

Cuba

Business Guide

Compiled by:

Embassy of Switzerland in Cuba

Havana, March 2016

ARRIVAL AND DEPARTURE

Documents: Swiss passport holders visiting Cuba for tourist reasons require a tourist visa (tarjeta turistica) to enter Cuba. The card is valid only for tourism to Cuba, for a single entry into the country and for a stay of up to 30 days. It can be extended by 30 days at the hotel desk or at the office of the immigration authorities. The “tarjeta turistica” can be obtained at the Cuban consulate in Switzerland, with some travel agents and sometimes at the airport gate before embarking a flight to Cuba.

For travelers arriving at Terminal 2, an immigration form has to be filled in upon arrival (normally distributed on the flight). Additionally a customs declaration has to be filled in.

Those who want to do business in Cuba need the A-7 visa for Business Explorers, in case of not having previous commercial relations with the country, or the D-7 visa for Traders, which are issued by the relevant Cuban consulate located in their countries of origin. Otherwise, no commercial activity can be carried out. Foreigners may apply for the change of their migration classification once in the national territory.

Further information about the visa process:

<http://www.cubadiplomatica.cu/suiza/FR/ServicesConsulaires.aspx>

Insurance: Upon entering Cuba, you must be able to demonstrate that your health or travel insurance covers any medical expenses in Cuba, for example, by showing the

insurance policy, insurance card or confirmation of travel insurance. You should check with your insurance company if it is recognized in Cuba. Those who cannot provide proof must conclude an insurance policy with the Cuban state agency Asistur upon arrival at the airport. This regulation applies to all persons residing outside of Cuba. More information is available from the Cuban Embassy in Bern and Asistur. See also: http://www.asistur.cu/SEGOB_ENG.pdf

Customs:

Baggage carried by the traveler consisting of a) items for personal use (clothes, shoes, hygiene items and other articles) that might reasonably be necessary considering the purpose and duration of the trip; b) sports equipment, jewels, photographic camera, camcorder, cellular phones, smart phones, laptops, MP3 players, video games, hair dryers, electric shavers, binoculars, one portable radio receiver, tape recorder, one portable music instrument and a sound recording device; c) two bottles of liquor, one carton of cigarettes and up to 10 kilograms of medicine are duty free. Gifts up to a value of \$250 US can also be brought in. Of that, \$50 is duty-free; the rest is 100 per cent taxable.

Further information (in Spanish):

http://www.aduana.co.cu/index.php?option=com_phocadownload&view=category&id=2%3AAlibro&Itemid=243&lang=es

The import of hard currency is unrestricted. Passengers are required to declare the total amount of money they carry if it exceeds five thousand US dollars or their equivalent in other hard currencies, whether in cash or negotiable instruments. If, upon departure, you intend to take with you any amount of money in excess of five thousand US dollars or their equivalent in other hard currencies, please contact the Customs Inspector.

Cuban customs law prohibits any imports of narcotics, explosives, pornography, any item (including literature) intended to be used against the national security, animals and plants regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora, GPS, cordless phones (for the household) that operate in bands different than 40-49 MHz and 2,4 and 5 GHz and restrictions apply for household appliances: freezers, air conditioners, electric kitchens and furnaces, electric ovens, electric showers, electric fryers, electric water heaters, irons (travel irons are allowed), toasters and any spare electrical parts for the above.¹

¹ Since May 2013, Resolution No. 143 of the General Customs of the Republic of Cuba authorizes the non-commercial import of household appliances and electric mopeds by natural persons. Citizens traveling abroad may import, only in quantities of two, air conditioners, if the capacity does not exceed one ton, and electric stoves and burners (the induction hobs) whose consumption does not exceed 1,500 watts. Also covered in the resolution are imports of electric grills and other electric home

See also:

http://www.aduana.co.cu/index.php?option=com_content&view=article&id=10&Itemid=186&lang=es and
http://www.aduana.co.cu/index.php?option=com_phocadownload&view=category&download=47%3Alibro-qlo-que-todo-pasajero-debe-conocer-q&id=2%3Alibro&Itemid=243&lang=es

LANGUAGES USED FOR BUSINESS

A good knowledge of the national language Spanish is necessary to conduct business in Cuba. English is widely understood in tourism facilities, such as hotels or travel agencies, and some hotel staff might also speak German, French, Italian or Russian. As a general rule, the higher you go within an organisation, the easier it gets to find Cubans speaking other languages.

