



Photo Credit: Thomas Broadhurst, WWF Australia.

2026-27 FEDERAL BUDGET ANALYSIS

Facts & Figures



AUSTRALIAN
COUNCIL
FOR
INTERNATIONAL
DEVELOPMENT

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Photo Credit: Stewart Muchapera. Tearfund UK.

OVERALL DIRECTION: ACFID'S VIEW

“ ACFID welcomes the Government's commitment to protect the aid program in the face of global cuts, including through increased investment in the Indo-Pacific and continued support for Australian NGOs working around the world.

Recent years have shown how quickly global crises, from conflict to pandemics, can cross borders. Investing in peace, prosperity and health is not just the right thing to do, it is the best investment to ensure a safer world for our region and for us all.

However, at a time of escalating global conflict, worsening climate impacts and growing food insecurity driven by the fuel crisis, Australia's investment in aid makes up just 0.63 per cent of the Budget.



Matthew Maury
Chief Executive Officer

Federal Budget holds for aid, but stronger investment needed in an increasingly unstable world

At a time when the world is facing rising global conflict, the impacts of climate change, and impending food insecurity from the fuel crisis, Australia has hit an all-time low in generosity, with aid making up just 0.63 per cent of the Budget overall.

The 2026-2027 Budget increases aid funding nominally to \$5.209 billion, which is a decline in real terms and as a share of the Federal Budget.



Read the full media release [here](#)



Global outlook: 2026-27

More people in need of assistance

- The world is experiencing a surge in war and instability; conflicts are lasting longer and diplomatic solutions less common, with **1 and 7 people around the world now living in an area threatened by armed conflict.**
- Humanitarian operations have become further complicated by the US-Iran conflict with lifesaving supplies bound for Gaza, Afghanistan and Sudan trapped midway through delivery, unable to reach populations in need.

**239
MILLION**

the number of people that will need life-saving humanitarian assistance in 2026

Global food security under threat

- Disruptions to global shipping through the Strait of Hormuz has halted critical shipments of food, fuel, fertilizer, and humanitarian supplies.
- Nearly 320 million people globally are already food insecure.
- As consequences of the US-Iran conflict continue to unfold, the World Food Programme estimates **45 million people could be pushed into acute hunger by mid-2026.**

**320
MILLION**

the number of people globally that are food insecure

A global aid system under strain

- Global development and humanitarian assistance face an unprecedented decline with successive cuts from donors globally.
- In 2025, **Official Development Assistance declined by 23%** from 2024 figures.
- Life-saving humanitarian assistance declined by **\$15.5 billion USD.**

**\$15.5
BILLION USD**

the amount of humanitarian funding cut in 2025

OVERALL DEVELOPMENT EXPENDITURE

ODA Total

FY 2025-2026

\$5.097 bn



FY 2026-2027

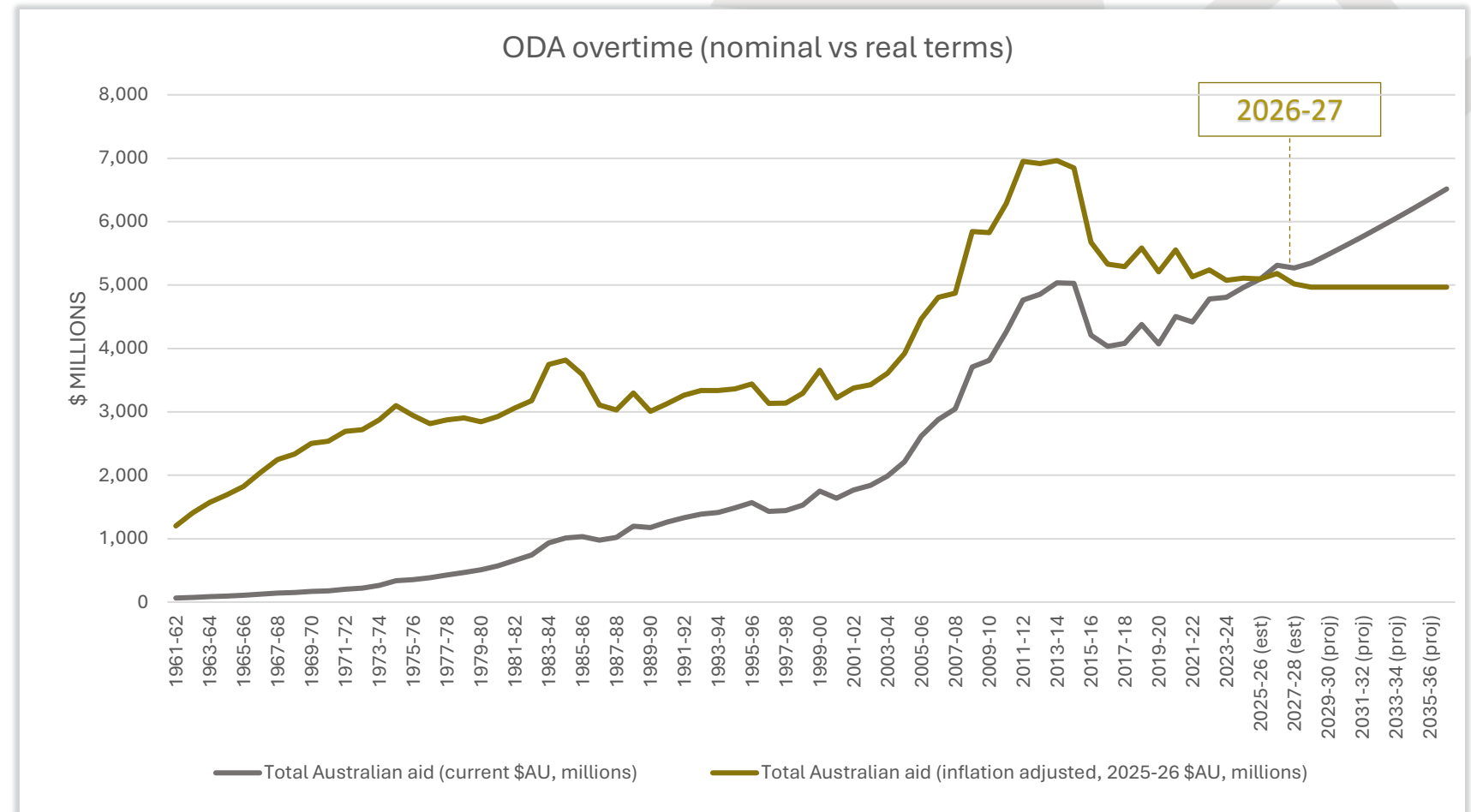
\$5.209 bn

BREAKDOWN OF TOTAL ODA FOR 2026-27

- The total ODA budget estimate in 2026-27 is an increase of \$112m in nominal terms on the previous year.
- The Government has followed through on its commitment to increase development spending by 2.5% year-on-year indexation. This annual increase is applied to an 'ODA base', not the total ODA budget annually.
- **When adjusted for inflation, the ODA budget has decreased slightly in real terms and is set to flatline over the forward estimates.**

