



Australia's Official Development Assistance

DEVELOPMENT BUDGET SUMMARY 2023–24

A development program shaping the world for the better

Rising global pressures including climate change, geostrategic competition, and international economic uncertainties are reshaping our region and testing our resilience.

The Australian Government is helping shape the world for the better. It's in our shared regional interests.

Our region is changing and so too is our approach. We are listening and building genuine partnerships based on respect. We are assisting others to become more economically resilient so they have less need to call on others, and we can advance our shared vision for the region together.

In 2023–24 the Australian Government will provide \$4.77 billion in Official Development Assistance (ODA). This builds on the \$1.4 billion boost announced in the October 2022 Budget. We are also committed to continued sustainable growth in Australia's ODA over the longer term. From 2026–27, we have locked in year-on-year ODA growth of 2.5 per cent per annum.

Australia's increased investments will support an open, stable and

prosperous Indo-Pacific. We are boosting investments in response to the worsening climate crisis. We will embed the perspectives of First Nations Australians into our development efforts. Better connecting our domestic and international experiences will create opportunities for mutual learning and benefit us all.

We will also work with civil society across the region, recognising the key role local actors play in achieving sustainable development.

We will help partners break down barriers to inclusion, especially for women, girls, and people with disabilities—unlocking new avenues of opportunity and prosperity for all.

Australia will deploy more of our national assets to support our region's priorities. This includes our economic, defence and diplomatic links, and the ingenuity of our communities, businesses, and institutions.

We will soon release our new international development policy — the first long-term strategy in a decade.

Key Highlight

Enhanced Capability

The Government is investing in the people, skills and expertise needed to deliver an effective, targeted, and responsible development program.

This investment of \$36.8 million over the next four years will strengthen the Department of Foreign Affairs and Trade's (DFAT's) program design, procurement, monitoring and evaluation capabilities.

It will enhance our transparency to ensure all Australians can have confidence that our development program is delivering value for money and making a real difference.

The coming decade will be decisive for peace, stability, and prosperity in the Indo-Pacific.

To be a partner of choice for our region, we must deliver a world class development program that advances our shared regional interests.

Strengthening DFAT's core development capabilities will ensure that Australia's development program is ready for the challenges and opportunities of our times.



Credit: Autu Autu / Caritas

We will work together on shared regional interests, respond to Pacific priorities, and respect Pacific institutions.

Pacific

Australia's priority is to ensure the Blue Pacific remains peaceful, prosperous and equipped to respond to the challenges of our time. At every step, we will work together on shared regional interests, respond to Pacific priorities, and respect Pacific institutions.

In 2023–24, the additional \$900 million in ODA announced in the October 2022 Budget will start to flow substantially to the region. This new funding will strengthen our support to meet the region's climate resilience and mitigation objectives. Australia will continue to reduce fiscal distress in partner countries by building on existing budget support – assisting economic recovery from COVID-19.

We will deepen our economic and people-to-people connections. This includes expanding and improving the Pacific Australia Labour Mobility (PALM) scheme, and enhancing conditions for workers on the ground, in line with Australian and Pacific aspirations. Our investment, which we've enhanced through the 2023–24 Budget, will ensure the scheme continues to make a valuable contribution to economies across the region, including Australia's.

We will continue to invest in climate outcomes, health, water, sanitation and hygiene, education and social protection systems. And our investments will empower women and girls, and people with a disability, to participate more fully in social, political and economic life.

We will bring First Nations' voices to our Pacific engagement and further deepen our partnerships to achieve our shared vision of a peaceful, prosperous and resilient region.

Case Study

Working in partnership with the Pacific to respond to climate change and build resilience

We have heard Pacific calls for climate action and are responding at home and abroad. Australia's climate assistance is backing Pacific leadership and is enhancing the tools and choices available to the Pacific family to combat the effects of climate change on their own terms.

In Fiji, Australia is providing \$25.5 million to rebuild schools using climate-resilient infrastructure that incorporates renewable energy, following Tropical Cyclones Yasa and Ana in 2020 and 2021. In Kiribati, Australia is helping to strengthen coastal resilience through enhanced coastal and flood management, and community resilience initiatives. This is part of the \$5.6 million Australia-Kiribati Climate Security Initiative. In Papua New Guinea, Australia is investing close to \$20 million to improve access to climate finance and increase engagement with carbon markets.

At a regional level Australia is providing an initial \$30 million to kickstart the Pacific-led Weather Ready Pacific initiative, to help communities better prepare for disasters through improved early warning systems for severe weather.



