

Venezuela Economic Outlook

By Arca Análisis Económico

Here is our monthly summary of recent economic developments in Venezuela:

- The gap between the official and parallel exchange rates has remained the same. However, the Central Bank of Venezuela (BCV) is trying to reduce its intervention in the foreign exchange market under the premise of a reduction in public spending, so that by reducing its expenses, the demand for foreign currency decreases. Also, the BCV looks to make liquidity in bolivars scarcer in such a way that the lack of local currency in circulation limits people's ability to acquire U.S. dollars. For this purpose, the discounts applied to legal reserve requirements are being reduced, generating a significant reserve deficit for the banking sector. The effect of this measure is to reduce the issuance of primary liquidity, with the intention of reducing the demand for foreign currency.
- In another sense, according to figures from the Venezuelan Finance Observatory, the average remuneration of the commerce and services sector of the Caracas metropolitan area in the third quarter of 2024 was US\$241 per month, an increase of 19.3 percent compared to the same period in 2023 in current dollars, that is, without adjusting for inflation. In terms of constant bolivars, adjusting for inflation, remunerations grew by only 3.9 percent for the same period. Meanwhile, at the national level, the average remuneration was US\$110, at the end of the third quarter, 119 percent lower than the average recorded in the commerce and services sector of the Caracas metropolitan area.
- In the last four months of 2024, the Venezuelan Real Estate Chamber reports a decline in the general activities of the sector. Among the data provided by the president of the union, there is a downward trend in property prices whose estimates are between 5 percent and 7 percent for the end of the year. The union leader attributes this decrease to several factors, among which he highlighted the lack of financing that the national real estate sector suffers, as well as deficiencies in public services that caused internal migration to the central area of the country.
- Another event that marked October was the nonentry of Venezuela to be part of the group of emerging countries composed of Brazil, Russia, India, China and South Africa (BRICS). Venezuela's intention was to strengthen economic and political relations with these powerful countries and obtain benefits such as investments and financial support. However, Brazil exercised a veto that prevented said incorporation based on the lack of confidence in the Venezuelan government, which has generated tensions in bilateral relations. Despite this, representatives of the Venezuelan government held meetings with some member countries of BRICS to strengthen their bilateral relations. Executive Vice President of Venezuela Delcy Rodríguez made an official visit to India, and on Nov. 7, the Intergovernmental Commission between Russia and Venezuela met to agree on the terms of a 10-year strategic alliance to strengthen bilateral cooperation.

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SAREN Introduces Biometric and Electronic Systems in Venezuela's Notaries and Registries

By Holland & Knight

The Venezuelan Autonomous Service of Registries and Notaries (SAREN), on Oct. 17, 2024, through Administrative Provision No. 525 published in the *Official Gazette* No. 42,987, introduced biometric and electronic systems for processing, registering and executing documents in notary and registry offices. Effective immediately, this provision marks a pivotal shift toward digital modernization in Venezuelan legal processes.

Objective of the Provision

The purpose of this provision is to regulate the use of electronic means to enhance the accuracy and efficiency of the identity verification process of parties appearing before notaries and registrars, as outlined in Article 1. Through biometric analysis of users' identifying elements, the new system seeks to expedite notarial procedures and improve security.

Forensic IT and Data Security

As stipulated in Article 4, SAREN will ensure that all electronic tools used for fingerprint biometric verification comply with forensic information technology (IT) standards, allowing for precise identification, data analysis and secure processing. Articles 5 and 6 further require that the electronic systems implemented will adhere to principles of confidentiality, privacy and data availability, aiming to protect user information through robust data security protocols.

Biometric and Electronic Signature Procedures

Under Article 10, primary, mercantile, public registries and notaries will introduce fingerprint biometrics alongside photographic records and electronic signatures for users to help enhance the authentication process. Article 11 mandates the interconnection between SAREN and the Administrative Service for Identification, Migration and Immigration (SAIME) for biometric fingerprint comparison against the national identification database to help ensure reliability in user identification prior to finalizing notarial acts.

