



The Effectiveness of the Colombian Democratic Security and Defense Policy

August 2002 - December 2003

PRESIDENCY OF THE REPUBLIC - MINISTRY OF DEFENSE



REPUBLIC OF COLOMBIA

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The Democratic Security and Defense Policy is a political instrument designed to protect and guarantee the rights of Colombians and to neutralize the threat of terrorism against the Colombian people.

The primary objectives of this policy are the following:

1. Consolidation of State control throughout Colombia to deny sanctuary to terrorists and perpetrators of violence.
2. Protection of the population through the increase of State presence and a corresponding reduction in violence.
3. Destruction of the illegal drug trade in Colombia to eliminate the revenues which finance terrorism and generate corruption and crime.
4. Maintenance of a deterrent military capability as a long-term guarantee of democratic sustainability.
5. Transparent and efficient management of resources as a means to reform and improve the performance of government.

2

The Current Threat

The Colombian people and their institutions face a number of serious interrelated threats which often transcend national boundaries. Criminal and terrorist groups seek to maintain de facto control over a patchwork of geographical areas in order to nurture and sustain criminal activities. These threats manifest themselves in acts of terrorism against civilians and fall into five primary categories:

The illegal drug trade requires the illegal appropriation of land and thwarts traditional economic activity and supports transnational crime. Also, the cultivation and refining of cocaine has a devastating impact on the Colombian environment with more than 1,500,000 hectares of pristine rainforest destroyed by chemicals from cultivation and processing of drugs.

Kidnapping and extortion, which robs Colombians of the expectation of freedom of movement, deprives victims of their liberty and forces families into destitution.

Illicit revenues and finances have a corrosive effect on the economy, generating corruption and the weakening of democratic institutions while strengthening criminal networks.

The traffic of arms, ammunition and explosives is maintained and sustained through a nexus between terrorists and international criminal networks. These weapons are used against innocent civilians.



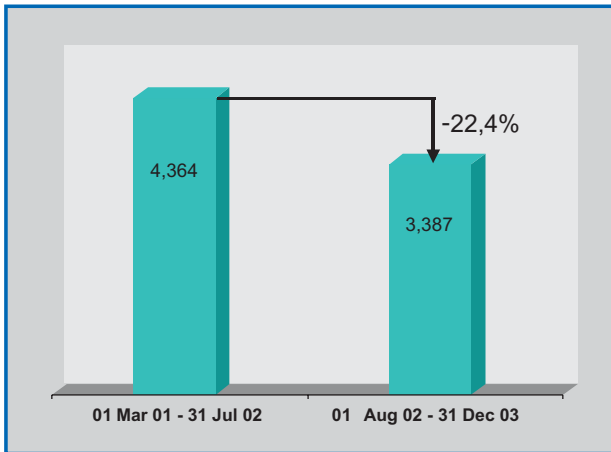
Homicide and assassination are used by terrorists and criminal groups to undermine democratic expression, force the population to submit to their criminal will and to remove obstacles to their criminal intent.

Investing in long term security

In August 2002, the National Government declared a special asset tax on higher-income Colombians. \$2.5 billion Colombian pesos were raised to support the war effort (US 880 million) and used to finance that strengthening of the Public Forces and for the execution of complementary programs within the framework of the Democratic Security and Defense Policy.

1. Protecting the population

Reduction in Kidnappings Presidential Period

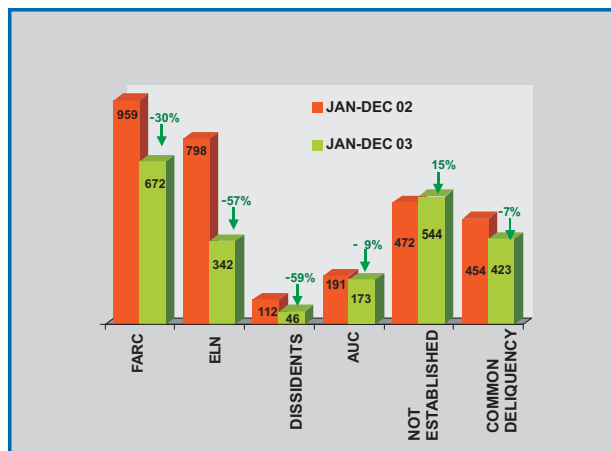


Kidnapping

The number of kidnappings against the Colombian people was reduced by 22,4% during the current presidential period as a consequence of the integrated and coordinated action of the state against criminal and terrorist groups. The trend for 2003 represents a reduction of 26%.

