

Bolivia Independence Day

Good climate for business and investment

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PLURINATIONAL STATE OF BOLIVIA



On the occasion of the 192nd Anniversary of the Independence of Bolivia, on behalf of our government and our people, I am honored to convey our renewed commitment to the contin-

ued friendship between Bolivia and Japan and to extend my warmest and sincere wishes to Their Imperial Majesties Emperor Akihito and Empress Michiko, the Japanese government and people, as well as to the Bolivian community residing in Japan.

My country became the Republic of Bolivia upon attaining its independence on Aug. 6, 1825, almost two centuries ago. Our constitution was changed in 2009 and we became The Plurinational State of Bolivia.

Bolivia returned to democracy 35 years ago and today enjoys remarkable political

and economic stability. In our fight against poverty, we are building a new, more democratic and equitable society with the active participation of the state. Our policies focus on fighting injustice and the process of recovering more political autonomy, dignity and defense of our rights and natural resources.

In 2005, President Evo Morales together with the social and indigenous movements of the country made history in Bolivia when they won an unprecedented 54 percent of the vote — the highest percentage since the return of democracy — fracturing the hegemony of the traditional parties.

Despite external economic turbulence, Bolivia maintains a very favorable growth rate under the political leadership of the president, who proposed a policy paradigm shift, coupled with domestic macroeconomic policies that have generated unprecedented steady domestic economic growth of around 5 percent for 10 consecutive years, with an unequalled surplus. Bolivia's economy and gross domestic product have tripled in the decade since 2006.

The nationalization of the hydrocarbon sector in 2006 and the state recovery of the strategic economic sectors had a strong impact on the policy of social inclusion and redistribution of wealth. Thanks to the new social and economic model there are marked changes in the country, resulting in internal restructuring of society, wealth distribution and efforts to benefit all, but particularly the poorest and most marginalized. We have seen a reduction of extreme poverty from 36 percent to 17 percent, with a progressive salary increase of four times the minimum wage during the last 10 years.

Public investment has multiplied by eight in 10 years, making the state the central player in the economy and the motor of national development. Indeed, between 2006 and 2015, public investment was up to \$24.5 billion, turbocharging economic growth. In the years of crisis, 2015 and 2016, it exceeded \$6 billion, with important energy and lithium industrialization plants and new gas discoveries in the south of Bolivia, among others.

It is also interesting to note that 81.2 percent of this public investment is financed

by the country's own resources generated over the last 10 years that at the end of 2016 added up to \$10 billion, or 30 percent of GDP. Public investment is significantly changing the productive matrix of the country in lithium development, oil and gas, energy and infrastructural projects, particularly road-building. The other mechanism to boost domestic demand from declining external demand has been promoting private investment into the production sector and real estate loans.

In the past few years, Bolivia has improved its business conditions and opportunities to become an attractive place to invest. The new general legal and institutional framework for the promotion of investment in Bolivia guarantees foreign or domestic private investment in various economic sectors. It offers a varied commercial opening that guarantees private property, a clear tax environment, customs agility and tariff facility. Likewise, the government grants general and specific incentives to investment.

The relationship between Bolivia and Japan enjoys a long history, as the Japanese



Designated as one of the New 7 Wonders Cities, La Paz, the seat of the government, is also the highest capital city in the world.

organized migration to South America at the end of the 19th century. Bolivia was one of the first countries where Japanese people emigrated after World War II.

Today, approximately 14,000 Japanese immigrants and their descendants live in Bolivia, established in the colonies of San Juan de Yapacani and Colonia Okinawa in the eastern lowlands of the country.

The presence of Japan in Bolivia is also highlighted by the permanent cooperation that provides sustainable development and growth of the country. The most relevant Japanese investment is Minera San Cristobal in Potosi. Today, Bolivia is the second-largest exporter of zinc to Japan.

This is the proof that Bolivia and Japan

are sister nations. In 2019 we will celebrate 120 years of Japanese immigration to Bolivia with different activities to further strengthen the close relationship between both countries.

We are pursuing our philosophy of Living Well and in Harmony with Mother Earth toward 2025 when Bolivia will reach its 200th anniversary, so today is a good opportunity to celebrate Bolivia's achievements and also an excellent occasion to express the interest of the Bolivian government to continue working with Japan to invigorate the friendly relations between our countries and to express gratitude to Japan for their constant cooperation for sustainable development.



The Diablada (Dance of the demons) is a characteristic dance of the Carnival of Oruro in Bolivia included on UNESCO's Intangible Cultural Heritage of Humanity list.

Congratulations
to the People of
the Plurinational State of Bolivia
on the 192nd Anniversary of
their Independence



Hino has participated in the Dakar Rally for 26 years. We look forward to participating in next year's rally which will go through this excellent nation.



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 **Mitsubishi Corporation**

Congratulations
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 **Sumitomo Corporation**