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Bolivia: Selected Issues

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BOLIVIA

Selected Issues

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Approved by the Western Hemisphere Department

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Bolivia—Basic Data

Social and Demographic Indicators

Area (in thousands of square kilometers)	1,099
Population density per sq. km. of agricultural land (1995)	22
Population in millions (1997)	8
Annual rate of population increase in percent (1990-95)	2
Life expectancy at birth in years (1995-2000)	61
Infant (under 1 year of age) mortality per 1,000 live births (1994)	75
Child (under 5 years of age) mortality per 1,000 live births (1994)	116
Population per physician (1994)	2,009
Population per hospital bed (1990)	655
Percent of households with access to safe water (1994)	63
Per capita supply of calories per day (1994)	2,046
Per capita protein intake in grams per day (1994)	46
Primary school enrollment (percent of age group, 1992)	87
Adult literacy rate in percent (1994)	80

GDP (1997)	Bs 41,910 million
	US\$7,953 million

Economic indicators 1993-97

	1993	1994	1995	1996	Prel. 1997
			(In percent)		
Origin of GDP					
Agriculture, forestry, and fishing	16.5	16.8	16.3	16.2	16.3
Mining and hydrocarbons	11.0	10.9	11.2	10.6	10.2
Manufacturing	18.1	18.2	18.7	18.7	18.7
Construction	3.7	3.6	3.7	3.9	4.0
Transport and communication	10.6	10.7	10.9	11.4	11.7
Government	10.6	10.4	10.2	10.0	9.9
Other services	29.5	29.4	29.0	29.2	29.2
Ratios to GDP					
Exports of goods and nonfactor services	19.1	21.7	22.6	21.9	20.6
Imports of goods and nonfactor services	28.4	27.2	27.2	27.1	27.9
Factor services (net)	-3.6	-3.1	-3.3	-2.2	-2.6
Current account of the balance of payments	-7.3	-3.7	-5.0	-5.1	-8.1
Public sector revenues and grants	22.9	25.2	25.9	25.3	24.6
Public sector expenditures	28.9	28.2	27.7	27.2	27.9
Public savings, including grants	2.9	5.7	5.8	6.0	3.0
Nonfinancial public sector overall surplus or deficit (-)	-6.4	-3.7	-2.6	-2.5	-3.9
Operating balance of public enterprises	1.2	1.5	2.0	1.3	0.5
Central bank operating balance	0.4	0.7	0.8	0.6	0.7
Combined public sector balance	-6.1	-3.0	-1.8	-1.9	-3.3
External public and publicly guaranteed debt	74.8	78.3	72.5	61.7	56.2
Gross national savings	9.5	11.2	10.6	11.3	10.5
Gross domestic investment	16.8	14.9	15.6	16.5	18.7
Financial system liabilities to private sector 1/2/	38.7	42.4	39.5	42.1	44.9
Annual changes in selected economic variables					
Real GDP per capita	1.8	2.2	2.2	1.7	1.8
Real GDP	4.3	4.7	4.7	4.1	4.2
GDP at current prices	11.1	13.0	16.6	18.4	9.8
GDP deflator	6.6	8.7	9.6	13.8	5.4
Consumer prices (annual average)	8.5	7.9	10.2	12.4	4.7
Consumer prices (end of period)	9.3	8.5	12.6	8.0	6.7
Domestic expenditures (at current prices)	11.4	9.1	15.6	19.1	12.0
Investment	10.2	-2.0	23.7	23.7	26.5
Consumption	11.6	11.1	14.4	18.3	9.4
Public sector revenue and grants	6.3	24.6	19.8	15.9	6.8
Public sector expenditure	13.7	10.1	14.6	16.3	12.6
Current expenditures	20.3	10.0	17.6	17.2	18.4
Liabilities to private sector (M3) 1/2/	36.4	21.6	9.5	24.9	17.1
Currency	12.9	36.7	20.8	8.5	14.6
Boliviano deposits	9.2	39.3	13.9	34.5	16.1
U.S. dollar deposits	41.8	9.7	15.4	28.5	17.5

	1993	1994	1995	1996	1997
			(In percent)		
Credit to the private sector	31.2	21.3	8.6	10.0	21.1
Merchandise exports (f.o.b., in U.S. dollars)	11.3	40.5	7.7	5.3	3.1
Merchandise imports (c.i.f., in U.S. dollars)	5.8	10.6	7.8	14.8	17.3
Term of trade (deterioration -)	2.1	11.1	-10.2	4.6	-2.2
Nominal effective exchange rate (depreciation -)	56.2	59.6	2.2	-1.8	2.9
Real effective exchange rate (depreciation -)	-1.7	-7.2	-3.4	5.7	3.6

(In millions of bolivianos)

Combined public sector					
Revenue and grants	5,590.1	6,965.8	8,342.3	9,665.3	10,322.2
Expenditures	7,074.9	7,790.0	8,925.5	10,382.4	11,686.5
Operating balance of public enterprises	305.6	407.5	658.1	482.6	190.0
Current account balance (before grants)	343.7	905.0	1,321.0	1,396.2	644.1
Overall balance of the nonfinancial public sector	-1,572.7	-1,011.7	-849.6	-954.1	-1,650.4
Overall deficit (-)	-1,484.8	-824.2	-583.2	-717.1	-1,364.4
External financing (net)	1,235.2	1,013.5	1,161.2	941.5	1,141.0
Domestic financing (net)	248.8	-188.1	-578.0	-224.5	224.0

(In millions of U.S. dollars)

Balance of payments					
Merchandise exports (f.o.b)	709.8	997.6	1,074.9	1,131.7	1,166.5
Merchandise imports (c.i.f.)	-1,153.6	-1,276.4	-1,375.6	-1,578.6	-1,850.9
Factor income (net)	-204.6	-187.8	-219.8	-168.0	-210.6
Other services and transfers (net)	229.3	247.9	186.4	231.1	248.9
Current account balance	-419.1	-218.7	-335.5	-385.2	-647.4
Public sector medium- and long-term capital 4/	90.2	125.0	78.8	239.3	240.1
Short-term capital and other 5/	251.0	83.5	178.1	488.0	311.5
Overall balance	-77.9	-10.2	-78.6	342.0	103.0
Unpaid debt services 6/	139.8	118.1	201.8	0.0	0.0
Arrears on gas exports (increase -)	29.6	0.0	0.0	0.0	0.0
Exceptional payments by Argentina	89.0	21.0	0.0	0.0	0.0
Change in net official reserves (increase -)	-138.8	-123.3	-123.2	-342.2	-103.0

International reserve position and external debt

Central bank (gross)	494.7	658.4	737.4	1,138.5	1,031.9
Central bank (net)	362.7	486.0	609.2	951.4	1,054.3
Rest of the system (net)	-246.0	-392.0	-440.0	-315.0	-376.0
Public external debt	4,289.6	4,683.7	4,848.8	4,613.0	4,840.0

Relation with the Fund (as of June 30, 1998)

Article VIII status	
Intervention currency and rate	Bs. 5.52 per US\$1
Quota	SDR 126.2 million
Fund holding of local currency	SDR 117.34 million
Percent of quota	93.0
Outstanding purchases and loans (ESAF)	SDR 185.8 million
Percent of quota	147.2

Sources: National Institute of Statistics; Central Bank of Bolivia; Ministry of Finance; and Fund staff estimates.

1/ Percentage change, with dollar deposits valued at the end of period exchange rate.

2/ Since December 1994, M3 includes special certificates of deposit held by depositors of the two banks closed in November 1994, and credit to the private sector includes that of the two banks in liquidation.

3/ Change in percent of liabilities to the private sector at the beginning of the year, at accounting exchange rate.

4/ Disbursement and amortization due before debt relief.

5/ Includes direct foreign investment and errors and omissions.

6/ Public sector.

I. RECENT ECONOMIC DEVELOPMENTS

A. Introduction

1. Since 1985 Bolivia has been implementing strong macroeconomic policies and extensive structural reforms to stabilize its economy and expand its productivity capacity. Macroeconomic developments in 1997 were generally sound. Economic growth for the year remained moderately robust while inflation continued on a downward path (Tables 1 and 2). However, the structural reforms adopted since 1995 generated fiscal costs of about 3 percent of GDP in 1997, with the 1996 pension reform accounting for about half of these costs. The authorities put in place a medium-term plan to phase in fiscal measures (starting with a substantial increase in excise taxes on petroleum products in December 1997) that would fully offset these costs by 2002. The structural reforms, particularly the capitalization of five major public enterprises,¹ also created a strong increase in foreign direct investment (FDI), and the external current account deficit widened significantly in 1997, reflecting a surge in capital goods imports. The FDI inflows, together with net external financing to the public sector, covered the external current account imbalance, and net international reserves in 1997 rose by US\$100 million (over 1 percent of GDP).

B. Output and Prices

2. **Output growth reached 4.2 percent in 1997.** In the nontradable area, transportation, construction, and financial services continued to produce strong gains (Table 5). In the tradable sector, soya, wheat, and corn production and the manufacture of garments, footwear, and industrial chemicals registered robust increases in output (Tables 6 and 12). In contrast, mining activity has continued to remain weak while the petroleum sector slumped because of depressed prices. In the first half of 1998, output growth is estimated at 4.7 percent over the same period of 1997, led by telecommunications, construction, and financial services which more than offset weak agriculture production (corn, potatoes, and wheat) because of poor weather conditions.²

¹Under capitalization, 50 percent ownership and full management control was granted to the private investors who committed to make the largest investments in the enterprise. The remaining 50 percent of the shares have been passed to the Bolivian population at least 21 years of age at end-1995, and are held in the Collective Capitalization Fund (FCC). The state airline, telephone company, electricity company, and railroad were capitalized in 1996 and key units of the state petroleum company were transferred to the private sector in May 1997 and June 1998.

²The effects of *El Niño* resulted in drought in the western parts of Bolivia and flooding in the east. The combined loss in agriculture production and other weather-related disruptions estimated by the authorities is 0.3–0.5 percent of GDP in 1998.

3. On the demand side, private sector investment rose by 27 percent in real terms in 1997, while real private consumption increased modestly by about 5 percent. Real imports of goods and nonfactor services rose by 10 percent (slightly above recent trend), while real exports of goods and nonfactor services in 1997 fell slightly (less than 1 percent), owing to weak export prices, notwithstanding a volume growth of about 5 percent.

4. **Inflation** performance was satisfactory. On the strength of prudent macroeconomic policy and continued efforts to open the economy to competition, the end-period 12-month inflation fell from 12.6 percent in 1995 to 6.7 percent in 1997 (Figure 1). Twelve-month inflation rose to 8.2 percent in January 1998, as the petroleum tax increase boosted consumer prices, but strong macroeconomic policies brought inflation down to about 6 percent by August 1998.

5. **Employment and wages.** Statistics on the urban formal labor market suggested a steady rise in the labor force participation rate since 1993 to 43.5 percent in 1997 (Table 17).³ The urban unemployment rate (including the underemployed), which had hovered around 17.5 percent in 1994–96, rose to 18.8 percent in 1997 partly as the capitalization and privatization of public enterprises led to labor shedding. However, the demand for skilled workers increased, contributing to an 8 percent increase in the average real private sector wage in 1997 (Table 16).

C. The Fiscal Sector

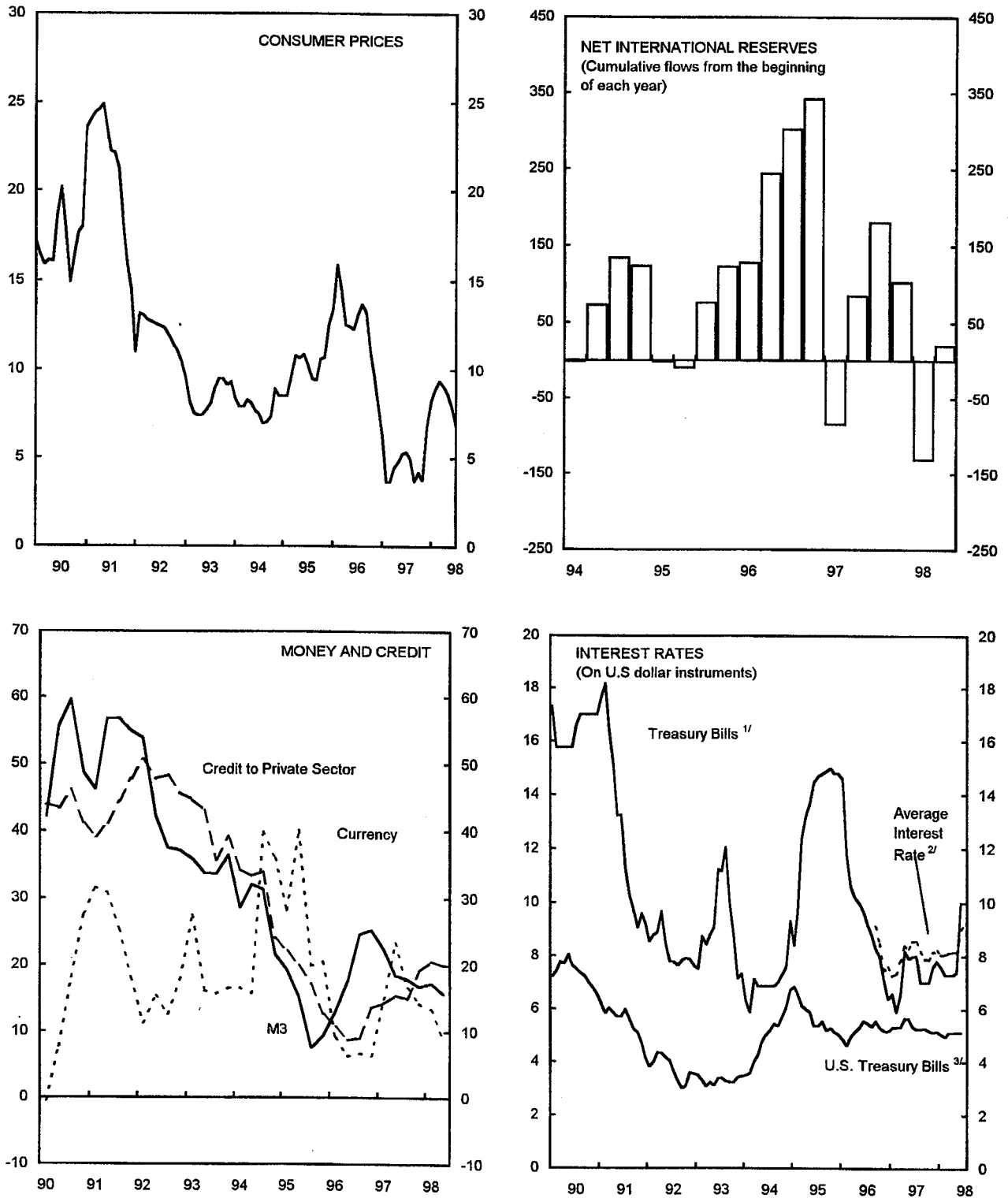
6. **In 1997, the combined public sector deficit rose from the historically low levels of less than 2 percent of GDP in 1995–96 to about 3.3 percent of GDP (Table 20), mainly as net pension costs rose from an average of about 0.9 percent in 1995–96 to about 2.5 percent of GDP in 1997.** The pensions reform (which was approved in late 1996 and implemented in May 1997) replaced the old pay-as-you-go (PAYG) system with a funded private system of individual retirement accounts, raised the retirement age, and mandated a broader coverage of the formal workforce. Social security contributions previously paid to the government were channeled to private pension funds, while the government remained responsible for paying current retirees. In addition, the government assumed the cost of paying pensions to the beneficiaries of the complementary pension funds, which were in very weak financial condition.⁴

7. To strengthen the nonpension fiscal position, in early December 1997, the authorities raised excise taxes on petroleum products which increased domestic fuel prices by an average

³Official employment and wage statistics should be interpreted with great care as they are of limited coverage and low quality.

⁴The pension reform is explained in more detail in International Monetary Fund, Bolivia—Selected Issues and Statistical Annex (SM/97/224, 8/27/97).

Figure 1. Bolivia: Selected Financial Indicators, 1990-98
(Annual percentage change; unless otherwise indicated)



Sources: Central Bank of Bolivia; and IMF International Financial Statistics.

1/ Three-month maturity. Before December 1994, interest rates on three-month central bank certificate of deposits.

2/ Average interest rate on treasury bills weighted by maturity. Since June 1998, one-year treasury bills have accounted for the largest share in the outstanding stock of bills.

3/ One-year maturity.

of 25 percent. They also introduced a mechanism to adjust these prices in line with international fuel prices (hydrocarbons prices had remained frozen in nominal terms since January 1996), continued their efforts to improve tax administration and limited the growth in public expenditure. As a result, the nonpension balance remained basically unchanged in 1997 in relation to 1996.

8. During the first half of 1998, the combined public sector registered an overall deficit of 1.1 percent of 1998 GDP, less than the authorities' program target of 2.1 percent of GDP. The revenues of the public sector were in line with the program during the first half of 1998, with strong nontax revenues making up for lower than expected hydrocarbon revenues and foreign grants. The operating balance of the public enterprises turned out to be broadly in line with the program. Delays in the implementation of certain foreign-financed road projects reduced public investment. As a result of these delays, net foreign financing in the first semester of 1998 amounted to some US\$52 million dollars (0.6 percent of GDP), considerably less than expected. Domestic financing amounted to 0.5 percent of 1998 GDP, largely in the form of placements of bonds and bills with the private sector.

D. Financial Sector

9. Confidence in the financial system has improved over the last few years. The average maturity on time **deposits** has increased from 240 days at end-1996 to about 350 days by mid-1998. Also, the process of financial deepening continued as financial system liabilities to the private sector grew from about 40 percent of GDP in 1993-94 to about 45 percent of GDP in 1996-97 (Table 29). After a sluggish performance in 1996 owing in part to the closure of two banks in late 1995, growth in **credit** to the private sector recovered during 1997 and remains robust in 1998 following a strong expansion in broad money in 1996-97. Consumer and mortgage loans exhibited the fastest real growth rates in 1997 and so far in 1998 (about 25 and 33 percent, respectively (Table 33)), reflecting in part the recomposition of banks' portfolio toward personal loans as larger firms have increased their access to foreign financing.

10. The financial sector reforms of recent years have improved **indicators of banking system soundness**. The ratio of nonperforming loans to total loans declined from slightly above 6 percent at end-1995 to about 4½ in 1996-97 (Table 34).⁵ By end-1997, more than half of the banks had met the new capital adequacy ratio of 10 percent using the Basle risk-weighting system (one year ahead of the official schedule), and banks had presented plans to eliminate lending to major shareholders and related parties over the next three years.

⁵ Deposits in the banking system dropped temporarily by about US\$70 million in February 1998, following a short-lived run on deposits suffered by Bolivia's largest commercial bank triggered by rumors that its financial condition was weak. Deposits in the banking system went back to the pre-run level within weeks of the run. The closure of a small bank in December 1997 may have also brought some uncertainty to the domestic financial markets.

11. **Open market operations** of the central bank remain the main instrument of monetary policy. The average interest rates (weighted by maturity) on this type of instrument (including central bank certificates of deposits and treasury bills) were broadly stable over the last two years before rising to about 9 percent in June 1998 as the central bank tightened credit conditions. The central bank has been able to increase the average maturity of treasury notes from 50 weeks at the beginning of 1997 to 70 weeks by mid-1998. In the context of prudent fiscal and credit policies, **interest rates** in the banking system have steadily declined over the last two years (Table 30).

12. On **structural measures**, new regulations adopted in May 1998 reduced nonremunerated required bank reserves from an average of 11 percent to 2 percent of eligible deposits. Also the regulation established a liquid asset requirement of 10 percent on eligible deposits to be invested in high quality assets, which will serve as collateral for lender-of-last resort liquidity support from the central bank. The liquid assets corresponding to U.S. dollar deposits are to be transferred to the banks, who will hold these assets abroad. In addition, the government established in June 1998 a high level financial committee (*Comité de Normas Financieras Prudenciales* (CONFIP) to ensure that regulations and norms are consistent across all financial sectors (banking, insurance, pension, and securities). Also, the government consolidated the superintendencies of pensions, securities, and insurance into one superintendency. Finally, also in June 1998, as the remaining legal obstacle to the entry of foreign banks (a limitation on the voting power of majority shareholders) was eliminated, two foreign banks acquired majority stakes in two domestic banks (including the one that suffered the run on deposits).

E. The External Sector

13. **The external current account deficit widened from about 5 percent of GDP in 1995-96 to about 8 percent in 1997**, reflecting mainly the deterioration of the trade balance (Table 38). Total **merchandise export** volume growth amounted to about 5 percent in 1997. The volume of nontraditional exports rose by 10 percent, while the volume of hydrocarbons exports fell by almost 17 percent (resulting from a temporary break in the gas pipeline to Argentina), and mineral exports stagnated. During 1997 and early 1998, there was a pronounced deterioration in average export prices. **Imports** of intermediate and capital goods rose significantly owing to investment by the capitalized enterprises and the construction of a gas pipeline to Brazil. Preliminary data indicate that the deterioration of the trade balance continued during the first half of 1998.

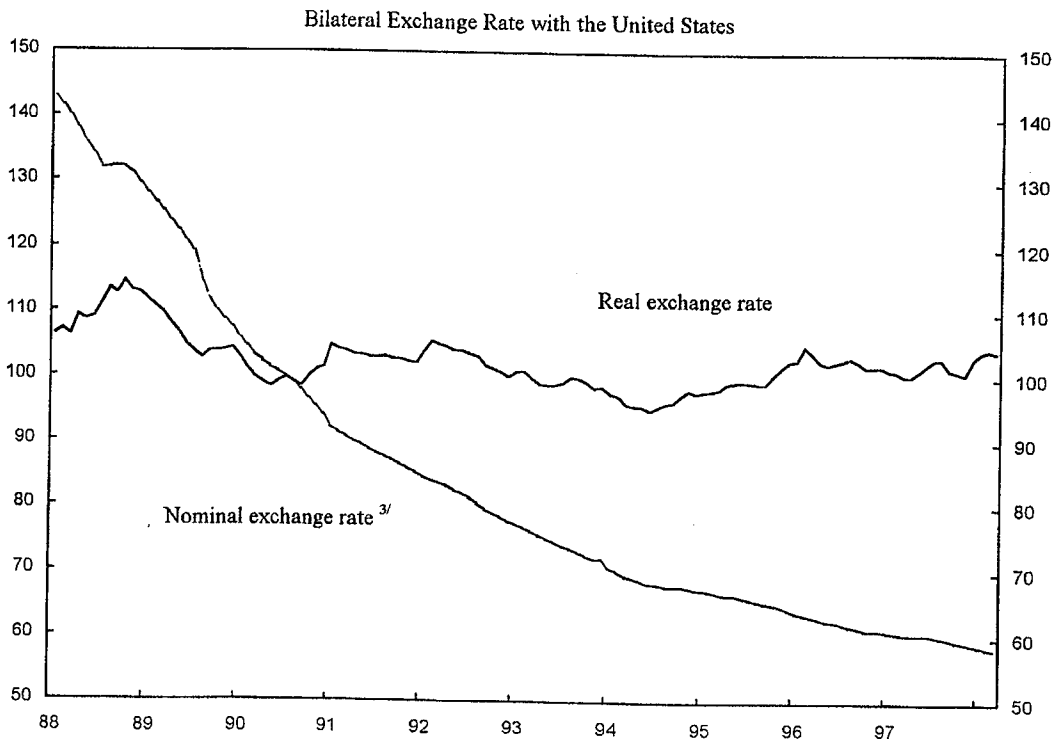
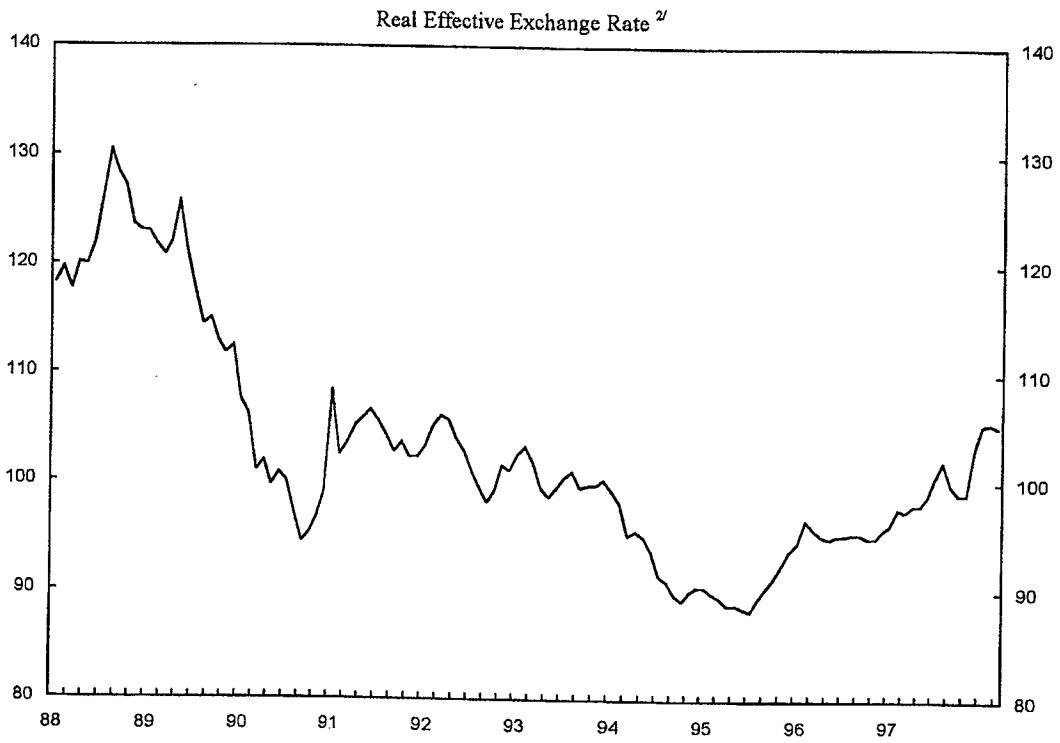
14. Nevertheless, net capital inflows rose from about US\$250 million in 1995 to about US\$750 million in 1997 led by the sharp increase in foreign direct investment, and this, together with strong macroeconomic policies, allowed a buildup in gross reserves of more than 7 months of imports by end-1997.

15. The stock of external debt declined from US\$4.8 billion (73 percent of GDP) in 1995 to US\$4.5 billion (56 percent of GDP) in 1997, in part because of debt relief by official bilateral creditors. Bolivia reached agreements with all of the Paris Club bilateral creditors in implementation of the stock-of-debt operation on Naples terms in 1995. Bolivia continues to pursue prudent borrowing policies, strictly limiting its recourse to nonconcessional loans. It also receives generous support from many international donors in the form of grants for debt service payment and reduction operations (about US\$35 million a year in 1996 and 1997). Bolivia's debt-service ratio in 1997 stood at about 26 percent of exports of goods and nonfactor services.

16. The central bank holds daily auctions to determine the official **exchange rate**. After depreciating in real effective terms by 13 percent from 1990 to 1995, the real effective exchange rate appreciated by 15 percent in 1996–97 (see Figure 2). Given the continued robust growth of nontraditional export volumes, competitiveness appears to remain adequate.

17. Bolivia's **trade system** has been virtually free of restrictions since August 1985. The tariff system has been unchanged since 1990 with a low uniform tariff of 5 percent on capital goods imports and 10 percent on all other imports. Efforts are being made to simplify procedures and administrative regulations at customs that would further enhance the benefits of the open trade system. Bolivia is a member of the Andean Pact and has pursued greater integration with MERCOSUR countries.

Figure 2. Bolivia: Exchange Rate Developments, 1988-97^{1/}
(1990=100)



Sources: IMF Information Notice System.

1/ Increase (decrease) indicates appreciation (depreciation).

2/ Based on 15-currency basket.

3/ Index of US\$ per boliviano.

II. SOURCES OF GROWTH

A. Introduction

18. This chapter reviews Bolivia's growth performance over 1960–97 and assesses the factors behind that performance. The analysis suggests that the key factors influencing growth have been macroeconomic stability, political stability, structural reforms, and growth in key trading partners. Nonetheless, while Bolivia has achieved a great deal of macroeconomic and political stability and has had one of the best track records on structural reforms of all ESAF-supported programs, its growth performance remains below the rates needed to support a faster reduction in poverty. The most likely explanations for this growth performance are some difficulties in implementing certain structural reforms and the effects of weak confidence, which has improved but remains very fragile in view of the country's turbulent history.

19. The rest of this chapter is organized as follows. Section B presents a growth accounting exercise; Section C reviews the literature on growth and the results of cross-section work; Section D outlines the econometric results of a time-series model; and Section E concludes with some lessons for policy design in Bolivia.

B. A Growth Accounting Exercise

20. A simple growth accounting framework is used here to determine the contribution to output growth of factor input accumulation and productivity. We assumed a standard neoclassical, constant returns to scale, Cobb-Douglas aggregate production function: $Y=AK^\alpha N^{(1-\alpha)}$, where Y is potential output, A is total factor productivity, K is the capital stock, and N is the employed labor force, and α is the share of capital in total output. We also restrict the share of capital in total output to be constant overtime.

