

**ECONOMIC EYE ON CUBA©**  
**10 March 2003 To 16 March 2003**

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**PESO UNCHANGED IN VALUE AGAINST U.S. DOLLAR-** Republic of Cuba government-operated Cajas de Cambio S.A. (CADECA) sold the Convertible Peso (equal to US\$1.00) for 27 Pesos and purchased the U.S. Dollar for 26 Pesos in the city of Havana from 3 December 2001. This is the highest value of the U.S. Dollar against the Peso since 1997. 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	27	3 December 2001 to Present
26	26	24 October 2001 to 2 December 2001
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

**U.S. GOVERNMENT RESTRICTS TRAVEL BY CUBAN INTERESTS SECTION REPRESENTATIVES-** On 10 March 2003, the Ministry of Foreign Affairs of the Republic of Cuba (MINREX) informed the United States Department of State in Washington, D.C., that representatives of the United States Interests Section in the city of Havana, Republic of Cuba, would be required to receive authorization for any travel outside of a 700 square kilometer area (434 square miles) which includes Havana and Havana Province. Previously, representatives of the United States Interests Section were required to notify MINREX of travel, not receive

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authorization for travel. In response, the United States Department of State imposed similar travel-area restrictions on representatives of the Cuban Interests Section in Washington, D.C., who remain authorized to travel without authorization within the confines of the Washington Beltway (a circular highway surrounding Washington, D.C., that includes portions of the State of Maryland and Commonwealth of Virginia); to Washington Dulles International Airport (40 miles from Washington, D.C., in Virginia); and to a discount retail outlet mall in Virginia.

The United States Department of State denied authorization for two representatives of the Cuban Interests Section to travel to Columbia, South Carolina, to attend a 14 March 2003 event sponsored by the Columbia, South Carolina-based South Carolina Department of Commerce.

H.E. Dr. Fidel Castro Ruz, President of the Republic of Cuba, has indicated that the government of the Republic of Cuba may request that the United States Interests Section cease operations and/or that the number of diplomatic personnel be reduced. The response by the United States Department of State to such a decision by the government of the Republic of Cuba would be disproportional and asymmetrical; with an expected result including the closure of the Cuban Interests Section and a decrease or cessation of regularly-scheduled charter flights between the United States and the Republic of Cuba.

**OFAC ASKED TO REVIEW INVITATION BY MINREX TO ATTEND APRIL 2003 CONFERENCE-** The Office of Foreign Assets Control (OFAC) of the United States Department of the Treasury in Washington, D.C., has been requested to explain the reason that a reported 600 individuals of Cuban descent subject to United States law who have been invited by the Ministry of Foreign Affairs of the Republic of Cuba (MINREX) to attend a conference in the city of Havana, Republic of Cuba, in April 2003, have not been required to obtain a specific license from the OFAC, while representatives of United States-based companies are not permitted to visit the Republic of Cuba without obtaining a specific license from the OFAC; and are not permitted to engage in any activity not specifically authorized in the license from the OFAC. *Please see attached letter to Mr. R. Richard Newcomb, Director of the OFAC.*

Individuals subject to United States law of Cuban descent are permitted, under a general license (no specific license required), one visit to the Republic of Cuba every twelve months for a self-defined humanitarian purpose to visit an immediate family member.

The OFAC does not authorize an individual subject to United States law visiting the Republic of Cuba for one licensed (general or specific) purpose to engage in activities not specifically included in the OFAC license.

**JANUARY 2003 EXPORTS TO CUBA US\$16.8 MILLION IN FOOD AND AGRICULTURAL PRODUCTS-** The Foreign Trade Division of the United States Bureau of the Census of the United States Department of Commerce in Washington, D.C., reported that the value of United States exports (defined as products exiting the borders of the United States whether sold or donated) to the Republic of Cuba during the month of January 2003 was US\$16,954,535.00, which US\$16,839,261.00 was food products and agricultural products.

Agricultural product and food product exports to the Republic of Cuba increased 69.68% in January 2003 compared to US\$9,923,921 in January 2002. Some of the January 2003 increase represented delayed deliveries from October 2002, November 2002, and December 2002, resulting from the *U.S. Food & Agribusiness Exhibition* held at the Palacio de Convenciones de la Habana (Pabexpo) in the city of Havana, Republic of Cuba, in September 2002.

