

04-746

LETTER OF AGREEMENT ON  
NARCOTICS CONTROL AND LAW ENFORCEMENT  
BETWEEN  
THE GOVERNMENT OF THE UNITED STATES OF  
AMERICA  
AND  
THE GOVERNMENT OF BOLIVIA  
DURING 2004-2005

## I. GENERAL

The Government of the United States of America and the Government of Bolivia (hereinafter each individually a "Party" and, collectively, the "Parties") agree to establish and to support a project designed to enhance the institutional capacities of the Government of Bolivia to implement effective measures against transnational and domestic organized crime and to implement all aspects of Bolivia's comprehensive national strategy to prevent the abuse, trafficking and production of illicit drugs.

The actions to be taken and the resources to be provided by the Government of the United States of America ("USG") and the Government of Bolivia ("GOB") in support of this Letter of Agreement ("LOA") are set forth below and constitute firm commitments by each Party. Funds granted by the USG under the terms of this LOA are specified in a separate face sheet. Future funding for these projects by the USG is contingent upon the availability of duly authorized and appropriated funds, satisfactory progress toward project goals, and the approval by the U.S. Department of State, Assistant Secretary of State for International Narcotics and Law Enforcement Affairs ("INL").

## II. PROJECT DESCRIPTIONS

These projects are designed to enhance the GOB's institutional capacities to carry out effective measures against drug trafficking, terrorism and other transnational or domestic organized crimes. Toward that goal, the USG and the GOB shall take actions and commit resources on an annual basis as authorized by their respective legislative processes to support this LOA.

The Parties may increase, amend, or terminate individual projects undertaken in conjunction with this LOA as agreed to by the Parties in writing. All such projects shall be subject to the terms and conditions of this LOA.

Specific actions to be taken to implement this LOA shall be identified in detail in exchanges of letters and appropriate supporting documentation by the GOB, the Narcotics and Law Enforcement Affairs Section of the U.S. Embassy ("NAS"), and the competent agencies or institutions in Bolivia that may receive assistance pursuant to this LOA. The individual projects that are currently in progress, or which are planned for initiation during United States Fiscal Year 2004, are identified below,

including the specific project number assigned for each project and used in the face sheet to this LOA. The planned life of each project, and the intended outcome of the project, is as described for each.

The support provided for each project reflects the requirements to achieve the related goal and might include any of the following goods or services: the construction, maintenance or improvement of physical infrastructure; the provision of salary supplements; the provision of uniforms and other personal equipment; the payment of rents and utilities (including those of internet, cable, satellite and telephone services); the payment of job-related travel costs; the payment of expenses for medical care and rehabilitation for injuries sustained in the line of duty; the provision of office equipment; the provision of the means of transportation for job-related activities; the provision of video, camera and related equipment; the provision of computers, communications and related equipment; the provision of various forms of training; the contracting of consultancies; and, the provision of other project-related goods or services.

Provision of USG grant funding beyond the current fiscal year is conditioned upon satisfactory progress toward project goals and the availability of funds authorized and appropriated on a year-to-year basis by the U.S. Congress and approved by the Bureau for International Narcotics and Law Enforcement Affairs (INL) within the U.S. Department of State.

#### DRUG CONTROL

##### 1. INTERDICTION (14,114,944)

The Interdiction Project is designed to increase the GOB's institutional capability to interdict narcotics and precursors produced within or transiting through Bolivia and to prosecute related cases. NAS funding complements and is coordinated with related activities undertaken by the Drug Enforcement Administration (DEA) and the Military Support Group (MILGROUP). The project will provide the GOB with technical advice, equipment, training and other elements (as summarized above) as appropriate, as well as with other forms of assistance as may be deemed relevant tactically to achieve the goal. The project supports:

- the Controlled Substances Prosecutors (FISCALIA), and
- the Specialized Force to Combat Narcotics Trafficking (FELCN) within the Bolivian National Police, across its District

Commands and National Headquarters and the following specialized groups and activities:

- o Rural Mobile Patrol Unit (UMOPAR),
- o Special Intelligence & Operations Group (GIOE),
- o Chemical Investigations Group (GISUQ),
- o Economic/Financial Investigation & Analysis Group (GIAEF),
- o Drug Detection Canine Unit (K-9),
- o International Anti-Narcotics Training Center (GARRAS),
- o Andean Regional Initiative (ARI), and
- o Special Investigations Units (SIU).

