



Office of  
Deputy Commissioner  
of Maritime Affairs

# THE REPUBLIC OF LIBERIA

## LIBERIA MARITIME AUTHORITY

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**12 August 2019**

### **MARINE ADVISORY: 12/2019**

(This Marine Advisory supplements Marine Advisory 04/2019)

**Subject: Advisory on Sanctions regarding the Government of Venezuela**

Reference: (a) **Marine Advisory 04/2019**

**TO: ALL OWNERS/OPERATORS AND MASTERS OF LIBERIAN FLAGGED VESSELS**

**Dear Owner/Operator and Master:**

On August 5, 2019, the President of the United States issued an Executive Order (“E.O.”) 13884 which blocks all property and interests in property of the Government of Venezuela that are in the United States, or in the possession and or control of any United States person. The E.O. defines the Government of Venezuela to include the state and Government of Venezuela, any agencies of the government, and any entities owned or controlled by the Government, including the Central Bank of Venezuela and Petroles de Venezuela, S.A. (“PdVSA”).

The E.O. 13884 supplements E.O. 13850 regarding sanctions on PdVSA that is the subject of ref (a).

#### **Impact on U.S. persons**

Essentially, the E.O. 13884 prohibits all United States persons from engaging in any transaction with the Government of Venezuela, its agencies, or any entity that government owns or controls. On August 6, 2019, the U.S. Department of Treasury Office of Foreign Assets Control (“OFAC”) issued a Frequently Asked Question (“FAQ”) 680 stating that the U.S. persons are prohibited from engaging in transactions with entities 50% or more owned by the Venezuelan Government even if those entities are not specifically named on the U.S. Specially Designated Nationals and Blocked Persons (“SDN”) list.

Note that FAQ 680 explicitly spares Venezuela’s private sector from the scope of the E.O. 13884.

In connection to the E.O. 13884, OFAC amended twelve existing General Licenses to confirm their applicability to the E.O. 13884, and issued thirteen new General Licenses to provide certain exemptions. General License 28 provides for a grace period until September 4, 2019, for all transactions and activities which are ordinarily incident and necessary to wind down of operations, contracts or other agreements involving the Government of Venezuela which were in effect prior to August 5, 2019.

## **Impact on non-U.S. persons**

The E.O. 13884 calls for the blocking of all property in the U.S. of “any person” who is determined to “have materially assisted, sponsored, or provided financial, material or technological support for, or good or services to or in support of, any person” included on the SDN list whose assets are blocked pursuant to the E.O. 13884. Therefore, non-US companies who wish to continue business relationship with Government of Venezuela and entities owned by it can be subjected to sacntions under the E.O. 13884 if they provide material assistance to or goods or services in support of the Government of Venezuela and illegitimate regime of Nicholas Maduro.

**Given these developments, any parties continuing doing business with the Government of Venezuela and any entities 50% or more owned by it, included but not limited to the Central Bank of Venezuela and PdVSA, should now exercise caution and thoroughly review the status of the U.S. primary and secondary sanctions against the Government of Venezuela to determine whether their activities may expose them to penalties.**

## **Point of Contact**

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