



### The United Nations Country Team submission for Universal Periodic Review of Cuba

1. Cuba is a high-level human development country, ranked 68<sup>th</sup> on the Human Development Index in 2015<sup>1</sup> and positioned close to the lower threshold of the group of high-income and middle-income countries<sup>2</sup>. According to the Regional Human Development Report for Latin America and the Caribbean presented in October 2016, the social achievements reached by the country are higher than expected according to its level of per capita income. The report noted that, in the case of Cuba, gross national income undervalues achievements in multiple dimensions of well-being<sup>3</sup>.
2. Cuba's population is 11.2 million people, of which 19.8% is aged 60 or older. By 2030, this is expected to rise to over 30%. Additionally, over the last three decades, low birth rates and rising life expectancy are leading to a critical aging process and a decline in working age population. This important demographic change brings challenges with significant implications for public policies and services care policies for the elderly.
3. The Cuban Government has continued implementing an economic and institutional reorganization process known as the "updating process of the economic model". The initial landmark in this process has been the *Economic and Social Policy Guidelines for the Party and the Revolution*. In May 2017, an update of these guidelines and two new strategic documents were approved by the National Assembly of People's Power (Cuban Parliament). The two new documents *The Conceptualization of the Cuban Economic and Social Model* and *The Bases of the 2030 National Plan for Economic and Social Development* have been widely disseminated by national media.
4. As part of this updating process, institutional and structural changes have been implemented, aimed at building a model of "more prosperous and sustainable socialism" as stated by President Raúl Castro. Among the most important issues set as priorities are: the reshaping of the public sector, including the separation of state and corporate functions; the strengthening of macroeconomic policy; new management arrangements within the non-state sector and the increasing of employment in this sector; the possibility of transferring state assets to cooperatives and leasing of state facilities; the universal access, quality and sustainability of social services such as health and education; and encouraging foreign investment as an important source of financing and technological transfer.
5. Several economic and social measures were approved. A new regulatory framework was implemented to differentiate government regulatory functioning from the scope of state-owned enterprises, reduce the number of ministries and state-owned companies, and grant new powers

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<sup>1</sup> Informe sobre Desarrollo Humano 2016. [hdr.undp.org/sites/default/files/HDR2016\\_SP\\_Overview\\_Web.pdf](http://hdr.undp.org/sites/default/files/HDR2016_SP_Overview_Web.pdf)

<sup>2</sup> <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519>

<sup>3</sup> Informe Regional sobre Desarrollo Humano para América Latina y el Caribe. Progreso multidimensional: bienestar más allá del ingreso, página 327. UNDP, 2016.

to state-run enterprises to increase efficiency. Experimental change in local government management with increasing levels of decentralization is being conducted.

6. A new Labour Code came into effect, which includes the non-state sector and regulates work relations among natural persons. The monitoring of experiences with new non-agricultural cooperatives continued and the numbers of free-lance workers (non-state sector) increased. More than 400<sup>4</sup> non-agricultural experimental cooperatives have been established and the self-employment sector now includes more than 29% of workers<sup>5</sup>. In August 2017, the Cuban government announced that the issuance of new self-employment licenses was temporarily suspended in order to put in place new regulations to avoid tax evasion incidents and other misconduct. Housing related measures were approved that included new subsidy regulations and a new policy on transferring ownership of homes previously provided by the State. A gender strategy to promote gender equality at all levels of the Cuban agricultural system was approved by the Ministry of Agriculture in 2016.
7. Regarding the announced Process of Monetary and Exchange Rate Unification, methodologies for price formation and bookkeeping were defined, which will come into effect at the moment of the unification, and the government authorized the acquisition of goods in Cuban pesos (the currency that will remain in circulation after the unification) in stores where business was conducted only in convertible pesos. This process has lasted four years since the announcement.
8. Since 2015, as a result of external debt renegotiation processes with key foreign creditors, limited access to new medium- and long-term international loans was possible and there was an improvement in Cuba's risk rating. This improved external financial situation contrasted with significant domestic financial constraints. In the last two years, the economy has been experiencing modest or negative GDP growth. At the end of the first semester of 2017, GDP growth was about 1.1%.
9. In 2015, Cuba played an active role in the intergovernmental negotiations of both the Agenda 2030 for Sustainable Development and the Conference of Parties on Climate Change (COP21). President Raúl Castro participated in the Summit on Sustainable Development and the Meeting of World Leaders for Gender Equality and Empowerment of Women in New York in September 2015. The country is also a member of the Inter-Institutional Group of Experts on indicators of the Sustainable Development Goals (SDGs). Following up on its international commitments, Cuba confirmed the Paris Agreement on Climate Change in December 2016.
10. In 2017, Cuban parliament approved the “Tarea Vida”, which turns the need to introduce climate change adaptation and mitigation into State policy. This initiative is seen by national authorities as the most comprehensive sustainable development policy to date as it sets specific benchmarks and locations for short-, medium- and long-term. This is particularly relevant as Cuba is regularly affected by extreme meteorological phenomena, such as hurricanes and drought.
11. Recently, the country was severely affected by two hurricanes, Matthew in 2016 and Irma in 2017, and a four-year drought affecting a substantial part of the national territory. The most

