

Republic of Cuba

The Politics of Ports...

Cuba's Strategy & What They Can And Can't Influence

U.S.-Cuba Trade and Economic Council, Inc.

www.cubatrade.org

Cuba's Largest Exports

Raw Sugar
Refined Petroleum
Rolled Tobacco
Hard Liquor
Raw Nickel

Cuba's Largest Export Markets

China
the Netherlands
Spain
Senegal
the United Kingdom
Brazil

Cuba's Largest Imports

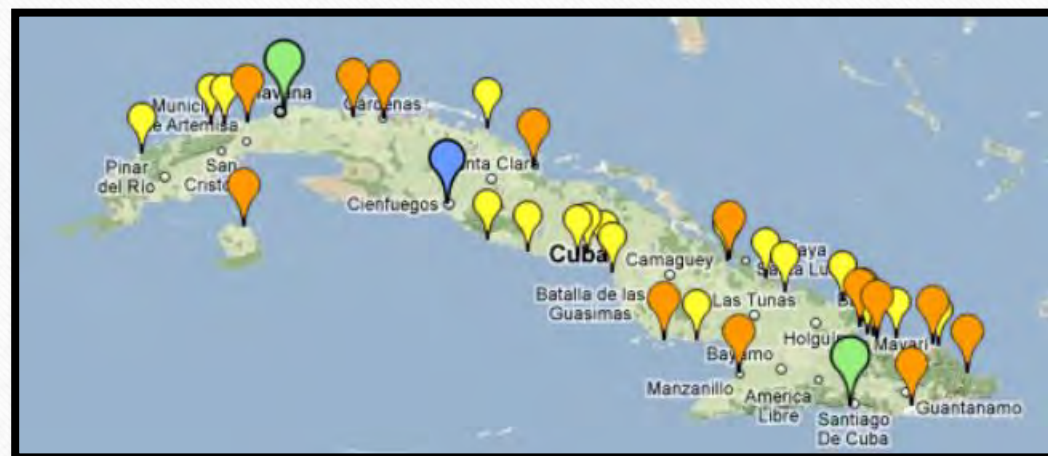
Wheat
Refined Petroleum
Concentrated Milk
Corn
Poultry Meat
Soybean Products
Rice
Machinery

Cuba's Largest Import Sources

China
Spain
Brazil
Canada
Mexico
Argentina
Germany
France
Italy
Algeria
Vietnam
United States

US Exports To Cuba

- Since December 2001, thirty-five (35) ports in the United States- from Virginia to Florida to Alabama to Louisiana and Texas have been the transit point for more than 4.6 million metric tons of food products and agricultural commodities exported from the United States to the 11.3 million citizens of Cuba.
- The value of those exports? More than US\$5.2 billion and all on a payment of cash in advance basis, as required by United States law. The best year was 2008 with US\$710 million and the worst year was 2015 with US\$170 million.
- Of 232 global export markets for food products and agricultural commodities from the United States, Cuba has ranked from 25th to 60th.
- What has the United States exported? Poultry, Soy products, Corn, Calcium Phosphates, Pork, Beef, Rice, Cotton, Wood, Wheat, Newsprint, Brewing Dreg;, and consumable products found in supermarkets.
- Cuba is a small export market for healthcare products (medical equipment, medical instruments, medical supplies and pharmaceuticals). From 2003 through this year, the total value is US\$12.3 million.





SUMMARY – CUBA'S MAJOR PORTS				
PORT	DRAFT	MAX. LENGTH	# BERTHS	# PIERS
		ALLOWED		
MARIEL Santa Lucia, Bahia Honda, Cabanas	31'	677'	8	15
LA HABANA	32'	654'	15	34
MATANZAS	38'	791'	5	8
CARDENAS	17'	560'	1	2
ISABELA DE SAGUA	18'	560'	3	4
CAIBARIEN	35'	654'	0	0
NUEVITAS Jucaro	34'	638'	6	10
PUERTO PADRE Manati	25'	556'	3	4
ANTILLA Vita, Banes, Preston, Felton, Nicaro, Tanamo	22'	608'	2	4
MOA Punta Gorda, Baracoa	40'	755'	2	3
GUANTANAMO Boqueron	19'	560'	1	2
SANTIAGO DE CUBA	36'	700'	8	16
MANZANILLO Pilon, Niquero; Ceiba Hueca; Media Luna	30'	589'	0	0
GUAYABAL	35'	unlimited	1	2
CIENFUEGOS Casilda	38'	677'	11	14
NUEVA GERONA	18'	425'	5	9

