CUBA STUDY GROUP

A STRONGER HUMANITARIAN RESPONSE TO CUBA'S DEEPENING CRISIS

POLICY STATEMENT | AUGUST 2026

EXECUTIVE SUMMARY

Cuba is facing an escalating humanitarian crisis marked by chronic blackouts and severe shortages of fuel, food, medicine, and other basic goods. While Cuba's government bears great responsibility for the structural failures that have deepened the crisis, U.S. sanctions — including a de facto fuel blockade — have compounded the suffering of the Cuban people without achieving their stated objectives.

This statement calls on the U.S. government to expand humanitarian carve-outs for fuel and extend existing fuel pathways to allow eligible private-sector importers and distributors to supply state-run medical facilities for humanitarian purposes. It also calls for broader U.S.-funded humanitarian assistance to include medicines and medical equipment and allow such assistance to reach public health institutions, alongside a functioning financial corridor for humanitarian and private-sector activity, stronger public support Cuba's independent entrepreneurs, and the designation of a senior official to coordinate humanitarian policy.

The statement also calls on the Cuban government to establish protected channels for humanitarian funds and accelerate the development of independent private-sector financial and payment services. Cuba should also expand the direct importation and distribution of humanitarian assistance, enable independent fuel importation, storage, and distribution for humanitarian purposes, and incentivize greater private-sector participation in relief efforts.

Humanitarian assistance should never be used as a bargaining chip. Taken together, these steps would also help mobilize greater international assistance by reducing regulatory uncertainty and creating clearer, more reliable channels for delivering aid.

The scope of these recommendations is deliberately limited to immediate humanitarian needs; they do not supersede the Cuba Study Group's longstanding positions on improving U.S.-Cuba relations. We urge both governments to act immediately so that sanctions and bureaucratic obstacles no longer impede urgently needed relief for the Cuban people. All these measures can be implemented through executive and regulatory action without new legislation.

A Stronger Humanitarian Response to Cuba's Deepening Crisis

Cuba's humanitarian crisis has reached an alarming stage. Chronic blackouts and shortages of fuel, food, medicine, and other basic goods are placing extraordinary burdens on Cuban families and severely constraining the ability of churches, humanitarian organizations, private businesses, and others to respond.

The Cuban government bears great responsibility for the structural economic and political failures that have left the country so vulnerable to external pressure. But the United States bears responsibility for a de facto fuel blockade and other new sanctions policies intended to extract concessions from Havana or precipitate political change, but which have so far failed to achieve those objectives while compounding the Cuban people's suffering.

Humanitarian assistance should never be treated as a bargaining chip. If the goal of the United States is to focus its pressure on those responsible for repression or whose activities pose a threat to U.S. national interests, it should create more workable, consistent sanctions exceptions that allow food, medicine, energy, financing, and other essential resources to reach the Cuban people effectively. The more than $100 million in humanitarian assistance committed by the U.S. government, which is being delivered gradually in coordination with religious organizations on the ground, remains woefully insufficient relative to the scale of the island's needs.

The Departments of the Treasury and Commerce already possess the tools to create broader humanitarian carve-outs, including authorities to license transactions that channel resources directly to the Cuban people and independent actors outside the state system. The Cuban government, for its part, should remove the regulatory, financial, and logistical obstacles that prevent available assistance from reaching those who need it. Taken together, these steps would also help mobilize greater international assistance by reducing regulatory uncertainty and creating clearer, more reliable channels for delivering aid.

Forward progress in this area is even more urgent in light of recent comments from U.S. officials suggesting that both military escalation and a brokered grand bargain are likely off the table for the time being.

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Recommendations to the United States Government

Establish a humanitarian exemption for fuel donated by the international community with safeguards against diversion.

The United States should exempt bona fide donations of oil, diesel, liquefied petroleum gas, and other fuels to Cuba by third countries and other members of the international community from U.S. sanctions and secondary economic measures, together with the financing, transportation, insurance, and other services necessary to deliver them.

Energy is essential to virtually every humanitarian activity on the island. Hospitals need electricity; water must be pumped; medicines and food require refrigeration; and churches, humanitarian organizations, farmers, private businesses, and transportation providers need fuel to deliver assistance and essential goods. The United States should not deter governments or other legitimate international actors from donating fuel intended to alleviate these conditions.

