

Study on Localization of Aid in Rohingya Response 2026

Reset the Rohingya Response for Locally-Led Humanitarian Response

Background: Since August 2017, Bangladesh has been hosting one of the world's largest refugee populations following the mass displacement of Rohingya people from Myanmar due to widespread violence, persecution, and military operations widely described as genocide and crimes against humanity. Currently, nearly 1.3 million Rohingya refugees live mainly in camps located in Cox's Bazar district, creating a prolonged humanitarian crisis that has now entered its tenth year.

However, despite repeated global commitments for localization under the Grand Bargain Framework, the humanitarian support structure in the Rohingya response continues to remain largely dominated by UN agencies and INGOs. At the same time, the global humanitarian system is undergoing significant transformation due to increasing humanitarian needs and shrinking donor resources. In recent years, humanitarian funding has declined substantially worldwide, and the Rohingya response has experienced severe funding gaps. In response to these challenges, the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) introduced the "Humanitarian Reset" initiative aimed at increasing operational efficiency, streamlining coordination mechanisms, reducing operational costs, and strengthening locally-led response. The Humanitarian Reset initiative emphasizes devolving greater authority and financing to country-level actors, promoting local leadership within cluster coordination systems, and enhancing collective resource mobilization under the 2026 Global Humanitarian Overview.

Against this backdrop, the study titled "**Localization of Aid in Rohingya Response**" was undertaken to critically examine the governance structures, leadership dynamics, humanitarian financing, and partnership modalities of the Rohingya response efforts.

Objective of the Study: The overall objective of the study was to assess the status, effectiveness, and challenges of localization of aid for the Rohingya refugee response in Bangladesh.

Methodology: The study adopted a mixed-methods research approach, combining both qualitative and quantitative methods. This approach allowed comprehensive analysis of humanitarian governance, financing, coordination mechanisms, and partnership dynamics related to localization in the Rohingya response.

Literature Review: The study reviewed the following documents to gain deeper insights:

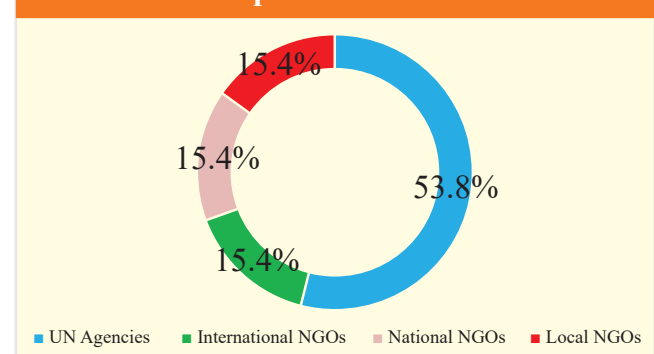
- Grand Bargain commitments and localization frameworks
- UNOCHA Humanitarian Reset documents
- Joint Response Plans (JRP)
- Pooled fund policies and reports
- Previous studies on localization and humanitarian partnerships

FINDINGS OF THE STUDY

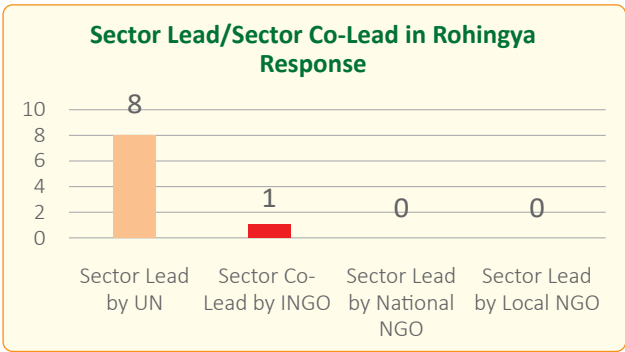
UN-Led Rohingya Coordination Team (RCT):

The Rohingya Coordination Team (RCT) serves as the strategic coordination, decision-making, and oversight forum for the overall Rohingya refugee response in Bangladesh. The RCT comprises seven UN agencies, two International NGOs, two National NGOs, and two Local NGOs. The study found that UN Agencies hold the majority representation (53.8%), indicating that the coordination and decision-making structure of the Rohingya response continues to be predominantly led by international actors. In contrast, International NGOs, National NGOs, and Local NGOs each represent only 15.4% of the total composition.