PUBLIC HOLIDAYS

Triunfo de la Revolución	January 1
Día de la Victoria	January 2
God Friday	variable
Día de los Trabajadores	May 1
Conmemoracion del asalto a Moncada	July 25-27
Día de la Rebeldía Nacional	July 26
Día de la Independencia	October 10
Navidad	December 25
Nochevieja	December 31

For an overview of the most important festivals visit: <http://www.roughguides.com/destinations/central-america-and-the-caribbean/cuba/festivals/>

HEALTH AND INOCULATIONS

Medical care: Medical care is not fully ensured in all hospitals. Serious illnesses and injuries must preferably be treated abroad (Europe, Canada).

Foreigners can receive treatment at the Cira Garcia hospital:

Clínica Cira Garcia, Calle 20 No. 4101 esq. a Av. 41, Miramar, Playa. Phone number: (+53) (7) 204 2811, www.cirag.cu

appliances such as shower attachments, domestic irons, microwave ovens, deep-fryers, water heaters and toasters, with power requirements to not exceed the 2, 000 watts.

If you are dependent on certain medications, your first aid kit should contain a sufficient supply. Beware, however: In many countries, rules for the transportation of narcotics containing medications (eg, methadone) and substances which treat mental illness apply. Inquire if necessary before departure directly to the competent foreign mission (embassy or consulate) and consult the Travel Links section of the Swiss Federal Department of Foreign Affairs where you will find among other things, further information on this issue and in general to travel medicine. In relation to diseases and possible protective measures consult doctors and vaccination centers. For further information see: <https://www.eda.admin.ch/eda/de/home/vertretungen-und-reisehinweise/laenderunabhaengigereiseinformationen/reiselinks.html> (in German, French, Italian)

Inoculations: In order to minimize any health risks all routine vaccinations should be up to date. The following vaccinations are recommended for everyone: diphtheria, tetanus, polio, measles, hepatitis A. In special situations, the following vaccinations are recommended: Hepatitis B, typhoid, rabies. There is no risk of Malaria in Cuba but dengue fever is endemic. It is recommended to bring anti-mosquito spray as such products are not always available locally.

On 9 October 2015, the World Health Organization (WHO) reported 23 confirmed cases of cholera in the province of Holguin (in the east of the island). Since 2012 every year cholera cases are reported, including tourists. Cholera is transmitted through contaminated water and food and can cause diarrhea. Generally speaking, there is no danger for tourists staying in hotels. Hands should be washed and disinfected regularly before eating and it is advisable to consume only well-cooked foods and industrially bottled or boiled beverages. Vaccination is not generally recommended.

In March 2016, Cuban authorities reported the first six cases of Zika. For further general information about the Zika virus see <https://www.eda.admin.ch/eda/de/home/vertretungen-und-reisehinweise/fokus/focus3.html> (in German, French, Italian).

TIME ZONES

Cuba is in the GMT-5 zone. During daylight saving in the summer that means that the time difference will be decreased to GMT-4. The time change from Winter Time to Daylight Savings Time takes place in March and November, on dates that are generally different from that used in Europe. On **November 06, 2016** at 1 in the morning the clocks will change back from Winter Time to Daylight Savings Time in Cuba. The clocks have to be shifted **from 1 to 0 am**.

TIME DIFFERENCE BETWEEN SWITZERLAND AND CUBA

The time difference between Switzerland and Cuba is generally **-6 hours**, except for a few days in spring and autumn, when the two countries switch to daylight saving time and back on different dates.

ELECTRICITY SUPPLY

The Cuban power outlets are suited for use with the US American flat pin type electrical plugs. In general the voltage in Havana is 110V AC 60Hz, but some newer hotels have 220V AC 60 Hz too. Travelers from Europe need a plug adaptor to use their electrical equipment. It is recommended to use a surge protector for electronic apparatus, laptops, portable videoplayer etc. Plug adaptors and voltage converters are almost impossible to buy in Cuba and should be brought from abroad.

The power grid in the country is an aging and deteriorated structure. The Cubans are facing repeated black outs and power outages, the so called APAGONES that can last several hours. Generally, hotels and buildings that offer long-term rental apartments for foreigners dispose of an electric generator.

METHODS OF PAYMENT

Currency: Cuba uses a system of two currencies. The Cuban peso (CUP or moneda nacional) circulates in bills of 1, 3, 5, 10, 20, 50 and 100 pesos and coins to the value of 1 and 3 pesos. In addition, the convertible peso (CUC) is used for the purchase of most imported goods and more and more services. The banknote denominations are 100, 50, 20, 10, 5, 3 and 1, while there are 1CUC, 50c, 25c, 10c and 5c coins. In spite of its name, the convertible peso cannot be exchanged outside Cuba. With a few exceptions, foreigners may cover their expenses only in CUC. The Cuban peso is used for some small purchases (e.g. fruits and vegetables on local markets) only. The country is currently working on the exchange and monetary unification but no date has been communicated so far.

