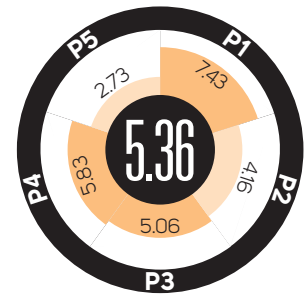


LUXEMBOURG

HRI 2011
Ranking
18th



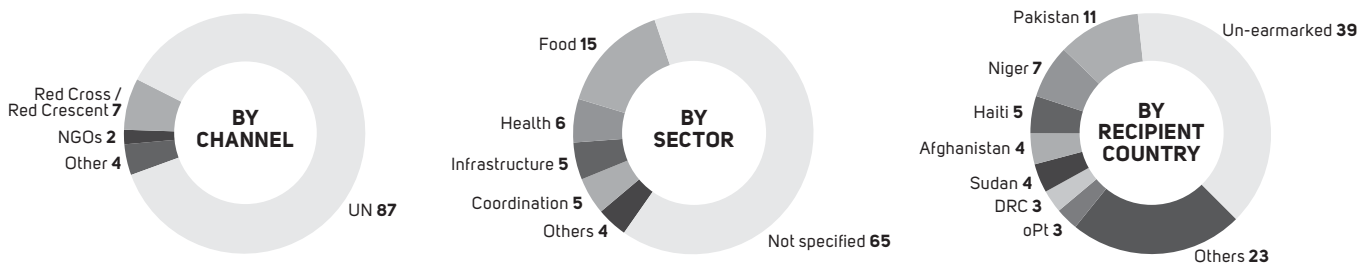
Group **3**
ASPIRING
ACTORS

OFFICIAL
DEVELOPMENT
ASSISTANCE **1.09%**
of GNI

HUMANITARIAN
AID **16.2%**
of ODA

US \$130
Per person

HUMANITARIAN AID DISTRIBUTION (%)



GENDER RATING

POLICY

FUNDING

FIELD PERCEPTION

STRENGTHS

Pillar	Type	Indicator	Score	% above OECD/DAC average
3	QT	Funding UN and RC/RC appeals	7.60	+86.9%
2	QT	Funding international risk mitigation	8.00	+67.3%
1	QL	Independence of aid	8.38	+13.1%
1	QL	Timely funding to partners	7.50	+7.2%

AREAS FOR IMPROVEMENT

Pillar	Type	Indicator	Score	% below OECD/DAC average
5	QT	Funding and commissioning evaluations	0.00	-100.0%
5	QT	Participating in accountability initiatives	0.00	-100.0%
5	QT	Funding accountability initiatives	0.74	-82.0%
2	QT	Reducing climate-related vulnerability	1.28	-68.3%
4	QL	Advocacy towards local authorities	3.55	-36.2%

OVERALL PERFORMANCE

Luxembourg ranked 18th in the HRI 2011, dropping eight positions from 2010, mainly due to lower scores from its field partners. Based on the patterns of its scores, Luxembourg is classified as a Group 3 donor, "Aspiring Actors". Donors in this group tend to have more limited capacity to engage with the humanitarian system at the field level, but often aspire to take on a greater role in the sector. They generally focus on a few core strengths, such as in the area of prevention, preparedness and risk reduction, or on specific geographic regions. Other donors in the group include Australia, Belgium, Germany, Ireland, Italy, Japan and Spain.

Luxembourg scored below the OECD/DAC average in all pillars. Compared to other Group 3 donors, Luxembourg was above average

in all pillars, with the exception of Pillar 2 and Pillar 5 (Learning and accountability), where it scored below average.

Luxembourg did best compared to its OECD/DAC peers in indicators on *Funding UN and RC/RC, appeals, Funding international risk mitigation, Independence of aid* and *Timely funding to partners*. Its scores were relatively the lowest in *Funding and commissioning evaluations, Participating in accountability initiatives, Funding accountability initiatives, Reducing climate-related vulnerability* and *Advocacy towards local authorities*. In general, Luxembourg ranked significantly better in the quantitative indicators than in the qualitative, survey-based indicators, which may be due to its limited capacity and field presence.

AID DISTRIBUTION

Luxembourg was one of the most generous OECD/DAC donors; its Official Development Assistance (ODA) comprised 1.09% of its Gross National Income (GNI) in 2010, up from 1.01% in 2009. Humanitarian assistance represented 16.2% of Luxembourg's ODA in 2010, or 0.167% of its GNI. Luxembourg's 2009-2014 Stability and Growth Programme calls for its ODA to remain at approximately 1% of its GNI (Government of Luxembourg 2010).