PORT	Distance (Miles)	Airport	Bunker	Container	General Bulk Cargo	Oil Tanks	Other Liquids	Ro/Ro	Shops	Dry Docks
Bahia Honda	53.18				x				x	
Cabanas					x	x	x		x	x
Mariel	28.04	x	x	x	x	x	x	x	x	x
Havana	0	x	x	x	x	x	x		x	x
Matanzas	50.26	x	x		x	x	x		x	x
Cardenas	73.57	x	x		x	x	x		x	x
Isabela	150.74	x	x		x		x			
Caibarien	191.80				x		x		x	
Nuevitas	345.35		x		x	x	x	x	x	x
Gibara	407.23	x			x		x			
Antilla	458.74		x		x	x	x		x	
Moa	515.69	x	x		x	x	x		x	
Santiago de Cuba	597.24	x	x	x	x	x	x	x	x	x
Manzanillo	682.54	x	x		x		x		x	
Cienfuegos	505.08	x	x	x	x	x	x	x	x	x
Nueva Gerona	325.56	x	x		x	x		x	x	

Dredging Activities

For dredging, Cuba uses internal capacity and contracts with companies in Belgium and the Netherlands.

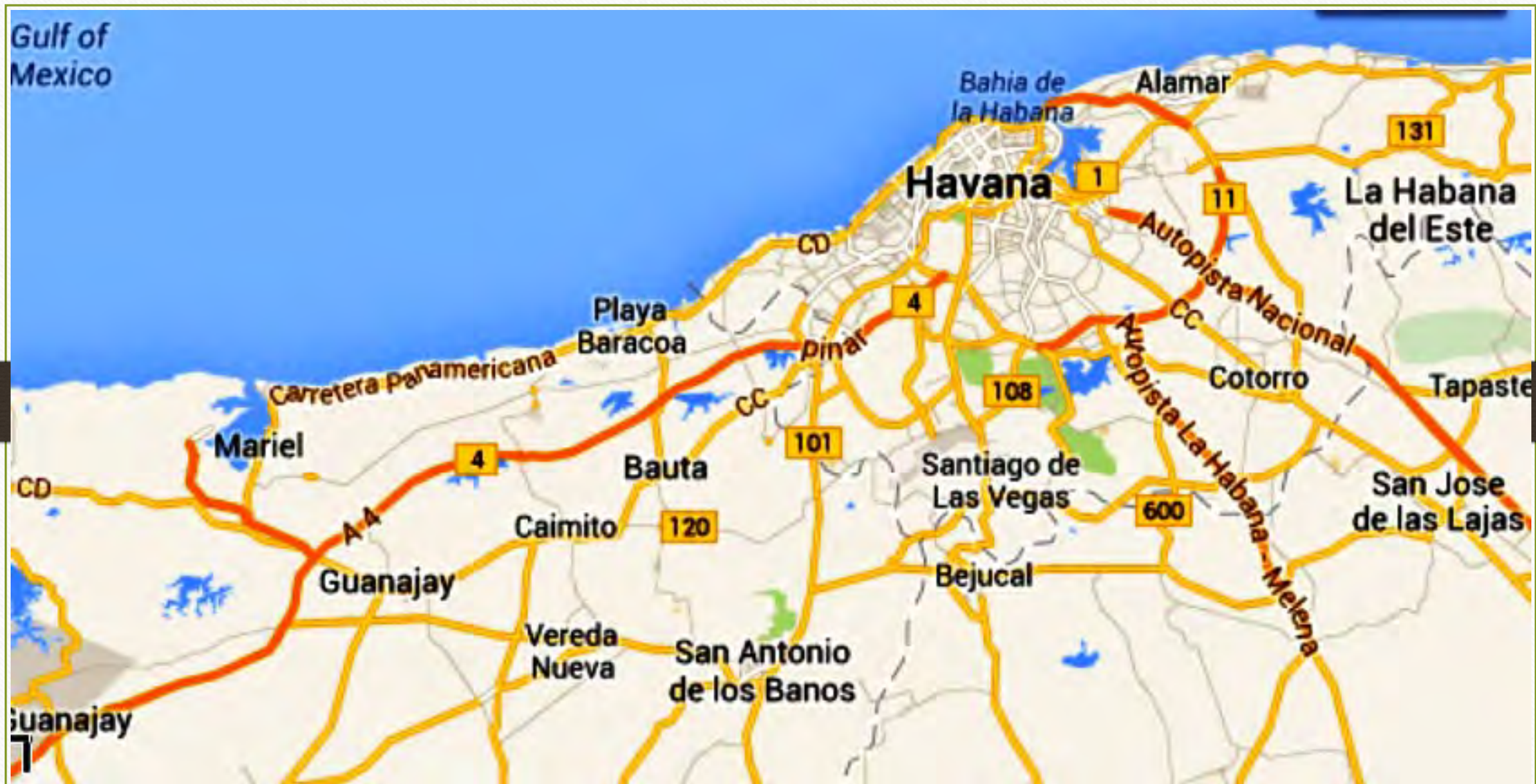
Dredging is ongoing at the port in **Moa** (the transit port for nickel plus cobalt exports located in the northeast corner of the country).

