



EU R&I and Health Policy to  
Tackle Global Challenges

# A paradigm shift in global health and multilateral funding

Cosima Lenz  
Petra Varkonyi  
Louise Bengtsson  
Andrea Renda  
Marta Souto



## SUMMARY

---

Global development assistance has traditionally focused on reducing poverty and boosting economic growth with health as a core area of investment. Over the past decade, however, rising fiscal pressures, geopolitical instability, prolonged conflicts and shifting donor priorities have disrupted this aid landscape.

In 2025, global Official Development Assistance (ODA) fell by 9-17 %, with health-related bilateral aid dropping even more sharply by 19-33 %. Major donors such as the US, the UK, Germany and France have cut back significantly. These cuts threaten health systems in low- and middle-income countries (LMICs), risk reversing progress on the Sustainable Development Goals (SDGs), and could result in millions of preventable deaths.

EU institutions and Member States remain important contributors but are also falling short of the UN target dedicated to aid. Aid is increasingly being redirected towards domestic and crisis specific needs. Multilateral organisations like UNAIDS, UNICEF and UNDP are facing severe shortfalls that threaten their core operations, which in turn affects available services and support in low income and crisis settings.

As traditional donors pull back, new players are emerging. Philanthropic foundations, private sector donors, and 'Global South' countries are all becoming more active. Reforms to the global health system are underway, with a greater focus on mobilising domestic resources. While some countries have increased domestic health spending, many face budget constraints, competing priorities and limited capacity. Regional and catalytic efforts are also emerging amidst these shifts.

The global health landscape is undergoing a fundamental transformation. The challenge ahead is not focused on replacing lost funding but rather to reimagine and rebuild a more resilient, equitable and responsive global health architecture capable of meeting today's complex realities and tomorrow's evolving challenges.

*The Mind the Gap series was conceived as a platform to assess and reflect on the rapidly evolving global health landscape. It not only examines shifts in financing but also explores the impact on historically high investment areas such as HIV, malaria, tuberculosis, and sexual and reproductive health. As global stakeholders engage in conversations about how to reshape the global health ecosystem to meet current and future needs, it's critical to take stock of where we stand. Mind the Gap provides a timely snapshot of these shifts, combining data and anecdotal insights to highlight the real-world impact of a rapidly evolving funding landscape and provide solutions to build a more resilient, equitable and flexible architecture to tackle global health challenges.*



Cosima Lenz is an Associate Researcher in the Global Governance, Regulation, Innovation and Digital Economy (GRID) unit at CEPS. Petra Varkonyi is a Research Assistant in the GRID unit at CEPS. Louise Bengtsson is an Associate Research Fellow in the GRID unit at CEPS. Andrea Renda is Director of Research and Head of the GRID unit at CEPS.

This publication is based on research funded by the Gates Foundation. The findings and conclusions contained within are those of the authors and do not necessarily reflect positions or policies of the Gates Foundation.

## CONTENTS

1.	GLOBAL DEVELOPMENT ASSISTANCE IN A CHANGING WORLD .....	2
2.	TRACKING A HISTORIC DECLINE IN DEVELOPMENT ASSISTANCE .....	3
3.	SPOTLIGHT ON ODA AND DAH REDUCTIONS FROM THE UNITED KINGDOM AND THE UNITED STATES: 8	
3.1.	THE UNITED KINGDOM: DECLINING ODA.....	8
3.2.	THE UNITED STATES: SIGNIFICANT REDUCTIONS AND SHIFTS IN GLOBAL HEALTH INVESTMENT .....	9
4.	HUMAN COST: REDUCED ODA AND DAH THREATEN MILLIONS OF LIVES.....	11
4.1.	MODELLING ESTIMATES: UP TO MILLIONS OF ADDITIONAL DEATHS BY 2040 .....	11
5.	GLOBAL FUNDING CUTS CREATE CRISIS FOR MULTILATERAL INSTITUTIONS.....	14
5.1.	MULTILATERAL CONTRIBUTIONS CREATE UNPRECEDENTED FUNDING GAPS .....	14
6.	FUNDING CUTS FORCE MULTILATERALS TO SLASH BUDGETS, STAFF, AND OPERATIONS .....	17
7.	CONCLUDING REMARKS.....	22
7.1.	THE ROLE OF NON-STATE AND NON-WESTERN ACTORS.....	22

## FIGURES

FIGURE 1. ODA AS PERCENT OF GROSS NATIONAL INCOME AMONG DAC COUNTRIES 2018-25* .....	3
FIGURE 2. ODA AS % GNI .....	7
FIGURE 3. PERCENT CHANGE IN ODA AS A PERCENT OF GNI BETWEEN 2022 AND 2025 AMONG DAC COUNTRIES .....	7
FIGURE 4. FORECASTED AVOIDABLE ALL AGE AND CHILD DEATHS RESULTING FROM REDUCTIONS IN USAID FUNDING FROM 2025-30 AN ON ANNUAL BASIS .....	13
FIGURE 5. TRENDS IN GLOBAL FUNDING FOR HEALTH FROM MULTILATERAL INSTITUTIONS TO COUNTRIES	14
FIGURE 6. CHANGES BETWEEN GAVI 6.0 (2026-30) AND GAVI 5.0 (2021-25) PLEDGES .....	15

## TABLES

TABLE 1. ODA CHANGES FOR 2025 AND BEYOND AMONG HISTORICAL TOP GLOBAL BILATERAL ODA CONTRIBUTORS .....	4
TABLE 2. MODELLING ESTIMATES ON MORTALITY IMPACTS FROM FUNDING CUTS.....	11
TABLE 3. MULTILATERAL BUDGET CHANGES AND IMPLICATIONS .....	17

## 1. GLOBAL DEVELOPMENT ASSISTANCE IN A CHANGING WORLD

Global development assistance has traditionally served as a key channel through which donors, including national governments and private actors such as philanthropic foundations, provide financial and technical support to low- and middle-income countries (LMICs) and multilateral organisations. This support targets a range of priorities, including economic development, education, governance, social welfare, and health. Originally, development assistance was focused on reducing global poverty and promoting economic growth in less developed nations.

Over the past decade, however, global development assistance has been shaped by a complex set of domestic and international pressures. These include rising geopolitical tensions, protracted conflicts, shifting domestic priorities related to debt sustainability and migration, and a growing fragmentation of the global financing landscape. More recently, many donor countries have dramatically altered their aid commitments, resulting in declining trends in funding levels and increasing uncertainty around future allocations.

