FAQs

This FAQ will be updated if new guidance is released related to U.S. entities working with Cuba.
Last Updated: January 12, 2017

1. Required Cost-Share:
Please note the following as it relates the cost-share requirement:

- **U.S. Institutions** requesting award funds must provide a minimum cost-share of 30% of the institution’s portion of the total award amount by committing a cash, material, or in-kind contribution. Scientists employed by the U.S. Federal Government are not eligible to receive funding from this solicitation, and are therefore exempt from the cost-share requirement. Additionally, if the U.S. sub-team is not requesting funds, then they are exempt from the cost-share requirement.

Please see the calculations below for examples of minimum cost-share amounts for U.S. Institutions:

<table>
<thead>
<tr>
<th>Example 1</th>
<th>Requested Funds</th>
<th>Minimum U.S. Institution Cost-share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>U.S. Primary Institution: $15,000 USD</td>
<td>$15,000 x .30 = $4,500 USD</td>
</tr>
<tr>
<td></td>
<td>Cuban Primary Institution: $35,000 USD</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Example 2</th>
<th>Requested Funds</th>
<th>Minimum U.S. Institution Cost-share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>U.S. Primary Institution: $17,000 USD</td>
<td>$27,000 x .30 = $8,100 USD</td>
</tr>
<tr>
<td></td>
<td>U.S. Secondary Institution: $10,000 USD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cuban Primary Institution: $20,000 USD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cuban Secondary Institution: $3,000 USD</td>
<td></td>
</tr>
</tbody>
</table>

- **U.S. For-Profit (FP) companies** may not request any U.S. sub-team expenses from CRDF Global. Such companies are required to cover all U.S. sub-team expenses and contribute 10% towards the Cuban sub-team’s expenses.

Please see the calculations below for examples of minimum cost-share amounts for U.S. For-Profit Companies:

<table>
<thead>
<tr>
<th>Example 1</th>
<th>Requested Funds</th>
<th>U.S. For-Profit Company Cost-share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>U.S. FP Primary Institution: $0 USD</td>
<td>$50,000 x .10 = $5,000 USD</td>
</tr>
<tr>
<td></td>
<td>Cuban Primary Institution: $50,000 USD</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Example 2</th>
<th>Requested Funds</th>
<th>U.S. For-Profit Company Cost-share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>U.S. FP Primary Institution: $0 USD</td>
<td>$45,000 x .10 = $4,500 USD</td>
</tr>
<tr>
<td></td>
<td>Cuban Primary Institution: $30,000 USD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cuban Secondary Institution: $15,000 USD</td>
<td></td>
</tr>
</tbody>
</table>
For Additional information, including eligibility requirements and allowable types of cost-shares, please see the CRDF Global Research Partnerships Cost-Share Policy by visiting the following link.

2. Allowable Costs and Procurement:

Why is salary/labor support not an Allowable Cost for this Competition?

Salary/labor support is not an allowable cost for this competition as Cuban PIs will be supported by their home institution and may not be allowed to request support via an entity in the U.S. To keep a level of parity between the U.S. and Cuban sub-teams, the decision was made to remove salary/labor as an allowable cost for both the U.S. and Cuban sub-teams.

Why are there such specific guidelines for ESS procurement?

U.S. Government regulations, pursuant to the Cuban Democracy Act of 1992, prohibit any transaction between a U.S.-owned or -controlled firm in a third country and Cuba for the exportation to Cuba of commodities produced in a country other than the United States or Cuba. Because of these regulations, supplies and equipment procured using project funds from this solicitation must be manufactured in the United States or Cuba. CRDF Global reserves the right to request country of origin information for supplies and services procured by both the Cuban and U.S. sub-teams.

How will teams export U.S. manufactured goods to Cuba?

