



CUBA VS BLOQUEO

CUBA'S REPORT
On

Resolution 71/5 of the United Nations General
Assembly entitled "Necessity of ending the
economic, commercial and financial blockade
imposed by the United States of America against
Cuba"

June 2017

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INTRODUCTION

The economic, commercial and financial blockade imposed by the Government of the United States against Cuba for almost 60 years still persists, continues to cause suffering to the Cuban people and obstructs the economic development of the country. The purpose of this Report is to summarize the negative impacts resulting from the implementation of this policy from April 2016 to June 2017.

On June 16, 2017 the US President, Donald Trump, signed the National Security Presidential Memorandum on Strengthening the Policy of the United States toward Cuba". This directive establishes a new policy that proclaims as one of its main objectives the tightening of the blockade against the Island.

In order to achieve that goal, President Trump announced the adoption of new coercive measures against Cuba and the reversal of others that were adopted by his predecessor that had modified the implementation of some aspects of the blockade in the areas of travelling and trade. Likewise, he proclaimed that the United States would oppose all demands in favor of the lifting of the blockade at the United Nations Organization and other international forums, in an open challenge to the views expressed by the overwhelming majority of the international community as well as the public opinion of broad sectors of the US society. He also derogated the Presidential Policy Directive "United States- Cuba Normalization" issued by President Barack Obama on October 14, 2016, which recognized that the blockade was an obsolete policy and that it should be lifted.

The blockade against Cuba is still in force and is being fully implemented.

During the period covered by this Report, the financial and extraterritorial dimensions of the blockade policy have been further tightened. This situation began to worsen under the Obama administration, which was evidenced by the fines imposed on foreign companies that maintained commercial relations with Cuba; the unwillingness or refusal on the part of international banks or institutions to engage in operations with the Island for fear of being fined; and the persecution of Cuba's international financial transactions.

Despite the announcements made by the US Treasury Department on March 15, 2016, stating that Cuba would be allowed to use US dollars in its international transactions and that US Banks would be allowed to grant credits to Cuban importers for the purchase of authorized US products, so far Cuba has not been able to carry out any significant international operation in this currency. The increase of the aggressive rhetoric against our country and the measures announced on June 16, 2017, generate greater distrust and uncertainty among financial institutions and even among US suppliers due to fears and a real risk of being penalized for having relations with Cuba.

This Report shows how the economic, commercial and financial blockade imposed against Cuba is the greatest obstacle to the implementation of the National Economic

and Social Development Plan of the country as well as to the development of all the economic potential and the wellbeing of the Cuban people and Cuba's economic, commercial and financial relations with the United States and the rest of the world. This document includes several examples showing the economic and social impact resulting from the implementation of the blockade during the aforementioned period.

The Report describes the limited scope of the measures adopted by the administration of Barack Obama during the last two years of his mandate.

The damages caused by the implementation of the blockade throughout almost six decades have been estimated at **822 280 000 000 dollars**, taking into account the devaluation of the US dollar vis-à-vis the price of gold in the world market. At current prices, the quantifiable damages caused by the blockade have been estimated at more than **130 178 600 000 dollars.**

During the period covered by this Report, the damages caused by the blockade to Cuba have been estimated at **4 305 400 000 dollars**. Putting this figure into perspective, according to estimates from the Ministry of Economy and Planning of Cuba, this means that the country needs from 2 to 2.5 billion dollars in direct foreign investments to achieve economic development. In other words the annual cost of the blockade to Cuba is twice the amount it needs to fully develop its economy.

The blockade continues to be a massive, flagrant and systematic violation of the human rights of all Cubans and qualifies as an act of genocide under the Convention on the Prevention and Punishment of the Crime of Genocide of 1948. It is also an obstacle to international cooperation.

Thus, the United States are urged to comply with the 25 Resolutions adopted by the international community at the UN General Assembly, whose member States call for an end to that absurd policy and the unilateral and unconditional lifting of the blockade

The blockade against Cuba should cease once and for all.

I. CONTINUED IMPLEMENTATION OF THE BLOCKADE POLICY

1.1. Blockade Laws in Force.

In spite of the measures adopted by the administration of President Barack Obama in 2015 and 2016 to modify the implementation of some aspects of the blockade, the laws and regulations that support that policy are still in force and are implemented by US Government agencies, namely the Departments of the Treasury and Commerce, and in particular by the Office of Foreign Assets Control (OFAC).

This has been so evidenced by the legislations and regulations in force listed below:

- **Trading with the Enemy Act of 1917 (TWEA):** Its Section 5 (b) delegated the possibility of applying economic sanctions on the Chief Executive in times of war or in any other time of national emergency and prohibited trade with the enemy or allies of the enemy during wars. In 1977, the International Emergency Economic Powers Act restricted the powers of the President to impose new sanctions claiming the existence of national emergency situations. Nevertheless, TWEA continued to be applied to Cuba even when the White House has never declared a national emergency with regard to Cuba. Since then, successive U.S. Presidents have extended the application of TWEA on Cuba. Under this legislation, the oldest of its type, the US adopted the Cuban Assets Control Regulations (CACR) in 1963, by virtue of which US nationals or persons under US jurisdiction are prohibited from carrying out financial transactions with Cuba; Cuban assets were frozen and importing goods of Cuban origin into the US was banned, along with other restrictions. Cuba is the only country against which this legislation is enforced. President Obama renewed the sanctions against Cuba for one more year under TWEA on September 13, 2016.
- **Foreign Assistance Act (1961):** This law authorized the President of the United States to establish and maintain a total “embargo” on trade with Cuba and ban the provision of any assistance to the Cuban government. It establishes that US government funds destined for international aid and sent to international organizations would not be used for any programs related to Cuba. It prohibits the granting to Cuba of any aid anticipated under this act or any other benefit covered by any other law until the President determines that Cuba has carried out actions aimed at paying back to US citizens and firms no less than 50 percent of the value of -or otherwise a fair compensation for- the properties nationalized by the Cuban government after the triumph of the Revolution.
- **Presidential Proclamation 3447:** Issued on February 3, 1962, by President John F. Kennedy, it decreed the “total embargo on trade” between the US and Cuba in compliance with Section 620 (a) of the Foreign Assistance Act.
- **Cuban Assets Control Regulations of the United States Treasury Department (1963):** They stipulated the freezing of all Cuban assets in the US; the prohibition of all financial and commercial transactions provided they are approved by a license; and the ban on Cuban exports to the US. These regulations also prevented any natural or juridical person in the US or any third country from carrying out transactions with Cuba in US dollars, among other prohibitions.
- **Export Administration Act (1979):** Section 2401 (b) (1) “Export controls of national security”, “Policy toward individual countries”, established the Commodity Control List where the US President includes a number of countries that might be subject to special export controls due to national security considerations. Cuba is included in that list.

- **Export Administration Regulations (EAR) 1979:** Established the bases for general control of items and activities subject to EAR control, according to the sanctions imposed by the US government. They establish a general policy of denial for exports and reexports to Cuba.
- **Cuban Democracy Act or Torricelli Act (1992):** Prohibits the subsidiaries of US firms in third countries from trading in goods with Cuba or Cuban nationals. It forbids third country ships landing in any Cuban port from entering any US territory for 180 days, other than those having a license from the Secretary of the Treasury.
- **Cuban Liberty and Democratic Solidarity Act or the Helms-Burton Act (1996):** Codified the provisions of the blockade, broadening its extraterritorial scope by imposing sanctions on executives of foreign enterprises that carry out transactions with nationalized U.S. properties in Cuba and threats of lawsuits in U.S. courts, which has been object of an exemption, renewed year after year. Likewise it limited Presidential prerogatives for suspending this policy even though it establishes that the US President retains his powers to authorize transactions with Cuba by means of licenses.
- **Section 211 of the Emergency Supplementary Appropriations Act for the 1999 Fiscal Year:** Prohibits registering in the US any trademarks associated with nationalized products as well as the acknowledgement by US courts of the rights of Cuban firms over such trademarks.
- **Trade Sanctions Reform and Export Enhancement Act (2000):** Authorized the export of agricultural products to Cuba on the condition of cash payments, in advance and without any US financing. It prohibited travel to Cuba by U.S. citizens for purposes of tourism, defining “tourism” as any activity related to travel to, from or inside Cuba that would not be expressly authorized in Section 515.560 of Title 31 of the Federal Regulations Code. In other words, it limited travel to the 12 categories authorized at the time this legislation was passed.

1.2. President Barack Obama’s Executive Measures (2014-2016) and their Limitations.

During 2015 and 2016, President Obama’s administration enforced several measures aimed at modifying the implementation of some aspects of the blockade. While these were positive steps, they were insufficient, since there have been significant obstacles that have prevented their implementation, and several key aspects of the blockade as well as the numerous restrictions that result from that policy have remained unchanged.

Regarding travelling, visits by U.S. citizens to Cuba were authorized under a general license establishing 12 legal categories; regular flights between Cuba and the United

States were re-established; maritime transportation of passengers who qualify under any of the 12 categories was authorized; and people-to-people educational trips for individuals, which were allowed before, have now been banned by the Donald Trump administration. Nevertheless, U.S. citizens are still prevented from freely travelling to Cuba.

In the area of telecommunications, the exports of goods and services to Cuba, the financing for infrastructure, the establishment of joint ventures with Cuban enterprises, US imports of Cuban software and direct payments to a telecom operator based in Cuba were authorized. Nevertheless, these measures have not been extended to other sectors of the Cuban economy, which are still subject to the ironclad restrictions imposed by the blockade.

In relation to trade, the list of US products that can be exported to Cuba without requiring a license from the U.S. Department of Commerce is only limited to telecom goods and services, construction materials and equipment and tools for the non-state sector of the economy, including agriculture. The sale to Cuba of other U.S. products and services is forbidden, provided specific licenses are issued by the Department of Commerce, which expire within a given time frame.

Authorizations to import Cuban goods and services into the U.S. are limited to those produced by the non-state sector and exclude leading products in the Cuban economy, such as tobacco. Since the state sector of the economy was not taken into account, except for pharmaceuticals and biotech products, this list did not include the Cuban goods and services of world prestige, such as rum, nickel and medical and educational services. Added to this is the fact that the tariffs that would be applied to Cuban products, provided they are allowed into the US territory, would be the highest established by the Harmonized Tariffs List of the U.S. International Trade Commission, due to the fact that Cuba is subject to the most restrictive import levies in that country for not being accorded a most-favored-nation status as a result of the blockade.

Likewise, changes introduced in maritime transportation regulations, allowing ships engaged in "humanitarian trade" with Cuba or carrying goods included in the Commodity Control List of the Department of Commerce to enter U.S. ports prior to 180 days, are not operational. It is quite unlikely for ships carrying commercial cargo to Cuba to limit themselves only to the transportation of commodities authorized by the United States. International practice indicates that contracts with shipping companies are not restricted to the transportation of a single type of commodity.

While Cuba has been authorized to use American dollars in its international transactions, and US banks have been allowed to grant credits to Cuban importers of authorized US goods, it has not been possible to materialize any significant operation in that currency, for there is still fear among financial institutions as well as US suppliers to establish any relation with Cuba due to the risk implied by operating with a country subject to a sanctions regime.

Another important limitation is that Cuban financial institutions are not allowed to open correspondent accounts in U.S. banks. This restriction prevents the establishment of direct banking relations between both countries and makes Cuba's scarce commercial operations with that country all the more expensive, given the necessity to resort and pay commissions to intermediaries. The negative impact resulting from the strengthening of the financial persecution of Cuban transactions and its marked extraterritorial nature, particularly during the last eleven years, is still present in the continued refusal by banks from the United States and other countries to operate with Cuba, even in currencies other than the U.S. dollar.

1.3. New Measures to Tighten the Blockade Imposed by the Current US Government.

On June 16, 2016, as part of his new policy toward Cuba, the US President Donald Trump announced new measures to tighten the blockade against our country.

Those measures, described in the Directive signed by Trump on that same day under the title "National Security Presidential Memorandum on Strengthening the Policy of the United States toward Cuba", are the following:

1. Prohibition of economic, commercial and financial transactions of US companies and entities with Cuban companies and entities linked to the Armed Forces or the Ministry of the Interior.
2. Elimination of individual travels under the category of people-to-people exchanges.
3. Strict application under reinforced monitoring of the ban on travels to Cuba outside the 12 categories lawfully authorized by the US, which exclude tourist travel.
4. US opposition to actions calling for the lifting of the blockade at the United Nations and other international forums.
5. Expansion of the list of Cuban government officials and citizens who will not be granted visas, receive remittances or be entitled to engage in any transaction with US entities.
6. Derogation of the Presidential Policy Directive "United States-Cuba Normalization" issued by President Obama on October 14, 2016.

These new executive orders reverse the measures adopted by the administration of President Obama who, for the first time since the enactment of the blockade against Cuba, recognized that this was a failed and obsolete policy that should be ended; and urged the US Congress to lift it.

