

The Legal Framework and the Defence System

National Legislation

Systems and Concepts

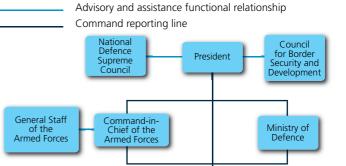
- Organic Law of the Armed Forces (N° 1,405 1992/12/30).
- Executive Branch Organization Act (N° 2,446 2003/03/19).
- Law establishing institutional coordination mechanisms for the execution of integral development and border security policies (N° 100 2011/04/05)
- Law on the National System for Citizen Security "For a safe life" (N° 264 2012/08/01).

Military Organization

- Decree-Law on the Military Social Insurance Corporation (N° 11.901 1974/10/21. Last amendment: Law N° 1.732 29/11/1996).
- Decree-Law of Organization of Military Justice (N° 13.321 1976/04/02)
- Manual on the Use of Force in case of Internal Conflict (Supreme Decree N° 27.977 2005/01/14).

The border security act is especially focused on the 50-km border and creates a Council for Border Development and Security.

Source: Compilation based on the above-mentioned laws and statutes.



General Command of the Navy General Command of the Air Force

The Military High Command is the highest decision-making organ of the Armed Forces. It is composed of the President, the Minister of Defence, the Commander-in-Chief, the Chairman of the Joint Chiefs of Staff, and the General Commanders of the Armed Forces. They form the Supreme Council of National Defence, the highest advisory body. The President issues the orders to the Armed Forces through the Minister of Defence in political and administrative matters, and through the Commander-in-Chief in technical and operational matters. The Commander-in-Chief receives the advice of the General Staff. The Congress holds the powers granted by the Constitution and permanently monitors defence related issues through the specific committees in both Houses.

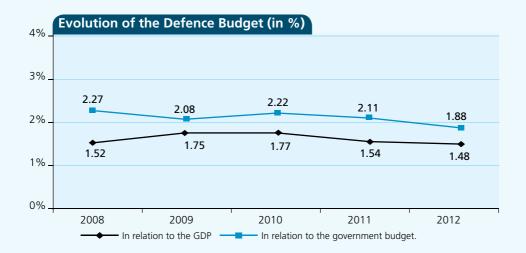
General Command of

the Army

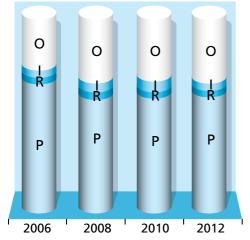
Source: Compilation based on *Ley orgánica de las Fuerzas Armadas* (N° 1.405 - 1992/12/30) and *Ley de Seguridad en Fronteras* (N° 100 - 2011/04/05).

The Budget

Year	Defence Budget (in US\$)	Government Budget (in US\$)	GDP (in US\$)
2008	254,520,509	11,203,635,538	16,699,000,000
2009	307,478,493	14,797,415,012	17,549,000,000
2010	336,894,359	15,202,917,715	19,086,000,000
2011	368,164,404	17,441,071,569	23,875,000,000
2012	400,819,204	21,274,475,553	27,012,000,000

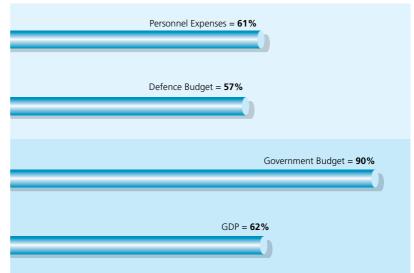


Defence Budget Breakdown



P: Salaries and other benefits
R: Retirement and pension funds / I: Investment
O: Other expenses

Comparative Increase (% variation 2008-2012)

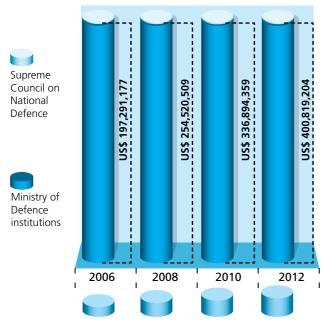


Defense Budget 2012 (in Local Currency)

