SPECIAL REPORT

Ecoanalítica
acompaña las buenas decisiones

Year 18
March 2022

Forbidden reproduction and/or distribution

A recovery in production at the cost of *more* opacity

- The sanctions regime imposed by the United States exacerbated the drop in oil production since 2019. However, in the last 18 months, production has shown a slow but sustained recovery trend, already accumulating an increase of 104% since the lows of July 2020.
- The upward trend in oil prices and the upturn in production have generated an increase in PDVSA's flows in an environment of greater opacity in the whole supply chain, including marketing, production, actors involved, destinations and the partners that are part of the process.
- On the other hand, the joint ventures that contributed close to 70% of total production when PDVSA began to experience a drastic drop in its operations, saw their participation reduced to zero as a result of the sanctions regime imposed between 2019 and 2020.
- In contrast to recent years, Venezuela's macroeconomic indicators now shows a recovery that, although weak, confirms a changing trend in the economy, after several fiscal adjustment measures implemented by the Maduro government.
- According to **Ecoanalítica** estimates, revenue from oil exports would increase from USD 5.714 billion in 2020 to USD 16.2 billion in 2022, an increase of 183%. Currently, this revenue belongs entirely to PDVSA and depends on its opaque operations to evade sanctions as a result of its foreign JV partners' halting production. Under this scenario, average production would close at 830,000 b/d.
- The current price dynamics and the complex situation of the Russian energy sector in light of new U.S. sanctions, may renew incentives to seek agreements that will favor increasing Venezuelan production with the participation of Western companies.
- The recovery scenarios for the next 12 months, based on an eventual flexibilization of sanctions and opening of the oil sector, imply increases in oil export revenues ranging from USD 25-31 billion, with average production that would range between 984,000-1,211,000 b/d.
- Beyond the increased profitability generated by higher oil revenues, the impact of such an upturn is also very relevant in other areas, such as resolving the complex humanitarian emergency and a possible renegotiation of the debt, as well as

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addressing structural problems that the Venezuelan economy must correct in order to move towards broad and sustained growth.

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Context of the local oil industry

Despite the fact that before the sanctions on PDVSA's crude oil exports to the United States[1] and the executive orders to sanction the operations of joint ventures with international partners imposed in early 2019, Venezuelan production had already experienced a significant drop evidenced in an accumulated production of -27.4% between January 2014 and August 2017, deepened with the beginning of the financial sanctions in 2017 that generated a drop of -29.1% in two and a half years. The embargo sanctions on oil exports and the successive measures in 2019 meant a higher escalation in the fall in production[2] and an important relative gain in the participation of the Venezuelan state in crude exports, which has come to be managed almost exclusively and with higher levels of opacity (lack of knowledge of some destinations and amounts at which the barrels are traded) by the Nicolás Maduro administration.

Production experienced a strong contraction that reached its lowest level in July 2020, with 392.000 b/d (the lowest figure since 1934) on a monthly average. From the height of secondary sanctions' impact on Rosneft and the pressure not to increase operations of PDVSA's other private partners such as Chevron, ENI, Repsol or suppliers along the entire production and distribution chain of PDVSA, through the round of sanctions approved in the second half of 2019[3] and the limitation of licenses received by U.S. companies operating in the country's oil industry in April 2020[4], monthly production has experienced an average rebound of 104% since then (with respect to the average of the second quarter of 2020), to 804.000 b/d for the last three months reported (December 2021-February 2022).

[1] Prior to the ban on Venezuelan crude oil imports to the United States, Venezuela had increased the relative weight of crude oil exports from that country to 61.1% in the cumulative 2018.

[2] -74%, between January 2019 and July 2020, in part also explained by the global conditions marked by the pandemic and the drop in oil prices.

[3] At the beginning of August 2019, the then President of the United States, Donald Trump, approved an executive order authorizing a new round of sanctions. As we have detailed in previous reports, this was the first one that included the possibility of generating secondary sanctions, where the restrictions are extended to any third party that operates as a commercial partner in any link of the oil production process. Additionally, this decree sanctioned the entire government of Nicolás Maduro beyond the oil and mining sector.

[4] The renewed license of Chevron, Halliburton, Schlumberger, Baker Hughes and Weatherford International only allows transactions and activities that are "necessary for the limited maintenance of essential operations".

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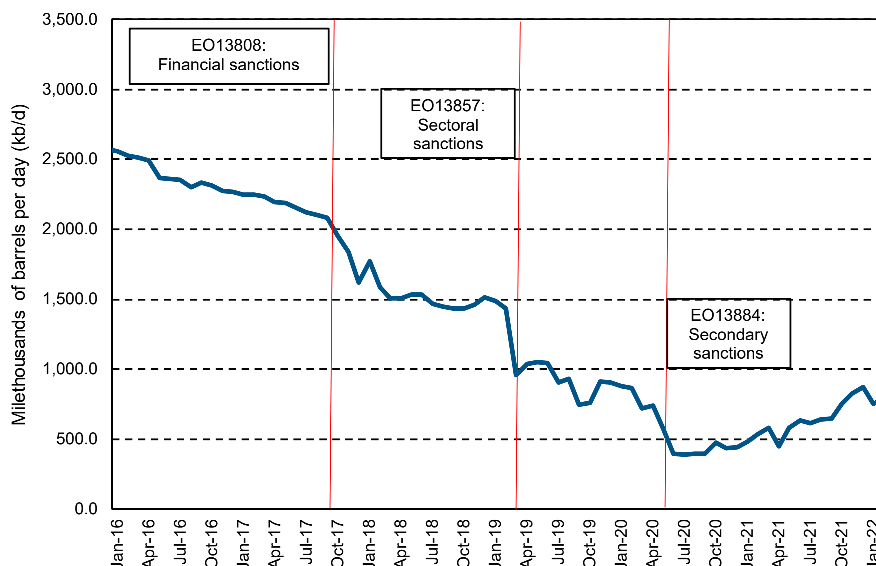

Note: Chronology of major sanctions highlighted in red.
Sources: OPEC and Ecoanalítica.

