

Guidepost

THE GUIDEPOST RISK MONITOR

VENEZUELA

No.2 | NOV 2026
Published by Guidepost Solutions

A regular briefing combining intelligence from the ground with analysis of the developments shaping Venezuela's political, economic, regulatory, investment, and security environment.

This report has been prepared by Guidepost Solutions for informational purposes only and does not constitute legal, regulatory, or other professional advice. The observations and suggestions contained herein are based on information made available to us as of the date hereof and may not reflect subsequent developments. Readers should not act or refrain from acting on the basis of this report without first discussing their particular circumstances and obtaining advice from qualified legal counsel licensed in the relevant jurisdiction.

EDITOR'S NOTE

CHANGING HOW POWER WORKS



By Yohir Akerman
President, Global Investigations & LATAM Region

Venezuela's political opening must contend with a legacy of corruption in public decision making. U.S. prosecutions involving Petróleos de Venezuela, S.A. (PDVSA), Venezuela's state-owned oil company, have documented bribery used to obtain contracts, inside information, and preferential payment. A central test of the country's next phase will be how effectively political change curbs the use of public power for private advantage.

A political opening creates an opportunity to confront those practices. Turning that opportunity into lasting progress requires changes in the incentives governing everyday decisions. Transparent procurement, clear procedures for obtaining permits, and effective scrutiny of public spending would provide tangible evidence that the operating environment is changing. Judicial reform would become particularly consequential when individuals and businesses can challenge decisions and obtain remedies even when influential interests are affected.

For companies and investors, these are practical measures of the opening's durability. Confidence grows when the basis for awarding a contract can be examined, official decisions can be explained, and commitments remain enforceable after the people who negotiated them have moved on. Those changes would give Venezuela's political progress a firmer commercial and institutional foundation.

The negotiations offer an opportunity to begin that work. Reuters reported on October 14 that U.S.-backed talks were addressing proposed reforms to Venezuela's Supreme Tribunal of Justice and electoral authority. That same day, the U.S. Treasury's Office of Foreign Assets Control announced the removal of National Assembly President Jorge Rodríguez from its sanctions list. The significance of these developments will depend on the institutional changes that follow.

Political participation provides another measure of progress. The ability of opposition leaders, students, journalists, and civil society to organize peacefully would show how political guarantees operate in practice. María Corina Machado's ability to participate freely in Venezuela would be an important indicator, alongside protections for citizens without her international visibility. The response to peaceful demonstrations would also help show how authorities manage political competition and address public grievances.

A process negotiated in stages can deliver meaningful gains before every dispute is resolved. Clear timetables and verifiable benchmarks would allow those gains to be recognized and make delays or reversals easier to identify. An appointment or legislative amendment acquires greater significance when it changes how an institution actually behaves.

This edition of The Guidepost Risk Monitor examines the conditions that can make progress durable. Lou Milione's analysis considers how investigators assess the capabilities of illicit networks as the political environment changes. Across our coverage, we look for evidence that developments are altering the conditions in which people and businesses operate.

The lasting value of Venezuela's opening will depend on making lawful conduct more predictable and the abuse of public office harder to conceal and more costly to sustain. Progress on those terms would give the country a stronger foundation for economic recovery and greater public confidence.

