

## Cari's Legal Exchange: Operating Under the New Venezuelan Framework

JANUARY 13, 2026

In this episode of Cari's Legal Exchange, join Cari Stinebower and Carlos Eduardo Acedo, a longtime partner at MENPA in Caracas, as they explore the evolving legal and investment landscape in Venezuela. Carlos brings over forty years of experience in Venezuelan energy law, corporate governance, and cross-border disputes to provide a firsthand look at the prevailing economic and regulatory climate in Venezuela.

Learn about the current state of Venezuela's legal framework for oil and gas investment, the challenges posed by regulations, and what contractual protections investors should consider. Carlos highlights other emerging areas of strategic interest—from mining and electricity to project finance and debt restructuring. For companies and counsel evaluating a potential entry into Venezuela, this conversation offers a critical, practical perspective.

### AUDIO TRANSCRIPT

#### Cari Stinebower

Hello, I'm Cari Stinebower, partner and chair of Winston & Strawn's International Trade Practice. Today, January 13th, 2026, I'm here with Carlos Eduardo Acedo Sucre, a key partner at Mendoza, Palacios, Acedo-Borjas, Paez, Pumar y Compañía, or MENPA. Carlos joined MENPA in 1982 and has been a partner there since 1994.

Carlos has a vibrant counseling practice and Winston has partnered with him on more than one occasion. He advises clients on civil and commercial law, insurance and reinsurance, banking and finance, project financing and debt restructuring, energy and natural resources, mergers and acquisitions, corporate governance, corporate finance, exchange controls regulations, securities, public law and regulatory matters, among many other things. Carlos also represents clients in dispute resolution.

He's worked in many complex cross-border cases and provides opinions with respect to disputes in which Venezuelan law issues are relevant. Carlos and I will be discussing opportunities for business under the current framework in Venezuela, and with that, let's get to it. And thanks again, Carlos, for doing this with me today, I really appreciate it.

First of all, let's start with what is the business situation on the ground in Caracas over these last couple of days? Is it positive? Is there energy?

What are you seeing on the ground?

**Carlos Eduardo Acedo Sucre**

Well, the situation is very interesting because after the January 3rd events, Vice President Delcy Rodríguez was sworn in as president, interim president by the National Assembly. And afterwards, she stated that her government is willing to work with the U.S. government. But she also criticized the events of January 3rd and affirmed Venezuelan sovereignty.

So, her rise to power was formally approved by Diosdado Cabello and Vladimir Padino, who are in charge of national security, the armed forces, and the militias. Maduro's only son, who has the same name and who is a member of the National Assembly, has also expressed support for Ms. Rodríguez. And from a formal point of view, her rise to power was approved.

But there is uncertainty regarding the real support of Cabello, Padino, and other Chavista leaders. This is an evolving situation. We must watch and see for a few days, maybe weeks, because Rodríguez has to maintain a delicate balance between keeping her Chavista supporters happy and securing actual help from Cabello and Padino, and also between having a working arrangement with the U.S. government. In Caracas right now, there is a prudent silence. The Chavista regime is in place. They have released a small percentage of political prisoners.

There is a significant military presence in Venezuela and police presence in Venezuela, in Caracas in particular, right now. The Chavista, the good thing is that the Chavista party, which is called the Venezuelan United Socialist Party, controls the National Assembly, which makes the law. Another good thing is that for the purposes of the business environment, the Venezuelan government has declared a state of emergency, has granted itself the power to issue laws and to take other extraordinary measures.

So even though Ms. Rodríguez's situation is not an easy one, I think she has a lot of room to move, and we are hoping for stability and an opening of the Venezuelan economy.

**Cari Stinebower**

That's wonderful. I think from the United States' perspective, we're seeing that there is an agreement to work collaboratively with Ms. Rodríguez for the business investment environment in Venezuela. As it stands now, do you see pros and cons to the Venezuelan legal system for foreign investment?

Are there particular advantages that you would highlight for foreign investors?

**Carlos Eduardo Acedo Sucre**

Yes. Well, first of all, as I said just now, Ms. Rodríguez has expressed her willingness to work with the U.S. government. That is important.

I think she has not specified that her government would encourage, in particular, investments of U.S. companies in the oil and gas sector. However, it's evident that one of the goals of the U.S. administration and the Venezuelan administration, the Venezuelan legal system is very interventionist, and in many instances is contrary to free enterprise and private property. But, and this is a big but, the basic framework for doing business in Venezuela is in the pre-Chavez civil and commercial codes, which are very good.

