

ECONOMIC EYE ON CUBA©
19 November 2001 To 25 November 2001

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Attachments: Articles The New York Times, Chicago Tribune, Sun-Sentinel, Financial Post, Arkansas Democrat-Gazette, Los Angeles Times, Reuters, Bloomberg, Associated Press

PESO UNCHANGED AGAINST THE U.S. DOLLAR- Republic of Cuba government-operated Cajas de Cambio S.A. (CADECA) sold the Convertible Peso (equal to US\$1.00) for 26 Pesos and purchased the U.S. Dollar for 26 Pesos in the city of Havana from 24 October 2001. This is the highest value of the U.S. Dollar against the Peso since 1997. During the month of October 2001, the value of the U.S. Dollar increased by as much as 18.5% against the Peso in some Provinces in the Republic of Cuba. The percentage of Republic of Cuba nationals with access to U.S. Dollars is highest in Havana (population 2.19 million) where approximately 20% of the Republic of Cuba’s 11.217 million citizens reside. The official international exchange rate of one Peso to one U.S. Dollar, in effect for more than thirty years, remains unchanged. The government of the Republic of Cuba maintains a fixed exchange rate for its international dealings and a more flexible exchange rate for domestic use. The government of the Republic of Cuba does not fluctuate the value of the Peso for commercial transactions regardless of any fluctuation with the value of the U.S. Dollar or other currencies on the international market. The Peso and the U.S. Dollar circulate freely in the Republic of Cuba.

<i>CADECA Buy (Havana)</i>	<i>CADECA Sell (Havana)</i>	<i>From / To</i>
26	26	24 October 2001 to Present
25	25	22 October 2001 to 23 October 2001
23	23	8 October 2001 to 21 October 2001
22	22	4 July 2001 to 7 October 2001
21	22	22 June 2001 to 3 July 2001
22	22	16 May 2001 to 22 June 2001
21	22	19 April 2001 to 15 May 2001
22	22	10 January 2001 to 19 April 2001
21	22	20 July 2000 to 9 January 2001

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21	21	16 April 2000 to 20 July 2000
20	21	27 January 2000 to 15 April 2000
21	21	24 December 1999 to 23 January 2000
21	22	2 October 1999 through 23 December 1999

ADM FIRST U.S. COMPANY SINCE 1962 TO CONTRACT FOR DIRECT FOOD EXPORTS TO CUBA- On 20 November 2001, Decatur, Illinois-based **Archer Daniels Midland Company** (2000 revenues exceeded US\$20 billion) signed the first contract since 1962 by a United States-based company for a direct sale of an agricultural product to a Republic of Cuba-based entity. Republic of Cuba government-operated Empresa Cubana Importadora de Alimentos (Alimport), under the auspice of the Ministry of Foreign Trade of the Republic of Cuba, signed a contract with Archer Daniels Midland Company for 20,000 metric tons of Hard Red Winter Wheat for delivery from Texas to the Republic of Cuba in December 2001.

ADM also contracted for 5,000 metric tons of long grain white rice (25% broken); 12,000 metric tons of soybeans (human consumption and for crushing); 6,000 metric tons of soybean oil; and 20,000 metric tons yellow corn for delivery in December 2001 and January 2002 through the Port of New Orleans, Louisiana, and the Port of Houston, Texas. Discussions are continuing for other products.

RICELAND FOODS OBTAINS CONTRACT FOR RICE EXPORTS TO CUBA- On 21 November 2001, Stuttgart, Arkansas-based **Riceland Foods, Inc.** (2000 revenues exceeded US\$2 billion) signed a contract with Republic of Cuba government-operated Empresa Cubana Importadora de Alimentos (Alimport), under the auspice of the Ministry of Foreign Trade of the Republic of Cuba, to export 15,000 metric tons of long grain white rice (25% broken) for delivery in December 2001 and January 2002 through the Port of New Orleans, Louisiana, to the Republic of Cuba.

