



सत्यमेव जयते

EMBASSY OF INDIA  
CARACAS



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MARCH 2020

# COMMERCIAL REPORT

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Embassy of India

# Economic & Commercial Report for March 2020

## 1. Statistical data

### i. Bilateral Trade

Period	Imports from Venezuela		Exports to Venezuela		Total trade	
	US\$ million	Rs. Lacs	US\$ million	Rs. Lacs	US\$ million	Rs. Lacs
2019-20 (Apr-Jan) (P)	4,967.12	3,502,164.91	204.82	145,736.07	5,171.94	3,647,900.98
2018-19	7,258.95	5,080,946.23	164.77	115,404.78	7,423.72	5,196,351.01
2017-18	5,866.37	3,779,668.44	79.21	51,053.33	5,945.58	3,830,721.77
2016-17	5,512.06	3,696,429.07	62.22	41,615.42	5,574.28	3,738,044.49
2015-16	5,701.81	3,715,029.41	130.66	85,177.63	5,832.47	3,800,207.00
2014-15	11,729.89	7,158,579.90	258.07	158,004.43	11,987.96	7,316,585.00

**Source:** Directorate General of Commercial Intelligence and Statistics (DGCIS) Ministry of Commerce & Industry, Government of India and Export Import Data Bank, Department of Commerce, Ministry of Commerce & Industry. Venezuela has not published any official data in respect of trade after 2014.

### ii. Top 10 items of Venezuelan Imports from India

(US\$ million)

S.N.	Exports	2014-15	2015-16	2016-17	2017-18	2018-19
1	Mineral fuels and mineral oils	0.03	0.05	0.03	-	83.45
2	Pharmaceutical Products	143.55	73.17	24.55	54.48	62.13
3	Nuclear Reactors, Boilers, Machinery and Mechanical Appliances	11.95	14.58	11.01	5.58	3.41
4	Cotton	22.1	6.58	3.11	1.56	2.46
5	Organic Chemicals	4.41	3.39	1.75	1.75	1.98
6	Miscellaneous chemical products	2.04	4.07	0.81	2.88	1.20
7	Rubbers and articles thereof	1.35	0.64	0.58	0.71	1.00
8	Paper and paperboard	1.44	0.44	0.66	0.52	0.96
9	Coffee, tea, mate and spices	0.87	0.19	0.35	0.21	0.70
10	Man-Made Staple Fibers	15.60	3.69	1.91	3.85	0.62

**Source:** Directorate General of Commercial Intelligence and Statistics (DGCIS) Ministry of Commerce & Industry, Government of India and Export Import Data Bank, Department of Commerce, Ministry of Commerce & Industry.

### iii. Top 10 items of Venezuelan Imports from the World

(US\$ million)

S.N.	Commodity	2015	2016	2017	2018
1	Mineral fuels, mineral oils and products of their distillation	2,551.22	1,791.58	2,026.32	4,579.99
2	Cereals	1,159.44	823.56	792.06	897.60
3	Machinery and mechanical appliances	4,453.03	2,326.53	1,479.55	877.15
4	Electrical machinery, equipment and parts	2,242.76	997.94	608.54	440.62
5	Animal or vegetable fats and oils	532.81	257.40	223.92	288.53
6	Organic chemicals	942.19	531.70	308.33	258.82
7	Vehicles, parts and accessories	1,835.93	880.38	371.96	207.14
8	Residues and waste from the food industries	421.21	369.22	181.84	205.95
9	Aircraft, spacecraft, and parts thereof	193.75	73.98	85.37	203.77
10	Commodities not elsewhere specified	214.69	249.60	102.09	184.28

**Source:** National Institute of Statistics (INE), Government of Venezuela. Venezuela has not published any official data in respect of trade after 2014. The above data after 2014 has been obtained from the International Trade Centre (ICT) – Trade Map (calendar year).

