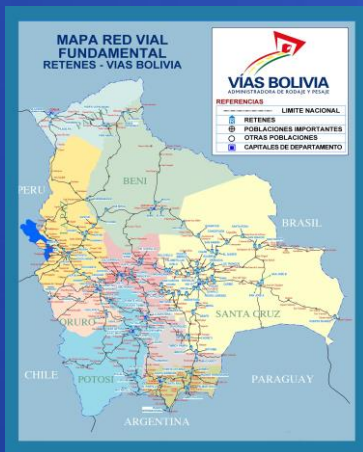




ESTADO PLURINACIONAL DE BOLIVIA
EMBASSY OF BOLIVIA - LONDON UK

BOLIVIA : 2015

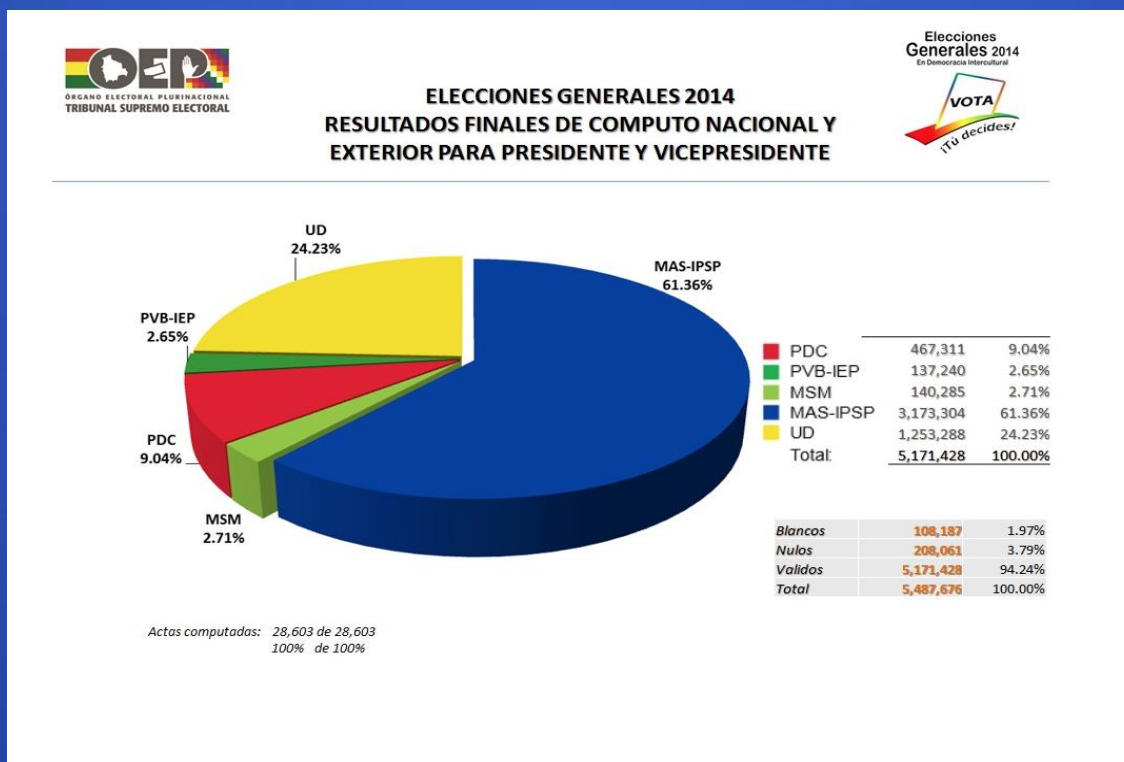
London, 23 February 2015
ROBERTO CALZADILLA SARMIENTO
AMBASSADOR OF BOLIVIA



POLITICAL STABILITY

POLITICAL STABILITY AND DEMOCRACY

RESULTS OF THE GENERAL ELECTIONS IN BOLIVIA 12 OCTOBER 2014 61.36% MAS under the Leadership of Evo Morales



COMPOSITION OF THE PLURINATIONAL LEGISLATIVE ASSEMBLY 2015

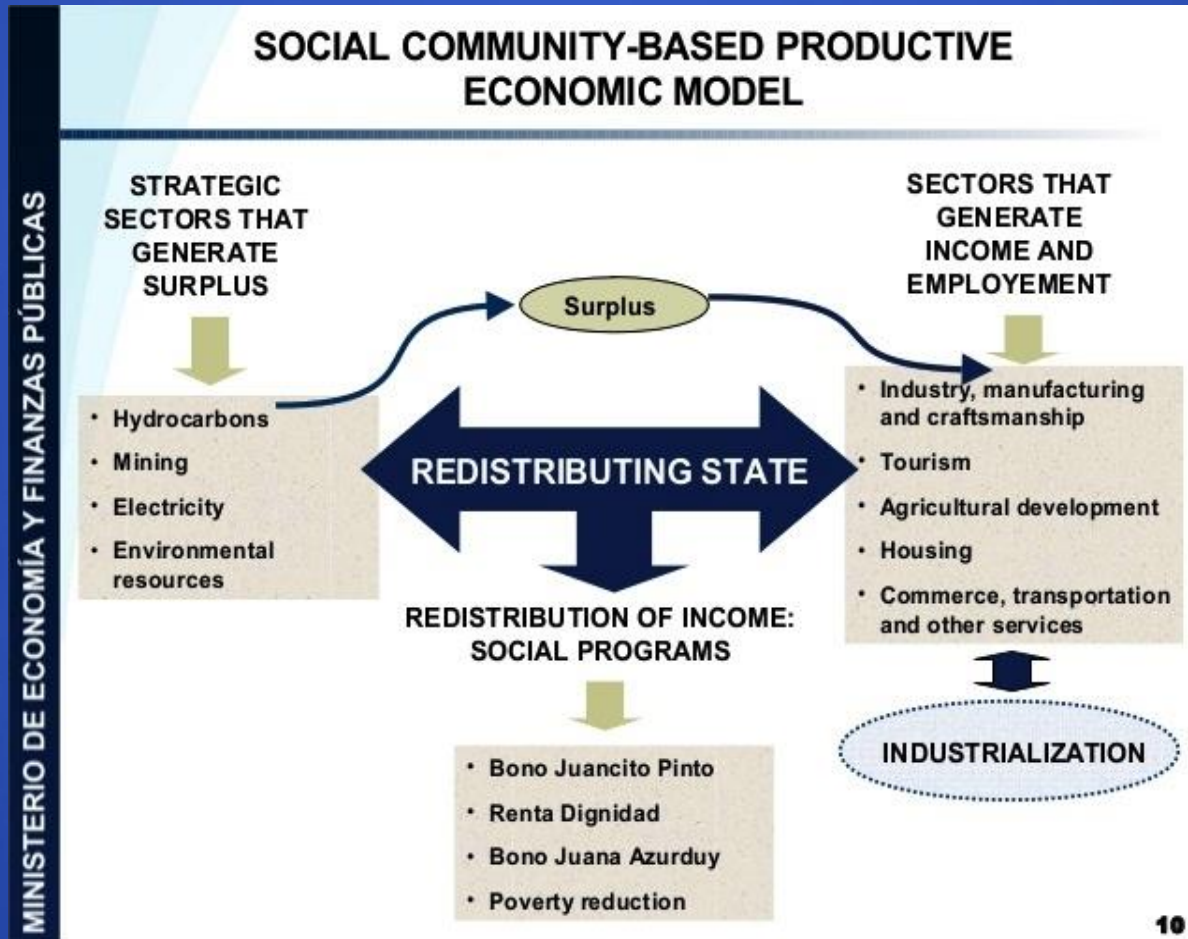
Party	Presidential candidate	Votes	%	Chamber		Senate	
				Seats	+/-	Seats	+/-
Movement for Socialism	Evo Morales	3,173,304	61.36	88	0	25	-1
Democrat Unity	Samuel Doria Medina	1,253,288	24.23	32	-	9	-
Christian Democratic Party	Jorge Quiroga	467,311	9.04	10	-	2	-
Movement without Fear	Juan del Granado	140,285	2.71	0	-	0	-
Green Party of Bolivia	Fernando Vargas	137,240	2.65	0	-	0	-
Invalid/blank votes ^[a]		316,248	-	-	-	-	-
Total		5,487,676	100	130	0	36	0
Registered voters/turnout				-	-	-	-



WOMAN REPRESENTATION HAS INCREASED SUBSTANTIALLY WITH THE REQUIREMENT OF GENDER PARITY ON ALL LIST OF CANDIDATES. WOMAN IN THE LOWER HOUSE IS 50.8% AND UPPER HOUSE 44.4% CHAMBER

ECONOMIC STABILITY

THE NEW ECONOMIC MODEL



FUNDAMENTALS OF THE NEW BOLIVIAN ECONOMIC MODEL

THE BASIS OF THE NEW MODEL

1. GROWTH AND DEVELOPMENT BASED ON MAKING THE MOST OF NATURAL RESOURCES FOR THE BENEFIT OF BOLIVIAN PEOPLE:

Larger economic surplus.

2. APPROPRIATION OF ECONOMIC SURPLUS: With the recuperation of natural resources, now economic surplus remains in the country and it is redistributed towards other sectors that generate income and employment.

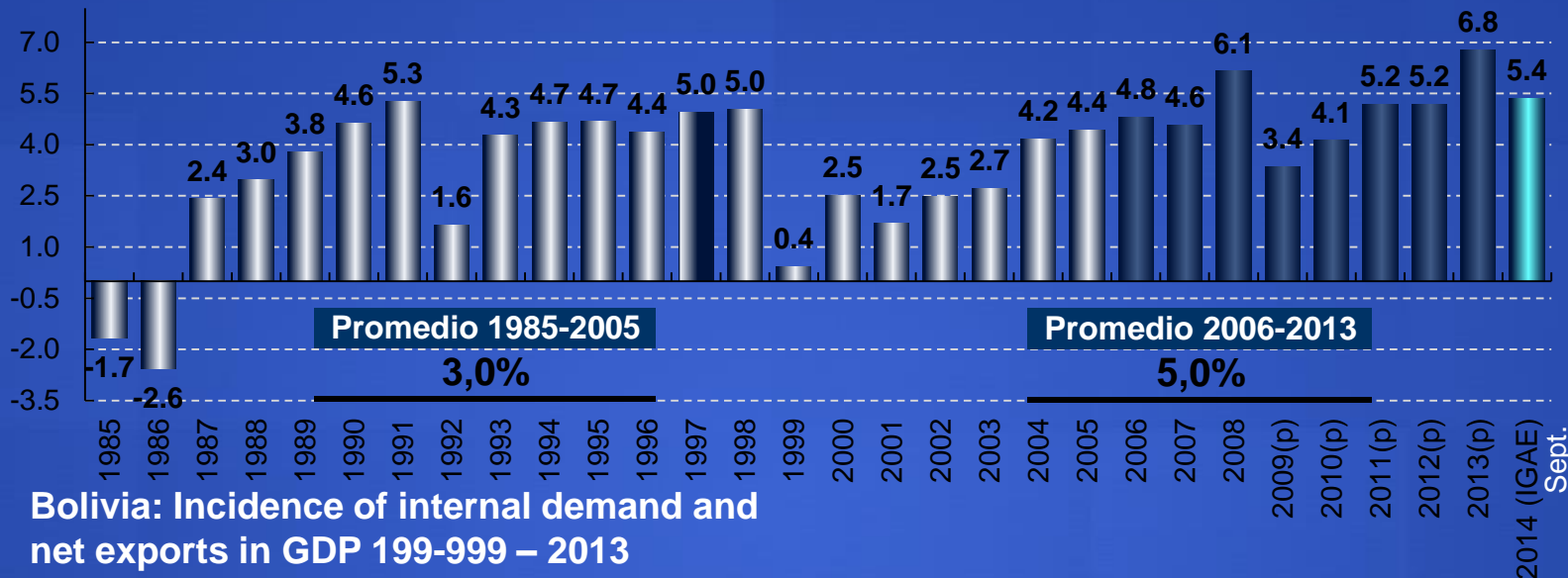
3. MODEL FOR THE REDISTRIBUTION OF INCOME: The economic surplus must be redistributed especially among people with very low income. Cash conditional transfers (Juancito Pinto, Bono Juana Azurduy and Renta Dignidad bonds), public investment, inversely proportional increases in salaries, cross subsidization and others.