The planned life of this project is more than five years; at the end of five years, the GOB will require additional USG funding and policy guidance if it is to continue improving on the performance of prior years. This is an ongoing project, and FY-04 funding will allow the FELCN to interdict at least 10% of Bolivia's potential cocaine production and the Attorney General to pursue the associated cases.

Continuing USG assistance to the GOB builds upon decades of prior support provided to address the shared goal of eliminating narcotrafficking in Bolivia. Toward that goal, the USG and the GOB will take actions and commit resources on an annual basis as authorized by their respective legislative processes to support this effort. (Project Numbers 1202, 1203, 1204, 1205, 1207, 1210, 1211, 1621)

## 2. ERADICATION (11,923,300)

The Eradication Operations Support Project is designed to increase the GOB's institutional capability to control the marketing of legal coca and to eradicate illicit coca. NAS funding complements and is coordinated with related activities undertaken by the Drug Enforcement Administration (DEA) and the Military Support Group (MILGROUP). The project will provide the GOB with technical advice, equipment, training, and other elements (as summarized above) as appropriate, as well as other forms of assistance as may be deemed relevant tactically to achieve the shared strategic goal. The project supports:

- the Joint Eradication Task Force (JTF),
- the Directorate General for Agricultural Reconversion & Coca Crop Substitution (DIRECO),
- the Directorate General for Legal Coca Trade (DIGECO), and
- the Ecological Police (ECOPOLICE).

Continuing USG assistance to the GOB entities that pursue eradication and control of the legal marketing of coca builds upon years of prior support provided to address the shared goal of eliminating narcotrafficking in Bolivia. Toward that goal, the USG and the GOB will take actions and commit resources on an annual basis as authorized by their respective legislative processes to support this effort. (Project Numbers 1412, 1413, 1414, 1515)

The planned life of this project is more than five years; at the end of five years, the GOB will require additional USG funding and policy guidance if it is to continue improving on the performance of prior years. This is an ongoing project, and FY-04 funding will allow:

- the relevant GOB entities to eradicate at least 8,000 hectares of coca in the Tropico de Cochabamba over a twelve month period during 2004-5,
- DIRECO to undertake a 12-month coca leaf yield study, and
- DIGECO to refine its control procedures (so that no new cases of major systemic graft are exposed) and to develop new Vice Ministerial regulations that explicitly limit the issuance of new licenses to trade coca leaves.

### 3. POLICY DEVELOPMENT (163,000)

The Policy Development project will help strengthen the National Drug Control Board (CONALTID), a ministerial body that effectively coordinates the GOB's anti-drug strategy; develop the coordination and policy development capacity of the Vice Ministries of Social Defense, Alternative Development, and Health as CONALTID's technical secretariats; and help the GOB develop and implement its social communication policies related to counternarcotics activities. The project will provide the GOB with technical advice, equipment, training, consultancies, and other elements (as summarized above) as appropriate, as well as other forms of assistance as may be deemed relevant tactically to achieve the shared strategic goal. The project supports *inter alia* the Vice Ministry of Social Defense (VM-DDSS) within the Ministry of Government and policy development and social communication aspects of the Vice Ministry of Alternative Development within the Ministry of Agriculture, the Directorate of Social Communication within the Ministry of the Presidency, and the inter-ministerial committee on Drug Prevention and Rehabilitation chaired by the National Director for the Promotion of Health within the Ministry of Health.

This is the first of a five-year project that replaces a prior project of support for only the Vice Ministry of Social Defense. At the end of five years, the GOB may require additional USG funding and policy guidance if it is to continue improving on the performance of prior years. FY-04 funding will allow the GOB:

- to implement the National Drug Strategy (in the face of likely social resistance), and
- to design and implement a social communication strategy to promote popular support for the breadth of the GOB's CN activities.