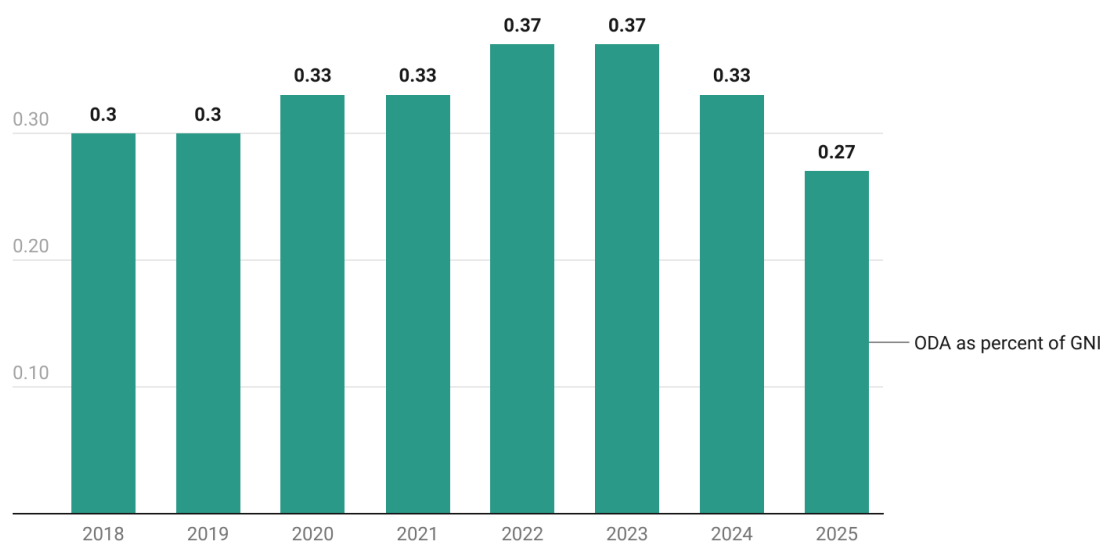
Official Development Assistance (ODA), a form of global development assistance from foreign governments, serves as an important indicator of a country's financial commitment to global health and development efforts. The UN international target for aid as a share of national income (ODA/Gross National Income- GNI) is 0.7 %, though few countries consistently meet this benchmark. Development assistance for health (DAH), a specific subset of ODA, focuses exclusively on supporting health systems, services, and outcomes in recipient countries.

In light of the far-reaching changes observed in 2025 including a new American administration and new and escalated conflicts in South Asia, the Middle East, Africa, and with Russia, it is critical to understand how major global actors, particularly those traditionally leading in ODA contributions, such as the United States and countries across Europe, have adjusted their approaches. Understanding these shifts is essential for assessing their potential implications on global health outcomes, as well as for informing future decision-making in global health governance, financing, and diplomacy.

## 2. TRACKING A HISTORIC DECLINE IN DEVELOPMENT ASSISTANCE

This year, the OECD [projects](#) a total global decline in ODA of 9–17 % in 2025. Bilateral ODA for health is expected to see an even steeper drop, [decreasing](#) by 19–33 % in 2025 compared to 2023 levels. Figure 1 illustrates ODA as a percentage of GNI among Development Assistant Committee (DAC) countries over time. Overall, among EU member states, ODA as a percentage of GNI has [declined](#) since 2023 from 0.37 % to 0.33 % in 2024 with an estimated 0.3-0.27 % projected for 2025, according to OECD estimates. Critically, for the first time in over three decades, top DAC contributors – France, Germany, the UK, and the US – cut their ODA in 2024. This is important as it precedes the drastic changes announced by the Trump administration in 2025 and points to a shift in ODA that was already underway.

Figure 1. ODA as percent of Gross National Income among DAC countries 2018-25\*



Created with Datawrapper

\*2025 value is the estimated lower end value of OECD; range is 0.3-27 %

Source: [OECD Data Explorer](#)









In 2024, EU institutions [provided](#) USD 26.9 billion in ODA, making them the third-largest DAC donor, with the EU and its Member States together [contributing](#) 42 % of global ODA in 2022 and 2023. Despite a joint commitment to reach 0.7 % of GNI by 2030, only [three](#) EU Member States met this target in 2024, one fewer than in 2023. Several high-income countries, including Germany, the Netherlands, and Finland, have reduced aid. Organisations such as CONCORD and the ONE Campaign have also pointed to a “hollowing out” of ODA in [practice](#), as 13.1 % of DAC ODA is now allocated to in-donor refugee-related costs. In addition, large shares have been allocated over the past couple

of years to specific [crises](#), including COVID-19 support and aid to Ukraine, partly concealing an overall downward trend in other forms of DAH even before 2025.

Table 1 breaks down funding changes among top ODA contributors in 2025. Figure 1 illustrates ODA as a percentage of GNI over time among DAC countries including estimates for 2025 and 2026, while Figure 2 presents the percentage change in ODA as a share of GNI among DAC countries between 2022 and 2025. Top ODA contributors have largely been high income countries, but as the landscape shifts, the role and investment from middle income countries may change. This will be the focus of a subsequent brief.

Table 1. ODA changes for 2025 and beyond among historical top global bilateral ODA contributors

Country	ODA change for 2025 (% GNI)	Rationale
US ↓	<a href="#">Decrease</a> ~13 % for 2025 2026 foreign assistance funding will <a href="#">reduce</a> by 22 % from 2025 with USD 46.6 billion	“ <a href="#">Nonalignment</a> with national interests” or “the president’s foreign policy aims”
UK ↓	<a href="#">Decrease</a> from 0.5 % to 0.3 % of GNI by 2027	“ <a href="#">Increased</a> defence spending”, increased support to refugees and asylum seekers
Netherlands ↓	<a href="#">Decrease</a> from 0.62 % in 2024 to 0.44 % in 2029	Re-alignment with Dutch national interests – “trade, security, and migration”
Switzerland ↓	<a href="#">Decrease</a> to 0.51 % in 2024 from 0.60 % in 2023	“offset increased military spending amid heightened geopolitical tensions”
France ↓	<a href="#">Decrease</a> of ~23 % compared to the 2024 budget (0.48 %), a decrease from 2022 values of 0.56 %; <a href="#">project</a> 0.38 % of GNI in 2026	<a href="#">Address</a> rising public deficit and increased spending for military and security investment.
Sweden ↓	<a href="#">Decrease</a> to 0.79 % in 2024 from 0.92 % in 2021 with reduced for 2026-2028 anticipated	“focus on Swedish interests and humanitarian support”

