



SIPG Policy Brief 30

SITUATION IN RAKHINE AND IMPLICATIONS FOR BANGLADESH



SIPG

Introduction

The protracted Rohingya crisis has long remained a major concern for Bangladesh, affecting its security, economy, and social landscape. Recent developments in Myanmar's Rakhine State, where the Arakan Army (AA) now exercises near-total authority, have further complicated the situation and added new elements in the regional dynamics. In February 2025, the South Asian Institute of Policy and Governance (SIPG) at North South University hosted a colloquium titled "Situation in Rakhine and Implications for Bangladesh." This event brought together policymakers, academics, and civil society actors to have an informed discussion on recent developments in Rakhine and to listen to perspective of various stakeholders on the way forward.

This Policy Brief builds on earlier discussions at the SIPG forum on "Towards a National Consensus on Rohingya Policy" (held on November 2024). It highlights key factors, proposes strategic responses, and underscores the imperative for a broader, updated policy framework in Bangladesh's approach toward the crises in Rakhine.

Main Issues for Discussion at the Colloquium

Ascendancy of the Arakan Army (AA) and Governance Shifts

- The AA has emerged as the *de facto* authority in most parts of Rakhine, altering local power dynamics, having implications for Bangladesh's border security, risk of human trafficking and arms smuggling, and further cross-border tensions.

Prolonged Rohingya Crisis and Repatriation Roadblocks

- Over 1.3 million Rohingya remain in difficult situation in camps in Bangladesh, with no visible progress towards safe and dignified repatriation.
- New arrivals since October 2023 signal continued marginalisation of the Rohingya and desperate situation in Rakhine causing slow influx.

Engagement with Non-State Actors

- Imperative for a structured interaction with the AA/United League of Arakan (ULA) to ensure peaceful borders, enabling environment for humanitarian assistance, and Rohingya inclusion in Rakhine.

Humanitarian Imperatives

- Rakhine faces severe poverty (with per capita incomes near USD 400) and high food inflation, as a result of the collapse of agriculture and economy.
- Prospects for establishing secure "humanitarian corridors" in Rakhine and ensuring sustained aid from Bangladesh and global stakeholders to respond to famine-like situation there.

Regional Geopolitics and External Influences

- Opportunity for Bangladesh to explore Chittagong–Rakhine economic linkages and discuss peace and progress in Rakhine.
- China, India, ASEAN, and western countries each maintaining strategic interests in Myanmar and shaping environment of conflict in Rakhine.

Ensuring Rights of the Rohingya

- Bangladesh's consistent call for voluntary, safe, and dignified repatriation remains central and imperatives to create a conducive atmosphere for return.
- Necessity of citizenship and socio-political recognition in any arrangement for governance in Rakhine

Key Moments from the Colloquium



Key Findings, Views, and Observations

Rapidly Changing Political Dynamics in Rakhine

Participants emphasized that the AA's rise presents both threats and opportunities. While the AA and the Tatmadaw (Myanmar Military) differ in many ways, both have perpetuated violence and genocidal acts against the Rohingya. This underscores the importance of new and innovative diplomatic efforts by Bangladesh, backed by credible deterrence.

Persistent Humanitarian Crises

An estimated 600,000 individuals are displaced within Rakhine, lacking adequate shelter, healthcare, and economic opportunities. Food price inflation exceeds 80%, and more than half the population is unemployed. The Rohingya remain the most vulnerable, facing high risks of violence, extortion, and forced recruitment.

Insecurity and Border Management

Arms smuggling, drug trafficking, and sporadic cross-border clashes risk destabilizing communities on both sides of the Bangladesh–Myanmar border. Experts suggest that Bangladesh should maintain a minimum credible deterrence, to respond to the uncertainties.

Governance Challenges in Rakhine

Impact of violence and armed conflict has made lives of every community difficult. It has rendered Rakhine extremely difficult to govern. This burden of governing in a situation of poverty, lack of services and collapse of agriculture and economy will remain a major concern and vulnerability for AA/ ULA.

