

Assessing the Impact of Foreign Aid Rollbacks on Civil Society

Surveying the Global Democracy Sector

August 2025



Overview

The global funding landscape for the defense of democracy greatly shifted in early 2025 with near-total reductions in U.S. foreign assistance, historically one of the sector's largest global funders and champions.

Through a global survey, the International Foundation for Electoral Systems (IFES) set out to understand the pressing needs, challenges, and priority issues for domestic civil society organizations (CSOs) working in democracy and governance around the globe.

The survey and respondent pool is described further in the following pages.

This presentation summarizes the survey data and main findings. It is our hope that others will be able to use this information in their ongoing efforts to meet the needs of the democracy and governance community.

Key Findings

84% of respondents lost funding in 2025 due to US and/or other governments' foreign aid cuts.

The same proportion anticipate further cuts in 2026.

87% are reportedly receiving some new financial support.

However, only 5% say that the new support is *mostly offsetting* the losses.

36% have *little to no confidence* that they will be able to continue to deliver programs/services at the same level in the next 2-3 years.

Only 11% are confident they can.

Survey Methodology & Respondent Demographics

Approach & Sample

29 questions, closed and open ended

Survey available in 6 languages: Arabic, English, French, Russian, Spanish, and Ukrainian

Distributed to approximately 740 organizations in 70 countries

Open from April 30 through May 14, 2025

125 organizations responded

Headquartered in 42 countries

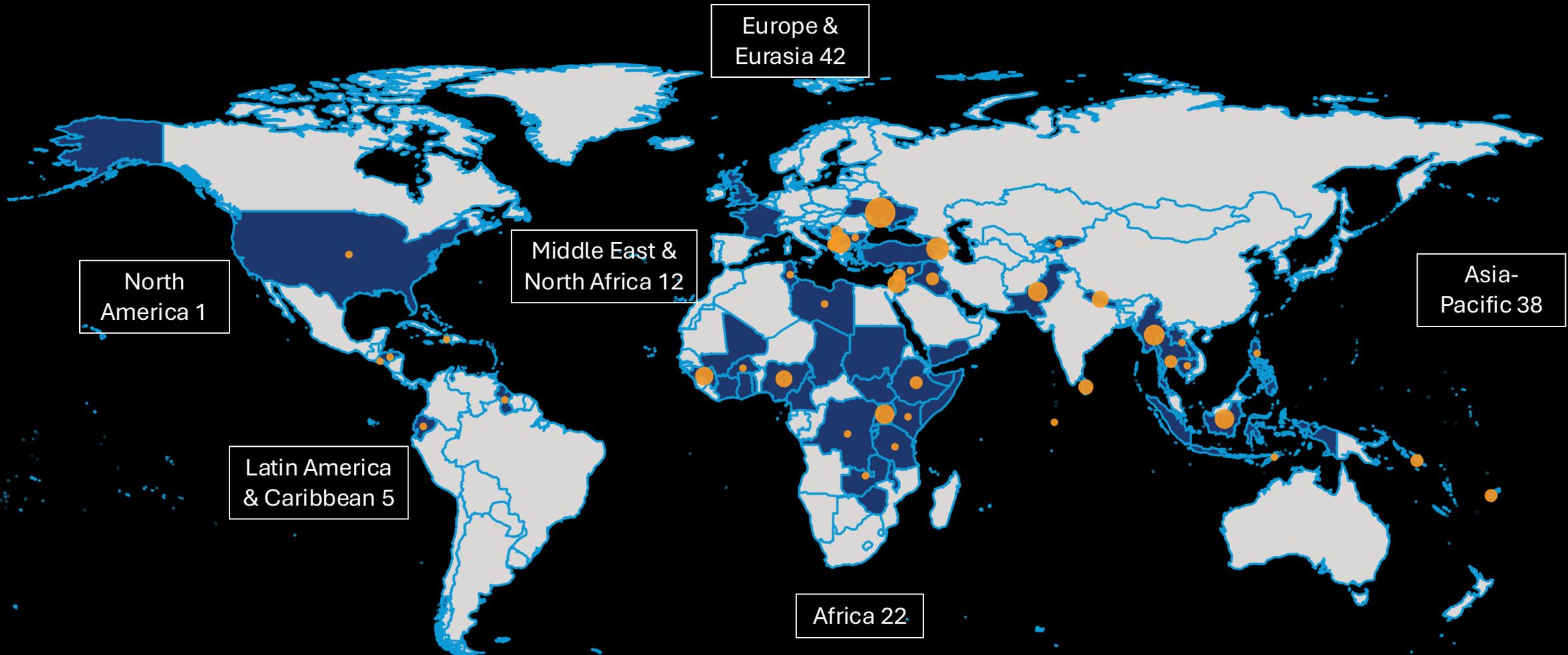
Active in 62 countries (between 2020-2025)

Average response time of 34.5 minutes

See more on the sample diversity in the following slides

Geographic Diversity of Respondents

The sample includes respondents from every region of the world. Orange dots indicate the 42 countries where the CSOs are headquartered. The size of those dots represents how many CSOs from that country are in the sample (ranging from 1 to 19). The countries shaded in dark blue indicate all 62 countries where respondents have worked in the last 5 years.



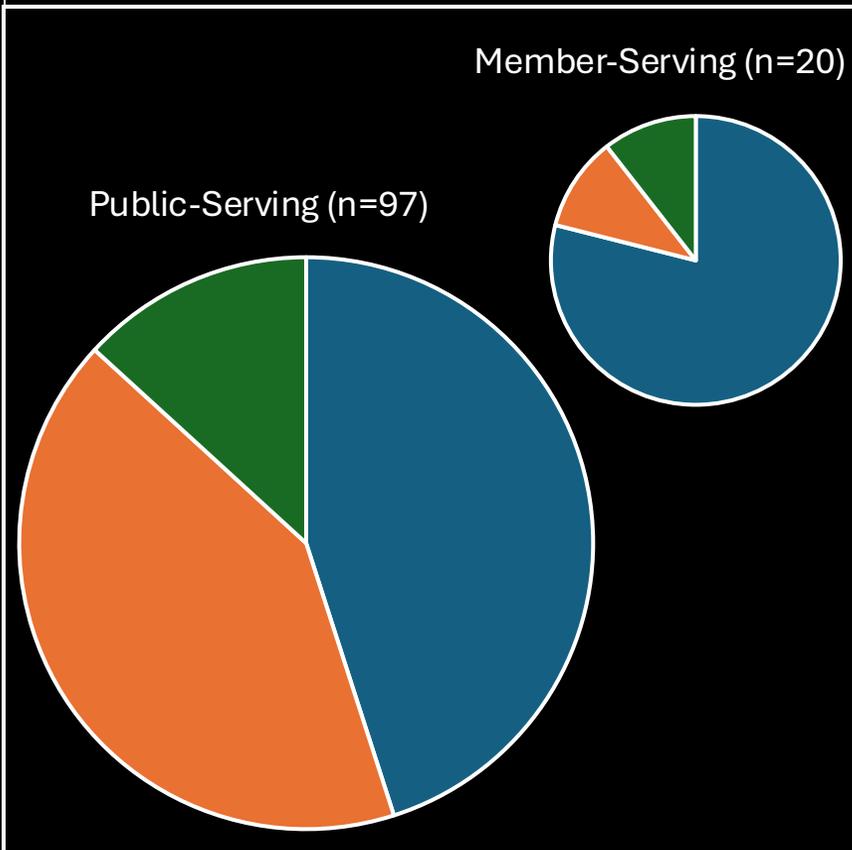
About the 125 Respondent CSOs

Respondents were asked to describe themselves based on the definition of a CSO found in the [Civil Society Organization Sustainability Index](#) (2020). This included questions about their **organizational hierarchy, type, and audience served**.