Germany 	2024 0.67 % of its GNI, projected 9-17 % <u>drop</u> in net ODA; decrease to 0.56 % in 2025 with a 2026 <u>drop</u> to 0.52 % and to 0.43 % by 2029	“due to the necessity to consolidate the budget” and to “improve spending efficiency”
Italy 	<u>Increase</u> by 6.7 % in 2025 to 0.31 % of its GNI from 0.28 % in 2024	Commitment aligns with Italian foreign policy to “advance peace, justice, and stability”
Spain 	<u>Increased</u> by 12 % in 2024 to 0.24 % of GNI and is projected to stay the <u>same</u> for 2025. 2025 values are not available; <u>announced</u> EUR 62 million in voluntary contributes to multilaterals in 2025	Global solidarity; intentions to increase in line with policy initiatives outlined in the 2024-2027 Spanish Cooperation Master <u>Plan</u> for Sustainable Development and Global Solidarity
Austria 	<u>Decrease</u> in 2024 from 0.39 % in 2022 to 0.34 %; Austria announced an <u>increase</u> in ODA in 2025 but a decrease in 2026	“ <u>improving</u> living conditions and greater stability in priority countries and regions”
Finland 	<u>Decrease</u> from 0.47 % in 2024 to 0.36 % in 2025	<u>Focus</u> on reducing national debt, increased spending in Ukraine
Ireland 	<u>Increase</u> of 4.5 % since 2024, with <u>consistent</u> 0.57 % of GNI in 2024 and 2025	<u>Commitment</u> to international development
South Korea 	<u>Increase</u> by 50 % since 2018 to 0.21 % in 2024 and increase to reach 0.25 % by 2030; 4 % <u>increase</u> in DAH	Contribute to global challenges and strategic partnerships
Australia 	<u>Consistent</u> ODA at 0.19 % of GNI in 2024 and 0.18 % in 2025; in 2025/26, Australia will <u>nominally increase</u> ODA by AUD 135.8 million compared to 24/25	<u>Support</u> strategically important countries in the pacific and southeast Asia to address their funding gaps [ <u>increased</u> bilateral support and reduced multilateral support – deferred GFATM payment]

Japan →	<u>Consistent</u> ODA at 0.39 % of GNI in 2024 with expected 0.39 % in 2025; DAH <u>increased</u> by 2 % between 2024 and 2025	Decrease in 2024 due to the yen's <u>depreciation</u> ; increase in 2025 in commitment to global development
Norway →	1.02 % of <u>GNI</u> in 2024 (NOK 2.9 billion less than 2023 – 4 % <u>reduction</u> ) and expected to <u>stay</u> the same at about 1.01 % in 2025	Commitment to SDGs, Increased aid to Europe – Ukraine
Denmark →	<u>Consistent</u> ODA at 0.71 % in 2024 with a projected 0.7 % in 2025	Commitment to the UN target of 0.7 %

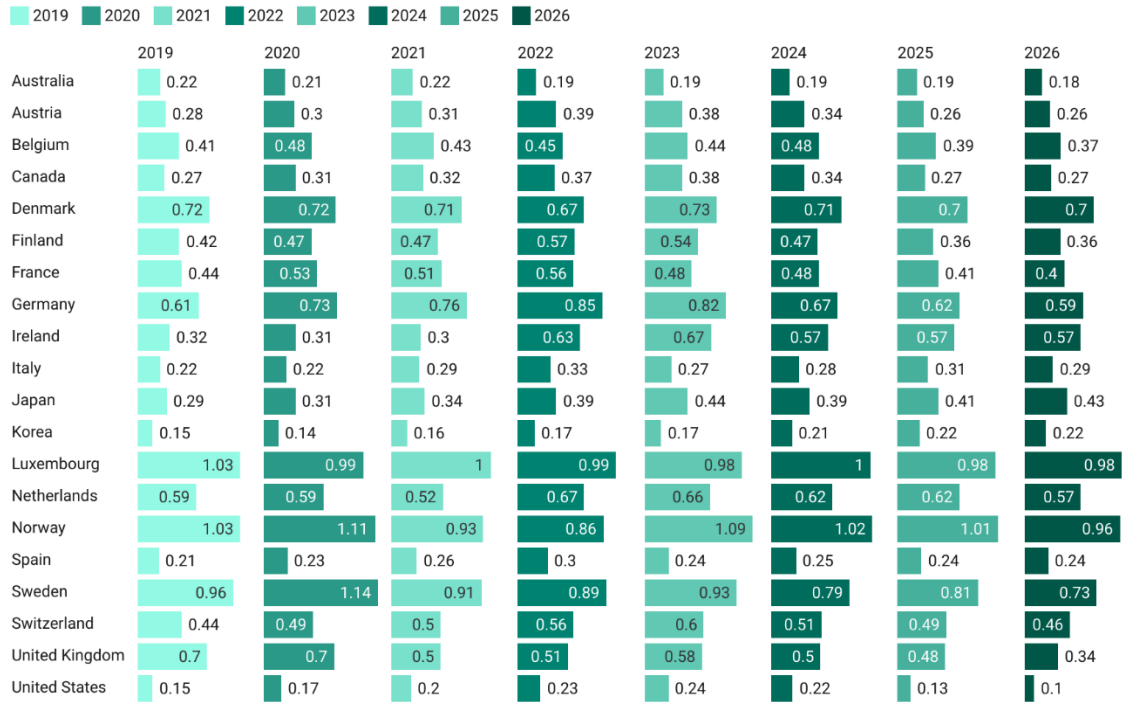
Global development assistance for health (DAH), a subset of ODA focused on health, is projected to continue declining over the coming years. Health aid is expected to drop by as much as 40 % in 2025 compared to 2023, falling from over USD 25 billion to around USD 15 billion, according to WHO estimates shared at the INSPIRE forum. This would bring DAH back to below 2015 levels, which exceeded USD 18 billion.

The Institute for Health Metrics and Evaluation (IHME) predicts a 7.5 % decline in DAH over the next five years, based on reported spending targets. This includes a projected 67 % decline from the US, 39 % decline from the UK, 33 % decline from France, and 12 % decline from Germany.

Adding context to these findings, low resourced settings that historically have been significant recipients of ODA are expected to see reduced contributions from DAC providers of approximately 13-25 % in 2025, with countries in sub-Saharan Africa expected to see disproportionately larger reductions of about 16-28 % according to the OECD.

On July 17, 2025, the European Commission proposed a major increase in development funding in its new Multiannual Financial Framework, raising the Global Europe budget to EUR 200 billion, up from EUR 92.3 billion (117 % increase). However, while the final budget will not be adopted until December 2027, key debates are already underway. These centre on how closely the budget aligns with EU strategic interests, the future role of the EU in global health, and what will ultimately be covered by ODA within the EU's broader development agenda.

