

OVERCOMING BARRIERS TO HUMANITARIAN AID IN VENEZUELA

BY MICHAEL PENFOLD AND CYNTHIA J. ARNSON



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INTRODUCTION

Venezuela is suffering one of the worst humanitarian crises in the history of the Western Hemisphere,¹ conditions that have spurred the exodus of over 7 million Venezuelans over the last decade, 6 million of whom reside in Latin America and the Caribbean. The flow of migrants and refugees is historic by Latin American and, indeed, global standards.² High levels of poverty, food insecurity, malnutrition, and infant mortality, together with frequent electricity outages and the collapse of health infrastructure, characterize this human tragedy.

Despite the intensity and duration of the crisis, the flow of development funds to Venezuela, especially to those suffering from acute malnutrition and lack of medical care within the country, remains insufficient.³ Although many government donors, international organizations, and private foundations continue to commit new resources, the delivery of aid is hampered by multiple barriers.

The main objective of this report is to identify the obstacles that impede the entry of needed assistance. First and foremost is the unwillingness of the Nicolás Maduro authoritarian regime to relinquish its strict control over aid deliveries or to allow assistance to enter the country in quantities commensurate with the depth of the crisis. There are, however, additional obstacles, a number of which could more easily be addressed. First, many donors lack detailed knowledge of the context in which most non-governmental organizations (NGOs) operate in the field. A second set of barriers arises from weak institutional cooperation among the actors seeking to facilitate the entry of humanitarian aid. Third, over-compliance with sanctions imposed by the United States has seriously limited the operations and capacity of non-profit organiza-

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¹ Oriana Van Praag and Cynthia J. Arnson: “A Crisis Within a Crisis: Venezuela and COVID-19,” Wilson Center, Latin American Program, 2021, <https://www.wilsoncenter.org/publication/crisis-within-crisis-venezuela-and-covid-19>.

² UN High Commissioner for Refugees (UNHCR), “Venezuela Situation,” <https://www.unhcr.org/venezuela-emergency.html>.

³ UN Office for the Coordination of Humanitarian Affairs (OCHA), “Needs of Venezuelans at risk of being neglected without enough international funding and support: IRC,” 2022, <https://reliefweb.int/report/venezuela-bolivarian-republic/needs-venezuelans-risk-being-neglected-without-enough>.

tions. Sanctions have also curbed the willingness of donors to assume the risks associated with the disbursement of funds within Venezuela.

Over the last several years, and especially since the beginning of the pandemic, Venezuela has made some progress in addressing these problems.⁴ The United Nations and several Venezuelan NGOs have promoted dialogue and coordination among key social and political actors. The UN appointed a special coordinator in Caracas to oversee consensus-building among government and civil society leaders regarding program execution. These efforts led to a government decision in 2020 to allow the World Food Program to operate in the country, enabled the financing of COVID-19 vaccination programs in 2021, and facilitated some investment in the nation's public hospitals during the pandemic. Despite these limited yet important advances, numerous obstacles remain. Among the more recent is the Maduro regime's promotion of legislation aimed at further curtailing the ability of civil society organizations to operate in an environment in which they already face heavy legal barriers;⁵ restrictions are arbitrarily enforced and have led in some cases to the imprisonment of key actors.⁶

In November 2022, political negotiations mediated by the Norwegian government between the Venezuelan government and the democratic opposition contributed to some progress on the humanitarian front.⁷ These talks began in Mexico City in August 2021 and have since moved slowly. The talks produced an agreement for the creation of a multi-billion dollar humanitarian fund to be administered by the UN to finance social programs and investment in

⁴ OCHA, Venezuela Humanitarian Fund, Annual Report 2021, <https://reliefweb.int/report/venezuela-bolivarian-republic/venezuela-humanitarian-fund-annual-report-2021>.

⁵ UN Fact Finding Mission, Human Rights, "Draft NGO Law Reaching a Point of No Return in the Closure of the Civic Space," <https://www.ohchr.org/en/press-releases/2023/01/venezuela-draft-ngo-law-reaching-point-no-return-closure-civic-space>.

