

FUNDING CONCENTRATION AND MONOPOLIZATION IN ROHINGYA RESPONSE

Where are the first responders?



Ukhia, Cox's Bazar, Bangladesh, September 11, 2017. Photo: Din M Shibly

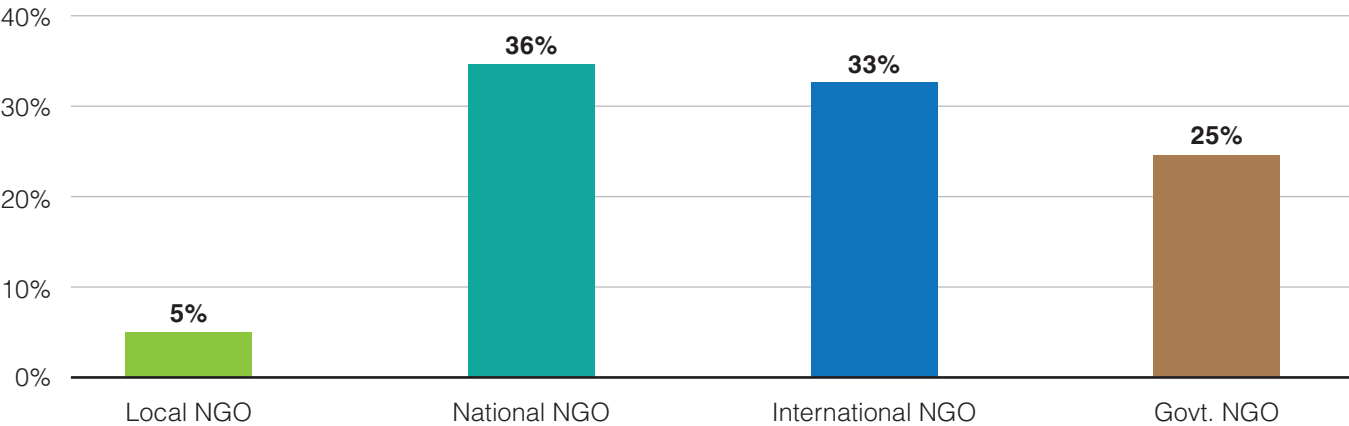
1. Background

Nearly a decade after the mass displacement of Rohingya people to Bangladesh, the humanitarian response in Cox's Bazar continues to depend on humanitarian aid. Locally rooted NGOs in Cox's Bazar have supported affected communities since the beginning of the crisis. They understand the local context, and can respond to needs on the ground. Despite these contributions, their access to humanitarian funding and partnerships, and decision-making remains limited. In this perspectives, local NGOs leaders raise some important questions that are humanitarian funds reaching the organizations closest

to the affected communities, or are funds increasingly concentrated among one or two organizations?

A study conducted on Localization of Aid in Rohingya Response 2026, identifies major issues of funding concentrations, monopolization and local leadership. Its findings raise serious concerns about whether current funding system support meaningful localization or reinforce the dominance of a limited number of NGOs. However, when one or two of organizations repeatedly receive the significant portion of funds that excluded local NGOs rights of receiving funding, the system requires greater transparency, accountability, and reform.

% of fund allocation among different types of NGO from one UN agency in 2026 (JRP 2026)



2. Evidence of Unequal Funding Distribution in Rohingya Response

A. Local NGOs receive only a small percentage of project funding:

The funding allocation and distribution among local, national and international NGOs from UN agencies seen significant disparity. From UN agency allocated funds to their different partners. The below table highlights a significant imbalance in the allocation of project funds among different types of agencies in one sector. Local NGOs receive only 5% of total funding, compared with 36% for national NGOs, 33% for international NGOs, and 25% for government agencies. This raises important questions about equitable partnership, localization, and the role of community-based organizations in delivering humanitarian and development assistance.

A Bangladeshi-origin organization operating internationally is classified as a national NGO and reportedly holds prime funding agreements with at least four UN agencies in Rohingya response. Such concentration of funding is limiting the opportunities for smaller, locally rooted NGOs, including organizations that originated in Cox’s Bazar and have longstanding relationships with affected communities.

C. Repeated partnerships can reinforce funding concentration:

Local NGO leaders have also raised concerns that specifically two organizations repeatedly receive funding and partnership opportunities from UN agencies and international NGOs. Some participants in consultations perceived that selection decisions may favor established organizations, leaving other qualified and eligible local

B. A UN agency’s funding raises further questions:

A review of one UN agency's shelter and CCCM funding under the Rohingya response shows that most resources were concentrated among a small number of established partners, with 59% allocated to two national NGOs, 36% to two international NGOs, and 5% to a specialized organization. None of the five partners was a locally rooted NGO from Cox's Bazar. The concentration of funding among a small group of established organizations raises questions about equitable access. Humanitarian agencies should review partnership policies.

The figures indicate that 95% of the reported funding went to the four NGOs listed in the first two categories.

