

Energy and Mines
Banking and Finance

Tax
Labor
Insurance and Reinsurance

Consumer Protection
Telecommunications
Miscellaneous

Energy and Mines

Resolution No. 014, issued by the Ministry of the Popular Power for Electric Energy, was published in the Official Gazette of May 14.

The Resolution imposes on the following users **the obligation to be registered with and to provide the information** corresponding to the Plan for Rational and Efficient Use of Electric Energy to the Web site of the *Corporación Eléctrica Nacional S.A* (“CORPOELEC”): a) users with a demand exceeding two megawatts (2MW); b) users exempted from meeting the energy saving targets prescribed in Resolution No. 76, published in Official Gazette No. 36.694 of June 13, 2011; and industrial users that wish to establish their saving targets according to the consumption indexes under article 4 of Resolution No. 76 mentioned above; and c) all agencies and entities of the Public Administration. The information required must be provided within a period of **30 business days** as from May 14, 2013. The Resolution became effective on May 14.

Banking and Finance

Resolution No. 037.13, issued by the Superintendence of the Institutions of the Banking Sector, was published in the Official Gazette of May 6. Said Resolution contains the rules that regulate the organization, operation, and cease of activities of exchange agencies. The purpose of the rules is to regulate the requirements, formalities, and procedures for the organization, operation, and cease of activities of exchange agencies in all of the national territory. The Resolution establishes that in order to carry out the organization, operation, or cease of activities of exchange agencies, the interested parties must **request an authorization** by addressing a written communication to the Superintendent. The process for organizing exchange agencies will include an

authorization for the organization and another authorization for the operation of the same. Likewise, the exchange agencies that intend to cease their operations must request from the Superintendence the relevant authorization. The Resolution became effective on the date of its publication in the Official Gazette.

An Official Notice issued by the Venezuelan Central Bank (“VCB”) was published in the Official Gazette of May 9. Said Notice establishes the interest rates applicable to obligations derived from employment relationships (15.67% and 15.09%); to the acquisition of vehicles under the “balloon payment” method (15,67%); to transactions with credit cards (29% and 17%); and to the credit transactions intended for the tourism sector (10.24%).

The VCB issued Resolution No. 13-05-01 that establishes that universal banks, as well as commercial banks in the process of transformation, **may not charge** for the credit transactions intended for the manufacturing sector, by reason of said activity, **an annual interest rate in excess of nineteen percent (19%)**. The Resolution also prescribes that these institutions may not charge for the credit transactions intended for small and medium-sized industries, State industries, community industries, and joint enterprises, by reason of the manufacturing activity, **an annual interest rate in excess of ninety percent (90%)** of the aforementioned rate. Bank institutions will be bound to send periodic information to the VCB about the interest rates agreed in the relevant financing agreements. The Resolution **repeals** article 2 of Resolution No. 09-06-02, published in the Official Gazette of June 4, 2009; it became effective on May 24, date on which it was published in the Official Gazette.

An Official Notice issued by the VCB was published in the Official Gazette of June 12. Said Notice establishes the interest rates applicable to obligations

Firm

Areas of Practice

Members

Offices

Energy and Mines
Banking and Finance

Tax
Labor
Insurance and Reinsurance

Consumer Protection
Telecommunications
Miscellaneous

derived from employment relationships (15.63% and 15.07%); to the acquisition of vehicles under the “balloon payment” method (15.63%); to transactions with credit cards (29% and 17%); and to the credit transactions intended for the tourism sector (10.12%).

Tax

The National Integrated Service of Customs and Tax Administration (“SENIAT”) issued Administrative Ruling No. SNAT/2013/0031, which establishes the rate applicable to **the calculation of late payment interest** accrued during **April 2013**. Said Ruling provides that the weighted average interest rate for loans of the six (6) principal commercial and universal banks of the country with the highest volume of deposits, excluding portfolios with prime rates, set by the VCB for April 2013 is **16.85%** which rate is to be increased 1.2 times for the calculation of late payment interest accrued during April 2013. Said Ruling was published in the Official Gazette of May 23.

