

U.S.-Cuba Trade and Economic Council, Inc.

New York, New York

Telephone (917) 453-6726 • E-mail: council@cubatrade.org

Internet: <http://www.cubatrade.org> • Twitter: [@CubaCouncil](https://twitter.com/CubaCouncil)

Facebook: www.facebook.com/uscubatradeandeconomiccouncil

LinkedIn: www.linkedin.com/company/u-s--cuba-trade-and-economic-council-inc-

Russian Foreign Minister Lavrov Today Visits Cuba. By Focusing Upon Expanding MSMEs, He Can Help Russia Make Money- And Help United States Capital Support MSMEs.

Not Ideal, But Nothing Else Thus Far Has Nudged Government Of Cuba.

On Monday, 19 February 2024, Sergei Lavrov, Minister of Foreign Affairs of the Russian Federation, will visit the Republic of Cuba, then travel to the Bolivarian Republic of Venezuela, and lastly to the Federative Republic of Brazil to attend a gathering of Foreign Ministers representing the G20 where he and Antony Blinken, United States Secretary of State, will have opportunities to converse with one another- should either of them choose to do so- *and they should choose to do so.*

- **Group of Twenty (G20):** Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Republic of Korea, Russian Federation, Saudi Arabia, South Africa, Turkiye, United Kingdom, United States.
- **BRICS:** Argentina, Brazil, China, Egypt, Ethiopia, India, Iran, Russian Federation, China, Saudi Arabia, South Africa, United Arab Emirates.

During the last two years, the government of the Russian Federation has yet again revisited the redevelopment of commercial, economic, financial, humanitarian, military, and political connectivity with the government of the Republic of Cuba and with Republic of Cuba government-operated companies.

Boris Titov, Presidential Commissioner for Entrepreneurs' Rights in the Russian Federation has been tasked with envisioning "*the economic transformation of Cuba based on private companies.*"

To date, other than low-margin tourists from the Russian Federation visiting the Republic of Cuba, government-to-government donations, and provision of loans (which will undoubtedly soon require payment rescheduling, write-offs, or forgiveness as in previous decades), neither the government of the Russian Federation, taxpayers of the Russian Federation, Russian Federation government-owned companies, nor privately-owned companies in the Russian Federation have found demonstrably and sustainably profitable entry points in the Republic of Cuba.

The Republic of Cuba remains a commercial, economic, and financial landscape of varying depths of quicksand for most who seek opportunities.

Mr. Titov seems to be advocating for the government of the Republic of Cuba to continue- and do so more rapidly, an expansion of re-emerging micro, small and medium-size enterprises (MSMEs).

Unfortunately, the government of the Republic of Cuba has an inconsistent tolerance not only for the existence of MSMEs, but a particular aversion to successful MSMEs and any exponential expansion of their numbers- along with increasing the commercial categories within which MSMEs may operate.

U.S.-Cuba Trade and Economic Council, Inc.

Minister Lavrov should include in his agenda two focuses: **First**, convince the Diaz-Canel-Valdes Mesa Administration (2019-) to immediately issue *simple-to-understand regulations* for the delivery from abroad of direct investment in and direct financing to a MSME. **Second**, convince the Diaz-Canel-Valdes Mesa Administration to be positively inclined to *test direct correspondent banking* amongst a Republic of Cuba government-operated financial institution and a United States-based financial institution.

