

Cuban Parliament Passes New Foreign Investment Law



Havana, March 29 (RHC) The Cuban Parliament unanimously adopted on Saturday a new Foreign Investment Law, a crucial tool to consolidate the country's economic model and build a prosperous and sustainable socialist system.

The law was adopted with modifications along a report submitted by the parliamentary commissions on Economic, and Constitutional and Legal Issues.

The extraordinary session, called by the Council of State to analyze the bill, was attended by President Raul Castro, as well as by Communist Party and government officials.

Lawmakers insisted in the need to attract foreign capital to sectors of interest in the country, particularly those related to the production of goods, under the principle of protecting natural resources and the country's national sovereignty.

The new Cuban foreign investment law offers guarantees to investors such as the free transfer abroad of profits in convertible currency, exemption of taxes over income regarding net profits or other benefits authorized for reinvestment.

Speaking at the session of the Cuban Parliament on Saturday, Foreign Investment and Trade minister Rodrigo Malmierca said that the new law states that the properties acquired in Cuba by foreign capital in the areas of production and services cannot be expropriated except for public or social interests previously declared by the Cuban government.

In such case, any expropriation would imply appropriate compensation according to the established commercial value and by mutual agreement between the investors and Cuba, Malmierca pointed out.

Cuban Government Vice-President Marino Murillo said that the new Foreign Investment Law is necessary to begin speaking of development and not only of economic growth and its appropriate implementation would not mean giving out the country in pieces.

Addressing lawmakers, Murillo, who heads the Permanent Commission for the Implementation and Development of the Economic and Social Guidelines approved by the Communist Party said that in order to achieve larger economic growth, the country needs to increase its Gross Domestic Product by seven percent and investment rates of up to 20 percent and this demands external financing, which the country does not count on at present.

Murillo said that Cuba currently dedicates most of its created wealth to local consumption and a smaller portion to investment. This reality confirms the need for a new foreign investment law, which is in tune with the economic guidelines, he noted.

The government vice-president said that as the bill states, the participation of foreign capital constitutes a complement to the country's investment efforts and it will continue to be so in global terms, though for some sectors foreign investment will be crucial.

Speaking at the assembly Fernando Gonzalez, one of the five Cuban anti-terrorist fighters who were imprisoned in US jails in 1998, expressed on behalf of his compatriots his gratitude to the national and world solidarity movements for their support of the cause and return home.

The Cuban Parliament elected through secret and direct vote two new members to the country's Council of State, the organ representing the National Assembly in between sessions.

The general secretary of the Cuban Workers' Confederation, Ulises Guilarte, and the president of the Small Farmers' Association, Rafael Ramon Santiesteban were elected to the Council of State during the First Extraordinary Session of the Cuban legislative body.

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