



AUSTRALIAN
COUNCIL
FOR
INTERNATIONAL
DEVELOPMENT

FROM THE FIELD

IMPACTS OF THE US-IRAN CONFLICT ON COMMUNITIES
WORKING WITH AUSTRALIAN NGOS

July 2026

Beyond the headlines

While headlines have focused broadly on the economic implications and the limited resumption of global shipping after the signing of the US-Iran memorandum of understanding [June 2026], far **less attention has been given to the ongoing human impacts**, particularly on communities already facing hardship around the world.

Global crises are never experienced equally. Those already living with elevated risk of a range of hardships are disproportionately affected, such as remote and low-income communities, people facing food insecurity, or groups experiencing marginalisation. Many of these communities were already enduring extreme challenges long before the outbreak of conflict and its flow on effects.

In contrast to previous global shocks, the OECD DAC have observed that, despite the massive disruptions caused by the US conflict with Iran, no DAC members have introduced new measures to address the economic fallout of the crisis in developing countries.

This document aims to shed light on the human impact of the crisis as experienced by **ACFID members and their local partners working across the globe.**

Behind the headlines

The impacts of disrupted Regional and Global Supply Chains

- Delays or cost increases for construction and infrastructure projects, slowing overall project delivery.
- Challenges procuring materials, equipment and essential supplies for programmes.
- Disruptions in access to medicines, consumables and medical equipment at the country level, meaning patients may not receive the treatment they need, when they need it.

The impacts of fuel price rises on healthcare facilities

- Energy-insecure health facilities reliant on diesel generators are at greater risk of supply disruptions and price increases.
- Power outages affect lifesaving equipment, lighting and cold-chain systems.
- Uneven supply can disrupt emergency care, maternity services and newborn care.
- The risks to patients increase when essential services cannot operate reliably.

The impacts of fuel price rises on food security & poverty

- Fuel cost increases drive up the price of food and basic goods, which can lead to food insecurity or worsening poverty, particularly for households in low-income and remote communities.
- As food prices rise and hunger deepens, this can accelerate negative coping strategies. Girls (and other vulnerable groups) are likely to be disproportionately impacted as they increasingly eat last, drop out of school, and can face heightened risks of child labour and early marriage.

The impact of rising costs on project implementation & communities

- The cost of delivering services and moving goods into remote areas is increasingly adding pressure to already fragile systems.
- Transport and procurement is particularly affected, impacting project delivery, especially in areas dependent on fuel. At the same time, communities are facing decreased access to essential services as they can no longer afford rising prices to travel or access the services they need.

