Tuesday, November 14, 2017

Effective November 9, 2017, new regulations took effect limiting U.S. travel and trade with Cuba.

Decades ago, the United States imposed a commercial embargo on Cuba. The embargo existed in one form or another until 2015, when the United States eased some of its restrictions on trade and travel. Then, on June 16, 2017, President Trump signed the National Security Presidential Memorandum (NSPM) on Strengthening the Policy of the United States Toward Cuba. In accordance with the NSPM, the U.S. Department of State has now published a list of restricted entities associated with Cuba. The list names entities with which direct financial transactions will “generally be prohibited” under the Cuban Assets Control Regulations. The entities on the list are those that are “under the control of, or acting for or on behalf of, the Cuban military, intelligence, or security services or personnel with which direct financial transactions would disproportionately benefit such services or personnel at the expense of the Cuban people or private enterprise in Cuba.” Numerous hotels and tourism agencies, as well as retail shops popular with tourists, are included on the list. As a result, U.S. citizens will again have to travel as part of a group that is accompanied by a group representative and licensed by the U.S. Department of the Treasury.

The new restrictions will not impact certain existing transactions. Contracts that were in place and travel arrangements that were made prior to the new rule taking effect may move forward.
