



ILLICIT

ECONOMIES

UNDER THE CLOAK OF IMPUNITY

EXECUTIVE SUMMARY



OCTOBER 2023

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INTRODUCTION

During the past few years, Transparencia Venezuela has closely monitored the flow of illicit economies operating in the country, their links with stakeholders in positions of power and the national and international networks operating around these activities. As a result of these efforts, we have produced an impactful report, which has served as a reference to identify the main criminal groups that operate under the cloak of impunity and corruption, and for understanding their scope in different walks of society, as well as its impact on the guarantee of human rights.

With *Illicit Economies under the Cloak of Corruption* (Transparencia Venezuela, 2022), the organization set a landmark by identifying the interdependence between illicit economies and the criminal bureaucracy established in Venezuela. The report included an analysis of drug trafficking, fuel smuggling, illegal gold smuggling, scrap metal smuggling, and corruption in ports and airports.

In addition, we reported issues related to some of the major criminal groups, their main illicit activities, their areas of influence, the estimated number of members, and their alleged links to political and military power.

Now, the study has been expanded and, with *Illicit Economies under the Cloak of Impunity*, 2023 edition, we delve deeper into the characterization of criminal networks and markets in Venezuela. The report starts with an analysis of Venezuelan institutions as an enabling environment for the evolution of organizations into complex criminal networks. In this sense, it shows how the increase in illegal activity has nurtured and—at the same time—has fostered different levels of corruption in Venezuela.

In addition, based on the findings reported in the previous edition, this time we conceptualize the different mechanisms of co-optation and operation of the criminal networks already

identified. These forms of interaction range from coercion and violence; and the exchange of political assets to the flow of share capital with businessmen.

Investigation focuses on possible changes in criminal organizations and their activities, the emergence of new groups, new relationships with corrupt institutions and public officials, and qualitative analyses that determine the deviations in the institutional, economic, political and social political realms.

In addition to the smuggling of gold, fuel and drugs, we describe new illicit economies, including human trafficking and the illegal trafficking of rhodium and coltan. We also evaluate the types of agents involved in these practices in order to identify the most relevant roles in the structuring and operation of the criminal network, mainly in human rights violations.

The results of this new stage of research are contained in these chapters of *Illicit Economies Under the Cloak of Impunity*. We begin with the Institutional Structure, an Enabling Environment for Organized Crime, as an effort to describe the progressive dismantling of Venezuelan institutions, which is expressed in repeated and systematic actions led by an elite group that continues to hold top authority after more than 20 years in power.

The next chapter is *Criminal Agents*, an obscure relationship, a descriptive and qualitative analysis of the general characteristics of the criminal networks operating in the country, of those made up of agents engaged in illicit activities as a form of criminal activity, and of the criminal networks that operate in the country, both of those made up of actors engaged in illicit activities as a full-time way of life, as well as those actors that act out of perfectly legal organizations.

The third part of the report, *Deviations Caused by Criminality in Venezuela*, presents the most relevant illicit activities and their institutional, economic, political, social and cultural implications in three Venezuelan states. The information needed to develop this section was obtained through the design and application of a field work data collection instrument in areas affected by this phenomenon.

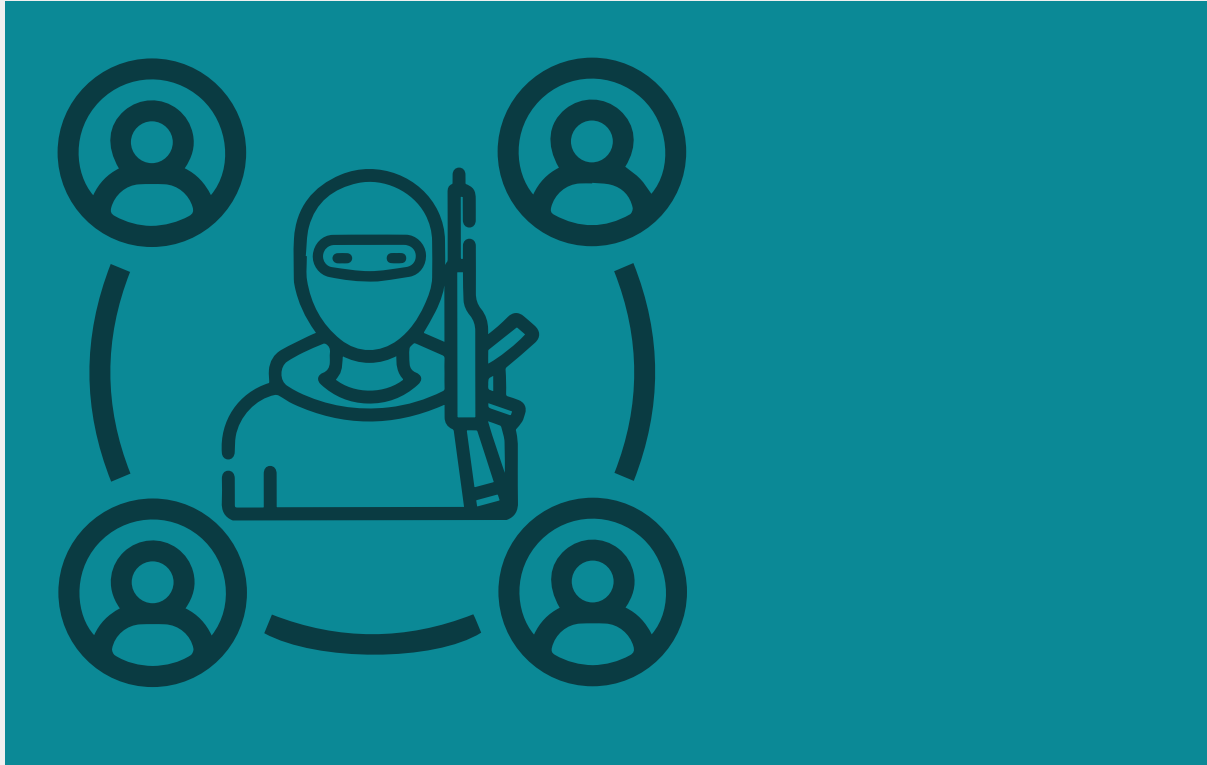
Disinformation as an Ally of Illicit Economies shows how while corruption has become entrenched in many government activities, the official discourse is based on a supposed fight against illicit activities that surprisingly never affects the top echelons of power involved. The different forms of disinformation are used as instruments of political manipulation.

Finding the link between illicit economies and modern slavery addresses an increasingly relevant issue in a context of corruption, impunity and overall crisis in Venezuela, a country with the largest human displacement in the continent, estimated at 7.2 million migrants.

This chapter focuses on the link between modern forms of slavery, human trafficking, and the relationship with other illicit economies such as drug trafficking, illegal mining of gold and other minerals, and scrap metal smuggling.

Subsequently, in *Illicit Economies in Venezuela, Growing Revenue Shared among Allies*, we continue to explore the dynamics of these illegal activities, expanding the research and adapting certain methodologies for greater precision in the estimates of mineral production and exploitation and their effect on the revenues of criminal groups, as well as trafficking in illegal substances for a more accurate picture of the actual money inflows of these networks.

Lastly, you will find *Change is Possible*, recommendations and key proposals in the strategy to correct the deviations caused by the activities of criminal groups under the cloak of impunity and corruption.



VENEZUELAN INSTITUTIONS, AN ENABLING ENVIRONMENT FOR ORGANIZED CRIME



The consolidation of criminal structures in Venezuela required amendments to legislation and the reconfiguration of several institutions—changes that began in 2000—in an attempt to gain access to vast funds and protect the power of certain groups.

The control of the justice system was key and was achieved through the systematic implementation of policies aimed at suppressing the independence and impartiality of its institutions. Noteworthy is the appointment of individuals close to the power groups to head the most powerful institutions; job insecurity for judges and prosecutors, as well as insufficient salaries; exemplary measures such as the dismissal, imprisonment and torture of judges who ruled against the interests of those in power; and legal reforms to intervene judiciary institutions with the sole purpose of making it respond to particular interests.

MAIN POLICIES THAT SUPPRESSED THE INDEPENDENCE AND IMPARTIALITY OF JUSTICE

- Legal reforms to intervene the conformation of judiciary institutions.
- Appointment of individuals aligned with power groups in the Supreme Court, the Prosecutor's Office and the Ombudsman.
- Job insecurity for judges and prosecutors, in addition to insufficient salaries.
- Dismissal, imprisonment and torture of judges who act against interests of power.

These measures have led the Venezuelan justice system not only to remain passive in the face of crime and actually shelter it, guaranteeing impunity for certain groups, but also to anticipate the needs of powerful officials and issue rulings that favor them, even when they are knowingly committing serious human rights violations.

The co-optation of the National Armed Forces was also evident and was done through the amendment of regulations that allowed the military strategic involvement in areas of interest to organized crime such as: regulation and control of weapons since 1999; the monopoly of criminal investigation related to narcotics since 2005, and more recently, the oversight of gas stations. The military was also empowered through economic benefits by awarding numerous and substantial contracts with the State to private companies created by military officers; by appointing them as top authorities in Ministries and in more than 100 strategic state-owned companies, including *Petróleos de Venezuela (PDVSA)*, Venezuela's most important company, not to mention the nomination of military officers to publicly-elected positions for the governing party (PSUV).

POLICIES THAT HAVE IMPACTED THE ROLE OF THE ARMED FORCES

- Venezuela broke relations with the DEA and the British police (2005).
- The military was granted jurisdiction as the police authority for criminal investigation in drug matters.
- The military controls and regulates weapons and gasoline distribution.
- Many military personnel were awarded numerous and large contracts with the State.
- The government put military officers in government positions and in more than 100 strategic SOEs, including PDVSA.



An important milestone in the fight against organized crime occurred in 2005, when the government of Hugo Chávez terminated the cooperation agreements that were in place with the DEA and the British police, which had allowed progress in the investigations against drug traffickers in Venezuela. This occurred the same year in which all branches of the Bolivarian National Armed Forces (Army, Navy, Air Force and National Guard) were declared competent to investigate criminally all matters related to narcotics.

