



INVESTING IN CUBA
2018

“

- BUSINESS ENVIRONMENT -

- FOREIGN INVESTMENT -

- PORTFOLIO OF OPPORTUNITIES 17/18 -

”

OFFICIAL NAME

REPUBLIC OF CUBA

CAPITAL
HAVANA

AREA
**110 992
SQ. KM**

PUBLIC
HEALTH
SYSTEM
**FREE
OPEN
UNIVERSAL**

LITERACY
RATE
99%

OFFICIAL
LANGUAGE
SPANISH

POPULATION
11.2 MILLION

INFANT
MORTALITY
RATE
**4.0 PER 1 000
LIVE BIRTH '17**

EDUCATION
**FREE, PUBLIC
AND UNIVERSAL**

NATIONAL DAY
1ST JANUARY

AVERAGE LIFE
EXPECTANCY
AT BIRTH
79 YEARS

INDEX OF HUMAN
DEVELOPMENT
67 UNDP(2015)



- PRO BUSINESS ENVIRONMENT -



LEGAL FRAMEWORK

TRANSPARENT
SECURE LEGAL BODY

RESEARCH AND INNOVATION POLYCIES



INSTITUTIONS

SERVICE OF INVESTORS
HIGH QUALIFIED PERSONNEL

SOCIO-POLITICAL AND
JURIDICAL STABILITY

—
SAFETY CLIMATE



INFRASTRUCTURE

60 000 Km of ROADWAY
8 000 Km of RAIL LINES

NATURAL RESOURCES
AVAILABILITY

PRIVILEGED
GEOGRAPHIC LOCATION

- HIGH EDUCATIONAL, HEALTH CARE AND SOCIAL SECURITY STANDARDS -

- PRO BUSINESS ENVIRONMENT -

Short access time to major cities in the Caribbean, America and North America.

10 INTERNATIONAL AIRPORTS
32 COMMERCIAL PORTS

At the crossroads of the main maritime commercial traffic routes in the Western Hemisphere.



- PRO BUSINESS ENVIRONMENT -

- PREFERENTIAL ACCESS TO A POTENTIAL MARKET OF
1.2 BILLION CONSUMERS (est.) -

Diplomatic
relations

+180
countries

LAC
21 Regional
Multilateral
Bilateral
Economic
Agreements

Trade
relations

+150
countries



- FOREIGN TRADE / NUMBERS 2017 -

OPEN ECONOMY. HIGHLY DEPENDANT ON FOREIGN TRADE. NET FOOD IMPORTING COUNTRY

Goods Imports 81%, Goods Exports 19%

Exports to 119 countries.

IMPORT

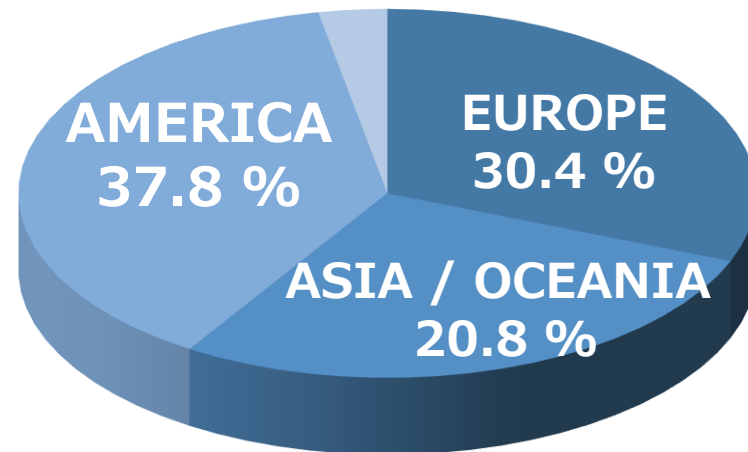
- Fuels and lubricants
- Food
- Metals Manufactured
- Chemicals and related products
- Transportation equipment and machinery
- Textile and Manufactured items.