Continuing USG assistance builds upon years of prior support provided to the Vice Ministry of Social Defense to address the shared goals of eliminating narcotrafficking, reducing drug use and rehabilitating drug users. Toward that goal, the USG and the GOB will take actions and commit resources on an annual basis as authorized by their respective legislative processes to support this effort. (Project Number 1618)

#### 4. DEMAND REDUCTION (830,000)

The Demand Reduction Project is designed to increase the GOB's institutional capability to coordinate GOB policies and provide policy oversight for programs undertaken by the GOB and NGOs that promote greater awareness of the harm caused by drug consumption, reduce actual drug use in Bolivia and rehabilitate those afflicted by drug addiction. The project will provide the GOB with technical advice, equipment, training, and other elements (as summarized above) as appropriate, as well as other forms of assistance as may be deemed relevant tactically to achieve the shared strategic goal.

The planned life of this project is more than five years; at the end of five years, the GOB may require additional USG funding and policy guidance if it is to continue improving on the performance of prior years. This is an ongoing project, and FY-04 funding will allow the GOB:

- to support a newly created inter-ministerial committee on drug prevention and rehabilitation that will guide the development of a national prevention strategy and engage civil society and NGOs in coordinated prevention efforts,
- to conduct a household survey measuring current drug consumption in Bolivia,
- to expand the DARE police prevention program in Bolivia, and

- to provide selective technical support and donations to prevention and rehabilitation NGOs to promote their long-term sustainability.

Continuing USG assistance builds upon years of prior support provided to address the shared goal of reducing drug use and rehabilitating drug users. Toward that goal, the USG and the GOB will take actions and commit resources on an annual basis as authorized by their respective legislative processes to support this effort. (Project Number 1619)

#### 5. BORDER & TRANSPORTATION CONTROL (34,000)

The Secure Borders Project is designed to increase the GOB's institutional capability to control the movement of commerce and persons across its borders. NAS funding complements and is coordinated with related activities undertaken by the Department of Homeland Security (DHS). The project will provide the GOB with technical advice, equipment, training, and other elements (as summarized above) as appropriate, as well as other forms of assistance as may be deemed relevant tactically to achieve the shared strategic goal. The project supports those GOB entities that deal *inter alia* with customs, migration, and trafficking in persons.

Continuing USG assistance to the GOB entities securing Bolivia's borders builds upon prior support provided to address the shared goal of eliminating narcotrafficking and addressing counterterrorism. Toward that goal, the USG and the GOB will take actions and commit resources on an annual basis as authorized by their respective legislative processes to support this effort. (Project Number 1929)

The planned life of the project is more than five years; at the end of five years, the GOB will require additional USG funding and policy guidance if it is to continue improving on the performance of prior years. This is the second year of an ongoing project, and FY-04 funding will support GOB initiatives that address transnational and domestic crime, including trafficking in both persons and narcotics.

#### 6. TERRORIST FINANCING/MONEY LAUNDERING (1,664,000)

The Terrorist Financing/Money Laundering Project is designed to increase the GOB's institutional capability to establish effective controls on transnational crime, including that associated with terrorism. The project will provide the GOB with

technical advice, equipment, training, and other elements (as summarized above) as appropriate, as well as other forms of assistance as may be deemed relevant tactically to achieve the shared strategic goal. The project supports:

- the Law Enforcement Development Project (LEDP), and
- the Directorate General for Seized Assets (DIRCABI).

Continuing USG assistance to the GOB entities pursuing initiatives that promote institutionalization and professionalism within the police and the proper handling of seized assets builds upon prior support provided to address the shared goal of promoting good governance and rule of law in Bolivia. Toward that goal, the USG and the GOB will take actions and commit resources on an annual basis as authorized by their respective legislative processes to support this effort.  
(Project Number 1227, 1616)

The planned life of the project is more than five years; at the end of five years, the GOB will require additional USG funding and policy guidance if it is to continue improving on the performance of prior years. This is an ongoing project which combines the previous separate projects of Law Enforcement Development and Seized Assets. FY-04 funding will support GOB initiatives that lend greater professionalism to the Bolivian National Police, address the training needs of the Bolivian National Police (BNP), the Office of the Attorney General and the judicial sector and promote the efficient handling of seized assets.

