

LUXEMBOURG'S DEVELOPMENT COOPERATION

ANNUAL REPORT 2020

LËTZEBUERGER ENTWÉCKLUNGSZESUMMENARBECHT
AN HUMANITÄR HËLLEF

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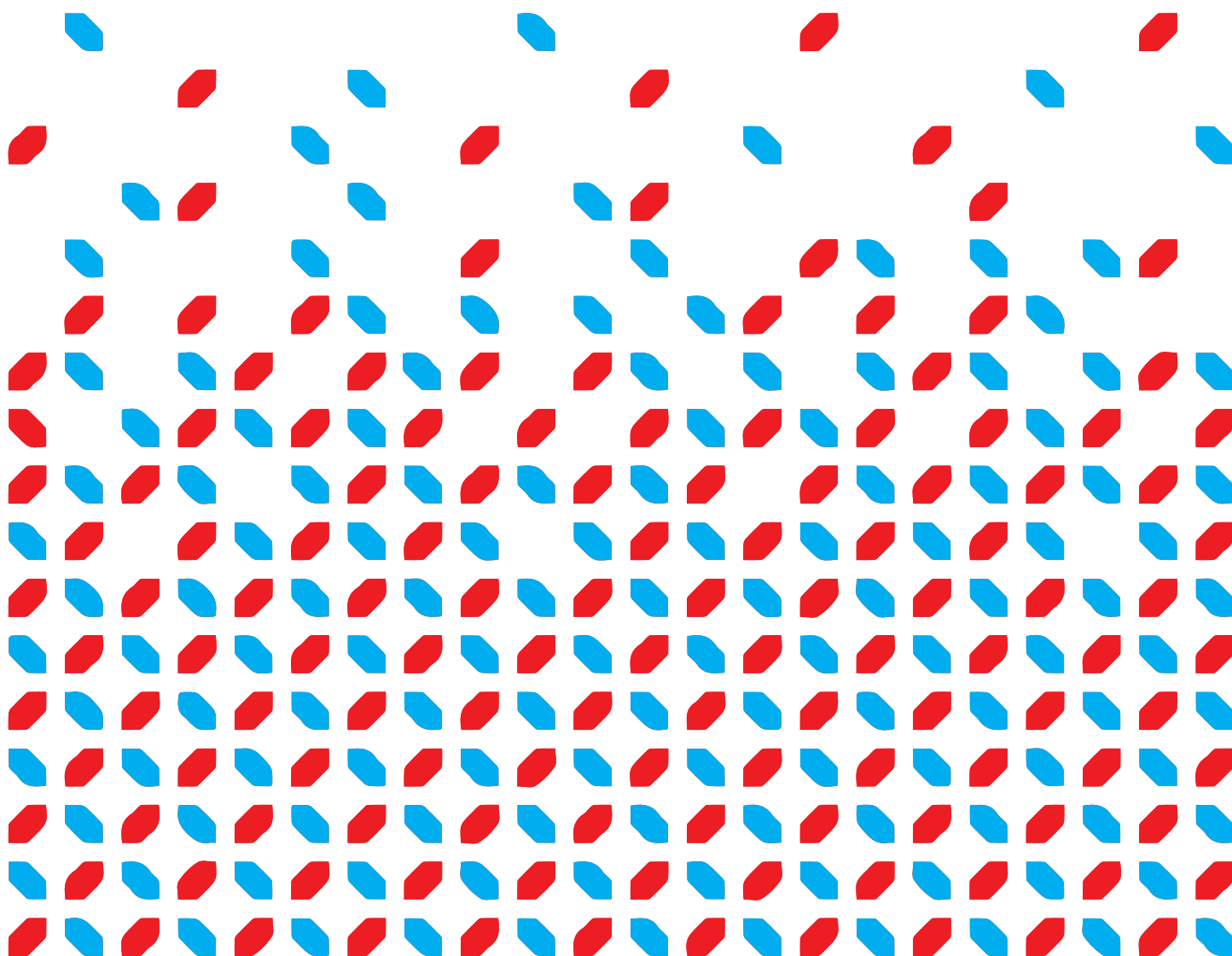


TABLE OF CONTENTS

FOREWORD BY THE MINISTER	4
THE MINISTER'S MEETINGS AND TRIPS IN 2020	6
<hr/>	
OFFICIAL DEVELOPMENT ASSISTANCE IN 2020	8
Changes to ODA in 2020	9
Breakdown of ODA by ministry in 2020	9
Breakdown of ODA by type of cooperation in 2020	12
Breakdown of ODA by intervention sector in 2020	13
The Development Cooperation Fund in 2020	15
Changes to ODA	16
<hr/>	
LUXEMBOURG'S DEVELOPMENT COOPERATION AND ITS PARTNERS	18
AFRICA	
Burkina Faso	19
Cabo Verde	21
Mali	23
Niger	25
Senegal	27
Sahel	29
CENTRAL AMERICA	
El Salvador	30
Nicaragua	32
Central America	33
ASIA	
Laos	34
Mongolia	36
Myanmar	37
Afghanistan/Tajikistan	38
Occupied Palestinian Territories	39
Vietnam	40
South-East Asia	41
EUROPE	
Kosovo	42
MULTILATERAL COOPERATION	43
Multilateral cooperation	43
European Union	45

NON-GOVERNMENTAL ORGANISATIONS	47
Non-governmental organisations	47
Awareness-raising and development education	48
INCLUSIVE FINANCE, PRIVATE SECTOR, DIGITAL4DEVELOPMENT	50
Inclusive and innovative finance	50
ATTF/House of Training	51
Cooperation with the private sector	51
Digital for Development (D4D)	52
HUMANITARIAN ACTION	54
Humanitarian action	55
Emergency aid	58
Transition, rehabilitation and reconstruction phase	58
Prevention and resilience	59
Emergency.lu	59
CROSS-CUTTING ISSUES	61
COVID-19	62
Environment & climate change	64
Gender	65
Human rights	66
DEVELOPMENT EFFECTIVENESS	68
OECD DAC	69
Evaluation	69
IT system	70
COHERENCE OF POLICIES	71
Coherence of development policies	72
Interministerial committee for development cooperation	72
CONTRIBUTING TO LUXEMBOURG'S DEVELOPMENT COOPERATION	74
Contributing to Luxembourg's Development Cooperation	75
Personal stories	76



FOREWORD BY THE MINISTER



Franz Fayot, Minister for Development
Cooperation and Humanitarian Affairs

Dear friends of Luxembourg's Development Cooperation,

The year 2020 has shown us how a single disruptive element can change the world in an instant and how economic and social systems can be under threat of being undermined in just a few weeks. The COVID-19 pandemic has shaken the entire world, and has resulted in an increase in poverty with approximately 150 million people at risk of moving into extreme poverty, according to the World Bank's estimates.

A new emergency has therefore arisen in our priority partner countries, and in the countries where our humanitarian activities and those of development NGOs are being delivered: COVID-19. Fragile health systems have found themselves under even more pressure, access to education has been limited, with nearly 2 billion children deprived of their right to go to school in spring 2020, and the socio-economic consequences are expected to be devastating and to eliminate years of progress.

Financing for development remains a major challenge, and that is why Luxembourg's Development Cooperation has maintained its commitment to keep official development assistance (ODA) at 1% of gross national income, despite the pandemic's impact on the national economy. ODA remains vital and any budget cut has immediate detrimental repercussions in developing countries, particularly with regard to access to basic social services. An interruption in aid, even temporarily, has a strong impact

on our partners' work on the ground, particularly that of development NGOs (NGDOs). We have therefore taken care to ensure that the budget constraints imposed by the crisis do not have an adverse impact on civil society and that financial flexibility is demonstrated in reallocating funds and implementing actions as part of the response to COVID-19.

Luxembourg's Development Cooperation has had to show flexibility by reacting quickly and resolutely to support its partner countries. I am delighted that we have been able to contribute EUR 70 million to the COVID-19 response and to containing its socio-economic consequences. This support has also made it possible to strengthen the links with our partners for implementation, particularly at European level: the Team Europe approach bears witness to the joint efforts of Member States to support developing countries in responding to the crisis.

COVID-19 appeared when countries and their peoples were already bearing the brunt of a number of humanitarian crises: the UN estimates that humanitarian needs associated with the consequences of armed conflicts and natural disasters, such as forced displacements, food insecurity or health emergencies, are at their highest historical level.

In 2020, Luxembourg's humanitarian aid contributed to humanitarian relief efforts in several crises, such as in Nagorno-Karabakh. Personnel and telecommunications equipment were also deployed to Sudan via emergency.lu, the operational wing of Luxembourg's humanitarian activities, to help with the establishment of a refugee camp against the backdrop of the conflict in the Tigray region of Ethiopia.

We have also signed an extension to the emergency.lu contract, a public/private partnership of which I am particularly proud and which I consider to be an ambassador for Luxembourg's humanitarian action across the globe.

Multilateralism remains a significant channel for Luxembourg's Development Cooperation. During the pandemic, we have been able to rely on international agencies and organisations to implement our ODA, particularly in the health sphere. We have significantly increased our support to the World Health Organization (WHO), with over EUR 10 million. We have also participated in COVAX, the international vaccine sharing mechanism, and have invested EUR 5 million in Gavi, the Vaccine Alliance. Global vaccination is vital in ensuring that no one is left behind.

We have just under a decade to achieve the United Nations Sustainable Development Goals. To help achieve this, Luxembourg's Development Cooperation is preparing to work in an even more cross-cutting way, particularly in the fields of gender equality, climate and the environment, all issues that need to be systematically integrated into all development actions.

In the Sahel, above all, which is a priority region for Luxembourg's Development Cooperation interventions and which faces many challenges, both humanitarian and those linked to development, climate change has adverse consequences for human well-being and has a significant impact on gender equality.

I would also like to point to the vital role that the private sector and inclusive, innovative finance can play in promoting economic development and inclusive growth: creating activity that generates sustainable income, particularly for women, young people and small-scale farmers, will make it possible to combat food insecurity and reduce poverty.

In order for development policies to succeed, we must work together coherently. To that end, in 2020 we drafted a joint Indicative Cooperation Programme, 'Development – Climate – Energy' with Cabo Verde, the first of its kind. It will be implemented by LuxDev, Luxembourg's development cooperation agency.

The year 2020 has been scarred by COVID-19 and inequalities worldwide have worsened: that is why we must redouble our efforts in order to counter the setback caused by the health crisis. We have less than ten years to achieve the Sustainable Development Goals and I count on the commitment of all Luxembourg's Development Cooperation's co-workers and volunteers who are already working to reach this objective. You are the bedrock of Luxembourg's Development Cooperation and I thank you for your dedication to our common purpose.

Franz Fayot

Minister for Development Cooperation
and Humanitarian Affairs



THE MINISTER'S MEETINGS AND TRIPS IN 2020

1

JANUARY

- 9.1** Foreign Affairs Committee: Luxembourg's participation in MINUSMA
- 14.1** Information evening for NGOs on the Charter against sexual harassment, exploitation and abuse

3

MARCH

- 6.3** Award of the CATAPULT prize: Inclusion Africa Bootcamp
- 12.3** End-of-mission discussion with the Ambassador of the Republic of Rwanda, H. E. Amandin Rugira

6

JUNE

- 8.6** Informal meeting DAC-Development (video-conference)
- 17.6** Discussion with the Initiative for a duty of vigilance
- 17.6** Virtual discussion with Susanna Moorehead, Chair of the DAC
- 17.6** Virtual discussion with Philippe Lazzarini, new Commissioner-General of UNRWA
- 18.6** Virtual discussion with Dr Tedros Adhanom Ghebreyesus, Director-General of the WHO
- 24.6** Discussion with the NGO Caritas
- 24.6** Virtual discussion with Pradeep Kakkattil, Director of the UNAIDS Programme Partnerships and Fundraising Department
- 24.6** Discussion with the Red Cross NGO
- 25.6** Participation in the virtual side event 'No Lost Generation'
- 30.6** Chamber of Deputies – joint meeting between the Foreign Affairs Committee and the Health Committee

2

FEBRUARY

- 3.2** Signing ceremony for framework agreements with 5 NGOs
- 5.2** Transfer of responsibilities from Minister Paulette Lenert to Minister Franz Fayot
- 14-19.2** Joint visit by Ministers Franz Fayot, Carole Dieschbourg and Claude Turmes to Cabo Verde
- 28.2** Launch of the 2020 edition of the Business Partnership Facility (BPF)

4

APRIL

- 7.4** Virtual discussion with Peter Maurer, President of the ICRC
- 8.4** Informal meeting DAC - Development (video-conference)

7

JULY

- 8.7** 20th Partnership Committee meeting between Cabo Verde and Luxembourg (video-conference)
- 17.7** Visit by Teresa Ribeiro, Portuguese Secretary of State for Foreign Affairs and Cooperation
- 20.7** 12th Partnership Committee meeting between Burkina Faso and Luxembourg (video-conference)
- 22.7** Discussion with the NGO Handicap International
- 29.7** Discussion with the Luxembourg NGOs' Cercle de Coopération (Cercle)

8

AUGUST

- 27.8** Discussion with Runa Khan, Executive Director of the NGO Friendship Bangladesh

9

SEPTEMBER

- 21.9** Participation in the side event 'Theirworld' at the 75th United Nations General Assembly (video-conference)
- 23.9** Participation in the UNCDF SDG 500 side event at the 75th United Nations General Assembly (video-conference)
- 28.9** Political dialogue between the Republic of Niger and Luxembourg (video-conference)
- 29.9** Informal meeting DAC - Development (video-conference)
- 30.9** Virtual discussion with Alice Albright, Chief Executive Officer of the Global Partnership for Education

11

NOVEMBER

- 10.11** 52nd High Level Meeting of the OECD's DAC: Building back Better & Greener (video-conference)
- 19.11** Virtual European Microfinance Award ceremony
- 19.11** Virtual discussion with Meryame Kitir, Minister of Development Cooperation responsible for the major cities of Belgium
- 23.11** Informal meeting DAC - Development (video-conference)
- 25.11** Discussion with Dr Vic Arendt and signing of the new 2021-2023 Technical Assistance Agreement
- 27.11** Virtual discussion with Wendy Morton, the United Kingdom's Minister for European Neighbourhood and the Americas

10

OCTOBER

- 2.10** Discussion with the Luxembourg NGOs' Cercle
- 2.10** Visit to the Maison de la Microfinance, Finance Inclusive: launch of the Smallholder Safety Net Up-Scaling Programme (SSNUP)
- 3.10** Participation in the Shoe Pyramid Day organised by Handicap International Luxembourg
- 5.10** Launch of the Alliance for Financial Inclusion's (AFI) Europe Representative Office
- 7.10** Joint meeting together with Xavier Bettel, Prime Minister, with the NGOs Caritas, Luxembourg Red Cross, Action pour un Monde Uni, Terre des Hommes and SOS Villages d'Enfants Monde
- 12.10** Discussion with the NGO Caritas
- 15.10** Official close of the LuxFLAG Sustainable Investment Week 2020 (video-conference)
- 19.10** End-of-mission discussion with Nepal's Ambassador for Benelux, H. E. Lok Bahadur Thapa
- 20.10** Participation in the EU-Africa Hackathon: 'Hack COVID-19' in cooperation with the Estonian Ministry of Foreign Affairs (video-conference)
- 20.10** Statement on development cooperation policy to the Chamber of Deputies
- 30.10** Launch of the LuxWays project with uni.lu's Interdisciplinary Centre for Security, Reliability and Trust (SnT)
- 30.10** Discussion with Dr Izzeldin Abuelaish, Palestinian obstetrician

12

DECEMBER

- 2.12** Virtual discussion with Winnie Byanyima, Executive Director of UNAIDS
 - 8.12** Participation in 'Humanitarian Week' in New York - Conference to announce pledges for the Central Emergency Response Fund (CERF/OCHA) (video-conference)
 - 11.12** Virtual discussion with Peter Maurer, President of the ICRC
 - 18.12** 2020 diplomatic conference (video-conference)
 - 18.12** Signing ceremony for the extension of the emergency.lu contract with HITEC Luxembourg, SES TechCom and Luxembourg Air Ambulance
 - 18.12** 14th Partnership Committee meeting between Senegal and Luxembourg
-

The background is a solid blue color. Overlaid on this are several white geometric lines that form a series of interconnected, irregular polygons. These lines create a sense of depth and structure, with some lines extending from the top and sides towards the center, and others forming a more complex, overlapping pattern in the upper left quadrant.

OFFICIAL DEVELOPMENT ASSISTANCE IN 2020



CHANGES TO LUXEMBOURG'S OFFICIAL DEVELOPMENT ASSISTANCE IN 2020

In 2020, Luxembourg's official development assistance (ODA) amounted to EUR 396.93 million, 1.03% of gross national income (GNI). Luxembourg is therefore still one of the small number of OECD members – alongside Denmark, Germany, Norway, Sweden and the United Kingdom – to have maintained its ODA at 0.7% of GNI or above. In absolute terms, the US remains the most generous donor, followed by Germany, the United Kingdom, Japan and France.

Because of the pandemic and its impact on the country's economy, Luxembourg's ODA was EUR 23.87 million less than in 2019. However, the aim of the 2018-2023 government programme to maintain an ODA/GNI ratio of 1% was met. Despite this budget constraint, Luxembourg's Development Cooperation worked particularly hard to avoid any impact on the implementation of ongoing projects/programmes. In cases where the health crisis made it impossible to continue with a project/programme, the Ministry encouraged its partners to reallocate the funds to a COVID-19 response in developing countries.

At the international level, official development assistance reached USD 161.2 billion in 2020, an increase of 3.5% in real terms compared to 2019. This represents 0.32% of the combined GNI of the members of the OECD's Development Assistance Committee and is the highest level ever achieved. The increase in global official assistance is in part due to the efforts made by some countries and institutions to respond to the health crisis.



BREAKDOWN OF ODA BY MINISTRY IN 2020

In 2020, the Ministry of Foreign and European Affairs managed 82.20% of ODA, i.e. EUR 326.28 million (of which EUR 317.23 million was managed by the Directorate for Development Cooperation and Humanitarian Affairs).

The remaining 17.80% came from contributions made by the Ministry of Finance (10.04%), the Ministry of Health (0.06%), the Ministry of Culture (0.03%), 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 2020 (EUR 30.43 million, i.e. 7.67% of Luxembourg's ODA).

We should note in this respect that Luxembourg's assistance via all the EU's bodies, including Luxembourg's contribution to the EDF, amounted to EUR 43.07 million.

The summary table below (**ODA by ministry**) gives a detailed view of expenditure by budget item and by ministry in 2020 notified as ODA to the OECD's Development Aid Committee.

