
Venezuela Rejects Illegal Seizure, Sale of CITGO in the US

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Venezuela's government rejected Sunday the intended sale of U.S.-based CITGO refineries, a subsidiary of Venezuelan state-run oil firm PDVSA, calling it an act of "modern piracy."

"Venezuela denounces the decision of the District Court of Delaware regarding the judicial sale of the shares of CITGO, owned by PDVSA, after carrying out an act of modern piracy through a process that lacks legitimacy," the Ministry of Foreign Affairs Jorge Arreaza denounced in a tweet.

On Friday, U.S. judge Leonard P. Stark approved moving forward with the sale of the CITGO refineries, allowing a Canadian mining company to collect US\$1.4 billion from a decade-old dispute in the South American nation.

With United States backing, lawmaker Juan Guaido and sectors of the Venezuelan opposition have been conducting this illegal operation to confiscate the Venezuelan public's wealth and assets, the Venezuelan government warned.

"For such purposes, they have delegated to the lawmaker Juan Guaido and his accomplices, the establishment of a fraudulent representation of the Republic and PDVSA, which is not only illegal but acts to the detriment of the national interest, and to the benefit of interventionist intentions," Arreaza stressed in an official statement.

The case with Crystallex is the result of a ruling by the International Centre for Settlement of Investment Disputes (ICSID), an international arbitration institution from the World Bank.

The Venezuelan Ministry of foreign affairs reminded that neither PDVSA, CITGO, nor PDV Holding are debtors of Crystallex nor were subject to the procedure before the ICSID Arbitration Tribunal.

"Crystallex only had a contract for services on the mine, which gave it no right to property or assets in Venezuela. This is an organized crime that violates international law," Vice President Delsy Rodriguez declared last year in July, adding that the government has "evidence of how opponents planned to take over the resources of the state-owned company PDVSA, and its subsidiary CITGO."

Venezuela has owned CITGO since the 1980s as part of PDVSA. It has three refineries in Louisiana, Texas, and Illinois in addition to a network of pipelines crisscrossing 23 states. It provides between five and 10 percent of U.S. gasoline.
