

GOLD MINING

IN VENEZUELA 2024



Devastation
Chaos and Corruption

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EXECUTIVE SUMMARY

Since 2016, when the collapse of Venezuela's oil industry became more apparent and as oil fueled corruption in the country, the network of kleptocracy rooted in Venezuela turned to the mining sector to continue securing profits illegally and ensure the loyalties of both civilian officials and military personnel.

With the approval of the Orinoco Mining Arc (AMO) in February 2016, the Executive Branch circumvented the mandate of the National Assembly and authorized the formal exploitation of minerals in an area comprising 111,843 square kilometers in the state of Bolívar, equivalent to 12% of the national territory. While on paper this decree aimed to organize small-scale mining, reduce mineral smuggling and diversify sources of income for the State, in practice it ended up increasing environmental devastation and exacerbating crime and corruption.

For several years, the kleptocracy network took advantage of alliances with criminal organizations to rule over the gold mines and keep for themselves most of the resources which by law belong to all Venezuelans. Transparencia Venezuela has been monitoring for years the situation in the mining municipalities of Bolívar state, which allows us to affirm that at least until the end of 2019 around 70% of the gold that was mined from Venezuelan soil did not reach Treasury accounts, but was smuggled out of the country. As of 2020, however, this situation began to change.

In this new installment of the report on illicit economies, Transparencia Venezuela shows how since the years of the Covid-19 pandemic the kleptocracy network began to perfect the mechanisms to take over Venezuela's natural resources.

Corrupt officials and their operators no longer need clandestine tracks or illegal roads to smuggle all the gold out of the country, as now much of the material is extracted through companies that have the appearance of legality, but hide a series of wrongdoings.

This report begins with a review of the changes made to mining legislation in recent years to facilitate opacity, which increases the risk of corruption. It carries on with an estimation of the size of gold production in Venezuela in 2024, most of which remains unaccounted for in the national accounts; and describes the inhumane conditions under which these resources are mined in both authorized and unauthorized areas.

The report includes an identification of all Venezuelan civilian and military institutions that should by law safeguard natural resources, and highlights that most of them are headed by people who are internationally sanctioned for their alleged involvement in corruption, human rights violations and undermining democracy. Similarly, the text analyzes the criminal organizations that rule over the gold mines and describes the impact of illicit mining on human rights.

To address the existing opacity in Venezuela and to present an update on the gold business, we collected data of interest from interviews with live sources and documentary review between the years 2023 and 2024. First, official and unofficial information available was collected and systematized, then, three field visits were made to mining towns in the state of Bolívar between October and November 2024. Structured and unstructured interviews were applied to subject matter experts inside and outside the country and then cross-checked with each other.

GOLD PRODUCTION GREW, BUT GOVERNMENT REVENUES DID NOT.

The actual gold capacity production in Venezuela and the mined volume is difficult to determine due to the lack of transparency and opacity in the mining industry. However, Transparencia Venezuela’s monitoring of the sector, through interviews with government officials, field data collection and review of international statistics, allows us to affirm that mining production in the country has been growing steadily since 2020.

Based on the analysis of the data collected, in 2023 alone, gold production in Venezuela stood between 45 and 54 tons, which

accounted for between USD 2.75 billion and USD 3.3 billion, given that the price of gold averaged USD 61,086.33 per kilogram.

However, the price increase did not mean higher income for the State. According to this report’s research, the Central Bank of Venezuela (Banco Central de Venezuela, BCV) only accrued 8% in royalties and 6% from authorizing gold exports due to its limited purchasing capacity. Whereas criminal organizations accrued approximately 20%, and organizations with strategic partnerships with the political elite accrued 66%.

ESTIMATED GOLD MINING BREAKDOWN PER PLAYER AS OF 2023

Player	%	Tons per year (range)		Million USD/year (range)*	
		Lower range	Higher range	Lower range	Higher range
BCV	6%	2.7	3.24	165	198
Royalties	8%	3.6	4.32	220	264
Irregular groups linked to Chavismo	20%	9	10.8	550	660
Chavista elite-Strategic partnerships	66%	29.7	35.64	1,814	2,177
		45 tons–54 tons		USD 2750–USD 3300	

*Calculated at an average price of gold of USD 61086.33/kg for 2023

As of this writing, there is still not enough data to determine the level of gold production or revenues in 2024.

The ministries managing the mining sector have not yet published their management reports and the Venezuelan Central Bank has not reported on the amount of gold that entered its accounts. In January 2025, however, Nicolás Maduro assured that the mining sector grew 21% in 2024.¹

¹ Ministry of the Office of the President and Monitoring of Government Management. Presidente Constitucional presentó logros económicos del año 2024. 16/01/2025. Available at: https://www.presidencia.gob.ve/Site/Web/Principal/paginas/classMostrarEvento3.php?id_evento=29485

Maduro did not provide any specifics about the growth of gold production in 2024 or how much it represented in cash. However, the Mining Sector Plan² established that between 2023 and 2024, gold production was set to increase by close to 20% to reach 67.3 tons of gold per year.

Assuming that gold production in 2024 was 67.3 tons and that the average gold price per kilo was USD 84,208.20, the total value would be USD 5.667 million.

Following these assumptions, from this total, the BCV would have accrued 8% in royalties (USD 455 million) and 6% on export authorizations (USD 337 million), while criminal organizations and representatives of strategic partnerships would have received and distributed amongst themselves USD 4.875 million.

ESTIMATED GOLD MINING BREAKDOWN PER PLAYER AS OF 2024

Player	%	Tons per year	Million USD/year (range)*
BCV	6%	4	337
Royalties	8%	5.4	455
Irregular groups linked to Chavismo	20%	13.5	1,137
Chavista elite-Strategic partnerships	66%	44.4	3,738
		67.3	5,667

*Calculated at an average price of gold of USD 84,208.20/kg for 2024

ARE STRATEGIC PARTNERSHIPS LEGAL OR NOT?

Since the government of Nicolás Maduro approved the Decree-Law Reserving to the State the Activities of Exploration and Mining of Gold and other Strategic Minerals in 2015, it established the “strategic partnerships.” These are agreements between a government entity and natural or legal persons to develop, as deemed necessary, one or several activities in the mining sector.

While joint ventures were common in the first years after the creation of the Orinoco Mining Arc (in which the State must have at least a 55% share), since 2020 and as of late-2024, the number of strategic partnerships has not ceased to grow. These are created in the area to mine gold, process it and even export it directly, thanks to authorizations granted by the Central Bank of Venezuela (BCV).

Unlike joint ventures, strategic partnerships can hold a share of up to 80% over what they produce, while the State has only the remaining 20%.

² Ministry of Ecological Mining Development. Mining Sector Plan 2019-2025. Available at: http://www.desarrollominero.gob.ve/wp-content/uploads/2019/06/Plan-Sectorial-Minero2019_2025_Final040619_compressed.pdf

These percentages are only one of the issues that draw attention to these businesses, as well as the great opacity that surrounds them.

There is no information on the criteria and procedures of government entities to select the partners in the strategic partnerships, the scope of their obligations, the term of the agreements, the level of production, the number of contracts that have been signed to date, as well as the amounts of mineral exported or delivered to the

Republic through the BCV. There is also no information on the final beneficiaries of these agreements.

Despite government secrecy, **at the end of 2024 Transparencia Venezuela identified 72 companies that have established strategic partnerships with the government for gold mining, the installation of cyanidation plants for processing and the sale of raw material.**

STRATEGIC PARTNERSHIPS IN THE ORINOCO MINING BELT

No.	Company	No.	Company	No.	Company
1	Inversiones y Representaciones Glenduard, C.A.	25	Agrominera Corminca	49	Agrominera Ecológica El Porvenir, C.A.
2	Corporación Petroglobal, C.A.	26	Aurumin, C.A.	50	Molinos La Nacional, C.A.
3	Invertrade	27	Corporación Nara	51	Servicios y Suministros Venezuela, C.A. Sesuveca
4	Mipre	28	Corporación Estrellas de Oro, C.A.	52	Inversiones Golfmix, C.A.
5	Inversiones Oriente	29	Complejo de producción de Arenas Santa Bárbara	53	Asociación minera La Ramona, C.A.
6	Inversiones RPL	30	Almaz Group	54	Suministros Liccioni, C.A.
7	Complejo Industrial Manuel Carlos Piar	31	GoldCorp, C.A.	55	Dimalusal 2013, C.A.
8	Corporación Guayanaoro, C.A.	32	Global Minería 1515, C.A.	56	Trienio TMO, C.A.
9	Servicios Mineros Grupo C6, C.A.	33	Asociación Civil Micro empresa "DH"	57	Inversiones Quimivco 3, C.A.
10	Inversiones La Lucha 2016, C.A.	34	LC Metal Group	58	Mina Belén
11	Inversora Sarrapia, Técnicas y Procesos, C.A.	35	Corporación Minera Veta Dorada	59	Corporación de Energía e Insumos Corein, C.A.
12	Inversiones El Guayare, C.A.	36	Grupo Orizonia, C.A.	60	Zurisadai NM.1:6, C.A.
13	Refimina, C.A.	37	Sambuca 3000, C.A.	61	Hangzhou Dragon Dorado 2020, C.A.
14	Goldtex de Venezuela C.A.	38	L1 Soluciones Geomineras, C.A.	62	Corporación Minera Juan German Roscio, C.A.
15	Inversiones Intac, C.A.	39	Territorium S.P., C.A.	63	Huella 44, C.A.
16	Corporación Berakah, C.A.	40	Corporación La Guaira	64	Saigon, C.A.
17	Inversiones Agrominera El Llanero	41	Corporo Uno, C.A.	65	Importadora y Suministros J-A, C.A. - Impsuja
18	Servicios, Construcciones y Mantenimiento Rita, C.A.	42	Inversiones Manitos, C.A.	66	Molinos Guaicaipuro
19	Inversiones Canlara, C.A.	43	Minera Pacific, C.A.	67	Inversiones Hermanos Romero IHR, C.A.
20	Dempica	44	Arenas Group, C.A.	68	Inversiones Molinos El Dorado Y&A
21	Inversiones LT Import	45	Globaltex	69	Inversiones Molinos A&V
22	Corporación La Pedrosa, C.A.	46	Administradora del Sur 2121, C.A.	70	Inversiones Molinos Fermín Rojas, C.A.
23	Empresa Minera Socialista JC, C.A.	47	Materiales y suministros Tisha, C.A.	71	La Laguna
24	Asociación civil comuna Lo Increíble	48	Molinos Rancho Grande, C.A.	72	Inversiones Corundum, C.A.

Tracing these companies through open sources and public registries in Venezuela helped us identify cases in which the **owners of the companies partnering with the government are actually military personnel or persons related to top government officials. In other cases, they are individuals who have been or are being investigated for corruption inside and outside Venezuela.**

One of these cases is **Corporación Petroglobal**, a company that has established a partnership with Corporación Venezolana de Minería (CVM) for processing and transformation of gold sands with the use of cyanide. According to the investigations, this company is owned by Mario Bonilla Vallera, listed by United States justice as the front man of the sons of Cilia Flores, Walter, Yoswal and Yosser Gavidia Flores, and of his stepbrother Nicolás Maduro Guerra, son of Nicolás Maduro.³



Mario Bonilla Vallera

In the field work carried out in the south of Bolívar state in 2024, information was also found on **Empresa Minera Ecosocialista JC, CA or JC Eminca**, located between Guasipati and El Callao, which allowed us to determine links with Jesús Rafael Velásquez Acosta.

He is a military officer who graduated from the academy in 1999, in the same class as Antonio José Pérez Suárez, the former vice president of Commerce and Quality Supply of PDVSA, arrested in March 2023 for his alleged involvement in the corruption case known as PDVSA-Crypto.⁴



Antonio Pérez Suárez

Among the strategic partnerships, noteworthy are companies allegedly related to China. One of them is **Hangzhou Dragon Dorado 2020, C.A.**, which signed a strategic partnership with the Ministry of Ecological Mining Development, “for the exploration, mining and processing of gold material.” Another one is **Inversiones Corundum, C.A.**, accused of engaging in a *Chinese invasion* in El Callao, Bolívar state.⁵

Data of interest on the other 64 companies identified are available inside this report.

³ Armando.info. El capataz que mantiene a Venezuela. 26/07/2020. Available at: <https://armando.info/el-capataz-que-mantiene-a-venezuela/>

⁴ Corruptómetro. Antonio Pérez Suárez: la trayectoria del supuesto “jefe de la red de corrupción” en Pdvsa. 05/04/2023. Available at: <https://corruptometro.org/noticias/antonio-perez-suarez-la-trayectoria-del-supuesto-jefe-de-la-red-de-corrupcion-en-pdvsa/>

⁵ Resident of El Callao, Yimy Castillo, post on Tik Tok account. 04/06/2024. <https://www.tiktok.com/@yimycastillo7/video/7376595815344704774>

CORPORACIÓN VENEZOLANA DE MINERÍA, THE QUEEN OF THE SOUTH, AND THE OTHER OVERSIGHT ENTITIES

The representative of the Venezuelan government in most of the strategic partnerships in the Orinoco Mining Arc is Corporación Venezolana de Minería, a company created in 2012 and whose power has grown tremendously since 2020 and is today popularly known as “the Queen of the South.”

The presence of this company can be felt and seen all around the Orinoco Mining Arc, from the billboards with environmental preservation messages, to the signs that welcome visitors to each of the mining towns, the outside walls of schools, and even the sacks in which the gold-bearing material is collected.

In 2024, the CVM changed presidents three times, all of them military officers.



The year began with Major General **Carlos Alberto Osorio Zambrano**, who had been in office for the previous five years. In April, messages were spread through social media claiming that Osorio Zambrano had been arrested and removed from his post for his alleged involvement in corruption. The version was then denied by the CVM, but five months later, his dismissal was confirmed.

Osorio was succeeded by Army Major General **José Santiago Moreno Martínez**, who lasted less than three months in office, until November 2024,



when Army Major General **Rodolfo Marco Torres**, a retired military officer who has held more than a dozen government positions since the government of Hugo Chávez, was appointed president of the CVM. He is also one of the officials hit with most international sanctions and accusations. Canada, the United States and Panama imposed measures against him, for his alleged link with corruption and human rights violations.

In addition to the CVM, there are at least eight other agencies in Venezuela with power to issue policies, investigate and sanction illicit acts related to illegal gold trafficking. None of these bodies publishes their **budget** planned or executed, projects, **contracts** or partnerships, although some of them have a section on their websites referring to investors. In addition, there is almost no dissemination of content on **illegal mining** and its impact.

Of the nine agencies analyzed, two have been **sanctioned by the U.S. Treasury Department** for using gold and the financial system to prop up the government of Nicolás Maduro: Compañía General de Minería Venezolana (Minerven) and the Central Bank of Venezuela (BCV). In relation to its authorities, at least two have been the target of international sanctions.

HEADS OF AGENCIES WITH POWERS IN THE MINING SECTOR

Name	Position	Civilian	Military	Sanctions
Delcy Eloina Rodríguez Gómez	Sectoral Vice president of Economy	X		X
Héctor José Silva Hernández	Minister of the People's Power for Ecological Mining Development	X		
Héctor José Silva Hernández	President of Compañía General de Minería de Venezuela C.A.	X		
Richard Alexis Sánchez Arias	Head of the National Mining Control and Inspection Service		X	
Rodolfo Clemente Marco Torres	President of Corporación Venezolana de Minería		X	X
Alejandro Miguel Martínez Herrera	President of the National Institute of Geology	X		
Igneli Josefina Peretti Leiva	President of the Misión Piar Foundation	X		
Calixto Ortega Sánchez	President of Venezuelan Central Bank	X		
Ovelio Barrera Corrales	Military Corporation of Mining, Oil and Gas Industries		X	

STRONG MILITARY AND POLICE PRESENCE DOES NOT STOP CRIMINAL ORGANIZATIONS

Changes in recent years in the Orinoco Mining Arc include an increased presence of law enforcement agencies and armed forces. The action of these bodies was previously limited to being stationed in the more than 20 checkpoints on Trunk 10, the road that connects the mining towns, but now they have been deployed to more locations, with military operations and to guard the facilities of the strategic partnerships.

The military incursions that began in 2022 continued in 2024, with the mission to “fight against drug trafficking, human trafficking, illegal mining, arms and explosives trafficking, as well as trafficking of strategic materials.” The number of operations decreased on this occasion, however, according to testimonies collected in Bolívar state.



Between January and December 2024, the head of the Strategic Operational Command of the Bolivarian National Armed Forces (CEOFAVB), Domingo Antonio Hernández Lárez, posted at least 124 messages on his X account, in which he offered some concrete data on the results of the operations Roraima 2024, Autana 2024, and Neblina 2024, in the context of Operation “Bolivarian Shield.”

The posts announced the arrest or eviction of thousands of miners who were in areas prohibited for mining; the dismantling of camps and citadels used for the housing and storage of illegal materials; the destruction of mining rafts; as well as the seizure and destruction of gasoline and diesel generators, water pumps, jackhammers, shovels, picks, scales, buckets, wooden and sieve structures; hoses; mercury, among others.

The messages also described the arrest of persons allegedly linked to criminal organizations that rule over mines in the state of Bolívar, whom the Venezuelan government identifies as GEDO (Structured Groups of Organized Crime). In particular, he referred to the gangs of El Run or 3R and the Tren de Guayana, from which were seized weapons, ammunition, cell phones, notebooks to keep records of extortions, among others.



Long guns seized from the Tren de Guayana. (Ceofanb)

In 2024, there was also information about the creation of **the Special Protection Units of the Orinoco Mining Arc (UEPAMOs)**, a separate body from the Orinoco Mining Arc Protection Group (GPAMO), established in 2022.

According to the information gathered, while the GPAMO focuses on military operations to control the territory and combat illegal activities, the UEPAMOs work on environmental regulation and protection.



The Orinoco Mining Arc Protection Group (GPAMO) was created in 2022. (Ceofanb)

In addition to the military, it is usual in the Orinoco Mining Arc to see a large presence of members of the **General Directorate of Military Counterintelligence (DGCIM)** and the **Bolivarian National Intelligence Service (SEBIN)**.



Most of the heads of the law enforcement agencies and armed forces that have jurisdiction in mining matters are internationally sanctioned or have criminal

cases open against them for alleged acts of corruption, drug trafficking and human rights violations.

TOP LAW ENFORCEMENT AND ARMED FORCES AUTHORITIES IN THE MINING ARC

Name	Position	Sanctions	Open proceedings
Nicolás Maduro Moros	President of Venezuela and Commander-in-Chief of the FANB	X	X
Vladimir Padrino López	Minister of Defense	X	X
Domingo Antonio Hernández Lárez	Strategic Operational Commander of the FANB	X	
Wilfredo Alexander Medrano Machado	Head of REDI Guayana		
Miguel Ángel Yilales Arteaga	Head of ZODI Bolívar		
Javier José Marcano Tábata	Director-General of Military Counterintelligence	X	
Alexis Rodríguez Cabello	Director of the National Bolivarian Intelligence Service	X	

MORE CONTROLS, SAME RESULTS

Broader state controls in the Orinoco Mining Arc could lead one to believe that conditions for workers have improved or that illegal mining has been curtailed, but the visits to Bolivar State in 2024 show a much different story.

In El Callao and other municipalities in southern Bolivar state, **the miners have formed alliances and reached supply agreements with the companies, workers do not have contracts or proper safety equipment, work long days without rest, live in housing that does not cover the most basic needs, and continue to use mercury** to amalgamate the gold particles, despite the fact that it is a prohibited material that is extremely polluting and managed exclusively by the government.

An example of the conditions in which gold mining continues in Bolivar state was on display for all to see when the Bulla Loca mine, located in the La Paragua Forest Reserve, collapsed in February 2024. This mine was discovered in 2023,⁶ and despite being in an area where mining is prohibited, there has been a massive migration since then to the area, along with the deforestation of around 80 hectares, according to satellite images released by the organization SOS Orinoco.⁷

According to official figures, the Bulla Loca mine tragedy killed 16 people and injured 36 others. In addition to that accident, at least seven others were reported in 2024, leaving 11 people dead and five injured.

6 Journalist Fritz Sánchez, post on his X account. 16/12/2023. https://x.com/Fritz_A_Sanchez/status/1736029296995475675
7 SOS Orinoco, post on their X account. 22/02/2024. <https://x.com/SOSOrinoco/status/1760690049220563454>

However, miners interviewed in the state of Bolivar assure that the number of victims may be higher, but they are not always publicly known.

MINING ACCIDENTS IN 2024			
Date	Description of the event	Victims	Location
20/02/2024	In early 2024, there was a landslide at the Bulla Loca mine in La Paragua, where thousands of people were working without any kind of protection. The landslide caused the death of at least 16 miners.	16 dead and 36 injured	Bolívar
02/03/2024	Four indigenous people sustained severe burns after being hit by an avalanche of hot sand while working in the Morichal Mine in El Dorado, Bolivar. The miners were buried, but were rescued by their coworkers.	4 indigenous people burned	Bolívar
07/05/2024	Two indigenous people died after the collapse of one of the gold mines in Caño Mosquito, in the municipality of Manapiare, Amazonas state.	2 indigenous people dead	Amazonas
22/05/2024	Four people died when a mine collapsed in the Purgatorio mining sector, Sifontes municipality, Bolivar.	4 dead	Bolívar
24/05/2024	A man died after a mine collapsed in the facilities of La Laguna strategic partnership, in El Callao.	1 dead	Bolívar
19/09/2024	An 18-year-old man died when he was trapped in a 20-meter deep makeshift mine in the Mocupia sector, in the municipality of El Callao.	1 dead	Bolívar
21/11/2024	Two informal miners were buried and another one was injured after a collapse in a ravine at the Bosco mine in the El Carmen sector, Sifontes municipality, Bolivar.	2 dead and 1 injured	Bolívar
09/12/2024	A miner died after being trapped by a landslide in the Los Cajones sector, in El Dorado, Sifontes municipality, Bolivar	1 dead	Bolívar

Source: Correo del Caroní; Kapé Kapé; Diario de Guayana; Carlos Pérez Ampueda @cperezampueda

In relation to mining in other prohibited areas of Bolivar state, in 2024 alone, the commander of CEOFANB, Domingo Antonio Hernández Lárez, reported the alleged detection and dismantling of illegal mining centers in at least six of the 11 municipalities of the state: Sucre, Angostura, Caroní, Piar, Sifontes and Gran Sabana.

Another 12 posts by Hernández Lárez in January, March, April, May, June and September 2024 announced the detection of miners in Yapacana, in the state of Amazonas, as well as the dismantling of camps and the destruction of material used for illegal mining.

ARE THEY REALLY ILLEGAL MINERS?



According to Venezuelan legislation, an illegal miner is one who mines gold in areas that are not authorized by the government; is not registered in the Single Mining Registry; uses techniques and equipment that are prohibited due to their environmental impact; uses polluting products such as mercury; or ends up appropriating all the material extracted from Venezuelan soil and takes it out of the country through irregular means.

Venezuelan authorities often make reference to the existence of these illegal miners, but when delving into the work dynamics of many of them we can determine that, despite the fact that they meet certain characteristics that make them outlaws, it is ultimately the government that buys part of their production from them. So, in this case, does the Venezuelan state legalize them?

The so-called illegal miners deliver or sell their production to the mills set up along the Orinoco Mining Arc that belong to the strategic partnerships established by the CVM, i.e., to partners of the Venezuelan government. This is one of the many complex realities that coexisting in the thousands of kilometers of savannah where entire towns survive in the gray zones of unlawfulness.

CRIMINALS AND ENABLERS GROWING STRONGER

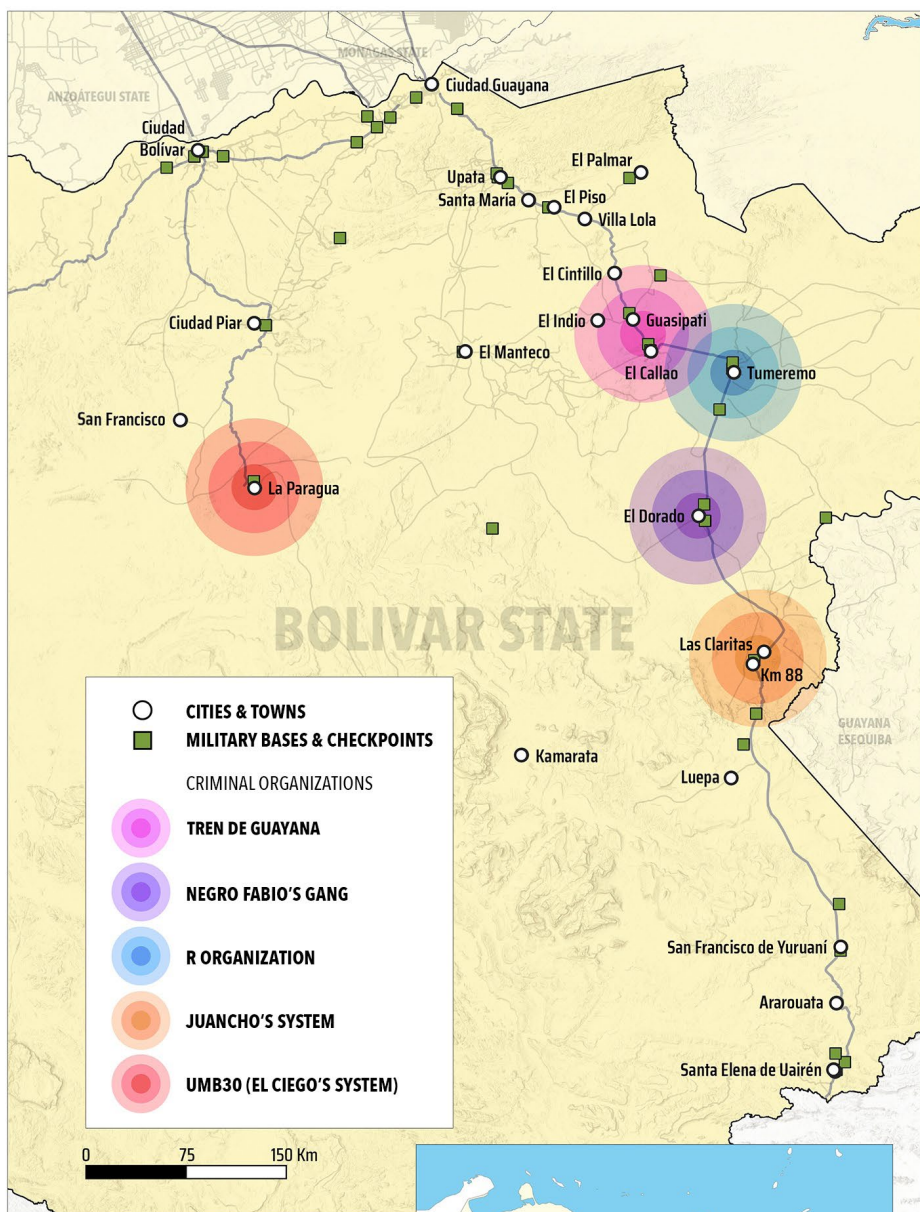
The military operations Autana and Roraima since mid-2022 have led to the arrest of some members of criminal organizations present in the mining towns of Bolivar state, as well as the withdrawal of other groups. However, most of the criminal gangs persist, and with them their power over important gold deposits and their extortion of miners, mill owners and business owners operating in the area.

Residents of the mining towns interviewed between October and November 2024, agreed on the power yielded by criminal organizations, which a few years ago were known as mining unions and later came to be called “systems” or local governments. **Criminal groups have changed their role; they no longer need to commit massacres like those experienced between 2016 and 2019 to assert their power. Many of them are now consolidated and are engaged in maintaining “order” in the mines and extort people at gunpoint.**

Armed groups charge money for access to the production zones, i.e. they grant permits to work in the mines and demand a payment from the miners that varies between 25% and 40% of everything they extract, be it sacks of gold-containing material or grams of gold. According to miners interviewed, two out of ten of them actually see a profit. The rule still applies that if they discover or report a potentially good mine, hole or ravine, it is *expropriated* by the armed groups that control the areas.

The criminal organizations present in the mines include:

- The Tren de Guayana (with power over Vista el Sol, Guasipati and El Callao)
- The R Organization (Tumeremo)
- The “Negro Fabio” (El Dorado)
- The “Juancho” system and company (Las Claritas and Km 88)
- The UMB30 or El Ciego system (La Paragua and El Manteco)



In addition to the “systems,” there are also reports in the mines of the presence of organizations that use camouflaged gear and define themselves as guerrillas. Some of the respondents claim that these people are members of the **National Liberation Army (ELN) and dissidents of the Revolutionary Armed Forces of Colombia (FARC)**, with a presence in several **Venezuelan** states; others say that they are Venezuelan guerrilla groups or **revolutionary fronts** that claim to have the support of the national government.



In the state of Bolivar, there have been reports of the presence of self-proclaimed guerrilla groups such as the ELN and FARC dissidents (AFP and EFE)

While criminal gangs are usually the best known stakeholders, behind the mining and illicit trade in minerals there are also a number of individuals and companies that collaborate in the activity by providing services, authorizing mining or guarding the shipments to be exported, often under the watchful eye of government officials at different levels. The agents participate in networks of companies that in turn own assets and properties, such as aircraft, with which they smuggle gold to other countries.

The enablers identified in the illicit gold trafficking value chain include suppliers of inputs such as mercury, arms and ammunition; land, water and air transport service providers; lawyers; real or front businessmen; and financial brokers for money laundering.

HUMAN RIGHTS VIOLATIONS ON THE RISE

Mining south of the Orinoco River has profound impacts on the human rights of local communities. Illegal mining, in particular, is associated with significant violations of fundamental rights, such as the right to a healthy and safe environment, access to natural resources, and the protection of wildlife and human dignity.

Environmental impacts include devastation of land and water pollution. Investigations published in the media and civil society organizations report thousands of mines for illegal gold mining in the states of Amazonas and Bolivar, a significant portion of the Amazon.

According to reports made by environmental journalists, there is sufficient evidence to affirm that **illegal mining activity has destroyed more than 100,000 hectares of fertile soil, and mercury has not ceased to be used, which brings about more negative consequences.**

Regarding the right to work, Transparencia Venezuela has repeatedly warned about the **deplorable conditions in which gold is mined.** In the field, we found that a miner works between 8 and 14 hours a day under inclement weather conditions: either outdoors under the sun and rain; or in underground mines that can be more than 100 meters deep, where access to oxygen is scarce and they are exposed to toxic gases.

In relation to the indigenous populations, the debts are greater. Despite the fact that the Venezuelan Constitution grants them a leading role in handling matters that involve them, the creation of the Orinoco Mining Arc has caused them deep scars. Transparencia Venezuela was not able to access records of land demarcation, nor of prior consultation for the establishment of mines and companies on their lands, in violation of Article 120 of the Venezuelan Constitution⁸ and Article 41 of the Organic Law of the Environment.⁹

Estimates on total indigenous population within the Mining Arc area Orinoco varies, but it may exceed 60,000 people considering the array of all the indigenous communities that reside or are affected by activities in that region.¹⁰

The environmental devastation (water pollution, extinction of food animals, soil desertification), as well as the violence inflicted by the armed groups stationed in the area have caused their forced displacement.

As a result of field visits, Transparencia Venezuela **detected forms of labor and sexual exploitation.** Regarding labor-related issues, stories of forced domestic servitude and forced child labor were documented, as well as the recruitment of men for heavy labor at very low wages. Women and girls are recurrent victims of abuse and sexual exploitation.

In the mining context, one group that has become especially vulnerable is children and adolescents. They are impacted by the migration of one or both parents. In the state of Bolívar, approximately 3,600 children and adolescents were left in the care of only one of their parents, 1,800 in the care of third parties and another 600 were left completely alone.¹¹ Others moved to the mining towns and joined the mining activities.

It is imperative for relevant authorities to take urgent and drastic measures to reverse the damage that mining activity is causing to the population, given that it is a violation of rights that in some cases could qualify as a crime against humanity.

8 Article 120. The use of natural resources in indigenous habitats by the State shall be made without harming their cultural, social and economic integrity and, similarly, is subject to prior information and consultation with the respective indigenous communities.

9 Article 41. Indigenous peoples and local communities have the right and duty to participate in the formulation, implementation, evaluation and control of national, regional and local development plans and programs that may directly affect their lives, beliefs, values, institutions and spiritual well-being and the use of the lands and habitats that they ancestrally occupy and use collectively.

10 Pemones, Eñepá (Panare); Yekuana (Maquiritare); Arawak; Mapoyo; Piaroa; Jotí (Hoti o Jodí) and Sanema, part of the Yanomami.

11 Human Rights Center. Católica Andrés Bello University. Situation of children and adolescents in the state of Bolívar, on the violation of rights and forms of modern slavery. 09/2023. Available at: <https://ln5.sync.com/dl/5c5b04290/b6sqweb2-2zrhc8n-78gd8wsg-mvaw4amr/view/doc/9867085050014>

PENDING TASKS

Given this context, it is necessary that the relevant authorities take urgent and drastic actions to overturn the harm caused by the extractive activities on the population, because it represents a violation of human rights, and in some instances can be considered a crime against humanity.