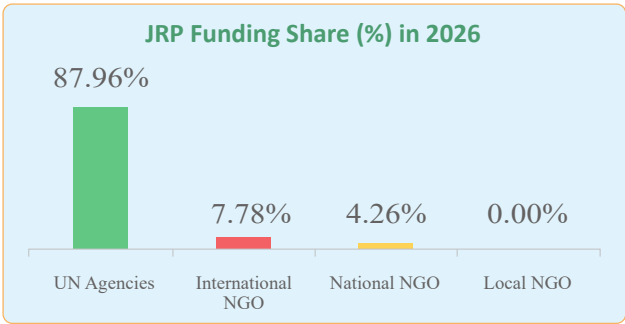
RCT Representation in 2026



UN-Led Sector Coordination: The Rohingya response coordination platform comprises eight major sectors, all led by UN agencies, with only one sector having an INGO as a sector co-lead. No sector is led by a national or local NGO. The Education Sector is led by UNICEF, with an international NGO serving as co-lead. The Food Security Sector is led by WFP, while the Health Sector is coordinated by WHO. The Livelihood and Skills Development Sector, as well as the Nutrition Sector, are both led by UNICEF. The Protection Sector is led by UNHCR, including its sub-sectors such as Gender-Based Violence (GBV) and Child Protection. Similarly, the WASH (Water, Sanitation, and Hygiene) Sector and the Shelter/NFI Sector are also coordinated by UN agencies.



No Fund for Local NGOs in Joint Response Plan (JRP) 2026: The JRP 2026 analysis shows that UN agencies have secured the lion's shares of the funding for Rohingya response. Study findings show UN Agencies have secured 87.96% of the total JRP funding in 2026, against just 7.78% by International NGOs and 4.26% by National NGOs. Local NGOs have received no funding at all, demonstrating that local NGOs have little or no direct financial access through JRP channels.



The findings also illustrate a significant gap between global localization commitments under the Grand Bargain and operational realities in the field. One of the core commitments of localization is to increase direct funding to local actors and strengthen their institutional leadership.

National NGOs Leading the Implementation: In the three months from June to August 2025, a total of 63 projects were approved by the RRRC office in Rohingya camps. Of them, 32 went to National NGOs, constituting nearly 51% of all approved projects. International NGOs took the second largest share, implementing 28 projects, or 44.4% of the total. But Local NGOs, which are typically small and originated in Cox's Bazar, have the smallest share. Only three projects, or just 4.8% of the total, went to them although they have long been working in the area.

Project Funding Size: This analysis examines the distribution of financial resources among different types of actors implementing projects in the Rohingya camps over the three months (June

pTypes of Actors	Funding Size (million BDT.)	Share of funding size
International NGO	330	63.6%
National NGO	176	33.9%
Local NGO	13	2.5%
Total	519	100%

Source: <http://www.rrrc.gov.bd>, September 2025

The data reveal a significant disparity between the number of projects and the volume of funding allocated to each actor.

Local NGOs in the Rohingya Response: Local NGOs are often perceived as having limited capacity. However, many local NGO representatives argued that this assumption is not based on any comprehensive assessment. Leaders of these organizations emphasized that no

baseline study or systematic evaluation has been conducted to substantiate claims about their capacity constraints.

According to local NGO leaders, international agencies and UN organizations frequently use the concept of "localization" as a fundraising tool to attract donor support. They noted that, in the past, local NGOs received substantial direct funding from donors and INGOs. Over time, however, this direct funding has diminished significantly, making it increasingly difficult for local organizations to retain qualified staff and sustain their operations.

Local NGOs also reported that while numerous calls for proposals are issued, funding is often awarded to INGOs and large national NGOs. In many cases, proposals submitted by local organizations are rejected on the grounds of inadequate institutional capacity.

The Humanitarian Reset Needs a Reset: The vision of the Humanitarian Reset is to transform the humanitarian system into one that is locally led and globally supported, rooted in communities and driven by the greatest needs.

However, local NGO leaders said they had not seen any meaningful progress toward this vision. They explained that neither local organizations nor INGOs are fully prepared to transfer leadership of humanitarian responses. In practice, INGOs tend to favor other INGOs, while UN agencies prioritize fellow UN agencies. As a result, the system continues to be dominated by the UN and INGOs. They argued that a significant gap remains, as the humanitarian system is not yet truly locally led. Considerable changes are still needed to achieve a genuinely localized humanitarian response.

BRAC-Managed Pool Funding: BRAC has been managing a Pool Funding for local organizations in Rohingya response. But only a handful of the Pool Funding partners are local NGOs, with most representing National NGOs that are not from Cox's Bazar district. Although this fund is solely meant for local NGOs, the study found that just

22% of the fund goes to local NGOs (6 NGOs) and 78% to national NGOs (21 NGOs).