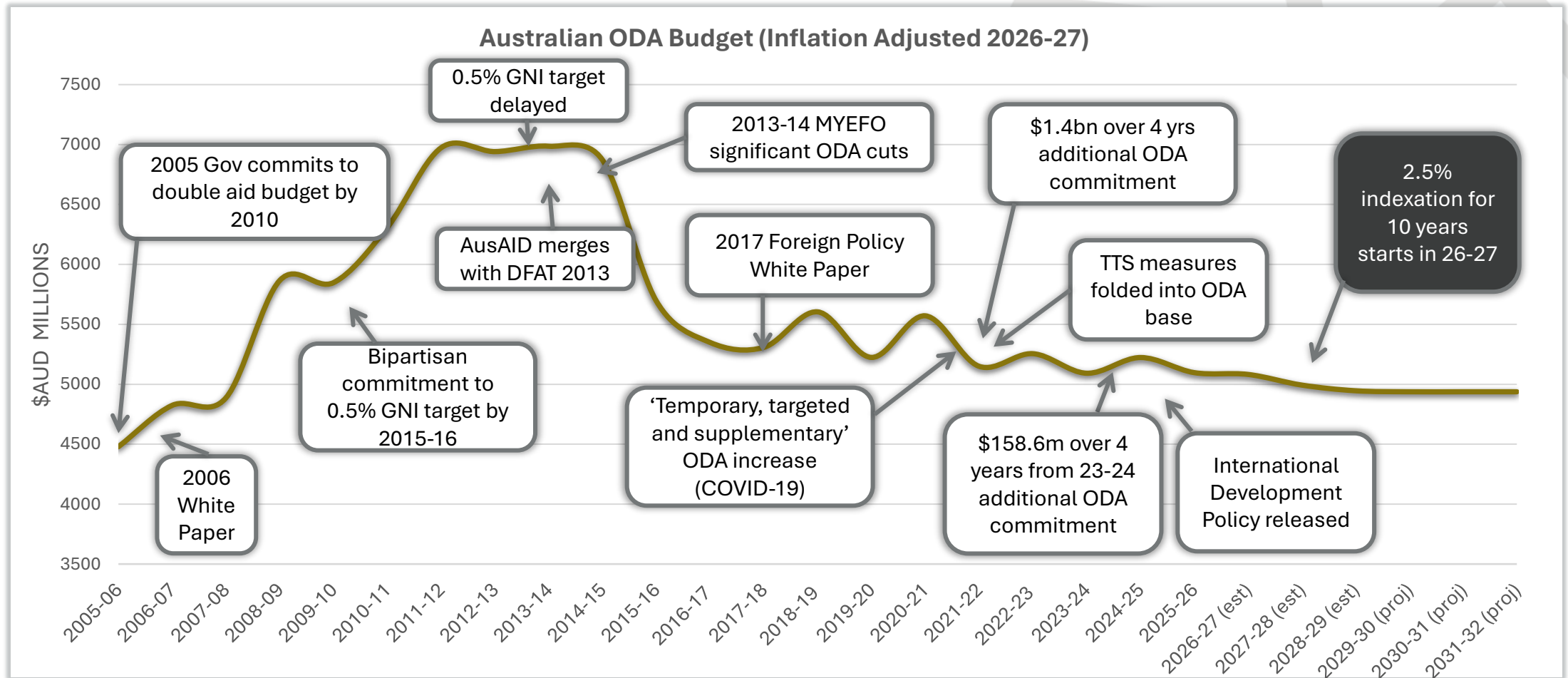
ODA nominal vs real terms

- The \$112m increase puts this year's ODA budget at the highest ever level in nominal terms.
- However, in **real terms**, and when accounting for inflation, the ODA budget has declined over the past decade and is projected to continue doing so over the forward estimates.



Source: Australian Aid Tracker, Development Policy Centre.

ODA in Context

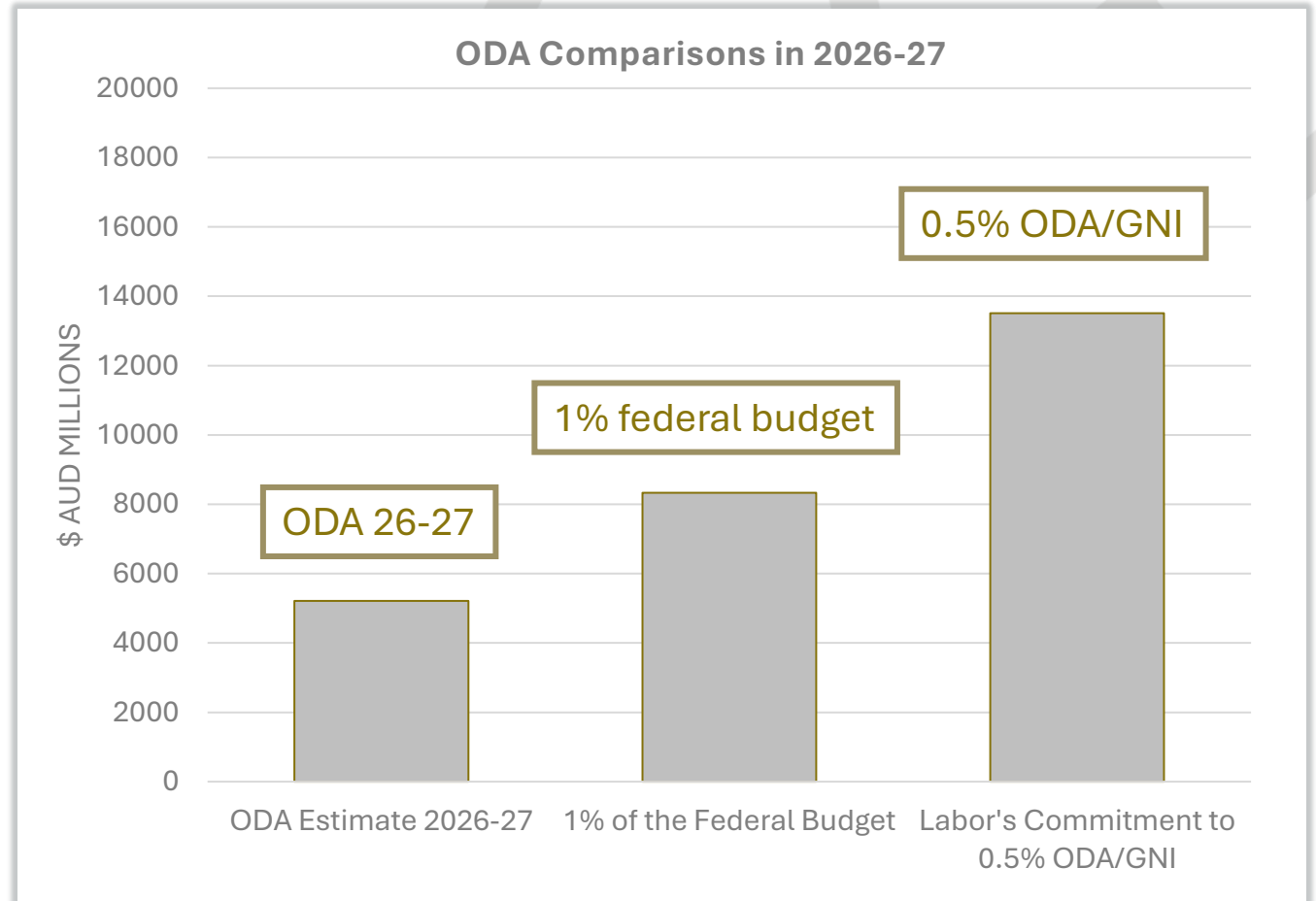


Source: Australian Aid Tracker, Development Policy Centre.

OVERALL DEVELOPMENT EXPENDITURE

ODA in Context

- In the 2023-24 Budget the Government announced a commitment to the long-term stabilisation of the ODA budget, including via a long-term 2.5% per annum indexation of the ODA budget from 2026-27.
- While the implementation of this commitment is welcome, in 2026-27, Australia's ODA budget estimate constitutes just 0.63% of the total federal budget and 0.17% of ODA/GNI.
- This is a long way from Labor's commitment to 0.5% ODA/GNI.

