



Doing Business Venezuela

A guide to the economic landscape and
investment prospects





Doing Business Venezuela



Luis Manuel Freites
Country Senior Partner
PwC Venezuela

Venezuela: An Opportunity at the Balance of Caution and Boldness

Investing in Venezuela requires an analytical process grounded in realistic skepticism and strategic foresight. The country has entered a phase of partial stabilization which, although still fragile and uneven, has begun to reshape the business environment and open spaces that previously seemed inaccessible. This is not a linear recovery nor one free of risk, but rather a gradual shift in expectations that invites the market to be viewed with an indispensable combination of optimism and strategic caution.

Greater openness by the Venezuelan government and the easing of sanctions by foreign governments, combined with the return and increased activity of the private sector in key industries, have generated market dynamics that did not previously exist. This initial momentum has gained strength, including a mix of legal reforms and a degree of economic dynamism that point to growth projections for 2026. While these projections remain moderate and uncertain, they are supported by the country's infrastructure, human capital, and vast natural resources, all of which are capable of sustaining well-structured new productive initiatives.

The current environment reveals a notable paradox: substantial operational challenges remain, including the refinancing of external debt, exchange-rate fluctuations, misalignments between inflation and devaluation, and various financing constraints. Simultaneously, there are clear structural supply gaps, underserved markets, and opportunities for first-mover advantages within particular sectors. In this environment, improvisation is costly, but inaction can be even more expensive for those who delay decisions while waiting for absolute certainty, which rarely materializes in transitioning economies.

Investing in Venezuela today is neither a short-term exercise nor one that promises immediate returns. It requires a careful reading of the legal, tax, and regulatory framework, which has been evolving rapidly through significant reforms, particularly in strategic sectors such as hydrocarbons, mining, energy, telecommunications, and foreign trade. At the same time, the country has strengthened instruments to attract productive capital, including foreign investment regimes, special economic zones, and more flexible contractual arrangements aimed at balancing state participation with economic incentives for investors.

The energy sector clearly illustrates this logic of positive expectations: Venezuela holds the world's largest oil reserves and one of the greatest gas potentials as well, but its effective development will depend on sustained investment, operational stability, and contractual clarity. In parallel, non-traditional sectors—agribusiness, food, mining, services, tourism, and light manufacturing—are beginning to gain relevance as sources of economic diversification and value creation, particularly for investors with a regional focus and local expertise.

In this scenario, corporate governance, sustainability, and regulatory compliance cease to be peripheral elements and instead become critical factors of competitiveness. Companies seeking to grow, access financing, or attract strategic partners must demonstrate institutional strength, transparency, and risk-management capacity. Far from being a burden, these practices now represent a key differentiator in a market where trust is a scarce and valuable asset.

Investing in Venezuela in 2026 does not mean ignoring risks, but rather understanding, weighing, and managing them in light of a potential that is beginning to emerge rapidly. The country does not offer easy or immediate promises, but it does present real opportunities for those willing to combine a long-term vision, financial discipline, and a commitment to development. In times of transition, the best decisions arise from a thorough analysis of the environment—striking a balance between prudence and boldness so as not to miss the opportunity to build in Venezuela's next investment cycle.

Content

1. Country Overview
2. Market Opportunities
3. Economic Growth Expectations
4. Main Economic Indicators
5. Investment and Financing
6. Foreign Investment
7. Investment Vehicles: Choice of Entity
8. Corporate Taxation
9. International Tax Matters
10. Labor Regulation
11. Price and Profit Regulation
12. Radio and Telecommunication Regulation
13. Oil, Gas & Mining Activities
14. Corporate Governance
15. Sustainability
16. Our Services
17. Contact Us
18. References



Doing Business Venezuela

PwC Venezuela

Capital City	Caracas
Area and Population	916,445 sq KM; population 28,500.00
Official Language Co-official language	Spanish Indigenous languages
Currency	Bolívar (Bs.; VES)
International dialing code	+58
Working hours	8:00 a.m. - 5:00 p.m.
Banking hours	8:30 a.m. - 3:30 p.m.
Time zone	VST (UTC-4)
Date format	dd/mm/yyyy

1. Country Overview

Stock Exchanges

- BVC - Caracas Stock Exchange
- BPVB - Bicentennial Public Stock Exchange
- BDVE - Decentralized Stock Exchange of Venezuela (Inactive)
- BOLPRIAVEN - Venezuela Agricultural Products and Inputs Exchange, C.A.

Economic Statistics (estimated by IMF)

- Total GDP 2026 US\$ 99,660MM
- Exports US\$ 26,785 MM
- Imports US\$ 22,974 MM
- External debt 170% of GDP

Venezuela Bolivarian Republic

23 states, Capital District and Federal Dependencies

Political Structure

Bolivarian Republic, incorporated in a democratic, social State of law and justice

Executive Power

President of the Republic

Legislative Power

National Assembly

Judiciary Power

Supreme Court of Justice

Citizen Power

Republican Moral Council

Electoral Power

National Electoral Council

2. Market Opportunities

Venezuela's economy has been historically focused on the exportation of raw materials, mainly crude oil, but also natural gas as well as other derivatives. Through the income generated by these activities over the years, high-quality infrastructure was built, connecting the main cities with a complex system of highways, ports, and airports, and providing power through large hydroelectric plants. However, the country experienced a prolonged economic contraction during the second decade of the 21st century, resulting in a decline in oil production and a weakening of productive capacity. This led to changes in operating conditions and the development of new market dynamics.

From 2021 onwards, the Venezuelan economy showed signs of stabilization. As of 2026, there remains an opportunity to fill the gaps created by the departure of traditional companies, as well as to access selected sectors that had long remained restricted to the public sector. The country maintains a base infrastructure capable of supporting the development of different business activities in line with recent economic adjustments, allowing for the potential capture of early-mover advantages in targeted market segments.

3. Economic Growth Expectations

Venezuela has shown recovery since 2021, following a period of economic contraction, with recent assessments indicating a moderation in growth momentum compared to the initial rebound phase.

The lifting of certain control schemes over the economy and the gradual reorientation of economic policies have supported the reactivation of selected productive sectors. In particular, the flexibilization of foreign exchange policy has facilitated economic activity and transactional flows. In addition, oil-related income has continued to support external accounts, generating spillover effects across the broader economy, although these effects remain closely linked to the performance of the hydrocarbon sector.

A set of challenges still prevails for the daily operations in the national market, such as the need to maintain a multi-currency operation and closely monitor the behavior of the inflation-devaluation pairing as well as the exchange rate dynamic. However, companies that continue to operate in a short-term strategy will fall behind those that have a clear long-term growth one.

The key aspects shaping the general change in expectations include increased economic openness, the granting of licenses related to U.S. sanctions, particularly in the oil and gas sector, the encouragement of private economic activity, and greater competition in a market characterized by structural gaps and unmet demand. As of 2026, discussions around potential waivers or partial adjustments to U.S. sanctions have contributed to a more fluid outlook.



4. Main Economic Indicators

Gross Domestic Product (GDP)

During the first decade of the 21st century, Venezuela's gross domestic product (GDP) suffered a large contraction. Since 2021, the economy has shown a partial recovery.

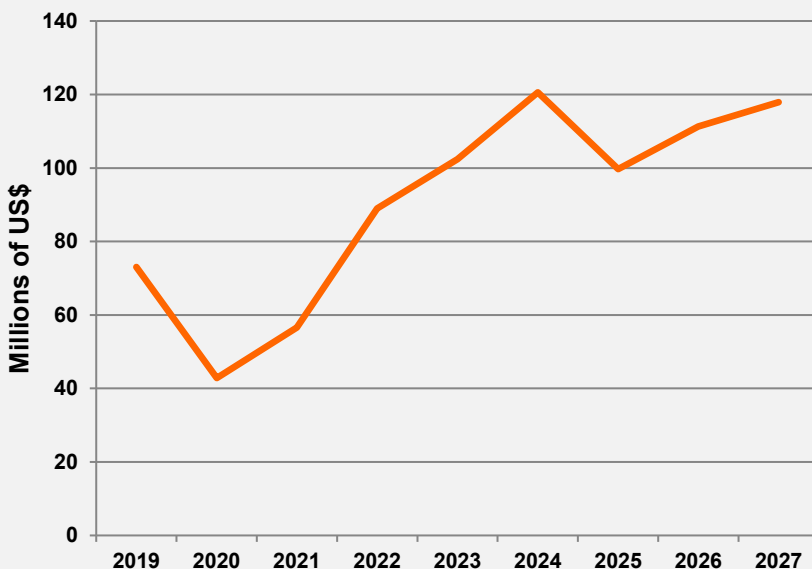
Given its nature as an oil-producing economy, Venezuela's GDP performance continues to be closely linked to developments in the oil and gas sector. While oil-related activity has provided partial support to economic output, this has not translated into broad-based growth across the economy, and non-oil sectors remain limited in their contribution.