The defense of our roads has been a major focus of the security forces in order to restore freedom of movement to the Colombian people. This has resulted in the reduction of illegal check points by 50% and correspondingly, victims of this type of kidnapping by 43%.

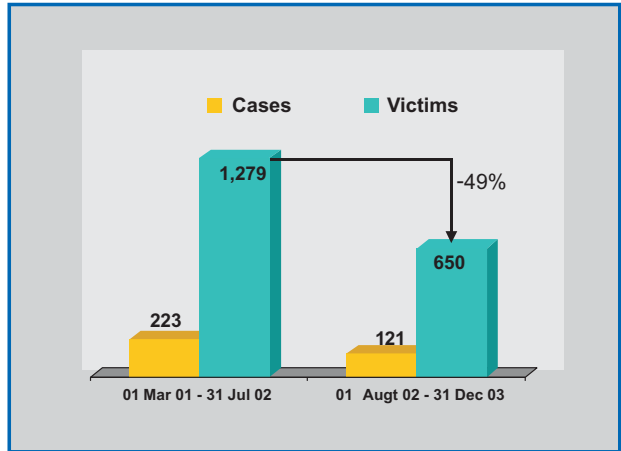
Number of Kidnappings (by Group)



Targeted cooperation across the branches of the security forces has significantly degraded the ability of the ELN's 'Cuadrilla Carlos Alirio Buitrago' to carry out kidnappings. In the past, this cuadrilla was responsible for 8% of the kidnappings in the country; today, their share of national kidnappings is 1%.



Reduction in Number of Massacres Presidential Period

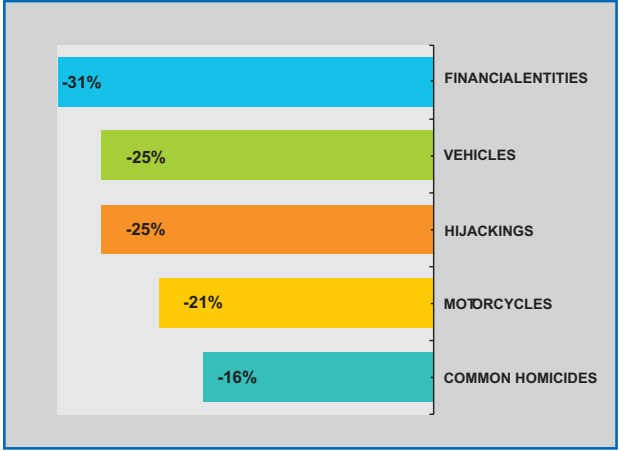


Massacres and Homicide

The number of massacres has been reduced by 49% and the trend over the last several months suggests that this improvement will continue.

The murder rate in the last 17 months has dropped by 17%, meaning that 6,000 less Colombians were victims of criminal or terrorist actions. Homicide rates for 2003 were reduced to 51 for every 100,000 inhabitants, taking Colombia back to 1987 figures.

