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# HUMANITARIAN ACTION UNDER PRESSURE:

IMPACT OF CUTS, SCENARIOS AND PRINCIPLES  
MOVING FORWARD





## CONTEXT

This year has witnessed dramatic changes to the humanitarian system. The largest and most significant has been the peremptory dismantling of USAID by the new US administration and the halting of 83% of its aid programming.<sup>1</sup> The USA historically contributed around 40 per cent of the global humanitarian budget, amounting to over 13 billion dollars in 2024.<sup>2</sup> This was followed by announcements of significant cuts by several other humanitarian donors. The developments are set in the context of continually rising humanitarian needs, driven by the escalating climate emergency, the conflicts and systematic violations of International Humanitarian Law (IHL) in Sudan, DRC, Ukraine and Gaza and elsewhere.<sup>3</sup>

These cuts are an acceleration of pre-identified trends and pressures on the humanitarian system. According to the OECD DAC, Official Development Assistance (ODA) fell in 2024 for the first time in five years, with humanitarian aid dropping by 9.6%. Waning public enthusiasm for aid in donor countries means that political support for international humanitarian action is at a historic low, and ever more likely to be driven by foreign policy priorities.<sup>4</sup>

The changes in 2025 also mark a qualitative shift in the humanitarian landscape, however, with aid cuts unfolding against a backdrop of deeper, more systemic changes in global political and economic dynamics. Long-standing assumptions that once anchored the humanitarian system—particularly regarding the U.S. role in the international economic and multilateral order—are increasingly uncertain or no longer hold.<sup>5</sup>

Drawing on ongoing research and the experience of Start Network, this briefing outlines the impact of funding cuts on crisis-affected communities, examines how humanitarian organisations and the broader system are responding, and explores possible scenarios for the future of aid. It concludes with Start Network's recommendations for action.

<sup>1</sup>Rubio says 83% of USAid programs terminated after six-week purge, The Guardian <https://www.theguardian.com/us-news/2025/mar/10/marco-rubio-usaid-funding#:~:text=The%20Trump%20administration%20has%20taken,Musk's%20unofficial%20government%20efficiency%20unit>

<sup>2</sup>See UNOCHA Financial Tracking Service breakdown of total reported humanitarian funding in 2024 <https://fts.unocha.org/global-funding/overview/2024>

<sup>3</sup>As of end-March, the 2025 Global Humanitarian Overview (GHO) presents consolidated funding requirements of \$44.79 billion to assist 187 million of the 308 million people in need in 73 countries <https://reliefweb.int/report/world/global-humanitarian-overview-2025-february-update-snapshot-28-february-2025-enar>. On the politicisation of aid, see "The Future of Humanitarian Aid: Navigating a Politicized and Fragmented Landscape" Harvard Humanitarian Initiative <https://hhi.harvard.edu/news/2025/06/future-humanitarian-aid-navigating-politicized-and-fragmented-landscape>

<sup>4</sup>For example, only 11% surveyed UK citizens want to see an immediate return to spending 0.7% GNI on international development <https://bfpq.co.uk/2024/09/2024-annual-survey-of-uk-public-opinion-on-foreign-policy/>

<sup>5</sup>"Trump has launched a second American Revolution. This time against the world" Carnegie Endowment for International Peace [https://carnegieendowment.org/emissary/2025/03/trump-foreign-policy-second-american-revolution-nato-un?lang=en&utm\\_source=chatgpt.com](https://carnegieendowment.org/emissary/2025/03/trump-foreign-policy-second-american-revolution-nato-un?lang=en&utm_source=chatgpt.com)

# IMPACT

## IMPACT ON CRISIS AFFECTED PEOPLE

*"When you go to your home, your children ask for bread, we don't have a source of income to feed our children properly. If there is no aid, it means we do not have bread."<sup>6</sup>*

While the impact on crisis-affected people varies by context, the overall effects on people in countries heavily reliant on foreign aid have been severe and immediate. UN agencies have predicted ["pandemic-like"](#) impact of the cuts on women and girls. In South Sudan and Ethiopia MSF, which relies on private donations and is unaffected by US aid cuts, said their teams are responding "to a rampant [cholera](#) outbreak amid escalating violence – while other organisations have scaled down their presence". In Afghanistan, the [Health Cluster](#) reported that 409 clinics were suspended or closed as a result of US aid cuts.

