

The Alliance's view

There were some important domestic and regional science and health initiatives announced in this week's Federal Budget that will serve to further Australia's global health leadership and impact, yet the Australian Global Health Alliance is concerned to see health de-prioritised and some critical opportunities missed to advance health equity for all.

As the peak body for global health organisations, and with a strategic focus on advancing gender equity and planetary health, we warmly acknowledge the new investments in Gender Equity, Disability and Social Inclusion, and additional funding for climate change initiatives in the ODA budget. However, the budget indicated a substantial cut of \$185m to the overall health sector funding, dropping from 18% of the overall development budget in 2023-24 to just 13% in 2024-25. This is a dramatic reversal from the peak in 2020-21 where almost a quarter of the budget was flowing to health in response to the COVID-19 pandemic.

Alliance Chair, Prof Brendan Crabb AC said:

"Health spending in the aid budget is at its second lowest level in a decade. Whilst we recognise the emergency phase of the COVID-19 response has ended, and acknowledge the substantial contributions Australia made to support the region through this period, the triple threat of climate, conflict and COVID continues to set health progress in many countries in our region back years, and meeting the health-related SDG targets remains well out of reach for many of our closest neighbours. Now is not the time to pull back on health spend.

"More than half of the world's tuberculosis burden is in the Asia Pacific region. It's a disease that creates and thrives in poverty and perpetuates that cycle. Moreover, we continue to see some of the highest rates of child stunting in the world in countries like PNG and Timor-Leste, which can result in lower levels of education attainment, workforce productivity and wage-earning potential for the individual.

"We cannot underestimate the critical value of good population health, and strong and resilient healthcare systems to Australia's aid and development program and its objective to achieve a stable and prosperous region."

Domestically, the announcement of an Australian Government review of Australia's research and development (R&D) system is warmly welcomed. It is hoped that the examination will see improved conditions for Australia's world-leading science and research communities, many who are members of the Alliance, to better contribute to national and global interests and tackle current and future challenges.

Also welcomed is the \$43.9m package to enhance efforts to virtually eliminate HIV transmission in Australia.

Alliance Executive Director, Dr Selina Namchee Lo said:

"This is a critically important step forward not just for Australia, but for the global response, demonstrating that HIV transmission elimination is possible. We look forward to continued leadership from the Australian Government and partners to see this progress and expertise extend beyond our borders through the translation of this knowledge, expertise and lessons-learned to our regional and global partners."

The Alliance is committed to working with the government to meet their priorities in global health and will continue to seek further information on how key budget highlights such as climate and infrastructure initiatives support broader global health outcomes in our region, and look forward to learning more detail at the country level once Development Partnership Plans are finalised.

OFFICIAL DEVELOPMENT ASSISTANCE BUDGET – THE DETAIL

1. DFAT’S Budget Documents

- [Official Development Assistance Budget Summary](#)
- [Foreign Affairs and Trade Portfolio Budget Statements 2024-25](#)
- Penny Wong (Foreign Minister) and Pat Conroy (Minister for International Development and the Pacific) joint press release: [Securing Australia’s Future in the World](#) *

**Worth noting: there is no reference to Australia’s ODA program in this release, unlike previous years.*

2. Total Australian ODA 2024-25: \$4.961 billion

Australia’s ODA budget is \$4.961bn for 2024-25. This is an increase of \$193m from the 2023-24 budget, up from \$4.768bn.

3. Forward estimates and beyond: static ODA

ODA will increase nominally year-on-year over the forward estimates to \$5.354bn in 2027-28, and will reach \$5bn in nominal terms next year, a year earlier than anticipated in the May 2023 forward estimates.

When adjusted for inflation, we see a small increase this year in real terms, but then a static ODA over the remainder of the forward estimates.