Reduction in Thefts, Robberies, Hijackings and Homicides Presidential Period

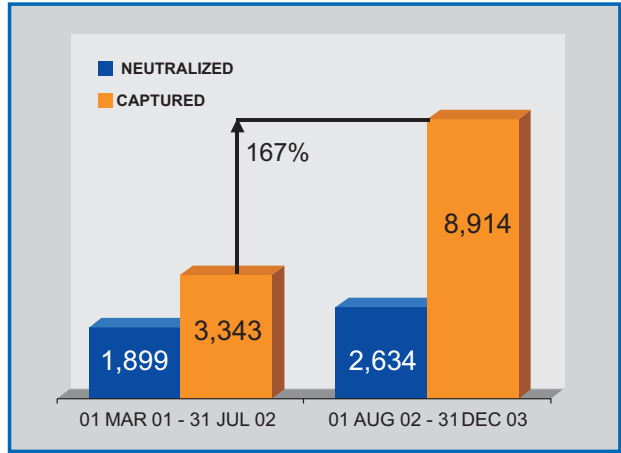


Combined efforts by the Colombian Military and the National Police have resulted in a reduction in common crime: bank robberies are down by 31%, vehicle thefts are down by 25%, motorcycle thefts down by 21% and hijackings down by 25%.

4

2. Neutralizing the Terrorist Threat

Operational Results by the Public Force against Subversive Groups (FARC-ELN) Presidential Period

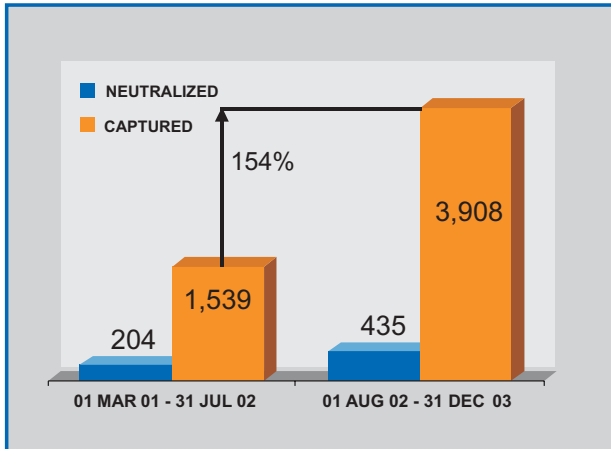


Operational Results

In military and police operations, more than 8,900 members of the FARC or ELN terrorist groups have been captured. This represents a 167% increase over the same period the previous year. In addition, there has been a 39% increase in the number of members of those groups killed in combat operations.



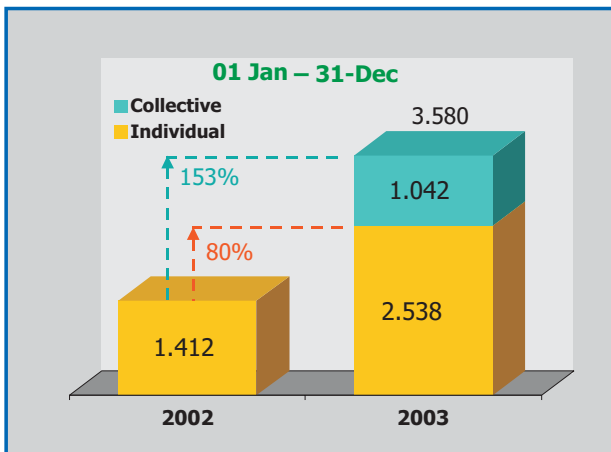
Operational Results by the Public Force against Illegal Self-Defense Groups (AUC) Presidential Period



During the seventeen months of the current presidential period, there have been 435 members of these illegal self-defense groups killed, and more than 3,900 captured. This represents an increase in 113% in AUC killed in combat operations and a 154% increase in captures in comparison with the previous seventeen months.

These results, combined with advances in protection of the civilian population, represent a significant qualitative increase in the overall security for our people.