The strengthening of the US sanctions regime against Cuba is a setback in bilateral relations, which places additional obstacles to the very limited and scarce economic and commercial relations between both countries. The measures approved by President Trump would not only lead to a reduction in US citizens travels to Cuba, but also to the imposition of new prohibitions that will affect the interests of the US business sector.

The organization “Engage Cuba”, together with a huge group of institutions and personalities in the US that call for the lifting of the blockade against Cuba, issued a report in June of 2017 asserting that the measures imposed by the Trump administration will prevent, in the short and medium terms, the creation of 12 295 jobs in that country, and that the incomes foregone as a result of such actions would amount to more than 6.6 billion dollars.

The tightening of the US blockade against Cuba has ignored the calls issued by members of Congress -including Republicans-, the business sector, several organizations, the media and the US public opinion in support of a relationship that benefits both peoples and governments in the most varied fields of their economic and social life.

1.4. Main Blockade Measures Implemented after May of 2016.

The blockade against Cuba has remained in force, as is evidenced by the following examples showing the negative impact of this policy on Cuban entities and third parties:

- **On June 7, 2016**, it was known that *Banco Santander* cancelled the Point of Sale Terminal services to the General Consulate of Cuba in Seville, despite the previous signing of a service contract between both entities.
- **On June 20, 2016**, the Dutch postal parcel and mail service company, *TNT B.V.*, returned to the General Consulate of Cuba in Madrid two postal items addressed to the Cuban embassies in China and Indonesia containing passports of Cuban citizens residing abroad. The company claimed it was following corporate orders related to the US blockade against Cuba.
- **On August 1st, 2016**, the Dutch company *TNT* cancelled the postal mail services to the Cuban Consulate in Rotterdam, the Netherlands.
- **On August 10, 2016**, the branch office of the US company *Amazon.com* in the United Kingdom refused to process orders destined to the Cuban embassy in London, for it was considered a violation of the economic regulations that the company was supposed to observe.

- **On September 7, 2016**, it was known that in August of 2015, the OFAC officially reported the imposition of a 100 000 dollar fine on the US citizen *Albert A. Fox Jr.*, president of the Alliance for a Responsible Policy toward Cuba, for violating the blockade regulations by travelling twice to Cuba in August, 2010 and September, 2011. The case is still awaiting trial.
- **On September 13, 2016**, the US President, Barack Obama, extended for 1 year the application of economic sanctions to Cuba under the legal framework established by the Trade with the Enemy Act.
- **On October 12, 2016**, two banking transfers from accounts owned by the Cuban embassies in Turkey and Germany respectively were refused. In the first case, the Business Bank of Turkey (*Türkiye İş Bankası S.A*) refused to process a 60 000 Euro transfer destined to support the recovery of the areas affected by hurricane Matthew. As to the second case, the German bank *Commerzbank* (an intermediary), refused to send two banking coverage application forms for a transfer in Euros to the bank account of the Cuban embassy in Botswana in the Stanbik Bank, claiming that Cuba is one of the countries subject to US financial sanctions.
- **On November 14, 2016**, the multinational oil company *National Oilwell Varco (NOV)*, headquartered in Texas, and its subsidiaries *Dreco Energy Services* and *NOV Elmar*, agreed to pay to OFAC a 5 976 028 dollar fine for alleged violations of the sanctions against Cuba, Iran and Sudan. According to the text of the sanction, between 2007 and 2009 the subsidiary *Dreco Energy Services* carried out 45 transactions worth 1 707 964 dollars related to the sale of goods to Cuba, while between 2007 and 2008, the subsidiary *NOV Elmar* engaged in 2 transactions worth 103 119 dollars related to the sale of goods and services to Cuba.
- **On December 23, 2016**, the Malaysian bank *Maybank (Malayan Banking Berhad)* refused to complete a transfer of the Cuban embassy in that country addressed to the attorney in charge of the affairs related to the Mission's building (who resides in the Philippines), because Cuba is subject to the US sanctions regime.
- **On January 12, 2017**, OFAC imposed a 10 000 dollar fine on the foundation *Alliance for a Responsible Cuba Policy* as well as on an individual person for engaging in transactions and offer non-authorized services to 20 persons in relation to two trips to Cuba in 2010 and 2011.
- **On January 13, 2017**, OFAC imposed a 516 105 dollar fine on the Canadian bank *Toronto-Dominion Bank* and its branch offices *Internaxx Bank S.A.* and *TD Waterhouse Investment Services (Europe) Limited*. OFAC claimed that, between the years 2007 and 2011, that banking institution had processed 29 transactions associated with Cuba that had gone through the US banking system.

- **On March 2, 2017**, the branch office of the French bank *BNP-Paribas* in Belgium refused to process a Euro transfer from the Cuban embassy in Spain addressed to the company *European Forax Services S.L.*, claiming “international restrictions on the acceptance of operations on behalf of Cuba”. The purpose of the transfer was to pay the fuel bill of the Cuban mission.
- **March 9, 2017**, the Dutch bank *Rabobank* refused to accept a transfer of the Cuban embassy in Spain (through the Spanish bank *Sabadell*) addressed to the Dutch company *Bax Music Goes* claiming “possible OFAC restrictions, because there might be a US element involved in that payment”. The transfer amounted to 311 Euros and was destined to the purchase of implements for the theater of the Cuban Mission in Madrid.
- **On April 11, 2017**, the Canadian *HSBC Bank Canada*, a subsidiary of the British banking group *HSBC Bank* in Canada, refused to accept a transaction of the Canadian company *Reuven International*, addressed to the Cuban Consulate in Toronto, for it was related to Cuba. The transaction was made in Canadian dollars.
- **On April 11, 2017**, the US company *Amazon* closed the bank accounts of the staff of the Cuban Diplomatic Mission to the UN, claiming that they it to abide by US regulations.
- **On May 9, 2017**, the company *Super Micro Computer* refused to make an offer to the Cuban embassy in Spain for the purchase of hardware through the company *ARYAN COMUNICACIONES*, claiming that it was headquartered in US territory.
- **May of 2017**, the bank *ING*, headquartered in the Netherlands, refused to accept Cuba’s payment of its quota as a member of the ACP Group, which is based in Brussels, Belgium. In an attempt to justify its refusal, the Dutch bank managerial staff claimed that Cuba is a country subject to the sanctions of the US OFAC.
- **On June 8, 2017**, OFAC imposed a 87 255 dollar fine on the company *American Honda Finance Corporation (AHFC)* because one of its subsidiaries in Canada - *Honda Canada Finance Inc.*-, approved and financed 13 vehicle leasing agreements between the Cuban embassy in Canada and a concessionary of *Honda* in Ottawa between February of 2011 and March of 2014. On March 30, 2015, that same company had refused to process a transfer of the Cuban embassy in Canada for a replacement of the vehicle fleet that had been scheduled by the firm.

II. THE BLOCKADE VIOLATES THE RIGHTS OF THE CUBAN PEOPLE: IMPACTS ON HE MOST SENSITIVE SOCIAL SECTORS

2.1. The Right to Health and Food

Article 50 of the Constitution of the Republic of Cuba states that all Cuban citizens have the right to health protection and care. Since the triumph of the Revolution in 1959, the provision of free medical care to the people has been an inviolate principle of the Cuban Government, despite the negative impact of the blockade and other aggressions suffered by Cuba throughout all these years.

The purpose of forcing the Cuban people into surrender through hunger and diseases has turned sectors such as public health and food into the targets of the US blockade.

The accumulated monetary impact of this policy on Cuba's **public health** amounts to 2 711 600 000 dollars, while in the period covered by this Report, the cost of the negative effects of this policy amounted to more than 87 million dollars, which represents an increase by more than 4 million dollars as compared to the period from April of 2015 to April of 2016. However, these estimates have not included the real negative effects this policy has had on the integrity of human health, in particular the psychological effect which, by its nature, might never be calculated.

The most harmful effects caused by the application of this policy against the Cuban people are the difficulties to acquire in the US market the medicines, reagents, spare parts for diagnosis equipment and other inputs needed in the health sector. During the last year, the Cuban importer and exporter of medical products, *MEDICUBA S.A.*, submitted several orders to purchase inputs from 18 US companies. Of them, 14 had not yet responded at the time when this Report was being drafted, despite the fact that many of them had been contacted more than once. In those cases in which we have received a positive response, those companies have had to request a license from the US Treasury Department, the issuance of which have in some cases taken as long as eight months.

In spite of these direct contacts with US suppliers and the various scientific and academic exchanges with that country, most of the times the purchase of the products and technologies necessary in this sector must still be made in far away markets, which considerably increases in the costs of prices, insurance, freights, transshipment, handling, storage, time and the use of intermediaries in these commercial operations.

Some of the examples showing the negative impacts caused by this policy in the health sector during the period of reference include the following:

- Cuban hospitals can not have any state-of-the-art technology or equipment that is exclusively manufactured in the United States to treat certain pathologies. For that reason, and with the purpose of ensuring every citizen, without any distinction, universal, free and quality access to health services, Cuba had to send a group of patients and their companions to foreign hospitals, at a cost of 1 066 600 dollars. These technologies could have been imported from the United States, had it not been for the blockade, and those patients could have been treated in their home country.

- In February of 2017, the German company *Otto Bock HealthCare GmbH*, a supplier of orthopedic prosthesis, announced that, due to the blockade, they would not be able to supply the lower limbs prosthetic components requested by MEDICUBA S.A. For that reason, it was necessary to purchase a similar product of a lower quality. The modern prosthesis manufactured by the company *Otto Bock* significantly improve the possibilities for persons whose lower limbs have been amputated to preserve or recover their mobility, which would considerably improve the quality of life of Cuban patients with that condition.
- On March 17, 2017, MEDICUBA S.A. was notified by the Spanish company *LINDMED Trade S. L.* that it would not be able to supply the injectable antibiotic *Ciprofloxacin Lactate (200 mg)* because the manufacturer, *Claris Otsuka*, refused to sell this pharmaceutical claiming that “since Cuba was subject to the OFAC sanctions, the company could not supply any product, whether directly or indirectly”. This broad-spectrum antibiotic which is administered intravenously to pediatric and adult patients who need to be hospitalized to undergo treatment for infections of the respiratory tract, skin, soft tissue, bone and joints caused by sensitive bacteria, can not be used in Cuban hospitals.
- In April of 2017, the German supplier *Eckert & Ziegler Radiopharma GmbH*, refused to supply to MEDICUBA S.A. the generator *Ge-68/Ga-68 Gallia Pharm GMP* and its components. This equipment is used to diagnose prostate cancer. According to *Eckert & Ziegler Radiopharma GmbH*, this company could not supply the product to Cuba either directly or through a third country because the blockade prevented it from doing so.
- The International Orthopedic Complex “Frank País” of Havana reported that that center does not have access to the equipment and supplies manufactured by the US company *Arthrex*, the leader in arthroscopic surgery. In February of 2017, Cuba requested, through MEDICUBA S.A., the purchase of these equipments. Unfortunately, so far no response has been received. That company states very clearly in its website that, all its subsidiaries, both in the US and elsewhere, are required to apply for a special export license in order to sell their products to certain countries, including Cuba. The acquisition and use of the *Arthrex* equipment would improve the quality of the assistance offered to Cuban patients.
- The service of pathologic anatomy of the Clinical and Surgical Hospital “Hermanos Ameijeiras”, which is a national reference hospital that performs high complexity diagnosis, finds it indispensable to count on a high precision electron microscope in its work. At present, this hospital has a *HITACHI* microscope but, since more than 80 per cent of its components are manufactured in the United States, it has been impossible to repair it. This was corroborated during a visit paid to the hospital by the executives of the *HITACHI* company in September of 2016.
- The cardiology service of the aforementioned hospital needs a mechanical circulatory support device, like the *Impella* system, which is sold by the US

company *Abiomed*, the leader in that market. In February of 2017 Cuba ordered, through *MEDICUBA S.A.*, several *Abiomed* equipments, but so far there has been no response. These equipments are widely used in cardiogenic shock, interventional cardiology and electrophysiology, allowing for the recovery of patients suffering from heart failure and prolonging their lives. At present, the hospital can only resort to the balloon aortic counterpulsation technique, which does not offer the same advantages as the *Impella* system.

As a result of the restrictions that the blockade imposes on international financial transactions related to Cuba, one researcher from the Institute of Tropical Medicine "*Pedro Kourí*", could not receive the payment for the publication of one of his scientific articles published in the magazine "*Journal of Parasitology Research*". The blockade has also affected the academic and scientific exchange between Cuban health professionals and technicians and their US counterparts due to the delays in the granting of US visas to attend scientific events that are held in the United States¹.

In April of 2016, it was reaffirmed that the improvement of the living conditions of Cubans, with emphasis in food, among other sectors, was one of the permanent and priority goals of the Cuban nation. For that reason, the National Economic and Social Development Plan of Cuba to the Year 2030 identified the development of the non-sugar agro-industry - in particular the integration between industry and the agricultural primary sector, as well as the increase in the added value of foodstuffs- as one of its strategic sectors.