NGO Type	Funds allocated (US\$)	Percentage
Two international NGOs	1,816,129	36%
Two National NGOs	2,994,744	59%
Others	239,548	5%
Total	5,050,421	100%

Source: Figures taken from the UN agency's JRP reporting in Quarter 2, 2026

NGOs with limited opportunities. Local NGOs leaders indicates of favoritism or intentional exclusion. Nevertheless, humanitarian agencies should address them through transparent selection criteria, accessible funding, and fair opportunities for eligible organizations.

A related concern involves large Bangladeshi organizations with substantial national and international operations. Their formal classification as national or international organizations

D. Questionable Fund Concentration to a Local NGO from Similar Faith Based INGOs and UN:

An NGO is locally originated from Cox's Bazar but the leader of that NGO is not locally originated. Partnering with that local NGO should not consider the implementation of localization. Because the leader also has to be locally originated in Cox's Bazar. Besides, most of the local NGO leaders consider this as funding concentration. As the total funding portfolio of this local NGOs is more than double of all other local NGOs funding from UN and INGOs in Cox's Bazar. And this funding is relationship based unethical and coming from faith-based organization and missionary relation, which is very dangerous for Bangladeshis and Rohingya response. Because Bangladesh's culture is secular and human rights-based, similarly, NGOs want to make the Rohingyas' culture secular and human rights-based.

Twelve local NGOs together with the host community, were among the first responders to the Rohingya influx. They provided food, shelter and other essential support to newly arrived refugees. In doing so, local communities sacrificed their agricultural land, water resources and livelihoods. According to the study findings, 80% of these first responder NGOs has no fund or limited partnership to the Rohingya response.

Many leading INGOs and national NGOs entered the response in 2018 and 2019, after the critical emergency phase. Despite having limited or no presence during the critical early response, many have since taken leading roles, while the first-responder local NGOs have been increasingly sidelined from humanitarian funding and partnerships.

3. Why Funding Concentration Matters

When humanitarian funds repeatedly flow through a limited number of organizations, several risks arise:

- **Reduced access:** Smaller, locally rooted NGOs may struggle to secure direct funding, even when they have relevant experience and strong community relationships.
- **Weaker local leadership:** Local organizations remain implementers or subcontractors rather than equal partners in planning and decision-making. But without funding, their leadership become weaker due to limited space.
- **Limited institutional development:** Less funding opportunities are not sufficient for local organizations to

strengthen their systems, maintain quality staffing, and long-term capacity.

These concerns are particularly important as humanitarian resources become more constrained and agencies are expected to demonstrate efficiency, accountability, and meaningful localization.

4. Recommendations: From Concentration to Fair Partnership

We call on donors, UN agencies and international NGOs to take the following actions:

- **Review the UN and INGOs Partnership Decision:**
It is time for humanitarian agencies especially for UN agencies to review their partnership policies and funding allocation decision. Decisions should not be based primarily on an organization's name, reputation, or institutional profile. Instead, they should consider demonstrated programme quality, community trust, local presence, and connections with affected people. Localization must go beyond recognizing organizations as national or local; it must ensure fair access to funding and genuine opportunities for local organizations to lead. UN agencies and other humanitarian actors should promote inclusive, and context-sensitive partnership processes that enable smaller, locally rooted NGOs to compete fairly and contribute their knowledge and experience to humanitarian response.
- **Recognize and Priorities First-Responder Local NGOs:**
Humanitarian donors and coordination agencies should recognize and priorities the first-responder local NGOs in funding and partnership decisions, ensuring their meaningful participation and fair access to resources in the Rohingya response.
- **Publish transparent funding data:**
Disclose organization-level funding allocations, partner selection criteria, and the distinction between direct and indirect funding, how much actually local NGO get the funding.
- **Review repeated funding concentration:**
Assess whether the repeated selection of the same partners is justified by transparent, objective criteria. Where appropriate, widen competition and create opportunities for other qualified local organizations.
- **Strengthen fair and accountable partnerships:**
Simplify unnecessarily burdensome application procedures, complex due diligence, harmonize due diligence where possible, provide feedback to unsuccessful applicants, and invest in the institutional capacity of local organizations, so can be eligible for funding.
- **Increase local participation in decision-making:**
Ensure that locally rooted NGOs have meaningful representation in coordination, programme design, funding discussions, and monitoring.



Ukhia, Cox's Bazar, Bangladesh, September 14, 2017
Photo: Din M Shibly

5. Conclusion

The Rohingya humanitarian response must move beyond commitments to localization and demonstrate measurable change in how resources and decision-making power are distributed. The issue is not whether large national or international organizations should receive funding. They have important roles to play. The issue is whether the system provides fair, transparent, and meaningful opportunities for qualified locally originated organizations to contribute and lead. Humanitarian funding should not become the privilege of a few organizations. It should be allocated through transparent, accountable, and inclusive partnerships that recognize local knowledge, strengthen local leadership, and serve affected communities effectively.

The time has come for donors, UN agencies, and international NGOs to turn localization commitments into measurable action and ensure that first responders and locally originated organizations from Cox's Bazar are partners in leadership, not merely providers of services.