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The first direct commercial export of agricultural products under the *Trade Sanctions Reform and Export Enhancement Act* (TSRA) of 2000 was reported in December 2001. The TSRA re-authorized the direct commercial (on a cash basis) export of food products (including branded food products) and agricultural products from the United States to the Republic of Cuba, irrespective of purpose. NOTE: Some of the non-consumable products exported to the Republic of Cuba are for use by the United States Interests Section in the city of Havana, Republic of Cuba, or donated to Republic of Cuba-based entities, including Non-Governmental Organizations (NGO's), faith-based organizations, and healthcare facilities.

Reporting Period	U.S. Dollar Value Of TSRA-Authorized Exports To Cuba (2003-2001)	Ranking Based On Export Markets
<b>February 2003</b>	<b>Not Yet Reported</b>	<i>Not Yet Reported</i>
<b>January 2003</b>	<b>US\$16,839,261.00</b>	40 <sup>th</sup> (of 197)
<b>Total 2002</b>	<b>US\$138,634,784.00</b>	50 <sup>th</sup> (of 226)
<b>Total 2001</b>	<i>US\$4,573,930.00</i>	144 <sup>th</sup> (of 226)
<b>Total TSRA Sales</b>	<b>US\$160,047,975.00</b>	

The U.S. Dollar values used in the statistical reports are generally defined as the U.S. Dollar price actually paid (or payable) for merchandise when sold for exportation, excluding import duties (if any), transportation, insurance, and other costs.

HS Code	Product Description	District	January 2003	Year-To-Date
0207140010	Chkn cuts/edbl offl(inc livers), frzn, leg qrtrs	Tampa, FL	US\$239,064.00	US\$239,064.00
0207140010	Chkn cuts/edbl offl(inc livers), frzn, leg qrtrs	Mobile, AL*	US\$2,161,412.00	US\$2,161,412.00
0207140050	Chckn cuts/edbl offal(inc lvrs), frzn, offal	Tampa, FL	US\$135,000.00	US\$135,000.00
0207140050	Chckn cuts/edbl offal(inc lvrs), frzn, offal	Mobile, AL*	US\$1,518,890.00	US\$1,518,890.00
0207270010	Trky cuts/edbl offl(incl lvrs) frzn, legs w/bone	Mobile, AL*	US\$17,488.00	US\$17,488.00
0407000040	Birds' eggs, in shell, fresh, preserved or cooked	Tampa, FL	US\$14,900.00	US\$14,900.00
0407000040	Birds' eggs, in shell, fresh, preserved or cooked	Mobile, AL*	US\$134,580.00	US\$134,580.00
0713322000	Small red (adzuki) beans, except seed drd, shelled	Mobile, AL*	US\$45,400.00	US\$45,400.00
0713333000	Navy or pea beans, except seed, dried, shelled	Tampa, FL	US\$35,155.00	US\$35,155.00
0713395010	Black beans, except seed, dried, shelled	Mobile, AL*	US\$22,000.00	US\$22,000.00
0801110000	Coconuts, desiccated	Tampa, FL	US\$38,080.00	US\$38,080.00
0808100000	Apples, fresh	Tampa, FL	US\$191,306.00	US\$191,306.00
0910990000	Spices, nesoi	Tampa, FL	US\$36,833.00	US\$36,833.00
1005902030	Yellow dent corn (maize), U. S. No. 2 except seed	New Orleans, LA	US\$1,218,000.00	US\$1,218,000.00
1005902035	Yellow dent corn (maize), U. S. No. 3 except seed	New Orleans, LA	US\$1,100,273.00	US\$1,100,273.00
1006309010	Rice, semi/wholly milled, nesoi, long grain	Tampa, FL	US\$7,425.00	US\$7,425.00
1006309020	Rice, semi/wholly milled, nesoi, medium grain	Houston, TX	US\$884,625.00	US\$884,625.00
1103110020	Groats and meal of wheat, semolina	Pembina, ND	US\$33,625.00	US\$33,625.00
1507100000	Soybean oil & fractions, crude, wheth/not degummed	New Orleans, LA	US\$2,412,300.00	US\$2,412,300.00
1507904050	Soybean oil, fully refined, nt chemically modified	Tampa, FL	US\$15,574.00	US\$15,574.00
1507904050	Soybean oil, fully refined, nt chemically modified	New Orleans, LA	US\$3,385,260.00	US\$3,385,260.00
1515290040	Corn (maize) oil, fully refined, nt chem modified	Tampa, FL	US\$69,284.00	US\$69,284.00
1702190000	Lactose in solid form and lactose syrup, nesoi	Mobile, AL*	US\$7,904.00	US\$7,904.00
1902192000	Pasta no egg uncooked not stuffed or othwise prep	Tampa, FL	US\$55,185.00	US\$55,185.00
2002900060	Tomato paste	Tampa, FL	US\$57,451.00	US\$57,451.00
2103909020	Mayonnaise	Tampa, FL	US\$34,646.00	US\$34,646.00
2202100040	Carbonated soft drinks, nesoi	Tampa, FL	US\$12,312.00	US\$12,312.00
2202100060	Waters incl mineral & aerated, swtnd/flavored nesoi	Tampa, FL	US\$27,000.00	US\$27,000.00
2304000000	Soybean oilcake & oth solid residue, wh/not ground	New Orleans, LA	US\$2,945,394.00	US\$2,945,394.00
9802100000	Commingled food products, donated, relief/charity	Tampa, FL	US\$9,895.00	US\$9,895.00
9802200000	Medicinal & pharmaceutical products, donated	Tampa, FL	US\$6,140.00	US\$6,140.00