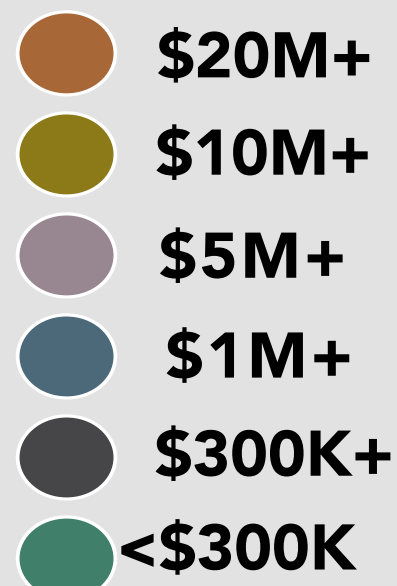
Where Australian NGOs work in

AFRICA

Nigeria

5.9 million people in need
\$1.3m in funding to 6 Australian NGO projects

NGO project funding



Dem. Rep. of the Congo

14.9 million people in need
\$22.1m in funding to 40 Australian NGO projects

Mozambique

2.4 million people in need
\$2.4m in funding to 14 Australian NGO projects

Sudan

33.7 million people in need
\$21.4m in funding to 32 Australian NGO projects

South Sudan

9.9 million people in need
\$11.4m in funding to 23 Australian NGO projects

Somalia

4.8 million people in need
\$23.8m in funding to 41 Australian NGO projects

Uganda

2.2 million people in need
\$30m in funding to 69 Australian NGO projects

South Sudan Snapshot



76% of population
live below the poverty line



90% of health facilities
rely on NGOs and all supplies are imported



9.9 million people
in need of humanitarian assistance



2 million
internally displaced people nationwide



2.2 million children
are suffering from acute malnutrition



8-9 million people
are projected to be facing food insecurity by Sept 2026

