

Department of the Treasury
Office of Foreign Assets Control (OFAC)

Frequently Asked Questions on President Trump's Cuba Announcement

1. How will OFAC implement the changes to the Cuba sanctions program announced by the President on June 16, 2017? Are the changes effective immediately?

OFAC will implement the Treasury-specific changes via amendments to its Cuban Assets Control Regulations. The Department of Commerce will implement any necessary changes via amendments to its Export Administration Regulations. OFAC expects to issue its regulatory amendments in the coming months. The announced changes do not take effect until the new regulations are issued.

2. What is *individual* people-to-people travel, and how does the President's announcement impact this travel authorization?

Individual people-to-people travel is educational travel that: (i) does not involve academic study pursuant to a degree program; and (ii) does not take place under the auspices of an organization that is subject to U.S. jurisdiction that sponsors such exchanges to promote people-to-people contact. The President instructed Treasury to issue regulations that will end individual people-to-people travel. The announced changes do not take effect until the new regulations are issued.

3. Will *group* people-to-people travel still be authorized?

Yes. Group people-to-people travel is educational travel not involving academic study pursuant to a degree program that takes place under the auspices of an organization that is subject to U.S. jurisdiction that sponsors such exchanges to promote people-to-people contact. Travelers utilizing this travel authorization **must**: (i) maintain a full-time schedule of educational exchange activities that are intended to enhance contact with the Cuban people, support civil society in Cuba, or promote the Cuban people's independence from Cuban authorities, and that will result in meaningful interaction between the traveler and individuals in Cuba; and (ii) be accompanied by an employee, consultant, or agent of the sponsoring organization, who will ensure that each traveler maintains a full-time schedule of educational exchange activities. In addition, the predominant portion of the activities engaged in by individual travelers must not be with prohibited officials of the Government of Cuba or prohibited members of the Cuban Communist Party (as defined in the regulations). Once OFAC issues the new regulations, new *individual* people-to-people travel will not be authorized.

4. Will organizations subject to U.S. jurisdiction that sponsor exchanges to promote people-to-people contact be required to apply to OFAC for a specific license?

No. To the extent that proposed travel falls within the scope of an existing general license, *including* group people-to-people educational travel, persons subject to U.S. jurisdiction may proceed with sponsoring such travel without applying to OFAC for a

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specific license. It is OFAC's policy not to grant applications for a specific license authorizing transactions where a general license is applicable.

Once the State Department publishes its list of entities and subsidiaries with which direct transactions will not be authorized and OFAC issues its regulations, no new transactions, including travel-related transactions, may be initiated with these identified entities and subsidiaries. Prior travel arrangements that may involve these entities or subsidiaries will still be authorized. See FAQ 8.

5. How do the changes announced by the President on June 16, 2017 affect individual people-to-people travelers who have already begun making their travel arrangements (such as purchasing flights, hotels, or rental cars)?

The announced changes do not take effect until OFAC issues new regulations. Provided that the traveler has already completed at least one travel-related transaction (such as purchasing a flight or reserving accommodation) prior to the President's announcement on June 16, 2017, all additional travel-related transactions for that trip would also be authorized, including if the trip occurs after OFAC issues new regulations, provided the travel-related transactions are consistent with OFAC's regulations as of June 16, 2017. Once the State Department publishes its list of entities and subsidiaries with which direct transactions will not be authorized and OFAC issues its regulations, no new transactions may be initiated with these identified entities and subsidiaries. Prior travel arrangements that may involve these entities or subsidiaries will still be authorized. See FAQ 8.

6. How does the new policy impact other authorized travel to Cuba by persons subject to U.S. jurisdiction?

The new policy will also impact certain categories of educational travel as well as travel under support for the Cuban people, as set forth in the [National Security Presidential Memorandum](#) signed by the President on June 16, 2017. In addition, following the issuance of OFAC's regulatory changes, travel-related transactions with prohibited entities identified by the State Department will not be permitted, unless otherwise authorized by OFAC. Guidance will accompany the issuance of the new regulations.

