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Future of Aid 2040: Pathways to Transformation

An outlook to 2040



This is the second paper in the Future of Aid 2040: Pathways to Transformation project. This foresight report creates a 2040 outlook for the global context and the aid system.

Executive team

The Future of Aid 2040: Pathways to Transformation project is co-lead by the Inter-Agency Research and Analysis Network (IARAN) and the Centre for Humanitarian Leadership (CHL).

Lead authors: Eilidh Kennedy, Michel Maietta, Max Santana.

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Contributing authors of driver files: Ana Santos, Elias Ayoub, Gianluca Ranzato, Immaculate Kiiza Wanendeya, Katie McIntyre, Marta Persiani, Matthew Kletzing, Max Santana, Shiela Castillo, Silvia Gison, Valentina Palumbo, Lauren Harris, Joshua Hallwright, and Jorge Itriago.

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Preface

In Indonesia, there is ‘gotong royong’—a spirit and practice of communal cooperation whereby neighbours come together to lift a house from its old foundation and carry it to higher ground. For too long, the aid system has been built on shifting ground by outsiders, leaving those who must live within its walls out of the process. The ‘Future of Aid 2040’ report is different, however, as it is the first time that civil society from the Global South has been involved in reimagining the very foundations of the ‘aid’ system—not just to observe the changes, but to contribute to the ‘gotong royong’ spirit.

The old paradigm is crumbling under the weight of its contradictions, struggling to respond coherently to cascading crises while communities bear the consequences of its dysfunction. Rather than presenting another master plan imposed from above, the ‘Future of Aid 2040’ report employs a deliberative process in which diverse voices shape consensus.

“ *The 800 participants who contributed to this work, the majority of whom are from across the Global South, have fundamentally altered the conversation, ensuring that lived experience, rather than institutional inertia, drives the analysis forward.*

I do not approach this report as a prescriptive blueprint, but rather as a mental map that charts both known and, more importantly, uncharted territories. It provides essential waypoints and acknowledges that the journey must be undertaken with actors from the Global South. As power shifts towards multiple nodes across the globe, we are presented with both unprecedented opportunities and profound responsibilities. Instead of asking if transformation will happen, we must ask how we can forge it, using our collective wisdom to support each other, share the load and ensure the foundations are robust enough to support what we build together.

Puji Pujiono
Senior Adviser, The Pujiono Centre

Executive summary

“ Aid is a web of life, woven together by thousands of hands. Each thread represents individuals, organisations, and communities working together to prevent people from falling into the abyss of suffering. But this web often needs to be patched and strengthened by the pressures of ever-changing and compounding crises—Male, Private Actors, Donors, Foundations, Indonesia

The topic of transformation for aid actors and the aid system is not new. There have been countless initiatives, repeated endeavours and sustained investments into consultations and processes aimed towards transformation. Yet, while it is sometimes treated as such, transformation is a process, not an endpoint. Successful transformations are not measured by the budget allocated or the hours spent debating; they are defined by results. And when we examine those results, the lack of progress is undeniable. Transformation requires moving beyond technical fixes to deeper structural reform. True transformation requires all aid actors to unpack the culture of the aid system and the power dynamics that define it, to rebuild a system that puts communities and local actors at the centre of decision making; valuing their expertise and lived experience, instead of trying to mould them into the image of intermediary actors operating on a smaller scale. Aid actors must leverage this period of uncertainty brought about by cuts in funding to build on

what works, and challenge what does not, in order to co-create a more just and effective aid system for those who matter most.

The Future of Aid 2040: Pathways to Transformation study is being implemented in two phases. The first is an exploratory phase to analyse the changes in the global context and aid system by 2040. To develop this collective intelligence, the Future of Aid 2040: Pathways to Transformation study has been building a diverse community of participants to reflect the broad spectrum of perspectives and experiences within aid. The high level of engagement from local civil society workers—particularly from the historically underrepresented regions—has reshaped the framing of key debates, moving discussions beyond traditional aid paradigms. Most critically, among the nearly 900 participants, nearly 4 in 10 have lived experience of crises. Outputs of this structured consultation are outlined in this report.

The Future of Aid 2040: Pathways to Transformation community identifies 16 global drivers (e.g. climate change, geopolitical shifts, technological disruption) and nine aid-specific ones (e.g. donor dynamics, localisation, ethical shifts) that will shape the aid system by 2040. A triadic framework links destabilisers, community resilience, and aid system configuration to create a typology of crises which are often overlapping and compounding.

Four divergent future 2040 scenarios

Multipolar blocs

The world is divided into regional economic/technological blocs (U.S., China, EU, India, etc.), but there is some level of cooperation. Resource conflict exists at local level but is regionally managed, responses to migration (climate/conflict) differ.

1. Aid on many paths

In a relatively stable world of structured regional alliances, diverse aid approaches and new forms of governance are accepted and effective. Aid aligns with the culture of the regional block and is built from the context of regional political and economic dynamics (e.g., Chinese, U.S., European, Islamic). Local actors take a leading role in response, while intermediary actors provide financing, technical support and advocacy. New funding streams and economic models emerge, blending religious networks, private foundations, income, and regional alliances.

2. Patchwork solidarities

A world of varied levels of regional coordination, political stability and increasing inequality. Aid is defined by 'do it yourself' solidarity, driven by self-help networks, members of the diaspora, local faith-based organisations, and episodes of mutual aid. Responses are agile, context-specific, and rooted in local ownership. Aid will largely be transactional and short-term, it enables adaptive and innovative solutions tailored to each crisis. Aid is more improvisational, shaped by shifting alliances rather than global governance. Intermediary actors have limited and inconsistent levels of influence.

3. Empires of aid

Aid becomes a core instrument of geopolitical competition, fully serving state interests. Major powers, like the U.S. and China, use aid as a tool of influence, shaping global narratives and strategic alliances (e.g., Chinese aid in Africa, U.S. aid in Latin America). The UN is sidelined. Local NGOs operate within strict political constraints, some fully aligned with state agendas, while INGOs act as agents of empires and others struggle to maintain even limited autonomy. Aid is not neutral; it is a tool of power projection.

4. The great unravelling

A world of chaos and closed borders, where states prioritise isolation and self-preservation. Aid declines sharply. Massive displacement leads to ungoverned spaces and survival strategies among abandoned populations. Refugees accumulate in the few areas where aid is accessible, creating chronic bottlenecks and humanitarian flashpoints. Many intermediary actors have collapsed as crises are ignored. Only local actors continue to engage directly in support of communities but due to resource constraints, this is largely voluntary.

Empires and conflict

The world is fully fragmented into rival empires, with strict borders, military buildup, and limited international cooperation. Conflict over resources escalate as environmental degradation increases. Displacement is widespread.

These scenarios are structured to explore how the global context and aid system may change over the course of the outlook. However, they are not predictions. Aid actors have the agency to shape the system and, through collective action, seize opportunities to co-design the futures they want. Some no-regrets actions that aid actors could take to be more effective in all four futures include:

1. Reimagine legitimacy and accountability: unpack western bias within policies and procedures to put communities at the centre of defining success
2. Build strategic alliances across the aid system: forge relationships which can be a bulwark against reactionary politics and co-create new standards and norms that represent the diversity of actors operating in different spaces

3. Develop funding streams to support local leadership and anticipatory action: back grassroots innovations and adaptive systems within communities and local organisations (public and private) to enable early action in the face of destabilising events to limit the damage to lives and livelihoods thereby reducing the need for external support in response.

Phase two of the project will focus on co-designing transformation pathways with people affected by crises. The goal: to enable each actor to define their unique value-add to locally led responses across different futures, supporting a reimagined, effective, and equitable aid system.

Network cooperation
New alliances and new forms of aid emerge, with innovative transnational funding models (e.g., faith-based funding, income generating, local actors, regional cooperation)

Survival of the fittest

The aid system collapses into fragmented, ad-hoc, highly localised interventions. International NGOs disappear or become highly restricted.



Aid, aid system and aid actors

In this study 'aid' is intentionally used as a broad and inclusive term, referring to any form of assistance provided to alleviate suffering and enhance the condition of people affected by crises. This framing adopts a systems view of human vulnerability and those contributing to improving it, recognising that aid covers a wide spectrum of possible interventions by a broad mix of actors. The aid system includes immediate life-saving interventions (e.g. providing emergency medical care, protection, shelter or food) and long-term support that tackles structural challenges (e.g. climate resilience, peacebuilding and justice).ⁱ Aid actors are defined as individuals, groups, or organisations that add value within the aid system; it is not a fixed architecture but a dynamic web of actors, relationships, and power flows.

In seeking to define an aid actor some of the underlying tensions about identity, legitimacy, and power in aid are laid bare, including:

- The role of people affected by crises: where do communities sit in the aid system? Are they treated merely as recipients, or recognised as central actors of aid?
- Power dynamics and recognition: who has the authority to define who qualifies as an aid actor? Is it those with the decision-making power, those delivering aid on the ground, or both?
- The humanitarian vs development divide: where does humanitarian action stop and development action begin? Are 'humanitarian' actors only those operating in emergency response or does it also include actors with a wider mandate, working on chronic social and structural development issues? How do you classify actors working in a decade long 'emergency'?
- The relevance of humanitarian principles: must all aid actors subscribe to the classical Dunantist principles of humanity, impartiality, neutrality, and independence? Or can actors operate under different ethical frameworks—or none at all?

By seeking to craft an inclusive grouping of actors, this study places less emphasis on principles or motivations, and more on who is active on the ground. Using the umbrella term 'aid' embraces this logic, and we define aid actors as:

“ Aid actors are all those who directly or indirectly contribute to alleviating suffering and enhancing the condition of people affected by crises.

This definition moves beyond the dichotomy of humanitarian and development action and does not impose universal prerequisites of structure or shared principles on those actors falling under this umbrella. By embracing a broad definition, it reflects the reality that in many places there are multiple humanitarian and development practices led by diverse actors, guided by different principles, priorities, and ways of working with and for crisis-affected communities.

Aid actors can sit in many different places within the aid system. There is no single agreed categorisation of aid actors; they can be grouped into many different brackets depending on the organising framework—for example, by affiliation and function (as proposed by ALNAP)ⁱⁱ or by structure and governance (as suggested by NEAR).ⁱⁱⁱ Many of these categorisations can be complementary. Building on existing literature while broadening some categories to further analyse power asymmetries, funding flows, and decision-making dynamics over the course of the outlook, this study proposes three overlapping but analytically coherent categories of actors.