- The document, which could be on one 8-inch by 10-inch sheet of paper, would be electronically notarized and submitted to the financial institution where the private company maintained its operating checking account. The information provided would include the source(s) and amount(s) of the investment, the source(s), and amount(s) of the financing. Any changes to the investment terms or the financing terms would be provided to the financial institution. That should be all that is required. The private company would not be required to pay any fees other than the normal incoming electronic funds transfer fees. *The government of the Republic of Cuba must refrain from over-complicating the process; but, that is fundamental to its DNA, so politically a heavy lift. This is because the primary political goal is to maintain equality- and a competitive private sector will, by its DNA, result in inequality.*
- From the United States Department of State (1 December 2022): “*Regarding direct correspondent banking, U.S. regulations do of course allow for U.S. banks to establish correspondent accounts in Cuba, but not the other way around, as you note. Two-way direct correspondent banking would indeed likely decrease transactions costs. However, it is our understanding that even if the United States were to authorize direct two-way correspondent banking, Cuban banks would not actually establish accounts in the United States due to outstanding legal judgements against the Cuban government that would freeze and collect any funds a state financial institution held in the United States. Therefore, I expect you're unlikely to see direct correspondent banking on the horizon.*” Critical for the government of the Republic of Cuba to not be dissuaded by hypotheticals. Create the direct corresponding account, test with authorized transfers (MSME funds, payments for agricultural commodities, food products, healthcare products, etc.)

On 10 May 2022, the Biden-Harris Administration (2021-) directed the Office of Foreign Assets Control (**OFAC**) to issue the first license authorizing an entity subject to United States jurisdiction to deliver a **direct equity investment** in and authorizing **direct financing** to an officially registered privately-owned company (in the service sector) located in the Republic of Cuba and owned by a Republic of Cuba national. The license application was submitted to the OFAC on 10 June 2021 and was issued by the OFAC on 10 May 2022.

- LINK: [Biden-Harris Administration Approves First Equity Investment Since 1960 In A Private Cuban Company May 10, 2022](#)
- LINK: [With U.S. Government Authorization For First Direct Equity Investment Into A Private Company In Cuba, Here Is Important Context And Details. About The Parties; About The Message. May 16, 2022](#)
- LINK: [Biden Administration Will Use Cuba's Authorization Of SMSE's As Means To Expand Support For Cuba Private Sector- U.S. Investments And Loans May Be Next June 02, 2021](#)

U.S.-Cuba Trade and Economic Council, Inc.

Despite three years of public and private indications, the Diaz-Canel-Valdes Mesa Administration has yet to do what was indicated would be authorized. More than twenty-one (21) months since 10 May 2022 and the government of the Republic of Cuba has yet to publish regulations as to the process for MSMEs to receive from abroad direct investment and direct financing.

Both the direct investment and direct financing could have been delivered on 11 May 2022- an envelope filled with currency; a bank transfer through a third country; a United States-based remittance forwarder- though would have required many small denomination transactions given transfer limitations. However, doing so would have only served to reinforce the present rather than promote the future.

Important to reiterate the objective of seeking the license from the OFAC. The intention was never to quietly, secretly, implement its provisions. The intention was to actively publicize the existence of the license from the OFAC so everyone would know about it- not only within the State of Florida, but throughout the Republic of Cuba. That intention was achieved.

But, there was a failure. The government of the Republic of Cuba did not respond as expected. Given the chronic commercial, economic, and financial undesirable results from decisions by the government of the Republic of Cuba, along with continuing changes to laws and regulations impacting MSMEs, there was an expectation of an immediate embrace for what the license from the OFAC could mean in terms delivering desperately required foreign exchange along with desperately required capital goods to redevelop manufacturing and assembly infrastructure.

During the last twenty-one months, many individuals, and delegations of individuals of Cuban descent have traveled from the United States to the Republic of Cuba. They meet with senior-level officials. They report a consistent message- they do not know when or if the government of the Republic of Cuba will publish regulations as to the process for MSMEs to receive from abroad direct investment and direct financing.

Quietly delivered messages from senior-level officials of the government of the Republic of Cuba conveyed that regulations were probable by the end of 2023. That possibility too passed unfulfilled.