21. We use actual GDP growth as a proxy for potential output growth. Given the lack of employment data, population growth serves as a proxy for employment growth. The capital accumulation equation is given by: $K_{t+1}=K_t(1-\alpha) + I_t$, where α is the time-invariant rate of depreciation, and I is gross investment.⁶

22. Using different parameter values for depreciation ($\delta=5$ and 8 percent) and capital-output ratio ($\alpha=0.4$ and 0.6), we estimate the contributions of labor, capital, and total factor productivity to output growth. We also construct growth accounting scenarios using lower

⁶Based on actual gross investment values, and assumptions for both depreciation and the growth rate of the initial capital stock, we determine the initial capital stock (1959) by solving:

$$K_{1959}=I_{1959} * ((K_{1960}-K_{1959})/K_{1959} + \alpha)^{-1}$$

and upper bounds on our choice of initial capital stock (see Table A and Figure 3).⁷ This exercise shows that:

- Between 1960 and 1997, GDP grew at an average annual rate of 3.6 percent, population grew by 2.3 percent, and GDP per capita increased 1.3 percent per annum.
- Output growth fluctuated dramatically. A steady increase in domestic investment, particularly public sector investment—as the government followed a strategy of “state capitalism” that assigned to the public enterprises the bulk of capital formation—helped achieve a high growth rate in the 1960s.⁸ ⁹ The economy experienced negative output growth in the period 1979 to 1985, when growing political instability induced thousands of Bolivians to leave the country searching for jobs.¹⁰ Also, many farmers switched to growing coca in the 1980s as its price rose while the economy collapsed (the number of coca growers rose from 7,600 in 1977 to at least 40,000 in 1987) diverting productive factors to unrecorded activities.¹¹ It was not until the late 1980s that Bolivia began to sustain positive output growth. By 1997, real GDP per capita had only reached the level of the early 1970s (Figure 4);
- The reduction in average GDP per capita in the period 1975–85 occurred despite an increase in capital per worker; and
- The capital-output ratio rose from around 1.3 percent in the 1960s and 1970s to 1.9 percent in the 1980s; the rise in the ratio in the 1980s resulted mostly from the decline in GDP.

23. Our growth accounting results are particularly sensitive to the value of the initial capital stock and the chosen capital-output share under the assumption of a Cobb-Douglas

⁷ The choice of the initial capital stock is immaterial for a long time series. Since we are interested in determining the contribution to growth over a 35-year period, sensitivity analysis is necessary. Note that starting in 1990, the results are robust to the choice of the initial capital stock.

⁸ Sachs and Morales (1988).

⁹ Public investment rose from about 50 percent of total investment in 1960 to approximately 80 percent in 1980. By 1978, fixed capital formation reached about 20 percent of GDP while the stock of capital was increasing at 8 percent per year.

¹⁰ Between 1980 and 1985 population growth slowed to less than 2 percent per year as the net migration rate reached 5½ per thousand.

¹¹ Hudson (1991).

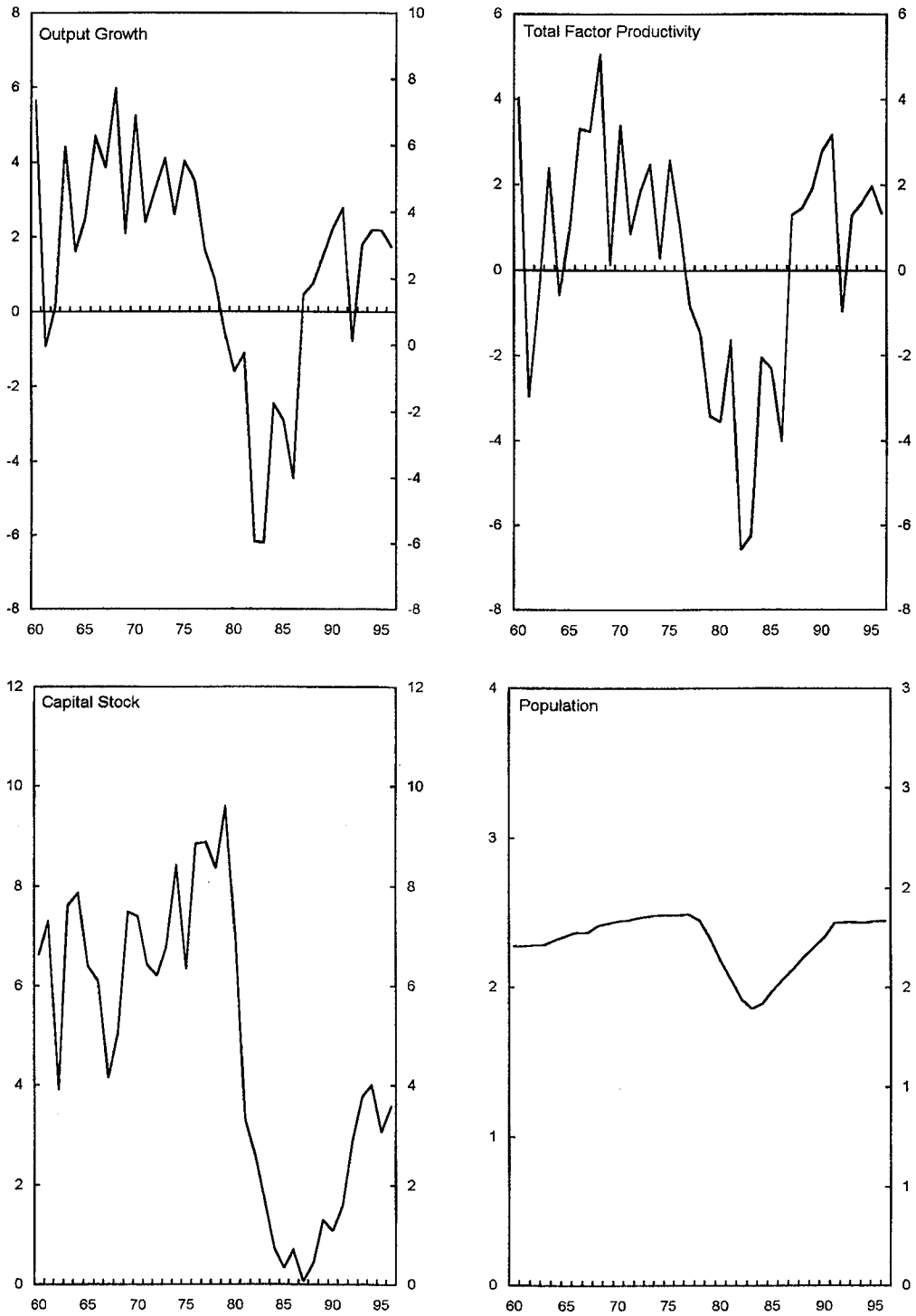
Table A. Bolivia: Contributions to Growth

A. Initial capital stock growth: 5 percent												
Years	GDP	GDPPC	Labor	Capital	Depreciation =5%			Depreciation =8%			Growth Gross Investment	
					TFP	a=0.4	a=0.6	TFP	a=0.4	a=0.6		
					K/Y	Capital	K/Y	Capital	K/Y	K/Y		
1960-69	5.4	3.0	2.3	3.3	2.7	2.5	1.7	3.1	2.8	2.7	1.2	8.6
1970-79	5.2	2.7	2.5	6.4	1.2	0.4	1.5	7.0	1.0	0.3	1.2	8.1
1980-89	-0.2	-2.2	2.1	1.6	-2.1	-2.0	2.0	0.6	-1.7	-1.2	1.5	-4.2
1990-95	4.1	1.7	2.4	2.6	1.7	1.6	1.9	2.6	1.6	1.6	1.3	13.5
1960-95	3.6	1.3	2.3	3.5	0.9	0.6	1.8	3.3	0.9	0.8	1.3	6.5

B. Initial capital stock growth: 10 percent												
Years	GDP	GDPPC	Labor	Capital	Depreciation =5%			Depreciation =8%			Growth Gross Investment	
					TFP	a=0.4	a=0.6	TFP	a=0.4	a=0.6		
					K/Y	Capital	K/Y	Capital	K/Y	K/Y		
1960-69	5.4	3.0	2.3	6.3	1.5	0.7	1.3	5.8	1.7	1.0	1.0	8.6
1970-79	5.2	2.7	2.5	7.7	0.7	-0.4	1.4	7.9	0.6	-0.5	1.1	8.1
1980-89	-0.2	-2.2	2.1	1.8	-2.2	-2.1	2.0	0.7	-1.7	-1.5	1.5	-4.2
1990-95	4.1	1.7	2.4	2.7	1.6	1.5	1.8	2.7	1.6	1.6	1.3	13.5
1960-95	3.6	1.3	2.3	4.6	0.4	-0.1	1.6	4.3	0.5	0.2	1.2	6.5

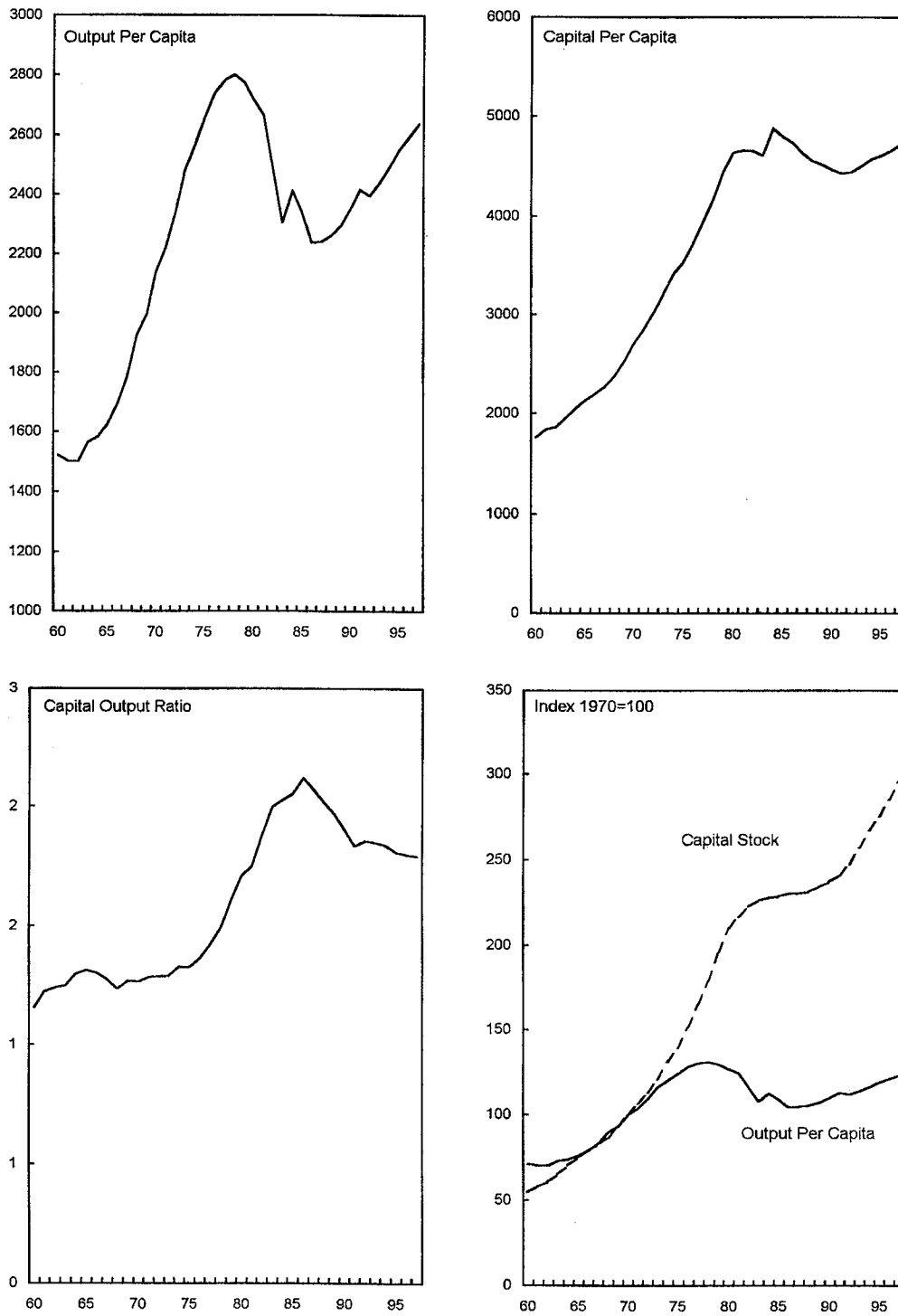
Source: IMF International Financial Statistics, and Fund staff estimates.

Figure 3. Bolivia: Growth Accounting, 1960-97
(Annual percent change)



Sources: IMF International Financial Statistics; World Bank Development Indicators; and Fund staff estimates.

Figure 4. Bolivia: Evolution of Output and Capital
(At 1990 prices)



Sources: IMF International Financial Statistics; World Bank Development Indicators; and Fund staff estimates.

production function. First, if the capital stock grew by 5 percent between 1959 and 1960, productivity is estimated to have grown by an average of 0.6–0.9 percent. The contributions of productivity growth to total growth are lower (-0.1–0.4 percent) for a higher initial capital stock (a 1959–60 capital stock growth rate of 10 percent). Secondly, we estimate that for the period 1960–95, the capital-output share was 0.68 for the lower initial capital-stock series, and 0.5 for the higher initial capital-stock series.¹² In addition, it suggests that over the past 35 years output growth has been almost exclusively the result of factor input accumulation and not productivity growth. However, this approach does not allow us to differentiate explicitly factors affecting short-term deviations from a long-term trend. In the following sections we will review briefly the literature on cross section growth theory and its application to the Bolivian case and then present regression analysis to try to shed some light on reasons for short-term deviations.

C. Determinants of Growth: The Cross-Section Perspective

24. The recent literature on economic growth seeks to explain a country's long-term trend growth of its per capita real GDP in terms of macroeconomic conditions; economic security and political stability; external factors such as the terms of trade and demand growth in key trading partners; physical geography; the quality of human capital as measured by life expectancy; educational attainment and health conditions; and the strength of structural reforms that boost the private sector's role in economic activity.¹³

25. Two recent studies applied this approach to analyze economic growth in Latin America since 1985, with a view to assessing the effects of structural reforms.¹⁴ Easterly, Loayza, and Montiel (ELM) estimated a cross-section model for 70 countries for selected years from 1960 to 1993 that explained real per capita output growth in terms of indicators of economic reforms, terms of trade changes, initial GDP levels and average years of secondary schooling. They used the trends in government consumption, inflation, broad money, investment, the black-market exchange rate premium and the volume of trade as indirect indicators of economic reforms. They found that the reforms adopted in Latin America in 1986–90 added about 2 percent to that region's annual growth in the period 1991–93.

26. Lora and Barrera (LB) constructed direct indicators of structural reforms in five areas (trade, tax, financial, labor, and privatization policies) and estimated a cross section equation for 19 countries in the Latin American and Caribbean region for four three-year periods (1984–86, 1987–89, 1990–92, 1993–95) that explained the growth in per capita real GDP in

¹²The functional form of the estimated equation follows: $\ln Y = C + \alpha \ln K + (1 - \alpha) \ln N$. We estimate this equation for different capital stock series, which differ in the initial capital stock.

¹³ For a recent review of growth theory, see Barro and Sala-i-Martin (1995).

¹⁴Easterly and Montiel (1997), and Lora and Barrera (1997).

terms of indicators of structural reforms, the level and volatility of inflation, and the level of schooling in 1983. They found that the structural reforms raised the region's sustainable growth rate by about 2 percent per year, with the largest contribution coming from trade and financial sector reforms, and that the reduction in the level and variability of inflation added another 0.5 percent to annual economic growth.

27. The ELM paper takes a closer look at Bolivia and other Latin American countries that helps explain the trends in Bolivia's real per capita economic growth since 1960, which ranged from a respectable 3 percent a year in the period 1960–76 to a decline of 2.2 percent a year in 1977–86 related to the economic crisis that developed in those years. ELM estimated that Bolivia's reforms of 1986–90 boosted its annual growth by 1.6 percent per year in the period 1991–93. However, when investment is included in the model specification, the predicted change in growth rate is twice as high as the actual growth rate implying some problems with the productivity of investment in Bolivia.

28. In addition, another recent study argues that global patterns of growth during 1965–90 depend not only on the initial conditions, government policy and demographic change but also on the geographical endowment. Being a landlocked country was found to subtract roughly 0.7 percentage points from a country's annual growth.¹⁵ Countries like Bolivia, with a diverse and tough geographical terrain and a limited amount of arable land, are further constrained by the fact that they are relatively far from industrial country markets. These factors certainly boost transport costs within Bolivia and between Bolivia and the rest of the world, and place an extra burden on the county to be more efficient.

29. Nonetheless, cross-section studies do not completely explain some of the peculiarities of Bolivia's growth performance. As it was indicated in Section B, in the period 1960–76, the state had expanded its control over the economy considerably, yet this was a period of rapid growth in capital stock and output. Also in the early 1980s, rising domestic instability (a high inflation and fiscal deficit and increasing political uncertainty) made private investors more sensitive to the risk of policy reversals. Moreover, the parameters from cross section analysis capture the average effects of the explanatory variables across a wide range of countries, and the magnitude of the parameter estimates (which seem high for some variables such as the terms of trade) are highly sensitive to the specification of the equation.

D. Determinants of Growth: Time-Series Approach

30. To obtain a different perspective of these relationships for Bolivia, we estimated a time-series equation that related the growth in real per capita GDP to the degree of political stability, the rate of inflation, the growth of key trading partners, the investment ratio to GDP, the share of public (and private) investment to total investment, the terms of trade, weather

¹⁵ Sachs (1997).

conditions (in particular severe climatic changes related to *El Niño*), and human capital (as measured by the gross enrollment ratio in secondary education and life expectancy). These equations were estimated by ordinary least squares regression using annual data for 1960–1997. The results are shown in Table B.¹⁶

31. In general, the factors that were included explain much of Bolivia's growth performance since 1960 (see Figure 5), although—contrary to expectations—the change in the terms of trade seems to have little effect on growth while the coefficients for the investment ratio to GDP though statistically significant carry the opposite sign. Human capital variables were found not statistically significant. Also, not surprisingly, high inflation seems to be a fiscal phenomenon as the partial correlation coefficient between these two variables is 0.82 percent.

32. The negative impact of the ratio of real gross domestic investment to real GDP, may result from an inappropriate measurement of investment in the data as the variable used includes public and private investment. Morales and Sachs (1988) present some information on the breakdown of investment into public and private for the period 1958–80 and the rest comes from the national institute of statistics. The data are problematic in several respects. As pointed out by Barro and Sala-i-Martin (1995), the concept of public is not precise, and the standard measures classify most capital expenditures of public enterprises as private. Equations 2 and 3 test the hypothesis that the productivity of public investment differs from that of private investment. The results do not change very much in the case of public investment while the estimated coefficient for private investment is positive, but statistically insignificant. This result may be influenced by the presence of other explanatory variables held constant in the equations (i.e., MERCOSUR trade). If we eliminate the MERCOSUR variable from the regression, then the estimated coefficient for private investment becomes statistically significant. In addition, the equation specification may be capturing the strong capital accumulation in the mid-70s (mainly public sector investment) while total factor productivity plunged over the same period.

33. Political stability is also shown to be particularly important for growth, as private investors become more sensitive to the risk of policy reversals. Bolivia had 20 governments

¹⁶ Statistical tests were run to rule out the possibility of spurious regressions in the model. All variables, excluding MERCOSUR trade and the terms of trade) were found to be nonstationary using the augmented Dickey-Fuller (ADF) test. A spurious correlation was considered unlikely as the residuals from the regressions turned out to be $I(0)$. In addition, the Johansen cointegration test indicated at least three cointegrating equations in our specifications.

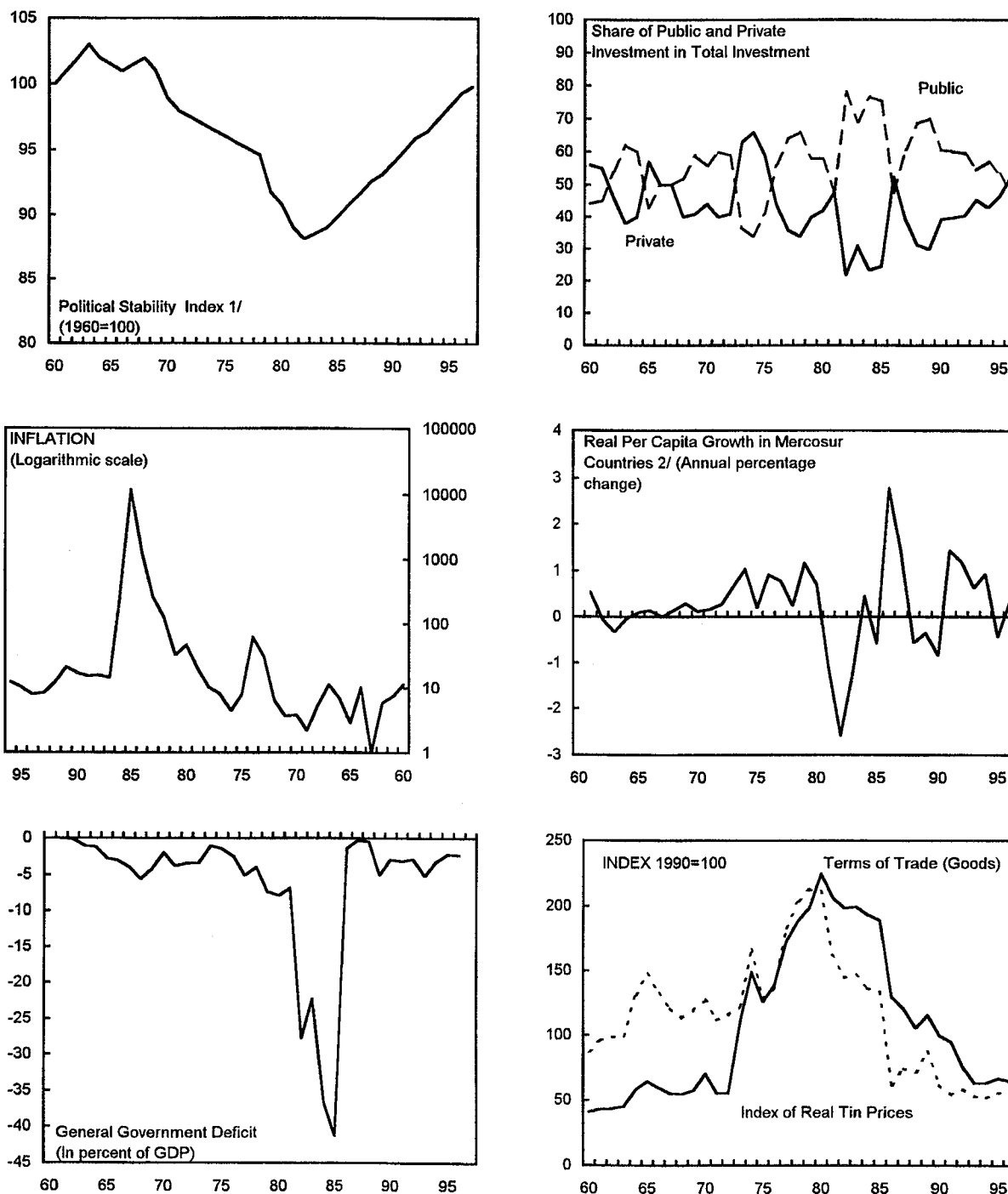
and an even larger number of economic teams between 1964 and 1985, and political instability reached its peak in 1979–80, when there were five changes in government.¹⁷ This

Table B. Bolivia: Determinants of Real Per Capita Growth							
	Equations						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	(t-statistics in parenthesis)						
Constant	-1.750 (-3.587)	-1.606 (-3.733)	-1.515 (-3.918)	-1.481 (-3.438)	-1.257 (-2.533)	-1.872 (-4.944)	-1.760 (-3.292)
Lagged log of inflation	-0.005 (-2.923)	-0.005 (-2.883)	-0.005 (-2.984)	-0.006 (-3.122)	-0.005 (-2.935)		-0.005 (-2.597)
Log of political stability	0.401 (3.761)	0.371 (4.014)	0.344 (4.073)	0.341 (3.642)	0.333 (3.565)	0.422 (5.083)	0.399 (3.427)
Lagged per capita output growth in Mercosur countries 1/	0.512 (2.295)	0.353 (1.456)	0.374 (1.567)	0.477 (2.146)	0.551 (2.518)	0.227 (0.946)	0.545 (2.450)
Lagged total investment in percent of GDP	-0.280 (-2.471)	-0.231 (-2.180)	-0.248 (-2.386)	-0.278 (-2.590)	-0.297 (-2.679)	-0.211 (-1.942)	-0.228 (-1.815)
Dummy for weather	-0.039 (-6.610)	-0.037 (-6.173)	-0.037 (-6.313)	-0.038 (-6.440)	-0.039 (-6.723)	-0.037 (-6.343)	-0.038 (-6.562)
Share of public investment in total investment		-0.041 (1.612)					
Share of private investment in total investment			0.034 (1.380)				
Change in secondary gross enrollment				0.061 (1.035)			
Log of life expectancy					-0.048 (-1.221)		
Lagged general government balance						-0.086 (-2.984)	
Lagged change of terms of trade							0.009 (0.891)
AR(1)	0.53	0.40	0.42	0.46	0.50	0.50	0.60
Adjusted R2	0.90	0.89	0.89	0.88	0.89	0.88	0.88
F-Statistics (zero slopes)	41.60	37.49	38.64	37.63	38.48	43.36	34.36
Number of observations	35	34	35	35	35	35	34
Durbin-Watson	2.07	2.14	2.13	2.10	2.18	2.16	2.00
Jarque-Bera	0.45	0.07	0.05	2.41	0.63	1.10	0.54
p-value	0.80	0.96	0.98	0.30	0.73	0.58	0.76

1/ Adjusted by Bolivia's exports to Mercosur.

¹⁷This lack of political stability most likely reflected the absence of democratic political institutions prior to 1952. The revolution of 1952, led by the National Revolutionary Movement (MNR) party, sought to transform Bolivia from an essentially feudal system dominated by mining companies and agricultural elites to a democracy based on support from indigenous peasants, workers, and the middle class. Between 1952 and 1964, governments changed according to the electoral schedule, although political tensions mounted steadily during this period.

Figure 5. Bolivia: Variables Related to Growth, 1960-97



Sources: IMF International Financial Statistics; World Economic Outlook; and Fund staff estimates.

1/ Index measuring "political stability" as proxied by cumulative values assigned to different types of governments: 1.0 for democratically elected government, 0.5 for civilian appointees, -0.5 for military regime, and -1.0 for coups. A higher index number represents greater stability.

2/ Weighted by Bolivia's exports to MERCOSUR.

deterioration in political conditions contributed to the instability in macroeconomic policy and performance between 1977 and late 1985. The crisis of the early 1980s most likely forged a stronger social and political consensus that since late 1985 led to regular and peaceful changes in government, together with the adoption of strong macroeconomic and structural policies.

34. Growth in the MERCOSUR countries (Argentina, Brazil, Paraguay, and Uruguay) have a significant effect, which would reflect the substantial share of Bolivia's exports to these countries throughout the period 1960–85, while the changes in the terms of trade seem to have had little effect on Bolivia's growth.¹⁸ Bolivia's strong growth performance from 1960–76 most likely reflects the strong growth enjoyed by the MERCOSUR countries between 1962 and 1978, and Bolivia's growth since 1985 may have been slowed by the unsteady growth in these countries. It is surprising that the terms of trade have no significant effect. Perhaps the large swings in the price of tin and oil have dominated the movements in the terms of trade, while the production of these products has been relatively inelastic with respect to price. It was not possible to derive terms of trade excluding these prices to test this hypothesis.

35. Human capital variables were found not statistically significant. In addition to the usual measurement problems, social indicators tend to change very slowly over time and our short-term specification is not able to capture their contribution to per capita growth. Secondary enrollment has improved steadily over the last 30 years, according to the World Bank, starting from about 20 percent in 1965 to slightly above 40 percent in 1995.¹⁹ However, there is broad concern that the quality of education has not improved over time. This is one of the main problems that the ongoing education reform is trying to tackle.

E. Lessons for Policy Design

36. The results for Bolivia of the ELM (1997) and our analysis in the previous section provides evidence for the view that the key factors influencing **Bolivia's growth have been inflation and macroeconomic stability, political stability and structural reforms, and growth in key trading partners**. The findings suggest that, in order to enhance economic performance, structural reforms must continue and macroeconomic stability must be maintained. In particular, additional efforts should be made to increase the productivity of public sector investment while completing the privatization of the remaining public

¹⁸The share of Bolivia's exports sold to MERCOSUR countries amounted to 30 percent from 1960 through the early 1970s, rose steadily to a peak of 60 percent in 1985, and then declined to 20 percent by the mid-1990s. Growth in the Andean pact countries had no significant effect on growth in Bolivia, probably because exports to these countries accounted for less than 5 percent of total exports until early this decade. Growth in the United States also had no significant effect on Bolivia's growth.

¹⁹ World Bank, Social Indicators of Developments, 1995.

enterprises. The capitalized enterprises are now investing to improve the efficiency of hydrocarbons, communications, power generation and air and rail transport (sector previously restricted only to public enterprises), while the public sector continues to improve basic infrastructure, with a better focus on roads.

37. Political stability also plays a major role for growth. The weakness of confidence most likely reflects several factors, including the lasting effects of the 1980–85 economic crisis and the fact that political and social institutions are at an early stage of development. In particular, coalition governments are common, as political parties tend to identify with individuals as opposed to policy positions, and changes in government still raise some questions about whether the successor government will stick to the direction of economic policies, even though Bolivia has achieved considerably more political stability and policy continuity than in the past. The integrity of the judiciary is still considered suspect, which complicates the enforcement of private contracts. This situation adds to uncertainty and may weaken the growth-enhancing effects of the policies.

