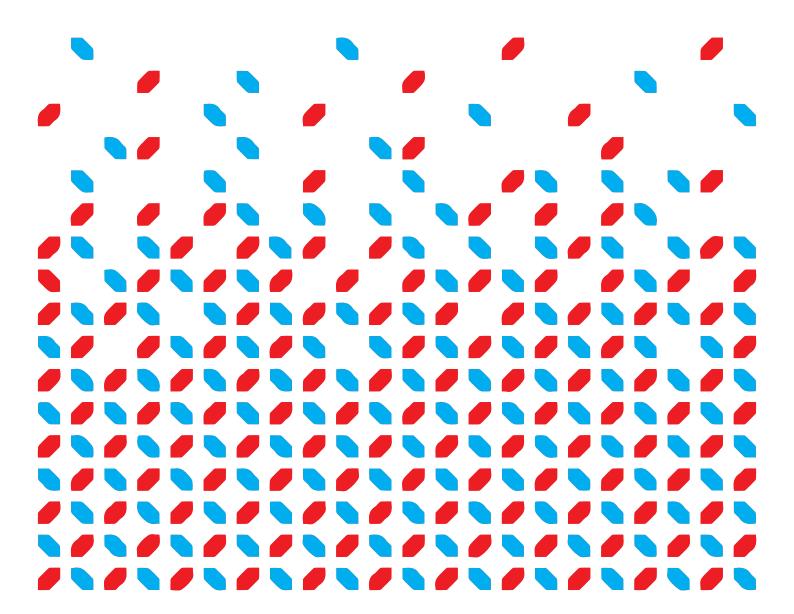


# LUXEMBOURG'S DEVELOPMENT COOPERATION

# ANNUAL REPORT 2019

LËTZEBUERGER ENTWÉCKLUNGSZESUMMENAARBECHT AN HUMANITÄR HËLLEF

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# FOREWORD BY THE MINISTER FOR DEVELOPMENT COOPERATION AND HUMANITARIAN AFFAIRS





The Minister Franz Fayot

#### Dear readers, Dear friends of Luxembourg's Development Cooperation,

It is difficult to comprehend how much the world has changed since I took over at the head of the Department for Development Cooperation and Humanitarian Affairs in February 2020. The COVID-19 crisis is having an impact on everything we do and on the way we live and act. There are still many unknowns about the exact nature of the virus, the scale of its direct impact on health and on the socio-economic consequences for populations across the world, particularly the most disadvantaged. Two certainties, however, remain: our development cooperation and humanitarian activities are more important and more urgently required than ever, and only collective action, based on international solidarity, will enable us to effectively respond to this global pandemic. Luxembourg has taken the steps required to work towards that objective.

In 2019, the new government confirmed the existing main principles of Luxembourg's policy for development cooperation and humanitarian affairs. Even in this time of crisis they remain valid. Our commitment is based on the 17 Sustainable Development Goals and continues to focus on basic social services, socio-economic inclusion of women and young people, sustainable growth and inclusive governance. In a difficult international context featuring growing instability and insecurity in many of our partner countries, Luxembourg's Development Cooperation has been able to maintain its sustained action and its concrete impact in the field, by relying on innovative solutions and multi-actor partnerships, including, in particular, the private sector and civil society.

While we have maintained our overall objectives, a modernisation of our activities was launched last year and I would like to take the opportunity here to thank my predecessor, Paulette Lenert, whose one-year term of office at the Directorate for Development Cooperation and Humanitarian Affairs has left its mark. Thus, Luxembourg was able to join the 'Digital4Development Hub', a European initiative with the aim of promoting a consistent European approach to other countries in the area of digital cooperation. The expertise of Luxembourg operators in digital innovation, particularly in the area of research and the private sector, will be able to contribute to the development of innovative digital solutions, especially in Africa.

With the same mindset, there has been a move to review the traditional development cooperation relations with the priority partner countries, shifting to a country approach that is more coherent and which takes into account the actions by other bodies such as the Ministry of the Environment, Climate and Sustainable Development and the Ministry of Finance. Thus, this year I have been able to sign the first 'Development-Climate-Energy' Programme with Cabo Verde.

Gender inclusiveness and an increased focus on women have also been guiding principles in the actions supported in 2019. This has been seen from Bangladesh, where the role of women in their communities is being strengthened, to Niger, where school attendance of girls is being promoted, to Burkina Faso, where access of women to microcredit is being guaranteed, enabling them to have stalls at local markets. Luxembourg's Development Cooperation has also been the first donor to announce a significant contribution to the Panzi hospital project in the Democratic Republic of Congo promoted by Dr Mukwege, winner of the Nobel Peace Prize. The hospital aims to develop a holistic approach to looking after rape survivors and victims of war crimes.

Many of these actions have been carried out in collaboration with non-governmental organisations (NGOs) and I would like to emphasise their importance as part of Luxembourg's Development Cooperation, where they have often initiated action. In 2019 we celebrated the 40th anniversary of the founding of the Cercle de Coopération, the 50th anniversary of the ASTM and the 25th anniversary of ADA, to mention just a few notable dates. An impressive 26 framework agreements and 74 projects were co-financed last year, and various field visits highlighted the crucial role of NGOs, particularly in regions weakened by conflicts. It was also possible to strengthen the responsibility taken and the duty of diligence of NGOs towards their partners and beneficiaries through, firstly, the eligibility of the costs of preventive activities relating to security, and, secondly, the joint production with the Cercle de Coopération of development NGOs of a charter to combat harassment, exploitation and sexual abuse.

As you read through this report, you will see that our development cooperation is retaining its focus on Africa, and in particular the Sahel. Luxembourg has become a major player there and is taking on the role of European lead partner in many partner countries in the sectors of vocational training (Senegal, Mali and, soon, in Burkina Faso once again) and water and sanitation (Niger). African Microfinance Week, which in October brought together more than 800 participants in Ouagadougou, was another resounding success in our development cooperation in a region that faces many challenges. Evolving within the difficult context of the triple nexus between development, humanitarian aid and peace, we also place a special emphasis on respect of human rights and international humanitarian law.

Luxembourg remains extremely committed in the field of humanitarian affairs, which faces many challenges. A self-evaluation and an update to our humanitarian aid strategy were commenced in 2019 and we have joined the HQAI (Humanitarian Quality Assurance Initiative). We have also supported the production and publication of the Guidelines on the Inclusion of Persons with Disabilities in Humanitarian Action.

At the operational level, our Emergency.lu programme has received European Civil Protection Pool certification. This pool has been created to strengthen European cooperation in the area of civil protection and to facilitate a faster, more coordinated and more effective response by Europe in the event of natural or man-made disasters. In 2019, our module was triggered by the Emergency Response Coordination Centre (ERCC) and deployed to support the humanitarian response to the hurricanes in Mozambique and the Bahamas.

It is not possible for me to list, in this introduction, all the progress that was made last year in numerous fields, but I would like to stress that the speed and scope of the measures taken to achieve the Sustainable Development Goals remain inadequate in global terms. The start of 2020 was marked by the COV-ID-19 crisis, as well as the start of the decade of action to achieve the SDGs by 2030. Bold efforts will be needed globally, locally and individually in order to attain these goals and put an end to poverty, preserve our planet and build a peaceful world.

I would like to take this opportunity to thank all the co-workers at Luxembourg's Development Cooperation, as well as all the volunteers and professionals at the NGOs, who do remarkable work. Together, we will find sustainable solutions to the challenges of poverty, gender equality and climate change.

#### Franz Fayot

Minister for Development Cooperation and Humanitarian Affairs

# THE MINISTER'S MEETINGS AND TRIPS IN 2019

#### JANUARY

16.1 Visit by Félix Fernandez-Shaw, Director at DG DEVCO 24.1 Visit by Tomo Kimura, Director General, Asian Development Bank 24.1 Joint signature of LuxFLAG

at the Ministry of Finance 30.1 Signature of 7 NGDO (non-governmental development organisation) development framework agreements

# MARCH

8.3 Launch of the 'Rethink your clothes' campaign, organised by Caritas and Fairtrade 10.3 Round table on feminist foreign policy 14.3 Visit by Peter Sands, Executive Director of the Global Fund

# MAY

14.5 Statement on development cooperation policy to the Chamber of Deputies 15.5 Meeting of the EU Special Representatives for the Sahel in Luxembourg, discussion with AU Special Envoy on Women, Peace and Security, Bineta Diop

**16.5** Meeting of Development FAC in Brussels

20-24.5 Diplomatic conference in Luxembourg

22.5 Working lunch with the Director of the United Nations Office for Outer Space Affairs, Simonetta di Pippo

# **FEBRUARY**

6.2 Discussion between Minister Lenert and Christos Stylianides, European Commissioner for Humanitarian Aid, Brussels

7.2 Conference on access to justice, The Hague, and discussion with Dutch minister Sigrid Kaag

13-15.2 Bilateral discussions with David Beasley, Executive Director of the WFP and with José Graziano da Silva, Director-General of the FAO in Rome

Meeting of Governing Council of the International Fund for Agricultural Development (IFAD) in Rome

26.2 Joint signature of the Social Performance Task Force (SPTF) with the Minister of Finance at the House of Microfinance

# **APRIL**

1.4 Working visit to the WFP Innovation Accelerator in Munich

4.4 Launch of the 2019 edition of the Business Partnership Facility (BPF)

5.4 Launch of the 'Fair Fashion Days' fair

19.4 Working visit to Luxembourg by Luís Filipe Tavares, Minister of Foreign Affairs and Communities and Minister of Defence of Cabo verde

# JUNE

9-14.6 Working visit by Minister Paulette Lenert to Bangladesh

18.6 Participation of Minister Lenert in the European Development Days in Brussels; discussion with Dr Seth Berkley, CEO of Gavi

**26.6** Visit to Luxembourg by Minister of Foreign Affairs of Laos, Saleumxay Kommasith

28.6-5.7 Working visit to Cabo Verde and partnership committee

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# JULY

**8.7** Visit by the 'Let's Net' training delivery unit, jointly organised by Emergency.lu and the WFP and working meeting with Rehan Asad from WFP

**11.7** Visit by Dr Denis Mukwege to Luxembourg

**19.7** Chamber of Deputies - Foreign Affairs Committee on the development programme in Cabo Verde

**16.7** Signature of the additional agreement attached to the agreement with Caritas on the mandate in Kosovo

## AUGUST

**12.8** Discussion with Steve Collar, CEO of SES, as part of the emergency.lu collaboration

**19.08** Press conference for World Humanitarian Day

## **SEPTEMBER**

**7-16.9** Working visit to Laos and partnership committee

**26.9** Discussion with Pedro Castilho – Empowerment through Entrepreneurship

**30.9** Participation in the LuxDev Resident Representatives Week in Luxembourg

# OCTOBER

**9-11.10** Visit to Luxembourg by Mali's Minister of Employment and Vocational Training, Jean-Claude Sidibé

**26.10** 40<sup>th</sup> anniversary of the Cercle of NGOs

**15.10** Annual consultations with the WHO in Luxembourg

**17-20.10** Mission to Niger and partnership committee

**21-24.10** African Microfinance Week (SAM) in Ouagadougou, Burkina Faso

**21-24.10** Working visit to Burkina Faso and partnership committees

**25.10** Chamber of Deputies - Foreign Affairs Committee on the development programmes in Laos, Niger and Burkina Faso

#### **DECEMBER** 17.12 Visit of the cor

17.12 Visit of the company HITEC in the framework of the emergency.lu collaboration18.12 Visit of Minister Lenert of the UNTIL Lab in Finland

# NOVEMBER

**6.11** Opening ceremony for the 63<sup>rd</sup> Congress of the International Association of Lawyers (UIA)

**12.11** Opening of the 2nd EIB Donor Conference and signing of the 6th MoU with the EIB

**12.11** Opening address at the event organised by Friendship Luxembourg on the Rohingya humanitarian crisis

**13.11** Signing of the Space Law for New Space Actors agreement with UNOOSA

**14.11** Visit by the Special Representative of the SG on Sexual Violence in Conflict, Pramila Patten

**20.11** Celebration of ADA's  $25^{th}$  anniversary

**21.11** European Microfinance Award ceremony at the EIB

**22.11** Celebration of the 50th anniversary of the NGDO ASTM (Action Solidarité Tiers Monde - Third World Solidarity)

**25.11** Meeting of Development FAC in Brussels

# OFFICIAL DEVELOPMENT ASSISTANCE IN 2019



#### CHANGES TO LUXEMBOURG'S ODA IN 2019

In 2019, Luxembourg's official development assistance (ODA) amounted to EUR 420.80 million, 1.04% of gross national income (GNI). Thus Luxembourg is still one of the small number of OECD members – alongside Denmark, Norway, Sweden and the United Kingdom – to have maintained its ODA at 0.7% of GNI or above.

At the international level, official development assistance reached USD 152.8 billion in 2019, a slight increase (1.4%) in real terms compared to 2018. This represents 0.30% of the combined GNI of the 30 members of the OECD's Development Assistance Committee (DAC). The G7 countries provided 75% of ODA, with EU Member States providing 55% of ODA.

Following a drop in bilateral aid to the least developed countries in 2018, this recovered in 2019 (+2.6%). The same applies to assistance to Africa (+1.3%). Humanitarian aid has fallen for the second year in a row, decreasing by 2.9% compared to 2018.

Net global ODA has doubled since 2000. Between 2000 and 2010, it grew by 69%, especially promoted by the Sustainable Development Goals and the Monterrey and Gleneagles conferences on financing for development. Subsequently, as a result of the financial crisis and the turmoil in the euro area, it decreased in 2011 and 2012, before rising again in 2013 and reaching its peak in 2016, affected by the migration flows in Europe.



#### BREAKDOWN OF ODA BY MINISTRY IN 2019

In 2019, the Ministry of Foreign and European Affairs managed and implemented 81.59% of ODA, i.e. EUR 343.31 million (of which EUR 338.24 million was managed by the Directorate for Development Cooperation and Humanitarian Affairs).

The remaining 18.41% came from contributions made by the Ministry of Finance (11.71%), several other ministries (1.02%) and the share of Luxembourg's contribution to the EU's general budget – apart from the European Development Fund (EDF) – allocated by the European Commission for the purposes of development cooperation in 2019 (EUR 23.95 million, i.e. 5.69% of Luxembourg's ODA).

We should note in this respect that Luxembourg's assistance via all EU bodies, including Luxembourg's contribution to the EDF, amounted to EUR 36.69 million.

The summary table below (ODA by ministry tab) gives a detailed view of expenditure by budget item and by ministry in 2019 notified as ODA to the OECD's Development Aid Committee.

| BUDGET<br>ITEM | MINISTRIES  | APPROVED<br>CREDIT | NET 2019<br>ODA |
|----------------|---|--------------------|-----------------|
|                | 01, Ministry of Foreign and European Affairs  | 431,974,000 €      | 343,309,601 €   |
|                | Directorate of Political Affairs  | 13,387,801 €       | 2,775,648 €     |
| 01,0,12,253    | Activities in relation to Luxembourg's candidacy for a member's seat on the Human Rights Council, diplomacy department and diplomatic missions  | 380,000 €          | 105,000 €       |
| 01,2,35,030    | Mandatory contributions to the various budgets and other joint expenditure of international institutions and associated fees; other international expenditure   | 7,310,084 €        | 1,122,514 €     |
| 01,2,35,031    | Subsidies to international institutions and organisations; subsidies for funding international relief and solidarity actions  | 1,106,000 €        | 931,205 €       |
| 01,2,35,032    | Mandatory contributions to peacekeeping operations under the aegis of international organisations and to the EU's crisis management mechanisms  | 4,181,717 €        | 534,229 €       |
| 01,2,35,033    | Voluntary contributions to civil or military crisis management missions run by international organisations  | 50,000€            | 50,000€         |
| 01,2,35,060    | Voluntary contributions to international actions of a political or economic nature  | 275,000 €          | 32,700 €        |
|                | Directorate of European Affairs and International Economic Relations  | 1,100,000 €        | 664,560 €       |
| 01,3,35,040    | Economic and technical assistance, humanitarian action and training initiatives at the international level  | 1,100,000 €        | 664,560 €       |
|                | Directorate of Immigration  | 298,000 €          | 233,964 €       |
| 01,4,12,330    | Contribution by the Luxembourg state to European immigration and asylum projects financed by the Asylum and Migration Fund  | 273,000 €          | 213,964 €       |
| 01,4,33,300    | Bilateral or multilateral aid for the reintegration of returnees and for actions designed to achieve better management of migratory flows; subsidies pursuing the same aim for international organisations and NGOs   | 25,000 €           | 20,000 €        |
|                | Directorate of Defence  | 21,700,000 €       | 1,400,000 €     |
| 01,5,35,034    | Contributions by Luxembourg to activities to reform the security sector, especially as part of international organisations  | 1,300,000 €        | 600,000€        |
| 01,5,35,035    | Contributions by Luxembourg and assistance to partners for as part of international missions and operations carried out within defence policy   | 19,000,000 €       | 100,000 €       |
| 01,5,35,040    | Rehabilitation and post-conflict action projects relating to security and defence carried out within the framework of international organisations or bilateral cooperation  | 1,400,000 €        | 700,000€        |
|                | Directorate for Development Cooperation and Humanitarian Affairs  | 342,288,420 €      | 338,235,428 €   |
| 01,7,11,300    | Statutory indemnities and expenditure on staff on cooperation missions  | 1,205,278 €        | 1,126,496 €     |
| 01,7,12,011    | Relocation expenses for staff moving abroad   | 70,000 €           | 56,842 €        |
| 01,7,12,012    | Mileage and accommodation expenses; statutory foreign travel expenses for staff on development cooperation and humanitarian action missions   | 550,000 €          | 587,374 €       |
| 01,7,12,050    | Shipping  | 8,000 €            | 6,786 €         |
| 01,7,12,120    | Fees for experts and research   | 60,000 €           | 115,954 €       |
| 01,7,12,140    | Actions to provide information and raise awareness among the Luxembourg public regarding development cooperation  | 50,000 €           | 89,361 €        |
| 01,7,12,190    | Training, study and research actions; seminars and conferences  | 80,000 €           | 38,462 €        |
| 01,7,12,250    | Cooperation offices in the developing countries   | 624,122 €          | 648,914 €       |
| 01,7,12,300    | Monitoring, control and evaluation of development cooperation projects and programmes   | 660,000 €          | 475,911 €       |
| 01,7,32,020    | Development cooperation leave: compensation and flat-rate allowances  | 90,000 €           | 51,733 €        |
| 01,7,33,000    | Contribution to expenditure of non-governmental organisations (NGOs)<br>in carrying out actions to raise awareness of development cooperation among<br>the Luxembourg public and other measures with the same purpose | 2,600,000 €        | 2,492,776 €     |