The government also implemented policies aimed at expanding the power of the executive branch, headed by the president of Venezuela, and the gradual weakening not only of regional and municipal governments, but also of checks and balances systems. The President has the power to issue enabling laws on any matter and has made a questionable use of this power. He has also issued economic emergency decrees for approximately 5 years, which allowed him to make decisions of national interest on budgetary, financial and financial matters, and in contracts, without the approval or authorization of Parliament. Noteworthy is the creation of parafiscal funds, with which the Executive Branch managed vast funds coming from PDVSA, which were not subject to parliamentary oversight.

The systematic expansion of controlling power by the Executive Branch came simultaneously with an increase in secrecy across the government, which is now consolidated. The nation's budget and the Indebtedness Law have not been published since 2017; and since 2021 the weekly changes made to the hidden budget have not been published. Since 2016, no government agency has disclosed their budget implementation and almost none of them submits management reports. They do not publish the procedures for the selection of contractors, contracts or strategic partnerships. The actual size of the Venezuelan State is unknown. The list of State-Owned Enterprises is not made public, nor is the information

provided by the government on the main macroeconomic and socioeconomic data of general interest.

In this scenario, numerous policies were issued that encouraged grand corruption, strengthened criminal groups and favored the establishment of a symbiotic relationship between criminal organizations and the Venezuelan State, such as foreign exchange control, regulated prices for basic foodstuffs and gasoline, and the amendment of the Procurement Law to incorporate exceptions to the law or to the selection procedures.

The action of the Venezuelan Prosecutor General's Office is relevant for this analysis, as it is the body that leads criminal investigations and has a monopoly on criminal prosecution.

Transparencia Venezuela reviewed the publications made by the Prosecutor General during 2022 on the official website of the Public Prosecutor's Office. In addition to general matters, we only identified 92 records of actions related to drug trafficking, gasoline smuggling and smuggling of strategic material. This is insufficient information that requires great systematization efforts in order to follow up on the actions carried out by this agency, and to determine in which cases the criminal action is progressing, how many cases have led to conviction or acquittal, or which ones are stalled.

Of these 92 records, 54 reports refer to arrests or convictions of 115 people for crimes related to drug trafficking. This data shows that the information provided by the Venezuelan Public Prosecutor is discretionary. This is due to the fact that when these figures are cross-checked with those in the 2023 report of the National Anti-Drug Superintendency (SUNAD), we find that the Venezuelan Prosecutor General's Office states that, in 2022, a total of 4,015 people were investigated and indicted for drug offenses, i.e. a considerably higher figure.



PUBLIC PROSECUTION MINISTRY

- Has not published management reports since 2016.
- After a crawl on its official website in 2022 we identified 92 records of drug trafficking, gasoline smuggling and smuggling of strategic material.
- A total of 115 individuals are mentioned in connection with drug-related offenses in 54 of these records. In only 3 cases amounts exceed 1,000 kilos of drugs, but the report of the National Anti-Drug Superintendency (SUNAD, 2023) mentions that in 2022 a total of 47,264,837 kilos were seized.
- Of the 115 people investigated for drug trafficking, 11 are public officials.
- There were only 10 reports of arrests related to gasoline smuggling.
- The rest of the reports analyzed refer to cases of arrests or convictions for trafficking or illegal trade of strategic material. The companies most affected by these crimes are PDVSA and its subsidiaries, Hidrocapital (water supply) and Corpoelec (power distribution).
- These figures are very different from the records included in the 2023 report of the National Anti-Drug Superintendency (SUNAD). The report states that the Public Prosecutor's Office investigated and prosecuted 4,015 people, which means that the Public Prosecutor's Office only provides information on 2.9% of the people investigated. It is not known which cases were closed without conviction.

Regarding gold smuggling, the Public Prosecutor's Office makes no reference to the status of the investigations, and in relation to gasoline smuggling, only 10 reports of arrests for this crime were identified.

The rest of the reports refer to cases of arrests or convictions for trafficking or illegal trade of strategic material, such as oil pumps, aluminum, ferrous material, pipes (one of which was to be used for the construction of the Tuy IV Dam), copper, bronze, tank sheets, electrical wires, beams, among other materials. The agencies most affected by these thefts include: PDVSA and its subsidiaries, Corpoelec and Hidrocapital.

The Public Prosecutor's Office did not publish any information in 2022 on emblematic cases of drug trafficking, smuggling and other illicit economies prosecuted in the Venezuelan justice system, such as the so-called Paraguaná Cartel, an organization that was allegedly involved in drug trafficking from Falcón state to Dutch Caribbean islands and other parts of the world. There is also no information about the initiation of any investigation for accusations made in the justice systems in other countries, including the investigation underway in the United States against Venezuelan military and civilians allegedly belonging to the so-called Cartel of the Suns.



CRIMINAL AGENTS, OBSCURE INTERACTIONS



The monitoring of illicit economies and criminal organizations in Venezuela, the analysis of the political and social environment in which they operate, the estimation of the power they wield, as well as the investigation of their capacity to adapt, have allowed Transparencia Venezuela to confirm the symbiotic relationship between criminal agents and Venezuelan government agencies. According to researchers this occurs when the interdependence of organized crime with the political and economic system is such that the dividing lines are blurry and the agents participate as a political-bureaucratic-economic-criminal corporation.

In this installment of Illicit Economies under the cloak of impunity project, Transparencia Venezuela conducts a deeper analysis of this symbiotic relationship that shelters criminal activity in the country and leaves citizens in

utter defenselessness. In this context, illegal activities are promoted, the institutions in charge of overseeing and delivering justice are permeated and weakened, while the free exercise of economic, social, cultural and environmental rights of all Venezuelans is severely undermined.

Based on the search and systematization of data contained in official documents from third countries, reports from international bodies, investigative reports published by recognized media outlets, and the use of structured and unstructured interviews in the border states of Zulia, Sucre and Bolivar, our organization identified four general common characteristics of criminal networks operating in the territory and confirm this symbiotic relationship:





THEY ARE SUPPORTED BY AND INVOLVE AGENTS THAT ARE NOT TECHNICALLY CRIMINAL, BUT IN AN UNDEFINED OR "GRAY" AREA.

These networks gather agents engaged in full-time criminal activities, including drug traffickers, hired assassins or pranes (prison gang leaders), who use violence and control territories, together with agents who also pursue and promote criminal objectives, but act from legal, public and private organizations.

This includes public officials who provide information, licenses or permits, and private agents who provide mechanisms to transfer illegal funds or launder money. These include so-called enablers, professionals from financial or non-financial entities who, based on their expertise, help facilitate the legal use of illicit flows.



THEY EXTEND ACROSS LOCAL, REGIONAL, NATIONAL AND INTERNATIONAL JURISDICTIONS.

By setting up extensive and diverse criminal networks, they are able to expand and come up with ever more innovative operating procedures. This turns them into open systems with the capacity to co-opt more gray-area agents, make inroads into more illegal markets, and use various money laundering procedures on a transnational scale.

This capacity is clear proof of their power, their impact on people, and the need for joint work between police, prosecutors and courts in different countries to fight them.



THEY HAVE HIGH LEVELS OF CRIMINAL RESILIENCE.

The institutional capacities of gray-area agents are so diverse that they end up strengthening and improving resilience of the criminal networks in which they are involved. First, these capabilities exponentially increase the repertoire of their methods to process, exchange, and transfer legal and illegal resources through the network. Second, because agents with criminal interests can act from within the justice system, so that the judicial operators themselves are able to favor criminal interests, thus weakening the institutions that are designed to safeguard the democratic functioning of the State.



THESE STRUCTURES REMAIN STABLE EVEN IN CASE OF CHANGES OF IMPORTANT AGENTS.

These criminal structures are so flexible and adaptable that they can quickly adjust to internal changes within the network itself or to external changes in the nature of the business, or rotation of key government positions. In other words, despite changes in the public or private agents responsible for security, defense, financial activities, oversight or control, the illicit structures rearrange internal and external pieces to reduce their risk of dismantling. Although many of these networks have well-defined, known and respected leaders, they are not organizations that depend exclusively on them to survive, but operate dynamically because the most important goal is to maintain the illicit business.