7. Will persons subject to U.S. jurisdiction be required to apply to OFAC for a specific license to engage in Cuba-related travel and transactions consistent with the other authorized categories of travel?

To the extent that proposed travel falls within the scope of an existing general license, persons subject to U.S. jurisdiction may proceed with such travel without applying to OFAC for a specific license. It is OFAC's policy not to grant applications for a specific license authorizing transactions where a general license is applicable. Once the State Department publishes its list of entities and subsidiaries with which direct transactions will not be authorized and OFAC issues its regulations, no new transactions may be initiated with these identified entities and subsidiaries. Prior travel arrangements that may involve these entities or subsidiaries will still be authorized. See FAQ 8.

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- 8. How do the changes announced by the President on June 16, 2017 affect authorized travelers to Cuba whose travel arrangements may include direct transactions with entities related to the Cuban military, intelligence, or security services that may be implicated by the new Cuba policy?**

The announced changes do not take effect until OFAC issues new regulations. Consistent with the Administration's interest to avoid negatively impacting Americans for arranging lawful travel to Cuba, any travel-related arrangements that include direct transactions with entities related to the Cuban military, intelligence, or security services that may be implicated by the new Cuba policy will be permitted provided that those travel arrangements were initiated prior to the State Department listing of the entity or subentity. Once the State Department adds an entity or subentity to the list, new direct financial transactions with the entity or subentity will not be permitted, unless authorized by OFAC.

- 9. How do the changes announced by the President on June 16, 2017 affect companies subject to U.S. jurisdiction that are already engaged in the Cuban market and that may undertake direct transactions with entities related to the Cuban military, intelligence, or security services that may be implicated by the new Cuba policy?**

The announced changes do not take effect until OFAC issues new regulations. Consistent with the Administration's interest in not negatively impacting American businesses for engaging in lawful commercial opportunities, Cuba-related commercial engagement that includes direct transactions with entities and subentities related to the Cuban military, intelligence, or security services that may be implicated by the new Cuba policy will be permitted after the issuance of new regulations by OFAC, provided that those commercial engagements were in place prior to the issuance of the forthcoming regulations. For example, businesses will be permitted to continue with transactions outlined in contingent or other types of contractual arrangements agreed to prior to the issuance of the new regulations, consistent with other CACR authorizations.

- 10. Does the new policy affect the means by which persons subject to U.S jurisdiction may purchase airline tickets for authorized travel to Cuba?**

No. The new policy will not change the means by which persons subject to U.S. jurisdiction traveling to Cuba pursuant to the 12 categories of authorized travel may purchase their airline tickets.

- 11. Can I continue to send authorized remittances to Cuba?**

Yes. The announced policy changes will not change the authorizations for sending remittances to Cuba. Additionally, the announced changes include an exception that will allow for transactions incidental to the sending, processing, and receipt of authorized remittances to the extent they would otherwise be restricted by the new policy limiting transactions with certain identified Cuban military, intelligence, or security

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services. However, consistent with the President's policy announcement, changes will be made to the definition of prohibited members of Government of Cuba that may exclude certain persons from receipt of such remittances.

12. How will the new policy impact existing OFAC specific licenses?

The forthcoming regulations will be prospective and thus will not affect authorized transactions under existing specific licenses, unless explicitly noted.

13. How will U.S. companies know if a Cuban counterpart is affiliated with a prohibited entity or subentity in Cuba?

The State Department will be publishing a list of entities and subentities with which direct transactions generally will not be permitted. Guidance will accompany the issuance of the new regulations. The announced changes do not take effect until the new regulations are issued.

14. Is authorized travel by cruise ship or passenger vessel to Cuba impacted by the new Cuba policy?

Persons subject to U.S. jurisdiction will still be able to engage in authorized travel to Cuba by cruise ship or passenger vessel.

Following the issuance of OFAC's regulatory changes, travel-related transactions with prohibited entities and subentities identified by the State Department generally will not be permitted. Guidance will accompany the issuance of the new regulations.

For more information on the National Security Presidential Memorandum visit:
<https://www.whitehouse.gov/blog/2017/06/16/fact-sheet-cuba-policy>.