At the core are **local actors**: these are individuals, networks, and organisations rooted in the communities where aid is needed and often directly or indirectly affected by crises. They include local and national NGOs, traditional and/or public local authorities, local businesses, community-based organisations, faith groups, frontline social workers, and grassroots volunteers. Local actors are the first responders in crises, hold contextual

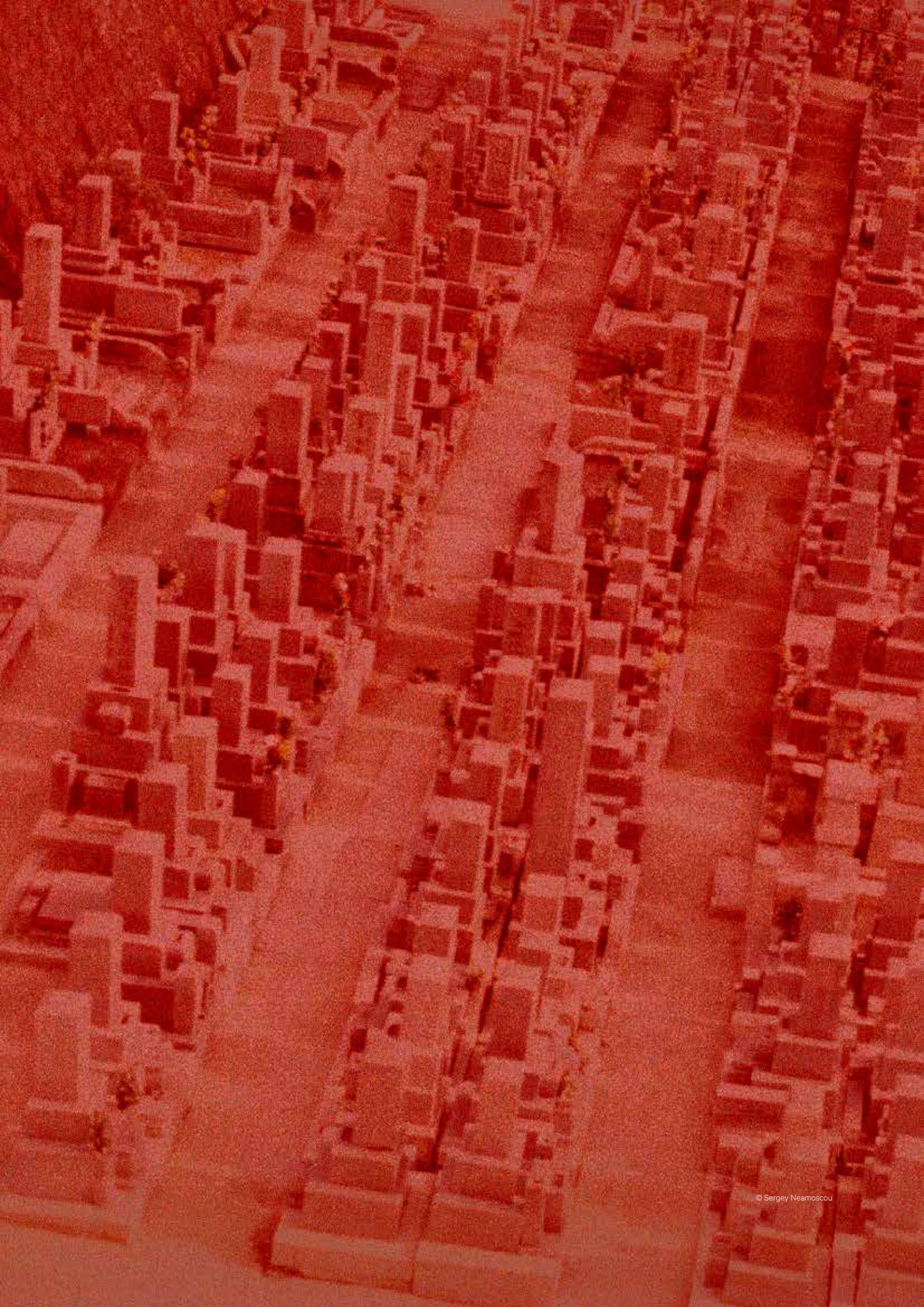
knowledge, and are key to legitimacy, but they often lack decision-making power and sustained funding.

Then there are **intermediary actors**. These organisations channel, coordinate, and operationalise aid at scale.^{iv} They include INGOs, International Red Cross and Red Crescent Movement, UN agencies and some regional alliances of national NGOs. Intermediaries play a dominant role in programming, fundraising, reporting, and standard setting; their governance is often external to the area where aid responses are being implemented, and they often act as gatekeepers between donors and communities.

Finally, there are **enabling actors**. This group includes states, donors, multilateral development banks, philanthropic foundations, think tanks, and national

or multinational private actors. They shape norms, frame crises, define metrics of success, and enable (or constrain) others through financial, technological, or political power. Their decisions shape the architecture of the system, including what is funded and whose voice is heard. In many contexts, these actors set the agenda, intentionally or not.

This framework does not contradict existing categorisations but builds on them by shifting the emphasis from function to influence, and from static roles to dynamic relationships. It also helps anticipate future transformations in the system: local actors gaining autonomy, intermediaries needing to morph or justify their role, and enabling actors confronting new demands for legitimacy, transparency, and co-creation.



Introduction

This report embraces a foresight-driven approach to transformation, one that balances humility, long-view thinking, and deep respect for lived experiences. As authors, we chose to embrace the Japanese concept of *Fueki Ryūkō*¹, literally translated as “the unchanging and the flowing”, as a lens to understand this moment: a system in motion, rooted in the past, shaped by disruption, grief, and possibility. The contestation over what aid is, the principles that govern it, and the widespread implications of change are an emotional experience for many who have dedicated their lives to serving communities affected by crises. Our challenge is to leverage this period of uncertainty, to build on what works, and challenge what does not, in order to co-create a more just and effective aid system for those who matter most.

“ Aid is a web of life, woven together by thousands of hands. Each thread represents individuals, organisations, and communities working together to prevent people from falling into the abyss of suffering. But this web often needs to be patched and strengthened by the pressures of ever-changing and compounding crises—Male, Private Actors, Donors, Foundations, Indonesia

The topic of transformation for aid actors and the aid system is not new. There have been countless initiatives, repeated endeavours and sustained investments into consultations and processes aimed towards transformation. Yet, while it is sometimes treated as such, transformation is a process, not an endpoint. Successful transformations are not measured by the budget allocated or the hours spent debating; they are defined by results. And when we examine those results, the lack of progress is undeniable.

Progress on localisation and the shift of power to communities affected by crises has been limited, if not insufficient, in recent years.^v While many actors have made sincere efforts, implementation has often been inconsistent. For decades, aid actors have been unable to implement the lessons

they say they have learned about putting people affected by crises at the centre of decision making.^{vi} While there is broad agreement that localisation is a priority, true transformation, which shifts power, not just rhetoric, has yet to be achieved at scale. This failure, coupled with the aid system’s inability to effectively respond to the escalating levels of needs, has led to the questioning of the dominant paradigm of aid and a crisis of legitimacy for international actors.^{vii}

Though there have been many efforts toward localisation, they often focus on technical adaptations, and are small shifts in ways of working that limit their potential to transform the aid system.^{viii} Localisation initiatives are rarely structured to probe deep into the underpinning beliefs and narratives that have created the aid system in its modern incarnation.^{ix} It is often seen as the purview of international actors to ‘localise’. However, local actors too must recognise the oppressive nature of aid, organise assertively, and craft clear, alternative narratives. They must be recognised as reliable, autonomous actors. Unless local actors challenge power dynamics and assert their expertise, reforms will remain superficial.

True transformation requires all aid actors to unpack the structure of the aid system and the power dynamics that define it, to rebuild a system that puts communities and local actors at the centre of decision making; valuing their expertise and lived experience, instead of trying to mould them into the image of intermediary actors operating on a smaller scale (termed ‘mirroring’).^x By focusing localisation initiatives on integrating local actors into existing decision-making structures while preserving the dominant, Western-centric humanitarian paradigm, not truly appreciating the skills, capacities and cultures of local actors and failing to accept that local leadership will mean they have to work differently, intermediary actors and enablers have rendered themselves incapable of moving forward. Relinquishing control and embracing a pluralistic future demands more than structural shifts: it calls for an emotional readiness for change.

¹ *Fueki Ryūkō* (不易流行), a concept popularised through the haiku tradition of Matsuo Bashō, captures the dialectical balance between what endures (*fueki*) and what evolves (*ryūkō*). It emphasises that deep values and flexibility are not contradictory but mutually reinforcing. Across Japanese artistic traditions, from haiku to garden design, and corporate heritage, *Fueki Ryūkō* is invoked as a model for sustaining continuity through informed adaptation.

Though it is a focus of the sector, localisation is not the only transformation required to increase the effectiveness of aid. Improved organisational adaptability, greater collaboration and less competition, more equitable risk sharing between aid actors, increased anticipatory action, and giving more aid as cash and voucher assistance are all critical areas of progress that the aid system has been working on, but are yet to see achieved at scale. In many cases, the ideas and evidence base already exist, and many aid actors are investing in taking them forward. However, the challenge lies in implementation at a systems level.

“ Pouring water into a broken, leaking bucket. Doing the same things over and over and expecting a change - can be insane—Female, International NGO worker, from Zimbabwe using a metaphor to describe aid

True transformation is not easy; approximately half of all organisational change initiatives fail.^{xii} Organisations, and the people that comprise them, are often resistant to change. A lack of trust, fear of the unknown and a loss of control are just a few reasons why.^{xiii} Aid actors are not immune to these challenges. For many decades the strategic transformations that aid actors have agreed are necessary have not taken place; changes are predominantly focused on finding improvements to existing practices rather than implementing new approaches.^{xiv} There has also been too little genuine collaboration, which is required for system change. There has not been adequate effort to respect, uphold, strengthen, and restore the capacities of local actors to enable them to become feasible counterparts in transforming the aid system. However, this cannot be sustained much longer. In 2025, the aid system reached a breaking point. In previous years, the rapid growth in levels of funding masked failures to make real progress towards a localised and more effective system. However, reductions in aid funding in 2024 and the unprecedented cuts of 2025 have created another impetus for change.^{xv} That aid is still necessary is not up for debate. Escalating conflicts, the intensifying impacts of climate change, and persistently high levels of global poverty are all pushing communities into crises and trapping them in conditions of protracted vulnerability. Every year, aid saves millions of lives and strives to provide better outcomes for people affected by crises.^{xvi} However, the reality is that aid actors must adapt

strategically and find ways to be more effective with fewer resources. In this pursuit of greater impact, preservation of the extant aid system must take a backseat to the well-being of communities. This shift demands humility from external actors: recognising that communities in crisis are not passive recipients but partners with the right to lead their own well-being and recovery. The challenge for all aid actors—local, intermediary, and enablers—is whether they can turn pain into purpose and leverage the disruption created by the sharp decrease in aid funding into progress toward collective commitments: localisation and shifting power into the hands of people affected by crises. The Future of Aid 2040: Pathways to Transformation study builds a community to explore plausible pathways of true transformation and collectively defines ways to remain effective in a changing landscape.

Transformation in the aid system requires both courage to change and fidelity to purpose. Fueki Ryūkō captures this tension: continuity and transformation—the stable flow beneath the shifting surface. It reminds us that constancy and impermanence do not oppose each other but coexist. The key is to maintain what is effective and to embrace the transformation of that which is not. The Future of Aid 2040 is a mirror held up to a system in flux. We are prompted to consider, what if this unravelling became an opening to building an aid system that reflects what communities need?

“ The humanitarian aid system is like a lifeline thrown from the riverbank. It is a rope of hope, connecting those in desperate need to safety and support. This lifeline is not just a simple rope; it is woven from compassion, resilience, and the shared humanity of people across the globe who care about the well-being of others—Male, National NGO worker, from Afghanistan employing an image to exemplify aid

The objectives of the Future of Aid 2040: Pathways to Transformation report are three-fold:

1. To analyse potential changes in the global context and aid system by 2040
2. To identify concrete pathways for organisational transformation applicable to any aid actor
3. To develop tools and guidelines to support organisations in kick starting a transformative journey



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Project overview

In 2017, the *Future of Aid: INGOs in 2030* report was published.^{xvi} This study explored how INGOs could restructure to be more effective in a changing environment. It built an outlook to 2030 with a typology of crises and proposed INGO profiles intended to inspire organisational transformation and serve as future-oriented endpoints. The study was well received, the scenarios remained relevant and valuable for strategic planning over several years, and the report became a reference for many aid actors. However, it fell short in two key ways. The first was that it focused exclusively on the role of INGOs. It considered how INGOs interact with other actors (e.g. donors or local actors) but did not explore in detail how the role of those actors could evolve over the course of the outlook. The second was that it presented an end-state without much indication or support for how organisations could transform themselves to be fit for the future or work differently. In the design of the Future of Aid 2040: Pathways to Transformation study, these shortcomings were explicitly addressed.

The Future of Aid 2040: Pathways to Transformation study is being implemented in two phases. The first is an exploratory phase, responding to the first objective listed above: to analyse changes in the global context and aid system by 2040. This phase is one of exploratory foresight. It has integrated tools and approaches from the *Causal Layered Analysis* and *Prospective* schools of foresight to create a deep understanding of how the aid system is structured and how it could evolve between now and 2040 within a shifting global landscape.²

The results of this work are summarised in two papers, each with a distinct temporal focus. The first, titled *Future of Aid 2040: Unpacking the aid system—laying the groundwork for transformation*^{xvii}, deconstructs the aid system, as perceived in 2025, into the four levels of causal layered analysis (CLA). This reveals how the deep-rooted narratives, beliefs, and worldviews that have shaped modern aid continue to influence power dynamics and decision-making. Building on that foundation, this report takes the analysis further by presenting a futures outlook to 2040, including four distinct scenarios and a typology of crises that outlines the future needs aid actors will have to address.

