

Table 1. Bolivia: Unsatisfied Basic Needs (UBN) by Department, 1976-92 1/

	Overall	Chuquisaca	La Paz	Cocha- bamba	Oruro	Potosí	Tarija	Santa Cruz	Beni	Pando
1976										
UBN index	85.5	90.5	83.2	85.1	84.5	92.8	87.0	79.2	91.4	96.4
Inadequate housing materials	81.9	95.4	76.8	89.2	82.2	90.8	85.0	64.1	92.6	91.3
Lack of density per room	60.7	62.4	57.8	56.4	57.0	60.6	63.5	69.9	76.6	73.9
Inadequate access to water services	74.1	80.4	75.1	79.5	69.0	86.1	74.8	48.0	77.5	93.2
Inadequate access to sanitary services	84.6	88.5	84.2	84.9	88.5	92.7	84.0	79.7	83.2	84.9
Lack of electrical energy	66.0	82.0	58.0	68.0	59.0	77.0	77.0	60.0	74.0	85.0
1992										
UBN index	69.8	78.8	69.0	69.6	70.6	83.3	69.1	59.1	81.1	84.9
Inadequate housing materials	49.5	61.6	51.5	50.4	43.4	66.5	45.7	30.6	68.1	62.6
Lack of density per room	57.8	59.3	54.5	54.3	54.3	54.8	60.3	65.7	71.1	66.3
Inadequate access to water services	52.3	60.8	51.9	59.3	43.9	68.9	43.5	34.9	68.1	77.2
Inadequate access to sanitary services	70.1	75.8	72.0	68.4	84.1	86.7	63.3	57.3	71.7	69.4
Lack of electrical energy	45.0	65.0	40.0	44.0	40.0	64.0	49.0	33.0	52.0	71.0

Source: Poverty map.

1/ Estimations based upon Unsatisfied Basic Need methodology.

Table 2. Bolivia: Poverty Indexes by Area, 1989-97 1/

	Urban		Rural	
	1989	1997	1989	1997
Poor population (in percent)	57.0	53.0	n.d.	77.3
Extremely poor population (in percent)	29.6	23.6	n.d.	58.2
Poverty gap	27.8	27.0	n.d.	48.7

Source: National Employment Survey, 1997.

1/ Measures based on poverty line method using per capita family income.

Table 3. Bolivia: Income Distribution by Area, 1997
(Per capita income)

	Poorest Quintile	2nd. Quintile	3rd. Quintile	4th. Quintile	Richest 5th. Quintile
Urban	4.7	9.2	12.8	20.2	53.1
Rural	4.4	7.8	11.3	17.2	59.3

Source: National employment survey, 1997.

Table 4. Bolivia: Employment Indicators by Poverty Condition, 1997

	Non-poor	Poor	All
Gross labor force participation rate (GPR)	47.1	34.2	40.6
Net labor force participation rate (NPR)	57.3	47.2	52.5
Occupation rate	55.9	43.8	50.2
Open unemployment rate	2.4	7.1	4.4
Underemployment (by hours worked)	8.8	11.5	9.9
Informal sector (in percent)	38.7	53.1	44.7
Employment structure by category			
Blue collar	11.7	16.9	13.9
White collar	38.4	26.3	33.4
Self employed	30	38.7	33.7
Employer	9.5	3.4	7
Familiar worker	6.1	8.8	7.2
Independent professional	1.6	0.2	1
Housekeeper/maid	2.6	5.6	3.9

Source: National Employment Survey, 1997.

Table 5. Bolivia: Education, Basic Services, and Housing Indicators, 1997

	Non-poor	Poor	Overall
Population of 15 years old or more without any level of education (in percent)	8.6	20.9	15.7
Population of 15 years old or more with elementary or less education (in percent)	28.5	55.2	44
Population of 15 years old or more with at least secondary education (in percent)	58	29.4	41.4
Population of 15 years old or more with tertiary education (in percent)	24.8	6.3	14.1
Housing lacking water services (in percent)	22.2	44.8	35.1
Housing without sanitary services (in percent)	24.9	53	40.9
Housing without sewerage services (in percent)	45.5	73.9	61.7
Housing without electricity (in percent)	19.0	43.1	32.7
Average people per room	1.53	2.42	2.03

Source: National Employment Survey, 1997.