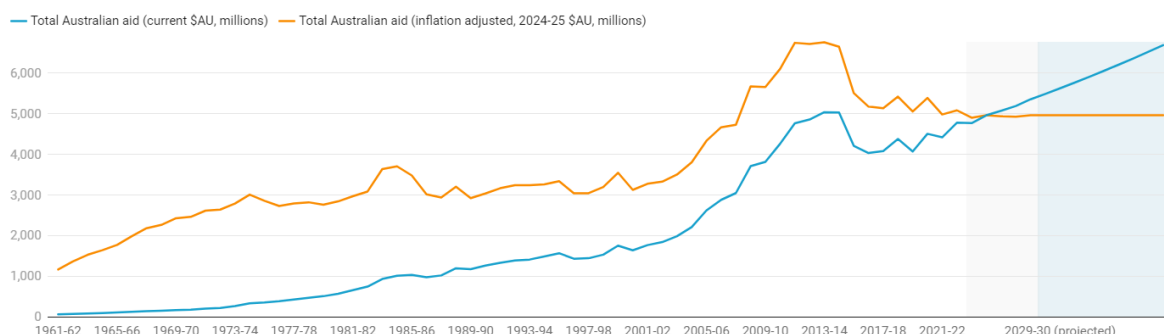
	2024-25	2025-26	2026-27	2027-28
TOTAL NOMINAL ODA	\$4.961bn	\$5.071bn	\$5.188bn	\$5.354bn
TOTAL REAL ODA (adjusted for inflation)	\$4.961bn	\$4.935bn	\$4.926bn	\$4.960bn

In the May 2023 budget, with a commitment to “continued sustainable growth in Australia’s ODA over the longer term”, the government announced that it had locked in annual increases of 2.5% (the projected inflation rate in 2025-26) from 2026-27 through to 2036-37.

The [Development Policy Centre's Australian Aid Tracker estimates](#) that “using 2027-28 as the base year and assuming that inflation stays at the estimated 2025-26 level of 2.5%, aid will actually stabilise at \$4.96 billion from 2027-28” which, they say is “just slightly higher in real terms than it was under John Howard in 2006-07”.

Australian aid over time (\$AU, millions)

Australian official development assistance (ODA) between 1961-62 and 2036-37. 2023-24 to 2027-28 are budget estimates based on the 2024-25 budget. 2028-29 to 2036-37 are projected values based on DFAT's announcement in the 2023-24 budget that it has locked in an annual increase of 2.5%.



Source: Development Policy Centre's Australian Aid Tracker: <https://devpolicy.org/aidtracker/trends/>

4. ODA / GNI Ratio: slightly up, but on a downwards trajectory

In 2024-25, Australia's ODA/GNI figure is expected to increase slightly to 0.19%, up from 0.18% in 2023-24. Australia now ranks 26th out of 31 OECD aid donors in terms of generosity.

If no further funding measures are implemented, ODA/GNI is projected to fall to 0.15% in 2034-35.

Australia's ODA/GNI ratio is well below that of other high-income economies, and has fallen from 0.34% in 2011. The OECD Development Assistance Committee (DAC) data for 2023 states the average ODA/GNI for member countries stood at 0.37%, up from 0.36% in 2022. A long-standing United Nations target is that developed countries should devote 0.7% of their gross national income to ODA.

Worth noting is that in its [2021 platform](#), Labor states that it “will, over time, achieve a funding target for the international development program of at least 0.5 per cent of Gross National Income. Labor will increase aid as a percentage of Gross National Income every year that we are in office starting with our first budget.” We are yet to see this pathway mapped out.

5. Sector flows: Health funding slashed

Sector	2023-24 est. (\$m)	2024-25 est. (\$m)
Governance	1,098.0	1,118.0
Health	840.8	655.9
Multi-sector and general development support	680.0	746.6
Humanitarian	643.3	675.9
Education	577.7	595.7
Economic, infrastructure and services	539.5	774.7
Agriculture, trade and production	388.9	394.7

Health spend as a portion of the ODA budget is at its second lowest level in a decade.

Health spend as a portion of the overall ODA budget sits at just 13.2% in 2024-25, down from 18% in 2023-24.

Almost a quarter of the overall budget was allocated to health between 2020-21 (24%) and 2021-22 (23%), as a result of the government’s COVID-19 response measures.