Credit: Oxfam Pacific



Credit: Palladium

Southeast Asia

Australia shares a region and a future with Southeast Asia. Our economies and communities are deeply interwoven and we want an inclusive region, based on agreed rules that support prosperity, peace and stability.

Building on the \$470 million increase announced in the October 2022 ODA Budget for Southeast Asia, we will assist partners in the region sustain and protect their hard-won development gains. By working together, we are tackling some of our region's most pressing priorities—climate change and the clean energy transition, gender equality, health, rapid digitalisation, knowledge and skills development, and infrastructure.

Australia will establish a Southeast Asia Government-to-Government Partnerships program. This will enable Australian agencies to deepen and sustain partnerships with counterparts in the region by sharing knowledge, tools, and building policy and technical capabilities.

Australia recognises the Association of Southeast Asian Nations (ASEAN) as holding the centre of our region. We are supporting implementation of the ASEAN Outlook on the Indo-Pacific. Australia will work together with ASEAN to develop its Strategy on Carbon Neutrality and support our region's digitalisation by upskilling workers through Technical and Vocational Education and Training and technical assistance partnerships.

Australia is bolstering environmental resilience and cooperation on water, energy, and climate across Southeast Asia. Through our bilateral and regional initiatives we will support partners to put in place the policy, regulatory and financing frameworks, and build the technical capacity for an orderly clean energy transition.

Our economies and communities are deeply interwoven and we want an inclusive region, based on agreed rules that support prosperity, peace and stability.

Key Commitment

Unlocking more private investment in climate and gender

The Government will lift the financial cap of Australia's Emerging Markets Impact Investment Fund (EMIIIF) from \$40 million to \$250 million, boosting Australia's capacity to mobilise private finance for economic development across the Indo-Pacific.

EMIIIF provides blended finance solutions and technical assistance to unlock finance for small and medium enterprises, boosting investment into climate and gender positive outcomes. Each dollar invested in the EMIIIF portfolio is expected to mobilise an additional three dollars of investment from the private sector towards Australia's development partners' priorities.

Boosting EMIIIF's capacity to grow the impact investing market in the Indo-Pacific is another demonstration of how Australia's ODA is being used to mobilise more ideas – and more finance – towards the most pressing development needs in the region.



Credit: Amarthia

Building Resilience

Climate

Australia recognises the urgency and far-reaching implications of the climate crisis. We are working harder at home and with global partners to help communities prepare for and adapt to climate and disaster related risks.

In coming years, the impact of climate change on global food production systems will continue to worsen. In the face of growing climate threats, as well as ongoing supply chain disruption related to Russia's invasion of Ukraine, Australia is collaborating with our partners to build agriculture and food systems sustainability.

Climate Financing

Australia is committed to accelerating the transition towards net-zero emissions. We are deploying more innovative climate financing mechanisms, and investing in the climate-resilient infrastructure that regional economies need to prepare for – and mitigate against – worsening climate impacts.

Through Partnerships for Infrastructure and the Australian Infrastructure Financing Facility for the Pacific, Australia is investing in a number of climate and clean energy infrastructure priorities for our region, including:

- supporting non-hydro renewable energy in Laos by providing technical advice, training and exchanges on quality energy infrastructure and transition planning
- supporting energy utilities in Vietnam and Indonesia to develop and implement climate change and energy transition strategies
- assisting Malaysia, Philippines and Thailand to assess the potential of green hydrogen and other renewable energy options to help drive their transition to a clean energy future
- providing private finance for the Palau Solar Project, Palau's first utility-scale solar power plant which will provide an anticipated 20 per cent of Palau's power needs when it comes online this year.

We are investing an additional \$36 million (2022–23 to 2024–25) in health and climate resilience through the Water for Women program. The program helps communities access sustainable and climate resilient water, sanitation and hygiene services in 15 Indo-Pacific countries. Water for Women partners with civil society organisations to ensure that everyone can benefit from the program, enhancing our impact.

Through financing mechanisms, including Australia's new Pacific Climate Infrastructure Financing Partnership, and the expanded EMIIIF, among others, Australia will help meet critical climate financing needs across the region.

We will also work internationally to address the widening climate financing gap, particularly in our region, to influence the alignment of funding with decarbonisation priorities and adaptation needs. These efforts will form a key part of Australia's international support for regional efforts to address climate change and achieve sustainable development.



