



Social Climate Plan

National Action Plan for the Prevention and Combating of Poverty

Louis BLESER

Ministry of the Environment, Climate and Biodiversity

Nicholas O'CONNELL

Ministry of Family Affairs, Solidarity, Living Together and
Reception of Refugees



Social Climate Plan

- Background information
- Understanding social climate issues in Luxembourg
- Strategic visions and objectives
- Process and governance



Background information

- European framework: Regulation (EU) 2023/955 of 10 May 2023 establishing a Social Climate Fund – Article 4: Social Climate Plans.
- National framework: Amended Climate Law of 15 December 2020 (Luxembourg).
- Objective: Reduce costs for vulnerable households, micro-enterprises, and transport users particularly affected by the introduction of ETS 2.
- ETS 2 (EU Emissions Trading System 2): Introduction of a European carbon price on fossil fuels used in the building and transport sectors.



Understanding social climate issues in Luxembourg

- ‘energy poverty’ means a household’s lack of access to essential energy services that underpin a decent standard of living and health, including adequate warmth, cooling, lighting, and energy to power appliances, in the relevant national context, existing social policy and other relevant policies;
 - TEE measures the share of household income spent on energy costs.
 - BRDE identifies households with both low income and high energy expenses.
- ‘transport poverty’ means individuals’ and households’ inability or difficulty to meet the costs of private or public transport, or their lack of or limited access to transport needed for their access to essential socioeconomic services and activities, taking into account the national and spatial context.



Strategic vision and objectives

Key focus areas

- Key measures:
 - Prefinancing the subsidies
 - Assistance for households experiencing energy poverty
 - Social car leasing
 - CO₂ tax credit
 - Energy renovation of vacant dwellings

Stakeholder consultations

- Large consultation and bilateral exchanges
- Consultations that were conducted with civil society, NGO's, trade unions, business representatives, finance sector, social offices, youth organisations, scientific sector



Process



Preparation of the works

Bilateral exchanges with actors May – September 2025

Exchange climate platform & OPC October 2025

Simulations STATEC January 2026

Final document March 2026

First consultation March – April 2025

First draft 22.10.2025

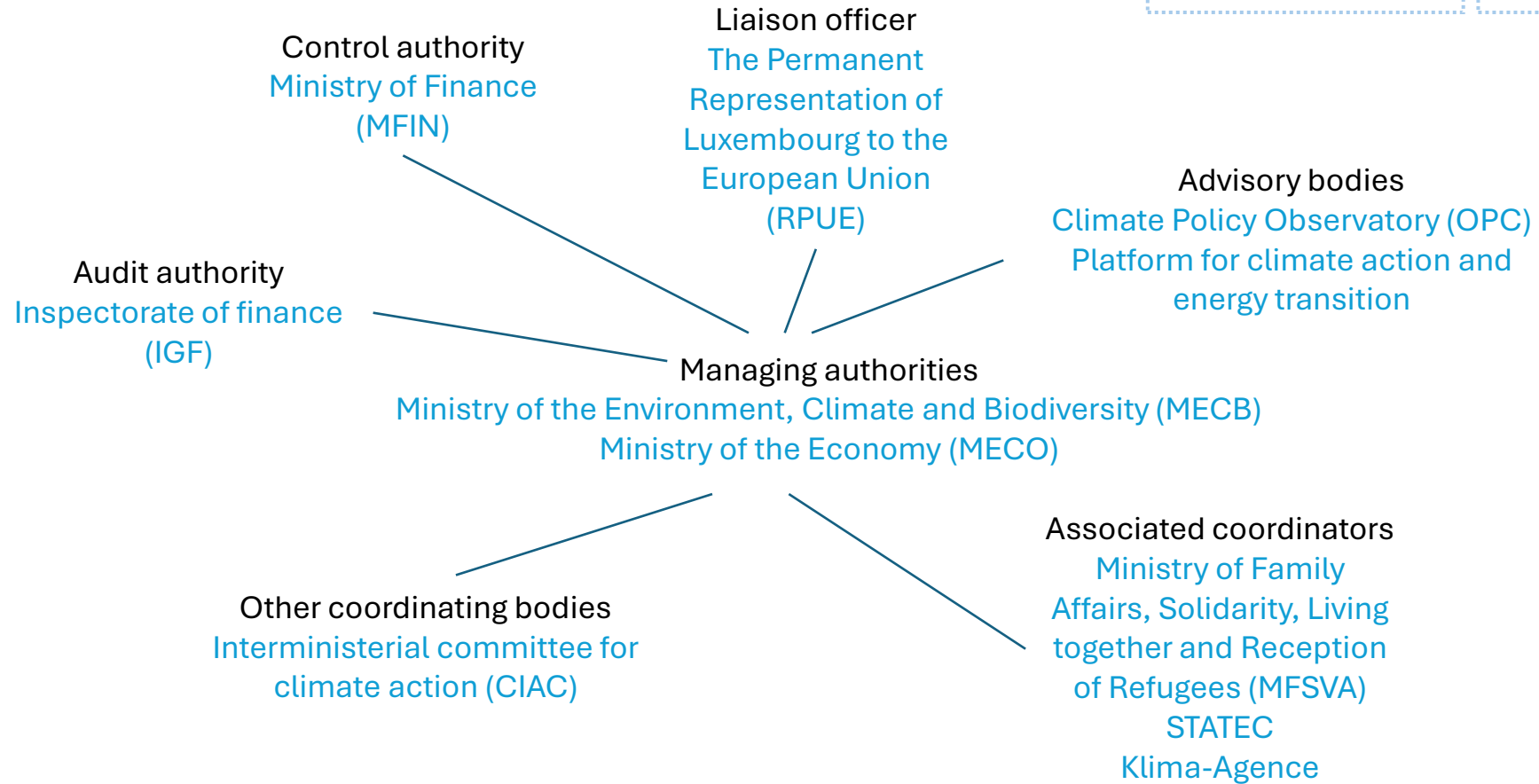
Public consultation 29.10.2025-16.01.2026

