

### Key Alliance messages:

- Overall DFAT is holding the line, no decreases or cuts in Federal ODA budget but the funding has not kept up with inflation and therefore no increase at a time when USA and other OECD major donors have decreased their contributions and USAID has been dismantled. USA, Germany, and UK make up half of ODA contributions globally.
- No new funding for medical research (see AAMRI statement in link)
- Temporary re-allocation in the DFAT health budget from global health programs to regional and bilateral programs (see Thematic area analysis)

## OFFICIAL DEVELOPMENT ASSISTANCE BUDGET – THE DETAIL

### 1. DFAT Budget Documents

- [Official Development Assistance Budget Summary](#)
- [Department of Foreign Affairs and Trade Portfolio Budget Statements 2025-2026](#)

### 2. Total Australian ODA 2025-26: \$5.097 billion

Australia's ODA budget is \$5.097bn for 2025-26. This is an increase of \$135.8m in nominal terms from the 2024-25 budget of \$4.9615bn.\*

\*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). While this year saw an increase of 2.7%, inflation is projected at 3%. As such, there is a tiny year-on-year decline in real aid.

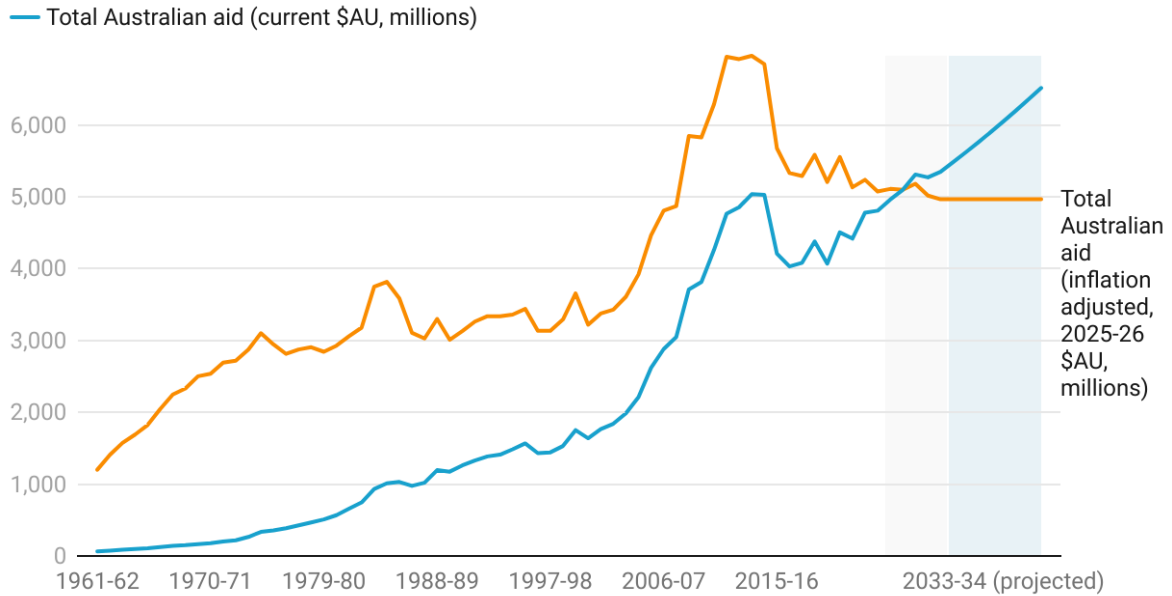
### 3. Forward estimates and beyond: static ODA

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.