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| BUDGET<br>ITEM          | MINISTRIES  | APPROVED<br>CREDIT | NET 2019<br>ODA  |
|-------------------------|---|--------------------|------------------|
| 01,7,33,010             | Subsidies to the Cercle de coopération fees paid by non-governmental organisations and other measures to promote development cooperation  | 360,000€           | 355,279 €        |
| 01,7,35,000             | Development cooperation: contributions to economic and technical assistance programmes and to European Union humanitarian action; miscellaneous expenditure with the same purpose   | 13,500,000 €       | 13,488,173 €     |
| 01,7,35,030             | Development cooperation: contribution to thematic programmes and priorities of international institutions other than the European Union   | 20,700,000€        | 20,672,561€      |
| 01,7,35,031             | Development cooperation: voluntary contributions to budgets of international institutions other than the European Union   | 28,310,000 €       | 28,310,000€      |
| 01,7,35,032             | Development cooperation: mandatory contributions to budgets of international institutions other than the European Union   | 500,000€           | 309,071€         |
| 01,7,35,060             | Subsidies for humanitarian action: emergency assistance following natural disasters, armed conflicts and humanitarian crisis situations; food aid; prevention, rehabilitation or reconstruction activities following an emergency situation | 47,000,000 €       | 46,965,921€      |
| 31,7,74,000             | Cooperation offices in developing countries: purchases  | 40,000 €           | -€               |
| 31,7,74,250             | Embassies in developing countries: purchase of motor vehicles   | 210,000 €          | 275,090 €        |
|                         | Development Cooperation Fund  | 225,670,920 €      | 226,538,637 €    |
|                         | Reimbursements  |                    | -4,369,910 €     |
|                         | 02, Ministry of Culture, Higher Education and Research  | 1,506,550 €        | 1,369,639 €      |
| 02,0,35,030             | Contributions and subscriptions to UNESCO   | 220,000€           | 119,639 €        |
| 02,0,35,060             | Subscriptions to international bodies   | 1,286,550 €        | 1,250,000 €      |
|                         | 04, Ministry of Finance   | 47,588,500 €       | 49,256,634 €     |
| 34,0,54,030             | Contribution to projects and programmes run by the international financial institutions and development assistance  | 15,500,000€        | 15,500,000€      |
| 34,0,54,032             | Contribution to Financial Technology Transfer Agency (ATTF) programmes  | 1,305,000 €        | 737,481 €        |
| 34,8,84,037             | Treasury bills issued and to be issued for the benefit of international financial organisations: provision for sovereign debt fund in order to cover the bills' amortisation  | 27,000,000,00 €    | 27,226,853 €     |
| 59,0,84,036             | International financial institutions: increase to and adjustment of GDL subscription through cash payments and payments to cover own resources committed by international financial institutions  | 3,783,500,00 €     | 3,303,745 €      |
|                         | Fund to combat drug trafficking   | -                  | 2,488,555€       |
| Chapter VI              | European Union  |                    | 23,947,648 €     |
| Expenditure<br>by order | Contribution to the EU budget   |                    | 23,947,648 €     |
|                         | 08, Ministry of the Civil Service and Administrative Reform   | 3,819,729 €        | 2,706,708 €      |
| 01,7,11,005             | Civil servants' salaries  | 3,819,729 €        | 2,706,708 €      |
|                         | 14, Ministry of Health  | 285,000 €          | 207,345 €        |
| 14,0,35,060             | Contributions to international bodies   | 285,000 €          | 207,345 €        |
|                         | Total net ODA   |                    | 420,797,575 €    |
|                         | GNI   | 1.04 %             | 40,350,000,000 € |

#### **DISTRIBUTION OF ODA IN %**

| Ministry of Foreign and European Affairs – not Directorate for Development Cooperation | 1.21 %  | 01 50 % |  |  |
|--|---------|---------|--|--|
| Ministry of Foreign and European Affairs – Directorate for Development Cooperation     | 80.38 % | 81.59 % |  |  |
| Ministry of Culture, Higher Education and Research                                     | 0.33 %  |         |  |  |
| Ministry of the Civil Service and Administrative Reform                                | 0.64 %  | 1.02 %  |  |  |
| Ministry of Health   | 0.05 %  |         |  |  |
| Ministry of Finance  | 11.71 % | 11.71 % |  |  |
| Contribution to the EU budget  | 5.69 %  | 5.69 %  |  |  |
|  | 100 %   | 100 %   |  |  |
|  |         |         |  |  |



#### BREAKDOWN OF ODA BY TYPE OF COOPERATION IN 2019

The table below (breakdown of gross ODA tab) gives the distribution by type of cooperation of all Luxembourg's 2019 ODA expenditure, following the rules of the DAC.

This reveals that bilateral cooperation, as defined by the DAC, represents 71.85% of all expenditure (DCF and budget lines), while 28.15% was expended on multilateral cooperation. Humanitarian aid, which is included in bilateral cooperation, was 12.82% of ODA in 2019.

NGOs administered almost a fifth of Luxembourg's ODA, of which almost 16% was administered by Luxembourg NGOs approved by the Ministry of Foreign and European Affairs.

The difference between gross and net ODA is due to the reimbursements made to the Development Cooperation Fund (DCF) or directly to the State Treasury during the year (cf. point 5 below).

| DISTRIBUTION OF GROSS ODA   | 2019             | % OF BI-<br>LATERAL | % OF<br>ODA |                 | % BILATERAL<br>HUMANITARIAN | % OF<br>ODA |
|---|------------------|---------------------|-------------|-----------------|-----------------------------|-------------|
|   |                  | COOP.               |             | COMPONENT       | AID                         |             |
| Gross bilateral cooperation   | 305,497,444.27 € | 100.00 %            | 71.85 %     | 53,941,625.59 € | 17.66 %                     | 12.82 %     |
| Programmes and projects implemented by Lux-Development                            | 114,530,079.44 € | 37.49 %             | 26.94 %     | -€              | 0.00 %                      | 0.00 %      |
| Programmes and projects implemented by multilateral agencies and programmes       | 72,762,575.94 €  | 23.82 %             | 17.11 %     | 25,250,000.00 € | 46.81 %                     | 5.94 %      |
| Other bilateral programmes and projects (BI-MFEA other than by NGOs and agencies) | 17,300,507.11 €  | 5.66 %              | 4.07 %      | 1,003,727.64 €  | 1.86 %                      | 0.24 %      |
| Cooperation implemented by NGOs   | 82,878,405.40 €  | 27.13 %             | 19.49 %     | 22,020,162.01 € | 40.82 %                     | 5.18 %      |
| by national NGOs  | 67,042,721.54 €  | 21.95 %             | 15.77 %     | 11,530,162.01 € | 21.38 %                     | 2.71 %      |
| by international NGOs   | 12,381,797.00€   | 4.05 %              | 2.91 %      | 10,490,000.00 € | 19.45 %                     | 2.47 %      |
| by NGOs based in a developing country   | 3,453,886.86 €   | 1.13 %              | 0.81 %      | -               | 0.00 %                      | 0.00 %      |
| Programme support   | 1,881,692.98 €   | 0.62 %              | 0.44 %      | -               | 0.00 %                      | 0.00 %      |
| Other   | 16,144,183.40 €  | 5.28 %              | 3.80 %      | 5,667,735.94 €  | 10.51 %                     | 1.33 %      |

| DISTRIBUTION OF GROSS ODA      | 2019             | % OF MULTILATERAL<br>COOPERATION | % OF ODA |
|--------------------------------|------------------|----------------------------------|----------|
| Gross multilateral cooperation | 119,670,040.93 € | 100 %                            | 28.15 %  |
| United Nations organisations   | 41,803,767.41 €  | 34.93 %                          | 9.83 %   |
| European Union institutions    | 36,685,820.71 €  | 30.66 %                          | 8.63 %   |
| World Bank & IMF               | 20,915,000.00 €  | 17.48 %                          | 4.92 %   |
| Regional development banks     | 12,701,601.19 €  | 10.61 %                          | 2.99 %   |
| Other                          | 7,563,851.62 €   | 6.32 %                           | 1.78 %   |
| Gross ODA                      | 425,167,485.20 € |                                  |          |
| Revenue                        | -4,369,910.26 €  |                                  |          |
| Net ODA (excl. revenue)        | 420,797.574.94 € |                                  |          |



## BREAKDOWN OF ODA BY INTERVENTION SECTOR IN 2019

The following table (ODA by sector tab) gives the breakdown by sector of all Luxembourg ODA expenditure in 2019.

In 2019, Luxembourg's Development Cooperation continued to focus on sectors falling into the category of infrastructure and social services, which made up 38.31% of total aid (and 45.13% of bilateral aid). Education, health, population/health and fertility policy, water distribution and sanitation as well as support for governance and civil society all fall within that category. The category of infrastructure and economic services made up 6.76% of aid (9.26% of bilateral aid), the two main sub-categories being investments in the sector of banks and financial services (inclusive finance) and communications.

The category of the production sector made up 6.27% of ODA in 2019 (8.63% of bilateral aid), mainly allocated to agriculture, forestry and fisheries.

Support for multi-sector and cross-cutting issues represented 4.52% of ODA (6.30% of bilateral aid).

Finally, we should note that, under multilateral ODA, a large part of the investments (78.47%) cannot be allocated to a precise sector. This is due to the nature of multilateral aid, which is made of up direct contributions, both mandatory and voluntary, to the multilateral agencies' general budget.

| SECTOR-BASED<br>BREAKDOWN OF BILATERAL<br>AND MULTILATERAL ODA | BILATERAL<br>ODA | %       | MULTILATERAL<br>ODA | %       | TOTAL BY<br>SECTOR | %       |
|--|------------------|---------|---------------------|---------|--------------------|---------|
| Infrastructure and social services                             | 137,857,660.53 € | 45.13 % | 25,009,129.14 €     | 20.90 % | 162,866,789.67 €   | 38.31 % |
| Education  | 43,967,508.51€   | 14.39 % | 1,100,000.00 €      | 0.92 %  | 45,067,508.51€     | 10.60 % |
| education, unspecified level                                   | 9,145,730.48 €   | 2.99 %  | 500,000.00 €        | 0.42 %  | 9,645,730.48 €     | 2.27 %  |
| basic education  | 8,163,791.79 €   | 2.67 %  | 600,000.00€         | 0.50 %  | 8,763,791.79 €     | 2.06 %  |
| secondary education  | 25,656,784.88 €  | 8.40 %  | -€                  | 0.00 %  | 25,656,784.88 €    | 6.03 %  |
| post-secondary education                                       | 1,001,201.36 €   | 0.33 %  | -€                  | 0.00 %  | 1,001,201.36 €     | 0.24 %  |
| Health   | 34,621,617.49 €  | 11.33 % | 9,270,000.00 €      | 7.75 %  | 43,891,617.49 €    | 10.32 % |
| general health   | 24,738,371.94 €  | 8.10 %  | 2,220,000.00 €      | 1.86 %  | 26,958,371.94 €    | 6.34 %  |
| basic health   | 9,883,245.55 €   | 3.24 %  | 6,650,000.00 €      | 5.56 %  | 16,533,245.55 €    | 3.89 %  |

| SECTOR-BASED<br>BREAKDOWN OF BILATERAL   | BILATERAL<br>ODA | %      | MULTILATERAL<br>ODA | %      | TOTAL BY<br>SECTOR | %      |
|--|------------------|--------|---------------------|--------|--------------------|--------|
| AND MULTILATERAL ODA   |                  |        |                     |        |                    |        |
| of which non-communicable diseases   | -€               | 0.00 % | 400,000.00 €        | 0.33 % | 400,000.00 €       | 0.09 % |
| Policy on population/health<br>and reproductive health                                     | 4,595,613.03€    | 1.50 % | 9,000,000.00 €      | 7.52 % | 13,595,613.03 €    | 3.20 % |
| Distribution of water and sanitation   | 19,203,273.13 €  | 6.29 % | 700,000.00€         | 0.58 % | 19,903,273.13 €    | 4.68 % |
| Government and civil society   | 28,861,827.39 €  | 9.45 % | 4,439,129.14 €      | 3.71 % | 33,300,956.53 €    | 7.83 % |
| government and civil society -<br>general  | 26,176,997.19€   | 8.57 % | 3,702,200.00 €      | 3.09 % | 29,879,197.19 €    | 7.03 % |
| fiscal policy and support for fiscal administration  | 1,750,000.00€    | 0.57 % | 250,000.00 €        | 0.21 % | 2,000,000.00€      | 0.47 % |
| democratic participation<br>and civil society  | 3,662,478.22 €   | 1.20 % | -€                  | 0.00 % | 3,662,478.22 €     | 0.86 % |
| Human rights   | 3,112,771.39 €   | 1.02 % | 217,200.00 €        | 0.18 % | 3,329,971.39 €     |        |
| Organisations and movements<br>that defend women's rights and<br>governmental institutions | 1,414,589.02 €   | 0.46 % | 2,025,000.00 €      | 1.69 % | 3,439,589.02 €     |        |
| Elimination of violence against women and girls  | 2,151,740.87€    | 0.70 % | -€                  | 0.00 % | 2,151,740.87 €     |        |
| conflicts, peace and security  | 2,684,830.20 €   | 0.88 % | 736,929.14 €        | 0.62 % | 3,421,759.34 €     | 0.80 % |
| Various Infrastructure and social services   | 6,607,820.97 €   | 2.16 % | 500,000.00 €        | 0.42 % | 7,107,820.97 €     | 1.67 % |
| Infrastructure and economic services   | 28,283,770.27 €  | 9.26 % | 456,359.00 €        | 0.38 % | 28,740,129.27 €    | 6.76 % |
| Transport and storage  | -€               | 0.00 % | -€                  | 0.00 % | -€                 | 0.00 % |
| Communications   | 1,482,821.71 €   | 0.49 % | -€                  | 0.00 % | 1,482,821.71 €     | 0.35 % |
| Energy: production, distribution<br>and efficiency - general                               | 2,533,471.77 €   | 0.83 % | -€                  | 0.00 % | 2,533,471.77 €     | 0.60 % |
| Production of energy from renewable sources  | -€               | 0.00 % | -€                  | 0.00 % | -€                 | 0.00 % |
| Production d'énergie,<br>sources non renouvelables   | -€               | 0.00 % | -€                  | 0.00 % | -€                 | 0.00 % |
| Hybrid power plants  | -€               | 0.00 % | -€                  | 0.00 % | -€                 | 0.00 % |
| Nuclear power plants   | -€               | 0.00 % | 56,359.00€          | 0.05 % | 56,359.00 €        | 0.01 % |
| Heating, cooling and power distribution  | 750,000.00€      | 0.25 % | -€                  | 0.00 % | 750,000.00 €       | 0.18 % |
| Banks and financial services   | 21,812,618.85 €  | 7.14 % | 400,000.00€         | 0.33 % | 22,212,618.85 €    | 5.22 % |
| Enterprises and other services   | 1,704,857.94 €   | 0.56 % | -€                  | 0.00 % | 1,704,857.94 €     | 0.40 % |
| Production   | 26,363,358.12€   | 8.63 % | 304,731.00 €        | 0.25 % | 26,668,089.12 €    | 6.27 % |
| Agriculture, forestry and fishing  | 24,763,767.67 €  | 8.11 % | 304,731.00 €        | 0.25 % | 25,068,498.67 €    | 5.90 % |
| Manufacturing, extractive and construction industries                                      | 5,120.00€        | 0.00 % | -€                  | 0.00 % | 5,120.00 €         | 0.00 % |
| Commercial policy; regulations   | 1,515,914.40 €   | 0.50 % | -€                  | 0.00 % | 1,515,914.40 €     | 0.36 % |
| Tourism  | 78,556.05 €      | 0.03 % | -€                  | 0.00 % | 78,556.05€         | 0.02 % |
| Multi-sector or cross-cutting issues   | 19,236,668.96 €  | 6.30 % | -€                  | 0.00 % | 19,236,668.96 €    | 4.52 % |
| Environmental protection   | 170,843.00€      | 0.06 % | -€                  | 0.00 % | 170,843.00 €       | 0.04 % |
| Other multisectors   | 19,065,825.95 €  | 6.24 % | -€                  | 0.00 % | 19,065,825.95 €    | 4.48 % |
| multisector aid  | 6,862,610.40 €   | 2.25 % | - €                 | 0.00 % | 6,862,610.40 €     | 1.61 % |
| urban development and management   | 260,000.00€      | 0.09 % | -€                  | 0.00 % | 260,000.00 €       | 0.06 % |
| ·  |                  |        |                     |        |                    |        |

| SECTOR-BASED<br>BREAKDOWN OF BILATERAL<br>AND MULTILATERAL ODA              | BILATERAL<br>ODA | %        | MULTILATERAL<br>ODA | %        | TOTAL BY<br>SECTOR | %        |
|---|------------------|----------|---------------------|----------|--------------------|----------|
| rural development   | 11,722,090.85 €  | 3.84 %   | -€                  | 0.00 %   | 11,722,090.85 €    | 2.76 %   |
| of which non-agricultural alternative<br>development                        | -€               | 0.00 %   | -€                  | 0.00 %   | -€                 | 0.00 %   |
| multisector education and training  | 221,124.70 €     | 0.07 %   | -€                  | 0.00 %   | 221,124.70 €       | 0.05 %   |
| scientific and research institutions  | -€               | 0.00 %   | -€                  | 0.00 %   | -€                 | 0.00 %   |
| Food development aid/food security  | 1,210,000.00 €   | 0.40 %   | -€                  | 0.00 %   | 1,210,000.00 €     | 0.28 %   |
| Humanitarian aid  | 53,941,625.59 €  | 17.66 %  | -€                  | 0.00 %   | 53,941,625.59€     | 12.69 %  |
| Emergency intervention  | 45,940,169.86 €  | 15.04 %  | -€                  | 0.00 %   | 45,940,169.86 €    | 10.81 %  |
| material assistance<br>and emergency services                               | 39,331,663.66 €  | 12.87 %  | -€                  | 0.00 %   | 39,331,663.66 €    | 9.25 %   |
| of which emergency food aid   | 600,422.00€      | 0.20 %   | -€                  | 0.00 %   | 600,422.00 €       | 0.14 %   |
| coordination of emergency assistance<br>and support and protection services | 6,008,084.20 €   | 1.97 %   | -€                  | 0.00 %   | 6,008,084.20 €     | 1.41 %   |
| Reconstruction and rehabilitation   | 3,961,116.37 €   | 1.30 %   | -€                  | 0.00 %   | 3,961,116.37 €     | 0.93 %   |
| Disaster prevention and preparation   | 4,040,339.35 €   | 1.32 %   | -€                  | 0.00 %   | 4,040,339.35 €     | 0.95 %   |
| Donors' administrative costs  | 18,653,772.14 €  | 6.11 %   | -€                  | 0.00 %   | 18,653,772.14 €    | 4.39 %   |
| Sensibilisation   | 3,445,883.25 €   | 1.13 %   | -€                  | 0.00 %   | 3,445,883.25 €     | 0.81 %   |
| Refugee assistance in the donor country                                     | 213,963.80 €     | 0.07 %   | -€                  | 0.00 %   | 213,963.80 €       | 0.05 %   |
| Unallocated/unspecified   | 16,290,741.63 €  | 5.33 %   | 93,899,821.79 €     | 78.47 %  | 110,190,563.42 €   | 25.92 %  |
| Total bilateral and multilateral aid broken down by sector                  | 305,497,444.27 € | 100.00 % | 119,670,040.93 €    | 100.00 % | 425,167,485.20 €   | 100.00 % |

broken down by sector

# THE DEVELOPMENT COOPERATION FUND IN 2019

Established by the amended law of 6 January 1996 on development cooperation and humanitarian action, the Development Cooperation Fund (DCF) is an instrument enabling the Ministry of Foreign and European Affairs to carry out development programmes and projects extending over several years.

