

**From:** Jose Cardenas <JC@thecormacgroup.com>  
**Sent:** Thursday, June 6, 2024 12:42 PM  
**To:** Erikson, Dan P. EOP/NSC  
**Subject:** FW: ICYMI: Wasserman Schultz, Salazar Lead Effort to Block Forced Sale of Venezuelan Assets Held by Pro-Democracy Opposition  
**Attachments:** Venezuelan Democracy Assets 6.5.24 Final.pdf



DEBBIE  
WASSERMAN SCHULTZ

Hi Kevin,  
FOR IMMEDIATE RELEASE  
June 5, 2024

CONTACT: [David.Damron@mail.house.gov](mailto:David.Damron@mail.house.gov)

## Wasserman Schultz, Salazar Lead Effort to Block Forced Sale of Venezuelan Assets Held by Pro-Democracy Opposition

Washington D.C. – Today, U.S. Rep. **Debbie Wasserman Schultz** (FL-25) and **María Elvira Salazar** (FL-27) requested that U.S. Treasury Secretary **Janet Yellen** and Attorney General **Merrick Garland** extend and reissue licenses to protect CITGO, the American subsidiary of the Venezuelan energy company PDVSA, which is currently governed by Venezuela's democratic opposition National Assembly. This critical asset, now a target of hedge funds as a result of negligent debt decisions by authoritarian President Nicholas Maduro, must be protected from financial ruin to provide a nest egg for future democratic rule in a nation ravaged by misrule, political repression, and savage poverty under Maduro's criminal regime.

“The economic catastrophe inflicted on Venezuela by the brutal Maduro regime must not be exploited by multinational financiers. The U.S. must stand strong against attempts to ransack vital economic assets that belong to the Venezuelan people and promise to serve as the engine for Venezuela's recovery once democracy is restored,” said **Wasserman Schultz**. “I join my bipartisan colleagues in asking the Biden Administration to continue doing everything possible to protect the foundation of Venezuela's post-authoritarian future.”

“The oil industry will be the backbone of Venezuela's economic recovery once the dictatorship falls,” said **Salazar**. “The forced sale of CITGO is a give-away to the Maduro Regime and compromises the country's future. We must do whatever possible to delay the sale of these assets to ensure Venezuela can have a prosperous future once it is free of chavismo and Maduro.”

Among the other Members signing the letter are U.S. Reps: **Joaquin Castro** (TX-20), **Carlos A. Giménez** (FL-28), **Robert Menendez** (NJ-08), **Jared Moskowitz** (FL-23), **Darren Soto** (FL-09), **Michael Waltz** (FL-06), and **Susan Wild** (PA-07).

Currently CITGO is the subject of an unprecedented case brought by transnational creditors who are owed debts racked up by Maduro's rapacious regime. The letter asks Secretary Yellen and Attorney General Garland to shield CITGO, a key asset for Venezuela's redevelopment once Maduro's reign ends, and establish a Foreign Claims Settlement process, just as similar economic protection actions have been undertaken by the U.S. government.

Read the entire letter below:

*The Honorable Janet Yellen  
Secretary of the Treasury  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220*

*The Honorable Merrick Garland  
Attorney General  
U.S. Department of Justice  
950 Pennsylvania Ave., NW  
Washington, DC 20530*

*CC: Secretary of State Antony Blinken, National Security Advisor Jake Sullivan, NSC Sr. Director for Western Hemisphere Affairs Daniel Erikson*

*Dear Secretary Yellen and Attorney General Garland,*

*We write to you today to express bipartisan Congressional concern regarding the forced sale of the democratic Venezuelan National Assembly's ownership interest in CITGO that is proceeding before the U.S. District for the District of Delaware. We request that the Administration consider utilizing existing authorities to safeguard CITGO in service to U.S. foreign policy and national security concerns, including the bipartisan interest in restoring democracy in Venezuela, and engage directly with Venezuela's democratic leaders to determine a path forward for this strategic sovereign asset.*

*The unprecedented forced sale began as an attempt by a single non-U.S. judgment creditor of the Bolivarian Republic of Venezuela to satisfy an arbitral award using the assets of Petróleos de Venezuela, S.A. (PDVSA), the Republic's wholly owned national oil company, which is governed by an ad hoc board appointed pursuant to the authority of the democratically elected 2015 Venezuelan National Assembly. Over time, however, the proceeding has expanded exponentially to the point where dozens of creditors holding judgments totaling \$20 billion are now part of the sale process.*

*The value of this sale, if executed, would satisfy only a small portion of that debt, especially considering the arbitrarily depressed strategic position of PDVSA and the risk of collusion to produce below-market offers. This would leave most of the creditors without remedy and result in the total loss of the ad hoc board's ownership interest in CITGO. Instead of liquidating PDVSA's interest on an unreasonable basis, CITGO's status as a productive asset should be used to maximize its value and compensate more creditors on an equitable basis.*

*The forced sale is set to conclude by July 15, 2024, running in parallel to the critical presidential elections in Venezuela which will take place on July 28. If the sale were to conclude, PDVSA's loss of its entire*

*ownership interest in CITGO will deliver a devastating blow to proponents of democracy in Venezuela. Many have long hoped that CITGO, free of the corrupt influence of the Maduro regime, could be part of a solution to the geopolitical crisis in Venezuela and rather than another victim of it. By contrast, Nicolás Maduro is attacking members of the democratic opposition and accusing the leadership of the U.S.-recognized 2015 National Assembly, Consejo de Administración y Protección de Activos (CAPA) and the United States of “kidnapping” CITGO and “sharing the loot”. The U.S. cannot allow PDVSA to be severed to pay off Maduro’s debts while Maduro exploits the sale to justify repression of the democratic opposition.*

*The Administration has tools at its disposal to support the people of Venezuela in their efforts to transition the country to democracy by protecting PDVSA’s ownership in CITGO and diffusing the disinformation spread by Maduro and his cronies. Indeed, the Administration has mobilized some of those tools in the form of economic sanctions to protectively block Venezuela’s assets, including PDVSA’s shares in CITGO, to prevent their dissipation by the Maduro regime in the wake of the fraudulent presidential elections in 2018. In addition, the Administration has previously opposed the forced judicial sale of CITGO due to their impact on critical U.S. interests and withheld an OFAC license necessary to execute certain steps in the sales process. So long as PDVSA’s ownership interest in CITGO remains protectively blocked, any successful bidder selected by the court would also need an OFAC license to consummate the forced sale.*

*We therefore urge the Administration to bar the continuation of the sale process through its economic powers, revoke its favorable sanctions licensing policy regarding the sale announced in May 2023, and to establish a Foreign Claims Settlement process for the equitable and orderly settlement of claims against the Republic and PDVSA. The Administration has followed the latter process in similar instances involving foreign sovereigns, with examples including Cuba, Iraq, and Sudan.*

*This is a critical and time-sensitive issue, and we encourage the Administration to take immediate action in service to the democratic ambitions of Venezuelans and U.S. regional security objectives. Thank you for your full and fair consideration of this matter, consistent with applicable agency guidelines.*

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“DISSEMINATED BY THE CORMAC GROUP, A REGISTERED FOREIGN AGENT, ON BEHALF OF THE AD HOC BOARD OF PETROLEOS DE VENEZUELA, S.A. THROUGH VISION AMERICAS INTERNATIONAL LLC. MORE INFORMATION IS ON FILE WITH THE DEPARTMENT OF JUSTICE, WASHINGTON, D.C.”.



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