Money exchange: 1 CUC is equal to 1 USD according to the official exchange rate (which applies to all banking and commercial operations). In the case of buying and selling operations executed by the population, the exchange is 24 CUP for 1 CUC and 1 CUC for 25 CUP. Exchange services are provided by banks, airports, hotels and exchange houses (CADECAS). The exchange of US dollars is subject to a 10% tax (gravamen), which should however soon be lifted by the Cuban government following new US-regulations that will allow

Cuba to use the dollar in international transactions. It is still advisable to bring cash in Swiss francs or Euros.

Money withdrawal: Cash withdrawals and payments with Maestro or PostFinance Card are not possible in Cuba. Credit cards and traveler's checks, which are named after US institutions (e.g. American Express) or issued by such, are at this moment not accepted and cannot be used for cash withdrawal. It may also happen that bank or credit card transactions are blocked, because the issuing bank in Switzerland transfers the money via US banks. It is therefore best to double-check this issue with the individual bank or credit card company before traveling to Cuba. These conditions may change in the nearer future, following new US-regulations that have recently be released. Money transfers from outside the USA can be settled exclusively through the state agency Asistur. The transfer takes usually four to six days. For further information visit: <http://www.asistur.cu/indexi.php>.

Payments: Wherever you are, bring some money in **cash**. It is best to carry convertible pesos in **low denominations**, as many shops and restaurants won't have enough change. Although cards may generally be used in upmarket hotels, restaurants and tourist shops, when dealing with any kind of private enterprise (e.g. paladars, casas particulares) anything other than cash won't be accepted. Also, power cuts are common in Cuba and sometimes render cards unusable. The number of **ATMs** in Cuba is slowly increasing but there are still relatively few, and some of them only accept cards issued by Cuban banks (no Maestro, see above). Among those that do accept foreign cards, very few take anything other than Visa. Those that take foreign cards are generally found in top-class hotels, branches of the Banco Financiero Internacional, the Banco de Crédito y Comercio and some CADECA *casas de cambio*.

TRANSPORTATION

Travel and tourist: For general information on Cuba and its tourist attractions, visit the following page: <http://autenticacuba.com>. There are 27 tourist information offices (**INFOTUR**) distributed throughout the country offering free information. Here you can also get printed media like guides, brochures, catalogs, etc.

Travelling to Cuba: **Cuba has six international airports:** José Martí International Airport (Havana), Juan Gualberto Gómez International Airport (Varadero), Antonio Maceo International Airport (Santiago de Cuba), Ignacio Agramonte

International Airport (Camagüey), Frank País International Airport (Holguín), Vitalio Acuña Airport (Cayo Largo del Sur). The distance from José Martí International Airport to Havana is approx. 25 km.

Other airports for international civil aviation are: Jardines del Rey International Airport (Cayo Coco, Ciego de Ávila), Abel Santamaría International Airport (Villa Clara), Jaime González Airport (Cienfuegos), Sierra Maestra Airport (Granma)

Flight time from Europe to Havana is approximately 11 hours. In Cuba at present there are various operational foreign airlines. Edelweiss Air (sister company to Swiss and Lufthansa) offers direct connections from Zurich to Havana twice a week. Other airlines that render services from Europe more frequently include Iberia, Air France, Air Europa, KLM and Aeroflot. In addition, the country receives throughout the year a great number of charter flights, which have connection with almost all airports in the country. Direct flights from Cuba to USA are still only possible by charter flight. Following the resumption of bilateral relations, the two countries signed an agreement in December 2015 allowing direct regular flights in the near future. First commercial flights are expected to take off in autumn 2016.

Traveling in Cuba:

BY AIR

In addition to the international airports, there are also 15 national airports. Cuban airlines have had a poor safety record over the last couple of decades. Many domestic routes use planes built in the 1970s and 1980s, some old Russian Antonov aircraft with a capacity of about fifty passengers.

The **agencies in charge of the air transportation of passengers** and cargos are the following:

- Cubana de Aviación. It is the oldest and the biggest airline and covers almost all destinations in the country with regular flights (<http://www.cubana.cu/home>).
- Aerocaribbean. It is in charge of domestic and international flights in Central America and the Caribbean for cargo and passenger transportation (<http://www.cubajet.com/es/aerolineas/aerocaribbean.asp>).
- Aerovaradero. Agency specialized in national and international air cargo services, and operator of air cargo terminals and other related services (<http://www.aerovaradero.com.cu>).
- Aerogaviota. It is the youngest airline in Cuba, with a wide-ranging portfolio of services. It offers national and international flights in Central America and the Caribbean, for cargo and passenger transportation, as well as flights for business people (<http://www.aerogaviota.com>).