⁶ For example, in 2021 several members working for Azul Positivo – an NGO distributing medicine for AIDS patients in Zulia – were arbitrarily jailed. See Efecto Cocuyo, "Claves sobre la detención de los trabajadores humanitarios de la ONG Azul Positivo," January 17, 2021, <https://efectococuyo.com/la-humanidad/claves-sobre-la-detencion-de-los-trabajadores-humanitarios-en-la-ong-azul-positivo/>. Another example concerns the police harassment of the leadership of Alimenta La Solidaridad and Caracas Mi Convive, NGOs working on food programs in poor areas of Caracas. The bank accounts of Alimenta la Solidaridad were also frozen. See Crónica Uno, "Allanan la casa de los padres de Roberto Patiño, director de Alimenta la Solidaridad y congelan cuentas bancarias de la organización," November 25, 2020, <https://cronica.uno/allanan-la-casa-de-los-padres-de-roberto-patino-director-de-alimenta-la-solidaridad-y-congelan-cuentas-bancarias-de-la-organizacion/>. Finally, human rights activists for Fundaredes, an NGO conducting research on the Venezuelan-Colombian border, were jailed for denouncing human rights violations during fighting between the Venezuelan armed forces and Colombia's ELN guerrillas in the border state of Apure. See Programa Venezolano de Educación Acción en Derechos Humanos (PROVEA), "Defensores de Fundaredes son presos de conciencia," <https://provea.org/actualidad/defensores-de-fundaredes-son-presos-de-conciencia/>.

⁷ Vivian Sequera and Deisy Buitrago: "Venezuela's government and Opposition Set to Resume Talks," Reuters, November 23, 2022, <https://www.reuters.com/world/americas/venezuela-government-opposition-set-resume-talks-this-weekend-mexico-sources-2022-11-23/>.





Photo: Alexis Masciarelli/World Food Programme

infrastructure.⁸ The negotiating teams also agreed on a governance structure that would include the participation of civil society organizations, with the goal of unfreezing Venezuelan funds held abroad, identifying joint projects, and verifying project execution. As of early 2023, however, administrative details remained unresolved and political obstacles remained front and center. Senior Venezuelan officials, including Maduro himself, have made aggressive statements – perhaps aimed at hardliners in the *chavista* base – indicating that only existing projects (i.e., those in which the government has a preeminent role) would be eligible for support. Venezuelan authorities have also demanded that the opposition release frozen overseas assets before the political talks in Mexico City can continue. Both the introduction of the new NGO legislation and the difficulties in implementing the November 2022 humanitarian accord are deeply discouraging.⁹

Between January and November 2022, the Wilson Center’s Latin American Program convened a Humanitarian Working Group with representatives of prominent Venezuelan NGOs to identify the main barriers to aid delivery. The virtual workshops drew on the experience of these NGOs in raising funds and implementing humanitarian programs. The discussions also aimed to identify potential solutions and recommendations for overcoming diverse hurdles.

⁸ Juan Diego Quesada, “El Gobierno Venezolano y la Oposición Acuerdan Descongelar entre 3 y 5 Billones de Dólares de Fondos Estatales en el Extranjero,” *El País* (Spain), November 23, 2022, <https://elpais.com/mexico/2022-11-26/el-gobierno-venezolano-y-la-oposicion-acuerdan-descongelar-5000-millones-de-fondos-estatales-en-el-extranjero.html>.

⁹ UN Human Rights Council, “Venezuela: Draft NGO law reaching a point of no return in the closure of the civic space,” January 30, 2023, <https://www.ohchr.org/en/press-releases/2023/01/venezuela-draft-ngo-law-reaching-point-no-return-closure-civic-space>.

Because of Venezuela's complex political context, some of the recommendations will be difficult to implement, and it will be challenging to improve coordination among key social and political actors in Venezuela. Other recommendations are more feasible, but will require greater coordination by the international community, particularly the United States and the UN. As the UN's High Commissioner Office for Human Rights said, "NGOs working in the area of human rights in Venezuela are facing increased legal and operational hurdles, including in the key area of access to funding. Without access to international cooperation funds, many among these organizations will inevitably disappear."¹⁰

VENEZUELA'S WEAK HUMANITARIAN VALUE CHAIN

In Venezuela, more than 82 percent of the population have incomes below the poverty line and 53 percent live in extreme poverty.¹¹ Even after correcting for the income that some households receive from friends and relatives abroad, the level of extreme poverty is estimated to be 34 percent.¹² More than 78 percent of households experience food insecurity. In addition, according to the Global Hunger Index, more than 23 percent of Venezuelans suffer from high levels of malnutrition, the highest in South America.¹³

According to the independent non-profit ACAPS, which measures barriers to entry of development aid in countries struggling with humanitarian crises, Venezuela is one of the countries with the highest number of obstacles.¹⁴ The extent of the barriers is notable in light of the large percentage of the population in need of humanitarian assistance. As the chart below demonstrates, Venezuela's restrictions on the entry of humanitarian aid are as high as in Ethiopia and higher than in Haiti, Syria, Yemen, the Democratic Republic of the Congo, and Afghanistan. In countries such as Sudan and Syria, armed conflict explains many of the obstacles to the delivery of humanitarian aid. In Venezuela, by contrast, the problems stem largely from government policy and other factors

¹⁰ Ibid.