The MSME for whom the license from the OFAC authorizes the delivery of direct investment and direct financing continues to wait for the delivery of funds. Its management is frustrated. The source of the funding and financing is frustrated. Both appreciate, however, that implementing any decision absent specific regulatory compliance- required by the OFAC license and required by the government of the Republic of Cuba would only serve to reinforce the status quo: Where funds are delivered directly from the United States and from the United States through third countries to the Republic of Cuba. Thus far, the United States government does nothing to physically prevent it and the government of the Republic of Cuba does nothing to institutionalize, regulate it.

Given the Biden-Harris Administration through licenses and authorizations by the OFAC and United States Department of State has re-authorized Denver, Colorado-based **Western Union Company** (2023 revenue approximately US\$4.3 billion) to re-engage its currency funds transfer services with Cuba government-owned **Orbit S.A.** which in turn disperses funds from the United States to three Cuba government-owned banks, operational necessity has arrived for the OFAC to authorize Cuba government-owned banks to establish correspondent accounts with United States-based banks.

U.S.-Cuba Trade and Economic Council, Inc.

The newly constituted Western Union Company currency funds transfer process which importantly delivers to three Cuba government-owned banks, added to the 2022 first license from the OFAC for the delivery of direct investment in and direct financing to a MSME in Cuba, now is essential for Cuba government-owned banks to have the opportunity, not requirement, but opportunity to have correspondent accounts with United States-based banks.

In 2015, the **Obama-Biden Administration** (2009-2017) authorized United States-based financial institutions to have correspondent accounts with Republic of Cuba government-operated financial institutions, but did not authorize Republic of Cuba government-operated financial institutions to have correspondent accounts with United States-based financial institutions. That decision was ridiculous then and remains even more so today.

What is worse? The initial decision in 2015 or the continued defense of the decision in 2023. Particularly accounting for the Biden-Harris Administration focus upon supporting the re-emerging private sector in the Republic of Cuba... which requires support from the private sector in the United States... and the cost-effective, efficient, and transparent movement of funds- in two directions.

Officials of the Biden-Harris Administration curiously question why the United States private sector does not embrace more fulsomely opportunities existing using general license provisions afforded by the OFAC and BIS. Two answers:

- *First*, prior to and increasing since the Republic of Cuba was returned by the United States Department of State in January 2021 to the *List of State Sponsors of Terrorism* during the final days of the **Trump-Pence Administration** (2017-2021), United States-based companies and United States-based financial institutions remain hesitant to engage with transactions involving the Republic of Cuba. The primary reasons: fear of running afoul of OFAC compliance requirements and the resulting OFAC financial penalties along with limited viable commercial opportunities provided in the Republic of Cuba.
- *Second*, the inability to transfer funds cost-effectively, efficiently, and transparently from the United States to the Republic of Cuba and from the Republic of Cuba to the United States. The Obama-Biden Administration could have remedied the issue. They chose not to. The Biden-Harris Administration can remedy the issue. They thus far choose not to. Consistency of nonsensical decisions.

U.S. Banks And Third Countries

In 2015, Pompano Beach, Florida-based **Stonegate Bank** (2017 assets approximately US\$2.9 billion) acquired accounts for the Embassy of the Republic of Cuba in Washington, DC, and the Permanent Mission of the Republic of Cuba to the United Nations in New York after Buffalo, New York-based **M&T Bank Corporation** (2023 assets approximately US\$200 billion) notified the embassy and mission that it would no longer provide services due to challenges with regulatory compliance for many accounts with embassies and missions.

Stonegate Bank in 2015 received a license from the OFAC for a correspondent account at Banco Internacional de Comercio SA (**BICSA**), a member of Republic of Cuba government-operated Grupo Nuevo Banca SA, created by Corporate Charter No. 49 in 1993 and commenced operation in 1994.

U.S.-Cuba Trade and Economic Council, Inc.

