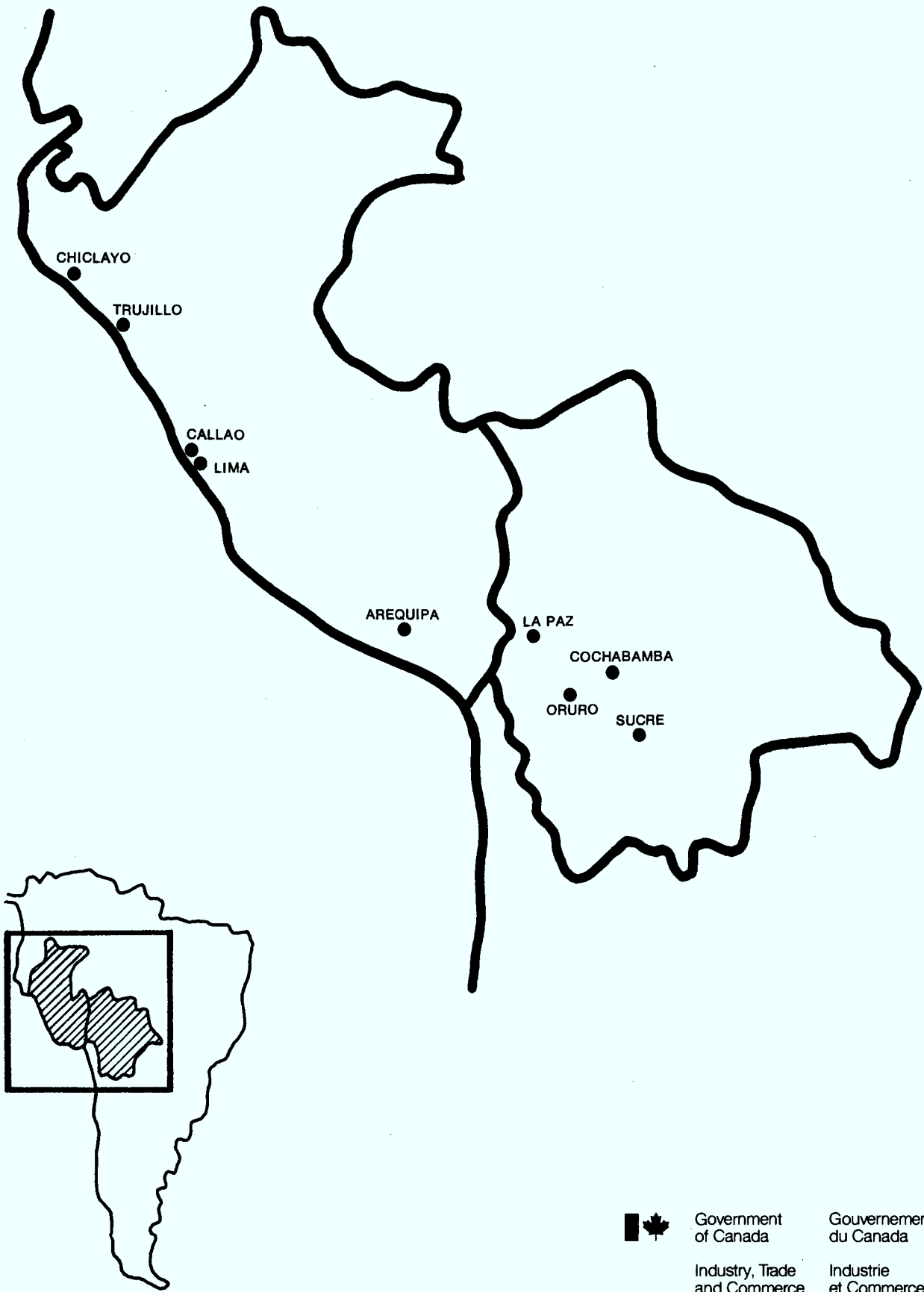


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markets
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exporters

PERU
BOLIVIA



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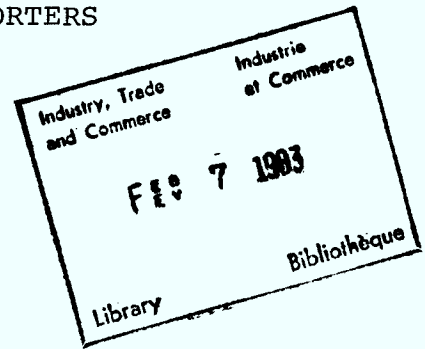
Industry, Trade
and Commerce

Industrie
et Commerce

MARKETS FOR CANADIAN EXPORTERS

PERU

BOLIVIA



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PERU

I. GENERAL

Area and Geography

Peru lies on the Pacific coast of South America, bordering, from north to south, Ecuador, Colombia, Brazil, Bolivia and Chile. It has an area of approximately 500,000 square miles and is divided into three zones:

- a) the coastal zone (la costa), where the great majority of economically active persons are found as well as the principal cities and industries;
- b) the highlands (la sierra), where the principal mineral deposits are located;
- c) the jungle (la selva), only partially explored and interlaced with many large rivers, including the Amazon, zone of active oil exploration.