BUDGET ITEM	MINISTRY	APPROVED APPROPRIATION	ODA SHARE IN 2020
	Ministry of Foreign and European Affairs	394,376,913 €	326,284,609 €
	Directorate of Political Affairs	17,960,524 €	6,037,842 €
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	532,000 €	224,760 €
01.1.12.256	Embassies in developing countries	3,741,813 €	2,239,129 €
01.2.11.300	Civilian or military crisis management missions and observation and support missions organised by Luxembourg and/or international organisations: staff expenditure	40,000 €	-
01.2.12.300	Election observation missions organised by Luxembourg and/or international organisations: administrative and operational expenditure	47,000 €	-
01.2.35.030	Mandatory contributions to the various budgets and other joint expenditure of international institutions and associated fees; other international expenditure	7,604,907 €	2,030,519 €
01.2.35.031	Subsidies to international institutions and organisations; subsidies for funding international relief and solidarity actions	1,127,000 €	960,275 €
01.2.35.032	Mandatory contributions to peacekeeping operations under the aegis of international organisations and to the EU crisis management mechanisms	3,956,804 €	519,459 €
01.2.35.033	Voluntary contributions to civil or military crisis management missions run by international organisations	51,000 €	51,000 €
01.2.35.060	Voluntary contributions to international actions of a political or economic nature	280,000 €	12,700 €
01.2.35.061	Financial contribution to the European Institute of Public Administration	580,000 €	-
	Directorate of European Affairs and International Economic Relations	1,200,000 €	700,209 €
01.3.35.040	Technical and economic assistance, humanitarian action and training initiatives at the international level	1,200,000 €	700,209 €
	Directorate of Immigration	368,400 €	218,277 €
01.4.12.330	Contribution by the Luxembourg state to the implementation of European immigration and asylum projects financed by the Asylum, Migration and Integration Fund	308,400 €	140,639 €
01.4.33.300	Bilateral or multilateral aid for the reintegration of returnees and for actions designed to achieve better management of migration flows; subsidies pursuing the same aim to international organisations and NGOs	25,000 €	5,000 €
01.4.35.030	Mandatory contributions to the budgets of international institutions other than the European Union	35,000 €	72,638 €
	Directorate of Defence	21,400,000 €	2,100,000 €
01.5.35.034	Contributions by Luxembourg to activities to reform the security sector, especially as part of international organisations	1,800,000 €	300,000 €
01.5.35.035	Contributions by Luxembourg and assistance to partners as part of international missions and operations carried out within defence policy	18,000,000 €	1,100,000 €
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	1,600,000 €	700,000 €
	Directorate of Development Cooperation	353,447,989 €	317,228,281 €
01.7.11.005	Staff remuneration	5,451,999 €	2,956,833 €
01.7.12.012	Mileage and accommodation expenses and statutory foreign travel expenses for staff on development cooperation and humanitarian action missions	550,000 €	81,006 €
01.7.12.050	Shipping	8,000 €	5,352 €
01.7.12.070	Leasing and maintenance of IT equipment	100 €	-
01.7.12.120	Effectiveness of development assistance: expert reports, monitoring, control and evaluation of development cooperation projects and programmes	1,000,000 €	481,612 €

01.7.12.140	Public information and awareness-raising campaigns in Luxembourg regarding development cooperation	280,000 €	89,700 €
01.7.12.190	Training, study and research actions; seminars and conferences	200,000 €	18,711 €
01.7.32.020	Development cooperation leave: compensatory and flat-rate allowances	90,000 €	3,450 €
01.7.33.000	Contribution to expenditure of non-governmental organisations (NGOs) in carrying out actions to raise awareness of development cooperation among the Luxembourg public and other measures with the same purpose	2,700,000 €	2,470,563 €
01.7.33.010	Subsidies to the Cercle de coopération fees paid by non-governmental organisations and other measures to promote development cooperation	389,340 €	389,340 €
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	13,800,000 €	13,044,498 €
01.7.35.030	Development cooperation: contributions to the budgets, programmes and thematic priorities of international institutions other than the European Union	49,230,000 €	48,730,000 €
01.7.35.032	Development cooperation: mandatory contributions to budgets of international institutions other than the European Union	500,000 €	321,295 €
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	49,000,000 €	48,999,450 €
31.7.74.065	Development of software	100,000 €	69,323 €
Development Cooperation Fund		230,148,550 €	207,236,045 €
Reimbursements			-7,668,895 €
Ministry of Culture, Higher Education and Research		260,252 €	121,344 €
02.0.35.030	Contributions and subscriptions to UNESCO	224,202 €	121,344 €
02.0.35.060	Subscriptions to international bodies	36,050 €	-
Ministry of Finance		46,526,000 €	39,866,590 €
34.0.54.030	Contribution to programmes and projects run by the international financial institutions and development assistance	15,500,000 €	15,500,000 €
34.0.54.032	Contributions to Financial Technology Transfer Agency (ATTF) programmes	1,305,000 €	447,190 €
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	22,500,000 €	23,297,853 €
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	7,221,000 €	-
Fund to combat drug trafficking			621,546 €
European Union			30,425,622 €
Provisional expenditure	Contribution to the EU budget		30,425,622 €
Ministry of Health		350,000 €	229,806 €
14.0.35.060	Contributions to international bodies	350,000 €	229,806 €
Total net ODA			396,927,972 €
GNI 1 March 2021		1,03%	38,520,000,000 €

DISTRIBUTION OF ODA IN %

Ministry of Foreign and European Affairs	82.20 %
of which Directorate for Development Cooperation	79.92 %
of which other Directorates	2.28 %
Ministry of Finance	10.04 %
Contribution to the EU budget	7.67 %
Ministry of Culture, Higher Education and Research	0.03 %
Ministry of Health	0.06 %
	100 %



BREAKDOWN OF ODA BY TYPE OF COOPERATION IN 2020

The table below (**breakdown of gross ODA**) gives the distribution by type of cooperation of all Luxembourg's 2020 ODA expenditure, following the rules of the DAC.

This reveals that bilateral cooperation, as defined by the DAC, represents 69.20% of all expenditure (DCF and budget items), while 30.80% was expended on multilateral cooperation.

Humanitarian aid, which is included in bilateral cooperation, was 15.56% of ODA in 2020.

NGOs administered over a fifth of Luxembourg's ODA (21.09%), of which 17% was administered by Luxembourgish NGOs approved by the Ministry of Foreign and European Affairs. The latter received a quarter of bilateral aid in 2020, when all implementation methods are taken together.

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	2020	% OF BILATERAL COOP.	% OF ODA	HUMANITARIAN AID COMPONENT	% BILATERAL HUMANITARIAN AID	% OF ODA
Gross bilateral cooperation	279,978,122.01 €	100.00 %	69.20 %	61,742,258.40 €	22.05 %	15.56 %
Programmes and projects implemented by LuxDev	104,974,824.36 €	37.49 %	25.95 %	-	0.00 %	0.00 %
Programmes and projects implemented by multilateral agencies and programmes	57,175,210.14 €	20.42 %	14.13 %	32,200,000.00 €	52.15 %	7.96 %
Other bilateral programmes and projects (BI-MFEA other than by NGOs and agencies)	14,631,269.92 €	5.23 %	3.62 %	850,748.60 €	1.38 %	0.21 %
Cooperation implemented by NGOs	85,340,843.42 €	30.48 %	21.09 %	22,944,514.57 €	37.16 %	5.67 %
by national NGOs	68,593,870.53 €	24.50 %	16.95 %	11,981,514.57 €	19.41 %	2.96 %
by international NGOs	14,413,112.00 €	5.15 %	3.56 %	10,963,000.00 €	17.76 %	2.71 %
by NGOs based in a developing country	2,333,860.89 €	0.83 %	0.58 %	-	0.00 %	0.00 %
Programme support	1,534,735.16 €	0.55 %	0.38 %	-	0.00 %	0.00 %
Other	16,321,239.02 €	5.83 %	4.03 %	5,746,995.23 €	9.31 %	1.42 %

DISTRIBUTION OF GROSS ODA	2020	% OF MULTILATERAL COOPERATION	% OF ODA
Gross multilateral cooperation	124,618,745.02 €	100 %	30.80 %
United Nations organisations	48,769,091.64 €	39.13 %	12.05 %
European Union institutions	43,065,020.12 €	34.56 %	10.64 %
World Bank & IMF	17,721,674.38 €	14.22 %	4.38 %
Regional development banks	8,172,963.26 €	6.56 %	2.02 %
Other	6,889,995.62 €	5.53 %	1.70 %
Gross ODA	404,596,867.04 €		
Revenue	-7,668,895.33 €		
Net ODA (excl. revenue)	396,927,971.71 €		



BREAKDOWN OF ODA BY INTERVENTION SECTOR IN 2020

The following table (**ODA by sector**) gives the breakdown by sector of all Luxembourg ODA expenditure in 2020.

In 2020, Luxembourg's Development Cooperation continued to focus on sectors falling into the category of infrastructure and social services, which made up 27.98% of total aid (and 38.32% 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 6.91% of aid (9.97% 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 5.80% of ODA in 2020 (8.39% of bilateral aid), mainly allocated to agriculture, forestry and fisheries.

Support for multi-sector and cross-cutting issues represented 6.81% of ODA (9.84% of bilateral aid). COVID-19 reallocations were mainly recorded under this category.

Finally, we should note that, under multilateral ODA, a large part of the investments (88.68%) 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 budgets.

SECTOR-BASED BREAKDOWN OF GROSS BILATERAL & MULTILATERAL ODA	BILATERAL ODA	%	MULTILATERAL ODA	%	TOTAL BY SECTOR	%
Infrastructure and social services	107,279,223.62 €	38.32 %	5,909,596.38 €	4.74 %	113,188,820.00 €	27.98 %
Education	34,691,391.42 €	12.39 %	-	0.00 %	34,691,391.42 €	8.57 %
education, unspecified level	9,000,883.86 €	3.21 %	-	0.00 %	9,000,883.86 €	2.22 %
basic education	6,787,547.18 €	2.42 %	-	0.00 %	6,787,547.18 €	1.68 %
secondary education	17,985,183.63 €	6.42 %	-	0.00 %	17,985,183.63 €	4.45 %
post-secondary education	917,776.74 €	0.33 %	-	0.00 %	917,776.74 €	0.23 %

Health	23,373,886.05 €	8.35 %	3,872,315.00 €	3.11 %	27,246,201.05 €	6.73 %
general health	13,994,425.73 €	5.00 %	1,172,315.00 €	0.94 %	15,166,740.73 €	3.75 %
basic health	8,965,564.10 €	3.20 %	2,700,000.00 €	2.17 %	11,665,564.10 €	2.88 %
Policy on population/health and reproductive health	5,154,210.37 €	1.84 %	-	0.00 %	5,154,210.37 €	1.27 %
Distribution of water and sanitation	17,407,597.15 €	6.22 %	-	0.00 %	17,407,597.15 €	4.30 %
Government and civil society	21,521,558.79 €	7.69 %	1,958,577.68 €	1.57 %	23,480,136.46 €	5.80 %
government and civil society - general	19,784,305.08 €	7.07 %	235,760.00 €	0.19 %	20,020,065.08 €	4.95 %
fiscal policy and support for fiscal administration	1,268,282.22 €	0.45 %	-	0.00 %	1,268,282.22 €	0.31 %
democratic participation and civil society	3,776,568.25 €	1.35 %	-	0.00 %	3,776,568.25 €	0.93 %
Human rights	4,201,720.58 €	1.50 %	210,760.00 €	0.17 %	4,412,480.58 €	1.09 %
Organisations and movements that defend women's rights and governmental institutions	752,867.14 €	0.27 %	25,000.00 €	0.02 %	777,867.14 €	0.19 %
Elimination of violence against women and girls	1,653,782.64 €	0.59 %	-	0.00 %	1,653,782.64 €	0.41 %
conflicts, peace and security	1,737,253.70 €	0.62 %	1,722,817.68 €	1.38 %	3,460,071.38 €	0.86 %
Various items of infrastructure and social services	5,130,579.84 €	1.83 %	78,703.70 €	0.06 %	5,209,283.54 €	1.29 %
Infrastructure and economic services	27,927,240.03 €	9.97 %	41,674.38 €	0.03 %	27,968,914.41 €	6.91 %
Communications	5,001,603.50 €	1.79 %	-	0.00 %	5,001,603.50 €	1.24 %
Energy: production, distribution and efficiency - general	36,140.62 €	0.01 %	-	0.00 %	36,140.62 €	0.01 %
Production of energy from renewable sources	2,146,940.99 €	0.77 %	-	0.00 %	2,146,940.99 €	0.53 %
Banks and financial services	20,213,176.41 €	7.22 %	-	0.00 %	20,213,176.41 €	5.00 %
Enterprises and other services	529,378.52 €	0.19 %	41,674.38 €	0.03 %	571,052.90 €	0.14 %
Production	23,481,788.55 €	8.39 %	-	0.00 %	23,481,788.55 €	5.80 %
Agriculture, forestry and fishing	22,926,521.88 €	8.19 %	-	0.00 %	22,926,521.88 €	5.67 %
Commercial policy and regulations	459,324.87 €	0.16 %	-	0.00 %	459,324.87 €	0.11 %
Tourism	95,941.80 €	0.03 %	-	0.00 %	95,941.80 €	0.02 %
Multi-sector or cross-cutting issues	27,554,217.37 €	9.84 %	-	0.00 %	27,554,217.37 €	6.81 %
Environmental protection	646,721.57 €	0.23 %	-	0.00 %	646,721.57 €	0.16 %
Other multisectors	26,907,495.80 €	9.61 %	-	0.00 %	26,907,495.80 €	6.65 %
multisector aid	17,327,800.04 €	6.19 %	-	0.00 %	17,327,800.04 €	4.28 %
urban development and management	27,290.52 €	0.01 %	-	0.00 %	27,290.52 €	0.01 %
rural development	9,142,409.11 €	3.27 %	-	0.00 %	9,142,409.11 €	2.26 %
multisector education and training	160,178.13 €	0.06 %	-	0.00 %	160,178.13 €	0.04 %
scientific and research institutions	249,818.00 €	0.09 %	-	0.00 %	249,818.00 €	0.06 %
Humanitarian aid	53,592,258.40 €	19.14 %	8,150,000.00 €	6.54 %	61,742,258.40 €	15.26 %
Emergency intervention	46,118,479.99 €	16.47 %	7,900,000.00 €	6.34 %	54,018,479.99 €	13.35 %
material assistance and emergency services	34,016,031.18 €	12.15 %	7,900,000.00 €	6.34 %	41,916,031.18 €	10.36 %
emergency food aid	4,048,220.31 €	1.45 %	-	0.00 %	4,048,220.31 €	1.00 %

coordination of relief and support and protection services	8,054,228.50 €	2.88 %	-	0.00 %	8,054,228.50 €	1.99 %
Reconstruction and rehabilitation	2,990,209.51 €	1.07 %	-	0.00 %	2,990,209.51 €	0.74 %
Disaster prevention and preparation	4,483,568.91 €	1.60 %	250,000.00 €	0.20 %	4,733,568.91 €	1.17 %
Donors' administrative costs	18,561,174.07 €	6.63 %	-	0.00 %	18,561,174.07 €	4.59 %
Awareness-raising	2,976,294.92 €	1.06 %	-	0.00 %	2,976,294.92 €	0.74 %
Refugee assistance in the donor country	140,639.27 €	0.05 %	-	0.00 %	140,639.27 €	0.03 %
Unallocated/unspecified	18,465,285.78 €	6.60 %	110,517,474.27 €	88.68 %	128,982,760.05 €	31.88 %
Total bilateral & multilateral aid broken down by sector	279,978,122.01 €	100.00 %	124,618,745.02 €	100.00 %	404,596,867.04 €	100.0 %



THE DEVELOPMENT COOPERATION FUND IN 2020

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 231.27 million in 2020; added to which are the assets available on 1 January, i.e. EUR 3.42 million, as well as revenue during the year (EUR 7.67 million). This revenue comprises reimbursements from NGOs and agencies of funds not disbursed on projects co-financed by the Ministry and EUR 6.84 million routed through the DCF between Denmark's development cooperation and LuxDev as delegated cooperation.

In 2020, a total of EUR 207.24 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 104.97 million (50.65%), including Danish delegated cooperation funds. Next come non-governmental development organisations, which received EUR 44.18 million (21.32%) as part of the co-financing of their projects and programmes and to cover some of their administrative costs. The balance was accounted for by projects implemented by the Ministry directly with other partners (13.64%) or with multilateral agencies (10.61%), the emergency.lu programme (2.27%) as well as for programme support (1.50%).

DISBURSEMENTS THROUGH THE DCF IN 2020 BY HEADING

	ODA	%
Programmes and projects implemented by LuxDev	104,974,824.36 €	50.65 %
Programmes and projects implemented by multilateral agencies and programmes	21,980,154.06 €	10.61 %
Other bilateral programmes and projects	28,274,490.26 €	13.64 %
Cooperation with NGOs (framework agreements, co-financing and administrative expenses)	44,175,333.19 €	21.32 %
Programme support	3,098,542.17 €	1.50 %
Humanitarian aid	4,712,701.06 €	2.27 %
Total	207,236,045.10 €	100.00 %



CHANGES TO LUXEMBOURG'S ODA

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

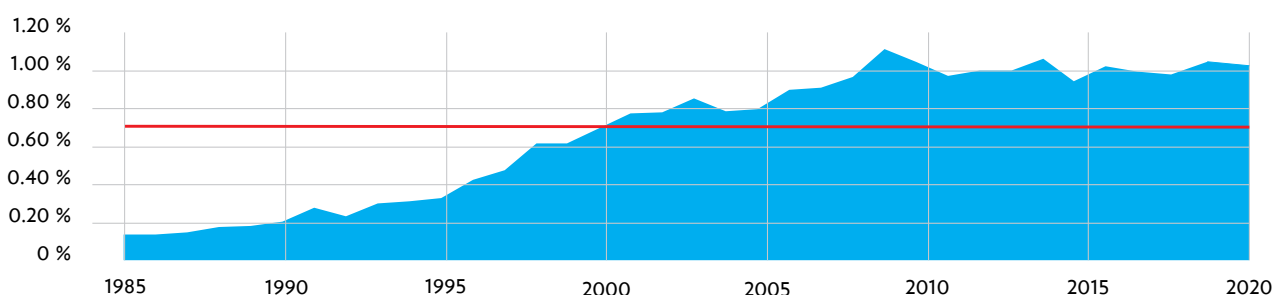
At the Earth Summit in Rio de Janeiro in June 1992, Prime Minister Jacques Santer formally announced Luxembourg's desire 'to provide 0.7% of GNI by 2000'. This objective was then confirmed and in 1999, during the formation of the government, it was decided to set the rate of 0.7% as an objective to be

reached by 2000, then to increase this aid 'with a view to reaching 1% at the end of this government's term'.