Core to the success of the Future of Aid 2040: Pathways to Transformation study has been building a diverse community of participants to reflect the broad spectrum of perspectives and experience within aid. The high level of engagement from local civil society workers—particularly from beyond the traditional centers of global power—has reshaped the framing of key debates, moving discussions beyond traditional aid paradigms. In the first phase of the project, nearly 900 people were consulted through more than 50 webinars, surveys and consultations. Out of these, 77% of participants were from Sub-Saharan Africa, the Middle East and North Africa, Asia and Latin America and the Caribbean, 53% of participants were male, 45% female, and 2% preferred not to say. The largest group consulted (44%) worked for local NGOs, community-based organisations, or



77% of respondents were from Sub-Saharan Africa, East Asia & Pacific, South Asia and Latin America and Middle East & North Africa.



53% of participants were male, 45% female with 2% who preferred not to say.



38% of respondents have lived experience of crises.



The largest cohort of participants worked for local and national NGOs, CEOs or other local movements (40% of participants).

² For more information, please see the methodological note in Annex 2.

grassroots movements. Most critically, nearly four in ten participants responded to our survey while navigating a crisis themselves.

At many points during the analytical process, the responses of those with lived experience of crises were highlighted, and the insights they shared significantly shaped the outputs summarised in this paper. The divergent views represented within the Future of Aid community have created a robust dataset that explores the different ways in which people see aid today, and where they want it to go. The prominence of local actors' perspectives has challenged dominant narratives, making space for alternative visions of aid rooted in local leadership and decolonised practices. This collective intelligence has been captured in the outputs shared in this foresight study and will continue to guide the project through phase two.

The second phase of the Future of Aid 2040: Pathways to Transformation project will build on this foresight analysis and co-create a vision for how aid actors can collaborate under local leadership to deliver effective interventions to alleviate suffering and enhance the human condition. The results of Phase Two will include pathways to transformation, outlining ways in which aid actors can evolve to operate with greater complementarity and clarify their specific value-add within the system. To complement this analysis, a set of tools and guidelines to support organisations in kick-starting a transformative journey will also be developed (responding to project objectives two and three above).³

Outline of this report

This report begins with a look into the aid system in 2025 before summarising the structured research and analysis that supported the development of the 2040 scenarios. This is broken down into three distinct areas:

1. A Causal Layered Analysis (CLA) on the aid system as it is perceived in 2025
2. A foresight-based summary of the global and aid system drivers of change which are shaping the trajectory of the aid system towards 2040
3. A typology of crises which examines how the intersection of the drivers could create or intensify human vulnerability by 2040

This report begins with an examination of the aid system in 2025, grounded in a CLA built from the contributions of the Future of Aid community. Drawing on the words of participants with lived experience of crises, this analysis defines the stories of aid and how it is experienced. This CLA surfaces the key narratives, systemic dynamics, and metaphors that currently shape the system's configuration and legitimacy.

The second section presents the foresight base—a structured analysis of the key drivers of change expected to shape the aid system towards 2040. We look at these drivers in two layers: global drivers that shape the overall context for aid, and aid system specific drivers that affect how the aid system itself functions.

From an initial broad set of ideas, both global and aid system drivers were ranked and selected by the Future of Aid community according to two dimensions: the level of uncertainty in each driver's trajectory to 2040, and its potential impact on the evolution of the aid system (see the importance–uncertainty matrices on pages 45–46).

Importantly, the foresight base and the CLA were developed iteratively, with each informing the other. The most impactful and uncertain drivers were used to deepen the systems level of the CLA, while insights from the CLA helped define and structure the driver file research.

The foresight base and CLA analysis were the foundation of the outlook proposed; in the third section a typology of crises is proposed. The typology draws directly from the litany and systems levels of the CLA, as well as survey data on current challenges and anticipated needs. This triadic model outlines seven types of crises, each shaped by the interaction between destabilising forces, community resilience, and the configuration of the aid system. It highlights the complex ways in which crises may emerge or intensify and identifies which communities may be most affected.

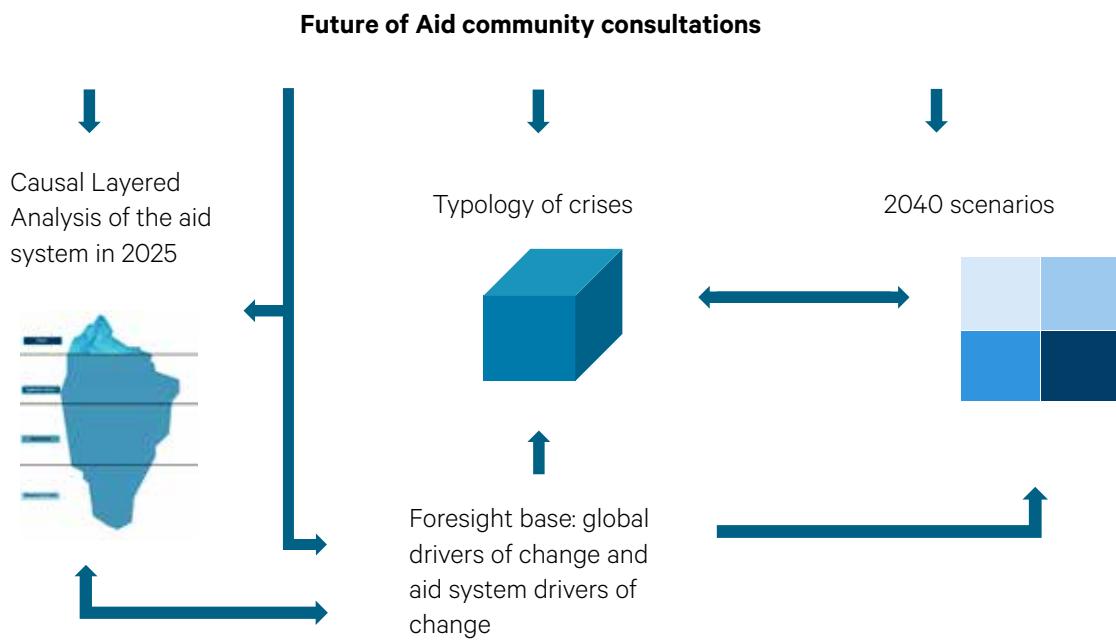
Finally, the report brings together these analytical strands into four scenarios for the Future of Aid in 2040. Each scenario is anchored in a foundational story drawn from the CLA and illustrates how different configurations

³ The outputs of the second phase of the Future of Aid 2040: Pathways to transformation project will be published in April 2026.

of the selected drivers may unfold. Presented through a matrix and detailed narrative, these scenarios offer distinct, plausible futures that aid actors may need to navigate.

The report concludes by outlining the next steps in the Future of Aid 2040: Pathways to Transformation journey.

Figure 1: Project map





The state of the aid system in 2025: A causal layered analysis

The unprecedented cuts in aid funding in 2024 and 2025 have prompted reflections on the state of the system and the needed areas of reform. The lack of progress on major development metrics (such as the SDGs), the contradictions in aid and the challenge to the legitimacy of intermediary and enabling actors in the system are widely acknowledged. The broad agreement on the need for reform is concretely represented by initiatives such as the Grand Bargain, UN80 and the Humanitarian Reset. While there is great potential in UN (and broader aid system) reform and clear commitment to it, how it is

approached and implemented has a significant influence on the ultimate outcomes. The UN80 and Humanitarian Reset processes were triggered by the retraction in multilateralism and cuts in funding rather than the drive towards more people-centred aid. While reducing budgets and finding cost efficiencies are the primary motivations of these initiatives, if they go deeper than financial changes to touch on organisational culture, they could also be a vehicle to deliver the transformational aims of localisation and put power in the hands of people affected by crises.

The Humanitarian Reset

The Humanitarian Reset, launched in 2025 in response to the cuts in funding, emphasises a “return to basics” with a focus on building a leaner humanitarian system that prioritises short-term relief and life-saving aid.^{xvii} This retraction of humanitarian aid is proposed with limited analysis of who will step into the breach and address community needs that don’t fall into the greatly reduced areas of intervention. This is a significant risk. Decades of failure to get “nexus” programming (where humanitarian actors’ hand over to development counterparts) to work effectively raises questions as to how comprehensive community support can be achieved with this approach; an approach that is widely understood to be “clearly not in line with the priorities of affected people”^{xix}. The Humanitarian Reset also emphasises the need to prioritise local leadership. Yet criticisms of this redesign begin from the foundational problem that the local leaders they seek to centralise in decision-making were not adequately consulted in the processes.^{xx} Whether the Humanitarian Reset will bring about a reformed system or merely a reduced one is an ongoing uncertainty, what is clear is that in the conversation about UN reform, it is just a “preliminary starting point”^{xxi}.

Efforts at reform in the aid system have had variable levels of success but none have been able to change the fundamental power structures which define the relationships between aid actors. To better understand where the impediments to change are, it is necessary to look beneath the technical analysis to the structure, worldviews and culture of the system itself.

“ *The responses that are funded are failing those displaced because they offer short-term, Band-Aid solutions that inherently disempower beneficiaries. There needs to be a more intentional approach which clearly links better development and humanitarian aid—Female, INGO, Venezuela*

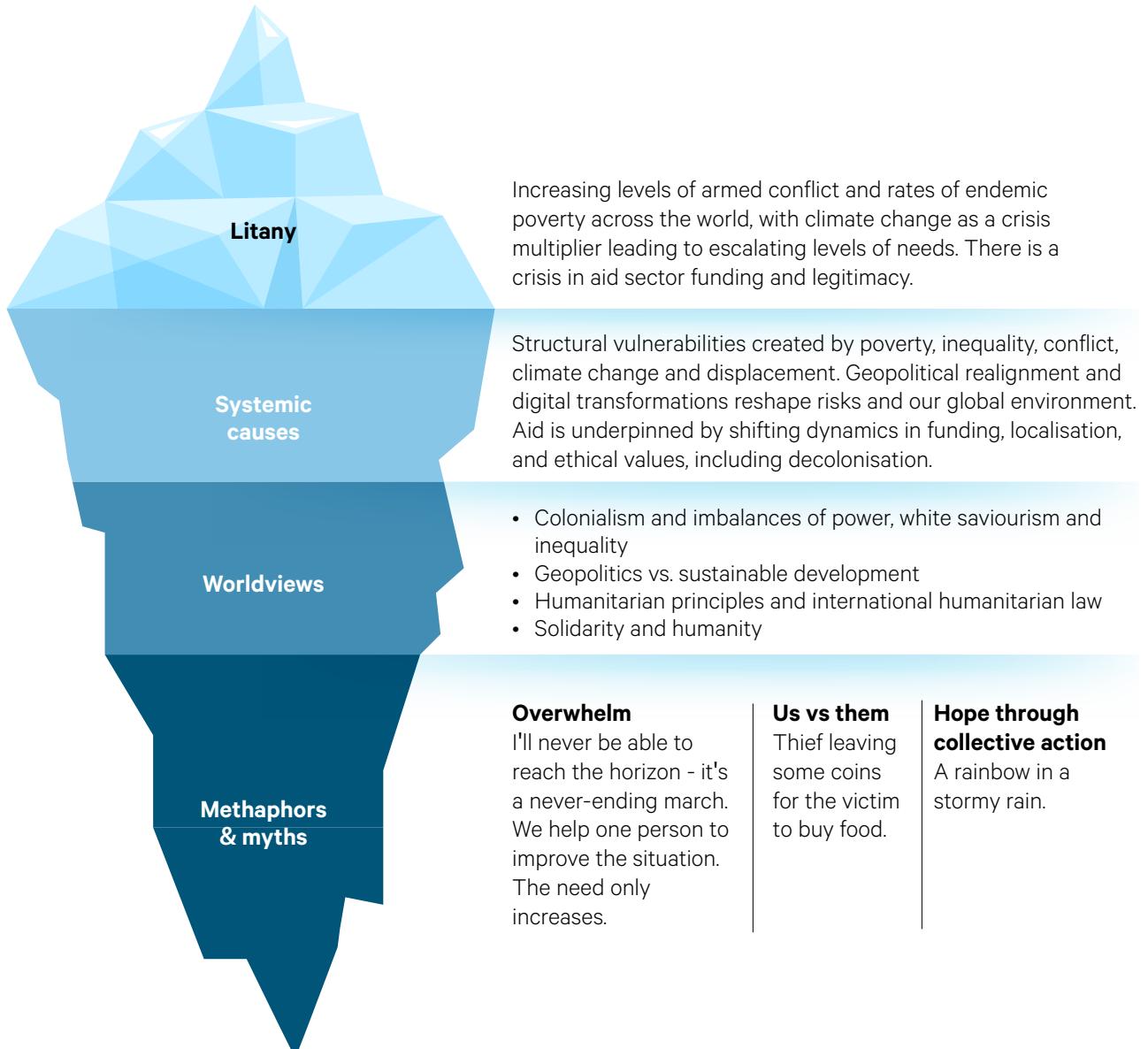
Better understanding the culture and worldviews that underpin the aid system can be achieved by breaking down the system of aid in a causal layered analysis (CLA) of aid in 2025.⁴ A CLA breaks down a system into four distinct layers: the litany, which sets out the headlines often used to describe the system, the systemic causes, which are the underlying factors that determine how and why the system works the way it does, the discourse or worldview, which explores the underlying beliefs and assumptions and, finally, the myths and metaphors, which use narrative to capture the more emotive dimensions of the issue.^{xxii} Through the Future of Aid 2040 consultations, participants shared their insights by contributing to structured analytical processes and by sharing stories