Overall, international institutions converge on a cautious outlook, highlighting that near-term GDP performance remains below two digits and is affected by structural limitations, investment challenges, and external factors, suggesting that any improvement is likely to be gradual and exposed to downside risks.

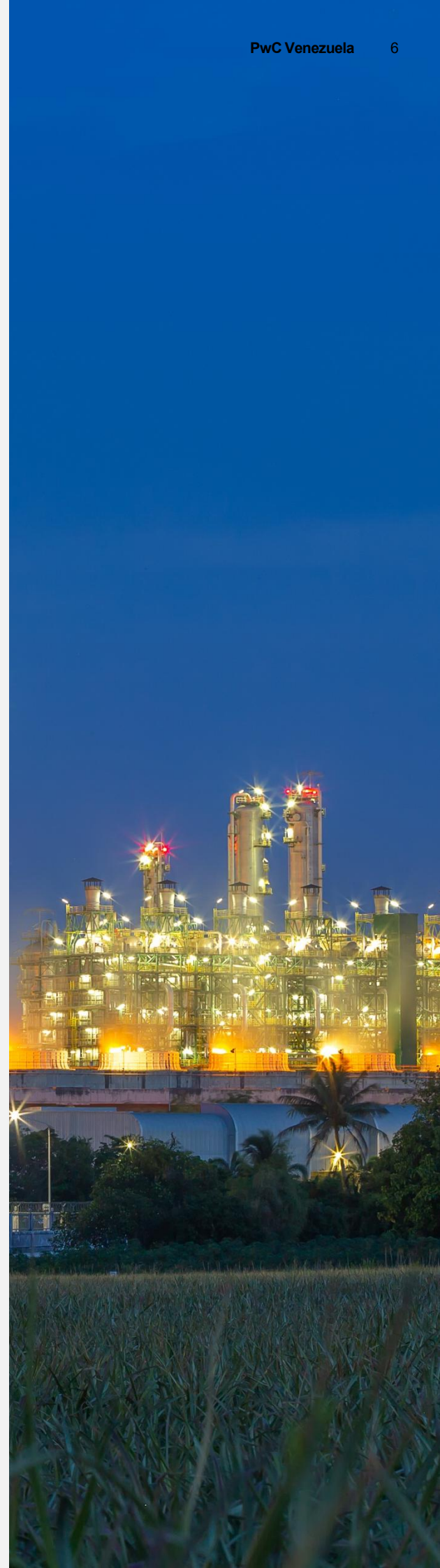
Table 1: Economic Growth (%)

	BCV	ECLAC / UN	UCAB
2022	14.7%	12%	14.1%
2023	4.7%	5%	5.8%
2024	8.7%	8.5%	9%
2025	8.7%	6%	7.4%
2026	--	6.5%	8.3%
2027	--	6%	--

Chart 1: Economic Growth (MM US\$)



Source: IMF



Exchange Rate and Inflation

Venezuela has experienced long periods of inflation, reaching hyperinflation in 2018, after some years of crisis and economic contraction. Since 2021, the annual inflation rate has been reduced, and the hyperinflationary cycle ended. During 2024, inflation was the lowest in the last 10 years.

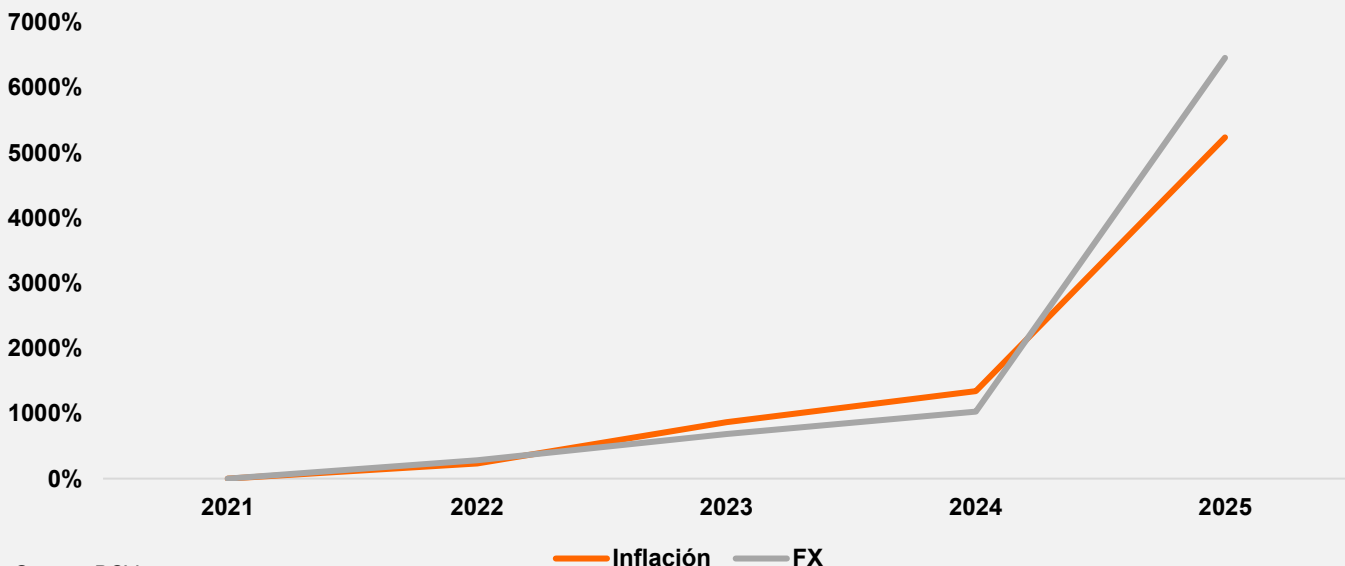
The currency exchange market is governed by the Exchange Agreement No. 1, which provides for the free convertibility of the currency through authorized agents (public and private banks) and determination of the exchange rate from the balance between supply and demand for foreign exchange.

As of 2020 and onwards, the increase in prices has been greater than the growth in the exchange rate, generating an appreciation of the real exchange rate (ergo, more dollars are needed to acquire the same amount of goods), which is why foreign currency has lost purchasing power in the country. However, during 2025, this dynamic shifted, as exchange rate depreciation exceeded the increase in prices. As a result, the exchange rate adjusted more rapidly relative to inflation, reflecting tighter foreign currency liquidity conditions and increased volatility in the foreign exchange market.

It is important to continuously monitor the behavior of these variables (inflation and currency exchange rate) and how they affect the treasury and cash flow of businesses. It is also important to monitor the liquidity of foreign currency in the exchange market, since the volume of foreign currency supply may be limited.



Chart 2: Inflation and Exchange Rate Accumulated Variation 2020-2024



Source: BCV

5. Investment and Financing

In the current Venezuelan economic context, financing is a crucial factor to consider and one of the biggest obstacles to overcome. Even though some sources of financing have increased, access to corporate credit in Venezuela remains limited.

Bank credit, securities and stock market and foreign funds and investment are the three main paths to obtain financing in Venezuela. Access to financing is limited and competitive, but organizations that have the necessary corporate governance, financial and operational requirements will have an advantage over other companies when it comes to obtaining external financial resources that allow the growth and development of the company.

Venezuelan banking for December 2025 reports a gross credit portfolio of US\$ 3,070MM, which represents a 29.5% of growth in the last 12 months, according to the Superintendency of Banking Sector Institutions (SUDEBAN).

