LOWY INSTITUTE PACIFIC AID MAP

2026 KEY FINDINGS REPORT

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2026 PACIFIC AID MAP KEY FINDINGS REPORT

The annual Pacific Aid Map, launched by the Lowy Institute in 2018, is a comprehensive database tracking official development finance (ODF) flows in the Pacific Islands region. By promoting greater transparency of ODF flows, the Lowy Institute seeks to increase coordination, improve accountability, and strengthen decision-making and policy debate on aid, development, and geoeconomic competition in the region.

The ninth edition of the Pacific Aid Map encompasses the period from 2008 to 2024. It includes data on more than 50,000 projects and activities carried out by 76 development partners, totalling $60 billion in disbursed development finance. The research covers 14 states of the Pacific Islands region: Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu.

The Map synthesises millions of data points from official reporting mechanisms and databases. It combines this with information from thousands of publicly available documents including annual reports, financial statements, budget documents, news media reporting, and social media sources. The resulting database is the most comprehensive account ever created of both committed and disbursed development projects in the Pacific Islands region.

This 2026 Key Findings Report includes an analysis of the Pacific Islands' evolving development finance landscape and a series of profiles on trends in the 14 Pacific Island countries covered in the database.

Key findings in 2026

1. Pacific aid stabilises but is increasingly debt-driven.
2. Australia remains the largest Pacific aid partner while the United States reinforces North Pacific ties.
3. Australia and multilateral development banks dominate lending to the region.
4. China maintains aid strategy shift from large-scale lending to high-frequency, small-scale grants.
5. Chinese state-owned firms dominate Pacific infrastructure contracts, including for multilateral projects.
6. The Iran war is the latest in a series of shocks to hit the region, but the scale of the international response is uncertain.
7. Energy insecurity remains extreme despite sustained renewables investment.
8. Social protection has expanded domestically but donor support is limited.

To see more and use the fully interactive features of the Pacific Aid Map, visit pacificaidmap.lowyinstitute.org

Contents

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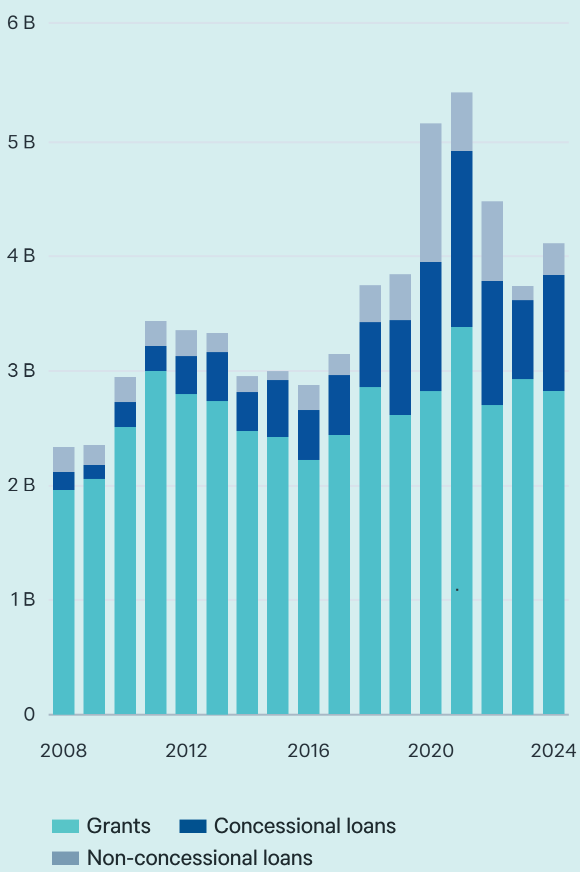
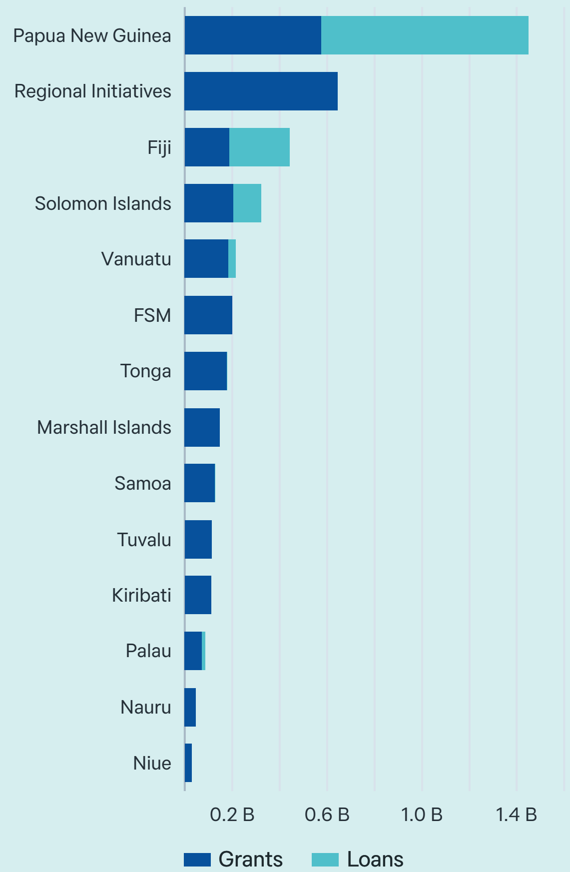
The Pacific aid landscape in five charts

See how aid to Pacific Island countries is allocated and disbursed, and how it evolves over time

Official development finance to the Pacific, by type
Spent, constant 2024 US$

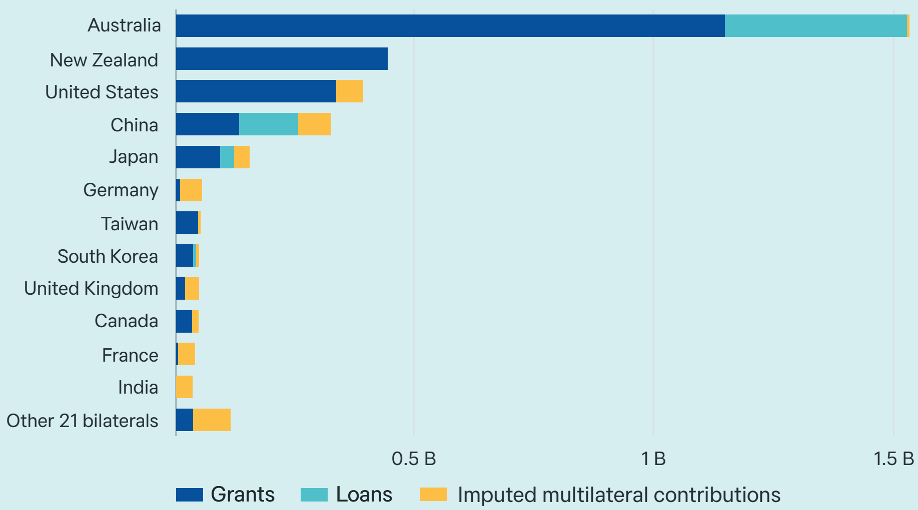


Development finance in the Pacific in 2024, by recipient
Spent, current US$



Pacific partners ranked by bilateral support and Pacific-focused multilateral support in 2024

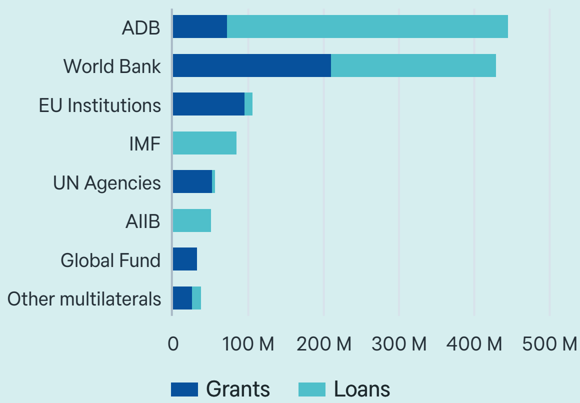
Spent, current US$



Imputed multilateral contributions credit each donor with an estimated share of multilateral spending in the Pacific, based on the donor's support for relevant multilateral partners. Data: OECD and author estimates.

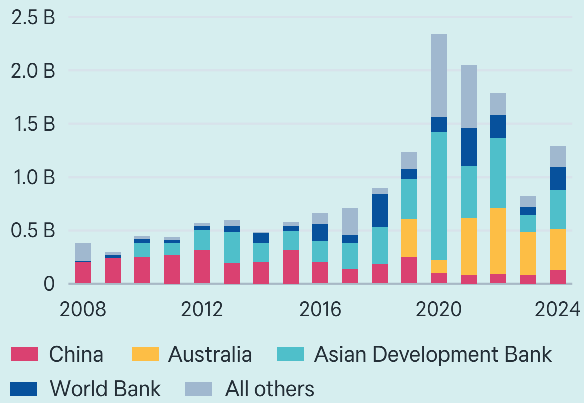
Multilateral partners to the Pacific in 2024

Spent, current US$



Sources of debt financing in the Pacific

Disbursed loans, constant 2024 US$



Overview

Overlapping shocks test the Pacific's limited resilience

Pacific Island countries are under sustained pressure. The past decade has brought a near-continuous series of global shocks, from the Covid pandemic and Russia's invasion of Ukraine to surging inflation and sweeping cuts to foreign aid budgets. These crises compound the region's structural vulnerability to disasters as Pacific economies confront waves of cyclones, earthquakes, and droughts. With thin fiscal buffers and high reliance on external financing, the region's economies have limited capacity to absorb negative shocks without outside support.

The Iran war has been the latest of these external shocks. The conflict has driven up fuel and fertiliser prices, disrupted global shipping, and weakened growth prospects worldwide. At the time of writing, an interim peace deal has been reached, and global energy prices have receded considerably from previous highs. However, the outlook is deeply uncertain, and the prospect of renewed conflict and protracted economic disruption remains.

The Pacific is acutely exposed to the effects of the conflict, being heavily reliant on imported fuel and food, long shipping routes, and, for several economies, international tourism. Strong El Niño conditions are also expected in the latter half of 2026, which will place further pressure on regional economies and food security. Fragile revenue bases and underdeveloped social protection systems mean Pacific governments struggle to shield households from the strain.