This exemption can include strong safeguards against diversion. Foreign persons who knowingly purchase, broker, finance, transport, or facilitate the commercial export or re-export from Cuba of petroleum supplied to the island as humanitarian assistance could face exposure to U.S. blocking sanctions, including potential designation on the Specially Designated Nationals and Blocked Persons List. These restrictions could target deliberate diversion and profiteering without impeding legitimate distribution and consumption within Cuba.

Create a general authorization for humanitarian medical donations to Cuba.

The United States should replace case-by-case BIS licensing for bona fide donations of medicines, medical devices, diagnostic equipment, medical supplies, replacement parts, and related equipment with a broad license exception. If the U.S. government already maintains a policy of generally approving such exports, donors should not have to seek individual authorization before providing urgently needed medical assistance.

The authorization should cover not only the donated goods themselves but also the transactions and services reasonably necessary to deliver them, including payments, shipping, insurance, logistics, installation, maintenance, and replacement parts. OFAC and BIS should issue coordinated guidance so that donors, exporters, banks, shippers, and other service providers can readily determine which humanitarian transactions are authorized.

Expand U.S.-funded humanitarian medical assistance to include public health institutions.

Expand U.S.-funded humanitarian assistance to include medicines, medical devices, diagnostic equipment, and other medical supplies. Such assistance should be permitted to reach Cuban hospitals, clinics, pharmacies, laboratories, and other public health institutions when those institutions are the legitimate end users of the assistance.

Because Cuba's health-care system is overwhelmingly state-run, a policy that categorically avoids public health institutions risks preventing U.S.-funded medical assistance from reaching the facilities where most Cubans actually receive care. U.S. policy should distinguish between providing medicines and medical equipment to public health institutions for civilian medical care and providing unrestricted financial or material support to entities linked to Cuba's military and intelligence apparatus.

Appropriate end-use verification, recordkeeping, and anti-diversion safeguards should remain in place. Those safeguards, however, should be designed to facilitate legitimate humanitarian assistance rather than make it prohibitively difficult. The relevant question is whether donated goods are being used for bona fide civilian medical purposes—not simply whether the receiving institution is state-owned.

Create a functioning humanitarian and private-sector financial corridor.

Cuba's beleaguered private sector is providing the lion's share of food items available in Cuba. Without them, Cuba's crisis would have already reached disastrous proportions. Washington should ensure that authorized humanitarian activity and legitimate commerce with Cuba's independent private sector have access to the financial and logistical infrastructure necessary to operate in practice.

OFAC should provide clear due-diligence and compliance guidance, together with appropriate safe harbors, for U.S. and foreign financial institutions serving authorized Cuban entrepreneurs, churches, humanitarian organizations, and other eligible actors. Banks should have clear standards for verifying and approving independent Cuban entrepreneurs, opening accounts, processing payments, and facilitating authorized transactions without assuming disproportionate sanctions risk.

General licenses should cover the full chain of services necessary for lawful transactions, including correspondent banking, merchant processing, trade finance, insurance, shipping, logistics, and professional services. Legal authorization has little humanitarian value if banks and other intermediaries remain unwilling to facilitate the transactions necessary to deliver assistance because of uncertainty over potential U.S. sanctions and enforcement exposure.

The objective should be a functioning formal cross-border channel through which humanitarian organizations and independent Cuban businesses can lawfully receive funds, purchase goods and services, and conduct authorized trade.

Extend existing fuel authorizations to public health facilities for humanitarian purposes.

The Departments of Commerce and the Treasury have already established pathways for supplying fuel to support the Cuban people. Commerce allows, under License Exception Support for the Cuban People (SCP), exports and reexports of U.S.-origin gas and other petroleum products to eligible Cuban private-sector entities and individual consumers without requiring an individual license. Treasury has also established a favorable licensing policy for specific license applications involving the resale of Venezuelan-origin oil for transactions supporting the Cuban people, including private-sector and humanitarian use.

The administration should build on these existing policies by establishing a narrowly tailored humanitarian exception allowing eligible private-sector importers and distributors to sell light fuel products to state-run hospitals, clinics, and other medical facilities for power generation and other essential needs.

Because Cuba's health-care system is overwhelmingly state-run, excluding public health institutions from these authorizations can prevent legally supplied fuel from reaching facilities where reliable electricity is essential to medical care. Appropriate documentation, end-use verification, and anti-diversion safeguards should remain in place to ensure that fuel supplied under this exception is used for bona fide civilian medical purposes.

Publicly support Cuba's independent private sector and facilitate legitimate travel.

