



## **Informe Internacional Sobre la Estrategia de Control de Narcóticos de 2009**

Divulgado por la Oficina Internacional para Asuntos de Narcóticos y Aplicación de la ley del Departamento de Estado de los Estados Unidos  
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### **Volume I: Drug and Chemical Control**

#### **Bolivia\***

*[\*This section has been revised since its original posting to the website. See [version](#) as submitted to Congress.]*

#### **I. Summary**

September 15, 2008, the President of the United States determined for the first time that Bolivia had “failed demonstrably” to adhere to its obligations under international counternarcotics agreements. This determination was made due to a number of factors, including the forced departure of the U.S. Agency for International Development (USAID) and the Drug Enforcement Administration (DEA) from the coca growing Chapare region, continued increases in coca cultivation and cocaine production, the Government of Bolivia's (GOB) policies to expand the cultivation of “licit” coca, and its unwillingness to regulate coca markets. The GOB’s decisions to expel the U.S. Ambassador in September and all Drug Enforcement Administration (DEA) personnel in November, based on false accusations of conspiracy – seriously damaged counternarcotics cooperation, and call into question whether the GOB will continue any bilateral efforts with the United States in this area.

In 2008, the GOB eradicated over 5,000 hectares of coca nationwide, about 95 percent of which took place in the Cochabamba tropics (Chapare) and Yapacani region. Nonetheless, coca cultivation and cocaine production capacity increased rapidly due both to greater cultivation as well as Bolivian traffickers adopting more efficient cocaine manufacturing methods. Bolivia is a party to the 1988 UN Drug Convention.

#### **II. Status of Country**

Bolivia remains the world's third largest producer of cocaine, and it is a significant transit zone for Peruvian-origin cocaine. Bolivia's estimated potential cocaine production has increased, from 100 metric tons in 2003 to at least 120 metric tons in 2008. According to DEA, given the increasing number of labs using much more efficient Colombian technology, potential cocaine production may have grown to as much as 192 metric tons.

The majority of cocaine trafficked from or through Bolivia is destined for Brazil, Chile, Argentina, and Paraguay with a significant amount transshipped to Europe. From 2003 to 2007, coca cultivation in Bolivia increased from 23,200 to 29,500 hectares, according to official USG estimates. UNODC estimates followed a similar upward trend line. Bolivia is also a producer of marijuana, primarily for domestic consumption, with production increasing from 35 metric tons in 2005 to more than 113 metric tons in 2008.

President Evo Morales, who also remains the president of the Chapare region's coca growers' federations, continues to promote a policy of "zero cocaine but not zero coca," while cocaine production continues to increase sharply. His administration proposed an increase in legal coca cultivation from 12,000 to 20,000 hectares, in violation of current Bolivian law and international agreements. With political support from the highest levels of the Bolivian Government, coca growers continue to increase plantings, especially in the Yungas, where cocaine production has risen sharply. In June, the United States Agency for International Development (USAID) was forced to leave the Chapare due to security threats from the leaders of the coca grower federations. In September, the GOB denied permission for DEA aircraft to fly inside of Bolivia, based on a false assumption that the aircraft were used for surveillance. The aircraft were used solely to transport American and Bolivian personnel in counternarcotics missions. In September, President Morales declared the U.S. Ambassador to Bolivia *persona non grata*, falsely accusing him of supporting the opposition and fomenting the division of Bolivia.

On November 1, President Morales announced the immediate suspension of DEA's activities in Bolivia. A diplomatic note followed demanding the departure of DEA personnel and dependents within 90 days. The GOB alleged, without presenting any evidence, that DEA engaged in political espionage, conspired against the government, promoted narcotrafficking, and shot peasant farmers. These allegations are completely unfounded. With the removal of DEA from Bolivia, counternarcotics programs, especially in the area of interdiction, will suffer serious degradation. As a result of Bolivia's failure to cooperate with the United States on counternarcotics efforts, President Bush suspended Bolivia's designation as a beneficiary of the Andean Trade Promotion Act (ATPA) and the Andean Trade Promotion and Drug Eradication Act (ATPDEA) effective December 15, 2008.

