

Bolivia

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1. Fintech regulatory framework: a summary of the most relevant laws and regulations concerning fintech and financial innovation.

Since 2023, Bolivia has progressively developed a regulatory framework applicable to fintech and financial innovation.

In November 2023, an amendment to the Financial Services Law was enacted, empowering the Executive Branch to regulate the incorporation and operation of entities specialised in the provision of technology-driven services within the financial sector.

Pursuant to such mandate, in May 2025 the Executive Branch issued Supreme Decree No 5384 ('Supreme Decree 5384'), which constitutes the cornerstone of Bolivia's fintech regulatory framework. The Supreme Decree regulates the incorporation and operation of technology-based services across the financial services, securities, and insurance sectors, formally introducing the concept of *Empresas de Tecnología Financiera* (financial technology companies or ETFs).

Supreme Decree 5384 defines ETFs as private or public entities, including those with majority state participation, specialised in the provision of services based on technological innovation within the financial, securities and insurance sectors. Under the Supreme Decree, ETFs may operate within the following categories: blockchain solutions, tokenised assets, virtual assets and/or virtual asset service providers (VASPs); payment services; financing platforms; enterprise technologies; and other categories that may be incorporated in the future.

The Supreme Decree further establishes that the implementation of such services may be subject to participation in a controlled testing environment (*Entorno Controlado de Pruebas* or CTE), defined as a regulatory sandbox in which ETFs may test innovative services under real, but limited and supervised, conditions.

The regulatory framework was further developed in July 2025 through regulations issued by the Autoridad de Supervisión del Sistema Financiero (ASFI) ('ETF Regulation'), which complements the Supreme Decree by establishing the procedural and operational requirements applicable to ETFs.

In particular, the ETF Regulation governs the incorporation process of ETFs in Bolivia, the adaptation process applicable to entities operating prior to the enactment of the new framework, the possibility of strategic alliances between regulated and non-regulated entities, and the implementation of the CTE.

Additionally, the ETF Regulation introduces a more articulated institutional framework for innovation by recognising the role of supporting ecosystem actors. It contemplates the participation of innovation accelerators, understood as specialised entities that provide programs and services aimed at fostering and expediting the development of innovative business models and technologies, including mentorship, training, advisory services and access to potential investors.

Taken as a whole, the Bolivian fintech regulatory framework remains at an early stage of development; however, it reflects a deliberate policy effort to balance financial innovation with regulatory oversight. The Supreme Decree provides the foundational legal framework, while the ETF Regulation operationalises the framework through detailed procedural and supervisory rules. The introduction of defined activity categories, a regulatory sandbox mechanism, and the recognition of supporting innovation actors evidences a structured, albeit still evolving, approach aimed

at facilitating the gradual integration of emerging technologies into the financial system while preserving supervisory control and market stability.

2. Regulations on crypto assets: a summary of the legal framework regarding crypto assets and how they are regulated.

From 2014, crypto assets were expressly prohibited in Bolivia. However, in June 2024, the Central Bank of Bolivia lifted this prohibition, thereby allowing their use within the financial ecosystem. Notwithstanding the removal of the ban, no comprehensive or standalone regulatory framework specifically governing crypto assets was issued at that time.

Subsequently, with the enactment of the fintech regulatory framework described above, virtual assets have been incorporated, albeit indirectly, into the scope of regulated activities. In particular, Supreme Decree No 5384 and the ETF Regulation recognise virtual assets as part of the categories under which ETFs may operate, particularly in relation to blockchain-based solutions and VASPs.

From a substantive regulatory perspective, the framework remains limited. The applicable regulation provides a general definition of ‘virtual asset’ as a digital representation of value that can be traded or transferred electronically and used as a means of payment or investment, excluding digital representations of fiat currency.

The current regulatory approach is primarily focused on regulating the entities providing services related to virtual assets, rather than establishing a detailed legal regime governing the assets themselves. As a result, several key aspects such as classification, custody, consumer protection and specific operational requirements remain underdeveloped or unregulated.

In parallel, the Central Bank of Bolivia has initiated exploratory steps towards the potential implementation of a central bank digital currency (CBDC), referred to as the ‘Boliviano Digital’. According to official communications issued in late 2025, the initiative follows a phased and structured roadmap aimed at assessing the feasibility of a wholesale CBDC, including technical studies, stakeholder consultations and pilot testing in controlled environments. While no binding regulatory framework has yet been enacted in this regard, these developments indicate an increasing institutional focus on digital forms of money and payment infrastructure.