Also, this basic framework is to some degree in the Venezuelan constitution, which has reasonable provisions in favor of free enterprise and private property. The problem is that several special laws are contrary to free enterprise and

private property. The good thing is that they are special rules, so amending or replacing these laws is possible and it's also desirable.

This can be done by means of new laws issued by the National Assembly or decrees issued by the government. And I think that the more urgent laws or decrees can be issued in the short term, which is, I believe, good news.

**Cari Stinebower**

And you mentioned that there seemed to be some interest in amending those laws and regulations. Are there particular rules that you would think would be the first on the table to be amended

**Carlos Eduardo Acedo Sucre**

Well, the most urgent problem is obviously oil and gas. And in this particular sector, I think that it would be a very good idea to amend the Hydrocarbons Organic Law. And another law that is, it has a very long name, it's called Organic Law Reserving to the State the Goods and Services Related to Primary Hydrocarbons Activities. These two laws are not favorable to a reasonable partnership with the private sector, but there are certain corporate structures or contractual arrangements that have been used in the recent past and that are still used today, for instance, by Chevron, that can be useful to opening the oil sector even before or while these two laws are updated and amended. These corporate structures or contractual arrangements are mixed companies, operative agreements, and productive participation contracts.

But this may work as a temporary solution. I think that having clear rules and stability is very important right now and that, at least in the medium term, these two laws that I mentioned should be amended. And there are also a lot of other laws that should be amended to make the Venezuelan legal system more hospitable to foreign investors and to have clearer rules and a better framework that goes from banking insurance, taxation, foreign investment, the possibility of facilitating incorporation of new companies, labor laws.

There are a lot of things that should be addressed. But I think the most important one right now, and I think it's everybody's expectation, is oil and gas.

**Cari Stinebower**

And I think you've anticipated my next question, which is, setting aside oil and gas, what other areas are there for investments in Venezuela? Mining, transportation, electricity, infrastructure? What other areas do you see as potential next steps for foreign investment?

**Carlos Eduardo Acedo Sucre**

Well, you mentioned mining. Venezuela has a lot of interesting material. One is rare minerals, sorry, rare Earth minerals, gold, diamonds, aluminum, iron ore.

It is, we have been blessed by nature. The other big deal is electricity. We have problems in Venezuela with the generation distribution of the electricity needed to open the economy.

Some of these problems can be resolved by repairing and updating existing installations, so that can be done in the relatively short or at least medium term. For instance, we have one of the largest hydroelectrical dams in the world, which is called Guri, in the southeast of the country. And my understanding is that some repairs and updates there and the distribution system would be a big, big improvement in Venezuela.

The other area I think is important is project finance. For big investments, there will be the need for syndicated loans and possibly point issuance. And, well, that's interesting work, and it requires helping the investors, helping the project company, helping the bank lenders, helping the bondholders.

So, there will be a lot of opportunities for us lawyers too, because several sets of lawyers will be needed in order to do a reasonable project financing. Structuring is also important. Some companies are in a very bad situation, but they have important assets and a lot of future, and I think that is going to be interesting too.

And there are other areas. For instance, infrastructure. Both the Venezuelan government and the U.S. government have said that infrastructure is really important. Engineering, procurement and construction contracts. Privatizations. By the way, we have experience in the privatizations that took place immediately before the Chavez era.

M&A, real estate. There are a lot of very inexpensive properties in Venezuela, which are very interesting, and the price will probably go up. The recovery of expropriated assets and/or the payment of expropriation compensations.

The payment of debts by the public sector to lenders and providers, or the renegotiation of all these debts. So, I think we have a very interesting future, and I'm very optimistic about the business opportunities in Venezuela.

### **Cari Stinebower**

You mentioned debt. One of the items that came out on Friday in the United States was the U.S., the president's executive order establishing that any of the proceeds from the sale of PDVSA accrued in the United States would be put into a custodial account and would be free from attachment for final judgment holders against PDVSA. I'm curious whether that particular executive order got much attention amongst the business community in Venezuela, and what their thoughts were with respect to whether that helps, from their perspective, encourage investment in Venezuela.