What has prompted this partial recovery?

This recovery, still partial and far from pre-sanction figures, is -45.5% (1.477 million b/d) from the quarter's average before oil sector sanctions were implemented. The recovery is based on a complex crude oil commercialization system designed to evade sanctions with an endless number of triangulations, discounts and shipments to opaque destinations with geolocation tools turned off. In addition, more regular shipments of diluents from Iran to facilitate the refining of Venezuelan ultra heavy crude, resumption of operations post-pandemic and fewer shocks caused by electrical failures or operational restrictions.

Despite a partial recovery, the Venezuelan oil industry is in a state of fragility and vulnerability never seen before. It's been hit by the interruption of trade flows, harsh international sanctions and accelerated degradation of production capacity, which has only shown signs of partial recovery in the short term with the help of Iranian technical teams.

In fact, a good example of this are the significant inter-monthly production drops experienced in April 2021 and January 2022. PDVSA continues to present structural operational problems, such as irregular supply of diluents, lack of active drills and barriers to external financing that cause sudden drops in production. That is why there is an (unstable) ceiling for local production recovery, also affected by the possibilities of placing crude within the framework of a hostile export environment.

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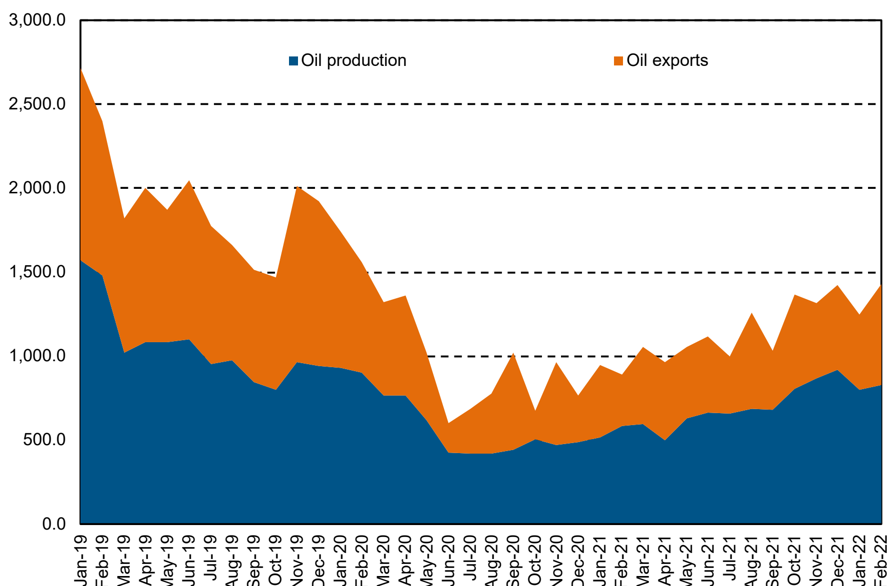
More exports, but at what cost?

The main oil trading partner is China, although there is no record of direct shipments from Venezuela or Iran by the Chinese government, at least since December 2020. Chinese imports from Malaysia and Oman have increased, although their production capacity has not. Both have served as strategic stops to get Venezuelan crude to the Asian country. In fact, according to Bloomberg data[5], Venezuelan and Iranian crude imports made by China grew by 53% in 2021.

Venezuelan crude oil production and exports



Sources: IPD and Ecoanalítica.

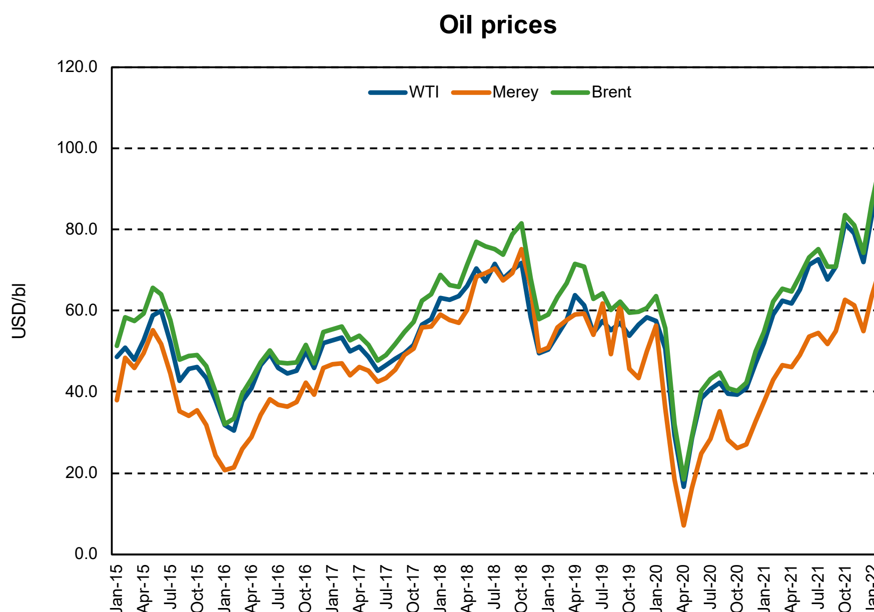
According to Malaysian import data, the country has increased purchases of Venezuelan crude oil since 2018 and maintained these trade relations throughout 2020 and the first three months of 2021. Chinese oil imports from Malaysia showed their highest peak in 2020, without Malaysia increasing its production capacities. There are records of shipments to European countries such as Spain, Greece and Italy, a minor portion compared to a volume of exports whose destination is difficult to follow even by *Trademap*'s *mirror data tools*. This is concerning due to the variety of actors that could be involved and who don't face any incremental reputational costs from PDVSA's sanctions regime. Furthermore, for the last three years and per a January 2022 Reuters

