

Green Deal, EU Strategy for Cooperation in the Indo-Pacific, the 2030 Agenda for Sustainable Development, and Gender Action Plan III and Global Gateway.

The Action will position the EU in Sri Lanka as a trusted partner who actively promotes environmental sustainability as key to a sustainable recovery by protecting its biodiversity, to which critical economic sectors such as agriculture, fisheries and tourism, depend upon – an important added value of EU support as compared to the engagement of others such as China and India.

The Action supports a robust national policy framework for biodiversity conservation including the National Biodiversity Strategic Action Plan (2016-2022), the National Environment Policy (2021) and the revised Nationally Determined Contributions (2021), the National Waste Management Policy (2019) National Action Plan on Plastic Waste Management (2021-2030), and the National Policy on Sustainable Consumption and Production (2019). By reducing methane emissions from the waste sector Sri Lanka contributes to the Global Methane Pledge (Sri Lanka is a signatory). It complements the central highlands biodiversity initiatives of GEF 7 and GEF 8. It will allow the EU to consolidate ongoing cooperation on rural economic recovery (community livelihoods, SME development, local tourism) in Central and Uva provinces.

### **Specific Context: Biodiversity and Waste Management in the Central Highlands**

The central highlands of Sri Lanka are the source for most of the island's major rivers. With an unusually high rate of species, endemism in the diverse montane rainforests and adjacent grasslands areas, the region is considered a super biodiversity hotspot. Three major protected areas have been established and it is listed as a World Heritage Site. The protected areas are not necessarily well-managed and prone to threats that lead to habitat degradation and loss of species diversity. A particular threat to biodiversity loss and degradation is posed by the unsustainable management of waste. In the central highlands as in much of the country, waste quantities are increasing in response to population growth, dynamic economic development and increased consumerism. In Sri Lanka overall, waste generation rose from 6,400 tons per day in 1999 to 10,768 tons per day in 2021 (National Action Plan on Waste Management (2021-2030)). Improper disposal leads to plastic pollution, water contamination and health hazards from open dumping including in the peripheries of protected areas or simply burning of waste releasing toxic substances to the air.

## **2.2 Problem Analysis**

### *Short problem analysis:*

The direct drivers behind the decline in biodiversity in the central highlands include loss of habitat, poaching of valuable species, spread of invasive species and encroachment on habitat and/or overuse by tourists and pilgrims (NBSAP 2016-2022). Related to the overuse by tourism is the increasing spread of litter waste including single use plastics into sensitive terrestrial and wetland ecological areas and tourism service hubs. The indirect driver is the lack of effective governance due to conflicting stakeholder interests and political prioritization. At the national level, policies are in place but not necessarily properly implemented.

In terms of responses to these drivers, at the field level, capacities and resources for management of protected areas is lacking. Many formal protected areas either do not have or are unable to implement a management plan, much less a plan that is based on a clear prioritization of threats, needs and possible solutions. Managers of protected areas and municipal waste are poorly equipped, lacking technical capacities, resources and leadership support. Political priorities shift with frequent changes in leadership and conflicting mandates between agencies. National level institutions struggle to oversee local level compliance with existing regulations, provide sufficient resources, and provide knowledge and skills about suitable technologies and waste management plans.

In addition to the lack of waste prevention strategies, waste at the village and municipal level is often not systematically collected, processed, recovered or sustainably disposed of. Recyclable waste is not well-segregated, and its potential value lost. Biodegradable waste makes up the largest part of waste mass, but it is not properly managed or converted and ends up mixed with other waste in open dumps where it releases GHGs, including methane, and its potential value as compost or biogas is also lost. Facilities for recovery and recycling, or sites for safe final waste disposal are lacking. Waste in river catchment areas is a particularly acute problem. This includes solid and plastic wastes, nitrates and phosphates leakage from agrochemicals used in agriculture and plantations, and hazardous chemical waste from urban areas which negatively impact riverine and marine habitats and life.