

OFAC Authorizes Transactions Involving Venezuelan Origin Oil: What Companies Need to Know

Kristine E. Pirnia, Eric McClafferty

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On Thursday, January 29, 2026, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) issued a new general license, [General License NO. 46](#) (the License), "Authorizing Certain Activities Involving Venezuelan-Origin Oil." Although the License has no expiration date, clients should be aware that there are a number of limitations to this new authorization.

The License states "all transactions prohibited by the Venezuela Sanctions Regulations, 31 CFR part 591...that are ordinarily incident and necessary to the lifting, exportation, reexportation, sale, resale, supply, storage, marketing, purchase, delivery, or transportation of Venezuelan-origin oil, including the refining of such oil, by an established U.S. entity" are now authorized by OFAC, provided that new contracts are governed by the laws of the United States and any monetary payment to a blocked person is made into the Foreign Government Deposit Funds. The purpose of the License is to authorize transactions involving the Venezuelan government, state-owned energy company Petroleos de Venezuela (PdVSA), or any entity majority-owned by PdVSA, which were previously blocked by U.S. sanctions.

The most notable limitations of these transactions are below and not authorized by OFAC:

- Payment terms that are not commercially reasonable, involve debt swaps or payments in gold, or are denominated in digital currency, digital coin, or digital tokens issued by, for, or on behalf of the Government of Venezuela, including the petro.
- Any transaction involving a person located in or organized under the laws of the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, or any entity that is owned or controlled, directly or indirectly, by or in a joint venture with such persons.
- Any transaction involving a blocked vessel.

Additionally, any person that exports, reexports, sells, resells, or supplies Venezuelan-origin oil to countries other than the United States pursuant to this general license must provide a detailed report to OFAC. These reports are due ten days after the execution of the first of such transactions and every 90 days thereafter while such transactions are ongoing.

Finally, on Monday, February 2, 2026, OFAC also authorized all transactions related to, the provision of financing for, and other dealings in the Petróleos de Venezuela, S.A. 2020 8.5 Percent Bond that would be prohibited by subsection I(a)(iii) of Executive Order (E.O.) 13835 of May 21, 2018.

With so many conditions attached to doing business related to Venezuelan oil, we recommend any clients doing so to contact our [Export Controls and Economic Sanctions team](#) to ensure transactions are within the scope of what is now authorized by OFAC.