Detense Budget 2012 (III Local Currency)							
Institutions	Personnel Services	Non Personnel Services	Materials and Supplies	Others*	TOTAL		
Ministry of Defence	1,580,713,116	257,727,477	373,318,784	92,866,151	2,304,625,528		
Military Social Security Corporation **	58,764,435	25,380,830	28,885,889	128,191,914	241,223,068		
Military School of Engineering **	7,657,531	32,061,150	6,604,409	26,843,795	73,166,885		
Engineering Command of the Army **	8,977,233	30,982,364	67,394,754	12,706,779	120,061,130		
National Naval Hydrography Service **	147,594	721,526	247,450	230,000	1,346,570		
National Aerophotogrametric Service **	310,788	1,148,380	1,062,314	5,508,031	8,029,513		
Geodesic Maps Service **	449,432	218,147	76,338	0	743,917		
Supreme Council of Plurinational Defence	288,339	49,620	85,171	0	423,130		
TOTAL	1,657,308,468	348,289,494	477,675,109	266,346,670	2,749,619,741		

^{*} Includes real assets, financial assets, public debt services, transfers, taxes, royalties, and other expenses. The financial assets of the Military Social Security Corporation are not taken into consideration
** Institutions under the responsibility of the Ministry of Defence.

Composition of the Defence Budget



Bolivian Air Transport, Bolivian Shipping Company, Corporation of the Armed Forces for the National Development and their associated companies (under the responsibility of the Ministry of Defence) The economic and investment efforts have concentrated in improving troop living conditions, in particular for those who are performing military service and border military units.

Source: Compilation based on *Ley del presupuesto general del Estado para el año 2006, 2007, 2008, 2009, 2010, 2011 and 2012.* The State Budget passed by the Congress by means of the above mentioned Act is considered herein. The concept of investment is that expressed in "Real assets"

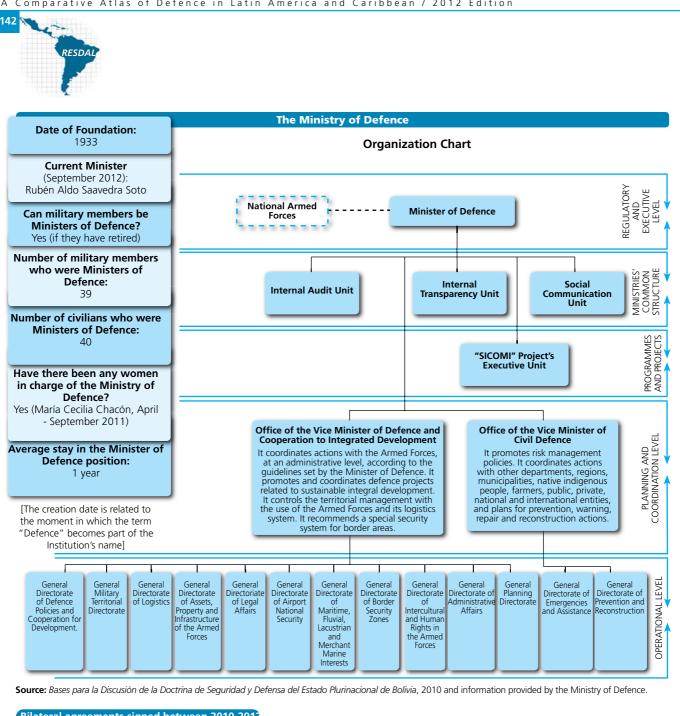
GDP: Projection of the World Economic Outlook Database, IMF, of each year un-

der review. This source has been taken for comparative purposes. Each country prepares the budget based on its own GDP estimation.

The dollar value considered herein corresponds to the exchange rate given by the World Economic Outlook Database, IMF, for each year under consideration. As of June, the 2012 exchange rate average is 6.96 Bolivianos, based on the

data provided by the Central Bank of Bolivia. For further calculations, figures are provided in local currency.