	2025-26	2026-27	2027-28	2028-29
TOTAL NOMINAL ODA	\$5.097bn	\$5.311bn	\$5.271bn	\$5.348bn

## Australian aid over time (\$AU, millions)

Australian official development assistance (ODA) between 1961-62 and 2036-37. 2024-25 to 2028-29 are budget estimates based on the 2025-26 budget. 2029-30 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: DFAT statistical summaries and budget documents • Created with Datawrapper

### 4. 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.

### 5. ODA sector flows: Health funding decrease

Sector	2023-24 est. (\$m)	2024-25 est. (\$m)
Governance	1,118.0	1,210.2
Health	655.9	646.6
Multi-sector and general development support	746.6	704.5
Humanitarian	675.9	709.0
Education	595.7	572.4

Economic, infrastructure and services	774.7	821.1
Agriculture, trade and production	394.7	433.5

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

*Note: Green denotes an increase from the previous budget and Red a decrease.*

## 6. ODA Regional flows

Sector	2024-25 (\$m)	2025-26 (\$m)
Pacific	2,049.6	2,156.7
Southeast Asia	1,255.6	1,280.0
South and Central Asia	342.1	356.8
The Middle East and Africa	166.4	153.3
Latin America and the Caribbean	2.0	1.2

## 7. Aid as a portion of the total budget

ODA is 0.65% of the total Federal Budget in 2025-26

## Thematic areas of relevance to global health



### Regional and Global Health

Regional Health initiatives in the 2025-2026 Budget have seen an increase in allocation to the Pacific and Southeast Asia due in large to rapid changes in the donor environment, including the U.S. and U.K aid cuts.

The Budget shows a clear reshuffling of funding away from global health programs and towards regional and bilateral programs and initiatives focused on prevention and response to HIV, TB and maternal and child health, family planning and sexual and reproductive health. Despite this, total spending for health is down overall.

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

\*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).

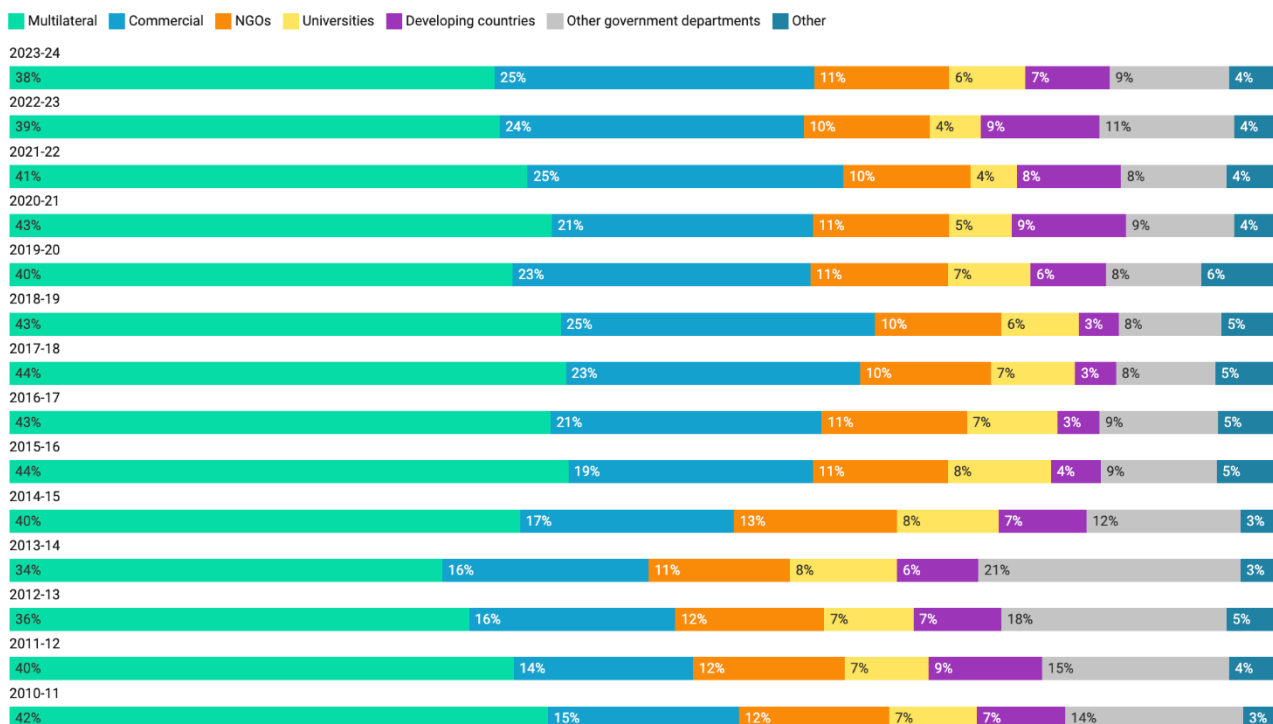
#### Global Health Programs: Multilateral Funding

