

Stand Up for Aid Situation Report #2

February 27, 2025



~500

Number of USAID programs retained,* **less than 10 percent** of programs from before January 19, 2025



~ 5,800

Number of USAID programs terminated,* more than a **1,000 percent increase** since February 20, 2025



\$8.2 Billion

Obligated but undispersed humanitarian assistance funds**



Flow of Life-Saving Aid:
Minimal



USAID's Payment System Phoenix:
Limited

*Source: [Joint Status Report](#) as of February 26, 2025.

**Source: USAID Office of Inspector General (USAID OIG) [Advisory Notice](#) as of February 10, 2025.

Key Developments

- **Administration terminates 5,800 additional USAID awards, bringing terminations to 92 percent of USAID awards—including some covered under the life-saving waiver.** On February 26, USAID Deputy Administrator and U.S. Department of State Director of Foreign Assistance Pete Marocco [declared](#) that the process for individually reviewing¹ each outstanding USAID and U.S. Department of State obligation had concluded. As a result of the review, nearly 10,000 awards were terminated and approximately 3,200 awards were retained. The total includes approximately 5,800 terminated USAID awards and approximately 500 retained USAID awards, while the remainder are U.S. Department of State awards. Implementing partners are receiving termination letters, in some cases without the awareness of USAID's contracting officers responsible for the awards, which the administration stated would be distributed in 24-48 hours. A comprehensive list of terminated awards does not exist, although partners report that some of the terminated USAID awards include lifesaving programs that had been covered under the waiver.
- **Waiver process continues not to work as life-saving aid remains frozen, putting USAID partners in legal jeopardy.** Grantees and contractors reported that the situation on the

¹ To have individually reviewed each award that hadn't yet been terminated between February 18 and February 26 would have required spending just a minute and 20 seconds reviewing each award, working 24 hours a day.

ground remains static, as the lack of payment and unclear administrative guidance is preventing millions of people from receiving food, health, nutrition, and other life-saving support approved through the waiver process. Several impacted U.S.-based organizations have submitted declarations as part of the ongoing court proceedings stating that they are subject to serious legal jeopardy in the United States and overseas, where they will be in violation of local labor laws, if they do not promptly receive payment. Organizations also state that they have incurred significant costs to comply with the stop work orders, including severance mandated by local laws.

- **Administration owes \$1.5 billion to USAID’s implementers.** The U.S. District Judge for the District of Columbia [ordered](#) the U.S. Department of State and USAID to pay, by the end of the day February 26, invoices and drawdown requests owed to grantees and contractors for work completed prior to the entry of the Court’s temporary restraining order (TRO) on February 13. The USAID Deputy Administrator and U.S. Department of State Director of Foreign Assistance Morocco later submitted a [declaration](#) stating that he estimates the U.S. government owes at least \$1.5 billion to USAID implementers across approximately 2,000 outstanding and newly created payment requests, which will take multiple weeks to pay. On the evening of February 26 the Supreme Court temporarily blocked the order, requesting any response be filed before February 28 at 12:00 p.m.
- **Personnel actions impede the ability of remaining staff to carry out court orders and manage Congressionally-mandated humanitarian funding.** The administration is reducing the USAID workforce as simultaneously it is being ordered to pay USAID implementers. On February 23, the administration [posted plans](#) to eliminate 1,600 positions through a Reduction in Force and stated that the majority of remaining staff would be placed on administrative leave. The personnel actions directly hinder the ability of the Agency to make payments or program and [provide oversight](#) for \$8.2 billion of Congressionally-appropriated funds that have not yet been obligated for humanitarian aid. In addition, reports indicate that the Agency’s internal mechanisms for award termination protests have been put on administrative leave.

Roadblocks and Systemic Challenges

USAID Payment System and Guidance

- Phoenix, USAID’s payment system, remains inaccessible to the minimal number of remaining USAID staff. Furthermore, staff report putting together payment packages and receiving approvals through the designated channels only to have them later disapproved in the system—which requires a manual action by another person with Phoenix access—with no explanation.
- The lack of payment is crippling organizations, as grantees and contractors report laying off the majority of staff and closing offices, while trust is eroding between implementers

and communities where programs are being suspended. The nonpayment to these organizations is having an irreversible effect on their ability to remain open and restart assistance if they do receive payment.

