

ABC Forum On Cuba, Inc.

113 Fourth Street S.E., Washington, DC 20003

Tel. (202) 543-3210 Fax (202) 543-5177

Facsimile Transmission SheetTo: John WeinfurterFax #: 225 - 5373From: Susan TrabucchiDate: 16 JanuaryRe: License to travelNumber of Pages Including Cover Sheet 11

Without a moment to spare, the
license has arrived! I have
faxed to Gulfstream Airlines.
Here's your copy.



DEPARTMENT OF THE TREASURY
WASHINGTON

OFFICE OF FOREIGN ASSETS CONTROL

1500 Pennsylvania Ave., N.W.
Annex Bldg., 2nd Floor
Washington, DC 20220

Date: 1/16/96

Phone: 202/622-2500
FAX: 202/622-1657

NUMBER OF PAGES 4 + 6
(including cover sheet)

TO: Michael J. Ryan James Mc Govern
& J. Bernard Robinson

FROM: R. Richard Newcomb

COMMENT: _____

Recipient's Phone# 305/871-7479
202/543-5177

Recipient's FAX# _____

IF THIS TRANSMISSION IS INCOMPLETE, PLEASE CALL: 622-2480

FTS: 202/622-2500



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

C-18167a

Dear Mr. Ryan:

On January 15, 1996, the ABC Forum on Cuba, Inc. ("ABC") received a license from the Office of Foreign Assets Control ("FAC") authorizing transactions related to a conference sponsored by ABC in Cuba entitled, "The United States and Cuba: A New England Perspective." In addition to authorizing the conference itself, the license authorized the travel-related transactions of participants in the conference. This license was issued pursuant to § 515.574 of the Cuban Assets Control Regulations, 31 C.F.R. Part 515 (the "Regulations"), a new provision entitled "Support for the Cuban People," which articulates a basis for authorizing transactions that are intended to strengthen and foster civil society in Cuba and promote independent activity.

You indicated in a number of submissions to FAC in support of your license application that the participants in the conference were committed to exploring a variety of possible activities in Cuba consistent with the purpose of § 515.574, that is, providing support to the Cuban people. According to your representations, that is the sole purpose of the trip. We have agreed to license the conference based on those representations and your assurance that no other activities inconsistent with the intent and purpose of § 515.574 will be undertaken.

In a letter from ABC's counsel, J. Bernard Robinson, dated January 12, 1996, he indicated that ABC would like to conduct additional conferences in the future. Whether ABC will receive similar licenses in the future will depend on the effectiveness of this conference in launching licensable initiatives consistent with the Regulations. We look forward to discussing the conference with you upon your return and after the filing of your written report with FAC. In addition, we will discuss with the attendees their participation as well as their future plans for projects in Cuba.

Sincerely,

A handwritten signature in black ink that reads "Richard Newcomb".

R. Richard Newcomb
Director
Office of Foreign Assets Control

Mr. Michael J. Ryan
ABC Forum on Cuba, Inc.
113 Fourth Street, S.E.
Washington, DC 20003

Enclosure



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

Cuban Assets Control Regulations

License No. C-18167a

LICENSE

(Granted under the authority of 50 U.S.C. App. 5(b), 22 U.S.C. 2370(a), 22 U.S.C. 6001 et. seq., Executive Order 9193, Executive Order 9989, Proclamation 3447, and 31 CFR Part 515)

To: Michael J. Ryan, James McGovern & J. Bernard Robinson
(the "Licensees")
ABC Forum on Cuba, Inc.
113 Fourth Street, S.E.
Washington, D.C. 20003
Attn: Michael J. Ryan

1. Pursuant to your application of December 13, 1995, as supplemented January 2, January 12, and January 14, 1996, the transactions described fully on Page 2 are hereby licensed.

2. This license is granted upon the statements and representations made in your application, or otherwise filed with or made to the Treasury Department as a supplement to your application, and is subject to the conditions, among others, that you comply in all respects with all regulations, rulings, orders and instructions issued by the Secretary of the Treasury under the authority of Section 620(a), Public Law 87-195, or under the authority of section 5(b) of the Act of October 6, 1917, as amended, and the terms of this license.