The state budget provided the DCF with EUR 225.67 million in 2019; added to which are the assets available on 1 January, i.e. EUR 23,222.72, as well as revenue during the year (EUR 4.37 million) – essentially reimbursements from NGOs and agencies of funds not disbursed on projects co-financed by the Ministry. In 2019, EUR 3.97 million was also routed through the DCF between Denmark's development cooperation and LuxDev as delegated cooperation. In 2019, a total of EUR 226.54 million was disbursed through the DCF. LuxDev, as the state's principal agent responsible for the implementation of projects and programmes resulting from governmental bilateral cooperation, benefited from the majority of this amount, i.e. EUR 114.53 million (50.56%), including Danish delegated cooperation funds. Next come non-governmental development organisations, which received EUR 42.40 million (18.71%) as part of the co-financing of their projects and framework cooperation agreements and to cover some of their administrative costs. The balance was accounted for by projects implemented by the Ministry directly with other partners (14.98%) or with multilateral agencies (12.46%) as well as for programme support.

#### DISBURSEMENTS THROUGH THE DCF IN 2019 BY HEADING

|  | ODA              | %        |
|--|------------------|----------|
| Programmes and projects implemented by LuxDev  | 114,530,079.44 € | 50.56 %  |
| Programmes and projects implemented by multilateral agencies and programmes                              | 28,225,852.58 €  | 12.46 %  |
| Other bilateral programmes and projects  | 33,946,045.68 €  | 14.98 %  |
| $Cooperation \ with \ NGOs \ (framework \ agreements, \ co-financing \ and \ administrative \ expenses)$ | 42,395,515.21 €  | 18.71 %  |
| Programme support  | 1,829,959.92 €   | 0.81 %   |
| Humanitarian aid   | 4,308,084.20 €   | 1.90 %   |
| Total  | 226,538,636.65€  | 100.00 % |

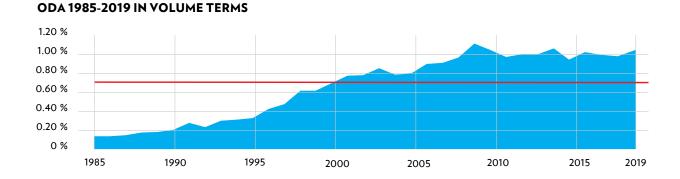


#### CHANGES TO LUXEMBOURG'S ODA

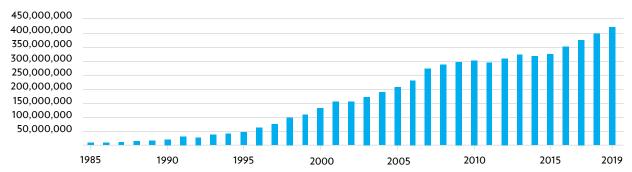
As the graph below shows, Luxembourg's official development assistance initially grew slowly but steadily.

At the Earth Summit in Rio de Janeiro in June 1992, Prime Minister Jacques Santer formally announced Luxembourg's desire 'to provide 0.7% of GNI by 2000'. This objective was then confirmed and in 1999 during the formation of the government, it was decided to set the rate of 0.7% as an objective to be reached by 2000, then to increase this aid 'with a view to reaching 1% at the end of this government's term'. The target of 0.7% of GNI was achieved as planned in 2000 and that commitment was confirmed in subsequent years, with ODA never falling below that threshold. In 2009, Luxembourg's official aid exceeded the threshold of 1% of GNI for the first time.

This objective is still current, although in some years the ODA/GNI ratio has varied slightly at close to 1% due to reassessments of GNI during the year.



**RELATIONSHIP BETWEEN ODA AND GNI 1985-2019** 



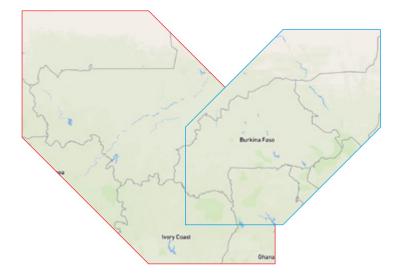
#### OFFICIAL DEVELOPMENT ASSISTANCE SINCE 1985 IN TERMS OF GROSS NATIONAL INCOME

| YEAR | NET ODA          | GNI                  | ODA AS A PERCENTAGE OF GNI |
|------|------------------|----------------------|----------------------------|
| 1985 | 9,082,818.75 €   | 6,536,208,567.70 €   | 0.14 %                     |
| 1986 | 9,672,805.34 €   | 7,005,669,324.91 €   | 0.14 %                     |
| 1987 | 11,110,587.78 €  | 7,370,147,174.39 €   | 0.15 %                     |
| 1988 | 14,201,572.14 €  | 8,058,002,126.93 €   | 0.18 %                     |
| 1989 | 16,566,228.47 €  | 9,109,318,565.49 €   | 0.18 %                     |
| 1990 | 20,751,910.64 €  | 10,001,065,942.16 €  | 0.21 %                     |
| 1991 | 31,284,162.83 €  | 11,146,433,184.02 €  | 0.28 %                     |
| 1992 | 27,739,285.42 €  | 11,701,516,364.69 €  | 0.24 %                     |
| 1993 | 38,200,392.17 €  | 12,671,598,095.19 €  | 0.30 %                     |
| 1994 | 41,596,533.46 €  | 13,252,189,519.56 €  | 0.31 %                     |
| 1995 | 46,113,000.00 €  | 13,992,800,000.00 €  | 0.33 %                     |
| 1996 | 63,077,000.00 €  | 14,705,000,000.00 €  | 0.43 %                     |
| 1997 | 75,596,000.00 €  | 15,803,700,000.00 €  | 0.48 %                     |
| 1998 | 98,829,000.00 €  | 16,020,300,000.00 €  | 0.62 %                     |
| 1999 | 110,118,000.00 € | 17,868,200,000.00 €  | 0.62 %                     |
| 2000 | 133,433,659.00 € | 19,170,400,000.00 €  | 0.70 %                     |
| 2001 | 155,128,137.00 € | 20,050,300,000.00 €  | 0.77 %                     |
| 2002 | 155,735,183.00 € | 19,897,800,000.00 €  | 0.78 %                     |
| 2003 | 171,677,042.00 € | 20,027,700,000.00 €  | 0.86 %                     |
| 2004 | 188,981,534.00 € | 23,988,000,000.00 €  | 0.79 %                     |
| 2005 | 207,387,692.00 € | 26,007,300,000.00 €  | 0.80 %                     |
| 2006 | 231,510,318.00 € | 25,800,400,000.00 €  | 0.90 %                     |
| 2007 | 275,135,892.00 € | 30,158,600,000.00 €  | 0.91 %                     |
| 2008 | 287,679,785.00 € | 29,729,000,000.00 €  | 0.97 %                     |
| 2009 | 297,817,177.00 € | 25,126,100,000.00 €  | 1.11 %                     |
| 2010 | 304,031,901.10 € | 28,633,700,000.00 €  | 1.05 %                     |
| 2011 | 294,322,548.33 € | 30,250,700,000.00 €  | 0.97 %                     |
| 2012 | 310,447,807.61 € | 30,927,066,000.00 €  | 1.00 %                     |
| 2013 | 323,037,939.00 € | 32,284,000,000.00 €  | 1.00 %                     |
| 2014 | 318,347,926.85 € | 29,970,000,000.00 €  | 1.06 %                     |
| 2015 | 324,941,071.12 € | 34,352,350,000.00 €  | 0.95 %                     |
| 2016 | 353,143,813.00 € | 34,550,000,000.00 €  | 1.02 %                     |
| 2017 | 377,093,413.53 € | 37,790,000,000.00 €  | 1.00 %                     |
| 2018 | 401,296,347.29 € | 40,767,580,800.104 € | 0.98 %                     |
| 2019 | 420,797,574.94 € | 40,350,000,000.000 € | 1.04 %                     |

LUXEMBOURG'S DEVELOPMENT COOPERATION AND ITS PARTNERS



#### **BURKINA FASO**



Development cooperation relations between Burkina Faso and the Grand Duchy date back to 1996. In order to reinforce these links, on 27 October 1999 the two countries signed an initial framework cooperation agreement, which has been followed by the signing of three Indicative Cooperation Programmes (ICPs). Thus, 2019 marked the twentieth anniversary of cooperation relations between Luxembourg and Burkina Faso, an event celebrated during the working visit by Minister Paulette Lenert on 21 October 2019. Currently, development cooperation relations are governed by the ICP III (2017-2021), signed on 21 November 2016 by both governments. The ICP III has an indicative funding envelope of EUR 88.5 million and focuses on the sectors of (i) sustainable management of natural resources, (ii) education, teaching and technical and vocational training and, (iii) information and communication technologies (ICT). The interventions in these fields have been implemented by LuxDev, Luxembourg's development agency. In addition, for the 2016-2022 period the NGO SOS Faim Luxembourg has been given a remit to act in the area of rural microfinance. In connection with a new project to support Burkina Faso's tax register, a feasibility study was produced and shared with the Directorate for Development Cooperation and Humanitarian Affairs in late 2019.

The ICP III makes provision for partnership committees to be held annually. These are forums dedicated to dialogue between the two countries, which also facilitate the examination of the state of play in development cooperation relations. The 11th partnership committee was held on 21 October 2019 in Ouagadougou and was co-chaired by Minister Lenert. This enabled the bilateral programmes currently in progress to be reviewed. As the partnership committee was taking place, two bilateral memoranda of understanding were signed off, to the value of EUR 19.2 million, on new projects to support Burkina Faso. They included EUR 13 million in the fields of education and vocational training – Support for the



Karité processing facility



Young tailor at the artisanal village in Ouagadougou

sectoral policy on teaching and technical and vocational training and an increase in budget of EUR 6.2 million for the support programme for implementation of the Sectoral Plan for Education and Training. In addition, an extension of 18 months was ratified for the programme to support the development of ICT in Burkina Faso.

During her working visit to Burkina Faso, Minister Lenert gave the opening address at the fourth edition of African Microfinance Week, attended by over 800 participants. She also took the opportunity to visit some projects financed by Luxembourg's Development Cooperation and had a bilateral discussion with Roch Marc Kaboré, the president of Burkina Faso, Christophe Dabiré, the Prime Minister, and her counterpart, Lassané Kaboré, the Minister of the Economy, Finance and Development.

Multilaterally, in 2019 Luxembourg's development cooperation continued its support in the areas of local governance and youth entrepreneurship through a project implemented by the United Nations Development Programme (UNDP). Two other multilateral stakeholders also continued to benefit from Luxembourg's financial support in 2019. These were the United Nations Population Fund (UNFPA) through a project to increase the independence and reproductive health of women and vulnerable young people and the United Nations Capital Development Fund (UNCDF) which has delivered support for innovation in the area of inclusive digital finance in order to support the economic and climate resilience of populations. This latter element is receiving financial assistance of EUR 3.2 million from the Ministry of the

Environment, Climate and Sustainable Development for the 2019-2022 period. In addition, an innovative project for the shea sector has been developed with the national unit responsible for implementing the Enhanced Integrated Framework (EIF).

Finally, in 2019, 15 Luxembourg NGOs were active in Burkina Faso, working on the implementation of more than 40 projects co-financed by Luxembourg's Development Cooperation, amounting to a total multiannual budget of more than EUR 17 million.



CABO VERDE



The Republic of Cabo Verde and the Grand Duchy have long-standing relations, mainly founded upon development cooperation links. There have been about 15 high-level visits, including the visit to Cabo Verde by His Royal Highness Grand Duke Henri, in March 2015. Luxembourg has been working in this partner country since 1993 and is now one of the main donors to Cabo Verde, because, since its promotion in 2008 from the category of the least developed countries to the category of middle-income countries, most other donors have withdrawn. In terms of bilateral visits, the State visit to Luxembourg by the President of Cabo Verde, planned for April 2019, had to be postponed following the death of His Royal Highness Grand Duke Jean. Luís Filipe Tavares, Cabo Verde's Minister of Foreign Affairs and Communities, visited Luxembourg on 19 April and had a working meeting with Minister Paulette Lenert. This meeting was followed by Minister Lenert's working visit to Cabo Verde from 30 June to 4 July. This was her first visit to a Luxembourg's Development Cooperation priority partner country after taking up her post at the beginning of the year. In addition to the bilateral meetings with the Cabo Verde authorities, the visit featured an address delivered by Minister Lenert at the opening of the Cabo Verde Investment Forum in Sal, the 19th partnership committee meeting between the two countries and a visit to the achievements and development programmes currently being implemented by Luxembourg's Development Cooperation on the archipelago.

At the partnership committee meeting the authorities took stock of the implementation of the fourth Indicative Cooperation Programme (2016-2020) and formally launched the phase of identifying a new multiannual partnership programme for the 2021-2025 period. This new programme, structured around



Kitchen apprentice at the 'Escolha de Hotelaria e Turismo' (EHTCV) the three interlinked themes of development, climate and energy, will be distinguished by its innovative nature in so far as it will go beyond development cooperation alone, seeking to improve consistency with the other elements of Luxembourg's foreign policy, to strengthen the overall impact of Luxembourg's actions and to diversify relations between the two countries. This new approach falls within the framework of the gradual implementation of a whole-of-government approach in Luxembourg's Development Cooperation's partner countries. This approach was decided on by the Government Council in September 2019 and is also included in the Luxembourg government's coalition agreement for 2018-2023. Since Cabo Verde is the partner country with which relations are most highly diversified, the Government Council has designated it as a pilot country for the implementation of this new approach, starting in 2021.

As the partnership committee meeting was taking place, a budget increase of nearly EUR 2.55 million in the ICP IV was also ratified, to go to the following programmes: 'Renewable energies', 'Water and Sanitation' and "Support for the 2020 general population and housing census'. With these budget increases, Luxembourg's total investment under the ICP IV stands at nearly EUR 58 million. In 2019, there were three Luxembourgish NGOs working in Cabo Verde, funded by the MFA - ECPAT Luxembourg (gender-based violence), *Beetebuerg Hëlleft* (primary education) and OGBL Solidarité Syndicale (trade union training).

Finally, in 2019, the Luxembourg company 'Interact' received co-financing from the MFA of EUR 100,000, under the Business Partnership Facility's third call for projects. Interact's project aims to optimise the performance of connected digital urban systems and networks, linked with artificial intelligence technologies.



#### MALI



Development cooperation with Mali is within the framework of the third Indicative Cooperation Programme (ICP III, 2015-2019), with an initial indicative financial envelope of EUR 55 million. During the 10th committee partnership meeting, held on 4 April 2019 and in line with the recommendations from the midterm review of the ICP III, it was officially extended by a year to the end of 2020 in order to embed achievements made and to better prepare for the next programming cycle. The two strategic priorities of this new programming cycle, ICP IV, which will cover the 2021-2025 period, were also chosen at this time:

- Productive agriculture and a dynamic private sector to combat poverty in rural areas and to develop employment for young people and women; and
- Vocational training and socio-economic integration for young people and women.

The extension of the ICP III has led to budget increases from Luxembourg of EUR 15 million, plus a commitment by the Malian state to finalise the hydro-agricultural development work covering 510 hectares in the West San plain (Ségou region). Long-standing investment by Luxembourg's Development Cooperation on this plain should, in the long term, make it possible to increase the available agricultural land of more than 1,900 farmers and food and nutritional security for nearly 9,500 beneficiaries.

In the Gao region in the north of Mali, Luxembourg's Development Cooperation has supported the market garden producers of Tacharane to develop a mini borehole equipped with a solar pump, a piping network and a storage and sale unit. Having subsequently benefited from vocational training courses, the producers' association was able to significantly improve its yields and today provides apprenticeships to young market gardeners.

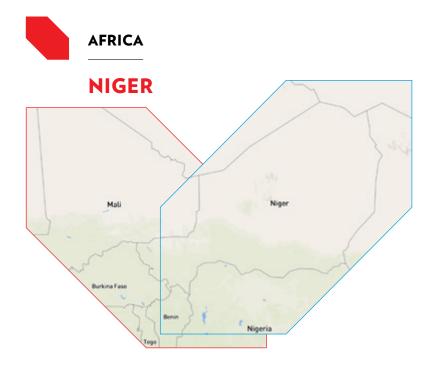


Jean-Claude Sidibé, Mali's Minister for Employment and Professional training, visiting "TalentHub" at the Lycée Technique des Arts et Métiers

Thanks to Luxembourg's financial support, in April 2019 UN Women launched a simple tailored platform to boost the marketing of agricultural products produced by rural women.

Furthermore, Luxembourg acted as coordinator of the technical and financial partners in the vocational training sector in Mali. In this context, Jean-Claude Sidibé, Mali's Minister of Employment and Vocational Training, visited Luxembourg on 10 and 11 October to learn more about Luxembourg's vocational training system and its entrepreneurship training for young people. He visited the Agence de Transfert de Technologie Financière/House of Training, the building sector training institute in Bettembourg, the Lycée Technique du Centre and the TalentHub at the Lycée Technique des Arts et Métiers. The establishment of public-private partnerships was also a focus of discussions during the visit.

In order to improve the employability of young people and their incomes and to promote the creation and management of micro and small enterprises in rural areas, in 2019 the International Labour Office (ILO), through financing from Luxembourg's Development Cooperation, delivered capacity-building in entrepreneurship for 45 senior employees of national employment promotion agencies. 203 micro-entrepreneurs also strengthened their capacities in entrepreneurship and 1,281 young micro-entrepreneurs were supported by the GERME ('Gérez Mieux Votre Entreprise' - Manage Your Enterprise Better) network. Finally, eight Luxembourgish NGOs (the Luxembourg Red Cross, ECPAT, *Fondation Raoul Follereau*, Handicap International, *SOS Villages d'Enfants, Fondation Partage, SOS Faim* and Caritas) have run projects in 2019 in Mali in the sectors of health, water and sanitation, education and vocational training, rural and agricultural development, emergency aid and the elimination of violence against women.



Luxembourg launched its first development cooperation activities in Niger in 1989. The year 2019 thus marked the thirtieth anniversary of bilateral development cooperation relations between the two countries, and this was officially celebrated during the working visit by Minister Lenert, from 17 to 20 October 2019. Currently, development cooperation relations are governed by the ICP III, signed on 26 September 2015 and covering the 2016-2020 period. With an initial indicative financial envelope of EUR 67 million, which was increased to EUR 97 million in 2019, the ICP III focuses on the sectors of (i) basic education and vocational training, (ii) sustainable development, and (iii) water and sanitation. These interventions in the area of bilateral cooperation implemented by LuxDev, Luxembourg's development cooperation agency, have gradually hit their stride. In addition to bilateral cooperation, multilateral cooperation, humanitarian activities and actions by Luxembourgish NGOs are also taking place.