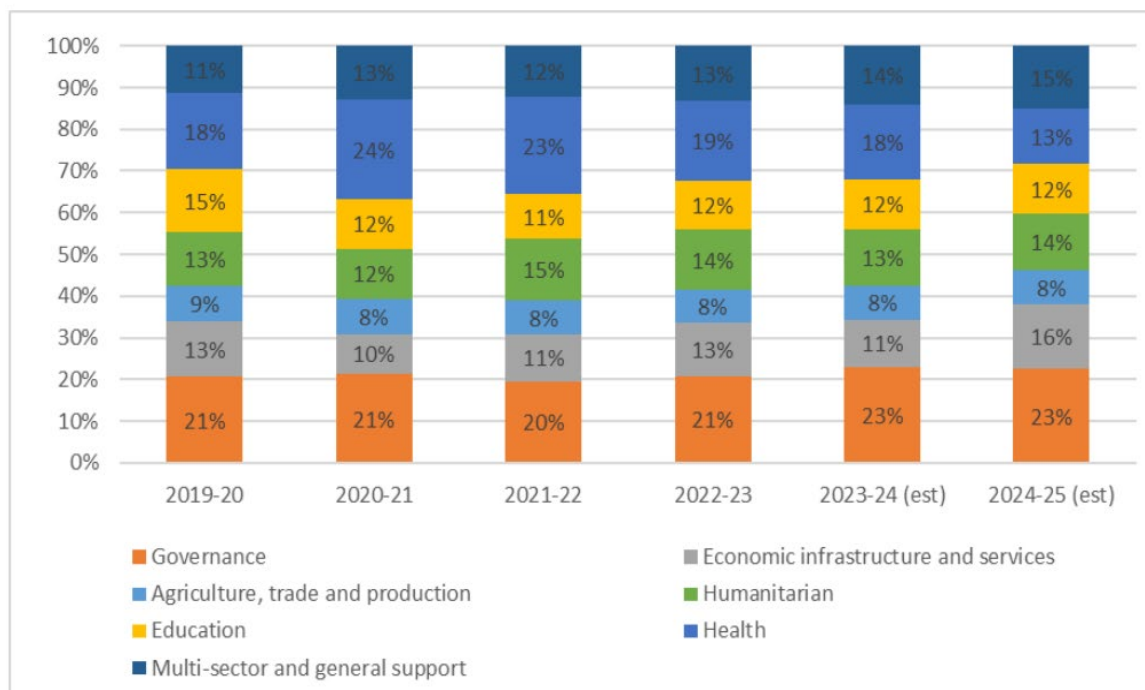
The drop in funding for 2024-25 has been attributed as follows*:

- Fluctuations in Australia’s annual contributions to Global Health Programs (including Gavi the Vaccine Alliance, The Global Fund, World Health Organisation, Global Polio Eradication Initiative) = this accounts for \$36m of the decrease
- Wrapping up COVID-19 temporary and targeted measures
- Wrapping up some major bilateral health project commitments in 2023-24 (such as the ANGAU Memorial Hospital in Lae, PNG)
- Responding to bilateral programming priorities, as directed by partner countries

** The Alliance is working to verify the above justifications.*

It is worth noting that whilst spending for most other sectors remained relatively steady from last year, there was a substantial jump in the portion of infrastructure spend: from 11% in 2023-24, to 16% in 2024-25. To be clear, that is a 5% increase – the same percent that the health sector was cut by in the same period.

Sectoral funding



Source: [DevPolicy Aid Budget Breakfast Presentation](#)

From Professor Stephen Howes on the [DevPolicy Blog](#) – 15 May:

“Almost a quarter of the aid program went to health during the pandemic, and just below 20% in the last two years. But health spending is slashed in this budget to just 13% of total aid. That’s the second lowest it has been in the last decade, and not what you would expect from a Labor government, especially not one coming out of a pandemic. However, this government has made clear its commitment to governance and infrastructure, and the shares of both increase in this budget. Education and humanitarian spending are somehow protected, leaving health vulnerable, as it was under the Coalition prior to the pandemic.”

6. Regional flows

Sector	2023-24 (\$m)	2024-25 (\$m)
Pacific	1,906.1	2,049.6
Southeast Asia	1,227.7	1,255.6
South and Central Asia	377.6	342.1
The Middle East and Africa	135.7	166.4
Latin America and the Caribbean	1.7	2.0

7. Aid as a portion of the total budget

ODA is 0.68% of the total Federal Budget spend in 2024-25, down from 0.70% in 2023-24.