3. The licensees shall furnish and make available for inspection any relevant information, records or reports requested by the Secretary of the Treasury or any duly authorized officer or agency of the Secretary. Such records shall be made available for examination upon demand for examination upon demand for at least 5 years from the date of the license. Such records shall clearly demonstrate the applicability of the authorization set forth in SECTION 1 above.

4. This license expires on January 30, 1996, is not transferable, is subject to the provisions of Title 31, Part 515 of the Code of Federal Regulations, and any regulations and rulings issued pursuant thereto and may be revoked or modified at any time at the discretion of the Secretary of the Treasury acting directly or through the agency through which the license was issued, or any other agency designated by the Secretary of the Treasury. If this license was issued as a result of willful misrepresentation on the part of the applicant or his duly authorized agent, it may, in the discretion of the Secretary of the Treasury, be declared void from the date of its issuance, or from any other date.

5. This license does not excuse compliance with any law or regulation administered by the Office of Foreign Assets Control or another agency (including reporting requirement) applicable to the transaction(s) herein licensed, nor does it release the Licensee(s) or third parties from civil or criminal liability for violation of any law or regulation.

Issued by direction and on behalf of the Secretary of the Treasury:

OFFICE OF FOREIGN ASSETS CONTROL

By

Richard Newcomb 1/16/96
R. Richard Newcomb, Director

[Attention is directed to 19 U.S.C. 1592 and 1595a, 18 U.S.C. 545, 18 U.S.C. 1001, 50 U.S.C. App. 16, and 31 CFR 515.701 et. seq. for provisions relating to penalties.]

License No. C-18167-a

- Page 2 of 2 -

Licensees: Michael J. Ryan, James McGovern & J. Bernard Robinson

SECTION 1 - AUTHORIZATION:

a) This license authorizes all transactions related to the sponsorship of a conference in Cuba entitled, "The United States and Cuba: A New England Perspective" (the "Conference") to be held January 16-19, 1996, pursuant to Section 515.574 of the Cuban Assets Control Regulations, 31 CFR Part 515.

b) Transactions incident to travel to, from and within Cuba are authorized for the duration of the conference (excluding departure and arrival days) for the following Conference participants:

- James L. Ackerman - *Partner of Day, Berry, & Howard*
- Peter C. Aldrich
- James Arena-DeRosa
- Kathryn Burns
- Leslie Bumstead
- Michael Delaney
- Leonel Gomez
- H.D.S. Greenway
- Richard Hartman
- Anthony E. Malkin
- Jonathon R. Malkin
- James McGovern
- Sydney L. Miller
- J. Joseph Moakley
- John Pattillo
- Gilbert S. Peirce
- Praxedes Rivera-Ferrer
- J. Bernard Robinson
- Brian G. Rothwell
- Michael J. Ryan
- John A. Simourin
- Regina M. Villa
- ~~John A. Simourin~~
- Donald Wertlieb

SECTION 2 - WARNING: This license does not authorize the Conference participants to engage in any transactions or other activities inconsistent with Section 515.474, "Support for the Cuban People."

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12/6/95

SUPPORT FOR THE CUBAN PEOPLE

Background

On October 6 of this year, President Clinton announced a number of measures intended to further the ability of individual Americans and U.S. Non-Governmental Organizations (USNGOs) to contribute to the strengthening of civil society in Cuba. Among these measures was the decision to create a new license category in the Cuban Assets Control Regulations based on the provisions of the Cuba Democracy Act of 1992. On October 13 the Treasury Department issued regulation 515.574 based on the "Support for the Cuban People" section of the Cuba Democracy Act. This new regulation allows for the issuance of specific licenses for transactions related to activities that will support the development of civil society in Cuba. The license category broadens the scope of licensable activities beyond that which may be permitted under educational, research and humanitarian regulations.