Program Planning and Readiness

- The freeze has longer-term effects on the ability of the international aid community to prepare and respond to emergencies. A number of USAID partners report that critical disease surveillance systems are offline. As a result of the freeze, the U.S. no longer has the ability to track and contain outbreaks, such as bird flu, Ebola, and Marburg, before they spread internationally. In addition, the USAID-funded Famine Early Warning Systems Network (FEWS NET²) remains [offline](#) as hunger continues to grow in countries worldwide. FEWS NET offers a data-driven analysis to predict where famine will occur and support early deployment of resources to offset the severity of crises.
- A break in the food assistance and medical commodity supply chains—and other supply chains that provide life-saving commodities—can have significant longer-term impacts on the ability of the aid community to respond to crises. Included in the recent USAID program terminations are global health supply chain programs, which distribute HIV medication, malaria treatment, and other critical medicines.
- The Humanitarian to Humanitarian (H2H) Network issued a [statement](#) on the impact of the funding freeze. H2H organizations provide critical services that ensure the quality and accountability of humanitarian aid. Of 30 members surveyed, 67 percent noted being directly affected and 23 percent are facing an existential threat. H2H reports that multi-sector needs assessments have been suspended in 83 percent of contexts; coordinated country-level programming is severely undermined, with over 100 iMMAP Information Management staff across seven country programs no longer able to post; the future of the Aid Worker Security Database is unclear as aid worker fatalities are at an all-time high; and the humanitarian aid community has lost the ability to anticipate and respond to acute food insecurity as a result of the FEWS NET actions.

Program Updates

- On February 26, USAID Deputy Director and the U.S. Department of State Director of Foreign Assistance Morocco stated that the process for individually reviewing USAID obligations had concluded and U.S. Secretary of State Rubio had made a final decision in retaining or terminating existing awards. As a result of the review, USAID is terminating nearly 5,800 awards, while retaining more than 500. The administration has not made available a complete list of terminated awards. However, initial notable impacts include:

² Established in 1985 in response to the devastating famines in East and West Africa, FEWS NET is credited with saving millions of lives by prompting a proactive response.

- Contracts for the production of ready-to-use therapeutic food (RUTF), a critical treatment—produced in the United States—for the most malnourished children in the world;
 - Contracts with the LA County and Fairfax County Urban Search and Rescue (USAR) teams, which USAID has deployed approximately 20 times worldwide to respond to natural disasters;
 - Nearly all of the Global Health Supply Chain project, which helps lifesaving medical supplies reach countries and health facilities all around the world;
 - The termination of all awards under the U.S. President’s Malaria Initiative (PMI), a significant setback as a child under five years of age [dies of malaria nearly every minute](#);
 - The termination of USAID’s StopTB program, even as tuberculous (TB) resulted in [1.25 million deaths worldwide in 2023](#) and cases in the United States are increasing by [15 percent a year](#); and
 - A project in the Democratic Republic of Congo that operates the only source of water for 250,000 people in camps for displaced people located in the center of current conflict.
- The [Network for Empowered Aid Response](#) (NEAR), a movement of Local and National Civil Society Organisations (CSOs) from the Global South, reports that more than 13.5 million people have lost access to services, including women, children, and marginalized communities, previously provided by 120 of its members. For example, a NEAR member in Pakistan working with two international NGOs has suspended projects focused on water, sanitation, and hygiene (WASH) and food security that typically serve 15,000 people. NEAR reports broader implications for its membership and the sector, including broken trust between USAID and local civil society; loss of credibility between civil society and their communities; and layers of failed accountability.

