

A photograph of four women sitting in a row, looking towards the left. They are wearing traditional Indian clothing, including colorful saris and headscarves. The woman on the far left is wearing a red sari with a blue blouse. The woman next to her is wearing a patterned headscarf and a brown sari. The woman in the middle is wearing a red sari with a gold nose ring. The woman on the far right is wearing a red sari with a white floral pattern and a gold nose ring. The background is a blurred outdoor setting.

2025-26 ACFID FEDERAL BUDGET ANALYSIS

FACTS & FIGURES

2025-26 FEDERAL BUDGET

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Photo credit: SurfAid, Indonesia.

OVERALL DIRECTION: ACFID'S VIEW



Australia is facing an uncertain and challenging global environment. With cuts to development assistance announced by many traditional donors, Australia has sent a clear signal that we are not retreating from our region.

ACFID welcomes the repositioning of funds to address dire needs including health, climate and economic resilience in the region. In particular, the \$81m commitment to regional health assistance will deliver urgently needed funding for programs that require additional support for access to maternal health, HIV, and reproductive services.



Matthew Maury
Chief Executive Officer

OVERALL DIRECTION: ACFID'S VIEW

Australian Government sends a clear signal that Australia will not retreat from our region

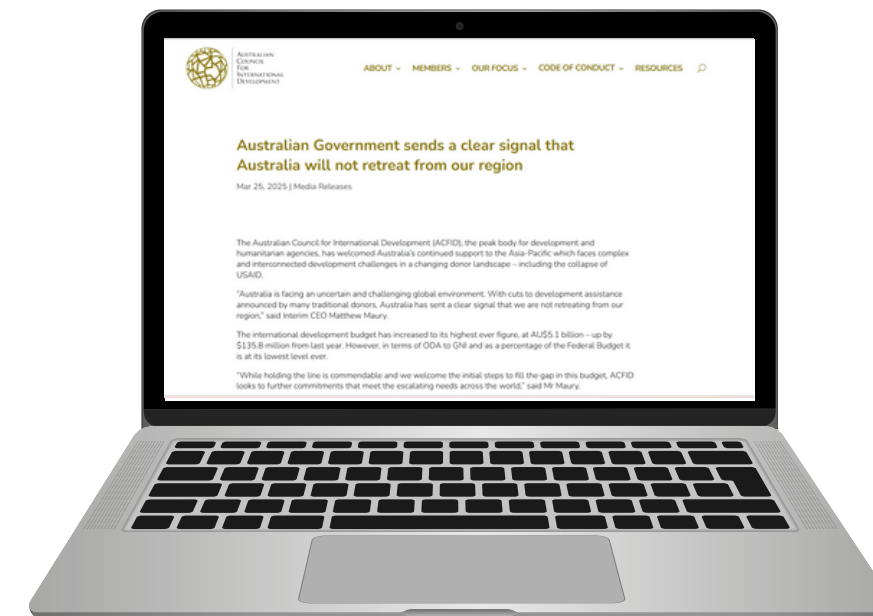
The Australian Council for International Development (ACFID), the peak body for development and humanitarian agencies, has welcomed Australia's continued support to the Asia-Pacific which faces complex and interconnected development challenges in a changing donor landscape - including the collapse of USAID.

The international development budget has increased to its highest ever figure, at \$5.1b - up by \$135.8m from last year. However, in terms of ODA to GNI and as a percentage of the Federal Budget it is at its lowest level ever.

For people and communities across the Asia-Pacific, the spread of infectious diseases, an inability to put food on the table, spikes in domestic violence and reduced childhood education are very real and immediate results of the recent aid cuts - unless other partners, like Australia, move quickly to restore programs and fill the gap. ACFID is pleased that this budget shows Australia is moving in this direction.

Most Australians are surprised to learn that aid was just 0.68% of the Federal Budget last year - this has now decreased to 0.65%.

While we recognise the financial pressures the Government faces, the need for aid around the world is greater than ever. We call on major parties to provide a pathway to restore our aid program to 1% of the Federal Budget, making the world a safer place for all.



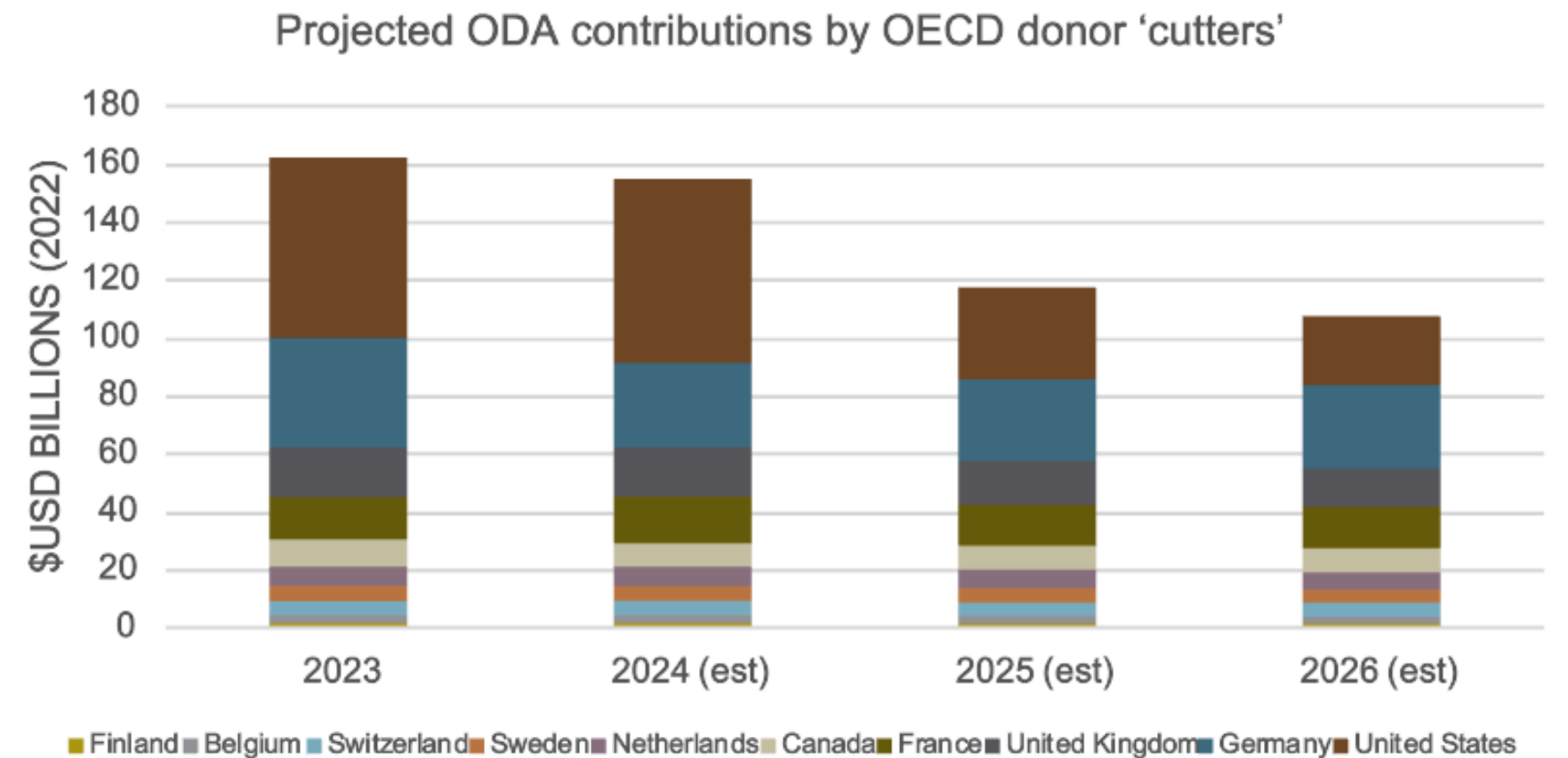
Read the media release [here](#)



International aid: global outlook

A shrinking global aid system

- Global development and humanitarian assistance is experiencing an unprecedented and sudden decline – with cuts from the United States, the United Kingdom and a suite of European countries.
- To date, the United States has cut an estimated 34% of USAID awards, amounting to tens of billions withdrawn globally in USAID programs.
- Additionally, the United Kingdom and several other OECD DAC countries have, or intend to, reduce their Official Development Assistance (ODA) budgets. Together with the United States, these countries make up three quarters of global ODA.



Sources: DevPolicyBlog, Robin Davies, "Burden-shedding: the unravelling of the OECD aid consensus"; Development Policy Centre; Centre for Global Development; International Council of Voluntary Agencies; UNOCHA; Lowy Pacific Aid Map; Lowy Southeast Aid Map.