According to data reported to the United Nations (UN) Office for the Coordination of Humanitarian Affairs' (OCHA) Financial Tracking Service (FTS), Luxembourg channelled 46.3% of its aid to UN

agencies in 2010, 34.0% to the Red Cross/Red Crescent Movement and 16.2% to non-governmental organisations (NGOs). Luxembourg also supported the Central Emergency Response Fund (CERF) and Common Humanitarian Fund (CHF). In 2010, Luxembourg supported a total of 42 crises: 18 in Asia, 14 in Africa, seven in the Americas and three in Europe, although a significant portion of Luxembourg's assistance was provided regionally. The top recipient countries in 2010 were Pakistan, Niger and Haiti. Luxembourg primarily allocated its sector specific funding to food, followed by health and economic recovery and infrastructure.

POLICY FRAMEWORK

Luxembourg's humanitarian assistance is managed by the Department of Humanitarian Aid, which is under the umbrella of the Ministry of Foreign Affairs Development Cooperation Directorate (DCD). Its humanitarian action is carried out under the authority of the Minister for Cooperation and Humanitarian Affairs. Luxembourg's guiding strategy paper is titled *Humanitarian Action: Strategies and Orientations* and focuses on the importance of local capacity building, and funding for transition, disaster prevention and preparedness (DCD 2010a). Luxembourg's development and humanitarian

policy have their legal base in the 1996 *Development Cooperation Law*. Its humanitarian action is further guided by the *European Consensus on Humanitarian Aid*, the *Principles of Good Humanitarian Donorship* (GHD) and the *Oslo Guidelines on the Use of Foreign Military and Civil Defence Assets in Disaster Relief* (DCD 2010a). Luxembourg has also developed sector-specific policies on gender, the environment and water, sanitation and hygiene, among others. Every year Parliament must approve the humanitarian budget as part of the government's overall budget.

HOW DOES LUXEMBOURG'S POLICY ADDRESS GHD CONCEPTS?

GENDER

DCD published *Gender: Strategies and Orientations* in 2010 with the aim of promoting gender mainstreaming and gender-specific activities, which is echoed in the *Humanitarian Action: Strategy and Orientation* paper. Some of the practical implications for gender mainstreaming include: integrating the gender dimension into the DCD's policy tools, educating DCD staff on the issue of gender and developing systems of monitoring and evaluation that integrate gender. The strategy paper highlights Luxembourg's support for relevant multilateral organisations and encourages partners to development projects to promote gender equality.

PILLAR 1

RESPONDING TO NEEDS

Luxembourg's policy expresses a clear commitment to humanity, impartiality, neutrality and independence (DCD 2010a). Luxembourg works to support the primary needs of affected populations, placing particular attention on addressing the needs of vulnerable groups, such as women and children, the elderly, the handicapped, internally displaced persons (IDPs) and refugees, prisoners, orphans and separated families (DCD 2010a). DCD also asserts the importance of responding to forgotten crises (DCD 2010a). In its *2007 Annual Report*, Luxembourg states that it seeks to provide timely funding through its cooperation with OCHA and contributions to the Central Emergency Response Fund (CERF). In addition, Luxembourg has entered a joint undertaking with several private companies to create a rapid response communications system called "emergency.lu" (DCD 2011).

PILLAR 2

PREVENTION, RISK REDUCTION AND RECOVERY

Luxembourg's humanitarian policy states that within humanitarian action, Luxembourg places a particular emphasis on issues of environmental protection and climate change (DCD 2010a). With regards to disaster risk reduction (DRR), Luxembourg strives to spend at least five percent of its humanitarian budget on building local capacities, strengthening national and regional risk prevention strategies, raising awareness and preparing local population for disasters. Luxembourg recognises the importance of linking relief to rehabilitation and development (LRRD) in its *Humanitarian Action: Strategies and Orientations* paper (DCD 2010a). Participation of affected populations and national ownership are mentioned as one of the guiding principles in Luxembourg's humanitarian policy (DCD 2010a). Accordingly, humanitarian action should, wherever possible, promote the participation of beneficiaries in decision-making of needs-assessments, programme design and implementation (DCD 2010a). Finally, DCD often adopts a strategy to prevent the resurgence of violence after a period of calamity (DCD 2009).