Follow-up – public consultation





Governance





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Background information

- The Luxembourgish coalition agreement 2023 – 2028 preconizes the drafting of a comprehensive action plan in order to effectively combat poverty in Luxembourg.
- Luxembourg's first national action plan dedicated to combatting poverty.
- All ministries and relevant administrations were consulted in order to guarantee a thorough approach.
- Works on the plan began at the end of 2024, and the plan was approved by the Luxembourgish Council of Government on December 8th, 2025.
- In order to guarantee the plan's scientific rigour, the ministry was accompanied by the Luxembourg Institute for Socio-Economic Research (LISER).



Understanding poverty in Luxembourg

- AROPE (At Risk of Poverty or Social Exclusion) rate in 2024: 20.0%
- AROP (At Risk of Poverty) rate in 2024: 18.1%
- Severe material and social deprivation: 2.3%
- Households with very low work intensity: 3.9%
- Persistent poverty rate: 6.1%
- Subjective poverty perception: 22.4% report difficulty making ends meet

Source of dataset: STATEC



Strategic vision and objectives – a comprehensive approach

A broad definition of poverty

- The Luxembourgish Government adopts an integrated approach towards combatting poverty and therefore recognizes that defining poverty cannot limit itself to only considering material deprivation.

Key focus areas

- The plan addresses the access to rights and social services, legal frameworks, housing and energy, health, education, employment, and social cohesion.
- The non-uptake of public aid and social services has, additionally, been one of the guiding questions for the plan.

Stakeholder consultations

- Consultations that were conducted with civil society actors, human rights institutions and especially with individuals who had experienced poverty ensure the pertinence of the actions.

Ensuring dignity and rights

- The plan aims to guarantee the dignity of all people and make sure they are fully able to enjoy their rights beyond material needs.



Process and Governance - Timeline

Preparation phase (November 2024 to February 2025):

- Reviewing research and policies to lay a strong foundation for the plan.
- Taking stock of existing measures on a governmental level (ministries + administrations).

Elaboration phase (March to August 2025):

- Interministerial and interdepartmental working groups to define potential actions.

Stakeholder Consultation (June to September 2025):

- Meetings with over 50 civil society actors, human rights institutions and high councils to further define potential actions and ensure their pertinence.
- Online consultation sent out to approximately 300 actors.

Validation and Adoption (September to December 2025):

- Validation of the retained actions.
- Adoption on December 8th, 2025





Process and governance – overview of the national action plan

- The action plan contains eight chapters:
 1. Access to rights and social services: combating non-take-up;
 2. Social assistance and benefits;
 3. Housing and energy;
 4. Health and social security;
 5. Education and childhood;
 6. Continuing education and lifelong learning;
 7. Activation and employment;
 8. Social cohesion.
- The eight chapters comprise 27 objectives and 106 concrete measures.



Process and Governance – Governance structure

Role of the interministerial committee

- The Interministerial Committee implements actions, reports progress and makes operational decisions for the plan.

Role of the monitoring group

- The monitoring group provides oversight, advises the interministerial committee, and contributes to evaluations and future planning.
- The monitoring group includes civil society actors and human rights institutions.

Contribution of persons who have experienced poverty

- Direct involvement of persons experiencing poverty enriches insights and strengthens plan legitimacy.

Coordination by the ministry

- The Ministry for Family Affairs, Solidarity, Living Together and Reception of Refugees coordinates both bodies, and ensures effective communication and documentation.



Process and Governance – Evaluation and evidence-based policy

Evidence-Based Decision Making

- The plan relies on factual data and measurable indicators to guide policy and strategic decisions effectively.

Five-Year Evaluation Plan

- A five-year evaluation will assess the plan's effectiveness and inform necessary revisions or expansions.
- The evaluation will begin in 2031.

Monitoring and Accountability

- Continuous monitoring of poverty with comprehensive indicators, ensuring transparency and accountability across ministries.



Table discussion

- Working on policies that may have a direct impact on our environment and society.
- As young civil servants, do we feel that we can actually make a difference?
- How does our dual role – policy makers and future citizens affected by these policies – shape our perspective?
- Does this position create a stronger sensitivity to intergenerational fairness and social justice?
- Does being part of a younger generation influence how we think about long-term policies?