

CIRCULAR BY DESIGN CHALLENGE #3

Thematic call 4: Innovative and sustainable solutions responding to development cooperation and humanitarian aid issues

Call partner: LuxAid – Ministry of Foreign and European Affairs, Directorate for Development Cooperation and Humanitarian Affairs

The challenge

The main objective of Luxembourg's development cooperation is to contribute to the eradication of extreme poverty and the promotion of economic, social and environmental sustainability. LuxAid is calling organisations to submit their circular project ideas in an aim of implementing innovative and sustainable solutions responding to development cooperation and humanitarian aid issues, and thereby contributing toward achieving the Agenda 2030 Sustainable Development Goals.

Luxembourg is continuously working toward achieving the United Nations' 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs). With a strong political focus on SDG 1: Zero Poverty, Luxembourg engages in a number of sectors: health, education, employment/employability, inclusive and innovative finance, inclusive governance and digital for development/ICT, with gender and climate being the two main cross-cutting dimensions that are systematically to be considered in the implementation.

LuxAid is now inviting the Luxembourg ecosystem to answer to challenges in development cooperation and humanitarian settings and to design innovative solutions with sustainability at their core. Both products and services could be of interest. For services, a long-term objective for a proven innovative solution would be to turn it into a global public good.

As LuxAid operates in very diverse settings (humanitarian and development, countries, diversified partner network) and sectors (ICT, health, education [including tertiary], inclusive and innovative finance), **the scope is very vast**. Furthermore, products or solutions should respond to an identified development cooperation or humanitarian aid issue, as well as clearly identified local needs and proven added value of the proposed solution.

Some examples of issues LuxAid is seeking solutions include:

- Incentivise **sustainable waste management** (collection, recycling, local valorisation), in particular plastics and medical waste;
- Incentivise **sustainable management of resources** like water and energy including desalination solutions;
- Promotion of **sustainable agriculture**;
- Help local players carry out a **sustainable valorisation of forest spaces**, for both wood and non-wood forest products (notably fruits etc.), including carbon credits;
- **Sustainable housing/construction** (including temporary housing);
- **Sustainable management of hospitals** (including waste minimisation and sterilisation of utilities);
- **Sustainable solutions for connectivity and digitisation**;
- **Sustainable logistics**.

Specific requirements

LuxAid works with a number of partner countries and project countries with a strong focus on Least Developed Countries (LDCs). Countries of specific interest include Cabo Verde, Senegal, Mali, Burkina Faso, Niger, Benin, Rwanda, Kosovo, Laos and Costa Rica. However, LuxAid operates on the basis of the eligible costs based on the [list of official development assistance recipient countries defines by the OECD-DAC](#). Proposed solutions should target beneficiaries in developing countries, preferably the LuxAid focus countries and/or LDCs. Solutions should be adapted (or adaptable) to development contexts, and in time demonstrate potential for scalability.

In every aspect of its projects and programmes, Luxembourg pays particular attention to engaging in partnership with local stakeholders, subscribing to the principles of development effectiveness and collaborating with partners with the objective of local capacity building and job creation. LuxAid does not engage in tied aid or in concessional schemes involving the private sector when engaging with its partner countries, and bases its interventions on clearly identifiable local needs and proven added value of the proposed solution.

If the solution developed by the winner of this thematic challenge is considered sufficiently relevant and mature, there are possibilities to develop it further through one of LuxAid's instruments (e.g. Business Partnership Facility) or partners (e.g. LuxDevelopment).

Target companies

This thematic challenge is targeting Luxembourg-based companies (any company from start-up to larger sized companies); NGOs, are welcome if they are partnering with a company that is actively involved in the project.