
DROP THE BLOCKADE

Summary of Cuba's report

under United Nations General Assembly resolution 78/7 entitled

"Necessity of ending the economic, commercial and financial blockade imposed by the United States of America against Cuba."

THE US BLOCKADE AGAINST CUBA IN FIGURES

THE COST OF 25 DAYS OF BLOCKADE

Is equivalent to the financing necessary to meet the requirements of the country's National List of Essential Medicines during one year (around USD 339,000,000).

THE COST OF 4 MONTHS OF BLOCKADE

Is equivalent to the financing required to guarantee the distribution of the rationed family food basket to the population during one year (around USD 1,600,000,000).

THE COST OF 9 DAYS OF BLOCKADE

Is equivalent to the financing required to import the amount of medical disposables (cotton swabs, gauze, syringes, needles, sutures, catheters, serum equipment, among other inputs) and reagents necessary to cover the needs of the national health system during one year (USD 129,000,000).

THE COST OF 38 HOURS OF BLOCKADE

Is equivalent to the cost of production or acquisition of the logistics required to cover the needs of the national education system during one year (around USD 21,789,000).

THE COST OF 21 HOURS OF BLOCKADE

Is equivalent to the purchase cost of the insulin required to cover national needs during one year (USD 12,000,000).

THE COST OF 8 HOURS OF BLOCKADE

Is equivalent to the cost of toys and teaching aids needed in all day-care centers of the country (around USD 4,500,000).

THE COST OF 18 DAYS OF BLOCKADE

Is equivalent to the annual maintenance cost of the National Electrical Power System (with the exception of fuel and investments) (around USD 250,000,000).

THE COST OF HALF AN HOUR OF BLOCKADE

Is equivalent to the cost of the electric and conventional wheelchairs required to meet the needs of the special education system of the country (around USD 256,363).

THE COST OF 44 HOURS OF BLOCKADE

Is equivalent to the financing necessary to supply personal computers to all the country's educational centers (around USD 25,200,000).

THE COST OF 3 DAYS OF BLOCKADE

Is equivalent to the annual maintenance cost of public transportation in the country (around USD 40,000,000).

THE COST OF 15 MINUTES OF BLOCKADE

Is equivalent to the financing necessary to cover the demand of hearing aids for disabled children and teenagers studying in the country's special education system (around USD 144,000).

THE COST OF 9 MONTHS OF BLOCKADE

Is equivalent to the estimated financing needed to build new houses in the country (around USD 3,893,000,000).

THE COST OF 7 MONTHS OF BLOCKADE

Is equivalent to the financing necessary to buy the buses required by the public transportation system of the country (around USD 2,850,000,000).



INTRODUCTION

From March, 2023 to February, 2024, the government of the United States maintained a maximum pressure policy against Cuba and continued to fully implement the economic, commercial and financial blockade, which is the fundamental pillar of that policy.

> ***Cuba's inclusion in the US State Department unilateral list of countries that allegedly sponsor terrorism; the possibility to take legal action before US courts and file lawsuits by virtue of Title III of the Helms-Burton Act; the sanctions or threat of sanctions against shipping, forwarding, insurance or re-insurance companies involved in the supply of fuels to Cuba; the intensive and thorough persecution of Cuba's financial transactions and the resulting obstacles to the supply of basic commodities; as well as the persistence of other equally unilateral lists have been confirmed as the harshest measures.***

In May, 2024, the US government discontinued the arbitrary and unwarranted practice of designating Cuba as a State that does not cooperate fully with the antiterrorism efforts of that country. That unilateral designation was one additional slander, which had, however, no concrete impact, since it did not lead to the imposition of unilateral and coercive economic measures. Therefore, that action did not lead to a relaxation or the lifting of any of the measures that are part of the blockade or the additional coercive measures resulting from Cuba's inclusion in the US spurious and unilateral list of countries that allegedly sponsor terrorism. ***That was a decision limited in scope that makes Cuba's permanence in that list –where it should have never been- all the more inconsistent, confusing and unjustifiable.***

THE US GOVERNMENT ANNOUNCEMENTS ON MAY, 28, 2024 ABOUT THE INTRODUCTION OF SOME CHANGES IN THE REGULATORY FRAMEWORK OF THE BLOCKADE, ASSOCIATED TO THE PRIVATE SECTOR, DID NOT MODIFY THE ESSENCE OF THAT POLICY EITHER.

Such changes do not eliminate or modify the most harmful coercive measures that currently affect Cuba's economy and public services and severely impair the wellbeing of the whole population. They are intended to fragment the Cuban society; pit the private sector against the Revolution for political purposes and in the interest of achieving their ultimate goal, which is to bring about a change of regime and punish the state sector of the economy. An analysis

of the very structure of the blockade and its dissuasive effect makes it possible to anticipate that those provisions could hardly be implemented, all the more so when Cuba is maintained in the unilateral list of State sponsors of terrorism.

The offensive launched against tourism; the allegations about non-existing sonic attacks against US diplomats to justify Cuba's designation as an unsafe country; the persecution of international medical cooperation agreements, among others, are all part of an improved coercive design intended to prevent the country from receiving the incomes necessary to attend to the increasing needs of the population.

ALL THE DIFFICULTIES FACED BY THE CUBAN SOCIETY ARE NOT EXCLUSIVELY DUE TO THE BLOCKADE, BUT IT WOULD BE UNTRUE FOR ANYONE NOT TO RECOGNIZE THE BLOCKADE AS THE MAIN OBSTACLE TO OUR DEVELOPMENT.

No country in this world, not even those whose economies are much more prosperous and robust than the Cuban economy, would be able to cope with such a ruthless, asymmetric and protracted aggression without a high cost on the living standards of their peoples, their stability and social justice.

That cost is being evidenced today in the shortages suffered by Cuban men and women, which include foodstuffs, medicines, fuels, means of transportation; as well as the deterioration of other basic services.

The blockade caused material damages to Cuba estimated at

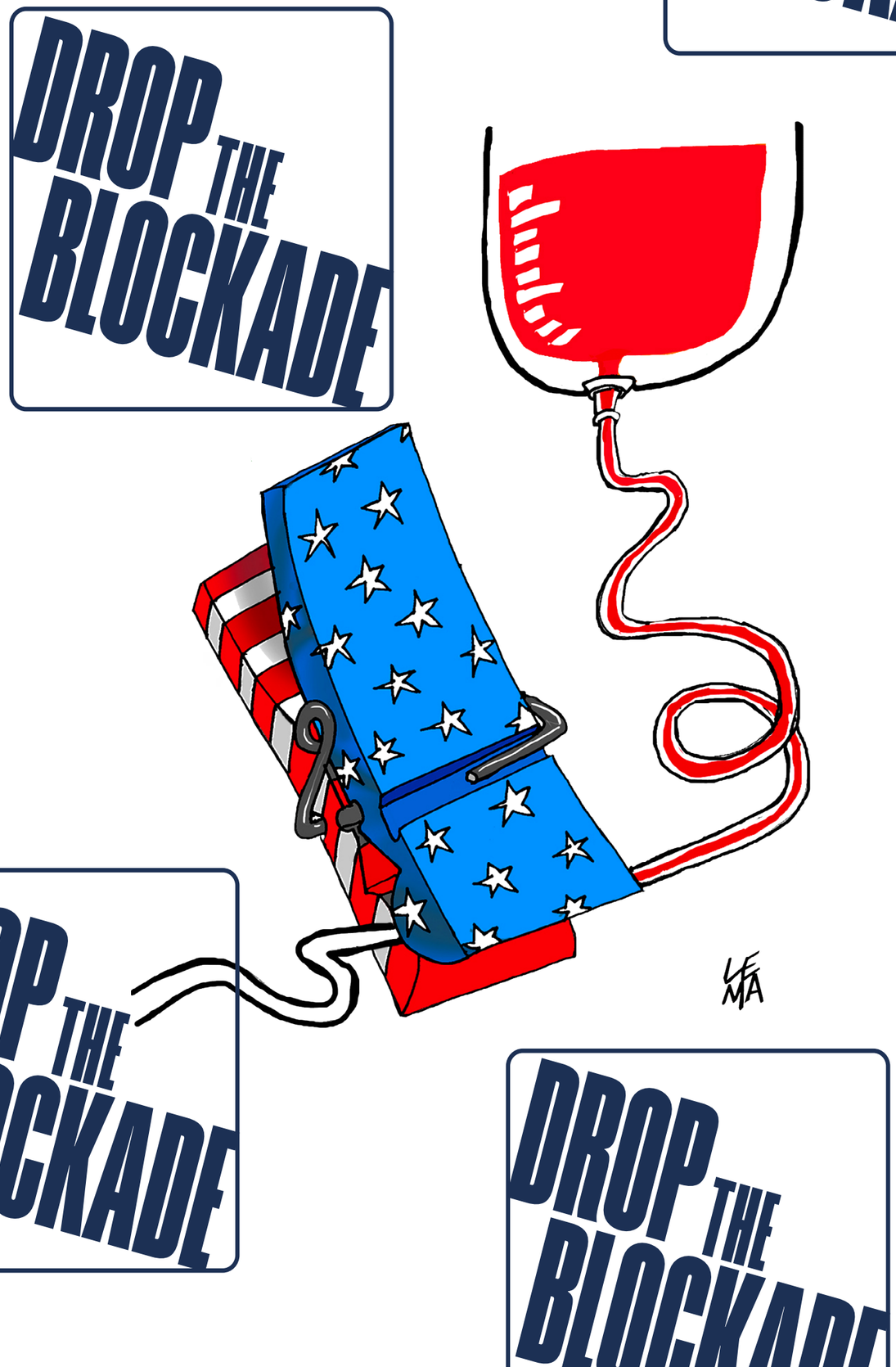
USD 5 056 800 000

March 1st, 2023 — **February 29, 2024**

This represents an impact of more than USD 421 000 000 a month, or more than USD 13 800 000 a day; or more than USD 575 683 per hour in damages as a result of the blockade.