Administrative Ruling No. SNAT/2013/0034, issued by SENIAT, was published in the Official Gazette of June 17. Said Ruling establishes the duty to file the income tax returns by electronic means. Natural persons, legal persons, and unincorporated entities are subject to the provisions of the Ruling. The Ruling **repeals** Administrative Ruling No. 0949, published in the Official Gazette of November 22, 2005 and Administrative Ruling No. SNAT 2009/0103, published in the Official Gazette of October 30, 2009. The Ruling became effective on the day following that of its publication in the Official Gazette.

The SENIAT issued Administrative Ruling No. SNAT/2013/0035, which establishes the rate applicable to **the calculation of late payment interest** accrued during **May 2013**. Said Ruling provides that the weighted average interest rate for loans of the six (6) principal commercial and universal banks of the country with the highest volume of deposits, excluding portfolios with prime

rates, set by the VCB for May 2013 is **17.22%** which rate is to be increased 1.2 times for the calculation of late payment interest accrued during May 2013. Said Ruling was published in the Official Gazette of June 17.

Labor

The Ministry of the Popular Power for Labor and Social Security issued Resolution No. 8267, whereby it convoked a **regulated labor meeting** for the work entities of the branch of economic activity of the **construction industry, connected and similar activities** that operate within the national ambit, in order to negotiate and execute a Collective Bargaining Agreement. The Resolution became effective on May 7, date on which it was published in the Official Gazette.

Insurance and Reinsurance

The Superintendence of the Insurance Activity issued Ruling No. FSAA-000947, published in Official Gazette No. 40.160 of May 6, 2013, Said Ruling amended article 5 of the rules for administrative liquidation of the entities regulated by the Law of the Insurance Activity. The purpose of said rules is to govern the actions of the Superintendent, in his capacity as liquidator, and of the persons designated by him as liquidators. The amendment consisted in **modifying the period of time for liquidation**, which will be of one (1) year as from the publication in the Official Gazette of the ruling that resolves the liquidation. Said period of time may be extended for equal periods by the Superintendent when it is convenient for the development and completion of the liquidation, always provided that the members of the Board of Liquidation justify it through a performance report and the relevant schedule. Ruling No. FSAA-D-001970, published in the Official Gazette of July 12, 2011, was **repealed**. The Resolution became effective upon its publication in the Official Gazette.

Firm

Areas of Practice

Members

Offices

Energy and Mines
Banking and Finance

Tax
Labor
Insurance and Reinsurance

Consumer Protection
Telecommunications
Miscellaneous

Ruling No. FSAA-2-3-001683, issued by the Superintendence of the Insurance Activity, was published in the Official Gazette of June 10. The Ruling approved a general **standard advance bond contract** to be used in the frame of planned sales of personal property, as well as the general conditions that will be a part of the advance bond contract.

Ruling No. FSAA-2-3-001684, issued by the Superintendence of the Insurance Activity, was published in the Official Gazette of June 13. The Ruling approved a general **standard faithful performance bond contract** for companies to operate as companies of planned sales of personal property.

Consumer Protection

A Joint Resolution, issued by the Ministries of the Popular Power for Nourishment, for Agriculture and Lands, for Commerce, and for Finance, was published in Official Gazette of May 17, 2013. The Resolution fixes, in all of the national territory, **the Maximum Price of Sale to the Public (*Precio Máximo de Venta al Público* – “PMVP”) and the Maximum Price of Sale (*Precio Máximo de Venta* – “PMV”)** paid to the producers and wholesalers of the food and products specified in the same. The PMVP established for said products do not include the Value Added Tax (“VAT”) that might have to be paid when applicable. The Resolution became effective on May 17, 2013. The Joint Resolution published on May 15, which corrected the Joint Resolution issued by the Ministries of the Popular Power for Nourishment, for Agriculture and Lands, for Commerce, and for Finance, published in Official Gazette No. 40.166 of May 14, 2013, was **revoked**.

A Joint Resolution, issued by the Ministries of the Popular Power for Nourishment, for Agriculture and Lands, for Commerce, and for Finance, was published in the Official Gazette of May 24. Said

Joint Resolution fixes, in all of the national territory, **the Maximum Price of Sale to the Public (*Precio Máximo de Venta al Público* – “PMVP”) of powdered milk** as specified in the same. The PMVP established for the products do not include the amount of the Value Added Tax (“VAT”) that might have to be paid when applicable. The regulation established for the item “powdered milk” in article 1 of the Resolution of the aforesaid Ministries published in the Official Gazette of May 17, 2013 was **revoked** upon the entry into force of the Joint Resolution, which became effective upon its publication in the Official Gazette.

