



Venezuela Declares Energy Crisis for the Country's Hydrocarbon Industry

By Holland & Knight

Venezuela President Nicolás Maduro declared on Feb. 19, 2020, an energy crisis for the country's hydrocarbons industry through Presidential Decree No. 4,131, in *Official Gazette* 41825. In addition, a series of measures were ordered accordingly to address the country's energy security and protect the oil industry. As a result of the foregoing, and without prejudice of U.S. regulations, the government of Venezuela ordered the temporary creation of The Presidential Commission "Alí Rodríguez Araque" for the Defense, Restructuring and Reorganization of the Oil Industry, which must 1) design, 2) supervise, 3) coordinate and 4) boost all productive, legal, administrative, labor and marketing processes related to the oil industry and its related activities. This measure includes Petróleos de Venezuela S.A. (PDVSA) and the Venezuelan Petroleum Corporation (CVP).

For its part, the *Official Gazette* 41819 published on Feb. 11, 2020, the following:

1. Decree No. 4.125, which authorized the creation of a state-owned company called the National Aeronautical Company, S.A. (EANSA), which shall be attached and ascribed to the Ministry of Ground Transport by means of the Venezuelan Consortium of Aeronautics Industries and Air Services, S.A. (CONVIASA).

This company will have as purpose, in accordance with Article 1 of the company's bylaws, the design, assembly, integration and testing of aircraft, satellites and vehicles related to the manufacture, maintenance, repair, certification of aircrafts, spare parts, components, aeronautical equipment, aeronautical and space research and development.

2. The articles of incorporation and bylaws of Empresa Mixta Petrosur S.A.

This company will have as purpose, in accordance with Article 1 of the company's bylaws, the execution of primary activities (e.g., secondary recovery) to achieve the production profile established in the Development Plan, the improvement of heavy and extra heavy crude oil, crude oil mix with heavy and extra heavy crude oil, as well as sale, storage, manipulation and transportation of the produced hydrocarbons.

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