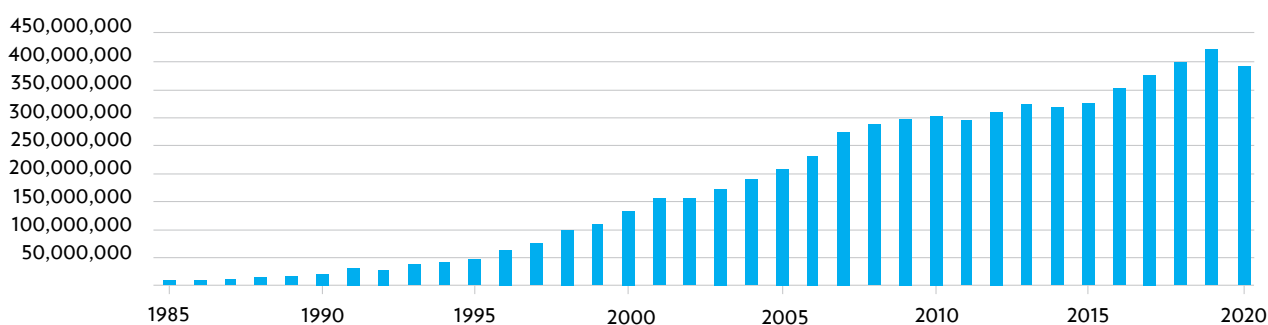
The target of 0.7% of GNI was achieved as planned in 2000 and that commitment was confirmed in subsequent years, with ODA never falling below that threshold. In 2009, Luxembourg's official aid exceeded the threshold of 1% of GNI for the first time.

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.

ODA 1985-2020 IN VOLUME TERMS



RELATIONSHIP BETWEEN ODA AND GNI 1985-2020



CHANGES SINCE 1985 TO OFFICIAL DEVELOPMENT ASSISTANCE AS A RATIO OF GROSS NATIONAL INCOME

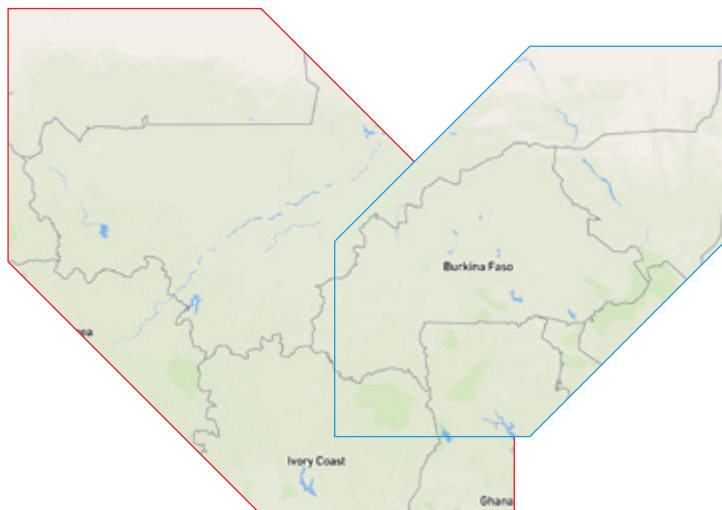
YEAR	NET ODA	GNI	ODA AS % OF GNI
1985	9,082,818.75 €	6,536,208,567.70 €	0.14 %
1986	9,672,805.34 €	7,005,669,324.91 €	0.14 %
1987	11,110,587.78 €	7,370,147,174.39 €	0.15 %
1988	14,201,572.14 €	8,058,002,126.93 €	0.18 %
1989	16,566,228.47 €	9,109,318,565.49 €	0.18 %
1990	20,751,910.64 €	10,001,065,942.16 €	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 €	40,767,580,800.10 €	0.98 %
2019	420,797,574.94 €	40,350,000,000.00 €	1.04 %
2020	396,927,971.71 €	38,520,000,000.00 €	1.03 %

The background is a solid blue color. Overlaid on this are several white geometric lines that form a series of nested, overlapping polygons. These lines create a sense of depth and structure, with some lines extending from the top and left edges towards the center, and others forming a large, irregular shape on the right side. The overall effect is modern and minimalist.

LUXEMBOURG'S DEVELOPMENT COOPERATION AND ITS PARTNERS

AFRICA

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 succeeded by the signing of three Indicative Cooperation Programmes (ICPs). 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 95.5 million and focuses on the sectors of (i) sustainable management of natural resources, (ii) education, teaching and technical and vocational train-

ing, and (iii) information and communication technologies (ICT). The bilateral interventions in these fields are implemented by LuxDev, Luxembourg's development cooperation 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.

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 interventions. In view of the health crisis, the 12th partnership committee was held on 20 July 2020 by video-conference, co-chaired by Minister Fayot and his counterpart in Burkina Faso, Minister Kaboré. Despite the adverse impacts of the health and security crisis, as a whole the implementation of the ICP III programmes was judged to be satisfactory.

As the partnership committee was taking place, Minister Fayot also announced a budget increase of EUR 5.5 million for the support programme for implementation of the Sectoral Plan for Education and Training. This additional support echoes the role of lead technical and financial partner in the education sector that Luxembourg will take on in 2021 and will hold until 2022.



Cereal processing business
Wend Gound Yamba (EIF)



Karité processing unit via the EIF

Also, following the feasibility study carried out in 2019 with a view to possible support for Burkina Faso's tax register, Minister Fayot confirmed that this support would amount to EUR 1.5 million, which opens up a new area of intervention by Luxembourg's Development Cooperation in Burkina Faso.

Finally, the partnership committee discussed the launch of the mid-term review of the ICP III (2017-2021), which started at the end of 2020.

Multilaterally, in 2020 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 2020. 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 (MECSD) for the 2019-2022 period.

Finally, in 2020, 14 Luxembourgish NGOs were active in Burkina Faso, and continued to implement their projects despite the health crisis.

As part of support for combating COVID-19 in Burkina Faso, Luxembourg's Development Cooperation helped to improve the quality of healthcare in health facilities through a contribution of EUR 500,000. This support was implemented together with the Belgian development agency Enabel within the Team Europe approach.

A second contribution of EUR 1,365,000 was made through a project implemented by UNICEF with the aim of providing assistance to displaced populations by improving their access to water and sanitation as well as hygiene measures to restrict the spread of the virus.

Finally, Luxembourg also increased its support to the ICRC and the Luxembourg Red Cross as part of efforts to combat the pandemic. Thus, a budget increase of EUR 1.25 million was granted to the ICRC, while the Luxembourg Red Cross received extra support of EUR 250,000 to support its efforts in combating the spread of the pandemic in Burkina Faso.

AFRICA

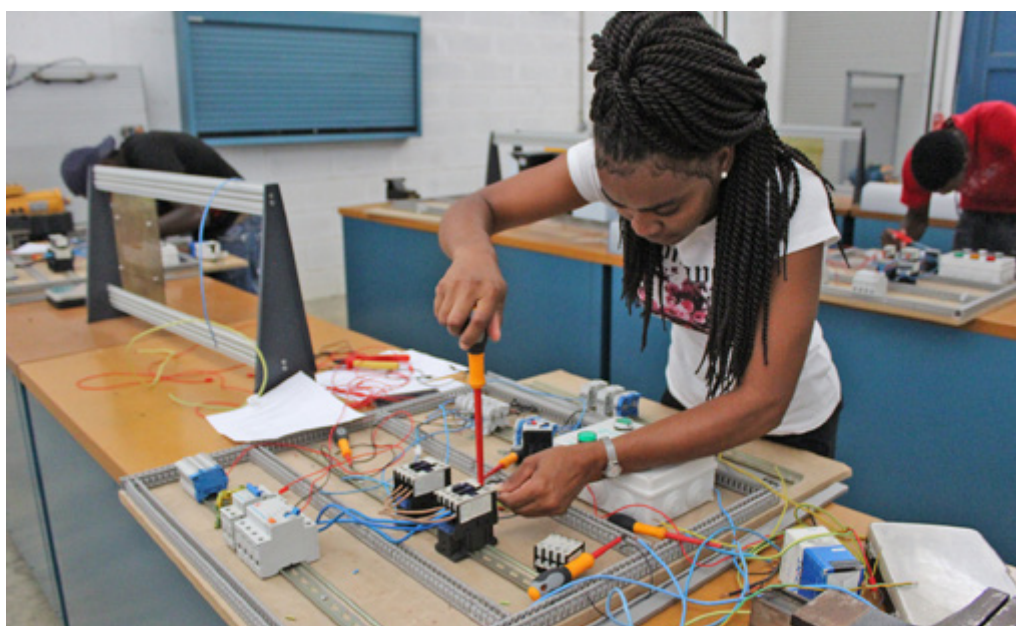
CABO VERDE



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 it joined the category of middle-income countries in 2008 most other donors have withdrawn.

In terms of recent bilateral visits, Minister Fayot visited the country from 14 to 19 February 2020. This was his first working visit to a Luxembourg's Development Cooperation partner country in his capacity as Minister for Development Cooperation and Humanitarian Affairs. He was accompanied by Carole Dieschbourg, Minister for the Environment, Climate and Sustainable Development, and by Claude Turmes, Minister for Energy and Spatial Planning. The visit's main aim was to strengthen bilateral discussions concerning the methods for implementing the new 'country approach'. This approach seeks, primarily, to provide better coherence between Luxembourg's public policies and increased synergy between the actions of Luxembourg's Development Cooperation and other policy areas, in particular the fight against the adverse effects of climate change, and the energy transition. This aim was reflected in the signing of a new indicative cooperation programme (ICP) entitled 'Development – Climate – Energy', covering the 2021-2025 period, at the 20th partnership committee meeting between Luxembourg and Cabo Verde. This was held on 8 July 2020 by video-conference. Structured around five pillars of intervention – Employment and Employability, Water and Sanitation, Climate Action, Energy Transition and Local Development – this is the first time that a cooperation programme between

Young girl receiving training at the renewable energy and industrial maintenance centre (CERMI) in Praia



Luxembourg and a partner country has combined development cooperation actions with actions linked to the climate and energy transition. The latter will be financed both by the Cooperation Development Fund and the Climate and Energy Fund, with a total indicative budget of EUR 78 million.

In 2020, there were three Luxembourgish NGOs working in Cabo Verde, funded by the MFA: *Beetebuerg Hëlleft* (primary education), *ECPAT Luxembourg* (gender-based violence) and *OGBL Solidarité Syndicale* (trade union training).

As part of combating the COVID-19 pandemic and in order to support Cabo Verde to tackle the health, economic and social challenges caused by the health crisis, Luxembourg decided to advance the disbursement of its sectoral budgeted aid allocated to the field of employment and employability to the tune of EUR 2 million, while granting additional emergency aid of EUR 1.6 million. This made it possible to deploy a specialised medical team and to fund a response plan for the municipalities.

Similarly, following the torrential rain that hit the archipelago, causing considerable damage to property, extraordinary emergency aid was allocated to the municipality of Praia, amounting to EUR 200,000.

AFRICA

MALI



In Mali, the implementation of the programmes in the third Indicative Cooperation Programme (ICP III, 2015-2020) which focuses on rural development, training and integration into the job market, and inclusive governance and decentralisation, has continued in a satisfactory way despite the growing instability of the security context, the COVID-19 health crisis and the institutional crisis experienced by the country in 2020.

In particular, the hydro-agricultural development work covering 510 hectares in the West San plain (Ségou region) has progressed well, and the plots should be

ready for commissioning in 2021. These works should make it possible to increase the available agricultural land of more than 1,900 farmers and facilitate access to food and nutritional security for nearly 9,500 beneficiaries.

With the support of Luxembourg's Development Cooperation, 174 apprentices (of 180 in apprenticeships) were certified by the Regional Department of Gao and Kidal following training received from master craftsmen. Regional mechanisms in place provide for the training and equipping of these master craftsmen to develop their skills and increase the chances of success for the apprentices, who are also provided with a small amount of equipment in line with the various apprenticeship fields (electricity in construction, joinery, food processing, market gardening, animal fattening, fish farming and repairing motor pumps). In the Ségou region, the regional council has also delivered initial training courses providing qualifications to 1,060 learners and has completed the apprenticeship training of 2,991 apprentices (with a success rate of 94.56%) and has granted 590 loans to individuals to start their first business.

Through support from Luxembourg, it has also been possible to consolidate the achievements of the UN Women programme to improve women's access to the means of production to build agriculture that is

Awareness-raising by the NGO SOS Villages d'Enfants Monde for young girls and women in Sibiribougou





'Les Céréales de Tatam' food processing unit in Bamako

resilient to climate change. Among other things, in 2020 the programme provided access for 2,905 women to 87 hectares of land and boosted the sustainable agricultural practices skills of 10,764 beneficiaries.

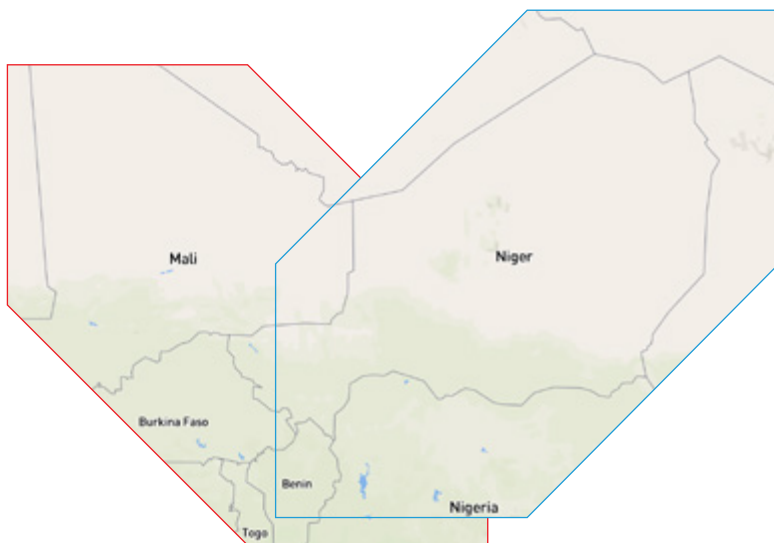
In addition, nine Luxembourgish NGOs (*Caritas*, the Luxembourg Red Cross, *ECPAT*, *Fondation Partage*, *Fondation Raoul Follereau*, *Handicap International*, *SOS Villages d'Enfants*, *SOS Faim* and *SOS Sahel*) have run projects in 2020 in Mali in the sectors of health, water and sanitation, education and vocational training, rural and agricultural development, emergency aid and the elimination of violence against women.

Political developments, however, prevented the signing of the next ICP, which had been intended to cover the 2021-2025 period. To address these challenges, a development cooperation transition strategy with Mali has been drafted, to direct development cooperation relations during the transition phase.

To support Mali to combat COVID-19, Luxembourg contributed EUR 1,500,000 to the operations of the World Food Programme (WFP) and the United Nations Children's Fund (UNICEF) to boost their efforts to help vulnerable populations. Luxembourg also supported the work of civil society organisations in the health sector through a contribution of EUR 700,000 to the European Commission's Directorate-General for European Civil Protection and Humanitarian Aid Operations (ECHO).

AFRICA

NIGER



Luxembourg launched its first development cooperation activities in Niger in 1989. Currently, development cooperation relations are governed by the third Indicative Cooperation Programme (ICP III), signed on 26 September 2015 and covering the 2016-2020 period. This has been extended by one year, until 31 December 2021. The extension was formalised on 28 October 2020 as a bilateral discussion was taking place by video-conference between Minister Franz Fayot and his counterpart in Niger, Minister Kalla Ankourao. With an initial indicative financial envelope of EUR 67 million, it had a budget of EUR 115 million in 2020. The ICP III focuses on the sectors of (i) basic

education and vocational training, (ii) sustainable development, and (iii) water and sanitation. 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 Luxembourg development programmes has been achieved without incident. In view of the extension of the ICP III until 31 December 2021 and on the basis of the results achieved, budget increases were approved for all sectors relating to bilateral interventions, namely: water and sanitation – EUR 8 million, rural development – EUR 3.19 million, vocational training and integration – EUR 1.3 million, capacity-building for those in the public spending chain – EUR 1.25 million and, finally, additional support for the sectoral programme on basic education amounting to EUR 1.3 million.

In the water and sanitation sector, where Luxembourg acts as lead partner of the technical and financial partners in Niger, Luxembourg's Development Cooperation has also implemented the financial support made available, on the basis of delegated cooperation agreements, by the Kingdom of the Netherlands and the Kingdom of Denmark with budgets of EUR 15 million and EUR 26 million respectively. In addition, within the context of the Sahel Alliance, an EU contribution of EUR 8 million has been implemented.



Hantigoussou primary school
in Niamey



Awareness-raising for young girls and women through UNFPA's Illimin project

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 to the United Nations Children's Fund (UNICEF), which has the aim of better nutrition for newborns during their first 1,000 days.

Again under the ICP III, Luxembourg continued its financial support to the joint donors' fund of the Niger state national mechanism for the prevention and management of food crises (DNP-GCA), particularly following a request for support by the Niger government for the national response to combating COVID-19.

With regard to aid from Luxembourg for the COVID-19 response in Niger, it comprised support for the purchase of essential medical equipment vital in strengthening the resilience of the public health system in Niger, amounting to EUR 1.7 million. This support was implemented through cooperation with the Belgian development agency Enabel as part of the Team Europe approach. Luxembourg's Development Cooperation also granted additional aid to the national mechanism for the prevention and management of food crises, to the value of EUR 1 million, with the aim of meeting the food needs of the most vulnerable groups, as well as extraordinary support of EUR 200,000 for Niger's Ministry of Humanitarian Affairs.

AFRICA

SENEGAL



The year 2020 saw progress in the implementation of the programmes in the fourth Indicative Cooperation Programme (2018-2022) between Luxembourg and Senegal, in which two sectors are priority targets: (i) the health sector, and specifically strengthening emergency medical assistance services, combating non-communicable diseases and improving access to universal sickness coverage, and (ii) the vocational training and labour market integration sector for young people, with an emphasis on improving access to and the range of training as well as capacity-building for state actors. The 14th partnership committee meeting, which was held on 18 December 2020, in the presence of Minister Franz Fayot and his Senegalese counterpart,

Minister Amadou Hott, provided an opportunity to take stock of the implementation of the ICP IV and to exchange views on the future of bilateral cooperation relations.

In the health sector, Luxembourg's assistance has enabled the Ministry of Health and Social Action to take significant steps in acquiring equipment to create an emergencies training centre using simulation at the national emergency medical assistance service, the upgrading of pre-hospital and hospital emergency services and the establishment of high blood pressure and diabetes treatment centres in the focus area.

In relation to vocational training and labour market integration, Luxembourg's Development Cooperation supported the vocational training centres (VTCs) to develop and finance 27 investment projects to enable new training strands to be opened and existing training strands to be strengthened. The VTCs also signed 21 training and labour market integration projects for the implementation of short training courses leading to qualifications, targeted at businesses' immediate needs. In addition, seven mobile training units were acquired through support from Luxembourg for the industrial and agri-food sectors, as well as two 'ICT' buses (equipped with information and communication technologies), designed to train young people in remote areas. Finally, the programme helped to

Silence Hospital in
Ziguinchor



boost vocational integration and employability in partnership with the NGOs GRET and Eclasio, as well as the Luxembourgish association ADA, to provide financial support for young future entrepreneurs.

Multilaterally, the United Nations Population Fund (UNFPA) continued its activities to strengthen the health and social protection system with a view to improving access to high-quality healthcare, despite the health crisis. Among other achievements, it is worth noting that more than 90,000 women benefited from family planning services.

The year 2020 also saw the launch of the International Labour Office (ILO) programme designed to equip the vocational and technical training system with appropriate human resources, strengthen the training of trainers in entrepreneurship and methodological monitoring.