CARGILL OBTAINS CONTRACT FOR AGRICULTURAL PRODUCT EXPORTS TO CUBA- On 20 November 2001, Minneapolis, Minnesota-based **Cargill Inc.** (2000 revenues exceeded US\$48 billion), signed a contract with Republic of Cuba government-operated Empresa Cubana Importadora de Alimentos (Alimport), under the auspice of the Ministry of Foreign Trade of the Republic of Cuba, to export 20,000 metric tons of hard red winter wheat; 19,000 metric tons of yellow corn; and 5,000 metric tons of crude vegetable oil for delivery to the Republic of Cuba in January 2002 and February 2002.

ALIMPORT LISTS AGRICULTURAL COMMODITIES TO BE PURCHASED FROM U.S. COMPANIES- Republic of Cuba government-operated Empresa Cubana Importadora de Alimentos (Alimport), under the auspice of the Ministry of Foreign Trade of the Republic of Cuba, is purchasing (on a cash basis) the following products, among others, with a total approximate current market value of approximately US\$30 million, from United States-based companies (and at least one France-based company). The US\$30 million represents 4% of the approximately US\$750 million in food products and agricultural products purchased by Alimport in 2000 for use by the 11.2 million citizens of the Republic of Cuba. *The government of the Republic of Cuba has continually reiterated that these purchases are a one-time series of commercial transactions under a humanitarian umbrella due to the 4 November 2001 impact of hurricane Michelle on inventories, and will not be repeated until there are changes in United States law governing commercial transactions between United States-based companies and Republic of Cuba-based entities.* As of 21 November 2001, the total value of the products purchase thus far by Alimport is approximately US\$20 million.

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Product	Quantity
Wood Products (Building Materials)	Unspecified
Long Grain White Rice (25% Broken)	20,000 Metric Tons
Chicken Leg Quarters	6,000 Metric Tons
Wheat Flour	10,000 Metric Tons
Edible Beans	Unspecified
Yellow Corn Animal Feed	40,000 Metric Tons
Powdered Milk	1,500 Metric Tons
Soybeans (Human Consumption)	6,000 Metric Tons
Soybeans (For Crushing)	6,000 Metric Tons
Cooking Oil	Unspecified
Soybean Oil	6,000 Metric Tons
Hard Red Winter Wheat	40,000 Metric Tons

H.E. Alejandro Roca, Minister of the Food Processing Industry of the Republic of Cuba, reported that due to the impact of hurricane Michelle on 4 November 2002, the government of the Republic of Cuba was required to immediately spend US\$2.925 million to import flour and yeast due to damage to wheat mills and other facilities.

Representatives of United States-based companies consider that accepting an “invitation” from Alimport to visit the Republic of Cuba is mandatory in order to be considered as a supplier for the purchases sought by Alimport.

FRANCE-BASED COMPANY INCLUDED IN PURCHASES MEANT FOR U.S COMPANIES- Representatives United States-based companies, United States-based organizations, and Members of the United States Congress are expressing concern that Republic of Cuba government-operated Empresa Cubana Importadora de Alimentos (Alimport), under the auspice of the Ministry of Foreign Trade of the Republic of Cuba, included Minneapolis, Minnesota-based **Soufflet USA** (a subsidiary of Nogent sur Seine, France-based Soufflet Group; 2000 revenues approximately US\$3 billion) in what the government of the Republic of Cuba had previously specifically stated was an intention to purchase food products, agricultural products, and healthcare products from United States-based companies. Established in 1997, Soufflet USA traded 2.5 million metric tons of wheat and other commodities in 2000. Reportedly, Paris, France-based **Louis Dreyfus Corporation** (2000 revenues approximately US\$27 billion) was also included in the purchases made by Alimport. Louis Dreyfus Negoce (a subsidiary of Louis Dreyfus Corporation) has a representative office located in the city of Havana, Republic of Cuba. Louis Dreyfus Corporation has offices in New York City, New York, and in Wilton, Connecticut; and the company is a partner in a joint venture that owns the 260-room Four Seasons Hotel in Washington, D.C.