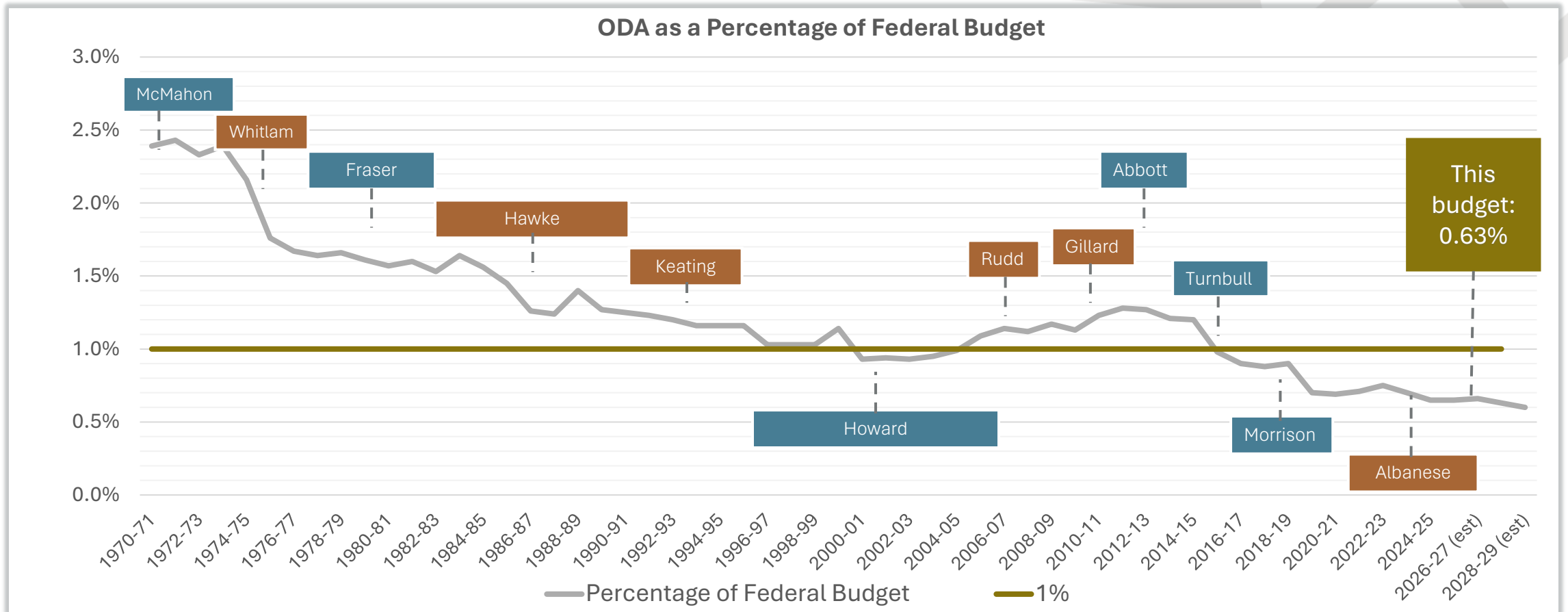


Source: DFAT Development Summary, ABS and Budget Paper 1 2026.

OVERALL DEVELOPMENT EXPENDITURE

ODA in context

This financial year, ODA is estimated to decrease to 0.63% 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 0.58% in 2029-30.

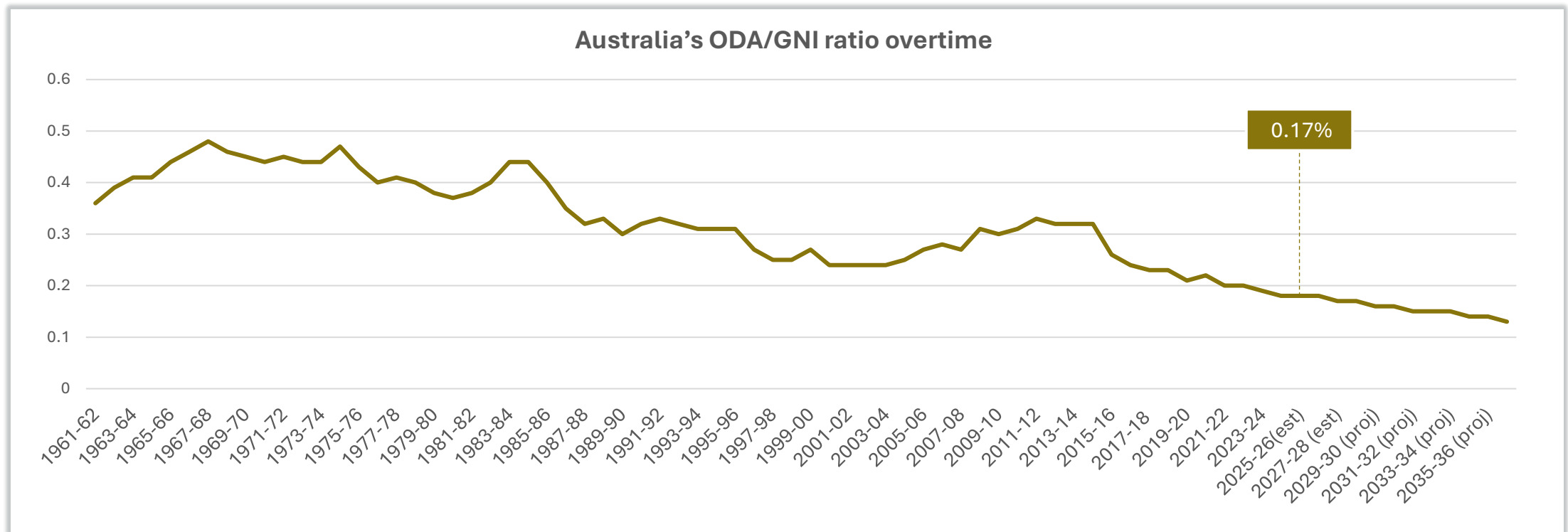


Source: Development Policy Centre, Australian Aid Tracker.

OVERALL DEVELOPMENT EXPENDITURE

ODA / GNI Ratio

- Australia's public spending on ODA as a proportion of our Gross National Income (GNI) in 2026-27 will drop to 0.17%, increase slightly to 0.18% in 2027-28, before continuing to decline over the forward estimates. ODA/GNI is projected to fall to 0.14% by 2035-36.
- Australia was the 14th most generous DAC member in 2015, contributing 0.29% of GNI as ODA. In 2025, Australia ranked 24th of 33 DAC donors.



Source: Australian Aid Tracker, Development Policy Centre.

HEADLINE ANNOUNCEMENTS



The 2026-27 ODA budget is one of consistency, not transformation or ambition. There are no new ODA measures for the development program in the coming financial year. Minor growth in the Budget forwards is due to the Government delivering on its commitment to increase the aid budget by 2.5 per cent from 2026-27. However, this growth is less than projected inflation, resulting in a stagnating aid budget.

The \$112m increase is being spent on a variety of existing measures. There are increases for civil society with the Australian NGO Cooperation Program seeing a \$7 million increase and the Australian Volunteers Program up by \$4 million. The Gender Equality Fund also receives an increase of \$5 million and the Disability Inclusive Development Fund will receive an additional \$1 million. The Australian Infrastructure Financing Facility for the Pacific (AIFFP) is also likely receiving a large portion of this funding, in line with the Government's \$550 million announcement back in February, to be spread over the next 10 years.

Roslyn Dundas
Policy & Advocacy Director

Headline announcements

IMPLEMENTATION OF 2.5% YEAR-ON-YEAR GROWTH

→ The Government has followed through on its commitment to increase development spending by 2.5% year-on-year indexation. However, this annual increase is applied to an 'ODA base', not the total ODA budget annually.

SUPPORT FOR CIVIL SOCIETY

→ The Australian NGO Cooperation Program has been increased to \$150m in 2026-27, up from \$143m. This is the largest incremental increase of the fund since 2015 and recognises the important role of Australian NGOs in advancing Australia's international development agenda, and in fostering people-to-people connections across the Indo-Pacific and beyond.

→ The Australian Volunteers Program will see an increase of \$4m in 2026-27, to \$31m.

