United States Department of State

Washington, D.C. 20520

October 26, 2015

Dear Chairman Wheeler:

This letter replaces the January 12, 2010 policy guidance previously provided by this Department to the Federal Communications Commission (Commission) on licensing the provision of telecommunications services to Cuba.[1] On December 17, 2014, the President announced that the United States will be taking historic steps to chart a new course in relations with Cuba and to create more opportunities for the American and Cuban people. The President explained that these measures will further increase people-to-people contact; further support civil society in Cuba; and further enhance the free flow of information to, from, and among the Cuban people.

Relevant to telecommunications service between the United States and Cuba, the President directed the Secretaries of the Treasury and Commerce, in consultation with the Secretary of State, to:

- Authorize the commercial export of certain items that will contribute to the ability of the Cuban people to communicate with people in the United States and the rest of the world. This will include the commercial sale of certain consumer communications devices, related software, applications, hardware, and services, and items for the establishment and update of communications-related systems.

- Authorize telecommunications providers to establish the necessary mechanisms, including infrastructure, in Cuba to provide commercial telecommunications and Internet services, which will improve telecommunications between the United States and Cuba.

On January 16, 2015, the Departments of Treasury and Commerce published amendments to their rules implementing these changes. Among other changes, the amendments established a new general license for commercial telecommunications facilities linking third countries and Cuba and within Cuba, allowed the commercial export of certain communication items under a new license exception (such as personal computers, mobile phones, and televisions), and authorized additional services incident to Internet-based communications and related to certain exportations and exportations of communications items.

As a result of the new policies announced, the Department of State is rescinding its 2010 policy guidance to the Commission and replacing it with the guidance outlined below:

As of the date of this letter, coordination with the Department of State for section 214 applications for the provision of telecommunications service to Cuba is will be treated similarly to all other Section 214 applications. Accordingly, the Commission should take the appropriate steps to:

(1) remove Cuba from the Commission's "Exclusion List for International Section 214

[1] *Modification of Process to Accept Applications for Service to Cuba and Related Matters*, Public Notice, DA 10-112, 25 FCC Rcd 436 (Int'l Bur. 2010) (attaching letter from Ambassador Philip Verveer, U.S. Coordinator for International Communications and Information Policy, U.S. Department of State to Julius Genachowski, Chairman, Federal Communications Commission (dated Jan. 12, 2010)).

Authorizations" and allow all carriers to provide telecommunications services between the United States and Cuba pursuant to global Section 214 authority under section 63.18(e)(1) of the Commission rules;

(2) discontinue application of non-discrimination requirements on the U.S.-Cuba route, including removal of section 63.22(f) of the Commission rules, which codifies the nondiscrimination prong of the International Settlements Policy (ISP) to the U.S.-Cuba route; and

(3) continue to apply the appropriate benchmark settlement rate for telecommunications services between the United States and Cuba as well as allow waivers of limited duration of the benchmark settlement rate, as appropriate, for telecommunications services with Cuba.

We note that all applications approved by the Commission may also need to be licensed, as relevant, by the Office of Foreign Assets Control (OFAC) at the Treasury Department and/or the Bureau of Industry and Security (BIS) at the Department of Commerce.

The new policy guidance outlined above, which is effective as of the date of the letter, shall serve to increase a free and open flow of information between the people of Cuba and the United States. The Department of State appreciates the cooperation of the Commission throughout the years in implementing our telecommunications policy towards Cuba.

Sincerely yours,

Ambassador Daniel A. Sepulveda
U.S. Coordinator for International
Communications & Information Policy