PILLAR 3

WORKING WITH HUMANITARIAN PARTNERS

Luxembourg recognises the UN, and particularly OCHA, as having a central role in coordinating relief, both with partners and donors. It also recognises the importance of efforts to reform the humanitarian system and make it more coherent. It praises the cluster approach as a means to making humanitarian action more efficient and requires its partners to participate in and strengthen national and international coordination mechanisms (DCD 2010a). Luxembourg has contributed to a variety of pooled funding mechanisms, such as multi-donor funds and CERF (DCD 2009). Its *Humanitarian Action: Strategies and Orientations* sets out clear guidelines and duration periods for projects (one year for emergency assistance and three years for transitional contexts); making an exception for crisis prevention and risk reduction initiatives (DCD 2010a). Luxembourg's policy does not seem to favour Luxembourgian NGOs over those of other nationalities, and provides NGOs with predefined annual funding allocations. It has also signed multi-annual funding agreements with the International Committee of the Red Cross (ICRC), World Food Programme (WFP) and the United Nations High Commissioner for Refugees (UNHCR) with the aim of providing predictable and flexible funding.

PILLAR 4

PROTECTION AND INTERNATIONAL LAW

DCD attaches particular importance to the protection of minorities and vulnerable persons and purports to guarantee the protection and physical security of populations in disaster affected areas by supporting programmes for disarmament, demobilisation and reintegration, return and reintegration of IDPs and refugees, demining and defusing of unexploded devices, as well as policing bodies (DCD 2010a). In addition, Luxembourg affirms its commitment to the Responsibility to Protect (R2P) (DCD 2010a). *Humanitarian Action: Strategies and Orientation* expresses support for international humanitarian law, human rights and the Geneva Convention, but does not specifically highlight refugee law. Luxembourg's policy on the facilitation of safe humanitarian access and the safety of humanitarian workers is not clear.

