

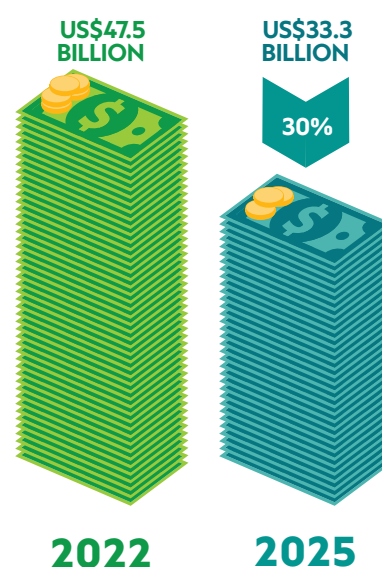
CHAPTER 1 SUMMARY

Significantly reduced funding and high need meant the international humanitarian system had to make hard prioritisation choices, which reduced the number of people it assisted, the size and type of programming, and the scale of humanitarian staffing, organisations and information infrastructures. Going forwards, actors within the system will need to think more about complementing local structures of support and effective coordination with development, peace and climate systems.

International humanitarian assistance (IHA) fell from a peak of US\$47.5 billion in 2022 to US\$33.3 billion in 2025 – a 30% drop – as multiple government donors cut funding. The sudden and widescale cuts by the United States in early 2025 had greatest influence. The 2025 United Nations (UN) coordinated appeal was only 35% funded: the biggest funding gap in appeal history, with a shortfall of US\$30.5 billion. Increased efforts to access non-Development Assistance Committee (DAC) donors, philanthropic organisations and innovative finance seemed unlikely to fill the gaps. Humanitarians recognised a need to more positively influence publics and politicians if they were to protect or increase future government funding. By the end of 2025, despite changes in donors' share of IHA, the system remained financially concentrated on a small number of donors and international agencies. Funding reductions underscored the need to use IHA more strategically to complement other forms of domestic and international support for people affected by crisis.

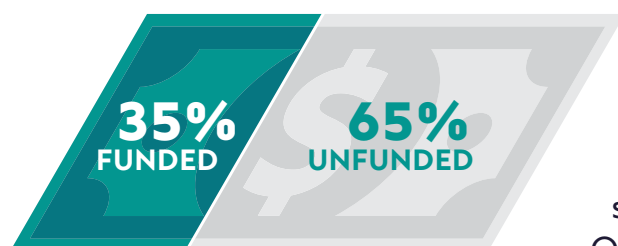
Humanitarian Programme Cycles (HPCs) narrowed the people and programmes included in the humanitarian remit, citing funding constraints and stretched responsibilities since the Covid-19 pandemic. As acute food insecurity and displacement rose above pre-pandemic levels, the number of people identified in HPCs reduced. In response to the 2025 cuts, the UN Office for the Coordination of Humanitarian Affairs (OCHA) led a hyper-prioritisation process to identify the people in most severe need to be targeted. The system struggled to meet those targets in many contexts due to cuts, insecurity and political restrictions.

Progress on reaching vulnerable identity groups was threatened by the 2025 funding cuts and diversity, equity and inclusion (DEI) restrictions. The system had also made progress on identifying



International humanitarian assistance dropped by 30% between 2022 and 2025

multisector needs, but it struggled in the wake of cuts to prioritise even sectors considered 'lifesaving'. While research showed the growing relevance of assistance, people affected by crisis continued to request, alongside immediate food security, greater focus on livelihoods, recovery and preparedness against future shocks – areas deprioritised by the Humanitarian Reset.¹ Without stronger engagement with development, peace and climate actors, there is a risk that the people and programming no longer prioritised may fall through the cracks.



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Sudden US cuts in 2025 caused operational agencies to cut staff, programming and partners.

Organisations with significant reserves and core funding had some protection, but local organisations were hit hard by closures; they had little influence on upstream decisions and lacked core and flexible funding to protect staff and infrastructure. Many organisational

decisions were criticised for being top-down, opaque and not strategic, reducing trust among staff and local partners. Trust was also lost with communities as programmes closed with little notice, communication or exit planning. Humanitarian organisations will need to think more strategically about where they add value in the financially reduced system to maximise complementarity rather than competition.

At the system level, the Humanitarian Reset drove choices on coordination structures, modalities and transitions. Perspectives on the process varied: some recognised effective leadership under pressure, but several local and international actors felt excluded from decisions. Several also critiqued a perceived choice to continue the same international model at smaller scale, rather than considering more locally led approaches or structural changes. Choices made in the humanitarian system seemed isolated from those in the development, peace and climate systems, despite them facing similar shocks. Isolated prioritisation risks not delivering for people affected by crisis, whose lives are shaped by multiple priorities and vulnerabilities.