Climate

Climatic zones correspond to the three topographical divisions: moderate but humid on the coast; cool in the mountains; tropical in the jungle.

Local Time

Eastern Standard Time.

Population

Estimated at 16 million, 20 per cent of Spanish descent, 40 per cent pure Indian and 40 per cent mixed.

Language and Translation Services

Although Spanish is the official language, many businessmen speak English. Interpreters and translation services in Lima are available through various agencies and at the following hotels: Hotel Crillon, Hotel Sheraton and Gran Hotel Bolivar.

Principal Cities and Towns

Lima, the capital, is the commercial and political centre of the country. Including its port, Callao, it has a population of nearly 3.5 million. Other important centres include:

<u>Cities</u>	<u>Population</u>
Arequipa	180,000
Cuzco	102,000
Chilclayo	141,000
Trujillo	142,000

Weights and Measures, Electrical Power

Metric system. Electricity is generally supplied at 220 volts, 60 cycles AC. In the Arequipa area it is supplied at 220 volts, 50 cycles AC.

Public Holidays and Business Hours

The following public holidays are observed in Peru:

New Year's Day	January 1
Holy Thursday	
Good Friday	
Labour Day	May 1
Saints Peter and Paul	June 29
National Independence Days	July 28 and 29
Santa Rosa of Lima	August 30
All Saints Day	November 1
Immaculate Conception	December 8
Christmas Day	December 25

Usual Hours of Business: 8:30 a.m. - 12:00 noon
3:00 p.m. - 6:30 p.m.
Closed Saturday

There are variations in hours of business and visitors should therefore check with firms they wish to visit. From January to March, most firms close at 2:00 p.m. daily.

Government

A military government came into power in October 1968.

Historical Background

Before the Spaniards conquered Peru in the 16th century, it was the centre of the Inca empire. Peru existed as a Spanish colony until 1821 when it became independent. Since then, its history has been stormy, but relative political stability has been achieved since 1940. This has encouraged foreign investment and helped broaden the base of the Peruvian economy.

II. ECONOMY AND FOREIGN TRADE

Peru is a country rich in natural resources. A major producer of copper, iron, lead, zinc and silver, Peru's mining sector accounts for more than half of export earnings. Peru is the world's largest fishmeal exporter; although several years of over-fishing followed by the Nino warm current phenomenon in 1972 nearly wrecked Peru's anchovy resources, the industry is now recovering. The agricultural sector continues to improve slowly and sugar, cotton and coffee are important exports. Petroleum production reached 28 million barrels in 1976 and prospects are good that the country will be self-sufficient in oil by 1978. And in Trujillo a newsprint plant which will use bagasse as a raw material is now under construction and soon Peru should be a net exporter of newsprint.

After assuming power in 1968, Peru's military government introduced a wide-ranging program of economic and social reforms which inter alia greatly expanded state control and management of much of the economy including the country's productive resources. At the same time the country undertook a number of important infrastructural projects.

Investor uncertainty regarding the government's posture toward the private sector led to a drop in total savings and investment; imports rose and the country began to assume heavy foreign debt commitments; exports declined in some sectors, commodity prices fell, and the fishmeal industry collapsed. All of these factors led to an increasingly large balance of payments gap. And rapid increases in prices of imports coupled with excessive growth of domestic demand resulted in serious inflationary pressures.

In order to cope with the economic crisis, the government imposed a series of still new austerity measures including tax increases, budget cuts, currency devaluation, import licensing controls and prohibition of non-essential imports.

Although in 1977 the country is still in a recession, the economic outlook is positive and the prospects for recovery in the near future are very good. Copper production will virtually double during 1977 and other major mining projects are being planned; as soon as the Trans-Andean oil pipeline becomes operational, Peru will be able to meet its domestic requirements for crude; a return to normal fishing conditions is expected before the end of the decade; and in spite of its economic crisis Peru has been able to maintain its international credit standing.

Private Consumption

Private consumption expenditures in 1975 were estimated at \$379 per capita.

Cost of Living Index

1965	-	87
1971	-	156
1972	-	167
1973	-	183
1974	-	214
1975	-	265

(average annual increase since 1965 - 11.8 per cent)

Foreign Trade

Annual Totals (U.S. \$Millions)

1965	667	729
1971	893	753
1972	944	797
1973	1050	1019
1974	1521	1909
1975	1378	2491

Major Exports (1971) Percentage

Metals and minerals	-	44
Fish products	-	16
Sugar	-	19
Cotton	-	5
Coffee	-	3

Major Imports (1971) Percentage

Machinery and equipment	-	26
Agricultural products	-	17
Chemical products	-	17
Metal and metal products	-	10
Pulp, paper and wood	-	3
Vehicles and transport equipment	-	5
Rubber and plastic	-	5
Fuel and lubricants	-	10

CANADIAN EXPORTS TO PERU

Selected Canadian Exports to Peru
(in Can. \$'000)

