

Treasury Prohibits Cuban Military from Processing Remittance-Related Transactions



October 26, 2020

WASHINGTON – Today, the Department of the Treasury’s Office of Foreign Assets Control (OFAC) amended the Cuban Assets Control Regulations (CACR) to remove Cuba’s military-run entities from the remittance process. Specifically, OFAC is amending the CACR to remove from the scope of certain remittance-related general authorizations any transactions relating to the collection, forwarding, or receipt of remittances involving entities or subentities identified on the State Department’s Cuba Restricted List (CRL). The CRL, as maintained by the State Department, is a list of entities and subentities under the control of, or acting for or on behalf of, the Cuban military, intelligence, or security services or personnel with which direct financial transactions would disproportionately benefit such services or personnel at the expense of the Cuban people or private enterprise in Cuba. This action is intended to restrict such entities’ and subentities’ access to fees, commissions, or other funds obtained in connection with remittance-related activities. As a result of these changes, persons subject to U.S. jurisdiction will no longer be authorized to process remittances to or from Cuba through FINCIMEX or any other entity or subentity on the CRL.

“Cuba’s military-run institutions such as FINCIMEX take advantage of ordinary Cubans who rely on remittances, extracting fees for the Cuban military’s own benefit,” said Secretary Steven T. Mnuchin. “The Cuban people should have the freedom to decide what to do with their own money, without interference from the military.”

For the latest changes to the CACR, which can be found at 31 Code of Federal Regulations (CFR) part 515, see [here](#).

Prohibiting Cuban Military Processed Remittance-Related Transactions with Cuba Restricted List Entities and Subentities

OFAC is amending three general licenses to exclude from the scope of such authorizations any transaction relating to the collection, forwarding, or receipt of remittances involving any entity or subentity identified on the Cuba Restricted List. OFAC is also making corresponding amendments to clarify that such remittance transactions are not permitted as ordinarily

incident to a licensed transaction where excluded from the relevant OFAC general or specific license.

This restriction applies regardless of whether the transaction with the CRL entity or subentity is direct or indirect, and is distinct from the prohibition on direct financial transactions that OFAC added to the CACR in November 2017.

This change provides for a 30-day implementation period before it is effective in order to allow for technical implementation of these additional restrictions.

For more information on Cuba sanctions, click [here](#).

####