



PISM

POLSKI INSTYTUT SPRAW MIĘDZYNARODOWYCH
THE POLISH INSTITUTE OF INTERNATIONAL AFFAIRS

No. 24/2025, 28 MARCH 2024 © PISM

SPOTLIGHT

Trump Administration Orders Tariffs on Venezuelan Oil Importers

Bartłomiej Znojek

Donald Trump's Executive Order on 25 March to impose punitive tariffs on Venezuelan oil buyers (China primarily) is another element of the U.S. mounting pressure on Nicolás Maduro's regime in recent weeks. The U.S. administration wants to force the regime to unconditionally accept deported Venezuelans. Hitting Venezuela's main source of income, its oil trade, may indicate that the U.S. wants to remove the regime from power.

What is the content and reasoning behind the decision?

According to the president's Executive Order, on 2 April the U.S. can impose 25% tariffs on all goods from countries that import Venezuelan oil directly or indirectly. The measure explicitly targets China—Venezuelan crude's largest recipient—and any tariffs against it will also apply to Hong Kong and Macau. Such a measure against a country will remain in force for one year after it stops buying oil from Venezuela unless the U.S. administration shortens this period. The decision to apply the measure will be at the discretion of the Secretary of State. Cutting off the Maduro regime's means of survival and preventing it from destabilising the region are some of the objectives mentioned in the act. Another reason cited is to target international crime, mainly the Tren de Aragua (TdA) criminal gang. The U.S. argues that the Maduro regime has deliberately facilitated the gang's spread across the Americas. Finally, the U.S. indicates that it intends to overcome the "humanitarian crises" fuelled by Venezuela's actions. These factors, according to the Trump administration, make the Maduro regime an extraordinary threat to U.S. security and foreign policy.

What are the Trump administration's intentions for Maduro?

In recent weeks, the U.S. has been increasing the pressure on Maduro's regime. That indicates that the administration has overcome earlier inconsistencies and contradictions in its policy towards Venezuela. On the one hand, it supports the opposition and recognises its candidate Edmundo González as the [legitimate winner of last July's presidential election, which the regime rigged](#). On the other hand, the U.S. administration has undermined Venezuelan pro-democracy organisations and media by putting USAID funding on hold and it has made Venezuelan irregular migrants one of the top targets of the new [draconian migration policy](#). Forcing the regime to accept Venezuelans deported from the U.S. remains the administration's top goal. Promptly after Trump's inauguration, his special envoy, Richard Grenell, met with Maduro in Caracas to demand acceptance of the deportation flights. He also returned with several imprisoned U.S. citizens released by the regime. While the administration officials, including Grenell, have denied that the U.S. wants regime change in Venezuela, Trump's recent decisions indicate that this is the goal being at least considered. At the beginning of March, he ordered the U.S. oil giant Chevron to terminate its Venezuelan operations by 4 April—the company produced a quarter of Venezuela's recent oil output. In mid-March, the president tightened measures against Venezuelan irregular migrants

PISM SPOTLIGHT

under the pretext of an extraordinary threat from TdA, along with the president directly linking the gang to the Maduro regime. The content and possible effects of the 25 March executive order may suggest that the Trump administration sees an opportunity to force the Venezuelan regime to make far-reaching concessions and potentially even to surrender power. If such a scenario materialises, Trump could overwrite the failure of the “maximum pressure” policy on Maduro during Trump’s first administration (2017-2021).

Which importers will be most affected by U.S. sanctions?

In February, Venezuela’s total exports averaged over 930,000 barrels of oil daily, with over 90% going to four countries. China imported more than 500,000 barrels daily, which is almost 54% of the total, mainly through intermediaries (including transshipment in Malaysia). With Chevron’s operations, the U.S. was the second-largest buyer with more than a quarter share. Spain (Repsol) and India (Reliance Industries) were the other large importers, receiving around 7% each. The U.S. measures could severely hit Cuba, which has been struggling with a deepening energy crisis and relies on oil and other fuel supplies from Venezuela. Predictions that Trump will try to force other, foreign companies to leave Venezuela followed his decision to cancel Chevron’s import licence, with the 25 March Executive Order containing more serious consequences. Still, on the same day, the president agreed to an extension of Chevron’s withdrawal period until 27 May—a postponement the company’s CEO pushed hard for with the U.S. administration. Venezuela’s contractors in China and India have decided pre-emptively for now to halt purchasing oil from it. Meanwhile, Spain announced national and European retaliatory measures if the U.S. imposed punitive tariffs on it.

How might the decision affect Venezuela?

Oil production is the main source of revenue for the country, heavily impoverished by a decade-long multi-dimensional crisis exacerbated by U.S. sanctions and lengthy international isolation. The current production level of more than 900,000 barrels per day results from the gradual recovery from record-low levels a few years ago (below 400,000 barrels daily in 2020.) Still, it is well below half the quantities registered over a decade ago. The immediate result of the most recent U.S. measures was a sharp devaluation of the Venezuelan currency to around 100 bolivars per U.S. dollar from around 40 bolivars in January when [Maduro inaugurated his illegal third presidential term](#). The devaluation means the minimum monthly wage in Venezuela is now worth just a little over \$1. Venezuelan authorities will look for new ways to sell oil abroad. For example, they have used black market intermediaries in the past, but this solution involved significant discounts for the exported crude. Russia could be a potential partner here, as it openly takes advantage of the Trump administration’s series of concessions aimed at ending the war in Ukraine and countering China. The Maduro regime will be determined to persist in power and will likely step up repression of dissidents, for example, under the pretext of alleged U.S. plans to invade Venezuela. It may try to neutralise foreign pressure through the 150 random foreigners—including U.S. citizens—detained since last September on highly questionable conspiracy charges and whom they clearly collected as hostages. Maduro may also try to count on the support of other Latin American countries (e.g., Brazil and Mexico), which reject unilateral sanctions, as they believe such measures only hurt ordinary citizens.