

WEBINAR WITH CARICHAM



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HOW TO DO BUSINESS WITH CUBA



CÁMARA DE COMERCIO
DE LA REPÚBLICA DE CUBA



CUBA. GENERAL DATA

OFFICIAL NAME: Republic of Cuba
TERRITORY: 109 884,01 km²
CAPITAL: Havana
OFFICIAL LANGUAGE: Spanish
MAIN CITIES: Havana, Santiago de Cuba, Holguin, Cienfuegos, Camagüey and Santa Clara.
POPULATION: 11 239, 004 inhabitants (2015).
AIR TRANSPORTATION: 10 International airports and 15 National Airports.
MARITIME TRANSPORTATION: 32 commercial ports.



OFFICIAL CURRENCY: Cuban Peso (CUP). The convertible Cuban peso (CUC) also circulates.
CURRENT EXCHANGE RATES: The CUP trades at par with the US dollar (USD), that is, 1 CUP = 1 USD to the official exchange (in which all commercial and banking operations are carried out).
FOR THE PURCHASE AND SALE OPERATIONS OF THE POPULATION: 25 CUP = 1 CUC; 1 CUC = 24CUP.

SOCIAL INDICATORS:

UNEMPLOYMENT 3.3%
INFANT MORTALITY 4.2 per 1000 live births.
DOCTORS BY INHABITANTS 137
LIFE EXPECTANCY 80.02 years female and 78.45 years men.
LEVEL OF SCHOOLING 12.8 degrees
WORKERS WITH UNIVERSITY LEVEL 19%
POPULATION WITH MORE THAN 60 YEARS 18.3%

EXTERNAL SECTOR:

Cuba is a signatory and member of international and regional organizations (ALBA-TCP, CELAC, the United Nations Organization (UN) and its agencies, WTO, ALADI, ECLAC, and the Association of Caribbean States (ACS).

DIPLOMATIC RELATIONS: + 180

COMMERCIAL RELATIONS: +160

PROMOTION AND RECIPROCAL INVESTMENT PROTECTION AGREEMENTS (APPRI): 62 (71 countries)

It has signed more than 23 regional, plurilateral and bilateral agreements with Latin America and the Caribbean, and bilateral Economic Complementation Agreements (Partial Scope).

MAIN BUSINESS PARTNERS: Bolivarian Republic of Venezuela, People's Republic of China, Spain, Canada, Russian Federation, Mexico, France, Italy, Federal Republic of Germany, Netherlands, Republic of Angola and Brazil.



LEGAL FRAME

(TRANSPARENT &
SECURE LEGAL BODY)



