



**Honorable G. Anthony Hylton
Post Cuba Trade Mission Press briefing
at the JAMPRO Business Auditorium
Wednesday, 29 April 2015 at 9:00am**

Salutations and Preamble:

- His Excellency, Mr. Bernardo Guanche Hernandez, Ambassador of the Republic of Cuba
- Mr. Milton Samuda, Chairman, JAMPRO
- Ms. Diane Edwards, President, JAMPRO
- The Permanent Secretary and team at MIIC
- Staff of JAMPRO
- Mrs. Marjorie Kennedy, President, Jamaica Exporters Association
- Dr. Charah Watson, Technical Director, Biotech R&D Institute
- Mr. Hasani Brissett, Executive Vice President- Sales, Gulfray Americas Manufacturing Ltd.
- Public sector representatives
- Private sector representatives
- Members of the press;

- Ladies and gentlemen... good morning

Introduction

- Let me take this opportunity to thank you for coming to this morning's press briefing. Your presence is indicative of the high level of interest in the long standing relationship between Jamaica, our closest neighbour, Cuba and the prospects for the future.
- On December 17, 2014 U.S. President Barack Obama announced steps to normalize relations between the United States and Cuba. This was followed by an announcement by the White House on Tuesday, April 14 this year that Cuba would be removed from the list of state sponsors of terrorism. Both announcements came as no surprise as we were already making preparations regarding the prospects for increased export and investment opportunities between Jamaica and Cuba.
- The end of the over fifty year embargo of Cuba (which came into effect February 3, 1962) cannot come too soon. For as I have said many times concerning the embargo, it was not simply against Cuba though that was the objective. One unintended consequence has been the underdevelopment of

economic relations between Cuba and its closest neighbours in the Caribbean, principally Jamaica.

- As has been indicated before, Cuba has strategic importance for Jamaica given its proximity, historical socio-cultural connections and ongoing trading relationships. Both countries have developed a deep bond of friendship, trust and cooperation that has redounded to the benefit of the people of Cuba and Jamaica.
- Jamaican businesses have over the years developed and maintained close relations through their participation at the annual Havana International Fair (FIHAV).
- FIHAV is Cuba's largest and most important trade event. The event attracts in excess of 4,500 exhibitors and participants from more than 60 countries. It is one of the major exhibitions in the region, displaying high quality products from the Caribbean and Latin America.
- The aforementioned changes in the relationship between the United States and Cuba present a timely opportunity to further strengthen our strategic partnership with Cuba. Moreso, it is an opportunity to build Jamaican brand

awareness in the country. In this regard, JAMPRO's role as brand developer is critical to ensuring that the Jamaican brand is associated with quality and high standards in the competitive Cuban marketplace. The knock-on effect is that this will allow a greater volume of business between Jamaica and Cuba over time.

- It was with this in mind that I led a joint public and private sector trade mission to Cuba. The interest of the private sector in this mission was demonstrated by the presence of several large and small local firms, as well as representatives of key umbrella business organisations.

- Let me point out that the bi-lateral business relations between the two countries are conducted on three levels.
 - I. **Business to Business:** this involves increasing the awareness of Jamaican products in the Cuban market and creating further opportunities for businesses to collaborate in the exportation and importation of products. The positive experiences of Jamaican companies which were shared earlier as private sector testimonials, serve as validation to the strength of our collaboration and points to the possibilities.

- II. **Institution to Institution:** this relates to the relationship of key entities in facilitating trade and investment in practical terms. The stakeholders at this level are JAMPRO, the Jamaica Chamber of Commerce, the Caribbean Export Development Agency, the Cuba Chamber of Commerce, the EXIM Bank, the Cuban Embassy in Jamaica and the Jamaican Embassy in Cuba. Diane has already spoken of this relationship in great detail.

- III. **Government to Government:** this relates to continued cross-ministerial dialogue. I will place specific emphasis on this element.

Key Government to Government Discussion Areas

While in Cuba, we continued discussions for a strategic partnership with the Cuban Government and its economic entities.