Access to bank credit requires a series of legal, financial, and operational prerequisites to be analyzed by the banks, but in general these are only short-term loans for working capital requirements. The high legal reserve requirement established by the Central Bank of Venezuela (BCV) as part of its monetary policy, limits the capacity of the Banking System to grant credits and reduces the total banking credit portfolio to approx. 3.7% of GDP despite the credit growth achieved.

The stock market, through its debt instruments, offers companies an alternative form of financing, with options in both bolivars and foreign currency at short and medium-terms. To issue debt on these markets, companies must fulfill additional requirements related to corporate compliance. However, being an issuer on the Caracas Stock Exchange increases the credibility of the company, inspiring transparency and confidence in stakeholders.

With the appropriate advice, it is not hard to issue debt instruments in the stock market mainly for working capital requirements. However, the market is still shallow, with large growth potential. By December 2025, a total amount of US\$ 50.5MM were traded on the Caracas Stock Exchange.

Finally, Venezuela has attracted the attention of international investors, both for capital and debt, thanks to its great capacity for development and the business opportunities that arise as the country overcomes the economic crisis. Investors from different sectors such as oil and gas, agriculture, spirits, food, and automotive, have recently resumed or started equity investments within the country. It is through this type of private funds that the main means of accessing long-term financing is configured.

In summary, companies that operate in Venezuela must have a robust corporate, legal and financial governance that not only grants them advantages to obtain financing through banks or the stock market but also makes them attractive to new investors and/or shareholders thus allowing the growth of these companies.



Legal Expectations

On January 12, 2026, the National Executive introduced a strategic package of 13 priority laws for expedited approval by the new National Assembly, aiming to modernize Venezuela's regulatory framework and support the country's economic stability.



Economic & Trade Framework

- Mining Law Reform
- Foreign Trade Committee (COMEX) Law
- Socioeconomic Rights Law
- Law on the Acceleration and Optimization of Administrative Procedures



Innovation & Technology Regulation

- Industrial Property Law
- Artificial Intelligence Law
- Digital Rights Law
- Cybersecurity Law
- Telecommunications Law Update



Energy & Infrastructure

- National Electric System Law
- Rational Energy Use Law
- Law of the Hydrocarbons Sector (already approved)



Social & Health Regulation

- Natural Medicine Law
- Peace and Social Coexistence Law



6. Foreign Investment

According to the Constitutional Law of Foreign Productive Investment, the constituent value of the foreign investment must be represented in assets that are 100% in the country. Internal financing resorted to by foreign investors, for the establishment of their investments, may not exceed 15% of the total amount of the investment.

To obtain the registration of a foreign investment, the contributions must be constituted at the official exchange rate in force, for a minimum amount of 800,000 euros or 6,500,000 renminbi or its equivalent in another foreign currency. A minimum permanence of 2 years from the time the investment is made is required. The responsible authorities may establish alternative minimum amounts under certain limitations.

Foreign investors will have the right to remit abroad up to 100% of the proven profits or dividends derived from their investment, provided that such investment is duly registered and restated in freely convertible foreign currency, and that the purpose of the investment has already been fulfilled.

In the same way, foreign investors may remit to the country of origin, totally or partially, the monetary income obtained from the sale within the country of their shares or investment, as well as the amounts resulting from the reduction of capital, provided that the requirements established in the Law have been complied with.

The governing body -People's Power Ministry of Tourism and Foreign Trade- oversees centralizing the Foreign Investment Registry.

Technology transfer agreements must be approved by the governing body by means of a contract registered with the Ministry above-mentioned, following the established procedures, requirements, and conditions.

The Anti-Blockade Constitutional Law for National Development and the Guarantee of Human Rights, enacted in 2020, establishes, among other actions, the creation of the International Center for Productive Investment, responsible for evaluating, approving, and promoting productive projects as a strategy aimed at promoting investments and foreign trade.

With the purpose of promoting investments, the Law of Special Economic Zones, which provides tax, customs and other incentives for various sectors, such as industrial, technological, agri-food production, and financial and non-financial services, was approved in 2022.

Venezuela has signed Bilateral Conventions for the Incentive and Reciprocal Protection of Investment with several countries (* means ratification pending):

Argentina	France
Barbados	Germany
Belarus	Iran
Belgium-Luxembourg	Lithuania
Brazil	Palestine
Canada	Paraguay
Chile	Russia
China	Spain
Colombia*	Sweden
Costa Rica	Switzerland
Cuba	United Kingdom
Czech Republic	Uruguay
Denmark	Vietnam
Ecuador	

7. Investment Vehicles: Choice of Entity

Regarding the corporate structure, investment and operation modalities that can be considered by national and foreign investors, mercantile legislation provides for forms of business organizations that can be evaluated for purposes of structuring, raising capital and expanding operations based on the particularities of the business or project.

There are various forms of business entities in Venezuela which are useful vehicles for foreign investments:

- Corporation (Compañía Anónima or Sociedad Anónima)
- Limited Liability Company (Sociedad de Responsabilidad Limitada or SRL)
- Partnership (Sociedad en nombre colectivo)
- Limited Partnership (Sociedad en comandita)
- Consortia
- Joint venture contracts (Contrato de cuentas en participación)
- Branches of foreign companies.

Foreign Trade

The lifting of some central controls in the Venezuelan economy created an operating space that allowed an initial growth powered by the private sector (mainly through the tertiary sector of the economy), but a set of deeper reforms are needed to promote the increase of value-added activities, production and sustained development.

Chart 3: Foreign Trade in Venezuela

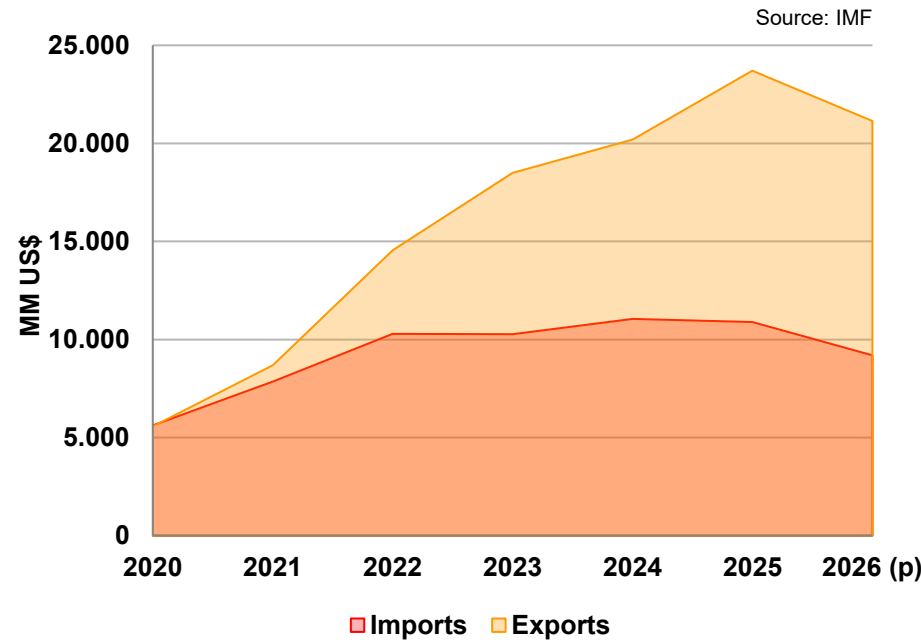
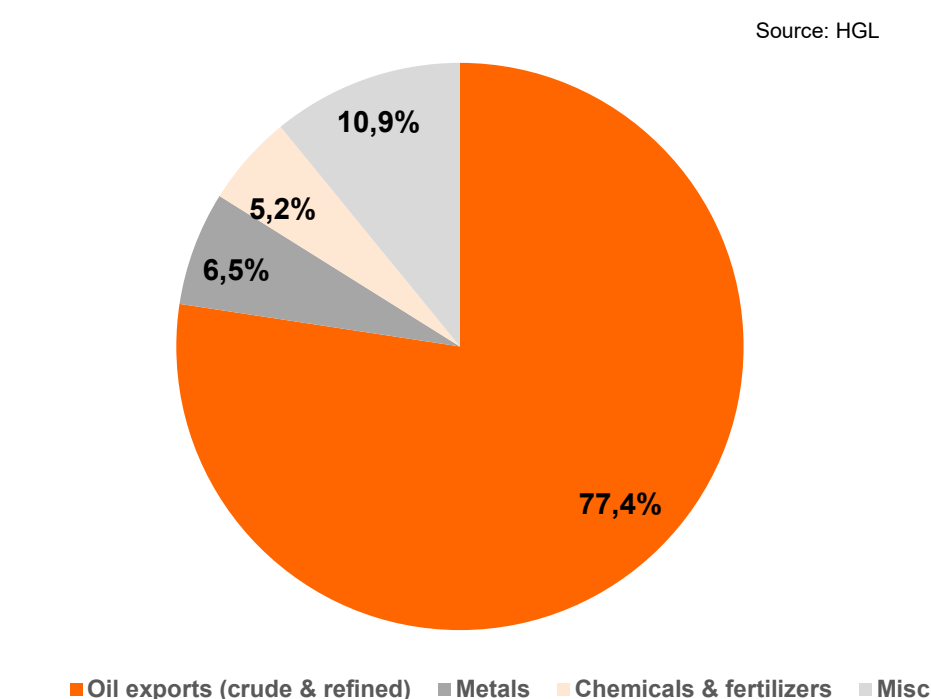