¹¹ Universidad Católica Andrés Bello, Encuesta Nacional de Condiciones de Vida (ENCOVI), November 2022, 41, https://assets.website-files.com/5d14c6a5c4ad42a4e794d0f7/636d0009b0c59ebfd2f24acd_Presentacion%20ENCOVI%202022%20completa.pdf.

¹² Ibid.

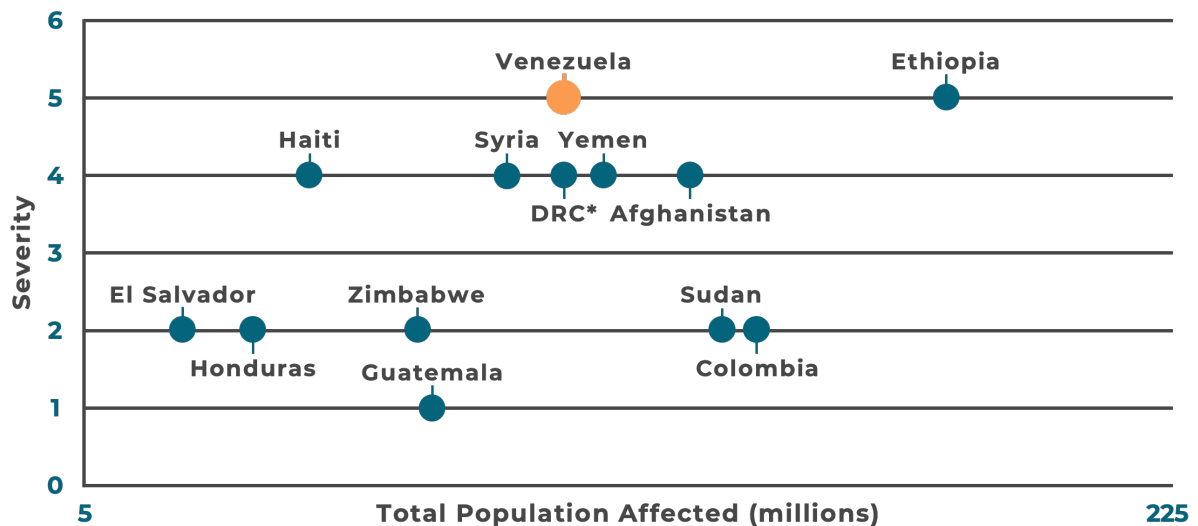
¹³ For the Global Hunger Index 2022, see <https://www.globalhungerindex.org/ranking.html>.

¹⁴ ACAPS, Severity Index, May 2022.



that reduce the entry, limit the scope, and enhance the political risks associated with delivering international aid.

Access of Humanitarian Actors to Affected Populations Relative to Total Population in Need



*Democratic Republic of the Congo

Source: ACAPS Severity Index 2022

Venezuela’s humanitarian value chain involves: (a) access to official data; (b) donors; (c) disbursements; (d) purchases; (e) distribution; (f) beneficiaries; and (g) impact evaluations. There are unique problems associated with each of these stages, but all occur in a context defined by four fundamental characteristics: (a) a consolidated hegemonic regime that arbitrarily limits the mobilization of humanitarian actors and resources; (b) risk avoidance reflected in the over-compliance of aid donors with U.S. financial, sectoral, and secondary sanctions; (c) high levels of insecurity that compound the difficulties of reaching different territories and population groups; and (d) the regime’s corruption and lack of transparency.

Civil society organizations in Venezuela report that the political context seriously impacts the entry of international aid. First, Venezuelan civil society actors have been systematically subject to threats and selective imprisonment by a regime that arbitrarily labels humanitarian activities as politically motivated or destabilizing. Second, Venezuelan governmental institutions restrict access to official information about socioeconomic conditions. This raises the question of whether this data is being collected or not on a regular basis. Without official

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information, civil society organizations say it is difficult to persuade international donors to commit sufficient resources. The UN itself has been unable to design an adequate humanitarian response plan with the cooperation of the Venezuelan government.