#### 7. ANTI-CORRUPTION (193,000)

The Anti-Corruption Project is designed to increase the GOB's institutional capability to establish effective mechanisms that eliminate corruption within and promote the protection of human rights by the Bolivian National Police (BNP) and other GOB entities. The project will provide the GOB with technical advice, equipment, training and other elements (as summarized above) as appropriate, as well as other forms of assistance as may be deemed relevant tactically to achieve the shared strategic goal. The project specifically supports *inter alia* the BNP's Offices of Professional Responsibility. NAS funding complements and is coordinated with related activities undertaken by the U.S. Agency for International Development (USAID) and the Embassy's Economic/Political Section.

Continuing USG assistance to the GOB entities working to eliminate corruption and to promote human rights builds upon

years of prior support provided to address the shared goal of establishing rule of law with Bolivian institutions. Toward that goal, the USG and the GOB will take actions and commit resources on an annual basis as authorized by their respective legislative processes to support this effort. (Project Number 1620)

The planned life of the project is more than five years; at the end of five years, the GOB will require additional USG funding and policy guidance if it is to continue improving on the performance of prior years. This is an ongoing project, and FY-04 funding will support *inter alia* the establishment of the BNP's newly launched OPR system throughout the country's nine departments.

#### 8. AVIATION SUPPORT (10,633,000)

The Aviation Support Project is designed to increase the GOB's institutional capability to provide logistical support to its eradication and interdiction activities, given the state of infrastructure throughout the respective zones of operation. NAS funding complements and is coordinated with related activities undertaken by the Military Support Group (MILGROUP). The project will provide the GOB with technical advice, equipment, training, and other elements (as summarized above) as appropriate, as well as other forms of assistance as may be deemed relevant tactically to achieve the shared strategic goal. The project supports the following sub-activities:

- Red Devils Task Force (RDTF),
- Helicopter Upgrade (UPGRADE), and
- Black Devils Task Force (BlkDTF).

Continuing USG assistance to the GOB entities providing aviation support --each of which involve task forces comprising military units-- builds upon years of prior support provided to address the shared goal of eliminating narcotrafficking in Bolivia. Toward that goal, the USG and the GOB will take actions and commit resources on an annual basis as authorized by their respective legislative processes to support this effort. (Project Numbers 1722, 1723, 1728)

The planned life of the helicopter upgrade is three years from NAS resources, to be followed by a final year of funding from INL Air Wing resources to complete the upgrade. At the end of the NAS-funded period, the project will have upgraded six helicopters to Huey UH-IIs. This project began in FY-03 with funding to upgrade two helicopters; FY-04 funding will provide for the upgrading of two additional Huey IIs.

The planned life of the other elements of the project is more than five years; at the end of five years, the GOB will require additional USG funding and policy guidance if it is to continue improving on the performance of prior years. This is an ongoing project, and FY-04 funding will enable the GOB to conduct the full range of eradication and interdiction operations and meet goals (see previous) for FY-04 by providing the following:

- from RDTF: 4,680 hours of helicopter flight (in coordination with an INL Air Wing-funded project) and 2,400 hours of fixed-wing operations, within appropriate safety tolerances, and
- from BlkDTF: 1,000 total flight hour program, within appropriate safety tolerances.

#### 9. OPERATIONAL/LOGISTICAL SUPPORT (7,989,000)

The Operational/Logistical Support Project is designed to increase the GOB's institutional capability to provide operational and logistical support to its eradication and interdiction activities via road and riverine systems, given the state of infrastructure throughout the respective zones of operation. NAS funding complements and is coordinated with related activities undertaken by the Military Support Group (MILGROUP). The project will provide the GOB with technical advice, equipment, training, and other elements (as summarized above) as appropriate, as well as other forms of assistance as may be deemed relevant tactically to achieve the shared strategic goal. The project supports the following sub-activities:

- Green Devil Task Force (GDTF),
- Blue Devil Task Force (BDTF), and
- Infrastructure (INFRA).