Chart 4: 2023 Annual Exports



The productive sectors with export capacity are oil, mining, animal and food products and chemical products, which together account for the majority of Venezuela’s total exports. In 2025, exports reached approximately US\$ 23,707MM, with crude petroleum oil and related products representing around 77.4% of total export value. Metals, chemical products and other goods make up the remaining share of exports. Venezuela’s main export destinations continue to be the United States, China and Spain (according to the Harvard Growth Lab).

A fundamental determinant of foreign trade for Venezuela is the oil sector, since it makes up the vast majority of its exports and income. It is oil income that largely finances imports into the country. Although this is the most developed export, there are still opportunities in other sectors due to the advantages offered by the country’s geographical position, climate and soil conditions. Smaller markets, such as those for food and animal products, chemical products, and spirits, have nevertheless shown promising growth in the past few years.

Due to its geographical position, natural resources, infrastructure and human capital, in Venezuela there is a great diversity of sectors with potential for economic growth that have not been exploited due to the economic context to which they have been subjected to over the past few years. But with the change in landscape, the doors are open to the entry of financial and non-financial resources to generate value through sectors such as agribusiness, tourism, mining, power generation, among others, that were historically overshadowed by the oil sector.



Oil & Gas

Oil Production 2014

2.68 mmbpd

Source: OPEC

Venezuela holds the world's largest oil reserves; however, its production has declined by approximately 65% over the past 11 years. This sharp deterioration in productive capacity has led the authorities to propose, during the current year, reforms aimed at facilitating investment in the oil sector and attracting foreign capital.

In this context, various international players in the energy sector have expressed interest in assessing investment opportunities or the reactivation of activities, subject to the obtaining of licenses, contractual clarity, and stability in commercial and financial flows.

The country has the largest gas reserves in Latin America and ranks among the top eight worldwide; however, large-scale production has not been achieved due to insufficient investment in infrastructure. Despite these limitations, there is enormous potential, and with investment and modernization of facilities, the resource could be fully exploited, expanding both the domestic market and exports, and establishing the country as a key player in the region.

Oil Production 2025

935 kbpd

Source: OPEC

Gas Reserves 2024

5.51 tcm

Source: OPEC

8. Corporate Taxation

In Venezuela there are three main territorial levels with taxing powers: Republic, States and Municipalities and the Capital District. Most of the taxing powers are granted to the National (Federal) government. States and Municipalities have been granted limited and specific powers.

Federal taxes are collected and controlled by the National Integrated Customs and Tax Administration Service (SENIAT). States and Municipalities collect and control taxes separately via the corresponding authorities.

Corporate contributions are collected by separately designated authorities.

Corporate Income tax

Corporations resident in Venezuela are subject to corporate income tax (CIT) on their Venezuelan and foreign-source income, whereas corporations resident abroad with a permanent establishment (PE) in Venezuela are levied CIT only on their Venezuelan and foreign-source income attributable to said PE. Corporations are able to claim any similar taxes paid abroad on foreign source income as a tax credit. Non-resident corporations without a PE are subject to CIT only on Venezuela-source income.

Value Added Tax (VAT)

Federal VAT, is a one-time tax payable by the ultimate consumer of all types of products and services. In general, VAT is payable on all sales, rental, and importation of goods, and rendering of services executed or used in the country. A number of significant exceptions are provided by law and Decrees. The rate may change every year, within the range of 8% to 16.5%. The current general rate is 16%. An additional 15% VAT applies to the sale and imports of luxury products.

Applicable CIT rates

Applicable CIT rates	Rate
General rate applicable to corporations	15% 22% 34%
Oil exploitation and certain related activities	50% ***
Exploration and exploitation of non associated gas or companies exclusively engaged in the refining of hydrocarbons or improvement of extra heavy oil	15% 22% 34%
Royalties from the exploitation of mines	60%
Loans and other credits granted by financial institutions incorporated abroad and not domiciled in the country	4,95%
Insurance and reinsurance not domiciled in the country	10%
Banking, financial, insurance or reinsurance activities domiciled in the country	40%
Proportional taxation on dividend distributions and deemed dividends on permanent establishments of foreign entities	General rate: 34% Hydrocarbon and associated activities: 50% Mining activities and royalties: 60%

* Based on the current Tax unit value of VES 43

** Estimated at the official exchange rate as of December 31, 2025 (VES 301.37 per US\$).

*** As of the enactment of the reform of the Master Hydrocarbons Law, the Executive Branch may reduce the rate on a project specific basis.

High Net Wealth Tax

The high net wealth tax applies to the net worth of taxpayers qualified as Special Taxpayers (ST) by the tax authorities. The tax shall be determined on an annual basis on the sum of the total assets' value less liabilities and excluding the value of burdens and encumbrances, as well as tax-exempt assets and rights. Individual and corporate ST are subject to tax when their worth is equal to or higher than 150,000,000 Tax Units (equivalent to VES 6,450MM, approx. US\$ 21.4MM). The current applicable tax rate is 0.25%.

Custom Duties

As a general rule, the importation of goods into Venezuela is subject to customs duties. These duties are generally levied on the cost, insurance, and freight (CIF) value of the product being imported, excluding VAT. Custom duty rates generally range from 5% to 35%. The duty rates vary depending on the product involved.

Tax on Large Financial Transactions (TLFT)

The TLFT is applicable, among other transactions, to debits made in bank accounts or any other deposits held in financial entities, settlement of obligations out of the financial system and cross border payments. This tax applies mainly to Special Taxpayers (ST) and their related parties. In addition, in some cases, ST must collect the tax from other payers as well. The applicable rates are 0% and 3%, depending on the currency and type of transactions.

Gift Tax

The Inheritance and Donations Tax Law stipulates the taxes attributable to inheritances left by individuals and provides regulation about donations, which are significant to corporations. A progressive rate of up to 55% applies to the beneficiaries of gifts in the form of movable or real property, rights, or shares located in the country. Forms of presumed donations include debt forgiveness and transfer of goods when the price does not reflect the real value of the property being transferred.

Coordination and Harmonization of Taxing Powers of States and Municipalities

Regulations aimed at harmonizing taxing powers among States and Municipalities and optimizing some tax and control processes have been issued in August 2023. Since its publication in the Official Gazette, States and Municipalities across the country have progressively begun enacting and updating their tax ordinances to comply with the harmonization requirements.

Municipalities Taxing Powers

Business license tax: Companies and business entities are subject to municipal tax on gross income from industrial or trade activities carried on in the municipality during the fiscal year. The rates range depending on the activity and the municipality.

Other municipal taxes include urban property tax, taxes on commercial advertisement, vehicles and legal gaming, among others.

States Taxing Powers

States can create and collect stamp duties which vary in accordance with the type of transaction and the jurisdiction.

Registry and Notaries Tax

This transactional tax has been enforced by a landmark Law which provides for the Petro (the Venezuela State cryptocurrency) as the reference value to set forth the maximum amounts of payments for some services, such as:

- i. authorization,
- ii. fees for the provision of services by the Autonomous Service of Registries and Notaries (SAREN) and the offices of Principal Registries and Public Registries, and
- iii. processing rights.

