

# CUBA: OPPORTUNITIES FOR FOREIGN INVESTORS IN LUXURY HOTELS CONSTRUCTION



Cuba's tourism industry expanded its offer to foreign investors with 106 projects, 27 of them for founding joint ventures with the island state, 65 hotel contracts and 9 for management and marketing as part of the country's efforts for attracting foreign capital to the sector. Part of the offer is also the luxury hotel segment.

The sectors opened by the Cuban authorities in the leisure industry are included in the portfolio of opportunities of that profile offered by the island, at a time when the national economy is going through very chaotic times due to the aftermath of the Covid-19 epidemic, which is currently in retreat on the island.

Juan Carlos García Granda, Minister of Tourism, said that Cuba will also evaluate signing service management contracts with financing for gastronomic activities. **He also mentioned business agreements on leasing and associations of the tourist marina.**

The minister also mentioned other opportunities for investors that are already included within the proposals: construction of four and five-star hotels are already included in the Cuban plans as well as a nature and adventure theme park.

Cuba has at its disposal 70,000 rooms nationwide, with a 9.1% growth in the rate of visitors since 1990, being 2018 the highest inbound tourism year with 4.7 million visitors. As an example of foreign business success in the Cuban tourism sector, a representative of the Spanish hotel chain Meliá Hoteles Internacional in Cuba said that his company manages over 33 hotels in this Caribbean country, with about 15,000 rooms.

The Cuban government is developing a visible promotional offensive around the national economy, which according to their claims, in addition to the consequences of the pandemic, are the results of a 60-year long blockade by the United States.

The Minister of Economy and Planning, Alejandro Gil, announced that the island began "a process of gradual recovery to take advantage of the fact the epidemic is under control in Cuba, the opening of tourism and all the strategies for improving the state enterprise and the rest of the economic actors". He acknowledged, however, that 2021 has been "a hard year, but also heroic for the Cuban people, as we faced all the attacks of the empire (USA) to destroy the revolution and we faced the pandemic".

**He mentioned, "transformation measures" implemented by the government such as developing state enterprise and the expansion of the private sector, which are "consistent with the Cuban constitution** and corresponds to what was approved in the last three congresses" of the ruling Communist Party of Cuba. He considered these measures as "endorsed in the guidelines of the country's economic and social policy".

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