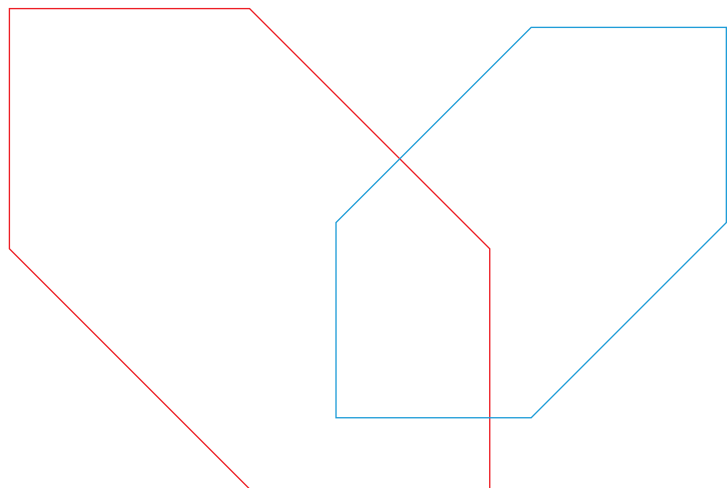
Nine Luxembourgish NGOs (*ECPAT*, *Frères des Hommes*, *Guiden a Scouten fir eng Welt*, *Handicap International Luxembourg*, *PADEM*, *Pharmaciens sans Frontières*, *SANA*, *SOS Sahel International Luxembourg* and *SOS Villages d'Enfants Monde*) have continued in 2020, despite the health situation, to implement development projects in Senegal in the areas of basic social services, health and sanitation, basic nutrition, education and vocational training, agricultural development and reforestation, the elimination of violence against women and girls and democratic participation.

Luxembourg supported the fight against COVID-19 in Senegal, including by allocating EUR 2.6 million to the emergency medical assistance services, making it possible to purchase mobile ventilators. In total Luxembourg has contributed nearly EUR 6 million to fighting the health crisis in Senegal.



AFRICA

SAHEL



In 2020 Luxembourg continued its commitment to governance, human rights and health at the regional level in the Sahel. In the area of combating communicable diseases, including HIV/AIDS, Luxembourg contributed to the project by international NGO *ENDA Santé*. This seeks to contribute to the UN-AIDS 95-95-95 treatment targets in nine countries in the sub-region (Burkina Faso, Cabo Verde, Côte d'Ivoire, The Gambia, Guinea-Bissau, Guinea, Mali, Niger, Senegal) and has continued its support to the partnership between the Luxembourg Institute of Health, the *Centre Hospitalier de Luxembourg*, *ENDA Santé*, Luxembourg's *Laboratoire National de Santé* and the Luxembourgish NGO *Stop Aids Now/Access* to improve access to diagnostics and treatment for those infected with sexually transmitted diseases in Senegal and Guinea-Bissau. This commitment in the health sector goes hand in hand with the partnership with the World Health Organization in West Africa working towards universal health coverage.

Beyond the health sector, since 2018 Luxembourg has been supporting the United Nations Food and Agriculture Office (FAO) to improve the protection of human health, food safety and sustainable trade in food in Senegal and Burkina Faso. The year 2020 also saw the continuation of the Agri+ project implemented by the NGO *SOS Faim*. This aims to transform financing conditions for family agriculture in Burkina Faso and Mali.

In terms of governance, Luxembourg has continued its support for the technical assistance centre in the area of building macro-economic management capacities for the International Monetary Fund. In 2020, the centre organised 11 seminars and six immersion sessions, which delivered training to 459 executives. Support from Luxembourg also made it possible for training to be delivered in the financial and banking sector by ATTF/House of Training in collaboration with the Central Bank of West African States (BCEAO).

Luxembourg is also actively pursuing its commitment to digitisation and research, and in October 2020 launched the project *LuxWays*. The aim of this ambitious project is to develop cybersecurity skills in the sub-region of West Africa through the support and training of 10 expert teachers/researchers to ensure that a training curriculum is put in place to train highly qualified local professionals, in the long term (engineers and doctors), who would then join the labour market. The UCAD (Dakar) and the Joseph Ki-Zerbo University (Ouagadougou) are participating as benchmark universities in West Africa, with the SnT (University of Luxembourg) as a benchmark in Luxembourg.

Its long-standing commitment in the Sahel led Luxembourg to join the Sahel Alliance, of which it has been an active member since 2018. The Sahel Alliance seeks to improve coordination of the development cooperation actions of the various donors and to reinforce their impact on the ground.



CENTRAL AMERICA

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 priority partner country status with Luxembourg's Development Cooperation until 2015. Its admission to the category of middle-income countries on the basis of some significant progress made in development has since that time made it possible to embark on a new innovative and inclusive partnership approach which makes more use of national systems and procedures.

The year 2020 saw the continuation of the main bilateral projects in the area of development cooperation, in close collaboration with President Bukele's government. 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 youth employability through civil society via the *Fondo Concursable* managed by the El Salvador government (FOCAP);
- support for South-South and triangular cooperation (FOSAL).

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

In 2020, Luxembourg's Development Cooperation also continued its support for the NGO *FUNDE*, a long-standing partner, in the area of fiscal transparency and combating corruption, and initiated support for the work of the International Commission Against Impunity in El Salvador, established by the Bukele government in collaboration with the Organization of American States (OAS).

Swearing-in of the youth association of Coatepeque under the umbrella of the Fondo concursable





The Luxembourgish NGO *Action Solidarité Tiers Monde* (ASTM) received co-financing from the MFA in El Salvador in 2020 and continued the implementation of projects in the human rights area.

Distribution of hygiene kits to young people within the framework of the Fondo concursable

Luxembourg's Development Cooperation has contributed to the national response to COVID-19, in particular by supporting the creation of the country's first university hospital within the framework of a triangular cooperation project with Argentina and Colombia. Support from Luxembourg also made it possible to ensure the continuity of Fondo concursable's activities through the distribution of hygiene kits to young people and the introduction of remote training courses. These adjustments made it possible to achieve a high rate of retention in the youth employability programme, despite a very strict lockdown.



CENTRAL AMERICA

NICARAGUA



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

However, as a result of the social and political crisis that began in April 2018, Luxembourg made changes to its development aid support to Nicaragua. Thus, direct disbursements to the government were frozen and the conclusion of any new Indicative Cooperation Programme (ICPs) was postponed. Since that time, development cooperation in Nicaragua has featured, notably, multilateral support and significant aid to the NGOs in the country.

Since 2018, Luxembourg has continued to provide significant support to Nicaraguan civil society in relation to the promotion of human rights and democratic values, particularly through a multi-donor support fund for Nicaraguan civil society, FASOC. This brings together five donors and is implemented by Oxfam. There is also a project by the NGO Front Line Defenders to support human rights activists. In parallel, multilateral programmes were prioritised in 2020, including through the continued financing of a school canteens project to

tackle food and nutrition insecurity for children in the north and north-east of Nicaragua through the World Food Programme (WFP). Luxembourg also provided humanitarian support following the Eta and Iota hurricanes, through emergency aid to the International Federation of Red Cross and Red Crescent Societies (IFRC) and technical assistance with the WFP for capacity-building in the management and prevention of crises and natural disasters.

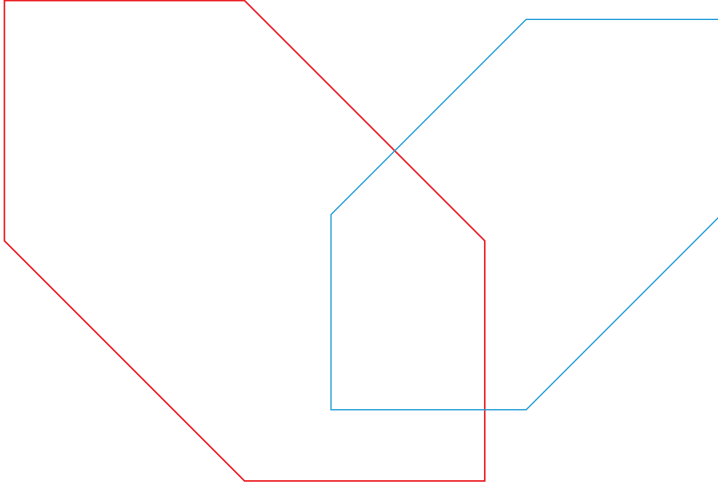
Two Luxembourgish NGOs, *Frères des hommes* and *Terre des hommes*, implemented activities co-financed by the MFA in 2020, targeting democratic participation, agricultural advisory services, vocational training and the care of children and young people living in poorer and deprived districts.

Luxembourg has supported civil society's response to COVID-19 in the health and socio-economic spheres, particularly through the multi-donor support fund for civil society (FASOC) and the micro-projects fund of the Embassy in Managua, supporting initiatives fostering e-commerce and remote education as well as the distribution of hygiene, medicine and food packs. As part of the Team Europe approach and in order to mitigate the pandemic's socio-economic impact, Luxembourg and the European Union delegation on the ground have jointly supported the World Food Programme (WFP) with total funding of EUR 15 million in order to guarantee food security for 182,000 children and support to 3,000 small farmers in the north of the country.



CENTRAL AMERICA

CENTRAL AMERICA



In Central America, Luxembourg remains a significant partner in the Central American Integration System (SICA), particularly through a project with SICA's Secretariat General to support vulnerable groups (indigenous people, Afro-descendants and young people) in Central America, and a regional project supporting female entrepreneurs with the Centre for the promotion of micro and small business in Central America (CENPROMYPE). The latter is a key project dedicated to equality between men and women and the promotion of women's economic rights. In view of the good results produced by the programme and this issue's importance, Luxembourg has undertaken to finance a second phase of the programme for the 2021-2025 period, with significant support in terms of technical assistance through LuxDev.

Luxembourg also continued its support to migrant women in Central America and the Dominican Republic through a regional project with the International Organization for Migration (IOM).

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.

In Central America, Luxembourg has also continued its support for the promotion of inclusive finance, particularly microfinance. Thus, the Luxembourgish association *Appui au Développement Autonome* (Support for Autonomous Development - ADA) supports the regional network RED-CAMIF, 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 making them economically, ecologically and socially viable by engaging local communities while guaranteeing a long-term yield for investors in the fund.



SICA regional food security project

ASIA

LAOS



The Lao People's Democratic Republic became a partner country of Luxembourg's Development Cooperation in 1997 and a general cooperation agreement with the Grand Duchy of Luxembourg was signed in 2000. Since then, Luxembourg's Development Cooperation has supported activities focusing in the sectors of health, vocational education and training in tourism and hospitality, and integrated local development in the provinces of Vientiane, Bolikhamxay and Khammouane. In 2016 governance was added as an additional target sector, and Bokeo as an additional target province. Since 2003, various Indicative Cooperation Programmes (ICPs) have been signed, and the fourth ICP covers the 2016-2020 period.

Although in 2020 Laos was relatively untouched by the health problems linked to the COVID-19 pandemic, nonetheless it had a significant impact on the country's economic growth, particularly in the services sector, notably the tourism and hospitality sector. Despite the difficult context in 2020, ongoing projects were swiftly adapted to these new circumstances and continued to provide important services to their counterparties and target beneficiaries, albeit at a slower pace. These efforts include the process of identifying a new ICP and the rapid implementation of a response to COVID-19.

In 2020, the emphasis was placed on identifying new partnerships in Laos with the signing of an agreement between the Thailand International Cooperation Agency (TICA) and LuxDev. A new partnership with Swiss Development Cooperation (SDC) was concluded to strengthen the local development programme, and in particular the steering of new local governance and climate change interventions. A potential partnership between LuxDev and FENU was explored with the Local Climate Adaptive Living Facility (LoCAL) initiative. This is a mechanism for integrating climate change adaptation into the planning and budgeting systems of some villages targeted by the rural development programme. Luxembourg joined the Team Europe initiatives linked to the Green Deal issue and continued to participate actively in joint European programming.



Training in taking samples, as part of the fight against COVID-19



Bilateral inter-university cooperation between Luxembourg and Laos was extended until 2024. The aim of the project, which began in 2017, is to promote the rule of law in Laos by supporting and enriching both the research and teaching environment, while emphasising the correct application of legal rules.

Lao National Institute of Tourism and Hospitality in Vang Vieng

Emergency COVID-19 health interventions and food security interventions at central and provincial levels have constituted an invaluable safety valve for beneficiaries. With a contribution of EUR 3 million, Luxembourg's Development Cooperation was among the first donors to respond rapidly and effectively to the health and economic needs linked to the pandemic.

Through the WHO, Luxembourg's Development Cooperation helped to strengthen the national coordination system and provided screening equipment to the Institut Louis Pasteur of Laos, a long-standing partner, as well as protective equipment in the four intervention provinces to respond to the most urgent needs. In addition, emergency food aid was provided to the most vulnerable groups.



ASIA

MONGOLIA



Since 2001, Luxembourg has been supporting the Mongolian government to address cardiovascular disease, which continues to be the leading cause of death in the country. This bilateral project by Luxembourg's Development Cooperation in Mongolia has expanded in recent years, focusing on strengthening cardiology services by applying telemedicine solutions and services in the cardiovascular health sector, both centrally and in the provinces. The aim is to provide appropriate treatment to patients referred and to reduce excessive and costly medical referrals. Since 2012, the project has achieved national coverage.

Alongside this, Luxembourg's Development Cooperation has been supporting the maternal and child health care sector in Mongolia since 2007 through the United Nations Population Fund (UNFPA). Talks were launched with the Mongolian authorities in order to jointly identify future support from Luxembourg in these two areas.

The COVID-19 pandemic and, more specifically, the closure of the borders since January 2020 has had a severe impact on the delivery of the programme, leading to its extension for a year in order to move those activities in the project that have not been implemented to 2021.

As part of the response to COVID-19 in Mongolia, Luxembourg's Development Cooperation has supported two interventions since June 2020, to the value of EUR 345,000 and EUR 486,200 respectively, to compensate for the delays in implementing certain activities that had been set out in the annual work plan.

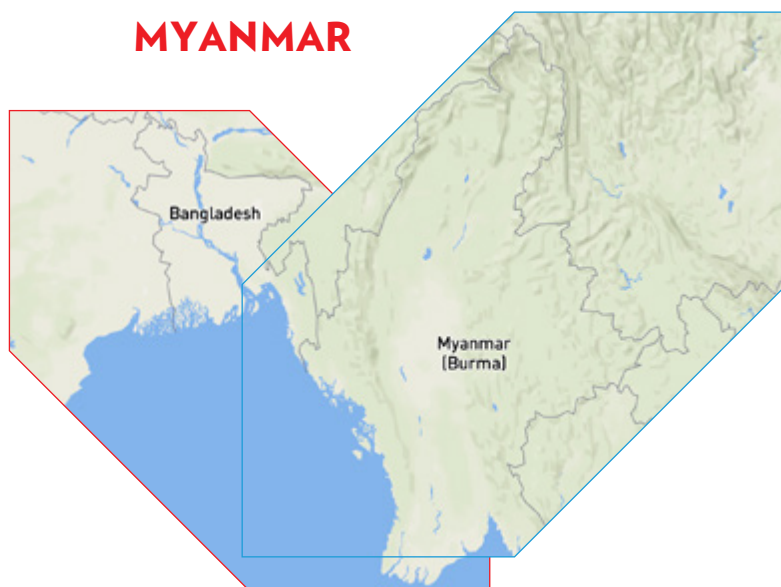
The first contribution made it possible to provide a positive response to a request from the United Nations Population Fund (UNFPA) to boost the capacities of the maternal health services through the uninterrupted supply of vital services to pregnant women, in Ulaanbaatar and in four border provinces. In addition, the project seeks to protect the safety and dignity of women and girls in quarantine, including healthcare providers.

The second contribution was launched in collaboration with LuxDev, with the aim of boosting the capacities of cardiovascular services as part of the fight against COVID-19 by making available various types of biomedical and essential protective equipment required to prevent the spread of the virus and for the treatment of COVID-19 patients with underlying cardiovascular disease.

Delivery of personal protective equipment to health professionals in the border provinces



MYANMAR



The implementation of the activities in the hospitality training project has been seriously impacted by the COVID-19 pandemic. Despite the impact of the health crisis on the tourism sector, this project has demonstrated flexibility and adaptability by moving to online training.

The rural development project in Eastern Shan State was less seriously affected by the pandemic and considerable progress has been made in the deployment of infrastructure and the support of agricultural and livestock rearing activities. Some minor setbacks should, however, be noted, caused by the continuing restrictions in training courses resulting from the closure of state schools and vocational training centres.

Myanmar has also been severely affected by COVID-19. The rapid imposition of containment measures, including travel restrictions, is continuing to have an impact on the implementation of activities within the two cooperation projects.

The progress made in poverty reduction is at risk from the current restrictions caused by the pandemic, which are having a disproportionate effect on the poorest and most vulnerable households. Despite the national programmes for cash transfers, the proportion of households experiencing moderate or serious food insecurity rose from 12 to 25% between August and October 2020. In order to reduce the serious impact of the pandemic on the villages targeted by this project, direct food aid to vulnerable groups in the villages covered was included within it.



LuxDev project for diversification in agriculture



ASIA

AFGHANISTAN / TAJIKISTAN



As in previous years, Luxembourg's Development Cooperation is pursuing its projects in close collaboration with the PATRIP foundation (Pakistan-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 2020, Luxembourg's Development Cooperation contributed about EUR 302,000, 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 NGO Mission East to raise awareness of the dangers of water-borne diseases. The Mission East projects are founded upon sustainability. The COVID-19 crisis also affected these two countries, slowing down the projects in progress. The project ended in 2020. Talks are in progress concerning a new three-year phase (2021-2023).

OCCUPIED PALESTINIAN TERRITORIES



The Occupied Palestinian Territories have a special status, similar to Luxembourg's Development Cooperation's countries with projects. Luxembourg's development aid 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 2020, Luxembourg renewed its partnership with the NGO Coalition for Accountability and Integrity (AMAN), which works in the realm of transparency and inclusive governance, for a third phase covering a three-year period (2020-2023) with a contribution of USD 934,000. Luxembourg also continued its support to civil society actors through partnership agreements concluded with the NGO Palestinian Agricultural Relief Committee (PARC), in the sector of agriculture and sustainable development, the NGO Palestinian Medical Relief Society (PMRS), in the sector of reproductive health for women and the NGO Teacher Creativity Center (TCC), which works in the sector of training in psychosocial support for teachers in Palestinian schools.

In terms of support to the UNRWA, Luxembourg continued to abide by the multiannual agreement, signed in 2019, with a budget of EUR 4,000,000 per year, for a period of three years, targeting as a priority the areas of health and education, which are flagship missions for UNRWA. Some of the contributions for

As part of its support for the response to COVID-19 in the Occupied Palestinian Territories, Luxembourg's Development Cooperation has showed particular flexibility to these different partners to enable them to adapt their ongoing activities to the health crisis situation. All the partners made the necessary efforts to ensure the continuity of the ongoing programmes. However, the NGO Palestinian Medical Relief Society (PMRS) stood out for the way it adapted activities linked to the Safe Spaces approach for women in view of the increase in gender-based violence observed during the pandemic. PMRS adopted a holistic and targeted approach to continuing activities aimed at building legal, economic, social and psychological independence through online sessions covering all the aspects mentioned above, home visits and digital awareness-raising campaigns.

the UNRWA are also included in the agency's general budget.

