

OFAC Continues Venezuela Sanctions Relief with Authorizations for Aircraft Safety, Earthquake Relief, and Easing of General License Governing Law Requirements

July 15, 2026

On June 18, 2026, the U.S. Department of the Treasury, Office of Foreign Assets Control (OFAC) issued [General License \(GL\) 59](#), authorizing the provision of goods, technology, software, or services relating to aircraft of Venezuela's state-owned airline, Consorcio Venezolano de Industrias Aeronáuticas y Servicios Aéreos, S.A. (Conviasa). Separately, OFAC recently amended seven existing Venezuela-related GLs to ease the governing law and dispute resolution requirements applicable to contracts entered into under those licenses. In addition, on June 25, 2026, OFAC issued [GL 60](#), authorizing transactions related to earthquake relief efforts in Venezuela until October 2026. Together, these actions reflect OFAC's continued easing of Venezuela sanctions by expanding the scope of permissible aviation-related activities, reducing barriers to participation in authorized transactions, and facilitating humanitarian relief efforts.

If you have any questions concerning this memorandum, please reach out to your regular firm contact or the following authors

NEW YORK

Yulia Solomakhina
+1 212 225 2848
ysolomakhina@cgsh.com

WASHINGTON

Chase Kaniecki
+1 202 974 1792
ckaniecki@cgsh.com

Samuel Chang
+1 202 974 1816
sachang@cgsh.com

Ana Carolina Maloney
+1 202 974 1621
amaloney@cgsh.com

Kerry Mullins
+1 202 974 1859
kmullins@cgsh.com



GL 59: Supply of Items and Services for Conviasa Aircraft

In 2020, Conviasa was added to the Specially Designated Nationals and Blocked Persons (SDN) List pursuant to [Executive Order \(E.O.\) 13884](#) and continues to be listed on the SDN List to date. GL 59 authorizes all transactions otherwise prohibited by E.O. 13884 involving Conviasa, any entity in which Conviasa owns, directly or indirectly, a 50 percent or greater interest (Conviasa Entities), or any aircraft in which Conviasa or a Conviasa Entity has an interest, that are ordinarily incident and necessary to the provision from the United States or by a U.S. person of goods, technology, software, or services for the maintenance, repair, upgrade, refurbishment, improvement, safety, or airworthiness of such aircraft.

GL 59 thus creates a pathway for U.S. persons and companies—including aircraft parts manufacturers, maintenance providers, and logistics firms—to support Conviasa’s fleet operations, facilitating the modernization and recovery of its aging fleet. Authorized transactions also include ancillary activities, such as processing of payments, arranging shipping, logistics, customs clearance, and delivery services; the sale, supply, installation, inspection, testing, maintenance, repair, replacement, refurbishment, upgrade, or improvement of aircraft parts, components, equipment, software, and technology; software updates; technical support; and other services related to the maintenance, repair, upgrade, refurbishment, improvement, safety, or airworthiness of aircraft in which Conviasa or a Conviasa Entity has an interest.

GL 59 follows OFAC’s issuance of [FAQ 1259](#), which confirmed that the authorization in existing [GL 30B](#), which authorizes activities ordinarily incident and necessary to operations or use of Venezuelan ports and airports involving the Government of Venezuela (GoV) (including its civil aviation and maritime safety authorities), includes the provision of baggage and

ground handling, safety and security, air navigation, overflight, fuel, and into-plane services, and the payment of certain government-imposed fees and taxes for both private and commercial flights.

As with previous recent Venezuela-related GLs, GL 59 includes several limitations and conditions. As seen in previous GLs, GL 59 does not authorize terms that are not “commercially reasonable” or involve debt swaps, payments in gold, or are denominated in digital currency, digital coin, or digital tokens issued by, for, or on behalf of the GoV, including the petro. GL 59 also prohibits transactions with persons located in or organized under the laws of Russia, Iran, North Korea, or Cuba, entities owned or controlled by, or in a joint venture with, such persons, and entities located in or organized under the laws of Venezuela or the United States that are owned or controlled by, or in a joint venture with, persons located in or organized under the laws of China. GL 59 introduces a new limitation not previously included in recent Venezuela-related GLs: it prohibits any transaction involving military or intelligence operations or activities, thereby distinguishing between authorized commercial aviation support and military- or intelligence-related aviation activities.