### iv. Top 10 items of Venezuelan Exports to India

(US\$ million)

S.N.	Imports	2014-15	2015-16	2016-17	2017-18	2018-19
1	Mineral Fuels and Oils	11,669.14	5,678.63	5,505.88	5,859.40	7,248.15
2	Aluminium and Articles Thereof	1.75	6.56	3.52	2.22	5.49
3	Iron and Steel	51.06	13.87	-	0.08	1.54
4	Wood and Articles	-	0.01	0.11	0.84	0.86
5	Lead and Articles Thereof	0.38	0.76	0.45	1.67	0.74
6	Raw Hides and Skins and Leather	0.04	0.18	0.08	0.09	0.78
7	Zinc and articles thereof	-	-	-	0.71	0.44
8	Paper and Paperboard; Articles of Paper Pulp	0.22	0.02	0.03	0.03	0.37
9	Plastic and Articles Thereof	0.14	0.54	0.62	0.77	0.18
10	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	-	-	-	-	0.13

**Source:** Directorate General of Commercial Intelligence and Statistics (DGCIS) Ministry of Commerce & Industry, Government of India and Export Import Data Bank, Department of Commerce, Ministry of Commerce & Industry.

v. Top 10 items of Venezuelan exports to the World

(US\$ million)

S.N.	Commodity	2015	2016	2017	2018
1	Mineral fuels, mineral oils and products of their distillation	34,600.17	24,207.76	28,246.42	29,981.84
2	Natural or cultured pearls,	936.12	2,929.33	1,058.71	2,718.24
3	Organic chemicals	588.31	376.42	534.23	561.66
4	Iron and steel	416.23	280.83	356.80	251.39
5	Aluminium and articles thereof	263.00	242.92	332.26	229.15
6	Ores, slag and ash	365.35	363.15	339.28	219.03
7	Fish and crustaceans	86.77	125.78	154.10	163.94
8	Fertilisers	146.31	205.10	186.69	82.32
9	Inorganic chemicals	233.28	129.42	128.70	80.69
10	Copper and articles thereof	8.94	48.12	61.07	73.94

**Source:** National Institute of Statistics (INE), Government of Venezuela. Venezuela has not published any official data in respect of trade after 2014. The above data after 2014 has been obtained from the International Trade Centre (ICT) – Trade Map (calendar year).

vi. Monthly Inflation Rate

S.N.	Month	National Assembly estimates (2020)	Central Bank of Venezuela figures (2020)
1	January	65.4%	-
2	February	22.4%	-

**Source:** Central Bank of Venezuela and National Assembly of Venezuela.

vii. GDP Growth %

Year	First quarter	Second quarter	Third quarter	Fourth quarter	Total
2014	-5.2%	-5.4%	-2.7%	-2.6%	-3.9%
2015	-1.4%	-4.8%	-7.4%	-10.2%	-5.9%
2016	-13.4%	-17.6%	-19.0%	-17.9%	-17.0%
2017	-12.2%	-15.6%	-15.8%	-18.9%	-15.7%
2018	-18.1%	-17.6%	-22.5%	-	-
2019	-26.8%	-	-	-	-

**Source:** Central Bank of Venezuela.

## 2. Trade queries for import/Exports

No.	Enquiry originator	Product
1	<b>NIRMAL INTERNATIONAL</b>	Salt, Spices, Marine Products, Dehydrated Food Stuff and Lemon Products
2	<b>ThingPharma (Venezuela)</b>	Pharmaceutical products
3	<b>Rohini Agro Industries</b>	Spices and agro products
4	<b>VESHAKAA TRADERS</b>	Textiles
5	<b>Yiovanny Calderón and José Rodríguez (Venezuela)</b>	Fabrics
6	<b>Kesha Exports</b>	Fresh ginger, garlic and turmeric
7	<b>VANDANA INTERNATIONAL</b>	Paper products
8	<b>Pearl International</b>	Brass components
9	<b>Salvatore Cali (Venezuela)</b>	Seeds and fertilizers
10	<b>SaiMadhav Group</b>	Agriculture Products (Vegetables, Fruits, Nuts , Dry fruit etc.), Cereals Spices & Herbs, Indian snacks, Jewellery and Precious Stone, Textiles fabric and Ethnic Wear
11	<b>Edges Medicare</b>	Medical consumables
12	<b>Alpesh kumar Chothani</b>	Textiles
13	<b>TBS Overseas</b>	Fresh Mangoes, Mango pulp, Mangoes, Mango juice, Sapota (chico), Onions, Onion Powder, Garlic, Dehydrated garlic powder, Dehydrated garlic flakes, Dried garlic, Ground-nuts, Frozen other vegetables and mixtures of vegetables, Peanut Butter, Fresh Potatoes, Chickpeas/Pulses Beans, Cumin, Soya Beans, Sesame, Split, Organic Liquid Fertilizer/Nutrients/Plant Extracted Fertilizer, Palmarosa oil, Lemongrass oil
14	<b>Akhand Jyoti Engineers</b>	Kitchen Equipment and Catering Equipment
15	<b>Shree Siddhi Vinayak Exports</b>	Kitchenware Products, Food Products (khakhra, papad, etc), Submersible and Open well pumps, Auto Parts.
16	<b>Madan Star Traders</b>	Textiles, garments and vegetable importers
17	<b>Atlantic Exim</b>	Basmati rice
18	<b>BENBOX Multi Exim Private Limited</b>	Jute, Cotton and Canvas bags
19	<b>Freesia Exports (OPC) Pvt Ltd.</b>	Bolts and Nuts, Fasteners products
20	<b>Shan Agro Inc.</b>	Processed food and agricultural products
21	<b>Flamingo Exports</b>	Indian Herbal Powders, Botanical Extracts, Natural Essential Oils & Cow Colostrum Powder
22	<b>Alpesh kumar Chothani</b>	Dairy products and fruits
23	<b>JinalFaldu</b>	Cotton products