Corporate Contributions

Science, Technology and Innovation Contribution

Applicable to entities companies that obtained, in the previous taxable month, over 150,000 times the foreign currency of highest value as published by the Central Bank of Venezuela.

Anti-drugs Contribution

Annual contribution applicable to entities employing 50 or more employees.

Contribution provided in the Master Law on Sports, Physical Activity and Physical Education

Annual contribution applicable when the net or accounting profit exceeds 20,000 TU.

Special Contribution for the Protection of Pensions

Monthly contribution applicable to private legal bodies and partnerships, including irregular or de facto ones, whether or not domiciled in the Bolivarian Republic of Venezuela, which carry out economic activities in the national territory.

Rate and Taxable Basis

Applicable to gross income
 General rate: 0.50%
 Hydrocarbon or mining activities: 1%
 Bingos and casinos, spirits and tobacco: 2%.

Applicable to operating profit
 General rate: 1%
 Manufacture or import of spirits, tobacco, or their mixtures: 2%.

Applicable to annual net or accounting profit
 General rate: 1%.

9% of total payments to workers for salaries and non-salary bonuses.

Payroll Taxes	Employer's Contribution	Employee's Contribution
Social Security	From 9% to 11% of normal salary depending on risk qualification of the employer	4% of normal salary
Employment Benefit Regime Contribution	2% of normal salary	0.5% of normal salary
Housing Policy Contribution	2% of total or integral salary	1% of total or integral salary
Contribution to the National Institute for Socialist Training and Education (INCES)	2% of total salaries	0.5% of the annual profit-sharing bonus

Excise Taxes	Activity and Applicable Tax
Alcohol and alcoholic beverages	<ul style="list-style-type: none"> • Tax on the national production and importation of alcohol and spirits based on TU per liter and depending on the type of product. • Additional excise tax per liter for national and imported beer and for other alcoholic beverages levied on the sale of those products to the public, also provided based on TU per liter and depending on the type of product. • Excise tax imposed on the imports or local sale of national and imported alcoholic beverages to the public, which is levied on the sales price and provided based on a percentage on the price of sale to the public depending on the type of product, as follows: 15% for beer, 35% for natural wines, and 50% for other beverages up to 50 grade on the Gay-Lussac scale.
Cigarettes and manufacturing of tobacco	Applicable to the imports and national production of cigarettes and tobacco, fine cuts, and other tobacco derivatives to be consumed in Venezuela. 70% proportional tax is levied on the retail price of cigarettes, tobacco, and its derivatives.

Other Taxes and Contributions by Activity

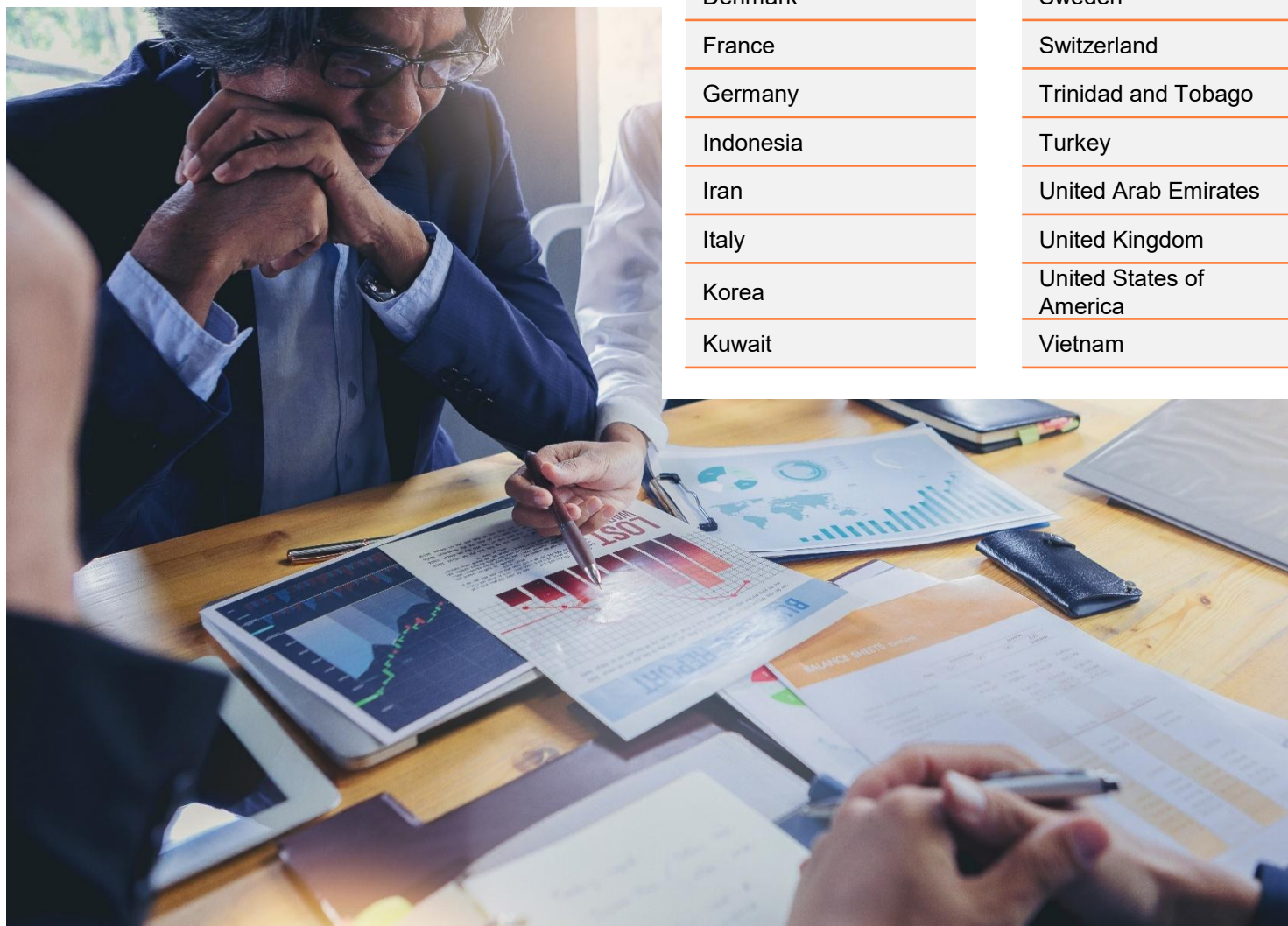
Activity	Applicable Tax
Regulations on telecommunications activities	<ul style="list-style-type: none"> • Tax on telecommunication activities: i) 1% on gross income from sound and television broadcasting; ii) 2.3% on gross income from other telecommunications activities; iii) 0.5% on the amount billed or collected for the supply of satellite capacity. • Contribution to the National Telecommunications Commission (CONATEL): i) 0.5% special contribution on gross income generated from telecommunications activities; ii) annual maximum contribution of 0.5% on gross revenues for user of the radio electrical spectrum; iii) a maximum of 0.2% for users engaged in rendering sound and television broadcasting services. • Contribution to the Universal Service Fund: 1% on gross income for telecommunications services providers, except sound and television broadcasters. • Contribution to the Telecommunications Research and Development Fund (FIDETEL): 0.5% on gross income for telecommunication services providers, except sound and television broadcasters. • Social responsibility in radio, television, and electronic means: 4% of gross income for suppliers of sound and television broadcasting.
Regulations on gas activities according to the Gaseous Hydrocarbons Law	<ul style="list-style-type: none"> • Royalties: 20% of the volume of gaseous hydrocarbons extracted from any deposit and not reinjected. • Licenses may provide additional economic obligations.

9. International Tax Matters

Domestic income tax legislation provides for international provisions that must be considered for purposes of foreign investments and cross border transactions:

- Taxation of foreign persons carrying out transactions in the country through a permanent establishment (PE) on profits connected to such taxable presence.
- Worldwide taxation for tax resident persons and application of foreign tax credit to mitigate double taxation.
- International fiscal transparency applicable to income from investments on Low Taxed Jurisdictions.
- Transfer pricing regime based on arm’s length standards.
- Thin capitalization rules that limit the deduction of interest from debt with related parties in excess of 1:1 debt-to-equity ratio plus a subjective test.