GENDER EQUALITY, DISABILITY & SOCIAL INCLUSION

→ The increase of \$5m to the Gender Equality Fund with the focus to elevate the Women, Peace & Security (WPS) agenda, will provide funding for Sexual & Reproductive Health rights, investments in online safety, combatting gender-based violence, and advancing women's economic empowerment.

→ A \$1m increase to the Disability Inclusive Development Fund was also announced, bringing the total annual amount for this fund to \$16m.

Headline announcements

PRE-COP ALLOCATIONS

→ \$4.6 million in 2026-27 for DFAT and \$80.6m for DECCEW to support Australia's role in COP31 and delivery of Pre-COP events. Both funding allocations are reprioritisations of existing funds.

CUTS AND RESHUFFLING TO MULTILATERAL AND GLOBAL SPENDING

→ Reprioritisation away from some multilateral and global organisations sees a reduction in spending of \$111 million over 4 years on global programs across UN and other institutions including:

- Reduction of \$3m in core funding to the United Nations Development Program (\$10m down from \$13m in 2024-25, following a 12-month freeze on funding during 2025-26).
- Reduction in \$44m (\$11m per year) for Australia's pledge to the Global Partnership for Education for the upcoming(2026-30) replenishment round.
- Cessation of funding to UNAIDs after 2026-27 funding already pledged for the upcoming year).
- Cessation of funding to the Pandemic Fund after 2026-27 (funding already pledged for the upcoming year).

BUDGET SUPPORT FOR FIJI

The previously announced \$30m budget support for Fiji to combat the fuel crisis is likely to have development and social protection components. However, the split between ODA and non-ODA assistance is currently unknown.

Humanitarian

Australia's 2026–27 humanitarian budget reflects continuity and maintenance rather than a meaningful shift in response to a rapidly deteriorating global context.

The global humanitarian context is marked by immense need, rising geopolitical tensions, and deepening protracted crises. Needs are outpacing resources, with record displacement, food insecurity, and protection risks, while major donors reduce funding, leaving the international humanitarian system overstretched and increasingly unable to respond at scale.

Against this backdrop, the Budget's flat or marginally increasing allocations effectively represent a decline in Australia's relative contribution and influence, and is a missed opportunity for leadership in a fragile humanitarian system. Although Australia maintains multilateral partnerships and signals ongoing commitment, the overall trajectory suggests a cautious approach. This risks misalignment between Australia's humanitarian policy ambitions and the scale, complexity, and urgency of global need.

Humanitarian Budget in 2026-2027

- The Humanitarian Emergency Fund remains static at \$150m for 2026-27. This fund has not seen a permanent increase since 2018, despite elevated global humanitarian need.
 - Note: there was an increase of \$50m temporarily during COVID-19 response.
- 2026-27 will see the humanitarian budget estimates (global programs) receive a nominal increase of \$7.5m from \$505.3m to \$512.8m. This includes an additional \$5.5m for protracted crises and strengthening humanitarian action to support conflict prevention and peacebuilding through the UN Peacebuilding Fund. This reflects an existing commitment.
- \$15m package to support concrete activities for the implementation of the Declaration on the Protection of Humanitarian Personnel over next two financial years.
- There is a moderate increase to Disaster Risk Reduction, Preparedness and Response of \$2m to \$66m in 2026-27.
- It is estimated Australia will spend \$741.7m total sector flow on humanitarian efforts in 2026-27. This is an increase from \$709m in 2025-26 of \$32.7m in nominal terms.
- Afghanistan's 2026-27 estimate remains at \$50m, the same as previous years commitments
- Of note, Australia's core contribution to all multilateral humanitarian agencies has been retained, including a \$20m contribution to UNRWA.

HUMANITARIAN ASSISTANCE

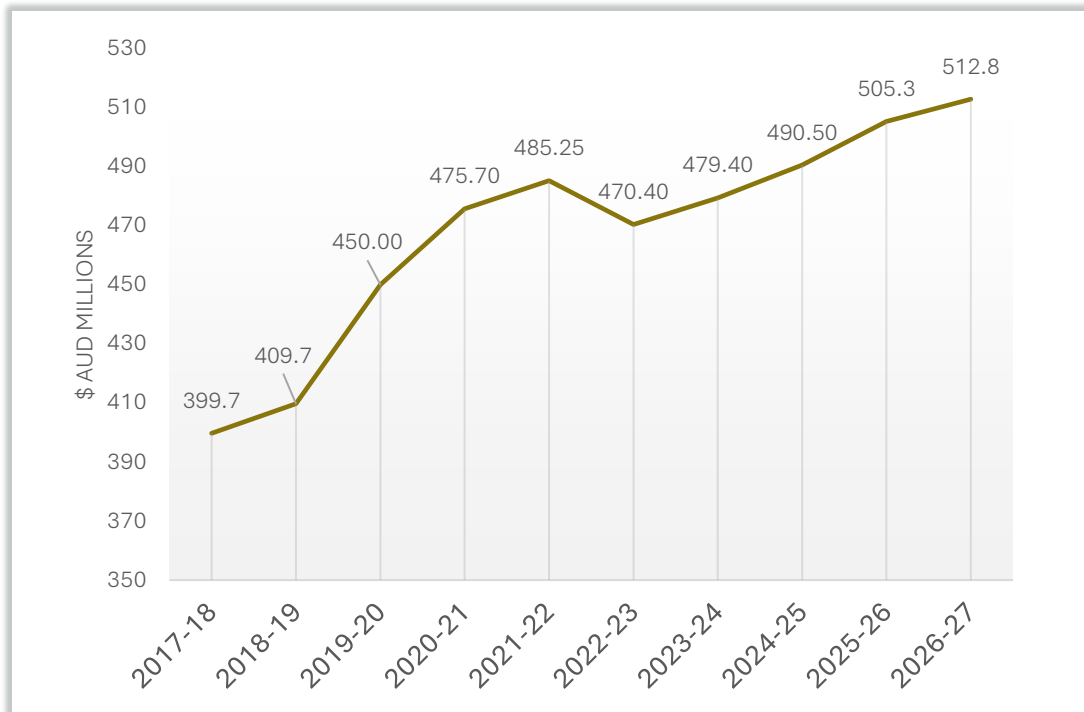
Year-on-Year Funding

THEMATIC AREAS	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	FY 26-27 Budget Estimate
Disaster risk reduction, preparedness and response	\$52m	\$52m	\$52m	\$60.8m	\$60.8m	\$64m	\$66m
Protracted crises and strengthening humanitarian action	\$114.3m	\$144.9m	\$144.9m	\$145.2m	\$156.2m	\$167.7m	\$173.20
Humanitarian Emergency Fund	\$200m	\$150m	\$150m	\$150m	\$150m	\$150m	\$150m
Global Humanitarian Partnerships	\$119m	\$123.5m	\$123.5m	\$123.5m	\$123.5m	\$123.5m	\$123.5
- ICRC	\$25m	\$27.5m	\$27.5m	\$27.5m	\$27.5m	\$27.5m	\$27.5m
- CERF	\$11m	\$11m	\$11m	\$11m	\$11m	\$11m	\$11m
- UNHCR	\$25m	\$25m	\$25m	\$25m	\$25m	\$25m	\$25m
- UNOCHA	\$10m	\$10m	\$10m	\$10m	\$10m	\$10m	\$10m
- UNRWA	\$10m	\$10m	\$10m	\$20m	\$20m	\$20m	\$20m
- WFP	\$38m	\$40m	\$40m	\$40m	\$40m	\$40m	\$40m
HUMANITARIAN, EMERGENCIES AND REFUGEES	\$485.3m	\$470.4m	\$470.4m	\$479.4	\$490.5m	\$505.3m	\$512.8

