



S U R V E Y F I N D I N G S

**Assessing the Impact of the
USAID Stop Work Order on
Local Actors in Uganda**

March 2025

About Charter for Change Working Group Uganda

The Uganda Charter for Change Working Group provides a platform that brings together C4C endorsers, signatories and allies with the aim of promoting, advocating, and practically implementing the localisation agenda. The Group identifies and implements ways of shifting power to local and national actors in humanitarian and development, in alignment with the 8 Points of the Charter for Change. Signatories are expected to deliver and report on their commitments, and endorsers work to hold signatories to account while also signing and adhering to the Charter of Accountability. Together, signatories, endorsers, and allies engage in joint advocacy, continuous learning, and sharing of best practices to effectively advance localisation in Uganda.

COMMITMENTS

The Charter for Change includes 8 Commitments that INGOs agree to implement, to address imbalances and inequality in the global humanitarian system.

- 1 DIRECT FUNDING**
Commit to pass 25% of humanitarian funding to National NGOs
- 2 PARTNERSHIPS**
Reaffirm principles of partnership
- 3 TRANSPARENCY**
Publish the amount or percentage of funding that is passed to NGOs
- 4 RECRUITMENT**
Address and prevent the negative impact of recruiting NGO staff during emergencies
- 5 ADVOCACY**
Emphasise the importance of national actors to humanitarian donors
- 6 EQUALITY**
Address subcontracting and ensure equality in decision-making
- 7 SUPPORT**
Provide robust organisational support and capacity building
- 8 PROMOTION**
Promote the role of local actors to media and public



OVERVIEW

Background

The United States (U.S.) State Department issued guidance stopping foreign aid grant spending for 90 days after President Donald Trump signed an Executive Order on January 20, 2025, seeking to realign foreign spending with American interests. This order affected funding for key humanitarian and development programs globally and directly impacted organisations, their staff, beneficiaries, and communities served.

Before the Stop Work Order, **USAID had a budget of \$50 billion** and channelled foreign aid to countries in Asia, Africa, South America, and the Middle East. According to US Foreign Assistance Data, USAID funding to Uganda, for instance, amounted to 710 million dollars (an equivalent of 2.5 trillion UGX) per year.

Rationale

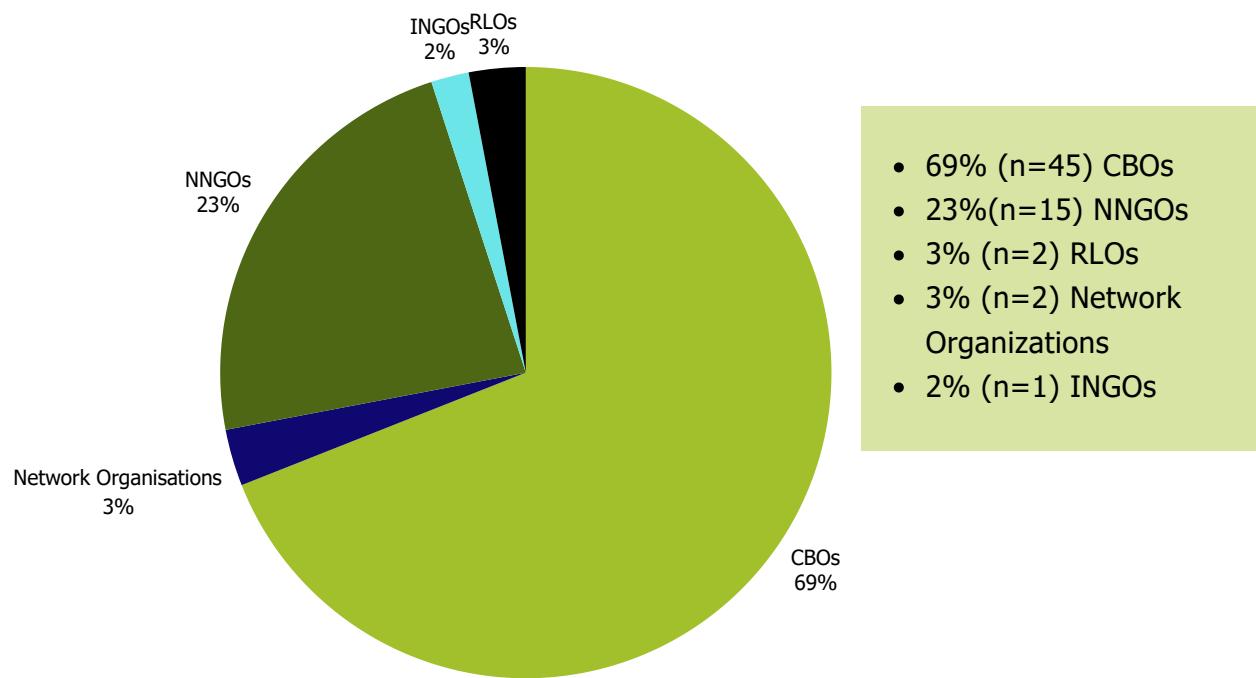
To understand the impact of the USAID Stop Work Order on local actors in Uganda, the Charter for Change (C4C) Working Uganda conducted an online survey between March 3rd and 15th, 2025.

