

THE CURRENT TRANSFORMATION IN CUBA FROM A TERRITORIAL PERSPECTIVE



MSc. PATRICIA RAMOS HERNÁNDEZ

PLANNING DEPARTMENT

FACULTY OF ECONOMICS-UNIVERSITY OF HAVANA

CONTEXT OF TRANSFORMATIONS



2010-Present: "promote the initiative of the territories to enhance economic development"

Guidelines for Economic and Social Policy of the Party. (2011). Introduction. Page 8.



1959-2010: Planning at the local level marked by the logic of the central objectives of the country.

CONTEXT OF TRANSFORMATIONS

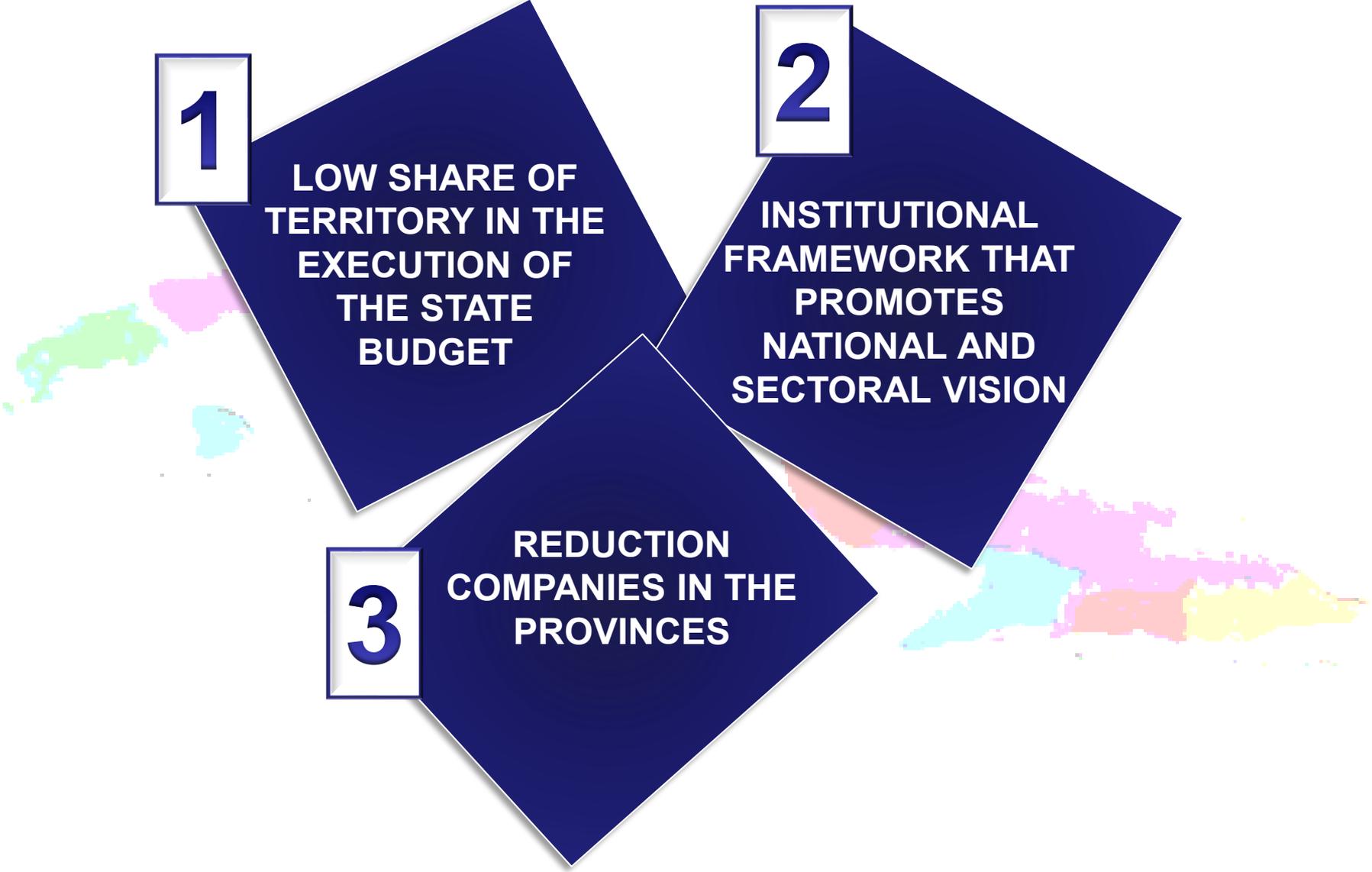
TERRITORY

Is the speech reflects the practice of the territories?

Can we speak of a degree of territorial decentralization of the state?

Does the institutional organization of the state contributes to the effectiveness in the territorial level?

There is a contradictory context for the development from the territory: Open Discourse that encourages participation and involvement of the territories, however, the framing in which they operate is highly restricted.



1

**LOW SHARE OF
TERRITORY IN THE
EXECUTION OF
THE STATE
BUDGET**

2

**INSTITUTIONAL
FRAMEWORK THAT
PROMOTES
NATIONAL AND
SECTORAL VISION**

3

**REDUCTION
COMPANIES IN THE
PROVINCES**

1

**EXPENDITURE BUDGET
(2012) Million Pesos**
**State
Budget
(A)**
**Central
Gov.
Budget (B)**
**Local
Budget
(C)**
(C)/(A)
TOTAL EXPENDITURE
51.306
38.853
13.127
26%
Current Expenses
44.876
32.424
13.127
29%