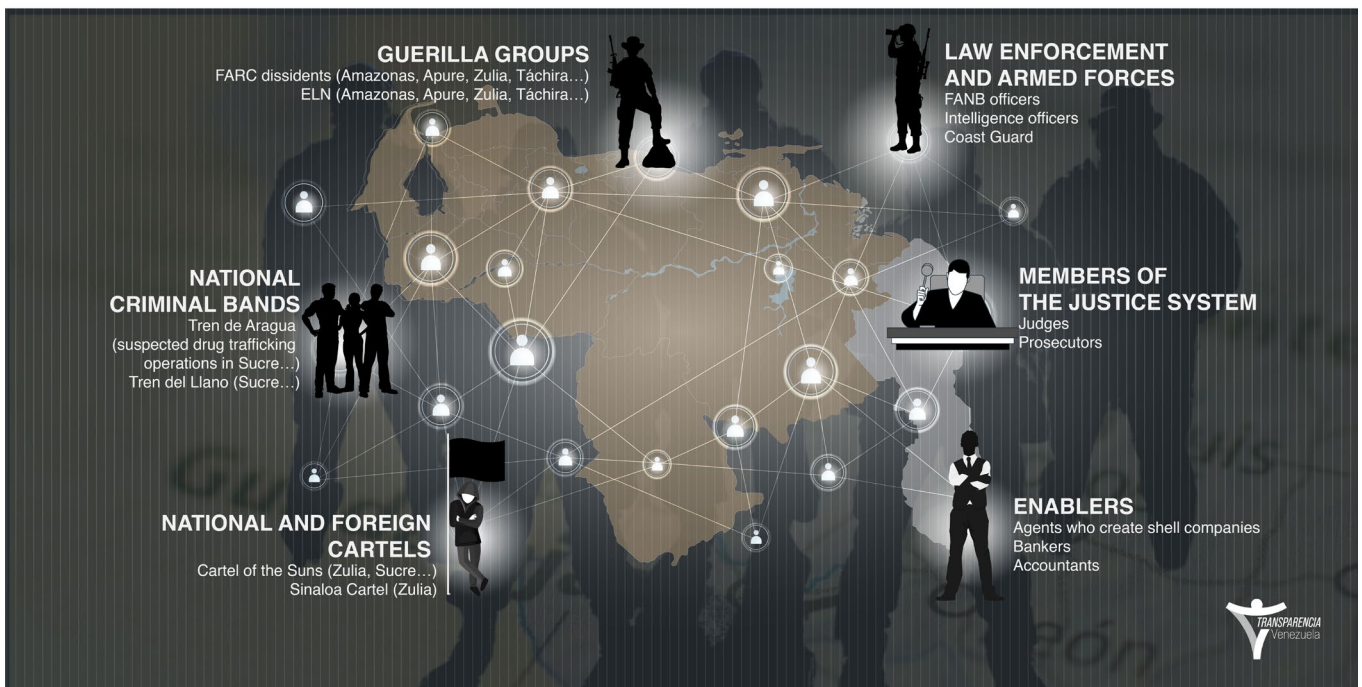


Criminal agents, obscure interactions

The documentary research and fieldwork carried out at the regional level not only made it possible to identify the characteristics of organized crime networks in Venezuela, but also contributed to a better identification of the actors involved in illicit economies, specifically in activities such as drug trafficking, the exploitation and illegal trade of gold and fuel smuggling.

Among the agents related to drug trafficking, noteworthy is the presence of guerrilla groups such as the dissidents of the Revolutionary Armed Forces of Colombia (FARC), and the National Liberation Army (ELN), national and international cartels and local armed gangs that have been able to weave networks with major drug traffickers abroad. These agents interact with members of law enforcement and armed forces, members of the Venezuelan justice system (judges and prosecutors), as well as enablers who facilitate the transit of drugs, keep them sheltered from prosecution and help them launder the money.

DRUG TRAFFICKING AGENTS





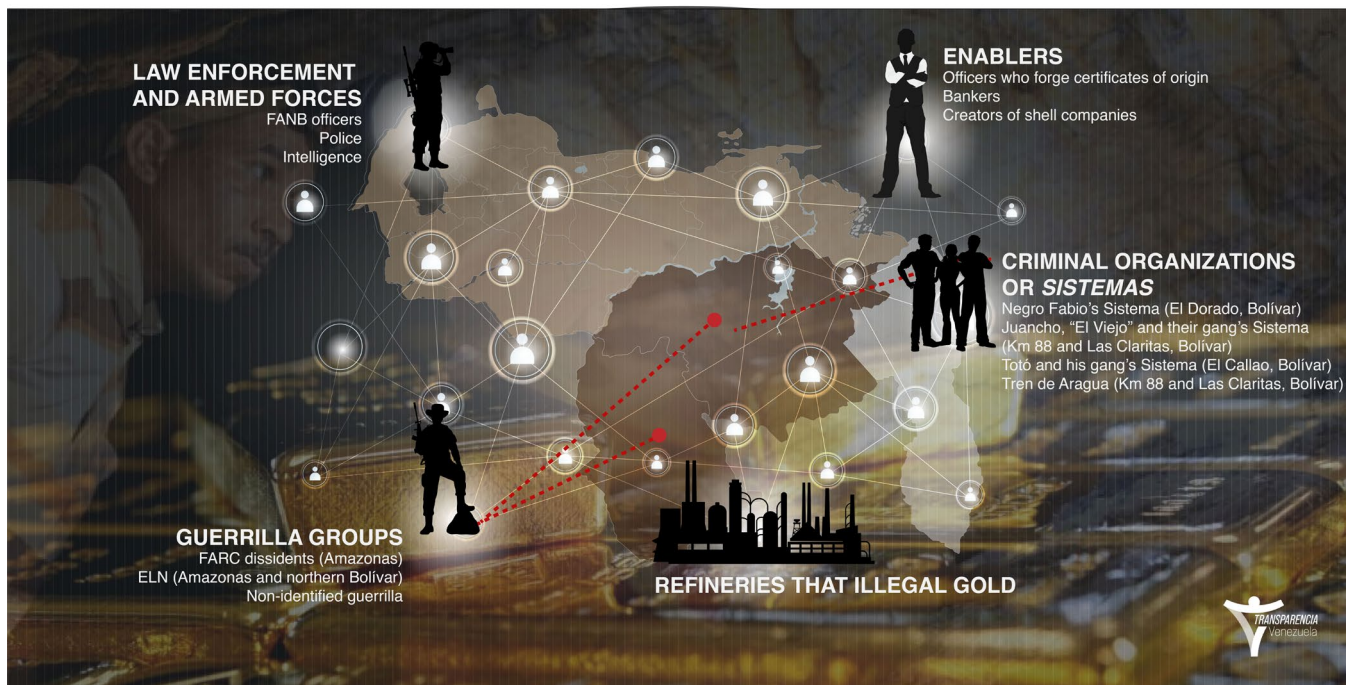
Criminal agents, obscure interactions

Different types of agents also interact behind the business of illegal gold mining and trade, with high levels of criminal resilience and cross-border reach. In the last decade, different criminal gangs have settled in the mining municipalities of Bolivar state, calling themselves "sistemas", or systems, which control the gold deposits in the state. These are well-armed organizations that have thrived, consolidated and move gold through these towns to ship them abroad, thanks to the support of law enforcement, military and local, regional and national government officials, according to different reports analyzed by Transparencia Venezuela.

The power of some of these organizations has been somewhat challenged by some military operations deployed in the Guayana region since mid-2022, but the main criminal leaders remain active.

In addition to the sistemas, illegal gold mining and trafficking also involve guerrilla groups and transnational armed organizations, many of which are linked to drug trafficking; public officials from various countries who help forge documents to conceal the true origin of the gold; law enforcement and armed forces that charge bribes for safe passage of gold shipments; as well as formal companies that facilitate the laundering of illicit money.

CRIMINAL CORPORATIONS GOING AFTER THE ILLEGAL GOLD BUSINESS





Although fuel smuggling from Venezuela has dwindled in recent years, due to the drop in domestic production, this business is still very much alive, among other things, because of its capacity to adapt to the changing environment. Whenever there is shortage of gasoline in Venezuela, it is brought in illegally from Colombia and other bordering countries such as Guyana, and when domestic supply improves, outbound smuggling increases.

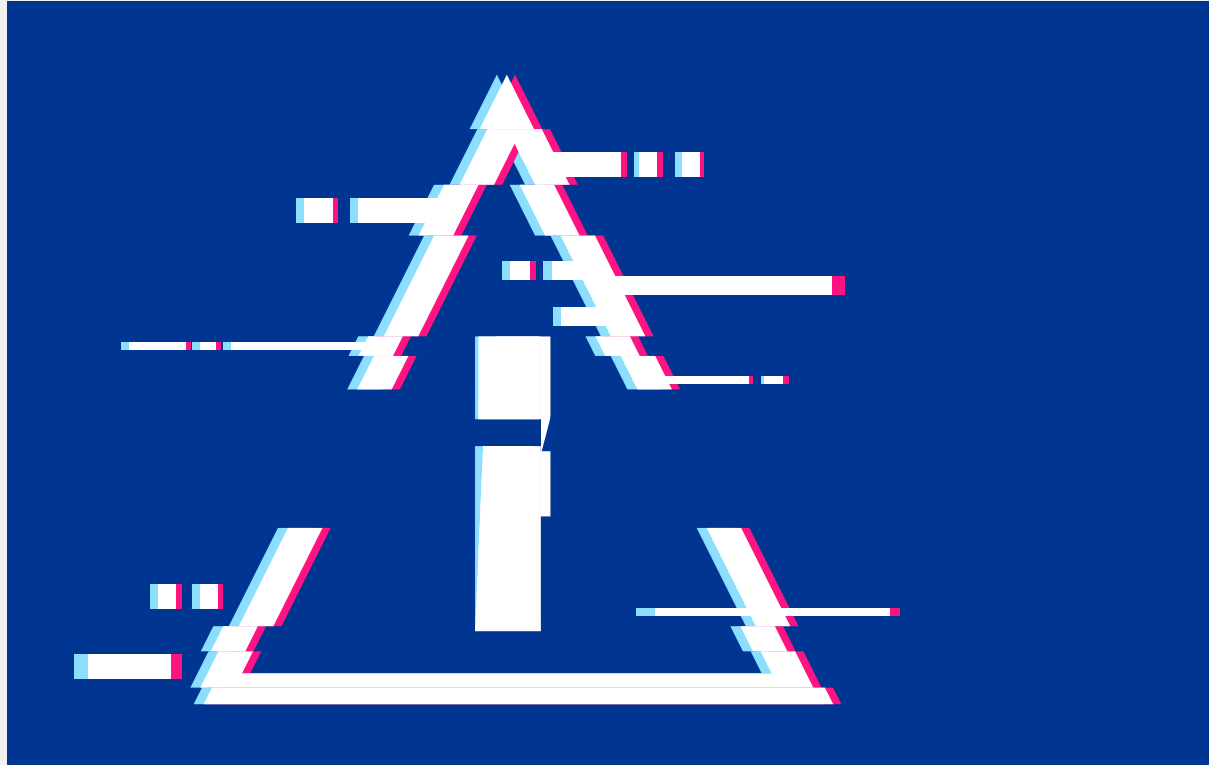
Although different agents are involved in this crime, one constant is the complicity between purely criminal national and international

groups with state-owned oil company Petróleos de Venezuela (PDVSA) officials, Venezuelan military personnel in charge of guarding gas stations or border posts; law enforcement of destination countries, among others.

Identifying agents involved in criminal networks in Venezuela and analyzing their relationship with factors within the state helps us better understand the weaknesses and obstacles facing society and facilitates the development of strategies to combat them.

