United States eases trade restrictions with Cuba
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(BBC News) – The United States eased a number of trade restrictions with Cuba’s communist government on Tuesday, in President Barack Obama’s latest attempt to bypass the US Congress’s economic embargo on the island.

American companies are now allowed to lend money to Cuban entrepreneurs and to invest in infrastructure projects. The new measures also make it easier for US studios to shoot films in Cuba.

President Obama restored relations with Cuba last year in a first step toward achieving his goal of re-establishing diplomatic relations with the communist government there. President Obama has urged Congress to lift a Cold War-era embargo that bans most trade between US companies and the communist-run island. [Only Congress can end the five-decade embargo.]

Congress has ignored his pleas, but over the past year the Obama administration has announced several measures to encourage trade and a normalization of relations between the two long-time enemies. [Although most U.S. trade with Cuba remains banned under the economic embargo, President Obama has been using executive authority to allow commerce that is not specifically banned by Congress.]

The key difference between this announcement and earlier efforts to ease trade with Cuba by the Obama administration is that this time the new rules will apply to trade with Cuban government agencies. Previous steps were solely aimed at strengthening private entrepreneurs on the island, explains the BBC’s Will Grant in Havana.

Citing “disaster preparedness, education, agricultural production, food processing and public transportation,” U.S. Commerce Secretary Penny Pritzker said the easing of export restrictions will apply on a case-by-case basis in areas which “directly benefit the Cuban people.” The measures also lift further restrictions on Americans traveling to Cuba, making the current ban on tourism more difficult to enforce.

The embargo has been in place since 1960 and remains a contentious issue in relations between Cuba and the US.

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1 An “embargo” is an official ban on trade or other commercial activity with a particular country.
2 “Executive authority” is when a president makes a change in law or enforcement without the approval of Congress.
3 “Commerce” is the activity of buying or selling things.