4. REDUCTION OF SOCIAL INEQUALITIES AND POVERTY: The model also has a social vision.

BOLIVIAN ECONOMIC GROWTH

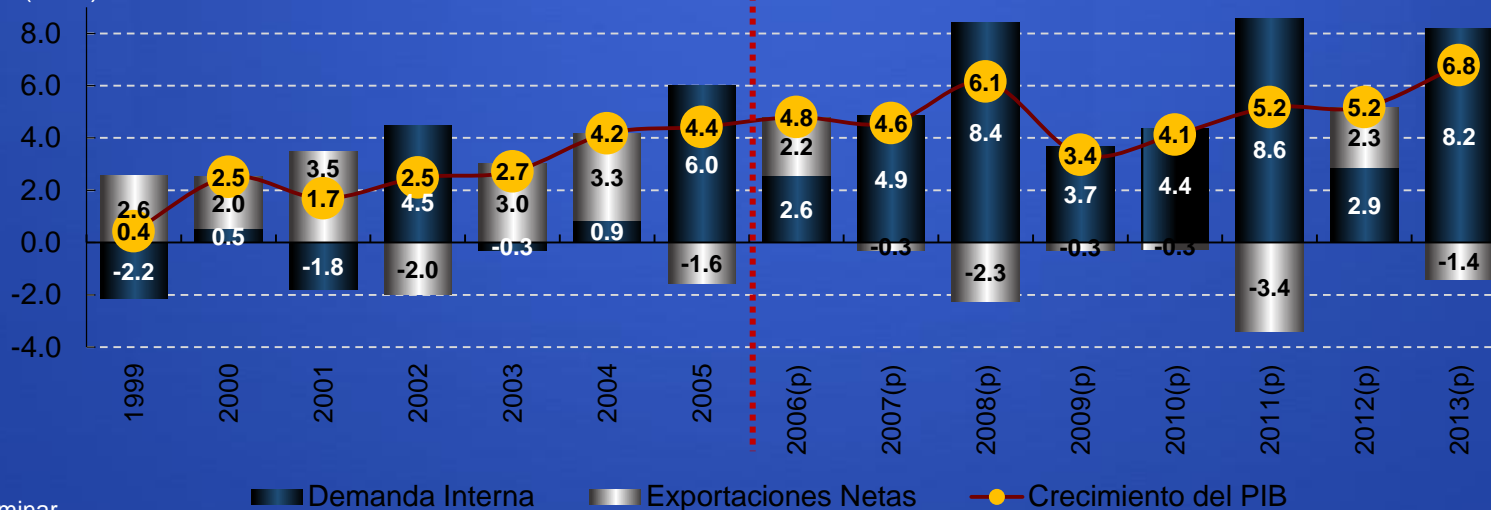
Bolivia: GDP growth real 1985 – 2014⁽¹⁾

(In %)



Bolivia: Incidence of internal demand and net exports in GDP 199-999 – 2013

(In %)



(p) Preliminar

(1) For 2014, se considero el dato del IGAE a septiembre

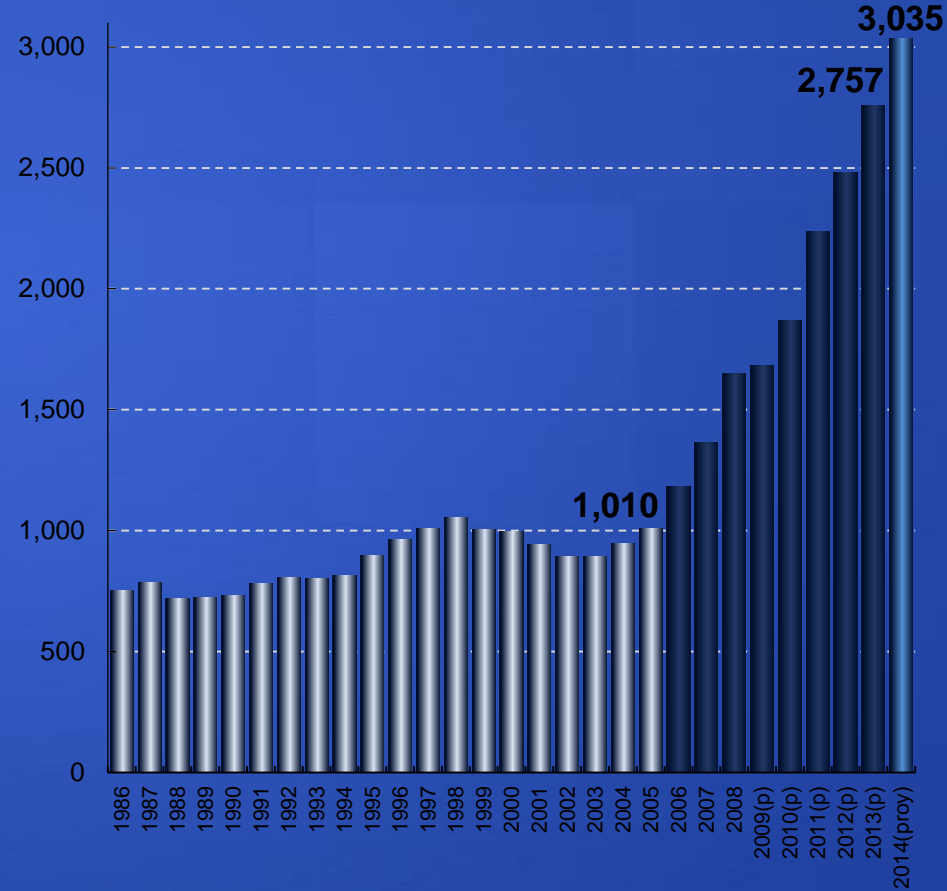
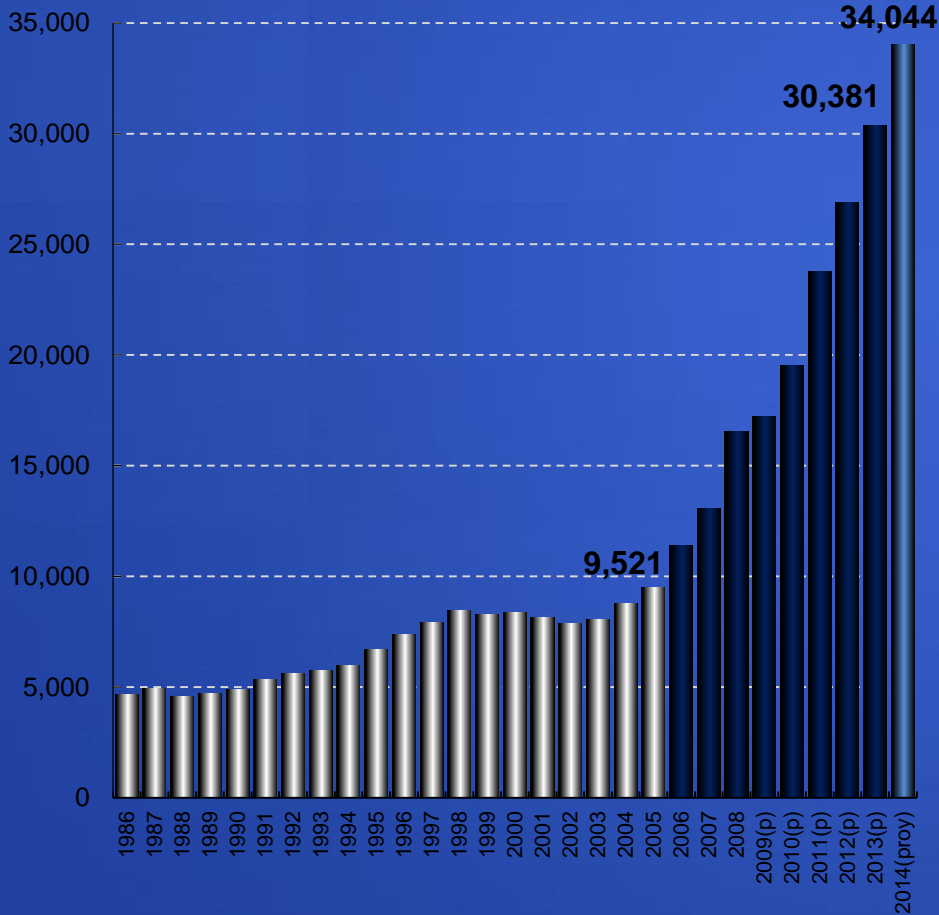
Source: Instituto Nacional de Estadística (INE)

Elaboration: Ministerio de Economía y Finanzas Públicas, Red de Análisis Fiscal (RAF)

DINAMIC OF BOLIVIAN GDP 2006-2013

Bolivia:
GDP nominal
1986 – 2014 (prov)
 (Mill. US\$)

Bolivia: GDP per Capita
1986 – 2014 (prov)
 (Mill. US\$)



MAIN INDUSTRIALIZATION PROJECTS

PROYECTOS PRIORITARIOS DE INVERSIÓN BASES DE LA INDUSTRIALIZACIÓN



Planta de Separación de Líquidos Río Grande

- Preseal
- 5.8 MMscfd de gas natural
- Producción
- 30 TMD de GLS
- 200 BPD de gasos estabilizado
- 100 BPD de Gasolina Rica en Iso-Parafina

Planta de Gas Natural Licuado (GNL) Casapalca Virtual

Actividades

- Ingeniería (Básica, Conceptual, Operativa)
- Licitación para EPC (Plataforma)
- Inicio de Operaciones 2do. Semestre 2014

Capacidad de Licuación: 200 Tm/día

Impactos

- Proveen gas a poblaciones intermedias
- Continúa el proceso de generación eléctrica, sistemas aislados.
- Construcción de combustibles Diesel G1, G2, Plataforma

Planta de Separación de Líquidos Gran Chaco

- Avance acumulado al 2013 del total del proyecto 25%
- Inicio de los trabajos de trabajos de ingeniería y licitación
- Avance del 95% en la región de construcción

2014 - Producción

- GNL: 150,000 TMD
- Gasolina: 100 TMD
- Diesel: 100 TMD
- Iso-parafina: 100 TMD

Inicio de Operaciones: Segundo semestre 2014

Planta de Amoniaco y Urea

Inicio operaciones:

- Segundo Semestre 2015

Producción

- 750,000 toneladas anuales de urea

Merced

- US: 200 Mercado Interno
- 800: 800 Mercado Externo
- Inversión 2013 US\$ 180.5 MM
- Venta Adjudicada: US\$ 100 MM

IMPACTOS DEL PROYECTO

- Mejora la producción y rendimiento agrícola
- Seguridad alimentaria
- Exportación de fertilizantes