Economic Interdependence as a Stabilizing Factor

Rakhine's economy is under severe strain; supplies from mainland Myanmar are disrupted. Participants stressed that sustainable connectivity and value-chain linkages between Chittagong and Rakhine could bolster local livelihoods. This economic opening can also be leveraged by Bangladesh to secure commitments toward peaceful borders and eventual Rohingya return.

Rohingya Repatriation in Limbo

Despite multiple bilateral and multilateral engagements, no tangible progress has been achieved in repatriation. Recent small-scale arrivals indicate ongoing persecution of Rohingya in Rakhine by various armed factions. The National Unity Government (NUG) pronounced commitment on better treatment of the Rohingya, but the AA/ ULA have not yet demonstrated a clear, actionable plan for Rohingya reintegration.

Emerging Need for International Conferences and Coalitions

The Interim Government of Bangladesh has been active in efforts to convene high-level dialogues that ought to involve stakeholders from the Rakhine (including the AA/ULA) and the Rohingya community. Such initiatives can catalyze political and humanitarian consensus for the region, akin to global conferences in other conflict zones.

Key quotes from the session

We have an opportunity here: to remind the Arakan Army that long-term stability of Arakan depends on including the Rohingya. Bangladesh can be the lifeline for Rakhine, by offering vital humanitarian assistance and economic linkages.



Dr. Khalilur Rahman, National Security Adviser, and High Representative of the Chief Adviser on the Rohingya Issue and Priority Matters



Safe zones under the UN Security Council might not be feasible right now. Observance of international humanitarian law and human rights law can improve situation in Rakhine. Bangladesh remains the only viable conduit for relief operations, giving Bangladesh leverage.

Lt. General (Retd.) Abdul Hafiz,
Special Assistant to the
Chief Adviser,
Government of
Bangladesh

Bangladesh's objectives should go beyond stabilization of Rakhine and inclusion of the Rohingya to include emergence of a peaceful, stable and friendly neighbour for the future as well as interdependent beneficial relations with it. Time has come to focus on improved race relations in Rakhine as well as transitional justice, in particular reparation for the Rohingya.



Ambassador Md. Sufiur
Rahman, Senior Research
Fellow, SIPG



The Arakan Army is heavily armed and exerts near-total control in many areas. There are risks of an even larger humanitarian catastrophe.

Brig Gen (Retd) Hasan
Md Shamsuddin, Center
for Bangladesh and
Global Affairs

Since the end of 2023, around 70,000 new Rohingya refugees have arrived, compounding an already severe challenge. If this slow, silent influx cannot be stopped, how can we effectively pursue repatriation?



Professor Sk. Tawfique M.
Haque, PhD, Director, SIPG



We must engage all regional and international stakeholders to create conditions that support safe and voluntary repatriation. At the same time, we must ensure that Rohingya communities are seen as assets, not liabilities, whether in Myanmar or in host countries like Bangladesh.

Mr. U Aung Kyaw Moe, Deputy
Minister, Ministry of Human
Rights, National Unity
Government (NUG)

Voluntary, safe, and dignified repatriation—accompanied by meaningful reparations—remains central to any lasting solution. The international community should impose strong sanctions on both the Tatmadaw and the AA to halt further atrocities.



Mr. Nurul Islam, Chair,
Arakan Rohingya National
Alliance (ARNA)



Together, we can build bridges of understanding and forge a more peaceful tomorrow for everyone.

Dr. Abdul Hannan Chowdhury,
Vice Chancellor, North South
University

Policy Recommendations

Engage with the *de facto* Authorities in Rakhine

- **Structured dialogue with the AA/ULA:** Seek commitments on ceasing violence against the Rohingya, halting cross-border crime, and facilitating humanitarian access.
- **Improved race relations in Rakhine and inclusion of the Rohingya:** Coordinate with all stakeholders, Rakhine and external ones alike, to promote tolerance and inclusivity as the stepping stone for integration of the Rohingya in Rakhine with dignity and rights.