This report presents a proposal that aims to contribute to the design of public policies, under which sovereignty, good practices, and respect to the society and the environment prevail over the criminality accompanying the illegal exploitation and commercialization of gold. This proposal has the objective to achieve governance over the mining areas and sustainability for the mining sector.

In order to achieve the main objective, we propose the following strategic pillars:

Promoting a shift towards a sustainable development model:

Includes the main guidelines for the Venezuelan mining sector to help balance economic growth, environmental protection and social welfare.

Dismantling of criminal groups:

Comprises coordinated strategies by the authorities and law enforcement agencies, based on a comprehensive approach combining prevention, repression and reintegration.

Legal and institutional modernization:

Includes initiatives for the adaptation and improvement of laws and institutions, considering international best practices to address the illegal extraction and commercialization of gold.

Social and environmental impact reduction:

A set of suggestions to minimize the negative effects of illegal gold mining and marketing.

International cooperation and shared responsibility:

This refers to actions for coordinated action by companies, government and civil society in both producer and recipient countries of illegal gold.



I. A mining operation

marked by **devastation,**
chaos and corruption

Illegal mining and gold smuggling in Venezuela are long-standing problems. In the state of Bolivar, in the southeast of the country, there have historically been pockets of illegal mining, among other prohibited activities, which have left deep scars on the lives of residents, the rest of Venezuelans and people around the world. However, the environmental destruction, health crisis, crime and corruption seen in the last decade are unprecedented.

Former President Hugo Chávez's decision to nationalize the gold industry in Venezuela in 2011,¹² which implied, among other things, the withdrawal of concessions from foreign mining companies, and President Nicolás Maduro's creation in 2016 of the National Strategic Development Zone of the Orinoco Mining Arc,¹³ were two

turning points in illicit mining, in the environmental devastation of the mining towns, as well as in the violation of the human rights of the locals and outsiders who come to that area trying to escape the economic crisis.

With the creation of the so-called Orinoco Mining Arc (AMO), which covers an area of 111,843 square kilometers in the state of Bolivar, equivalent to 12% of the national territory, mineral exploration and mining was allowed in an area with protected ecological zones and home to dozens of indigenous communities. Its creation took place in the midst of a three-year economic recession marked by a drop in oil production and prices, double-digit inflation, shortages and a complex humanitarian emergency.

¹² Decree-Law No. 8,413 that reserves to the State the activities of exploration and mining of gold, as well as related and auxiliary activities. Official Gazette No. 39,759 of September 16, 2011.

Decree No. 2,248 for the Creation of the National Strategic Development Zone "Orinoco Mining Arc." Official Gazette No. 40,855 of February 24, 2016.

¹³ The National Assembly, then dominated by the opposition, adopted a resolution formally revoking the Orinoco Mining Arc decree, but this resolution was ignored by the Executive Branch.

The Mining Arc was presented as an opportunity to reorganize the mining activity, further develop mineral resources and diversify the government's sources of income, but the reality falls way short of expectations. Even though the authorities stated that minerals could only be extracted in 5% of the territory of the Mining Arc, the creation of this zone unleashed a gold rush that has rendered the situation of the mining towns even more chaotic, which has raised the alarm of national and international organizations.

The damage caused by the launching of the Orinoco Mining Arc has not only spread throughout the state of Bolívar, including natural parks and indigenous communities' lands, but has also impacted the municipalities of the state of Amazonas, where all types of mining are prohibited.

Between 2020 and 2022, bodies such as the United Nations Office of the High Commissioner for Human Rights (UNHCHR) and the International

Independent Fact-Finding Mission on Venezuela (FFM), established by the United Nations, echoed the complaints collected by Venezuelan media and organizations about the serious situation in the Orinoco Mining Arc and urged the Venezuelan government to act to guarantee a better quality of life for those who live there.

In its July 2020 report¹⁴ the UNHCR warned that **much of the mining activity inside and outside the Orinoco Mining Arc was controlled by organized criminal or armed groups**. It denounced various levels of **labor exploitation, trafficking and violence** due to the existence of a **system of corruption and bribery imposed by the groups controlling the mines**. It described that **much of the work in the region remained informal**, and that workers lacked employment contracts and safety equipment, while noting a **sharp increase in prostitution, as well as sexual exploitation in mining areas**, including of teenage girls.



In addition, it recalled the serious upsurge in malaria and the impact of mining on indigenous communities.

Similarly, in its September 2022 report,¹⁵ the FFM stated that the establishment of the Mining Arc caused the deterioration of the living and working conditions of the people in the mines, and also of those living in and around the mining areas. The organization denounced the **exploitation of miners**, subjugation to irregular armed groups, child labor, **environmental devastation**, **impact on indigenous communities** and high levels of corruption among administrative officials and law enforcement and armed forces.

Despite the fact that both international organizations urged the Venezuelan authorities to implement policies that guarantee respect for human rights in the area, and although military operations were implemented in mid-2022 to eradicate illegal mining, **by the end of 2024 there had only been some changes that attempt to give an appearance of legality to the mining and commercialization of Venezuela's gold, but which perpetuate the inhumane conditions in which mining is practiced and end up benefiting people very close to the political elite.**

The people remain extremely vulnerable, the environmental and health impact persists, criminal organizations maintain their dominance and, although government control and the number of companies in strategic partnerships have increased, mineral smuggling has not ceased, and most of the revenues from gold mining continues to stay in the pockets of a few who are part of the Venezuelan kleptocracy network.

Although monitoring the situation in the Orinoco Mining Arc and nearby towns has become an increasingly complex responsibility, given the high levels of government opacity, the limited access to many of the mining towns, the strong presence of criminal organizations in the areas, as well as the repression and harassment of journalists and independent investigators, this chapter presents an update on the state of gold mining in Venezuela, beginning with a review of the legal model of mineral extraction, followed by an estimation of the size of production and ending with a description of the conditions under which it is produced.

To address the opacity, data of interest were collected from interviews with live sources and a documentary review between the years 2023 and 2024. First, three field visits were made to mining towns in Bolívar state between October and November 2024, and structured and unstructured interviews were conducted with people inside and outside the country with knowledge on the subject matter: academics, journalists, human rights defenders, officials from the Ministry of Economy, Finance and Foreign Trade and the Venezuelan Mining Corporation (who testified off the record), among others.

Additionally, we compiled news published by regional, national and international media related to the mining and trade of gold in Venezuela and the conditions of the mining towns. We conducted a sweep of the publications on the websites and social media of the official entities in charge of the subject in Venezuela; we collected and analyzed reports prepared by national and international organizations, and consulted databases on international trade, as well as Venezuelan companies.

1. CHANGES IN LEGISLATION IN FAVOR OF OPACITY

The possession and use of mineral resources in certain nations requires an institutional framework capable of regulating the ownership of deposits, the legal, technical and financial means for their extraction, a positive relationship with rural or aboriginal communities, environmental and social licensing, as well as the supervision of primary exploration and extraction activities, and related activities such as industrialization, stockpiling, transformation, transportation and internal and external trade of the minerals, ensuring the collection of royalties and mining and general taxes.

Since its Hispanic past, Venezuela has been a territory where exploration and mining activities have been carried out for fiscal purposes,¹⁶ and currently has the geological know-how to be able to develop a mining industry that allows for greater and better

collection of taxes and royalties, in view of the current global growth of the mining industry, especially influenced by the so-called energy transition¹⁷ and geopolitical considerations that create sub-regional supply chains that are presented as the new scheme of world trade in minerals.

However, the current Venezuelan mining model is far from global standards of labor safety, environmental conservation and restoration, transparency and access to public information, and clear and stable legal regulation.

16 Capitulation of Charles V with the Welser family on March 27, 1528. Available at: https://www.cervantesvirtual.com/obra-visor/capitulacion-de-los-belzares-con-la-corona-de-castilla-madrid-27-de-marzo-de-1528--o/html/ff6bf908-82b1-11df-acc7-002185ce6064_2.html

17 Center for International Studies of the Pontificia Universidad Católica de Chile and Embassy of Canada. Critical Minerals for the Green Transition. 2024. Available at: <https://centroestudiosinternacionales.uc.cl/images/publicaciones/publicaciones-ceiuc/2024/minerales-ceiuc-1.pdf>

1.1. THE MINING LEGISLATION AND ITS REFORMS

Mining legislation in Venezuela in the last 70 years was characterized by the stability of the 1945 Mining Law,¹⁸ which was repealed in 1999 by Decree-Law of Mines No. 295,¹⁹ but which had few institutional and procedural amendments, rationalizing the modalities²⁰ of mining and the stages of the administrative procedure for obtaining optional concessions by the National Executive Branch, through the then Ministry of Energy and Mines.

The stability of previous years changed in 2011 with the entry into force of the Decree-Law that Reserves to the State the Activities of Exploration and Mining of Gold, as well as those related and auxiliary activities.²¹ That decree was subsequently amended and repealed until the current Law-Decree that Reserves to the State the Activities of Exploration and Mining of Gold and Other Strategic Minerals entered into force in 2015.²²

GACETA OFICIAL

DE LA REPÚBLICA BOLIVARIANA DE VENEZUELA

The Decree-Law in force since 2015 states that the State reserves, for reasons of national interest and strategic nature: the primary activities of gold and other strategic minerals; and the mining of gold and other strategic minerals.

WHO CAN MINE GOLD?

1. The Republic, which may engage in this economic activity directly, through some of its bodies such as the Ministry of People's Power for Mining and Ecological Development
2. Government institutes (autonomous institutes)
3. State-owned companies, which may be wholly owned by the Republic or subsidiaries thereof
4. Joint ventures in which the Republic or any of the aforementioned companies have control over their decisions and maintain a shareholding of more than 55%.
5. Strategic partnerships aimed at small-scale mining.

Joint ventures and strategic partnerships must be duly registered with the Single Mining Registry.

¹⁸ Official Gazette No. 121 Extraordinary of January 18, 1945.

¹⁹ Official Gazette No. 5382 Extraordinary of September 28, 1999.

²⁰ Decree No. 295 The modalities are set out in Article 7 of Decree-Law No. 295 of Mines: The exploration, extraction and use of mining resources may only be done through the following modalities: a) Directly by the National Executive Branch; b) Concessions for exploration and subsequent mining; c) Mining Authorizations for the exercise of Small-scale Mining; d) Mining Associations; and, e) Artisanal Mining.

²¹ Official Gazette No. 39.759 of September 16, 2011.

²² Official Gazette No. 6210 Extraordinary of December 30, 2015.

²²³ In accordance with Article 103 of the Organic Law of the Public Administration.



How much should they pay in royalties?

According to the law, the State is entitled to a share of the gold and other strategic minerals that are extracted from any deposit, and this share can range between 3% and 13% of the value of the final mineral product. The executive power sets the percentage and can demand payment in cash or in kind from entities carrying out the primary activities.

Who can trade gold?

The legal instrument emphasized that the gold and other strategic minerals obtained through mining activities inside of national territory must be sold and delivered to the Central Bank of Venezuela. The BCV can authorize the sale or delivery of each mineral to a different entity.

Based on this way of operating, the BCV established the regulations for commercializing gold internationally in Resolution No. 21-01-04 from January 2021, which created the procedure for exporting gold, in any form, extracted by authorized entities who are registered in the Unique Mining Registry with the Ministry responsible for mining.

Offering the gold is mandatory, but the BCV can decline to acquire the gold offered for sale, totally or partially, due to opportunity, merit, or convenience. The BCV can also grant authorizations when requested by an interested party or by the Ministry responsible for mining. To issue an authorization to commercialize gold, the interested party must pay the BCV a percentage between 4% to 9% of the authorized quantity based on the amount of the mineral that is to be exported, as provided in the guidelines established by the board of directors' memo.

1.2. THE END OF TRANSPARENCY

With this government prerogative, the mode of participation of the private sector in extraction of minerals declared strategic has changed. Now, instead of obtaining exploration and mining concessions, the private sector can participate through only joint ventures and strategic partnerships, which are different in nature, structure and content from the concession regime traditionally used by the industry throughout the region.

With the change in the level of involvement of private companies, there was also more room for opacity. Decree-Law of Mines No. 295 of 1999 established that all the procedures to be met by private companies to obtain a concession were required to be published in the Official Gazette, where any citizen could see who was interested in exploring or mining in Venezuelan soil. In contrast, **the Decree-Law that Reserves to the State the activities of exploration and mining of gold and other strategic minerals of 2015 does not establish this obligation in the mining modalities and participation of the private sector in mining.** In particular, this obligation is not present in the legal requirements of strategic partnerships.

1.3. STRATEGIC PARTNERSHIPS AND OPACITY. WHAT DOES THE LAW SAY?

The concept of the strategic partnership in the mining sector was introduced with the Decree-Law that Reserves to the State the Activities of Exploration and Mining of Gold and Other Strategic Minerals, published in 2015, and in the regulations derived therefrom, in which the Venezuelan State, through the Ministry of Ecological Mining Development or the Venezuelan Mining Corporation (CVM), enters into contracts with individuals or corporations to develop one or several mining activities.

To date, strategic partnerships have been entered into with producers in the mining industry for the mining of gold and its subsequent use: strategic partnerships for the development of prospecting, exploration, mining, stockpiling, storage, transportation, processing and/or internal or external trade of the mineral (or only some of these activities); and strategic partnerships for the sale of inputs required in the mining sector.

This elasticity of the strategic partnerships comes with a detrimental feature: There is no rule requiring the publication of their content, and hence no information on the partners or contractors, the scope of their obligations, the economic value of the partnership, the payments, percentages and modes of participation of the parties in this relationship, nor the means of termination, sanction or loss of the strategic partnership.

According to the website of the Ministry of Mining and Ecological Development,²⁴ strategic partnerships can be entered into by government entities with small miners (see classification in the following table);

with private companies for the installation of hydrometallurgy plants with cyanide leaching; or with corporations under an operations contract. For this modality, the shareholding margin that private companies can have is detailed below.

MINING ACTIVITY SCALE CATEGORIES

Scale of Mining Activity	Number of workers	Maximum Capacity	
		of production, tons per day of primary material	of processing, tons per year
A (Artisanal mining)	1-9	-	-
B (Small-scale mining)	10-49	Less than 350	Less than 130,000
C (Medium size mining)	50 - 249	Between 350 y 4400	Between 130,000 and 370,000
D (Large scale mining)	250 and more	More than 4400	More than 370,000

Source: Ministry of Ecological Mining Development.

Strategic partnerships with small-scale mining organizations are defined as “the articulation between the Venezuelan State and small miners, through the registration and creation of small mining brigades of a specific town, which allow the legalization of mining activity in an area authorized for this purpose and the transfer for the use of mining technologies with low environmental impact that allow the parallel development of agricultural, environmental restoration and remediation projects in the area.”

The **strategic partnerships for the installation of leaching plants** are “a form of association between the Venezuelan State and a national or foreign legal entity (...) for the use of gold sands derived from small-scale mining with respect to gold production,

between the Venezuelan Mining Corporation and the legal entity, where the CVM provides the mining rights and the commercialization of the mineral and the partner provides the capital, technology and human talent”.

Strategic partnerships with corporations under the modality of an operations contract is a form of partnership between the CVM and a legal entity, national or foreign, in which the government entity provides the mining rights and the commercialization of the mineral and the partner provides the capital, technology and human talent during the prospecting, exploration and mining phase.

According to the infographic published on the ministry's website, the State's participation in these partnerships can range from 20% to 55%, while that of the partner's shareholding can range from 45% to 80%, with these wide margins being decided at the discretion of CVM officials.

The low shareholding range that the State may have in strategic partnership is only one of the issues that draw attention in these businesses. In the case of joint ventures, the State must hold at least 55% of the shares. Also noteworthy is the final beneficiaries behind each of the companies that partner with the State for gold mining.



Source: Ministry of Ecological Mining Development.

1.4. DRAFT BILL OF THE NEW MINING LAW

The national mining management of the last 15 years has been characterized by instability and growth outside the regulations governing this activity. In this context, the Permanent Commission of Energy and Petroleum of the National Assembly announced in 2024 the discussion and preparation of the draft bill of the Critical and Strategic Minerals Law to “promote the industrialization of the mining sector.”²⁵

A new law for a sector overloaded with regulations of different types increases the chances of non-compliance on the ground, and

constitutes a risk of arbitrariness and misinformation based on the wide margins of discretion that has been poorly designed and granted to the public officials meant to apply it. In turn, the over-legislation of mining activity does not offer any clarity or stability, discourages investment and, on the contrary, prompts arbitrariness when choosing mining partners or operators in areas with environmental fragility, informality, illicit extraction of minerals and tax evasion.

1.5. ADMINISTRATION OF CHAOS

The Venezuelan mining activity, in the terms presented here, is shown as the administration of chaos, the appearance of legality with legislation drafted in a way that the Executive Branch and the relevant ministry (as central administration) and the CVM and the rest of the state-owned companies and autonomous institutes, establish the working conditions of this sector on a case-by-case basis.

Similarly, despite the fact that Venezuela is a signatory to international instruments on environmental matters and citizen participation such as the Paris Agreement²⁶ and Convention 169 of the International Labor Organization on Indigenous and Tribal Peoples in Independent Countries,²⁷ as well as constitutional norms related to these matters such as the right to petition,²⁸ the protagonist participation of the people,²⁹ environmental protection,³⁰ transparency and accountability,³¹ the mining activity is covered by opacity in all its stages, preventing Venezuelans and national and foreign investors from accessing data of public interest.

Venezuela does not provide information on areas with mining designations, strategic partnerships, operators, collection of royalties and mining taxes, implementation of actions to

mitigate environmental and socio-cultural impact, general mining production and per mineral, amount of mineral exported or delivered to the Republic through the Central Bank of Venezuela, among other issues to meet international standards of the mining industry,³² which promotes unlawful mining, institutional loss of control of the territory, smuggling of minerals and the fiscal incapacity of the Venezuelan State, among others.

There is currently no available information on the existence and approval of mining plans and reclamation stages set out in the technical accreditation of environmental impact studies. Similarly, there's non-compliance with the mine shutdown stage, which is essential in mining, as it concludes an activity with the purpose of diversifying the economic activities that used the subsoil and changed the topography of the mining site.

Each sector of the Orinoco Mining Arc may be linked to a partner whose strategic partnership will indicate whether it mines, collects, commercializes or transforms the extracted material, through a case-by-case analysis that allows us to affirm that there are as many models of strategic partnership as instruments signed in the country, thus evading the obligation of

26 Law Approving the Paris Agreement of the United Nations Framework Convention on Climate Change. Official Gazette No. 40.819 of December 30, 2015.

27 Law Approving Convention 169 of the International Labor Organization (ILO) on Indigenous and Tribal Peoples in Independent Countries, published in Official Gazette No. 37.305 of October 17, 2001.

28 Article 51 of the Constitution of the Bolivarian Republic of Venezuela.

29 Article 70 of the Constitution of the Bolivarian Republic of Venezuela.

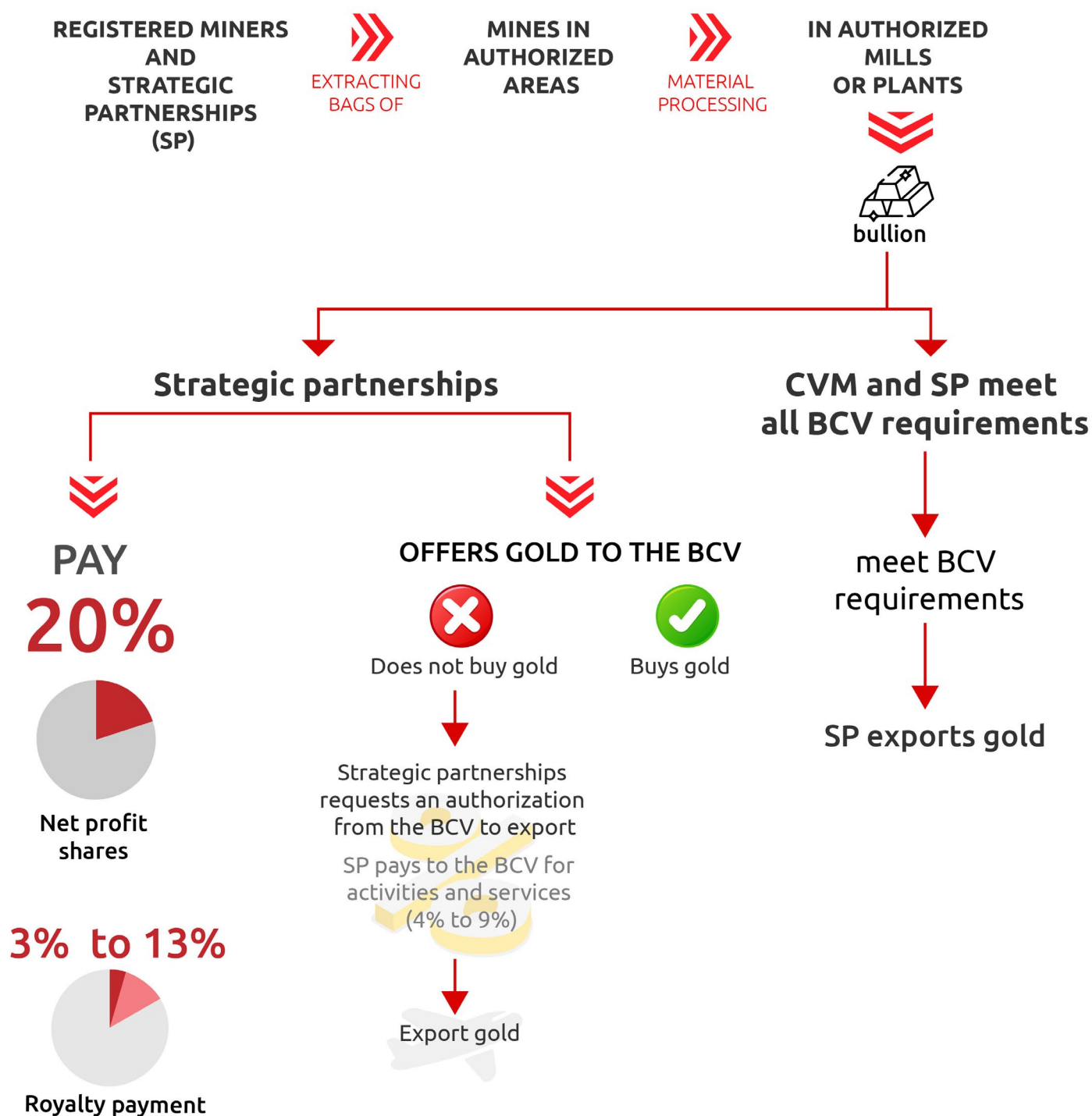
30 Article 129 of the Constitution of the Bolivarian Republic of Venezuela.

31 Article 141 of the Constitution of the Bolivarian Republic of Venezuela.

32 Extractive Industries Transparency Initiative, EITI. Available at: <https://eiti.org/es>

transparency and access to public information of all Venezuelans on an asset that was given to the State for proper administration.

According to Venezuelan mining legislation, the statutory process of mining and commercialization of gold is legal when:



2. INCREASES IN PRODUCTION, BUT NOT IN REVENUE

The actual gold production capacity in Venezuela and the extracted volume is difficult to determine due to the lack of transparency and opacity in the mining industry. Studies carried out by international organizations such as the Organization for Economic Cooperation and Development (OECD)³³ indicate that the production potential in the country is 75 tons of gold per year, while the Mining Sector Plan³⁴ presented by the Venezuelan government estimates that production will reach 80 tons by the end of 2025.

Although the agencies in charge of the mining sector in Venezuela have not provided official information, previous research developed by Transparencia Venezuela³⁵ based on interviews with officials from the Ministry of Economy, Finance and Foreign Trade and field data, show that mining production in the country has been growing steadily since 2020.³⁶

Based on the data analysis, **gold production in Venezuela in 2023 alone stood at between 45 and 54 tons, which accounted for between USD 2.75 billion and USD 3.3 billion**, given that the price of gold averaged USD 61,086.33 per kilogram.

But these increases not have translated into benefits for the mining towns, nor into relief for the national economy, which—although showing a slight upturn since 2021—is still far from reaching the size it boasted before 2013. First, environmental, social and health devastation has exacerbated; and second, the bulk of the production is staying in the hands of the “businessmen” in the strategic partnerships, as well as the criminal organizations that rule over the mines.

According to this report’s research, the BCV only accrued 8% in royalties and 6% from authorizing gold exports due to its limited purchasing capacity. Whereas criminal organizations accrued approximately 20%, and organizations with strategic partnerships with the political elite accrued 66%.

Based on these estimates, the BCV obtained between 6.3 and 7.6 tons of gold in 2023, which represented between USD 385 and USD 462 million. In contrast, illegal groups obtained between 9 and 10.8 tons of gold, which equates to approximately USD 550 and USD 660 million. While the strategic partnerships obtained between 29.7 and 35.64 tons of gold, i.e., between USD 1,814 and USD 2,177 million.

33 OCDE. Gold Flows from Venezuela. Supporting due diligence on the production and trade of gold in Venezuela. 2021. Available at: <https://mneguidelines.oecd.org/Gold-flows-from-Venezuela-supporting-due-diligence-on-the-production-and-trade-of-gold.pdf>

34 Ministry of Ecological Mining Development. Mining Sector Plan 2019-2025. Available at: http://www.desarrollominero.gob.ve/wp-content/uploads/2019/06/Plan-Sectorial-Minero2019_2025_Final040619_compressed.pdf

35 Illicit economies 2024. Growing revenues shared among allies. Available at: <https://transparenciave.org/economias-ilicitas/wp-content/uploads/2023/09/Una-renta-creciente-repartida-entre-aliados.pdf>

36 The mayor of the municipality of El Callao, Coromoto Lugo, said that by 2022 an estimated 3 tons of gold was taken out of his municipality alone every month, for a total of 36 tons per year. Runrunes and Correo del Caroní. Visit to the devastation pit of the Orinoco Mining Arc. 2022. Available at: <https://alianza.shorthandstories.com/promesa-opaca-del-arco-minero/index.html>

ESTIMATED GOLD MINING BREAKDOWN PER PLAYER AS OF 2023

Player	%	Tons per year (range)		Million USD/year (range)*	
		Lower range	Higher range	Lower range	Higher range
BCV	6%	2.7	3.24	165	198
Royalties	8%	3.6	4.32	220	264
Irregular groups linked to Chavismo	20%	9	10.8	550	660
Chavista elite-Strategic partnerships	66%	29.7	35.64	1,814	2,177
		45 tons–54 tons		USD 2750–USD 3300	

*Calculated at an average price of gold of USD 61,086.33/kg for 2023

WHAT ABOUT 2024?

As of the date of publication of this report, there is still not enough data to determine gold production or revenues in 2024. The ministries in charge of the mining sector have not yet published their management reports, and the Venezuelan Central Bank has not reported on the amount of gold that entered its accounts. In January 2025, however, Nicolás Maduro assured that the mining sector closed 2024 with positive numbers.

“The construction sector grew 25.9%, the mining sector grew 21% and there is no growth cap in sight for these sectors,” claimed the President³⁷ during the presentation of his annual report in the Ríos Reina hall of the Teresa Carreño Theater on January 15, 2025.

Maduro did not provide specifics about the growth of gold production in 2024, or how much it was in cash. However, the Mining Sector Plan³⁸ sets that between 2023 and 2024 gold production is set to increase by close to 20% to reach 67.3 tons of gold per year.

Although the exact production numbers are unknown, we can infer that revenues increased due to the global increase in gold prices, which peaked in 2024 and are expected to continue to rise in 2025.

Assuming that gold production in 2024 was 67.3 tons and that the average gold price per kilo was USD 84,208.20, the total value would be USD 5.667 million. Following these assumptions, from this total, the BCV would have accrued 8% in royalties (USD 455 million) and 6% on export authorizations (USD 337 million), while criminal organizations and representatives

³⁷ Ministry of the Office of the President and Monitoring of Government Management. Constitutional President presented economic achievements for the year 2024. 16/01/2025. Available at: https://www.presidencia.gob.ve/Site/Web/Principal/paginas/classMostrarEvento3.php?id_evento=29485

³⁸ Ministry of Ecological Mining Development. Mining Sector Plan 2019-2025. Available at: http://www.desarrollominero.gob.ve/wp-content/uploads/2019/06/Plan-Sectorial-Minero2019_2025_Final040619_compressed.pdf

of strategic partnerships would have received and distributed amongst themselves USD 4.875 million.

ESTIMATED GOLD MINING BREAKDOWN PER PLAYER AS OF 2023

Player	%	Tons per year	Million USD/year (range)*
BCV	6%	4	337
Ingresos fiscales	8%	5.4	455
Irregular groups linked to Chavismo	20%	13.5	1,137
Chavista elite-Strategic partnerships	66%	44.4	3,738
		67.3	5,667

*Calculated at an average price of gold of USD 84,208.20/kg for 2024

2.1. MINING SANCTIONS: REVOKED AND RE-IMPOSED

Venezuelan gold is considered toxic in international markets due to the conditions under which it is mined and the sanctions imposed by the United States against it, which has led to its marketing through neighboring countries and its blending with legal gold for sale. Illegal gold is mainly trafficked to Colombia, Turkey, Belgium and the Netherlands. However, according to information from the Wilson Center, Venezuela is legalizing gold by including it in the regular trade flows of other countries such as Suriname, Costa Rica or Guyana.

On March 19, 2019, the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) sanctioned Compañía General de Minería de Venezuela, C.A (Minerven) and its former president Adrián Antonio Perdomo Mata, for allegedly supporting illegal gold mining operations that have allowed "propping up Nicolás Maduro's regime."³⁹

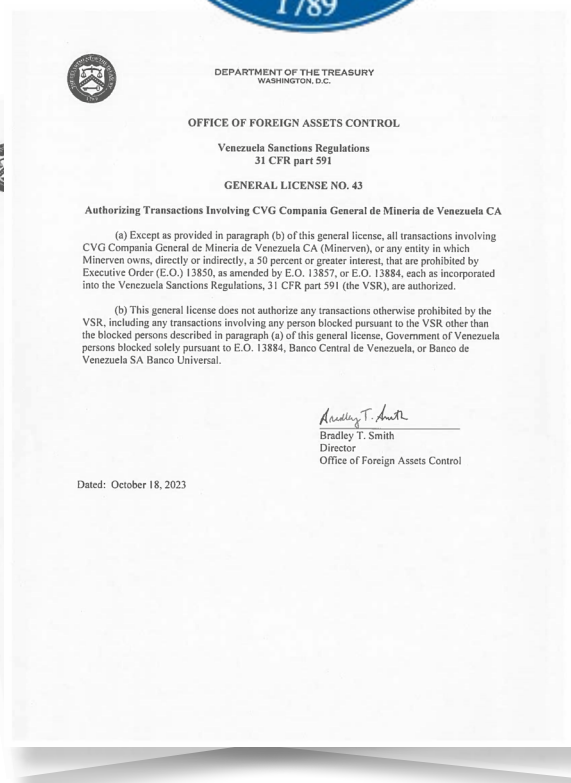
"The illegitimate Maduro regime is pillaging the wealth of Venezuela while imperiling indigenous people by encroaching on protected areas and causing deforestation and habitat loss. Maduro's scheme to usurp the National Assembly's authority and strip Venezuela of natural resources has exposed local communities to dangerous toxins," said then-Treasury Secretary Steven T. Mnuchin.

As a result of the measure, all assets and interests in assets of Minerven and Perdomo found in the United States, in the possession or under the control of U.S. persons, were blocked. Similarly, according to OFAC regulations, all U.S. persons or those residing in the U.S. are prohibited from making transactions with the sanctioned persons.

In October 2023, the government of Nicolás Maduro managed to open negotiating spaces with the opposition and the United States, which led to an agreement to temporarily lift sanctions on gold, oil and gas, in exchange for commitments to hold a free and democratic presidential election. General License 43 (GL 43)⁴⁰ authorized all transactions otherwise prohibited by the Venezuelan Sanctions Regulations (VSR) with Minerven and entities 50% or more owned by it.

However, that license was suspended and the sanctions were re-imposed by the U.S. Treasury Department in January 2024. GL 43 was replaced by license 43-A,⁴¹ which prohibits any transaction related to Venezuelan gold in other countries. The decision to slap the sanctions again was taken as a measure of pressure against the Maduro government, especially after the Venezuelan judiciary ratified the disqualification of Maria Corina Machado, leader of the Venezuelan opposition.

According to the sources interviewed, although the term of the license was very short and did not lead to major changes in gold mining in southern Venezuela, it was considered an opportunity to facilitate the placement of Venezuelan gold.