### **III. Country Actions against Drugs in 2008**

**Policy Initiatives.** Bolivia produces coca leaf for traditional uses, such as chewing, making tea and religious rites. However, according to the International Narcotics Control Board (INCB), under the provisions of the UN Convention, cultivating coca for traditional purposes in Bolivia should have come to an end in 1989. Current Bolivian law permits up to 12,000 hectares of legal coca cultivation, mostly cultivated in the Yungas area to supply the licit market. In September, the GOB signed an agreement with 25,000 coca growers from the Yungas federation to eventually eradicate 6,900 hectares by 2010. Eradication began on October 4, 2008; the GOB's goal is to eradicate one hectare per day. Nevertheless, this agreement also legalizes coca cultivation in new areas of the Yungas by an additional 6,500 hectares, thus raising "legal" production levels to over 18,500 hectares. With the 7,000 legalized hectares in the Chapare, total Bolivian "legal" coca exceeds 25,500

hectares, violating Bolivian Law 1008, and the GOB's international obligations. The Yungas agreement also contradicts the GOB's expressed intention to reduce coca cultivation to 20,000 hectares primarily working through concerted voluntary eradication and social control.

With financial assistance from Venezuela, the GOB continued with its plan to industrialize coca and continued discussion on building two coca industrialization plants, one in the Chapare and the other in the Yungas in contravention of the 1961 UN Single Convention on Narcotics Drugs, Article 4 that states that the Parties must “limit exclusively to medical and scientific purposes the production, manufacture, export, import, distribution of, trade in, use and possession of drugs.” The European Union (EU) has had difficulty finalizing the terms of a series of studies to determine the actual licit demand for coca in Bolivia. The GOB reportedly attempted on several occasions to modify the terms of reference. This delay has increased costs of the study and delayed results to at least January 2010.

In 2008, the Bolivian government with some support from the USG and neighboring countries, refined a proposal, first drafted in 2006, to improve money laundering and asset forfeiture legislation, and plea bargaining in criminal cases. If approved by the Bolivian Congress, this draft legislation would provide the tools needed by law enforcement units to improve their ability to conduct and prosecute narcotics, money laundering, terrorism, and corruption cases in Bolivia. Pending legislative reforms also include a provision for judicial intercepts of wire communications, and reform of the Code of Criminal Procedure. The Bolivian Congress has not yet addressed the proposed legislation. The Counternarcotics Council of Ministers responded favorably to the draft legislation in July, and plans are underway to submit this legislation for review by Congress by December 2008.

**Accomplishments.** The GOB eradicated 5,484 hectares of coca nationwide in 2008—95 percent of eradication occurred in the Chapare and Yapacani, and only 5 percent (just over 300 hectares in Caranavi and La Asunta) in the Yungas. Interdiction of cocaine base and cocaine hydrochloride (HCl) totaled more than 26 metric tons in 2008, compared to about 14 metric tons in 2007, and GOB counternarcotics units located and destroyed 6,535 cocaine labs and maceration pits, compared to 3,093 in 2007. Increased seizures are due to an increase in drug production and transshipment of drugs from Peru.

**Law Enforcement Efforts.** The Bolivian Special Counter-Narcotics Police (FELCN) intercepts illicit drugs, precursor chemicals and investigates money laundering activities. The USG provides logistical support and training to FELCN units. The FELCN is structured to combat all aspects of drug trafficking to include interdiction of drugs, illicit coca, and precursor chemicals, intelligence gathering, money laundering, and rural operations. Even with the loss of DEA, the Department of State Bureau for International Narcotics and Law Enforcement Affairs’ (INL) Narcotics Affairs Section (NAS) continued to support most FELCN programs in Bolivia. Throughout 2008, FELCN focused on higher level violators, resulting in more Priority Target Organizations being investigated with the regional partner nations. However, with growing cocaine supply, more drug trafficking activities, more sophisticated organizations operating in Bolivia, and the seizure of massive and sophisticated Colombian-managed cocaine laboratories in the Santa Cruz area it will be

increasingly difficult for the FELCN to meet these challenges without DEA resources and the integrity of some of the programs will be difficult to ensure without DEA involvement.

