

Good Morning All,  
Esteemed Ambassador Mervyn Assam,  
Esteemed Members of the Trinidad and Tobago Chamber of Commerce,  
Members of the Press.

### **BRIEF POINTS ON THE CUBAN ECONOMY, TRADE AND INVESTMENT.**

The transformations taking place in the Cuban economic model at the moment are of significant importance, considering that it is simultaneously moving towards a new stage in its development strategy based on the creation of conditions for sustainable growth in the medium term.

Amid deep conceptual and structural changes, the country has undertaken a journey to boost its economic growth. Today, Cuba displays with pride high standards of education, health indicators of its people comparable with those of first world countries, significant achievements in gender equality; great strides in the field of environmental sustainability and compliance with the Millennium Development Goals.

The exportation of goods increased between 2008 and 2014 to 49.5%. The balance of services showed a growth of 59.3% in that period.

In comparative terms, imports between 2008 and 2013 fell from 32.4% to 18.8% of the GDP, while total exports are estimated to have increased from 18.4 to 21.5%.

The financial measures applied from 2009 increase the confidence of international financial markets in the ability of the Cuban economy to meet its commitments, despite the presence of the US blockade.

It is important to note that in 2015 a major change has been seen in the external financial policy which includes the obtaining of credit to finance imports.

It demands an increase of 13.3% of purchases abroad this year, thus ensuring an increase of 28.7% in investment and 4% in GDP.

The need for change began to take shape with the prioritization of increased investment. There was a substantial boost to foreign investment since the creation of the Mariel Special Zone of Development (September 2013), the adoption of a New Foreign Investment Law (March 2014) and the publication of a Portfolio of business opportunities for foreign investment. (A presentation on investment opportunities in Cuba was given to you).

The Plan for the economy this year is aimed, in essence, at maximizing the efficiency of internal reserves; directing resources towards the revival of key sectors such as the manufacturing industry; growth of investment aimed especially at productive activity and infrastructure; as well as maintaining basic social services at levels similar to recent years.

For the current year GDP growth slightly above 4% is estimated, thus reverting the previous moderate rate and the deceleration trend of recent years. "

Work continues on the proposed Concept of the Cuban Economic and Social model of socialist development; and the bases for the development of the long-term Programme of social and Economic Development of the country were approved.

Our country, during this period, has the most important task of preparing conditions for the elimination of the dual currency.

In short:

- The promotion of foreign investment is a matter of vital importance for the development of the country.
- The sectors that are covered by the business portfolio and are listed as priorities include industry, energy and mining, food, tourism, construction and agriculture, among others.
- The current changes point to a more efficient model, where the socialist state enterprise and planning play a key role, however in it, other non-state forms of production and services have an important role as well.
- For the national economy to grow at a more dynamic rate and for GDP growth to reach five percent, Cuba would require that capital accumulation levels are higher than 20 percent and not at the current 12 percent. This is possible only through two means: access to long-term financial credits and encouraging foreign direct investment.
- In doing so, the Mariel Special Development Zone, plays a fundamental role, as a special regime was established with greater incentives. This enclave located 45 kilometers from Havana has among its main attractions, a port terminal equipped with cutting-edge technologies for post-Panamax ships and stores up to 800, 000 20 foot containers a year. This platform is

set to become one of the major logistics and transshipment centres for companies operating in Central America and the Caribbean.

- The goal is to create around the Port of Mariel a zone in which not only foreign investors settle, but one which also attracts advanced technologies and new export markets that will have a profound effect on the country.
- Cuba has strong economic and trade relations with nations such as Venezuela, China, Russia, Spain and Brazil, from which, it has received numerous requests to invest. Other markets such as Canada, Japan and some European countries, have also manifested their desire to participate in new business opportunities.
- Cuban foreign trade structure has been transforming in recent years. Today, it is more focused on the export of professional services, essentially, health and tourism. This activity represents 70 percent of total sales in the world market.
- Cuba has traditionally had a high concentration of trading partners. However, today we have a more diversified exchange. This is a strategy of top priority for the country, for which we will continue working with the challenge as well of expanding the Cuban export portfolio to more markets.
- Another important task that we are focusing on is ensuring that the Cuban foreign trade is increasingly efficient.
- Cuba has developed links with several countries, especially in Latin America and the Caribbean.
- Cuba will continue to promote progress in regional integration and propelling the existing potential in the context of the Community of Latin American and Caribbean States and other regional schemes.