



## **DEPARTMENT OF THE TREASURY**

### **Office of Foreign Assets Control**

#### **31 CFR Part 591**

#### **Venezuela Sanctions Regulations**

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Final rule.

**SUMMARY:** The Department of the Treasury’s Office of Foreign Assets Control (OFAC) is amending the Venezuela Sanctions Regulations to incorporate additional Executive orders, add a general license authorizing U.S. Government activities, and add an interpretive provision.

**DATES:** *Effective Date:* [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** OFAC: Assistant Director for Licensing, 202-622-2480; Assistant Director for Regulatory Affairs, 202-622-4855; or Assistant Director for Sanctions Compliance & Evaluation, 202-622-2490.

#### **SUPPLEMENTARY INFORMATION:**

##### **Electronic Availability**

This document and additional information concerning OFAC are available on OFAC’s website ([www.treasury.gov/ofac](http://www.treasury.gov/ofac)).

##### **Background**

On July 10, 2015, OFAC issued the Venezuela Sanctions Regulations, 31 CFR part 591 (the “Regulations”) (80 FR 39676, July 10, 2015) to implement the Venezuela Defense of Human Rights and Civil Society Act of 2014 (Pub. L. 113-278) and Executive Order 13692 of March 8, 2015 (“Blocking Property and Suspending Entry of Certain Persons Contributing to the

Situation in Venezuela”) (E.O. 13692). The Regulations were published in abbreviated form for the purpose of providing immediate guidance to the public. Since then, the President has issued six additional Executive orders pursuant to the national emergency declared in E.O. 13692: Executive Order 13808 of August 24, 2017 (“Imposing Additional Sanctions With Respect to the Situation in Venezuela”) (82 FR 41155, August 29, 2017); Executive Order 13827 of March 19, 2018 (“Taking Additional Steps to Address the Situation in Venezuela”) (83 FR 12469, March 21, 2018); Executive Order 13835 of May 21, 2018 (“Prohibiting Certain Additional Transactions With Respect to Venezuela”) (83 FR 24001, May 24, 2018); Executive Order 13850 of November 1, 2018 (“Blocking Property of Additional Persons Contributing to the Situation in Venezuela”) (83 FR 55243, November 2, 2018); Executive Order 13857 of January 25, 2019 (“Taking Additional Steps To Address the National Emergency With Respect to Venezuela”) (84 FR 509, January 30, 2019); and Executive Order 13884 of August 5, 2019 (“Blocking Property of the Government of Venezuela”) (84 FR 38843, August 7, 2019).

In subpart B of the Regulations, OFAC is expanding existing § 591.201 to specify that the prohibitions in that section include all transactions prohibited pursuant to E.O. 13692 of March 8, 2015 or any further Executive order issued pursuant to the national emergency declared in E.O. 13692. In subpart C of the Regulations, OFAC is making a technical amendment to the definition of financial, material, or technological support at § 591.304 to reflect the changes being made to § 591.201.

OFAC also is incorporating a general license into subpart E that was previously posted only on OFAC’s website. This general license, which is being added as new § 591.509, authorizes the U.S. Government to engage in certain activities related to Venezuela. OFAC is adding a new interpretative provision at § 591.407 regarding settlement agreements and the

enforcement of liens, judgments, arbitral awards, decrees, or other orders through execution, garnishment, or other judicial process. This interpretive provision clarifies that, notwithstanding the existence of any general license issued under 31 CFR part 591, or issued under any Executive order issued pursuant to the national emergency declared in E.O. 13692, the entry into a settlement agreement or the enforcement of any lien, judgment, arbitral award, decree, or other order through execution, garnishment, or other judicial process purporting to transfer or otherwise alter or affect property or interests in property blocked pursuant to § 591.201 is prohibited unless authorized pursuant to a specific license issued by OFAC. Finally, OFAC is making certain technical and conforming edits.

OFAC intends to supplement part 591 with a more comprehensive set of regulations, which may include additional interpretive and definitional guidance and additional general licenses and statements of licensing policy.

### **Public Participation**

Because the Regulations involve a foreign affairs function, the provisions of Executive Order 12866 and the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, as well as the provisions of Executive Order 13771, are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act (5 U.S.C. 601–612) does not apply.

### **Paperwork Reduction Act**

The collections of information related to the Regulations are contained in 31 CFR part 501 (the “Reporting, Procedures and Penalties Regulations”). Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information have been approved by

the Office of Management and Budget under control number 1505-0164. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

### **List of Subjects in 31 CFR Part 591**

Administrative practice and procedure, Banks, banking, Blocking of assets, Legal services, Penalties, Reporting and recordkeeping requirements, Sanctions.

For the reasons set forth in the preamble, the Department of the Treasury's Office of Foreign Assets Control amends 31 CFR chapter V as follows:

### **PART 591 — VENEZUELA SANCTIONS REGULATIONS**

1. The authority citation for part 591 is revised to read as follows:

**Authority:** 3 U.S.C. 301; 31 U.S.C. 321(b); 50 U.S.C. 1601–1651, 1701–1706; Pub. L. 101-410, 104 Stat. 890 (28 U.S.C. 2461 note); Pub. L. 110-96, 121 Stat. 1011 (50 U.S.C. 1705 note); Pub. L. 113-278, 128 Stat. 3011 (50 U.S.C. 1701 note); E.O. 13692, 80 FR 12747, March 11, 2015, 3 CFR, 2015 Comp., p. 276; E.O. 13808, 82 FR 41155, August 29, 2017, 3 CFR, 2017 Comp., p. 377; E.O. 13827, 83 FR 12469, March 21, 2018, 3 CFR, 2018 Comp., p. 794; E.O. 13835, 83 FR 24001, May 24, 2018, 3 CFR, 2018 Comp., p. 817; E.O. 13850, 83 FR 55243, November 2, 2018, 3 CFR, 2018 Comp., p. 881; E.O. 13857, 84 FR 509, January 30, 2019; E.O. 13884, 84 FR 38843, August 7, 2019.

