



# 20th ESDN Workshop - SDGs and Human Rights

## Panel 3: Financing and Governance for Human Rights and the SDG

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LE GOUVERNEMENT  
DU GRAND-DUCHÉ DE LUXEMBOURG  
Ministère de l'Environnement, du Climat  
et du Développement durable



- The SDGs "seek to **realize the human rights of all**" (*Preamble, 2030 Agenda*)
- Over **90% of the goals and targets of the SDGs** actually correspond to human rights obligations
- As Member States make progress on the SDGs, they make progress on their human rights obligations – **they are two sides of the same coin**
- Adoption of a **human rights-based approach** in all our actions





## ➤ High Council for Sustainable Development (CSDD)

<https://csdd.public.lu/fr/conseil.html>

- Loi du 25 juin 2004 relative à la coordination de la politique nationale de développement durable
- 15 members from various sectors of the society, chosen based on their knowledge, competence and commitment to society
- Members act independently and have no political mandate

## ➤ Missions: **Discussion forum on sustainable development**

- Propose research and studies related to sustainable development
- Connect with similar committees in the member countries of the EU
- Encourage public and private participation
- Give opinions on all measures relating to sustainable development policy, implemented or envisaged by the Government
- Act its own initiative or at the request of the Government

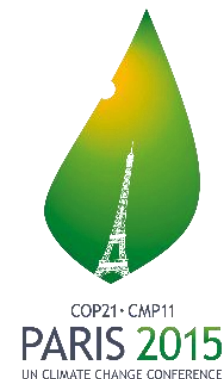


- A Ministry specifically dedicated to Sustainable Development – the **Ministry of the Environment, Climate and Sustainable Development**
  - Interdepartmental commission for sustainable development (CIDD)
  
- Work aimed at:
  - pushing the implementation of the 2030 agenda (PNDD)  
[https://environnement.public.lu/fr/publications/developpement\\_durable/pndd-2021.html](https://environnement.public.lu/fr/publications/developpement_durable/pndd-2021.html)
  - reaching policy coherence
  - changing mindsets in ministries (Nohaltegkeetscheck)
  - developing national to local public governance (Communes 2030)
  - integrating the SDGs in all policy axes, such as climate action





- **Financing of climate adaptation and mitigation action in developing countries**
- **Contribute to the realization of Article 2 of the Paris Agreement:**
  - (a) **Holding the increase in the global average temperature to well below 2°C** above pre-industrial levels and pursuing efforts to **limit the temperature increase to 1.5°C** above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change;
  - (b) **Increasing the ability to adapt to the adverse impacts of climate change** and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production; and
  - (c) **Making finance flows consistent with a pathway towards low greenhouse gas emissions** and climate-resilient development.
- **ICF budget: EUR 200 million from 2021-2025**
  - **+ EUR 20 million** (decided at COP26)
  - Luxembourg is one of the biggest per capita donors of ICF
- **New and additional to ODA (1% GNI)**





## ➤ ICF Strategy 2021-2025

- Rooted in the objectives defined by the UNFCCC, Paris Agreement, UN SDGs, Aichi Biodiversity targets and Sendai Framework for Disaster Risk Reduction
- Balanced distribution between adaptation and mitigation activities
- **Integrated climate action (SGD co-benefits)** and pollution reduction
- Focus on mobilizing **private sector climate finance**
- **Safeguards and Gender**
- 7 priority themes

Natural capital,  
biodiversity,  
forestry land-  
use

Clean air and  
water  
resources

Resource  
efficiency  
waste  
managmt.

Community  
based  
adaptation and  
resilience

Leverage &  
mainstreaming  
climate and  
sustainable  
finance

Support  
transparency  
requirements  
of the PA

Climate  
induced  
migration



## ➤ Climate change induced migration

- Focus on North Africa's Sahel region, sub-Saharan Africa and East Africa & related locations

- **Development of systems, infrastructure, plans, programs, and policies** to support adaptive capacity for rural communities for internal migration or relocation of coastal communities or households in response to climate hazards.
- Resettle/ give **access to protecting facilities** to exposed population that lives in vulnerable areas and providing housing in safer areas to decrease the number of people living in vulnerable areas.
- Support climate **migrants' primary health care needs** by providing water, sanitation and medicines.
- Development and implementation of **urban planning and sustainable development plans for cities** affected by flooding that include displacement of population.
- Programs providing targeted **training** to develop the skills that are required for migrants to adapt in their new places of residence.
- **Provide shelter**, including communal areas in transit centers and reception centers.