Demobilized: Voluntary Surrenders by FARC, ELN and AUC



Demobilization Program

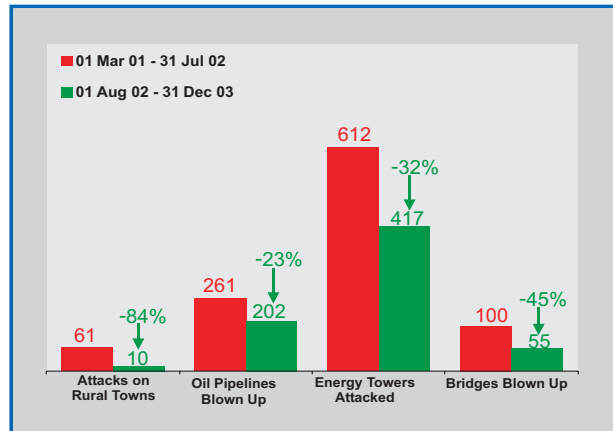
One of the important indications of effectiveness of the Democratic Security Policy is the strategy of voluntary disarmament and demobilization of more than 3,000 combatants between August 2002 and December 2003; 3268 of these combatants have demobilized individually and 1,042 collectively.

In the year alone, through December 2003 period, there was an increase of 80% over the same period the year before, with some 2,538 combatants fleeing the ranks of all three armed groups and seeking the protection of the State under the government’s demobilization program.

Looking at the entire seventeen months of the current administration, 4,310 members from the illegal armed groups have been demobilized. Through the exercise of democratic authority and the territorial control achieved by the Colombian State, there has been a 27% reduction in terrorist acts by the illegal armed groups.

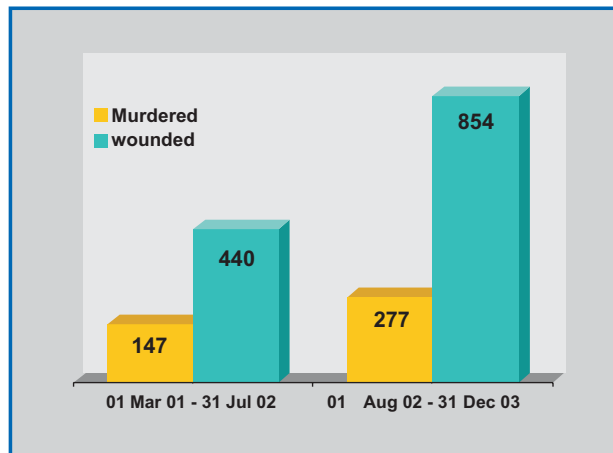


Decrease in Terrorist Attacks Presidential Period



Effectiveness against the groups themselves has led to a corresponding reduction in attacks on towns and infrastructure. From August 2002 to December 2003 there has been a reduction of 23% in oil pipelines attacked, 32% in energy towers attacked, 45% reduction in bridges destroyed and 84% reduction in attacks on rural towns.

Public Force Personnel Victims of Landmines or non-Conventional Weapons Presidential Period

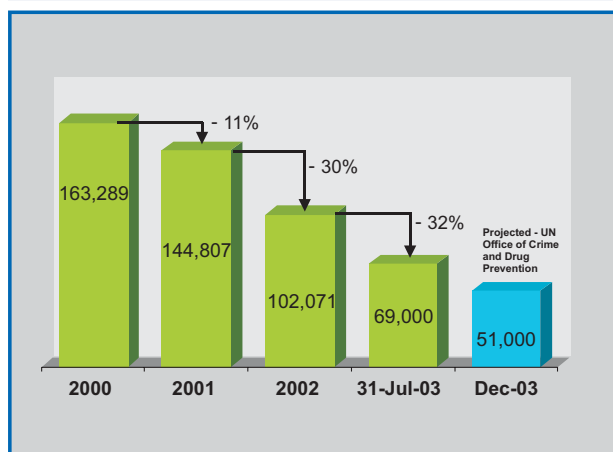


In seeking to deny sanctuary to these groups, the Colombian Public Force has had to penetrate deeper than ever before into the territory where these groups operate and this has come at a tremendous sacrifice to our troops.

So far, 277 members of the Public Force have died in the last 17 months due to mines and non-conventional explosives; another 854 have been maimed or wounded. The use of non-conventional weapons by these groups is a clear and flagrant violation of human rights and international law.

