

Republic of Cuba

The Politics of Ports...

Cuba's Strategy & What They Can And Can't Influence

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

www.cubatrade.org

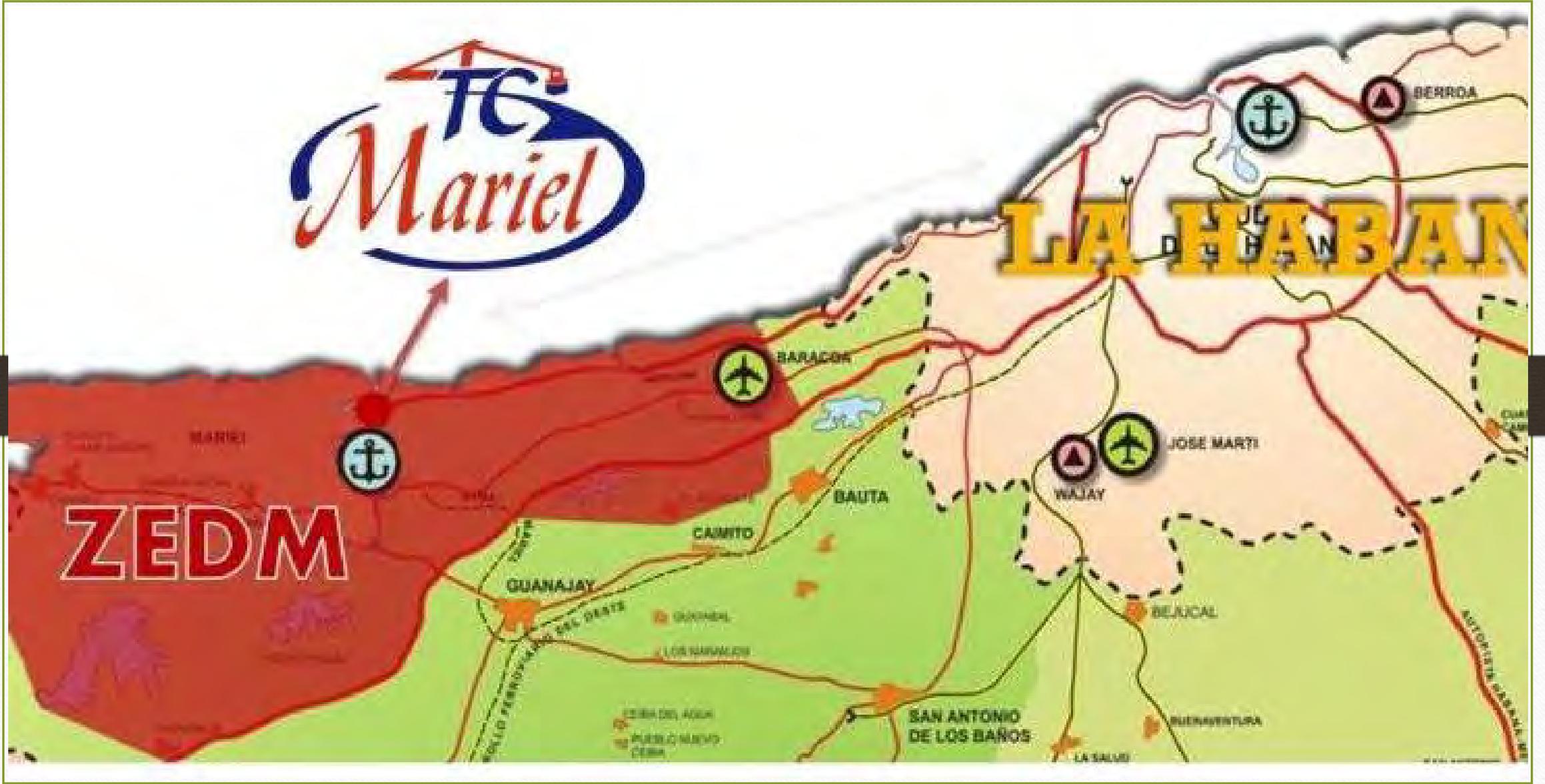


- Cuba has 3,570 miles of coastline.
- There are 70 ports, 31 of which have cargo operations.
- The ports are generally deep, protected harbors with narrow entrances and generous anchorage.

