



Venezuela: Challenges for U.S. Policymakers in 2021

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The multifaceted crisis in Venezuela is one of the primary challenges facing the Biden Administration in the Western Hemisphere. Two years after the United States ceased to recognize Nicolás Maduro as the legitimate president of Venezuela, Maduro has taken de facto control of the National Assembly, the last independent branch of government. Maduro has [consolidated his hold on Venezuela](#) despite a dire economic and humanitarian crisis exacerbated by the Coronavirus Disease 2019 (COVID-19) pandemic, intense U.S. and international pressure for him to cede power, and an opposition led by Juan Guaidó, the National Assembly president elected in 2015 who was once regarded as interim president by nearly 60 countries. While the [Biden Administration](#) still recognizes Guaidó as interim president, many U.S. allies, including the [European Union \(EU\)](#), do not.

Congress supported the Trump Administration's efforts to promote a restoration of democracy in Venezuela without the use of military force and provide humanitarian assistance to Venezuelans. In December 2019, Congress enacted the Venezuela Emergency Relief, Democracy Assistance, and Development Act of 2019 (VERDAD Act; P.L. 116-94, Division J) to address the crisis in Venezuela. The 117th Congress may examine any new policy approaches by the Biden Administration and further legislative options, such as additional sanctions against the Maduro government or humanitarian assistance to Venezuelans.

U.S. Policy on Venezuela

In January 2019, the Trump Administration implemented a campaign to compel Maduro to leave office while providing aid to the opposition and humanitarian assistance to the Venezuelan people and countries sheltering them. Some Trump officials reportedly [discussed](#) the possibility of using military force in Venezuela, a policy option that neighboring countries and Congress opposed. Ultimately, the Trump Administration sought to achieve its objectives through diplomacy, sanctions, and legal pressure. Examples are as follows:

- The United States encouraged other countries to recognize the Guaidó government, sanction Maduro officials (as Canada, the EU, and some [Latin American and Caribbean countries](#) have done), and provide shelter or humanitarian aid to Venezuelans.

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- The State Department [revoked](#) more than 1,000 visas, including those of Venezuelan officials and their families.
- The Treasury Department expanded individual, financial, and sectoral [sanctions](#) to prohibit unlicensed transactions with the state oil company, *Petróleos de Venezuela* (PdVSA), Venezuela's central bank, and the Maduro government. In 2020, Treasury sanctioned two Russian energy companies shipping Venezuelan oil and a Chinese technology company that helped Maduro conduct digital surveillance.
- The Department of Justice (DOJ) [indicted](#) Maduro and 14 top officials for narco-terrorism, drug trafficking, and other crimes.

Although U.S. efforts under the Trump Administration failed to dislodge Maduro, they created an array of tools that the Biden Administration could use. The [Biden Administration](#) has stated that its approach to Venezuela is to focus on addressing the humanitarian situation, supporting the Venezuelan people, and engaging in multilateral diplomacy to hold corrupt and abusive officials accountable and to press for a return to democracy. It does not foresee “any direct [[United States](#)] [contact with Maduro](#).”

Sanctioning Maduro Government Officials and Pursuing Maduro's Criminal Revenue

Nicolás Maduro has continued to use Venezuelan security forces to detect and quash political dissent. As of February 15, 2021, the government held some [329](#) political prisoners, according to Foro Penal, a Venezuelan human rights organization. The U.N. Office of the High Commissioner for Human Rights has documented thousands of extrajudicial killings and other abuses committed by security forces since 2014 that amounted to [crimes against humanity](#).

The Biden Administration has stated that it will [pursue](#) individuals involved in corruption and human rights abuses. Analysts have urged more coordination on sanctions with the EU, a region where Maduro government officials' resources and families reside.

In addition to sanctions, U.S. criminal investigations have targeted illicit revenue earned and crimes committed by the Maduro government and its enablers. According to one [indictment](#), Maduro and other top officials allegedly participated in the [Cartel of the Suns](#) drug cartel in conspiracy with the Revolutionary Armed Forces of Colombia (FARC) to produce and traffic illicit drugs to the United States. DOJ is seeking the extradition of Alex Saab, a money launderer allegedly involved in [smuggling illicit gold](#) for Maduro whose [indictment](#) also cites his ties to Hezbollah.

Congress may consider new ways to support U.S. and partner countries' efforts to seize illicit revenue tied to the Maduro government and prosecute corrupt Venezuelan officials and their associates.

Supporting the Venezuelan People and Addressing the Humanitarian Crisis

Six years into an economic crisis in which Venezuela's real gross domestic product (GDP adjusted for inflation) has shrunk by about 75% and the poverty rate as measured by income has risen to [96%](#), Venezuela is experiencing a dire [humanitarian crisis](#). Conditions have worsened over the past year due to the COVID-19 pandemic. In December 2020, U.N. agencies estimated [5.4 million](#) Venezuelans had left the country. Some 4.6 million of those migrants went to other Latin American and Caribbean countries, especially Colombia.

The United States has been the largest donor of humanitarian aid to address the Venezuela regional crisis. From FY2017 to FY2020, it provided \$1 billion to Venezuela and countries sheltering Venezuelans. U.S. agencies separately have provided \$43.7 million for pandemic-related aid efforts in Venezuela.

In addition to providing assistance, some Members of Congress have called for humanitarian relief for Venezuelans living in the United States. Although the Trump Administration ended removals of Venezuelans eligible for [Deferred Enforced Departure](#) in January 2021, Congress or the Biden Administration may seek to designate Venezuela as a beneficiary country for Temporary Protected Status (e.g., S. 50).

Some Members of Congress also have expressed concerns about the humanitarian impact of sanctions, as described in a February 2021 [Government Accountability Office](#) report. The Biden Administration [is reviewing](#) U.S. sanctions to ensure they do not exacerbate humanitarian conditions in Venezuela. Some analysts have suggested using the potential for sanctions relief to [influence Maduro's actions](#).

See CRS Report R44841, *Venezuela: Background and U.S. Relations*; CRS In Focus IF10715, *Venezuela: Overview of U.S. Sanctions*; and CRS In Focus IF11029, *The Venezuela Regional Humanitarian Crisis and COVID-19*.

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