International aid: global outlook

Global humanitarian funding at risk

- Globally, the number of people in need is growing. In 2025, UNOCHA estimates 305m people will be in need of humanitarian aid and protection, double the number of people in need 5 years ago.
- The US is the largest humanitarian donor in the world - contributing 42% of global humanitarian financing in 2024 (USD \$14b).
 - As an example, the Rohingya refugee crisis response - which services over a million refugees and their host communities - received 55% of its funding from the US.

Reduced assistance to the region

- The United States is the 5th largest bilateral donor in Southeast Asia, making up around 4% of total aid to Southeast Asia (USD \$1.2b).
- Additionally, the World Bank and the Asian Development Bank - both of which receive significant contributions from the US - account for 38% of Southeast Asia's foreign assistance.
- The Asian Development Bank and World Bank make up 29% (USD \$1.2b) of assistance to the Pacific, with the US directly providing around 6% (USD \$250m) of the region's funding.
- Cuts to other multilateral agencies such as the World Health Organisation will also have flow-on effects to Southeast Asia and the Pacific, though it is too early to know the full extent of these impacts.

OVERALL DIRECTION: ACFID'S VIEW

Australian ODA Total

FY2024-25

\$4.961b

FY2025-26 (March)

\$5.097b

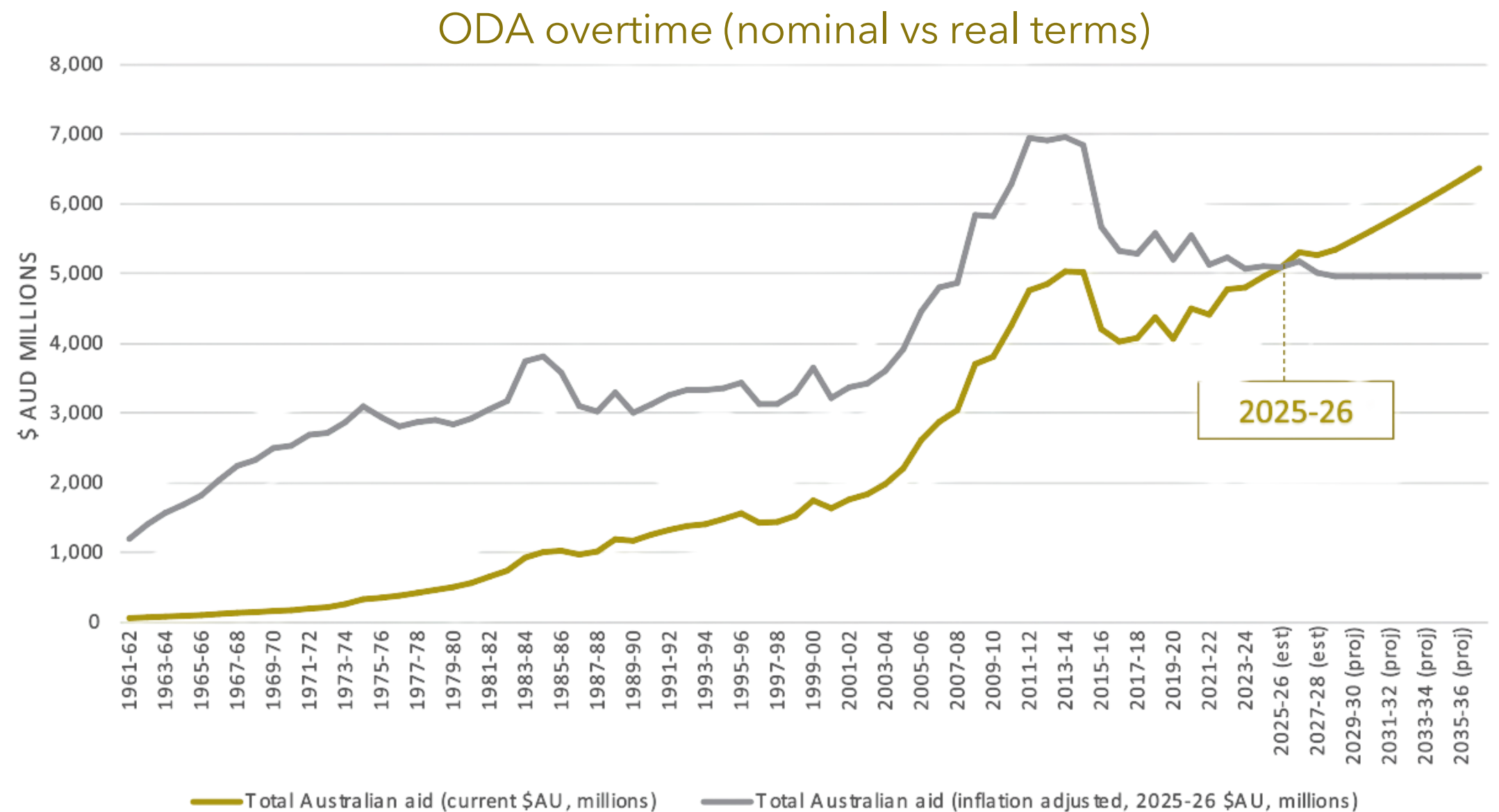


BREAKDOWN OF TOTAL ODA 2024-25

- The total ODA budget estimate in 2025-26 is an increase of \$135.8m in nominal terms on the previous year.
- This increase is a result of ODA commitments in previous budgets and is not a result of new measures or “new” money announced for ODA in this budget. The previously committed 2.5% year on year increase will begin from the 2026-27 financial year.
- When adjusted for inflation, the ODA budget has decreased slightly in real terms and is set to flatline over the forward estimates following a slight increase projected for FY2026-27.

ODA nominal vs real terms

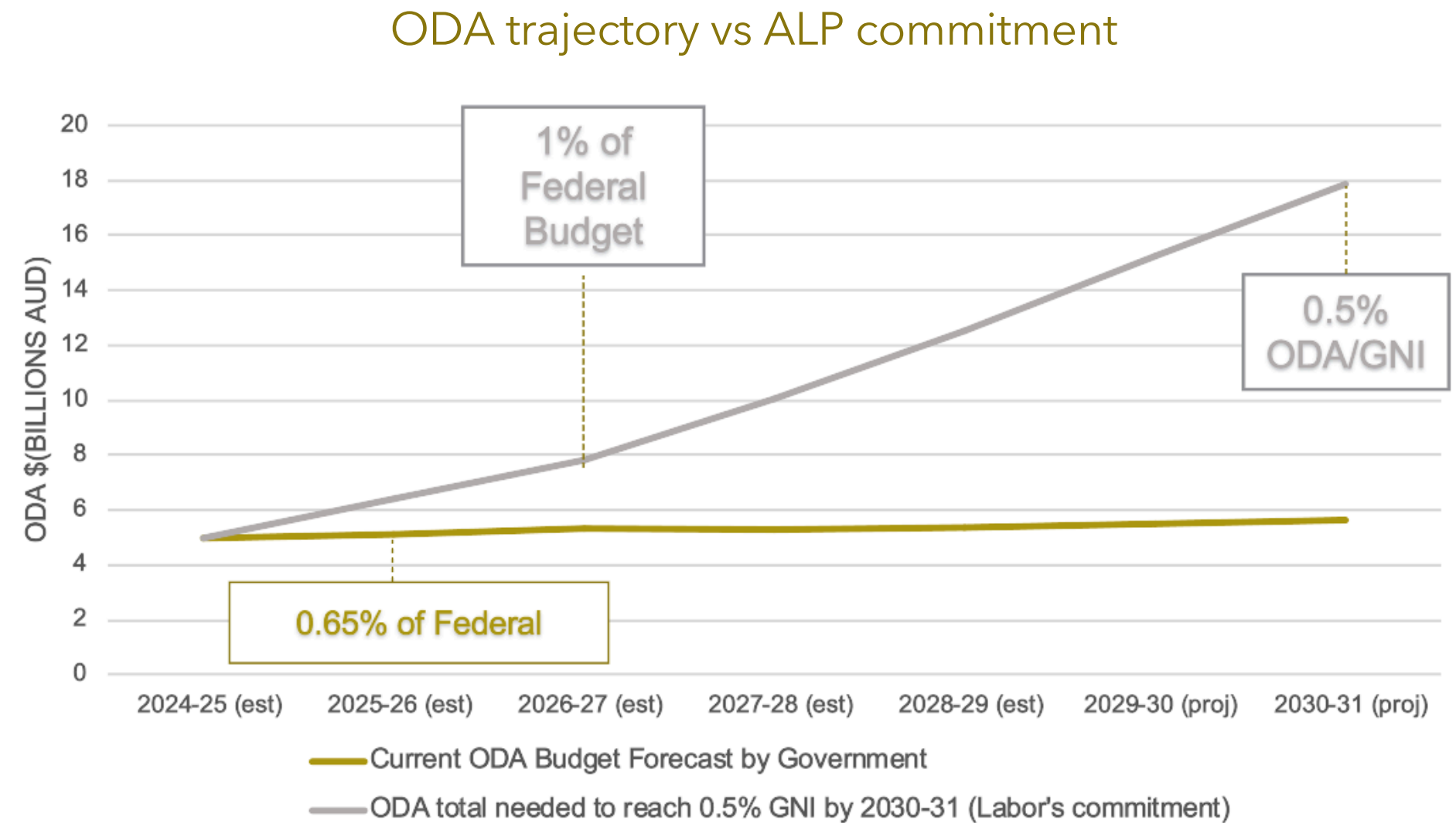
- This budget includes an increase to aid bringing the total ODA budget to \$5.1b.
- This increase puts this year's ODA budget at the highest ever level in nominal terms, slightly ahead of the 2013-14 ODA Budget of \$5.04b.
- In real terms, and when accounting for inflation, the ODA Budget has declined over the past decade and, following a slight uptick projected in 2026-27, is projected to flatline over the forward estimates.