TC
Mariel

LA HABANA

ZEDM



TC MARIEL S.A is located 45 minutes from Havana

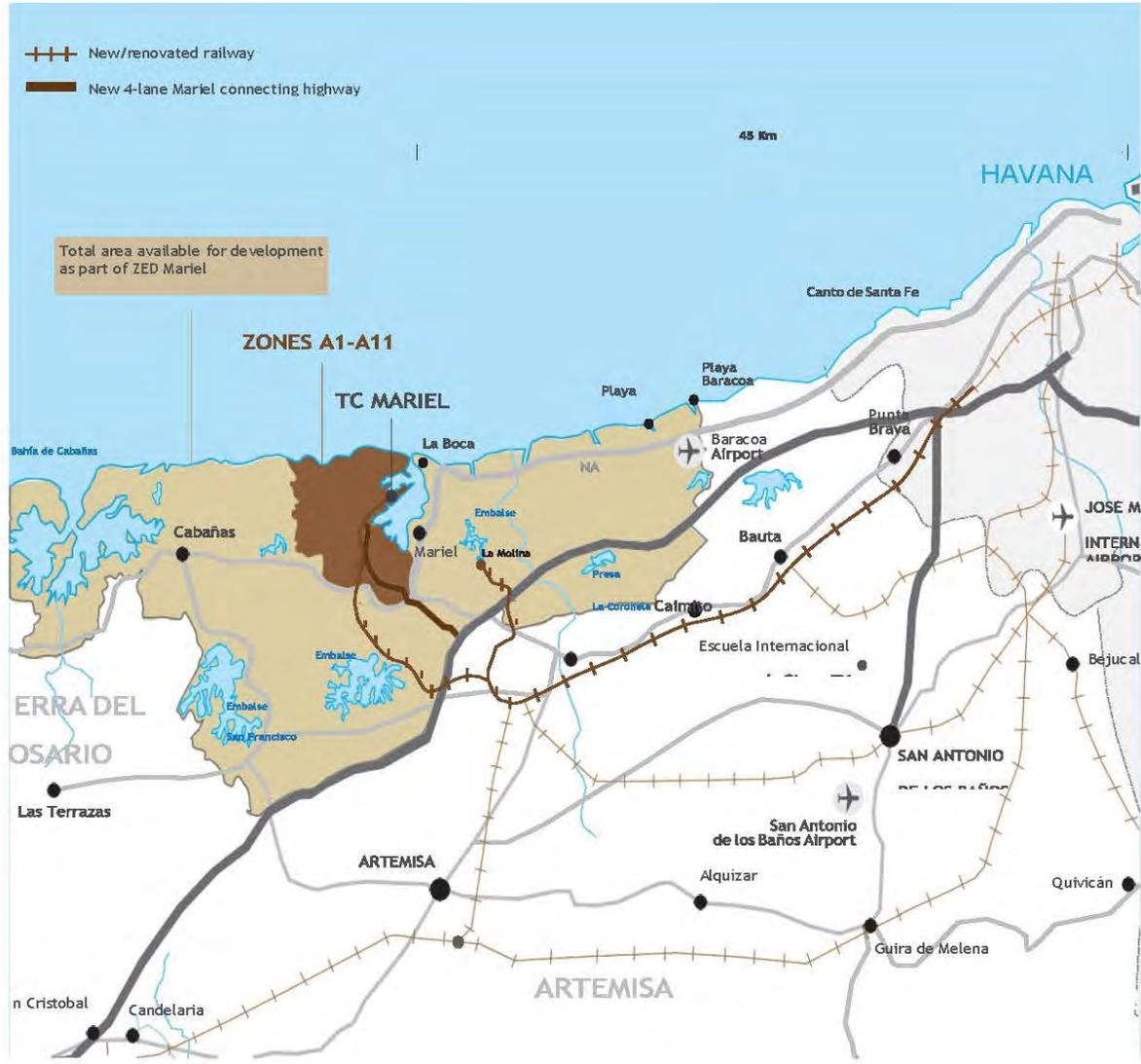
“Our Terminal is in the nucleus of the Mariel Special Development Zone (“ZEDM”) – which covers a total land area of 465km² (from the Bay of Cabañas until the western limits of Havana).

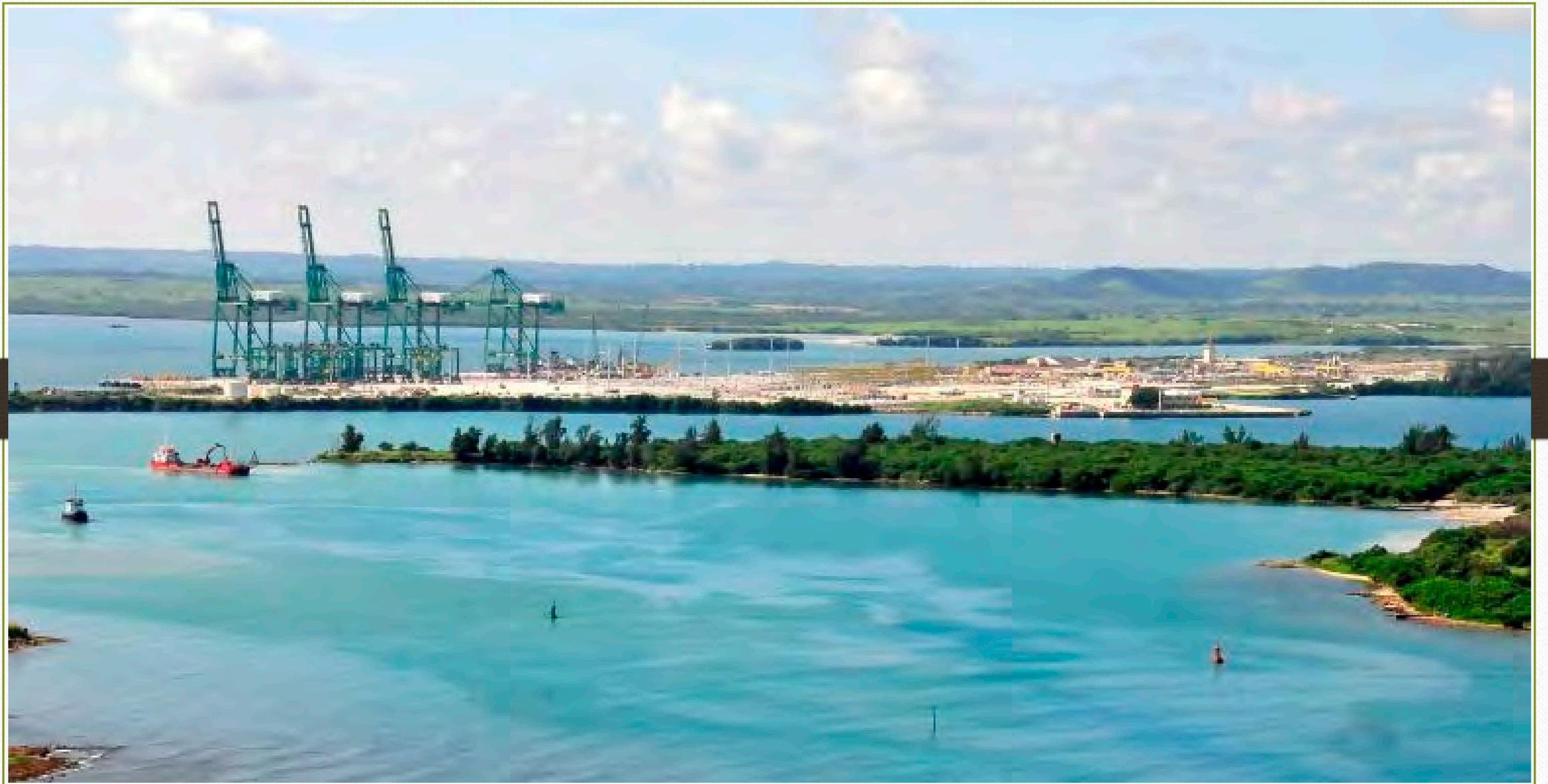
The Zone and TC MARIEL are connected with the capital city and the rest of the country by means of new and enhanced roads and rail networks which stretch to the extremes of the country.