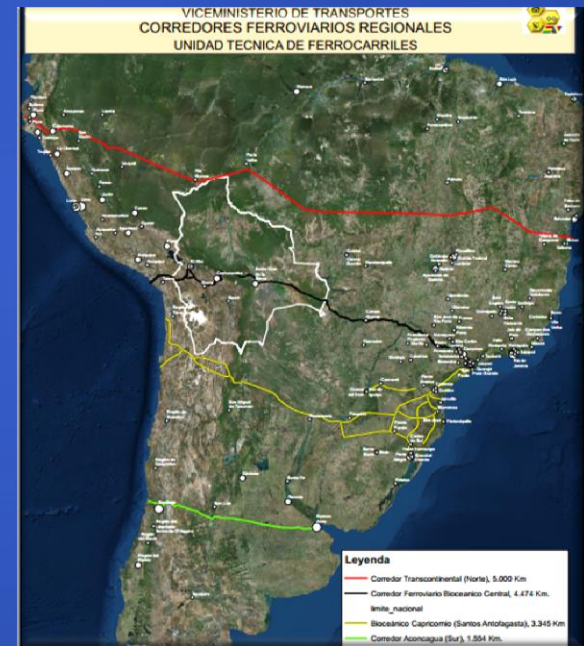
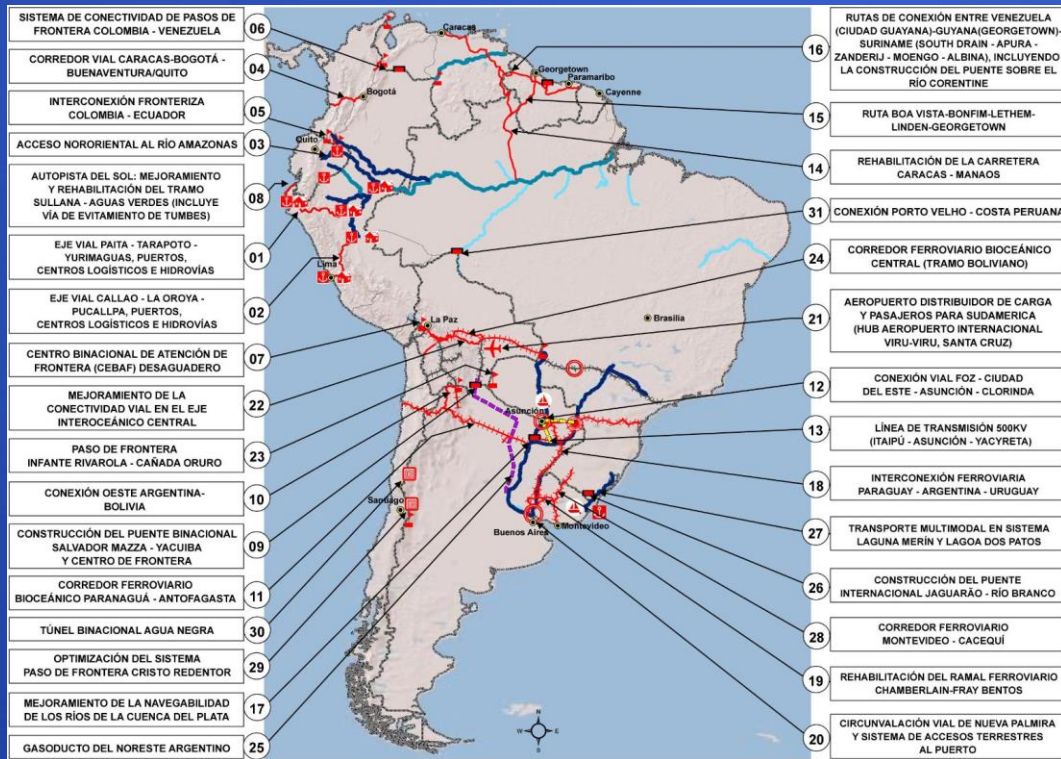
Planta de Etileno - Polietileno

- Producción 800,000 TM/año de polietileno de diferentes variedades
- Construcción
- Ubicación Gran Chaco
- Inicio operaciones 2017

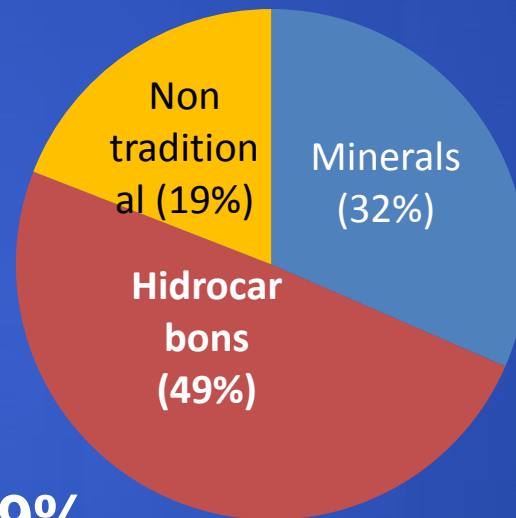
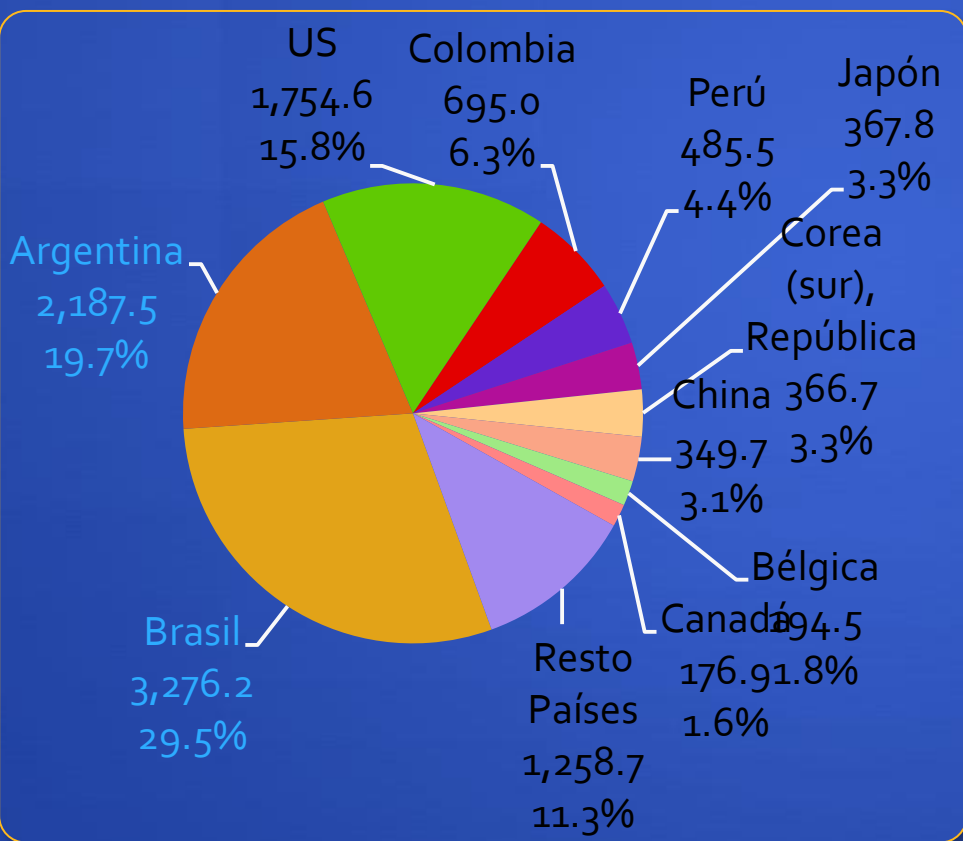
Planta de Propileno y Polipropileno

- Permitirá aprovechar la producción de GP de Gran Chaco
- El objetivo es dar valor agregado
- Producción en amplia variedad de aplicaciones: Emulsionar para alimentos, textiles, equipamiento de laboratorio, componentes automotrices y plásticos transparentes.

INTEROCEANIC INTEGRATION CORRIDOR



STRUCTURE OF BOLIVIAN EXPORTS 2006-2014



49%

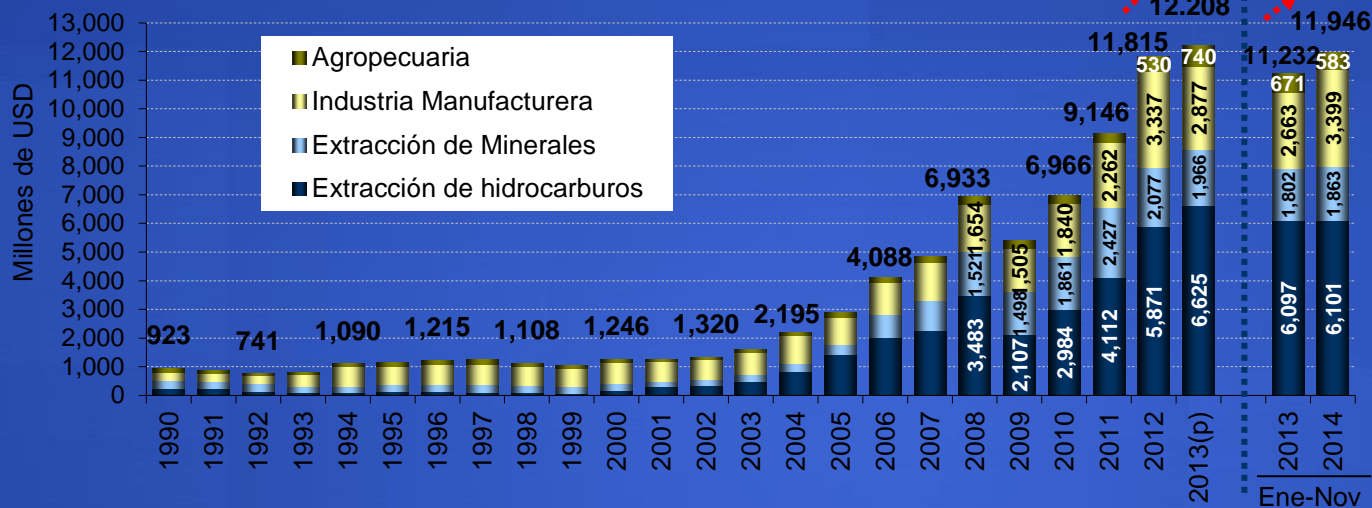
Of exports between 2006 y 2013 correspond to hydrocarbons

Nota: Non traditional: soya and oils, para nuts, jewellery, sugar, wood, quinoa.