This is our lowest level ever. ←

Thematic areas of relevance to global health



Regional and Global Health: \$312.6 million

Of the \$655.9m total ODA estimated for health in the 2024-25 budget, spending for Regional and Global Health makes up \$312.6m. This is a decrease from the \$348.7m allocated in 2023-24.

It is broken down as follows:

⇒ Regional Health Security: \$118.4m

DFAT has confirmed that this budget line includes the allocations for the Partnerships for a Healthy Region package, which totals \$620m over five years (announced in February 2023). This figure remains relatively unchanged from 2023-24 (\$118.5m).

⇒ Contributions to Global Health Programs: \$194.2m

This contribution has decreased by \$36m in comparison to the \$230.2m commitment in 2023-24.

This budget line covers contributions to global health programs (including Gavi, the Vaccine Alliance; the Global Fund to Fight AIDS, Tuberculosis and Malaria; the International Finance Facility for Immunisation; and the Global Polio Eradication Initiative; and contributions to United Nations health organisations including the World Health Organization; the Joint United Nations Programme on HIV/ AIDS; and the United Nations Population Fund).

Upon clarification with DFAT, this decrease is attributed to ‘fluctuations in the payment schedules’ of the various global health programs. We are aware that, for example, Gavi and The Global Fund have a flexible payments schedule with DFAT and other donors, and as such Australia’s flow of funds to these organisations is not set on a routine schedule of dates and amounts – whilst still fulfilling the full pledge amounts within a specified agreement window.

We will seek further detail from DFAT on how the remaining \$343.3m health funding is to be delivered in the coming weeks.



Climate Change and the Environment

Funding for climate change and the environment in the ODA budget increased slightly in 2024-25 to \$144.4m, up from \$142.2m in 2023-24.

There is no breakdown of how this \$144.4m is programmed as yet, and it is understood that climate finance is also provided across other bilateral, regional, local and multilateral investments across the Australian aid program. We echo the call from ACFID for greater transparency from the Australian Government on its climate measures delivered through the aid program.

Australia has a commitment to increase its climate finance to \$3 billion dollars over 2020-2025. The government has advised that it has now expended over half of that amount (\$1.608bn) through to the end 2022-23. We look forward to keeping the government accountable to the fulfilment of their pledge.

In line with the New International Development Policy launched in 2023, from 2024–25 at least half of all new country and regional investments over \$3 million will include a climate objective.

In December 2023, at COP 28, Minister Bowen announced two new mechanisms of support to international climate support:

- \$100m to the Pacific Resilience Facility (PRF) – committed over 3 years from 2024-2027
- \$50m to the Green Climate Fund – committed over two years from 2026-27

It is important to note that only \$65m of this funding is *new* ODA commitments, with the remainder reprogrammed through the existing budget.

Furthermore, the government notes that its recent pledge of \$492m to the Asian Development Bank's Asian Development Fund (2025-2028) will include development projects such as climate resilient hospitals across vulnerable countries in the Indo-Pacific. We note too that the Asian Development Bank has also embarked on implementing a significant contribution to Just Energy in the Pacific and South and Southeast Asia. This initiatives seeks to address health and health equity of vulnerable and disadvantaged communities while energy systems shift from traditional sources to newer and renewable technologies.

As we noted after last year's budget, the government's climate support to the region focuses largely on climate-resilient infrastructure improvements, support to transition to lower-emission solutions and deployment of innovative finance mechanisms. We hope to see a greater level of action to address the far-ranging health impacts of climate change – from mental illness, to increases in zoonoses and vector-borne diseases and respiratory illnesses – and clarity on how the existing announced projects may be addressing this. At this stage, 12 months later, we remain unclear what ODA funding is going to address the health impacts of climate change, and we look forward to working with DFAT to get further clarity on that.

We also reiterate our message from May 2023 that the current level of funding committed to tackle climate change to date does not yet meet the scale of the climate and health emergency facing our region. A greater sense of urgency is needed from the government.