Impacts of rising costs on communities in South Sudan: Tearfund Australia

NGO partners of Tearfund Australia report limited and inconsistent fuel availability across South Sudan, causing delays in distribution of critical supplies to those in need, and reduced access to remote areas. Compounding these fuel shortages, rising food prices are making it harder for families to afford basic goods, weakening the impact and slowing down progress of existing critical livelihoods projects.

From the field: Africa

Rising costs impact healthcare in Uganda: Adara Group

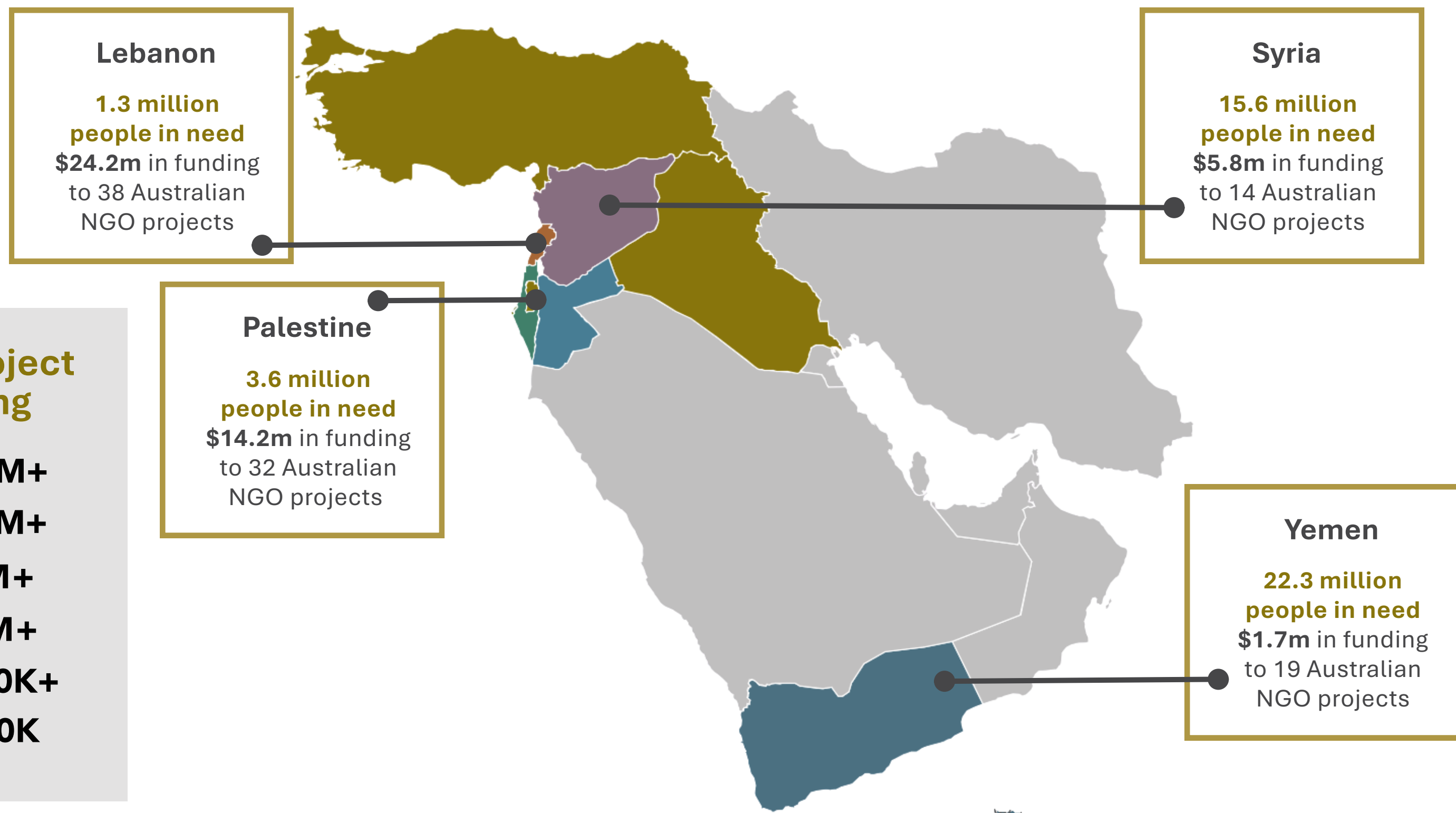
In Uganda, where Australian development NGO Adara delivers maternal and newborn care, health systems are under strain with the recent conflict intersecting with already stretched systems and existing pressures on frontline health workers, facilities, and supply chains. The increase in public transport fares, medical supply costs and essential goods, is making it harder for families to reach services, and more expensive for health systems to operate in already resource-constrained settings.

