

ROUNDTABLE

Humanitarian Reset: the Future of International Aid Funding in Myanmar

Coordinator

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Roundtable Description

1. The closure of USAID in 2025 has fundamentally transformed the international humanitarian and development industry. USAID was the largest international donor in Myanmar by a sizable margin, and from 2021-2024, USAID disbursed \$825.9 million in assistance in Myanmar; the large majority of this assistance was entirely halted in early 2025. The effects of this dramatic change in the funding landscape are considerable. Naturally, there is an immediate impact on the ground for beneficiaries, and for the organizations that serve them. However, there are also major implications on the way in which other donors, intermediaries, and local implementers are strategically approaching and adjusting to this new reality. The closure of USAID marks a global paradigm shift in the way aid is allocated, the way allocations are justified, and the way aid is implemented on the ground.

2. This roundtable focuses on the contours of this shift in Myanmar, via three vectors. The first is the immediate ground level implications of the closure of USAID. This includes the immediate (and longer-lasting) humanitarian impact of the program closures of February 2025, as well as the impact on the many human rights and governance programs that were being implemented by USAID. This also means examining how the local implementer landscape has changed, or must change, in light of new funding realities.

3. The second area of focus is the change in donor approaches in Myanmar. Since the closure of USAID, other international donors have been forced to make a series of hard decisions about what they will and will not fund. USAID was an important pillar of institutional funding the aid architecture in Myanmar; in pure dollar terms, there is no way that other donors can ever fill the hole that was created with its closure. Other donors have now been put in a position where they must choose which parts of the international aid architecture that they preserve, and which parts they will let collapse; 'value-for-money' is now a critically important concern. They must also choose what kinds of programs to fund, considering the uncertainty of future funding, with a marked shift already taking place away from pure humanitarian programming, and toward more 'sustainable' initiatives - potentially preparing for further funding cuts globally.

4. The third focus is on the role of the INGO or the 'intermediary'. Much of the aid response in Myanmar is run through 'intermediaries' - INGOs or UN agencies which receive the funding, and then disburse it downward to smaller local implementing organizations. One clear result of the new funding landscape is that the ultimate direction of travel for many

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donors is toward greater localization - not necessarily as an ideological objective, but as a cost imperative. However, for both administrative and compliance reasons, most international donors cannot directly fund local organizations at any scale. As such, the role of the intermediary is now critically important, and the way in which these intermediaries conceive of their role needs to shift to meet this changed landscape.

Keyword: Humanitarian, USAID, UN, INGO