These discussions yielded the following:

- The proposed establishment of a Joint Jamaica-Cuba Business Council to foster and facilitate the development of economic relations between the two countries;

- The possibility of co-operation between Special Economic Zones in the two countries, at both the authority and enterprise levels. The Cuban Government has established the Mariel Special Development Zone (ZEDM) which has the port of Mariel as the nucleus, two cargo airports and the Jose Marti International Airport. As Jamaica continues work towards the development of our own Special Economic Zone Regime, we are well placed to take advantage of opportunities for inter-SEZ trade.

- The need to increase the performance and utilization rate of the existing line of credit through the National Export/ Import Bank of Jamaica (EXIM BANK) in collaboration with Banco Nacional de Cuba. The facility currently caters for transactions valued up to 12 million Canadian dollars for local products approved between the Government of Jamaica and Cuba that meet the 35% local value added criteria. The discussions were conducted with a view to determining whether additional trade financing facilities are required.

- The other matter discussed was logistics with a special reference to transportation linkages

- The Cuban Government is in support of Jamaica's Logistics Hub Initiative as it will offer development opportunities from which both Jamaica and Cuba will be able to benefit in the long term, not just in inter-SEZ trade but also in the export of Jamaican and Cuban products. We are expecting a delegation from the Mariel Port to visit Jamaica shortly to engage in further discussions on this issue.
- Trade in Services
 - The Jamaican proposal for strategic arrangements within the CARICOM framework will trigger economic activity and connectivity that will serve as a platform for increased services trade in areas including professional services, finance and ICT.

Next Steps

- What is clear is that Cuba sees the value of working collaboratively with its closest neighbour. The Cuban government and people are depending on Jamaica to become the fourth node in Global Logistics as it will have positive implications not just for Cuba but the entire region.

- Cuba stands ready to co-operate fully in developing Bilateral Trade with its Caribbean neighbours. In light of this, I have invited the Minister of Trade and Investment, Mr. Rodrigo Malmierca, to visit Jamaica.
- It is agreed that working groups will be established on both sides to begin preparatory work in the areas of trade, investment and transport. The thinking is that Minister Malmierca's visit will launch the working group discussions for the strategic partnership in September.
- Additionally, we will move towards signing a framework agreement between the Mariel Special Development Zone and our Special Economic Zones
- We will also consider the revision and the upgrading of existing maritime and aviation agreements between the two countries,
- And also explore other opportunities for corporation including tourism, trade finance and manufacturing between the two countries.

Costa Rica

- Let me take this opportunity to speak briefly about my recent trip to Costa Rica. The country will serve as a critical connection for Jamaica to the rest of Central America and help to expand market access for products leaving Jamaica.
- While in Costa Rica, I signed a Memorandum of Understanding supplementing the free trade agreement between Costa Rica and CARICOM with the Minister of Foreign Trade, Mr. Alexander Mora. This MOU symbolizes the partnership between Jamaica and Costa Rica; it will enhance existing ties and provide an opportunity for more cooperation in trade administration as well as exchange of valuable trading information. This will ensure not only free trade but fairer trade.
- Costa Rica is looking to Jamaica to fulfil its goal of becoming the fourth node in global logistics. In this regard, the country is focusing on the expansion of Port Limon which is well positioned to become a spoke that feeds cargo into Jamaica for product finalization, consolidation or distribution into global markets.
- There exists further opportunities for both countries to collaborate on investment, logistics, tourism and culture. We

have a unique opportunity to deepen our relations with kith and kin in Costa Rica, and particularly Limon which remains steeped in the Jamaican culture. Indeed, President of the Republic, Luis Guillermo Solis extols his Jamaican heritage.

- We also look towards the re-activation of the Jamaica/Costa Rica Joint Commission as the appropriate vehicle to advance bilateral cooperation between the two countries.

In closing, I welcome and hail the response for our local private sector for embracing the challenge, through forging partnerships both with the Government and the Cuban Chamber of Commerce.

I also want to state categorically that the Government of Jamaica through the Ministry of Industry, Investment and Commerce, will continue to engage with the Cuban and Costa Rican Governments to ensure that the commercial and bi-lateral relations are strengthened and maximised for the growth of the Jamaican economy.

I thank you

