

# Treasury Sanctions BANDES, Venezuela's National Development Bank, and Subsidiaries, in Response to Illegal Arrest of Guaido Aide

March 22, 2019

**Washington** – Today, the Department of the Treasury's Office of Foreign Assets Control (OFAC) designated *Banco de Desarrollo Economico y Social de Venezuela*, or BANDES, pursuant to E.O. 13850, as amended, for operating in the financial sector of the Venezuelan economy, as well as four additional financial institutions that BANDES owns or controls.

“The willingness of Maduro's inner-circle to exploit Venezuela's institutions knows no bounds. Regime insiders have transformed BANDES and its subsidiaries into vehicles to move funds abroad in an attempt to prop up Maduro. Maduro and his enablers have distorted the original purpose of the bank, which was founded to help the economic and social well-being of the Venezuelan people, as part of a desperate attempt to hold onto power,” said Treasury Secretary Steven T. Mnuchin. “The regime's continued use of kidnapping, torture, and murder of Venezuelan citizens will not be tolerated by the U.S. or the international coalition that is united behind President Guaido. Roberto Marrero and other political prisoners must be released immediately.”

Today's action designating BANDES and its subsidiaries follows a determination by Secretary of the Treasury, Steven T. Mnuchin, in consultation with Secretary of State Michael Pompeo, that persons operating in Venezuela's financial sector may be subject to sanctions.

The following entities designated today have been determined to operate in the financial sector of the Venezuelan economy, or are owned or controlled by an entity that operates in the financial sector of the Venezuelan economy:

- **BANDES** is based in Venezuela, and is a state-owned and controlled bank. As Venezuela's national development bank, BANDES was created in order to promote the economic development and sustained growth of Venezuela, to include providing services such as monetary intermediation, credit, and security and commodity contracts brokerage services, among other financial and trust activities. Simon Alejandro Zerpa Delgado, who was

designated by OFAC pursuant to E.O. 13692 on July 26, 2017, is the Chief Executive and President of the Board of the bank.

- **Banco Bandes Uruguay S.A.** is based in Uruguay. In early 2019, Maduro tried to move over one billion dollars out of Venezuela via BANDES to its subsidiary in Uruguay, Banco Bandes Uruguay S.A.
- **Banco Bicentenario del Pueblo, de la Clase Obrera, Mujer y Comunias, Banco Universal C.A.** is based in Venezuela.
- **Banco de Venezuela, S.A. Banco Universal** is based in Venezuela.
- **Banco Prodem S.A.** is based in Bolivia.

For information about the methods that Venezuelan senior political figures, their associates, and front persons use to move and hide corrupt proceeds, including how they try to exploit the U.S. financial system and real estate market, please refer to Treasury's Financial Crimes Enforcement Network (FinCEN) advisories [FIN-2017-A006](#) , "Advisory on Widespread Public Corruption in Venezuela," and [FIN-2017-A003](#) , "Advisory to Financial Institutions and Real Estate Firms and Professionals."

As a result of today's [action](#), all property and interests in property of these entities, and of any entities that are owned, directly or indirectly, 50 percent or more by this entity, that are in the United States or in the possession or control of U.S. persons are blocked and must be reported to OFAC. OFAC's regulations generally prohibit all dealings by U.S. persons or within (or transiting) the United States that involve any property or interests in property of blocked or designated persons.

Concurrent with today's action, OFAC announced five General Licenses.

U.S. sanctions need not be permanent; sanctions are intended to bring about a positive change of behavior. The United States has made clear that the removal of sanctions is available for persons designated under E.O. 13692 or E.O. 13850, both as amended, who take concrete and meaningful actions to restore democratic order, refuse to take part in human rights abuses, speak out against abuses committed by the Maduro regime, and combat corruption in Venezuela.

[Identifying information.](#)

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