Objections and Remediation Process

In cases of discrepancies or errors in biometric verification, Articles 17-20 establish a remediation process, wherein notarial or registry staff will verify the identity and authorize the document execution. If the discrepancy persists, the user's ID card will be reviewed to confirm or deny the user's identity. If identity confirmation is unsuccessful, the registrar or notary may issue a justified refusal to proceed, notifying the interested party per the Organic Law of Administrative Procedures.



Digital Handwritten Signature and Progressive Implementation

Article 21 provides for digital handwritten signatures executed directly on electronic devices, with full legal equivalency to traditional signatures, to ensure freedom of contract and legal security. Physical (wet) signatures will be required only in exceptional cases, as specified in Article 22. The progressive implementation of this biometric system, as detailed in the First Transitional Provision, will begin in the capital region and gradually expand nationwide.

For those requiring assistance with compliance under this new framework in Venezuela, support services are available from our office in Colombia.

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New Organic Law for Inclusion of People with Disabilities in Venezuela Is Published

By Tinoco Travieso Planchart & Nuñez

The Organic Law for the Inclusion, Equality and Comprehensive Development of People with Disabilities has been published in the *Official Gazette* No. 6,817 Extraordinary, on June 27, 2024, under the following parameters:

Object (Article 1): This law aims to ensure that all persons with disabilities are recognized as human persons with full rights, that they can enjoy and effectively exercise their rights and guarantees on an equal basis, that they can fully develop them, that they can be recognized as citizens and that they can be included in society and in society through the care that must be provided to them by the state, families and society.

Purpose (Article 2): This law aims, among others, to:

- Guarantee the recognition of people with disabilities as full subjects of rights, with dignity and autonomy to exercise their rights and guarantees in conditions of equality and nondiscrimination.
- To ensure that people with disabilities can participate and be included in their families and communities, as well as in cultural, sporting, economic, educational, political, recreational and any other spaces in which they operate, allowing the full and free development of their personality.
- Guarantee the comprehensive protection and care that the state, families and society must provide to people with disabilities, seeking to respect their dignity, their human rights and the exercise of citizenship.
- Eliminate any form of discrimination on the grounds of disability, including the denial of reasonable accommodation, which hinders the effective enjoyment of the rights and guarantees of persons with disabilities on equal terms with other people and establish the sanctions necessary for compliance with this law.
- Promote a culture that fosters awareness of respect for the human rights of people with disabilities, appreciation of their abilities and contributions to society, and that encourages the transformation of stereotypes, prejudices and harmful practices against them.

Equality and Nondiscrimination (Article 5): People with disabilities have the right to equitable and affordable access to public policies, plans, programs and actions with a differentiated approach, under conditions of equality, ensuring dignity, collective well-being and good living, without discrimination



based on race, color, sex, creed, social condition, thought, conscience, political opinion, culture, language, ethnic, social or national origin, sexual orientation, gender identity, gender expression, age, economic position, disability, health condition or, those that, in general, have the object or result of annulling or undermining the recognition, enjoyment or exercise under conditions of equality of the rights, guarantees and duties of people.

The state, families and society shall ensure that the equality recognized in this provision is real and effective. To this end, they shall adopt all positive measures in favor of persons or groups with disabilities for their family, community and social inclusion.

Obligations of the State, Family and Society in Comprehensive Care (Articles 7, 8 and 9): The articles establish the obligations toward people with disabilities, helping to ensure the full enjoyment of their rights and guarantees, respecting their integrity and autonomy. In this sense:

1. the state has the inescapable obligation to take all administrative, legislative, judicial or any other measures that are necessary and appropriate to ensure that persons with disabilities can enjoy all rights and guarantees effectively and fully.
2. families must provide the necessary protection, care and support, seeking the inclusion of people with disabilities in family, community and social life, contributing to the full enjoyment of their rights and guarantees.
3. society has the duty to actively participate in the inclusion of people with disabilities in all areas of daily life, respecting their dignity and autonomy, thus contributing to the real and effective enjoyment of their rights and guarantees.