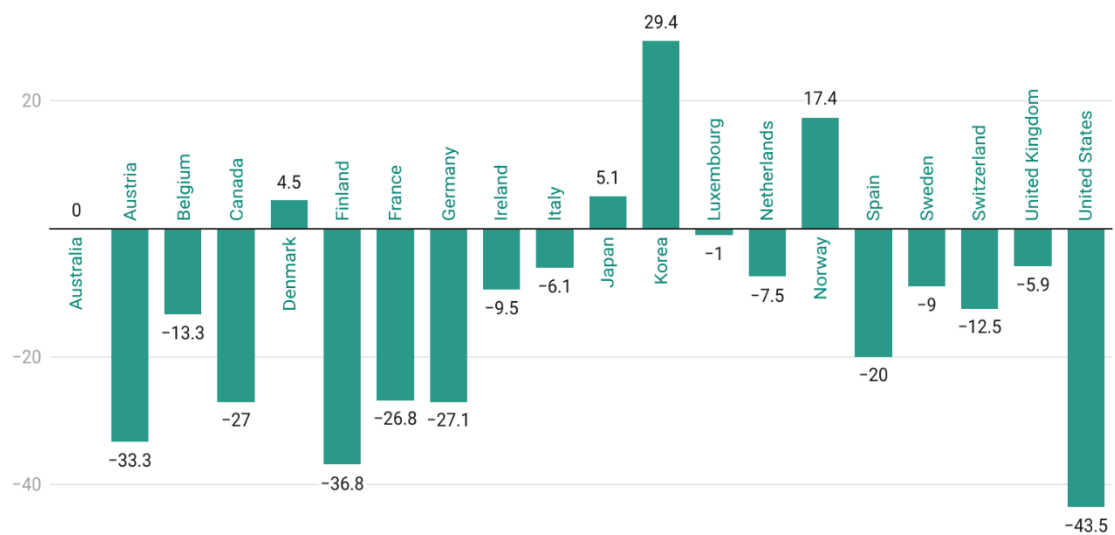
Figure 2. ODA as % GNI



Created with Datawrapper

Source: *Budget Cut Tracker*, Seek Development

Figure 3. Percent change in ODA as a percent of GNI between 2022 and 2025 among DAC countries



Created with Datawrapper

Source: *Budget Cut Tracker*, Seek Development

### 3. SPOTLIGHT ON ODA AND DAH REDUCTIONS FROM THE UNITED KINGDOM AND THE UNITED STATES:

#### 3.1. THE UNITED KINGDOM: DECLINING ODA

The UK is reportedly decreasing its ODA from 0.5 % to 0.3 % of GNI by 2027. Aid will decline to 0.48 % in 2025/26, 0.37 % in 2026/27 and 0.3 % in 2027/28. This represents a 39 % reduction in DAH compared to allocations last year and importantly, an overall reduction in health support of 46 % (GBP 975 million in 2024/25 to GBP 527 million in 2025/26). There is also a 43 % cut in multilateral and humanitarian funding from 28 million to GBP 16 million between 2024-25 and 2025/26. These cuts have implications across the health, development, and humanitarian sectors, including:

<p>Overall, <u>12 % decline</u> in support for Africa (GBP 184 million reduction)</p> <ul style="list-style-type: none"> <li>• Spending cuts largely in Sierra Leone and Zimbabwe</li> <li>• Projected 15 % increase in support for Nigeria (GBP 117 - 135 million)</li> </ul>	<p><u>Reductions</u> in humanitarian support</p> <ul style="list-style-type: none"> <li>• 18 % reduction in Sudan (GBP 146 - 120 million)</li> <li>• 35 % reduction in support for Syria (GBP 150 – 97 million)</li> <li>• 21 % reduction for Palestine (GBP 127 to 101 million)</li> </ul>	<p>42 % <u>reduction</u> in support for women and girls focused on Education, Gender &amp; Equality from 2024 (GBP 490 to 284 million)</p>
--	---	--

The UK is undergoing a shift in its aid strategy, with an increasing focus on high-impact global organisations such as the World Bank and Gavi to deliver stronger results for UK taxpayers and those in need of support globally. The UK has stated it will continue its humanitarian role in crisis areas including Gaza, Ukraine, and Sudan, and maintain an emergency reserve fund for rapid response. However, the top three countries affected by ODA changes from the UK include Somalia (reduction by 0.43 %), Afghanistan (reduction in 0.33 %), and Syria (reduction of 0.23 %). The UK describes its role shift as becoming ‘partners and investors, rather than acting as a traditional aid donor’.

*“The world’s most marginalised communities, particularly those experiencing conflict, and women and girls, will pay the highest price for these political choices.” - Gideon Rabinowitz, Director of Policy and Advocacy at Bond*

*“We hear that they’re wanting to continue that political leadership... but with the continued reduction in investment, it feels quite hollow...this is going to impact women and girls, which we already know is very undersupported [and] often the lowest on the list of priorities” -Bethan Cobley, Director of External Affairs and Partnerships at MSI*

Geographic focus is also shifting away from Africa and the Middle East with reductions in overall financing support; there is increased funding to other geographic regions including the Indo Pacific, with a 32 % increase (GBP 269 million to GBP 354.5 million) between 2024/25 and 2025/26.

### 3.2. THE UNITED STATES: SIGNIFICANT REDUCTIONS AND SHIFTS IN GLOBAL HEALTH INVESTMENT

On January 20, 2025, President Trump suspended all U.S. foreign aid for review. By March 10, 83 % of USAID programs were shut down, leaving a USD 60 billion funding gap. The US has historically been the largest contributor in global health, responsible for 42 % of global health funding.

Sub-Saharan Africa has historically been a region where the US allocated significant funds; in 2024, the US reportedly distributed more than USD 12.7 billion in sub-Saharan Africa. Globally, among the 26 poorest countries, eight relied on USAID for over 20 % of their aid: South Sudan, Somalia, the Democratic Republic of Congo, Liberia, Afghanistan, Sudan, Uganda, and Ethiopia. The top five countries most impacted by ODA cuts by the US by 2026 include Somalia (reduction of 5.05 %), Afghanistan (reduction of 3.99 %), Central African Republic (reduction of 2.59 %), Syria (reduction of 2.05 %), and Burundi (reduction of 1.86 %).

The US has cut its funding by 21 % between 2024 and 2025, spurred by a USD 9 billion funding reduction. The overall reduction in health support is estimated to be 67 %. Global health funding from the US is expected to fall from USD 10 billion to USD 3.8 billion. These cuts have implications across the health, development, and humanitarian sectors, including:

<p>Funding cuts can result in <u>95 million</u> people losing access to health services and potentially leading to <u>3 million+</u> preventable deaths annually</p>	<p>Reductions in humanitarian support by almost half (47 %)</p> <ul style="list-style-type: none"> <li>• <u>36 %</u> of US funding to Afghanistan has been cut</li> <li>• Since the funding freeze and subsequent cuts, more than 200 health facilities have closed, preventing between 1.8 million to <u>2.4 million</u> people from accessing primary healthcare</li> </ul>	<p>USAID <u>cuts to maternal, child, and reproductive health</u> programming</p> <ul style="list-style-type: none"> <li>• 94 % cut in family planning and reproductive health*</li> <li>• 92 % in maternal and child health*</li> <li>• Cessation of MCH USAID MCH programmes affect services for 16.8 million pregnant and end eliminate postnatal care for 11.3 million newborns; prevent 14.8 million children under 5 from receiving treatment for pneumonia and diarrhea</li> </ul>
--	---	--

\*Based on information in documents shared with Congress on March 27, 2025

The suspension of US aid is undermining global efforts in food security, healthcare, and emergency response, while also delaying critical medical research. Funding cuts affect all manner of health, development, and crises support from the cessation of WASH services in [Syria](#), suspension of gender-based violence protection services in the [DRC](#) and to [23 million children](#) losing access to educational programming.