Venezuela is not a member of the Organisation for Economic Co-operation and Development (OECD) / G20 Inclusive Framework taking measures pursuant to the Benefits Erosion and Profits Shifting (BEPS) Plan and the OECD Pillars I and II initiatives; therefore, none of these actions has been implemented to date.



Tax Treaties

The benefits of the treaties to avoid double taxation entered into between Venezuela and other countries will only be applicable when the taxpayer shows, at any given time, that it is a resident of the country in question, and the provisions established in the respective treaty are complied with.

There are currently comprehensive treaties for the avoidance of double taxation with the following countries:

Austria	Malaysia
Barbados	Netherlands
Belarus	Norway
Belgium	Portugal
Brazil	Qatar
Canada	Russia
China	Saudi Arabia
Czech Republic	Spain
Denmark	Sweden
France	Switzerland
Germany	Trinidad and Tobago
Indonesia	Turkey
Iran	United Arab Emirates
Italy	United Kingdom
Korea	United States of America
Kuwait	Vietnam

10. Labor Regulation

Venezuelan workers and employees are granted benefits and protections, including maximum hours of work per weeks, minimum wage requirement, the right to unionize, and numerous fringe benefits. The provisions of this Law are public in nature, that is, they cannot be waived and their effect may not be lessened by means of individual agreements. Moreover, the scope of these provisions is territorial, i.e., they are applicable to both Venezuelans and foreigners regarding the work executed in the country.

The Law establishes the conditions and minimum benefits to be conferred to employees. No labor agreement may offer benefits which lie below the minimum conditions set forth in the Law. Nonetheless, collective or individual labor contracts may establish more favorable conditions for employees.

The labor system in Venezuela is governed by the principle of the primacy of reality, which has been extensively developed by the National Constitution.

The risks of non-compliance with labor regulations can seriously affect labor relations, finances and corporate reputation, so early legal advice is essential to identify labor legal risks, timely compliance with employer, occupational health and safety obligations, and implement policies that minimize the impact of potential risks on the company and its employees.

Foreign nationals who aim to develop commercial, profitable and business activities in Venezuela do require a business transient visa issued in a Venezuelan consulate office located overseas. This kind of visa does not allow the expatriate to work in Venezuela. Its expiration time is up to one year, with a stay time up to 180 calendar days with multiple entries and departures.

11. Price & Profit Regulation

Commercial activity must comply with the profit margins rules established for the determination of prices of goods and services. All this within the regulatory framework established through the Law on Fair Prices and the Administrative Ruling 070/2015, which governs cost structures, the determination and marking of prices, and sets the price categories applicable nationwide. The system also establishes mandatory limits on profit margins and intermediaries' markups applicable throughout the supply chain.

12. Radio and Telecommunication Regulation

The National government is responsible for the entire telecommunications and radioelectric spectrum regime. An administrative authorization, concession or license is required to provide services through exploitation of telecommunications networks.



13. Oil, Gas & Mining Activities

Oil and Gas

The oil and gas fields in the country are state-owned. The National Public Power (not the State or Municipal Public Power) is responsible for the production, value added and administration of oil and gas fields.

The operation, management, refining, industrialization and commercialization of fossil fuels is regulated in the new 2026 Hydrocarbons Law which entered into force on January 29. State commercialization remains the general rule, with the exceptions noted here. The Law defines "primary activities" as those related to the exploration in search of fossil fuel deposits, the extraction of such deposits in their natural state, their collection, transportation and initial storage.

Companies engaged in primary oil activities are "operating companies". Operators may comprise (i) State-owned companies and subsidiaries; (ii) oil joint ventures and (iii) private companies domiciled in Venezuela entering into contracts with State-owned companies or subsidiaries, prior authorization from the Hydrocarbons Ministry.

Establishment of oil joint ventures and the terms governing the conduct of primary activities is authorized by the Executive Power and shall be notified to the National Assembly. The Venezuelan State remains as majority shareholder with control over the entity.

Disputes may be resolved in Venezuelan courts or through alternative mechanisms such as conciliation or arbitration.

Minority shareholders in oil joint ventures may (i) directly market all or a portion of their production; (ii) open and manage bank accounts in any currency and jurisdiction; and (iii) exercise technical and operational management of the company, directly or through specialized providers, subject to prior authorization from the Hydrocarbons Ministry.

Private companies conducting primary activities shall assume comprehensive project management at its own expense, account, and risk, subject to prior approval of a business plan. Compensation may include 1) a percentage share of the volumes of controlled hydrocarbons or 2) any other form of profit sharing determined by the Ministry.

New assets allocated to the activity by minority shareholder or private operator, as well as data, must be transferred to the Venezuelan State at expiration of contract, without indemnifying operator. The Venezuelan State maintains full ownership of oil fields.

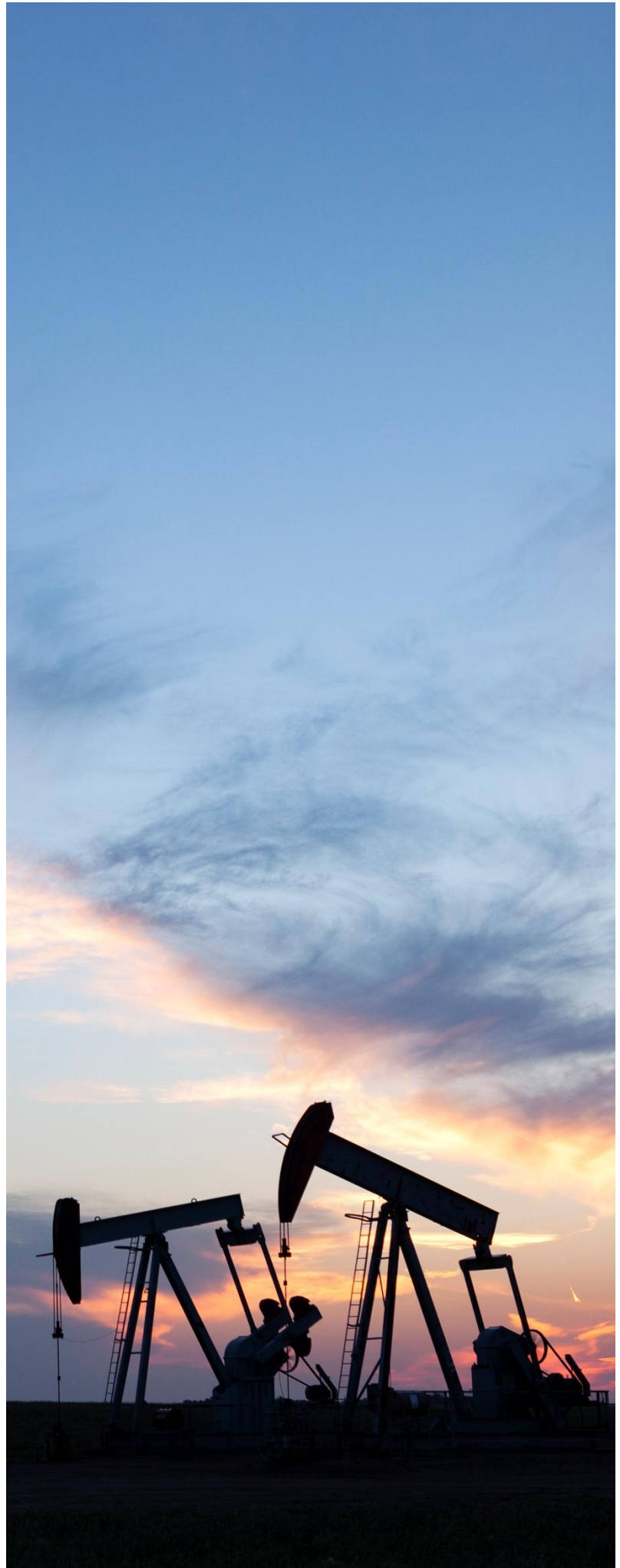
For gas related activities, the performance of exploration and exploitation activities requires obtaining a license. Such license confers the right to carry out exploration and exploitation activities as well as the activities inherent to the project to which such hydrocarbons are destined, without prejudice to the registration of the project. Activities are not reserved to the State neither a minimum ownership or control on ventures with private companies is required.