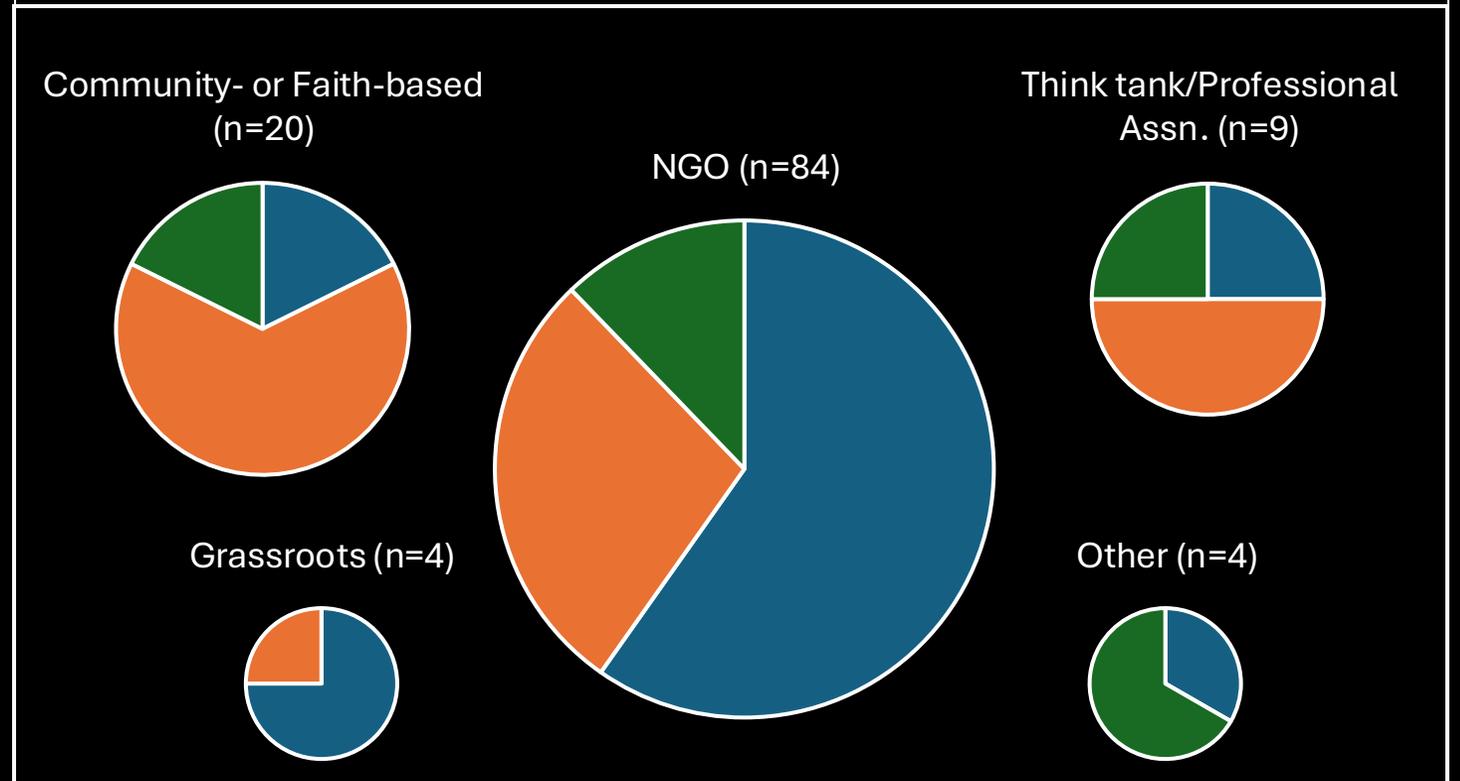
The sample includes 58 national CSOs with subnational chapters, 42 standalone CSOs without chapters or links to other levels, and 15 with a different arrangement (e.g., part of a university). A supermajority are NGOs, and most are public serving.