[5] Bloomberg. January 10, 2022. *China Gorges on cheap, sanctioned oil from Iran, Venezuela.*

report, PDVSA increased crude oil exports to Cuba, reaching 80 kb/d, providing greater financial support to the island's government.

On the other hand, according to official sources available to **Ecoanalítica,** close to 60% of exported Venezuelan crude goes through the Russian financial system, which delivers cash dollars to PDVSA to close the financial operation, surely implying additional costs in the process. Therefore, and as a result of the war in Ukraine and the sanctions against Russia, we expect that the government's access to cash dollars will be difficult in the short term, if there are no changes in the Ukraine conflict or in Venezuela's condition vis-à-vis the United States.

Despite inventory availability and higher prices, U.S. sanctions have continued to limit the commercialization of Venezuelan crude oil.



Nota: Projections from February 2022
Sources: Ecoanalítica.

As a result, PDVSA has continued to resort to discounted sales and opaque offshore operations that allow its partners to slip under the U.S. radar and evade possible secondary sanctions. In addition to the regular Merey discounts compared to others such as Brent (27.7%), being a heavy crude with lower demand, PDVSA's commercial partners also require an additional discount that **Ecoanalítica** estimates at an average of 40.2% during 2021. Buyers justify it as the risk they assume when negotiating U.S.-sanctioned barrels. This, implies annualized losses of about USD 4 billion, related to additional reputational risk strategies adopted by companies trading with PDVSA. As an example,

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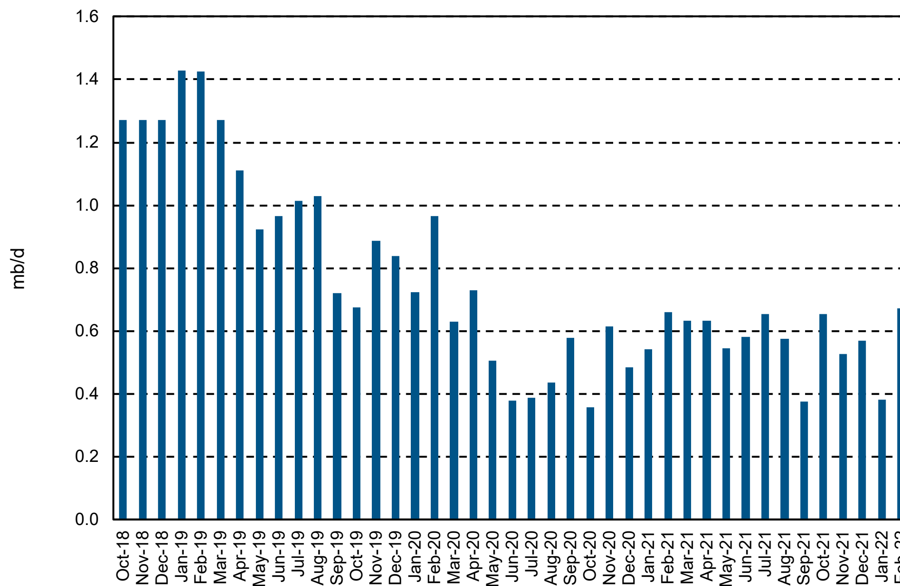
tankers bound for Venezuela turn off their automatic identification systems so as not to report their position and transfer their barrel cargoes to other tankers overseas. In recent months, sources consulted by Ecoanalítica have affirmed that the cost for additional discounts for opaque commercialization has diminished with an optimization of PDVSA's export triangulation process.

It's clear that PDVSA continues to use shady mechanisms to transport oil. Thus, as long as it sells it with large discounts that allow customers to obtain significant profits despite the risk incurred by sanctions, it will always find a market. This points to at a minimum, partial failure of those strategies aimed at halting Venezuelan crude exports, which show a 19.7% YOY increase from 540,000 b/d to 670,000 b/d recorded in January.



Sources: Tanker Trackers, Refinitiv Eikon, Reuters and Ecoanalítica.

New partners, more opacity

In previous reports, we outlined how the government, lacking the necessary financial capacity, has been offering investment possibilities in the oil industry since the beginning of the year.

Among the most attractive aspects of this proposal is the promise of a modification of the Hydrocarbons Law from the National Assembly (NA) elected in 2020. This promised has been mentioned several times advocating for the return of the JV partner companies. However, the stagnation in the *status quo* and the high reputational costs of being

associated with PDVSA have led to the exit of several pro-Western actors and the entry of new and less known partners.