Oil and Gas Activity

Royalties and Tax Regime under Newly Enacted 2026 Hydrocarbons Law

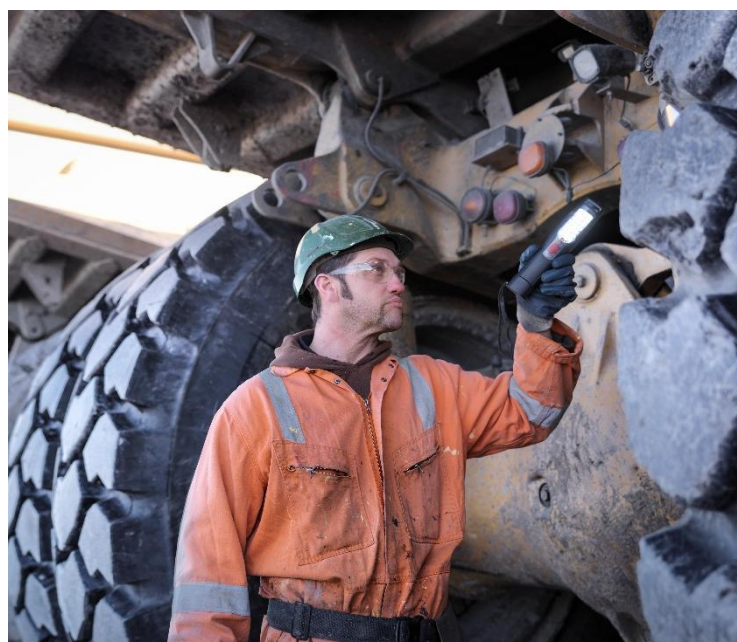
- Royalties: Up to (30%) on the volumes of hydrocarbons extracted and not reinjected. Rate to be determined by the Executive Power on project basis considerations.
- Integrated Hydrocarbons Tax: Up to 15% of gross monthly income. In extraction projects, gross income means value of hydrocarbons extracted and not reinjected. Rate adjustable by the Hydrocarbons Ministry on a project basis. Timing for assessment, filing of tax return and payment of the new Hydrocarbons Integrated Tax will be set by the Ministry via regulations.
- Following taxes contained in 2006 Law are eliminated:
 - Surface tax.
 - Own consumption tax.
 - General consumption tax.
 - Extraction tax.
 - Export registration tax.
 - Special contribution for extraordinary and exorbitant prices in the international hydrocarbon market.
- Tax exemptions for operators contained in new Law:
 - Wealth Tax.
 - Special contribution under the Master Law on Science, Technology and Innovation.
 - Special contribution under the Master Law on Sport, Physical Activity and Physical Education.
 - Special contribution under the Master Law on Drugs.
 - Contribution under the Law for the Protection of Social Security Pensions.
- Reduction of Income Tax rate, Integrated Hydrocarbons Tax rate and Royalty percentage by the Executive Power, provided it is necessary to guarantee the economic balance of the project.
- Previous tax regime will continue to apply to existing oil joint ventures and Production Sharing Contracts still in force for at least 180-day period following enactment of new Law.



Mining Activity

Mining Regulations

- Venezuela's mining sector is governed by the Organic Mining Law, enacted in April 2026. The Law establishes the legal framework for the exploration, exploitation, processing and commercialization of mineral resources within Venezuelan territory, reaffirming State ownership over mineral deposits and the exclusive authority of the Republic to manage and allocate mining rights. The regime applies to public and private entities, both domestic and foreign, engaged in mining activities, while non-metallic minerals not reserved by the Executive fall under the jurisdiction of the States.
- Mining activities may be carried out through different business models expressly authorized by law. These include State-owned companies, mixed companies in which the Republic holds a controlling interest, companies with minority State participation duly authorized, fully private companies authorized by the State, registered mining brigades, and individual artisanal miners. Foreign participation is permitted, subject to prior authorization and compliance with the applicable legal and regulatory framework.
- Primary mining activities (prospecting, exploration, exploitation, production, stripping and hauling) may only be conducted upon the granting of a mining concession, which confers an exclusive and temporary right over a defined area. Concessions are granted for a term of up to 30 years from publication in the Official Gazette and may be extended for two consecutive periods of up to 10 years each, provided that the concessionaire remains fully compliant with its obligations. Concessions do not confer ownership of the deposits and are subject to State supervision.
- Once a concession or mining title is granted, the Mining Authority enters into a mining contract with the holder, regulating the rights and obligations arising from the activity. State-owned companies may enter into mining operation contracts with private parties for the execution of primary activities, provided that no transfer of mining rights takes place. Mining contracts expressly protect the original economic financial equilibrium agreed by the parties, allowing mechanisms to restore balance in the event of adverse tax or legal changes.
- The Law also regulates ancillary and auxiliary mining activities, including processing, beneficiation, transport, storage and commercialization, which generally require a license issued by the Mining Authority. Large and medium scale operators performing these activities as part of their approved mining development plan are exempt from obtaining a separate license.
- The Ministry with competence over mining acts as the governing authority, while the National Superintendence of Mining Activities operates as an autonomous body responsible for supervision, inspection, enforcement, and the administration of mining taxes and royalties. Additionally, a Unified Mining Registry has been created to centralize information and licensing of mining operators, with mandatory electronic certification.
- The Law expressly allows the use of alternative dispute resolution mechanisms, including mediation and arbitration, in mining related contracts. Disputes that cannot be resolved amicably may be submitted either to Venezuelan courts or to arbitration, under guidelines established by the Mining Authority in coordination with the Office of the Attorney General, without the need for additional authorizations.
- From a strategic standpoint, the Executive may designate certain minerals as strategic minerals and, for reasons of national interest, reserve primary or ancillary mining activities to the State. Existing rights remain protected, and operators may continue their activities in accordance with the terms of their contracts and licenses. Gold commercialization is subject to a preferential purchase right in favor of the Central Bank of Venezuela, with provisions allowing third party commercialization under regulated conditions.



Royalties and Taxation Regime under the Newly Enacted 2026 Master Mining Law

- **Royalties:** Up to 13% on gross mineral production, calculated on the commercial value of the final mineral product. The applicable rate is determined by the Mining Authority based on project specific considerations, including the type of mineral, exploitation conditions, level of investment, market value, and the scope of environmental and social development plans. Royalties may be required in cash or in kind, at the option of the Executive Power.
- **Mining Tax:** Up to 6% of gross monthly income derived from primary mining activities. Gross income is defined as the value of gross monthly mineral production, with no deductions allowed. The definitive tax rate and the phase of the mining activity from which the tax applies are determined by the Mining Authority, with prior opinion of the financial authorities, on a project-by-project basis. The Mining Authority may adjust the applicable rate where extraordinary circumstances so justify.
- **Contribution to the National Mining Fund:** Up to 1% of gross profits derived from mining operations carried out by private parties through mining concessions or mixed companies. This contribution is deductible from royalties. Reduced rates apply to small and medium scale mining, as provided in the Law and implementing instruments.
- **Export tax on critical minerals and rare earth minerals:** Exports of production derived from primary or ancillary processes involving critical minerals and rare earth minerals are subject to an additional tax of up to 5% of the gross export value, applicable within the framework of a special tax regime to be established by the Executive Power.
- **Authorization fee for gold commercialization by non operators:** Where entities other than mining operators are authorized to export gold, the Mining Authority may establish a payment of up to 5% of the fine weight of the exported gold, payable in cash or in kind, or its monetary equivalent, according to parameters defined by resolution.



The following taxes and contributions are expressly excluded or not applicable to mining activities:

- State and municipal taxes.
- Social responsibility commitments under public procurement legislation.

Tax exemptions for operators contained in the Organic Mining Law

- Wealth Tax.
- Special contribution under the Master Law on Science, Technology and Innovation.
- Special contribution under the Master Law on Sport, Physical Activity and Physical Education.
- Special contribution under the Master Law on Drugs.
- Contribution under the Law for the Protection of Social Security Pensions.
- **Tax stability and economic balance mechanisms:** Mining contracts for primary activities must preserve the economic-financial equilibrium originally agreed. Where subsequent tax changes adversely affect the economic purpose of the project, the Executive Power, through the Mining Authority, may adopt measures to restore such balance, including adjustments to royalty rates, mining tax rates, fees, contractual terms or compensation mechanisms.
- **Transitional regime:** Mining contracts executed under the Constitutional Anti-Blockade Law remain fully in force. The previous tax regime applicable to such contracts will continue to apply for up to 180 days following the entry into force of the Organic Mining Law, during which the contracts must be adapted to the new legal framework, without deterioration of the originally agreed economic conditions.