The 12th partnership committee meeting was held on 18 October 2019 in Niamey, co-chaired by Minister Lenert. This forum, dedicated to dialogue between the two countries' authorities, made it possible to take stock of bilateral cooperation. Despite the worsening security situation in the Sahel and in Niger in particular and its implications in terms of development cooperation, the implementation of the various Luxembourgish development programmes has been achieved without incident. On the basis of the encouraging results observed during the 2018/2019 financial year. budget increases of EUR 6.86 million and EUR 3.19 million respectively have been confirmed in the sectors of water and sanitation and rural development. In addition, a memorandum of understanding with a value of EUR 1.46 million has been signed for a project to support the public spending chain. The total budget increases granted in 2019 within the ICP III thus amount to EUR 11.5 million.

In the water and sanitation sector, where Luxembourg acts as lead partner of the technical and financial partners in Niger, a delegated cooperation agreement with a value of EUR 15 million was signed with the Netherlands on 12 November 2019. The latter is in addition to the delegated cooperation agreement signed with Denmark in December 2017, with a value of EUR 26 million, as well as an EU contribution as



Opening ceremony of a daycare facility for students at the University of Niamey

Pupils of Ecole Madina 3 in Niamey



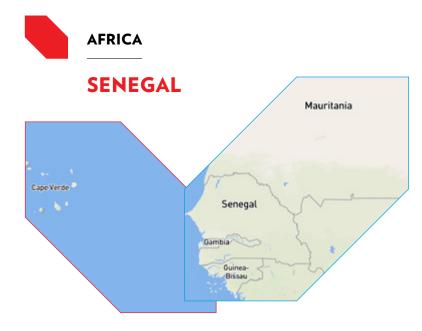
part of the Sahel Alliance amounting to EUR 8 million, illustrating the confidence of the other donors with regard to Luxembourg's commitment and professionalism in a sector that is vital for Niger and its population.

Within the framework of multilateral cooperation, Luxembourg has continued its support to the United Nations Population Fund (UNFPA) for a programme to support the integration of rights, the health of adolescents and countering demographic growth (Illimin programme) and launched a new programme with the United Nations Children's Fund (UNICEF) with the aim of better nutrition for new-borns during their first 1,000 days.

Again under the ICP III, Luxembourg continued its financial support to the joint donors' fund to the Niger state national mechanism for the prevention and management of food crises (DNPGCA).

Adopting its global, integrated and consistent '3D' approach, Luxembourg has supported the European Union's civilian mission 'EUCAP SAHEL Niger', based in Niamey and Agadez and aiming to build capacity for combating terrorism and organised crime among the various security forces. Since 2013 Luxembourg has been funding four projects for defence and security forces in Niger. The fifth project, with a value of EUR 767,000, consists of supporting the acquisition of 32 container modules in order to upgrade the check posts in the zones for access to and exit from the capital as well as in some towns in the regions of Agadez, Tahoua and Zinder, and the acquisition of an off-road vehicle specially equipped for desert missions. In 2019, seven Luxembourgish NGOs, currently working under a multiannual framework agreement with the MFA with a budget of EUR 6.8 million, were implementing development projects in Niger. In addition, four Luxembourgish NGOs were implementing humanitarian projects.

Finally, Luxembourg participated in the African Union summit held in Niamey from 7 to 8 July. In this context the Embassy's office has financed many micro-projects, in particular through cooperation with the Fondation Tattali lyali; this project has contributed to tree-planting in the city of Niamey, and an exhibition of the treasures of Niger has been organised.



The year 2019 began with the inauguration of the vocational training centre of Nioro du Rip, constructed with Luxembourgish financing, by the President of the Republic of Senegal, Macky Sall, and the Ambassador of the Grand Duchy of Luxembourg, Nicole Bintner-Bakshian, on 21 January. One week later, a second vocational training centre was inaugurated in the town of Gossas. The two training centres were built under the third Indicative Cooperation Programme (ICP III, 2012-2017) between Senegal and Luxembourg, and were completed in 2018. The year 2019 also saw the continuation of the implementation of the current framework for cooperation Programme (ICP IV, 2018-2022) signed in 2018 and with an indicative financial envelope of EUR 65 million. The projects under the ICP IV fall within two key areas: (i) health and social protection, and (ii) vocational and technical training (VTT) and the employability of young people.

Following the news of the death of his Royal Highness Grand Duke Jean, Minister Paulette Lenert had to postpone her participation in an official working visit to Senegal in April 2019. Nevertheless, the technical aspects of the visit took place, enabling the foundation stone to be laid in the treatment centre for victims of sexual violence in Ziguinchor in partnership with the Luxembourgish NGO SAN ACCESS and the regional NGO ENDA Santé. The centre aims to promote a favourable environment for the improvement of the health and well-being of young victims of violence, and in particular sexual violence, in Casamance (Senegal) and neighbouring countries (Gambia, Guinea-Bissau).

The year 2019 also saw the start of activities by the United Nations Population Fund (UNFPA) designed to improve access by the most vulnerable groups to basic health services, with a special emphasis on promoting access for young people, particularly young girls. Thanks to financing from Luxembourg, the UN-FPA has been able to scale up the initiative of the young female leaders club for girls, with more than



Promoting Universal Health Coverage for communities in Senegal

Students at Lycée technique Peytavin in Saint-Louis



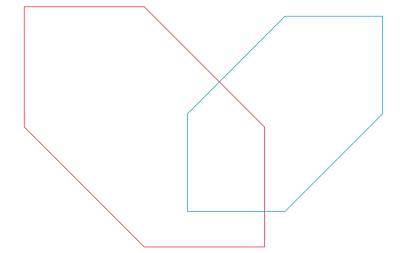
480 young girls and adolescents enrolled to date in the project's focus area. In the regions where nearly 30% of girls under 19 are already mothers, the young leaders club aims to strengthen the leadership of adolescents and girls in combating young pregnancies and child marriage, promoting gender aspects, school enrolment for young girls and their employability.

Luxembourg has also continued its long-standing commitment to the World Food Programme (WFP) and its flagship 'school feeding' initiative in Senegal and in the sub-region. In Senegal, the WFP provides healthy and nutritional meals daily to 106,000 school-children in 516 primary schools in the six regions with the highest levels of food and nutritional insecurity, promoting, in particular, school attendance by young girls, and good nutritional practices. Produced locally, the school meals stimulate agricultural production and the local economy.

In the areas of health and food, once more, Luxembourg has continued its support to the Food and Agriculture Organization of the United Nations (FAO) for the improvement of monitoring and response capacities in food safety emergency situations in Senegal. Some initial, encouraging results are now available, including Senegal's adoption of its national food safety emergency response plan. In line with Luxembourg's Development Cooperation's wish to support South-South cooperation, Senegal, with a wealth of experience, is now in a position to support Burkina Faso, in turn, to produce and operationalise its national food safety emergency response plan. Finally, eight Luxembourgish NGOs (Stop Aids Now/ACCESS, Luxembourg Red Cross, Guiden & Scouten, Frères des Hommes, PADEM, ECPAT, Pharmaciens sans frontières, SOS Villages d'Enfants Monde) have run projects in 2019 in Senegal in the sectors of health, nutrition and basic social services, education and vocational training, rural and agricultural development, emergency aid and the elimination of violence against women.



#### SAHEL



Luxembourg's enhanced commitment to security and defence in the Sahel runs in parallel with enhanced cooperation promoting governance and respect for human rights. Since 2018, Luxembourg has been supporting the Office of the United Nations High Commissioner for Human Rights (OHCHR) to produce a compliance framework for respect for human rights and international humanitarian law in the operations of the G5 Sahel Joint Force. Some significant progress has been made in 2019 concerning rules and procedures, particularly through the adoption of the code of conduct and discipline and standardised procedures for the seizure, holding, transfer and release of civilians. As peace and stability are fundamental for socio-economic development and strong institutions and communities, since 2017 Luxembourg has also been supporting the United Nations Development Programme (UNDP) for the implementation of a regional human security and community resilience reinforcement project in the Sahel. In order to increase inclusive access to resources and sustainable livelihoods, in 2019 the project was able to create a value chain centred around growing moringa – known as the 'miracle tree' - directly benefiting 100 women in the Tillabéry region in Niger.

As health and well-being is a mainstay of Luxembourg's Development Cooperation, in 2019 Luxembourg strengthened its relations with the World Health Organization (WHO), particularly in the context of the Universal Health Coverage (UHC) Partnership, a regional programme that aims to support countries to produce their national roadmaps. In September 2019, parliamentary representative Marc Angel, UNAIDS Champion for the 90-90-90 treatment targets, made a working visit to Guinea-Bissau and Senegal to raise government awareness of the importance of speeding up national efforts to combat HIV/AIDS, by placing more emphasis on the role of civil society, especially in order to reach vulnerable groups. In the area of health, and in particular combating communicable diseases such as HIV/AIDS, Luxembourg has continued to be committed not only in financial terms but also politically, in western and central Africa.

More than 35 training and technical assistance days were also delivered during the year by the ATTF/ House of Training in collaboration with the Central Bank of West African States (BCEAO). Since the beginning of this partnership in 2013, approximately 1,000 employees of the BCEAO and of 144 commercial banks in the West African Economic and Monetary Union (WAEMU) have participated in more than 40 seminars organised on important topics of the day for the WAEMU's financial sector, particularly the implementation of the Basel II and III agreements, and risks linked to cybercrime.



#### **EL SALVADOR**



Development cooperation relations between Luxembourg and El Salvador began in 1993, as part of efforts to rebuild the country following the civil war. El Salvador had the status of Luxembourg's Development Cooperation priority partner country until 2015, and recent progress in development has made it possible to commence a new innovative and inclusive partnership approach. The year 2019 saw the continuation of the main bilateral projects in the area of development cooperation, in close collaboration with the new government of President Bukele, who took up his post in June 2019. Luxembourg's development aid has focused on three key areas, through innovative projects targeting:

- support for the El Salvador government's social policy,
- support for civil society via the 'Fondo Concursable' managed by the El Salvador government, and
- support for South-South and triangular cooperation.

These projects are directly delivered by the El Salvador government, with the role of LuxDev being restricted to support and monitoring.

In 2019, Luxembourg's Development Cooperation reiterated its support for the NGO FUNDE, a long-standing partner, in the area of fiscal transparency and combating corruption. In addition, the ATTF/ House of Training continued to provide training to finance sector professionals, in particular on issues concerning compliance and international financial reporting standards (IFRS). Luxembourg also provided EUR 250,000 in co-financing for the multi-dimensional country review in El Salvador, carried out by the OECD Development Centre.

Luxembourg continued its support for the Central American Integration System (SICA), based in San Salvador and of which El Salvador is a member country, particularly for a regional project for female



Workshop with a group of young people as part of the Fondo concursable



Regional meeting on self-employment supported by the Fonds de Coopération Sud-Sud Luxembourg-El Salvador (FOSAL)

entrepreneurs with the Centre for the promotion of micro and small business in Central America (CEN-PROMYPE). This key project is dedicated to equality between men and women and the promotion of women's economic rights. Luxembourg has also supported a regional project for political, economic and social inclusion and participation by vulnerable groups (indigenous people and young people) with the General Secretariat of SICA. In 2019, one NGO was active in El Salvador, continuing the implementation of two projects co-financed by Luxembourg's Development Cooperation, with a multiannual budget of EUR 256,503.56.





Development cooperation relations between Nicaragua and Luxembourg first began in 1993. The first general cooperation agreement setting out cooperation relations between Nicaragua and Luxembourg was signed in 2000. The tourism, health and vocational training sectors are the priority areas for Luxembourg's Development Cooperation in Nicaragua.

As a result of the social and political crisis that began in April 2018, Luxembourg made changes to its development aid support to Nicaragua. As direct disbursements to the government had been frozen and the new Indicative Cooperation Programme (ICP) had not been signed, 2019 saw the end of bilateral programmes in tourism, vocational training and health. In relation to health, the construction of a primary hospital in El Cuá is of particular note. This will make it possible to deliver high-quality healthcare to a rural population of more than 50,000 people.

In 2019 Luxembourg's Development Cooperation was able to reposition its development aid to Nicaragua in order to provide humanitarian support to the population and to strengthen its support for Nicaraguan civil society, particularly regarding the protection of human rights and democratic values. Thus, in 2019 support for the WFP school meals programme was signed, seeking to provide food security in rural areas, alongside new funding for the Civil Society Support Fund (FASOC) managed by Oxfam and a project by the Frontline Defenders NGO to support human rights activists. Cooperation with local NGOs has also been strengthened through the micro-projects fund of the Embassy in Managua.

Two Luxembourgish NGOs, *Frères des hommes* and *Terre des hommes*, have implemented projects in 2019, targeting the comprehensive care of children and young people at social risk, capacity-building (including food capacity) and the informal economy.

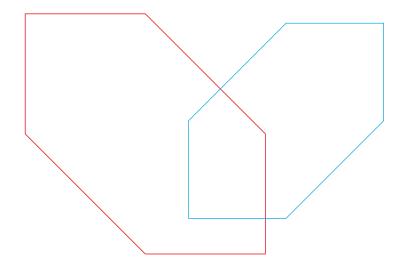
Finally, Luxembourg has continued to strengthen its support for regional projects in Central America, particularly the Central American Integration System (SICA), of which Nicaragua is a member country.



School feeding programme by WFP in San Rafael del Norte



#### **CENTRAL AMERICA**



In Central America, as part of the Central American Integration System (SICA) – an organisation based in San Salvador, bringing together eight countries in the sub-region – in 2019 Luxembourg's Development Cooperation financed a regional project supporting female entrepreneurship with CENPROMYPE and another regional project promoting the political, economic and social inclusion and participation of vulnerable groups in collaboration with the Secretariat General of SICA. In 2019, Luxembourg also signed a new regional project with the International Organization for Migration (IOM) to support migrant women in Central America and the Dominican Republic. In addition, Luxembourg's Development Cooperation and the Ministry of Finance have jointly contributed to the third phase of the technical assistance programme of CAPTAC-DR (International Monetary Fund Regional technical assistance centre for Central America, Panama and the Dominican Republic). This centre, based in Guatemala, provides technical assistance to its seven member countries, targeting capacity-building for institutions and individuals for the implementation of sound macroeconomic and financial policies. Luxembourg participated in the second phase of this project.

In Central America, Luxembourg has also continued its support for the promotion of inclusive finance, particularly microfinance. Thus, the Luxembourg association ADA (*Appui au Développement Autonome* - Support for Autonomous Development) supports the regional network REDCAMIF, the aim of which is to promote the microfinance industry. Finally, Luxembourg's Development Cooperation finances the technical assistance programme of the Luxembourg 'Forestry and Climate Change Fund (FCCF), which has the aim of re-establishing secondary or degraded forest areas in Central America and make them economically, ecologically and socially viable by engaging local communities while guaranteeing a long-term yield for investors in the fund.



LAOS



Diplomatic relations were established between Laos and Luxembourg in 1997, and thus Laos can be seen as a historic partner of Luxembourg's Development Cooperation. The first Indicative Cooperation Programme (ICP) was signed in 2000 and the ICP is now in its fourth iteration (2016-2020). As a reliable development partner, Luxembourg's Development Cooperation endeavours to contribute to poverty reduction and to strengthening institutions. Luxembourg supports Laos, which is among the least developed countries, in its transition to the category of middle-income countries and meeting the Sustainable Development Goals (SDGs).

The highlight of 2019 was the official visit by Minister Lenert to Laos from 6 to 14 September, accompanied by three members of the Luxembourg Chamber of Deputies and a Luxembourg press delegation. At the partnership committee meeting which was held at that time, the two countries' authorities considered the recommendations made in the ICP IV mid-term review, which was completed at the start of 2019. The review confirmed the relevance of the four priority sectors supported by Luxembourg's Development Cooperation in Laos, namely health; integrated local development; education and the development of vocational skills in tourism and hospitality; and inclusive governance and respect of the rule of law. In 2019, a new strand of Luxembourg's cooperation with Laos began, targeting the strengthening of management of official development assistance (ODA) in Laos. This project, implemented by LuxDev, seeks to build the capacities of the Laos authorities to enable better coordination of ODA and appropriate consideration of the Sustainable Development Goals (SDGs) in the interventions to support the national socio-economic development plan in Laos.

Five Luxembourgish NGOs were operating in Laos in 2019: Aide au Développement de la Santé (ADS), CARE Luxembourg, Handicap International Luxembourg and Fondation Caritas Luxembourg. Their sectors of operation were focused on the following areas: health and medical services, rural development, education and vocational training, clearance of landmines and explosive remnants of war, and food and nutritional security. In addition to its continuing support for the Laos Microfinance Association (MFA), the Luxembourg association 'Appui au développement autonome' (ADA) has also continued its technical assistance for the transformation of village banks into formal microfinance institutions (MFIs), in synergy with the bilateral rural development programme financed by Luxembourg's Development Cooperation within the framework of the ICP IV.



Lanith hospitality school in Vientiane



#### MONGOLIA



Since 2001, Luxembourg has been working in the health sector in Mongolia. This work has been gradually expanded to take in projects in the area of telemedicine in order to combat cardiovascular disease, which is currently the leading cause of death in the country. One specific component of the bilateral project currently in progress is the provision of in-service training by the Luxembourg cardiac surgery team from the National Institute for Interventional Cardiac Surgery and Cardiology (INCCI). Thus, in 2019, a symposium on cardiac imaging, for example, was successfully held for the first time in Ulaanbaatar, with 110 participants from 21 provinces in Mongolia. In parallel with thetelemedicine project in the cardiovascular sector, up to the end of September 2019 Luxembourg's Development Cooperation also financed a telemedicine project for maternal and child health care services in cooperation with the United Nations Population Fund (UNFPA) and the progress made there will continue to be implemented by the government and the treating hospitals.

In line with this philosophy of national ownership, an emergency consultation system has been set up in the country's 21 provincial hospitals that will enable provincial doctors and patients to dispense and obtain medical advice, in real time, remotely. Under the project, training materials and equipment were also delivered in 2019, so that the hospitals targeted may benefit from an environment and instruments that are in line with the pedagogical methods and new simulation technologies in the hospital environment, in order to boost the practical skills of their staff. Finally, the end-of-project evaluation conducted concluded that the actions it supported were very relevant in contributing to a reduction in maternal and child mortality and had also effectively contributed to capacity-building among national operators.

In addition to these health projects, Luxembourg's Development Cooperation continued its support in the financial and banking area, through a training and capacity-building project in finance, and banking training programmes in collaboration with the ATTF/House of Training.



Opening ceremony of a simulation training centre at the National Center for Maternal and Child Health



During 2019, negotiations for a general cooperation agreement between the Luxembourg government and Myanmar resumed, but no final decision was reached on Myanmar becoming a partner country. This was due, in particular, to the many ongoing conflicts between the Burmese army and armed ethnic groups, especially in Rakhine State, giving rise to significant humanitarian needs.

In terms of development cooperation, in 2019 Luxembourg continued to support the implementation of two bilateral projects in Myanmar, including one concerning human resources development in the hospitality and tourism sector and the other in rural development in Eastern Shan State, where several ethnic minorities live. In order to strengthen respect for the rule of law and human rights, and in particular the rights of minorities, Luxembourg has continued its support for a second phase of the 'My Constitution' project, implemented by the IDEA foundation (Institute for Democracy and Electoral Assistance). This project aims to support constitutional reform and capacity-building for parliament and other stakeholders involved in this process. Luxembourg is also involved in multilateral financial assistance, and is currently contributing, together with other donors, to a trust fund administered by the United Nations Office for Project Services (UNOPS), relating to food security and livelihoods (Livelihood and Food Security multi-donor Trust Fund - LIFT).

