Trump Administration Targets Canadian and other Foreign Companies Involved in Cuba

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by Nelson Dong

Canadian companies with interests in Cuba should take note of our recent eUpdate, Trump Administration Allows Lawsuits Against Persons Who Have Used Assets Confiscated by the Cuban Government, Imposes More Sanctions on Venezuela and Nicaragua, regarding new potential exposure to litigation in the United States.

On April 17, 2019, the Trump Administration announced that U.S. courts may begin to hear lawsuits against persons who use assets that the Cuban government expropriated in the wake of the Cuban revolution in 1959 or since that time. While the underlying U.S. law (the Helms-Burton Act) has been in effect since 1996, all prior U.S. Presidents have chosen to exercise their discretion to waive that particular provision in the law, so this is the first time that such lawsuits have been allowed to proceed. This watershed event could have major and unprecedented implications for Canadian companies or individuals who have engaged in business in Cuba since 1959 if previously confiscated assets were involved. Such companies and individuals may now find themselves targeted by lawsuits in U.S. courts by the former owners of Cuban properties (such as mines, factories, hotels, and the like).

Dorsey attorneys are available to assist Canadian businesses with addressing this significantly increased risk under U.S. law from doing business in Cuba. Our team has extensive experience assisting clients with addressing U.S. economic sanctions, including the trade embargo against Cuba, as well as representing clients in complex commercial litigation across the United States.

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