### **Subpart B—Prohibitions**

2. Revise § 591.201 to read as follows:

**§ 591.201 Prohibited transactions.**

All transactions prohibited pursuant to Executive Order 13692 of March 8, 2015, or any further Executive orders issued pursuant to the national emergency declared in Executive Order 13692, are prohibited pursuant to this part.

**Note 1 to § 591.201:** The names of persons designated pursuant to Executive Order 13692, or pursuant to any further Executive orders issued pursuant to the national emergency declared in Executive Order 13692, whose property and interests in property therefore are blocked pursuant to this section, are published in the *Federal Register* and incorporated into OFAC's Specially Designated Nationals and Blocked Persons List (SDN List) using the identifier formulation "[VENEZEULA-EO[EO number pursuant to which the person's property and interests in property are blocked]]." The SDN List is accessible through the following page on OFAC's website: [www.treasury.gov/sdn](http://www.treasury.gov/sdn). Additional information pertaining to the SDN List can be found in appendix A to this chapter. See § 591.406 concerning entities that may not be listed on the SDN List but whose property and interests in property are nevertheless blocked pursuant to this section.

**Note 2 to § 591.201:** The International Emergency Economic Powers Act (50 U.S.C. 1701–1706), in Section 203 (50 U.S.C. 1702), authorizes the blocking of property and interests in property of a person during the pendency of an investigation. The names of persons whose property and interests in property are blocked pending investigation pursuant to this section also are published in the *Federal Register* and incorporated into the SDN List using the identifier formulation "[BPI-VENEZEULA-EO [EO number pursuant to which the person's property and interests in property are blocked pending investigation]]."

**Note 3 to § 591.201:** Sections 501.806 and 501.807 of this chapter describe the procedures to be followed by persons seeking, respectively, the unblocking of funds that they

believe were blocked due to mistaken identity, or administrative reconsideration of their status as persons whose property and interests in property are blocked pursuant to this section.

### **Subpart C—General Definitions**

#### **§ 591.304 [Amended]**

3. In § 591.304, remove the text “, as used in Executive Order 13692 of March 8, 2015,”.

### **Subpart D—Interpretations**

4. Add § 591.407 to read as follows:

#### **§ 591.407 Settlement agreements and enforcement of certain orders through judicial process.**

Notwithstanding the existence of any general license issued under this part, or issued under any Executive order issued pursuant to the national emergency declared in E.O. 13692, the entry into a settlement agreement or the enforcement of any lien, judgment, arbitral award, decree, or other order through execution, garnishment, or other judicial process purporting to transfer or otherwise alter or affect property or interests in property blocked pursuant to § 591.201, as referenced in § 591.506(c), is prohibited unless authorized pursuant to a specific license issued by OFAC pursuant to this part.

### **Subpart E—Licenses, Authorizations, and Statements of Licensing Policy**

#### **§ 591.506 [Amended]**

5. In § 591.506(a), (b), and (c), remove the text “or any further Executive orders relating to the national emergency declared in Executive Order 13692 of March 8, 2015.”

#### **§ 591.507 [Amended]**

6. In § 591.507(a) and the note to paragraph (a), remove the text “or any further Executive orders relating to the national emergency declared in Executive Order 13692 of March 8, 2015.”

**§ 591.508 [Amended]**

7. In § 591.508, remove the text “or any further Executive orders relating to the national emergency declared in Executive Order 13692 of March 8, 2015.”

8. Add § 591.509 to read as follows:

**§ 591.509 Official business of the United States Government.**

All transactions that are for the conduct of the official business of the United States Government by employees, grantees, or contractors thereof are authorized.

**Note 1 to § 591.509:** For additional information regarding requirements relating to the entry into a settlement agreement or the enforcement of any lien, judgment, arbitral award, decree, or other order through execution, garnishment, or other judicial process purporting to transfer or otherwise alter or affect property or interests in property blocked pursuant to § 591.201, *see* § 591.407.

**Subpart H—Procedures**

9. Revise § 591.802 to read as follows:

**§ 591.802 Delegation of certain authorities of the Secretary of the Treasury.**

Any action that the Secretary of the Treasury is authorized to take pursuant to Executive Order 13692 of March 8, 2015, Executive Order 13808 of August 24, 2017, Executive Order 13827 of March 19, 2018, Executive Order 13835 of May 21, 2018, Executive Order 13850 of November 1, 2018, Executive Order 13857 of January 25, 2019, Executive Order 13884 of August 5, 2019, and any further Executive orders issued pursuant to the national emergency declared in Executive Order 13692 of March 8, 2015, may be taken by the Director of OFAC or by any other person to whom the Secretary of the Treasury has delegated authority so to act.

Dated: November 18, 2019.

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Andrea Gacki,  
*Director, Office of Foreign Assets Control.*

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