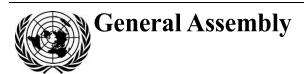
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Necessity of ending the economic, commercial and financial
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Report of the Secretary-General

This report is an update of the response of Cuba included in the report of the Secretary-General entitled "Necessity of ending the economic, commercial and financial embargo imposed by the United States of America against Cuba" (A/76/405).

The report includes descriptions of the main hardships that the blockade inflicted on Cuba in the period between August 2021 and February 2022, as well as some additional information.

The combined effects of a multidimensional global crisis in the energy, food, environmental and transportation sectors, and the cumulative impact of two years of the coronavirus disease (COVID-19) pandemic, have brought about a complex international context.

Enmeshed in this reality, Cuba has also had to face the unprecedented tightening of the United States blockade, which includes additional highly aggressive measures imposed during the Trump Administration and which, for the most part, remain in force, thus prolonging the policy of maximum pressure against the country.

Since 2019, the blockade has escalated to a qualitatively more harmful and inhumane level, with a reinforced extraterritorial component. Lawsuits filed under Title III of the Cuban Liberty and Democratic Solidarity (Libertad) Act of 1996 (Helms-Burton Act); the prosecution of companies, ships and shipping companies that send fuel supplies to the country; the arbitrary and unjustified inclusion of Cuba on the United States Department of State's list of State sponsors of terrorism; the attack on all sources of income and foreign currency inflows to the country; and the intimidation of third parties and greater pressure on Governments, banking institutions and business people around the world have become an essential part of the United States strategy to isolate Cuba and cause its economic collapse.





The continued full application of the Helms-Burton Act, including the authorization to file lawsuits in United States courts under Title III of the Act, has further expanded the scheme designed to hamper the economic, commercial and financial relations between Cuba and third countries. At the end of July 2022, 37 lawsuits were ongoing in United States courts under this extraterritorial Act.

The continued inclusion of Cuba on the list of State sponsors of terrorism has worsened the dissuasive and intimidating impact of the blockade and made it more difficult for the country to engage in international trade and conduct financial operations. This has resulted in the termination of contracts, the loss of relations with banks that did regular business with Cuba, indebtedness, delays in sending and receiving funds and goods, among other problems, with incalculable costs and consequences for the Cuban people and economy.

Under conditions of real economic warfare, the United States Government has unleashed a pernicious media and communication campaign in an attempt to destabilize Cuba. It resorts to lies, slander and manipulation of data and images and uses the widest range of methods of unconventional warfare to cause political destabilization and so-called regime change, blatantly violating the principle of non-interference in the internal affairs of States.

It has appealed to the feelings of intentionally selected audiences. It has put our children, young people and artists at the centre of the media bombardment. It has backed artificial leaders; fabricated pretexts for a failed testing of a humanitarian intervention; encouraged irregular emigration; and deployed a deceitful narrative to create the fake image of a repressive and unstable government in crisis, incapable of satisfying the demands of its people.

The United States Government has allocated some \$20 million a year for those activities. The programmes are operated under section 109 of the Helms-Burton Act, which authorizes the President of the United States to furnish assistance and provide other support for individuals and non-governmental organizations to support "democracy-building" efforts for Cuba.

The measures on Cuba announced on 16 May 2022 by the Biden Administration concerning the coercive measures imposed during the Trump Administration are very limited in nature. They essentially include the following provisions:

- Gradual and limited resumption of immigrant visa processing at the United States Embassy in Havana for specific categories.
- Authorization of regular and charter flights to and from nine international airports in the country, in addition to Havana airport.
- Elimination of the annual limit of 3,600 flights to Havana and authorization for private charter flights to the entire country.
- Authorization of "people-to-people" group travel under the general educational travel licence.
- Elimination of the \$1,000 per quarter cap on family remittances and the authorization of non-family remittances.

These regulations do not address the most harmful aspects of the blockade, nor do they reverse the most aggressive measures taken by the Trump Administration.

The ban on regular bilateral trade and on imports from third countries of goods containing more than 10 per cent of United States components remains unchanged. The List of Restricted Entities and Subentities Associated with Cuba and the Cuba Prohibited Accommodations List, the measures to prevent the transfer of fuel and the

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inclusion of Cuba on the United States Department of State list of State sponsors of terrorism remain in force.

The prohibition on the use of the United States dollar in the international transactions of Cuba remains in place, and it is still impossible to use the United States financial system to carry out such transactions when the origin or destination of transfers is a Cuban entity.

All this leads to substantial losses owing to fluctuations in the exchange rates between the United States dollar and the currencies of third countries in which collections and payments are made, as well as other additional costs.

For United States citizens, the ban on travel to Cuba continues to be in effect. It is only possible to visit Cuba through licences established under the blockade regulations, subject to many restrictions. The measures announced do not authorize individual "people-to-people" educational travel, an important limitation that requires travel in groups and under the sponsorship, supervision and legal responsibility of a United States organization.

Similarly, the resumption of immigration services at the United States Embassy in Havana has so far been gradual and very limited. The United States Embassy in Georgetown, Guyana remains the main consular processing centre for Cuba. This has an impact on the citizens and families of both countries and helps to encourage irregular emigration.

