

# Luxembourg

## Climate strategy for national and international investments



**TYPE OF TOOL**  
*Plan*



**MAIN SECTORS**  
*All sectors*



**THEME**  
*Green*



**INFRASTRUCTURE GOVERNANCE PILLARS**  
*Long-term strategic vision*

### In a nutshell



**OBJECTIVE:** Luxembourg's climate strategy for national and international investments is aimed at facilitating a green transition and contributing to global efforts to support climate change mitigation and adaptation.



**Agency in charge**  
**Ministry of the Environment, Climate and Sustainable Development**



**Year of implementation**  
**2021**



**Levels of government**  
**National**



**Current status**  
**Fully operational**

### Overview

Luxembourg's climate strategy for national and international investments integrates infrastructure, notably buildings and transport. In the transport sector, the selection of investments will be based on mobility planning favouring public transport and active mobility, accelerated deployment of zero-emission vehicles, decarbonisation of freight transport and the logistics sector, and aviation and maritime sector. Luxembourg's recovery and resilience plan puts a strong focus on the green transition. Its contribution to the green transition amounts to 61% of its total allocation of €93 million. Specific measures include €30.5 million to enlarge the network of charging points for electric vehicles across the country and €24 million to supply a new housing district with heat and electricity produced from renewable energy sources. The plan also directs €6 million to establish a 'Naturpakt' with municipalities to provide financial support for actions to protect nature and prevent biodiversity loss.

To contribute to global efforts to support climate change mitigation and adaptation, Luxembourg has committed to international climate funding of €200 million under its International Climate Finance (ICF) Strategy 2021-2025. The strategy identifies key priorities for directing support at interventions across the spectrum of mitigation and adaptation measures in developing countries: i) Natural Capital, Biodiversity, Forestry and Land-Use; ii) Clean Air and Water Resources; iii) Resource Efficiency and Waste Management; iv) Community-Based Adaptation and Resilience; v) Support for transparency requirements of the Paris Agreement; vi) Leveraging and Mainstreaming Climate and Sustainable Finance; and vii) Climate change induced migration. It outlines six main selection criteria for allocating the international climate change funding: i) Strong Climate Impacts; ii) Other sustainable development benefits; iii) Mobilization of private sector funding; iv) Transformation, innovation, and lasting outcomes; v) Efficiency; and vi) Gender equality contribution.

#### REFERENCES:

- European Commission, *Luxembourg's recovery and resilience plan*, [https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/luxembourgs-recovery-and-resilience-plan\\_en](https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/luxembourgs-recovery-and-resilience-plan_en)
- Ministry of the Environment, Climate and Sustainable Development (2021), *International Climate Finance Strategy 2021-2025*, <http://gouvernement.lu/dam-assets/documents/actualites/2021/07-juillet/26-fci-dieschbourg/Strategie-FCI.pdf>