

# Cuba versus "The Blockade". Losses and Damages Over Six Decades

Facts and figures from Cuba's report on UN General Assembly Resolution 73/8 calling for an immediate end to the U.S. blockade

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Granma International shares facts and figures from Cuba's report, presented by Foreign Minister Bruno Rodríguez Parrilla, on Resolution 73/8 of the United Nations General Assembly

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The significant negative impact of measures recently adopted by the U.S. to tighten the blockade is not reflected in the following account, since this escalation occurred after the time period analyzed.

#### Overview

- Losses April 2018-March 2019: 4,343,600,000 dollars
- Damages accumulated over six decades of this policy, at current prices: 138,843,400, 000 dollars
- Total quantifiable harm caused by the blockade has reached more than: 922,630,000,000 dollars (depreciated as compared to the price of gold)
- Damages caused by exclusion from to U.S. market: 163,108 659
- Damages caused by use of intermediaries in purchases and higher prices in distant markets: 173,210,916
- Damages due to increased costs for shipping & insurance: 72,160,602
- Potential export income lost: 2,343,135,842
- Higher financing costs due to national risk rating: 47,290,204
- Prohibitions on use of the U.S. dollar: 85,139,436
- Other: 12,535,892Total: 2,896,581,555

### Health

The damage caused by sanctions on Cuba in the field of health is unquestionable. This hostile policy obstructs the acquisition of technology, raw materials, reagents, diagnostic tools, equipment and spare parts, as well as medicines for the treatment of serious diseases like cancer- Between April 2018 and March 2019, damages in this sector amounted to \$104,148,178, a figure that far exceeds last year's estimate of \$6,123,498.- Relatives of patient JCHC, with medical history number 68100309926 at the Hermanos Ameijeiras Clinical-Surgical Hospital, who died on June 15, 2018 due to spongiform cardiomyopathy

with terminal heart failure, can never forget that if circulatory support had been available from an Impella device, produced by the U.S. company Abiomed, the life of JCHC could have been saved.- The import-export company Medicuba S.A. made requests to 57 U.S. providers to acquire supplies necessary for health. To date, 50 of these have not responded.- Several U.S. companies were contacted for the purchase of novel cancer drugs. Thus far none has responded.- The U.S. corporation Bruker was unsuccessfully contacted for the purchase of spectrophotometers, devices used in laboratories for the analysis of substances and microorganisms.



Photo: José Manuel Correa

### Food and Agriculture

The consequences of the blockade in this sector, of vital importance to any nation, have been estimated at a value of 412,230,614 dollars.

Food processing companies import approximately 70% of their raw materials from different markets, including Spain, Brazil, etc. The blockade prevents access to the U.S. market, which is more convenient in terms of prices, proximity, and the wide range of materials and equipment available to modernize production.

Havana Club, one of the most prestigious rum makers in this sector, was denied potential earnings of \$41,300,000 by the blockade.

## Education, Sports and Culture

The University of Sancti Spíritus was not allowed to purchase 20 Smart Brailler typewriters and auditory accessories from the Perkins company, essential to the training of special education teachers.

January 23, 2019, the French bank Société Générale de París retained a bank transfer of 7,474 euros from Equatorial Guinea to Cuba, compensation for professional educational services provided.

Purchases of sports equipment required by official regulations of international federations have been restricted.

The 22nd edition of the Terry Fox Run in Cuba could not be held this year, with the director of this International Foundation informing organizers that the fund could no longer help with the event or continue to support cancer research here.

The Caribbean Baseball Federation has been unable to establish with the U.S. a legal way to pay the prizes won by our players.

The financial persecution of Cuba has made it impossible to collect payment for services provided by the Cubadeportes agency, both for the technical assistance and commercialization of activities in Cuba.

Of 37 artistic companies that could have promoted their work in the United States, only 24 have obtained permission to enter that country.

#### **Tourism**

In the tourism industry, damages amount to 1.383 billion dollars. If the blockade did not exist, studies indicate that 35% of all visitors to Cuba annually would be from the United States.

