

Temporary suspension of certain U.S. sanctions against Venezuela

On 18 October 2023, the US government [announced](#) the temporary relief on selected sanctions against Venezuela, in response to a political roadmap reached between Venezuela's Unitary Platform and representatives of Venezuelan president Nicolas Maduro.

In acknowledgement towards the commitment to restore democracy, competitive and fair elections and protecting the rights and freedoms of Venezuelan people, the US Department of Treasury's Office of Foreign Assets Control issued 4 General Licenses which authorises certain transactions otherwise prohibited by the US Venezuela sanctions program.

In particular, [General License 44](#) temporarily authorises through 18 April 2024, all transactions that are related to oil and gas sector operations in Venezuela, including necessary transactions involving Petroleos de Venezuela, S.A. (PdVSA) or entities owned or controlled by PdVSA with a 50% or greater interest, and certain blocked Venezuelan banks.

A non-exhaustive list of transactions authorised under General License 44 section (a) includes:

1. the production, lifting, sale, and exportation of oil or gas from Venezuela, and provision of related goods and services;
2. the payment of invoices for goods or services related to oil or gas sector operations in Venezuela;
3. new investment in oil or gas sector operations in Venezuela; and
4. the delivery of oil and gas from Venezuela to creditors of the Government of Venezuela, including creditors of PdVSA entities, for the purposes of debt repayment.

Importantly, section (b) of the General License sets out several limitations on activities which are not authorised under the license.

Freehill Hogan & Mahar have issued a [Client Alert](#) which provides a helpful commentary concerning the recent suspension of sanctions against Venezuela.

For further information please refer to the [Frequently Asked Questions \(FAQs\)](#) issued by OFAC.

Notice to Members

Whilst the temporary suspension of certain sanctions against Venezuela are in place until 12:01 a.m. eastern daylight time, April 18, 2024, please be aware that OFAC may amend or revoke

the authorisations at any time. Members are reminded to exercise utmost caution when considering any trade involving Venezuela due to potential changes in the political landscape.