This report presents findings, highlights the immediate and long-term effects on operations, programming, funding, and beneficiaries, and suggests ways to reduce the harm caused by the sudden and unprecedented decision.

The Respondents

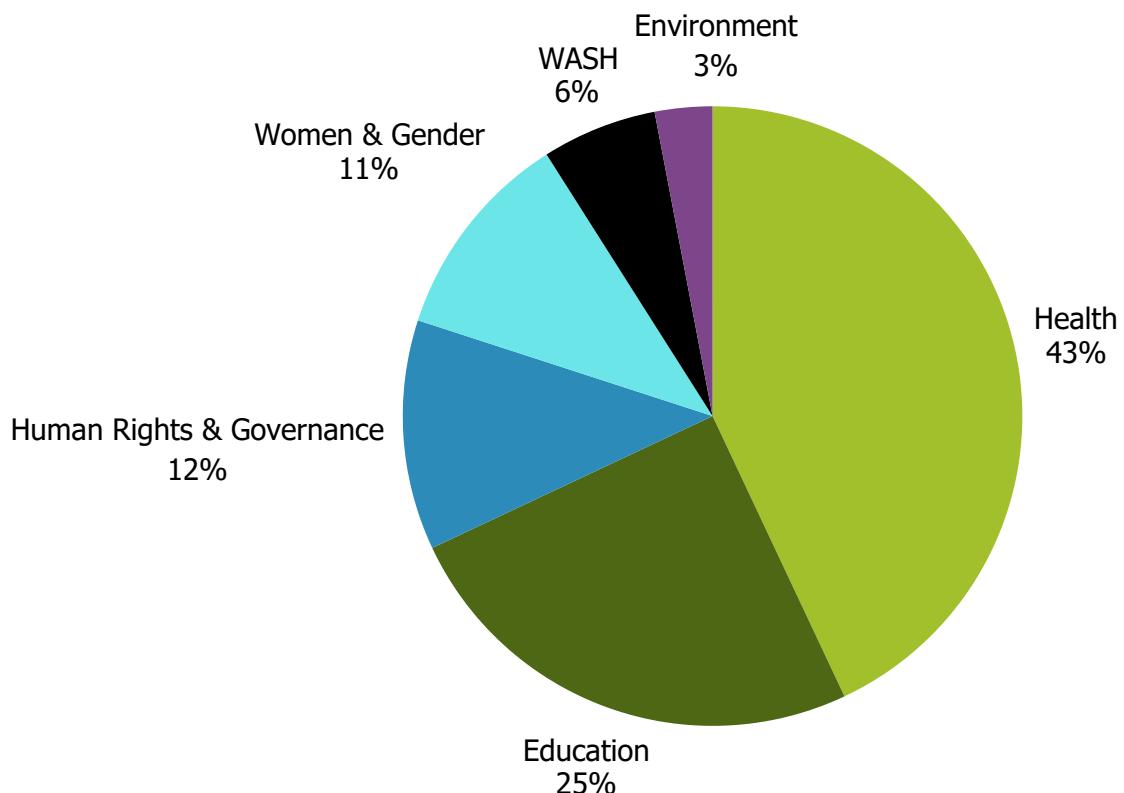
The respondents comprised local actors (organisations) registered as National NGOs, Community organisations (CBOs), Network Organizations, Refugee-Led Organizations (RLOs) and International Organizations (INGOs). **We received 65 responses across Uganda**, from seven regions/sub-regions: Acholi (19), Central (6), Eastern (7), Karamoja (6), Lango (10), West Nile (10) and Western Uganda (7).