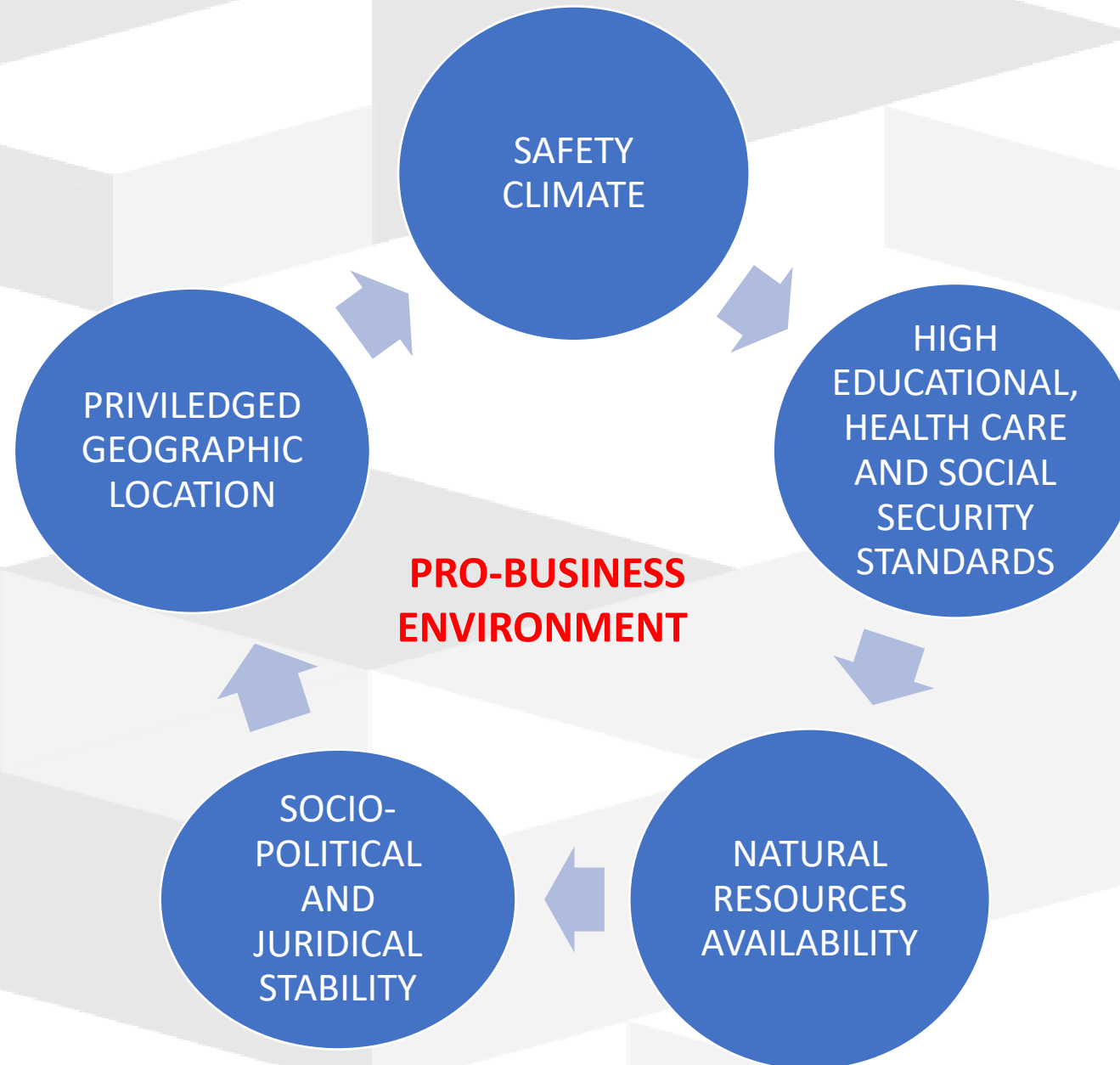
INFRASTRUCTURE

(PORT, ROADS,
RAILROADS AND
COMMUNICATIONS)



INSTITUTIONS

(UNDER THE SERVICE
OF INVESTORS WITH
HIGH QUALIFIED
PERSONNEL)



HOW TO DO BUSINESS WITH CUBA

FOREIGN TRADE

1. Identify the import-export company.
2. A7 or D7 visa.
3. Authentication & registration of documents.
4. Supplier & customer catalogue.
5. Commercial Offers.
6. Contract signing.

REQUIREMENTS FOR OPENING A BRANCH (Foreign Mercantile Partnership Subsidiary):

- 5 years' existence in the country of origin.
- US \$50,000 capital stock.
- 3 years' stable dealings with Cuba involving a volume of business with Cuban firms worth at least US \$500,000.

MARKET CHARACTERISTICS:

- Centralized and planned economy.
- Actors in Foreign Trade:
 - ✓ State companies.
 - ✓ Joint ventures.
 - ✓ 100% foreign companies.
 - ✓ Agricultural Cooperatives.
 - ✓ Non-state sector.
- Foreign trade is conducted via import and export companies specialized by product/service sector.
- All products that enter Cuba must be declared to customs and are subject to inspection.
- Foreign companies don't require office or previous registration for trading with nationals.
- In case of physical presence in Cuba:
 - ✓ Foreign Mercantile Partnership Subsidiary (branch).
 - ✓ Foreign Mercantile Agent: Take-off; Platino; Recsa.



EXPORTABLE SUPPLY OF GOODS AND SERVICES

www.procuba.cu

<http://www.mapaexportaciones.mincex.gob.cu>

EXPORTABLE SUPPLY OF GOODS

❖ ANIMAL PRODUCTS

- Dairy products
- Natural honey and beehive products
- Fish and crustaceans

❖ PLANT-BASED PRODUCTS

- Coffee

❖ FOOD INDUSTRY PRODUCTS, BEVERAGES, ALCOHOLIC LIQUIDS AND TOBACCO

- Sugar
- Cocoa and its preparations
- Non-alcoholic beverages and mineral water
- Alcoholic beverages
- Various food preparations
- Tobacco and tobacco products