AGENTS IN GASOLINE SMUGGLING





DEVIATIONS RESULTING FROM CRIMINALITY IN VENEZUELA





Criminal organizations in Venezuela behave as networks that move based on circumstances, adapt to changes, and have the capacity to overcome adversities faced by their leaders and their businesses. They also act in coordination with legal, illegal and gray-area actors in society and many have sub-networks organized in different geographic locations; they diversify their illicit activities and relationships that facilitate their objectives.

The high levels of corruption, the lack of transparency and accountability, the capture of the checks and balances system—where the Executive Branch has control and decision over the rest of the branches of government—as well as the application and expression of discretionality, create a favorable environment for criminal activity in Venezuela.

For several years now, a perverse cycle has been developing in Venezuela, in which some government agencies—infiltrated, manipulated, and co-opted—cease to operate impartially and democratically to guarantee fundamental

rights and overall welfare, and are now favoring particular interests, often strictly criminal in nature.

The level of co-optation and reconfiguration of institutions is reflected in deviations in the institutional, economic, political, social and cultural realms occurring in society and that are not measurable through statistics.

Accordingly, it was necessary to design a qualitative instrument for this research that could help up view the impact of criminal activity in various regions of Venezuela, and thus address the power exercised by criminal networks in society. In several field visits, this extensive questionnaire was applied to representatives of various sectors of each location under this research.

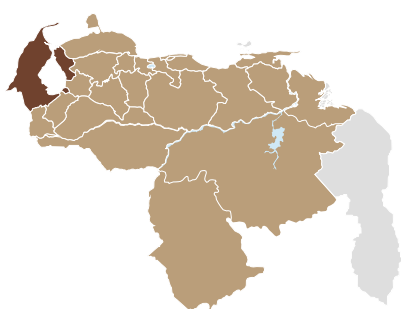
The analysis covered the following Venezuelan states, which are emblematic due to persistent criminal activity:

BOLÍVAR



Bordering Brazil, where minerals of great economic value have been traditionally exploited.

ZULIA



Oil producing region that borders Colombia.

SUCRE



With abundant natural beauty and coasts on the Caribbean Sea.



To understand the extent of the deviations, the following classification was used

Deviations are interpreted as the result of criminal interference in the daily life of a given population group, which is not measurable through figures or statistics



INSTITUTIONAL DEVIATIONS

These are the rules of the game that facilitate the operation of criminal groups and the functioning of illicit economies and weaken governance, the sustainability of the democratic system, increasing the vulnerability of citizens.



ECONOMIC DEVIATIONS

This refers to changes in commercial, financial and labor-related behaviors in the daily lives of the people.

These changes, reflected in illegal behaviors, represent a distancing from the commercial and financial behaviors that should prevail in public safety and free market conditions.



POLITICAL DEVIATIONS

This refers to the changes in the political and electoral behavior of the population, which diverge from the typical behavior of a climate of public safety and free exercise of democracy .



SOCIAL DEVIATIONS

These are the changes seen in the social behaviors of the population that diverge from the procedures of a fully-functional rule of law.

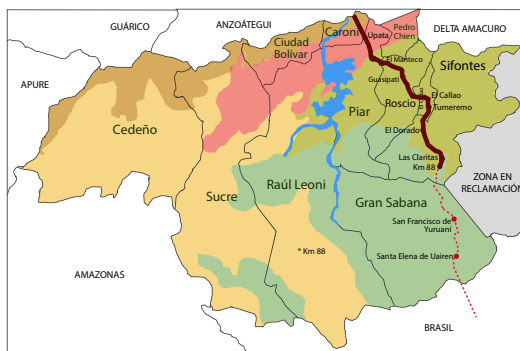







CULTURAL DEVIATIONS

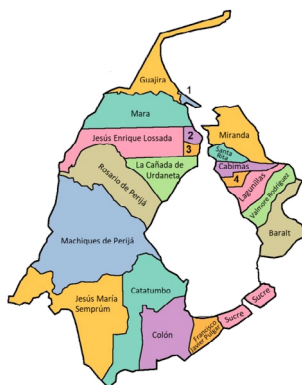
These refer to the anomic behaviors of the people. It is about normalization of violence, or inability to feel outraged regarding cases of torture, murder and acts of terror caused by organized crime groups. This "normalization" is exacerbated by the defenselessness of citizens, government indifference, fear among individuals and communities.








Based on the results, the following deviations are observed:






DEVIATIONS IN THE STATE OF BOLÍVAR	
TYPE	DEVIATIONS
 INSTITUTIONAL	<ul style="list-style-type: none"> National public policies that encouraged organized crime. Creation of the Orinoco Mining Arc in a context of high opacity, no environmental or social reporting, and lack of accountability. Inaction of the law enforcement and armed forces against all criminal organizations. Impunity. Influence of organized crime in court decisions.
 ECONOMIC	<ul style="list-style-type: none"> Upsurge in illicit economic activities, such as gold smuggling and trafficking in arms, drugs and fuel. Sale of fuel and other goods at prices higher than the national average. Charging of protection money from formal businesses, including the mills where gold is processed. Partial replacement of money by gold as the currency of exchange. Few job opportunities in legal activities.
 POLITICAL	<ul style="list-style-type: none"> Involvement of members of the regional government and law enforcement and armed forces with organized crime. Alleged financing of political candidates by organized crime.
 SOCIAL	<ul style="list-style-type: none"> Control by illegal groups over almost all sectors of life in the mining areas: education, health, food, entertainment, etc. Normalization. Justification, admiration and respect for violent acts among the general public. Displacement of indigenous and local communities due to mining.
 CULTURAL	<ul style="list-style-type: none"> Disruption of the way of life of indigenous communities. Loss of the value of life and labor Adaptation to the rules of illicit economies Young people's aspiration to participate in illicit economies.



DEVIATIONS IN THE STATE OF ZULIA

TYPE	DEVIATIONS
 INSTITUTIONAL	<ul style="list-style-type: none"> Regional and municipal government authorities with little margin for action in security matters, due to limitations in their capacities and competencies. Some municipalities have no police and the municipal police agencies that do exist are administrative in nature. Security is in the hands of the military. Fear of reporting and public distrust of the judicial system and security agencies. Violation of elementary rights such as identity. Perception that there is a special order exercised by some military, in conjunction with organized crime groups. Some security officials of the national government are allegedly at the service of the illicit activities. Some mayors are under orders from the military and criminal groups. Other local officials have been accused of allegedly being allied with crime.
 ECONOMIC	<ul style="list-style-type: none"> The bolivar has been displaced by the peso and the dollar as currency. The commercial sector is subject to violent extortion. There are jobs related to illicit activities: bulk fuel sales, illegal scrap metal collection, coca leave harvesting, and the sale of fish bladder to drug traffickers to transport drugs.
 POLITICAL	<ul style="list-style-type: none"> Elected authorities subjected to the control of criminal groups and the military (a ruling party mayor was arrested for drug trafficking, an important milestone of the impact of criminality in the area). The territorial control of criminal groups conditions the electoral campaign activities and the day-to-day work of elected officials.
 SOCIAL	<ul style="list-style-type: none"> Irregular groups control the towns where they operate, imposing timetables and limits on free transit. Internal and cross-border displacement. Ghost towns. Young people recruited by Colombian irregular groups, drug cartels and criminal gangs. Perception that irregular groups provide security. Negative impact on ethnic groups, causing their displacement, their participation in trades derived from illegal activities and their daily subjection to the criminal order.
 CULTURAL	<ul style="list-style-type: none"> In addition to a Colombianization, with the establishment of Colombian irregular groups and their families in remote towns, there is also influence of Mexican culture, due to the presence of the Sinaloa Cartel in Zulia. The lack of opportunities drives young people to join criminal groups or guerrillas. Participating in or controlling illicit activities is perceived as an aspiration among young people.



DEVIATIONS IN THE STATE OF SUCRE	
TYPE	DEVIATIONS
 INSTITUTIONAL	<ul style="list-style-type: none"> • Few reports filed to authorities due to fear of reprisal by criminal groups or distrust of the justice system, due to lack of punishment for culprits. • Criminal organizations allegedly in connivance with top political leaders and members of the law enforcement and armed forces. A number of police and military officials are believed to be involved in human trafficking networks. • Leniency towards criminal groups by law enforcement and armed forces. • Discretionary security operations. • No comprehensive victim support system.
 ECONOMIC	<ul style="list-style-type: none"> • Drug trafficking displaced industrialists and traders. • Drop in tourism and fishing activity.
 SOCIAL	<ul style="list-style-type: none"> • Mobility in areas dominated by drug trafficking is determined by criminal groups. • Entire towns are dominated by crime. • There is forced migration to other states or to other nations (mainly Trinidad and Tobago) due to destitution and rampant criminal action. • Many adults join these networks with no awareness of the true power and structure of the criminal groups. • Recruitment of young people by criminal gangs, mainly in towns on the Paria peninsula.

The deviations seen in this assessment require the urgent attention of the responsible government agencies and the vigilance of Venezuelan society.



DISINFORMATION AS AN ALLY OF ILLICIT ECONOMIES



The Venezuelan government maintains a communicational hegemony that puts it in a clearly advantageous position over any other outlet regarding the messages broadcast to the general public¹. The Maduro administration uses the different forms of disinformation as an instrument of political manipulation and to try to push a discourse favorable to his administration, including victimization, according to different news sites, websites of government agencies, non-governmental organizations and statements by government officials

It is the use of **disinformation as a State policy** to manipulate audiences and create scenarios at will. These facts place Venezuela today under the scrutiny of international organizations, for its involvement in or failure address cases of human rights violations or corruption.

They are proof of the leniency and complicity of authorities in a myriad of wrongdoings that cannot escape public scrutiny.