HUMANITARIAN ASSISTANCE

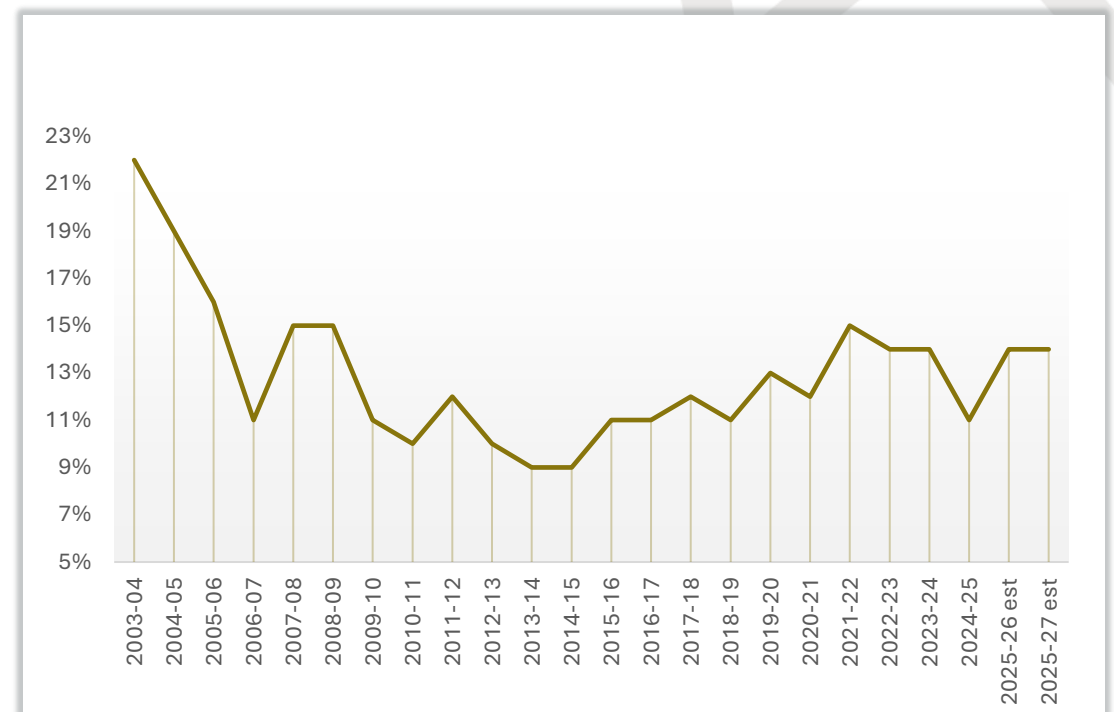
Humanitarian Budget - Trends

Humanitarian Budget Estimates (Global Programs)



Source: Table 1 global programs of the ODA budget summary.

Humanitarian Funding as a Percentage of Total ODA



Source: Australian Aid Tracker and DFAT Statistical Summaries.

NGO PROGRAMS & CIVIL SOCIETY FUNDING

The 2026-27 Budget sees a welcome increase for civil society funding, including a \$7m boost to the Australian NGO Cooperation program (ANCP), increasing the total allocation to \$150m in 2026-27. It remains unclear at this stage how these funds will be distributed. The Australian Volunteers Program will also increase by \$4m.

Civil Society Partnerships Fund

In August 2024 the then Minister for International Development, the Hon Pat Conroy MP announced \$35m over 4 years (from 2025-26) for the Civil Society Partnerships Fund. The initial \$4m allocated to the Fund in the 2025-26 budget is unlikely to be spent in this financial year and if this is the case, will be carried over to future years.

Total funding

In total, funding to NGOs, volunteers and community programs in the coming financial year will increase by \$14m to \$190.4m, up from \$176.4m in 2026-27. This includes the \$7m increase to ANCP along with an additional \$4m to the Australian Volunteers Program.

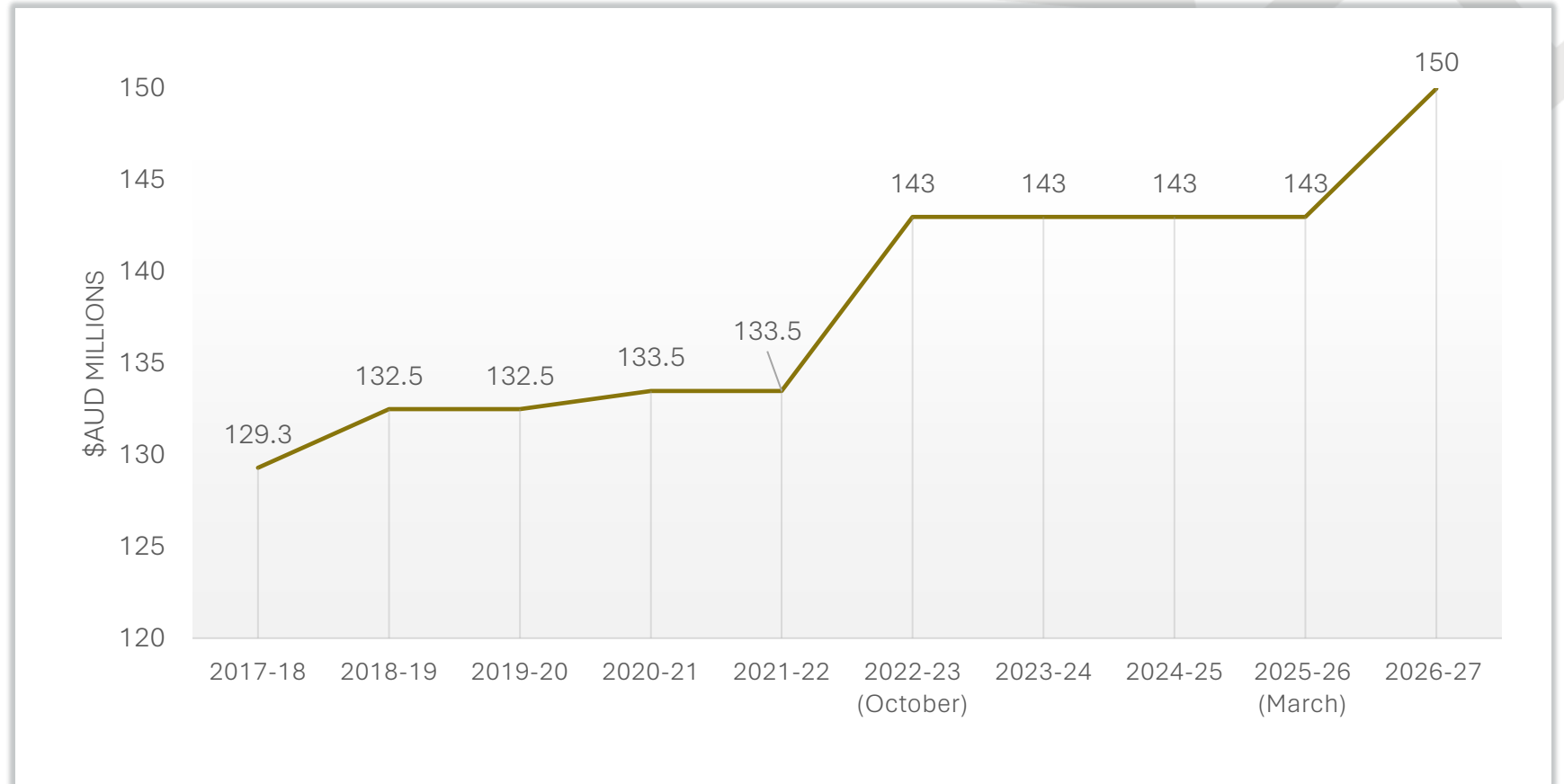
ANCP Funding

ANCP Funding (estimates)

ANCP FUNDING

This budget sees funding for the Australian NGO Cooperation Program (ANCP) increased by \$7m to \$150m for 2026-27.

This is the first funding increase to the ANCP since the boost to the program in the October 2022-23 budget.



