

Shell awaits OFAC approval for Dragon



Shell's Global CEO, Wael Sawan

Shell Global CEO Wael Sawan has placed Venezuela and the pending US sanctions approvals at the top of the company's regional priorities, signalling that offshore gas developments could soon be tied directly into T&T's energy system.

Speaking with Bloomberg yesterday, Sawan confirmed that Shell is awaiting clearance from the US Office of Foreign Assets Control (OFAC) to advance offshore Venezuelan gas projects that could feed into existing infrastructure in Trinidad.

"We have been working previously under OFAC licences to look at developing offshore gas resources that could be linked back into Trinidad and Tobago, into facilities that already have capacity," Sawan said.

Approval would allow Shell to move towards a final investment decision within a relatively short timeframe, with first gas possible a few years after that.

“It’ll be good for the Venezuelan people and great for the Trinidadians,” he said, framing the project as consistent with US policy objectives and regional energy security.

The comments come against a shifting OFAC landscape for Trinidad and Tobago. The country received its first US sanctions licence for the Dragon gas field in January 2023, with Shell and state-owned National Gas Company named as authorised participants.

That licence was later withdrawn in May 2025. A revised authorisation was issued in October, reopening the door for negotiations on the field’s development, though not yet granting full execution approval.

Dragon, located in Venezuelan waters near the maritime border, has long been viewed as a critical supply option for Trinidad’s Atlantic LNG and downstream petrochemical sector, both of which have faced declining domestic gas availability.

Sawan’s remarks suggest Shell sees renewed momentum, pending Washington’s next move.

— Andrea Perez-Sobers