Alimport purchased 20,000 metric tons (out of a total purchase of 40,000 metric tons) of Hard Red Winter Wheat from Soufflet USA. Reportedly, Alimport was requested to include Soufflet USA as a means to lessen unease expressed by current France-based suppliers of wheat to Alimport, especially as the government of the Republic of Cuba has substantial outstanding debt to France-based entities, including for the purchase of wheat.

The Trade Sanctions Reform and Export Enhancement Act within the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriation Act of 2001 (October 2000, 22 U.S.C. 7207; Public Law 106-387) authorizes (under a license from the Bureau of Export Administration (BXA) of the United States Department of Commerce in

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Washington, D.C., and/or by the Office of Foreign Assets Control (OFAC) of the United States Department of the Treasury in Washington, D.C.) United States-based companies to export, directly from the United States, food products and agricultural products to Republic of Cuba government-operated entities and to Republic of Cuba-based entities. Unclear is whether the BXA and the OFAC will consider a United States-based subsidiary of a non-United States-based company to be eligible for licensing under provisions of the Trade Sanctions Reform and Export Enhancement Act even though the products to be exported to the Republic of Cuba might be of United States origin.

CUBA “INVITES” U.S. COMPANIES INTERESTED IN EXPORTING POULTRY TO VISIT HAVANA- Republic of Cuba government-operated Empresa Cubana Importadora de Alimentos (Alimport), under the auspice of the Ministry of Foreign Trade of the Republic of Cuba, has “*invited*” United States-based companies interested in exporting (on a cash basis) poultry to the Republic of Cuba, to visit the city of Havana, Republic of Cuba, during the week of 26 November 2001. Representatives of United States-based companies consider that accepting the “*invitation*” is mandatory in order to be considered as a supplier for the approximately 6,000 metric tons of leg quarters, with an estimated current market value of approximately US\$6.7 million (FOB), for delivery in December 2001 through March 2002 to the Republic of Cuba.

United States-based Companies expected to send representatives to meet with Alimport include: Georgia-based **Gold Kist** (2000 revenues exceeded US\$1 billion), Arkansas-based **Tyson Foods** (2000 revenues exceeded US\$7 billion), Maryland-based **Perdue Farms** (2000 revenues exceeded US\$3 billion), and Nebraska-based **ConAgra Foods, Inc.** (2000 revenues exceeded US\$27 billion), among other companies (including brokers). NOTE: ConAgra Foods, Inc., may also be providing other food products and agricultural products to Alimport.

In 2000, primary sources of poultry for Alimport were Canada-based companies (17,069 metric tons) and European Union-member countries (approximately 25,000 metric tons).

U.S. COMPANY REPORTS SOURCING POULTRY FOR COMPANY IN ITALY FOR EXPORT TO CUBA- A United States-based company reports that it was retained by an Italy-based company to source poultry (leg quarters) for export to Republic of Cuba government-operated Empresa Cubana Importadora de Alimentos (Alimport), under the auspice of the Ministry of Foreign Trade of the Republic of Cuba. The Italy-based company provided the financing (letter of credit) for the transaction. The United States-based company sourced the poultry from producers in Brazil and Canada. In the first transaction, 7,000 metric tons of poultry was reportedly exported in October 2001 from Brazil to the Republic of Cuba. The United States-based company reports that future exports could be 4,000 metric tons per month to 5,000 metric tons per month.

MEDICUBA SEEKING TO IMPORT PRODUCTS FROM THE UNITED STATES COMPANIES- Republic of Cuba government-operated MediCuba, under the auspice of the Ministry of Public Health of the Republic of Cuba, is seeking to purchase (on a cash basis) the following products, among others, from United States-based companies, as a result of the depletion of inventories due to the impact of hurricane Michelle on 4 November 2001:

Product	Unit	Quantity
Dextrose 5% x 10 ml	Ampule	1,800,000

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Product	Unit	Quantity
Potassium Chloride 25 meq x 10 ml	Vial	400,000
Calcium Gluconate 10% x 10 ml	Vial	200,000
Potassium Gluconate x 20 ml	Vial	200,000
Aminophylline 250 mg x 10 ml	Ampule	1,600,000
Sodium Bicarbonate 8% x 20 ml	Vial	600,000
Amethopterin 5 mg	Vial	10,000
Amethopterin 50 mg	Vial	10,000
Doxorubicin HCl 50 mg for injection	Vial	4,000
Doxorubicin citrate liposomal 20 mg	Vial	3,000
Chlorambucil 2 mg	Bott x 25 tab	1,600
Ciclophosphamide 1 gram	Vial	30,000

United States-based companies seeking to provide any of these products should directly contact MediCuba at telephone: 011 537 62 3983; facsimile: 011 537 33 8516; or e-mail: export@medicuba.sld.cu or alfonso@medicuba.sld.cu

CROWLEY LINER SERVICES LOWERS RATES FROM UNITED STATES TO CUBA-

Seeking to expand current cargo market share, on 16 November 2001, Jacksonville, Florida-based Crowley Liner Services, a subsidiary of Oakland, California-based **Crowley Maritime Corporation** (2000 revenues approximately US\$1.2 billion), announced implementation of a “humanitarian” pre-paid rate (no payment required by the exporter to a Republic of Cuba government-operated entity) for cargo authorized by the Bureau of Export Administration (BXA) of the United States Department of Commerce in Washington, D.C., and/or by the Office of Foreign Assets Control (OFAC) of the United States Department of the Treasury in Washington, D.C., from the United States through Mexico to the Republic of Cuba. The “humanitarian” rate may be used by exporters provided that a license (BXA and/or the OFAC) describing the cargo as “humanitarian” is presented to Crowley Liner Services.

Container Size	Commercial Rate	Humanitarian Rate
20-Foot (includes US\$50.00 Bunker & US\$40.00 Chassis Usage)	US\$2,500.00	US\$1,500.00
20-Foot Refrigerated (includes US\$100.00 Bunker & US\$40.00 Chassis Usage)	US\$3,200.00	US\$2,200.00
40-Foot (includes US\$100.00 Bunker & US\$40.00 Chassis Usage)	US\$3,000.00	US\$2,000.00
40-Foot Refrigerated (includes US\$100.00 Bunker & US\$40.00 Chassis Usage)	US\$4,000.00	US\$2,800.00

Crowley Liner Services, among other United States-based companies, has authorization from the OFAC to provide regularly scheduled common carrier services between the United States and the Republic of Cuba for products authorized by the BXA and/or the OFAC.

Crowley Liner Services currently operates the following routing: Port Everglades-Jacksonville-Havana-Progresso-Vera Cruz-Tampico-Progresso-Port Everglades; but the Port of Havana is not included at this time. The direct transit time from Port Everglades to Havana is three days.

Since receiving authorization from the OFAC to transport cargo directly from the United States to the Republic of Cuba, Crowley Liner Services has not been permitted by the government of the Republic of Cuba to operate direct service. However, cargo (humanitarian and commercial) from the United States has been transported by Crowley Liner Services to Vera Cruz, Mexico, where the cargo is transferred to vessels owned by Republic of Cuba government-operated Melfi Marine Corporation S.A. (a subsidiary of Republic of Cuba government-operated Corporacion Cimex S.A.) for the voyage to the Republic of Cuba.

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A representative of Crowley Liner Services visited the Republic of Cuba from 21 November 2001 to 23 November 2001 to discuss with Republic of Cuba government-operated Empresa Cubana Importadora de Alimentos (Alimport), under the auspice of the Ministry of Foreign Trade of the Republic of Cuba, the provision of direct cargo routings from the United States to the Republic of Cuba in conjunction with commercial exports by United States-based companies to Alimport, Republic of Cuba government-operated MediCuba (under the auspice of the Ministry of Public Health of the Republic of Cuba) and, perhaps, other Republic of Cuba government-operated entities.

Alimport is seeking to have food products, agricultural products, and healthcare products delivered from the United States to the Republic of Cuba through ports (New Orleans, Houston, Alabama, etc.) located in those states which include United States-based companies, United States-based organizations, and Members of United States Congress who have sought to expand commercial, economic, and political relations between the United States and the Republic of Cuba.