The Terminal is located 35 km to three national and international airports nearby the capital: (1) Baracoa, (2) San Antonio and, (3) José Martí International, facilitating to importers, exporters and other users an easy and convenient access to optimal and efficient multimodal-transportation services to/from the Terminal to any part of the country.

Such connectivity dynamics between the ZEDM and its installations make it one of the most attractive industrial hubs under development in the world.

The Terminal’s location in the Caribbean Sea, at the exit of the Gulf of Mexico, connect it with the main world maritime routes, turning in it into a competitive option as a major transshipment hub in the east-west/north-south trade routes which crisscross the area of the Panama Canal and Central America.”





Infrastructure	
Máximum Draft:	17.9m.
Total Area:	54.9ha.
Yard Área:	35ha.
Loading/Unloading Capacity:	800,000TEU
Yard Handling Capacity:	1.2 million TEU (current average container dwell time).
Reefer Plugs:	1,140.
CY Container Slots:	18,930 TEU (5 high).
Empty Yard Container Slots:	11,130 TEU (7 high).
IMDG Cargo containers slots:	1,170.
Terminal Equipment	
STS Cranes	4 (Super Post Panamax)
RTG Cranes:	12 (1over5)
Prime Movers:	22.
Reachstackers:	2
Empty Handlers:	3

Port & Terminal of Mariel Statistics

- The container terminal sits within the 180-square mile Special Development Zone of Mariel (ZEDM) and can today process neo-Panamex vessels.
- This 180-square mile facility with 2,300 feet of jetty and four (4) ship-to-shore (STS) cranes and twelve (12) patio cranes. Total current annual capacity is 824,000 TEU's.
- Brazil-based **Odebrecht** was the primary contractor for the US\$683 million project. Financing was provided by the National Bank of Economic and Social Development (BNDES) of Brazil. Singapore-based **PSA International** is managing Mariel.
- Two new rail-mounted gantry cranes from Shanghai, China, arrived in September 2016. All cranes are currently capable of handling 13,000+ TEU neo-Panamax vessels.
- Currently, the port has an average of one train per day.
- The current maximum vessel draft at the terminal at the Port of Mariel is 12.1 meters (39.69 feet). This depth can accommodate neo-Panamax vessels. Dredging continues in the access channel to deepen it and to widen it so it can accommodate neo-Panamax vessels. The dredging will be completed in 2017 to accommodate vessels 366 meters long, 50 meters wide and with a draft of 15.5 meters.
- The dredging thus far permits vessels of up to 295 meters (967 feet) overall length with a 32.3 meter (105 foot) beam. Water depth is approximately 15 meters (49.2 feet).
- In 2019, the plan is to add 300 meters (984 feet) of quay.
- Long-term development includes an additional 1,400 meters (4,593 feet) of quay- for a total of 1.5 miles of quay and a total annual potential of 3 million TEU's.

2014 to 2015 to 2016 to ?

- Current annual Port of Mariel capacity is 824,000 TEU's.
- In 2014, the terminal processed 160,000 twenty-foot equivalent TEU's
- In 2015, The terminal processed 330,000 twenty-foot equivalent TEU's.
- In 2016, the estimate was 360,000 to 370,000 twenty-foot equivalent TEU's; but will likely be similar to 2015 due to an economic contraction- low commodity prices for exports (nickel plus cobalt, citrus, tobacco, sugar, seafood, coffee, etc.), declining discounted oil imports from Venezuela, and declining payments by countries for medical/educational services resulting in a decrease in imports. Mariel is operating at approximately 41% of current capacity.

Terminal de Contenedores de Mariel S.A.

- Loading/Unloading of containers (import, export and transshipment)
- Connection and monitoring of reefer containers
- Container storage
- Cargo reception and deliver through the gate and rail access
- Weighing of containers
- Maintenance and repair of containers
- X-rays



La Boca

Puerto del Mariel



Canal de acceso interno, 18.0 metros.

Actualmente en 2014: 10.5m

Caja de atraque, 17.9 metros.

**Dársena de maniobras,
15.9 metros (radio, 500 m).**

Who Services Mariel?