### **Carlos Eduardo Acedo Sucre**

Well, the sense we have in MENPA, my law firm, is that the decision to block courts from seizing Venezuelan natural resources revenue deposited in U.S. accounts and under the U.S. government's supervision is a very good decision. This is something that will help Venezuela in the short and medium term get its act together, and Venezuela will probably be very willing to negotiate with its creditors orderly. And so, I think it's important that in the meantime, the Venezuelan oil business can operate normally.

Right now, or not right now, let's say until the end of last year, much of the economy was informal. A lot of oil and other resources left Venezuela through informal channels, so there was no control, and the prices fetched for these raw materials were with a discount, and probably much of it never reached Venezuela, really. So having an account blocked in the U.S. and the possibility to take our oil to the U.S., and the possibility of having a supervision over that account so that it really benefits the appropriate programs and addresses the problems that should be addressed in the first place, I think it's an excellent step. And I think the government is okay with that too, because as a matter of fact, there have been efforts not only by the U.S. administration, of course, with the blockade, but also by the Venezuelan government after January the 3rd to channel the oil production through the formal proceedings in order to be able to receive an appropriate price and be able to use these proceeds for its ends in Venezuela. So I think it's a very good step.

But there is something that is a little bit worrying, the executive order's implementation, because it's still very new and we don't know how that's going to work in practice. And also there's a text there that is very open and we don't really know what that entails, which is that foreign government deposit funds shall be held pending sovereign disposition for public governmental or diplomatic purposes determined by the Secretary of State. That's a little bit vague, but I guess that will be sorted out in the next days or weeks.

### **Cari Stinebower**

And assuming that things continue to progress, are there specific arbitral provisions that you're looking at for including in contracts? Are there specific contractual provisions that you think would be helpful or that MENPA has been working with clients to draft for business opportunities in Venezuela?

**Carlos Eduardo Acedo Sucre**

Well, I think arbitration clauses are extremely important, among many other things, because the Venezuelan judiciary is not a very professional body. And so arbitration clauses are really, really important, but they are not enough. They should be followed by some actions.

One is the re-entry of Venezuela in the ICSID system, because Venezuela left when there were a lot of arbitration proceedings by expropriated companies from the U.S. and elsewhere, and Venezuela should rejoin ICSID. Then Venezuela should start complying with the existing arbitration awards favorable to investors, or at least start negotiating with them. The arbitration, commercial arbitration law of Venezuela should be updated.

It's a law of the end of last century, and it was a good law, but it has a lot of, not a lot, it has a few things that should be improved. And there should also be serious and conscientious work on the professionalization, sorry, of the Venezuelan judiciary.

**Cari Stinebower**

Yeah. Yeah, no, that all makes sense. Do you have any final thoughts for businesses looking to invest in Venezuela?

**Carlos Eduardo Acedo Sucre**

Yes, of course. Businesses should be prepared. They should look for opportunities.

Some, depending on the particular business, may already be there available. They should seek legal assistance. In many cases, some preparatory actions may be undertaken, for instance, incorporating a company with a minimum investment, obtaining licenses and permits, and then you don't do anything with the company.

You activate it when the situation is appropriate. But having all that ready, it takes time. So I think it's advisable to start right now whenever possible.

Also, if a foreign company thinks it needs local partners or advisors, other than legal advisors for a specific project, these foreign companies should be very careful with the potential partners and advisors it chooses in Venezuela, because they should thoroughly check the backgrounds of these potential partners and advisors. They should stay away from those that might become a liability when political changes come about. That's very important.

**Cari Stinebower**

Yes, thank you. And I think we've been providing the same general thought to investors in Venezuela, which is as Venezuela moves away from the sanctions regime, the anti-money laundering and anti-corruption regimes remain in place. And so the robust due diligence will be important, I think, for both sides when entering into new business relationships.

But thank you, Carlos, for sitting down with me today and for your insights. We will link Carlos's profile in the caption if you're interested in getting in touch with him. Winston also has formed a dedicated Venezuelan task force that can handle a variety of matters, both in English and Spanish, relating to the current events.

You can also find Winston's International Trade and the Oval Updates page linked in the caption. Please keep in mind that due to the rapidly evolving situation in Venezuela, any information discussed today may be subject to change. We expect it will.

Thanks to all who are tuning in to this episode of Kerry's Legal Exchange. Stay tuned for our next podcast.

**Carlos Eduardo Acedo Sucre**

Thanks. Thank you very much.

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[Cari Stinebower](#)

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