3. Fight against drug trafficking and Cultivation

Reduction in illicit Crops (Hectares)



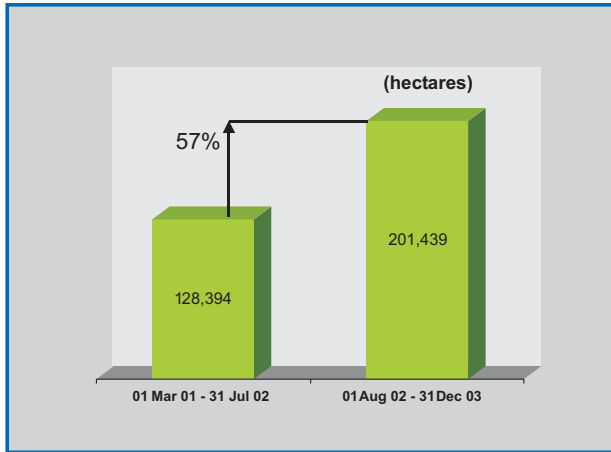
The present government is committed to eliminating the illegal poppy and coca crops from Colombian soil.

According to UN Office Against Crime and Drugs and the Antinarcotics Department of the Colombian National Police, there has been a reduction of 32% of illegal crops in the country, mainly coca.

According to this same report, the success in the reduction of coca crops is due primarily to the fumigation carried out by the National Police and secondly because of the eradication and voluntary crop rotation programs promoted by the National Government.



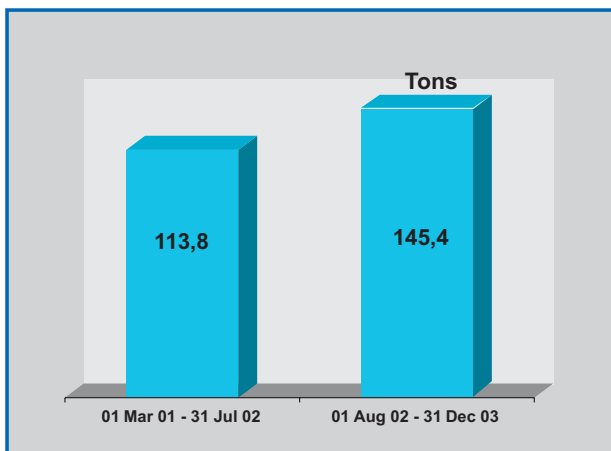
Illicit Crops Fumigated Presidential Period



From August 2002 through December 2003, the National Police has been able to fumigate a total of 201.439 hectares of coca, which represents a 57% increase compared to the number of hectares fumigated in the previous seventeen months.

This fumigation pre-empted the potential production of more than 438 tons of cocaine, which in the wholesale markets would have an estimated worth of more than \$13,1 billion dollars.

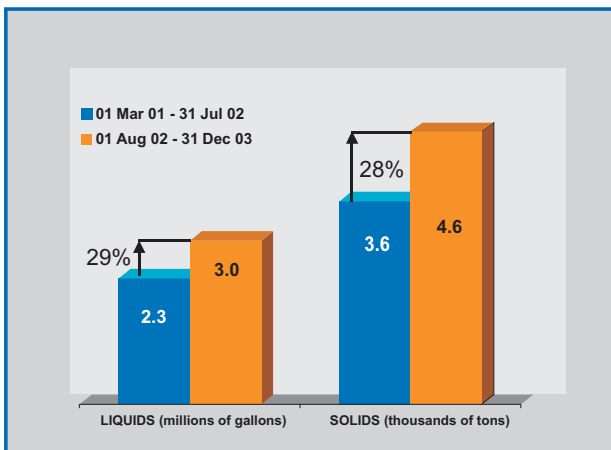
Cocaine Confiscated Presidential Period



The controls effected by the security forces and especially the maritime agreement reached with the United States, have enabled the seizure of more than 145,4 tons of cocaine which were ready for consumption. These seizures represent a \$4 billion dollar decrease in income to the narco-terrorist groups.

The recent Air Bridge Denial Program agreement with the United States has increased in the number of tons of illegal drugs seized, as well as the neutralization of aircraft carrying illegal drugs from our country which often traffic arms and weapons as well.

