

ALERT

New Cuba Sanctions and Export Control Regulations

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The U.S. Treasury Department's Office of Foreign Assets Control (OFAC) and the U.S. Department of Commerce's Bureau of Industry and Security (BIS) have adopted eagerly-awaited amendments to the Cuban Assets Control Regulations (CACR) and the Export Administration Regulations (EAR), respectively. These amendments implement the President's policy to significantly ease restrictions on U.S. trade and investment with Cuba, announced in December 2014. Effective January 16, 2015, these amendments lift restrictions that have stood for decades and offer opportunities for companies to do business with Cuba.

OFAC and BIS made substantial, liberalizing changes in the following areas:

- Financial services,
- Credit cards, debit cards, stored value cards, checks, drafts, traveler's checks, and similar instruments,
- Remittances, whether for personal or humanitarian purposes,
- "Payment of cash in advance" with respect to exports to Cuba,
- "Global" life, health, or travel insurance,
- Exports and reexports of building materials, equipment, and tools for use by the private sector to construct or renovate privately-owned buildings; tools and equipment for private sector agricultural activity; and tools, equipment, supplies, and instruments for use by private sector entrepreneurs,
- Exports and reexports of various items to be used in scientific, archaeological, cultural, ecological, educational, historic preservation, or sporting activities,

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Practice Areas

International Trade
Trade Policy and Trade Negotiations

- Importation of Cuban goods,
- U.S.-owned or -controlled entities in third countries that provide goods and services to Cuban nationals in third countries,
- Travel to Cuba, whether for family visits, official government business, journalism, professional research, education, religious activity, public performances and exhibitions, athletic competitions, humanitarian projects, and other areas,
- Travel and carrier services,
- Telecommunications services and facilities,
- Internet-based services,
- Exports and reexports of consumer communications devices (e.g., mobile phones, computers, modems, etc.),
- Export and reexport to Cuba of certain items for telecommunications, access to the Internet, use of Internet services, infrastructure creation and upgrades, and news gathering,
- Humanitarian donations, and
- Environmental protection.

BIS's and OFAC's recent authorizations chart a new course in U.S. relations with Cuba, loosening trade restrictions and effectively opening a market that has long been closed to U.S. manufacturers and exporters. To be sure, many restrictions and regulatory requirements remain, and U.S. companies entering Cuban markets must comply with various legal limitations. To read more on the BIS amendments concerning export controls, [click here](#). To read more on the OFAC amendments concerning sanctions, [click here](#).