Expressions in Bold Type (Table) make reference to the various defence budget items, which can be found in a sector-based or institutional classification of the Budget Act.





Source: Compilation based on the websites of Bolivia's Official Gazette and Ministry of Foreign Affairs, and the Ministry of Foreign Affairs of Peru.

Political Definitions

Policy Guidelines

The state's objectives on defence and security are the set of goals that the State intends to attain, resulting from the interpretation of the complex and polysemic concept of "live well", and respond to the doctrine of a Plurinational State and to the New Political Constitution of the State which are needed to streamline and guide the political action of the government.

Objectives:

- Preserve the existence of the State, including its independence, sovereignty, dignity and the integrity of its possessions.
- Consolidate unity within pluri-national diversity.
- Strengthen democracy.
- · Expand social justice with inclusion and solidarity.
- Ensure integrated development.
- Preserve the environment and use our recourses in harmony with nature.
- · Reaffirm and promote international presence of the State.
- Promote sea claims and sovereignty.

The country has a special unaggressive, creative and dynamic military defence model, based on civil-military co-responsibility, allowing the concurrent integration of all actors of society for the defence of the nation. This strategic concept requires providing effective response, balancing the intensity of external and internal threats with the resources available to the State.

Purpose of State **Defence**

Defence

Policies:

State

Objectives

The following purposes are considered for the defence of a Plurinational State:

Guaranteeing the security of the population to "live well.

Protecting and preserving cultural diversity.

Protecting and preserving natural renewable and non renewable resources.

Maintaining the State's sovereignty and territorial integrity.

Actively participating to attain high social and economic development.

Participating in cooperative and collective security.

Maintaining the non renounceable and imprescriptible claim to recover access to the Pacific Ocean.

Protecting and preserving biodiversity and the environment.

Optimization of the Armed Forces' joint operational structure and strategic deployment.

Technology modernization and logistics renewal of the Armed Forces.

Strengthen security and promoting the integrated development in border security zones.

Promote a culture of respect for human rights and create dignified conditions, with equity, reciprocity and multiculturalism to "live well" in troops quarters.

Promote the use and peaceful utilization of outer space and apply IT systems allowing the protection of the State's sensitive informa-

Promote the reform of defence laws regulations, in consonance with the new precepts in the Constitution.

Generate a defence culture, creating awareness among Bolivian population of their importance for the State's existence and development.

Become the guarantors of democracy and the State's institutional order.

Support the State's social protection policy.

Strengthen defence industries for the purpose of benefiting the State's productive undertakings. Promote the development of science and technology within the Armed Forces.

Project the military service as an alternative for youth access to technology.

Defence of the environment and cultural heritage.

Promote a culture of gender equality and the removal of all forms of discrimination as the main pillar for human development.

Sustain the country's sea claim.

Promote the development of sea, river, lake, and merchant marine interests.

Strengthen regional military integration for security and defence

Source: Bases para la Discusión de la Doctrina de Seguridad y Defensa del Estado Plurinacional de Bolivia, 2010.

Bolivia published the Libro Blanco de la Defensa (White Book on Defence) in 2004 and Bases para la Discusión de la Doctrina de Seguridad y Defensa del Estado Plurinacional de Bolivia (Basis for the Dicussion of the Security and Defence Doctrine of the Bolivian Plurinational State) in 2010.

Related actions (2011 – 2012)

- The joint task force work for the eradication of coca crops resulted in over 10,509 hectares in 2011.
- Agreement signed with China on the acquisition of six H425 helicopters for logistic support in natural disasters.
- In 2011, workshops on Human Rights and International Humanitarian Law were delivered to Armed Forces personnel.
- The programme to strengthen the Armed Forces operating health practice reached 12,000 soldiers and sailors in military units from the country's nine departments.
- In 2011, a bilateral agreement on mutual respect and cooperation was signed between the Government of Bolivia and the US Government.
- The Ministry of Defence, under the new Citizen Security Act, is a member of the Inter-ministerial Citizen Security Committee

Source: Memoria institucional del Ministerio de Defensa, 2011, website of the US Embassy in Bolivia.