Local NGO representatives emphasized that, despite ongoing discussions on localization and refugee-led or locally-led initiatives, local organizations have not received sufficient institutional capacity development support to effectively lead sectors or large-scale humanitarian responses. Consequently, many local stakeholders have called for a review and reform of the pool funding mechanism to ensure greater participation, leadership opportunities, and direct access to funding for genuinely local organizations.

Relationship-Based Funding or Partnership: Local NGO leaders (5 out of 9) consulted during the study stated that partnerships in the Rohingya humanitarian response do not always depend on merit or experience. Instead, personal

Case Study: How the Localization Concept Is Being Misinterpreted in the Rohingya Response

In 2026, an international-led consortium launched a project in Rohingya response that was presented as a locally driven response for Rohingya refugees and host communities. The consortium is led by an INGO and includes six Bangladeshi NGOs, with a stated focus on promoting locally driven action in Cox's Bazar. However, none of the six consortium members are local organizations from Cox's Bazar.

This raises an important question: How can a project be genuinely locally driven when it does not include any local organization as a partner? The absence of local organizations and local leadership creates a clear gap between the stated localization approach and its implementation. A locally driven response should provide meaningful opportunities for capable local organizations to participate in decision-making, partnership, funding, and leadership.

relationships, group connections, and individual networks often influence the decision. Leaders also pointed out that some local NGOs are consistently receiving funds due to their close ties with international NGOs or UN agencies. Some local NGO leaders described this as 'individual networking' or 'group-based' partnerships. On the other hand, the local NGOs that raise concerns about the humanitarian system may receive lesser support. These perceptions raise concerns about the transparency and fairness about how partners are selected. The leaders stressed that partnership decisions should be based on clear and transparent criteria, such as organizational capacity, technical experience, accountability, community engagement, and demonstrated performance, rather than on personal relationships. They also emphasized that meaningful localization requires international actors and UN agencies to value local voices, including those that provide constructive criticism and bring community-level concerns into the response.

Fund Concentration and Monopolization: In recent times, CCNF and local NGO leaders stated that much of the funding is concentrated in a single local organization in Cox's Bazar. During the consultations, some local NGO leaders raised concerns about the fairness and inclusiveness of partnership and funding decisions in the Rohingya humanitarian response. They referred to an NGO operating in Cox's Bazar whose leadership is not from the district. They pointed to selection bias and possible favoritism towards this NGO, noting such factors might influence its access to funding and partnerships.

Some local NGO leaders perceived that this organization has received partnership opportunities from UN agencies and INGOs, while other locally based NGOs have had limited access to similar opportunities. They viewed this situation as unfair and felt that it may contribute to the exclusion of other local organizations from partnership and funding opportunities.

Some participants went further and stated that there may be an informal effort to reduce the

participation of certain local NGOs in the humanitarian response. These concerns highlight the importance of transparent, inclusive, and non-discriminatory partnership processes. Local NGO leaders stressed that partnership decisions should be based on clear and publicly understood criteria, including organizational capacity, relevant experience, community engagement, accountability, and performance, rather than personal, organizational, geographic, or religious affiliations. They also stressed that all eligible local NGOs should have a fair opportunity to access humanitarian partnerships and funding.

Perceptions on Localization Commitments and Partnership Opportunities: Local NGO leaders raised concerns about the gap between localization commitments and their implementation in the Rohingya humanitarian response. Referring to UNHCR's localization policies and commitments, they noted that while localization is frequently discussed through workshops and other initiatives, these commitments are not always reflected in partnership opportunities.

According to local NGO leaders, many partnership opportunities continue to be concentrated among international and large national organizations, while locally-based NGOs have limited opportunities to engage directly with UNHCR. This is a particular concern for Cox's Bazar-based NGOs that have worked in the district for many years, including organizations with more than two decades of experience. Local NGO leaders also raised concerns about the participation of national NGOs that were not working in Cox's Bazar before the 2017 Rohingya influx, but later became involved in the response through partnerships. They felt that, in some cases, these organizations have received opportunities that could have been offered to local NGOs with longstanding ties to local communities and extensive experience working in the Cox's Bazar context.

This has created a feeling of exclusion among some local organizations, particularly those that have long-standing relationships with the local communities and have experience working in the

Cox's Bazar context.

The leaders further argued that the reduced humanitarian funding makes stronger engagement with local NGOs increasingly important to enhance livelihoods and skills development programs. They emphasized that localization should go beyond organizing workshops on localization commitments. In their view, it should also be reflected in partnership and funding decisions, by creating more opportunities for experienced local NGOs based

UNHCR's Localization vs. Reality in Cox's Bazar

According to UNHCR's Localization Report (2024), 87% of its funded partners were categorized as Local and National Actors (LNAs). As of June 2025, this stood at 85%. However, this reported progress contradicts the partnership decisions for 2026.