Continued progress has also been ensured on the implementation of the project to construct a seawater desalination plant in Gaza financed by Luxembourg since 2019 with a contribution of EUR 1,150,000. Financial support for this project was channelled via the Facility for Euro-Mediterranean Investment and Partnership (FEMIP) managed by the European Investment Bank (EIB).

With regard to humanitarian aid, Luxembourg continued to support the operations of the International Committee of the Red Cross (ICRC) and the West Bank Consortium project (co-financed with DG ECHO, Belgium, Denmark, Finland, France, Ireland, Italy, Spain, Sweden and the United Kingdom). 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.

ASIA

VIETNAM



The year 2020 is an important year for development cooperation in Vietnam, with the transition of projects financed by ODA being nearly complete. In December 2020, two projects, one in the realm of vocational training, organised by the vocational college of Bac Kan, and the other in the area of efficient water use and agriculture in Cao Bang, were successfully concluded. Via its training programmes, the vocational college was able to contribute to the socio-economic development of the province of Bac Kan by providing skilled human resources better equipped to respond to the needs of the labour market. By developing revenue-generating activities, the college is now able to finance itself more and more. Through the VIE/036 project, the management of natural and financial resources based on agricultural production has been improved, while responding to the needs of ethnic minorities and other groups experiencing difficulties. The results achieved relate to access to water and the security of agricultural products. The project's assistance contributed to the development of infrastructure to modernise irrigation systems, making it possible to increase farmers' incomes. With regard to the agricultural productivity strand, over 26 km of access roads to the villages were constructed to facilitate access to local and regional markets by producers. This brought social and economic benefits to the communities. Many organic farming training courses were also held.

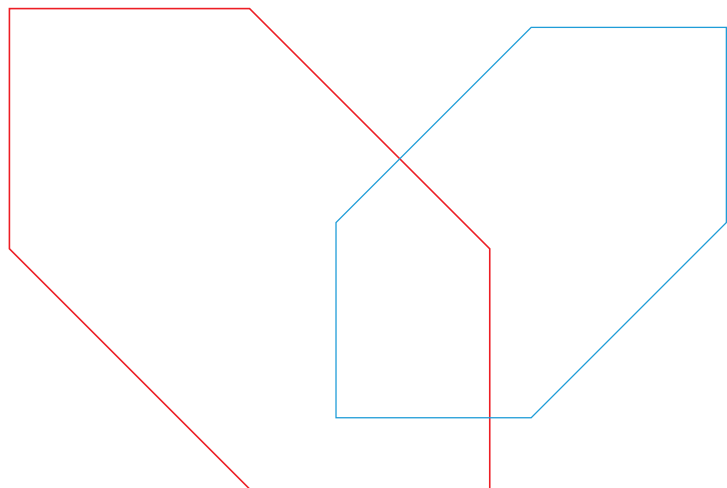
The last project financed by ODA in Vietnam is designed to support the consolidation of the Vietnamese securities market and the improvement of training capacities. While the country has managed the pandemic well, the government's containment measures have had a significant impact on the implementation of project VIE/032. Whereas the project had taken a proactive approach in encouraging partners to respond to the crisis pragmatically through online training and remote consultations with international experts, most of the capacity-building, including training intended for the staff of the State Securities Commission (SSC) and actors in the securities market, had to be cancelled or postponed. The following elements were, however, put in place: publication of the code of conduct, and the organisation of a workshop on the subject for members of the Vietnamese Securities Business Association, the official creation of a Development Advisory Board for strategic advice and the development of opportunities for joint action by businesses in Luxembourg and Vietnam, and the organisation of various training sessions.

Despite the current crisis, foreign investors have continued to invest in or transfer production activities to Vietnam. The ongoing project will offer the chance to explore new opportunities in sustainable finance, thus expanding Luxembourg's stamp on Vietnam's emerging local market.



ASIA

SOUTH-EAST ASIA



In 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 basin. Another sub-regional project that Luxembourg has continued to implement in 2020, in cooperation with Switzerland and Germany, was the Mekong Region Land Governance - Phase II project, with the aim of good land management in the Mekong region.

The protocol for the triangular project designed to build capacity and raise awareness in the finance sector, involving Laos, Vietnam and Luxembourg, was signed in 2020 by the two governments, but the official launch had to be postponed to early 2021 because of the COVID-19 health crisis. However, preparatory work has progressed well, with the appointment of a national project coordinator, induction training sessions and the drafting of a work plan and an annual budget.

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 aims to expand social security systems in the region,

with the goal of achieving universal health coverage in these three countries. In 2020, the regional association Connect delivered its first results, including the setting up of an advanced university curriculum in Thailand and knowledge transfer between the countries in the region. In addition, the ILO has focused more on reaching marginalised and remote groups, as well as women's unions. In 2020 the project received a six-month extension with no additional costs until 31 October 2021.

Since 2015, Luxembourg has been supporting the partnership for universal health coverage (UHC) by 2025, in order to promote UHC by encouraging political dialogue on the strategic planning and governance of health systems. This global programme is implemented by the WHO and provides technical support for the implementation of a national strategy to reform the health sector in Laos (EU-Luxembourg-Ireland-WHO Universal Health Coverage Partnership). Together with the EU, Luxembourg is one of the two founders of this universal programme.

In South-East Asia, Luxembourg has also continued its support for the promotion of inclusive finance. Thus, the Luxembourgish NGO ADA is supporting professional microfinance associations in Laos (LMFA), Cambodia (CMFA) and Myanmar (MMFA). The NGO is also participating in transforming informal village banks into formal microfinance institutions as part of the bilateral programme implemented by LuxDev in Laos. In addition, through the mechanism for responsible inclusive finance (RIFF-SEA), the Social Performance Task Force (SPTF) runs training courses in social performance management in various countries in South-East Asia (Cambodia, Indonesia, Laos, Myanmar, Philippines, Vietnam) and co-finances projects enabling microfinance institutions (MFIs) to improve their social performance. Finally, since 2020 the ATTF/House of Training (HoT) has been offering training in finance to finance sector professionals in Laos.



EUROPE

KOSOVO



Kosovo is a historic partner of Luxembourg's Development Cooperation, which has been supporting the country since 1999, firstly through humanitarian assistance at the beginning of the conflict and then through a development cooperation programme since 2001, investing over EUR 100 million. In terms of rapprochement with the EU, it should be noted that Kosovo is now the only partner of Luxembourg's Development Cooperation on the continent of Europe. The current cooperation agreement (2017-2020) dates from 24 October 2016 and has a financial envelope of EUR 30 million. In 2019, Luxembourg's official development assistance to Kosovo amounted to more than EUR 5.4 million. Luxembourg's Development Cooperation in Kosovo covers, specifically, the sectors of health and vocational training, as well as technical assistance to the Ministry of European Integration.

A joint commission made up of officials met on 10 December 2020, to take stock of the development cooperation projects that had been significantly delayed due to the continued political instability in Kosovo since summer 2019. The bilateral cooperation agreement (2017-2020) was automatically extended for a year, until 31 December 2021. Luxembourg and Kosovo came to an agreement on the priority actions required in the bilateral projects in the areas of health, vocational training and European integration. With a view to reaching a new bilateral agreement, multi-lateral projects with UNICEF on home visits in rural

areas and the joint UNDP-WHO-UNV project on the effects of pollution on health (Healthier Kosovo) were extended for two years, until the end of 2022, in order to coincide with the closure of the bilateral programmes.

The project with the EBRD has been extended for a second three-year period, until the end of 2023. This project provides technical assistance and advice to micro and small enterprises in Kosovo and was successful in its first phase, reconfirming its relevance in a context such as Kosovo.

Luxembourg's Development Cooperation will carry out a strategic forward study in 2021 to take stock of its ongoing cooperation programmes and to orient future cooperation and diversification of relations between Luxembourg and Kosovo.

Kosovo was severely affected by the COVID-19 pandemic. The government reacted swiftly in March 2020 with strict health measures and the coordination by the United Nations of donors' contributions to the COVID-19 response. Political instability also contributed to the worsening of the pandemic from summer 2020 onward, with recurring waves. Luxembourg's Development Cooperation was one of the first partners to react and come to the aid of Kosovo, first through the reallocation of funds in its two multilateral projects with UNICEF and the UNDP-WHO-UNV, and then through two new contributions of EUR 1 million respectively, signed with UNICEF and the UNDP. Luxembourg's contributions have been used to provide vital equipment, including personal protective equipment, ventilators and testing kits. They have also contributed to social assistance to the most vulnerable and poorest groups.



MULTILATERAL COOPERATION



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. The 2030 Agenda, the principle of 'leaving no one behind' and the attainment of the 17 Sustainable Development Goals (SDGs) are founded upon Luxembourg's 2018 general development cooperation strategy, entitled 'On the road to 2030'. Thus, in 2020, as in previous years, some 30% of Luxembourg's official development assistance (ODA) was allocated to international and multilateral organisations (EUR 119,670,040.93 in 2019; EUR 124,618,745.02 in 2020).

During 2020, multilateral cooperation played a key role in responding effectively to the COVID-19 pandemic and was significantly strengthened, particularly in order to implement SDG 3, 'good health and well-being'. In order to enable UN agencies to respond quickly to the difficulties encountered in this context, Luxembourg's Development Cooperation redirected its funds intended for the partner agencies towards activities linked to combating the pandemic, as well as a readjustment of activities in line with needs, particularly through core contributions. The timelines for ongoing projects have also been revised to enable the teams on the ground to finalise the activities launched in a fully secure manner.

Global health, and in particular universal health coverage, i.e. access to health for all, and combating communicable diseases, has been one of the priorities in Luxembourg's Development Cooperation interventions, especially at multilateral level.

Since January 2020, Luxembourg has chaired the Belgium/Netherlands/Portugal/Luxembourg grouping within the Programme Coordinating Board of UNAIDS, the Joint United Nations Programme on HIV/AIDS. Luxembourg has also boosted its multiannual support to UNAIDS at a critical moment of thoroughgoing reforms and of processes for developing

its new strategy. Throughout the year, Luxembourg has participated actively in working meetings involving UNAIDS and partners on the development of the Programme's new strategy. Special emphasis has been placed on access to healthcare for key groups, in particular women and girls who are disproportionately affected by HIV/AIDS.

In May 2020, a new strategic framework agreement (Memorandum of Understanding) was signed by Franz Fayot, Minister for Development Cooperation and Humanitarian Affairs, and Winnie Byanyima, Executive Director of UNAIDS, for the 2020-2021 period. This is intended to adapt and align its sources of annual funding to the future strategy of its partner and thus allow a more sustainable impact on the ground. In addition, on 2 December 2020, a bilateral strategic meeting was held between the Minister for Development Cooperation and Humanitarian Affairs and the new Director, in order to deepen the partnership and to exchange views on the new challenges linked to COVID-19 and the 'lessons learned'.

In order to ensure a sustainable impact on the ground and to enable the World Health Organization (WHO) to implement the Thirteenth General Programme of Work flexibly and effectively, Luxembourg decided to sign a new strategic framework agreement covering four years (2020-2023) with the WHO, a long-standing partner of Luxembourg's Development Cooperation. This met the WHO's wish for greater flexibility in funds, to make responses and implementation more effective. This new multiannual partnership was concluded in a virtual bilateral meeting held on 18 June 2020, between the Minister for Development Cooperation and Humanitarian Affairs and the Director-General of the WHO, Dr Tedros Adhanom Ghebreyesus.

Additionally, from 2020 to 2022, Luxembourg, represented by Dr Vic Arendt, is chairing the Special Programme supporting research in infections and tropical diseases, hosted by the WHO in Geneva. As part of our collaboration with Tropical Disease Research (TDR), in spring 2020 Luxembourg's Development Cooperation undertook to support a regional programme to improve training opportunities for French-speaking researchers in sub-Saharan Africa.

In view of the growing needs of Francophone research in the realm of health and the importance of capacity-building in this region, Luxembourg's Development Cooperation undertook to support this programme with a budget of EUR 705,000 for the 2020-2022 period.



Delivery of personal protective equipment to health professionals in the border provinces via UNFPA

Given the new global health challenges, during 2020 Luxembourg significantly increased its contributions to major partners involved in the health sector, such as Gavi, the Vaccine Alliance. On 4 June 2020, during the replenishment of Gavi's resources, Prime Minister Xavier Bettel announced financial support of EUR 5 million for the 2021-2025 period, i.e. an increase of 25% compared with the previous round. In order to allow access to health, and particularly vaccines, for all, Luxembourg also committed to EUR 1 million for COVAX, a global mechanism for the fair distribution of COVID-19 vaccines.

In November and December 2020, Luxembourg's Development Cooperation organised its traditional annual consultations with the Geneva-based agencies, including UNAIDS, the Global Fund to Fight AIDS, Tuberculosis and Malaria, the WHO and the ILO, in order to strengthen its partnerships and conduct a dialogue on common strategic priorities. Luxembourg's Development Cooperation has placed particular emphasis on the importance of the gender dimension in formulating and implementing programmes as well as the need to focus more on the key areas of digitisation and new technologies. Since the issue of Palestinian refugees is a priority for Luxembourg's Development Cooperation, particularly in these times of health crisis, Luxembourg remains a reliable partner of UNRWA, which it is continuing to support through its health programme and its general budget.

In parallel with topics relating to global health, other thematic priorities were addressed in the annual consultations with the New York-based UN agencies in July 2020 (UNICEF, UNFPA, UNDP, UNCDF, UNRWA and UN Women). In this context, the renewal of the framework agreements in place was postponed to 2021 in order to allow an alignment with the strategic frameworks that are to be defined by the New York-based UN agencies in 2021. The annual consultations with UN agencies in Rome took place in February 2020.

As in previous years, Luxembourg also participated actively in the United Nations General Assembly, which celebrated its 75th anniversary online for the majority of activities. In this context, Luxembourg's Development Cooperation was able to highlight two themes in particular. Firstly, it co-organised a forum with UNCDF, Smart Africa and Bamboo Capital Partners, on the various means by which traditional donors can encourage investment by private actors in small and medium-sized enterprises (SMEs) established in the less developed countries. These enterprises constitute the foundation of developing countries and, as in Luxembourg, have been particularly badly affected by the COVID-19 crisis. Another area in which Luxembourg's Development Cooperation remains very active is education. Luxembourg's Development Cooperation took part in a conference organised by the Theirworld organisation on 21 September 2020, on the importance of financing education globally.



EUROPEAN UNION

Within the Africa, Caribbean and Pacific (ACP) working group of the European Council, negotiations for the agreement that is to succeed the Cotonou agreement continued. The Cotonou agreement, whose aim was to re-establish macro-economic balances, develop the private sector, improve social services, promote regional integration, promote equal opportunities for men and women, protect the environment and remove barriers to trade progressively and reciprocally, was signed in 2000 by the EU and its Member States and 79 countries in Africa, the Caribbean and the Pacific for a period of 20 years. Negotiations for a successor agreement (Post-Cotonou agreement) began in September 2018. Because of delays, the current agreement has had to be extended until 30 November 2020 and transitional measures have been put in place to avoid a legal vacuum pending the signing of the Post-Cotonou agreement, expected to take place by the end of October 2021. The chief negotiators reached a political agreement on 3 December 2020 regarding the successor treaty. During the negotiations, Luxembourg regularly intervened in favour of progressive positions on issues linked to migration and gender equality, particularly with regard to sexual and reproductive health and rights.

Within the European Council's ad-hoc working group on the Multiannual Financial Framework - Neighbourhood Development and International Cooperation Instrument (MFF-NDICI), negotiations continued on the new financing instrument for the EU's external action, the NDICI, which began in 2018. This instrument's aim is to bring together most of the European Union's current external action instruments within a single instrument in order to increase the consistency of policies, synergies and the flexibility of its interventions. This will cover approximately three quarters of the EU's external financing. Negotiations in a trilogue format resulted, in mid-December 2020, in an agreement in principle on the new NDICI. With an overall envelope of EUR 79.5 billion (in 2018 prices), the new instrument will cover the EU's development cooperation with all third countries, thus going beyond the geographical scope of the ACP countries. In contrast to the European Development Fund, which was directly financed by the EU Member States, the NDICI will be financed by the EU budget and will therefore be subject to the European Parliament's budgetary scrutiny.

Discussions within the CODEV working group on the new financial architecture for development were held in parallel and closely in step with the negotiations on the NDICI.

Another key subject on the agenda of the European Council's CODEV working group was the Team Europe approach, which is the European framework for the external response to the COVID-19 crisis, in order to address the immediate health crisis and humanitarian needs in the partner countries. This concept was subsequently extended to address, in addition, the more long-term structural impact on these countries' societies and economies, extending to the orientation of the EU's multiannual programmes with its partner countries.

Since it was launched in April 2020, Team Europe has mobilised EUR 38.5 billion. In 2020, Luxembourg, which aligned itself with this common EU approach, contributed EUR 68.88 million to the COVID-19 response. The political priorities are: 1. emergency aid and humanitarian aid; 2. support for basic health, water and sanitation and nutrition systems; 3. support for the socio-economic recovery. The values guiding the approach are European solidarity with the partner countries and Europe's determination to show global leadership for a sustainable recovery. The themes of sustainability and innovation are apparent in the links with the Green Deal, the Sustainable Development Goals (SDGs) and the principle of Build Back Better and Greener. In general, Luxembourg has aligned itself with this approach and welcomes the new dynamic it creates for joint programming but also on the political level, in terms of the European Union's role on the world stage. Thus, we note a favourable dynamic for the joint programming exercises in the field which began in autumn 2020. In this context, it should be noted that the Team Europe Initiatives, which are a manifestation of the Team Europe approach in the EU's multiannual cooperation programmes with its partner countries, will be at the heart of programming for future years and will also be coupled to the NDICI, which will become operational in the next multiannual financial framework.

In the context of the response to the COVID-19 crisis, it can be seen that Luxembourg has made a commitment to support the European Commission's COVAX global mechanism to address the current alarming needs and in accordance with the principle of ensuring fair access to safe and effective vaccines for all. Developed in April 2020 in partnership with the Coalition for Epidemic Preparedness Innovations (CEPI) and the World Health Organization (WHO), it is led by the Gavi vaccine alliance and the vaccines

pillar of the Access to COVID-19 Tools (ACT) Accelerator. In order to ensure fair distribution of the vaccines and the principle of leaving no one behind, Luxembourg has committed to supporting the COVAX mechanism with the amount of EUR 1 million. The Team Europe team is the largest donor, giving EUR 853 million.

While Luxembourg has for many years mobilised new technologies and innovative solutions as levers in its development and humanitarian action interventions, the subject has taken on a new impetus in recent years in the European and international cooperation agenda. The Digital for Development (D4D) concept seeks to promote the integration and capitalisation of digital tools by development assistance and humanitarian action operators, both in regard to basic social services, major innovative development projects such as e-administration or as a tool for the formalisation and monitoring of development policies. Africa is at the heart of these developments and it is widely recognised that ICTs will play a key role for its peoples at a decisive time for technological governance, a turning point rendered all the more urgent by the current COVID-19 pandemic.