Funding supported not only programme-specific initiatives but also facilitated broader cross-cutting coordination between partners and projects. In Ethiopia, for example, US funding contributed [to over half \(54 %\)](#) of funding used for coordination and common services in 2024. The funding gap is expected to have significant implications for joint actions, advocacy, and coordinated efforts needed to deliver essential health services such as immunisations. A recent survey of civil society organisations (CSOs) in sub-Saharan Africa found over 41 % of non-US-funded CSOs experienced [disruptions](#) in their services as a result of shared infrastructure or interdependent projects with US-funded entities being affected.

In September 2025, the US published the [America First Global Health Strategy](#), which outlines the direction the Trump administration intends to take on global health investment. It will resume approximately [USD 1.3 billion](#) in funding for HIV, tuberculosis, malaria, and polio medications and salaries of health workers, through bilateral agreements with governments and faith-based organisations for the 2026 fiscal year. The Strategy also highlights the US's stated intent to prioritise and strengthen [bilateral](#) relationships that serve American interests.

## 4. HUMAN COST: REDUCED ODA AND DAH THREATEN MILLIONS OF LIVES

### 4.1. MODELLING ESTIMATES: UP TO MILLIONS OF ADDITIONAL DEATHS BY 2040

Global funding cuts risk reversing gains made on the 2030 Sustainable Development Goals, potentially contributing to a rise in preventable deaths, particularly in the world's poorest countries. On a recent [Global Health Matters Podcast](#), Debra Jackson (Takeda Chair in Global Child Health at the London School of Hygiene & Tropical Medicine) spoke to children's vulnerability in the context of crisis including financial, conflict or climate and underscored the real possibility of observing increases in child morbidity and mortality given the global context. Several modelling efforts have been undertaken to estimate the impact of the funding cuts on overall and on child mortality.

Alarming, modelling studies estimate that U.S. global health funding cuts could lead to millions of additional deaths, over 14 million overall and up to 7.9 million child deaths, between 2025 and 2040, with severe impacts projected even within the first year in Sub-Saharan Africa. Although highly dependent on assumptions, model estimates provide a valuable sense of the magnitude of potential impacts.

Table 2. Presents three independent modelling approaches estimating mortality impacts from U.S. funding cuts. While methodologies differ, all models project substantial increases in preventable deaths.

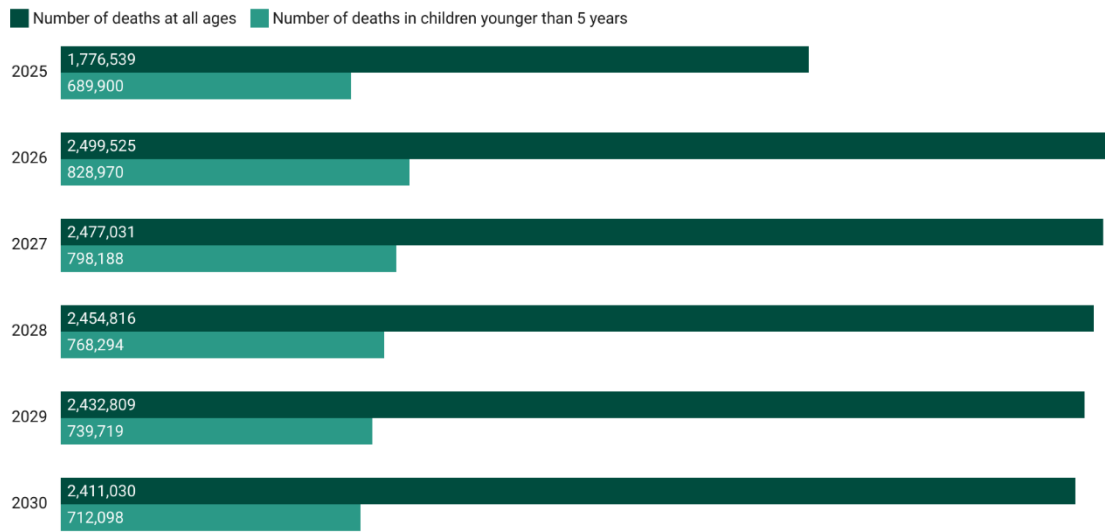
Table 2. Modelling estimates on mortality impacts from funding cuts

	<a href="#">Lancet – Cavalcanti et al.</a>	<a href="#">Impact Counter</a>	<a href="#">Avenir Health</a>
Modelling time period	2025-2030	1 year	2025-2040
Countries included	133 countries and territories	Sub-Saharan Africa	80 countries
Projected mortality (all)	14 051 750	161 227*	
Projected infant mortality (<5 years)	4 537 157	335 314*	7.9 million (from other causes)
Assumption taking in calculations	<ul style="list-style-type: none"> <li>•USAID funding per person is used as the main way to measure the level of support in each country.</li> <li>•Mortality trends (especially under-five and all-cause mortality) are assumed to</li> </ul>	<ul style="list-style-type: none"> <li>•Total deaths from all non-funded sources</li> </ul> <p>Child mortality assumptions</p>	<ul style="list-style-type: none"> <li>•Two main scenarios modelled: Status Quo: US funding continues at 2024 levels until 2040 &amp; No US Funding: All US</li> </ul>

	<p>reflect the impact of USAID funding.</p> <ul style="list-style-type: none"> <li>•The model adjusts for other factors like GDP, health spending, education, and sanitation, assuming these explain other influences on mortality.</li> <li>•Fixed-effects regression assumes that differences between countries that don't change over time (like geography or culture) are controlled for.</li> <li>•Future predictions use microsimulation, assuming past trends continue unless funding changes.</li> <li>•Two funding scenarios are tested: no change vs large cuts and full phase-out by 2030.</li> <li>•Monte Carlo simulations are used to reflect uncertainty in future projections.</li> <li>•The model assumes no big unknown factors are missing that could affect both funding and mortality.</li> <li>•A "negative control" (injury deaths) is included to help confirm that observed effects are specific to health-related causes.</li> <li>•Does not take into account domestic financing changes or allocations to address funding gaps</li> </ul>	<ul style="list-style-type: none"> <li>•USAID funding for child health and nutrition is fully cut in 2025.</li> <li>•Impacts are based on number of children who won't receive treatment for severe malnutrition, diarrhoea, and pneumonia.</li> <li>•Mortality rates are estimated to increase without treatment.</li> <li>•Estimates assume no replacement funding from other sources.</li> </ul>	<p>funding ends from 2025</p> <ul style="list-style-type: none"> <li>•Some models also test partial funding resumption</li> <li>•Models are run by country, then aggregated to show global impacts</li> <li>•Main outcome: additional deaths</li> </ul>
--	---	---	---

\*as of September 17, 2025

Figure 4. Forecasted avoidable all age and child deaths resulting from reductions in USAID funding from 2025-30 on an annual basis



Source: Cavalcanti, Daniella Medeiros et al.