The Armed Forces

General Mission

The Armed Forces have the fundamental mission to defend and maintain national independence, security and the stability of the Nation, its national honour and sovereignty; ensure the supremacy of the Political Constitution, guarantee the stability of the legally-established Government and cooperate to the integral development of the country.

(Constitution, Sec. 244)

The Command-in-Chief of the Armed Forces is the highest decision-making and command body. As a technical and operating organization, it coordinates and conducts the Armed Forces on a daily basis

Specific Missions

- Defend the sovereignty and the integrity of the national territory.
- Guarantee land security and cooperate with maintaining the public order as instructed by the Com-
- Take part in the integration of the national territory by building and opening roads, motorways and other access ways.
- Occupy, protect and support the development of national borders.
 Protect vital areas and cities of the country.
- Carry out specific missions with the support of the Air Force and/or the Naval Force
- Actively participate in the integral development of the Nation, according to the guidelines of the Com-
- Contribute to the empowerment of the country in coordination with other Forces, enhancing, fostering and protecting national development
- Create and edit geographic and political maps of the national territory.
- Protect the sources of production and legally constituted services, as well as the natural resources and ecological preservation within the national territory.

Military Personnel – 2012

Army

Officers: 3,034 Non-Commissioned

Officers: 4,528 Troops: 21,218 **Total: 28,780**

Navy

Officers: 1,087 Non-Commissioned

Officers: 1,621 Troops: 2,870 Total: 5,578

Air Force Officers: 987 Non-Commissioned Officers: 1.947 Troops: 3,038 Total: 5.972

Total Strength:

- Ensure the sovereignty and defence of river, marine and lake interests of the Nation.
- Guarantee free navigation for Merchant Marine in seas, rivers and lakes controlling the right to use the territorial sea, adjacent areas, continental shelf and seabeds.
- Contribute to the empowerment of the Nation in coordination with the other Services, enhancing, fostering and protecting military, merchant and private shipping.
 - Create the national hydrographical maps.

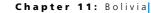
- Prevent and repress acts of piracy in navigation, trade and fishing.
 Carry out specific missions supporting the Army and/or Air Force.
- Actively participate in the integral development of the Nation according to the guidelines issued by the Commander-in-Chief.
- Exercise competence and jurisdiction on territorial waters, ports and naval facilities in accordance with the regulations established in the Fluvial, Maritime, and Lake Navigation Act.

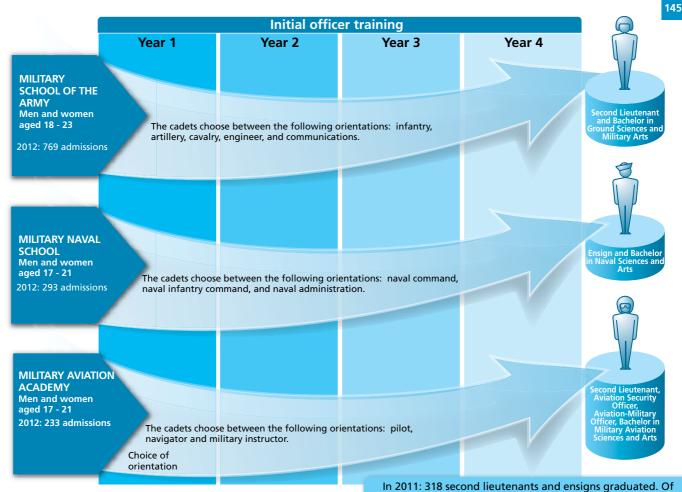
- Ensure the sovereignty and defence of the national air space.
- Reach and maintain a position of supremacy in the air space, enabling the execution of a deterrent action on a given enemy.
- Contribute to the integration of the national territory by means of air transport services
- Carry out the necessary and timely airlift to support all military national defence operations.
 Execute specific missions to support the Army and/or Navy.
- Actively participate in the integral development of the Nation, in accordance with the guidelines issued by the Commander-in-Chief
- Permanently surveil and repress acts of piracy in military and civil air navigation.
- Protect and foster the development of military and civil aviation, infrastructure, aerospace industry and institutes of aerospace scientific research of the Nation.