The European Commission has thus made Digital 4 Development a vital priority for international partnerships in the years ahead. It aims to make Europe a world leader in digital transformation, working towards a fair and competitive digital economy that puts people and the principles of human rights at the heart of its actions. Within this perspective and the initiative of five Member States (Belgium, Estonia, France, Germany and Luxembourg), the communication entitled 'Shaping Europe's digital future', published in February 2020, established the D4D Hub as a flagship platform for digital cooperation that will make it possible to build and consolidate an EU-wide approach promoting the latter's value and mobilising its Member States and its businesses, civil society organisations, financial establishments, know-how and digital technologies. In this context, three flagship digital programmes were launched under the German presidency of the European Council on 8 December 2020, including the Global and the African D4D Hub, the EU-AU Data Flagship and the African European Digital Innovation Bridge. The Africa-Europe D4D Hub project will be implemented by a consortium made up of five European agencies, including LuxDev.

NON-GOVERNMENTAL ORGANISATIONS

NON-GOVERNMENTAL ORGANISATIONS

In 2020, 91 associations were approved by the Ministry of Foreign and European Affairs under the amended Law of 6 January 1996 on development cooperation and humanitarian action.

NGOs represent a complementary conduit for bilateral aid, enabling Luxembourg's Development Cooperation to be active in countries, zones and sectors where the Ministry does not intervene or which it is difficult for it to access. Thus, the NGOs are partners of Luxembourg's Development Cooperation in the fight against poverty and social inequality, and are not government officials.

The year 2020 was affected by the COVID-19 pandemic, which impacted the work of the NGOs, which found themselves forced to suspend or to adjust their activities. In order to enable development NGOs (NGDOs) to continue their activities on the ground, the MFA offered the option to Luxembourgish NGDOs to reallocate funds within their projects. These reallocations enabled NGDOs to have the requisite funds to support their partners to address the consequences of the virus. Where reprogramming was not possible, the MFA provided additional budgets to the NGDOs affected.

Despite the budget constraints linked to the COVID-19 pandemic, and in order to avoid interruption in assistance, the MFA chose not to reduce the budgetary assistance given to NGDOs. In contrast to bilateral cooperation through LuxDev, the NGOs were thus able to benefit from full support from Luxembourg's Development Cooperation, even at the height of the COVID-19 pandemic.

The year 2020 also saw an increase in security incidents. In the face of the situation in some fragile States where the NGDOs operate, the MFA decided in 2020, within development projects, to unblock resources to finance not only security training for local partners and volunteers but also non-lethal equipment, eligible as official development assistance, required in order to ensure the safety of local partners and volunteers.



Project by the NGO Care



Project by the NGO Handicap International in Bangladesh (cr: HI)

Following some cases linked to sexual exploitation and abuse and sexual harassment (SEAH) in the development cooperation and humanitarian action sector internationally, the Ministry and the NGOs' *Cercle de Coopération* decided to produce a Charter to prevent and respond to SEAH. The Charter is aligned with the DAC's recommendation on ending sexual exploitation, abuse and harassment in development cooperation and humanitarian assistance. The MFA decided to make the granting or renewal of ministerial approval by the MFA conditional on membership of this Charter, from January 2021.

In 2020 the NGDOs disbursed EUR 85,340,843.42 for development cooperation activities, particularly through the main financial instruments:

- Development cooperation framework agreements: 25 framework agreements were co-financed in 2020, including two framework agreements carried out as a consortium, at a total cost of EUR 29,696,045.47
- In 2020, 5 multiannual framework agreements were extended, at a total cost of EUR 23,929,115.04 for the MFA share
- Co-financing of development projects: 76 individual projects by 36 NGOs were supported in 2020, at a total cost of EUR 9,476,379 for the MFA share

In total, the ODA allocated to national NGOs in 2020 was EUR 68,593,871 i.e. 25% 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.

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 and Luxembourg's Development Cooperation on civil society organisations as separate development operators. The Ministry's strong commitment to Luxembourgish 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 de Coopération des ONG* of Luxembourg, seen in particular in the meetings of the MFA-NGO working group, which met on four occasions in 2020.



AWARENESS-RAISING AND DEVELOPMENT EDUCATION

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 members of the public acquire the knowledge and skills needed to understand and engage in critical thinking about the causes and consequences of poverty, and take 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 Agenda 2030 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 inequalities, human rights, gender equality, food sovereignty, the promotion of a culture of peace and non-violence, climate change, production chains, etc.

National NGOs therefore play an essential role in the implementation of awareness-raising and development education activities in Luxembourg. In 2020, for example, Luxembourg's Development Cooperation co-financed **13 annual projects and 14 three-year framework agreements** with a total budget of EUR 2,345,563.16.

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 474,449.84 (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 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, in 2020 the NGOs *Fairtrade Lëtzebuerg* and *Fondation Caritas Luxembourg* received a mandate to implement the second phase of the Rethink your clothes campaign, which aims to raise public awareness of the social and ecological challenges in the textile industry.

In the area of national awareness-raising and development education policies, the MFA has maintained its representation in the Interdepartmental Committee on Education in Sustainable Development (CIEDD) with a view to defining guidelines for integrating education about sustainable development into all levels of the Luxembourg education system. The CIEDD seeks to coordinate 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 and networking of the actors involved in development education across Europe and in Luxembourg.



Vegetable garden at the centre for children and adolescents in Madagascar (cr: PADEM)

INCLUSIVE FINANCE, PRIVATE SECTOR, DIGITAL4DEVELOPMENT

INCLUSIVE AND INNOVATIVE FINANCE

Luxembourg's financial centre has considerable expertise, which may also be made available to international development. For more than 25 years, Luxembourg's Development Cooperation has been actively supporting the development of microfinance and inclusive finance to reduce global poverty, to promote economic development, inclusive growth and the socio-economic inclusion of women and young people. In this way, Luxembourg has become a key centre of excellence for inclusive and innovative finance.

Today, microfinance investment instruments based in Luxembourg account for over half the assets under management in the sector. These funds are mainly invested in developing countries and thus constitute a significant proportion of the direct foreign investment in these countries. This is an example of the leverage that private funds can have in promoting sustainable development across the world.

In 2020, Luxembourg's Development Cooperation continued its support to various players active in inclusive finance.



Through the Catapult seminar: Inclusion Africa, the Luxembourg House of Financial Technology (LHoFT) supports African fintechs and facilitates the scaling up of the most promising solutions through the creation of partnerships.

As part of the fight against the COVID-19 health crisis, which affected businesses globally, a COVID-19 response fund to support microfinance institutions and their clients was created with ADA, the MFA's main partner in the inclusive finance sector. Luxembourg's Development Cooperation also supported the coordination of investors with a view to ensuring sufficient liquidity for actors on the ground during these difficult times.

In partnership with five of these impact investment funds, the Smallholder Safety Nets project Upscaling Programme (SSNUP) was launched by Minister Fayot on 2 October, during a visit to the House of Microfinance. This project, implemented by ADA, receives co-financing from the Swiss Directorate for Development and Cooperation.

A new agreement was signed with the global micro-insurance network, Microinsurance Network (MiN), whose secretariat is based in Luxembourg.

On 5 October 2020, the Alliance for Financial Inclusion (AFI), a global network made up of about 100 finance sector regulators, joined Luxembourg's inclusive finance ecosystem by opening its Luxembourg office.

The year 2020 also featured the European Microfinance Week, an annual fixture for experts in the sector, whose flagship event is the presentation of the European Microfinance Award. On 19 November, at an online ceremony, the award was presented to the *Muktinath Bikas* bank in Nepal, in recognition of its integrated savings model tailored to clients' needs.

In January 2020, Luxembourg, with Bamboo Capital Partners and a coalition of partners, launched the SDG500 investment platform, dedicated to the financing of the Sustainable Development Goals (SDGs). The platform's aim is to collect USD 500 million for six funds in order to invest in the hundreds of businesses in the emerging and border markets or developing markets. Luxembourg is participating in three of these sub-funds through concessional financing: the ABC fund, the BLOC Smart Africa fund and the BUILD fund.

Karité processing unit of the
We do not sleep association



Microfinance project in Kenya

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 2020 had grown to more than EUR 39 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), Luxembourg's Development Cooperation promotes investment in tropical 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, the NGO *SOS Faim* is implementing the Agri+ project under the mandate of Luxembourg's Development Cooperation for the 2016-2022 period.

ATTF/HOUSE OF TRAINING

In order to make use of the expertise and potential of Luxembourg's financial market to support the development cooperation sector, Luxembourg's Development Cooperation supports the financial technology transfer agency (ATTF/House of Training) to implement training programmes in Rwanda, Cabo Verde, El Salvador, Kosovo, Vietnam, Mongolia and West Africa. In 2020, the work of the financial technology transfer agency (ATTF) was rolled out to Laos and Ethiopia. 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.

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 targets ICT, fintech, renewable energy, logistics and the circular economy. Starting with the 2020 edition, businesses may also obtain co-financing for projects in the space, mobility, CleanTech and HealthTech sectors. Five high-quality projects were selected in 2020, taking the number of projects chosen by the BPF to 30.

In addition, a clause on due diligence on human rights has been incorporated into the contracts with enterprises.



Microfinance project
in Kenya

DIGITAL FOR DEVELOPMENT (D4D)

The Digital4Development (D4D) concept seeks to promote the integration and capitalisation of digital tools by development assistance and humanitarian action operators, both in regard, for example, to basic social services, major innovative development projects or as a tool for the formalisation and monitoring of development policies. Africa is at the heart of these developments and it is widely recognised that information and communication technologies (ICTs) will play a vital role for its populations as they seek to become emerging States.

Within this context, the Directorate for Development Cooperation and Humanitarian Affairs formally signed up to the '9 Principles for Digital Development', the result of a concerted dialogue among the main digital actors in the international community.

In 2020, 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 in the ICT sector. The emphasis placed on digitisation within Luxembourg's Development Cooperation is, of course, not a new development, but the topic has gained fresh impetus in recent years. This is in line with the European Commission's wish to make Digital4Development a priority for international partnerships in the coming years.

Currently, Luxembourg's Development Cooperation is implementing about 40 projects dedicated to the digital and ICT sector. The D4D projects target, above all, digital financial services, telecommunications, telemedicine and cybersecurity.

Luxembourg 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.

The telemedicine project SATMED+ was implemented until 31 December 2020, in partnership with five NGOs. 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. A follow-up to this project is planned.



Digital Finance Initiative
in Togo

In 2020, Luxembourg worked proactively with other development partners to put in place a Europe-wide D4D Hub, which promotes a multi-actor approach by bringing together the private sector, civil society and academia. This Digital4Development platform aims to make Europe a world leader in digital transformation, promoting a fair and competitive digital economy that puts people and the principles of human rights at the heart of its actions. On 8 December 2020, Ursula von der Leyen, President of the European Commission, officially launched the D4D Hub in the presence of representatives of five EU Member States. At the launch, Prime Minister Xavier Bettel stressed the importance of supporting the African partner countries in their digital transformation with the ultimate aim of reducing the digital divide and using digital innovations for inclusive sustainable development in these countries.

Among the flagship projects of Luxembourg's Development Cooperation in the D4D area is the partnership with the University of Luxembourg's Interdisciplinary Centre for Security, Reliability and Trust (SnT), launched on 30 October 2020 by Franz Fayot, Minister for Development Cooperation and Humanitarian Affairs. At the same event, the LuxWays project was launched. Its aim is to train a cohort of West African experts in cybersecurity in partnership with the universities of Burkina Faso and Senegal.

In the telemedicine sector, the SATMED platform, a tele-health tool developed by SES TechCom, and based on the equipment, technology and connectivity of emergency.lu, continued to put in place telemedicine services and applications (e-learning, patient data storage, online consultations, etc.) that aim to improve public health in developing countries. The installation of SATMED satellite antennas makes it possible to reach communities living in remote areas where access to the internet via terrestrial infrastructure is not available, in order to link them to doctors and health institutions across the world, through an innovative ICT solution.

The background is a solid blue color. Overlaid on this are several white geometric lines that form a series of interconnected, irregular polygons. These lines create a sense of depth and structure, with some lines extending from the top and bottom edges towards the center. The overall effect is a modern, minimalist design.

HUMANITARIAN ACTION

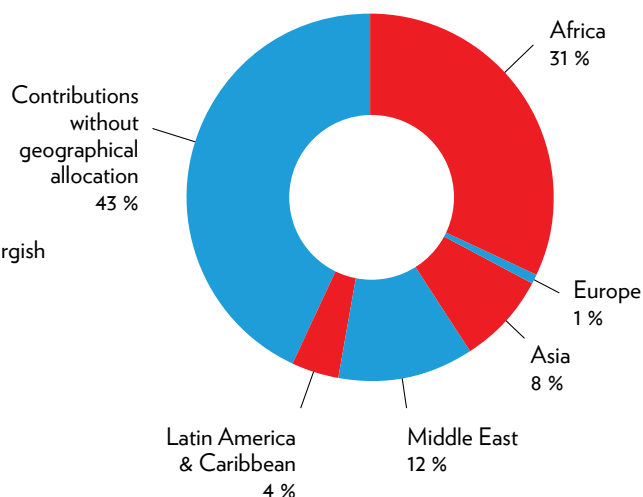
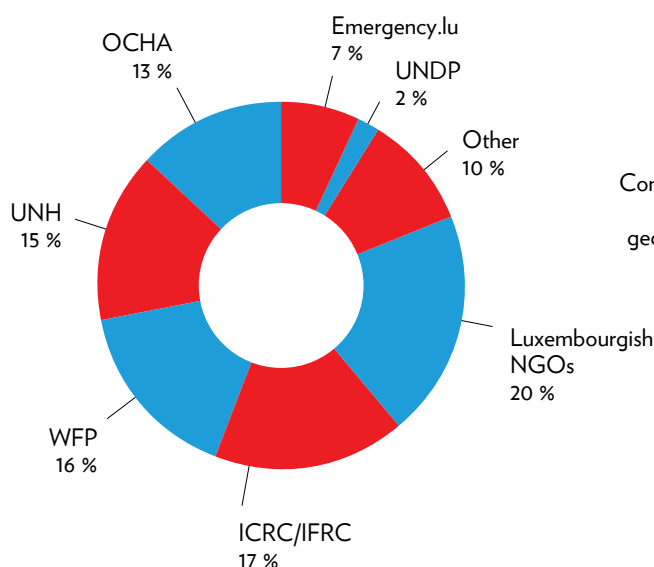
HUMANITARIAN ACTION

In view of the growing number of crises, which are becoming longer and more and more complex, humanitarian aid needs across the world are continually increasing, and in addition, in 2020, the health crisis linked to the COVID-19 pandemic has worsened matters. To support the responses by its humanitar-

ian partners in many different contexts, the Ministry of Foreign and European Affairs allocated a total budget of EUR 61,742,258.40 in 2020. The budget was disbursed to support 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 ALLOCATIONS

HUMANITARIAN ACTION		%	% OF ODA
Emergency aid	54,018,479.99 €	87.49 %	13.61 %
of which assistance in material and emergency services	41,916,031 €	67.89 %	10.56 %
of which emergency food aid	4,048,220 €	6.56 %	1.02 %
of which coordination of emergency assistance and support and protection services	8,054,229 €	13.04 %	2.03 %
Aid for reconstruction and rehabilitation	2,990,210 €	4.84 %	0.75 %
Disaster prevention and disaster preparedness	4,733,569 €	7.67 %	1.19 %
Total	61,742,258 €	100.00 %	15.56 %





World Food Programme
in Yemen (cr : WFP)

In 2020, together with its trusted partners, Luxembourg's humanitarian action stepped up its efforts to maintain support to operations in humanitarian contexts already in existence, while supporting the humanitarian response to the COVID-19 crisis. This approach made it possible to maintain the assistance that is crucial for vulnerable groups during prolonged crises and forgotten crises. Thus, Luxembourg made available significant funding to carry out emergency and rehabilitation projects by Luxembourgish NGOs and to support humanitarian operations by UN agencies and the International Committee of the Red Cross (ICRC).

Luxembourg also continued to honour its commitments within the four-year strategic partnerships 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 view of the COVID-19 pandemic and the complexity of the year 2020, including in terms of humanitarian action, a decision was taken together with the partners involved to extend these partnerships by one year, until the end of 2021.

In addition to the annual financial support, the partnerships 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 addition to the missions in progress, at the request of UNHCR the emergency.lu

platform was deployed in a refugee camp in Sudan in December 2020 during the crisis in the Tigray region in Ethiopia that drove thousands of people to flee the country.

In May 2020, Luxembourg submitted its third and final 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. In addition, a report linked to this commitment was also submitted and included by the secretariat of the 'Grand Bargain' in the overall report on the initiative.

As in previous years, the Luxembourg government contributed in 2020 to the Emergency Response Fund (CERF), which allows the UN to ensure that humanitarian aid reaches the world's crisis-affected people as quickly as possible. Contributions to CERF are, specifically, allocated to provide a rapid response to sudden or under-financed crises, such as the explosion in 2020 in the port of Beirut, the forced displacements of people in Burkina Faso or the hurricanes in Central America. Through CERF, Luxembourg's humanitarian action therefore supports not only urgent crises but also prolonged and 'forgotten' crises. Reflecting Luxembourg's commitment to pursuing its support for the Fund, Franz Fayot, Minister for Development Cooperation and Humanitarian Affairs, participated in the virtual CERF High-level Pledging Event, organised by OCHA and held on 8 December 2020. At the event he announced that Luxembourg would contribute EUR 10 million for the two-year period 2021-2022,

As in previous years, in 2020 the Luxembourg Government made contributions to several Country-based Pooled Funds - CBPF. This support enables Luxembourg to honour its commitment to strengthening the localisation of humanitarian assistance and to having reliable funding mechanisms available in order to reach those most in need. In 2020, new support for the Afghanistan Humanitarian Fund was put in place, bringing the number of funds supported by Luxembourg to 10.



Climate refugee camp
in Niamey

In the context of the COVID-19 pandemic, Luxembourg supported the ICRC's preliminary appeal as part of its operational response to the health crisis, with a particular focus on Niger and Burkina Faso. In addition, the Ministry supported the activities of Niger's Ministry of Humanitarian Affairs and Disaster Management in its fight against the COVID-19 pandemic, including in the camps for refugees and internally displaced persons. In addition, Luxembourg's humanitarian action supported the World Health Organization's (WHO) emergency fund in the context of the health crisis.

In view of the complexity of humanitarian crises and the fact that the COVID-19 pandemic exacerbated the vulnerabilities of those affected, the Ministry showed flexibility to its partners so that they could adapt their activities to the new challenges.

In terms of optimising coordination of the humanitarian response to the COVID-19 crisis, Luxembourg actively participated in coordination meetings as part of the COVID-19 Global Humanitarian Response Plan coordinated by OCHA, the ICRC's preliminary appeal for its response to COVID-19, and the European Union meetings.