Aid and other official development finance (ODF) remain central to how Pacific governments weather shocks and build resilience. This year's Pacific Aid Map captures the position from which the region now confronts both the crisis and longer-term development challenges. Total ODF held relatively stable at $4.1 billion in 2024, the most recent year of complete project-level data, and is estimated to have declined only modestly to $3.8 billion in 2025, despite substantial cuts to global aid budgets.

That relative stability owes much to the dominant regional roles of Australia and, to a lesser extent, the multilateral development banks (MDBs), which together account for close to 60% of all Pacific ODF and have partly offset cuts elsewhere. However, the composition of this financing has shifted, with loans increasingly replacing stagnant grant support.

Geopolitical competition continues to shape the Pacific's development finance landscape. Australia has steadily expanded its infrastructure financing while emerging as the region's largest source of new loan commitments. Despite broader aid cuts, the Trump administration has protected and renewed its Compact agreements with the three North Pacific states, the centrepiece of its regional engagement.

China, for its part, has consolidated its post-2018 regional aid strategy around targeted, high-visibility grants, small-scale local projects, and strategic in-kind support. Funding remains closely aligned with diplomatic and strategic priorities, most recently in Nauru and Vanuatu. Although new Chinese lending to the Pacific remains subdued, the legacy of earlier loans continues to weigh heavily on several Pacific countries. At the same time, Chinese state-owned firms continue to secure MDB-funded construction contracts, extending Beijing's reach well beyond its own directly financed projects.

Beyond this competition, the outlook for the Pacific hinges on the scale of the international response to the Iran war, which itself remains uncertain. Previous shocks, such as the global financial crisis and the Covid pandemic, triggered rapid, large-scale surges in development support for the region. So far, signs of a significant international financing response remain limited, though Australia and the MDBs have announced several important measures.

Responding to immediate fiscal pressures while building long-term resilience will be critical for the region's outlook. Budget support linked to economic reform is likely to be central to stabilising Pacific government finances. At the same time, the current environment has underscored the need for greater investment in energy security and social protection, both of which remain underfunded despite their growing importance in a more shock-prone and climate-exposed region.

Without a commensurate international response and real gains in resilience, the economic and social impacts of shocks such as the Iran war are likely to be more severe and long-lasting. As one measure of the cumulative toll of this decade's overlapping crises, we estimate that average Pacific income per person could still sit 2–4% below its pre-Covid level by 2027, sealing in a "lost decade" of development. The consequences would be felt in household incomes, poverty, jobs, food insecurity, and government finances, with cascading risks to governance, social stability, and regional security.

Note: The term 'Pacific' in this report refers to the Pacific Islands region. In line with international reporting, all figures in this report are in US dollars unless otherwise specified. This year, the Pacific Aid Map interactive features multiple currency options across all map and data tool pages.

Understanding development finance

Official Development Finance (ODF)
Public funds for the promotion of economic development and welfare of developing countries.

Official Development Assistance (ODA)

ODA consists of grants (donations that do not have to be repaid) and concessional loans (below market rate, on terms favourable enough to contain a substantial **grant equivalent**).

It is primarily provided to low-income countries with little capacity for repayment, or for projects unlikely to generate commercial returns.

Other Official Flows (OOF)

OOF consists of financial instruments that do not meet ODA criteria. In the Pacific, it mostly includes loans provided on a semi- or non-concessional basis, meaning the terms are not favourable enough to contain an adequate **grant equivalent**.

OOF is most commonly extended to middle-income countries with capacity for repayment.

Standards of concessionality are defined by the OECD's "grant equivalent".[1] The income level of a recipient country determines the grant equivalent threshold. For example, for a transaction to a low-income country to be considered ODA, the grant element must be 45%, while the threshold is 15% for a lower middle-income country, and 10% for an upper middle-income country.

Development partners explained
In terms of development finance, partners are commonly separated into two categories:

Traditional development partners

The Pacific's traditional partners have a long-standing history of providing assistance to the region. They include established donor countries such as the United States and Australia, international organisations such as the United Nations, and multilateral development banks such as the Asian Development Bank and the World Bank.

Non-traditional development partners

This group includes partners that don't report their aid flows in full to either the OECD or alternate aid transparency initiatives, such as China, Taiwan, Saudi Arabia, Qatar, India, and Russia. The group also includes multilateral entities where non-traditional partners play a key governance role, such as the Asian Infrastructure Investment Bank and the Islamic Development Bank.

Aid explained
Aid is commonly separated into two categories:

Bilateral aid

Bilateral aid is support provided directly by a donor government to a recipient country or region. It can take the form of grants, concessional loans, technical assistance, or in-kind donations. This aid category also includes funding that a donor channels through multilateral institutions but earmarks for a specific country or project — for example, a donor funding a UNICEF program in Fiji.

Multilateral aid

Multilateral aid is the core, unearmarked funding donors give to institutions such as the World Bank, Asian Development Bank, UN agencies, and global funds, which then allocate it within their agreed mandates. This spending is recorded under the institution itself, as standard reporting cannot trace pooled core funding back to the many countries that collectively provide it.

Analysis

1. Pacific aid stabilises but is increasingly debt-driven

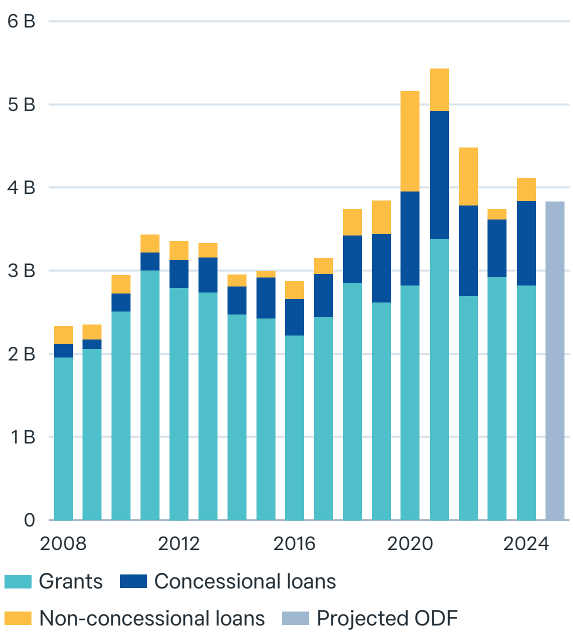
Official development finance to the Pacific increased in 2024, ending three years of decline. The rise came predominantly from concessional loans, which offset falling year-on-year grants.

Total official development finance (ODF) to the Pacific Islands region was $4.1 billion in 2024, a 10% rise from 2023. This follows three consecutive years of contracting support after the highs seen during the pandemic, with total ODF stabilising moderately above 2018–19 levels (Figure 1).

The increase in development support in 2024 was driven by an expansion in concessional and non-concessional lending. Concessional loans to the region grew by 47%, while non-concessional loans more than doubled. Total lending to Pacific Island economies cumulatively reached $1.3 billion, double the average annual pre-pandemic levels from 2015–19.

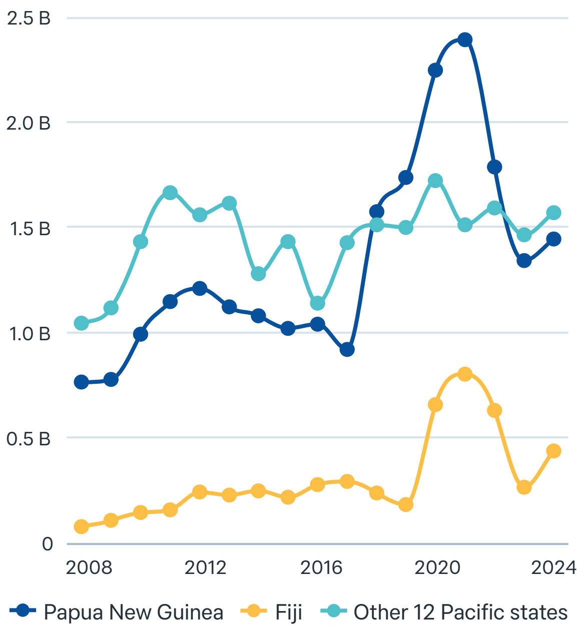
Grant financing, by contrast, fell by 3.5% to $2.8 billion in 2024, though it has held slightly above pre-pandemic levels. This combination of flat grant funding and rising lending is likely to define the region's financing mix in the coming years, reflecting both constrained donor budgets and expanded access to concessional lending.

FIGURE 1
Official development finance to the Pacific, by type
Spent, constant 2024 US$



Drawing on preliminary budgets, outlook statements, public announcements, and credible third-party estimates, we estimate total ODF fell to $3.8 billion in 2025, a modest reduction given major global aid cuts.[2] The Pacific's stability relative to other regions rests on three pillars: Australia's sustained engagement, the dominant and stable role of the multilateral development banks, and the renewal of US Compact financing. Together, these factors have held overall ODF close to pre-pandemic levels even as financing has fallen sharply elsewhere.

FIGURE 2
Official development finance to the Pacific, by recipient
Spent, constant 2024 US$



At the country level, development financing trends continue to diverge between Papua New Guinea, Fiji, and the rest of the region. The Pacific's two largest economies both took on substantial loans during the pandemic, but their post-crisis financing trajectories have differed. In PNG, total ODF in 2024 was 13% below 2018–19 levels, with grant financing falling to a 15-year low. Lending volumes, however, remain elevated, driven by ongoing Australian and multilateral budget financing programs and a raft of major loan-financed infrastructure projects. Fiji, by contrast, received total ODF volumes more than double those seen before the pandemic. This is a product of the country's shift towards a more reform-minded government and is driven in large part by increased Australian, New Zealand, and MDB support.

Across the region's other 12 economies, total ODF has largely held steady over the past half decade (Figure 2). A majority of these countries saw 2024 financing flows 10–20% above pre-pandemic averages. Tuvalu is a notable outlier, recording the largest relative growth in ODF, with financing levels in 2024 nearly triple those of a decade earlier. This increase reflects expanded Australian support linked to the Falepili Union treaty, growth in climate adaptation projects, and a major multi-donor land reclamation initiative.

Among these predominantly grant-receiving economies, Solomon Islands stands out for its reliance on lending in its development finance mix. In 2024, more than one-third of incoming ODF was delivered as loans, driven by increased MDB lending and a temporary spike in Chinese financing linked to the Huawei cell tower project.

2. Australia remains the largest Pacific aid partner while the United States reinforces North Pacific ties

Aid to the Pacific is increasingly concentrated among a few major partners, with Australia by far the largest. The United States has cemented a long-term commitment to the three Compact states, anchoring a deep but narrow footprint.

