

US Government Funding Pause: Impact on Humanitarian NGOs in Ukraine

10 February 2025



Summary of Key Figures

60

**# of NGOs
Responding**
21 Ukr NGO, 39 INGO

32

**# of NGOs
Receiving
US funds**

22

**# of NGOs
under
SWOs**

13

**# of Sectors
at risk**

12

**# NGOs doing
layoffs**

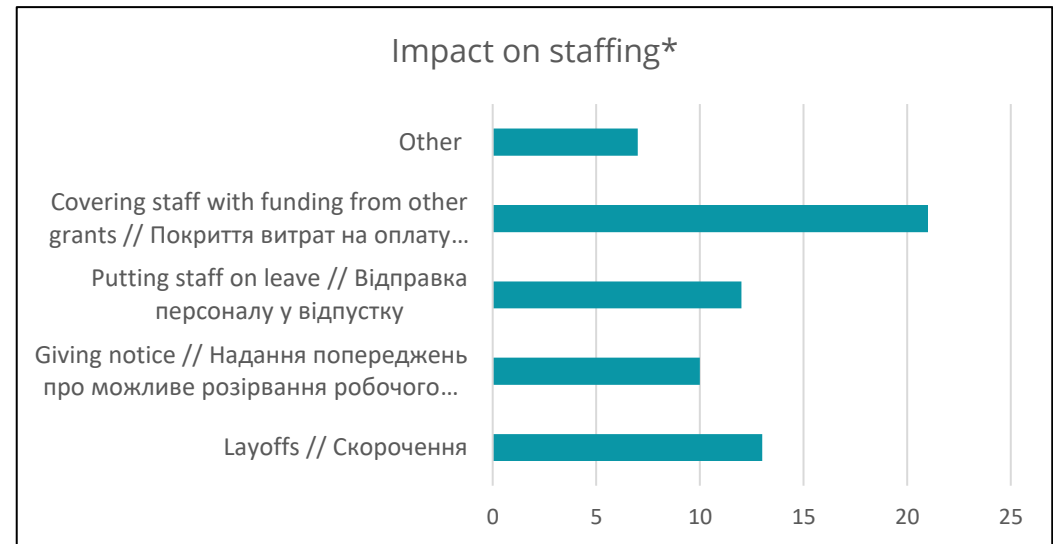
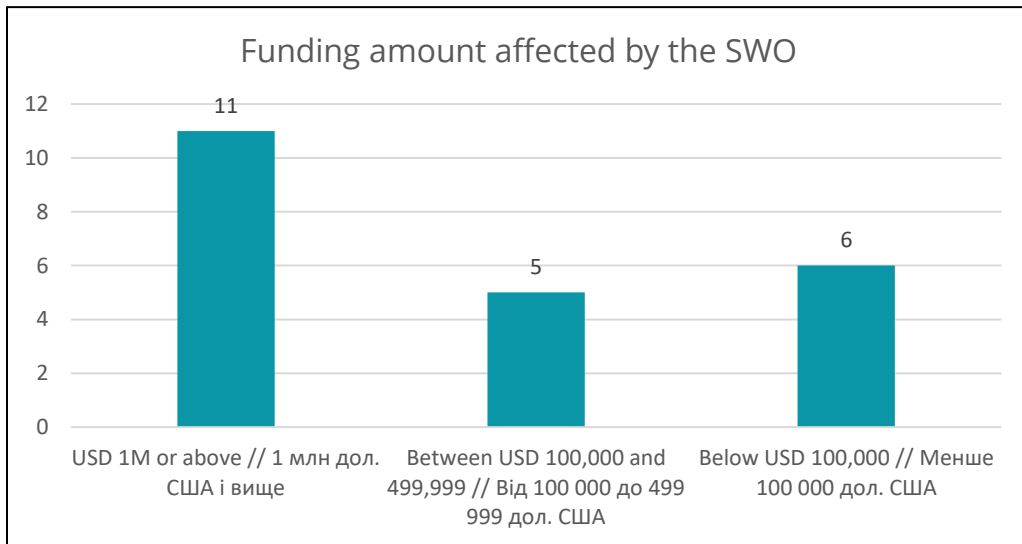
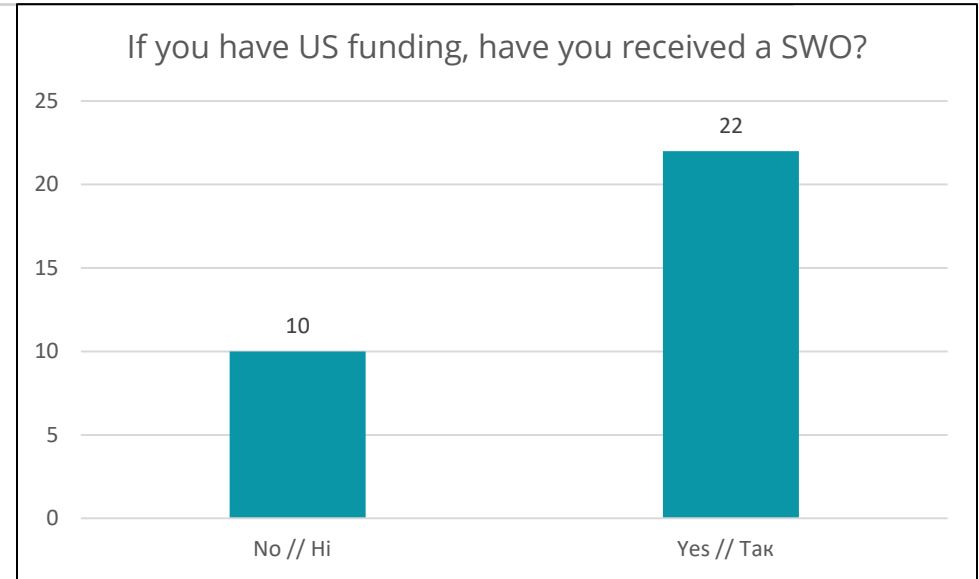
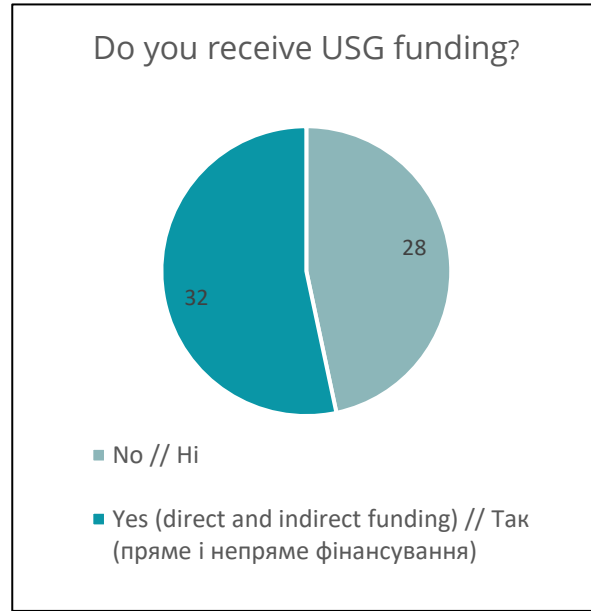
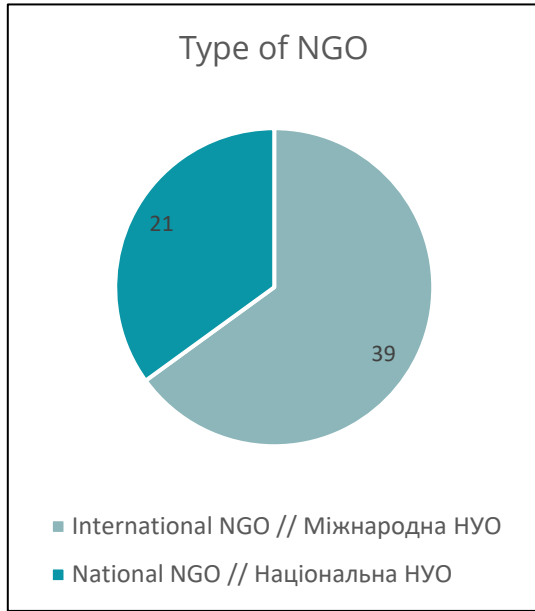
29

