

At a glance

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A new phase in EU-Cuba relations

After 18 years of restricted policy, the EU and Cuba have started negotiations towards a future bilateral agreement aiming at supporting economic and democratic reforms. With power passing definitively from Fidel to Raúl Castro, Cuba has shown more openness to modernisation of the country. This new prospect of a normalisation in EU-Cuba relations may even stimulate some policy change in Washington.

General background

Since 1996, EU policy towards Cuba has been guided by the Council common position which restricts the EU's ties with Havana until reforms are made in areas such as democracy, multi-party system, human rights, and fundamental freedoms, as well as achievement of lasting economic recovery aimed at improving the living standards of the Cuban people. Cuba has rejected this EU position, arguing that it constitutes interference in its internal affairs. In July 2003, after the so called "Cuban Black Spring" when the Cuban authorities threw some 75 dissidents in jail, the Council froze its diplomatic relations with Havana. In late July 2006, Fidel Castro handed over power temporarily to his younger brother, Raúl Castro, seen as more receptive to reform and opening up the country. Consequently, in June 2007, the Council decided it would be ready to resume a political dialogue with Havana on topics of mutual interest. In 2008, limited contacts restarted following the release of some dissidents. The EU began lifting some sanctions unilaterally in 2008, the year Fidel Castro retired from the presidency and authority was handed definitively to Raúl Castro. The 2010 Spanish EU Presidency tried to change the EU's common position but was unsuccessful. Just after the 2011 Cuban Communist Party Congress, improvements were seen: Raúl Castro introduced economic reforms allowing some increased free-market activity and eliminated the exit visa requirement for Cubans to travel overseas. He also released the last of the 75 jailed in 2003, although harassment and brief detention of dissidents remains common. In 2013, the "Ladies in White" and dissident Guillermo Fariñas were allowed to receive the European Parliament's Sakharov Prize for Freedom of Thought in Strasbourg, after Havana lifted the travel ban that had prevented them from collecting it for years. Cuba is now engaged in an economic and social reform process. For this reason, the Dutch Foreign Minister called on the EU to change its policy toward Havana during a visit to the Caribbean island in January 2014.

EU-Cuba relations up to now

Notwithstanding the 1996 common position, <u>18 Member States</u> have signed cooperation agreements with the Cuban Government. The EU is Cuba's biggest <u>foreign investor</u> and Cuba's second biggest <u>trading partner</u> after Venezuela, and one third of tourists to the <u>island</u> every year come from the EU. Cuba has been a member of <u>the ACP group of States</u> since 2000, although it is not a signatory to the <u>Cotonou Agreement</u>. It is the only country in Latin America and the Caribbean which does not yet have a formal agreement with the EU. EU relations and cooperation with Cuba are carried out within the framework of the <u>EU-CELAC</u> and <u>EU-CARIFORUM</u> dialogues. Since 2008, the Commission has committed around <u>€60 million</u> for <u>cooperation</u> on post-hurricane reconstruction and rehabilitation, food security, climate change and renewable energy, culture, and education. Cuba also takes part in several EU-funded regional programmes. The first <u>Country Strategy Paper</u> was adopted in May 2010, making available €20 million between 2011 and 2013 for food aid, climate policy adaptation, and expertise exchanges. The EU has adopted decisions allocating <u>€6 million</u> to support the population affected by Hurricane Sandy in 2012.

New prospects

Cuba's economic and social reform process motivated the <u>Council</u>, on 10 February 2014, to extend an invitation to Havana to start negotiations for a future bilateral Political Dialogue and Cooperation Agreement

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aiming at supporting economic reform, modernisation and the promotion of human rights. HR/VP Catherine Ashton declared that she hoped that Cuba will take up this offer in order to work towards a stronger relationship between the EU and the island. One month later, during a press conference, Foreign Minister Bruno Rodríguez announced Cuba's acceptance of the EU's invitation which means an end to the "unilateral policies" of the EU on Cuba, he said. On 29 April 2014, Cuba and the EU opened negotiations in Havana. The talks focused on establishing modalities and a roadmap for negotiations and on the overall structure of the agreement. The next negotiation session will take place in Brussels, at a date to be mutually agreed. It has been reported by some EU press websites that EU negotiators aim to agree by the end of 2015 and Cuba seems very committed to signing an agreement with the EU.