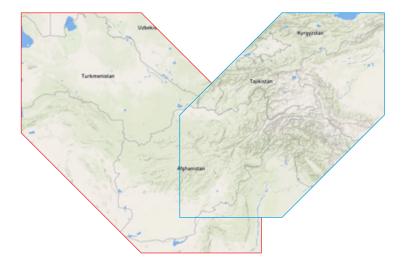
Finally, in 2019, four Luxembourgish NGDOs were working in Myanmar, funded by the MFA. Thus, CARE-Luxembourg has implemented activities in sectors linked to basic nutrition, health education and rural development. The ADA association has continued its work in partnership with the Myanmar Microfinance Association (MMFA). Through this support, the newly-established association has been able to embed itself within the inclusive finance sector of Myanmar. It has made significant progress in terms of representation and advocacy vis-a-vis the regulator. With its support to IDEA International, Luxembourg is providing technical assistance to the national debate on constitutional change.



Installing electric cable transmission lines for the pico hydro system



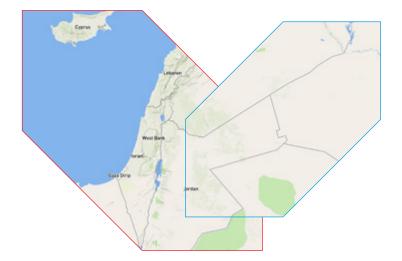
#### **TAJIKISTAN / AFGHANISTAN**



As in previous years, there has been no direct bilateral cooperation with Tajikistan or Afghanistan. In these two countries, Luxembourg's Development Cooperation is pursuing its projects in close collaboration with the PATRIP foundation (Pakistan Afghanistan Tajikistan Regional Integration Programme). The projects financed by Luxembourg through the foundation and implemented by the Danish NGO Mission East focus principally on water, sanitation and hygiene. In addition, the NGO is investing more in efforts to reduce risk, in order to strengthen the sustainability of these projects, in close collaboration, in particular, with village communities (e.g. plantations of shrubs and trees). In 2019, Luxembourg's Development Cooperation's financial contribution amounted to about EUR 920,000, making it possible to supply running water and to install sanitation in 28 mountain villages, 18 on the Afghan side and 10 on the Tajik side. In addition, 627 latrines, some of which are accessible by persons with reduced mobility, and 14 dry latrines were built in these villages. Hygiene training courses were delivered by the Mission East NGO to address the dangers of water-borne diseases. In addition, in most of the villages projects were implemented to stabilise the soil and protect infrastructure in order to cope better with the natural disasters often seen in the region. The Mission East projects are founded upon sustainability. The villages that have benefited from the infrastructure installed are all jointly responsible for their maintenance and smooth operation.



# OCCUPIED PALESTINIAN TERRITORIES



Luxembourg's development aid to the Occupied Palestinian Territories is mainly routed via the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) and Palestinian civil society, which play a major role in the development and promotion of the various primary sectors (health, agriculture, etc.) and other sectors.

In 2019, Luxembourg continued to support the multiannual partnership agreements concluded in 2017 with, respectively, the Palestinian Agricultural Relief Committee (PARC) in the agriculture and sustainable development sector, the Palestinian Medical



Relief Society (PMRS) in the sector of reproductive health for women and the Coalition for Accountability and Integrity (AMAN) in the transparency and inclusive governance sector. In addition, a new agreement with the Teacher Creativity Center (TCC) NGO was signed, covering a three-year period (2019-2022). The TCC NGO operates in the training sector, providing psycho-social support to teachers in Palestinian schools.

In terms of support for the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), Luxembourg signed a new multiannual agreement with a budget of EUR 4,000,000 per year for four years in 2019. This support is in addition to the agreement concluded by Luxembourg and the UNRWA in 2018 for the financing of the Health in Gaza project (2018-2020) with a budget of EUR 1,000,000 per year, bringing the total annual contribution to the agency to EUR 5,000,000.

Luxembourg has also allocated a contribution of EUR 1,150,000 to the project to construct a desalination plant in Gaza. Financial support for this project is channelled via the Facility for Euro-Mediterranean Investment and Partnership (FEMIP) managed by the European Investment Bank (EIB).

Through humanitarian aid, Luxembourg supports the operations of the International Committee of the Red Cross (ICRC) and the West Bank Consortium project (co-financed with DG ECHO, Belgium, Denmark, Spain, Finland, France, Ireland, Italy, the United Kingdom and Sweden). This strategic partnership aims to prevent the forcible transfer of vulnerable Palestinians to the West Bank and East Jerusalem through a humanitarian response based on protection.

Palestinian farmers in the NGO PARC's ARDI project



VIETNAM



In Vietnam, which until 2015 was one of Luxembourg's Development Cooperation's priority partner countries, a gradual change has started in the type of projects supported. Thus, new partnership opportunities have been explored that go beyond conventional development cooperation, particularly in the areas of innovation, research and the financial sector. In the areas of finance and banking training, Luxembourg's Development Cooperation has thus continued its support for training and capacity-building projects through LuxDev and the ATTF/House of Training. In 2019, three Luxembourgish NGOs were active in Vietnam. These include the two Luxembourgish NGOs *Aide au Vietnam* and Christian Solidarity, which are running projects in the sectors of agricultural development and primary education for the 2016 to 2020 period. The NGO *L'Amicale internationale d'aide à l'enfance*, which has been active in Vietnam since 2014, has contributed to activities involving the adoption of Vietnamese children by couples in Luxembourg. This NGO also implements two development projects (a polyclinic and a social centre), supporting its adoption activities.

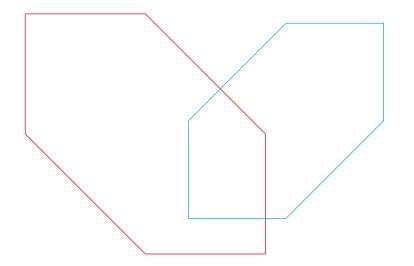
In addition, the BBI-Luxembourg Higher Educational Institute of Wiltz is running a project until 2020 for the needs of partner schools in Vietnam, Laos, Myanmar, Cabo Verde and Nicaragua to contribute to economic growth and poverty reduction in those partner countries through a strengthening of human resources in the tourism sector. Bursaries are provided for students, and also Vietnamese teachers who participate in training each year at the BBI School for International Hospitality and Tourism Business in Wiltz.



Food security assistance in the mountainous regions of the Cao Bang province



## SOUTH-EAST ASIA



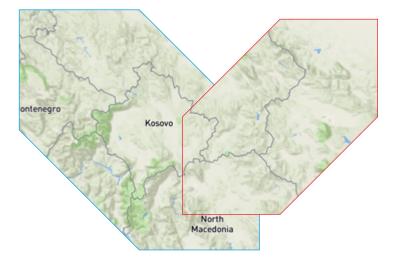
Luxembourg has continued its financing of the Mekong River Commission (MRC) in order to support, among other things, the production of an environmental adaptation strategy for the countries bordering the Mekong basi. Another sub-regional project that Luxembourg has continued to implement in 2019, in cooperation with Switzerland and Germany, was the Mekong Region Land Governance - Phase II project in support of good land management in the Mekong region.

The International Labour Office (ILO) has also continued to implement a project in three countries in the region (Vietnam, Laos and Myanmar) relating to the cornerstones of social protection. The project aimed to expand social security systems in the region, with the ultimate goal of achieving universal health coverage in these three countries. In 2019, midway through the project, at the close of the project, a regional association was created to consolidate cooperation between the participating countries and to build capacity among local operators. Together with other partners, Luxembourg supports a global programme implemented by the WHO which aims to support the establishment of universal health coverage by 2025, by providing technical support for the implementation of the national strategy to reform the health sector in Laos (EU-Luxembourg-Ireland-WHO Universal Health Coverage Partnership).

In South-East Asia, Luxembourg has also continued its support for the promotion of inclusive finance. Thus, the Luxembourgish NGO ADA (Appui au développement autonome) is supporting the Lao microfinance association (MFA), and the transformation of village banks into formal microfinance institutions. In addition, through the mechanism for responsible inclusive finance (RIFF-SEA), the Social Performance Task Force (SPTF) runs training courses in social performance management and co-finances projects enabling microfinance institutions (MFIs) to improve their social performance, and find a good balance with commercial viability. Finally, since 2019 the ATTF/House of Training (HoT) has been offering training in finance to finance sector professionals in Laos.



## KOSOVO



The year 2019 saw the Kosovan government resign in July and early elections on 6 October 2019; a government was formed in February 2020. The partnership committee meeting between Luxembourg and Kosovo, planned for the second half of 2019 in Pristina, Kosovo, had to be postponed.

In 2019, Luxembourg's official development assistance to Kosovo amounted to more than EUR 5.4 million. In addition to the technical assistance project at the Ministry of European Integration Luxembourg's Development Cooperation focused in particular on the sectors of health and vocational training.

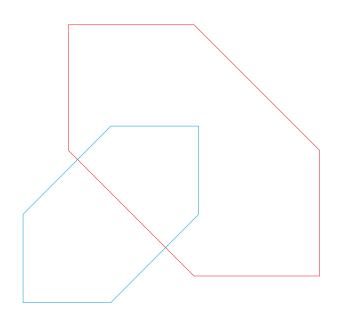


In parallel with this support, Luxembourg continued to co-finance the district heating network development project in the capital, Pristina, implemented by German development bank KfW. In addition, the project implemented by the EBRD since 2018, which provides advice for small and medium-sized enterprises in Kosovo, has hit its stride during the past year.

The two multilateral projects, run respectively with UNICEF and jointly with the UNDP, the WHO and UNV, developed in a satisfactory way and will be completed at the end of 2020. In 2019, the 'Healthier Kosovo' project (UNDP-WHO-UNV), whose goal is to contribute to the reduction of the environment-related disease burden on population health, trained the members of the Environment and Health Committee, which reports to the Office of the Prime Minister. The capacities of the national public health institute were strengthened in order to measure the impact of air pollution on health by carrying out health impact assessments using Air Q+, a specially designed programme. The first studies were completed together with the Kosovan hydrometeorological institute in 2019. At the same time, an analysis was conducted of policies and laws on air pollution management, as well as various studies on air quality in schools.

Luxembourg has continued to support action taken by Caritas Luxembourg, particularly through *Fondation Kosovo-Luxembourg* (FKL), its Kosovan entity, with the most vulnerable groups in Kosovo. Finally, in relation to support for Kosovo's civil society organisations (Kosovar Civil Society Foundation (KCSF)), the third regional training course for NGOs on the contribution to European integration was held in October 2019, in collaboration with the Bruges College of Europe.

Staff being trained on using hospital equipment at 'General Hospital Prizren'





# **MULTILATERAL COOPERATION**

As a strong supporter of multilateralism, the Grand Duchy of Luxembourg's commitment to multilateral organisations remains one of the mainstays of Luxembourg's Development Cooperation when acting at international level. Through the Luxembourg Development Cooperation Strategy, entitled 'On the road to 2030', the 2030 Agenda and the 17 Sustainable Development Goals (SDGs) adopted by the United Nations are at the heart of Luxembourg's Development Cooperation's commitment.

In total, almost 30% of Luxembourg's total official development assistance goes annually to international and multilateral organisations (EUR 119,670,040.93 in 2019). Multilateral cooperation relates to both the agencies, funds and programmes in the United Nations family as well as other multilateral organisations such as the European Union (EU) institutions, the European Investment Bank (EIB), the World Bank, the International Monetary Fund (IMF) and the Organisation for Cooperation and Development in Europe (OECD).

## **UNITED NATIONS (UN)**

As in previous years, Luxembourg participated in meetings of the executive boards of UNDP, UNFPA, UNOPS, UN Women and UNICEF. In 2019, Luxembourg served on the executive board of UNICEF, in a year that marked the 30th anniversary of the International Convention on the Rights of the Child. At the annual session of the UNICEF executive board Luxembourg facilitated the decision on the annual report on humanitarian action.

Luxembourg's Development Cooperation has also continued to follow closely the process of repositioning the United Nations development system launched by Secretary-General Guterres in July 2017; a resolution on this point was adopted by the United Nations General Assembly in May 2018. The repositioning has resulted in a new generation of United Nations country teams, a reinvigorated role for the resident coordinator system, a redevelopment of the regional approach, strategic direction, oversight and accountability to achieve system-wide results, better funding and monitoring of action to reposition the United Nations system at different levels.

Health remains a top priority for Luxembourg. The partnership on universal health coverage with the WHO and the EU is continuing to expand significantly; Luxembourg has recommitted itself to a third phase of support for the partnership, covering the 2019-2021 period. Universal health coverage, the key objective of its health strategy, is the backbone of SDG 3, good health and well-being.



With UNAIDS, Luxembourg has strengthened its efforts to combat HIV/AIDS in the priority region of West Africa through an annual contribution of EUR 1 million to the catch-up plan in West and Central Africa. This regional programme aims to achieve the 90-90-90 treatment objectives through increased support from local civil society. Respect for human rights and paediatric care are at the heart of this programme. The Luxembourg funds have, in particular, made it possible for the West Africa Civil Society Institute and Centre for Health and HIV to be set up, in a regional approach to knowledge-sharing and capacity-building. Moreover, Luxembourg has stepped up its collaboration with the Global Fund to Fight AIDS, Tuberculosis and Malaria in order to achieve the ambitious goals of ending the three pandemics as public health threats by 2030. Indeed, Luxembourg was the first country on a global scale to announce its renewed support for the Global Fund at the replenishment conference held in New Delhi on 11 February.

These topics, as well as Luxembourg's Development Cooperation's thematic priorities and multilateral projects, were discussed at the annual consultations with the New York-based UN agencies held on 17-18 July 2019. The annual consultations with UN agencies in Rome took place on 13 and 15 February 2019.

HIV testing at Verdefam mobile clinics in the outskirts of Praia

During the New Space Europe conference, on 13 November 2019 Luxembourg signed the first financing agreement to support the new UNOOSA project entitled 'Space Law for New Space Actors'. This project offers United Nations Member States an ad hoc strengthening of expertise in the drafting of national space legislation and/or national space policies so that they are consistent with international space law, in order to promote the long-term viability of outer space activities. Such capacity-building efforts aim in particular to assist the new and emerging space powers of the South to carry out their space activities in a responsible and sustainable manner and to give a voice to a greater number of states in this field.

During 2019, Luxembourg continued its long-standing partnership with the International Labour Office (ILO), one example being the 'Decent Jobs for Youth' initiative. Another Luxembourg's Development Cooperation priority is the extension of its commitment to the social protection project with the ILO to cover an entire region in South-East Asia, starting with Laos, Myanmar and Vietnam. Also in 2019, the project in collaboration with the ILO in Tunisia on social and solidarity entrepreneurship started and the introduction phase was completed.

Luxembourg's Development Cooperation remains committed to UNRWA's efforts in the Near East, despite the structural difficulties facing the organisation. The UN agency continues to be the main partner in the region.

The International Fund For Agricultural Development (IFAD) Governing Council session (14-15 February 2019) was one of the most important sessions not only for Luxembourg, because of the ABC Fund's official launch at a fringe event at this conference, but also for IFAD as a whole following the adoption of the decision to work on a strategy for collaboration with the private sector. This is a completely new approach that will change IFAD's interaction with other bodies and create new opportunities in the future for more effective multi-stakeholder engagement in implementing the 2030 Agenda and the 17 SDGs. With the launch of the new ABC Fund, Luxembourg has once again been able to position itself as a pioneer in the development of innovative and sustainable financing mechanisms. In 2019, new multilateral projects were concluded with UNDP (Cabo Verde, Ethiopia), UNFPA (Iraq), the WFP (Nicaragua), the ILO (Tunisia) and UNICEF (Niger, Syria/Jordan and Central African Republic). At the national level, Luxembourg's Development Cooperation has concluded a new partnership with the non-profit Luxembourg Income Study Database and renewed its support for international development awareness by supporting the annual organisation by the Luxembourg Athénée of the second Luxembourg Model United Nations (LUXMUN).



#### **EUROPEAN UNION**

Under the Romanian Presidency, Luxembourg took part in the Foreign Affairs Council meeting in its development configuration in Brussels on 16 May 2019. Under the Finnish Presidency, Luxembourg took part in the Foreign Affairs Council meeting in its development configuration in Brussels on 25 November 2019.

During 2019, the Council, in its development configuration, addressed the following major issues:

# Negotiations on a post-Cotonou agreement between the EU and the APC countries

the Cotonou agreement, dating from 2000 (it entered into force in 2003 and was subsequently amended in 2005 and 2010 respectively) links the EU and its Member States to 79 ACP countries (more than half the Member States of the UN) through a legally binding international agreement. The agreement has three different strands, namely (i) development cooperation (where activities are financed through the European Development Fund - EDF); (ii) economic and trade relations (governed mainly by economic partnership agreements - EPAs); and (iii) the political strand (in particular, political dialogue, migration, and the possibility of imposing sanctions in the event of failure to comply with the commitments made). Since the Cotonou agreement was to expire on 29 February 2020, in September 2018 the EU and the ACP embarked on negotiations to conclude a successor agreement.

An initial round of negotiations established the overall structure of the new agreement, namely a foundation setting out the existing elements of Cotonou, as well as three regional protocols. Thus, the link between the Cotonou agreement and the economic partnership agreements (EPAs) will be maintained. Although the governments will be the main players in the future partnership, the negotiations confirmed the need for dialogue with all the other stakeholders involved, in particular parliaments, civil society and the private sector. The future agreement should cover priority areas such as the rule of law, democracy, good governance, human rights, job creation and economic growth, investment, climate change, combating poverty, peace and security and migration and mobility.

A second round of negotiations began on 25 January 2019, focusing on the content of the foundation and on the institutional elements of the future partnership. In addition, high-level dialogue identified the priorities for each of the three ACP sub-regions, so that negotiations on the regional pillars officially opened on 4 April 2019. It should be noted that negotiations are being conducted by the European Commission and the ACP group, and that for the EU the Member States are kept regularly informed and consulted about developments

As the negotiations for a post-Cotonou agreement have taken longer than initially planned, some transitional measures have been adopted so that the provisions of the Cotonou agreement will remain in force until either (i) 31 December 2020, or (ii) the entry into force, or the provisional application, of the post-Cotonou agreement.

#### The EU's new external action instrument -NDICI (Neighbourhood, Development and International Cooperation Instrument)

With a view to the Union's next multiannual financial framework (MFF), covering the period 2021 to 2027, the European Commission proposed in 2018 to create an instrument that will incorporate various current instruments, such as the European Development Fund, the European Development Cooperation Instrument, the European Neighbourhood Instrument, the Instrument for Democracy and Human Rights, the Instrument for Stability and Peace, the Partnership Instrument and the European Fund for Sustainable Development, among others, to simplify the current architecture, increase transparency and increase the Commission's flexibility.



