This thematic report shares the results and recommendations drawn from a series of perception surveys conducted with guest and host communities in Ukhaia and Teknaf sub-districts by the Bangladesh Red Crescent Society (BDRCS) Community Engagement and Accountability (CEA) team between 1-21 August 2019.

The team convened 41 Focus Group Discussions (FGDs), with an additional 52 door-to-door household interviews conducted before and after the FDGs. Given changes to the context after the survey dates – and to further support our analysis – the BDRCS survey information is supplemented by secondary sources.¹

This is one of three reports representing key transecting issues emerging from the August surveys: 1) safety and protection, 2) social cohesion and 3) livelihoods for the host community. The data collected from the surveys supports our understanding of the needs of both the displaced community from Rakhine as well as the surrounding host communities in Cox’s Bazar. The information will be used to inform the Red Cross Red Crescent’s Population Movement Operation (PMO) response and promote further inquiry.

Key findings

- Bangladeshi people in Ukhaia and Teknaf feel that their livelihood opportunities – historically dependent on agriculture, livestock and fisheries – have been significantly hampered since the 2017 influx of people from Rakhine.²
- Unemployment is cited by the host community as their most urgent challenge. This is linked to a reduction in labour opportunities, shrinking availability of agricultural land, environmental destruction, restricted access to Naf River (for fishing), and increasing labour and market competition from the displaced community.

¹ On 25 August 2019, approximately 100,000 residents of Kutupalong’s Modhurchhara camp gathered together to commemorate the second anniversary of their arrival in Bangladesh, an event that may have influenced responses in the household interviews conducted after that time. This report draws on secondary sources to supplement the BDRCS survey data and ensure currency of analysis.
² World Bank, 2019, Cox’s Bazar Panel Survey – states that the 2017 influx increased the population living in Cox’s Bazar by 31.7%, mainly affecting Teknaf and Ukhaia sub-districts, which border the camps and where the newly arrived people from Rakhine have remained highly concentrated for two years following displacement.
• Overpopulation and a reduction in local production opportunities (due to diminished agricultural land) are seen by the host community as catalysts to higher prices for essential goods including fish, meat and vegetables, and to services including transportation, education and house rentals. They also report that daily wages for labour have decreased significantly.³

• Respondents conveyed a concern regarding NGO recruitment of guest community members for work both inside and outside the camps, including what they believe are unauthorized jobs in road building. While some local Bangladeshi have secured work with NGOs, they consider their roles inferior and the opportunities comparatively lacking.

• Host community respondents are also concerned about guest-community-run businesses emerging in local areas outside the camp, and alleged illegal imports of products from Myanmar.

The bigger picture

The reported increase in the cost of living – alongside reduced labour opportunities and low-skilled wages – has adversely impacted the host communities in Ukhia and Teknaf Upazilas and done little to address the growing tensions between them and the displaced population. Alongside concerns about environmental degradation, the perceptions of conditions do not appear to have changed much in the past year.⁴

The BDRCS survey respondents from host community households cited unemployment as their most urgent challenge.

This is despite the high rates of employment reported by host community respondents in the Cox’s Bazar Panel Survey (more than 90 percent)⁵ and the Joint Multi-Sector Needs Assessment (86 percent),⁶ where the main sources of employment for these respondents are agriculture, construction, trade and transport.

By comparison, respondents from the displaced community reported low rates of labour force participation, spread across several sectors including construction, trade and transport (predominantly for males) and self-run small-scale home-based activities (for women).⁷ Corroborating this is the IOM Needs and Population Monitoring assessment, which reported that 55 percent of displaced community respondents (on average) have no income at all.⁸ This is attributed to limited work opportunities inside the camps and the prohibition of their participation in the labour market, largely in Ukhia and Teknaf.