38. The lack of statistical significance of the human capital variables suggests—in addition to the methodological problems mentioned above—that the implementation of the education and health reforms has been insufficient. The education system is very inefficient, as only a small share of the students entering first grade complete secondary school (31 percent in urban areas, 2 percent in rural areas). With regard to the health system, key reforms have been in place only since 1996, and a national health plan is still being developed. Also several early childhood development programs have been put in place, but these initiatives still reach less than 5 percent of the impoverished population under the age of 6. Following the decentralization reforms of 1994–95, much of the responsibility for actions in these areas passed to local governments, but the implementation of these reforms has been very uneven across communities.

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III. LABOR MARKET RIGIDITIES

A. Introduction

39. The labor market is governed by outdated and contradictory laws and regulations. To address these problems, the authorities have convened two tripartite meetings (comprising the government, unions, and employer organizations) in the first half of 1998 to discuss the best way to improve labor market legislation. This chapter provides background on the main weaknesses of the Bolivian labor law and regulations.

40. The current labor legislation inflates the cost of labor, creates uncertainty, and reduces the incentive for investment in the formal sector. Available evidence suggests that labor unrest does not appear to be a major problem as the number of hours lost due to industrial actions was estimated at 1.4 per worker per year for 1993–95.²⁰ Also high structural unemployment in the formal sector does not seem to be an issue as the official unemployment rate is reported at about 5 percent in recent years. However, underemployment is prevalent (an official estimate of the unemployment rate including underemployment is slightly below 20 percent).²¹

B. The Current Labor Law and Regulations

41. The basic labor law (*Ley General del Trabajo*) was introduced in 1939 and its regulations (*Decreto Reglamentarios*) came into force in 1943. Since then, many ad hoc amendments have been added. As a result, the current legal framework for the labor market has five major areas of weaknesses.

Uncertainty

42. The basic labor legislation is supplemented, directly or indirectly, by more than 500 pieces of separate labor-related laws, and by some 2,500 relevant supreme and ministerial regulations.²² Such a large number of regulations prevents a clear understanding of the rules

²⁰World Bank (1997), p.41.

²¹Labor market statistics are weak in Bolivia, there are basic data on employment but information on wages is generally very poor. Available labor market data are shown in Tables 15–19.

²²Much of this reflects many years of intensive lobbying by special interests. The result is a plethora of decrees governing different groups such as office workers, journalists, aeronautical workers, and newspaper distributors.

governing labor issues and creates undue complications for regulators and market participants. The body of regulations contains contradictions in many places.²³ For example:

- According to Regulation DS 9190, a worker once employed cannot be removed (*inmovilidad laboral*). However, regulation DS 21060 provides for a rescinding of labor contracts. These two regulations coexist in the labor code, although the latter is interpreted by some (but not by others) to have superseded the former.

- According to Regulation DS 1592, the calculation of severance payments should not include bonuses (*aguinaldo* and *prima anual*). However, in practice, the labor ministry has suggested that they be included.

- According to the basic law, the firing of a bank employee with more than five years of seniority can only take place after the convening of an administrative hearing while regulation DS 21060 suggests that this process is no longer necessary.

- According to Regulation DS 5051, the minimum duration of a collective work contract is a year. However, the labor ministry has issued guidelines based on a judicial ruling which shortens it to six months.

43. The lack of clarity of labor regulations is compounded by a lack of consistency in the interpretation of the labor code by case judges, law experts, and administrators. Consequently, several regulations in the labor law are either not enforced or unenforceable because regulators and the judiciary alike find it nearly impossible to apply them comprehensively and coherently. This has created mutual mistrust between workers and employers. In particular, employers are believed to hold the view that workers often benefit from sympathetic labor tribunals.²⁴ At the same time, when labor conflict arises, employers see the use of labor tribunals for resolving differences as cumbersome and time consuming. Thus, the current system has created an incentive for employers to seek, to the extent possible, to minimize such potential disruption by limiting the creation of formal employment.

High hiring and separation costs and inflexibility in contracting²⁵

44. In Bolivia, the protection for workers features prominently under the existing law at the expense of employers' flexibility in hiring, contracting, and firing of workers. The bias in favor of labor protection heightens labor cost and limits employers' ability to respond rapidly to changing market conditions. Among the more noteworthy restrictions in this regard are:

²³UDAPE (1997), p.11.

²⁴Bravo and Paredes (1994), p.17–18.

²⁵Ibid, p.21–23.

(a) rigid work hours and mandatory, high overtime pay; (b) fairly generous annual leave and bonuses; (c) difficulty in firing and heavy separation costs; and (d) lack of flexibility in using fixed-term contracts and subcontracting.

Work hours and overtime rates

45. The labor code regulates work hours heavily. It designates a standard workday of 8 hours which includes a minimum rest period of 2 hours and a work week of no more than 48 hours.²⁶ The law also stipulates weekly rest days to begin at 1:00 p.m. on Saturday and continuing into Sunday. Minimum overtime rates are required for work outside the standard hours. For instance, employers are required to pay an additional 100 percent over the normal hourly rate for overtime during the work week and on holidays. A 300 percent overtime rate must be paid for work on Sundays. Workers on night shifts also receive an additional 25–50 percent over the normal rate. In addition, according to labor regulations, special permission must be sought from the ministry of labor when a firm chooses to operate outside the standard work hours.

Annual leave and bonuses

46. The law establishes 15 days of vacation for those with 1–4 years employment, 20 days for those with 5–9 years employment, and 30 days for those with more than 10 years of seniority. Annual leave must be used as the law prohibits the carrying over of unused annual leave from one year to the next. The labor law also legislates on bonuses which on average could add up to 10–15 percent of a remuneration of a worker. Two bonuses are payable. A one-month Christmas bonus (*aguinaldo*) for most workers or a two-month bonus payable in May and December (*prima anual*) for the banking sector. A seniority bonus of up to three times the minimum wage must also be made each year.

Firing and separation costs

47. The cost of separation can be extremely high depending on the condition of separation and the workers' years of services. In general, the law mandates a severance payment that is equal to one-month's pay for each year of service in the case of dismissal, with no upper limit. When a firm fails to provide three-month advance notice of dismissal, another three-month severance pay must be made. For an employee with five or more years of service, a severance payment of one-month's pay for each year of service is mandatory even in the case of voluntary departure.

²⁶In May 1998, a continuous eight-hour work day was introduced for a limited number of sectors including the banking sector and certain government jobs.

Fixed-term contract and subcontracting

48. Fixed-term contracts are prohibited in areas considered as parts of the normal operation of an enterprise. As a result, firms must provide new workers regular contracts without having the benefit of a trial employment period to assess a worker's suitability for the job. At the same time, the firm and its subcontractors are held jointly responsible for all labor-related issues such as pay, working conditions, and hiring and firing decisions, even though the firm may not control its subcontractors.

Treatment of female workers

49. By singling out female workers as a group for separate treatment, for protection or otherwise, the labor law either outrightly or unwittingly provides reasons for discrimination against women in the labor market. First, women may not work more than 40 hours a week compared to a maximum work week of 48 hours for men. Second, the share of female workers in the total work force of a firm is limited to no more than 45 percent in certain types of work, which is vaguely defined as "any employment which does not need to use the labor of women in a major way."²⁷ Discrimination against women in the labor market may have contributed to the fact that poverty is disproportionately high in nonindigenous households headed by a female.²⁸

50. The law mandates an in-kind payment (*fuero maternal*) that is equivalent to 17 minimum wages for all lactating mothers²⁹ and a cash payment of one minimum wage at the time of the birth of the child. This is a good idea for social reasons, but can be expensive for employers when applied as a labor cost. Another regulation specifies that all enterprises with more than 50 workers must provide child-care facility for children less than one year old.

Weaknesses with respect to labor organization

51. The current legislation is vague with respect to the rights of public sector employees to form unions, and is silent on the issue of labor organization at regional and central levels. Thus, politically powerful groups such as university professors and health workers have taken advantage of their visibility to unionize, while public sector workers in other areas of work have not been able to form unions. In addition, there is little in the legislation that addresses

²⁷UDAPE (1997), p.21.

²⁸This is the same for an indigenous poor household, although the chance that it is led by a female is only somewhat higher than that of being led by a male. See Psacharopoulos and Patrinos (1994), p.72-73.

²⁹One payment per month starting from the fifth month of pregnancy and ending one year after the birth of the child.

the issue of labor organization outside of the enterprise level; thus, industrial actions organized at regional and central levels have sometimes been viewed as illegal.³⁰

Over-intrusion by the state

52. The central government often takes an active role in the collective bargaining and negotiation process between unions and employers. It serves as a de facto arbiter of most labor conflicts, despite the presence of labor tribunals. Permission to operate factories on Sundays must be sought from the Department of Labor. Through collective bargaining agreements with the *Congreso de Obreros Bolivianos* (COB)—a coalition of public and private sector workers—the state sends a signal to the private sector to provide an annual salary increase that is at least equal to the amount negotiated between the state and COB.³¹

C. Conclusion

53. The current labor legislation is a major obstacle to modernization of the economy. Without reform, business and labor will suffer from an inefficient structure of production. Foreign investment in labor-intensive sectors is likely to be discouraged. At the same time, under present conditions, strong incentives exist for employers to offer jobs outside the legal framework to reduce labor costs, leading to the growth of informal labor market with insufficient protection for workers. Thus, it is timely that the government has begun to address the issue of labor market reform.

³⁰Bravo and Paredes (1994), p.50–53.

³¹UDAPE (1997), p.16.

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IV. FOREIGN DIRECT INVESTMENT

A. Introduction

54. Foreign direct investment (FDI) in Bolivia has increased sharply since 1995, following the capitalization of five major public enterprises and the implementation of other key structural reforms. This chapter presents some basic facts about FDI in Bolivia, provides a brief review of the economic effects of FDI and offers some concluding remarks.

B. Basic Facts about FDI

55. The systematic collection of data on FDI began in 1996, because the government wanted to ensure that the capitalized enterprises were observing their investment commitments. The capitalized enterprises must report their investment inflows on a regular basis, and information on foreign investment in other enterprises is collected through enterprise surveys and press reports. In mid-1998, the government adopted a more comprehensive survey that is being sent to all enterprises with foreign participation, and the first results are expected to be available later this year.

56. FDI rose from about US\$120 million (2 percent of GDP) in 1993 to almost US\$600 million (7½ percent of GDP) in 1997, reflecting the new investments by the capitalized enterprises as well as additional inflows to other private enterprises, and is expected to remain above US\$600 million (over 7 percent of GDP) a year in the period 1998–2000 (Table C).³² The main destination of FDI in 1997 was exploration and production of hydrocarbons, followed by services (expansion of the local telephone network and the beginning of a fiber optics network that would connect other South American countries), electricity, and mining. Investment in mining is projected to increase sharply in 1999 and 2000, reflecting the development of a large silver and zinc mine that is expected to begin production in 2001. Compared with a selected group of other developing countries, the increase in FDI in Bolivia in relation to GDP between 1993 and 1997 was very rapid and the level of 7½ percent of GDP reached by 1997 was very high (Table D).

C. Economic Effects of FDI

57. Although there are no studies on the effects of FDI on Bolivia's economic performance, it is possible to consider the experience of other countries. FDI is generally believed to promote economic growth in the recipient country by increasing total investment and improving efficiency through the introduction of new technology and better management

³² These data exclude the borrowing by the project for the gas pipeline to Brazil. Including this borrowing, FDI amounted to US\$720 million (9.0 percent of GDP) in 1997 and is projected to reach US\$780 million (9.1 percent of GDP) in 1998.

Table C. Foreign Direct Investment in Bolivia (1993-2000)

	(In millions of US dollars)							
	1993	1994	1995	Prel.		Projections		2000
				1996	1997	1998	1999	
Total	121.6	90.1	176.8	426.4	591.0	625.0	640.0	625.0
Capitalized enterprises	0	0	5.1	262.1	306.8	315.4	298.0	215.0
Other private	121.6	90.1	171.7	164.3	284.2	309.6	342.0	410.0
Hydrocarbons	...	...	...	116.2	323.1	450.0	377.0	345.4
Other private	...	...	...	19.2	170.5	150.0	180.0	220.0
Gas pipeline 1/	...	...	...	0.0	0.0	70.0	0.0	0.0
Capitalized enterprises	...	...	...	97.0	152.6	230.0	197.0	125.4
Electricity	...	...	...	0.0	37.4	40.0	60.0	47.0
Private	...	...	...	0.0	7.5	21.0	44.0	32.0
Capitalized enterprises	...	...	...	0.0	29.9	19.0	16.0	15.0
Mining	...	...	...	67.9	44.6	45.0	79.0	119.0
Private	...	...	...	67.9	44.6	45.0	79.0	119.0
Capitalized enterprises	...	...	...	0.0	0.0	0.0	0.0	0.0
Industry	...	...	...	51.7	19.4	11.0	19.0	19.0
Private	...	...	...	39.1	19.4	11.0	19.0	19.0
Capitalized enterprises	...	...	...	12.6	0.0	0.0	0.0	0.0
Services	...	...	...	190.6	166.5	79.0	105.0	94.6
Private	...	...	...	38.1	42.2	12.6	20.0	20.0
Capitalized enterprises	...	...	...	152.5	124.3	66.4	85.0	74.6
Memorandum item:								
FDI as percent of GDP								
Excluding borrowing for the pipeline project	2.1	1.5	2.6	5.7	7.4	7.3	6.9	6.3
Including borrowing for the pipeline project	2.1	1.5	2.6	5.7	9.0	9.1	6.9	6.3

Sources: Central Bank of Bolivia; and Fund staff estimates.

1/ Equity portion, excludes foreign borrowing for the project.

Table D. Selected Developing and Transition Countries: Average Levels of FDI (1993-1997)
(in percent of GDP)

	1993	1994	1995	1996	1997
Bolivia	2.1	1.5	2.6	5.7	7.4
Transition economies					
Baltics					
Estonia	9.7	9.2	5.7	3.4	5.7
Latvia	2.1	5.9	4.0	12.6	12.5
Lithuania	1.1	0.7	1.2	1.9	3.7
Resource-rich BRO					
Kazakhstan	...	6.0	5.8	5.5	5.9
Azerbaijan	...	1.8	11.7	20.8	28.4
Central Europe					
Czech Republic	1.9	2.2	5.1	2.5	2.5
Bulgaria	0.4	1.1	0.7	1.1	...
Poland	2.0	2.0	3.1	3.3	...
Hungary	6.1	2.8	10.2	3.5	...
Latin America					
Venezuela	0.6	1.4	1.3	2.6	5.6
Chile	2.3	5.1	4.6	6.8	7.0
Colombia	1.9	2.4	2.9	3.9	...
Mexico	1.1	2.6	3.3	2.3	...
Argentina	1.3	1.1	1.7	1.7	2.0
Peru	0.4	1.3	0.7	0.9	0.4
Brazil	0.3	0.6	0.7	...	...
Asia					
Malaysia	7.8	6.0	4.7	...	...
China	4.6	6.2	5.0	4.8	...
Indonesia	1.3	1.2	2.2	2.7	2.2
India	0.2	0.3	0.6	0.5	...
Philippines	3.1	3.6	3.0	2.7	1.8

Sources: IMF International Financial Statistics; and Fund staff estimates.

practices.³³ Also, the accumulation of external FDI liabilities raises fewer concerns than external debt financing, because the repatriation of capital and dividends is linked to the success of the investment project. DeGregorio (1992) conducts a growth accounting exercise for a cross-section of Latin American countries in the period 1950–1985 and shows that foreign investment is a significant determinant of growth in these countries. Borensztein et al. (1998) find that FDI, rather than substituting for domestic capital, actually encourages additional domestic investment, with a dollar of FDI generating between US\$1.5 and US\$2.3 in total investment. The authors also find significant technology spillover effects from FDI, as reflected in higher productivity. Aitken et al. (1997) present evidence of positive spillovers from FDI to exports in Mexican manufacturing plants, whereby one firm's export activity is shown to reduce the cost of exporting for other firms. Fry (1992) finds, in a cross-country regression, that the productivity of FDI depends positively on the degree of openness of the economy.

58. However, FDI could have adverse effects in some situations. Fry (1992, 1993) argues that FDI could be “immiserizing” in the presence of distortions, particularly in the trade or tax systems, as the projects would tend to take place in sectors where the country is not necessarily competitive at world prices. Also, overheating pressures may arise through increased demand for scarce local factors of production, therefore bidding up their price/rental rate, or through excess demand for final goods that may be caused by FDI, particularly if these inflows are large in relation to GDP. FDI is also believed to be less prone to sudden reversals than other types of foreign capital inflows, and the behavior of FDI in Mexico and Asia following their respective crises provides evidence for this view.³⁴ However, Claessens et al. (1995) present evidence that suggests that long-term capital flows are as volatile as short-term flows for a representative sample of developing countries and note the difficulties in distinguishing between FDI and long-term inflows in practice.

D. Concluding Remarks

59. Bolivia's substantial progress on structural reforms since 1985 has stimulated a surge in FDI in recent years. These inflows are going to oil, natural gas, and minerals, where Bolivia has a comparative advantage, because the economy has very few distortions. The recent investment in a fiber optics network is also trying to take advantage of Bolivia's central location in South America. Nonetheless, some points of caution are in order. The chance of a sudden reversal of these inflows may be very limited, but the evidence on this issue is not conclusive. Also, there is some potential for overheating, as the inflows are very large in relation to the economy.

³³See de Mello (1997) and Barro and Sala-i-Martin (1995) for a review of the effects of FDI on economic growth.

³⁴**International Capital Markets—Development, Prospects, and Policy Issues**, (EBS/98/121, 7/16/98), p. 27.

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Table 1. Bolivia: Macroflows 1/

	1993	1994	1995	1996	1997
(Annual percentage growth)					
Real GDP growth	4.3	4.7	4.7	4.1	4.2
Consumption per capita	0.8	0.5	1.0	-0.1	2.7
Consumer prices (end-of-period)	9.3	8.5	12.6	8.0	6.7
Consumer prices (period average)	8.5	7.9	10.2	12.4	4.7
(Percent of GDP)					
I. Balance of Payments					
Current account balance 2/	-7.3	-3.7	-5.0	-5.1	-8.1
Net exports of GNFS	-7.9	-5.2	-5.0	-6.1	-8.6
Net factor payments	-3.6	-3.1	-3.3	-2.2	-2.6
Other services and transfers	4.2	4.7	3.3	3.3	3.2
Capital account	9.7	5.7	6.9	9.7	9.4
Nonfinancial public sector 2/	5.3	3.5	3.8	3.1	3.0
Financial public sector	1.0	0.8	0.3	0.1	0.0
Private capital 3/	3.5	1.4	2.7	6.5	6.4
<i>Of which:</i> direct investment related to capitalization	0.0	0.0	0.1	3.5	3.9
Change in net international reserves (increase -)	-2.4	-2.1	-1.8	-4.6	-1.3
II. Combined Public Sector					
Public sector savings before grants	1.4	3.3	4.1	3.7	1.5
General government	0.2	1.8	2.1	2.4	1.1
Public enterprises	1.2	1.5	2.0	1.3	0.5
Official grants	1.5	2.5	1.7	2.4	1.4
Capital expenditure 4/	9.0	8.7	7.6	7.9	7.2
Overall deficit	6.1	3.0	1.8	1.9	3.3
Net foreign financing	5.1	3.7	3.6	2.5	2.7
Net domestic financing	1.0	-0.7	-1.8	-0.6	0.5
III. Savings and Investment					
Investment	16.8	14.9	15.6	16.5	18.7
Nonfinancial public sector	9.2	9.0	8.3	8.0	7.2
General government	5.9	6.3	6.2	6.5	6.5
Public enterprises	3.3	2.6	2.2	1.6	0.7
Private sector	7.6	6.4	7.6	8.4	10.3
Savings	16.8	14.9	15.6	16.5	18.7
External savings	7.3	3.7	5.0	5.1	8.1
National savings	9.5	11.2	10.6	11.3	10.5
Combined public sector	2.9	5.7	5.8	6.0	3.0
Private sector	6.5	5.5	4.8	5.3	7.5

Sources: Central Bank of Bolivia; Ministry of Finance; National Bureau of Statistics; and Fund staff estimates.

1/ Using the 1990 based national accounts.

2/ Excludes official transfers for debt-reduction operations.

3/ Includes direct foreign investment and errors and omissions.

4/ Net of capital revenue.

Table 2. Bolivia: Aggregate Supply and Demand

	1993	1994	1995	1996	Prel. 1997
I. Annual percentage change (At current prices)					
Aggregate supply	10.5	11.9	16.6	18.3	10.5
GDP at market prices	11.1	13.0	16.6	18.4	9.8
Imports 1/	8.5	8.3	16.6	18.0	13.2
Domestic demand	11.4	9.1	15.6	19.1	12.0
Consumption	11.6	11.1	14.4	18.3	9.4
Fixed capital formation	10.2	-2.0	23.7	23.7	26.5
Change in inventories 2/	-0.5	-0.4	0.1	0.4	1.2
Exports 1/	5.8	28.3	21.4	14.9	3.4
Implicit GDP deflator	6.6	8.0	11.4	13.8	5.4
(At 1990 prices)					
Aggregate supply	3.2	3.6	5.5	5.3	5.5
GDP at market prices	4.3	4.7	4.7	4.1	4.2
Imports 1/	-0.7	-0.6	8.9	9.7	10.3
Domestic demand	2.7	0.9	4.6	4.9	7.1
Consumption	3.2	3.0	3.4	2.2	5.2
Fixed capital formation	-0.1	-10.6	12.3	20.9	17.4
Change in inventories 2/	-0.4	-0.4	-0.3	1.1	0.8
Exports 1/	5.3	15.1	9.1	6.7	-0.5
II. Percent of Nominal GDP					
Aggregate supply	128.4	127.2	127.2	127.1	127.9
Imports 1/	28.4	27.2	27.2	27.1	27.9
Domestic demand	109.3	105.5	104.6	105.2	107.3
Consumption	92.5	90.7	89.0	88.7	89.0
Fixed capital formation	16.8	14.9	15.6	16.5	18.4
Change in inventories 2/	-0.1	-0.5	-0.3	0.1	1.2
Exports 1/	19.1	21.7	22.6	21.9	20.6

Sources: National Bureau of Statistics; and Fund staff estimates.

1/ Goods and nonfactor services.

2/ Change in percent of GDP in the preceding year.

Table 3. Bolivia: Growth Rates of Selected Economic Aggregates

	1993	1994	1995	Prel. 1996	Prel. 1997
Real GDP (at market prices)	4.3	4.7	4.7	4.1	4.2
Real GDP at producer prices	4.4	4.7	4.4	3.9	4.2
Primary sector	4.8	5.6	3.5	1.7	2.8
Mining production 1/	8.3	0.3	9.9	-3.1	2.4
Agricultural production	4.1	6.8	1.3	3.6	4.9
Secondary sector 2/	4.4	4.4	7.0	5.0	4.8
Tertiary sector	4.2	4.3	3.8	4.6	4.7
Consumer prices (annual average)	8.5	7.9	10.2	12.4	4.7
GDP deflator (annual average)	6.6	8.0	11.4	13.8	5.4

Sources: National Bureau of Statistics (INE); and Fund staff estimates.

1/ Includes petroleum and natural gas.

2/ Manufacturing and construction.

Table 4. Bolivia: Gross Domestic Product by Expenditure

	1993	1994	1995	Prel. 1996	Prel. 1997
(In millions of bolivianos at 1990 prices)					
Total domestic demand	17,751	17,919	18,743	19,654	21,060
Consumption expenditures	15,117	15,565	16,099	16,458	17,308
General government	1,995	2,057	2,193	2,216	2,300
Private sector	13,123	13,508	13,906	14,242	15,008
Gross domestic investment	2,633	2,354	2,644	3,196	3,752
Fixed capital formation	2,656	2,443	2,780	3,124	3,518
Public sector	1,427	1,395	1,423	1,472	1,411
Private sector	1,229	1,048	1,357	1,652	2,106
Change in inventories	-22	-89	-136	72	234
External balance	-521	115	134	-3	-585
Exports of goods and nonfactor services	4,018	4,625	5,047	5,386	5,358
Imports of goods and nonfactor services	4,540	4,510	4,913	5,390	5,943
GDP at market prices	17,230	18,034	18,877	19,651	20,475
Factor payments (net)	-591	-545	-563	-433	-537
GNP at market prices	16,605	17,443	18,132	19,218	19,937
(In millions of bolivianos at current prices)					
Total domestic demand	26,735	29,166	33,729	40,156	44,981
Consumption expenditures	22,684	25,194	28,686	33,847	37,120
General government	3,270	3,750	4,375	4,805	5,632
Private sector	19,413	21,444	24,311	29,042	31,488
Gross domestic investment	4,051	3,972	5,043	6,309	7,861
Fixed capital formation	4,076	4,104	5,136	6,276	7,362
Public sector	2,190	2,343	2,692	3,078	3,056
Private sector	1,886	1,761	2,444	3,198	4,306
Change in inventories	-25	-133	-93	33	499
External balance	-2,276	-1,529	-1,494	-1,981	-3,070
Exports of goods and nonfactor services	4,667	5,987	7,269	8,356	8,636
Imports of goods and nonfactor services	6,943	7,516	8,764	10,337	11,706
GDP at market prices	24,459	27,636	32,235	38,175	41,911
Factor payments (net)	-884	-831	-984	-1,120	-1,117
GNP at market prices	23,575	26,806	31,251	37,055	40,794
(In percent of nominal GDP)					
Total domestic demand	109.3	105.5	104.6	105.2	107.3
Consumption expenditures	92.7	91.2	89.0	88.7	88.6
General government	13.4	13.6	13.6	12.6	13.4
Private sector	79.4	77.6	75.4	76.1	75.1
Gross domestic investment	16.6	14.4	15.6	16.5	18.8
Fixed capital formation	16.7	14.9	15.9	16.4	17.6
Public sector	9.0	8.5	8.4	8.1	7.3
Private sector	7.7	6.4	7.6	8.4	10.3
Change in inventories	-0.1	-0.5	-0.3	0.1	1.2
External balance	-9.3	-5.5	-4.6	-5.2	-7.3
Exports of goods and nonfactor services	19.1	21.7	22.6	21.9	20.6
Imports of goods and nonfactor services	28.4	27.2	27.2	27.1	27.9
GDP at market prices	100.0	100.0	100.0	100.0	100.0
Factor payments (net)	-3.6	-3.0	-3.1	-2.9	-2.7
GNP at market prices	96.4	97.0	96.9	97.1	97.3

Sources: National Bureau of Statistics (INE); and Fund staff estimates.

Table 5. Bolivia: Sectorial Product by Origin of Gross Domestic Product

(Annual percent change)

	1993	1994	1995	Prel. 1996	Prel. 1997
(In millions of bolivianos at 1990 prices)					
GDP at producer prices	15,788	16,523	17,252	17,928	18,681
Primary sector	4,333	4,574	4,735	4,817	4,953
Agriculture, forestry, and fishing	2,598	2,775	2,810	2,911	3,053
Mining and hydrocarbons	1,735	1,799	1,925	1,906	1,901
Minerals	1,044	1,047	1,150	1,115	1,141
Petroleum and gas	691	752	775	791	759
Secondary sector	3,451	3,602	3,854	4,046	4,240
Manufacturing	2,860	3,003	3,220	3,346	3,488
Construction	591	599	634	699	752
Services sector	8,005	8,348	8,663	9,065	9,488
Transport and communication	1,675	1,773	1,880	2,044	2,183
Commerce	1,514	1,583	1,622	1,692	1,779
Finance	1,846	1,999	2,029	2,153	2,275
General government	1,678	1,724	1,766	1,785	1,857
Other	1,292	1,268	1,366	1,391	1,395
(Percentage change)					
GDP at producer prices	4.4	4.7	4.4	3.9	4.2
Primary sector	4.8	5.6	3.5	1.7	2.8
Agriculture, forestry, and fishing	4.1	6.8	1.3	3.6	4.9
Mining and hydrocarbons	5.9	3.7	7.0	-1.0	-0.3
Minerals	8.3	0.3	9.9	-3.1	2.4
Petroleum and gas	2.4	8.9	3.0	2.1	-4.0
Secondary sector	4.4	4.4	7.0	5.0	4.8
Manufacturing	4.1	5.0	7.2	3.9	4.2
Construction	5.8	1.5	5.8	10.3	7.5
Services sector	4.2	4.3	3.8	4.6	4.7
Transport and communication	4.4	5.9	6.0	8.7	6.8
Commerce	2.9	4.6	2.5	4.3	5.1
Finance	6.7	8.3	1.5	6.1	5.7
General government	3.0	2.7	2.5	1.1	4.0
Other	3.3	-1.9	7.7	1.8	0.3
(Percentage composition)					
GDP at producer prices	100.0	100.0	100.0	100.0	100.0
Primary sector	27.4	27.7	27.4	26.9	26.5
Agriculture, forestry, and fishing	16.5	16.8	16.3	16.2	16.3
Mining and hydrocarbons	11.0	10.9	11.2	10.6	10.2
Minerals	6.6	6.3	6.7	6.2	6.1
Petroleum and gas	4.4	4.6	4.5	4.4	4.1
Secondary sector	21.9	21.8	22.3	22.6	22.7
Manufacturing	18.1	18.2	18.7	18.7	18.7
Construction	3.7	3.6	3.7	3.9	4.0
Services sector	50.7	50.5	50.2	50.6	50.8
Transport and communication	10.6	10.7	10.9	11.4	11.7
Commerce	9.6	9.6	9.4	9.4	9.5
Finance	11.7	12.1	11.8	12.0	12.2
General government	10.6	10.4	10.2	10.0	9.9
Other	8.2	7.7	7.9	7.8	7.5

Source: National Bureau of Statistics (INE).