Participation (Article 11): People with disabilities have the right, on equal terms with other people, to actively participate in community and public spaces to the fullest extent of their potential.

Interpretation of the Law (Article 15): In case of doubts in the interpretation or application of this law, the one that most benefits the autonomy, inclusion, comprehensive development, enjoyment, full and effective exercise of the rights and guarantees of people with disabilities will be adopted.

Specific Measures (Article 16): All persons with disabilities have the right to have their physical and mental integrity respected on an equal basis with others, to be protected against any form of discrimination, exploitation, violence, abuse, torture or cruel treatment, in their homes, educational centers, cultural, sports, medical, community or work-related and to have special protection measures with a differentiated approach. The state will adopt all legislative, administrative, social, educational and other measures that are relevant to protect people with disabilities.

Sign Language (Article 19): Venezuelan Sign Language is recognized as the official language and linguistic heritage of the nation, in this sense, the state will promote its teaching and implementation at all levels of public and private life, as a guarantee of the right to communication and information for deaf people and people with hearing disabilities.



Rights and Responsibilities of People with Disabilities (Articles 20 to 34): The law establish the rights and duties of people with disabilities, such as the right to participate in public and political life, the right to work, education, health, family rights, sexual and reproductive rights, the right to an adequate standard of living and the right to housing, among others, which must be protected, guaranteed and promoted by the state.

Accessibility to Information, Communication and Communications Technology Services

(Article 38): The Venezuelan state will ensure the accessibility of persons with disabilities to information, communication and communication technology services, as well as to programming with a differentiated and human rights-based approach.

Disability Certification (Article 46): The disability certificate is the document that validates the degree, type and characteristic of disability, in accordance with the requirements demanded by law. The disability certificate shall be issued solely and exclusively by the National Council for People with Disabilities (CONAPDIS), which recognizes the evaluations, reports, classification and qualification of the disability that a person has, issued by specialists with specific competence in the type of disability in question. The disability certificate shall be required for the purposes of enjoying benefits, programs, benefits and other economic and social rights granted by the Social Security system, as well as exemptions, special aid, scholarships, subsidies, donations and other benefits provided for reasons of disability.

National Single Registry (Article 56): In order to organize information on people with disabilities in relation to their location, conditions and characteristics, the CONAPDIS must have a single national registry, organized by state, municipality and parish, in order to implement the planning, execution, monitoring and control of public policies inherent to them. The different state agencies and institutions and public and private companies must be duly registered in this registry, and they have the obligation to report to the CONAPDIS, in order to provide quality information for practical and real knowledge of the disability sector, and the following registries must be formed:

The National System for Participation, Dignification and Comprehensive Care for People with Disabilities (Article 64): Made up of the set of bodies, entities and services that have among their functions: formulating, executing, coordinating, integrating, guiding, supervising and evaluating the policies, plans, programs, projects and actions for the participation, dignity and comprehensive care of people with disabilities.

National Council for Persons with Disabilities (Article 67): A central administration body with legal personality and its assets, its main headquarters are located in the city of Caracas, it is under the general direction and control of the president of the Republic and exercises functions of designing and executing guidelines, policies and plans regarding disability.

Its purpose is to guarantee the rights of people with disabilities, their inclusion, development of their autonomy and comprehensive care, through the promotion of cultural changes in relation to disability within the territory of the Bolivarian Republic of Venezuela, based on the principles of speed, efficiency, cooperation, equality, effectiveness, coresponsibility, objectivity and impartiality.



The National Council for People with Disabilities may use the acronym CONAPDIS for all administrative and jurisdictional purposes.

Penalties for Violations of the Provisions of the Law (Articles 89 to 105): The law establishes sanctions and fines for different types of conduct that the regulations determine as violating the rights of people with disabilities or that fail to comply with the provisions of the law.

Repealing: The law for persons with disabilities, published in the *Official Gazette* of the Bolivarian Republic of Venezuela No. 38,598 on Jan. 5, 2007, is hereby repealed.

Validity: From its publication in the *Official Gazette*, that is, June 27, 2024.

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