At current prices, the damages accumulated during more than six decades of implementation of this policy, amount to USD 164 141 100 000. Taking into account the value of the dollar against the price of gold at the international market, the blockade has caused damages amounting to more than USD 1 499 710 000 000.

It has been estimated that, if the blockade did not exist, Cuba's GDP, at current prices, could have grown by around **8 per cent in 2023.**

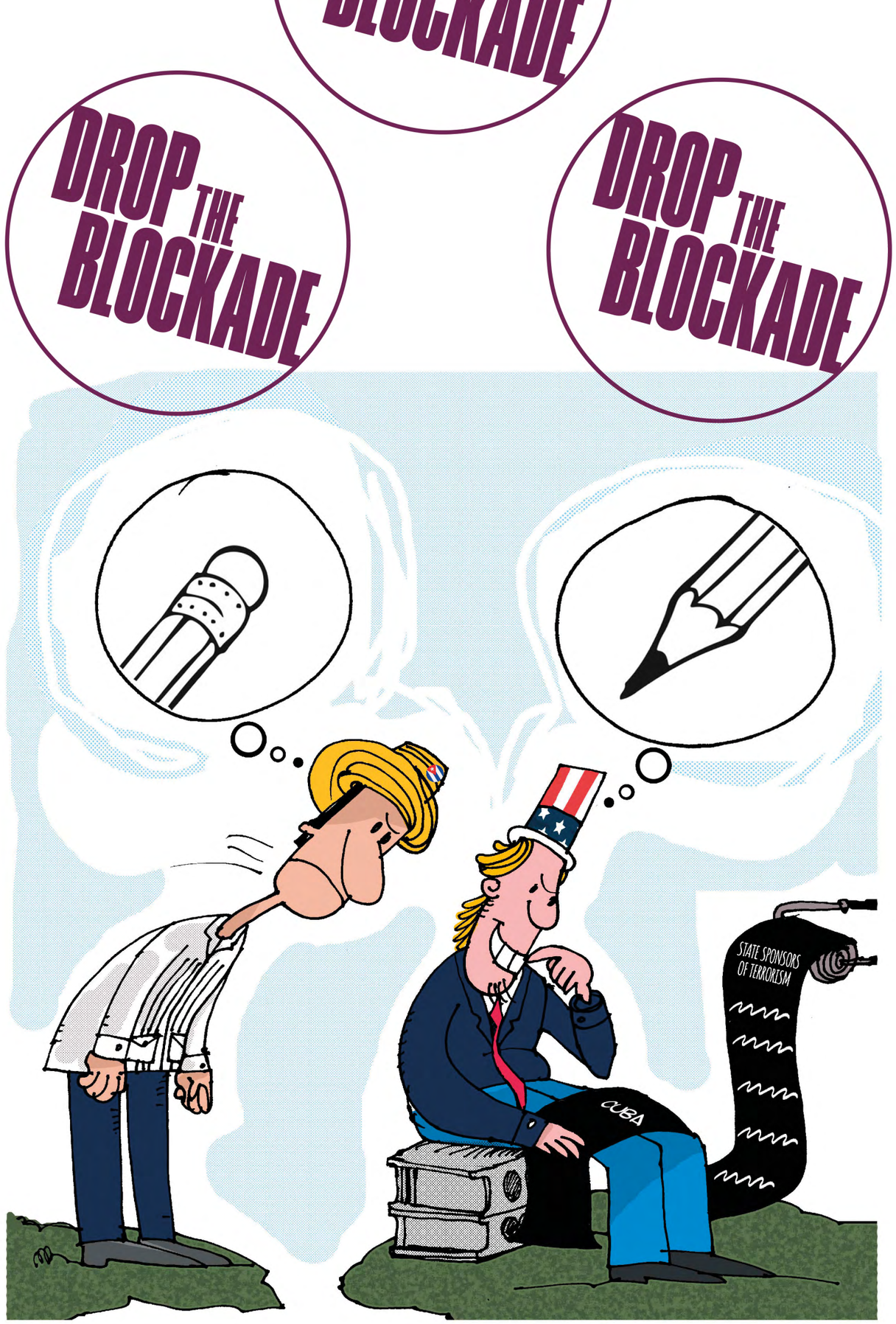


TERRORISM

01

IMPACT RESULTING FROM CUBA'S INCLUSION

in the US State Department unilateral List of States that allegedly sponsor terrorism.



On January 11, 2021, 9 days before concluding his mandate, President Donald Trump included Cuba in the unilateral List of State Sponsors of Terrorism. This was a purely political move, with no evidence that could justify it.

This measure has brought about serious difficulties to our country's financial and banking transactions, foreign trade, sources of income and energy, access to credits and to find suppliers of goods and inputs required by economic development.

Less than two months after its implementation, more than 45 banks from several countries interrupted their operations with Cuba.

Our country lost traditional suppliers in Europe and Latin America in particular. Our capacity to purchase the inputs required to manufacture medicines at the most complex time of the combat of the COVID-19 pandemic was reduced by a half.

From January, 2021 to February, 2024, around:

1 064 ACTIONS

were reported by foreign banks, informing their refusal to offer services to Cuban entities, including transfers for the purchase of essential consumer goods for the people.

After the US adoption of the "Visa Waiver Program Improvement and Terrorist Travel Prevention Act" of 2015, it was established that the visa exemption program through the ESTA[1] system would not be valid for persons who may have visited Cuba, one of the countries arbitrarily designated by the US as a sponsor of terrorism. The punitive effect of this provision significantly affects Cuba's travels and tourism.

Cuba's inclusion in that list has also increased the Country Risk status. This discourages the interest of foreign investors to take part in the Cuban economy.

Early on in 2024, five special procedures mandate-holders of the United Nations Human Rights Council [2], urged the United States to review its system of specific sanctions against countries designated as sponsors of terrorism, being Cuba one of them, claiming that the unilateral nature of said list undermines human rights and is contrary to International Law. They likewise recognized that the process whereby a country is designated as sponsor of terrorism is neither clear nor transparent.

[1]*Electronic System for Travel Authorization. It is part of the US Visa Waiver Program, which allows citizens from countries that are part of said program to travel to the United States for tourism, business or transiting en route to another country and stay for up to 90 days in that country.*

[2]*Alena Douhan, Special Rapporteur on the Negative Impact of Unilateral Coercive Measures on the Enjoyment of Human Rights; Michael Fakhri, Special Rapporteur on the Right to Food; Attiya Waris, Independent Expert on Foreign Debt, Other International Financial Obligations and Human Rights; Cecilia M. Bailliet, Independent Expert on Human Rights and International Solidarity; and Livingston Sewanyana, Independent Expert on the Promotion of a Democratic and Equitable International Order.*