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HS Code	Product Description	District	January 2003	Year-To-Date
9802400000	Articles donated for relief or charity, nesoi	Tampa, FL	US\$61,350.00	US\$61,350.00
9802400000	Articles donated for relief or charity, nesoi	Miami, FL	US\$20,784.00	US\$20,784.00
<b>Total US\$</b>			<b>US\$16,954,535.00</b>	<b>US\$16,954,535.00</b>
<i>*While the reporting district is Mobile, Alabama, the shipping port is Gulfport, Mississippi.</i>				

The values do not necessarily include the export of informational materials (defined as books, magazines, music product, television programs, motion pictures, etc.) and “humanitarian packages” sent from the United States to the Republic of Cuba to Republic of Cuba nationals which are neither required to be licensed by nor required to be reported to the Office of Foreign Assets Control (OFAC) of the United States Department of the Treasury in Washington, D.C., or by the Bureau of Industry and Security (BIS) of the United States Department of Commerce in Washington, D.C.

<b>2003 United States Imports From The Republic Of Cuba</b>			
HS Code	Product Description	District	January 2003
9701100000	Paintings, drawing and pastels exc of heading 4906	Miami, FL	US\$27,547.00
9801001097	Products Of U.S. Returned After Being Export, NESOI	Tampa, FL	US\$3,300.00
<b>Total US\$</b>			<b>US\$24,247.00</b>

**TEN LARGEST AGRICULTURAL PRODUCT EXPORTS TO CUBA IN JANUARY 2003-** The following are the ten largest (U.S. Dollar value) agricultural product exports from the United States to the Republic of Cuba in January 2003 under provisions of the *Trade Sanctions Reform and Export Enhancement Act* (TSRA) of 2000, which re-authorized the direct commercial (on a cash basis) export of food products (including branded food products) and agricultural products from the United States to the Republic of Cuba, irrespective of purpose.