⁴⁰ U.S. Department of the Treasury. General License No. 43. Authorizing Transactions Involving CVG Compania General de Minería de Venezuela CA. 18/10/2023. Available at: <https://ofac.treasury.gov/media/932226/download?inline>

⁴¹ U.S. Department of the Treasury. General License No. 43. Authorizing the Wind Down of Transactions Involving CVG Compania General de Minería de Venezuela CA. 29/01/2024. Available at: <https://ofac.treasury.gov/media/932561/download?inline>

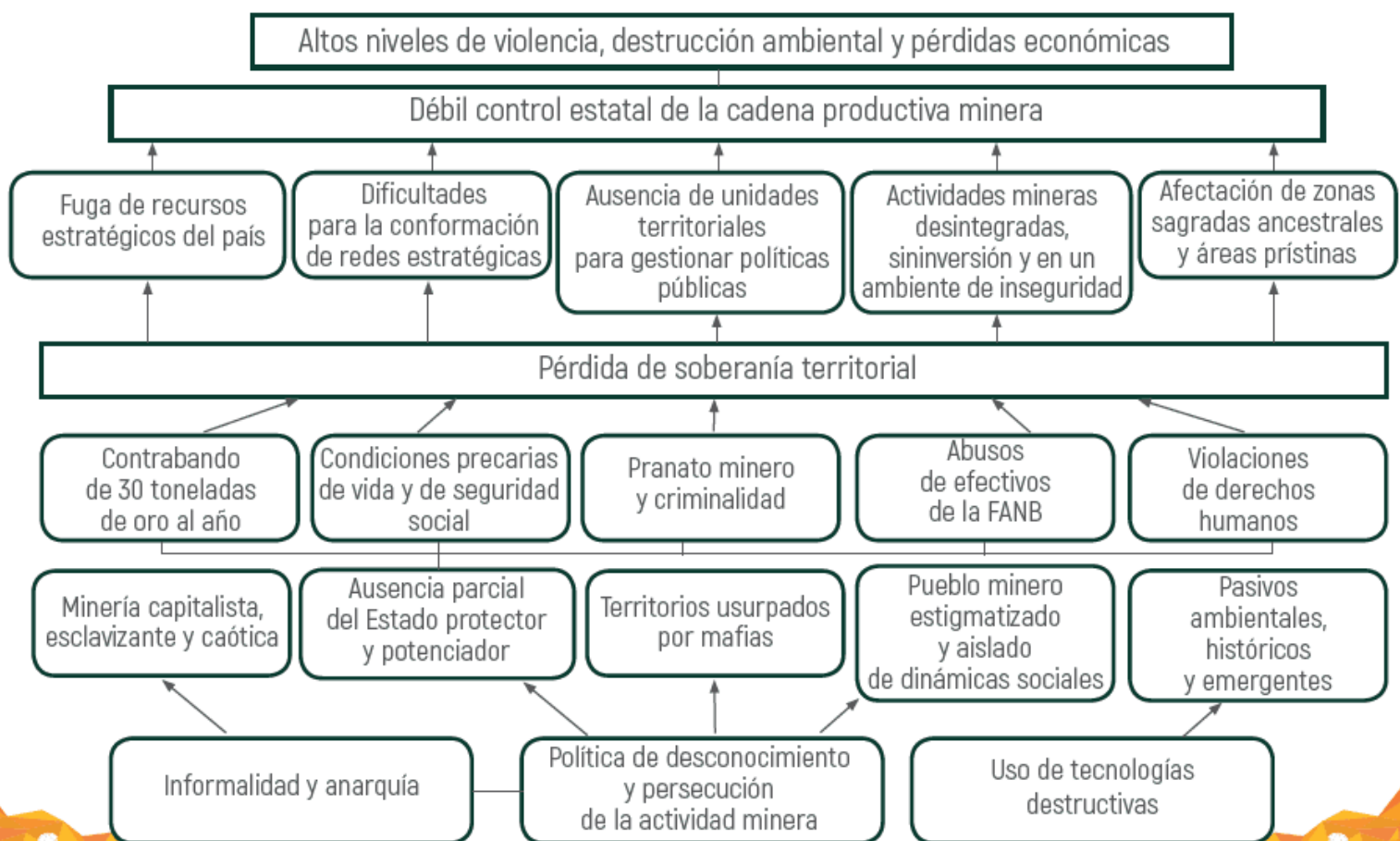
3. THE GOLD PRODUCTION AND MARKETING PROCESS. CHANGES WITHOUT IMPROVEMENT

The massive and disorderly extraction of minerals accelerated in the state of Bolívar starting with the creation of the Orinoco Mining Arc in 2016, and it changed little until the end of 2024. Most of the needs in the area, which were recognized by the Ministry of Ecological Mining Development (in the image below) still persist, with the economic, social, cultural and environmental impact that this implies.

One of the few changes that have taken place in the area in recent years has been the increased control by government entities in the mining towns, although this does not necessarily translate into improved conditions, according to the visits to Bolívar state and the testimonies of the residents.



Necesidades identificadas en el Arco Minero del Orinoco



Since mid-2020, when most of the world was in lockdown due to the Covid-19 pandemic, the mining towns of Bolivar state, especially in El Callao, Tumeremo, El Dorado and Las Claritas, saw an increased presence of the Venezuelan Mining Corporation, the state-owned company attached to the Ministry of Ecological Mining Development that has become the government's main authority in this region.

“The CVM is now commonly recognized as the Queen of the South,” says a researcher of the social dynamics

of the mining towns of Bolivar state who frequently visits the areas and has been able to observe the growing power of this government entity.

When traveling from Puerto Ordaz – one of the main cities in the state of Bolivar – to the mining towns in the south of the state, the CVM logo starts to be seen everywhere. From the billboards spreading messages of environmental preservation, to welcome signs in each of the towns and even on the front walls of schools.



Presence of CVM in the mining towns of southern Bolivar state. October 2024. (Transparencia Venezuela)

Once people enter the mines' boundaries, the presence of the CVM is once again evident. The sacks in which the miners collect the gold-bearing material are stamped with CVM seals, and the trucks onto which the material is loaded to be taken to the mills or leaching plants are also authorized by the state-owned company.

On paper, CVM's mission covers a broad spectrum that includes the exploration, mining, production, transformation, refining, manufacturing, distribution, import and export of materials from the exploitation of mines and mineral deposits in all their phases.

People close to the state-owned company or its directors maintain that CVM is forced to reach "a monthly collection quota" in gold material. Therefore, everything that is commercialized in the south of Bolívar is reported to them.

The CVM has also become the agency in charge of selling and regulating the distribution of all supplies used in mining, and those that while not used directly are required by those engaged in the exploration and extraction of gold-bearing material.

From the gasoline or diesel essential for the operation of mills to sacks, tarpaulins, plastic, wood, tools, generators, pumps, hoses and any other supply, however common and available, is qualified as strategic material. Even rubber boots and mining boots known as "the Frazzani," as well as motorcycles, were also declared strategic material.

People with access to CVM's facilities recount that, if someone goes to their offices in Puerto Ordaz, they will see security screens split into six windows, where they remotely monitor who enters and who leaves the areas they deem especially strategic or warrant special security measures.

3.1. THE INCREASE OF STRATEGIC PARTNERSHIPS IN THE MINING ARC

In the years following the creation of the Orinoco Mining Arc, the creation of two joint ventures to explore and mine gold was publicly announced.⁴² With time, however, no more such announcements were made, being replaced with reports of strategic partnerships.

The same website of the Ministry of Ecological Mining Development shows the "mining projects bank,"⁴³ which detailed the list of agreements with private companies for the installation of cyanide leaching plants. However, this information was removed from the site and no information was provided on the companies that have contracts with the State for the mining of gold and other minerals.

Despite government secrecy, a review of the publications of renowned media and civil society organizations, access to a leak of CVM documents and a visit to the mining municipalities of Bolívar state allowed us to confirm the increase of strategic partnerships related to the extraction, processing

42 On September 29, 2016, the Empresa Mixta Ecosocialista Siembra Minera was created, comprised of Corporación Venezolana de Minería and GR Mining Inc, a company registered in Barbados by the same owners of Canadian Gold Reserve.

43 On August 31, 2018, Empresa Mixta Mibiturven was created, composed of Minerven and Marilyns Proje Yatirim S.A., a company registered in Turkey linked to Colombian businessman Alex Saab, who was imprisoned in the United States for alleged acts of corruption in Venezuela. Ministry of Ecological Mining Development. Mining projects bank. <https://web.archive.org/web/20240519172501/https://www.desarrollominero.gob.ve/banco-de-proyectos-mineros-2/>

and commercialization of gold. Most of these sites emerged and consolidated since the mid-2020's and are concentrated between the towns of Guasipati and El Callao.

Strategic partnerships have also been set up in Tumeremo, but they are less visible because they are located further inland. During a visit to the area, there were complaints about the high power consumption of these companies. A source who worked in one of them said that at his site there are ten sheds with eight mills each, for a total of 80 mills that operate taking the electricity that supplies the city. Thus, when the mills are operating, entire communities are left with no power supply. It should be noted that the blackouts have a direct impact on the provision of mobile telephone services, i.e., when they have no electricity, they are also cut off from cell phone communication.

The airport in Tumeremo used frequently by light aircraft was recently revamped. But there is no official information to date on their use.

On the road from El Dorado to Las Claritas, where new mining settlements have sprung up including one detected between km 26 and 27 strategic partnerships have been emerging, as well as different types of businesses, from venereal disease testing laboratories, motorcycle dealers, mining material suppliers, restaurants, beauty stores, Wi-Fi hotspots, among many others.

The area is filled with billboards announcing the proximity of mills for gold mining, with the logo of Corporación Venezolana de Minería.

At the end of 2024, Transparencia Venezuela identified 72 companies that have established strategic partnerships with the State for gold mining, the installation of cyanidation plants for its processing and the sale of inputs.

However, it has not been possible to determine whether all of them were operational at the end of 2024.

STRATEGIC PARTNERSHIPS IDENTIFIED IN THE ORINOCO MINING ARC

No.	Company name	Description	Head office address	Directors
1	Inversiones y Representaciones Glenduard, C.A.	Strategic partnership in the AMO. It is part of the Domingo Sifontes Industrial Complex inaugurated in 2018. One of its directors, Eduardo Rivas was accused of being a front man for Nicolás Maduro Guerra, son of President Nicolás Maduro, by the former director of SEBIN, Manuel Cristopher Figuera.	Av. Paseo Caroní Edif. P.A Centro, piso 2, oficina 217, sector Unare II, Ciudad Guayana, Bolívar.	Eduardo José Rivas Eukaris Lazzar Bernay Lisbeth Lazzar Bernay
2	Corporación Petroglobal, C.A.	Strategic partnership in the AMO. It is part of the Domingo Sifontes Industrial Complex. One of its shareholders, Mario Bonilla, is accused in a corruption case being investigated in the U.S. He has been identified as a front man for the children of Cilia Flores.	Sector Avenida Paseo Caroní. Centro comercial El Paseo, Local 2-16, Unare I, Puerto Ordaz, Bolívar.	Mario Enrique Bonilla Vallera Raúl Eduardo Saavedra Leterni Eukaris Lazzar Bernay
3	Invertrade, C.A.	Strategic partnership in the AMO. It is part of the Domingo Sifontes Industrial Complex inaugurated in 2018. It is an importer of cyanide and mercury, according to Venezuelan media investigations.	Avenida Guayana, torre Bell, piso 7, oficina 7H Puerto Ordaz, municipio Caroní, Bolívar.	Carlos Alberto Ávila Ricardo Alfonso Brito
4	Mipre	Strategic partnership in the AMO. It is part of the Domingo Sifontes Industrial Complex inaugurated in 2018.	Av. Paseo Caroní, Unare II, Galpon S/N, municipio Caroní, Ciudad Guayana, Bolívar.	David Isaac Rosales
5	Inversiones Oriente	Strategic partnership in the AMO. It is part of the Domingo Sifontes Industrial Complex inaugurated in 2018.	Bolívar state	
6	Inversiones RPL	Strategic partnership in the AMO. It is part of the Domingo Sifontes Industrial Complex inaugurated in 2018.	Bolívar state	
7	Complejo Industrial Manuel Carlos Piar	Complex consisting of six gold processing plants, located in El Callao, municipality of El Callao, Bolivar state.	Bolívar state	
8	Corporación Guayanaoro, C.A.	Strategic partnership in the AMO for the installation of the Guayana Oro cyanide leaching hydrometallurgy plant.	Av. Principal, local s/n caserío El Araguaney, asentamiento campesino carrizalito, sector carrizal El Callao, municipio El Callao, Bolívar.	Jean Carlos Ranauro Leonardo Santilli García (+)
9	Servicios Mineros Grupo C6, C.A.	Strategic partnership in the AMO for the installation of the Grupo C6 cyanide leaching hydrometallurgy plant.	Bolívar state	Juan José Coraspe
10	Inversiones La Lucha 2016, C.A.	Strategic partnership in the AMO for the installation of the La Lucha cyanide leaching hydrometallurgy plant.	Bolívar state	Eliros José Peraza
11	Inversora Sarrapia, Técnicas y Procesos, C.A.	Strategic partnership in the AMO for the installation of the Sarrapia cyanide leaching hydrometallurgy plant.	Carretera nacional vía Guasipati, Km 01. Upata, municipio Piar, Bolívar.	Gerardo José Quiroz Renny Ildemar Fernández Ramón Isidro Hening Evelio Ramón Vásquez

No.	Company name	Description	Head office address	Directors
12	Inversiones El Guayare, C. A.	Strategic partnership in the AMO for the installation of the Guayare cyanide leaching hydrometallurgy plant.	Bolívar state	Juan José Coraspe Rafael Antonio Coraspe Gustavo Andrés Ochoa
13	Refimina, C.A.	Strategic partnership in the AMO for the installation of the Refimina cyanide leaching hydrometallurgy plant.	Troncal 10 kilómetro O, carretera nacional Tumeremo – El Dorado, Bolívar.	Florentino Maldonado Gustavo Andrés Ochoa
14	Goldtex de Venezuela, C.A.	Strategic partnership in the AMO. It has had an exponential growth after the Covid-19 pandemic. Its former executives were indicted in 2011 in the corruption case known as the rebar mafia.	Calle Caura cruce con carrera Guri, casa oficina, Urbanización Alta Vista. Bolívar.	Álvaro Ramírez
15	Inversiones Intac, C.A.	Strategic partnership in the AMO. Its former directors belong to the JHS Group, a business conglomerate led by Jorge Alfredo Silva Cardona, former GNB sergeant and former SENIAT employee, who has been linked to brothers José David Cabello and Diosdado Cabello.	Av. Los Apamates, Qta. BP N°4-48, Urb. del Este, Barquisimeto, Lara.	Jackson Javier Soto
16	Corporación Berakah, C.A.	Strategic partnership in the AMO. Signed contract with the Instituto Autónomo de Minas Bolívar. Linked to Roberto Antonio Tadeo Leyba Morales, ex-partner of María Gabriela Chávez, daughter of Hugo Chávez.	Centro comercial La Pradera Nivel Piso 1 Local L-28 Calle Ricaurte Sector Casco Central Municipio Piar Upata, Bolívar.	Julio Ernesto Mendoza Katerin Yuliet Ribeiro
17	Inversiones Agrominera El Llanero	Strategic partnership in the AMO for the installation of the Inversiones Agrominera El Llanero plant.	Av Urdaneta Casa Nro S/N Sector Centro Guasipati, estado Bolívar.	Nidia Soraya Martinez
18	Servicios, Construcciones y Mantenimiento Rita, C.A.	Strategic partnership in the AMO for the installation of the Rita, C.A. plant.	Calle 12 Casa Nro. 12 Sector Pueblo Nuevo Sur El Tigre. Estado Anzoátegui.	Freddy Alberto Tamoy
19	Inversiones Canlara, C.A.	Company linked to Planta Rita, C.A., the strategic partnership between CVM and Servicios, Construcciones y Mantenimiento Rita, C.A.	Carretera Nacional Parare Casa Sn Diagonal A La Urb Andres Eloy Blanco Maturin, Monagas.	Julio Cesar Brito Carvajal Jose Gregorio Brito Carvajal
20	Dempica	Company present on the AMO.	Bolívar state	
21	Inversiones LT Import	Mining input supply center with presence on the AMO.	Upata, municipio Piar, Bolívar.	Ricardo Martin Lisi
22	Corporación La Pedrosa, C.A.	Mining company with presense on the AMO. It is the result of an agreement between Palestine and Venezuela.	Bolívar state	Roberto Luis Bustamante
23	Empresa Minera Socialista JC, C.A.	Strategic partnership in the AMO. One of its directors is a military officer graduated from the same class as Antonio José Pérez Suárez, imprisoned for corruption.	Calle El Carmen. No. 47 Sector Girardot San José de Guanipa, Anzoátegui	Jesús Rafael Velásquez Yulians Antonio Mujica

No.	Company name	Description	Head office address	Directors
24	Asociacion Civil Comuna Lo Increible 4a y 4b	Strategic partnership on the AMO.	Ctra Nacional Guasipati- El Callao, Troncal 10 Entrada A La Mina Los Increible Casa S/N, Sector Laboratorio Hasta El Carmen El Callao, Bolívar.	Carlos Enrique González Tomás Enrique Muñoz
25	Agrominera Corminca	Company with presence on the Mining Arc. It displays logos of Corporación Venezolana de Minería (CVM) and the Ministry of the Penitentiary Service.	Bolívar state	
26	Aurumin, C.A.	Strategic partnership in the AMO. It has had an exponential growth after the Covid-19 pandemic. One of its shareholders is linked to the company Inversiones Quimiveco.	Calle principal, local Nro. S/N, Zona de Desarrollo Estratégico Arco Minero, Sector Área oro 4 y área oro 2, Sector Tupuquen El callao, Bolívar.	Rolando Andrés Vega Clara Elizabeth Suárez
27	Corporación Nara	Mining input supply center at the AMO.	Bolívar state	
28	Corporación Estrellas de Oro, C.A.	Mining input supply center at the AMO.	Bolívar state	
29	Complejo de producción de Arenas Santa Bárbara	Strategic partnership in the AMO.	Bolívar state	
30	Almaz Group	Strategic partnership in the AMO.	Bolívar state	
31	GoldCorp C.A.	Strategic partnership in the AMO.	Bolívar state	
32	Global Minería 1515, C.A.	Strategic partnership in the AMO.	Bolívar state	
33	Asociación Civil Micro empresa "DH"	Mill at the AMO.	Bolívar state	
34	LC Metal Group	Strategic partnership in the AMO.	Calle Pozo N° 05 Casa Nro 5 Sector La Caraqueña Pozuelo Puerto La Cruz. Anzoátegui.	Luis Domingo Carvajal Iran Jose Mata
35	Corporación Minera Veta Dorada, C.A.	Strategic partnership in the AMO.	Bolívar state	José Antonio Marchan Hernández
36	Grupo Orizonia, C.A.	Strategic partnership in the AMO.	Av. Estados Unidos, Cc. Villa Alianza Ii, Nivel Ii, Local L, Urb. Villa Alianza Ii, Puerto Ordaz, Ciudad Guayana, Bolívar.	Américo José Figuera Byron Jesús Figuera
37	Sambuca 3000, C.A.	Strategic partnership in the AMO.	Bolívar state	

No.	Company name	Description	Head office address	Directors
38	L1 Soluciones Geomineras, C.A.	Strategic partnership in the AMO.	Bolívar state	
39	Territorium S.P., C.A.	Strategic partnership in the AMO for the installation of a leaching gold production plant.	Calle Tocoma. Local Nro. 05-10. Zona industrial Unare II. Ciudad Guayana. Municipio Caroní, Bolívar.	Eduardo Andrés Perera
40	La Guaira Corporación, C.A.	Strategic partnership in the AMO.	Sector Santa Eduvigis, Antiguo Galpón Últimas Noticias, Parroquia Urimare, La Guaira.	Candido Francisco Silva
41	CorpoOro Uno, C.A.	Strategic partnership in the AMO.	Bolívar state	
42	Inversiones Manito, C.A.	Strategic partnership in the AMO.	Bolívar state	
43	Minera Pacific, C.A.	Strategic partnership in the AMO.	Avenida 6 .Manzana 1. Local 13. Urbanizacion Pocaterra. Tocuyito, Carabobo.	Miguel Ángel Montilla Valeria Mercedes Casas
44	Arenas Group, C.A.	Strategic partnership in the AMO.	Avenida Guayana, Centro Comercial Torre Bell, Nivel 7, Oficina 7h, Urbanización Alta Vista Ciudad Guayana, Bolívar.	Erick David Blank Alan Alberto Azuaje
45	Globaltex	Strategic partnership in the AMO.	Bolívar state	
46	Administradora del Sur 2121, C.A.	Strategic partnership in the AMO.	Av. Principal Del Triunfo, Local Nro S/N Urb. El Triunfo, Delta Amacuro.	Jesús Rodrigo Medina Carlos Luis Rodríguez
47	Materiales y suministros Tisha	Strategic partnership in the AMO.	Av. Francisco de Miranda Calle El Parque y Av Naiguatá CC Centro Lido Torre C Nivel 13 Of 31 Urb. El Rosal	Tomás Enrique Tinedo
48	Molinos Rancho Grande C.A.	Strategic partnership in the AMO.	Bolívar state	
49	Agrominera Ecológica El Porvenir, C.A.	Strategic partnership in the AMO.	Bolívar state	
50	Molinos La Nacional, C.A.	Strategic partnership in the AMO.	Bolívar state	
51	Servicios y Suministros Venezuela, C.A.	Strategic partnership in the AMO.	Zona Industrial Los Pinos Manzana 9 Parcela Transversal 6 Puerto Ordaz. Estado Bolívar.	Juan Percy Carazas Danilo Lucas Suasnabar

No.	Company name	Description	Head office address	Directors
52	Inversiones Golfmix, C.A.	Strategic partnership in the AMO.	Bolívar state	
53	Asociación minera La Ramona, C.A.	Strategic partnership in the AMO.	Bolívar state	
54	Suministros Liccioni, C.A.	Strategic partnership in the AMO.	Calle Liccioni Local 2 Sector El Centro. El Callao. Bolívar.	Victor Manuel Clark Mirvia Solymar Gil
55	Dimalusal 2013, C.A.	Mining company operating in the Bolivar state's Trunk 10, in the so-called Orinoco Mining Arc. Signed multiple contracts with Petróleos de Venezuela, SA (PDVSA) for the supply of materials.	Av Jorge Rodríguez Cc Odett Center Oficina 14 Barcelona Estado Anzoátegui.	Daniel Enrique La Scalea
56	Trenio TMO, C.A.	Mining company operating in the Bolivar state's Trunk 10, in the so-called Arco Minero del Orinoco.	Calle Zea Con Piar Local Nro S/N Sector Centro, Tumeremo, Bolívar.	Odalís Elena Rodríguez Wilmer José Gregorio Gómez
57	Inversiones Quimivco 3, C.A.	Mining supplies company located in the Orinoco Mining Arc. One of its shareholders is also listed in Aurumin.	Urbanización Chuao, Avenida La Estancia, Centro Comercial Ciudad Tamanaco Torre A, Piso 7, Oficina A708, Municipio Baruta, Miranda.	Rolando Andrés Vega
58	Mina Belén	Strategic partnership in the AMO.	Bolívar state	
59	Corporación de Energía e Insumos Corein, C.A.	Mining input supply center at the AMO.	Bolívar state	
60	Zurisadai NM.1:6, C.A.	Strategic partnership in the AMO. It is owned by National Guard General José Gregorio Almao Barroeta, former president of the governmental Misión Negra Hipólita.	Centro Comercial El Recreo. Torre Sur. Piso No. 5. Oficina No. 54 Av. Venezuela, municipio Libertador, Caracas. Distrito Capital.	José Gregorio Almao Barroeta Frank Anyerson Labrador
61	Hangzhou Dragon Dorado 2020, C.A.	Strategic partnership in the AMO.	Bolívar state	
62	Corporación Minera Juan German Roscio, C.A.	Strategic partnership in the AMO.	Bolívar state	
63	Huella 44, C.A.	Strategic partnership in the AMO.	Bolívar state	
64	Saigon, C.A.	Strategic partnership in the AMO. Legal representative is Rafael Gruszka Tress, a public official from 2001 to 2003.	Calle principal sector Bizkaitarra. Las Claritas, municipio Sifontes, Bolívar.	Rafael Gruszka Tress
65	Importadora y Suministros J-A, C.A. – Impsuja	Mining input supply center at the AMO.	Bolívar state	

No.	Company name	Description	Head office address	Directors
66	Molinos Guaicaipuro	Mill present in the AMO.	Bolívar state	
67	Inversiones Hermanos Romero IHR, C.A.	Mill present in the AMO.	Bolívar state	
68	Inversiones Molinos El Dorado Y&A	Mill present in the AMO.	Bolívar state	
69	Inversiones Molinos A&V	Mill present in the AMO.	Bolívar state	
70	Inversiones Molinos Fermín Rojas, C.A.	Mill present in the AMO.	Bolívar state	
71	La Laguna	Strategic partnership in the AMO.	Bolívar state	
72	Inversiones Corundum, C.A.	Strategic partnership in the AMO.	Bolívar state	

Source: Corporación Venezolana de Minería, El Callao Mayor's Office, Correo del Caroní, Armando.info and our own research.



As mentioned in the section on mining legislation, secrecy abounds regarding strategic partnerships. Despite working with material that is in the public domain, the little information available does not come from official sources but from independent research. There is no clear data on the criteria used by the CVM to choose with which company it will establish a strategic partnership, the shareholding percentage of each of the parties, the collection percentage and the destination of the gold.

“What is clear for each one of us is that in order to have a gold strategic partnership the most important thing is to have a godfather. Someone well connected within the government or the military who can pull the strings needed to get the operations contract approved,” said a CVM worker who preferred to keep his name confidential.

The investigations conducted so far have identified several cases in which the owners of the companies associated with the CVM are military personnel or persons linked to top government officials. In other cases they are persons who have been or are being investigated for corruption inside and outside Venezuela.

An agreement with Turkey

An official announcement was made in 2024 about the signing of a “Concession Agreement for the Exploration and Extraction and Commercialization of Minerals, Gold and Copper” between Venezuela and Turkey.⁴⁴



Official meeting between Turkey and Venezuela (Presidential Press)

It all suggests that the signing of this document is the direct result of a memorandum of understanding signed on January 31, 2024, between the Minister of Energy and Natural Resources of the Republic of Turkey, Alparslan Bayraktar, and the then Minister of Ecological Mining Development of Venezuela, William Serantes Pinto, on mining matters.

In the announcements reviewed by the state-owned media,⁴⁵ however, there are no specifics on the concessionaire company, the territory over which the concession is granted, the type of contract, the advantageous conditions offered, or the subsequent establishment of a joint venture or the signing of a strategic partnership that sets out the rights and obligations of the parties in this mining project. The information is also not published in the official gazette after the signing of this instrument.

⁴⁴ Telesur. Venezuela y Türkiye suscriben convenios en el sector petroquímico y minero. 08/06/2024. Available at: <https://www.telesurtv.net/venezuela-y-turkiye-suscriben-convenios-en-el-sector-petroquimico-y-minero/>

⁴⁵ La Noticia VTV YouTube channel. Venezuela y Türkiye firman acuerdos para el desarrollo minero, gasífero y petroquímico. 07/06/2024. Available at: https://www.youtube.com/watch?v=1kp_92DoVJw

It is clear from reviewing different websites that the beneficiary of the “mining concession” in Turkey is Robert Yüksel Yildirim, president of the Yildirim Group, which has a metals and mining subsidiary called Yilmaden Holding,⁴⁶ and that the mining area is in the Orinoco Mining Arc, without specifying the sector.



Robert Yüksel Yildirim and William Serantes Pinto at the signing of the mining concession contract between Venezuela and Turkey. (Ministry of Ecological Mining Development)

Even though there is no clarity on the nature of the instrument signed is not clear, since a mining concession is not established as a means for gold mining but rather the application of joint ventures or strategic partnerships, there is no publication in the Official Gazettes as of the end of 2024, and thus, opacity and arbitrariness surround the management of the national mining administration.

3.2. COMPANIES SUSPECTED OF CORRUPTION

The distrust surrounding the “private” partners in the Orinoco Mining Arc is well founded. Tracing these companies through online sources and Venezuelan public records allowed us to identify some of their directors and their links with top government officials in Venezuela, as well as with corruption cases inside and outside the country.

The investigations into the **Domingo Sifontes** and **Manuel Carlos Piar industrial complexes** revealed some wrongdoings. Both were managed by Eduardo José Rivas, who also appears as a shareholder of Inversiones y Representaciones Glenduard C.A., and was identified in the media as an individual close to President Nicolás Maduro’s family.



Domingo Sifontes Industrial Complex



Manuel Carlos Piar Industrial Complex

When the first of these complexes was created in May 2018, authorities announced that it would be composed of six gold processing plants, located in El Callao, Bolivar state. One of these plants was the result of a strategic partnership between CVM and Corporación Petroglobal, C.A., for the development of gold sands extraction and processing activities through the cyanide leaching process.

Documents from the Public Registry in which Corporación Petroglobal was incorporated revealed that one of its directors is Mario Bonilla Vallera, listed by the U.S. justice system as the front man of Cilia Flores's sons Walter, Yoswal and Yosser Gavidia Flores, and of his half-brother Nicolás Maduro Guerra, son of Nicolás Maduro.⁴⁷

Another plant announced in early 2018 resulted from the strategic partnership between CVM and Corporación Guayana Oro, C.A.,

for the development of activities for the extraction and processing of gold-bearing sands through the cyanide leaching process.

One of the directors of Corporación Guayana Oro was Leonardo Santilli, a Venezuelan businessman who was indicted in 2020 by the U.S. Department of Justice for his alleged involvement in a case of money laundering in PDVSA.⁴⁸ A few months after the U.S. indictment against him became known, Santilli was murdered in Anzoátegui State, Venezuela.

There are no mentions in state-owned media of the industrial complexes or the companies mentioned at least since 2021. In addition, in visits to the south of Bolivar state, between October and November 2024, we observed that the Guayana Oro plant, located in El Callao, is now called Santa Barbara Plant.



Front wall of the Santa Barbara plant, former Guayana Oro Plant, El Callao. October 2024.

⁴⁷ Armando.info. El capataz que mantiene a Venezuela. 26/07/2020. Available at: <https://armando.info/el-capataz-que-mantiene-a-venezuela/>
Corruptómetro. Operación Money Flight. Available at: <https://corruptometro.org/casos/operacion-money-flight-52/>

⁴⁸ United States Department of Justice. United States v. Leonardo Santilli: Docket no. 20-mj-02459-lfl. 20/03/2020. Available at: <https://www.justice.gov/criminal/fraud/fcpa/cases/leonardo-santilli>

Interesting information has also been identified regarding the shareholders or managers of the strategic partnerships that began to be established since 2020. One of the cases most reported by Venezuelan media and organizations is that of Goldtex, a company located between Guasipati and El Callao. Its former directors, Gran Alexander Ritchie Silva and Eduing Flores Zuloaga, were persons of interest in the case of the “rebar mafia,”⁴⁹ in which hundreds of shipments of rebars (iron or steel bars used in construction) were stolen from Siderúrgica del Orinoco-Sidor.

One command of the Special Unit of the National Army for the Protection of the Mining Arc (UEPAMO) was installed in the strategic partnership facilities.

The Unit works in environmental regulation and protection within the legal framework established by the Venezuelan State.

The strategic partnerships recently established in the Orinoco Mining Arc includes notably **Aurumin**, created for gold processing, and Inversiones **Quimiveco 3**, which commercializes different inputs used in mining, such as sodium cyanide or activated carbon.

According to Aurumin’s file in the national registry of contractors, which was accessed for this report, this company was registered in Caracas in February 2020. Its shares are divided in half between Clara Suárez Flores, who also holds the position of administrator, and Rolando Vega Sánchez, who serves as director. The latter is also the sole shareholder of Inversiones Quimiveco.



October 2024. UEPAMO Unit 2 installed inside Goldtex headquarters. October 2024.

EA transport unit of the Bolivarian National Armed Forces (FANB) is often seen at Aurumin's offices.



Entrance of Aurumin, on Trunk 10 of Bolívar state. October 2024. (Transparencia Venezuela)



Front wall of Inversiones Quimiveco 3, on Trunk 10 of Bolívar state. October 2024. (Transparencia Venezuela)

Military officers and businessmen

It is common knowledge in the mining towns of Bolivar state that active or retired members of law enforcement agencies and armed forces or front men are behind some of the strategic partnerships for gold mining and processing. To date, however, we have only been able to determine the link between the companies and the military officers Jesús Rafael Velásquez Acosta and José Gregorio Almao Barroeta.

In the field work conducted in the south of Bolivar state between October and November 2024, new clues emerged about **Empresa Minera Ecosocialista JC, CA** or **JC Eminca**, located on Trunk 10 between Guasipati and El Callao. The CEO and holder of 50% of its shares is Jesús Rafael Velásquez Acosta, who graduated from the Venezuelan military academy in

1999, in the same class as Antonio José Pérez Suárez, former vice president of Commerce and Quality Supply of PDVSA, arrested in March 2023 for his alleged involvement in the corruption case known as PDVSA-Crypto.⁵⁰ Velásquez Acosta was promoted to major in 2012 and in 2022 he appears listed as active reserve personnel of the 33rd Caribbean Brigade "G/B Valentín García."

Another company linked to military officers is **Zurisadai NM.1:6, C.A.**, which has a gold processing plant inside El Callao. One of its shareholders has been Brigadier General of the Bolivarian National Guard, José Gregorio Almao Barroeta, promoted in 2012.

