

October 2025 aid news

by Development Policy Centre

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The 31st Australia-PNG Ministerial Forum was held in Canberra on 20 October 2025

Photo Credit: [Facebook/Senator Penny Wong](#)

Australian aid

At their annual forum, [Australian and Papua New Guinean ministers](#) announced that Australia will provide \$150 million to support PNG education and skills programs and \$25 million to support improved disaster response infrastructure and capacity, including for the construction of humanitarian warehouses and scoping for a new “command and control centre” to be built in Port Moresby.

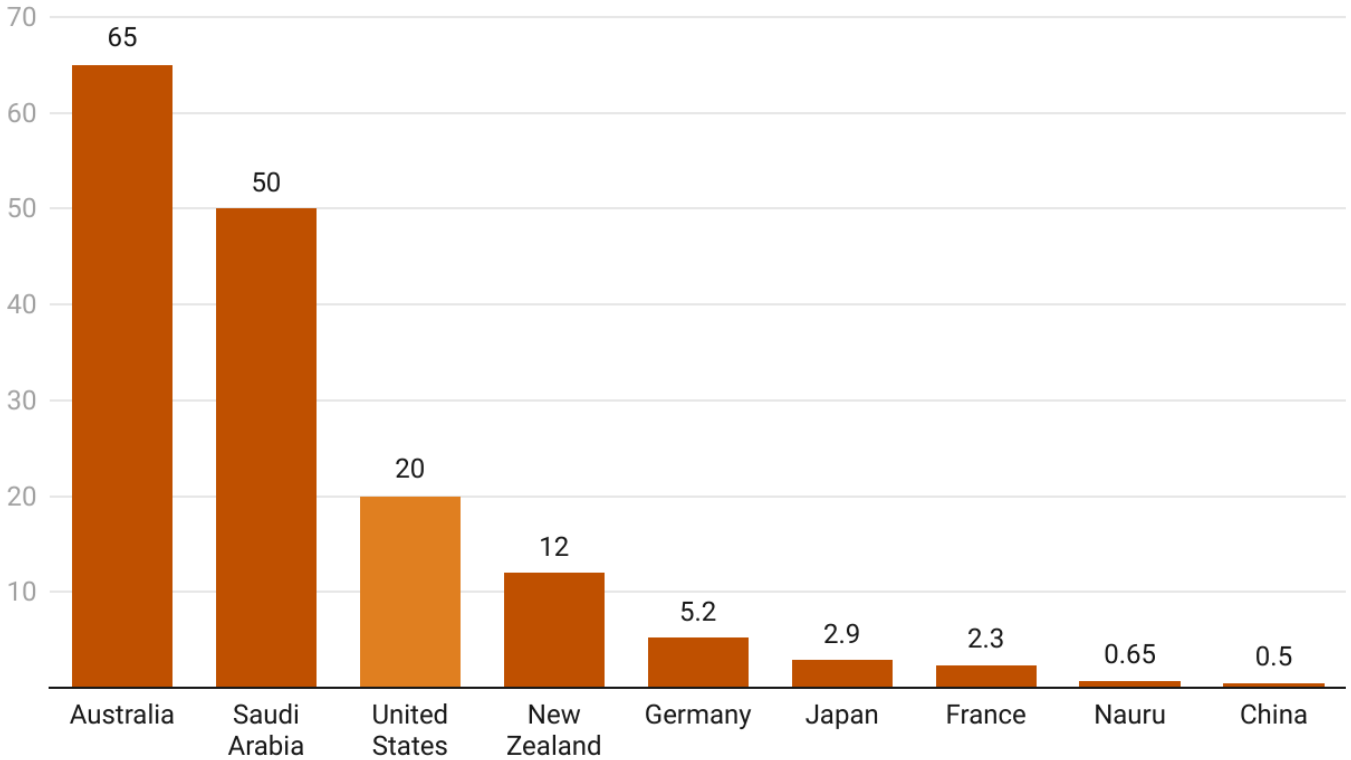
The [joint communique](#) notes that PNG “is expected” to repay PGK610.5 million (A\$223 million) in budget support lending in 2025. Australia is now [PNG’s largest bilateral creditor](#) and has provided [five budget support loans](#), worth a total of A\$3.1 billion, since 2020. In addition, Australia has committed [over A\\$800 million](#) worth of non-concessional infrastructure lending to PNG.