Bolivia’s legal framework on crypto assets can be characterised as incipient and evolving. While the lifting of the prohibition and the inclusion of virtual assets within the fintech regulatory perimeter represent significant steps forward, the parallel exploration of a CBDC and the absence of a comprehensive and dedicated regulatory regime suggest that further regulatory development is expected in the near to medium term.

3. Payment service providers and digital wallets: a summary of regulations applying to payment service providers and/or digital wallets.

The Bolivian payment system is regulated by the Central Bank of Bolivia (Banco Central de Bolivia or BCB), which establishes the regulatory framework applicable to payment systems, payment instruments and payment services. ASFI exercises supervisory and licensing functions, including the

authorisation of entities operating within the payment system and the oversight of compliance with applicable regulations.

The main regulatory instrument in this area is the Reglamento de Servicios de Pago, Instrumentos Electrónicos de Pago, Compensación y Liquidación (the 'BCB Payment Regulation'), originally approved by BCB Board Resolution No 079/2022 and subsequently amended by Board Resolutions No 111/2024 and No 140/2025. The BCB Payment Regulation governs payment services and electronic payment instruments, as well as clearing and settlement operations within the national payment system. It also establishes the legal framework for the incorporation and operation of clearing and settlement chambers and payment service companies (*Empresas de Servicios de Pago* or ESPs).

Under the BCB Payment Regulation, ESPs are classified on a non-exhaustive basis into categories such as electronic card administrators, money remittance companies, mobile payment service providers and currency exchange companies. All ESPs must obtain authorisation from ASFI and are incorporated as complementary financial services companies.

Within this framework, digital wallets are not regulated as a standalone category. Instead, they fall within the scope of mobile payment service providers, which are authorised to issue mobile wallets, operate payment accounts and execute payment orders through mobile devices, subject to authorisation and supervision by ASFI. Mobile wallets constitute electronic payment instruments that enable users to perform electronic fund transfers, cash-in and cash-out transactions, and other related operations.

Additionally, the amendments to the BCB Payment Regulation introduced the concept of digital wallets (*carteras digitales*) as a payment channel that allows the linkage of electronic payment instruments or accounts through secure digital applications. The administration of such digital wallets is recognised as a payment service that may be provided by authorised entities.

The BCB Payment Regulation also recognises 'payment gateway administrators', defined as entities that provide technological infrastructure enabling the connection between merchants and financial institutions or payment service providers for the processing and transmission of payment orders through electronic payment instruments. Their role is limited to facilitating the execution of transactions, without directly managing client funds.

The introduction of the fintech regulatory framework has added an additional regulatory layer to the payment services ecosystem. In particular, entities that carry out activities involving payment services through technological platforms may fall within the scope of ETFs, specifically under the category of payments and payment platforms.

In this regard, the BCB Payment Regulation establishes that such entities must comply with the regulations issued by the BCB, while ASFI verifies compliance and grants the corresponding authorisations. Transitional provisions require entities operating under fintech models to adapt to the ETF Regulation within the deadlines established by ASFI.

The regulation of payment service providers and digital wallets in Bolivia reflects a structured but evolving framework, in which the regulatory regime of the payment system, defined by the BCB, coexists with the fintech framework introduced by Supreme Decree 5384 and the ETF Regulation.

This approach evidences a gradual integration of technology-based services into the payment system while maintaining regulatory control and institutional oversight.

4. Special support for fintechs: a description of special programmes supporting the fintech ecosystem, fintech startups (eg, regulatory sandboxes and accelerator programmes) and regulations regarding special support.

Bolivia does not yet have a comprehensive system of public programmes specifically designed to support fintech startups or the broader fintech ecosystem. However, the recently enacted regulatory framework introduces certain mechanisms and institutional elements that function as indirect forms of support for financial innovation.

The most relevant mechanism in this regard is the CTE, established under Supreme Decree 5384 and further developed in the ETF Regulation. This framework operates as a regulatory sandbox, allowing entities to test innovative financial services, products or business models in a real but limited and supervised environment, subject to prior authorisation.