The “*Trade Sanctions Reform and Export Enhancement Act of 2000*” signed into law on 28 October 2000 did not nullify Section 6 (b) of the Cuban Democracy Act (CDA) which authorized the OFAC to license vessels (no distinction between United States-flagged vessels or non-United States-flagged vessels) to operate between the United States and the Republic of Cuba. With respect to implementation of the “*Trade Sanctions Reform and Export Enhancement Act of 2000*,” the OFAC may license the transport agricultural commodities, medicine, medical devices or other products directly from the United States to the Republic of Cuba. Since 1992, the OFAC has authorized licenses for direct shipping from the United States to the Republic of Cuba. The CDA states that a vessel “*which enters a port or place in Cuba to engage in the trade of goods or services may not, within 180 days after departure from such port or place in Cuba, load or unload any freight at any place in the United States, except pursuant to a license by the Secretary of the Treasury.*”

COCOA BEANS FROM CUBA USED FOR LIMITED EDITION CHOCOLATE BY BARRY CALLEBAUT OF SWITZERLAND- In the November/December 2001 issue of Departures magazine, published by New York, New York-based **American Express Company** (2000 revenues exceeded US\$22 billion; 2000 assets exceeded US\$100 billion), there is the following article by Mr. Steven A. Shaw about cocoa from the Republic of Cuba:

“Cuban Chocolate has the depth and character of great wine, according to Jay Forsyth, head pastry instructor at the Dubrulle Culinary Institute in Canada: *‘It starts with a focused, bitter attack and then moderates with tropical fruit flavors in an exceptional, lingering finish.’* Too bad it’s illegal to bring into the United States. Next time you’re in London, look for hot Cuban-chocolate fondant with whiskey ice cream and white-chocolate cigarette, served at Foliage in the Mandarin Oriental Hyde Park (66 Knightsbridge; 44-20-72-35-2000). Or visit Vancouver’s Blue Water Café & Raw Bar (1095 Hamilton Street, Vancouver, British Columbia V6H3J4, Canada; 604-688-8078) for a mousse made with organic chocolate from *‘a forgotten Cuban plantation.’* The chocolate is also available in one-kilogram boxes (US\$12), from Sugar Art, 1200 First Avenue, Unit 110, Richmond, British Columbia VTE3L9; 604-271-8803.”

Since 1999, Paris, France-based Cacao Barry (<http://www.cacaobarry.com>), a subsidiary of Zurich, Switzerland-based **Barry Callebaut AG** (2000 revenues approximately US\$1.32 billion) has marketed “Origine Rare: Cuba” described as a “*Unique origin chocolate, brought to market once a year, with a limited availability. This year, Cacao Barry presents an authentic chocolate, made exclusively from Cuban cocoa beans.*” The characteristics of “Origine Rare: Cuba” are 70% cocoa; total fat (1.5%) is 42.3; delivery forms are 1 kilogram Pistoles; uses in desserts, ice cream, and pastry.

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Barry Callebaut AG is *“the world’s leading manufacturer of high-quality cocoa, chocolate and related products and supplier of semi-finished cocoa and chocolate products to professional food-processing companies.”* Barry Callebaut reports a global market share of 39%; and reports processing 12% of all cocoa beans harvested worldwide. Decatur, Illinois-based **Archer Daniels Midland Company** (2000 revenues exceeded US\$22 billion) is the largest processor of cocoa beans in the world.

According to Barry Callebaut, *“Cacao Barry offers a product line called Origine Chocolate which is exceptional chocolates origin 100%. Each of these products have an authentic flavour and all the extraordinary mystery each harvest withholds. We do indeed carry a product called Cuba. It is from the soil of Cuba, furthest north of the Tropic of the Cancer, a surprisingly robust criollo is grown. It’s astonishingly fresh, powerful and lingering taste distinguishes this incomparable discovery. We also offer products from St. Dominique, Equateur Indonesie, Papouasie, Valencia (Pure Valencia Almond pastes).”*

“The Origine Cuba (a dark chocolate couverture is 70% cocoa, 41.9 total fat content, <20µ. the fluidity is high. This product is often used for light moulding, ganache, mousse fillings and for ice cream. It is packaged in 1kg 2.2lbs (x10). Our product reference code for this item is CHD-Q7001-590.”