Finally, civil society organizations face strict regulations and laws aimed explicitly at curtailing or even penalizing their activities. Venezuela’s regulatory framework is designed to make basic administrative decisions for NGOs more difficult and to increase the criminal and political risks associated with their day-to-day operations. Judicial enforcement is unpredictable and rife with human rights violations, including false imprisonment. The result is that NGOs are prevented or inhibited from implementing new initiatives or growing existing programs.

Venezuela’s humanitarian chain is also exposed to sanctions aimed at the oil and financial sectors (principally the Central Bank and state oil company, PDVSA), as well as secondary sanctions (aimed at third parties carrying out commercial or financial transactions with PDVSA or the Central Bank). In principle, both the Venezuelan private sector and humanitarian organizations are shielded from these sanctions. However, international banks and other financial institutions have sought to reduce their regulatory risks by over-compliance with the sanctions regime, creating serious operational and financial limitations for social and humanitarian organizations. Over-compliance has inhibited some international donors from even considering operations in Venezuela. Because of over-compliance issues, Venezuelan NGOs report that U.S. sanctions have unintentionally become a significant barrier to entry of humanitarian and development aid.

Insecurity and the unwillingness of state authorities to cooperate with relief organizations have greatly increased the difficulty of executing humanitarian programs in states and municipalities experiencing the highest levels of humanitarian need. The Venezuelan state has gradually lost control of significant areas of the country marked by high levels of violence. Some are in urban



areas characterized by extreme poverty, in which criminal gangs operate freely. In rural areas, particularly mining zones close to the Colombian and Brazilian borders, guerrilla and organized criminal groups have a significant presence and exercise de facto control. The violence has made it nearly impossible for humanitarian organizations

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to access these territories and attend to vulnerable populations, especially indigenous communities. To the extent that state forces do have a presence in violent rural areas, they fail to cooperate with NGOs or provide protection to their personnel. NGOs that manage to enter these zones are exposed to high levels of violence and retaliation. On occasion, they are unable to extract their personnel or local partners in the face of threats.

According to Transparency International’s latest report, Venezuela is the least transparent and most corrupt country in Latin America. Corruption and the lack of transparency add to the costs of delivering humanitarian aid and pose serious operational difficulties.¹⁵ Goods can be stolen from ports and airports and along roads and highways, and bribes are so frequently demanded by public officials that some organizations have opted to smuggle in humanitarian aid. This helps reduce transportation and security risks to their personnel. As a result, some humanitarian activities have themselves become more opaque; organizations face a perverse trade-off between guaranteeing the entry of humanitarian goods and maintaining the transparency of their own operations.

OPERATIONAL IMPEDIMENTS TO THE DELIVERY OF HUMANITARIAN AID

Participants in the Latin American Program’s Humanitarian Working Group reached consensus on the main operational obstacles they faced throughout each stage of the humanitarian value chain, as well as the principal barriers to scaling up existing programs. These are the main findings:

¹⁵ Transparency International, Corruption Perceptions Index, 2022, <https://www.transparency.org/en/cpi/2022>.

DATA COLLECTION: The lack of access to official data – either because the government fails to collect it or because it refuses to share information – has had a negative effect on the humanitarian response in Venezuela. Inadequate information has seriously limited the ability to identify and target those in need of aid and has reduced the effectiveness of aid programs. Moreover, the unavailability of official statistics has led many donors to lose interest in fulfilling

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pledges for humanitarian assistance. Many international agencies require official data to gauge the size of the needed response. Even when NGOs and the Maduro regime have come to agreement on implementing a program, the government has failed to provide data for program design, execution, and evaluation.

For more than a decade, official agencies in Venezuela have stopped regularly publishing statistics in a number of areas: economic, social, phytosanitary, epidemiological, demographic, and health. Even when the government does publish data, the information is outdated and there is no clarification about changes in methodology from year to year. When statistics are not made public for several years, it is unclear whether the studies are no longer carried out or if agencies have declined to make information available for political reasons. Rarely are statistics shared with international and multilateral organizations; any release of information requires lengthy negotiations. Most NGOs agree that the absence of information has made it almost impossible to identify the geographic areas most in need of humanitarian action. With the support of Venezuelan public and private universities, NGOs have tried to develop alternative sources of data, but these cannot substitute for the official information that international donors and multilateral organizations typically require as a condition for support.