The Cubatur travel agency suffered monetary-financial losses of at least \$497,800.

The Havanatur company suffered damages due to the refusal of correspondent banks to process payments; the closing of bank accounts in third countries; the retention of funds; and the cancellation of credit card transactions.



Photo: Julio Martínez Molina

The Center for Genetic Engineering and Biotechnology (CIGB) reports revenues not received from potential exports to the U.S. of Heberprot-p, the only medication of its kind for the treatment of diabetic foot ulcers. Projecting that if only 5% of U.S. patients with this condition used Heberprot-p annually, income from its export would have reached a value of \$103 million in 2018.

The Import-Export Company Farmacuba experienced difficulties in acquiring raw materials for the production of medicines.

The Oriente Pharmaceutical Laboratory Company, affiliated with BioCubaFarma, reported shortages of Vitamin A for its Nutriforte multivitamin, as a result of the blockade, thus limiting production by 78,694,200 tablets.

The delivery of printed aluminum foil for Nicotinamide in the month of March 2019 was affected, and it is possible that production of Dipirona and Alprazolam will be limited in September and October for this reason.

#### Transportation

Total damages in this arena during the analyzed period exceeded 170 million dollars, an increase of more than 69 million with respect to the previous report.

The Caterpillar supplier in the Netherlands prohibited the Dutch company Damen – main supplier of Caterpillar and Cummings spare parts for the Damex shipyards in Santiago de Cuba – from selling its products to Cuba, necessary for the repair and maintenance of pilot boats and tugs.

Cubana de Aviación is unable to use the services of the company ATCO, which is responsible for publishing the air fares of more than 500 airlines.

The Spanish airline Air Europa (UX) refrained from specifying the "Shared Code Agreement" and fulfilling its commitment to Cubana Airlines.

### Industry

The blockade's impact on Cuban industry caused losses of 49 million dollars, which could have been used to acquire necessary raw materials.

The construction sector continues to face serious difficulties in acquiring more efficient, lightweight technologies that require less energy and materials.

The chemical industry state enterprise group, GEIQ, was unable to acquire spare parts or replace machinery. Communications, Information Technology & Telecommunications.

The economic damages caused to the communications system are estimated at more than 55 million dollars. Cuba's telecommunications company Etecsa continues to feel the greatest impact.

The blockade policy limits the Cuban people's access to content available on the Internet.

Cuba is denied access to official information from top-of-the-line technology sites, making professional development and distance training difficult.

The blockade obstructs access to high-performance brands and equipment from leaders in the telecommunications industry.

## **Energy and Mines**

Damages in this area amount to 78,336,424 dollars, an increase of more than 18 million over the last period analyzed.

Cuba's national electrical company continues to face very limited access to spare parts for Bazan engines, manufactured by the Spanish company Navantia.

The British Compair Consortium, upon becoming part of a U.S. group, cut all relations with projects using its technology in Cuba for the centralized management of compressed air.

In September and November of 2018, two contracts were signed with General Electric International for the additional supplies of turbines at the Antonio Guiteras Thermoelectric Power Plant and for modernization of the Pico Santa Martha Power Plant. However, on February 5, 2019, a notification was received from the U.S. Centennial Bank, stating that, given the activation of Title III of the Helms-Burton Act, financing for these two contracts would not be granted.

#### Foreign Trade

Total damages caused by the U.S. blockade in the area of foreign trade were valued at 2,896,581,555 dollars, given an increase in incidents that hinder the conducting of international commercial activity.

The greatest effect was evident in lost income from exports of goods and services, reaching 2,343,135,842 dollars. The decreased number of U.S. travelers visiting the island during this period had a significant impact.

Damages caused by the geographical relocation of commerce are estimated at over 1.020 billion dollars, which represents a growth of 18% with respect to the previous period.

The effects of Cuba's inability to access the U.S. market were valued at 163,108,659 dollars.

The negative impact of being obliged to use commercial intermediaries and the consequent increase in prices was estimated at 173,210,916 dollars, reflecting an increase of 189% as compared to the last period analyzed.

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