

Economic Update August 06



Cuba's Entry to the IMF and World Bank is Imminent

Cuba's Entry to the IMF and World Bank is Imminent, says IMF's Former Director Hector R. Torres who published an article on Tuesday in the *Point of View* section of www.swissinfo.ch website that reminds us that a few years ago was unimaginable to Cuba knocking on the doors of the IMF and World Bank.

"Now that Washington has restored diplomatic relations with Havana and after more than half a century of enmity, it seems only a matter of time before Cuba enters both institutions for the benefit of all involved."

According to Torres, membership of the IMF is a precondition for joining the World Bank, and the advantages that Cuba would win with it are easy to see. He added that the island "is proud of its social achievements, and rightly so. But ensure that they remain sustainable will require that the Cuban economy keep growing. And for that, you need to continue and deepen economic reforms initiated," the official finally said.

ECLAC Laments Damage on Cuban Growth by US Blockade

The *Economic Commission for Latin America and the Caribbean (ECLAC)* recently lamented the check on Cuba's economic growth by the US blockade, though it highlighted the advances of the Caribbean island. Answering a question in a press conference, the Executive Secretary of ECLAC, Alicia Bárcenas, said that though Cuba boasts significant progress, "the formidable barrier of the US blockade is still in

place, and despite some restrictions have been lifted and some sectors of tourism, trade and others have been opened, the truth is that the US blockade continues pushing up the financial costs," the expert added.

Because of this, Bárcenas said that ECLAC presented a report to the UN General Assembly, estimating the cost of the US blockade on Cuba at 117 billion USD, and commented that 11 sectors are expected to be much more active, thus attracting foreign capital, like agriculture and food production, biochemical, renewable energies, construction, the new port of Mariel in operation, etc.

She finally highlighted that current transformations within Cuba's economy and changes in some laws will surely bring positive results.

Clinton to Call for Lifting Cuba Blockade in Miami Speech

Hillary Rodham Clinton went to Miami, the heart of the Cuban American opposition to any warming of the decades-old deep freeze in U.S.-Cuba relations, to call for lifting the stiff U.S. blockade on Cuba.

The Democratic front-runner made her first campaign appearances in vote-rich Florida last Friday, including the Cuba policy speech at Miami's Florida International University. Her campaign announced the speech on Wednesday and said she will expressly call on Congress to lift the blockade on trade, travel and other dealings with Cuba imposed by President John F. Kennedy more than 50 years ago.

The Republican-led Congress would have to vote to lift the blockade, something unlikely to happen ahead of the 2016 election. It might not happen quickly even if Democrats regain control of the Senate because of the strength of opposition among some powerful Republicans.

"Realizing that this issue inspires strong feelings on both sides, especially in South Florida, Mrs. Clinton considered that this case was important to make at this time and place," a campaign official said.

In her official speech, Mrs. Clinton said that Republicans who remain opposed to lifting the blockade represent the politics of the past, and that changing our policy towards Cuba is a key element a forward-looking vision on U.S. foreign policy.

Clinton spoke in the home state of Jeb Bush and Marco Rubio, both defenders of the blockade and both among the Republicans vying to oppose her if she is the final Democratic nominee. Clinton and Bush will both address the National Urban League candidates' forum earlier last Friday in nearby Fort Lauderdale.

Together with many other political figures, such as Treasury Secretary Jack Lew,

former Rep. Joe Garcia, a Florida Cuban-American Democrat defeated in 2014, Hillary Clinton has enthusiastically supported President Obama's outreach to Cuba over the past 8 months, culminating in the reopening of embassies and full diplomatic relations in July. On the topic, Joe García affirmed in a local interview in Miami that "...this is about challenging the future. Those who want to stay with the failed policies of the past are incapable of any compromise... They are running a religion, not a policy."

Cuba and China Plan to Expand Economic and Trade Relations

Cuban Minister of Foreign Trade and Investment Rodrigo Malmierca Diaz, concluded an official visit to China, where he met Chinese peer Gao Huchen, defended to increase the bilateral economic and trade relations as they stand for an expression of maturity that characterizes the relations between both nations that reached their 55th anniversary this year.

The *Final Accord*, signed by both ministers, planned the economic, trade, financial and cooperation relations for the 2016-2020 period in which both sides welcomed with satisfaction the soon opening of a direct flight by the *Air China* airline that will link Beijing and Havana.

For its part, the Cuban side announced its willingness to start a gradual use of the Chinese currency in the bilateral trade in 2016, something that shows the strategic nature of the relations between both countries.

After the official talks, several agreements, related to renewable energies and Cuban nickel exports, were also signed.

Finally, The Cuban official held separate meetings with the president of *China Export and Credit Insurance Corporation*, Wang Yi; the governor of *China Development Bank Corporation*, Hu Huaibang; the president of the *Civil Aviation Administration*, Li Jiaxiang and the vice-president of the *National Commission on Development and Reform*, Lin Nianxiu.

Panamanian Travel Agency Promotes Health Tourism in Cuba

The benefits and advantages of Cuba as destiny to channel health problems will be exhibited at the upcoming *Tourism Fair in Panama* through *Belraysa Travel Agency*, Jorge Guerra told Cuban *Prensa Latina* news agency. To do this, the visit to Panama of a professional from *Servimed*, Cuban enterprise specialized in the provision of health and quality of life for tourism is scheduled, said the general manager of the company.

Panama has historically been a good issuer of this specialty to the island, hence our idea is to promote all health services, although there are some more attractive than others, he said.

Founded in 2010, *Belraysa* is the only Travel Agency specializing in such destination to Cuba, particularly in the areas of health and event tourism, though they expect to open soon to the Panamanian and Nicaraguan markets.

For the 3rd consecutive year, *Belraysa* will participate in the *Panama Tourism Fair*, where the Ministry of Tourism of Cuba will be present too, and whose the travels and offers also include artistic, cultural and scientific exchanges of both sides.

Cuban Province's Sugar Facilities Undergo Heavy Repairs

The recovery of 10 facilities devoted to the repair and maintenance of sugarcane agricultural machinery is one of the actions carried out in Villa Clara province in the preparatory schedule of the 2015-2016 sugar harvest.

Diego Luis Valdes, an official of the Sugar Company of the province, told ACN that the task's main objective is to ensure good working conditions to the technicians, mechanics and operators of combine, tractors and other means of transport.

Serious impacts on roofs, damages on water systems, lack of ventilation in work zones and inadequate conditions in areas where winches and other means are operated are the greatest damage reported in the dozen facilities that are being renovated in the province, he declared.

Aramis Castillo, head of the technical group of Perucho Figueredo sugar mill, in Encrucijada, said the inclusion of mechanics in the cutting squads decreases the waiting time for the repair.

He added that the strategy established in the country to recover sugar production includes the retraining of workers in the workshops, for them to know the qualities of modern working means that are incorporated into the work of sugarcane cutting.

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