Aid flows to the Pacific continue to be predominantly delivered through bilateral channels, with country-to-country flows accounting for 70% of support to the region. Australia remains the Pacific's largest development partner by a considerable margin, disbursing $1.5 billion in ODF to the region in 2024, accounting for 37% of all regional development flows (Figure 3).

The next-largest partners by share of total ODF were the Asian Development Bank (11%), New Zealand (11%), the World Bank (10%), the United States (8%), China (6%), Japan (3%), and EU Institutions (3%). Collectively, this group accounted for 90% of regional flows in 2024, with the remaining share spread across 36 smaller donors and multilaterals.

While support from Australia and New Zealand is spread widely across the region, other major partners have highly uneven country-level footprints. China provides no aid to Palau, the Marshall Islands, and Tuvalu, which maintain diplomatic relations with Taiwan, but ranks among the top three bilateral partners in Kiribati, the Federated States of Micronesia, Papua New Guinea, Solomon Islands, Tonga, and Vanuatu.

The United States delivers the bulk of its reported Pacific ODA through its strategically tied Compacts of Free Association (COFA). The three COFA states, the

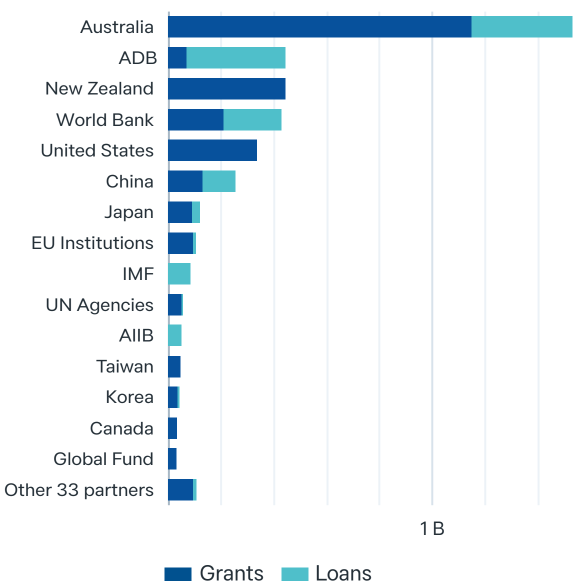
Federated States of Micronesia, Marshall Islands, and Palau, are the destination for more than 80% of US Pacific ODF support. When these flows are excluded, the United States ranks as only the ninth-largest Pacific ODF partner in total spending since 2008.

The 2024 US ODF figures here exclude one-off capitalisations of the Compact trust funds, which are not directly accessible to Pacific governments and translate into budget revenue through formula-based annual disbursements.[3] The capitalisations represent a substantial long-term commitment. The renegotiated COFA agreements, enacted into US law in March 2024, commit roughly $7.1 billion in mandatory funding across the three Pacific states over 2024–43.[4] This funding is codified in legislation, and forms part of a broader bilateral package combining development support with labour mobility and access to federal programs in exchange for exclusive US military access and influence over Compact-state foreign and security policy.[5] No other Pacific partner provides a comparable multi-decade financing baseline.

FIGURE 3

Development partners in the Pacific in 2024

Spent, current US$



Multilateral partners also vary substantially in country-level prominence, with the Asian Development Bank (ADB) and World Bank concentrated in the larger economies, and smaller specialist agencies playing outsized roles in some microstates. Funding from non-MDB partners narrowed considerably in 2024. Excluding the large roles played by the ADB and World Bank, multilateral grant support to the region

FIGURE 4

Pacific partners ranked by bilateral support and Pacific-focused multilateral support in 2024

Spent, current US$

Imputed multilateral contributions credit each donor with an estimated share of multilateral spending in the Pacific, based on the donor's support for relevant multilateral partners.
Data: OECD and author estimates.

fell to just $203 million in 2024, the lowest level in 15 years. Total spending by UN agencies fell to $56 million, 31% below 2018–19 levels. For the region's smaller economies, which depend disproportionately on diversified multilateral grant financing, this contraction is particularly impactful.

A different picture emerges when multilateral spending in the Pacific is traced back to the donor countries that fund those institutions (Figure 4). This view combines bilateral official development assistance (ODA) with imputed multilateral ODA — an estimate of each donor's share of what multilateral institutions spend in the Pacific. It applies each donor's share of an institution's core funding to that institution's total Pacific disbursements. It spans major development banks, UN agencies, and global funds active in the region, capturing how donors also pursue development goals via core contributions to multilateral organisations rather than direct bilateral programs. Under this measure, Australia provides 47% of total bilateral and imputed multilateral flows, followed by New Zealand (14%), the United States (12%), China (10%), Japan (5%), Germany (2%), and Taiwan (2%), with smaller shares for South Korea, the United Kingdom, Canada, and France (each between 1–1.5%).[6]

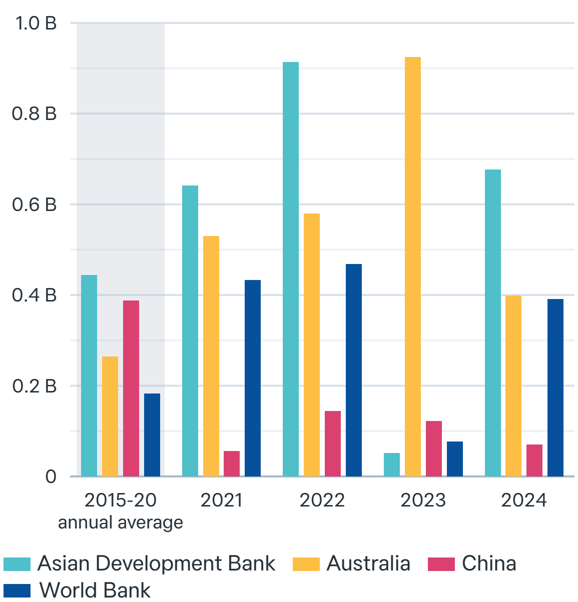
3. Australia and multilateral development banks dominate lending to the region

A growing share of regional support is shifting from grants to loans, led by Australia's expanding infrastructure pipeline and the major multilateral banks. China, once the region's largest lender, maintains low post-pandemic lending volumes.

Australia has emerged as a major lender to the Pacific. Budget support operations in PNG and a growing pipeline of projects funded through the Australian Infrastructure Financing Facility for the Pacific (AIFFP) have made it the region's largest source of new lending since 2021, with $2.4 billion in new loan agreements signed over the period (Figure 5).

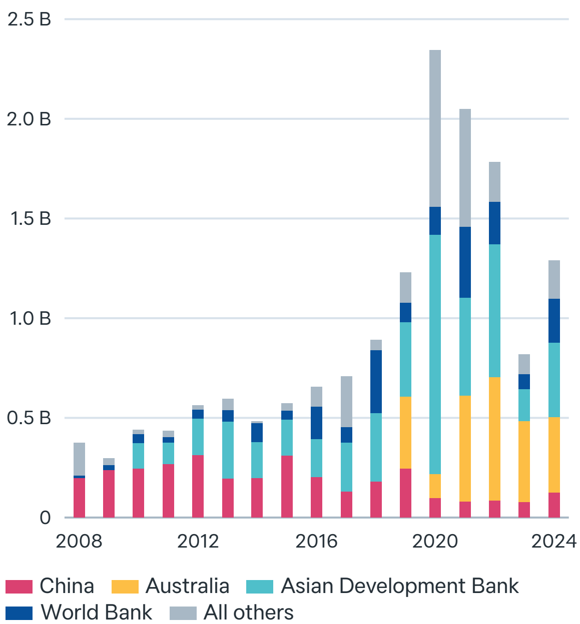
This shift deepens a broader movement towards loan financing that began with the MDBs in the late 2010s. In 2024, more than two-thirds of multilateral commitments to the region were provided as loans. The ADB and World Bank account for most of this, with the former committing a record $1.3 billion in new Pacific lending in 2024 and the World Bank stepping up its lending to PNG, Fiji, Solomon Islands, and Vanuatu. This pattern has been reinforced by intermittent large loans from the Asian Infrastructure Investment Bank (AIIB) and the International Monetary Fund (IMF).

FIGURE 5
New loan commitments from the Pacific's big four lenders
Commitments, constant 2024 US$



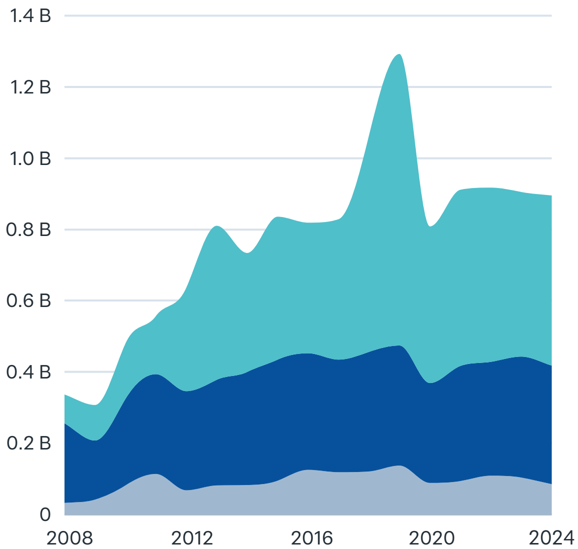
By contrast, China's role as a regional lender has declined significantly. From 2010 to 2019, China signed around $3.6 billion in loans to Pacific countries, accounting for more than one-third of all lending deals in the region and making it the region's largest lender by total deal size (Figure 6). This translated into an average of $228 million in annual disbursements over the decade. However, since 2020, China has committed just $390 million in new loan deals, with average annual disbursements of $91 million, less than half previous levels.

FIGURE 6
Sources of debt financing in the Pacific
Disbursed loans, constant 2024 US$



Excluding budget support, lending to the Pacific by all development partners has been concentrated on infrastructure, particularly strategic infrastructure. Defined broadly as including investments in ports, airports, telecommunications networks, and power generation assets, strategic infrastructure has been the fastest-growing area of Pacific development finance over the past decade (Figure 7). Infrastructure rose from just 15% of development finance to the region in 2008 to more than one-third by 2019. Strategic infrastructure has driven much of this growth, accounting for more than half of all new infrastructure commitments since 2020. This trend reflects both the region's substantial infrastructure financing gap and increasing strategic competition, which has seen Australia and other partners expand their engagement in a sector previously dominated by China.