2003 Ranking	Product	U.S. Dollar Value	% Of Total U.S. Exports To Cuba
1	Soybean Oil	US\$5,813,134.00	34.52%
2	Poultry	US\$4,071,854.00	24.18%
3	Soybean Oil Cake	US\$2,945,394.00	17.49%
4	Corn	US\$2,318,273.00	13.76%
5	Rice	US\$892,050.00	5.297%
6	Apples	US\$191,306.00	1.136%
7	Eggs	US\$149,480.00	.8876%
8	Beans	US\$102,555.00	.6090%
9	Corn Oil	US\$69,284.00	.4114%
10	Tomato Paste	US\$57,451.00	.3411%
	<i>Total Value Of 10 Largest Exports To Cuba</i>	<i>US\$16,610,781.00</i>	
	<i>10 Largest As % Of January 2003 Exports To Cuba</i>	<i>98.64%</i>	

**USDA REPORTS WEEKLY AGRICULTURAL COMMODITY EXPORTS TO CUBA-** The Foreign Agricultural Service (FAS) of the United States Department of Agriculture (USDA) in Washington, D.C., reported that agricultural commodity exports to the Republic of Cuba for the period (Friday to Thursday) 28 February 2003 through 6 March 2003 included the following as defined by “*Outstanding*” (reported by exporters as not yet shipped) and “*Accumulated*” (total shipped during marketing year for particular agricultural commodity):

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Product	Outstanding This Week	Outstanding Year Ago	Accumulated This Week	Accumulated Year Ago
Wheat- Hard Red Winter	5,000 metric tons	-0-	64,000 metric tons	72,300 metric tons
Corn (unmilled)	45,000 metric tons	50,000 metric tons	88,300 metric tons	74,700 metric tons
Soybeans	5,000 metric tons	45,000 metric tons	52,900 metric tons	12,600 metric tons
Soybean Cake and Meal	25,000 metric tons	20,000 metric tons	63,700 metric tons	20,500 metric tons
Soybean Oil	9,000 metric tons	-0-	26,500 metric tons	10,000 metric tons
Rice- Long Grain Rough	29,800 metric tons	10,000 metric tons	67,500 metric tons	16,100 metric tons
Rice- Long Grain Milled	4,800 metric tons	5,000 metric tons	20,300 metric tons	20,100 metric tons
<i>Totals</i>	<i>123,600 metric tons</i>	<i>130,000 metric tons</i>	<i>383,200 metric tons</i>	<i>226,300 metric tons</i>

The purchaser of the agricultural commodities is 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 (MINCEX).

**USDA REPORTS GLOBAL WHEAT AND RICE IMPORTS TO CUBA-** The Foreign Agricultural Service (FAS) of the United States Department of Agriculture (USDA) in Washington, D.C., reported that the Republic of Cuba imported the following values (in metric tons) of wheat (June/June Marketing Year) and rice (Calendar Year) from sources worldwide:

Product	2002/03 11 March	2002/03 11 February	2001/02 11 March	2001/02 11 February	2000/01	1999/00	1998/99
<b>Wheat</b>	1,000,000 mt	1,000,000 mt	1,100,000 mt	1,100,000 mt	963,000 mt	1,119,000 mt	977,000 mt
<b>Rice</b>	431,000 mt	415,000 mt	481,000 mt	538,000 mt	538,000 mt	600,000 mt	600,000 mt

**CONTRADICTIONS REGARDING 2003 TSRA PRODUCT IMPORTS BY CUBA-** A member of the United States House of Representatives who visited the Republic of Cuba from 7 March 2003 to 11 March 2003 has reported a value for projected 2003 exports from the United States to the Republic of Cuba under provisions of the *Trade Sanctions Reform and Export Enhancement Act* (TSRA) of 2000, which re-authorized the direct commercial (on a cash basis) export of food products (including branded food products) and agricultural products from the United States to the Republic of Cuba, irrespective of purpose, which is more than the value of all agricultural products and food products imported from all countries to the Republic of Cuba in 2002.

The Honorable **Jo Ann Emerson** (R- Missouri, 8<sup>th</sup> District), a member of the United States House of Representatives, who is a member of the Committee on Appropriations; and a member of the Subcommittee on Agriculture, Rural Development, FDA and Related Agencies, reported that H.E. Dr. Fidel Castro Ruz, President of the Republic of Cuba, confirmed 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 (MINCEX), would purchase (on behalf of Republic of Cuba government-operated entities) approximately **US\$1 billion** in TSRA-authorized products in 2003. According to Representative Emerson, “*Fidel promised they were planning to buy close to \$1 billion of commodities and processed food.*”

Representatives of the government of the Republic of Cuba have been reported as confirming that TSRA-authorized exports to the Republic of Cuba would be **US\$400 million** in 2003.