## ➤ Geographical coverage

- All developing countries in principle
- More generally on LDCs and SIDS
- Enhanced focus on "Climate Dialogue Partners" currently Burkina Faso, Cabo Verde, El Salvador, Laos, Mali, Nicaragua, Niger, Senegal, Vietnam, Rwanda
- Advanced developing countries only with strong private sector potential: stricter selection criteria

## ➤ Implementation Partners

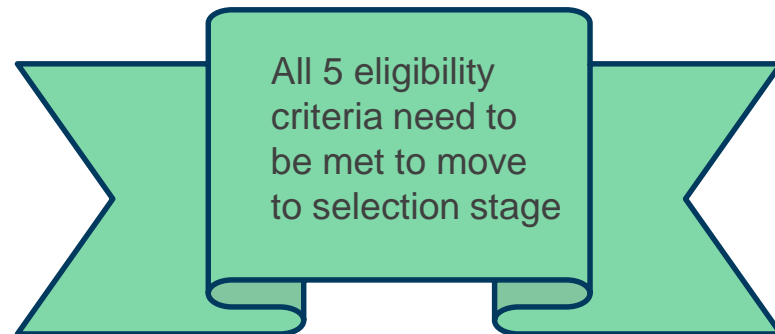
- Development agencies, other public agencies
- MDBs, DFIs, MFIs
- Luxembourg national finance institutions
- Int'l and UN organizations
- Climate funds and facilities
- NGOs and not-for-profit envir. org.
- Research institutions
- Interaction with business: (through intermediaries)





## ➤ Eligibility criteria

1. Clear and direct climate focus
2. Additionality of support
3. Alignment with host country climate strategies and support
4. **Safeguards and Gender**
5. **Exclusions**





## ➤ Safeguards and Gender

- All funding is conditional on showing that recipients observe the **‘do no harm’** and the **precautionary principles** as well as **key human rights and gender equality standards**
- **Gender considerations** will be checked as part of the eligibility (gender consideration in principle) as well as the selection (specific gender responsiveness)
- **Focus on needs, vulnerability and climate justice** - COP27 commitment to provide EUR 10.5 million for Loss and Damage
- **Equal and direct access and a participatory approach**
- All applicants must build stakeholder participation, including at the local level, into their intervention design and implementation





## ➤ Exclusion list

- **Production or activities along value chains involving harmful or exploitative forms of forced labour and/or child labour;**
- Production of or trade in any product or activity deemed illegal under host country laws or regulations;
- Trade in wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species (CITES);
- Production of or trade in pesticides/herbicides, or ozone-depleting substances subject to international phase outs or bans;
- **Transboundary trade in waste or waste products**, except for non-hazardous waste destined for recycling;
- Marine and coastal fishing practices, such as large-scale pelagic drift net fishing and fine mesh net-fishing, harmful to unwanted vulnerable and protected species in large numbers and damaging to the **marine biodiversity and habitats**;
- Intensive farming of monocultures such as soy and genetically engineered plants;
- Agricultural activities carried out on land that is or previously has been deemed to be “of high carbon stock” (including organic soils);
- Palm oil and timber production, unless the applicant can clearly demonstrate that they are not associated with deforestation, forest degradation, or negative **biodiversity impacts**;
- Production of or trade **in weapons and munitions**, including paramilitary materials
- Production of or trade in radioactive materials, including nuclear reactors and components thereof;
- **Nuclear projects** as well as any direct and indirect support to companies operating nuclear projects without a clear, near-term nuclear phase-out strategy;
- Prospection, exploration, and mining of coal, oil, and natural gas;
- Infrastructure projects for coal, oil, or gas exploration, transport, storage, and distribution;
- **Power generation from coal, oil, or natural gas**; activities by companies that derive more than 30% of their revenues from coal-related operations;
- Generally, investments that have a high risk of locking in significant future greenhouse gas emissions; based on this principle, fossil fuel-based lower-carbon and energy-efficient generation transactions, such as financing for efficiency retrofits of coal-fired power plants, are excluded;
- **Large dam and hydropower projects** that do not incorporate good international practices such as those laid down by the World Commission on Dams;
- Injection and geologic sequestration of carbon dioxide in relation to the burning, extraction, or production of fossil fuels.



## ➤ Selection criteria

- Sustainable Development Benefits including with respect to health, resilient infrastructure, sustainable consumption, gender equality...