- According to the Republic of Cuba, *“Its [BICSA] main activity is ‘enterprises’ bank carried through its central services and five branches based in the country’s capital, Santiago de Cuba and Villa Clara. It records all transactions in real time providing its customers with card and remote banking services while it is working on developing other methods of electronic banking. Its institutional clients, national or foreign, receive a complete accounting and documentary service, while national entities also enjoy of significant volumes of credit facilities. Practically all sectors of the economy benefit from all this, such as that of agriculture, the food industry, the basic and light industries, transportation, aviation, fishing, construction, domestic and foreign trade, the iron and steel industry, sugar, informatics, communications and others with not only economic importance but also social, such as health, water supply, education, culture and sports. Credit policy followed by the Bank is dictated in a collegiate way by its Credit Committee on the basis of a strict analysis and control in loan making. The Bank counts on correspondents in the five continents, the majority are first class banks, mainly Europeans and Americans. Equity capital of shareholders (Grupo Nueva Banca with the biggest share and Bancholding), near the USD95 millions with a balance ranging from 550 to 600 millions, make sure the Bank has a strong solvency ratio.”*

Without explanation the Obama-Biden Administration did not authorize BICSA under a license from the OFAC to have a correspondent account at Stonegate Bank, so Stonegate Bank routed transactions for approximately eighty (80) customers on a regular basis through Panama City, Panama-based **Multibank** (2019 assets approximately US\$5 billion) which had dealings with the Republic of Cuba.

In 2017, Conway, Arkansas-based Home BancShares (2023 assets approximately US\$22.8 billion) through its subsidiary *Centennial Bank* purchased Stonegate Bank. Stonegate Bank operations were absorbed into *Centennial Bank*.

On 16 June 2020, Bogota, Colombia-based **Grupo Aval Acciones y Valores SA** (2023 assets approximately US\$90.1 billion) reported that *“On May 25th, Banco de Bogotá, through its subsidiary Leasing Bogotá S.A. Panamá, acquired 96.6% of the ordinary shares of Multi Financial Group [Multibank]. As part of the acquisition process, MFG’s operation in Cuba was closed and as part of the transaction. Grupo Aval complies with OFAC regulations and doesn’t have transactional relationships with Cuba.”*

In June 2022, Elk Grove Village, Illinois-based Chicago, Illinois-based **First American Bank** (2023 assets approximately US\$6 billion) acquired from *Centennial Bank* an operating account (and Republic of Cuba-focused branch personnel) for the Embassy of the Republic of Cuba in Washington, DC. First American Bank has since ceased managing the account for the Embassy of the Republic of Cuba. If BICSA is authorized by the OFAC to establish a correspondent account with First American Bank and if First American Bank were to establish a correspondent account with BICSA, there would be an opportunity for direct two-way fund transfers for authorized transactions (agricultural commodities, food products, healthcare products (medical equipment, medical instruments, medical supplies, pharmaceuticals, informational materials, (visa processing, overflight fees, landing fees, accommodation payments- Airbnb, etc.), remittances, and entrepreneurial activities (direct investment to and direct financing for privately-owned companies located in the Republic of Cuba, etc.)). This same scenario would apply to almost any United States-based financial institution.

U.S.-Cuba Trade and Economic Council, Inc.

US\$7+ Billion Through Third Countries

For the period December 2001 through December 2024 (the most recently available trade data) from when the first agricultural commodity and food products were exported from the United States to the Republic of Cuba under provisions of the Trade Sanctions Reform and Export Enhancement Act (TSREEA) of 2000, the value delivered was approximately **US\$7,246,333,393.00**.

For the period 2003 through December 2023 (the most recently available trade data), the value of healthcare products (medical equipment, medical instruments, medical supplies, pharmaceuticals) delivered from the United States to the Republic of Cuba under provisions of the Cuban Democracy Act (CDA) of 1992 was approximately **US\$37,258,840.00**.

Additional tens of millions of United States Dollars in commercial payments to the Republic of Cuba for telecommunications, aircraft overflights, cargo, informational materials, artwork, aircraft landing, authorized travel, casa particulares (Airbnb), passport renewals, etc.