Notwithstanding its formal recognition, the practical implementation of the CTE remains uncertain. The applicable regulation establishes its existence and general purpose but does not yet provide sufficient detail regarding its operational dynamics, access criteria, duration, scope of regulatory flexibility or the specific conditions under which participating entities may operate. As a result, it is not yet clear how the sandbox will function in practice or to what extent it will effectively facilitate market entry for fintech startups.

In addition, the ETF Regulation recognises the role of innovation accelerators as part of the fintech ecosystem. These entities are defined as organisations that provide support services for the development of innovative projects, including mentorship, training, technical assistance and access to potential investors. However, similar to the sandbox, this recognition remains largely declarative, as no specific regulatory framework, incentives or operational guidelines have been established for their participation within the financial system.

Beyond these mechanisms, Bolivia does not currently provide targeted financial incentives, tax benefits or dedicated public funding schemes for fintech startups. The regulatory approach has instead focused on establishing a legal framework that enables the development of fintech activities, rather than implementing direct support policies.

The current framework reflects an initial step towards fostering financial innovation through regulatory recognition rather than active promotion. While the inclusion of a regulatory sandbox and the acknowledgment of supporting ecosystem actors are positive developments, their effectiveness will depend on future regulatory clarification and practical implementation.

5. Open banking: a summary of regulations regarding open banking and direct or indirect regulations that affect open banking.

Bolivia does not currently have a specific regulatory framework governing open banking. However, recent regulatory developments and institutional statements indicate a growing and more concrete approach towards interoperability, API-based infrastructures and data-driven financial services.

In particular, in October 2025 the Central Bank of Bolivia launched OpenBCB, a technological initiative designed to expand the use of electronic payments, especially through QR-based transactions. OpenBCB is built on application programming interfaces (APIs), which enable secure and standardised interconnection between different systems, allowing the exchange of information and the processing of electronic payment transactions. Its functionalities include QR code generation, payment processing, transaction status verification and payment notifications. The initiative also contemplates the integration of ETFs through direct connectivity with the BCB, thereby expanding its scope and reinforcing the digitalisation of payment services.

Although OpenBCB does not constitute an open banking framework in the strict sense, it reflects a clear regulatory and technological shift towards interoperability and API-based architectures, which are foundational elements of open banking models.

In parallel, ASFI has publicly recognised the relevance of open banking as a driver of financial innovation, emphasising its potential to enhance competition, improve user experience and promote financial inclusion. In its institutional analysis, ASFI highlights that open banking relies on the controlled sharing of financial data through APIs, subject to customer consent and supported by adequate regulatory, technological and security frameworks.

Notwithstanding these developments, Bolivia still lacks a comprehensive regulatory framework establishing the conditions for data sharing, standardisation of APIs, liability regimes, or supervision of third-party providers. Existing provisions under the Financial Services Law impose strict confidentiality and financial secrecy obligations, as well as security requirements applicable to electronic transactions, which would directly impact any future implementation of open banking.

In addition, the absence of a comprehensive personal data protection law introduces further legal uncertainty regarding the governance of financial data and the mechanisms required to ensure informed consent and secure data sharing.

In practice, certain financial institutions have begun to develop limited API-based solutions that resemble open banking functionalities. However, these initiatives remain fragmented and are not subject to a standardised regulatory framework.

The current landscape suggests that Bolivia is transitioning from a stage of conceptual recognition of open banking towards the initial development of enabling infrastructure. While initiatives such as OpenBCB and the institutional position of ASFI indicate a growing commitment to interoperability and digital innovation, the absence of a dedicated regulatory framework means that open banking remains at an early and evolving stage.

Bolivia has no specific open banking regulation. There have been initiatives from the regulators for interconnection and interoperability from the regulators, which could lead to the establishment of open banking.

In 2021 the BCB issued its annual 'payments system surveillance report', which establishes that the next stage of payment system development in Bolivia will promote the emergence of innovative business models for which schemes such as open banking will be necessary. Thus, open banking is already on the regulators' radar. It is yet to be seen whether they will issue specific regulation on this matter.

The following provisions from the Financial Services Law may have an indirect effect on open banking:

- financial consumers have the right to confidentiality, with the exceptions provided by law;
- transactions carried out within the framework of the services provided by financial institutions may be carried out by electronic means, which must necessarily comply with the security measures that guarantee integrity, confidentiality, authentication and non-repudiation; and
- financial operations carried out by natural or legal persons, Bolivian or foreign, with financial institutions shall enjoy the right of reserve and confidentiality. Any information referring to these operations shall be provided to the owner, to whom they authorise or to whoever legally represents them.