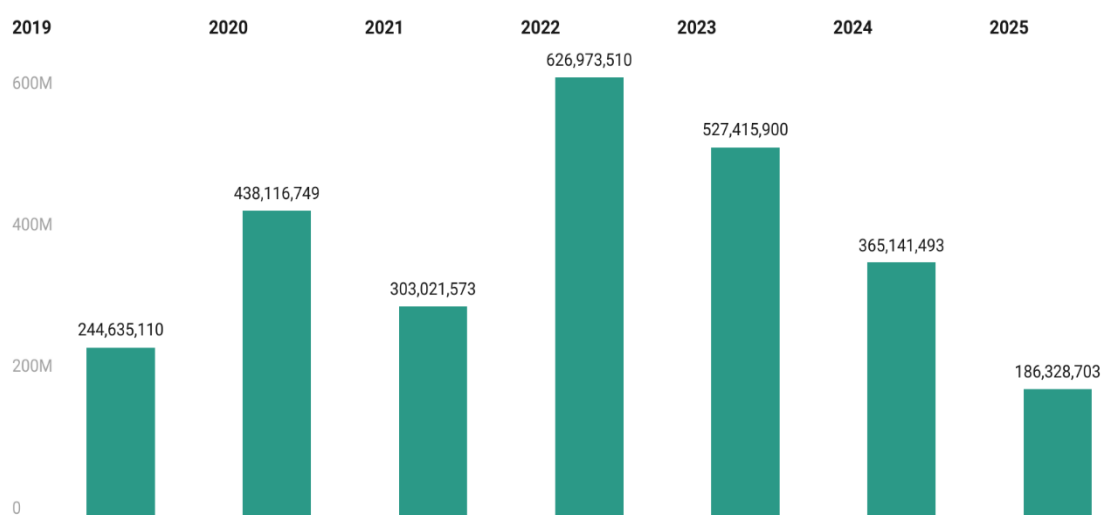
## 5. GLOBAL FUNDING CUTS CREATE CRISIS FOR MULTILATERAL INSTITUTIONS

### 5.1. MULTILATERAL CONTRIBUTIONS CREATE UNPRECEDENTED FUNDING GAPS

Among the notable shifts in financing is the changing level of country contributions to multilateral institutions, which has profound implications for their scope and future. In fiscal year 2026, for example, the United States will [not provide](#) any voluntary funding to several UN agencies including [UNICEF](#), UNDP, UN Women, UNFPA, UNEP and OHCHR. Other DAC countries including Switzerland and the [Netherlands](#) have also reported reductions in contributions. The [Netherlands](#), for example, reported reducing its contributions to UNDP and UNICEF by half and ending contributions to UN Women.

As of May 2025, available UN funding from Member State contributions was [USD 1.8 billion](#) of a USD 3.7 billion budget for 2025. Other multilateral entities including GAVI and the Global Fund have significant replenishments this year to finance their next programming period. Budget changes and their implications are shown in more detail in Table 3. The overall budget reductions may drive significant changes in how multilaterals fund health programming. Figure 4 depicts a steady decline in health-focused multilateral funding since 2022 according to UNOCHA data.

Figure 5. Trends in global funding for health from multilateral institutions to countries



Source: [UNOCHA](#)

Figure 6. Changes between GAVI 6.0 (2026-30) and GAVI 5.0 (2021-25) pledges

	Gavi 6.0 Pledge (country currency)	Gavi 5.0 Pledge (not including COVAX) (country currency)	% Percent Change
<b>Europe, EU and EEA</b>			
Denmark(DKK)	125,000,000	125,000,000	0
Ireland (EUR)	21,600,000	18,000,000	20
Spain (EUR)	130,000,000	78,000,000	67
European Commission (EUR)	260,000,000	300,000,000	-13
Italy (EUR)	250,000,000	237,000,000	5
Norway (NOK)	8,000,000,000	10,050,000,000	-20
Germany (EUR)	600,000,000	625,000,000	-4
France (EUR)	500,000,000	739,000,000	-32
Croatia (EUR)	1,000,000		
Portugal (EUR)	2,500,000		
United Kingdom (GBP)	1,250,000,000	1,616,000,000	-23
Team Europe (EUR) [includes EC amount]	2,000,000,000	6,500,000,000	-69
<b>Other donors</b>			
Gates Foundation (USD)	1,600,000,000	1,577,000,000	1
<b>DAC countries</b>			
Australia (AUD)	386,000,000	372,000,000	4
Canada (CAD)	675,000,000	500,000,000	35
United States (USD)	0	1,170,000,000	-100
Republic of Korea (USD)	50,000,000	30,000,000	67
Japan (USD)	550,000,000	300,000,000	83
<b>LMICs</b>			
India (USD)	20,000,000	15,000,000	33
Indonesia (USD)	30,000,000		
Uganda (USD)	1,000,000		
Rwanda (USD)	1,000,000		

Sources: [GAVI donor profiles](#), [Center for Global Development](#), [GAVI](#), [European Council](#)

The 21 % GAVI funding gap must be understood in light of persistent immunisation shortfalls, which continue to deepen global health inequities. In 2023 alone, more than [14 million children](#) did not receive all recommended childhood immunisations. Gavi's ambitious [five year plan](#) to inoculate 500 million children and save as many as 9 million lives now hinges on securing its budgetary goal of USD 9 billion.

#### *Spotlight on GAVI 6.0 Replenishment*

- Gavi is a public-private partnership focused on immunisation especially in LMICs.
- At the most recent Gavi replenishment conference in June 2025, which fundraised for the next five-year period (2026-2030), over EUR 7.7 billion (USD 9 billion) was committed toward the EUR 10.2 billion funding goal.
- This is [21 % short](#) of the outlined budget goal.
- Team Europe, which includes the EU and its Member States, emerged as the largest collective donor, pledging more than EUR 2 billion. Within this, the European Commission committed EUR [360 million](#) and the European Investment Bank is making EUR [1 billion](#) available.
- Figure 6 illustrates the percentage change in contribution among Gavi top donor between the 5<sup>th</sup> (2021-2025) and 6<sup>th</sup> (2026-2030) replenishments.
- There is a mixed trend across Europe, EU MS, and EEA country contributions with Germany, France, UK decreasing, while Spain and Ireland increased.
- Some EU MS contributed for the first time including Croatia.
- Other EU MS have not yet defined their contribution including Sweden and the Netherlands.
- There were also some new contributors from low- and middle-income countries including Uganda and Indonesia.