Cuts to development programmes are also having a devastating impact, with estimates that the suspension of the President's Emergency Plan for AIDS Relief (PEPFAR) could lead to about one million new H.I.V. infections by 2030 and could lead to nearly 500,000 AIDS deaths among children and the orphaning of 2.8 million more, and cuts to Gavi, the global vaccine alliance, could result in over a million child deaths over five years.<sup>7</sup>

In total, according to the organisation Impact Counter, by early June the cuts to aid programmes had already led to over 300,000 deaths.<sup>8</sup>

## IMPACT ON THE HUMANITARIAN SYSTEM

*"We are reducing activities to the bare minimum when necessary, focusing strictly on life-saving measures."<sup>9</sup>*

The US aid cuts have caused individual agencies to reprioritise, reorganise, lay off significant numbers of staff and in some instances are struggling to remain functional. This has affected [local and national organisations, INGOs](#) and UN agencies alike. The cuts have also impacted the systems that underpin informed and effective humanitarian responses – from the temporary closure of The Famine Early Warning Systems Network (FEWS NET) and a myriad of other data collection, assessment and analysis services.<sup>10</sup>

On average [Start Network members](#) that received US funding report that one-third – and up to 60% – of total organisational funding has been affected. The most affected sectors were Health, Disaster Risk Reduction (DRR), Food Security & Livelihoods, and Water and Sanitation & Hygiene (WASH).

In discussions with hubs and Start Network members, many expressed a growing concern about the secondary impacts of the funding cuts and fears about increasing competition between organisations for limited resources, potentially undermining collaboration and solidarity within the sector.

<sup>6</sup>Community leader in Kabul quoted in Ground Truth Solutions "The Human Cost of the US Aid Cuts" <https://www.groundtruthsolutions.org/projects/the-human-cost-of-the-us-aid-cuts>

<sup>7</sup>See the New York Times, [https://www.nytimes.com/2025/04/08/health/cdc-hiv-mothers.html?unlocked\\_article\\_code=1.-E4.GeJe.Ls8bCYdYs29T](https://www.nytimes.com/2025/04/08/health/cdc-hiv-mothers.html?unlocked_article_code=1.-E4.GeJe.Ls8bCYdYs29T) and <https://www.nytimes.com/2025/03/26/health/usaids-cuts-gavi-bird-flu.html>

<sup>8</sup>Impact Counter, accessed 5 June 2025 <https://www.impactcounter.com/dashboard?view=table&sort=title&order=asc>

<sup>9</sup>Start Network member response to a survey on the impact of the cuts

<sup>10</sup>Humanitarian data drought: The deeper damage wrought by US aid cuts, New Humanitarian <https://www.thenewhumanitarian.org/analysis/2025/03/25/humanitarian-data-drought-deeper-damage-wrought-us-aid-cuts>

There have been two main UN-led “system-wide” processes which are attempting to rationalise and respond to the new funding reality, these are:

## **HUMANITARIAN RESET**

The “[Humanitarian Reset](#)” was announced on 20 February by Emergency Relief Coordinator (ERC) Tom Fletcher, recognising that the humanitarian community faces a “profound crisis of legitimacy, morale, and funding”. The strategic priorities of the Reset were outlined by the ERC “as the best possible crisis response with the resources we have; urgent work to reform and reimagine how we work; and shift power to our humanitarian leaders in country, and the people we serve”.

Amongst the positive aspects of the announcement, from the Start Network’s perspective were:

- The priority given to funding local and national actors, including for pooled funds, and aligning the country based pooled funds and emergency fund with the aims of the humanitarian reset
- An understandable focus on triage and prioritisation of life saving action, while retaining links to recovery planning.
- The pooling of resources for operational enablers – such as humanitarian air bridges, needs assessment, data gathering, and safety and security - particularly to the extent this frees resources to be delivered to people in need

There is concern that the process has been opaque and rushed, with discussions and decision making concentrated amongst the UN and a small number of large INGOs who participate in the Interagency Standing Committee on Humanitarian Response (IASC), and inadequately consulted with local and national actors, and crisis affected communities. It is unclear how some of the announced priorities – to eliminate turf wars and duplication, and to give up power, for example – will be achieved.

