The New Licensing Framework and the Reopening of Venezuela's Energy Sector

By Holland & Knight

Between August 2026 and September 2026, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) issued and amended a broad package of Venezuela-related general licenses that reshapes the terms on which U.S. entities may participate in Venezuela's energy sector. This regulatory cycle – which began on January 29, 2026, with General License No. 46 and continued with successive amendments through September 2026 – represents one of the most significant recent adjustments to the Venezuela sanctions program.

The core of the regulatory framework consists of the following licenses directly linked to the hydrocarbons value chain:

- **General License No. 46D.** Authorizes U.S. entities established before January 29, 2025, to engage in the exportation, reexportation, sale, storage, transportation and refining of Venezuelan-origin oil and petrochemical products and now also covers fertilizer products and fertilizer precursor chemicals.
- **General License No. 47B.** Complements that authorization by permitting the sale of U.S.-origin diluents to Venezuela, an important input for processing the country's heavy crude oil.
- **General License No. 48C.** Further authorizes the supply of goods, technology, software and services for the exploration, development and production of oil, gas, petrochemicals and electricity in Venezuela, thereby facilitating the maintenance and repair of operating infrastructure.
- **General License No. 50C.** Allows certain U.S. companies, with their respective affiliates, to conduct operations in Venezuela's oil and gas sector.
- **General License No. 52C.** Issued on September 14, 2026, this license authorizes certain transactions involving Petróleos de Venezuela S.A. (PDVSA) and its related entities.

All of these licenses share certain common conditions, including 1) contracts must provide for dispute resolution in the U.S., United Kingdom, France or Singapore, 2) certain payments to blocked persons must be deposited into the Foreign Government Deposit Funds established under Executive Order 14373, and 3) restrictions involving certain persons, entities and transactions that remain prohibited under the applicable sanctions framework.

The new regulatory framework extends beyond oil. Additional general licenses provide certain authorizations relating to the minerals sector, including gold. Specifically:

- **General License No. 51D.** Authorizes certain activities involving Venezuelan-origin minerals

- **General License No. 54C.** Allows the supply of certain goods and services for minerals operations in Venezuela.
- **General License No. 55A.** Authorizes certain activities related to new investments, subject to applicable OFAC conditions and authorizations.

Taken together, these licenses create a regulatory framework that allows U.S. companies to participate, under strict compliance conditions, in strategic sectors of the Venezuelan economy. However, this framework does not constitute a removal of the sanctions regime, as each transaction remains subject to the terms, conditions and restrictions of the applicable general license and other relevant sanctions requirements.

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