The purpose of this is to preserve the achievements attained by Cuba in terms of food security, which has deserved recognition from the specialized agencies of the UN system.

The economic, commercial and financial blockade applied by the United States has impaired the development of the **food sector** in Cuba for more than 55 years. During the period covered by this Report, the negative impact of the blockade reported by the Food Industry and Agriculture has been estimated at 347 598 000 dollars.

The Cuban companies responsible for manufacturing food products in the country are forced to import approximately 70 per cent of their fundamental raw materials from different markets, namely, Spain, Brazil, Argentina, Italy, Canada, India, the Dominican Republic and Mexico. Moreover, so far, as a result of the blockade, Cuba has not been allowed to buy from the US market, which happens to be very attractive, given its prices and its proximity to Cuba. That market also has a varied offer of raw materials, equipment and materials necessary to modernize our production lines. Such purchases could also contribute to significantly reduce the inventories which, for obvious reasons, need to be maintained and impose the immobilization of capital.

¹ The events that these scientists could not attend were: The Puerto Rican Public Health Conference (May 2-5, 2016); Workshop on the Measurement of Children Disabilities in the Americas (New York, October 17-20, 2016); Spanish-Speaking Course on Endocrinology (Miami, December 7-10, 2016); and the Congress of the American Association of Diabetes (New Orleans, June 10-14, 2016).

2.2. The Right to Education, Sports and Culture.

Education is an inalienable right enjoyed by all Cubans throughout their entire life. It is a fundamental goal of the Revolution, legitimized by its Constitution; and is also an undisputable priority of the State. This was reflected in the budget approved by the Cuban Government for the year 2017. Education accounts for 23 per cent of the national budget and 9 per cent of the GDP, at current prices. This budget guarantees the functioning of 9 433 elementary, junior high and senior high schools (for an estimated 1 771 800 students) as well as the functioning of the entire university education (145 770 students). It also supports the work of Day Care Centers for a total of 140 610 children.

The blockade imposed by the United States affects the Cuban programs aimed at ensuring a quality, universal and free education at all levels. During the period covered by this Report, the **educational sector** in Cuba has reported losses estimated at 2 832 830 dollars. These losses were mostly associated to an increase in freight rates for the import of school supplies from third countries, since it is impossible to buy them in the United States.

Cuba imported from China 590 containers with most of the school supplies necessary for the current academic year. The freight cost of twenty-cubic feet containers amounts to approximately 3 200 dollars, while the freight cost of forty-cubic feet containers is, on average, 5 200 dollars. These same containers, travelling from the United States, would cost approximately 1 300 and 2 000 dollars respectively. Every year, Cuba has to incur very high costs to be able to guarantee the school supplies necessary in education, due to the high costs of freight.

In the case of higher education, the application of the blockade has brought about a host of difficulties that have impaired Cuba's access to the necessary technology and equipment for teaching; scientific research; dissemination of information; adequate remuneration of results; acquisition of school supplies, means and tools, as well as the university extension work and local development.

Next there are some concrete examples reported from April of 2016 to March of 2017:

- For years, the Cuban and Puerto Rican universities have had an academic exchange. However, as a result of the application of the blockade, the students of that country are not allowed to come to Cuba to undertake a traineeship at Cuban universities. The University of Pinar del Río, just to mention one example, estimated, using conservative figures, that around 150 students could undergo traineeship in that university at an average cost of 200 dollars a day. As a result of the blockade, the revenues foregone by that university in this field amounted to 30 000 dollars which could have been invested in its development.

- During the period covered by this Report, the Technological University of Havana, “*José Antonio Echeverría*”, failed to receive 28 000 dollars for international workshops and/or traineeships taught in its schools, for not being able to admit US students.
- The Central University “*Martha Abreu*” of *Las Villas* reported losses worth 221 300 dollars for having to buy from the Chinese market the equipments required by three laboratories specialized in Electrical Engineering, Measurements and Mechanical Drive , which could have been purchased in the US market at one third or half that price.
- Higher education could have saved 112 000 dollars if it had been able to import from the port of Miami, Florida, 96 containers of materials for all the universities of the country. However, due to the application of the blockade, it was forced to import those products from European and Chinese ports. The cost of the 64 containers imported from China was 102 400 dollars; and the cost of the 32 containers imported from Europe was 131 200 dollars. If these containers would have been brought from Miami, the each container would have cost only 200 dollars.
- The blockade prevents Cuban universities from having access to modern professional software developed by US companies, as it is the case for *Architectural Desktop*; simulators of comparisons of chemicals processes; statistics software for economic careers, design software, simulators using finite elements and numerical calculation software like *Solidworks*, *AutoCAD*, *Abaqus*, *MathCad* and *Matlab*. It is impossible to install or operate any of these without a license. The collaborative software development platforms *Google Code* and *Source Forge*, the most important in the world, destined to developers and containing open source codes and lists of services are blocked for Cuba.

Cuban sports have earned world recognition, for it has left its mark on numerous events of every category. The development of this sector has also faced serious restrictions due to the application of the blockade policy.

The most negative effects reported in this sector are associated to the unnecessary payment of freight costs for the transportation of products purchased in faraway markets; the lack or insufficiency of some means and resources used for teaching and research ; the limited access to scientific information and computer tools necessary for the production of educational multimedia at every sport education level; as well as the obstacles to receive payments for the professional services offered abroad, among others. If Cuba could have access to the sport implements market of the US, these could be imported at a cost that would be 20 to 25 percent lower than the price we are forced to pay.

Cuban athletes of archery and sailing who trained to compete at the Olympics in *Rio de Janeiro* in the summer of 2016 were not able to acquire the necessary first-level supplies they required due to the application of the blockade policy, because:

- The *Easton* archery implements are manufactured in the United States and are the most technologically advanced for that sport. The US companies that sell those items did not respond to the purchase orders submitted by the Cuban Federation of that sport. Cuba had to look for another supplier in order to buy them. Just a single offer was received from a Spanish supplier, whose cost was around 17 569 dollars, without including the transportation costs from Europe. Therefore, it was impossible to buy them. If these could have been bought directly from the United States, the cost would not have exceeded 12 480 dollars.
- A similar situation was faced by the Cuban sailing athletes. The cost of state-of-the-art vessels manufactured in the United States is around 8 320 dollars each. The blockade prevents Cuba from importing them. The European offers amounted to around 18 350 dollars. It was impossible for the country to pay those prices.

For some years now, a Cuban baseball team has been participating as a guest in the Caribbean Baseball Series. The Cuban Baseball Federation has expressed its willingness to become a full member of that organization, with full rights and obligations. Unfortunately, this aspiration has been frustrated by the US government refusal. This was even confirmed by the president of the Caribbean Professional Baseball Confederation (CBPC), Juan Francisco Puello, who expressed, during the last tournament held in February of 2017 that the future permanence of Cuban baseball teams in that Series would depend on the US government decision.

During that same tournament, three Cuban athletes were chosen to make up the “All Stars” team of the Caribbean Series for their outstanding performance. The restrictions imposed by the blockade have prevented the Cuban athletes from receiving their cash prize.

The protection and development of the cultural, tangible and intangible heritage of the nation, as well as the promotion and dissemination of its knowledge has always been a priority of the Cuban revolutionary government, for this is essential to the achievement of full social justice and development. The Cuban State has devoted substantial resources to the development and promotion of Cuban culture.

The implementation of the US blockade has affected bilateral exchanges in the field of culture. Only during the period covered by this Report, losses have been estimated at no less than 35 314 000 dollars, which represents a 16 per cent increase as compared to the same period of last year.

The blockade prevents the adequate promotion, advertisement and marketing of the Cuban artistic talent; it reduces to a minimum the sale prices of cultural products and services and restricts the enjoyment of Cuban music by the international audience, due to the control exerted by the big transnationals of art and music, most of them from the United States.

In the case of music, the live performances of Cuban musicians in the United States must only be as part of a cultural exchange, without any commercial contract between the parties. Cuban companies do not receive any economic benefit, for they cannot arrange the performance of any of these groups in other more profitable markets during the time in which those groups are taking part in the exchanges with the US.

In the case of the marketing and promotion of visual arts, the provisions established by the US Treasury have remained in force, even though the *Bergman* amendment authorizes the legal acquisition of Cuban art.

Next are some examples of the negative effects of the blockade on culture during the period covered by this Report:

- In the field of music, during the period covered by this Report 46 cultural exchanges took place in the US, which involved the participation of 308 musicians. Should there have been contracts supporting these performances, and based on conservative estimates, Cuba could have received around 673 300 dollars.
- It has been estimated that, in the absence of the restrictions imposed by the blockade, Cuban musical groups would have revenues amounting to more than 3 million dollars a year, given their quality and the preference for the Cuban music in that market. This estimate was based on the fact that some of the most important Latin groups in the United States have played Cuban music in their concerts, which have been rated at 100 000 dollars as an average. If more than 10 of the most important Cuban musical groups could perform in the United States, offering only 3 concerts a year, the above figure would be much higher.
- During the period covered by this Report, the Cuban company *EGREM* was unable to sign contracts with its counterparts *Blue Night Entertainment*, *Magnus Media*, *My Latin Thing* and *Los Canarios Music* for the performance, in the United States, of the Cuban groups *Buena Fe*; *Leoni Torres*; *Salsa, Mambo y Cha Cha Chá*; and *Septeto Santiaguero*, due to the implementation of the US blockade laws. For that reason, the revenues foregone by *EGREM* have been estimated at 500 000 dollars.

With regard to music copyrights between Cuba and the United States, so far it has been impossible to sign Reciprocal Representation Agreements (RRA) between both countries. The observance of copyrights and the payment of royalties to authors are recognized by the legal systems of most of the countries of the world. These principles are established in international conventions that Cuba and the United States are Party to. Next are some of the negative effects caused by the US blockade in this sector:

- The Cuban Association of Music Copyright (*ACDAM*) was not able to sign a reciprocal representation agreement with the American Society of Composers,

Authors and Publishers (*ASCAP*) despite the consensus and understanding achieved by both institutions.

- Three members of *ACDAM* were unable to complete an on-line course taught by the International Confederation of Societies of Authors and Composers (*CISAC*) on copyright and collective management. Before the conclusion of the course, the Cuban representatives received a notification by *CISAC* informing that the course would be closed to them because Cuba was a country subject to the US government sanctions. Said notification was expressly posted in the website <https://www.futurelearn.com/blocked-territories>.

The Cuban Fund of Cultural Goods (*FCBC*) gathers a wide range of artists, crafts persons and designers. Around 8 000 of them market their products through a network of shops, art galleries or a system of events sponsored by that organization, such as art fairs, visual arts exhibitions and also by working to order. The exports made by this institution from April of 2016 to March of 2017 were worth 1 942 200 dollars. None of them was made to the US market.

Taking into account the potential of Cuban artists, the esthetic quality of their works and the natural market that the US could be for Cuban visual and applied arts, *FCBC* has estimated that if the barriers imposed by the blockade did not exist, exports to that market could amount to no less than 12 million dollars a year. This analysis is based on the incomes earned by Mexico and the Dominican Republic in the year 2016 from the export of similar quality products and with virtually the same production capacity Cuba has.

The development of the movie industry in Cuba has also been severely affected as a result of the conditions imposed by the blockade. Next are some examples of these negative effects:

- The arts and movie industry sector reports that, as a result of the implementation of the blockade, Cuba can not have access to the technology developed by the prestigious US company *Dolby*, the distributor of sound technologies for movies. Sound recording and movie making processes all over the world are forced to use the technology provided by that company; without its credits it is virtually impossible to be inserted in the international market. Thus, Cuba is unnecessarily forced to associate itself to foreign co-producers in order to acquire the corresponding licenses – and, in addition, transfer to them part of the Cuban potential market.
- The animation studios have no access to the licenses of the software indispensable for their production processes. The only possible alternative, as in the aforementioned case, is to create a partnership with foreign producers, which means that the revenues resulting from these productions have to be shared.

2.3. The Right to Development

Despite the exchange with US business people and scientists' delegations as well as the materialization of some cooperation projects, the **biotech sector** in Cuba continues to be affected by the US blockade.

This sector has given proof of its capability to develop innovative and high tech products, medications, equipment and services to improve the health standards of the Cuban people; create exportable goods and services and cutting-edge technologies for the production of foodstuffs. The blockade prevents US citizens, without infringing the laws of their country, from benefitting directly from the biotech and pharmaceutical products developed by Cuba.

The total losses caused in this sector by the implementation of the blockade policy during the period covered by this Report amounts to 322 993 600 dollars. Next are some concrete examples of the negative effects of that policy.