In many of the health facilities Adara supports, reliable power is not guaranteed. Hospitals often depend on diesel generators to keep maternity wards and newborn units running – powering lights during deliveries, incubators, and lifesaving equipment. As fuel prices rise and supplies become less predictable, maintaining that power becomes harder, putting the lives of babies and the continuity of care needed by mothers at risk.

Cost of food increasing child care costs in Zimbabwe: Global Mission Partners Australia

In Zimbabwe, Global Mission Partners (GMP) and partners Showers of Blessing, and Khayelihle Children's Village (KCV) work with local communities to implement a range of sustainable development projects, including providing residential care and education for abandoned and orphaned children. Due to hyperinflation, food prices have risen dramatically, resulting in higher daily care costs for children, and residential care projects threatened with closure.

Where Australian NGOs work in the MIDDLE EAST



Gaza Snapshot

 **80% of buildings**
have been destroyed across
Gaza since October 2023



90% of the population
is dependent on aid



Almost 2.1 million
people in Gaza require
humanitarian assistance



1.9 million
internally displaced people



70% of the population
depend on water trucking to
survive

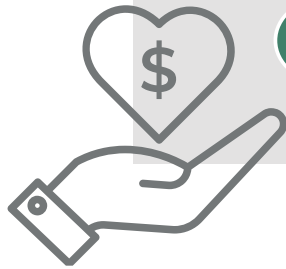
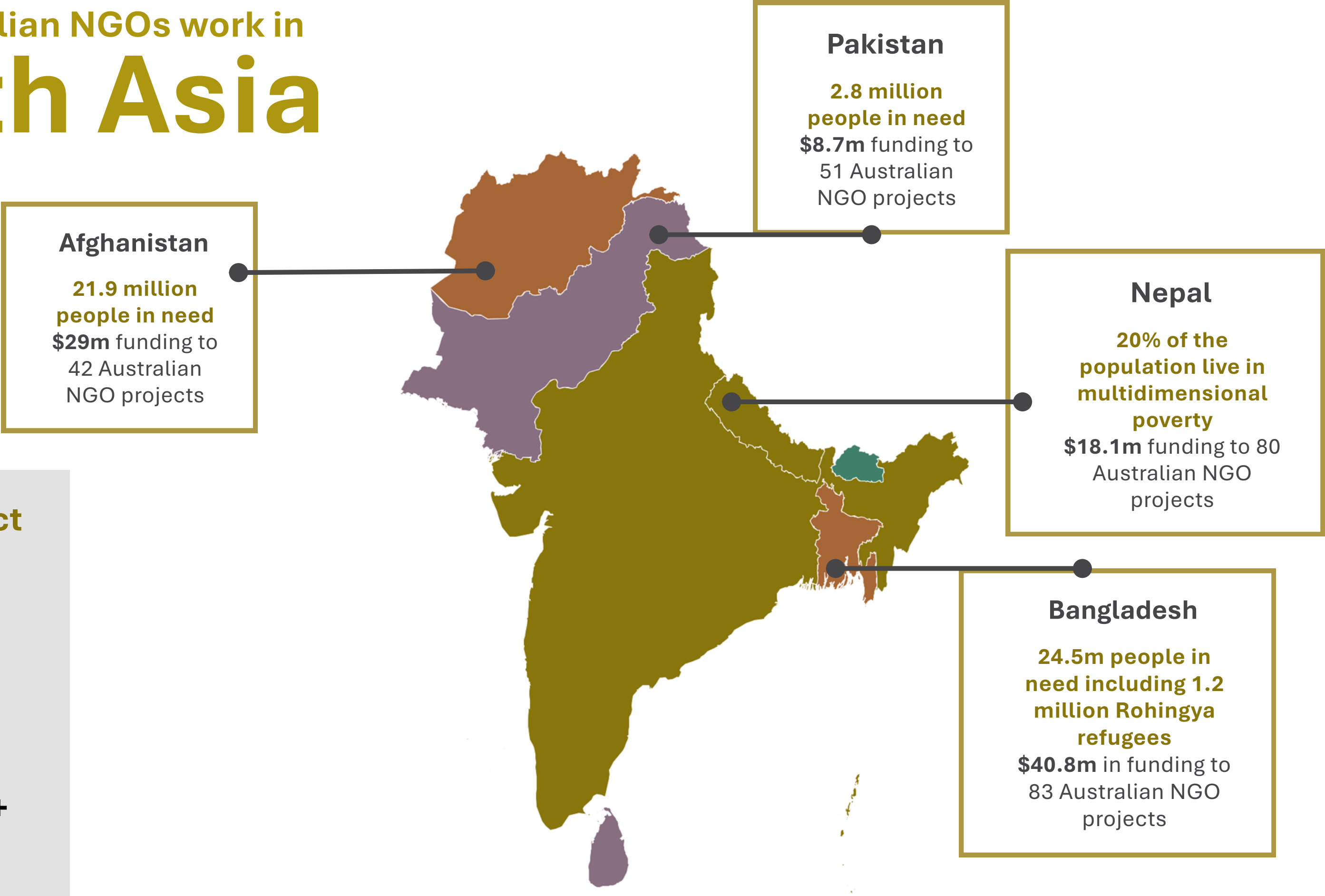


1.6 million
people facing acute food
insecurity

From the field in Gaza

The humanitarian situation in Gaza continues to deteriorate. Local partners of NGOs operating with the community have reported dramatic increases in the prices of fuel and food, with fuel costs rising up to 8-12 USD as a result of war-caused shortages. Price rises are impacting projects on the ground by driving up the cost of logistics, reducing mobility, limiting water trucking and food distributions, resulting in severe impacts on those depending on these services to survive. Essential health care is under increased pressure due to ongoing access and supply chain constraints, combined with increasing fuel costs, and the impacts of increased price and reduced availability of medicine, and and nutrition supplies.