Internally, as part of the update to Luxembourg's humanitarian action strategy, in 2019 and 2020 the Ministry organised thematic workshops on the priorities for humanitarian action by Luxembourg, such as innovation, the nexus between humanitarian action, development and peace (the triple nexus), disaster risk reduction, responsible digitisation and data protection, evaluation and auditing in humanitarian action. These workshops provided a forum for fruitful dialogue between the Luxembourgish and international partners of Luxembourg's humanitarian action.

In terms of digital transformation and data protection within humanitarian action, in 2020 the Ministry further stepped up its collaboration with the ICRC in this crucial area. In this context, the Ministry contributed, among other things, to the establishment of the DigitHarium, a global forum launched at the end of 2020 to discuss and debate digital transformation within the humanitarian sector, with a focus on data protection, humanitarian protection and ethics in order to find appropriate solutions to the current digital dilemmas. Luxembourg also became a member of the DigitHarium advisory group.



EMERGENCY AID

In preparation for possible natural disasters and humanitarian emergencies and also to respond to growing humanitarian needs in the context of prolonged crises, 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 indicators for forgotten crises published by ECHO and OCHA. In 2020, EUR 8,150,000 million was allocated to respond to humanitarian emergencies worldwide.

In view of the complexity of the crises and the worsening of the humanitarian situation, in 2020 the Sahel remained the priority region for Luxembourg's humanitarian action. Thus, Luxembourg supported humanitarian responses in Burkina Faso, Mali and Niger with a budget of approximately EUR 8,858,000 million. Luxembourg also continued to provide a humanitarian response to the Syrian crisis and the impact of this prolonged conflict on the region, the crisis of Rohingya refugees in Bangladesh and the conflict in Yemen, which has been ravaging the country since 2014. In addition, in the face of a new era of global vulnerability,

Luxembourg's humanitarian response in 2020 covered many other fragile and complex contexts, including South Sudan, Sudan, Somalia, Ethiopia, the Democratic Republic of Congo, the Central African Republic, Iraq, the Occupied Palestinian Territories, Ukraine, Afghanistan and Colombia. Finally, in the humanitarian sphere, the year 2020 saw not only the crisis linked to COVID-19 but also the explosion in the port of Beirut in Lebanon, the intensification of the conflict in Nagorno-Karabakh, the disastrous impact of the Eta and Iota hurricanes in Central America, and the emergence of a new conflict in the Tigray region in Ethiopia. The implementation of emergency humanitarian assistance in these countries and regions was achieved through contributions to the UN agencies, the ICRC and the International Federation of Red Cross and Red Crescent Societies (IFRC), and projects by Luxembourgish and international NGOs.

In addition to the financial contributions, the Ministry also provided in kind contributions, particularly through emergency.lu, as well as technical assistance from experts. In this context, following the explosion in the port of Beirut in August 2020, a co-worker from the Directorate for Development Cooperation and Humanitarian Affairs was sent to Lebanon as part of the mission of experts for the United Nations Disaster Assessment and Coordination (UNDAC) to help with the work to coordinate national and international support and rescue.

Climate refugee camp
in Niamey



TRANSITION, REHABILITATION AND RECONSTRUCTION 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 2020, the Ministry continued to co-finance rehabilitation and reconstruction activities with projects by the *Fondation Caritas Luxembourg* in Afghanistan and South Sudan, two projects by Care in Luxembourg in Mozambique and in Indonesia and the co-financing of 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 Centre for Transitional Justice (ICTJ) for its transitional justice programmes in Tunisia and Colombia, as well as a research project on the link between transitional justice and prevention. In addition, the Ministry supported the second phase of the project by NGO *Appel de Genève* for the consolidation of peace and the protection of civilians in Mali. Moreover, the NGO Refugee Education Trust (RET) was supported in implementing a programme to demobilise children associated with armed forces and groups in the DRC.



PREVENTION 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 2020 Luxembourg continued its support to the Niger Ministry of Humanitarian Affairs and Disaster Management under the bilateral humanitarian partnership for the implementation of flood risk reduction activities. Luxembourg also supports the prevention projects of its partner NGOs with many

contributions to various projects by Friendship Luxembourg in Bangladesh, two Luxembourg Red Cross projects in Niger and Madagascar, a project by the *Fondation Caritas* in Laos and a project by *Handicap International Luxembourg* in Myanmar. 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.

In addition, with the aim of contributing to efforts on preventing and combating sexual violence, Luxembourg financed a study by the ICRC on sexual violence in South Sudan and the Central African Republic.



EMERGENCY.LU

On 18 December 2020, Franz Fayot, Minister for Development Cooperation and Humanitarian Affairs, HITEC Luxembourg, SES Techcom and Luxembourg Air Ambulance signed an agreement to continue the 'emergency.lu' programme until 2026.

A targeted solution which is in much demand among humanitarian agencies during major disasters and crises, emergency.lu will continue to provide ICT services to humanitarian agencies, residents and governments in the countries affected. Innovative and at the cutting edge of technology, the new version of the platform will be more efficient, flexible and scalable.

Since January 2012, in support of humanitarian organisations, the Ministry has deployed telecommunications systems across the world, namely in the Bahamas, the Central African Republic, Chad, the Comoros, the Democratic Republic of Congo, the Dominican Republic, Guinea, Haiti, Madagascar, Mali, Mozambique, Nepal, Niger, Nigeria, Saint Martin, Sierra Leone, South Sudan, Syria, Vanuatu and Venezuela. In close collaboration with the Grand Ducal Fire and Rescue Corps (CGDIS), emergency.lu's operational partner, 40 volunteers from the group responsible for humanitarian missions were sent to disaster sites to install and operate the systems.

During 2020, Luxembourg's humanitarian action provided services to humanitarian organisations in the Central African Republic, Nigeria, Niger, Chad, Venezuela and in Syria, at the request of the World Food



Extension of emergency.lu
until 2026

Programme (WFP), the ETC (Emergency Telecommunications Cluster), the United Nations High Commissioner for Refugees (UNHCR) and UNICEF. In December 2020, three terminals were sent to Sudan against the backdrop of the crisis in the Tigray region.

The background is a solid blue color. Overlaid on this are several white geometric lines that form a series of nested, overlapping polygons. These lines create a complex, abstract pattern that resembles a stylized 'X' or a series of interlocking shapes. The lines are thin and white, contrasting sharply with the blue background.

CROSS-CUTTING ISSUES



COVID-19

The countries of the South, whose public health systems are often already fragile, are particularly badly impacted by the effects of the health crisis linked to COVID-19, with vulnerable groups on the front line suffering disproportionately. In this context, starting in the first quarter of 2020 Luxembourg's Development Cooperation provided a coordinated response, both in terms of development cooperation and on humanitarian action. It sought on the one hand to directly support its partner countries bilaterally, and on the other hand to help with the international community's response.

In order to maximise the consistency and impact of its support, Luxembourg's Development Cooperation worked in a fully integrated manner within the Team Europe approach of the European Union and its Member States. This is the favoured European framework for the external response to COVID-19, both for meeting short-term and vitally important needs and also for structural socio-economic support forming part of medium and long-term assistance. At the end of 2020, Luxembourg's contributions thus amounted to nearly EUR 69 million, with priority allocation of resources to West Africa, home to five of Luxembourg Development Cooperation's seven priority partner countries.



At the bilateral level, Luxembourg's Development Cooperation provided, among other things, direct aid of nearly EUR 14 million for the health emergency in Cabo Verde, Burkina Faso, Mali, Niger, Senegal, Laos, Mongolia, Myanmar, Nicaragua, El Salvador and Kosovo. This support, some of which will be continued beyond 2020, was implemented through Lux-Dev, Luxembourg's development cooperation agency. In some partner countries where Luxembourg's Development Cooperation implements multiannual health programmes, such as Laos and Senegal, efforts have in addition been initiated with the national partners to boost or incorporate specific support elements. The latter relate, specifically, to consolidating health systems and pandemic prevention and treatment mechanisms, including through the provision of technical assistance and of key equipment, including cold chain facilities.

In addition to this support, there is targeted and thematic financial support for development and humanitarian action to multilateral actors and instruments, non-governmental organisations and to operations run by the International Committee of the Red Cross (ICRC). In line with its multilateral commitments, Luxembourg thus strengthened its support to certain of its major partners, including the Vaccine Alliance (Gavi), the Global Fund to Fight AIDS, Tuberculosis and Malaria, the World Health Organization (WHO) and the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA). To contribute to fair distribution of COVID-19 vaccines, particularly in the countries of the global South, Luxembourg also decided to make a commitment with a budget of EUR 1 million to the COVAX international sharing mechanism, under the aegis of Gavi, the Vaccine Alliance. Recognising the importance of the contributions and partnerships of Luxembourgish and international non-governmental organisations locally, Luxembourg's Development Cooperation also provided additional financing and facilitated the reorientation of activities towards the response to COVID-19.

Delivery of personal protective equipment to health professionals in Bolikhamxay province in Laos



Delivery of emergency medical equipment in the rural regions of Laos

TEAM EUROPE

Team Europe is the single European framework for the external response to the COVID-19 crisis in order to tackle the immediate health crisis and humanitarian needs in the partner countries. This concept was subsequently extended to address, in addition, the more long-term structural impact on the societies and economies of the countries in question, and covered the orientation of the EU's multiannual programmes with its partner countries.

Since it was launched in April 2020, Team Europe has mobilised EUR 38.5 billion. In 2020, Luxembourg, which aligned itself with this common EU approach, contributed EUR 68.88 million to the COVID-19 response.

Team Europe's political priorities are:

- 1) emergency aid and humanitarian aid;
- 2) support for basic health, water and sanitation and nutrition systems;
- 3) support for socio-economic recovery.

The values guiding the approach are European solidarity with the partner countries and the EU's determination to show global leadership for a sustainable recovery. The themes of sustainability and innovation are apparent in the links with the Green Deal, the Sustainable Development Goals (SDGs) and the principle of Build Back Better and Greener.

It can be seen that there is considerable impetus from the European Commission and the external service to assert the role of the European Union on the world stage with regard to geopolitics, as the EU is the largest donor in Africa, given the growing influence of other players in some partner countries or certain gaps in multilateral forums. The European Commission is actively looking for synergies to promote this approach in multilateral forums.

In this context, it should be noted that the Team Europe Initiatives, which are a manifestation of the Team Europe approach in the EU's multiannual cooperation programmes with its partner countries, will be at the heart of programming for future years and will also be coupled to the NDICI – the Neighbourhood, Development and International Cooperation Instrument – which is the new financial instrument for development and neighbourhood, due to become operational in the next multiannual financial framework.

In general, Luxembourg has aligned itself with this approach and welcomes, in particular, the new dynamic it creates for joint programming but also on the political level.



Populations at risk of flooding linked to climate change in Niger



ENVIRONMENT & CLIMATE CHANGE

The major global environmental changes, and in particular climate change, loss of biodiversity and desertification, are adversely impacting the human and natural systems on which human well-being and economic activities are based. They will continue to influence countries' development conditions. These changes constitute threats and a major challenge for societies in their ability to meet basic human needs, promote justice, peace and security and pursue sustainable growth and development.

The years ahead will be decisive in preventing the effects of climate change, which are already being felt acutely in some countries, and in limiting global warming to 1.5°C above temperatures in the pre-industrial era. Successive reports by the Intergovernmental Panel on Climate Change (IPCC) have shown that the impacts of climate changes, such as increased frequency and intensity in extreme meteorological events including flooding and cyclones, as well as more gradual changes including an increase in sea level, increase in the temperature and acidification of oceans, and long droughts, are already being felt worldwide. The implications in terms of development are therefore considerable. The way in which the communities, towns and countries develop, both socio-economically and spatially, are in addition key determinants of their vulnerability to the impacts of climate change.

The environment is therefore a key element of the overall aim in Luxembourg Development Cooperation's general strategy, and one of the three cross-cutting issues on which its actions focus. Thus, in 2020 Luxembourg's Development Cooperation has continued its mainstreaming approach to the issue through its cooperation projects and programmes, aiming to achieve consistency with the principle of additionality of international climate financing as set out in the government's coalition agreement.

The year 2020 saw the launch of a review process for Luxembourg's Development Cooperation's climate environment strategy, based on the international environmental agreements and on political and strategic guidelines developed at international, European and national levels.

A group of consultants was tasked with supporting Luxembourg's Development Cooperation in this work, which will continue in 2021, the aim of which is to further integrate environment and climate change issues into the projects and programmes supported by official development assistance. These issues will be closely linked to that of gender equality, Luxembourg's Development Cooperation's other cross-cutting issue, in order to take into account the proven greater vulnerability of women and girls to the consequences of climate change.

The new strategy will be developed on the basis of key principles in different priority issues consistent with the priorities targeted in the Luxembourg's Development Cooperation general strategy, and will put forward guidelines concerning different implementation methods. An operational action plan will also be put in place. This will define the key actions to be carried out by Luxembourg's Development Cooperation in the medium term to ensure the strategy is properly deployed.



GENDER

“WOMEN’S RIGHTS TO TAKE CENTRE STAGE IN 2020”¹

The year 2020 was a landmark year for gender equality, for many reasons. Five years after the launch of the Sustainable Development Goals (SDGs), 20 years after the historic resolution of the United Nations Security Council on women, peace and security, 25 years after the Beijing Declaration and Platform for Action, 2020 is an important year for reflection, commitment and action.

Launched at the end of 2020, the EU’s third action plan to promote gender equality reaffirms that gender equality and the empowerment of women and girls (GAP III) continues to be a key political aim in EU external action.

Since then, the world has made considerable progress, but there is still a long way to go to achieve gender equality. Hard-won advances have been fundamentally questioned and new challenges have emerged.

Three quarters of the world’s countries today have laws on domestic violence, but globally 137 women are killed each day by a member of their own family; in the European Union, one woman in ten says that they have been the victim of cyber-harassment after the age of 15.

¹ Title of an article published in the Guardian newspaper (consulted on 8 April 2021).



More women and girls can access education, but the gap between the genders in relation to participation in the labour market remains unchanged. Everywhere, it is women that take on the greater share of non-remunerated care and domestic work, often to the detriment of their careers and their participation in the economy. And while global poverty has fallen, it remains a significantly female issue: women aged between 25 and 34 are 25% more likely than men to be living in extreme poverty.

THE CORONAVIRUS CRISIS: A NEW GENDER GAP?

The stakes have become even higher since the coronavirus pandemic has been ravaging the planet, as periods of great crisis often put women on the front line. They take crucial decisions on how to tackle the effects of the crisis on public health, society and the economy, but at the same time they are disproportionately affected by the pandemic. Employment and working conditions have been turned upside down, raising the question of a possible reversal of the progress made on gender equality. Increased participation by women in the ongoing recovery from the COVID-19 pandemic will be crucial in rebuilding more inclusive, fairer and more ecological societies.

At the current pace, it will take another 100 years to achieve parity between the genders in the areas of politics, the economy, health and education, according to the conclusion of the Global Gender Gap Report 2020. But it doesn’t have to be this way. The report also points to the areas where progress can be made in gender equality, such as: an increase in political representation of women, the establishment of affordable care infrastructure and the fair sharing of domestic tasks and care activities, as well as teaching young women and girls the skills they need to succeed in their future jobs.

Hantigoussou primary school
in Niamey

Luxembourg reaffirms its unwavering commitment to the Beijing Platform for Action and all the actions to promote gender equality described in it. The strengthening of women's and girls' rights is a key element of the overall aim in Luxembourg Development Cooperation's general strategy, and one of the three cross-cutting issues on which its actions focus. Thus, in 2020 Luxembourg's Development Cooperation pursued its mainstreaming approach to the issue through its cooperation projects and programmes, aiming to achieve consistency. The actualisation of women's rights as fundamental human rights and of gender equality requires a coordinated and multi-sectoral approach that involves all stakeholders, including civil society and women's organisations, as well as the business world.

In line with the aim of adopting a sensitive approach to gender, in 2020 Luxembourg's Development Cooperation revised its former gender strategy on the basis of political and strategic guidelines developed at international, European and national levels. This was designed to integrate the dimension of gender and gender equality into all the projects and programmes supported by official development assistance, as well as into our institutional structure.

Luxembourg submitted its response to the EU's 2019 Report on the Gender Action Plan (GAP). It also participated in the targeted consultation in preparation for the third action plan for the 2021-25 period. At the meeting of the Foreign Affairs Council in its development configuration in November 2020, Minister Franz Fayot supported the implementation of GAP III for gender equality throughout the world. He also urged the Council to adopt ambitious targets (including 85% of actions linked to gender in external action) and the maintenance of ambitious language (gender equality instead of equality between men and women).

Luxembourg's Development Cooperation pursues a zero-tolerance approach to sexual and gender-based violence in its programmes and also within the institution itself. In line with this approach, since the start of 2020 any NGDO requesting financing from the MFA must first have subscribed to a Charter against sexual harassment, exploitation and abuse, put forward by the OECD's Development Aid Committee (DAC) in 2019. By subscribing to this Charter, every NGDO subscribes to a set of minimum commitments to combat any form of sexual exploitation and abuse and sexual harassment (SEAH).

Luxembourg has argued vigorously for the strongest possible language regarding women's and girls' hu-

man rights in all international forums. Within this context, in 2020 Luxembourg was one of the signatories of a joint letter from donors to the Secretariat of the United Nations Executive Board on the inclusion of SEAH aligned language for multilateral organisations.

To support the fight against sexual and gender-based violence, Luxembourg's Development Cooperation was the first international donor to confirm its support to the Dr Mukwege's Panzi hospital for women and children in the Democratic Republic of Congo, with a budget of EUR 5 million. The project's particular point of difference is that it provides holistic support for the treatment of rape victims while facilitating their access to justice.



HUMAN RIGHTS

In accordance with its commitment as a responsible member of the European Union and the international community, the coalition agreement of the Luxembourgish government (2018-2023) reiterates the importance it places in its external action on protecting the values of freedom, peace and security, democracy, respect for human rights and dignity, solidarity, tolerance, pluralism and equality. These principles and commitments are reflected in Luxembourg's Development Cooperation general strategy, the main aim of which is to contribute to the reduction and, in the long term, eradication of extreme poverty by supporting sustainable development in the economic, social and environmental spheres.

In support of the United Nations Agenda 2030 and the attainment of the 17 Sustainable Development Goals in association with the principle of 'leaving no one behind', the strategy establishes the promotion of and respect for human rights as a cross-cutting priority of Luxembourg's Development Cooperation. Alongside gender equality and environmental sustainability, these three cross-cutting priorities are systematically incorporated into Luxembourg's development cooperation and humanitarian action interventions.

Luxembourg's humanitarian action is guided by the principles and good practice of humanitarian action (good humanitarian donorship) in accordance with the international principles for predictable and flexible aid and the promotion of respect for international humanitarian law.

