

## BUREAU OF INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS

### BOLIVIA

#### 2016 International Narcotics Control Strategy Report (INCSR) Report

##### A. Introduction

According to coca cultivation estimates from both the UN Office on Drugs and Crime (UNODC) and the Government of Bolivia, Bolivia is the third largest producer of cocaine in the world and continues to be a significant transit zone for Peruvian cocaine. The United States government estimates coca cultivation increased in Bolivia to 35,000 ha in 2014, a 30 percent increase since 2013. Most Bolivian cocaine is exported to other Latin American countries, especially Brazil, for domestic consumption or for onward transit to West Africa and Europe, rather than to the United States. During 2015, Bolivia signed counternarcotic cooperation agreements with Peru and Paraguay. It previously negotiated agreements with Argentina (2000) and Brazil (1978). The Government of Bolivia and the Government of Chile also maintain bilateral cooperation on counternarcotics, despite their ongoing dispute over Bolivia's access to the sea.

In September 2015, President Obama again determined that Bolivia "failed demonstrably" to adhere to its obligations under international counternarcotics agreements and the U.S. Foreign Assistance Act of 1961, as amended. This Presidential determination was based, in part, on insufficient Bolivian law enforcement efforts to disrupt and dismantle drug trafficking organizations and inadequate Bolivian controls to prevent the diversion of "legal" coca cultivation to illicit cocaine production during the previous year. According to 2014 data from UNODC and the Government of Bolivia, 60 percent of the coca produced in Bolivia is sold through legal markets; the rest is unaccounted for and likely diverted for illicit purposes. In addition, Peruvian officials estimate that 50 percent of all Peruvian cocaine departs to or through Bolivia via aerial transshipment, commonly known as the "air bridge. Bolivia reportedly confiscated 39 aircraft involved in drug trafficking (some from Peru) in 2015, up from 27 reportedly seized in 2014 by the Special Counter-Narcotics Police Force (FELCN), and destroyed 37 clandestine air strips.

President Evo Morales is the president of the coca growers' federation in Cochabamba's Chapare region (one of Bolivia's two major coca growing regions), and Bolivia maintains a "social control" policy for illicit coca eradication in which the government usually negotiates with coca growers to obtain their consent for eradication. According to the Government of Bolivia, farmers in the Chapare region (though not the Yungas region) increasingly turned in 2015 to licit crops in place of coca due to new regional export markets that permit the farmers to earn more income than they had with coca.

##### B. Drug Control Accomplishments, Policies, and Trends

###### 1. Institutional Development

Bolivia's National Drug Control Council (CONALTID), chaired by the Ministry of Government, is the central counternarcotics policy-making body in Bolivia. The Vice Ministry for Social Defense (VMSD) is mandated to combat drug trafficking, regulate coca production, advance coca eradication and drug prevention, and execute rehabilitation programs. The Special Counter-Narcotics Police Force (FELCN) is focused on interdiction and money laundering cases, has approximately 1,600 personnel and reports to the VMSD. The Joint Eradication Task Force conducts manual coca eradication with approximately 2,300 personnel.

In 2015, Bolivia focused on developing its 2016-2020 Strategy to Combat Drug Trafficking and Reduction of Excess Cultivation of Coca Leaf, and is in the process of rewriting its counternarcotics law into multiple new laws. One proposed law would provide new penalties for all drug offenses and a new list of precursor chemicals. Another would permit the forfeiture of assets associated with drug related crimes, and a third would delineate coca cultivation areas and assign a legal cultivation limit for each area. In April 2015, the Inter-American Drug Abuse Control Commission (CICAD) of the Organization of American States reported that Bolivia completed or mostly completed all but one of the 27 recommendations that are part of CICAD's hemispheric drug strategy. The outstanding recommendation suggests that Bolivia implement a system to monitor narcotics and psychotropic drugs used in healthcare settings in order to ensure the medicines are not diverted for illegitimate uses, and remain in adequate supply for medical purposes. The Bolivian government's Unit for the Execution of the Fight against Narcotics (UELICN) plans and budgets for counternarcotics operations. In 2015, UELICN's budget was \$37 million, and \$55 million was requested in funding for 2016.

