

## **EXECUTIVE SUMMARY**

### **Introduction:**

The government of President Sánchez de Lozada, in office until June 1997, has continued a trend initiated in 1985 by President Victor Paz Estenssoro, who introduced a liberal political and economic policy to a country that had grown used to many years of military dictatorship and state-led economy, plagued by inefficiency and corruption.

This new approach has created the conditions of political stability and open economy that has fostered the arrival of many foreign companies decided to join the local private businessmen who are now investing in new mining projects in Bolivia.

The development of new mining projects will bring new prosperity to Bolivia and offer an excellent market for the Canadian suppliers of mining equipment and services.

### **The Bolivian mining industry:**

The Andes mountains occupy more than a quarter of the country area and hide an enormous wealth of many different minerals.

After many years of being a leading producer of silver, Bolivia turned into an important producer of tin, until its private industry was nationalized in 1952, initiating a trend of technological obsolescence and lack of investment that led to depletion of the mineral reserves and the reduction of production and exports.

Starting in 1985, the Bolivian mining industry has started a process of modernization, replacing the traditional tin mining operations for more productive minerals like silver, lead, zinc, and lately gold.

A frenzy of mining exploration has discovered new, interesting prospects in non-traditional areas like Sud Lipez and the Pre-Cambrian, where many foreign companies (among them several Canadian ones) are now operating.

The production of minerals in Bolivia during 1995 was: 6,654 MT of Antimony; 14,733 MT of Tin; 428 MT of Silver; 20,451 MT of Lead; 826 MT of Tungsten; 146,130 MT of Zinc; 127 MT of Copper; 14.4 MT of Gold.