The action of Luxembourg's Development Cooperation in favour of the promotion of and respect for human rights is structured using a multi-level rationale and instruments, both multilateral and international forums and through support for projects and programmes in its partner countries. In 2020, initiatives were carried out there as part of its bilateral and multilateral action and also in support of non-governmental organisations and civil society in the broad sense. This latter aspect included initiatives in Luxembourg through awareness-raising and development education. Nationally, and with regard to the private sector, it should also be noted that Luxembourg's Development Cooperation fully subscribes to the implementation of the United Nations guiding principles on business and human rights. In this context, Luxembourg's Development Cooperation now makes its support for private actors expressly conditional on their formal commitment to respect human rights.

In its partner countries and in line with its aim to contribute to the strengthening of access to and the supply of high-quality basic social services, particularly to the most vulnerable and marginalised groups, in 2020 Luxembourg's Development Cooperation continued its bilateral and multilateral support to projects and programmes that prioritise, first and foremost, the defence of and respect for children's rights and the rights of women and girls, including through support for health and sexual and reproductive rights.

The promotion of inclusive governance at all levels is one of the four thematic priorities of Luxembourg's Development Cooperation. In view of the deterioration observed in expression and participation in civil society, particularly in the Sahel, Central America and South-East Asia, Luxembourg's development cooperation action has strengthened support, in its programmes and projects, for respect for the rule of law and access to justice as well as support for the emergence of more efficient and more accountable public institutions. Alongside these actions Luxembourg is continuing its support to Luxembourgish and international NGOs to promote civil society participation in decision-making processes with a view to facilitating, in the long term, the establishment of a truly inclusive and rights-based environment.

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DEVELOPMENT EFFECTIVENESS



OECD DAC

Luxembourg has been a member of the OECD's Development Aid Committee (DAC) since 1992. A unique international forum, the DAC brings together the largest providers of development assistance, and has 30 members.

The overarching aim of the DAC for the 2018–2022 period is to promote development cooperation and other relevant policies so as to contribute to the implementation of the 2030 Agenda for Sustainable Development, including sustained, inclusive and sustainable economic growth, poverty eradication, improvement of living standards in developing countries, and to a future in which no country will depend on aid.

In order to achieve this overarching objective, the Committee's activities include monitoring the resources that support sustainable development, assessing them and reporting on them; reviewing development cooperation policies and practices and upholding international norms and standards; carrying out analysis, developing guidance and collecting good practice to assist the members of the DAC and the expanded donor community to enhance innovation in development cooperation, development impact and effectiveness and the results produced by development cooperation.

As part of this remit, in 2020 the DAC conducted a mid-term review of the peer review of Luxembourg. This welcomed the solid progress made, particularly in the area of inclusive finance, digitisation and climate change. Among the country's key actions are national whole-of-government strategies, a dialogue and mechanisms designed to bring about more coherence in public action, and investment in information management. Since Luxembourg is a leader in sustainable and inclusive finance, the mid-term review encouraged it to promote the integration of developing countries within sustainable finance. Investment in its cross-cutting priority, i.e. the environment, and the thinking about how to address fragility and risk management were picked out as areas to focus on for further progress.



EVALUATION

In light of the COVID-19 pandemic, the timetable and implementation of evaluations to be carried out in 2020 had to be adjusted.

Two NGOs were evaluated in the first half of 2020. The external evaluation of interventions by the Luxembourgish NGO *Comité pour une paix juste au Proche-Orient (CPJPO)* on development education and public awareness-raising in Luxembourg during 2016 to 2019 took place from February to July 2020. The evaluation of the organisational structure of the Palestinian NGO Palestinian Agricultural Development Association (PARC) and of the management of the Advance Rural Development Investment (ARDI) programme implemented by it was carried out from December 2019 to July 2020. The ARDI programme was also the subject of a financial audit carried out partly face-to-face and partly remotely by external auditors from January to June 2020.

Luxembourg also launched a joint mid-term review with LuxDev of the Indicative Cooperation Programme (ICP III, 2017-2021) between Burkina Faso and the Grand Duchy of Luxembourg. Technical evaluations of the two interventions implemented by LuxDev and one intervention implemented by the UNFPA were conducted by external consultants. The consultants will also carry out the strategic review of the ICP III as a whole during the first quarter of 2021.

The mid-term reviews of five of the seven Indicative Cooperation Programmes (ICPs) carried out in 2018 and 2019 were examined in 2020 in order to learn the key lessons and recommendations in these evaluations and to improve mid-term review processes, with the ultimate aim of optimising the evaluations of Luxembourg's Development Cooperation.

The external evaluation of the *Appui au développement de l'inclusion financière 2018-2021* (Support for financial inclusion 2018-2021) programme by the Luxembourgish NGO *Appui au développement autonome* (ADA) was commissioned in December 2020 and will be completed in April 2021.

In addition to managing and monitoring evaluations, Luxembourg focuses on the work of evaluation networks. In 2020, Luxembourg participated in the meetings of the Multilateral Organisation Performance Assessment Network (MOPAN), the Société luxembourgeoise de l'évaluation et de la prospective (SOLEP - Luxembourg company for evaluation and forecasting), and the OECD/DAC network on development evaluation (EVALNET). Some members and partners of this network, including Luxembourg, have created the COVID-19 Global Evaluation Coalition. This coalition has set itself the task of evaluating the response to the COVID-19 pandemic and providing independent and credible elements of evaluation, in order to take responsibility and to learn lessons.



IT SYSTEM

Directorate of Development Cooperation and Humanitarian Affairs supports development and humanitarian action programmes implemented by a wealth of partners. A robust data centralisation and management instrument is essential. Therefore, and with the aim of modernisation, the Ministry believes that it is now necessary to transition to a professional information system.

Luxembourg's Development Cooperation plans to profit from this transformation programme not only to facilitate the collection of information on the development programmes implemented by its many partners, but also to improve the presentation of project data for internal and external reporting purposes (IATI, OECD), to increase the reliability of data and their centralisation, and to have a system able to communicate with the SAP financial system already in place.

To that end, a roadmap has been produced, documenting the stages to be followed to develop an information system capable of meeting the expectations described above, as well as future needs. An organisational review to identify the various optimisations that could improve the functioning of the Directorate of Development Cooperation and Humanitarian Affairs was also carried out in 2020.

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COHERENCE OF POLICIES



COHERENCE OF DEVELOPMENT POLICIES

Luxembourg's Development Cooperation seeks to promote the coherence of development policies. This makes it possible to ensure that all Luxembourg's actions in a specific country are properly structured and coherent and make an effective contribution to sustainable development.

The 3D approach (diplomacy, development and defence) implemented within Luxembourg's foreign policy, especially through a coordinated country approach in Cabo Verde, makes it possible to ensure coherence between national policies and thus to contribute to sustainable growth and stability.

This involves assessing whether and to what extent national policies effectively contribute to the attainment of the aims set in Agenda 2030 in developing countries. In this sense, Luxembourg's Development Cooperation supports the inclusion of impact on developing countries within the *Nohaltegekeetscheck*, which will make it possible to test the sustainability of legislative initiatives, thus boosting the synergies between national policies and international cooperation.

Nationally, the Interministerial Committee for Development Cooperation (ICDC) is responsible for pan-governmental coordination on development cooperation and the coherence of development policies. The ICDC works in close partnership with both the Interdepartmental Commission on Sustainable Development (ICSD), with which it held an initial joint workshop in June 2020, and with the Interministerial Committee on Human Rights (ICHR).

In order to strengthen the mechanisms that are vital for policy coherence, such as the ICDC, Luxembourg is currently supported by the OECD through an institutional scan, which will make it possible to formulate recommendations for adjusting Luxembourg's mechanisms in order to make them even more effective.

For its part, the Chamber of Deputies continues to play an important role regarding governance and policy coherence by providing overall scrutiny through regular dialogue with government.

The state of progress regarding development policy coherence is also closely monitored by the NGOs' *Cercle de Coopération*, which, with the support of Luxembourg's Development Cooperation, regularly makes observations and implements awareness-raising activities, particularly in the areas of fair trade and socially responsible clothing.

Luxembourg's Development Cooperation is also aware of its responsibilities in the area of human rights, and actively supports the implementation of the United Nations guiding principles on business and human rights, within the framework of the second national action plan. This year, Luxembourg's Development Cooperation began to ask its private partners to make a commitment to respect human rights.



INTERMINISTERIAL COMMITTEE FOR DEVELOPMENT COOPERATION

The Law of 9 May 2012 amending the amended law of 6 January 1996 on development cooperation and humanitarian action defines the responsibilities of the Interministerial Committee for Development Cooperation (ICDC). It has the remit of giving its opinion on the broad outlines of development cooperation policy and the coherence of development policies. The law also asks 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.

In 2020, the ICDC met five times under the chairmanship of the Director for Development Cooperation and Humanitarian Action. In addition to the routine updating on the flagship activities of Luxembourg's Development Cooperation at each meeting, including, in particular, the reorientations of projects

and programmes as a result of the COVID-19 pandemic, the work of the ICDC placed special emphasis on policy coherence.

Thus, an initial joint meeting between the ICDC and the Interdepartmental Commission on Sustainable Development (ICSD) was held. While the ICDC coordinates the government's development cooperation policies and the coherence of development policies, the ICSD, under the auspices of the Ministry of the Environment, Climate and Sustainable Development, is responsible for the planning, implementation and monitoring of the National Sustainable Development Plan (NSDP) as a whole, ensuring the coherence of sustainable development policies. The joint session was facilitated by two experts from the OECD who presented the 'Strengthening existing institutional mechanisms and capacities for policy coherence in Luxembourg' project. Over a 24-month period this project will make it possible to work on the following aims: (a) strengthening Luxembourg government capacities to identify synergies, manage policy trade-offs and avoid negative spillovers when implementing the SDGs, and (b) improving understanding among policy makers and key stakeholders on how to apply policy coherence and integrated policy-making in practice to achieve the SDGs in Luxembourg and abroad. This work will be continued in 2021.

In addition, the presentation of the results and Luxembourg's score in the 2020 edition of the Commitment for Development Index (CDI) by the Center for Global Development (CGD) made it possible to carry out an in-depth analysis and dialogue on the impact of the range of Luxembourg's policies. Since the aim of the index is to draw attention to the ripple effect of policies and the way in which they impact the lives of residents of low and middle-income countries, the CGD is helping to encourage a debate on policies with an impact on development. A dialogue based on verifiable data thus contributes to a reform of policies in the direction of better coherence, in order to reduce inequality and poverty across the world.

At further meetings of the ICDC it has been possible to take stock of the evolution of certain European policies linked to development, such as the Team Europe approach, and to present ongoing work for the formulation of a sectoral strategy within the Directorate of Development Cooperation and Humanitarian Affairs on inclusive finance and the private sector at the service of development.

Representatives of the NGOs' *Cercle* were invited to the ICDC's meetings for all discussions on policy coherence, and one was facilitated by the *Cercle*. The reports on these meetings are public and are available on the MFA's website.

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CONTRIBUTING TO LUXEMBOURG'S DEVELOPMENT COOPERATION



CONTRIBUTING TO LUXEMBOURG'S DEVELOPMENT COOPERATION

Programme support manages operations relating to the deployment of human resources working for Luxembourg's Development Cooperation: paid internships at the Directorate of Development Cooperation and Humanitarian Affairs, unpaid internships within the NGO *ENDA Tiers-Monde*, the cooperation volunteer service (SVC); Junior Technical Assistants (JTAs, an MFA-funded development cooperation internship programme managed by LuxDev) or the Young Professionals in delegations at the European

Commission and the European External Action Service and the Junior Professional Officers (JPOs) and UN Volunteers (UNVs) at the various UN agencies.

In addition, the Directorate of Development Cooperation and Humanitarian Affairs grants financial support to aid workers working on behalf of various accredited Luxembourgish NGOs. Alongside this, the purpose of development cooperation leave is to enable members of these 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.

2020 - OVERVIEW OF THE DEPLOYMENT OF YOUNG HUMAN RESOURCES IN DEVELOPMENT COOPERATION

1 SDP	16 JPOs	3 JPDs	6 JTAs	9 UNITED NATIONS VOLUNTEERS
UNDP (Praia)	OCHA (The Hague)	EEAS (Yangon)	LAO/027 (Vientiane)	Joint UN Office (Praia)
	OCHA (New York)	EEAS (El Salvador)	SEN/031 (Dakar)	OCHA (Addis Ababa)
	UNHCR (Nairobi)	EEAS (Hanoi)	SEN/032 (Dakar)	Joint UN Office (Praia)
	UNDESA (Dakar)		CVE/081 (Praia)	UN Women (Pristina)
	WHO (Geneva)		CVE/082 (Praia)	OCHA (Dakar)
	WFP (Rome)		LAO/029 (Vientiane)	WHO (Vientiane)
	UNDP (Vientiane)			UNFPA (Dakar)
	UNHCR (Beirut)			WFP (Vientiane)
	UNICEF (New York)			UN Women (Dakar)
	UNICEF (Palestine)			
	ILO (Bangkok)			
	WFP (Bangkok)			
	UNFPA (Laos)			
	UNAIDS (Geneva)			
	UNDP (New York)			
	UNDP (New York)			

PERSONAL STORIES



REBECCA FELTEN

JTA – Vocational and technical training
and Employability, Senegal - Dakar

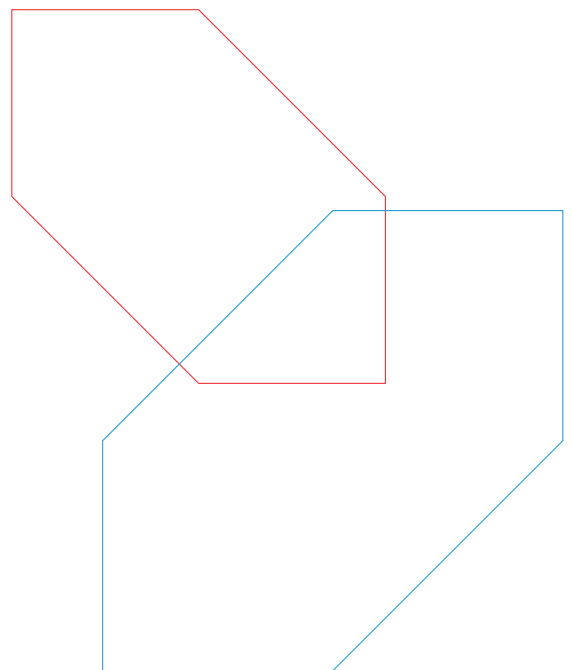
**IN ADDITION TO THE EDUCATIONAL
EXPERIENCE AND GETTING TO KNOW
MORE ABOUT THE UN ENVIRONMENT,
THIS TIME HAS BEEN VERY IMPORTANT IN
HUMAN TERMS BECAUSE IT GIVES US THE
OPPORTUNITY TO SHARE OUR EXPERIENCE**

“

During my studies in international development cooperation, I had the opportunity to discover the world of Luxembourg's Development Cooperation when I carried out an internship in a Luxembourgish NGO and also within the NGOs' *Cercle de Coopération*. My experiences in these internships really strengthened my desire to work in the area of development cooperation. After my studies, I was looking for a job in a development project on the ground in order to apply the skills I had learnt and to expand my knowledge while living in a developing country. When I found out about the junior technical assistant (JTA) programme, I realised it was the perfect route for realising my personal and professional ambitions.

My work as a JTA in the VET and Employability programme in Senegal is very varied. Each day is different. The tasks I carry out alternate all the time between the LuxDev technical office, the Senegalese Ministry of Vocational Training and field missions at training centres and technical high schools. I am mainly responsible for monitoring the programme's operational programming and indicators, but I also monitor the partnership agreements. In addition, I work on facilitating and optimising collaboration and communication within the team. However, the field missions are one of my favourite activities because they enable me to observe and analyse at first hand the programme's impact on the beneficiaries.

My experience in Senegal has included many unforgettable impressions in both professional and personal terms. My professional highlight has been creating a partnership between three high schools in Senegal. The personal commitment and tireless motivation of those involved were impressive and reaffirmed my passion to continue to work in this field.





THE MOST IMPORTANT THING IS THE CHANCE TO BE ACTIVE IN REORIENTATING LUXEMBOURG'S DEVELOPMENT COOPERATION.

MARIA BELÉN ZAMBRANO

JTA – Employment and Employability,
Cabo Verde

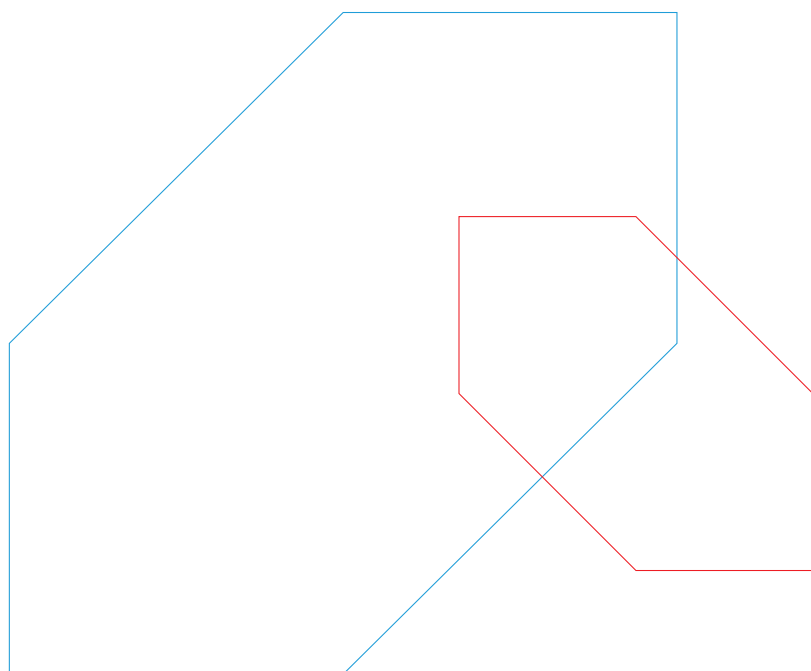
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I started the JTA programme in September 2019 and I work in Cabo Verde for the Employment and Employability Programme. Before working with LuxDev, I worked for a microfinance NGO as project officer and for a research company in Brussels. I have a political science degree and a European master's degree in human rights.

To give you a different way of looking at things, I'm going to tell you about a working day during a mission. We start with a team meeting at breakfast to review the day's programme, and then we meet our driver and travel to the meeting points. I have carried out most of my missions on the island of Santo Antão, where we have to travel along steep paths to get to the places we are visiting. The associations supported by the rural tourism project have built small tourism units, such as restaurants or guest houses. We reach the meeting places and start

with a review with the association on what has been achieved and the problems encountered, then we start the planned training or workshop. At the end of the day, we check in again with the team to prepare for the next day before the evening meal. On these days, I can see the progress made by projects on the ground and discuss with the beneficiaries their needs, and, above all, share in their day-to-day experiences.

My highlight while here is the people I work with. Cabo Verde is a very welcoming country and the Cabo Verdeans are its best ambassadors. The team is very considerate, and this is a key element for well-being at work, especially at the beginning when I didn't speak the language. I was able to work with my colleagues on the various projects, discuss them with them and ask them all the questions I had. It is a pleasure to work with the local partners and associations and share their knowledge of the country. Through their commitment and willingness to share I have been able to learn a lot.



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