Bolivia receives most of its foreign counternarcotics financial support from the European Union (EU), with the EU currently implementing approximately \$11 million in funding for technical support and providing another \$55 million in funding over the next four years. In collaboration with police forces in neighboring countries, FELCN disrupted several large narcotics shipments into Bolivia and arrested a number of Bolivian and foreign suspects. In one case, Bolivia seized dried coca leaf packaged as tea destined for Lebanon via Chile. Despite this, the Argentine District Attorney for the border region publicly complained in October 2015 that Bolivian drugs are "invading" Argentina and criticized a lack of Bolivian cooperation. The Bolivian government denies that foreign drug cartels operate within its borders, but acknowledges the presence of cartel emissaries.

The United States and Bolivia are parties to a 1996 extradition treaty that permits the extradition of nationals for the most serious offenses, including drug trafficking. Bolivia and the United States do not have a mutual legal assistance treaty, but both countries can request assistance through various multilateral conventions to which both are signatories.

## 2. Supply Reduction

UNODC estimated that 20,400 ha of coca were cultivated within Bolivia in 2014, an 11 percent decrease from 2013. According to those estimates, Bolivia has nearly met its 2011-15 strategy net coca cultivation goal of 20,000 ha by 2015. The Bolivian government and UNODC further estimated that total coca leaf cultivation declined by more than one third since 2010. However, the United States government – using

different methodology— estimates that coca leaf cultivation increased by approximately 20 percent over the same 2010-2014 period. According to the most recently available information from the Government of Bolivia, Bolivian authorities eradicated 11,019 ha of coca in 2015.

The 2011 – 2015 Strategy to Combat Drug Trafficking and Reduction of Excess Cultivation of Coca Leaf proposes stabilizing coca production at 12,000 ha in the Yungas region, 7,000 ha in the Chapare region, and 1,000 ha in La Paz' Caranavi region, which exceeds the EU estimate of 14,705 ha needed for traditional coca consumption. UNODC officials have noted that 95 percent of Chapare-grown coca is not used for traditional consumption. The Strategy also envisions the publication of maps with explicitly defined borders for areas of legal cultivation.

FELCN reported destroying 105 cocaine hydrochloride processing labs and 4,234 rustic cocaine labs during 2015, a 42 percent increase and 20.2 percent decrease, respectively, from 2014. According to the Bolivian government, FELCN seized 12.68 metric tons (MT) of cocaine base and 8.6 MT of cocaine hydrochloride in 2015 – a 30.7 percent decrease in cocaine base seizures, but a 110.7 percent increase in cocaine hydrochloride from 2014.

FELCN arrested 3,227 individuals (including 207 foreign nationals) on narcotics-related offenses in 2015. Corruption, interference by other branches of government, and insufficient judicial resources undermine due process and create unnecessary delays in the administration of justice. In March 2015, the Bolivia Office of the UN High Commissioner for Human Rights reported only 41 percent of municipalities have a prosecutor and, nation-wide, only 69 public defenders serve urban areas, and only 15 public defenders serve rural areas.

### 3. Public Information, Prevention, and Treatment

In March 2015, Bolivia published its second national survey on Bolivian drug consumption. The European Union financed survey stated that Bolivian drug consumption had diminished in 2014 and was the lowest in South America.

There are approximately 80 drug treatment and rehabilitation centers in Bolivia. Most are private institutions funded primarily by religious organizations from the United States and Europe. The national government does not fund drug treatment and rehabilitation programs. UNODC continues to implement four drug abuse prevention and rehabilitation projects as well as a drug education and rehabilitation program with a Bolivian youth soccer academy.