Liquid and Solid Drug - Processing Precursor Chemicals Confiscated

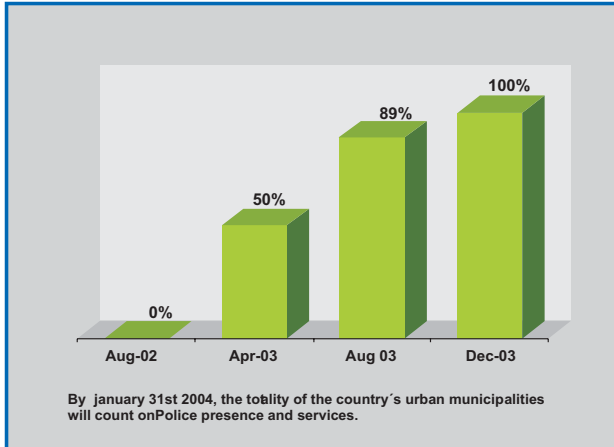


The rising and systematic seizure of chemical precursors, needed for the production of illegal drugs, has also been of great importance. In the past seventeen months, there has been a 29% increase in the seizure of liquid chemical precursors and a 28% increase in the seizure of solid chemical precursors compared to the seventeen months the previous year.



4. Consolidating territorial control

Consolidation of State Control Over the National Territory Percentage Increase of Municipalities that had no Previous Police Presence (158).

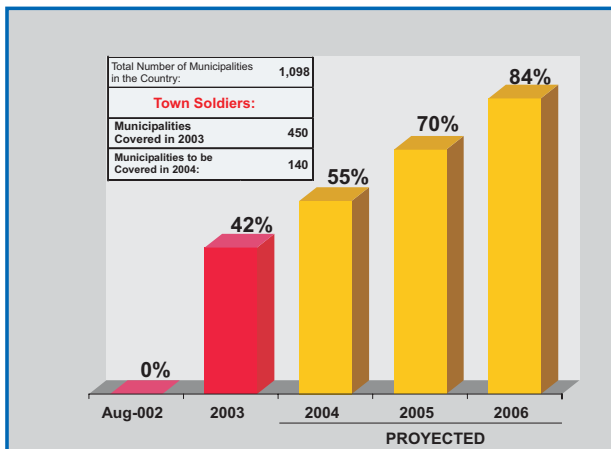


Police presence

In August 2002, there were 158 municipalities without the presence of the National Police and therefore with no capacity to fight crime and to reduce acts of terrorism. By April 2003, Police had returned to 79 of these municipalities. By August 2003 the Police had returned to 61 more municipalities, so that only 18 remained without the presence of the Public Force at the end of 2003. These remaining municipalities will have Police presence by January 31st 2004.

8

Consolidation of State Control Over the National Territory Percentage of Municipalities Covered under "Town Soldiers" Program

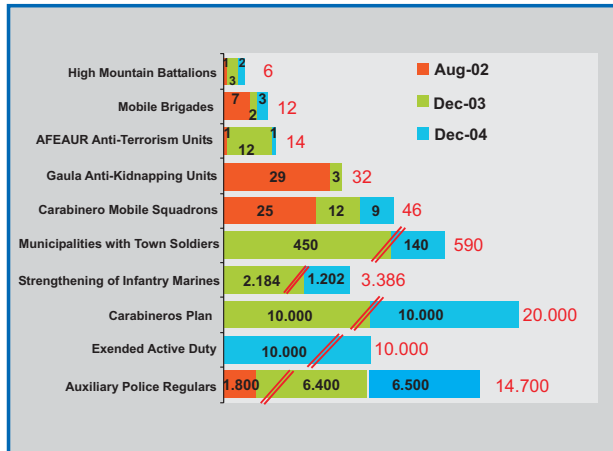


«Town soldiers»

The return of the National Police to the municipalities has been complemented with the new 'Town Soldiers' program. Under this program, local men and women receive military and police training to support the process of restoring state presence in their own towns. As of August 2003, 439 municipalities had been covered by this program and the number rose to 450 by the end of 2003. By year-end 2004, 140 additional municipalities will be covered.



