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Tomorrow Should Be Celebratory. Instead, Another Disappointment.

One Year Since Biden-Harris Administration Approved First OFAC License Authorizing Direct Investment In And Direct Financing To A Privately-Owned Company In Cuba Owned By A Cuban National.

Neither Direct Investment Nor Direct Financing Was Delivered.

Government Of Cuba Has Not Published Regulations For Process To Deliver Funds.

Diaz-Canel-Vales Mesa Administration Officials Continue To Suggest Regulations Will Be Published By End Of 2023.

What Is The Incentive For The Biden-Harris Administration To Encourage OFAC And BIS To Issue Licenses Or Further Develop General Licenses To Deliver Direct Investment And Direct Financing Until The Government Of Cuba Issues Regulations Authorizing Delivery Of Direct Investment And Direct Financing To MSMEs In Cuba?

10 May 2023 should be celebrating one-year since a new commercial dawn. Hundreds of **MSMEs** (micro, small, and medium-sized enterprises) in the Republic of Cuba should be embracing their investors and sources of financing from the United States and delivering profit-sharing, interest, and principal payments.

On 10 May 2022, the Office of Foreign Assets Control (**OFAC**) of the United States Department of the Treasury at the direction of the **Biden-Harris Administration** (2021-) issued the first license authorizing direct investment in and direct financing to a privately-owned company located in the Republic of Cuba owned by the Republic of Cuba national. There was no necessity for a license from the Bureau of Industry and Security (**BIS**) of the United States Department of Commerce.

The OFAC license application was submitted on 10 June 2021 by Washington DC-based attorney Robert L. Muse (Telephone: (202) 460-3168; Email: robertmuse@robertmuse.com) who drafted the license application and shepherded the eleven-month inter-agency review process.

The sunrise of 10 May 2022 was followed by 365 days of darkness reflecting the lack of response from the government of the Republic of Cuba- absence of regulations for the process to deliver from the United States direct investment and direct financing to MSMEs in the Republic of Cuba.

The same government of the Republic of Cuba which for more than two years has maintained it welcomes direct investment and direct financing to MSMEs. There remains in Havana a distance between what is welcomed and what is approved.

The same government of the Republic of Cuba which for more than two years has maintained that the country desperately needs direct investment and direct financing. Another example of the distance between what is sought and what is approved.

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- [LINK: Biden-Harris Administration Approves First Equity Investment Since 1960 In A Private Cuban Company May 10, 2022](#)
- [LINK: With U.S. Government Authorization For First Direct Equity Investment Into A Private Company In Cuba, Here Is Important Context And Details. About The Parties; About The Message. May 16, 2022](#)
- [LINK: Biden Administration Will Use Cuba's Authorization Of SMSE's As Means To Expand Support For Cuba Private Sector- U.S. Investments And Loans May Be Next June 02, 2021](#)

The direct investment/direct financing delivery process should have been- and should be now, simple. One-page form submitted confidentially by an MSME to their Republic of Cuba government-operated financial institution which includes source(s), amount(s), and term(s) of direct investment or direct financing. No fees or taxes payable on the value of the direct investment and direct financing. No creating a separate account. No creating a separate entity. *That's it.*

From a multi-decade Washington DC-based observer: *“Tragically, there is no incentive for the OFAC to issue licenses or further develop general licenses for use by companies, entrepreneurs, and individuals in the United States until the government of Cuba issues regulations authorizing the delivery of direct investment and direct financing to MSMEs in Cuba. Despite repeated assurances during more than two years from officials in Havana to the contrary, there remains no reasonable prospect that direct investments will ever be approved. Leadership in Havana will not invest in their private sector- they prefer to continue to try to create new mixed entities formed between Cuba’s state sector and foreign corporations rather than facilitate direct private investment and direct private financing into existing MSMEs.”*