	<u>1974</u>	<u>1975</u>	<u>1976</u>
Wheat	22,823	9,732	15,133
Plate, sheet and strip, steel	9,153	12,110	8,165
Drilling, excavating mining machinery	1,167	5,523	2,701
Asbestos, unmanufactured	1,573	3,187	2,136
Other telecommunication and related equipment	3,810	1,595	1,887
Railway track material	-	1,749	1,793
Materials handling machinery and equipment	458	2,286	1,201
Aircraft engines and parts	384	1,119	1,185
Other general purpose industrial machinery	402	501	1,144
Other broad woven fabrics	-	198	1,065
Aircraft complete with engines	1,733	-	835
Railway and street railway rolling stock	3,357	6,372	798
Other motor vehicles	2,387	3,307	790
Office machines and equipment	384	916	727
Plastic basic shapes and forms	177	272	673
Electrical lighting and distribution equipment	517	2,402	670
Barley	2,744	2,730	640
Copper and alloys	83	28	635
Other textile fabricated materials	424	1,803	559
Other chemical products	96	443	534
Wood pulp and similar pulp	1,355	236	531
	<hr/>	<hr/>	<hr/>
Total Selected Items	53,027	56,509	43,802
Total of All Items	66,499	79,103	50,152

CANADIAN IMPORTS FROM PERU

Selected Canadian Imports from Peru
(in Can. \$'000)

	<u>1974</u>	<u>1975</u>	<u>1976</u>
Coffee	2,430	2,155	6,425
Other metals in ores, concentrates, scrap	9,287	6,499	6,170
Other non-ferrous metals and alloys	91	-	814
Precious metals, including alloys	-	-	576
Special transactions, trade	278	275	291
Cotton yarn and thread	-	-	258
	<hr/>	<hr/>	<hr/>
Total Selected Items	12,086	8,929	14,534
Total of All Items	13,408	11,412	15,365

III. DOING BUSINESS IN PERU

Opportunities for Canadian Products and Services

Peru offers important opportunities for Canadian exporters particularly in the following fields:

- Mining and mineral processing
- Forest harvesting and wood processing
- Power generation and transmission
- Electronics and communications
- Consulting services

Merchandising and Distribution

Large mining and petroleum companies, public utilities, important agricultural co-operatives and occasionally, local industries, import their machinery and supplies directly.

However, most business is done through agents and the Commercial Division of the Embassy will be pleased to assist you in locating a suitable representative.

Advertising and Promotion

All advertising literature should be in Spanish, with weights and measures expressed in metric terms. Make the specifications as complete as possible, including the price and the weight of the goods, in order to assist importers in estimating the approximate freight and customs duty.

Representation and Agents

Only in unusual and exceptional cases is it possible for an exporter to succeed in this market without the services of an effective agent. Canadian firms should, therefore, seriously consider the appointment of a representative. The Commercial Division of the Embassy is well equipped to assist you in locating a good agent.

Credit Information

On request, the Commercial Division of the Embassy will order a detailed status report. The cost will be billed to your company through the Department of Industry, Trade and Commerce in Ottawa.

Government and Municipal Purchases

Most government business is handled by agents. The importance of this sector should not be underestimated since a substantial portion of Peru's imports are purchased by government. The Commercial Division of the Embassy will be pleased to put you in touch with an appropriate firm.

Correspondence and Trade Gifts

Letters should only be sent air mail. Trade gifts are not expected.

Price Quotations

Prices should be quoted in U.S. dollars (C & F Callao).

Usual Terms and Methods of Payment

In August 1972, the Peruvian government passed a law specifying the minimum credit terms which must be granted by a foreign supplier of capital goods valued at more than \$10,000 FOB. The following summarizes these requirements:

1. Importation of capital goods for amounts not exceeding an FOB value of U.S. \$10,000 may be transacted under conditions agreed upon by the importers and purveyors.
2. Importation from one same purveyor of capital goods not exceeding an FOB value of U.S. \$10,000 shall be subject to the following rules:
 - a) Agreement can be made for payments-on-account that do not exceed 20 per cent of the FOB value of the capital goods to be imported.
 - b) The balance of the FOB value of the capital goods to be imported shall be payable in uniformly periodic quotas; the amounts whereof shall also be uniform or of ascending value. Such payments shall be subject to the following minimum terms, to be counted following the date of the final shipment of the imported goods:

AMOUNT OF IMPORT (U.S.\$ - FOB value)	PAYMENT OF FIRST QUOTA (months after last shipment)	CANCELLATION OF BALANCE (years after last shipment)
1) from 10,001 to 50,000	3	2
2) from 50,001 to 100,000	3	3
3) from 100,001 to 200,000	6	4
4) from 200,001 to 400,000	6	4,5
5) from 400,001 to 1,000,000	12	5

- c) The importation of capital goods whose FOB value exceeds U.S. \$1,000,000 shall be subject to prior consultation with the Board of Foreign Transactions in the Private Sector.