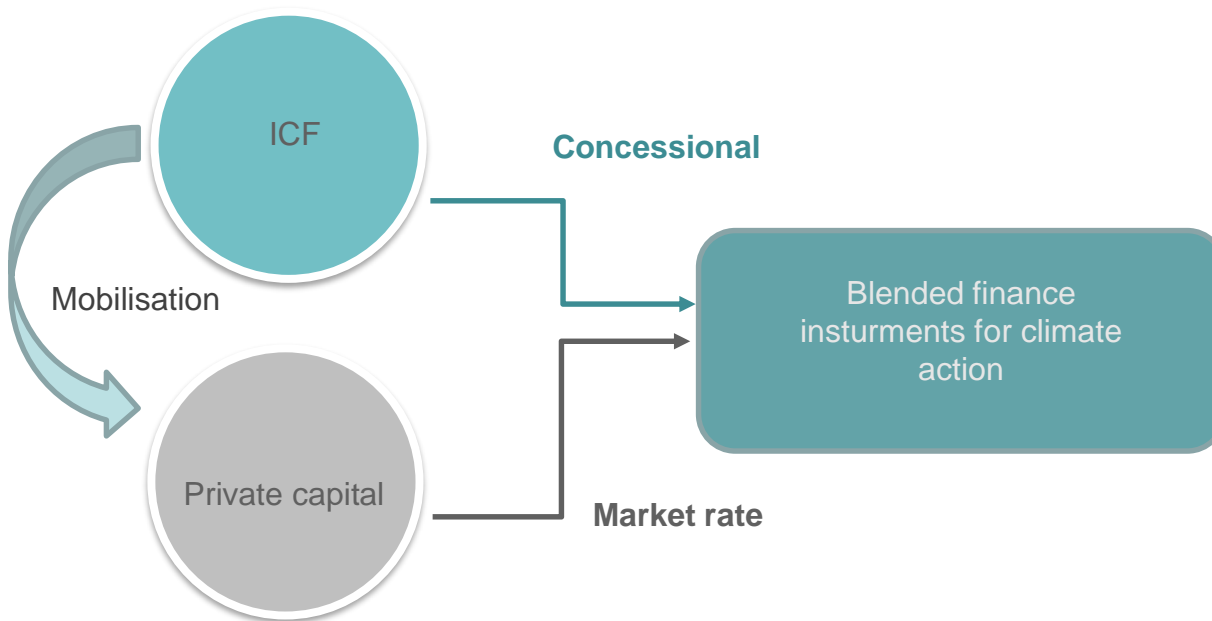


- All applicants must assess gender impacts and demonstrate how the specific intervention is gender-responsive



## ➤ Leveraging private sector financing

- Different funding instruments are possible
- Blended finance instruments will be further explored



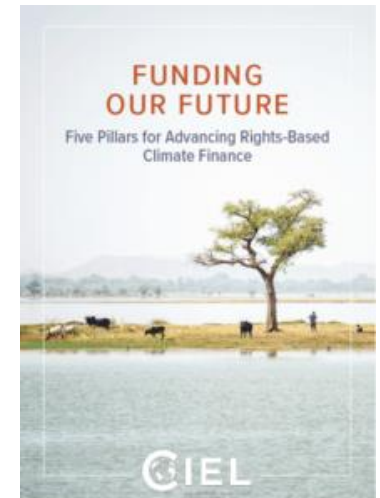
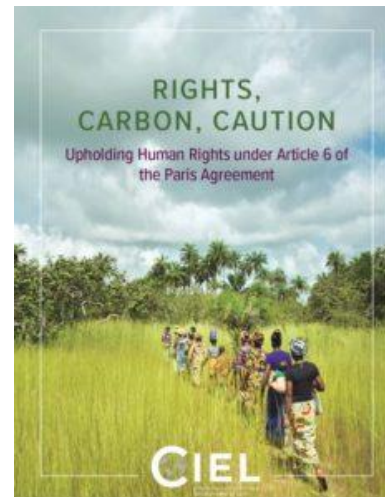
### Concessional:

- First loss guarantees
- Junior equity
- Loans
- Insurance for loans, bonds
- Technical assistance for project preparation
- Grants to reduce interest rates of loans



## ➤ Examples of projects

- UNDP Chile - Gender and Climate Change
- Global Green Growth Institute
- Center for International Environmental Law





➤ **Thank you for your attention!**

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