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**General Council  
14 and 15 December 2023**

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**CUBA – ARTICLE XV:6 OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE 1994**REPORT BY THE GOVERNMENT OF CUBA UNDER THE DECISION OF 23 NOVEMBER 2021  
([WT/L/1128](#))

The following communication, dated 30 November 2023, is being circulated at the request of the delegation of Cuba.

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**1 PURPOSE AND BACKGROUND OF THE REQUEST**

1.1. Pursuant to the provisions of Article IX:4 of the Agreement Establishing the World Trade Organization (WTO), the Government of the Republic of Cuba hereby submits its second annual report on the waiver extension granted under the Decision of 23 November 2021 ([WT/L/1128](#)). This waiver extension was initially granted to Cuba under the Decision of 14 October 1996 ([WT/L/182](#)) in relation to Article XV:6 of the General Agreement on Tariffs and Trade 1994 (GATT 1994).

1.2. The waiver providing relief from the provisions of paragraph 6 of the above-mentioned Article was granted to the Government of Cuba under the Decision of 7 August 1964, and successively extended on 18 October 1996<sup>1</sup>, 20 December 2001<sup>2</sup>, 15 December 2006<sup>3</sup>, 14 December 2012<sup>4</sup>, 7 December 2016<sup>5</sup> and 23 November 2021<sup>6</sup>.

1.3. The circumstances that justified the waiver extension granted in 2021 have continued to worsen. This applies, in particular, to the economic, trade and financial blockade measures that the Government of the United States of America continues to impose on Cuba, which have been aggravated by the impact of the SARS CoV-2 (COVID-19) pandemic, the global economic and financial crisis caused by this disease, and other international conflicts.

1.4. The new Democrat administration that entered the White House in January 2021 has continued to apply the 243 measures imposed by the previous administration. The actions announced in May 2022, while welcomed as positive, have been of limited benefit to the Cuban people. As a result, the country's economic and social conditions have continued to decline, without in any way reflecting the efforts and sacrifice made by Cuba to advance its development.

1.5. The following set of existing measures continue to form the basis for the hostilities, and their impact at the international level acts as a deterrent to relations with Cuba:

- On 17 April 2019, the Secretary of State issued a statement announcing the full activation of Title III of the Helms-Burton Act as of 2 May 2019.

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<sup>1</sup> [WT/L/182](#).

<sup>2</sup> [WT/L/440](#).

<sup>3</sup> [WT/L/678](#).

<sup>4</sup> [WT/L/850](#).

<sup>5</sup> [WT/L/1003](#).

<sup>6</sup> [WT/L/1128](#).

- On 4 June 2019, the Office of Foreign Assets Control (OFAC) announced a policy of refusing travel licences for passenger transport (cruise ships), recreational vessels and private aircraft.
- On 23 October 2020, OFAC banned persons under US jurisdiction from processing remittances to and from Cuba that involve entities included on the Department of State's Cuba Restricted List, thereby directly impacting remittances sent through FINCIMEX and the AIS.
- On 1 January 2021, the Department of State added the Banco Financiero Internacional S.A. to the Cuba Restricted List.
- On 11 January 2021, Cuba was added to the State Sponsors of Terrorism list.

1.6. The policy of economic and financial persecution has continued to intensify against third-country banks and firms, thus generating greater obstacles for the Cuban bank in its international operations. The central aspects of this situation are the considerable fines imposed on major European Banks, the implementation of Title III of the Helms-Burton Act and Cuba's inclusion, once again, on the State Sponsors of Terrorism list. This last measure, as well as being illegal and unjustified, continues to be widely criticized and rejected by the international community, as reflected in the UN's overwhelming vote against the blockade policy in November 2022. In addition, the Government of Colombia has asked the United States Government on several occasions to remove Cuba from the list<sup>7</sup>, and numerous world leaders have spoken out against this illegal and absurd decision at various international events.

1.7. The use of US currency continues to be banned in the country's external commercial and financial operations, which generates substantial losses on account of changes in the exchange rates between the US dollar and the currencies of third countries in which receipts and payments are executed, as well as other additional costs.

1.8. In 2022, the tightening of the blockade in the financial sphere reflected similar figures to the previous year, adding to the strain accumulated over time. More than 260 actions were involved, relating to more than 100 foreign banks. The most significant of these actions, in terms of impact and frequency, include the refusal to open bank accounts and close existing ones; the reversal of transfers and the cancellation of other banking operations; the cancellation of SWIFT Relationship Management Application (RMA) keys; the cancellation of correspondent agreements; and the refusal to open and notify letters of credit.

1.9. Despite Cuba having been put back on the State Sponsors of Terrorism list, the country continues to fulfil its obligations as part of the Financial Action Task Force of Latin America (GAFILAT), where the results achieved show that, to date, Cuba is among the countries that have obtained the best results at the global level, reflecting its context and actual situation. Cuba's aim to become fully integrated into the international network of countries seeking to combat money laundering, the financing of terrorism and the proliferation of weapons of mass destruction has thus been achieved.

## 2 JUSTIFICATION

2.1. The rigid and hostile blockade policy against Cuba continues to be the main impediment to the country's economic development, by hampering the performance of all sectors of its domestic economy, substantially increasing economic costs and impeding access to external financial flows, and obstructing essential imports, mainly food, medicines and fuel.

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<sup>7</sup> The Donald Trump administration used as an argument for putting Cuba back on the State Sponsors of Terrorism list, the request that the Government of Colombia had made to the Government of Cuba for the extradition of various members of the National Liberation Army (ELN) living in Cuba, which did not correspond to Cuba's commitments as a guarantor of these negotiations.

2.2. Consequently, the country's efforts to integrate into the world trading system are being made under particularly difficult conditions, as a result of a policy that contradicts the principle of free trade.

