

CHTA wants better US-Cuba relations

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The Caribbean Hotel and Tourism Association (CHTA) regrets the recent US reversal of its travel policies to Cuba and the likely effects on the socio-economic development of Cuba and the wider Caribbean region.

The Association continues to support the ending of the US-Cuba embargo and its restrictions on trade and travel, and encourages Cuba's active engagement in regional economic development. CHTA concludes that the announced policy changes could stall or altogether reverse the heartening progress made in recent years.

If restrictions are indeed re-imposed, the Association expects adverse effects for US businesses – not only for import-export companies, but also for the US-based travel-related businesses that have made considerable investments in Cuba since normalisation began – and lost opportunities for those US companies considering doing business there.

Even before full normalisation, Cuba's hospitality industry's growth outpaced the rest of the region and most of the world. Major global hotel chains from outside the US have been investing in Cuba and today they manage tens of thousands of

rooms. As latecomers, US firms are already at a competitive disadvantage in Cuba. They risk becoming marginal players in the travel industry's growth in Cuba and throughout the region.

The Association urges the US and Cuba to accelerate cooperation and collaboration between their governments, based on their mutual acknowledgment that the growth of travel and trade presents the greatest opportunity for breaking the long-standing social, political and economic barriers that have historically divided the two countries.

CHTA urges that any new regulations continue to encourage small and medium enterprise opportunities, both Cuban and US-sourced. It also urges Cuban authorities to accelerate adjusting their investment and business licensing regulations to foster the local enterprises so crucial for a growing travel industry.

In its presentation to the US International Trade Commission in 2015, CHTA called for a new US-Caribbean relationship – sparked by a new US-Cuba policy – through the creation of a Caribbean Basin Tourism Initiative, which would recognise travel as a way to foster regional development and trade, and create points of engagement between the US's and the Caribbean's public and private sectors.

A vibrant travel industry both in Cuba and throughout the Caribbean basin benefits both the region and the US, helping to ensure the security of the US' "Third Border" while stimulating employment, entrepreneurial activity, trade and government revenues in the region. In the face of concerns about immigration into the US, it is self-evident that a prosperous Caribbean will put less pressure on population movements. The economies and people of the US and the Caribbean are interdependent and regional prosperity can be significantly improved through enhanced travel and with Cuba's full engagement.

CHTA remains hopeful that the recent US-Caribbean Strategic Engagement Act will be a catalyst for this and that the regulatory framework developed in the coming months by the US Administration, regulating Cuba travel and trade will address concerns being raised by regional and US travel industry stakeholders as a result of the recent announcement.

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