DONORS: With some exceptions, international donors have been reluctant to commit humanitarian assistance for Venezuela. To date, the bulk of the international response has focused on responding to the needs of Venezuelan migrants in bordering countries such as Colombia and in other Latin American



and Caribbean nations. As noted above, the lack of official statistics is one impediment. Another is the apparent belief among some donors that because Venezuela is an oil-rich nation, its humanitarian crisis should be short-lived. For many donors, despite the extent of the humanitarian crisis, the situation in Venezuela is less urgent than that of Ukraine, Yemen, or Syria. Donors have moved from a period of relatively high interest (2016-19), which coincided with the international effort to remove Maduro from power through sanctions and diplomatic isolation; to a period of moderate interest (2020-21), coinciding with Maduro's ability to resist external pressures; to the current period (2022-present), following Russia's invasion of Ukraine and indications that Maduro has increased his grip on power.

Two additional factors help explain the waning interest of the international community. First, the sanctions regime has heightened the perception that financing and implementing humanitarian programs in Venezuela is cumbersome and subject to enhanced legal scrutiny. Second, because Venezuela has historically been considered a middle-income country, most of its NGOs are not as well known or embedded in international humanitarian networks as their counterparts in other countries in crisis. Unfamiliarity with Venezuelan NGOs has likely exacerbated some of the difficulties related to over-compliance.

“International sanctions include exemptions for humanitarian and civil society organizations. In practice, however, Venezuelan humanitarian organizations face multiple hurdles.”

DISBURSEMENTS: International sanctions include exemptions for humanitarian and civil society organizations. In practice, however, Venezuelan humanitarian organizations face multiple hurdles, including the need to open bank accounts in the United States and address over-compliance by U.S. financial institutions before receiving funds from donors or making payments to providers. To reduce the financial and operational limitations of sanctions, organizations would be better off with special licenses or letters of compliance. Rarely, however, has the Treasury Department's Office of Foreign Assets Control (OFAC) made these dispensations available, even if it remains open to helping solve certain issues. Moving bank accounts to countries other than the United States does not necessarily help, as most donors prefer transactions in the

U.S. banking system. As a result, most NGOs end up establishing inefficient, informal mechanisms to receive funds through third parties to pay providers outside Venezuela and local personnel and beneficiaries inside the country.

PROCUREMENT: Procurement for most Venezuelan NGOs is also cumbersome. Importers and logistics operators typically demand a letter from the U.S. government authorizing payments and international transportation of goods. This documentation is nearly impossible to obtain: U.S. authorities claim it is not needed because humanitarian organizations are exempt from sanctions. Procurement is further complicated when suppliers demand compliance with the rules of international organizations such as the UN or the World Health Organization, even though the original donors do not require such compliance. Frequently, humanitarian organizations find it so difficult to navigate the thicket of bureaucratic hurdles that even authorized funds remain unused.

DISTRIBUTION: The delivery and distribution of humanitarian supplies within Venezuela face additional obstacles. Logistics, transportation, and access to refrigeration are mostly controlled by the public sector or by private companies that are reluctant to cooperate without formal approval from the Maduro regime. The lack of trust and low levels of cooperation among civil society organizations, the private sector, and the state complicate aid distribution ever further. NGOs also indicate that Venezuela's persistent fuel shortages reduce the speed of distribution and make transportation to remote destinations difficult. Smaller NGOs, unlike their larger counterparts, also report that the security forces occasionally demand bribes before allowing transport vehicles to pass; the theft of goods by government officials as well as common criminals, although not frequent, can further increase costs.

BENEFICIARIES: Public opinion polls have demonstrated that almost 75 percent of the population believe that all barriers to humanitarian and development aid should be lifted. However, because aid flows are low and not always visible, most Venezuelans appear resigned to a lack of outside assistance. This results in a vicious circle: despite the dire humanitarian crisis, a sense of hopelessness limits the public demand for aid. Even when communities benefit from programs, there is little demand to expand their outreach. The lack of public communication about assistance programs – frequently a strict political condition imposed by the regime – reinforces this dynamic. There is also a





Photo: Eneas De Troya/Flickr

perception among the population that those who migrate receive access to humanitarian support, while those who stay home are unable to access aid.