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Representatives of the Ministry of Foreign Affairs of the Republic of Cuba have been reported as confirming that the Republic of Cuba would purchase in 2003 approximately the same value of TSRA-authorized product as purchased in 2002. Alimport purchased (not including transportation, insurance, and transaction costs) US\$138,634,784.00 in TSRA-authorized products in 2002.

In June 2002, Mr. Pedro Alvarez Borrego, Chairman of Alimport, reported that Alimport would purchase US\$165 million in TSRA-authorized products in 2002 and expected to purchase **US\$230 million** in TSRA-authorized products in 2003.

The Foreign Agricultural Service (FAS) of the United States Department of Agriculture (USDA) in Washington, D.C., has reported partial 2002 data (January through September) for agricultural products and food products imported by the Republic of Cuba; and using the data, total 2002 values are projected to be at least US\$452,387,089.00, of which agricultural products and food products valued at US\$138,634,784.00 were sourced from United States-based companies.

Year	USDA Estimates Of Agricultural Product Imports By The Republic Of Cuba
2002	US\$452,387,089.00 (estimate)
2001	US\$538,894,180.00
2000	US\$542,920,000.00
1999	US\$590,253,000.00
1998	US\$613,146,000.00
1997	US\$597,709,000.00
1996	US\$623,406,000.00
1995	US\$546,257,000.00

The FAS reported that the value of agriculture product imports reported by Alimport is generally more than the value of agriculture products reported as exported to the Republic of Cuba by other countries during the period 2002-1995. The definition of agriculture is based on the USDA's definition and is somewhat different from others in that neither cigarettes nor distilled spirits are included (NOTE: The government of the Republic of Cuba reported beverage imports of US\$16 million in 2001). The FAS data is compiled from public private sector and public sector sources, including the New York, New York-based United Nations (UN) Statistical Office; and is based upon what countries report that was exported (on an FOB basis or FAS basis, transportation costs are not included) to the Republic of Cuba, rather than what the Republic of Cuba reports was imported from other countries. Thus, the values provided by the USDA are FOB and exclude transportation charges, which are generally included in import statistics collected by importing governments, such as the government of the Republic of Cuba. Commodity prices have fluctuated during the last several years, thus Alimport has generally purchased a relative constant quantity of agricultural products, although the overall expenditures may have decreased.

**ITS REPLACED BY ALIMPORT AS U.S. INSPECTORS FOR TSRA EXPORTS TO CUBA-** In January 2003, Republic of Cuba government-operated Cuba Control S.A. and 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 (MINCEX), replaced London, United Kingdom-based **Intertek Testing Services (ITS)**; 2002 revenues approximately US\$500 million) which had provided agricultural product inspections and food product inspections for exports to the Republic of Cuba under provisions of the *Trade Sanctions Reform and Export Enhancement Act* (TSRA) of 2000, which re-authorized the direct commercial (on a

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cash basis) export of food products (including branded food products) and agricultural products from the United States to the Republic of Cuba, irrespective of purpose.

London, United Kingdom-based **Caleb Brett**, a wholly-owned subsidiary of ITS, has a representation agreement with Republic of Cuba government-operated Cubacontrol S.A. (under the auspice of the Revolutionary Armed Forces of the Republic of Cuba). Cubacontrol S.A. provides inspection and laboratory services; custom brokerage; freight forwarding; and security services. Caleb Brett has its agricultural commodity headquarters for The Americas in Webster, Texas, and has offices providing quality and quantity certification services for agricultural products in Metairie, Louisiana, and in Essington, Pennsylvania. ITS has operated within the Republic of Cuba since 1966; and in 1997 established an office in the city of Havana. ITS reported that gross revenues from operations within the Republic of Cuba in 2000 were approximately US\$2 million. In 2002, *ITS reported that the company certified the quality and quantity of 50% of all products entering the Republic of Cuba and that the company certified the quality and the quantity of 95% of all products entering the Republic of Cuba from Canada.*

ITS/Caleb Brett instructed company offices worldwide to cease all inspections on behalf of Republic of Cuba government-operated Cuba Control S.A. and Alimport. The decision by ITS/Caleb Brett was a result of legal counsel indicating that the company could be subject to sanctions by the Office of Foreign Assets Control (OFAC) of the United States Department of the Treasury in Washington, D.C., due to commercial transactions with Republic of Cuba government-operated entities and that ITA/Caleb Brett contracts which related to agencies of the United States government could be jeopardized by the company having commercial transactions with Republic of Cuba government-operated entities.

