



Global Partnership
for Effective Development
Co-operation

Luxembourg

Development partner monitoring profile

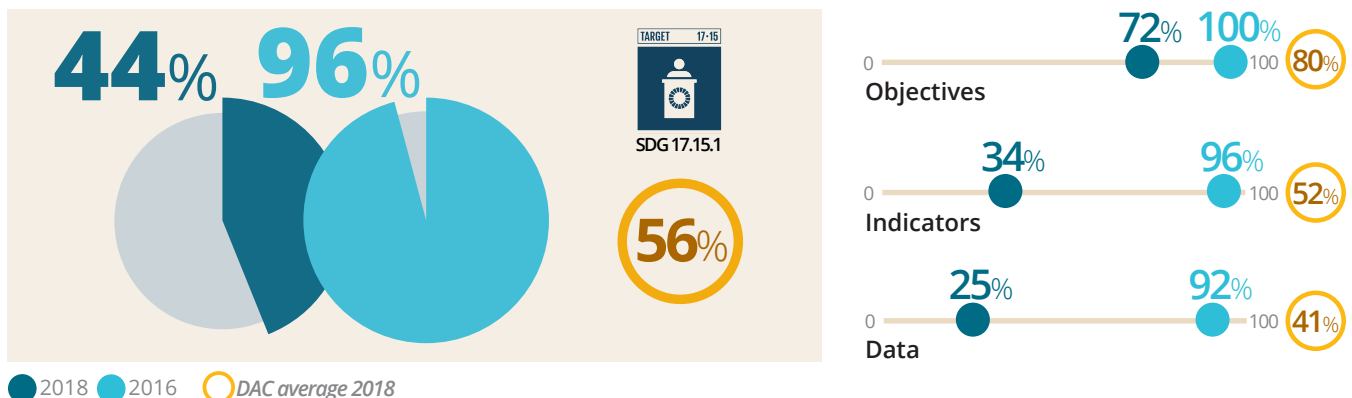
The Global Partnership for Effective Development Co-operation (Global Partnership) supports the implementation of the effectiveness principles. Its flagship instrument – the global monitoring exercise – helps country governments and development actors assess progress, opportunities and obstacles to achieving more effective development co-operation.

This profile provides a snapshot of Luxembourg's results from the two most recent Global Partnership monitoring rounds (2018 and 2016). When relevant, 2018 results are compared to the 2018 average results of the Development Assistance Committee (DAC). The Global Partnership monitoring process and framework have been revised, and the new exercise will be launched at the 2022 Effective Development Co-operation Summit. The next round will take place from 2023 to 2026. This profile will be updated periodically as new data is generated by the monitoring exercise.

Use of country-owned results frameworks and planning tools (SDG 17.15.1)

Global Partnership monitoring provides evidence to report on Sustainable Development Goals (SDGs) indicator 17.15.1. It assesses whether development partners' interventions: draw objectives from national development strategies; draw indicators from country results frameworks; and use government data and statistics for monitoring.

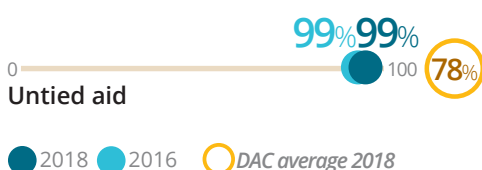
Luxembourg used country-owned results frameworks and planning tools (SDG 17.15.1) to a limited extent in 2018, a decline when compared to 2016, and below the DAC average. In 2018, 72% of the objectives of new development co-operation projects and programmes aligned to those defined in partner country strategies/plans. However, 34% of results indicators of new projects and programmes were drawn from partner country-owned results frameworks and 25% of these results indicators were monitored using data from government monitoring systems and statistics.



Untied ODA

Untying ODA¹ – removing the legal and regulatory barriers to open competition for aid-funded procurement – is an important enabler of partner country ownership over the allocation of resources to address their development priorities.

In 2018, the share of untied aid for Luxembourg was 99%, as in 2016.² This percentage is higher than the DAC average.



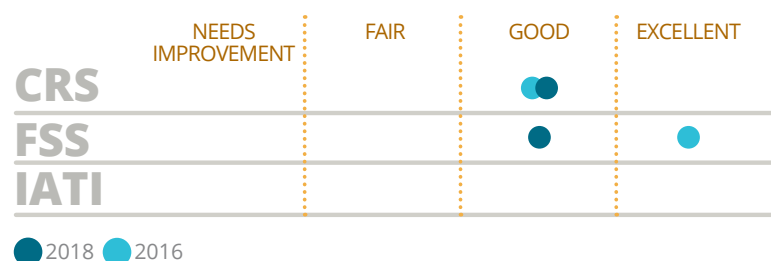
¹ Official Development Assistance

² This data is generated from the OECD Creditor Reporting System. Untied ODA figures refer to all bilateral ODA excluding providers' administrative costs and in-donor refugee costs. The 2016 figure refers to disbursements for the year 2015; the 2018 figure refers to disbursements for the year 2019 (updated with the most available data since the 2018 Monitoring Round).

Transparency of development co-operation

Transparency is a precondition for trust and accountability and is critical for building inclusive partnerships. Global Partnership monitoring provides information on the quality of development partners' reporting to international transparency systems and standards: the OECD Creditor Reporting System (CRS), the OECD Forward Spending Survey (FSS), and the International Aid Transparency Initiative (IATI).

