



# EAGLE OCEAN MARINE

## CIRCULAR

July 11, 2024

TO ALL INSUREDS AND BROKERS

Dear Colleagues:

### UNITED STATES ISSUES UPDATED VENEZUELA GENERAL LICENSE 40C, AUTHORIZING CERTAIN TRANSACTIONS INVOLVING THE EXPORTATION OR REEXPORTATION OF LIQUEFIED PETROLEUM GAS TO VENEZUELA

This Circular provides information in conjunction with US Department of the Treasury's Office of Foreign Assets Control ("OFAC")'s recent extension of [General License 40C](#) which authorizes certain transactions involving the exportation or re-exportation of liquefied petroleum gas to Venezuela.

According to the GL in question, all transactions related to the exportation or reexportation, directly or indirectly, of **liquefied petroleum gas to Venezuela**, involving the Government of Venezuela, Petróleos de Venezuela, S.A. ("PdVSA"), or any entity in which PdVSA owns, directly or indirectly, a 50 percent or greater interest, that are prohibited by E.O. 13850 of November 1, 2018, as amended by E.O. 13857 of January 25, 2019, or E.O. 13884 of August 5, 2019, each as incorporated into the Venezuela Sanctions Regulations, 31 CFR part 591 (the "VSR"), **are authorized through 12:01 a.m. eastern daylight time, July 8, 2025.**

However, the second paragraph of GL 44C also reiterates the following prohibitions which remain in place and are unaffected by the authorizations outlined above, including:

- (1) Any payment-in-kind of petroleum or petroleum products; or
- (2) Any transactions otherwise prohibited by the VSR, including transactions involving any blocked persons other than PdVSA, any entity in which PdVSA owns, directly or indirectly, a 50 percent or greater interest, or any Government of Venezuela person that is blocked solely, pursuant to E.O. 13884.

Effective July 8, 2024, General License No. 40B, dated July 10, 2023, is replaced and superseded in its entirety by this General License No. 40C.

Insureds may also consult FAQs [914](#), [915](#), which although make reference to former versions of the license in question, are still in force and clarify that:

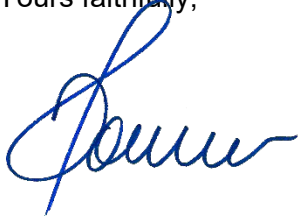
- a) Non-U.S. persons would not risk exposure under US sanctions for engaging in activities or facilitating transactions or payments for such activities that would be authorized for US persons pursuant to Venezuela GL 40 (**current GL 40C**). ([FAQ 914](#))

- b) For purposes of Venezuela GL 40 (**current GL 40C**), the term liquefied petroleum gas refers to the definition provided by the US Energy Information Administration – a group of hydrocarbon gases, primarily propane, normal butane, and isobutane, derived from crude oil refining or natural gas processing. These gases may be marketed individually or mixed. They can be liquefied through pressurization (without requiring cryogenic refrigeration) for convenience of transportation or storage. The definition excludes ethane and olefins. ([FAQ 915](#))

Insureds should exert the highest caution when considering shipments to/from Venezuela, when dealing with Venezuelan entities/individuals, and when lifting Venezuelan origin cargoes. In that respect, per sanctions' regulators standards, Insureds should conduct their own enhanced due diligence investigation to avoid any element of illegality (i.e., prohibited cargoes, and/or prohibited activities, and/or SDNs) in their fixtures.

To find out more on the current US sanctions program pertaining to Venezuela along with the recent amendments please visit the [OFAC website](#) and review the [Eagle Ocean Marine Circulars](#) relevant to Venezuela.

Yours faithfully,



Dorothea Ioannou, CEO  
Eagle Ocean Agencies, Inc.

***Eagle Ocean Marine is an American Club fixed premium facility offering gold standard International Group club service, underpinned by the impeccable security of reinsurance at Lloyd's.***

