

LUXEMBOURG

1. Measures to accelerate progress towards the MDGs by 2015

Luxembourg combines its effort of scaling-up ODA with an increased attention to new challenges that gained importance since 2000: climate change, the economic and financial crises, migratory movements and situations of fragility. It focuses increasingly on regional integration processes, particularly in West Africa. Luxembourg concentrates its efforts on the social sectors, notably health and education, and on integrated local development. The adoption of a more programme-based and sector-wide approach to the health sector should have beneficial effects on MDGs 4, 5 and 6.

2. Changes in development policy and what drives them

Luxembourg follows an approach of continuity whereby changes are introduced gradually in response to requests from partner countries and to a changing international environment. The new government programme (2009-2014) commits to maintain ODA at 1% of GNI over the coming years, and to increase the quality and effectiveness of development cooperation. Particular attention is paid to regional approaches, situations of fragility, and linkages between development and climate change. The third generation of ICPs will share a common structure, inspired by the country strategy papers of the European Union, and will contain a joint commitment of Luxembourg and the respective partner country to the principles of aid effectiveness.

3. Measures to increase the predictability of aid

Bilateral aid is delivered through multi-annual (4-5 year) indicative cooperation programmes (ICPs) negotiated with the partner country governments and in line with their national development strategies. These ICPs include indicative financial allocations, thus providing partner countries with an important degree of medium-term predictability. An annual review of progress at ministerial level and in bilateral partnership commissions ensures that the ICPs remain relevant to the respective partner countries' priorities.