

Advocacy note on

Refugees' access to SIM card and mobile money

April 2025, UNHCR Bangladesh

I. Background

As of April 2025, over one million Rohingya refugees are residing in refugee camps in Cox's Bazar and on Bhasan Char. Based on the policy framework, refugees are not allowed to access mobile sim cards and financial services, such as opening bank account, and accessing mobile money wallet.

A significant amount of funds is circulating in the camps, including millions of dollars of humanitarian aid which have to be paid through cash handouts, as well as other cash transactions in the markets and shops, and other occasions. On average, around 30,000 refugee volunteers in the camps receive cash handouts for the incentives, totaling around USD 3m per month. In addition, cash for work labourers also receive their payment in cash handouts. Cash handouts are unsafe, prone to corruption, exploitation and extortion.

While many refugees managed to obtain SIM cards and mobile money through the local market, which are registered under the names of Bangladeshis, there is no official approval for them to access such services. As such, the ownership of these cards and the transaction records of these mobile money accounts are untraceable.

II. Discussion with GOB on refugees' access to SIM card

At a periodic meeting of the inter-ministerial National Task Force (NTF) on 13 August 2023, Ministry of Foreign Affairs of the Government of Bangladesh referred to the need for the GoB to have access to both biographic and biometric data of Rohingya refugees. Referring to report of Home Ministry's decision to allow Rohingya refugees to purchase Bangladeshi SIM cards, UNHCR offered to develop an Application Programming Interface (API) on the UNHCR server or connect GoB biometric database with the central API, to assist GoB to verify biometrics of Rohingya buyers of SIM cards. UNHCR also referred to the two technical options proposed two years prior, and availability of UNHCR experts to agree on an arrangement for the establishment of Rohingya refugees' access to digital financial services.

At a bilateral courtesy call with UNHCR Representative on 5 December 2023, the Hon. Minister of Home Affairs requested access to Rohingya refugees' biometric data in order for GoB to verify identity of refugees for issuance of Bangladeshi SIM cards. UNHCR followed this meeting with two letters to MoFA and MoHA on 10 and 17 December 2023 respectively requesting, among others, facilitation of a meeting among UNHCR, MoFA and MoHA on refugee data access and stating UNHCR's readiness to organize a briefing on UNHCR's facilitating GoB's needs-based access to Rohingya refugees' biometric data [also] for identity verification purposes.

At a bilateral meeting on 6 March 2024 hosted by MoFA with UNHCR along with various government departments on the ongoing discussions on GoB's request for sharing of Rohingya refugees' biometric and biographical data, Public Services Division/MoHA and National Telecommunication Monitoring Commission underlined the need for GoB's access to Rohingya refugees' biometric and biographic data to allow Rohingya refugees' access to vital services such as Mobile Financial Services. MoFA underlined that the Rohingya refugees' database prepared and maintained by UNHCR is necessary for the relevant Government offices to, among others, issue [Bangladeshi] mobile SIM cards for Mobile Financial Services. MoFA reiterated the matter also at the GoB-UNHCR joint Technical Expert Committee's first meeting on the broader data-sharing discussions held on 5 May 2024.

III. Advocacy points for refugees' access to financial services (including mobile money)

- Benefit to refugees
 1. Financial services provide means for refugees to safely manage their funds, protecting them from being targeted by criminal groups.
 2. Managing personal account enable refugees to develop financial literacy and better prepare them for future return to Myanmar.
 3. Financial services will enable refugees to save for the future, strengthen resilience and reduce aid dependency.
- Benefit to host government
 1. Allowing refugees to access financial services will allow the Government of Bangladesh to better track the movements of the large amount of money circulating within the camps.
 2. Allowing refugees to access financial services, including mobile money, will increase the client base of the national financial sector, and drive the development of the financial sector of Bangladesh, especially in the less development areas of Ukhiya and Teknaf.
- Benefit to host communities and local economy
 1. The approval for refugees to access financial services will allow the UN to transition from in-kind assistance to cash-based interventions. Through in-kind assistance, items procured internationally do not benefit Bangladesh economy, and items procured domestically are mostly sourced from large companies, not benefiting the local economy in Cox's Bazar.
 2. Cash-based assistance will allow refugees to spend the assistance money based on their needs, and buy daily necessities in the nearby markets and shops, which will inject to the local economy and benefit the host communities, who are most affected by the presence of the refugees.
- Benefit to aid agencies
 1. Moving from in-kind to cash will also increase cost efficiency, by cutting down transportation, warehousing and distribution costs. This is particularly important with the reduced humanitarian funding.

2. Cash-based assistance will prevent the selling of relief items, which is a common coping mechanism when the in-kind assistance does not address the most immediate needs of the refugees. Relief items are often sold at a discounted rate, sometimes less than 30% of its value, causing loss to the aid agencies and refugees, as well as disturbing the local market and causing loss to the local merchants.
3. The Rohingya response in Bangladesh is well prepared for the transition towards cash-based interventions (CBI). UNHCR has interlinked systems, ProGres for registration, Global Distribution Tool (GDT) for biometric identity verification and CashAssist for automated payment list creation, validated by GDT, to be shared with financial institutions for the payment processing. These interlinked systems ensure end-to-end tracking of individual payments, increase accountability for all CBI transaction records and create auditable reconciliation reports, which enable UNHCR to ensure a strong process to mitigate risks of fraud and corruption in the provision of cash assistance. These systems are available to be used by all aid agencies in Cox's Bazar.