Gender Equality, Disability and Social Inclusion (including LGBTQIA+)

Overall funding for Gender Equality, Disability and Social Inclusion has increased slightly to \$102.3m in 2024-25, up from \$101.2 million for 2023-24.

The government reiterated its mandates that ODA investments over \$3 million must have a gender equality objective, and that 80% of investments must demonstrate effectiveness to address gender equality. It flagged that the following new strategies are underway in 2024:

- International Gender Equality Strategy
- International Disability Equity and Rights Strategy
- International LGBTQIA+ Human Rights Engagement Strategy

Gender Equality

A new \$20m Southeast Asian Gender Based Violence (GBV) Prevention Platform was announced, which runs from 2024-29. To note, this is not new money, but reprogramming from the existing budget. The platform will bring together key stakeholders to prevent GBV by building evidence and supporting transformative programs, policy, and programs.

Other contributions to Gender Equality include \$65m to the Indo-Pacific Gender Equality Fund and \$7.8m to UN Women.

Disability

The government has incrementally increased the Disability Development Fund (formally the Central Disability Budget) by \$1.1m in 2024-25, bringing it to \$14m. This increase will fund a new pilot program in three countries in the Pacific and one in Southeast Asia to introduce essential screening for children in schools and support the provision of eyeglasses, hearing

aids and mobility aids. It will enable screening for over 450,000 children and enable support for over 3,000 children to access essential devices that will help them learn in school.

As noted by [ACFID](#) (p.27): “The 2024-25 Budget Summary fails to mention disability equity as a core area for action in Australia’s development program. Locally led development appears to have replaced disability equity in this document, though it is a core issue for action in last year’s Development Policy.”

Social Inclusion

This budget also includes the second \$3.5million contribution to the Inclusion and Equality Fund, which was [announced](#) by Minister Wong in her virtual opening address at the Sydney WorldPride Human Rights Conference in March 2023. The fund will support LGBTQIA+ organisations to catalyse change in their communities. Minister Wong advised at the time that this funding will support an increased contribution to the Global Equality Fund, “for emergency assistance to human rights defenders and support to LGBTQIA+ organisations in our region who are working to catalyse change”.



Humanitarian and emergency assistance

Funding for humanitarian sector flows is estimated at \$675.9m in 2024-25. This is an increase in nominal terms of \$32.5m from 2023-24.

However, according to [analysis from ACFID](#):

- “The Humanitarian Emergency Fund (HEF) remains static at \$150m for 2024-25. This fund has not seen an increase since 2018, and has decreased in real terms.
- 2024-25 will see the humanitarian budget estimates (global programs) see a nominal increase of \$11.1m from \$479.4m to \$490.5m. This funding includes the \$235m that was announced at the Global Refugee Forum in September.
 - o This additional \$11.1m is to “protracted crises and strengthening humanitarian action.”
 - o In real terms, there is a decrease in humanitarian global programs from \$461.8m in 2023-24 to \$460.13m.
- There has been no change in funding to disaster risk reduction, preparedness, and response or to multilateral agency funding. “

In light of the increasing and protracted conflicts and crises, and human and natural emergencies occurring globally, which are threatening lives and driving malnutrition, famine, food insecurity, poverty and preventing access to critical health services, this budget is a clear missed opportunity for the Australian Government to take real and meaningful action and leadership in responding to human suffering.



Missing: recognition of health as a core building block of a stable and prosperous Indo-Pacific

Overall, we are disappointed to see health largely absent from the budget narrative this year, and funding substantially reduced, particularly as our region’s health progress remains significantly set back due to the COVID-19 pandemic and well off-track to meet many of the health-related SDG goals. Poor health outcomes across communities have a direct impact on

breaking the cycle of poverty in our region, reducing levels of workforce productivity, education attainment, and wage earning capacity and placing greater strain on already fragile health care systems. A stable and prosperous Indo-Pacific is not attainable without improved health and wellbeing of Australia's neighbouring countries.

GLOBAL HEALTH ACROSS OTHER BUDGET PORTFOLIOS

Review of Australian Research and Development (R&D)

The Government announced that it will commission a strategic examination of Australia's R&D system "to determine how we can get more value from every taxpayer dollar invested in research, maximise the contribution of science and R&D to the broader economy, and maintain our competitive edge."

