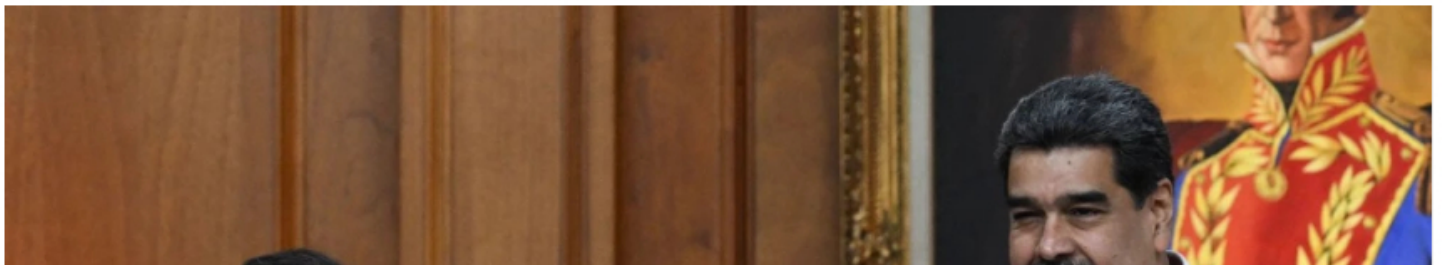


## ANALYSIS

# The Pipeline Reshaping Venezuela-Colombia Relations

A new gas deal could boost both economies but comes with major risks for Bogotá.

By [Mat Youkee](#), a Panama City-based freelance journalist and analyst covering Latin American politics and economics.

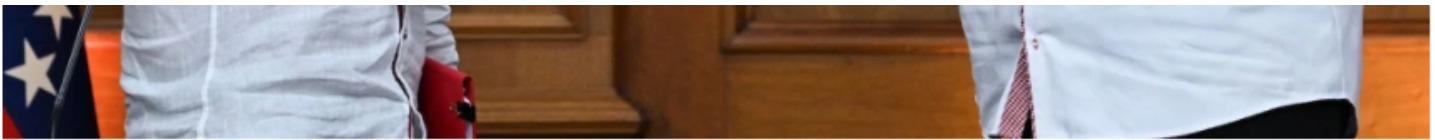


## Colombia Relations

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Colombian President Gustavo Petro and his Venezuelan counterpart, Nicolás Maduro, shake hands after signing agreements at the Miraflores Presidential Palace in Caracas on Nov. 1, 2022. FEDERICO PARRA/AFP VIA BETTY IMAGES

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For almost a decade, the Antonio Ricaurte gas pipeline—a 139-mile installation that cuts across Guajira, the northernmost peninsula in South America—has sat idle, a rusting symbol of decaying relations between Colombia and Venezuela, the two countries it connects.

Now, there are plans to revive the project. This could give a major boost to both economies but would have long-lasting implications for the region’s geopolitics, providing legitimacy to Venezuelan President Nicolás Maduro’s authoritarian rule while diminishing Colombia’s energy independence and limiting its foreign-policy options toward its neighbor.

“PDVSA [Venezuela’s state oil firm] is not a reliable provider, and any political problems will lead to problems with provision of gas to Colombia,” Juan Carlos Echeverry, a former Colombian finance minister, told *Foreign Policy*. “We’ve seen it happen with [Russian President Vladimir] Putin and Europe, and something similar could happen between Colombia and Venezuela.”

Since the June election of Gustavo Petro, Colombia’s first left-wing president, relations with Venezuela have warmed rapidly. On Jan. 1, the land border between the two countries was fully opened to two-way traffic for the first time in seven years. Six days later, Petro met with Maduro for the second time in Caracas. According to [a joint declaration](#), the leaders discussed Colombia’s ongoing peace talks with National Liberation Army (ELN) guerrillas, trade issues, and joint infrastructure projects for energy, connectivity, and industrial production. “Long live the union between Colombia and Venezuela!” Maduro [tweeted](#).

The Antonio Ricaurte pipeline could be the central artery of that union. In November, *Bloomberg* reported that Venezuela had approved a deal to export 25 million cubic feet of gas per day to Colombia via the pipeline. On Jan. 5, Colombia’s state oil firm, [Ecopetrol](#), [confirmed](#) that it had requested an exemption from the U.S. sanctions regime to receive the gas, under a similar model [agreed upon in December](#) between the U.S. government and Chevron that allowed the corporation to ship oil from Venezuela.

Reopening the pipeline could pose some technical challenges, according to Francisco Monaldi, director of the Baker Institute’s Latin American energy program. “While the Colombian stretch is likely to have been maintained,” he said, “the Venezuelan side is likely to have faced the organized [theft of equipment and copper wiring](#) that has affected other PDVSA infrastructure.” But with [conditions and political will](#), the project could be revived.

unding and political will, the project is viable, he said.

Such a deal would have been almost unthinkable under previous right-wing Colombian governments, but now, Caracas and Bogotá are more ideologically aligned. Most analysts expect Maduro to cut a sweetheart deal, providing gas at well below current market rates. While Venezuelan oil can be put in barrels and shipped around the world using sanction-busting shipping companies, the gas produced from those oilwells is often flared off because there is limited infrastructure to store it and no liquefied natural gas (LNG) terminal to export it to foreign markets. The Antonio-Ricaurte pipeline represents the only viable export market, although [linking](#) Venezuelan gas fields to LNG terminals in Trinidad and Tobago is another option.

