

Price Monitoring and Analysis Country Brief

Bolivia

September 2011 - February 2012

Key Messages

- In La Paz, rice prices registered a sharp decline followed by a sharp increase in January and February 2012.
- The food security situation is likely to be affected by heavy rains. WFP was requested to organize a rapid Emergency Food Security Assessment (EFSA) to be able, in partnership with the Government to respond to any possible food crisis.
- The Government has declared a state of emergency due to extensive flood which hit the country. Damages to crops are being estimated.
- The Government is supporting production with an insurance scheme; in the mean time it is also supporting the population affected by floods.

Background

Bolivia's total population is about 9.9 million, while the annual growth rate is 1%. Latest estimates report the prevalence of undernourishment at 27%.

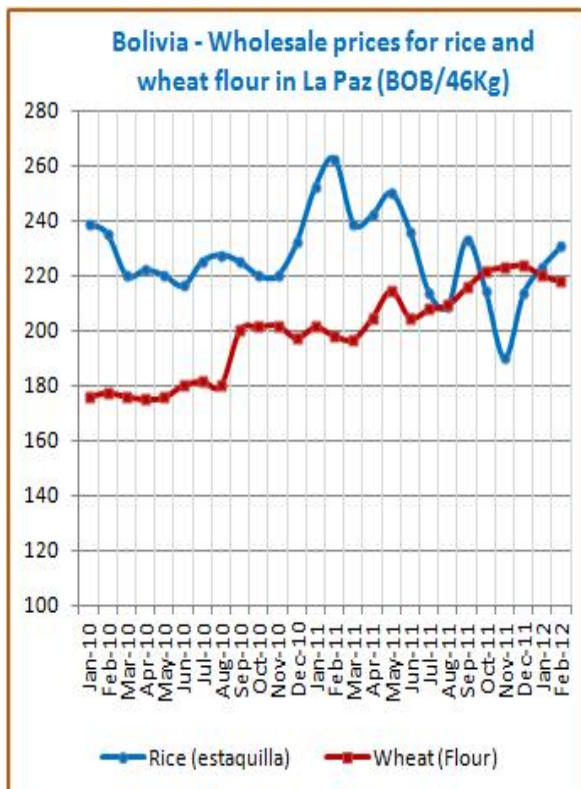
Economic Indicators	View Data
Total Population (millions) - 2010 (WB)	9.929
Population growth rate - 2010 (WB)	1%
GNI per capita, \$ PPP - 2010 (WB)	4610
Population below 1\$ PPP per day - 2007 (MDGI)	11%
Rural population - 2010 (WB)	33%
Agriculture, value added (% of GDP) - 2010 (WB)	13%

Food Consumption	
Undernourished Population - 2006/2008(FAO)	27%
Cereal share in total dietary energy consumption - 2007 (FAO)	47%
Meat share in total dietary energy consumption - 2007 (FAO)	10%

Health Indicators	
Pop. with sustainable access to improved sanitation - 2008 (WHO)	25%
Life expectancy at birth (years) both sexes - 2009 (WHO)	68
Pop. with access to improved drinking water sources - 2008 (WHO)	86%
Prevalence of HIV among adults aged >= 15 years - 2009 (WHO)	0.2%

Prices

Rice prices in La Paz decreased between Sept/Nov, but had a dramatic increase (21%) in Dec to 230.6 BoB/46Kg in Feb 2012. Wheat flour prices went slightly up in Sept/Nov and then dropped by the same level in Feb to 231.38 BoB/45kg. Maize prices in La Paz declined sharply (24%) between Sept and Feb to 22.82 BoB/11.5Kg. In Santa Cruz, wheat flour prices stabilized at 200 BoB/45Kg in the reference period while rice prices showed a volatile trend and were at 220 BoB/46Kg in Feb 2012. In La Paz, in Feb 2012, wheat prices were 129% above prices of Wheat No2 Hard Red Winter, and rice prices were 37% above prices of Rice US Long Grain 2.4%.



Source: GIEWS Country Briefs

Food Security Situation Assessment

Food security conditions in many departments might be affected, as heavy rains hit most of the country in the past months. The Government has declared state of emergency as the rainy season will continue until March. Together with the Civil Defense, the government is securing humanitarian aid for affected families, and requested the WFP to support a food needs' assessment. WFP operations (CP and PRRO) are facing significant shortfalls; however, PRRO does have some stocks that could be used for initial response if required and solicited by the government. FAO reports high undernourishment levels while IFPRI estimates a serious problem of hunger.

