

Kleptocracy asset recovery initiatives in Venezuela

A human rights
perspective

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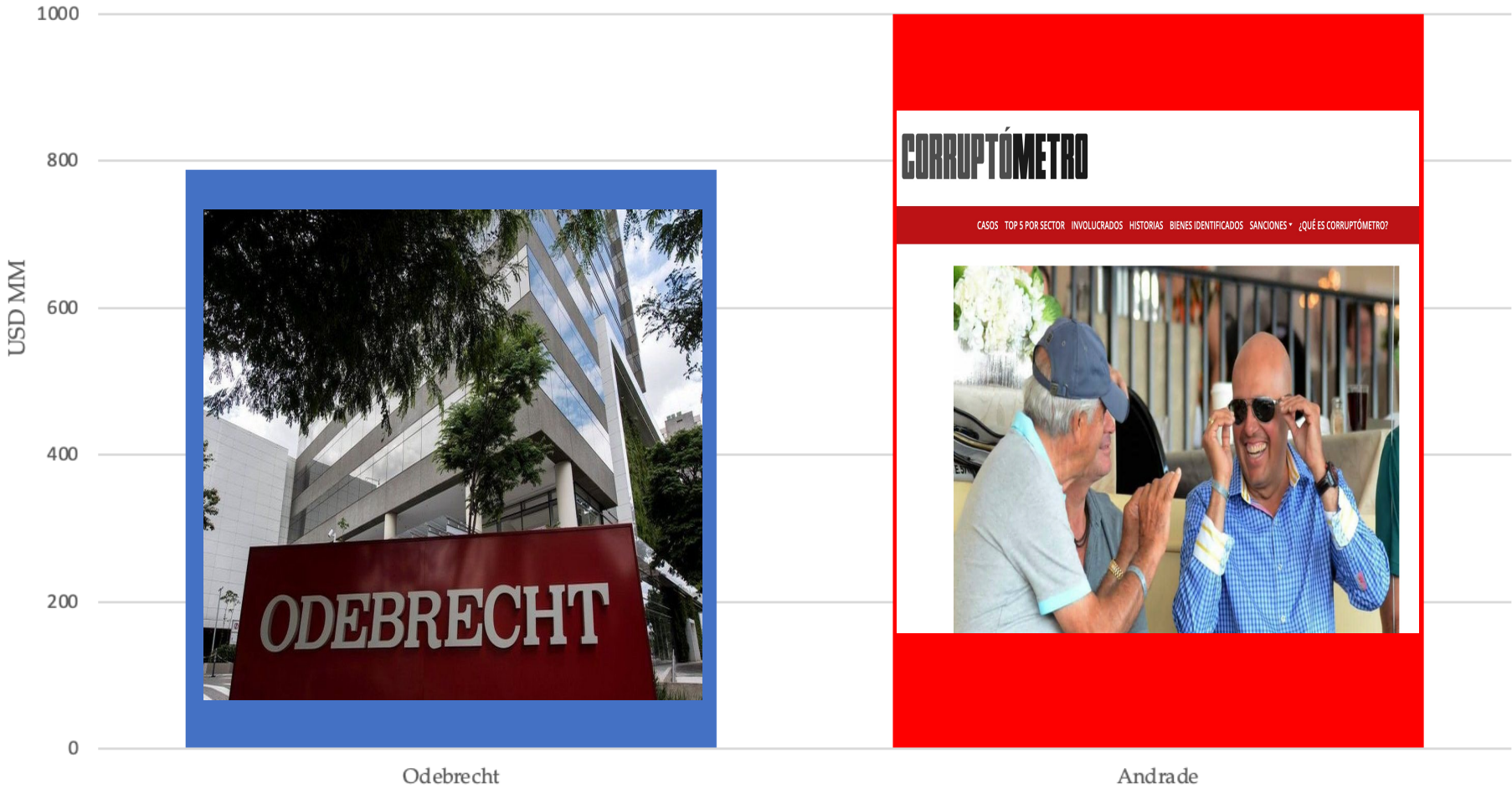




Venezuelan kleptocracy: a political economy perspective

- Between 2004-2013 Venezuela registered one of its highest oil booms (oil income: USD 1 trillion)
- The checks and balances system was dismantled
- The Government imposed a centralized exchange regime: clientelism and patronage
- At the same time, the financial debt increased (estimated at USD 107 billion)
- Since 2013, GDP has collapsed by approximately 81%

A quantitative comparison



Ordinary mechanisms for assets recovery

- Venezuela is a member state of the UNCAC and IACAC. It has signed several MLA treaties
- The Anti-Corruption Law is a modern text (no civil forfeiture)
- But Venezuela doesn't have a capable and independent judiciary system



The Government of Venezuela is a conspirator

- According to the U.S. Department of Justice and District Courts, the Government of Venezuela cannot claim the victim status
- Quite the contrary: the Government of Venezuela has been considered a conspirator in criminal offenses related to kleptocracy
- In Spain, the situation could be different

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF FLORIDA

No. 18-MJ-03119-TORRE

ICA

INVIT GURUCEAGA, et al.,

_____ /

CRIMINAL COVER SHEET

originate from a matter pending in the Northern Region
's Office prior to October 14, 2003? _____ Yes X

originate from a matter pending in the Central Region of
to September 1, 2007? _____ Yes _____ X

A new path: human rights victims claims



- FARC's victims are enforcing judgments against the Government of Venezuela
- Also, those victims are trying to enforce judgments against blocked assets of "Venezuelan oligarchs."
- Venezuelan victims are following a similar strategy

Towards the creation of *Fund for Venezuela*, with assets forfeited by the U.S. Government

117TH CONGRESS
2^D SESSION

H. R. 6539

To establish a Venezuela Restoration Fund, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 1, 2022

Mr. CRIST introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To establish a Venezuela Restoration Fund, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Preserving Accountability for National Assets Act of 2021” or the “PANA Act”.

SEC. 2. VENEZUELA RESTORATION FUND.

(a) **ESTABLISHMENT.**—There is established in the United States Treasury a fund, to be known as the “Venezuela Restoration Fund”, which shall consist of amounts deposited in the Fund under subsection (c).

(b) **USES.**—Amounts in the Fund—


(1) shall be available to the Secretary of State only for the purposes described in paragraph (2), without fiscal year limitation or need for subsequent appropriation;

(2) shall be used only for the purposes of—

(A) strengthening democratic governance and institutions, including the democratically elected National Assembly of Venezuela;

Spurning Demand by the Taliban, Biden Moves to Split \$7 Billion in Frozen Afghan Funds

The president intends to use the Afghan central bank's assets to fund needs in Afghanistan amid a humanitarian disaster, and compensate victims of the Sept. 11, 2001, attacks.

 Give this article



 1K



Another example:
the *Afghan Fund* and
the Government of
Venezuela's blocked
assets



Legal challenges in Venezuela

- Design transparent and accountable mechanisms of asset recovery, not conditioned to the political transition
- Civil society and human rights victims should be at the center of the strategy to protect and recover assets
- Individual victims: gross violations and crimes against humanity
- Collective humanitarian migration crisis victims: emergency and complex and