There are few options related to the export of U.S. manufactured goods to Cuba due to the embargo enacted by the U.S. Congress. Under President Obama’s Executive Action regarding the embargo, guidelines related to the export of materials to Cuba are changing at an accelerated pace. If you are planning to export a large piece of equipment from the United States to Cuba, search for a freight forwarding service to provide quotes as well as an exporter. Persistence will be key in receiving price quotes and timelines from logistics providers, as many are hesitant to discuss the transfer of goods between the U.S. and Cuba. Having specific information regarding which items you plan to export will be important in receiving these quotes.

Note: while the logistics providers listed below may be able to provide delivery to Cuba, a third party may also be required to prepare supplies for shipping and/or deliver large equipment items to export centers. It is important that teams contact logistics providers directly to determine what may be required so that teams to budget appropriately.

At this time, DHL offers transfer and in some cases freight forwarding services from the United States to Cuba. CRDF Global utilized this service once prior, and while expensive, the freight did arrive to Cuba. CRDF Global recommends contacting DHL directly once you have specific information related to the items that you would like to export.

Crowley Shipping and Logistics has been shipping from the United States to the Western Caribbean, including Cuba, since the early 2000s. While they typically export full containers of goods, they have recently expanded their service to include less-than-container load (LCL) service, from the U.S. to Cuba. Contact them directly by emailing cubaservice@crowley.com once you have specific information related to the items that you would like to export.
**FedEx** has received U.S. Government approval to begin cargo service from the United States to Cuba on January, 15th 2017. However, when asked directly, they state that this expansion has not yet been planned for a specific date. This FAQ will be updated if FedEx updates their service.

The **United States Postal Service** resumed mail service in Cuba, including small parcel delivery service, in early 2016. Please follow the following link: [http://pe.usps.gov/text/imm/ce_017.htm#ep1416554](http://pe.usps.gov/text/imm/ce_017.htm#ep1416554) for more information. CRDF Global recommends using alternatives if possible as the postal service has not been very effective at delivering packages in Cuba.

Teams are welcome to utilize other logistics providers to obtain quotes regarding the import/export of project materials in addition as those listed above. This FAQ will be updated if additional logistics providers that offer export to Cuba are identified by CRDF Global.

**How are U.S. manufactured goods imported upon their arrival in Cuba?**

The Cuban team must work with the U.S. team to facilitate the import of the materials and supplies to Cuba as delivery options directly to the Cuban institute may be limited and import paperwork and end-user import licensure will need to be addressed by the Cuban team directly. CRDF Global made a shipment to a Cuban Institute once prior, and found that it was necessary for the institute to hire a third party company in Cuba to acquire an import license and perform customs activities on their behalf. Teams should contact logistics providers directly to ensure that the necessary paperwork is in place related to materials import.

**How should teams budget for these logistics expenses?**

CRDF Global will work with awardees to facilitate the export of materials at the award stage, however, it is important that teams allocate the correct amount of funds to cover these shipping, export, and import expenses. Research projects should be planned early and accurately to control for the time that it will take to receive price quotes from logistics providers related to the import/export of project materials. Teams should contact logistics providers as soon as they have identified the items that they would like to procure to receive accurate price quotes regarding shipping costs as well as lead time.

Teams should note that shipping and transportation costs may represent a significant amount of their budget for this RFP. Utilizing DHL in 2014, CRDF Global paid almost $11,000 USD to transport roughly $12,500 USD of project materials to a research institution in Cuba. It is important that these costs are represented appropriately and accurately in the project budget.

To ease issues related to shipping and payment processing, particularly due to the fact that logistics providers may require immediate payment to process shipments from the U.S. to Cuba, CRDF Global is able to pay U.S. based vendors directly using award funds allocated to either the U.S. or Cuban sub-teams.

Under special circumstances, CRDF Global may be able to pay Cuban vendors directly via our Jordan Country Office. Because there is a significant amount of risk involved with these payments, CRDF Global’s Jordan Office will potentially need weeks to seek approvals from CRDF Global’s bank in Jordan.
3. Travel:
International travel is allowed under this solicitation, but must be justified within the project narrative and must significantly contribute to the research outcomes. Real travel costs must be allocated in the budget at the time of submission.