CURRENT EMERGENCY ASSESSMENT

Exceptional shortfall in aggregate food production supplies	Widespread lack of access	Severe localized food insecurity	FAO/GIEWS CPFS 2011
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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 (% of Undernourishment)

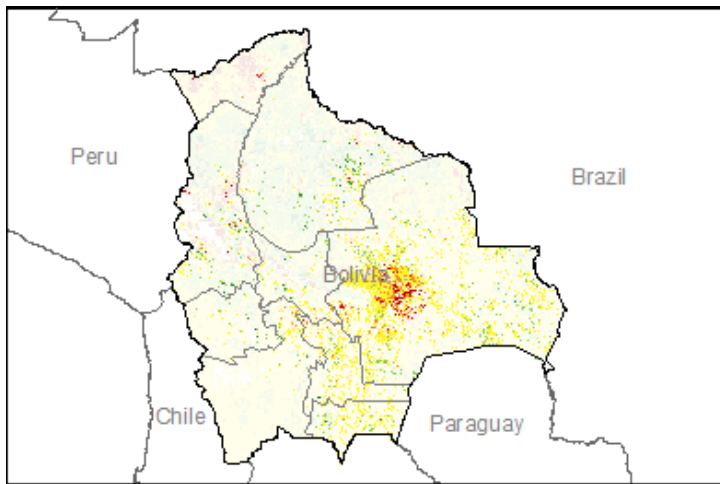
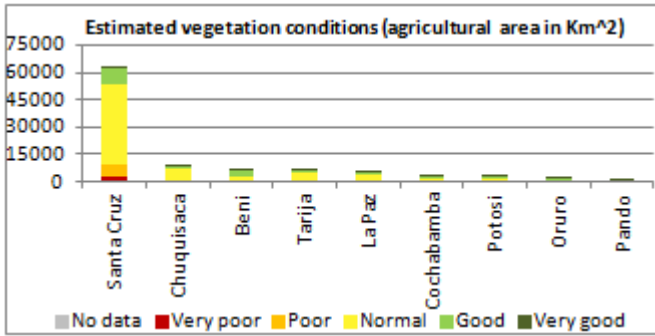
Very high (>= 35%)	High (25-34%)	Moderately high (15-24%)	Moderately low (5-14%)	Very low (< 5% under.)	FAO Hunger Map
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FAO Hunger Map classifies all countries of the world into five based on % of population undernourished.

Extremely alarming	Alarming	Serious	Moderate	Low	IFPRI/2011 GHI
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Vegetation Condition

In general, normal conditions are observed throughout the country. The general indicator of vegetation condition provided below is the absolute difference between the NDVI for February 2012 and the average of the last 10 years, calculated on the agricultural zones derived from the GLOBCOVER 2005 database (ESA).



Source: JRC MARS – FoodSec

Crop phase in the reference period

Sowing	Barley (Second) - Maize - Potatoes - Rice - Soybean - Wheat (Andinean)
Growing	Barley (Second) - Maize - Potatoes - Rice - Soybean - Wheat (Andinean)
Harvesting	Rice

Natural Disasters, Drought and Conflicts

Heavy rains in January and February caused flooding in several areas. Official figures show that 9,273 families (46,000 persons) were affected, particularly in the departments of Pando, La Paz, Oruro, Cochabamba, Chuquisaca and Potosí. There are no definitive estimates of crop damage yet, but losses are likely to be localized.

Refugees and IDPs	2008	2009	2010
Total in the country	755	713	736
Total outside the country	615	738	720

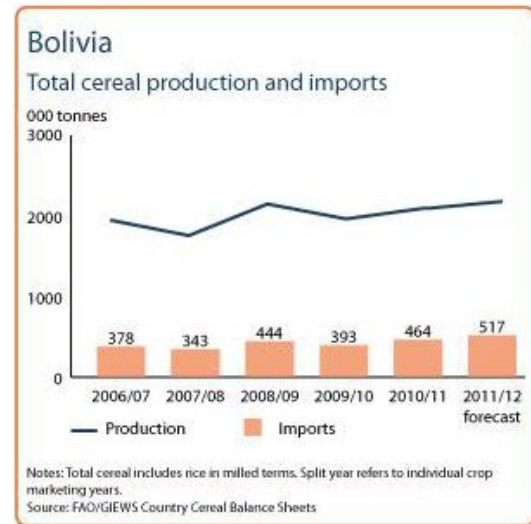
Source: UNHCR Statistical Online Population Database, United Nations High Commissioner for Refugees (UNHCR), Data extracted on 01/03/2012.

Disaster Type (last year)	Date	Location	Alert
Earthquake	2011-04-27	Potosi Province	1/3
Earthquake	2011-04-01	Potosi Province	1/3
Flood	2011-02-14	North of Cochabamba	1/3

Source: Global Disaster Alert and Coordination System - 3 = 1000 or more people killed or 800000 or more people displaced. 2 = 100 or more people killed or 80000 or more displaced.

Food Balance Sheet

Cereal production in 2011 is forecasted at 2.1 mln tons, about 5 % above the 2010 level. A 6% increase in the output of maize and paddy rice is more than an offset a smaller wheat harvest. Imports are forecasted to be 517,000 tons, 11% increase in the 2011/12 marketing season (May/April) compared to last year imports and by 18% from the average.



Source: GIEWS Country Briefs

Government Policies

In February, the Government set up the Pachamama Universal Agricultural Insurance Program, benefiting 350,000 peasant families, with an investment of 28 million Bolivianos (about USD 4 million). In a second phase, an evaluation will be made and the program will be adjusted to provide a more general cover.

Consumer and market oriented measures	n.a.
Producer oriented measures	Credit support; Irrigation
Trade policy measures	n.a.
Safety net (increased or introduced)	Food transfer

Different sources

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

No News Found

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

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The Programme on Linking Information and Decision Making to Improve Food Security is funded by the European Union and implemented by the Food and Agriculture Organization of the United Nations.

* For a further analysis of prices in Bolivia please see: [Annex](#)