Page 5: ABOUT YOU

Q1 Donor Country (or headquarters location in the case of Organizations)  LUXEMBOURG

Q2 About you

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Page 7: SECTION 1: AID-FOR-TRADE PRIORITIES (YOUR GOVERNMENT'S AID-FOR-TRADE PRIORITIES)

Q3 Do you have an Aid-for-trade strategy?  Unsure

Page 8: SECTION 1: AID-FOR-TRADE PRIORITIES

Q4 If yes, please indicate your Aid-for-Trade priorities: Below are listed the most common priority areas grouped according to broad Aid-for-Trade categories. Please rank the top 5 priority areas among the ones listed below. (1 being the most important)  Respondent skipped this question

Page 9: SECTION 1: AID-FOR-TRADE PRIORITIES

Q5 If no or unsure, does your development policy include trade priorities?  Yes, Additional information on whether your development policy includes trade priorities.:
AFT is clustered mainly under Outcomes 2 and 3 of Luxembourg’s general Development Strategy: ii. Enhancing socio-economic integration of women and youth: Women and youth are disproportionately facing the consequences of poverty, often lacking access to necessary skills and competencies to actively engage in sustainable and productive activities as a means to foster their socio-economic integration. Investing in women’s socio-economic integration is a key driver for overall economic growth and sustainable development and
reduces inequalities in access to quality education and training. Luxembourg will therefore: Focus on the strengthening of employability and promote equal access to decent employment opportunities and entrepreneurship, by particularly targeting women and young people not engaged in education, employment or training (NEET). Luxembourg will support the development of initiatives for setting up an enabling employment environment for women and youth. This will notably be achieved through enhanced engagement with private sector actors to strengthen opportunities for the employment of the domestic workforce and to keep pace with the needs of growing and diversifying economies and automation. Support the strengthening of vocational training systems and craftsmanship, specifically with regards to ICT and green jobs and their alignment with local labour market needs. In partner countries, Luxembourg will continue leveraging its expertise in the vocational training sector and applying sector-wide approaches while taking a sectoral-lead whenever possible to contribute to the provision of new opportunities for women and young generations. iii. Promoting inclusive and sustainable growth: Luxembourg recognises that achieving long-term development requires attracting domestic and foreign investment as well as fostering multi-stakeholder partnerships. These include South-South and triangular cooperation to support inclusive and sustainable socio-economic development, as well as, the building and retention of a skilled workforce in partner countries. Building on its expertise as a leading international financial centre and in integrated local development approaches, Luxembourg will support partner countries in: 11 Creating an enabling environment for enhanced private sector engagement and development and public-private partnerships by creating value chains and leveraging innovative financing mechanisms, such as blended, green and inclusive finance, as well as enhanced domestic resource mobilisation, to promote sustainable growth that reaches all populations. Strengthening support for inclusive finance to ensure that the most vulnerable populations, typically cut off from formal financial services, have access to basic financial services, including insurance mechanisms, to enable their active participation in a sustainable economic environment and improve their livelihoods. Promoting responsible investment, by providing specialised training to support economic and financial reform as well as targeted and demand-driven technical assistance linked to the integration of national economies into regional and international frameworks. Enabling ICT solutions and reliable data as catalysts for innovative and inclusive growth and development. https://cooperation.gouvernement.lu/dam-assets/politique-cooperation-action-humanitaire/documents-de-reference/strat%C3%A9gie/Strat%C3%A9gie-MAEE-EN.pdf
Q6 If yes, please indicate the trade priorities in your development policy. Below are listed the most common priority areas grouped according to broad Aid-for-Trade categories. Please rank the top 5 priority areas among the ones listed below. (1 being the most important)

- E-commerce: 3
- Export diversification: 2
- Network infrastructure (power, water, telecommunications): 2
- Trade finance access: 1
- Other areas including: MSMEs, women's economic empowerment, Youth issues etc. (please specify): 1

Please specify further the priorities that you selected above as well as the main problems/obstacles encountered in furthering them and provide a weblink to the relevant strategy:

https://cooperation.gouvernement.lu/dam-assets/politique-cooperation-action-humanitaire/documents-de-reference/strat%C3%A9gie/Strat%C3%A9gie-MAEE-EN.pdf

Q7 Has your Aid-for-Trade strategy, or trade priorities in your development policy, changed since 2016?