FIGURE 7
Strategic infrastructure official development finance
Spent, constant 2024 US$



The broader shift towards loans raises questions about financing adequacy, particularly as Pacific budgets come under renewed pressure from external shocks. Debt sustainability concerns are widespread but may be overstated given the highly concessional lending most Pacific countries receive, which typically carries long grace periods and low effective interest rates. In some cases, higher borrowing reflects improving fundamentals, for example when multilateral banks automatically shift financing from grants to concessional loans as a country's debt sustainability rating improves.

Yet a trade-off nonetheless remains between managing debt risks, even on concessional terms, and meeting the region's substantial development financing needs. That balance looks different across the region. Larger Pacific economies with broader revenue bases can potentially absorb concessional loans to meet their development needs. Smaller economies, particularly atoll and microstates, have much less scope and remain structurally dependent on grants.

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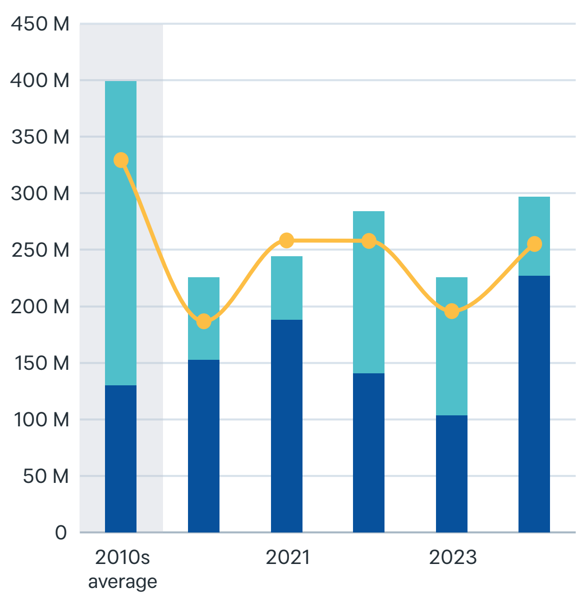
4. China maintains aid strategy shift from large-scale lending to high-frequency, small-scale grants

China's Pacific aid spending remains below its 2010s peak but has stabilised around a high-visibility grant model tied to diplomatic objectives. Loans from its mid-2010s lending boom are now entering acute repayment phases, leaving Tonga, Samoa, and Vanuatu with substantial debt obligations to Beijing.

In 2024, Chinese aid spending in the Pacific totalled $255 million. This is a modest increase on its post-pandemic annual average of $225 million but remains well below its 2010s annual average of $330 million. The composition of Chinese ODF continues to shift away from the large-scale lending that defined Beijing's pre-2018 regional engagement. Pacific demand for Chinese loans has softened considerably since 2019, weighed down by debt sustainability concerns, increased competition from other major partners, and tighter capital availability in China's policy banks. As a result, both disbursed debt and new loan commitments have continued to be subdued, with only a handful of new loan-financed deals signed since 2020 (Figure 8).

FIGURE 8
China's Pacific ODF
Commitments and total spending, constant 2024 US$



China's approach to regional engagement has adapted accordingly. In inflation-adjusted terms, China's grant commitments hit a high-water mark in 2024, running at close to twice the pre-pandemic average. The largest single grant commitment to date is the $135 million Vanua Levu Bridges and Roads Project in Fiji, signed in 2024 with works expected to start in 2026. Several country-record grant projects have been announced in recent years, including the Nauru National Sports Stadium ($73 million), the Vanuatu Earthquake Recovery Grant ($57 million), and the High School Sports Complex in Tonga ($26 million).

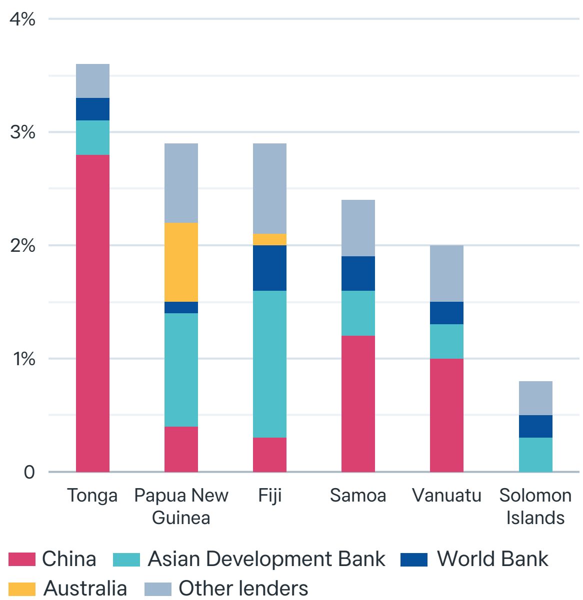
FIGURE 9
China's project size and volume
Number of projects and average annual project spend, constant 2024 US$

Yet the average size of Chinese projects has declined steadily since 2020 (Figure 9), consistent with Xi Jinping's stated transition towards "small and beautiful" development partnerships.[7] The project pipeline is increasingly made up of more modest, locally targeted initiatives. Aid-in-kind donations have grown as part of this trend, with China delivering substantial volumes of equipment to schools, police forces, and hospitals across the Pacific. Scholarship and training projects have also expanded, with a particular sectoral focus on health, media, and policing.

China's Pacific aid maintains clear alignment with broader diplomatic objectives, evident most recently in Nauru and Vanuatu. In Nauru, the government's January 2024 switch in diplomatic recognition from Taipei to Beijing was followed by a rapid and visible expansion of Chinese aid. The post-switch aid package was anchored by a $73 million grant for the National Sports Stadium and a $19 million budget support program, alongside smaller, high-visibility grants for a 6MW solar plant, solar streetlights, schoolbag and computer donations, a medical clinic, and a press conference room for the Ministry of Media. The Nauru package echoes past deals that secured shifts in diplomatic recognition, combining high-visibility public infrastructure projects with a high volume of smaller grants and training programs.

In Vanuatu, Chinese aid has expanded in parallel with negotiations over the Nakamal Agreement with Australia and the Namele Agreement with China. Major recent commitments include a $57 million earthquake recovery grant signed in 2025, focused on repairing several Chinese-built government and public buildings in Port Vila damaged during the 2024 earthquake. China has also extended two long-running infrastructure initiatives through the $27 million extension of the Pentecost Road and Melsisi Wharf Project and the $16 million Port Vila Central Business District road upgrade. These large grants sit alongside a sustained pipeline of smaller commitments, most visibly an expanding series of donations to the Vanuatu Police Force, including patrol boats, motorcycles, drones, riot equipment, and training programs,

FIGURE 10
External debt service payments in the Pacific
External public debt service payment as % of GDP 2024–28 average



as well as ongoing medical equipment donations and scholarship and training programs. The Vanuatu data suggests China's aid flows remain highly reactive to diplomatic negotiations.

A final dynamic shaping China's Pacific engagement is the legacy of its previous large-scale loans to the region, evident in substantial debt repayment pressures in several countries (Figure 10). The standard terms of Chinese loans, typically involving a 3–5-year grace period followed by a 15–20-year repayment deadline, mean that many loans issued during the mid-2010s lending boom are now hitting acute repayment phases. Tonga's situation is especially difficult. Beijing previously granted Tonga repeated deferrals on its loan repayments but declined to extend the underlying maturity, compressing what was already a substantial repayment schedule into a shorter window (Figure 10). Samoa and Vanuatu also face repayment obligations to China equivalent to more than 1% of GDP, with Vanuatu's payments set to rise and remain elevated through to 2032.

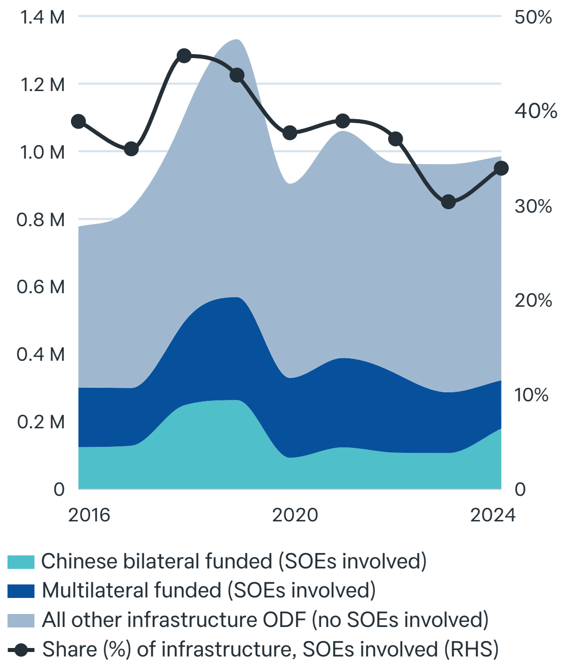
5. Chinese state-owned firms dominate Pacific infrastructure contracts, including for multilateral projects

Chinese state-owned enterprises have become the dominant construction contractors for Pacific infrastructure, including projects financed by multilateral development banks. This position has held even as Beijing's direct infrastructure financing in the region has declined.

Chinese construction firms are active in the Pacific not only through Chinese-financed projects but also as contractors on projects financed by MDBs. As a result, they play a dominant and highly visible role in infrastructure across the region, one that extends well beyond China's own bilateral financing.

Preliminary Pacific Aid Map analysis, combining multilateral contract award data with open-source project-level financing and implementation records, suggests that Chinese SOEs have been involved in more than $5.1 billion worth of Pacific infrastructure projects since 2008.[8] Around $3 billion of this was financed directly by China, with the remaining share split between the ADB and World Bank (Figure 11). Over this period, approximately 40% of Pacific infrastructure projects by value involved a Chinese SOE. This share has declined somewhat in recent years as alternative infrastructure funders, principally Australia, have increased their own bilateral financing support.

FIGURE 11
Chinese SOE involvement in Pacific infrastructure
ODF funding for infrastructure by source and Chinese SOE involvement, constant 2024 US$



Notably, although infrastructure projects directly financed by China have been lower this decade compared to last, Chinese SOEs have won a greater volume of MDB contracts, thereby maintaining their significant on-the-ground presence across the region.

ADB procurement data indicates Chinese firms were awarded 102 infrastructure contracts between 2016 and 2025 (Figure 12). Chinese SOEs won 16% of all awarded work contracts over this period, or 45% when excluding contracts awarded to local firms. The contracts awarded to Chinese SOEs were worth around $1.1 billion, accounting for more than half (52%) of total infrastructure contract value. The small share by number, but large share by value, reflects the dominance of Chinese SOEs in winning high-value infrastructure projects, while local firms typically dominate smaller contracts.

