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US To Reopen Embassy In Cuba, Offer New Way To Get Visas

By Allissa Wickham

Law360, New York (July 1, 2015, 2:03 PM ET) -- President Barack Obama announced Wednesday that the U.S. and Cuba will reopen embassies in each other's countries, with U.S. Secretary of State John Kerry travelling to Havana later this summer to take part in re-establishing the embassy there, which legal experts say could provide a new method for obtaining visas.

Obama, speaking in the White House Rose Garden, said that the U.S. will reopen its embassy in Havana — 54 years after America cut off diplomatic ties with Cuba, in the midst of the Cold War. The president's announcement came roughly six months after Obama said in December that the U.S. will begin normalizing diplomatic relations with the island.

"Today, I can announce that the United States has agreed to formally re-establish diplomatic relations with the Republic of Cuba and reopen embassies in our respective countries," Obama said, adding that the move shows that "we don't have to be imprisoned by the past."

The U.S. and Cuba will re-establish "permanent diplomatic missions," otherwise known as embassies, in both countries on July 20, according to a letter from Obama to Cuban President Raul Castro.

A senior State Department official confirmed that diplomatic relations will be re-established on July 20 in a call with reporters on Wednesday, but said either country could hold their embassy opening ceremonies on or after that date. The official did not yet have a date for when Kerry was going to travel to Havana.

Although re-establishing formal diplomacy between the two countries is obviously a historic step, attorney Paul Virtue of Mayer Brown LLP said that the move won't have an immediate impact on the trade embargo, beyond the restrictions that were eased in January. However, Virtue pointed out that the embassies will provide a new way to obtain visas or passports.

"The new embassies will replace an arrangement whereby consular services, including the issuance of passports and visas, have previously been provided by the U.S. and Cuban Interests Sections of the Swiss embassies in Havana and Washington, respectively," Virtue said in an email.

Following Obama's December announcement, the U.S. Department of the Treasury and the U.S. Department of Commerce unveiled sweeping new measures on travel and trade with Cuba. The move relaxed restrictions on travel for Americans, allowed U.S. financial institutions to engage with Cuban banks and approved certain exports.

Although Americans still aren't able to travel freely to Cuba as tourists, under the changes announced in January, the 12 groups already approved for travel will no longer need a license. Those groups include academics, journalists, close relatives of Cuban nationals and humanitarian groups.

Airlines and travel agents can also now provide services to the country, and the new regulations allow many U.S. financial institutions to process credit and debit card transactions for travel. Exports and imports, too, may increase under changes that allow the commercial sale of products such as building materials, tools and certain consumer electronics devices.

During his announcement on Wednesday, Obama urged Congress to nix the embargo against Cuba, saying that citizens from both countries are ready for change.

"Americans and Cubans alike are ready to move forward," Obama said. "I believe it's time for Congress to do the same, and I've called on Congress to take steps to lift the embargo that prevents Americans from traveling or doing business in Cuba."

Pedro Freyre, the international practice chair of Akerman LLP, added that a formal U.S. embassy in Cuba will likely have a "commercial attache" ready to assist U.S. businesspeople and "make them more comfortable.

"The profile of the U.S. also will be raised in Cuba and make commercial interactions between the neighboring countries easier, and the flow of commerce smoother," Freyre told Law360.

--Additional reporting by Khadijah M. Britton, Matt Sharp and Carolina Bolado. Editing by Stephen Berg.

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