- **Melfi (which is owned by the government of Cuba and represents approximately 30% of activity)**
- **Maersk Line**
- **Mediterranean Shipping Company**
- **CMA CGM**
- **Hamburg Sud**
- **Cosco Container Lines**
- **Hapag-Lloyd, Zim Integrated Shipping Services**
- **Evergreen Line**
- **Nirint (nickel transportation to Europe)**
- **Jacksonville, Florida-based Crowley**
- **Melfi, the Cuba government-owned shipping line, has mainline services. Maersk has a mainline service from Northern Europe. Hapag-Lloyd has services from Mexico.**
- **The other companies are transporting cargo by feeders- from Panama and Kingston, Jamaica, the Bahamas, and from Caucedo in the Dominican Republic, with Panama-based Isla Bonita Shipping accounting for a majority.**







Dredging Activities

For dredging, Cuba uses internal capacity and contracts with companies in Belgium and the Netherlands.

Dredging is ongoing at the port in **Moa** (the transit port for nickel plus cobalt exports located in the northeast corner of the country).

A US\$150 million dredging and modernization program at the port in **Santiago de Cuba** (the second-largest city located on the eastern-most point of the country) is financed by the government of China, partly in support of a new grain terminal. The bay area is dredged to 45 feet. Two anecdotes about the port in Santiago de Cuba:

- There are approximately 42,000 tons of obstacles, including 47 wrecked vessels, being extracted from the bottom of the bay. The process has included using the floating crane Magnus XII which can lift 500 tons from a depth of 165 feet.
- Carnival is unable to dock their larger passenger vessels there due to a transmission cable that runs above the entrance.

Dredging at the port in **Cienfuegos** (located on the southern mid-way point of the country) continues to be discussed, but nothing has thus far materialized.

Other ports in Cuba have and continue to have dredging projects primarily for the use of large coastal barges used for imports and to transfer among ports.

















SUMMARY – CUBA'S MAJOR PORTS

PORT	DRAFT	MAX. LENGTH	# BERTHS	# PIERS
		ALLOWED		
MARIEL Santa Lucia, Bahia Honda, Cabanas	31'	677'	8	15
LA HABANA	32'	654'	15	34
MATANZAS	38'	791'	5	8
CARDENAS	17'	560'	1	2
ISABELA DE SAGUA	18'	560'	3	4
CAIBARIEN	35'	654'	0	0
NUEVITAS Jucaro	34'	638'	6	10
PUERTO PADRE Manati	25'	556'	3	4
ANTILLA Vita, Banes, Preston, Felton, Nicaro, Tanamo	22'	608'	2	4
MOA Punta Gorda, Baracoa	40'	755'	2	3
GUANTANAMO Boqueron	19'	560'	1	2
SANTIAGO DE CUBA	36'	700'	8	16
MANZANILLO Pilon, Niquero; Ceiba Hueca; Media Luna	30'	589'	0	0
GUAYABAL	35'	unlimited	1	2
CIENFUEGOS Casilda	38'	677'	11	14
NUEVA GERONA	18'	425'	5	9

PORT	Distance (Miles)	Airport	Bunker	Container	General Bulk Cargo	Oil Tanks	Other Liquids	Ro/Ro	Shops	Dry Docks
Bahia Honda	53.18				x				x	
Cabanas					x	x	x		x	x
Mariel	28.04	x	x	x	x	x	x	x	x	x
Havana	0	x	x	x	x	x	x		x	x
Matanzas	50.26	x	x		x	x	x		x	x
Cardenas	73.57	x	x		x	x	x		x	x
Isabela	150.74	x	x		x		x			
Caibarien	191.80				x		x		x	
Nuevitas	345.35		x		x	x	x	x	x	x
Gibara	407.23	x			x		x			
Antilla	458.74		x		x	x	x		x	
Moa	515.69	x	x		x	x	x		x	
Santiago de Cuba	597.24	x	x	x	x	x	x	x	x	x
Manzanillo	682.54	x	x		x		x		x	
Cienfuegos	505.08	x	x	x	x	x	x	x	x	x
Nueva Gerona	325.56	x	x		x	x		x	x	



“The Terminal is planned to be open 24 hours a day, seven days a week, except on certain national holidays.

Opening times however are subject to change and may be altered in line with traffic demand and customer requests.

We will publish our standard opening times (for trucks) and any days on which the terminal is closed, via the website.

We have a data base which registers all information related to the importers, exporters, carriers and means of transportation.”

TERMINAL DE
CONTENEDORES



QUIEBRA HACHA
CABAÑAS



Quay Services:

24 hours

Pick-up and delivery of containers:

08:00 to 16:00, every day

Sala de Reserva:

08:00 to 16:00, every day

Yard Services:

24 hours

“The appointments to TC Mariel must be previously agreed and confirmed by our staff, through the Web Portal or personally at our facility, taking into consideration the availability of means and equipment of our client.

The driver of the means of transportation is to present the assigned bars-code at the Access Gate.

The Access Gate has been equipped with two weighing machines on the entry lanes and two on the exit lanes; there are also another two weighing machines near the rail yard, which will contribute to the efficiency and expeditiousness of the operations carried out in the Terminal.

Also, our clients will benefit from an internal radiological recognition service (scanning) habilitated to function twenty-four hours a day, attended by the Customhouse’s authorities.

The Portal Web allows our clients to access in real time the registry information related to their container(s) and any other linked to the services of the Terminal.”



Certificates and Licenses

For the execution of its port operations, the TC Mariel is supported by these certificates and licenses:

- Certificate of security of hydro-technical works.
- Certificate of safety and security of lifting devices.
- Certificate of fire safety and security.
- Certificate of atmospheric protection (system against electric shocks).
- Certificate of the alarm system for the fire detection.
- Certificate of fulfillment of the ISPS Code (International Ship and Port Facilities Security).
- Environmental License of work.
- Certificate of accreditation by the National Department of Harbor Masters.
- Resolution of the Republic's General Customs for the international traffic of merchandise and travellers.
- License for the Radio Electrical Station and Maritime Mobile Service.
- Operative License of Transportation.
- Others.