The Treasury Department has authorized by general license commodity exports that have been licensed by the Commerce Department. A Department of Commerce regulation is planned that will cover commodity exports to Cuba when such exports are deemed to contribute to the same purpose for which the new Treasury regulation was issued. However, until this new Commerce Department license is issued, applicants for Treasury licenses under the Support for the Cuban People license category should be aware that the Commerce Department can only license exports of commodities authorized pursuant to present regulations permitting educational, religious and humanitarian exports.

The License Regulation

Section 515.574 Support for the Cuban People reads as follows:

"(a) Specific licenses may be issued on a case-by-case basis for transactions intended to provide support for the Cuban people including, but not limited to, the following:

- (1) Activities of recognized human rights organizations; and
- (2) Activities of individuals and non-governmental organizations which promote independent activity intended to strengthen civil society in Cuba.

(b) Licenses will only be issued pursuant to this section upon a clearly articulated showing that the proposed transactions are consistent with the purposes of this part and that no significant accumulation of funds or financial benefit will accrue to the government of Cuba."

The Application and Review Process

Applications should be submitted to the following address:

Director of the Office of Foreign Assets Control
Department of Treasury
1500 Pennsylvania Ave. N.W. -- Annex
Washington, D.C. 20220
phone: (202) 622-2480 fax: (202) 622-1657

Applications for an OFAC Support for the Cuban People license will be referred by the Department of Treasury to the Department of State for interagency review, prior to issuing or denying the license.

License applications should include information concerning:

- Description of the U.S. applicant, including relevant experience;
- Description of the Cuban counterpart organization;
- Description of the proposed activity, including proposed travel, commodities and financial transactions; and
- Description of proposed monitoring and evaluation arrangements.

Support for the Cuban People activities may include technical assistance, training, financial assistance and commodities. If commodities are included, a Commerce Department license should also be obtained by contacting the following:

Office of Exporter Services
P.O. Box 273
Bureau of Export Administration
Department of Commerce
Washington, D.C. 20230
phone: (202) 482-4811 fax: (202) 482-3617

Review Considerations

The following are some of the main factors that will be considered in reviewing applications:

Groundwork

License applications require "a clearly articulated showing" that the proposed transactions are consistent with the terms of the regulation. For most activities, this will require the applicant to be reasonably familiar with the target group and the realities of operating in Cuba. Other NGOs that have operated in Cuba provide an excellent source of information. Prospective license applicants who would like advice on their proposed activities

prior to formally soliciting a license may contact Kevin Sullivan in the Department of State's Office of Cuban Country Affairs at 202-647-9273. You may also contact the co-chairs of the Support for the Cuban People Interagency Working Group -- Peter Orr, Senior Advisor for the Latin American Bureau at the Agency for International Development (202-647-9155) and Michael Ranneberger, Director of Cuban Affairs, Department of State (202-647-9272). In many instances the applicant may need to visit Cuba in order to develop a project proposal. Travel licenses will be granted for a limited period of time for organizations and individuals that need to conduct an on-island assessment to develop the specifics of a sound Support for the Cuban People activity. Licensees are encouraged to visit the U.S. Interest Section (phone: 537-320-551) for additional information that may be helpful in conducting their research and developing their proposals.

Applicant's Capabilities and Accountability

An important factor in licensing determinations is the degree of assurance that the USG can have that the applicant has the wherewithal to ensure that the proposed activity will be carried out as described in the license application and consistent with embargo regulations. Prior experience with the type of activity proposed and/or prior experience and familiarity with Cuba, while not an absolute requirement, do serve to indicate that the applicant has the ability to effectively carry out the activity in Cuba as proposed. Clearly some activities would demand greater experience than others. The applicant's plans for monitoring the activity and ensuring accountability will also be an important consideration in the review process.

