



Economic-Commercial Relations between the Republic of Cuba and the Republic of Poland



Havana, May 11th 2021.



Adverse International Context:

Persistence of the blockade imposed by the US government:

- Activation of Title III of the Helms Burton Act. Extraterritoriality.
- Financial persecution. Limitations on access to financial resources for development.
- Sanctions on companies and individuals.
- Restrictions on shipowners, airlines and cruise ships.
- Impact on remittances.

Effect of the COVID-19 pandemic:

- Contraction of economic activity.
- Tourism declines. Unplanned expenditures in the health system.

Response from Cuba:

- Progress in the process of updating the social economic model.
- Guidelines of the Economic and Social Policy of the Party and the Revolution.
- National Plan for Economic and Social Development until 2030.
- Economic-Social Strategy for boosting the economy and confronting the world crisis caused by COVID-19.
- Improvement of planning as the main component of the system.

Transformations to make Cuban social model prosperous, efficient and sustainable.

- Measures to invigorate the business sector.**
- Export incentives.**
- Territorial development policy.**
- Actions in the non-state sector.**
- Monetary regulation.**
- Informatization of society.**
- Greater importance of foreign investment.**
- Diversify external economic relations and avoid dependence on a single market.**
- Promote trade, finance, investment and cooperation exchanges.**
- Insert Cuban goods and services into global value chains.**

Cuban-Polish Trade Exchange

8th trading partner among Europe and the European Community



It is in the top 10 in Cuba's trade with the world.

Cuban-Polish Trade Exchange

At the end of 2020, it decreased by **10 %** compared to 2019

Exports

2 % lower compared to 2019

1 % lower compared to 2019

Imports

Main products

EXPORTS

Honey and charcoal.

The decrease in exports at the end of December 2020 was mainly due to the decrease of charcoal by 66%.

IMPORTS

Wheat and meslin, fresh, chilled or frozen poultry meat and edible offal, and whole milk.

The decrease in imports at the end of December 2020 was mainly due to the decrease in products such as wheat and milk powder.

AGREEMENTS AND OTHER INSTRUMENTS SIGNED BETWEEN CUBA AND POLAND

- Protocol for Economic Cooperation and Agreement for Commercial Exchange and Payments. Signed in 1960.**
- Agreement on Cooperation between the Chambers of Commerce of Cuba and Poland and Agreement on Business Committees. Signed in 2001.**
- Cooperation Agreement between the two Chambers of Commerce. Signed in 2009**

COLLABORATION

In 2009, a proposal for an agreement to re-establish cooperation between the two countries was sent to the Polish authorities. (No progress has been made to date).

Foreign Investment



Currently, there are no foreign investment projects with Polish partners.

However, some interest has been received from Polish businessmen in the tourism, health, energy and industry sectors, but none has come to fruition.

For example:

- The company **AGROMILKA** expressed interest in exploring the creation of a joint venture to process sugar cane, pineapple or coconut waste to produce green energy.
- The Polish innovation and development company **IMPULS** proposed to establish a Cuban-Polish partnership for the production of sanitisers based on paracetic acid, which can be used in different areas of the economy.

Opportunities on the Polish market

Poland is a growing and internationalising business country, with a domestic market of 38 million inhabitants, representing 12% of the European population. The Polish nation's economic growth is proving to be one of the highest in Europe despite the effects of the pandemic.

Agrifood products account for a large share of Poland's annual imports. Other goods that have opportunities are medicines, raw tobacco (which constitutes 7.51% of total imports), other tobacco and tobacco substitutes (7.77%), fruits (2.55%), fruit juices (2.41%) and ethyl alcohol (2.55). It is noteworthy that Poland is one of the largest exporters of packaging, 7th in the world, ahead of Spain and the USA.

In regard to services, the cultural and recreational services sector should be considered. Poland had imported USD 815 million as of July 2020.

From the foregoing we can see the potential for the positioning of Cuban exportable goods and services on the Polish market.

Challenges and Opportunities:

- The need to identify sources of financing.
- To promote the export of Cuban goods and services.
- Stimulating the development of direct trade.
- To identify Polish counterparts for the development of foreign investment projects in Cuba.
- Working on the diversification of the market.
- To increase exchanges in the areas of trade, finance, investment and cooperation.
- Promoting permanent and regular dialogue between companies and Chambers of Commerce in order to continue working on identifying mutual interests.



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