Yes,

Please specify further and include a weblink to the relevant development strategy:

https://cooperation.gouvernement.lu/dam-assets/politique-cooperation-action-humanitaire/documents-de-reference/strat%C3%A9gie/Strat%C3%A9gie-MAEE-EN.pdf

Q8 If yes, please rank the top 3 drivers of these changes: (Please choose no more than 3 options)

- 2030 Sustainable Development Goals: 1
- MSMEs growth and development objectives: 3
- New national development strategy: 2

Q9 Have these changes been reflected in your dialogue with partner countries and development institutions?

Yes
Q10 Please provide names, titles, references or web links to policy documents relevant to Aid for Trade in your country.

https://cooperation.gouvernement.lu/dam-assets/politique-cooperation-action-humanitaire/documents-de-reference/strat%C3%A9gie/Strat%C3%A9gie-MAEE-EN.pdf

https://www.infine.lu/
https://www.ada-microfinance.org
https://www.luxflag.org/
https://www.forestryandclimate.com/
https://luxdev.lu/en/tenders/bpf

Q11 Is economic diversification a priority in your development or Aid-for-Trade strategy?

Yes,
If yes, please provide additional information about this strategy (including as to how economic diversification is defined and measured):

The Business Partnership Facility supports the transfer of expertise and technology to businesses in developing countries, in the areas of biohealth, ICT, fintech, eco-innovation/circular economy and logistics.
https://luxdev.lu/en/tenders/bpf

Furthermore, Luxembourg cofinances the strengthening of the shea sector in Burkina Faso, which has a strong potential for exports with high added value.

Q12 What are the main constraints to economic diversification identified that your development or Aid-for-Trade strategy seek to address? (You may tick more than 1 box)

Limited access to trade finance
Limited agricultural production capacity
Limited e-trade readiness
Limited inward foreign direct investment
Limited industrial or manufacturing capacity
Limited standards compliance
Low levels of training and skills
Poor international competitiveness
Q13 Please indicate in which category(ies) of aid-for-trade financing you provide aid-for-trade support for economic diversification. (You may tick more than 1 box and/or leave boxes unticked if you do receive support)

- Trade policy and regulations (including training of trade officials, analysis of proposals and positions and their impact, support for national stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to facilitate implementation of trade agreements and to adapt to and comply with rules and standards)
- Trade policy and administrative management
- Trade facilitation
- Regional trade agreements (RTAs)
- Multilateral trade negotiations
- Trade education/training
- Communications infrastructure
- Banking and financial services
- Building productive capacity
- Agriculture
- Forestry
- Travel and tourism

Q14 Does the aid-for-trade support you provide for economic diversification align with partners’ priorities as established in their national or regional trade and development strategy(ies)?

Yes

Q15 Has the aid-for-trade support you provide in economic diversification recorded progress in partner countries since the launch of the Aid-for-Trade initiative in 2006?

Yes

Q16 If yes please specify, in which area(s): (You may tick more than 1 box)

- Export diversification
- Structural transformation
- Industrialization, including manufacturing value added
Q17 If yes, please also indicate in which sector(s): (You may tick more than 1 box)

- Agriculture
- Services
- Forestry

Q18 In which category(ies) of Aid for Trade is the support you provide impactful for economic diversification? (You may tick more than 1 box and/or leave boxes unticked if you do not receive support)

- Trade policy and regulations (Including training of trade officials, analysis of proposals and positions and their impact, support for national stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to facilitate implementation of trade agreements and to adapt to and comply with rules and standards)
- Trade policy and administrative management
- Trade facilitation
- Trade education/training
- Trade development (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development)
- Building productive capacity
- Agriculture
- Forestry
- Travel and tourism
Q19 What factors contribute to the success of the aid-for-trade support you provide for economic diversification? (You may tick more than 1 box. Please limit your answer to the top five factors)

