

The Virgin Islands Consortium

U.S. Eases Banking Transactions And Travel Restrictions To Cuba

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ST. CROIX -- The Obama Administration on Tuesday announced that Americans interested in traveling to Cuba for "people to people" educational trips, would be allowed to do so under newly loosened rules the administration has adopted. It would also lift limits on the use of American dollars in transactions with Cuba, dissolving harsh restrictions on travel and commerce as President Obama [prepares to make a trip](#) to Havana next week.

Mr. Obama's trip to Cuba will be the first visit by a sitting American president in 88 years and an important element of his foreign policy. The landmark visit also poses a threat to the U.S. Virgin Islands tourism product, which, [according to](#) Department of Tourism

Commissioner Beverly Nicholson-Doty, began its ascension following the U.S.'s strenuous sanctions against the Cuba, stifling growth and almost crippling its tourism industry.

While Americans are permitted to make educational visits to Cuba in tour groups, a tourism ban has barred individuals from traveling there under most circumstances. Under Tuesday's revisions, Americans who plan a trip with a full schedule of educational exchange activities, including interacting with Cuban people, will for the first time in decades be able to travel on their own to Cuba without special permission from the United States government. And while the decades-long embargo remains in place -- the Republican-led Congress has shown little sign in repealing it -- the new rules amount to permission for any American who wants to travel to Cuba to plan an educational tour there, as long as they keep records of their activities for five years.

"We have enormous confidence in the American people as ambassadors for the things that we care about," said Benjamin J. Rhodes, Mr. Obama's deputy national security adviser for strategic communications. "There's no shortage of opportunities for Americans to build that type of meaningful schedule of people-to-people engagement while they go to Cuba. We believe that's the best way to connect the Cuban people with the wider world."

Travelers who fill their days with museum visits, cultural sightseeing and conversations with Cubans about their society, and keep a daily journal, could meet the requirements. American officials suggested that there would be little policing of the comings and goings of those making people-to-people trips.

The rules announced on Tuesday will also allow Cuban citizens to earn a salary in the United States and make it easier for dollars to be used in financial transactions with United States banks, something government officials in Havana have long pressed for. They come on the heels of an agreement last month between American and Cuban officials to restore direct commercial flights between the countries.