An ad-hoc working group of the Council of the EU has been working since autumn 2018 on the draft ND-ICI regulation. A partial mandate has emerged from the work of the Austrian, Romanian and Finnish Presidencies, and it was on the basis of this partial mandate that the Finnish Presidency opened the trilogue with the European Parliament on 23 October 2019.

In December 2019, the Finnish Presidency unveiled a first costed proposal for the EU budget for the 2021 to 2027 period.

# Innovation and digitisation in development cooperation and humanitarian action

on 20 November 2017 the Council adopted conclusions on Digital for Development, reaffirming that the EU and its Member States are committed to supporting digital technologies and services in developing countries as powerful enablers of inclusive growth and sustainable development. While Luxembourg has for many years mobilised new technologies and innovative solutions as levers in its cooperation and humanitarian action interventions, the subject has taken on a new impetus in recent years in the European and international cooperation agenda. Luxembourg's Development Cooperation's new general strategy, adopted in September 2018, places particular emphasis on the use of ICT (and data) for development. Drawing water through a programme supporting the WASH sector in Niger

In this context, the Luxembourg Government co-signed a letter to HR/VP Mogherini and Commissioner Mimica in May 2019, with the aim of stressing the importance given to Digital4Development (D4D) initiatives in the framework of EU development policy and, in particular, the new multiannual financial framework (2021-2027). In order to capitalise on the most important lessons learned by the international community in the implementation of ICT programmes, in December 2019 Luxembourg formally adhered to the '9 Principles for Digital Development'. These principles emerged from a concerted dialogue among several development actors and were adopted in 2014 (notably by the Bill & Melinda Gates Foundation, the Digital Impact Alliance, the International Rescue Committee, Oxfam, UK Aid, USAID, the World Bank, and several specialised United Nations agencies).



#### OECD

Luxembourg is an active member of the Development Assistance Committee (DAC), which became part of the OECD in 1961. The DAC is an international forum in which donor countries and multilateral organisations work together to help partner countries reduce poverty and achieve the Sustainable Development Goals (SDGs). The DAC thus provides a forum for a community of decision-makers to discuss, improve and coordinate their public policies and approaches.

The overarching objective of the DAC for the 2018-2022 period is to promote development cooperation policies so as to contribute to the implementation of the 2030 Agenda for Sustainable Development, including: (i) sustained, inclusive and sustainable economic growth; (ii) poverty eradication; (iii) improvement of living standards in developing countries; and (iv) a future in which no country will depend on aid. The DAC also serves as a source of reference for official development assistance (ODA) statistics. Luxembourg participates in high-level meetings, working groups and networks (such as MOPAN). In 2019, Luxembourg continued its contributions to various DAC initiatives such as the Sahel Club, the collection of statistics and the DAC work programme. In terms of financial contributions, Luxembourg's Development Cooperation contributed EUR 200,000 to the Development Assistance Committee's work programme, EUR 250,000 to the Tax and Development Programme, EUR 200,000 to the Sahel Club, EUR 110,000 to the MOPAN assessment network, EUR 500,000 for the BEPS programme and EUR 100,000 for the DAC Working Party on Development Finance Statistics, i.e. a total of EUR 1,360,000. In addition, the Ministry of Finance paid EUR 350,000 in ODA to the Tax Inspectors

Without Borders project, which is also delivered by the BEPS. Luxembourg also provided EUR 250,000 in co-financing for the multi-dimensional country review in El Salvador, carried out by the OECD Development Centre.

The year 2019 saw the implementation and strengthening of the recommendations made by the OECD in the peer review. The mid-term review, scheduled for 2020, will assess progress since 2017.



# NON-GOVERNMENTAL ORGANISATIONS

NGOs represent a complementary channel for bilateral aid, enabling Luxembourg to be active in countries and sectors where the Ministry does not intervene. Luxembourg's Development Cooperation thus contributes to strengthening the role of development NGOs as the spokesperson for the most vulnerable and to promoting inclusive governance, accountability and respect for human rights. In this context, it is worth remembering that NGOs are partners of Luxembourg's Development Cooperation in the fight against poverty and social inequality, and are not government officials.

In 2019, 94 associations were approved the Ministry of Foreign and European Affairs under the amended Law of 6 January 1996 on development cooperation and humanitarian action. Luxembourg's Development Cooperation can thus draw on a large number of strong partnerships on the basis of close collaboration with NGOs.

In 2019 the NGOs disbursed EUR 47 million for development cooperation activities, particularly through the main financial instruments:

- Development cooperation framework agreements: 26 framework agreements were co-financed in 2019, including two framework agreements carried out as a consortium at a total cost of EUR 29.03 million.
- In 2019, seven new multi-year framework agreements were signed, including two on a consortium basis at a total cost of EUR 36.6 million.

Co-financing of development projects: 74 individual projects by 42 NGOs were supported in 2019 at a total cost of EUR 8.44 million: of these projects, 31 were new projects implemented by 29 NGOs.

In total, the ODA allocated to national NGOs in 2019 was EUR 67.04 million, i.e. 22% of Luxembourg's official bilateral development assistance.

This amount also includes the ODA allocated for humanitarian action (emergency aid, food aid, crisis prevention, reconstruction and rehabilitation), subsidies for public awareness-raising and development education in Luxembourg, and support for NGOs' administrative expenses.

Luxembourg's civil society also stands out in terms of the high level of involvement by volunteers who work at NGOs to implement development projects in countries of the South or awareness-raising and development education campaigns targeting the general public in Luxembourg.

The number of approved NGOs and the high percentage of ODA allocated to NGOs bear witness to the value placed by the people of Luxembourg on civil society organisations as separate development operators. The Ministry's strong commitment to Luxembourg NGOs is thus enabling ODA to remain at around 1% of GNI. The Directorate for Development Cooperation and Humanitarian Affairs cultivates regular, constructive dialogue with the NGOs, represented by the *Cercle des ONG* of Luxembourg, seen in particular in the meetings of the MFA-NGO working group, which met on five occasions in 2019.



Young weavers in the Plinth villages in a char in Northern Bangladesh



#### AWARENESS-RAISING

The work of awareness-raising and development education, particularly at the national level, also forms part of the challenge of poverty eradication. The aim of these activities is to raise public awareness in Luxembourg of the various themes that relate to the sustainable development of countries and relations between countries, including fair international trade. They also aim to ensure that from an early age the public acquires the knowledge and skills needed to understand and engage in critical thinking about the causes and consequences of poverty, and takes an active role in the development of fairer and more inclusive societies.

Projects and programmes are guided by the expertise of NGOs, acquired through experience in the field, as well as by the 2030 Agenda and the 17 Sustainable Development Goals, to account for the complexity of the challenges of our society in its social, ecological and economic dimensions. These include human rights, gender equality, food sovereignty, the promotion of a culture of peace and non-violence, production chains, etc.



National NGOs play an essential role in the implementation of awareness-raising and development education activities in Luxembourg. In 2019, for example, the Directorate co-financed 13 annual projects and 14 three-year framework agreements with a total budget of EUR 2.3 million.

In order to promote increased citizen involvement, Luxembourg's Development Cooperation also promotes joint initiatives and campaigns between NGOs on specific development themes as well as on sustainable development in general. Within this framework, the MFA allocated an amount of EUR 535,225 (100% co-financing rate) to two implementing mandates in the field of awareness-raising and development education: the Third World Information Centre (CITIM) and the 'Rethink your clothes' campaign.

The MFA has continued to provide financing under CITIM's mandate to Action Solidarité Tiers Monde (ASTM), which has since 1982 been providing specialised documentation and education on the countries of the South, North-South relations and human development. This documentation is made available to the general public in the form of a library. Since 1 January 2015, the Ministry has provided 100% of the funding for CITIM. In addition, the joint mandate of Fairtrade Letzebuerg a.s.b.l. and the Fondation Caritas Luxembourg for the joint implementation of a campaign to raise public awareness of the challenges of the textile industry continued, and included numerous actions to raise public awareness. The 'Rethink your clothes' campaign was officially launched in the first guarter of 2018 and gained traction through various interventions and events.

In the area of national awareness-raising and development education policies, the MFA participated in the meetings of the Interdepartmental Committee on Education in Sustainable Development (CIEDD) under the leadership of the ministry responsible for sustainable development and the ministry responsible for state education on the basis of an alternating presidency, with a view to defining guidelines for integrating education about sustainable development into all levels of the Luxembourg education system. The CIEDD coordinates these efforts with key institutional stakeholders and civil society actors. In this context, the Directorate for Development Cooperation and Humanitarian Affairs was also represented at the events of the Global Education Network Europe (GENE), with a view to improved mutual learning

A game about the SDGs at the Open House Day of the Ministry of Foreign and European Affairs

and networking of the actors involved in development education across European and in Luxembourg.



# INCLUSIVE FINANCE AND PRIVATE SECTOR

#### MICROFINANCE AND INCLUSIVE FINANCE

For more than twenty-five years, Luxembourg's Development Cooperation has been actively supporting the development of microfinance and inclusive finance to reduce global poverty, using the expertise and potential of Luxembourg's financial market to promote economic development, inclusive growth and the socio-economic inclusion of women and youth.

The flagship event of 2019 was the African Microfinance Week (SAM), held in Ouagadougou, Burkina Faso. Despite a difficult security environment, more than 900 participants were present at the opening, and Minister Lenert and the Prime Minister of Burkina Faso, Christophe Joseph Marie Dabiré, participated. The theme of this third edition was: 'Pathways Towards Impact: African Inclusive Finance for the Sustainable Development Goals'.

In addition, the NGO ADA, the organiser of this conference and Luxembourg's Development Cooperation's main partner in inclusive finance, celebrated its 25th anniversary in 2019. With the support of the MFA, it has expanded its activities to Niger and Tunisia. It has further expanded the scope of the research of the ADA Chair at the University of Luxembourg, whose studies have been well received by inclusive finance regulators, notably within the Alliance for Financial Inclusion (AFI) network, with whom close contacts have been forged, as dialogue with Luxembourg actors has been boosted. Another important event was the European Microfinance Award ceremony, held as part of European Microfinance Week. This is a regular and high-level meeting, which was held at the European Investment Bank (EIB) headquarters in the presence of Minister Paulette Lenert, EIB President Werner Hoyer, and around 350 experts from the sector. In 2019, the award recognised the best innovations to strengthen people's resilience to climate change. The award was won by APA Insurance, a Kenyan insurance company offering index-based insurance to small-scale and subsistence farmers.

In partnership with the Ministry of Finance, Luxembourg's Development Cooperation has launched the Financial Inclusion Fund (FIF) with the EIB. This multi-donor fund will support African microfinance institutions (MFIs) to tailor their services to the needs of their customers, particularly young entrepreneurs, and to mobilise the resources needed to refinance the sector. As part of its collaboration with the EIB, Luxembourg's Development Cooperation has also financed technical support to five MFIs in the Sahel, enabling them to improve social performance management and to accelerate the digitisation process.

The Luxembourg Microfinance and Development Fund (LMDF) is a public-private microfinance investment fund whose activity consists of targeted support for small and medium-sized microfinance institutions. Through its investments in Asia, Africa, and Latin America, the fund, which in 2019 had grown to EUR 34 million, financed more than 55,000 micro-entrepreneurs and created measurable results in terms of financial inclusion.

Together with the Ministry of Finance and the Ministry of the Environment, Climate and Sustainable Development, Luxembourg's Development Cooperation continues to support investment in sustainable projects. Through technical assistance to the Forestry and Climate Change Fund (FCCF), the Directorate promotes investment in tropical forest forestry projects in Central America, with the objective of restoring secondary or degraded forest areas and making them economically, environmentally and socially viable.

To transform and modernise family farms in Burkina Faso and Mali, and to facilitate their access to financing, SOS Faim is implementing the Agri+ project under the mandate of Luxembourg's Development Cooperation for the 2016-2022 period.



#### **ATTF/HOUSE OF TRAINING**

It would be a pity not to make use of the expertise and potential of Luxembourg's financial market to support the development cooperation sector, and so Luxembourg's Development Cooperation supports the financial technology transfer agency (ATTF/House of Training) to implement training programmes in Laos, Cabo Verde, El Salvador, Kosovo, Vietnam, Mongolia and West Africa. In 2019, the MFA decided to launch a new project to support the ATTF to establish a Rwanda Academy of Finance (RAF) with the Rwanda Bankers' Association (RBA). In addition to transferring knowledge in the banking sector, this exchange is helping to put the know-how of the Luxembourg financial market to good use, and also to establish lasting international links between professionals in the sector.

Celebrating 20 years of ATTF



#### COOPERATION WITH THE PRIVATE SECTOR

Private-sector dynamism is playing an increasingly important role in development, recognised by the 2015 Addis Ababa Action Agenda on financing for development, which aims to better align private-sector incentives with public development goals.

The Business Partnership Facility (BPF) is a tool to encourage the Luxembourg and European private sector to engage with partners in developing countries, enabling them to promote the transfer of technology and expertise, as well as job creation in developing countries. The Facility specifically targets the ICT, fintech, eco-innovation, circular economy, bio-health and logistics sectors. In 2019, interest in the BPF was again evident and there were some high-quality proposals. For example, eight sustainable private enterprise projects in Senegal, Cabo Verde, Guinea, Togo, Vietnam and Kosovo were selected for co-financing. Moreover, the human rights selection criterion was strengthened and the facility underwent an external evaluation.

Luxembourg's Development Cooperation also has commitments at the multilateral level. The Enhanced Integrated Framework (EIF) is a multi-donor programme directly linked to the World Trade Organization (WTO) that helps the least developed countries to play a more active role in the global trade system. The financial commitment for 2016-2022 amounts to EUR 4.5 million, bringing Luxembourg's total contribution to EUR 9 million. In 2019, Luxembourg's Development Cooperation launched an initial trilateral trade aid project with the EIF and the government of Burkina Faso, with the aim of improving the competitiveness of the products and the incomes of operators in the shea sector. This promising sector can generate jobs for women in Burkina Faso and create food products and significant added value through local processing to create cosmetics.



Visiting a SATMED antenna on board a Friendship hospital ship in Northern Bangladesh

The SATMED+ project began on 1 January 2017 and will run until 31 December 2020. SATMED is a telemedicine platform that uses emergency.lu's equipment, technology and connectivity and is made available to NGOs and development agencies. This e-health tool, developed by SES TechCom, aims to improve public health in developing and emerging countries, specifically in isolated areas without connectivity.

# HUMANITARIAN ACTION

# **HUMANITARIAN ACTION**



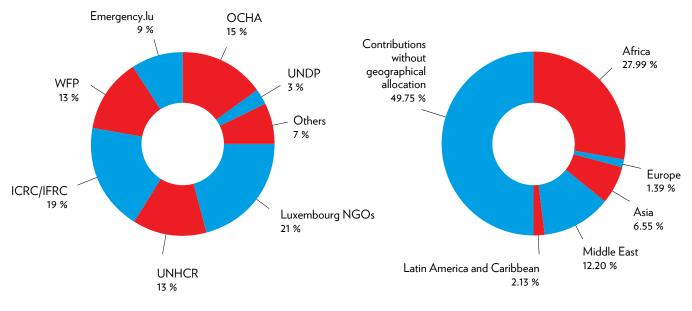
For 2019, the Ministry of Foreign and European Affairs allocated a total budget of EUR 53.94 million for humaniarian intervention, including contributions for humanitarian issued from the mutilateral budget line and from the development cooperation fund. The year was dominated by the response to humanitarian crises, particularly in Syria and Yemen, but also in the Sahel and the Lake Chad regions, Mozambique and Bangladesh. For all these humanitarian crises, the government made substantial funding available to support the humanitarian operations of UN agencies and the International Committee of the Red Cross (ICRC) and to carry out emergency projects run by Luxembourgish NGOs. A total of EUR 53.94 million has been disbursed to support such humanitarian interventions in various countries and in the three phases of humanitarian crises as defined in Luxembourg's humanitarian action strategy: emergency, transition and prevention.

#### DISBURSEMENTS ACROSS ALL THE APPROPRIATIONS

| HUMANITARIAN ACTION   |                 | %       | % OF ODA |
|---|-----------------|---------|----------|
| Emergency aid   | 45,940,169.86 € | 85.17%  | 10.92%   |
| of which assistance in materiel and emergency services              | 39,331,664 €    | 72.92%  | 9.35%    |
| of which emergency food aid   | 600,422€        | 1.11%   | 0.14%    |
| of which coordination of rescue and support and protection services | 6,008,084 €     | 11.14%  | 1.43%    |
| Aid for reconstruction and rehabilitation                           | 3,961,116 €     | 7.34%   | 0.94%    |
| Disaster prevention and disaster preparedness                       | 4,040,339 €     | 7.49%   | 0.96%    |
| Total   | 53,941,626 €    | 100.00% | 12.82%   |



#### GEOGRAPHICAL DISTRIBUTION OF THE HUMANITARIAN AID BUDGET



Luxembourg continued to honour the four-year strategic partnership agreements concluded in 2017 with the World Food Programme (WFP), the United Nations High Commissioner for Refugees (UNHCR), the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), the United Nations Office for Disaster Risk Reduction (UNDRR) and the International Committee of the Red Cross (ICRC). In addition to the annual financial support, the agreements with the WFP, UNHCR and OCHA also provide for the possibility of deployment of the emergency.lu platform and the development of solutions in the field of information and communication technologies, thus contributing in an innovative way to the effectiveness of the coordination of emergency efforts on the ground.

In May 2019, Luxembourg submitted its second report on the implementation of the commitments made at the World Humanitarian Summit held in May 2016. Luxembourg had subscribed to all the fundamental commitments on the basis of the 'Agenda for humanity' and had made 45 national commitments. Luxembourg has thus continued to follow the 'Grand Bargain' initiative, an agreement between implementing agencies and donors aimed at making humanitarian aid more effective, partly by making it more predictable. As in previous years, the Luxembourg government has provided an annual contribution to the Central Emergency Response Fund (CERF), which allows the UN to ensure that humanitarian aid reaches the world's crisis-affected people as guickly as possible. Support for the country-based pooled funds enables Luxembourg to honour its commitment to supporting the localisation of humanitarian assistance and to having reliable funding mechanisms available in order to reach those most in need. In 2019, new support for the Ukraine Humanitarian Fund was put in place, bringing the number of funds supported by Luxembourg to nine.

Internally, as part of the update to Luxembourg's humanitarian action strategy, the humanitarian affairs department conducted a self-assessment based on the fundamental humanitarian standards of quality and accountability, under the aegis of the Core Humanitarian Standard Alliance, and joined the Humanitarian Quality Assurance Initiative (HQAI) in December 2019. In 2019, Luxembourg was a member of the executive board of the World Food Programme (WFP) and actively participated in that body's three sessions (in February, June and November). During this period particular attention was paid to the areas for priority cooperation with the WFP, namely the Sahel (adoption of the 2020-2024 WFP country strategic plans for Mali and Niger), as well as new technologies and innovation.

In this context, worthy of note are the working visit carried out by Minister Lenert in February 2019 to the WFP's Innovation Accelerator in Munich and the visit to Luxembourg by the WFP Executive Cabinet Head in the framework of the 'Let's Net' training provided by Luxembourg to humanitarian workers under the UN framework.