- Laboratorios MedSol is the largest contributor of generics to the list of essential drugs in Cuba, particularly tablets. To meet its goal, this company requires supplies such as PVC^[1] packaging. By means of an intermediary it was possible to arrange the purchase of this product from the company *Klöckner Pentaplast GmbH*. This German company notified the intermediary that, considering the fact that as from the year 2017 it will begin quoting on the US Stock Exchange, the company was instructed not to engage in any direct or indirect operation with Cuba.
- The Center of Natural Products, which belongs to the National Scientific Research Center (CENIC), has not been able to purchase the spare parts necessary for two *Agilent* chromatographers because the US companies that export them do not sell it to Cuba as a result of the blockade regulations. These equipments are essential for the quality control on products researched upon and developed in the Pharmaceutical Chemistry Department of that center. Since it was impossible to use these two chromatographers, it was necessary to overuse the rest of the equipments of that laboratory, which caused losses in the amount of 6 million dollars.
- The Center of Genetic Engineering and Biotechnology (CIGB), has found it difficult to buy inputs and products inherent to that industry from around 20 suppliers, among them, companies of renown like *Agilent, Bio-Rad, Abcam* and *PanReac*. As soon as they knew that the final destination of the commercial operation was Cuba, they withdrew their supplies, which caused losses for more than 368 000 dollars.

^[1] Polyvinyl chloride is the most versatile plastic derivative which is widely used in industry for its versatility and tenacity, its dimensional stability and environmental resistance. Besides, it can be recycled using several methods.

- One of the products that *CIGB* has not been able to acquire because of the blockade regulations is a US manufactured auxiliary pump that was ordered to the German company *Sartorius*. Three other production equipments which depend on the functioning of this pump are not working, which affects the production of this important Center. Losses have been estimated at 326 000 dollars.
- At the Company of Specialized Engineering Services there is one division in charge of the calibration of the equipment used in the industrial sector. Calibration is essential for the proper operation of any industry. Currently, calibration needs to be done through third countries, which takes more than 5 months, since it is not possible to receive the services offered by the US market. Losses resulting from this situation amount to 21 784.32 dollars.

The **tourism industry** in Cuba was also heavily affected as a result of the implementation of the blockade. During the period covered by this Report, losses resulting from the implementation of this policy amounted to 1 701 906 000 dollars.

Estimates based on data published by the Caribbean Tourism Organization (*CTO*) indicate that the number of visitors in the region grew by 4.2 per cent as compared to the year 2015. US nationals accounted for almost 50 per cent of the big total, which means that 14.6 million US visitors decided to spend their holidays in our region at an average cost of around 1000 dollars. Some studies have shown that, on average, 1.5 million US nationals choosing the Caribbean as a tourist destination could have travelled to Cuba, if not by the regulations imposed by the US government.

Consequently, the Cuban tourism industry failed to receive around 1.5 billion dollars, considering the potential number of US tourists and the aforementioned average cost of their visits.

Around 73 million persons in the US go sailing every year and have around 17.7 million vessels of different sizes. Many of these sail very close to Cuban shores, heading for the Caribbean. However, the blockade prohibits them from getting access to the facilities available in Cuban marinas. Cuba happens to be an attractive place for yachting and nautical tourism in general, given the characteristics and the geographical position of the Island.

The Marinas and Nautical Sports Company of Cuba, *MARLIN S.A*, has currently around 700 berths available that could receive around 191 600 vessels per day in a year, with a current occupancy rate of only 75 per cent. On an average seven day stay, Cuba could receive 27 400 vessels in a year, and the revenues received by Cuba only from berth charges would amount to 6 200 000 dollars. Adding the cost of other services such as the provision of potable water, electricity, security guards, commissary, fuel, shops, repairing of yachts and others, revenues could increase to around 15 million dollars.

In the **telecom and information services sector**, losses have been estimated at 68 922 110 dollars, accounting for an increase of

9 713 000 dollars as compared to the same period of the previous year.

The re-establishment of relations between Cuba and the United States favored the signing of agreements for direct interconnections with four US companies in the telecom sector. However, it has been impossible to consolidate them in a way that they could be of some relevance in international telecom services, because the commercial and financial risks resulting from the application of the US blockade still persist. Next are some of the negative impacts of the US blockade in this sector:

- Inability to establish direct banking relations between Cuban and US financial institutions.
- Inability to access the US market to acquire the necessary technological equipment. That is why it is necessary to resort to faraway markets, among them Asia, with the consequent increase in freight costs.
- Inability to buy high-performance and leading trademarks and/or equipment in the ICTs market, which are distributed or patented by US entities, namely landlines, mobile phones, antennas, software, among others; not even from subsidiaries in third countries.
- Risk of heavy fines on manufacturing or trading companies which operate with more than 10 per cent of US technologies.

During the last three years, Cuba has lived through a very tense situation as a result of an extended drought. At the close of February of 2017, 71 per cent of the national territory had been affected by a meteorological drought, which was classified as moderate or extreme in 33 per cent of the territory. It has been estimated that 694 000 persons have been partially affected and 58 700 have been totally affected. According to weather specialists, this is a trend that will not be reversed in the short term. That is why the Cuban government has been adopting several measures aimed at a rational use of water.

This situation is worsened by the implementation of the US blockade, which impairs the development of the country's **water infrastructure**. Losses caused by the negative effects of his policy on this sector have been estimated at 2 358 817 dollars.

The Program for the Rehabilitation of Water Networks and Distribution Lines which supply potable water to the main cities of the country can not access the cutting-edge technology available in the US market. Therefore, supplies required by this Program should be imported from third countries at a higher cost. It has been estimated that, hadn't it been for the blockade, the importing company *Cubahidráulica* could have imported from the United States around 152 containers of hydraulic material which are currently imported from elsewhere in the world. The cost of these containers in Europe amounts to approximately 307 390 dollars. However, should these be imported from the United States, the cost would only be 136 093 dollars, this being the reason why Cuba is forced to spend an extra 171 297 dollars on these imports.

Changing the energy matrix and advancing towards the use of renewable sources of energy is a priority goal for the Cuban government. With the National Economic and Social Development Plan to the Year 2030, it is expected that 24 per cent of power is generated by renewable sources of energy, which currently accounts for hardly 4 per cent. However, in Cuba, the energy and mining sector has been one of the most affected by the implementation of the US economic, commercial and financial blockade. During the period covered by this Report, losses in this sector as a result of the implementation of that policy have been estimated at 122 584 708 dollars. This figure increased by 16 232 147 dollars as compared to the previous year.

Next are some examples:

- The company “*Comandante Ernesto Che Guevara*” was prevented from exporting around 3 500 tons of the nickel sulphide it had produced from April to December of 2016 due to the difficulties it faced to find a banking institution willing to open a letter of credit abroad, due to the extraterritorial application of the US blockade. Thus, revenues forgone in this sector amounted to 23 600 000 dollars.
- The joint venture *Moa Nickel S.A* is not allowed to import from the US the sulphur it needs for its productions. For that reason, it is forced to go to the Middle East to find the amounts of sulphur necessary to guarantee the production of nickel in the country. Consequently, sulphur imports costs are increased by around 25 per cent. The Cuban economy has had to disburse around one million dollars to buy that product.
- The Business Group *ENERGOIMPORT* had to pay an additional 4 036 967 dollars for the maintenance of the Thermo Power Station of Matanzas, which was scheduled for the year 2016. In December of 2015, OFAC authorized the company *General Electric (GE)* and its subsidiaries, under license CU-2015-321998-1, to participate in all the maintenance operations necessary at the thermo power station. However, *GE* refused to provide the required services because it was not sure that OFAC would not fine it for engaging in operations with Cuba. For that reason, it was necessary to contract the maintenance services as well as the purchase of spare parts with a different company, which increased maintenance costs.

Cuba attaches high priority to the comprehensive development of all branches of industry that contribute to the development of the strategic sectors identified in the National Economic and Social Development Plan to the Year 2030. These sectors have also been affected by the implementation of the economic, commercial and financial blockade imposed by the United States. During the period covered by this Report, the financial losses in the Cuban industry were estimated at 59 225 936 dollars.

The Cuban company *QUIMIMPEX*, devoted to the import of products for the development of the chemical industry in Cuba, was once again unable to buy from

the US market the raw materials, spare parts and equipments it needs. The companies that were contacted indicated that the laws imposed by the US government against Cuba were still in force. Therefore, the import costs of those products increased by 20 per cent.

In order to purchase liquid chlorine at 98 per cent, this company had to pay more than 111 dollars per metric ton of this product. The supplier hired by Cuba came under severe pressures by OFAC, when the latter learned that the imports were destined to Cuba. Then, it was necessary to triangulate the import itinerary of the product -which was originally coming in directly from Colombia-, and use instead the route Colombia-Panama-Havana. It was impossible to purchase the spare parts and equipment necessary to replace the *Burton Corblin* and *GARO* equipments, due to the presence of US shareholders among suppliers. This situation put the national production of chlorine at dire risk.

The trading company *BK-Import-Export*, in charge of guaranteeing the comprehensive productions and projects of the metallurgic and mechanical industries, was not able to import from the United States the supplies required for its operation. For that reason, it was forced to pay some 5 024 643 dollars in addition to cover the increased freight costs of its imports from China. The amount of money unnecessarily paid by this Cuban industry would have been enough to buy some of the following equipment:

- 2 563 electric engines (power range: 0.12 Kw-28Kw)
- 13 928 kits of LPC 47 solar heaters of 90 liters
- 412 carbon dioxide welding machines
- 138 air compressors
- 146 alternate current variable speed drives.

Due to the same reasons, the Steel and Mechanical Industry Business Group faced losses of around 50 173 625 dollars, which account to 10 per cent of all its operations. If these additional costs had not been incurred, this industry could have purchased some of the following inputs:

- 19 505 tons of galvanized steel coil sheets for the roofs of houses, warehouses and industrial centers.
- 1 225 tons of metal pipes and sheets for the manufacturing and repairing of hospital furniture.
- 3 193 tons of different types of metals for the manufacturing of irrigation systems and machinery.
- 3 171 tons of different types of laminates for the repairing and manufacturing of trailers for the sugar cane harvest.
- 10 CKD kits for the manufacturing of sugar cane harvesters.

- 2 130 tons of steel bars and springs for the manufacturing and repairing of hydraulic cylinders for the sugar harvest equipment.
- 878 tons of steel plates for the production of farming equipment.
- 1 820 solar heaters for hospitals, hotels and production centers.
- 20 paper and cardboard bundling presses.
- 173 elevators for hospitals, hotels and apartment buildings.

The amount of revenues foregone as a result of the negative impact caused by the blockade on the Cuban industry is equivalent to the cost of the investments needed to install a new line of production of solar photovoltaic panels for a 50 MW power plant at the Electronic Industry Enterprise “*Ernesto Che Guevara*” in the province of Pinar del Rio. In addition to that, those funds could have been used also to import other equipments needed in that center.

In the **construction sector**, the negative effects caused by the blockade were estimated at 12 406 700 dollars. The main reason for these losses was the inability to access more efficient construction technologies, which are available at US markets or are manufactured by subsidiaries of companies based in that country. Therefore, Cuban companies like, *IMECO*, *CONSTRUIMPORT* and *Unión de Empresas Constructoras Caribe S.A (UNECA)* were forced to import products from faraway markets like Asia and Europe, which increased import costs and incurred losses resulting from higher costs of freights and insurance.

Losses in the transportation sector were estimated at around 122 397 000 dollars as a result of the application of the blockade policy. These have had a negative impact on all the entities of this sector. The Cuban Company of Airports and Services (*ECASA*) and *Cubana de Aviación* have been the most affected. The economic damages caused on these two entities have been estimated at 49 113 000 dollars and 21 617 000 dollars respectively.

III. IMPACT OF THE BLOCKADE ON THE FOREIGN SECTOR OF THE CUBAN ECONOMY

3.1. Foreign Trade and Investments.

During the period covered by this Report, the total impact of the economic, commercial and financial blockade imposed by the United States on Cuba’s foreign trade has been estimated at 3 524 993 996. 32 US dollars. As in former years, the biggest impact is seen the amount of incomes foregone from the export of goods and services, which account for **83.6 per cent** of this total. During this period, there was also a 42 per cent increase in the cost of financing based on country-risk rates.

Next are some examples showing the way in which this policy has negatively impacted the development of the Cuban economy:

- The Center of Genetic Engineering and Biotechnology (*CIGB*) has developed a product called *Heberprot-P*, a state-of-the-art medication that is unique in the treatment of severe diabetic foot ulcers. That therapy has benefitted more than 230 000 patients from all over the world. It has been approved by 21 national drug registration boards and has been granted more than 30 patents.

Statistics show that the prevalence rate of diabetes in the United States is 9.3 per cent², which represents around 29.2 million persons. According to some sources in the United States, around 3.5 per cent³ of this total develops diabetic foot ulcers, which makes up a total of over one million persons suffering from this condition every year. Of them, 204 296 could develop diabetic foot ulcers complications.

If *Heberprot-P* could be exported only to benefit 5 per cent of US citizens who develop diabetic foot ulcers complications annually, Cuba's biotechnological industry could receive more than 122 million dollars per annum. This would also contribute to reduce to a minimum a high of more than 70 000 amputations performed on US diabetic patients every year⁴.

- The *CIGB* has introduced in the market the immunogen *GAVAC*, which is an alternative for the control of ticks. Its action specifically targets different species of the genus *Rhipicephalus*.

