

World Bank Approves \$200 Million Program to Boost Peru's Wastewater Management and Circular Economy

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The World Bank's Board of Executive Directors has approved a new \$200 million, multi-phase, 10-year program designed to transform Peru's water sector. The initiative aims to strengthen wastewater management, advance a circular economy strategy in the water sector, and improve the reliability of water and sanitation services, ultimately fostering opportunities and jobs across the country.

The comprehensive program will target both the capital, **Lima**, and the southern region of **Puno**, focusing on upgrading critical infrastructure and expanding access to clean water. Crucially, it will support Peru's national circular economy roadmap by promoting water reuse, resource recovery, and conservation.

Protecting Lake Titicaca and Advancing Circularity

The program emphasizes moving wastewater from a liability to a resource. Investments will be directed toward water reuse projects, aquifer recharge, and significant reductions in water pollution and losses. This includes advanced wastewater treatment for **energy cogeneration** and **nutrient recovery**.

In Puno, a major focus is the protection of **Lake Titicaca**, which faces significant threats from untreated wastewater. The project will address this by developing new wastewater treatment plants and expanding water supply and sanitation networks. Furthermore, the program will upgrade Peru's infrastructure to improve resilience against climate-related risks, including floods, droughts, landslides, and glacier loss.

Durich Whittembury, Minister of Housing, Construction and Sanitation of Peru, said: “Our commitment is to close the water and sanitation gap, while strengthening the country’s water security. This program, in partnership with the World Bank, will allow us to promote the implementation of the circular economy roadmap for the sector, thus strengthening the sustainability of investments, for the benefit of the health and development of Peruvian families.”

Supporting Economic Resilience

Water-intensive sectors are vital to Peru’s economy, contributing nearly **two-fifths of the country’s GDP**. Agriculture, which is highly dependent on irrigation, employs almost a quarter of the workforce—a critical factor for rural development where poverty rates are high. The program’s focus on sustainable water management is expected to directly support these key economic drivers.

Issam Abousleiman, World Bank Regional Director for Bolivia, Chile, Ecuador and Peru, said: “In partnership with Peru, we are strengthening water security while catalyzing a circular economy that turns wastewater into a resource—supporting cleaner rivers and lakes, more reliable services, and new jobs. This program will help utilities plan and both public and private investment, scaling up water reuse and energy recovery, and improving service delivery where the needs are greatest.”

By integrating scientific innovation with financial planning, the World Bank program aims to help utilities secure both public and private investment, scaling up sustainable practices and ensuring reliable service delivery where the needs are greatest.