⁴ Causal Layered Analysis (CLA) is a tool developed by Inayatullah in the late 1980s. It is a theory of change founded in poststructuralism that allows us to break systems down and create transformative spaces for rethinking and redesign.

and images that represent how they experience aid as people affected by crises and as practitioners. This input was used to construct the litany, systemic causes,

worldviews and myths and metaphors that capture the aid system in 2025.

Figure 2: Casual Layered Analysis⁵



The rich tapestry of stories, myths, and metaphors that were shared reveals that aid is not a single, uniform practice, but a mosaic of diverse approaches united under a common banner. The stories that were provided each reveal a different facet of the aid system, but there were three overarching themes—overwhelm, us vs. them, and hope through collective action. The stories, myths and metaphors that sit under each of these different themes provide an opportunity to deepen understanding of how the aid system operates and contextualise the drivers of change.

⁵For more analysis on understanding the aid system today please see: *Future of Aid 2040: Unpacking the aid system: laying the groundwork for transformation*

Causal Layered Analysis: A foundation for the 2040 outlook

The dynamics identified in the CLA were critical for informing the rest of the study. For defining and structuring the drivers of change, the systems and worldview levels of analysis supported the framing of key concepts. For example, the focus on intersecting dimensions of inequality both within the aid system and the global context are a thread of analysis that is reflected throughout the research. The worldviews of white saviourism and solidarity highlighted in the CLA are explored in the driver file of aid culture and ethical shifts and the us vs them phrasing and framing of imbalances of power in aid was used to structure the localisation and powershift driver. The litany and systems level analysis complemented the interpretation of the survey results on key challenges and future needs by highlighting the headlines of today and the systemic causes of vulnerability to build the typology of crises. Beyond shaping the structure of the foresight base, the deep stories identified through the CLA were used to ground the 2040 scenarios. Each of the scenarios build upon a myth or metaphors shared by people affected by crises and endeavour to capture images of the future which grow from those starting points to explore how the drivers of change may evolve.



Foresight base: an outlook to 2040

The outlook to 2040 presented in this report is the outcome of the Future of Aid 2040: Pathways to Transformation consultations in which nearly 900 people from across the world shared their perspectives and insights. The drivers of change are divided into two groups – global drivers that influence change in the environment in which aid is implemented and aid system drivers that could shift dynamics within the aid system.

Global context: Drivers of change

When considering potential changes in the global system, the Future of Aid community highlighted several key themes in their responses. Many focused on the volatility and uncertainty of the intensifying trends towards an increasingly competitive and combative global order.

Rising inequality, reinforced by economic uncertainty and the continued legacy of the post-pandemic increase in global poverty, are destabilising forces which will continue to undermine social cohesion.^{xxiii} The number of those living on less than \$6.85 a day (the World Bank poverty line for upper middle income countries) has not changed since 1990.^{xxiv} The top 10% of global earners still receive 52% of global income while the bottom 50% get just 8.5%.^{xxv} Structural imbalances in debt, tax, and trade continue to trap low and middle income countries (LIMC) in cycles of dependency that redistributes wealth from the Global South to the Global North.^{xxvi} As a result, many countries are forced to spend more of their public revenue servicing their debt than investing in health, education, and social protection, including a full 52 countries who account for 44% of the global population.^{xxvii}

The **erosion of democratic norms and reduction in civic spaces** is a continuing trend; every generation since the 1930s has had less trust in their government than the one before.^{xxviii} There has been a strong trend in the reduction of global freedoms and political and civil liberties in 60 countries and the impacts are likely to be felt for a significant period of time.^{xxix} In 2024, fewer people lived under liberal democracies than at

any point in recent history; almost 40% of the world's population, around 3.1 billion people, live under regimes with autocratic characteristics.^{xxx} Over the last 30 years, the increase in the number of autocracies has been accompanied by their share of global GDP rising to approximately 46%.^{xxxi} These trends are not yet at an end and it is likely that the de-democratisation trend and its corresponding governance and corruption implications will continue for a significant proportion of the outlook.

Global peacefulness has declined every year since 2014, with 100 countries deteriorating.^{xxxii} Conflict events nearly doubled between 2020 and 2025, from 104,371 to nearly 200,000.^{xxxiii} The economic impact of conflict is staggering. "The global economic impact of violence was \$19.97 trillion in 2024, equivalent to 11.6% of global GDP, or \$2,455 per person."^{xxxiv} Given increased **geopolitical fragmentation, a retraction in multilateralism** and the emergence of new power blocs, conflict will be a continued challenge for the duration of the outlook.

The contraction of traditional global governance over the last decade is leaving room for the development of **new forms of regional governance** based on economic relevance, shared geostrategic ambitions and/or identity.^{xxxv} At the same time, a rising class of transnational corporate actors are reshaping global power dynamics. Companies such as SpaceX, Huawei, and BlackRock operate across sectors historically monopolised by states, including infrastructure, satellite networks, digital ecosystems, and global finance.^{xxxvi} These dynamics are still very much in flux, and the highly volatile nature of geopolitics compounds the uncertainty driving greater economic fragility.

Compounding crises are occurring against the backdrop of **intensifying environmental destabilisation**. Climate change directly affects key human systems such as agriculture and migration. Global agriculture faces many challenges adapting to climate change but the impacts are highly unequal; 80% of the global population that are most at risk due to crop failures are in Sub-Saharan Africa, South Asia and Southeast Asia.^{xxxvii} Declines in production have an immediate effect on food prices and,

as a result, food access.^{xxxviii} It is estimated that between 44 and 216 million people will be displaced due to the effects of climate change by 2050.^{xxxix} Again, the impacts will be concentrated in the Global South, with the most affected regions Sub-Saharan Africa (86 million), East Asia and Pacific (49 million), South Asia (40 million), North of Africa (19 million), Latin America (17 million), and East Europe and Central Asia (5 million).^{xl}

Many regions across the world have been depleting their natural resources such as land, forests and water at an unsustainable rate.^{xi} This level of overconsumption combined with the effects of climate change will create **unprecedented risks to human and natural systems in the near, medium and long-term**. The impacts of increasing water scarcity are particularly stark, by 2050, three out of every four people could be faced with the impacts of drought; the economic costs of which are likely to be extreme (in 2024 the costs of drought had already reached USD\$307 billion annually).^{xlii}

Accelerating technological transformation has very different risks and rewards for different communities. AI adoption stands at the forefront of digital revolution and is fast becoming one of the most **disruptive technologies** of the twenty-first century. However, its real socioeconomic benefits remain unequal, as countries in the Global North are positioned to benefit most.^{xliii} The least developed countries in the Global South face structural challenges for the adoption of AI technologies, as they require costly, energy consuming infrastructure that will probably require massive levels of foreign investment and imports.^{xliv} To manage the digital divides from AI, regulations would need to balance innovation with strong ethical safeguards to ensure AI is developed in ways that promote fairness, security and equitable distribution.^{xlv} With limited incentives to promote and enforce international legal standards, it is likely that the risks of societal disruption from the adoption of new technologies will remain high.

The global outlook for 2040 highlights a myriad of risks. This perspective echoes the sentiment reported in other studies of pervasive feelings of insecurity and dissatisfaction.^{xlii} In this context, the need for a functioning aid system is more apparent than ever.

“ *What I use to see on Aljazeera is now a life experience and seems like a dream I will never wake out of it—Female, Local NGOs, CBOs, Movements, Cameroon*

Aid system: Drivers of change

“ *Aid is a great idea with many people who are committed and capable, but that has been co-opted by states and other groups in power in a way that sometimes covers their abuses of power and exploitation. The metaphor I would use to describe aid is as a tourniquet, it is important and necessary to stop bleeding, but it doesn't solve the problem of the severed limb or prevent further harm—Male, INGO, Syria*

The aid system will be considerably influenced by changes in the global context. An increasingly fragmented international order, pervasive inequality and the potential disruptions of digital innovations are just a few of the dynamics that will influence the needs to which the aid system will respond and the ways of working of aid actors. However, there are also drivers of change within the aid system itself that will evolve over the course of the outlook. The most important drivers of aid system change identified by the Future of Aid community were aid funding and donor dynamics, power shift and localisation, aid workforce and well-being, humanitarian culture and ethical shifts and, accountability, transparency and governance of aid. Several key dynamics emerged from these drivers.

The aid system is **struggling with incoherence and legitimacy**. Being heavily dependent on a relatively small number of donors has resulted in a system that is focused on upwards accountability and is highly sensitive to changes in politics and policy.^{xlvii} This can create distance between funding decisions and the specific needs of affected communities.^{xlviii} The ‘accountability paradox’, where upward accountability to donors undermines responsiveness to affected populations, can hinder adaptive programming and slow aid delivery.^{xlix} This reality stands in stark contrast to many of the commitments towards people centred aid that many aid actors have

recurrently articulated. As donor priorities shift and new philanthropic and private actors emerge, fragmentation will increase, weakening coordination and undermining centralised decision-making in aid, potentially allowing more space for regional and local actors to increase their influence in setting norms and standards. Tools like blockchain-based transactions, real-time dashboards, and open data portals may enhance accountability and transparency.^l However, while technology can enhance transparency, it's unlikely to be a standalone solution.^{li}

The localisation agenda suffers from unclear objectives, inconsistent implementation, and inadequate monitoring, making it difficult to assess its real impact.^{lii} Without deeper structural reforms, there is **a risk that localisation becomes performative rather than transformative**. The dichotomy that it must be either local or international is reflected as not being a helpful construct; given the scale of needs, all aid actors will be required to contribute to supporting vulnerable communities.^{liii} It is the relationship between actors that needs to be rebalanced to give communities and local actors the primary decision-making role over their own response. This requires the aid system to consider its foundations and the worldviews that underpin the system itself. As intermediary and enabling actors consider how they will approach this challenge, the critical role of local actors will become ever more evident in mitigating future crises and ensuring long-term community resilience.^{liv}

The **dominant paradigm of aid is under pressure**. For example, the international aid sector has been facing a difficult moral dilemma: whether to uphold universal human rights by refusing to comply with strict directives from ruling authorities, or to prioritise the humanitarian imperative of providing aid to millions in need (e.g. with the ban on female aid workers in Afghanistan,^{lv} or the new Israeli law on registration,^{lii} or engaging with actors in Myanmar that ask for a reduction in reach on racial basis^{lvii}) As a result, the aid system is starting to examine its own identity, reflecting on visions, missions, mandates and agendas.^{lviii} Part of the challenge (as highlighted in the CLA), is that outdated assumptions and beliefs continue to define metrics of success and ways of working. Some examples of these include:

“ Assumptions: that local communities affected by crises want assistance from international donors and organisations, when in fact they have the tools and capacities to help themselves, and may just need resources. Assumptions: that all humanitarians are acting selflessly for humanity, when many are driven by corporate agendas. Beliefs: that bigger is better when it comes to planning a response—Female, Academic: Research Institution, Australia

The drivers of change in the aid system are both challenges to be faced and opportunities to leverage trends towards a more open system. Whether aid actors embrace these opportunities is an ongoing uncertainty.