Table 6. Bolivia: Education Sector Indicators--Primary and Secondary Levels, 1990-97

	1990	1993	1996	1997
School-age population (in thousands) 1/	1,948	2,062	2,185	2,234
Performance Indicators				
Coverage (in percent) 2/	76.9	81.9	86.5	87.3
Drop-out rate (in percent) 3/	7.2	14.0	9.8	9.8
Fail rate (in percent) 4/	7.6	5.0
Pass rate (in percent) 5/	92.4	95.0
Retention rate (in percent) 6/	28.7	41.1	45.6	46.2
Supply indicators				
Number of teachers (in thousands) 7/	67.1	78	89.7	89.0(p)
Number of schools (in thousands) 8/	...	12.3	13.1	13.8

Sources: National Institute of Statistics Yearbook 1997; and Educational Reform Program, July 1997.

1/ Population aged between 6 and 17 years.

2/ Students enrolled in public and private education/population of school age.

3/ Number of dropouts/enrolled pupils.

4/ Failed Students/active Students.

5/ Number of passed students/active students.

6/ Students enrolled in eighth year of primary/students enrolled in first year primary, in school cohort.

7/ Source: National Institute of Statistics Yearbook 1997 and Educational Reform Program, July 1997.

8/ Source: Educational Reform Program, July 1997.

Table 7. Bolivia: Health Condition and Type of Attention by Poverty Group
Population of 15 Years Old or More, 1997

	Non-poor	Poor	Extreme poor	Overall
During the last four weeks was:				
Healthy	84.5	83.3	78.8	82.1
Ill	15.5	16.7	21.2	17.9
If Ill has visited:				
Doctor	56.9	42.4	29.5	41.5
Nurse	3.5	4.1	3.8	3.8
Health practitioner	0.9	2.6	3.2	2.3
Traditional medicine	1.5	1.9	2.8	2.2
Pharmacist	2.4	3.9	2.4	2.8
Dentist	0.2	0.3	0.4	0.3
No attention	34.6	44.9	57.8	47.2

Source: National Employment Survey, 1997.

Table 8. Bolivia: Health Sector Indicators

	Source	1994	1998
Infant mortality rate (per 1,000 live births)	ENDSA	75	67
Maternal mortality (per 100,000 live births)	ENDSA	390	...
Prevalence of malnutrition	ENDSA	15.7	9.5
		1997	1997
Births in hospitals	SNIS	44%	49%
Homes fumigated against Chagas' disease (endemic areas) MSPS	MSPS	13%	17%
		1997	1998
Infrastructure 1/			
Establishments per 10,000 inhabitants	SNIS	3.04	3.13
Hospital beds per 1,000 inhabitants	SNIS	1.44	1.45
Human resources 2/	SNIS		
Doctors per 10,000 inhabitants	SNIS	3.13	3.22
Nurses per 10,000 inhabitants	SNIS	1.5	1.61
Nursing assistants per 10,000 inhabitants	SNIS	4.66	4.78
Administrative staff per 10,000 inhabitants	SNIS	1.69	1.66
Support staff per 10,000 inhabitants	SNIS	2.86	2.8

Source: INE and MSPS (SNIS).

1/ These indicators have been constructed based on the infrastructure of institutions such as the MSPS, Social Security, NGOs, the church, and the private sector.

2/ These indicators have been calculated based on information of the public sector only.

Table 9. Bolivia: Coverage of Basic Sanitation Services
in Rural and Urban Areas

	1992	1997
Population by water supply system		
Urban area		
Connection inside the house	74.7	88.3
Connection outside the house	9.1	5.5
Without connection, other sources	16.2	6.2
Rural area		
Connection inside the house	17.3	29.3
Connection outside the house	6.5	7.7
Without connection, other sources	76.2	63
Population by sanitation service system		
Urban Area		
Public sewerage	35.3	43.9
Other with water	13.5	11.6
Other without water	14.9	23.3
Without service	36.3	21.1
Rural area		
Public sewerage	0.9	1.7
Other with water	2.3	1.8
Other without water	15	29.2
Without service	81.8	67.3

Source: INE statistics.

