

COMPLIANCE ALERT

“TRANCA CERO” PROGRAM

MARCH 2026



Approval of the National Policy on Deregulation, Administrative Simplification, and Regulatory Optimization - “Tranca Cero” Program”

On March 30, the Bolivian government approved Supreme Decree No. 5595 (“DS 5595”), which implements the “Tranca Cero” Program, a national public policy on deregulation, administrative simplification, and regulatory optimization within the Executive Branch.

This initiative is part of the new government’s policy to eliminate the “Obstacle State” (Estado Tranca) which has generated costs, a loss of well-being, corruption, excessive bureaucracy, and legal uncertainty for individuals and businesses.

The “Tranca Cero” Program seeks to modernize the State and has direct implications for the private sector, particularly in terms of:

- reducing administrative time and costs;
- greater traceability in interactions with public entities; and
- new mechanisms for monitoring and reporting regulatory inefficiencies.

In turn, this program represents a significant step toward improving the regulatory environment and strengthening good compliance practices in the public sector.

Who does the policy apply to?

DS 5595 applies to the Executive Branch, including ministries, decentralized, deconcentrated, and autonomous public institutions, public enterprises, companies in which the central government holds a majority stake, their affiliates and subsidiaries, and other entities within the Executive Branch.

Likewise, it can be understood that DS 5595 will have an indirect effect on any member of the public, whether individuals or companies, who interact with such entities.

What are the strategic guidelines of the “Tranca Cero” Program?

The “Tranca Cero” Program is structured around several key pillars:

- a) Streamlining and optimizing regulations to eliminate, modify, or replace them, within the framework of current legislation;
- b) Simplification of procedures with the replacement of requirements, where applicable;
- c) Recognition of equivalent international standards and certifications;
- d) Simplification of registrations and authorizations, with simple and digital procedures;

- e) Sector-specific regulatory updates;
- f) Reduction or elimination of general regulations governing an activity and elimination of duplicative requirements.

Creation of the National Catalog of Administrative Procedures

One of the pillars of the program is the creation of the Executive Branch's National Catalog of Procedures as a single, public, and mandatory registry, the purpose of which is to centralize information on procedures and facilitate access to clear information for citizens.

No procedure, requirement, or process that is not included in the catalog may be required, except for those provided for by law.

Digitization, Interoperability, and Automation

DS 5595 drives the digital transformation of the government through the gradual digitization of procedures, interoperability between systems of different entities, and the automation of administrative processes. This will help eliminate duplicate requirements, reduce response times, and limit administrative discretion.

From a compliance perspective, this promotes greater traceability, reduces the risk of corruption, and helps control interactions with the public sector.

Regulatory Simplification Ranking

Additionally, DS 5595 establishes the State Regulatory Simplification Ranking (the "Ranking"), which creates a mechanism for comparative evaluation among public entities based on criteria of deregulation, simplification, and reduction of regulatory burdens.

The evaluation criteria have not yet been established; however, it is important to note that once implemented, this tool will generate institutional incentives to improve performance and will allow for the identification of entities with higher levels of efficiency or those that need to improve their procedures.

Launch of the "Report Your Obstacle" (Reporta Tu Tranca) System

The Program also creates the "Report Your Obstacle" Digital System as a public, digital, and permanent reporting tool that will allow users to report obstacles, delays, or irregularities in procedures, highlight administrative bottlenecks, and contribute to improving the system.

The system will be administered by the Vice Ministry of State Coordination and Modernization and will be available through publicly accessible digital platforms. Furthermore, according to DS 5595, the "Report Your Obstacle" system will guarantee the confidentiality of the reporter's identity, protection against administrative retaliation,

and the use of the information exclusively for the purposes of regulatory improvement and administrative simplification. This is particularly relevant for individuals and businesses that frequently interact with the government.

“Tranca Cero” Certification

Additionally, DS 5595 establishes the “Tranca Cero” Certification for other government agencies and public institutions that wish to voluntarily comply with the provisions of this regulation, simplify their processes, or digitize their procedures. In this regard, this certification is relevant for the entire public sector, through which the aim is to encourage best practices, promote institutional competitiveness, and build trust among users.

What are the implications for the private sector?

The “Tranca Cero” Program represents a significant step toward modernizing Bolivia’s government apparatus. For the private sector, the main implications include:

- A reduction in regulatory barriers, although its effectiveness will depend on implementation.
- Greater transparency and traceability, in line with compliance standards.
- New reporting tools that guarantee confidentiality and protection for whistleblowers.
- Opportunities for operational efficiency, simplifying procedures and reducing unnecessary requirements across different levels of public administration.

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