The comparison between the two communities is stark but host community perceptions obscure this reality. The impact of a significantly increased population in an arguably under-resourced district obviously cannot be overstated. It remains that three in four of the host households surveyed in the Joint Multi-Sector Needs Assessment reported engaging in negative coping mechanisms due to lack of money to meet basic needs.⁹

Rising prices and falling wages – recognised as the most common outcomes among host countries in similar contexts across the world – often hurt the poorest and most vulnerable groups the most.¹⁰ The Cox’s Bazar Panel Survey recognises this, adding that the impacts of the influx on the welfare of the host population is likely to vary with distance to camps. Hosts living closer to camps are more likely to compete with the

³ UNDP, November 2018, Impacts of the Rohingya Refugee Influx on Host Communities (household surveys conducted April-May 2018) also confirmed depressed wages for agricultural and other unskilled workers in the host community.
⁴ Ibid. – More than 70 percent respondents in Teknaf and 50 percent in Ukhia reported falling wages as the principal way in which they had been affected by the influx.
⁵ World Bank, November 2019, Cox’s Bazar Panel Survey: Insights from the labor module on work and wages in Cox’s Bazar.
⁶ Joint Multi-Sector Needs Assessment: Refugees and host communities, Key findings for NGO Platform (31 October) – 86 percent of host households reported having at least one adult working to earn an income.
⁸ JMSNA, op cit.
⁹ UNDP, 2018, op cit.
¹⁰ UNDP, November 2018, Impacts of the Rohingya Refugee Influx on Host Communities (household surveys conducted April-May 2018) also confirmed depressed wages for agricultural and other unskilled workers in the host community.
displaced population in markets for natural resources like land and fuelwood, labour and goods, compared to those living further away from camps.\textsuperscript{11}

But there are also those who can benefit from a population influx – notwithstanding that these are usually the more affluent members of the community. As the UNDP (2018) study noted, new markets, price hikes and increased demand for food and consumer goods can benefit traders who are able to take advantage of market mechanisms. Similarly, the higher prices of transportation and housing rentals reported in the BDRCS survey – which owe just as much to the corresponding influx of humanitarian workers – can also benefit local hotels, restaurants and transport businesses.

A recent report from the International Rescue Committee (IRC) suggests that this increased demand has opened the door to entrepreneurial prospects for both guest and host communities. So despite the scale of the economic challenges facing both groups, market conditions are arguably conducive to livelihoods programmes having a significant positive impact. The IRC implies that, if allowed, livelihood programming could support both guest and host community households to take advantage of market mechanisms, in turn promoting self-reliance and allowing people to reclaim control of their lives.\textsuperscript{12}

Correspondingly, the 2020 Joint Response Plan is looking at establishing a farmers’ market as one of its food security sector activities, promoting links between the guest community and local producers. In addition, the e-voucher shops (11 currently in operation in the camps) will focus on supporting local supply chains.\textsuperscript{13}

\section*{Looking ahead}

\subsection*{Short term}

\begin{itemize}
\item To improve their livelihoods situation, host community respondents suggested that humanitarian organizations need to better involve local workers (including less educated local youths) in their ongoing aid programs. Another suggestion was to provide more targeted skills training to men and women, combined with cash grants, to enable them to start income generation activities. As Red Cross Red Crescent expands its programming with host communities it must engage community members directly and early in the planning process to ensure operations are responsive to their needs.
\item To reduce current tensions and conflict, host community respondents suggested that humanitarian agencies should increase their recruitment of host community volunteers, particularly for activities outside of the camps, such as infrastructure development.
\item For volunteer services inside the camps, any use of host community volunteers would require sensitivity to the potential stigma attached to mixing with the guest community.\textsuperscript{14} For Red Cross Red Crescent partners, it will be important to continue investments in the capacity of the 300 Red Crescent Youth volunteers from the local Cox’s Bazar unit, who can volunteer side by side with guest community volunteers.
\item Short-to-long term livelihood support programs should target the barriers identified by both guest and host community respondents – namely lack of access to finance, lack of training and skills, registration requirements, and infrastructure challenges.\textsuperscript{15}
\item Analysis of inflationary effects of the influx must be undertaken with caution, given that price changes “can vary for many reasons unrelated to their relationship to higher demand owing to the refugee influx”.\textsuperscript{16}
\end{itemize}

