



Venezuela Economic Outlook

By Arca Análisis Económico

Here is our monthly summary of recent economic developments in Venezuela:

- The Venezuelan Finance Observatory (*Observatorio Venezolano de Finanzas* or OVF), conducted a survey based on interviews with a sample of 1,300 households in the states of Miranda, Zulia, Aragua and Cojedes to measure the socioeconomic situation and found that the average family income is \$231.49 per month, with significant regional differences.
- The same study determined that self-employment is the second-highest source of family income in Venezuela, surpassed only by the private sector and well above formal employment generated by the public administration.
- According to this survey, released on March 10, 2025, the private sector generates 25.91 percent of employment, self-employment accounts for 21.95 percent of the workforce, and the public sector is the source of income for 16.37 percent of households in the country.
- Interestingly, 15.57 percent of respondents reported being retired or pensioned, and 14.39 percent are unemployed. The data therefore indicates that 29.96 percent of the surveyed population is outside the labor market. Furthermore, only 2.28 percent of the surveyed population reported being employers; That is, they have some type of business that creates jobs.
- According to the OVF survey, poverty is the problem in four states. In Zulia and Miranda – which have high population concentrations – the average family income is \$231.49 per month or its equivalent in bolivars. However, while Miranda has the highest average monthly income at \$364.53 per month, followed by Zulia at \$252.88 per month, in Cojedes and Aragua the average wages are \$167.27 and \$141.30, respectively.
- The report concludes that "The poverty line was set at \$391 per family, which is equivalent to the cost of the monthly family food basket in December 2024, according to the OVF."
- Despite this, Venezuela's Executive Vice President Delcy Rodríguez noted that, during the 2025 Carnival season, revenue collection by the National Integrated Service of Customs and Tax Administration (*Servicio Nacional Integrado de Administración de Derechos de Aduana e Impuestos* or SENIAT) increased by 26.15 percent compared to the same period in 2024. For the same period, payment transactions grew 64.7 percent compared to the same season last year, meaning there were 178,832,780 transactions through payment channels. "Last year we talked about 108,500,000 transactions; this year, in 2025, the growth was 64.7 percent, 178,832,780 transactions through payment channels," Rodríguez emphasized.
- The hotel services in the country saw a 61.5 percent increase in occupancy, adding that the states of La Guaira, Falcón, Anzoátegui, Miranda, Aragua, Bolívar, Caracas, Sucre, Carabobo and Lara were the most visited for their tourist attractions.



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OFAC Issues New Sanctions for Venezuela Following the Barbados Treaty

By Holland & Knight

U.S. President Donald Trump announced on February 26, 2025, the revocation of licenses associated with the oil agreement granted by the Biden Administration through the Barbados Treaty. Signed in 2022 as a gesture of goodwill, this treaty allowed American companies to operate in Venezuela, specifically to resume limited natural resource extraction operations, under the commitment to ensure free and democratic elections.

General License 44 was issued in April 2024, authorizing transactions related to the oil and gas sector operations in Venezuela. Specifically, General License 44A permitted all transactions necessary for the winding down of operations in this sector including: 1) the production, extraction, sale and exportation of oil or gas from Venezuela, along with the provision of related goods and services, 2) the payment of invoices for goods or services linked to these operations and 3) the delivery of Venezuelan oil and gas to creditors of the Venezuelan government, including entities in which Petróleos de Venezuela, S.A. (PDVSA) holds a direct or indirect interest of 50 percent or more, for debt repayment.

This announcement contrasts with the visit of a White House envoy to Caracas on Jan. 31, 2025, which secured the release of American citizens detained by the Venezuelan regime and Nicolás Maduro's commitment to accept the repatriation of Venezuelans deported from the U.S.

However, President Trump declared that the authorization to operate would not be renewed on March 1, 2025, as was customary but would instead terminate. Under his directive, the Office of Foreign Assets Control (OFAC) issued General License 41A on March 4, 2025, granting American companies one month – rather than the usual six months – to close their operations in Venezuela. This measure prohibits the payment of taxes or royalties to the Venezuelan government, the distribution of dividends to PDVSA and the sale of oil for export outside the U.S. The decision will significantly impact Venezuelan oil production, which relies on 20 percent to 25 percent of the 200,000 barrels per day produced by American companies, thereby affecting the financial flows of Maduro's regime.

The U.S. justified this decision by citing Maduro's failure to meet electoral conditions, as well as the slow pace of repatriating undocumented Venezuelan criminals. For his part, Venezuelan President Nicolás Maduro responded that Washington's revocation of the general license affected the agreement reached with the Trump Administration for the repatriation of migrants deported in January.

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New OFAC General License 41A in Venezuela

By Tinoco Travieso Planchart & Nuñez

General License 41A – issued by the U.S. Department of Treasury Office of Foreign Assets Control (OFAC) – was published on March 4, 2025, authorizing the settlement of transactions previously authorized by Venezuela's General License 41 related to the operation and management involving Petróleos de Venezuela, S.A. (PDVSA) or any entity in which PDVSA owns, directly or indirectly, a 50 percent or more interest, that are prohibited by Executive Order 13850, as amended by Executive Order 13857, authorization that expires on April 3, 2025.

This license prohibits:

- the payment of any tax or royalty to the government of Venezuela
- the payment of any dividend, including a dividend in kind, to PDVSA or any entity in which PDVSA owns, directly or indirectly, a 50 percent or more interest
- "the sale of petroleum or petroleum products produced by or through oil and gas affiliated companies for export to any jurisdiction other than the U.S."
- any transaction involving an entity located in Venezuela that is owned or controlled by an entity located in the Russian Federation
- any transaction otherwise prohibited by Venezuela's sanctions regulations, including transactions involving any person blocked under the sanctioned regulations other than the blocked persons described in paragraph (a) of this general license, unless separately authorized

Effective March 4, 2025, General License No. 41, dated Nov. 26, 2022, is hereby superseded and replaced in its entirety by General License No. 41A.

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