Start Network, along with other civil society networks in the global north and south, critiqued the Reset for not going far enough and called for more transformative action, saying that a “genuine humanitarian reset must seek to meaningfully refocus humanitarian action around those closest to communities”.<sup>11</sup>

On 19 June, the ERC issued an update on the process, announcing measures such as the “hyper-prioritised” Global Humanitarian Overview and the reduction of clusters from 15 to 8 and highlighting a number of areas for further action and consideration in the next phase of the Reset.<sup>12</sup>

Overall, the Humanitarian Reset is raising key questions and policy propositions and the direction of travel and priorities set by the ERC are positive, but the initiative faces many of the same barriers to collective action that have bedeviled other humanitarian reform processes.<sup>13</sup>

<sup>13</sup>Note that UNICEF is considered a development agency (despite its 9.3bn USD humanitarian appeal in 2024).

<sup>11</sup>Humanitarian Reset: A Call for Transformative Change, Start Network et al, <https://reliefweb.int/report/world/humanitarian-reset-call-transformative-change>.

<sup>12</sup>Statement by Emergency Relief Coordinator Tom Fletcher - The Humanitarian Reset Phase Two <https://interagencystandingcommittee.org/inter-agency-standing-committee/statement-emergency-relief-coordinator-tom-fletcher-humanitarian-reset-phase-two>. See Start Network’s response to the statement here <https://startnetwork.org/learn-change/news-and-blogs/start-networks-response-erc-statement-humanitarian-reset-process>



## UN80

The UN80 initiative was [announced](#) by UN Secretary General Antonio Guterres on 12 March identifying three areas of change/focus:

- Rapidly identifying efficiencies and improvements
- Thoroughly reviewing the implementation of all mandates, which have significantly increased in recent years.
- A strategic review of deeper, more structural changes and programme realignment in the UN System

At the end of April, internal discussion on possibilities for reform measures as part of UN80 were [leaked](#). Some of the proposals would mark a very significant reorganisation of the humanitarian and broader aid system, including plans to merge “multiple entities into a single humanitarian entity” by “integrating OCHA, UNHCR and IOM [and] leveraging WFPs expertise”.<sup>14</sup> Other proposals include cutting director level staff, moving OCHA from its headquarters in New York City and merging the operational capacity of Rome-based agencies (WFP, FAO and IFAD).

In the medium and long term, the UN80 process – with the possibility of merged UN agencies and reform of humanitarian and development mandates - has the potential to be more consequential to the future organisation of the international humanitarian system than the Reset.<sup>15</sup>

## IMPACT ON DONORS

Amid overall reductions in aid budgets—even from governments that have stepped in with additional funding in response to U.S. cuts<sup>16</sup>—there is a renewed emphasis on “doing more with less.” This has brought a sharper focus on value for money and enhancing the effectiveness of aid. While important, this focus risks shifting attention away from deeper systemic issues, and taking precedence in discussions of how success is defined and measured, accountability is ensured, and how to navigate the political and operational realities of delivering aid in an increasingly constrained environment.<sup>17</sup>

Philanthropic institutions have begun to step into some of the gaps left by reduced government aid budgets.<sup>18</sup> Humanitarian actors are also exploring the extent to which these philanthropists and others, as well as emerging government donors - from India, which increased its aid budget seven fold between 2000 and 2014, to the Gulf Cooperation Council (GCC) countries where philanthropic giving alone is estimated at around \$210 billion annually – offer opportunities for new alliances and partnerships.<sup>19</sup>

<sup>14</sup>The humanitarian reset examined, ICVA, p.4 <https://www.icvanetwork.org/uploads/2025/05/The-IASC-Humanitarian-Reset-Examined-ICVA-2025.pdf>

<sup>15</sup>See for example Historic decline in international aid, Norad <https://www.norad.no/en/news/news/2025/historic-decline-in-international-aid/>

<sup>16</sup>See El Taraboulsi-McCarthy, Sherine, Rachel George and Jassi Sandhar (2021) “Protection and Peace in Conflict-Affected Contexts: Understanding the Intersections.” ODI & Interpeace, <https://odi.org/en/publications/protection-and-peace-in-conflict-affected-contexts-understanding-the-intersections/> and El Taraboulsi-McCarthy, Sherine, Yazeed al Jeddawy and Kerrie Holloway, (2020) “Accountability Dilemmas and Collective Approaches to Communication and Community Engagement in Yemen” ODI <https://www.odi.org/publications/17174-accountability-dilemmas-and-collective-approaches-communication-and-community-engagement-yemen>

<sup>17</sup>See for example, UN Special Envoy Michael R. Bloomberg Announces Effort to Ensure U.S. Honors Paris Agreement Commitments, Bloomberg Philanthropies <https://www.bloomberg.org/press/un-special-envoy-michael-r-bloomberg-announces-effort-to-ensure-u-s-honors-paris-agreement-commitments/> and Bill Gates to give most of his \$200bn fortune to Africa, BBC <https://www.bbc.com/news/articles/cn4qg5gzgzo>