TOP FIVE
PRIORITY DEVELOPMENTS FOR MONITORING

1

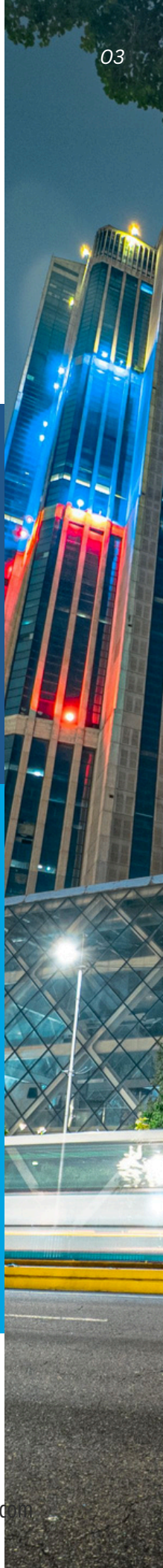
RODRÍGUEZ INTENSIFIES INVESTMENT OUTREACH

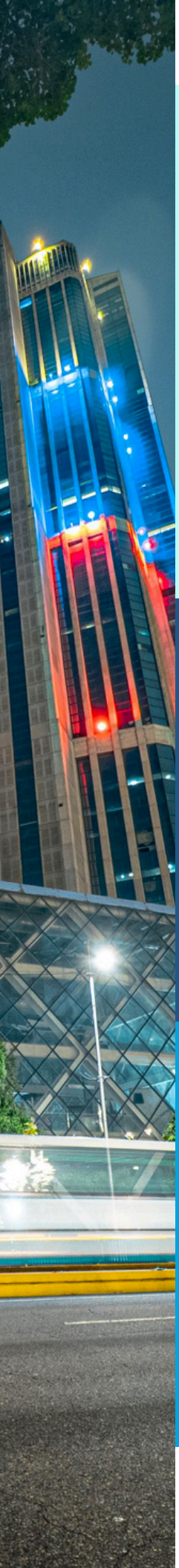
Delcy Rodríguez's interim administration continues to prioritize large scale economic agreements, projecting nearly USD 76 billion in oil and gas investment over the next five years. PDVSA aims to sign 105 oil contracts by year end, with 61 already signed, according to its president. Official figures put Venezuela's oil production at approximately 1.2 million barrels per day (bpd) in September 2026, with targets of 1.3 million bpd by end 2026 and 1.5 million bpd by end 2027. Reuters reported on October 19 that oil service companies were advertising jobs and drilling equipment was beginning to arrive. With only two active drilling rigs reported at that point, equipment deployment and well reactivation will be important indicators of the pace of recovery.

2

NEXT ROUND OF U.S. BACKED POLITICAL NEGOTIATIONS

From October 14 to 21, the government and opposition representatives held a third round of U.S. backed political negotiations, with discussions centered on restructuring the Supreme Tribunal of Justice (TSJ), reforming the electoral authority, strengthening political and civil guarantees, and establishing the conditions for future elections. On November 2, U.S. Secretary of State Marco Rubio met with Venezuelan Foreign Minister Oliver Blanco to discuss reforms intended to lay the groundwork for future free and fair elections. The meeting underscored the continued importance of institutional reform in Washington's engagement with Caracas. According to sources consulted for this report, opposition demands also include lifting political bans on opposition figures, removing restrictions on press freedom, repealing the Anti Hate Law, and releasing political prisoners. Separately, an October 13, TSJ resolution removed nationwide jurisdiction over terrorism cases from four Caracas pretrial courts and provided for reassignment of relevant proceedings to ordinary courts. Implementation of the resolution and progress on the negotiating agenda will provide concrete indicators of changes in political and procedural guarantees.





POTENTIAL INCREASE IN SOCIAL MOBILIZATION

3

María Corina Machado returned to Venezuela on October 25, following nationwide opposition demonstrations on October 22 demanding an electoral timetable and the release of political prisoners. Her arrival drew large crowds of supporters, demonstrating her continued capacity to mobilize. Her return shifts the focus from securing her reentry to whether she can translate public support into sustained pressure for elections and guarantees for political participation. On October 29, Machado said that the sequence of steps outlined by Secretary Rubio envisaged presidential elections in 2027. Her statement provides a potential timeframe for the transition, although it should not be understood as a formally agreed electoral calendar. With her movement remaining outside the U.S.-backed negotiations between the Rodríguez administration and other opposition groups, her presence could increase pressure on both the government and the negotiating process to deliver concrete results. The scale and continuity of mobilization, Machado's ability to travel and organize freely, and the authorities' response will be important indicators of whether her return expands political space or generates renewed confrontation

DEBT RESTRUCTURING AND FINANCING CONDITIONS

4

Venezuela's debt restructuring remains an important factor in the outlook for investment. On October 14, economic adviser Calixto Ortega said the country aimed to publish a debt sustainability analysis soon. On October 16, he confirmed that Centerview Partners remained its financial adviser for debt restructuring. The analysis would help assess Venezuela's repayment capacity and the scope of adjustments needed to make its debt manageable. Its assumptions about oil revenues, economic growth, and public spending will be particularly relevant. For investors, the central issue is how resolving existing obligations could affect access to fresh capital and the resources available for infrastructure and economic recovery. Publication of the analysis, a clearer framework for creditor negotiations, and greater clarity on the treatment of existing claims will be key developments to monitor when assessing conditions for new financing.