### 3.Commercial and Economic News:

#### OTHER NEWS

**Economic activity fell by 40% in 2019:** The President of the National Council for Trade and Services (Consecomercio), announced that Venezuela's economic activity fell by 40% in 2019. He indicated that due to the blackouts and credit limitations, the trade and services sector of the country lost 40% of their inputs in the economy. [Read more.](#)

**Venezuela's PDVSA to restart two key oil upgraders to boost output:** According to media reports, PDVSA plans to restart operations at two key oil upgraders in the coming months after a year of inactivity aiming to boost output of its flagship grade for exports, Merey 16 crude. The Pedrocedeno and Petromonagas upgraders are expected to be restarted between May and June. [Read more.](#)

**London-based fund offered to buy Venezuela bonds at heavy discounts:** The London-based fund MCAHoldCo Ltd, offered to buy Venezuelan bonds at heavy discounts and hired a German bank to manage its offer to buy bonds issued by Venezuela's government and PDVSA. Reports indicate that the fund offered to buy PDVSA bonds at 6.5 cents on the dollar and government bonds at 10.5 cents on the dollar. [Read more.](#)

**Mexican firm takes millions of barrels of Venezuelan crude in oil-for-food swap:**

The privately owned Mexican firm, LibreAbordo SA, informed that Venezuela swapped millions of barrels of crude for supplies of corn and water trucks under an oil-for-food deal struck with them, in an effort to secure imports amid tightening U.S. sanctions. The company took 6.2 million barrels of Venezuelan heavy crude in February, for resale in international markets and loaded two more cargoes of oil and fuel in March. Oil cargoes received under the deal are being immediately resold and the buyers are taking possession of them at PDVSA's ports with no information provided to LibreAbordo on the final destination or use, the company said. [Read more.](#)

**Ex-Shell executive to cut gas flaring in Venezuela:** A former Royal Dutch Shell executive who led its efforts to cut gas flaring in Iraq a decade ago is planning a similar project in Venezuela. MounirBouaziz, who left Shell in 2019, said he began talks in October 2019 with Venezuelan state oil company PDVSA and the oil Ministry. He hopes to raise private investment to repair damaged processing plants to capture and use the gas, extracted alongside crude oil that Venezuela currently burns. Venezuela flared or otherwise lost 3.4 billion cubic feet per day (bcfd) of natural gas in 2019, up from 2 bcfd in 2010. [Read more.](#)

**Venezuela to sell shares in CAF development bank to pay debt:** According to media reports, Venezuela would sell some of its shares in the CAF Latin American development bank to pay down its debt with the lender. The sale was reportedly approved at a meeting of the CAF's board in Buenos Aires on 03 March 2020. [Read more.](#)

**Federation for Automobile Products estimated to export US\$ 5 million in 2020:** The President of the Venezuelan Chamber for Automobile Products Manufacturers (Favenpa), estimated that the auto parts industry of Venezuela would export around US\$ 5 million in 2020, in contrast with 2019, when exports reached US\$ 400,000. [Read more.](#)