EXPORT

- Minerals fuels
- Nickel
- Generic and Biotech drugs
- Sugar and its products
- Tobacco
- Alcoholic drinks
- Marine products
- Steel products

TRADE EXCHANGE PER REGION

AFRICA / MIDDLE-EAST
10.3 %



CUSTOMS TARIFF EXPORT FREE.
IMPORT NMF 10.7%



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- **FOREIGN INVESTMENT** -

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- ECONOMIC PERFORMANCE 2017 -

GROSS DOMESTIC PRODUCT grew up by 1.6%

TOURISM



4.4
%

TRANSPORT



3.0
%

AGRO



3.0
%

CONSTRUCTION



2.8 %



TRAVELERS'
CHOICE
— 2017 —

Varadero beach was voted **THIRD BEST** in the world.

2018

Excellence Award as the **SAFEST COUNTRY FOR TOURISM**



Feria Internacional de Turismo
International Tourism Trade Fair

PATH OF DEVELOPMENT.CUBA NEEDS TO REACH SUSTAINED LEVELS OF GROWTH OF 5%

- GENERAL POLICIES FOREIGN INVESTMENT ENVIRONMENT -



**DIVERSIFICATION
OF EXPORT MARKETS**

**EXTERNAL FINANCING
SOURCES**

**HIGH-TECH
TRANSFER**



**ENERGY MATRIX
RENEWABLE GENERATION
SOURCES**

**ADVANCED
TECHNOLOGIES**



IMPORT SUBSTITUTION

NEW JOBS



- PRO BUSINESS ENVIRONMENT -

FAST APPROVAL
REGIME

60 DAYS

COMPETITIVE
NATIONAL
TALENT

OTHER INCENTIVES

FREE TRANSFER ABROAD /
FREE FROM TAXES
(Dividends or profits)

SPECIAL TAXATION SYSTEM

LEGAL SECURITY

MARIEL SDZ

60 PUBLIC
UNIVERSITIES

TOTAL UNIVERSITY ENROLMENT

112000

CITIZENS

+ONE MILLION

UNIVERSITY GRADUATES

- PRO BUSINESS ENVIRONMENT -

SPECIAL TAXATION SYSTEM

ON PROFITS **15%** FIRST **8** YEARS OF EXCEPTIONS
FOR REINVESTED PROFITS. **0%** - JOINT VENTURES -
- IEA AGREEMENTS -



0% ON USING OF LABOR FORCE **0%** FIRST YEAR, **AFTER THAT 1%**
ON SALES OR SERVICES

EXEMPTED ON PERSONAL INCOMES TO PARTNERS OR PARTIES
CUSTOMS TARIFF (INVESTMENT PROCESS)

- PRO BUSINESS ENVIRONMENT -

SPECIAL TAXATION SYSTEM

ON PROFITS

35% MAY GO UP TO **50%** EXPLOITATION
NATURAL RESOURCES

- TOTALLY FOREIGN
CAPITAL COMPANY -



5% ON USING OF LABOR FORCE **5%** ON WHOLESALE SALES **ON RETAIL SALES 10%**

10% ON SERVICES **CUSTOMS** TO BE SET IN THE
CUSTOMS TARIFFS

- FOREIGN INVESTMENT/MARIEL SDZ -

1ST in Cuba.

Most modern in the Region

CONTAINERS TERMINAL

45KM

West of Havana

Neo Panamax vessels

CORPORATE TAX

0%

During the first 10 years
of operation 12%
thereafter

TAX ON THE USE OF
LABOR FORCE
CONTRIBUTION TO
LOCAL DEVELOPMENT

0%

Exempted

CUSTOM DUTIES

0%

On imports of means
and equipment for the
investment process

TAX ON SALES AND
SERVICES

0%

During the first year of
operation 1% thereafter

ONE STOP SHOP SYSTEM
OFFICE SUPPORT



FAST APPROVAL
REGIME

2 LEVELS OF
APROVALS 60 DAYS

- FOREIGN INVESTMENT / NUMBERS 2017 -

+2BILLION USD
COMMITTED CAPITAL

COUNTRIES +20

+5 JOINT VENTURES

+11 TFC COMPANY

HOTEL ADMINISTRATION CONTRACTS **+9**

IEA AGREEMENTS **+5**

+9 MULTINATIONALS



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- PORTFOLIO OF OPPORTUNITIES 17/18 -

