

## CHAPTER 14

# EU-Cuba Relations

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*Abstract: This paper presents the European Union's policy towards Cuba as well as the European Commission's recent positive engagement in developing a structured dialogue with Cuba, including on political and economic questions.*

### **Framework of EU-Cuba Relations**

The European Union (EU) has created a very extensive network of cooperation agreements with almost all countries and regions in the world. Caribbean countries are covered by the Cotonou Agreement, which links the EU to 79 countries from Africa, the Caribbean and the Pacific. Latin American countries have signed bilateral agreements with the EU. The EU also has regional agreements with the Mercosur, the Andean Community, Central America and Caricom. Cuba is the only country in the region that does not have a cooperation agreement with the EU.

The EU policy towards Cuba is based on a **Common Position** of the 27 EU Member States of December 1996. This is the founding document. The EU's main aims with this position are to encourage the transition towards pluralist democracy and the respect of human rights and fundamental freedoms in Cuba, as well as to improve the standard of living of the Cuban people. In line with the constructive engagement policy the EU focuses on political dialogue with Cuban authorities and civil society.

The Common Position is a unilateral document of the EU. It can only be changed by consensus of the 27 Member States. It is interpreted and complemented by Conclusions of the Council of Ministers, again adopted by unanimity. A review of the Common Position by the Council of Ministers takes place every year. The next one will be held in June 2008.

In June 2003, the EU adopted **diplomatic measures** as a protest against the Cuban government's crackdown on peaceful political activists in the spring of 2003. These measures included: the reduction of high-level bilateral visits; a reduced participation of EU Member States to cultural events; and the invitation of Cuban dissidents to national celebrations of EU Member States. The measures were suspended in January 2005, following the release of a number of political prisoners, but they were not formally lifted.

The EU Council of Ministers, in its foreign affairs composition, adopts regular **Conclusions** on Cuba. This contributes to shaping the policy framework of EU-Cuba relations. The latest EU Council Conclusions on Cuba are those of 18 June 2007. They mark a change. The Conclusions acknowledge a new situation with the transition from Fidel to Raúl Castro. The EU therefore offers to resume an open and comprehensive dialogue with Cuban authorities on all topics of mutual interest. This includes all areas of possible cooperation: political issues, human rights, as well as economic, scientific and cultural cooperation. This dialogue would be re-launched on a reciprocal and non-discriminatory basis, with no preconditions. The EU also recognises the right of the Cuban people to decide about their future.

At the same time of course, the high-level attention devoted by the EU to human rights remains unchanged. The Council Conclusions deplore that the situation regarding political prisoners hasn't changed fundamentally. They also clearly state that the EU will expose its views on democracy and human rights in its dialogue with Cuba. Furthermore, the EU makes it clear that it will pursue its dialogue with civil society as well as its support to pacific change. It also urges Cuban authorities to undertake the political and economic reform necessary to enhance the daily life of Cubans. Finally, the EU reaffirms its readiness to contribute positively to the evolution of the situation in all sectors, including through development cooperation.

The various components of the EU's policy framework have to be respected by all EU Member States and the European Commission in their bilateral relations with Cuba.

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## Elements for an EU-Cuba Dialogue

On this basis, the European Commission has identified key elements for a renewed dialogue between the EU and Cuba. There would be three main strands: first, economic and trade relations; second, cooperation in its broadest sense; and third, political dialogue and political cooperation

Regarding **economic relations**, the latest trade data shows that Spain, which was traditionally Cuba's main trading partner, has seen its position progressively eroded. In the last years, trade with Spain has been eclipsed by the growth of trade with Venezuela and China. The Commission expects this trend to continue. Among EU countries, the Netherlands and Germany follow Spain, although with a less diversified export base. Overall, the EU remains Cuba's main trading partner with 3 billion dollars worth of exchanges. Cuba imports are mostly comprised of tobacco, fisheries products, sugar and rum. In 2006, EU exports amounted to 2.1 billion dollars and imports to 900 million dollars. This corresponds to 28% growth of exports but only a 2% growth of imports. This being said, the EU is clearly losing ground to Venezuela and China.