IMPACT EVALUATION: Few Venezuelan NGOs have conducted evaluations to assess the impact of humanitarian programs. There are several organizations that evaluate logistics: that is, if goods and services make it to the intended beneficiaries. However, even in those cases in which evaluations are carried out, the methodology fails to meet international standards. Few organizations design impact evaluations to improve performance or raise additional funds from international donors. Qualitative assessments are more common; most conclude that the programs are sound, but indicators to adequately measure impact are lacking.

RECOMMENDATIONS

Increasing the flow of humanitarian support into Venezuela is an urgent matter. It is critical not only to relieve the suffering of Venezuelans inside the country, but also to reduce migratory pressures that deeply affect Venezuela's neighbors as well as the United States. The consolidation of Maduro's regime, coupled with the intended and unintended impacts of sanctions, have worsened Venezuela's economic and social crisis, particularly among the poorest. The prolonged economic collapse has had profound consequences for the country's social fabric and for the ability of independent civil society institutions to meet the population's needs.

As detailed in this report, there are two main constraints inhibiting the entry of humanitarian aid: Venezuela's authoritarian government and over-compliance with U.S. financial, sectoral, and secondary sanctions. Whether or not the government and the opposition reach a political agreement in Mexico City on measures leading to reasonably democratic elections in 2024, there are steps that could help alleviate the humanitarian crisis:

- 1.** In November 2022, the government and opposition negotiating teams agreed to establish a social fund to provide humanitarian aid within Venezuela under the auspices of the United Nations. Resources for the social fund are to come from Venezuelan frozen assets held in the United States and Europe. As a minimal first step, the parties should appoint members to the various committees in charge of managing the fund. Differences over how to disburse the frozen assets have held up implementation of the humanitarian agreement. But it is precisely through the establishment of the committees envisioned in the accord that progress can be made. Making advances on the humanitarian front contingent upon agreements concerning the 2024 elections violates the terms under which the political talks were resumed in late 2022.
- 2.** The Maduro government should formally withdraw the legislative proposal to control and further penalize the work of civil society organizations. The government should focus its efforts instead on working more closely with the UN special coordinator in Caracas to enable the entry of humanitarian aid. Creating formal mechanisms of coordination between the government and NGOs – with support from the UN – would facilitate the implementation of programs. The proposed legislation, if approved, would have a disastrous effect on the entry of humanitarian aid.
- 3.** OFAC should take stock of the negative impact that over-compliance has had on Venezuelan NGOs. To mitigate the damage caused by over-compliance, NGOs operating in Venezuela should be screened and issued an official letter of compliance that would ease international procurement and disbursements.
- 4.** International organizations should publicly demand that the Venezuelan government release official data related to the humanitarian crisis. In the



absence of government data, international organizations should continue to support alternative sources of data collection, mostly by Venezuelan universities. With increased funding, Venezuelan universities can improve the quality of their research to meet international standards. This, in turn, would allow the UN and other multilateral organizations to use the data in designing their humanitarian response.

5. Venezuelan NGOs should organize a yearly conference to showcase to international donors the scale and impact of their work. By publicizing their successes and indicating the areas where more work is needed, they would attract more interest in aiding Venezuela. Many donors are unaware of the impact of aid programs.
6. Civil society organizations, including non-profits and business associations, have held informal meetings with members of the government and security forces to overcome barriers to access, aid distribution, and implementation of key social programs. Over the last year, the UN has also promoted coordination among different social and state actors. However, a more institutionalized and regular coordination mechanism is needed, particularly to improve access in remote rural areas, where poverty is extreme and violence rampant.
7. International donors and multilateral institutions should finance impact evaluations of the most important programs already in existence. This would enhance organizational capabilities and raise awareness of successes both inside and outside the country. Evaluation results would also help international donors expand program funding and navigate the risks of operating in Venezuela.
8. Venezuelans who need humanitarian aid are often unaware of programs. Shining a spotlight on the programs in place is crucial to expanding their reach. The government has an interest in keeping such programs invisible. NGOs operating in an authoritarian context also at times find it expedient to limit their political exposure by keeping a low profile. Yet the implementation of aid programs will tend to decline if the population does not actively demand support. It is thus imperative that NGOs share the results of their efforts, with support from international organizations.



Woodrow Wilson International Center for Scholars
Latin American Program
One Woodrow Wilson Plaza
1300 Pennsylvania Avenue NW
Washington, DC 20004-3027

 www.wilsoncenter.org/lap

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