Source: Australian Aid Tracker, Development Policy Centre

ODA Forecast: stabilisation

- In the 2023-24 Budget the Government announced a commitment to the long-term stabilisation of the ODA budget, including the long-term 2.5% per annum indexation from 2026-27.
- This measure will help to stabilise the aid budget over the forwards. The additional \$135.8m increase this year has contributed to an overall gradual upwards trend over the forwards in nominal terms.
- This budget represents a continued low in Australian ODA generosity. In 2025-26, Australia's ODA budget estimate constitutes just 0.65% of the total federal budget and 0.18% of ODA/GNI, a long way from Labor's commitment to 0.5% ODA/GNI.



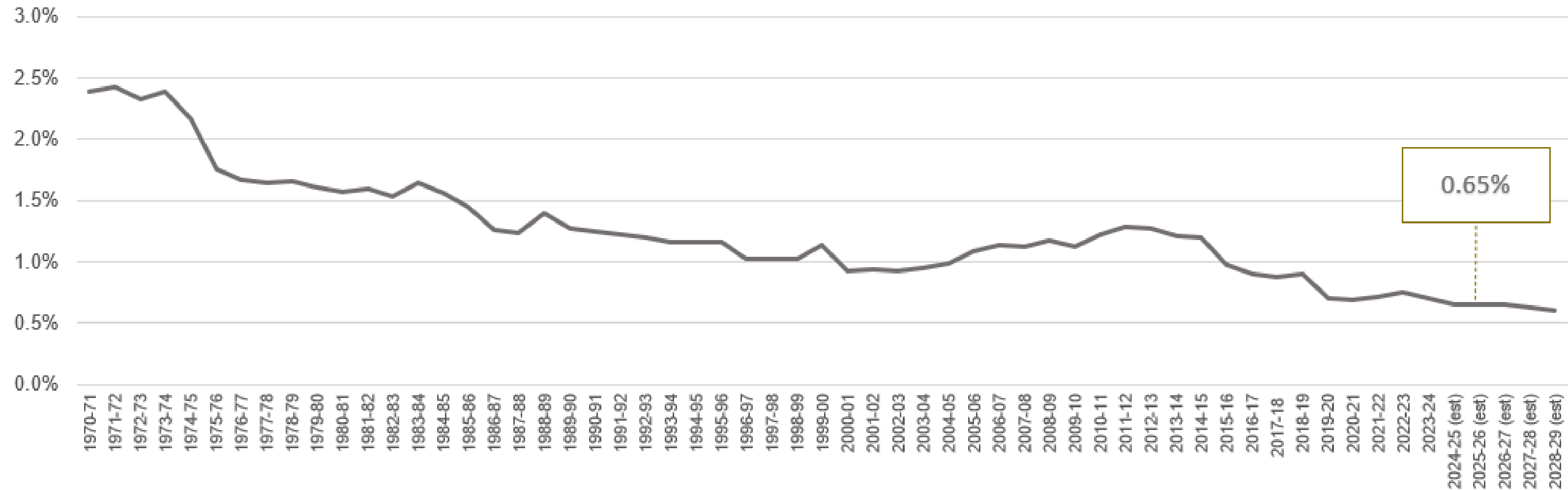
Source: DFAT Development Summary, ABS and Budget Paper 1 2025.

OVERALL DIRECTION: ACFID'S VIEW

ODA in Context

This financial year, ODA is estimated to decrease to 0.65% of the total Federal Budget. This rate has steadily declined over time, is currently at an all-time low and is projected to fall to 0.60% in 2028-29 without increases.

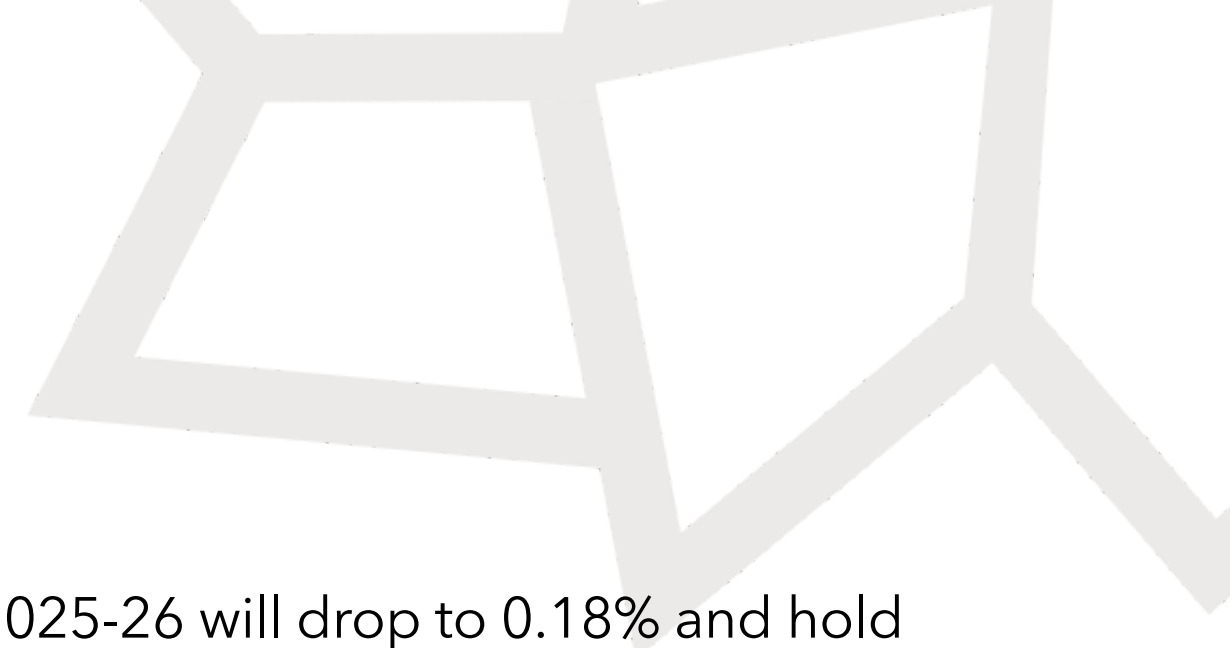
ODA as a Percentage of the Federal Budget



Source: Australian Aid Tracker, Development Policy Centre.