Fuente: Banco Central de Bolivia

BOLIVIA: EXPORTS AND IMPORTS 1990 – 2013(P) +JANUARY – NOV. 2013 – 2014(P) (Mill.US\$)

Exportaciones



Importaciones



(p) Preliminar

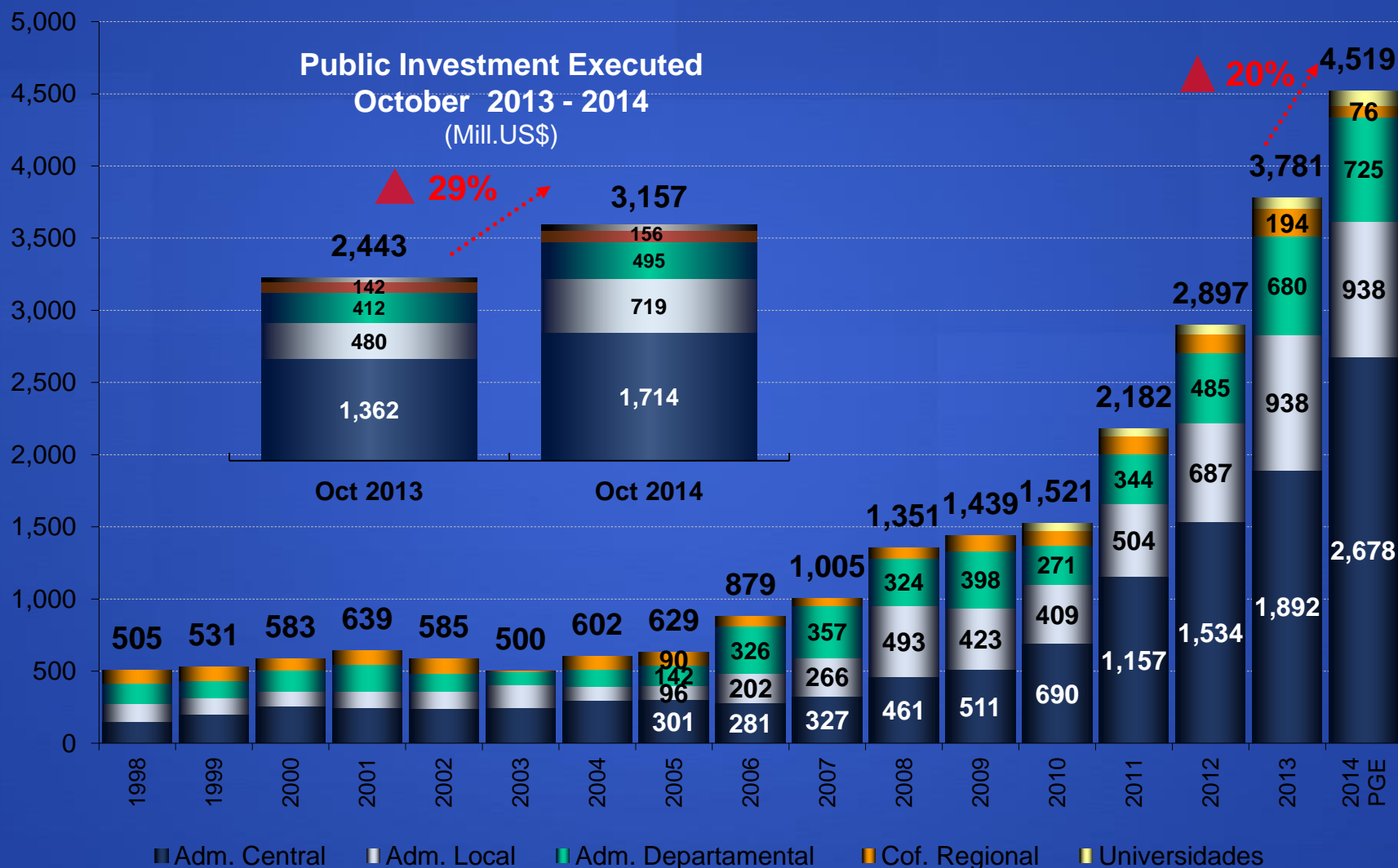
Nota: Las exportaciones no incluye efectos personales ni reexportaciones

Fuente: Instituto Nacional de Estadística (INE)

Elaboración: Ministerio de Economía y Finanzas Públicas, Unidad de Análisis y Estudios Fiscales (UAEF)

BOLIVIA: PUBLIC INVESTMENT 1999 – 2014*

(Mill. US\$)



(*) For 2014 Inversión Pública programada en el Presupuesto General de Estado (PGE)

Fuente: Viceministerio de Inversión Pública y Financiamiento Externo (VIPFE)

Elaboración: Ministerio de Economía y Finanzas Públicas, Unidad de Análisis y Estudios Fiscales (UAEF)

PRIVATE INVESTMENT AND THE CONSTITUTION OF THE PLURINATIONAL STATE OF BOLIVIA

Art. 308.-The state recognizes, respects and protects the private initiative, in order to contribute to the economic and social development, and to strength the country's economic independence

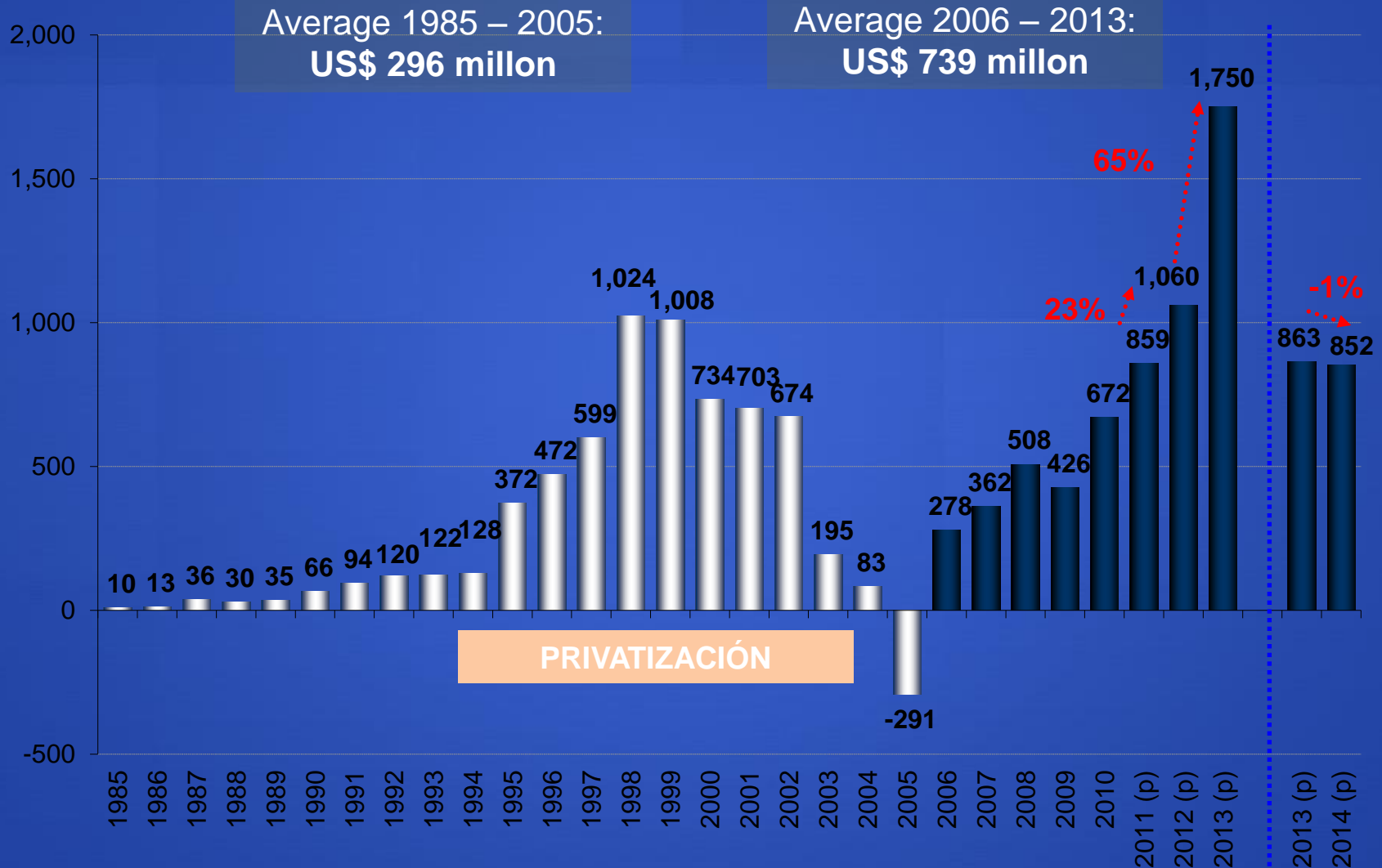
Art. 351.-I. The state will assume the control and management of the exploration, exploitation, industrialization, transport and commercialization of the strategic natural resources through public, cooperative or communitarian entities which, in turn, can hire or establish joint venture initiatives with private firms

II. The state may subscribe association contracts with legal entities, either Bolivian or foreign, for the exploitation of natural resources.

III. The management and administration of natural resources will be conducting ensuring social participation and control in the design of sectorial policies. Joint entities may be established for the management and administration of these resources, in which the state and society will be represented in order to preserve the collective well being

- NEW INVESTMENT LAW

FOREIGN DIRECT INVESTMENTS, 1985 – 2013 (P) + FIRST SEMESTR 2013 Y 2014 (Mill. US\$)



(p) Preliminar

Fuente: Banco Central de Bolivia (BCB)

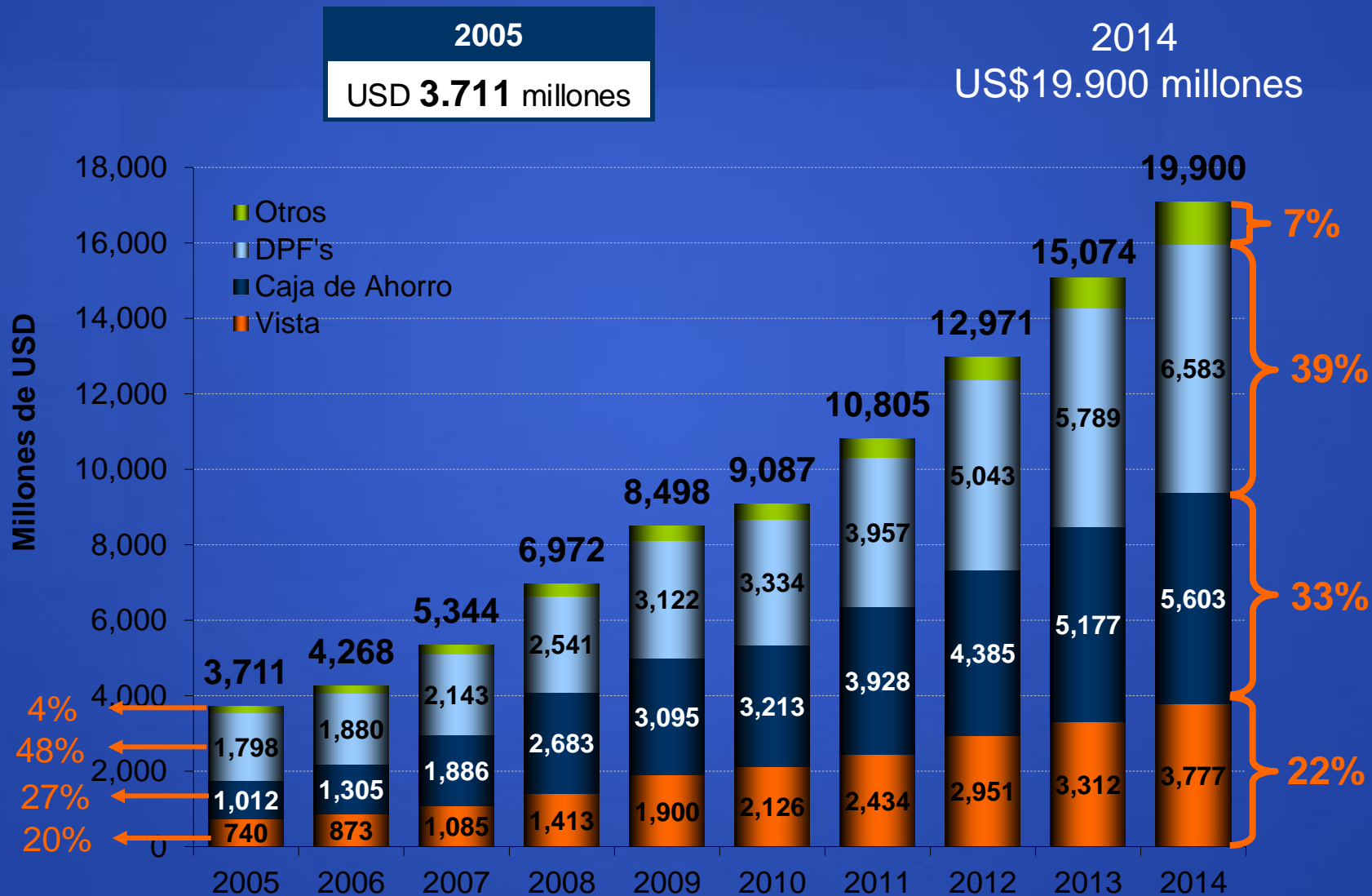
Elaboración: Ministerio de Economía y Finanzas Públicas, Unidad de Análisis y Estudios Fiscales (UAEF)