Geneva, Switzerland-based **Cotecna Inspection S.A.** which had previously provided inspection services on the European continent for Alimport, has replaced ITS/Caleb Brett as the United States-based representative for Alimport. Since January 2003, Cotecna Inspection Inc., has completed approximately twelve production facility inspections in the United States.

For information, please contact: Mr. Eduardo Diaz, Industrial & Commercial Department, Cotecna Inspection Inc., Telephone: (305) 828-8141 ext. 247; Facsimile: (305) 827-0558; E-mail: [Eduardo.diaz@cotecnausa.com](mailto:Eduardo.diaz@cotecnausa.com); Internet: <http://www.cotecna.com>

“Cotecna/Omic Group is a unique joint-venture operation between a prime Swiss company, Cotecna Inspection S.A. of Geneva, Switzerland and a first class Japanese company, Overseas Merchandise Inspection Co Ltd of Tokyo Japan, (Omic). On a global basis, COTECNA has responsibility for operations in Europe, North and South America, Africa and Australasia, while Omic has responsibility for the Far East and Asia. While both Cotecna and Omic have been involved in the field of commercial inspections the Group has concentrated principally on Pre-Shipment Inspection (PSI) services for Foreign Governments with the main objectives of achieving : **1)** correct valuation and Customs classification of goods to be imported in the client country through a physical inspection of goods in the country of export, thereby ensuring a potential increase in Customs receipts and **2)** improving facilitation of trade, through implementation of the Green Channel concept for FCL containers arriving in the country of import with Cotecna/Omic container seals intact, thereby speeding up clearance of goods which have been inspected and correctly valued attracting foreign investment through evidence of sound protection of local industry transfer of technology to the local Customs services. The Group has 4,000 personnel in 150 offices in 100 countries word-wide.”

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**ARGENTINA REPORTS 2002 SOYBEAN OIL EXPORTS TO CUBA-** The Secretariat of Agriculture of Argentina reported that Empresa Cubana Importadora de Alimentos (Alimport), under the auspice of the Ministry of Foreign Trade of the Republic of Cuba (MINCEX), purchased 5,000 metric tons of soybean oil in November 2002. Total 2002 purchases were 5,000 metric tons, compared to 42,000 metric tons purchased in 2001.

**ARGENTINA REPORTS 2002 SUNFLOWER OIL EXPORTS TO CUBA-** The Secretariat of Agriculture of Argentina reported that Empresa Cubana Importadora de Alimentos (Alimport), under the auspice of the Ministry of Foreign Trade of the Republic of Cuba (MINCEX), purchase the following quantities of sunflower oil in 2002:

Purchase Period	Quantity In Metric Tons
December 2002	97
October 2002	143
July 2002	134
June 2002	307
May 2002	23
January 2002	48
<i>Total 2002</i>	<i>752 metric tons</i>
<i>Total 2001</i>	<i>4,722 metric tons</i>

**PALMARES S.A. REPORTS 2002 GROSS REVENUES OF US\$42 MILLION-** Republic of Cuba government-operated Palmares S.A., the restaurant division of Republic of Cuba government-operated Cubanacan S.A., reported gross revenues of US\$42 million in 2002, compared with approximately US\$36 million in 2002. Palmares S.A. owns *Aljibe*, the most well-managed, efficient, highest revenue, and most consistent food quality Republic of Cuba government-operated restaurant in the Republic of Cuba.