❖ MINERAL PRODUCTS

- Stone and cement

❖ CHEMICAL INDUSTRY PRODUCTS

- Biotechnological and pharmaceutical products
- Chemical products
- Preparation of perfumery, toilet or cosmetics
- Cleaning products

❖ LEATHER AND MANUFACTURES

- Leather

❖ WOOD, CHARCOAL AND MANUFACTURES OF WOOD

❖ TEXTILES AND THEIR MANUFACTURES

❖ COMMON METALS AND ARTICLES OF THESE METALS

❖ OBJECTS OF ART OR COLLECTION

❖ MEDICAL EQUIPMENTS



EXPORTABLE SUPPLY OF SERVICES

❖ PROFESSIONAL SERVICES

❖ COMPUTER AND RELATED SERVICES

❖ REAL ESTATE SERVICES

❖ TELECOMMUNICATION SERVICES

❖ POSTAL AND COURIER SERVICES

❖ AUDIOVISUAL AND MULTIMEDIA
PRODUCTS

❖ CONSTRUCTION AND RELATED
ENGINEERING SERVICES

❖ EDUCATIONAL SERVICES

❖ ENVIRONMENTAL SERVICES

❖ HUMAN HEALTH SERVICES

❖ TOURISM AND TRAVEL RELATED SERVICES

❖ RECREATIONAL, CULTURAL AND SPORTING
SERVICES



CUBAN COMPANIES INTERESTED IN THE CARIBBEAN REGION:

TICs

- COPEXTEL www.copextel.com.cu
- CUBATEL www.cubatel.cu
- RADIOCUBA www.radiocuba.cu
- SEGURMATICA www.segurmatica.cu
- SOFTEL www.softel.cu

CONSTRUCTION

- DINVAI XXX
- UNECA XXX
- IMECO www.imeco.co.cu

AGROFOOD

- CEBALLOS <http://www.industrialceballos.co.cu>
- CITRICOS CARIBE <http://www.ccaribe.co.cu>
- FRUTAS SELECTAS <http://frusel.netcons.com.cu>
- LA ESTANCIA www.laestancia.cu
- APICUBA <http://www.apicuba.co.cu>
- LABIOFAM www.labiofam.cu
- CUBARON www.cubaron.com
- TECNOAZUCAR www.tecnoazucar.azcuba.cu
- LOS PORTALES www.losportales.cu
- HABANOS www.habanos.com
- CARIBEX www.caribex.cu
- CUBAZUCAR <http://www.gecomex.cu/index.php/es/site/verEntidad.html?sigla=CUBAZUCAR>

INDUSTRY

- BK IMPORT XX
- ACINOX COMERCIAL XX
- ENCOMIL XXX
- MEDIATEX www.mediatex.co.cu
- SUCHEL CAMACHO www.suchelcamacho.cu
- GEIQ XXX

MEDICAL AND BIOTHECNOLOGY

- BIOCUBAFARMA www.biocubafarma.cu
- SMS www.smcsalud.cu
- NEUROCIENCIAS www.cneuro.cu
- COMBIOMED www.combiomed.biocubafarma.cu
- NEURONIC www.neuronicsa.com
- CIM www.cim.cu
- CIE www.cie.cu
- FINLAY www.finlay.edu.cu

CULTURE

- FCBC <http://www.fcbc.cu>
- ARTEX www.artexsa.com
- GÉNESIS GALERIAS DE ARTE www.galeriascubanas.com
- EGREM www.egrem.com.cu

FOREIGN INVESTMENT LEGAL FRAME (Government Official Gazette)

- ✓ Foreign Investment Act No. 118/14
- ✓ Foreign Investment Regulations No. 325/14
- ✓ Cuban Central Bank Regulations No. 46/14 and No. 47/14
- ✓ MINCEX Regulations No. 128/14 and No. 129/14
- ✓ Labor Ministry Regulations No. 16/14 and 42/14
- ✓ Economics Ministry Regulations No. 920/14
- ✓ Finances Ministry Regulations No. 535/14
- ✓ ZED Mariel Regulations No. 313 and No. 316 for Foreign Investments
- ✓ VUCE one stop shop for foreign trade. MINCEX

www.vuceregulaciones.mincex.gob.cu



MODALITIES FOR FOREIGN INVESTMENT

- Joint ventures
- Totally foreign capital enterprises
- International Economic Association Contracts

PORTFOLIO OF OPPORTUNITIES FOR FOREIGN INVESTMENT 2019 - 2020



¹ Includes 66 Hotel Management and Sales Contracts for existing facilities or facilities undergoing an investment process with no defined investment amounts, but that foresee access to external financing.