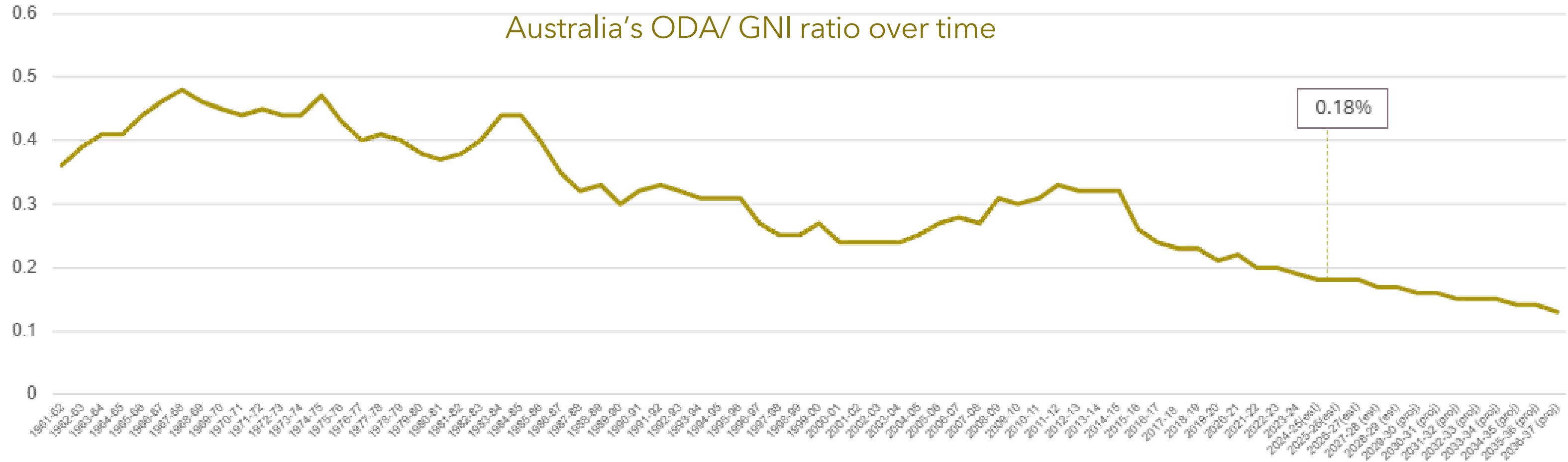
OVERALL DIRECTION: ACFID'S VIEW

ODA / GNI Ratio



Australia's public spending on ODA as a proportion of our Gross National Income (GNI) in 2025-26 will drop to 0.18% and hold steady and then decline over the forwards.

Australia was the 14th most generous DAC member in 2015, contributing 0.29% of GNI as ODA. In 2023, Australia ranked 26th of 31 DAC donors.



Source: Australian Aid Tracker, Development Policy Centre.

RE-PROFILING & HEADLINE ANNOUNCEMENTS



While there have not been cuts to Australia's development program, there are no new ODA budget measures for FY2025-26 and this year's growth is due to the Government delivering on existing commitments. Of note, the grant equivalent ODA component of AIFFP loans has increased from \$48.4m last year to \$131.5m. This accounts for 61% of the total \$135.8m increase to ODA for FY2025-26.

The ODA budget has been re-profiled in response to global ODA cuts, with funds being redirected to programs in the Indo-Pacific, with a clear focus on support for the Pacific. In the wake of the US withdrawal from global aid, Australia's re-profiled investments in health and gender equality are welcome. However, reductions in the overall budget's health and education flows show where trade-offs have been made. As other stakeholders retreat from multilateralism, it is also welcome to see Australia's increased contribution to the World Bank's International Development Association, targetting the world's least developed countries.

In another welcome development, DFAT has also continued to increase the transparency of the ODA program. In February 2025, the second Performance of Australian Development Cooperation report was released and the launch of the AusDevPortal has facilitated online access to ODA investment-level data. We welcome the effort and initiative that has gone into delivering this transparency.

Jessica Mackenzie
Chief of Policy & Advocacy



Reprofiled programs



RE-PROFILED ODA FOR ECONOMIC RESILIENCE

- A bundle of economic resilience initiatives for the Pacific and Southeast Asia have been packaged together as a \$1b program over five years. This package includes -
- \$500m+ for the Pacific:
 - \$296m over four years in budgetary support for Governments in the region, including budgetary support for Tonga (\$85m over four years);
 - \$229.5m over six years for a new Pacific Australia Skills Program (building on the previous [Australia Pacific Training Coalition](#), which finishes in March 2025); and
 - \$24m over 5 years for a new phase of [Partnerships for Social Protection](#).
- \$400m+ for Southeast Asia:
 - \$254m investment in Australia-Indonesia economic development programs, building on [PROSPERA](#);
 - \$49m for the [Timor-Leste Australia Labour Mobility and Skills Partnership](#);
 - \$40m for the Philippines Social Protection Inclusion and Gender Equality Program ([SPRING](#)); and
 - \$33m for Philippines Education Quality for Inclusive Prosperity ([EQUIP](#)).

Reprofiled programs



GENDER EQUALITY

- \$25m allocated for domestic violence crisis support centres in the Pacific, through the Pacific Strong: Amplifying Action to End Violence against Women and Girls initiative from 2025-26.



REGIONAL HEALTH FUNDING INCREASES

- \$81m of funding has been earmarked as a regional health resilience package over three years building on the current Partnerships for a Healthy Region initiative:
 - This funding is directed at the Pacific and Southeast Asia and includes support to maintain essential services for HIV/AIDs, tuberculosis, maternal and child health, family planning and sexual and reproductive health rights.
 - This funding comes at a crucial time - the US President's Emergency Plan for AIDS Relief's (PEPFAR's) Congressional re-authorization expired on 25 March 2025, although it can continue operating as long as it receives appropriated funds.
 - PEPFAR has been impacted by the 90-day USAID freeze and has received a waiver to continue some of its work.
 - The US has terminated funding for UNAIDS (in 2023 the US [provided 43% of UNAIDS budget](#)) and it is uncertain whether the US will contribute to the current Global Fund replenishment round.

Reprofiled programs



SUPPORT FOR CIVIL SOCIETY

- Up to \$40m (over 4 years) under the Mekong-Australia Partnership, for civil society organisations working on gender-inclusive climate action.



MULTILATERAL FUNDING

- A pledge of \$660m (over three years) to the latest replenishment round of the International Development Association, the World Bank's concessional lending arm for low-income countries (IDA21 - 2025-28).
 - This is an increase of 35% on Australia's previous \$488m contribution at IDA20 (2022-25) but is less than Australia's \$774m commitment to IDA16 (2011-14).
- Payments to the Global Partnership for Education and Global Fund to Fight HIV, Malaria and TB are being reduced.
- Core funding for the UN Development Program (UNDP) has been cut:
 - \$13m was provided as core funding to the UNDP in FY2024-25.

Non-ODA measures of note

- Australia is increasing its engagement with the Pacific and its support for Pacific regionalism. A number of non-ODA initiatives have been announced, alongside the ODA programs, to support the Pacific:
 - A 10-year financial guarantee (\$2b) to ANZ bank to ensure continued services to nine Pacific Island countries;
 - A \$20m investment to support banking in the region through policy reform;
 - Partnering with the Commonwealth Bank to provide banking services in Nauru;
 - \$164.4m over four years (commencing 2024-25) in support for the Royal Solomon Islands Police Force, announced in December 2024;
 - \$18.7m in funding to support the implementation of the Nauru-Australia treaty in FY2025-26, increasing to \$36m in F2026-27;
 - \$2m in bilateral funding for the Cook Islands;
 - AIFFP investments in the region, including in: maritime infrastructure, air infrastructure, digital connectivity and energy;
 - \$1.4m annual funding for the First Nations Foreign Policy initiative; and
 - Continued investments in the Pacific Australia Labour Migration (PALM) scheme including:
 - DFAT funding of \$3.3m for the PALM scheme in 2025-26 increasing to \$3.4m over the forwards.

HUMANITARIAN ASSISTANCE

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The past 12 months have seen unprecedented, overlapping humanitarian catastrophes with rising natural disasters in our region, and protracted conflicts abroad with dire consequences for civilians in Myanmar, Sudan, Democratic Republic of Congo, Gaza, Ukraine and more. This budget does not do enough to recognise this growing humanitarian environments which are devastating communities worldwide. If there was a time for the Humanitarian Emergency Fund to increase, it would be now. Yet, this budget leaves behind those trapped in humanitarian crises around the world and those in crises yet to come.