PILLAR 5

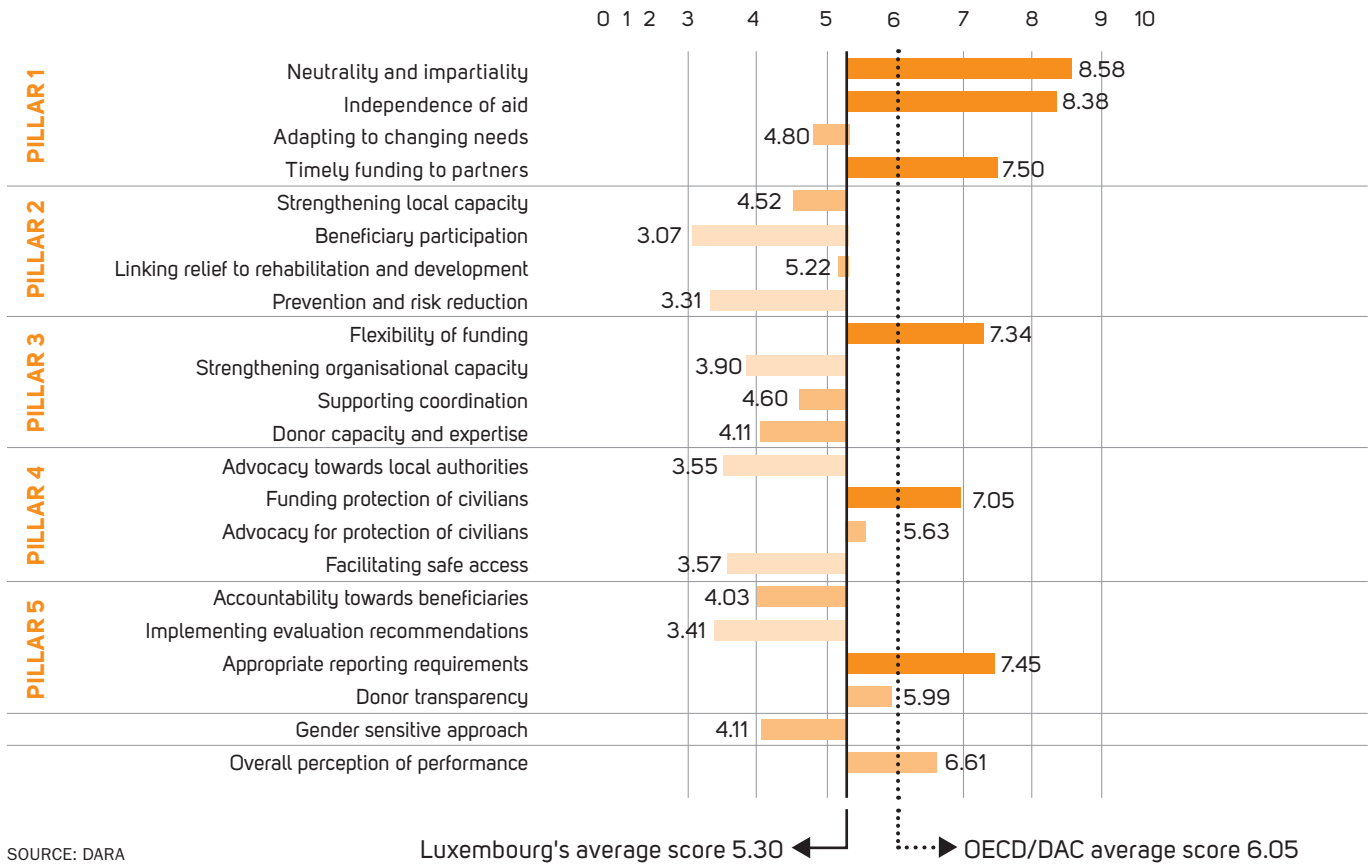
LEARNING AND ACCOUNTABILITY

Luxembourg created an Evaluation and Audit Unit in 2001, which has carried out a number of evaluations of Luxembourg's development and humanitarian assistance (DCD 2004). *Humanitarian Action: Strategies and Orientations* notes that Luxembourg will reimburse partners for costs associated with monitoring and evaluation (DCD 2010a). Luxembourg requires its partners to abide by quality standards, including the *Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief*, SPHERE standards, the technical guidance of the World Health Organization and the principle of "Do No Harm" (DCD 2010a). Luxembourg's position regarding transparency of funding and accountability toward beneficiaries is not clear from its policy.

FIELD PARTNERS' PERCEPTIONS

LUXEMBOURG'S FIELD PERCEPTION SCORES

Collected questionnaires: 17



Colours represent performance compared to donor's average performance rating:

- Good
- Mid-range
- Could improve

HOW IS LUXEMBOURG PERCEIVED BY ITS PARTNERS?

GENDER

Field partners seem to indicate that Luxembourg could strengthen its efforts to ensure gender-sensitive approaches. One organisation commented, “Luxembourg is not very strict on this compared to other donors though it does require sex and age disaggregated data.” Another interviewee observed some improvement in this regard: “This wasn't a requirement two years ago, but now is. They ask for this in every project. I don't know if they will check it on it though.”

PILLAR 1

RESPONDING TO NEEDS

Luxembourg's field partners are appreciative of the neutrality, impartiality, independence of its funding. However, a few organisations felt its aid could be more closely aligned with need. One organisation pointed to different approaches of the decentralized aid compared to the Ministry: “Luxembourg communes may only be interested in funding certain activities whereas the Luxembourg ministry funds the entire project from A to Z.” Regarding Luxembourg's efforts to ensure the programmes it supports adapt to changing needs, field partners gave low scores. One interviewee, for example, considered that “Luxembourg doesn't have a clue what the needs are.” Another reported the following: “usually we have a contract for a certain period with Luxembourg and they want you to do what you have said you would do. If there are changes you can make them in the next period. Funding periods normally last one year.” Partners largely considered Luxembourg's funding timely, though one interviewee noted that it depends on the availability of funding: “Yes and no. When Luxembourg has the money, it's fine. They are quite fast. Once you have a green light for funding, it's fast.”

PILLAR 2

PREVENTION, RISK REDUCTION AND RECOVERY

Feedback from Luxembourg's field partners seems to point to a need for improvement in Pillar 2 indicators. While some interviewees felt that “Strengthening local capacity is one of the pillars for Luxembourg,” and “they are big on working with local institutions,” others noted that they are scared to work with local NGOs due to corruption issues.” Feedback was regarding support for transitional activities and linking relief to rehabilitation and development. One interviewee commended Luxembourg, stating, “Compared to other donors, Luxembourg is very interested in LRRD.” Others reported problems in this regard: “We have a problem with Luxembourg with this because they want to keep them separate, probably because they have separate funding schemes.” Feedback was generally negative regarding beneficiary participation and support for prevention, preparedness and risk reduction, though one organisation reported receiving support for this: “with Luxembourg it used to be more for conflict and disaster prevention and now it is a lot on preparedness and DRR.”