In addition to being an entrepreneur, Almao has had a career in the military sector. In 2011, he was part of the “Presidential Commission for the Emergency,” as coordinator of the Miranda Area. In 2014, he was appointed as director of the General Support Office of the General Command of the Bolivarian National Guard, replacing Colonel Juan Alberto Ramos Farías, according to Official Gazette No. 40.462. That same year, he was also appointed Inspector General of the National Experimental Security University (UNES). Subsequently, in 2015, he was appointed executive president of the Negra Hipólita Mission Foundation.⁵¹

Chinese presence?

The strategic partnerships identified for this report include **Hangzhou Dragon Dorado 2020, C.A.**, which has participated in the distribution of children’s toys together with the Mining Assistance Centers (CAM) of Corporación Venezolana de Minería.

The search in several open sources helped us locate a document prepared for the company, describing the signing of a strategic partnership with the Ministry of Ecological Mining Development, “for the exploration, mining and processing of gold material.” It also indicates that the plant of Hangzhou Dragon Dorado 2020, C.A. is located in the Lo Increíble sector of El Callao municipality, in Bolívar.

International trade databases also report several imports made by this company from China to Venezuela, especially during the year 2023.

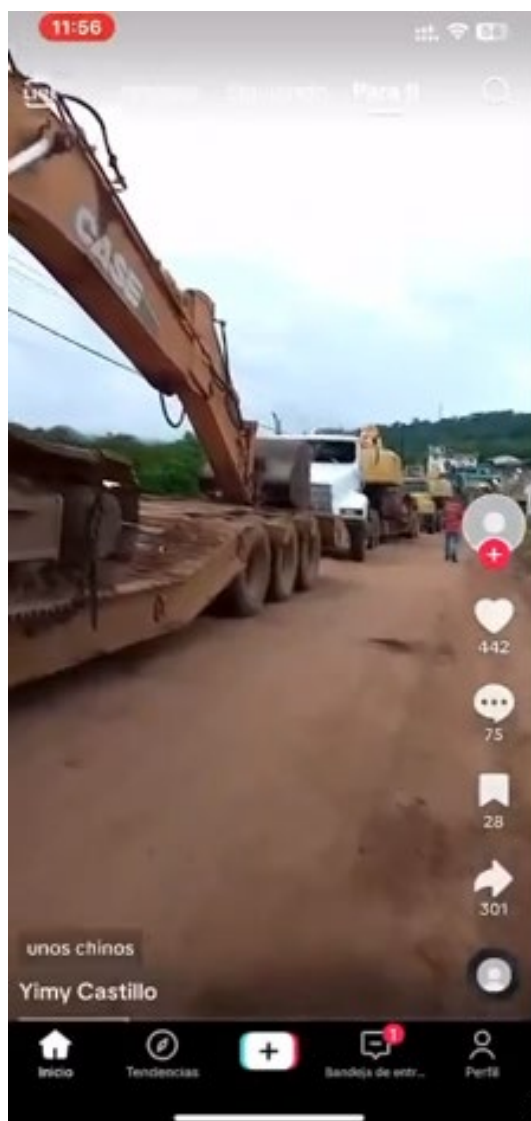


Screenshot of the Mining Assistance Center’s Instagram account.

In June 2024, several videos were also posted on social media, showing miners protesting in the La Romana sector, in El Callao, against the alleged invasion of Chinese workers who wanted to mine gold with the support of the Bolivarian National Armed Forces.

“Here in La Ramona, El Callao, Bolivar state, we are recording this video of an invasion of some Chinese people,” said a man speaking in one of the videos posted on TikTok.⁵² The footage shows a dirt road with trucks and heavy machinery parked, as well as several supposedly Chinese people.

Local journalists who reported the events assure that the company to which the trucks belonged is called **Inversiones Corundum, C.A.** Although there is not much public information, its name is also linked to the importation of equipment from China. It is not clear whether the machinery was meant to be operated on one or several mines, or their location.



3.3. PRODUCTION IN DEPLORABLE CONDITIONS

The tighter grip of the Venezuelan Mining Corporation and the boom in strategic partnerships have not translated into a substantial change in the conditions under which gold is mined in the permitted areas of Bolivar state, nor have they reduced the impacts of the activity or dignified the work of artisanal miners, as was offered.

Although there are strategic partnerships in charge of all phases of gold production, from exploration and mining of the material to its commercialization, others are only devoted to stockpiling the material that continues to be extracted by small-scale miners who are referred to as legal or illegal, as appropriate.

The miners interviewed in El Callao claim that CVM and the strategic partnerships have been stifling them. With the help of law enforcement and armed forces, they have been expelled from mines where they had been working for many years, and although they have been promised relocation, the pledge has not been always kept. The lack of joint work plans has led them to move even to areas outside the demarcated zones of the Orinoco Mining Arc.

Screenshot of the video on the alleged Chinese invasion in El Callao

In El Callao and the other municipalities in southern Bolívar, where the miners have formed alliances and reached supply agreements with the companies, conditions are not the best either. The workers do not have sufficient protection equipment, work long days without rest, live in housing lacking the most basic needs, and continue to use mercury to bind the gold particles, despite the fact that it is a prohibited material that is extremely polluting. In addition, the supplies they transport are often confiscated even though they have invoices or waybills issued by CVM itself or authorized companies.

Despite the conditions in which they operate, and even though they are subject to the rules of the CVM and criminal organizations, the migration of people to the mines in Bolívar state in 2024 did not cease. In our visit to the different municipalities in the south, we were able to confirm that mobilization is commonplace, with varying degrees of frequency and different mechanisms. A resident of Tumeremo says:

“If you see that there are fewer people on buses or taxis, it is because everyone who comes here and works hard uses a motorcycle... this way you come and go any day and any time you can, and you don’t have to depend on a transportation route.”

The authorities assure that people are in fact leaving these towns, but not the miners, but the natives, the residents who usually leave in search of study opportunities or a change in their living conditions. These municipalities see the transit of hundreds of people who try to leave the country into Brazil. This number has increased since the presidential elections of July 28. According to humanitarian workers and assistance organizations working on the border, the volume of migration increased since that date from around 600 per day to about 1,000 people per day.



In the mining towns, the trucks of the strategic partnerships must drive to the deposits or mills to collect the material to be processed in their plants. In some cases they take bags of unprocessed soil, and in others they take gold-bearing sands (soil that has already been fed through a mill and gold has been extracted from it, but with more profit potential).



Truck with gold-bearing material entering the Revemin plant in El Callao. November 2024 (Transparencia Venezuela)

“Despite all their propaganda, the CVM does not care much about the conditions in which the miners extract the gold, whether they comply with legal requirements, whether they cause a serious environmental impact or are exposed to great risks, their main goal is simply to produce gold. “To take out the gold and meet the quotas,” added a researcher who lives in the state of Bolivar and who asked to remain anonymous for fear of reprisals.

3.4. MINING IN PROHIBITED AREAS PERSISTS

Tighter controls have not led to a reduction in gold mining in prohibited areas such as natural parks, nor has it managed to put an end to the criminal organizations that rule over many of the gold deposits and force workers to hand over part of the material they manage to extract.

An example of the conditions in which gold mining continues in Bolívar state was on display for all to see when the Bulla Loca mine, located in the La Paragua Forest Reserve, collapsed in February 2024. In this area, where mining is prohibited, a deposit was discovered in 2023,⁵³ and since then a massive migration began to flow into the area, with a deforestation of around 80 hectares, according to satellite images released by the organization SOS Orinoco.⁵⁴



Illegal exploitation of minerals has not stopped. (CNN)



Bulla Loca mine in the La Paragua Forest Reserve. (@Fritz_A_Sanchez)

The images hours after the accident are horrifying. The miners themselves, without any protective equipment, began to dig out the lifeless bodies of their coworkers. According to relatives of the miners, the pit in the Bulla Loca mine was approximately 35 meters deep, and the ravine simply caved in.⁵⁵ A second pit left more people injured, who were taken to the town of La Paragua, about two and a half hours away by river.

One of the first official statements on the event was made by the mayor of the municipality of Angostura, Yorgi Arciniega, to the news network CNN en Español, claiming that the landslide caused the death of at least 30 people while another 100 remained buried.⁵⁶

However, the Secretary of Citizen Security of Bolívar State, Edgar Colina Reyes, later assured that the death toll was 16 people,⁵⁷ a number that was reiterated by the Vice Minister of Risk Management and Civil Protection, Carlos Perez Ampueda, who also added that the number of injured people was 36.⁵⁸

Like many of the mines in southern Venezuela, Bulla Loca was under the control of criminal organizations that decide who can work there, impose their rule through violence and charge the miners a commission. This particular area is dominated by the gang of El Ciego and Nelson aka “El Caracas,” who also control mines in El Manteco.

55 Journalist Fritz Sánchez, post on his X account. 20/02/2024. https://x.com/Fritz_A_Sanchez/status/1760055573566128439

56 CNN Español. Tragedia en Venezuela por derrumbe de una mina ilegal de oro: Maduro dice que hay al menos 15 muertos. 21/02/2024. Available at: <https://cnnespanol.cnn.com/2024/02/21/derrumbe-mina-oro-venezuela-muertos-sepultados-orix>

57 Correo del Caroní. Al menos 16 fallecidos reporta primer balance oficial tras derrumbe en mina Bulla Loca. 21/02/2024. Available at: <https://correodelcaroni.com/region/sucesos/al-menos-16-fallecidos-reporta-primer-balance-oficial-tras-derrumbe-en-mina-bulla-loc/>

58 Correo del Caroní. Protección Civil: Sube a 36 número de heridos por colapso de mina Bulla Loca. 26/02/2024. Available at: <https://correodelcaroni.com/region/sucesos/proteccion-civil-sube-a-36-numero-de-heridos-por-colapso-de-mina-bulla-loc/>

The mine operated under the conniving gaze of the Venezuelan military, who charged the criminal groups a commission in exchange for access to everything from the machinery used to operate the mine to the fuel to operate the equipment. In May 2022, eight members of the military had already been arrested for this type of crime.⁵⁹

Six days after the collapse, President **Nicolás Maduro ordered Domingo Antonio Hernández Lárez, strategic operational commander of the Bolivarian National Armed Forces, to initiate a restoration and reforestation plan for the area, and denounced a “range of serious irregularities,” in La Paragua, including “corrupt actions of some officials.”** At that time he claimed that he was personally leading the investigation on these events and that he would provide more details when he had the report “in the next few hours.”⁶⁰

In April 2024, Hernández Lárez stated through his social media accounts that some 10,000 miners had been removed from Bulla Loca, confirmed “the total inoperability of the mine” and announced reforestation plans,⁶¹ but as of the end of 2024, no official report on the events was publicly presented, nor were any details provided on the investigation of the corrupt officials.

In June 2024, the organization SOS Orinoco released satellite images of the Bulla Loca mine, showing that deforestation extended to 123.75 hectares,⁶² even though there were supposedly no more miners working in the pit. In addition, between August and September, journalist Fritz Sanchez shared videos of the alleged return of the miners to the site.⁶³

In addition to the Bulla Loca mine collapse, the media reported in 2024 at least seven other accidents that left five people injured and 11 dead. However, miners interviewed in Bolívar state claim that the number of victims may be higher, but they are not always made public.

59 Correo del Caroni. Procesan a jefes militares y subalternos por nexos con el pranato minero de La Paragua. 21/05/2020. Available at: <https://correodelcaroni.com/region/procesan-a-jefes-militares-y-subalternos-por-nexos-con-el-pranato-minero-de-la-paragua/>

60 Correo del Caroni. Activan plan para recuperar zona afectada por minería ilegal en Bolívar. 27/02/2024. Available at: <https://correodelcaroni.com/sociedad/ambiente/activan-plan-para-recuperar-zona-afectada-por-mineria-ilegal-en-bolivar/>

61 FANB Strategic Operational Commander, Domingo Antonio Hernández Lárez, post on his X account. 23/04/2024. <https://x.com/dhernandezlarez/status/1782868140067574151>

62 SOS Orinoco, post on their X account. 09/06/2024. <https://x.com/SOSOrinoco/status/1799756714629079220>

63 Journalist Fritz Sánchez, posts on his X account. 31/08/2024 y 17/09/2024. https://x.com/Fritz_A_Sanchez/status/1829999436891644363 https://x.com/Fritz_A_Sanchez/status/1836221672484946168

ACCIDENTS IN THE MINING CONTEXT 2024

Date*	Description of the event	Victims	State
20/02/2024	In early 2024, there was a landslide at the Bulla Loca mine in La Paragua, where thousands of people were working without any kind of protection. The landslide caused the death of at least 16 miners, although local residents reported that the death toll could be higher.	16 dead and 36 injured	Bolívar
02/03/2024	Four indigenous people sustained severe burns after being hit by an avalanche of hot sand while working in the Morichal Mine in El Dorado, Bolivar. The miners were buried, but were rescued by their coworkers. The landslide was caused by indiscriminate logging and burning of trees for illegal mining in this area.	4 indigenous people burned	Bolívar
07/05/2024	Two indigenous people died after one of the gold mines in Caño Mosquito, in the Manapiare municipality, Amazonas state, collapsed. According to NGO Kapé Kapé, the accident occurred when a group of people were digging for gold and an avalanche covered them and they lost their lives.	2 indigenous people dead	Amazonas
22/05/2024	Four people were killed when a mine collapsed in the Purgatorio mining sector, Sifontes municipality, Bolivar state.	4 dead	Bolívar
24/05/2024	A man died after a mine caved in at the La Laguna Strategic Partnership facilities in El Callao.	1 dead	Bolívar
19/09/2024	An 18 year-old man died when he was trapped in a 20 meters deep artisanal mine in the Mocupia sector, in the municipality of El Callao. Municipal firefighters and Minerven's Emergency Control personnel participated in the search and rescue operation.	1 dead	Bolívar
21/11/2024	Two artisanal miners were buried and another one was injured after a collapse in a ravine at the Bosco mine in the El Carmen sector, Sifontes municipality, Bolivar.	2 dead and 1 injured	Bolívar
09/12/2024	A miner died after being trapped by a landslide in the Los Cajones sector, in El Dorado, Sifontes municipality, Bolivar Family members said that during the event a tree fell and hit him in the head, and then his body was covered in mud.	1 dead	Bolívar

Sources: Correo del Caroní; Kapé Kapé; Diario de Guayana; @cperezampueda

*On December 21, 2024, information was posted on social media about an alleged cave-in at the Bullita de Bosco mine, in El Dorado, which reportedly caused the death of at least nine people. This information was not confirmed by local authorities.

Illegal mining has also continued and spread in other areas of Bolívar state that are of vital importance to Venezuela and the world because of their unique ecosystems and the presence of dozens of indigenous communities.

One of the most representative cases is that of Canaima National Park, located in the Gran Sabana municipality, declared a World Heritage Site by UNESCO in 1994. In this paradise-like site, home to Angel Falls – the world’s highest waterfall –, the rapid expansion of illegal mining has caused significant damages. According to SOS Orinoco, between 2018 and the first four months of 2024 alone, at least 1,500 hectares (15 km²) had been lost in Canaima to illegal mining.⁶⁴

During a visit to this municipality in October 2024, the indigenous chiefs of the various sectors acknowledged the presence of illegal mining on their ancestral lands, but assured that “the situation is more under control.” They said that there is even the presence of *garimpeiros* (as Brazilian miners are known) and that they have been respecting the conditions to stay there.

The continuity of illegal mining in the state of Bolívar has been admitted even by the Venezuelan government authorities. **Only during the year 2024, Commander Domingo Antonio Hernández Lárez, reported through his social media accounts about the alleged detection and dismantling of illegal mining pockets in at least six of the 11 municipalities of Bolívar state: Sucre, Angostura, Caroní, Piar, Sifontes and**

Gran Sabana. Illegal pockets may have been officially identified in other areas, but the head of CEOFANB does not always provide sufficient details of the location of the operations, which limits monitoring.

Amazon as a paradigm of illegality

Unlike some areas of the state of Bolívar, where mineral exploration and extraction is permitted, mining activities are prohibited throughout the state of Amazonas. However, this has not prevented Venezuelan and other miners from entering this state with the intention of mining gold and other materials.

One of the most emblematic cases of illegal gold mining in the state of Amazonas is that of Cerro Yapacana National Park, located in the municipality of Atabapo. Already by the end of the 1980s, reports of artisanal mining here began to emerge, but following the creation of the Orinoco Mining Arc in Bolívar state in February 2016, the areas with illegally mining in Amazonas expanded.

The rise of massive and disorderly mining in Yapacana sparked the condemnation of several indigenous communities and environmental activists, who not only complained about the destruction of the land, but also about the pollution of water and air due to the use of mercury (or quicksilver). After many warnings, the government of Nicolás Maduro announced in mid-2023 a military operation to free Cerro Yapacana from illegal mining.

In the context of the military operation, there were allegations of excessive use of force, deaths, repression, harassment of the press, as well as the absence of plans for the relocation of the evicted miners.⁶⁵ There were also reports of alleged corruption of military personnel, who allegedly owned some of the machines used to process gold extracted from the national park.⁶⁶

In January 2024, during his presentation of his annual report to the National Assembly, Nicolás Maduro assured that Yapacana had been totally freed from illegal mining, but reports from journalists, civil society organizations and the CEOFANB commander himself indicate that the devastation of this and other areas of Amazonas state continues.

In 12 messages posted by CEOFANB Commander Domingo Antonio Hernández Lárez in January, March, April, May, June and September, he announced the detection of miners in Yapacana, as well as the dismantling of camps and the destruction of material used for illegal mining.

Furthermore, during 2024, SOS Orinoco reported the presence of mining rafts in the Pasimoni and Yatua rivers, within the Alto Orinoco Casiquiare Biosphere Reserve and the Serranía La Neblina National Park, in Amazonas.⁶⁷ They also reported the discovery of a gold deposit in Cárida, near Yapacana, that has expanded rapidly, despite being very close to a checkpoint of the Bolivarian National Guard.⁶⁸

In July 2024, journalist and general coordinator of Provea, Óscar Murillo published photographs of the deforestation in areas of the Upper Orinoco and part of the Manapiare municipality,⁶⁹ for the development of illegal mining activities, which not only cause environmental damage, but also elicit dynamics that alter the habitat of indigenous groups.

The devastation boom in Amazonas in recent years has also been perceived as a response to Brazilian President Lula Da Silva's heavy-handed policies against *garimpeiros* on Brazilian soil. This could have triggered the displacement onto Venezuelan soil.

Part of the material extracted in illegal mines, as well as in legal mines, continues to be taken out of the country via irregular routes, according to the sources consulted. The material is taken by land to neighboring countries such as Colombia and Brazil, while another portion leaves by air and water.

65 Correo del Caroni. Operación Autana, acto de soberanía o lucha por el control de las minas al pie del Yapacana. 01/01/2024. Available at: <https://correodelcaroni.com/pais-politico/operacion-autana-acto-de-soberania-o-lucha-por-el-control-de-las-minas-al-pie-del-yapacana/>

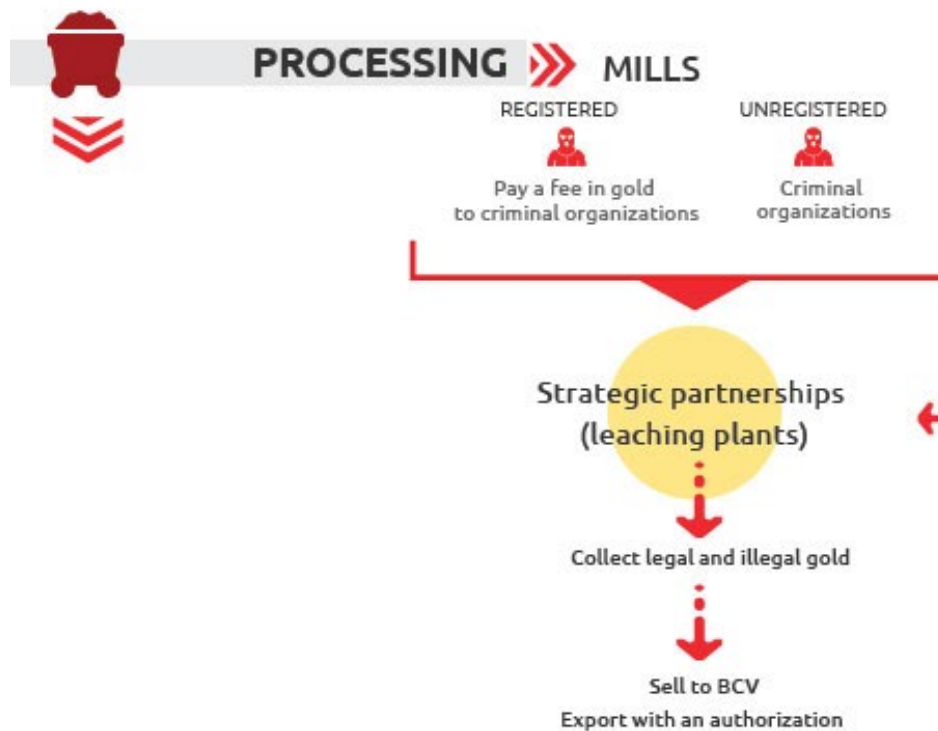
66 Lawyer and human rights defender, Olnar Ortiz Bare, post on his X account. 03/07/2023. <https://x.com/olnarortizBare/status/1675869674603532291?s=20>

67 SOS Orinoco, post on their X account. 21/04/2024. <https://x.com/SOSOrinoco/status/1782159497936445460>

68 SOS Orinoco, post on their X account. 29/10/2024. <https://x.com/SOSOrinoco/status/1851244324253528455>

69 General Coordinator of Provea, Óscar Murillo, post on his X account. 09/07/2024. <https://x.com/oscarfmurillo/status/1810724745463382091>

ILLICIT





II. Sanctioned civilians and military at the helm of mining institutions

Curbing the illicit activities surrounding the mining and trade of gold in Venezuela requires the intervention of strong prevention, investigation and justice systems.

However, even though there is a wide range of civilian and military entities in charge of these tasks in the country, their actions fall far short of expectations.

1. Civilian institutions in the face of illegal gold mining

- 1.1. Sectoral Vice president of Economy
- 1.2. Ministry of People's Power for Mining and Ecological Development
- 1.3. Compañía General de Minería de Venezuela C.A.
- 1.4. National Mining Oversight and Inspection Service
- 1.5. Corporación Venezolana de Minería
- 1.6. National Institute of Geology and Mining
- 1.7. Misión Piar Foundation
- 1.8. Central Bank of Venezuela
- 1.9. Compañía Anónima Militar de Industrias Mineras, Petrolíferas y de Gas

2. Law enforcement and armed forces in the Orinoco Mining Arc

- 2.1. Bolivarian National Armed Force (FANB)
- 2.2. Bolivarian National Intelligence Service (SEBIN)
- 2.3. General Directorate of Military Counterintelligence (DGCIM)



1. CIVILIAN INSTITUTIONS IN THE FACE OF ILLEGAL GOLD MINING, THEIR DIRECTORS AND THEIR POLICY OF DISINFORMATION

In Venezuela, there at least are nine entities with power to issue policies, investigate and sanction illegal acts related to gold trafficking:

1. Sectoral Vice president of Economy
2. Ministry of People's Power for Ecological Mining Development, which has a group of agencies attached to it, including
3. Compañía General de Minería de Venezuela C.A.
4. National Mining Oversight and Inspection Service
5. Corporación Venezolana de Minería
6. National Institute of Geology and Mining
7. Misión Piar Foundation.
8. Central Bank of Venezuela.
9. Compañía Anónima Militar de Industrias Mineras, Petrolíferas y de Gas.

These bodies have certain similarities. First, none of them publishes their **budget**, planned or implemented, projects, **contracts** or partnerships, although some of them have a section on their websites that makes reference to investors. In addition, there is almost no disclosure of content on **illegal mining** and its impact on the environment.

The posting of activities on social media lacks rigor and **reliable data**.

Authorities merely mention certain projects or programs, with no specifics on the scope, challenges, or updated reports. **Political propaganda in favor of the government of Nicolás Maduro** prevails in the social media of the institutions. All these factors contribute to misinformation and compromise the management of government agencies.

Of the nine entities analyzed, two have been **sanctioned by the U.S. Treasury Department** for using gold and the financial system to prop up the government of Nicolás Maduro: Compañía General de Minería Venezolana (Minerven) and the Central Bank of Venezuela (BCV). Regarding its authorities, at least two have been subject to international sanctions: **Delcy Rodríguez** and **Rodolfo Marco Torres**.

Three military officers are at the helm of the institutions in charge of governing mining in the country: Richard Alexis Sánchez Arias, in the National Mining Oversight and Inspection Service; **Ovelio Barrera Corrales**, in **Compañía Anónima Militar de Industrias Mineras, Petrolíferas y de Gas**; and Rodolfo Marco Torres, at Corporación Venezolana de Minería. Regarding this last agency, noteworthy is that during 2024 it was headed by two other military officers, one of them sanctioned by the United States, Panama and Canada, for his alleged involvement in acts of corruption and violation of human rights.

This chapter describes the powers of each of the entities, the highest authorities and the public information available, both on their websites and social media.

1.1. Sectoral Vice president of Economy

The sectoral vice president offices comprise a set of higher bodies that are part of the central level of the Venezuelan National Public Administration. These institutions are responsible for the supervision and functional, administrative and budgetary oversight of the ministries that operate in key areas of the national economy. The officials in charge of directing them are appointed directly by the President of the Republic.

As provided for in Articles 50 and 51 of the **Organic Law of the Public Administration**,⁷⁰ the **sectoral vice presidents** are responsible for coordinating and supervising the work of the ministries that manage crucial issues for the economic development of the country, such as finance, foreign trade, industries and national production, ecological mining development, agriculture, food, oil, fishing and aquaculture, among others. In addition, the **Decree on the General Organization of the National Public Administration**⁷¹ mentions more succinctly the competencies of these sectoral vice president offices, establishing a regulatory framework for their operation.

In this regard, the sectoral vice president's office for the economy plays a key role in the coordination of ministries, with the aim of strengthening the national economy and ensuring the efficient integration of public policies.



Sectoral Vice President of Economy

Delcy Eloina Rodríguez Gómez

Since August 28, 2024, Venezuelan Vice President Delcy Rodríguez is also the acting Sectoral Vice President of Economy,⁷² according to an Instagram post of the agency.

Rodríguez became relevant in Venezuela's governmental structure once Nicolás Maduro took office in 2013.⁷³ Since then, she has been Minister of Communication (2013–2014), Minister of Foreign Affairs (2014–2017), President of the National Constituent Assembly (2017–2018), Minister of Economy and Finance (2020–2024), Vice President of the Republic (2018–present) and Minister of Petroleum (2024–present).

She is one of the government officials slapped with most international sanctions. Between 2017 and 2018 alone, she was sanctioned by Canada, the United Kingdom, the European Union, Switzerland, Albania, Bosnia and Herzegovina, Georgia, Iceland, Macedonia, Moldova, Montenegro, Liechtenstein, Norway and Ukraine, in addition to the United States. Among other things, she is singled out as responsible for undermining democracy and the rule of law in Venezuela, corruption and human rights violations.

⁷⁰ Official Gazette No. 6.147 of November 17, 2014.

⁷¹ Official Gazette No. 6.238 Extraordinary of July 13, 2016

⁷² Sectoral Vice-President Office of Economy, post on their Instagram account. 28/08/2024. Available at: https://www.instagram.com/p/C_OPuGAXQXo/?hl=es&img_index=1

⁷³ BBC Mundo. Quién es Delcy Rodríguez, la presidenta de la todopoderosa Asamblea Nacional Constituyente. 04/08/2017. Available at: <https://www.bbc.com/mundo/noticias-america-latina-40834084>

Prior to Rodríguez's appointment, the Vice President Office of Economy was headed by **José Félix Rivas Alvarado**,⁷⁴ an economist graduated from the Central University of Venezuela, who has also held several positions in government entities, even during the Chávez administration:

- **Entre 2002 - 2003**
She was General Director of Economic Policy of the Ministry of People's Power for Planning and Development
- **2003-2005**
Worked for the office of the Vice-Ministry of Planning and Economic Development
- **2005-2014**
Director of the Central Bank of Venezuela
- **2023-2024**
Minister of Industry and National Production



What the Sectoral Vice president for the Economy discloses—and fails to disclose

The sectoral vice-presidency does not have a website that posts the public policies it implements and the progress of each related agency. However, the agency uses Instagram as an information channel, through the account @viceeconomia, which posted content until September 3, 2024.

During 2024, the sectoral vice-presidency did not publish content related to illicit gold mining. On the contrary, posts highlighted activities carried out by the then Minister of

Industry and Production, José Félix Rivas Alvarado.

There is no information on the plans of the sectoral vice-presidency of the economy in conjunction with the Ministry of Ecological Mining Development to eradicate illicit gold trafficking and reduce its impacts. There is also no evidence on how much public funds are allocated to meet the goals and address the challenges to eradicate these problems.

1.2. Ministry of People's Power for Mining and Ecological Development

The Ministry of Ecological Mining Development is the body governing mining activity in Venezuela, created by Presidential Decree No. 2,350 of June 9, 2016,⁷⁵ to promote the development, sustainable use and control of the nation's non-renewable mineral resources, as well as to play a key role in the management of these funds in line with environmental and national development policies.

This ministry oversees several institutions and entities linked to the mining sector, such as Corporación Venezolana de Minería (CVM), Compañía General de Minería de Venezuela (CVG Minerven C.A.) and the National Geology and Mining Institute (Ingeomin), which are attached to this ministry and play key roles in the sector, both in mining and in terms of geology and resource assessment.

⁷⁴ Ministry of People's Power for Industries and National Production. Meet the team of the Ministry of Industries and National Production. 25/04/2024. Available at: <https://www.industrias.gob.ve/2024/04/conoce-al-equipo-del-ministerio-de-industrias-y-produccion-nacional-2/>

⁷⁵ Official Gazette No. 40.922 of June 09, 2016.



Minister

Héctor José Silva Hernández

At the head of the Ministry of Ecological Mining Development is attorney Héctor José Silva Hernández, who also heads CVG Minerven, since his appointment on June 17, 2024.⁷⁶

Silva Hernández has held several positions in the public administration. In 2020, he was appointed to head Venezuela's International Center for Productive Investment, president of the Foreign Trade Bank (Bancoex) and acting vice minister for Foreign Trade and Investment Promotion of the Ministry of Economy, Finance and Foreign Trade. In 2023, he was appointed president of the intervention board of Corporación Venezolana de Guayana.

Prior to Silva Hernández's tenure, the Ministry of Economic Development was headed by Admiral William Serantes Pinto, appointed in August 2021 until June 2024. He was director of the Bank of the Bolivarian National Armed Forces in 2015 and was later commander of the Strategic Region of Integral Defense of Guayana (2019).⁷⁷



What the Ministry of Mining and Ecological Development discloses—and fails to disclose

The Ministry of Ecological Mining Development failed to publish their budget for 2024. Nonetheless, after a leak of information published in the newspaper *TalCual*,⁷⁸ we learned that the entity had been allocated 1,679,512,411 bolivars, equivalent to USD 47,150,825.69. This amount accounted for 0.23% of the annual budget of 729,948 million bolivars.

In 2024, the Ministry of Ecological Mining Development published 261 press releases, mostly about medical care campaigns in mining towns or meetings with miners to review the safety protocols implemented in gold mining.⁷⁹ Most of these contents were published during Silva Hernández's administration.

Only one of the 261 press releases makes reference to the illegal extraction of mineral resources. It is a publication dated June 17, 2024, the date on which Silva Hernández was appointed Minister, and includes statements by President Nicolás Maduro: "Enough of destructive mining, enough of so much mafia; let's move forward with a self-sustaining, ecological plan, which I know will happen in the hands of the working class of Guayana."

⁷⁶ Official Gazette No. 6.814 of June 17, 2024.

⁷⁷ Poderopedia. Profile of William Serantes Pinto. Available at: <https://poderopediave.org/persona/william-serantes/>

⁷⁸ Tal Cual. Ministerios de Economía e Interior se embolsillan 50% del presupuesto 2024. 12/12/2023. Available at: <https://talcualdigital.com/exclusiva-chavismo-amasa-presupuesto-de-20-492-millones-para-2024/>

⁷⁹ Ministry of Mining and Ecological Development. Ministro Héctor Silva realizó encuentro con empresarios mineros del estado Bolívar. 17/07/2024. Available at: <https://www.desarrollominero.gob.ve/index.php/2024/07/17/ministro-hector-silva-realizo-encuentro-con-empresarios-mineros-del-estado-bolivar/>

During Serantes Pino's administration, content on illegal gold mining and the progress made to eradicate it was almost non-existent. On the contrary, priority was given to the posting of holiday information or reposts of president speeches or pro-government rallies.

supporting illegal gold mining operations that have allowed “propping up Nicolás Maduro's regime.”⁸¹ In October 2023, the sanction was eased, and it was lifted three months later.

1.3. Compañía General de Minería de Venezuela C.A.



Compañía General de Minería de Venezuela C.A. (Minerven) has historically been recognized as the main state-owned company in charge of mineral especially gold extraction in Venezuela. The institution had a crucial role in the oversight and administration of mining concessions, with a particular focus on the most productive areas, such as the Orinoco Mining Arc.