IMPLICATIONS OF THE NEW U.S. INDICTMENT

5

The superseding U.S. indictment unsealed on October 8 adds a charge of conspiracy to commit torture against Nicolás Maduro and Cilia Flores. In the indictment, federal prosecutors describe the alleged roles of three unnamed Venezuelan officials. They allege that one ordered the killings of perceived opponents and oversaw torture by subordinates, another developed torture methods and authorized specific unlawful arrests and acts of torture, and a third ordered and personally took part in torturing civilians and military personnel, including U.S. citizens. The new charge puts the alleged use of Venezuela's security apparatus to suppress dissent at the center of the U.S. case. For the Rodríguez administration, the political stakes could rise if further filings or testimony shed light on who gave the orders and how they were carried out. That scrutiny could intensify pressure on senior officials and test the administration's ability to maintain cohesion within the security services.



STRATEGIC OUTLOOK

KEY DEVELOPMENTS IN VENEZUELA

Venezuela's investment opening is bringing commercial opportunities into closer contact with unresolved questions about financing, institutional authority, and the continuity of government commitments. Washington's backing for renewed energy engagement has helped create conditions for investment. The durability of that engagement will also depend on the capacity to execute projects and maintain workable arrangements as political conditions evolve.

These processes are likely to advance at different speeds. Commercial activity can expand while negotiations over political participation and institutional reform continue. For companies assessing entry or expansion, the interaction between these processes will influence project timelines, financing structures, and the level of exposure they are prepared to assume.

From Agreements to Execution

The practical significance of the energy agreements will depend on how investment is sequenced. Restoring existing production, bringing additional equipment into service, and developing new fields involve different capital requirements and execution periods. Early progress in one area may therefore provide only a partial indication of the sector's broader recovery.

Electricity, transport, maintenance capacity, and the availability of experienced personnel will influence how quickly individual projects can advance. The infrastructure supporting production needs to develop alongside investment in the fields themselves. This interdependence also creates potential opportunities for service providers, equipment suppliers, and infrastructure operators, whose prospects will depend on the funding and implementation schedules of the projects they support.

Financing conditions connect these operational requirements to the treatment of Venezuela's existing obligations. The debt sustainability framework should help clarify the revenue assumptions underlying repayment capacity and the resources potentially available for recovery. Oil income may be expected to support debt service, public spending, and reinvestment simultaneously. The balance among those uses will influence how much additional production can contribute to financing future expansion.

Access to reserve assets abroad introduces a further dimension. The government and participating opposition representatives have agreed to pursue recovery of Venezuela's gold held at the Bank of England through a joint delegation. Their stated priorities include assistance to areas affected by the June earth-

quakes and restoration of public services. The commercial significance will depend on whether the initiative produces usable resources and a transparent framework for allocating them. It could also test whether political cooperation can extend to decisions over the administration and oversight of economic resources.

For prospective investors, the relationship between project revenues and payment commitments will be important. A clearer understanding of how existing claims, reconstruction needs, and new investment will be financed would help assess proposed payment arrangements. That assessment will need to distinguish resources already available from revenues or assets whose availability remains contingent on further agreements.

Compliance Challenges

For prospective investors in Venezuela, a key question is how agreements entered into today would be treated through a change in government. The durability of those agreements will depend in part on whether they were properly authorized and whether the institutions responsible for enforcing them can do so consistently.

The circumstances in which agreements are concluded therefore matter. Documentation of negotiating authority, approval procedures, ownership, and material terms could become relevant to how contracts are assessed during a future institutional transition. Companies should keep a clear record of the basis on which rights were granted and obligations assumed.