Cuban Counterpart Organizations

Whether a proposed activity is considered to promote the purposes of the Support for the Cuban People regulation will depend in large part upon the designated Cuban counterparts and/or beneficiaries. Recognized Cuban human rights organizations are specifically mentioned in the regulation as an eligible category. For these organizations and other truly independent NGOs, such as churches and church-affiliated organizations and independent professional organizations such as the independent economists, a fairly broad range of assistance will be considered for licensing. There is no ambiguity in the role that these organizations have in strengthening civil society in Cuba, and the U.S. Government particularly encourages support to them. Applicants should understand that many independent organizations in Cuba are not officially recognized by the Cuban Government.

On the other hand, there are a large number of organizations in Cuba that are classified by the government of Cuba as NGOs, but which to a greater or lesser degree are affiliated with and/or controlled by the government. Some have been established by the government to pursue the political aims of the government or to attract external assistance. Within this broad array, different organizations evidence varying degrees of independence of thought and action.

With the aim of promoting a diverse civil society in Cuba, the USG will consider applications for assistance that may involve the participation of government-affiliated NGOs where there is evidence that the particular organization demonstrates a degree of independence.

Given the connection of these organizations with the Cuban Government, it becomes particularly important that the license applicant's proposed project clearly and credibly contribute to furthering the independence of the organization, or of the group within the organization that is involved in the activity. A higher degree of monitoring by the applicant will also be necessary when undertaking an activity with a counterpart organization that is not truly independent. Licensees may be called upon to subsequently provide documentation to confirm that the terms of the license were adhered to.

Promoting Independent Activity

For a Cuban civic organization that is already truly independent, virtually any assistance activity that would strengthen that organization's ability to carry out its mandate would serve the purposes of strengthening civil society. For an organization that is subject to a degree of government control, the proposals must convincingly demonstrate the potential to increase the autonomy of the organization. Potential activities could be aimed at increasing the self-management of and pluralism within the organization or at reducing its dependence on ideas, initiative and direction from the government.

Activities by nonprofit USNGOs to promote independent economic activity may also be considered for approval under the Support for the Cuban People license regulation. Examples of potential beneficiaries include the self-employed, private farmers, and young people interested in training to become entrepreneurs. Consistent with the embargo, however, U.S. commercial entities will not be eligible for such licenses.

For the purposes of licensing Support for the Cuban People, "independent activity" means activity that is undertaken at an organization's own initiative and that is not directed or controlled by the Cuban Government. Independence does not require that a Cuban organization take any outward position of criticism toward the Cuban Government. In the context of the Cuban Government's restrictions on free expression and association, however, an organization's willingness to articulate ideas that may not accord with official government positions or communist party doctrine is certainly an indicator of independence.

Minimizing Funds to the Government

Direct transfers of funds to the Cuban Government or its agencies to conduct activities generally will not be licensed. Hotel expenses, the purchase of essential project commodities in state stores, and customs duties are examples of expenditures that would normally be permitted. Applications should contain cost estimates for all financial transactions covered by the license request, and should include the means by which funds will be transferred to Cuba. Whether the proposed activity "provides a significant accumulation of funds or financial benefit" to the government of Cuba will be determined based on the merits and reasonable needs of the activity.

These guidelines were prepared under the direction of the Special Advisor to the President and the Secretary of State for Cuba by the Support for the Cuban People Interagency Working Group. The Working Group is chaired by the Department of State and A.I.D. and includes representatives from the NSC, the Departments of Treasury and Commerce and USIA.



U.S. Department of the Treasury
 Office of Foreign Assets Control



CUBA

Travel Restrictions

■ BACKGROUND - Travel to Cuba is severely restricted under the Cuban Assets Control Regulations (the "Regulations") promulgated under The Trading With The Enemy Act. Under these Regulations, spending money relating to Cuban travel is prohibited unless the traveler is licensed. The restrictions include spending money (in any currency) whether travelers go directly to Cuba or via a third country and providing services of any kind to Cuba or a Cuban national. Any person in the United States, regardless of citizenship, is subject to these restrictions. Criminal penalties for violating the Regulations which are enforced by The Department of the Treasury, Office of Foreign Assets Control ("OFAC"), range up to 10 years in prison, \$1,000,000 in corporate and \$250,000 in individual fines. Civil penalties up to \$50,000 per violation may also be imposed.

