

MANAGEMENT AND IMPLEMENTATION	
13. Type of financing	Indirect management with the entities to be selected in accordance with the criteria set out in section 4.3.1

## 1.2 Summary of the Action

The aim of the Action (EUR 6 000 000) is twofold:

The first is to contribute to the achievement of the current **Strategy to Combat Illicit Trafficking and Control of the Expansion of Coca Crops** through two projects implemented by UNODC, one on **Supporting the Bolivian National Strategy against Drug Trafficking**; and the second to **support the implementation of the GAFILAT recommendations resulting from the FATF Mutual Evaluation Report for Bolivia (2024)<sup>2</sup> and the National Strategy against Money Laundering and Terrorist Financing 2023-2025.**

The second is to improve the efficacy, efficiency, control and governance of the Justice processes through Bolivia's "*Justicia Libre*" digital application implemented by AECID.

The national drug strategy seeks to "reduce drug trafficking through the efficient control of illicit trafficking in controlled substances, the sustained reduction of surplus coca crops, institutionalising community coca control, the comprehensive prevention of drug use, and the regionalisation of international efforts, within the framework of shared responsibility, dignity, sovereignty and respect for human rights in order to Live Well".

In 2023 Bolivia has also been evaluated in the framework of the 4th round of mutual evaluation of the Financial Action Task Force (FATF) and the final evaluation report regarding compliance with the FATF Recommendations and the level of effectiveness of the anti-money laundering/financing of terrorism (AML/FT) regime has been delivered in January 2024.

Therefore, this project will work with multiple entities in Bolivia's AML/FT regime to improve preventive and detection actions. It will also support supervision, intelligence, development of strategies, technical training, investigation/prosecution, and asset recovery. This is in line with the new FATF recommendations.

The Action builds also on the previous experience of using the current sector budget support funded by the EU (2021-2025) for the implementation of a national drug control strategy, and the support project implemented by UNODC in that domain.

Risks of non-intervention of the EU's cooperation in this sector include limiting the capacity of key State institutions, facilitating the resort to more punitive policies, and negatively affecting human rights and policy effectiveness. Non-compliance with Grupo de Acción Financiera de Latinoamérica (GAFILAT) recommendations in due time will result in Bolivia being sanctioned and included in the Grey List of FATF. That will lead to further transactional costs for the country's banking system and higher economic costs for the Bolivian economy.

*Justicia Libre*, to be implemented by AECID is a digital application providing a platform for the registration and follow-up of the complaints submitted to the police through the process of prosecution. The EU support will allow the extension of the complaint all long the lawsuit until the penitentiary management. The experience of the system for the prosecution shows that paperless files are managed quicker, losses of files are eliminated and corruption becomes more detectable. The system also reduces the prison backlog (currently 85% of detainees are in preventive detention), allowing a better appraisal of the penitentiaries needs. The projects will impose a harmonisation of the Justice's procedures and processes, for which the collaboration of the Judge's and prosecutor's schools is requested. Additionally, the improvement of the system imposes a better judiciary career scheme, and the improvement of judicial training.

<sup>2</sup> <https://www.fatf-gafi.org/en/publications/Mutualevaluations/Bolivia-mer-2023.html>