

Devex - Impact of Freeze

30 Jan 2025

Deep freeze

As the fallout to Trump's executive orders continues to reverberate through global development, we bring you more about what it means and how you can prepare. The foreign aid freeze has **triggered work stoppages, layoffs, and funding uncertainty**, leaving aid implementers scrambling. Devex Senior Reporter Adva Saldinger [explains what you need to know](#):

All programs under review — a 90-day review will determine which aid programs continue, change, or get cut. Decisions could take months.

USAID sidelined — instead of USAID, Trump officials are leading the process, raising concerns that the review is a cover for deep funding cuts.

Waivers are a mess — some humanitarian aid and security-related programs have secured waivers, but the process is opaque and inconsistent.

Contracts vs. grants — contractors may have legal options if funding is cut, but grantees are more vulnerable, as the government can cancel grants with little recourse.

Prepare for uncertainty — aid groups must comply with stop orders, document expenses, and plan for potential legal battles over withheld payments.

With funding at risk and priorities shifting, organizations must act fast to protect resources and navigate the freeze.