Growing vulnerability

Around 3.3 to 3.6 billion people live in highly climate-vulnerable countries

We are working harder at home and with global partners to help communities prepare for and adapt to climate and disaster related risks.



In the aftermath of cyclones Judy and Kevin (March 2023), Vanuatu Mobile Forces unload Australian humanitarian supplies for impacted communities.
Credit: Australian Government/Department of Defence

Humanitarian

Every year, humanitarian action saves millions of lives. However, the gap between acute need and global response capacity is widening.

In the Indo-Pacific, we will continue to support partners before, during and after disasters, while increasing our investment in disaster and climate resilience. Our efforts will support partner governments and communities to lead their own national disaster risk reduction and preparedness efforts.

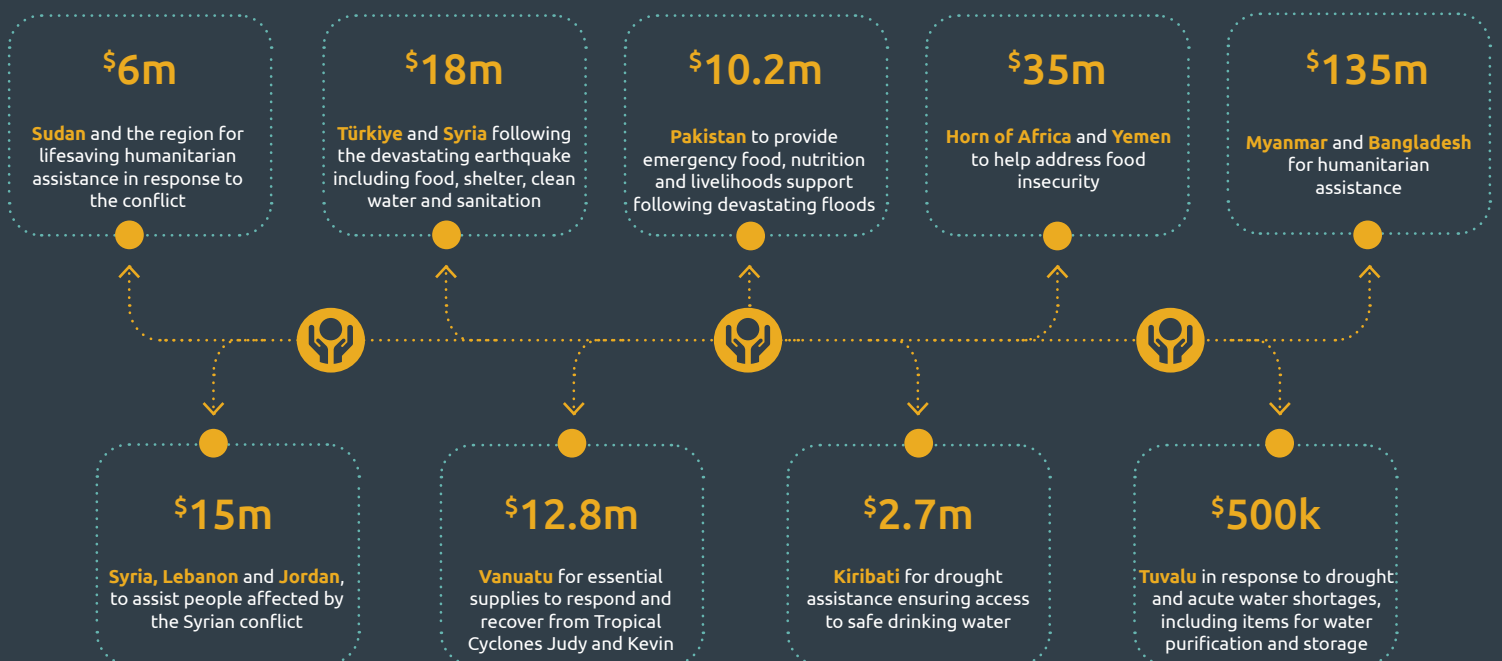
In the last year we have delivered acute famine relief in the Horn of Africa and contributed lifesaving humanitarian assistance to Türkiye and Syria following devastating earthquakes in February. We also supported the Government of Vanuatu with their disaster response and recovery efforts following Tropical Cyclones Judy and Kevin. We will continue to respond in our region, but also globally.



Globally, 1 in every 23 people needs humanitarian assistance

In 2023, a record 339 million people will need humanitarian assistance and protection

Key Humanitarian Responses since July 2022





Credit: Oxfam Pacific



Gender equality

More than 380 million women and girls worldwide are living in extreme poverty

Investments valued at \$3 million and above must have a gender equality objective.