Fees and Payments

“The Terminal Operator will bill their customers after a service and paid according to the rates agreed upon by contract.

Customers will enjoy the right to reject invoices within 5 days of receipt, provided the same contain errors or inaccuracies.

Ended the previous term, without the customer has expressed its acceptance or rejection in whole or in part, shall be deemed accepted bills payable and the amount paid within a period of 15 days.

Therefore, the customer must pay the invoices issued by the Terminal Operator, within a period of 20 days from the date of receipt.

Any disagreement, dispute or claim of our customers, will be handled by the Commercial Division of the Container Terminal Mariel S.A.”

Terms and Conditions

“The request of services by the Terminal de Contenedores de Mariel’s users represents a knowledge statement with regards to the content of its Rules and a commitment to its fulfillment, so that the operations are carried out performed quickly, efficiency and security.

Any type of vessel which requires the use of the facilities of the berthing front must have an Agent or Representative, in correspondence with what it is established on the Decree Law 274/2002, Rules of the Ports’ Decree Law. The shipping agent or its representative, properly accredited, is to announce the arrival of the vessel(s) he/she represents, as well as its draft and special requirements.

In this sense, for the case of the containers vessels, the maritime agent and/or the ship’s representative must communicate by e-mail to the Port Operator, seventy-two (72) days in advance, the arrival of the vessel, clearly expressing the date and time, draft, type of operation and the preliminary loading/unloading information.

In the event of congestion, by the time the infrastructure is requested, and given the equality of rights, TC Mariel’s Direction of Operations will determine the order of attention in order to offer the port services with economy, efficiency and security, in accordance with the principle of non-discrimination and neutrality, as well as the standards issued by the National Port Authority (APN, in Spanish), related therein.

Once the operations of loading/unloading are finished, the vessel will have one (1) hour to leave port or anchor, except in those cases TC Mariel’s Direction of Operation authorizes the vessel to stay by the dock for a longer time. In case the vessel does not leave port within the established time frame, its captain will be responsible for any damage caused to TC Mariel or any third party as a result of the delay.

The communications between TC Mariel and its users are carried out by e-mail or by means of any other document.”



