



I. INSTITUTIONAL BUILDING / NATIONAL ANTI-DRUG STRATEGY

The National Anti-Drug Plan, named "Plan Dignity" entered into force on February 20, 1998 under Supreme Decree No. 24963 and will no longer be in effect as of August 6, 2002. This National Anti-Drug Strategy includes the institutional framework, demand reduction, supply reduction, alternative development and control measure areas. The program evaluation area is now being implemented with support from international cooperation. The Anti-Drug Strategy for 2003-2007 is currently being analyzed.

The National Anti-Drug Plan covers the abovementioned areas. Of these, supply reduction and alternative development was funded largely with international resources (87.06% and 76% respectively of the budget). For its part, Bolivia allocates US\$30 million each year to the fight against drugs.

The National Council to Fight Illicit Drug Trafficking (CONALTID) is the central authority supervising implementation at the national level of the Bolivian strategy to fight drug trafficking. It has an annual budget of US\$80,000 for the administrative functioning of its Coordination Secretariat, whose main function is to conduct the follow-up on Council meetings, decisions and resolutions and to convene meetings, draft resolutions and manage information on the fight against drug trafficking; it does not have operational functions. It comprises the Minister of Foreign Affairs; Minister of Government; Minister of Defense; Minister of the Treasury; Minister of Agriculture and the Minister of Health. Each of these institutions has its own budget.

Bolivia has signed and ratified important international conventions on drugs and related problems. However, it has not joined two important international instruments: The UN Convention against Transnational Organized Crime and the protocols thereto which have been signed and not ratified; and also the Inter-American Convention on Mutual Assistance in Criminal Matters which is pending signature and ratification. It would be advisable for the Congress of the Republic to consider signing and ratifying these Conventions, which would enable Bolivia to improve its legal framework in the fight against drugs.

There is no mechanism responsible for monitoring effective application of the mandates established in the international conventions.

Bolivia has established a National Information System for the Fight against Illicit Drug Trafficking (SINALTID), which constitutes the basis for the development and implementation of a Bolivian Observatory on Drugs, currently in the fundraising stage. It compiles and coordinates data and other information via the Inter-American Uniform Drug Use Data System (SIDUC) and the CICAD's Uniform Statistical System on Control of the Supply Area (CICDAT) and presents it each year to the International Narcotics Control Board (INCB) and the United Nations International Drug Control Programme (UNDCP). Because of its lack of means and funding, there have been persistent difficulties in statistics collection in some government institutions.

RECOMMENDATIONS:

- 1. REITERATE THE RECOMMENDATION FROM THE FIRST EVALUATION ROUND 1999-2000 TO INITIATE PROCEDURES TO ENABLE THE INTER-AMERICAN CONVENTION ON MUTUAL ASSISTANCE IN CRIMINAL MATTERS TO BE PUT INTO EFFECT.**
- 2. RATIFY THE UN CONVENTION AGAINST TRANSNATIONAL ORGANIZED CRIME AND THE PROTOCOLS THERETO.**



3. **GRANT THE JUDICIAL BRANCH THE RESOURCES TO PROVIDE ANNUALLY THE STATISTICAL INFORMATION NEEDED TO EVALUATE THE PROGRESS IN THE FIGHT AGAINST DRUGS IN BOLIVIA.**

II. DEMAND REDUCTION

Bolivia reports that, for over four years, it has been making efforts in demand reduction in the form of prevention, treatment, social reintegration and follow-up, although this last aspect to a lesser extent.

The budget allocated to the areas mentioned is US\$381,000 for the area of prevention, as well as for treatment and rehabilitation. In the case of social reintegration and follow-up the amount assigned is US\$132,713, same as that for research and training. For the most part these funds come from international cooperation. The Vice Ministry of Prevention and Rehabilitation is allocating resources from the General Treasury for the year 2002.

The country reports that the data presented in the tables on prevention programs targeting key populations are only complete for students in primary and secondary education and for some revention practitioners, as there are no other programs. In primary schools, this covers 49,160 students, while for secondary schools the total reaches 36,200 students, with both programs having national coverage.