Luxembourg's quality of reporting to FSS has declined, between 2016 and 2018. The quality of reporting to CRS has remained good. Luxembourg does not report to IATI³.

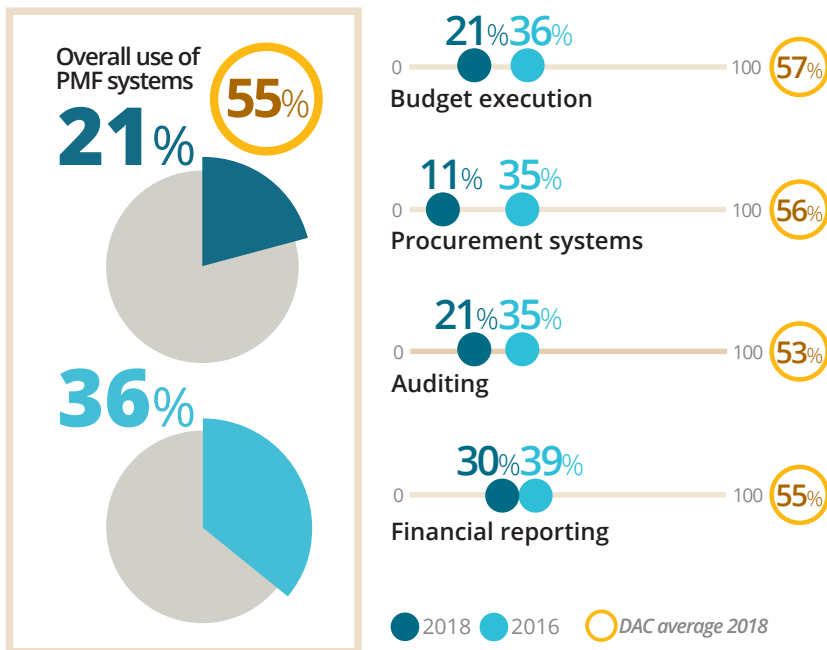


³ For CRS, 2018 refers to the assessment of reporting to CRS in 2017, and 2016 to the assessment of reporting in 2014. For FSS, 2018 refers to the 2018 FSS survey, and 2016 refers to the 2015 survey. For IATI, 2018 refers to scores extracted in December 2018, and 2016 refers to scores extracted in May 2016.

Use of countries' public financial management (PFM) systems

Use of countries' PFM systems allows for better integration of development co-operation programmes with countries' broader planning, budgeting and financial management systems. It can reduce duplications of effort, boost the leveraging effect of development co-operation resources, and increase the sustainability of results.

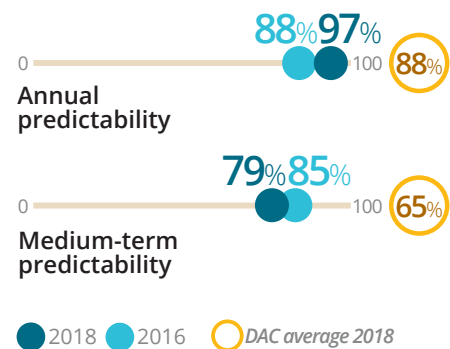
Luxembourg uses partner countries' PFM systems to a lesser extent compared to the DAC average. In 2018, 21% of funding disbursed to the public sector used countries' PFM systems, a decrease when compared to 2016. The largest decline was observed in the use of procurement systems



Predictability of development co-operation

The provision of timely information on development co-operation helps governments plan and manage resources and enables development partners' co-ordination.

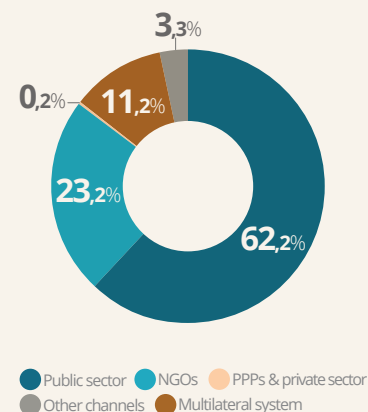
The proportion of funding disbursed to the public sector within the scheduled fiscal year – annual predictability – was 97% in 2018, an increase since 2016, and above the DAC average. The extent to which partner country governments receive indicative forward expenditure or implementation plans – medium-term predictability – was 79% in 2018, a decline since 2016, but above the DAC average. Similarly, the share of development co-operation funding recorded on partner countries' national budgets was 40% in 2018, which is a decline in comparison to 79% in 2016.



How does Luxembourg deliver development funding at country level?

The Global Partnership measurements of predictability and use of PFM systems are based on development funds disbursed to the public sector.

The chart on the right provides a proxy for the share of funding disbursed at country level by Luxembourg from the same year of reporting for those measurements (2017).



Note: Authors' calculations based on data from the OECD Creditor Reporting System for the year 2017. It excludes humanitarian assistance, debt relief, food aid, administrative costs, in-donor refugees costs, and bilateral ODA unallocated to a specific recipient country.

This information complements and helps contextualise the results from the monitoring exercise that are based on funding disbursed to the public sector (i.e. use of PFM systems, predictability of development co-operation).