This rule governs for operations concerted abroad for the payment of monies as well as for the opening of documentary credits, even in the event that the importer owns a sufficient balance in his importer's register card.

The maximum rate of interest payable for the financing of the foregoing importations may not exceed the rates authorized under relevant legal provisions.

Credit for other goods is not a legal requirement, but is often necessary in this competitive market. In situations where the customer's credit standing is doubtful, however, suppliers should stipulate letter-of-credit terms rather than relying on cash against documents.

For sales of substantial value, medium or long-term credit is essential. These credits usually take some time to negotiate. Normally, the involvement of EDC is necessary.

Debt Collection

The best precaution against a bad debt is to make a thorough investigation of the financial standing of the customer.

Legal procedures in Peru are usually slow and complicated. Recourse to litigation in the matter of debt collection should be used only when all other means of obtaining satisfaction have failed.

When bills of exchange or promissory notes are issued to be accepted by the client, instructions should be given to the local correspondent bank to protect them on maturity if they are not honoured.

In general, when faced with a collection problem, the agent or the bank holding the bills should be given authorization to act and the question of settlement left to their discretion. It is usually advisable to accept the settlement proposals of a reliable agent or banker.

Shipping Services

By Sea

From Eastern Canadian Ports:

1. Peruvian State Line
2. Chilean Line
3. Great Lakes Transcaribbean Line

From Canadian Pacific Coast Ports:

1. Peruvian State Line
2. Prudential-Grace Lines
3. Westfal-Larsen Line
4. Argentine Lines

By Air

CP Air accepts air cargo shipments for Peru from its offices located in all major Canadian cities. Customs clearance in Lima, however, is a slow process.

Internal Transportation

Truck transportation is available from the ports of the west coast to the coastal cities and across the Andes. There are two main routes: the Central Highway running from Lima inland to Pucallpa; and the Pan American Highway which follows the Pacific coastline.

All railroad services are run by ENAFER PERU, the state railway company. There are two main lines: the Central Railway from Lima to the La Oroya mining centre and Huancayo; and the Southern Railway from the port of Matarani through Arequipa to Puno on Lake Titicaca from where ship connections are available to Bolivia.

Two airlines, Aeroperu and Faucett, provide scheduled passenger and cargo service to all Peruvian cities.

Insurance

A Peruvian law dated May 17, 1973 ruled that all transportation risks on imports must be insured with a Peruvian company whether in local or foreign currency. The importer generally looks after the insurance requirements.

Canadian exporters should therefore forward detailed pro forma invoices to clients before shipping (to allow local insurance to be contracted with sufficient anticipation) and process orders and shipments on a C&F basis.

Banking Facilities

There are no offices of Canadian banks in Lima, but a number of local banks have working relationships with Canadian banks. The following is a partial list of the better known banks:

Banco de Londres y América del Sur
Carabaya 442

Banco de Lima
Carabaya 698

Banco Continental
Lampa 545

Banco de Crédito
Lampa 499

First National City Bank
Av. N. de Pierola 1062

Buying Seasons

There are no special Peruvian buying seasons but the more important buyers visit fairs and exhibitions in the United States. Therefore, it is advisable for Canadian exporters to contact them before they visit the United States.

Patents and Trademarks

Canadian exporters to Peru should have their patents and trademarks registered in that country. Patents are granted for a term of 10 years from the date of filing the application. Not later than six months before expiry, application for extension for a further period of five years can be made if the invention is manufactured in Peru. Registration of trademarks lasts for 10 years and may be renewed for similar periods. The use of marks may be declared obligatory for canned foodstuffs and pharmaceutical products.

Trade Fairs and Exhibitions

The Pacific International Trade Fair is Peru's most important commercial exhibition. Canada participated in this fair in 1967 and 1969.

There are a number of local fairs and exhibitions, particularly for cattle and farm implements. The Commercial Division of the Embassy can advise you on the most appropriate fair for your product.

IV. CUSTOMS AND EXCHANGE REGULATIONS

Currency and Exchange Rate

The unit of currency is the sol, (plural: soles), divided into 100 centavos. The sol is worth 0.014 cents Canadian (February 1977). The sol was devalued in June 1976 and left floating on the basis of frequent mini-devaluations. Coins are issued in denominations of 5, 10, 20 and 50 centavos and 1, 5 and 10 soles. Notes in circulation are for 5, 10, 50, 100, 200, 500 and 1,000 soles.

Currency and Exchange Control

Foreign exchange controls require that all foreign exchange proceeds from exports be turned over to the Central Reserve Bank of Peru. All foreign exchange transactions must be done through official banking channels at official rates. Illegal operations are punishable by imprisonment.

Customs Tariff

Nearly all imports into Peru are subject to both specific and ad valorem duties. Specific duties, which are levied on gross, legal or net weight or on the number of units, are enumerated in the tariff. The different weights are defined as follows:

Gross weight: goods fully packed
Legal weight: goods and inner containers
Net weight : merchandise only

The ad valorem duties are computed on the C&F value which, in turn, is arbitrarily determined by adding 20 per cent to the FOB value at port of embarkation. However, the actual C&F value is used as the dutiable base should it be higher than FOB plus 20 per cent, as in the case of some air freight shipments.