Types of Organisations



Thematic Areas Affected by USAID Stop Work Order

The most affected thematic areas include health, education, human rights and governance, and gender-based interventions, WASH, and environment, which are crucial to refugee and community support.



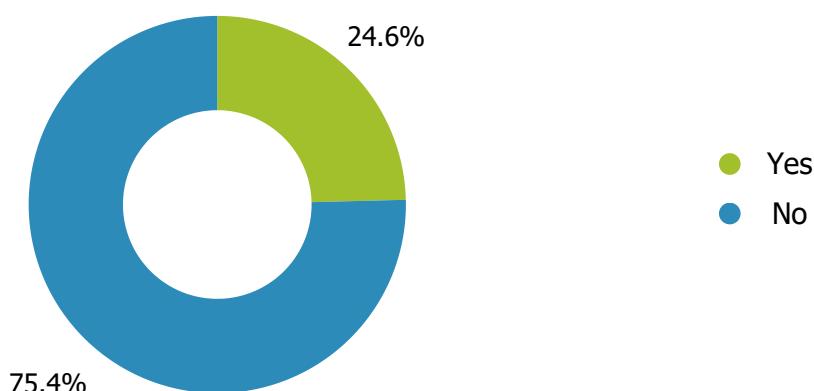
Significance of the Survey

1. Identify operational and financial challenges resulting from the funding pause.
2. Highlight the extent of program disruptions and the impact on local organisations, beneficiaries and communities served.
3. Highlight capacity-strengthening needs of local organisations to bolster resilience and sustainability.
4. Inform advocacy strategies for engaging with the government, donors, INGOs, private sectors and policymakers to secure long-term, locally-led funding models.

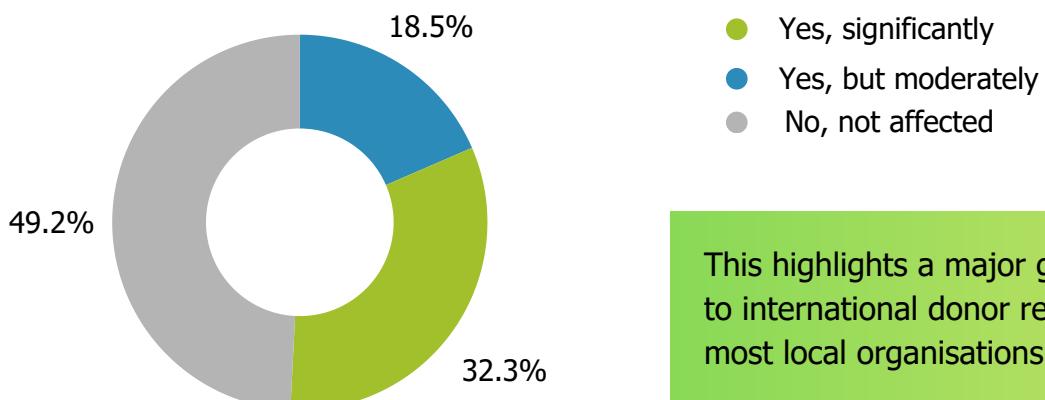
IMPACT ANALYSIS

a) Funding Reduction & Financial Adjustments

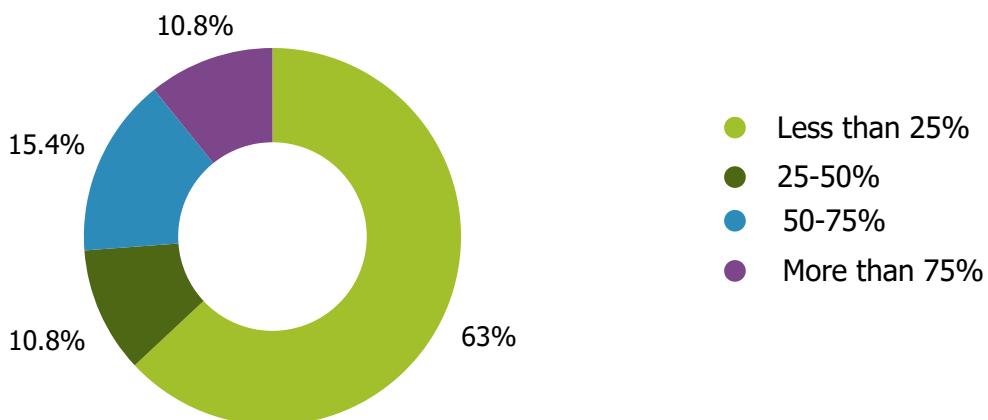
1. Has your organisation received funding from U.S. government sources (e.g., USAID, PEPFAR) in the past three years?



