

Introduction

Venezuela is a country located in South America bordering the Caribbean Sea and the Atlantic Ocean. Venezuela has a strategic location on major sea routes linking North and South America. Neighboring countries include Brazil, Colombia, and Guyana. The geography of Venezuela is varied and consists of the Andes Mountains in northwest and the Guiana Highlands in southeast. The government system of Venezuela is a federal republic; the chief of state and head of government is the president. Venezuela has a largely command economy in which the central government directs the economy regarding the production and distribution of goods. Venezuela is a member of the Common Market of the South (Mercosur).



Location: South America

Capital City: Caracas (-4.5 GMT)

Chief of State: President Nicolás Maduro

Head of Govt.: President Nicolás Maduro

Currency: Bolivar Fuerte (VEF)

Major Languages: <p>Spanish (official), numerous indigenous dialects</p>

Primary Religions: <p>nominally Roman Catholic 96%, Protestant 2%, other 2%</p>

Calling Code: 58

Voltage: 120

Key Websites

Main Government Page: presidencia.gov.ve

Investment Promotion Agency: conapri.org

Key Economic Facts

Income Level (by per capita GNI):	High Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$543.89 billion (2014)
GDP growth (annual %):	-5.70% (2015)
GDP per capita, PPP (current international \$):	\$17,694.20 (2014)
External debt stocks, total (DOD, current US\$):	\$105,598,378,331.10 (2017)
Manufacturing, value added (% of GDP):	12.07% (2014)
Current account balance (BoP, current US\$):	-\$3.87 billion (2016)
Inflation, consumer prices (annual %):	254.95% (2016)
Labor force, total:	14,643,191 (2018)
Unemployment, total (% of total labor force) (modeled ILO estimate):	8.36% (2018)
Imports of goods and services (current US\$):	\$151.45 billion (2014)
Exports of goods and services (current US\$):	\$80.52 billion (2014)

GDP Composition %

Agriculture Services Industry Manufacturing



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	168 / 178
EY Globalization Index	58 / 60
Global Competitiveness Index	125 / 139
Global Enabling Trade Index	136 / 136
Index of Economic Freedom	178 / 179
International Logistics Performance Index (LPI)	142 / 160
Inward FDI Potential Index	61 / 139
KOF Index of Globalization	111 / 185
Networked Readiness Index (NRI)	108 / 139
Open Budget Index	110 / 115

Risk Assessment (Provided by Coface)

Country rating: E - The highest-risk political and economic situation and the most difficult business environment. Corporate default is likely.

Business Climate rating: E - The highest possible risk in terms of business climate. Due to a lack of available financial information and an unpredictable legal system, doing business in this country is extremely difficult.

Strengths

- Significant oil reserves along the Orinoco river and potential offshore gas fields
- Geographic proximity to the United States, the leading market for Venezuelan oil
- Assets (including in the United States) of the State oil company, PDVSA
- Growing workforce

Weaknesses

- In default on its sovereign and quasi-sovereign debt
- Economy heavily dependent on oil and gas sector and loans from China and Russia
- Hyperinflation
- Shortages of currency and goods (basic foodstuffs, medicines)
- Opaque and informal management of oil and gas revenues
- Length of payment time in business
- Serious political insecurity
- Criminality (homicides), corruption, trafficking of all types, black market

U.S. Embassy

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