In addition to duties, most imports are subject to a domestic excise tax ranging from 5 to 20 per cent depending on the type of merchandise.

Tariff classification is based on the Brussels Tariff and the Andean Pact Tariff and is available from either the Latin America Division, Western Hemisphere Bureau, Department of Industry, Trade and Commerce, Ottawa, or from the Commercial Secretary in Lima.

Import Licensing

A prior licensing requirement for all imports of the non-public sector has been established effective as of January 1, 1977. Under the non-public sector it is understood that private enterprises, co-operatives, social property enterprises and small firms are included.

Canadian exporters should confirm documentation requirements and special regulations covering shipments to Peru either with their forwarding agents, the Latin America Division of the Western Hemisphere Bureau, Department of Industry, Trade and Commerce or the Commercial Secretary in Lima. Mistakes in documentation and marking are expensive: the Peruvian customs authorities will levy a fine payable by the importer when such errors are made by the exporting firm. The importer has then the option to refuse acceptance of the shipment, which will in that case remain the property of the exporter, with warehouse and other charges to the latter's account. Unclaimed shipments are auctioned off after a certain period has elapsed.

Special Regulations and Procedures

There are special regulations and procedures which must be observed concerning:

- a) documentation marking and import authorization of certain foodstuffs and pharmaceutical specialties. Markings on crates and other containers must read exactly as stated in the bill of lading;
- b) commercial samples which may be imported for a maximum period of six months upon payment of a cash deposit or bond equal to the full amount of the duties and other charges. Traveller's samples are subject to these same regulations;
- c) special licensing requirements for imports of used and reconditioned machinery, firearms, explosives, tobacco products, table salt, livestock, plants, animal by-products and alcoholic beverages.

Further information on these special regulations and procedures is available from the Commercial Division of the Embassy in Lima.

V. YOUR BUSINESS VISIT TO PERU

Advise and Consult the Commercial Secretary

When planning your first business visit to Peru, advise the Commercial Division of the Canadian Embassy in Lima well in advance of your departure. Inform them of the objective of your visit and include several copies of product brochures. It is extremely helpful if you work out the CIF prices on at least part of your product range. You should also list any contacts you may already have made with Peruvian businessmen.

When to Go

Any time during the winter (April to December) is suitable; hotel reservations can be hard to get in October, when the bullfights are on. In summer it is difficult to conduct business in the afternoons.

How to Get There

CP Air has weekly direct flights from Toronto and Vancouver to Lima. Other major international airlines offer direct service between Lima and New York City, Miami and Los Angeles.

Internal Transportation

There is good bus service between the Lima airport and the downtown hotels. The first-time visitor is probably better advised to hire one of the taxis which park in front of all major hotels. Taxis are not metered in Lima and fares therefore vary and depend upon many factors, such as your ability to bargain. If a businessman has a tight appointment schedule, it is probably better for him to rent a taxi by the hour or even by the day.

Hotels

Most businessmen frequent the centrally located Lima Sheraton, Crillon or Gran Bolivar Hotels, the Country Club hotel in San Isidro or the new Cesar's Hotel in Miraflores.

Passports

You will need a valid passport and a Peruvian tourist card which your travel agency or air carrier can provide. The businessman should describe himself as a tourist. If he state that the visit is for business purposes, he will have to fill our an income tax certificate at the Ministry of Finance before he can leave Peru legally. This process usually takes at least a half a day to complete.

Clothing

The months from June to November are quite chilly and you will need medium-weight clothing. For January to April, the Peruvian summer, bring lightweight suits.

Promotional Literature and Samples

Do not carry large supplies of brochures or commercial samples in your luggage because you are likely to run into customs problems. If you must have them, they should be addressed to Commercial Secretary at the Embassy and sent by parcel post or air freight at least six weeks before you come to Lima. Be sure to enclose a covering letter with such shipments explaining the circumstances.

Health Certificates

You will need an international certificate of vaccination against smallpox.

VI. USEFUL ADDRESSES

The Canadian Embassy in Peru:

Commercial Secretary
Canadian Embassy
Casilla 1212
Lima, Peru
Tel: 463890

Personal Address: 121 Alberto Ulloa
San Isidro
Tel: 22-1230

In Canada:

Latin America Division
Western Hemisphere Bureau
Department of Industry, Trade and Commerce
Ottawa, Ontario
K1A 0H5
Tel: (613) 996-5546

Peruvian Embassy and Consulates:

Embassy of Peru
539 Island Park Drive
Ottawa, Ontario

Office of Peruvian Consul General
2250 Guy Street
Montreal, Quebec

Honorary Consul of Peru
71 Rue Saint Pierre
Quebec 2, Quebec

Honorary Consul-General
3197 Edgemont Boulevard
North Vancouver, British Columbia

Honorary Consul of Peru
436 Main Street
Winnipeg, Manitoba

BOLIVIA

I. GENERAL

The area of Bolivia is estimated at 424,162 square miles (1,098,581 km). It is landlocked and surrounded by Brazil, Paraguay, Argentina, Chile and Peru. Physically and climatically, Bolivia is divided into three zones: the high Andean plateau, known as the altiplano; the fertile valley areas; and the tropical plains of the east and northeast.