Efforts to train prevention practitioners, particularly teachers and community leaders, are recognized. National courses on techniques and procedures for therapists and directors of the country's treatment centers are extremely helpful. It would be advisable in the future to consider including police officers and the mass media in training programs, the latter because of the multiplier effect through dissemination. Professional training in the area of drug abuse prevention and treatment is quite limited, as is institutional coordination. For example, the country does not have a Diploma Course, Specializations or a Master's program in different aspects of drug addictions.

There is an Accreditation Manual for Treatment and Rehabilitation Centers for Psychotropic Substance Addicts and a national register of treatment services and programs. Compliance with standards of care in drug treatment and quality of services are evaluated by these means. The country has finished drafting the Manual of Standards of Care and Service in the Treatment and Rehabilitation of Drug Addiction, which will be very useful in carrying out these tasks, thereby filling a vacuum in treatment efforts.

The country has 56 treatment and rehabilitation centers, for the most part private and located in the country's central area. The number of people treated in 2000 was 6,434, while 5,491 were treated in 2001. The Third Accreditation of Treatment Centers in Bolivia was conducted in 2001, which represents a step forward in improving such services.

Through a survey conducted in 2000, the country was able to estimate prevalence and drug use trends among the general public ages 12 to 50. Bolivia indicates that the 1999 study showed that 80% of students perceived drugs as a problem and 82.2% of those interviewed were concerned that drugs would be introduced in their homes.

In 2001, unprecedented methamphetamine use was detected among some sectors of the population, however studies to measure impact have yet to be developed. Consumption in Bolivia traditionally has been related to coca leaf derivatives, marijuana and solvents. With respect to drug use-related morbidity, the country does not collect information that allows for estimates of drug related mortality.



RECOMMENDATIONS:

1. **REITERATE THE RECOMMENDATION FROM THE FIRST EVALUATION ROUND 1999-2000 TO DEVELOP AND IMPLEMENT "DRUGS IN THE WORKPLACE" PROGRAMS IN THE PUBLIC SECTOR.**
2. **REITERATE THE RECOMMENDATION FROM THE FIRST EVALUATION ROUND 1999-2000 TO DEVELOP STUDIES FOR THE EVALUATION OF DRUG PREVENTION, TREATMENT AND REHABILITATION PROGRAMS.**

III. SUPPLY REDUCTION

A. Drug Production and Alternative Development

Bolivia is a traditional coca producer; its authorities report that eradication activities resulted in the eradication of 11,212.91 has. of coca crops in the country as of November 10, 2002. Of those, 10,633 has. were illegal coca (new coca) in the region of the Tropic of Cochabamba and 13 has. of surplus coca production in transition in Yungas de La Paz. As regards marijuana, the authorities stated that they seized 7,054,536 grs. in 2001 and 8,727,625 grs. as of October 31, 2002.

Alternative development is one of the main pillars of the country's anti-drug strategy and it has been principal support for the Dignity Plan. This is implemented through the execution of agricultural, agro-industrial, forestry, livestock and social programs and projects in areas of surplus coca production. Bolivia has sustained efforts in this area and has attained many important objectives in the eradication of illicit crops and generating new areas of licit crops. However, the high price offered for coca encourages the appearance of new illicit crops which in turns causes the country to withdraw its efforts in human, economic and logistical resources, without necessarily the support of an adequate budget.

In the year 2000, the country reports that 5 projects were in operation, with a total value of US\$11,851,968. In 2001 there were 6 projects valued at US\$21,923,628 and 12 projects in 2002 valued at US\$19,932,448, benefiting 29,624 families and generating direct employment for 2,575 persons and increasing the area of legal crops by 6,768 has. International cooperation is vital for the sustainability of these programs. The alternative development projects have had a positive result, for example, 11 drinking water and basic sanitation systems, 9 building and expanding education infrastructure systems, 4 building and expanding health infrastructure programs and 96 programs for the construction of infrastructure to support production. However, the Government indicates a lack of adequate road infrastructure and invisible tariff barriers as two of the main obstacles to greater success of alternative development programs in the country.