**Ave % of USG
funding in the
HNRP since
2022**

Limitations: Limited number of NGOs replying; dataset not meant to inform operational planning; incomplete data due to the fluidity of the situation; data collected 31 Jan-4 Feb as waivers arrived;



Survey Results: USG Funding Pause



*Of 32 NGOs receiving USG funds. Some NGOs are using multiple approaches

Short term impact

- Ongoing delays to getting aid to people in need due to lack of clarity on allowable activities, and concern that the usaid.gov payments system remains offline.
- Large scale MPCA shut down – two largest NGO cash actors are BHA funded.
- Large scale layoffs/notice/leave for staff. The survey showed of 32 NGOs receiving USG funding, 13 (41%) are doing layoffs, 10% (31%) are giving notice, 12 (38%) putting staff on leave; and 21 (66%) are covering with other grants.

Long term impact

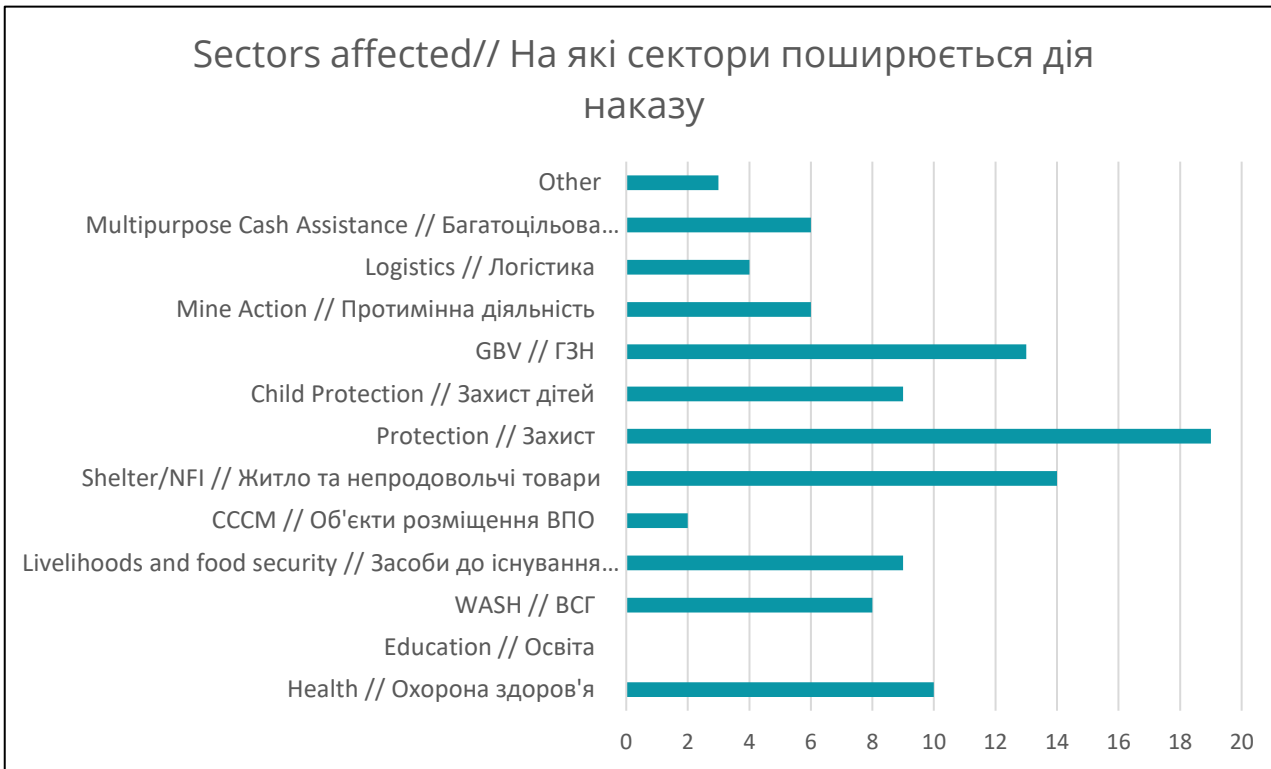
- Overall reduced scale and scope capacity to get aid to people in need – reflecting that USG funding has been on average 29% of the funding for the response since the full-scale invasion (FTS).
- Existential threat to Ukrainian NGOs and some INGOs, because new grants are not forthcoming for 2025.
- Potential loss of trust of communities and government.

What we need now

- Clear data on operational gaps and the impact of the pause on non-waived sectors/activities
- Clear guidance and timelines from USG, particularly on allowable activities and liquidation costs
- Waivers for cash
- Functioning USG payment system. Until the payment system is back online, many NGOs will not re-start work even if they have waivers because they do not know if they will be paid back

Programmatic examples

Please note that due to the timing and fluid situation, the survey did not capture significant amounts of data on detailed programmatic impacts by sector because it was too soon to know the full picture in terms of people impacted and funding amounts. These examples are illustrative.



- Deaths of clients with HIV status, spread of infection, increase in the number of clients affected by human trafficking, domestic violence and GBV who are unable to receive necessary services. LGBTQIA+ people particularly affected.
- Large scale disruption to MPCA delivery – the two biggest NGO cash actors are BHA supported.
- Delivery via partner organizations in the occupied territories affected.
- Youth leadership programming across 10 oblasts.

Survey Results: USG Funding Pause

Impact on Ukrainian NGOs

Our partners are in emergency mode and a lot of staff is in jeopardy which are only partially covered by us and partially by us-funding. The **future capacity** of our partners is in jeopardy.

Some of the partners we work are exploring opportunities to amend all staff work contracts to 50% of time allocations so they can retain the capacities hoping a waiver will be communicated soon. This creates **frustration and anxiety** to staff members, majority of which are IDPs and have bills and rent to pay, children and family members to support. This **will impact outreach and delivery and aid provision**, as Atlas is temporarily not reachable (no items can be released,) so it is impossible to get items out.

No more cash flow, possible necessity to lay off staff, suspension of activities

Local partners do not have the **cash flow reserves** to cover during this 90 days (and perhaps beyond for USG funding that was in the pipeline highly likely)

We have partners who have lost funding from other sources and had to suspend projects. In general, this is a very **serious situation that can bring down even larger organizations**, let alone smaller Ukrainian CSOs.

We would expect decrease in capacity of our partners, many partners losing experienced support staff, partners **losing their reach and networks** and therefore their knowledge from the ground.