NAOMI BROOKS
Humanitarian and Public Engagement Lead

HUMANITARIAN ASSISTANCE

Year-on-Year Funding

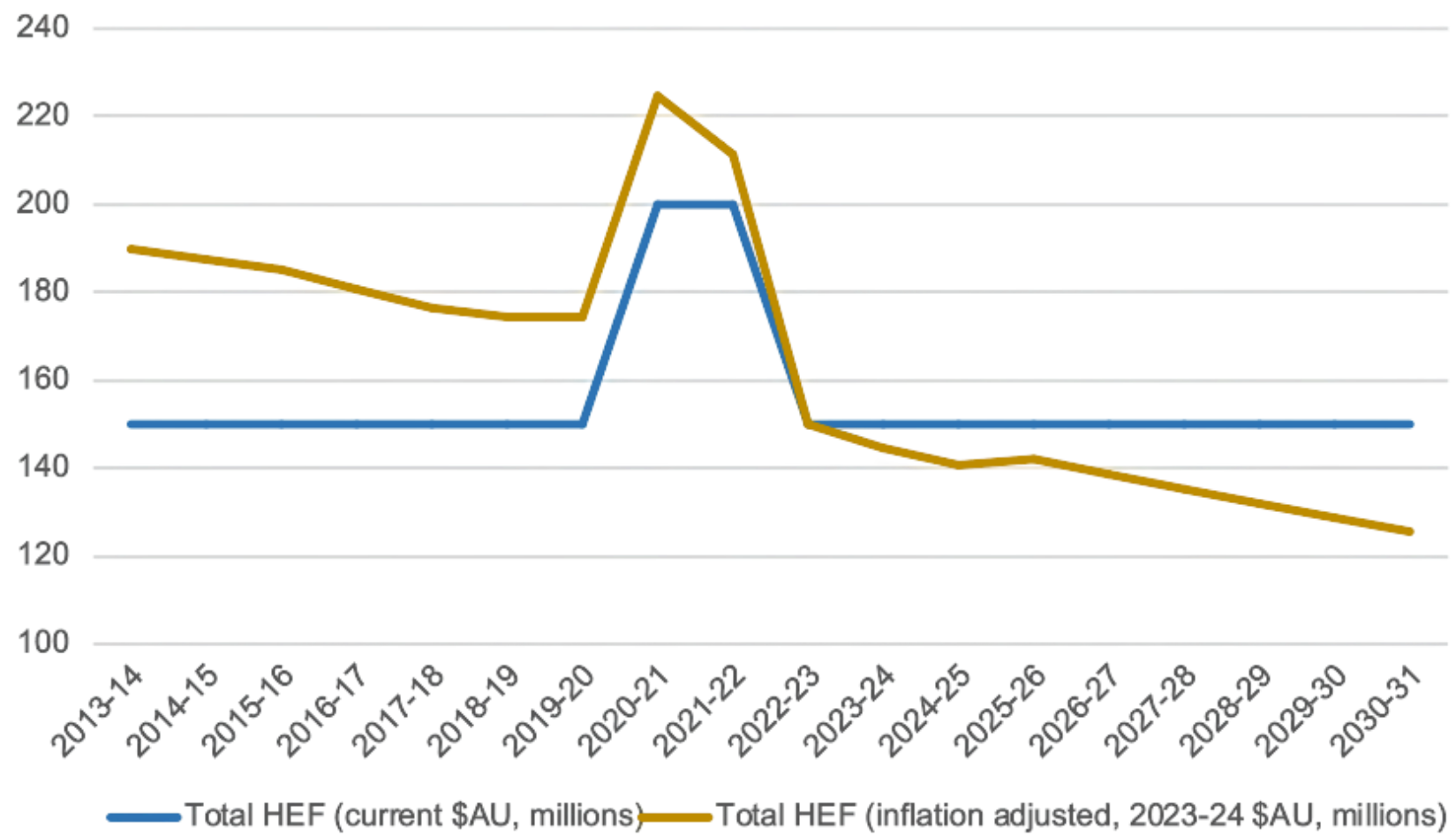
THEMATIC AREA	C. FY21-22 BUDGET ESTIMATE	FY22-23 MAY BUDGET ESTIMATE	FY22-23 OCTOBER BUDGET ESTIMATE	FY23-24 BUDGET ESTIMATE	FY24-25 BUDGET ESTIMATE	FY25-26 BUDGET ESTIMATE
Disaster risk reduction, preparedness and response	\$52m	\$52 m	\$52m	\$60.8m	\$60.8m	\$64m
Protracted crises and strengthening humanitarian action	\$114.3m	\$144.9m	\$144.9m	\$145.2m	\$156.2m	\$167.7m
Humanitarian Emergency Fund	\$200m	\$150m	\$150m	\$150m	\$150m	\$150m
Global Humanitarian Partnerships	\$119m	\$123.5m	\$123.5m	\$123.5m	\$123.5m	\$123.5m
• ICRC	\$25m	\$27.5m	\$27.5m	\$27.5m	\$27.5m	\$27.5m
• CERF	\$11m	\$11m	\$11m	\$11 m	\$11m	\$11m
• UNHCR	\$25m	\$25m	\$25m	\$25m	\$25m	\$25m
• UNOCHA	\$10m	\$10m	\$10m	\$10m	\$10m	\$10m
• UNRWA	\$10m	\$10m	\$10m	\$20m	\$20m	\$20m
• WFP	\$38m	\$40m	\$40m	\$40m	\$40m	\$40m
Total Humanitarian, Emergencies and Refugees	\$485.3m	\$470.4m	\$470.4m	\$479.40m	\$490.5m	\$505.3m

Humanitarian Budget in 2025-2026

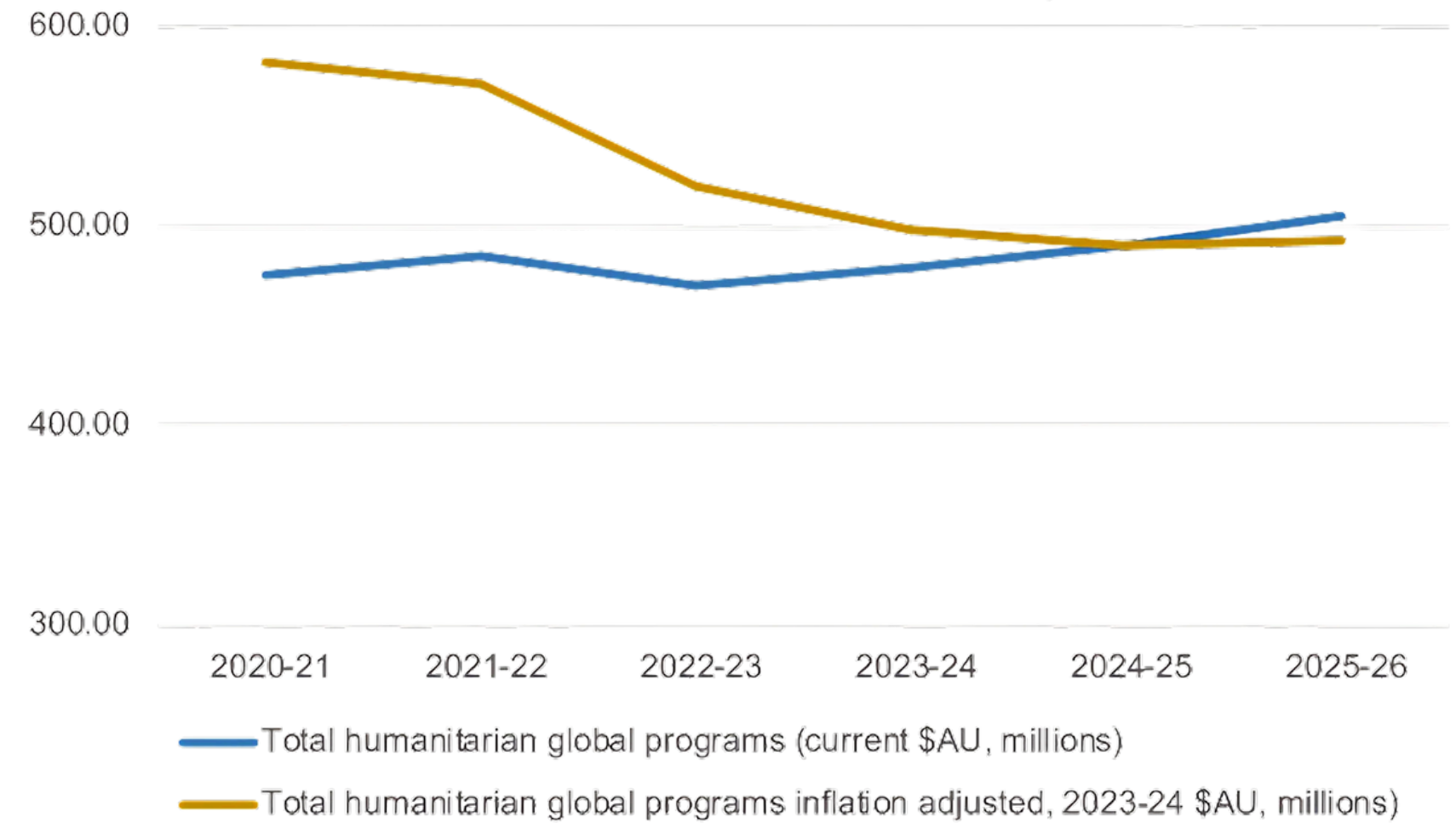
- The Humanitarian Emergency Fund's allocation of \$150m has not increased in 2025-26. This fund has not seen a permanent increase since 2018, despite elevated global humanitarian need and has substantially reduced in real terms.
 - Note: there was an increase of \$50m temporarily during COVID-19.
- 2025-26 will see the humanitarian allocation increase by \$14.8m from \$490.5m to \$505.3m. This includes an additional allocation of \$11.5m to the 'protracted crises and strengthening humanitarian action' budget line. This funding will support an increase to a peacebuilding fund and implementation of the new humanitarian policy.
- It is estimated that total humanitarian sector flows will be \$709m in 2025-26. This is an increase from \$675.9m in 2024-25 but falls well short of Australia's calculated global fair share contribution to humanitarian funding for 2025, which is \$1.1b.
 - Of note, Australia's core contribution to all multilateral humanitarian agencies has been retained, including a \$20m contribution to UNRWA.
- The headline humanitarian funding announcement is a commitment of multi-year funding, \$370m over three years, for the humanitarian crises in Myanmar and Bangladesh.
 - DFAT's allocation of multi-year funding for a humanitarian response is welcome and enables implementing partners to plan over a longer timeframe and more efficiently use their resources.
 - The implementing partners for this funding are yet to be selected.
- This funding builds on previous humanitarian commitments that Australia has made to the region, including:
 - \$336m in humanitarian assistance to Myanmar between 2017 and 2025; and
 - \$544m to support Rohingya refugees, host and cyclone affected communities in Bangladesh between 2017 and 2025.

