

U.S.-Cuba Trade and Economic Council, Inc.

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Why Is The United States Embassy In Havana, Republic Of Cuba, Renting Chinese-Built Electric Vehicles From A Republic Of Cuba Government-Operated Company?

Why Does United States Department Of State Refuse To Provide Details?

In January 2022, Assistant Secretary Of State Brian Nichols Refused An Offer By A Maryland-Based Company To Donate Four Electric Vehicle Chargers To The United States Embassy In Havana.

In 2017, First BIS License Issued To A United States Company To Export An Electric Vehicle And Charger From United States To An Embassy In Havana. BIS License Included United States Embassy; Company Reported Outreach From United States Embassy.

In 2022, First BIS License Issued To United States Company For Exporting Electric Vehicles To Cuban Nationals And Micro, Small, And Medium-Size Enterprises (MSMEs).

3 December 2021 from the United States Department of State: *“The Biden Administration has clearly articulated the United States’ goal to accelerate and deploy electric vehicles and charging stations, create good-paying, union jobs, and enable a clean transportation future to combat climate change. However, the United States Embassy in Cuba does not operate any electric vehicles nor has any solar power charging stations at our Embassy compound or residences in Havana. At this time, it would be unlikely that the United States Embassy consider importing one or more electric vehicles for use in Cuba in the near future due to impediments in the electrical infrastructure and lack of trained mechanics on the island to service electric vehicles.”*

- Operating in the Republic of Cuba are Amsterdam, Netherlands-based Stellantis N.V.-owned Sochaux, France-based **Peugeot** DTSR-171 electric vans (through a Republic of Cuba-based distributor) and Yokohama, Japan-based **Nissan** Motor Co., Ltd., Nissan NV200e electric vans. Republic of Cuba government-operated companies *Agua de la Habana* (with ten vehicles) and *ETECSA* use electric vans. These companies would not be using electric vehicles in the Republic of Cuba if mechanics were lacking. Electric vehicles from the People’s Republic of China are available through [Vehiculos Electricos Del Caribe](https://www.vedca.cu/) (<https://www.vedca.cu/>) and Republic of Cuba government-operated Transtur



3 February 2022 from the United States Department of State: *“On behalf of Ambassador Nichols, I would like to extend our gratitude to you for your generous offer to donate and install four electric vehicle chargers for use at the United States Embassy in Cuba. The Biden-Harris Administration has articulated the United States’ goal to accelerate and deploy electric vehicles and charging stations, and to enable a clean transportation future to combat climate change. The United States*

U.S.-Cuba Trade and Economic Council, Inc.

Embassy in Cuba currently does not operate any electric vehicles at our Embassy compound or residences in Havana. Due to impediments in the electrical infrastructure and a lack of trained mechanics on the island to service electric vehicles, it is unlikely that the United States Embassy will consider importing one or more electric vehicles for use in Cuba in the near future. Given that your donation would largely remain unused at this time, we politely decline your kind offer. Thank you again and best wishes on your continued efforts exporting green technologies throughout the Caribbean.”

Fifteen months later, why was not the first thought of Brian Nichols, Assistant Secretary of State for Western Hemisphere Affairs (WHA), United States Department of State, to direct the Office of Cuban Affairs within WHA to contact again Colombia, Maryland-based **Premier Automotive Export, Ltd.**, company which in January 2022 offered to donate and install electric vehicle chargers to the United States Embassy in Havana and which in November 2022 was the first United States-based company to obtain licenses (five since 2017) from Bureau of Industry and Security (BIS) of the United States Department of Commerce to export electric vehicles from the United States to the Republic of Cuba?

The United States Embassy in Havana, Republic of Cuba, is renting reportedly four (4) electric vehicles manufactured in the People’s Republic of China from a Republic of Cuba government-operated company. The following questions were posed to the United States Department of State:

- 1) **When was each vehicle rented?**
- 2) **How many vehicles are rented?**
- 3) **The name of the manufacturer of each vehicle?**
- 4) **From which company in the Republic of Cuba were the vehicles rented?**
- 5) **How much is the United States Department of State paying for each vehicle?**
- 6) **What is the duration for the rental of each vehicle?**
- 7) **Please provide an image of each vehicle.**
- 8) **How are the vehicles being re-charged at the United States Embassy?**

The United States Department of State provided via email two statements. Both are attributable to a United States Department of State Official:

- **8 May 2023:** *“The Embassy is facing an emergency fuel crisis and is renting various electric vehicles from a local car rental agency until the crisis subsides. There are no American made electric vehicles available to rent in Cuba.”*
- **9 May 2023:** *“As noted in our previous response, the Embassy is facing an emergency fuel crisis and has taken temporary measures to ensure continuity of operations. Because of the fluid situation regarding fuel, the details you request change on a daily basis. The rental agency is not listed on the [Cuba Restricted List](#). There is nothing more to share at this time.”*

During the **Obama-Biden Administration** (2009-2017) and then during the **Trump-Pence Administration** (2017-2021) Colombia, Maryland-based **Premier Automotive Export, Ltd.**, and Miami, Florida-based **Premier Automotive Export, Ltd.**, were awarded the first two licenses from the BIS to export electric vehicles and electric vehicle charging stations from the United States to the Republic of Cuba. Exports to the United States Embassy in the city of Havana, Republic of Cuba, were specifically authorized by the second license. PAE has received five BIS licenses since

U.S.-Cuba Trade and Economic Council, Inc.

2017 including the first BIS license to export an electric vehicle to an embassy located in the Republic of Cuba. [LINK](#).

On 17 November 2022, the **Biden-Harris Administration** (2021-) approved a license application to the BIS submitted on 22 October 2022 by PAE to export electric vehicles and chargers to republic of cuba nationals with the “*ULTIMATE CONSIGNEE: Privately owned companies in the Republic of Cuba owned by Cuba Nationals.*” The BIS license is valid until 30 November 2026.

24 January 2022

*The Honorable
Brian A. Nichols
Assistant Secretary of State for Western Hemisphere Affairs
United States Department of State
2201 C Street, NW
Washington DC 20520*

Dear Ambassador Nichols:

excerpts

I am writing you today to obtain authorization for my company to donate to the United States Department of State four (4) electric vehicle (EV) chargers for use at the Embassy of the United States in the city of Havana, Republic of Cuba, and for use at the Residence of the United States Ambassador in the city of Havana, Republic of Cuba. My company would also coordinate the installation if beneficial to expediting the process.... I previously received from the Embassy of the United States in the Republic of Cuba an inquiry about sourcing an electric vehicle.

*2- **Clipper Creek** LCS-40, Clipper Creek Level II Charger is a 40 Amp charger fitted with the J-1772 universal charging connector*

EAR99

US\$875.00

<https://store.clippercreek.com/residential/hcs-40-hcs-40p-ev-charging-station>

*2- **Tesla** Wall Connector Gen 3 (208/240V)*

EAR 99

US\$550.00

<https://www.tesla.com/support/home-charging>

One Clipper Creek EV charger would be located at the United States Embassy and one Clipper Creek EV Charger would be located at the Residence of the United States Ambassador. One Tesla EV charger would be located at the United States Embassy and one Tesla EV Charger would be located at the Residence of the United States Ambassador.

*The reason for the donation of electric vehicle chargers from different manufacturers is twofold. First, unknown which manufacturer and model of electric vehicle(s) will the United States Department of State purchase for use in the Republic of Cuba. Second, the Biden-Harris Administration continues to promote favorably manufacturers and models of electric vehicles from companies with union representation for their employees. Austin, Texas-based **Tesla, Inc.**, is non-union. Detroit, Michigan-based **General Motors Company**; Dearborn, Michigan-based **Ford***

U.S.-Cuba Trade and Economic Council, Inc.

*Motor Company; and Amsterdam, The Netherlands-based **Stallantis N.V.** (Chrysler, Dodge, Jeep, etc.) are union.*

Background

On 17 November 2022, the Biden-Harris Administration (2021-) approved a license application submitted on 22 October 2022 by Columbia, Maryland-based [Premier Automotive Export, Ltd.](#) (PAE) to the BIS to export electric vehicles and chargers to republic of cuba nationals with the “*ULTIMATE CONSIGNEE: Privately owned companies in the Republic of Cuba owned by Cuba Nationals.*” The BIS license is valid until 30 November 2026. PAE has received five BIS licenses since 2017 including the first BIS license to export an electric vehicle to an embassy located in the Republic of Cuba. [LINK](#).