How does a U.S. Citizen Travel to Cuba?
U.S. citizens may travel to Cuba and engage in travel-related transactions without a specific OFAC license if their travel fits within OFAC’s 12 categories of authorized travel, which include professional research, meetings, and/or activities of private foundations or research or educational institutes. Note that tourism by U.S. citizens is not prohibited in Cuba. Travel in Cuba must be absolutely limited in time to the accomplishment of the project goals.

U.S. based airlines began servicing Cuba in 2016 and flights should not be difficult to procure.

Neither the U.S. Embassy in Havana nor the U.S. Department of State processes Cuban visa applications. To apply for a Cuban visa or for questions regarding Cuban visa procurement, you must contact the Cuban Embassy in Washington, D.C directly:

Embassy of the Republic of Cuba  
2630 16th Street, NW  
Washington, D.C. 20009  
Website: http://www.cubadiplomatica.cu/eeuu/EN/Home.aspx  
E-mail: recepcion@usadc.embacuba.cu  
Phone: (202) 797 8518 – Ext. 600

You should plan your travel as early as possible to ensure that you are able to procure a visa prior to your expected dates of travel. Please see the following link from the Department of State for further questions regarding travel to Cuba as a U.S. citizen:

https://travel.state.gov/content/passports/en/country/cuba.htm

It is difficult to predict the amount of time that it will take to procure a Cuban visa. Travelers are advised to begin the visa procurement process at the start of their projects as soon as they know that they will travel to Cuba.

How does a Cuban Citizen Travel to the U.S.?
The Consular Section of the U.S. Embassy in Havana is responsible for providing visa services to those seeking to enter the United States. Cuban citizens may travel to the U.S. on a standard non-immigrant visa. Cuban citizens traveling to the U.S. would typically qualify for a B-1 Conference/business visa, which is for travelers consulting with business associates, attending scientific, religious, educational, professional or business conventions/conferences.

U.S. based airlines began servicing Cuba in 2016 and flights to the U.S. should not be difficult to procure.

The procurement of a U.S. visa will consist of the completion of a non-immigrant visa application, the payment of a visa application fee, and a visa interview. For additional information related to the procurement of a non-immigrant visa as a Cuban citizen, please visit:

https://cu.usembassy.gov/visas/nonimmigrant-visas-2/
It is difficult to predict the amount of time that it will take to procure a U.S. visa as a Cuban citizen. Travelers are advised to begin the visa procurement process at the start of their projects as soon as they know that they will travel to the U.S.

4. Licensing:
Do Teams Require Specific Export Control Licenses to Participate in this Program?

CRDF Global is not currently required to obtain a specific Office of Foreign Assets Control (OFAC) license from the U.S Dept of Treasury for applicants, and eventual awardees to participate in this program. CRDF Global would like to make applicants aware that guidelines related to work in Cuba by U.S. entities may change at any time, particularly at the start of a new federal administration. There is a possibility that CRDF Global or U.S. sub-teams would need to apply for a specific OFAC license in the future. CRDF Global continuously monitors guidance related to work in Cuba as it is released by the Treasury Department. CRDF Global will update this FAQ and the U.S.-Cuba Collaborative Arbovirus Research Initiative RFP if new guidance is issued by the incoming administration.

5. Award Administration:
How are CRDF Global Award Agreements Structured in this Program?

CRDF Global will issue two award agreements, one to the U.S. Sub-team Primary Institution and one to the Cuban Sub-team Primary Institution. CRDF Global will process payments to each sub-team separately. Although separate awards are being made to each Primary Institution, the collaborative research project will be managed as one project by one CRDF Global Program Officer and one Grants and Contracts Officer. If the U.S. or Cuban sub-team structure contains Secondary Institutions (SI), CRDF Global offers the U.S. and Cuban sub-teams the option to have CRDF Global manage SI’s (sub-awardee) awards directly as opposed to U.S. or Cuban sub-teams managing funds allocated to their SIs as sub-awards.