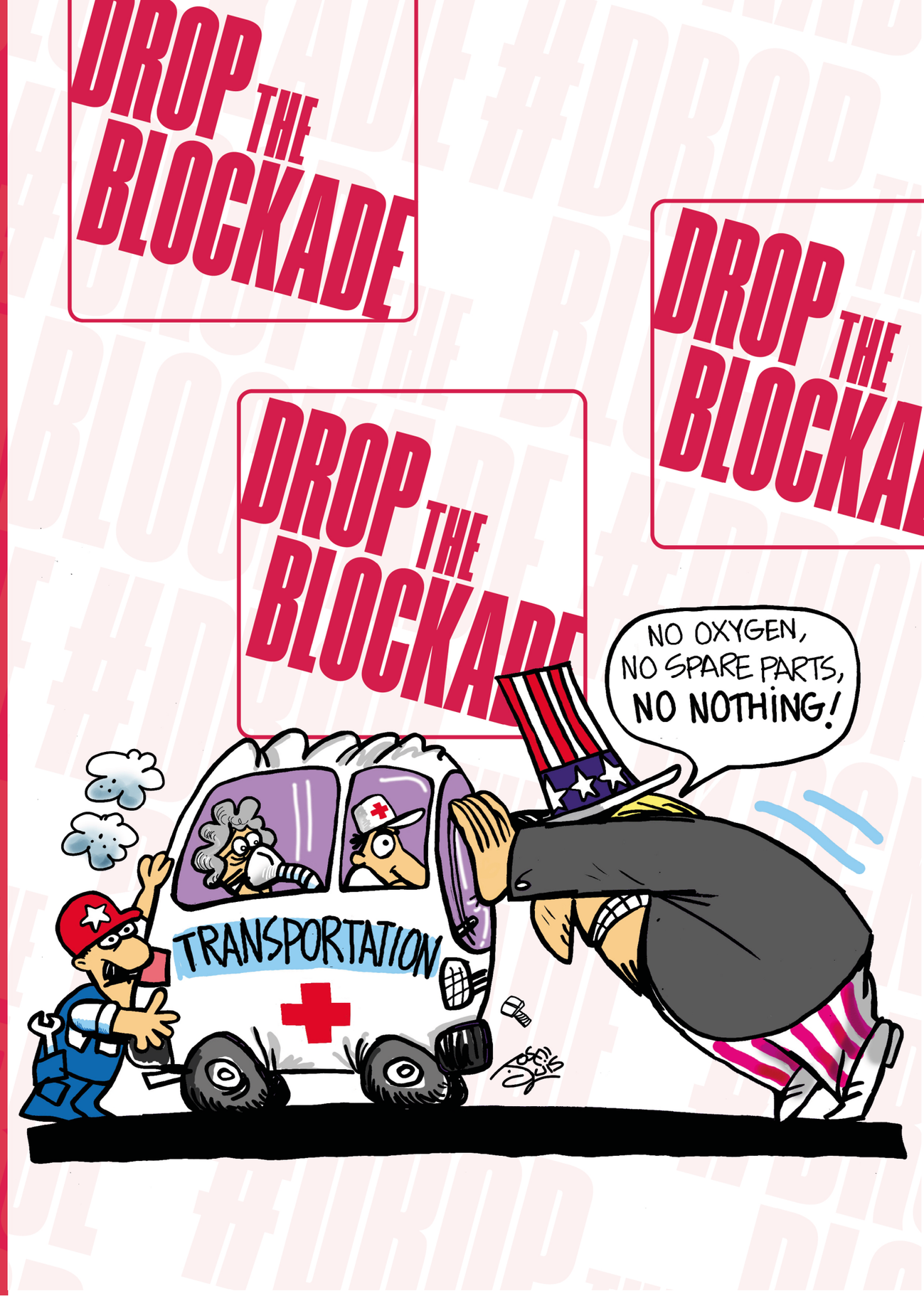


THE RIGHTS

02

THE BLOCKADE VIOLATES THE RIGHTS

of the Cuban people



IMPACTS ON HIGHLY SENSITIVE SECTORS

The impact of the blockade on **the health sector** is real, significant and sensitive. It directly affects one of the pillars that the Cuban revolutionary process set out to guarantee since its early days, which is a free, universal and quality medical care for all citizens.

Dr. Jorge Juan Marinello, president of the Cuban Society of Oncology, Radiotherapy and Nuclear Medicine, has experienced this feeling in his daily work:

> ***The blockade has led us to face a tense economic situation that affects the availability and sustainability of the country's radiotherapy network, which involves the application of sub-optimal treatments.***

"The effects on surgical procedures and the availability of cytostatic products are equally severe. On many occasions, due to the shortage of diagnostic means and therapeutic products, patients and their families must continuously move around various medical institutions, depending on the availability of supplies. In many cases, these are treatments that make the difference between life and death. As physicians, who are also parents and grandparents, this situation affects us very closely and shocks us".

Marilín Peña Pérez, a popular educator and sociologist at the 'Martin Luther King' Memorial Center, has suffered from acute myopia since she was 8. During the last 30 years, she has undergone repeated surgeries. After so many surgeries, she has developed glaucoma, which makes her dependent on three different types of eye drops to regulate her ocular tension. These medications have become scarce in recent years, due to the impossibility of acquiring them directly in the US, their high cost in far-away markets and the comprehensive effect of the blockade on the country's purchasing power.



Following there is her testimony:

> ***Before 2019, I could buy these products quite regularly at my neighborhood's drugstore and it was very reassuring to know that I had my treatment guaranteed every month. Today it is not like that; I have to manage to get them through different ways. I've had to look for them even outside the country and replace these medications all the time with similar ones. This affects my quality of life and the real possibilities I would have to maintain my ocular tension at a level that does not lead me to blindness more quickly. It is my daily concern to secure the next bottle of drops, so that when I finish the one I'm using I can already have a refill. That has become an obsession for me and my family."***

It has been impossible to sign a contract to buy spare parts for the Bosch brand equipment used for the encapsulation of medicines and the filling of vials. Since 2020, the Bosch Packaging Technology firm was sold to the CVC Capital Partners group, with interests in the United States, which developed a new brand called Syntegon Technology. Attempts were made to negotiate with this company but to no avail. This situation has led to continuous interruptions in the national medicines production plan.

A European manufacturer, whose company was acquired by the US multinational Trane Technologies, cancelled a contract for the sale of 4 cooling machines for the company "Laboratorios AICA" and an additional one for the business base unit (UEB) Novatec, which is under the company "Laboratorios MedSol". Without them, it is not possible to manufacture medicines, as they ensure optimum climate in production plants.

The severe limitations resulting from the blockade have considerably impaired the services provided to the Cuban population as well as specialized medical care, which has had an impact on the situation described below:



1. The National List of Essential Medicines in Cuba has 651 items; **51 per cent of them are not available**. The national protocol is organized to guarantee a 120-day stock of all medicines to cover the national demand, but during the period covered by this Report, stocks have been reduced to 30 days.

2. Over the last four years, surgeries have dramatically decreased in the country. Even with the recovery of the healthcare activity during 2022 and 2023, the number of surgeries only reaches **65 per cent of the total achieved in previous years**, when the country managed to perform 1 million surgeries. This has resulted in an accumulated demand for such services, **with a waiting list that reached 86 141 patients by the end of February, 2024.** Of all patients awaiting surgery, **more than 9 000 are pediatric patients**, and such situation brings about the consequent anguish for families and puts additional pressure on the health sector.

3. The difficulties derived from the blockade for the purchase of the medicines that are used in the treatment of oncological diseases, even among children, have forced the country to resort to alternative therapies schemes for not being able to access first-line drugs. An example of that is Lomustine, a medicine used for the treatment of tumors affecting the Central Nervous System.

4. A total of 44 408 patients are **awaiting ophthalmologic surgeries**, most of them for the removal of cataracts, a condition that seriously impairs their quality of life.

5. **More than 5,000 patients are awaiting surgery** in the specialties of general medicine, urology and orthopedics.

6. In the specialty of neonatology and newborn care, **there are more than 20 pieces of medical equipment that are technologically obsolete**, including incubators, thermal cribs, and neonatal ventilators, among others. Despite the priority given by the Cuban government to this sector, it has not been spared from the multidimensional effects of the blockade on the country's purchasing power, including the access to more advanced technologies.

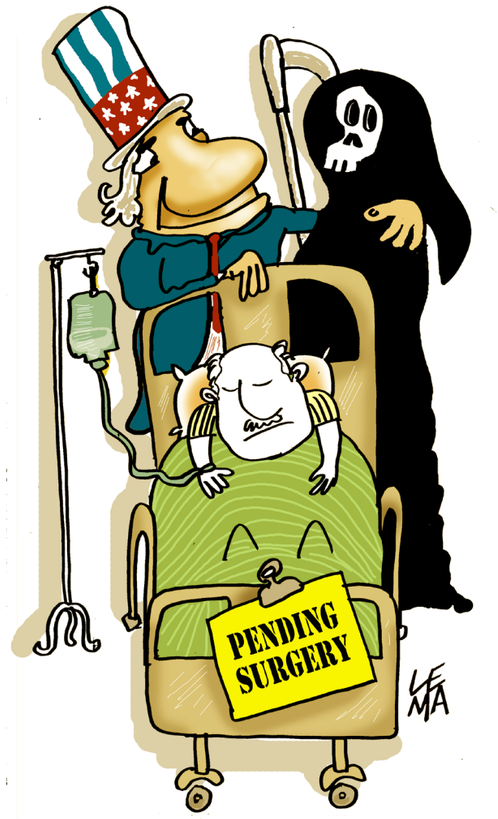
7. Regarding cardiovascular surgery, **200 patients have not been able to undergo surgery during the period covered by this Report,** due to the shortage of consumables and other basic medications and devices.