Cheap gas would help Colombian industry become more competitive and, with the border now open, local producers of textiles, metal products, and many other items would regain access to a neighboring market that [absorbed](#) 37 percent of exports in 2008, compared to 0.8 percent last year. By reducing demand for domestic gas, it would also allow Petro to make good on his election promise to end new hydrocarbon exploration projects, even if he would be essentially outsourcing extractivism to Venezuela. Finally, the gas could also provide vital feedstock for the PDVSA-owned Monómeros fertilizer plant located on Colombia's Caribbean coast. Colombia's finance minister has [signaled](#) the country's intent to purchase the plant as a means to ensure fertilizer security for the nation, which would be a key step in wider agricultural reform.

"Colombia has a golden opportunity," said Angel Castaneda, a Bogotá-based lawyer focused on energy regulatory issues. "It requires stability on the border and in Caracas, but I think it's a bet Petro is right to take."

However, the move would reverse a 20-year policy of promoting domestic hydrocarbon exploration, which allowed Colombia to become self-sufficient in gas and a major oil exporter.

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During his campaign, Petro did not mention the prospect of Venezuelan gas imports. When his new minister of mines and energy, Irene Vélez, [mentioned last August](#) that Venezuelan imports could one day be necessary given that Colombia could run short of gas in seven years, there was consternation from the local energy sector. But a month later, Armando Benedetti, Colombia's ambassador to Venezuela, doubled down. "The minister is wrong. You need to do it now," [Benedetti said](#). "You have to foresee in order to save. Seven years is nothing."

The subject appears to have split the Colombian cabinet between its more left-wing ministers and its more moderate ones, the latter of which includes the internationally respected finance minister, José Antonio Ocampo. In an [October interview with \*Latin Finance\*](#), he said: “The policy of Colombia is self-sufficiency in gas. The president has stated that very clearly, so we’re not going to be importers of gas.” According to *Bloomberg*, the original deal was signed in July, suggesting it had been prepared without Ocampo’s knowledge.

Regardless, the deal is canny politics by Petro. His government stands to gain from the aforementioned benefits, while any downsides are more likely to accrue to his political opponents.

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In the near term, international oil firms that have invested hundreds of millions of dollars in exploring Colombia’s vast [offshore](#) and [shale gas](#) reserves will now find that their own production costs can’t compete with Venezuelan imports. This is unlikely to concern Petro, who is no friend of the industry and has already demonstrated an appetite that his predecessors lacked to confront big energy companies with his new windfall tax on oil and coal projects.

Of greater long-term concern for Colombia is the impact of becoming energy dependent on Maduro’s autocratic and unpredictable government.

“On the economic side, [the deal] makes total sense, but the geopolitical implications are certainly much more complex,” Monaldi said. For more than a decade, Bogotá and Caracas have clashed over the presence of ELN guerrillas in Venezuelan territory, alleged coup and assassination plots against Maduro, smuggling and migration on the border, and Venezuela’s human rights record. Should such disputes occur in the future, Caracas will have an additional economic weapon.

“At any moment in time, [Caracas] could find it politically profitable to curtail supply to obtain concessions from Colombia,” Echeverry said. “That would limit Colombia’s strategic and foreign-policy options.”

Castaneda pointed out that under both former President Hugo Chávez and Maduro, gifts of Venezuelan oil (and the implicit threat of their suspension) were used to influence United Nations voting patterns from Caracas’s Caribbean and Central American allies. “Petropolitics is not a new weapon—Venezuela knows how to use it perfectly,” he said.

Given the current warm relations between Petro and Maduro, it seems plausible that future disputes

could be settled cordially. However, should a right-wing candidate take over the Colombian presidency in 2026, the problem of Maduro's hand on the gas spigot could become more acute.

"If you're a bureaucrat in the Ministry of Energy, you are concerned about the ramifications of dependency on Venezuela," Monaldi said. "But from Petro's perspective, it's a problem more for his adversaries in Colombia in the future than it is for himself."

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And Maduro looks set to stay. Since Russia's invasion of Ukraine, the Biden administration has focused on securing long-term sources of oil and stability in Venezuela rather than regime change. Although improvements in the Venezuelan humanitarian program, as well as free and fair elections, were conditions of the Chevron export license, few analysts expect Maduro to agree to anything that could risk his hold on power.

Colombians, too, are tired of instability in Caracas and feel they pay the price in terms of migration inflows, violence in the border regions, and the presence of ELN guerrillas on Venezuelan soil. As of last March, Maduro had a 91 percent disapproval rating in Colombia. If an alliance between Petro and

Colombians, too, are tired of instability in Caracas and feel they pay the price in terms of migration inflows, violence in the border regions, and the presence of ELN guerrillas on Venezuelan soil. As of last March, Maduro had a 91 percent disapproval rating in Colombia. If an alliance between Petro and Maduro can bring security and economic growth to the border regions, it would have a material impact on livelihoods, boost Petro's popularity, and potentially consolidate the left-wing shift in Colombian politics that he helped initiate.

But the history of the Antonio Ricaurte pipeline is a reminder of what can go wrong. It was originally built to export gas from Colombia's highly productive Ballena field to Venezuela with the promise that the flow would be reversed once gas fields in Venezuela's bay of Maracaibo came on stream. But just five months after its October 2007 inauguration, Maduro's predecessor, Chávez, was incensed by Colombian military operations against Revolutionary Armed Forces of Colombia, or FARC, guerrillas in Ecuadorian territory, which he deemed a violation of sovereignty. He took to his weekly TV show to

in Ecuadorian territory, which he deemed a violation of sovereignty. He took to his weekly TV show to publicly order his defense minister to send 10 battalions to the Colombian border. In the years that followed, both countries pulled their embassy staff, the border was closed, and Chávez and then-Colombian President Álvaro Uribe “almost came to blows” at a summit in Cancun, Mexico, in 2010. In 2015, Colombia sent its final, reduced export of gas. Venezuela never returned the gas Colombia was due.

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**Mat Youkee** is a Panama City-based freelance journalist and analyst covering Latin American politics and economics.

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