Ene-Jun

Bolivia: Deposits in the Financial System

2005 – December 2014

(Mill.US\$)



Source : Autoridad de Supervisión del Sistema Financiero (ASFI)
 Elaboración: Ministerio de Economía y Finanzas Públicas, Unidad de Análisis y Estudios Fiscales (UAEF)

BOLIVIA: INTERNACIONAL NET RESERVES

CENTRAL BANK OF BOLIVIA BCB

DECEMBER 2014 (MILL. US\$)



SOURCE : Banco Central de Bolivia (BCB) y bancos centrales de cada país
Elaboración: Ministerio de Economía y Finanzas Públicas, Unidad de Análisis y Estudios Fiscales (UAEF)

BOLIVIAS RISK CALIFICATION

Bolivia obtiene por primera vez en su historia la Calificación BB

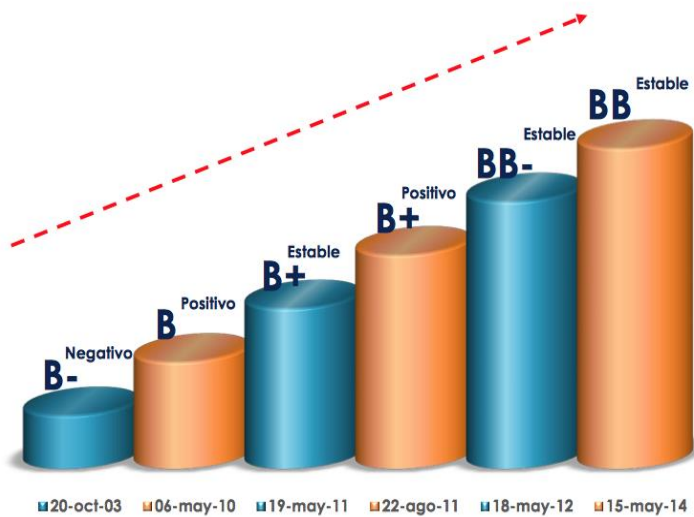


Tabla de Calificaciones de Riesgo América Latina

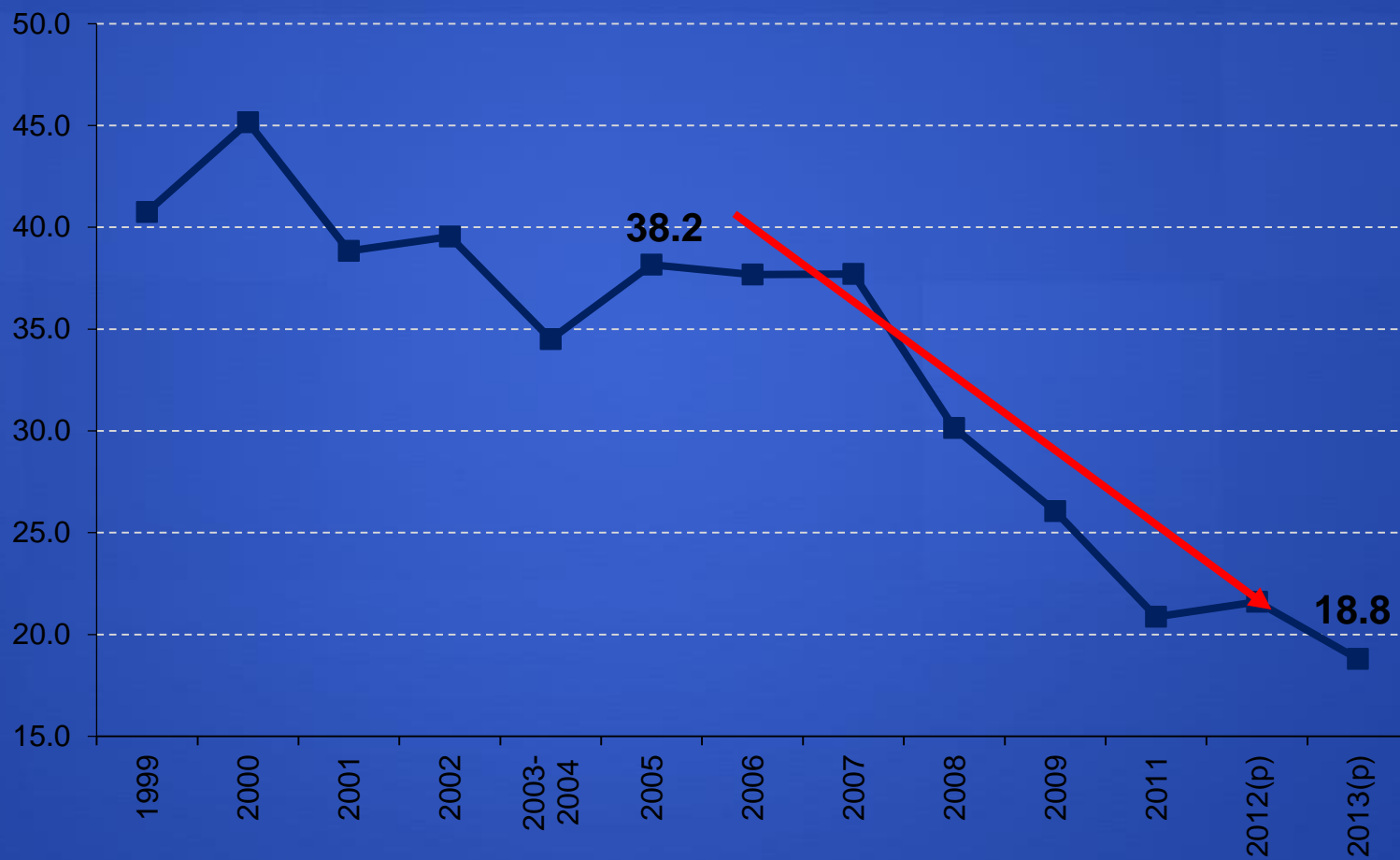
Grado de Inversión

PAIS	STANDARD & POOR'S
Chile	AA-
México	BBB+
Perú	BBB+
Colombia	BBB
Panamá	BBB
Brasil	BBB-
Uruguay	BBB-
Bolivia	BB
Costa Rica	BB
Guatemala	BB
El Salvador	BB-
Paraguay	BB-
Rep. Dominicana	B+
Ecuador	B
Honduras	B
Venezuela	B-
Argentina	CCC+

Bolivia está a dos escalones de conseguir grado de inversión

SOCIAL IMPACT & RESULTS

SOCIAL RESULTS OF THE BOLIVIAN MODEL : EXTREME POVERTY REDUCTION 1999 – 2013 (P) (In %)



(p) Preliminar

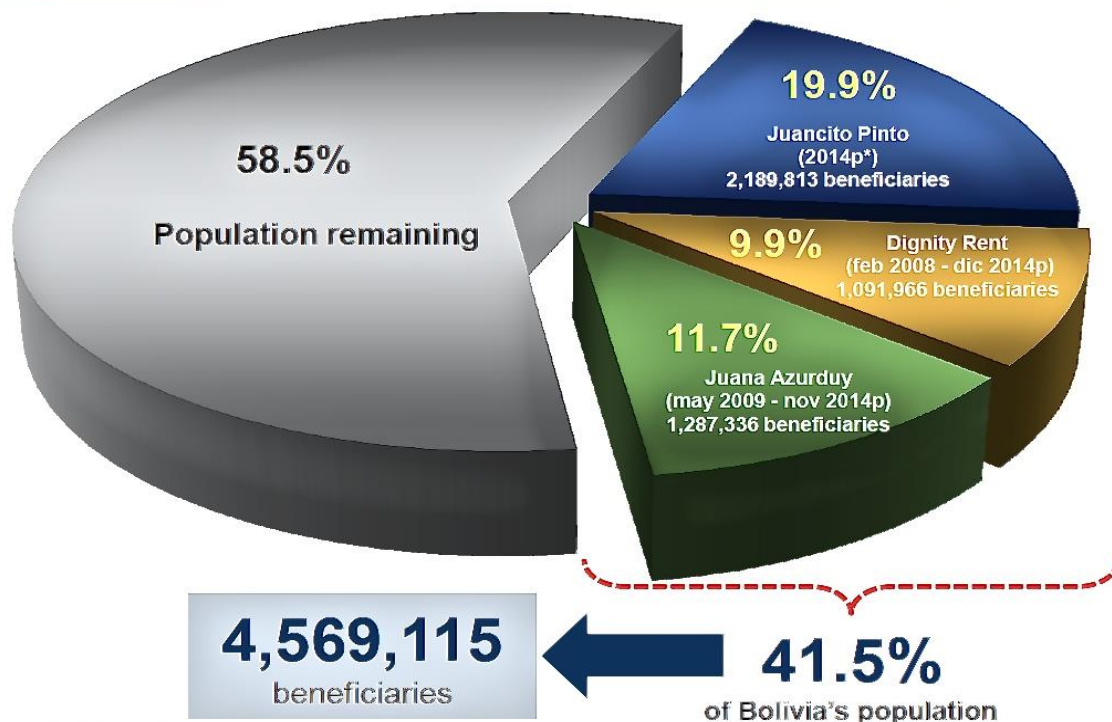
Fuente: Instituto Nacional de Estadística (INE)

Elaboración: Ministerio de Economía y Finanzas Públicas, Unidad de Análisis y Estudios Fiscales (UAEF)

SOCIAL IMPACT OF SOCIAL PROGRAMMES (%)

Bolivia: Beneficiaries of Conditional Cash Transfer Programmes, until 2014(p)

(Expressed in terms of number of beneficiaries and as a percentage)