Source: DFAT ANCP <https://www.dfat.gov.au/development/who-we-work-with/ngos/ancp/australian-ngo-cooperation-program>. DFAT Budget Summaries.

NGOs, Volunteer & Community Programs

Program / Fund	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. FY26-27 Budget Estimate	H. %YOY (Comparison of F and G)
Global NGO Programs	\$139.1m	\$139.1m	\$145.4m	\$145.4m	\$145.4m	\$149.4m	\$159.4m	6.7%
<i>Australian NGO Cooperation Program</i>	\$133.5m	N/A	\$143m	\$143m	\$143m	\$143m	\$150m	4.9%
<i>Civil Society Partnerships Fund</i>	N/A	N/A	N/A	N/A	N/A	\$4m → \$4m	\$4m	N/A
Australian Volunteer Programs	\$26m	\$21m	\$21m*	\$23m	\$25m	\$27m	\$31m	14.8%
Community Engagement & International Research*	\$10.8m	\$10.8m	N/A	N/A	N/A	N/A	N/A	N/A
NGO VOLUNTEER & COMMUNITY PROGRAMS TOTAL	\$175.8m	\$172.8m	\$166.4m	\$168.4m	\$170.4m	\$176.4m	\$190.4m	7.9%

*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. Source: DFAT Budget Summaries.

CLIMATE CHANGE

ACFID welcomes the Government's commitment to climate change and the environment as part of the aid budget, with a total of \$173.7 million allocated.

Australia's COP31 Presidency of Negotiations requires extensive engagement with the Pacific. This will be supported by a \$147.8 million allocation over three years from 2025-26, distributed between DFAT and DCCEEW.

The Government has also announced an additional \$550 million to the Australian Infrastructure Financing Facility for the Pacific (AIFFP), further strengthening the existing Renew Pacific and the Pacific Climate Infrastructure Financing Partnership programs.

While we commend the Government's commitment to climate-resilient infrastructure development in the Pacific, there is a need for greater transparency in the breakdown of funding allocations and delivery, and for evaluations of the effectiveness of AIFFP investments.

Climate Investments

- Budgeted climate change and environmental funding increased to \$173.7m in 2026-27, from \$143.3m in 2025-26.
 - This item in the DFAT ODA Budget Summary only counts global and thematic climate change and environment funding.
 - It does not include all ODA that meets climate or environmental objectives (these are integrated across the breadth of Australia's development assistance). Hence, the \$144.4m figure is significantly lower than ODA climate finance reported in DFAT's ODA statistical summary (\$918m in 2024-25).

- The 2026-27 Budget commits \$550m over ten years to support high-quality, climate-resilient infrastructure in the Pacific and Timor-Leste through the Australian Infrastructure Financing Facility for the Pacific (AIFFP).
 - No allocation details were provided in the Budget papers for 2026-27 to 2029-30, presumably since DFAT will 'partially meet the cost of this measure from within existing resources'.

- Further, the 2026-27 Budget announced \$147.8 million has been committed over three years from 2025-26 to support Australia's relationships in the Pacific and trade partners internationally to enhance security, resilience and economic opportunities through Australia's role in COP31 and delivery of Pre-COP and a Leaders' Event in the Pacific.
 - DFAT received \$12.5 million in 2025-26, and has received a further \$4.6 million in 2026-27, with no further allocations declared
 - DCCEEW received \$35.2 million in 2025-26, and has received a further \$80.6 million in 2026-27, with \$0.2 million allocated for the post-Presidency year (2027-28).
 - The cost of this measure will be fully met from a reprioritisation of funding from the Strategic International Partnerships Investment Stream program and from within the existing resources of the DFAT portfolio.

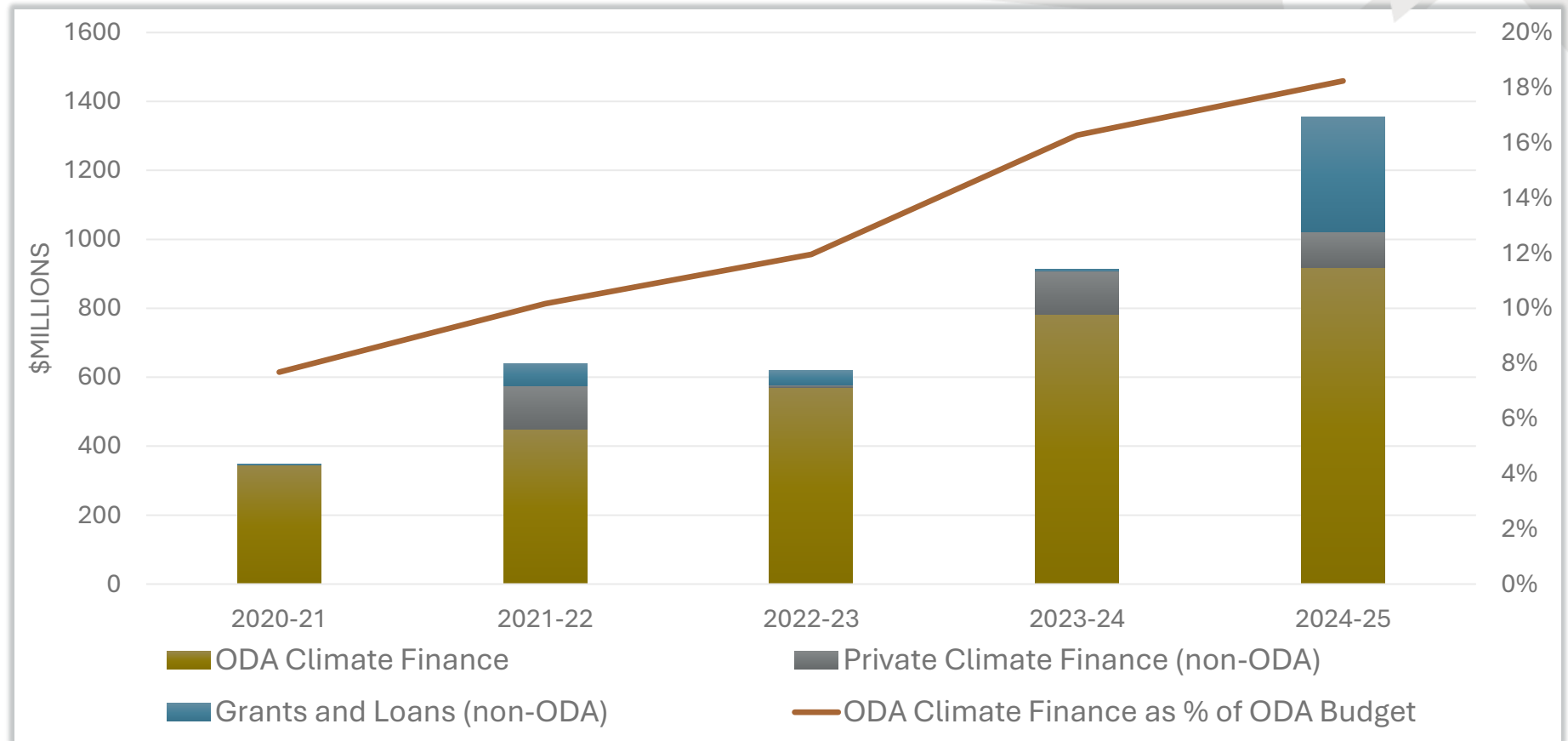
Climate Investment Trends

- 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 for increased transparency on international climate spending in Budget documents, by providing a breakdown of global and regional programs and estimates for climate funding in bilateral programs.
- According to DFAT's Performance of Australian Development Cooperation report, Australia delivered \$3.87bn in climate finance from 2020-25. As such, the initial five-year climate finance target of \$3bn was met.
 - However, there is a need to move Australia closer in the direction of meeting its climate finance fair share of \$14 billion per annum by 2035.
 - In line with the recommendations of the 2025 OECD DAC Peer Review of Australia's international development program, this should be new and additional finance to existing ODA.
- From 2024-25, at least half of all new bilateral and regional investments valued at over \$3 million will have a climate change objective, with this goal rising to 80% in 2028-29.
 - During 2024-25, 48 per cent of such investments had a climate change objective, just short of the 50 per cent target announced by Australia's 2023 International Development Policy.
 - However, funds counted towards Australia's climate finance contributions must genuinely achieve mitigation and/or adaptation objectives, which need to be monitored, measured and reported on transparently. The exact percentage of the climate adaptation and/or mitigation component of projects should be disclosed.