Furthermore, during its membership of the executive board, Luxembourg co-organised and chaired three events held during the sessions in Rome, namely a debate on the inclusion of persons with disabilities in humanitarian action, a session with Executive Director David Beasley on inter-cluster collaboration and, finally, a round table on the responsibility of the humanitarian and private sectors in the ethical processing of data in the digital age.



Rohingya refugee camp in Cox's Bazar

As a signatory to the Charter on Inclusion of Persons with Disabilities in Humanitarian Action, Luxembourg had supported the development of the guidelines, an exercise headed by the United Nations Inter-Agency Standing Committee (IASC). The publication of these guidelines in 2019 marked an important step in promoting the inclusion of persons with disabilities in humanitarian action.

In addition, Luxembourg participated in the 33rd International Conference of the Red Cross and Red Crescent held in Geneva from 9 to 12 December 2019, which brought together the components of the International Movement of the Red Cross and Red Crescent as well as representatives of the States parties to the Geneva Conventions of 1949 and the Additional Protocols thereto, to discuss key humanitarian issues, including respect for and the strengthening of international humanitarian law and the challenges faced in the digital age. The core objective of the 33rd International Conference in 2019 was to improve the lives of people affected by armed conflict, disasters and other emergencies, and in this connection eight resolutions were adopted by consensus on the final day. On the sidelines of the international conference, Luxembourg chaired the parallel event entitled 'Regulation, Ethics and Accountability in Data Partnerships for Humanitarian Aid' organised by the ICRC and the IFRC.

The Global Refugee Forum, held in December 2019 in Geneva under the auspices of UNHCR, was the beginning of a process to implement the Global Compact on Refugees, adopted under resolution 73/151 in 2018. The forum provided an opportunity to develop and strengthen arrangements for the implementation of the Global Compact in the long term. Luxembourg highlighted its financial support for UN-HCR and pledged to continue supporting innovation and resilient solutions for refugees in the area where development and humanitarian aid overlap.



## **EMERGENCY AID**

In preparation for possible humanitarian emergencies, Luxembourg reserves about 75% of its humanitarian aid budget for emergencies. This aid is allocated according to need and with a particular focus on the most vulnerable people, taking account of several indicators such as the classification of humanitarian crises, risk management indices (INFORM) and the ECHO and OCHA indicators for forgotten crises.

In June 2019, Minister Lenert paid a working visit to Bangladesh, during which she visited Cox's Bazar, the world's largest refugee camp, which hosts Rohingya who have fled violence.

With regard to the Syrian crisis, the Luxembourg government was able to honour its pledge to make a donation and disbursed EUR 7.5 million. Apart from Syria, Luxembourg has provided humanitarian aid through its partners to South Sudan, the CAR, Iraq, the Occupied Palestinian Territories, Mali, Niger, the DRC, Somalia, Afghanistan, Colombia and Yemen. West Africa, the Horn of Africa and the Great Lakes region have also received Luxembourg aid through a multi-country approach. Other countries also received aid, such as Laos, Ethiopia and Cameroon. The implementation of emergency humanitarian aid in these countries and regions was carried out through projects by Luxembourg NGOs and contributions to UN agencies and the ICRC. Minister Lenert visiting the Rohingya refugee camp in Cox's Bazar



# TRANSITION AND REHABILITATION PHASE

After an emergency, the transition phase aims to support the efforts of affected populations to rebuild their lives and regain their livelihoods. The objective of the transition phase is both to link the emergency phase with the development phase and to support the community and individuals in the process of reconstruction and rehabilitation.

In 2019, the Ministry continued to co-finance rehabilitation and reconstruction activities with projects by the *Fondation Caritas Luxembourg* in Afghanistan and South Sudan, a project by Handicap International Luxembourg in Algeria and by co-financing two reconstruction projects by the Luxembourg Red Cross in Mali and Ukraine.

In line with its commitment to Sustainable Development Goal 16 on peace, justice and strong institutions, the Ministry also continued its support for the activities of the International Center for Transitional Justice (ICTJ) in its transitional justice programme in Tunisia and Colombia. The NGO Refugee Education Trust (RET) was supported in implementing a programme to demobilise children associated with armed forces and groups in the DRC.



# FORECASTING AND RESILIENCE

In line with the Sendai Framework for Disaster Risk Reduction adopted in March 2015, the MFA allocates at least 5% of its humanitarian action budget to financing activities in the area of disaster prevention, resilience and risk reduction.

In line with this approach, the Ministry supports its humanitarian partners in implementing preventive measures such as initiatives to strengthen local capacities, risk assessment, monitoring systems, early warning systems and pre-positioning of relief items. The Ministry encourages its partners to protect the environment and to integrate climate change adaptation strategies into their humanitarian projects. Prevention and resilience make up the third pillar of Luxembourg humanitarian action, both upstream and downstream of the emergency and transition phases.

In addition, in 2019 Luxembourg renewed its support to the Niger Ministry of Humanitarian Affairs under the bilateral humanitarian partnership for the implementation of flood risk reduction activities. Finally, the Ministry supported the United Nations Office for Disaster Risk Reduction (UNDRR) in its efforts to strengthen the resilience of nations and communities facing disasters.

emergency.lu antenna at the humanitarian hub in Maiduguri





In 2019, emergency.lu provided services to humanitarian organisations in South Sudan, the Central African Republic, Nigeria, Niger, Chad, Venezuela, the Bahamas and Mozambique at the request of the World Food Programme (WFP), the ETC (emergency telecommunications cluster), the United Nations High Commissioner for Refugees (UNHCR), UNICEF and the European Commission. Where necessary, the services were also accessible to local authorities and the affected population.

35 terabytes (35,000,000 MB) of data were transferred by the emergency.lu satellite links in 2019, an increase of 15 terabytes over 2018. Two emergency interventions were carried out in 2019, when Cyclone Idai hit Mozambique in March and in response to the destruction caused by Hurricane Dorian in the Bahamas. Seven volunteers from the CGDIS group responsible for humanitarian missions were deployed during these two missions. In addition, two new deployments of long-term satellite modules were carried out in Venezuela.

Emergency.lu has been certified as capacity in the European Union's European Civil Protection Pool, representing a tangible expression of European solidarity. The module was activated by the European Emergency Response Coordination Centre (ERCC) in Brussels during the emergencies in Mozambique and the Bahamas.



Humanitarian hub close to the Borno refugee camp

# **CROSS-CUTTING ISSUES**



# GENDER

#### WOMEN AT THE HEART OF THE LUXEMBOURG'S DEVELOPMENT COOPERATION AGENDA

Gender equality is one of the main prerequisites for achieving sustainable and inclusive development. For example, the gender dimension of development aid is an absolute precondition for a fairer and more equal world, as well as for the achievement of the 2030 Agenda for sustainable development.

Gender inequalities and their multiple impacts persist, particularly in the most vulnerable countries, especially in the Sahel, despite remarkable progress in the context of the MDGs in improving people's well-being. While gender equality is vital in making economic systems prosperous and inclusive, addressing major health problems, fighting poverty and mitigating the effects of climate change, women and girls continue to suffer disproportionately from the consequences of poverty and exclusion.

As part of the government's feminist foreign policy, Luxembourg's Development Cooperation has a focus on promoting SDG 5 - gender equality as a human right and the empowerment of all women and girls. These two intrinsically linked concepts will be systematically adopted in all development cooperation policies and programmes.



Luxembourg's Development Cooperation is committed to ensuring that the gender dimension is taken into account in a cross-cutting way, particularly in fragile and conflict zones, such as in the Sahel region. Only integrated political, security, development and women's rights action can lead to a sustainable stabilisation of women's and girls' rights. To achieve sustainable results, the gender dimension is implemented through both bilateral partnerships and multilateral agencies. Many Luxembourgish and local NGOs operate directly at the EU level.

#### **GENDER IN LATIN AMERICA**

In Nicaragua, Luxembourg is a founding member of and a major donor to the Common Fund for Civil Society in Nicaragua (FASOC), managed by Oxfam. In 2019, the Fund supported six projects by local NGOs (with a total budget of USD 500,000) for the social, political and economic rights of women and for combating all forms of violence against women and girls.

In Central America, Luxembourg supports a regional programme (2018-2020, USD 1.5 million) for female entrepreneurs with CENPROMYPE (regional centre for the promotion of micro, small and medium-sized business in Central America) in SICA's eight member countries. The main objective is to strengthen women's economic autonomy and thus reduce economic inequalities between men and women.

In 2019, Luxembourg pledged to support a new programme with the International Organization for Migration (IOM) (2019-2022, with a total contribution from Luxembourg of EUR 1.4 million) aimed at strengthening institutions for the protection of female victims of violence during migration processes in Central America. Women account for 53% of the Central American migrant population, where social and physical violence are both reasons triggering migration and risk factors during the migration process. This regional programme aims to promote the inclusion of measures to protect migrant women in public policies in Central America and the Dominican Republic and to prevent gender-based violence.

Childcare for young people at social risk in Managua

#### **GENDER IN AFRICA**

In Senegal, Burkina Faso and Niger, Luxembourg is partnering with UNFPA to strengthen the delivery of maternal health, family planning, nutrition and sexual and reproductive health services to women and adolescents, particularly the most vulnerable. Through support to the NGO ECPAT, since 2017 Luxembourg's Development Cooperation has been supporting a project to reduce the sexual exploitation of children in West Africa and South Asia.

#### **GENDER IN LAOS**

In the context of ICP IV interventions, there is a particular focus on the specific needs of women and the potential impacts on their livelihoods. To this end, OECD DAC policy markers have been incorporated into Luxembourg's Development Cooperation project evaluation and monitoring systems. These indicators thus provide disaggregated data on gender. The tourism and hospitality human resources development project in Laos has even made gender one of its priorities and is developing a gender-based strategy. Luxembourg is thus a partner and supporter of the LGBTQI movement in Laos, through the association Proud to be us Laos. Other key new projects in 2019 include the construction of a centre for victims of sexual violence in the Casamance region of Senegal and a project in the area of sexual violence prevention and intervention services targeting the Yazidi population in Iraq.



## DIGITAL4DEVELOPMENT (D4D)

In 2018, Luxembourg's Development Cooperation made a commitment to greater mobilisation of innovative partnerships approaches and instruments in the areas where Luxembourg has a specific comparative advantage, particularly as a major international financial centre, and in the data and information and communication technologies (ICT) sector.

Aware of the potential of the use of digital solutions such as communication systems, artificial intelligence or quantum technologies, and wishing to capitalise on the expertise produced around the digital transformation of Luxembourg's economy, above all in the fields of research and the private sector, the Ministry decided in November 2019 to create an interministerial working group specifically dedicated to D4D. The aim of these meetings will be to put forward 'made in Luxembourg' solutions in response to the needs identified by our partners in the area of digitisation.



Blockchain payment system at the Rohingya refugee camp in Cox's Bazar

During 2019, Luxembourg also contributed, together with other development partners, to the setting up of a European D4D Hub. The remit of this Hub will be to support the digital transformation aspirations in our partner countries in Africa through European digital expertise, networks and know-how.

While this digital convergence holds out the promise of many benefits in terms of efficiency and impact, the risks and challenges should not be underestimated: cybercrime, the digital divide, violations of privacy and risks to data confidentiality. Digital solutions must therefore be promoted that mirror Luxembourg and European values, being open, reliable and inclusive. However, implementing them in concrete situations is not without its difficulties, or even failures: closed systems or systems produced in silos, conceptualisation that is rigid or not in line with actual requirements, etc. In order to apply the most important lessons learnt by the international community of practitioners, in December 2019 Luxembourg signed up to the 9 Principles for Digital Development - a set of practical guidelines that has now been adopted by more than 200 international organisations.

Specifically, and in close partnership with international institutions and stakeholders from Luxembourg's civil society, private sector and academia and research, the Ministry is currently implementing more than 40 projects with specific digital elements, with a priority focus on Africa. In addition to this ongoing investment portfolio of more than EUR 70 million there is an annual contribution of EUR 4 million to emergency.lu, Luxembourg's Development Cooperation's flagship project. These initiatives cover areas of intervention as varied as the modernisation of public administration, inclusive finance and consumer protection, infrastructure and telecommunications,



cyber-security, telemedicine, business development and fintech.



# ENVIRONMENT AND CLIMATE CHANGE

In the context of a global climate emergency, which became even more acute in 2019, Luxembourg has maintained its commitment to combating climate change, including through its development cooperation. This commitment is crucial, because people in the countries of the South, who contribute the least to the harmful effects of climate change, are often the ones most affected. Indeed, as extreme weather becomes more frequent, there is a considerable impact on people who depend directly on agriculture and coastal activities, who do not have the resources to protect themselves from extreme heat waves or who have less resilience to the prolonged periods of drought and devastating floods that are becoming more frequent.

Climate change also has an impact on respect for human rights, particularly for the most vulnerable populations, by exacerbating existing inequalities. Environmental issues, especially gender equality, are also closely linked, because, in the face of a crisis, girls and women are the first to see their existence threatened, particularly through an increase in early school leaving, early marriages or gender-based violence.

Seeking to comply with the principle of additionality in international climate financing, in 2019 Luxembourg's Development Cooperation continued its mainstreaming approach to the issue through each of its cooperation projects and programmes. Luxembourg's Cooperation's approaches to environmental/ climate mainstreaming will be taken further by developing a strategy that is consistent with the OECD recommendations and Luxembourg's objectives in terms of combating climate change.

Scenic view of 'Vale do Paul' in Santo Antão, drought-ridden valley



Finally, the Directorate for Development Cooperation and Humanitarian Affairs participated in the 2019 Conference of the Parties to the United Nations Framework Convention on Climate Change with a view to further networking at the international level. Children washing hands at a primary school in Boca Larga

In view of the long-standing nature and diversity of relations between Luxembourg and Cabo Verde, Cabo Verde has been selected as a pilot country for implementing the new type of partnership within the framework of the whole-ofgovernment approach. To that end, an interministerial working group has been set up for close collaboration between several ministries concerned, including the Ministry of the Environment, Climate and Sustainable Development and the Ministry of Energy and Spatial Planning, in order to work on the relationship between official development assistance (ODA) funds from the Cooperation Fund and resources from the Climate and **Energy Fund within the framework** of the next Indicative Cooperation Programme between Cabo Verde and Luxembourg, which will have a tripartite structure around development, climate, and energy. Support for the environment and renewable energy will thus be strengthened in order to make the aid provided adequate to address the growing climate emergency.

It should be noted that Luxembourg is already considered a strategic partner of Cabo Verde in terms of its energy transition, with LuxDev being designated by the Cabo Verde authorities as a privileged partner to facilitate Cabo Verde's access to funding from the Green Climate Fund.

# DEVELOPMENT EFFECTIVENESS AND POLICY COHERENCE

# INTERMINISTERIAL COMMITTEE FOR DEVELOPMENT COOPERATION

#### MANDATE

The Law of 6 January 1996 on development cooperation and humanitarian action defines the responsibilities of the Interministerial Committee for Development Cooperation (IDC). The latter thus has the remit of giving its opinion on the broad outlines of development cooperation policy and the coherence of development policies. The law also requests the government to submit an annual report to the Chamber of Deputies on the work of the Committee, including the issue of the coherence of development policies.

The Grand Ducal Regulation of 7 August 2012 lays down the make-up and mode of operation of the Interministerial Committee for Development Cooperation.



## COMPOSITION

The Grand-Ducal Regulation of 7 August 2012 stipulates that each member of the government shall appoint one delegate to sit on the Committee.

The list of members shall be updated regularly and published on the Luxembourg's Development Cooperation website in order to ensure that procedures are transparent. The appointment of full and alternate members is a response to the request by some ministerial departments to be associated with the Committee's work. Representatives of the development NGOs' Cercle de coopération participate in all meetings addressing the coherence of development policies.



#### ACTIVITIES

The Committee, chaired by the Director of Development Cooperation and Humanitarian Affairs, met five times during the past year, on 1 February, 29 March, 7 June, 4 October and 6 December. In 2019, two interministerial working groups were also established under the Committee's auspices, one on operationalising a whole-of-government approach between Cabo Verde and Luxembourg and a second on the topic of 'Digital4Development' (D4D). The reports of the Committee's meetings are public and are available on the MFA's website.

At the meetings in 2019, in accordance with the Committee's mandate, the following issues were addressed: Young nurses at Maria Teresa hospital in Vientiane province

# **BROAD ORIENTATIONS**

The Committee was presented with and discussed the broad outlines of the 2018-2023 government programme on development cooperation and humanitarian action. In particular, the coalition agreement reiterated Luxembourg's commitment to promoting multilateralism and international cooperation, particularly at the European Union level, remaining firmly within the framework of the United Nations Agenda 2030 and the achievement of the 17 Sustainable Development Goals (SDGs), including the concept of 'leaving no one behind'. The government's programme reaffirms the establishment of development cooperation as a full pillar of Luxembourg's foreign policy within the framework of the '3D' approach: diplomacy – development – defence.

At the bilateral level, Luxembourg confirmed its geographical concentration approach through targeting a limited number of priority partner countries, particularly the least developed countries (LDCs) located in West Africa and the Sahel region, while maintaining a presence in other regions. Finally, the 2018-2023 agreement maintains the objective of allocating 1% of Luxembourg's gross national income to official development assistance (ODA) by focusing on grants and continuing to apply the principle of additionality of funds mobilised for international climate finance and for taking refugees in Luxembourg. While maintaining the untied nature of its aid, the coalition agreement emphasises the promotion of responsible private-sector engagement through innovative, mutually beneficial public-private partnerships to contribute to growth and sustainable development.



The Committee was also informed of the following points :

- The key elements highlighted by Minister Lenert in the statement she gave on 14 May in the Chamber of Deputies on development cooperation policy and humanitarian action. In her statement, the Minister recalled Luxembourg 's commitment to maintaining official development assistance at the level of 1% of its gross national income. She placed particular emphasis on renewable energies and technological innovation, especially digital innovation, as essential elements in making development cooperation more effective. She recalled the continued need for the evaluation of cooperation interventions and announced that Luxembourg had joined the International Aid Transparency Initiative (IATI). The Minister also announced the implementation, on a pilot basis, of a whole-of-government approach with Cabo Verde that would go beyond development cooperation to include areas such as finance, climate and defence.
- The international 'Stand, Speak, Rise Up!' conference to end sexual violence in conflict zones, held in Luxembourg from 26 to 27 March. An initiative of her Royal Highness the Grand Duchess, the event brought together 1,200 people and enabled some 50 survivors from 18 countries to talk to experts and the public about ways to better protect them and successfully combat sexual violence in fragile environments. Three Nobel Peace Prize winners, Dr Mukwege, Mrs Murad and Professor Yunus, took part in the conference. The event was supported by the Luxembourg government and the Women's Forum for the Economy & Society.
- The launch of the fourth call for projects under the Business Partnership Facility (BPF) held on 4 April. The BPF is a financing facility with an annual working capital of EUR 1 million, which aims to encourage private sector actors in Luxembourg and the



European Union to partner with public and private partners in the countries of the South to initiate sustainable commercial projects, with a preference given to Luxembourg's Development Cooperation partner countries.