The intersection between the global drivers of change and those specific to the aid system have resulted in the creation of the four 2040 scenarios as well as the typology of crises outlined below.

Typology of crises

A crisis typically refers to a situation that is particularly dangerous or difficult. It is a term referenced often in aid as the primary thing to which aid actors must respond, prepare for (where possible) and avert. There are numerous ways in which a crisis can be broken down, however, what was clear from the participants in the 2040 Future of Aid study is that there are three intersecting dimensions that create a crisis:

1. Destabilisers: broad, often transboundary forces such as climate change and extreme weather events, conflict or economic shocks and pandemics, which trigger a crisis.
2. Community resilience: determined by access to resources and levels of structural vulnerabilities (e.g., poverty, exclusion). This dimension plays a central role in defining how well populations can absorb shocks and recover. Specifically, the capacity for immediate response and the agency of affected populations shapes how a destabilising event is experienced.

3. Aid system configuration: encompassing the full spectrum of aid actors, funding flows, and delivery mechanisms. The coherence, timeliness, and effectiveness of preparedness, anticipatory action and response fundamentally influence crisis outcomes.

A crisis is not created by any one dimension alone but by the interaction of all three, where vulnerability, disruption and discord are amplified. Some crises are slow onset, some sudden, and unfortunately, many become protracted. However, the purpose of considering crises in this triadic way is to move toward a more dynamic and contextual understanding of contemporary and future crises and to redefine the role of aid in navigating disruption and building greater resilience. To strengthen communities' ability to weather future crises, we must not just monitor which destabilisers are occurring and where—but how all three dimensions of a crisis interact. That means investing across three fronts: disruption, resilience, and response. Only by spotting early signals in each can aid actors anticipate crises and take effective action.

That it is more expensive and less effective to respond to crises after communities are already affected by sudden or slow onset destabilisers is widely agreed. Anticipatory action, defined as “acting ahead of a predicted hazardous event to prevent or reduce impacts on lives and livelihoods”^{lx} saves money, time and most importantly, lives and livelihoods.^{lx} However,

while anticipatory action makes financial sense and is clearly in the interests of communities, the aid system has been unable to properly invest in disaster risk reduction or anticipatory action at the scale required to meet the needs of communities that are increasingly vulnerable to shocks. Acting in advance of a hazardous event is a critical transformation that is required to better serve the needs of those affected by crises. Localising decision making could strongly support a shift to more anticipatory working.^{lxii} Using collective foresight is one way to increase the aid systems' level of comfort with intervening to avert rather than respond to crises.

“Receive what I want you to eat today but don’t ask me your tomorrow—Male, INGO, Burundi, using a metaphor to describe aid:

Below are seven types of crises which the Future of Aid community see as being critical over the course of the outlook. Each of these crises could occur as a standalone event but in many cases the crises below can also be compounding, occurring in the same space at the same time and accentuating the vulnerability felt by communities. Communities can also become trapped in a vicious cycle of crises; as their resilience is eroded, they become more susceptible to other shocks and are less able to recover, leading to a sequence of events which reduces their overall well-being and resilience over time.

Crisis type ⁶	Destabiliser	Definition
1. Erosive crisis	Slow pressures (climate, inflation, scarcity)	Communities subjected to systemic pressures are neglected by the progressive disengagement of aid (both international and domestic) which results in the erosion of their resilience, leaving them on the brink of disaster. This is most acutely felt by rural communities. E.g., Non-conflict Sahelian zones, Omo valley, Madagascar
2. Weaponised crisis	Sudden shock (disaster, war, pogrom)	Sudden and/or violent shocks leave communities trapped in or displaced from their homes without access to basic services. Civilians in affected areas are extremely vulnerable, and responses are heavily politicised. E.g., Gaza 2023, Rohingyas, Tigré

⁶ Crisis types can be ‘activated’ in different 2040 scenarios.

Crisis type ⁶	Destabiliser	Definition
3. Technocratic fallout	Technological/bureaucratic/health destabilisation	Automated systems/bureaucratic failures result in people falling through cracks in the system. There is no recourse for excluded groups. E.g., AI screening of asylum seekers in EU. A lack of preparedness and poor responses to mass disruption events (e.g. COVID-19, large scale blackouts etc.) result in vulnerable communities being left unsupported, such as the urban poor.
4. Protracted collapse	Post-crisis decay, dissolution of the rule of law	Protracted crises which endure after all media attention and political will to find solutions has receded, leaving weak/non-existent institutions, limited-to-no rule of law and exhausted populations with limited resources to rebuild their lives. The informal economy is all that remains. E.g., Haiti, South Sudan, Central African Republic, cases of protracted displacement
5. Persecution and disenfranchisement	Imbalances in the treatment of communities	Particular communities are persecuted on the grounds of their gender, sexuality, religion, legal status (or lack thereof) political beliefs etc. Formal systems are unable/unwilling to reinstate their rights. E.g., LGBTQ+
6. Strategic abandonment	Wilful inaction or neglect	There is a deliberate withdrawal of support to particular areas with limited strategic importance. The resulting lack of investment and support renders communities isolated and vulnerable. E.g., Nagorno-Karabakh, depopulated rural areas
7. Ecosystemic crises	A critical event that spreads across systems, triggering cascading disruptions.	Crises where interconnected human, natural, and institutional systems break down simultaneously. The initial event amplifies vulnerabilities, disrupts social cohesion, and overwhelms response capacities. The result is deep, prolonged instability across multiple dimensions. E.g., A financial crisis leading to mass protests and infrastructure breakdown.

These crises present a framework through which aid organisations can evaluate their effectiveness in responding to needs in different contexts. It allows communities to explore how to build adaptive strategies while considering which crises they may need to prepare for. This list of crises is not intended to be exhaustive but rather to provide a triadic approach that can be adapted

to local contexts and through which organisations can consider what they need to support communities in building resilience towards and prepare to respond to. Embedding these different types of crises in the broad global context is the next stage of the Future of Aid 2040 analysis. That global context is explored in the Future of Aid 2040 scenarios.

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Scenarios

Scenarios are a critical tool for transformation. They can support decision makers to better understand the scope of uncertainty they face and examine how they could be most effective across different future contexts. They also help to alleviate some of the fear surrounding change and transformation and mitigate feelings of loss of control by empowering individuals and organisations to build a vision of their future, embracing change and leveraging opportunities to work differently for greater impact.

Building from a collective understanding of what aid is today (please see 2025 Aid Sector - Causal Layered Analysis outlined in Figure 2) as well as the structural analysis that identified the drivers of change for where the system is going, a series of 2040 scenarios have been developed by the Future of Aid 2040 community. These scenarios are built from a foundational story shared by a participant with lived experience of crisis and the five key drivers of change that were deemed to be the most important and the most uncertain through the consultation. These five drivers are explored in more detail below:

Geopolitical shifts. This driver examines the redistribution of global power, shifting from Western-led multilateralism to a contested, multipolar or bipolar world. It focuses on the erosion of traditional global governance, the emergence of new regional blocs, and the increasing role of non-state actors and private sector entities in shaping geopolitical competition. Power realignment manifests through trade wars, security alliances, de-dollarisation, technological rivalries, and contested strategic resources (Arctic, deep-sea, rare earths, space, and cyber domains).

Climate change, water scarcity and environmental degradation. Climate change, water scarcity and environmental degradation encompass three interwoven global challenges affecting natural and human systems. This driver explores how the destabilisation of the natural systems on which life on earth depends have already and will continue to have an increasingly negative effect on the global population. This driver also integrates

reflections on the policy responses (or lack thereof) to meet this transnational challenge.

Migration and displacement. This driver explores the patterns and structures of migration and displacement (forced migration). It includes populations that are both internally displaced as well as those that cross national borders. As with the driver on climate change, the policy responses to migration and displacement are central to the analysis in the scenarios below.

Power shift and localisation. These dynamics are a critical focus for the 2040 scenarios as they are one of the key components of a transformed aid system. This driver reflects shifts in the governance of aid, including in the transfer or decentralisation of decision-making capacity from intermediary actors to local leaders and the trend towards greater self-determination and agency of (local) communities affected by crisis (or systemic vulnerability).

Aid funding and donor dynamics. Aid funding is the total resources available for aid actors, comprising both public and private funds from government, philanthropy or individual giving. This driver encompasses short- and long-term trends in the donors' landscape and key dynamics around the flow of aid resources.

Each of these drivers focuses on a distinct area of change in the global context and aid system. Three of the drivers are drivers of change in the global context: geopolitical shifts, climate change, water scarcity and environmental degradation and, migration and displacement. The combination of these drivers is captured in two major themes on the y-axis of the scenario frame in Figure 3; that of multipolar blocks where governance is regional, and empires and conflict, where great powers vie for influence and leave devastation in their wake. The other two drivers are focused on drivers of change within the aid system: power shift and localisation and aid funding and donor dynamics (captured in the x axis of the scenario frame in Figure 3). The combination of the aid system drivers explores two alternatives, networked cooperation where new alliances and spaces for coordination take

the fore, and survival of the fittest, where collapse of the aid system sees only local actors responding at any scale. How these drivers intersect in the four scenarios is where the richness of the analysis from the Future of Aid community is captured.

While there are many uncertainties in any outlook to 2040, there are also several heavy trends. These heavy trends are dynamics that are presumed to be consistent across the four scenarios.

1. Climate and environmental crisis acceleration. Climate shifts and ecosystem collapses will occur faster than expected (2030-2035), intensifying food security and water conflicts.
2. Rise of a bloc world. Multilateralism will continue waning, giving way to regional blocs and imperial rivalries.
3. Information warfare. Disinformation and narrative manipulation will fuel political instability, populism, and identity-based divisions which destabilise societies.

4. Regionalisation of aid. Funding through formal ODA channels will recede, and aid will be increasingly regionalised, supported by continued/growing funds from private sector, community, faith-based networks and non-OECD governments.

The scenarios present four distinct images of possible futures, each outlining a different potential reality. These scenarios are not intended to be definitive predictions of the future but rather are designed to represent the spectrum of uncertainty captured through the Future of Aid 2040 consultations. All four scenarios could occur simultaneously in different areas of the world and some countries or regions may pass through multiple scenarios over the course of the outlook. These scenarios are structured to explore how the global context and aid system may change over the course of the outlook. However, they are not predictions. Aid actors have agency to shape the system and through collective action, seize opportunities to co-design the futures they want.