A US\$150 million dredging and modernization program at the port in **Santiago de Cuba** (the second-largest city located on the eastern-most point of the country) is financed by the government of China, partly in support of a new grain terminal. The bay area is dredged to 45 feet. Two anecdotes about the port in Santiago de Cuba:

- There are approximately 42,000 tons of obstacles, including 47 wrecked vessels, being extracted from the bottom of the bay. The process has included using the floating crane Magnus XII which can lift 500 tons from a depth of 165 feet.
- Carnival is unable to dock their larger passenger vessels there due to a transmission cable that runs above the entrance.

Dredging at the port in **Cienfuegos** (located on the southern mid-way point of the country) continues to be discussed, but nothing has thus far materialized.

Other ports in Cuba have and continue to have dredging projects primarily for the use of large coastal barges used for imports and to transfer among ports.













YOUR JOURNEY

- DAYS 1-3** Travel to Cuba and cultural exchange activities on the island
- DAY 4** Cultural immersion at sea
- DAY 5** Cultural exchange activities on the island and travel at sea
- DAY 6** Cultural exchange activities on the island
- DAYS 7-8** Cultural immersion at sea



**Travel to all 3 ports is intended. Breakdown of days on shore and at sea are subject to change.*







Port of Mariel

Republic of Cuba





Port of Mariel Statistics

- This 180 square mile facility with 2,300 feet of jetty and four (4) cranes can accommodate 13,000 TEU Super Post Panamax vessels. Total current annual capacity is 800,000 TEU's.
- Brazil-based **Odebrecht** was the primary contractor for the US\$957 million project. Approximately US\$682 million in financing was provided for the first stage by the National Bank of Economic and Social Development (BNDES) of Brazil. For the second stage, BNDES will be providing approximately US\$290 million in financing. Singapore-based **PSA International** is managing Mariel.
- Two new rail-mounted gantry cranes from Shanghai, China, arrive this month (September 2016) for installation.
- Currently, the port has an average of one train per day.
- The maximum vessel draft at Mariel is 12.1 meters (39.69 feet). This depth can accommodate Panamax-sized vessels: There is an access channel; and dredging continues to accommodate the newer and larger Panamax vessels.
- The dredging thus far permits vessels of up to 295 meters (967 feet) overall length with a 32.3 meter (105 foot) beam. Water depth is approximately 15 meters (49.2 feet).
- Dredging to accommodate all Neo-Panamax vessels should be completed in 2017- for vessels 366 meters long, 50 meters wide and with a draft of 15.5 meters.
- The Access channel is being deepened and widened with a completion date in 2017.
- In 2014, Mariel handled 160,000 twenty-foot equivalent TEU's; and 330,000 TEU's in 2015.
- The estimate for 2016 was 360,000 to 370,000 TEU's; but will likely be similar to 2015 due to an economic contraction- low commodity prices for exports (nickel plus cobalt, citrus, tobacco, sugar, seafood, coffee, etc.), declining discounted oil imports from Venezuela, and declining payments by countries for medical/educational services resulting in a decrease in imports. Mariel is operating at approximately 41% of current capacity.
- In 2019, the plan is to add 300 meters (984 feet) of quay.
- Long-term development includes an additional 1,400 meters (4,593 feet) of quay- for a total of 1.5 miles of quay and a total annual potential of 3 million TEU's.



Who Services Mariel?

- **Melfi (which is owned by the government of Cuba and represents approximately 30% of activity)**
- **Maersk Line**
- **Mediterranean Shipping Company**
- **CMA CGM**
- **Hamburg Sud**
- **Cosco Container Lines**
- **Hapag-Lloyd, Zim Integrated Shipping Services**
- **Evergreen Line**
- **Nirint**
- **Jacksonville, Florida-based Crowley.**
- **Melfi, the Cuba government-owned shipping line, has mainline services. Maersk has a mainline service from Northern Europe. Hapag-Lloyd has services from Mexico.**
- **The other companies are transporting cargo by feeders- from Panama and Kingston, Jamaica, the Bahamas, and from Caucedo in the Dominican Republic, with Panama-based Isla Bonita Shipping accounting for a majority.**