Humanitarian Assistance

- [Media](#) reports that the freezing of USAID humanitarian assistance in Sudan has forced the closure of approximately 1,100 emergency food kitchens, or nearly 80 percent of kitchens established to provide assistance to people in need due to the protracted conflict. A project in Sudan that runs the only operational health clinics in one of the biggest areas of the Kordofan Region was terminated on February 26, cutting off all health services in the region. In Sudan, the UN World Food Program (WFP) [reports](#) that a protracted famine is taking hold. The Integrated Food Security Phase Classification (IPC) initiative [reports](#) that an estimated 24.6 million people—approximately half the country’s population—will be experiencing acute food insecurity, or above IPC Phase 3 and above, by May 2025. This

includes approximately 638,000 people facing IPC Phase 5³—Catastrophic—levels of food insecurity.

- Earlier in the week—before termination letters were received on February 26—nonprofits Edesia and Mana, located in the U.S. states of Rhode Island and Georgia, respectively, [reported](#) having raw ingredients in warehouses ready for RUTF production to support 360,000 malnourished children. The companies reported being unsure whether to proceed with production, despite the program being covered under the waiver. The company CEOs stated that the ongoing payment system issues and the removal of USAID staff who oversaw the program had prevented the companies from proceeding with manufacturing the product due to uncertainty whether manufacturing and shipping costs would be covered under existing contracts. The uncertainty caused by the administration’s actions is endangering the lives of children identified to benefit from the assistance.

Global Health

- According to the [Journal of the International AIDS Society](#) (JIAS), the U.S. President’s Emergency Plan for AIDS Relief (PEPFAR) is estimated to have saved 26 million lives and prevented 7.8 million infants from being born with HIV since 2003. Additionally, in PEPFAR-supported countries, new HIV infections have been reduced by half since 2010.
- JIAS estimates that the 90-day pause on PEPFAR funding and concomitant interruption of antiretroviral therapy (ART) could result in more than 100,000 excess HIV-related deaths during the subsequent year; however, JIAS states that the number is higher if the impact of HIV mortality resulting from the suspension of other PEPFAR programs, such as HIV testing and diagnosis and HIV prevention services, are accounted for in the calculation. [Media](#) reports that, as part of the recent USAID program terminations, all USAID-funded PEPFAR programs in South Africa have been terminated.
- JIAS and PEPFAR partners reported that the limited waiver for PEPFAR had done little to mitigate the widespread impact of the aid pause. UNAIDS [reports](#) that waivers led to the resumption of select clinical services, such as HIV treatment and prevention of vertical transmission, in many countries that are highly dependent on U.S. funding. However, the durability of this resumption is unclear amid the recent personnel actions and ongoing nonpayment issues. UNAIDS also highlights that critical layers of national AIDS responses are ineligible for waivers, including many HIV prevention and community-led services.
- Several USAID partners have reported that disease surveillance and response programs remain halted due to the funding freeze; surveillance activities are not covered under the waiver while response programs are covered. The freeze halted the UN Food and Agriculture Organization (FAO) surveillance of bird flu in 50 countries. The freeze is hampering U.S. efforts to battle a deadly Marburg outbreak in Tanzania, an Ebola outbreak in Uganda’s capital city of 1.9 million people, and an Mpox variant in West Africa.

³ An area is [classified](#) as IPC Phase 5 when 20 percent of households are facing an extreme food shortage and 30 percent of children are acutely malnourished. Each day, two adults or four children out of every 10,000 people die due to outright starvation or the interaction of malnutrition and disease.

- The freeze had paused a USAID-supported smart phone-based surveillance tool that permits animal health officers to transmit geo-referenced information on animal diseases in Sierra Leone—a country that was significantly impacted by Ebola in 2014. Another USAID partner reports concerns regarding the loss of local expertise on local disease surveillance—critical to early detection—as programs are halted. A USAID partner reported receiving a termination notice on February 26, ending a program to prevent the spread of emerging infectious disease from animals to people.