All these funds moved not cost-effectively, efficiently, and transparently, but expensively, inefficiently, and absent transparency through third-country financial institutions. Those third-country financial institutions receive a fee from each transaction. Undeserved fees thus far on more than US\$7 billion in funds.

From OFAC Frequently Asked Questions

742. *Are financial institutions other than banks permitted to open correspondent accounts in Cuba?* Depository institutions, as defined in 31 CFR § 515.333, which include certain financial institutions other than banks, are permitted to open correspondent accounts at banks in Cuba. See 31 CFR § 515.584(a). Released on September 23, 2020

743. *Are Cuban banks permitted to open correspondent accounts at U.S. banks?* No. U.S. depository institutions are permitted to open correspondent accounts at Cuban banks located in Cuba and in third countries, and at foreign banks located in Cuba, but Cuban banks are not generally licensed to open such accounts at U.S. banks. See note to [31 CFR § 515.584\(a\)](#). Released on November 8, 2017

744. *May correspondent accounts authorized pursuant to 31 CFR § 515.584(a) or used for transactions authorized by 31 CFR § 515.584(g) be established and maintained in U.S. dollars?* Yes. Correspondent accounts of depository institutions (as defined in 31 CFR § 515.333) at a financial institution that is a national of Cuba authorized pursuant to § 515.584(a) may be established and maintained in U.S. dollars. Such accounts may be used only for transactions that are authorized by or exempt from the CACR. Transactions necessary to establish and maintain such correspondent accounts — such as originating, processing, and terminating authorized funds transfers in U.S. dollars — are authorized. Additionally, correspondent accounts used for transactions authorized by 31 CFR § 515.584(g), which permits banking institutions as defined in 31 CFR § 515.314(g) that are persons subject to U.S. jurisdiction to accept, process, and give credit to U.S. dollar monetary instruments presented indirectly by a financial institution that is a national of Cuba, may be denominated in U.S. dollars. However, financial institutions that are nationals of Cuba remain prohibited from opening correspondent accounts at a U.S. financial institution. For a complete description of what these general licenses authorize and the restrictions that apply, see 31 CFR § 515.584(a) and (g). § 515.584 Certain financial transactions involving Cuba.

U.S.-Cuba Trade and Economic Council, Inc.

- Correspondent accounts. Depository institutions, as defined in § 515.333, are authorized to engage in all transactions necessary to establish and maintain correspondent accounts at a financial institution that is a national of Cuba, provided that such accounts are used only for transactions authorized pursuant to, or exempt from, this part.
- (g) Any banking institution, as defined in § 515.314, that is a person subject to U.S. jurisdiction is authorized to accept, process, and give value to U.S. dollar monetary instruments presented for processing and payment by a banking institution located in a third country that is not a person subject to U.S. jurisdiction or a Cuban national and that has received the U.S. dollar monetary instruments from a financial institution that is a national of Cuba for which it maintains a correspondent account and which received the U.S. dollar monetary instruments in connection with an underlying transaction that is authorized, exempt, or otherwise not prohibited by this part, such as dollars spent in Cuba by authorized travelers or a third-country transaction that is not prohibited by this part. Note to paragraph (g): Correspondent accounts used for transactions authorized pursuant to § 515.584(g) may be denominated in U.S. dollars.”

Article References

Cuba News Agency
Havana, Republic of Cuba
16 February 2024

Cuba's Chamber of Commerce for a closer link with the country's entrepreneurship

HAVANA, Cuba, Feb 16 (ACN) Ricardo Cabrisas Ruiz, deputy prime minister, called on the Cuban Chamber of Commerce (CCC) to work more closely and cohesively with all the actors of the business system, including MSMEs, in order to promote exports with added value and rational import substitutions, for the benefit of the country.