HUMANITARIAN ASSISTANCE

Humanitarian Emergency Fund



Humanitarian Budget Estimates (global programs)



* Note: the above data is taken from Table 1 global programs of the ODA budget summary.

NGO PROGRAMS AND CIVIL SOCIETY FUNDING

The new financial year will see direct funding to NGOs, volunteers and community programs increase by \$6m. This consists of:

- \$2m additional for the Australian Volunteers Program; and
- \$4m initial allocation for the Civil Society Partnerships Fund, following through on the August 2024 announcement of \$35m over four years.

Funding for the Australian NGO Cooperation Program (ANCP) remains unchanged at \$143m.

ACFID welcomes the steps taken by DFAT to increase the flexibility of the ANCP program for development and humanitarian agencies, in the midst of an unpredictable and complex funding environment. The temporary flexibility changes allow agencies to better support their partners, who work in-country, and include: an increase to the limit of ANCP funding that can be passed through to local partners as core funding; a broadening of the definition of a local partner; and supporting Australian NGOs to speedily adjust their programs as needed.

However, ANCP agencies have additional flexibility requests of the Government, which are yet to be implemented. These additional requests include support for ANCP agencies to flexibly re-allocate their resources and shore up funding gaps left by cuts to the global development program.

ANCP Funding



Total ANCP funding



- This budget sees funding for the ANCP maintained at \$143m.

NGOs, Volunteer & Community Programs



THEMATIC AREA	A. FY21-22 BUDGET ESTIMATE	B. FY22-23 MARCH BUDGET ESTIMATE	C. FY22-23 OCTOBER BUDGET ESTIMATE	D. FY23-24 BUDGET ESTIMATE	E. FY24-25 BUDGET ESTIMATE	F. FY25-26 BUDGET ESTIMATE	G. %YOY (COMPARISON OF F AND E)
Global NGO Programs	\$139.1m	\$139.1m	\$145.4m	\$145.4m	\$145.4m	\$149.4m	2.8%
Australian Volunteers Program	\$26m	\$21m	\$21m	\$23m	\$25m	\$27m	8.0%
Community Engagement and International Research*	\$10.8m	\$10.8m	N/A	N/A	N/A	N/A	N/A
Total NGO, Volunteer and Community Programs	\$175.8m	\$172.8m	\$166.4m	\$168.4m	\$170.4m	\$176.4m	3.5%

- Investments under Global NGO Programs have increased by \$4m which is allocated to the Civil Society Partnerships Fund.
- The total commitment to the Civil Society Partnerships Fund is \$35m over 4 years from 2025-26 leaving a remaining \$31m to be spent over the next three years.

* Note: This thematic area no longer features in DFAT's Australian Official Development Assistance Budget Summary for 2022-23 (October) and 2023-24 (May), so is reflected as N/A. Most funding has been reclassified under Development Effectiveness & Research.

Climate Change



Climate impacts continue to intensify, disproportionately impacting developing countries that are least responsible for global emissions such as our Pacific Island neighbours. Released last week, the World Meteorological Organisation's "State of the Global Climate" report showed that extreme weather events in 2024 led to the highest number of new annual displacements since 2008, with a million more people also facing acute food insecurity in 2024 than in the previous year.

It is promising to see climate finance has steadily increased under this term of Government and that pledges made by Ministers Wong, Bowen and Conroy at COP29 have been followed through in this Budget. At the same time, increases to climate finance are largely attributable to the mainstreaming of climate targets across the development program. Australia's climate finance contributions are also well under Australia's fair share based on its historical emissions and economic capacity to pay. On these criteria, we estimate Australia should be contributing about 4-5% of overall global climate finance, yet our current contributions amount to less than 1%. We continue to call on the Government to contribute its fair share towards the global goal to collectively mobilise USD \$300b per year by 2035.

DR. ALEX EDNEY-BROWNE
Policy and Government Relations Lead



Climate Investments

- Allocations for climate change and environment funding remain at \$144.4m in 2025-26, the same as 2024-25.
 - This line item in the DFAT ODA Budget Summary counts global and thematic climate change and environment funding, including contributions to the Green Climate Fund, the Fund for responding to Loss and Damage, the Global Environment Fund, Climate Resilient Communities, climate resilient agricultural development programs, and elements of the Climate Catalyst Window.
 - Total funding flows for climate finance are not reported in the ODA Budget Summary. ODA climate finance reported in DFAT's 2023-24 statistical summary totalled \$783m, indicating substantial reporting of programming that meets climate change objectives by the wider Department.
- The Budget commits \$355m over four years to a 'climate action package' in the Pacific and Southeast Asia, comprising pre-existing funding and already announced commitments:
 - \$179m to Climate Resilient Communities (\$208.5m committed over five years from 2024-2029);
 - \$50m to the global Fund for responding to Loss and Damage (committed at COP29); and
 - \$126m investment in the Climate Catalyst Window (committed at COP29).
- The Budget also commits \$660m to the World Bank's International Development Association (IDA) replenishments for 2025-2028, with DFAT stating that this replenishment pledge "includes a strong focus on climate mitigation and adaptation in low-income and vulnerable countries".