More than 80% of all cocoa beans (a fruit) in the Republic of Cuba are grown in Guantanamo Province, primarily in the area near Baracoa (788 kilometers east of the city of Havana). The hills and valleys near Baracoa have a climate unique to the Republic of Cuba. The government of the Republic of Cuba is seeking to develop cocoa bean production in the central Escambray Mountains, where the Republic of Cuba’s highest quality coffee beans are produced. Almost all of the cocoa is processed at the only facility (located in Baracoa) and then consumed within the Republic of Cuba. The government of the Republic of Cuba continues to seek to develop a chocolate processing/retail sector to **1)** supply the tourist market **2)** to supply Republic of Cuba government-operated U.S. Dollar retail stores and **3)** expand export opportunities. With the assistance of an unidentified non-Republic of Cuba-based company, the government of the Republic of Cuba plans to develop a *“Hecho en Cuba”* (Made in Cuba) marketing campaign for chocolate similar to the marketing campaign for Republic of Cuba-produced tobacco products, Republic of Cuba-produced coffee products, and Republic of Cuba-produced rum products. The government of the Republic of Cuba reported cocoa production in metric tons:

Year	2001	2000	1999	1998	1997	1996	1995	1994
Production	2,000	1,596	1,878	1,896	1,351	1,869	2,062	1,337

The Republic of Cuba exports between 300 tons and 500 tons of cocoa beans per year. Since 1999, approximately 100 tons of cocoa beans have been exported each year to a Cacao Barry facility located in Meulan, France, where the cocoa beans are processed into Dark Chocolate Couverture and packaged into one-kilogram cartons.

CODA INTERNATIONAL, SPECIALIZING IN GAY TRAVEL, MARKETING TOURS OF CUBA- New York, New York-based Coda Tours is marketing study programs to the Republic of Cuba in 2002 which are licensed by the Office of Foreign Assets Control (OFAC) of the United States Department of the Treasury in Washington, D.C. Coda Tours focuses upon *“fulfilling the luxury needs of the intellectually curious gay traveler.”*

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“Alternative Cuban Odyssey: Dedicated to bringing together intellectually curious gay men and women to discover the unforgettable scenery and historic treasures that most travelers miss, Coda Tours specializes in small, elegant excursions to the heart of the world’s most interesting places. In 2002, two such destinations are positively irresistible. Explore the riches of Cuba, where an 8-day study program takes you through the architectural glory of Havana, Cienfuegos and Trinidad. Examine on-going preservation efforts, meet with prominent historians and artists, and take in the emerging modern Cuba. The finest four and five star properties are your homebase on this exceptional tour which includes a roundtrip chartered flight to and from Miami, Havana transfers and baggage handling, meals, ground transport by private air-conditioned motor coach, and English speaking guides.”

PINTURAS OF SPAIN NEGOTIATING DECORATIVE PAINT PRODUCTION IN CUBA- Valencia, Spain-based Pinturas Monto, with plants in Spain, France, and Portugal, and a combined capacity of 35,000 tons of decorative paints per year, reported that the company is negotiating with an unnamed Republic of Cuba government-operated company to establish a production facility in the Republic of Cuba. Pinturas Monto reports that the company expects to provide any financing required.

BOUTIQUES IN CUBA OFFERING CLOTHING BRANDS FROM ITALY- Italy-based ESV s.r.l. (a trading company established by Italy-based beauty, clothing, and related companies to conduct transactions with Republic of Cuba government-operated entities) has signed an agreement with Republic of Cuba government-operated Universal S.A. (a subsidiary of Republic of Cuba government-operated Cubanacan S.A.) and Republic of Cuba government-operated Caracol S.A. (a subsidiary of the Ministry of Tourism of the Republic of Cuba) to market Sasch brand wool clothing, Sasch brand cotton clothing, and Glenfield brand clothing. U.S. Dollar retail stores operated by Universal and Caracol are located in hotels and other locations throughout the Republic of Cuba.

