



Helms-Burton Act (Cuba)

Purposes:

- Support « *the Cuban people in regaining their freedom and prosperity, ...*
- Strengthen international **sanctions** against the Castro government

Helms-Burton Act (Cuba)

Enforcement of the economic embargo of Cuba.

- Restrictions by other countries.

*The Congress hereby reaffirms section 1704(a) of the Cuban Democracy Act of 1992, which states that the President should **encourage foreign countries to restrict trade and credit** relations with Cuba in a manner consistent with the purposes of that Act.*

Helms-Burton Act (Cuba)

- **Sanctions on other countries.**

The Congress further urges the President to take immediate steps to apply the **sanctions** described in section 1704(b)(1) of that Act **against countries assisting Cuba.**

D'Amato Act (Iran/Lybia)



Response to Iran's stepped up nuclear program and its support to terrorist organizations such as Hizbollah, Hamas, and Palestine Islamic Jihad

Rationale : sanctions would curb the strategic threat from Iran by hindering its ability to modernize its key petroleum sector, which generates about 20% of Iran's GDP.

D'Amato Act (Iran/Lybia)

Sanctions :

- Denial of Export-Import Bank loans, **credits**, or credit guarantees for U.S. exports to the sanctioned entity;
- Denial of licenses for the U.S. export of military or militarily-useful **technology** to the entity;
- Prohibition on U.S. government **procurement** from the entity;
- Restriction on **imports** from the entity

EU counter measures

Council Regulation (EC) 2271/96 of 22 November 1996 protecting **against** the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom

Objective : protecting the economic and/or financial interests of natural or legal (EU) persons against the effects of the extra-territorial application of legislation.

- Protection of international trade and/or movement of capital and related commercial activities **between the Union and third countries.**
- Against **a court or administrative authority decision located outside the Community giving effect**, directly or indirectly, to the laws listed in the Annex of the Regulation
 - Not be recognised or enforceable
 - Exception if seriously damage interests of the Union

- Access open, in particular, to **any person** being a resident in the Union and a national of a Member State;
- Obligation to **inform the Commission** within 30 days from the date on which it obtained information that his economic and financial interests are affected by foreign legislation
- Right to **recover any damages** caused by the application of the laws with extraterritorial effect
- **Counter measures** to be decided by the Commission or the Council

US legislation specified in the Annex are:

- National Defense Authorization Act for Fiscal Year 1993, Title XVII '**Cuban** Democracy Act 1992', sections 1704 and 1706
- **Cuban** Liberty and Democratic Solidarity Act of 1996
- **Iran** and **Libya** Sanctions Act of 1996
- 1 CFR (Code of Federal Regulations) Ch. V (7-1-95 edition) Part 515 - **Cuban** Assets Control Regulations, subpart B (Prohibitions), E (Licenses, Authorizations and Statements of Licensing Policy) and G (Penalties)

Implementation Example

- 2007, Austrian government initiated an **enforcement action** against an Austrian Bank
- The bank was targeted for **acquisition by a U.S.** private equity firm.
- As requested by its new owner the bank decided to **close accounts held by Cuban clients** to comply with U.S. sanctions against Cuba
- The Austrian authorities dropped the case when the U.S. private equity firm obtained a specific license from the U.S. Department of Treasury, Office of Foreign Assets Control authorizing the Austrian bank to **maintain** the accounts.

Council/Parliament are discussing a proposal to amend/recast the Regulation:

Proposal for a Regulation of the European Parliament and of the Council protecting against the effects of the extra-territorial application of legislation adopted by a third country and actions based thereon or resulting therefrom (recast)
COM/2015/048 final - 2015/0027 (COD)

Procedure 2015/0027/COD

COM (2015) 48: Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL protecting against the effects of the extra-territorial application of legislation adopted by a third country and actions based thereon or resulting therefrom (recast)

European Commission ●

Economic and Social Committee ●

2015

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Legal basis:

Commission: TFUE/art 64, 207 par 2, art 352;

Procedure:

Ordinary legislative procedure (COD)

Type of file:

Proposal for a Regulation

EuroVoc thesaurus:

[international trade](#); [application of the law](#); [third country](#) ▶

Directory code:

11.60.10.00 [External relations](#) / [Commercial policy](#) / [General](#) ▶

● 06/02/2015 : Adoption by Commission Top ▼

Leading person:

Jean-Claude JUNCKER

Leading service:

Legal Service

Decision mode:

Written procedure

Addressee for formal act:

European Parliament ; Council of the European Union

Addressee for optional consultation:

European Economic and Social Committee

Legal basis:

TFUE/art 64, 207 par 2, art 352

Procedure:

Ordinary legislative procedure (COD)

Type of file:

Proposal for a Regulation

Documents:

[COM/2015/48/FINAL](#)
[CSST/2015/6237](#)

CELEX number of the main document:

[52015PC0048](#)

● 06/02/2015 : Transmission to Parliament Top

● 06/02/2015 : Transmission to Council Top

● 18/03/2015 : European Economic and Social Committee opinion Top ▼

Decision mode:

Adoption without debate

Documents:

[CESE/2015/987](#)
[JO C/2015/268/45](#)

CELEX number of the main document:

[52015AE0987](#)

Activities of the institutions