Besides, the US has unleashed a relentless persecution against Cuba's international medical cooperation, based on the ill-tended fallacy that Cuba promotes human trafficking. One medical mission was cancelled during the period covered by this Report, after a decision of the recipient country, due to the persecution and intimidating effect generated by the US blockade.

All in all, the effects caused on the health sector during the period from March 2023 to February 2024 amounted to no less than:

USD 268 515 210,

A FIGURE THAT EXCEEDS BY 28.7 MILLION THE ONE REPORTED IN THE PREVIOUS REPORT.



The negative impact of the economic siege on the access to hard currency, inputs, raw materials, fertilizers, machinery, fuels, chemicals and technologies has also caused a considerable decrease in **domestic food production**. Additionally, the impossibility to hire vessels from a significant number of shipping companies has interrupted the arrival in the country of supplies that have already been paid for.

Ramón Fabré Fonseca, a farmer who works at the "Fructuoso Rodríguez" cooperative in the municipality "Julio Antonio Mella" of the province of Santiago de Cuba, has suffered the effects of the blockade. He devotes himself to livestock production and the farming of various crops. Currently, almost one fifth of his land remains uncultivated because they are infested with marabou trees and the products needed to spray and eradicate this species are in shortage. He has not been able to acquire the tractors that would facilitate his work, so he has had to rely exclusively on oxen. The lack of fuel has also led him to opt for planting using animals instead of machinery. Ramón does not have advanced irrigation systems either, which limits the number of months in a year when he is able to plant.

He further explains as follows:

"If the blockade had not existed, today I would be producing more milk, more meat, and more food. I would be offering three times what I produce today. What we, farmers, want is to be allowed to produce.

Last year we tried to export charcoal and we couldn't. The bank of the buyer with whom we were negotiating could not make transfers to Cuba because it would have been under sanctions if it did."



The mandate-holders of the Human Rights Council's special procedures on the Right to Food (Mr. Michael Fakhri); the Right to Development (Ms. Surya Deva); Extreme Poverty and Human Rights (Mr. Olivier De Schutter); and the Negative Impact of Unilateral Coercive Measures on the Enjoyment of Human Rights (Ms. Alena Douhan), sent a joint communication to the US government on January 25, 2024, in which they emphasized the negative impact of this policy on Cuba's capability to guarantee the right to food and an adequate standard of living to its citizens.

The United Nations Food and Agriculture Organization (FAO) attempted to purchase tractors for some small producers from a supplier in Puerto Rico for a total value of 1.5 million dollars, but the manufacturer decided not to take the risk of selling them to Cuba, which showed the intimidating effect of the blockade.

The effects of the blockade on the agricultural and food sector are also evident in the panorama described below:

There is a deteriorated fleet of agricultural equipment. Several tractors have been operating, on average, for 30 years, which reduces their yields and performance. Besides, part of the vehicle fleet used for marketing products has been operating, on average, for 40 years.





Since 2022, it has not been possible to import medicines or any other essential inputs to guarantee poultry health. This situation has caused high mortality rates in poultry. **As a result, there has been a deficit of almost one billion in egg production.**



Pork production has declined dramatically due to the shortage of the required fodder. **Of the USD 42 600 000 earmarked for this sector, only 41 per cent was executed.**



The historical yields of several crops have deteriorated by almost 40 per cent due to the lack of fertilizers and pesticides; almost 238 000 tons of viands, more than 171 000 tons of root crops and thousands of tons of fruits failed to be produced.



The country has lost the capacity to refrigerate 26 360 tons of products due to the limited access to financing, which has increased the impact on the logistics infrastructure and the proper maintenance and recovery of cold storage facilities.

As a result of the foregoing, during the period covered by this Report, there were insufficient wholesale supplies and the deficit of products in the retail market remained, with instability in the basic commodities distributed as part of the rationed family basket and the fragmentation of its delivery to the population.

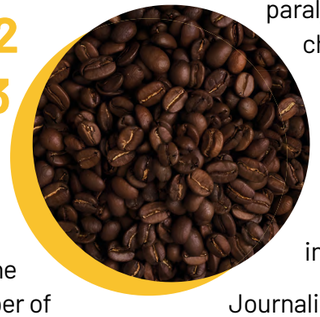
The country makes immense efforts to prioritize the delivery to the population of the rationed family basket products, the cost of which exceeds USD 1 600 000 000 per year. However, it has not been possible to meet all basic needs.

Under the blockade conditions, it is impossible to ensure a greater food supply in the country's markets by increasing food imports. **To illustrate this reality, it would be sufficient to compare the prices of products imported in the year 2024 with the prices they had in 2019, which have increased by 76 per cent.** This means that an additional USD 718 000 000 had to be paid for these

imports, but the country did not receive more products in return.

Just to mention one example, the price of the coffee delivered as part of the family basket increased from USD 2 400 per metric ton in 2022 to USD 3 906 per metric ton in 2023.

USD 2 400 IN 2022
USD 3 906 IN 2023



There are few exceptions to the blockade that the US government intends to present as a form of commercial exchange, such as the sales of chicken and a small number of other items to Cuba.

These purchases materialize only after meeting rigorous conditions, under specific licenses or permits issued by the Department of Commerce. Cuba must pay in cash and in advance, without the possibility of paying in installments, as is the practice in international trade. Besides, the country has no access to private or federal financing from the US.

In general terms, during the period between March 2023 and February 2024, the economic damages caused by the blockade policy of the United States against Cuba in the agricultural sector amounted to no less than:

USD 441 122 320.38

The Cuban educational system has also suffered the devastating effects of this unjust and illegal policy.

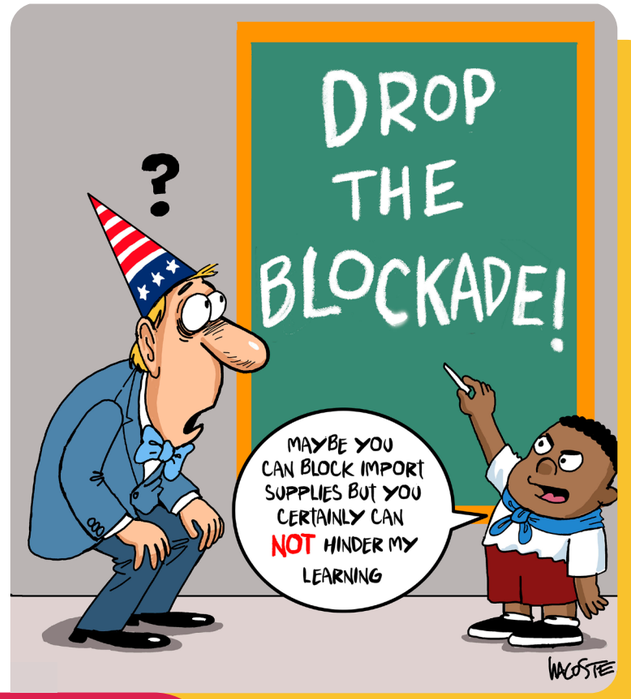
In the opinion of Beatriz Roque Morales, National Director of Special Education, the blockade has a much more complex impact, because when special educational needs are associated to disabilities, they impair the intellectual performance but also the emotional and social performance of individuals.

The botulinum toxin is a medication essential for the treatment of the spastic paralysis that affects several children requiring special education and that is difficult to acquire because of its high cost and because it comes from companies of US origin or that have commercial interests in that country.

Journalist Jorge Enrique Jerez Belisario, a resident of the province of Camagüey, has suffered the effects of the absence of this medicine. As a child he suffered from infantile cerebral palsy, so he has less mobility in his right arm than in the rest of his limbs. To counter spasticity and relax the muscle, Cuba had to acquire the botulinum toxin in third countries, at a cost that was often five times its price in the US market. The country had to pay USD 470 per unit while in the US this medicine was available for less than USD 100. Jorge had to receive an injection of this medicine approximately every 5 months and at some point in time it became so difficult to purchase it that it was no longer possible to provide him with the medicine:



"As a result of this, I had to have surgery on my right arm to improve its mobility. Today I can say that I owe a scar on my right arm to the criminal blockade of the US government against Cuba and its people. Today I have a daughter and the blockade has prevented me from carrying her in my arms, like other parents do.



"I dream of the day when good sense prevails in the US political class and these measures, which have not achieved their declared objective of overthrowing the Revolution, but have certainly had a high cost for the Cuban people, are lifted.

From March 2023 to February 2024, the restriction in import plans had a significant impact on the resources earmarked for the development of education.

For school year 2023-2024, a deficit of 436 984 school uniforms was reported. The Cuban State subsidizes 50 per cent of the manufacturing cost, but the shortage of raw materials and the search for inputs in distant markets has increased their prices 4 to 5 times.