The Albanese government [has also announced](#) that it will “almost triple” its annual assistance to help PNG combat HIV to \$10 million in 2025-26. The increase comes after PNG declared a [national HIV emergency in June](#) and the Trump administration cut [US HIV assistance](#) to PNG earlier this year.

The Lowy Institute’s [latest Pacific Aid Map](#) finds that in 2023 aid to the region fell back to pre-pandemic levels and that record infrastructure investment, particularly from Australia as the Pacific’s leading donor, is coming at the expense of health and education support.

Figures released by the [New Zealand Ministry of Foreign Affairs](#) show that, as at 15 August 2025, Australia (US\$65 million; 47%) and Saudi Arabia (US\$50 million; 36%) comprised over 80% of total grant capital pledged to the new Pacific Resilience Facility (US\$138 million) (Figure 1). This total does not include the US\$20 million pledged by the former US Biden administration, a pledge which is unlikely to be honoured by the Trump administration. China has only committed US\$500,000, less than Nauru’s pledge.

Figure 1: Pacific Resilience Facility funding pledges (US\$ million)



Amounts in US\$ as at 15 August 2025. The US pledge is unlikely to be honoured by the Trump administration. There have been subsequent pledges totalling around US\$9 million. See PIF media release.

Source: New Zealand Ministry of Foreign Affairs • Created with Datawrapper

Speaking at the annual meetings of the World Bank and International Monetary Fund (IMF), **Treasurer Jim Chalmers praised** the World Bank’s development of a new Small States Strategy, its strengthened focus on job creation, and its work on climate change, gender equality, conflict and fragility and digital transformation. US Treasury Secretary Scott Bessent **urged the Bank** to abandon its climate financing target and resume financing for fossil fuel projects and end support for China, and declared that the US “is in it to win it” at the World Bank and the IMF. China promoted President Xi Jinping’s new Global Governance Initiative and **again criticised** the World Bank’s “governance deficit” and the “underrepresentation of certain member countries”.

The latest **aid program procurement data** published by AusTender shows that in 2024-25, DT Global remained the largest commercial provider to DFAT, holding over \$2.8 billion in active contracts, followed by Abt Associates (\$1.3 billion) and Palladium (\$922 million). The average annual share of DFAT aid contracts held by the top three commercial providers has continued to increase — rising from 45% in 2014-15 to 54% in 2022-23 to 56% in 2024-25.

Regional/global aid

The UN's [latest Multidimensional Poverty Index](#) estimates indicate that almost 57% of the population of PNG (an estimated 5.9 million people in 2023) is “multidimensionally poor” while an additional 25% (an estimated 2.6 million people in 2023) is classified as “vulnerable to multidimensional poverty”. These are the largest proportions for any non-African country. The actual size of PNG's population [remains unclear](#), with the PNG government saying [the results of its recent census](#) put it at just over 10 million, much less than a [UN estimate of 17 million](#) reported in 2023.

Fiji has been validated by the World Health Organization as the [twenty-sixth country](#) to eliminate trachoma, the world's leading infectious cause of blindness.

Indonesia is reportedly [seeking to renegotiate](#) the terms of its loan from China for the US\$7.3 billion Jakarta-Bandung high speed rail project. This follows cost overruns during construction and weak revenues since the commencement of the railway's operations in 2023.