In 2003, Palmares S.A. will focus upon the expansion of <i>Ditto</i> , a fast food restaurant subsidiary featuring fried chicken and other meat products which reported gross revenues of US\$10.16 million in 2002.
Mr. Mario Escalona, manager of Palmares S.A., reported that the company will continue to focus on developing a presence at locations for water sports, entertainment, and commercial activities.
For example, the theme park “Reframe” located at the Marina Hemingway where Palmares S.A., Republic of Cuba government-operated Tiendas Universo (a subsidiary of Cubanacan S.A.) and Republic of Cuba government-operated Cubanacan Recreation y Ohio (a subsidiary of Cubanacan S.A.) have operations.
Reframe, constructed at a cost of US\$500,000.00, includes a gymnasium, beach volleyball courts, electronic games, and minicabs; a miniature golf course, bowling alley, “Chan” restaurant, and other entertainment facilities are being developed.
A similar theme park is located in Cienfuegos Province. Under development are restaurants in the city of Villa Clara (Santa Clara Province); resort area of Guardalavaca (Holguin Province); Camaguey Province; and Santiago de Cuba Province.
Palmares S.A. will expand its sandwich outlets, “Pan.com,” which offers forty sandwich combinations. Pan.com restaurants are located in the Miramar, Playas del Ester, and Vedado areas of Havana.
Mr. Emilio Rebel, product director of Palmares S.A., reported having an agreement with Republic of Cuba government-operated Institute of Cinematographic Art and Industry to establish “Dino’s Pizza” restaurants in movie theaters throughout the Republic of Cuba.

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Palmares S.A. has operations in other countries, including La Gloria Cubana restaurant in Porto, Portugal, and Daiquiri Scabrous restaurant in Panama City, Panama. Restaurants owned by Cubanacan S.A. are located in Spain, Italy, and Mexico; with plans for restaurants in the People's Republic of China, Canada, and France.

### *Speaking Schedule*

Mr. John S. Kavulich II, president of the U.S.-Cuba Trade and Economic Council, has accepted an invitation from the New York, New York-based **Tisch School of the Arts at New York University** to deliver a presentation on 17 April 2003 to students in the course, "Topics in Cuban Culture: History, Culture, and Expression through the Literary, Visual, and Performing Arts." *For additional information, please contact Ms. Peggy Sotirhos at telephone (212) 998-1809; facsimile (212) 998-4610; and e-mail: [peggy.sotirhos@nyu.edu](mailto:peggy.sotirhos@nyu.edu)*

Mr. John S. Kavulich II, president of the U.S.-Cuba Trade and Economic Council, has accepted an invitation from the New Orleans, Louisiana-based **The Southern United States Trade Association** (SUSTA), a non-profit agricultural export trade development association comprised of the Departments of Agriculture of the 15 southern states and the Commonwealth of Puerto Rico, to deliver a presentation in Atlanta, Georgia, on 23 April 2003. Additional members of SUSTA include manufacturers and exporters of high-value food and agricultural products. SUSTA was founded in 1973 to promote the export of high-value food and agricultural products from the region. *For additional information, please contact Mr. Jim Ake at telephone (504) 568-5986; facsimile (504) 568-6010; e-mail: [jim@susta.org](mailto:jim@susta.org); Internet: <http://www.susta.org>*

Mr. John S. Kavulich II, president of the U.S.-Cuba Trade and Economic Council, has accepted an invitation from the Cocoa Beach, Florida-based **Air Transport Marketing Association** to deliver a presentation during a panel discussion, "*The State of the Air Cargo Industry: CEO Perspectives*," at the 12<sup>th</sup> annual International Air Cargo Conference, the largest annual air cargo conference in North America, on 13 May 2003, at the Orange County Convention Center, Orlando, Florida. *For additional information, please contact Mr. Terry Heekin at telephone (321) 783-0088; facsimile (321) 783-2115; e-mail: [sruell@hotmail.com](mailto:sruell@hotmail.com); Internet: <http://www.iacc-expo.com>*

Mr. John S. Kavulich II, president of the U.S.-Cuba Trade and Economic Council, has accepted an invitation from the New York, New York-based **Global Business Roundtable** to deliver a presentation at the "*World Trade Week Conference*" on 21 May 2003. *For additional information, please contact Ms. Lynda Icochea at telephone (201) 814-0336; Facsimile (201) 440-1216; E-mail: [lyndai@bigplanet.com](mailto:lyndai@bigplanet.com); or Internet: <http://www.gbrt.org>*

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