A. Supply Reduction and Control of Pharmaceuticals and Chemical Substances

In this area of the fight against drugs, Bolivia reports the destruction of 150 small illicit laboratories for cocaine production. In this regard, in 2000, 3 recycling and 3 refining laboratories were destroyed in the total amount of 628. In 2001, 3 refining and 2 recycling laboratories were destroyed within the total amount of 1,006 and in 2002, 5 recycling laboratories were destroyed, producing a total of 2,962 for the three years. Also, one hundred kilos of cocaine HCL and cocaine base were seized.

The General Directorate of Controlled Substances Office and the Chemical Substances Research Group, under the Vice Ministry of Social Defense, have responsibility for controlling and preventing the diversion of pharmaceuticals and precursors for industrial use, and the Ministry of Public Health and Social Security through its Medicine Unit and accreditation of laboratories, are in charge of

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control of inspection of the Controlled Chemical Substances, both as raw material and as finished products listed in Tables I, II, III and VI which are part of the Convention of United Nations of 1961 and the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, Vienna, 1988. Nonetheless, the authorities themselves reported that lack of coordination and resources are serious impediments to more efficient fulfillment of their responsibilities.

The same entities control and prevent the diversion of many controlled chemical substances listed in Tables I, II and III of the CICAD Model Regulations and Tables I and II of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, Vienna, 1988. However, Bolivia reports that not all of the chemical substances are controlled, because they are not part of the current national problem. The authorities did indicate though that if, in the future, those chemical substances are used in the manufacturing of drugs, they will be incorporated into national law.

Bolivia has in place criminal and administrative sanctions against the diversion of pharmaceuticals and controlled chemical substances, in keeping with the international conventions. The maximum sanction in the latter case is definitive barring from registration and barring from doing business involving controlled chemical substances, a sanction that has been imposed in 84 proceedings in the last two years.

Although, as it does not produce them, Bolivia does not export controlled chemical substances, it does import such substances and, therefore, receives prior notifications from exporting countries. However, the pertinent authorities propose to improve the monitoring system from the time of entry of chemical substances into the country until they are receipt to the ultimate consignee, who is obliged to report receipts of shipments each month. This shows the weakness of the current system and should be of concern to the Government. In this regard, the authorities indicated that use of information technology has made it possible to improve internal control mechanisms.

Lack of coordination at the departmental level and lack of resources are recognized as the main obstacles to effective implementation of control of pharmaceuticals and chemical substances in the country. However the Drug Surveillance and Control System is being implemented and the Manual of Controlled Substances published, which may improve supervision in this area.

As a main obstacle to the control of controlled chemical substances, Bolivian authorities note the failure by some producing and exporting countries to make timely notification of transactions effected by companies.

Bolivia received 5 prior notifications in 2000 and 20 in 2001 and replied to 100% of these. As of September 2002, 15 prior notifications had been received.

RECOMMENDATIONS:

- 1. CONTINUE EFFORTS TO COMPLETELY ERADICATE ILLICIT COCA CULTIVATION.**
- 2. DEVELOP AN EFFECTIVE EVALUATION MECHANISM FOR ALTERNATIVE DEVELOPMENT PROGRAMS TO MEASURE THEIR CAPACITY TO RAISE STANDARDS OF LIVING AMONG THE TARGET POPULATION.**
- 3. STEP UP EFFORTS TO CREATE A SYSTEM FOR THE COLLECTION OF MORE COMPLETE DATA ON TOTAL AREA PLANTED WITH ILLICIT CROPS AND POTENTIAL COCAINE PRODUCTION CAPACITY, TO ENABLE A BETTER UNDERSTANDING TO BE GAINED OF THE PROBLEMS AND PROGRESS MADE IN THE FIGHT AGAINST DRUGS.**



4. **IMPROVE SYSTEMS FOR INTERSECTORAL COORDINATION DESIGNED TO PRODUCE MORE EFFECTIVE CONTROL OF PHARMACEUTICALS AND CONTROLLED CHEMICAL SUBSTANCES THROUGH THE ALLOCATION OF FINANCIAL AND HUMAN RESOURCES.**

IV. CONTROL MEASURES

A. Illicit Drug Trafficking

Bolivia indicates that joint operations and training have been effected, as have interagency information and communication networks and systems. However, the lack of information leads one to conclude that collaboration among sectors might be more efficient.