The population is approximately 4.6 million (1976), nearly 66 per cent being Indian. One third of the population lives in urban areas. La Paz, population 650,000, which lies at 12,400 ft. above sea level is the seat of government and the effective capital. Cochabamba (350,000), Potosi (80,000) and Oruro (120,000) are the other main cities.

Spanish is the official and commercial language. Roman Catholicism is the recognized religion of the state, but there is freedom for all forms of worship.

Bolivia uses the metric system and in general the electricity supply is 220 volts, 50 cycles AC.

Business hours and official public holidays are much the same as in Peru, but it is always advisable to have your itinerary prepared or checked by the Commercial Secretary in Peru since he is familiar with the situation in Bolivia.

The Republic of Bolivia was proclaimed in 1825 and its first constitution adopted one year later. From 1965 it was ruled by a military Junta under General René Barrientos and Alfredo Ovando, the former becoming President when his coalition party, the Bolivian Revolutionary Front, won the July 1966 election. Following Barrientos' death the country was ruled by a series of short-lived governments until Colonel Hugo Banzer came to power in the revolution of August 1971. The government of General Banzer is led by the Armed Forces with the inclusion of a number of non-political civilian ministers and advisers.

II. ECONOMY AND FOREIGN TRADE

The Bolivian economy which traditionally was heavily dependent on the production of tin is gradually changing. The development of the hydrocarbon sector in recent years has significantly reduced Bolivia's dependence on metal exports. In 1975, hydrocarbons accounted for 35 per cent of all exports, while tin and other minerals respectively contributed for 33 and 18 per cent.

With an average per capita national income of only U.S. \$174 per year and limited secondary manufacturing, Bolivia represents a small but very diversified market, with sales opportunities for a wide range of Canadian products and services.

Foreign Trade (1975)

<u>Imports</u>	<u>Exports</u>	<u>U.S. \$Millions</u>
Reliable data on the composition of imports are lacking, but indications are that the share of capital goods in total imports fell from around 50 per cent in 1973 to about 40 per cent in 1975. Correspondingly the shares of both consumer goods and intermediate goods increased noticeably.	Metals	302.5
	Petroleum	111.4
	Gas	42.5
	Cotton	24.5
	Sugar	17.4
	Others	<u>22.4</u>
TOTAL GROSS VALUE OF EXPORTS		520.7

CANADIAN EXPORTS TO BOLIVIA

(in Can. \$'000)
FOB Values

	<u>1974</u>	<u>1975</u>	<u>1976</u>
Other general purpose industrial machinery	9	10	1,036
Newsprint paper	642	1,088	345
Drilling, excavating, mining machinery	665	749	326
Metal fabricated basic products	164	365	284
Aircraft parts, except engines	<u>277</u>	<u>190</u>	<u>257</u>
TOTAL	1,757	2,393	2,248

III. DOING BUSINESS IN BOLIVIA

Opportunities for Canadian Products and Services

There is a broad range of sales opportunities in this small market. Most goods must be imported due to low levels of local manufacturing.

In order to legally operate in Bolivia all consulting companies should be registered with INALPRE, Instituto Nacional de Preinversion, Hermanos Manchego 2441, Casilla 8358, La Paz. Tel: 61323. Telex: BX 1-09-0177.

Agents

Exporters should ask the Commercial Secretary in Lima to recommend suitable agents in La Paz, Santa Cruz or Cochabamba.

Price Quotations

Prices should be quoted in U.S. dollars CIF Matarani (Peru) or Antofagasta and Arica (Chile).

Usual Terms and Methods of Payment

Exporters to Bolivia should be willing to consider extending credit up to 180 days depending on market circumstances.

Debt Collection

The best precaution against a bad debt is to make a thorough investigation of the financial standing of the customer.

Legal procedures in Bolivia are usually slow and complicated. Recourse to litigation in the matter of debt collection should be used only when all other means of obtaining satisfaction have failed.

When bills of exchange or promissory notes are issued to be accepted by the client, instructions should be given to the local correspondent bank to protect them on maturity if they are not honoured.

In general, when faced with a collection problem, the agent or the bank holding the bills should be given authorization to act and the question of settlement left to their discretion. It is usually advisable to accept the settlement proposals of a reliable agent or banker.

Shipping Services

From Eastern Canadian Ports:

1. Peruvian State Line
2. Chilean Line
3. Great Lakes Transcaribbean Line

From Canadian Pacific Coast Ports:

1. Peruvian State Line
2. Prudential-Grace Lines

Banking Facilities

Bank of America
Calle Mercado 1046
Casilla 2728
La Paz

First National City Bank
Calle Colon 288
Casilla 260
La Paz

Banco de Boston
Plaza Venezuela
(Edif. Hermann)
Casilla 7955-7878
La Paz

Patent and Licences

Exporters to Bolivia are advised to patent their inventions and register their trademarks in that country. Application should be made through a patent or trademark lawyer.