It is hoped that this review will outline a pathway for reaching the long-advocated-for target of 3% of Australia's GDP committed to R&D.

Towards the virtual elimination of HIV transmission in Australia

The Government made a \$43.9m commitment over two years to fast-track efforts to eliminate HIV transmission in the Australia. As outlined by Dash Heath-Paynter, CEO of Health Equity Matters, the funding includes:

- \$3.7 million over two years from 2024–25 to ensure Health Equity Matters and NAPWHA continue to deliver their health peak
- and advisory body functions and lead the national conversation on HIV.
- \$2.1 million over two years from 2024–25 to expand Health Equity Matters' highly regarding HIV Online Learning Australia (HOLA Program).
- \$26 million over two years from 2025–26 to provide access PrEP for people living in Australia who are Medicare ineligible.
- \$2.5 million over two years from 2024–25 to expand NAPWHA's national HIV self-test mail out initiative.
- \$3.8 million over two years from 2024–25 for the national implementation of CONNECT, the HIV testing vending machine initiative (led by Thorne Harbour Health).
- \$3 million over two years from 2024–25 for the continuation of the national Emen8 health promotion website (co-led by ACON and Thorne Harbour Health).
- \$1.6 million in 2024–25 to develop clinical workforce education and training pilot on HIV prevention to build the capacity of GPs across Australia to scale up PrEP supply to community members who can benefit from this prevention.
- \$1 million in 2024–25 to establish a national HIV multicultural peer navigation program.

Whilst this is a domestic-focused announcement, the regional and global impact of this commitment and leadership from the Australian Government and partners like Health Equity Matters is critically important. It demonstrates to the world that virtual transmission of HIV is possible, and whilst each country faces its own unique challenges towards elimination, there is much that can be learned and translated across borders from Australia's experience.

The Australian Government has shown leadership on ending HIV/AIDS on a global stage, in 2021 co-facilitating the Political Declaration adopted at the United Nations General Assembly High-level Meeting (HLM) on HIV/AIDS alongside Namibia, which set ambitious targets to guide the global AIDS response for the next five years. The Government is also a long-term supporter of the UNAIDS and the Global Fund to Fight AIDS Tuberculosis and Malaria (who will be up for replenishment in late 2025), and we look forward to working alongside the government to ensure this leadership continues.

Missing in action: Further information on the Australian Centre for Disease Control

In the 2023-24 budget, the government committed to investing \$90.1m over two years in new funding to establish an interim Australian Centre for Disease Control (ACDC) within the Department of Health and Aged Care from 1 January 2024, led by the Australian Government Chief Medical Officer.

The ACDC was touted to better prepare Australia for future pandemics and health threats (both non-communicable and communicable), and in the May 2023 budget papers, \$42.5m was allocated for 2023-24, and \$48.4m for 2024-25. Those budget lines were not evident in the May 2024 papers on our review, nor was any clarity on future funding across the forward estimates.

We understand that the question of the status and future of the ACDC was raised in the post-budget sector briefing with Minister Butler and Minister Kearney on 15 May, but was not answered. The Alliance will continue to follow up on this query.

On this, the Public Health Association of Australia said in a statement:

“An Interim ACDC was set up with \$90m over two years in the 2023 budget, but thus far has been basically invisible to the public. The future of the agency remains unclear.”

“The absence of any budget line item for the ACDC suggests pandemic amnesia four years after the lives of everyone in Australia was upended,” Public Health Association of Australia CEO, Adjunct Professor Prof Terry Slevin said.

“An ACDC must serve many functions, including leading the national effort to properly prepare for future pandemics, which infectious disease experts have repeatedly warned are likely to happen.

“We had hoped that this budget would contain clear resource allocation and timelines explaining how and when the Albanese Government would fulfil its election promise to establish and fund the ACDC. That hope has been dashed.”

The Alliance and our members continue to advocate for a robust, independent, and appropriately funded ACDC to be realised in the very near future, in order to fight new global health challenges and create lasting health improvements for the current and future generations.

