

ALERT MEMORANDUM

OFAC Issues General License 47 Authorizing Sale of U.S.-Origin Diluents to Venezuela

February 5, 2026

On February 3, 2026, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") issued [General License \("GL"\) 47](#) generally authorizing the export, sale, and supply of U.S.-origin diluents to Venezuela. The issuance of GL 47 comes less than a week after OFAC issued [GL 46](#) on January 29, 2026, authorizing certain transactions related to the lifting, refinement, export, and sale of Venezuelan oil.¹ GL 47 addresses a critical operational need in Venezuela's oil sector, as diluents are essential for the processing and transport of Venezuelan heavy crude, which is viscous and dense.

OFAC previously cautioned against the export or reexport of diluents to Venezuela without enhanced due diligence, because they would likely include a direct or indirect interest of Petróleos de Venezuela, S.A. ("PdVSA").² GL 47 now authorizes all transactions previously prohibited by the Venezuela Sanctions Regulations, 31 CFR Part 591 ("VSR"), that are ordinarily incident and necessary to the exportation, reexportation, sale, resale, supply, storage, marketing, delivery, or transportation of U.S.-origin diluents to Venezuela. This authorization includes transactions involving the Government of Venezuela ("GoV"), PdVSA, or any entity in which PdVSA owns, directly or indirectly, a 50 percent or greater interest. Transactions authorized under GL 47 also include processing of payments, arranging shipping and logistics services, including chartering vessels, obtaining marine insurance and protection and indemnity coverage, and

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

WASHINGTON

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

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

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

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

NEW YORK

Yulia Solomakhin
+1 212 225 2848
vsolomakhina@cgsh.com

¹ See our analysis of GL 46 [here](#).

² See OFAC FAQ, "Can I export or reexport diluents to Venezuela?" (June 6, 2019), available [here](#).
clearygottlieb.com



arranging port and terminal services, including with port authorities or terminal operators that are part of the GoV.

Key Distinctions Between GL 47 and GL 46

Although both licenses mark notable shifts in the general Venezuela sanctions framework aimed at supporting involvement of U.S. businesses in the Venezuelan oil sector, there are certain distinctions between the two.

- **No U.S. Entity Requirement.** Unlike GL 46, which requires that transactions be conducted “by an established U.S. entity” (defined as any entity organized under the laws of the United States or any jurisdiction within the United States on or before January 29, 2025), GL 47 imposes no such restriction on the executing entity.
- **Narrower Prohibited Counterparty List.** GL 47 prohibits transactions only with persons from Iran, North Korea and Cuba. This contrasts with GL 46’s broader prohibition, which extended to those three countries, as well as Russia and certain Chinese-owned entities.

Limitations and Conditions

GL 47 also includes important limitations and conditions similar to GL 46, some of which are novel among existing general licenses:

- **Choice of Law.** All contracts for transactions entered into pursuant to GL 47 must be governed by U.S. law and require dispute resolution to occur in the United States.
- **Payment Terms.** GL 47 does not authorize payment terms that are not “commercially reasonable,” debt swaps, gold payments, or digital currency, coins, or tokens issued by, for, or on behalf of the GoV (including the petro). “Commercially reasonable” is not further defined in either executive order.

- **Blocked Vessels.** GL 47 does not authorize any transaction involving a blocked vessel.
- **Blocked Property.** Other than transactions involving U.S.-origin diluents authorized by GL 47, GL 47 does not unblock any property previously blocked pursuant to the VSR.
- **Transaction Reporting.** Similar to the transaction reporting requirements contained in GL 46, GL 47 requires parties engaging in the export, reexport, sale, resale, or supply of U.S.-origin diluents to Venezuela to submit reports to the U.S. government containing the following information for each transaction: (i) the parties involved; (ii) the quantities and values, and (iii) the dates the transactions occurred.³ These reports must be submitted ten days after the execution of the first of such transactions and every 90 days thereafter while ongoing.

In addition, GL 47 (consistent with GL 46) does not relieve parties from compliance with requirements of other federal agencies, including the U.S. Department of Commerce, Bureau of Industry and Security. As with GL 46, GL 47 contains no expiration date but remains subject to revocation by OFAC at any time.

GL 47 represents a limited but important step in further easing U.S. sanctions against Venezuela, designed to support oil exports from the country. The authorization of diluent exports to Venezuela as standalone supplies, rather than through barter consideration for the oil sold (which was authorized by GL 46) addresses a critical operational need for Venezuelan oil sector. Moreover, GL 47’s broader scope, particularly the absence of the “established U.S. entity” requirement, is likely to facilitate wider participation in U.S.-origin diluents transactions.

Cleary’s international trade team continues to monitor developments regarding the Trump administration’s evolving approach to Venezuela and is available to offer

³ According to GL 47, reports must be provided via email to Sanctions_inbox@state.gov and VZReporting@doe.gov.

guidance on managing the rapidly changing regulatory landscape.

...

CLEARY GOTTLIEB