

Policy Recommendations: Support to Cuba's Private Sector

Travel

U.S. travel to Cuba directly benefits private entrepreneurs. The vast majority of U.S. individual travelers (vs. groups) frequent private restaurants and lodging. Fewer travelers will have a direct negative impact on businesses in the hospitality sector as well an indirect negative impact on both forward and backward linkage enterprises.

- Restore the ability of individuals to engage in self-directed People-to-People educational travel
- Issue guidance to clarify that individuals who support the Cuban private sector by using private lodging or restaurants are eligible, by general license, for individual travel under the Support for the Cuban People category by virtue of supporting civil society
- Clearly define new regulations so as not to deter would-be travelers; produce informational materials for public

Access to Goods and Remittances

Remittances are essential to Cuba's private sector, providing the financing to begin, and the working capital to sustain, businesses. Remittances also provide Cuban consumers with the ability to patronize private businesses. A U.S. policy of not restricting remittances is therefore critical to the health of the private sector.

- The Department of Commerce should adopt a favorable disposition to approving those exports to Cuba likely to benefit Cuban private sector individuals and/or companies
- Allow maximum remittance flows to increase liquidity for private sector and Cuban families; exempt remittance from the prohibition on payments to "prohibited officials" of the Cuban government

Banking

Many Cuban entrepreneurs purchase goods and services in the United States to help run their businesses. Cubans are legally permitted to open bank accounts in the U.S., but there are restrictions on the allowable transactions, and limited and uncertain account services, impairing businesses in both countries.

- Expand the allowable transactions for Cubans holding bank accounts in the U.S. to include business-related transactions including the acquisition of goods for business use
- Do not close, and allow access to U.S. bank accounts held by Cubans when the Cuban individual is not present in the U.S.
- Make public statements clarifying the intent of the Administration to allow Cubans to open bank accounts in the U.S. (limiting risk for banks)

Dialogue and Bilateral Cooperation

Most Cuban entrepreneurs view improved relations between the U.S. and Cuba as a net positive for their businesses, and many developed their business model on this premise.

- Continue bilateral engagement on issues of mutual interest to build respect and confidence
- Continue outreach to U.S. banks and businesses to clarify regulations so allowable engagement continues and expands
- Engage directly with the Cuban private sector; leaders have written two letters to the Administration (one to the President-elect, another to Ivanka) with no response