

USA: Logistics company fined for deliveries to Cuba



US Embassy building in Havana (source: [Terry Feuerborn/Flickr/CC-BY-SA 2.0](#))

The US Office of Foreign Assets Control (OFAC) has [imposed](#) a fine of US\$608,825 on Delaware-based logistics company Key Holding, LLC. The reason: its Colombian subsidiary, Key Logistics Colombia S.A.S., handled a total of 36 shipments of goods worth over \$3 million to Cuba between January 2022 and July 2023, thereby violating US sanctions.

According to an official statement from the OFAC, 33 of the shipments contained foodstuffs that would theoretically have been exempt from the sanctions but were not approved by the authority. The remaining three shipments contained machine components for oil drilling, towels, and electric feed mills.

Some of these were handled by Comercial Cupet S.A., a Cuban company specializing in energy imports. The goods came from suppliers in Colombia, Spain, China, and Panama and were destined for various recipients in Cuba. Key Holding stated that it had no knowledge of these shipments until January 2024, when the company was preparing to sell to another US company.

Neither the parent company nor the subsidiary had a program in place to comply with sanctions regulations.

In a statement, OFAC emphasized that the company cooperated with the investigation. However, the agency considered the lack of due diligence, the negative impact on sanctions policy toward Cuba, and the fact that personnel in Colombia were aware of the destination of the shipments as aggravating factors.

The case shows that even companies outside the US can violate sanctions if they are controlled by a US company. The US Treasury Department urges companies to carefully review contracts, destinations, certificates of origin, and shipping documents when acquiring foreign subsidiaries.

The Cuban news portal cubainformacion sees the case as an example of the “criminal policy” with which the US is cutting Cuba off from vital goods. The US economic blockade is not a “bilateral measure,” but a “system of extraterritorial coercion” that targets any company and any country that wants to trade with Cuba.

In the last vote at the United Nations, 187 countries rejected the US sanctions against Cuba.
([Cubaheute](#))