Color Key: Hierarchy ■ National ■ Independent ■ Other

Audience Served

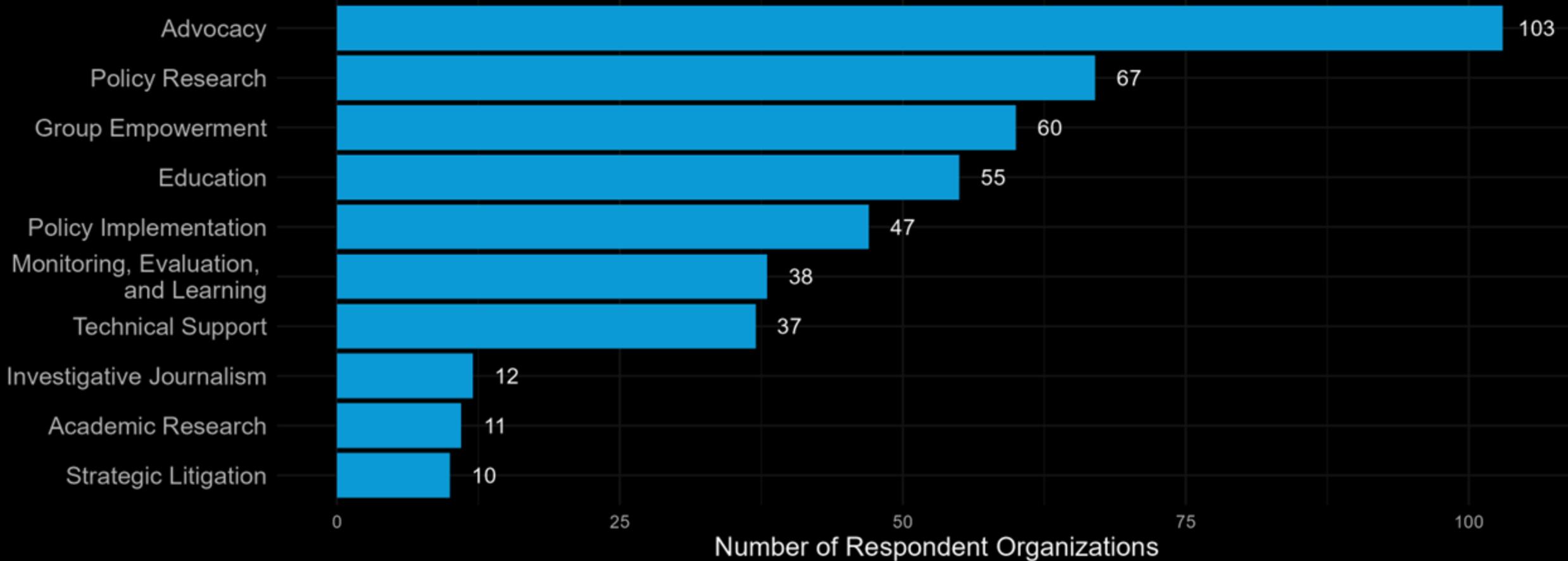


Type of Organization



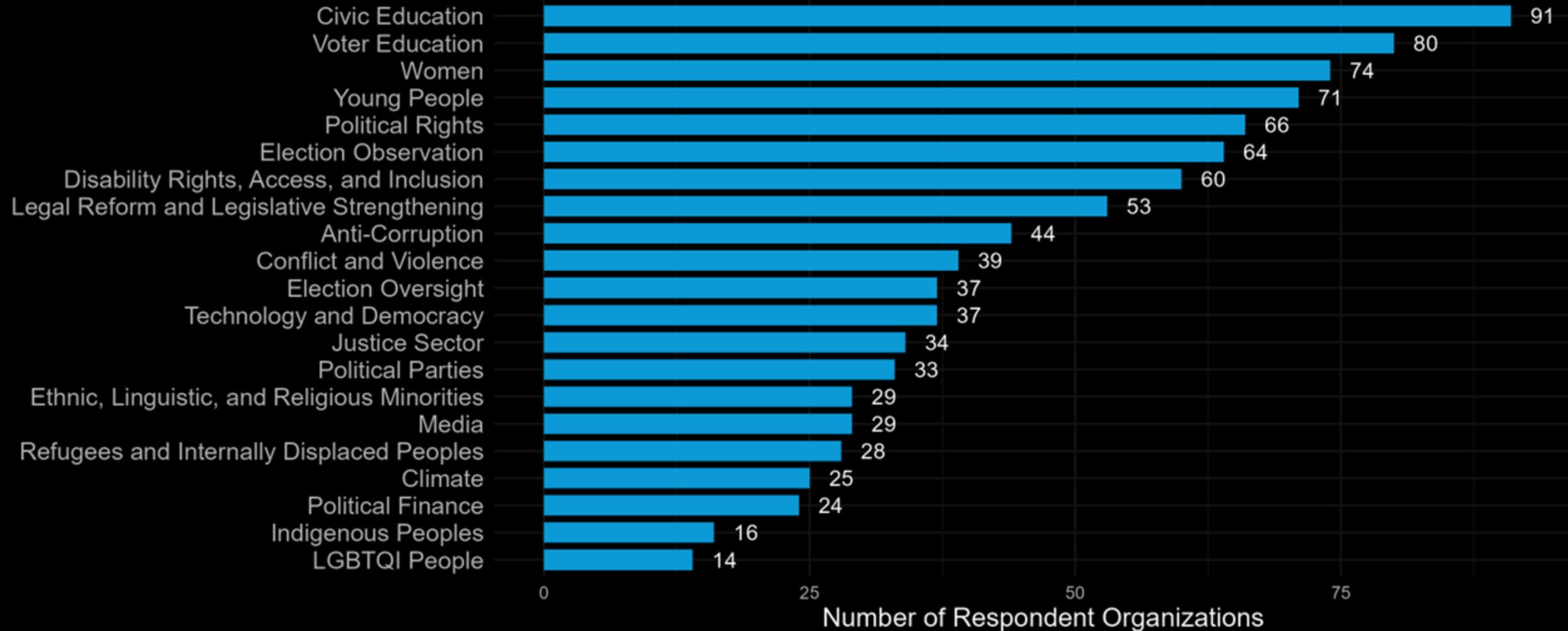
Types of CSO Activity

It is possible that CSOs experienced the aid cuts differently – or were targeted – based on the type of work they were doing in the democracy space. Most CSOs in the sample were engaged in some advocacy. Most organizations identified 2 types of activity they were engaged in regularly (average 2.5).



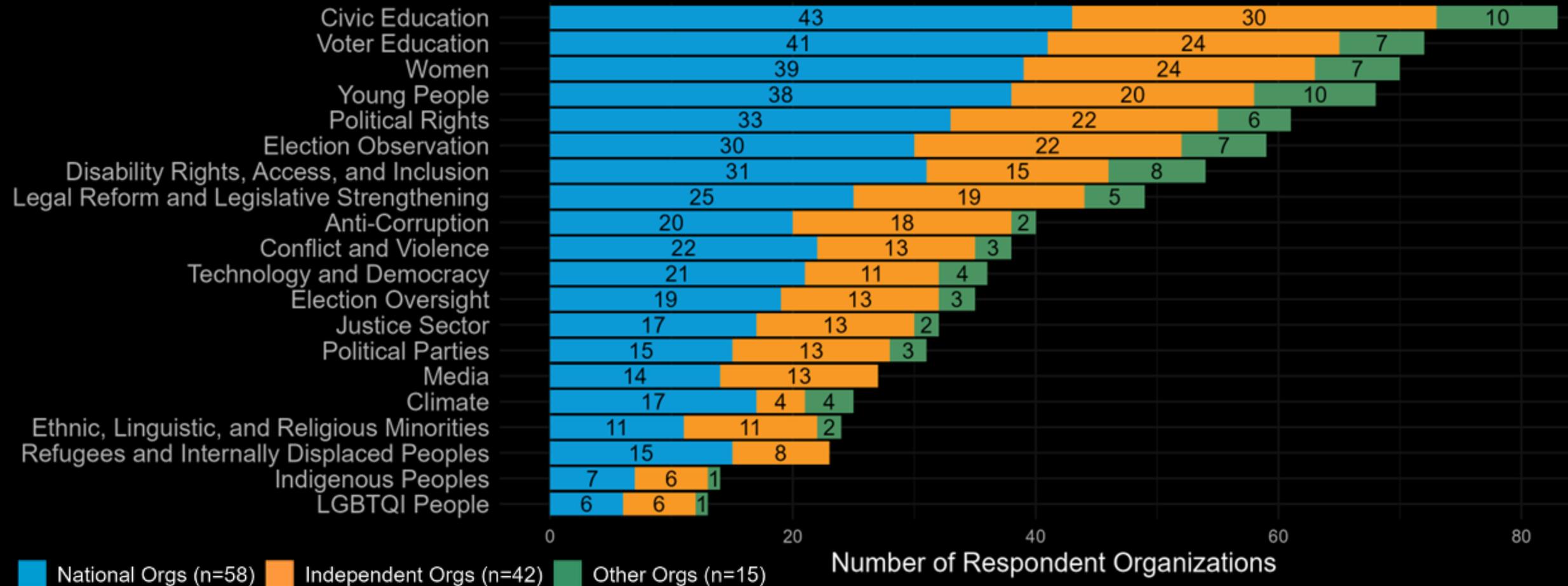
Respondents' Main Issue Areas

It is also conceivable that CSOs working on certain issues within the democracy space had different experiences with the foreign aid reductions. The CSOs in the sample include those working on a wide range of substantive issues. On average, respondents identified 7 substantive areas from the list. All but 14 claimed to be “multi-issue” organizations.



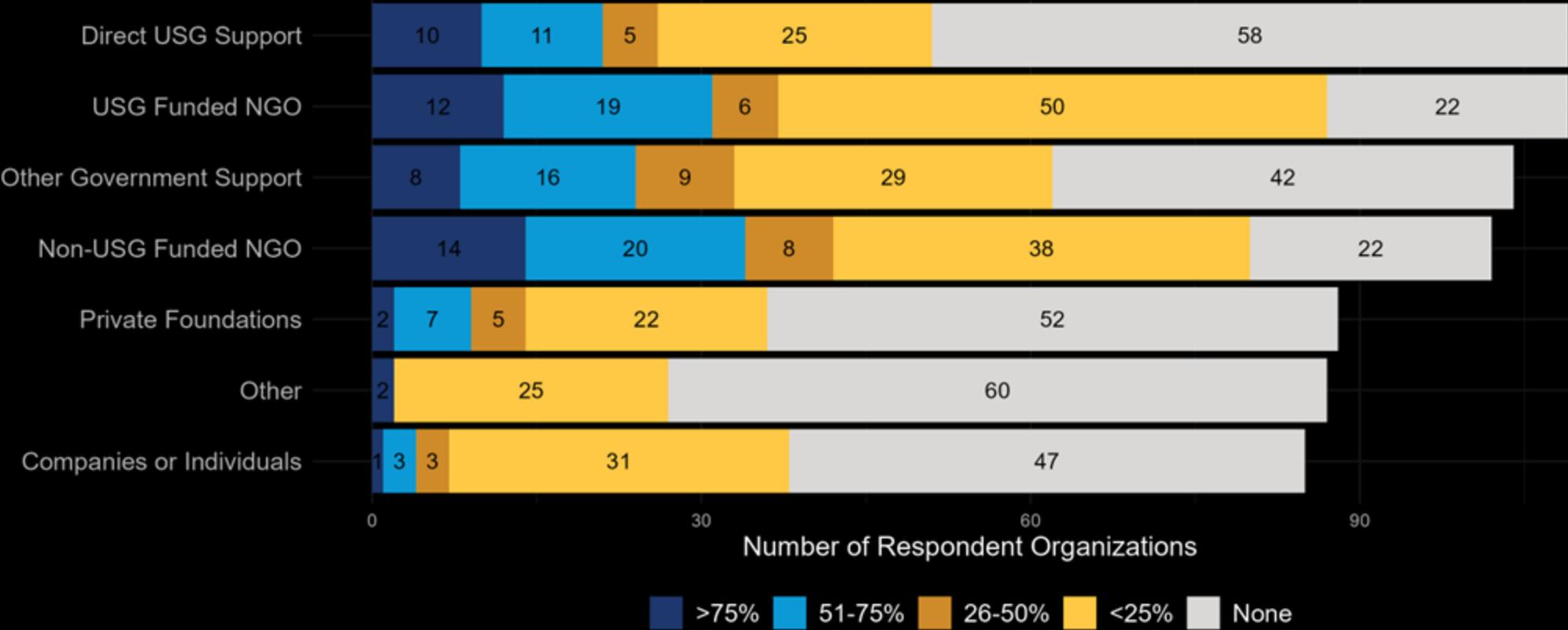
Respondents' Focal Issue Areas, by CSO Hierarchy

Given the diversity of the sample, the experiences of the survey respondents can be reasonably generalized to the experiences shared by national and local CSOs across the democracy, rights, and governance sector. Where the experiences vary according to any of the demographics presented in this section, it is noted.