For example, Royal Dutch Shell left in late 2019 a partnership to reduce gas flaring in the state of Monagas due to payment problems related to sanctions and the local service company Vepica took over the project.

Also, the Japanese oil company Teikoku sold 30% of PetroGuarico to Venezuelan firm Sucre Energy Group. In addition, another Japanese consortium comprised of Mitsubishi Corporation, Inpex Corp. and JOGMEC, decided in June 2021 to abandon the joint venture Petroindependencia in the Orinoco belt, in which it had a 5% participation, proposing a dilution of its shares relative to the other shareholders (PDVSA 60% and Chevron 34%). However, there is still no clear resolution of this matter.

Another example is the transfer to PDVSA of Equitor's and Total's shares in Petrocedeño. Regarding the exit of the latter, Total's executive director said that it was due to a strategic decision to reduce carbon emissions, although it is known that the relationship between the multinationals and PDVSA was not ideal. The state-owned company assumed all the operational aspects of the joint venture and the others had a consultancy role. The worsening production performance, which went from 100 kb/d in 2017 to 14 kb/d in May 2021, and the sanctions limiting PDVSA's action would also facilitate the decision to abandon the project.

As already mentioned, the government, aware of the possibility that former partners may disengage from other projects and in view of its financial limitations, has been entering into deals with local companies for the financing of projects in exchange for crude oil. The JV participation of Chevron and CNPC is maintained as the most important companies with local activities but null production levels, after the exit of Rosneft in March 2020, as a result of secondary sanctions' implementation of the Trump administration against Nicolás Maduro.

Understanding the difficulty of attracting new investors, at the end of 2021, Angel Rodriguez, president of the Energy Commission of the 2020 NA , said that they are still receiving proposals for the Hydrocarbons Law reform. In addition to the participation of private entities in production, the possibility of reforming the percentage participation of joint ventures to allow a majority of private capital, the creation of special economic zones or changes in the tax burden was also being considered.

The reality is that, if there are no changes in the general sanctions regime to lower the reputational costs of investing in Venezuelan oil, the opacity of Venezuela's new oil partners, the destinations to which they are sent and the flows of crude oil will become

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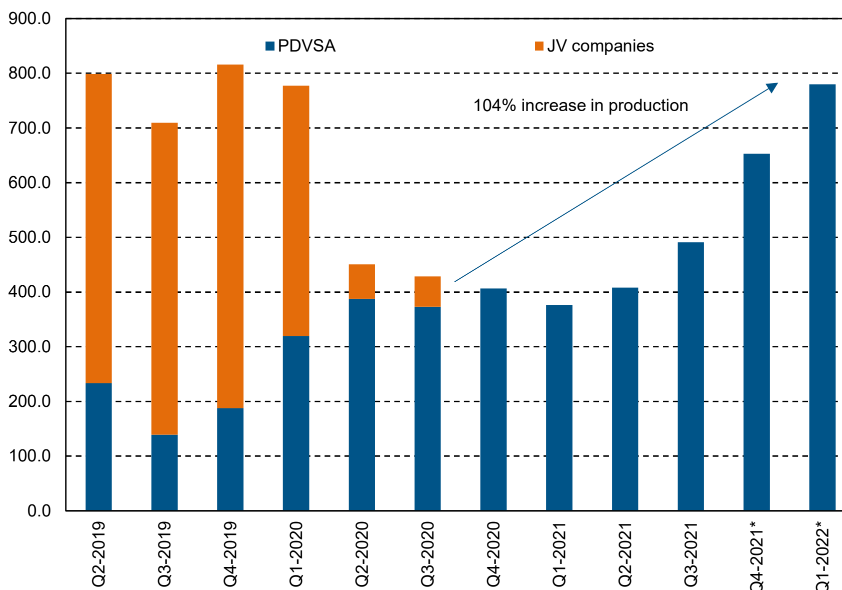
increasingly murky. In a context of greater money flows, for the country, the impact of this on the local and regional economy will not be minor, one more reason that should motivate a change of strategy.

Production in the hands of the 'opaque' PDVSA



Sources: AVHI and Ecoanalítica.

In line with what we have mentioned above, an element from the policy of pressure on PDVSA's joint-venture business partners is that the Venezuelan state oil company today has control of the upturn in production, **a 104% increase in production in terms of volume and an increase in average monthly revenues of 202.7%** over the floor in July 2020, considering current prices and discounts. However, joint venture partners went from having a weight in PDVSA's total production of close to 60% (2017-2019) to 0% abruptly, due to the 2019 secondary sanctions.

And the reality is that, without the support of foreign partners and a reinstitutionalization of the sector, a scenario of sustained recovery for the industry is hardly feasible due to lack of access to financing, the little or no resolution of structural productivity problems of the Venezuelan economy and the opportunities generated by the high opacity environment to adapt wide corruption schemes along the entire production and distribution chain.

