



March 2025

The human cost of the US aid cuts **Ukraine**

Overview

In 2024, the United States funded 28% of the humanitarian response in Ukraine and was the largest donor to the overall humanitarian effort. Before these cuts, USAID had provided over \$2.6 billion in humanitarian aid and \$5 billion in development assistance since Russia's full-scale invasion. Additionally, the US had allocated \$30 billion in direct budgetary support to the Ukrainian government, enabling it to sustain essential state services while much of the economy was redirected towards defence. These reductions in aid came alongside temporary cuts to military assistance and intelligence sharing, further straining Ukraine's resources as it continues to defend itself against Russian aggression.

In collaboration with our partner <u>Open Space Works Ukraine</u>, we spoke with 9 key informants, including representatives of local governments, critical infrastructure facilities, and local researchers. Here is what they shared with us:

Key findings

• Severe disruptions to livelihoods: The USAID funding cut has had a profound impact on livelihoods, disrupting programmes that provided agricultural inputs, small business grants and traineeship. The suspension of aid, without prior warning, left many farmers without the essential resources needed to prepare for the next planting season and risk impacting food security across the country. As the funding was initially paused rather than fully cancelled, many were left in limbo during the critical planting months, forced to choose between delaying essential work or taking financial risks with no certainty of future support.

"This could lead to a decline in production, affect exports, and impact food security not only in the region but in the entire country—because it is South of Ukraine⁴. This will have a significant impact since the planting season is already beginning, and farmers are starting preparations. In just a few days, temperatures will rise, making this a critical moment." — Advisor to the civic-military administration in South of Ukraine

¹ GTS. February 2025. GTS US aid freeze: where will cuts hurt the most?

² The Kyiv Independent. February 2025. <u>US officially closes 83% of USAID programs</u>.

³ The Guardian. March 2025. <u>US suspends all military aid to Ukraine in wake of Trump-Zelenskyy row.</u>

⁴ The southern oblasts—Kherson, Mykolaiv, Odesa, and Zaporizhzhia—are vital for Ukraine's grain production and exports. Their fertile lands sustain domestic food supply and global trade. Any disruption weakens agricultural output, hampers exports, and threatens food security nationwide.





• Energy infrastructure under threat: USAID's energy initiatives in Ukraine, particularly through the Energy Security Project, played a crucial role in strengthening the country's infrastructure against attacks, ensuring continued access to electricity, gas, heating, and hot water despite ongoing shelling from the Russian army. In 2024, USAID had pledged \$747 million in new energy assistance to repair and reinforce infrastructure.⁵ The sudden funding cut has left entire communities without heating assistance in the middle of winter. With the risk of further strikes high, Ukrainians fear that without USAID's support, future damage will be significantly harder to mitigate, leading to widespread and prolonged blackouts and heating shortages.

"The funding pause was announced, and one entire settlement was left without any heating assistance this winter." – Advisor to the civic-military administration in South of Ukraine

"If we experience another attack on our power infrastructure, we could find ourselves without electricity for extended periods, just as we did before when we were left without power for 36 hours. That was a significant shock for our city. If similar attacks happen again, we will feel the impact very deeply." – Advisor at the Office for the Reconstruction and Development in South of Ukraine

• War veterans lose critical safety net: As of May 2024, the Ministry of Veterans Affairs reports 1.2 million registered veterans, with projections indicating that the number of veterans and their family members could rise to 5 to 6 million in the post-war period.6 Despite this growing population, targeted support remains limited, and many veteran organisations rely heavily on US funding. Recent cuts to USAID funding have had a severe impact, for instance, forcing Veteran Hub to shut its Vinnytsia centre and suspend its vital mental health hotline, leaving veterans and their families without crucial care. Many excombatants will struggle to reintegrate into civilian life without the mental health support, rehabilitation, and job assistance they need.

"There are also serious challenges for initiatives supporting ex-combatants. These programs were mostly funded by the US, and their integration into society is a crucial issue. Now, many of these programs are on hold, which is creating a lot of tension." – Researcher from Kharkiv Oblast

"The issue lies in the abrupt nature of the decision. If we had been given prior warning, we could have restructured our activities, sought additional donors, and avoided harm to our clients" – Chairperson of Veteran Hub⁷

⁵ Energy Security project. Helping Ukraine to keep energy infrastructure functional and secure.

⁶ Ministry of Veterans Affairs in Ukraine. May 2024. <u>The Ministry of Veterans is forming a new state veterans'</u> policy, taking into account the needs and requests of the veteran community, - Maksym Kushnir.

FEURACTIV, February 2025. Ukrainian NGOs in panic mode after Trump freezes 'woke' humanitarian aid.





• Long term consequences for Ukraine's reconstruction: Beyond the immediate energy crisis, USAID funding cuts threaten Ukraine's broader reconstruction efforts, affecting essential infrastructure, public services, and economic recovery. US assistance played a vital role in clearing debris, restoring roads, rebuilding schools and hospitals, and supporting local economies. While the effects of the cuts may not be felt overnight, they will gradually erode the quality of services over time—repairs will be delayed, infrastructure will deteriorate, and vital humanitarian programmes will disappear, leaving communities increasingly vulnerable.

"In my opinion, it won't be an immediate, overnight change. People won't just wake up tomorrow and feel it. Rather, there will be a gradual decline in the quality of various services—from heating and infrastructure repairs to humanitarian programs and services. These will simply phase out over time—things will break down, won't be repaired, and so on." — City council member in South of Ukraine

"After de-occupation⁸, almost everything was destroyed—bridges, roads, public infrastructure was either demolished or looted, hospitals, schools... Not a single school was operational. No one was prepared for war, and there were no bomb shelters." – Advisor to the civic-military administration in South of Ukraine

For more information on this data please reach out to capucine@groundtruthsolutions.org or capucine@

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⁸ De-occupied locations in Ukraine refer to territories that were previously under Russian military control due to full-scale invasion, but have since been liberated by Ukrainian forces. These areas are primarily found in northern, eastern, and southern Ukraine, including parts of Kyiv, Chernihiv, and Sumy oblasts (liberated in early 2022), as well as Kharkiv, Kherson oblasts, where Ukrainian counteroffensives reclaimed significant areas in late 2022 and 2023.