World Bank procurement data tells a similar story. Chinese SOEs were awarded 33 infrastructure contracts between 2016 and 2025, making up 7% by number but 40% when excluding contracts awarded to local firms (Figure 13). These contracts were worth

FIGURE 12
World Bank infrastructure contract awards, by nationality of winning contractor
Current US$

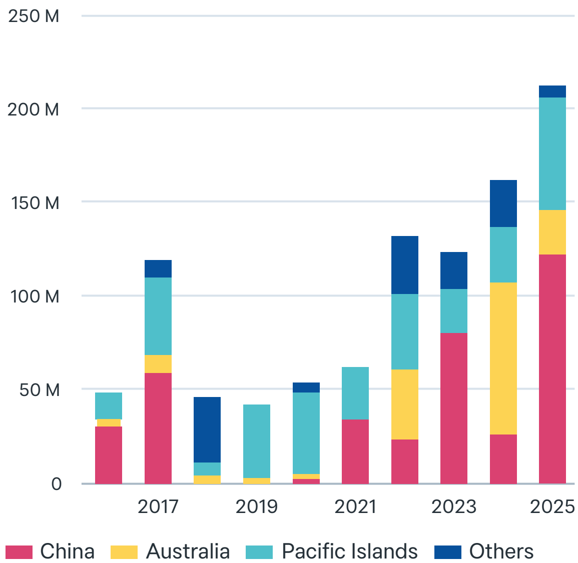
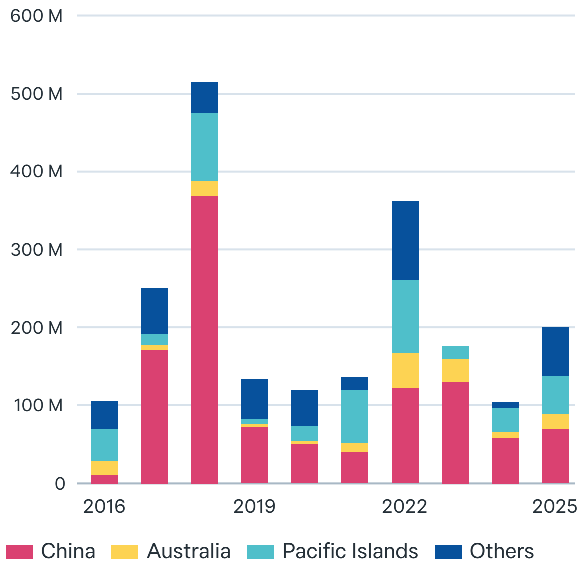


FIGURE 13
Asian Development Bank infrastructure contract awards, by nationality of winning contractor
Current US$



$379 million in total, or 56% of total contract value, again reflecting the concentration of larger infrastructure projects among Chinese SOEs.

Under the banner of the "multilateral reform agenda", several MDB shareholders have pressed multilateral lenders to adjust procurement regimes that they argue have advantaged subsidised Chinese bidders.[9] Australia and New Zealand, for their part, have invoked the Pacific Islands Forum-endorsed Pacific Quality Infrastructure Principles as a means of pressing the banks towards procurement reform.[10]

In response, the ADB introduced merit point criteria (MPC) in Pacific procurement in 2020, piloting a shift away from lowest-cost bidding towards weighted scoring against quality, technical capability, and sustainability.[11] MPC has since become standard in the Pacific sub-region, and from January 2026 it became mandatory for all internationally advertised ADB contracts globally, alongside a new requirement that local labour fill at least half of person-days on such construction contracts.

Whether the new rules will materially shift contractor composition in the Pacific remains to be seen, and will depend partly on the availability of alternative contractors. In a small, geographically dispersed market with limited local construction capacity, the pool of firms able to compete on these terms may be narrow, blunting the reforms' impact.

6. The Iran war is the latest in a series of shocks to hit the region, but the scale of the international response is uncertain

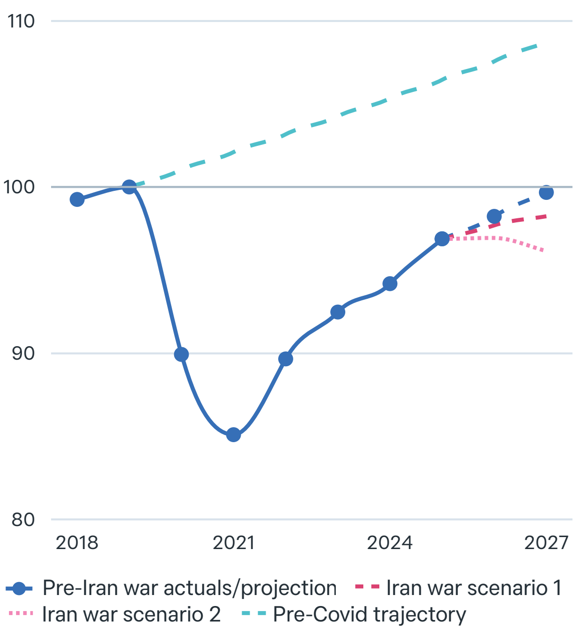
Pacific economies have limited capacity to absorb shocks such as the Iran war, leaving them at risk of a "lost decade" of development on top of earlier crises.

The Pacific is acutely exposed to the economic fallout of the Iran war, particularly its disruptions to global supply chains. Costs for oil imports, for example, are much higher for the Pacific than elsewhere in the world, typically equating to 5–15% of GDP due to high transport costs and a reliance on diesel generators for electricity.[12] Only PNG is a net exporter of oil and gas, but weak linkages to the rest of the economy mean this provides limited benefit to the wider population. Most Pacific countries are also heavily exposed to higher global food prices and disruptions to world fertiliser supplies, with an estimated 60% of food imported.[13] Strong El Niño conditions are also building, raising the risk of further economic and food security shocks.[14] Geographical isolation also means fuel-cost spikes translate into sharp increases in local prices and reduced export competitiveness. Finally, the tourism-dependent economies of Cook Islands, Fiji, Palau, Samoa, Tonga, and Vanuatu are exposed to higher air-travel costs and a weaker global economy.

Pacific governments have limited capacity to cushion these economic shocks. Slower growth and rising spending pressures will strain public finances, while relatively underdeveloped social protection systems make it harder to provide targeted support to households facing higher prices, weaker job prospects, or food insecurity. As a result, more families may be pushed into poverty and forced to cut back on essential spending, including on healthcare and education.

Scenario projections by the ADB suggest the Iran war could reduce Pacific economic growth to 2.0–2.8% in 2026 and 1.1–2.5% in 2027, compared to 3.4% and 3.2% projected before the onset of the conflict.[15] Yet the Iran war is only the latest in a series of major shocks to hit the region this decade. These include the Covid pandemic, the economic consequences of Russia's invasion of Ukraine, elevated global inflation and interest rates, recent US tariffs and aid cuts, and major disasters such as Tonga's 2022 volcanic eruption and Vanuatu's 2024 earthquake.

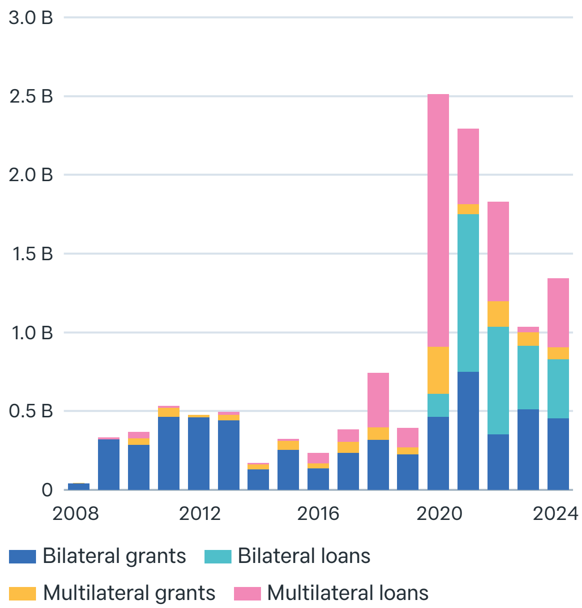
FIGURE 14
Pacific income per person since Covid
Real GDP per capita, PPP, Index (2019 = 100)



Source: Authors' calculations based on Asian Development Bank growth projection scenarios and International Monetary Fund World Economic Outlook database

A simple way to gauge the cumulative economic damage from these overlapping shocks is to compare GDP per person across the Pacific with pre-shock expectations.[16] On this basis, Pacific income per person in 2025 was still 3% below its 2019 level, before the onset of the Covid pandemic. Prior to the Iran war, incomes were expected to return to pre-Covid levels by 2027. Those expectations could now be set back. Using the ADB growth scenarios, Pacific income per person could still be 2–4% below pre-Covid levels in 2027 (Figure 14). This would seal a "lost decade" of Pacific development, with negative implications for household incomes, poverty, jobs, and government budgets.[17] In total, Pacific income per person would be 10–12% lower than expected before the pandemic.

FIGURE 15
Budget support spending in the Pacific by funder and type
Spent, constant 2024 US$



At the time of writing, the scale of the international financial response is unclear, in part because the duration and severity of the economic shocks hitting the Pacific remain uncertain. Early indications suggest assistance will mainly be in the form of budget-support packages, echoing the response to the global financial crisis and the Covid-19 pandemic (Figure 15). Australia, for instance, has announced targeted budget-support packages for Fiji, Solomon Islands, and Samoa to help absorb fuel-price shocks, alongside a contribution channelled through the World Bank.[18] It has also used diplomatic channels to press major Asian fuel suppliers to keep supply flowing to the Pacific.[19] Beyond Australia, however, signs of dedicated crisis measures from other traditional donors have so far been muted. The ADB and World Bank have both announced large-scale financing responses to the crisis, though the Pacific's share is unknown.[20] Whether the overall international response will result in additional, rather than reprioritised, financing support to the Pacific remains to be seen.

7. Energy insecurity remains extreme despite sustained renewables investment

Pacific Island economies are among the world's most energy insecure. Recent fuel-market volatility has underscored continued dependence on imported fossil fuels despite sustained investment in renewables and energy infrastructure.