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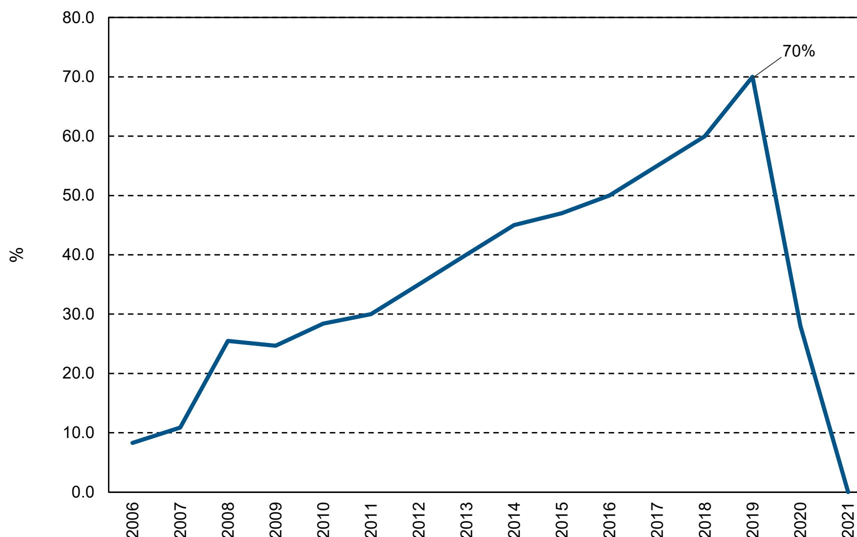
Share of JV companies in total production



Sources: AVHI and Ecoanalítica.

A prospective view: from paradigm shift to trend change

In **Ecoanalítica** we have argued that U.S. sanctions imposed in 2019 are not the main factor responsible for the accelerated economic downward trend of 2014-2020 which accumulated a drop of 80% of the country's GDP caused by the collapse of the interventionist model of chavismo and the poor economic management of the Maduro government.

However, it is a reality that, as a consequence of the sanctions, the government faced more serious budgetary restrictions, especially since 2019. As such, it had to make changes in macroeconomic policies to sustain itself in power, among them:

- Permissiveness in the advance of transactional dollarization in the economy.
- Broad tariff exemptions on imported goods to combat shortages and inflation.
- Drastic reduction of public spending: Elimination of gasoline subsidies, reduction and/or elimination of various social programs, wide lag of the minimum wage in real terms.
- Lifting of price and exchange controls.
- Granting of transfers, administrative concessions and in some cases sale and return of assets by the State.

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- Restriction of available credit to curb pressures on the foreign exchange market through high reserve requirements.
- And an element mentioned earlier in the report, the redirection of oil shipments to the Asian market, incurring high discounts for the placement of barrels with the intention of evading sanctions and sustaining the cash flow of the oil industry.

These measures have led to a decrease in monthly inflation rates, that have allowed Venezuela to finally emerge from the classic hyperinflation[6] after more than four years, although it will remain at high inflationary levels in the medium term.

In this context, dollarization has facilitated, despite its many restrictions in the local financial system, a greater dynamism in commercial activity and, for the first time in eight years, some positive results in the country's macroeconomic aggregates, such as:

- The economy contracted to its lowest level in eight years, evidencing a turnaround in GDP after accumulating a nearly 80% decline.
- Private sector GDP growth in 2021 was 3.1% after a cumulative decline of 82% since 2013.
- Oil GDP increased by 3% in 2021 and is expected to grow by 9.1% in 2022.
- We expect an increase in private consumption of 10% in 2022, and about 8% in aggregate consumption.

In spite of these positive but moderate numbers for 2021 and 2022, the Venezuelan economic reality continues to be excessively complicated after having experienced the largest contraction on record without armed conflict. Therefore, unless drastic structural changes such as an opening of the oil sector with participation from pro-Western companies that could solve the country's substantial productivity problems, the recovery process will be extremely slow and gradual.

[6] According to the classic definition of Philip Cagan (1956), in his book "The Monetary Dynamics of Hyperinflation" an episode of hyperinflation begins the month in which the increase in prices exceeds 50% and ends the month prior to which that increase falls below that rate and remains so for at least one year.

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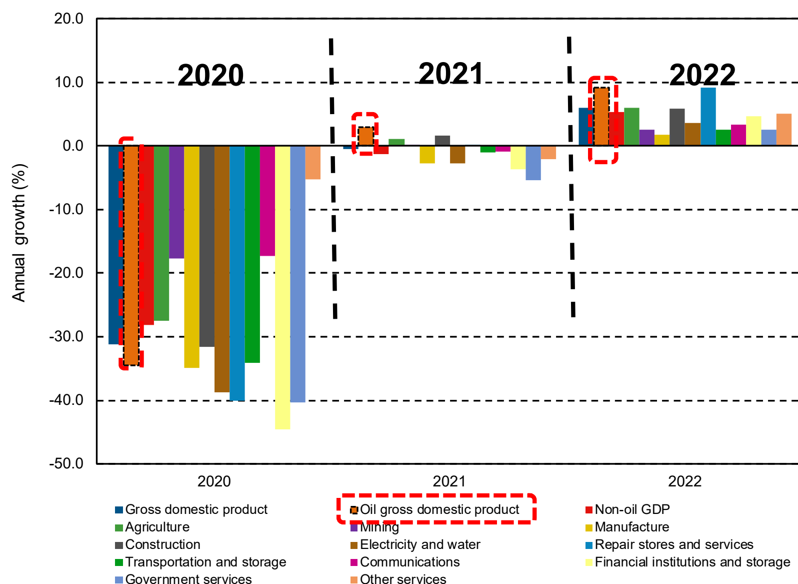

Sources: Ecoanalítica.

Direct impact on the industry: we estimate an increase of more than 183% in PDVSA's cash flow compared to 2021.