Where Australian NGOs work in South Asia



Sources: ACFID NGO Aid Map & ACFID member project data (2023-24); UNOCHA Global Humanitarian Overview 2026; & UNDP Multidimensional Poverty Index 2025

Afghanistan Snapshot



51%
of Afghanistan's GDP is
dependent on imports



16%
of aid funding for Afghanistan has
been met in 2026



21.9 million
people in of humanitarian
assistance



3.5 million
internally displaced people
nationwide



3.7 million children
under 5 are projected to suffer
acute malnutrition in 2026



17.4 million people
are projected to face food
insecurity by Sept 2026

From the field in Afghanistan: Save the Children

Conflict-related disruptions have driven up the cost of delivering critical nutrition supplies to Afghanistan. Early in the crisis, Save the Children reported nutrition supplies (to support 5,000 children and 1,400 pregnant and breastfeeding women) planned to be shipped from India via Iran had to be moved by air at a cost of over US\$240,000 - more than the value of the supplies. Without these supplies, nutrition programmes were at risk of running out of stock and closing, leaving children to face acute hunger and malnutrition.

From the field: South Asia

Impacts of rising fuel costs in Nepal: Adara Development

In Nepal, 79% of the population lives in rural and remote areas with significant geographic and economic barriers, making fuel and supply disruptions particularly damaging. Adara Development works in some of Nepal's most isolated communities, such as Humla, a mountainous Himalayan region not fully connected to the national road system. In remote areas like Humla, increases in fuel and freight costs quickly translate into higher programme costs, complex logistics, and increased pressure on already stretched essential services. Due to the crisis, there is a risk fertiliser shortages - combined with higher fuel and transport costs - will drive up food prices, increasing food insecurity and pushing more low-income households deeper into poverty.

Impacts on farming communities in Pakistan: Tearfund Australia

Pakistan is experiencing rapid increases in fuel prices, which have doubled as the government implements austerity and fuel-saving measures in response to external shocks. As reported by Tearfund Australia, these increases are driving up the cost of essential goods, including fruit, vegetables, chicken and fertilisers, due to higher transport charges. Farming communities are particularly affected, with farmers reporting paying double for tractor rentals as they prepare for the upcoming cropping season. Domestic gas shortages have also emerged, adding further strain on households.

Where Australian NGOs work in Southeast Asia & the Pacific

Myanmar

16.2 million people in need
\$22.5m funding to 92 Australian NGO projects

Papua New Guinea

57% of the population live in multidimensional poverty
\$119.2m in funding to 206 Australian NGO projects

Solomon Islands

35% of the population live in multidimensional poverty
\$21.9m in funding to Australian NGO projects

East Timor

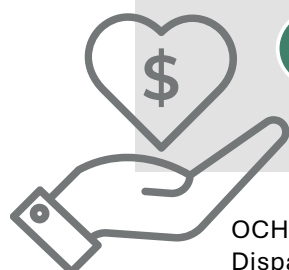
48% of the population live in multidimensional poverty
\$47.2m in funding to 111 Australian NGO projects

Vanuatu

27.8% of the population live in multidimensional poverty
\$27m in funding to 77 Australian NGO projects

NGO project funding

- \$20M+
- \$10M+
- \$5M+
- \$1M+
- \$300K+
- <\$300K



Myanmar Snapshot



80% of population
are affected by chronic
poverty



265,000 people
did not receive humanitarian
assistance in May due to access
constraints



16.2 million people
in need of humanitarian
assistance



3.7 million people
are internally displaced
nationwide



**24.5% year-on-year
inflation**
between April 2025 and April 2026



12.4 million people
are projected to face acute
hunger in 2026

Impacts on Maternal and child health project in Myanmar, Tearfund Australia

According to Tearfund Australia's partners in Myanmar, the flow-on effects of the War are being felt most acutely in remote and contested areas, where fuel prices have risen to four times those in Yangon. This has resulted in the emergence of a parallel market charging more than double the official rates. These pressures are directly affecting a Maternal and Child Health project, where the cost of medicine has tripled and shortages of essential medical supplies persist. Additionally, transporting agricultural goods and sustaining livelihoods has become increasingly difficult, and families are struggling to afford travel for medical treatment.