Expanding opportunities for everyone

Unequal power systems and structures hold us all back, compounding global development challenges. We will place gender equality, disability and social inclusion at the centre of Australia’s development program.

To maximise our impact, ODA investments valued at \$3 million and above must have a gender equality objective. Eighty per cent of investments are required to demonstrate that they effectively address gender equality in implementation.

A new phase of Investing in Women (2023–2027) will advance women’s economic empowerment and workplace gender equality in Southeast Asia. The program will improve access to capital for women-led or owned businesses, and will increase women’s workforce participation through influencing gender norms and exploring more affordable childcare options.

Building on our work globally, we will develop a new International Gender Equality Strategy to help boost economic resilience and make the region more secure and inclusive.

Australia is proud to be an active leader on disability-inclusive development and is committed to supporting people with disabilities to be equal partners in their communities. To help shape the next phase of Australia’s international advocacy and engagement in the region, the Government is developing a new Disability Equity and Rights Strategy.

We are committed to advancing, promoting and protecting Lesbian, Gay, Bisexual, Transgender, Queer/Questioning, Intersex and Asexual (LGBTQIA+) rights. We established the landmark \$3.5 million Inclusion and Equality Fund to support LGBTQIA+ organisations to catalyse change in their communities. This work will be informed by a dedicated LGBTQIA+ human rights engagement strategy.

Humanitarian Partners	2023–24 Budget Estimate \$m	Support to UN development agencies	2023–24 Budget Estimate \$m
International Committee of the Red Cross	27.5	UN Women	7.8
UN Central Emergency Response Fund	11.0	United Nations Children’s Fund (UNICEF)	19.0
UN High Commissioner for Refugees	25.0	United Nations Development Programme (UNDP)	13.0
UN Office of the Coordination of Humanitarian Affairs	10.0	United Nations Population Fund (UNFPA)	9.5
UN Relief & Works Agency for Palestine Refugees in the Near East	20.0	United Nations Programme on HIV and AIDS (UNAIDS)	5.0
World Food Programme	40.0	World Health Organization (WHO)	15.0

Table 1: Australian ODA allocations by country, regional and global programs

	2022–23 Budget Estimate \$m	2023–24 Budget Estimate \$m		2022–23 Budget Estimate \$m	2023–24 Budget Estimate \$m
Fiji	40.0	44.0	Climate Change and Environment	137.2	142.2
Kiribati	24.2	26.1	Gender Equality, Disability and Social Inclusion (including LGBTQIA+)	97.7	101.2
Nauru	25.5	25.9	Disaster Risk Reduction, Preparedness and Response	52.0	60.8
Niue and Tokelau	1.8	1.9	Global Humanitarian Partnerships	123.5	123.5
North Pacific	3.6	6.3	Protracted Crises and Strengthening Humanitarian Action	144.9	145.2
Papua New Guinea	479.2	500.0	Humanitarian Emergency Fund	150.0	150.0
Samoa	27.0	29.0	Humanitarian, Emergencies and Refugees	470.4	479.4
Solomon Islands	103.1	103.6	Contributions to Global Health Programs	217.2	230.2
Tonga	20.1	22.1	Regional Health Security	216.2	118.5
Tuvalu	8.4	11.4	Regional and Global Health	433.4	348.7
Vanuatu	46.0	50.0	Scholarships	50.8	68.1
Pacific Regional	609.2	613.2	Education Partnerships	19.0	19.6
Pacific	1,388.0	1,433.4	Education and Scholarships	69.8	87.7
ASEAN and Mekong	88.7 ¹	102.4	National and Economic Resilience Partnerships	39.7	45.1
Cambodia	46.7	47.9	Cyber Cooperation	10.4	11.4
Indonesia	265.7	285.7	Debt Relief	44.6	41.3
Laos	22.6	23.1	Global, Peace and Security Contributions	113.9	102.7
Myanmar	42.1	42.1	National and Economic Resilience	208.6	200.4
Philippines	68.0	69.4	Australian Volunteers Program	21.0	23.0
Timor-Leste	77.3	79.1	Global NGO Programs	145.4	145.4
Vietnam	61.7	63.2	NGOs, Volunteers and Community Programs	166.4	168.4
Southeast Asia Regional	46.6	62.5	Asian Development Fund	94.2	122.3
Southeast Asia	719.5¹	775.4	International Development Association	160.7	169.8
Mongolia	5.6	5.6	Multilateral Development Banks	254.9	292.1
East Asia Regional	5.9	5.9	Development Effectiveness and Research	13.8	15.1
East Asia	11.5	11.5	UN, Commonwealth and Other International Organisations	38.9	38.9
Afghanistan	50.0	50.0	Cross Regional and Global Programs	1,891.2	1,874.2
Bangladesh	30.8	30.8	Other Government Departments	274.1	276.2
Bhutan	2.1	2.1	Departmental (ODA)	274.4	288.5
Maldives	1.8	1.8	Adjustments	-70.8	-50.0
Nepal	9.1	9.1	Grand Total	4,651.1	4,768.4
Sri Lanka	23.0	16.0			
South and West Asia Regional	14.3	14.3			
South and West Asia	131.1	124.1			
Middle East and North Africa	17.1	20.0			
Sub-Saharan Africa	15.0	15.0			
The Middle East and Africa	32.1	35.0			
Total Country and Regional Programs	2,282.2	2,379.4			