Increase in Public Force 2002 - 2004

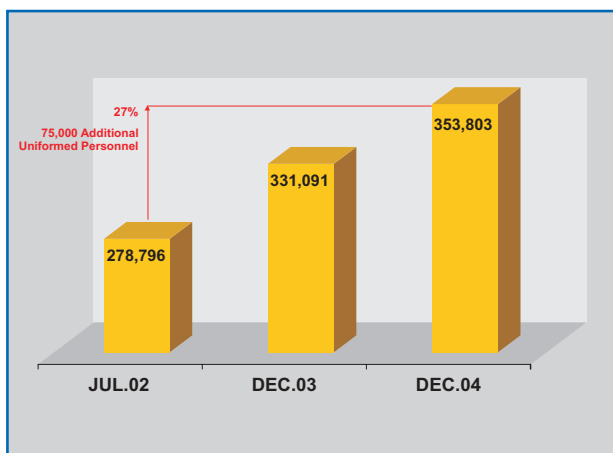


Security forces

The strengthening of the Public Force has been a determinant factor in reducing the activities of the illegal armed groups and hence led to a decline of overall violence in Colombia. In 2003, three high-mountain battalions were created as well as two special mobile brigades, 12 urban anti-terrorist units, 3 anti-kidnapping units and 12 squadrons of "Carabineros". The current plan to deploy 10,000 regular soldiers will be maintained which will allow for the creation of 69 units to protect the national infrastructure. In addition, 2,184 Navy marines will be

It is expected that throughout 2004, the strengthening of the Public Force will continue with: 2 additional high-mountain battalions, 3 mobile brigades, 9 mounted police squads, 146 additional municipalities under the "Town Soldiers" program, 1,200 additional Infantry Marines, an increase of 10,000 members of the National Police plus 6,500 regular 'reserves'.

Increase in Public Force 2002-2004



This strengthening of the Public Force represented a 19% increase in Military Forces and Police members at the end of 2003, and by December 2004, will represent an increase of 75,000 men and women for an overall 27% increase of uniformed personnel since the beginning of the current administration in August 2002.



5. Institutional Transformation: Efficiency and Transparency. Optimal use of resources

Optimizing available resources through better management and transparency is vital to improving the efficiency and effectiveness of the Ministry of Defense and the Public Forces.

Institutional reforms are already under way and are marked by the centralization of procurement of defense materials and a careful analysis of methods for reducing costs in favor of better performance. These reforms include:

- Centralization of procurement
- Analysis of the logistical needs and expenditures of each of the branches of the armed forces.
- Managerial restructuring of the defense sector
- Analysis of the aeronautical component of the Public Forces
- Reforms to the pension system
- Refocusing of the decentralized entities

10

Savings accomplished to date (Colombian Pesos):

- \$40,146 million in savings in contracting processes, compensation agreements with supplying companies (offsets) and centralization of acquisitions
- \$6,254 million in reduction on officer commissions abroad
- \$6,300 million in aeronautical logistics
- \$5,260 million savings decentralized sector 2003
- \$2.264 Customs duty reductions
- \$3.605 Armament acquisitions
- \$1.419 Personal flight equipment

In matters of international cooperation, since August 2002 bilateral agreements have been signed with Panama, Peru, The United States, Spain, Australia, France, Israel, Brazil and the UK. These important agreements strengthen the capacity of the Public Forces to reduce terrorism and to achieve the strategic objectives defined in the Democratic Security and Defence Policy. The agreements signed in areas of military technical cooperation promote commitments in the fight against organized crime, especially terrorism and the global problem of drugs and related crimes. The cooperation agreements include but are not limited to the exchange of intelligence information and trainings of specialized units and equipments.

Finally, the legal framework for the Public Forces to operate under is being revised and enhanced with laws that are currently being debated by the Colombian Senate and include:

- Antiterrorism Law
- Defense and Security Law
- Reform to the Recruiting Law
- Reform to the Criminal Military Justice