Budgeted Activities

29.899

16.773

13.127

44%

Education

8.776

4.260

4.516

51%

Health

5.924

1.767

4.131

69%

Defense and Public Order

3.369

3.369

15

0%

Social Security

5.346

5.346

0

0%

Administration

2.197

589

1.592

72%

Housing and communal services

1.306

323

982

75%

Productive Sphere

550

183

367

67%

Culture and Art

1.082

450

601

55%

Science and Technology

188

187

1

1%

Others activities

268

268

0

0%

 Transfers to the business sector and
cooperative

10.827

10.827

0

0%

Allowance for looses

1.828

1.828

0

0%

 Allowances for differences in prices
and products

2.334

2.334

0

0%

Others

6.665

6.665

0

0%

Financial Operation

4.150

4.150

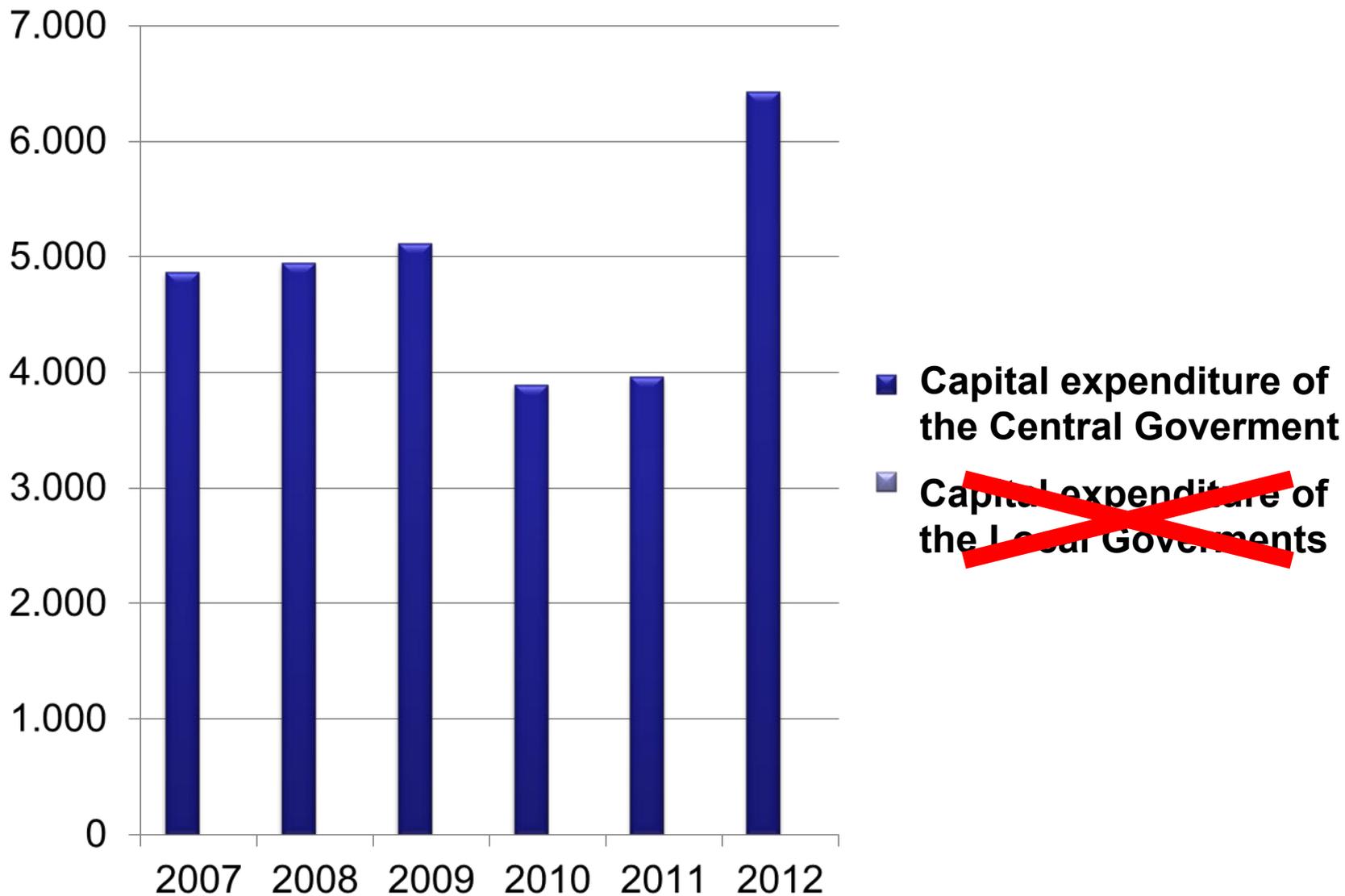
0

0%

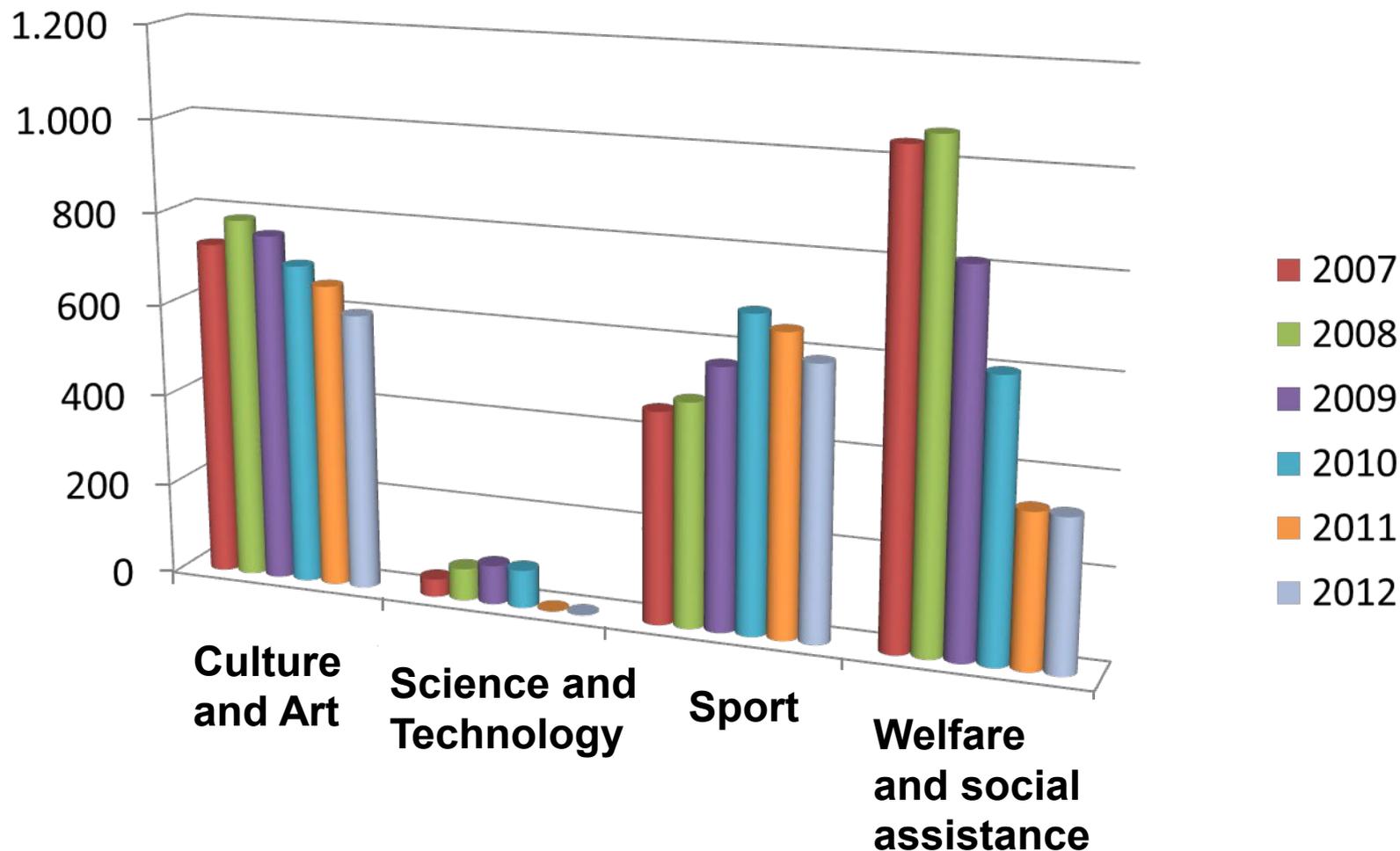
Expenditure Capital
6.430
6.430
0
0%

1

Implementation of the Local Government Budget in selected items 2007-2012



Implementation of the Local Government Budget in selected items 2007-2012

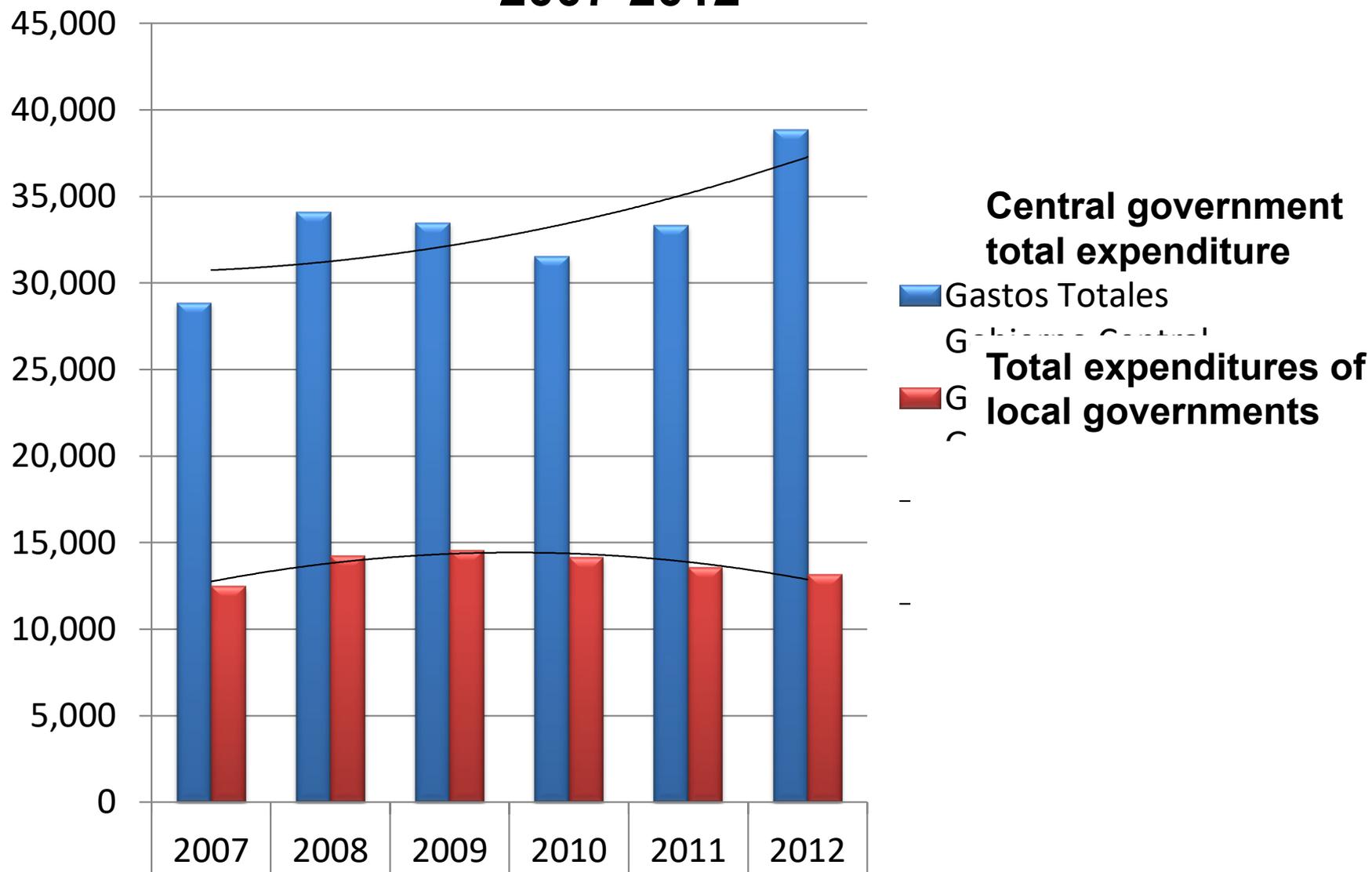