PILLAR 3

WORKING WITH HUMANITARIAN PARTNERS

Luxembourg's partner organisations seem to consider its funding sufficiently flexible. When asked about the flexibility of its funding, one interviewee noted, "For Luxembourg it depends how much funding they have. If they have a lot, yes." Another reported: "For the Luxembourg Ministry, we can move money between budget lines, but if we do we have to make a ledger." Its scores for supporting the organisational capacity of its partners were significantly lower. "For the Luxembourg Ministry, if we need more staff they will support us. For the Luxembourg communes, they don't support our contingency planning or support us with more staff if we need it."

PILLAR 4

PROTECTION AND INTERNATIONAL LAW

Partner organisations seem to find Luxembourg's advocacy toward local authorities weak, however one interviewee disagreed, stating: "Luxembourg is a small country but with a very active diplomacy". Luxembourg's partners seem to consider it a strong financial supporter of the protection of civilians, rating it lower for advocacy for protection. Luxembourg also received low marks for its efforts to facilitate humanitarian access and the safety of aid workers.

PILLAR 5

LEARNING AND ACCOUNTABILITY

Luxembourg's partners generally consider its reporting requirements appropriate. Though its scores for *Implementing evaluation recommendations* were significantly lower, several organisations reported positive experiences: "Luxembourg applies lessons learnt in different programmes and different crises to others. There are bridges between programmes and projects even about technical issues." Another interviewee noted that Luxembourg wants us to do evaluations and have a management response on the recommendations." Most organisations felt that Luxembourg was transparent about its funding and decision-making. "We are very happy," stated one interviewee when asked about Luxembourg's transparency. Another organisation disagreed, stating: "Luxembourg is not very transparent. You don't hear much how they decide or how many organisations apply."

RECOMMENDATIONS

● RENEW COMMITMENT TO LEARNING AND ACCOUNTABILITY

Luxembourg has significant room for improvement in its support for learning and accountability. It has not participated in any of the initiatives for humanitarian accountability included in the indicator *Participating in accountability initiatives*.¹ Luxembourg's financial support for learning and accountability² was also low - only 0.06% of its humanitarian funding, while the OECD/DAC average was 0.43%. Furthermore, it has not published evaluation guidelines and has not commissioned any publicly-accessible evaluations over the past five years.

● INVEST ADEQUATELY IN PREVENTION, PREPAREDNESS, RISK REDUCTION AND TRANSITIONAL ACTIVITIES

With the exception of its funding international risk mitigation mechanisms, Pillar 2 appears to be a weakness for Luxembourg. In particular, it could improve its efforts to reduce climate-related vulnerability. Luxembourg provided only 32.6% of its fair share³ to Fast Start Finance, which supports climate change mitigation and adaptation efforts, compared to the OECD/DAC average of 102.4%. Furthermore, it has fallen short on its commitments to reduce emissions.

Luxembourg's partners seem to confirm the need for greater investment in prevention, preparedness and risk reduction, as well as transitional activities (LRRD), scoring well below average in both of these qualitative, survey-based indicators.

● ENHANCE PROGRAMME MONITORING TO IMPROVE BENEFICIARY PARTICIPATION AND STRENGTHEN LOCAL CAPACITY

Also in Pillar 2, Luxembourg scored below average in *Beneficiary participation* and *Strengthening local capacity*, both of which could be influenced by Luxembourg's limited capacity. Luxembourg received the second-lowest score for this indicator. While Luxembourg may not be able to increase in size and capacity, it should strive to increase programme follow-up through other means to ensure its partners strengthen local capacity and involve beneficiaries.

● ENGAGE IN DIALOGUE WITH PARTNERS TO PARTICIPATE IN ADVOCACY AS APPROPRIATE

Luxembourg received a low score for the qualitative indicator *Advocacy towards local authorities*. Luxembourg should engage in dialogue with its partners to discuss the most appropriate means to advocate for local authorities to fulfill their responsibilities in response to the humanitarian needs in each crisis.

● ENSURE AID MEETS THE DIFFERENT NEEDS OF WOMEN, MEN, BOYS AND GIRLS

Luxembourg's partners indicate the need for greater emphasis on gender-sensitive approaches and follow-up to ensure it is properly integrated into humanitarian programmes.



Please see www.daraint.org for a complete list of references.