BY SEA

There are only a few passenger ferry connections in Cuba, which are available only for tourists: to Isla de la Juventud and Cayo Levisa. There is currently no ferry service between Cuba and the United States. Several US ferry companies have obtained a US license, but the necessary authorization and infrastructure are not available yet on the Cuban side. Cruise ships are a strongly growing business and stop in various Cuban ports.

Cuba has 32 commercial ports. The most important ones are Mariel, Havana, Santiago de Cuba, Cienfuegos, Matanzas, Moa, Gerona, Cayo Largo, Batabanó and Nuevitas.

The most modern port in the country is the Mariel port, located in Artemisa province, within the Mariel Special Development Zone, which is about 45 km to the west of Havana. Since the port is situated in the middle of the Caribbean region and the Americas, in the intersection of the North-South/East-West axes of the maritime commercial traffic of goods, it constitutes the center of a 1000-mile radius circumference in which the main ports of the region are located. It has a modern container terminal with 702 meters of quay, which has the necessary capacity and services for the operation of Super Post-Panamax ships, by means of modern and highly automated equipment to handle, store, connect and control containers.

BY ROAD

50,000 km of highways and other paved roads link all of the population centres and tourist resorts. The most important connecting roads throughout the Island are the Carretera Central (Central Highway), the Autopista Nacional (Havana-Guantanamo) and the Autopista Este-Oeste (Havana-Pinar del Rio).

Buses: Most Cubans rely on buses or collective taxis for their journeys. There are several types of buses in Cuba. Local town buses in Cuba are generally reserved for Cuban travelers, but foreign visitors may use them too.

There are three separate services for **interprovincial routes**, Víazul and Conectando Cuba for foreign passport holders and CUC-paying Cubans, and Astro, a national-peso service reserved exclusively for Cubans.

Víazul buses run on eleven routes across the country, mostly from Havana to other major cities such as Trinidad and Santiago de Cuba. One-way tickets vary from about \$10 between Havana and Varadero to about \$51 between Havana and Santiago de Cuba.

The **Conectando Cuba** service, also known as **Cubanacán-Transtur** after the two companies that administer the service, differs from Víazul in that it

picks you up and drops you off at hotels in the cities and towns that it serves, which are far fewer than the number covered by Viazul.

Less frequented places can only be reached by Astro bus. A trip on an Astro bus costs about one half of a trip on a Viazul bus, but they are generally older and more crowded. Finding a seat on an Astro can be difficult and necessitates turning up to the station well in advance.

Taxi

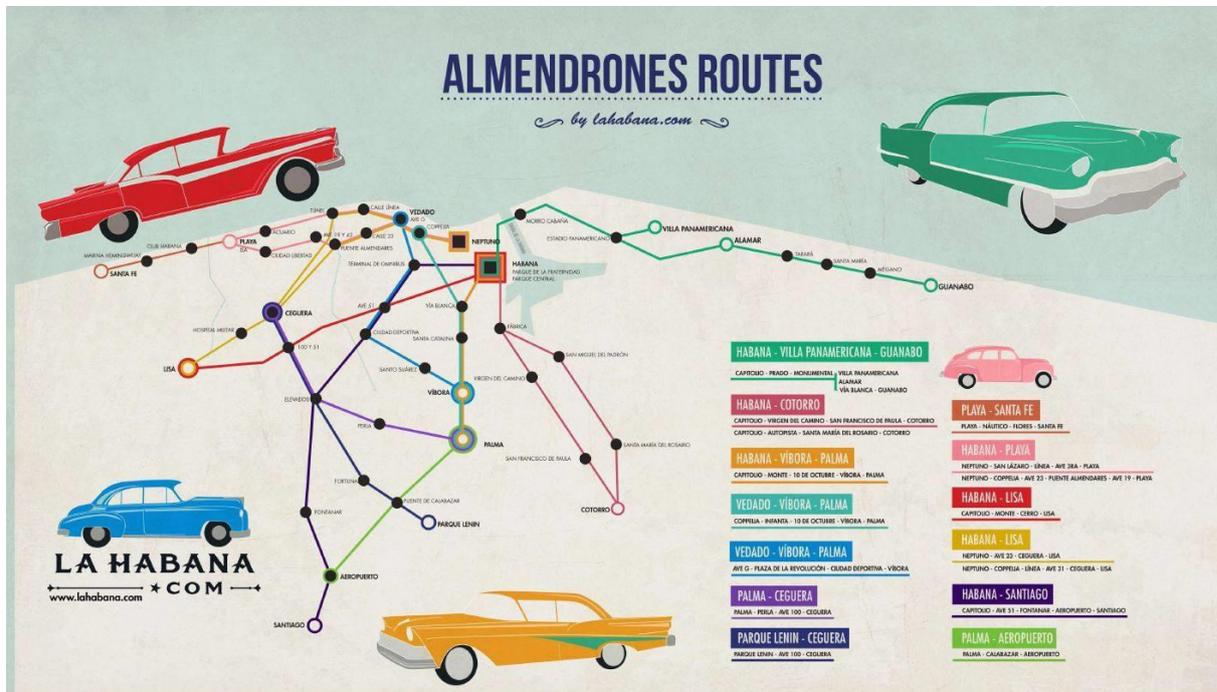
Tourist taxis, or official taxis provide metered fares, which must be paid for in CUC; you pay for distance not time. For longer trips you can negotiate a flat fee. Most taxis are stationed in front of bigger hotels or at neuralgic tourist points. It can be difficult to find a taxi outside the city center. Tourist taxis in Havana (Cubataxi) are yellow colored and can be ordered by calling (+53) 7855 55 55. Given the shortage of tourist taxis, long waiting times should be expected.