It is still impossible to make remittances through formal and institutional channels while United States processing agencies are prohibited from carrying out transactions with the Cuban companies included on the List of Restricted Entities and Subentities Associated with Cuba.

According to the current United States Administration, these administrative regulations constitute "support for the Cuban people". However, its hostile and demagogic actions contradict any real interest in returning to the path blazed by the Obama Administration, which led to significant progress in bilateral relations.

It continues to provoke material shortages and scarcity, to sow the seeds of discouragement and dissatisfaction, to harm the Cuban people and to impede economic growth at a time of serious global crisis.

Between August 2021 and February 2022 alone, this policy caused Cuba in the order of \$3,806.5 million in losses, which is 49 per cent more than the figure reported in the preceding period (January–July 2021). This record amount, reached in just seven months, reflects the intensified impact of the blockade on Cuban exports, mainly in the tourism sector, the ruthless monitoring of the country's banking and financial operations, the costs of geographic relocation of trade, the effects on production and services provided to the population, and the obstacles to accessing advanced technologies.

It is estimated that, without the blockade, gross domestic product could have grown by 4.5 per cent in those seven months, and by nearly 8 per cent when projected over one year.

Taking into account the losses reported between January and July 2021, in just the first 14 months of the Biden Administration, the blockade caused \$6,364 million in losses, representing more than \$455 million per month and more than \$15 million per day.

At current prices, the cumulative losses in six decades of application of the policy amount to \$154,217.3 million. Taking into account the performance of the

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dollar against the price of gold on the international market, the blockade has caused quantifiable losses of more than \$1,391,111 million.

As a result, the Cuban economy has come under extraordinary pressures, reflected in industry, service provision, retail trade, food and medicine shortages, and a decline in the consumption levels and general welfare of the population.

In recent months, systematic efforts have been made to attain energy stability under very complex conditions, given the insufficient readiness of power plants resulting from the lack of fuel, spare parts and other essential resources for their repair and maintenance. The few providers that have decided to continue supplying Cuba with these products have increased their prices considerably based on country risk.

Between August 2021 and February 2022 alone, losses in the energy and mining sector amounted to \$185,533,055. This figure is almost \$50 million higher than that reported for January to July 2021.

The data do not illustrate the true impact of these outcomes on the daily lives of Cubans, nor the constant stress generated by the intermittent interruptions to electricity service, despite the Government's willingness and effort to promptly and effectively solve this problem.

During that period, a German firm, which supplies the technology for the vibration monitoring systems of the thermal turbines of the National Electric Union, indicated that it would not enter into contracts with the Cuban importing company Energoimport if the latter did not make full payments in advance, while its bank recommended that the firm should not work with Cuba in view of the implementation of Title III of the Helms-Burton Act.

In October 2021, a French supplier informed the trading company Devexport that it could not maintain its contracts to provide spare parts to the Antonio Guiteras thermal power plant because, following an internal financial restructuring, the supplier had committed not to finance, facilitate or conduct activities with any country sanctioned by the Office of Foreign Assets Control and the United States Department of State.

The blockade violates the right to life and health of all Cubans. The impact of this policy is reflected in the shortage of essential consumer goods, as well as the challenges faced by national industry in acquiring supplies needed to produce pharmaceuticals and provide other vital services.

Cuba is capable of producing more than 60 per cent of its essential medicines; however, this level has not been attained for months owing to the impact of the blockade on the country's capacity to pay; the impossibility of accessing medical technologies with more than 10 per cent of components originating in the United States; the need to resort to alternative transportation routes at a high additional cost; and the growing refusal of financial and banking institutions in various countries to conduct operations with Cuba, which has impeded transactions with these suppliers.

This is illustrated by the impossibility of purchasing insulin from the Danish company Novo Nordisk because of the refusal of a Danish bank to accept bank transfers. The bank alleged that it could not receive funds from Banco Financiero Internacional because it is a Cuban entity sanctioned by the Office of Foreign Assets Control.

In the midst of the fight against the COVID-19 pandemic, the blockade hindered the arrival of syringes into the country to support the vaccination process. Negotiations with a foreign supplier had to be interrupted because a British bank informed the supplier that it could not carry out payment transactions destined for Cuba.

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At the peak of the pandemic in the country in 2021, not a single measure to ease the blockade was applied. This policy hindered the delivery of donations; the procurement of cylinders, spare parts and other components required for the supply of medical oxygen; and the purchase and transport of indispensable materials for the prevention, diagnosis and treatment of COVID-19, as well as for the research, production and evaluation of vaccine candidates and Cuban vaccines against the virus.

As a result of the blockade, the Centre for Genetic Engineering and Biotechnology, which produces the Cuban COVID-19 Abdala vaccine, reported losses amounting to \$190,671,000. For the Finlay Vaccine Institute, producer of the Soberana 02 and Soberana Plus vaccines, this policy hampered 20 operations, 11 of which related to supplies, 6 to reagents and 3 to equipment from United States manufacturers.