Direct Impact of Foreign Aid Cuts

Proportion of Funding Received by Funder Type Before January 2025

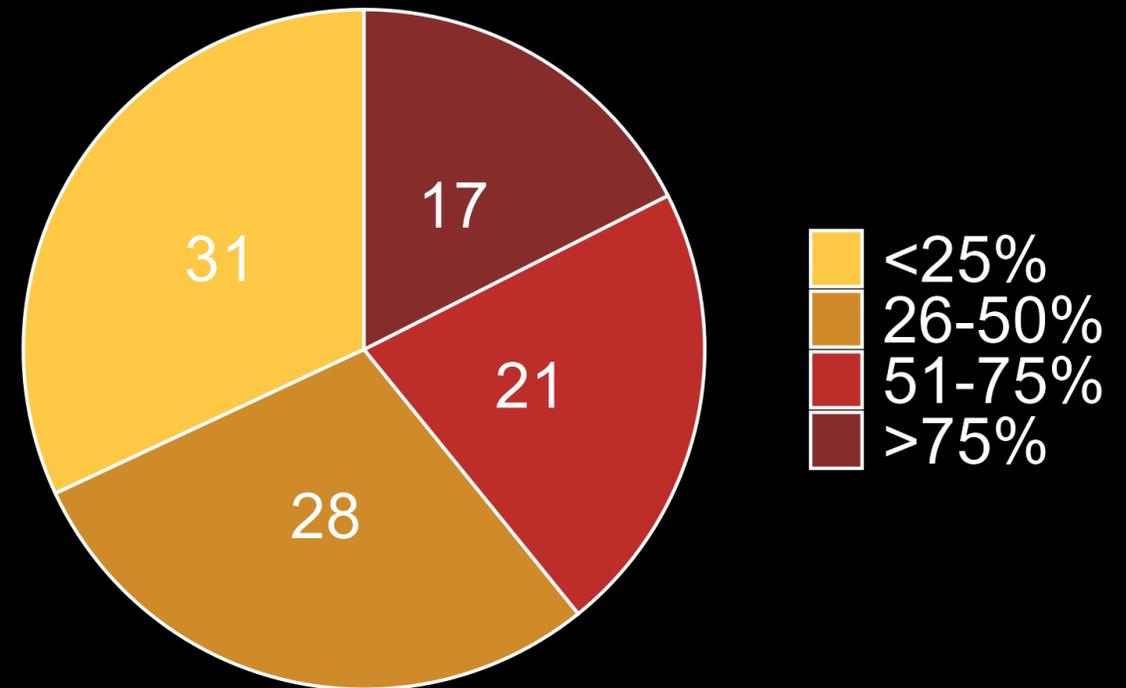


- 99 organizations were receiving some funding from the U.S. government, directly or indirectly
- 97 organizations were receiving some funding from another government, directly or indirectly
 - Only 30% were receiving any funding from non-government funders

Impacts of the US Government's 2025 Foreign Aid Cuts

- 98 CSOs (78%) said their operating budgets were reduced due to the US government cuts
- National and independent CSOs were impacted at similarly high rates (80% of national CSOs, 74% of the independents)
- All regions were impacted, but LAC and Europe were hit particularly hard (100% and 90% of the CSOs from the region in the sample, respectively)
- 39% of those impacted report that their budgets have been reduced by 50% or more (red slices)

% of Operating Budget Reduction

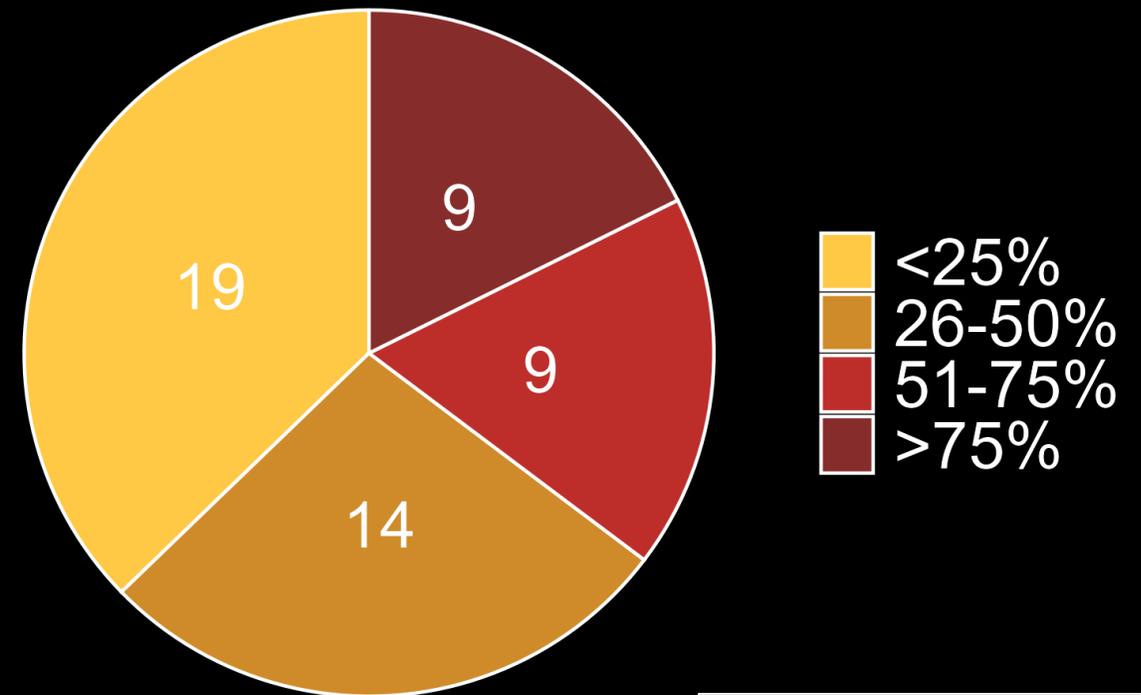


N=97; 1 "Don't know" response

Impacts of Other Governments' 2025 Foreign Aid Cuts

- 52 CSOs (42%) said their operating budgets were reduced due to other governments' aid cuts
- One-third of the independent CSOs were impacted, along with 45% of the national CSOs
- Between 60% and 83% of the CSOs in each region were impacted – no geographic region was spared
- 35% of those impacted report that their budgets have been reduced by 50% or more (red slices)