Background: The Dismantling of USAID and Termination of Vital Programs

- On January 20, U.S. President Donald Trump issued an [Executive Order 14169 on Reevaluating and Realigning United States Foreign Aid](#). The Executive Order included a 90-day pause in United States foreign development assistance.
- On January 24, Secretary Rubio paused all new foreign assistance obligations for an 85-day review period. On January 28, Secretary Rubio approved an [Emergency Humanitarian Waiver to the Foreign Assistance Pause](#). However, a directive for USAID staff to refrain from external communications outside of those necessary to implement the pause, administration plans to place nearly the entire USAID workforce on paid administrative leave, and inaccessibility to Phoenix have resulted in significant challenges to implementation despite the waiver.
- On February 26, USAID Deputy Administrator and U.S. Department of State Director of Foreign Assistance Pete Marocco [declared](#) that the process for individually reviewing each obligation had concluded. As a result of the review, nearly 10,000 USAID and U.S. Department of State awards will be terminated and approximately 3,200 awards retained. The total included approximately 5,800 terminated USAID awards and approximately 500 retained USAID awards.
- In recent weeks, a number of affected organizations have filed legal challenges to the administration's actions. [Just Security](#) continues to track legal challenges to the administration's actions, including efforts to dismantle USAID.
- [USAID Stop-Work](#) had confirmed more than 13,300 people across 46 U.S. states had lost their jobs as of February 26 as a result of the stop work orders on contracts and suspensions of cooperative agreements. These numbers will likely rise in the coming days, as organizations continue to fold under an extended pause in funding and as more grants and contracts are terminated. USAID Stop-Work currently estimates that job losses may reach 52,000 American and 100,000 global jobs.

USAID By the Numbers (Before January 20, 2025)

FY24 Budget: \$35 Billion

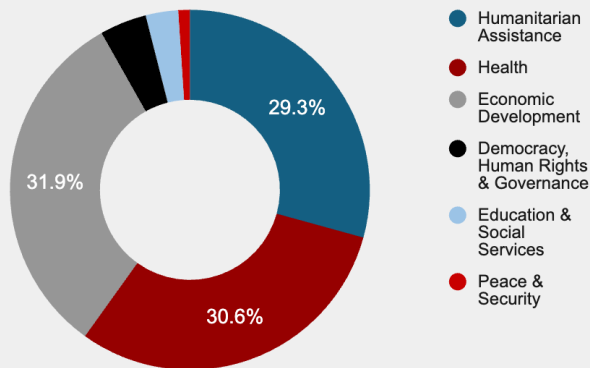
Humanitarian Assistance Funding in FY 24

\$9.9 billion

Funding for Global Health in FY 24

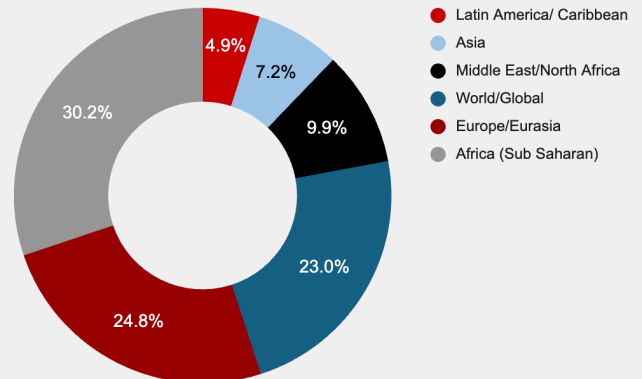
\$9.7 billion

USAID Funding by Sector, FY 21-23



Source: www.foreignassistance.gov, obligations

USAID Funding by Region, FY 21-23



Source: www.foreignassistance.gov, obligations

Percentage of USAID funds whose use is specifically (e.g, sector, country) directed or earmarked by Congress: **~80%**

Total workforce: ~13,000
(of which ~6,500 were based overseas)

~4,500

direct hires (includes foreign & civil service)

~1,000

personal service contractors

~2,600

institutional support contractors

~5,000

Foreign Service Nationals (locally hired staff)

To be added to the distribution list or if you have additional information to share regarding the dismantling of USAID, please contact: standupforaidinfo@gmail.com

The next Situation Report will be distributed o/a March 5, 2025.