In the area of judicial cooperation in connection with illicit drug trafficking, in 2001 Bolivia made five requests and received three. Only one request was acceded to in each case.

Numbers of persons arrested in Bolivia in connection with illicit drug trafficking fell from 2000 to 2001 going from 3,414 persons in 2000 to 2,948 persons in 2001. However, there is no record of the number of persons charged for this offence, nor does the country specify on the number convicted. Bolivia informs that this information was requested from the judiciary. It should be highlighted that drug possession for personal use is not an offense in the country.

The Bolivian Judiciary should be strengthened with human resources, equipment and funds so that it can regularly comply with providing the information requested by other authorities. Otherwise, it becomes a serious obstacle to evaluating the country's behavior in the fight against drugs. A series of indicators lack information due to this weakness in the Judiciary. Nonetheless, in a praiseworthy effort, valuable information has been provided on the number of persons prosecuted and detained nationally from 2000 to 2002 under Law N° 1008 by the country's Superior District Court, making up for the previous lack of these important statistics. Nevertheless, the number of convictions is not provided. The total results at the national level show a downward trend in the number of persons detained and the number prosecuted for this crime. While in 2000, 1,191 people were prosecuted for illicit drug trafficking, 606 were prosecuted in 2001. Moreover, in 2000, 550 people were prosecuted for illicit possession of drugs and this dropped to 305 in 2001.

Regarding new trends in the global phenomenon of the mobility of the drug problem, Bolivia reports that new routes through Bolivian territory and through Paraguay, Brazil and Argentina, are being used to transit Peruvian drugs towards the markets of Europe, Asia and the United States. It indicates that this phenomenon results from the eradication of coca production, which is being replaced by cocaine from Peru.

Likewise, the country reports a substantial increase in marijuana seizures resulting from the new illicit crops mentioned. The Bolivian authorities report in the comment that the Special Anti-Drug Force (FELCN) seized a total of 6,901,005 grs. of marijuana from January 1 to June 10, 2002, revealing an increase in illicit cultivation of this drug.

Bolivia has established provisions defining corruption-related offenses in its Penal Code and such provisions are contained in a bill on the fight against corruption. These provisions are in keeping with the Inter-American Convention against Corruption.

A. Firearms and Ammunition

The Ministry of Defense and the Ministry of Government are the national entities with responsibility for controlling movements of firearms and ammunition and for preventing their diversion. The



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pertinent authorities do not report any mechanism or means of cooperation between the two entities. Bolivia has yet to criminalize illicit trafficking in firearms and ammunition and the pertinent sanctions. These are set out in a bill that has been before Congress for some time now. The Honorable National Congress has been considering this important bill since 1998, thus depriving the country of a valuable legal instrument that would facilitate actions by the authorities.

In 2001, large quantities of war materiel were seized (50 rifles FAL and 7 machine guns FAP).

The country has established a national computer system to maintain records on the importation and transit of firearms and ammunition. Such information is kept for three years, in keeping with a CICAD recommendation. Specific figures are provided on firearms imports for 2001.

No information is provided on whether a shipment of firearms or ammunition was not authorized to be exported because the necessary licenses or authorizations were not issued. Neither does the country inform as to whether a shipment of firearms or ammunition was not authorized for entry due to a lack of the necessary import licenses or authorizations.

B. Money Laundering

The country states that the banks and the stock exchange are two areas with administrative controls to prevent money laundering. The Financial Investigations Unit (FIU) is the entity with responsibility in this area. It is subordinate to the Superintendency of Banks and Financial Entities. The administrative controls to prevent money laundering do not contemplate independent activities such as lawyers, notaries or accountants. However, there are regulations for auxiliary financial services such as currency exchange services, though they are not specific.

The law that criminalizes money laundering does not include illicit trafficking in firearms, the trafficking of human, organs, prostitution, pornography, kidnapping or extortion. Neither does it include terrorism or fraud. Nonetheless, the Bolivian government is developing a bill that expand the definition of money laundering to include related crimes that give rise to it.

In 2000, 2001 and 2002, the FIU received 55, 28 and 45 cases of suspicious transactions, respectively. Of those, 114 cases have become in investigations cases and the rest has strengthened the open cases. Of those, 5 are cases of international cooperation.

