



Memorandum of Understanding Between Colombia and Venezuela: Opportunities and Controversies

By Holland & Knight

The governments of Colombia and Venezuela signed a Memorandum of Understanding for the creation of the so-called "Zone of Peace, Union and Binational Development" in Caracas on July 17, 2025. This agreement represents an intention by both governments to cooperate economically in key areas such as trade, health, education, tourism and energy, with a special emphasis on border regions. Although it is not binding as it is a Memorandum of Understanding and therefore lacks the character of a fully binding contract, it does establish a roadmap for economic and social integration with an initial term of five years that is automatically renewed.

On the subject, Colombian President Gustavo Petro wrote on social media: "The binational zone on the Colombia-Venezuela border will allow the State to control the border as a space of legal prosperity and free from mafias."

The binational zone will cover the Colombian departments of Norte de Santander, Cesar and La Guajira, as well as the Venezuelan states of Zulia and Táchira. Among its main objectives are "productive diversification, inclusive economic development, eradication of illicit crops, and police and military coordination to combat organized crime on the border." Additionally, the agreement creates joint mechanisms to facilitate trade between both nations. The first concrete expression of this binational integration process is the transport of cargo and passengers, as the ministry of the sector issued a favorable technical opinion on the agreement that was signed in 2014 and ratified by Law 2301 of 2023.

"Eighty-six percent of our exports to Venezuela move by road. In 2024 alone, we reached \$861 million, almost double that of 2022. With this agreement, we take a leap toward a fairer, safer and more efficient integration," stated Colombia Minister of Transport María Fernanda Rojas. The next step would be the exchange of diplomatic notes for its entry into force.

However, the agreement has generated controversy. Some Colombian opposition senators filed a nullity claim before the Council of State, arguing that the memorandum was signed without legal competence or congressional approval. They also point out that the memorandum could imply a transfer of state sovereignty to Venezuela regarding border security.

For their part, international law experts warn that this type of agreement should follow the constitutional procedure for an international treaty, including review by the Constitutional Court of Colombia. There has also been criticism regarding the lack of consultation with local communities, especially in areas

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such as El Catatumbo, where regional leaders complain that they were not included in the process despite numerous Constitutional Court rulings affirming that communities have the right to participate and be consulted in decisions that affect them.

Despite the criticism, the Colombian government defends the memorandum as a commitment to peace and development in a region historically affected by smuggling, violence and state neglect. President Petro has proposed turning El Catatumbo into a free trade zone to attract legal investment and foster the local economy. In this context, the memorandum represents both an opportunity and a challenge: to advance toward effective binational integration without compromising sovereignty or ignoring the voices of those who live on the border.

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