First, it uses omission, administrative and communicative silence and, and also, it uses discursive strategies that depict biased, manipulated situations or half-truths that do not reflect the reality of the country. While corruption has become entrenched in many of government activities, the official discourse is based on a supposed fight against illicit activities—with a number of detainees and people indicted—that rarely involve the upper echelons of power, as was the case of the PDVSA-Crypto scandal in March 2023.

When it comes to illicit activities, messages can have five distinct characteristics:

OPACITY: Concealing the truth



The government of Nicolás Maduro and its top spokespersons only mention the term “gold” when it comes to the 31 tons in the custody of the Bank of England, whose right of ownership has been legally disputed since 2019 with the National Assembly elected in 2015, when Maduro took office for a new presidential term after elections widely described as fraudulent and which were not recognized by several countries, including the United Kingdom

But neither the legal defense of the gold reserves held by the Bank of England, nor the media reports on the fight against illegal mining can hide the (unpunished) murders, disappearances, threats, persecution, ecocide, sexual and labor exploitation, and human trafficking that surround the dark business of gold mining and trade in Venezuela. The government maintains total opacity around the subject.



DENIAL: Blaming others



The manipulation of government discourse is evident when it comes to drug trafficking and terrorists. Statements are made without producing evidence or suggesting culprits. Since Gustavo Petro won the presidential elections in Colombia, Maduro's spokespersons no longer hold the Colombian government directly liable for the presence of drug trafficking in Venezuela, as was the case when Iván Duque was head of state.

But while the Colombian government is no longer a direct target of Venezuela's accusations of drug transit in the country, General Domingo

Hernández Lárez, Strategic Operational Commander of the Bolivarian National Armed Forces (FANB), Hernández Lárez said—following the arrest in Táchira of three drug traffickers—that this practice is not typical Venezuelan behavior

In 2022, according to information from the national anti-drug superintendent, Richard López Vargas, 7,113 procedures were carried out, 41.60 tons were seized and 8,830 people were arrested as of December 3. The statements were made without producing any evidence or indicating persons of interest.

FALSE INFORMATION: Gasoline and Information Siphoning



In January 2022, the Prosecutor General surprisingly said in one of his weekly statements: "We have advanced actions in 2021 and also 2020, when this situation began to emerge progressively and undermined the people's economy, such as gasoline trafficking, mafias that are entrenched, often with the support of law enforcement, who must be reported, identified and arrested." Illicit fuel trade is not recent; therefore, the Prosecutor is misrepresenting the reality. This problem was

caused originally by the low (subsidized) prices set by an oil producing country.

Since 2019, the reason is different. The oil-producing nation is now dependent on third parties to supply the domestic market of fuels, due to the destruction of the oil industry as a result of corruption, which led Venezuela from producing 3.3 million barrels per day to an average 767,000 in June 2023, according to figures from the Organization of Petroleum Exporting Countries (OPEC).



HALF TRUTHS: Information is partially disclosed



Cases of human trafficking have been increasing, to such an extent that by the end of 2019 specialized prosecutor offices were created in the area and, by 2022, the Criminal and Forensic Investigations Corps (CICPC) created the Human Trafficking Investigation Department.

Sex trafficking has become a lucrative business. The authorities—mainly the Prosecutor General—merely provide information resulting from the operations they carry out, once the cases have been made public, but they fail

to explain the reasons that lead part of the population to accept proposals—often under deception—that end up violating their human rights.

Despite the increase in the number of cases, this year the Prosecutor's Office has not issued a statement on this situation. In the first half of 2023 alone, civil association Mulier reported 267 Venezuelan women rescued from trafficking networks, 34 of them girls and adolescents.

EVASION: Rhetorical whitewashing



The arbitrary actions of the police and military have been reported by journalists and citizens who tape irregular procedures in order to post them publicly.

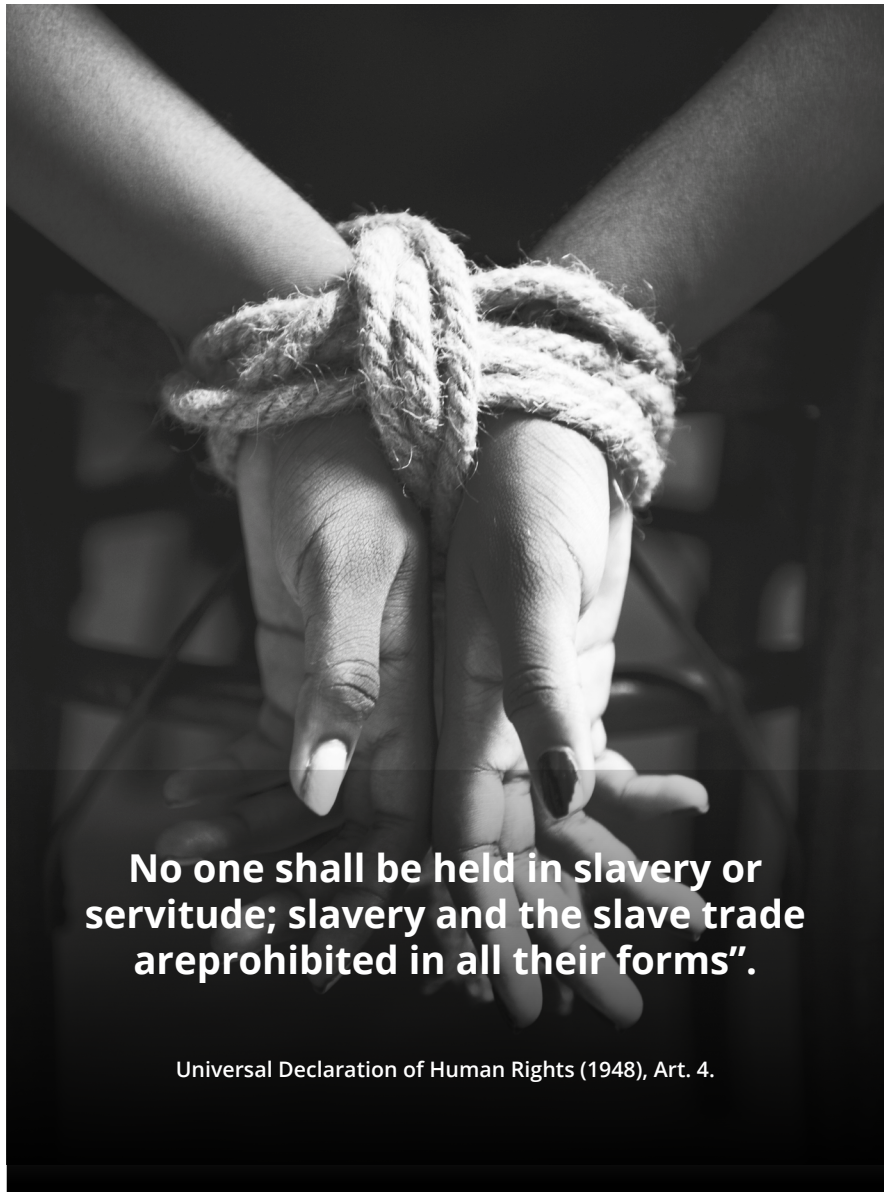
The President is trying to paint a picture of a fight against extortion, but the reality proves otherwise and affects not only individuals, but also the general economy, as transporters of foodstuffs and other goods must pay "tolls" (extortion at checkpoints) to continue on their way to their destination.

A joint Transparencia Venezuela-Ecoanalítica study in the first quarter of 2022 showed that the probability of being extorted was 25%. In other words, "if you drive through 100 security checkpoints at a given time, there will be an act of extortion in 25 of these."

In July 2023, the prosecutor general presented big numbers at the General Assembly of the Ibero-American Association of Public Prosecutors. But he made no specific reference to extortion.



FINDING THE LINK BETWEEN ILLICIT ECONOMIES AND MODERN SLAVERY



No one shall be held in slavery or servitude; slavery and the slave trade are prohibited in all their forms”.

Universal Declaration of Human Rights (1948), Art. 4.

“Slavery is not a relic of the past that we thought was abolished. Its modern version now numbers some fifty million people,” according to the latest global estimates released by the International Labour Organization (ILO) on September 12, 2022. “The 2021 global estimates reveal that, at any time during the period from 2017 to 2021, some 50 million people were victims of modern slavery, either forced to work against their will or to live in a marriage without their consent.

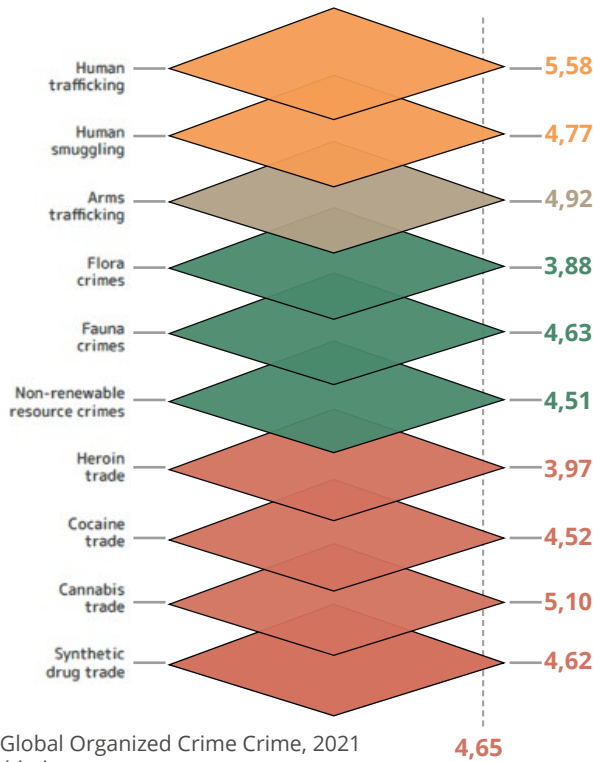
This figure means that almost one in every 150 people in the world is in this terrible situation.”

Furthermore, the report on the Global Organized Crime Index 2021 revealed that human trafficking is the most widespread illegal business worldwide, and established that “human trafficking is among the top five criminal markets in all continents of the world.”