Australia's Climate Finance

Australia is due to announce a new climate finance target for 2026-2031 in the lead up to the Pacific Pre-COP. **This announcement was not included in the 2026-27 Budget**, and we await details of this target.

Australia's Climate Finance



Source: DFAT Climate Finance <https://www.dfat.gov.au/international-relations/themes/climate-change/supporting-indo-pacific-tackle-climate-change/delivering-our-climate-commitments>

Building Blocks of Development Health & Education

Health investments continue to focus on health security and system strengthening in the Pacific, including vaccination programs, disease prevention and targeted investments to address the HIV crisis. However, with overall aid growth constrained, health funding is stagnating in nominal terms, declining in real terms, and declining as a share of ODA (down to 12% from 18% in 2023-24).

Education funding similarly prioritises human capital development, including basic education, skills, and scholarships such as Australia Awards. Yet at 11% of ODA, education investment has not kept pace with need, particularly given disruptions to learning outcomes due to widespread funding cuts from global donors.

BUILDING BLOCKS OF DEVELOPMENT

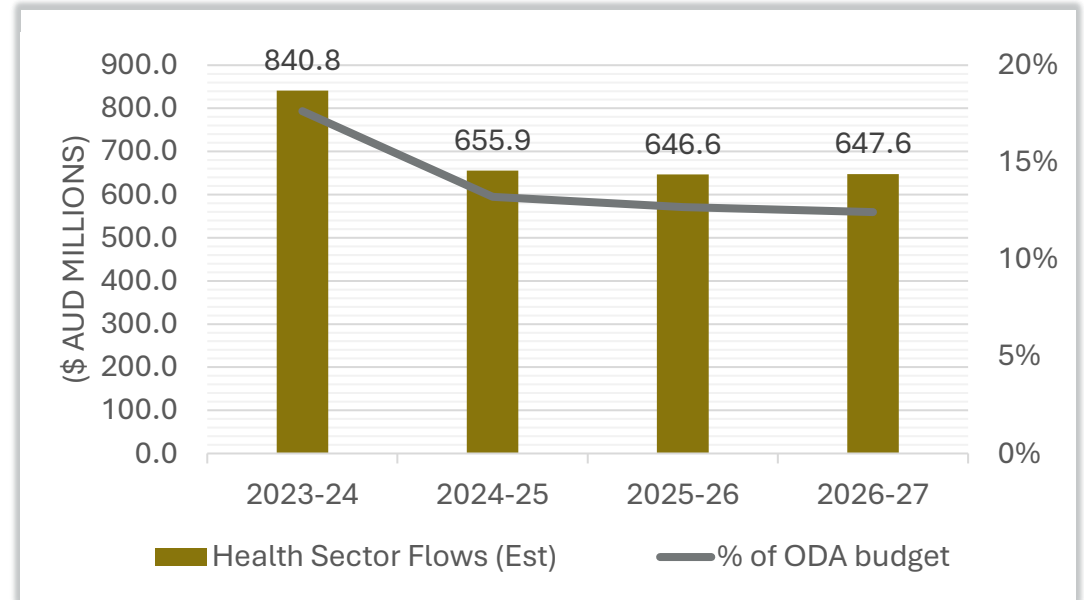
Health

- Total funding (estimated) towards health in 2026-27 is \$647.6m. This is a 0.15% nominal increase and in real terms, and a 4.85% decrease.
- Global Health Funding Cuts: The United Nations Programme on HIV and AIDS (UNAIDS) funding has been cut for future years; this commitment of \$5m annually will cease in 2027-28. Since 2022, Australia has committed \$50m to the Pandemic Fund. From the end of 2026-27 this funding will cease.

Breakdown of Health Spending (Est)

Budget Breakdown	2022-23	2023-24	2024-25	2025-26	2026-27
Contributions to Global Health Programs	\$217.2	\$230.2 m	\$194.2m	\$156m	\$181.5
Regional Health Security	\$216.2	\$118.5 m	\$118.4m	\$156m	\$130

Sector Flows, Health (Est)



Source: DFAT Budget Summaries.

BUILDING BLOCKS OF DEVELOPMENT

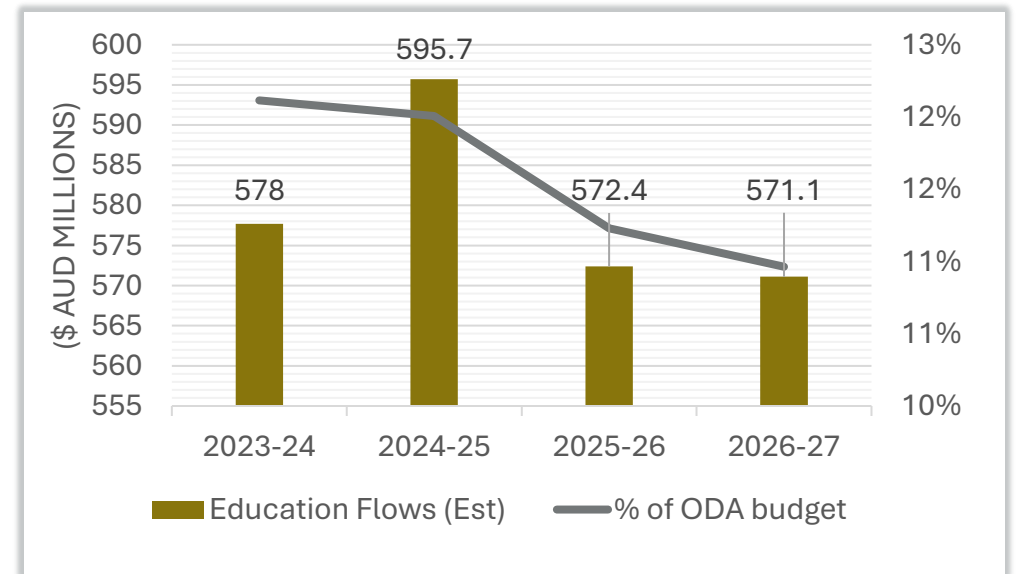
Education

- Total funding (estimated) towards Education & Scholarships in 2026-27 is \$98.2m, an increase from \$90.2m in 2025-26.
- The amount towards Australia Awards scholarships has been maintained at \$68.1m, while the funding for Education Partnerships has increased from \$22.1m to \$30.1m.
- When looking at Global Programs, a reduction of \$44m (\$11m per year) for Australia’s pledge to the Global Partnership for Education was announced for the upcoming (2026-30) replenishment round.

Breakdown of Education Spending (Est)

Budget Breakdown	2022-23	2023-24	2024-25	2025-26	2026-27
Scholarships	50.8	68.1	68.1	68.1	68.1
Education Partnerships	19.0	19.6	49.6	22.1	30.1

Sector Flows, Education (Est)



Source: DFAT Budget Summaries.

GENDER EQUALITY, DISABILITY & SOCIAL INCLUSION

ACFID welcomes the Government's commitment to gender equality, disability, and social inclusion (GEDSI), with a total of \$104.3 million allocated.

This includes increased funding for both gender equality and disability initiatives. At a time when global aid for gender equality, disability, and social inclusion is declining, and backlash against rights is intensifying, sustained and increased investment is essential.

While we commend the Government's leadership in the Pacific on GEDSI, the demand for funding in these areas continues to grow, underscoring the need for ongoing and expanded resourcing.