European investment in Cuba is concentrated in a limited number of sectors, the main ones being tobacco, spirits, telecommunications and tourism. Tourism plays an increasing role in the Cuban economy. Taken as a whole, the EU contingent of tourists is the largest. European tourism is dominated by the UK, with close to 10% of the total (around 200.000), followed by Spain. Yet as an individual country, Canada provides by far the largest number of tourists to Cuba: in 2006, this amounted to over 600.000 tourists (or 27% of the total).

Regarding **development cooperation**, bilateral cooperation with the Commission has been stopped by Cuba following the adoption of the 2003 measures. Cuba's position is that bilateral cooperation can only resume once the measures have been lifted – suspension is not enough. Commission cooperation with Cuba mainly concerned humanitarian aid, food security, technical assistance, and support to NGOs. The Commission also finances a few microprojects directly from its Delegation in La Havana.

At regional level, the cooperation continues or is open to Cuban participation. This mainly concerns a few regional programmes between the EU and Latin America. For instance, in 2007 seven Cuban students

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received Erasmus Mundus scholarships to study in the EU (that amounts to \$21,000 a year, for a maximum of two years). Cuba can also participate in the Commission thematic programmes, which complement its bilateral cooperation.

The Commission's view is that there is considerable potential for expanding the development cooperation with Cuba at all levels. The Commission is ready to resume its bilateral cooperation with Cuba, which was suspended unilaterally by Cuba. Regional and thematic programmes are open to Cuban participation. In the future, one could even envisage the possibility to discuss a bilateral cooperation agreement with Cuba.

More originally, the Commission considers that triangular cooperation involving the EU, Cuba and other partner countries could be of interest. Cuba has strong capacity or experience in areas like health or risk prevention and disaster preparedness. Combined with the EU financing capacity and its own expertise, this could be interesting for countries in the region, or even in other parts of the world.

Regarding themes of common interest for a **political dialogue**, the most obvious one would be human rights and democracy. The Millennium Development Goals (MDGs) would also be of particular interest given Cuba's mixed record regarding progress towards the MDGs. Overall, it is doing well on education and health-related MDGs, but more progress is needed on the eradication of poverty and hunger as well as on sustainable development, particularly access to water and sanitation. This being said, the MDGs could be potentially met in Cuba. This is also why the EU calls for economic and political reform, and offers its assistance. Climate change, sustainable development and environmental protection are other potential areas of cooperation, and so are disaster preparedness and risk preparedness, and the fight against drug trafficking.

There are several fora where political dialogue with Cuba could unfold. First, the Bi-annual Summits the EU holds with Latin America and the Caribbean. The next one will be held in Lima in May of this year and will address many of the issues mentioned above. Other options include meetings of the EU Troika with Cuba are, bilateral contacts with Member States and the Commission, and of course the United Nations system in the widest sense.

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## **Visit of Development Commissioner Louis Michel, 7-8 March 2008**

Mr. Louis Michel, the European Commissioner for Development and Humanitarian Aid, travelled to Cuba on 7-8 March 2008 for official talks with Foreign Affairs Ministers Roque and a number of other key interlocutors. The visit pursued two main objectives: on the one hand, contribute to the normalization of EC-Cuba relations, and on the other, discuss the possibility of resuming the EC-Cuba cooperation.

Commissioner Michel held open and frank discussions with his interlocutors on a wide range of issues of mutual interest, including political issues, human rights, trade and the economy, the MDGs, science and culture. They identified a number of areas for a political dialogue, for instance the environment, access to EU markets, food security, science and technology, cultural exchanges, and disaster prevention and risk preparedness.

Regarding the future of the EU-Cuba relation, Cuba made it clear that the main obstacle to normalization were the 2003 measures. Yet both sides reaffirmed their readiness to continue working towards the normalization of the relations. They concurred that a constructive dialogue is the best way to achieve this.

### **Conclusion**

To summarise, the Commission's view is that there is an opportunity to normalize the relation with Cuba and resume cooperation. The Commission has therefore engaged positively in developing a structured dialogue with Cuba including on political and economic questions. Of course, things remain at a very preliminary stage. Much will depend on further discussions with Cuba and the next review of the EU Common Position, which is expected to take place in June-July 2008.

