

International
Labour
Organization

Luxembourg ILO Cooperation



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Coopération luxembourgeoise



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DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère du Travail et de l'Emploi

Luxembourg has been an ILO member State since 1920. Luxembourg has 69 ILO Conventions in force, including all eight fundamental Conventions and two of the governance Conventions.

Luxembourg's contribution to ILO priorities

The ILO recognises Luxembourg's high-level political engagement and the strategic importance it attaches to the ILO in fulfilling its global mandate. Luxembourg and the ILO have long shared objectives and values. Luxembourg chaired the Committee for the Recurrent Discussion on Social Protection (Social Security) at the 100th International Labour Conference (ILC) in 2011.

Luxembourg contributes to the regular budget and technical cooperation programme of the ILO. The ILO works

closely with the Ministry of Labour, Employment and the Social and Solidarity Economy and the Ministry of Foreign Affairs – Directorate for Development Cooperation and Humanitarian Affairs for technical cooperation activities.

Luxembourg signed a partnership agreement with the ILO in 2008, providing a substantial flexible annual thematic contribution to support specific ILO priorities and project funding for Luxembourg's partner countries of development cooperation.

LUXEMBOURG'S DEVELOPMENT COOPERATION PRIORITIES

In 2012 Luxembourg allocated 1 per cent of its gross national income (GNI) to official development assistance (ODA). The OECD set the ODA figure at USD 432 million, of which 29 per cent was multilateral.¹

The primary objective of Luxembourg's development cooperation is the eradication of poverty in developing countries and it focuses on the following themes: social welfare, including health, housing, education and vocational training; agriculture and food security; water and sanitation; economic, financial and industrial development; cultural and scientific cooperation; and development education. Other cross-cutting issues supported are the promotion of human rights, the strengthening of good governance, including participatory democracy, the gender dimension and integrated local development.²

Luxembourg's priority countries are Burkina Faso, Cape Verde, El Salvador, Lao PDR, Mali, Nicaragua, Niger, Senegal and Viet Nam.

¹ Source: Development Co-operation Report 2013, OECD.

² Source: Loi modifiée du 6 janvier 1996 sur la coopération au développement et l'action humanitaire.



SOME FACTS AND FIGURES ON LUXEMBOURG'S FINANCIAL CONTRIBUTIONS

Luxembourg finances the ILO through the regular budget (RB) and extra-budgetary technical cooperation (XBTC):

- The Regular Budget (RB) is composed of assessed contributions by member States. Luxembourg provided a total assessed contribution of **USD 2.4 million** between 2006 and 2013.
- Extra-budgetary technical cooperation (XBTC) contributions support specific global and national projects and programmes with a clear time-line and a predefined geographic and thematic focus. Overall funding from Luxembourg to ILO development cooperation between 2006 and 2013 amounted to **USD 23.4 million**.

Luxembourg's contribution to ILO priorities

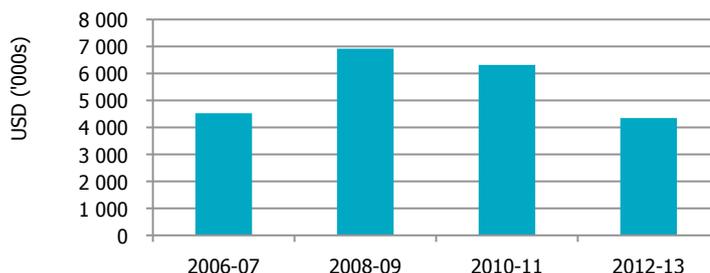
Luxembourg's development cooperation support through annual thematic contributions:

- 2013: Contribution to Decent Work in the Rural Economy, 2013-2014
- 2012: Contribution to Youth Employment in Rural Areas, 2012-2014
- 2011: Contribution to the Implementation of National Social Protection Floors, 2011-2014