ALL SECTORS EXCEPT SERVICES
HEALTH / EDUCATION / MILITARY SECTOR

JOINT VENTURES
TOTALLY FOREIGN CAPITAL COMPANY
NATURAL PERSONS / SUBSIDIARY / BRANCH

MODALITIES

INTERNATIONAL ECONOMIC ASOCIACION AGREEMENTS
RISK CONTRACTS / CONSTRUCTION / HOTEL PRODUCTION / SERVICES MANAGEMENT

CUBAN PARTICIPATION MAJORITY SHARES
EXTRACTION OF NATURAL RESOURCES/ PUBLIC SERVICES/
BIOTECHNOLOGY/ WHOLESALE/ TOURISM

EMPLOYER-ENTITY SUPPLY AND CONTROL THE WORKFORCE

STATE ASSETS WILL NOT BE TRANSFERRED IN PROPERTY



- PORTFOLIO OF OPPORTUNITIES 17/18 -



SECTORIAL POLICY

Increase food production, encourage sustainable development and increase efficiency, quality and competitiveness in the different forms of production management at work in this sector.

FRUIT, VEGETABLES, GRAINS AND CEREALS, BEEF, PORK, POULTRY, ANIMAL FOOD AND MILK, AS WELL AS INTEGRAL PRODUCTS INCLUDING INTENSIVE MANAGEMENT OF FORESTRY PRODUCTS HAVING A COMMERCIAL NATURE.

It excludes **tobacco agricultural products** and the **premium cigar industry / capture and industrialization of lobster.**

LAND OWNERSHIP SHALL NOT BE TRANSFERABLE.

In joint business ventures, the contribution of the Cuban Party may include the real right of usufruct for the land.

AGRO-FOOD (1)

104
projects

(10 IN ZED MARIEL)



- PORTFOLIO OF OPPORTUNITIES 17/18 -



LAND OWNERSHIP IN THE HAND OF STATE

13.2% OF THE
COUNTRY'S
WORKING-AGE
POPULATION WORKS



13.2%

MANAGED
70% BY NON STATE ENTITIES
30% BY STATE ENTITIES

6.24 MILLION HECTARES OF
AGRICULTURAL LAND **ONLY**

2.7 MILLION
CULTIVATED

66% EMPLOYED
IN THE COOPERATIVE
SECTOR



66%

ZONE OF
FREE TYPE 1 DISEASES
EXISTING IN THE AREA

2000 MILLION
USD DOMESTIC MARKET
POTENTIAL

AGRO-FOOD (2)

104
projects

(10 IN ZED MARIEL)



- PORTFOLIO OF OPPORTUNITIES 17/18 -



+1.2 BILLION USD ESTIMATED AMOUNT
RECOVERY / PRODUCTION / DEVELOPMENT / PROCESSING

AGRO-FOOD (3)



104
projects

INTERNATIONAL ECONOMIC ASSOCIATION AGREEMENTS

TOTALLY FOREIGN CAPITAL COMPANY **MODALITIES**
MARIEL SDZ JOINT VENTURES

TOBACCO

CITRUS FRUITS

LEADING PRODUCTS

FRUITS / COFFEE / CACAO / HONEY / CHARCOAL

(10 IN ZED MARIEL)



- PORTFOLIO OF OPPORTUNITIES 17/18 -



EXAMPLES



COMPREHENSIVE PROJECT TO RAISE BEEF CATTLE IN STABLES, WITH A CAPACITY FOR 5000 HEAD.

ESTIMATED AMOUNT 7 MILLION USD

PRODUCTION OF BANANAS FOR THE DOMESTIC MARKET AND EXPORT.

ESTIMATED AMOUNT 2.3 MILLION USD



INCREASED PRODUCTION POTENTIAL FOR SHRIMP FARMING.

ESTIMATED AMOUNT 3 MILLION USD



AGRO-FOOD (4)

104
projects

(10 IN ZED MARIEL)

RENEWABLE
ENERGY (1)

13

projects



- PORTFOLIO OF OPPORTUNITIES 17/18 -



SECTORIAL POLICY

To create, enlarge and modernize production capacities.