FIGURE NO.1

WORLDWIDE CRIMINAL MARKETS INDEX

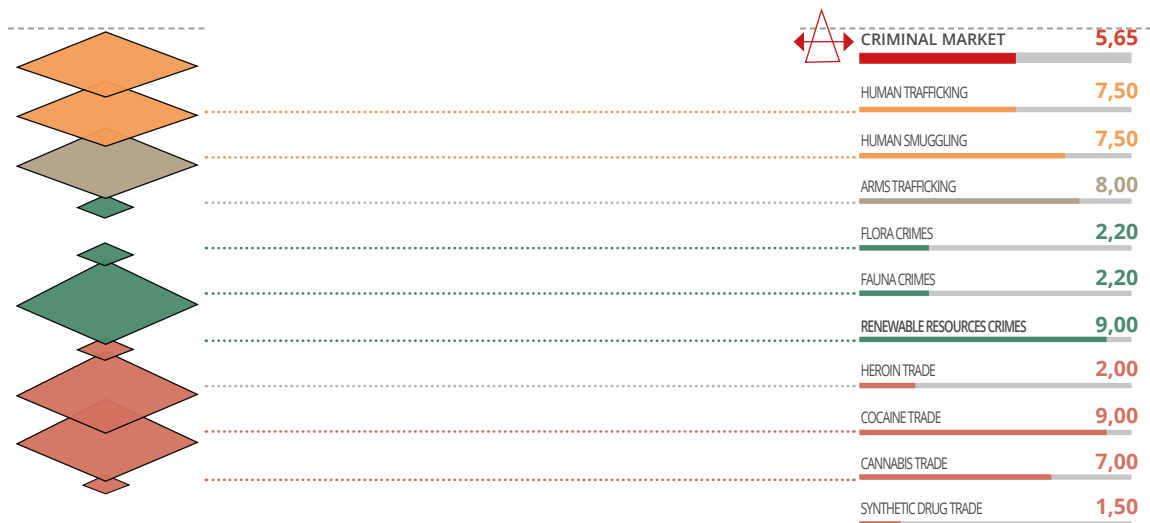


Source: Global Organized Crime Crime, 2021 Global Initiative

This same report on the Global Organized Crime Index 2021 shows that in the Venezuelan case, the largest criminal markets include the cocaine trade, crimes against non-renewable resources, arms trafficking and human trafficking.

FIGURE NO.2

CRIMINAL MARKETS INDEX IN VENEZUELA



Source: Global Organized Crime Crime, 2021 Global Initiative



Based on media monitoring between 2018–2022, Venezuelan NGO Mulier established that, during this period, the number of women rescued from trafficking networks grew from

372 to 1,390 in 5 years. Noteworthy is that, although there is a significant rise in the figures, this situation remains underreported.

ILLUSTRATION NO. 1

RESULTS OF MEDIA MONITORING ON HUMAN TRAFFICKING



Source: Mulier 2022

As in the rest of the world, modern slavery and human trafficking in Venezuela is steadily increasing and we analyze it as an illicit economy.



Modern slavery:

It is the situation where an individual is exploited by others for personal or commercial gain, and includes trafficking in persons for sex, labor or organs, exploitative labor practices, child labor, and early and forced marriage.



Human trafficking:

It refers to the recruitment, transportation, transfer, harboring or receipt of persons by means of threat, the use of force or other forms of coercion, abduction, fraud, deception, abuse of power or of a situation of vulnerability, or giving or receiving of payments or

benefits, in order to obtain the consent of a person having control over another person for the purpose of exploitation. Such exploitation shall include, at a minimum, the prostitution of others or other forms of sexual exploitation, forced labor or services, slavery or practices similar to slavery, servitude or the removal of organs.

Noteworthy is that the provisions of the protocol of the United Nations Convention against Transnational Organized Crime (UNODC) (2003), Article 3, Section b. states:

"The consent of a victim of trafficking in persons to the intended exploitation (...) shall not be taken into account when any of the means listed have been used" "... shall be irrelevant where any of the "Means"... have been used."



In what sort of institutional context do they occur? The Bolivarian Republic of Venezuela has signed and ratified various international treaties and instruments that prohibit modern slavery in all its forms, as well as human trafficking.

In the Venezuelan legal framework, we find:

- Article 54 of the Constitution of the Bolivarian Republic of Venezuela of 1999
- Article 173 of the Penal Code
- Human trafficking is also criminalized in Article 41 of the Law against Organized Crime and Terrorist Financing
- Law on Women’s Right to a Life Free of Violence of 2021

However, the current context of the Venezuelan institutional framework reveals weaknesses such as the lack of resources to carry out actions within its jurisdiction.


The Venezuelan State should, through different protection mechanisms, provide an immediate response, identify, investigate and apply the relevant sanctions, as well as provide protection to the victims. However, the lack of capacity of institutions to deal with and judge cases of modern slavery, both at the material and technical level, as well as the lack of official figures and the failure to publish guidelines through the National Plan against Trafficking in Persons allow and facilitate such practices. In addition, the lack of an efficient institutional structure leads to a weak response from the State to the victims, leaving them in a state of legal vulnerability.

In this context, after a documentary research in government agencies, such as the Public Prosecutor’s Office, civil society organizations and the press, we found:


VICTIMS OF HUMAN TRAFFICKING BY STATE 2021 TO 2023




Zulia, Delta Amacuro and Sucre showed a higher number of victims.



Most victims are adolescents, from the age of 13, and women used in human trafficking for sexual exploitation.



The most frequently documented destinations are **Trinidad and Tobago, Colombia, Peru and Chile**. Internal transfers usually are bound to the state of Nueva Esparta.



There are cases of forced recruitment of children, adolescents and adults by irregular armed groups.



The presence of child soldiers was observed in Bolívar State.



Based on this research, we present cases, opened investigations and convictions that illustrate the findings and practices of human trafficking throughout the country, especially in the states of Sucre, Bolivar and Zulia, where field research was carried out in late 2022 and early 2023.

The most common victims are women and minors from the most vulnerable groups of the population, and also as part of the forced migration caused by the dramatic political, social and economic situation in Venezuela.

In the different phases related to human trafficking, labor and sexual slavery—categories of modern slavery most frequently observed in Venezuela—corruption facilitates their commission. These include: capture, transfer, reception and exploitation.



CAPTURE

It refers to the way victims are recruited. "Corruption emerges here in the forms of capture when these actions reported by organizations, political agents and victims, are neglected and silenced; the lack of action, prosecution and investigation of authorities creates a climate of impunity that encourages all existing types of capture mechanisms and the proliferation of new forms.

TRANSFER

It is understood as the action of taking the victim away from their place of birth or residence. It also refers to the means used to transport the victims, whether by land, water or air. This requires the intervention of government officials who allow this activity, mainly in border areas.

RECEPTION

This process starts upon the arrival of the victim at the place of exploitation (or place of transit, if the transfer continues to a different location); these places are characterized by a seemingly lawful façade, with the consent of the authorities.

EXPLOITATION

It refers to the actual abuse of a person's vulnerable position to subject them to forced sex work and labor slavery. Very often, criminal networks pay bribes to public officials to allow the trafficking network to set up operations, in exchange for a percentage of the money made by the victim.



RELATIONS BETWEEN CORRUPTION AND MODERN SLAVERY IN VENEZUELA

Phases	Possible types of corruption	Agencies to which public officials allegedly involved in illicit activities belong	Possible place of events	Possible irregular event
CAPTURE	Own corruption Bribery Extortion Influence peddling Obstruction of justice Criminal solicitation Trafficking in persons	Municipal, regional or national police	Place where the capture takes place Premises used as temporary accommodation	Permissiveness in becoming part of the operation (business arrangement) Collection of bribes
	Issuance of forged certifications	SAIME (Identity and Migration)	Clandestine premises used by criminal gangs	Charges for processing of forged documents
TRANSFER	Own corruption Bribery Extortion Influence peddling Trafficking in persons Illegal immigration and human smuggling	Municipal, regional or national police SAIME Migration officers Armed Forces: National Guard, Army and Navy.	Checkpoints Border crossings Maritime routes Migration points at ports and airports	Sextortion Collection of bribes
RECEPTION	Own corruption Bribery Extortion Influence peddling Trafficking in persons	Municipal, regional or national police	Place of reception Premises used as temporary accommodation	Sextortion Collection of bribes
EXPLOITATION	Own corruption Bribery Extortion Influence peddling Obstruction of justice Conspiracy Trafficking in persons	Municipal, regional or national police	Hotels Brothels Houses or converted warehouses Mines Places where scrap metal is collected	Sextortion Collection of bribes

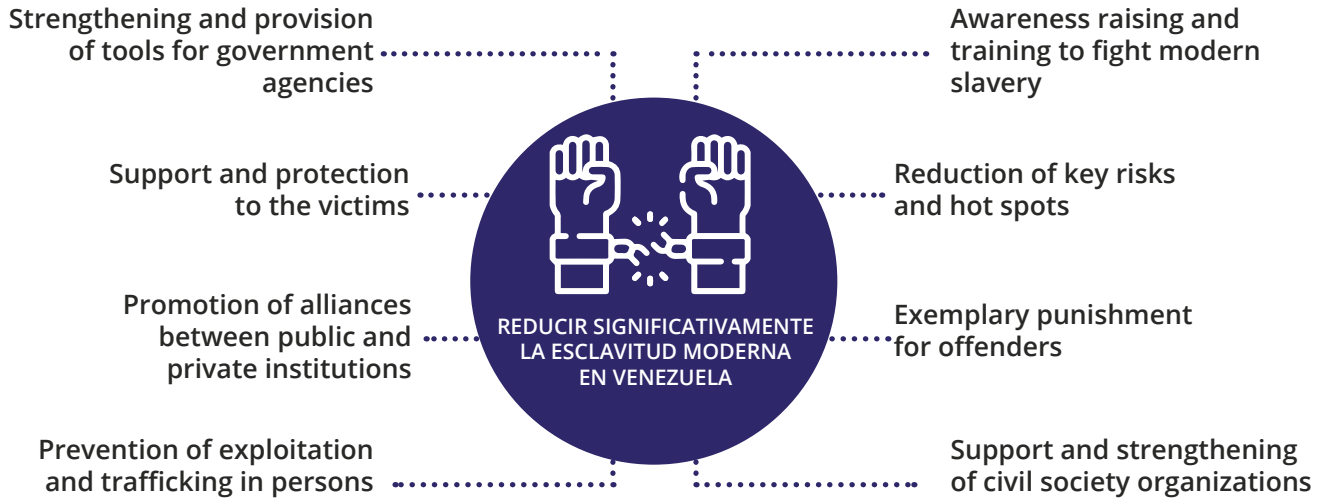
In view of non-compliance by the Venezuelan State, civil society had to bridge this gap within its own powers, documenting, reporting and disseminating these cases, and providing services to victims and survivors, in venues for articulation and networking. Among them, thirty organizations that make up the Working Group on Modern Slavery in Venezuela (GTEMV),

