

# JAPAN P&I NEWS

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*To the Members*

Dear Sirs,

## **Venezuela – Detention of vessels for smuggling of oil-related cargoes**

We have obtained information about the detention of vessels for smuggling of oil-related cargoes from our correspondents, GLOBALPANDI, S.A. Please find attached their Circular.

Yours faithfully,

**The Japan Ship Owners' Mutual Protection & Indemnity Association**

### **Detention of vessels for smuggling of oil-related cargoes**

In the last months some cases involving smuggling of oil-related cargoes in domestic ports, have given rise to serious concerns. These cases have resulted in the detention of foreign flag vessels and in some cases her Master, 1st and 2nd Officers, in the context of criminal investigations carried out by the Prosecutor office, for alleged export smuggling of cargo.

It should be borne in mind that subsidized prices for products such as gasoline and diesel in the local market, bring as a consequence a huge difference between the Venezuelan and the international price, stimulating a black market of export smuggling of goods ranging from food to, for example, diesel.

Local press reports this week about MT “Negra Hipolita” at the Cardon Refinery, where on completion of operations and after an inspection on board by the political police (SEBIN) an alleged smuggling of 50,000 barrels of diesel was detected, for which reason her Master and 1st Officer as well as several employees of PDVSA were arrested, the matter now in the hands of the Prosecutor office. Other cases have occurred in Pto. La Cruz (Guaraguao) and the Orinoco River.

While it is difficult to talk about a significant trend in this sort of crimes so far, there is no doubt the cases under study are worrying indeed, due to the detention of ships/crews and ultimately the financial impact for the parties involved. Consequently, Members are strongly advised to properly assess their fixture negotiations, and especially work closely with agents to make sure about the suitability and accuracy of the instructions/loading orders as well as the quantities loaded, always open to cooperate with the authorities to allow them to make the proper soundings and disclose the documentation as it might be required.

Should you need any assistance or further information regarding the topic stated above, please feel free to contact:

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