

Trump administration imposes new limits on remittances to Cuba

By Nora Gamez Torres

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Cuban-Americans won't be able to send more than \$1,000 to their relatives in Cuba in three consecutive months, according to new regulations published on Friday, the latest in a broad attempt by the Trump administration to increase pressure on the Cuban government for its violations of human rights and its support for Nicolas Maduro in Venezuela.

© Liu Jie/Xinhua/Zuma Press/TNS File photo taken on July 15, 2019 shows U.S. Treasury Secretary Steve Mnuchin speaking during a news briefing at the White House in Washington D.C.

The Treasury Department is also eliminating donation remittances, a category that allowed Americans to send money to friends or organizations in Cuba. However, the administration will allow payments to non-governmental organizations and individuals in the private sector to promote their development "independent of government control."

"Remittances to private businesses, human rights groups, religious organizations, and self-employed individuals operating in the non-state sector are authorized with no cap at this time," the State Department said in a statement.

Remittances to senior government and Communist Party officials remain prohibited, but Treasury's Office of Foreign Assets Control, or OFAC, extended the ban to their close relatives, including children, parents, grandparents, uncles and first cousins.

OFAC also prohibited U.S. banks from processing Cuba-related transactions through third parties — known as U-turn transactions. In practice, most banks already reject those operations for fear of breaching the regulations of the Cuban embargo.

The changes will take effect on Oct. 9.

"We are taking additional steps to financially isolate the Cuban regime. The United States holds the Cuban regime accountable for its oppression of the Cuban people and support of other dictatorships throughout the region, such as the illegitimate Maduro regime," said Treasury Secretary Steven Mnuchin. "Through these regulatory amendments, Treasury is denying Cuba access to hard currency, and we are curbing the Cuban government's bad behavior while continuing to support the long-suffering people of Cuba."

The administration has ramped up sanctions on the Cuban government in the hope it will withdraw its support for Maduro. The U.S. does not recognize him as the

legitimate president of Venezuela and instead supports the leader of the National Assembly, Juan Guaido.

Remittance restrictions were announced in April in Miami by National Security Adviser John Bolton. In June, the Trump administration also banned cruises to Cuba as part of the strategy of cutting off the flow of financial resources to the island's government and reversing Barack Obama's policy of engagement.

The State Department also sanctioned the heads of the medical missions of the Cuban government abroad. The controversial medical-services program brought more than \$6 billion to the Cuban government in 2018.

The Cuban minister of foreign affairs reacted to Friday's announcement on Twitter.

"I strongly reject the implementation of measures announced in April by the United States aimed at strengthening the blockade and economic siege against Cuba," Bruno Rodríguez wrote in Spanish. "The opportunistic attempts to divide Cubans will fail."

U.S. officials drafting Cuba policy have said that the new round of sanctions has been specifically aimed at the government, not the people. But the cruise ban raised criticism for its negative effect among some self-employed Cubans who benefited from those visitors.

In the case of remittances, the administration listened to experts who asked to carve out exceptions for money to be sent to the private sector, as well as non-governmental organizations such as churches.

Projects like Cuba Emprende, a program of the Catholic Church to train entrepreneurs on the island, depends on the remittances sent from the U.S.

According to the new regulations, Americans can send remittances to owners and employees of small businesses such as small restaurants known as "paladares," bed-and-breakfasts ("casas particulares"), to taxi drivers, independent contractors or consultants, private farmers and those leasing state land for agriculture.

"The politics is similar to the actions against "non-family" travel; Cuban Americans are favored," wrote long-term Cuban observer, Phil Peters, on Twitter. "This is not a Draconian move; everything remains under general license, and the private sector provisions are good. As always, those determined to evade can and will do so."

But the measures announced on Friday affect people who depend on remittances sent by friends and acquaintances, and who are not "self-employed."

"The new limitations on remittances will cause undue harm to Cuban families and those Cubans not fortunate enough to have relatives in the United States," said Ric

Herrero, executive director of the Cuba Study Group. “While we appreciate that exemptions were made for private sector entrepreneurs and certain NGOs, the aggregate impact of these restrictions will be to further punish the most disadvantaged sectors of Cuban society.”

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