

WORLD TRADE ORGANIZATION

RESTRICTED

G/TRIMS/N/1/CUB/1

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(95-2286)

Committee on Trade-Related Investment Measures

Original: Spanish

NOTIFICATION UNDER ARTICLE 5.1 OF THE AGREEMENT ON TRADE-RELATED INVESTMENT MEASURES

Cuba

The following communication, dated 18 July 1995, has been received from the Permanent Mission of Cuba.¹

(i) Description of the measure and its main features

1. Category in the illustrative list: 1(a). Decree Law No. 50 of 15 February 1982 establishes the legal regime under which economic associations between Cuban and foreign entities may be set up in Cuban territory. Article 32 states that Cuban State enterprises have a right of first option, on the basis of which they may offer the joint enterprise or the parties to other forms of economic association, in the cases laid down by law, internationally competitive prices and other conditions in connection with the following:

- (a) supply of fuel, raw and other materials, tools, equipment, spare parts, accessories and consumer goods;
- (b) purchase of the finished production of or the service provided by the economic association;
- (c) transport and marine insurance.

2. Application of the TRIM: This measure is applied under mandatory legislation.

3. The TRIM and the criteria determining its application: Since it was established by Decree Law No. 50 of 15 February 1982, the measure has not been applied and its use is not envisaged. Nevertheless, if this TRIM were to be applied it would be on the basis of an analysis of the competitiveness of the products and services offered by national state enterprises as compared with the similar products and services offered by other countries.

4. Requirements concerning new enterprises or new investments of existing enterprises: It is a general measure applicable to all enterprises set up under Decree Law No. 50.

¹The replies in this notification follow the order of the agreed format for notifications under Article 5.1, contained in document G/TRIMS/1.

5. Compliance with the TRIM: In accordance with Decree Law No. 50, this TRIM would be mandatory for all enterprises, without their obtaining advantages in exchange for compliance.
 6. Detail on specific products: No history of application.
 7. Date of implementation: This measure entered into force on 15 February 1982, but it has never been applied.
 8. Phasing-down: The Decree Law does not provide for phasing-down.
 9. Law, regulation or guideline: A copy of Decree Law No. 50 promulgated on 15 February 1982 by the Council of State of the Republic of Cuba is attached.²
 10. Level of government applying the TRIM: Ministry for Foreign Investment and Collaboration.
- (ii) General information on the programme in question:

This TRIM was designed as part of a policy to encourage foreign investment in order to promote national economic development. A draft law currently being studied could modify the legal regime now in force and, consequently, introduce changes in the provisions notified.

²Copies of this document are available for inspection by interested delegates in the Secretariat (Intellectual Property and Investment Division).