

Nearly 300 Agricultural Cooperatives Closed in Cuba



Havana, November 21 (RHC) -- A total of 298 agricultural cooperatives were dissolved in Cuba following their inability to maintain financial performance, according to an announcement by the National Agriculture and Forest Workers Union.

Union general secretary Nestor Hernandez explained the decision followed an evaluation in each Cuban province by the National Bank of Cuba, the Finance and Prices Ministry, the Ministry of Agriculture, and the provincial and municipal governments.

Known as Basic Units for Cooperative Production, these units operate under a modality created in 1993, based on the use of state-owned land in usufruct by former state workers who develop common production.

Hernandez said that all those cooperatives had overdue debts, inefficient entrepreneurial management, poor use of resources like land and machinery, and thus a low agricultural output, along with organizational problems.

Meanwhile, Agriculture Minister Gustavo Rodriguez said the idea is not that of closing cooperatives but strengthening their management capacities, through better performance of their members and their direct relationship to other entities based on efficient use of contracts and control mechanism.

The minister said that Cuba's economy needs the cooperatives to be efficient and viable in order to increase food production for the people and contribute to the replacement of imports.

The meeting also reviewed 17 measures adopted by the government to be implemented in all remaining 1,666 cooperatives in the country. Concerns at the center of discussion included the high cost of resources, inappropriate application of a five-percent tax on the sales and services, delays in the availability of resources at shops as well as the delivery of fuel.

The General Secretary of the Cuban Workers' Confederation, Ulises Guilarte recalled that the economic loss reported in the country up to June due to inefficient cooperatives claimed nearly 10 million pesos (equal in dollars), which affected production such as coffee, milk among others.

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