MARIEL SPECIAL DEVELOPMENT ZONE (MSDZ)



55 Projects have been approved
21 Countries
2.7 MM USD Amount of the investment.
8560 Direct Jobs
11 Multinationals

Decree Law 313/2013
and its complementary
norms.



Activities and sectors prioritized in the MSDZ:

- ✓ Biotechnology, development and production of drugs
- ✓ Containers and Packaging Industry
- ✓ Renewable energy
- ✓ Agriculture
- ✓ Food industry
- ✓ Industry
- ✓ Telecommunications and Informatics
- ✓ Tourism and Real Estate
- ✓ Investments in Infrastructure

CONTACT INFORMATION OF THE
MSDZ OFFICE



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Special Development Zone, Artemisa. Cuba
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www.zedmariel.com/en

ZED Mariel is placed 45 km west of Havana and has an area of 465.4 km².

MARIEL SPECIAL DEVELOPMENT ZONE (MSDZ)

SPECIAL TAX SYSTEM FOR THE MSDZ



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	LAW NO. 118 FOREIGN INVESTMENT	SPECIAL ECONOMIC DEVELOPMENT ZONE OF MARIEL	LAW 113 TAXATION SYSTEM
ON PROFITS	0 % during 8 years and, as an exception, for a longer period. Subsequently 15 %. 0 % on reinvested profits. It may be increased to 50 % for exploitation of natural resources.	0 % during 10 years and, as an exception, for a longer period. Subsequently 12 %. Application of Lay No. 118 for profits reinvestment.	35 % May increase to 50 % for exploitation of natural resources.
ON USING LABOR FORCE	Exempted	Exempted	Progressive 20 % reduction (2012) to 5 % (2016)
CONTRIBUTIONS TO LOCAL DEVELOPMENT	0 % during investment recovery.	Exempted	Is being established gradually in the Annual Budget Law
ON SALES OR SERVICES	0 % during first year of operations, subsequently 50 % discount on wholesale sales and on services.	0 % during first year of operations, subsequently 1 %	2 % on wholesale sales and 10 % on servicers. New taxable items shall be gradually incorporated.
ON PERSONAL INCOMES TO PARTNERS OR PARTIES	Exempted	Law No. 118 applies	15 %
ON USING OR EXPLOITING NATURAL RESOURCES AND PRESERVING THE ENVIRONMENT (5 TAXES)	50 % discounts during investment recovery	Law No. 118 applies	For the use of beaches, waste disposal into hydrographic basins and terrestrial waters: defined in the Annual Budget Law. Use of bays and forestry resources according to taxable items in Law 113
CUSTOMS	Exempted during the investment process	Exemptions on means, equipment and goods in the investment process	Taxable items are established in the Customs Duties

Joint enterprises and international economic partnerships



ESTABLISHMENT OF BUSINESSES IN CUBA



INCENTIVES AND WARRANTS FOR INVESTORS

- Foreign investments shall enjoy protection and security and can not be expropriated, unless such action is executed for reasons of public or social interest.
- The State shall guarantee the free transfer abroad, in freely convertible currency, free from taxes or any other fees, of the dividends or profits obtained by the foreign investor.
- Foreign investments in the country shall be protected against legal claims by third parties.
- The Cuban state shall guarantee that the benefits granted to foreign investors and their investments are maintained during the whole period for which they were granted.
- The foreign investor can sell or transfer his rights to the State, the parties of the economic association or to a third party, provided this is previously authorized by the government.

POST-APPROVAL PROTOCOL

- Formalized Business before Notary
- Inscription in Mercantile Registry
- License and permits



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- ✓ Organize missions abroad and we bring support to those who come to know how to do business with Cuba.
- ✓ Attend international fairs and conventions about trade and foreign investment.
- ✓ Prepare Work Agendas.
- ✓ Business committees.
- ✓ Organize seminars, workshops, conferences.
- ✓ Website updated in several languages.
- ✓ Cuba Foreign Trade Magazine for promoting exports and business opportunities in Cuba.