Cocotaxis, bright yellow three-seater scooters, can be found in most cities; they're also official, but aren't metered.

In main cities you'll also find **Calezas**, horse drawn buggies, and **ciclotaxis** – trike taxis.

Another option is to join one of the **collective taxis**, called "máquinas" or "almendrones", which travel a set route along the main thoroughfares and charge 10 CUP per person (20 CUP for longer distances). It is generally possible to hop on and off at any point along the route. Taxi colectivos both operate within as well as between towns and cities.

More information: <http://www.lahabana.com/almendrones-in-havana/>



Car rental:

Car rental in Cuba is operated by state-run agencies; internationally recognized companies like Europcar, Avis or Hertz do not exist. Havanautos and Cubacar are among the biggest; Rex agency is more expensive but has better cars. Another agency is Transgaviota Rent a Car. You can make a reservation with any of the state agencies through transturcarrental.com. Prices for car rental in Cuba start at about \$50 a day, plus \$20 for insurance and a \$200 deposit. Check all bills before leaving the agency and be on the lookout for hidden costs. Drivers must have a valid driver's license with at least one year of driving experience and be over 21. Most Cuban resorts will have someone on hand to help book rental cars. **Due to the growing number of tourists visiting Cuba, there is a severe shortage of rent cars. Last-minute rentals are almost impossible.**

The large number of aging American cars are generally not available for rent, but many owners operate them as private taxis or as chauffeured services, often for little more than state-run taxi services. Gran Car in Havana rents classic pristine vintage cars (with driver) for a fee.

Driving in Cuba:

Driving in Cuba can be dangerous and patience-testing. Road markings and street lighting are rare and usually nonexistent on side roads, neighborhood streets and even motorways, while the majority of roads, including the

Autopista Nacional, have no cat's eyes either. Potholes are common, particularly on small country roads and city backstreets. Take extreme care on mountain roads. Driving at night anywhere outside the cities is dangerous. Push-bikes are very common on most roads in Cuba and rarely have any lights of their own. During heavy tropical rains, streets quickly fill up with water and driving can become a real challenge, especially for smaller cars.

Speed limit:	Urban streets:	50 km/h
	5a Avenida in Havana:	80 km/h
	Autopista:	100 km/h
	Carretera:	80km/h

Maps: Detailed street maps can for example be found on [Google maps](#) or on the offline app [maps.me](#). Any mobile applications should be downloaded before traveling to Cuba.

BY RAIL

In Cuba trains generally run along the main route connecting Havana and Santiago de Cuba. Although aging, Cuba trains are generally comfortable and reliable. Service from Havana to Santiago de Cuba is about \$45 each way. Trains have special compartments for tourists.

Tickets have to be bought directly from the train station between an hour and five days before departure and a passport has to be presented (If you show up less than an hour beforehand, the ticket office will almost certainly refuse to sell you a ticket.) It is not possible to buy tickets online or by phone, only in person at stations.

For additional information visit <http://www.seat61.com/Cuba.htm> or https://en.wikipedia.org/wiki/Ferrocarriles_de_Cuba

For any longer trips by public or private transport (buses, trains, cars) it is advisable to bring your own toilet paper, given that most public toilets do not provide it. For a detailed overview on transportation in Cuba visit <http://www.roughguides.com/destinations/central-america-and-the-caribbean/cuba/getting-around/>.

HOTELS / PRIVATE ACCOMMODATION

Due to the growing number of tourists visiting the island, there is a serious shortage of hotel rooms in particular, but also accommodation in general. Whenever possible, accommodation should be booked in advance and as early as possible. State-run hotels usually expect you to pay in advance (online or upon arrival) for your stay.