\textsuperscript{11} World Bank, October 2019, Cox’s Bazar Panel Survey (CBPS): Brief 1 Poverty and Equity GP.
\textsuperscript{12} IRC, 2019, Left in limbo: The Case for Economic Empowerment of Refugees and Host Communities in Cox’s Bazar, Bangladesh, September 2019.
\textsuperscript{13} Consultation on Joint Response Plan 2020 for the Rohingya Crisis, 4 December 2019, Cox’s Bazar – the Food Security Sector is targeting 444,000 people from host communities in Ukhia and Teknaf.
\textsuperscript{14} BBC Media Action and Translators Without Borders, October 2019, What Matters, Issue 29.
\textsuperscript{15} IRC, 2019, op cit.
Building on the success of the food security sector’s e-voucher system, humanitarian actors across all sectors should scale up the use of vouchers among the guest community. This can further strengthen the local supply chain and connect local markets.

Medium-to-long term

- Livelihoods support for host communities must go hand-in-hand with long-term investment in market infrastructure – electricity, roads, storage facilities, water, sanitation and hygiene, and other conditions impacting consumers and businesses. Therefore, humanitarian programming supported by investments from the Asian Development Bank and Islamic Development Bank must align with the District Development Plan (DDP) for Cox’s Bazar, currently in development.

- High-functioning markets provide favourable conditions for cash distributions, which can also reduce the negative coping strategies reportedly being exercised by both guest and host communities. Red Cross Red Crescent cash interventions in the host community should take into account these local market dynamics.

- The IRC has called for donors, the UN and humanitarian actors to enhance financial and technical support to enable the Government of Bangladesh and humanitarian partners to provide essential livelihoods and cash interventions for guest and host communities—enhancing economic opportunity for all.17 18 This call to action represents an opportunity for Red Cross Red Crescent to advocate for expansion of livelihoods and cash distribution programming as a means to achieving better humanitarian outcomes in this response.

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17 IRC, 2019, op cit.
18 Overseas Development Institute, June 2019, Rohingya refugees’ perspectives on their displacement in Bangladesh – among guest community suggestions to make their lives better: cash distributions (63 percent respondents), access to Bangladeshi education system (29 percent) or with a Myanmar curriculum (25 percent), and right to work in the local economy (27 percent).
Methodology

To undertake the community perception surveys, the CEA team has used the following data collection methods:

• **Focus Group Discussions (FGDs)** (30 with Guest Communities, 11 with Host Communities)
• **Door-to-Door Household Interviews** (29 with Guest Communities, 23 with Host Communities)

Geographic coverage
BDRCS has consulted a representative sample of both guest communities and host communities. In terms of vulnerability and opportunities, there is some expected variance among different camps, for example between registered and non-registered camps. The same is applicable for host communities, for example between those living adjacent to the guest community and those living further away. Another consideration is the inclusion of community voices from BDRCS service areas, as well as people living in areas where BDRCS services are not available.

Age and gender
The needs, demands and challenges vary among people of different ages and gender. Listening to male, female, elderly and adolescents in separate consultations has been considered for this perception survey.

Diversity
Access to rights and entitlements is unequal for different groups of people, including those with disabilities and people with poor mobility. The perception survey takes into account these specific community member needs and views.

Religion
People living in the camp and host area follow different religions, which might have implications for their daily needs, livelihood opportunities and perceptions about their situation. Therefore, the religious identity of participants has been considered in this survey, for example by including both Hindu and Muslim groups.

General people and ‘elite groups’
There are differences in the perspectives of the general population and community representatives in the survey locations. Local leaders, Majhis, imams and teachers may also have different levels of opportunity to extract resources and to use their power. Therefore, all perspectives have been considered in the perception survey.

Complementary data
BDRCS has triangulated the perception data with all information from the BDRCS Feedback Database for the Population Movement Operation. In addition, BDRCS has reviewed secondary data sources to compare and contrast the primary findings. These include the Needs and Population Monitoring (NPM) surveys from IOM, Ground Truth perception surveys and the Foresight Service and What Matters bulletins from BBC Media Action.

Data analysis
To enter, cluster and analyse the data, the CEA team has made use of an Excel spreadsheet with specific codes for each answer type. All data from the Focus Group Discussions and for the household interviews has been entered and analysed using this tool.