A study carried out in the Mexican state of Tamaulipas, close to the US border, where these mites are endemic, showed that the vaccine efficacy was 99 per cent. In 2012, *GAVAC* was evaluated by the *USDA ARS Center for Tick Research Laboratory* and the efficacy rate for the control of ticks proved to be 99.9 per cent.

Every year the United States imports around one million cattle from the aforementioned Mexican state. With the use of *GAVAC*, which is a completely ecological vaccine, the risks of contamination on both sides of the border as well as the occurrence of tick-borne diseases will be reduced. If the blockade did not exist, Cuba could supply this product to the US, particularly to the cattle raising territories of Texas and Baja California. This would make it possible for Cuba to earn 2 250 000 dollars in profits as well as bring about improvements in that sector, where damages caused by ticks are estimated at 100 million dollars every year.⁵

² US National Diabetes Statistics Report 2014

³ <http://www.prnewswire.co.uk/news-releases/advances-in-wound-care-offer-hope-to-millions-of-americans-156809545.html>

⁴ US National Diabetes Statistics Report 2014

⁵ Exploring the use of an anti-tick vaccine as a tool for the integrated eradication of the cattle fever tick, *rhipicephalus (boophilus) annulatus*. Robert Miller, Agustín Estrada-Peña, Consuelo Almazán, Andrew Allen, Lauren Jory, Kathleen Yeater, Matthew Messenger, Dee Ellis, Adalberto A. Pérez de León. *Vaccine* 30 (2012) 5682– 5687.

- US citizens have very limited possibilities to attend the Placental Histotherapy Center in Cuba or have access to Cuban products such as *Melagenina Plus*⁶, *Coriodermina*, and the *Piloactive Lotion*, which have proved to be effective in the treatment of vitiligo, psoriasis and alopecia. In the United States, the prevalence rates for the first two diseases are 1 per cent⁷ and 3.15 per cent⁸ respectively; while 2.4 million patients go the doctor's every year to receive treatment for *alopecia areata*. The increase in the number of patients who visit this Center will represent a considerable increase in its revenues from medical consultations and the sale of medications and cosmetics.
- The *Center of Molecular Immunology (CIM)* has developed a vaccine, *Cimavax-EGF*, which, during the clinical development stage, proved to be effective in the treatment of advanced non-small cell carcinoma of lung, with guaranteed safety and good tolerance.

According to the US National Cancer Institute estimates, 224 390 patients were diagnosed with lung cancer in 2016, and at least 90 per cent of them would want to undergo treatment with this promising drug. Considering a maximum penetration of that market of only 2.6 per cent⁹ during an early stage, this could mean that Cuba would receive a total of 155 million dollars every year in revenues.

Besides, the study of the US National Cancer Institute has confirmed that the annual cost per every cancer patient in the United States ranges from 70 000 to 150 000 dollars. However, according to conservative estimates by *CIM* specialists, the cost of the therapy using this product would be around 50 000 dollars¹⁰.

The vaccine *Cimavax-EGF* has been patented in the US since 2014. It was only by the end of 2016 that we received the authorization to perform clinical trials in that country. If the blockade did not exist, clinical trials would have advanced more and this therapy would have been sold long before in that market, thus helping to improve the quality of life of many US citizens who suffer from this serious illness.

The number of containers operated by the company *Mediterranean Shipping Company (MSC)* that can be used for the import and export of products to and from Cuba has been restricted, in a discriminatory way, by Trade Rule BR259. In February of 2017, the legal department at the *MSC* main office approved a ban on the use of a significant number of containers owned by that US company or any of its subsidiaries. In order to implement such restriction, the company has made up a list of containers which are the only ones authorized to engage in any commercial activity with the

⁶ This medication is protected by a patent in the United States.

⁷ Lerner AB, Nordlund JJ. Vitiligo: What is it? Is it important? *J. Am Med Assoc* 1978; 239:1183-1187.

⁸ Chandran, Vinod; Raychaudhuria, Siba P. Geoepidemiology and environmental factors of psoriasis and psoriatic arthritis. *Journal of Autoimmunity* 34 (2010): J314-J321.

⁹ Racotumoman, Nimotuzumab or Docetaxel for the treatment of advanced non-small cell carcinoma of lung, <http://registroclinico.sld.cu/ensayos/RPCEC00000179-Sp>

¹⁰ Drug Pricing: Oncology in the United States.

Island. As a result of that, the times of export and delivery of products to Cuba have been directly affected.

The Cuban company *Comercializadora de Servicios Médicos Cubanos S.A. (CSMC)* offers different modalities of health care and academic services to foreigners in Cuba. After the re-establishment of diplomatic relations between Cuba and the United States, the number of US visitors travelling to Cuba under the 12 licensed categories has increased. However, there are still restrictions to the free movement of US citizens who are willing to study or receive medical assistance in Cuba. During the period covered by this Report, the negative economic effects on this sector as a result of the implementation of this policy was estimated in the amount of 35 120 000 dollars.

From April of 2016 to March of 2017, Cuban **agriculture** reported losses estimated at 228 680 000 dollars due to the impossibility of exporting goods and services to the US market. These resources, which are worth millions, could have been invested in the development of that important sector in Cuba. Next are some examples of this:

- The Cuban citrus fruits company *Cítricos Caribe S.A.*, which belongs to *Grupo Empresarial Agrícola*, has developed a variety of pineapple of great international renown. The many awards won by this product at prestigious international fairs attest to its quality. The United States are the largest consumer of pineapple in the world. Local estimates indicate that Cuba could export to the US around 125.1 tons of this product every year, which would be worth around 81 940 dollars in revenues.
- Premium cigars manufactured in Cuba have earned great prestige and are widely demanded all over the world. This is the reason why Cuban *habanos* account for 70 per cent of all the units sold and 80 per cent of sales in the markets that sell this product. The US premium cigars market sells around 250 million units every year. The blockade prohibits the Cuban cigars from being sold in that important market. Should these restrictions be lifted, it has been estimated that, during the first years after the elimination of these restrictions, Cuba could sell around 50 million units. If units are sold at around 2.35 dollars each, Cuba could receive around 117 500 000 dollars in revenues every year.

3.2. Finances.

In March of 2016, the then President of the United States, Barack Obama, authorized Cuba to use US dollars in its international commercial operations. He authorized US banking institutions to open offices in the Island and granted other facilities, namely, to allow US banks to open and maintain bank accounts in that country on behalf of Cuban citizens. Until the date when this Report was drafted, these measures had not been implemented in an effective way.

More than one year after the announcement of that measure, the Cuban banking system financial assets abroad continues to be the target of harassment and

persecution. It has been impossible to normalize banking relations with US entities. There are still difficulties for the regular use of American dollars in Cuba's commercial and financial transactions, mainly due to the ambiguities in the text of the regulations in force and the fear that exists among banks and commercial entities, since they have become permanent targets of fines or sanctions. The very few transactions in dollars that have been made during the period covered by this Report have required a previous follow-up and coordination work which is absolutely unusual in the international banking practice.

Only one US institution under a license has engaged in direct operations with Cuba. There is no reciprocity whatsoever for Cuban financial institutions in this context, which restricts and hinders the adequate management of external resources by Cuban banks in their relation with the United States.

The use in Cuba of credit and debit cards issued by US banks has been allowed so far only by three institutions, despite the fact that this was one of the first modifications included in the regulations issued after December 17, 2014.

It is not enough to announce that Cuba is authorized to use American dollars in its international transactions. Such an announcement should be accompanied by a legal framework or a public statement offering guarantees to third countries banks that they will not be penalized for engaging in operations with Cuban banking institutions.

The extraterritorial character of the blockade policy is reflected in the financial persecution against third countries' banks and the imposition of new fines on the grounds that the US government regulations regarding Cuba have been violated. This has encouraged many banking institutions to close Cuba's accounts and adopt measures that obstruct the normal functioning of the banking system in the Island and make it all the more complex.

While some commercial operations were signed during the period covered by this Report, the impossibility to access financing sources in US banks or other commercial entities -a usual practice in international trade- became evident.

Between April of 2016 and March of 2017, Cuba was negatively affected by the application of the blockade policy -particularly its extraterritorial character- against more than 100 foreign banks. Next are some of these actions:

- Closing of Cuban banking accounts in 4 banks; 2 from Europe and 2 from Latin America.
- Cancellation of the SWIFT messaging RMA code numbers of 14 entities: 11 from Europe; 2 from Latin America and 1 from Oceania.
- Retention of funds: 5 banks, 3 from Europe; 1 from North America and 1 from Asia.

- Refusal from 19 entities to offer banking services: 11 from Europe; 3 from Latin America; 3 from Asia and 2 from North America.
- Refusal to process and /or advice letters of credit to 36 institutions: 6 from Europe and 30 from Asia.
- Rejection of banking operations in 27 entities: 15 from Europe, 4 from Latin America and 8 from Asia.
- Cancellation of banking operations and agreements signed in 2 European banks.

It is important to point out that, compared to the examples included in the previous Report, the number of banks that, during this period, gave in to the harassment policy imposed by the US blockade increased by 40, which has a negative effect on the normal functioning and operational capacity of Cuban banking institutions.

Next are some examples:

- In May of 2016, it was publicly announced that the director of the British bank *The Co-operative Bank (Co-op Bank)*, had confirmed, in writing, the decision to close the bank accounts of the *Campaign of Solidarity with Cuba (CSC)* in the United Kingdom in November of 2015. This was due to the risks resulting from the sanctions imposed by the US OFAC.
- The US blockade measures prevented the Spanish bank *Santander* from providing services to Cuban diplomatic representations in Spain, for not being authorized to install POS terminals in the General Consulates of Cuba in the cities of Barcelona, Seville and Santiago de Compostela. Such prohibitions came into effect a few months after the Departments of Commerce and the Treasury of the United States announced that they will authorize their banks to process Cuban banks transactions.
- In January of 2017, the US Treasury fined the Canadian bank *Toronto Dominion (TD)* with 955 750 US dollars for violating the regulations of the blockade imposed against the Island. According to OFAC, this Canadian bank made transactions through the US financial system on behalf of a Canadian company owned by a Cuban company, which included the financing of commercial activities which are also banned by the blockade.
- In February of 2017, the subsidiary of the Canadian *Scotia Bank* in Dominica prevented the Cuban Embassy in that country from making the Caribbean dollars deposit that it usually made in its account at said bank. The bank claimed that the embassy could not make that deposit because those dollars resulted from the exchange of US dollars and, according to OFAC laws, the bank could not accept that; otherwise it will be subject to penalties by the US government.

- In March of 2017, the Nicaraguan private capital bank *Banco Corporativo SA*, refused to open a bank account on behalf of the *Cubana de Aviación* office based in that country. The managerial staff of the bank explained that they could not complete the operation because *Cubana de Aviación* had been included in the list of countries, organizations or persons not allowed to do business or make transactions with, according to the OFAC list of specially designated nationals; otherwise the bank would be fined.
- In March of 2017, the Cuban embassy in Kuwait informed that the letter of credit of a contract signed with the German firm *UNICOR GmbH*, which had been granted to *CUBAHIDRAULICA* by the Kuwait Fund for Arab Economic Development, was rejected by the *NATIONAL BANK* of Kuwait. The bank claimed that this financial instrument could not be accepted because “Cuba was under international sanctions”.
- The Belgian bank *ING* stopped a transfer between the University of Gent and the National Agricultural Sciences Center of Cuba which was destined to the import of a vehicle for the *VLIR* Project (project of cooperation promoted by the Flemish Inter-university Council), claiming that the bank was not allowed to make direct transfers to Cuba. Thus, Cuba’s *Banco Financiero Internacional* could not make the deposit worth 37 150 dollars for the purchase of the vehicle.
- Since 2015, the *United Bank of Switzerland (UBS)* has been rejecting all the deposits made by Cuban institutions for the payment of Cuba’s quotas as a member of the United Nations Environmental Program (*UNEP*), *UNEP’s* Environmental Training Network for Latin America and the Caribbean, the Biotechnology Safety Protocol of the Convention on Biological Diversity as well as the Conventions of Basel, Rotterdam and Stockholm. This situation has prevented the country from timely honoring its financial commitments with these bodies. For that reason, since 2016, Cuba has not been eligible for technical cooperation projects or actions, under the Conventions of Basel, Rotterdam and Stockholm, associated to the safe management of chemicals and hazardous wastes.
- A European bank refused to process the operations of a Cuban company through a Cuban banking institution, claiming that the company was included in the OFAC Specially Designated Nationals and Blocked Persons List (SDNLIST).
- A Cuban bank reported that the Pan-American Health Organization Office had not been able to transfer the revenues earned to an account it owned at a banking institution of a third country, despite having a General License issued by OFAC authorizing this type of transaction. This action evidences the extraterritorial character of the financial blockade.