Cabrisas, also head of the Ministry of Foreign Trade and Foreign Investment (Mincex by its Spanish acronym), chaired at the Havana Convention Center the General Assembly of that institution, corresponding to 2023, in which his members from both the state and non-state sector presented experiences, difficulties, good practices and ideas to enrich the projections for the current year. He highlighted the role that as part of the main tasks or challenges of the CCC, including the training of its members, can play the so-called clusters, a form of business organization by sectors or related activities, to seek common solutions based on science, technology and innovation, and based on the priorities of the nation and the orientation to target markets.

Presenting the report on the work carried out last year, in which the Chamber of Commerce celebrated its six decades in the midst of a war economy, Antonio Luis Carricarte Corona, its president, said that the institution participates in the process of updating the Cuban economic model, promotes exports of goods and services, import substitution and business opportunities with foreign capital.

He pointed out that currently the membership amounts to 1,226 companies, 303 of which are MSMEs, maintaining as one of the main objectives of the year, the attraction of new economic actors, given that the dynamics with the complement of the economy is still insufficient, which provides robustness to the business sector as a living system. He also announced that in 2024 the

U.S.-Cuba Trade and Economic Council, Inc.

CCC will focus its efforts towards the strengthening of relations with sectoral, branch and business associations that contribute to organize direct or reverse missions, exhibitions, forums, events, specialized fairs with projects, and intend to achieve results.

According to Carricarte, the difficult conditions that have characterized the socio-economic context of our country have not prevented the growing interest of foreign businessmen to participate in development programs and investment projects in Cuba. During 2023, 24 business forums were held, seven of them direct and 17 inverse, where projects of the prioritized sectors of the Cuban economy, main exportable products and investment projects were presented.

Cuban News Agency
Havana, Republic of Cuba
30 January 2024

Cuban deputy PM updates implementation of measures to boost economy

HAVANA, Cuba, Jan 29 (ACN) Alejandro Gil, deputy prime minister and minister of economy and planning, presented to the Council of Ministers an update of the implementation schedule of the decisions approved as part of the Projections to correct distortions and boost the economy, accountability that will take place every month at the meeting of the highest government body.

As reported today by the Presidency of Cuba, so far the salary measures to stimulate the permanence of workers in the Health and Education sectors have been implemented, as well as the extension, until March 31, 2024, of the tariff exemptions for the importation of food and cleaning products by natural persons, without commercial character. Likewise, the legal norms implementing the reduction of 50 % of the tariffs for the importation of raw materials and intermediate goods, and the increase of tariffs for the importation of tobacco, cigars, rums and spirits have been published in the Official Gazette.

It was learned at the meeting that in February it is planned to update the norms that will allow the reordering of local development projects; as well as to decentralize to the territorial governments the power to approve wholesale and retail prices of Natural and Traditional Medicine, of local dispensary and industrial elaboration. Next month, progress will also be made in the presentation of proposals to restructure the exchange market, the intervention of the informal market and the control of the exchange rate in the country, which includes the determination of the exchange rate and the formation of prices.

Likewise, he said, emphasis will be placed on recovering remittance flows, encouraging their collection and studying the feasibility of new channels, platforms and the use of digital scenarios for remittances and bank transactions for collections and payments from abroad. According to the Minister of Economy and Planning, it is a priority to implement the new mechanism for the allocation and management of cash flow for all economic actors, based on the distortions that exist today, in order to achieve a more harmonious functioning of the economy, and thus be able to advance in the autonomy of the state-owned company.

Gil Fernandez highlighted the scope of these Government Projections for 2024, and remarked that they are not fundamentally about price increases, but that they include the necessary impulse to productive activity, the increase of national production, exports and foreign currency income and macroeconomic stabilization. It is not a matter of raising prices for the sake of raising them, he

U.S.-Cuba Trade and Economic Council, Inc.

said, but of encouraging savings, making a more efficient use of resources, and seeking a fairer and more equitable distribution of the wealth generated.