Table 6. Bolivia: Indices of Output of Major Agricultural Crops

(Annual percentage change)

	1993	1994	1995	1996	Prel. 1997
Coffee	-13.8	46.7	5.7	8.4	6.4
Wheat	51.6	-41.3	46.5	-20.8	44.9
Soybeans	44.0	44.4	22.7	-1.1	20.4
Corn	17.2	6.7	-8.1	24.2	10.6
Sugarcane	-6.5	11.5	9.0	9.5	-0.9
Rice	-2.9	11.1	7.0	29.8	-26.3
Total	3.8	14.9	10.4	10.2	4.0

Source: National Bureau of Statistics (INE).

Table 7. Bolivia: Volume of Mining Production

	1993	1994	1995	1996	Prel. 1997	1997 Q1	1998 Q1
	(Index: 1990=100)						
Total	122.3	118.1	138.9	127.9	130.2	124.0	131.1
COMIBOL	76.9	50.4	38.2	36.5	33.8	35.4	25.3
Medium-sized private mines	159.8	174.0	218.9	202.2	213.7	198.5	242.0
Small private mines 1/	115.6	108.1	126.1	115.1	113.3	110.2	100.2
	(Percentage change)						
Total	19.1	-3.5	17.6	-7.9	1.8	-4.7	5.7
COMIBOL	-18.7	-34.4	-24.3	-4.4	-7.4	4.6	-28.3
Medium-sized private mines	45.8	8.9	25.8	-7.6	5.7	-7.1	21.9
Small private mines 1/	14.0	-6.5	16.7	-8.7	-1.6	-2.8	-9.1
Memorandum items:							
Value of mining production in millions of U.S. dollars	315.4	266.4	315.3	362.2	413.4	114.0	98.8
Percentage change	-14.5	-15.5	18.4	14.9	14.1	-72.4	-13.3

Sources: Secretariat of Mining and Metallurgy; and National Bureau of Statistics (INE).

1/ Includes cooperatives.

Table 8. Bolivia: Mining Reserves and Production

	Reserves 1993 1/	Production				Prel. 1997	1997 Q1	1998 Q1
		1993	1994	1995	1996			
(In metric tons of fine metal content)								
All mines								
Tin	394	18,634	16,027	14,419	14,481	12,922	3,725	2,780
Lead	111	21,220	19,678	20,387	16,538	18,573	3,667	4,230
Antimony	105	5,556	7,050	6,426	6,487	6,404	1,574	1,507
Tungsten	76	362	583	826	733	647	125	155
Zinc	555	122,638	100,742	146,131	145,092	154,229	39,586	37,164
Copper	0	94	79	127	60	190	65	7
Silver	1	333	352	425	386	401	93	104
Bismuth	5	0	0	0	0	0	0	0
Gold 2/	0	10,403	12,791	14,405	12,633	13,292	2,856	3,970
COMIBOL								
Tin	144	6,918	5,214	3,967	3,926	5,471	926	648
Lead	72	118	29	0	0	0	0	0
Antimony	0	0	0	0	0	0	0	0
Tungsten	11	0	0	0	0	0	0	0
Zinc	210	20,308	10,969	8,268	7,265	16,065	1,881	1,424
Silver	0	15	1	0	0	0	0	0
Bismuth	5	0	0	0	0	0	0	0
(In percent)								
COMIBOL's share								
Tin	36.5	37.1	32.5	27.5	27.1	42.3	24.9	23.3
Lead	64.4	0.6	0.1	0.0	0.0	0.0	0.0	0.0
Antimony	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tungsten	13.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Zinc	37.8	16.6	10.9	5.7	5.0	10.4	4.8	3.8
Silver	0.0	4.5	0.3	0.0	0.0	0.0	0.0	0.0
Bismuth	93.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Sources: Secretariat of Mining and Metallurgy; and National Bureau of Statistics (INE).

1/ In thousands of metric tons of proven and probable reserves except for gold where the figure is for estimated reserves. Does not include silver reserves (including those in the Cerro Rico de Potosi) estimated at 200,000 metric tons, or the lithium and boron salt deposits in the Uyuni flats.

2/ Production in kilograms.

Table 9. Bolivia: Production, Consumption, and Exports of Petroleum and Natural Gas

	1993	1994	1995	1996	Prel. 1997
(In thousands of barrels)					
Petroleum 1/					
Production	8,117	9,381	10,347	10,682	10,971
YPFB	6,495	7,253	7,067	6,648	6,779
Private companies	1,622	2,128	3,280	4,034	4,192
Consumption 2/	7,649	7,698	7,374	9,236	9,226
Of which: stockbuilding		1,184			
Exports 3/	469	500	2,973	1,446	1,745
(In millions of cubic feet)					
Natural gas					
Net production 4/	107,580	115,814	116,376	117,573	106,285
YPFB	60,928	67,623	76,656	74,489	68,785
Private companies	46,652	48,191	39,720	43,084	37,500
Consumption	33,720	39,200	43,887	44,997	35,237
Domestic sales	8,036	7,281	7,449	6,882	5,013
Other 4/	25,684	31,919	36,438	38,115	30,224
Exports	73,862	76,556	72,487	72,572	71,048
(In thousands of barrels) 5/					
Total					
Production	27,277	30,008	31,074	31,622	29,900
Consumption 6/	13,654	14,680	15,190	17,250	15,502
Exports	13,623	14,135	15,883	14,371	14,399
(Percentage change)					
Total production	1.4	10.0	3.6	1.8	-5.4
Petroleum	4.7	15.6	10.3	3.2	2.7
Natural gas	0.0	7.7	0.5	1.0	-9.6
Total consumption	1.9	7.5	3.5	13.6	-10.1
Petroleum	0.5	0.6	-4.2	25.3	-0.1
Natural gas	3.7	16.3	12.0	2.5	-21.7
(In percent of total production of petroleum and natural gas)					
Production	100.0	100.0	100.0	100.0	100.0
Petroleum	29.8	31.3	33.3	33.8	36.7
Natural gas	70.2	68.7	66.7	66.2	63.3
Consumption	50.1	48.9	48.9	54.6	51.8
Petroleum	28.0	25.7	23.7	29.2	30.9
Natural gas	22.0	23.3	25.2	25.3	21.0
Exports	49.9	47.1	51.1	45.4	48.2
Petroleum	1.7	1.7	9.6	4.6	5.8
Natural gas	48.2	45.4	41.5	40.9	42.3

Sources: Bolivian Petroleum Corporation (YPFB); and National Bureau of Statistics (INE).

1/ Excludes liquid petroleum gas.

2/ Partly reflects improved reporting of imports.

3/ Export data do not include exports of liquids produced from gas and also differ from trade statistics in timing.

4/ Excludes gas injected into wells, gas flared, and other losses.

5/ Gas converted into barrels of oil equivalent at 1,000 cubic feet = 0.178100 barrels.

6/ Includes gas used in the production of liquid petroleum gas and internal consumption.

Table 10. Bolivia: Investment in Petroleum Exploration

(In millions of U.S. dollars)

	1993	1994	1995	1996	Prel. 1997
YPFB	63	67	49	38	84
Prospecting	24	13	21	13	23
Drilling 1/	39	54	28	25	61
Foreign contractors	69	74	130	118	45
Total investment	132	141	179	156	129
Memorandum items:					
Number of foreign firms involved in exploration	14	12	13	16	19
Number of wells 2/	34	32	32	18	52

Source: Bolivian Petroleum Corporation (YPFB).

1/ Including drilling of production wells.

2/ Prospecting and production, YPFB only.

Table 11. Bolivia: Nominal and Real Retail Prices of Petroleum Products

	Gasoline	Diesel Oil	Fuel Oil	Kerosene	Jet Fuel
(In current bolivianos per liter)					
December					
1990	1.10	0.90	0.85	0.60	0.96
1991	1.48	1.19	1.15	0.80	1.28
1992	1.70	1.41	1.33	0.88	1.47
1993	1.85	1.54	1.45	0.95	1.48
1994	1.85	1.54	1.45	0.95	1.48
1995	1.85	1.54	1.45	0.95	1.48
1996	2.00	2.00	1.29	1.10	1.48
1997	2.56	2.50	1.65	1.30	1.48
(In 1991 prices) 1/					
December					
1990	1.10	0.90	0.85	0.60	0.96
1991	1.28	1.03	1.00	0.69	1.11
1992	1.33	1.11	1.04	0.69	1.15
1993	1.33	1.10	1.04	0.68	1.06
1994	1.22	1.02	0.96	0.63	0.98
1995	1.09	0.90	0.85	0.56	0.87
1996	1.09	1.09	0.70	0.60	0.81
1997					
1996					
January	1.16	1.16	0.75	0.64	0.86
February	1.13	1.13	0.73	0.62	0.83
March	1.13	1.13	0.73	0.62	0.83
April	1.13	1.13	0.73	0.62	0.84
May	1.13	1.13	0.73	0.62	0.83
June	1.12	1.12	0.72	0.62	0.83
July	1.11	1.11	0.71	0.61	0.82
August	1.10	1.10	0.71	0.60	0.81
September	1.09	1.09	0.71	0.60	0.81
October	1.09	1.09	0.71	0.60	0.81
November	1.09	1.09	0.70	0.60	0.81
December	1.09	1.09	0.70	0.60	0.81
1997					
January	1.39	1.36	0.90	0.71	0.81
February	1.39	1.35	0.89	0.70	0.80
March	1.38	1.34	0.89	0.70	0.80
April	1.36	1.33	0.88	0.69	0.79
May	1.35	1.31	0.87	0.68	0.78
June	1.34	1.31	0.86	0.68	0.77
July	1.35	1.32	0.87	0.69	0.78
August	1.35	1.31	0.87	0.68	0.78
September	1.34	1.31	0.87	0.68	0.78
October	1.30	1.27	0.84	0.66	0.75
November	1.29	1.26	0.83	0.65	0.74
December	1.28	1.25	0.82	0.65	0.74

Source: Bolivian Petroleum Corporation (YPFB).

1/ Current price deflated by CPI index. December 1991=100.

Table 12. Bolivia: Indices of Manufacturing Output

	Weights	1993	1994	1995	1996	Prel. 1997
	(Index: 1990=100)					
Overall index	100.0	115.9	122.4	127.9	133.2	138.8
By product						
Food	33.7	115.1	118.7	121.7	127.6	127.1
Beverages	9.3	123.1	129.0	150.9	168.1	173.3
Tobacco	0.5	117.8	130.6	167.7	140.7	149.5
Textiles	2.1	117.4	139.1	143.3	132.9	131.8
Garments	4.0	166.0	186.5	213.6	218.5	252.3
Leather products	1.1	94.3	104.4	89.9	98.7	107.1
Footwear	1.9	156.2	147.1	178.7	195.3	216.3
Wood products	5.6	110.4	115.4	113.0	105.0	105.6
Printing and publishing	3.0	121.1	111.1	106.0	88.5	106.8
Industrial chemicals	0.3	108.4	137.9	155.1	196.1	264.9
Other chemicals	1.6	81.7	121.7	155.9	236.7	...
Petroleum and coal derivations	24.4	95.7	100.8	101.7	112.0	119
Plastic products	1.3	158.5	171.9	191.3	221.4	236.4
Glass products	0.8	76.5	105.5	110.5	145.1	150.9
Nonmetallic minerals	4.3	125.1	135.8	152.2	147.1	158.4
Nonferrous metals	2.3	130.5	133.9	102.4	95.7	111.1
Metallic products	3.6	116.3	135.9	131.9	121.3	122.6
Other	0.2	1,290.3	1,706.1	1,606.8	1,307.0	952.4
By use		115.9	122.4	127.9	133.2	138.8
Nondurable consumer goods		113.9	120.6	128.2	135.1	142.3
Intermediate goods		127.2	130.9	125.5	124.2	121.1
Consumer durable		116.3	135.9	131.9	121.3	122.6
	(Percentage change)					
Overall index		6.6	5.6	4.5	4.1	4.2
By product						
Food		8.4	3.1	2.5	4.8	-0.4
Beverages		4.3	4.8	17.0	11.4	3.1
Tobacco		-2.9	10.8	28.4	-16.1	6.3
Textiles		-1.5	18.5	3.0	-7.3	-0.8
Garments		47.1	12.3	14.5	2.3	15.5
Leather products		10.3	10.7	-13.9	9.8	8.5
Footwear		10.7	-5.8	21.5	9.3	10.8
Wood products		5.4	4.6	-2.1	-7.1	0.6
Printing and publishing		2.9	-8.2	-4.6	-16.5	20.7
Industrial chemicals		-0.9	27.2	12.5	26.4	35.1
Other chemicals		-6.9	48.9	28.1	51.8	...
Petroleum and coal derivations		-2.8	5.3	0.9	10.1	6.3
Plastic products		14.7	8.5	11.3	15.7	6.8
Glass products		-10.2	37.9	4.7	31.3	4.0
Nonmetallic minerals		8.1	8.5	12.1	-3.4	7.7
Nonferrous metals		9.3	2.6	-23.5	-6.5	16.1
Metallic products		4.7	16.8	-2.9	-8.0	1.1
Other		335.3	32.2	-5.8	-18.7	-27.1
By use		6.6	5.6	4.5	4.1	4.2
Nondurable consumer goods		6.0	5.9	6.3	5.4	5.3
Intermediate goods		10.3	2.9	-4.1	-1.0	-2.5
Consumer durable		4.7	16.8	-2.9	-8.0	1.1

Source: National Bureau of Statistics (INE).

1/ With respect to the same period of the preceding year.

Table 13. Bolivia: Generation and Consumption of Electricity

	1993	1994	1995	1996	Prel. 1997
Generation in Gigawatt Hours (GWH)					
Total	2,650.7	2,824.2	3,019.7	3,221.8	3,527.9
Hydroelectric plants	1,572.0	1,350.8	1,304.1	1,479.4	1,612.6
Thermoelectric plants	1,078.7	1,473.4	1,715.6	1,742.4	1,915.3
Consumption in Gigawatt Hours (GWH)					
Total	2,166.8	2,345.1	2,530.7	2,848.7	2,930.7
Mining	337.4	344.4	371.9	422.7	396.0
Industry	568.8	638.1	660.1	691.4	727.2
Residential	857.3	951.2	1,035.8	1,082.8	1,106.0
Commercial	342.2	380.7	429.3	469.3	508.9
Other	61.1	30.7	33.6	182.5	192.6

Source: National Bureau of Statistics (INE).

Table 14. Bolivia: Consumer Prices 1/

	1993	1994	1995	1996	1997	1997 Q1	1998 Q1
	(Period average)						
Total	8.5	7.9	10.2	12.4	4.7	4.5	8.9
Food and beverages	6.7	9.0	12.0	14.3	3.4	2.5	7.1
Clothing and footwear	7.7	6.2	6.8	6.2	4.6	4.9	5.8
Housing	11.6	8.2	8.2	11.8	4.5	4.2	8.3
Household appliances	9.9	8.2	8.9	9.9	7.1	7.9	8.6
Health	11.8	6.6	16.1	10.1	12.0	11.8	8.0
Transport and communications	10.1	1.9	2.6	16.0	3.6	5.1	22.9
Education	11.9	8.9	15.1	10.4	11.8	12.0	8.6
Culture and entertainment	12.4	12.1	11.7	5.7	5.6	5.1	6.9
Other	8.1	8.9	8.1	8.6	4.4	6.3	6.3
	(End of period)						
Total	9.3	8.5	12.6	8.0	6.7	0.3	4.1
Food and beverages	8.8	10.6	16.0	6.8	3.3	-1.8	2.6
Clothing and footwear	7.5	5.4	7.1	5.6	5.3	1.1	2.1
Housing	10.2	7.8	10.2	8.4	8.7	1.2	2.8
Household appliances	8.9	7.7	9.8	8.8	7.4	1.4	3.3
Health	7.0	9.3	16.6	9.7	10.9	6.8	2.8
Transport and communications	11.8	0.8	5.2	14.5	18.7	0.8	15.4
Education	11.5	11.1	12.0	9.8	13.1	8.9	5.5
Culture and entertainment	13.2	9.7	11.6	3.7	7.8	3.2	2.4
Other	7.8	8.2	6.7	9.0	4.9	1.5	3.7

Source: National Bureau of Statistics (INE).

1/ Index for La Paz, Santa Cruz, Cochabamba, and El Alto.

Table 15. Bolivia: National Minimum Wage

	1993	1994	1995	1996	Prel. 1997	1998 Q1
(In bolivianos at current price)						
Nominal minimum wage						
January	160	190	205	223	240	300
February	160	190	205	223	240	300
March	160	190	205	223	240	300
April	160	190	205	223	240	
May	160	190	205	223	240	
June	160	190	205	223	240	
July	160	190	205	223	240	
August	160	190	205	223	240	
September	160	190	205	223	240	
October	160	190	205	223	240	
November	160	190	205	223	240	
December	160	190	205	223	240	
(In bolivianos at 1991 prices)						
Real minimum wage						
January	135.3	148.3	147.4	141.5	143.2	165.4
February	134.1	147.5	146.6	137.7	143.0	164.1
March	134.1	147.6	145.3	138.0	143.3	163.7
April	134.0	146.9	143.0	138.3	142.5	
May	133.0	146.0	142.4	137.7	141.5	
June	131.8	145.3	141.4	137.0	140.2	
July	130.3	144.0	140.8	135.5	138.4	
August	128.1	142.2	140.1	134.1	137.5	
September	127.4	141.4	139.4	133.9	139.0	
October	126.8	140.3	136.8	134.0	138.4	
November	126.5	138.0	134.4	133.3	138.3	
December	125.9	137.8	132.0	133.1	134.2	
(Index: 1991=100)						
Real minimum wage index						
January	113.6	124.5	123.8	118.7	120.2	138.9
February	112.5	123.8	123.1	115.6	120.0	137.7
March	112.6	123.9	121.9	115.8	120.3	137.4
April	112.5	123.3	120.1	116.1	119.6	
May	111.6	122.6	119.5	115.6	118.8	
June	110.6	122.0	118.7	115.0	117.7	
July	109.4	120.8	118.2	113.7	116.2	
August	107.5	119.4	117.6	112.6	115.4	
September	107.0	118.7	117.0	112.4	116.7	
October	106.4	117.7	114.9	112.5	116.2	
November	106.2	115.8	112.8	111.9	116.1	
December	105.7	115.7	110.8	111.7	112.6	

Source: National Bureau of Statistics (INE).

Table 16. Bolivia: Private Sector Wages

	End-period				Prel. 1997
	1993	1994	1995	1996	
(In bolivianos at current prices)					
National average	984.1	1,162.3	1,295.4	1,439.0	1,662.0
Mining	1,745.8	2,330.9	2,702.6	3,329.0	3,701.0
Manufacturing	774.6	922.9	989.0	1,108.0	1,281.0
Construction	612.8	804.2	855.6	948.0	1,080.0
Commerce	959.6	1,076.9	1,172.0	1,301.0	1,490.0
Finance	1,783.4	2,074.0	2,531.1	2,859.0	3,231.0
Other services	1,020.2	1,190.5	1,339.6	1,502.0	1,672.0
(In bolivianos at 1991 prices)					
National average	802.8	878.9	888.9	865.7	936.4
Mining	1,424.1	1,762.5	1,854.5	2,002.4	2085.6
Manufacturing	631.9	697.9	678.6	666.7	721.9
Construction	499.9	608.1	587.1	570.5	608.5
Commerce	782.8	814.3	804.2	782.7	839.8
Finance	1,454.8	1,568.3	1,736.8	1,719.4	1820.7
Other services	832.2	900.2	919.2	903.3	942.4
(Index: 1991=100)					
National average	111.2	121.8	123.2	126.8	137.1
Mining	139.5	172.6	181.6	207.2	215.8
Manufacturing	102.0	112.7	109.6	113.8	123.2
Construction	115.3	140.2	135.4	139.0	148.3
Commerce	108.8	113.2	111.8	115.0	123.4
Finance	111.7	120.4	133.4	139.6	147.8
Other services	113.2	122.5	125.1	129.9	135.5

Source: National Bureau of Statistics (INE).

Table 17. Bolivia: Urban Labor Force and Employment 1/

	1993	1994	1995	Prel. 1996	Prel. 1997
(In thousands)					
Urban population	2,964	3,092	3,189	3,408	3,454
Labor force	1,161	1,234	1,304	1,459	1,502
Employed 2/	932	1,021	1,078	1,199	1,220
Unemployed 3/	229	213	226	261	282
(Annual percentage change)					
Population	3.8	4.3	3.1	6.9	1.3
Labor force	8.0	6.3	5.7	11.9	2.9
Employed	8.0	9.6	5.6	11.2	1.7
Unemployed	7.6	-6.8	6.0	15.3	8.4
(In percent)					
Memorandum items:					
Labor force participation rate	39.1	39.9	40.9	42.8	43.5
Unemployment rate 4/	19.7	17.3	17.3	17.9	18.8
Public sector employment 5/	22.1	19.6	18.7	16.8	17.9

Source: National Bureau of Statistics (INE).

1/ Data based on annual households survey July-December 1993-1994; and June 1995. Data for 1996 and 1997 are preliminary which are derived from national employment surveys. Both surveys cover urban centers with 10,000 or more inhabitants.

2/ Excludes underemployed working fewer than a minimum number of hours weekly (40) and/or earn income lower than the cost of a basic basket of goods and services.

3/ Includes the underemployed.

4/ As a percentage of the labor force; including the underemployed.

5/ As a percentage of total employment.

Table 18. Bolivia: Urban Private Sector Employment by Sector 1/

	1993	1994	1995	1996	Prel. 1997
(In thousands)					
Total employment	948.9	1,025.3	1,016.2	1,117.4	1,339.8
Agriculture	18.2	16.0	21.7	17.1	24.5
Mining	14.3	14.7	17.9	19.0	17.1
Manufacturing	168.9	180.6	180.6	201.5	265.5
Utilities	4.2	5.5	5.1	9.4	8.4
Construction	86.5	112.8	100.3	109.2	120.2
Commerce	223.1	260.2	251.6	270.8	326.6
Transport and communications	85.0	85.7	90.3	95.8	115.5
Finance	43.9	45.5	44.1	52.4	16.9
Other services	304.8	304.4	304.7	342.2	444.7
(In percent of total)					
Total employment	100.0	100.0	100.0	100.0	100.0
Agriculture	1.9	1.6	2.1	1.5	1.8
Mining	1.5	1.4	1.8	1.7	1.3
Manufacturing	17.8	17.6	17.8	18.0	19.8
Utilities	0.4	0.5	0.5	0.8	0.6
Construction	9.1	11.0	9.9	9.8	9.0
Commerce	23.5	25.4	24.8	24.2	24.4
Transport and communications	9.0	8.4	8.9	8.6	8.6
Finance	4.6	4.4	4.3	4.7	1.3
Other services	32.1	29.7	30.0	30.6	33.2

Source: National Bureau of Statistics (INE).

1/ Includes urban centers with 10,000 or more inhabitants.

Table 19. Bolivia: Public Sector Employment

Description	1993	1994	1995	1996	Prel. 1997
Public sector	205,986	200,310	201,666	200,918	217,733
General government	183,061	180,855	182,989	188,223	209,521
Central administration 1/	155,691	156,810	157,601	160,782	180,470
Decentralized institutions	4,254	4,243	4,247	737	743
Regional administration 2/	12,846	10,549	11,727	16,890	18,467
Social security	10,270	9,253	9,414	9,814	9,841
Public enterprises	21,535	18,813	18,049	12,078	7,747
COMIBOL	4,308	1,543	1,419	1,471	1,231
Other	17,227	17,270	16,630	10,607	6,516
Financial public sector	1,390	642	628	617	465

Sources: The System of Financial Administration and Control (SAFCO).

1/ For 1997, includes changes in the coverage of the central administration.

2/ Includes development corporations, municipalities, and departmental governments.

Table 20. Bolivia: Consolidated Operations of the Combined Public Sector

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
Revenue and grants	5,590.0	6,965.7	8,342.2	9,665.3	10,328.4	2,512.6	2,468.7
Current revenue	5,173.0	6,216.4	7,567.5	8,718.1	9,319.4	2,242.6	2,255.0
Tax revenue 1/	4,149.8	4,767.0	5,638.7	6,633.0	7,326.1	1,598.6	1,896.4
Nontax revenue	272.4	437.6	508.2	788.8	798.6	118.5	230.2
Transfers 2/	357.4	416.9	496.2	576.7	718.8	328.5	127.8
Operating surplus of public enterprises	305.6	407.5	658.1	482.6	189.9	118.9	-65.3
Central bank operating balance (- = losses)	87.9	187.5	266.4	237.0	286.0	78.0	66.0
Capital revenue 3/	40.4	68.0	242.1	50.0	414.0	82.0	82.0
Foreign grants	376.6	681.3	532.6	897.2	594.9	188.1	131.6
Expenditure	7,074.9	7,790.0	8,925.4	10,382.4	11,692.8	2,546.2	2,744.3
Current expenditure	4,743.6	5,164.8	6,120.0	7,174.6	8,647.5	1,906.8	2,202.2
Wages and salaries 4/	2,216.6	2,558.8	2,917.5	3,381.4	3,841.6	804.5	981.8
Goods and services	593.1	567.5	755.9	883.9	993.6	204.3	279.1
Interest 5/	636.0	691.5	944.0	1,036.4	857.2	258.4	219.0
Transfers	554.1	852.6	957.6	1,280.6	1,977.3	385.6	461.3
Other	743.7	494.4	544.9	592.4	977.9	253.9	261.0
Capital expenditure	2,331.3	2,625.2	2,805.5	3,207.9	3,045.2	639.4	542.1
Fixed capital formation	2,245.5	2,478.5	2,678.9	3,060.5	3,017.9	634.8	538.3
Other	85.8	146.7	126.6	147.3	27.4	4.6	3.8
Current account balance	429.5	1,051.6	1,447.6	1,543.6	671.9	335.8	52.9
Overall balance	-1,484.8	-824.4	-583.2	-717.1	-1,364.4	-33.5	-275.6
Overall financing	1,485.0	824.3	583.2	717.1	1,364.4	33.5	275.6
External financing	1,235.2	1,013.5	1,161.3	941.5	1,140.8	119.0	102.9
Disbursements	957.6	1,332.4	1,609.9	1,580.6	1,683.5	244.7	232.7
Amortization	-366.2	-498.5	-560.2	-620.2	-524.5	-179.6	-122.6
Interest not paid	210.0	128.3	194.4	1.0	0.0	58.6	0.0
Payments of arrears	-5.3	0.0	0.0	0.0	0.0	0.0	0.0
Argentina gas arrears	121.2	0.0	0.0	0.0	0.0	0.0	0.0
Brazil-Switzerland debt arrangement	-41.5	-50.7	-41.2	0.0	0.0	0.0	0.0
Deposits abroad (- = increase)	-6.4	4.3	-41.7	-19.9	-18.2	-4.6	-7.2
Argentina special payment	365.8	97.7	0.0	0.0	0.0	0.0	0.0
Domestic financing	249.8	-189.2	-578.0	-224.5	223.6	-85.5	172.7
Central bank	218.1	-240.7	-799.5	-727.4	-403.1	14.1	-174.3
Rest of financial system	4.4	49.8	119.1	304.0	366.1	58.5	151.9
Unofficial deposits	-65.9	-155.4	55.9	-10.3	-37.1	-39.4	-93.5
Bond financing	0.0	357.9	114.1	-15.7	155.1	-179.1	62.7
Other	93.1	-200.8	-67.6	224.9	142.6	60.3	226.0
Contractors	-3.8	-0.7	-4.0	0.0	0.0	0.0	0.0
Floating debt	104.9	-201.2	-52.0	-20.8	-37.5	64.5	198.0
Documents	-8.0	3.3	-12.3	245.2	180.1	-4.2	28.1
Other	0.0	-2.2	0.7	0.6	0.1	0.0	-0.1
Memorandum items:							
GDP	24,622.0	27,636.0	32,585.0	38,174.0	38,174.0	...	...
Education expenditure	1,197.5	1,416.3	1,699.7	2,072.0	...	...	...
Health expenditure	553.0	497.9	538.6	538.6	...	...	...
Military expenditure 6/	560.2	567.9	694.3	735.6	...	...	...

Sources: Ministry of Finance; Integrated System of Financial Administration and Government Control (SAFCO); Central Bank of Bolivia; and Fund staff estimates.

- 1/ Includes taxes paid by public enterprises.
2/ Comprises social security contributions paid by the private sector and public enterprises.
3/ Following program accounting conventions, loan repayments are excluded.
4/ Includes payments to war veterans and severance payments.
5/ Interest on external debt on a payment-due basis.
6/ Includes military spending not recorded in the public accounts.