In recent years, however, it has lost much of its power and has been displaced by other government entities, such as the Corporación Venezolana de Minería, especially after Minerven and its then president Adrián Antonio Perdomo Mata were sanctioned on March 19, 2019 by the U.S. Treasury Department,⁸⁰ for allegedly



President of Compañía General de Minería de Venezuela

Héctor José Silva Hernández

Its current president is Héctor José Silva Hernández, also Minister of Ecological Mining Development, appointed in June 2024. Previously, military officer William Serantes Pinto held the position.



What Compañía General de Minería de Venezuela discloses—and fails to disclose

Minerven has a section on the official website of the Ministry of Ecological Mining Development, which only makes reference to the recent history of the corporation.⁸²

⁸⁰ France 24. EE.UU. sanciona a minera de oro Minerven por apoyar a Nicolás Maduro. 19/03/2019. Available at: <https://www.france24.com/es/20190319-sanciones-eeuu-compania-minerven-oro>

⁸¹ U.S. Department of the Treasury. Treasury Sanctions Venezuela's State Gold Mining Company and its President for Propping Up Illegitimate Maduro Regime. 19/03/2019. Available at: <https://home.treasury.gov/news/press-releases/sm631>

⁸² Ministry of Ecological Mining Development. Historical overview of Compañía General de Minería de Venezuela. Available at: <https://www.desarrollominero.gob.ve/index.php/minerven/>

In their Instagram account, there are posts of recreational activities, health care campaigns in mining towns, and reposts of the ministry's posts. Although they mention the Strategic Plan 2022 2025 in some posts, the plan is not available for review.

1.4. National Mining Oversight and Inspection Service



The National Mining Oversight and Inspection Service (SENAFIM) is an entity attached to the Ministry of Mining and Ecological Development whose main mission is the inspection and oversight of mining activities in Venezuela. Its name began to be used in April 2020, as it was previously known as National Mining Oversight and Inspection Office (ONAFIM).⁸³

According to the regulations, SENAFIM should supervise all stages of mining, from primary to auxiliary activities, ensuring that procedures are correct and that fiscal commitments are met.



As of June 10, 2021, Army Major General Richard Alexis Sanchez Arias heads the National Mining Oversight and Inspection Service, according to Official Gazette No. 42.146.



What the National Mining Oversight and Inspection Service discloses—and fails to disclose

During 2024, SENAFIM's website published five press releases, making reference to inspection processes to small mining entrepreneurs, without providing details on the results of such reviews. Neither does it say anything about illegal mining, despite the fact that one of the pillars of this entity is to ensure that the production stage is performed in a context of respect for Venezuelan laws.

Nothing is known about the amount of funds received by SENAFIM from the issuance of waybills, from fines or administrative sanctions, or from other sources of financing provided for by law.

1.5. Corporación Venezolana de Minería



Corporación Venezolana de Minería is a state-owned company created on December 26, 2012 by former President Hugo Chávez,⁸⁴ with the purpose of managing and developing activities related to mining in Venezuela. As described in the first chapters of this report, this company has expanded its power and presence in the Orinoco Mining Arc since 2020 and has become the main government representative in strategic partnerships signed with third parties.

CVM is the government representative both in the partnerships entered into for the exploration and mining of gold and other strategic minerals, as well as in the associations created for the distribution of inputs necessary for mining and related activities. Its logo is frequently seen on billboards in the mining areas and even on the sacks in which the miners extract the gold-bearing material.



President of Corporación

Venezolana de Minería:

Rodolfo Clemente Marco Torres

As of November 29, 2024, Corporación Venezolana de Minería is headed by Army Major General (R) Rodolfo Marco Torres, according to Official Gazette No. 43.018.⁸⁵

Marco Torres is a retired military officer who has held more than a dozen public positions since the government of Hugo Chávez, many of them related to the economic area:

- **2007**
Executive secretary of the National Development Fund S.A.
- **2010**
Head of the National Treasury Office
- **2011-2016**
Minister of Public Banking
- **2011-2017**
President of the Banco de Venezuela
- **2014-2018**
Director of the Central Bank of Venezuela
- **2014-2016**
Sectoral vice president for the Economic Area
- **2014**
External director of PDVSA

⁸⁴ Corporación Venezolana de Minería, post on his Facebook account. 26/12/2021. Available at: <https://www.facebook.com/CVMVenezuela/posts/9aniversariocvm-el-26-de-diciembre-de-2012-se-cre%C3%B3-la-corporaci%C3%B3n-venezolana-de-/1299877293859052/>

⁸⁵ Official Gazette No. 4.018 of November 29, 2024

- **2015**
External director of the National Center for Foreign Trade
- **2016-2017**
Minister of Food
- **2017-2021**
Governor of Aragua
- **2021**
Minister of Water

Marco Torres is one of the Chavista government officials who has been the target of most international sanctions and accusations. On November 6, 2017, while serving as Minister of Food, he was sanctioned by the government of Canada for alleged acts of corruption and violation of human rights.⁸⁶ On January 5, 2018, he was sanctioned by the U.S. Treasury Department, accused of helping Colombian businessman Álex Saab to secure contracts for the fraudulent purchase of food.⁸⁷ And on March 27, 2018, the government of Panama listed him as a high-risk person for money laundering, terrorist financing and financing the proliferation of weapons of mass destruction.⁸⁸

In 2016, Marco Torres received a vote of no confidence from the Venezuelan National Assembly, then dominated by the opposition, accusing him of contributing to the shortage crisis. This measure was declared void by the Supreme Court of Justice, after curtailing the powers of the Venezuelan Parliament.⁸⁹

During 2024, Corporación Venezolana de Minería was under the command of two other military officers: Carlos Alberto Osorio Zambrano and José Santiago Moreno Martínez.



Carlos Alberto
Osorio Zambrano

José Santiago
Moreno Martínez.

Army Major General Carlos Osorio Zambrano was appointed by Nicolás Maduro as president of Corporación Venezolana de Minería on June 21, 2019⁹⁰ and was in office for five years. In April 2024, messages were posted through social media claiming that Osorio Zambrano had been arrested and removed from his position due to his alleged link with corruption. The version was then denied by the same official CVM social media account.⁹¹ Five months later, however, his dismissal was confirmed, although the reasons were not specified.

Osorio Zambrano has held various positions, both in the military and in the public administration:

- **2010 y 2015**

He was Minister of Food for two stints

86 Government of Canada. Justice for Victims of Corrupt Foreign Officials - Case 2. 06/11/2017. Available at: https://www.canada.ca/en/global-affairs/news/2017/11/case_2.html

87 U.S. Treasury Department. Treasury Disrupts Corruption Network Stealing From Venezuela's Food Distribution Program, CLAP. 25/07/2019. Available at: <https://home.treasury.gov/news/press-releases/sm741>

88 Ministry of Economy and Finance of the Republic of Panama. Intendancy of Supervision and Regulation of Non-Financial Subjects. No. 002-2018. 11/04/2018. Available at: <https://ssnf.gob.pa/wp-content/uploads/2019/04/Comunicado-002-2018-1.pdf>

89 Efecto Cocuyo. Al voto de la censura de la AN contra Marco Torres sigue constitucionalmente su destitución. 28/04/2016. Available at: <https://efectococuyo.com/politica/al-voto-de-censura-de-la-an-contra-marco-torres-sucederia-constitucionalmente-su-destitucion/#>

90 Official Gazette No. 41.660 of June 21, 2019.

91 El Pitazo. Corporación Venezolana de Minería desmiente la detención de Carlos Osorio. 26/04/2024. Available at: <https://elpitazo.net/en-vivo/corporacion-venezolana-de-mineria-desmiente-la-detencion-del-presidente-carlos-osorio/>

- **2010**
President of Productora y Distribuidora Venezolana de Alimentos
- **2014 y 2017**
Minister of the Office of the Presidency
- **2013-2014**
President of the Corporación Venezolana de Guayana
- **2013**
Minister of State for the Strategic Region of Integral Defense Guayana (REDI Guayana), with jurisdiction over the states of Amazonas, Bolivar and Delta Amacuro

He has been subject to international sanctions for his alleged involvement in acts of corruption and human rights violations. also he has been sanctioned by Canada, the United States, and Panama.

Army Major General **José Santiago Moreno Martínez's** tenure at the head of Corporación Venezolana de Minería lasted almost three months, from September⁹² to November 2024.

Unlike Osorio Zambrano and Marco Torres, who have held political posts, Moreno Martínez has an extensive career in the military. He was general director of Companies and Services of the Ministry of Defense (2013 2015), commander of the 22nd Motorized Infantry Brigade of the Army in Mérida (2015 2017), head of the command of the Strategic Network of Integral Defense (REDI) Los Andes (2021), among others. According to official information published in August 2022, Moreno Martínez held the second operational strategic command of the Bolivarian National Armed Force.



What Corporación Venezolana de Minería discloses—and fails to disclose

During 2024, the social media accounts of Corporación Venezolana de Minería such as Instagram⁹³ and X focused mainly on posting content related to institutional holidays, environmental advice and political rallies. A large part of CVM's posts consist of reposts of other users, including accounts of Nicolás Maduro, Delcy Rodríguez and the Vice-Presidency of the Republic.

The social media accounts of CVM President Marco Torres shows pro-government rallies, national commemorations, support to the electoral campaign of Nicolás Maduro for the elections of July 28, 2024, and reposts of the President's messages. There is no mention of illegal mining and there is no updated report on the plans being designed in conjunction with the Ministry of Ecological Mining Development to eradicate illegal mining.

Although it is not a statement published by the CVM, the then president of the institution, Carlos Osorio Zambrano, said in February 2024 to El Diario de Guayana that they were working with other government agencies “to combat mining irregularities,⁹⁴ with the purpose of ensuring the protection of the environment and the people.”

⁹² Official Gazette No. 6.836 Extraordinary of September 3, 2024.

⁹³ Corporación Venezolana de Minería. Instagram account. Available at: <https://www.instagram.com/cvm.venezuela/?hl=es>

⁹⁴ Presidente de la CVM reafirma su compromiso para combatir irregularidades mineras. El Diario de Guayana. February 29, 2024. Available at: <https://eldiariodeguayana.com.ve/presidente-de-la-cvm-reafirma-su-compromiso-para-combatir-irregularidades-mineras/>

In addition, he said that they maintained strategic partnerships, which included miners registered with the Ministry of Ecological Mining Development. In February 2021, a group of small miners denounced Osorio Zambrano for charging monthly commissions in exchange for allowing them to work in the deposits;. In other cases, there were complaints about the dispossession of land plots of land by CVM from miners with whom they had strategic partnerships for gold mining.

1.6. National Institute of Geology and Mining



The National Institute of Geology and Mining (INGEOMIN) was created in 2006,⁹⁵ replacing the Autonomous Service of Geology and Mining (SAGEOMIN). One of its main roles is to **promote and implement policies for research, exploration and management of mineral and geological resources in the national territory**. Through these policies, INGEOMIN is responsible for evaluating and extracting natural resources, especially those related to mining, to optimize their long-term use and ensure their contribution to the nation's economic development.

The technical and scientific activities entrusted to the institute include the **preparation of geochemical maps**, which identify the presence and distribution of mineral elements in the country, as well as the **assessment of geological risks**, including the identification of areas susceptible to natural disasters such as landslides or earthquakes, contributing to ensure safety in areas of geological interest. In addition, the institute is responsible for the **constant updating of mining cartography, oversight of the mining sector and the promotion of sustainable development**.



President of the National Institute
of Geology and Mining

Alejandro Miguel Martínez Herrera

Alejandro Miguel Martínez Herrera has been the acting president of INGEOMIN since 2020, when he was appointed by Vice President Delcy Rodríguez.⁹⁶ In March 2022, he was ratified in the position, also by decision of Rodríguez.⁹⁷ In addition to these appointments, no additional information was obtained on other positions held in the public administration.



What the National Institute of Geology and Mining discloses—and fails to disclose

INGEOMIN maintains an active presence in social media, where it shares posts almost daily, disseminating information on meetings and professional trainings, ongoing projects, institutional holidays, educational programs, metal exposures and geological risk inspections in different communities.⁹⁸ There are also reposts from government entities and high-level officials, especially during the election campaign.

Although the institute's website is linked on its profile on X, it is not accessible, suggesting that the website may have been deleted or is temporarily inactive.⁹⁹



Screenshot from the website of the National Institute of Geology and Mining

1.7. Misión Piar Foundation



The Misión Piar Foundation was created in September 2005, with the main purpose of promoting the comprehensive development of small-scale miners and their communities, especially in vulnerable areas.¹⁰⁰ This foundation is attached to the Ministry of People's Power for Ecological Mining Development, and its mission includes the promotion of responsible mining, promoting sustainable practices that are aligned with current environmental regulations.

The most important functions of the Misión Piar Foundation include: technical assistance and the creation of cooperatives; labor reconversion programs; environmental training and community participation; and the facilitation of credit and funds.



President of the Misión Piar Foundation:

Igneli Josefina Peretti Leiva

The Misión Piar Foundation has been chaired by Igneli Josefina Peretti Leiva since July 16, 2024,¹⁰¹ when she was appointed by the Minister of Ecological Mining Development, Héctor Silva Hernández.

⁹⁸ Geology and Mining Institute, Instagram account. Available at: <https://www.instagram.com/ingeminoficial/?hl=es>

⁹⁹ Official website of the Geology and Mining Institute. Available at: <http://ingsistemasve.com/>

¹⁰⁰ Official Gazette No. 38.282 of September 26, 2005.

¹⁰¹ Official Gazette No. 42.921 of July 16, 2024.

Peretti Leiva is a physician and served at Corporación Venezolana de Guayana (CVG) as Vice President of Labor Affairs in 2023.¹⁰² According to information available on the web, she also worked at the Piar Clinic as manager of Medical Services since 2021¹⁰³ at least until 2023.¹⁰⁴



What the Misión Piar Foundation discloses—and fails to disclose

The Misión Piar Foundation has a presence on Instagram,¹⁰⁵ where it shares content related to various activities. It focuses on reporting cleaning activities and maintenance of various areas, plant care, construction of seedbeds, collection and transfer of seeds, transfer of fish, reforestation projects, commemorations and the promotion of responsible mining. In early 2024, the foundation proposed the creation of a program for women in mining and, together with Corporación Venezolana de Minería, participated in assemblies called “7T of the Mining Sector” that seek to promote the growth of the mining industry in Venezuela.

Only three news items are available on its website,¹⁰⁶ one of which is dated March 2024. There is no section with information on the results of the programs, consultancies and activities carried out by the foundation in mining communities. Only its mission and vision are available, but there is no information on either accountability or the budgets for the educational, social and environmental programs.

1.8. Central Bank of Venezuela



The Central Bank of Venezuela is the nation’s highest monetary authority, in charge of regulating several fundamental aspects of the national economy. The most relevant roles include are the issuance of the national currency, the oversight of the financial system, the regulation of the foreign exchange policy, the management of international reserves and the implementation of monetary policies.

In addition, Decree-Law of the Central Bank of Venezuela establishes in Article 128 that the BCV has direct powers over the management and commercialization of strategic minerals, which includes overseeing operations related to gold, diamonds and other high value natural resources. This gives the BCV the ability to be involved in the formulation of international policies dealing with these mineral resources.

Since 2017, the BCV has been included in the list of entities sanctioned by the U.S. Treasury Department’s Office of Foreign Assets Control (OFAC), which implies that financial and commercial operations with this institution are blocked for U.S. nationals and businesses. However, as of 2019, new general licenses 19 and 20 were implemented, which established a one-month grace period for the cessation of operations and contracts with the BCV.

102. Official Gazette No. 42.650 of June 14, 2023.

103. Ferrominera del Orinoco, post on their Instagram account. 08/11/2021 https://www.instagram.com/ferrominera_cvg/p/CWBT2itlWku/?img_index=1

104. Corporación Venezolana de Guayana. Exitosa jornada médica de atención especializada en la Clínica Piar. 18/03/2023. Available at: <https://www.cvg.gob.ve/?q=node/2112>

105. Fundación Misión Piar, Instagram account. <https://www.instagram.com/misionpiarvzla/?hl=es>

106. Fundación Misión Piar. Available at: <https://www.misionpiar.gob.ve/>

In addition, these licenses allowed operations with multilateral organizations, such as the Latin American Development Bank (CAF), the United Nations (UN), the Red Cross, among others, for a period of 18 months.¹⁰⁷



President of the Central Bank

of Venezuela

Calixto Ortega Sánchez

The president of the Central Bank of Venezuela is Calixto Ortega Sánchez, who was appointed to the position in 2018¹⁰⁸ by the controversial National Constituent Assembly. His career includes posts as consul general of Venezuela in New York¹⁰⁹ and vice president of Finance at Corporación Petrolera (Citgo).

In 2017, Ortega Sánchez was declared *persona non grata* by the U.S. government, in a gesture of reciprocity following Venezuela's expulsion of U.S. diplomats.¹¹⁰ This sanction is due to her relationship with the Nicolás Maduro regime, and as part of a broader package of sanctions imposed by the U.S. on Venezuelan government officials. His ties to sanctioned persons such as Simón Zepa and his family's influence in Venezuelan politics, which includes her uncle Calixto Ortega, a Supreme Court Justice, have reinforced this perception.

¹⁰⁷ Efecto Cocuyo. Qué se podrá hacer y qué no después de las sanciones contra el BCV. 25/04/2019. Available at: <https://efectococuyo.com/economia/que-se-podra-hacer-y-que-no-despues-de-las-sanciones-contra-el-bcv/>

¹⁰⁸ Official Gazette No. 41.422 of June 19, 2018

¹⁰⁹ Perfil: Quién es Calixto Ortega, el nuevo presidente del BCV. Diario TalCual. 19 de junio de 2018. Available at: <https://talcualdigital.com/perfil-quien-calixto-ortega-sanchez-nuevo-presidente-del-bcv/>
<https://poderopediave.org/persona/calixto-ortega-sanchez/>

¹¹⁰ Expulsado y sin experiencia, conozca a Calixto Ortega Sánchez nuevo presidente del BCV. Redacción El Estímulo. 2018. Available at: <https://elestimulo.com/elinteres/economia/2018-06-20/calixto-ortega-sanchez-es-el-tercer-presidente-del-bcv-en-18-meses/>

¹¹¹ Posts of the Central Bank of Venezuela. Website of the BCV. Available at: <https://www.bcv.org.ve/bcv/publicaciones>

¹¹² Press releases on gold. Central Bank of Venezuela. Available at: https://www.bcv.org.ve/comunicados-de-prensa/notas-de-prensa?field_tags_tid=529

¹¹³ Press releases on diamonds. Central Bank of Venezuela. Available at: https://www.bcv.org.ve/comunicados-de-prensa/notas-de-prensa?field_tags_tid=530

¹¹⁴ Non-regular publications of the Central Bank of Venezuela. Website of the BCV. Available at: <https://www.bcv.org.ve/bcv/publicaciones-no-periodica#>

¹¹⁵ Invitations to Savings Plan. Central Bank of Venezuela.



What the Central Bank of Venezuela discloses—and fails to disclose

The Central Bank of Venezuela's social media provide information on the weighted average exchange rate of the operations of the banking institutions' exchange bureaus, statistics on the Gross Domestic Product, the National Consumer Price Index, commemorations and the new banknotes incorporated as official currency in 2024.

On its website, the BCV issued its *BCVoz Económico* newsletter until 2023,¹¹¹ and other non-regular publications were shared until 2019. Regarding the Strategic Minerals section, on gold¹¹² and diamond,¹¹³ no press releases have been published since 2018.¹¹⁴

Regarding the Gold Savings Plan, no recent results have been presented, or the status of the program, nor how many people have invested.¹¹⁵ The entity also fails to render accounts of its annual operation, so the amount of gold it receives from the relevant agencies is unknown.

Until 2018, the entity disseminated the activities carried out with the miners, in terms of training, social days, as well as the publications of agencies or spaces available for the collection of the mined gold.

1.9. Compañía Anónima Militar de Industrias Mineras, Petrolíferas y de Gas



Compañía Anónima Militar de Industrias Mineras, Petrolíferas y de Gas (Mining, Oil and Gas Industries Military Company) was created on February 10, 2016.¹¹⁶ It is a state-owned company linked to the defense sector, devoted to offering industrial services in various areas, including mining, hydrocarbons, security and transportation. It focuses on the extraction and management of mineral resources, operating nationally and in the implementation of projects related to the energy industry. CAMIMPEG is considered an integrating actor between the mining and oil sectors.

The state-owned company has the power to extract and commercialize mining resources, as well as to safeguard materials, equipment and people related to mining activities. Furthermore, it has the role of operating and maintaining oil wells, as well as selling oil by-products and commercializing gas.



President of Compañía Anónima Militar de Industrias Mineras, Petrolíferas y de Gas:

Ovelio Barrera Leiva

The military officer's appointment was formalized through a resolution of the Ministry of Defense dated September 4, 2020.¹¹⁷ He holds the rank of Navy Vice Admiral. He has held several positions in the military:

- Principal director of the JV Cancorfanb S.A.
- Three stints as vice president of Camimpeg C.A.
- Director of Compañía Anónima Venezolana de Industrias Militares (CAVIM) twice
- Director of Corporación de Servicios Pesqueros y Acuícolas de Venezuela S.A.
- Deputy director of Venezuelan Fisheries and Aquaculture Fund





What Compañía Anónima Militar de Industrias Mineras, Petrolíferas y de Gas discloses—and fails to disclose

On its website, the military agency has only published four press releases, all for 2024. There are no reports on the mining activities they perform as an entity. Reference is only made to the services they offer. The annual report is not published, so there is no information on the amount of funds they manage and how these are distributed, the contracts they sign, how many active employees are in their payroll, what projects are underway and/or have been implemented.

In social media, Camimpeg focuses on posting with very few details some activities related to strategic partnerships, ongoing projects, training, services to equipment and machinery, environmental remediation and restoration, delivery of equipment and supplies, national congresses and metal exhibitions.¹¹⁸ They also repost content published by the Ministry of Defense, the President of the Republic and other accounts associated with the Armed Forces.¹¹⁹

2. LAW ENFORCEMENT AND ARMED FORCES IN THE ORINOCO MINING ARC, TOP AUTHORITIES AND THEIR DISINFORMATION POLICY

2.1. Bolivarian National Armed Force (FANB)



Since February 2016, when Decree No. 2,248 creating the Orinoco Mining Arc Strategic Operational Development Zone was published, the Bolivarian National Armed Forces (FANB) was empowered to “safeguard, protect and maintain the harmonious continuity of the operations and activities of strategic industries.”¹²⁰

¹¹⁸ Camimpeg, Instagram account <https://www.instagram.com/camimpeg/?hl=es>

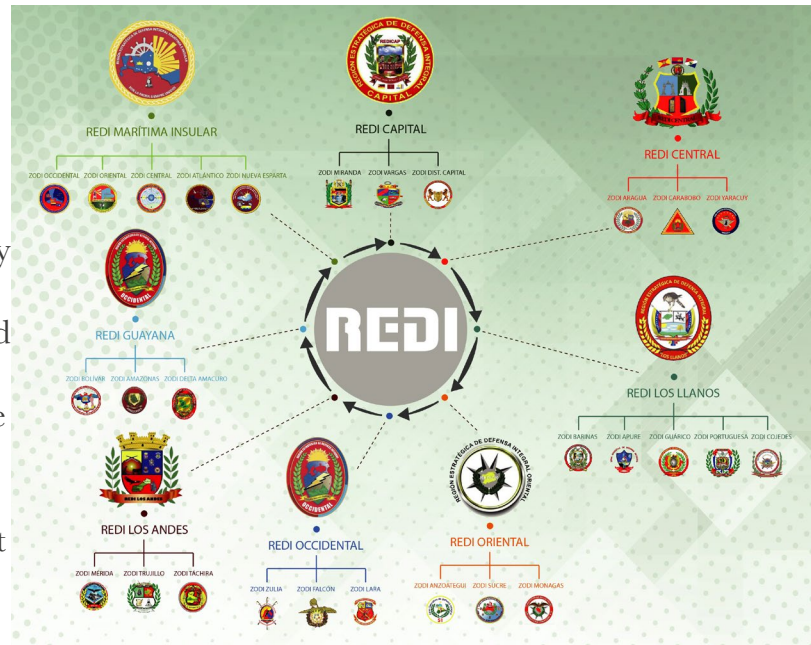
¹¹⁹ Camimpeg, X account https://x.com/CAMIMPEG_FANB

¹²⁰ On February 24, 2016, Decree No. 2,248 on the Creation of the “Orinoco Mining Arc” National Strategic Development Zone was approved. Official Gazette No. 40.855.

The text specifies that the FANB is in charge of developing an Comprehensive Security and Defense Plan for the Orinoco Mining Arc and of stationing the relevant units attached to the competent regional command.

The FANB is an institution with the fundamental mission of guaranteeing the independence and sovereignty of the Nation and ensuring the integrity of the geographic space, through military defense, cooperation in the maintenance of internal order and participation, according to Article 4 of the Constitutional Law of the National Armed Bolivarian Force passed in January 2020 by the controversial National Constituent Assembly.¹²¹

Operationally, the FANB has established eight **Integral Defense Strategic Regions (REDIs)**, which in turn are subdivided into 28 **Integral Defense Operational Zones (ZODIs)**.



The FANB is organized as follows:

- The **Command-in-Chief**, i.e. the President of the Republic
- The **Ministry of the People's Power for Defense**
- The **Strategic Operational Command of the FANB** with its branches: Army, Navy, Military Aviation and National Guard. In addition to the Militia as a special branch.

The Orinoco Mining Arc is located in the area covered by the REDI Guayana, which comprises the states of Bolivar, Amazonas and Delta Amacuro, and is also within the ZODI Bolivar.

In early 2022, the **Orinoco Mining Arc Protection Group (GPAMO)** was activated in the area. It is composed of military personnel from the Army, Navy, Military Aviation, National Guard and also by personnel from the Militia. Its first tasks included military operations carried out that year in the state of Bolivar.

In addition, the research conducted for this report identified the emergence of the **Orinoco Mining Arc Special Protection Units (UEPAMOs)**. While it is not clear how many of these units there are, at least four have been identified to date.

According to official information, while the GPAMO focuses on military operations to control the territory and combat illegal activities, the UEPAMO works on environmental regulation and protection within the legal framework established by the Venezuelan State.

Gpamo

Unit Type
Military

Main Objective
Combating illegal mining

Structure
Special Forces Light Brigade

Community Collaboration
Limited to military operations

Uepamo

Unit Type
Civilian/Regulator

Main Objective
Environmental protection and mining regulation

Structure
Government agency with a legal approach

Community Collaboration
Strong emphasis on community collaboration

- **State Intelligence Corps**

The Venezuelan State intelligence services are also present in the towns in the Orinoco Mining Arc. In towns such as Guasipati, El Callao and Tumeremo it is common to see a large presence of members of the **General Directorate of Military Counterintelligence (DGCIM)** and the **Bolivarian National Intelligence Service (SEBIN)**.

The DGCIM is part of the FANB. Administratively, it reports to the Ministry of Defense and operationally, to the President of Venezuela as Commander in Chief of the FANB. According to its Organic Regulations, the DGCIM has broad powers to organize, coordinate and engage in counterintelligence activities, as well as to “prevent and cut off intelligence, counterintelligence and subversive activities of enemies acting against” the FANB, and to protect the President.



The SEBIN is attached to the Ministry of Internal Relations, Justice and Peace since April 28, 2021. According to its regulations, this entity performs civil intelligence and counterintelligence activities to “neutralize potential or real threats to the State,” internal or external. In addition, it is empowered to collaborate with law enforcement agencies in the fight against organized crime within Venezuela, as well as with the agencies and entities in charge of the defense of the country in the fight against enemy activities.

Both bodies have been singled out in the reports of the Independent Fact-Finding Mission established by the UN for their alleged involvement in crimes against humanity in Venezuela.¹²²



Commander in Chief of the FANB

Nicolás Maduro Moros

The Commander in Chief of the FANB is **Nicolás Maduro Moros**, who was sworn in as President of Venezuela after the controversial elections of April 14,

2024,¹²³ one month after the death in office of President Hugo Chávez. The National Electoral Council reappointed Maduro as the winner of the elections of May 20, 2018 and July 28, 2024. These decisions were rejected by the international community as fraudulent. Maduro was a trade union leader in the Caracas Subway who secured a seat in the Chamber of Deputies of the National Congress in 1998 for the Movimiento V República (MVR) party, and from there he climbed the political ladder during Chavismo until becoming President of the Republic. He was a member of the National Constituent Assembly in 1999; deputy of the National Assembly between 2000 and 2006; Minister of Foreign Affairs from 2006 to 2012; and Vice President of Venezuela until he became President.¹²⁴

During his administration, Venezuela became the **first country in Latin America to be subject to an investigation by the International Criminal Court for alleged crimes against humanity** perpetrated in the context of government protests.¹²⁵

According to reports from civil society organizations and other governments around the world, arbitrary imprisonment, sexual violence, torture and politically motivated persecution, among other crimes, are committed under Maduro’s orders.

122 International Independent Fact-Finding Mission on the Bolivarian Republic of Venezuela. Crimes against humanity committed through the intelligence services of the State: structures and persons involved in the implementation of a plan to repress the opposition to the government. 20/09/2022. Available at: <https://www.ohchr.org/sites/default/files/documents/hrbodies/hrcouncil/ffmv/2022-09-20/FFMV-CRP-3-Spanish.docx>

123 Los Angeles Time. Corte IDH condena a Venezuela por violación de derechos de Henrique Capriles en elecciones de 2013. 04/12/2024. Available at: <https://www.latimes.com/espanol/internacional/articulo/2024-12-02/corte-idh-condena-a-venezuela-por-violacion-de-derechos-de-henrique-capriles-en-elecciones-de-2013>

124 Nicolás Maduro profile on Poderopedia. Available at: <https://poderopediave.org/persona/nicolas-maduro/>

125 Human Rights Watch. Venezuela: ICC Investigation Opens. 03/11/2021. Available at: <https://www.hrw.org/news/2021/11/04/venezuela-icc-investigation-opens>

Maduro was sanctioned by the United States and Canada in 2017 on charges of **undermining democracy, corruption and human rights violations**. In 2018, he was sanctioned by the government of Panama for being considered high-risk for money laundering, financing terrorism and financing the proliferation of weapons of mass destruction.

In 2019, former SEBIN director Manuel Cristopher Figuera, who defected and fled to the United States after a failed uprising attempt, pointed out that **Maduro and his family belong to a criminal enterprise that allows the smuggling of gold from Venezuela**.¹²⁶

In March 2020, then U.S. Attorney General William Barr announced the filing of criminal drug trafficking charges against Maduro and offered a USD 15 million reward for information leading to his capture.¹²⁷

STATEMENTS ON ILLEGAL GOLD MINING

Maduro does not usually make reference to illegal mining, mineral smuggling, environmental degradation, criminal organizations or the displacement of indigenous communities that have occurred in the Mining Arc. However, some mentions have been made since 2023 on the subject.

- » In December 2023, Maduro posted a video¹²⁸ in his social media, in which he provided a report of Operation Autana, launched since 2022 in the state of Amazonas.

According to the video, the military incursions were supposed to have liberated the Yapacana National Park from illegal mining and drug trafficking, with the evacuation of 14,000 people, the arrest of 51 individuals, the destruction of 4,450 makeshift houses, the seizure of 11 mining rafts, the disabling of 86 underground mines and the confiscation of 241 boats. There were no reports of legal proceedings against those named, or their possible status.

- » Upon presenting his 2023 annual report and accounts before parliament for the year, in January 2024, Maduro reiterated the supposed total liberation of Yapacana, on the La Esmeralda, Chalbaud, Piedra del Cocuy and Río Negro routes in the state of Amazonas. He stated that they managed to clear 3,600 illegal mining camps and evict more than 14,000 people of different nationalities.
- » In February 2024, almost a week after the collapse of the Bulla Loca mine in Bolívar, **Maduro asked the FANB to initiate a restoration and reforestation plan for the areas affected “by destructive and illegal mining” and denounced a “set of serious irregularities” in La Paragua, including “corrupt actions of some officials.”**¹²⁹

126 Insight Crime. Venezuela Intelligence Chief Exposes Organized Crime Links in Maduro Govt. 08/07/2019. Available at: <https://insightcrime.org/news/venezuela-intelligence-chief-organized-crime-maduro/>

127 BBC Mundo. EE.UU. acusa a Nicolás Maduro de narcotráfico y ofrece una recompensa de US\$15 millones por su captura. 26/03/2020. Available at: <https://www.bbc.com/mundo/noticias-america-latina-52049695>

128 Nicolás Maduro, post on his X account. 26/12/2023. <https://x.com/NicolasMaduro/status/1739696873219203360>

129 Correo del Caroni. Activan plan para recuperar zona afectada por minería ilegal en Bolívar. 27/02/2024. Available at: <https://correodelcaroni.com/sociedad/ambiente/activan-plan-para-recuperar-zona-afectada-por-mineria-ilegal-en-bolivar/>

- » The President made reference to the subject again on June 8, 2024, in his weekly program *Con Maduro+*,¹³⁰ when he acknowledged the existence of mining mafias and the devastation they have brought. “Enough of destructive mining, enough of so much mafia. Let’s put things in order and move forward with a self-sustainable and ecological plan,” he said.
- » In his *Con Maduro+* program on November 18, he spoke again about mining in response to a question he was asked. He assured that the illegal mining business has destroyed a good part of the Amazon and said that Venezuela is in permanent combat. “It is an all-out war against illegal mining, we must guarantee the preservation of the environment, life in peace, and whoever comes to destroy will face the full weight of the law.”



