

World Bank Loan for Humanitarian Action is a Bad Precedence Rohingya Humanitarian Response Program Must Have Transparency in Financial Management

Debt to deal with the refugee crisis?

On August 25, 2017, nearly one million Rohingya people crossed the Naf river and came to the border of Bangladesh to save their lives. Hundreds of women and children lost their lives while crossing the river and the sea. Responding to the call of humanity and at the request of the international community, Bangladesh sheltered these nearly one million Forcibly Displaced Myanmar Nationals (FDMN) in Teknaf and Ukhia in Cox's Bazar district.

In Teknaf and Ukhia, where the number of local people is less than half a million, the housing of more than one million displaced residents and the humanitarian programs organised for them have caused various damages to the local people including the environment, water, agriculture, health, and education. To compensate for these losses and to improve the living standards of the local population, the World Bank has recently pledged a total of \$700 million in loans to Bangladesh in two separate projects. This is the first time a country has been given a loan to deal with a refugee crisis as complex as the Rohingya crisis.

Developing countries bear the burden of refugees worldwide

As a result of ongoing conflicts around the world, the creation of refugees and their migration to other countries is constantly increasing. Most of these refugees, at least 80%, are taking refuge in developing countries, which lack the capacity for their own development in many areas. For example, in the current economic situation of Bangladesh, the government cannot afford to shelter more than one million refugees. On purely humanitarian grounds, the Prime Minister of Bangladesh has given them shelter at the request of the international community and is providing various services despite the country's limited capacity. Although international humanitarian organisations provide them with multiple services including food, medical treatment, and education, the government of Bangladesh is spending a lot in this regard. The Prime Minister of Bangladesh said that the Bangladeshi government currently spends 1.2 billion dollars on Rohingya refugees every year (The Daily Star, 22 September 2022). Bangladesh is not alone responsible for bearing the burden of the protracted refugee crisis. This also applies to other developing

countries that have granted asylum to millions of refugees on humanitarian grounds.

Debt-ridden Bangladesh is being given loans again

The World Bank's 700 million dollar loan to Bangladesh to deal with the refugee crisis is a bad example. They will create an example here, and based on this they will force other developing countries that shelter refugees to accept loans. We from Cox's Bazar CSO NGO Forum (CCNF) would like to protest against this and say that by sheltering refugees for humanitarian reasons Bangladesh and other developing countries are mainly bearing the burden of the rich countries and those who are creating refugees. They should be given a substantial grant to carry this forward. On the contrary, they are being further indebted with loans. Meanwhile, the per capita debt of Bangladesh is 580 dollars. The lion's stake in the national budget is being allocated to repay this debt. In the next fiscal year (2024-25), only the interest on the loan will be nearly 11 billion USD (Prothom Alo, 29 May 2024).

A loan instead of a grant for the development of local communities affected by the Rohingya response is unfair

Sheltering a million Rohingya refugees since 2017 largely affected the lives of the local people. Half a million of the people of Cox's Bazar district have been affected in all aspects including difficulty in transportation, increase in cost of living, food and medical crisis, education, culture and security. About 7,000 fishermen have been inclined to poverty by being forced to stop fishing. About 14,000 host community people confined inside the Rohingya camps are living in insecurity and fear. Not only to save the lives of the refugees but to improve the quality of life of the local people affected by this, the World Bank is providing a loan of 700 million dollars to Bangladesh, where a much larger amount of donations is needed. At the same time, they are giving grants for Rohingya humanitarian programs but giving loans to Bangladesh for the local population. It is unethical.

Loans to reduce pressure on foreign exchange reserves

Bangladesh's foreign exchange reserves have been declining alarmingly for the past few years. At present

it is so critical that the government cannot avoid an opportunity to refill the foreign currency reserve, even if it is a loan. Taking advantage of this recent crisis in Bangladesh, the World Bank is forcing the country to take loans. This means that the bank is not recognizing the plight of local communities caused by the Rohingya crisis. Which is a shame for the international agencies engaged in humanitarian response. Our appeal to the World Bank is that Bangladesh deserves a grant, not a loan, to deal with this crisis.

The responsibility of Rohingya is not only of Bangladesh but of the whole world

Honourable Prime Minister of Bangladesh said that we have given shelter to the Rohingya population for humanitarian reasons and we will serve them till repatriation. We agree with the Prime Minister and say that this is not the responsibility of Bangladesh, but the whole world.

Refugees rise, aid falls: management costs must be reduced

Wars and crises are going on all over the world right now. Refugees and the need for emergency services is increasing. As a result, the total amount of humanitarian aid allocated around the world is declining. All agencies involved in humanitarian aid and response work should take immediate action and

do their utmost to reduce management costs given this global crisis. So that the maximum share of aid that comes in the form of grants goes to the affected population. According to CCNF research, only a quarter of the aid received goes directly to the Rohingya community. This is worrying.

Permit income-generating activities to reduce pressure on aid

Rohingya community should be allowed to engage in income-generating activities and immediate steps should be taken in this regard. By doing so, dependency on aid from donor agencies will be reduced.

International initiatives on repatriation are urgent now

We do not see any real initiative of the international community to repatriate Rohingya people. Bangladesh's friend countries India, China and Russia have the capacity to convince Myanmar. They can play an important role in encouraging Myanmar to arrange the repatriation soon. We call on the United Nations and other powerful countries, including these friendly countries, to start the repatriation process as soon as possible. If not, the people of Bangladesh will be more indebted to fulfil the responsibilities of others.