

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

VENEZUELA

America South

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Caracas and the northern coastal corridor (capital, Vargas, Miranda)	Political and administrative capital under Acting President Delcy Rodríguez; site of the January 2026 US military operation and the devastating June 2026 twin earthquakes (M7.2/7.5, \$19.6B+ direct damage)	Government administration, reconstruction, financial services
Orinoco Belt (Zulia/Anzoátegui/Monagas - Petroindependencia, Petropiar, Carabobo blocks)	World's largest proven heavy-oil reserves; site of Chevron's new \$7 billion-plus expansion targeting 600,000 bpd	Oil and gas production
Lake Maracaibo basin (Zulia)	Legacy conventional-oil producing region; Petroboscan joint venture	Oil and gas production
La Guaira	Principal port and air gateway; direct US commercial flights resumed April 2026	Port logistics, air transport
Puerto La Cruz / Anzoátegui	PDVSA's main eastern refining and export terminal hub	Oil refining, export logistics
Táchira / Apure (Colombia border)	Corridor affected by Tren de Aragua and colectivo remnants and informal cross-border trade and migration	Limited near-term investment; security and logistics services only
Ciudad Guayana / Bolívar state	Bauxite, iron-ore and hydropower hub (Guri Dam), home to the long-struggling state industrial sector (SIDOR, CVG)	Mining, metals, hydropower

INVESTOR ENTRY ROUTES

- Oil and gas investment in the Orinoco Belt and Lake Maracaibo basin alongside Chevron's \$7 billion-plus expansion and reported new entrants Eni and GeoPark
- Reconstruction and infrastructure investment in the earthquake-affected Caracas-Vargas-Miranda corridor
- Port, logistics and air-transport investment as US commercial flights and trade relations normalize
- Mining and metals investment in Bolívar state's bauxite/iron-ore/hydropower complex, contingent on state-industry reform
- Financial-sector and remittance-channel investment as sanctions on the central bank and state banks ease
- Early-stage consumer, retail and services investment riding 2026 growth forecasts ranging from 4% to over 10%

MARKET-ENTRY OBSERVATION

Venezuela has undergone the single most dramatic political event in this series. In a roughly two-and-a-half-hour operation on January 2-3, 2026, codenamed Operation Absolute Resolve, US Delta Force personnel backed by CIA intelligence, air cover and an FBI arrest team captured President Nicolás Maduro at his compound; he and a co-defendant were flown to New York and indicted on narcoterrorism, cocaine-importation and torture charges, and are now held at Brooklyn's Metropolitan Detention Center. Venezuelan officials reported 23-47 military deaths and Cuba reported 32 deaths among its own personnel; seven US soldiers were injured, and the operation's legality remains disputed among international-law scholars. Vice President Delcy Rodríguez was sworn in as Acting

President on January 5 and was subsequently recognized by Washington as Venezuela's sole head of state; the US reopened its embassy in Caracas on March 30 and direct commercial flights resumed April 30. Hundreds of political prisoners have been released under a February amnesty law, and Rodríguez addressed the UN General Assembly in September 2026 pledging eventual elections and thanking Trump for restarting diplomatic engagement - though she set no election date, and opposition leader and Nobel Peace Prize laureate María Corina Machado's advisers say she has been denied re-entry to the country multiple times.

Economically, the reopening has moved fast: Chevron announced a new \$7 billion, five-year plan in September 2026 to more than double its Venezuelan output to roughly 600,000 barrels a day, following a January 2026 law allowing private companies to control oil production and sales and the partial easing of US sanctions via OFAC License 56. Growth forecasts for 2026 range widely - from the IMF's 4% to one Bloomberg Línea economist's 10-12% - reflecting both genuine momentum and the low statistical base of an economy that lost more than 70% of its size between 2014 and 2020. Compounding the uncertainty, twin earthquakes (magnitude 7.2 and 7.5) struck Venezuela's northern coast on June 24, 2026, killing an estimated 5,000-6,500 people and causing World Bank-estimated direct damages of \$19.6 billion, with total reconstruction costs projected near \$50 billion - a severe burden for a country where poverty already exceeded 76% before the disaster.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Unresolved political transition	No electoral calendar has been set despite the constitution's 30-day election requirement, and opposition leader María Corina Machado has reportedly been denied re-entry to the country multiple times	Monitor the electoral calendar and the opposition's status as the clearest signal of transition credibility
Incomplete and reversible sanctions relief	US Treasury still controls oil-revenue custody, and relief has been delivered via revocable OFAC licensing (including License 56) rather than durable legislation	Verify current OFAC licensing status before any transaction and plan for possible reversal
Earthquake reconstruction burden	World Bank-estimated \$19.6 billion in direct damage (up to \$50 billion including reconstruction) compounds a pre-quake poverty rate already above 76%	Factor reconstruction timelines and humanitarian conditions into any Caracas-corridor investment
Residual organized-crime and security risk	Tren de Aragua and colectivo remnants persist in border and urban areas despite the June 2026 killing of gang leader Niño Guerrero	Build security planning into any investment with exposure to the Colombia border or urban informal economy
Disputed legality of the US operation	International-law scholars dispute the operation's compliance with the UN Charter, raising sovereignty-related long-term political risk	Treat as a standing diplomatic and reputational risk factor rather than a near-term operational barrier
Extremely low base and hyperinflation legacy	The economy lost over 70% of its size between 2014 and 2020, and inflation ran above 650% annualized in March 2026 before decelerating	Model growth off current absolute levels rather than headline percentage-growth figures
Unclear institutional and regulatory framework	PDVSA governance, central bank independence and judicial reform remain undefined pending a still-unscheduled democratic transition	Negotiate specific, written fiscal and legal terms directly rather than assuming a stable framework