**Custom associations expect a drop of 98% in imports in 2020:** The President of the Vargas State Chamber of Industrials and Customs said that the private imports so far in 2020 have fallen by 98% due to the lack of trust in the custom procedures regarding investment security and failing public policies. He indicated that between 2007 and 2012, imports averaged around US\$ 60 billion and for 2019, it barely reached US\$ 5 billion. [Read more.](#)

**More than 50% of Venezuelans live with less than US\$ 1.9 per day:** The opposition-led National Assembly reported that more than half of the Venezuelan population lives with less than US\$ 1.9 per day. Since 1 January 2020, workers are receiving a minimum salary of Bolivares 250,000 and a food bonus of Bolivares 250,000, equivalent to around US\$ 6.6 per month. [Read more.](#)

**Venezuela seized assets from six shipping companies:** Venezuela seized

assets of six shipping companies claiming that they have unpaid debt to state oil company PDVSA. Venezuela's maritime authority INEA, had a court decree that the six shipping companies had misappropriated funds at the expense of PDVSA without mentioning the exact size of the misappropriation. [Read more.](#)

**National Assembly nullified contracts between PDVSA and Rosneft Trading:** The opposition-led National Assembly of Venezuela voided the contracts between PDVSA and Rosneft Trading S.A, where 49.9% of Citgo Holding INC was offered as collateral to the Russian company. The National Assembly declared that such agreements that endanger CITGO, violated the Constitution as they were not authorized by the Legislative Power. [Read more.](#)

**Citgo and Aruba agreed to hand San Nicolas refinery control to the government:** US refiner Citgo said that it reached an agreement with Aruba to transfer control of the San Nicolas refinery to the island's government. In a statement, Citgo said that this new transfer agreement is the first step in the process that will result in the Aruba government taking full control of the refinery by 16 March 2020, following approval by the island's parliament. [Read more.](#)

**Russia and Venezuela met for strengthening business sector:** On 12 March 2020, the Government of Venezuela organized the First Business Meet Russia-Venezuela at the Ernesto Guevara de la Serna auditorium at the Foreign Trade Bank (Bancoex). Around 40 Venezuelan business persons and 10 Russians, met to exchange business proposals and to encourage

commercial alliances and opportunities in Venezuela. [Read more.](#)

**Discount of 40% in the acquisition of raw materials for boosting agricultural production:** The Government of Venezuela announced that the state-owned company Agropatria discounted the prices by 40% in the sale of raw materials for the Venezuelan farmers, seeking to help the small and medium producers to obtain raw materials at affordable prices, thus boosting their productive capabilities. [Read more.](#)

**USA allowed Visa and Mastercard cards to operate in Venezuela:** The United States issued a general license to large payment systems, including Visa and Mastercard, to operate in Venezuela without the risk of being exposed to sanctions. “The exemption is granted to Mastercard Incorporated, Visa Inc., American Express Company, Western Union Company and Moneygram International for the majority of transactions with Banco de Venezuela, Banco Bicentenario del Pueblo, Banco del Tesoro, and Banco Central de Venezuela”, said the department of Treasury in a statement. [Read more.](#)

**Venezuela offered big discounts as oil prices collapse:** Venezuela’s oil company PDVSA offered discounts of up to US\$ 23 per barrel on its flagship crude. PDVSA had already been pricing its Merey heavy oil this year at US\$ 16 to US\$ 18 below Brent crude to entice buyers. With Brent prices suffering their worst collapse in 30 years because of falling demand due to the COVID-19 outbreak and a price war for market share between major producers Russia and Saudi Arabia, low selling prices could leave PDVSA struggling to cover its costs of production. [Read more.](#)

**U.S. sanctioned subsidiary of Russia's Rosneft over Venezuela:** On 12 March 2020, the United States imposed sanctions on another subsidiary of Rosneft. The U.S. Treasury Department blacklisted TNK Trading International, a Swiss-based unit of Rosneft. [Read more.](#)

**National Assembly of Venezuela published inflation rate for February 2020:** The opposition-led National Assembly of Venezuela published their estimates for inflation rate for February 2020 at 22.4%. [Read more.](#)

**Central Bank of Venezuela made official the dollarization of the productive portfolio:** The Central Bank of Venezuela (BCV), published an official gazette on 06 March 2020, in which the definition of UVCP (Productive Credit Value Unit), is officially bound to the US Dollar. “the UVCP would result from dividing the amount in Bolivars to be liquidated from the allocated credit, between the standing Investment Index for the date of the operation and would be determined by the Central Bank of Venezuela considering the variation of the rate of exchange of the market and the one posted daily on the BCV website”. [Read more.](#)