The Cuban **bio-pharmaceutical industry** does not escape the financial persecution resulting from the implementation of the blockade, which has caused losses in the amount of 20 425 100 million dollars. One example of the negative effects of this policy was the importing and exporting company *FARMACUBA*, which has faced

difficulties in its negotiations with the Korean company *SEJONG Pharmatech Co.LTD*, for the import of a tablet coating equipment, of great importance for the pharmaceutical industry. Due to the restrictions imposed by the blockade, it was necessary to re-route the purchase of that equipment through a European intermediary bank, which incurred an additional cost of 250 000 dollars.

- The Center of Molecular Immunology (*CIM*) reports that the outstanding payments due by the Malaysian entity *Inno Biologics Sdn Bhd* amount to 150 000 dollars, due to the fact that this foreign company has been unable to transfer funds to Cuba because of the blockade. Other banks, like *Maybank* and *Public Bank*, have been consulted about the possibility of opening bank accounts that will make it possible to transfer funds to Cuba, but to no avail.
- This difficulty has also been faced by *Innocimab*, the joint venture that *CIM* has in Singapore, whose outstanding payments amount to 1 225 000 dollars. Some alternatives have been sought after by that company to honor its commitments, but this has been of no avail due to the blockade laws.

The Cuban International Insurance Company (*ESICUBA S.A.*) has reported that during the period covered by this Report, it has perceived a tightening of the blockade policy on the process of contracting the purchase of reinsurance protections for the Cuban insurance portfolios. Next are some examples:

- The Cuban company *ESICUBA* does not have access to all of the world's reinsurance capabilities, which has a negative impact on its negotiation processes. Restrictions have been strengthened; therefore, that company does not have access to financial institutions ancillary to the reinsurance process. This makes the collection and payment of reinsurance all the more complex, which is worsened by the impossibility to pay and collect funds to and from overseas customers using American dollars, despite the announced lifting of such restrictions by the former US President Barack Obama.
- Cuban insurance companies can not purchase reinsurance protection from US companies. It would be absurd to do business with these companies even if they agree to, because when the time comes to pay for the losses, they would proceed to freeze or block the funds. This is also applicable to companies from third countries in which US citizens may have some shares. This situation has become all the more frequent in the last few years, with the merging and acquisitions that have been taking place in the world economy, particularly in the industry of insurance and financial services.

Legal services in Cuba have not been spared from the negative effects of the blockade. This sector recorded losses in the amount of 158 mil 416 dollars associated to exchange rate variations, the use of intermediaries to charge for services offered to third parties and the impossibility, in some cases, to collect payments, as is shown by the following example:

- The Association of Legal Consultants and Agents of Trademarks and Inventions, *CLAIM S.A.*, devoted to industrial property issues, was affected by the financial costs resulting from the exchange rate variations in foreign trade and financial operations, since this entity is not authorized to use US dollars. During the period covered by this Report, exports of services amounted to 2 642 404 dollars, and losses resulting from the financial costs incurred totaled 106 986 dollars, of which 95 669 dollars are associated to exchange rate variations and online collections costs, due to the use of alternative websites by those customers who use *Visa* or *Mastercard* credit cards, which are banned in Cuba by the United States.

IV. THE BLOCKADE VIOLATES INTERNATIONAL LAW. EXTRATERRITORIAL IMPLEMENTATION OF THE BLOCKADE.

As was shown in former chapters, during the period covered by this Report, the economic, commercial and financial blockade imposed by the United States against Cuba has continued to be implemented. This policy has a strong extraterritorial component which becomes evident in the following examples:

- The insurance company *XChanging*, which processes the operations of collections and payments of premiums as well as claims for the *Lloyd's Market* and the *London Company Market*, withdrew from all the operations involving Cuba. That company engaged in negotiations for being acquired by a US company. To continue operating with Cuba, the new owner must apply for a license from OFAC in order to facilitate the processing of transactions related to insurance and reinsurance. The granting of this license is not guaranteed, and even if OFAC decides to grant it, its implementation will take several months. Therefore, *XChanging* announced the immediate interruption of all the processing of Cuban transactions.
- On June 2, 2016, it was known that the Chinese company *Huawei* was summoned by the Department of Commerce of the United States to report on the export and re-export of US technology to Cuba and other countries subject to sanctions during the last five years. These investigations continued throughout the year 2016 and, most recently, in April of 2017, the Treasury Department decided to perform an in-depth review of its commercial activities with the countries subject to US sanctions, including Cuba.
- On September 9, 2016, the Dutch bank *Rabobank* cancelled the financial services of the company *Vereenigde Octrooibureaux (V.O.)* related to Cuba due to the blockade regulations. The company *V.O.* is the one in charge of the renewal of patents of the Cuban business group *BIOCUBAFARMA*. Therefore, that group will not be able to make payments to *V.O.* in order to protect the Cuban patents for a significant number of scientific inventions associated to biopharmaceutical products in Europe.
- On September 27, 2016, it was known that between July and September of that year, 6 banks based in Pakistan refused to open a letter of credit for Cuba. The

Pakistani biotech company *Macter International* had requested the aforementioned document from the Cuban company *Heber Biotec* for the purchase of 100 000 vaccines against Hepatitis B. The reason for the refusal was that Cuba was in the list of countries subject to OFAC sanctions.

- On October 7, 2016, it was known that the Swiss bank *UBS S.A.* refused to accept a transfer of 20 000 Swiss Francs from Cuba for the payment of the annual contribution of the National People's Power Assembly of Cuba to the Inter-Parliamentary Union headquartered in Geneva, Switzerland.
- On October 31, 2016, the Belgian bank *Fintro*, a subsidiary of the group *BNP Paribas-Fortis*, refused to process a transfer sent by a Belgian citizen to a Cuban citizen who was a victim of hurricane Matthew. *BNP Paribas* was fined with 8.970 billion dollars by OFAC in 2014 for violating the sanctions against Cuba, Iran, Myanmar and Sudan.

Other subsidiaries of the bank *BNP Paribas* refused to process a 9 310 dollars transfer from a Belgian citizen addressed to the Cuban company *Ecotur S.A.*, due to the blockade regulations. That bank also refused to finance an advertisement campaign of the Belgian communication agency *ECL-TMS*, because the end customer of the campaign was Cuba, and this bank is not allowed to engage in any operation associated to the Island for being a country subject to OFAC regulations.

- On December 23, 2016, the subsidiary of the Japanese company *Tokio Marine Insurance* in Malaysia refused to renew the insurance contracts of the vehicles of the Cuban diplomatic mission in Malaysia because Cuba is a country subject to the US sanctions.
- On April 10, 2017, the subsidiary of the US company *Expedia* in Canada interrupted the negotiations with the travel agency *Hola Sun*, the representative in Canada of the company *Havanatur*, whose purpose was to implement an agreement to sell air tickets to travel to Cuba. *Expedia* claimed that the inclusion of *Hola Sun* in the OFAC List of Specially Designated Nationals prevented the materialization of the agreement.

4.1. Impacts on International Cooperation.

- The Central Medical Cooperation Unit of Cuba (*UCCM*) informed that during the period covered by this Report it has faced difficulties with financial banks in Djibouti and Uganda in relation to the processing of transfers for the payment of the medical services that Cuba offers to those countries. These African banks have correspondent banks in the United States, and this is the reason why they claim that, due to the blockade regulations, it is very likely that these funds will be blocked before they reach their destination.
- On December 19, 2016, a subsidiary of the *Royal Bank of Canada* in the Bahamas refused to process a transfer sent by four Cuban medical doctors who

were offering cooperation in that country to a bank account in *Scotia Bank* (also in the Bahamas), due to the restrictions imposed by the US blockade against Cuba.

- In March of 2017, the Cuban embassy in Italy informed that the Food and Agriculture Organization of the United Nations had been having difficulties to buy computers destined to a food security project which included *Google Earth* technologies, for the only reason of being linked to and having as their final destination Cuba.
- On March 15, 2017, it was known that the subsidiary of the Canadian bank *Scotia Bank* in Antigua and Barbuda refused to allow the Cuban cooperation staff working in that country to exchange the local currency into US dollars and vice versa, or withdraw money in Cuba using the debit cards issued by that bank. Likewise, that banking institution refused to open private bank accounts or issue debit cards on behalf of members of the Cuban embassy staff. The reason they claimed was the fact that Cuba is a country under US sanctions and banking transactions had to go through US banks.

4.2. Other Extraterritorial Impacts.

- On July 11, 2016, the US bank *City Bank* cancelled the payment transfers issued by *Havanatur* to the Colombian airline *Avianca*, and the Spanish bank *Santander* cancelled the transfers addressed to the Cuban company *Puro Tabaco*, the exclusive distributor of *Corporación Habanos S.A.* for Argentina, Uruguay and Chile. Both of them used as a pretext the sanctions imposed by OFAC.
- The US company *PayPal* retained the payment of a US citizen because the message that accompanied said payment included the word 'Cuba' and this could infringe OFAC regulations. Likewise, that company blocked the bank account of a customer who made a payment to a friend for some Cuban cigars that have been bought in Mexico. The company alleged that this person was promoting transactions of goods that were prohibited by the US government.

That same company cancelled payments made by more than 100 customers who tried to buy tickets for the premiere of the documentary *Havana Moon-The Rolling Stones Live in Cuba* in European movie theaters. The reason claimed by the company was that the description of the transaction included the words 'Havana' or 'Cuba', which was an infringement of OFAC regulations.

- On September 2, 2016, the British bank *Standard Chartered Bank* cancelled a bank account in US dollars of the ambassador of Gambia in Cuba, because Cuba is a country subject to sanctions under US laws.
- On September 7, 2016, the Dutch company of electronic payments *PayU* discontinued, once and for all, the operations with all those customers that had links with Cuba, and claimed that the reason for that decision were the regulations imposed by OFAC. Later on, this company cancelled the payment gateway

services of the agency *Havanatur Argentina* due to OFAC regulations and the continued pressures it had to withstand because of its relations with Cuba.

- On September 12, 2016, the banks *Commerzbank AG* and *Unicredit Banca Di Roma* refused to receive two payments from a bank account owned by the Ministry of Tourism (*MINTUR*) at the *Banco Financiero Internacional S.A.* addressed to the companies *Kekoa Publishing* from Italy and *Air Berlin* from Germany, because this transaction had originated in Cuba. The operations were made in Euros and were associated to the advertisement of Cuban tourism in those countries.
- On October 6, 2016, the *National Commercial Bank of Jamaica Ltd.* discontinued the transfers to Cuba by the Jamaican company *Caribbean Cable* and the representative of *Aerogaviota* in Kingston, following a decision adopted by the intermediary bank in Canada.
- The European company *Eurosports* terminated its agreement with the Canadian company *Brandworks* for the broadcast of the advertisement campaign “*Auténtica Cuba*” of the Ministry of Tourism, because this company was acquired by one subsidiary of the US company *Discovery Channel*, whose legal department determined that they could not proceed with the agreement due to OFAC regulations against Cuba.
- On October 26, 2016, the office of the International Air Transport Association (*IATA*) in Miami turned down the registration application of the agency *Havanatur S.A. Argentina* because that agency had been included in the OFAC List of Specially Designated Nationals.
- On January 30, 2017, the branch office of the Spanish bank *Santander* in Mexico cancelled two accounts that belonged to the Cuban company *Cubana de Aviación S.A.*, for reasons related to the US blockade against Cuba. One of the accounts operated in Mexican pesos and the other in US dollars.
- In February of 2017, the Argentinean bank *CREDICOOP* rejected several checks deposited by the company *Havanatur Argentina* in the bank account of the airline *AVIANCA* because of the blockade laws.
- On February 10, 2017, it was known that the bank *BNP-Paribas* refused to accept transfers from the International Air Transport Association (*IATA*) addressed to the company *Cubana de Aviación-París*, because of the regulations imposed by OFAC.
- British citizens can not travel to Cuba from the United States carrying only the tourist card issued by the Cuban Consulate in the United Kingdom. The US government requires them to buy visas from other airlines of that country, for which they have to pay a much higher cost than if they traveled directly from their home country. Additionally, British citizens are forced to fill out and affidavit with

the 12 categories of travel authorized under the OFAC general license, something that should only be applicable to US nationals.

- The officials of the Cuban Permanent Mission to the United Nations in New York have been unable to make purchases at a New York branch of the wholesaler *COSTCO* because the company headquarters issued a directive that prevents that store from offering services to Cuban nationals linked to their diplomatic mission. Besides, this directive instructed the store to cancel the membership of those persons. The company updated this directive even after President Barack Obama removed Cuba from the list of States sponsoring international terrorism.
- On June 2, 2017, it was known that the e-learning platform *Future Learn*, operated by the UK public institution *Open University*, blocked the participation of several members of the Cuban Society of Anesthesiology and Resuscitation because Cuba was in the list of countries under US sanctions.
- On June 7, 2017, the Ecuadorian bank *Produbanco* cancelled the financial operations related to Cuba because *Grupo Promérica* (to which it belongs) acquired new shares in the United States.
- On June 9, 2017, the financial operations branch office of the e-commerce company *Pago Fácil* in Argentina cancelled one contract and all the operations related to the company *Havanatur Argentina*. The suspension of operations was due to an instruction received from the headquarters of the company *Western Union* (to which *Pago Fácil* belongs) claiming the existence of an economic sanctions regime imposed by the United States against Cuba.