- Alignment of aid-for-trade support with national/regional priorities
- Capacity to draft funding applications
- Coordination among donors
- Country ownership
- Good digital and ICT connectivity
- Institutional capacity to implement projects
- Leveraging of foreign direct investment
- National/regional coordination
- Services capacity

Q20 What factors may limit the success of the aid-for-trade support that you provide for economic diversification? (You may tick more than 1 box. Please limit your answer to the top five factors)

- Inadequate infrastructure
- Failure to mobilize domestic private investment
- Inability to leverage foreign direct investment
- Lack of country ownership
- Limited financing for the private sector
- Poor digital and ICT connectivity
- Weak institutional capacity

Q21 Does the Aid for Trade you provide help mobilize other forms of development finance for economic diversification in partner countries (i.e. non-concessional financing, foreign direct investment, remittances, trade finance, etc.).

Yes
Q22 To which partner country(ies) or territory(ies) do you provide aid-for-trade financing for economic diversification? (You may tick more than 1 box)

- Burkina Faso,
- Cabo Verde,
- Costa Rica,
- El Salvador,
- Guatemala,
- Lao People's Democratic Republic,
- Mali,
- Mongolia,
- Myanmar,
- Nicaragua,
- Niger,
- Senegal,
- Viet Nam

Q23 Through which channels do you provide aid-for-trade financing for economic diversification? (You may tick more than 1 box)

- Bilateral programmes,
- Multilateral institutions,
- Regional programmes,

Please provide further details on the channels through which you provide aid-for-trade financing for economic diversification:

- LuxDevelopment FCCF Enhanced Integrated framework

Q24 With which South-South partner(s) do you partner to offer financing for economic diversification? (You may tick more than 1 box or leave all boxes unticked if you do not partner with any)

Respondent skipped this question

Q25 Looking ahead, in which sectors do you anticipate future support for economic diversification to be required? (You may tick more than 1 box)

- Agriculture,
- Services,
- Forestry
Q26 Looking ahead, in which category(ies) of aid-for-trade financing do you anticipate that you will continue to provide aid-for-trade support for economic diversification. (You may tick more than 1 box and/or leave boxes unticked if you do not receive support)

- Trade policy and regulations (including training of trade officials, analysis of proposals and positions and their impact, support for national stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to facilitate implementation of trade agreements and to adapt to and comply with rules and standards)
- Trade policy and administrative management
- Trade facilitation,
- Trade education/training,
- Transport and storage infrastructure
- Communications infrastructure,
- Energy supply and generation infrastructure
- Banking and financial services
- Building productive capacity
- Agriculture,
- Forestry,
- Travel and tourism

Q27 Is there any Aid for Trade project or programme for economic diversification that you would like to showcase as an example of best practice? (Please provide additional information and include weblinks as relevant)

The Forestry and Climate Change Fund (FCCF)

The Forestry and Climate Change Fund (FCCF) was launched in 2018. Based on an identification work of LuxDevelopment, funded by the MAEE, investors will have the opportunity to invest in environmentally friendly projects led by communities and which benefit the small farmers in three Central American countries; Costa Rica, Nicaragua and Guatemala. The aim is to restore secondary or degraded forest areas and to make them economically, ecologically and socially viable. It is therefore primarily a question of restoring the eco-system of these zones, while guaranteeing a long-term return for the investors of this fund, in particular through a responsible exploitation of the wood.

https://www.forestryandclimate.com/

Q28 Is economic empowerment a priority in your aid-for-trade and development strategy? Yes
Q29 For which groups does your aid-for-trade strategy seek to promote economic empowerment? (You may tick more than 1 box)

- Women's economic empowerment
- Micro, Small and Medium Sized Enterprises
- Youth economic empowerment

Q30 Does your aid-for-trade or development strategy propose any indicators to track economic empowerment or include any targets to achieve?

No

Q31 Does your aid-for-trade or development strategy link economic empowerment in partner countries to their participation in international trade?

Yes,

If yes, please provide additional information on how your aid-for-trade or development strategy links economic empowerment to participation in international trade.

