Findings

Inter-Sector Needs Assessment (ISNA) 2025
Sector: Livelihoods and Skills Development

According to the 2025 ISNA, approximately 65% of refugee households reported having at least one source of income (excluding any humanitarian aid), while 35% indicated having none. This finding highlights a continued dependency on humanitarian assistance among a significant portion of the refugee population, with limited access to sustainable income-generating activities due to policy restrictions.

Among the 65% households reporting income sources, the predominant forms of livelihood are casual or daily labour inside camps (23%), followed by casual or daily labour outside camps (20%), and self-employment through small businesses or regular trade (15%). Additionally, 16% of households earn income through cash-for-work initiatives linked to humanitarian programs, while 10% reported other forms of arrangements. A smaller segment (7%) engages in volunteer activities within camps, and 9% rely on remittances, community support, or charitable assistance.

These findings illustrate that refugees' income is predominantly irregular and informal, characterized by low wages, unstable access, and heavy reliance on humanitarian interventions for temporary work opportunities.

Compared to the 2024 ISNA, which reported 73% of households with at least one income source, the 2025 assessment reflects a notable decrease, indicating reduced livelihood access and increasing dependency on humanitarian support. The proportion of households engaged in casual labour remains high at 43% (inside and outside camps combined), underscoring the persistent lack of diversified and sustainable income opportunities. Furthermore, the data points to persistent gender disparities and limited financial resilience, highlighting ongoing barriers to women's economic participation and household self-reliance.

Sector Priority Needs

1. **Diversified and Sustainable Livelihoods**: There is a strong need to expand livelihood options beyond casual labour and cash-for-work. Refugees require access to skill-building, market linkages, and enterprise development opportunities to establish small-scale and home-based businesses. There is also the need for upscaling and diversifying the skills development program for both refugees and affected host communities.
2. **Formalization of Economic Activities**: Given the drastic reduction of humanitarian funding, including the reduced volunteer positions, there is an imminent need to expand other forms of income generating opportunities. This includes allowing refugees to establish businesses inside the camps, encourage the private sector investment, and allow camps-based products to be marketed outside.
3. **Access to Financial and Productive Resources**: Enhancing financial inclusion and access to tools, capital, and inputs for microenterprise development remains critical to transition refugees from aid dependency to self-sufficiency.

Sector Service or Response Gaps

- **Limited Market Access:** Refugees continue to face restrictions on movement and economic participation, limiting engagement with external markets.
- **Short-Term Programming**: Most income-generation activities are temporary, donor-dependent, and lack pathways to sustainability.
- **Insufficient Private Sector Engagement**: While initial discussions with the local Chamber of Commerce (Cox's Bazar, Chittagong, Gazipur, Dhaka) and local private sectors are ongoing with LSDS, these initiatives are challenged by the restrictive policy framework.
- **Underdeveloped Financial Inclusion**: The absence of financial services and regulatory barriers prevents the development of savings, lending, or cooperative models.
- **Inadequate Coverage:** Only two-thirds of households have any income source, and among them, many rely on intermittent or low-income jobs. Livelihoods initiatives are also not equal to all 33 camps., LSDS partners will further strengthen the coordination among LSDS partners to ensure all refugees have equitable opportunities to access livelihoods support. .

Prevailing Risks and Vulnerabilities

- **Rising Vulnerability as a Result of Aid Reduction**: If current funding declines persist, the reduction in non-formal and vocational programs could further exacerbate unemployment, particularly among youth and women.
- **Protection Risk**s: The reduction in aid will also make it difficult for refugees to make their ends meet with the limited income they can access, increasing the vulnerability of the entire population. In the absence of an enabling environment for self-reliance, households are likely to resort to harmful coping strategies such as child labour, early marriage, and informal or unsafe work.
- **Gender Inequality**: Women face additional barriers to income opportunities due to cultural constraints, limited mobility, and safety concerns in workplace environments.
- **New Arrivals**: New refugees are particularly vulnerable, with no established income sources and immediate dependence on humanitarian support for basic needs.

Key Messages

1. Over one-third of refugee households have no source of income, underscoring the urgency of expanding self-reliance programming and flexibility within the current GoB policy framework.
2. The dominance of casual labour and cash-for-work highlights the need for a transition from temporary to sustainable livelihood options.
3. Strategic private sector engagement, skills training, and access to microenterprise opportunities are essential for long-term economic inclusion.
4. Without sustained funding and policy support, refugees—especially new arrivals—risk deeper poverty, protection vulnerabilities, and reduced resilience.
5. Strengthening coordination between humanitarian and development actors is vital to link skills development with market demand and future policy shifts.

List of References / Secondary Data Sources

- ISNA 2025 Primary Data (Livelihoods Section)
- LSDS 2024 Progress Report
- LSDS 5W Analysis (Jan- August 2025)
- LSDS ISNA 2024 report