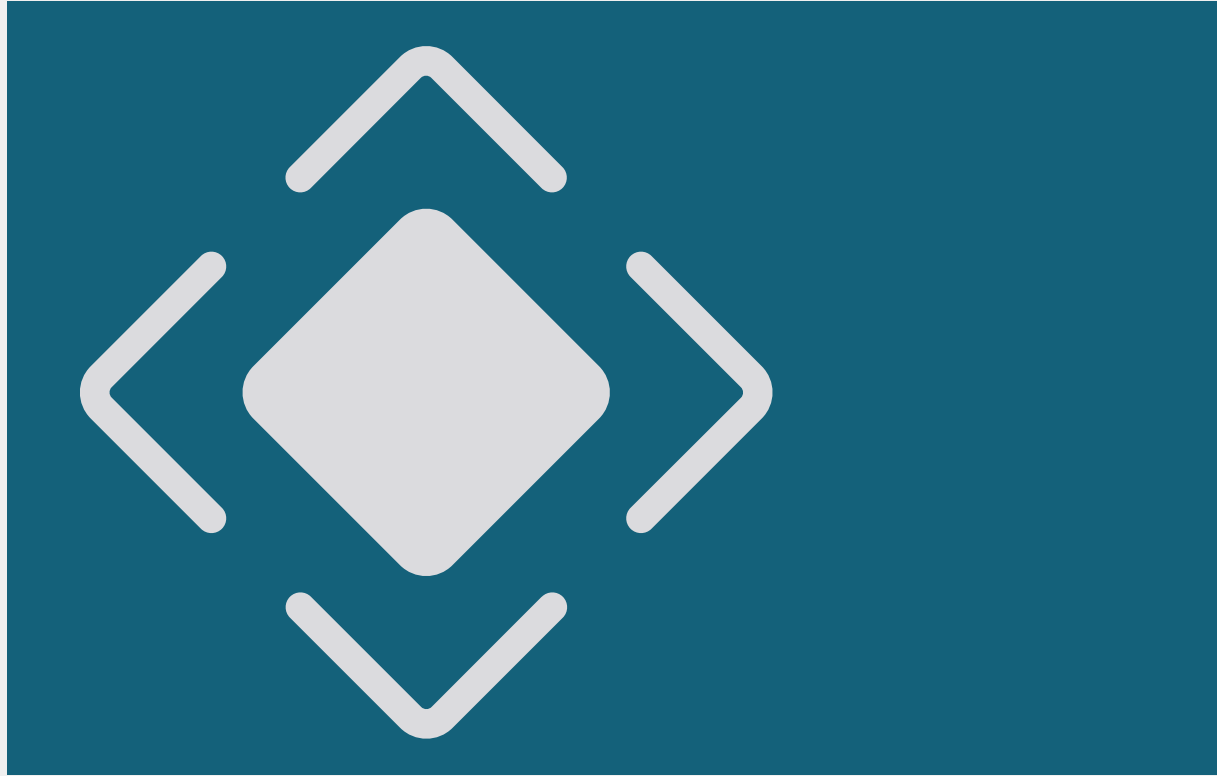
formed in 2018, and the Human Trafficking Working Group of the Venezuela Protection Cluster (GTTdP), created in 2022, co-led by the International Organization for Migration (IOM).

Lastly, we suggest some guidelines for the creation of public policy aimed at reducing and eliminating the mechanisms of modern slavery associated with illicit economies in Venezuela.



STRATEGIC GUIDELINES AGAINST MODERN SLAVERY





ILLICIT ECONOMIES IN VENEZUELA 2023: GROWING REVENUE SHARED AMONG ALLIES



The very nature of illicit economies hinders any analysis of their magnitude around the world. As these are carried out by criminal networks, operating mainly in the shadows, with the capacity to spread across jurisdictions and high levels of impunity, trying to measure their impact on the economies of countries and on the lives of their citizens is a challenging exercise.

High levels of opacity in Venezuela, lack of accountability for government efforts to combat illicit economies and lack of response to the requests for information filed by civil society, add to the difficulties in measuring the volume and impact of these activities. Nevertheless, calculations based on documentary consultation of national and international secondary sources, visits and face-to-face interviews in the regions of the country where most of these illicit activities take place, as well as interviews with people working in government agencies, allow us to make an approximate calculation of the size of these illicit activities.

In this installment of the report *Illicit Economies* under the cloak of impunity, Transparencia Venezuela updates its estimate on the impact of these illegal activities on the country during 2022 and presents estimates for 2023. In partnership with economic and financial consulting firm Ecoanalítica, our organization reviews the income produced by the illegal mineral, drug and fuel businesses in 2022, as well as the income reported last year for the extortions in national ports. According to estimates, illicit activities in 2022 produced USD 9.4 billion, which is equivalent to 15.67% of the total economy. The nation's Gross Domestic Product (GDP) stood at USD 60 billion last year.

Although the amount of illicit economies in 2022 was similar to that of the previous year (USD 9.44 billion in 2021 to USD 9.40 billion in 2022), its share of GDP dropped (from 21.74% in 2021 to 15.67% in 2022) due to the rise in the estimate of nominal GDP in dollars from USD 43.44 billion to USD 60 million.





ILLICIT ECONOMIES IN VENEZUELA AND THEIR SIZE

Activity	Areas of the country involved	Main Agents	Destination of contraband	Average yearly estimate (million USD)	GDP (2022)
Gold, coltan and rhodium smuggling	Orinoco Mining Arc (Bolívar state) and Amazonas state	Strategic partnership with individuals who are close to top government officials, criminal organizations or systems and guerrillas	Brazil, Colombia, Guyana, Costa Rica, Suriname, Dominican Republic, Panama, Turkey, Russia, Iran, China and United Arab Emirates	2133	3,6%
Drug trafficking	Border with Colombia (Zulia, Táchira, Apure) and states such as Sucre and Falcón.	ELN, FARC dissidents, cartels	Central America, the Caribbean, North America, West Africa and Europe	5115	8,5%
Port management	Main ports (La Guaira, Puerto Cabello, Guanta and Maracaibo)	Corrupt SENIAT and FANB officials	-	1394	2,3%
Fuel smuggling	Border with Colombia and Brazil (Zulia, Táchira, Bolívar) / domestic territory	Criminal organizations and corrupt FANB members	Brazil and Colombia, domestic smuggling	760	1,3%
				9402	15,67%

Source: Ecoanalítica, UN Comtrade, UNODD, CCDB, OCDE and OEA

The gold business in Venezuela continues to grow, providing more opportunities for illicit activities. According to the research, gold production grew by 20% during 2022 to a range of between 37.5 and 45 tons per year, i.e. some USD 2.25 and 2.7 billion. Of this amount, around 25% allegedly went to the Central Bank of Venezuela; 9% to the national Treasury, as

provided in the 2022 Budget Law; 36% to the accounts of the so-called strategic partnerships, between the Venezuelan Mining Corporation (CVM) and private agents, many of which have been linked to top government officials; and 30% remained with purely illegal agents, such as criminal networks in charge of illegal mining and trade of gold.



DISTRIBUTION OF GOLD MINING PER AGENT IN 2022



Actor	Proportion	Tons per year (rank)		Millions of USD per year (range)*	
BCV	25%	9.5	11	570	660
Tax revenues	9%	3.37	4.05	202	243
Strategic partnerships	36%	13.5	16.2	810	972
Criminal organizations or <i>sistemas</i>	30%	11.25	13.5	675	810
		37.5 - 45		2250 - 2700	

*Calculated at an average price of USD 60/kg of gold as of 2022.

*Estimated gold revenues, according to the Budget Law 2022

A deeper look into gold mining in Venezuela helped us determine that by the end of 2022 and the first half of 2023 important modifications were experienced in the sector. The government tightened its grip over the Orinoco Mining Arc in an attempt to capture more income.

All these actions lead to estimate that by the end of 2023 gold production could be growing by 20% to 30%, for at least USD 2.83 billion or a maximum of around USD 3.68 billion, which would be distributed among legal but irregular agents and purely illegal agents.

GREATER GOVERNMENT CONTROL



CVM establishes more strategic partnerships with "private agents" close to power



DGCIM increases its presence in the Mining Arc



FANB launches raids in mining towns and creates the GPAMO



The upturn in gold production in the Orinoco Mining Arc during 2022 and 2023 does not necessarily translate into higher revenues for the national accounts and more welfare for Venezuelans. The design of the gold business and the rules of the game established by the government benefit only small groups. Although in practice, the gold produced by strategic partnerships should be reported as legal production, these businesses are full of irregularities that allow for illegal appropriation.

1. Low participation in strategic partnerships, i.e. around 20%.
2. Creation of strategic partnerships with cronies. Strategic partnerships with alleged front men and persons linked to corruption.
3. Low gold royalty rates. Between 3% and 13%.

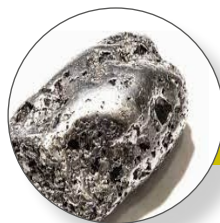
4. Low fees for authorizing exports. Between 4% and 9%.
5. High levels of opacity. No accountability or response to information requests.