2. Has your organisation experienced a reduction in funding due to the USAID pause?



3. If yes, by approximately how much has your funding reduced?



The local actors report that funding pauses have forced their organisations to make difficult adjustments, e.g.:

- Laid off staff due to budget constraints.
- Scaled-down operations and programs, especially in education, healthcare, and refugee support.
- Reduced staff salaries.
- Halted certain projects.
- While some organisations have remained operational by scaling down their programs, organisations which were entirely dependent on USAID funds for their operations are struggling to survive.

"We have been caught off-guard, stripped of our jobs without warning, leaving our families and dependents without income and our communities vulnerable and without support,"

-NNGO Respondent, West Nile Region

b) The Implication on Programs and Beneficiaries

The stop work order has hit the most vulnerable people hardest. Services that have been affected include:

- Healthcare programs (HIV/AIDS, maternal health, and vaccinations).
- Food security initiatives for refugee populations.
- Education support for children from poor backgrounds.
- Livelihood and empowerment projects for youth and women.

Many CSOs that were depending on USAID funding have been forced to cancel or suspend essential services, putting thousands of lives at risk.

i. Healthcare services

The findings, which corroborate with similar surveys, indicate that the USAID Stop Work Order has seriously disrupted healthcare operations and functionality. Uganda's health sector was reliant on USAID's support for a significant portion of the AIDS Control Program, National Tuberculosis and Leprosy Program and Health System Strengthening.

Millions of Ugandans depended on USAID to receive treatment for HIV, malaria and other epidemics. USAID also supported maternal and child health, vaccine delivery and other forms of basic health assistance.



1,416,800

people currently on treatment in 2,051 facilities



20,809

individual direct clinical providers, including 923 doctors/clinical officers



1,234

nurses/midwives



578

laboratory technicians



340

pharmacists



24,577

community health workers

PEPFAR provide ARV treatment to pregnant women living with HIV, both for their health and to prevent transmission to their children. With the USAID Stop Work Order, these services will be halted for a large number of these women.

Importantly, the stoppage will affect an interwoven group of health care providers rather than a single group of workers. This means that even if many of the antenatal clinic providers are employed by the Ministry of Health (as is often the case), the commodities in use, the pharmacists, laboratory technicians, and others involved in the care of pregnant women are essential to quality care. The newborn babies, however, are also highly likely to go undiagnosed because infant HIV testing services are also being suspended due to the Stop Work Order.

In Uganda, an **estimated 1,443 OVCs are being directly served per day**

and are fully dependent on PEPFAR grants. This program has closed down completely during the USAID Stop Work Order.

PEPFAR supported HIV testing. People are tested every day, resulting in new daily diagnoses and new initiations on treatment every day. HIV testing is extremely dependent on the community health care workforce and counsellors funded by PEPFAR grants. A significant number of people are losing access to ARV treatment.

PEPFAR grants provided survivors of sexual and gender-based violence with post-violence care. This includes rape kits, HIV testing, post-exposure prophylaxis, and other essential services.

ii) Food Security, Nutrition, Agriculture, Environment and Climate Change

USAID funded food aid programs that provide life-saving assistance to refugees in settlements like Bidi-Bidi and Nakivale. The Feed the Future program helped smallholder farmers improve productivity and adopt climate-resilient practices. The cessation of funding jeopardises these programs, leading to increased hunger and malnutrition. Without these interventions, communities reliant on agriculture will struggle to sustain their livelihoods, particularly in the face of climate-related challenges.

“Our nutrition programs in Bidi -bidi refugee settlements have stopped. Children who were benefiting from our services are likely to face hunger and malnutrition,”

-CBO, Respondent, West Nile

“The lifeline of our vulnerable people has been interrupted completely! USAID has been a beacon of hope for millions of Ugandans. I’m particularly worried that the Stop Work Order is going to reverse years of progress in combating HIV/AIDs and essential healthcare services.”

