

US IMPOSES SANCTIONS TARGETING DIGITAL CURRENCIES ISSUED BY THE VENEZUELAN GOVERNMENT AND DESIGNATES MORE VENEZUELAN OFFICIALS

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On March 19, 2018, President Trump issued [an executive order](#) that aims to curb sanctions circumvention by the Maduro regime in Venezuela through the use of digital currencies. This unprecedented executive order prohibits US persons from participating or being involved in transactions related to, provision of financing for, and any other dealings in, any digital currency, digital coin, or digital token, that was issued by, for, or on behalf of the Government of Venezuela on or after January 9, 2018. Non-US persons are also subject to the same prohibitions for actions that are taken, in whole or in part, within the United States.

This new round of sanctions followed [earlier sectoral sanctions](#) that prohibit a broad range of transactions involving securities and debt issued by the Government of Venezuela. In light of its impaired access to international capital markets, the Venezuela government recently launched a state-backed cryptocurrency called the "Petro." The new sanctions ban not only dealings in the "Petro" but also any other digital currency or token that the Venezuela government may create in the future.

On the same day, the US Department of the Treasury [announced](#) the sanctions designations of four additional current or former Venezuelan government officials, including government officials in charge of Venezuela's national bank and treasury. According to the Treasury Department, the action was taken to highlight Venezuelan economic mismanagement and endemic corruption.

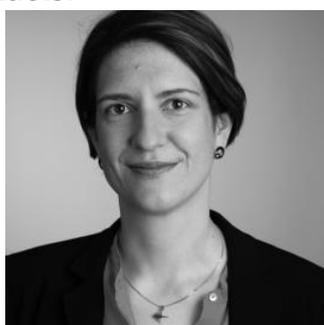
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