Climate Investments

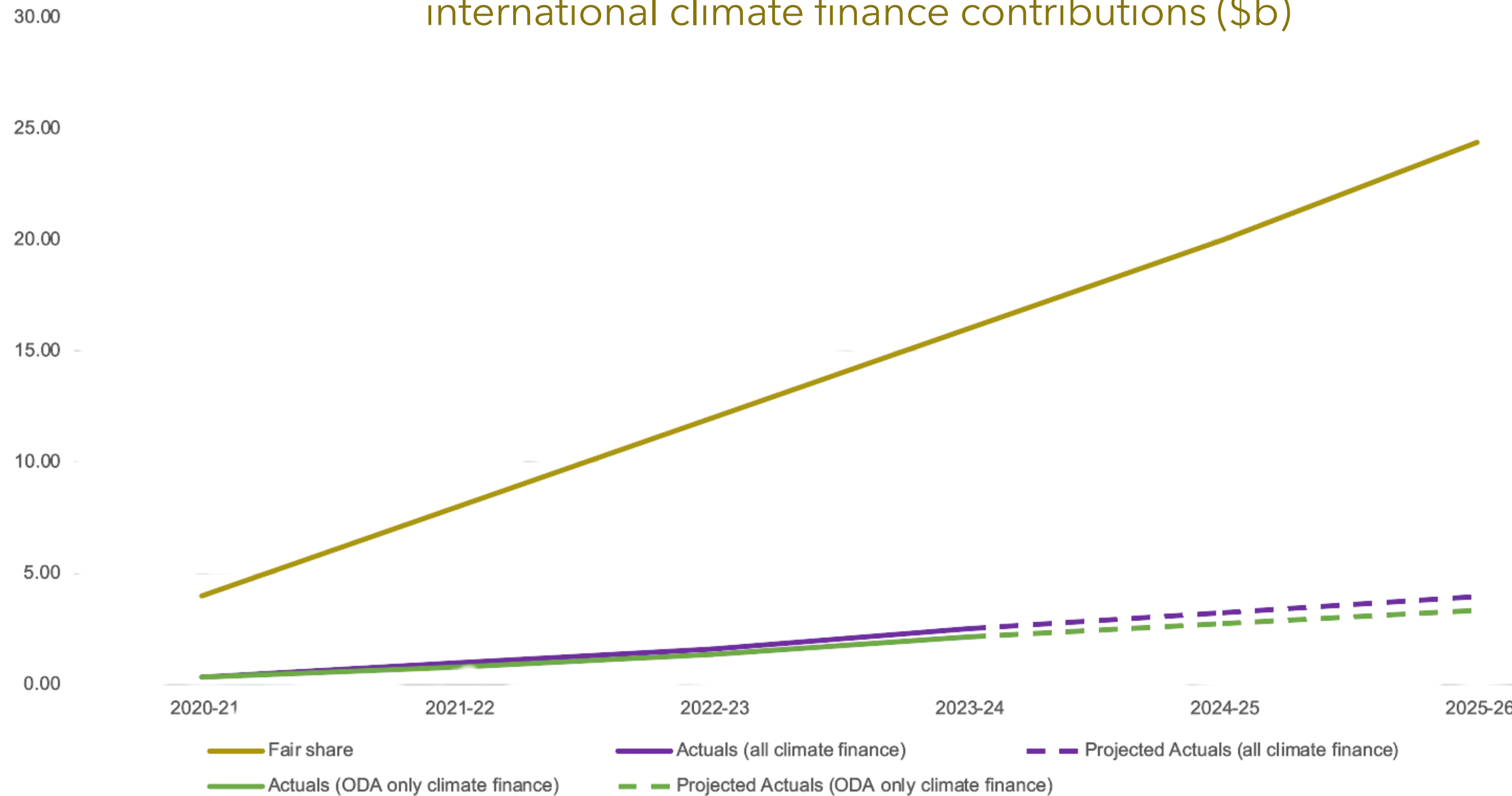
- Previous climate investments that have been continued:
 - Continued allocation over the forwards till 2026-27 for the Pacific Resilience Facility (\$100m pledged in 2024, of which an initial \$15m was allocated in FY2024-25);
 - Continued allocation of \$50m to the Green Climate Fund, committed in the last Budget (to be delivered over 2 years from 2026-27);
 - Continued allocation of \$76.2m bundled over 5 years (2023-28) for international engagement on climate change and energy for DFAT and DCCEEW, which includes the "bid to co-host the 31st Conference of the Parties (COP31) in partnership with the Pacific and undertake initial planning in the event of a successful bid"; and
 - As the Australia-Pacific COP31 bid is still unconfirmed, it is understandable that this Budget allocation has not grown from last year. However, if the Australia Pacific bid is confirmed in the coming months, we expect to see considerable funding allocated in the next Budget to ensure Australia and our Pacific co-hosts can deliver on this major international event.

Climate Change - Trends

- A detailed breakdown of the total budget allocation for climate and environment is not provided in DFAT's ODA Budget Summary, as per previous years. We reiterate the need to see increased transparency on international climate spending in Budget papers, including by providing a breakdown of global and regional programs and estimates for climate funding in bilateral programs.
- According to DFAT's ODA Statistical Summary, published last month, the Department reports having expended \$2.2b in ODA climate finance over the past four years (\$346.3m in 2020-21, \$449.2m in 2021-22, \$571.1m in 2022-23, and \$782.6m in 2023-24).
- When non-ODA climate finance is included, the Department has expended \$2.5b in climate finance in the past four years, meaning a climate finance spend of \$480m will be needed in 2024-25 to reach DFAT's \$3b commitment over 5 years. However, we hope the year-on-year increase to climate finance continues, especially given the increased ambition of the updated global climate finance goal agreed at COP29 (the New Collective Quantified Goal or 'NCQG'). We will know DFAT's ODA climate spend for 2024-25 at the end of this year or early next, when the Department releases its next annual Statistical Summary.
- These figures show that the Government has continued to steadily grow its ODA climate finance since introducing new climate targets for bilateral and regional ODA in the International Development Policy (2023), in large part through the mainstreaming of climate objectives across the development program.

Climate Change - Trends

Comparison of Australia's cumulative fair share to actual international climate finance contributions (\$b)



Gender Equality, Disability & Social Inclusion

While we commend the Government for its leadership in the Pacific on initiatives related to gender, disability, and social inclusion (GEDSI), the need for funding in these areas is escalating.

It is vital that reasonable liberal democratic Governments, such as Australia, increase funding and protections for women, people with disabilities, and LGBTQIA+ individuals in the current global environment. Previously hard-won human rights protections and improved social outcomes are under threat from a growing anti-rights movement, the rise of misinformation, recent USAID cuts to reproductive health and LGBTQIA+ programs and several executive orders in the U.S. attacking diversity initiatives and human rights.

In future budgets, we look for funding allocations to adequately address structural drivers of inequality and injustice, as well as further support for Australian NGOs and local civil society organisations to help fill gaps left by the U.S. Administration.

Gender Equality



This year, the Australian Government unveiled a timely International Gender Equality Strategy aimed at elevating the country's global commitment to women's rights. The Federal Budget has included some initiatives from this strategy. While ACFID welcomes an increased focus on the Pacific and Southeast Asia, further funding is required to meet the escalating needs of women and girls in our region and farther afield.

In this Budget, funds have been reprofiled from elsewhere in the international development portfolio to support gender objectives, particularly in the Pacific and Southeast Asia. This includes:

- An \$81m regional health resilience package over the next three years, with a focus on maternal, sexual, and reproductive health;
- A \$25m package for the Pacific Strong program, to address sexual- and gender- based violence in the Pacific (from 2025-2026); and
- Under the Mekong-Australia Partnership, a commitment of up to \$40m over four years for civil society organisations working on gender-inclusive climate action.

There is an additional \$1m for the Gender Equality Fund (up to \$66m). This is not new money. There are no other new or additional allocations of funding for gender equality beyond existing announcements and program extensions. This includes \$7.8m to UN Women.

Gender Equality

The Performance and Development Cooperation report (PADC) released earlier this year reveals an increase from last year with 79% of investments effectively addressing gender equality, almost reaching the 80% target.

We look forward to updates on further progress toward reaching gender targets and working with DFAT on the implementation of the International Gender Equality Strategy this year.

We recognise the Government's commitment to gender equality amid growing global resistance to gender equality rights from previously reliable donors. This paired with the Trump Administration's executive orders blocking funding to women's sexual and reproductive health programming has had devastating impacts on women and girls globally. We continue to call on the Australian Government to allocate \$100m to the Gender Equality Fund per annum.

Disability Equity and Rights



- This financial year, Australia's central disability funding (via the Disability Inclusive Development Fund) has increased to \$15m, up from \$14m in 2024-25.
- The increase includes funding for an initiative that provides access to assistive technology in the Indo-Pacific, some of which will be delivered in partnership with ATScale which was announced in the International Disability Equity and Rights Strategy last year.
- In 2023-24 \$1.55b worth of Australia's ODA provided some level of assistance to people with disabilities. This figure includes programs that target disability inclusion as a 'principal' and 'significant' objective as per the OECD DAC disability policy marker.
- In 2023-24, around 2.3% of Australia's total ODA went towards programs with disability inclusion as a principal objective and around 29% went to programs with disability inclusion as a significant objective.

Disability Equity and Rights

- In 2023-24, \$1.6b worth of Australia’s ODA provided some level of assistance to people with disabilities.

ODA FUNDING	POLICY MARKER (OECD DAC)	DEFINITION
\$1.4b	Significant	Programs in this objective mean that disability inclusion is an important and deliberate objective, but not the principal reason for undertaking the program.
\$109.2m	Principal	Programs in this category means that disability inclusion is the main objective of the program and is fundamental to its design and expected results. The project or program would not have been undertaken without this objective.

- ACFID and the sector looks forward to working with DFAT on the implementation of the International Disability Equity and Rights Strategy. We hope to see further investment in long-term partnerships that support core funding to strengthen and diversify the international disability rights movement.

* Note: Disability inclusion data has been adjusted to align with DFATs approach to reporting on gender equality and is not comparable with figures prior to 2023-24. Figures exclude core payments to multilateral organisations, departmental costs of running development programs and Australian ODA delivered by other agencies. Source: DFAT Statistical Summary 2023-24.

