no inflation or population growth	7 <i>(up to FY25)</i>	4,433 <i>(up to FY25)</i>	205,000 <i>(up to FY25)</i>	384 <i>(in FY26)</i>
Scenario 2	-300 Rohingyas per day -population growth and inflation rates included)	8 <i>(up to FY26)</i>	5,898 <i>(up to FY26)</i>	231,000 <i>(up to FY26)</i>	466 <i>(in FY27)</i>
Scenario 3	-200 Rohingyas per day -population growth and inflation rates included	12 <i>(up to FY30)</i>	10,456 <i>(up to FY30)</i>	245,000 <i>(up to FY30)</i>	625 <i>(in FY31)</i>

Fiscal Implications of Rohingya Rehabilitation in Bangladesh (contd.)

Fig: Cost of hosting the Rohingyas throughout the repatriation period in million USD (Three Scenarios)



Limitations 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
 - According to WHO, a total of 3523 cases were clinically suspected with Diphtheria. A total of 39 deaths have already been recorded.
 - UNICEF's needs for Rohingya response in 2018 stand at USD 144.6 million
- ❑ The possible costs associated with the adversities of natural calamities like land slides are not taken into consideration
- ❑ The administrative costs have not been included in the cost estimations
- ❑ Many of these costs cannot be translated in monetary terms. These costs are also irreversible

What is the cost to the government of Bangladesh?

- ❑ The humanitarian support currently provided by the international organisations may 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
- ❑ The National Economic Council of Bangladesh government has approved \$280 million project to transform a desolate island off its southern coast into a temporary camp for 100,000 Rohingya refugees
- ❑ According to CNN, the Arakan Rohingya Salvation Army (ARSA) has been regrouping and recruiting.
 - This could mark the beginning of an insurgency that could escalate tensions between Myanmar and Bangladesh and draw the attention of international jihadi groups

OXFAM's Report on the Rohingya Crisis

Report: “I Still Don't Feel Safe to Go Home”

Date: 18th Dec 2017

- ❑ The Rohingyas are fearful to return to Myanmar and plea not to send them back forcefully
- ❑ They demand citizenship and equal rights from the Myanmar government. Without these they won't be going back
- ❑ The women and the children are more traumatized following the atrocity of the Myanmar Army and are less interested to return to Myanmar since they believe that the atrocities of the Myanmar Army is more towards the women and children
- ❑ The Rohingyas believe that Myanmar government would not keep their promise, made to the Bangladesh government, of letting the Rohingyas live peacefully. They never kept their promises in the past and will do the same in future
- ❑ The Rohingyas would rather commit suicide if asked to return to Myanmar

Some critical points to think about

- Are the Rohingyas ready to return to Myanmar even if the Myanmar government comes into agreement to take them back?
 - If no, what will be the possible consequences of forcible repatriation of the Rohingyas?
- What do the Rohingyas expect the government of Bangladesh to do?
- What do the Rohingyas demand from the Myanmar government?
- Will the Bangladesh government agree to give shelter to the Rohingyas despite the possible implications discussed?

- ❑ 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 :
 - Ensure smooth repatriation process of the Rohingyas as agreed between the governments of Bangladesh and Myanmar
 - Preparedness on the part of Bangladesh will also be critical
 - Preparation for post-Geneva follow-up meeting for resource mobilisation has to begin now
 - Support for the Rohingyas from the donors should in the form of grants only
 - Continue energetic diplomacy to accelerate the repatriation process

THANK YOU