
Iran & Cuba Regulatory Changes

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Recent changes in United States government policies regarding Iran and Cuba may directly affect certain industries. Businesses should remain abreast of current and forthcoming regulatory developments which could impact their respective industries in the short and long term future.

Iran

- In July, China, France, Germany, the Russian Federation, the United Kingdom and the United States reached a deal with Iran which seeks to limit the scope of Iran's nuclear program.
- As a result of the agreement, sanctions related to Iran's nuclear program will be lifted.
- The agreement has yet to be approved by Congress and has yet to be implemented.
- Most U.S. exports to Iran are still prohibited and most American businesses will remain prohibited from conducting business in Iran even if the agreement is ultimately implemented.
- If implemented, the agreement will allow the sale of commercial passenger aircraft and related parts and services to Iran.
- The importation into the U.S. of Iranian carpets and foodstuffs, including caviar and pistachios, would be allowed if the agreement is implemented.

Cuba

- On December 17, 2014, the Obama Administration announced its plan to re-establish diplomatic relations with Cuba, increase travel opportunities, authorize the sale and export of certain goods and services from the U.S. to Cuba, and allow for the importation of certain goods from Cuba by American citizens.
- The U.S. trade embargo on Cuba remains in place and U.S. citizens remain prohibited from undertaking most transactions and investments with Cuba.
- While tourist travel by Americans to Cuba is still prohibited, new regulations facilitate authorized travel to Cuba.
- The export of some consumer devices, related software, applications, hardware, and goods and services used for the establishment and updating of communications systems is now authorized.
- U.S. companies are authorized to provide telecommunications and internet services in Cuba.
- U.S. financial institutions will be permitted to open correspondent accounts at Cuban financial institutions.
- U.S. citizens and businesses will now be able to import certain goods and services produced by independent Cuban entrepreneurs.
- The use of U.S. credit and debit cards will be permitted in Cuba.

As the U.S. government continues to release guidance and implementing regulations regarding Cuba and Iran, businesses should remain vigilant as to how these changes could impact their business priorities. Please do not hesitate to contact us if you have any questions or concerns as you begin to examine such regulations.