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<sup>4</sup> <http://www.cubadebate.cu/noticias/2017/08/09/autoridades-explican-nuevas-medidas-respecto-a-cooperativas-no-agropecuarias/#.WeEUNftSy70>

<sup>5</sup> Cuba Statistical Year Book, 2016.

significant damage was reported in the housing; water, sanitation and hygiene (WASH); and agricultural (impacting food security) sectors.

12. Within the area of foreign economic policy in the updated *Economic and Social Policy Guidelines*, there is a sub-section dedicated to international cooperation offered and received by Cuba, Guideline 85, which calls for the promotion of a multilateral collaboration, with particular reference to the institutions of the United Nations System.
13. Cuba's second *United Nations Development Assistance Framework (UNDAF) 2014-2018*, was the result of a participatory process that involved 22 national actors such as ministries, institutions, academic research bodies and national NGOs. It was developed in the context of the *Economic and Social Policy Guidelines*. The Cuban Government agreed to extend the current UNDAF to fully align the new programming cycle (UNDAF and Country Programming Documents, CPDs) with the *2030 National Plan for Economic and Social Development*
14. The current UNDAF addresses four areas of cooperation: population dynamics and the quality, development and sustainability of social and cultural services; sustainable economic development; food and nutritional security; and environmental sustainability and disaster risk management. It supports people-centred strategies with a focus on gender, population, including youth, and territorial challenges.
15. Since 2014, bilateral relations between Cuba and the United States were re-established during the Obama presidency. More flexible regulations were introduced and various agreements between the two countries were reached in recent years. President Obama also ended the so-called 'wet-foot/dry-foot' policy that allowed Cubans who arrived on United States soil without visas to remain in the country and gain legal residency. Likewise, the Cuban Medical Professional Parole Program, which allowed Cuban medical personnel studying and working in third countries to apply for parole at any U.S. embassy, was eliminated. However, the US embargo continues to have a direct impact on the human development context in Cuba and on UN activities in the country. In October 2016, the General Assembly passed the resolution to end the economic, commercial and financial embargo imposed by the United States of America against Cuba, with 191 in favour and only 2 abstentions. In spite of all this progress in the diplomatic relations between these two countries, more recently, President Trump announced a new policy concerning the U.S. relationship with Cuba. It includes restricting some of the more flexible measures recently adopted including on travel and spending.
16. Cuba was recently examined within the context of UN special procedures: the Special Rapporteur on trafficking in persons, especially women and children, visited the island from 10-14 April 2017 and the Independent Expert on human rights and international solidarity was in Cuba from 10-14 July 2017. Their respective reports are forthcoming.
17. As part of the Cuban electoral system, the election of delegates to Municipal Assemblies of People's Power will be carried out from November to December 2017. In February 2018, as a result of the general elections, the National Assembly of People's Power will be elected. Parliament will elect, from its members, the Council of State, consisting of one President, 1 First Vice President, 5 Vice Presidents, 1 Secretary and 23 other members. The President of the Council of State also serves as the Head of State and Head of Government.