-CBO Respondent, Lango Sub-Region

“Without WASH program in Kyaka II Refugee Settlement, we are at a high risk of increased open defecation, contracting waterborne diseases and living in an appalling hygiene condition,”

-CBO, Respondent, Western Uganda

"Our food security program has come to a halt. USAID has been playing a vital role in our community in the area of food security. They partnered with us to combat hunger and malnutrition in Northern Uganda. They supported us in climate-smart agriculture, supplied us with improved seeds, trained us in modern farming techniques and helped us increase productivity, strengthening local food systems and resilience,"

-NNGO, Respondent, Karamoja

"All the gains we have made in Smart Agriculture and Climate Change in our communities are at a standstill still,"

-NNGO, Respondent, Eastern Uganda

iii) Education

USAID funded food aid programs that provide life-saving assistance to refugees in settlements like Bidi-Bidi and Nakivale. The Feed the Future program helped smallholder farmers improve productivity and adopt climate-resilient practices. The cessation of funding jeopardises these programs, leading to increased hunger and malnutrition. Without these interventions, communities reliant on agriculture will struggle to sustain their livelihoods, particularly in the face of climate-related challenges.

"The loss of scholarships goes a long way in affecting student opportunities, especially among those who had avenues of social mobility. Another effect of the freeze has been felt in Ugandan universities regarding infrastructural development, which aims to ease pressures associated with learning environments. Because USAID had previously financed the construction of lecture halls, libraries, and laboratories, institutions without such support could only struggle to maintain quality education facilities, further leading to classroom congestion and resource shortages,"

-Education Respondent, Central Uganda

iv) Livelihood and Empowerment Projects for Youth and Women

The withdrawal of USAID funding also affected economic development and livelihoods. USAID supported programs that empower women through financial literacy and entrepreneurship training. Youth vocational training programs funded by USAID equipped young people with skills that reduced youth unemployment. The funding halt limits these opportunities, exacerbating poverty and increasing the risk of social unrest.

v) Human Rights, Governance, Women and Gender Issues and Child Protection

Civil society and governance programs are also at risk. Some local organisations in Uganda relied on USAID funding to advocate for child protection, gender equality, and education. These organisations now face significant challenges in sustaining their work without external financial support.

"Uganda's civil society has long been a pillar of advocacy, service delivery, and democratic engagement. The efforts to promote good governance, transparency, and institutional strength may stall and hinder progress toward accountable and effective public sector management,"

-NNGO Respondent, Central Uganda

VI) Human Capital Development, Employment and Future Outlook

- Several organisations have reported that they laid off workers, leading to increased unemployment in the NGO sector.
- Several local staff, especially women and youth, have lost their sources of income, thus deepening poverty levels.
- Skilled professionals who have been delivering specialised humanitarian services may leave the NGO sector, thus reducing Uganda's capacity for humanitarian response.
- Respondents reported fear, frustration and anxiety as a result of the Stop Work Order.

"I'm not sure of the next course of action. I'm living in constant fear, worrying about what the future holds for me as a social worker"

CBO, Respondent, West Nile

SHORT-TERM & LONG-TERM EFFECTS OF THE SWO

Short-term Effects (0-6 Months)

- Loss of critical services in health, education, and humanitarian support: The aid freeze has already had serious consequences, with health facilities reporting shortages of vital medicines and services, putting the lives of those living with HIV at risk. Infants face a significantly higher risk of mortality if they do not receive immediate treatment. This will not only affect HIV services but also disrupt the broader healthcare system, straining already limited resources.
- Beyond direct beneficiaries, Uganda's healthcare workforce is also severely impacted.
- Increased job losses, affecting many families and dependents of NGO employees.
- Several organisations have been forced to scale down or shut down completely.

Long-Term Effects (Beyond 6 months)

- Worsening conditions in refugee settlements, malnutrition, hunger, and disease infection rates have escalated. There are reported cases of children having distended stomachs, dysentery and diarrhoea.
- Conflict and tensions among refugees and host communities, competing for limited resources.
- Economic hardship as more people continue to lose their livelihoods.
- Local organisations that are dependent on donor funding will likely close down.
- Mental health issues among staff

Opportunities and Capacity-Strengthening Needs

- There is a strong need and demand for **capacity-strengthening in governance, financial management, and proposal writing** to help CSOs access direct funding.
- The situation presents an opportunity to **deepen localisation** by creating mechanisms that improve direct support and visibility for local actors in Uganda's humanitarian landscape.
- **Strengthening collaborative networks**, like C4C and district-level coordination platforms, can help amplify advocacy and improve accountability to stakeholders.
- **Investing in long-term donor engagement strategies** and resource mobilisation trainings can enhance sustainability for local CSOs beyond emergency donor cycles.