Table 21. Bolivia: Operations of the General Government

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
Revenue and grants	5,272.7	6,534.9	7,670.5	9,013.9	9,884.4	2,300.8	2,470.3
Current revenue	4,364.4	5,096.3	6,017.6	7,145.8	8,004.1	1,717.2	2,126.5
Tax revenue 1/	4,149.8	4,767.0	5,638.7	6,633.0	7,326.1	1,598.6	1,896.4
Domestic taxes	3,827.3	4,370.7	5,186.4	6,158.0	6,735.7	1,465.4	1,748.1
Custom duties	322.4	396.2	452.3	475.0	590.4	133.2	148.3
Nontax revenue	214.6	329.4	378.9	512.8	678.0	118.5	230.2
Current transfers 2/	475.2	608.0	966.9	680.6	758.7	283.1	93.3
Public enterprises	117.8	191.1	470.7	103.9	93.8	20.8	3.2
Private sector 3/	357.4	416.9	496.2	576.7	664.9	262.3	90.2
Capital revenue 2/	67.3	175.9	184.9	378.2	542.5	128.4	118.7
Capital transfers from public enterprises	0.3	0.0	0.9	0.3	1.8	0.0	0.1
Foreign grants	365.6	654.6	500.3	809.1	577.3	172.2	131.6
Expenditure	6,531.9	7,435.4	8,367.0	9,902.3	11,667.5	2,454.8	2,791.5
Current expenditure	4,922.0	5,508.8	6,240.9	7,306.6	8,856.3	1,907.1	2,273.5
Wages and salaries 4/	2,216.6	2,558.8	2,917.5	3,381.4	3,841.6	804.5	981.8
Goods and services	593.1	567.5	755.9	883.9	993.6	204.3	279.1
Interest 5/	636.0	691.5	944.0	1,036.4	857.2	258.4	219.0
Transfers	732.6	1,196.5	1,078.6	1,412.6	2,186.0	385.9	532.6
Public enterprises	178.5	343.9	121.0	132.0	208.7	0.3	71.3
Private sector	554.1	852.6	957.6	1,280.6	1,977.3	385.6	461.3
Other	743.7	494.4	544.9	592.4	977.9	253.9	261.0
Capital expenditure	1,609.9	1,926.7	2,126.1	2,595.7	2,811.2	547.7	518.0
Fixed capital formation	1,440.4	1,751.6	1,984.0	2,425.6	2,742.3	538.7	506.7
Other	74.9	141.4	126.6	147.0	19.8	4.6	3.8
Transfers to public enterprises	94.7	33.7	15.5	23.1	49.1	4.5	7.6
Current account balance	-82.5	195.6	743.5	519.8	-93.5	93.2	-53.6
Overall balance	-1,259.2	-900.6	-696.5	-888.3	-1,783.1	-154.0	-321.3
Overall financing	1,259.2	900.6	696.5	888.5	1,783.1	154.0	321.3
External financing	903.3	706.0	1,024.2	983.2	1,187.0	198.9	109.2
Disbursements	617.7	878.9	1,272.0	1,374.0	1,612.0	232.0	228.8
Amortization	-243.3	-348.3	-401.1	-391.8	-425.1	-91.6	-119.6
Interest not paid	210.0	128.3	194.4	1.0	0.0	58.6	0.0
Payments of arrears	-5.3	0.0	0.0	0.0	0.0	0.0	0.0
Brazil-Switzerland debt arrangement	-41.5	-50.7	-41.2	0.0	0.0	0.0	0.0
Argentina special payment	365.8	97.7	0.0	0.0	0.0	0.0	0.0
Domestic financing	355.9	194.6	-327.7	-94.7	596.1	-44.9	212.1
Central bank	185.8	-154.7	-840.4	-794.4	-232.1	28.0	-159.3
Rest of financial system	4.4	49.8	119.1	304.0	366.1	58.5	151.9
Bond financing	0.0	357.9	114.1	-15.7	155.1	-179.1	62.7
Unofficial deposits	-55.7	-100.6	50.2	2.6	-36.3	-27.3	-98.4
Other	221.4	42.2	229.3	408.8	343.3	75.0	255.3
Floating debt	45.1	-82.4	-50.8	-62.9	-69.4	8.7	106.7
Documents	-8.0	3.3	-12.3	245.2	180.1	-4.2	28.1
Other	184.3	121.3	292.4	226.5	232.6	70.5	120.5

Sources: Ministry of Finance; Integrated System of Financial Administration and Government Control (SAFCO); Central Bank of Bolivia; and Fund staff estimates.

1/ Includes taxes paid by public enterprises.

2/ Definitions for these items differ slightly from that utilized in Table 20.

3/ Comprises social security contributions paid by the private sector and public enterprises.

4/ Includes payments to war veterans and severance payments.

5/ Interest on external debt on a payment-due basis.

Table 22. Bolivia: General Government Revenue and Grants

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
(In millions of bolivianos)							
Revenue and grants	5,272.7	6,534.9	7,670.5	9,013.9	9,884.3	2,301.2	2,469.9
Tax revenue	4,149.8	4,767.0	5,638.7	6,633.0	7,326.0	1,599.0	1,896.0
Hydrocarbon revenues 1/	1,636.3	1,645.2	1,714.9	2,138.0	1,758.5	440.7	509.4
Nonhydrocarbon	2,513.4	3,121.8	3,923.8	4,495.0	5,567.5	1,158.3	1,386.6
Domestic taxes	2,191.0	2,725.6	3,471.5	4,020.0	4,977.1	1,025.1	1,238.3
Direct taxes	452.5	466.9	592.5	1,022.5	550.3	90.5	125.7
Corporate income tax	0.0	0.0	0.0	500.0			
Complementary value added	156.2	181.8	175.2	165.8	181.9	45.1	51.9
Property tax	296.3	285.1	401.0	331.4	339.1	37.2	59.6
Personal (IRPB)	127.3	142.6	225.2	284.8	330.7	35.3	57.7
Corporate (IRPE)	169.0	142.5	175.8	46.6	8.4	1.9	1.9
Mining royalties	...	...	16.3	25.3	29.3	8.2	14.2
Indirect taxes	1,738.5	2,258.7	2,879.0	2,997.5	4,426.8	934.6	1,112.6
Value added 2/	1,134.7	1,462.1	1,698.7	1,902.7	2,456.3	505.7	619.8
Domestic 3/	...	800.0	846.0	887.7	1,120.3	242.5	287.2
Imports	...	662.2	852.8	1,015.0	1,336.0	263.2	332.6
Excise taxes	233.4	270.2	377.5	394.5	478.0	116.3	157.4
Beer	...	110.9	152.9	160.8	195.3	47.4	64.2
Automobiles	...	47.8	69.1	69.2	84.3	20.4	27.6
Other	...	111.5	155.5	164.5	198.4	48.5	65.6
Transactions tax 2/4/	354.6	459.6	695.7	663.0	645.8	171.8	205.4
Other	15.8	66.7	107.1	37.3	846.7	140.8	130.0
Customs duties	322.4	396.2	452.3	475.0	590.4	133.2	148.3
Nontax revenues	214.6	329.4	378.9	512.8	678.0	118.5	230.2
Current transfers	475.2	608.0	966.9	680.6	758.7	283.1	93.3
Public enterprises	117.8	191.1	470.7	103.9	93.8	20.8	3.2
Private sector 5/	357.4	416.9	496.2	576.7	664.9	262.3	90.2
Capital revenue	67.3	175.9	184.9	378.2	542.5	128.4	118.7
Capital transfers from public enterprises	0.3	0.0	0.9	0.3	1.8	0.0	0.1
Foreign grants	365.6	654.6	500.3	809.1	577.3	172.2	131.6
(In percent of GDP)							
Revenue and grants	21.4	23.5	23.5	23.6	23.6	5.5	5.2
Tax revenue	16.9	17.2	17.3	17.4	17.5	3.8	4.0
Hydrocarbon revenues 1/	6.6	5.9	5.3	5.6	4.2	1.1	1.1
Nonhydrocarbon	11.4	12.7	12.0	11.8	13.3	2.8	2.9
Domestic taxes	10.0	11.1	10.7	10.5	11.9	2.4	2.6
Direct taxes	2.1	1.9	1.8	2.7	1.3	0.2	0.3
Corporate income tax	0.0	0.0	0.0	1.3			
Complementary value added	0.7	0.7	0.5	0.4	0.4	0.1	0.1
Property tax	1.3	1.2	1.2	0.9	0.8	0.1	0.1
Personal (IRPB)	0.6	0.6	0.7	0.7	0.8	0.1	0.1
Corporate (IRPE)	0.8	0.6	0.5	0.1	0.0	0.0	0.0
Mining royalties	...	...	0.1	0.1	0.1	0.0	0.0
Indirect taxes	7.9	9.2	8.8	7.9	10.6	2.2	2.4
Value added 2/	5.2	5.9	5.2	5.0	5.9	1.2	1.3
Domestic 3/	...	3.2	2.6	2.3	2.7	0.6	0.6
Imports	...	2.7	2.6	2.7	3.2	0.6	0.7
Excise taxes	1.1	1.1	1.2	1.0	1.1	0.3	0.3
Beer	...	0.5	0.5	0.4	0.5	0.1	0.1
Automobiles	...	0.2	0.2	0.2	0.2	0.0	0.1
Other	...	0.5	0.5	0.4	0.5	0.1	0.1
Transactions tax 2/4/	1.6	1.9	2.1	1.7	1.5	0.4	0.4
Other	0.1	0.3	0.3	0.1	2.0	0.3	0.3
Customs duties	1.5	1.6	1.4	1.2	1.4	0.3	0.3
Nontax revenues	1.0	1.3	1.2	1.3	1.6	0.3	0.5
Current transfers 5/	2.2	2.5	3.0	1.8	1.8	0.7	0.2
Public enterprises	0.5	0.8	1.4	0.3	0.2	0.0	0.0
Private sector 6/	1.6	1.7	1.5	1.5	1.6	0.6	0.2
Capital revenue 5/	0.3	0.7	0.6	1.0	1.3	0.3	0.3
Capital transfers from public enterprises	0.0	0.0	0.0	0.0	...	...	...
Foreign grants	1.7	2.7	1.5	2.1	1.4	0.4	0.3

Sources: Ministry of Finance; Integrated System of Financial Administration and Government Control (SAFCO); and Fund staff estimates.

1/ Includes value-added and transactions taxes paid by the state oil company (YPFB).

2/ Value-added and transaction tax figures for 1990-93 are estimated on the basis of data for the combined total of these taxes.

3/ Includes all value-added tax paid by public enterprises (except YPFB).

4/ Includes all transaction taxes paid by public enterprises (except YPFB).

5/ Definitions for these items differ slightly from that utilized in Table 20.

6/ Comprises social security contributions paid by the private sector and public enterprises.

Table 23. Bolivia: Operations of the Central Government

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
(In millions of bolivianos)							
Revenue and grants	4,532.1	5,731.8	6,424.9	7,551.1	8,670.7	2,046.9	2,136.7
Current revenue	4,088.2	4,778.8	5,422.4	6,321.0	7,047.0	1,539.3	1,889.3
Tax revenue	3,997.1	4,609.5	5,214.6	6,096.5	6,778.5	1,505.5	1,789.3
Domestic taxes 1/	3,674.7	4,213.3	4,762.3	5,621.5	6,188.1	1,372.3	1,641.0
Custom duties	322.4	396.2	452.3	475.0	590.4	133.2	148.3
Nontax revenue	91.1	169.2	207.7	224.5	268.5	33.8	100.0
Current transfers	123.8	185.3	440.3	214.3	515.0	282.1	6.6
Rest of general government	10.8	4.4	7.3	134.3	103.5	71.3	3.4
Public enterprises	112.8	180.9	425.4	80.1	65.1	12.2	3.2
Private sector	0.3	0.0	7.6	0.0	346.4	198.7	0.0
Capital transfers	22.2	21.2	81.4	120.8	147.5	19.1	17.4
Capital revenue	2.9	134.2	72.2	172.1	447.6	42.2	116.8
Foreign grants	295.0	612.5	408.6	722.8	513.5	164.2	106.5
Expenditure	5,731.6	6,665.2	7,051.8	8,258.4	10,108.2	2,224.4	2,501.7
Current expenditure	4,644.7	5,305.0	5,903.3	6,964.3	8,883.7	1,956.9	2,288.0
Wages and salaries	1,828.2	2,092.4	2,435.2	2,681.8	3,113.6	647.9	777.9
Goods and services	446.1	410.4	531.0	551.6	612.3	134.8	151.9
Interest	625.2	652.0	912.1	990.5	784.2	248.9	208.7
Transfers	1,124.9	1,776.5	1,623.0	2,256.9	3,580.3	692.3	914.5
Rest of general government	810.4	1,063.2	1,090.6	1,724.6	1,425.3	311.3	390.6
Public enterprises	174.3	343.5	120.6	132.0	208.7	0.3	71.3
Private sector	140.2	369.9	411.7	400.2	1,946.2	380.7	452.5
Other	620.5	373.7	402.0	483.6	793.4	232.9	234.9
Capital expenditure	1,086.9	1,360.2	1,148.6	1,294.1	1,224.5	267.5	213.7
Fixed capital formation	849.6	1,038.7	967.3	1,009.8	1,038.0	244.9	179.4
Other	29.3	95.9	72.0	70.7	18.5	3.7	2.9
Transfers	208.0	225.6	109.3	213.6	167.9	18.9	31.4
Current account balance	-432.7	-341.0	-40.5	-428.9	-1,321.7	-135.6	-392.0
Overall balance	-1,199.5	-933.4	-626.9	-707.3	-1,437.5	-177.5	-365.0
Overall financing	1,199.5	933.4	626.9	707.3	1,437.5	177.5	365.0
External financing	828.6	675.5	996.9	945.4	1,108.0	189.7	105.2
Disbursements	540.9	844.8	1,241.9	1,324.7	1,521.1	221.3	222.1
Amortization	-241.3	-344.6	-398.2	-380.3	-413.2	-90.2	-116.9
Interest not paid	210.0	128.3	194.4	1.0	0.0	58.6	0.0
Payments of arrears	-5.3	0.0	0.0	0.0	0.0	0.0	0.0
Brazil-Switzerland debt agreement	-41.5	-50.7	-41.2	0.0	0.0	0.0	0.0
Argentina special payment	365.8	97.7	0.0	0.0	0.0	0.0	0.0
Domestic financing	370.9	257.8	-370.0	-238.1	329.5	-12.2	259.8
Central bank	216.0	5.0	-889.2	-678.6	-270.4	69.1	-69.1
Rest of financial system	4.4	49.8	119.1	304.0	366.1	58.5	151.9
Bond financing	0.0	357.9	114.1	-15.7	155.1	-179.1	62.7
Other	150.5	-154.9	286.0	152.2	78.7	39.3	114.3
Floating debt	45.1	-82.4	-50.8	-62.9	-69.4	8.7	106.7
Documents	-8.0	3.3	-12.3	245.2	180.1	-4.2	28.1
Other	113.5	-75.8	349.1	-30.1	-32.0	34.8	-20.4
(In percent of GDP)							
Memorandum items:							
Revenues and grants	18.4	20.7	19.9	19.8	20.7	...	...
Expenditure	23.3	24.1	21.9	21.6	24.1	...	...
Current	18.9	19.2	18.3	18.2	21.2	...	...
Capital	4.4	4.9	3.6	3.4	2.9	...	...
Overall balance	-4.9	-3.4	-1.9	-1.9	-3.4	...	...

Sources: Ministry of Finance; Integrated System of Financial Administration and Government Control (SAFCO); Central Bank of Bolivia; and Fund staff estimates.

1/ Includes payments of value-added taxes and transactions taxes by YPFB.

Table 24. Bolivia: Operations of the Central Administration

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
Revenue and grants	4,213.2	5,515.8	6,066.8	6,960.6	8,316.4	1,949.8	1,987.6
Current revenue	4,030.2	4,683.6	5,290.6	6,221.4	7,016.7	1,560.8	1,823.7
Tax revenue	4,008.1	4,633.5	5,224.7	6,123.1	6,855.7	1,545.8	1,802.4
Domestic taxes 1/	3,685.7	4,237.3	4,772.5	5,648.1	6,265.3	1,412.6	1,654.1
Custom duties	322.4	396.2	452.3	475.0	590.4	133.2	148.3
Nontax revenue	22.1	50.1	65.9	98.3	161.0	14.9	21.3
Current transfers	104.4	431.8	510.5	318.8	649.0	281.2	1.3
Rest of central government	0.0	256.9	87.9	120.1	164.0	0.4	0.0
Rest of general government	0.0	0.0	0.0	123.3	91.9	70.0	1.3
Public enterprises	104.4	174.8	418.1	75.4	46.8	12.2	0.0
Private sector	0.0	0.0	4.5	0.0	346.4	198.7	0.0
Capital transfers	0.0	0.0	26.6	0.0	1.7	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	26.6	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	1.7	0.0	0.0
Capital revenue	0.0	70.4	-20.9	97.6	356.0	-5.9	108.2
Foreign grants	78.6	330.1	260.0	322.8	293.0	113.8	54.4
Expenditure	4,747.7	5,601.3	5,843.6	6,972.0	9,112.5	2,020.4	2,265.5
Current expenditure	4,403.1	5,154.3	5,686.9	6,796.3	8,770.7	1,999.0	2,223.6
Wages and salaries 2/	1,747.4	2,005.4	2,332.0	2,606.2	3,066.0	636.2	764.0
Goods and services	383.5	353.5	472.6	506.4	584.6	129.4	140.4
Interest 3/	624.7	637.0	887.8	960.2	753.7	244.5	201.0
Transfers	1,596.7	2,280.7	2,106.3	2,758.6	4,254.1	883.3	1,052.3
Rest of central government	540.2	555.9	535.0	668.9	850.8	212.2	201.9
<i>Of which</i>							
Revenue sharing	108.8	127.6	165.1	210.3	242.3	50.8	58.7
Rest of general government	785.2	1,038.9	1,056.8	1,636.2	1,360.8	292.1	365.2
<i>Of which</i>							
Revenue sharing	503.4	675.5	686.4	981.8	1,167.4	246.3	305.7
Public enterprises	132.8	343.5	120.6	78.3	113.6	0.3	36.3
Private sector	138.5	342.4	393.9	375.2	1,928.9	378.7	449.0
Other	50.8	-122.3	-111.9	-35.1	112.4	105.6	65.8
Capital expenditure	344.5	447.0	156.7	175.6	341.8	21.4	41.9
Fixed capital formation	22.3	17.0	15.4	25.3	28.7	3.7	2.8
Other	10.0	8.7	0.0	0.0	0.0	0.0	0.0
Transfers	312.3	421.3	141.3	150.4	313.1	17.7	39.1
Rest of central government	119.7	259.6	85.6	108.4	228.8	8.2	25.4
Rest of general government	98.3	128.8	51.0	24.6	56.5	5.0	9.5
Public enterprises	94.3	33.0	4.7	17.4	27.8	4.4	4.2
Current account balance	-268.6	-38.9	114.3	-256.1	-1,105.0	-157.0	-398.5
Overall balance	-534.5	-85.5	223.2	-11.4	-796.1	-70.6	-277.8

Sources: Ministry of Finance; Integrated System of Financial Administration and Government Control (SAFCO); Central Bank of Bolivia; and Fund staff estimates.

1/ Includes taxes paid by public enterprises.

2/ Includes payments to war veterans and severance payments.

3/ Interest on external debt on a payment-due basis.

Table 25. Bolivia: Central Administration Expenditure

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
(In millions of bolivianos)							
Expenditure	4,746.8	5,601.3	5,843.6	6,946.5	9,112.5	2,020.4	2,265.5
Current expenditure	4,402.2	5,154.3	5,686.8	6,694.6	8,770.7	1,999.0	2,223.6
Wages and salaries 1/	1,747.4	2,005.4	2,332.0	2,606.2	3,066.0	636.2	764.0
Goods and services	383.5	353.5	472.6	506.4	584.6	129.4	140.4
Interest 2/	624.7	637.0	887.8	858.5	753.7	244.5	201.0
Transfers	1,596.7	2,280.7	2,106.3	2,758.6	4,254.1	883.3	1,052.3
Rest of central government	540.2	555.9	535.0	668.9	850.8	212.2	201.9
<i>Of which</i>			165.1	210.3			
Revenue sharing	108.8	127.6	1,056.8	1,636.2	242.3	50.8	58.7
Rest of general government	785.2	1,038.9	686.4	981.8	1,360.8	292.1	365.2
<i>Of which</i>			120.6	78.3			
Revenue sharing	503.4	675.5	393.9	375.2	1,167.4	246.3	305.7
Public enterprises	132.8	343.5	-111.9	-35.1	113.6	0.3	36.3
Private sector	138.5	342.4	156.7	251.8	1,928.9	378.7	449.0
Other	50.0	-122.3	15.4	25.3	112.4	105.6	65.8
Capital expenditure	344.5	447.0	0.0	76.2	341.8	21.4	41.9
Fixed capital formation	22.3	17.0	141.3	150.4	28.7	3.7	2.8
Other	10.0	8.7	85.6	108.4	0.0	0.0	0.0
Transfers	312.3	421.3	51.0	24.6	313.1	17.7	39.1
Rest of central government	119.7	259.6	4.7	17.4	228.8	8.2	25.4
Rest of general government	98.3	128.8	51.0	24.6	56.5	5.0	9.5
Public enterprises	94.3	33.0	4.7	17.4	27.8	4.4	4.2
(In percent of GDP)							
Expenditure	19.3	20.2	17.9	18.1	21.7	4.8	4.8
Current expenditure	17.9	18.6	17.5	17.5	20.9	4.8	4.7
Wages and salaries 1/	7.1	7.2	7.2	6.8	7.3	1.5	1.6
Goods and services	1.6	1.3	1.5	1.3	1.4	0.3	0.3
Interest 2/	2.5	2.3	2.7	2.3	1.8	0.6	0.4
Transfers	6.5	8.2	6.5	7.2	10.2	2.1	2.2
Rest of central government	2.2	2.0	1.6	1.8	2.0	0.5	0.4
<i>Of which</i>							
Revenue sharing	0.4	0.5	0.5	0.6	0.6	0.1	0.1
Rest of general government	3.2	3.7	3.2	4.3	3.2	0.7	0.8
<i>Of which</i>							
Revenue sharing	2.0	2.4	2.1	2.6	2.8	0.6	0.6
Public enterprises	0.5	1.2	0.4	0.2	0.3	0.0	0.1
Private sector	0.6	1.2	1.2	1.0	4.6	0.9	1.0
Other	0.2	-0.4	-0.3	-0.2	0.3	0.3	0.1
Capital expenditure	1.4	1.6	0.5	0.7	0.8	0.1	0.1
Fixed capital formation	0.1	0.1	0.0	0.1	0.1	0.0	0.0
Other	0.0	0.0	0.0	0.2	0.0	0.0	0.0
Transfers	1.3	1.5	0.4	0.4	0.7	0.0	0.1
Rest of central government	0.5	0.9	0.3	0.3	0.5	0.0	0.1
Rest of general government	0.4	0.5	0.2	0.1	0.1	0.0	0.0
Public enterprises	0.4	0.1	0.0	0.0	0.1	0.0	0.0

Sources: Ministry of Finance; Integrated System of Financial Administration and Government Control (SAFCO); Central Bank of Bolivia; and Fund staff estimates.

1/ Includes payments to war veterans and severance payments.

2/ Interest on external debt on a payment-due basis.

Table 26. Bolivia: Operations of the Rest of Central Government 1/

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
(In millions of bolivianos)							
Consolidated Operations of the Rest of Central Government							
Revenue and grants	989.8	1,312.5	1,076.8	1,514.6	1,675.1	358.2	389.4
Current revenue	177.9	246.8	307.0	336.6	349.8	69.7	137.4
Tax revenue-sharing	108.8	127.6	165.1	210.3	242.3	50.8	58.7
Nontax revenue	69.0	119.1	141.9	126.2	107.5	18.9	78.7
Current transfers	450.8	438.7	387.6	474.3	638.5	162.6	148.6
Central administration	431.3	428.2	369.8	458.6	608.5	161.4	143.2
Rest of general government	10.8	4.4	7.3	11.0	11.7	1.3	2.1
Public enterprises	8.4	6.1	7.4	4.6	18.3	0.0	3.2
Private sector	0.3	0.0	3.1	0.0	0.0	0.0	0.0
Capital transfers	141.9	280.8	140.4	229.2	374.7	27.3	42.8
Central administration	119.7	259.6	85.6	108.4	228.8	8.2	25.4
Rest of general government	22.2	21.2	53.9	120.8	145.7	19.1	17.4
Public enterprises	0.0	0.0	0.9	0.0	0.2	0.0	0.0
Capital revenue	2.9	63.8	93.1	74.5	91.6	48.1	8.6
Foreign grants	216.4	282.4	148.6	400.1	220.5	50.4	52.1
Expenditure	1,654.8	2,160.4	1,926.9	2,210.5	2,316.5	465.1	476.6
Current expenditure	792.8	987.6	849.4	983.7	1,205.0	210.8	279.4
Wages and salaries	80.7	87.0	103.2	75.5	47.6	11.7	14.0
Goods and services	62.6	56.9	58.3	45.2	27.7	5.5	11.5
Interest	0.5	14.9	24.3	30.3	30.5	4.4	7.7
Tax payments	11.0	24.0	10.1	26.6	77.2	40.4	13.1
Transfers	68.4	308.7	139.6	287.3	341.0	21.6	64.1
Central administration	0.0	256.9	87.9	120.1	164.0	0.4	0.0
Rest of general government	25.1	24.3	33.8	88.4	64.5	19.1	25.4
Public enterprises	41.6	0.0	0.0	53.7	95.2	0.0	35.1
Private sector	1.7	27.5	17.9	25.1	17.2	2.0	3.6
Other	569.6	496.1	513.8	518.7	681.0	127.4	169.1
Capital expenditure	862.1	1,172.8	1,077.5	1,226.9	1,111.5	254.3	197.2
Fixed capital formation	827.3	1,021.6	951.9	984.6	1,009.4	241.2	176.6
Other	19.3	87.2	72.0	70.7	18.5	3.7	2.9
Transfers	15.4	63.9	53.6	171.6	83.6	9.4	17.7
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	15.2	63.9	44.0	171.6	62.4	9.4	14.3
Public enterprises	0.2	0.0	9.6	0.0	21.2	0.0	3.4
Current account balance	-164.1	-302.1	-154.8	-172.8	-216.8	21.5	6.5
Overall balance	-665.0	-847.9	-850.1	-695.9	-641.5	-106.9	-87.2

Table 26. Bolivia: Operations of the Rest of Central Government 1/

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
(In millions of bolivianos)							
I. National Road Authority							
Revenue and grants	296.2	427.3	266.4	232.2	127.4	54.3	17.0
Current revenue	51.7	59.1	76.9	57.1	12.8	3.1	0.1
Tax revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nontax revenue	51.7	59.1	76.9	57.1	12.8	3.1	0.1
Current transfers	76.3	79.1	66.8	19.8	11.1	2.3	5.0
Central administration	73.7	79.1	66.8	19.8	11.1	2.3	5.0
Rest of central government	2.6	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital transfers	122.3	263.1	119.2	96.6	60.2	16.7	11.9
Central administration	97.0	215.0	64.5	7.3	0.0	0.0	0.0
Rest of central government	17.8	38.2	39.8	47.6	29.8	6.9	1.8
Rest of general government	7.5	9.9	14.9	41.8	30.4	9.8	10.1
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital revenue	0.2	0.0	1.5	0.1	0.0	0.0	0.0
Foreign grants	45.7	26.0	2.0	58.7	43.3	32.2	0.0
Expenditure	637.1	876.2	740.7	588.5	477.2	146.2	73.3
Current expenditure	126.1	145.7	157.5	110.5	36.9	7.7	5.4
Wages and salaries	69.7	68.9	78.8	47.5	11.4	2.9	2.8
Goods and services	43.8	47.0	45.3	25.6	3.3	0.6	0.9
Interest	0.5	8.4	17.7	18.6	16.0	1.1	1.1
Tax payments	5.0	12.8	6.0	2.3	6.1	3.0	0.3
Transfers	6.8	8.4	9.6	16.5	0.0	0.0	0.3
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	5.9	6.7	7.6	16.1	0.0	0.0	0.2
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private sector	1.0	1.7	2.0	0.3	0.0	0.0	0.1
Other	0.3	0.3	0.2	0.1	0.0	0.0	0.0
Capital expenditure	511.0	730.4	583.1	478.0	440.3	138.5	67.9
Fixed capital formation	511.0	730.4	583.1	478.0	440.3	138.5	67.9
Other	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current account balance	1.9	-7.6	-13.8	-33.7	-13.0	-2.3	-0.3
Overall balance	-340.9	-448.9	-474.3	-356.3	-349.8	-91.9	-56.3

Table 26. Bolivia: Operations of the Rest of Central Government 1/

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
(In millions of bolivianos)							
II. Social Emergency Fund/Social Investment Fund							
Revenue and grants	38.3	45.5	66.5	113.7	133.8	9.0	2.6
Current revenue	2.9	2.5	1.4	1.8	2.2	0.2	0.2
Tax revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nontax revenue	2.9	2.5	1.4	1.8	2.2	0.2	0.2
Current transfers	3.2	4.9	3.9	7.4	7.3	1.6	0.9
Central administration	3.2	4.2	3.9	6.6	4.5	1.6	0.9
Rest of central government	0.0	0.7	0.0	0.8	2.7	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital transfers	5.3	7.9	9.3	62.4	100.1	6.5	0.0
Central administration	5.0	7.0	0.6	2.1	1.0	0.2	0.0
Rest of central government	0.0	0.6	0.0	2.4	5.3	0.0	0.0
Rest of general government	0.3	0.4	7.8	57.8	93.9	6.3	0.0
Public enterprises	0.0	0.0	0.9	0.0	0.0	0.0	0.0
Capital revenue	2.6	0.6	0.7	0.0	0.0	0.0	0.0
Foreign grants	24.4	29.6	51.3	42.2	24.2	0.8	1.5
Expenditure	130.2	131.9	139.8	248.5	261.8	51.4	24.2
Current expenditure	16.8	16.7	21.1	25.2	31.9	8.4	7.9
Wages and salaries	8.6	9.9	14.3	16.0	20.6	5.8	5.1
Goods and services	6.8	5.9	6.7	8.5	10.7	2.4	2.4
Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tax payments	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Transfers	0.5	0.5	0.1	0.2	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.2	0.1	0.1	0.2	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private sector	0.4	0.4	0.0	0.0	0.0	0.0	0.0
Other	0.8	0.3	0.0	0.5	0.5	0.2	0.0
Capital expenditure	113.4	115.2	118.7	223.3	229.9	43.1	16.2
Fixed capital formation	112.7	114.9	118.6	220.8	229.8	43.1	16.2
Other	0.6	0.3	0.0	2.4	0.0	0.0	0.0
Transfers	0.1	0.0	0.1	0.1	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Current account balance	-10.7	-9.3	-15.8	-16.1	-22.4	-6.6	-6.9
Overall balance	-91.9	-86.4	-73.3	-134.8	-128.0	-42.4	-21.6

Table 26. Bolivia: Operations of the Rest of Central Government 1/

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
(In millions of bolivianos)							
III. Other Central Government Agencies							
Revenue and grants	675.8	879.1	783.7	1,219.4	1,451.7	301.8	371.7
Current revenue	123.3	185.2	228.7	277.7	334.8	66.4	137.0
Revenue sharing	108.8	127.6	165.1	210.3	242.3	50.8	58.7
Nontax revenue	14.4	57.5	63.6	67.4	92.5	15.6	78.4
Current transfers	373.9	355.4	316.9	447.9	622.8	158.8	142.7
Central administration	354.4	345.0	299.2	432.2	592.8	157.5	137.4
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	10.8	4.4	7.3	11.0	11.7	1.3	2.1
Public enterprises	8.4	6.1	7.4	4.6	18.3	0.0	3.2
Private sector	0.3	0.0	3.1	0.0	0.0	0.0	0.0
Capital transfers	32.2	48.5	51.8	120.2	249.5	11.0	32.7
Central administration	17.7	37.6	20.5	99.0	227.9	8.0	25.4
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	14.5	10.9	31.3	21.2	21.4	3.1	7.4
Public enterprises	0.0	0.0	0.0	0.0	0.2	0.0	0.0
Capital revenue	0.1	63.2	90.9	74.5	91.6	48.1	8.6
Foreign grants	146.3	226.9	95.4	299.1	153.0	17.4	50.5
Expenditure	908.0	1,191.7	1,086.2	1,424.2	1,615.3	274.4	380.9
Current expenditure	652.5	825.8	670.8	848.7	1,139.0	194.8	266.0
Wages and salaries	2.5	8.2	10.1	12.0	15.6	2.9	6.0
Goods and services	12.0	4.0	6.4	11.1	13.7	2.5	8.2
Interest	0.0	6.4	6.6	11.7	14.5	3.3	6.6
Tax payments	6.0	11.1	4.1	24.3	71.1	37.3	12.5
Transfers	63.6	300.5	129.9	271.4	343.7	21.5	63.7
Central administration	0.0	256.9	87.9	120.1	164.0	0.4	0.0
Rest of central government	2.6	0.7	0.0	0.8	2.7	0.0	0.0
Rest of general government	19.1	17.5	26.1	72.1	64.5	19.1	25.1
Public enterprises	41.6	0.0	0.0	53.7	95.2	0.0	35.1
Private sector	0.3	25.4	15.9	24.7	17.2	2.0	3.5
Other	568.5	495.5	513.6	518.2	680.4	127.2	169.1
Capital expenditure	255.5	365.8	415.4	575.5	476.3	79.6	114.9
Fixed capital formation	203.6	176.3	250.1	285.7	339.2	59.6	92.4
Other	18.7	86.9	72.0	68.3	18.5	3.7	2.9
Transfers	33.2	102.6	93.3	221.5	118.6	16.3	19.5
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	17.8	38.7	39.8	50.0	35.0	6.9	1.8
Rest of general government	15.2	63.9	44.0	171.5	62.4	9.4	14.3
Public enterprises	0.2	0.0	9.5	0.0	21.2	0.0	3.4
Current account balance	-155.3	-285.2	-125.2	-123.1	-181.4	30.4	13.7
Overall balance	-232.2	-312.5	-302.5	-204.9	-163.7	27.4	-9.2

Table 26. Bolivia: Operations of the Rest of Central Government 1/

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
(In percent of GDP)							
Memorandum items:							
Capital expenditure	3.5	4.2	3.3	3.2	2.7	...	...
National Road Authority	2.1	2.6	1.8	1.3	1.1	...	...
Social Investment Fund	0.5	0.4	0.4	0.6	0.5	...	...
Other government agencies	1.0	1.3	1.3	1.5	1.1	...	...
Overall balance of the rest of central government	-2.7	-3.1	-2.6	-1.8	-1.5	...	...