% of Operating Budget Reduction

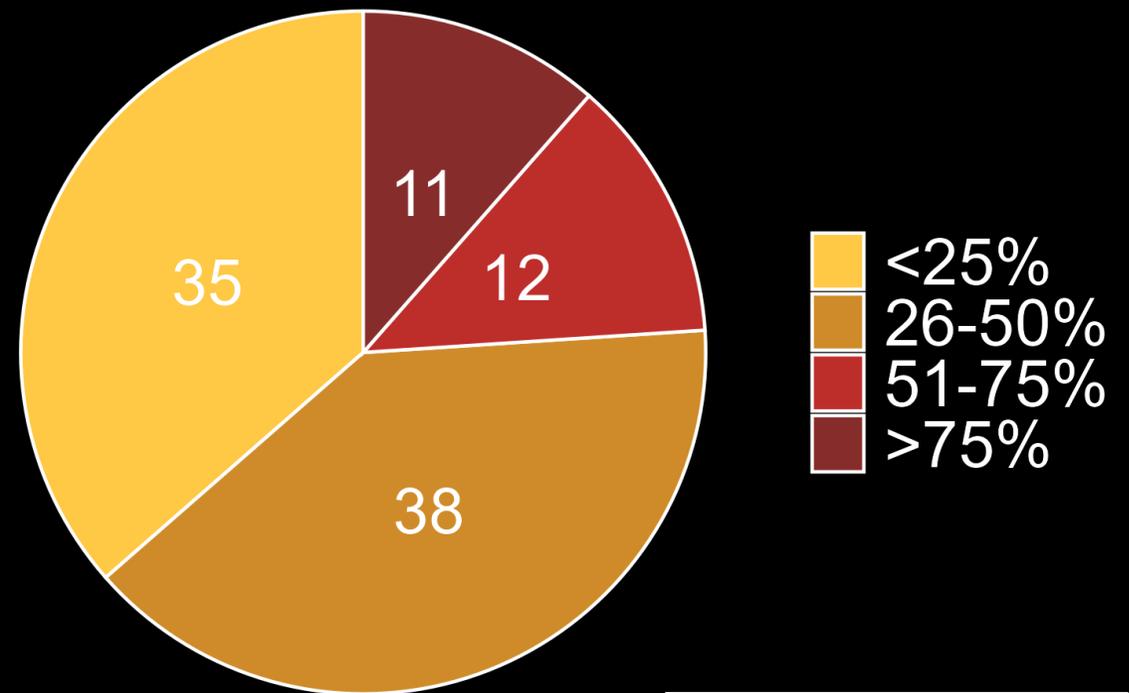


N=51; 1 "Don't know" response

Anticipated Impact of US Government's Foreign Aid Policy in 2026

- 104 CSOs (83%) say they anticipate reductions in their 2026 budget due to the US government's foreign aid policy
- Half of the CSOs that reported their budgets for 2025 were not impacted by the US government reductions *do anticipate* their budgets will be reduced in 2026
- At least 90% of the CSOs from each region (except Asia Pacific) expect reduction in their 2026 budgets due to the US foreign aid policy
- Nearly a quarter expect their budgets to be reduced by 50% or more (red slices)

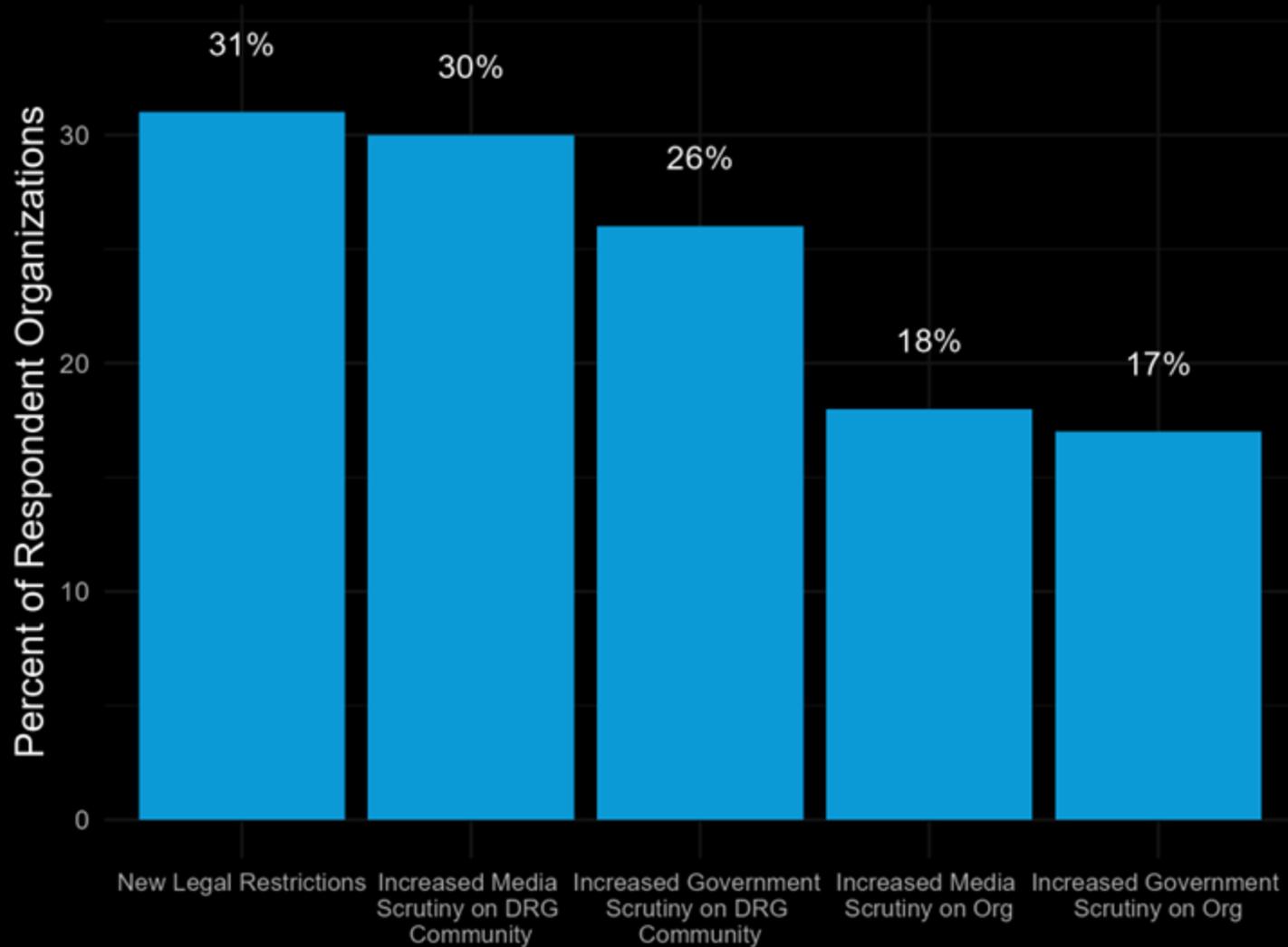
Anticipated % of Operating Budget Reduction



N=96; 8 "Don't know" responses

Non-Financial Impacts of Foreign Aid Cuts

Non-Financial Negative Impacts of Cuts



- In addition to the financial impacts, CSOs report changes to the legal and media environments in their countries that make pro-democracy work more difficult
 - In open-ended responses, these changes are attributed to the reduced US presence
- Many organizations say there have been crackdowns in the forms of investigations or scrutiny on the DRG sector, even where their organization has not been an immediate target
- CSOs repeatedly mention the outsized impact these changes are having on women and programs supporting gender equality
- Some report greater competition among surviving organizations for the leftover funding
- Some also report hate speech towards the US government/USAID and loss of trust within communities

Severity of Non-Financial Negative Impacts

These violin plots show the distribution of perspectives on the severity of other changes on organizations in their community, with scores of 1 being “very mild” and 10 being “very severe.”

Legal restrictions and increased scrutiny on the DRG sector from both government and media “bubble” near the top, indicating very severe impact. **Scrutiny of the organizations themselves** bubble near the midpoint, indicating moderate impact.





Expected Effects of International NGO Withdrawal on Local DRG Sectors

Many of the international non-governmental organizations working in democracy and governance have been severely impacted by the funding cuts and are reducing activities. Survey respondents were asked to rank what effects this decreased activity and presence would have on their country and/or community.

	ANTICIPATED CHANGES IN THE COMMUNITY	RANK
1	Closing space for civil society actors working on democracy and governance	7.0
2	Reduced service delivery for key constituencies	6.6
3	Negative impact on democracy practices	6.3
4	Less evidence and information for accountable governance advocacy	5.2
5	Reduced chances for emergence of 'next generation' of activists/leader	4.6
6	Less access to regional/global networks that provided crucial support to local orgs	4.5
7	Increased political marginalization of specific communities or groups	4.4
8	Loss of incubation options for new local organizations	4.2

*10=Highest ranked concern,
1=Lowest ranked concern*

Severity of the Withdrawal of INGOs on the Local DRG Sector

For each anticipated change in the community, respondents were asked to evaluate how severe an impact it would have on their community.