IV. CUSTOMS AND EXCHANGE REGULATIONS

Currency, Exchange Rate and Control

The Bolivian peso has been stable since October 27, 1972 and its rate of exchange is BP20 to U.S. \$1.00. There is no exchange control.

Customs Tariff

Dutiable items are subject to a specific duty in pesos Bolivianos based on the weight or measure indicated in the tariff, and also to ad valorem duty and an additional ad valorem surcharge based on the CIF value to the port of transit or to the Bolivian border. Additional information on the Bolivian customs tariff is available from either the Latin America Division, Western Hemisphere Bureau, Department of Industry, Trade and Commerce or the Commercial Secretary in Lima.

Documentation

Seven copies of the commercial invoice plus three originals and three non-negotiable copies of the bill of lading must be completed correctly and presented to the nearest Bolivian Consul for legalization within five days of the vessel's departure from a Canadian port. Again, Canadian exporters should confirm specific documentation requirements and special regulations covering shipments to Bolivia either with the Bolivian importer, their Canadian forwarding agents, the Latin America Division of the Western Hemisphere Bureau, Department of Industry, Trade and Commerce or the Commercial Secretary in Lima.

Special Regulations and Procedures

There are special regulations and procedures which must be observed concerning:

- a) documentation, marking and import authorization of certain foodstuffs and pharmaceuticals;
- b) imports of petroleum by-products, firearms, explosives and livestock. Plants are subject to special documentation or licensing regulations;
- c) packaging of goods in strong containers because of rough handling during various trans-shipments; goods should also be carefully marked "En transito a Bolivia;"
- d) commercial samples of "no commercial value" may be imported or taken into Bolivia duty free as travellers' samples. Otherwise, samples are subject to the same documentation and duties as regular imports.

V. YOUR BUSINESS VISIT TO BOLIVIA

Bolivia is part of the territory of our Embassy in Lima. It would be simple and economical for the businessman planning to visit Bolivia to do so when visiting Peru.

Most of the necessary information is available in the Peruvian section of this booklet. Specific information is as follows:

Internal Transportation

The only practical means of travel within Bolivia is by air. The main airline operating in the country is Lloyd Aereo Boliviano.

Hotels

La Paz-Sheraton Hotel
Avenida Arce
La Paz
Tel: 23319
Telex: BX 5427

Hotel La Paz
Avenida Camacho 1277
Casilla 797
La Paz
Tel: 25292
Telex: BX 5247

Hotel Libertador
Calle Obispo Cardenas 142
Casilla 4482
La Paz
Tel: 43360/1/2
Telex: BX 5217

Hotel Crillon
Plaza Isabel La Catolica 2478
Casilla 2350
La Paz
Tel: 52121
Telex: ITT 3560003

Hotel Sucre Palace
Avenida 16 de Julio 2000-1636
Casilla 1014
La Paz
Tel: 55080/3
Telex: BX 5286

Passports

Valid passports are mandatory. Businessmen should describe themselves as tourists in order to avoid the necessity for tax clearance prior to departure.

Health Certificates and Precautions

Visitors to Bolivia must hold a certificate of vaccination against smallpox.

VI. USEFUL ADDRESSES

The Canadian Embassy in Peru: (Territory includes Bolivia)

Commercial Secretary
Canadian Embassy
Casilla 1212
130 Libertad
Lima 18, Peru
Tel: 46-3890

Personal Address: 121 Alberto Ulloa
San Isidro
Tel: 22-1230

In Canada:

Latin America Division
Western Hemisphere Bureau
Department of Industry, Trade and Commerce
Ottawa, Ontario
Canada
K1A 0H5

VII. SERVICES FOR EXPORTERS

Export Development Corporation

Of vital importance to Canadian businessmen is the Export Development Corporation (EDC), a crown corporation that reports to Parliament through the Minister of Industry, Trade and Commerce. Its purpose is to encourage, facilitate and develop Canadian export trade by providing credit insurance, guarantees, loans and other financial assistance to enable exporters to meet international competition.

The main functions of EDC are:

1. to insure the Canadian exporter against nonpayment due to credit or political risks beyond the control of either the exporter or the buyer when export sales are made on normal credit terms. Almost all export transactions are insurable, not only those involving goods or technical services, but also those involving "invisible" exports such as managerial services, advertising programs, the licensing or sale of patents, trademarks, copyrights, etc.;
2. to issue appropriate guarantees to chartered banks or to any person providing nonrecourse supplier financing in respect of an export sale. Guarantees may also be issued in connection with a loan made to a foreign buyer for the purchase of Canadian goods and services;
3. to finance foreign buyers of Canadian capital goods and related services when extended credit terms are necessary and are not available from commercial lenders. Major engineering and other technical services (but not feasibility studies) may be financed, even when such sales are not related to the export of goods;
4. to insure Canadian investments abroad against noncommercial risks such as loss through confiscation, expropriation, war or revolution or the inability to repatriate capital or earnings.