The publishing house "Pueblo y Educación" was not able either to complete the printing of the texts for the third curriculum improvement of the National Education System.

In the case of sports, the limitations and costs for the acquisition of sports equipment, fabrics, footwear, technical means and teaching aids, technological support tools, among others, have increased, since the leading manufacturer of all of them is the United States. These items are currently purchased in third countries. Therefore, costs have increased by more than 50 per cent, which imposes limits to their purchase.

Among the most significant impacts during the period covered by this Report is the prohibition of payment to Cuba for its participation in sporting events, arbitration, reimbursement of air tickets and prizes won by Cuban athletes. For example, in the case of athletics, the payment owed to Cuba for its participation in the World Relay Championship held in Poland in May 2021, and the World Athletics Championship, held in Budapest, Hungary, in August 2023, has not been effected.

The blockade also prevented three US athletes from delivering a skating tent during the Havana Skate Marathon as a donation. Likewise, the shipment to Cuba of sailing boats from the United States as a donation was prohibited.





In the field of culture, the blockade hinders the search for market niches and business opportunities; it prevents the promotion, dissemination and marketing of our cultural talents; lowers sales prices and greatly curtails the enjoyment of our art by audiences from all continents.

As for literature, due to the deficit in raw materials, there has been an accumulation of approximately 1 266 unpublished titles, which represents 4 092 977 copies. This reality has forced the country to take the decision not to approve a new Publishing Plan for hardcopy books in 2024.

During this period, the cultural sector has also been the target of the subversive policy of the United States against Cuba. An example of this was the incident occurred at the end of 2023 with the renowned American singer Norah Jones, who was unable to travel to Cuba and participate in a musical experience in the country due to the media boycott she suffered as a result of her announced visit to the Island.



IMPACTS ON ECONOMIC DEVELOPMENT, TRADE AND FINANCES

The Cuban economy, in 2023, performed poorly, which was a reflection of strong external shocks. Limited availability of hard currency, inputs and fuels were the reasons why it was not possible to achieve the projected 3 per cent economic growth of the Gross Domestic Product (GDP) at constant prices.

Exports have continued to fall by more than 3 billion dollars with respect to the figures achieved in 2019.

During the period from March 2023 to February 2024, losses resulting from the geographical relocation of trade, given the need to resort to far away markets, have been estimated at around

USD 581 700 000.

Likewise, the costs of freight, insurance and the use of commercial intermediaries, with the consequent increase in the price of commodities, amount to:

USD 485 700 000.

From March 2023 to February 2024, the number of foreign banks that for different reasons refused to carry out operations with Cuban banking entities was 48 (28 from Europe, 14 from the Americas and 6 from the rest of the world), with 155 operations involved.



During the period, the impacts on Cuban banks was estimated at:

USD 360 000 000,

28.5 per cent higher as compared to the figures provided in the previous Report, due to the strong exchange variations derived from the use of third countries' currencies and the prohibition to use US dollars.

This situation has increased macroeconomic imbalances, which are expressed in a cumulative inflation that was estimated at 30 per cent at the end of 2023, with different types of behaviors according to the different markets:

The state sector	6.3%
Non-state sector	62%
The agricultural sector	72%

These high inflation levels are influenced, above all, by the limited entry of hard currency into the country as a result of the tightening of the blockade.

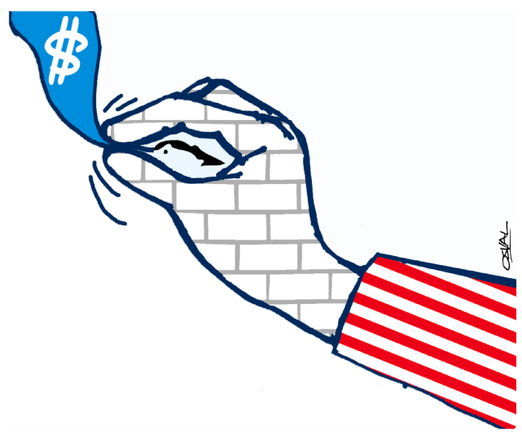
Such influence has also resulted from disinformation campaigns and financial manipulation through virtual tools, such as "El Toque", which has the monetary backing of organizations such as the National Endowment for Democracy (NED) and the US Agency for Global Media (USAGM), which granted 150 thousand dollars through the company Media Plus Experience Inc, a scheme created to launder the funds of said institutions.

The shortage of goods and services in formal markets, the proliferation of the informal market and the increase in prices have deteriorated the purchasing power of salaries and pensions.

Although State enterprises average salary was raised up to 4 856 pesos in 2023, this growth did not offset the increase in the consumer price index which, on average, reached, at the end of the first half of 2023, an increase of around 45 per cent as compared to the same period in 2022.

The main element that has prevented the economy from moving forward at greater speed and dynamism has been the impossibility of receiving the expected export incomes. During this period, the damages and losses caused only by the blockade in this economic activity amounted to:

USD 3 161 700 000.



The US government has used **tourism**, the main source of income for the country, as a political weapon against Cuba. It is aware of the importance of this sector for the development of the Island, which is why it is determined to attack it. From March 2023 to February 2024, the blockade's emphasis on hindering the recovery of this sector caused losses amounting to:

USD 2 499 700 000.

The measures in force include the ban on travel by Americans to Cuba for tourist purposes, the ban on individual travels under the people-to-people category and the permanence of the State Department's List of Restricted Cuban Entities and the List of Prohibited Accommodations.

The Cuba's inclusion in the list of alleged State sponsors of terrorism has had a significant impact on the tourism sector. Suffice it to emphasize that the number of international visitors to Cuba coming from the seven main European Union issuing countries amounted to 730 211 in 2019. In 2023, the amount barely reached 324 032, that is, 44 per cent of the figure achieved in 2019.



During this period, the US government denied ESTA access to 300 000 Europeans who visited Cuba.

Likewise, during the period covered by this Report, several airlines have cancelled their flights to Cuba, claiming a low demand and commercial unfeasibility of operations. Such is the case of tour operator TUI, which will not restart flights to Varadero from the Netherlands and Belgium by winter time 2024-2025.

By the end of 2023, Cuba had received 2 436 980 international visitors, which represents 70 per cent of the established plan and 57 per cent of the figure achieved in 2019.

If it hadn't been for the ban on US nationals preventing them from traveling to Cuba as tourists, it has been estimated that the annual number of US visitors to the Island could reach 1 500 000 travelers, which would turn the United States into the main travelers issuing market for the Antillean nation. If we subtract from this figure those who did travel to Cuba during the period covered by this Report (163 455 travelers), it has been estimated that approximately 1 336 545 persons from the United States did not visit the country due to the blockade. Had they done so, it is estimated that the Cuban tourism industry would have earned USD 1 730 825 775 from the US market.

Had cruise tourism been maintained, the country would have been able to earn approximately USD 56 000 000 during the period covered by this Report.



The cruise company Swan Hellenic decided to cancel the itineraries initially planned for Cuba in 2024 and 2025, as passengers holding the ESTA visa would lose the opportunity to enter the US with this facility, if they previously visited the Island.

The company Sea Cloud Cruises also opted to cancel all itineraries to Cuba of its Sea Cloud II cruise ship, scheduled for the 2023-2024 season, since the companies based in the Caribbean in charge of supplying fuel to the cruise ships, are based in the United States and have ship refused to supply this vital resource to vessels if they touch Cuban ports.

Besides, Cuba could be considered a US natural area for practicing and enjoying yachting and nautical tourism. Cuba's incomes from these sports would have been no less than USD 61 000 000.



The biotechnology sector has also been impacted by the blockade. In the period under review, damages in this area amounted to approximately

USD 124 168 500.

The Torricelli Law explicitly prohibits the sale of inputs and raw materials for the Cuban biotechnology industry.

The Cuban National Center for Scientific Research is working on a Cuban vaccine project against the Human Papilloma Virus (HPV). The company BioCubaFarma has rated this project as a "priority" considering that this infection is the main cause of cervical uterine cancer, which represents the fifth highest incidence in the mortality rate among women in Cuba and the second highest incidence among women between 15 and 44 years of age.

However, progress has been hindered by difficulties in access to analytical tools and immunological assays, which were denied to Cuba in 2023 by the US company Addgene and the South Korean company Macrogen, among others. Despite their willingness to cooperate, researchers from the National Cancer Institute in the United States were informed that they could not send the reagents needed to Cuba due to the provisions of the blockade.



The economic damages caused by the blockade to **the communications and information technology sector, including telecommunications**, from March 2023 to February 2024, were estimated at:

USD 58 772 100.



It remains impossible to buy from leading brands and/or high-performance equipment in the communications market that are patented by U.S. entities. For example, KLEIN and BOSCH specialized tools are no longer being sold to the Cuban company ETECSA by distributors that used to provide them.