<sup>18</sup>On Gulf philanthropy, for example, see Giving in the Gulf Cooperation Council (GCC) <https://www.jbs.cam.ac.uk/wp-content/uploads/2022/10/2022-csp-giving-in-the-gcc.pdf>

<sup>19</sup>The humanitarian reset examined, ICVA <https://www.icvanetwork.org/uploads/2025/05/The-IASC-Humanitarian-Reset-Examined-ICVA-2025.pdf>

## THREE POSSIBLE SCENARIOS FOR THE FUTURE OF AID

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The changes of 2025 have starkly exposed some of the weaknesses of the humanitarian system, including its susceptibility to political priorities and decisions made in a small number of donor countries, and its inability to see through even agreed upon reforms.

The scale of the funding cuts and the changing international landscape do mean, however, that reform and reorganisation is no longer optional. Below are three possible scenarios for how this change will unfold:

- **Retrenchment and consolidation:** There is a real risk that key actors in the aid system will seek to consolidate their financial positions and protect their mandates in months ahead, as individual agencies and donors undertake their own review processes. These actions by individual organisations may undermine “any opportunity for co-created solutions”<sup>20</sup> and effectively stymie the aspirations of the humanitarian reset. The end result would then be a smaller aid system with a broadly similar structure, power dynamics and ways of working as currently. With more emphasis on life saving/sustaining programmes activities and less funding, fewer people in need will receive humanitarian assistance and efforts at resilience building, linking to recovery and climate action and the humanitarian peace, development nexus will be deprioritised.
- **Piecemeal reform:** One possibility is that there is significant movement on core asks that have stalled in the last years – localisation, pooled funding – or that have seen some progress, such as anticipatory action, or already significant progress, such as cash programming. The UN80 reforms could lead to significant rationalisation of the UN aid agency system – this presents both opportunities and threats: it could concentrate power in a problematic way, but could also concentrate accountability, and free resources for both local and national humanitarian actors and ultimately people in need.
- **Transformation:** A full transformation along the lines envisaged by the Start Network - for a locally led humanitarian system that is accountable to people affected by and at risk of crises - faces numerous barriers in this current moment. These include the fractured nature of the system itself and the elements of competition between key actors who are under significant pressure. However, it is also clear that an unusual confluence of power holders are seeking to change the humanitarian system – all key governments, donors, UN leadership and INGO leadership have made or are undertaking significant changes, and there is significant appetite for change from local and national organisations. In contrast to previous attempted reforms of the humanitarian system, there is at least an opportunity for more fundamental positive reforms to be seen through.

<sup>20</sup>What does success look like? Understanding the potential for proactive humanitarian action in a climate-uncertain world, Hernandez 2022 <https://www.preventionweb.net/news/what-does-success-look-understanding-potential-proactive-humanitarian-action-climate-uncertain>

# PRINCIPLES AND RECOMMENDATIONS FOR ACTION

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At Start Network we believe these events must serve as an urgent call to action to come together as a community to truly transform the global humanitarian system, increase our collective impact and restore the legitimacy of humanitarian aid – in the eyes of the public and, most importantly, of the people the system aims to serve.

This must start with a more human-centred approach to identifying community risks and needs and then defining the sources, channels and uses of funds that work efficiently, effectively and ethically to achieve positive humanitarian outcomes.

Ultimately, the success and sustainability of the Humanitarian Reset, UN80 and other collective efforts to reform humanitarian action will rely on courage, creativity and political leadership. We also know that has long been a collective action problem in the humanitarian system: committing boldly in groups, but with everyone waiting for someone else to jump first. If the events of 2025 have taught us anything, it is that the time to jump is now.