## 6. FUNDING CUTS FORCE MULTILATERALS TO SLASH BUDGETS, STAFF, AND OPERATIONS

Table 3 below summarises key changes in budgets of multilateral and UN agencies, alongside the resulting implications for their scope and core functions. These insights are drawn from stakeholder consultations and published reports, highlighting how funding shortfalls are impacting agency capacity to deliver on their mandates. Funding cuts have resulted in changes in staffing, implementation and institutional structure, including the decision to relocate global headquarters for UNICEF, UN Women, and UNFPA to Nairobi from New York by 2026.

Table 3. Multilateral budget changes and implications

Organisation	Budget changes	Implications
UNHCR	<p>Reduction in bilateral contributions from the US but also other countries</p> <ul style="list-style-type: none"> <li>• US contributed reduced by <ul style="list-style-type: none"> <li>○ In 2024, the US gave USD 2.052 billion with 10 % flexible funding (40 % of its all donations). In <a href="#">2025</a> (to date) the US gave USD 404.2 million with ~9 % flexible funding</li> <li>○ UAE – 23 million in 2024 vs 3 million to date in 2025</li> <li>○ Qatar – 20 million in 2024 vs. 6 million to date in 2025</li> <li>○ Saudia Arabia – 20 million in 2024 vs 1 million to date in 2025</li> </ul> </li> <li>• The EU’s contribution rose from EUR 250 million to EUR 300 million in 2025</li> <li>• A 35 % budgetary cut for health interventions in 2025</li> </ul>	<ul style="list-style-type: none"> <li>• UNHCR is usually the sole provider of health services for refugees in the areas they work – funding cuts will leave 1 in 3 people without have access to critical health services</li> <li>• <a href="#">Reduced</a> scope of programming in SSA- including reduced or ceased GBV programming for survivors of violence in Angola, Mozambique and Zambia</li> <li>• <a href="#">Reductions</a> in staffing and operations (Geneva and regional offices) – 3 500 staff positions to be <a href="#">eliminated</a> as well as a multitude of temporary contracts</li> <li>• Implications for coordinated programming including for immunisations</li> <li>• The agency estimates over <a href="#">12 million</a> displaced individuals are at risk of being left without lifesaving support</li> </ul>

<p>World Food Programme</p>	<ul style="list-style-type: none"> <li>• A 34 % <u>decline</u> in funding – from ~10 billion in 2024 to 6.4 billion in 2025</li> </ul>	<ul style="list-style-type: none"> <li>• Cutting the scope of operations and the number of countries with active work</li> <li>• For example, 2 million fewer individuals in Syria will be supported</li> <li>• WFP might reach 21 % less people with emergency assistance in 2025 compared to the 80 million assisted in 2024</li> <li>• 16.7 million people are at risk losing their food assistance</li> </ul>
<p>UNICEF</p>	<ul style="list-style-type: none"> <li>• A 20 % reduction in budget between 2024 and 2026, with a higher deficit expected in 2026</li> <li>• A 25 % cut in core budget and reduced programming in 7 regional offices</li> <li>• Changes in earmarked vs flexible funding; this used to be 50/50 a few years ago and now about 11-15 % is flexible funding</li> <li>• A USD 58 million budget <u>deficit</u> this year</li> </ul>	<ul style="list-style-type: none"> <li>• Over <u>14 million children</u> will experience disruptions to nutrition support and other health services due to funding cuts</li> <li>• More than <u>2.4 million children</u> with severe acute malnutrition may be left without access to Ready-to-Use Therapeutic Food for the remainder of 2025</li> <li>• There will be wider operational impacts – ripple effects with partnership based models, such as for immunisations</li> <li>• Disruption in nutrition, pipeline in therapeutics, and polio vaccines, - short term impact but also longer term impacts on development/ growth, society economic productivity</li> <li>• <u>Reduction</u> in global workforce by 20 %</li> </ul>
<p>UNFPA</p>	<ul style="list-style-type: none"> <li>• In 2025, the US government <u>cut USD 377 million</u> in funding to UNFPA</li> <li>• In Afghanistan, for example, <u>USD 101.7 million was cut</u> (72 % of UNFPA’s 2025 budget) for health facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Termination of 48 US-funded grants <u>ends provisions</u> for critical maternal health care, protection from violence, rape treatment and other life-saving care in over 25 conflict affected countries such as Afghanistan, Chad, DRC, Gaza, Haiti, Mali, Sudan, Syria and Ukraine</li> <li>• Over the past few years, the <u>programmes that were cut</u>, prevented over 17 000 maternal deaths, 9 million unintended pregnancies, and provided over 13 million women and girls with</li> </ul>

		<p>sexual and reproductive health services like cervical cancer screening, contraception counselling, and prenatal and safe childbirth care</p> <ul style="list-style-type: none"> <li>• In Afghanistan, funding cuts will result in over 6.3 million women not receiving maternal health and wider services</li> <li>• In Sudan, funding for 80 % of health facilities will cease and plans for a midwifery schools cancelled</li> <li>• UNFPA will <u>only be able to fund 47 %</u> of the 3 521 midwives it intended to support in 2025</li> </ul>
UNWRA	<ul style="list-style-type: none"> <li>• <u>USD 200 million funding gap</u> in 2025 – including delayed donor contributions creates incredible uncertainty</li> <li>• Funding is cuts include from the US and Sweden); reduced contributions from the Netherlands</li> <li>• The forecasted donor income for 2025 ~ USD 790 million is about half of the total income received in 2024 (USD 1.3 billion)</li> <li>• US withdrew funding in 2024 ~ USD 274 million</li> <li>• Global south increased contributions to USD 56 million in 2024 (increased from USD 13 million in 2023); MENA increased to USD 190 million (highest contribution since 2018); private sector contributions increased to USD 153 million</li> </ul>	<ul style="list-style-type: none"> <li>• Significant implications in its capacity to provide essential public services while also experiencing political attacks</li> <li>• <u>Undermines</u> the international community’s capacity to respond to one of the most severe humanitarian crises of our time, while also impacting over three million Palestinian refugees across the West Bank, Jordan, Lebanon, and Syria who rely on these services for education, healthcare, financial support, and other essential needs</li> <li>• For example, in 2024, <u>UNWR had 97 mobile units</u> that provided health services to over 18 500 individuals daily</li> <li>• And between Oct 2023 and December 2024, there were over <u>7 million health</u> consultation in in Gaza with over 230,000 infants receiving immunisation in addition to other critical health, nutrition, psychosocial, and education services</li> </ul>
UNAIDS	<ul style="list-style-type: none"> <li>• USAID funding termination totals USD 50 million in core funding and about USD 40 million in earmarked funding; this represents</li> </ul>	<ul style="list-style-type: none"> <li>• Funding cuts could result in an additional 6.3 million AIDS-related deaths in the next four years, ten times higher than the mortality rate from</li> </ul>

