

UNCLASSIFIED

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UNCLASSIFIED
FM HAVANA
TO DESKBY 091430Z FCO
TELNO 249
OF 091253Z SEPTEMBER 94

ps / 8

OPY
T?

FOR [REDACTED] JEPD

SUBJECT: YOUR TELNO 214: UK/CUBA IPPA

SUMMARY

1. PENDING ARTICLE 10, THE MATCHING OF TEXTS AND QUALITY OF TREATY PAPER THE IPPA IS THERE FOR THE SIGNING.

[REDACTED]

5. THE CUBANS ACCEPT THAT TIME IS SHORT FOR MATCHING THE TEXTS BUT ARE KEEN TO SIGN, FOR EXAMPLE ON TUESDAY 13 SEPTEMBER THUS ALLOWING ONE MORE WORKING DAY FOR PREPARATION OF THE TEXTS, RATHER THAN SIMPLY INITIALLING, IF MR TAYLOR AGREES. (THIS TELEGRAM HAS BEEN COPIED BY FAX TO PS/MR TAYLOR IN PUERTO RICO ON 9 SEPTEMBER).

[REDACTED]

COLTMAN

YYYY

H1F 1231

LT

TO:

c.i. PS/Mr Taylor.

[REDACTED]

XEA3
XEA3c
LAD/PCO
HMA Havana

JEPD

FROM:

[REDACTED]

XEA3c
812 K/H

[REDACTED]

M. P.

19 December 1994

20
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12

CUBA IPPA

[REDACTED] CARITAG, who has just come back from Cuba, tells me that the Cuban Minister for Foreign Investment and Economic Cooperation, Ernesto Melendez, is prepared to come to London for the formal signing of the IPPA.

2. Could you please therefore keep my section in touch with the timetable for completion of the final stages. Do you envisage that, with the agreement of the Foreign Secretary, Mr Taylor would sign for our side?

[REDACTED]

[REDACTED]

JDP 154/1

HFE: IPPA
12/1

FROM: [REDACTED]

JR20
KH/308 - [REDACTED]

Date: 13 Jan 1995

cc: PS/Mr Davis
PS/Mr Goodlad
PS/Mr Taylor, DTI

[Handwritten initials]

1 [REDACTED] 16
2 [REDACTED] 4/1
3 [REDACTED] 11/3/7

man m
copy

[REDACTED]

LAD
Legal Counsellor
Treaty Section
NTCD
XEA3, DTI

Private Secretary

UK/CUBA INVESTMENT PROMOTION AND PROTECTION AGREEMENT (IPPA)

Problem

A 1. We have negotiated the text of an IPPA with Cuba. Should the Secretary of State approve it and agree to the IPPA being signed by Mr Taylor, Parliamentary Under Secretary for Trade and Technology?

Recommendation

B 2. I recommend that the Secretary of State approve the text [REDACTED]
[REDACTED] LAD, our departmental Legal Adviser, NTCD and Whitehall departments concerned concur.

Background

3. We proposed our model IPPA text to the Cubans in 1993. In subsequent exchanges through diplomatic channels in 1994, minor compromise passages to resolve issues of difficulty were agreed in time for Mr Taylor to initial the draft English text when he led a UK trade mission to Cuba in September. The resultant text is based closely on the UK model and satisfactorily preserves the high standards of investor protection we seek.

4. [REDACTED]
[REDACTED] We are urging them to instruct their Embassy in London to work closely with us to agree and prepare a final Spanish text. This would enable the IPPA to be signed in late January or early February when the Cuban Minister of Finance and Prices plans to be in London. Alternatively the Cuban Minister for Foreign Investment might sign if he includes London in a planned visit to Europe. Mr Taylor is keen to sign for the UK.