**Venezuelan Government announced plunge of local crude oil to US\$ 25:** The President of Venezuela, Nicolas Maduro, announced during a press conference that the Venezuelan crude oil, plunged from US\$ 49 to US\$ 25. However, the President said: “Venezuela is prepared to face the economic difficulties, as the economy has achieved a self-regulation that allows us to face this situation easier”. [Read more.](#)



**Venezuela removed six tonnes of central bank gold at the turn of year:** The Venezuelan government removed some six tonnes of gold from the central bank's vaults between late 2019 and early 2020 to raise more hard currency for President Nicolas Maduro's cash-strapped administration. The new removals of gold bars worth about US\$ 350 million lowers the central bank's reserves to about 90 tonnes, down from 129 tonnes at the start of 2019. [Read more.](#)

**Venezuela ordered 'collective quarantine' in response to COVID-19:** On 15 March 2020, Venezuelan President Nicolas Maduro ordered businesses and other sectors to close and citizens to remain in their homes in seven states initially, starting on 16 March 2020 to curtail the spread of COVID-19. The quarantine was extended to the rest of the country on 18 March 2020. Exceptions to the plan he called "collective quarantine" include workers from the transport, health, security and food delivery sectors. [Read more.](#)

**IMF rejected Government of Venezuela's bid for emergency loan to fight virus:** On 17 March 2020, the International Monetary Fund (IMF) rejected a surprise request by Venezuela for an emergency US\$ 5 billion loan to fight the COVID-19. An IMF spokesperson said to media that the request could not be considered because there was no clarity amongst its 189 member states in respect of the recognition of Venezuela's rightful leader. "Unfortunately, the Fund is not in a position to consider this request. As we have mentioned before, IMF engagement with member countries is predicated on official government recognition by the international community, as reflected in the IMF's membership," the spokesperson said in a statement. "There is no clarity on recognition at this time". [Read more.](#)

**Cargo arrived in Venezuela with medical aid from China:** On 19 March 2020, a special medicine and medical supplies shipment arrived in Venezuela from China. The cargo was said to contain special suits, glasses, gloves, mask and screening tests for the care of patients with Covid-19. [Read more.](#)

**Cryptocurrency adoption in Venezuela increased as COVID-19 quarantine shuts down banks:** According to media reports, Venezuela is witnessing an increase in peer-to-peer (P2P) Bitcoin (BTC) trading after banks have been shut down in the country amid the COVID-19 quarantine. The BTC and bolivar trade activity in local bitcoins rebounded to over US\$ 3.4 million in the last 2 weeks, after a period of 3 weeks in which the weekly volume had slipped. [Read more.](#)

**Venezuela hiked public service fees amid COVID-19 outbreak:** Venezuelan utilities have hiked fees and the Government is reportedly planning to raise taxes, as the economy deteriorates further due to the spread of coronavirus and the crash in global oil prices. In March, the government announced a 2,900% increase in the unit used to calculate taxes. Venezuela's annual tax collection has fallen below US\$ 2 billion, according to local economic consultancy firm. [Read more.](#)

**Central Bank of Venezuela authorized sales of cash foreign currency:** The Central Bank of Venezuela (BCV), authorized the houses of exchange and the banking sector (public and private), to sell cash foreign currency. BCV issued a statement that said that the financial institutions may sell foreign currency through the tables of exchange. [Read more.](#)

**Vice President met with Fedecamaras to study proposals on COVID-19:** The Executive Vice President of Venezuela, Delcy Rodríguez, met with representatives of Fedecamaras, to discuss economic proposals to fight the effects of the COVID-19 in the national productive and commercial sectors. [Read more.](#)

**INAC restricted flights to and from Venezuela:** The National Institute for Civil Aviation (INAC), issued a statement saying that all flights coming to Venezuela as well as the domestic flight between states have been restricted due to the COVID-19 outbreak. Only cargo and postal flights would be permitted to transit until further notice. [Read more.](#)

