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Venezuela Passes Law Establishing New State In Disputed Region Days After ExxonMobil Announces Latest Find

Venezuelan lawmakers' approval of President Maduro's plans intensifies the clash over the oil-rich Essequibo region

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Janeke Simon **March 22, 2024**

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Members of the Venezuelan army.

In a move that intensifies the longstanding territorial dispute between Guyana and Venezuela, Venezuelan lawmakers have thrown a fresh spark into the tinderbox by approving President Nicolas Maduro's ambitious plans to establish the state of Guayana Esequiba.

On Tuesday, ExxonMobil announced the discovery of a new cache of oil and gas in the Stabroek block, an area offshore the Essequibo region which is the subject of a recently re-ignited territorial dispute between Guyana and Venezuela.

On Thursday, Venezuelan lawmakers approved President Nicolas Maduro's plans to create the state of Guayana Esequiba in the region that currently makes up approximately two-thirds of Guyana's territorial landmass.

In December, Maduro defied an earlier ruling by the International Court of Justice and held a referendum which reportedly resulted in an [overwhelming mandate](#) to annex the resource-rich region long claimed by Venezuela. Days later, following questions about the validity of the polling results and a show of strength via joint Guyanese-United States [military operations](#), the leaders of the two nations met in St. Vincent and committed to the [peaceful resolution](#) of the border dispute.

The Joint Declaration of Argyle for Dialogue and Peace Between Guyana and Venezuela, among other things, called for the immediate establishment of a joint commission to address matters and submit an update on its progress within three months.

This week's move by the Venezuelan legislature comes just around that three-month deadline, and is certain to fan the flames of the dispute once again. Contrasted against the timing of ExxonMobil's declaration, the connections are impossible to ignore.

The oil and gas company's new well, dubbed Bluefin, joins more than 30 other finds in the Stabroek block since 2015. All told, there may be up to 11 billion barrels of recoverable hydrocarbons in the block, marking the area as a major asset to ExxonMobil as well as to the country which controls the surrounding territory.

Guyana has not yet issued a formal response to Venezuela's new law establishing the state of Guayana Essequibo, which is slated to go into effect as soon as it is published in Venezuela's official gazette.