Although economic growth estimates and the rest of the macroeconomic aggregates still show a very weak recovery, as we mentioned before, the rebound in terms of oil prices and production will generate a year-on-year improvement in the government's cash flow from oil exports that **Ecoanalítica** estimates at 141.4% in 2022[7], after an increase of 24.4% in 2021 with respect to 2020. This implies, according to our estimates, that in two years, export revenues would increase from USD 5.714 billion to USD 16.2 billion in 2022 (183% increase 2020-2022).

The accumulated improvement in a scenario without structural changes, such as the opening and lifting of sanctions mentioned above, would stagnate year-over-year growth. However, it would result in an increase of 162% in the value of exports between 2022-2024 versus closing of 2021, operated almost exclusively under the umbrella of PDVSA and its new allies under the so-called 'Anti-Blockade Law'.

[7] Status Quo scenario, to be developed later: No lifting of sanctions this year and no increase in the participation of joint ventures.

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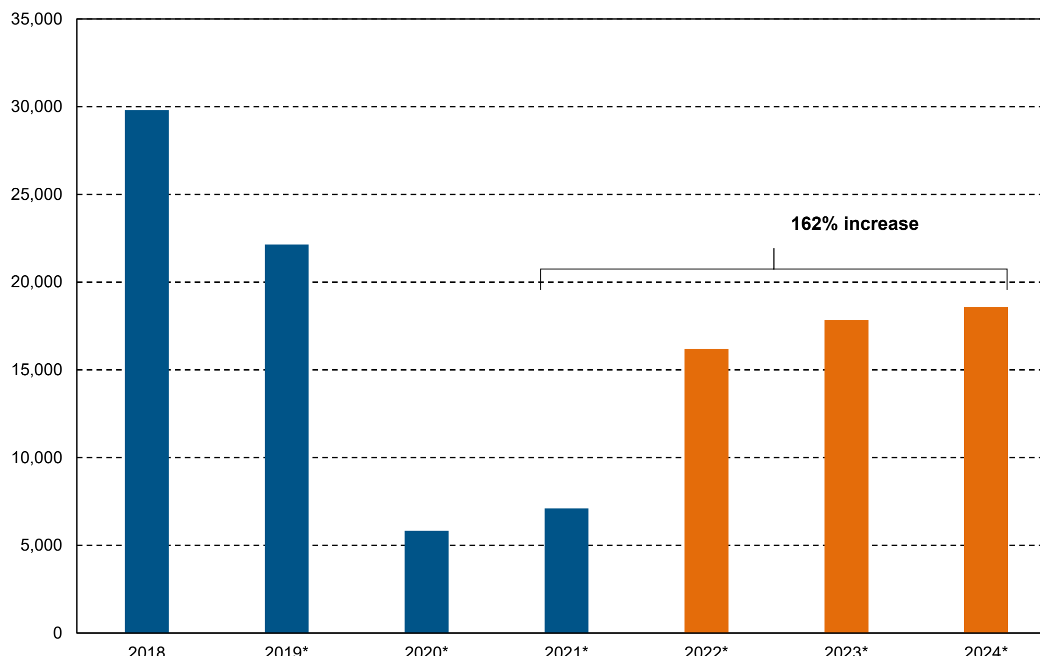

Sources: BCV and Ecoanalitica.
Note: Data for 2019-2021 are Ecoanalítica estimates. 2022-2024 results are Ecoanalítica projections..

Possible scenarios of oil opening and lifting of sanctions

We analyzed what would happen to current production levels under a scenario of oil sector opening with greater participation from current joint venture companies through a change in the Hydrocarbons Law. This scenario did not include measures with a low level of institutionalism such as concession adjustments, administrative assignments or commercial/strategic alliances[8] through the Anti-Blockade Law.

Under this assumption, we pose two divergent scenarios of Venezuelan oil recovery above the *status quo* trend, and also the assumptions of the latter:

- Recovery program: The first scenario, part of an analysis by sector experts[9], who considered a policy of oil sector opening with the companies that are currently part of the *joint venture*s, foresees a monthly production growth rate of 7.4% in the first year and reaching pre-Pandemic production levels in just two years. The analysis compared

[8] All of them legal figures used in the asset transfers quantified by **Ecoanalítica** since 2015.
[9] IDP