Accommodation in Cuba falls into two types: hotels and *casas particulares* – private guest houses. The hotels themselves divide into two relatively distinct groups: those state-run and owned; and those run by international chains.

The five principal **Cuban-owned chains** (Islazul, Cubanacán, Gran Caribe, Gaviota, Habaguanex) run most of the hotels in the country's cities and towns, and a few at beach resorts, particularly in Varadero. In general the star ratings that the Cuban state assigns to its own hotels fall below accepted international standards.

Staying in **casas particulares** allows gaining an insight into the country and its people. Many offer conditions superior to the cheaper hotels and usually represent better value for money. Their nearest equivalents are bed and breakfasts, but there is usually a stronger sense that you are staying in someone's home and there are rarely more than three rooms for rent. A small number are more like boutique hotels.

Source and additional information: <http://www.roughguides.com/destinations/central-america-and-the-caribbean/cuba/accommodation/>

COMMUNICATION

The Empresa de Telecomunicaciones de Cuba, S.A. (ETECSA), has a network of Internet and telephone services, which guarantees direct communication within the national territory and with any corner of the world (<http://www.etecsa.cu>).

Phone calls: The telephone services network has developed gradually. Currently, according to the official figures, there are 3 341 865 telephone lines in use in the country. Public telephones allow for direct-dialed calls, paid for either in Cuban pesos (for local calls – you'll need 20 centavos and 1 peso) or with *tarjetas* or phone cards that are sold for convertible Cuban pesos. The phone cards come in denominations of 10 and 20 convertible Cuban pesos and are sold in hotels, conference centres, ETECSA's offices and the telephone booths themselves. International calls can also be made from the hotel.

From Switzerland to Cuba: 00 53 (+city code + phone number)

From Cuba to Switzerland: 00 41 (+city code + phone number)

Cell phones: The cell phone network in Cuba is operated by the state-run ETECSA. It is available in 900 MHz all over the national territory in GSM and 3G; roaming service is only available in the Northern region of the country (Havana, Varadero, Keys of Villa Clara and Ciego de Avila Keys) and in provincial capitals. There is also access to the GSM 850 Mhz, with coverage limited to: Havana, Varadero, Ciego de Avila, Cayo Coco, Cayo Guillermo and Holguin (airport and Guardalavaca).

Foreigners that come to Cuba have the alternative of activating a mobile telephone line under a temporary prepayment contract for users (for an extendable term of 45 calendar days). Renting the line costs 3.00 CUC per day plus another 6.00 CUC per day for the rent of the mobile (this is optional since, in case of having a phone, the device must have GSM technology of 900 MHz and must be unblocked). Once the line has been activated, users must recharge the credit balance for the first time by paying a minimum of 10.00 CUC. For further information (in Spanish), see the web site: <http://www.etecsa.cu>.

Internet: The Internet in Cuba is characterized by a low number of connections, limited bandwidth, censorship, and high cost. Internet access in Cuba is limited to upmarket hotels, state-run cybercafés and 53 newly opened Wifi-points located in the most populated areas in Havana and in larger cities throughout the country. To access the Wifi it is necessary to obtain an ETECSA card that provides a username and code. The card can be obtained in ETECSA shops and in most hotels, the official price is 2 CUC per hour, but some hotels charge a higher price. Due to the limited bandwidth, it is almost impossible to download heavy attachments or mobile applications or to do video calls. Most online call networks such as Skype or Whatsapp Call are blocked in Cuba, with the only exception being IMO for the moment. Due to the fact that the demand for Internet largely exceeds the offer, there is a shortage of ETECSA cards, difficulty to get connected to the Wifi and the connection is frequently interrupted.

BUSINESS HOURS

Opening hours in Cuba vary and one should not rely on them too much. There is no culture of siesta in Cuba.

Office hours: Monday to Friday from 8.30am to 5pm, with one-hour lunchtime closures common, anytime between noon and 2pm.

- State restaurants and paladars:** Standard opening hours are from noon to 11pm. but it's not unusual for places to close early, depending on the level of business.
- Museums:** Tuesday to Saturday from 9am to 6pm, and many also close for an hour at lunch. Those open on Sunday generally close in the afternoon. Museums, especially in Havana, often keep longer opening hours in July and August and sometimes in January, February and March too.
- Shops:** Monday to Saturday from 9am to 6pm, a minority closing for lunch, while the shopping malls and department stores in Havana and Varadero stay open up to 8pm. Sunday trading is increasingly common, with most places open until noon or 1pm, longer in the major resorts. Hotel shops stay open all day.
- Banks:** Monday to Friday from 8am to 3pm, but this varies.