Vladimir Padrino López is general in chief, sectoral vice president of Defense

and Sovereignty and Minister of Defense. He reports directly to the President of the Republic.¹³¹ Padrino has been appointed by Nicolás Maduro, in at least 11 high-level positions since 2013, including notably:

- **2021**
Member of the **Presidential Commission for the Defense, Restructuring and Reorganization of the National Oil Industry**
- **2018**
Sectoral vice president of Political Sovereignty, Security and Peace
- **2016**
Head of the **Great Mission of Sovereign and Secure Supply**
- **2014**
Member of the **Commission to Combat Smuggling**
- **2013**
Commission to Ensure Compliance with the Granting of Foreign Currency by the Venezuelan State and its correct use

Padrino López’s name has come up in several investigations into alleged grand corruption and organized crime. An indictment is pending in the District of Columbia in the U.S. against him, alleging that the military officer from March 2014 to May 2019 “conspired with others to distribute cocaine aboard a U.S.-registered aircraft.”¹³²

¹³⁰ EFE. Maduro dice que Venezuela tiene que «ordenar» la minería en un concepto ecológico. 18/06/2024. Available at:

<https://www.swissinfo.ch/spa/maduro-dice-que-venezuela-tiene-que-%22ordenar%22-la-miner%C3%ADa-en-un-concepto-ecol%C3%B3gico/81008105>

¹³¹ Poderopedia. Profile of Vladimir Padrino López. Available at: <https://poderopediave.org/persona/vladimir-padrino-lopez/>

¹³² U.S. Department of Justice. Nicolás Maduro Moros and 14 Current and Former Venezuelan Officials Charged with Narco-Terrorism, Corruption, Drug Trafficking and Other Criminal Charges. 2020. Available at: <https://www.justice.gov/opa/pr/nicol-s-maduro-moros-and-14-current-and-former-venezuelan-officials-charged-narco-terrorism>

In the Southern District of Florida, United States, other legal proceedings are underway against a businessman hired by the Venezuelan government to provide maintenance services for 30 Russian Sukhoi-30 fighter planes, as he allegedly evaded the sanctions imposed by the U.S., and also for money laundering. Padrino López is named in the case, as well as three other high-ranking military officers as persons linked to the contract.¹³³

An investigation by the Organized Crime and Corruption Reporting Project (OCCRP) revealed that Padrino is linked through his ex-wife and other family members to a network of companies and real estate worth millions of dollars in the United States and Venezuela. **One of the Venezuelan**

companies had access to US dollars at preferential rates through CADIVI and received close to USD 4 million until 2012. In late 2013, Maduro appointed Padrino to a commission to investigate CADIVI and the preferential dollar system. More than six years later, the findings have not yet been made public.

Padrino López was sanctioned in 2017 by Canada for corruption and human rights violations and in 2018 by the United States for propping up Nicolás Maduro and for corruption.¹³⁴

STATEMENTS ON ILLEGAL GOLD MINING

In an official January 2024 statement, Padrino López claimed that 18 joint strategic operations were executed by the FANB in 2023. The strategic operations he mentioned include Operation Autana and Operation Roraima 2023, aimed at freeing important National Parks and nature protected areas in southern Venezuela from criminal mining.¹³⁵ There is no official information on the goals and results of these operations, as well as others mentioned by the CEOFANB, such as Operation Escudo Bolivariano Wara 2023, Escudo Bolivariano Cacique Paramaconi 2023 and Escudo Bolivariano Cacique Cayaurima 2023.



¹³³ Transparencia Venezuela / Suprema Injusticia. Mencionan a Padrino López y otros 4 militares en un juicio por evasión de sanciones y lavado. 2021. Available at: <https://supremainjusticia.org/mencionan-a-padrino-lopez-y-otros-4-militares-en-un-juicio-por-evasion-de-sanciones-y-lavado/>

¹³⁴ Corruptómetro. Sanciones. Available at: <https://corruptometro.org/sanciones/?st=Persona>

¹³⁵ Ministry of People's Power for Foreign Affairs. FANB desplegó 18 operaciones en defensa del territorio venezolano en 2023. 05/01/2024. Available at: <https://mppre.gob.ve/publicacion/2265-0>

In his constant social media posts, Padrino does not usually make reference to illegal mining, organized crime organizations or their impact. In messages posted on Instagram during 2024 he only spoke about the issue on November 21, in response to statements made by President Nicolas Maduro. “Our Bolivarian Armed Forces remain deployed and in combat with the firm purpose of completely eradicating illegal mining in Venezuela, protecting and preserving the environment and the ecosystem of the Amazon,” he said.¹³⁶

In the 55 press releases published by the Ministry of Defense on its website in 2024, there were also no references to illegal mining.



Domingo Antonio Hernández Lárez

The Strategic Operational Command of the Bolivarian National Armed Force (CEOFANB) has been headed by **Domingo Antonio Hernández Lárez** since July 22, 2021.¹³⁷ Hernández Lárez is a chief general who has been appointed by Vladimir Padrino in at least four positions since 2018.

In September 2024, **Hernández Lárez** was sanctioned by the U.S., which singled him out as being responsible for “impeding a transparent electoral process and the release of accurate election results.”¹³⁸ In addition, in January 2025, he was sanctioned by the United Kingdom, the European Union and Canada for his alleged involvement in undermining democracy and violating human rights.

STATEMENTS ON ILLEGAL GOLD MINING

Hernández Lárez is a military officer who is most active on his personal social media, especially X. Since 2022, he posts about the operations deployed throughout the country, along by visual resources, but also by patriotic or political mottos and slogans. His posts often include hashtags ordered by the Ministry of Communication and Information as part of the official propaganda including the campaigns for the 2023 referendum on the Essequibo and the presidential election campaign in 2024.

Between January and December 2024, Hernández Lárez posted at least 124 messages in X in which he offered some concrete data on the results of Operation Roraima 2024, Operation Autana 2024, and Operation Neblina 2024, in the context of Operation “Bolivarian Shield,” which is aimed at combating drug trafficking, human trafficking, illegal mining, arms and explosives trafficking, as well as trafficking of strategic materials.

¹³⁶ Vladimir Padrino López, post on his Instagram account. 21/11/2024 <https://www.instagram.com/padrinovladimir/reel/DCojMjKOYpO/>

¹³⁷ Official Gazette No. 42.174 of July 22, 2021.

¹³⁸ U.S. Department of the Treasury. Treasury Targets Venezuelan Officials Aligned with Nicolas Maduro in Response to Electoral Fraud. 12/09/2024. Available at: <https://home.treasury.gov/news/press-releases/jy2577>

In at least 41 posts, he referred to Operation Roraima 2024, a deployment that began in mid-2022 and is confined to the state of Bolivar in the areas covered by the Orinoco Mining Arc, but also in other regions of the state where illegal mining and other crimes are common.

The posts made in the context of Operation Roraima announced the arrest or eviction of thousands of miners who were in mining no-go areas, the dismantling of camps and citadels used for the housing and storage of illegal materials, the destruction of mining rafts, as well as the seizure and destruction of material used for mining, such as gasoline and diesel generators, water pumps, jackhammers, shovels, picks, scales, buckets, , wooden sieves, dozens of meters of hoses, fuel, mercury, among others.

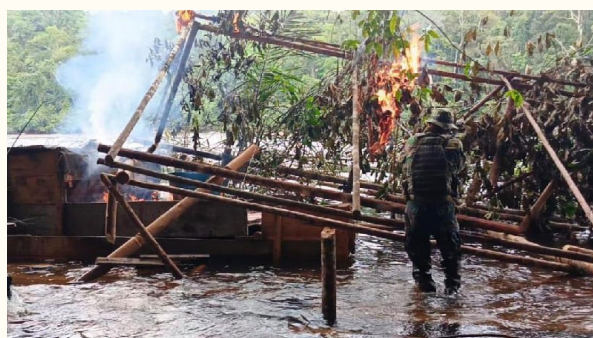
The messages also described the arrest of persons allegedly linked to the criminal organizations that rule over the mines in the state of Bolivar, whom the Venezuelan government identifies as GEDO (Organized Crime Structured Groups). Particular reference was made to the gangs of El Run or 3R and Tren de Guayana, from which authorities seized weapons, ammunition, cell phones, notebooks where they kept records of extortions, among others.

where they kept records of extortions, among others.

Posts mentioning Operation Autana 2024, a deployment similar to Operation Roraima but in the state of Amazonas, took place only during the month of January.

On February, Hernández Lárez announced the beginning of Operation Neblina 2024 “against illegal mining and environmental depredation.”¹³⁹

Operation Neblina announced the arrest and eviction of thousands of Venezuelan, Colombian and Brazilian miners, the dismantling of illegal camps, the disabling of clandestine airstrips, the destruction of mining rafts, the seizure and destruction of gasoline and diesel power generators, water pumps, scuba diving equipment with diving hoses, jackhammers, shovels, picks, rakes, scales, sieves, dozens of meters of hoses, fuel, food, among others.



On February, Hernández Lárez announced the beginning of Operation Neblina 2024.

The official website of the CEOFANB republishes messages posted on social media accounts of General Hernández Lárez, but does not add any more details that would help follow up on the status of people evicted or detained.



In 2024, 37 press releases were published in that website, nine of them related to illegal mining in Amazonas and Bolívar, sourced from the X account of Hernández Lárez.

Neither Hernández Lárez's posts nor CEOFANB's press releases explain, for example, how the people being detained manage to transport all the material seized without being detected by the military staff stationed in the region or the rest of the law enforcement agencies.



REDI GUAYANA

Major General
**Wilfredo Alexander
Medrano Machado**
Appointed on 14/10/2024



ZODI BOLÍVAR

Division General
**Miguel Ángel
Yilales Arteaga**
Appointed on 16/10/2024



Director-General of Military
Counterintelligence

Javier José Marciano Tábata

The General Directorate of Military Counterintelligence is under the command of Major General Javier José Marciano Tábata, who also heads the Presidential Honor Guard. His appointment to both positions was announced by President Nicolás Maduro in October 2024.

Marciano Tábata graduated from the Venezuelan Military Academy in 1991 in the same class as General Juan Gómez Mireles, and has held various positions of

trust in the Maduro administration. He was commander of the Special Unit for Security and Protection of Government Leaders (UESPPE) of the Presidential Honor Guard and responsible for the Management of Operating Funds of the Presidential Honor Guard (2016),¹⁴⁰ commander of the Integral Defense Operational Zone of the Capital region, ZODI Capital (2020); and head of the Strategic Integral Defense for the Capital Region, REDI Capital (2021).¹⁴¹

The newly appointed head of the DGCIM was sanctioned by the U.S. Treasury Department on November 27, 2024.¹⁴² He is accused of supporting and carrying out Maduro's orders to repress civil society in the protests following the presidential elections of July 28, 2024. In addition, he was sanctioned by Canada in January 2025, accused of having participated in activities that have directly or indirectly supported human rights violations in Venezuela.

Prior to Marcano Tábata's appointment, the DGCIM was headed by Major General Iván Hernández Dala, who remained in office since January 2014. During his tenure, the intelligence corps was the target of multiple accusations for their involvement in crimes against humanity.



Director of the Bolivarian National

Intelligence Service

Alexis Rodríguez Cabello

The Bolivarian National Intelligence Service (SEBIN) has been headed by Major General Alexis Rodríguez Cabello since October 2024, when he was appointed by President Nicolás Maduro. Rodríguez Cabello graduated from the Venezuelan Military Academy in 1987, in the famous “General Brigadier Tomás Montilla” class, the same as his cousin and current Minister of Interior Relations, Justice and Peace, Diosdado Cabello Rondón.¹⁴³

- **2023**
He has been vice president of the intervention board of Corporación Venezolana de Guayana, CVG
- **2023**
Sole authority of the state of Guayana Esequiba
- **2020**
Deputy to the National Assembly for the United Socialist Party of Venezuela

¹⁴⁰ Poderopedia. Profile of Javier José Marcano Tábata. Available at: <https://poderopediave.org/persona/javier-marcano-tabata/>

¹⁴¹ Control Ciudadano. Profile of Javier José Marcano Tábata. Available at: https://www.controlciudadano.org/fan_y_poder/javier-jose-marcano-tabata

¹⁴² U.S. Treasury Department. Treasury Targets Maduro-aligned Officials Leading Post-Election Crackdown in Venezuela. 27/11/2024. Available at: <https://www.state.gov/translations/spanish/el-departamento-del-tesoro-de-ee-uu-sanciona-a-funcionarios-venezolanos-alineados-con-nicolas-maduro-que-dirigen-la-represion-postelectoral-en-venezuela/>

¹⁴³ Poderopedia. Profile of Alexis Rodríguez Cabello. Available at: <https://poderopediave.org/persona/alexis-rodriguez-cabello/>

- **2019**
General commander of the Venezuelan Army
- **2017**
Commander of the REDI Capital
- **2013**
Rector of the Bolivarian Military University of Venezuela

Rodríguez Cabello was sanctioned by the U.S. Treasury Department on November 27, 2024,¹⁴⁴ accused of propping up and carrying out Maduro's orders to repress civil society in the protests following the presidential elections of July 28, 2024. In January 2025 he was sanctioned by the European Union and Canada.

Three months before his appointment as SEBIN director, Rodríguez Cabello participated in an event to announce the release of 17 miners from the municipality of El Callao, in the state of Bolívar, who were accused of illegal mining in the Isidora mine. According to him, the miners engage in this activity because they are victims of the economic war.

"Many of these young people are forced to mine in prohibited areas due to the economic blockade that affects our country (...) President Maduro understands that this is a consequence of the economic war, and that is why he has ordered their release to reintegrate them into their homes and provide them with new opportunities," he said.¹⁴⁵

Until October 2024, the SEBIN was headed by General in Chief **Gustavo González López**, who had previously also served as Minister of Internal Relations, Justice and Peace and has been sanctioned by the United States, Canada, the European Union, the United Kingdom, Albania, Bosnia and Herzegovina, Georgia, Iceland, Macedonia, Moldova, Montenegro, Liechtenstein, Norway, Ukraine, Switzerland and Panama for corruption, human rights violations and repression.

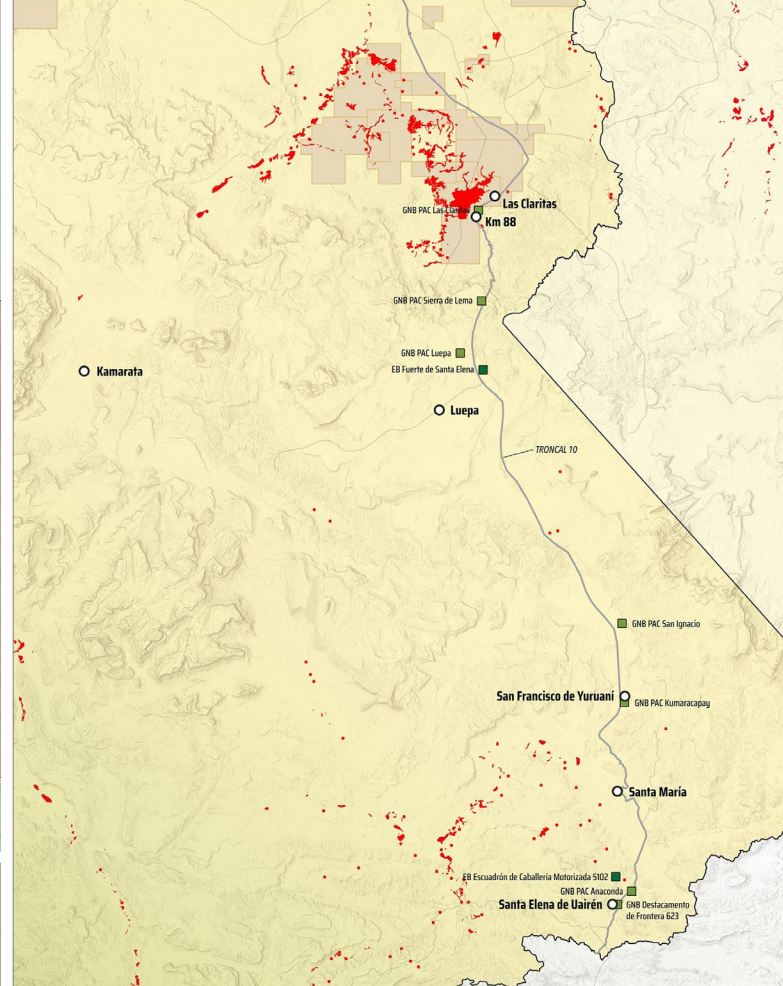
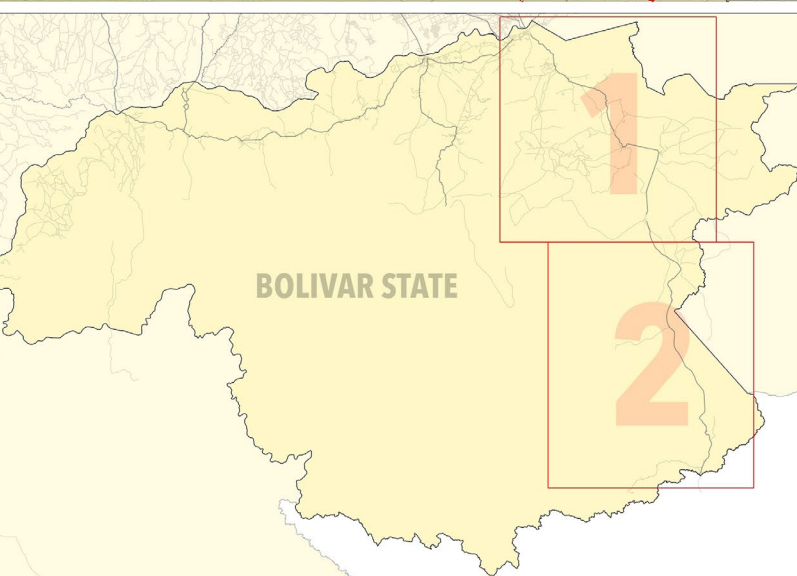
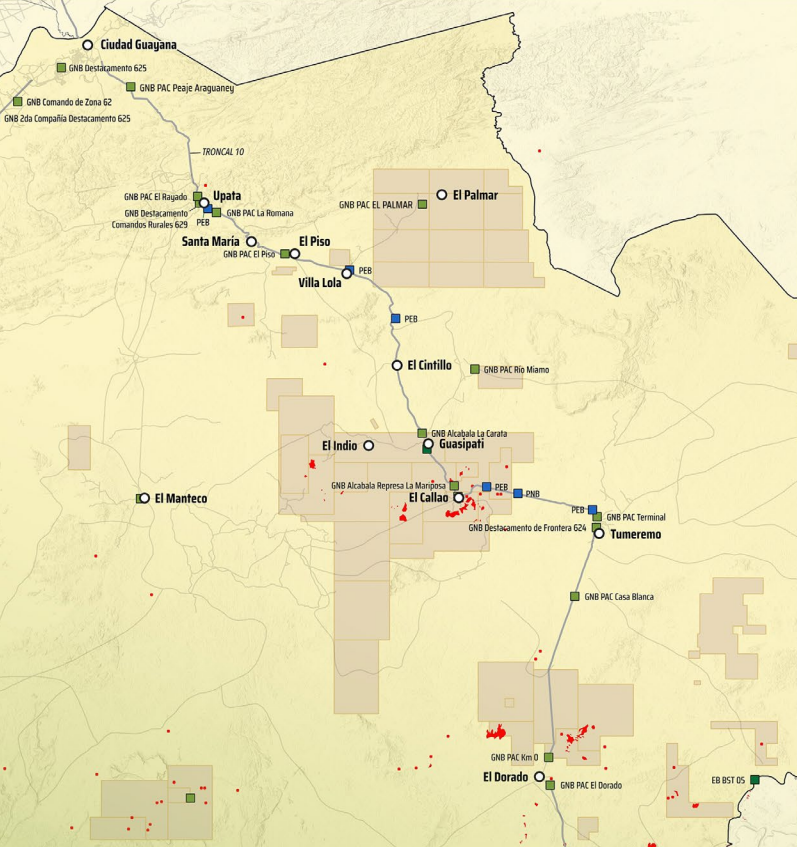
2.2. Checkpoints in the south of Bolívar state

The presence of the Venezuelan law enforcement and armed forces in the Orinoco Mining Arc is not only limited to their participation in the military operations that are part of the so-called Bolivarian Shield, or in patrols inside the mining towns, but they are also stationed in more than 20 checkpoints located along Trunk 10, the road that connects these towns.

During a visit to Bolívar state in October 2024, 23 permanent checkpoints were counted along the 535-kilometer route from the city of Upata to Santa Elena de Uairén, on the border with Brazil. This number tends to rise or drop as some checkpoints are auxiliary in nature, and are only set up at specific times when mobility must be restricted, such as during the Covid-19 pandemic.

¹⁴⁴ U.S. Treasury Department. Treasury Targets Maduro-aligned Officials Leading Post-Election Crackdown in Venezuela. 27/11/2024. Available at: <https://www.state.gov/translations/spanish/el-departamento-del-tesoro-de-ee-uu-sanciona-a-funcionarios-venezolanos-alineados-con-nicolas-maduro-que-dirigen-la-represion-postelectoral-en-venezuela/>

¹⁴⁵ Director of the Bolivarian National Intelligence Service, Alexis Rodríguez Cabello, post on his Instagram account. 14/07/2024 https://www.instagram.com/reel/C9aOuh8ulYK/?utm_source=ig_embed&ig_rid=9ebb617b-b870-4813-9b8d-b2dea4bd6778



- CITIES & TOWNS
- BOLIVARIAN NATIONAL GUARD CHECKPOINTS
- ARMY CHECKPOINTS
- POLICE CHECKPOINTS
- MINING CONCESSIONS
- ILLEGAL MINING

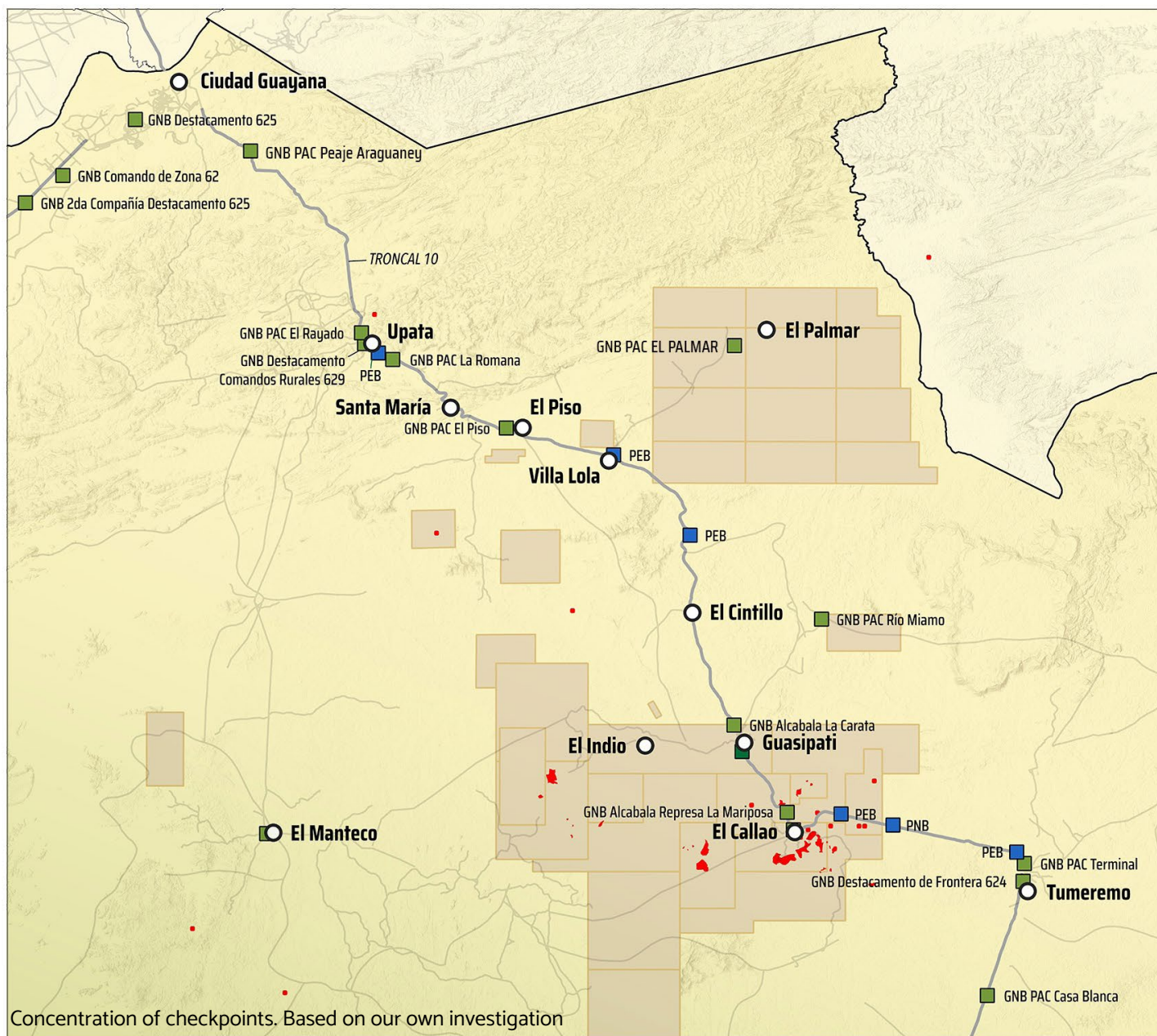
GNB: Bolivarian National Guard
PAC: Checkpoint
EB: Bolivarian Army
BST: Military Base
PNB: Bolivarian National Police
PEB: Bolivar State Police

SOURCES: Field research and geolocating by Transparencia Venezuela.
Additional geospatial data from app.venezuela360.org

Location of checkpoints. Based on our own investigation

With these 23 checkpoints, the Bolivarian National Guard has consolidated its presence in the state, with a total of 15 checkpoints, another five are controlled by the Bolivar State Police (PEB), one post of the National Army and one of the Mining Arc Protection Group (GPAMO).

The highest concentration of checkpoints and roadblocks is along the 156-kilometer stretch between the city of Upata and Tumeremo, with 14.



- CITIES & TOWNS
- BOLIVARIAN NATIONAL GUARD CHECKPOINTS
- ARMY CHECKPOINTS
- POLICE CHECKPOINTS
- MINING CONCESSIONS
- ILLEGAL MINING

GNB: Bolivarian National Guard
PAC: Checkpoint
EB: Bolivarian Army
BST: Military Base
PNB: Bolivarian National Police
PEB: Bolivar State Police

SOURCES: Field research and geolocating by Transparencia Venezuela.
Additional geospatial data from app.venezuela360.org

Noteworthy is that there has been an escalation in the number of personnel stationed at the checkpoints, with no less than 6 officers visible at each post, which, depending on the number of vehicles to be checked, may increase.

Also interesting is the array of ranks present, ranging from low-ranking officers to commanders.

In some of the checkpoints, the officers simply ask drivers to roll vehicle windows down to see who is inside, others ask to open the trunk, and ask about the origin and destination of the passengers, as well as the reason for the trip. According to our observations, the request to search luggage and personal items is discretionary and random.



III. Organized crime networks

behind gold mining in Venezuela

Behind illegal mining and gold smuggling in Venezuela there are a number of players who – using their different capacities and levels of influence – manage to get their hands on minerals that are publicly owned,

make a personal profit and ultimately remain unpunished.

Although the range of players involved in this illicit economy is wide, they are separated into two main groups in this chapter:



The purely criminal organizations that use violence to take over mining sites, subjugate workers and demand production quota



The enablers, i.e. players who—in a more formal role—provide services, forge documents, guard the shipments that are smuggled out, among others.

Both groups operate with the involvement and acquiescence of Venezuelan government officials

1. CRIMINAL ORGANIZATIONS AND THE NORMALIZATION OF VIOLENCE



The state of Bolívar, where the Orinoco Mining Arc was created, is the third most violent state in Venezuela, with a rate of 38.5 homicides per 100,000 inhabitants, according to the Venezuelan Violence Observatory (OVV). Three of the five most violent municipalities in the country are located in this region, and they are precisely the towns where gold mining is most active: El Callao, Sifontes and Roscio.

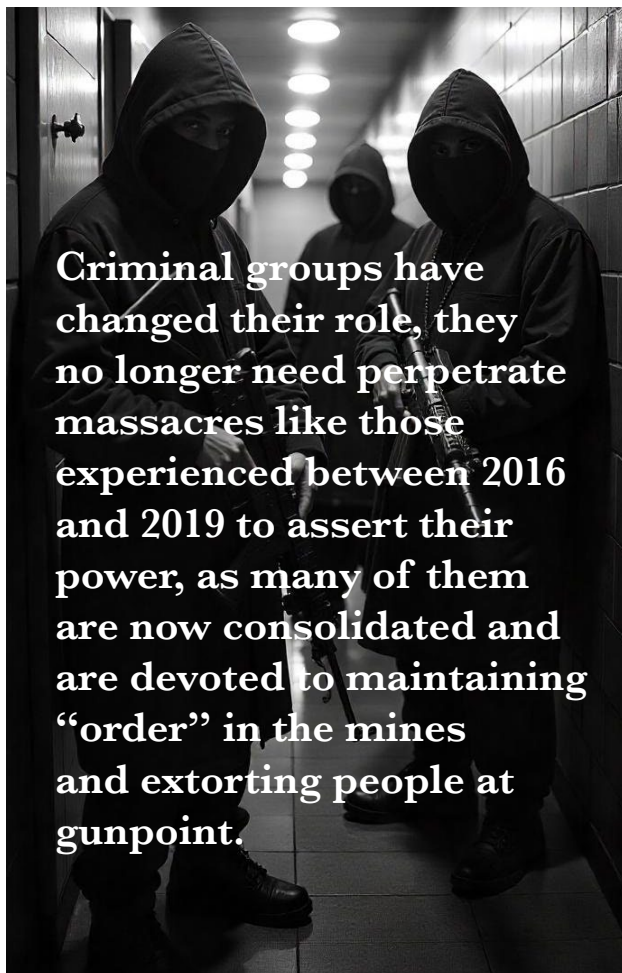
Shortly before the creation of the Mining Arc, criminal leaders started to come to these municipalities, taking control of the gold deposits through the use of violence and with the support of relevant personalities within the Bolívar state government during the administration of Major General Francisco Rangel Gómez. They were involved in massacres and confrontations with other criminals and law enforcement agencies, but over the years they managed to stabilize and impose their rules without

resorting to the levels of cruelty of previous years.¹⁴⁶

With the Autana and Roraima military operations since mid-2022, authorities announced the arrest of some of the members of criminal organizations, as well as the withdrawal of other groups. However, most of the criminal gangs have persisted, wielding their power over important gold deposits and extorting miners, gold mill owners and storeowners operating in the area.



Residents of the mining towns interviewed between October and November 2024, agreed on the power wielded by criminal organizations, which a few years ago were known as mining “unions” and later came to be called “systems” or local governments.



Criminal groups have changed their role, they no longer need perpetrate massacres like those experienced between 2016 and 2019 to assert their power, as many of them are now consolidated and are devoted to maintaining “order” in the mines and extorting people at gunpoint.

Armed groups charge money for access to the production zones, i.e. they grant permits to work in the mines and demand a payment from the miners that varies between 25% and 40% of everything they extract, be it sacks of gold-containing material or grams of gold. According to miners interviewed, two out of ten of them actually see a profit. The rule still applies that if they discover or report a potentially good mine, hole or ravine, it is *expropriated* by the armed groups that control the areas.

Although the residents of mining towns acknowledge the presence of non-state armed groups that rule over the municipalities and agree that murders are still common, this no longer causes much astonishment, or they justify them: “That is still happening, what happens is that people no longer talk about, so they don’t get in trouble, or because people know that they must have done something to get themselves killed or kicked out.” Other interviewees claim that the situation in their municipalities has improved, that the residents now behave better and feel safe.