Closing space for civil society, reduced service delivery, and negative impacts on democracy practices in general were all ranked as **very** severe (peaks around high values, right hand side).

Impacts related to evidence for advocacy, access to regional and global networks, and the emergence of new organizations were ranked **moderately** severe.



CSO Responses to Foreign Aid Cuts

Adaptations Made for Institutional Survival

It could be argued that some of the measures taken by CSOs are **positive** changes for the sector.

- 49 CSOs have started coordinating with other organization(s) to pool resources and activities
- Other initiatives include:
 - Increasing fundraising efforts and appealing to other potential donors, including individuals, corporate, and multinational support
 - Expanding pool of partners, focusing more on local actors, and developing projects independently

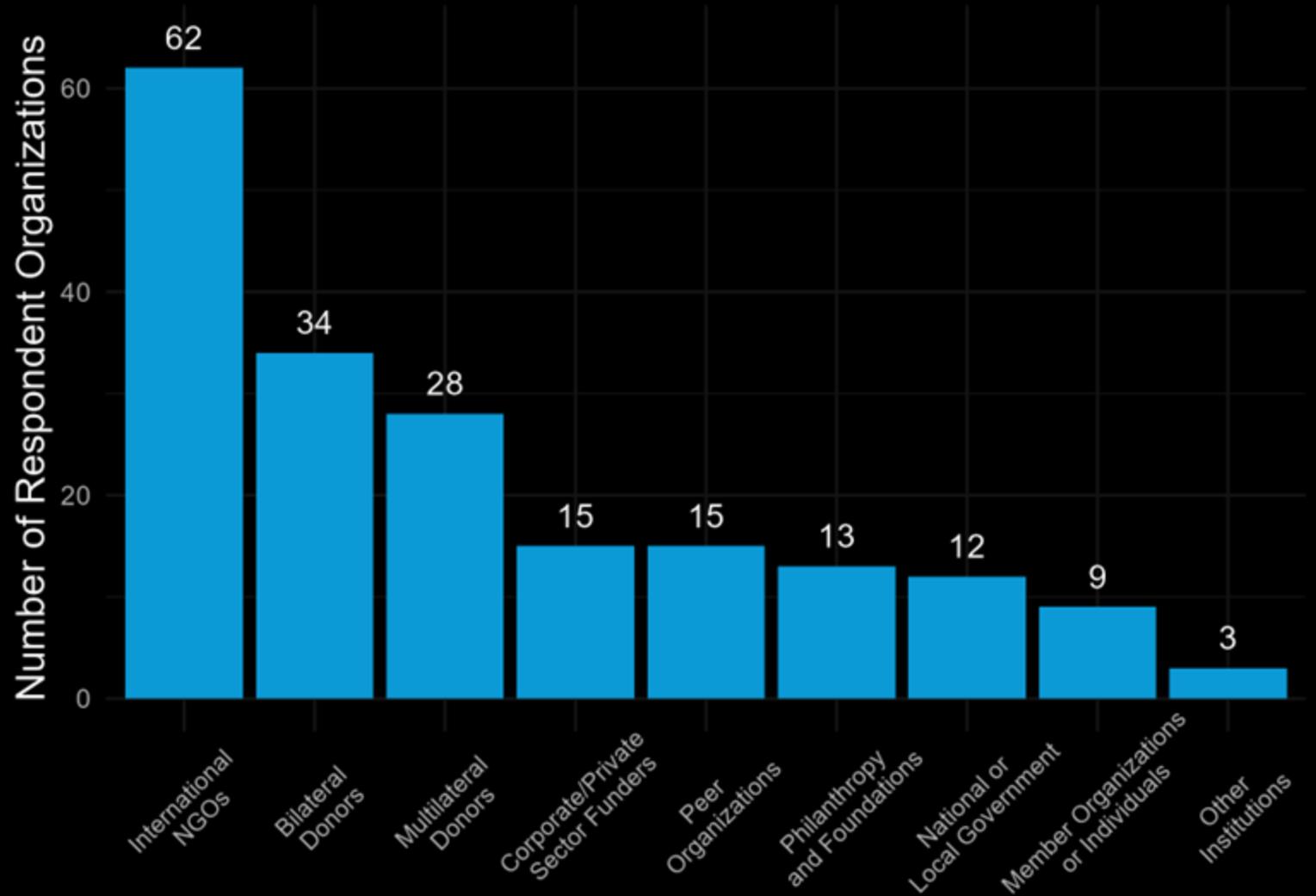
However, these are largely **compounding, negative** impacts on the sector, individual organizations, and the people within them.

- 86 CSOs have reduced programs or services
- 51 CSOs have laid off staff
- 47 CSOs have reduced pay
- 11 CSOs had to completely cease operations
- Other cost-cutting measures include staff salary freezes, benefit reduction, and changes in employee status

New Funders Stepping In?

Most CSOs (109) reported receiving *some* new funding. The majority reported receiving this new funding from international NGOs.

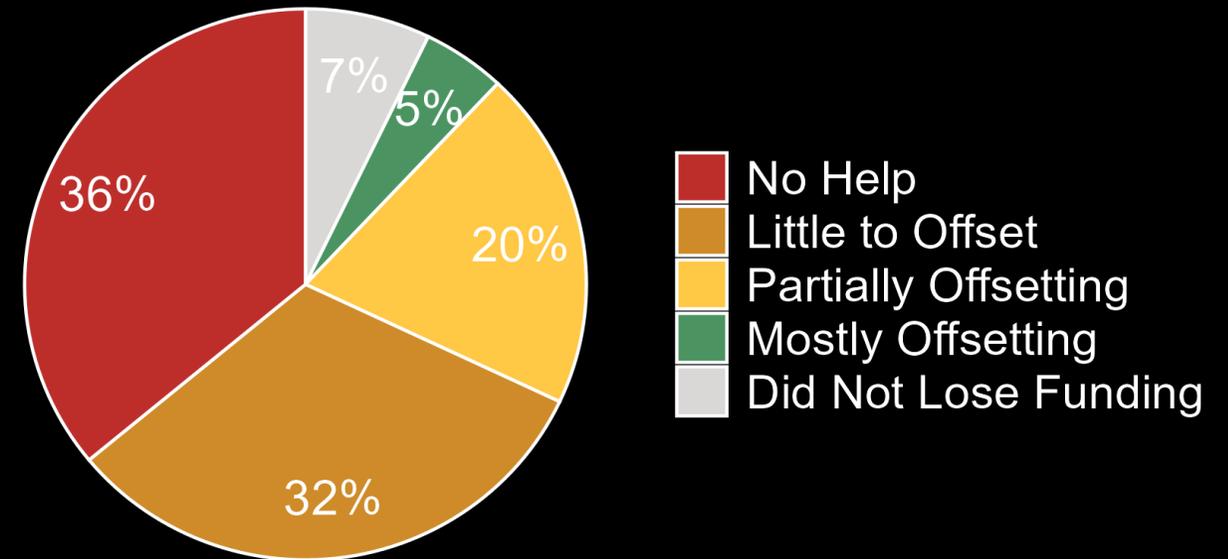
Despite recent calls on certain institutions to increase investments in the sector (e.g., philanthropy and the private sector) they were not reported as new funders by many respondents. They were also not reported to be current funders of most CSOs in the survey.