40,330

Armed Forces Deployment Navy **Air Force Army** First Division Sixth Division Headquarters: Headquarters: Trinidad Second Naval District Viacha Seventh Division 3rd Air Brigade Santa Cruz Headquarters: Cochabamba First Naval District Eighth Division Headquarters: Santa Cruz Third Naval District Fifth Division Fourth Naval District Nava Area 1st Air Brigade El Alto Fourth Division Headquarters: Camiri Fifth Second Naval District Headquarters: Oruro Tenth Division Third Division Headquarters: Villamontes Headquarters: Tupiza Naval Area 3 2nd Air Brigade Cochabamba 4th Air Brigade Tarija Naval Area 2

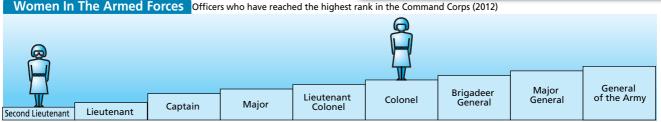
Source: Compilation based on the web site of the Navy and *Libro Blanco de Defensa. Ley orgánica de las Fuerzas Armadas* (N° 1.405 - 1992/12/30) (missions) and information provided by the Army (regular forces). For troop strength, the latest figures available as of 2010 have been considered.





Source: Website of the Air Force, Navy and Ministry of Defence.

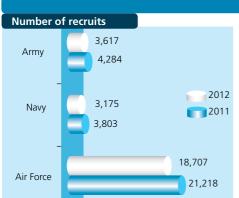
that number, 56 studied at the Aviation Academy.



Notes: These ranks correspond to the Army, as an example. The equivalent rank for Second Lieutenant is Second Lieutenant (Air Force). The Naval Military School has admitted women since 2009. The first generation of Naval officers is presently attending the 3rd year of the naval academy and will graduate and join the force as Ensign in 2014.

The Command corps includes officers who have been educated at military academies from the beginning of their careers, different to those who develop a career in the civilian sphere and are then incorporated to the military.

Source: Information provided by the Ministry of Defence.



Military Service

It is mandatory for all men of military age to be called up to the military service as conscripts. Soldiers and sailors are paid a per-diem rate. Currently, the so-called Pre-military Service programme has been reinstated for men and women in their 3rd and 4th year of high school, so as to voluntarily provide military service during weekends. The search and rescue (SAR) Alternative Military Service is an option used to comply with the mandatory military service, and involves the performance of search and rescue of aircraft in distress or for aviation accidents, as well as in natural disaster events. This service has a 2-year duration.

	Preliminary Volunteer Service				
	2011	2012			
	2011	Army	Navy	Air Force	
Men	24,000	14,786	1,570	5,187	
Women	2,000	2,151	128	247	
Total	26,000		24,069		

Since 2012, the Ministry of Defence and the Armed Forces have implemented a new recruitment and relief System that eliminates the second echelon, enabling young men and women to choose to report on a date between January and April to facilitate their school organization.

2011: the total number of troops recruited reached approximately 28,000 soldiers and sailors. In January 2012, 7,000 conscripts of the first echelon of 2011 were discharged.

Source: Bases para la Discusión de la Doctrina de Seguridad y Defensa del Estado Plurinacional de Bolivia, 2010; News bulletin (Year 3, N° 17, April 2012) of the Ministry of Defence, and information provided by the Army and the Ministry of Defence.



Activities in which Defence is related to: Education

Development Energy

Security

Defence and National and International Community

"Ciudad Segura 2012" citizen security plan

Within the framework of the Security Plan, the Ministries of Defence and of Government established (in March 2012) the military law-enforcement operation under the constitutional principle that whenever law-enforcement agencies are overwhelmed by the size of conflict, the Armed Forces will support their efforts to ensure citizen security

For this purpose, the military organization has increased by 30% the number of military troops assigned to support citizen security.