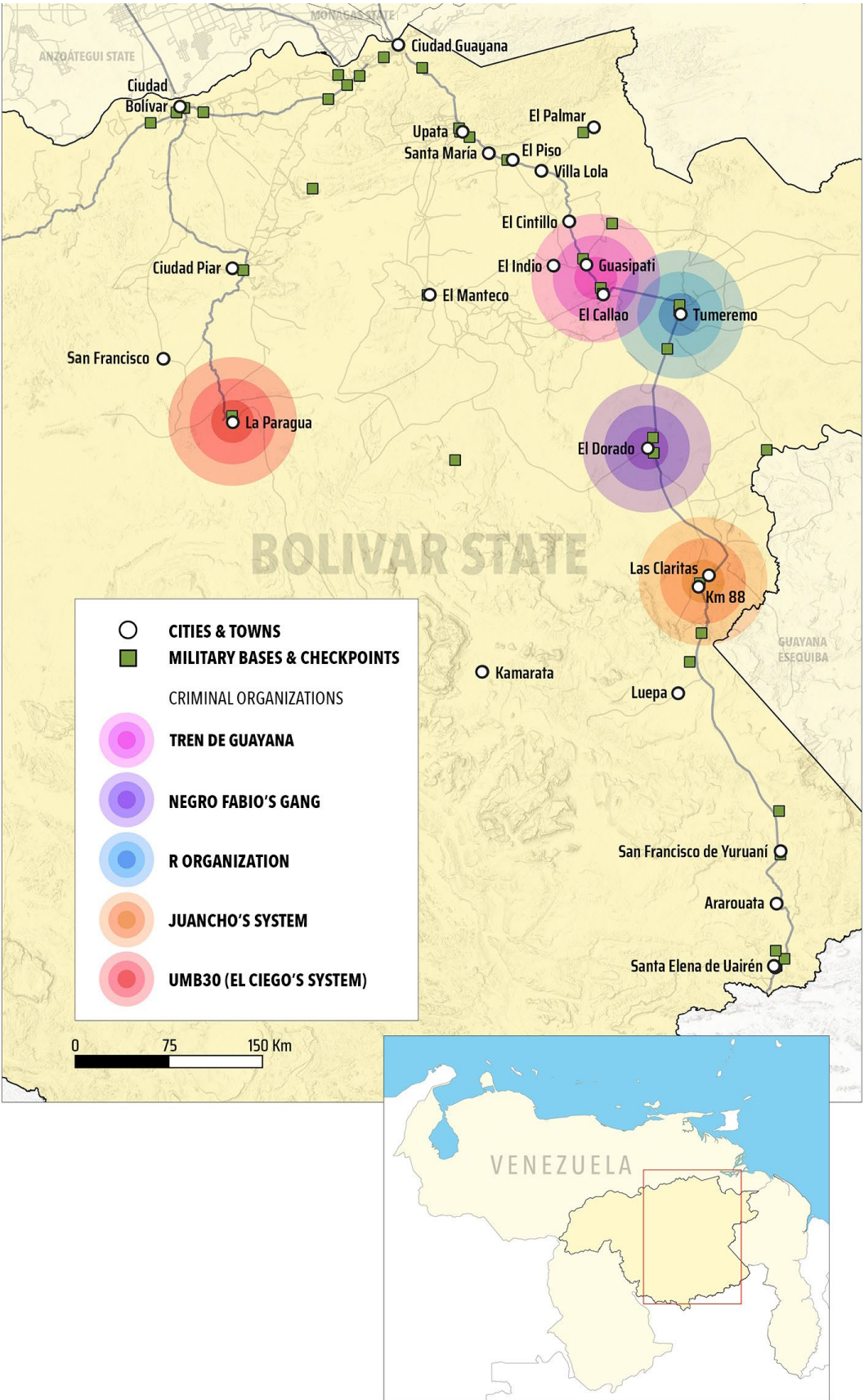
In conversations with residents of the communities along Trunk 10, it is common to hear them acknowledging the “good works” carried out by non-state armed groups. They improve infrastructure such as squares, churches, road lighting; in public services, especially water and power supply; they guarantee the security of formal and informal businesses that stay open past 8:00 p.m. And they serve as mechanisms for conflict resolution and peace judges.

The armed groups are even in charge of the maintenance of some schools. They have restored cafeterias, classrooms and roofs. They reportedly have organized a transportation route in El Dorado so that children living in the mines can attend school. These so-called systems, unions or local governments also help pay the salaries of teachers, either with a bonus or additional payment in gold, or with the delivery of the so-called “mining bag,” which includes different types of food.

The people interviewed also report the presence of two types of guerrillas, one with people who speak with a Colombian accent and wear green and black, or sometimes military uniforms, and another group, with a Venezuelan accent and tend to hide in the mountains. “That one defends us from the other guerrilla.”

**1.1. Systems or local governments.
Criminal gangs ruling over the mines**

The main criminal organizations in the area in 2024 include:





TREN DE GUAYANA

Vista el Sol

Guasipati

El Callao

It is one of the oldest criminal organizations in Bolívar state. It dates back to around 2010 when it began operating in vulnerable areas of Ciudad Guayana, but over the years it extended its scope of influence until it took over important gold deposits in the south of the state.¹⁴⁷

Following the death of two of its main leaders, Yorman Pedro Márquez Rodríguez, better known as “Gordo Bayón” and Phanor Vladimir Sanclemente Ojeda, aka “Capitán,” the Tren de Guayana was left in the hands of Ronny Yackson Colomé Cruz, aka “Ronny Matón.”

The Tren de Guayana gang has always been perceived as one of the organizations that receives most support from Venezuelan government officials and members of the law enforcement and armed forces.¹⁴⁸ A report written by Army First Lieutenant Jesús Leonardo Curvelo denounced that the backing of Brigadier General **Julio César Fuentes Manzulli, Secretary of Citizen Security of Bolívar state during**



Manzulli junto a “Juancho”.

the administration of Francisco

Rangel Gómez allowed Tren de Guayana to take over important mines in a matter of months, such as Las Vainitas, in Guasipati and eight more in El Callao.

The criminal organization was also publicly linked to Brigadier General **Jorge de la Cruz Rivas Acosta**, when he served as **commander of the Venezuelan Army’s 51st Jungle Infantry Brigade**. In fact, in April 2022, alleged members of the El Perú gang in El Callao claimed that the Tren de Guayana paid an average of 5 kilos of gold per month to the military in order to commit crimes at ease.



Jorge de la Cruz Rivas Acosta

Tren de Guayana not only fought for control of the mines with the El Peru gang,¹⁴⁹ but also had clashes with the R Organization, led by Eduardo Natera, aka “Pelón Natera.” Since 2020, as other criminal gangs grew stronger, the power of Ronny Matón and his group was reduced, but since 2023, the situation has been favorable again for the Tren de Guayana gang.

¹⁴⁷ Insight Crime. Tren de Guayana. 2022. Available at: <https://insightcrime.org/es/noticias-crimen-organizado-venezuela/tren-de-guayana/>

¹⁴⁸ Transparencia Venezuela. Tren de Guayana. 2022. Available at: <https://transparenciave.org/economias-ilicitas/tren-de-guayana/>

¹⁴⁹ Crónica Uno. Semana Santa transcurre con tensión en El Callao por guerra entre grupos armados. 22/04/2022. Available at: <https://cronica.uno/tension-en-el-callao-por-guerra-entre-bandas-armadas/>



Tren de Guayana extorts miners, mill owners and traders (Transparencia Venezuela)

According to testimonies gathered in Bolívar state, some **officials of Corporación Venezolana de Minería (CVM) work in connivance with Tren de Guayana.**

“They work together, they have a pact. If CVM needs to do some dirty work they go to the *pranes* (gang leaders); they don’t get their hands dirty,” said one of the people interviewed who spoke on condition of anonymity.

In 2024, law enforcement and armed forces announced the arrest of at least seven persons allegedly belonging to the Tren de Guayana gang. The arrests were made in four different raids,¹⁵⁰ one of them in Guasipati, two in El Callao and one in Capacho, Táchira state. This last case involved a woman who was transporting eight long firearms from Peru to Guasipati.

As revealed with the arrests, Tren de Guayana owns a wide variety of long firearms, fixed-stock rifles, AK 47s, AR-15s, machine guns, grenades, pistols, magazines, cartridges, portable radios, cell phones and vehicles. Their main activity is gold trafficking, but they have also been accused of other crimes such as murder, drug micro-trafficking and extortion of businessmen.

¹⁵⁰ Primicia. Aprehenden a presunto integrante del Tren de Guayana. 20/02/2024. Available at: <https://primicia.com.ve/sucesos/aprehenden-a-presunto-integrante-del-tren-de-guayana/>
FANB Strategic Operational Commander, Domingo Antonio Hernández Lárez, post on his X account. 27/02/2024: <https://x.com/dhernandezlarez/status/1762596846592025036>
Primicia. “Capturan a cuatro del Tren de Guayana con detonadores de explosivos”. 20/04/2024. Available at: <https://primicia.com.ve/sucesos/capturan-a-cuatro-del-tren-de-guayana-con-detonadores-de-explosivos/>
FANB Strategic Operational Commander, Domingo Antonio Hernández Lárez, post on his X account. 09/05/2024: <https://x.com/dhernandezlarez/status/1788566865133920432>



ORGANIZACIÓN R. Tumeremo

The R Organization is considered one of the newest criminal gangs in the mining towns of Bolívar state, especially in Tumeremo. It originated around 2008 in Ciudad Guayana, but migrated south a decade later, following the creation of the Orinoco Mining Arc and when gold fever broke out.

The leader of R Organization is **Eduardo José Natera Balboa, aka “Run” or “El Pelón,”** who was a professional soccer player for Minerven FC in El Callao. He was arrested in 2008 for stealing a rifle from a Bolivarian National Guard (GNB) officer, and despite being sentenced in 2009 to 14 years in prison, he escaped and has been a fugitive ever since.¹⁵¹



Eduardo José Natera Balboa, alias “Run” o “el Pelón”

Unlike other criminal organizations in Bolívar state, the R Organization is not always associated with high levels of violence. The group has presented itself as an ally of the people, seeking to improve living conditions for all. In fact, they even created a so-called philanthropic organization called Fundación de Gestión Social Integral RRR or 3R, which organizes social activities such as distributing food to vulnerable communities and renovating sports fields.¹⁵²

The R Organization has been linked to **Alexander “Mimou” Vargas**, deputy to the National Assembly, high presidential commissioner of the Movement for Peace and Life, who publicly participated in activities developed by the 3R Foundation. He has also been linked to officials of **Corporación Venezolana de Minería (CVM)**, whom he has allegedly helped to restore mines.¹⁵³

The R Organization clashed with Tren de Guayana in the dispute over mines in El Callao, but is currently only involved in the Tumeremo deposits. **This organization was one of the hardest hit by Operation Roraima launched by CEOFANB in 2022.** Several of its members were arrested and weapons and ammunition were seized. This clash was caused, among other reasons, by the political aspirations shown by members of the organization, according to testimonies.

¹⁵¹ Transparencia Venezuela. Deadly Gold: Organised Crime, Ecocide and Corruption. 2019. Available at:

<https://transparenciave.org/wp-content/uploads/2020/03/Deadly-Gold-organised-crime-ecocide-and-corruption.pdf>

¹⁵² Insight Crime. La Organización R. 2023. Available at: <https://insightcrime.org/es/noticias-crimen-organizado-venezuela/la-organizacion-r/>

¹⁵³ Transparencia Venezuela. Organización R. 2022. Available at: <https://transparenciave.org/economias-ilicitas/organizacion-r/>



The R Organization was one of the hardest hit by Operation Roraima, launched by CEOFANB in 2022. (CEOFANB)

“They had retreated after the operations, but Run has come back and asked to meet with people who settled down during his absence. Those who have been in those meetings say that everything has been done on friendly terms. He is negotiating to re-assert his control,” said one of the sources consulted in Bolívar state.¹⁵⁴

The 3R Foundation continues to work. According to the interviewees, its members go out to do social work wearing vests with messages making reference to the defense of human rights.

Law enforcement and armed forces refer to the 3R Organization and Run’s gang as separate organizations. Between January and September 2024, they announced the arrest of at least six people allegedly belonging to these criminal groups. The arrests were made in four separate procedures, all in the Sifontes municipality of Bolívar state.

In the operations, they seized an AR15 rifle with “ORG 3R” etched into it, a Beretta PX4 and Glock pistol, 7.62x51mm caliber cartridges, FAL and pistol magazines, portable radios, cell phones, motorcycles and even notebooks in which they kept records on their activities (drug and gold). Among other crimes, the R Organization is attributed with murder, gold smuggling, arms trafficking and extortion or charging protection money to people who work in the mining industry and merchants in the area.

¹⁵⁴ Strategic Operational Commander of the FANB, Domingo Antonio Hernández Lárez, posts on his X account. 13/01/2024, 05/02/2024 and 07/09/2024
<https://x.com/dhernandezlarez/status/1746168210825646170>
<https://x.com/dhernandezlarez/status/1754642535186677841>
<https://x.com/dhernandezlarez/status/1832436562635739428>
 Primicia. “GNB detuvo a miembros de El Run con 950 municiones”. 16/09/2024. Available at:
<https://primicia.com.ve/sucesos/gnb-detuvo-a-miembro-de-el-run-con-950-municiones/>



EL SISTEMA DEL “NEGRO FABIO”.

El Dorado

The “Negro Fabio” criminal organization is one of the oldest gangs in the mining towns of southern Bolívar state, especially El Dorado in Sifontes municipality. There is no clear record of when it began operating in the mines, but the fact is that over the years it has managed to expand its power and elicit both fear and admiration of some people.

The Negro Fabio system owes its name to its criminal leader, Fabio Enrique González Isaza, a Venezuelan national of Colombian parents who rules in mines known as El Chivato, La Pelota, La Pelotica, and other deposits in the Cuyuní and Yuruari rivers, despite having two arrest warrants against him, one from 2018 and the other from 2021.¹⁵⁵



Fabio Enrique González Isaza

Like other criminal organizations in the south of Bolívar state, Negro Fabio’s system created a supposed charity called the **Corazón de Azúcar Foundation**, which has provided aid to vulnerable communities in El Dorado in an attempt to win the support of the people.

Through its social media accounts, the foundation has shared information about food distribution campaigns, renovation of sports fields, delivery of ambulances and health care supplies for outpatient clinics, among others. In the audios, they frequently thank “Mr. Fabio” or “Mr. González.”

The foundation’s posts boast the booking of international artists who sing in fairs in El Dorado,¹⁵⁶ along with the **participation of Alexander “Mimou” Vargas, deputy to the National Assembly and high commissioner of the Movement for Peace and Life.**¹⁵⁷ He is not the only government official with an alleged relationship with Negro Fabio. According to testimonies gathered in Bolívar state, this organization has enjoyed the support of big names within the government.

Since the launch of Operation Roraima in the state of Bolívar and up to the end of 2024, law enforcement and armed forces have not reported the arrest of any person belonging to Negro Fabio’s system.

The gang has been accused of extortion, murder, kidnapping, arms sales, gold smuggling, and human trafficking for sexual exploitation, among other crimes. Their arsenal included assault rifles model M-4, 5.56×45 millimeters, light automatic rifles model M61-T1, 7.62×51 millimeters, AK103, caliber 7.62×39 mm, and AK-47 rifles, cal. 7.62×39 mm and pistols.¹⁵⁸

¹⁵⁵ Transparencia Venezuela. Deadly Gold: Organised Crime, Ecocide and Corruption. 2019. Available at:

<https://transparenciave.org/wp-content/uploads/2020/03/Deadly-Gold-organised-crime-ecocide-and-corruption.pdf>

¹⁵⁶ Corazón de Azúcar Foundation, post on their Instagram account. 25/02/2021. <https://www.instagram.com/p/CLu8jh5ABJD/>

¹⁵⁷ Corazón de Azúcar Foundation, post on their Instagram account. 12/09/2020. https://www.instagram.com/p/CFBcttkAfAi/?img_index=1

¹⁵⁸ Transparencia Venezuela. Banda del “Negro Fabio”. 2022. Available at: <https://transparenciave.org/economias-ilicitas/banda-del-negro-fabio/>



EL SISTEMA DE “JUANCHO”

Las Claritas
El Km 88

Juancho's system and his team is the criminal organization with the longest time operating in the mines of southern Bolivar state. It is also one of the most consolidated gangs in the area. Their power extends to Las Claritas and Km 88, where the largest gold deposits in Venezuela are located, the Las Brisas-Las Cristinas mines, where the Canadian mining company Gold Reserve used to operate.



Juan Gabriel Rivas Núñez, alias “Juancho”

The main leader of this criminal organization is **Juan Gabriel Rivas Núñez**, aka “Juancho,” a Colombian-Venezuelan who has another identity, i.e. **Wilson Starling Aponte Rodríguez**.¹⁵⁹

Juancho in turn operates with other known criminal leaders such as Humberto Martes, aka “Viejo Humberto” and his son, who goes by the same name and is nicknamed “Humbertico.” His organization also includes Johan Petrica, one of the leaders of the Venezuelan mega-gang Tren de Aragua.¹⁶⁰



Johan Petrica

According to National Army First Lieutenant Jesus Leonardo Curvelo, Juancho got his second identity thanks to the support of Brigadier General Julio Cesar Fuentes Manzulli, the Bolivar state Citizen Security Secretary during the administration of Francisco Rangel Gomez. This alliance helped him obtain weapons and sell the gold he illegally extracted from the gold mines he controls.

Like other systems present in the mines of Bolivar, Juancho's gang has offered economic aid to the people in the area in an attempt to win their support. Thus, has been improved the health system with medical equipment and medicines, has distributed food and has even been served as mediator in settling family conflicts.

At the end of 2023, Juancho was arrested by Interpol in Brazil, following a red notice that had been issued against him by the Venezuelan justice system in June 2018, according to a ruling of the Criminal Chamber of the Supreme Court of Justice of February 2, 2024, which agreed to request his extradition.¹⁶¹

“Juan Gabriel Rivas Nuñez (...) has been singled out as the leader of an armed and organized criminal gang operating in the area of Km 88, Sifontes municipality of Bolivar state, specifically Las Claritas and Ciudad Dorada, which is part of the organized criminal structure responsible for the purchase of gold material to be subsequently smuggled out of the country illegally,” says the Supreme Court ruling.¹⁶²

While it is unclear whether Juancho was extradited to Venezuela or remains in Brazil, his criminal organization is still active in the mining towns.

According to testimonies gathered in the fieldwork, Juancho’s team is still in control of the mines and are only slightly more confined.

In June 2023, in the context of Operation

Roraima, the CEOFANB Commander Domingo Antonio Hernández Lárez announced¹⁶³ the arrest of nine alleged members of Juancho’s gang, and the seizure of, among other things, an AR-15 assault rifle, five automatic pistols, heavy machinery, power generators, sentry boxes, observation posts, portable toilets, a dining room, dump trucks, fuel storage tanks, cattle, horses, pigs and a large amount of food, in addition to material used for mining: mills, hoses, jackhammers, power generators, motor pumps, suction pumps, three-phase electric motors, among others.

In addition to the gold extraction and illicit gold trade, Juancho’s gang has been accused of murder, extortion, illegal trafficking of arms, drugs, fuel, among others.



¹⁶¹ Corruptómetro. “Juancho”, el pran del oro en Las Claritas, fue detenido en Brasil y Venezuela pide su extradición. 08/02/2024. Available at: <https://corruptometro.org/noticias/juancho-el-pran-del-oro-en-las-claritas-fue-detenido-en-brasil-y-venezuela-pide-su-extradicion/>

¹⁶² Idem.

¹⁶³ FANB Strategic Operational Commander, Domingo Antonio Hernández Lárez, post on his X account. 02/06/2023: <https://x.com/dhernandezlarez/status/1664706902394130444>



UMB30 O SISTEMA DE EL CIEGO

La Paragua
El Manteco

The criminal system of El Ciego is one of the newest gangs in the mining areas of Bolívar state. At least since 2017, people started hearing about this organization, in association with crimes committed in Ciudad Bolívar. Shortly after they moved to mining towns, especially La Paragua, in Angostura municipality and El Manteco, in Piar municipality.

The leader of this criminal organization, who is also known as UMB30, is **Reiniero Alberto Murgueytio Bastardo**, aka El Ciego. He operates with another man named Nelson, nicknamed “El Caracas.” Murgueytio was reportedly left in charge of the mining areas after the death of **Wilmer José Brizuela Vera**, aka Wilmito, in April 2017 inside the Tocarón prison, in Aragua state.¹⁶⁴

Suspicions about the complicity between the El Ciego gang and law enforcement agencies grew stronger in May 2022 with the announcement of the arrest of eight military officials who allegedly aided the criminals.¹⁶⁵

Officers arrested:

- Frigate Colonel Robert Casanova Mora, commander of Marine Infantry Fluvial Command No. 52 of the National Navy

- Captains Rusbelys Montilla Rujano
- Captains Adán Alberto Matos Chávez
- Captains Rusbelys Montilla Rujano
- Captains Adán Alberto Matos Chávez
- Sergeants Larry Prado Leal
- Sergeants José Fuentes Rojas
- Sergeants Daniel Tillero Fortiz
- Sergeants Dixander Lorenzo Navas.

According to the official version reported in the media, both Arévalo and Casanova used to receive gold in exchange for allowing the El Ciego gang to transport fuel and materials used for illegal mining. In addition, they facilitated the free transit of this gang, with firearms and fragmentary grenades, in the towns of Angostura municipality, and allowed them to control the fuel supply points.

At least 14 proceedings against alleged members of the organization reported in the media between 2019 and 2023¹⁶⁶ describe the seizure of gold and marijuana-type drugs, motorcycles, cars and pickup trucks, grenades, Glock and Beretta pistols, AR15 rifles, rifle magazines, ammunition, radio transmitters, thousands of liters of fuel, jackhammers, generators and even notebooks in which they allegedly kept track of the collection of protection money from miners and merchants in the area.

The El Ciego system was singled out as the culprit of the Ikabarú massacre, which occurred on November 22, 2019.

¹⁶⁴ Primicia. Últimos tres integrantes de la banda El Ciego. 23/08/2019. Available at: <https://primicia.com.ve/sucesos/ultimos-tres-integrantes-de-la-banda-el-ciego/>

¹⁶⁵ Correo del Caroni. Procesan a jefes militares y subalternos por nexos con el prático minero de La Paragua. 21/05/2020. Available at: <https://correodelcaroni.com/region/procesan-a-jefes-militares-y-subalternos-por-nexos-con-el-pratico-minero-de-la-paragua/>

¹⁶⁶ Últimas Noticias. Desmantelada sala situacional de la banda El Ciego. 28/09/2023. <https://ultimasnoticias.com.ve/noticias/sucesos/desmantelada-sala-situacional-de-la-banda-el-ciego/>
El Pitazo. Bolívar | Militares matan a dos presuntos integrantes de la banda “el Ciego”. 21/02/2022. Available at: <https://www.elpitazo.net/sucesos/bolivar-militares-matan-a-dos-presuntos-integrantes-de-la-banda-el-ciego/>
Primicia. Detenidos miembros de la banda “el ciego” con armas de guerra en El Manteco. 20/06/2021. Available at: <https://primicia.com.ve/sucesos/detenidos-miembros-de-la-banda-el-ciego-con-armas-de-guerra-en-el-manteco/>

That morning, eight people were murdered in the Pemón sector No. 7 of the Ikabarú parish, in the Gran Sabana municipality. In addition, they have been accused of being involved in organized crime and terrorism.

1.2. Guerrillas ruling over the mines

During the visits to Bolívar state, we gathered information on the presence of criminal organizations other than the systems, which use camouflage uniforms and define themselves as guerrillas. Some of the interviewees claim that they are members of the **National Liberation Army (ELN) and dissidents of the Revolutionary Armed Forces of Colombia (FARC)**, born in Colombia and with presence in several Venezuelan states. Others maintain that they are guerrilla groups or Venezuelan revolutionary fronts that claim to have the support of the national government.

In the context of Operation Roraima and Operation Autana, deployed by the FANB's Strategic Operational Command in the states of Bolívar and Amazonas since 2022, authorities also announced the arrest of people allegedly belonging to the Tancol groups (a term coined by the Venezuelan government referring to Colombian Armed Drug Trafficking Terrorists).¹⁶⁷

Although CEOFANB commander Domingo Antonio Hernández Lárez has not directly mentioned the ELN or FARC dissidents when talking about the Tancol, he has shared photographs of the operations on his social media showing FARC-EP Second Marquetalia clothing.



Photo shared by CEOFANB Commander Domingo Antonio Hernández Lárez

One of the most reported hotspots of guerrilla presence is on the road to San Martín de Turumbán, in the municipality of Sifontes, home to indigenous communities and where gold is extracted in a disorderly manner. Groups that identify themselves as guerrillas have gone there and ask the people to collaborate so that they can provide security and “everything remains peaceful.”

During the visits in October and November to towns between Upata and Santa Elena de Uairen, in Bolívar, no guerrilla checkpoints were detected. However, their presence has been reported in the Cedeño and Sucre municipalities, which are closer to Amazonas state. In fact, most reports of presence of Colombian guerrilla groups ruling over Venezuelan gold deposits are in Amazonas.

2. ENABLERS OF ILLICIT GOLD MINING AND TRADE

Investigations conducted by the justice systems of other countries have helped identify the agents involved in illegal gold trafficking in Venezuela. Behind the extraction, processing and commercialization of gold, there is a group of people and companies that collaborate in the activity by providing services, authorizing the extraction or guarding the shipments that are exported, often under the complicit gaze of public officials at different levels. The agents participate in networks of companies that in turn have assets and properties, such as aircrafts, which they use to traffic gold to other countries.

The enablers identified in the value chain of illicit gold trafficking, ranging from the management of mining inputs to marketing and money laundering, include the following:

- Suppliers of inputs, such as mercury
- Suppliers of weapons and ammunition
- Providers of land, water and air transportation services at different stages of the value chain.
- Export security and logistics managers
- Lawyers
- Real or front businesses
- Financial brokers for money laundering
- Non-financial agents providing bank accounts for the receipt of illicit monies
- People hired for specific tasks, such as guarding or safekeeping gold.

Identification of enablers

This section refers to some cases documented by justice systems in other countries and by independent media in investigative journalism:

1. **Suppliers of mining inputs:**

The International Union for Conservation of Nature¹⁶⁸ notes that Guyana serves as the main exporter of mercury, which then is transferred to Brazil and Venezuela.¹⁶⁹ Between 10 and 20 million people in the world are engaged in mining and use mercury to extract the minerals.

2. **Suppliers of weapons and ammunition:**

As mentioned above, many of the criminal gangs present in Bolívar state have in their possession a large amount of weapons that they have managed to gather, among other factors, thanks to their relationships with government officials. In Bolívar, Army First Lieutenant Jesús Leonardo Curvelo denounced that former governor Francisco Rangel Gómez provided weapons, money and explosives to Juancho's gang, which is involved in gold smuggling, arms trafficking and extortion.¹⁷⁰

3. **Providers of land, water and air transportation services, in the different stages of the value chain:**

In September 2019, the Prosecutor General appointed by the constituent assembly, Tarek William Saab, made reference to a Venezuelan gold smuggling network, which used aircraft owned by Transportes Aéreos del Sur,¹⁷¹ a company run by businessman César Leonel Dias González, to export gold to the Dominican Republic. The aircrafts were also used to send the cash back to Venezuela.¹⁷²

In February 2020, Andres Antonio Fernandez Soto chartered from Sparrow Aircorp INC.¹⁷³ a light aircraft registration number N27TZ, at a cost of USD 28,500, to export a shipment of gold mined in Venezuela, but first taken to Brazil and then bound for the United States, to evade economic sanctions.

4. **Pilots and people in charge of security and logistics for export:**

In June 2021, the U.S. Department of Justice charged Jesus Gabriel Rodriguez Jr, owner of the securities transportation firm Transvalue, with facilitating a transnational illicit gold trafficking operation for USD 140 million, with the purpose of laundering the proceeds of alleged criminal activities.

168 Correo del Caroni. Contrabando de mercurio alimenta la extracción ilegal del oro y combustiona los daños ambientales. 22/04/2020. Available at: <https://correodelcaroni.com/sociedad/ambiente/contrabando-de-mercurio-alimenta-la-extraccion-ilegal-del-oro-y-combustiona-los-danos-ambientales/>

169 Insight Crime. Negocio sucio: el contrabando de mercurio que atraviesa el Amazonas. 13/05/2021. Available at: <https://insightcrime.org/es/noticias/negocio-sucio-contrabando-mercurio-amazonas/>

TalCual. Contrabando de mercurio alimenta la extracción ilegal de oro. 23/04/2020. Available at: <https://talcualdigital.com/contrabando-de-mercurio-alimenta-la-extraccion-ilegal-del-oro/>

170 Transparencia Venezuela. Distorsiones producto de la criminalidad en Venezuela. 2023. Available at: <https://transparenciave.org/economias-ilicitas/wp-content/uploads/2023/09/Distorsiones-producto-de-la-criminalidad-en-Venezuela.pdf>

171 Transparencia Venezuela. Agentes criminales, interacciones oscuras. 2023. Available at: <https://transparenciave.org/economias-ilicitas/wp-content/uploads/2023/09/Agentes-criminales-interacciones-oscuras.pdf>

172 Armando.info. Dominicana, Brasil y Venezuela: el triángulo del oro en el Caribe. 2023. Available at: <https://armando.info/dominicana-brasil-y-venezuela-el-triangulo-del-oro-en-el-caribe/>

173 Armando.info. De Chirikayen a Miami: la vuelta dorada de Tonito. 16/04/2023. Available at: <https://armando.info/de-chirikayen-a-miami-la-vuelta-dorada-de-tonito/>

Between March 2015 and September 2016, he reportedly used a network of contacts to import tons of gold extracted from Venezuela into the United States. He was in charge of hiring intermediaries to ensure that the shipment cleared customs at Miami International Airport. To do so, he used false documentation stating that the mineral came from the Cayman Islands. At the time of importation, his armored transportation company safeguarded the gold and transported it to a refinery belonging to NTR Metals, a subsidiary of a well-known refinery that supplies companies in the jewelry and technology industry.¹⁷⁴

In another case reported in June 2019 and later referred to by Tarek William Saab, the Dominican Republic's National Drug Control Directorate seized more than one million dollars in cash that were in a light aircraft bound for Anzoátegui, Venezuela, and arrested Claudio Alejandro De Génova Fistarol (pilot), Estela Gómez Sánchez, Jonathan Luciano Del Valle (co-pilot), Carlos Julio González Lozada, Michael Enrique Jerez Córdoba and Estefanía Belinda Monroy Promball, who were in charge of partnering with officials from the Dominican Republic to bring in the proceeds of the illicit acts.¹⁷⁵ These individuals were under the orders of Roberto Espejo Camacho, who has been singled out as a leader in the trafficking of strategic material and linked to César Leonel Dias González.

5. **Airport officials:**

Roberto Espejo Camacho's ring involved Fernando Ceballo, aka Zuco, who worked at the customer service department of La Romana International Airport; Jhohancel Alvarez, a migration inspector; and Vianela de la Cruz and Richard Perez Languasco,¹⁷⁶ of the Specialized Airport and Civil Aviation Security Corps.

6. **Personnel hired for specific tasks:**

In the context of Operation Hespérides, launched by Brazil, one of the leaders of a gold smuggling network noted that part of the shipment was kept in the home of Libia Cristancho, an assistant of Venezuelan national Marco Antonio Flores, a businessman singled out by the authorities as the largest supplier of gold on the border.¹⁷⁷ There are also employees of clandestine laboratories in the municipalities of Sifontes, Roscio, Piar and Gran Sabana, who allegedly made certificates on the gold extracted by Flores to give an appearance of legality for the Brazilian authorities.

7. **Government officials collaborating at various stages of the value chain:**

Higinio Alfredo Benítez Mendoza, former head of the National Mining Oversight and Inspection Office, was singled out as the person who authorized the owner of Molinos La Vanguardia, Eduardo Enrique González Mejías, to irregularly process the metal, buy large amounts of cargo and sell it in other countries.¹⁷⁸

174 Transparencia Venezuela. Agentes criminales, interacciones oscuras. 2023. Available at: <https://transparenciave.org/economias-ilicitas/wp-content/uploads/2023/09/Agentes-criminales-interacciones-oscuras.pdf>

175 Idem

176 Transparencia Venezuela / Suprema Injusticia. Red de tráfico de oro: negligencia en Dominicana ¿y en Venezuela? 22/02/22. Available at: <https://supremainjusticia.org/red-trafico-oro-venezolano-negligencia-dominicana-venezuela/>

177 Armando.info. Oro de sangre por alimentos. 26/03/2023. Available at: <https://armando.info/oro-de-sangre-por-alimentos/>

178 Connectas. Escándalo, asesinatos y prisión: las empresas (aún más) turbias del Arco Minero del Orinoco. 2022. Available at: <https://alianza.shorthandstories.com/Empresas-turbias-Arco-minero/index.html>

In the gold smuggling case related to the Dominican Republic, Brazil and Venezuela, the then governor of Bolívar, Francisco Rangel Gómez¹⁷⁹ was named as an enabler of the network led by businessman Roberto Espejo.

According to Brazilian authorities, the illegal organization led by businessman Marcelo Camacho contacted Brazilian and Venezuelan officials to participate in safeguarding the shipments being transported from Venezuela to Brazil. On the Brazilian side, authorities identified a customs official Yonara Pinho, while on the Venezuelan side, they communicated with an alleged military officer, whose identity is still unknown.