(p) Preliminary

(p*) Programmed by the Ministry of Education

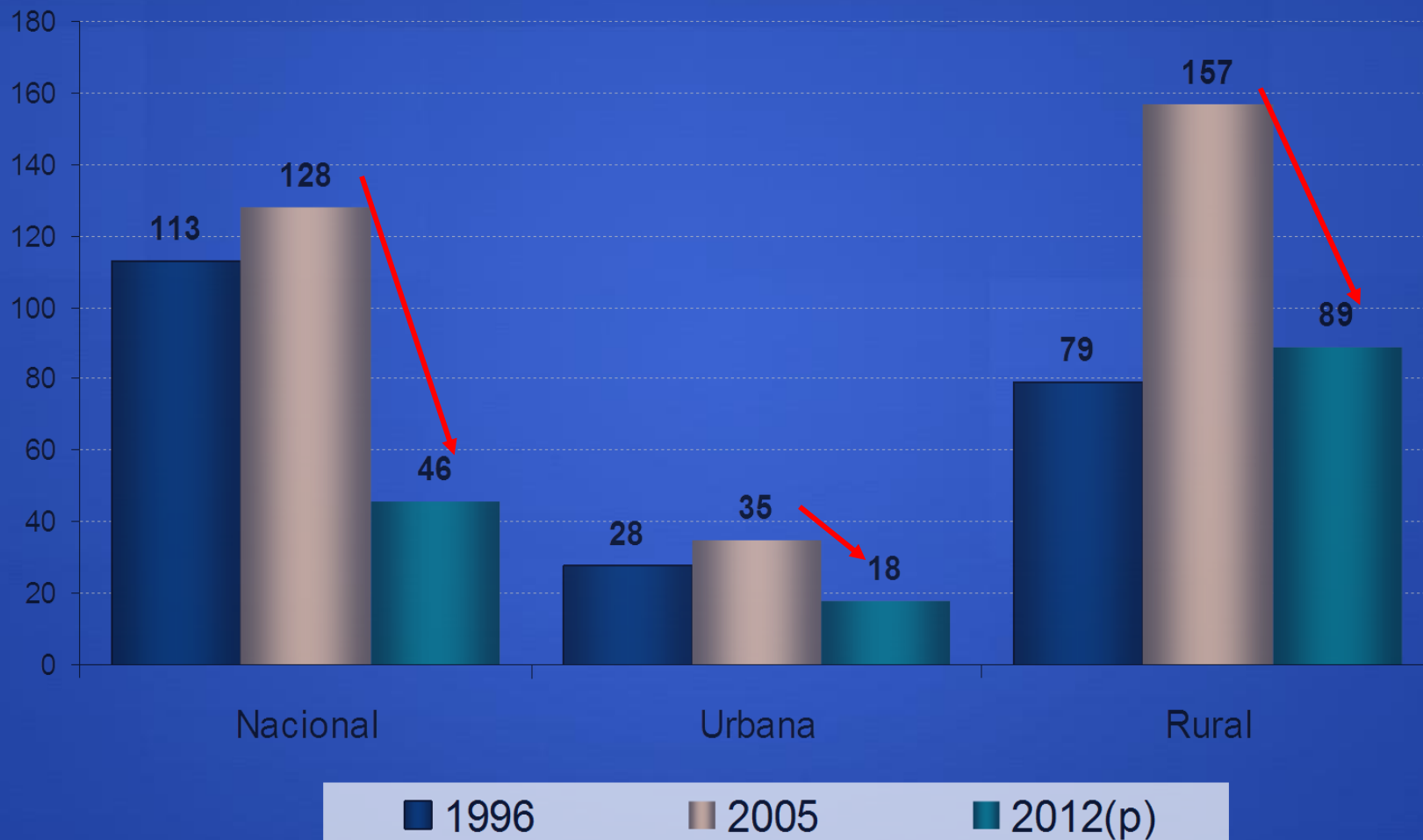
Source: Ministry of Education, Pension and Insurances Fiscalization Authority and Ministry of Health and Sports

Elaboration: Ministry of Economy and Public Finance, Fiscal Studies and Analysis Unit

Note: The Conditional Cash Transfer Programmes in Bolivia are divided, at least, in three: Juancito Pinto (This is an action adopted by Morales' Administration and it is part of the economic policy focused on social work. This benefit establishes a yearly cash grant of Bs200 for all students of public schools as an incentive to school attendance); Juana Azurduy (This was established as homage to Juana Azurduy de Padilla who is considered a Bolivian heroine. It is an economic incentive created by Morales' Administration in order to reduce the maternal and child mortality rates); and Dignity Rent (Dignity Rent was created by the Government in order to provide a decent and secure old age. This benefit consists to a payment of Bs250 per month or Bs3.000 per year in favour of people who are 60 years old and older ones. Since 2014 it was included a Bonus Christmas. This amount of money is another benefit of Direct Tax on Hydrocarbons).

Reduction in the inequality gap between the richest 10% richest and the 10% poorest

(From 128 Number of times in 2005 to 46 in 2012)



(p) Preliminar

Fuente: Unidad de Análisis de Políticas Sociales y Económicas (UDAPE) con información de Encuestas de Hogares (EH) del INE

Elaboración: Ministerio de Economía y Finanzas Públicas, Unidad de Análisis y Estudios Fiscales (UAEF)

SOME ASPECTS OF FOREIGN POLICY



SOME STRATEGICAL KEY OBJETIVES OF THE BOLIVIAN FOREIGN POLICY

- Sovereign access to the Pacific Ocean
- Incorporation of constitutional principles of the Plurinational State to foreign policy and strengthening the participation of Bolivia in international forums and organizations
- Strengthening relations with Latin America, Europe, Asia, Africa and Oceania.
- Negotiating trade and investment agreements; and strengthen integration processes
- Indigenous rights & Human rights
- Democracy in Global Affairs
- Climate Change, Mother Earth Rights (Water Rights)
- Cultural rights among others coca leaf as cultural heritage and natural renewable resource of the biodiversity of Bolivia
- Protection of Bolivians abroad, ensuring the realization of fundamental human rights
- Energy/ Gas/Lithium

BOLIVIA AND THE REGIONAL INTEGRATION

- Bolivia is a member of a number of regional blocs and organizations
- member of the Andean Community of Nations trade bloc
- Is becoming a full member of Mercosur
- ALBA – the Alianza Bolivariana para los Pueblos de America
- South American Union UNASUR created in 2008 as a bloc for economic and political integration bringing together two existing trade blocs (Mercosur and CAN) and all 12 South American states. South American Parliament is Cochabamba, Bolivia
- CELAC, Community of South American and Caribbean Countries
- OAS Organization of American States

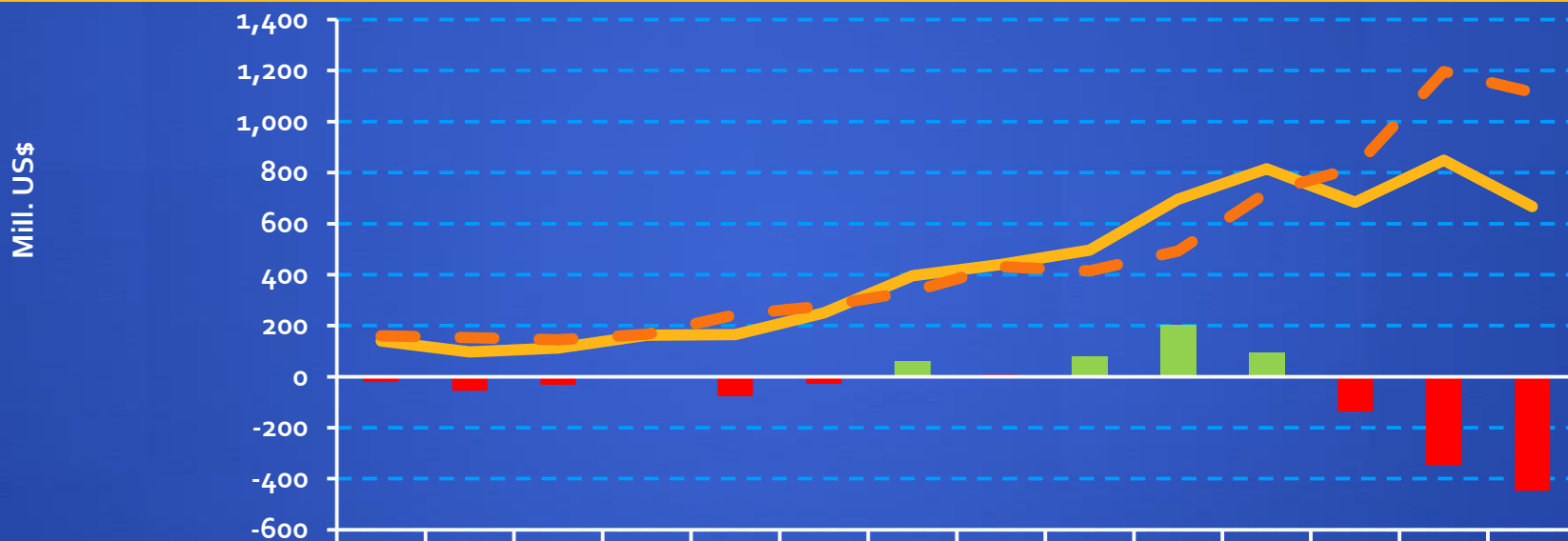
BOLIVIA RELATIONS WITH CHILE

- Bolivia was born with over 400km of coastline; its "Litoral" Department had a direct access to the Pacific Ocean. Five decades later Chile invaded Bolivia during the Pacific War resulting on our forced current geographical confinement.
- Since more than 30 years, Bolivia does not maintain diplomatic relations with Chile. Between the two countries there is mistrust, no friendship and stressed neighborhood interactions.
- Ever since, several Chilean Presidents and Foreign Ministers have understood that Bolivia should not be cloistered up forever after in the heart of South America, undertaking to negotiate with Bolivia on a sovereign access to the sea and have recognized in bilateral agreements and unilateral commitments with the country's restitution of its maritime quality and its rights not to being cloistered.
- But due to several unsuccessful dialogues and negotiations, and most recent changes of Chile and their approach towards Bolivia, the last decided not to continue waiting another 130 years to solve this problem by taking this case to the International Court of Justice (ICJ) in order to establish respect for Bolivia's right to a sovereign access to the sea.
- The Plurinational State of Bolivia believes that the best pacific way to resolve the differences between the two neighboring countries was to bring the case to the International Court of Justice requesting to declare Chile's obligations to negotiate in good faith and to effectively resolve Bolivia's sovereign access to the Pacific Ocean. This dispute that is hindering Latin American integration.
- There are main commitments and various attempts undertaken by Chile to negotiate a sovereign access to the Pacific with Bolivia since 1950.
- The reasons why Bolivia has decided to appeal to international jurisdiction to find a solution to its landlocked condition; and the damages Bolivia has endured on account of its confinement from the sea.
- We are convinced that history, the awareness of the international community, reason and law all accompany Bolivia in its maritime claim. Nevertheless we are convinced that, together with the Chilean people, we will find a formula to put an end for good to our landlocked condition and enjoy a sovereign access to the sea.
- Find more in our website : "The Book of the Sea"

RELATIONS BETWEEN THE BOLIVIA AND THE EU

- **The EU is the second largest trading partner** for Bolivia after the US and is a leading investor in the region, accounting for a significant share of FDI.
- Spain, Germany, France and the UK are significant investors (French company Total has major investments in oil and gas),
- Spanish interests in Bolivia with investments in areas including hydrocarbons and energy, airports, finance and tourism.
- Swiss company Glencore International has interests in the mining sector and several European countries have bilateral aid programs.
- Since 1968 and the European External Action Service (EU foreign relations department) has a permanent delegation in La Paz.
- The EU sent electoral observation missions to several of Bolivia's recent national elections, including the recall and constitutional referendums in 2008 and 2009, and the 2009 and 2013 general elections. All of these were appreciated as free and fair by the EU observers.
- During the political opposition in 2008, the EU issued a strong statement condemning violence in the east of Bolivia and attacks against NGOs and human rights defenders.
- Within the European parliament, MEPs participate in a delegation for relations with the Andean region (DAND) made up of 24 members from across political groups.
- MEPs from the DAND make visits to countries in the region twice a year.
- There is also a joint European/Latin American Assembly (EUROLAT) made up of parliamentarians from both continents, which sits twice a year and deals with bi-regional issues.