Sources: Ministry of Finance; Integrated System of Financial Administration and Government Control (SAFCO); Central Bank of Bolivia; and Fund staff estimates.

1/ Includes the operations of the National Road Authority; the Social Emergency Fund/Social Investment Fund; and other central government agencies.

Table 27. Bolivia: Operations of the Rest of General Government 1/

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
(In millions of bolivianos)							
Domestic financing	-15.1	-63.2	37.7	143.4	266.6	-32.7	-47.7
Central bank	-30.2	-159.7	48.8	-115.8	38.3	-41.1	-90.2
Unofficial deposits	-55.7	-100.6	50.2	2.6	-36.3	-27.3	-98.4
Floating debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	70.9	197.1	-61.3	256.6	264.6	35.7	140.9
I. Regional Development Corporations/ <i>Prefecturas</i>							
Revenue and grants	626.7	517.6	519.6	929.6	978.5	268.3	209.9
Current revenue	388.3	316.7	232.1	545.1	670.8	142.1	162.8
Revenue sharing	213.8	116.4	0.0	168.6	210.3	40.8	58.4
Hydrocarbon taxes	154.3	160.4	190.5	228.0	233.4	58.1	50.4
Sale of goods and services	1.1	0.7	0.3	5.1	13.2	3.3	5.1
Other	19.1	39.2	41.3	143.4	213.9	39.9	48.8
Current transfers	28.5	23.4	79.9	50.5	82.1	29.8	25.8
Central administration	19.8	17.3	36.3	7.6	11.8	2.2	2.0
Rest of central government	7.2	0.0	3.2	22.9	49.5	18.8	23.5
Rest of general government	0.0	0.0	0.1	0.3	2.1	0.1	0.3
Public enterprises	1.5	6.0	40.2	19.1	18.7	8.7	0.0
Private sector	0.0	0.1	0.1	0.6	0.0	0.0	0.0
Capital revenue	36.4	4.0	27.7	154.1	87.4	80.1	1.0
Capital transfers	102.8	131.3	90.8	94.3	77.2	8.9	12.6
Central administration	93.5	120.8	48.4	21.5	54.5	4.8	9.5
Rest of central government	9.3	10.5	40.4	69.3	19.2	2.9	1.7
Rest of general government	0.0	0.0	2.0	3.5	3.6	1.2	1.3
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Foreign grants	70.6	42.1	89.2	85.5	61.0	7.5	7.7
Expenditure	662.7	604.6	590.3	912.8	1,145.7	204.4	247.0
Current expenditure	206.2	227.1	164.0	290.4	407.0	72.9	104.9
Wages and salaries	90.3	103.1	73.4	147.1	181.4	39.4	62.3
Goods and services	32.9	29.3	20.5	75.2	114.0	21.2	30.0
Interest	8.7	30.2	16.0	23.5	25.8	4.0	2.4
Tax payments	0.7	0.3	12.8	0.6	0.4	0.1	0.1
Current transfers	27.4	20.1	16.3	35.9	28.6	6.6	6.3
Central administration	0.0	0.0	0.0	7.8	3.3	2.1	0.0
Rest of central government	7.5	2.6	3.7	6.4	5.5	0.7	1.3
Rest of general government	12.4	13.5	9.5	16.8	12.8	3.0	3.1
Public enterprises	4.2	0.5	0.4	0.0	0.0	0.0	0.0
Private sector	3.3	3.5	2.7	4.8	7.1	0.8	2.0
Other	46.3	44.0	24.9	8.1	56.9	1.5	3.8
Capital expenditure	456.4	377.5	426.4	622.4	738.7	131.5	142.1
Fixed capital formation	420.5	350.2	368.5	554.3	680.9	118.1	123.7
Other	2.9	3.3	2.7	0.2	0.5	0.2	0.2
Capital transfers	33.0	24.1	55.2	67.9	57.3	13.1	18.2
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	22.2	20.7	40.4	57.0	51.5	12.9	17.4
Rest of general government	10.6	2.7	13.6	5.3	5.8	0.3	0.8
Public enterprises	0.2	0.7	1.2	5.6	0.0	0.0	0.0
Current account balance	210.6	113.1	148.0	305.3	345.9	99.0	83.8
Overall balance	-36.0	-87.0	-70.7	16.8	-167.2	63.9	-37.1

Table 27. Bolivia: Operations of the Rest of General Government 1/

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
(In millions of bolivianos)							
Expenditure	681.7	814.9	941.6	1,534.6	572.0	158.1	127.8
Current expenditure	625.3	755.3	866.4	1,368.6	514.2	146.0	118.4
Wages and salaries	152.0	196.3	194.3	235.4	251.9	50.0	59.6
Goods and services	50.5	67.0	109.1	123.0	145.0	25.2	51.7
Interest	0.0	0.0	0.0	0.2	1.6	0.7	0.6
Tax payments	0.8	2.5	0.3	0.4	10.3	0.0	0.1
Current transfers	406.6	474.2	536.8	981.5	95.7	68.5	3.1
Private sector	406.6	474.2	536.8	866.0	13.1	2.8	3.1
Other	15.4	15.3	25.8	28.1	9.6	1.5	3.2
Capital expenditure	56.4	59.6	75.2	166.0	57.8	12.1	9.4
Fixed capital formation	13.9	18.8	26.3	93.5	57.8	12.1	9.4
Other	42.5	40.7	48.9	72.5	0.0	0.0	0.0
Capital transfers	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current account balance	50.9	90.8	52.5	4.7	47.5	-29.1	45.5
Overall balance	20.9	66.4	11.8	-116.3	-10.3	-41.2	36.1
(In percent of GDP)							
Memorandum items:							
Revenue and grants 5/	6.9	7.6	7.9	9.6	7.2	...	...
Regional development corporations/pref.	2.5	1.9	1.6	2.4	2.3	...	...
Municipalities	1.7	2.6	3.5	3.6	3.6	...	...
Social security institutions	2.9	3.2	3.0	3.7	1.3	...	...
Total expenditure 5/	7.1	7.4	8.1	10.0	8.0	...	...
Regional development corporations/pref.	2.7	2.2	1.8	2.4	2.7	...	...
Municipalities	1.9	2.4	3.5	3.8	4.0	...	...
Social security institutions	2.8	2.9	2.9	4.0	1.4	...	...
(In percent of GDP)							
Current expenditure 5/	4.5	4.6	4.5	5.8	3.6	...	...
Regional development corporations/pref.	0.8	0.8	0.5	0.8	1.0	...	...
Municipalities	1.2	1.2	1.4	1.6	1.5	...	...
Social security institutions	2.5	2.7	2.7	3.6	1.2	...	...
Capital expenditure 5/	2.7	2.8	3.6	4.2	4.4	...	...
Regional development corporations/pref.	1.9	1.4	1.3	1.6	1.8	...	...
Municipalities	0.6	1.3	2.1	2.2	2.5	...	...
Social security institutions	0.2	0.2	0.2	0.4	0.1	...	...
Overall balance 5/	-0.2	0.1	-0.2	-0.5	-0.8	...	...
Regional development corporations/pref.	-0.1	-0.3	-0.2	0.0	-0.4	...	...
Municipalities	-0.2	0.2	0.0	-0.2	-0.4	...	...
Social security institutions	0.1	0.2	0.0	-0.3	0.0	...	...

Sources: Ministry of Finance; Integrated System of Financial Administration and Government (SAFCO); Central Bank of Bolivia; and Fund staff estimates.

1/ Includes the operations of the regional development corporations/*prefecturas*; municipalities; and social security institutions.

2/ Adjusts for statistical discrepancies.

3/ Includes revenues from revenue sharing.

4/ Comprises social security contributions paid by the private sector and public enterprises.

5/ Refers to consolidated operations of the rest of general government.

Table 28. Bolivia: Operations of the Nonfinancial Public Enterprises

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
Consolidated Operations of Public Enterprises							
Operating revenue	4,386.0	4,859.1	5,143.4	4,727.9	4,455.8	1,098.2	1,085.4
Sales of hydrocarbons	2,408.7	2,549.9	2,842.6	3,337.0	3,120.1	776.8	839.5
Domestic	1,999.9	2,107.9	2,291.0	2,848.7	2,729.0	641.5	710.2
Exports	408.8	442.0	551.6	488.3	391.1	135.3	129.4
Sales of other enterprises	1,863.8	2,169.7	2,160.0	1,258.4	981.9	255.9	164.6
Domestic	1,372.5	1,566.3	1,533.0	733.4	499.5	138.9	87.8
Exports	491.3	603.4	627.0	525.1	482.4	117.0	76.8
Transfers from private sector	0.0	3.9	0.0	0.7	16.3	0.0	8.2
Other	113.5	135.6	140.8	131.8	337.4	65.5	73.1
Operating expenditure	4,082.6	4,462.9	4,489.6	4,248.2	4,265.8	979.2	1,150.7
Wages and salaries	711.4	794.4	649.8	618.1	636.7	131.4	99.1
Goods and services	1,230.5	1,316.0	1,433.5	1,233.5	1,915.5	299.7	685.4
Interest	142.1	164.9	183.8	35.2	90.3	52.8	4.5
Tax payments	1,883.1	1,901.1	2,023.3	2,232.3	1,571.2	471.7	335.0
Social security payments	81.2	88.5	96.8	92.6	52.1	22.4	7.1
Transfers to private sector	11.1	18.4	43.2	13.6	14.0	2.7	3.4
Other	23.4	179.6	59.2	23.0	-13.9	-1.4	16.2
Operating surplus	303.4	396.2	653.8	479.6	189.9	118.9	-65.3
Current transfers							
From general government	178.5	343.9	121.0	132.0	208.7	0.3	71.3
To general government	117.8	191.1	472.1	122.4	75.8	9.9	3.1
Current account surplus	364.1	549.0	302.7	489.3	322.9	109.4	3.0
Capital transfers							
From general government	94.7	33.7	15.5	23.1	49.1	4.5	7.6
To general government	0.3	0.0	0.9	0.3	1.8	0.0	0.1
Capital revenue	33.0	11.6	193.1	26.8	28.0	8.9	0.9
Foreign grants	11.0	26.7	32.3	88.1	17.6	15.9	0.0
Capital expenditure	816.1	732.2	694.9	635.2	283.1	96.2	31.6
Fixed capital formation	805.2	726.8	694.9	634.9	275.5	96.1	31.6
Other	10.9	5.3	0.0	0.3	7.5	0.0	0.0
Overall deficit (-)	-313.7	-111.2	-152.2	-8.3	132.7	42.5	-20.3
Overall financing	313.7	111.2	152.2	8.3	-132.7	-42.5	20.3
External financing (net)	331.9	307.6	137.1	-41.7	-46.2	-79.9	-6.3
Disbursements	339.9	453.5	337.9	206.5	71.5	12.7	3.9
Amortization	-122.9	-150.2	-159.1	-228.3	-99.4	-88.0	-3.0
Interest not paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payment of arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Argentina gas arrears	121.2	0.0	0.0	0.0	0.0	0.0	0.0
Deposits abroad (- = increase)	-6.4	4.3	-41.7	-19.9	-18.2	-4.6	-7.2
Domestic financing	-18.2	-196.4	15.1	49.9	-86.5	37.4	26.6
Central bank	32.3	-86.0	40.9	67.0	-171.0	-13.9	-15.1
Unofficial deposits	-10.1	-54.8	5.7	-12.8	-0.9	-12.1	4.9
Other	-40.4	-55.6	-31.5	-4.2	85.3	63.3	36.7
Contractors	-3.8	-0.7	-4.0	0.0	0.0	0.0	0.0
Floating debt	59.8	-118.8	-1.2	42.0	31.9	55.8	91.3
Other	-96.5	63.9	-26.3	-46.3	53.5	7.5	-54.6

Table 28. Bolivia: Operations of the Nonfinancial Public Enterprises

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
I. Bolivian Oil Company (YPFB)							
Operating revenue	2,441.0	2,579.9	2,868.7	3,367.4	3,293.1	781.1	898.9
Domestic sales	1,999.9	2,107.9	2,291.0	2,848.7	2,729.0	641.5	710.2
Exports	408.8	442.0	551.6	488.3	391.1	135.3	129.4
Transfers from private sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	32.3	30.0	26.1	30.4	172.9	4.3	59.4
Operating expenditure	2,357.1	2,377.7	2,513.5	2,944.4	3,287.3	728.7	942.2
Wages and salaries	255.5	241.0	262.0	287.1	386.5	76.0	52.8
Goods and services	310.7	327.0	355.9	456.5	1,263.2	133.8	554.7
Interest	87.8	87.3	108.6	20.3	65.4	41.7	0.5
Tax payments	1,662.4	1,681.7	1,740.1	2,118.2	1,528.0	459.5	327.4
Social security payments	34.6	35.1	41.6	55.3	35.1	15.5	4.9
Transfers to private sector	3.3	3.3	2.8	3.7	7.0	1.6	1.8
Other	2.8	2.2	2.5	3.2	2.1	0.7	0.1
Operating surplus or deficit (-)	83.9	202.3	355.2	423.0	5.8	52.3	-43.3
Current transfers from	27.3	57.8	10.0	21.2	188.9	0.0	66.7
Central administration	24.4	57.8	10.0	21.2	103.8	0.0	31.7
Rest of central government	2.9	0.0	0.0	0.0	85.0	0.0	35.1
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current transfers to	0.0	0.0	5.8	16.2	7.9	0.0	2.7
Central administration	0.0	0.0	5.8	0.0	14.6	8.8	0.0
Rest of central government	0.0	0.0	0.0	0.0	7.9	0.0	2.7
Rest of general government	0.0	0.0	0.0	16.2	-14.7	-8.8	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current account surplus (+) or deficit	111.2	260.1	359.4	428.0	186.7	52.3	20.8
Capital transfers from	90.0	22.3	0.0	0.0	0.0	0.0	0.0
Central administration	90.0	22.3	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital transfers to	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Foreign grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital expenditure	402.6	460.8	316.7	235.2	41.9	33.7	1.7
Fixed capital formation	402.6	460.8	316.7	235.2	41.9	33.7	1.7
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Overall surplus (+) or deficit (-)	-201.4	-178.4	42.7	192.8	144.9	18.6	19.1

Table 28. Bolivia: Operations of the Nonfinancial Public Enterprises

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
II. Bolivian Mining Company (COMIBOL)							
Operating revenue	152.0	145.9	133.2	122.7	115.4	32.9	20.1
Domestic sales	85.4	97.3	85.1	82.2	65.4	17.4	9.7
Exports	48.3	33.5	23.4	10.0	14.2	6.0	1.8
Transfers from private sector	0.0	0.0	0.0	0.0	0.0	0.0	5.4
Other	18.2	15.2	24.8	30.5	35.8	9.5	3.2
Operating expenditure	186.1	316.7	104.6	102.9	137.1	27.3	34.1
Wages and salaries	107.8	259.2	41.3	43.9	54.4	7.4	8.7
Goods and services	72.1	49.4	53.2	51.0	71.6	12.4	24.1
Interest	1.9	1.6	0.2	0.2	0.3	0.1	0.2
Tax payments	0.2	0.7	3.1	3.8	2.1	0.2	0.4
Social security payments	2.5	5.0	4.5	2.8	1.0	0.6	0.0
Transfers to private sector	0.3	0.4	0.5	0.6	1.0	0.1	0.4
Other	1.3	0.4	1.9	0.6	6.7	6.5	0.3
Operating surplus (+) or deficit (-)	-34.2	-170.8	28.6	19.8	-21.7	5.5	-14.0
Current transfers from	5.1	217.1	1.4	0.7	0.4	0.0	0.3
Central administration	0.0	216.2	0.0	0.0	0.0	0.0	0.0
Rest of central government	4.3	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.8	0.8	1.4	0.7	0.4	0.0	0.3
Current transfers to	0.0	0.0	5.0	0.5	4.8	0.0	0.3
Central administration	0.0	0.0	5.0	0.5	5.8	0.5	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Rest of general government	0.0	0.0	0.0	0.0	-1.0	-0.6	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current account surplus (+) or deficit	-29.0	46.3	25.0	20.0	-26.2	5.6	-13.9
Capital transfers from	0.0	2.8	0.0	0.3	0.0	0.0	0.0
Central administration	0.0	2.8	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.3	0.0	0.0	0.0
Capital transfers to	0.0	0.0	0.0	0.0	1.7	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	1.7	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital revenue	0.1	0.1	4.5	0.0	0.3	0.0	0.0
Foreign grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital expenditure	1.5	3.7	1.5	1.3	6.7	0.3	0.6
Fixed capital formation	1.5	0.9	1.5	1.3	4.3	0.3	0.6
Other	0.0	2.8	0.0	0.0	2.4	0.0	0.0
Overall surplus (+) or deficit (-)	-30.4	45.5	28.0	19.0	-34.2	5.3	-14.5

Table 28. Bolivia: Operations of the Nonfinancial Public Enterprises

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
III. Bolivian Smelting Company (ENAF)							
Operating revenue	333.2	441.9	420.1	411.2	415.1	99.1	65.6
Domestic sales	5.0	4.3	5.5	8.2	5.5	1.7	1.9
Exports	317.6	413.1	397.6	380.6	384.9	86.0	62.9
Transfers from private sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	10.6	24.4	17.0	22.4	24.7	11.4	0.8
Operating expenditure	332.6	366.4	390.9	394.8	365.9	102.4	66.6
Wages and salaries	21.3	24.0	27.8	29.2	34.8	9.2	9.2
Goods and services	302.3	333.3	345.9	355.9	324.6	92.0	56.2
Interest	0.1	1.2	1.7	1.1	1.0	0.0	0.0
Tax payments	5.2	3.4	11.4	4.5	1.6	0.4	0.2
Social security payments	2.6	2.8	3.2	3.4	2.8	0.6	0.7
Transfers to private sector	0.3	0.4	0.4	0.5	0.9	0.1	0.3
Other	0.8	1.4	0.4	0.1	0.1	0.0	0.0
Operating surplus (+) or deficit (-)	0.6	75.5	29.1	16.4	49.3	-3.3	-1.0
Current transfers from	0.0	9.0	1.4	0.0	0.0	0.0	0.0
Central administration	0.0	9.0	1.4	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current transfers to	0.8	0.8	77.9	0.7	5.7	0.0	0.3
Central administration	0.0	0.0	76.0	0.0	5.6	0.0	0.0
Rest of central government	0.0	0.0	0.4	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	-0.2	0.0	0.0
Public enterprises	0.8	0.8	1.4	0.7	0.4	0.0	0.3
Current account surplus (+) or deficit	-0.2	83.6	-47.3	15.7	43.6	-3.3	-1.3
Capital transfers from	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital transfers to	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital revenue	0.2	0.1	0.2	0.0	5.5	0.0	0.0
Foreign grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital expenditure	7.9	10.6	4.9	7.7	10.0	1.9	0.3
Fixed capital formation	7.9	10.6	4.9	7.5	4.9	1.9	0.3
Other	0.0	0.0	0.0	0.2	5.1	0.0	0.0
Overall surplus (+) or deficit (-)	-7.9	73.0	-52.0	8.0	39.1	-5.1	-1.6

Table 28. Bolivia: Operations of the Nonfinancial Public Enterprises

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
IV. State Electricity Company (ENDE)							
Operating revenue	326.1	392.0	323.0	121.6	135.3	64.2	7.4
Domestic sales	317.4	378.7	308.4	106.4	66.7	30.2	4.4
Exports	0.9	1.5	0.9	1.1	0.0	0.0	0.0
Transfers from private sector	0.0	0.1	0.0	0.7	0.0	0.0	0.0
Other	7.8	11.8	13.7	13.4	68.6	34.0	3.0
Operating expenditure	190.7	242.9	278.3	99.2	71.8	29.6	7.0
Wages and salaries	24.8	23.9	29.1	19.5	18.2	6.7	1.5
Goods and services	89.7	132.1	121.2	32.2	30.0	7.9	5.1
Interest	30.0	29.7	29.1	0.0	7.2	4.6	0.0
Tax payments	34.9	47.1	59.1	32.5	10.4	6.9	0.1
Social security payments	4.5	4.4	4.5	5.4	3.4	2.4	0.1
Transfers to private sector	0.6	0.6	28.8	2.8	0.5	0.1	0.0
Other	6.2	5.0	6.5	6.7	2.1	1.1	0.1
Operating surplus (+) or deficit (-)	135.4	149.1	44.7	22.3	63.5	34.6	0.5
Current transfers from	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current transfers to	0.0	0.0	143.3	23.4	2.8	0.0	0.2
Central administration	0.0	0.0	143.3	23.4	2.9	0.5	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.4	0.0	0.2
Rest of general government	0.0	0.0	0.0	0.0	-0.5	-0.4	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current account surplus (+) or deficit	135.4	149.1	-98.5	-1.1	60.7	34.6	0.3
Capital transfers from	3.3	0.0	0.0	2.1	0.0	0.0	0.0
Central administration	3.3	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	2.1	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital transfers to	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital revenue	2.0	2.9	186.7	3.4	3.1	2.9	0.0
Foreign grants	6.8	15.7	0.0	1.2	0.0	0.0	0.0
Capital expenditure	130.8	94.3	166.4	119.3	38.3	8.2	2.5
Fixed capital formation	130.8	91.8	166.4	119.3	38.3	8.2	2.5
Other	0.0	2.4	0.0	0.0	0.0	0.0	0.0
Overall surplus (+) or deficit (-)	16.8	73.4	-78.2	-113.8	25.5	29.3	-2.2

Table 28. Bolivia: Operations of the Nonfinancial Public Enterprises

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
V. National Railway Company (ENFE)							
Operating revenue	217.7	230.8	221.8	52.6	4.4	0.1	1.4
Domestic sales	214.2	227.5	220.3	51.5	1.9	0.1	0.0
Exports	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfers from private sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	3.5	3.3	1.5	1.1	2.5	0.0	1.4
Operating expenditure	331.2	256.1	326.9	162.8	38.4	8.8	6.3
Wages and salaries	116.2	69.1	85.3	93.4	18.8	1.2	1.1
Goods and services	92.9	90.4	91.8	31.1	10.2	3.3	1.0
Interest	9.9	11.2	18.7	1.6	4.4	1.3	0.3
Tax payments	90.0	62.2	100.5	27.0	0.0	0.0	3.3
Social security payments	14.7	10.7	13.4	4.3	0.0	0.0	0.0
Transfers to private sector	3.0	4.3	1.5	0.0	0.0	0.0	0.0
Other	4.4	8.3	15.7	5.4	5.0	3.0	0.5
Operating surplus (+) or deficit (-)	-113.5	-25.3	-105.0	-110.2	-34.0	-8.7	-4.9
Current transfers from	130.0	58.6	99.5	108.1	10.2	0.0	0.0
Central administration	96.6	58.6	99.5	54.4	0.0	0.0	0.0
Rest of central government	33.3	0.0	0.0	53.7	10.2	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current transfers to	0.2	0.0	1.9	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	1.5	0.0	0.0	0.0	0.0
Rest of central government	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.4	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current account surplus (+) or deficit	16.3	33.3	-7.5	-2.0	-23.8	-8.7	-4.9
Capital transfers from	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital transfers to	0.0	0.0	0.0	0.0	0.2	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.2	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital revenue	0.0	0.0	0.0	22.1	19.0	6.1	0.9
Foreign grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital expenditure	59.1	48.7	28.3	2.0	5.3	4.9	0.1
Fixed capital formation	59.1	48.7	28.3	2.0	5.3	4.9	0.1
Other			0.0	0.0	0.0	0.0	0.0
Overall surplus (+) or deficit (-)	-42.8	-15.5	-35.8	18.0	-10.2	-7.5	-4.1

Table 28. Bolivia: Operations of the Nonfinancial Public Enterprises

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
VI. National Telephone Company (ENTEL)							
Operating revenue	346.1	403.1	452.8	0.0	0.0	0.0	0.0
Domestic sales	263.6	296.8	338.6	0.0	0.0	0.0	0.0
Exports	71.0	93.8	100.0	0.0	0.0	0.0	0.0
Transfers from private sector	0.0	3.8	0.0	0.0	0.0	0.0	0.0
Other	11.5	8.8	14.3	0.0	0.0	0.0	0.0
Operating expenditure	182.1	195.4	225.7	0.0	0.0	0.0	0.0
Wages and salaries	66.4	63.3	69.2	0.0	0.0	0.0	0.0
Goods and services	60.6	58.6	81.4	0.0	0.0	0.0	0.0
Interest	6.4	9.3	9.8	0.0	0.0	0.0	0.0
Tax payments	40.5	53.2	53.3	0.0	0.0	0.0	0.0
Social security payments	6.8	8.7	8.3	0.0	0.0	0.0	0.0
Transfers to private sector	0.8	1.2	1.0	0.0	0.0	0.0	0.0
Other	0.7	1.0	2.7	0.0	0.0	0.0	0.0
Operating surplus (+) or deficit (-)	164.1	207.7	227.1	0.0	0.0	0.0	0.0
Current transfers from	0.0	0.0	1.1	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	1.1	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current transfers to	107.0	161.2	168.9	0.0	0.0	0.0	0.0
Central administration	104.4	159.8	166.5	0.0	0.0	0.0	0.0
Rest of central government	2.6	1.4	1.7	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.7	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current account surplus (+) or deficit	57.0	46.5	59.4	0.0	0.0	0.0	0.0
Capital transfers from	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital transfers to	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital revenue	0.1	0.3	0.2	0.0	0.0	0.0	0.0
Foreign grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital expenditure	109.5	38.6	27.8	0.0	0.0	0.0	0.0
Fixed capital formation	109.4	38.5	27.8	0.0	0.0	0.0	0.0
Other	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Overall surplus (+) or deficit (-)	-52.4	8.2	31.8	0.0	0.0	0.0	0.0