The Pacific's extreme energy insecurity stems from a heavy dependence on imported fossil fuels for electricity generation. Imported diesel and fuel oil account for around 44% of grid electricity in Fiji, roughly 80–95% in Tonga, Kiribati, Vanuatu, and Solomon Islands, and close to 100% in the Federated States of Micronesia and the Marshall Islands. Even Samoa remains majority fossil-fuelled despite significant progress in renewable energy deployment.[21] This reliance contributes to some of the highest electricity costs in the world. At approximately $0.47/kWh, the average cost of electricity supply in the Pacific is nearly three times the global average of around $0.17/kWh.[22]

FIGURE 16
ODF energy security investments in the Pacific
Spent, constant 2024 US$

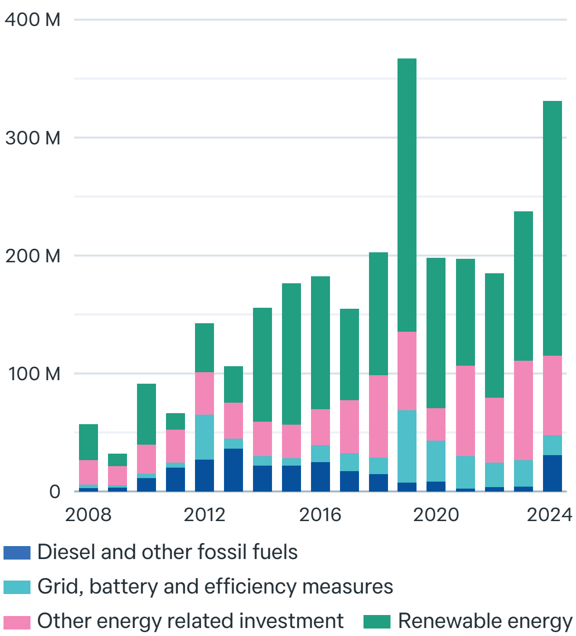
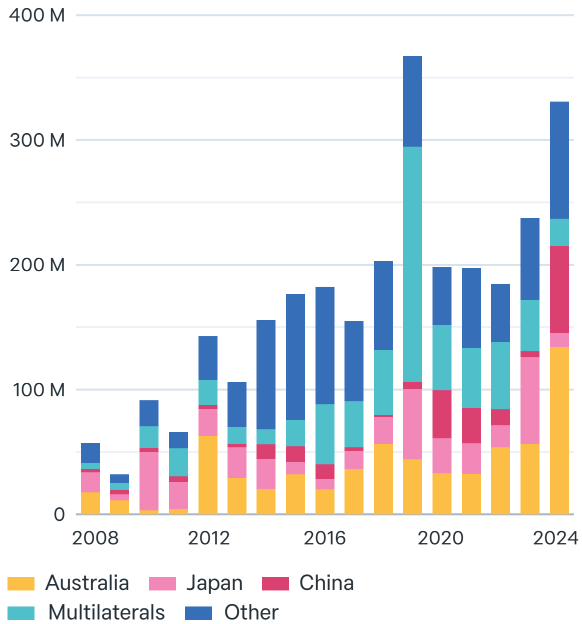


FIGURE 17
Energy security investment by partner
Spent, constant 2024 US$



In view of this exposure, the region's renewable targets are, on paper, world-leading. Cook Islands, Fiji, Marshall Islands, Samoa, Tuvalu, and Vanuatu have all pledged 100% renewable electricity by 2035, while Tonga and Solomon Islands target 70% by 2030 and full decarbonisation by 2050.

Donors have sought to address this exposure and assist regional governments in meeting targets. External investment in Pacific energy security, tracked in the Pacific Aid Map by combining flows to renewables, grid and efficiency measures, fossil fuel projects, and other energy sector activities, totalled $2.2 billion over 2015–24, or around 6% of all ODF support to the region (Figure 16). Renewables account for the largest share of these investments, at 59%, followed by grid and efficiency investment (10%), and fossil fuel projects (6%), with the remaining share made up of energy policy, technical assistance projects, and other energy sector initiatives.

Energy financing peaked in 2019 at $367 million, driven by a one-off surge in renewable energy commitments, before falling back to an annual average of around $193 million across 2020–22. Since the ramp-up in the early 2010s, however, total energy financing has been broadly flat, with spending since the pandemic only 6% higher in real terms than the half-decade prior. Yet recent figures show some positive signs: energy security commitments have jumped to $699 million, with more than two-thirds of it for renewables.

The composition of energy financing varies considerably across donors. Australia is the largest single energy partner in the region, leading renewables investment through its AIFFP pipeline (Figure 17). The ADB sits second overall and leads on grid and efficiency investment. China has also been a notable renewables partner, providing financing for a range of projects including the Ramu Hydro project in PNG, the Somosomo Mini Hydro project in Fiji, and wind power investments in Tonga.

8. Social protection has expanded domestically but donor support is limited

Pacific governments have more than doubled social protection spending over the past decade, from 0.9% to 2.3% of gross national income. External financing has not mirrored this increase, accounting for less than 1% of total ODF.

Social protection can play a significant role in helping Pacific countries and households weather the economic impacts of shocks such as the Iran war.[23] Social protection comprises cash transfers, old age pensions, disability benefits, child and family allowances, unemployment support, and social insurance schemes. In normal times, these programs help lift people out of poverty, enable households to invest in health and education, and protect individuals from shocks such as unemployment or illness that could otherwise cause lasting harm.

During economic shocks at the national level, social protection helps target support to vulnerable individuals, maintain household investments in health and education, provide countercyclical stimulus, and limit long-term economic scarring. Strong existing systems can also be scaled up quickly during a crisis. Concerns that such programs disincentivise work in developing countries are not borne out by the evidence.[24]

Social protection is especially relevant to Pacific countries given their exposure to external economic shocks (including climate impacts), limited domestic economic opportunities, large aid inflows, and heavy reliance on non-tax revenues (e.g. fishing licence fees, commodity royalties, and trust fund income).

Pacific governments have been spending more on social protection programs in recent years, especially during the Covid pandemic, reflecting growing recognition of their value in shielding households from major economic shocks and supporting resilient and inclusive development. Over the past decade, this spending has risen from 0.9% to 2.3% of gross national income.[25] This, however, remains lower than in other middle-income countries (2.5–8%) and far lower than in high-income countries (16%).[26] Coverage is often narrowly focused on old age and disability programs, limiting governments' ability to use existing systems to respond rapidly and effectively with targeted support during crises.

While Pacific governments have substantially increased their spending in this sector, the response from development partners has been more limited. ODF for social protection falls into two types: 1) projects directly supporting these programs; and 2) budget support linked to social protection policy actions by recipient governments. Funds for the latter may or may not be used directly for these programs. Nonetheless, where budget support is a substantial source of government revenue, these funds are likely to at least partially support social protection transfers while also incentivising supportive policy actions.

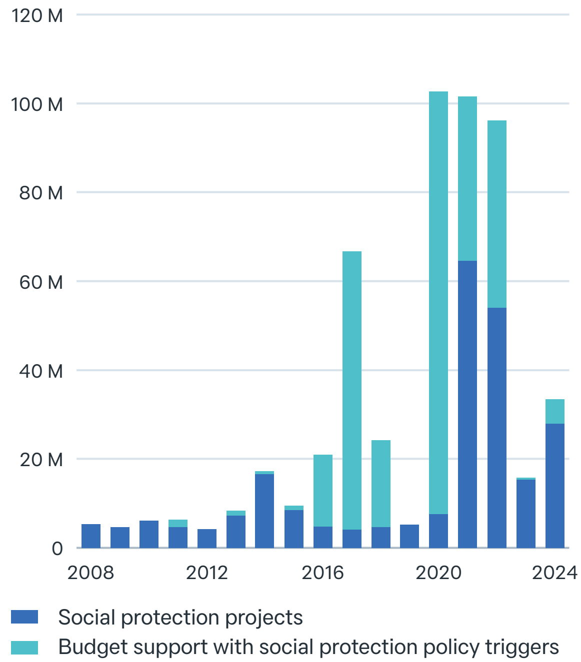
Since 2008, ODF for social protection in the Pacific has totalled $926 million, equivalent to less than 1% of total ODF to the region, and is highly concentrated. Six donors account for more than 90% of flows, led by Australia ($306 million), the World Bank ($224 million), and the ADB ($211 million), with New Zealand, the UN system, and Japan providing smaller shares.[27] Fiji and PNG together have received around half of all disbursements.

Financing is episodic and closely correlated with crisis periods. Recorded spending rose during the pandemic to an annual average of around $100 million between 2020 and 2022, drawing on both budget support and dedicated projects, but at that peak it still represented only around 2% of total regional ODF. It has since dropped to $33.4 million in 2024, or 0.8% (Figure 18).

The makeup of these initiatives varies widely. The World Bank delivers through a small number of large projects concentrated in Fiji and PNG, including its $85 million PNG Child Nutrition and Social Protection Project, the single largest commitment in the sector. ADB spending on social protection has been dominated by crisis-response operations mobilised after Cyclone Winston and the Covid pandemic, and successive disaster recovery operations. Australia's footprint is by far the most diversified, with a number of distinct projects spanning labour mobility, gender equity, disability inclusion, and disaster recovery. New Zealand's portfolio mirrors Australia's at roughly a quarter of the scale.

Data from the Organisation for Economic Co-operation and Development (OECD) shows that social protection accounted for about 0.8% of ODA globally in 2024. In the Pacific, the share is marginally higher at 0.9%. This sits at odds with the relevance of social protection to the region's structural characteristics, especially its high vulnerability to external economic shocks.