2040 scenario matrix

Figure 3: 2040 scenario matrix

Multipolar blocs	
<p>The world is divided into regional economic/technological blocs (U.S., China, EU, India, etc.), but there is some level of cooperation. Resource conflict exists at local level but is regionally managed, responses to migration (climate/conflict) differ.</p>	
<p>Network cooperation</p> <p>New alliances and new forms of aid emerge, with innovative transnational funding models (e.g., faith-based funding, income generating, local actors, regional cooperation)</p>	<p>1. Aid on many paths In a relatively stable world of structured regional alliances, diverse aid approaches and new forms of governance are accepted and effective. Aid aligns with the culture of the regional block and is built from the context of regional political and economic dynamics (e.g., Chinese, U.S., European, Islamic). Local actors take a leading role in response, while intermediary actors provide financing, technical support and advocacy. New funding streams and economic models emerge, blending religious networks, private foundations, income, and regional alliances.</p> <p>3. Empires of aid Aid becomes a core instrument of geopolitical competition, fully serving state interests. Major powers, like the U.S. and China, use aid as a tool of influence, shaping global narratives and strategic alliances (e.g., Chinese aid in Africa, U.S. aid in Latin America). The UN is sidelined. Local NGOs operate within strict political constraints, some fully aligned with state agendas, while INGOs act as agents of empires and others struggle to maintain even limited autonomy. Aid is not neutral; it is a tool of power projection.</p>
	<p>2. Patchwork solidarities A world of varied levels of regional coordination, political stability and increasing inequality. Aid is defined by 'do it yourself' solidarity, driven by self-help networks, members of the diaspora, local faith-based organisations, and episodes of mutual aid. Responses are agile, context-specific, and rooted in local ownership. Aid will largely be transactional and short-term, it enables adaptive and innovative solutions tailored to each crisis. Aid is more improvisational, shaped by shifting alliances rather than global governance. Intermediary actors have limited and inconsistent levels of influence.</p> <p>4. The great unravelling A world of chaos and closed borders, where states prioritise isolation and self-preservation. Aid declines sharply. Massive displacement leads to ungoverned spaces and survival strategies among abandoned populations. Refugees accumulate in the few areas where aid is accessible, creating chronic bottlenecks and humanitarian flashpoints. Many intermediary actors have collapsed as crises are ignored. Only local actors continue to engage directly in support of communities but due to resource constraints, this is largely voluntary.</p>
	<p>Survival of the fittest The aid system collapses into fragmented, ad-hoc, highly localised interventions. International NGOs disappear or become highly restricted.</p>

Empires and conflict

The world is fully fragmented into rival empires, with strict borders, military buildup, and limited international cooperation. Conflict over resources escalate as environmental degradation increases. Displacement is widespread.

Aid on many paths

“ Each termite has a special task without declaring itself the most deserving, both in normal conditions and when a crisis threatens the colony—Male, Local NGOs, CBOs, Movements, Indonesia

In a relatively stable world of structured regional alliances, diverse aid approaches and new forms of governance are accepted and effective. Aid aligns with the culture of the regional bloc and is built from the context of regional political and economic dynamics (e.g., Chinese, U.S., European, Islamic). Local actors take a leading role in response, while intermediary actors provide financing, technical support and advocacy. New funding streams and economic models emerge, blending religious networks, private foundations, income, and regional alliances.

The shift into a multipolar world creates periods of turbulence as new zones of influence are created, boundaries are tested, and alliances are reassessed and restructured. However, the recalibration of the international system occurs with moderate disruption and relative geopolitical stability prevails over the course of the outlook. Conflicts are largely contained within traditional zones of fragility, and they are regionally managed with limited interference from states beyond the immediate neighbourhood. While progress towards climate mitigation is strained by the lack of global coordination, regional and global institutions invest heavily in climate adaptation, which becomes a strategic priority due to the role of the climate emergency in driving migration.

Migration continues to be predominantly a regional issue, with most displaced people residing within their country of nationality or in neighbouring countries. Displaced communities navigate a precarious path toward integration, making significant contributions while facing periodic backlashes and policy resistance. Their presence fuels renewed debates around identity, straining social cohesion and feeding populist rhetoric, especially during economic downturns. Remaining aid funding is heavily directed to address migration issues and civil society campaign aggressively for durable solutions. Populism and nationalism gain periodic traction

but are largely contained through active civic resistance and institutional safeguards.

While the political environment is polarised there is increased engagement from civil society that fight for the rights of marginalised communities on other issues of exclusion and human rights beyond migration.

Sufficient and stable (albeit modest) economic growth is driven by productivity gains from greater technology adoption. This creates an environment of relative political stability. While economic growth is overall positive the impacts on reducing levels of poverty are slow as it is coupled with persistent disruptions in the labour market and episodes of protectionism which do not endure but remain disruptive. Despite the slow progress in reducing poverty, the robustness of localised supply chains and strategic investments in sectors such as climate-resilient agriculture lead to improvements in food security, especially outside active conflict zones. Within conflict areas food insecurity continues to be a critical challenge. Though the nearly all the SDGs are missed it is decided to create a new, slimmed-down global agenda which is adopted for 2050. Signed by most countries, it focuses on a narrow set of transnational issues. Its non-binding nature makes it more of a collective statement of purpose than a roadmap for measurable progress.

In a multipolar world, regional aid blocs gain strength and distinctiveness, with each developing its own culture, principles, and financing mechanisms. Local networks comprised of a diverse group of government, local civil society, private sector and academic actors, design and deliver aid in their own communities. Under local leadership, international solidarity is manifested through person-to-person support, amplified by digital connectivity. Driven by the development and increasing influence of local faith based public and private sector actors, new coalitions reshape aid decision-making. Intermediary actors continue to play a role, but they operate within the parameters defined by local organisations. INGOs work in a complementary function, underpinning local systems where requested, channelling funds which are not directly localised and advocating for greater justice and attention on vulnerable communities.

The aid economy becomes increasingly diversified, with private sector participation and income-generation models becoming commonplace. The lines between traditional aid actors blur.

The institutions of global governance are scaled back but remain effective in the arenas in which they still exist. Focusing on coordination around transnational issues (e.g. the security of critical trade routes) and reinforcing the international legal framework in areas with multi-region buy-in (such as in the regulation of shipping,

air traffic control, the preservation of neutrality for the seafloor/artic/space etc.), international institutions continue to host conversations and collaborations on transregional humanitarian issues such as transregional migration at scale, climate change adaptation and immediate relief where a response beyond the surge capacity of one region is required.

Overall, aid is localised, pluralistic, and effective, governed and financed by local, national, and regional systems that reflect their diverse political and cultural realities.

Patchwork solidarities

“ ... aid is like a patchwork quilt, hastily stitched together with different fabrics, each representing various organisations, communities, and responses. Some patches are well-worn and fraying, stitched by local responders who have been mending crises for generations. Others are bright, new, and funded by global institutions, promising innovation but sometimes not fitting seamlessly into the whole—Female, INGO, Portugal

This is a world of varied levels of regional coordination, political stability and increasing inequality. Aid is defined by ‘do it yourself’ solidarity, driven by self-help networks, members of the diaspora, local faith-based organisations, and episodes of mutual aid. Responses are agile, context-specific, and rooted in local ownership. Aid will largely be transactional and short-term; it enables adaptive and innovative solutions tailored to each crisis. Aid is more improvisational, shaped by shifting alliances rather than global governance. Intermediary actors have limited and inconsistent levels of influence.

The drive towards regionalisation advances consistently over the course of the outlook. Occasional disruptions to global trade by the imposition of protectionist policies, the inefficiencies of international governance structures and differing levels of economic performance and technological adoption encourage states to invest their political capital in alternative regional structures. There is no coherent global coordination, but some regional blocs

develop closer relationships than others depending on their common interests. The stability of these alliances varies significantly depending on the composition of the regional bloc. In some areas, such as Europe, difficulties coordinating within the regional block undermine the ability of the region to be competitive on the global stage. As regions come to the fore there is increasing pushback on the role of intermediary actors particularly in the humanitarian arena. In general, high-income countries who have previously been significant donors recede from that space and lose moral legitimacy on the world stage as their efforts to exert their influence continue despite their inconsistency and unwillingness to contribute to addressing global issues.

Rates of poverty reduction and levels of hunger vary across regions as there is significant disparity in the way in which regions strive to overcome these challenges. Regions with large areas in active conflict struggle to make any gains towards the improving the ability of communities to weather disasters. A key difference between regions is their ability to invest in climate adaptation. For regions with sufficient financial capacity, adaptation becomes a national priority, in zones of fragility responses to the climate emergency continue to be reactive, fragmented, or absent. This increases inequality between regions and, in some regions, also among their own populations.

The significant reduction in aid funding through OECD donors allows space for greater diversity in the system and for more localised decision-making to take root, effectively dismantling the centralised aid architecture.

The globalised, western centric view of aid loses dominance as localised, informal, and culturally rooted systems gain legitimacy. There is limited coordination beyond local (or maybe national level) actors, but responses are effective and highly contextualised. Built by communities with support from local organisations, funded through diaspora networks and indigenous systems of revenue generation, aid actors build sustainable systems of response from local human and financial resources. What emerges in place of formal coordination is a dense web of human connection: fluid, adaptive, and deeply situated. Solidarity takes root in kinship, spiritual bonds, neighbourhood ties, and digital diasporas. It is not engineered but lived, built through improvisation, memory, and trust. These networks do not seek universal standards; they respond to the moral economy of each place. The result is an ecosystem of care that is messy, resilient, at times uncoordinated and often invisible to formal actors—yet it mostly delivers, because it belongs.

Though local networks demonstrate how more can be done with less, the level of impact of local networks can vary widely depending on their capacities or lack thereof, their network's reach and, their access to financial resources. With this constraint there are limited funds or incentive to invest in coordination at scale. Ad-hoc learning between local/national systems and informal systems of coordination exist in stable regions but they are rarely codified or funded. Local systems set their own standards and principles, with the collapse in international funding and the irrelevance of institutional donor metrics, communities themselves dictate what success looks like. The crisis of legitimacy of intermediary actors is resolved by their gradual obsolescence. Public opinion about aid among local communities is higher because of their responsiveness to community needs but in places it is undercut by the restriction of funds making action at scale challenging.

Empires of aid

“ A person who gives and takes back in another way—Male, INGO, Democratic Republic of Congo

Aid becomes a core instrument of geopolitical competition, fully serving state interests. Major powers, like the U.S. and China, use aid as a tool of influence, shaping global narratives and strategic alliances (e.g., Chinese aid in Africa, U.S. aid in Latin America). The UN is sidelined. Local NGOs operate within strict political constraints, some fully aligned with state agendas, while INGOs act as agents of empires and others struggle to maintain even limited autonomy. Aid is not neutral; it is a tool of power projection in a fractured global order.

The decline of Pax Americana and the rise of a fragmented Pax Sinica have solidified a world defined by hardened geopolitical blocs and intensified state competition. The 2030s see a rapid deterioration in multilateral cooperation, leading to a re-nationalisation of global policy and a collapse in collective humanitarian action. This new dynamic increases the prevalence of conflict as great powers foment unrest in the neighbourhoods of their geopolitical foes. The fora of

international governance are held in a stalemate; their only value is as a stage for the machinations of rival empires in pursuit of greater control and influence. China and the U.S. seek to extend and solidify their influence in their respective hemispheres. Nationalism is strongly promoted, and military investments spark an arms race that is barely controlled and leads to the militarisation of space as well as areas of geopolitical significance, including the Arctic and open ocean. Though all out conflict is avoided, proxy wars in already fragile areas as well as aggressive cyberwarfare become common place. Great powers invest in surveillance and repression both online and in urban centres as a means of defining the public discourse and managing civil unrest in their areas of influence. India, Russia, the European Union and some Gulf States work to maintain influence and power where they can, but they are only successful in areas that are of limited concern to China and the U.S. and they must operate under each respective umbrella of influence.

With their extended interests overseas, many great powers maintain or increase their spending in both defence and aid as a way to promote their soft power

and control. Priorities are set purely through a geopolitical lens. Public opinion supports this shift as nationalistic governments market aid as an investment in security. New state-controlled aid architectures emerge, closely aligned with foreign ministries and defence portfolios. All efforts towards localisation are slowed as great powers prefer to keep decision-making power at home, funnelling all aid through INGOs and ensuring that any support delivered is clearly tagged to the country paying for the services.

The promotion of state interests through aid completely undermines Dunantistic humanitarian principles. Local organisations in many areas recognise this as interference and many choose not to work with international aid actors but rather set up independent interventions where they are able. However, these will likely be localised, small-scale and under-resourced. Under the overarching umbrella of great power tensions, where elections are influenced externally (predominantly through the use of social media and targeted campaigns sponsored by external actors) civic discourse is highly constrained. The culture of aid is fractured, with some aid actors that refuse to play the part gradually silenced and defunded until they are unable to exert any influence and others embracing the new world order and what it entails to be able to continue to deliver aid and support communities in need. In the face of increasing authoritarianism at home, activists in great power states redirect any capacity they are able to maintain towards working on the domestic agenda.