From the field: Southeast Asia & the Pacific

Rising fuel costs are impacting women's safety in Papua New Guinea, IWDA

In Papua New Guinea, the International Women's Development Agency (IWDA) works with local partners to support women and their communities to respond to gender-based violence. Increased fuel costs are presenting challenges for project implementation, particularly in rural and remote areas of Papua New Guinea. To manage rising costs IWDA is supporting partners to explore how they can reallocate budget for fuel to support police to respond to gender-based violence cases as well as support other critical activities which require transportation.

Impacts of fuel costs on accessing medical care in Vanuatu, GMP

Global Mission Partners (GMP) work in Vanuatu across a range of community development projects with local partner Churches of Christ Conference Vanuatu (CCCV). On Tutuba Island - a small island in Sanma Province, there is no local healthcare facility and Islanders must travel to the main island of Espiritu Santo for medical care. Skyrocketing boat fares due to steep fuel price increases has made medical transit unaffordable for local communities. This has led to devastating consequences, including maternal deaths during childbirth.

Impacts of rising costs on communities in Laos, Tearfund Australia

In Laos, Tearfund Australia works with a local partner organisation to improve Livelihoods and Water, Sanitation and Hygiene practices in schools and communities. Sharp increases in the cost of goods, construction materials and transport, and fuel prices more than doubling since the start of the conflict has been reported. Fuel shortages in several districts are further slowing project implementation, particularly in the areas of agriculture, school repairs and WASH activities. These rising costs are expected to be the biggest challenge for project delivery with already disadvantaged communities in the coming months.

From the field: Southeast Asia & the Pacific

Fuel costs and shrinking harvests in Myanmar, Australian Lutheran World Service

In Myanmar, the Australian Lutheran World Service (ALWS) works with local partners to strengthen community resilience through protection and social cohesion work, support for climate-resilient livelihoods, increase access to essential services, and support community capacity strengthening. Recently ALWS partners have reported the direct impacts of rising fuel prices and shortage of agricultural inputs on their projects due to the ongoing conflict.

U Tun Tun Naing, a 48-year-old farmer from a village in Myanmar's Magway Region, has supported his wife and two children through farming for 20 years. On his 10-acre farm, he grows groundnuts, sesame, and chickpeas. However, rising fuel prices and shortages of agricultural inputs have significantly increased production costs and disrupted farming activities.

“Due to fuel shortages, production costs have increased by approximately 30%,” he said. “Tractor rental fees have risen to MMK 50,000–70,000 per acre, fertilizer prices to MMK 140,000–165,000 per bag, and labor wages have more than doubled.”

According to village authorities, about 15% of local farmers can no longer afford to cultivate their land and have instead leased it out. Delays in land preparation and limited fertilizer use are expected to reduce crop yields, reducing household incomes and local food production. The increasing costs of farming have pushed many families deeper into debt and made it harder to access to sufficient and nutritious food.

“Rising fuel prices have increased farming, labor, and transport costs, reducing my ability to grow and sell crops,” U Tun Tun Naing explained. “As a result, my family's food security and access to health and education services have been affected.”

ACFID MEMBERS

Full Members: 141

ACC International Relief
Act for Peace - NCCA
Action on Poverty
ActionAid Australia
ADARA Development Australia
ADRA Australia
Afghan Australian Development Organisation
Aga Khan Foundation Australia
AMF-Cufa
Anglican Overseas Aid
Anglican Relief and Development Fund Australia
Anglicans in Development
ASHM Health
Asia Justice and Rights
Asian Aid Organisation
Assisi Aid Projects
Australia for UNHCR
Australian Afghan Hassanian Youth Association
Australian and New Zealand Intensive Care Society
Australian Centre for the Prevention of Cervical Cancer
Australian Doctors for Africa
Australian Doctors International
Australian Himalayan Foundation
Australian Lutheran World Service Ltd.

