



National Assembly of Venezuela Authorizes the Use of PDVSA Resources to Defend Assets Abroad

By Holland & Knight

The National Assembly of Venezuela issued an agreement on Oct. 1, 2019, authorizing the use of money from Petróleos de Venezuela S.A. (PDVSA) that was deposited in entities of the U.S. financial system for the judicial and extrajudicial defense of assets of the national oil company that are located abroad.

Pursuant to the agreement, the regimes of Nicolás Maduro and Hugo Chávez have incurred a large number of private obligations and claims against the State of Venezuela by reason of the country's external public debt, particularly those of PDVSA, which has put at risk the resources allocated for humanitarian emergencies and the economic reconstruction of the country.

Therefore, the National Assembly has decided to allocate up to \$2 million of the oil company's resources for the payment of professional fees necessary to address the urgent needs associated with the defense of its assets located abroad.

In this order, subject to prior authorization issued by the PDVSA ad hoc administration board and the Finance and Economic Development Commission of the National Assembly, the Office of the Special Attorney General of the Bolivarian Republic of Venezuela was authorized to execute the contracts necessary to fulfill the objective of the agreement.

Likewise, it was determined that a periodic report should be submitted on the contracting of professionals, payments issued and results obtained by the judicial and extrajudicial efforts to protect PDVSA's assets.

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