Enhancing socio-economic integration of women and youth: Women and youth are disproportionately facing the consequences of poverty, often lacking access to necessary skills and competencies to actively engage in sustainable and productive activities as a means to foster their socio-economic integration. Investing in women's socio-economic integration is a key driver for overall economic growth and sustainable development and reduces inequalities in access to quality education and training. Luxembourg will therefore:

- Focus on the strengthening of employability and promote equal access to decent employment opportunities and entrepreneurship, by particularly targeting women and young people not engaged in education, employment or training (NEET).
- Support the strengthening of vocational training systems and craftsmanship, specifically with regards to ICT and green jobs and their alignment with local labour market needs. In partner countries, Luxembourg will continue leveraging its expertise in the vocational training sector and applying sector-wide approaches while taking a sectoral-lead whenever possible to contribute to the provision of new opportunities for women and young generations. https://cooperation.gouvernement.lu/dam-assets/politique-cooperation-action-humanitaire/documents-de-reference/strat%C3%A9gie/Strat%C3%A9gie-MAEE-EN.pdf
Q32 Please indicate in which category(ies) of aid-for-trade financing you provide support for Aid for Trade for economic empowerment. (You may tick more than 1 box and/or leave all boxes unticked if you do not receive support)

- Trade policy and administrative management
- Trade facilitation
- Trade education/training
- Communications infrastructure
- Trade development (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development)
- Business support services
- Banking and financial services
- Building productive capacity
- Agriculture
- Forestry
- Travel and tourism

Q33 Does the aid-for-trade support you provide for economic empowerment align with the empowerment priorities established in partner countries national or regional trade and development strategy(ies)? Yes

Q34 Is women’s economic empowerment a priority in your development or aid-for-trade strategy? Yes
**Q35** In your view, how best can Aid for Trade make a contribution to women's economic empowerment? (You may tick more than 1 box. Please limit your answer to the top five factors)

- Improving access to information
- Improving access to global value chains
- Improving digital connectivity
- Improving the provision of services
- Improving the flow of goods at borders (Trade Facilitation)
- Providing access to finance
- Supporting the growth and economic development of women
- Supporting the elaboration of gender-sensitive policies
- Upgrading business skills
- Upgrading ICT skills
- Upgrading the transport infrastructure

**Q36** What forms of aid-for-trade financing, in your view, best support women's economic empowerment? (You may tick more than 1 box and/or leave all boxes unticked if you do not receive support)

- Trade policy and administrative management
- Trade education/training
- Communications infrastructure
- Business support services
- Banking and financial services
- Building productive capacity
- Agriculture
- Forestry
- Travel and tourism
Q37 What factors contribute to the success of Aid for Trade in promoting women's economic empowerment? (You may tick more than 1 box. Please limit your answer to the top five factors)

- Capacity to draft funding applications
- Coordination among donors
- Country ownership
- Good digital and ICT connectivity
- Good trade-related infrastructure
- Institutional capacity to implement projects
- Services capacity

Q38 In your view, how best can Aid for Trade make a contribution to the economic empowerment of MSMEs. (You may tick more than 1 box. Please limit your answer to the top five factors)

- Providing access to finance
- Supporting the growth and economic development of women
- Upgrading business skills
- Upgrading ICT skills
- Upgrading the transport infrastructure
- Improving access to information
- Improving access to global value chains
- Improving digital connectivity
- Improving the provision of services
**Q39** What forms of aid-for-trade financing, in your view, best support the economic empowerment of MSMEs? (You may tick more than 1 box and/or leave all boxes unticked if you do not receive support)

- Business support services,
- Banking and financial services
- Building productive capacity
- Trade policy and administrative management
- Trade facilitation,
- Trade education/training,
- Transport and storage infrastructure
- Communications infrastructure

**Q40** What factors contribute to the success of Aid for Trade in promoting the economic empowerment of MSMEs? (You may tick more than 1 box. Please limit your answer to the top five factors)

