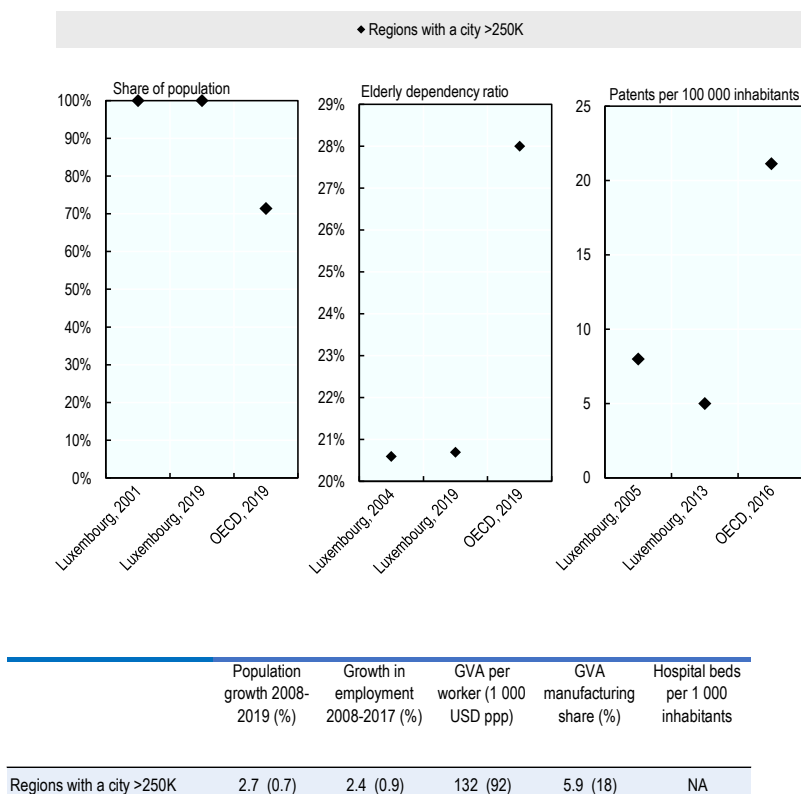


Luxembourg

Statistical profile

Figure 1. Statistical profile



Note: OECD average is presented in parenthesis. Data for GVA per worker, GVA by sector and unemployment rate are from 2017. GVA and GDP are measured in USD PPP (2015). The OECD average by order in the table has been made with 33, 25, 26, 25 countries with available data. Employment growth measured as employment in the workplace.

Source: (OECD, 2020^[1]) OECD Regional Statistics (database), <http://dx.doi.org/10.1787/region-data-e>.

Policy framework and Institutional setting of rural development

Rural Definition

- ❖ The Master Programme for Spatial Planning (2003) proposes two broad categories of space and a more detailed five-fold spatial typology. The five different types of area are

high-density urban areas, urban areas, rurban areas, rural areas and urban centres in the rural space. While the first two types of area belong to the category of “urban space”, the latter three belong to the category of “rural space”. The Master Programme provides a “descriptive” definition for each type of area with regards to a number of criteria, but without specifying “quantitative” thresholds. Rurban areas are defined as an intermediate territory whose residents work largely in the high-density urban areas or urban areas. Instead, in rural areas, a small-size population and a comparatively low offer of services and jobs define living conditions. The definition acknowledges mixed rural/urban areas and rural areas close to cities.

National rural policy

- ❖ Luxembourg have a national rural policy defined by Law concerning the support to the sustainable development of rural areas (2016), the Rural Development Programme (2014-2020) and the Master Program for Spatial Planning (2003).

Lead ministry(ies) and other co-ordination bodies in charge

Table 1. Main institutions in charge of rural development policies at the national level

Ministries/Departments (most important first)	Role
Ministry of Agriculture, Viticulture and Rural Development	Planning, funding, implementation, evaluation
Ministry of Energy and Spatial Planning, Department of Spatial Planning	Planning, funding, implementation, evaluation
Ministry of Home Affairs	Planning, funding
Ministry of the Environment, Climate and Sustainable Development	Planning, funding, implementation

In Luxembourg, there are not **sub-national level** institutions in charge of rural development policies.

Key objectives in rural policy and delivery mechanisms

- Luxembourg’s rural development policy allocates a high degree of importance to environmental and social areas (Table 2). Table 3 shows the main priorities of its rural policy.
- The main delivery mechanisms to conduct implement rural policies are dedicated grants programmes as well as contracts and agreements with local communities.

Table 2. Relevance of sectors in rural development policy

Policy areas	Weight on rural policy	Average OECD
Economic	20%	40%
Social	30%	30%
Environment	50%	30%

Note: Self-reported responses from country delegate to the question: “Please grade from 1 to 10 the importance rural development policies in your country assigns to economic, social and environmental areas”.

Source: OECD (2018), “Responses to the institutional survey on rural policy in OECD countries”.

Table 3. Relevant objectives in rural development policy

Top objectives	Programmes	Main financial mechanisms to support the strategy
Environmental sustainability	Grand-Ducal Regulation of 24 August 2016 introducing a subsidy for the upkeep of the countryside and the landscape and the promotion of an environmentally friendly agriculture. Title III Measures – Law of 27 June 2016 concerning the support to the sustainable development of rural areas	Subsidies and grants
Agricultural production	Law of 27 June 2016 concerning the support to the sustainable development of rural areas. Grand-Ducal Regulation of 24 May 2017 introducing aid schemes for environmentally friendly agricultural production methods	Loans and subsidies
Land occupation, resilience and landscape preservation	Sectoral Master Plan on “Landscapes”	
Support to private sector, jobs and investment	Title III Measures – Law of 27 June 2016 concerning the support to the sustainable development of rural areas	Grants
Innovation support to “rural” sectors	Title III Measures – Law of 27 June 2016 concerning the support to the sustainable development of rural areas	Grants

Note: Objectives presented are the objectives with higher scores in the survey responses.

Source: OECD (2018), “Responses to the institutional survey on rural policy in OECD countries”.