Bolivia provides a very complete list of provisions or control measures imposed on financial institutions. These have led to the detection of a large number of suspicious transactions and their consequent investigations. During 2000, 42 of the 55 suspicious transactions that were reported were investigated and during 2001, 25 investigations were conducted of 27 reported suspicious transactions. The country does not report the numbers of prosecutions brought and convictions obtained are not reported. However, the country does report that 3 financial entities and responsible officials received warnings in 2001 and one official responsible for one of the sanctioned institutions was suspended in 2001.

In 2001, the possibility of obtaining financial documents and records led to investigations of 25 suspicious transactions in 2001.

Assets seized in connection with drug trafficking and money laundering are administered by the Office for the Registration, Control and Administration of Seized Assets, subordinate to the Ministry of Government.



Bolivia is affiliated with the South American Financial Action Task Force (GAFISUD) which, in the country's view, plays an important role as a mechanism for evaluation at the international level of policy to combat money laundering.

Regarding international judicial cooperation activities in connection with money laundering, the Government only reports the lifting of bank secrecy, because Bolivian legislation does not provide for extradition in connection with money laundering. It does not provide information on the freezing of assets or on extraditions. The legislation governing the FIU does not include freezing of assets or extraditions in international judicial cooperation. However, recourse could be made to general laws in the Criminal Code in such cases.

Bolivia reports that, in the 2001-2002 evaluation period, it trained all FIU personnel (13 officials), 4 prosecutors and over 100 control officials from financial institutions. In 2002, with support from the IDB and CICAD/OAS, the FIU trained 33 judges and prosecutors and 15 of its officials on handling money laundering cases in the judicial system; this last course was directed at trainers and, in the next six months, it will be replicated within the judicial institutions.

In the area of money laundering, Bolivia reports the involvement of money transfer companies in this type of offense and cites as explanations a lack of legislation in this area and lack of surveillance of this serious crime, for which the Bolivian government should adopt immediate control measures for these commercial activities.

RECOMMENDATIONS:

- 1. STRENGTHEN BORDER CONTROL MECHANISMS SO AS TO PREVENT NEW ILLICIT DRUG TRAFFICKING ROUTES BROUGHT ABOUT BY THE DISPLACEMENT PHENOMENON.**
- 2. ADOPT AND PROMULGATE THE LAW ON THE FIGHT AGAINST CORRUPTION GIVEN THE IMPORTANCE OF THIS PROVISION.**
- 3. ADOPT AND PROMULGATE THE LAW ON FIREARMS, AMMUNITION, EXPLOSIVES AND CHEMICAL AGENTS, WHICH IS CURRENTLY HAS BEEN BEFORE CONGRESS FOR SOME TIME NOW.**
- 4. DESIGN AND IMPLEMENT PERIODIC TRAINING COURSES ON MONEY LAUNDERING THAT ENABLE MORE JUDGES AND PROSECUTORS TO PARTICIPATE THROUGH THE INCLUSION OF MORE AREAS OF THE JUDICIARY AND OF THE OFFICE OF THE ATTORNEY GENERAL.**
- 5. BROADEN THE SCOPE OF NATIONAL LAWS THAT CRIMINALIZE MONEY LAUNDERING TO INCLUDE OTHER SERIOUS OFFENCES, SUCH AS THE FINANCING OF TERRORISM.**

V. CONCLUSIONS

In recent years, Bolivia has demonstrated a genuine desire to put an end to the drug problem in the country and has made efforts at a high economic and social cost, despite its limited resources.

The alternative development programs implemented in coca producing zones have had positive effects in the eradication of coca plantations, although they have not achieved the desired results. This has created a sense of frustration among the target population, which has led to social unrest and new illicit coca crops.



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International cooperation has played a very important role by supporting the Bolivian government's efforts and it is essential that this support be sustained and increased until better outcomes are achieved, not only in controlling supply, but also in changing social behaviors and lifestyles.

The Government, for its part, must strengthen its institutions so as to increase their efficiency in the fight against drugs, particularly in the case of the judiciary which, to date, has been unable to provide statistical information.