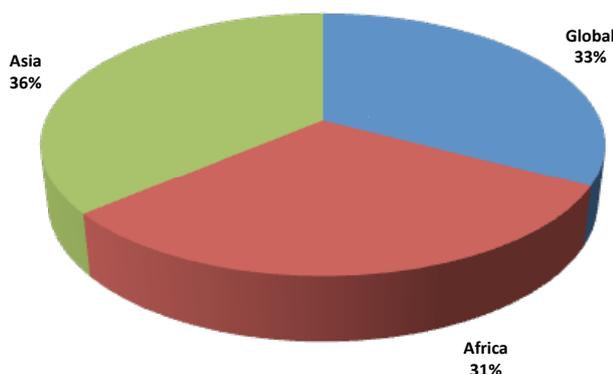
Luxembourg's development cooperation support through project funding:

- Vocational training in Senegal, 2013-2016
- Supporting the establishment of the National Health Insurance Scheme and the Extension of Coverage in Lao PDR, 2012-2015
- Strengthening of In-land Tourism in Quang Nam, Viet Nam, 2010-2013

Luxembourg: total extra-budgetary technical cooperation (XBTC) by biennium, 2006-2013



Ongoing extra-budgetary technical cooperation (XBTC) projects by region³



3. Percentage share of total budget, as at 24 April 2014.



Support to Social Protection Floors

Social Protection Floors ensure access to essential health care and basic income security throughout the life-cycle for all, and are powerful tools to combat poverty and foster social cohesion and inclusive growth. Luxembourg has been a strong supporter of the Social Protection Floor (SPF), chairing discussions of the related committees at the International Labour Conference in 2011 and 2012, and contributing as a major development partner to finance ILO support to member States in building their nationally defined social protection floors, in particular by the following:

- Improving inter-agency coordination and promoting global advocacy efforts with respect to the Social Protection Floor.
- Support to countries in analysing the strengths, weaknesses and gaps of their social protection system, elaborating policy options, estimating the related costs and potential benefits of different reforms, and carrying out related national dialogue processes to decide on priorities and sequencing of the steps to be taken.
- Strengthening the national capacities of relevant stakeholders to better de-

sign and implement Social Protection Floor guarantees through benefits and services.

- Documentation and sharing of knowledge on Social Protection Floor experiences among a wide public.

The Luxembourg contribution supported SPF efforts in Cambodia, the Dominican Republic, El Salvador, Ghana, Lao PDR, Niger and Zambia and, at the global level, the ILO acting as co-chair, together with the World Bank, of the donor coordination mechanism on social protection, the “Social Protection Interagency Cooperation Board”.



SPOTLIGHT ON THE GHANA–LUXEMBOURG SOCIAL TRUST PROJECT

The ILO and OGBL Solidarité Syndicale are jointly implementing the Ghana–Luxembourg Social Trust Project, which is co-financed by the Government of Luxembourg.

The five-year project was launched in September 2009 with the aim of running a conditional cash transfer scheme for poor pregnant women and nursing mothers in two districts of Ghana. More than 700 beneficiaries receive bi-monthly cash payments if they fulfil a series of conditions, including access to pre- and post-natal care services, skilled delivery, immunization and health check-ups for the child, as well as attending education sessions on health-related issues such as pregnancy, breast-feeding, nutrition, child care and hygiene.

The project aims to produce evidence on the impact of such conditional cash benefits on mothers and their children. This project is of particular importance to the ILO, as it pilots an innovative financing mechanism through which a country with a comprehensive social protection system collects voluntary contributions to extend social protection coverage in a country that is in the process of strengthening its social protection system.

Support to youth employment in rural areas

This thematic contribution is supporting ILO's work in Senegal and Viet Nam to unleash the potential of rural areas and empower youth by helping them to acquire relevant skills, strengthen their management capacity, and set up enterprises.

The programme is composed of four pillars: introducing an integrated decent work-based methodology in rural youth entrepreneurship; introducing basic career and vocational guidance in rural vocational training centres (Viet Nam); developing an ICT-based communication

system for rural young men and women; and establishing links with local and national policies and programmes so as to ensure sustainability and upscaling.

The programme is implemented in close collaboration with the relevant public authorities and local professional organizations. It draws on a previous successful project (PROMER II, 2006-2012), and in Senegal it is working in synergy with another project financed by Luxembourg (ISFP, 2013-16).