[REDACTED]



EXTRA

4/E 125/1

7

Overseas Trade Services

DE	SECRET
REF	SECRET
CLASSIFIED	SECRET

[Redacted]

To:

From:

DEPARTMENT OF TRADE AND INDUSTRY, ROOM 813
KINGSGATE HOUSE, 66 - 74 VICTORIA STREET,
LONDON, SW1V 6SW TEL: [Redacted]
FAX NO: [Redacted]

Date:

30/01/95

No of Pages:4.....
(including this one)

Subject:

PRESS NOTICE: CUBA/LIC/PROA

I attach a copy of the
press notice which has
just been issued. A copy
was sent to PRO News Room:

Regards

[Redacted signature]

[Redacted]

1 cc copy to Havana

[Redacted]

30/1

dti

the department for Enterprise



P/95/51

30 January 1995

TAYLOR OPENS UP TRADE AND INVESTMENT LINKS WITH CUBA

An Agreement signed today between the UK and Cuba heralds a new era in commercial relations. Ian Taylor, Minister for Trade and Technology, also announced that the Government has decided to establish a British Partnership Scheme for Cuba with an initial budget of £150,000 a year. In addition he announced the setting up of a Cuba initiative steering group, to be chaired by Baroness Young, which will back up these new links.

The new Agreement - an Investment Promotion and Protection Agreement (IPPA) was signed in London today by Ian Taylor and Jose Luis Rodriguez, the Cuban Minister for Finance and Prices.

Mr Taylor said:

"The IPPA, which was agreed during my visit to Cuba last September and officially signed today, is a significant step in creating confidence in the commercial relationship between British industry and Cuba. It sets standards applicable in international law and provides for the protection of existing and future British investments in Cuba."

The British Partnership Scheme, which will be managed by the British Ambassador in Havana, will be available to provide assistance for small-scale developmental projects and British consultancy advice. Welcoming the creation of the scheme Mr Taylor said:

"This money, combined with assistance from the private sector, will help Cuba continue her process of reform and cement further the ties between our two nations."

"To develop further trade and investment between the two countries I have asked the Caribbean Trade Advisory Group (CARITAG) to establish a specific initiative to increase the UK's economic and commercial presence in the Cuban market. I am very pleased to announce that Baroness Young has agreed to Chair the CARITAG steering group for trade and investment in Cuba."

The steering group will include directors of a number of major British companies involved in Cuba and representatives from the DTI and the Foreign and Commonwealth Office. The broad objectives of the initiative will be to increase significantly UK investment and trade with Cuba over the next three years by identifying sectors where opportunities exist for British companies and to provide advice and introductions. In addition CARITAG will organise inward and outward missions, visits and events in the UK and Cuba aimed at promoting general and specific business opportunities.

As part of this initiative, Baroness Young will lead a 35 person British trade and investment delegation to Havana from 5-8 February - the largest such British delegation ever to have visited Cuba in recent times.

Mr Taylor explained:

"I said, when I was in Cuba, that the British Government would want to be satisfied that the current reforms there would be developed. There are indications that the reform process is accelerating. Britain, British companies and the European Union can play an important role in helping Cuba to achieve managed change to a market orientated economy. I am therefore delighted to be able to welcome Minister Rodriguez to this country and to sign the IPPA on behalf of Her Majesty's Government. I look forward to increased trading and investment opportunities in the future between our two countries."

More.....

Notes For Editors

1. Investment Promotion and Protection Agreements are designed to set standards applicable in international law and to create a climate of confidence for investors. They provide for the protection of existing and future investments under the law of the host country and, in the event of expropriation, for the prompt, adequate and effective payment of compensation. This is the seventy first bilateral IPPA signed by the UK and more are being negotiated.
2. UK exports to Cuba totalled £25 million in January to November 1994, a significant increase over the total for 1993 of £14 million. Principal exports are agricultural chemicals, cereals, industrial machinery and manufactured goods.
3. CARITAG is the Caribbean Trade Advisory Group of the British Overseas Trade Board, which is made up of senior business figures and which advises the DTI and FCO on overseas trade.
4. Ian Taylor was the first British Minister to visit Cuba for 20 years when he led a trade delegation there last September. Sr Rodriguez is the first Cuban Minister to visit the UK formally since October 1993.
5. The British Partnership Scheme (BPS) allows Heads of Mission in certain developing countries to approve, without reference to the Overseas Development Administration (ODA), assistance for small projects of developmental value (including consultancy support), consistent with the priority objectives of the UK aid programme. The scheme delegates authority direct to Heads of Mission who are accountable to the ODA for the effective and appropriate use of funds. In designated smaller programmes the scheme is intended to substitute for a bilateral programme run by ODA, thus sharpening the cost effectiveness of delivering British aid.

Press Enquiries: 071 215 5976/8/60
(Out of Hours: 071 215 4657/8)
Public Enquiries: 071 215 5000

ENDS