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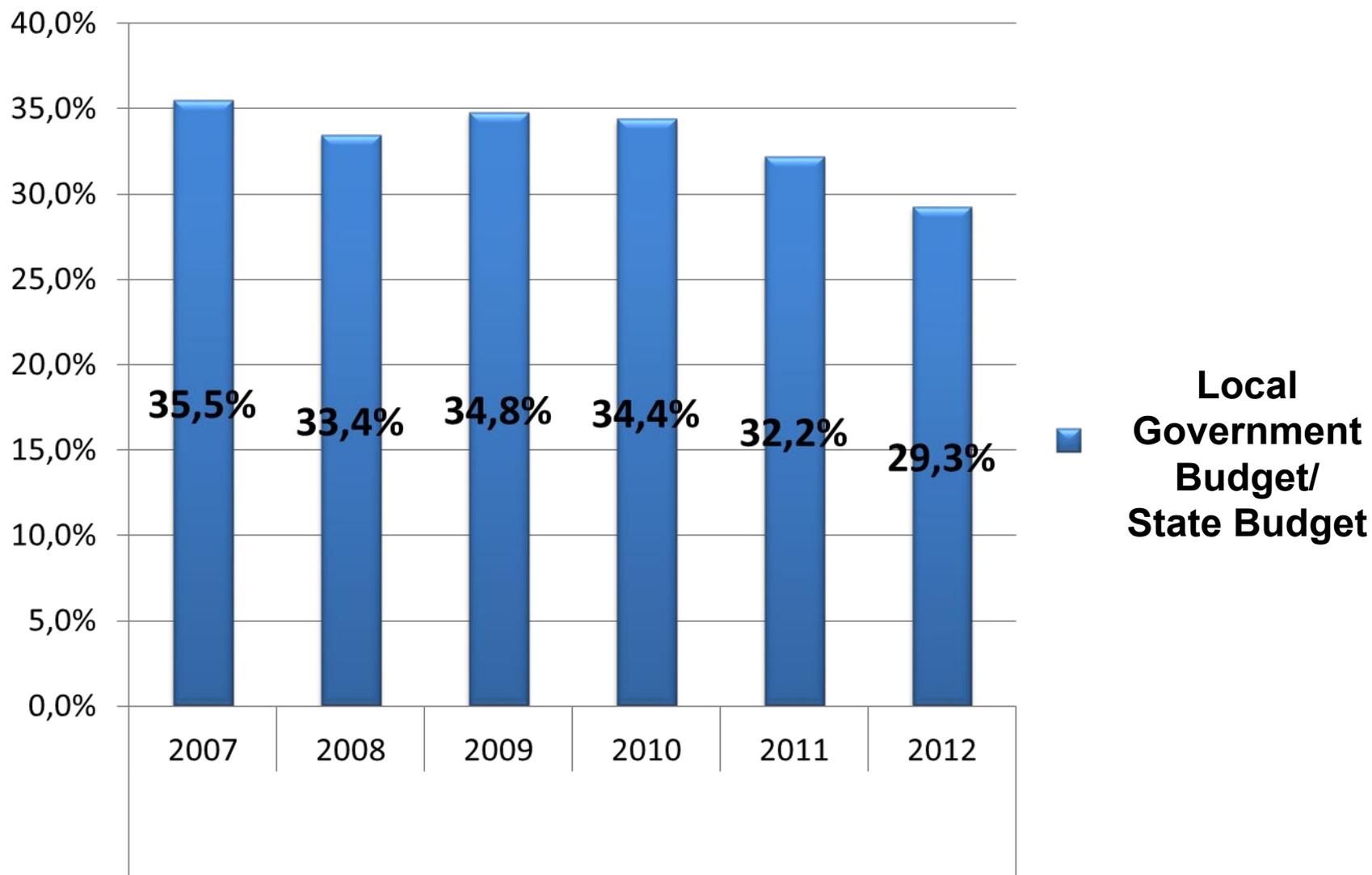
**EXPENDITURE BUDGET
(2012) Million Pesos**
**State
Budget
(A)**
**Central
Gov.
Budget (B)**
**Local
Budget
(C)**
(C)/(A)

	State Budget (A)	Central Gov. Budget (B)	Local Budget (C)	(C)/(A)
TOTAL EXPENDITURE	51.306	38.853	13.127	26%
Current Expenses	44.876	32.424	13.127	29%
Budgeted Activities	29.899	16.773	13.127	44%
Education	8.776	4.260	4.516	51%
Health	5.924	1.767	4.131	70%
Defense and Public Order	3.369	3.369	15	5%
Social Security	5.346	5.346	0	0%
Administration	2.197	589	1.592	72%
Housing and communal services	1.306	323	982	75%
Productive Sphere	550	183	367	67%
Culture and Art	1.082	450	601	56%
Science and Technology	188	187	1	1%
Others activities	268	268	0	0%
Transfers to the business sector and cooperative	10.827	10.827	0	0%
Allowance for looses	1.828	1.828	0	0%
Allowances for differences in prices and products	2.334	2.334	0	0%
Others	6.665	6.665	0	0%
Financial Operation	4.150	4.150	0	0%
Expenditure Capital	6.430	6.430	0	0%