- Alignment of aid-for-trade support with national/regional priorities
- Capacity to draft funding applications
- Coordination among donors
- Country ownership,
- Good digital and ICT connectivity
- Good trade-related infrastructure
- Leveraging of foreign direct investment
- Mobilization of domestic private investment
- Institutional capacity to implement projects
- National/regional coordination,
- Services capacity
Q41 In your view, how best can Aid for Trade contribute to Youth economic empowerment? (You may tick more than 1 box. Please limit your answer to the top five factors)

- Providing access to finance
- Supporting the growth and economic development of Youth
- Upgrading business skills
- Upgrading ICT skills
- Improving access to information
- Improving access to global value chains
- Improving digital connectivity
- Improving the provision of services

Q42 What forms of aid-for-trade financing, in your view, best support Youth economic empowerment? (You may tick more than 1 box and/or leave all boxes unticked if you do not receive support)

- Business support services
- Banking and financial services
- Building productive capacity
- Trade policy and administrative management
- Trade education/ training
- Trade-related infrastructure (Including physical infrastructure)
- Communications infrastructure
- Travel and tourism
Q43 What factors contribute to the success of Aid for Trade in promoting Youth economic empowerment? (You may tick more than 1 box. Please limit your answer to the top five factors)

- Alignment of aid-for-trade support with national/regional priorities
- Capacity to draft funding applications
- Coordination among donors
- Country ownership
- Good digital and ICT connectivity
- Leveraging of foreign direct investment
- Mobilization of domestic private investment
- Services capacity

Q44 In your view, can Aid for Trade make a contribution to the achievement of the 2030 Sustainable Development Agenda?

Yes,

Please provide a weblink to the relevant national strategy or policy document in which SDGs are referred to:
https://cooperation.gouvernement.lu/dam-assets/politique-cooperation-action-humanitaire/documents-de-reference/strat%C3%A9gie/Strat%C3%A9gie-MAEE-EN.pdf

Q45 If yes, please specify which Sustainable Development Goal or Goals (SDGs) Aid for Trade can help to achieve. (You may tick more than 1 box)

- 1. No poverty
- 2. Zero hunger
- 4. Quality education
- 5. Gender equality
- 7. Affordable and clean energy
- 8. Decent work and economic growth
- 9. Industry, innovation and infrastructure
- 10. Reduce inequalities
- 13. Climate action
- 17. Partnership for the goals
Q46 Which partner country(ies) or custom territory(ies) are the main recipients of the aid-for-trade financing you provide for economic empowerment? (You may tick more than 1 box)

| Burkina Faso, Cabo Verde, Costa Rica, Guatemala, Lao People’s Democratic Republic, Mali, Nicaragua, Niger, Rwanda, Senegal, Tunisia, Viet Nam |

Q47 Through which channels do you provide aid-for-trade financing for economic empowerment? (You may tick more than 1 box)

| Bilateral programmes, Multilateral institutions, Regional programmes |

Q48 With which South-South partner(s) do you partner with to provide aid-for-trade financing for economic empowerment? (You may tick more than 1 box or leave all boxes unticked if you do not partner with any)

| Respondent skipped this question |
Q49 Looking ahead, in which category(ies) of aid-for-trade financing do you anticipate that you will continue to provide aid-for-trade support for economic empowerment. (You may tick more than 1 box and/or leave boxes unticked if you do not receive support)

- Business support services
- Banking and financial services
- Building productive capacity
- Agriculture
- Trade policy and administrative management
- Trade facilitation
- Trade education/training
- Transport and storage infrastructure
- Communications infrastructure
- Energy supply and generation infrastructure
- Forestry
- Travel and tourism

Q50 Is there any Aid for Trade project or programme for economic empowerment you would like to showcase as particularly important or as an example of best practice? (Please provide any relevant additional information and include weblinks as relevant)

Respondent skipped this question

Q51 Please provide any additional information. (Please reference in the form or weblinks, document symbols, including to evaluations of projects or programmes)

Respondent skipped this question

Page 31: END OF SURVEY

Q52 CONSULTATION (Other ministries/agencies consulted in preparing this questionnaire reply):

Permanent Representation in Geneva