2.3. The blockade legislation also prohibits loans to Cuba by multilateral and regional financial organizations, thereby denying the country access to sources of long-term financing under favourable conditions and forcing it to resort to short-term loans with high interest rates and supplier financing on a much less flexible basis than credit from financial institutions and official sources.

2.4. The blockade is a blatant violation of international law and the principles of free trade and navigation enshrined in numerous international legal instruments, including the rules of the WTO. It runs counter to the purposes and principles of the United Nations Charter, while constituting an infringement of a sovereign State's right to peace, development and security.

2.5. The main laws that remain in force and allow the blockade to continue are the following:

- The Trading With the Enemy Act (TWEA), originally enacted as a wartime measure in 1917 to restrict trade with nations that were considered hostile. It was on this law that the first regulations of the 1962 blockade against Cuba were based. In September 2015, arguing foreign policy interests, President Obama renewed this Act, which constitutes the cornerstone of the laws and regulations governing the blockade, for one more year.
- The Foreign Assistance Act, enacted by the United States Congress in September 1961, authorizing the President of the United States to establish and maintain "a total embargo on trade between the United States and Cuba". It also prohibits the granting of any aid to the Government of Cuba.
- The Export Administration Act (EAA), adopted in 1979, which empowers the President to control, in general, exports and re-exports of goods and technology, in particular those that are considered detrimental to the national security of the United States.
- The Cuban Democracy Act (CDA), better known as the "Torricelli Act", signed by President Bush Senior in October 1992, reinforcing the economic measures against Cuba and providing a legal basis for the extraterritoriality of the blockade. Among other restrictions, it prohibits subsidiaries of North American companies in third countries from doing business with Cuba or Cuban nationals, and prohibits the entry into North American territory, for a period of 180 days, of ships from third countries that have touched port in Cuba.
- The Cuban Liberty and Democratic Solidarity (LIBERTAD) Act, commonly known as the "Helms-Burton Act", approved by President Clinton in March 1996. Its essential aim is to impede and discourage foreign investment and to internationalize the blockade against Cuba. It codifies the provisions of the blockade, limiting the President's prerogatives to suspend the policy and broadening its extraterritorial scope. It denies entry into the United States of directors of foreign companies (and their family members) that invest in "confiscated" property in Cuba and provides for the possibility of filing legal action against them in the US courts.
- The Export Administration Regulations (EAR), which regulate the exceptions to the Export Administration Act or those that are authorized under licences issued by the Bureau of Industry and Security of the Department of Commerce. They come under the Trading With the Enemy Act and the Export Administration Act.

2.6. This body of legislation, applied over six decades, has caused severe economic damage to Cuba estimated at 153,197 million dollars at current prices, and amounting to 1,391,111,000 dollars by the end of February 2022, taking into account the depreciation of the dollar against the value of gold in the international market.

2.7. Moreover, the economic, commercial and financial siege that has been kept in place unchanged by all the US administrations since 1961 imposes extraterritorial restrictions on Cuba that also affect other WTO Members.

2.8. For Cuba, 2022 was a very difficult and complex year, characterized by severe economic and financial tensions: the continuation of the US blockade of Cuba; the rising costs of the impact of catastrophic weather events on the island; the conflict between Russia and Ukraine that began in February 2022, which had an adverse effect on food and energy prices, exacerbating inflationary pressures that were already noticeable in 2021; the tightening of international financial conditions to reduce inflation, which reached unprecedented levels in most economies; and the persistence of the COVID-19 pandemic, which brought additional costs for the country due to the need to maintain disease control levels.

2.9. The host of difficulties mentioned above prevent the signing of a special exchange agreement with WTO Members.

2.10. In the midst of this adverse scenario, the economy expanded by an annual rate of 1.8% in 2022, thereby sustaining the trajectory of gradual recovery following growth of 1.3% in 2021. While moderate, this result signifies a halt in the downturn seen in 2019 (0.2%) and 2020 (10.9%). This increase was underpinned by the positive performance of the tertiary sector, which experienced growth of 3.1% and accounted for 88.5% of total GDP.

2.11. In 2022, tourism continued on its path to recovery after 2020 and 2021, despite falling short of projected growth forecasts.

2.12. Economic measures continued to be taken to promote work in the non-state sector. By the end of the year, 1,609,700 people were involved in this type of work, an increase of 7.4% compared to 2020. Work in this sector is expected to continue to increase as activities included in the new forms of non-state management expand.

2.13. In 2021, the creation of micro, small and medium-sized enterprises (MSMEs) led to new actors entering the economy. Such enterprises are wealth-generating sources that can help increase production and services. These entities continued to grow throughout 2022.

2.14. In 2022, the country made progress regarding the following economic and social aspects:

- The average monthly wage of workers increased by 9.5% in nominal terms; however, real wages were affected by high inflation in the country. In terms of employment, the number of employed people fell by 7.2% in the state sector, while it increased by 7.4% in the economy's non-state sector.
- While the infant mortality rate at birth and the under-five mortality rate per 1,000 live births rose in 2022 due to the effects and complexity of COVID-19, which unfortunately also affected the paediatric population, these rates remain low compared to those of other Latin American and Caribbean countries.
- Total registration at the start of the 2021/2022 academic year stood at 2,029,498 students for all types of education (pre-school, primary and secondary education, special education, higher education, vocational and skills training and adult education) – an increase of 0.6% from the previous year.
- In the 2021/2022 academic year, 404,055 students graduated from all levels of education, an increase of 9.3% over the previous school year.

2.15. All the above factors show that the particular circumstances that gave rise to the extension approved on 23 November 2021 of the waiver extension granted to Cuba under the Decision of 7 December 2016 continue to exist. Cuba confirms its willingness to comply with the principles laid down in the General Agreement.

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