Implementation of the Central State Budget 2007-2012



Local Government Budget/ State Budget 2007-2012



1

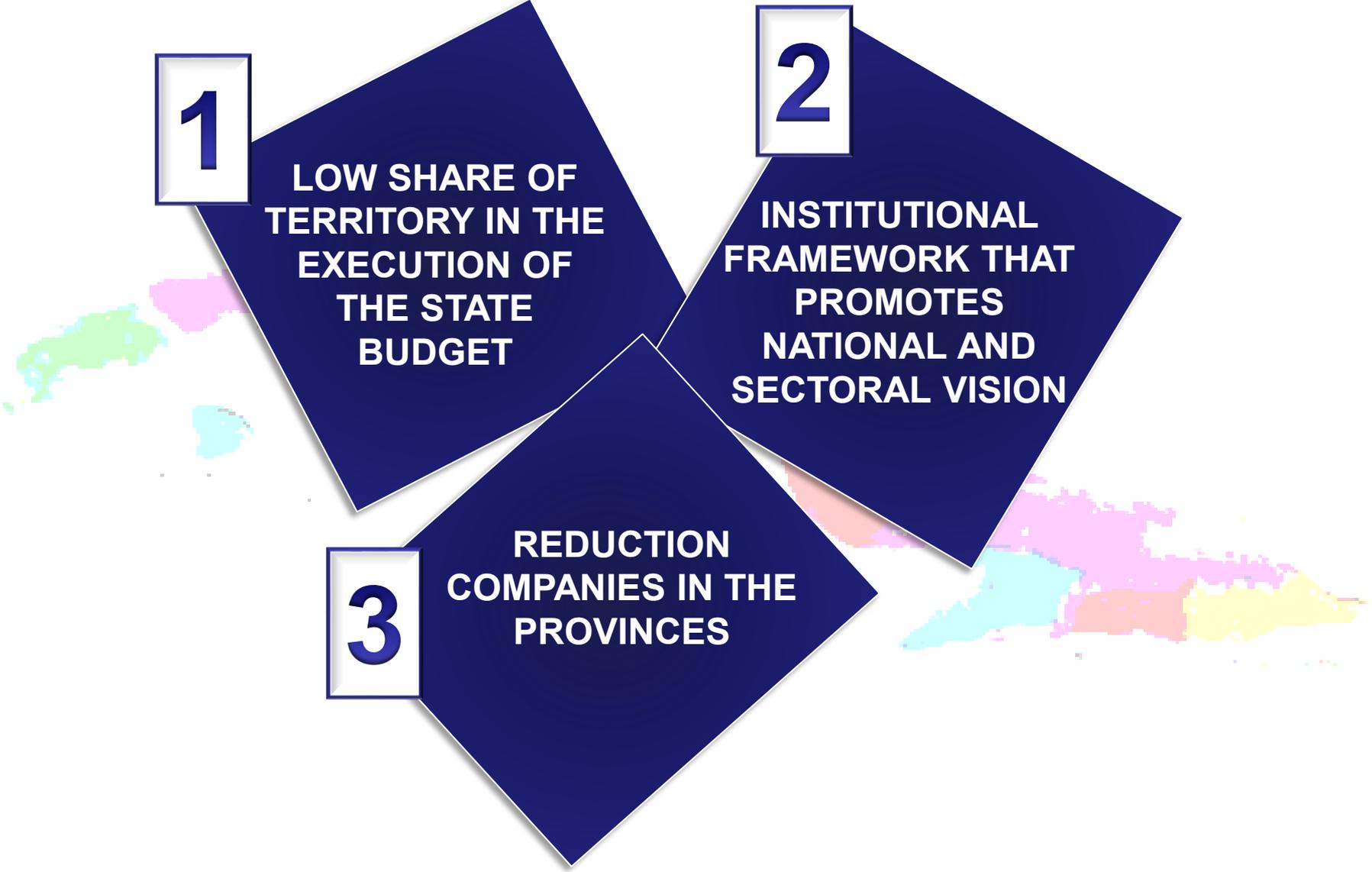
INDICATORS OF MUNICIPAL DECENTRALIZATION BETWEEN EUROPE AND LATIN AMERICA

Europe				Latin America			
Country, Year	Central Gov.	Interm. Gov.	Local Gov.	Country, Year	Central Gov.	Interm. Gov.	Local Gov.
Dinamarca 2006 (FMI)	49,5	-	50,5	Brasil, 2008 (CGLU)	45,5	28,7	26,8
Finlandia 2006 (FMI)	64,6	-	35,4	Ecuador 2004 (CGLU)	70,8	5,8	23,4
Italia 2006 (FMI)	72,8	-	27,2	Colombia 2006 (CGLU)	67	14,3	18,7
Holanda 2006 (FMI)	72,8	-	27,2	Bolivia 2008 (CGLU)	73	10,2	16,8
Inglaterra 2006 (FMI)	76,6	-	23,4	Perú 2007 (CGLU)	79,7	17,6	16,4
Suiza 2006 (FMI)	48,2	31,1	20,7	Chile 2007 (CGLU)	87,2	-	12,8
Noruega 2006 (FMI)	80,3	-	19,7	Uruguay 2005 (CGLU)	87,7	-	12,3
Francia 2006 (FMI)	81,6	-	18,4	Argentina 2006 (CGLU)	50,1	42	8,1
Alemania 2007 (FMI)	59,7	25,2	15,1	El Salvador 2007 (CGLU)	93	-	7
Austria 2006 (FMI)	70,7	15,8	13,5	Paraguay 2007 (CGLU)	93,7	-	6,3
España 2006 (FMI)	56,3	30,9	12,7	México 2007 (CGLU)	69,3	25,3	6,5
Irlanda 2006 (FMI)	87,5	-	12,5	R. Dominicana 2006 (CGLU)	94,7	-	5,3
Portugal 2006 (FMI)	88,2	-	11,8	Honduras 2006 (CGLU)	95,1	-	4,9
Luxemburgo 2007 (FMI)	89,2	-	10,8	Costa Rica 2007 (CGLU)	96,3	-	3,7
Bélgica 2005 (FMI)	66,9	22,8	10,4	Panamá 2005 (CGLU)	98,3	-	1,7
Promedio Simple	54,2	25,2	20,6		66,1	20,6	11,3

55%

50,8%

Source: Descentralización en América Latina y tareas del Municipalismo. Mario Rosales, 2011.



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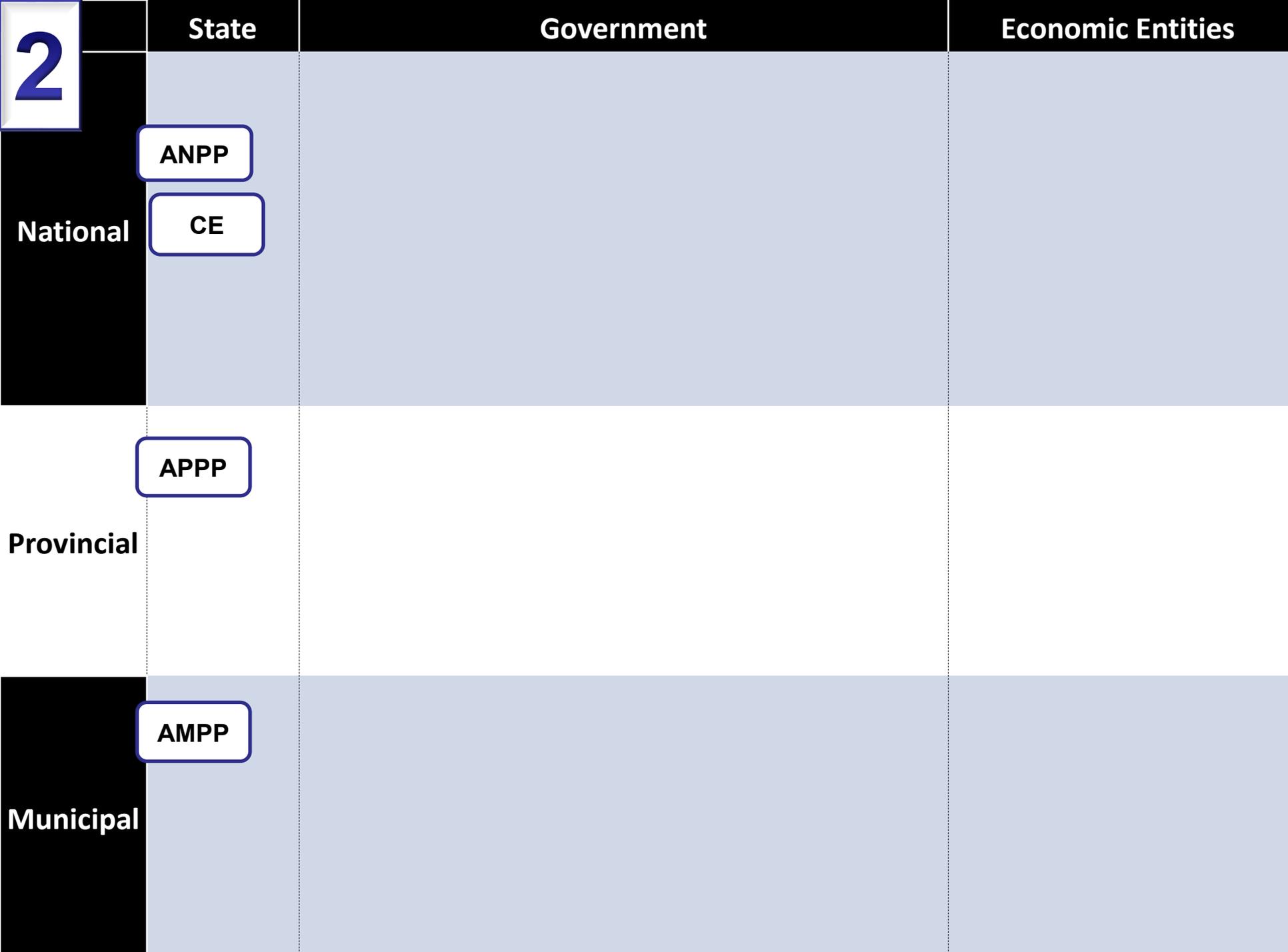
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BUDGET**

2

**INSTITUTIONAL
FRAMEWORK THAT
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**REDUCTION
COMPANIES IN THE
PROVINCES**