Since Cuba's private sector now provides much of the food, transportation, logistics, and other essential services on the island, the United States should publicly recognize its role and make support for the independent private sector an explicit component of its humanitarian response.

Greater visa flexibility for independent actors would further reinforce both the near-term humanitarian effort and the long-term development of a freer Cuban economy.

Designate a senior official to coordinate U.S. humanitarian policy toward Cuba.

The administration should designate a senior official responsible for coordinating humanitarian carve-outs across the U.S. government to Cuba and ensuring that authorized channels function effectively in practice.

Working with the Departments of the Treasury, Commerce, and State, this official should ensure that the licenses, FAQs, guidance, comfort letters, and other regulatory assurances needed by donors, banks, exporters, shippers, and humanitarian organizations are issued promptly so that authorized assistance can reach the Cuban people at the scale and speed the crisis demands.

Recommendations to the Cuban Government

Create a protected, dollar-denominated financial channel for humanitarian funds.

Cuba should allow churches, independent NGOs, private distributors, and other organizations providing humanitarian assistance in Cuba to receive, hold, transfer, and spend humanitarian funds in U.S. dollars or other freely convertible currencies, without requiring conversion into Cuban pesos at an unfavorable exchange rate.

The Cuban government should also encourage and expedite the authorization and development of independent private-sector financial and payment service providers, including institutions capable of receiving, transferring, and managing funds on behalf of humanitarian organizations and other legitimate actors. As these new institutions become operational, they should be permitted to facilitate payments for goods and services used for humanitarian purposes.

A transparent, protected, and verifiable channel for humanitarian funds through emerging private-sector financial institutions would preserve the purchasing power of those funds, diversify the channels available for humanitarian assistance, and allow resources to reach intended beneficiaries more quickly and efficiently.

Expand direct importation and distribution of humanitarian assistance.

Churches, independent NGOs, private distributors, and other organizations providing humanitarian assistance in Cuba continue to confront significant logistical, customs, and storage obstacles.

The Cuban government should expand the ability of churches, independent NGOs, private distributors, and other qualified humanitarian partners to import humanitarian goods directly, without requiring shipments to pass through state import companies or other unnecessary intermediaries.

Bona fide organizations should be permitted to receive, store, transport, and distribute humanitarian supplies directly, with simplified customs and documentation requirements and expedited treatment for perishable goods, medicines, and other time-sensitive assistance. The government should also provide transparent procedures for humanitarian imports and credible safeguards against diversion, favoritism, and political discrimination.

Enable independent fuel importation, storage, and distribution for humanitarian purposes.

The Cuban government should allow churches and other qualified humanitarian organizations with appropriate capacity and safeguards to directly import, store, and distribute fuel for humanitarian operations, without requiring them to contract with CUPET as an intermediary.

This should include establishing clear procedures for qualified organizations to operate certified central storage facilities and supply smaller authorized distribution points serving churches, humanitarian organizations, and their local partners throughout the island. Appropriate safety, reporting, and anti-diversion requirements should apply, while allowing humanitarian organizations and private-sector partners to build the distribution capacity necessary to transport food, medicine, and other essential assistance.

Incentivize greater private-sector participation in humanitarian relief.

The Cuban government should encourage independent businesses to participate more actively in humanitarian relief by allowing MIPYMEs to fully deduct documented expenses directly related to bona fide humanitarian activities, including the provision or distribution of food, medicine, transportation, logistics, storage, and other essential assistance.

Cuba should also establish a legal framework for nonprofit or social-purpose private enterprises dedicated to humanitarian, charitable, and community needs. Together, these measures would mobilize additional private-sector capacity and resources while strengthening the role of independent Cuban actors in responding to the needs of their communities.

These measures would not resolve the underlying causes of Cuba's crisis. They would, however, help ensure that neither U.S. sanctions nor Cuban government restrictions stand in the way of urgently needed humanitarian relief. At a moment of extraordinary hardship, both governments should act now to make it easier for the Cuban people to meet their most basic needs.

WHO WE ARE

The Cuba Study Group is a non-partisan, policy and advocacy organization comprised of Cuban-American business leaders and young professionals who share a vision of a free, sovereign, inclusive and prosperous Cuba that provides opportunities for all of its citizens to fulfill their aspirations.

We aim to put our collective experience in leadership skills, problem solving, and wealth creation at the service of the Cuban people. By helping to remove both external and internal obstacles, we seek to facilitate change, empower individuals and promote civil society development in Cuba.

We do not receive, nor accept, funding from any U.S. government source, or government-funded subcontractor.