

Cuba's Gross Domestic Product contracted in 2023

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Foto: Prensa Latina.

Havana, Jul 15 (RHC) Cuban Minister of Economy and Planning, Joaquín Alonso, informed Monday in Havana that the country's Gross Domestic Product contracted by 1.9 percent last year.

Alonso assured that this negative result is due, among several reasons, to the persistence of the international circumstances in which the country is developing and the continuous tightening of the U.S. government's blockade against the island.

Although sectors such as tourism, communications and activities in education, public health and sports, grew in their indicators, others of high impact on food and human subsistence were below expectations, said the head of the Ministry.

The Caribbean country seeks to reduce the negative gap in terms of economic activity results from 2019, which begins to take shape, progressively, according to the data presented by Alonso before deputies of the Economic Affairs Committee of the parliament.

During one of his interventions, the minister said the situation is characterized by a maintenance of the complex scenario experienced by the economy last year.

In the last six months, he said, the economy faced "a high fiscal deficit, a monetary issue above what is recommended to finance that deficit, which determines today an excess of money in circulation. And, in addition, an excess of money with high concentration in a reduced number of people."

He added that foreign currency income, "is insufficient" and "almost null access to external credits", which is complicated by the "low recovery of national production, as well as limitations in fuels".

Despite the complex reality of the Cuban economy, the head of the MEP told legislators that there is potential to reverse this situation in many aspects. In that sense, he explained, priority is given to export-oriented production as the main source.

Along these lines, he detailed that although foreign currency income in the first semester grew by 24 percent in relation to the same period of the previous year, it was only 88 percent fulfilled; leaving 222 million less than the planned figure.

"Everything we have been doing, especially in the last few months, should point to a recovery in the rest of the year". This should be influenced by the favorable performance of the main exportable items, including tobacco, elver and other fishery products, as well as biopharmaceuticals, he mentioned.

He pointed out that although the productions of nickel, sugar, honey and rum, among others, do not reach the expected income, the country should create a more favorable environment in the second half of the year, with the creation and approval of a group of self-financing schemes in foreign currency that will allow the re-launching of these activities.

The measures are aimed at those companies that contribute and promote exports, said Alonso.

In this list, he also added the activity of raw material recovery, coal production for export, as well as honey, chemical industry and electronics, among others.

He also assured that in the first half of the year, exports of health services exceeded estimates, an activity which grew by one percent compared to the same period of the previous year (Source: Prensa Latina).

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