Over the course of 2024-2025 almost all multilateral concessional funds, including Gavi, the Vaccine Alliance and The Global Fund to Fight AIDS, Tuberculosis and Malaria will see each of their periodic funding cycles overlap. This is a time where member countries and donors pledge financial contributions to sustain and expand the organization's programs, ensuring continued support for global health initiatives such as equitable and sustainable use of vaccines, particularly in low-income countries, aiming to immunize children against some of the world's deadliest diseases and combating the epidemics of HIV, TB and malaria in countries with the highest burden. Australia has long been a supporter and donor of both Gavi and the Global Fund.

As referenced earlier, ODA contributions towards global health programs have seen a reorientation of funds towards other delivery partners, this has directly impacted the Global Fund by deferral of already committed money at a time when the multilateral funds are most needed. This is a concerning development in the context of other OECD donors cutting or suspending their committed funds.

The necessity for an increased ODA allocation to Regional and Global Health Programs is now. Australia's ODA marked for Health in the Indo-Pacific through both bilateral and multilateral partnerships, has been instrumental in driving progress in health outcomes in the region. Multilateral organizations such as Gavi and The Global Fund have long been trusted delivery partners of Australian ODA and sustained partnership and increased investments in both Gavi and the Global Fund are important to continue driving impact in terms of improved health outcomes globally and regionally.

## Australian aid by delivery partner



### Development Policy Centre Australian Aid Tracker: Who are our aid partners?



#### Climate Change and the Environment

Funding for climate change and the environment in the ODA budget 2025-26 remains the same at \$144.4m, from the following year.

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:

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

#### Intersections of climate change and health

The impacts of climate induced environmental disasters on communities and health systems continue to be felt intensely in the region.

While the government’s climate support to the region focuses largely on climate-resilient infrastructure improvements, it will also support to transition to lower-emission solutions and

deployment of innovative finance mechanisms. The Alliance hopes to see a greater level of action to address the far-ranging health impacts of climate change – from mental health problems, to increases in zoonoses and vector-borne diseases and respiratory illnesses – and clarity on how the existing announced projects may be addressing this.

The funding committed to date to address climate change remains insufficient to match the scale of the climate and health crisis in the region and globally.

### Australia's ambition to host COP31

Australia (alongside the Pacific) continues to pursue a bid to host the 2026 United Nations Climate Change Conference or Conference of the Parties. The host is expected to be announced this year.

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

### *Gender Equality*

The Government launched its new International Gender Equality Strategy this year, aimed at elevating Australia's global commitment to women's rights and the 2025-26 Budget has included initiatives from this, including

- 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.

*Note: DFAT have stated in this Budget, funds have been reallocated within the international development portfolio to support gender objectives, particularly in the Pacific and Southeast Asia.*

### *Disability*

The government launched its International Disability Equity and Rights Strategy and has increased the Disability Development Fund in 2025-26 bringing it up, to \$15m from 14m in 2024-25

This 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.

## *Social Inclusion*

This budget includes the maintenance contribution of \$3.5million to the Inclusion and Equality Fund, which was announced by Minister Wong in her virtual opening address at the Sydney World Pride 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

Given the growing and increase in protracted conflicts, crises, and natural disasters worldwide—endangering lives, exacerbating malnutrition, famine, food insecurity, poverty, and restricting access to essential health services—this budget represents a significant missed opportunity for the Australian Government to take decisive action and demonstrate leadership in addressing human suffering. In our region beyond the ongoing civil conflict in countries such as Myanmar, populations have recently experienced the devastation of natural disasters. Vanuatu experienced a 7.3 magnitude earthquake in 2024, which caused extensive damage to buildings in and around Port Vila, including hospitals, has placed immense pressure on the healthcare system. Much more recently the Myanmar 7.7 magnitude earthquake has caused a death toll currently at 2000 and estimated by WHO to likely be eventually fivefold more.

