

MEMORANDUM OF JUSTIFICATION FOR
MAJOR DRUG TRANSIT
OR ILLICIT DRUG PRODUCING COUNTRIES FOR FY 2014

Bolivia

During the past 12 months, the Bolivian government has failed demonstrably to make sufficient efforts to meet its obligations under international counternarcotics agreements or to uphold the counternarcotics measures set forth in section 489 (a)(1) of the Foreign Assistance Act of 1961 (FAA), as amended.

Bolivia is the world's third-largest producer of coca leaf for cocaine and other illegal drug products. Bolivia's ability to interdict drugs and major traffickers was seriously compromised by its 2009 expulsion of U.S. Drug Enforcement Administration (DEA) personnel, harming its ability to conduct counternarcotics operations and cooperate on international illicit drug interdiction. Due to a lack of sufficient cooperation from the Bolivian government on counternarcotics activities, the United States Government determined it should close the International Narcotics and Law Enforcement Affairs section at Embassy La Paz by the end of 2013.

The 2012 United States Government coca cultivation estimate for Bolivia is 25,000 hectares, a 2 percent decrease from the 2011 estimate of 25,500 hectares. The United States Government estimate of pure potential cocaine production decreased 18 percent in 2012 compared to 2011. Notwithstanding these incremental positive steps, the overall counternarcotics picture in Bolivia is negative.

Bolivia has not maintained adequate controls over licit coca markets to prevent diversion to illegal narcotics production or closed illegal coca markets, and it failed to develop and execute a national drug control strategy. Unlike other coca growing countries, Bolivia has not implemented many of the U.N. mandated controls over coca. Bolivia also withdrew from the 1961 U.N. Single Convention and re-acceded only with a formal caveat that Bolivia "reserves the right" to promote the cultivation and commercialization of coca leaf products, contrary to the Convention's foundational premise to limit the uses of controlled substances to medical or scientific purposes. Given the substantial coca crops already grown in Bolivia, and the difficulty the country has had policing illegally grown coca and with diversion from licit coca markets to illicit ones, this reservation encourages coca growth and adds to the complication

of distinguishing between illegally and legally grown coca. The United States remains concerned about Bolivia's intent by this action to limit, redefine, and circumvent the scope and control for illegal substances as they appear in the UN Schedule I list of narcotics. The United States formally objected to Bolivia's reservation to the 1961 Convention, one of the essential cornerstones of international cooperation in this area.

Bolivian government policies and actions are not in line with international drug control standards. Such policies include Bolivia's promotion of the idea that coca leaf can be used generally for commercial products, as well as its de facto allowance of 20,000 hectares of legal cultivation, 8,000 hectares over the 12,000 hectare limit set by the country's own law.

The European Union provided funding for the completion of a study to identify the amount of legal cultivation needed to support traditional coca consumption. The unwillingness of the Bolivian government to share this report in a timely way demonstrates its disinclination to be transparent with the international community.

As a matter of policy, Bolivia does not encourage or facilitate illegal activity associated with drug trafficking. Senior Bolivian officials, however, have been arrested for facilitating drug shipments in recent years. These arrests have taken place both within Bolivia and abroad.

The United States encourages Bolivia to strengthen its efforts to achieve tighter controls over the trade in coca leaf to stem diversion to cocaine processing, in line with international treaties; to protect its citizens from the deleterious effects of drugs, corruption, and drug trafficking; and to significantly reduce coca cultivation.

To diminish Bolivia's appeal as a convenient trafficking venue for drug smuggling, further government action is required. Bolivia must improve the legal and regulatory environment for security and justice sector institutions to effectively combat drug production and trafficking, money laundering, corruption, and other transnational crimes, and to bring criminal enterprises to justice through the rule of law.

While Bolivia continues to make drug seizures and arrests of implicated individuals, the Bolivian judicial system is not adequately processing these cases to completion. Bolivian law

requires that an arrestee be formally charged within 18 months of arrest. An overwhelming majority of the incarcerated population in Bolivia, however, has not been formally charged in accordance with Bolivian law. The number of individuals who have been convicted and sentenced on drug charges in Bolivia has remained stagnant over the last several years and has not increased in proportion to the number of arrests.

In accord with U.S. legislation, the determination that Bolivia has failed demonstrably to make substantial efforts to adhere to its obligations under international counternarcotics agreements and to take counternarcotics measures set forth in the FAA, does not result in the withholding of humanitarian and counternarcotics assistance.