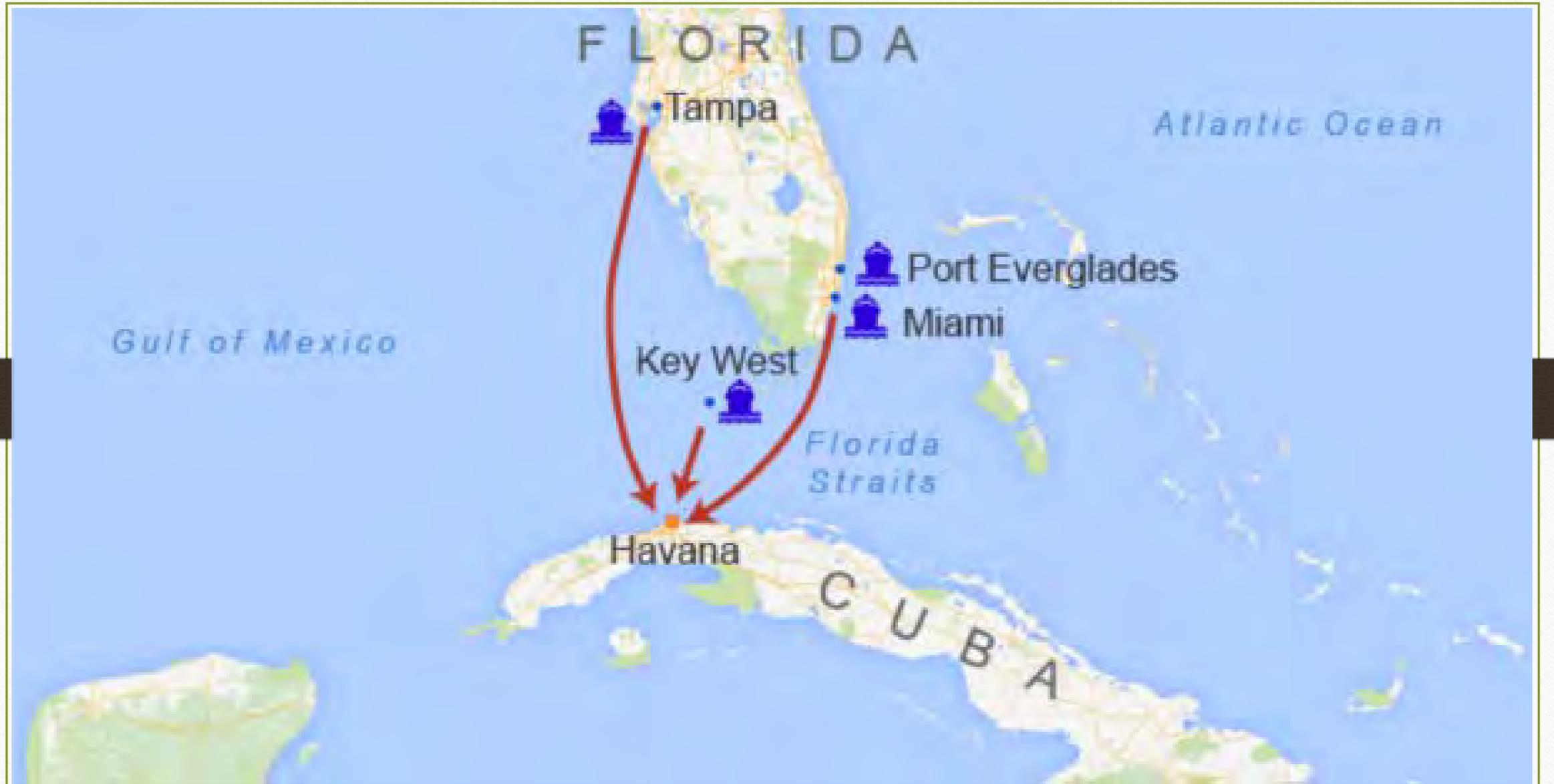
TC Mariel
Tariff 2015

1.0	Vessel Operations			
1.1	Stopped / Idle Crane Operations			
	A charge for delays in crane operations provoked will be levied on the delay time accumulated by all gangs deployed for operations on the vessel, per hour or part thereof. A maximum period of cumulative delay time of 30 minutes during the shift in which vessel operations were programmed to commence will be granted without charge per gang. This charge is also levied in relation to idle time before, during or after crane operations where gangs are idle at the request of the Shipping Line or their Agent or due to a delay in berthing, authorities approving the commencement of operations, vessel listing / stability issues, or other reasons NB. Gangs ordered/requested by the Shipping Line or their Agent not used during an entire shift will be recharged at this tariff rate for the entire duration of the shift, per gang.	Shipping Line / Agent	Hour / Gang	\$ 300.00
TERMINAL DE CONTENEDORES DE MARIEL TARIFF RATES 2015				
1.2	Open or close ISO hatches (or similar)	Shipping Line / Agent	Unit/Move	\$ 90.00
1.3	Shifting / Restowing containers (cell to cell within same bay)	Shipping Line / Agent	Container/ Move	\$ 65.00
1.4	Shifting / Restowing containers (cell to shore to cell)	Shipping Line / Agent	Container/ Move	\$ 130.00
1.5	Wharfage / Dockage - from first line ashore to last line released at mooring/unmooring of the vessel, per day or part thereof, per metre of vessel length (LOA).	Invoiced by the Terminal to Consignataria Mambisa Agency, and from that entity to the shipping line or the agent.	LOA / Day	\$ 5.00
1.5 a	Mooring and unmooring (includes to place ropes, move them from one point to another or to throw them; also including the use of the mooring dockers)*			
1.5a1	From 1 to 1000	Shipping Line / Agent	GRT	\$ 40.00
1.5a2	From 1001 to 3000	Shipping Line / Agent	GRT	\$ 60.00
1.5a3	From 3001 to 6500	Shipping Line / Agent	GRT	\$ 80.00
1.5a4	From 6501 to 10000	Shipping Line / Agent	GRT	\$ 100.00
1.5a5	From 10001 to 15000	Shipping Line / Agent	GRT	\$ 150.00
1.5a6	From 15001 to 20000	Shipping Line / Agent	GRT	\$ 170.00
1.5a7	From 20001 to 30000	Shipping Line / Agent	GRT	\$ 200.00
1.5a8	From 30001 to 45000	Shipping Line / Agent	GRT	\$ 250.00
1.5a9	More than 45 000	Shipping Line / Agent	GRT	\$ 300.00
*The movement of a vessel from a position to another on the dock, after been mooring for first time, involves the payment of the service for second time.				
1.6	Loading & Unloading of Containers (from Stowage position on board the vessel to stack or vice versa).			
1.6a	Per Full container	Shipping Line / Agent	Move	\$ 180.00
1.6b	Per Empty container	Shipping Line / Agent	Move	\$ 130.00
1.7	Transshipment rate (Transshipping containers to/from mother vessels, feeder vessels or barges on the same Terminal)			
1.7a	Per Full container	Shipping Line / Agent	Unit/Move	\$ 80.00
1.7b	Per Empty container	Shipping Line / Agent	Unit/Move	\$ 80.00
1.8	Surcharges for Containers carrying out-of-gauge cargo which requires apparatus other than the standard quay crane container spreader.			
1.8a	Surcharge on all containers loaded / discharged with Over-Height Frame per vessel move.	Shipping Line / Agent	Unit/Move	\$ 150.00
1.8b	Surcharge on all containers loaded / discharged with wires/slings per vessel move.	Shipping Line / Agent	Unit/Move	\$ 250.00
1.8c	For Breakbulk Cargoes, yachts, etc., prices on application via Commercial Dept.	Shipping Line / Agent	Unit/Move	POA