Ruling No. 294, issued by the National Superintendence of Costs and Prices (“SUNDECOP”), was published in the Official Gazette of June 26. Said Ruling categorizes the provision of medical services; **establishes the procedures for registration** of private health centers with the National Registry of Prices of Goods and Services; and **determines the prices** of the medical services specified in the same. The Ruling became effective upon its publication in the Official Gazette.

Telecommunications

A Administrative Ruling No. 016, issued by the National Telecommunications Commission (“CONATEL”) was published in the Official Gazette of June 10. Said Ruling orders the publication of the **list of trademarks and models of telecommunications equipment and apparatuses homologated** by CONATEL during year 2012.

CONATEL issued Administrative Ruling No. 059, whereby it modified the conditions for qualification of free use equipment contained in Administrative Ruling No. 863. Administrative Ruling No. 059 became effective on June 10, date of its publication in the Official Gazette.

Firm

Areas of Practice

Members

Offices

Energy and Mines
Banking and Finance

Tax
Labor
Insurance and Reinsurance

Consumer Protection
Telecommunications
Miscellaneous

Miscellaneous

Transportation and use of mineral and chemical fertilizers

A Joint Resolution of the Ministries of the Popular Power for Agriculture and Lands, for Defense, for Internal Affairs, Justice and Peace, for Industries, and for Petroleum and Mining was published in the Official Gazette of May 6. Said Joint Resolution establishes the control mechanisms for carriers and end users of mineral or chemical fertilizers in all of the national territory. The purpose of said Resolution is (i) **to establish an exemption** in favor of the peasants, producers, and carriers with respect to the permits required for acquiring, transporting, using and storing the mineral or chemicals fertilizers determined in the Joint Resolution; (ii) **to establish the control mechanisms** to be applied to the natural or legal persons that provide the service of transportation of the mineral or chemical fertilizers mentioned in the Joint Resolution; (iii) **to rule the acquisition, transportation, use, and storage** by peasants and agricultural producers of the mineral or chemical fertilizers mentioned in the Joint Resolution, and (iv) **to establish the guidelines for the transportation** of the mineral or chemical fertilizers in the national territory during weekends and national holidays. The Joint Resolution became effective upon its publication in the Official Gazette.

Revocation of List of Medicines

Resolution No. 048 was issued by the Ministry of the Popular Power for Health. The purpose of said Resolution is to revoke (i) Resolution No. 030, published in Official Gazette No. 40.136 of March 26, 2013, containing the List of Medicines under a Regime of Sales without Medical Prescription, and (ii) Resolution No. 035, published in Official Gazette No. 40.143 of April 9, 2013, containing List No. 2 of Medicines under a Regime of Sales without Medical Prescription. This Resolution was published in

Official Gazette of May 9, 2013 and became effective on said date.

Prescription of Medicines for Human Beings

Resolution No. 049 of the Ministry of the Popular Power for Health was published in Official Gazette of May 9, 2013. The purpose of said Resolution is to **regulate the prescription of medicines for human beings** in the territory of the Bolivarian Republic of Venezuela. The Resolution establishes that the prescription of medicines must be obligatorily made by indicating the active principle or International Common Denomination (“ICD”) of the pharmaceutical product, indicating its concentration, pharmaceutical form, route of administration, and posologic dose/unit. Also, the ICD has to be obligatorily declared in the texts of the packages and labels of the primary, secondary containers or posologic unit and information pamphlets, as well as in the general promotion or advertising of the medicines. The Resolution prohibits the use of medical prescriptions with names, advertising logos or tag lines of pharmaceutical laboratories, medicines, or trademarks printed in the same. Likewise, said Resolution contains a prohibition against accompanying medical prescriptions with any type of promotional or advertising material relating to pharmaceutical products. The Resolution prescribes that the establishments authorized to sell medicines must obligatorily publish, in a visible place, the list of equivalence between medicines with a commercial name and ICD. The Resolution became effective upon its publication in the Official Gazette. It **repealed** Resolution No. 028, published in Official Gazette No. 40.131 of March 19, 2013, amended by Resolution No. 031, published in Official Gazette No. 40.136 of March 26, 2013, whereby the Complementary Sanitary Rules for the Regulation of Prescription and Sale of Medicines were issued.

