Environmental Performance Reviews

OECD

# Luxembourg 2020

100

Rodolfo Lacy OECD Environment Director 13 November 2020

#### Selected KEY RECOMMENDATIONS



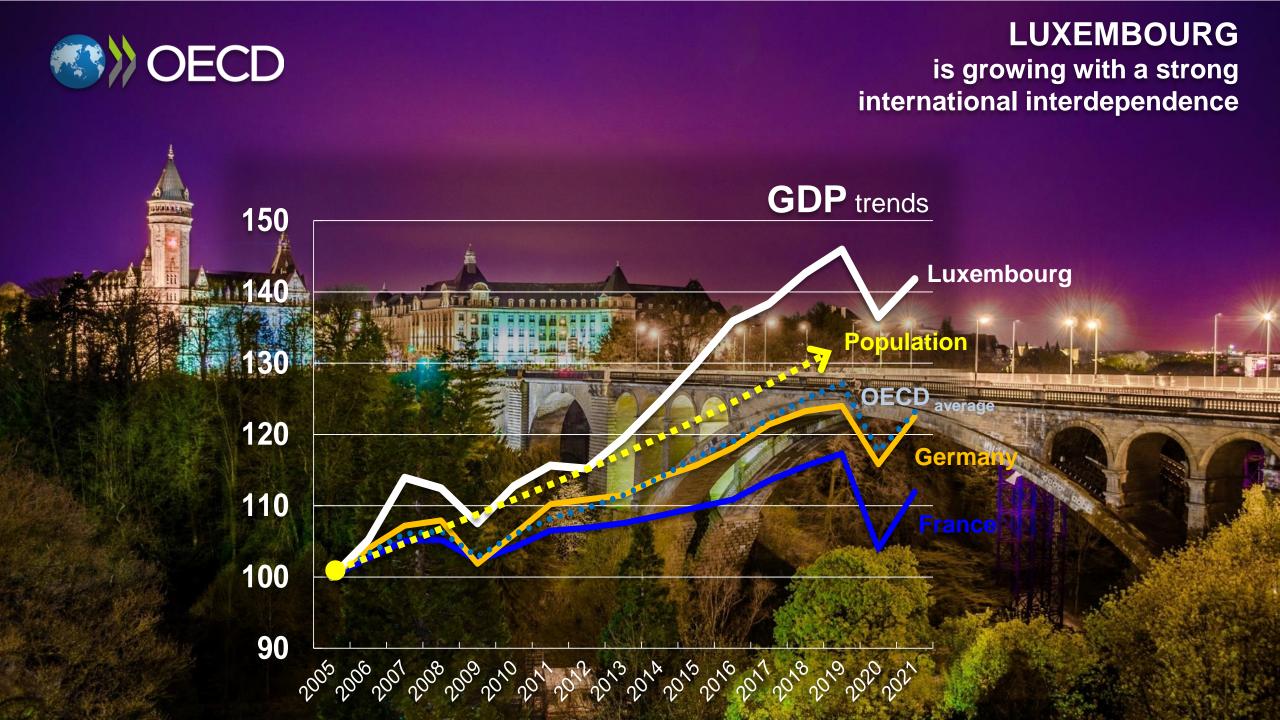
Scale up efforts to achieve future climate and air emission targets Accelerate the implementation of measures to improve water quality Adopt a Consolidate measures for a circular greener, economy, using synergies with innovation low-carbon and green public procurement and circular **Review the environmental effectiveness of** economic economic instruments that apply to model transport and to biodiversity

#### Selected KEY RECOMMENDATIONS



Extend the focus of green finance products beyond climate and monitor their environmental impact

 Accelerate the implementation of biodiversity conservation policies and fully integrate biodiversity into sectoral policies
Promote increased institutional coordination on spatial planning to advance sustainable mobility policies



