Hotels Included in U.S. State Department Cuba Restricted List

As of Nov. 15, 2018, the State Department is adding 16 hotels owned by the Cuban military to the Cuba Restricted List (CRL).

As discussed in the November 2017 GT Alert, U.S. Implements President Trump’s Cuba Policy, the Department of State published the CRL, identifying certain entities and sub-entities that are “under the control of, or acting for or on behalf of, the Cuban military, intelligence, or security services.”

Except as otherwise authorized, no U.S. person may engage in a direct financial transaction with any entities and sub-entities identified on the CRL. Furthermore, any application to export or re-export items for use by entities or sub-entities identified on the CRL will be generally denied by the Department of Commerce’s Bureau of Industry and Security.

Among other entities added to the CRL, it now includes the brand new Grand Packard Hotel, a 321-room luxury hotel newly inaugurated in Cuba, managed by the Spanish brand Iberostar Hotel, which currently operates 27 hotels with 7,881 rooms on the island.

Cuban President Miguel Díaz-Canel personally attended the inauguration of the
Packard Hotel, a little more than a year after the opening of the Kempinski’s Gran Hotel Manzana, showing the Cuban Government’s intent to make the island’s hospitality sector more upscale. Both the Packard and the Manzana (originally included in the first CRL) are now identified on the CRL.

This aspect of U.S.-Cuba relations continues to impact the hospitality industry.

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