FIGURE 18
Official development finance supporting social protection
Spent, constant 2024 US$



Cross-cutting priorities: Climate, gender equality, and disability inclusion

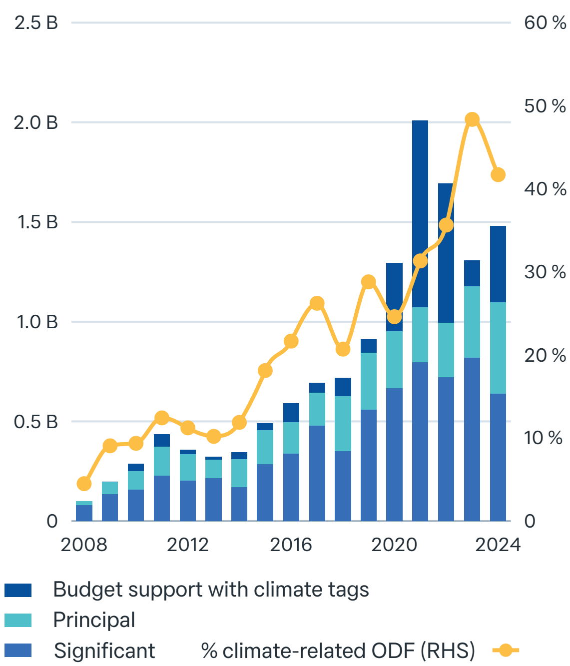
Climate development finance

Pacific Island countries are among the world's most vulnerable to weather-related disasters and the impacts of climate change. Governments across the region face high unmet needs for climate finance, particularly for adaptation. The IMF estimates that PNG needs to invest 2% of GDP in adaptation-related infrastructure, while other Pacific Island countries need to invest between 6.5% and 9%.[28] Given their small economies and limited fiscal capacity, these countries rely heavily on external support to help narrow climate financing gaps.

Trends

Climate-related ODF to the Pacific increased from $1.3 billion in 2023 to $1.5 billion in 2024, suggesting a stabilisation in spending on climate adaptation and mitigation following the volatility of the pandemic years. The elevated levels recorded in 2021 and 2022 were driven largely by pandemic-era emergency financing, including substantial budget support loans to PNG and Fiji that were reported as having "significant" climate objectives (Figure 19).

FIGURE 19
Climate development finance, by type
Spent, constant 2024 US$



Looking beyond these short-term fluctuations, the longer-term trend is one of sustained growth. Climate-related ODF to the Pacific has expanded rapidly from a low base over the past decade, increasing by an average of 18% per year. Notably, even as total ODF to the Pacific declined between 2021 and 2023, the share allocated to climate objectives remained well above pre-pandemic levels. This shift is particularly evident in funding for projects with climate as a "principal" objective, which reached a record high of $461 million in 2024.

New commitments with climate-related objectives also show positive trends. In 2024, donors announced $2.8 billion in new mitigation and adaptation projects, the highest level on record for the Pacific. Much of this growth reflects a new wave of infrastructure investment incorporating climate-resilient design, including a substantial pipeline financed through the AIFFP.

Key partners

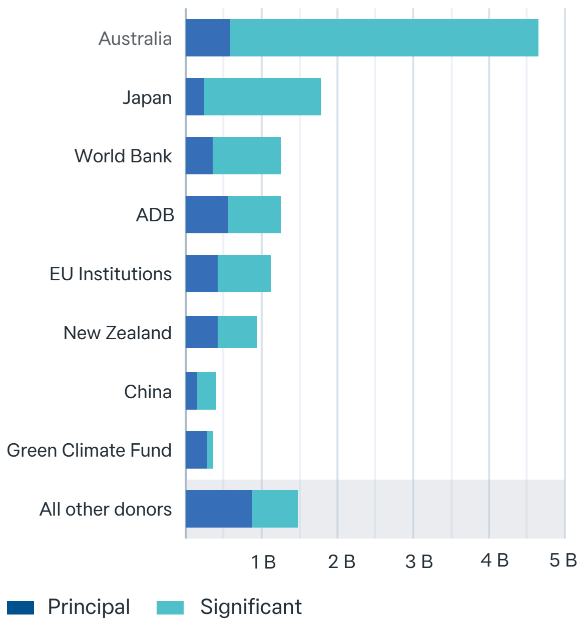
Consistent with its position as the Pacific's largest aid donor, Australia is also the region's leading source of climate-related development finance. Between 2008 and 2024, Australia disbursed $4.6 billion in climate-related ODF to the Pacific (Figure 20). Early growth in "significant" climate-tagged finance was driven largely by the inclusion of climate objectives in major budget support operations. More recently, growth has been underpinned by the expanding AIFFP project pipeline.

In 2024, Australia became the Pacific's largest provider of "principal" climate finance for the first time. Key projects included the AIFFP loan to Solar Pacific Pristine Power for the Palau Solar Project, a solar and battery storage facility expected to supply up to 20% of Palau's electricity. Australia also funded the Tonga Renewable Energy Stabilisation Package, which will upgrade the electricity grid and install hybrid-compatible generators to support renewable energy integration. At a smaller scale, the RENew Community Electrification program aims to expand access to solar power for the region's rural households, schools, and health clinics.

The ADB is the Pacific's second-largest source of "principal" climate finance. Fiji and PNG have been the primary recipients, accounting for nearly 70% of this funding since 2008. The largest ADB climate-related investment since 2022 has been the Sustainable and Resilient Recovery Program in Fiji, a $159 million policy-based operation that combines fiscal reform with disaster and climate risk management.

The Pacific Aid Map's independently compiled dataset shows that Beijing is a relatively small but active climate finance partner in the Pacific. Since the Covid pandemic, China's climate-tagged portfolio has

FIGURE 20
Largest climate development finance providers to the Pacific 2008–24
Spent, constant 2024 US$



been split between a handful of large energy-sector projects and a broader range of smaller adaptation grants. Most spending has been concentrated in PNG, including on the Hagen–Mendi–Tari Grid Development Project and the $56 million Ramu System Extension from Yonki to Mt Hagen. In Tonga, China provided grant finance for a $14 million Wind Power Station, completed in 2025. Alongside these larger investments, China has provided a steady stream of smaller adaptation and clean-energy grants across Fiji, Solomon Islands, the Federated States of Micronesia, Kiribati, and Vanuatu. These projects have included solar home systems, solar street lighting, water tanks, agricultural initiatives, and drought-relief desalination support in Kiribati.

Climate-focused multilaterals, notably the Green Climate Fund, Climate Investment Funds, Adaptation Fund, Global Environment Facility, and Global Green Growth Institute, play an important role in providing "principal" climate finance to Pacific Island countries. Because their mandates are focused almost exclusively on climate and environmental objectives, nearly all of their funding qualifies as climate finance. While these institutions accounted for only 14% of "principal" climate finance to the Pacific between 2008 and 2024, this represents an outsized contribution given that they collectively provided less than 1% of total ODF to the region.

Gender equality finance

Women in the Pacific Islands face pronounced social and economic inequalities. Across the region, women's participation in the non-agricultural labour force is roughly half that of men.[29] Two-thirds of women and girls in the Pacific experience gender-based violence.[30] Pacific Island countries also have some of the lowest levels of female political representation in the world, with women accounting for just 7% of parliamentarians, well below the global average of 27%.[31] In response to these challenges, international development support has sought to target gender equality and inclusive development.[32]

Trends

Gender-related financing in the Pacific grew steadily in the decade prior to the pandemic, rising at a rate of around 12% per year between 2008 and 2019. Spending on "principal" gender-focused projects averaged $88 million annually, while "significant" gender-focused projects reached $896 million. Over this period, the share of total ODF to the Pacific with gender equality as a policy goal doubled from 16% in 2008 to 30% in 2019.

FIGURE 21
Gender equality official development finance, by type
Spent, constant 2024 US$

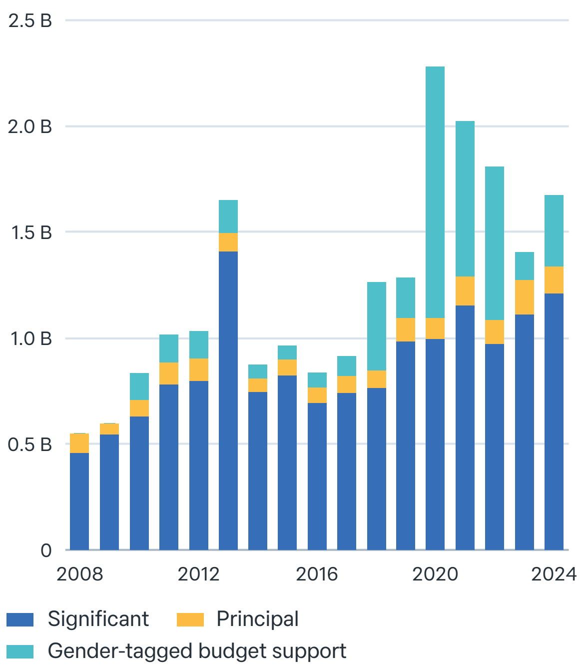
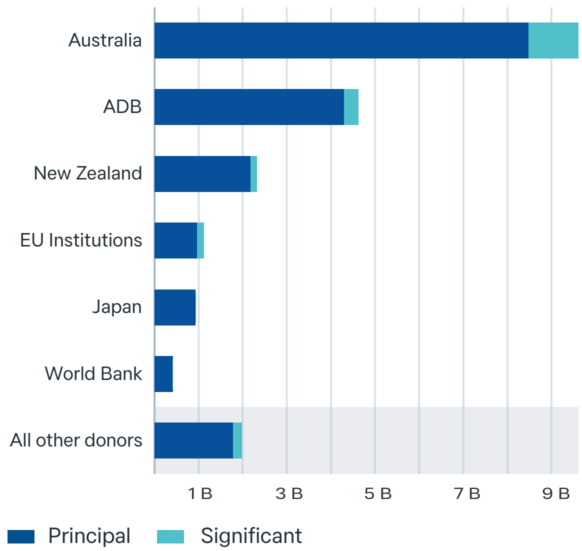


FIGURE 22
Gender equality development finance, by provider
Spent, constant 2024 US$



In 2020, both categories saw a significant increase as major donors such as Australia and Japan embedded gender equality objectives into large Covid budget support programs. This surge temporarily lifted gender-related financing to unprecedented levels (Figure 21). However, these gains were short-lived; by 2023, gender equality financing had largely returned to pre-pandemic levels. In 2024, total gender-related financing was around $1.7 billion, of which $128 million was for "principal" projects.

Key partners

As the region's largest ODF provider, Australia also leads the provision of gender-focused ODF in the Pacific (Figure 22). More than half of all "principal" gender finance to the region, and 45% of "significant" gender finance, has come from Australia. In dollar terms, it has provided an annual average of $66 million in "principal" gender finance and $498 million in "significant" gender finance since 2008. The $110 million Pacific Women Lead program is Australia's largest "principal" gender equality investment in the region.

The ADB and New Zealand are the next-largest providers of gender ODF to the Pacific, with both consistently including gender equality goals in governance and budget support programs. The World Bank and EU institutions play an outsized role, together providing close to one-fifth of all "principal" gender-related financing to the region despite contributing only 6% and 4% of total ODF respectively.