Amendments to Existing GLs for Governing Law and Dispute Resolution Requirements

On June 10, 2026, OFAC amended seven Venezuela-related GLs ([46C](#), [47A](#), [48B](#), [50B](#), [51B](#), [52A](#), and [54A](#)) to modify the governing law and dispute resolution requirements applicable to contracts entered into under the licenses.¹ Previously, these licenses included a novel requirement (not previously used in GLs of other U.S. sanctions programs) that U.S. law “govern” such contracts and that dispute resolution occur in the United States. The amended licenses now require that “the terms of the contract be *construed and interpreted* in accordance with the laws of a state or other jurisdiction within the United States”

¹ Our analysis of (i) GL 46/46A is available [here](#), (ii) GL 47 is available [here](#), (iii) GL 48 is available [here](#), (iv) GLs 49/50A is available [here](#), (v) GL 52 is

available [here](#), and (vi) GLs 51A/54/55 is available [here](#). Additionally, our analysis of related GLs 56/57 is available [here](#).

(emphasis added), and that “dispute resolution proceedings relating to the contract occur in the...United Kingdom, France, or Singapore,” in addition to the United States.

Permitting dispute resolution in jurisdictions commonly used in cross-border commercial contracts recognizes established market practice and provides greater flexibility for counterparties engaging in transactions under these licenses. As discussed in our prior client alerts,² in a number of strategic industries the GoV requires that contracts with private investors be subject to the jurisdiction of local courts or international arbitration. To the extent the GoV has imposed or imposes in the future such requirements on transactions authorized by these GLs, this amendment to the dispute resolution language may open a viable investment path under both U.S. and Venezuelan law.

The significance of the amendment to the governing law provision requires further elaboration. The amended GLs remove the reference to *governing* law and replace it with what would appear to be a less restrictive requirement that the contracts be “construed and interpreted” in accordance with U.S. federal or state laws. Concurrent with the amended licenses, OFAC issued [FAQ 1260](#), which acknowledges that the amended GLs no longer require U.S. law to govern “all aspects” of authorized activities. However, FAQ 1260 asserts that U.S. law must continue to “govern questions of contract law between the parties relating to the contract, including interpretation, performance obligations, breach, remedies, payment obligations, termination, validity, assignment or novation, and enforceability.” OFAC further clarified that this carve-out permits the inclusion of contract terms recognizing that certain aspects of the underlying activity in Venezuela may be subject to applicable Venezuelan law and regulations, including laws and regulations governing the exercise of Venezuela’s sovereign

regulatory authority, administrative permits and licenses, concessions, labor, environmental, health and safety, and other mandatory regulatory requirements.

This guidance reflects the well-established principle that the public and regulatory law of the jurisdiction where a contract is performed cannot be disappplied by a contractual governing law provision. The amendments and accompanying OFAC guidance may represent an effort to reconcile the GL requirements with Venezuelan law provisions—such as those contained in the new Hydrocarbons Law, draft Mining Law, and draft Electricity Law—that require certain contracts with private investors in strategic industries to be governed by local Venezuelan law.³ It remains an open question whether this amendment fully achieves that objective, as investors may continue to face tension between the U.S. law requirements imposed by the GLs and the local law requirements mandated by Venezuelan legislation.

GL 60: Earthquake Relief Efforts in Venezuela

In response to the recent earthquakes in the Yumare–Morón region of Venezuela, on June 25, 2026, OFAC issued [GL 60](#), authorizing, through October 22, 2026, all transactions related to earthquake relief efforts in Venezuela, including the processing or transfer of funds on behalf of third-country persons to or from Venezuela in support of transactions related to earthquake relief efforts. GL 60 further authorizes U.S. financial institutions and registered money transmitters to rely on the originator of a funds transfer with regard to compliance with the license’s requirements (i.e., that the funds are intended for use in earthquake relief efforts), provided that the financial institution does not know or have reason to know that the funds transfer is not in compliance with GL 60.

² *Id.*

³ See *Ley de Reforma Parcial de la Ley Orgánica de Hidrocarburos* (Partial Reform of the Organic Hydrocarbons Law), Jan. 29, 2026, available [here](#); *Ley Orgánica de Minas* (Organic Law on Mines), Apr. 16, 2026, available [here](#); *Proyecto de Ley Orgánica de*

Reforma Parcial de la Ley Orgánica del Sistema y Servicio Eléctrico (Draft Partial Reform of the Organic Law of the National Electricity System and Service), not yet published, but additional information on the legislation’s contents is available [here](#).

Cleary Gottlieb's international trade team continues to monitor developments regarding ongoing sanctions and trade developments with respect to Venezuela and is available to offer guidance on managing the changing regulatory landscape.

...

CLEARY GOTTLIB