EDC, which succeeded the Export Credit Insurance Corporation in October 1969, has its head office in Ottawa (mailing address: P.O. Box 655, Ottawa, Ontario K1P 5T9). Branch offices are located in Montreal, Toronto and Vancouver. EDC is also represented by regional offices of the Department of Industry, Trade and Commerce in Halifax, Fredericton, Winnipeg, Regina and Edmonton.

Federal Export Programs and Services

The Office of Export Programs and Services administers the export incentive programs of the Department under the Promotional Projects Program (PPP) and the Program for Export Market Development (PEMD). Through the PPP, Canadian trade fairs abroad, trade missions and trade visits are initiated, organized and implemented by the Department. The range of these activities

includes participation in international trade fairs, solo shows and in-store promotions; the organizing of technical seminars and trade missions abroad; and the sponsoring of foreign visits to Canada to stimulate the sale of Canadian products in various export markets. The Department also provides promotional publicity and specially designed exhibits for trade fair participants. Missions and technical seminars vary in type depending on the objective but, in general, outgoing missions are used for market investigation and evaluation and identification of technical market access problems, while incoming missions are designed to invite foreign government or company representatives, who can influence buying, to inspect the industrial capacity and technical capabilities of Canadian firms and the products and services they can supply. Technical seminars are used to acquaint potential buyers with Canadian expertise and technology in specific fields as a basis for joint ventures and/or sales of Canadian products and services. The Promotional Projects Program also provides financial assistance to take advantage, at short notice, of foreign market opportunities by bringing foreign government trade representatives, buyers and export-oriented trainees to Canada.

In contrast to the PPP, project initiatives under PEMD come from Canadian industry rather than the government. The objective is to develop and sustain exports of Canadian goods and services. To this end, the Department is prepared to make repayable contributions toward a company's costs in developing export business which because of costs and the risks involved might discourage such initiatives. There are several sections in PEMD each of which is designed to deal most effectively with a particular market, in terms of the regions, products or services and marketing techniques concerned. In all sections, companies are encouraged to develop self-sustaining export markets for their products. Section "A" deals with Canadian participation in capital projects abroad; Section "B" with the export of Canadian products and services; Section "C" with participation in trade fairs outside Canada; Section "D" with the bringing of foreign buyers to Canada; and Section "E" with the formation of export consortia.

REGIONAL OFFICES

IF YOU HAVE NOT PREVIOUSLY MARKETED ABROAD, CONTACT THE NEAREST REGIONAL OFFICE OF THE DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE IN YOUR AREA.

NEWFOUNDLAND LABRADOR	Director 210 Water Street St. John's, Newfoundland A1C 1A9	Tel: (709) 737-5511 Telex: 016-4749
NOVA SCOTIA	Director Suite 1124, Duke Tower 5251 Duke Street, Scotia Square Halifax, Nova Scotia B3J 1N9	Tel: (902) 426-7540 Telex: 019-21829
NEW BRUNSWICK	Director Suite 642, 440 King Street Fredericton, New Brunswick E3B 5H8	Tel: (506) 454-9707 Telex: 014-46140
PRINCE EDWARD ISLAND	Director P.O. Box 2289 Dominion Building 97 Queen Street Charlottetown, Prince Edward Island C1A 8C1	Tel: (902) 892-1211 Telex: 014-44129
QUEBEC	Le directeur Bureau 2124, Place Victoria C.P. 257, Tour de la Bourse Montréal, (Québec) H4Z 1J5	Tél: (514) 283- 6254 Télex: 055-60768
	Le directeur Suite 620, 2, Place Québec Québec, (Québec) G1R 2B5	Tél: (418) 694-4726 Télex: 051-3312
ONTARIO	Director Commerce Court West 51st Floor P.O. Box 325 Toronto, Ontario M5L 1G1	Tel: (416) 369-3711 Telex: 065-24378
	Regional Officer 9th Floor 240 Sparks Street Ottawa, Ontario K1A 0H5	Tel: (613) 996-1216 Telex: 053-4124

MANITOBA	Director Suite 1104 Royal Bank Building 220 Portage Avenue Winnipeg, Manitoba R3C 0A5	Tel: (204) 985-2381 Telex: 075-7624
SASKATCHEWAN	Director Room 980 2002 Victoria Avenue Regina, Saskatchewan S4P 0R7	Tel: (306) 569-5020 Telex: 071-2745
ALBERTA NORTHWEST TERRITORIES	Director 500 Macdonald Place 9939 Jasper Avenue Edmonton, Alberta T5J 2W8	Tel: (403) 425-6330 Telex: 037-2762
BRITISH COLUMBIA YUKON	Director P.O. Box 49178, Suite 2743 Bentall Centre, Tower III 595 Burrard Street Vancouver, British Columbia V7X 1K8	Tel: (604) 666-1434 Telex: 04-51191