Decent work in the post-2015 global development agenda

The recognition that decent and productive jobs and social protection should feature prominently in any new framework of global development goals – as main instruments to transform economies and eradicate poverty – is a distinctive feature of the post-2015 debate.

The ILO has contributed actively by means of facilitating the participation of its constituents in thematic and national consultations, preparing concept notes and policy briefs, organizing

meetings and exchanges with experts and donor agencies, and providing technical support to the activities of the Open Working Group on Sustainable Development Goals. The process to decide on the future framework is still in its early stages. The intergovernmental negotiations will deliver a text for adoption by the UN General Assembly by September 2015.

The ILO is advocating for a central role to be assigned to issues relating to the world of work.

Support to decent work in the rural economy

Luxembourg's contribution has provided valuable support for the development of the policy and knowledge base on the promotion of decent work in rural areas, thereby enhancing the quality of the Office's services and initiatives implemented within the framework of its programmatic Area of Critical Importance on the Rural Economy.

At country level, the Decent Work for Food Security (DW4FS) programme is under way in Nusa Tenggara Timur (NTT) province, one of Indonesia's poorest and most isolated areas. Developed in partnership with the Ministry for the Development of Disadvantaged Areas of Indonesia and the FAO, the programme targets decent work challenges along agricultural value chains with a view to enhancing their productivity and competitiveness, and improving the livelihoods and food security of workers and their families. Since the inception

of the programme in December 2013 a communication campaign has been launched to strengthen coordination and national leadership. This included a series of meetings and other consultations with relevant government offices at national, provincial, and district levels, as well as the private sector and trade unions.

A participatory value chain analysis is being conducted in the Kupang district on seaweed, which involves farmers directly, and facilitates their connection with buyers and markets. Interest and support for the project is not limited to farmers; government and other stakeholders have been keen to cooperate and engage in capacity building activities. During 2014 members of local communities will receive entrepreneurship training that will equip them with the necessary skills to improve productivity and create start-ups. Programme activi-

ties should also lead to an improvement in working conditions in the value chain. Drawing on experience in NTT and other projects, a draft operational tool on decent work for the promotion of sustainable livelihoods targeting agro-food value chains will be developed through a participative consultative process with ILO constituents and various ILO units.



SPOTLIGHT ON STRENGTHENING INLAND TOURISM IN QUANG NAM PROVINCE, VIET NAM

Luxembourg funded a two-year project aimed at poverty reduction by creating decent jobs within the tourism sector in the Quang Nam province of Viet Nam.

Implemented by the ILO and the Quang Nam Provincial People's Committee and with the collaboration of other UN agencies such as UNESCO, FAO, and UN-HABITAT, the project fostered human resources development by improving the capacity of vocational training service providers, and enhanced working conditions with a specific focus on gender equality.

The project also supported the continued development of Quang Nam province by designing and implementing a promotion strategy to sponsor inland destinations, creating linkages between product markets and reducing barriers to growth, including access to micro-finance and enhancing public-private investments.

Luxembourg's contribution to strengthening health insurance and social security in Lao PDR

The joint ILO-WHO programme on the Establishment of the National Health Insurance Scheme and the Extension of Coverage in Lao PDR (2012 – 2015) is supporting the Lao Ministry of Labour and Social Welfare and the Ministry of Health in harmonizing and merging existing social health protection schemes into a national scheme, aimed at the extension of health protection coverage.

The main activities include support on finalizing legislation, costing of health care benefits, and harmonization of health financing and purchasing mechanisms. The joint programme complements other concurrent supply-side interventions in the health sector

funded by Luxembourg through its national agency Lux-Development.

The programme also supports the Ministry of Labour and Social Welfare on ongoing social security reforms in continuation of a prior Luxembourg-funded programme, which supported the establishment of the Lao Social Security Organization, the social insurance scheme for workers and employees in the private sector. Key interventions include support for the implementation of recently adopted social security legislation, which will result in the merger of the private and public sector social security schemes, and an actuarial valuation of all benefit provisions.

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