

Venezuela: Issues for the 118th Congress

February 17, 2023

U.S. policy toward Venezuela may be shifting amid growing recognition that an [array of sanctions](#) and international [support](#) for an interim government since 2019 have failed to dislodge authoritarian President Nicolás Maduro. Within Venezuela, the [Unity Platform](#) of opposition parties has adjusted its strategy, deciding to compete in presidential elections due in 2024, dissolve the interim government led by Juan Guaidó, and negotiate with the Maduro government. Meanwhile, some foreign governments have moved to [normalize relations](#) with the Maduro government. The Biden Administration has engaged in talks with Maduro and has offered [sanctions relief](#) if negotiations produce “meaningful progress” for the Venezuelan people and democracy in the country. Congress may consider legislation and oversight steps to shape U.S. policy responses to developments in Venezuela.

The Venezuelan Opposition’s Strategy

Former President Hugo Chávez (1999-2013) and Maduro have fomented divisions within the Venezuelan opposition; Maduro has used state institutions to quash dissent. The opposition has boycotted most elections since 2015. In 2019, it united behind Guaidó’s efforts to combine domestic protests and international pressure to convince Maduro to step down. Although Guaidó gained international recognition (and control of some Venezuelan assets abroad), Maduro has [remained in control](#), buoyed by support from international allies (Russia, China, and Iran), corrupt security forces, and illicit revenue.

By 2021, the opposition had begun exploring a [new approach](#)—competing in elections even under imperfect circumstances—to overcome the [stalemate](#). They welcomed the reconstituted National Electoral Council, announced in May 2021, which has opposition representation. They engaged in Norway-mediated talks with Maduro representatives in August-September 2021 that sought to address humanitarian issues. Although Maduro suspended those talks in October 2021, the negotiations laid the foundation for a November 2022 [humanitarian accord](#) to use Venezuelan assets frozen abroad to create a U.N.-administered humanitarian fund. [Some in the opposition welcomed](#) the presence of European Union (EU) electoral observers during November 2021 legislative and municipal elections in which the [opposition won](#) a gubernatorial victory in Chávez’s home state of Barinas. Pro-election observers [urge](#) Maduro to adopt [EU recommendations](#) on how to level the playing field for future elections; [skeptics](#) doubt his government will allow any meaningful reforms.

Opposition parties scheduled a primary election for [October 2023](#) to select a unified presidential candidate for 2024. They continue to face [many obstacles](#) in a country ranked “[not free](#)” by Freedom

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IN12112

House and in which the government has disqualified several opposition figures from competing in elections and restricted freedom of speech and assembly.

U.S. Policy Changes

The U.S. government ceased recognizing Maduro as Venezuela's legitimate president in January 2019, following his reelection in a 2018 vote that was [widely deemed fraudulent](#). Since then, it has sought to compel Maduro to leave office through diplomatic, economic, and legal pressure, including sanctions on Venezuela's state oil company (PdVSA) and the Maduro government.

While maintaining most sanctions on the Maduro government, the Biden Administration has placed increased emphasis on supporting negotiations. U.S. officials met with Maduro twice in 2022 and negotiated an October 2022 [prisoner swap](#). Since November 2022, the Treasury Department has [issued licenses](#) to allow certain companies to conduct business with PdVSA as incentives for Maduro to resume negotiations. The United States also has coordinated with the EU, Canada, and the United Kingdom to offer Maduro further [sanctions relief](#) if negotiations make progress toward the restoration of democracy. Neighboring countries (Colombia, Brazil, and Peru) also support a [negotiated solution](#) and have restored relations with the Maduro government.

The Administration has accepted the 2015 National Assembly decision to dissolve Guaidó's interim government but has continued to [recognize the assembly](#) as "the last remaining democratic institution in Venezuela." The decision to not recognize an interim government has [raised concerns](#) about the future of CITGO (U.S.-based refining company owned by PdVSA) and other [Venezuelan assets frozen abroad](#), which creditors are seeking to seize for debt repayment.

Issues for Congress

According to the VERDAD Act ([P.L. 116-94](#), Division J), U.S. policy supports "diplomatic engagement in order to advance a negotiated and peaceful solution" to the crisis in Venezuela. Some Members have [backed](#) Administration efforts to engage the Maduro government and facilitate negotiations; others [oppose](#) U.S. talks with Maduro and offers of sanctions relief. The 118th Congress could consider using various policy tools to shape the U.S. approach toward Venezuela.

Targeted Sanctions. The VERDAD Act authorizes targeted sanctions for corruption, human rights abuses, and antidemocratic actions in Venezuela through 2023. Congress may seek to extend those sanctions or modify them, for example, by expanding the types of behavior subject to targeted sanctions or removing sanctions on those who facilitate democratic elections.

Sectoral Sanctions. Whereas some in Congress support continued pressure on the Maduro government, others argue that broad sanctions have not achieved their stated goals and have hurt the Venezuelan people. A [2021 Government Accountability Office report](#) found that U.S. sanctions exacerbated Venezuela's economic decline and hindered humanitarian aid delivery. Congress has various legislative options to shape sanctions policy, including repealing sanctions authorities, codifying existing executive orders, and setting the terms under which the Administration could lift sanctions.

Democracy Assistance. Over the past five years, the United States has provided democracy and human rights assistance to support Venezuelan civil society and, until its recent dissolution, the interim government. Congress may monitor democracy and human rights conditions in Venezuela and decisions regarding frozen Venezuelan assets previously under the Guaidó government's control. Congress also might seek to modify the amount and type of assistance appropriated for Venezuela (\$50.0 million in FY2023) and to examine how future assistance will be coordinated with the Venezuelan opposition, particularly if the Unity Platform seeks election-related assistance.

Migration. Congress could conduct oversight on the regional migration challenges caused by Venezuela's humanitarian crisis and a new [October 2022 U.S. immigration policy](#) that created a parole program for Venezuelan migrants while also authorizing the expulsion of irregular Venezuelan migrants into Mexico. Congress also could consider measures to address challenges in Latin American and Caribbean countries where some [6 million Venezuelans](#) have migrated since 2014.

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