LGBTQIA+ Equality and Rights

➤ LGBTQIA+ RIGHTS

- ACFID welcomes the maintenance of the Inclusion and Equality Fund at \$3.5m per year. This follows Minister Wong's announcement at the Sydney World Pride Human Rights Conference in March 2023, and allocations of \$2m in 2022-23, \$3.5m in 2023-24, and \$3.5m in 2024-25.
- \$2m was initially delivered through the US Government administered Global Equality Fund in 2022-23, and \$3.5m in 2023-24 and 2024-25 was delivered through a range of regional partners. However, the design of the Inclusion and Equality Fund has recently been completed, so 2025-26 will be the first year the \$3.5m funding is delivered through this regional fund.
 - ACFID welcomes the Government's plan to continue this important investment until at least 2030-31.
- It is now more important than ever that Australia demonstrates leadership on human rights, as coordinated and well-funded anti-rights movements have caused legal and social regressions on LGBTQIA+ rights in many countries (including in the Asia Pacific). Furthermore, the United States - previously the largest donor to LGBTQIA+ programming worldwide - has cut its development funding along ideological lines.
- ACFID continues to advocate for the Inclusion and Equality Fund to be increased to \$15m per annum to adequately support diverse local LGBTQIA+ civil society organisations in all key Australian development partner countries.

↑↓ INCREASES & DECREASES

- The 2025-2026 budget sees more funding allocated to the Pacific and Southeast Asia given rapid changes in the donor environment, including the U.S. and U.K aid cuts.
- This includes a shift from contributions to global programs and towards regional and bilateral programs. For example, the Australian Government is making no core contributions to the United Nations Development Programme (UNDP) in 2025-26, down from a \$13m core contribution last year.
- Another example of this regional focus is the Government's \$81 million regional health resilience package over three years, which builds upon the Partnerships for a Healthy Region Initiative. The package will assist Pacific and Southeast Asian nations to prevent and respond to HIV, tuberculosis, maternal and child health, family planning, and sexual and reproductive health.
- In terms of sectoral shifts, this budget increases investment across four sectors and sees decreases for Multisector and General Development Support, which has decreased by \$42.1m, Health, which has decreased by \$9.3m and Education, which has decreased by \$23.3m.
- ODA contributions towards multilaterals saw a slight decline, suggesting a reprofiling of funds towards other delivery partners.
- ODA contributions to Multilateral Development Banks saw some increases, with a sizeable increase of allocations to the World Bank's International Development Association (IDA).

Geographic shifts

⬆️ THE PACIFIC

5.2% increase from \$2049.6m in 2024-25 to \$2156.7m in 2025-26.

- Papua New Guinea sees an increase from \$637.4m in 2024-25 to \$707m in 2025-26.
- Tonga sees an increase from \$44.9m in 2024-25 to \$69.7m in 2025-26.
- Tuvalu sees a significant decrease from \$86.7m in 2024-25 to \$47m in 2025-26.
- Pacific Regional funding sees an increase from \$738.3m in 2024-25 to \$790.4m in 2025-26.

⬆️ SOUTHEAST ASIA

1.9% increase from \$1255.6m in 2024-25 to \$1280m in 2025-26.

- Cambodia sees an increase from \$83.7m in 2024-25 to \$87.8m in 2025-26.
- Timor-Leste sees an increase from \$123.3m in 2024-25 to \$135.9m in 2025-26.

⬆️ SOUTH & CENTRAL ASIA

4.3% increase from \$342.1m in 2024-25 to \$356.8m in 2025-26.

- Bangladesh sees an increase from \$106.9m in 2024-25 to \$110.3m in 2025-26.
- Sri Lanka sees an increase from \$23.9m in 2024-25 to \$26.8m in 2025-26.

⬇️ MIDDLE EAST & AFRICA

7.9% decrease from \$166.4m in 2024-25 to \$153.3m in 2025-26.

- Sub-Saharan Africa sees a decrease from \$101.5m in 2024-25 to \$92.5m in 2025-26.

INCREASES & DECREASES

Funding for health



This budget shows a clear reshuffling of funding away from global health programs and towards initiatives designed to strengthen regional health outcomes in the Pacific and Southeast Asia. Despite this, total spending for health is down overall.

	2023-24	2024-25	2025-26
Contributions to Global Health Programs	\$230.2m	\$194.2m	\$156m
Regional Health Security	\$118.5m	\$118.4m	\$156m
Total Health Sector Flows	\$840.8m	\$655.9m	\$646.6m

INCREASES & DECREASES

Sectoral shifts



  **HEALTH**

Decrease of 1.4% from \$655.9m in 2024-25 to \$646.6m in 2025-26.

  **GOVERNANCE**

Increase of 8.2% from \$1.11 billion in 2024-25 to \$1.2 billion in 2025-26.

  **EDUCATION**

Decrease of 3.9% from \$595.7m in 2024-25 to \$572.4m in 2025-26.

  **MULTI-SECTOR & GENERAL SUPPORT**

Decrease of 5.6% from \$746.6m in 2024-25 to \$704.5m in 2025-26.

  **AGRICULTURE, TRADE & PRODUCTION**

Increase of 8.96% from \$394.7m in 2024-25 to \$433.5m in 2025-26.

  **ECONOMICS, INFRASTRUCTURE & SERVICES**

Increase of 6% from \$774.7m in 2024-25 to \$821.1m in 2025-26.

  **HUMANITARIAN**

Increase of 4.9% from \$675.9m in 2024-25 to \$709m in 2025-26.

Things to watch in the coming year

HOW AUSTRALIA APPROACHES MULTILATERAL FUNDING AND REGIONAL DEVELOPMENT COOPERATION

With recent cuts to the US ODA budget, alongside cuts to European donor budgets, funding for multilateral organisations is likely to reduce in 2025-26. Agencies like UNAIDS, UNHCR, IOM and WFP who received more than 30% of their 2023 funding from the US are likely to be disproportionately impacted. The Australian Government may choose to target its multilateral agency support to further foreign policy objectives and seek to engage more with like-minded regional partners – such as Japan and South Korea.

STRENGTHENING REGIONALISM

Australia continues to pursue closer ties with our Pacific neighbours. In 2024, Australia signed a bilateral security treaty with Nauru; announced policing support for the Solomon Islands; announced negotiations on a bilateral defence treaty with PNG; and continued to pursue a bilateral security treaty with Vanuatu.

FURTHER POLICIES & STRATEGIES

The Australian Government is yet to release an LGBTQIA+ Human Rights Strategy and several Development Partnership Plans, which were foreshadowed in Australia's 2023 International Development Policy.

THINGS TO WATCH

Things to watch in the coming year

HUMANITARIAN EXEMPTION TO AUSTRALIA'S SANCTIONS AND COUNTER TERRORISM FRAMEWORKS

In March 2025, the Joint Standing Committee on Foreign Affairs, Defence and Trade released a report on Australia's thematic sanctions framework and recommended that humanitarian assistance be granted an exemption from the Sanctions Act. The Government response to this inquiry is pending.

AUSTRALIA'S INTERNATIONAL CLIMATE CHANGE ENGAGEMENT

Türkiye and Australia (alongside the Pacific) both continue to pursue a bid to host COP31 in 2026. The host is expected to be announced this year.

FURTHER READING & EVENTS

BUDGET DOCUMENTS

ODA BUDGET SUMMARY
2025-26 Available [here](#)

FOREIGN AFFAIRS & TRADE PORTFOLIO BUDGET
STATEMENTS 2025-26
Available [here](#)

ACFID 2025-26 PRE-BUDGET SUBMISSION
Available [here](#)

ACFID BUDGET BRIEFING

Members Only

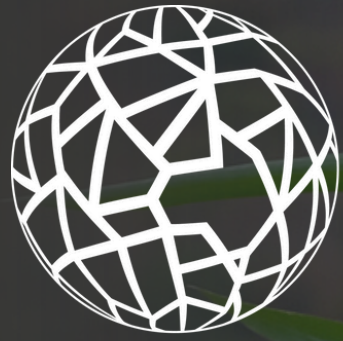
10.00am-12.00pm, 27 March

AID TRACKERS

AUSTRALIAN AID TRACKER
Available [here](#)

LOWY INSTITUTE PACIFIC AID MAP
Available [here](#)

LOWY INSTITUTE SOUTHEAST ASIA AID MAP
Available [here](#)



AUSTRALIAN
COUNCIL
FOR
INTERNATIONAL
DEVELOPMENT

 [acfid.asn.au](https://www.acfid.asn.au)

 advocacy@acfid.asn.au

 [/ACFID](https://www.linkedin.com/company/acfid)

 [/ACFID](https://www.facebook.com/acfid)

 [@acfid.au](https://www.instagram.com/acfid)

 [@acfid](https://twitter.com/acfid)


 [14 Napier Close,
Deakin](#)



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