V. WORLD OPPOSITION TO THE BLOCKADE

5.1. Opposition to the Blockade inside the United States.

Sectors inside the United States who are opposed to the absurd policy of blockade against Cuba continue to grow and diversify. Their numbers have multiplied during the last few years, particularly after the re-establishment of diplomatic relations between both countries.

Many voices are being raised inside the United States in favor of the ceasing of that policy, among them, organizations like *CubaNow*, founded in 2014; and *Consortium* and *Engage Cuba*, founded in 2015, with the purpose of working for the improvement of bilateral relations and the lifting, once and for all, of the blockade.

The work of these groups is ever more active and, in most cases, it transcends the economic and social sectors to exert political influence on the executive and legislative branches both at the federal government and in several individual states. The organization *Engage Cuba* has founded 16 state councils all over the US territory.

The materialization of some businesses between US and Cuban companies is a concrete example of the increasing opposition to the blockade inside the United States, which is also evidenced by the results of different polls made by prestigious companies such as *Pew Research*, *YouGov*, the TV network *CBS News*, the think tank *The Atlantic Council* or the academic center *Florida International University*, among others.

In fact, according to recent polls in the US, the lifting of the blockade is supported by 73 per cent of US citizens; 63 per cent of Cubans residing in the US and 62 per cent of Republicans themselves. The normalization of bilateral relations is favored by 75 per cent (three fourths) of US citizens; 69 per cent of Cubans residing in the US and 62 per cent of Republicans.

Next are some examples showing the opposition to the blockade in the United States:

- On April 11, 2016, the organization *Engage Cuba* created its state council in Arkansas with the purpose of promoting commercial relations between Cuba and that state and calling for the lifting of the blockade.
- On April 11, 2016, Representative Rick Crawford (R-Ark) declared that the elimination of the advanced payment requirement in agricultural exports was the best way to advance towards the normalization of relations with Cuba.
- On April 18, 2016, the then US Secretary of Commerce Penny Pritzker, during a lunch hosted at the National Press Club, expressed that the isolation of Cuba did not work, and that the tactics of engagement should to be put to the test.
- On April 18, 2016, Representatives Rodney Davis (D-NY), Ted Deutch (D-FL), Bill Keating (D-Mass), Rob Woodall (R-GA), Austin Scott (R-GA) and Tom Graves (R-GA) advocated for the possibility of using several air routes to travel to Cuba.
- On May 10, 2016, Senator Robert Casey (D-Penn) said that “it is time to take bigger steps to strengthen our bonds with the Cuban people, starting by authorizing free travel of US citizens to Cuba.”
- On May 26, 2016, the US Agricultural Coalition for Cuba (*USACC*) and the *Grupo Empresarial Agrícola de Cuba (GEA)* signed a memorandum of understanding to promote the marketing of food and agricultural products between the two countries.
- On June 1st, 2016, the then Secretary of Agriculture, Tom Vilsack, expressed that to the extent that links are established between both countries, the political argument to lift the blockade will gain strength and finally the time will come when support within the US will be strong enough to overcome the resistance to eliminate it.

- On June 27, 2016, the US Treasury Department sent a note to the newspaper *The New Herald* informing that OFAC did not consider that the authorization for US citizens travelling to Cuba to use credit cards in the Island is an infringement of Section 103 of the Helms-Burton Act which prohibits transactions with nationalized properties.
- On July 7, 2016, Senator Jeff Flake (R-Az), through a press release issued by his office, pointed out that it was high time for the US Congress to eliminate the restrictions on US citizens' travels to Cuba.
- On July 17 and August 2, 2016, *Engage Cuba* announced the creation of state councils in Idaho and Colorado, respectively, with the purpose of promoting business between Cuba and those states and supporting the lifting of the blockade and the process of normalization of relations between both countries.
- On August 8, 2016, the presidential candidate of the Libertarian Party, Gary Johnson, expressed that he "supported the changes that Obama introduced to the US Cuba policy and understood the difficult feelings among the Cuban-American community". He added that "the best way to bring about changes in Cuba was to offer free trade."
- On August 24, 2016, the California Senate adopted a draft Joint Resolution urging the US Congress to support the initiative of President Barack Obama to normalize diplomatic relations with Cuba and advance a piece of legislation to increase trade with the Island.
- On September 17, 2016, the newspaper *The Miami Herald* published an editorial that analyzed the results of a poll made by the *Florida International University (FIU)* showing that more than a half of the Cuban community in Miami was against the restrictions imposed by the blockade.
- On September 27, 2016, Senator John Boozman (R-Ark) issued a Twitter commenting the benefits that a change of policy toward Cuba would bring about to rice farmers from Arkansas and elsewhere in the country, given the importance of rice as a staple food in the diet of Cubans.
- On September 28, 2016, in an article published in the newspaper *The New Herald*, the Democratic Party candidate Hillary Clinton expressed that the US needed to support the Cuban people, instead of going back to the policies of the past. She mentioned some of the steps taken by President Obama to normalize relations with Cuba and committed herself to work with the US Congress to complete that effort.
- On October 14, 2016, President Obama issued a Presidential Policy Directive on Cuba, recognizing that the blockade was a failed policy, and instructing the US Government departments and agencies to move towards the normalization of relations with Cuba.

- On October 14, 2016, Carlos Gutiérrez, President of the US-Cuba Business Council at the US Chamber of Commerce issued a declaration welcoming the new amendments to the regulations of the blockade against Cuba as well as the Presidential Policy Directive on Cuba signed by President Obama.
- On October 26, 2016, the then Deputy National Security Advisor for Strategic Communications, Ben Rhodes, declared in his official website and Twitter account that the United States, for the first time, would abstain in the vote on the UN General Assembly Resolution asking to put an end to the embargo against Cuba, because there was no reason to vote in favor of a failed policy, which his country opposes.
- On October 26, 2016, the then US Ambassador to the UN, Samantha Power, announced before the UN General Assembly that her government would abstain in the vote on Cuba's Resolution against the blockade and expressed that this policy isolates the United States.
- On October 26, 2016, the US media *Político Pro* published an editorial which highlighted the broad and diverse impact that the US abstention had on the vote against the blockade at the UN General Assembly.
- On October 27, 2016, in an interview via *Facebook Live* from the *CNN* web page, Ben Rhodes recognized that the Government of the United States refused to defend its own legislation on the blockade at the international level for considering it a failed policy, and supported the decision to abstain, for the first time, at the UN General Assembly, after 24 annual votes.
- From October 31 to November 4, 2016, around 93 US companies and more than 230 executives, including former Secretary of Commerce Carlos Gutiérrez, attended Havana's International Trade Fair (*FIHAV 2016*). Also in attendance were delegations from 4 US states and other business associations.
- On November 4, 2016, in the context of Havana's International Trade Fair, the president of the organization *Engage Cuba*, James Williams, declared that as long as the US Congress does not lift the embargo completely, the US companies would be losing ground vis-à-vis other foreign competitors who are making progress in the growing Cuban market.
- On December 5, 2016, Representatives Tom Emmer (R-MN) and Rick Crawford (R-Ark), together with Kathy Castor (D-FL) and Barbara Lee (D-CA), as well as other members of the Working Group on Cuba of the House of Representatives, sent a letter to the president elect Donald Trump asking him to support the re-establishment of commercial relations with Cuba.

- On December 5, 2016, the pollster *Pew Research* published a survey showing that 75 per cent of adults in the United States approved the re-establishment of relations with Cuba and 73 percent supported the end to the blockade.
- On December 15, 2016, the former Deputy National Security Advisor of the White House, Ben Rhodes, in an interview granted to the TV network *MSNBC*, stated that if the new government of the president elect reverses the US Cuba policy, this would not only be a wrong decision, but it would trigger a rejection by many different institutions in the United States.
- On January 30, 2017, *Engage Cuba* created its state council in Virginia to promote the establishment of relations with Cuba and the elimination of the trade restrictions imposed against our country.
- On February 5, 2017, Representative Tom Emmer (R-MN) referred to the importance of the normalization of commercial relations between the United States and Cuba. He added that his efforts were focused on educating the members of Congress and President Trump on the economic advantages and the benefits in terms of national security that the lifting of the blockade against Cuba would bring about.
- On February 22, 2017, the newspaper *Pittsburgh Post-Gazette* published an editorial highlighting the visit to Cuba of a delegation of 65 persons from Pittsburgh, with the purpose of exploring opportunities in the fields of business, culture and tourism.
- On February 28, 2017, Senator Jerry Moran (R-Kan) introduced a bill to lift the blockade against Cuba. In an interview to the media, he pointed out that “Cuba is just 90 miles away from our borders, and is a natural market for the farmers and stockbreeders of our nation. At a moment when we need more markets than ever, the lifting of the embargo and the opening of Cuba to the US agricultural products will help increase exports, create new jobs and grow the US economy.”
- On March 10, 2017, Representative Rick Crawford (R-AR) made a Nationwide Call by which he answered questions asked by business people and farmers about doing business with Cuba, and emphasized the broad bipartisan support of the agricultural sector to the lifting of the blockade against Cuba.
- On March 14, 2017, the US Agriculture Coalition for Cuba issued a Declaration “strongly supporting the Trade with Cuba Act and commending Senator Morán for his leadership in the advancement of critical opportunities to grow US agriculture”. He added that “we hope this bill to be approved in the US Senate so that we can start working on the establishment of fully-fledge trade relations with Cuba.”
- On March 19, 2017, the President of the National Wheat Growers Association supported the legislation introduced by Senator Jerry Morán (R-K) to lift the

blockade and stated that the embargo had failed and that it was high time to establish open trade with Cuba.

- On March 23, 2017, the candidate to the post of Secretary of Agriculture of the administration of Donald Trump, Sonny Perdue, during his confirmation audience, declared that during a visit paid to Cuba in the year 2010 he learned that our country had an impaired capacity of payment and was faced with financial restrictions; and therefore he would support every effort so that Cuba could import goods from the US, in case there were any private financing for said operations.
- On March 28, 2017, Representative James Comer (R-KY) published an article in the newspaper "*The Gleaner*" in which he stated that, after visiting Cuba, he supported the lifting of the blockade and expressed his interest in turning this issue into a priority of his work.
- On March 30, 2017, the city council of Hartford, the capital of the state of Connecticut, adopted a Resolution urging President Donald Trump and the US Congress to put an end to the blockade against Cuba. The Resolution also calls for the lifting of all the restrictions that prevent US citizens from travelling freely to Cuba.
- On April 4, 2017, James Williams, director of the *organization Engage Cuba* stated that leaders from the American Farm Bureau, the Chamber of Commerce of the United States and several Republican legislators had encouraged President Trump to change the "failed embargo policy" against Cuba and asserted that if the US trade with Cuba expands, thousands of jobs will be created.
- On June 6, 2017, the Michigan state Senate adopted a Resolution which encouraged and urged the US Congress to develop and improve trade relations with Cuba.
- On June 12, 2017, Senators Amy Klobuchar (D-MN), Chris Murphy (D-CT), Dick Durbin (D-IL), Debbie Stabenow (D-MI), Sheldon Whitehouse (D-RI), Elizabeth Warren (D-MA), Al Franken (D-MN), Brian Schatz (D-HI), Michael Bennet (D-CO), Jon Tester (D-MT), Patrick Leahy (D-VT), Rob Wyden (D-OR), Claire McCaskill (D-MO) and Jeanne Shaheen (D-NH) sent an open letter to the Secretary of State, Rex Tillerson, advocating for the preservation and expansion of economic and political relations with Cuba and the lifting of the blockade.
- On June 16, 2017, the executive vice-president and head of international affairs at the US Chamber of Commerce, Myron Brilliant, published a communiqué reiterating the commitment of that organization with the elimination of the "outdated blockade policy" against Cuba.
- On June 16, 2017, the executive director of the American Association for the Advancement of Science (AAAS), Rush Holt, published a communiqué issued by the organization expressing concern over president Trump's announcement of the

new US Cuba policy and reiterated his commitment with the exchange of scientific knowledge between both countries.

- On June 16, 2017, the Executive Vice-president for Public Policy of the International Educators Association, Jill Welch, published a communiqué which described the change of policy toward Cuba as harmful; considered the blockade as an outdated and failed policy; and urged Congress to permanently eliminate the travel ban and the trade restrictions against our country.

5.2. Opposition of the International Community to the Blockade

The opposition against the blockade has acquired a universal character. The number of forums where special communiqués and declarations calling for an end to this policy are adopted have continued to increase.

Listed below are some examples:

- During the General Debate of the Seventieth Session of the UN General Assembly in September of 2016, 39 Heads of State or Government spoke in favor of the lifting of the blockade.
- On October 26, 2016, the UN General Assembly approved, for the twenty fifth consecutive time, the Resolution entitled “Necessity of ending the economic, commercial and financial blockade imposed by the United States of America against Cuba” by 191 votes in favor and 2 abstentions (the United States and Israel).