New Funding is Not Closing the Gap

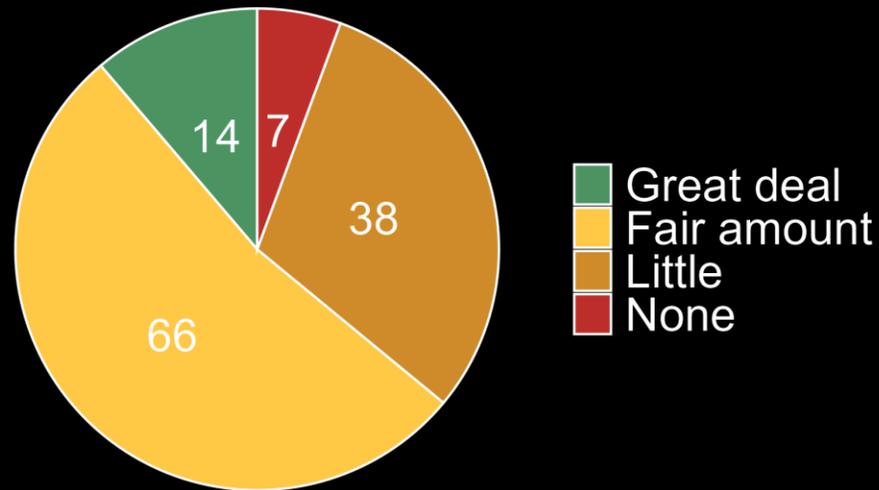
- New funding is not coming close to filling the gap from cuts made by large government donors
 - Only 5% of respondents say these new funds “mostly offset” the gap left by the foreign aid losses this year (green slice)
- This gap remains despite additional cost-saving adaptations being made at the same time

Is new funding offsetting your losses?
(N=125)



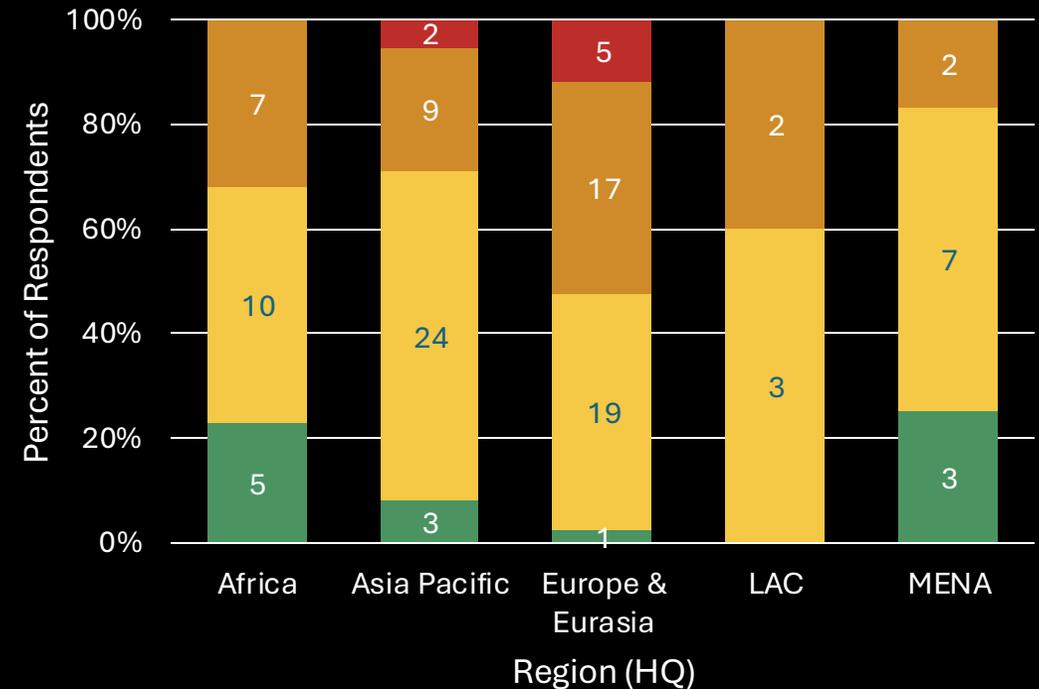
Result: Civil Society Cannot Continue Delivering on its Mission

Confidence that Your Organization Can Continue for the Next 2-3 Years



- Only 11% of the CSOs are confident they will be able to deliver services or programs at the level they were previously in the next 2-3 years
- This holds true regardless of the types of work the organizations typically conducted

Confidence by Region



- Between 50% and 20% of respondents in each region have *low confidence* that they can continue
- Several organizations in Asia-Pacific and Europe and Eurasia have *no confidence* they can do so

Where do we go from here?

Top Ranked Challenges Facing the Democracy Community

Thinking about the future of their organizations and the democracy and governance community in their countries, respondents were asked to rank what they anticipate will be the three greatest challenges moving forward. Options included financial issues, technical support access, local partnerships, and changes to the broader operating environment.

Long-term funding was the overall concern when weighted and was the most frequently ranked top concern. It was ranked as the #1 concern among a majority of African, Asian-Pacific, and European CSOs.

55% of the CSOs focused on *political rights* ranked long-term funding as the top challenge they face. It was also ranked #1 by 45% of the CSOs focused on *women, young people, and persons with disabilities*. These high proportions suggest a particularly high risk to the future viability of organizations working on these issues globally.

1 Securing **long-term funding** for operations and programs

2 Securing **emergency funding** for operations and programs

3 Finding and retaining **capable staff**

Additional Challenges Identified

Organizational level

- Impeding program implementation
 - Cannot reach target audiences, especially rural areas
 - Ending programs for women and girls
 - Discontinued support for local actors
- Lost credibility, leading to a decline in social impact
- Organization development curtailed
 - Cannot engage in long-term strategic planning and institutional development
- Cannot maintain staff
 - Loss of institutional capacity, expertise
 - Reliance on temporary or contract workers leading to poorer quality work

Sector or community level

- Challenges for the community
 - Vulnerable beneficiaries are affected twice over
 - “Civic space is screaming”
- Less timely interventions
 - “No capable players left” as new threats to democracy emerge
 - Will not be able to address all issues that arise due to reduced capacity
- Cannot pursue systemic change
- Community trust is reduced as organizations are forced to withdraw

Financial Assistance Requested

Top Ranked Financial Needs
(ranked by at least 50% of respondents)

- 1 Flexible funding
- 2 Noncompetitive small grants
- 3 Competitive larger grants

More Specific Financial Needs

- Endowment funds
 - As a form of long-term support for more sustainable civil society movements
- Larger grants on a competitive basis that stimulate the creation of consortia
 - Enables pooling resources to implement larger-scale initiatives and increase the impact of projects
- Multi-year Funding Commitments
 - Reduces the burden of continuous fundraising and allows for deeper, more sustainable program development and implementation
- Unrestricted or Semi-restricted Support
 - Permits quick adaptation to evolving needs on the ground
 - Covers operational gaps
 - Ensures the continuity of critical programming without delays caused by rigid funding structures
- Core Funding
 - Sustains organizational mission
 - Allows orgs to plan long-term and respond to emerging needs
- Capacity Building Grants
 - Specifically aimed at strengthening organizational capacity in areas like strategic planning, financial management, fundraising, monitoring and evaluation, and staff development

Non-Financial Assistance Requested

Top Ranked Non-Financial Needs

(ranked by at least 50% of respondents)

1

Capacity building on fundraising & adaptive business models

2

Networking and collaboration with peer organizations

More Specific Needs

- Technical expertise and mentorship, including for
 - Grant writing
 - Fundraising
 - Program development
 - Organizational development
- Support to participate in international meetings/summits
- Opportunities to share experiences with others impacted
 - Build solidarity
- Bolstering the visibility of their work
- Access to technologies that can increase their capabilities

Thank you to our
global partners who
took the time to
share their
experiences with us
and with the world.

Please contact
research@ifes.org with
any questions,
comments, or feedback.