Reactions to the EU's negotiations with Cuba

Since the Council's decision of February 2014, most EU governments have been silent about the launch of negotiations with Cuba, except for the <u>Dutch Foreign Minister</u> who expressed his satisfaction with this new prospect. The French Foreign Secretary, <u>Laurent Fabius</u>, noted there are no irreconcilable differences between the EU and Havana and <u>the Portuguese State Secretary for Foreign Affairs</u> considers that Cuba is becoming more attractive due to the changes in the economic sector, in particular for foreign trade and investment. The External Action Service's top official for the Americas, <u>Christian Leffler</u>, said in <u>an appearance</u> on 4 April 2014 before the EP that the EU and Cuba hope to hold a round of discussions every two months. A <u>written question</u> to the Commission has been tabled on the content of the future bilateral agreement.

The US imposed a trade embargo on Cuba over its economic policies and human rights record in 1962. Washington strengthened the sanctions with the 1992 Cuba Democracy Act and 1996 Helms-Burton Act which state that the embargo may not be lifted until Cuba holds free and fair elections and transitions to a democratic government that excludes the Castros (Raúl is scheduled to leave office in 2018). The White House has not reacted officially to the EU's opening of negotiations but US officials briefed on Europe's plans have said unofficially that the EU has Washington's "full understanding". At the end of the first round of negotiations which took place in Havana on 29 and 30 April 2014, the Cuban side noted that the exchanges were constructive and positive. The head of the European negotiating team affirmed they were "fruitful", but acknowledged discrepancies mainly based on the interpretations of human rights.

Expert comments from both sides

Eduardo Perera, professor of Contemporary History at the University of Havana, believes that the main reason for the EU's decision to initiate dialogue with Cuba has to do with the fact that its Member States have noticed the ineffectiveness of the 1996 common position. Another reason is that Cuba is the only Latin American nation that is not linked to the EU by a legal instrument. In addition, the Obama administration has been less intrusive than the Bush administration towards EU/Cuba relations. Former Cuban intelligence officer Domingo Amuchastegui wrote in Cuba Business and Economic News that Cuba-EU relations have to be taken cautiously and will not bring about spectacular results; a low profile will prevail until 2018; only after the mass retirement of the "old guard" led by President Raúl Castro and a radical change in US policy towards Cuba will the EU and its Member States become more actively involved in Cuba's economic, social, and political restructuring.

In an <u>article</u> published by the London School of Economics and Political Science, <u>William LeoGrande</u> believes that, with Washington still side-lined by its embargo, an engaged Europe can play a central role influencing the direction of Cuba's contemporary evolution, without imposing conditions but rather by creating an international environment that gives incentives to Cuba to continue evolving in the right direction. <u>LeoGrande</u> underlines the fact that Cuba policy-makers from President Barack Obama down to mid-level foreign policy officials and the Cuban American community recognise the ineffectiveness of Washington's current position on Cuba and want to change it. The EU's negotiations with Cuba could help to pave the way to improving US-Cuban Relations. A recent <u>article</u> published by the <u>Inter-American Dialogue centre for policy analysis</u> points in the same direction. Susanne Gratius wrote in a recent <u>position paper</u> published by the EU Institute for Security Studies that Cuba's <u>diplomatic reintegration</u>, backed by Brazil and Mexico, has provided an additional incentive for strengthening European engagement and could even stimulate some policy change in Washington; sanctions can be counter-productive and a different approach could be worth trying.

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