2

State

Government

Economic Entities

National

ANPP

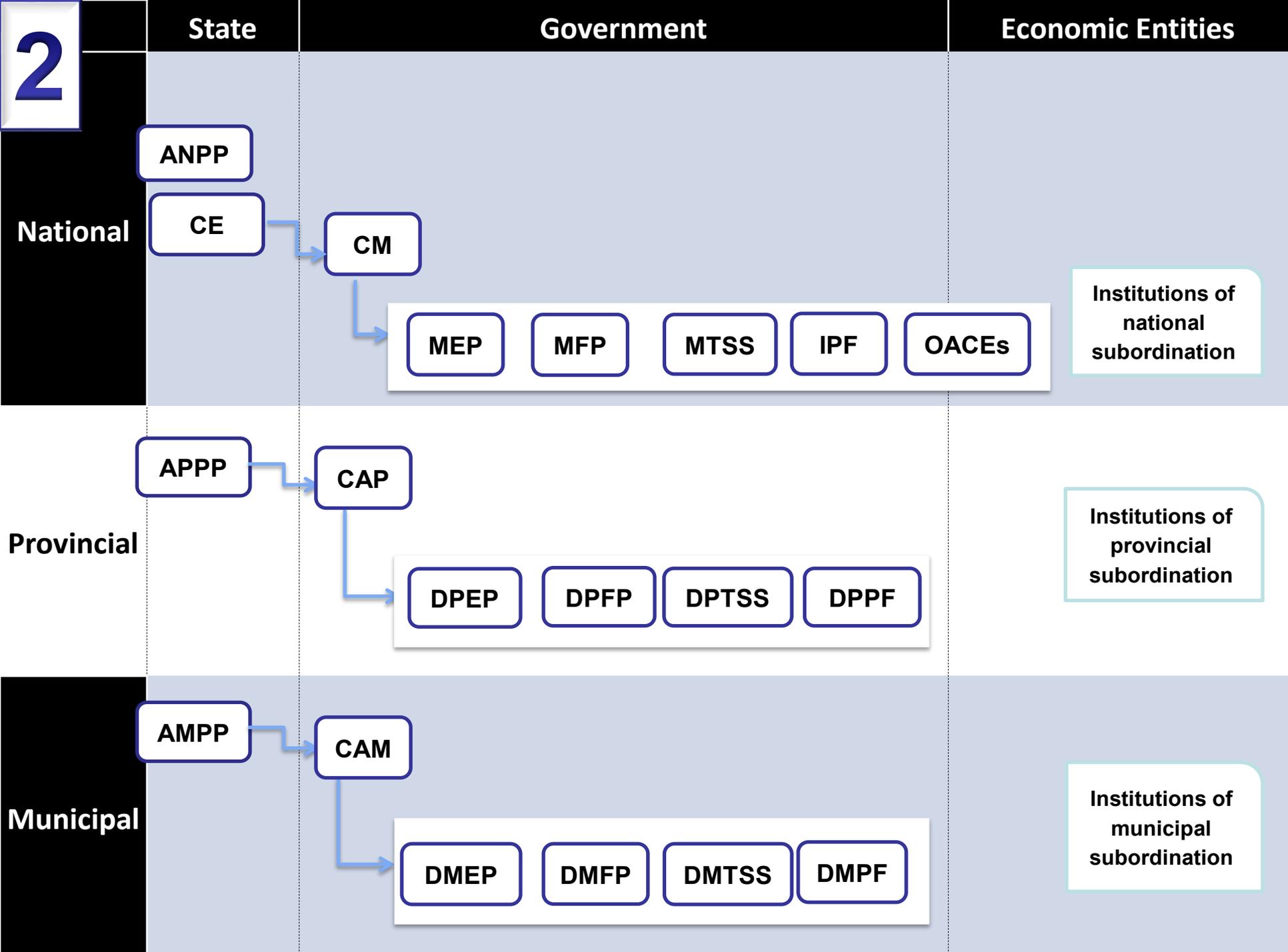
CE

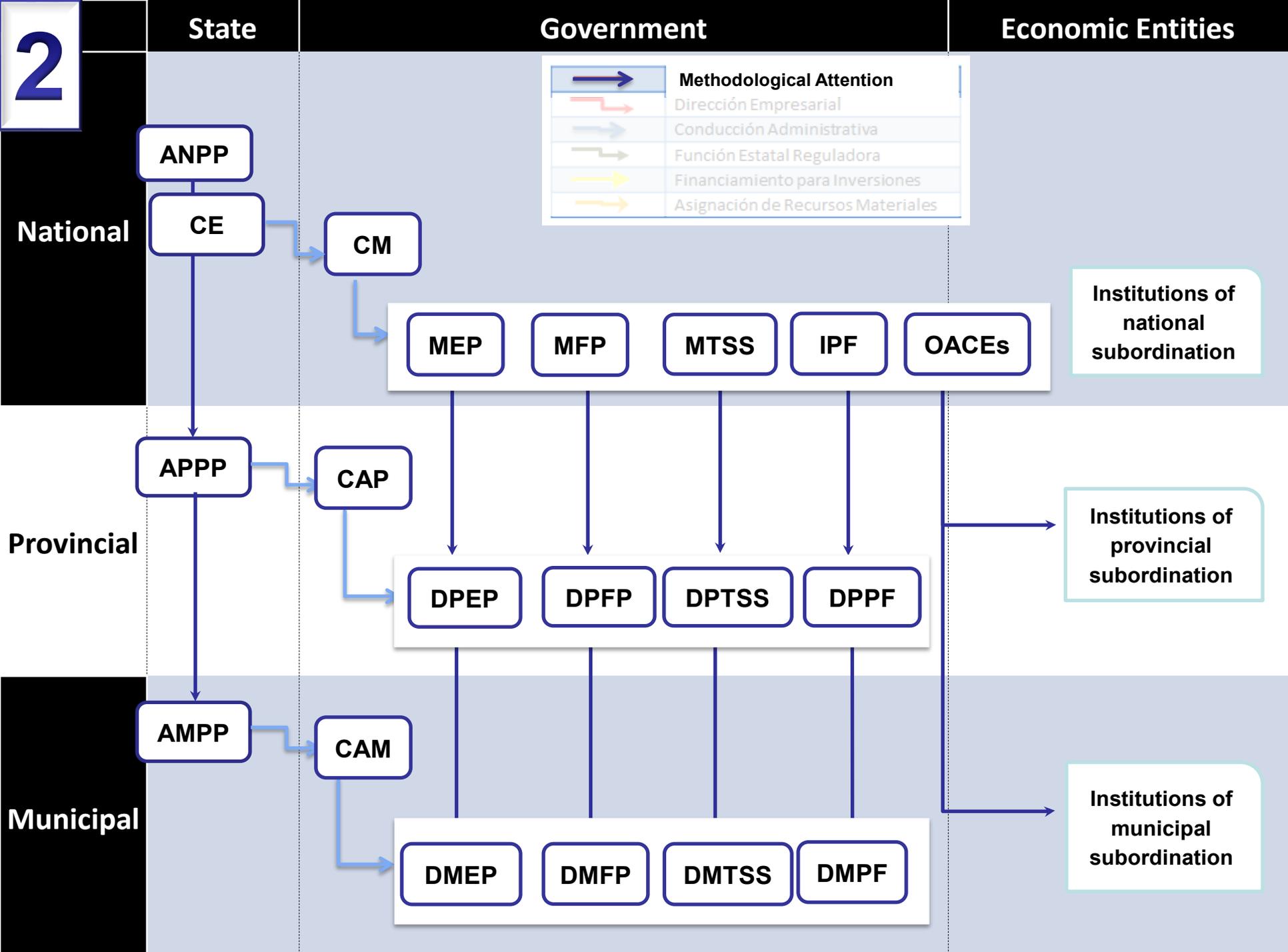
Provincial