How are Local Actors Responding to the Situation?



Engaging other donors for long-term and equitable funding



Looking for alternative funding through partnerships and local fundraising efforts.



Communication, constructive dialogue and identifying solutions with communities.



Engaging in Social Enterprise and IGAs

Mitigation & Adaptation Strategies: Turning challenges into opportunities

a) Alternative Funding & Resource Mobilisation

- Strengthening private sector partnerships to support local humanitarian efforts.
- Encouraging CSOs to adopt social enterprises for self-sustainability.
- Expanding funding sources beyond USAID, including the EU, African Development Bank, and philanthropic organisations.

b) Government & Policy Engagement

- Advocating for local funding mechanisms to reduce over-reliance on foreign aid.
- Lobbying for tax incentives to encourage local businesses to invest in social programs.
- Creating policies that protect CSOs from sudden funding cuts.

While international donor support has been crucial, the current situation underscores the need for local ownership and sustainable financing.

POLICY RECOMMENDATIONS & CONCLUSIONS

The funding suspension presents a significant challenge, but it also provides an opportunity for CSOs to rethink their financial models and resilience strategies.

Uganda's civil society has, for long, been a pillar of advocacy, service delivery, and democratic engagement. To ensure its survival, stakeholders must come together to explore innovative solutions, mobilise domestic resources, and advocate for an enabling environment that allows CSOs to thrive independently.

General Recommendations

- **Develop a new resource mobilisation strategy that is practical** and tailored to the context of local actors. This strategy should be geared toward enabling local organisations to access both international donor funding and domestic resources, including tapping into community fundraising, social enterprises, and local philanthropy.
- Charter for Change should **work closely with its signatories to identify experts** across key thematic areas such as governance, financial management, proposal development, monitoring and evaluation, and compliance. These experts will support a well-structured capacity strengthening program for local organisations.
- **Organise regular training and mentorship sessions** to empower local actors with the necessary tools to engage effectively with donors and the government. These efforts will include proposal writing clinics, donor compliance workshops, and training in digital reporting tools.
- **Take deliberate steps to engage the private sector** and promote Corporate Social Responsibility (CSR) by encouraging private companies to reinvest in communities through direct support to local actors. This will involve designing partnerships that allow companies to support humanitarian action, youth employment, and social cohesion in vulnerable areas.
- One critical reflection from the survey is the fragmentation among local actors. Many of them work in isolation, which often results in competition rather than collaboration. To address this, **local organisations with similar visions and working in the same thematic areas should consolidate themselves into stronger consortia or networks**. This will reduce unnecessary competition, increase efficiency, and improve their chances of accessing funding.

To the Government,

- Simplify compliance procedures for CSOs and advocate for the national budget to include subsidies for registered local NGOs.
- Ensure local governments actively engage CSOs in district-level planning and service delivery.
- Provide venues and support for community dialogues and humanitarian forums facilitated by local actors.

To INGOs,

- Provide technical mentorship and fair sub-granting arrangements to local actors.
- Promote Co-Leadership by implementing joint planning and decision-making with local partners in project implementation and monitoring.
- Share training opportunities and tools with local partners to build sustainable institutions.
- Use your global platforms to advocate for increased donor funding to local CSOs and inclusion in policy-making spaces.

To the Private Sector,

- Set aside Corporate Social Responsibility (CSR) funds to support local NGOs and community-based initiatives to ensure continued support for vulnerable communities.
- Partner with local actors on livelihood, education, and health programs in vulnerable areas.
- Share business skills and resources with youth and women-led community groups supported by local NGOs.
- Encourage company staff to volunteer in local initiatives and offer skills-based support.

To CSOs,

- **Focus on diversifying income sources** and improving financial sustainability.
- **Strengthen internal governance** by investing in board development, documentation, and financial accountability mechanisms.
- **Create district or theme-based consortia** to increase voice and bargaining power.
- **Document and share results** by collecting and sharing community impact stories and data with stakeholders to improve visibility.
- **Engage in policy dialogue** by participating actively in local government and national policy processes to ensure community needs are represented.

Final Thoughts

The USAID Stop Work Order has created serious humanitarian and economic challenges, but with the right strategies, Uganda's CSOs can adapt, survive, and continue serving their communities. All stakeholders, including donors, the government, CSOs, and the private sector, must work together to find sustainable solutions.



SURVEY FINDINGS

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