INVESTOR RISK NOTE

Waverley views Venezuela as the most historic, highest-risk and highest-potential-reward opportunity in this series: a regime transition brought about by direct US military action, now opening the world's largest proven oil reserves to Chevron and other major operators within months. Entry should be treated as speculative and early-stage, concentrated in direct PDVSA joint ventures with established operators, and should explicitly track the unresolved electoral calendar, the reversible nature of current sanctions relief, and the earthquake-reconstruction burden.

MARKET ACCESS

Venezuela holds the world's largest proven oil reserves and has moved rapidly to reopen its oil sector to foreign operators following the partial, license-based easing of US sanctions (including OFAC License 56) and a January 2026 law allowing private companies to control oil production and sales; durable market access, however, remains contingent on an unscheduled democratic transition and the lifting - rather than licensed easing - of the broader US sanctions regime.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Office of the Acting President (Delcy Rodríguez)	Sets the overall transition, economic-opening and diplomatic agenda	Primary reference point for the administration's evolving policy direction
PDVSA (state oil company)	Oil-sector counterpart for joint-venture negotiations with Chevron and other international operators	Primary channel for oil and gas sector partnerships
US Department of the Treasury / OFAC	Controls sanctions-relief licensing and oil-revenue custody arrangements	Monitor for licensing changes affecting sanctions-compliance requirements
US Department of State	Administers Washington's stated three-phase stabilization, recovery and transition plan for Venezuela	Reference point for the broader US-Venezuela diplomatic trajectory
National Assembly (Jorge Rodríguez, president)	Legislative body overseeing the amnesty law and broader reform agenda	Monitor for legislative developments relevant to the transition
Central Bank of Venezuela	Subject to easing sanctions, managing the deceleration from hyperinflation	Reference point for monetary-policy and currency developments
Opposition coalition (María Corina Machado / Edmundo González)	Holds a contested and currently unresolved role in any future electoral process	Monitor for developments affecting the credibility of an eventual transition

CURRENT INTERNATIONAL BUSINESS CHANNELS

Most near-term capital flows through PDVSA joint-venture negotiations (as with Chevron and other entering operators), direct engagement with the Acting President's office on reconstruction and economic-opening priorities, and compliance with evolving OFAC licensing for sanctions relief.

INVESTOR PROFILE BEST SUITED

Best suited to major oil and gas operators able to negotiate PDVSA joint ventures directly, reconstruction and infrastructure investors willing to engage post-earthquake rebuilding, and risk-tolerant early movers positioning ahead of an eventual democratic transition. Not suited to investors requiring political stability, a settled regulatory framework, or durable rather than license-based, reversible sanctions relief.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Confirm sector fit

Decide between oil and gas, reconstruction/infrastructure, mining, or logistics investment.

STEP 2: Engage the relevant institution directly

Open discussions with PDVSA or the Acting President's office for sector-specific negotiations.

STEP 3: Verify sanctions-compliance status

Confirm current OFAC licensing status and sanctions-compliance requirements before any transaction.

STEP 4: Monitor the political transition

Track the electoral calendar and the opposition's status closely before committing significant capital.

STEP 5: Price in reconstruction and security risk

Build earthquake-reconstruction and residual organized-crime risk into any Caracas-corridor or border-area investment.

WAVERLEY'S ROLE

- Track the political transition, electoral-calendar developments and the opposition's status
- Monitor OFAC licensing changes and the durability of sanctions relief
- Coordinate introductions to PDVSA and the Acting President's office for sector-specific entry
- Screen oil, reconstruction and mining opportunities against current legal and security conditions

INVESTOR CALL TO ACTION

Waverley Gateway positions investors to capture Venezuela's historic reopening - the world's largest proven oil reserves now attracting major new operator investment - while explicitly tracking the unresolved political transition, incomplete sanctions relief, and earthquake-reconstruction burden - engage now as an early, risk-tolerant mover rather than waiting for full clarity.

Sector screening -> Sanctions and legal-framework due diligence -> PDVSA/government introductions -> Early-stage structured entry

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities concentrate in Orinoco Belt and Lake Maracaibo oil and gas joint ventures alongside Chevron and other entering operators, earthquake reconstruction and infrastructure investment in the Caracas-Vargas-Miranda corridor, and early-stage mining and logistics investment in Bolívar state and the reopening port and air-transport network.

POSITIONING

Venezuela has undergone the most dramatic political rupture in the Waverley South America series: the January 2026 US capture of President Nicolás Maduro, a new Acting President in Delcy Rodríguez, and a rapid reopening of the world's largest proven oil reserves to major international operators.

That reopening remains genuinely early-stage and high-risk: the political transition has no electoral calendar, sanctions relief is incomplete and license-based rather than durable, and the country is simultaneously rebuilding from a devastating June 2026 earthquake. Waverley frames Venezuela as a historic but speculative opportunity, suited only to risk-tolerant early movers prepared to track the transition, legal framework and security situation closely.

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