**Venezuela's PDVSA aims to restart gasoline production at refinery:** According to media reports, Venezuelan state oil company PDVSA is trying to repair the catalytic cracker at its 146,000 bpd El Palito refinery in an effort to restart gasoline production at the facility after years of inactivity. Venezuela's refineries that can process up to 1.3 million bpd, are reportedly producing at a small fraction of capacity due to years of lack of maintenance. The repairs at El Palito would seek to restore the facility's ability to produce 91 octane gasoline using Venezuela's light oil. [Read more.](#)

**Venezuelan crude oil reportedly being sold at US\$ 5 per barrel:** According to a private investment bank in Venezuela, the country's crude oil is being sold at US\$ 5 per barrel, which is significantly lower than production cost which is between US\$ 10 – 19 per barrel. The bank indicated that due to the increase in the oil stocks of Venezuela, the country is forced to close oil wells and is

currently producing around 450,000 bpd. [Read more.](#)

**Venezuela prohibited company layoffs and suspended credit collections over coronavirus:** On 22 March 2020, President Nicolas Maduro announced a series of economic measures to address the financial fallout from the spread of the coronavirus in the country, including prohibiting layoffs while also suspending rent payments and credit payments. Maduro announced that for six months, banks would put the collection of credit payments on hold, telecommunications services would not be cut off, and rent payments for homes and businesses would be suspended. He further declared compensation for property owners, without specifying details. [Read more.](#)

**Venezuela in talks with China over support amid pandemic, oil price drop:** Venezuela opened talks with China over possible financial support to cope up with a sharp drop in oil prices and the outbreak of COVID-19. The Government of Venezuela hopes to renegotiate oil-for-loan deals agreed nearly 15 years ago under late President Hugo Chavez, when the two nations developed an economic alliance built around oil shipments. [Read more.](#)

**Curacao seized PDVSA oil terminal in Dutch Caribbean over dispute:** On 20 March 2020, Curacao state-owned oil refinery Refineria di Korsou (RdK) seized an oil storage terminal on the island of Bonaire over a payment dispute with Venezuela's state-run oil firm PDVSA, an RdK official said in a video statement. [Read more.](#)

**Curacao seeks US\$ 162 million from PDVSA for refinery operations:** Curacao is pursuing a US\$ 162 million arbitration claim

against Venezuela's PDVSA over its management of the island's oil refinery, an executive of Refineria di Korsou said on 23 March 2020, days after Curacao seized a PDVSA-owned oil storage terminal in neighbouring Bonaire to enforce claims for overdue payments. [Read more.](#)

**Venezuela started shutting down oil wells:** Venezuela sits on an oil stockpile of 30.9 million barrels without any demand, thus forcing PDVSA to curtail production. Only 464,000 bpd were reportedly pumped last week, a 38% reduction from February production rates, and some oil wells are now being closed down entirely. [Read more.](#)

**Venezuela received novel coronavirus test kits from Russia as part of humanitarian aid:** A batch of humanitarian aid from Russia, which includes novel coronavirus test kits, arrived in Venezuela, President Nicolas Maduro said this week. "Today we received special humanitarian assistance through an air bridge that we had established with Russia," he said in a television broadcast. Venezuela's Information and Communications Minister Jorge Rodriguez said Russia had sent 10,000 novel coronavirus test kits. [Read more.](#)

**Venezuela's flagship communications satellite out of service:** Venezuela's first and only state-owned communications satellite has been out of service since 13 March 2020 when a series of manoeuvres left it tumbling in an unusable orbit. The VeneSat-1 satellite, built by China Great Wall Industry Corp. and launched in late 2008 on a 15-year mission to provide television and broadband services to Venezuela, has been stuck for 10 days in an elliptical orbit above the geostationary arc. VeneSat-1 entered

service in January 2009, about three months after having been launched on a Chinese Long March 3B rocket. The satellite was expected to remain in service until at least 2024. [Read more.](#)

**EU supported Iran and Venezuela bids for IMF COVID-19 funds:** Foreign Ministers of the European Union supported on 23 March 2020, Iran and Venezuela's requests for financial aid to the International Monetary Fund (IMF) to fight the coronavirus pandemic. "We are going to support this request because these countries are in a very difficult situation mainly due to the U.S. sanctions that prevent them from having income by selling their oil," EU Foreign Affairs Chief Josep Borrell said at a virtual press conference following a teleconference with EU Foreign Affairs ministers. Both countries are under U.S. sanctions and have recently asked the IMF for emergency funding of US\$ 5 billion each. [Read more.](#)