GEDSI

ACFID welcomes the \$5 million increase to Australia's Gender Equality Fund (GEF), bringing it to a total of \$71m per year. This increase reaffirms Australia's commitment to gender equality and will support feminist movements and women in the region. The Budget included previously announced measures from Women Deliver, including:

- \$63 million for a new phase of the Accelerating Investment in Women's Rights (AIR) partnership funded through the GEF.
- An additional \$27.7 million for SRHR through UNFPA Supplies and the Towards Universal Sexual and Reproductive Health and Rights in the Indo-Pacific (TUSIP) initiative.

These announcements are a welcome step which we hope to see the Australian Government build on for gender equality. With Australia hosting the recent Women Deliver conference, the sector called for a doubling of the Gender Equality Fund, alongside increased support for gender and climate action, and adolescent girls.

GENDER EQUALITY, DISABILITY & SOCIAL INCLUSION

GEDSI

Australia will invest \$16 million in core disability funding. We welcome this \$1 million increase to the Disability Inclusive Development Fund which provides core and capacity building support to national, regional and global disability rights organisations.

The Performance and Development Cooperation report (PADC) released earlier this year saw positive results for GEDSI, with 81 per cent of investments effectively addressing gender equality, reaching the 80% target. It also found that 60% of development investments effectively addressed disability equity, meeting the first target of the new two-phase disability equity target (reaching the target of 70% of investments performing effectively on disability equity by 2030).

Leadership on LGBTQIA+ equality is more important than ever, amid ongoing legal and social regressions in many countries, which are placing increased pressure on the rights and safety of LGBTQIA+ people. ACFID welcomes the maintenance of the Inclusion and Equality Fund at \$3.5m per year.

INCREASES & DECREASES

- The 2026-2027 Budget continues the multi-year trend of increasing funding allocated to the Indo-Pacific with a 2.9% increase to the Pacific and a 5.7% increase to Southeast Asia
- This includes a shift from contributions to global programs and towards regional and bilateral programs. For example, this budget cuts funding in future years to the United Nations Programme on HIV and AIDS (UNAIDS) but maintains funding for Australia Support for Pacific HIV Action (ASPHA).
- In terms of sectoral shifts, this Budget significantly decreases investment in Education and Agriculture, Trade, and Production.
- In real terms, no sectors saw increases except for Multisector & General Development Support. ODA contributions towards multilaterals saw a decline, with a \$111m nominal reduction.
 - In addition to UNAIDS, the Pandemic Fund will not receive funding after 2026-27
 - Australia's pledge for next replenishment round (2026-30) towards the Global Partnership for Education (GPE) will be reduced by \$44m (\$11m per year).
 - Funding for the United Nations Development Program has resumed this year, however, core funding has been reduced from \$13m to \$10m.

Geographic shifts



THE PACIFIC

2.94% increase from \$2156.7m in 2025-26 to \$2,220.1.

- Papua New Guinea sees a decrease from \$707m in 2025-26 to 680.5 in 2026-27.
- Federated States of Micronesia sees a decrease from \$11.4m to \$8.3m
- Pacific Regional funding sees an increase from \$790.4m to \$879.9m.



SOUTHEAST ASIA

5.7% increase from \$1280m in 2025-26 to \$1,353m.

- Cambodia sees an increase from \$87.8m in 2025-26 to \$94.4m.
- Indonesia sees a decrease from \$351.4m in 2025-26 to \$346.8m.
- Southeast Asia Regional funding sees an increase from \$790.4m to \$879.9m



SOUTH & CENTRAL ASIA

0.65% decrease \$356.8m in 2025-26 to \$359.1m in 26-27.

- Bhutan sees a decrease from \$6.2m to \$3.9m.
- Pakistan sees a decrease from \$11.5m to \$10.7m
- Nepal sees a decrease from \$25.4m to \$23.7m.



MIDDLE EAST & AFRICA

5.68% decrease from \$153.3m in 2025-26 to 144.6

- 12.83% decrease in the Middle East and North Africa sees a decrease from \$60.8m to \$53m.

From 1 January 2027, Nauru will graduate from the ODA recipient list following which it will receive non-ODA support from Australia (\$167.3 million over four years from 2026-27 (and \$49.2 million per year ongoing)

INCREASES & DECREASES

Sectoral shifts

This slide reflects nominal increases in the ODA budget. When accounting for inflation, the only increase is to Multisector & Gen. Dev Support



HEALTH

Increase of 0.15% from \$646.6m in 2025-26 to \$647.6.



GOVERNANCE

Increase of 1.5% from \$1.21 billion in 2025-26 to \$1.23 in 2026-27.



EDUCATION

Decrease of 0.22% from \$572.4m in 2025-26 to 571.1.



MULTISECTOR & GENERAL DEV SUPPORT

Increase of 12.36% from \$704.5m in 2025-26 to \$791.6 in 2026-27



AGRICULTURE, TRADE & PRODUCTION

Decrease of 6.76% from \$433.5m in 2025-26 to \$404.2m



ECONOMICS, INFRASTRUCTURE & SERVICES

Increase of 0.5% from \$821.1m in 2025-26 to \$825.3m.



HUMANITARIAN

Increase of 4.61% from \$709m in 2025-26 to \$741.7 in 2026-27

THINGS TO WATCH



AUSTRALIA'S CLIMATE FINANCE COMMITMENTS

- Australia is due to announce a new climate finance target for 2026-2031. While this announcement was not included in the 2026-27 Budget, we await details of this target.



AUSTRALIAN INFRASTRUCTURE FINANCING FACILITY for the PACIFIC (AIFFP)

- As a significant delivery mechanism for ODA, future funding decisions and roll-out of current commitments will impact on development outcomes – including how this funding aligns with Australia's International Development Policy and the role of civil society across the Program.



STRENGTHENED REGIONAL PARTNERSHIPS

- This Budget continues to signal Australia's regional-focused approach outlining a number of new bilateral treaties and agreements with countries across the Indo-Pacific. Including the [Parseria Foun Ba Era Foun Joint Declaration](#) ("New Partnership for a New Era"), announced with Timor-Leste in January 2026, places significant emphasis on economic and development cooperation and strengthening people-to-people connections.



AUSTRALIA'S IMPLEMENTATION OF OECD DAC PEER REVIEW RECOMMENDATIONS

- In 2026, the [OECD Development Assistance Committee released Australia's 2025 Peer Review](#), outlining 10 recommendations. Australia has not publicly responded to the Review however DFAT's Budget Summary notes it is "integrating lessons" from the Review and "driving continuous improvement in line with international best practice". We look forward to transparency on Australia's progress on the recommendations in the review.



MID-CYCLE REVIEWS OF DEVELOPMENT PARTNERSHIP PLANS

- Mid-cycle reviews for Development Partnership Plans will begin from 2026-27, guiding geographic investments in future years.

FURTHER READING & EVENTS

BUDGET DOCUMENTS

ODA BUDGET SUMMARY
2026-27
Available [here](#)

FOREIGN AFFAIRS & TRADE
PORTFOLIO BUDGET STATEMENTS
2026-27
Available [here](#)

ACFID 2026-27 PRE-BUDGET
SUBMISSION
Available [here](#)

AID TRACKERS

AUSTRALIAN AID TRACKER
Available [here](#)

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

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

ACFID BUDGET BRIEFING

MEMBERS ONLY
10.00am-11.30am, 14 May

FURTHER READING

ACFID ANALYSIS on the findings from
Australia's OECD DAC Peer Review
Available [here](#)

ANGOs as Strategic Delivery
Partners: A Sector Review
Available [here](#)



AUSTRALIAN
COUNCIL
FOR
INTERNATIONAL
DEVELOPMENT



14 Napier Close,
Deakin, ACT 2600



acfid.asn.au



advocacy@acfid.asn.au



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