

1. INTRODUCTION

The mining sector has been and will continue to be for a long time one of the driving forces in the Bolivian economy.

After many years of a protectionist and state-led economy that conduced to the stagnation of its mining industry, the governments of Presidents Paz Estenssoro (1985), Paz Zamora (1989), and Sánchez de Lozada (1993) brought to the country the most needed political and economical stability and introduced the policy of free market and promotion of private investment.

As a result of the new conditions existing in the country, a large number of private firms, local and foreign, have begun a new trend of mass exploration and modernization of the mining industry.

The extraordinary mineral wealth hidden in the Bolivian Andes and in the new mining frontier in this country, the Pre-Cambrian, are witnessing the development of many new mining projects that are creating excellent opportunities for the participation of Canadian investors and suppliers.

2. BOLIVIA AT A GLANCE

The country: Bolivia is locate in the center of South America and is bordered by Peru, Chile, Argentina, Paraguay and Brazil. It lies between the 9°38' and 22°53' parallel south, and 57°25' and 69°38' west. It has a surface area of 424, 200 square miles, which makes it larger than any country in Europe.

The climate varies from the tropical plains in the east to the alpine climate of the high Andes in the west. The Andean Plateau occupies 20 percent of the country. It has two principal seasons, the dry and the wet, with the latter running from mid-December to early April.

The people: Bolivia has an estimated population of 6.5 million with the majority being of aboriginal descent. The official language is Spanish but, in certain sectors, Aymara and Quechua are spoken.

Government: Bolivia is a Democratic Republic with an executive branch, the Presidency, a legislative branch, the Congress, and a judicial branch, the Supreme Court. The present government is led by President Gonzalo Sánchez de Lozada. New elections will take place in June, 1997.