Blocking access to the Adobe website also prevents access to essential online resources. Similar situations are faced with other sites of interest, such as Source Forge, WeTransfer, and the DELL and Intel websites.

Cuban representatives continue to face many difficulties to participate in meetings and other online events, since Cuba has restricted access to several digital platforms used for these purposes, such as the Zoom platform.

On the other hand, there is a design in the social digital platforms aimed at positioning the opinion matrixes that the United States uses today to justify its blockade against Cuba. **Many of these sites, such as ADN Cuba, Ciber Cuba, Cubanet, among others, join the media crusade against our country in order to distort its reality. They are heavily financed with federal funds from the U.S. budget, part of which are publicly declared and amount to tens of millions of dollars annually, in addition to the covert funds that also support these platforms.**



In the period under review, the damages caused by the blockade both to the Cuban **industry and to the business sector** are estimated at more than:

USD 1 309 500 000

As for **the building materials industry,** the year 2023 was one of the most challenging and with the lowest production levels in the last 60 years.

These results were due to the impossibility of importing spare parts, raw materials and supplies for production, and the lack of financial sources for the fifth year in a row.

As a result:

- At the end of 2023, supplies to the wholesale sector only reached 48%. The company Acinox produced a limited number of steel bars for trade. Steel deliveries for construction only met 12% of requirements.
- The materials industry delivered only 25% of sanitary ware and 60% of ceramic tile flooring.
- Empresa Comercializadora de Cemento (ECOCEM) met only 34% of cement deliveries. Only 38 963 tons of the 115 290 tons planned were delivered.
- According to conservative estimates, a total of USD 3 893 000 000 is needed to address the country's housing deficit for the construction of 467 149 new homes. Nine months without blockade would make this financing available.

Damages caused by the blockade to the **transport sector** in its four branches: maritime, automotive, rail and aviation during the period under review, amounted to:

USD 167 163 090

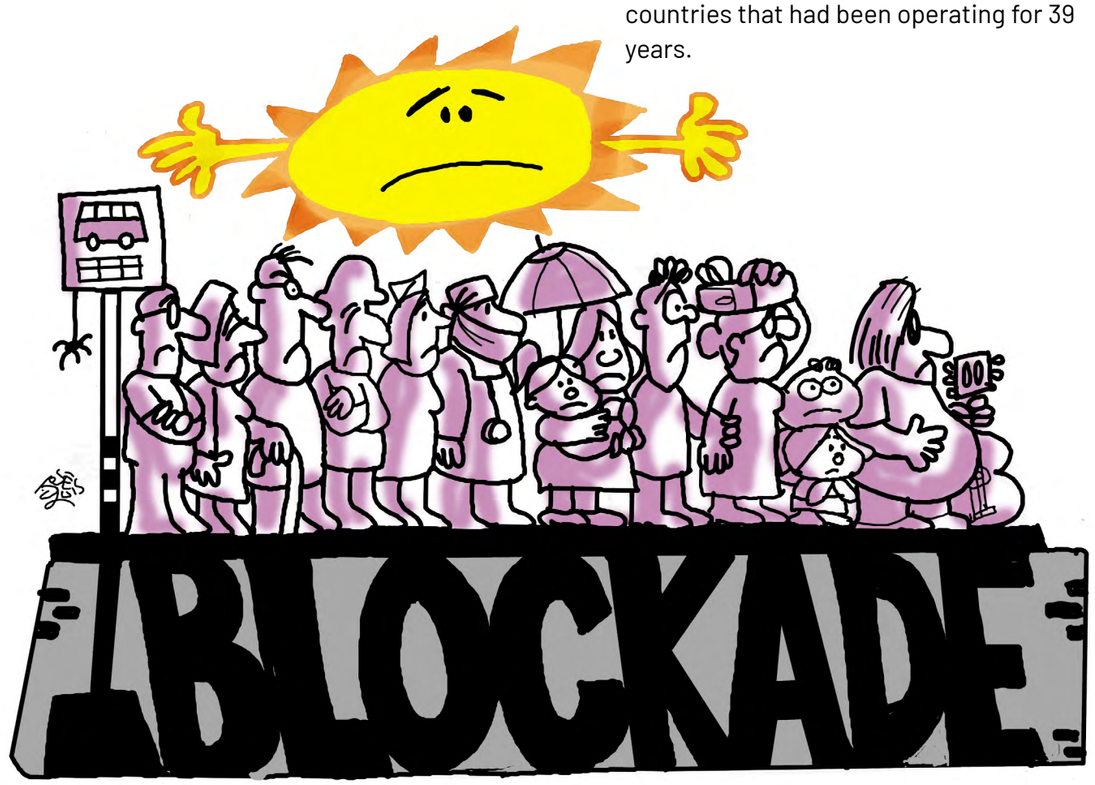
It is estimated that, in order to meet national transportation needs, 14 380 buses at a cost of USD 2 850 000 000 and 12 250 cars or minibuses, with a total value of USD 450 000 000, are required. Together, these amounts represent the cost of 8 months of blockade.

Currently, 38% of the roads are in fair or poor condition. In relation to bridges, 17% are in the same situation.

Regarding maritime transport, restrictions remain in place for international ship owners on whose vessels Cuban crew members sail, as well as restrictions on access to U.S. ports under the Torricelli Act, passed by the U.S. Congress in 1992.

In April 2024, the Bureau of Industry and Security of the U.S. Department of Commerce denied a license application submitted by a Spanish company to export to Cuba an ATR 72-212A aircraft for domestic flights.

In March 2024, Yacimientos Petrolíferos Fiscales S.A. (YPF) of the Argentine Republic informed Cubana de Aviación of its refusal to continue supplying fuel to Cuban aircrafts, pursuant to the US blockade against Cuba. Consequently, Cubana de Aviación has been forced to suspend regular flights between the two countries that had been operating for 39 years.



From March 2023 to February 2024, the effects on **the energy and mining sector** were also noteworthy and amounted to:

USD 388 239 830.

One of the most reprehensible actions, because of its cruelty and violation of international law, has been the prevention of fuel shipments to Cuba since 2019. That year alone, 53 vessels and 27 companies were penalized by the US government.

The economic blockade has also exacerbated the financial and credit access constraints to repair the country's thermoelectric plants and to acquire the technologies and fuel required to guarantee a stable power supply to the population and to the strategic sectors of the national economy.

As a result, there have been constant interruptions in power supply generating stress, emotional exhaustion and anguish in the population; jeopardizing the cooling and cooking system in homes, while having a cross-cutting impact on productivity and hindering the proper functioning of the country.

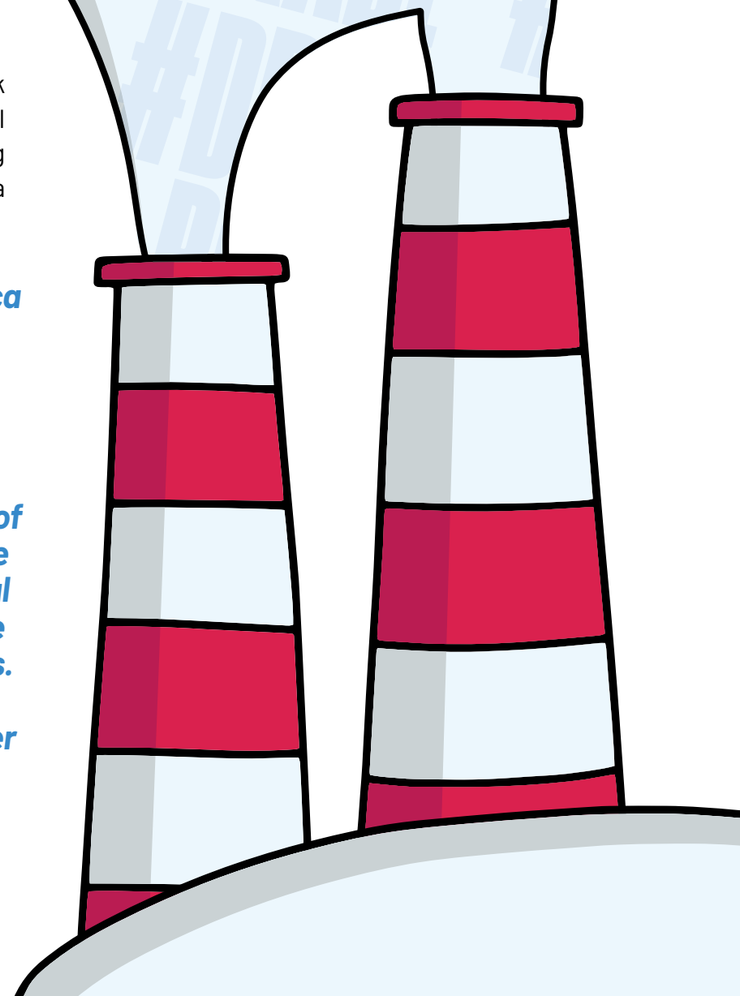
Aleandris Guerra Peña, a self-employed worker in the "D' La Sierra" enterprise, in the province of Santiago de Cuba, engaged in the manufacture of paints, has witnessed these effects on the performance of his business. In this regard, he states:

"In the first two weeks of May alone, we were negatively affected by the loss of 800 000 Cuban pesos, as we stopped manufacturing 3 200 liters of paint due to the lack of electricity. This would have generated a total salary of 64 000 Cuban pesos to be distributed among the workers.