Thus, potential conflicts with privacy and data protection of financial consumers should be considered. Bolivia does not yet have a personal data protection law. In practice, some banks in Bolivia have opted to include open banking initiatives by providing access to their APIs, allowing companies to develop software.

6. Regulation of virtual asset service providers.

The regulation of VASPs in Bolivia has been incorporated within the broader fintech regulatory framework established by Supreme Decree 5384 and the ETF Regulation, rather than through a standalone or specialised regime.

Under such framework, VASPs are included within the categories of activities that may be carried out by ETFs. In this regard, VASPs are defined as natural or legal persons that, as a business activity conducted for profit, perform operations or provide services involving virtual assets on behalf of third parties. The activities identified under the regulatory framework include:

- the exchange between virtual assets and fiat currency;
- the exchange between one or more forms of virtual assets;
- the transfer of virtual assets;
- the custody and/or administration of virtual assets or instruments enabling control over such assets; and
- participation in and provision of financial services related to the issuance, offer and/or sale of virtual assets.

From a regulatory perspective, VASPs are not subject to a differentiated legal regime, but are instead treated as a specific type of ETF. Consequently, they are subject to the general incorporation, authorisation and supervisory requirements applicable to ETFs, as described in Section 1.

In parallel, VASPs have been expressly incorporated into the framework for the prevention and control of money laundering, terrorist financing and the financing of the proliferation of weapons of mass destruction. Through Resolution No 19/2025, the Unidad de Investigaciones Financieras (UIF) designated VASPs as reporting entities (*sujetos obligados*), thereby subjecting them to the corresponding compliance obligations under the applicable anti-money laundering and counter-terrorism financing (AML/CFT) regime.

From a regulatory standpoint, the framework applicable to VASPs remains at an early stage of development. While their inclusion within the scope of ETFs and their designation as reporting entities constitute important steps towards regulatory oversight, several key aspects, including specific operational requirements, custody standards, consumer protection measures and cross-border activities, remain underdeveloped or unregulated.

7. AML and the Travel Rule in crypto asset transactions.

As noted in Section 6, VASPs have been incorporated into the Bolivian AML/CFT framework through their designation as reporting entities (*sujetos obligados*) by the UIF pursuant to Resolution No 19/2025.

As reporting entities, VASPs are required to register before the UIF and are subject to the general obligations applicable under the AML/CFT regime, including the implementation of policies and procedures aimed at the prevention and mitigation of risks related to money laundering, terrorist financing and the financing of the proliferation of weapons of mass destruction.

However, the regulatory framework remains at an early stage of development with respect to the specific obligations applicable to VASPs. To date, no detailed regulatory instruments or guidelines have been issued establishing tailored compliance requirements for VASPs, including customer due diligence measures, transaction monitoring standards or reporting thresholds adapted to the characteristics of virtual asset activities.

In particular, Bolivia has not yet adopted specific provisions implementing the so-called 'Travel Rule' in the context of virtual asset transactions. Consequently, there are currently no explicit requirements mandating the collection, verification and transmission of originator and beneficiary information in transfers of virtual assets, as commonly required under international standards.

From a regulatory standpoint, the inclusion of VASPs within the scope of reporting entities constitutes a significant first step towards aligning the Bolivian framework with international AML/CFT standards. However, the absence of implementing regulations and specific guidelines reflects that the framework remains at an early stage, with further developments expected to contribute to a more comprehensive approach to the risks associated with virtual assets.

8. Enforcement and cross-border recognition of tokenisation and structuring of secured transactions involving crypto assets.

The Bolivian regulatory framework does not yet provide specific rules governing the structuring, collateralisation or enforcement of transactions involving tokenised assets or crypto assets.

While the ETF Regulation recognises concepts such as tokens and tokenised assets, it does not establish a legal regime for their use as financial instruments, nor does it regulate how security interests over such assets may be created, perfected or enforced.

As a result, general principles of Bolivian civil and commercial law would apply. In particular, the creation and enforcement of security interests typically require formalities such as written agreements and, depending on the type of asset, registration or notarisation. However, the applicability of these mechanisms to crypto assets or tokenised assets remains legally uncertain.

Similarly, there are no specific provisions addressing the recognition or enforcement of foreign governing law clauses in crypto asset-related transactions. In principle, Bolivian courts may recognise such clauses subject to general private international law rules, although no specific precedents exist in this context.