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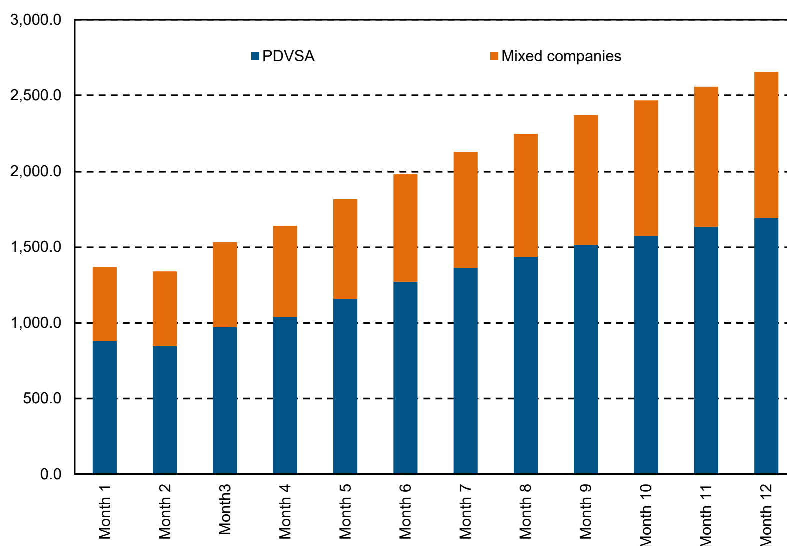
Venezuela's oil industry recovery process to sanctions' lifting processes in Iran, Libya or Iraq in the 21st century. This scenario may be excessively optimistic because it disregards domestic factors, such as the complete stoppage of drills and of most of the wells due to maintenance failures after years of zero investment and no professional and technical follow-up. However, an element that favors of this scenario is that, at current prices and with the need to increase supplies to Western markets, it is likely that the Venezuelan industry will become attractive in terms of profitability. Additionally, as oil supplies drop in the coming months as a result of sanctions on Russia, tapping the world's largest oil reserves could become a tangible option for pro-Western companies.For such scenario, the entry of foreign capital is instrumental to increase production. It is estimated that during the first year, PDVSA's foreign partners will carry 56.7% of the production responsibility during the first year, and a recomposition of the shareholding percentages in the joint ventures will be needed. The average production for the12 months after lifting of sanctions would be 1.385 millionb/d, closing the 12th month with 1.84 million b/d.

Optimistic scenario of recovery in the next 12 months



Sources: IPD and Ecoanalítica.

- Moderate recovery program: In another scenario, based on **Ecoanalítica** forecasts from 2021, a more moderate vision of the oil activity recovery plan is considered, based on a more cautious investment by the joint ventures due to fears of a weak regulatory framework and the high costs necessary of an industry recovery. For this reason, this scenario foresees month-over-month production increases of 2.85%, even considering an oil sector opening with several of PDVSA's international partners. This would yield an average production of 1.037 million b/d, while for the end of the year, production is estimated at 1.090 million b/d.

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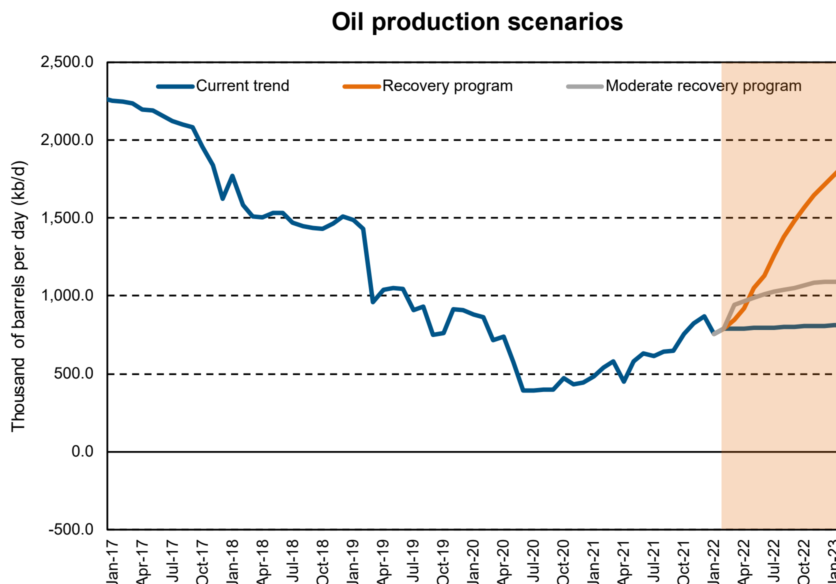
- Current trend: Finally, our baseline scenario, with no change in the Venezuelan *status quo,* estimates Venezuelan oil exports to reach a much more moderate average recovery of 830,000 b/d and exports of 700,000 b/d, representing a year-on-year increase of 30.5% and 12.2%, respectively.

Oil production scenarios



Note: A macroeconomic stabilization program with reforms for the rapid recovery of the oil sector is assumed.
Sources: OPEP, IPD and Ecoanalítica.

The 'new conflict' scenario: Incentives for an agreement

With all of the above, the broad sanctions announced by the United States against Russia aggravate the situation for both Venezuela and the United States.If sanctions are not lifted, PDVSA and the Maduro administration will face several limitations in the short term, as an indirect consequence of this escalation in the Ukraine - Russia conflict.

The giant Russian economy, one of the largest emerging economies in the world, will now have very limited access to international markets and will have to divert part of the 7 million b/d net crude it produces to non-traditional or black markets, which is equivalent to ten times what Venezuela circulates in those markets. As a result, it could limit the space used by Venezuela to exports this crude skirting the 2019 sanctions through triangulations devised by China.

However, this will not be the only way in which this new geopolitical element will impact the local industry. As part of the state-owned oil company's financial structure, Russian banks are the recipients of most of PDVSA's revenues, which we estimate to be close to

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60%. For this reason, we expect that sanctions on Russian banks will have a direct impact on the circulation of *cash* in the country and local economic activity.

Another challenge is that sanctions will cause Russia to focus its oil activity within its own territory and Russian technical assistance in the Venezuelan oil industry will be affected, including its active participation in joint ventures in a scenario of reactivation of the local industry. To put it in perspective, before the direct sanctions on Rosneft in 2020, PDVSA's joint projects with Russian companies accounted for about 15% of total Venezuelan oil production.