**Government of Venezuela waived taxes on imports of supplies for fighting COVID-19:** The Government of Venezuela published an official gazette in which it waived taxes and custom duties on imports of the materials and supplies required to fight the COVID-19 pandemic. The Economy Vice President, Tarek El Aissami, announced that this fiscal exemption aims to assist local producers to increase their production capability to manufacture the necessary implements for the priority sectors of pharmaceuticals and agriculture under the health contingency. Taxes for 77 tariff codes have been waived under official gazette number 41,846 dated 24 March 2020. [Read more.](#)

**List of HS Codes for which taxes have been waived**

S. N.	HS Code	S. N.	HS Code	S. N.	HS Code	S. N.	HS Code
1	0102.39.11 .00	21	1007.90.00 .00	41	2930.90.41 .00	61	2941.90.92 .00
2	0102.39.19 .00	22	1207.10.90 .00	42	2931.39.12 .00	62	3003.90.96 .00
3	0102.39.90 .00	23	1701.14.00 .20	43	2931.90.59 .00	63	3808.91.95 .00
4	0103.91.00 .00	24	2106.10.00 .00	44	2933.39.22 .00	64	3824.99.59 .00
5	0103.92.00 .00	25	2309.90.20 .00	45	2933.59.12 .00	65	3917.32.40 .00
6	0104.10.90 .00	26	2309.90.40 .00	46	2933.59.13 .00	66	3923.30.00 .99
7	0104.20.90 .00	27	2810.00.10 .00	47	2933.59.19 .10	67	4010.32.00 .00
8	0105.12.00 .00	28	2827.20.10 .00	48	2933.59.32 .00	68	4016.93.00 .00
9	0105.13.00 .00	29	2827.39.10 .00	49	2933.59.41 .00	69	7010.90.22 .10
10	0105.14.00 .00	30	2827.41.20 .00	50	2933.59.44 .00	70	7612.90.90 .91
11	0105.94.00 .10	31	2829.90.32 .00	51	2933.92.00 .00	71	7616.99.00 .91
12	0105.94.00 .90	32	2836.30.00 .00	52	2933.99.55 .00	72	8516.29.00 .00
13	0106.14.00 .00	33	2916.20.14 .00	53	2933.99.59 .00	73	8704.22.30 .00
14	0106.41.00 .10	34	2918.11.00 .00	54	2934.30.90 .00	74	8704.32.30 .00
15	0106.41.00 .90	35	2921.49.29 .00	55	2934.99.99 .10	75	8716.39.00 .00
16	0407.29.00 .10	36	2922.49.10 .00	56	2941.10.31 .00	76	9032.89.90 .00
17	0709.99.19 .00	37	2925.29.30 .00	57	2941.40.11 .00	77	9033.00.00 .00
18	0709.99.90 .00	38	2926.90.24 .00	58	2941.40.20 .00		
19	1005.90.90 .11	39	2930.90.29 .00	59	2941.40.90 .00		
20	1005.90.90 .12	40	2930.90.34 .00	60	2941.90.79 .00		

**Russia's Rosneft terminated Venezuela operations:** Russia's largest oil producer, Rosneft, said on 28 March 2020, that it had terminated operations in Venezuela and disposed off its assets relating to its operations there. The company said it was selling its Venezuelan businesses to a company owned by the Russian government, "including the joint ventures of Petromonagas, Petroperija, Boqueron, Petromiranda and Petrovictoria, as well as oil-field services companies, commercial and trading operations". It said that it would be receiving a settlement payment worth a 9.6% share of Rosneft's equity capital that will be held by a subsidiary. [Read more.](#)

**Russia sets up oil company as Rosneft leaves Venezuela:** Russia has set up an oil

company called Roszarubezhneft just as energy giant Rosneft sold its business in Venezuela to an undisclosed company owned by the Russian government, the data for the state registry showed on 30 March 2020. Roszarubezhneft's charter capital was set at 322.7 billion Roubles (US\$4 billion). Media reports indicated that the Russian state has cut its holding in oil giant Rosneft to below a majority stake as part of its deal to buy the group's Venezuelan assets. [Read more.](#)