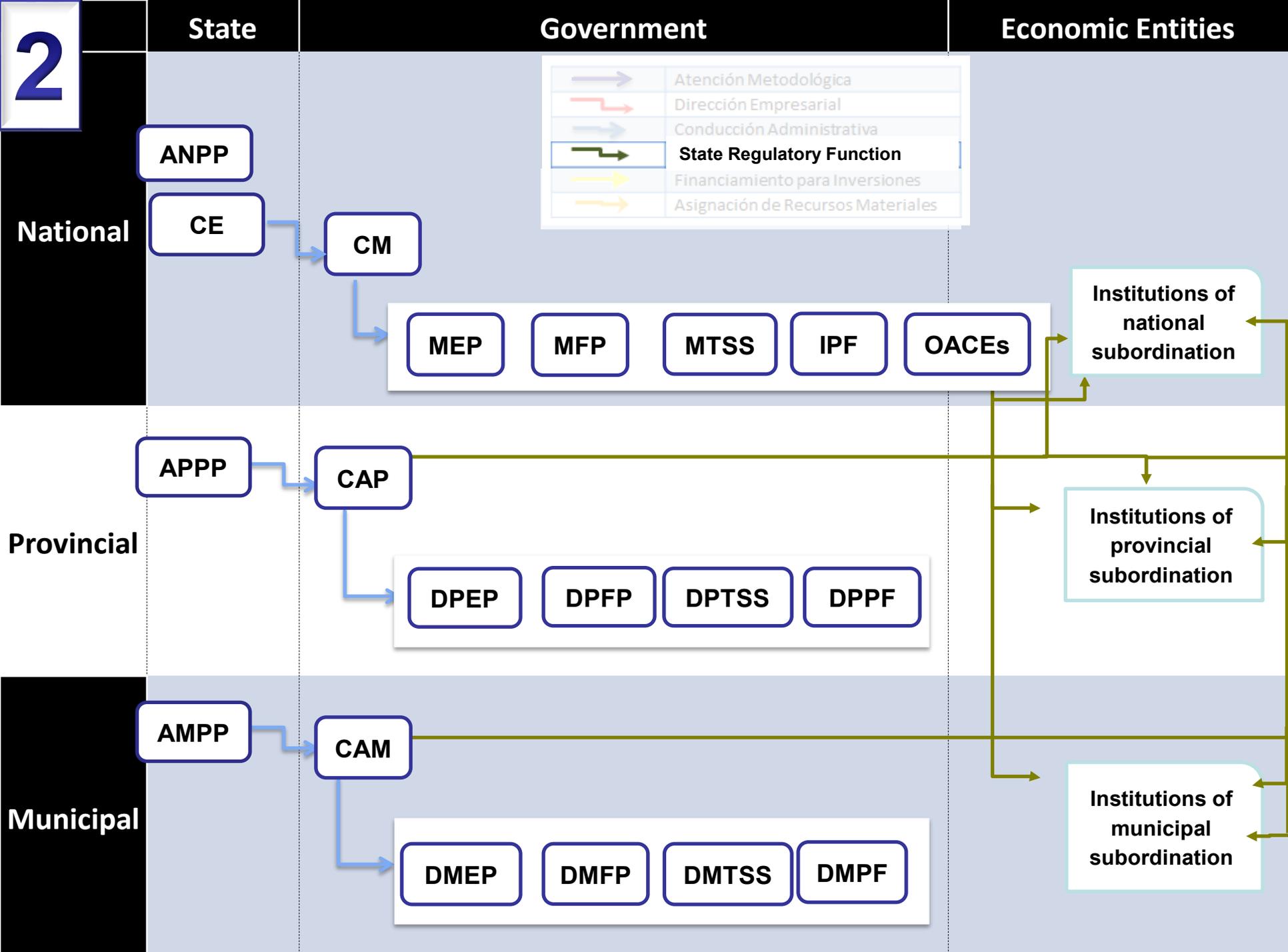
APPP

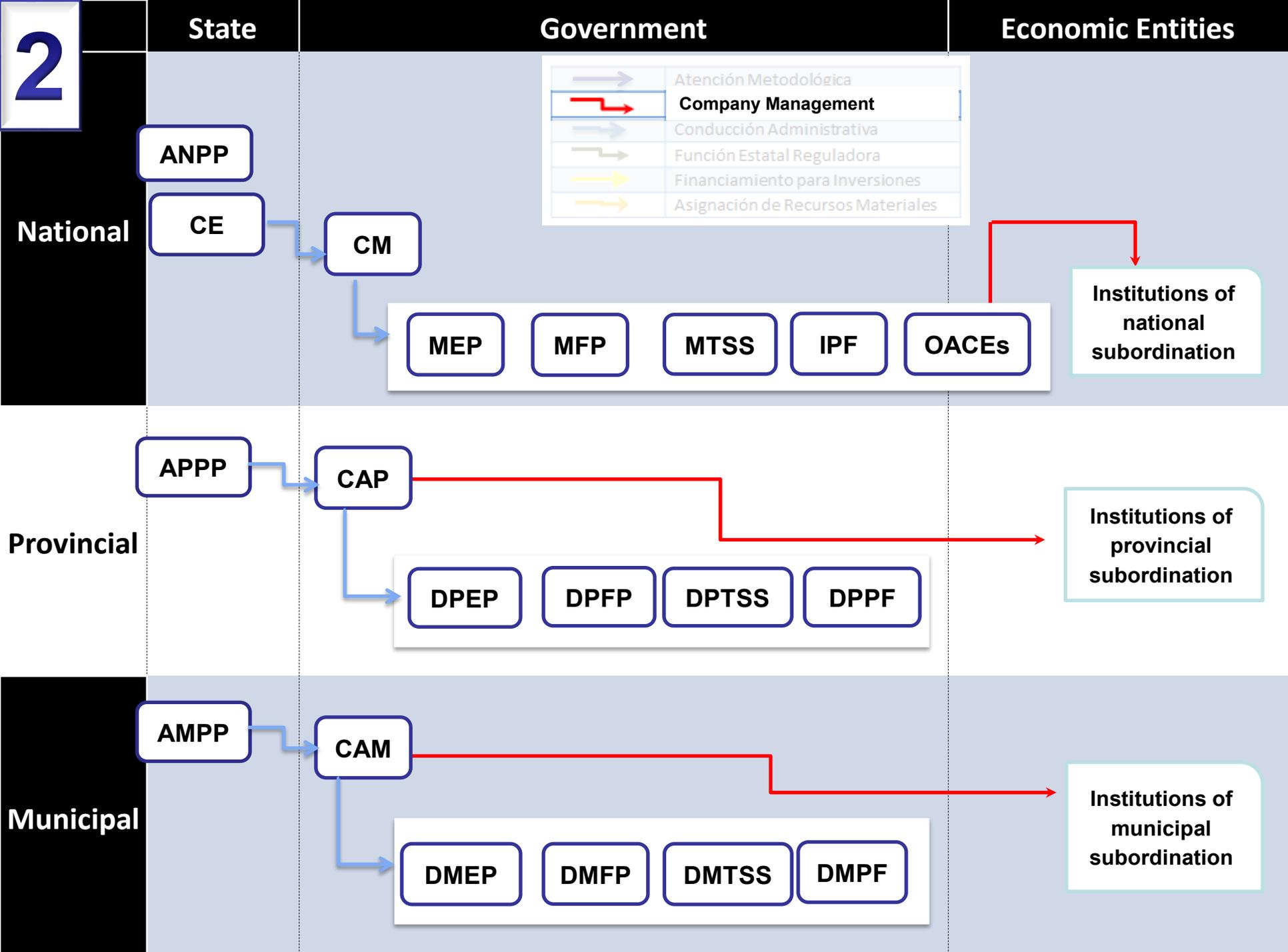
Municipal

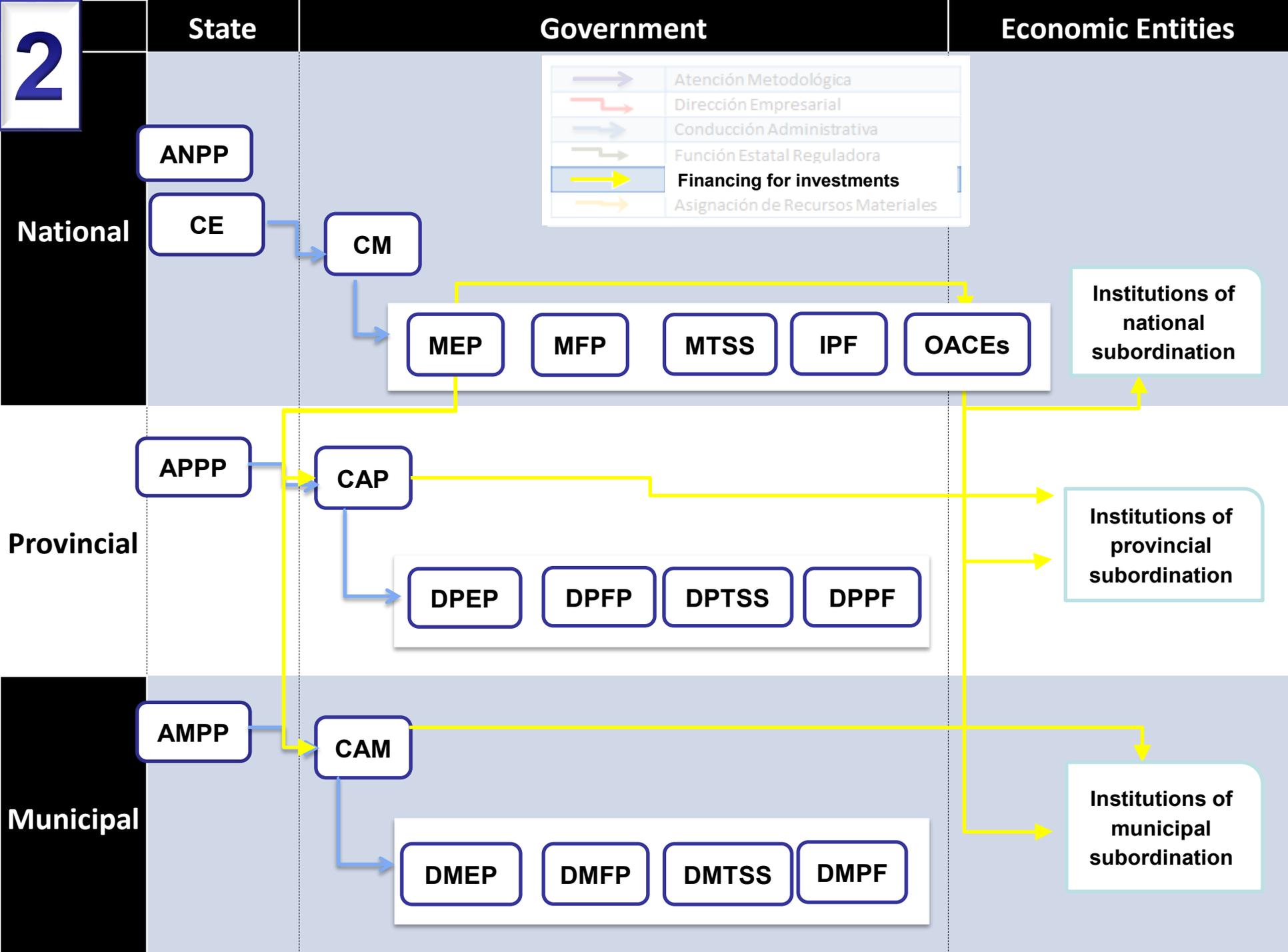
AMPP