In some areas, aid funding is dramatically increased, resulting in decreasing rates of poverty, food insecurity and communicable and non-communicable diseases as well as greater climate adaptation. However, the gains are not without a price and subservience to the interests of the donor country is key. In areas of conflict, food is used as a weapon of war, the abrogation of the Geneva Conventions is continuous and massive displacement results. The destabilisation, serving as a distraction to the region and the major powers seeking to control it, is a result in and of itself. The human toll is alarming as conflict in these areas is not just allowed to continue but it is actively promoted. Migration is strictly controlled within regions and as part of the 'repayment' of the aid provided, more stable countries neighbouring conflict zones are expected to absorb or at the very least trap any migration within their borders. Global mobility shrinks dramatically, and humanitarian corridors are rare and highly politicised.

Aid as it once was no longer exists at scale, but isolated pockets of value driven assistance, embedded in local communities and supported transnationally through informal networks of funders and advocates working under the radar, strive to meet the needs of affected populations. This responsiveness to community needs persists, but in most places, it is undercut by the restriction of funds, making action at scale challenging.

The great unravelling

“ Providing a plate of food for an entire camp of hungry refugees—Male, INGO, El Salvador

This is a world of chaos and closed borders, where states prioritise isolation and self-preservation. By 2040, the global aid architecture has all but collapsed. Aid shrinks to a shadow of its former self. Massive displacement leads to ungoverned spaces and survival strategies among abandoned populations. Refugees accumulate in the few areas where aid is accessible, creating chronic bottlenecks and humanitarian flashpoints. Many aid actors have collapsed as crises are ignored. International coordination mechanisms no longer function. Only local actors continue to engage directly in support of communities but due to resource constraints, this is largely voluntary.

The protracted cost of living crisis, high inflation and sluggish economic growth drive the appeal of populist governments across many countries of the world. Rates of absolute poverty increase as conflict spreads, and the worsening effects of climate change devastate key sectors such as agriculture in already fragile countries. For low and (some) middle income countries, crippling sovereign debt levels fuel aggressive anti-globalisation sentiments. Nations turn inwards, responding to intense domestic pressure, and protectionist trade policies and reactionary politics become the norm. Many countries fortify their borders and expel both irregular and legal migrants. Dissatisfaction with the political reality breeds more regular episodes of domestic terrorism. Efforts to manage transnational issues are contentious

and unfruitful. Alliances are purely transactional and temporary, depending on the shifting sands of geopolitics. Longstanding engagements fracture as strategic divergence, resource competition, uncontrolled migration, and spreading civil unrest rupture relationships. China and the U.S. endeavour to reassert their dominance, and taking advantage of the chaos, they seek to aggressively extend their control. Their competing strategic objectives results in several skirmishes and increased tension throughout Southeast Asia and the Pacific and to a lesser extent in Sub-Saharan Africa. Localised military escalations increase the risk of a great power confrontation.

Climate action takes a backseat to the pursuit of economic growth and cheap energy as governments seek ways to increase their domestic popularity. The impacts of climate change are most clearly felt in areas already environmentally vulnerable and in fragile zones where adaptation efforts are underfunded, delayed, or impossible to implement due to insecurity. Conflict spreads as civil unrest in fragile and brittle states increasingly devolves into intrastate conflict. The combination of limited climate adaptation and spreading conflict drives unprecedented levels of displacement. Displaced communities are channelled into small areas of insecure land as states attempt to seal their borders and rebuff any people seeking entry, even asylum.

There is a total breakdown in international humanitarian law; the continual abrogation of the UN Convention for the Protection of Refugees renders it meaningless. The legal status and safety of migrants deteriorates rapidly. International justice mechanisms are either politicised or ignored.

Intermediary actors' responses are vanishingly rare and fragmented. Public opinion about the importance and efficacy of aid has never been lower. Institutional funding for foreign aid is reduced to near nothing and the only money remaining in the system comes from private foundations, remittances, and faith-based charitable donations. Private foundations do not adjust their ways of operating to fill the space of institutional donors; they focus increasingly on the personal priorities of funders. Support to communities affected by crises is driven by communities themselves, through faith-based solidarity, diaspora ties, and informal mutual aid. These decentralised efforts are not coordinated but are resilient, hyper-local, and morally grounded. Even in the most challenging contexts, solidarity networks persist

without formal structures at either national or international levels. However, higher global poverty levels mean that diaspora funding cannot keep pace with escalating needs. The number and intensity of crises increases significantly, adding further destabilisation to a world already defined by fragmentation and fatigue. The formal, institutionalised aid system no longer functions at scale, but new forms of professionalised support—disconnected from official channels; persist in decentralised, often clandestine ways. Aid delivery is reconfigured through informal networks, encrypted communications, and transnational solidarity mechanisms that operate beyond state or multilateral structures.

Possible futures

These four scenarios outline possible futures in which the aid system might be working by 2040. Each scenario presents different challenges and opportunities. Some actors in the aid system will be more effective and some less in each of the different scenarios. When using scenarios to think about the future it is important not to select one but rather to consider how to work adaptively to be effective in multiple futures. Some no-regrets actions that would serve aid actors well in every scenario include:

1. Reimagining legitimacy and accountability by unpacking western bias within policies and procedures to put communities at the centre of defining success
2. Building strategic alliances across the aid system through the forging of relationships which can be a bulwark against reactionary politics, and co-creating new standards and norms that represent the diversity of actors operating in different spaces
3. Developing funding streams to support local leadership and anticipatory action by supporting grassroots innovations and adaptive systems within communities and local organisations (public and private) to enable early action in the face of destabilising events to limit the damage to lives and livelihoods, thereby reducing the need for external support in response.

The Future of Aid 2040: Pathways to Transformation scenarios are the foundation for aid actors to collectively define how to support vulnerable communities, as the world and the challenges it faces shift around them.



Conclusion

The Future of Aid is a complex topic. It touches upon how the global context will shift and change, how power is contested among international and local actors, where vulnerabilities will intensify and what new risks will be created, where there are opportunities for progress and if organisations that hold power in the aid system will strive to preserve themselves, adapt or transform. This study has sought to explore that complexity and by gathering the perspective of nearly 900 participants, the largest cohort of whom are from local CSOs, create a collective view of how the system could evolve. The scenarios presented here outline the spectrum of uncertainty that we face but they are not fixed. Aid actors can shape the system and have a responsibility to pursue transformation through challenging times. Some of the critical outcomes that have been made clear by the Future of Aid community are:

1. Many communities around the world face significant and growing challenges, including conflict, environmental destabilisation and endemic poverty. **Without addressing the root causes of these vulnerabilities, communities will remain trapped in cycles of crisis.** Aid actors must find ways to work differently; embracing the viewpoint of communities who see challenges and solutions not in terms of sectors but as interlinked systems. Investing in local capacities and structures, acting before a destabilising event has occurred and supporting recovery by underpinning not undermining local systems is not negotiable.
2. **True transformation at a systems level requires collective action.** Organisations must not think of their place in the system, their impact and their value-add without considering how they relate to other actors around them and, in particular, how they complement and reinforce communities and local actors.

3. As the resources available for aid contract and difficult processes of prioritisation are implemented, organisations must strive to **take the long view**. Though funding cuts may be the driver of strategic reviews and organisational restructures, ensuring that the changes which are being made are building towards a more equitable and just aid system is critical if aid actors are to regain their legitimacy.

While this analysis is useful for informing processes of prioritisation that are already underway and for grounding organisational strategy design in the collective intelligence of the sector, it is not the last step in the Future of Aid 2040 process, because “policy papers aren’t power shifts.”^{lxii} The second phase of the study will use this foresight work as the foundation to co-create pathways of transformation for different actors within the system and provide the tools for leaders to kickstart their organisations on a journey of transformation. Phase two of the Future of Aid 2040 project will begin by asking people with lived experience of crises and local actors to consider how they would structure an aid system to respond to the types of crises identified in the typology of crises in each of the four scenarios. Building from the ideas that they propose, other aid actors in the system will then be asked to define where their value add is in supporting communities to deliver the response that they want. The outcome will be different models of locally led aid that can be effective in responding to crises in different types of futures.

In a world with increasing risks to vulnerable communities, aid actors must collectively design and invest in pathways to transformation to ensure the system makes optimal use of limited resources and is as effective as possible for those in need. Even in the face of significant challenges there is a way forward.



“ I would describe humanitarian aid as a lighthouse in a stormy sea. Imagine a small fishing village battered by relentless waves and fierce winds. In the midst of chaos and despair, the lighthouse stands tall and steadfast, casting a warm, guiding light across the turbulent waters.

This light represents the compassion, support, and resources that humanitarian aid provides to those in need. Just as the lighthouse helps lost sailors find their way home, humanitarian aid helps individuals and communities navigate through the darkness of crisis and hardship, offering hope and a path to recovery.

Through the combined efforts of countless dedicated individuals and organisations, this beacon of light shines brightly, illuminating the way for those who have lost their way, reminding them that even in the darkest times, there is always hope—Male, Local NGOs, CBOs, Movements, Afghanistan

Please follow along at www.iaran.org/future-of-aid to join the next step of the journey.



Annex 1: Future of Aid 2040 – Research design note

Future of Aid 2040: Pathways to Transformation is a multi-phased foresight project implemented over 18 months in 2024/2025/2026. The primary objectives of the Future of Aid 2040, study are:

- To analyse potential changes in the global context and aid system by 2040
- To identify concrete pathways for organisational transformation applicable to any aid actor
- To develop tools and guidelines to support organisations in kick starting a transformative journey

This is a collaborative study and integrating different perspectives on the aid system has been integral to the governance and implementation of the project and in drafting the outcomes.

Governance

Executive committee. There is an executive committee comprised of staff from IARAN and CHL. This team leads the project; they are charged with the design, coordination, implementation, and communication of all aspects related to the Future of Aid 2040.

Steering committee. There is a core advisory group of respected leaders and aid voices lending their expertise in advising and guiding the project. This group supports the executive committee in the project's implementation, coordination of key stakeholders and dissemination of the results.

Activities: To give input into the direction of the study and support the executive team when required with activities such as the revision of documents, connection to partner or partner networks, distribution of surveys, promotion of the study, etc. This will be done through email communication and a structured 90-minute call every two months.

Academic panel. A committee including a mix of foresight advisors and aid research practitioners. They reviewed the research design, gave input to key outputs and shaped the research process.

Activities: To review the research design proposal and provide input and advice on the implementation of the study.

Research design

Approach. The Future of Aid is a global strategic foresight study. We integrated a broad spectrum of strategic foresight approaches to comprehensively analyse and understand the complexities of the aid system. Our analysis employs systemic and causal frameworks to critically unpack the underlying structures of the aid system, reveal the fundamental forces shaping the aid sector and consider who the critical actors are and will be. We also explore the worldviews (e.g. values, beliefs and assumptions) and cultural representations in the form of myths and metaphors of the aid sector. To ensure that the study represents the wide variety of contexts and perspectives in which aid is designed and implemented we include input from networks with partners operating in all major crises affected areas.

Theoretical framework. The theory underpinning this study brings together tools from two different schools of futures, the French school *la Prospective*⁷, one of the foundational schools of foresight studies, and Causal Layered Analysis (CLA)⁸ an innovative approach to delving deeper beneath the surface, led by Sohail Inayatullah⁹.

As with all foresight studies, the goal of foresight in the Future of Aid “does not aim to predict the future [...] but to help us build it”¹⁰. As such, the outputs and outcomes of this project don’t aim to provide exact forecasts about what is going to happen in the following years in the aid

⁷ Godet, M. (2001) *Creating Futures: Scenario Planning as a Strategic Management Tool*. 2nd edn. London: Economica.

⁸ Inayatullah, S. (1998). Causal layered analysis: Poststructuralism as method. *Futures*, 30(8), 815-829.

⁹ Inayatullah, S. (2008). Six pillars: futures thinking for transforming. *foresight*, 10(1), 4-21.

¹⁰ Jouvenel, H. (2004). *An Invitation to Foresight*

sector, but rather prepare exploratory, narrative scenarios to be used as an input base for strategic planning/ organisational change/leadership transformation for key actors navigating within the aid system.

Post-colonialist lenses¹¹ have also been adopted, ensuring the methodological approach is not exclusively driven by Western futurists, but by global thinkers. Our academic panel is structured in such a way to ensure representation of peer reviewers from diverse world regions.