14. Corporate Governance

Business activities will face periodic control and supervision, and some sectors must have an authorization from a public institution to start operating. There are different government bodies enacted to prevent and avoid fraudulent practices, money laundering, misuse of chemical and hazardous materials, proper handling of food and environment care, among other subjects.

The due diligence within the life of a business is crucial and it goes from the required standards to open business, the filing of the board updates, the tax ID information updates, to the annual report to be submitted before the Mercantile Registry where the company is incorporated.

The timely application of corporate governance rules can prevent risks, sanctions and debarment by government agencies. These rules were developed mainly in administrative rulings and regulations (Special Laws). Some control and supervisory entities such as the one in charge of the banking and financial system (SUDEBAN), insurance and reinsurance (SUDEASEG), and securities market (SUNAVAL) sectors, among others, have unified their own rules for each of the regulated subjects.

The main sectors that have developed and applied corporate governance practices are banking, finance, insurance, reinsurance and the securities market to avoid the risks of corruption, money laundering, among others, through current legislation.



15. Sustainability

The adoption of sustainable practices with focus on environmental, social and good corporate governance standards pursues the generation of increasingly sustainable and reliable companies. Issues such as the effects of climate change, the proclamation of equality and social inclusion, and ethical and corruption-free business activities must be considered to guide organizations towards a future based on transparency and sustainability.

The incorporation of sustainability criteria into the corporate culture, through a strategy adapted to its reality, results in the generation of financial and reputational benefits.

An organization that rethinks the way in which it meets its value proposition may come to identify new opportunities to reduce its operating costs and increase its international competitiveness. Companies can achieve this by improving water management, innovating in the use of waste and opting for the use of clean energy.

Simultaneously, sustainability initiatives allow companies to reduce or eliminate legal and reputational risks. If a tax on carbon emissions is approved, those organizations that have reduced their carbon footprint preemptively would have a competitive advantage over competitors that act reactively, and those that proactively identify and eliminate human rights violations in their supply chain do not have why fear a scandal.

Combating environmental and social impacts attracts the best talent and increases the sense of belonging and the productivity of workers. On the commercial side, consumers increasingly reject companies that do not share their values and are loyal to brands that operate responsibly.

When setting up a company in Venezuela, it is essential to develop good corporate governance, since it protects the rights of shareholders, supervises compliance with local and international regulations, and allows easier access to financing.

Good corporate governance is a differentiating factor in the competitive bank credit market, and a requirement in the stock market, which is one of the main sources of financing in Venezuela.

For an investor, it is also important to assess the sustainable performance of its potential investments. In this way, it can be ensured that the company is not involved in practices that create unexpected reputational, legal or operational risks. Good corporate governance is essential to ensure that shareholders' rights can be effectively exercised.

Considering the increased focus on sustainability as part of corporate strategy and the international reporting standards adopted in recent years, the Venezuelan Federation of Public Accountants (FCCPV) has issued the Venezuelan Sustainability Disclosure Standard VEN-NS 0 (Framework Agreement for the Issuance and Application of Venezuelan Standards on Sustainability Information Disclosures). This framework, approved in April 2024, regulates the process for issuing the compliance requirements that Venezuelan entities not subject to oversight by a regulatory body must apply when disclosing sustainability information.



16. Our Services



Assurance and Financial Audit

- External Audit Services
- Internal Audit Services
- Conversions to IFRS and US GAAP
- Services in Business Transactions



Tax and Legal

- Legal Business Solutions
- Corporate Tax Services
- Transfer Pricing
- International Taxation
- Individual Tax Services
- Commercial and Labor Regime



Advisory and Corporate Finance

- Deals
- Assets Valuations
- Financial Modeling
- Economic and Market Analysis
- Business Model and Strategy
- Corporate Governance
- Management Consulting
- Cybersecurity



Risk Assurance and Digital Consulting

- Risk and Compliance Services
- Project Assurance
- Data Analytics and Business Intelligence
- Digital Transformation
- Forensics Services



Business Process Outsourcing

- Accounting Outsourcing
- Payroll Outsourcing
- Tax Outsourcing
- Managed Services
- Financial and Fiscal Inflation Adjustments



Sustainability

- Situational Diagnosis and Sustainability Analysis
- Design of the Sustainability Strategy
- Implementation of Environmental, Social, and Governance (ESG) in Corporate Governance
- Sustainability and Assurance Reports

17. Contact Us

Partners

Our multidisciplinary team has extensive experience in helping companies to understand their best alternatives and priorities to consider the Venezuelan market.



Luis Manuel Freites
luis.freites@pwc.com
 +58 212 7006683



Carlos Peralta
carlos.peralta@pwc.com
 +58 212 7006197



José Antonio Carreira
jose.carreira@pwc.com
 +58 212 7006075



Lino Calderon
lino.calderon@pwc.com
 +58 212 7006197



Edgar Montañez
edgar.montanez@pwc.com
 +58 212 7006854



Ana Azevedo
azevedo.ana@pwc.com
 +58 212 7006082



Reinaldo Alvarado
reinaldo.alvarado@pwc.com
 +58 212 7006738



Victor Morales
victor.j.morales@pwc.com
 Teléfono: +58 212 700 6067



Engelbert Mazutiel
engelbert.mazutiel@pwc.com
 +58 212 7006851



José Javier García
jose.j.garcia@pwc.com
 +58 212 700 6083



Rafael Pacheco
rafael.pacheco@pwc.com
 +58 212 7006131



Elis Enrique Aray
elys.aray@pwc.com
 +58 212 700 6083



Verónica Cariello
veronica.cariello@pwc.com
 +58 212 7006075



Rodrigo Rodríguez
rodrigo.rodriguez@pwc.com
 Teléfono: +58 212 7006398



Carlos Torres
carlos.torres@pwc.com
 +58 212 7006197



José Miguel Chirinos
jose.chirinos@pwc.com
 +58 212 7006246

18. References

Banco Central de Venezuela (BCV). (2026, May 11th). Tipo de Cambio de Referencia. Obtained from Central Bank of Venezuela website: <https://www.bcv.org.ve/estadisticas/tipo-cambio-de-referencia-smc>

Banco Central de Venezuela. (2026, January 7th). <https://www.bcv.org.ve/estadisticas/resumenes-de-balances>

Bograd, Y. (2022, September 6th). Venezuela y las Inversiones. Una Nueva Realidad. Obtained from Doing Business International: <https://www.doing-business-international.com/2022/09/venezuela-and-investments-a-new-reality/>

Harvard Growth Lab. (2026, January 15th). Atlas for Economic Complexity, Venezuela country profile. Obtained from HGL Atlas website: <https://atlas.hks.harvard.edu/countries/862>

IMF. (2026, April). IMF World Economic Outlook April 2026. Obtained from International Monetary Fund website: <https://www.imf.org/external/datamapper/datasets/WEO>

Instituto de Investigaciones Económicas y Sociales – Universidad Católica Andrés Bello. (2026). Informe de Coyuntura Venezuela (Avance, abril 2026). Universidad Católica Andrés Bello. Caracas.

OPEC. (2025). Organization of the Petroleum Exporting Countries. Obtained from Annual Statistical Bulletin 2025: <https://publications.opec.org/asb>

SUNAVAL. (2026, January). *Histórico de Operaciones en la Bolsa de Valores de Caracas*. Obtained from SUNAVAL website: <https://www.sunaval.gob.ve/bvc-historico-de-operaciones/>



PwC Venezuela



@pwcvenezuela



@PwC_Venezuela



PwC Venezuela

www.pwc.com/ve

© 2026 PricewaterhouseCoopers Venezuela (Freites, Montañez, Carreira y Asociados). All rights reserved. "PwC" refers to the Venezuelan firm PricewaterhouseCoopers Venezuela (Freites, Montañez, Carreira y Asociados) or, as the context requires, to the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity. RIF: J-00029977-3.