

Price Monitoring and Analysis Country Brief

Bolivia

May 2010

Key Messages

- Cereal prices in major markets have shown a declining trend but local cereal prices are still much higher than international prices.
- Food security of many families has been affected by the El Niño phenomenon which caused heavy rains and floods.
- There is consensus among concerned agencies on a serious hunger problem in the long term.
- The government has implemented temporary trade measures to maintain low prices and guarantee domestic food supply.

Background

Bolivia's total population in 2008 was about 9.68 million, while the annual growth rate was 1%. In 2005, 22% of the population was reported to be undernourished.

| Economic Indicators | View Data |
|---|-----------|
| Total Population - 2008 (WB) | 9684093 |
| Population growth rate - 2008 (WB) | 1% |
| GNI per capita, \$ PPP - 2008 (WB) | 4140 |
| Population below 1\$ PPP per day - 2005 (MDGI) | 19% |
| Rural population - 2007 (WB) | 35% |
| Agriculture, value added (% of GDP) - 2008 (WB) | 13% |

| Food Consumption | |
|---|-----|
| Undernourished Population - 2005 (FAO) | 22% |
| Cereal share in total dietary energy consumption - 2005 (FAO) | 41% |
| Meat share in total dietary energy consumption - 2005 (FAO) | 11% |

| Health Indicators | |
|--|-----|
| Pop. with sustainable access to improved sanitation - 2006 (WHO) | 43% |
| Life expectancy at birth (years) both sexes - 2006 (WHO) | 66 |
| Pop. with access to improved drinking water sources - 2006 (WHO) | 86% |
| Prevalence of HIV among adults aged >= 15 years - 2005 (WHO) | 0% |

Prices

Wholesale prices of yellow maize in the major market of Santa Cruz have slightly declined to 3.35 Boliviano/Kg in May 2010 from Feb 2010 (3.97). Also wholesale rice prices are gradually falling to 5.87 in May from 6.79 in Feb. Wheat (pelado) wholesale prices in Santa Cruz remained stable at 4.8/4.9 Boliviano/kg in recent months. In La Paz markets rice and wheat prices were also stable since February registering 6.7 and 6.09 Boliviano/kg respectively in May. Compared to international prices of US wheat (No2 Hard Red Winter) priced at 200.25 USD/T in April 2010, wheat flour prices in La Paz were 170% higher (541.31 USD/T). Also rice prices (954.18 USD/T) were much higher (183%) than the international prices of Rice Thai A1 Super, Bangkok (337.25 USD/T).

Natural Disasters, Drought and Conflicts

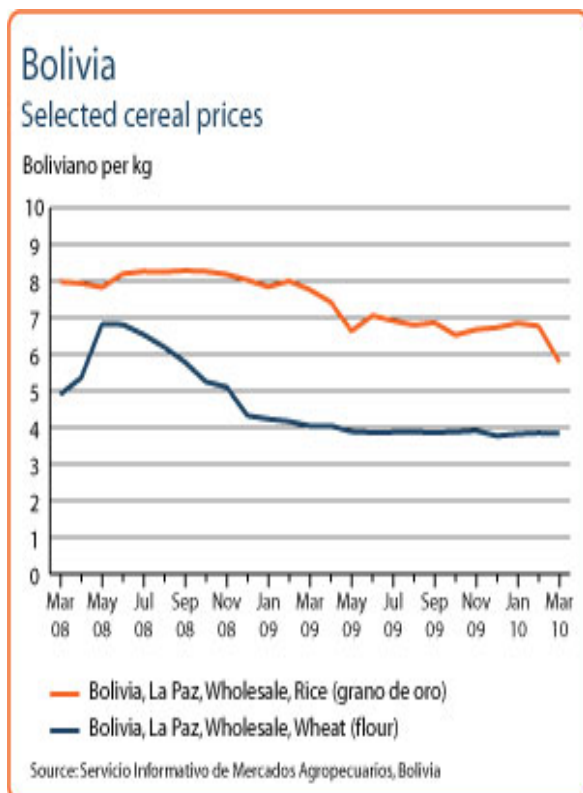
Since late 2009 and throughout March 2010, Bolivia has been hit by heavy rains due to El Niño weather phenomenon. Floods and landslides caused major damages in eight of the nine districts, the most affected being Chochabamba, Santa Cruz, Beni and La Paz. The Bolivia's Civil Defence assessment reported that some 45,200 families need emergency assistance. With the help of international agencies such as CERF and United Nations agencies, the Government is taking steps to attend to the affected population.

| Refugees and IDPs | 2006 | 2007 | 2008 |
|---------------------------|------|------|------|
| Total in the country | 587 | 794 | 755 |
| Total outside the country | 803 | 851 | 615 |

Source: UNHCR Statistical Online Population Database, United Nations High Commissioner for Refugees (UNHCR), Data extracted on 22/10/2009.