All this production had its customers guaranteed, but we were not able to meet those orders. We are working to deliver the backlog of orders depending on the power supply. This has forced us to stop taking new orders, which would have represented considerable sales and, therefore, significant revenue foregone".

In January 2024, it was not possible to receive a supply of spare parts from the Italian factory Termomeccanica for the Ernesto Che Guevara Thermoelectric Power Plant, since it was purchased by Trillium, a company which has one of its main offices in the United States. The lack of these supplies has led, on several occasions, to stop the generating units of the Ernesto Che Guevara Thermoelectric Power Plant.

The Unión Nacional Eléctrica (UNE) has lacked the necessary financing to perform partial, extended and capital maintenance of the thermal units in the country, and as a result, 13 of the 15 units have missed the maintenance cycle - several of them for more than three cycles- due every five years. Consequently, there have been a considerable number of breakdowns.



IMPACT ON THE EMERGING SECTORS OF THE CUBAN ECONOMY

As of the end of March 2024, there were 10 614 MSME's in Cuba. Together with the rest of the non-state-owned entities, they represent about 15% of GDP generation and account for about 35% of employment in the country.

As is well known, last May 28 the US government announced a set of limited measures to supposedly "favor" this sector, by authorizing Internet services and financial transactions. However, any earnest analysis of these announcements, if one is aware of the intimidating and comprehensive effect of the blockade, casts many doubts.

How will on-line purchases of inputs necessary for private sector activities be facilitated without access to electronic payment cards used worldwide?

How will the large technology and communications conglomerates discriminate between the Cuban state and private sectors and determine their access to web pages, tools and Internet sites that are currently blocked to any user from Cuba?

WILL A FOREIGN COMPANY OR BANK BE WILLING TO ACCEPT TRANSACTIONS FROM A PRIVATE CUBAN COMPANY IF THE COUNTRY REMAINS ON THE US GOVERNMENT'S LIST OF STATE SPONSORS OF TERRORISM AND COULD THEREFORE BE SUBJECT TO SCRUTINY AND FINES AMOUNTING TO MILLIONS OF DOLLARS?

Which bank abroad will be willing to open an account for a Cuban businessman knowing the obstacles to operate in U.S. dollars or in view of the uncertainty caused by some new regulatory change that tightens the blockade against Cuba and third parties?

The alerts and restrictions on travel to Cuba have affected income from tourism and lodging, a service provided by a majority segment of the Cuban private sector.

Between March 2023 and February 2024, 45.6% of the 163 455 US citizens who visited the country stayed in these accommodations, on average for one week. Should the current restrictions and prohibitions be lifted, and should the flow of US visitors to Cuba increase, it is estimated that the Cuban private sector could receive additional revenues amounting to USD 106 700 000.

Abdel Aguilar Galarraga, owner of Hostal Aguilar, located in Centro Habana, knows firsthand the effects of the blockade on the house rental business:

"It makes it very difficult for us to access booking sites that offer our services, such as Booking.com. We are limited in terms of advertising our business worldwide.

Labeling Cuba as a State sponsor of terrorism, the digital war, manipulation in the networks, the inability to be granted ESTA status if you have visited the country, generates fear and uncertainty among tourists who are faced with the dilemma of whether to come to Cuba or not."

On the other hand, there are many examples of IT tools that are not accessible to domestic developers, just because they are Cuban. Moreover, it is difficult for them to access external financial mechanisms and payment and e-commerce platforms, such as PayPal.

PayPal

For engineer Carlos Miguel Pérez Reyes, founder of DOFLEINI Software, the first private Cuban MSME engaged in the development and export of IT products, the blockade is also a constraint for the sector:

"With U.S. customers, the closest geographically, but also the ones who concentrate most of the innovation and leading companies in the IT sector, we have not been able to close any deal, even though we have received dozens of requests.

> ***The vast majority of software systems are restricted for Cuba, the most well-known communication systems like Zoom, Slack, GitHub, among others.***

> ***There is no way we can receive payments, not even through a third country. Many clients eventually decide not to do business with Cuba, no matter how talented the team behind the business is. Not having access to digital payment platforms isolates us from the world's technological ecosystem.***

There is this rhetoric that this policy does not harm the private sector and that we have certain advantages, but is not so. We private sector entrepreneurs do not want to be given a penny for free. We want to be allowed to do things on an equal footing with the rest of the world, because Cuba's problems are solved by Cubans."



Oliesky Fabre del Castillo is the founder of EnParalelo, a private MSME engaged in developing more sustainable, healthy, equitable, inclusive, resilient, local and sovereign urban food systems. It is an enterprise that also coordinates a local development project in Havana's Plaza de la Revolución municipality.

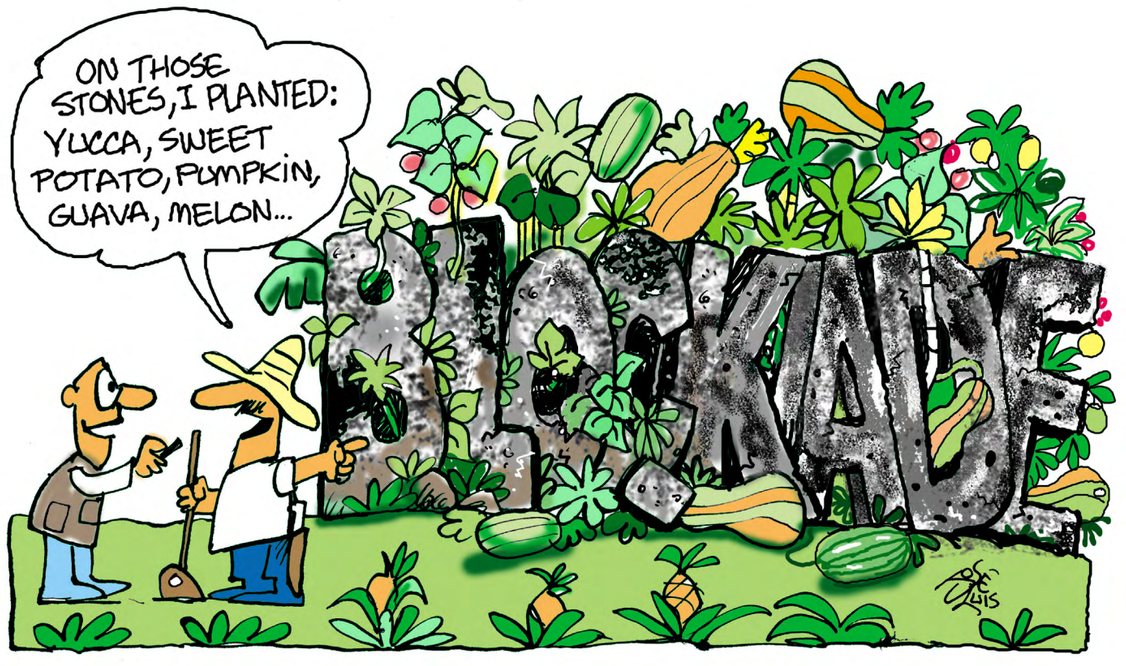
In late 2022, EnParalelo was selected by the Regional Innovation Hub of the World Food Program (HZero), headquartered in Colombia, as one of the 10 most innovative ideas to end hunger in Latin America.

Says Castillo:

"This gave us access to new funding and to a 6-month accelerator program that prepared us to consolidate our business model,"

That's when we began to feel the effects of the blockade first-hand. The first obstacle we encountered was online communication for the preparation courses, as well as access to other knowledge-generating platforms of the academy. We often had to watch recorded lectures after they were held.

Having access to financing in Cuba was another odyssey. That money would be used in the investment process to import a series of inputs, equipment, and all suppliers required payments abroad. We faced several obstacles to identify suppliers that were registered in the country. We also knew of suppliers closer to us, in the United States, but it was impossible to negotiate with them."



Now the Biden administration has announced some measures to "support" the private sector, but this does not change the essence of the blockade at all. Their real scope remains to be seen."



Lácteos Clamanta is also a private MSME, located in La Lisa municipality of the capital, which was created in a national context marked by the unprecedented tightening of the blockade. Its main activity is the production of probiotic yogurt and the Gustó brand ice cream.