For the 2026–2029 partnership cycle in the Rohingya refugee response, UNHCR Bangladesh has selected 13 partners, of whom five are International NGOs, seven National NGOs, and one is a government institution. Notably, none of the selected NGOs are local organizations from Cox's Bazar.

This means that UNHCR have no direct funding partnerships with local NGOs in Cox's Bazar in 2026, despite more than seven years of collaboration with UNHCR. During this period, many local organizations have demonstrated capacity, operational experience, contextual understanding, and a strong track record in service delivery.

This decision contradicts UNHCR's own localization commitments and undermines the very local actors who have been on the frontline with UNHCR since the beginning of the crisis in 2017.

in Cox's Bazar to participate directly in the Rohingya humanitarian response.

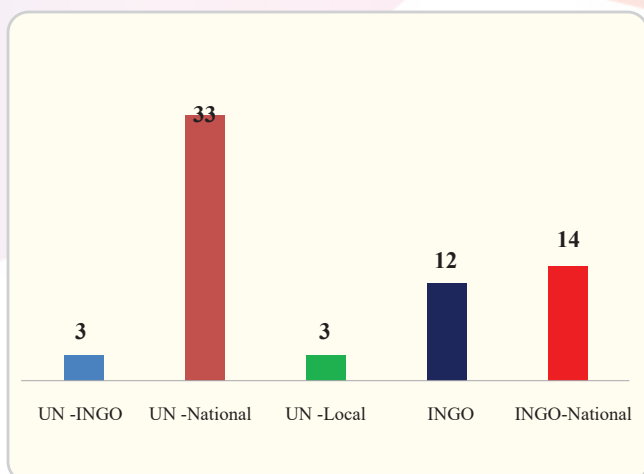
Case Story: Funding Access and Space for Local NGOs

One large Bangladeshi NGO has presence in several countries but is still classified as a national NGO. It has access to multiple funding sources, including donors, international organizations, and UN agencies, as well as its own fundraising mechanisms. According to local NGO leaders, this organization receives funding from multiple sources, limiting opportunities for locally based NGOs and civil society organizations in Cox's Bazar. They argued that local organizations have fewer opportunities to access funding directly and participate in the Rohingya humanitarian response because of this concentration of funding.

Local NGO leaders called for a more balanced funding approach from donors and UN agencies toward civil society organizations. They believe that donors and humanitarian agencies should provide greater opportunities and capacity support to local NGOs and CBOs so they can sustain their work and raise local issues within the humanitarian response.

Partnership Nature: Livelihood and Skill Development

Data from the Livelihoods and Skills Development Sector show a strong concentration of partnership opportunities among national and international organizations. The sector has a total of 65 active partnerships in the camps. Of these, 23% involve INGOs, 5% operate through UN partnerships, and 18% are implemented directly by INGOs. National NGOs also play a significant role, accounting for 73% of partnerships with UN agencies and INGOs. In comparison, local organizations hold only 5% of partnerships in the



sector. This suggests that local organizations have considerably less access to funding and partnership opportunities than their national and international counterparts.

WASH Sector: Partnership Nature and Local NGO Presence: The WASH sector partnership data show that national NGOs have the largest implementation role, accounting for 55% of the partnerships. International NGOs account for 36%, while local NGOs account for only 9%. This indicates that most WASH activities are implemented through national and international organizations, while local NGOs have a much smaller role. The 9% share of local NGOs shows their limited access to partnership and funding opportunities in the WASH sector. Participation of local organizations remains limited compared to national and international NGOs. The data show a gap between local NGO presence and their actual role in WASH implementation.

Recommendations: The study offers the following recommendations:

1. Increase representations of local NGOs in humanitarian governance and co-leadership position to at least 50% of all positions across different sectors.
2. Donors and UN agencies should establish measurable targets for increasing direct financial support to local NGOs, and strengthening local ownership.
3. Reform is needed for pool funding

mechanisms to ensure that the funds reach local organizations through transparent eligibility criteria, simplified compliance requirements, and equitable allocation processes.

4. Capacity strengthening should move beyond short-term training and include multi-year institutional support, organizational development, leadership mentoring, financial management, and compliance strengthening.

5. The Government of Bangladesh, UN agencies, donors, INGOs, and local NGO platforms should jointly develop a time-bound localization strategy and roadmap aligned with the Grand Bargain and Humanitarian Reset.

6. Strengthen accountability to affected communities through local leadership.

7. Establish a localization monitoring and reporting framework.

8. Recognize the role of local NGO networks like CCNF.

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