Despite sustained donor rhetoric on gender equality, the data suggests that principally gender-targeted financing remains a small share of the overall envelope. Mirroring global trends, most gender ODF is the product of mainstreaming rather than projects directed at gender-specific objectives.[33]

Disability inclusion finance

People with disabilities are among the most marginalised groups in Pacific Island countries, facing persistent stigma, discrimination, and economic exclusion. They experience lower rates of school attendance and labour force participation, and are more likely to report negative encounters with health systems.[34] Women with disabilities face particularly severe barriers, including higher rates of physical and sexual violence, forced treatments, and earlier child-bearing than both women without disabilities and men with disabilities.[35]

Trends

The Pacific Disability Forum estimates that 1.7 million people across the region live with a disability.[36] This number is rising, driven by demographic ageing and the growing prevalence of non-communicable diseases. In response, disability-specific government programs have emerged across the region. Since 2015, six countries — Fiji, Kiribati, Palau, Samoa, Tonga, and Tuvalu — have introduced government-funded disability benefit schemes, providing regular, predictable payments to eligible individuals.[37] Yet major gaps remain. Countries such as PNG, Solomon Islands, and Vanuatu still lack substantive government support for persons with disabilities.

FIGURE 23
Disability inclusion official development finance
Spent, constant 2024 US$

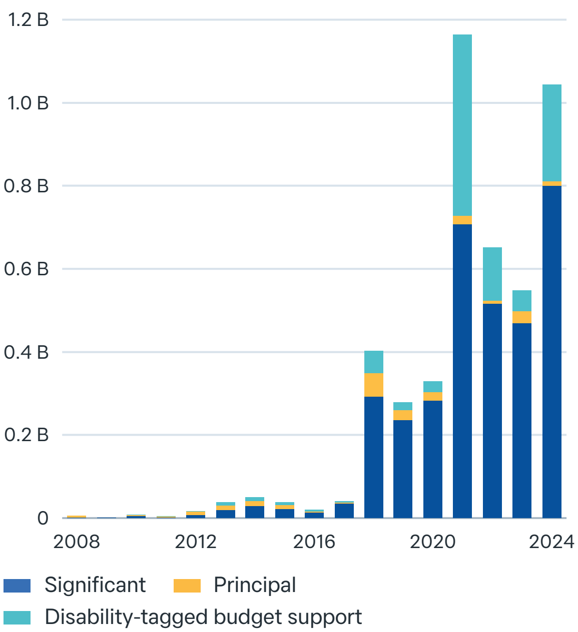
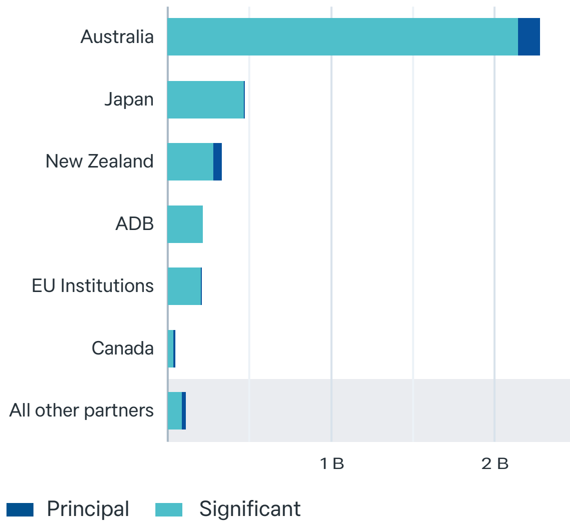


FIGURE 24
Largest disability official development finance providers to the Pacific
Spent, constant 2024 US$



Between 2008 and 2017, the Pacific received an annual average of just $13 million for "significant" tagged disability projects and $6 million for "principal" projects. Since 2018, a handful of development partners have increased efforts to finance disability inclusion and mainstream it into development activities. As a result, average annual spending jumped to $136 million and $24 million respectively. As with climate and gender projects, the pandemic period drove a substantial increase in "significant" marked disability financing, with mainstreamed efforts built into budget support programming. However, unlike support for other cross-cutting issues, this has been more durable (Figure 23).

Key partners

Donors have increasingly integrated disability inclusion into larger development initiatives. Australia is the biggest provider of disability-related aid in the region, having spent $2.1 billion on "significant" disability inclusion projects between 2008 and 2024 and $132 million on "principal" projects over the same period (Figure 24). Japan ranks second at $470 million, though almost all of this has come through mainstreaming in a handful of budget support loans. New Zealand is the region's second-largest funder of "principal" disability projects, having spent $52 million since 2008. Viewed in full, the data indicates that, while there has been some increased focus on disability financing, it remains a more niche policy goal than climate and gender-related funding

.

Methodology

The Pacific Aid Map consists of data on more than 50,000 projects and activities across all Pacific Island nations from 76 development partners, with complete data from 2008 to 2024. This raw data is freely available on the Pacific Aid Map interactive platform, allowing users to drill down and manipulate the data in a variety of ways.

Key concepts

Official development finance (ODF) refers to public funds provided by governments and international organisations to promote economic and social development in low- and middle-income countries. It is the combination of official development assistance (ODA) and other official flows (OOF).

Official development assistance (ODA) is defined as financial flows that are provided by official agencies and are administered with the promotion of the economic development and welfare of developing countries as the main objective and are concessional in character.

Other official flows (OOF) consist of financial flows that do not meet the conditions for ODA either because they are not primarily aimed at development or because they do not meet Organisation for Economic Co-operation and Development (OECD) concessionality standards.

Donors

A donor is an entity, such as a government or organisation, that provides foreign assistance to support economic and social development in other countries. The Pacific Aid Map focuses on 76 official agencies or partners, both bilateral and multilateral.

Recipients

The recipient countries in alphabetical order are: Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. Additionally, there is a Regional initiatives recipient category that captures all regional and multi-country projects.

Committed vs spent

There is an important distinction between what development partners have committed in the region and what they have actually spent. Large commitments, typically in infrastructure, can often take a long time to disburse, meaning commitments can often overstate a donor’s overall footprint. Spent funds are a better indication of annual flows into the region.

Sectors

Sectors have been drawn from the OECD sector categories and condensed for formatting purposes. The sectors are: Agriculture, Forestry & Fishing, Communications, Education, Energy, Government & Civil Society, Health, Humanitarian Aid, Industry, Mining & Construction, Multisector/Cross-cutting, Transport & Storage, Water & Sanitation, and other/unspecified.

Sources

There are two major existing databases for tracking aid and development finance: the OECD’s Development Assistance Committee (OECD DAC) and the International Aid Transparency Initiative (IATI). Unfortunately, neither dataset has comprehensive reporting on non-traditional partners such as India, China, and Taiwan, nor do they cover each Pacific Island country. Steps have been taken by the

Pacific Aid Map team to both fill the gaps in existing reporting mechanisms and validate what has been reported through official channels. The team collected, cleaned, and analysed data from open sources such as government budget documents, press releases, news media and social media, and websites of resident embassies. These sources are available via hyperlinks in the Pacific Aid Map database.

This approach, while detailed, will never be entirely comprehensive and some projects will likely be missing, especially from non-traditional partners. However, we are confident that this approach has produced the most complete picture of non-traditional development partner activities to date.

Climate, disability inclusion, and gender equality development finance

The OECD policy marker system provides an indication of the degree of investment a policy goal receives within an ODF project. A modified version of the OECD's marker system for climate, disability, and gender equality has been applied to all projects in the Pacific Aid Map dataset, sorting projects into three categories: "principal", where climate change mitigation or adaptation/inclusiveness of persons with disabilities/gender equality is explicitly stated as fundamental to the project; "significant", where climate change mitigation or adaptation/inclusiveness of persons with disabilities/gender equality is explicitly stated but not fundamental; and "not climate related", where climate change mitigation or adaptation/inclusiveness of persons with disabilities/gender equality is not targeted in any way.

The Pacific Aid Map team has taken at face value the climate, disability, or gender equality relevance marking given to projects by those development partners who self-report using the OECD system. For those partners who do not report, each project has been allocated a rating based on relevant criteria such as project and partner information, Sustainable Development Goal indicators, and OECD sub-sectors.

Data caveats

The research covers the period from 2008 to 2024. Data for non-traditional development partners is likely to be incomplete. Additionally, the OECD relies on partner self-reporting of OOF, and partners report into it to varying degrees. It likely understates the actual volume of OOF being transferred to the region.

Review process

The clean dataset was provided to both recipient and main partner governments and organisations for confirmation. The full methodology and a representative subset of the data was sent to an independent, external organisation for robust peer review and to validate, test, and recreate the results.

Currency

All currency is quoted in constant 2024 US dollars.

Notes

1 OECD "The Modernisation of Official Development Assistance", https://web-archive.oecd.org/temp/2023-11-13/395130-modernisation-dac-statistical-system.htm.

2 This projection applies announced or realised 2025 donor budget changes, pro-rated to each partner's Pacific ODF, to estimate Pacific flows for 2025. For Australia, the projection reflects the planned 4% increase in the 2023–24 aid program, with growth in Australia's ODF driven primarily by rising loan disbursements through the Australian Infrastructure Financing Facility for the Pacific. Asian Development Bank documentation indicates $414 million in disbursements in 2025. The World Bank's outlook is less certain, so the projection assumes steady disbursements at 2024 levels. The same treatment is applied to all non-EU-financed multilaterals and other minor bilateral partners. Among other large donors, the United States announced an 83% cut to foreign assistance in 2025, applying only to non-Compact of Free Association funding; COFA flows are confirmed as continuing with one-off Trust Fund capitalisations smoothed over the 2024–43 period. New Zealand's 2025 budget reduced overseas development assistance, including halving annual climate finance from NZ$250 million to NZ$100 million, with OECD preliminary data indicating a fall in total New Zealand ODA of around 13% in 2025. The United Kingdom's provisional 2025 ODA fell by around 7% as it began reducing aid towards a target of 0.3% of GNI by 2027, with the steepest reductions scheduled for 2026 and 2027. Germany (−17%), France (−11%), Japan (−6%), and South Korea (−2%) recorded total ODA reductions in 2025 on OECD preliminary data. Other very small Team Europe donors to the Pacific, including Switzerland, Sweden, Finland, Belgium, and the Netherlands, are assumed to have reduced disbursements modestly in 2025 per OECD figures. Chinese aid is assumed to remain stable in the near term based on preliminary Pacific Aid Map 2025 figures.

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