- Paulette Lenert's working visit to Bangladesh from 10 to 13 June 2019. The visit focused on three themes: living conditions in the precarious neighbourhoods of the textile industry, vulnerable populations in the north of the country and the Rohingya refugee camps near Cox's Bazar.
- Paulette Lenert's working visits to Cabo Verde and Laos from 1 to 4 July and from 6 to 14 September, respectively. The visit to Cabo Verde, which was Minister Lenert's first visit to a priority partner country, confirmed Luxembourg's commitment to a new multiannual partnership programme with the archipelago, starting in 2021, that will include the implementation of a whole-of-government approach on a trial basis. The visit to Laos, during which the Minister was accompanied by members of the Luxembourg Chamber of Deputies and a national press delegation. This was an opportunity to take stock, at the 12th Partnership Committee meeting, of partnership relations between the two countries and to lay the foundations for a future partnership programme by 2021.
- The 'Let's Net' training, which was held on 8 July in Lipperscheid in the presence of Minister Lenert. The training course, organised by emergency.lu as a member of the UN's Emergency Telecommunication Cluster (ETC), took place over 10 days and brought together 16 participants from humanitarian agencies and the Grand Ducal Fire and Rescue Corps (CGDIS).
- The deployment of emergency.lu in Mozambique on 23 March and the Bahamas on 10 September in the context of Cyclone Idai and Hurricane Dorian respectively.

emergency.lu deployment during Idai cyclone in Mozambique

The participation of the Minister of Finance, Mr Gramegna, and Minister Lenert, in the celebration of the 20th anniversary of the Financial Technology Transfer Agency (ATTF) on 2 October. Created at the initiative of the Luxembourg government in 1999, ATTF's primary mission is to promote the inclusion and development of emerging and developing countries through the sharing of expertise and networking with Luxembourg's financial centre.



#### COHERENCE OF DEVELOPMENT POLICIES

The Committee was informed of the launch in Luxembourg on 26 February of the Social Performance Task Force Europe (SPTF), in the presence of the Minister of Finance, Mr Gramegna, and Minister Lenert. Already a regular partner of the main microfinance sector players based in Luxembourg, since January 2019 SPTF has had a presence in the Grand Duchy through the creation of the non-profit association SPTF Europe, which receives financial support from the MFA/Cooperation Directorate and the Ministry of Finance. The mission of SPTF, established in 2005, is to contribute to the establishment of a responsible financial services sector which is transparent about its results. Its social performance management tools are used by organisations and companies to define, measure and monitor their social goals and to make their customers their principal focus.

On 29 March, delegates attended the presentation by the NGOs Fairtrade and Caritas Luxembourg on their joint awareness-raising campaign 'Rethink your clothes' (www.rethinkyourclothes.lu), which was aimed at raising public awareness of social and environmental issues in the textile sector. The campaign, which was supported by Luxembourg's Development Cooperation, was officially launched on 27 March 2018. A major event in the campaign was the Fair Fashion Days, held from 5 to 7 April in Luxembourg, to acquaint the general public with accredited fashion exhibitors and upcycling creators. On 7 June, the Committee attended a presentation session on mixed finance by Convergence, the global network, facilitated by the Ministry of Finance. The aim of the presentation was to raise awareness of current practices and trends in mixed finance and to explore potential opportunities in this area for Luxembourg. It should be noted that Convergence is a global network working on the issue of mixed finance. Its goal is to generate data and facilitate the flow of financial resources to increase private-sector impact investments in order to achieve the SDGs.

The Committee was informed of and discussed the proposed introduction of a whole-of-government approach in the Luxembourg's Development Cooperation's priority partner countries. Approved by the Government Council at its meeting of 20 September, this approach aims to strengthen coherence and synergies between development actions and other public policy areas, such as combating climate change and economic, cultural, political and security relations. As Cabo Verde is the partner country with which Luxembourg has the most diversified and developed relations, it has been chosen to initiate this new approach, on a trial basis.

In addition to five regular meetings of the Committee in 2019, two interministerial working groups were established under the auspices of the Committee. Thus, a first working group was mandated by the Government Council to initiate and monitor the development of a whole-of-government approach to Cabo Verde. The work of this group, launched on 5 December, is coordinated by the MFA and involves the main ministries and other Luxembourg actors with responsibilities or a role in relation to the development of Cabo Verde.

A second interministerial working group, dedicated to the topic of Digital4Development (D4D), has been established to serve as a framework for the exchange and use of Luxembourg expertise and know-how generated around digital transformation and information and communication technologies and to translate its key principles into a coherent digital development approach which could, on request, be deployed in Luxembourg's Development Cooperation partner countries. On 6 December, the Committee took part in a presentation session entitled 'The shrinking space of civil society – link with the coherence of development policies and human rights', facilitated by the development NGOs' *Cercle de coopération*. Co-presented by representatives of the *Cercle* and its NGO members *Fairtrade Lëtzebuerg*, *Frère des Hommes* and *SOS Faim*, the discussions focused in particular on the issue of the restriction of the civic space, the relationship between the private sector and human rights, the situation of human rights advocates and the approaches available to Luxembourg to address these challenges.



#### **AGENDA 2030**

The Committee was informed of the launch of the Agri-Business Capital Fund (ABC Fund) on 15 February in Rome, in the presence of Minister Lenert. The aim of the fund, which was initiated by Luxembourg's Development Cooperation in collaboration with the International Fund for Agricultural Development (IFAD), is to stimulate economic and social development in rural areas through investment in micro, small and medium-sized rural and agricultural enterprises. This new sustainable finance instrument is managed by a fund manager based in Luxembourg, Bamboo Capital Partners. In the fund's initial tranche, the European Commission committed EUR 40 million, AGRA committed EUR 4.5 million and Luxembourg EUR 5 million. The concept behind this innovative financial instrument is to serve as leverage to mobilise private investment to achieve the SDGs.

The delegate members were informed of the conference entitled 'The Global Fund and Luxembourg: Advancing the fight against HIV and beyond for women and girls', held in Luxembourg on 14 March, in the presence of Minister Lenert and the Executive Director of the Global Fund to Fight HIV, Tuberculosis and Malaria, Mr Sands. In the replenishment campaign for the 2020-2022 period, Luxembourg was the first partner to renew its financial support to the Global Fund, pledging EUR 9 million in February 2019. With a total contribution of EUR 42 million since 2002, Luxembourg is one of the largest donors to the Global Fund. per capita.

## STAFF ACTIVE WITHIN DEVELOPMENT COOPERATION

In accordance with Articles 24 and 50 of the amended Law of 6 January 1996, the Committee gave its written or tacit approval to:

- 10 applications for the official status of cooperation agent
- 20 applications for the extension of aid worker status
- 54 applications for development cooperation leave



# EVALUATION

The strategic evolution of evaluations in 2018 saw the mid-term reviews (MTRs) become joint exercises with LuxDev. They are therefore no longer limited to a macro-level review of the Indicative Cooperation Programmes (ICPs) between Luxembourg and its partner countries, but also include programmatic evaluations of bilateral, multilateral and humanitarian programmes and projects. Subsequently, since 2019, the Ministry has been carrying out an exercise to learn from mid-term reviews, in order to learn the lessons and essential recommendations from these evaluations and to improve MTR processes, whether or not jointly conducted, with the ultimate aim of optimising Luxembourg's Development Cooperation's evaluations.

In addition, in response to the needs of the Ministry's operational services, the Ministry launched six other evaluations in 2019, including evaluations of NGOs and public-private collaborations in the inclusive finance sector: The evaluation of four Luxembourg NGDOs, namely Aide au Développement de la Santé (ADS), Objectif Tiers Monde (OTM), Action Soleil dans la Main (ASDM) and Amis du Tibet (AT), was different from previous evaluations of NGDOs conducted by Luxembourg's Development Cooperation in that it addressed, first of all, the organisational and management structure of NGDOs that do not necessarily have a thematic link and that operate in very different countries and contexts. The evaluation had a dual objective: (i) to analyse the organisational and management structure and human capacity of the four NGDOs in Luxembourg and to analyse relations with local partners in the field, and (ii) to assess the value of ADS, ASDM and OTM projects based on criteria commonly selected in the evaluation area, as defined by the OECD Development Assistance Committee (relevance, effectiveness, efficiency, impact and sustainability).

The evaluation of the NGDOs' Cercle de coopération (Cercle) took place at a time of strategic reflection on the restructuring of the Cercle that was being analysed and guided, for the benefit of both the Ministry and the Cercle. The aims of the evaluation were to analyse (i) the organisational, staff and management structure of the Cercle (current and past), (ii) the relationship between the different structures of the Cercle, General Assembly, Board of Directors and team of permanent staff, (iii) the relationship between the Cercle and the Ministry, (iv) the relationship between the Cercle and its members, (v) the communication and positioning of the Cercle in relation to the general public in Luxembourg, in particular in terms of representativeness and policy coherence, and on behalf of members and even non-members, (vi) the results and impacts of the Cercle in relation to its objectives and in accordance with the OECD DAC criteria, (vii) the quality of advice given to NGDOs in consultations offered to its members and the quality of training provided by the Cercle, and (viii) to guide the Cercle and the Ministry in restructuring the Cercle.

The main aim of the evaluation of the Business Partnership Facility (BPF), a co-financing instrument encouraging private enterprises based in Luxembourg and the European Union to implement sustainable projects in developing countries in partnership with local actors, was to evaluate the BPF public-private partnership instrument from three perspectives: (i) the BPF instrument itself (rationale, mechanism), (ii) project selection mechanisms, and (iii) the implementation of co-financed projects, in accordance with the OECD DAC criteria.



Sports activities at night in Dakar

The objective of the evaluation of the Inclusive Finance Network Luxembourg (InFiNe), an association which aims to contribute to the strengthening and promotion of a centre of excellence in the field of inclusive finance and to the creation and management of knowledge and know-how through the stimulation and coordination of dialogue between the members of the network and which aims to co-organise, together with the European Microfinance Platform (e-MFP), the European Microfinance Award, was to evaluate InFiNe's work in accordance with the OECD DAC criteria and to provide recommendations for future objectives and activities, as well as adequate governance so that the network's planned outcomes may be implemented.

The aim of the evaluation of the European Microfinance Platform (e-MFP), an association that encourages activities that improve global access to affordable, high-quality, sustainable and inclusive financial services by promoting knowledge sharing, partnership development and innovation, was to evaluate the work of the e-MFP in accordance with the OECD DAC criteria and to provide recommendations for improving the work of the e-MFP as well as suggestions for activities helping to achieve the e-MFP objectives and partnership approaches to be explored to best support the attainment of those objectives. The objective of the evaluation of the Palestinian NGDO Agricultural Development Association (PARC), an association that aims to improve food security and reduce poverty in rural communities in the Palestinian Territories by promoting sustainable and innovative agriculture, was to provide an analysis of PARC's organisational structure, the relationship between PARC and its local partners and the partnership between the ministry and PARC within the framework of the Advance Rural Development Investment (ARDI) programme, as well as of the work carried out under ARDI in accordance with the OECD DAC criteria. The evaluation will be completed in July 2020.

In addition to managing and monitoring evaluations, the Ministry focuses on the work of evaluation networks. In 2019, the Ministry attended meetings of the OECD DAC Network on Development Evaluation, actively participating in discussions on the definition of new evaluation criteria. The Ministry also attended meetings of the Multilateral Organisation Performance Assessment Network (MOPAN) and several meetings organised by the *Société luxembourgeoise de l'évaluation et de la prospective* (SOLEP - Luxembourg company for evaluation and forecasting).

# CONTRIBUTING TO LUXEMBOURG'S DEVELOPMENT COOPERATION



Programme support manages operations relating to the deployment of human resources working on cooperation: unpaid internships, internships within the international NGO *ENDA Tiers-Monde*, the cooperation volunteer service (SVC); Junior Technical Assistants (JTAs, an MFA-funded development cooperation internship programme managed and supervised by LuxDev) or the Junior Professional Officers (JPOs) of the various UN agencies. In order to develop or supervise projects, approved NGOs hire aid workers for a minimum of two years. In addition, the purpose of development cooperation leave is to enable members of accredited NGOs to participate in development programmes and projects in order to assist the people of developing countries, both for missions in Luxembourg and abroad. Development cooperation leave and aid worker status are granted in the form of ministerial orders.

| 13 JPOs            | 9 JPDs             | 9 JTAs                   | 9 United Nations volunteers |
|--------------------|--------------------|--------------------------|-----------------------------|
| UNHCR (Kenya)      | EEAS - Vietnam     | LAO/029 - Vientiane      | UNFPA (Dakar)               |
| UNDESA (Dakar)     | EEAS - El Salvador | SEN/032 - Dakar          | WHO (Vientiane)             |
| WHO (Geneva)       | EEAS - Paris       | SEN/031 - Dakar          | UNAIDS (Ouagadougou)        |
| WFP (Rome)         | EEAS - Kyrgyzstan  | CVE/081 - Praia          | OCHA (Dakar)                |
| UNDP (Vientiane)   | EEAS - Myanmar     | CVE/082 - Praia          | UN Women (Pristina)         |
| UNHCR (Beirut)     | COM - Gambia       | LAO/027 - Vientiane      | UN Women (Port-au-Prince)   |
| UNICEF (New York)  | COM - Myanmar      | SEN/031, SEN/032 - Dakar | WFP (Vientiane)             |
| UNICEF (Palestine) | COM - Vietnam      | CVE/081 - Praia          | OCHA (Addis Ababa)          |
| ILO (Bangkok)      | COM - Tunisia      | LAO/031 - Vientiane      | Joint UN Office (Praia)     |
| WFP (Myanmar)      |                    |                          |                             |
| UNFPA (Laos)       |                    |                          |                             |
| UNAIDS (Geneva)    |                    |                          |                             |
| UNDP (New York)    |                    |                          |                             |

#### 2019 - OVERVIEW OF THE DEPLOYMENT OF YOUNG HUMAN RESOURCES IN DEVELOPMENT COOPERATION

# **PERSONAL STORIES**



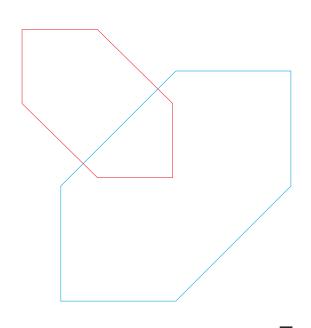
BENOIT SICARD JPO UNICEF – East Jerusalem

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IN ADDITION TO THE EDUCATIONAL EXPERIENCE AND MY INCREASED KNOWLEDGE OF THE UN ENVIRONMENT, THESE EXPERIENCES HAVE BEEN VERY IMPORTANT TO ME AS A PERSON, BECAUSE THEY GIVE US THE OPPORTUNITY TO SHARE OUR EXPERIENCE

During my studies, I have always chosen international options by participating in internships or university exchanges abroad. This has given me the desire to incorporate this dimension into my future career path. Having studied administration and management, I thought it would be difficult for me to join an international (UN) or regional (EU) organisation, because for many positions political science studies are a requirement. However, the JPO programme offers the opportunity to join a UN agency in diverse positions, such as communication, finance, human resources or law. That is how I was able to apply to and join UNICEF in 2018.

I am now working with UNICEF in Jerusalem, Palestine, in charge of youth programmes. My typical day consists of helping to set up projects. I need to plan, coordinate and monitor these projects, working together with UNICEF colleagues, other UN agencies or external partners. In general, this involves meetings, telephone calls, email exchanges and, most of all, drafting documents (presentations, reports, etc.). Differing degrees of priority need to be given to day-to-day requests, so you need to stay flexible. What I find particularly valuable is the meetings between JPOs and the contact we maintain between us. I have developed friendships and professional relations in some cases with JPOs I met during my UNICEF orientation in New York in the first year as well as during an orientation at the United Nations College in Turin. In addition to the educational experience and my increased knowledge of the UN environment, these experiences have been very important to me as a person, because they give us the opportunity to share our experience, which is not necessarily the case with other colleagues in the offices where we work. It is also an asset for the future, for example in my case I have already had the chance to collaborate with a JPO I met in Turin and this has enabled me to feel more confident.





JOÉ GEISBUSCH ACO – Nicaragua

## THE MOST IMPORTANT BENEFIT IS THE OPPORTUNITY TO ACTIVELY SUPPORT THE REORIENTATION OF LUXEMBOURG'S DEVELOPMENT COOPERATION

After studying population and development sciences and completing an internship with a Peruvian NGO, I soon had the opportunity to engage in the development cooperation sector, firstly on behalf of various Luxembourg NGOs. Later, I was lucky enough to be selected in 2015 as Junior Technical Assistant (JTA) for a health project in Nicaragua, and then as Junior Professional Officer (JPO) for UNICEF in Laos, where I coordinated a joint United Nations programme for maternal and child health, financed by Luxembourg. Looking for a new challenge at the end of this experience, I applied for the position of ACO in Managua, and after being selected, I embarked on this new adventure in February 2018.

My work is very diverse, and never boring. Representing Luxembourg's interests in Central America involves many different responsibilities. In addition to managing the human resources and finances of the Embassy, political and economic reporting, and consular affairs, I spend most of my time monitoring development projects in Nicaragua, El Salvador and at the regional level, as well as identifying new projects. This obviously involves a lot of office work, but there are also field visits to observe at first hand Luxembourg's Development Cooperation's impact on the ground.

There is more than one highlight, but I believe that the most important benefit is the opportunity to actively support the reorientation of Luxembourg's Development Cooperation toward a more regional approach in a part of the world that is undergoing radical transformation. Partly due to the sociopolitical crisis in Nicaragua, Luxembourg is moving increasingly towards regional cooperation in Central America, supporting projects that respond to common regional challenges such as migration, women's economic autonomy or the rights of indigenous peoples.



**PHILIP PEACE** JTA – Laos WHEN I SAW THE JTA PROGRAMME, WHICH OFFERS AN INITIAL EXPERIENCE IN DEVELOPMENT COOPERATION AND ENCOURAGES PROFESSIONAL DEVELOPMENT, MY INTEREST WAS SPARKED.

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Since I had studied international and European relations, and had specialised in development, I already had considerable interest and some theoretical knowledge in this field. After my studies, I decided to travel to South America, and I loved this opportunity to talk and interact with people from other cultures. When I saw the JTA programme, which offers an initial experience in development cooperation and encourages professional development, my interest was sparked.

My days are very varied. As JTA at the support programme for legal teaching and training and at the regional office in Vientiane, I work mainly on monitoring and communications. Often, my job is to check that all technical aspects - for example, the terms of reference for a training course - are in order. With the project, meetings are often also held with the counterparty or other donors. The highlight as a JTA: just having contributed to specific project results is a very rewarding experience. And, of course, the country itself! Laos, its people and its natural environment are truly exceptional.

#### Published by the:

Directorate for Development Cooperation and Humanitarian Affairs 6, rue de la Congrégation L-1352 Luxembourg Tel: +352 247 82351 Fax: +352 46 38 42 http://www.gouvernement.lu/cooperation http://www.facebook.com/maee.luxembourg www.cooperation.lu (microsite for the annual reports) www.instagram.com/lux.aid

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Design and production: cropmark, Luxembourg 