In this issue, Transparencia Venezuela included the impact of other minerals that could be traded illegally, such as coltan and rhodium. Despite the limited information available, by exploring various sources, it appears that coltan smuggling could be producing at least USD 750,000 every year and rhodium smuggling around 350 million (considering price volatility) to criminal organizations involved in these activities.

ESTIMATES
2022



Coltan
USD 750,000



Rhodium
USD 350,000,000

In relation to drug smuggling, for this issue, we improved our estimation of the revenues that remain in Venezuela as a transit country, an essential number to link Colombia's production with final consumption markets. During 2022, the reported cocaine and marijuana seized in Venezuela grew by

2.76% and 89.16%, respectively. Using new statistical approximations, we estimated that the cartels, guerrilla groups and other criminal organizations operating in the drug trade in Venezuela made around 5.11 billion in revenues during 2022.

DRUG TRAFFICKING, ESTIMATED REVENUES

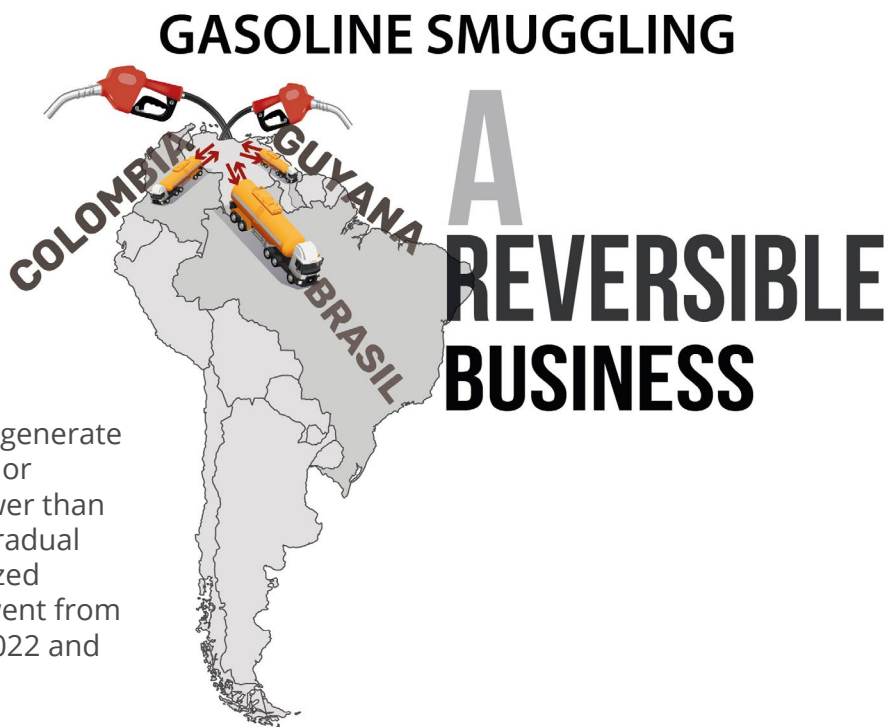
Substance	Volume (Kg)	Estimated price (USD/kg)	Estimated revenue
Cocaine	210.000.00	\$23,977.94	\$5,035,368,082.51
Marijuana	13.411,11	\$6,000.00	\$80,466,630.00
		Total:	\$5,115,834,712.51

Source: ONUDD, CCDB





Although fuel smuggling from Venezuela has declined from the previous year, it continues to bring in money for the illegal networks involved, which are resilient and have adapted in order to continue their business in the face of adversity. Whenever there is a shortage of gasoline in Venezuela, they bring fuel into the country from Colombia or other countries and vice versa. According to our estimates, in 2022 this traffic could generate revenues for USD 2.09 million daily or about USD 760 million per year, lower than in 2021, which may be due to the gradual reduction of the amount of subsidized gasoline sold in Venezuela, which went from 42% in 2021 to 25% at the end of 2022 and continues to fall in 2023.



The analysis of the money made from extortion in Venezuelan ports also shows variations. While in 2022 the number of “door-to-door” shipments declined, on which some port authorities charge a legalization rate, the extortion fee went up, allowing for a net

increase in revenues. Based on our estimates, this illegal activity brought in USD 1.39 billion. Due to the decision of Venezuelan authorities to start collecting import taxes again, extortion amounts are expected to change after July 2023.

EXTORTION IN PORTS

- Containers processed in 2022 in Venezuela: 213,619. A 18.5% rise from 2021.
- Number of “door-to-door” shipments from total containers processed: Around 30%. A drop from 2021, when they accounted for 37.5%.
- Fees charged by corrupt officials at the ports: about USD 16 per cubic foot of container. A 23% increase from 2021.

REVENUES FROM THIS BUSINESS: 1.39 BILLION

RECOMMENDATIONS

The findings on the illicit economies present in Venezuela and the criminal networks controlling them show their complexity and the urgency of actions to bring about effective and permanent changes.

Against this backdrop, the proposal of applicable and effective recommendations requires a discussion and consensus of different public and private sectors of society, including government agencies, civil organizations, representatives of population groups, academics, churches, media, civil society organizations.

The priority recommendations are aimed at strengthening the integrity of Venezuelan institutions and in the following areas of prevention and protection against illicit activities:

1) Recommendations for oversight and justice systems

- The Venezuelan State must urgently implement mechanisms that guarantee the autonomy and independence of the Judiciary from any other political, economic, ideological or de facto power. The Prosecutor General and Justices of the Supreme Court must be appointed in compliance with the requirements and procedures set out in the Constitution and relevant laws.
- Prosecutors of the Public Prosecutor's Office and judges must be appointed after through credential reviews and competitive examinations, as established by law, to guarantee stability and the independent exercise of those positions.
- Civil servants—especially those in the justice system and in financial oversight, real estate, transportation, customs, identification and migration systems—must have salaries commensurate with their responsibilities and risks, which allow them to cover their basic needs. It is also necessary to improve detection, analysis and investigation capabilities of these officials and bring in special support groups, including international cooperation, in cases related to organized crime.
- Due to the complexity of organized crime networks, investigative agencies must have clearly defined competencies, with no duplication or overlap. Joint mechanisms and ground rules must also be set in order to share tactical and operational information quickly, for an effective joint action of all authorities and agencies involved.

- The Venezuelan government must comply with its international cooperation commitments in the fight against corruption and crime, responding to judicial requests from other countries, and sharing information with international partners who are effectively working to detect and disrupt illicit supply chains and financial flows.
- Establish and promote secure and anonymous mechanisms for reporting local corruption and infiltration of organized crime through technology.
- Limit the powers and presence of the military in the investigation of illicit activities, in the control of the production apparatus, and in general, in any role that distorts its nature. The investigation of drug trafficking cases should be in the hands of the police and the Public Prosecutor's Office.
- Consider the decentralization of prisons, appoint a special board to handle penitentiary matters, including the current prison crisis, to expand prison infrastructure, and build the capacities of prison staff.
- Review legislation and ensure that it includes adequate (effective, proportionate and dissuasive) penalties against all sectors involved in organized crime, including legal firms, real estate agencies, accountants, private companies, among others.

2) Recommendations in the area of transparency and accountability

- Repeal laws that promote opacity in administration such as the Anti-Blockade Law and amend laws that do not guarantee the right of access to public information.
- The State must be transparent and accountable, especially those agencies whose actions impact or are linked to illicit economies. The budget must be disclosed, with special attention to the estimates of revenues from the exploitation and sale of minerals in the Orinoco Mining Arc. Also, the Indebtedness Law, the updated statistics of the Central Bank of Venezuela, the management reports of each (national and local) agency, the list of appointed judges and prosecutors, the highest authorities of all public entities, the salaries earned by public officials, contracts and strategic partnerships entered into with the State, as well as selection procedures.

- The justice and oversight bodies with competence in the fight against organized crime must publish issued and processed reports on suspicious transactions, audits conducted, the number of investigations initiated and operations carried out, the status of investigations, with acquittals and convictions; the official record of active and dismantled criminal organizations, the value of seized or confiscated organized crime assets, the destination of those assets, the total (estimated) revenues obtained by organized criminal groups during the reporting period, among other issues of interest.
- The Venezuelan State should also publish data of interest such as indicators and indexes on the context to implement preventive and effective actions against organized crime, including: the number of inhabitants per sector, per age and gender, school dropout rates, unemployment rates, homicide rates, malnutrition rates by sector, economic data, information on social and subsidy programs, crime statistics and corruption reports, and environmental impact studies, among others.

3) Urgent preventive actions to curb the advance of criminal networks and illicit economies

- The political, social, and economic factors that affect the quality of life of the population must be urgently identified and addressed. These include marginalization and inequality. Plans should be developed to gradually improve local basic services, security, income generation, vocational training and the allocation of subsidies in at-risk areas.
- It is necessary to establish channels to insert educational programs on organized crime, especially targeting at-risk youth. Information campaigns and alternative arguments (face-to-face and online) in collaboration with civil society and the media aimed at challenging the arguments and perceptions of organized criminal groups.

- To repeal legal and regulatory instruments, and public policies that create incentives and opportunities for criminal groups and illicit economies, such as maintaining differential rates for gasoline sales.
- Establish agreements between Venezuela and the countries of the region in order to design and implement effective actions to confront criminal groups and the illicit activities derived from their actions.

4) Urgent promotion and protection actions

- Encourage collaboration of civil society, academia, the private sector and international partners to develop evidence-based approaches and preventive measures and exchange of information and best practices, as well as to promote investigations and whistleblowing.
- Promote and support investigative journalism, including with regard to the link between crime and the State.
- Establish effective judicial protection mechanisms for victims of organized crime, as well as for whistleblowers and witnesses.
- Provide (psychological, social and economic) support to victims of organized crime and pay reparations.
- Guarantee respect for the rights of indigenous communities whose territories have been invaded by mining operations, negatively impacting their livelihood traditions.



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