To promote projects to generate energy from renewable sources.

4.3% CURRENTLY
LONG-TERM ECONOMIC /
SOCIAL DEVELOPMENT
PROGRAM

DEVELOPMENT PLAN UNTIL 2030 **24%**

BIOMASS PHOTOVOLTAIC ENERGY

WIND POWER RESOURCE

BIOGAS

HYDRO-ENERGY

FACILITIES USING RENEWABLE ENERGY SOURCES TODAY

Solar heaters

30988

Solar panels

9476

Windmills

9343

Biogas plants

3243

Hydroelectric facilities

147

Sugar mills

56

Solar farms

22

Wind farms

4

RENEWABLE
ENERGY (2)

13

projects



- PORTFOLIO OF OPPORTUNITIES 17/18 -



+ 10 UNIVERSITIES WITH HIGHLY
TRAINED SCIENTIFIC-TECHNICAL PERSONNEL

BIOMASS TOP PRIORITY

INSTALL 755MW AT 19 BIOELECTRIC PLANTS AT SUGAR MILLS

WIND POWER RESOURCE

INSTALL 633 MW AT 13 WIND FARMS, WITH CAPACITY FACTORS OF
OVER 30 % THAT WILL PRODUCE OVER 1000 GWH/YEAR

PHOTOVOLTAIC ENERGY

POTENTIAL FOR SOLAR RADIATION **5KWH**
PER SQUARE METER PER DAY

700 MWP (PVSP) UP TO 2030

HYDRO-ENERGY TO BUILD 74 SMALL HYDROELECTRIC
PLANTS WITH OVER 56 MW.

DEVELOPMENT PROGRAMS FOR PORK, BEEF AND POULTRY PRODUCTION

BIOGAS

RENEWABLE
ENERGY (3)

- PORTFOLIO OF OPPORTUNITIES 17/18 -



13

projects

385 MILLION USD ESTIMATED AMOUNT



TOTALLY FOREIGN CAPITAL COMPANY

MODALITIES

JOINT VENTURES

POTENTIAL MARKET

ELECTRICITY GENERATED IS COMPLETELY
DIRECTED TO THE NATIONAL ELECTRIC SYSTEM





- PORTFOLIO OF OPPORTUNITIES 17/18 -



SECTORIAL POLICY

Manufacture of finished products and active drug ingredients for generic medicines.

In the case of biotechnological products, we will be evaluating specific businesses that would complement domestic projects,

Preserving intellectual property and looking out for the proper use of what may be jointly generated.

The creation or extension of production capacities.

DRUGS AND BIOTECHNOLOGY (1)

15

projects

(13 IN ZED MARIEL)



THE BUSINESS GROUP IS COMPOSED OF:

16 producing companies with 78 production facilities

15 companies abroad

Establishments in all the provinces of Cuba



EMPLOYS OVER 21,700 PEOPLE

OVER 6,300 ARE UNIVERSITY GRADUATES

OVER 200 ARE DOCTORS OF SCIENCES

OVER 1,000 ARE MASTERS IN SCIENCES

OVER 1,000 HOLD TECHNOLOGIST QUALIFICATIONS

OVER 600 ARE IN THE RESEARCH CATEGORY



- PORTFOLIO OF OPPORTUNITIES 17/18 -




CUBA **BioCuba** Farma **ABROAD**

GRUPO
DE LAS INDUSTRIAS BIOTECNOLÓGICA Y FARMACÉUTICA

DRUGS AND BIOTECHNOLOGY (2)

+500 DRUGS

+800 HEALTH PRODUCT REGISTRATIONS

BIOLOGICAL PRODUCTS **+30**

COUNTRIES **+50**

15

projects

(13 IN ZED MARIEL)



Over 2000 patents have been granted abroad

INCLUDING

HEBERPROT- P
NIMOTUZUMAB



23 testing clinics in 35 countries





- **PORTFOLIO OF OPPORTUNITIES 17/18** -



+834.2 MILLION USD ESTIMATED AMOUNT

DRUGS AND
BIOTECHNOLOGY
(3)



