

Costs of Closing Down USAID. Devex, 27 April 2026

Closing costs

Perhaps in order to save money in the long term, you have to spend a little in the short term? I guess you could view the costs associated with shuttering the [U.S. Agency for International Development](#) in that light, though most people wouldn't call **\$19.2 billion** "little."

That's the amount USAID has to close out terminated foreign assistance awards, according to a notification sent to Congress and obtained by Devex. The notice states that **those costs would cover settlements tied to canceled awards**, including pending invoices, termination expenses, indirect cost adjustments, asset disposition, and other claims from implementing partners.

My colleague Elissa Miolene has the [breakdown of how the complicated process would work](#). One way is to target development objective agreements, or DOAGs, one of USAID's main vehicles for channeling multiyear development support across the world. The aim of each DOAG varied by country, but had an overarching goal of providing flexible, nonreimbursable development aid to specific partner countries.

"This is like going to someone else's house, taking their piggy bank, shaking it and saying, I'm going to use this to close out," says one former senior USAID official. "Think about this as not only breaking the agreements with those countries, but assuming that you can sort of jigsaw puzzle piece all this money, and basically cover the final bill."

Still, for some, **there are pros to the closeout arrangement**. It's expected to provide much-needed relief to the many implementing partners still awaiting U.S. cash — especially as [the lawsuits to reclaim that money have mounted](#). And, if you're an opponent of USAID, this could seal its fate.

"Once these projects close, if there is ever going to be an agency again, **there will be no bridge from the old USAID to whatever comes next**," says the former official. "By closing these projects, you are sealing the bridge off."