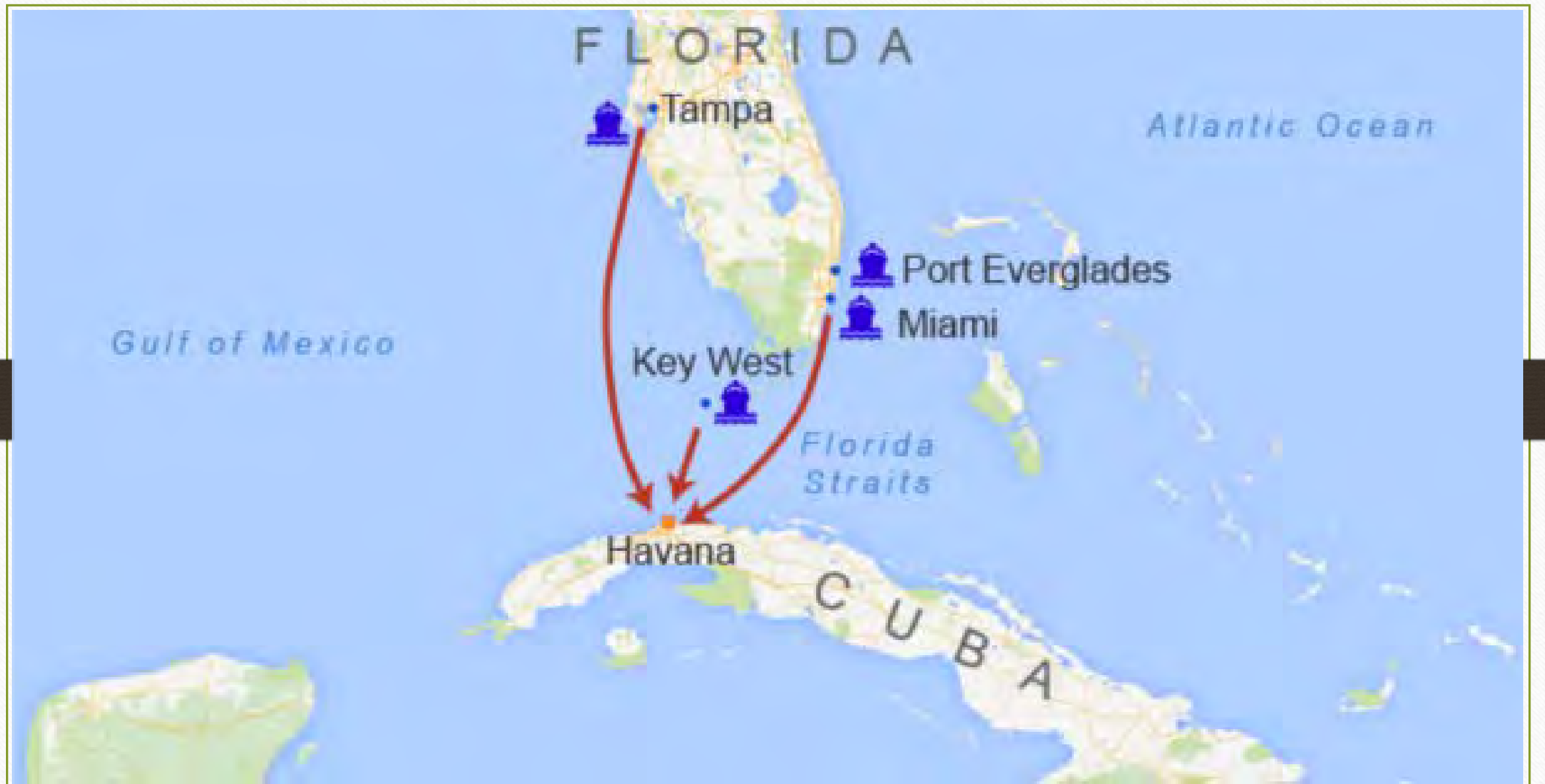












What Do US Companies Want Before President Obama Leaves Office?

- **What Would Be Helpful**
- Authorize all commercial activity under a general license from the Office of Foreign Assets Control (OFAC) of the United States Department of the Treasury and Bureau of Industry and Security (BIS) of the United States Department of Commerce, including Direct Foreign Investment (DFI)
- Issue a general license from the OFAC for all vessels pursuant to the 180-day provision of the Cuban Democracy Act (CDA) of 1992
- Authorize all transactions with Republic of Cuba government-operated companies
- Authorize all imports under general license
- Authorize all exports under general license
- Authorize Republic of Cuba government-operated financial institutions to have accounts with United States-based financial institutions for the purpose of correspondent activities
- File motions to dismiss unwarranted civil judgements against the Republic of Cuba
- Announce specific progress for the settlement of the 5,913 claims certified with the Foreign Claims Settlement Commission (FCSC) within the United States Department of Justice