Finally, given that our crude is much heavier than that of Russia or the Arab countries, the use of diluents is crucial. Although historically we imported them from the U.S., today we depend on diluents from Iran which, due to Venezuela's own needs, are sold at a discount, a typical business dealing between two sanctioned nations. But there is one factor that could change this. If sanctions on Iran are lifted, a viable possibility if a new nuclear agreement is reached, Iran would be able to sell its crude in traditional markets, which would reduce the incentives to sell its diluents to Venezuela at a discount.

All these factors are added to other more structural limitations faced by Venezuela, such as the weak local institutional framework in regulatory and environmental terms (key for multinational companies) and a large drain of skilled human capital.

To illustrate this, the Observatory of Political Ecology of Venezuela estimates that there are 5.8 spills per month in the country. On the other hand, the oil sector is experiencing a "talent drain" since the dismissal of some 19,000 PDVSA employees in 2003. A figure that exemplifies the latter is the number of Venezuelans in Alberta, an oil province in Canada, which increased from 465 in 2001 to 3,860 in 2011. Similarly, production in Colombia soared from 536,000 b/d in 2000 to 1mb/d in 2011 with the arrival of PDVSA ex-workers.

A flow that is not at all irrelevant

Despite the precipitous drop in Venezuelan oil production between 2014 and 2020 (86% contraction in monthly b/d averages), linked to a variety of factors[10], the trend shown by production data over the last 19 months is notoriously bullish, as revealed by the 104% increase since the lowest level of production in July 2020, when the brunt of the effect of sanctions and the drop in demand due to the pandemic drove the industry to lows.

[10] Lack of maintenance, loss of technical human capital in key areas, hostile policies with the private sector and, finally, the establishment of financial and commercial sanctions against the industry.

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However, the increase in exports and production so far has been achieved by PDVSA and excessively opaque players, given the irrelevance of foreign partners as a result of the current sanctions regime in place since 2019.

Even in the *Status Quo* scenario, which assumes the current sanctions regime stays in place, oil export revenues increase in 2022 to USD 16.2 billion (an increase of 204% with respect to 2020), as a result of an average production increase of 28% and higher international crude oil prices.

In the cases where sanctions are lifted and there is room to increase share ownership of the joint ventures by PDVSA's international partners revenues could jump from USD 7.109 billion in 2021 (affected by losses of close to USD 4 billion in discounts in the commercialization of crude oil) to a range in gross revenues between USD 25.25 billion, an **Ecoanalitica** estimate fora scenario of lifting of sanctions and oil opening in 12 months, and USD 31 billion, which is a slightly more aggressive estimate by market specialists, which, beyond the specific figures, reveals the profitability potential of entering this market, after the minimums of 2020.

In view of everything mentioned in the report, it is clear that Venezuela has few alternatives for a greater recovery without the lifting of sanctions. But in that sense, in order for our oil to supply Western markets again, it is key that a strategy to lift sanctions contributes to the reactivation of activities with pro-Western partners. This is the only way to limit the industry's current opacity, where the destination of shipments, reference barrel prices and the actors involved in financial triangulations to evade sanctions are unknown.

On the U.S. government side, despite the internal frictions that this proposal may generate, it seems no less relevant to disregard the need to use all available resources to compensate the energy needs of its European partners in the face of the foreseeable drop in Russian exports to Western markets and the impact that sanctions will have on their production. For this reason, Venezuela and its vast oil and gas reserves seem to be a prudent target with which to approach relations in a medium to long term horizon of Russian exclusion.

In order to move forward, a complex —but worthwhile—economic policy exercise is needed for the positive impact it would have on the local economy, including addressing the humanitarian crisis and the high levels of debt faced by the Republic after 4 ½ year of *default*. Globally, this would contribute to a greater stabilization of the word's energy market.

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On the side of the complex humanitarian emergency, which encompasses some 7 million Venezuelans, the United Nations Organization for the Attention of Humanitarian Affairs has estimated that needs in key areas such as health, education, water, sanitation and hygiene require at a minimum USD 1.062 billion in first year to guarantee the survival of the most vulnerable population. This is only the tip of the *iceberg* of a social spend that will have to be increased after a drop of 86% in the GDP per capita in only 8 years, combined with a hyperinflation that lasted nearly 4 1/2 years, which destroyed the purchasing power of Venezuelans.

Finally, in the face of any recovery scenario of the country's revenues, Venezuela cannot ignore one of the most important structural issues it faces and which no rebound in oil revenues in the short term will be able to solve on its own: the USD 127.2 billion owed by the country to its creditors, after more than 4 years in *default*, and for which it will necessarily to move towards a restructuring, a key element before moving towards a broad and sustained growth.

Evolution of gross oil revenues in different scenarios (2020-2022)

Variable	2020	2021	2022 (status quo)*	2022 (moderate)**	2022 (optimistic)**
Average production (bpd)	558.42	635.25	830.00	984.00	1,211.58
Average price (barrel/USD)	28.04	30.66	71.52	71.52	71.52
Gross oil revenues (USD)	5,714,491.81	7,109,204.54	21,666,984.00	25,687,123.20	31,627,981.36
Change (%) compared to 2020		24	279	350	345

* Average price per barrel is calculated without the average discounts that Venezuelan crude oil has received under the current sanctions scheme, due to improved trading conditions, according to sources consulted by the firm.

** Prices estimated in moderate and optimistic scenarios are based on projections of the value of the Merey oil barrel and the Venezuelan basket, in a scenario in which sanctions are lifted.

Source: Ecoanalitica

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