Clinical studies of autoimmune diseases, such as psoriasis and multiple sclerosis, as well as neurodegenerative diseases, have not started because the required drugs, which are standard therapeutics throughout the world, are not available to Cuban patients.

These severe limitations adversely affect the quality of the services provided to the Cuban people, as they lead to delays, waiting lists for specialized medical care and longer hospital stays, and have other negative results.

Between August 2021 and February 2022, the effects on production and services in the agricultural sector, challenges to monetary and financial operations, additional costs resulting from the geographic relocation of trade, and other obstacles to acquiring technology and fuel gravely affected the production and acquisition of food in Cuba, generating losses of \$270,932,307 in the agricultural sector.

During that period, a considerable number of banks refused to process payments to suppliers of the Cuban food importer Alimport for products such as soybeans, vegetable fat, pig feed and sausages.

In addition to the above, obstacles associated with maritime transportation impact our entire logistics chain. A shipping line that transported a considerable volume of Cuban cargo, mainly for Alimport, is still not providing services, which has hindered transactions with traditional markets.

Irrigation, land preparation, plant protection and the movement of agricultural personnel have been increasingly affected by the lack of fuel. Similarly, challenges in acquiring and/or repairing necessary equipment for agricultural and pre-industrial processing and transportation in general persist.

During the reporting period, the Cuban company Transimport made 518 requests for, among other things, automotive equipment, tractors, batteries, engines, forklifts, parts and components. Only 9 per cent of its requests made to foreign suppliers were fulfilled.

The blockade affects both private and State enterprises in Cuba. There are many examples of information technology tools that are not accessible to national developers only because they are Cuban. Cuban enterprises also face difficulties accessing external financial mechanisms, opening bank accounts abroad and using payment and e-commerce platforms that are off limits to Cuba.

The impact of the blockade is not limited solely to the Cuban context. By means of pressure and scandalously anti-democratic and interventionist practices, Washington aims to make all other countries and international organizations abide by its political decisions regarding Cuba.

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In the period between August 2021 and February 2022, a total of 100 foreign banks were found to be involved in 261 cases relating to actions such as closing of bank accounts and termination of established banking contracts, rejection of transactions, refusal to open accounts and cancellation of keys for the exchange of financial information through the Society for Worldwide Interbank Financial Telecommunication (SWIFT). As a consequence, the losses to the banking and financial sector totalled \$260.8 million, which is \$93 million more than the amount that was reported for January to July 2021.

Likewise, dozens of Cuban diplomatic missions around the world have had their ties cut with the banks that traditionally provided them with services, owing to the banks' fear of reprisals from the United States Government.

As a result, the country has faced challenges in making its contributions to various international and regional organizations, despite the Cuban Government's willingness to honour its financial commitments.

Another example came to light in January 2022, when an international bank decided to block all donations to a delegation of Progressive International that was going to travel to Cuba as part of an initiative to support global access to COVID-19 vaccines. The bank claimed that the decision was based on risk assessments conducted in light of the sanctions imposed by the United States on Cuba.

In early 2022 the digital lodging platform Airbnb Payments had to pay a fine of \$91,172 imposed by the Office of Foreign Assets Control for accepting payments from United States nationals who travelled to Cuba without being part of the categories authorized by the White House.

President Barack Obama's own deputy national security adviser, Ben Rhodes, called the fine "stupid, counterproductive and Trumpian", as it deprives United States nationals of the ability to provide income directly to Cubans and establish connections between the two peoples.

Recently, the country experienced a period of great distress and tension as a result of a large-scale fire at the super tanker base in the province of Matanzas, which caused regrettable human and material losses. While dozens of nations, friends and Cubans living abroad showed their solidarity with Cuba, the blockade continued to hinder the arrival of international aid to the country.

The National Association of Italian-Cuban Friendship was unable to make a transfer to an account of Banco Financiero Internacional intended for emergency donations because one bank and a subsidiary of another alleged that Banco Financiero Internacional was on the list of entities sanctioned by the United States Department of State.

The blockade constitutes a massive, flagrant and systematic violation of the human rights of the Cuban people.

The blockade is an act of economic warfare in times of peace. It is the primary impediment to the country's economic and social development, and to the implementation of the 2030 Agenda for Sustainable Development and its Goals.

Its purposes are illegitimate and illegal and violate the Charter of the United Nations and international law.

The limited changes announced on 16 May 2022 were a response to the steady denunciations by the Cuban people and Government, the constant demands within United States society and the community of Cubans living abroad to put an end to the blockade, as well as the near-unanimous rejection of this cruel system of unilateral coercive measures by the countries of the world.

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Three decades since the first United Nations General Assembly resolution against the blockade, the Government of the United States persists in ignoring the Assembly's many pronouncements calling for it to unconditionally eliminate its failed, unilateral and criminal policy against Cuba.

Under these particularly complex circumstances, Cuba and its people are deeply grateful for the expressions of international solidarity they have received, and confident that they can continue to count on the support of the international community in their legitimate demand for an end to this unjust policy.

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