ADDRESS OF THE EMBASSY OF CUBA IN SWITZERLAND

Embassy of Cuba in Switzerland

Gesellschaftsstrasse 8

3012 Bern

Tel.: +41 (0)31 302 21 11

E-Mail: embacuba.berna@bluewin.ch

Internet: www.cubadiplomatica.cu/suiza

ADDRESS OF THE SWISS EMBASSY IN CUBA

Embassy of Switzerland in Cuba

5ta Avenida, No 2005

entre 20 y 22

Miramar, Playa

La Habana 11300

Tel.: +53 (0)7 204 26 11 / +41 (0)58 464 18 46 (47),

Fax: +53 (0)7 204 11 48 / +41 (0)58 464 18 49

E-Mail: hav.vertretung@eda.admin.ch

Internet: www.eda.admin.ch/havana

TIPS FOR INITIATING BUSINESS CONTACTS

SwissCubanCham: The Cuban Chamber of Commerce is the official entity designated for matchmaking in all sectors of the economy. The Swiss-Cuban Chamber of Commerce SWISSCUBANCHAM also supports inquiries from Swiss companies trying to establish business relations with Cuban entities. A typical example would foresee a meeting with participants of the Swiss company, the Cuban foreign trade company and representatives from the Cuban economic sector the Swiss company would want to start business in. After a first prospection visit any further follow-up meetings with Cuban entities will require a business visa for the foreign visitors. Such visas are issued by the Cuban Consulate in the respective country.
For further information visit: www.swisscuban.org

Participation in fairs: The visiting (and participation) to one of the Cuba Commercial Fairs is recommended for parties interested in exploring business opportunities in Cuba. The most important Commercial Fair in Cuba is FIHAV that usually takes place in the first week of November of each year in Havana. Many business sector specific fairs are being organized throughout the year. No import taxes will apply for commercial samples shown at commercial fairs.

BUSINESS PRACTICES

First contact: When meeting for the first time, men and men as well as men and women shake hands. Women may exchange one kiss on the right cheek. After the first meeting, men and women tend to greet each other with a kiss on the cheek as well.

Forms of Address: Generally speaking, Cuban business customs are quite informal. People use to call each other by the first name, especially for repeated business contacts. At first contact people should be addressed by “Usted” (formal address), but it is common to switch to “Tu” (informal address) when being in regular contact with a business partner. Authorities should instead always be addressed by “Usted”.

Relationships: Personal relationships are important for making business in Cuba. Regular meetings with business partners help to create a relationship of confidence, which is important to move forward in business matters. Doing business in Cuba from abroad without regularly being present in the country (or represented by a local person) is almost impossible.

- Meetings:** Meetings with state representatives usually begin on time and may take place either in the morning or early afternoon. It is common to exchange business cards. While social chat is often practised during meetings to create a positive atmosphere, one should avoid delicate topics (see below)
- Negotiations:** Business deals can normally only be entered in with state companies, that have a monopoly in import-export and distribution of imported goods. Negotiations with Cuban entities are time consuming. Unless the foreign supplier offers an outstanding differentiation (Key Selling Factor) that would cope with a particular Cuban purchase need, the normal scenario will include a participation in a sort of tender business. Attractive payment terms and a professional follow-up after the offer submission and throughout the tender negotiation often determine success.
- Communication:** Communication in Cuba works both directly and indirectly. Sometimes the Cuban partner may express very clearly if he is interested in a specific business or not. On other occasions, he may just not respond to an inquiry for weeks or months, which usually refers to the fact that the business proposal does not fall within the priorities the Cuban government has set at that particular time.
- Business dress:** Cubans dress rather informally and rarely wear jacket and tie for business meetings. One reason is the high temperatures and humidity. The Cuban dress for official occasions is the “Guayabera”, sort of a long white long-sleeve shirt worn with black trousers.
- Business cards:** It is usual to exchange business cards.
- Conversation:** Conversation is generally straight to the point, but often includes some social chat. Eye contact is common and business lunches accompanied by conversation are welcome. Possible topics include economic opportunities, Cuba’s tourist attractions or family matters (especially children). Difficult topics such as politics (especially opposition to the political system), religion or criticizing the economic model of socialism should be avoided.
- Gifts:** Exchange of gifts is not usual in Cuba, at least not at the beginning of a business relation, but invitations to restaurants are appreciated.

SPECIAL FEATURES ON THE MARKET

Macro-Economics: After the collapse of the former Soviet Union, Cuba entered into said “Special Period” which extended into the early 2000. During this “Special Period” Cuba had to adapt its foreign trade from COMECON exchanges to hard currency selling/buying. As a consequence, Cuba had to withhold basic investments in almost all sectors of the economy – situation that is aggravated by the maintained US embargo restrictions against the Island.