| Disaster Type (last year) | Date | Location | Alert |
|---------------------------|------------|---------------|-------|
| Earthquake | 2010-04-20 | LaPaz | 1/3 |
| Earthquake | 2010-04-18 | Cochabamba | 1/3 |
| Flood | 2010-01-27 | Manyprovinces | 1/3 |

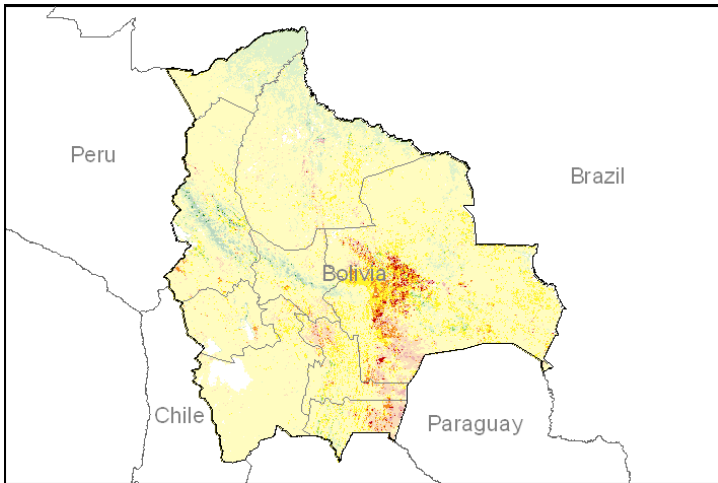
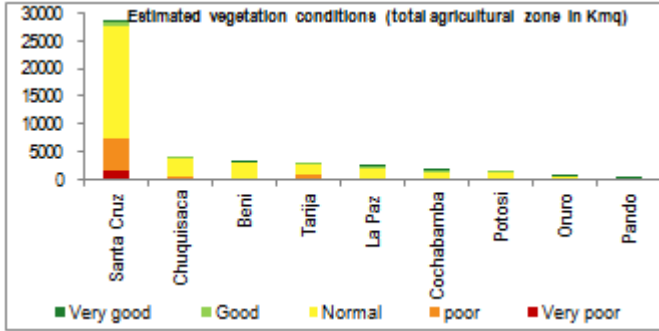
Source: Global Disaster Alert and Coordination System - 3 = 1000 or more people killed or 80000 or more people displaced. 2 = 100 or more people killed or 80000 or more displaced.



Source: GIEWS Country Briefs

Vegetation Condition

Normal vegetation conditions are observed throughout the country with some concerns for the province of Santa Cruz. The general indicator of vegetation condition provided below is the relative difference between the NDVI for April 2010 and the average of the last 10 years, calculated on the agricultural zones derived from the GLOBCOVER land cover database (2005).



Source: JRC MARS & FoodSec

Food Security Situation

Food security of many families has been affected by floods in western parts of the country. CERF has allocated \$2.5 million for humanitarian response to assist 15,300 families. About \$1.1 million will go to the WFP for food assistance. In the long term WFP and IFPRI predict moderately high and a serious hunger problem.

CURRENT EMERGENCY ASSESMENT

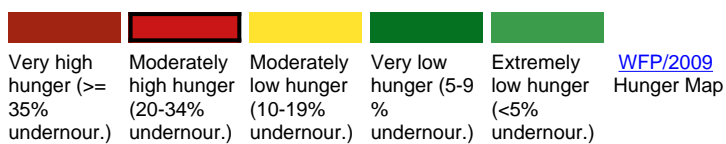
Bolivia is not part of the countries in crisis requiring external assistance

[FAO/GIEWS CPFS 2010](#)

Bolivia is not covered by FEWSNET. FEWSNET coverage is limited 14 African countries 1 Caribbean (Haiti) and 1 Central Asia (Afghanistan). Food security status is given for different parts of the country in each case.

[FEWSNET](#)

SCALE OF HUNGER



Food Balance Sheet

Planting of rice was completed in February 2010 while harvesting of summer maize crop is underway. No official estimates are yet available. Some localized losses were reported due to heavy rains, but normal vegetation conditions should confirm good average yields. The country is still highly dependent on wheat imports which, for marketing year 2009/10, are forecasted at about 390,000 tonnes.

Government Policies

On the 24th February 2010, temporary bans on maize and sorghum export were imposed by the Bolivian government with the intent to guarantee domestic supply and to lower prices. The governmental has also lifted import bans on wheat flour.

| | |
|---------------------------------------|-------------------------------------|
| Consumer and market oriented measures | Lower price through export bans. |
| Producer oriented measures | n.a. |
| Trade policy measures | Bans on export; lifted import bans. |
| Safety net (increased or introduced) | n.a. |

Different sources

Current events to watch (Click to see the full report)

No News Found

For more information, contact: Information-for-action@fao.org
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