Enforcement mechanisms available to secured creditors, including judicial proceedings and public auction requirements, are governed by general legislation and have not been adapted to the particular characteristics of digital assets. Accordingly, the possibility of direct appropriation of crypto assets or the practical enforceability of security interests over such assets remains unclear.

Overall, this area of law remains highly incipient, and further regulatory and judicial development will be required to provide legal certainty for transactions involving tokenised assets and crypto assets.

9. Litigation and jurisdiction on crypto assets: legal implications of disputes involving crypto assets.

The Bolivian legal framework does not establish specific rules governing jurisdiction, dispute resolution or litigation related to crypto assets. As with other aspects of the regulatory treatment of virtual assets, this area remains largely unregulated and subject to general legal principles.

In the absence of a specific regime, disputes involving crypto assets would be governed by the general provisions of Bolivian civil, commercial and procedural law. This includes rules on jurisdiction, applicable law and enforcement of decisions.

With respect to jurisdiction, Bolivian law generally recognises the validity of contractual clauses whereby parties submit to a foreign jurisdiction, particularly in commercial matters. However, such submission is subject to certain limitations, including public policy considerations and mandatory rules that may grant jurisdiction to Bolivian courts in specific circumstances. As a result, while foreign jurisdiction clauses may be considered valid, their enforceability is not absolute and would ultimately depend on judicial interpretation in each case.

Similarly, exclusive jurisdiction clauses are, in principle, recognised under Bolivian law. Nevertheless, there is no specific guidance as to their application in the context of crypto asset-related transactions.

In the absence of precedent, it remains uncertain how Bolivian courts would address disputes involving inherently cross-border and technologically complex assets.

Regarding the recognition and enforcement of foreign decisions, Bolivian law distinguishes between foreign judicial judgments and arbitral awards. Foreign court judgments are subject to *exequatur* proceedings before Bolivian courts, through which their recognition and enforceability are assessed. This process requires, among other conditions, verification of due process, proper service of process and compatibility with Bolivian public policy.

In the case of foreign arbitral awards, recognition and enforcement are governed by the applicable arbitration framework, which generally reflects international standards and allows enforcement subject to limited grounds for refusal, including public policy considerations.

However, there are no specific provisions addressing the recognition or enforcement of foreign judgments or arbitral awards arising from disputes involving crypto assets.

From a practical standpoint, the cross-border nature, pseudonymity and technological complexity of crypto assets may pose additional challenges in litigation, including issues related to the identification of parties, determination of the location of assets and the effective execution of judicial or arbitral decisions.

On balance, the legal treatment of jurisdiction and dispute resolution in matters involving crypto assets remains at an early stage of development in Bolivia. The absence of specific regulation or judicial precedent creates a degree of legal uncertainty, and further regulatory or jurisprudential developments will likely be required to provide clarity in this area.

10. Intellectual property and crypto assets: legal protection, ownership, enforcement, and monetisation of IP rights related to digital and virtual assets.

Bolivia does not have a specific legal framework addressing intellectual property rights in connection with crypto assets or blockchain-based innovations. Accordingly, general intellectual property laws apply.

Innovations and inventions are primarily protected through patents, copyrights and trademarks, subject to registration and compliance with the applicable legal requirements. Ownership of such rights is generally determined by authorship, contractual arrangements or registration, depending on the type of right involved.

Enforcement of intellectual property rights is carried out through administrative and judicial mechanisms, allowing right holders to challenge unauthorised use or infringement by third parties. However, there are no specific provisions or precedents addressing enforcement in the context of decentralised or blockchain-based environments.

From an international perspective, protection in foreign jurisdictions is typically assessed based on commercial strategy, target markets and the territorial nature of intellectual property rights. Bolivia follows general international principles in this regard.

Intellectual property related to crypto assets may, in principle, be monetised locally through licensing, assignment or commercialisation of underlying technologies or digital content. Nevertheless, the absence of specific regulation and the evolving nature of the crypto ecosystem may create practical and legal uncertainties, particularly in relation to digital ownership, tokenisation of rights and cross-border exploitation.

On balance, the legal framework applicable to intellectual property in the context of crypto assets remains underdeveloped, relying on general rules that have not yet been adapted to the specific characteristics of digital and decentralised technologies.



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