Over the last years Cuba’s economy steadily recovered, also thanks to foreign support from Venezuela, Spain, China and most recently from Brazil and Russia. Among the main drivers of the Cuban economy today are tourism, mining & energy and the export of medicine and medical services.

Under the new government of Raul Castro many reforms were implemented since 2010. The overall objective is to convert the Cuban Social Economy into a sustainable economic model. Beside important structural reforms and the creation of a private sector (complementary to the state sector), the economical focus remains on increasing agriculture output, the creation of special development zones, boost export industries and continue to insert the Cuban foreign trade in a wide geographical frame. The backbone of the economy remains centralized planning in a socialist state.

Business decisions in Cuba remain with state companies which themselves respond to state interests. For a business idea to succeed, same should therefore cope with such state interests. Private economic entities are basically one-person businesses (natural persons) without a legal personality. A lecture of the Guidelines of the Economic and Social Policy of the Party adopted in 2011 is highly recommendable before entering into a business relation with Cuban entities.

See [Guidelines of the Economic and Social Policy](#).

Foreign Trade: Article 18 of the Cuban Constitution of 1976 defines a **state foreign trade monopoly**. The rector and control entity of this foreign trade monopoly is the Ministry of Foreign Trade and Investments (MINCEX) who grants import and export licenses to some 400 Cuba state companies, indicating in each license the custom tariffs and positions. Foreign companies therefore must sell / buy through one of the licensed Cuban import / export companies.

Cuban companies licensed for certain foreign trade operations are said to be able to act independently and are solely liable for their commitments. No import or export quotas apply. The disposability of (centrally managed) hard currency however might limit the scope and timing of each foreign trade operation. In this respect the securing of sales to Cuba through letters of credit (LC) is advisable. Many of the Cuban banks are foreign audited and the payment instruments (also unconfirmed LCs) are usually executed in a timely manner. Exporters of Swiss origin can also rely on existing SERV cover for selected Cuban LC issuing banks.

Beside sales- and purchase contracts, a commonly used contractual model in Cuban foreign trade is the commission contract through which the foreign seller maintains a consignment stock in Cuba and contracts a Cuban entity to sell these goods against a commission. The foreign company remains owner of the goods in Cuba until sold by the Cuban Agent.

All major foreign currencies can be used in Cuban foreign trade. Until March 2016, the US embargo restrictions however impeded Cuba to receive or pay in US Dollars and foreign companies usually had to contract directly in EUR, CHF or CAD. Following new regulations released by the US, Cuba is now allowed to use US Dollars for foreign payments and it remains to be seen during the next months how quickly foreign banks will start using payment instruments in US Dollars.

Foreign investment: The primary legal framework governing foreign investments in Cuba is set out in the **Foreign Investment Act (Law 118 of 2014 on Foreign Investments)**. Detailed rules applicable to the operations of foreign investment vehicles are contained in the generally applicable legislation dealing with matters such as tax, banking, environment, construction, labor, insurance and others, as well as the Cuban Commercial Code and the Civil Code.

The Foreign Investment Act provides basic investment protection and other general rules relevant to foreign investors. It classifies foreign investments into direct investments (equity and management participation in a given project) and indirect investments (finance). Under the Foreign Investment Act, all sectors of the Cuban economy are open to foreign investments with the exception of health, education and the sector of the armed forces (excluding the latter's business systems). Also, the acquisition of ownership and other property rights over real estate is expressly allowed for residential, tourism and commercial projects. Despite these ample legal possibilities only

relatively few investments in real estate were executed over the last years:

The Foreign Investment Act provides three main vehicles for foreign investments in Cuba:

- joint-Venture companies;
- international economic association agreements; and
- totally foreign capital companies.

For further information on the Foreign Investment Act consult the document about legal provisions of Cuba on this website.

See also See [Law No. 118, Foreign Investment Act](#).

It is not possible for nonresident foreigners to buy property in Cuba. The direct import of cars by foreign companies is not permitted anymore and the purchase of vehicles through state entities is extremely costly.

Safety:

Cuba can be considered as a politically stable country, but petty crime has increased in recent years. One should especially be aware of snatch thefts, sporadically at gunpoint. Burglaries in private accommodation (Casas Particulares) also occur. The following precautionary measures are to be considered:

- Do not carry any belongings of value on you that call attention, in general: do not carry anything you are not needing.
- Deposit important documents in the hotel safe (passport, flight ticket, checks), but carry a photo copy of your passport with you.
- If you stay at Casas Particulares, make sure that they are officially recognized. They can be identified by a blue triangle sign at the door.
- Only use official taxis.
- Do not hitchhike yourself nor accept any hitchhikers in your car.

In case of any emergencies the most important phone numbers are:

Police: 106

Ambulance: 104

Fire: 105

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