LINK: [Home Delivery For Electric Scooters To Cuba: As Biden-Harris Administration Expands U.S. Export Opportunities, A U.S. Company Responds Quickly To Customer Requests. Next Correspondent Banking? December 04, 2022](#)

LINK: [Ten Months After Denial, Biden-Harris Administration Approves Exports Of Electric Motorcycles, Electric Scooters To Cuba Nationals And To Privately-Owned Companies In Cuba October 05, 2022](#)

On 28 September 2022, the BIS issued a license to PAE for the export of electric scooters and electric bicycles to Republic of Cuba nationals and to MSMEs.

On 15 December 2021, the BIS denied a license application submitted on 30 September 2021 by PAE to export electric vehicles and chargers to republic of cuba nationals. From the license application: “*Specific End Use- Ordinary Cuban Nationals would be the specific End User and purchasing electric vehicle for their own personal transportation.*”

- From the BIS: “*There is a general policy of denial for exports and reexports to Cuba of items subject to the EAR, as described in Section [746.2\(b\)](#) of the EAR. However, there are exceptions to the general policy of denial, some of which are listed below: ... Items necessary for the environmental protection of U.S. and international air quality, waters and coastlines, including items related to renewable energy or energy efficiency, are generally approved.*”
- A license exception is a general authorization to export or reexport certain items without a license under stated conditions. Only the license exceptions, or portions thereof, listed [Section 746.2\(a\)\(1\) of the EAR](#) are available for Cuba.... Support for the Cuban People: License Exception Support for the Cuban People (SCP) “§ 740.21 *Support for the Cuban People (SCP). (a) Introduction. This License Exception authorizes certain exports and reexports to Cuba that are intended to support the Cuban people by improving their living conditions and supporting independent economic activity; strengthening civil society in Cuba; and improving the free flow of information to, from, and among the Cuban people. (b) Improving living conditions and supporting independent economic activity. (1) Items for use by the Cuban private sector for private sector economic activities... (2) Items sold directly to individuals in Cuba for their personal use or their immediate family's personal use,*” [LINK](#)

U.S.-Cuba Trade and Economic Council, Inc.

Potential customers of PAE have inquired about installment payments for the purchase of EVs. As monthly payments would be minimal in value, the fees for sending the funds through a third country financial institution may be a substantial percentage of the installment amount. Flexibility to provide installment payments will further enhance the cashflow of an MSME and further connect the MSME with the United States-based company. The Office of Foreign Assets Control (OFAC) of the United States Department of the Treasury needs to re-authorize direct correspondent banking.

LINKS TO RELATED ANALYSES

[State Department, NSC, OFAC, BIS, USDA Don't Understand Requirements For Financial Plumbing To Function Efficiently. They Excel In Creating, Maintaining, And Defending Clogs. May 16, 2023](#)

[Biden-Harris Administration Issues Third Known BIS/OFAC License Authorizing Vehicle Exports From U.S. To Cuba. Payments Still Must Move Through Third Countries. May 12, 2023](#)

[Cuba Reports Creation Of 294 New MSMEs. 3.7% Are Government-Operated Companies Becoming "Private" Companies. May 10, 2023](#)

[Why Is One-Year Anniversary Of Biden-Harris Administration Approving First Investment/Financing To Private Company In Cuba A Disappointment? Cuba Has Not Published Regulations For Delivering It. May 9, 2023](#)

[Why Do U.S.-Based Financial Institutions Avoid Cuba? OFAC Uses 54 Pages To Describe "De-Risking" Reasons. Irony? They Lament The Impact Of Their Decisions. Then Why Create Them? May 7, 2023](#)

[Logic From U.S. Department Of State: If We Permit It, Cuba Might Not Use It, So We Won't Permit It. And, Yes, No One Asked Cuba. And, No One Asked U.S. Banks, Companies. May 1, 2023](#)

[Biden-Harris Administration Approves Second Known License For A U.S. Company To Export Vehicles And Equipment To Private Companies In Cuba. Payment? That Remains A Problem. OFAC Doesn't Care. Apr 29, 2023](#)

[Cuba "Streamlining" Approval Process For Agriculturally-Focused Economic Associations With Foreign Capital. Still No Regulations For U.S.-Sourced MSME Private-Sector Foreign Investment/Financing Apr 27, 2023](#)

[Cuba Seeking Investors, Financing For State-Owned Companies. U.S. Entrepreneurs Waiting Since May 2022 For Cuba Regulations To Deliver Investment And Financing To Private Companies In Cuba Apr 27, 2023](#)