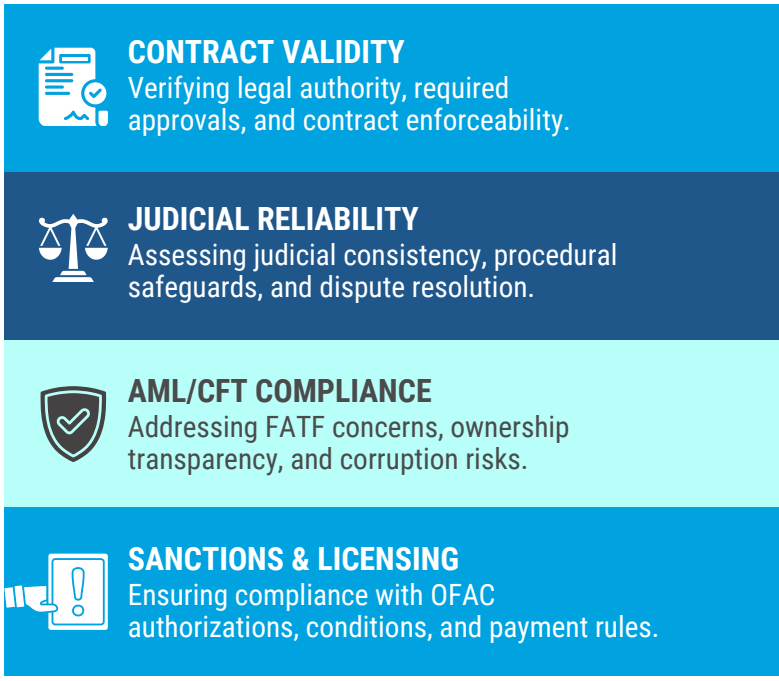
As discussed in the editor's note, judicial reform provides a broader test of institutional reliability. Changes in appointments and responsibilities will acquire practical significance through the handling of cases, access to procedural safeguards, and consistent application of decisions. For commercial actors, confidence in dispute resolution will depend on evidence that institutions can review official actions and enforce legal protections consistently.

Compliance requirements remain central to this assessment. Venezuela presents investment opportunities alongside elevated compliance risks. In its October 30, 2026 update, the Financial Action Task Force (FATF) kept Venezuela under increased monitoring and reiterated priorities including beneficial ownership transparency, risk-based supervision, the use of financial intelligence, investigation and prosecution of money laundering and terrorist financing, and implementation of targeted financial sanctions related to terrorist and proliferation financing.

These priorities are directly relevant to investors. Access to reliable ownership information helps them determine who controls a prospective counterparty, while the quality of financial supervision informs their assessment of banks, intermediaries, and payment arrangements. Due diligence should also address corruption, conflicts of interest, public procurement, and exposure to misappropriation of assets. Reliable records and internal controls will also support a company's ability to explain and defend its decisions as institutional scrutiny evolves.

Applicable international sanctions and licensing requirements add a separate layer of analysis. OFAC authorizations contain conditions that need to be assessed against the specific activities and parties involved. Legal review, contracting, and banking arrangements will need to remain aligned throughout implementation, including when counterparties, payment instructions, or the scope of a project change.

KEY COMPLIANCE RISKS



The Operating Environment

The negotiating process matters commercially because it may reshape the institutions responsible for approving, supervising, and enforcing economic agreements. Its practical effects will depend partly on whether revised arrangements establish clear responsibilities and workable procedures across government. Changes at the negotiating table may take time to be reflected in administrative practice.

The relationship between political participation and international scrutiny will also warrant attention. As we said, the ability of opposition groups to organize and participate peacefully will help assess whether negotiated guarantees are becoming durable practices. International observation could increase the visibility and political costs of restrictions on opposition activity. For businesses, the implications include the predictability of local conditions and the capacity of institutions to manage disagreement without prolonged disruption.

Internal competition could influence how these changes unfold. Sources consulted for this report do not rule out the possibility that the Rodríguez administration could use the pressure associated with the U.S. case against Nicolás Maduro to consolidate its position by limiting the influence of figures viewed as potential challengers within the governing coalition. This remains a preliminary assessment of possible political consequences.

Any redistribution of influence among civilian and security authorities could affect responsibilities for implementing economic agreements. Changes in officeholders would warrant attention to the continuity of approvals, counterpart relationships, and government obligations.

Following the November 3 U.S. midterm elections, the implications for Washington's engagement with Venezuela will depend on subsequent policy decisions and the interaction between the administration and the new Congress, which takes office in January 2027. Developments to monitor include the conditions governing economic engagement, bilateral cooperation, and support for Venezuela's political transition. For companies considering longer term commitments, these developments will remain relevant to project planning, compliance with applicable U.S. authorizations, and the assessment of institutional and contractual protections in Venezuela.



ANALYSIS

NETWORKS THAT OUTLAST POLITICAL CHANGE

By Louis J. Milione
President, Global Investigations & Regulatory Compliance



Venezuela's political landscape has shifted since January 3, but a change in who holds power is not the same as dismantling the criminal networks that operated under it. An illicit network can lose a patron or a leader and still keep much of what makes it work. In Venezuela, investigators need to establish what those networks can still finance, move, protect, and replace.

