

The Environmental Implementation Review



Luxembourg

Environmental Implementation Review 2025

The northern third of Luxembourg's territory hosts large mixed forests, while the urbanised areas and most economic activities (agriculture, industry) are in the south.

While environmental policies have delivered significant results in Luxembourg, a dynamic economy and demography (with many cross-border workers) are putting pressure on the environment, generating growing construction and transport flows, as well as intensive farming.

Highlights



Luxembourg ensured the correct levels of collection and treatment of urban wastewater.

Luxembourg's resource productivity is well above the EU average, illustrating the capacity of its economy to use resources more efficiently to produce goods and services.

Main Challenges



Circular economy

Luxembourg can improve its performance in several aspects of the waste management sector. Actions should be taken to reduce waste generation, targeting higher levels of the waste hierarchy.



Nature and biodiversity

Biodiversity and nature are deteriorating in Luxembourg and urgent measures are needed to protect and restore habitats and species. Ecosystems suffer from several pressures, notably from agricultural practices and soil artificialisation. The country should take action to ensure the transition to sustainable agriculture.



Pollution

Luxembourg does not project to meet its emission reduction commitments for several air pollutants. The quality of water bodies is poor, due to increasing pressures from agriculture and urban development. Consequently, all surface waters fail to achieve good ecological and chemical status, and a major part of groundwater bodies fail to achieve good chemical status.

Governance and investment



The investment gap to meet Luxembourg's environmental objectives is an estimated €403 million per year, representing around 0.52% of national GDP, less than the EU-average (0.77%).

Luxembourg performs well in environmental governance but should increase its administrative capacity to support the green transition.

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