15

projects

(13 IN ZED MARIEL)

INTERNATIONAL ECONOMIC ASSOCIATION AGREEMENTS

JOINT VENTURES **MODALITIES**

CUBAN PARTICIPATION MAJORITY SHARES

BUSINESS ARRANGEMENTS

PROJECT NEGOTIATIONS / R&D PROJECT JOINT DEVELOPMENT DISTRIBUTION
AND REPRESENTATION / R&D PROJECT JOINT DEVELOPMENT
TECHNOLOGY TRANSFER AGREEMENTS



- PORTFOLIO OF OPPORTUNITIES 17/18



SECTORIAL POLICY

To promote projects to modernize and create new capacities in the aim of covering national demand, replace importations and generate exportations.

It includes the branches of MECHANICAL-METAL, LIGHT, CHEMICAL and ELECTRONICS INDUSTRY.

INDUSTRIAL (1)

33

projects

(17 IN ZED MARIEL)

PRIORITIES

- PRODUCTION OF ALUMINUM AND GLASS BOTTLES FOR BEVERAGES
- TIN CANS FOR FOODS
- DESIGN AND PRODUCTION OF METALLIC STRUCTURES
- PRODUCTION OF DIFFERENT ASSORTMENTS OF PAPER
- INDUSTRIAL DEVELOPMENT FOR MOLDS FOR THE PLASTICS INDUSTRY



- PORTFOLIO OF OPPORTUNITIES 17/18



DEVELOPMENT PLAN UP TO 2020

ELECTRONICS INDUSTRY

OWN DESIGNS OF LCD TO LED TVs, INDUCTION STOVES,
UPS, LED LIGHTING

OVER 600 FACTORIES 16 PRODUCTION ACTIVITIES

LIGHT INDUSTRY OPEN TO FOREIGN INVESTMENT

DECORATIVE LAMPS, SPORTING GOODS AND FOOTWEAR

INDUSTRIAL GASES/ FERTILIZERS AND PESTICIDES/ PAPER/ RUBBER

CHEMICAL INDUSTRY

CHEMICAL ENGINEERING AND RESEARCH CENTER

OVER 47 FACTORIES **MECHANICAL-**

METAL INDUSTRY

OPEN TO FOREIGN INVESTMENT

RIGID TUBES FOR CIGARS/ SYSTEM FOR THE MANAGEMENT OF SOLID
URBAN WASTE/ METALS TRANSFORMATION CENTER.

INDUSTRIAL (2)

33

projects

(17 IN ZED MARIEL)



- PORTFOLIO OF OPPORTUNITIES 17/18 -



+1.2 BILLION USD ESTIMATED AMOUNT



INDUSTRIAL (3)

33

projects

(17 IN ZED MARIEL)

INTERNATIONAL ECONOMIC ASSOCIATION AGREEMENTS

TOTALLY FOREIGN CAPITAL COMPANY

MODALITIES

JOINT VENTURES

CUBAINDUSTRIA

INTERNATIONAL INDUSTRIAL CONVENTION
AND EXHIBITION.

JUNE 19/22, 2018

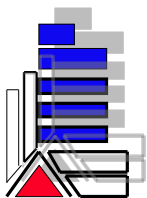
- EXPOSITIONS AND FAIRS IN CUBA 2018 -



FIAGROP - International
Agriculture and Foods Fair
Location: Rancho Boyeros /
March 17th to 25th



ALIMENTOS CUBA - II
International Foods and
Beverage Fair
Location: Pabexpo / May
22th to 24th



FECONS - XII International
Construction Fair
Location: Pabexpo / April
3rd to 6th



**FIHAV 2018, International
Fair**
Location: Expocuba /
October 29th to November
2nd



**SALUD PARA TODOS –
XXIV**
International Medical Fair
Location: Pabexpo / April
17th to 20th



**FIART - XXI Handcrafting
International Fair**
Location: Pabexpo /
December 4th to 18th

2018

120TH ANNIVERSARY OF THE JAPANESE MIGRATION TO CUBA



どうもありがとう
ございました





INVESTING IN CUBA
2018