■ WHO CAN GO - The following travelers are authorized, under OFAC licenses, to engage in travel transactions while in Cuba:

- Journalists (regularly employed in this capacity by a news reporting organization);
- Official government travelers (traveling on official business);
- Members of international organizations of which the United States is also a member (traveling on official business);
- Persons traveling once a year to visit close relatives in Cuba in circumstances of extreme humanitarian need (General License); and
- Travelers who have received specific licenses from OFAC prior to going.

■ HOW MUCH MONEY MAY BE SPENT WHILE IN CUBA - Only authorized travelers, as listed above, may spend up to \$100 per day for their living expenses while in Cuba. This includes, but is not limited to, expenditures for lodging, transportation and meals.

■ WHAT CAN BE BROUGHT BACK - The above listed travelers may reenter the United States with up to \$100 of Cuban origin goods for personal use, such as cigars and rum. [Sections 515.206 and 515.560(a), (c) of the Regulations]. If unauthorized U.S. travelers return from Cuba with Cuban origin goods, such goods, with the exception of informational materials, may be seized at Customs' discretion. [Section 515.204 of the Regulations]. There are no limits on the import or export of informational materials. Such materials are statutorily exempt from regulation under the embargo and such items as books, films, tapes and CDs may be transported freely. However, blank tapes and CDs are not considered informational materials and may be seized.

■ VESSELS - All persons on board vessels, including the owner, must be an authorized traveler, as listed above, to engage in travel transactions in Cuba. If you are not an authorized traveler, you may NOT purchase meals, pay for

transportation, lodging, dockage or mooring fees and you may not bring any Cuban origin goods back to the United States. Any payments to the Marina Hemingway International Yacht Club would be considered a prohibited payment to a Cuban national and therefore in violation of the Regulations. Vessel owners are prohibited from carrying travelers to Cuba who pay them for passage if the owner does not have a specific license from OFAC authorizing him to be a Service Provider to Cuba.

■ FULLY HOSTED TRAVELERS - Travelers whose expenses are covered by a person not subject to U.S. jurisdiction may not bring back any Cuban origin goods, except for informational materials. [Section 515.560(g) of the Regulations]. Importation of gifts received in Cuba by a fully hosted traveler may be licensed by OFAC provided the gift is of small value and represents no commercial benefit to Cuba. Customs will detain gifts, pending the outcome of an OFAC license application. Before a licensing determination can be made, all facts surrounding the receipt of the gift must be reviewed. [Section 515.644 of the Regulations].

■ EMERGENCIES - In case of emergencies requiring financial transactions such as emergency repair of vessels or medical treatment, travelers are urged to contact OFAC at (202) 622-2480, to discuss necessary authorizations.

■ HUMANITARIAN DONATIONS - There is joint OFAC and Commerce Department ("USDOC") administration over export of humanitarian goods to Cuba to meet basic human needs. If an export is licensed by USDOC, OFAC authorizes financial and other transactions related to that export. Pursuant to the Cuban Democracy Act, donations of food and vitamins to an individual or non-governmental organization may not be restricted. However, the export of medicines and medical supplies must be specifically licensed by USDOC prior to departure. Gift parcels may be exported under USDOC "General License GIFT" without prior written government approval to individuals or non-governmental organizations. The combined content must be valued below \$200, may contain only items of a humanitarian nature for personal use, and may not be for resale.

Gift packages may include only the following items: Food, vitamins, seeds, medicines, medical supplies and devices, hospital supplies and equipment, equipment for the handicapped, clothing, personal hygiene items, veterinary medicines and supplies, fishing equipment and supplies, soap making equipment, and certain radio equipment and batteries for such equipment.

OFFICE OF FOREIGN ASSETS CONTROL
 U.S. Department of the Treasury
 Washington, D.C. 20220
 202-622-2520