BOLIVIAN TRADE WITH THE EU 2001-2014 (Mill. US\$)



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	ene- oct 2014
■ Balanza Comercial (BC)	-20	-56	-31	-3	-77	-28	61	8	81	203	93	-136	-347	-447
— Exportaciones (X)	140	97	113	163	165	249	396	440	496	696	816	683	849	667
- - - Importaciones (M)	161	153	144	167	242	277	335	432	415	493	722	819	1,196	1,114

TRADE

BOLIVIA-UNITED KINGDOM

Comercio de Bolivia con Reino Unido

Balanza Comercial de Bolivia por años (en dólares)

Detalle	2010	2011	2012
Exportaciones (X)	101.420.261	156.290.534	108.368.150
Importaciones (M)	32.268.715	46.221.572	67.466.303
Balanza Comercial (BC)	69.151.546	110.068.962	40.901.847

Porcentaje de participación sobre el valor total

Detalle	2010	2011	2012
Exportaciones (X)	1,44%	1,70%	0,91%
Importaciones (M)	0,60%	0,58%	0,81%

Número de artículos

Detalle	2010	2011	2012
Exportados (X)	116	87	98
Importados (M)	1.191	1.163	1.213

Balanza Comercial de Bolivia a agosto de cada año (en dólares)

Detalle	2010	2011	2012	2013
Exportaciones (X)	65.568.598	85.933.037	69.891.573	74.091.962
Importaciones (M)	17.774.506	25.974.793	40.600.578	44.761.853
Balanza Comercial (BC)	47.794.092	59.958.244	29.290.995	29.330.109

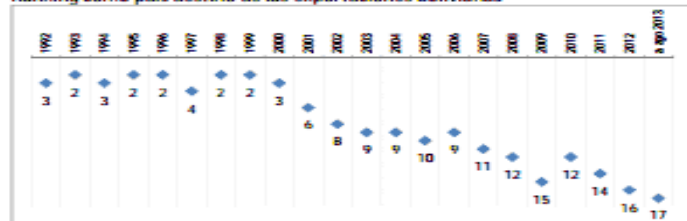
Porcentaje de participación sobre el valor total a agosto de cada año

Detalle	2010	2011	2012	2013
Exportaciones (X)	1,46%	1,46%	0,95%	0,93%
Importaciones (M)	0,53%	0,53%	0,77%	0,77%

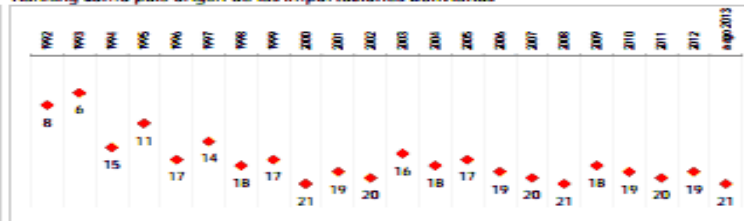
Número de artículos a agosto de cada año

Detalle	2010	2011	2012	2013
Exportados (X)	92	65	81	89
Importados (M)	908	923	959	1.060

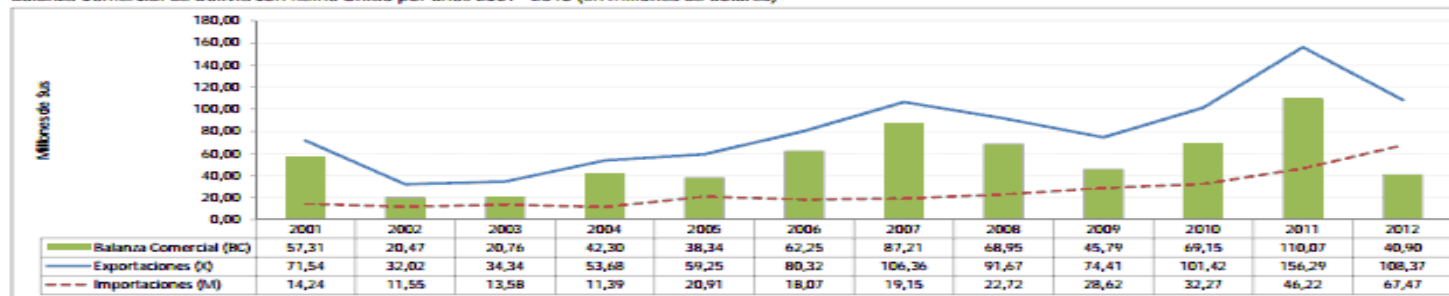
Ranking como país destino de las exportaciones Bolivianas



Ranking como país origen de las importaciones Bolivianas



Balanza Comercial de Bolivia con Reino Unido por años 2001 - 2013 (en millones de dólares)



BOLIVIAN EXPORTS THE UK

Lista de los principales productos exportados a Reino Unido por años 2011 - 2012 (en dólares)

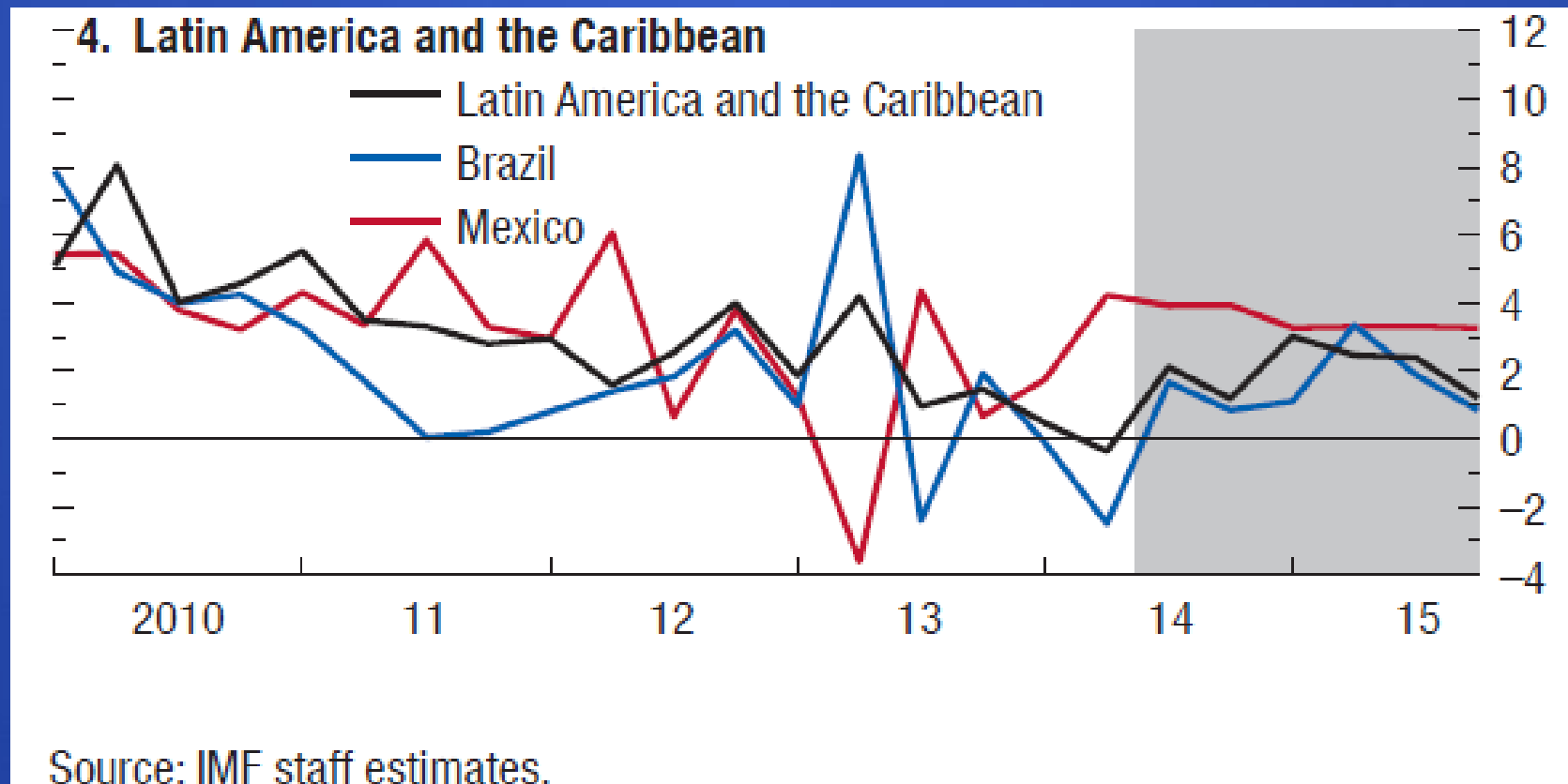
NANDA/IA	Descripción	2011		2012	
		Valor (\$us)	%	Valor (\$us)	%
0801220000	NUCES DEL BRASIL SIN CASCARA, FRESCOS O SECOS	46.632.726	29,8%	33.539.317	30,9%
8001100000	ESTAÑO SIN ALEAR	41.760.004	26,7%	32.117.097	29,6%
2616100000	MINERALES DE PLATA Y SUS CONCENTRADOS	20.794.577	13,3%	25.645.552	23,7%
2608000000	MINERAL DE CINC Y SUS CONCENTRADOS	11.619.972	7,4%	9.939.949	9,2%
8479899000	LAS DEMÁS MÁQUINAS Y APARATOS MECANICOS CON FUNCION PROPIA, NO EXPRESADOS NI COMPRENDIDOS EN OTRA PARTE DE ESTE CAPITULO	337.948	0,2%	1.319.459	1,2%
1008509000	LAS DEMÁS QUINUAS (QUINUA) (CHENOPODIUM QUINUA)		0,0%	1.071.988	1,0%
8001200000	ALEACIONES DE ESTAÑO	1.483.137	0,9%	917.705	0,8%
9403400000	LOS DEMÁS MUEBLES DE MADERA	2.214.005	1,4%	888.316	0,8%
5105391000	LOS DEMÁS PELO FINO CARDADO O PEINADO: DE ALPACA O DE LLAMA	689.612	0,4%	670.684	0,6%

RELATIONS WITH THE US

- Bolivia's relationship swung between interventionism and hostility and adaptation to Washington's desires. Potential communist threat after 1952 revolution.
- Right-wing military governments of the 1960s and 1970s adopted to Washington's objectives. 1980s and 1990s, coca production main concern. Good terms with Banzer government of 1997-2001 with its 'zero-coca' policy and diplomatic immunity for all US staff.
- 2002 Manuel Rocha, then US ambassador in La Paz, warned Bolivians not to vote for Morales, consequently his intervention increased support for Morales.
- Stressed relations with the election of Evo Morales in 2005. Rejection of trade liberalisation with the United States.
- Demand for the extradition of former president Gonzalo Sánchez de Lozada (who fled to the United States after his ouster in 2003).
- In September 2008, media luna civic coup to bring down the government and massacre of indigenous campesinos in Pando. Amb. Philip Goldberg was declared persona non grata and expelled from Bolivia, accused of conspiring with the opposition and involvement in the destabilising actions. The US immediately asked the Bolivian Ambassador in Washington, Gustavo Guzmán, to leave the country.
- Bolivia expelled the Drug Enforcement Administration (DEA) personnel from Bolivia and later the USAID.
- The Bush administration "decertified" Bolivia in 2009 for what it said was a failure to meet its "obligations under international counter-narcotics agreements" and cancelled the trade preferences for Bolivia (ATPDEA).
- There are new signs of good will from both sides with the negotiation a 'framework agreement' to govern bilateral relations.
- Intention of nomination of Ambassadors for this semester.