Bolivia must sign and ratify important international instruments to strengthen the legal framework, thereby facilitating the Executive's task of freeing the Bolivian people and the international community from the scourge of drugs.

CICAD appreciates the efforts carried out by the country in its commitment to the Multilateral Evaluation Mechanism (MEM).



SUMMARY OF RECOMMENDATIONS

1. **REITERATE THE RECOMMENDATION FROM THE FIRST EVALUATION ROUND 1999-2000 TO INITIATE PROCEDURES TO ENABLE THE INTER-AMERICAN CONVENTION ON MUTUAL ASSISTANCE IN CRIMINAL MATTERS TO BE PUT INTO EFFECT.**
2. **RATIFY THE UN CONVENTION AGAINST TRANSNATIONAL ORGANIZED CRIME AND THE PROTOCOLS THERETO.**
3. **GRANT THE JUDICIAL BRANCH THE RESOURCES TO PROVIDE ANNUALLY THE STATISTICAL INFORMATION NEEDED TO EVALUATE THE PROGRESS IN THE FIGHT AGAINST DRUGS IN BOLIVIA.**
4. **REITERATE THE RECOMMENDATION FROM THE FIRST EVALUATION ROUND 1999-2000 TO DEVELOP AND IMPLEMENT "DRUGS IN THE WORKPLACE" PROGRAMS IN THE PUBLIC SECTOR.**
5. **REITERATE THE RECOMMENDATION FROM THE FIRST EVALUATION ROUND 1999-2000 TO DEVELOP STUDIES FOR THE EVALUATION OF DRUG PREVENTION, TREATMENT AND REHABILITATION PROGRAMS.**
6. **CONTINUE EFFORTS TO COMPLETELY ERADICATE ILLICIT COCA CULTIVATION.**
7. **DEVELOP AN EFFECTIVE EVALUATION MECHANISM FOR ALTERNATIVE DEVELOPMENT PROGRAMS TO MEASURE THEIR CAPACITY TO RAISE STANDARDS OF LIVING AMONG THE TARGET POPULATION.**
8. **STEP UP EFFORTS TO CREATE A SYSTEM FOR THE COLLECTION OF MORE COMPLETE DATA ON TOTAL AREA PLANTED WITH ILLICIT CROPS AND POTENTIAL COCAINE PRODUCTION CAPACITY, TO ENABLE A BETTER UNDERSTANDING TO BE GAINED OF THE PROBLEMS AND PROGRESS MADE IN THE FIGHT AGAINST DRUGS.**
9. **IMPROVE SYSTEMS FOR INTERSECTORAL COORDINATION DESIGNED TO PRODUCE MORE EFFECTIVE CONTROL OF PHARMACEUTICALS AND CHEMICAL SUBSTANCES THROUGH THE ALLOCATION OF FINANCIAL AND HUMAN RESOURCES.**
10. **STRENGTHEN BORDER CONTROL MECHANISMS SO AS TO PREVENT NEW ILLICIT DRUG TRAFFICKING ROUTES BROUGHT ABOUT BY THE DISPLACEMENT PHENOMENON.**
11. **ADOPT AND PROMULGATE THE LAW ON THE FIGHT AGAINST CORRUPTION GIVEN THE IMPORTANCE OF THIS LEGAL PROVISION ON THE TOPIC.**
12. **ADOPT AND PROMULGATE THE LAW ON FIREARMS, AMMUNITION, EXPLOSIVES AND CHEMICAL AGENTS, WHICH IS CURRENTLY HAS BEEN BEFORE CONGRESS FOR SOME TIME NOW.**
13. **DESIGN AND IMPLEMENT PERIODIC TRAINING COURSES ON MONEY LAUNDERING THAT ENABLE MORE JUDGES AND PROSECUTORS TO PARTICIPATE THROUGH THE INCLUSION OF MORE AREAS OF THE JUDICIARY AND OF THE OFFICE OF THE ATTORNEY GENERAL.**
14. **BROADEN THE SCOPE OF NATIONAL LAWS THAT CRIMINALIZE MONEY LAUNDERING TO INCLUDE OTHER SERIOUS OFFENCES, SUCH AS THE FINANCING OF TERRORISM.**