**Corruption.** There are no proven cases of senior GOB officials encouraging or facilitating the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. As of October 2008, the Office of Professional Responsibility (OPR) within the Bolivian National Police (BNP) and FELCN has investigated 2,043 allegations of various forms of misconduct (vehicle accidents, misuse of official equipment, and insubordination). Of the 176 cases that involved FELCN members, none of the investigations resulted in findings of corruption. Presently, 827 of these OPR cases were reviewed by a disciplinary board and the remainder are still in the investigative stage and/or awaiting tribunal action.

**Agreements and Treaties.** Bolivia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances.

Bolivia is a party to the UN Convention against Transnational Crime and its Protocols on Trafficking in Persons and Migrant Smuggling, the UN Convention against Corruption, and the Inter-American Convention against Corruption. Nevertheless, Bolivia is lacking many of the laws and enforcement mechanisms needed to fully implement these agreements. Bolivia has signed, but has not yet ratified the Inter-American Convention on Extradition.

**Extradition:** The GOB and the United States signed a bilateral extradition treaty in 1995, which entered into force in 1996. The treaty permits the extradition of nationals for most serious offenses, including drug trafficking. During 2008, the USG requested the extradition of one Bolivian national for narcotics trafficking; that request remains pending. Bolivia requested the extradition of two co-defendants charged with homicide; those requests also remain pending.

**Cultivation/Production.** Overall coca cultivation has increased from 25,800 hectares in 2006 to 29,500 hectares in 2007, according to official USG estimates. Of the two main coca growing regions, cultivation in the Yungas increased sharply to 22,500 hectares, while cultivation in the Chapare declined to 5,700 hectares – an overall increase of 14 percent. The UNODC overall estimates also showed an overall increase of 5 percent – a similar upward trendline.

Over the last year, a steady increase in the use of the more efficient “Colombian method” for cocaine production (using mechanized coca maceration as well as solvents instead of acids for alkaloid extraction) was also noted. According to DEA, as a result, the current annual production estimate of 120 metric tons of cocaine could increase as much as 60 percent. It should be noted that the increase in seizures of labs and cocaine in Bolivia from 2007 to 2008, is likely a direct result of an increase in cultivation in 2007 and a proliferation of labs in 2008 to process the coca.

Increased cocaine production in Bolivia is a threat to neighboring countries as well as to the U.S. and Europe. Chilean and Argentine authorities report an increase in cocaine HCl labs

in their countries, supplied by Bolivian cocaine base. Brazilian authorities have stated that most of the cocaine seized in Sao Paulo comes from Bolivia, with an increasing percentage of that cocaine of Peruvian-origin that transits Bolivia to Brazil.

**Drug Flow/Transit.** Although cocaine produced in Bolivia is increasing, there is limited documentation concerning Bolivian cocaine being seized outside of Bolivia, and, as noted above, most Bolivian-origin cocaine exports flow to other Latin American states and onward to Europe; relatively little is exported to the U.S. Increasing intelligence suggests a nexus with Mexicans, Colombians and the tri-border area (Argentina, Brazil and Paraguay). In 2008, the USG dismantled three prime target organizations linked to Bolivian cocaine supplies and Mexican organizations.

In the meantime, as cocaine availability increased in Bolivia under the Morales administration, conflict increased between rival organizations trying to carve out territory and trafficking routes. This is most evident in Cobija, with dozens of rival traffickers killed in 2008. This type of violence was previously rare in Bolivia. Violence in Cobija has forced many to flee across the border to Brazil, a trend that is likely to continue into 2009.

**Alternative Development (AD).** The USG's Integrated Alternative Development program provides support to help diversify the economies of Bolivia's coca growing regions, reduce communities' dependency on coca, and to strategically support the Government of Bolivia's voluntary eradication program. Alternative Development (AD) assistance helps strengthen the competitiveness of Bolivia's agricultural products (e.g., coffee, bananas, pineapples, cocoa, and palm hearts) in national and world markets, improve basic social conditions (e.g., access to clean water), and improve rural road infrastructure and access to markets. Beginning in FY 2007, AD support had begun to shift from the Chapare region to the Yungas region in accordance with the Government of Bolivia's rationalization plans.