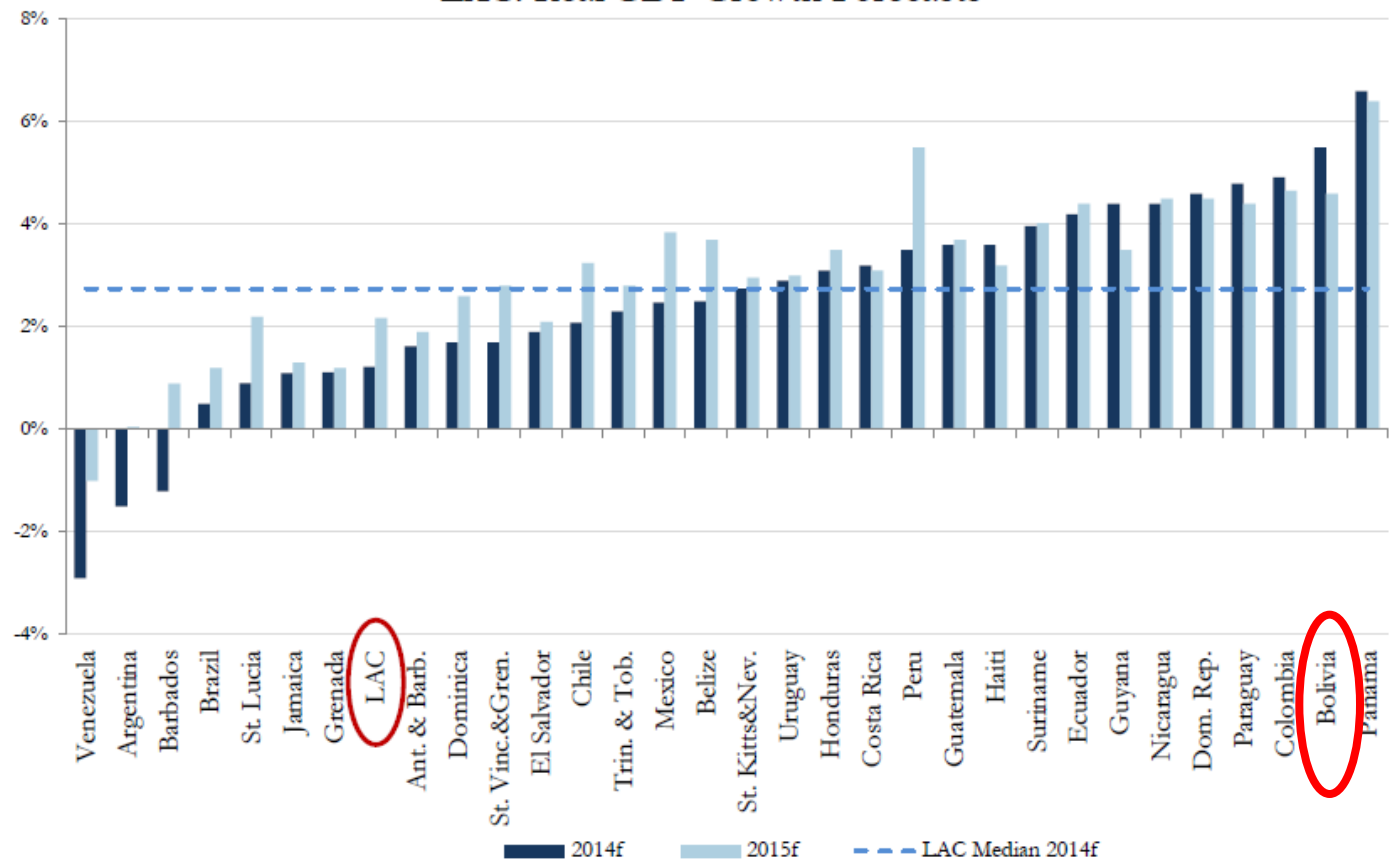
ECONOMIC FORECAST *2015*

LATINAMERICAN ECONOMIC GDP RATE TENDENCIES

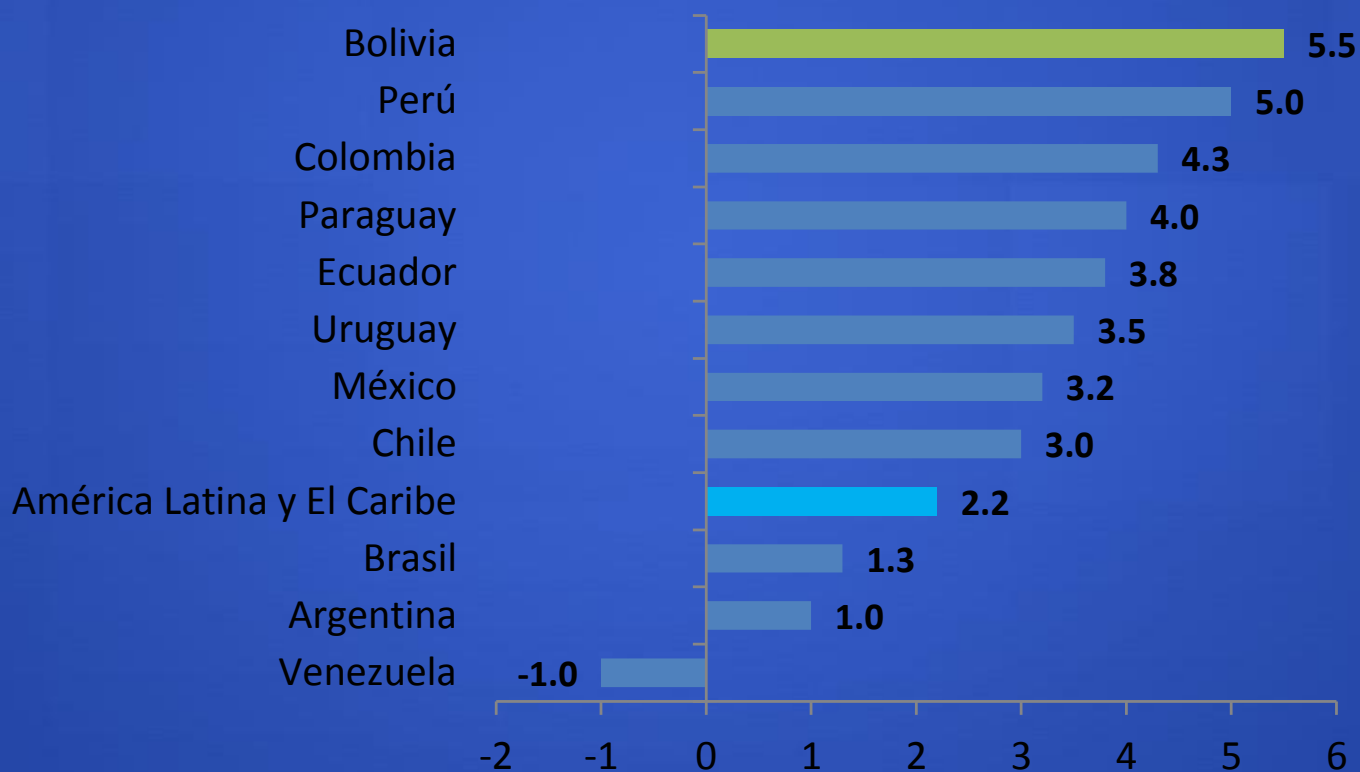


LATINAMERICAN 2015 FORECAST OF GDP GROWTH

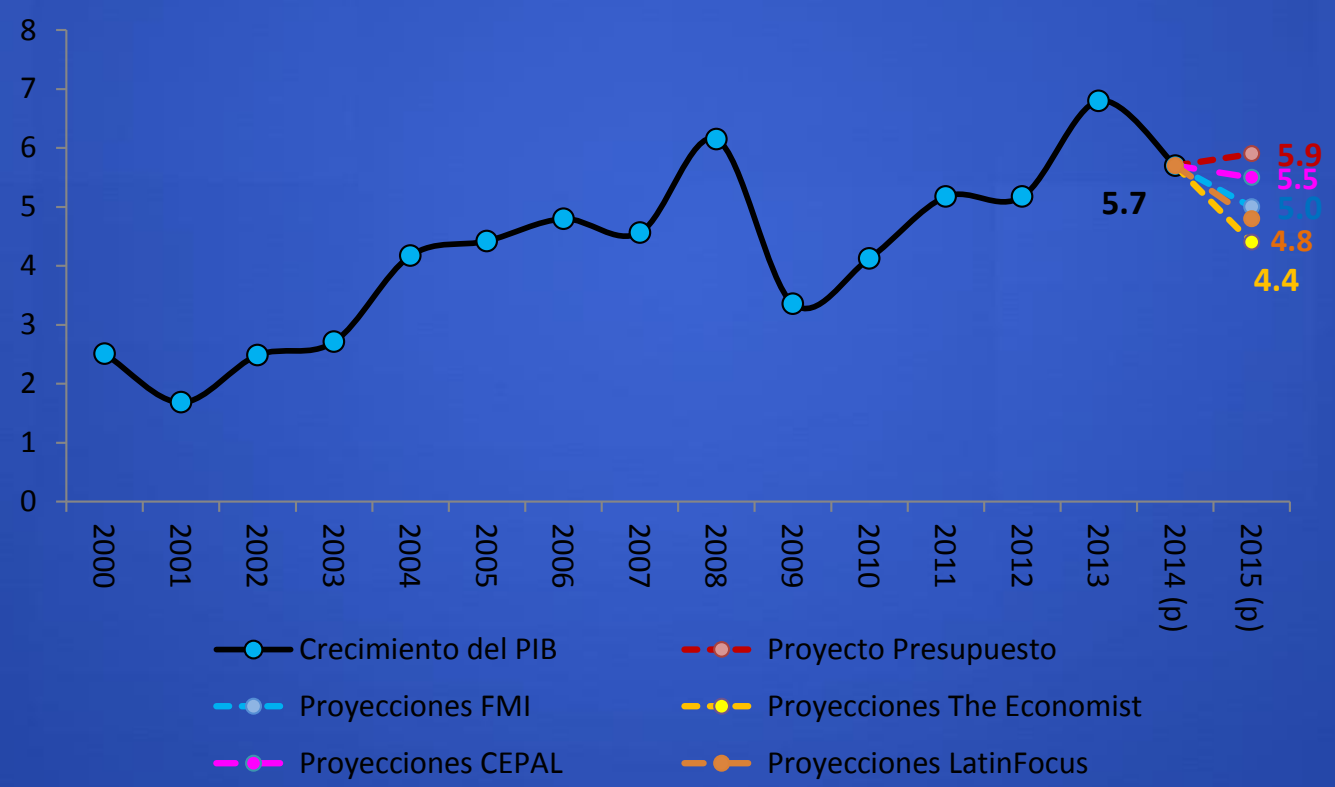
LAC: Real GDP Growth Forecasts



CEPAL 2015 FORCAST OF GDP IN SOUTHAMERICA (DECEMBER 2014)



DIFERENT ESTIMATES FOR BOLIVIAN GDP RATE 2015



Thank you...

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