# Economics wrap, Thursday 9th, 2014

## **Cuba Authorizes New Management Model for Taxi Service**

Cuba will extend a new management model for the taxi service agencies giving services in Convertible Cuban Pesos (called CUC and equivalent to US dollars in Cuba) experimentally applied since 2010 in Havana.

According to a report published by Cuban *Granma* newspaper, the regulation will start in force in the different regions of the Island step by step.

Cuban Transport Ministry expert Deborah Canela said the model consists on renting the vehicles to the drivers, who will become self-employed workers, instead being included in the enterprise payrolls.

"Since the restructuration was experimentally applied, it offered positive results," Canela said.

Besides a change in the image of the vehicles, the new administration model also made possible an increase of the quality of the service.

Under this administration model, taxi drivers take the maintenance, fuel supply and repair expenses with their own incomes.

The possibility to incorporate other drivers who are the owners of their own vehicles to the taxi service agencies is included, but only if they can fulfill determined technical and comfort requisites.

This experience is part of the wide process of transformation for many services, approved during the *6th Congress of the Cuban Communist Party*. The government wants to extend the experience through the whole country before the end of 2014.

# **Dutch Foreign Minister Urges to Improve Cuba-EU Ties**

The Minister of Foreign Affairs of the Kingdom of the Netherlands, Frans Timmermans, recently highlighted in this capital the relevance of an update in the relations of the European Union (EU) with Cuba.

The head of the Dutch diplomacy, in official visit to the Caribbean nation, stated during a meeting with Vice President Ricardo Cabrisas, that his country has special interests in strengthening the bilateral ties.

Mr. Timmermans cited among the reasons for the development of the relations, the economic adjustments implemented by Cuba and the business opportunities it provides.

He also mentioned the location in the Caribbean of three of the four country members of the Kingdom: St. Martin, Aruba and Curacao, and enhanced the affection of his people towards Cuba, promoted by tourist visits, knowledge of music and the national baseball, which motivates the promotion of human contact as well as the commercial relations.

Furthermore, Cabrisas announced Cuban willingness to work on common interests to boost the ties between both nations, vivid in 2013.

The Kingdom of the Netherlands and Cuba maintain uninterrupted diplomatic relations since 1902.

## **Legal Protection to Cooperatives Promoted in Cuba**

The Cuban Law Office of Industrial Property, LEX SA, develops a promotional strategy to promote the trademark registration and protection of non-agricultural cooperatives.

Reinier Amarán, director of that entity, told Cuban News Agency that the measure is consistent with the impulse the country gives to the innovative step and helps to distinguish it in the domestic market.

He noted that registering trademarks is advantageous because when they acquire prestige identify the quality of products and services and become intangible business assets.

Many of these cooperatives are made up by self-employed persons who already own trademarks and need to get noticed in this new way of working, Amarán said.

LEX SA outreach strategy is supported by the Ministry of Justice, in posters available in the Cuban Law Office of Industrial Property and in the creation of television programs.

The owner of a trademark has the exclusive right to use its logo in economic and commercial activities, including selling, offering and distributing of goods or services covered by the registration.

It also gives him the power to prevent or authorize its use by third parties through licenses.

Once the register is applied to, the trademarks are published within 180 days in the Official Bulletin of the aforementioned entity, so that other interested parties can submit oppositions based on an earlier right which could be affected.

After a year passes from the date of application, the Cuban Law Office of Industrial Property issues the grant, or total or partial refusal.

Industrial property is not a private issue but a weapon for trade, Amarán added, and should be seen as protective legislation preventing unfair competition.

#### Two successful Months for Major Photo-voltaic Park in Havana

The photo-voltaic park of Expocuba, in Havana has managed to generate 40% of the electricity demand of that fairground just 2 months in service.

This investment is part of the efforts of Cuba for the use of renewable energy sources, known as *RES Project*, and its opening took place during the *31st Havana International Fair*.

Pedro Abreu Mujica, Expocuba director, told ACN that these results will increase as all generating units or panels become operational.

He asserted that this modern installation, made in China, helped to reduce the use of fossil fuels and carbon dioxide emissions to the atmosphere.

Executives of the *National Electrical Union* (*UNE* by its Spanish acronym) say that betting on photo-voltaic energy and other renewable energy sources is an essential step in efforts to contribute to the Power system independence of the nation, and the progressive confrontation with global warming.

Livan Aronte, UNE director, told reporters that investments are executed in several provinces to increase the use of this RES.

He explained that the strategies in short and long terms will include the installation of new wind farms and photo-voltaic systems, as well as expanding the use of forest biomass, biogas and windmills.

Data provided by UNE indicate that when Expocuba Photo-voltaic Park to be at full capacity, it could generate 1 500 kilowatt-hours.

This comprehensive project includes Cuban agriculture, which plans to be self-sufficient in the consumption of electricity through the extensive use of renewable sources of energy, such as biogas for which Ministry of Agriculture experts are providing information and training to farm operators on the practical and financial advantages of the use of biogas.

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