In 2008, bilateral cooperation in Integrated Alternative Development suffered following the GOB's issuance of two Supreme Decrees the purpose of which were to bring greater GOB control over bilaterally administered donor resources and specifically require that donor funds directly support GOB entities or be channeled through the General Treasury. The USG, via USAID, currently funds one GOB entity for the purpose of road maintenance and improvement, but also relies on other implementing mechanisms including local government and non-government organizations to deliver assistance. Strict USG accountability requirements, with an emphasis on results, and concerns over the capacity of other GOB entities to meet these requirements, constrain the USG's ability to adhere solely to the new policy directives governing donor resources. An intensive review of the AD program led by the GOB demonstrated the magnitude of results achieved by implementing partners under the program, but did not succeed in convincing Bolivian authorities to revisit their Decrees.

While implementation proceeded in the interim, relations between USAID and GOB counterparts in the Vice Ministry of Coca and Integrated Development remained strained for much of the year. Matters deteriorated sharply in June when the leaders of the six federations of coca producers in the Chapare voted to expel USAID projects from the region followed by the expressed endorsement of the President and of most municipal

governments with whom USAID projects had previously been operating productively. Yungas federations, on the other hand, expressed their desire to continue cooperating with USAID and its implementing partners. The USG expressed its desire to reach agreement with the GOB on an orderly phase-out of assistance in the Chapare in favor of shifting resources toward the Yungas but to date the GOB has not responded and there is no such agreement.

U.S. support for the Yungas region, dating back to 2001, is of much more recent origin than that undertaken in the Chapare. The Yungas is an underdeveloped region, and home of the so-called traditional zone, where most of Bolivia's legal coca is cultivated. However, there is also considerable excess coca grown there. Recently, the GOB signed an agreement with the Yungas social organizations to define the area where coca cultivation is permitted and reduce coca cultivation in areas outside of that zone. Preliminary data on results achieved over the last year indicate that USAID's Integrated Alternative Development program activities continued to produce significant results, mostly exceeding established targets for the year, despite the stalled bilateral cooperation. U.S. assistance directly supported the cultivation of 12,800 hectares of new or improved crops such as bananas, cocoa, palm hearts and coffee, and areas under forest management plans.

In FY 2008, the annual value of USAID-promoted exports reached almost \$35 million. Assistance to farm communities and businesses helped generate 5,459 new jobs and new sales of AD products of nearly \$28 million. In FY 2008, 13,432 families benefited directly from U.S. assistance. Approximately 717 kilometers of roads were maintained or improved and 16 bridges constructed in the two regions where AD programs were undertaken. In addition, USAID's support helped the Government register the last 51,400 hectares of land to reach a total of 466,000 hectares in the Tropics of Cochabamba in preparation for its titling, thus strengthening land ownership rights and encouraging further farmer investments in alternative development products.

**Domestic Programs/Demand Reduction.** A 2008 UNODC report shows a continued increase in Bolivian domestic drug consumption. The GOB continues to inadequately support drug abuse prevention programs in spite of evidence of increased drug use in Bolivians reported by the UNODC. Recent statistics show that 4.6% of the population use illegal drugs (cocaine, marijuana, hallucinogens and others) in Bolivia, and that this number is expected to rise. The USG supported an expansion of the Drug Abuse Resistance Education (D.A.R.E.) program and continued to support 20 municipalities that worked to coordinate demand reduction programs at a local level, and a project on accreditation of rehabilitation centers. The D.A.R.E program reached 22,000 students, short of its 28,000 student goal due to social problems and the flooding that occurred in Bolivia earlier in the year. In cooperation with non-governmental organizations (NGOs), the USG concluded the master's degree program in drug abuse prevention and rehabilitation that had included 32 students, and implemented a community based drug abuse prevention program reaching 50,000 people. In 2008, most USG supported demand reduction efforts were coordinated with local municipalities and departmental governments. At the national level it has become increasingly more difficult to achieve results, as the GOB has yet to put forward a coherent demand reduction strategy.

#### **IV. U.S. Policy Initiatives and Programs**

**Policy Initiatives.** The USG supports programs that enhance the capabilities of the GOB to reduce coca cultivation; arrest and bring drug traffickers to justice; promote licit economic development to provide viable options to cultivating coca, disrupt the production of cocaine within Bolivia; interdict and destroy illicit drugs and precursor chemicals moving within and through the country via operational task forces; reduce and combat domestic abuse of cocaine and other illicit drugs; institutionalize a professional law enforcement system; and improve the awareness of the Bolivian population regarding the dangers of illicit drugs. The USG also trains Bolivia National Police (BNP) officers in modern investigative techniques to curb money laundering and terrorism financing.