Strengthen Security and Border Management

- **Peaceful border management:** Invest in enhanced border surveillance and intelligence-sharing mechanisms to deter drugs and human trafficking, and arms smuggling.
- **Commitment from AA/ ULA:** Negotiate to secure commitment on improved race relations and inclusion of the Rohingyas as well as on avoidance of actions that might create insecurity for Bangladesh.
- **Strengthen security preparedness:** Work towards a peaceful border, but with a credible capacity to respond to any misadventure from across the border.

Protect and Empower the Rohingya

- **Pathways to citizenship:** Advocate unwaveringly that the AA/ULA, NUG, and other Myanmar stakeholders recognize the Rohingya as equal citizens, ensuring their civil and political rights.
- **Boosting self-reliance:** Develop vocational and educational programs within camps in Bangladesh to prepare Rohingya for dignified reintegration in Rakhine and reduce their vulnerability.

Humanitarian Assistance and Economic Integration

- **Humanitarian assistance:** Allow access from Chittagong into Rakhine, elaborate humanitarian relief operations in Rakhine ensuring safety, provided the UN leads such an international effort, and promoting initial trust-building measures between Bangladesh and Rakhine authorities.
- **Trade and infrastructure:** Encourage trade and port linkages that can stimulate economic stabilization, also benefitting Rakhine communities and thus demonstrating Bangladesh's constructive role.

International Engagement and Coalition-building

- **UN-led Conference on Rakhine:** Collaborate with the UN and international stakeholders to organize a comprehensive conference that brings all actors—AA, Rohingya, Tatmadaw, and NUG—into dialogue.
- **Global burden-sharing:** Press for broader donor engagement, seeking more significant contributions from China, India, ASEAN members, and other actors with historical or strategic interests in Myanmar.

Robust and creative Diplomacy

- **Robust diplomacy:** Coordinate with regional and international actors to ensure an understanding with the *de facto* authority on human rights obligations that includes formal guarantees.
- **Broaden strategic partnerships:** Deepen outreach with ASEAN, the EU, and major powers. Strive to align different regional interests toward ensuring stability in Rakhine and mitigating further humanitarian crises.
- **Justice and accountability:** Maintain support for legal proceedings at the ICJ and ICC against perpetrators of atrocities, ensuring that accountability remains integral to any settlement.

Conclusion

Evolving realities in Rakhine—particularly the Arakan Army’s consolidation of power—pose significant yet surmountable challenges for Bangladesh. The ongoing Rohingya crisis demands a reinvigorated policy that incorporates diplomatic creativity, security preparedness, and economic pragmatism. Building on its geographic, cultural, and economic proximity to Rakhine, Bangladesh can emerge as a pivotal partner in stabilizing Rakhine—provided it adopts a holistic, inclusive and forward-looking approach.

By demonstrating values in addressing vulnerabilities of Rakhine, Bangladesh can emerge as the country with the greatest leverage. By engaging non-traditional actors from a position of principle and strength, and by rallying support from regional and global stakeholders, Bangladesh can help foster conditions for Rohingya repatriation and shape a safer, more inclusive future for them in Rakhine.

Brief Program Schedule

Session-01	<p style="text-align: center;"><u>27 February 2025</u></p> <p>Opening Remarks: Prof. Sk. Tawfique M. Haque, PhD Keynote Presentation: Former Ambassador Md. Sufiur Rahman, Brig Gen (Retd) Hasan Md Shamsuddin. Eminent Speaker: Lt. Gen Abdul Hafiz (Retd)</p>
Session-02	<p>Moderator: Dr. Ishrat Zakia Sultana Discussants: Professor Sk Tawfique M Haque, PhD, Mr. Nurul Islam(ARNA), Mr. Sahat Zia Hero, Mr. U Aung Kyaw Moe, Deputy Minister, NUG Chief Guest: Dr. Khalilur Rahman Closing Remarks: Prof. Abdul Hannan Chowdhury, VC, NSU</p>

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