Table 28. Bolivia: Operations of the Nonfinancial Public Enterprises

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
VII. Enterprises of the Regional Development Corporations/ <i>Prefecturas</i>							
Operating revenue	407.6	456.5	480.6	395.0	298.7	65.1	61.9
Domestic sales	390.6	436.3	454.4	341.8	250.4	55.9	55.6
Exports	2.7	1.6	12.1	42.6	39.0	6.9	4.6
Transfers from private sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	14.2	18.6	14.1	10.7	9.4	2.3	1.7
Operating expenditure	370.7	391.0	427.4	356.5	248.7	50.4	55.5
Wages and salaries	63.7	53.5	63.3	68.4	54.5	13.6	14.9
Goods and services	265.4	283.3	309.8	235.3	165.8	33.1	36.7
Interest	1.2	1.6	2.5	0.0	0.0	0.0	0.0
Tax payments	26.1	36.3	35.7	37.1	21.8	2.3	2.8
Social security payments	8.1	8.7	9.2	8.0	3.1	0.5	0.5
Transfers to private sector	1.7	4.1	2.2	2.1	2.0	0.2	0.3
Other	4.5	3.6	4.7	5.6	1.5	0.7	0.2
Operating surplus (+) or deficit (-)	36.9	65.4	53.2	38.6	50.0	14.7	6.4
Current transfers from	4.2	1.3	0.4	0.0	0.0	0.0	0.0
Central administration	0.0	0.8	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	4.2	0.5	0.4	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current transfers to	10.6	14.9	50.7	31.3	39.1	8.6	0.0
Central administration	0.0	0.0	0.0	0.0	0.6	0.2	0.0
Rest of central government	5.6	4.7	5.3	4.6	10.0	0.0	0.0
Rest of general government	5.0	10.2	45.4	26.7	28.5	8.5	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current account surplus (+) or deficit	30.4	51.9	2.9	7.2	11.0	6.1	6.4
Capital transfers from	0.2	0.0	0.1	0.0	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.2	0.0	0.1	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital transfers to	0.3	0.0	0.0	0.3	0.0	0.0	0.1
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.3	0.0	0.0	0.3	0.0	0.0	0.1
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital revenue	29.9	8.0	1.4	1.4	0.0	0.0	0.0
Foreign grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital expenditure	36.1	16.1	45.1	7.7	7.8	2.7	5.4
Fixed capital formation	25.3	16.1	45.1	7.6	7.8	2.7	5.4
Other	10.8	0.1	0.0	0.1	0.0	0.0	0.0
Overall surplus (+) or deficit (-)	24.1	43.7	-40.7	0.6	3.2	3.4	0.9

Table 28. Bolivia: Operations of the Nonfinancial Public Enterprises

(In millions of bolivianos)

	1993	1994	1995	1996	1997	Jan. - Mar.	
						1997	1998
VIII. Rest of National Public Enterprises							
Operating revenue	162.2	209.0	243.1	254.7	193.7	55.7	30.1
Domestic sales	96.2	125.5	120.7	140.6	109.6	33.6	16.2
Exports	50.7	59.9	93.0	90.7	44.3	18.1	7.5
Transfers from private sector	0.0	0.0	0.0	0.0	16.3	0.0	2.8
Other	15.4	23.6	29.4	23.4	23.5	4.0	3.6
Operating expenditure	132.0	316.7	222.2	202.7	116.7	32.0	39.2
Wages and salaries	55.9	60.4	71.9	76.3	69.5	17.3	10.9
Goods and services	36.6	41.9	74.2	72.1	50.0	17.3	7.7
Interest	4.8	23.0	13.1	12.0	11.9	5.0	3.5
Tax payments	23.7	16.3	20.2	9.2	7.3	2.4	0.8
Social security payments	7.3	13.0	12.2	13.4	6.7	2.8	0.9
Transfers to private sector	1.1	4.3	6.0	3.8	2.6	0.6	0.5
Other	2.7	157.7	24.8	16.0	-31.3	-13.5	14.9
Operating surplus (+) or deficit (-)	30.2	-107.7	20.9	52.0	77.0	23.7	-9.1
Current transfers from	12.7	1.0	8.5	2.7	9.7	0.3	4.6
Central administration	11.8	1.0	8.5	2.7	9.7	0.3	4.6
Rest of central government	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current transfers to	0.0	15.0	20.1	51.4	15.9	1.3	0.0
Central administration	0.0	15.0	20.0	51.5	17.3	2.2	0.0
Rest of central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.1	0.0	-1.4	-0.9	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current account surplus (+) or deficit	42.9	-121.7	9.3	3.3	70.8	22.8	-4.4
Capital transfers from	1.1	8.5	15.5	21.0	49.1	4.5	7.6
Central administration	0.9	7.8	4.7	17.4	27.8	4.4	4.2
Rest of central government	0.2	0.0	9.6	0.0	21.2	0.0	3.4
Rest of general government	0.0	0.7	1.2	3.6	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital transfers to	0.0	0.0	0.9	0.3	0.0	0.0	0.0
Central administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of central government	0.0	0.0	0.9	0.0	0.0	0.0	0.0
Rest of general government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public enterprises	0.0	0.0	0.0	0.3	0.0	0.0	0.0
Capital revenue	0.7	0.3	0.2	0.0	0.0	0.0	0.0
Foreign grants	4.1	11.0	32.3	85.6	17.6	15.9	0.0
Capital expenditure	68.5	59.3	104.4	242.6	173.1	44.5	20.9
Fixed capital formation	68.5	59.3	104.4	242.6	173.1	44.5	20.9
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Overall surplus (+) or deficit (-)	-19.6	-161.2	-48.0	-133.0	-35.6	-1.4	-17.8

Sources: Ministry of Finance; Integrated System of Financial Administration and Government Control (SAFCO); Central Bank of Bolivia; and Fund staff estimates.

Table 29. Bolivia: Financial System Indicators

	1993	1994	1995	1996	1997	Q1	
						1997	1998
(End-period stock at current exchange rates in percent of annual GDP)							
Liabilities to the private sector (M3) 1/	39.3	42.4	39.5	42.1	44.9	40.6	43.8
Foreign currency deposits	33.0	34.7	31.8	34.5	36.9	33.9	36.7
Liabilities in bolivianos (M2)	6.3	7.7	7.7	7.7	8.0	6.7	7.1
Currency issue	4.3	5.2	5.3	4.9	5.1	6.2	6.6
Dollarization (foreign currency deposits as a percentage of M3)	83.9	81.9	80.4	81.8	82.2	83.4	83.8
(Percentage change over preceding 12 months; at current exchange rates)							
Credit to the private sector 1/	39.2	24.0	12.6	13.6	21.1	14.7	12.1
Liabilities to the private sector (M3) 1/	36.4	21.6	9.5	24.9	17.1	22.5	12.5
Foreign currency deposits	41.8	18.7	7.5	27.1	17.5	22.7	12.8
Liabilities in bolivianos (M2)	14.0	37.1	18.2	15.9	15.0	21.8	14.0
Currency issue	12.9	36.7	20.8	8.5	14.6	17.2	13.0
Interest rates (percent annually at end of period)							
Central bank open market instruments 2/	8.3	9.3	14.8	7.6	8.2	7.8	8.1
Foreign currency bank deposits 3/	10.2	9.6	11.3	9.0	8.3	8.4	8.1
Foreign currency bank loans 3/	17.9	16.2	17.8	17.2	16.2	16.5	16.2
U.S. treasury bills (1-year maturity)	3.3	5.0	5.7	5.2	5.4	5.4	5.1
(Stocks in millions of bolivianos) 4/							
I. Central Bank							
Net international reserves	1,491	2,275	2,890	4,806	5,584	4,590	6,147
Net domestic assets	-440	-839	-1,155	-2,923	-3,426	-3,007	-4,358
Combined public sector	2,166	2,384	271	-120	24	440	146
Banking system	-119	1,122	1,135	305	318	325	436
Medium- and long-term foreign liabilities (- increase)	-3,596	-4,261	-3,315	-3,550	-3,460	-3,463	-3,029
Other	1,110	-83	754	442	-307	-309	-1,911
Currency issue	1,051	1,437	1,735	1,883	2,157	1,584	1,789
II. Financial System							
Net international reserves	810	1,070	1,417	3,191	3,583	3,011	3,933
Net domestic assets	8,212	10,615	11,316	12,779	15,076	13,373	15,138
Combined public sector	2,145	2,415	424	349	936	1,044	1,239
Private sector 1/	10,253	13,687	15,325	17,448	21,129	18,223	22,218
Medium- and long-term foreign liabilities (- increase)	-3,944	-4,901	-3,985	-4,207	-4,572	-4,079	-4,228
Other	-242	-586	-448	-812	-2,418	-1,816	-4,091
Liabilities to the private sector (M3) 1/	9,021	11,685	12,733	15,969	18,659	16,383	19,071
Liabilities in bolivianos (M2)	1,555	2,851	2,599	2,916	3,360	2,687	3,036
Foreign currency deposits	7,467	8,834	10,134	13,053	15,299	13,697	16,035

Sources: Central bank of Bolivia; and Fund staff estimates.

1/ M3 includes special certificates of deposits (CDD) held by the depositors of the two banks closed in November 1994, and in 1998, the CDDs from a bank liquidated in December 1997. Credit to the private sector includes the portfolio of the three liquidated banks.

2/ Weighted average; on U.S. dollars instruments.

3/ Denominated in U.S. dollars, which account for more than 90 percent of bank deposits and loans to the private sector.

4/ Stocks measured at each year's accounting exchange rate.

Table 30. Bolivia: Selected Interest Rates 1/
(In percent per annum)

	Bank Lending Rates		Time Deposits Rates		Yield on Treasury Notes 2/		Margin over LIBOR 3/	
	Local Currency	Foreign Currency	Local Currency	Foreign Currency	Local Currency	Foreign Currency	Deposits Rates	Yield T-notes
1993								
March	58.9	18.5	22.7	11.5	21.5	8.4	8.2	5.1
June	49.5	18.3	22.3	11.3	23.1	11.2	8.1	8.0
September	57.0	18.5	20.2	11.2	23.5	10.0	8.0	6.8
December	59.6	17.9	19.7	10.2	21.0	7.3	6.9	4.0
1994								
March	57.3	16.6	18.4	10.1	18.0	8.1	6.4	4.4
June	42.6	16.7	21.9	10.0	18.0	8.3	5.4	3.6
September	53.4	15.9	16.7	10.1	17.7	8.4	4.9	3.2
December	52.7	16.2	15.8	9.6	17.7	8.4	3.1	1.9
1995								
March	44.9	16.0	19.4	9.7	24.1	13.3	3.4	7.0
June	54.2	16.8	15.8	10.6	26.1	13.8	4.6	7.8
September	48.5	17.3	20.2	10.5	26.1	14.7	4.6	8.8
December	51.8	17.8	21.7	11.3	26.4	14.5	5.7	8.9
1996								
January	49.0	17.8	20.9	11.2	25.7	14.6	5.8	9.2
February	52.0	17.7	22.0	11.1	24.1	14.1	5.8	8.8
March	51.2	17.5	20.7	10.6	21.9	11.4	5.1	6.0
April	59.4	18.0	20.6	10.5	21.4	10.0	5.1	4.5
May	55.3	18.0	19.9	10.5	20.4	10.0	5.0	4.5
June	58.0	17.8	19.4	10.2	20.1	9.5	4.6	3.9
July	58.8	17.6	19.4	9.9	20.4	9.5	4.2	3.8
August	52.1	17.5	19.1	10.0	19.4	8.7	4.4	3.2
September	49.9	17.5	17.1	9.8	19.2	8.4	4.1	2.8
October	63.3	17.7	17.4	9.7	18.7	7.9	4.2	2.4
November	60.6	17.7	16.8	9.3	16.7	7.8	3.8	2.3
December	62.2	17.2	16.8	9.0	11.4	6.7	3.4	1.1
1997								
January	56.5	17.0	16.3	9.0	15.1	6.3	3.5	0.7
February	57.5	17.4	16.6	8.6	14.1	5.7	3.1	0.2
March	60.9	16.5	16.2	8.4	14.8	6.2	2.6	0.4
April	57.3	16.6	15.4	8.3	15.0	8.3	2.4	2.5
May	59.7	16.6	16.1	8.0	14.3	7.7	2.2	1.8
June	56.4	16.2	14.2	8.2	14.7	7.9	2.4	2.1
July	56.2	16.0	14.3	8.3	14.5	7.9	2.6	2.2
August	40.0	16.4	14.0	8.2	13.7	6.9	2.4	1.2
September	49.1	16.3	13.2	8.1	12.0	6.9	2.3	1.1
October	37.4	16.3	13.5	8.2	11.2	6.9	2.5	1.2
November	33.7	16.3	13.5	8.1	12.4	7.5	2.2	1.6
December	35.9	16.2	13.6	8.3	12.0	7.7	2.5	1.8
1998								
January	49.6	15.8	14.2	8.0	11.7	7.4	2.4	1.7
February	43.6	15.9	14.4	7.8	11.7	7.2	2.1	1.5
March	42.5	16.2	13.8	8.1	12.1	7.2	2.4	1.5

Sources: Central Bank of Bolivia; and Fund staff estimates.

1/ Foreign currency rates are in terms of U.S. dollars.

2/ With maturity of 91 days; until November 1994, CDs with 28 days maturity.

3/ LIBOR for three-month U.S. dollar deposit.

4/ Calculated on the basis of exchange rate change during preceding three months.

Table 3.1. Bolivia: Legal Reserve Requirements and Interest Rates
(In percent)

	From Dec. 6, 1993			From May 3, 1994			From July 1, 1994			From May 4, 1998 4/		
	Legal Reserve Requirement	Interest rate 1/	Minimum Reserve Requirement 2/	Additional Reserve Requirement 3/	Interest rate	Minimum Reserve Requirement 2/	Additional Reserve Requirement 3/	Interest rate	Minimum Reserve Requirement 2/	Additional Reserve Requirement 3/	Interest rate	
Deposits												
Demand deposits in local currency	20	deposit rate 5/	10	10	9.45	10	0	0	12	0	...	
Savings deposits in local currency	20	deposit rate 5/	10	10	9.45	10	0	0	12	0	...	
Time deposits in local currency 6/	8.5	deposit rate 5/	4	6	9.45	4	0	0	12	0	...	
Other deposits in local currency 7/	100	deposit rate 5/	100	0	0	100	0	0	100	0	...	
Demand and savings deposits in foreign currency	20	50 percent of LIBOR	10	10	2.45	10	10	2.45	12	0	...	
Time deposits in foreign currency	8.5	50 percent of LIBOR	4	6	2.45	4	6	2.45	12	0	...	
Indexed time deposits 8/	8.5	50 percent of LIBOR	4	6	2.45	4	6	2.45	12	0	...	

Source: Central Bank of Bolivia.

1/ Paid monthly on average of daily balances.

2/ Legal minimum, not remunerated.

3/ Constituted in tradable central bank paper with maturity of 28 days.

4/ Required reserves will be constituted in cash and in tradable official papers (for deposits in local currency) at the central bank, and in tradable foreign papers (for deposits in foreign currency and indexed time deposits) abroad, according to the following schedule:

	May 4, 98	Jun. 1, 98	Jun. 29, 98	Jul. 27, 98	Aug. 24, 98	Sep. 21, 98	Oct. 19, 98	Nov. 16, 98	Dec. 14, 98	Jan. 11, 99	Feb. 8, 99
Banks											
Cash	5.0	5.0	4.0	4.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0
Other assets	7.0	7.0	8.0	8.0	9.0	9.0	10.0	10.0	10.0	10.0	10.0
Other Financial Institutions											
Cash	5.0	4.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Other assets	1.5	3.0	4.5	6.0	6.5	7.0	7.5	8.0	8.5	9.0	10.0

5/ Weighted average interest rate on savings deposits in the banking system in the current month.

6/ Applies to deposits with maturity up to one year. Required reserves on deposits over one year were remunerated at an annual rate of 8.5 percent from December 1993; 5.5 from February 1994; 4.0 percent from March 1994 and 2.5 percent from April 1994. Since May 4, 1994, there is no legal reserve requirement on deposits over one year.

7/ Negligible deposits made in compliance with legal rulings.

8/ Deposits and loans with "maintenance of value" clause. (The index is the official rate of exchange.)

**Table 32. Bolivia: Open Market Bills 1/
(In millions of bolivianos)**

	By holder				By Currency			By Maturity			Memorandum Items				
	Total	Nonbank		Other 2/	Local		Foreign	4 weeks	13 weeks	26-52 weeks	More than 52 weeks	Total US\$ millions	Net Monthly Placement		
		Banks	Financial Institutions		Currency	Currency 3/							Bs million	US\$ million	
1993															
March	361	291	34	35	32	328	153	26	108	74	87	87	-17	-5	
June	333	250	36	47	29	304	146	16	104	66	78	78	-38	-9	
September	467	375	43	48	63	402	195	50	163	58	108	108	70	15	
December	327	246	48	33	39	288	51	50	185	42	73	73	-177	-41	
1994															
March	352	233	44	75	24	328	2	215	113	21	77	77	78	17	
June	392	249	8	135	56	336	38	242	90	21	84	84	19	3	
September	529	299	10	220	119	410	42	376	105	6	113	113	7	2	
December	522	246	12	264	91	431	61	218	242	1	111	111	-11	-2	
1996															
January	1,792	1,062	121	608	146	1,645	362	739	575	116	360	360	340	66	
February	2,073	1,152	135	786	198	1,875	315	743	799	217	416	416	282	56	
March	2,173	1,226	153	794	350	1,823	229	751	976	218	435	435	100	18	
April	2,283	1,265	154	865	359	1,924	235	769	1,060	219	453	453	110	18	
May	2,210	1,261	163	787	292	1,918	182	697	1,071	261	437	437	-73	-16	
June	2,298	1,223	167	908	319	1,978	182	681	1,154	281	454	454	87	17	
July	2,266	1,193	170	903	320	1,947	149	668	1,086	363	444	444	-31	-10	
August	2,303	1,243	156	904	350	1,953	181	629	1,084	409	450	450	36	5	
September	2,433	1,342	192	898	360	2,073	211	589	1,101	533	473	473	130	24	
October	2,400	1,503	127	770	338	2,062	107	494	1,173	626	463	463	-33	-10	
November	2,375	1,753	139	483	311	2,065	98	427	1,156	695	460	460	-25	-3	
December	2,273	1,591	86	596	589	1,684	24	390	1,144	715	439	439	-102	-21	
1997															
January	2,294	1,674	98	522	528	1,767	44	369	1,096	786	441	441	21	2	
February	2,258	1,683	106	469	503	1,755	48	282	1,027	900	433	433	-36	-8	
March	2,217	1,671	108	438	487	1,731	35	247	1,020	915	425	425	-40	-9	
April	2,127	1,557	108	462	446	1,681	53	252	958	863	407	407	-90	-17	
May	2,096	1,533	112	451	388	1,708	87	269	876	864	402	402	-31	-5	
June	2,127	1,581	113	433	461	1,666	73	295	910	849	408	408	32	5	
July	2,079	1,608	123	348	504	1,575	62	284	906	827	397	397	-48	-11	
August	2,216	1,730	130	356	552	1,664	37	290	1,060	829	421	421	137	25	
September	2,254	1,767	138	349	584	1,670	47	245	1,114	848	427	427	39	6	
October	2,210	1,753	106	352	571	1,639	12	230	1,122	846	416	416	-44	-11	
November	2,121	1,673	97	351	530	1,591	37	117	1,132	835	398	398	-89	-18	
December	2,034	1,645	88	301	510	1,523	--	142	1,002	890	379	379	-87	-19	
1998															
January	2,273	1,925	91	257	663	1,610	10	222	1,157	884	422	422	239	43	
February	2,096	1,706	108	282	496	1,601	--	211	965	920	388	388	-177	-34	
March	2,267	1,868	110	290	556	1,712	--	180	1,130	957	417	417	171	29	

Source: Central Bank of Bolivia.

1/ Comprises central bank certificates of deposit and treasury bills.

2/ Private sector and nonfinancial public entities.

3/ Bills in U.S. dollars and bills in bolivianos indexed to the U.S. dollar exchange rate.

Table 33. Bolivia: Distribution of Bank Credit to the Private Sector

	1993	1994	1995	1996	Prel. 1997	QI	
						1997	1998
(In millions of bolivianos)							
Total	10,948	13,690	15,430	17,419	20,878	17,794	21,633
Agriculture	1,861	1,799	1,976	2,153	2,340	2,278	2,460
Mining	408	311	381	386	375	406	392
Industry	2,273	2,799	3,131	3,240	3,825	3,607	3,851
Construction	1,021	816	867	805	802	853	822
Commerce	3,094	3,013	3,462	4,003	4,391	3,979	4,424
Other 2/	2,291	4,953	5,614	6,832	9,145	6,672	9,684
(As share of total credit)							
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Agriculture	17.0	13.1	12.8	12.4	11.2	12.8	11.4
Mining	3.7	2.3	2.5	2.2	1.8	2.3	1.8
Industry	20.8	20.4	20.3	18.6	18.3	20.3	17.8
Construction	9.3	6.0	5.6	4.6	3.8	4.8	3.8
Commerce	28.3	22.0	22.4	23.0	21.0	22.4	20.4
Other 2/	20.9	36.2	36.4	39.2	43.8	37.5	44.8
(Real growth) 3/							
Total	26.4	15.2	0.1	4.6	12.3	-9.0	11.1
Agriculture	38.7	-10.9	-2.5	1.0	1.8	4.0	-1.3
Mining	21.2	-29.9	8.9	-6.1	-8.9	15.6	-11.7
Industry	15.0	13.5	-0.6	-4.1	10.6	0.7	-2.4
Construction	113.6	-26.4	-5.5	-14.0	-6.7	13.5	-11.9
Commerce	52.9	-10.3	2.1	7.1	2.8	-3.2	1.6
Other 2/	-8.6	99.2	0.7	12.7	25.4	-22.1	32.7

Source: Central Bank of Bolivia.

1/ Excludes banks' investments which comprise part of bank's claims on the private sector in Tables 36 and 38; U.S. dollar denominated credits valued at end-of-period exchange rates.

2/ Includes loans to the services sector, mortgage, and consumer loans.

3/ Twelve-month rate of change in stocks deflated by the change in prices during the same period.

Table 34. Bolivia: Commercial Bank Performance Indicators

(In percent; end-of-period)

	1992	1993	1994	1995	1996	1997
Profitability ratios						
<i>Ratios to total assets</i>						
Operating income	4.5	4.1	4.3	3.7	4.5	4.6
Profits before tax	1.4	1.1	1.2	0.8	1.3	1.0
Profit after tax	0.9	0.7	0.8	0.3	0.8	0.9
Net interest margin	7.1	5.2	4.3	6.2	6.4	8.1
Noninterest income	2.0	1.5	1.4	1.3	1.6	1.8
Overhead expenses	4.5	3.9	4.1	4.5	4.5	4.8
<i>Ratios to equity capital</i>						
Profit before tax	19.1	17.4	19.1	12.3	19.8	14.5
Profit after tax	13.1	11.3	12.6	4.5	11.8	13.1
Assets quality ratios						
<i>Ratios to total loans</i>						
Nonperforming loans	5.1	5.1	3.6	6.2	4.7	4.4
Accumulated loan loss provisions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Bankers' acceptances	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Liquidity ratios						
<i>Ratios to total deposits</i>						
Total loans	117.7	114.0	114.2	112.8	99.2	110.9
Total liquid assets	22.9	28.2	25.2	25.5	30.4	34.2
Capital adequacy ratio						
Ratio of qualifying capital						
to total risk-adjusted assets	n.a.	9.4	10.1	9.7	10.6	10.9

Source: Central Bank of Bolivia.

Table 35. Bolivia: Summary Accounts of the Financial System
(End-of-period stocks; in millions of bolivianos)

	December 1995			December 1996			December 1997			Q1 1998		
	Domestic Currency	Foreign	Total	Domestic Currency	Foreign	Total	Domestic Currency	Foreign	Total	Domestic Currency	Foreign	Total
Net international reserves	0	1,434	1,434	0	3,272	3,272	0	3,629	3,629	0	2,963	2,963
Assets	0	4,109	4,109	0	6,337	6,337	0	7,087	7,087	0	5,859	5,859
Liabilities	0	-2,675	-2,675	0	-3,066	-3,066	0	-3,458	-3,458	0	-2,896	-2,896
Net domestic assets	2,520	13,137	15,657	2,917	14,713	17,631	3,508	17,023	20,531	3,419	15,203	18,622
Nonfinancial public sector	-843	1,497	654	-949	1,364	415	-1,245	2,295	1,050	-1,223	1,889	666
Central government	-490	1,650	1,160	-572	1,568	996	-749	2,542	1,794	-774	2,104	1,329
State governments	-180	-26	-206	-236	-107	-343	-192	-139	-331	-243	-167	-410
Public enterprises	-173	-126	-299	-142	-97	-238	-305	-108	-413	-206	-48	-254
Private sector	543	14,995	15,538	570	17,044	17,614	797	20,261	21,059	601	17,346	17,947
International financial institutions	-1	503	502	-2	538	536	-1	561	560	-2	534	532
Allocation of SDRs	0	-245	-245	0	-250	-250	0	-247	-247	0	-245	-245
Capital and surplus	-1971	-1,478	-3,449	-2391	-2,057	-4,448	-2473	-1813	-4,286	-2320	-1960	-4,280
Net interbank float	5	-899	-893	134	-720	-587	-649	1,038	389	-140	1,081	941
Valuation account	3,970	-2,620	1,351	5,013	-3,553	1,460	6,084	-4,967	1,117	5,010	-3,641	1,369
Net unclassified assets	1,541	1,383	2,924	1,711	2,348	4,060	995	-105	890	1,493	198	1,691
	-725	--	-725	-1,170	-0	-1,170	0	0	0	0	0	0
Medium- and long-term foreign liabilities	0	-4,042	-4,042	0	-4,238	-4,238	0	-4404	-4,404	0	-3918	-3,918
Liabilities to private sector (M3)	2,520	10,529	13,050	2,917	13,433	16,350	3,360	15,472	18,832	2,683	13,490	16,173
Currency in circulation	1,694	...	1,694	1,805	...	1,805	2,061	0	2,061	1,518	0	1,518
Deposits	826	10,529	11,356	1,112	13,433	14,545	1,299	15,472	16,772	1,165	13,490	14,655
Demand deposits	639	1,580	2,219	768	2,168	2,936	918	2,713	3,631	786	2,195	2,982
Savings deposits	91	1,456	1,547	164	1,925	2,089	229	2,809	3,038	211	2,128	2,338
Time deposits	61	7,340	7,402	116	9,160	9,275	122	9,794	9,916	121	9,060	9,181
Other deposits	34	154	188	65	181	246	31	157	187	47	107	154
Demand deposits in local currency			639			768			918			786
Boliviano M1			2,333			2,573			2,979			2,304
Other deposits in local currency			187			344			381			378
Boliviano M2			2,520			2,917			3,360			2,683
Dollar-denominated deposits			10,529			13,433			15,472			13,490
M3			13,050			16,350			18,832			16,173
Memorandum item:												
Exchange rate, end of period, Bs/US\$			4.93			5.18			5.38			5.22

Source: Central Bank of Bolivia.

Table 36. Bolivia: Summary Accounts of the Central Bank 1/

(End-of-period stocks, in millions of bolivianos)

	December 1995			December 1996			December 1997			Q1 1997			Q1 1998			Total
	Domestic Currency	Foreign Currency	Total	Domestic Currency	Foreign Currency	Total	Domestic Currency	Foreign Currency	Total	Domestic Currency	Foreign Currency	Total	Domestic Currency	Foreign Currency	Total	
Net international reserves	0	3,214	3,214	0	4,862	4,862	0	5,647	5,647	0.00	4,521	4,521	0	5,019	5,019	
Assets	0	3,852	3,852	0	5,745	5,745	0	6,388	6,388	0.00	5,253	5,253	0	5,847	5,847	
Liabilities	0	-639	-639	0	-883	-883	0	-741	-741	0.00	-732	-732	0	-828	-828	
Net domestic assets	1,735	251	1,986	1,883	-1,453	430	2,157	-2,397	-240	1,584	-1,248	336	1,789	-2,082	-293	
Nonfinancial public sector	-817	1,116	299	-1,261	353	-908	-1,662	1,236	-426	-1,491	603	-888	-1,743	1,151	-592	
General government	-464	1,266	802	-884	557	-327	-1,165	1,483	318	-1,042	817	-225	-1,163	1,395	232	
State governments	-180	-26	-206	-236	-107	-343	-192	-139	-331	-243	-167	-410	-261	-135	-395	
Public enterprises	-173	-124	-297	-142	-97	-238	-305	-108	-413	-206	-48	-254	-320	-109	-429	
Financial intermediaries	-75	1,510	1,435	-57	919	862	-357	1,265	908	-114	1,419	1,304	-193	1,374	1,181	
Commercial banks	-71	261	190	-64	-255	-319	-335	-640	-975	-100	-148	-247	-157	-514	-670	
Credit	37	1,665	1,702	37	1,518	1,556	27	1,286	1,312	53	1,568	1,621	62	1,326	1,388	
Deposits	-107	-1,405	-1,512	-101	-1,773	-1,874	-362	-1,926	-2,288	-153	-1,715	-1,868	-219	-1,840	-2,058	
Banks in liquidation	13	1,277	1,289	13	1,245	1,258	30	1,273	1,302	13	1,241	1,254	40	1,284	1,325	
Other financial institutions	-17	-27	-45	-6	-71	-77	-51	632	581	-28	325	298	-76	603	527	
International financial institutions	-1	503	502	-2	1,029	1,027	-1	561	560	-2	534	532	-1	559	558	
Allocation of SDRs	0	-245	-245	0	-250	-250	0	-247	-247	0	-245	-245	0	-249	-249	
Official capital and surplus	-1,510	-219	-1,729	-1,984	-229	-2,213	-2,067	-2,57	-2,324	-1,960	-275	-2,236	-2,271	-258	-2,529	
Valuation account	3,970	-2,620	1,351	5,013	-3,553	1,460	6,084	-4,967	1,117	5,010	-3,641	1,369	5,843	-4,648	1,195	
Net unclassified assets	167	207	374	174	278	453	160	12	172	142	357	500	153	-10	144	
Medium- and long-term foreign liability (2)/	0.00	-3,465	-3,465	0	-3,409	-3,409	0	-3,250	-3,250	0	-3,273	-3,273	0	-2,938	-2,938	
Liabilities to the private sector	1,735	0	1,735	1,883	0	1,883	2,157	0	2,157	1,584	0	1,584	1,789	0	1,789	
Currency issue	1,735	0	1,735	1,883	0	1,883	2,157	0	2,157	1,584	0	1,584	1,789	0	1,789	
Memorandum item:																
Exchange rate, end of period, Bs/US\$			4.93			5.18			5.36			5.22			5.44	

Source: Central Bank of Bolivia.