Table 10. Bolivia: Macroeconomic Framework

	1998	1998 1/	2000	2001	2002
Nominal GDP (millions of Bs.)	47,225	49,733	54,228	59,764	66,243
Nominal GDP (millions of US\$)	8,555	8,531	8,715	9,043	9,645
GDP per capita (in US\$)	1,076	1,048	1,046	1,063	1,109
Real GDP growth (in percent)	4.7	2.0	4.0	5.5	6.0
CPI inflation, end of period (in percent)	4.4	3.0	4.5	4.5	4.5
	(In percent of GDP)				
Investment	20.0	18.4	19.7	20.5	20.8
Public	5.7	6.1	6.3	6.2	6.2
Private	14.2	12.3	13.4	14.3	14.7
Domestic savings	12.1	12.1	12.9	13.9	14.8
Public	1.6	1.8	2.7	3.3	3.5
Private	10.4	10.3	10.2	10.6	11.3
External current account balance	-7.9	-6.3	-6.8	-6.6	-6.0
Overall balance of combined public sector	-4.0	-4.2	-3.7	-3.2	-2.3
Excluding pensions	-0.1	-0.2	0.2	0.9	1.9
Pensions	-3.9	-3.9	-3.9	-4.1	-4.2
Financing of combined public sector (net)	4.0	4.2	3.7	3.2	2.3
External (net)	2.8	2.5	2.4	2.7	2.0
Domestic (net)	1.2	1.7	1.3	0.5	0.3

Source: Ministry of Finance.

1/ Preliminary figures.

Table 11. Bolivia: Fiscal Framework

	1998	1999 1/	2000
Total revenue	24.9	24.0	25.1
Taxes	19.4	18.5	19.4
Non tax revenue	3.5	4.0	3.7
Foreign grants	1.3	0.9	1.4
Sale of assets	0.7	0.6	0.5
Expenditures and public investment	28.8	28.1	28.8
Social expenditures	12.1	12.2	12.4
Current expenditures	8.0	8.1	7.8
Public investment	4.1	4.1	4.6
Education	5.7	6.0	6.0
Current expenditures	5.0	5.2	5.0
Public investment	0.8	0.8	1.0
Health	3.3	3.1	3.4
Current expenditures	2.9	2.7	2.6
Public investment	0.4	0.5	0.8
Basic sanitation	1.1	1.2	1.1
Current expenditures	0.1	0.1	0.1
Public Investment	1.0	1.1	1.0
Rural development	1.2	1.2	1.2
Urbanism	0.8	0.6	0.7
Current expenditures	0.1	0.1	0.1
Public investment	0.7	0.6	0.6
Global deficit	-4.0	-4.2	-3.7
Foreign financing	2.8	2.5	2.4
Domestic financing	1.2	1.7	1.3

Source: Ministry of Finance.

1/ Preliminary figures.

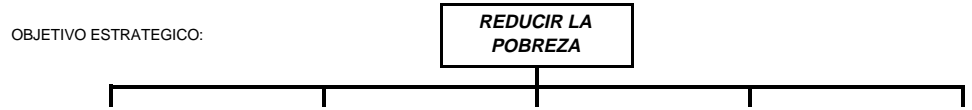
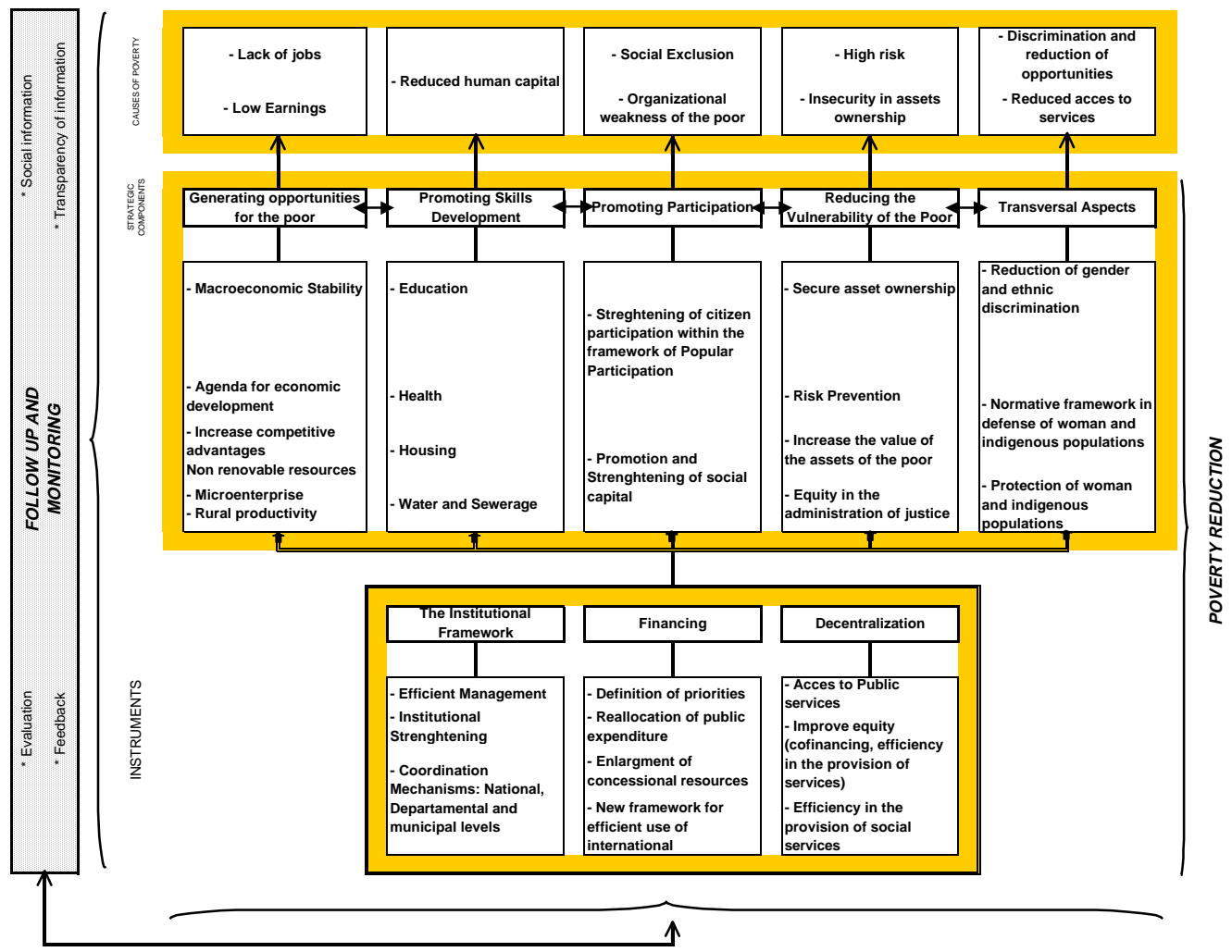


