



POTEN TANKER OPINION



The Times They Are A-Changin’

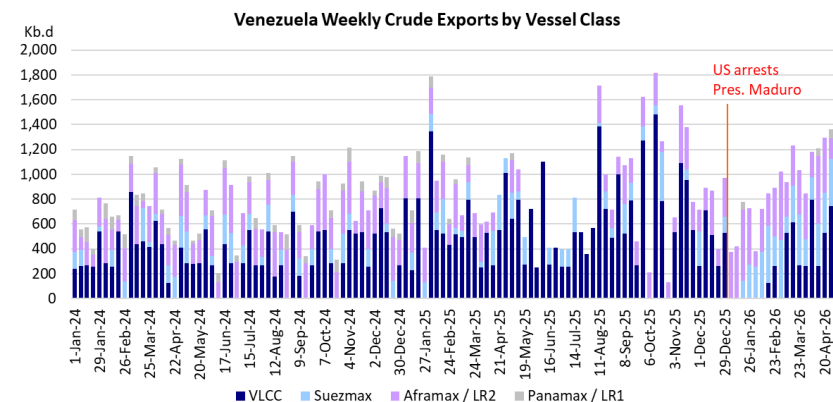
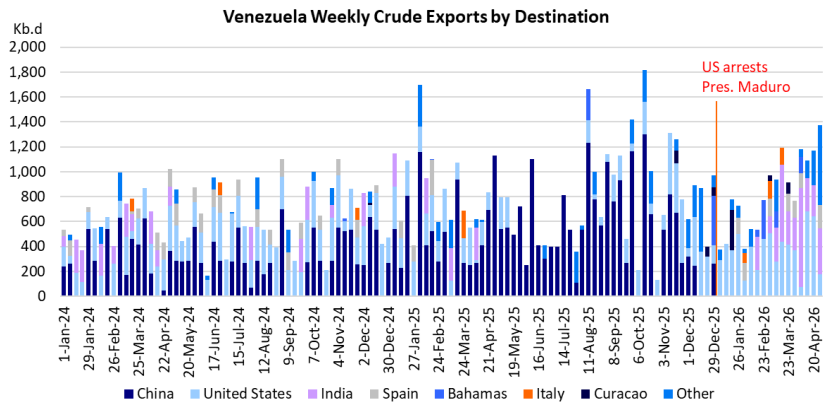
Venezuela’s turnaround has started

Since the end of March, the focus of the oil and tanker markets has been on the Middle East in general and Iran and the Strait of Hormuz in particular. There is no doubt that the developments in this region will have profound and long-term implications for the markets. However, in this Tanker Opinion, we want to go back to an event that predates the crisis in the Middle East: The ouster of Nicolás Maduro, the president of Venezuela, who was captured by U.S. special operations forces on January 3, 2026. Under strict U.S. oversight, the Venezuelan oil industry is going through a transformation that has started to show tangible results. The oil price increases as a result of the conflict in the Middle East have given Venezuela’s oil sector a further boost.

Following the capture of Maduro, the Venezuelan oil industry is shifting from a state-controlled, sanctioned sector into a system that is controlled by the U.S. government. The Trump administration has set up a system to get the oil flowing, while ensuring that the revenues do not go to Maduro loyalists. Revenue from oil sales is deposited into accounts controlled by the U.S. Treasury (Foreign Government Deposit Funds). These accounts are established to ensure that the proceeds from Venezuela’s natural resources are benefiting the Venezuelan people and cannot be seized by private creditors.

After the arrest of Maduro, interim President Delcy Rodriguez took over. In coordination with the Trump administration, her administration is pursuing a strategy focused on sustaining high oil output and implementing pragmatic economic reforms to stabilize the country. The initial results are promising: Shipments rose from about 800,000 barrels per day in December 2025 to about 1 Mb/d in March and they reached 1.2 Mb/d in April, the highest monthly level since late 2018. Venezuela’s customer base also changed dramatically. Prior to 2026, China was Venezuela’s largest client, taking anywhere from 50-80% of its crude oil. In 2026 to date, China did not receive any barrels from Venezuela. In 2026, the two largest customers are now the United States (50% of the total) and India (20%). Spain and Italy are the main customers in Europe.

Production growth in Venezuela has been facilitated by a new legal framework implemented by interim President Rodriguez. Foreign companies can now operate, export, and commercialize oil independently, even as minority partners with PDVSA. Royalty rates have been made flexible, potentially dropping from 33% to as low as 15% for joint ventures. Most importantly, new contracts now permit dispute resolution through international arbitration, a major shift to provide legal certainty for global investors.



Source: Vortexa

As a result, there has been a renewed interest by international oil companies to potentially invest in Venezuela. Existing player Chevron has significantly expanded its presence. ENI and Repsol are also back in the country with new licenses to resume and expand operations. U.S. oil giants ExxonMobil and ConocoPhillips, who expressed reservations earlier this year, are now sending technical teams to assess prospects, as are numerous smaller players.

While these signs are encouraging, it remains unclear whether the recovery is transformational or temporary. We should not see the recent export surge as proof that Venezuela’s oil industry has been fixed. The current rebound is partly the release of accumulated inventories in combinations with the reversal of forced production cuts. A long-term revival depends on the ability of Venezuela’s state oil company PDVSA to repair a system weakened by years of underinvestment, sanctions and political control. Venezuela needs to repair its infrastructure, secure diluent supply, drilling and field services, stable contracts and trust from companies that remember expropriations and arbitration fights.

For the tanker industry, the changes in Venezuela have been generally positive. Prior to Maduro’s arrest, the majority of Venezuela’s exports were moved on sanctioned dark fleet vessels, mostly ageing VLCCs headed to China. Now, mainstream tankers have taken over these trades, limiting the employment of the dark fleet to Russian and Iranian business. A more diverse customer base has also created more employment opportunities for Aframax and Suezmaxes, in addition to VLCCs.