#### ENERGY INTENSITY AND CONSUMPTION TRENDS 2005-2018

2005 = 100

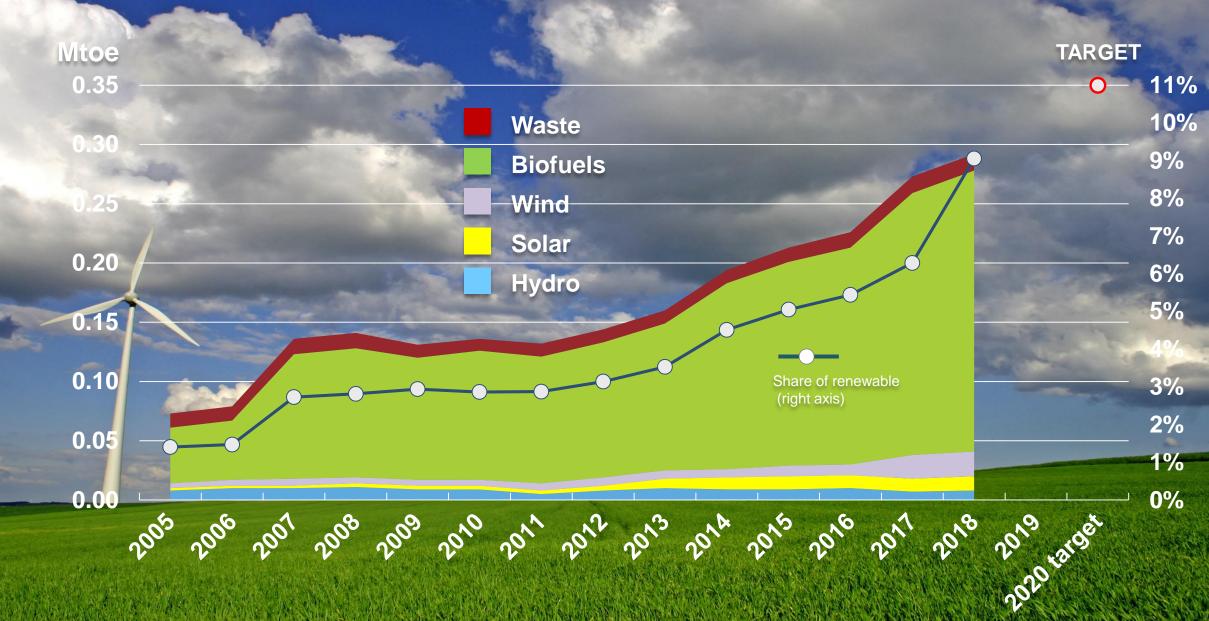
Total final consumption

Primary energy intensity

201

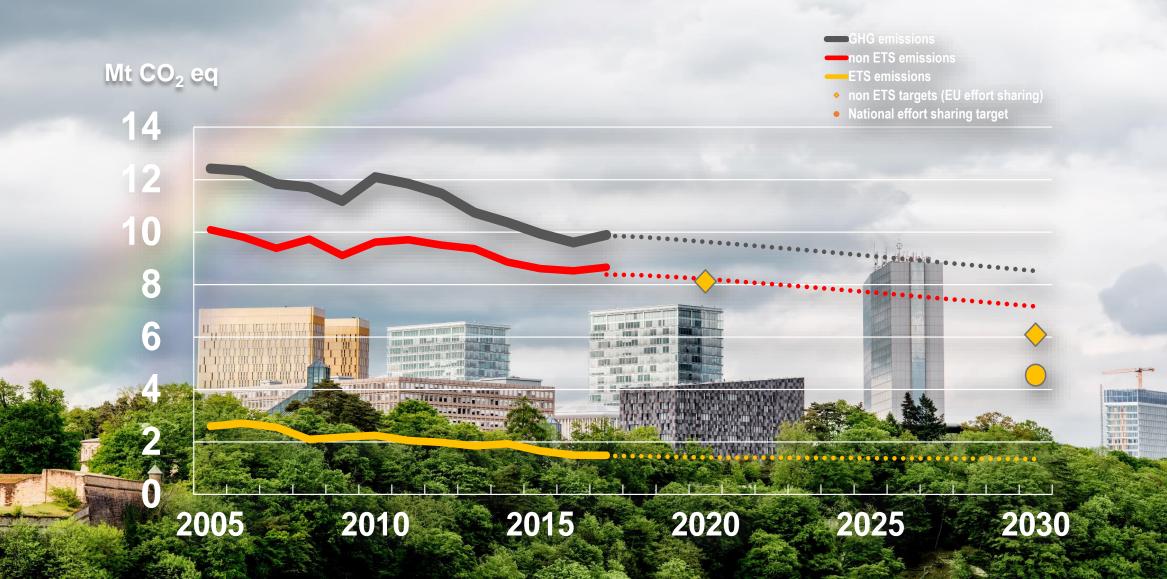
Luxembourg has improved its 120 energy efficiency 100 energy consumption has fallen by 80 11% 60 since 2005 and energy intensity decreased by 20 36% 0