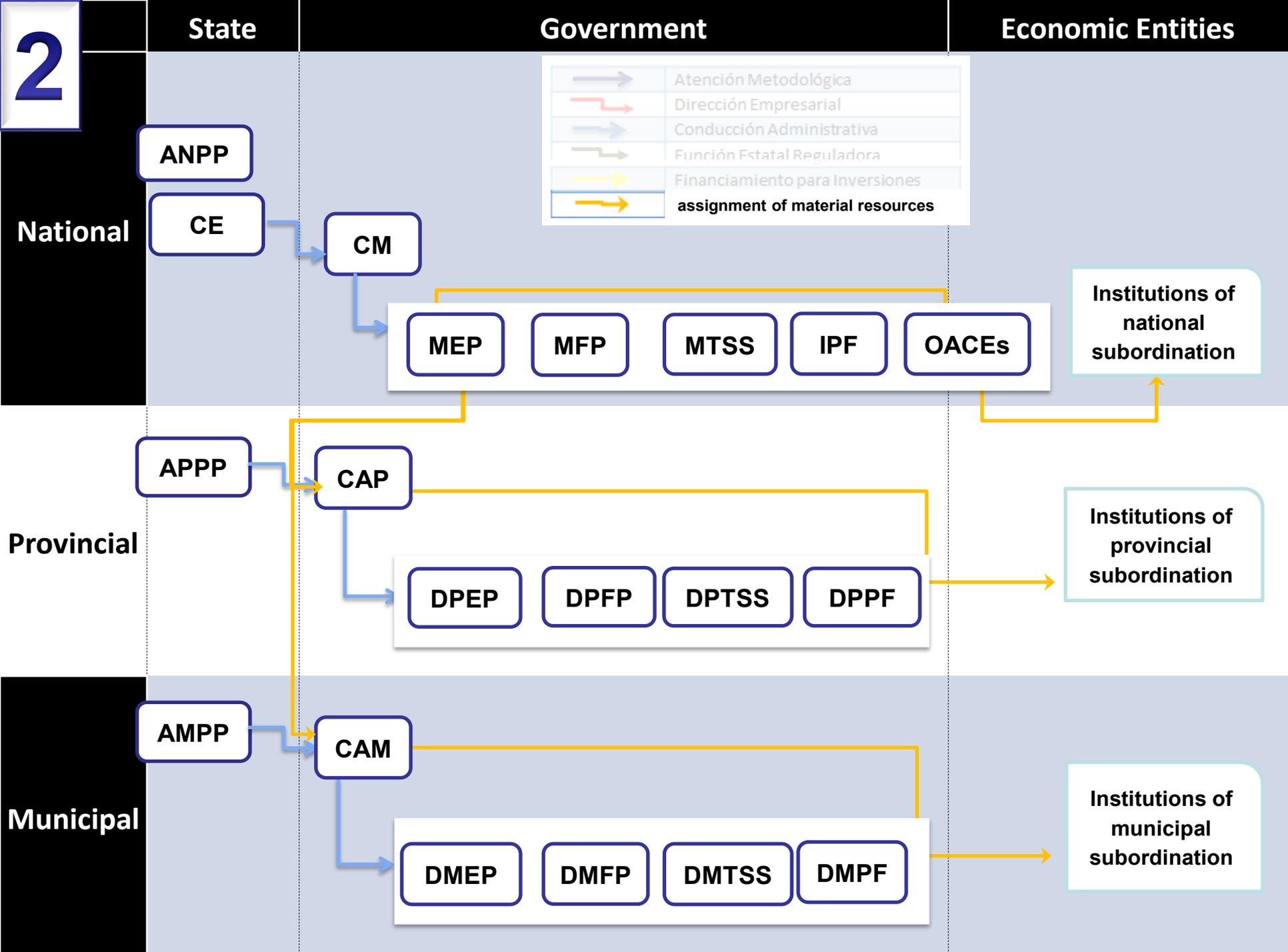


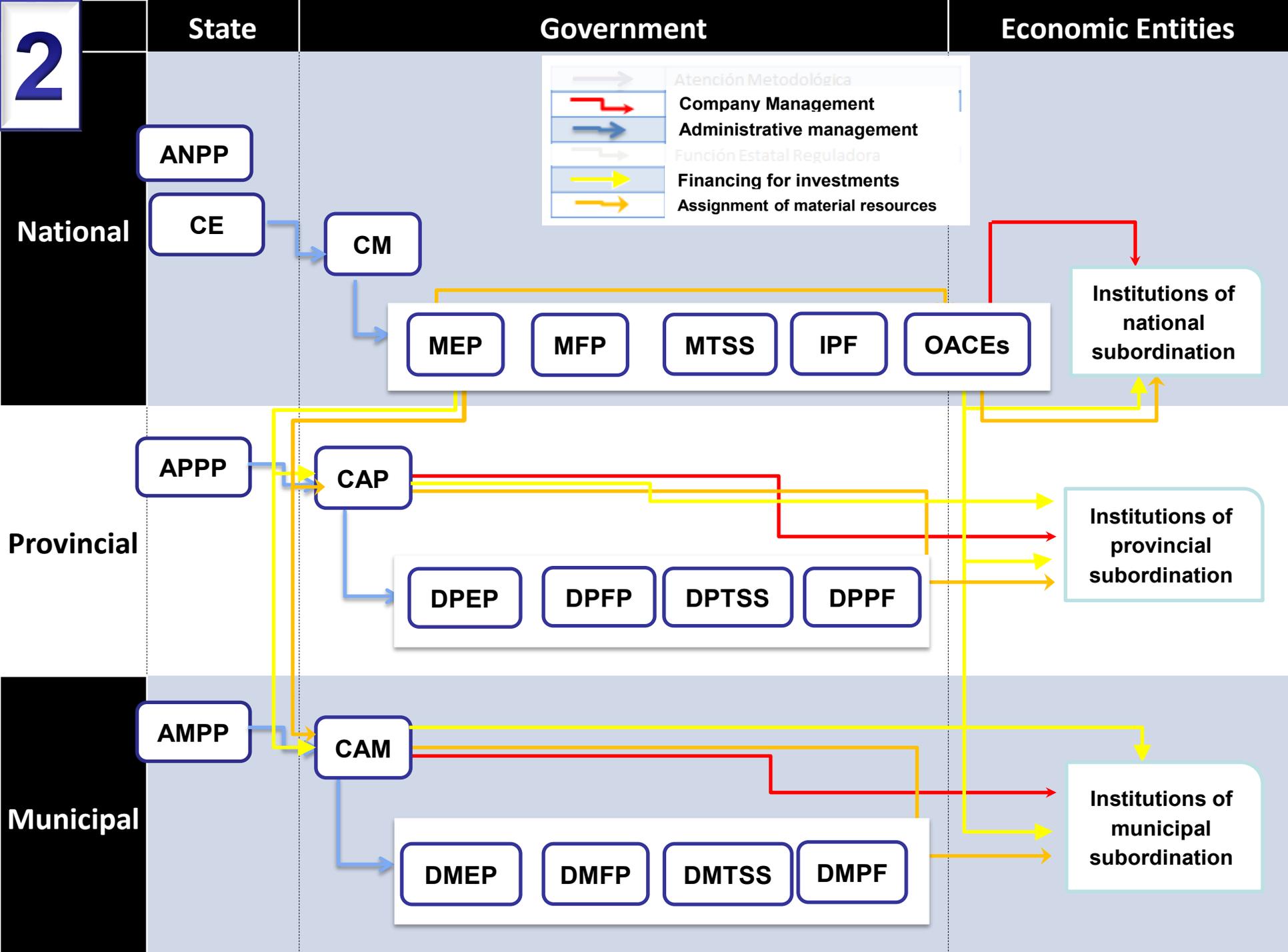


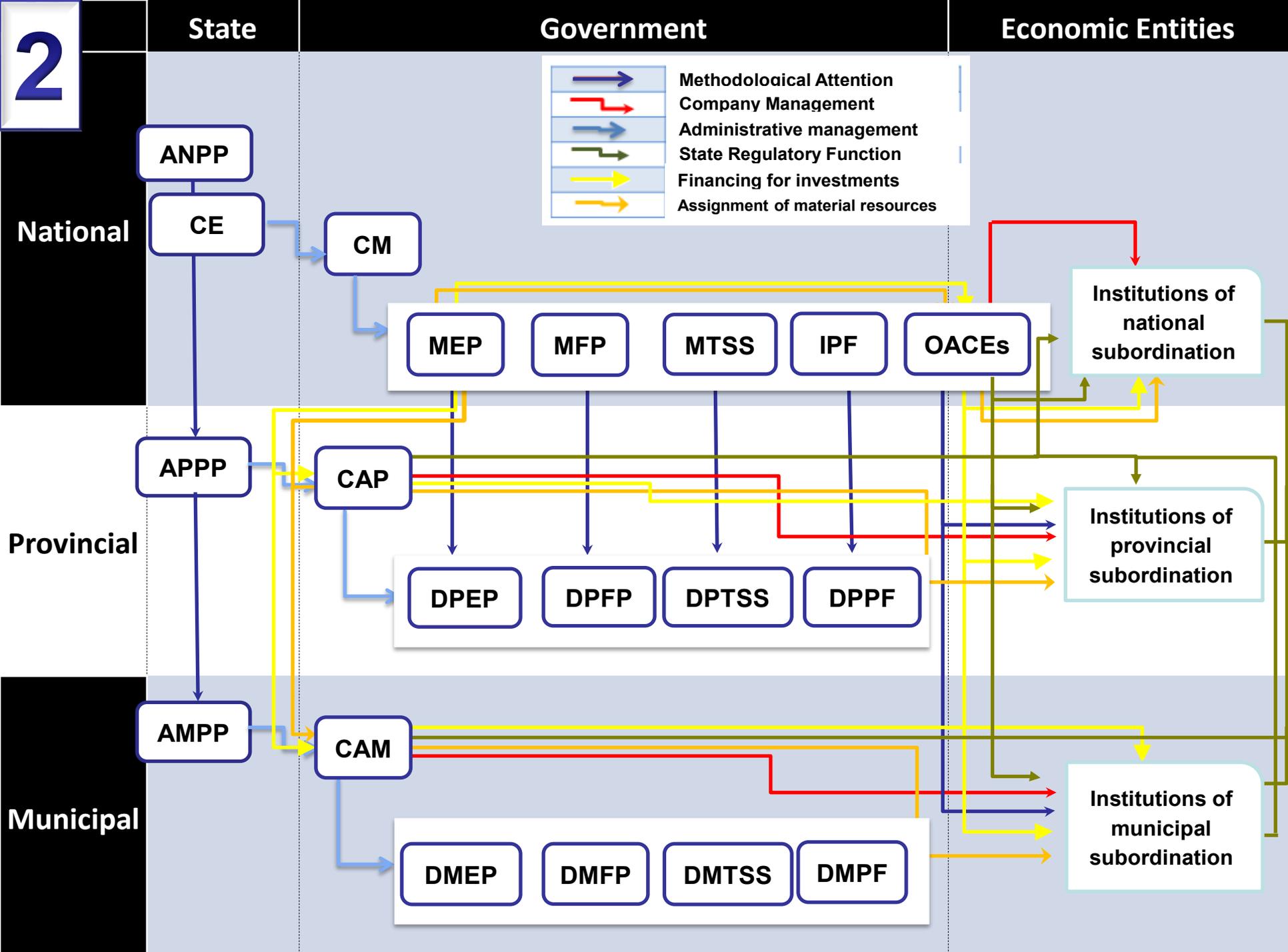


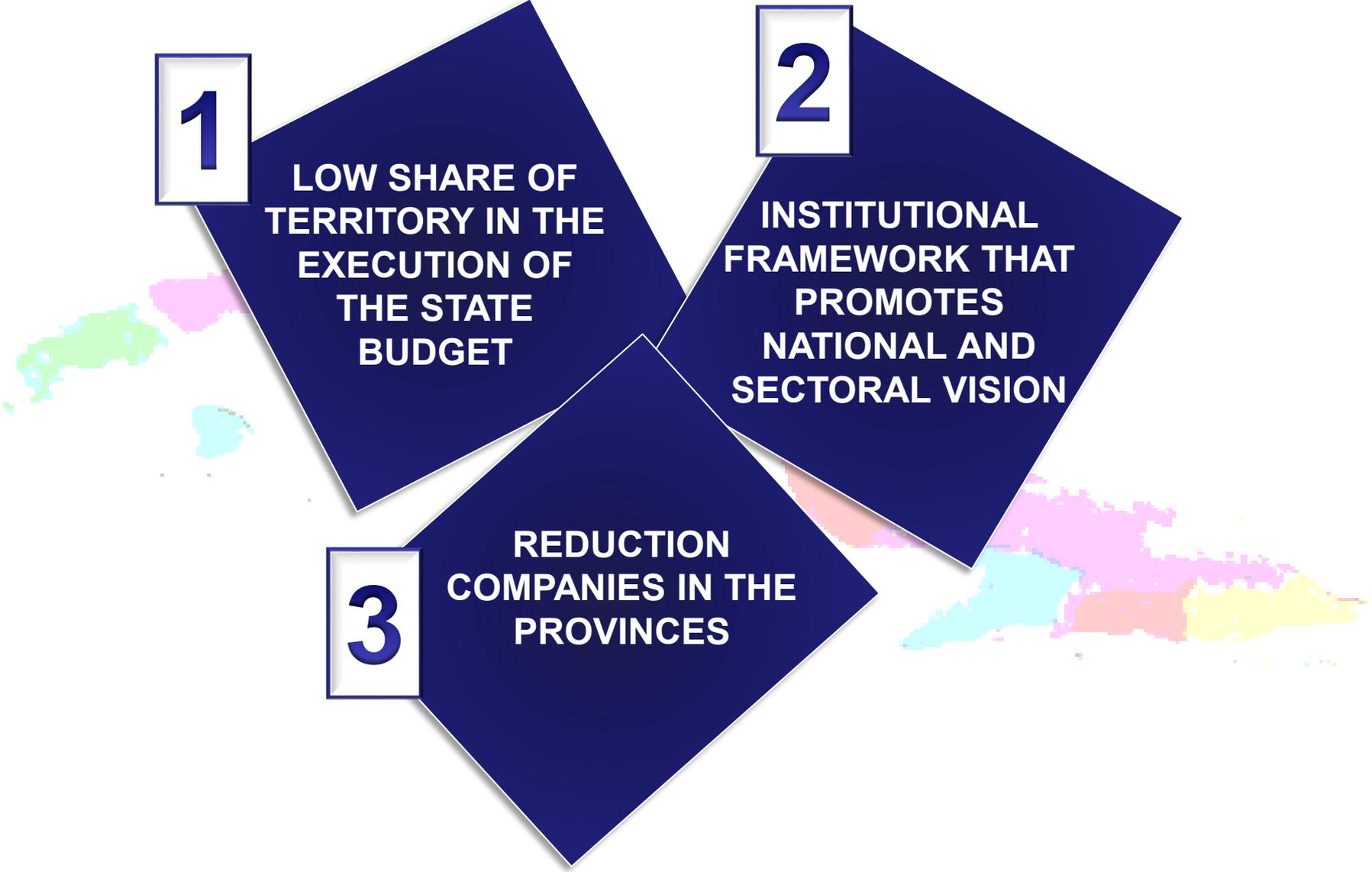