Figure 1. Bolivia: Conceptual Framework of the Poverty Reduction Strategy



Bolivia: Matrix of Strategic Components and Policies				
Components	Objectives	Policies	Pillar	Situation
1. Opportunities for the poor				
1.1. Macroeconomic Conditions				In Process
	Maintain Macroeconomic Stability			
		Continuity of the Monetary and Fiscal Policies		
		Amplification of the universe of taxpayers and application of the customs reform	Opportunity	
		Promote fiscal savings to increase investments, restricting fiscal expenditure	Opportunity	
		Maintain the flexibility of the exchange rate	Opportunity	
1.2. Development agenda			Opportunity	In Process
	Promote economic development			
	Promote Comparative Advantages	Productive Development	Opportunity	
		Strengthen Institutions and Norms	Opportunity	
		Support Infrastructure for Production	Opportunity	
	Development of Non Renewable Resources	Rational use of renewable resources by the private sector	Opportunity	
		Transformation incorporating greater value added	Opportunity	
1.3. Development and equity			Opportunity	In Process
	Promoting better options of occupation and income for the poor			
		Strengthening microenterprise	Opportunity	
		Increasing rural productivity	Opportunity	
		Opening market opportunities	Opportunity	
		Promotion of Rural and Urban microcredit	Opportunity	

Bolivia: Matrix of Strategic Components and Policies				
Components	Objectives	Policies	Pillar	Situation
2. Promoting skills development among the poor				
	Promote and strengthen human capital			
2.1. Education				In Process
	Increase the coverage of educational services and improve the quality of education			
		Educational reform	Equity	
		Reform of higher education	Equity	
		Education infrastructure	Equity	
2.2. Health				In Process
	Reduce the high maternal child morbidity and mortality rates and lowering the high incidence of transmittable diseases			
		Basic Health Insurance	Equity	
		Epidemiological “Shield”	Equity	
		Health Infrastructure	Equity	
		Strength Decentralization	Equity	
		Promote a integral nutritional program (PAN)	Equity	
2.3. Housing				In Process
	Facilitate the access to adequate housing conditions for the poor			
		Improvement of the neighborhoods (sub urban-rural)	Equity	
		Improvement of the housing conditions in zones affected by endemic diseases (rural)	Equity	
		Direct Subsidies for housing to the poor	Equity	