For this, we offer three principles to guide all actors engaged in reforming the humanitarian system at this moment and recommendations to implement them in practice:

## SUPPORT A 'LOCAL FIRST' HUMANITARIAN SYSTEM

Local response, community giving, mutual aid is already underway, is accelerating and is gaining strength. Support this wider humanitarian financing ecosystem by scaling up funding to front line organisations and communities and enabling them to be more effective and reliable first responders and long-term partners. Reform efforts in the current environment must focus on empowerment and complementarity. Governments have already set down key principles include devolving decision-making, addressing inequalities, providing predictable funding, investing in local capabilities, building robust understanding of risks, ensuring flexibility, and promoting collaboration. Resetting localisation requires aligning those intentions with practical actions, including:

- **Scaling up contributions to trusted global and national pooled funds** that prioritise local recipients. This should include global and local civil society funds, feminist funds, refugee led funds, which would allow donors to reach local partners at scale through a single relationship and channel and with a reduced supply chain. It increases transparency and reduces bureaucracy including around compliance and reporting. It helps to prevent instrumentalisation of humanitarian funds by any one donor.
- **Providing core and multiyear support to local civil society organisations** to be able to reinforce and sustain their own institutions, sharpen their expertise and maintain their response capacity. Start Network and other civil society networks already operate nascent organisational strengthening and solidarity funds that can be supported and scaled.
- **Adopting an inclusive approach to compliance** that moves away from pass/fail models and funds frontline partners at different levels based on organisational size and award level and calibrates reporting requirements accordingly. Start Network's own tiered and modularised due diligence framework can serve as a starting point.
- **Investing in local and regional fundraising capacity**, explore with your embassies and in-country partners domestic and regional corporate and philanthropic funding opportunities and promote innovative financing models, such as micro-finance, Islamic finance, private sector partnerships and locally led pooled funding mechanisms to connect with, support and strengthen crisis responses identified, designed, implemented and monitored by existing or new self-help groups among crisis-affected populations.

## MOVE FROM RESPONDING TO NEEDS TO PROTECTING FROM RISKS.

The potential for major shocks, notably climate shocks, to trigger humanitarian crises, cause significant societal and economic loss and derail development progress is well documented. Yet pre-arranged international financing for disasters amounts to just 1.1% of total crisis financing and is falling. This does not reflect our ability to model and forecast crisis to a high degree of certainty.

Governments, donors and humanitarian actors should take the opportunity to act ahead of time to improve the timeliness and predictability of humanitarian action and reduce overall suffering by:

- **Pre-arranging 25% of humanitarian budgets for predictable disasters.** More than half (55%) of disasters are predictable, with a further quarter of those modellable in advance.<sup>21</sup> Investing in risk-based financing, including anticipatory action and insurance, builds community preparedness and resilience against climate-related future shocks and can be a more cost-effective way of paying for predictable and recurrent crises.<sup>22</sup>
- **Providing seed funding as a catalytic investment in innovative partnerships and financial instruments** (loans, bonds, insurance, guarantees) tailored to particular situations. This seed funding helps demonstrate proof of concept and paves the way for innovations to be brought to scale. Paying premiums for disaster insurance is one example where ODA has been used to de-risk funding opportunities for private investors.

## SUPPORT THE INTERNATIONAL HUMANITARIAN SYSTEM AS A GLOBAL PUBLIC GOOD AND BACKSTOP

Governments should invest in the international humanitarian system as an independent and reliable fail-safe when states are unable or unwilling to provide essential services to their populations, where the situation requires scale or expertise beyond local capacity and capabilities, and/or where an independent, third-party response will be most effective.

The changes of 2025 offers an opportunity for a more effective, efficient and impactful humanitarian system to emerge: this in turn requires more independent governance, sustained and de-politicised funding, collaboration and collective action, including by:

- **Creating an independently owned and operated public-private humanitarian fund** that operates under an independent governing board and through multi-year commitments and replenishment cycles. The World Bank's IDA and funds such as the Global Fund for AIDS and GAVI, the global vaccine alliance, could serve as useful models.<sup>22</sup>
- **Adopting a layered approach to funding and financing**, using ODA to prioritise humanitarian response in the riskiest settings, for the neediest in hardest to reach places in fragile states and for marginalised groups. Donor governments must collaborate internally to deploy development, peacebuilding and climate funding for other non-response areas.
- **Strengthening the foundational systems critical to the efficiency, effectiveness and impact of aid.** This includes data analytics, research and analysis, support functions critical to assessing needs, modelling risks and making sense of data, evidence and trends, such as geospatial data and visualisation capabilities. Neglecting these systems will be at a great cost to the knowledge of the sector and at risk people. Rebuilding these systems later will be costly and time-consuming.

<sup>21</sup>The State of Prearranged Financing for Disasters 2024, Centre for Disaster Protection <https://www.disasterprotection.org/publications-centre/the-state-of-pre-arranged-financing-for-disasters-2024>

<sup>22</sup>Saez, Patrick, Jeremy Konyndyk, and Rose Worden. 2021. Financing the Humanitarian Public Good: Towards a More Effective





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