	<p>roughly <a href="#">40 % of UNAIDS' total budget</a></p> <ul style="list-style-type: none"> <li>The joint program is facing about a <a href="#">60 % cut</a> in expected funding for 2025</li> </ul>	<p>2023 and ~8.7 million additional new HIV infections</p> <ul style="list-style-type: none"> <li>This will result in <a href="#">cutting</a> its workforce by more than 50 % and scaling back its country presence from 75 to 36 countries, with a few offices service multiple countries</li> <li>There is also the potential to <a href="#">close the UNAIDS Secretariat by 2030</a></li> </ul>
UN Women	<ul style="list-style-type: none"> <li>The US, UN Women's largest donor, cut over <a href="#">USD 40 million in funding</a></li> <li>Other countries have also changed funding including <a href="#">Switzerland</a> who reduced their contribution by CHF 3 million, while <a href="#">Spain</a> for example increased its contribution to EUR 4.5 million</li> </ul>	<ul style="list-style-type: none"> <li>A global survey from March 2025 with responses from 411 organisations from 44 countries, found 90 % of respondents' operations have been financially impacted, ~50 % may need to cease work within 6 months, and most have <a href="#">cut staff or services</a></li> <li>Respondents shared that programming for GBV (67 %), protection (62 %), livelihoods and cash assistance (58 %), and health (52 %) are <a href="#">those most impacted</a></li> <li>47 % of women-focused/led organisations may shut down within 6 months if current funding levels persist, with 35 % with uncertain futures unable to plan ahead</li> <li>72 % of women-focused/led organisations have been forced to cut to staff</li> <li>79 % of women-led/-focused organisations expressed concern that funding cuts will make it harder to advocate for gender equality within humanitarian settings. 58 % worry that cuts will lead to a decline in women's leadership and representation in humanitarian response efforts</li> </ul>
UNDCO		<ul style="list-style-type: none"> <li>Accelerated already progressing UN focused reforms focused on efficiency</li> </ul>

		and streamlining of work and programming
OCHA	<ul style="list-style-type: none"> <li>• A budget reduction of <u>~ 20 %</u> was reported due to the “funding gap” of ~ USD 60 million for 2025</li> </ul>	<ul style="list-style-type: none"> <li>• At a minimum <u>~79 million people</u> will no longer be targeted for assistance, with 76 % of surveyed organisations reporting an impact on the delivery of life-saving assistance for women and girls</li> <li>• National NGOs, with higher rates for Women-Led and Refugee Led Organizations, are disproportionately impacted by the cuts — as compared to INGOs and UN entities</li> </ul>
WHO	<ul style="list-style-type: none"> <li>• WHO’s originally approved 2026–27 programme budget was trimmed by 22 % (from USD 5.3 billion to USD 4.2 billion) because of financial constraints.</li> <li>• Among the largest changes in 2025 was the <u>withdrawal of US funding</u>; US funding that was frozen included USD 130 million in due for 2025 and USD 130 million from 2024 in addition to the voluntary contributions provided through USAID.</li> </ul>	<ul style="list-style-type: none"> <li>• In 2025, WHO Member States <u>approved</u> a 20 % increase in assessed contributions during the endorsement of the WHO’s 2026–27 budget of USD 4.2 billion.</li> <li>• US funding freeze contributes to <u>a USD 1 billion funding gap</u> for the WHO</li> <li>• US funding cuts contributed to a <u>25 % cut</u> in emergency health funding for the agency</li> <li>• Funding changes resulted in decision in <u>reducing the number of directors</u> by over 62 % and program divisions by 50 %</li> <li>• This profound change has also been identified as an “opportunity” for long needed reforms for WHO</li> </ul>

## 7. CONCLUDING REMARKS

Global ODA has declined by 9–17 % in 2025, with a steeper 19–33 % drop in health-related bilateral aid. Major donors including the US, UK, Germany, and France are scaling back contributions, with the US alone cutting global health funding by 67 % and suspending most USAID programs. These cuts threaten health systems in low-and middle-income countries (LMICs), risk reversing progress on the SDGs, and could result in up to 14 million preventable deaths by 2040.

EU institutions and Member States, while still major donors, are also falling short of their 0.7 % GNI ODA targets, with growing concern over the reallocation of aid to domestic and crisis-specific spending. Multilateral agencies, including UNAIDS, UNICEF, and UNDP, are facing severe funding shortfalls that challenge their operations and future programming. The gaps are too large for one country or institution to fill and require a collective rethinking of the global health architecture and the role of various stakeholders in it.

The scale and speed of these funding cuts raise urgent questions for the international community.

### 7.1. THE ROLE OF NON-STATE AND NON-WESTERN ACTORS

As traditional donors scale back and global health financing becomes increasingly fragmented, non-state and non-traditional actors are reshaping the global health landscape. Philanthropic foundations, corporate actors, non-traditional country health donors, and emerging economies from the Global South are increasing their commitments and contributions to health, development, and humanitarian assistance. The Gates Foundation [increased](#) its budget by 2 % in 2025 to USD 8.74 billion.

During the most recent WHO replenishment round, over half of the organisation's budget was secured thanks to the [unprecedented engagement](#) from 40 countries pledging above their assessed contributions, alongside critical support from philanthropic organisations. Non-Western state actors including China, India, Turkey, and the UAE are becoming increasingly influential. China, for example, [has become the largest state donor](#) to the WHO, planning to contribute USD 500 million over 2025-2030, an increase from its voluntary contribution of USD 2.5 million for 2024/25. India and Turkey have also [increased development support](#) recently, providing financial support to over 50 countries.

With U.S. government funding for global health sharply reduced, other actors are stepping in. The African Development Bank, under new leadership, has [pledged USD 400 billion](#), committing to prioritising women and youth. Catalytic initiatives have emerged, including the Founders Pledge, launched in early 2015 through Europe's Founders Forum.

In early 2025, the Founders Pledge created a rapid response fund to address USAID's cuts, raising and deploying [USD 12 million](#) within six months to sustain essential services and lifesaving interventions. The fund's [first catalytic grant](#) of USD 200 000 to the Clinton Health Access Initiative supports ministries of health in identifying cost savings and reallocating resources to protect high impact programs as budgets contract.

The changes in contributions and focus by major bilateral donors mark an important shift in the fabric of the global health space. But the questions of interest are not about how we fill the gap, rather, how do we take advantage of these changes to build and support a global health ecosystem that meets the worlds current and future needs.



**Centre for European Policy Studies**

Place du Congrès 1

1000-B Brussels

Belgium