

Bolivia remains the country in South America with the largest proportion of population practicing open air defecation, mainly in rural areas, with consequent negative impacts on health, education, environment and the economy, affecting mostly children and women.

The rapid urbanisation in Bolivia (75% expected for 2030) directly contributes to an accelerated solid waste generation and an increase of soil and water pollution and GHG emissions. This unplanned urbanisation process directly contributes to a deterioration in the quality of life and access to public services in urban areas, affecting vulnerable groups in a more intensive manner. Solid waste management is mostly limited to recollection and deposit on illegal or unregulated landfills and circular economy practices are still rudimentary and driven by the informal sector. About 9,000 people work in the waste sector nationwide, a high proportion of whom work informally under often inhumane and unhealthy conditions.

Currently, according to a sectorial analysis carried by the Ministry of Environment and Water (MMAYA) (2023), 8,285 tonnes of municipal waste are generated daily across the country, of which 81% is domestic solid waste and 80% of the waste is generated in cities. Since 2011, the generation has increased by 73%. Approaches to waste separation or recycling in the sense of circular economy hardly exist. There is also a lack of awareness among the population of the need to dispose the waste in an environmentally sound manner or to reduce waste. Currently, only 26 municipalities (out of 339) have a regulated landfill, recycling facility or are in the process of closing their unauthorised waste dumps. The inadequate waste management leads to serious environmental impacts and GHG emissions.

In this context, the Action aims to improve the living conditions of the population living in Bolivia by increasing the coverage of drinking water and sanitation services and to strengthen the framework conditions to transform lineal waste management towards a circular economy model (overall objective). This will be achieved through four specific objectives:

1. Increase access to sustainable drinking water, sanitation and hygiene services in rural communities and in minor and intermediate towns.
2. Strengthen the water and sanitation operators in the communities and beneficiary populations (DESCOM-FI) and the capacities of sectoral actors at different levels (central, departmental, municipal and local - Public Social Water and Sanitation Companies -EPSAs-).
3. Contribute to sustainable urban development through urban planning and integrated waste management with focus on circular economy in selected metropolitan areas in Bolivia.
4. Improve municipal solid waste management through digitalization, innovation and pilot projects in selected intermediate and small cities in the framework of a just transition.

The mentioned objectives will be achieved through a mix of implementation modalities and implementing partners:

- The *Water and Sanitation* component would be implemented in indirect management with an European Financial Institution. This implementation will entail the execution of the EU funds under the blending component (LACIF), through delegated cooperation that accompanies an IADB loan (*Programa de agua y saneamiento para ciudades intermedias y menores*).
- The *Solid Waste Management* component would be implemented in indirect management with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and with UN-Habitat.

The proposed action contributes to MIP Priority Area 1 “Environment, Climate Change and Inclusive Economic Development” in these objectives: 1.3, 1.4, 1.5, 1.7, and 1.8.

It will also contribute to SO1: Green and sustainable development for living in harmony with Mother Earth and SO3: Strengthen inclusive social development “to live in a fair, equitable society, without poverty” of the Joint European Strategy 2022-25. Moreover, building on previous and existing EU and MS activities, it will place Team Europe as the reference partner for a green transition in the country.

The Action is aligned with the Commission’s priorities of the European Green Deal, including the EU Circular Economy Action Plan, and with the Global Gateway. In line with the European Consensus for Development, it is fully aligned with the 2030 Agenda, in particular SDGs: 1 (No Poverty), 3 (Good Health and Well-being), 4 (Quality education), 5 (Gender equality), 6 (Water and Sanitation), 8 (Decent Work and Economic growth), SDG