

# Bolivia: EIB finances supply and sanitation projects that will benefit 200,000 people

- **European Investment Bank (EIB) provides USD 63.5m to finance “My Water V” programme of Bolivia’s Ministry of the Environment and Water**
- **Agreement will improve access to drinking water in rural areas and help to combat climate change**
- **Jobs: the different projects will provide employment for 12,000 people during the implementation phase**

The European Investment Bank (EIB) is financing the construction of drinking water supply and wastewater treatment facilities in Bolivia. To this end, the EU bank today signed a USD 63.5m (EUR 54m) loan agreement with the country’s Development Planning Ministry in support of the “My Water V” programme. This will be matched by a further USD 77m from the Andean Development Corporation (CAF) to finance this project, which complements the bilateral aid in the water and sanitation sector that the European Union provides to the country via its delegation in the form of grants.

The funds made available by the EIB and CAF will enable the implementation of more than 600 small investment schemes that will provide over 200,000 people with access to drinking water and over 85,000 with better wastewater collection and treatment services. The majority of the beneficiaries live in small communities in isolated rural areas.

The EIB is providing this finance in the framework of the 2014-2020 lending mandate for Latin America, meaning that this agreement is covered by the EU budgetary guarantee. By supporting this project, the EU bank is contributing to achievement of the United Nations’ Sustainable Development Goals and to the fight against climate change, as the new sanitation and wastewater treatment networks will prevent the discharge of polluting effluents into rivers.

The **EIB Vice-President responsible for the Bank’s operations in Latin America, Emma Navarro**, said that this project *“is a very revealing example of our priorities in Latin America: supporting climate action while financing projects with substantial social and economic benefits. With this operation, we are helping to ensure that water and sanitation networks are reaching many small communities that have never had access to these services. We are therefore delighted to sign an agreement that will help to improve the living conditions of thousands of Bolivian citizens while at the same time promoting efficient use of natural resources and fostering economic growth and job creation”*.

The different schemes under this programme will be carried out over the next four years up to 2022 and their implementation will provide jobs for around 12,000 people. They will also create employment for local people once they

are up and running. The final beneficiaries, the local communities that have asked the ministry to take part in the project, will be responsible for operating and maintaining the different facilities and managing the service to users.

The EU bank is the biggest multilateral lender for climate action in the world. It has set itself the goal of devoting at least 25% of its total financing to this objective, a commitment which rises to 35% of its activity outside the EU in 2020.

### **The EIB in Latin America**

The EIB provides economic support for projects in Latin America by offering both long-term investment on favourable terms and the technical assistance needed to ensure that these projects deliver positive social, economic and environmental results. Since the EIB began operating in the region in 1993, it has provided total financing of around EUR 8.4bn in support of 117 projects in 14 countries.