**Bilateral Cooperation.** Bilateral cooperation declined significantly in 2008 with the expulsion of DEA from the country, the limitation of USAID's alternative development programs, the expulsion of the U.S. Ambassador and the increasingly hostile rhetoric from the GOB. However, Bolivian and U.S. officials still meet regularly to implement programs and operations and to resolve issues. The State Department's Bureau for International Narcotics and Law Enforcement Affairs (INL) principally supports and assists Bolivian interdiction and eradication forces. Before their expulsion, DEA provided direct operational advisory, liaison, intelligence and funding support to the FELCN's Sensitive Investigative Units, and USAID provided significant support to GOB efforts on alternative development.

Despite this decline in the bilateral relationship, the USG continued to support institution building and development of both the BNP forces and counternarcotics prosecutors under a law enforcement training and development program (LEDP). In the last year, fifty-six courses were provided to the BNP and the prosecutors, resulting in the training of 2,351 personnel. Individuals received training in the following areas: crisis command and control, leadership and management, basic and advanced criminal investigative techniques, drug investigations, advanced interview techniques, trafficking in persons, human rights issues and integrity investigations under the GOB's Office of Professional Responsibility. Also, 16 BNP officers received basic and advanced polygraph examiner training in addition to receiving certification by the United States. These certified officers are the framework for the BNP polygraph unit and are responsible for administering polygraph examinations to all OPR investigators and counternarcotics prosecutors.

Unfortunately, the Bolivian legal system is unable to efficiently process the majority of drug cases and many criminals avoid prosecution. To address this, the USG has continued to enhance training for prosecutors, and the Public Ministry through implementation of a nationwide program to enhance the capability of the prosecutors to identify, investigate and prosecute violations of controlled substances, transnational crime, human rights issues and corruption.

**The Road Ahead.** The GOB faces significant challenges because its policies allow expansion of coca cultivation, limit eradication efforts, and loosen controls over the licit coca market. We are concerned about the growing influence of Colombian and Mexican cartels and the possibility of a growing number of drug-related crimes in Bolivia. We

encourage the GOB to reverse its policies on expansion of coca cultivation. We also encourage the GOB to expand eradication in the Yungas, redouble its efforts in the Chapare, eliminate new coca plantings, and enhance its efforts to interdict illegal drugs and precursors throughout Bolivia. This effort should include the return of DEA to Bolivia. The U.S. also encourages the GOB to exert strict controls over the licit coca market, close illegal markets and increase cooperation with neighboring countries in counternarcotics efforts.

## V. Statistical Table

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Coca											
Net Cultivation (ha)		29,500	25,800	26,500	24,600	23,200	24,400	19,900	19,600	21,800	38,000
Eradication (ha)	5,484	6,269	5,070	6,073	8,437	10,000	11,839	9,435	7,953	16,999	11,621
Leaf: Potential Harvest <sup>1</sup> (mt)*		51,000	37,000	36,000	37,000	33,000	35,000	32,000	-	-	-
HCl: Potential (mt)		120	115	115	115	100	110	100	-	-	-
Seizures											
Coca Leaf (mt)	2066	1,330	1,344	887.4	395.0	152.0	101.8	66.0	51.9	56.0	93.7
Cocaine Base (mt)	21.6	11.4	12.7	10.2	8.2	6.4	4.7	4.0	4.5	5.5	6.2
Cocaine HCl (mt)	7.2	2.4	1.3	1.3	0.5	6.5	0.4	0.5	0.7	1.4	3.1
Combined HCl & Base (mt)	28.8	13.8	14	11.5	8.7	12.9	5.1	4.5	5.3	6.9	9.3
Arrests/Detentions	3,525	3,380	4,503	4,376	4,138	3,902	3,229	2,948	3,414	3,503	407
Labs Destroyed											
Cocaine HCl	7	6	3	3	4	2	2	1	2	1	1
Base	4,988	3,087	4,070	2,619	2,254	1,769	1,285	877	620	893	1,205

\* The reported leaf-to-HCl conversion ratio is estimated to be 370 kilograms of leaf to one kilogram of cocaine HCl in the Chapare. In the Yungas, the ratio is 315:1.