Military members carry out crime prevention and deterrence tasks for 10 uninterrupted hours. Three shifts have been created for the military police to conduct night se-

National system of citizen security for a "Secure life"

- Law N° 264 on the national system of citizen security for a secure life establishes the active involvement of the Armed Forces in citizen security councils at a national level. The military may be called upon to take part in meetings of the Inter-ministerial Citizen Security Committee and the Citizen Security Council (art. 16)
- The aircraft acquired for the Citizen Security Air Service are under the control and maintenance of Bolivia's Air Force.

● La Paz 412 Brazil ₱El Alto 547 Pando Cochabamba 839 Santa Cruz 539 La Beni Paz Cochabamba Santa Cruz Oruro Chuquisaca Potosi Chile Paraguay Tarija Argentina

Troop distribution when the Plan was first implemented

Support Actions (2011 - 2012)

• Cerrojo Plan (Lock-out Plan): its goal is to prevent the entry of undocumented vehicles into the national territory, including gasoline and food smuggling, especially through the Chilean border. Five regiments quartered in Oruro and Potosi departments seized 468 vehicles, 21,452 litres of gasoline and 100 basic commodities. Approximately 1,000 military troops participated in these actions to support the National Customs agency and Customs Operations Control (COA).

- Free distribution of energy-saving light bulbs: 20,000 troops of the Armed Forces deployed to comply with the schedule established for the door-to-door distribution of 3,000,000 energy-saving bulbs in coordination with the Ministry of Hydrocarbons and Energy.
- Secure City Plan: police patrol to support the State (Department) Police in surveillance, security and patrol operations, criminal arrests and transfer to police stations.
- Juancito Pinto Subsidy: the Armed Forces distributed this subsidy to 1,891,048 children of 13,975 education units, reaching a USD 50,287,356 investment. The aim is to foster school entry and completion rates.
- National payment sites of Renta Dignidad: 226 fixed and mobile posts were established (186 of the Army, 29 of the Navy and 11 of

Joint task force for the eradication of excess coca crops

aid in

disasters

Integral

development

Reduction of 10,509 farming hectares (Chapare: 8,011; Yapacaní Santa Cruz: 420, Isiboro Sécure National Park and Indigenous Territory: 271; Carrasco National Park: 391; Choré National Park: 21; San Borja, Beni: 74 and Yungas: 2.003). Participation of 2,500 troops (1,500 in the tropical areas of Cochabamba and 1,000 in Yungas of La Paz).

"La Niña" Phenomenon

- 38,398 families afflicted by natural disasters. Aid provided to 32,363 families with 787,400,000 tons of food, supplies and equipment.
- Support of 1,000 military troops for the evacuation of families and the conduct of security tasks in the affected areas. Transfer of 150 families sheltered in Callapa's Psychiatric Hospital to a facility of the Military School of the Army; 20 trucks of the Armed Forces.

Forest fires

- Humanitarian Aid provided to 616 families.
 - 108 homes and 5,134 hectares of forests and native vegetation impacted.

Rescue and evacuation:

- Rescue of 38 individuals trapped by heavy snow and frost in El Silala area.
- 17 rescuers of the Bolivian Air Force SAR Team and a helicopter of the Diablos Rojos Air Task Force evacuated 21 individuals who were stranded in the Piraí River area.