According to the analysis by ACFID:

- 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.

## Pending the elections: The Australian Centre for Disease Control

In October 2024, the Government announced a \$251.7m investment for the interim Australian Centre for Disease Control which has been included in the budget 2025-26.

From the Public Health Association of Australia,

*"The country needs an independent entity to lead national efforts against both infectious and chronic diseases. We enthusiastically welcome the investment in the Aus CDC.*

*While we know Labor intends to make permanent the interim Aus CDC should it win the forthcoming election, the Opposition has yet to make clear its position about what they will do for pandemic preparedness"*

The Alliance and our members continue to advocate for a robust, independent, and appropriately funded Aus CDC 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.

## Health and Medical Research

There are no changes to forecast expenditure on medical research through the MRFF. The Budget will continue to provide \$650 million for new medical research projects each year from 2025-26 forwards.

The Government will provide additional funding over five years to support research and translate medical research to clinical practice, including:

- \$150.3 million over five years from 2024-25 to extend and expand the Zero Childhood Cancer Precision Oncology Medicine Program (ZERO), and to extend the Precision Oncology Screening Platform Enabling Clinical Trials (ProSPeCT) program and the Australian Rare Cancers Portal.
- \$0.6 million in 2025-26 to CSIRO to maintain the infrastructure and storage facilities for the Australian Health Biobank.

The Alliance is continuing to advocate for scaled up and new funding sources to strengthen Australia's global health ecosystem to deliver impact and have a commissioned report series to be published in 2025 to support this.

## STILL TO COME

### New Strategies:

- International LGBTQIA+ Human Rights Engagement Strategy

### Development Partnership Plans



## FURTHER RESOURCES

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

## WHAT OTHERS ARE SAYING

### DevPolicy | 2025 Australian aid update

“Australia’s sectoral and country allocations are stable. The aid budget makes the bold claim that Australia is “reprioritising our development investments to bolster support to our region”. But this is more spin than substance. The increase is marginal. Aid to Asia and the Pacific as a share of total aid increases from 73.5% in 2024-25 to 74.4% in 2025-26.”

[DevPolicy blog post](#)

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

“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,” said Interim CEO Matthew Maury.

The international development budget has increased to its highest ever figure, at AU\$5.1 billion – up by \$135.8 million 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.

“While holding the line is commendable and we welcome the initial steps to fill the gap in this budget, ACFID looks to further commitments that meet the escalating needs across the world,” said Mr Maury.

[Read ACFID full statement](#)

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

“The Association of Australian Medical Research Institutes (AAMRI) was shocked to learn tonight that research funds have not even increased in line with inflation – in reality, funding has actually gone backwards.

“We cannot continue to ignore the building blocks of our healthcare system. These are tough economic times, and our institutes have been fighting hard to plug holes any way they can, but when funding is going backwards in the budget, where does it leave us?” asks Dr Saraid Billiards, AAMRI Chief Executive Officer. ”

[Read AAMRI full statement](#)

Health Equity Matters | Budget brings Australia closer to virtual elimination of HIV

“Australia’s HIV response is underpinned by a multi-partisan approach to policy development and program investment. We acknowledge the Coalition’s previous endorsement of the National HIV Taskforce report and commend the Opposition for matching Labor’s investment in bulk-billing and cheaper medicines.

Health Equity Matters looks forward to continuing its work with members across the parliament to implement evidence-based programming and initiatives to achieve the virtual elimination of HIV transmission by 2030 and to reduce future expenditure on healthcare through averted HIV infections.”

[Read Health Equity Matters fully statement](#)