In his presentation to the Council of Ministers of the "Plan of Actions for the Implementation of the Government's Projections to Correct Distortions and Re-launch the Economy", the Deputy Prime Minister pointed out that a key objective is to advance in the macroeconomic stabilization of the country. "All the actions that are incorporated in the Government's Projections are linked to the Macroeconomic Stabilization Program. What we are doing in terms of price correction, he exemplified, has to do with macroeconomic stabilization, because it eliminates or reduces subsidies, and increases tax revenues.

When we are taking measures to promote and boost production, when we are transforming the exchange market, this has to do with the macroeconomic stabilization of the country, he stressed. He explained that many of the projections will have more favorable impacts to the extent that more resources are available.

There are actions aimed at increasing the income needed to face a set of issues that we have to deal with in the economy. Having more fuel, more inputs for national production, necessarily involves foreign currency income, external income that must be encouraged, Gil Fernandez pointed out. Among the objectives of the Government's projections, he added, is the increase of domestic production, with emphasis on the use of the installed capacities. The measure to reduce tariffs on raw materials, inputs and intermediate goods, he illustrated, has to do precisely with encouraging the import of raw materials to link up with domestic industry. Today we have idle capacities in industry, and we are importing products that can be produced in Cuba.

The deputy prime minister also spoke of further developing social policy and protection mechanisms for individuals, families and households in vulnerable situations. "This makes explicit the distance between our government program and a neoliberal program".

It is also an essential objective to "reduce crime, corruption, illegalities and social indiscipline, through prevention and confrontation, affecting the causes and conditions that generate them". It is necessary to establish order, put an end to the softness, put a strong hand in what corresponds, and demand that what is established be complied with, he specified.

There are high impact projections, he pointed out, among them the mechanism for the allocation and management of foreign currency, which includes the resizing of the exchange market, which is transversal to the whole economy and we are going to face it this year; the transition from subsidizing products to subsidizing people, which implies a change in the distribution of wealth, fairer and more equitable; as well as the transformation of the institutional, regulatory and organizational environment of the economy.

Developing the economy, stressed the Deputy Prime Minister, "means, no more and no less, offering greater welfare to the people, and what we are doing is going in that direction. The worst risk, he said, would be in not changing and not transforming, "everything we are changing is going in the direction of greater welfare for our people".

Prime Minister Manuel Marrero Cruz defined as "a policy of the country" the Government's projections to correct distortions and re-drive the economy, which were first discussed and approved by the Political Bureau, then by the Central Committee Plenary and finally by the National Assembly with the full support of the National Assembly's deputies.

U.S.-Cuba Trade and Economic Council, Inc.

It is a process of transformation of the Government's work in the country, insisted Marrero Cruz, of strengthening its different structures, as the maximum responsible for the economic and social problems that have a direct impact on our population.

When we speak of re-boosting the economy, it is a profound call that goes far beyond waiting for fuels and foreign currency to fall from the sky, emphasized the Prime Minister. The scenario is not going to change, it will be very complex, but we have to transform our economy, and we are encouraged by the examples of people, collectives, organizations that under these same complexities have done different things, have sought alternatives.

The Prime Minister referred to the role played by cadres and how they should be to face a war economy such as the one Cuba is going through: cadres who do not stop, who have the vocation to look for solutions, who do not set boundaries that prevent them from moving forward. We have to review everything, he pointed out. Everything that is not going well must be reviewed, "but we must review it in order to look for solutions", he added.

We have said that we are going to go through complex times, Marrero Cruz recalled, that the measures are not going to transform the country's situation from one day to the next, "but they are the way out, of that we are sure, and solutions will be found little by little and the lights will be seen, but that will be when we all unite, and we all join together".