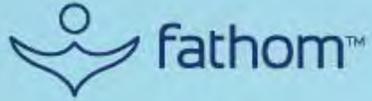
2.0	Refrigerated container operations			
2.1	Reefer containers with integrated refrigeration motors of 20/ 40.			
2.1a	Plugging / Unplugging in Yard per Connections, (import/export/domestic cargo)	Importer / Exporter (or their agent)	Connection	\$ 12.00
2.1b	Power supply & monitoring of refrigerated containers in the terminal (import/export/domestic cargo), per day or part thereof.	Importer / Exporter (or their agent)	Container / day	\$ 50.00
2.1c	Plugging / Unplugging in Yard per Connections, (transshipment containers)	Shipping Line/Agent	Contenedor	\$ 12.00
2.1d	Power supply & monitoring of refrigerated containers in the terminal (transshipment containers),per day or part thereof.	Shipping Line/Agent	Container / day	\$ 50.00
2.2	Pre-Trip Inspection Container 20ft/ 40ft	Shipping Line/Agent	Container	\$ 60.00
2.3	Connection / disconnection of Full Reefer units on board (per unit):	Shipping Line/Agent	Cntr / Connection	\$ 20.00
2.4	Mobile Gensets			
2.4a	Attaching / Removing gensets from containers	Importer / Exporter (or their agent)	Move	\$ 35.00
2.4b	Storage of gensets	Shipping Line/Agent	Unit / day	\$ 5.00
	NB. Maintenance & Repair of refrigeration units and mobile gensets may be available upon request. Refuelling of gensets will be charged at *cost of fuel +10%*.			
3.0	Storage*			
3.1	Storage full import containers			
	All Full Import (dry van) Containers, will enjoy 15 days free from the date of discharge from vessel and its location in our yard , thereafter up to and including the date of dispatch.			
3.1a	Container Full, Days 16-29	Importer (or their agent)	TEU / Day	\$ 2.50
3.1b	Container Full, Days 30 onwards	Importer (or their agent)	TEU / Day	\$ 7.50
3.1c	Additional movement provoked by a delayed retire of the container,remaining in the terminal after the 15 days free period.	Importer (or their agent)	Container	\$ 28.00
3.2	Storage full import "live" refrigerated containers			
	All Full Import (Refrigerated) Containers, will enjoy 7 days free from date of discharge from vessel, thereafter up to and including the date of dispatch.			
3.2a	Container Full, Days 8-29	Importer (or their agent)	TEU / Day	\$ 2.50
3.2b	Container Full, Days 30 onwards	Importer (or their agent)	TEU / Day	\$ 7.50
3.2c	Additional movement provoked by a delayed retire of the container,applicable to all containers retire after its 7 days free.	Importer (or their agent)	Container	\$ 28.00
3.3	Storage full export containers			
	All Full Export Containers will enjoy 15 days free from date of receipt through gate. Thereafter up to and including the date of loading to vessel.			
3.3a	Container Full, Days 16-29	Exporter (or their agent)	TEU / Day	\$ 2.50
3.3b	Container Full, Days 30 onwards	Exporter (or their agent)	TEU / Day	\$ 7.50
3.4	Storage full export "live" refrigerated containers			
	All Full Export refrigerated Containers will enjoy 7 days free from date of receipt through gate. Thereafter up to and including the date of loading to vessel.			
3.4a	Container Full, Days 8-29	Exporter (or their agent)	TEU / Day	\$ 2.50
3.4b	Container Full, Days 30 onwards	Exporter (or their agent)	TEU / Day	\$ 7.50

7.0	Container Depot Services			
7.1	Cleaning containers*			
7.1a	Sweeping per container	Shipping Line / Importer (or their respective agent)	Container	\$ 25.00
	*to be charged directly to importers/and Shipping Lines as applicable.			
7.2	Maintenance and Repair of containers			
	M&R -facilities and man/hour. Tariff below does not include materials which will be quoted on case by case basis.			
7.2a	Reefer Machinery**	Shipping Line / Importer (or their respective agent)	Man/hour	\$ 100.00
	**to be charged directly to importers/Lines as applicable			
8.0	Other Services			
8.1a	<p>Weighing Containers: Production of a Declaration of Weight document by the terminal at the request of a commercial party (importers, exporters, forwardings, shipping lines, etc) or the use of the terminal facilities for the production of the same by a certified 3rd party.</p> <p>NB. Not including the movements and lifts required to move the container from container stacks, rail yard, etc, if necessary.</p>	Shipping Line / Importer / Exporter (or their agents)	Container	\$ 15.00
8.2	X-Ray Examination of Container at request of Customs (or other competent authority), and where such examination is in addition to any X-Ray examination performed during standard Container reception and delivery procedures (including rail), which are undertaken at the terminal upon arrival or departure of the container, are charged at the following rate, including yard lifts and internal transportation to/from stacks.	Shipping Line / Importer / Exporter (or their agents)	Container	\$ 100.00
8.3	A surcharge for all IMDG cargo carrying containers, import and export, will be applied at the rate of 30% over base rate for the following tariff items: 1.7 and 1.8			
8.3a	Per full IMDG cargo container (import / export)	Shipping Line (or their agent)	Container	\$ 30.00
8.3b	Per full IMDG cargo container (transhipment)	Shipping Line (or their agent)	Container	\$ 25.00
8.4	Adding or removing classification labels for IMDG cargo	Shipping Line / Importer / Exporter (or their agents)	Container	\$ 25.00
8.5	<p>Cross-Docking Cargo (Container to Container, Container to Truck, vice versa.</p> <p>NB. Not including any relevant container lifting or positioning fees.</p>			
8.5a	Palletised Cargo	Shipping Line / Importer / Exporter (or their agents)	TEU	\$ 200.00
8.5b	Non-palletised Cargo, e.g. bags, sacks, cartons, etc.	Shipping Line / Importer / Exporter (or their agents)	TEU	\$ 350.00
8.5c	Others	Shipping Line / Importer / Exporter (or their agents)	TEU	

9	Rail Terminal Services			
9.1	Lifting in terminal yard and in train wagons, horizontal movements to terminal yard to rail terminal (vice versa) are included.			
9.1a	Loading and unloading of full Containers	Intermodal Operator	Container	\$ 55.00
9.1b	Loading and unloading of empty Containers	Intermodal Operator	Container	\$ 55.00
9.1c	Containers (full or empty) delivered or collected directly from external transport companies and not using the rail terminal yard.	Exporter / Importer / Intermodal Operator or their agent.	Container	\$ 35.00
	<p>•Item 3.1c and 3.2c will not be applied until the vessels entering the terminal on July 1st, 2015 cause that importers and transport providers, together with warehouse operators have an additional six month to improve their logistics management.</p> <p>•All the tariff prices quoted are started in CUC taking into consideration that CUC 1 : 1 USD. Should, at any point during the validity of this tariff this official commercial exchanges rate fluctuate or in case the CUC denomination is removed, The Terminal tariff will be adjusted to compensate to the new exchange rate.</p> <p>By the Client:</p> <p>Name:</p> <p>Title:</p> <p>Signature:</p>	<p>By TC Mariel:</p> <p>Charles Alistair Baker.</p> <p>General Director.</p> <p>Signature:</p>		
9.2	Surcharge in case the train remains at TC Mariel rail terminal after completing discharge/load operations and obstructs the maneuver and/or operation of other trains arriving, departing or operating at the terminal for more than 120 minutes starting from the positioning of the formation.	Intermodal Operator	per train	\$ 600.00