Arrests, sanctions, and asset seizures impose real costs on criminal organizations. Whether those costs last depends on what happens next: whether the network loses access to revenue and territory, whether its facilitators can keep working, and whether new leaders can step in and rebuild.

On September 30, 2026, the U.S. Treasury Department sanctioned a financial network tied to Tren de Aragua, a transnational criminal organization that originated in Venezuela and expanded across the Americas. The United States designated the group a foreign terrorist organization in 2025, and Treasury describes its activities as including drug trafficking, human trafficking, extortion, and murder for hire. According to Treasury, the network, based in Mexico and Venezuela, used malware to force U.S. ATMs to dispense cash, then laundered the proceeds and moved them to members in other countries. Treasury also designated a group leader it identified as involved in illicit gold mining.

The action reached past the leadership to the individuals and companies that handled its finances. That is the right lens for investigators as well. The most visible members of a network are often the easiest to replace. The facilitators, businesses, and payment channels behind them are usually what keep it running.

Tren de Aragua is not the only Venezuela-linked group carrying that designation. The United States has also designated Cartel de los Soles as a foreign terrorist organization, describing it at the time as headed by Maduro and senior officials of his government, along with the ELN and FARC dissident groups that operate along the Colombian border. Removing a head of state does not remove those designations or the networks behind them. For companies, that carries legal weight: dealings that benefit a designated group can create material support exposure, not just reputational risk.

In Venezuela, following those networks means examining how revenue, territorial access, and protection connect. A project can have formal authorization while the most important questions remain unanswered, including who controls its access routes, who supplies local services, and who ultimately receives its payments. Political ties, a security role, or a business relationship are not evidence of wrongdoing on their own, but they are where investigators need to look first. The answers have to come from evidence, not assumption, in either direction.

Leadership changes matter most when the underlying relationships change with them. Investigators should examine whether a successor uses the same intermediaries, whether businesses retain their beneficial owners, and whether payments continue to reach the same recipients. A new name on a contract does not mean a new beneficiary.

A network's financial infrastructure deserves the closest attention. Seizing an asset imposes a one-time loss; cutting off its ability to generate, launder, and move revenue degrades what it can do next. Relevant indicators include its access to payment channels, the continued activity of affiliated businesses, and its ability to pay personnel and procure services. The question is how much capacity remains to rebuild.

The same logic applies on the ground. Removing armed actors from an area creates an opportunity to restore lawful activity, but clearing an area is only the first step; holding it is harder. The test is whether lawful operators can get in and work, whether extortion persists, and whether public authorities can administer the area consistently. That will matter in places like the Orinoco Mining Arc and the Colombian border, where the last edition of this Monitor noted reports of potential operations against illegal armed groups. Those conditions bear directly on personnel safety and on whether a project can actually operate.

For companies, this translates into specific investigative work. Name screening is a starting point. It should be paired with verification of ownership and control, a review of subcontractors, and scrutiny of how services are priced and paid for. Security providers, transport operators, and local agents merit particular attention because they often determine who gains access to a project and where its payments end up. Unexplained payments to third parties, vague charges for access or facilitation, and pricing out of line with the market all warrant a closer look.

Regulatory authorization does not settle counterparty risk. An authorization tells a company what it is permitted to do. It does not tell the company who it is dealing with or how the work will get done on the ground. Political access is relevant information, but it cannot substitute for that diligence.

For those evaluating Venezuela, the useful measure is whether illicit actors are losing the revenue streams, financial channels, and relationships that sustain them. Real progress shows up when their ability to extract payments, launder and move proceeds, and rebuild is reduced. As the last edition put it, Venezuela may be open for business before it is ready for business. Following these capabilities gives companies and decisionmakers a firmer basis for judging how much the risk has actually changed.

PUBLISHING TEAM

LATAM LEADERSHIP

Yohir Akerman
President, Global Investigations & LATAM Region
yakerman@guidepostsolutions.com

Andrés Otero
President, Global Investigations & LATAM Region
aotero@guidepostsolutions.com

CONTRIBUTORS TO THE MONITOR

Julián Chaustre, Associate Director
Angélica Domínguez, Senior Analyst
Camila Gómez, Associate Director
Julio Rodríguez, Senior Director

Guidepost

THE GUIDEPOST RISK MONITOR

| Sanctions + Enforcement |
| Politics + Governance |
| Investment + Market Entry |
| Energy + Critical Minerals |
| Bilateral Relations |
| Security + Illicit Actors |
| Intelligence from the Ground |
| Who's Who |