

Locke Lord QuickStudy: OFAC Issues General License Extending Export Authorization of Liquefied Petroleum Gas to Venezuela: July 19, 2023

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On July 10, 2023, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") issued [General License \("GL"\) 40B](#) pursuant to the [Venezuela Sanctions Regulations](#), 31 CFR Part 591 ("VSR").

GL

[GL 40B](#), which replaces GL 40A and GL 40, extends the authorization of exports or reexports of liquefied petroleum gas to Venezuela, involving the Government of Venezuela, Petróleos de Venezuela, S.A. ("PdVSA"), and any entity in which PdVSA owns at least 50 percent interest through July 10, 2024. The definition of "liquefied petroleum gas" was previously clarified by OFAC in [FAQ 915](#) to mean "a group of hydrocarbon gases, primarily propane, normal butane, and isobutene, derived from crude oil refining or natural gas processing." GL 40B continues to prohibit any payment-in-kind of petroleum or petroleum products and any other transactions otherwise prohibited by the VSR.

Note that GL 40B does not permit any payment in-kind of petroleum or petroleum products, nor does it authorize any transactions otherwise prohibited by the VSR, prohibited by any other OFAC sanctions regulations ([31 CFR Chapter V](#)), or 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 [Executive Order 13884](#) ("Blocking Property of the Government of Venezuela").

Conclusion

This paper is intended as a guide only and is not a substitute for specific legal or tax advice. Please reach out to the authors for any specific questions. We expect to continue to monitor the topics addressed in this paper and provide future client updates when useful.

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