YOUR JOURNEY

- DAYS 1-3** Travel to Cuba and cultural exchange activities on the island
- DAY 4** Cultural immersion at sea
- DAY 5** Cultural exchange activities on the island and travel at sea
- DAY 6** Cultural exchange activities on the island
- DAYS 7-8** Cultural immersion at sea

**Travel to all 3 ports is intended. Breakdown of days on shore and at sea are subject to change.*

CUBAN DEMOCRACY ACT (“CDA”)

UNITED STATES CODE

TITLE 22. FOREIGN RELATIONS AND INTERCOURSE CHAPTER 69.

Prohibitions on vessels.

(1) Vessels engaging in trade. Beginning on the 61st day after the date of the enactment of this Act [enacted Oct. 23, 1992], a vessel which enters a port or place in Cuba to engage in the trade of goods or services may not, within 180 days after departure from such port or place in Cuba, load or unload any freight at any place in the United States, except pursuant to a license issued by the Secretary of the Treasury.

(2) Vessels carrying goods or passengers to or from Cuba. Except as specifically authorized by the Secretary of the Treasury, a vessel carrying goods or passengers to or from Cuba or carrying goods in which Cuba or a Cuban national has any interest may not enter a United States port.

(3) Inapplicability of ship stores general license. No commodities which may be exported under a general license described in section 771.9 of title 15, Code of Federal Regulations, as in effect on May 1, 1992, may be exported under a general license to any vessel carrying goods or passengers to or from Cuba or carrying goods in which Cuba or a Cuban national has an interest.

(4) Definitions. As used in this subsection--

(A) the term "vessel" includes every description of water craft or other contrivance used, or capable of being used, as a means of transportation in water, but does not include aircraft;

(B) the term "United States" includes the territories and possessions of the United States and the customs waters of the United States (as defined in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401)); and

(C) the term "Cuban national" means a national of Cuba, as the term "national" is defined in section 515.302 of title 31, Code of Federal Regulations, as of August 1, 1992.

Revised 180-Day Provision
17 October 2016
Office of Foreign Assets Control
United States Department of the Treasury

Certain vessel transactions. OFAC is issuing a general license that will waive the restriction prohibiting foreign vessels from entering a U.S. port for purposes of loading or unloading freight for 180 days after calling on a Cuban port for trade purposes if the items the vessel carried to Cuba would, if subject to the EAR, be designated as EAR99 or controlled on the Commerce Control List for anti-terrorism reasons only.

Transit of cargo. BIS will generally authorize air cargo to transit Cuba, complementing an existing general authorization for cargo transiting Cuba aboard vessels.

This License Exception authorizes departure from the United States of foreign registry civil aircraft on temporary sojourn in the United States and of U.S. civil aircraft for temporary sojourn abroad; the export of equipment and spare parts for permanent use on a vessel or aircraft; exports to vessels or planes of U.S. or Canadian registry and U.S. or Canadian Airlines' installations or agents; the export or reexport of cargo that will transit Cuba on an aircraft or vessel on temporary sojourn; and the export of spacecraft and components for fundamental research. Generally, no License Exception symbol is necessary for export clearance purposes; however, when necessary, the symbol "AVS" may be used.

(6) *Cuba, eligible vessels and purposes.* Only the types of vessels listed in this paragraph (d)(6) departing for Cuba for the purposes listed in this paragraph (d)(6) may depart for Cuba pursuant to this paragraph (d). Vessels used to transport both passengers and items to Cuba may transport automobiles only if the export or reexport of the automobiles to Cuba has been authorized by a separate license issued by BIS (*i.e.*, not authorized by license exception).

- (i) Cargo vessels for hire for use in the transportation of items;
- (ii) Passenger vessels for hire for use in the transportation of passengers and/or items; and
- (iii) Recreational vessels that are used in connection with travel authorized by the OFAC.

From the BIS relating to the new rule:

“Many consumer electronics, auto parts, food, and other commonly traded items are designated as EAR99 or controlled on the Commerce Control List (CCL) (15 CFR part 774, Supplement No. 1) only for anti-terrorism reasons.

Persons seeking to use OFAC's new exception to the 180-day provision must ensure that the vessels have only carried those non-sensitive items to Cuba. Vessels transporting sensitive items, such conventional arms and other items subject to multilateral export controls regimes, are not eligible for OFAC's new exception.”

US Exports To Cuba

- Since December 2001, thirty-five (35) ports in the United States- from Virginia to Florida to Alabama to Louisiana and Texas have been the transit point for more than 4.6 million metric tons of food products and agricultural commodities exported from the United States to the 11.3 million citizens of Cuba.
- The value of those exports? More than US\$5.2 billion and all on a payment of cash in advance basis, as required by United States law. The best year was 2008 with US\$710 million and the worst year was 2015 with US\$170 million.
- Of 232 global export markets for food products and agricultural commodities from the United States, Cuba has ranked from 25th to 60th.
- ***What has the United States exported?*** Poultry, Soy products, Corn, Calcium Phosphates, Pork, Beef, Rice, Cotton, Wood, Wheat, Newsprint, Brewing Dreg;, and consumable products found in supermarkets.
- Cuba is a small export market for healthcare products (medical equipment, medical instruments, medical supplies and pharmaceuticals). From 2003 through this year, the total value is US\$13.1 million.