Steady state: Health and Medical Research

The Medical Research Future Fund (MRFF) funding remains steady at \$650m per year over the forward estimates, despite two new missions announced just prior to the budget on Reducing Health Inequities and Low Survival Cancers. According to [AAMRI](#), it is expected that funding for these Missions will come from redirected funding from other MRFF initiatives.

The Alliance is continuing to advocate for scaled up and new funding sources to strengthen Australia’s global health ecosystem to deliver impact.

Note: we acknowledge the announcement of *\$1.4 billion over thirteen years from 2024-25 through an updated Medical Research Future Fund ten-year Investment Plan* that was outlined in the budget. At this stage, we understand that this has not been reflected in the forward estimates. We welcome any additional information or clarity from members on this.

STILL TO COME

New Strategies:

- International Gender Equality Strategy
- International Disability Equity and Rights Strategy
- International LGBTQIA+ Human Rights Engagement Strategy

Development Partnership Plans

To be completed by late 2024, and which will provide detail on bilateral and regional partners programming priorities.

FURTHER RESOURCES

- Development Policy Centre's Aid Budget Breakfast
 - [Recording](#)
 - [Presentation](#)
- [ACFID's Budget Analysis](#)
- [Croakey Health's Budget Night recap](#)
- [AAMRI's Budget Recap](#)

WHAT OTHERS ARE SAYING

DevPolicy | 2024 Australian aid spending and effectiveness update

After this year, aid is projected to stay almost exactly unchanged for the next decade and beyond. Over the forward estimates and beyond, the aid/GNI ratio is projected to continue to fall, from the current 0.19% to as low as 0.14% by 2035-36. It is very hard to see in these figures the aid "rebuild" that Labor claims to have embarked on.

[Read DevPolicy's blog post](#)

ACFID | Climate Investments important, but Australia's aid budget static in real terms

"This budget provided the Government with an opportunity to show real humanitarian leadership in responding to human suffering across the world. Australians see what is happening on their screens in all corners of the globe and expect their government to do more. This budget barely touches the surface. The failure to lift the Humanitarian Emergency Fund is disappointing."

"Australia's aid budget is static in real terms while the Asia-Pacific region is way off track to achieve the SDGs. We are going backwards on eradicating extreme poverty. The Government needs to invest more in the basics of development. There must be a plan and pathway to scale up aid to its target of 0.5% of GNI.

[Read ACFID's full statement](#)

AAMRI | AAMRI welcomes continued funding for medical research in Federal budget

"The Government has demonstrated continued support for medical research in what is a 'business-as-usual' budget. This propels us to further advocate for, and work towards, achieving key priorities for our sector, including positive reform of Australia's medical research funding system and better setting up our early- and mid-career researchers for success," said AAMRI CEO, Dr Saraid Billiards.

AAMRI notes that the budget did not include the release of further funds from the Medical Research Future Fund (MRFF), which AAMRI asked to be strategically allocated for a MRFF scheme to fund the full costs of research.

"We look forward to continue working with the Government on our plan to sustainably fund the full costs of carrying out medical research – an issue that must be addressed if we are to retain Australia's brightest scientists, secure the future for our medical research institutes and, in turn, continue delivering leading research, treatments and health solutions for the Australian public."

[Read AAMRI's full statement](#)

Health Equity Matters | Budget lights a path to virtual elimination of HIV transmission

The Albanese Government has made a strong stride towards the virtual elimination of HIV transmission with tonight's \$43.9 million Budget commitment. The commitment expands access to PrEP, rolls out HIV self-testing, deepens connections with culturally diverse communities, continues online health promotion to communities and provides additional resources for the HIV community and clinical workforces, according to Health Equity Matters, Australia's HIV and LGBTIQ+ health federation.

"Australia now has the potential to become the first country to achieve virtual elimination of HIV," said Mark Orr AM, President of Health Equity Matters.

"This Budget commitment lights a bright path, focusing on Pre-Exposure Prophylaxis (PrEP), testing, treatment, and awareness. It leverages the robust and impactful collaboration between community, healthcare professionals, researchers, and government that has been instrumental in Australia's success since the beginning of the HIV epidemic.

"With a clear direction in place, we eagerly anticipate collaborating with the Government to achieve the previously unthinkable reward of ending an epidemic."