Environment

- Production of 57,000 seedling units.
- Conduct of training programmes for Environmental Promoters (soldiers and sailors) performing environmental preservation actions.
- Creation of a new unit, the Environment regiment "Tipnis Protection School" in Isiboro Sécure national park, to protect the ecologic reservation from illegal settlers and intrusions of communities from outside the park

Health

- Disease detection, prevention and control project, "A stop to tuberculosis", training health care personnel, 12,000 soldiers and sailors of the Armed Forces.
- 15,600 individuals benefited from educational material for military troop training in tuberculosis control and prevention.
- · Over 1,000 vaccination brigades of the Armed Forces were deployed in the national territory to provide full coverage of the canine anti-

Source: Bases para la Discusión de la Doctrina de Seguridad y Defensa del Estado Plurinacional de Bolivia, 2010; Memoria institucional del Ministerio de Defensa, 2011, News bulletin (Year 3, N° 14, March 2012) of the Ministry of Defence, information provided by the Military School of the Army and website of the Ministry of Defence.

Defence and National and International Community

Participation in Peace Operations

	Military Component			
Current Missions	MEM		MC	
	Men	Women	Men	Women
MINUSTAH (Haiti)	-	-	196	12
MONUSCO (Dem. Rep. of Congo)	7	2	-	-
UNISFA (Darfur)	3	-	1	-
UNMIL (Liberia)	2	-	1	-
UNMISS (Sudan)	2	1	-	-

MEM: Military experts on mission, including military observers, judge advocates and military liaison officers, among others - MC: Military Contingent.

Source: Statistics of military and police staff contribution to UN operations, UN Department of Peacekeeping Operations, July 2012.

Bolivia contributes 227 military troops to the UN peacekeeping operations, which represents 3.18 % of the total Latin American contribution.

The Centre of Peacekeeping Operations of the Bolivian Army (COMPEBOL) was created on January 23, 2007.



Analysis

The Process of Change in the Armed Forces Current and Long Term Roles

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After almost six years since Bolivia undertook its process of change under Evo Morales' leadership, the armed forces have now become a key institution in the Plurinational State. Their involvement in development-related actions has had a significant impact on the present government management. Nevertheless, key issues such as their reform and modernization are still pending in the way towards the democratization of defence and security institutions.

Bolivia's Political Constitution, amended in 2009, states that the "Armed Forces have the fundamental mission to defend and preserve the State's independence, security, stability and honour, as well as the country's sovereignty; ensure the supremacy of the Constitution and guarantee the stability of the legally-constituted government, as well as to assist in the country's integral development" (Sec. 244).

Strictly speaking, this mission is not much different from that provided for in the past. However, in practice, this institution has shifted from being a key actor for fighting against drug-trafficking and maintaining public order, to an organization that performs tasks in support of development, thus changing its strategic direction and operating structure.

The activities conducted by the military to support development are expressed in a set of missions, including: road-building, fight against smuggling and other illegal activities, protection of natural parks, payment of government bonuses, management of state companies, etc. The armed forces have become a multi-purpose institution, employed by the government to perform any task necessary to actively cooperate in the transition from a Republican State to a Plurinational State.

Although, in theory, the armed forces' fundamental mis-

sion is to ensure territorial defence and State sovereignty, Bolivia is a clear example that this concept is not univocal but, on the contrary, it has proved to be totally flexible. The military has shown it is capable of working efficiently in a wide range of tasks, which rendered positive results, as well as its full subordination to the government and the substantive improvement in their social legitimacy.

However, the downside of such an environment of full subordination of the military to political power, as tacitly expressed by military leaders in their multiple speeches, is the absence of reforms in strategic defence and security matters.

The absence of a defence and security law of the State, a defence white paper and a new regulatory, educational and doctrinarian reform reveals a military institution that is a victim of the circumstances and is increasingly more distant from modernization. At present, despite the new tasks entrusted to it in order to support development, old institutional structures still remain, and may not only constitute an obstacle to current roles but might even become a latent danger to the process of change itself.

In the absence of those reforms, such multiplicity of missions raises at least three dilemmas: the first is related to the circumstantial functional changes against the more permanent changes required to be consistent with the new State's ideology. The second dilemma is the existence of a convenient process of adaptation of the military which might be the result of an institutional assessment, vis-à-vis a true democratic subordination to the political power. The third one is the occupation of spaces that should actually be filled by civilian institutions working to support development, resulting in a military de-institutionalization process.