Bolivia: Matrix of Strategic Components and Policies				
Components	Objectives	Policies	Pillar	Situation
2.4. Water and basic sanitation				
	Extend the supply of drinking water and basic sanitation facilities to improve the living conditions of the neighborhoods and the quality of the environment in the poorest communities.			
		Establishment of the National Basic Sanitation Network (rural, sub urban)	Equity	
		Establishment of the National Basic Sanitation Training System (rural, sub urban)	Equity	
		Basic Sanitation Plan for Rural Areas	Equity	
		Basic Sanitation Program for Rural Areas	Equity	
3. Promoting Participation				
	Promoting a greater integration of the poor in actions and decisions related to social and economic policies.			In process
		Strengthening formal participation areas	Institutional reform	
		Enhancing and recognition of social capital of the poor	Institutional reform	
4. Reducing the Vulnerability of the poor				
	Reducing the risks of the poor with respect to ownership, assets, exclusion and security			
		Guaranteeing ownership of the assets of the poor in urban areas	Equity	
		Guaranteeing small farmers' land ownership rights	Equity	
		Raising the value of the assets of the poor	Equity	

Bolivia: Matrix of Strategic Components and Policies				
Components	Objectives	Policies	Pillar	Situation
		Reforms in the administration of justice	Institutional reform	
		Prevention and mitigation of risks	Equity	
5. Transversal aspects				
	Eliminate discrimination against women and indigenous populations in all social programs			
		Law against family violence, Indigenous People Law, draft Law against sexual harassment, amendments to the electoral Code, Political parties Law and the regulations of the Agrarian Reform Law (INRA)	Equity	
		Enhance bilingual intercultural education and programs directed to promote the enrollment of girls in the educational system.	Equity	

Bolivia: Matrix of Instrumental Policies		
Instrument	Objectives	Policy
1. Financing		
	Improve revenue collection and direct the funds to the social sector efficiently	
		Prioritize of social programs and improve the efficiency in their implementation
		Modify external funding to be consistent with the new framework for efficient use of International Cooperation
		Access to the Enhanced Highly Indebted Poor countries Initiative (HIPC)
		Establish mechanisms to promote private participation in the financing and delivering of social services
2. Institutional framework		
	Reform the institutional framework to strategic objectives	
		Establish public institutional reform in a decentralized framework for an efficient administration
		Strengthen institutional capabilities to attain improved performance of governmental institutions
		Develop the Civil Service Program to give stability to civil servants
3. Decentralization		
	Achieve greater efficiency providing services and promoting fiscal responsibility and social control at the local level	
		Enhance the Popular Participation and the Administrative Decentralization Laws
		Define co-financing policy to promote vertical equity
4. Follow up and Monitoring		
	Follow up the Poverty Reduction Strategy (PRS)	
		Improve social information through the development of surveys and administrative records
		Improve the budget, social expenditure and public investment information
		Strengthen the generation of social indicators in the National Statistics Institute (INE).
		Evaluate the evolution of the PRS and divulge the results to the international and civil societies to make known the advances and receive feedback.

Bolivia: Institutional Framework and the Strategic Components
<i>Opportunities for the poor</i>
Microenterprise
- Standards and coordination by the Ministry of Labor and Microenterprise
- Financing: NAFIBO and FONDESIF
- Assistance and training: Decentralized Technical Assistance System (SAT) of the Ministry of Economic Development.
<i>Skills promotion</i>
a) Education
- Development of the Educational System (SEN) administered and regulated by the Ministry of Education, Culture and Sport
- The Municipalities will finance wages
- Supervision compliance with standards carried out by the Departmental Services (SEDUCAs)
b) Health
- Implementation of the health reform. Ministry of Health and Social Security.
- Programs designs and fund-raising: Ministry of Health and Social Security.
- Program coordination and control: Department of Health Services de Salud (SEDES)
- Infrastructure: Municipalities
- Technical operational support: Health districts
c) Housing, sewers, and drinking water
- Housing provided by the Ministry of Housing and Basic Services (MVSB).
- Planning and regulations: Ministry of Housing and basic Services (MVSB):
- Coordination of activities with investment (FIS and FNDR): MVSB
- Enforcement of rules and regulations: Departmental Basic Sanitation Directorates (DDSB).
- Reception and allocation of counterpart funds:) (DDSB)
- Coordination with NGOs and others: DDSB
<i>Participation</i>
- Promotion of citizens' participation: Ministry of Sustainable Development in coordination with the Ministry of the Presidency.
- Strategies to consolidate the decentralization and participation process: Ministry of Sustainable Development and Ministry of the Presidency.
<i>Vulnerability</i>
- Strengthening of the Judiciary, the Magistrates Council, the Constitutional Tribunal, and the Ombudsman.
- Legalization of the rural property and land tenure issues: National Institute of Agrarian Reform (INRA).
- Protection and reconstruction of areas hit by natural disasters: MVSB.