Annex: Questionnaire

1. Please select the country in which your organization is headquartered.
2. In which other countries has your organization operated in the past 5 years (if international)?
3. Which best describes your organization's hierarchy/structure? (*select 1*)
 - i. We are a national organization with regional networks or chapters.
 - ii. We are a local/subnational arm of a national/international umbrella organization.
 - iii. We are an individual organization, with no structural linkages to institutions at higher or lower levels.
 - iv. We are part of a non-governmental institution, such as a university or religious institution.
 - v. None of these - please describe
4. Which best describes your organization? (*select 1*)
 - i. Non-governmental organization
 - ii. Community-based organization
 - iii. Faith-based organization
 - iv. Cultural institution
 - v. Social/grassroots movement or organization
 - vi. Professional association
 - vii. Trade or labor union
 - viii. Research institution or think tank
 - ix. Cooperative
 - x. None of these - please describe
5. Which best describes your organization? (*select 1*)
 - i. Member-serving: focused on the needs of the organization's membership
 - ii. Public-serving: focused on the needs of the public (generally or certain communities or constituencies)

6. Would you describe your organization as single-issue or multi-issue oriented? (*select 1*)

- i. Single-issue
- ii. Multi-issue

7. Which best describes your organization's work? (*multi-select*)

- i. Technical support
- ii. Advocacy
- iii. Group empowerment or identity strengthening
- iv. Education
- v. Strategic litigation
- vi. Policy research and analysis
- vii. Academic research
- viii. Investigative journalism
- ix. Monitoring and evaluation/impact assessment
- x. Policy implementation or oversight
- xi. None of these - please describe

8. On which of the following substantive area(s) does your organization focus? Please choose as many as appropriate.

- i. Political rights
- ii. Civic education
- iii. Voter education
- iv. Election observation (domestic or regional)
- v. Election oversight
- vi. Disability rights, access, and inclusion
- vii. Technology and democracy
- viii. Women
- ix. LGBTQI people
- x. Ethnic, linguistic, and religious minorities
- xi. Indigenous Peoples
- xii. Young people
- xiii. Political finance
- xiv. Anti-corruption
- xv. Legal reform and legislative strengthening
- xvi. Political parties
- xvii. Justice sector
- xviii. Conflict and violence
- xix. Climate
- xx. Media
- xxi. Refugees and internally displaced peoples
- xxii. Other

9. Approximately what portion of your organization's budget was supported by the following sources of funding before January 2025?

(select 1; response options include None; Between 1 and 25%; Between 26 and 50%; between 51 and 75%; more than 75%; Do not know)

- i. Direct US Government Support
- ii. Support from another government
- iii. Support from an NGO that received its funding from the USG
- iv. Support from an NGO that received its funding from non-USG sources
- v. Private foundations
- vi. Private companies or individuals
- vii. Other (e.g., universities or religious institutions)

10. Has your organization's operating budget been reduced due to recent foreign aid cuts made by the United States?

- i. Yes
- ii. No

By what percentage has your organization's annual operating budget been reduced this year due to these cuts?

- i. Between 1% and 25%
- ii. Between 26% and 50%
- iii. Between 51% and 75%
- iv. More than 75%
- v. Do not know

11. Has your organization's operating budget been reduced due to recent foreign aid cuts made by other countries besides the United States?

- i. Yes
- ii. No

12. By what percentage has your organization's annual operating budget been reduced this year due to these cuts?

- i. Between 1% and 25%
- ii. Between 26% and 50%
- iii. Between 51% and 75%
- iv. More than 75%
- v. Do not know

13. Do you anticipate that your organization's operating budget will be negatively impacted by cuts in foreign aid by the United States in 2026?

- i. Yes
- ii. No

14. By what percentage do you anticipate that your organization's annual operating budget will be reduced in 2026 due to these cuts? Please choose one.

- i. Between 1% and 25%
- ii. Between 26% and 50%
- iii. Between 51% and 75%
- iv. More than 75%
- v. Do not know

15. How has your organization adapted to the foreign aid cuts by the United States or other countries this year? Please choose as many as appropriate.

- i. Complete cessation of operations
- ii. Layoffs of staff
- iii. Reduction in staff pay
- iv. Reduction in programs or services
- v. Coordinating with other organization(s) to pool resources and activities
- vi. Other
- vii. No adaptations made

16. (If "no adaptations made" to Q15) Why has your organization not made any adaptations?

- i. 1. Because my organization was not affected by the cuts
- ii. 2. Because we are waiting for further developments in the foreign aid environment
- iii. 3. Other

17. Besides the loss of funding, what other direct, negative impacts have there been on your organization or other organizations in your community since January 2025? Please choose as many as appropriate.

- i. New legal restrictions on civil society, introduced or passed by the government
- ii. Increased scrutiny, including investigations, from the government on your organization's operations
- iii. Increased scrutiny or criticism from the media on your organization's operations
- iv. Increased scrutiny from the government, including investigations, on the democracy, governance, and human rights community in your country
- v. Increased scrutiny or criticism from the media on the democracy, governance, and human rights community in your country
- vi. Other

18. Please evaluate the severity of those impacts on a scale from 1-10, where 1 is "very mild impact" and 10 is "very severe impact."

19. Are you receiving assistance or new programming from other funding sources to help offset the impact of lost funding?

- i. Yes, assistance that is mostly offsetting the impact of lost funding
- ii. Yes, some assistance that is partially offsetting the impact of lost funding
- iii. Yes, some assistance but doing little to offset the impact of lost funding
- iv. No, no help from other funding sources
- v. Did not lose any funding

21. Many of the international non-governmental organizations working in democracy and governance have been severely impacted by the funding cuts. What do you think decreased activity and presence of international organizations in democracy and governance will mean for your country and/or community? Please rank as many as you think are relevant, with 1 being the most severe impact.

- i. Closing space for civil society working on democracy and governance with less international attention and support for the sector
- ii. Reduced service delivery for key constituencies (e.g., legislative constituent services, voter education and information by the election management body, responsiveness to community needs by local government)
- iii. Negative impact on democracy practices (e.g., less transparency or information sharing from government institutions, less credible elections)
- iv. Less evidence and information available to advocate for accountable governance
- v. Less access for local organizations to regional/global networks that were important sources of standards setting, peer networking and sharing innovation
- vi. Loss of incubation options for new local organizations
- vii. Reduced chances for emergence of 'next generation' of activists/leaders
- viii. Increased political marginalization of specific communities or groups
- ix. No impact
- x. Don't know

22. Please use this space to share any additional details on your response to the previous question.

23. What is your organization's level of confidence that over the next 2-3 years it can continue to provide the same level of programming and/or service delivery as it has in the past?

- i. Great deal of confidence
- ii. Fair amount of confidence
- iii. Little confidence
- iv. No confidence at all

24. Thinking about the future for your organization and the democracy, governance, and human rights community in your country, what do you anticipate will be the greatest challenges for your organization? Please rank up to 3 choices, with 1 being the greatest challenge.

- i. Securing emergency funding for operations and programs
- ii. Securing long-term funding for operations and programs
- iii. Finding and retaining capable staff
- iv. Securing technical support/advisory support on fundraising and sustainability
- v. Securing technical support/advisory support on operations and finances
- vi. Securing technical support/advisory support on specific program areas
- vii. Finding opportunities for collaboration with other organizations in my community and country
- viii. Finding opportunities for collaboration with organizations in other countries in my region
- ix. Undertaking research that builds the evidence base for informed programming
- x. Legal restrictions that impact the organization's activities
- xi. Harassment and/or pressure from the government
- xii. No anticipated challenges
- xiii. Other

25. Please use this space to share any additional details on the impacts of the funding cuts on your organization's operations, programs, and the communities you serve

26. Which of the following types of financial assistance would you find most valuable to sustaining your organizational mission? Please rank up to 3 choices, with 1 being the most valuable

- i. Limited funding to help responsibly conclude/close out disrupted projects
- ii. Flexible funding to cover overhead, institutional adaptations, and new fundraising
- iii. Non-competitive small grants for new initiatives
- iv. Competitive larger grants that encourage different organizations to form consortiums
- v. Limited funding to maintain critical services to institutional and/or individual members
- vi. Research and development (R&D) grants to support applied research leading to development of new service lines.
- vii. Other

27. What type of other financial assistance would you find most valuable to sustaining your organizational mission?

28. Which of the following types of non-financial assistance would you find most valuable to sustaining your organizational mission? Please rank up to 3 choices, with 1 being the most valuable.

- i. Networking and collaboration with peer organizations
- ii. Legal support
- iii. Data and analysis to inform programming
- iv. Capacity building on fundraising and adaptive business models
- v. Capacity building on financial management and administration
- vi. Capacity building on monitoring, evaluation, and learning
- vii. Capacity building on communications and digital security
- viii. Other

29. What type of other non-financial assistance would you find most valuable to sustaining your organizational mission?