Australian Marist Solidarity Ltd.
Australian Medical Aid Foundation
Australian Red Cross
Australian Respiratory Council
AVI
Baptist World Aid Australia
Bridgit Water Foundation
Brien Holden Vision Institute Foundation
Burnet Institute
Cambodia Rural Students Foundation Ltd.
CARE Australia
Care for Africa
Caritas Australia
CBM Australia
CFC ANCOP Australia Ltd.
ChildFund Australia
CINI Australia
CLAN (Caring and Living As Neighbours)
Conciliation Resources Australia Ltd.
Dana Asia Ltd.
Destiny Rescue Australia
Diplomacy Training Program
Door of Hope Australia Inc.
Edmund Rice Foundation (Australia)
Educating the Future
Engineers Without Borders

Fairaction International Pty Ltd.
Fairtrade Australia New Zealand
Family Planning New South Wales
FemiliPNG Australia
Foresight (Overseas Aid and Prevention of Blindness)
FreO2 Foundation Australia
Global EverGreening Alliance
Global Mission Partners
Good Neighbours Australia Inc
Good Return
GraceWorks Myanmar
Habitat for Humanity Australia
Hagar Australia
Health Equity Matters (formally AFAO)
HealthServe Australia
Hope for Children
indigo foundation
International Justice Mission Australia
International Needs Australia
International Nepal Fellowship (Aust) Ltd.
International Women's Development Agency
Interplast Australia & New Zealand
Islamic Relief Australia
KTF (Kokoda Track Foundation)
Kyeema Foundation
LiteHaus International

Live & Learn Environmental Education
Living Child Inc.
Lotus Outreach Australia
Love Mercy Foundation
MAA International (Muslim Aid Australia)
MAF International
Mahboba's Promise Australia
Mama Respond International Ltd.
Mary MacKillop Today
Mary Ward International Australia
Melanie Jewson Foundation
Mercy Ships Australia
Mercy Works Ltd.
Mission World Aid Inc.
MIT Group Foundation
MSI Asia Pacific
Murdoch Children's Research Institute
OCI Foundation
Opportunity International Australia
Orthopaedic Outreach Fund Incorporated
Our Rainbow House
Oxfam Australia
Pacific Assist
Palmera Projects
Partners in Aid
People With Disability Australia
Plan International Australia

Pollinate Group
Project Rozana
Quaker Service Australia
RedR Australia
Reledev Australia
Rotary Australia World Community Service Ltd (RAWCS)
Royal Australasian College of Surgeons
Salesian Missions
Salvation Army International Development
Save the Children Australia
Save Our Supplies Ltd.
School for Life Foundation
SeeBeyondBorders
ShelterBox Australia
Sight For All
Sisters Of The Good Samaritan Foundation (Good Sams)
So They Can
St John of God Outreach Services
SurfAid International
SUSTAIN Projects Myanmar
Symbiosis International
Taking Paediatrics Abroad Ltd.
Tearfund Australia
The Fred Hollows Foundation
The Hunger Project Australia
The Leprosy Mission Australia
The Nusatenggara Association (NTA), Inc

This Life
Transparency International Australia
UNICEF Australia
Union Aid Abroad-APHEDA
UnitingWorld
Water for a Village
WaterAid Australia
World Vision Australia
WorldShare Australia
WWF-Australia
YWAM Medical Ships

Affiliate Members: 16

- Australian Global Health Alliance
- Australian National University - Development Policy Centre
- Deakin University - Centre for Humanitarian Leadership
- Institute for Economics and Peace
- La Trobe University – Centre for Human Security and Social Change
- Monash University - Monash Sustainable Development Institute
- Nossal Institute for Global Health
- Refugee Council of Australia
- RESULTS International (Australia) Inc.
- Sydney Children's Hospitals Network
- United Nations Association of Australia
- UNSW Institute of Global Development
- UTS - Institute for Sustainable Futures
- Vision 2020 Australia
- Western Sydney University- School of Social Sciences and Psychology
- Women's Plans Foundation



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