



December 23, 2014 [www.mcvpr.com](http://www.mcvpr.com)

## CUBA PRACTICE TEAM ALERT

### ***Obama Administration Charts a New Course for U.S. - Cuba Relations***

On December 17, 2014, President Barack Obama announced a historic policy to chart a new course in U.S.–Cuba relations. The Obama administration’s updated Cuba policy centers on reestablishing diplomatic relations with Cuba, which were severed in January 1961, and taking steps to increase travel, commerce and the flow of information to and from Cuba.

For the past 20 years, McConnell Valdés, through its Cuba Practice Team, has been monitoring changes to the regulations and laws related to the U.S. embargo against Cuba. During this time, we have assisted many clients with the registration of their trademarks in Cuba—which is permitted under current regulations of the Cuban Sanctions Program overseen by the Department of the Treasury’s Office of Foreign Assets Control. Also, we have provided legal opinions to clients related to international commerce transactions concerning the application of the Cuba Sanctions Program to exports to Cuba by U.S. subsidiaries of international corporations and to intellectual property matters, particularly trademark infringements.

Although the U.S. embargo against Cuba has not been lifted, President Obama’s new Cuba policy signals the most significant change in U.S.-Cuba relations in recent history. The changes announced by President Obama will be implemented through amendments to existing regulations of the U.S. Departments of the Treasury and Commerce. It is expected that these agencies will issue the proposed amendments in the coming weeks.

Key components of the updated Cuba policy are set forth in the [Fact Sheet](#) published by the White House. These include the following:

- ***Increasing Travel to Cuba.*** “General licenses will be made available for all authorized travelers in the following existing categories (1) family visits; (2) official business of the U.S. government, foreign governments and certain intergovernmental organizations; (3) journalistic activity; (4) professional research and professional meetings; (5) educational activities; (6) religious activities; (7) public performances, clinics, workshops, athletic and other competitions and exhibitions; (8) support for the Cuban people; (9) humanitarian projects; (10) activities of private foundations or research or educational institutes;

- (11) exportation, importation, or transmission of information or information materials; and (12) certain export transactions that may be considered for authorization under existing regulations and guidelines.”
- Expanding Commercial Sales / Exports. The objective is “to empower the nascent Cuban private sector. Items that will be authorized for export include certain building materials for private residential constructions, goods for use by private sector Cuban entrepreneurs, and agricultural equipment for small farmers.”
  - Facilitating Remittances to Cuba by U.S. persons. Remittance levels will be increased “from \$500 to \$2,000 per quarter for general donative remittances to Cuban nationals (except to certain officials of the government or the Communist party); and donative remittances for humanitarian projects, support for the Cuban people, and support for the development of private businesses in Cuba will no longer require a specific license.”
  - Facilitating Authorized Transactions between U.S. and Cuba. “U.S. institutions will be permitted to open correspondent accounts at Cuban financial institutions to facilitate the processing of authorized transactions.” Also, “U.S. credit and debit cards will be permitted for use by travelers to Cuba.”
  - Increasing Cubans’ access to communications. Commercial export of telecommunications devices, related software, hardware and services will be authorized. “Telecommunications providers will be allowed to establish the necessary mechanisms, including infrastructure, in Cuba to provide commercial telecommunications and internet services, which will improve telecommunications between the United States and Cuba.”

The Cuba Practice Team will continue to monitor any additional changes to the U.S. policy towards Cuba. In the meantime, if you wish to register your trademarks in Cuba, have any questions regarding trademark protections in Cuba, the new Obama Administration policy towards Cuba or the applicability of the current Cuba Sanctions Program and related export regulations to your business, you may contact any of the following members of the Cuba Practice Team:

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