8. **Lawyers:**

A Brazilian court file describes the MO of a criminal gold smuggling network that used Brazil as a stopover to send gold shipments to the United States for commercialization. It includes the defense attorney Shiska Pereira,¹⁸⁰ who had to justify to the Brazilian regulator that the company BM Gold C.A. could not export it from Venezuela to the United States because its authorities did not accept landings, take-offs or overflights with aircraft with U.S. registration. However, the mining company's goal was precisely to evade the U.S. sanctions on the prohibition of doing business or financial operations related to gold with Venezuelan natural or legal entities in order to avoid the illicit enrichment of Nicolás Maduro's government.

9. **Real or front companies:**

The leaders of criminal networks use real and shell companies to fill in various steps in the value chain of illegal gold trafficking, including exporting and receiving the gold, and laundering the proceeds from its illicit commercialization.

The first documented case involves Marcelo Camacho and Marco Antonio Flores. In their network, they used at least 10 companies¹⁸¹ to materialize a scheme to exchange illegal Venezuelan gold for food, including MC Produtos de Extracao Mineral Eireli, Recuperadora Brasileira de Metais LTDA, Kundan Care Products Limited and PMG Overseas Trading FZC. Some of the transfers from MC Produtos de Extracao Mineral Eireli ended up in the Brazilian companies Drogaria Monte Roraima and Laboratorio Labonalise de Pacaraima, whose owner, Fabiano Coelho, was in possession of gold bars at the time of the police raid. According to the Regional Federal Court of the First Region, it is a scheme with 35 defendants and 50 other people investigated for the laundering of 1.2 tons of gold extracted from Bolívar.

179 Armando.info. Dominicana, Brasil y Venezuela: el triángulo del oro en el Caribe. 2023. Available at: <https://armando.info/dominicana-brasil-y-venezuela-el-triangulo-del-oro-en-el-caribe/>

180 Armando.info. De Chirikayen a Miami: la vuelta dorada de Tonito. 16/04/2023. Available at: <https://armando.info/de-chirikayen-a-miami-la-vuelta-dorada-de-tonito/>

181 Armando.info. Oro de sangre por alimentos. 26/03/2023. Available at: <https://armando.info/oro-de-sangre-por-alimentos/>

10. **Financial agents:**

The delivery of cash as part of transnational transactions appears in the documented cases, as in the case of Roberto Espejo, who authorities singled out as the leader of a network of illicit trafficking of strategic material. After extracting the gold¹⁸² and taking it to the Dominican Republic, he returned to Venezuela with dollars in cash which he proceeded to launder through a conglomerate of companies registered in Venezuela, such as Supermercado Guayana Mall C.A., Taboada Hermanos S.A. and Ferremateriales La Excelencia C.A.

There are also cases in which the authorities initiated investigations when they detected high sums of money being transferred regularly between companies. Although the banks are not specified, one known example is the case of Marcelo Camacho, who transferred thousands of dollars to companies in the food industry, as part of the gold for food agreement. He sent USD 320,000 to Big Trading Empreendimentos LTDA and around USD 260,000 to Ricca Comercio LDTA.

11. **Non-financial agents:**

In order to launder money, Marco Antonio Flores also uses a network of companies that include his closest associates. Noteworthy is a hotel in Pacaraima, Bolívar, which was initially owned by his wife, Nayslan Spagnolo. Ownership was later transferred to M&N Import, a company in the name of Migdonia Nayibe Álvarez Moreno,¹⁸³ Flores's half-sister. This information was obtained after reviewing the hotel's payment vouchers.

¹⁸² Armando.info. Dominicana, Brasil y Venezuela: el triángulo del oro en el Caribe. 23/04/2023. Available at: <https://armando.info/dominicana-brasil-y-venezuela-el-triangulo-del-oro-en-el-caribe/>

¹⁸³ Armando.info. Oro de sangre por alimentos. 26/03/2023. Available at: <https://armando.info/oro-de-sangre-por-alimentos/>



IV. Impact of illegal gold

mining on human rights

To talk about gold mining, both legal and illegal, from a human rights perspective is to delve into a notion that transcends the physical effects of mining, and involves the normalization of patterns and customs that are nothing more than distortions produced by the prevailing conditions in the context.

In the mission and vision of the nation, as set forth in the National Constitution, the issue of territorial integrity is categorical and recurrent, but it is not limited to non-interference in national spaces. Rather, it must be seen in its broadest sense, which encompasses conservation and preservation. When these precepts are related to the specific legal regime of extractive activities, there are gaps and loopholes that favor the discretionality of the State and disfavor due social control.

On the one hand, the current mining legislation moves away from the provisions of the concession regime, which provided the private partners of the State to be publicly

known as soon as they expressed their interest in participating in the exploitation of the land. On the other hand, payments have been established for strategic partnerships that should serve, among other things, to invest in social development. This has not been fulfilled.

With the mediation of Corporación Venezolana de Minería (CVM), the “Arrime” Plan was designed, which created collection centers where 35% of the extracted mineral went to the State and 65% was to be distributed among the partnerships of small-scale miners. This plan was created to facilitate the sale of minerals from small-scale miners independently to CVG. The Arrime Plan ensures that traditional miners can sell their production legally and receive a fair payment. However, for the purposes of the investigation presented here, no evidence of accountability was found specifying or detailing the rates established in the aforementioned models.

One confirmed fact is that about 112 km from Puerto Ordaz on Trunk 10, in some mines in the Piar and Padre Pedro Chien municipalities, the dynamics of gold sales by artisanal miners became fully controlled by these models and their regents, who set the prices for them with third parties in an evident game of demand and supply control. In this scenario, the right to work of the miners is striking similar to forced labor, regulated by the conventions and protocols established for human rights by the ILO and the United Nations.

According to Article 2 of the Decree-Law that Reserves to the State the Activities of Exploration and Extraction of Gold and other Strategic Minerals, with the exception of tax matters, the Mining Law and its regulations apply for all matters that are not provided for in the aforementioned decree.¹⁸⁴ In this connection, there is also a violation of the law, as well as a lack of transparency, since the approval of the concession is not published in the Official Gazette or in any national or regional newspaper.¹⁸⁵ The same occurs with the prevailing discretionality for the determination of the percentages of shareholding in the partnerships.¹⁸⁶

As in the examples above, during the course of the investigation, no processes or areas associated with mining activities were identified without information gaps, ambiguity or opacity, thus contravening the provisions of the National Constitution regarding transparency and accountability¹⁸⁷ and at the same time violating the principles of social comptrollership.¹⁸⁸ Social comptrollership refers to the right and responsibility of citizens to participate in the oversight and supervision of public administration, ensuring transparency and accountability on the part of the government. When this right is infringed, it can be considered a violation of human rights, especially in contexts where transparency and citizen participation are essential for democratic functioning.



¹⁸⁴ Supplementary Enforcement.

¹⁸⁵ Article 42. Decree-Law of Mines. 1999

¹⁸⁶ Ministry of Ecological Mining Development. Investment Promotion. Available at: <https://www.desarrollominero.gob.ve/index.php/modelo-de-negocios/>

¹⁸⁷ Article 141 CRBV. The Public Administration is at the service of the citizens and is based on the principles of honesty, participation, celerity, effectiveness, efficiency, transparency, accountability and responsibility in the exercise of the public function, with full submission to the law.

¹⁸⁸ Article 3. Law for the Reform of the Organic Law of the Social Comptrollership. Official Gazette No. 6.748 of June 9, 2023.

1. **Environmental impact**

The areas located south of the Orinoco River are part of the Venezuelan Amazon, which is characterized by varied ecosystems, in addition to great biodiversity of fauna and flora. Its rivers are considered water patrimonies, and the area boasts great mineral wealth. Approximately 80% of its area is classified as Areas Under Special Administration Regime (ABRAE), namely: 20 natural monuments, three forest reserves, seven national parks, and two biosphere reserves, among others. Their protection is set forth in the National Constitution¹⁸⁹ and other applicable environmental legislation.¹⁹⁰

Environmental impacts include land devastation and water pollution. According to a series of investigations conducted by Armando.info, there are 3,718 illegal gold mining sites in Amazonas and Bolívar states. Similarly, south of the Orinoco River, on the banks of the Caroní River, in the Imataca forest reserve, Canaima National Park, Sarisariñama National Park. In many other locations, they were able to confirm the existence of at least 42 clandestine airstrips, all located next to or in the vicinity of multiple illegal mines.¹⁹¹

According to a report by environmental journalist Fritz Sánchez, there is enough evidence to affirm that illegal mining activity has destroyed more than 100,000 hectares of fertile soil. Cristina Burelli, representative of SOS Orinoco, states that according to the results of satellite monitoring carried out by the organization, the hectares of forest lost due to extractive activities total some 140,000 hectares.

The news reporting on the mining devastation are in line with the need for State intervention, which resulted in the operations carried out by the Strategic Operational Command of the Bolivarian Armed Forces (CEOFANB), which launched in the context of the Bolivarian Shield Operations Autana, Roraima and Neblina 21 interventions in different locations of the states of Amazonas and Bolívar between the months of January 2024 and February 2025. However, these interventions have been insufficient to stop not only the mining activity, but also the collateral damages.

In addition, there is overpopulation in the municipalities of southern Bolívar State, leading to a surge of invasions and makeshift settlements lacking basic services.

¹⁸⁹ Article 127 of the Constitution of the Bolivarian Republic of Venezuela.

¹⁹⁰ Article 47. Organic Law of the Environment.

¹⁹¹ Armando.info. La minería ilegal montó sus bases aéreas en la selva. 2022. Available at: <https://armando.info/especial-corredor-furtivo/la-mineria-ilegal-monto-sus-bases-aereas-en-la-selva.html>

2. Health effects on individuals and their most fundamental rights

2.1. Access to drinking water and mercury contamination

Despite the fact that the Venezuelan government published in 2016 Decree No. 2,412, by which it prohibits the use, possession, storage and transportation of mercury as a method of obtaining or treating gold and any other metallic or non-metallic material, in all stages of the mining activity carried out in the national territory, this element continues to be used without any protection by small-scale miners, who add it for gold extraction and in gold processing in the mills.

According to Rubiano Galvis, Venezuela is the seventh largest Amazonian country in terms of the amount of mercury imported during the period from 1994 to 2018, with 42.87 tons. Although its use in mining is prohibited, it is plausible that some of the mercury that ends up in mining areas has entered Venezuela through legal channels for permitted purposes and then has been diverted. Another part of the mercury is smuggled in.

As a strategy to develop technology to replace mercury, the national government announced in 2018 the implementation of cyanidation plants.¹⁹² Cyanide allows recovering between 85% and 95% of the concentrates and between 75% and 90% of the roasted ores. However, the new industrial infrastructure works with residual sands that have resulted from processing gold-bearing material with mercury.¹⁹³

Concerns about the use of mercury are not based solely on the illegal marketing or use per se, but in its consequences on human health. Miners are directly and constantly exposed to mercury, and the illnesses they present match the first textbook side effects of the metal: tremors or impairment of the nervous system, kidney and heart conditions. Although fewer women are directly exposed to the metal as compared to men, the high rates of autism in the state have prompted studies to evaluate the relationship between this condition and mercury.

The toxicity of mercury is not limited to those who have been directly exposed; it is important to note that mining processes contaminate water that is discharged into the different tributaries that in turn supply water to the people of other towns, and thus, far from or near the mining activity, the people in general are exposed to the polluting effects of mercury.

Although there is a decree¹⁹⁴ that sets mercury limits¹⁹⁵ in water depending on whether it is for household, industrial or agricultural use, there are no public policies to control and sanitize water. What is even worse, for more than five years, it has not been possible to verify compliance with conventional processes of coagulation, flocculation, sedimentation, filtration and chlorination of water in the treatment plants that make it suitable for human consumption in Bolívar state.

¹⁹² Guayana Oro, located in El Callao municipality; “Manuel Carlos Piar” Industrial Complex, located in Caroní municipality; “Domingo Sifontes” Industrial Complex, located in Sifontes municipality; Sarrapia and Berakah, both located in Piar municipality.

¹⁹³ Except for Minerven.

¹⁹⁴ Decree No. 883, of 1995.

¹⁹⁵ 0.01 mg/l

The right to safe drinking water is recognized within the human rights framework as an essential right for the enjoyment of life and all human rights. The United Nations General Assembly explicitly recognized it in July 2010, through Resolution 64/292, affirming that access to sufficient quantities of water of acceptable quality for personal and domestic uses is a fundamental human right. Venezuela's Environmental Criminal Law also plays a pivotal role in regulating access, distribution, and use of drinking water, complemented by an institutional framework designed to safeguard the quality of water available to people. Both resolutions on human and citizen rights are violated.

In terms of health conditions, skin infections and parasitosis are a constant, as a result of the poor water conditions, as well as the unhealthy settings in which some sectors of the population live. Miners in particular are impacted by the long hours standing in stagnant water while extracting minerals.

According to the World Health Organization (WHO), Venezuela exceeded 400,000 cases of malaria patients in 2017, representing 53% of the total reported for the entire Americas region. The Sifontes municipality (in Bolivar state), where a major part of the mining activity is concentrated, is the geographical area with the highest incidence of malaria, with almost half of all cases in the country.¹⁹⁶

Reports of sexually transmitted infections have also multiplied. According to the infectious diseases department of the Ruíz y Páez University Hospital Complex,¹⁹⁷ syphilis is the most frequent infection, followed by Human Papilloma Virus, Human Immunodeficiency Virus and gonorrhea, respectively. They explain that in three out of every five cases, the person lives or has lived in mining areas.

Regarding vaccination programs and other forms of prevention, most of them are implemented intermittently or have been suspended. This situation, together with malnutrition and undernutrition, have become the triggers of deadly diseases. There is no official information and there are strong restrictions on access to data that can be cross-checked.

2.2. Working conditions and other forms of labor exploitation

Regarding the right to work, Transparencia Venezuela has repeatedly warned about the **deplorable conditions in which gold is mined**. In the field, we found that a miner works between 8 and 14 hours a day in inclement weather conditions: either outdoors under the sun and rain; or in underground mines that can be more than 100 meters deep, where access to oxygen is scarce and they are exposed to toxic gases.

In addition to the weather conditions, mine workers rarely have the proper safety and protection equipment, nor are they duly informed of the risks associated with their work as established by the Law on Prevention, Working Conditions and Environment (LOPCYMAT).

After visiting a number of mines in the municipalities of southern Bolívar state, we found that the CVM launches supervision campaigns in registered mines to check that workers wear helmets, harnesses in the case of underground mines and other necessary safety equipment. However, this is limited to some legally established exploration and extraction sites, leaving out countless illegal or clandestine mines whose operations frequently result in accidents, landslides that cause injuries and even death.

Based on the news monitored by Transparencia Venezuela, there were eight accidents in 2024 that resulted in 27 deaths (including two indigenous people), 36 injured and four indigenous people who sustained serious burns, as a result of landslides due to unstable ground conditions. It is important to note that these figures were obtained from official reports published in the media. Also, based on interviews with miners in the area, it is clear that the number of deaths, injuries and missing persons is allegedly higher.

No official information was obtained regarding the rest of the working conditions and labor benefits. Interviews with miners working for legally established partnerships show that the only benefit they receive is payment for each workday. From a legal standpoint, however, these payments are irregular because there are no fixed amounts or procedures. In some mines the workers receive a percentage of the material extracted, after they pay the groups that control the area and the millers the agreed commissions.¹⁹⁸

This runs counter the provisions of Article 87 of the National Constitution: (...) All employers shall guarantee their workers conditions of safety, adequate hygiene and working environment. The State shall adopt measures and create institutions that allow the monitoring and promotion of these conditions.

3. **Forced displacement, violence and conflict**

The dozens of massacres that took place in 2016 in the state of Bolívar exposed the wide range of actors that fought for the control of the productive mining zones. By that time, a criminal leader emerged in each municipality of the state, who controlled access to each zone, how much they had to pay, set commissions for the transactions of merchants and residents in general, in addition to establishing rules of conduct and punishments for those who failed to comply, under the complicit gaze of the government.

Since then, these irregular armed groups structured the financing of their activities with the control – virtually with no resistance – of the operation of mines, extortion, trafficking of drugs, arms, gold and other minerals. In the southern municipalities, especially Roscio, Callao and Sifontes, names such as El Run, El Negro Fabio and El Viejo are synonyms of domination and control. From another perspective of interests, but with the same focus on mining, members of the guerrillas have taken over towns such as San Martín de Turumban in the south, the Cedeño and Sucre municipalities and the Amazonas state,¹⁹⁹ which shows an evident loss of sovereignty of the Venezuelan State in its own territory and within its borders.

These criminal groups not only extort money from those who want to work in the mines, and then demand a portion of what they manage to extract, but they also charge a percentage commission for the purchase and sale of real estate or for commercial activities, cause forced displacement, recruit children and adolescents for criminal activities, and are involved in arms and drug trafficking. To all those who do not follow their rules, they apply “exemplary punishments” such as banishment, head shaving, beatings, decapitations and dismemberments, followed by a long list of violations of dignity and human rights that even extends to family members, inside and outside the mining area.

Noteworthy is that after the Covid-19 pandemic, it has been more difficult to obtain records of complaints against criminal groups. The testimony of the residents in the areas where these groups operate notes that, “although at first everything was terror and fear, for some time now they have been helping the communities with their needs. They provide generators in case of power blackouts, they build water wells, they bring order, and there are no more problems because everyone “walks straight”... and if there are punishments, it is because the people bring it on themselves because they “run the red light.”²⁰⁰ In this sense, the silence in the community shields the infringement of the laws and their own rights.

The absence of public policies aimed at guaranteeing the rights of the people, a sustained crisis and criminal groups taking over the duties of the government, have led to the recognition by the people as a local government. And while it is true that operations and activities have been put in place to try to wipe out

criminal activity, the actions of law enforcement have not been sufficient or effective to contain or eradicate it. On the contrary, miners and residents of the different towns accuse them of continued extortion and abuse.

There is evidence of flagrant omission and even complicity on the part of government officials who systematically violate the rights to life, personal integrity and liberty, freedom of movement, freedom and economic security of women, youth, children, elderly and men who live in these states.

4. **Ancestral debts**

The new Venezuelan Constitution entailed a paradigm shift in the vision of and legislation on indigenous peoples. The new magna carta gave them a leading role in matters involving them. For the first time, the Constitution explicitly recognizes the existence and rights of indigenous peoples, protecting their culture, language, as well as the right to collective ownership of their ancestral lands, habitats and ownership of their spaces, ancestral customs, forms of organization and other rights that guarantee the comprehensive use and enjoyment thereof, including parliamentary representation.

Since 2018, however, there is no access to any reports that allows evaluating compliance by the government in favor of the exercise and enjoyment of the rights of indigenous peoples and communities. Although the government maintains that it does, Transparencia Venezuela did not obtain records of land demarcation, nor of prior consultation for the establishment of mines and companies on their lands, in violation of the provisions of Article 120 of the Constitution²⁰¹ and Article 41 of the Law of the Environment.²⁰²

The total indigenous population within the Mining Arc area varies, but estimates suggest that they exceed 60,000 people considering the merge of all the indigenous communities that reside or are affected by mining in that region.²⁰³

The environmental devastation (water pollution, extinction of food animals, soil desertification), as well as the violence inflicted by the armed groups stationed in the area have caused their forced displacement, not only to neighboring municipalities or states but also to other countries, with complications that arise due to issues of nationality, lack of identity documents and language barriers, among many others.

As a result of field visits, **Transparencia Venezuela detected forms of labor and sexual exploitation. Regarding labor, we documented stories of forced domestic servitude and forced child labor, as well as the recruitment of men for heavy labor at very low wages.**

²⁰¹ Article 120. The use of natural resources in indigenous habitats by the State shall be made without harming their cultural, social and economic integrity, and is also subject to prior notification and consultation with the respective indigenous communities.

²⁰² Article 41. Indigenous peoples and local communities have the right and duty to participate in the formulation, implementation, evaluation and oversight of national, regional and local development plans and programs that may directly affect their lives, beliefs, values, institutions and spiritual well-being and the use of the lands and habitats that they ancestrally occupy and use collectively.

²⁰³ Pemón: about 30,000 people; Eñepá (Panare) about 12,000 people; Yekuana (Maquiritare) about 7,000 people; Arawak (Lokono) about 2,000 individuals; Mapoyo, about 400 people; Piaroa, about 15,000 people (some communities extend outside the Mining Arc); Joti (Hoti or Jodí) about 1,200 people and Sanema, part of the Yanomami, about 20,000 in total, but a fraction live in Bolívar.

According to the Kapé Kapé organization, there are approximately 1,000 indigenous people working in the Guayana mines in slave-like conditions. Cases were also documented in which indigenous peoples – out of pure survival need – engage in illegal activities such as the collection and sale of strategic material and, in other cases, fuel trafficking as a means of securing an income.

Furthermore, **women and girls are recurrent victims of sexual abuse and exploitation, and there have even been cases in which the virginity of indigenous adolescents has been auctioned off for between 5 and 10 grams of gold.** They are also recruited for domestic work, for which they are not paid but receive only lodging and meals. It is difficult to define the daily life of indigenous peoples and communities as slave-like, since situations such as for example – disproportionate workloads between men and women, as well as marriage at an early age, are part of their customs.

The leaders of Indigenous Peoples and Communities claim that they are fully aware of the regulatory framework that protects them, but they recognize the need to learn more about the significance of these rights, and the mechanisms and instances to demand them in case of government inoperativeness. They also express concern about the loss of roots and customs: “The worst evil we have suffered as a people are the criollos, who have mixed with our race and changed our customs... we no longer hunt or fish, we exchange things for flour and tomato sauce.”

5. Fundamental rights of children and adolescents

In the mining context, one especially vulnerable group is children and adolescents. They are impacted by the migration of one or both parents, whether because leave the country, or because of the gold rush to the mines in search of riches. In the state of Bolívar, some 3,600 children and adolescents were left in the care of only one parent, 1,800 in the care of third parties, and another 600 left to fend for themselves.²⁰⁴ Many others, alone or in the company of their relatives, moved to the mining towns. Some joined the mining activities, handling pulleys or machines, loading sacks with material for processing or going down into the underground mines to extract material.

According to reports from civil society organizations, **there are more than 1,000 children and adolescents in the mining towns involved in mining activities.** Others remain as regular residents and attend school. Educational institutions in the different municipalities in the south, however, are warning about school dropouts.²⁰⁵

An issue of particular concern is the recruitment of children and adolescents by armed groups, given that, **by the end of 2023, an estimated 400+ young people, between 15 and 17 years of age²⁰⁶ were enlisted in criminal**

204 Center for Human Rights. Andrés Bello Catholic University. Situation of children and adolescents in the state of Bolívar, on the violation of rights and forms of modern slavery. 09/2023. Available at: <https://ln5.sync.com/dl/5c5b04290/b6sqweb2-2zzrhcn-78gd8wsg-mvaw4amr/view/doc/9867085050014>

205 Approximately 1,300 children and adolescents are not enrolled in the school system.

206 Center for Human Rights. Andrés Bello Catholic University. Situation of children and adolescents in the state of Bolívar, on the violation of rights and forms of modern slavery. 09/2023. Available at: <https://ln5.sync.com/dl/5c5b04290/b6sqweb2-2zzrhcn-78gd8wsg-mvaw4amr/view/doc/9867085050014>

groups in the area. As well as the increasingly frequent early unions between teenage women with men whose ages 40 years and older, normalized under the premise that they can provide for their maintenance and care.

In this connection, the rates of sexual exploitation of girls and adolescents are alarming. Reports on the subject show that between 2018 and 2020, 25% of the female persons exploited in the Mining Arc were adolescents between 12 and 17 years of age. By 2023, that percentage rose to 35% and the ages of the victims dropped to 7 and 8 years of age.²⁰⁷

Although they do not live in the mining towns, Transparencia Venezuela counted more than 100 children and adolescents living as beggars. When asked about the reason for their situation, they said that they were alone because their parents left to work in the mines or left the country in search of better conditions.

We were unable to find information on any public policy or specific plan to alleviate this situation. The implementation of programs comes from international agencies and civil society organizations, but this is only occasional assistance that mitigates the situation, but does not reverse the situation or restore people's rights.

6. Sex trade in mining

One of the most devastating effects of mining is the high rates of sexual exploitation. An investigation²⁰⁸ conducted by a think tank in the state determined that there were around 3,500 women in the mining municipalities who were victims of sexual exploitation, mostly women under 40 years of age. The seriousness of the situation is not just the number of victims, but is aggravated by the conditions in which this exploitation takes place, i.e. precarious places lacking privacy and hygiene.

Nowadays it is common to hear testimonies about women going to the mines to perform sex work as their main livelihood. In previous years, however, it was common for women to be recruited under deceitful job offers (as cooks or saleswomen) and then forced to perform sex work. However, their willingness to provide sex work does not deny their status as victims. In some cases, they are deceived about payment and working conditions. In all cases, working in the mines means submitting to the conditions of the groups that rule over the site, and paying them to access and remain in the mine, and for protection. They must also pay a percentage for the use of the facilities to the owners of the site.

Although it varies according to the place of work, as well as the woman's age and qualities, in general these women are paid between 20 and 25 dollars for a half-hour service, and up to 100 dollars for a full night.

It is imperative that the relevant authorities take urgent and drastic measures to reverse the damage that mining is causing to the people, as it is a violation of rights, that in some cases could qualify as crimes against humanity.

RECOMMENDATIONS

GOVERNANCE, GOVERNABILITY AND SUSTAINABILITY AGAINST ILLEGAL GOLD MINING

The unchecked growth of mining inside and outside the Orinoco Mining Arc has caused a series of negative impacts on the environment, public health, economies, development, and the livelihoods and culture of indigenous communities. Under the control of criminal organizations in symbiosis with enablers and government officials, illegal gold mining is a breeding ground for other illicit activities such as arms trafficking, drugs and human trafficking.

In this context, the following proposal aims to contribute to the design of a set of policies where sovereignty, good practices and respect for society and the environment prevail over the criminal activity surrounding the illegal extraction and commercialization of gold. The main purpose of this proposal is to achieve governance and governability in mining areas and the sustainability of the sector.

In order to achieve the main objective, we propose the following strategic pillars:

Promoting a shift towards a sustainable development model

Includes the main guidelines for the Venezuelan mining sector to help balance economic growth, environmental protection and social welfare.

Dismantling of criminal groups

Comprises coordinated strategies by the authorities and law enforcement agencies, based on a comprehensive approach combining prevention, repression and reintegration.

Legal and institutional modernization

Includes initiatives for the adaptation and improvement of laws and institutions, considering international best practices to address the illegal extraction and commercialization of gold.

Social and environmental impact reduction

A set of suggestions to minimize the negative effects of illegal gold mining and marketing.

International cooperation and shared responsibility

This refers to actions for coordinated action by companies, government and civil society in both producer and recipient countries of illegal gold.

Promoting a shift to a sustainable development model

Promote and organize discussions on a new development model for the mining sector in Venezuela with the participation of parliament, academia, the productive sector, communities and civil society.

GOVERNANCE AND GOVERNABILITY

- Institutional transformation
- Modern legal regulatory framework
- Security and defense of mining areas
- Anti-corruption and transparent system
- Respect for communities

SUSTAINABLE

- Attention to small-scale mining
- Environmentally responsible

COMPETITIVE

- Up-to-date information system and mining cadastre
- Qualified personnel and use cutting-edge technology
- Timely and reliable information



Image No. 1. Development model for mining in Venezuela

- Disseminate the management model proposal with a wide-ranging strategy based on the need for change to eliminate privileges, discretionality, corruption, mining and social insecurity; unclear rules, lack of specific programs and inter-institutional coordination; slow permit-issuing; shortage of mining inputs; ideological populism; technological obsolescence; de-professionalization; militarization; lack and opacity of relevant mining information and environmental degradation, taking into account the anarchy that exists within and outside the Mining Arc.
- Design and implement a communications plan for the political leadership and promoters of the proposed management model to communicate to Venezuelans about the potential role of industrial mining and its impact on the dynamics and creation of revenue for the economy.

Dismantling of criminal groups

- Design and implement programs in vulnerable communities that offer better social and economic options compared to those provided by the criminal life related to gold.
- Dismantle the criminal governance, its leadership and the illegal activities they carry out for the extraction and commercialization of gold inside and outside the Mining Arc, by launching raids and arrests.
- Conduct intelligence work by infiltrating criminal gangs to obtain information and knowledge of their activities, the areas where they operate and the routes they use for illegal gold extraction and commercialization.
- Implement and use state-of-the-art technology to monitor criminal activities, routines and routes used to establish patterns and connections related to this illicit activity.
- Ensure prosecution and conviction of members of criminal groups involved in the extraction and commercialization of gold inside and outside the Mining Arc.
- Provide security for persons providing information
- Confiscation of illegal assets to financially weaken the groups
- Eliminate the complicity of public officials and members of the Armed Forces with organized crime.
- Increasing control over illegal arms trafficking.
- Increase control and sanctions on enablers: suppliers of inputs such as mercury, arms and ammunition; land, water and air transportation service providers; lawyers; real or front businessmen; and financial agents for money laundering.

Legal and institutional modernization

- Review and update the Mining Sector Plan 2019–2025, including in the long term (25 years).
- Define policies aimed at promoting the industrialization and productive transformation of gold based on the incorporation of new technologies.
- Clearly update the roles of the public institutions related to the mining sector, incorporating the principles of governance, accountability and transparency.
- Create a National Mining Sector Agency for technical and regulatory purposes to advise companies, small mining companies, concessions and licenses on compliance with standards, laws, regulations and public policies, with autonomy from the Executive Branch.
- Strengthen all information systems related to mineral deposits inside and outside the Mining Arc, including their location and quantification.

- Create a comprehensive cadaster system that allows for the efficient fulfillment of the regulatory, institutional and technological roles of the administration of mining rights inside and outside the Mining Arc.
- Consider and apply international regulations and international standards for the review of the legal and institutional framework related to the extraction and commercialization of gold and other minerals within and outside the Mining Arc.
 - » World Gold Council's Principles for Responsible Gold Mining
 - » EITI (Extractive Industries Transparency Initiative) Standard
 - » Global Industry Standard on Tailings Management
 - » ISO Standards
 - » Minamata Mercury Convention
 - » Santiago Principles or formally Sovereign Wealth Funds: Generally Accepted Principles and Practices
- Evaluate the potential repeal of decrees and resolutions on mining and the environment that are not in accordance with the suggested model, such as the Orinoco Mining Arc Decree and the decrees on strategic minerals.
- Design courses, diplomas and specializations in the universities for the development of human resources related to gold extraction.
- Establish measures to guarantee the participation of the private sector in the extraction and commercialization of gold.
- Design and implement initiatives to address illicit mining activities and combat illegal mining.
- Preparation and implementation of a national and foreign investment promotion plan.
- Publication of the criteria for the selection of national and international private companies for the creation of joint ventures and strategic partnerships in which the State has been an associate since the creation of the so-called Orinoco Mining Arc.
- Professionalization and demilitarization of public management for the extraction of gold.

Reduced social and environmental impact

- Promote initiatives that incorporate environmental and social principles for the responsible extraction of mineral resources inside and outside of the Mining Arc, especially considering the negative impacts on indigenous communities.
- Promote innovation and updating of environmentally and socially responsible technology in prospecting, extraction and information management of mineral resources.
- Stop anarchic and illegal mining throughout the national territory, especially gold, diamond and coltan within and outside the Mining Arc, which should be part of the development and harmonization of proposals with other social, security and defense sectors and environmental protection, among others.

- Organize the current situation of informal mining and small-scale mining.
- Strengthen compliance with laws for the protection and preservation of the environment and the security and defense of the territory.
- Improve the handling of community complaints by applying the International Council on Mining and Metals (ICMM) guide: “Managing and Resolving Local-Level Concerns and Grievances: Human Rights in the Mining and Metals Sector.”²⁰⁹
- Apply the International Finance Corporation (IFC) environmental and social sustainability performance standards for environmental and social risk management in investment projects, including mining projects.
- Consider the United Nations Guiding Principles on Business and Human Rights that establish the responsibility of companies to respect human rights in all their operations, including mining.
- Apply ISO 14001 (environmental management) and ISO 45001 (occupational health and safety) standards.

International cooperation and shared responsibility

- Establish cooperation programs with Colombia, Chile, Argentina, Peru, Mexico, Brazil, China, Australia, Russia and Canada.
- Establish cooperation programs with international organizations and institutions: International Council on Mining and Metals (ICMM), Extractive Industries Transparency Initiative (EITI), World Gold Council, World Bank, IDB, ECLAC, IMF, International Finance Corporation (IFC), Alliance for Responsible Mining, OAS, Natural Resources Governance Institute (NRGI), Transparency International (TI).
- Establish international treaties and agreements to facilitate the extradition of criminal gang members and the exchange of information related to the illegal extraction and commercialization of gold.
- Establish bilateral or multilateral agreements to coordinate joint operations, strengthen judicial cooperation initiatives and trace the origin of gold and certify that it has been extracted in a responsible manner.
- Promote shared responsibility between countries of origin, transit and destination of gold
- Establish a minimum legal and regulatory framework for the gold supply chain in Brazil, Colombia, Peru, Ecuador and Venezuela.
- Participate in the OAS-sponsored program to strengthen the fight against the finances of illegal mining, seeking to trace the money from illegal mining.

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