Scope. This study puts communities affected by crises or by systemic vulnerability and the aid system that works to support them in times of need at the centre. The outlook to 2040 will focus on the perspectives of community leaders, local NGOs, and grassroots organisations, emphasising their roles.

Some scoping research questions that guided and provided direction to the purpose of this study are:

- What have been the most impactful changes for the aid system in recent years?
- Which changes can we anticipate being the most impactful for the aid system by 2040?

- What are the most important uncertainties and crises to come by 2040?
- How do we prepare and equip organisations for the challenges and visions of 2040?

Implementation. This project is implemented in two phases, each with three or four steps. The first phase focuses on developing a new set of scenarios for the Future of Aid with a 2040 outlook and the second phase on drafting transformation pathways.

Methods/tools. In addition to extensive desk research and foresight methods enlisted below, we used surveys, structured interviews and workshops to gather input from a wide variety of stakeholders throughout the process. During the phase 1 we held over 50 seminars, surveys and consultations. The survey was available in Arabic, Bahasa, English, French, Spanish and Hindi. Seminars were held in French, Spanish and English with additional translation for particular groups on request.

During phase 1 the make-up of the Future of Aid community was comprised of 877 people.



77% of respondents were from Sub-Saharan Africa, East Asia & Pacific, South Asia and Latin America and Middle East & North Africa.



53% of participants were male, 45% female with 2% who preferred not to say.



38% of respondents have lived experience of crises.



The largest cohort of participants worked for local and national NGOs, CEOs or other local movements (40% of participants).

¹¹ Bartels, A., Eckstein, L., Waller, N., Wiemann, D. (2019). Postcolonial Futures. In: Postcolonial Literatures in English. J.B. Metzler, Stuttgart. https://doi.org/10.1007/978-3-476-05598-9_17

Phase 1: Foresight

Unpacking the system. We updated the foresight base which was built during the 2030 Future of Aid study. This was done through literature reviews, surveys and virtual consultations.

Literature review. A review and study of the literature (academic and grey literature) on global risk, foresight studies on key issues such as food insecurity and reports detailing developments in the aid system such as the *State of the Humanitarian System* report forms the foundation of the update to the foresight base. The aim of this review is to identify patterns of change in the form of qualitative or quantitative evidence supporting preexisting findings of trends or drivers of change that were previously identified in the first *Future of Aid* (2017) report. Experts and local networks representatives complemented the mapping review in further steps (See 1.1 Worldview and driver survey and Series of Webinars sections) to reduce the risk of bias or missing key information of current events affecting the aid sector.

Worldview and driver survey. We designed a survey that asked participants (targeting community leaders, local NGOs, INGOs, and donors) to unpack their underlying assumptions about the aid sector, clarify what they see as the dominant worldviews that underpin aid, probe their perspective and define where they see the barriers to change and consider what the core myths and metaphors that characterise the aid system are. We prompted respondents to consider what they think will shape the Future of Aid in 2040. Respondents were also asked to consider what they feel the greatest challenges and changes to aid are.

Outputs: (1) CLA of the aid sector in 2025 (litany, system, worldview and metaphor of where the aid system is today), and (2) Architecture with a long list of drivers

Most important drivers, responding to crises. We asked participants to review the list of drivers collected and ask them (through surveys and the seminar series) to select the most important and uncertain. In addition, participants were asked to challenge and consider the

typology of crises, to think about what kind of responses will be required over the coming 15 years.

Outputs: (1) List of most important and uncertain drivers, main challenges for aid organisations, and (2) finalised typology of crises.

Updating and creating new driver files. For each of the drivers identified as critical (most important/uncertain), the executive committee and contributing authors created a set of driver files including the most updated facts and figures describing the key forces affecting communities involved in crises and the aid system.

We framed the structure and definitions of each driver file from the foundational analysis in the CLA (aligning with systemic and worldview levels in particular). Then, by exploiting the survey results and complementary desk research we drafted short reports on each of the selected drivers. This includes a definition, an overview, a brief background history, current situation, main trends exhibited in this driver, key uncertainties throughout the outlook and hypotheses of how they could unfold.

Outputs: (1) a set of driver files comprising key information about the forces impacting the Future of Aid and the worldviews and myths which underpin the system

Scenario building and typology of crisis. With the updated foresight base and a collective understanding of the most crucial and uncertain drivers, we crafted a set of scenarios for the Future of Aid by 2040. The 2040 scenarios were constructed with a double focus—one on the global context and another on the aid system—thus providing a more tailored outlook from which to design pathways of transformation. To ground each scenario in the voice of the Future of Aid community, each scenario begins with a foundational story that was shared in the construction of the CLA. Using the results of the survey (e.g. what needs do you expect to have to respond to over the course of the outlook and where are the challenges for aid actors), together with the litany and systemic levels of the CLA, the executive committee also drafted the updated typology of crises.

The executive committee will draft the scenario frame and then hold a series of consultations with stakeholders across the aid system. This will be done through a series of webinars to explore the scenario framework and typology of crises.

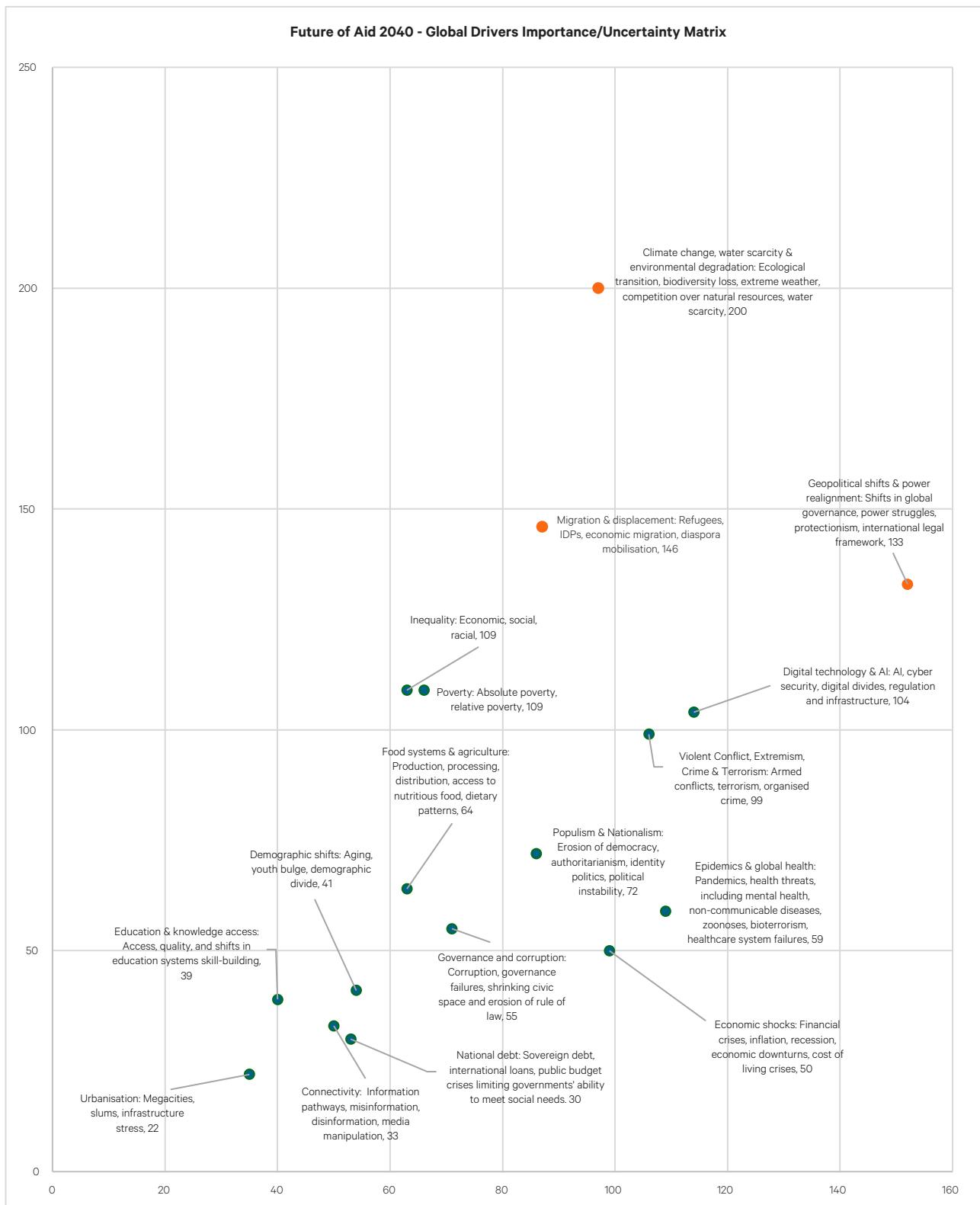
Outputs: (1) 2040 Future of Aid scenarios; (2) a finalised typology of crises.

Design fiction. What could anticipatory, locally-led responses look like in these scenarios? With the finalised scenarios, we will take our analysis one step further. For

each of the scenarios defined we will work with local civil society organisations to define what these futures might look like for their communities.

Outputs: (1) design fiction for each scenario

The Future of Aid 2040: Pathways to Transformation project will not end with the publication of the foresight report. Consultations for phase 2 of the project will commence in October 2025 and the publication of the outputs of the second and final phase will be published in April 2026.





Annex 2: List of 2040 drivers of change

The driver files are written by a broad community of experts and researchers. The research briefs for each of the following drivers will be made publicly available by the end of 2025.

Global drivers:

1. Demographic shifts and urbanisation: Aging, youth bulge, demographic divide
2. Migration and displacement: Refugees, IDPs, economic migration, diaspora mobilisation
3. Poverty: Absolute poverty, relative poverty
4. Inequality: Economic, social, racial
5. Geopolitical shifts and power realignment: Shifts in global governance, power struggles, protectionism, international legal framework
6. Populism and nationalism: Erosion of democracy, authoritarianism, identity politics, political instability
7. National debt: Sovereign debt, international loans, public budget crises limiting governments' ability to meet social needs
8. Digital technology and AI: AI, cyber security, digital divides, regulation and infrastructure
9. Connectivity: Information pathways, misinformation, disinformation, media manipulation
10. Climate change, water scarcity and environmental degradation: Ecological transition, biodiversity loss, extreme weather, competition over natural resources, water scarcity
11. Food systems and agriculture: Production, processing, distribution, access to nutritious food, dietary patterns
12. Violent conflict, extremism, crime and terrorism: Armed conflicts, terrorism, organised crime
13. Governance and corruption: Corruption, governance failures, shrinking civic space and erosion of rule of law
14. Epidemics and global health: Pandemics, health threats, including mental health, non-communicable diseases, zoonoses, bioterrorism, healthcare system failures

15. Economic shocks: Financial crises, inflation, recession, economic downturns, cost of living crises
16. Education and knowledge access: Access, quality, and shifts in education systems skill-building

Aid system drivers

1. Aid workforce and well-being: Workforce demographics, burnout, mental health, recruitment, retention, diversity, safety of aid workers, fair pay gaps, remote work
2. Corporate aid: Role of businesses in aid, CSR-driven aid, for-profit aid models
3. Humanitarian culture and ethical shifts: Evolution of humanitarian values, decolonisation of aid, localisation mindset, shifting moral philosophy of aid
4. Power shift and localisation: Local leadership, governance shifts in aid delivery, devolution of decision-making, locally-led responses, self-determination of affected populations
5. Aid incentive systems: Performance-based aid, funding criteria, donor-driven priorities, unintended consequences of financial models, sustainability of aid efforts
6. Aid funding and donor dynamics: Donor dependency, alternative funding models (crowdfunding, impact investment, public-private partnerships), alternative donors, shift in donor priorities, transparency
7. Aid instrumentalisation: Aid as a geopolitical tool, donor-imposed conditions, securitisation of aid, alignment with foreign policy interests
8. Accountability, transparency and governance of aid: Corruption in aid delivery, impact of bureaucracy, reporting structures, fraud prevention, legitimacy of aid actors
9. Public opinion and perception of aid: Erosion of trust in aid organisations, polarisation and backlash against aid policies and funding

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