**Central Bank of Venezuela reduced legal reserve of banks to 93%:** The Central Bank of Venezuela (BCV), announced on the last week of March the reduction to 93% of the legal reserves of national currency deposits, meaning that the banks would have to deposit such percentage of the weekly balance at the BCV. This move means that the banks can use the 7% of the deposits to issue credits to their clients. [Read more.](#)

**Demand of food products drops by 20% in two weeks of quarantine:** The President of the Confederation of Associations Agriculture Producers (Fedeaagro), informed that the demand for food products has dropped by 20% so far in 14 days of the COVID-19 quarantine in Venezuela. He also urged the Government to prioritize the fuel supply to the agriculture sector to ensure timely transportation all across the country. [Read more.](#)

**Chevron's Venezuela oil joint ventures cut fieldwork:** According to media reports, Chevron Corp's joint ventures with PDVSA cancelled service contracts and procurement processes in recent weeks. A U.S. government license enabling Chevron to do business with PDVSA despite sanctions on the state-owned firm expires on 22 April

2020. Reports indicate that all contracts and procurement processes by (joint venture) Petropiar have been cancelled, and directions have been given to do the same at Petroboscan. Chevron holds stakes at four oil and gas joint ventures with PDVSA. The Petropiar heavy oil project in the Orinoco Belt and Petroboscan in western Venezuela represent the bulk of the firm's output in Venezuela, with around 180,000 barrels per day (bpd).[Read more.](#)

**Venezuela's March oil exports, imports fell amid sanctions:** According to media reports, Venezuela's oil exports and imports fell sharply in March amid tightening U.S. sanctions and a global demand contraction. PDVSA and its joint ventures exported 799,323 bpd of crude and fuel in March, a 26% fall in comparison to February 2020. Venezuela's fuel imports also plummeted by half, with 84,000 bpd discharged last month versus 165,000-175,000 bpd in the first two months of 2020. Reports indicate that over a dozen large tankers loaded with Venezuelan oil are waiting in Asia for final buyers to take them, amid a global glut of crude that knocked prices down to half in March.[Read more.](#)

**Venezuela's oil output fell to five-month low amid sanctions:** According to media reports, Venezuela's crude production ended last week at around 670,000 barrels per day, the lowest level in five months amid U.S. sanctions and falling global demand. The Orinoco oil belt, Venezuela's largest producing region, produced an average of 364,930 bpd so far in March. The region had produced nearly 500,000 bpd in January, according to private estimates. The March figures marked the end of a period of relative stabilization from November through February, when output remained between

865,000 bpd and 912,000 bpd, according to the country's reports to OPEC. [Read more.](#)

**Venezuela fuel shortages hinder food delivery amid COVID-19 quarantine:** Venezuela's fuel shortages are causing growing complications for the production and delivery of food to a crisis-stricken nation that is in quarantine to stop the spread of the coronavirus, according to ten food industry sources. Fuel shortages are making matters worse. As farmers struggle to distribute their produce, supermarket industry said that even stores in and around in the capital city of Caracas have just a few weeks of inventory. Some food processing plants are limiting operations because workers cannot reach the facilities due to fuel shortages and because finished products cannot be transported.[Read more.](#)

**President Maduro says post-pandemic recovery requires OPEC+ deal:** On 30 March 2020, Venezuelan President Nicolas Maduro said that an economic recovery after the COVID-19 pandemic will depend on a deal by the OPEC+ grouping of the world's largest oil exporters to guarantee "fair prices" for crude. [Read more.](#)

**Rosneft's Venezuelan oil cargoes cancelled due to sanctions:** According to media reports, three large crude carriers (VLCCs) chartered by units of Russian oil major Rosneft to transport Venezuelan oil left Caribbean waters empty on 28 March 2020 after the cargoes were cancelled due to sanctions. The tankers' move occurred the same day that Rosneft announced its withdrawal from its oil projects in Venezuela through a coordinated sale of assets to an undisclosed company controlled by the Russian government. [Read more.](#)

**Another plane with Russian aid to arrive to Venezuela soon:** President Nicolas Maduro said on 28 March 2020 that another Russian plane is to arrive to Venezuela in the coming days, carrying humanitarian assistance needed to tackle the COVID-19 outbreak. "A Russian military plane with equipment, sent by Russian President Vladimir Putin, will arrive in the coming days," Maduro told in televised broadcast. According to the President, Venezuela has received various medical equipments and goods from China and was expecting more aid to come. [Read more](#).