### 4. Corruption

As a matter of official policy, the Government of Bolivia does not encourage or facilitate illegal activity associated with drug trafficking. However, President Morales and other high level government officials have acknowledged serious corruption problems in the judiciary and police. Minister of Government Romero publicly supported the Ministry of Transparency's September 2015 decision to require all police officers to provide a sworn statement acknowledging all assets as of 2017, as a mechanism to monitor unjustified income. The Ministry of Anticorruption and Transparency along with the Prosecutor's Office

are responsible for preventing and combating corruption. In 2015, corruption accusations were frequent and often unaddressed by an already strained judiciary. Approximately 60 police officers were investigated for corruption associated with drug trafficking in 2015.

FELCN is the only police unit with a polygraph program. In 2015, the program continued administering scheduled exams as well as exams based on intelligence information. All FELCN members are required to take an annual polygraph test and those who do not pass are supposed to transfer out of the program. However, reports vary as to whether those two requisites are applied.

#### C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States Embassy to Bolivia meets periodically with the Vice Ministry for Social Defense and Controlled Substances to discuss Bolivia's counternarcotics efforts. For the first time since 2013, Bolivia sent participants to five courses at the U.S.-funded International Law Enforcement Academy (ILEA) in 2015. The participants represented three Bolivian institutions, including two that had never previously participated in ILEA. Three high-level Bolivian government officials participated in the Department of State's International Visitor Leadership Program on law enforcement and judicial administration programs in the United States. At the conclusion of 2015, Bolivian customs office was in the process of finalizing a Memorandum of Understanding with the U.S. Department of Homeland Security that will permit information exchanges and collaboration to prevent illegal shipments and related criminal activities, including drug trafficking. In February, the Bolivian government assisted the United States Coast Guard in seizing 1,017 kilograms of cocaine with an estimated U.S. street value of \$125 million dollars on a Bolivian flagged vessel in Panamanian waters. The Government of Bolivia subsequently waived their right of primary jurisdiction over the vessel and crew which enabled criminal prosecution in the United States. The United States also assists international organizations and third party governments involved in supporting Bolivian efforts to strengthen the rule of law.

#### D. Conclusion

According to the Bolivian government and UNODC, Bolivia's eradication program is meeting its coca reduction targets via a non-violent strategy of negotiation with coca growers. However, the country is still the third largest producer of coca leaf, 40 percent of which is diverted from legal markets. With respect to licit production, Bolivia's policy allowing the cultivation of 20,000 ha of coca exceeds the amount of coca needed for traditional purposes by approximately 36 percent, per recent EU reporting, and exceeds current Bolivian legal limits by 67 percent. In 2013, Bolivia re-acceded to the 1961 U.N. Single Convention on Narcotic Drugs with a reservation permitting coca to be used only within Bolivia for traditional, cultural and medicinal purposes. Despite these stated conditions, Bolivia continues to promote the use of coca in other countries by not prohibiting the export of coca leaf for consumption by Bolivians residing in Argentina (prohibited under the 1961 UN Convention), and discussing potential export opportunities for coca products with other countries. As such, these actions continue to undermine Bolivia's commitments to its international drug control obligations.

If passed, Bolivia's new counternarcotic laws could permit enhanced controls of precursor chemicals and enhanced monitoring of coca cultivation. Implementation of those new laws will be crucial to bolstering Bolivia's counternarcotics efforts. Bolivia should also strengthen efforts to stem the diversion of coca for cocaine processing by tightening controls over the coca leaf trade, achieve net reductions in coca cultivation, and improve law enforcement and judicial efforts to investigate and prosecute drug-related criminal activity. Enacting new asset forfeiture legislation to complement the new counternarcotic laws would provide Bolivian law enforcement with improved tools and funding for future counternarcotic efforts.

There are no U.S. counternarcotics assistance programs in Bolivia, but Bolivian counternarcotics cooperation with other countries and in international fora, along with Bolivian participation in U.S.-sponsored trainings, is welcome. There is little data on the potency of Bolivian coca, crop yields and cocaine production in the country. Bolivia should also significantly increase counternarcotics cooperation with neighboring countries and international organizations. The air bridge between Peru and Bolivia is a pressing issue that calls for close and persistent cooperation between the two countries. Bilateral counternarcotics and law enforcement agreements with Brazil, Paraguay, and Argentina should be energetically implemented and enhanced.