A UN conference on the plight of the Rohingya has ended with little in the way of progress. The head of Bangladesh's interim government, Muhammad Yunus, stated that in the wake of [cuts to aid](#) to support Rohingya refugees “the only peaceful option is to begin their repatriation [to Myanmar]” and described Bangladesh as a “victim of the crisis” forced to bear “huge financial, social and environmental costs”.

The International Court of Justice [has ruled in an advisory opinion](#) that Israel's restrictions on essential aid to Gaza violate international law and its obligations as an occupying power. The non-binding ruling says that Israel must restore unimpeded access for humanitarian agencies, including the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). Israel has [rejected the ruling](#), as [has the US](#). The US established [a new joint civil-military centre](#), which aims to bring together representatives from partner nations, NGOs and international institutions, to support the implementation of the recent ceasefire.

The World Food Programme estimates that [cuts to international food assistance](#) could push an additional 14 million people from “crisis” to “emergency” levels of food insecurity — a one-third increase — by the end of the year. The populations most at risk are in Afghanistan, the Democratic Republic of the Congo, Haiti, Somalia, Sudan and South Sudan.

The Trump administration is reportedly contemplating [extending its “global gag rule”](#) on sexual and reproductive health programs to multilateral institutions and to all programs deemed to advance “diversity, equity and inclusion” and “gender ideology”.

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At the Labour party conference, the UK's international development secretary, Jenny Chapman, declared that Nigel Farage's Reform party **would be "catastrophic"** for international development, highlighting Reform's proposed 50% cut to aid. (The Starmer Labour government is pursuing a cut of 40% by 2027.) The Conservatives **have pledged** to slash the UK's official development assistance **by a further two-thirds** on top of Labour's cuts, saying they would reduce aid to just 0.1% of UK gross national income (GNI).

South Korea will reportedly **cut its overall aid spending** by around 20% in 2026, with a 50% cut to humanitarian assistance and an 11% cut to the Korea International Cooperation Agency. Korea became a larger and more generous bilateral donor than Australia **for the first time** in 2024.

Ireland is (modestly) **bucking the trend** and will increase its nominal development assistance by €30 million to a "record" €840 million in 2026. In 2024, **Ireland's aid to GNI ratio** (0.57%) was three times higher than Australia's (0.19%). Ireland and Finland are acting as peer reviewers for the OECD Development Assistance Committee's current review of Australia's aid program.

Former New Zealand Prime Minister Helen Clark **has been appointed** as the new chair of the board of Gavi, the Vaccine Alliance, and former Belgian Prime Minister Alexander De Croo **has been nominated** by UN Secretary-General António Guterres to lead the UN Development Programme.

Books, reports, articles and podcasts

In a series of reports marking the twenty-fifth anniversary of the UN Women, Peace and Security agenda, **Oxfam estimates** that between 2014 and 2023, just 0.1% of global aid went directly to women's rights and women-led organisations. It noted that global aid cuts "threaten to close almost half of such organisations working in crisis settings within months".

The German-based Institute of Development and Sustainability has published a series of research and discussion papers on global development cooperation in a fragmented world, including the prospects for **"like-minded internationalism"** as a **"plan B"**, **development policy in the Trump era**, and the **breakdown of policy norms**.

Exploring similar big-picture themes, Andrew Philips from the University of Queensland **undertakes a post-mortem** of the "liberal international order".

Eric Olander from the *China in the Global South* Podcast discusses China's new Global Governance Initiative **with Brian Wong** from the University of Hong Kong. Olander will deliver the Mitchell Oration at the **2025 Australasian AID Conference**.

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The Development Policy Centre's Amita Monterola discusses the dynamics surrounding **the Gen Z uprisings** in Indonesia and Nepal with two experts on the latest Devpolicy Talks podcast.

And, judging by his 446 million YouTube followers, an online influencer that posts under the handle "MrBeast" **might be the world's biggest (if not best) spokesperson** on aid.

Disclosures:

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The Development Policy Centre is part of the Crawford School of Public Policy under the College of Law, Governance and Policy at The Australian National University.

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