Continuing USG assistance to the GOB entities providing operational/logistical support --each of which involve task forces comprising military units-- builds upon years of prior support provided to address the shared goal of eliminating narcotrafficking, attacking counterterrorism and promoting the rule of law in Bolivia. The INFRA project is a NAS entity that provides technical services (including procurement, accounting, warehousing, distribution, maintenance and motor pools) in support to all NAS-financed projects. The USG and the GOB will take actions and commit resources on an annual basis as authorized by their respective legislative processes to support these efforts. (Project Numbers 1208, 1209, 1617)

- The planned life of the project is more than five years; at the end of five years, the GOB will require additional USG funding and policy guidance if it is to continue improving on the performance of prior years. This is an ongoing project, and FY-04 funding will provide for the following:
  - for GDTF, the fuel, travel costs, economic incentives and replacement parts to support an operational rhythm of four million miles a month, and
  - for BDTF, technical and materiel assistance that allows for the gradual reduction of the scale of BDTF.

### III. PERFORMANCE GOALS AND MEASUREMENTS OF EFFECTIVENESS

#### DRUG CONTROL

##### 1. INTERDICTION

The long-term goal of this project is to reduce the role Bolivia plays in the international trade of cocaine in all its aspects, given the political, economic and geographical constraints within which it must operate. The goal for FY-04 funding is to interdict of at least 10% of Bolivia's potential cocaine production, initiate 15,000 court proceedings, a 25% increase over FY 2003, and conclude 1,986 cases, a 25% increase over FY 2003.

Methods of verification of project achievement include observation by personnel of the two cooperating governments, by official GOB records of operational results and by official estimates of Bolivia's potential cocaine production.

##### 2. ERADICATION

The long-term goal of this project is to reduce the amount of coca produced in Bolivia to a level that satisfies no more than domestic demand for licit uses. The goal for 2004-5 funding is:

- to maintain a level of eradication of coca cultivations in the Tropico de Cochabamba and a dissuasion of major new cultivations in the Yungas so that CNC data estimates for Bolivia's potential cocaine production in 2004 are no more than 20% above its 2003 estimate,
- to scientifically measure across twelve months coca leaf yield through research undertaken by DIRECO,
- to establish adequate administrative and financial controls within DIGECO to ensure there are no new cases of significant corruption, and

- to ensure that new Ministry of Government regulations explicitly limit the issuance of new licenses permitting licit trade in coca leaves.

Methods of verification of project achievement include observation by personnel of the two cooperating governments and by official GOB records of operational results.

### 3. POLICY DEVELOPMENT.

The long-term goal of this project is to provide:

- the GOB with the means to develop and maintain strong counternarcotics and anti-crime policies and programs, and
- the GOB and/or relevant non-governmental organizations (NGOs) with the means *inter alia* to build and sustain Bolivian public support for counternarcotics policies and programs.

The goal for 2004-5 funding is:

- for the GOB ministries represented within CONALTID to begin implementation of the National Drug Strategy once it receives presidential endorsement, including a comprehensive social communication strategy,
- for the Ministry of Government to complete the process of institutionalization, and
- for the GOB to encourage the effective support of the Mini-Dublin Group.

Methods of verification of project achievement include observation by personnel of the two cooperating governments and by official GOB records of operational results.

### 4. DEMAND REDUCTION

The long-term goal of this project is to provide:

- the GOB with the means to improve greater public awareness of the harm caused by increased drug consumption, to discourage new drug users, and to promote improvements in Bolivia's drug prevention and rehabilitation programs.

The goal for 2004-5 funding is:

- CONALTID to approve drug prevention as one of four pillars in the National Drug Strategy, and
- to expand the DARE program to three additional cities (including El Alto) and to schools in coca-growing areas, reaching 12,000 schoolchildren.