**Cuba News Agency
Havana, Republic of Cuba
19 December 2023**

We have the potential to move forward, Cuban president affirms

HAVANA, Cuba, Dec 18 (ACN) Miguel Diaz-Canel Bermudez, first secretary of the Central Committee of the Communist Party of Cuba and president of the country, said today that despite the U.S. blockade and other objective problems, the country has the potential to overcome the difficulties and above all to produce more goods and services for the benefit of the people.

Cuban leader spoke at the session of the Economic Affairs Commission of the National Assembly of People's Power (ANPP), which analyzed the estimates for the closing of the economy in 2023 and the goals and objectives for 2024, based on the extensive information provided by Alejandro Gil Fernandez, deputy prime minister and head of economy and planning.

Diaz-Canel stressed that, although many do not consider it so, the intensified US blockade continues to be the main obstacle to the country's development, which is evidenced in the financial and energy persecutions, and in the consequences of Cuba's inclusion in the list of nations sponsoring terrorism.

What country can move forward without credits or bank loans and in the midst of other adverse conditions as is happening to Cuba, he asked, to clarify that mistakes have also been made internally, which will be discussed at all levels in order to rectify them, such as those related to the monetary order, the banking system and the approval of new economic actors.

In this regard, he pointed out that from now on this last task will be assumed by the municipalities, in order to incorporate the contribution of MSMEs and other forms of management to the Local

U.S.-Cuba Trade and Economic Council, Inc.

Development Strategies. Cuban president highlighted the State's efforts to stop inflation, which presupposes, above all, an increase in the production of goods and services. He clarified that the tightened blockade, internal errors and the worsening of the world economic crisis with the well-known war conflicts have had an impact on the unfavorable results of the economy in 2023, but in the face of such challenges, creative resistance continues to be an important way out of the difficulties.

In this sense, Diaz-Canel pointed out the need to extend the good experiences and existing results in many producers and labor collectives, as he has verified in his tours through the provinces, an expression that we have potentialities but we must turn those exceptions into a rule. He also said that only Socialism is capable of offering with social justice the wealth that we are capable of producing, for which he reiterated the conviction that with creative resistance we can overcome the blockade because we have many and good ones.

**Cuba News Agency
Havana, Republic of Cuba
19 December 2023**

Cuban parliamentarians advocate for the role of economic actors in territorial development

HAVANA, Cuba, Dec 18 (ACN) The Cuban deputies in the Commission for attention to the services of the National Assembly of People's Power called today for greater participation of new economic actors in the development of the territories where they are located, in the presence of Manuel Marrero Cruz, Cuban Prime Minister.

In a broad debate, they referred to the linkages between the state and non-state sectors as a possibility to take advantage of capacities in the industry, incorporate social objectives, promote national productions and identify new business opportunities. Marrero Cruz, deputy for Gibara, in the eastern province of Holguin, asserted that the municipality is in the best conditions to make decisions in line with the economic and social development strategy; and that is one of the problems to correct.

He noted - along these lines - that it is hoped that governments will in the future invite people to create MSMEs linked to activities necessary for the territory, using the local potential in these forms of management. That in 2024 all productive forces have the basic conditions and powers to produce more and increase the offers of goods and services, at reasonable prices, Marrero Cruz indicated. Susel Alba Quintana, representative from the eastern province of Santiago de Cuba, addressed the urgency of the link between micro, small and medium-sized businesses (MSMEs) with the rise of each territory in an organized and planned way.

The social responsibility of a private company ranges from the salary of workers, prices, contributions to the community and care for the environment; but social responsibility is defined today by forms of management through spontaneity, Ines Vega, owner of a medium-sized company in Havana dedicated to hygiene and cleaning products and invited to the commission, pointed out. Other topics focused the discussions of the deputies, among them, the issues that today hinder the work of non-state forms of management, the need to achieve cooperative production, the fluctuation of the workforce from one sector to another and the control system. with the participation of different bodies and organizations. Cuba currently has more than 9,900 MSMEs and non-agricultural cooperatives, which have 262,000 employees, 25 % of them under 35 years of age.