1. The 2022–23 estimated figure has been updated to reflect the separation of East Asia from Southeast Asia.

All 2022–23 and 2023–24 Budget figures are Budget Estimates. Due to rounding, discrepancies may occur between sums of the component items and totals.

Table 2: Australian ODA by country and region of benefit

	2022–23 Budget Estimate \$m	2023–24 Budget Estimate \$m
Fiji	87.8	88.1
Kiribati	43.3	43.4
Nauru	32.9	46.1
Niue and Tokelau	4.0	4.0
North Pacific	7.9	13.5
Papua New Guinea	602.2	616.2
Samoa	52.0	53.5
Solomon Islands	169.4	171.3
Tonga	42.7	44.9
Tuvalu	15.5	17.1
Vanuatu	83.1	84.6
Pacific Regional	760.4	723.4
Pacific	1,901.1	1,906.1
Cambodia	80.8	83.6
Indonesia	307.3	326.1
Laos	46.5	47.7
Mongolia	8.8	10.1
Myanmar	120.6	121.0
Philippines	85.8	89.9
Timor-Leste	114.0	118.0
Vietnam	92.8	95.1
Southeast and East Asia Regional	372.5	346.3
Southeast and East Asia	1,229.1	1,237.8
Afghanistan	51.3	50.0
Bangladesh	118.9	116.2
Bhutan	5.7	4.9
Maldives	2.8	3.0
Nepal	26.6	27.2
Pakistan	17.5	15.1
Sri Lanka	54.3	24.1
South and West Asia Regional	106.1	127.0
South and West Asia	383.2	367.5
Sub-Saharan Africa	103.3	87.2
The Middle East and North Africa	45.3	48.5
The Middle East and Africa	148.6	135.7
Latin America and the Caribbean	1.3	1.7
Core contributions to multilateral organisations and other ODA not attributable to particular countries or regions	987.8	1,119.6
Grand Total	4,651.1	4,768.4

Table 5: Australian ODA Projected Forward Estimates

Financial Year	2023–24	2024–25	2025–26	2026–27
Estimate \$m	4,768	4,830	4,925	5,053

All 2022–23 and 2023–24 Budget figures are Budget Estimates. Due to rounding, discrepancies may occur between sums of the component items and totals.

Table 3: Australian ODA delivered by other government departments

	ODA delivered directly from appropriations \$m	ODA delivered in partnership with DFAT \$m	Total ODA \$m
Agriculture, Fisheries and Forestry	17.4	5.1	22.5
Australian Centre for International Agricultural Research	104.8	4.1	108.9
Australian Federal Police	49.2	6.6	55.8
Employment and Workplace Relations	24.1*	-	24.1*
Commonwealth Scientific and Industrial Research Organisation	-	10.1	10.1
Health	14.3	0.2	14.5
Treasury	62.3	3.2	65.5
Other	3.9	40.5	44.4
States and Territories	0.2	3.9	4.1
Total ODA delivered by other government departments	276.2	73.7	349.9

* Includes \$17.2 million for the PALM scheme from DFAT due to Machinery of Government (MoG) changes.

Table 4: Total ODA Sector Flows

Sector	2023–24 Budget Estimate \$m
Governance	1,098.0
Health	840.8
Multisector and General Development Support	680.0
Humanitarian	643.3
Education	577.7
Economic Infrastructure and Services	539.5
Agriculture, Trade and other Production Sectors	388.9
Grand Total	4,768.4