During the debate of the Resolution, 42 speakers from all regions of the planet asked for the immediate lifting of the blockade. Among them there were 7 representatives of coordination groups and regional and sub-regional organizations, namely: The Group of 77 plus China, the Movement of Non-Aligned Countries, the Community of Latin American and Caribbean States, CARICOM, the African Group, the Organisation of Islamic Cooperation and the Association of South-East Asian Nations.

- On September 13, 2016, in the context of the Thirty Third Session of the Human Rights Council, the negative effects of the economic, commercial and financial blockade imposed by the United States against Cuba were condemned and a call was made for its total elimination. More than 30 developing countries, in addition to the Non-Aligned Movement, the Organisation of Islamic Cooperation, the African Group and the Arab Group, among others, intervened in the Interactive Dialogue with the Special Rapporteur on the adverse impact of unilateral coercive measures on the enjoyment of human rights.

- During the Seventeenth Summit of Heads of State and Government of the Non-Aligned Movement held in Margarita Island, Venezuela, on September 17 to 18, 2016, several Heads of Delegations spoke against the blockade imposed on Cuba. Venezuela announced the 11 commitments it will promote as President of the Movement, among them, to work in order to put an end to the economic, commercial and financial blockade imposed by the United States against Cuba.
- On September 23, 2016, the Ministers of Foreign Affairs of the G-77 Group plus China rejected once again the implementation of the blockade against Cuba and the imposition of unilateral coercive measures against developing countries in its Ministerial Declaration. The text was adopted at the Fortieth Annual Ministerial Meeting of the Group, held in the context of the Seventy Session of the UN General Assembly in New York.
- The Twenty Fifth Ibero-American Summit of Heads of State and Government held in Cartagena de Indias, Colombia, from October 28 to 29, 2016, approved a Special Communiqué on the necessity of ending the blockade, including the Helms-Burton Act, reiterating the “strongest rejection to the implementation of laws and measures that are contrary to International Law.” The Communiqué calls upon the US President to take all necessary measures, within his executive powers, to put an end to that policy. Likewise, the Communiqué reiterates its concern and rejects the strengthening of the extraterritorial dimension of the blockade as well as the increasing persecution of Cuba’s international financial transactions.”
- On October, 2016, the ministerial session of the Forty Second Ordinary Meeting of the Council of the Latin American Economic System (SELA) held in the Bolivarian Republic of Venezuela approved the Declaration “End the Economic, Commercial and Financial Blockade imposed by the United States against Cuba”, which called on the US Government to abide by the UN General Assembly resolutions on this issue.
- The Fifth Summit of the Community of Latin American and Caribbean States (CELAC) held in Punta Cana, Dominican Republic, on January 25, 2017, reiterated in its Political Declaration the call on the Government of the United States to put an end to the blockade without preconditions. Besides, it adopted a Special Communiqué in which, among other issues, urges one more time the President of the United States to adopt all measures within his executive powers to substantially modify the application of the blockade against Cuba. It likewise emphasizes its appeal to the US Congress to proceed to the elimination of the blockade.
- For the eighth consecutive time, the Heads of State and Government of the African Union (AU), at the twenty eighth summit of that organization held in Addis Ababa, Ethiopia, on January 31, 2017 called for the lifting of the US blockade against Cuba. The dignitaries also urged the US President to take into account the

positive results achieved in bilateral relations between both countries in the last few years.

- The Declaration of the Fifth Meeting of Ministers of Foreign Affairs CARICOM-CUBA adopted on March 11, 2017, reiterated the call on the United States to put an end, without preconditions, to the economic, commercial and financial blockade imposed against Cuba for more than five decades. The text likewise expresses its deep concern for and rejection of the extraterritorial dimension of the blockade, as well as the persecution on Cuba's international financial transactions, and calls upon the President of the United States to use his broad executive Powers to substantially modify the implementation of the blockade and the US Congress to lift it.

During the period covered by this Report, the website <http://www.cubavsbloqueo.cu/> has registered more than 200 declarations and condemnations against the blockade from solidarity movements, friendship associations, associations of Cubans residing abroad, several non-governmental organizations as well as municipal or provincial governments of several countries.

Added to these condemnations are the statements made by several parliaments, political parties and government and intellectual personalities. Following are examples of those:

- On June 25, 2016, during an official visit to Cuba, the President of the Seventieth Session of the UN General Assembly, H.E. Mogens Lykketoft, affirmed that the US blockade against Cuba is being overwhelmingly rejected by the International community, and referred to the necessity of eliminating that restrictive policy applied by Washington against the Island.
- On July 19, 2016, the members of the twenty seventh caravan of the inter-religious platform Pastors for Peace reiterated their rejection of the US blockade against Cuba and called for the immediate elimination of that policy. During a visit to Cuba, Gail Walker, executive director of Pastors for Peace, also urged the White House to return to Cuba the territory illegally occupied by the US Naval Base in Guantánamo, in the eastern part of the country and called for the ceasing of the attempts to subvert the revolutionary process defended by Cuba.
- On August 8, 2016, it was known that, in the context of the Olympics in Rio in 2016, the Committee of Solidarity with Cuba in Rio de Janeiro organized a visual campaign calling for an end to the blockade. With the authorization of the International Olympic Committee, propaganda material was placed on the buses that carried the athletes and spectators of the Olympics with a message that read: "For the End to the Blockade against Cuba."
- On September 10, 2016, during the traditional *L'Humanité* newspaper celebrations in France, its editor and also Euro-deputy Patrick Le Hyaric, called

for an end to the economic, commercial and financial blockade imposed by the United States against Cuba and described it as a criminal and unjust siege.

- On September 15, 2016, the Senate of the Dominican Republic adopted a resolution against the blockade imposed by the United States against Cuba, pointing out that the UN General Assembly had pronounced itself against the blockade, which has been implemented through the Helms-Burton Act of 1996 that violates the principles of International Law as well as the principles of the World Trade Organization.
- On September 17, 2016, during an official visit paid to Cuba, the President of Mongolia, H.E. Mr. Tsakhiagiin Elbegdorj, expressed that the blockade imposed by the United States against Cuba made absolutely no sense and criticized that unilateral policy.
- On September 17, 2016, the organizations of the Cuban emigration in Miami which are part of the coalition “*Alianza Martiana*”, organized an important motorcade to reiterate their call for the immediate lifting of the laws and regulations that make up the cruel and inhumane blockade policy.
- On September 26, 2016, in an interview offered to Prensa Latina, the then Foreign Minister of Ecuador, Guillaume Long, described the US blockade against Cuba as an unjust, illegitimate and stale policy and called for its elimination. He affirmed that Cuba enjoyed the full support of Ecuador (...) which, together with its President Rafael Correa, has always stood firm against the blockade.
- On September 26, 2016, the Association *Madres de Plaza de Mayo* of Argentina issued a communiqué rejecting and condemning the murderous blockade that the United States imposes against Cuba, which causes great harm and difficulties to the people. In that emotional message, *Madres de Plaza de Mayo* called on all citizens of the world to condemn the blockade and speak out against it to make known the international rejection of that policy.
- On September 28, 2016, during an official visit to Cuba, H.E. Mr. Pakalitha Bethuel Mosisili, Prime Minister of the Kingdom of Lesotho, stated that they will continue to call for the lifting of the blockade imposed by the United States against Cuba.
- On October 5, 2016, on the occasion of the official visit paid to Uganda by the Vice-president of the Council of State of the Republic of Cuba, Salvador Valdés Mesa, the Speaker of the Ugandan Parliament, the Honorable Mrs. Rebecca Kadaga, condemned the sanctions imposed by the US Government against Cuba for more than fifty years and strongly called for the lifting of the economic, commercial and financial blockade.
- On October 11, 2016, the Chamber of Deputies of Mexico pronounced itself in favor of the elimination of the blockade against Cuba. In its statement it urged the

Mexican Government to defend this stance at the UN General Assembly and urged the US Congress to put an end to the siege laid against the Caribbean Island.

- On October 14, 2016, the National Assembly of Ecuador adopted a resolution in solidarity with Cuba and calling for an end to the economic, commercial and financial blockade maintained by the Government of the United States against Cuba. In addition of expressing its solidarity with the Cuban people, the document stated that while there is an ongoing process aimed at the re-establishment of relations between Cuba and the United States, as long as the blockade persists and the territory of Guantanamo continues to be occupied by the US Naval Base, there would be no sign of normalcy in those commitments.
- On October 19, 2016, in an open letter, the Russian scholar Zhorés Alfiórov, a Nobel Laureate in Physics in the year 2000, spoke against the blockade that the US maintains against Cuba. In its letter, the outstanding scientist expressed: “US administration, be a worthy follower of the democratic traditions of your country! Stop the blockade against Cuba and the occupation of Guantánamo!”
- On October 19, 2016, in a statement delivered on the occasion of the seventieth anniversary of the House of Latin America in Paris, the then president of France, H.E. Mr. François Hollande, called for an end to the US blockade against Cuba and expressed that that policy made no sense in present times. The dignitary condemned the economic, commercial and financial siege that “creates hardships for the Cuban people.”
- On October 20, 2016, the World Federation of Democratic Youths (WFDY) called on all of its member organizations to join the international campaign against the unjust blockade that the US Government has imposed against the Cuban people for more than five decades and maintains even after the re-establishment of diplomatic relations between both nations. It resolutely condemned that unilateral US policy against Cuba “which should be eliminated without preconditions and further delays”.
- On October 21, 2016, the Parliament of Portugal unanimously adopted a resolution calling for an end of the long-standing blockade against Cuba. The text urged the Portuguese Government to call for an end to that economic, commercial and financial siege laid around the Island before the UN General Assembly.
- On October 24, 2016, from the UN headquarters in New York, the Human Rights Council independent expert for the promotion of a democratic and equitable international order, Alfred de Zayas, described the extraterritorial character of the US blockade against Cuba as outrageous. While being interviewed by *Prensa Latina*, the expert declared that, at some point in time, a court of justice should take a stand on the compensations owed to the Island, considering the damages caused by the siege, which have been estimated in the amount of billions of dollars.

- On October 25, 2016, The Jamaican Parliament approved for the eighth consecutive time a motion calling for the lifting of the economic, commercial and financial blockade against Cuba. The session which was attended by parliamentarians of the two most important parties in Jamaica, discussed for over an hour that criminal policy that the United States has imposed against the biggest Island in the Antilles for more than 50 years.
- On October 26, 2016, the Council of the Russian Federation (the Russian Senate) unanimously adopted a resolution which condemned the blockade imposed by the United States against Cuba for over half a century. The President of the Russian Senate, Valentina Matvienko, referring to the economic, commercial and financial siege imposed by Washington stated that it is high time to put an end to the blockade against the courageous people of Cuba.

CONCLUSIONS

The economic, commercial and financial blockade imposed by the Government of the United States against Cuba is being tightened and is fully implemented. This policy continues to be the only obstacle to the development of the Cuban economy and the full enjoyment of all human rights by the Cuban people.

The measures aimed at tightening the blockade announced by the administration of President Donald Trump on June 16, 2017, will affect and harm not only the Cuban people, but also the citizens and entities of the United States, whose possibilities of doing business with private individuals and companies in Cuba and exercising their constitutional right to free travel will be even more restricted.

There is still fear among the banking sector of the US and other countries to operate with Cuba, even after the Island was authorized to use American dollars in its international financial transactions. At the close of this Report, no significant transaction in that currency had materialized.

The period covered by this Report has witnessed increased refusals on the part of foreign financial and banking institutions to do business with Cuba. That has been translated into the ceasing of operations, the closure of Cuban bank accounts abroad and the rejection of transfers to or from Cuba, even in currencies other than the U.S. dollar.

The economic damages caused to the Cuban people as a result of the implementation of the economic, commercial and financial blockade imposed by the United States against Cuba, considering the devaluation of the US dollar vis-à-vis the price of gold in the world market, amount to **822 280 000 000 dollars** . The damages caused by the blockade during all these years -at current prices- are worth over **130 178 600 000 dollars**.

This Report evidences that the economic, commercial and financial blockade is not a bilateral issue between the United States and Cuba. Its extraterritorial character

persists and is fully implemented, with absolute impunity and in open violation of International Law.

The blockade against Cuba should cease. It is the most unjust, severe and longest-standing unilateral sanctions system ever imposed against any country. On 25 occasions, the UN General Assembly, by an overwhelming majority, has been in favor of observing International Law and the Principles and Purposes of the UN Charter.

The US Government should totally, unilaterally and unconditionally lift the blockade against Cuba. That would be consistent with the overwhelming appeal of the international community and the majority opinion of many different voices in the United States calling for an end to this unjust policy.

Cuba and its people are confident that they will be able to count on the support of the international community in their legitimate call for an end to the economic, commercial and financial blockade imposed by the Government of the United States of America.

Official Translation

EQUIPO DE SERVICIOS DE TRADUCTORES E INTÉRPRETES