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:

- **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


European Commission
Economic and Social Committee

Legal basis:
Commission: TFUE/art 64, 207 par 2, art 352;
Ordinary legislative procedure (COD)

Procedure:
Proposal for a Regulation

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
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
52015PC0048
CELEX number of the main document:

06/02/2015: Transmission to Parliament

06/02/2015: Transmission to Council

18/03/2015: European Economic and Social Committee opinion
Decision mode:
Adoption without debate
Documents:
CESE/2015/987
JO C/2015/268/45
52015AE0987
CELEX number of the main document:

Activities of the institutions