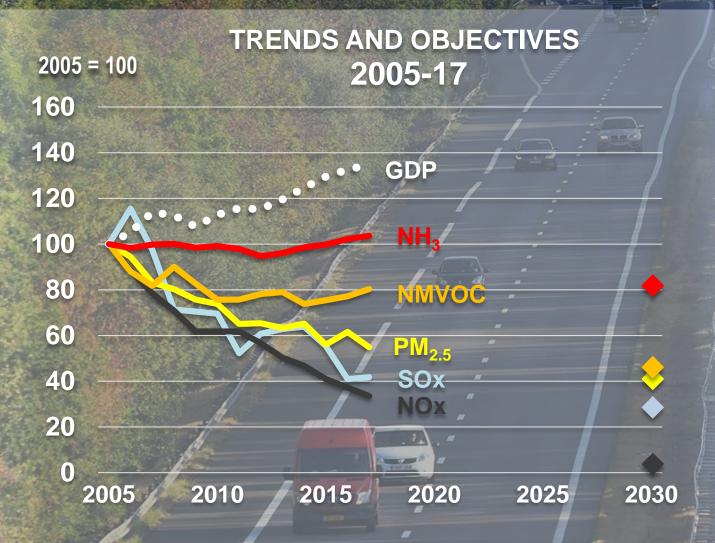
## **RENEWABLE TRENDS**





#### TOWARDS A LOW CARBON ECONOMY





Most air emissions have been decoupled from GDP, more is needed to meet the 2030 reduction targets

## ()) OECD

160

60

40

20

#### MATERIAL CONSUMPTION IS HIGH

#### Luxembourg vs OECDavg

20176

23%

27%

Fossil

**Fuels** 

14%

00/

36%







\*DMC Domestic Material Consumption

Metals **Biomass** 

51%

**Non-metallic Minerals** 

22%

8%

3800 vs 2600

**USD/tonne** 

#### **CIRCULAR ECONOMY**

Municipal waste treatment 2005-2018

Kg/cap

800

700

600

500

400

300

200

100

0

thousands of tons

400

350

300

250

200

150

100

50

0

**Recycling, composting** 

- Incineration with energy recovery
- Landfilling

Generation intensity (right axis)

Generation intensity including cross-border workers (right axis)

2005 2006 2007 2008 2009 2010

2011 2012 2013 2014 2015 2016 2017 2018

### DECD

#### **Good progress with wastewater treatment** Insufficient progress in water quality

ON AN

#### SEWAGE TREATMENT CONNECTION RATES 2017 or latest year

REPUBLIC

UNGAR

SPAIR

-RANCI

CHIL

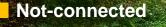
OURG ELGIUM

ONIA

EDEN

ND

CE



%

100

50

GERMANT

AND A

NETHER

NMARY

Primary treatment

Secondary treatment

Tertiary treatment

#### THE CONSERVATION STATUS OF HABITATS AND SPECIES IS FAR FROM FAVOURABLE



Habitats

50%

18%

32%

FavourableInadequateBadUnknown



15%

# 46%

# 37%

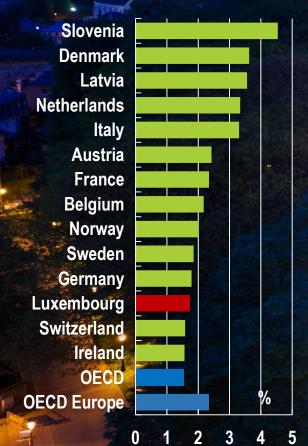
- FavourableInadequate
- Bad
- Unknown



## there is scope to **GREEN THE TAX SYSTEM**

## Revenue from environmental taxes is low

Share in % of GDP



#### Effective tax rates on CO<sub>2</sub> emissions are low

**Road emissions** 

Switzerland Netherlands Iceland Norway Germany Ireland Denmark Sweden Austria Luxembourg 200 100 0

Non-road emissions

40

60



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1000

ALL PHOTOS from SHUTTERSTOCK