Its owner, Martín Nizarane Araluce, bears witness to the constraints under which they have to operate every a result of this policy:

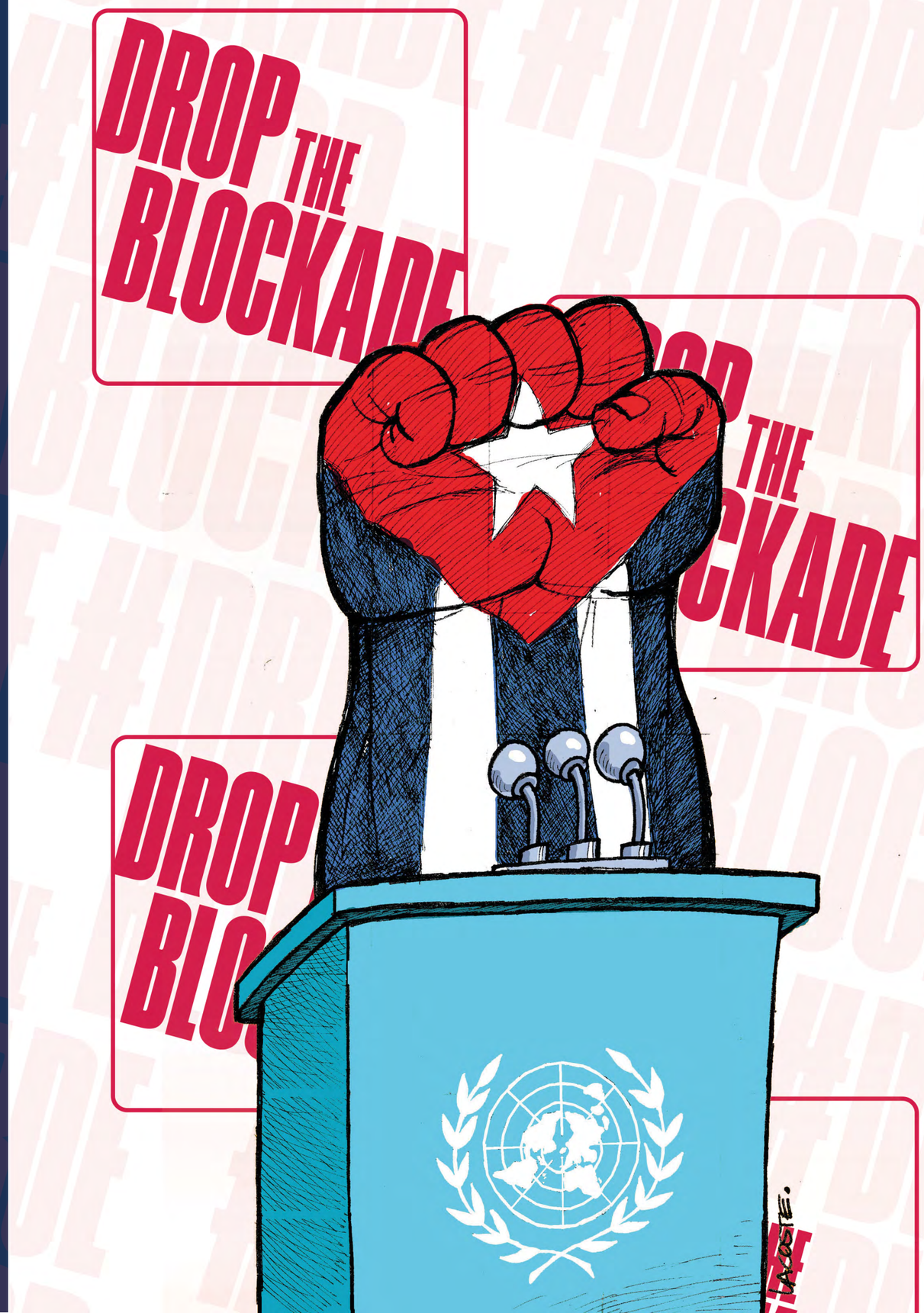
> ***The extraterritorial laws of the USA have prevented us from operating under normal market conditions, preventing an adequate business environment. It generates unfavorable conditions and limits our negotiating capacity vis-à-vis foreign suppliers, who provide us with raw materials, inputs and equipment at high prices and with sometimes irregular forms of payment, since the blockade prevents MSMEs from having access to international banking.***



RE
JECTION

03

UNIVERSAL REJECTION
of the blockade



In 2023, more than 2 000 public events, statements and documents adopted at international events condemning the blockade were recorded, as well as more than 880 statements against Title III of the Helms-Burton Act and the inclusion of the country on the unilateral List of State Sponsors of Terrorism, drawn up by the United States government.

Likewise, there were growing calls within US society to put an end to the blockade and the arbitrary classification of Cuba as a state that allegedly sponsors terrorism. Federal and state congressmen, academic, economic, political, religious, and scientific sectors, youth, and the solidarity movement undertook various initiatives to put pressure on the White House.

In May 2024, following the announcement by the US government of Cuba's removal from the list of states that do not fully cooperate with US efforts against terrorism, numerous governments, especially in Latin America and the Caribbean, international and regional organizations, as well as political, social and religious organizations within the United States and several US politicians, remained firm in their call to the White House to remove Cuba from the unilateral List of State Sponsors of Terrorism.

Of particular note are the statements by the governments of Barbados, Belarus, Belize, Brazil, Bolivia, Chile, China, Colombia, Dominica, Gambia, Grenada, Honduras, Mexico, Namibia, Mozambique, Nicaragua, Lao People's Democratic Republic, Russia, St. Kitts and Nevis, St. Vincent and the Grenadines, Serbia, Syria, Timor Leste, Vietnam, Venezuela, among others; as well as by the Puebla Group, the Peace Dialogue Table between the Government of Colombia and the National Liberation Army, the Council on Foreign and Community Relations (COFCOR) of the Community of Caribbean States (CARICOM), the Association of Caribbean States (ACS), the Bolivarian Alliance for the Peoples of Our America - Peoples' Trade Agreement (ALBA-TCP), the Latin American and Caribbean Economic System (SELA), the Permanent Conference of Political Parties of Latin America (COPPPAL), the Joint Coordinating Committee of the Non-Aligned Movement and the Group of 77 and China, the Group of Friends in Defense of the Charter of the United Nations, among others.



+ 2 000 PUBLIC EVENTS

Condemning the blockade



- **Against Title III of the Helms-Burton Act**





- **Against the inclusion of the country on the unilateral List of State Sponsors of Terrorism**





- **Growing calls within US society**





- **Statements of governments**



CONCLUSIONS

Between March 2023 and February 2024, the US government continued its pursuit of fuel supplies to Cuba, the possibility of filing lawsuits in US courts under Title III of the Helms-Burton Act, and the smear campaign against the medical cooperation programs that the island carries out in numerous countries. Furthermore, it set out to curtail the recovery of the Cuban tourism sector hardly hit during the COVID-19 pandemic. These measures aim at dealing a mortal blow to the country's main sources of income.

The financial persecution has been further reinforced by the arbitrary inclusion of Cuba in the State Department's unilateral list of alleged countries sponsoring terrorism. It was a measure imposed, with no justification or evidence, by the Republican administration of President Donald Trump, just nine days before leaving the White House. The current President could reverse it with just a signature. The fact that the US government recently acknowledged that Cuba fully cooperates in the fight on terrorism, makes keeping Cuba in this spurious list even more absurd and unjustifiable.

It is not admissible, legal or ethical to subject a small country to a criminal policy of asphyxiation for decades, with economic damages amounting to over USD 164 141 100 000 dollars at current prices, and USD 1 499 710 000 000 taking into account the value of the dollar in relation to the value of gold. Between March 2023 and February 2024 alone, the damages caused by the blockade to Cuba have been estimated to be around USD 5 056 800 000.

It is also unacceptable for the US government to ignore and disregard the call of the international community to put an end to this illegal and inhumane policy, as expressed in the 31 resolutions adopted by the United Nations General Assembly on the need to put an end to the economic, commercial and financial blockade imposed against Cuba.

Cuba maintains its willingness to build a civilized and respectful relationship with the government of the United States, despite our differences.

As President Miguel Díaz-Canel Bermúdez has expressed, Cuba is prepared to continue facing the blockade and resist with creativity to overcome the injustice imposed upon us.

We will not stop denouncing the blockade, with the hope that this criminal policy will be eliminated once and for all.

We will not stop denouncing the blockade, with the hope that this criminal policy will be eliminated once and for all.

Present and future generations of Cubans have the right to live and prosper in a Cuba with no blockade.

MINISTERIO DE RELACIONES EXTERIORES
REPÚBLICA DE CUBA



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REPÚBLICA DE CUBA