BIOGENERACION ECOGRICOLA OF MÉXICO HAS AGRICULTURE CLONING ASSOCIATION- Guadalajara, Mexico-based Biogeneracion Ecoagricola reported that in association with the Ministry of Agriculture of the Republic of Cuba, the company had increased production of cloned vegetable and fruit seedlings (such as “agave” used in the production of tequila, and sugar cane, papaya, etc.) by 300%. Mr. Arturo Jiménez, President of Biogeneracion Ecoagricola, reported that production in 2001 would be 10 million plants, compared with 3 million plants in 2000. The Republic of Cuba, considered to have an advanced plant cloning sector, is providing technology and technological assistance covering forty plant species.

CRUCEROS ESPANA CANCELS 900-PASSENGER EL BOLERO CRUISE SHIP ROUTE FOR CUBA- Madrid, Spain-based Cruceros Espana has cancelled the operation of the 900-passenger cruise ship Boleros from the Port of Havana; reporting that El Bolero will operate in the Mediterranean Sea-area. However, Cruceros Espana reported that the 1,200-passenger cruise ship Mistral would operate from the Port of Havana as scheduled.

In 2001, Pireaus, Greece-based **Festival Cruises** (which owns four vessels) signed an agreement with the Ministry of Tourism of the Republic of Cuba and the Ministry of Transportation of the Republic of Cuba within which the Republic of Cuba would become the home port (as of December 2001) for two vessels, El Bolero and Mistral (launched in 1999), owned by Festival Cruises.

In 2001, a newly-established Madrid, Spain-based company, Cruceros Espana, announced it would commence a Mediterranean Sea-area itinerary in April 2001 and a Caribbean Sea-area itinerary in the winder of 2001 using El Bolero and Mistral. El Bolero has been chartered by Festival Cruises to Cruceros Espana for three years. The equal shareholders in Cruceros Espana are Festival Cruises,

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government of Spain-controlled Madrid, Spain-based **Transmediterranea** (a passenger/vehicle ferry and shipping company), and Barcelona, Spain-based **Iberojet S.A.** (a tour operator, travel agent, hotel management, and charter aircraft company which markets travel to the Republic of Cuba). **Cruceros Espana** expects to serve a total of 35,000 customers during its first year of operations.

Passengers traveling on *El Bolero* and *Mistral* were to use charter flights to arrive to the Republic of Cuba and to depart from the Republic of Cuba. Various Festival Cruises vessel 7-night itineraries will include the Republic of Cuba (Havana and Isla de la Juventud), Cayman Islands (Grand Cayman), Belize, and Mexico (Progreso and Cozumel). Mr. Umberto Ferraro, President of Festival Cruises, reported that long-term plans included an increase in vessels based in the Republic of Cuba which could accommodate a combined 8,000 passengers per week.

Updated Speaking Schedule

Mr. John S. Kavulich II, President of the U.S.-Cuba Trade and Economic Council, has accepted an invitation from Decatur, Illinois-based **Decatur Sister Cities Committee** to deliver a presentation at the 2002 Illinois State Sister Cities Convention on 13 April 2002. *For additional information, please contact Mr. Bruce Nims at telephone (217) 877-5177; facsimile (217) 877-5732; and e-mail: bims@nims.net*

Mr. John S. Kavulich II, President of the U.S.-Cuba Trade and Economic Council, has accepted an invitation to give a presentation “*Cuba: The Petroleum Future & Future Potential*” at the **Sanctioned Oil States Conference: Strategies, Conflicts, Legalities, Investments & Issues** on 21 May 2002 at the Paris Marriott Hotel in Paris, France. *For additional information, please contact Ms. Amanda Wellbeloved, Global Pacific & Partners at telephone 27 11 778-4360; facsimile 27 11 880-3391; e-mail: amanda@glopac.com; and Internet: <http://www.glopac.com>*

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