HELMS/BURTON CUBAN EMBARGO LEGISLATION

ANALYSIS

Title I: Strengthening International Sanctions Against the Castro Government

This title contains a number of provisions that are intended to send a political and diplomatic message to Cuba. It calls for a UN embargo, prohibits indirect financing of Cuba by U.S. nationals, continues U.S. opposition to Cuban membership in international financial institutions (IFIs), directs the Secretary of the Treasury to reduce payments to IFIs by the amount of any loan to Cuba, increases support for non-governmental organizations to support democracy-building efforts for Cuba, and opposes support for the Cuban nuclear power plant.

A new provision under Section 102 puts into law all existing Cuban embargo regulations and Executive Orders.

Title I provides, under Section 104, for the withholding of U.S. contributions to International Financial Institutions (IFI's) in an amount equivalent to any loans or other assistance approved by those institutions for payment to Cuba over the opposition of the U.S. The IFI's targeted are the International Monetary Fund, International Bank for Reconstruction and Development, International Development Association, International Finance Corporation, Multilateral Investment Guaranty Agency and the Inter-American Development Bank.

Section 108 of the bill requires the President to report each year to Congress on commerce with, and assistance to, Cuba from other countries during the preceding 12 months.

Section 110 "Importation Safeguard Against Certain Cuban Products" (Title I) simply restates existing U.S. law and regulations. There are no new restrictions or conditions on imports of sugar into the United States. Requirements for certification of origin of sugar and sugar products imported to the U.S. that were in the version of the bill passed by the Senate have been removed. This section is not expected to affect Canadian companies, as they have had long standing programmes with regard to the destination of Cuban sugar.