

## USA eases sanctions for Cuban private companies



*The US Treasury Department's Office of Foreign Assets Control announced the easing of sanctions on May 28th (Source: [Commons](#))*

US President Joe Biden's administration has announced new easing of the trade blockade against Cuba for the first time in two years. On Tuesday, the Office of Foreign Assets Control (Ofac) [announced](#) the lifting of a series of bans in order to grant private companies "better access to internet and financial services".

In the future, Cuban private companies will be allowed to open and maintain accounts with US banks from Cuba. "U-turn" transactions with Cuban participation are also possible, i.e. money transfers that start and end outside the USA. These were banned by then US President Donald Trump in September 2019.

In addition, entrepreneurs are allowed to use internet services from the US. This means that for the first time, US video conferencing tools, cloud services, e-learning platforms and other internet services as well as corresponding installation and maintenance services can be legally used by Cuba's private sector.

It is now also explicitly permitted to "export or re-export software and mobile applications of Cuban origin from the USA to third countries". This is intended to give Cuban private companies the opportunity to offer software in global app stores, the US Treasury Department announced.

In contrast to previous regulations, which always referred to "self-employed individuals", the latest relaxations relate to the private sector in its current form. This includes the self-employed as well as the small and medium-sized enterprises (SMEs) introduced in

September 2021 and non-state cooperatives with up to 100 employees. Sanctioned government representatives and members of the Communist Party are excluded.

Cuba's Foreign Minister Bruno Rodríguez described the measures as “limited” in scope. They would “not change the cruel effects and economic suffocation” caused in particular by Cuba's continued listing as a “state sponsor of terrorism” and were aimed at “dividing Cuban society”, said Rodríguez.

Johana Tablada, deputy head of the US Directorate in Cuba's Foreign Ministry, expressed similar sentiments at a press conference on Tuesday evening. The measures would “neither touch the core of the blockade nor change the extreme measures and regulations applied by the Trump and Biden administrations in recent years”. It is incomprehensible that “essential sectors such as education, health, culture, sports, and other services that benefit the entire population have been exempted from the easing”. As long as Cuba continues to be on the USA's terrorism support list, it will be “very difficult” to fully implement the announced measures. However, the Cuban government will not stand in the way of this.

The easing of restrictions is the first since May 2022, when Biden withdrew the almost complete restriction on family remittances introduced under Trump and announced further measures for the private sector. ([Cubaheute](#))