1/ Foreign currency items are valued at end-of-period exchange rates.

2/ Includes foreign liabilities of the central government which are administered by the central bank as trust funds.

Table 37. Bolivia: Summary Accounts of the Rest of the Financial System

(End-of-period stocks; in millions of bolivianos)

	December 1995			December 1996			December 1997			Q1 1998		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
	Currency	Currency		Currency	Currency		Currency	Currency		Currency	Currency	
Net international reserves	0	-1,497	-1,497	0	-1,591	-1,591	0	-2,018	-2,018	0	-1,558	-1,558
Assets	0	458	458	0	592	592	0	699	699	0	606	606
Liabilities	0	-1,955	-1,955	0	-2,183	-2,183	0	-2,717	-2,717	0	-2,164	-2,164
Monetary reserves	93	1,089	1,182	321	1,516	1,837	475	1,867	2,342	261	1,636	1,897
Currency	41	0	41	81	0	81	96	0	96	66	0	66
Reserve deposits	52	1,089	1,142	240	1,516	1,756	379	1,867	2,246	196	1,636	1,831
Net domestic assets	1424	13,939	15,362	1891	16,560	18,451	1666	19,888	21,554	1,866	16,803	18,669
Nonfinancial public sector	-40	436	396	319	1,107	1,426	417	1,059	1,476	268	1,286	1,555
Net interbank float	-6	-196	-202	29	-3	26	23	241	264	5	16	21
Credit to private sector	543	14,995	15,538	595	17,051	17,646	797	20,261	21,059	601	17,346	17,947
Dedollarization deposits	0	0	0	0	0	0	0	0	0	0	0	0
and investment bonds	-461	-1,259	-1,720	-326	-1,690	-2,016	-406	-1,556	-1,962	-359	-1,685	-2,044
Capital and surplus	1,387	-37	1,350	1,274	95	1,369	835	-117	719	1,351	-160	1,191
Net unclassified assets	0	0	0	0	0	0	0	0	0	0	0	0
Medium- and long-term foreign liabilities	0	679	679	0	717	717	0	1,154	1,154	0	645	645
Liabilities to the central bank	-35	3,299	3,265	15	3,285	3,300	1	2,960	2,961	12	3,260	3,271
Liabilities to the private sector	826	10,280	11,106	1,119	13,163	14,282	1,299	15,472	16,772	1,165	13,490	14,655
Deposits	826	10,280	11,106	1,119	13,163	14,282	1,299	15,472	16,772	1,165	13,490	14,655
Demand deposits	639	1,580	2,219	774	2,187	2,961	918	2,713	3,631	786	2,195	2,982
Savings deposits	91	1,456	1,547	163	1,933	2,096	229	2,809	3,038	211	2,128	2,338
Time deposits	61	7,091	7,152	113	8,906	9,019	122	9,794	9,916	121	9,060	9,181
Other deposits	34	154	188	69	137	206	31	157	187	47	107	154
Memorandum item:												
Exchange rate, end of period, Bs/US\$			4.93			5.18			5.36			5.22

Source: Central Bank of Bolivia.

Table 38. Bolivia: Summary Balance of Payments

(In millions of U.S. dollars)

	1993	1994	1995	1996	Prel. 1997	1997 QI	1998 QI
Current account balance	-419	-219	-335	-385	-647	-183	-219
Trade balance	-444	-279	-301	-447	-684	-187	-227
Exports, f.o.b. 1/	710	998	1,075	1,132	1,166	224	233
Imports 2/	-1,154	-1,276	-1,376	-1,578	-1,851	-412	-460
Factor services	-205	-188	-221	-169	-212	-54	-59
<i>Of which</i> : interest due	-192	-184	-222	-179	-212	-54	-62
Official transfers 3/	217	258	202	225	187	46	45
Other	13	-10	-15	6	62	13	22
Capital account balance	341	208	257	727	750	98	160
Capital transfers	0	0	11	45	25	0	5
Public sector, medium- and long-term	90	125	79	239	205	3	-77
Disbursements	319	360	379	395	371	46	36
Amortization due	-229	-235	-301	-155	-166	-44	-113
Direct investment	122	90	177	426	591	100	148
Other 4/	129	-7	-9	17	-71	-5	84
Argentina exceptional payment	89	21	0	0	0	0	0
Overdue receipts for gas exports to Argentina	30	0	0	0	0	0	0
Change in arrears 5/	11	-6	0	0	0	0	0
Debt relief	140	118	202	0	0	0	0
Change in official reserves (- increase)	-191	-123	-123	-342	-103	85	59
Memorandum items:							
Current account balance (in percent of GDP)	-7.3	-3.6	-5.0	-5.1	-8.1	...	...
Gross reserves, (end-of-period) (in months of imports)	4.7	5.7	5.6	7.3	7.5	...	...
Terms of trade	2.1	11.1	-10.2	5.0	2.2	...	...

Sources: Central Bank of Bolivia; and Fund staff estimates.

1/ From 1994 onwards, compiled according to the fifth edition of the balance of payments manual.

2/ Adjusted to reflect the impact of the change in the value of exports resulting from the new methodology for compiling exports.

3/ Excludes official grants for debt-reduction operations.

4/ Includes errors and omissions.

5/ This amount was the cost of retiring arrears with a face value of US\$12 million.

Table 39. Bolivia: Balance of Payments

(In millions of U.S. dollars)

	1993	1994	1995	1996	Prel. 1997
Current account balance	-419	-219	-335	-385	-647
Trade balance	-444	-279	-301	-447	-684
Exports, f.o.b. 1/	710	998	1,075	1,132	1,166
<i>Of which</i> : gas	90	92	92	95	69
Imports 2/	-1,154	-1,276	-1,376	-1,578	-1,851
Nonfactor services	-9	-31	-37	-14	-3
Exports 1/	184	159	164	186	196
Imports	-193	-190	-201	-200	-199
Factor services	-205	-188	-221	-169	-212
Credit	12	16	25	48	57
Debit	-217	-204	-246	-217	-269
Interest due	-192	-184	-222	-179	-212
Public sector, medium- and long-term	-172	-166	-178	-146	-143
Nonfinancial public sector	-138	-132	-151	-120	-114
Financial public sector	-34	-33	-27	-26	-30
Public sector, short-term	-4	-2	-2	-4	-2
Private sector	-16	-16	-33	-29	-54
Investment income	-25	-20	-24	-38	-57
Current transfers	238	279	223	245	252
Official 3/	217	258	202	225	187
Private	21	21	22	20	65
Capital account balance	341	208	257	727	750
Capital transfers	0	0	11	45	25
Public sector, medium- and long-term	90	125	79	239	205
Disbursements	319	360	379	395	371
Nonfinancial public sector	233	282	331	360	320
Financial public sector	86	78	48	35	51
Amortization due	-229	-235	-301	-155	-166
Nonfinancial public sector	-199	-203	-276	-127	-83
Amortization by capitalized enterprises	0	0	0	0	-35
Financial public sector	-31	-32	-25	-28	-48
Change in international reserves of commercial banks	138	93	44	-51	63
Direct investment	122	90	177	426	591
<i>Of which</i> : capitalization	0	0	5	262	307
Other 4/	-9	-100	-53	68	-134
Overall balance	-78	-10	-79	342	103

Table 39. Bolivia: Balance of Payments
(In millions of U.S. dollars)

	1993	1994	1995	1996	Prel. 1997
Argentina exceptional payment	89	21	0	0	0
Overdue receipts for gas exports					
to Argentina	30	0	0	0	0
Change in arrears	11	-6	0	0	0
Arrears incurred	12	0	0	0	0
Interest					
<i>Of which</i>					
Nonfinancial public sector	0	0	0	0	0
Principal	12	0	0	0	0
<i>Of which</i>					
Nonfinancial public sector	12	0	0	0	0
Arrears paid 5/	-1	-6	0	0	0
<i>Of which</i>					
Nonfinancial public sector	-1	-6	0	0	0
Arrears rescheduled	0	0	0	0	0
Debt relief	140	118	202	0	0
Current maturities	140	118	202	0	0
Interest	44	28	40	0	0
<i>Of which</i>					
Nonfinancial public sector	44	28	40	0	0
Amortization	96	90	162	0	0
<i>Of which</i>					
Nonfinancial public sector	96	90	162	0	0
Arrears rescheduled					
Change in official reserves					
(-increase)	-191	-123	-123	-342	-103

Sources: Central Bank of Bolivia; and Fund staff estimates.

1/ From 1994 onwards, compiled according to the fifth edition of the balance of payments manual.

2/ Adjusted to reflect the impact of the change in the value of exports resulting from the new methodology for compiling exports.

3/ Excludes official grants for debt-reduction operations.

4/ Includes errors and omissions.

5/ This amount was the cost of retiring arrears with a face value of US\$12 millions.

Table 40. Bolivia: Exports by Principal Products

	1993	1994	1995	Prel.		Q1 1997 Jan.-Mar.	Q1 1998 Jan.-Mar.
				1996	1997		
Metals total value	362.0	413.0	479.8	453.6	480.7	111.7	113.3
Public sector	101.1	131.0	142.6	134.8	82.0	21.0	...
Of which: Comibol	25.2	48.0	64.6	61.1	6.0	1.4	...
Private sector	260.9	282.0	337.2	318.7	398.8	90.7	...
Tin (concentrate)							
Value (millions of U.S. dollars)	8.8	7.8	8.2	12.7	10.9	3.2	2.0
Volume (1,000 metric tons)	1.6	1.4	1.3	2.1	1.9	0.6	0.4
Unit price (cents per pound)	246.6	248.0	282.4	278.7	255.0	263.0	239.0
Tin (metallic)							
Value (millions of U.S. dollars)	74.6	83.4	80.4	72.8	70.1	15.1	12.2
Volume (1,000 metric tons)	14.4	15.4	12.9	12.0	12.5	2.6	2.3
Unit price (cents per pound)	235.0	245.0	282.4	276.2	256.0	264.0	238.0
Antimony							
Value (millions of U.S. dollars)	7.8	12.9	11.7	9.3	8.7	2.0	1.4
Volume (1,000 metric tons)	5.5	8.7	6.5	5.8	5.8	1.3	0.9
Unit price (cents per pound)	63.5	66.5	81.0	72.3	67.2	68.4	65.2
Lead							
Value (millions of U.S. dollars)	9.8	12.0	12.5	10.9	11.3	2.1	1.8
Volume (1,000 metric tons)	24.2	22.3	20.3	14.4	18.2	3.0	2.4
Unit price (cents per pound)	18.4	24.4	28.1	34.3	28.0	31.0	34.0
Zinc							
Value (millions of U.S. dollars)	119.5	105.4	151.3	153.4	200.0	47.1	44.7
Volume (1,000 metric tons)	123.8	107.2	146.6	151.5	153.8	41.7	41.6
Unit price (cents per pound)	43.8	44.7	46.8	45.9	59.0	51.0	48.0
Silver							
Value (millions of U.S. dollars)	56.0	62.7	70.8	64.2	59.5	14.3	17.6
Volume (1,000 metric tons)	413.0	368.0	424.0	384.0	384.0	91.0	93.0
Unit price (U.S. dollar per troy ounce)	4.4	5.5	5.4	5.4	4.8	4.9	5.9
Gold							
Value (millions of U.S. dollars)	76.3	119.1	130.8	119.7	110.5	26.0	31.0
Volume (fine grams)	6,575.0	9,633.4	10,593.7	9,570.7	10,298.7	2,276.0	3,272.0
Unit price (cents per pound)	11.2	12.4	12.3	12.5	10.7	11.4	9.5
Other metals							
Value (millions of U.S. dollars)	9.3	9.8	14.0	10.6	11.5	2.0	2.5
Volume (1,000 metric tons)	46.4	49.2	69.8	53.2	57.5	10.5	13.6
Unit price (cents per pound)	0.1	0.1	0.2	0.2	0.2	0.2	0.2
Hydrocarbons 1/							
Petroleum							
Value (millions of U.S. dollars)	6.3	6.6	48.1	38.6	28.2	11.1	4.9
Volume (1,000 barrels)	468.5	500.0	2,973.2	1,446.0	1,444.0	479.0	295.0
Unit price (U.S. dollar/bbl)	16.1	13.2	16.2	26.7	19.6	23.3	16.5
Natural gas							
Value (millions of U.S. dollars)	90.2	91.6	92.4	94.5	69.3	14.4	17.0
Volume (millions cubic feet)	73,864.0	76,555.0	72,488.4	72,572.0	57,487.0	10,698.0	14,636.0
Unit price (US\$ per 1,000 cubic feet)	1.2	1.2	1.3	1.3	1.2	1.3	1.2

Table 40. Bolivia: Exports by Principal Products

	1993	1994	1995	Prel.		Q1 1997 Jan.-Mar.	Q1 1998 Jan.-Mar.
				1996	1997		
Nontraditional exports							
Sugar							
Value (millions of U.S. dollars)	18.5	45.4	17.9	29.4	22.1	2.1	8.5
Volume (1,000 metric tons)	38.7	106.9	43.8	73.8	65.1	6.3	22.1
Unit price (cents per pound)	21.7	19.3	18.5	18.1	15.4	15.6	17.5
Soybeans							
Value (millions of U.S. dollars)	68.9	99.4	115.5	162.3	184.7	17.1	17.3
Volume (1,000 metric tons)	260.6	428.0	524.0	647.0	680.2	65.0	72.5
Unit price (U.S. dollar per metric ton)	255.0	232.2	220.4	250.8	271.5	262.6	238.1
Coffee							
Value (millions of U.S. dollars)	3.7	15.0	16.9	16.4	26.5	1.0	0.9
Volume (in millions of pounds)	6.0	10.7	12.9	16.3	14.8	1.0	0.6
Unit price (cents per pound)	61.7	140.1	130.8	100.7	179.0	102.0	147.1
Timber							
Value (millions of U.S. dollars)	52.3	82.1	72.0	78.9	73.4	14.7	14.0
Volume (1,000 metric tons)	93.0	130.0	95.9	104.4	95.8	19.9	17.2
Unit price (U.S. dollar per metric tons)	562.1	632.0	750.5	755.5	765.5	740.2	816.2
Jewelry							
Value (millions of U.S. dollars)	58.0	141.7	78.3	39.9	19.3	3.3	2.2
Volume (1,000 kilograms)	7.1	12.4	9.7	5.4	3.2	0.5	0.4
Unit price (U.S. dollar per kilogram)	8.1	11.4	8.1	7.4	6.1	7.0	5.3
Soybean oil							
Value (millions of U.S. dollars)	7.3	21.8	37.4	41.2	60.0	9.7	11.9
Volume (1,000 metric tons)	8.3	31.8	51.3	62.3	87.2	13.2	17.0
Unit price (U.S. dollar per metric tons)	480.0	685.3	729.3	662.2	688.0	735.3	716.6
Other nontraditional products							
Value (millions of U.S. dollars)	87.4	115.8	141.2	182.3	208.8	37.9	43.8
Volume (1,000 metric tons)	67.3	89.1	108.6	140.2	165.7	29.9	35.6
Unit price (U.S. dollar per metric tons)	1.3	1.3	1.3	1.3	1.3	1.3	1.2
All nontraditional exports							
Public sector	5.9	7.3	6.7	7.7	8.3	1.2	1.4
Private sector	290.2	514.0	472.4	542.7	586.5	84.6	97.3
Total exports, c.i.f.							
Public sector	203.5	236.5	289.9	275.7	90.3	22.2	...
Private sector	551.0	796.0	809.6	861.4	1,083.0	200.9	...
Balance of payments adjustments 2/	-44.7	-34.8	-24.5	-5.5	-6.8	-1.7	-0.9
Total exports, f.o.b. 3/	709.8	997.6	1,074.9	1,131.7	1,166.4	221.4	232.8

Sources: Central Bank of Bolivia; and National Bureau of Statistics (INE).

1/ All hydrocarbons exports are made by the public sector.

2/ Net adjustment for primarily realization costs (freight insurance, refinery, and smelting charges), re-exports and other items to conform with the definition of the fifth edition of the balance of payments manual.

3/ Data based on the fifth edition of the balance of payments manual.

Table 41. Bolivia: Contract Prices for Natural Gas Exports to Argentina

(Period averages)

Year	Dry Gas (US\$ per million BTU)	Liquid Gas (US\$ per metric ton)	Natural Gasoline (US\$ per gallon)	Average Price (US\$ per thousand cubic feet) (\$)
1992	1.58	96	0.35	1.64
1993	1.17	77	0.28	1.23
1994	1.145	73	0.26	1.20
1995	1.22	80	0.25	1.29
1996	1.2525	46	0.17	1.24
1992				
Q-I	2.41	96	0.35	2.51
-II	1.53	94	n.a.	1.59
-III	1.19	96	n.a.	1.23
-IV	1.19	96	n.a.	1.23
1993				
Q-I	1.18	79	0.29	1.23
-II	1.18	79	0.29	1.23
-III	1.16	76	0.27	1.22
-IV	1.16	76	0.27	1.22
1994				
Q-I	1.16	73	0.26	1.21
-II	1.16	73	0.26	1.21
-III	1.13	72	0.26	1.18
-IV	1.13	72	0.26	1.18
1995				
Q-I	1.22	80	0.25	1.27
-II	1.22	80	0.25	1.29
-III	1.22	81	0.25	1.29
-IV	1.22	81	0.25	1.30
1996				
Q-I	1.27	47	0.17	1.25
-II	1.27	47	0.17	1.25
-III	1.25	46	0.17	1.22
-IV	1.22	45	0.17	1.22
1997				
Q-I	0.96	35.71	0.13	1.27
-II	0.96	35.71	0.13	1.21
-III	1.11	41.08	0.15	1.09
-IV	1.11	41.08	0.15	1.10
1998				
Q-I	1.11	41.16	0.15	1.10

Source: Ministry of Energy and Hydrocarbons.

Table 42. Bolivia: Imports by Economic Category

	1993	1994	1995	1996	Prel. 1997	Q1 1997 Jan.-Mar.	Q1 1998 Jan.-Mar.
(In millions of U.S. dollars)							
Consumer goods	224	282	282	340	384	81	99
Nondurables	110	134	138	173	182	41	...
Durables	115	149	144	166	202	40	...
Raw materials and intermediate products	400	424	513	616	715	141	193
Fuel	37	44	55	52	126	18	...
Agricultural inputs	18	16	27	32	44	9	...
Industrial inputs	294	315	381	483	493	102	...
Construction material	51	49	51	49	52	12	...
Capital goods	511	427	578	659	751	185	183
Agricultural equipment	13	19	17	19	16	3	...
Industrial equipment	274	224	314	369	470	113	...
Transport equipment	224	184	247	271	265	69	...
Other	19	14	12	42	45	16	10
Balance of payments adjustment	0	129	-10	-162	-44	-11	-11
Total c.i.f.	1,154	1,276	1,376	1,578	1,851	422	474
Freight and insurance	-138	-137	-126	-168	-208	-47	-54
Total f.o.b.	1,016	1,140	1,250	1,410	1,643	375	420
(In percent of imports)							
Total	100	100	100	100	100	100	100
Consumer goods	19	25	20	20	20	19	20
Raw materials and intermediate products	35	37	37	37	38	33	40
Capital goods	44	37	42	40	40	44	38
Other	2	1	1	3	2	4	2

Sources: Central Bank of Bolivia; and National Bureau of Statistics (INE).

1/ Includes staff estimates for unrecording of imports, and from 1994 onwards an adjustment to offset changes in the value of exports when reported according to fifth edition of the balance of payments instead of the fourth edition.

Table 43. Bolivia: Direction of Trade 1/

(In percent)

	Imports 2/					Exports				
	1993	1994	1995	1996	1997	1993	1994	1995	1996	1997
Total	100	100	100	100	100	100	100	100	100	100
Industrial countries	58	47	58	55	43	60	60	52	51	53
<i>Of which</i>										
United States	23	18	22	26	26	23	29	28	29	16
Japan	10	12	13	12	12	1	1	0	1	0
EEC	18	11	19	17	15	35	28	17	21	26
<i>Of which</i>										
France	1	1	5	0	1	2	5	3	0	0
Germany	5	5	4	5	3	4	5	5	5	5
Netherlands and Belgium	1	1	1	2	2	7	3	4	3	3
United Kingdom	5	1	2	1	1	10	12	7	13	13
Developing countries	38	42	37	36	43	39	39	45	45	45
<i>Of which</i>										
Argentina	12	10	8	9	14	17	14	17	12	16
Brazil	10	15	14	11	11	3	3	2	1	3
Chile	7	8	7	7	6	2	2	3	1	5
Andean Pact	6	8	7	8	9	16	19	20	20	21
Peru	4	5	4	5	5	10	12	21	11	13
CIS, Eastern Europe, China, and others	4	11	5	9	5	1	1	3	4	12

Sources: Central Bank of Bolivia; and National Bureau of Statistics (INE).

1/ On a customs basis. Subtotals may not add to totals due to rounding.

2/ Distribution by country of origin pertains to merchandise imports excluding balance-of-payments adjustment.

Table 44. Bolivia: International Reserves of the Banking System

	1993	1994	1995	1996	1997	1997 End-Mar.	1998 End-Mar.
(End-period, in millions of U.S. dollars)							
Central Bank	363	486	609	951	1,053	836	923
Assets	495	658	737	1,107	1,192	976	1,075
Foreign exchange 1/	197	413	549	1,008	1,095	868	976
Gold 2/	40	40	40	40	40	40	40
Special Drawing Rights	14	25	40	40	39	38	39
Argentine account 3/	0	0	0	0	0	0	0
Other	244	181	109	20	19	30	21
Liabilities	-132	-172	-128	-156	-138	-140	-152
International Monetary Fund	-224	-258	-273	-276	-251	-253	-264
Other 4/	65	50	75	67	113	113	112
Deposit money banks	-246	-392	-440	-315	-376	-298	-347
Assets	72	85	104	106	130	117	114
Liabilities	-318	-477	-544	-421	-507	-415	-462
Other banking institutions liabilities	-4	-4	0	0	0	0	0
Banking system	113	89	169	635	677	538	576
Assets	567	743	841	1,213	1,322	1,093	1,189
Liabilities	-454	-653	-672	-578	-645	-555	-614

Source: Central Bank of Bolivia.

1/ Foreign currency holdings and demand deposits net of overdrafts.

2/ Valued at US\$42.22 per troy ounce.

3/ Consists of payments for gas imports from Bolivia deposited in a special account in the Central Bank of Argentina.

4/ Includes net position in the Andean Reserve Fund.

Table 45. Bolivia: External Public Debt by Creditor 1/

(In millions of U.S. dollars)

	1992				1993				Out-standing End-1993	
	Disburse- ments	Amorti- zation	Interest Payments	Adjust- ment	Out- standing End-1992	Disburse- ments	Amorti- zation	Interest Payments		Adjust- ment
Total medium- and long-term 2/	434	290	170	10	4,031	329	379	127	46	3,992
International organizations	296	126	95	-50	2,205	229	137	99	16	2,312
Andean Development Corporation	19	31	11	0	122	32	28	10	1	127
International Bank for Reconstruction and Development	0	15	17	-11	146	0	17	18	1	129
International Development Association	55	1	3	-15	482	66	2	4	-1	544
Inter-American Development Bank	163	36	49	-12	1,134	119	47	59	13	1,219
International Monetary Fund	51	37	7	-13	247	0	38	3	0	209
Other	9	5	8	1	74	12	5	5	3	85
Official bilateral creditors	134	137	75	68	1,590	96	49	27	35	1,636
Brazil	0	44	9	12	90	0	27	3	3	66
<i>Of which: debt cancellation</i>	0	34	7	0	0	0	27	3	0	0
United States	0	1	1	6	94	10	7	0	0	97
<i>Of which: debt refinanced</i>	0	0	0	0	0	10	7	0	0	0
Switzerland	0	0	0	0	36	0	35	0	-1	0
<i>Of which: debt cancellation</i>	0	0	0	0	0	0	31	0	0	0
Other	134	93	65	50	1,370	86	15	24	32	1,473
<i>Of which: refinanced</i>	0	83	57	0	0	0	13	22	0	0
Suppliers credits 3/	4	7	0	-9	12	4	5	1	-2	8
Foreign banks 4/	0	20	1	1	191	0	170	0	-2	19
<i>Of which: consortium banks</i>	0	20	0	0	180	0	170	0	0	10
Bonds 4/	0	0	0	0	35	0	18	0	0	18

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98
1

Table 45. Bolivia: External Public Debt by Creditor 1/

(In millions of U.S. dollars)

	1994				1995				Out-standing End-1995	
	Disburse- ments	Amorti- zation	Interest Payments	Adjust- ment	Out- standing End-1992	Disburse- ments	Amorti- zation	Interest Payments		Adjust- ment
Total medium- and long-term 2/	408	173	139	231	4,458	404	186	149	106	4,782
International organizations										
Andean Development Corporation	346	126	100	90	2,622	362	142	115	92	2,934
International Bank for Reconstruction and Development	72	28	9	1	171	64	28	14	52	259
International Development Association	0	17	18	4	116	0	18	20	-4	95
Inter-American Development Bank	80	2	4	31	652	114	2	6	7	770
International Monetary Fund	136	57	62	48	1,346	134	60	68	19	1,439
Other	44	15	2	4	242	25	26	3	18	259
	16	7	5	2	95	25	8	5	0	112
Official bilateral creditors										
Brazil	56	40	37	147	1,799	43	40	33	15	1,816
<i>Of which</i> : debt cancellation	0	17	0	-8	42	0	20	0	0	22
United States	0	17	0	0	0	0	8	0	0	0
<i>Of which</i> : debt refinanced	0	3	0	2	96	5	3	0	0	98
Switzerland	0	1	0	0	0	0	3	0	0	0
<i>Of which</i> : debt cancellation	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
<i>Of which</i> : refinanced	56	21	37	153	1,662	38	17	33	15	1,697
Suppliers credits 3/	0	0	0	0	0	0	0	0	0	0
Suppliers credits 3/	6	7	2	-3	5	0	4	1	1	2
Foreign banks 4/	0	0	0	-3	15	0	0	0	-3	13
<i>Of which</i> : consortium banks	0	0	0	-1	9	0	0	0	0	9
Bonds 4/	0	0	0	0	17	0	0	0	0	17

Table 45. Bolivia: External Public Debt by Creditor 1/

(In millions of U.S. dollars)

	1996				1997				Out-standing End-1997	
	Disburse- ments	Amorti- zation	Interest Payments	Adjust- ment	Out- standing End-1996	Disburse- ments	Amorti- zation	Interest Payments		Adjust- ment
Total medium- and long-term 2/	447	191	158	-396	4,642	393	200	156	-355	4,481
International organizations	372	178	119	-112	3,015	361	189	107	-179	3,009
Andean Development Corporation	96	41	22	-29	284	73	55	21	-55	247
International Bank for Reconstruction and Development	0	19	15	-14	61	0	15	9	-9	37
International Development Association	100	3	6	-20	848	136	4	6	-54	926
Inter-American Development Bank	112	64	67	-57	1,430	116	68	62	-43	1,436
International Monetary Fund	51	42	4	9	276	23	34	1	-16	249
Other	14	9	6	-1	115	13	12	6	-3	114
Official bilateral creditors	76	11	39	-291	1,591	29	9	49	-167	1,444
Brazil	0	0	0	0	22	0	0	0	0	22
<i>Of which</i> : debt cancellation	0	0	0	0	0	0	0	0	0	0
United States	9	1	3	-50	56	5	1	3	0	60
<i>Of which</i> : debt refinanced	0	0	78	0	0	0	0	0	0	0
Switzerland	0	0	0	0	0	0	0	0	0	0
<i>Of which</i> : debt cancellation	0	0	0	0	0	0	0	0	0	0
Other	67	10	36	-241	1,513	24	9	46	-167	1,362
<i>Of which</i> : refinanced	0	0	0	0	0	0	0	0	0	0
Suppliers credits 3/	0	2	0	0	0	0	0	0	0	0
Foreign banks 4/	0	0	0	7	20	3	2	1	-2	19
<i>Of which</i> : consortium banks	0	0	0	0	9	0	0	0	0	9
Bonds 4/	0	0	0	0	17	0	0	0	-8	9

Sources: Central Bank of Bolivia, and Fund staff estimates.

1/ Amortization and interest payments include payments on arrears.

2/ Excludes arrears on interest.

3/ Nonguaranteed only.

4/ For 1995 and 1996, before comparable debt relief on Naples terms.