Certificate for Tourism Incentive Beneficiaries

Resolution No. 049, issued by the Ministry of the Popular Power for Tourism, was published in the

Firm

Areas of Practice

Members

Offices

Energy and Mines
Banking and Finance

Tax
Labor
Insurance and Reinsurance

Consumer Protection
Telecommunications
Miscellaneous

Official Gazette of June 12. Said Resolution establishes the requirements to be met by the providers of tourism services before the Ministry in order to obtain the **certificate allowing them to be beneficiaries of the incentive** contained in the Law of Credit for the Tourism Sector. The Certificate will be valid for one (1) year and will be renewable until the termination or payment of the tourism credit. The Resolution became effective upon its publication in the Official Gazette.

Law for Disarmament and Control of Arms and Ammunitions

The National Assembly enacted the Law for Disarmament and Control of Arms and Ammunitions the purpose of which is to rule, regulate, and monitor the bearing, holding, possession, use, registration, manufacture, commercialization, storage, registration, importation, exportation, transit, and transportation of all types of arms, ammunitions, accessories, parts and components; to define and penalize the unlawful acts derived from this matter in order to prevent, fight, and eradicate the manufacture and traffic of firearms and ammunitions; and to create plans for executing, coordinating, and supervising the disarmament of natural and legal persons. The Law partially repeals the Law on Arms and Explosives published in Official Gazette No. 19.900 of June 12, 1939, except for the provisions of articles 12 – 20, and the Regulations to the Law on Arms and Explosives, published in Official Gazette No. 20.107 of February 13, 1940, except for the provisions of articles 3, 8, 10, 11, 23 – 36, up to the time when the Law on Explosives is enacted. Likewise, the Law repeals the Law on Disarmament published in Official Gazette No. 37.509 of August 20, 2002, and all provisions contained in laws, resolutions, administrative rulings, municipal ordinances, and legal provisions

conflicting with or contravening the provisions of the Law for Disarmament and Control of Arms and Ammunitions. This Law became effective on June 17, 2013, date on which it was published in the Official Gazette.

Extension in the Integral System of Control of Medicines

Resolution No. 03713 of the Ministry of the Popular Power for Health was published in Official Gazette of June 18, 2013. Said Resolution extends for forty-five (45) business days the period of time established in the Sole Paragraph of article 16 of the Joint Resolution of the Ministries of the Popular Power for Health, for Commerce, for Science, Technology, and Innovation, and for Nourishment, dated July 25, 2012, whereby the Integral System of Control of Medicines (*Sistema Integral de Control de Medicamentos* – “SICM”) was implemented and the guidelines and criteria to govern the issue of the Single Guide for Transportation, Monitoring, and Control of Medicines intended for commercialization and distribution in the national territory were established. The Resolution became effective on June 17, 2013.

Financing of Manufacturing Projects

Resolution No. 0012 issued by the Ministry of the Popular Power for Industries and Financing was published in the Official Gazette of June 25. Said Resolution establishes that the **financing of manufacturing operations and projects** must conform to the parameters of the Resolution. The Ruling became effective upon its publication in the Official Gazette.

Caracas, July 17, 2013.

NOTE: THIS NEWSLETTER SHOULD NOT BE CONSTRUED AS LEGAL ADVICE ON ANY SPECIFIC MATTER AND ITS CONTENT ARE INTENDED AS A MANAGEMENT ALERT AS TO CURRENT DEVELOPMENTS IN VENEZUELA, ANY SPECIFIC LEGAL QUESTIONS REGARDING THE POSSIBLE APPLICATION OF NEW OR PROPOSED LEGISLATION TO PARTICULAR SITUATIONS SHOULD BE ADDRESSED TO TRAVIESO EVANS ARRIA RENGEL & PAZ.