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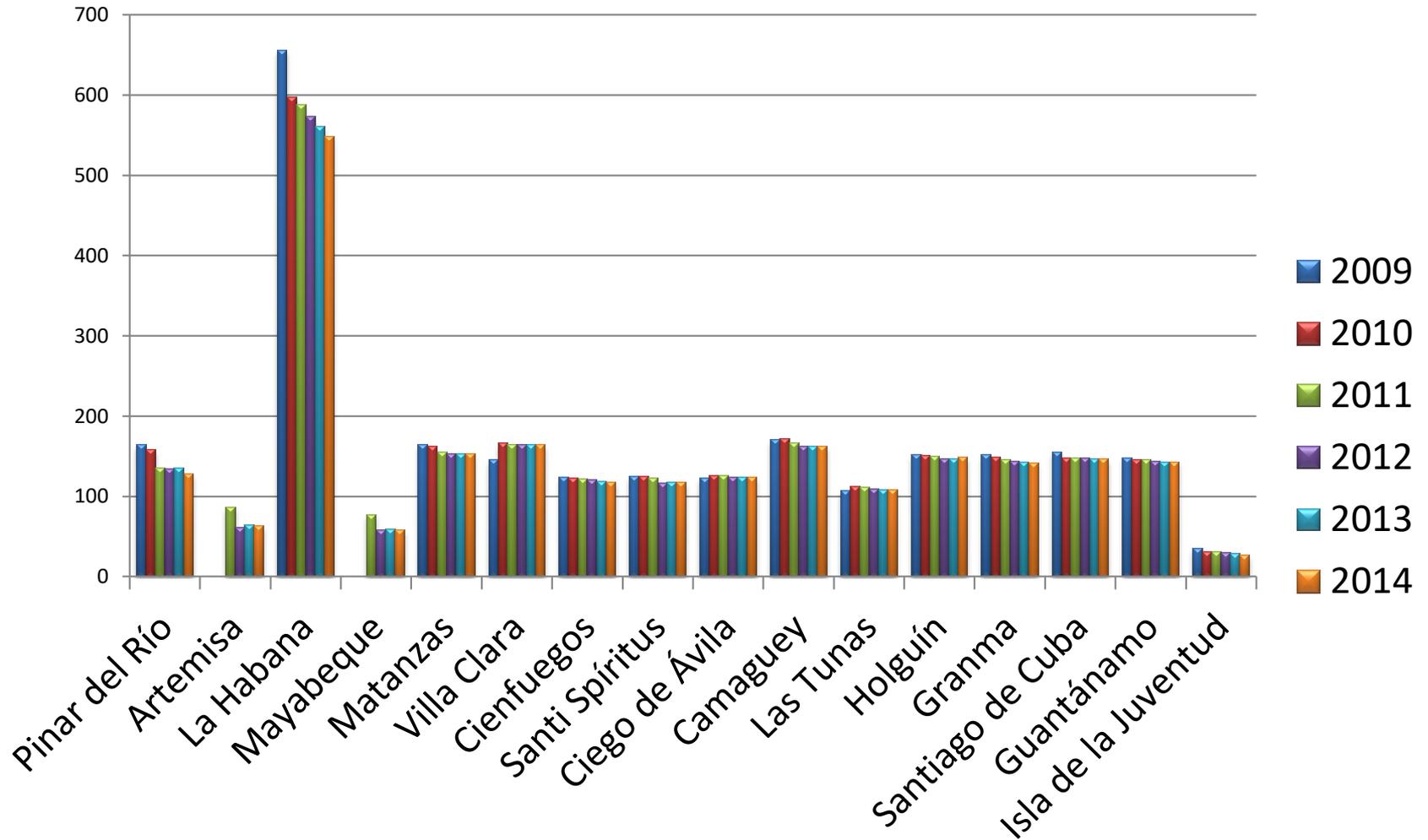
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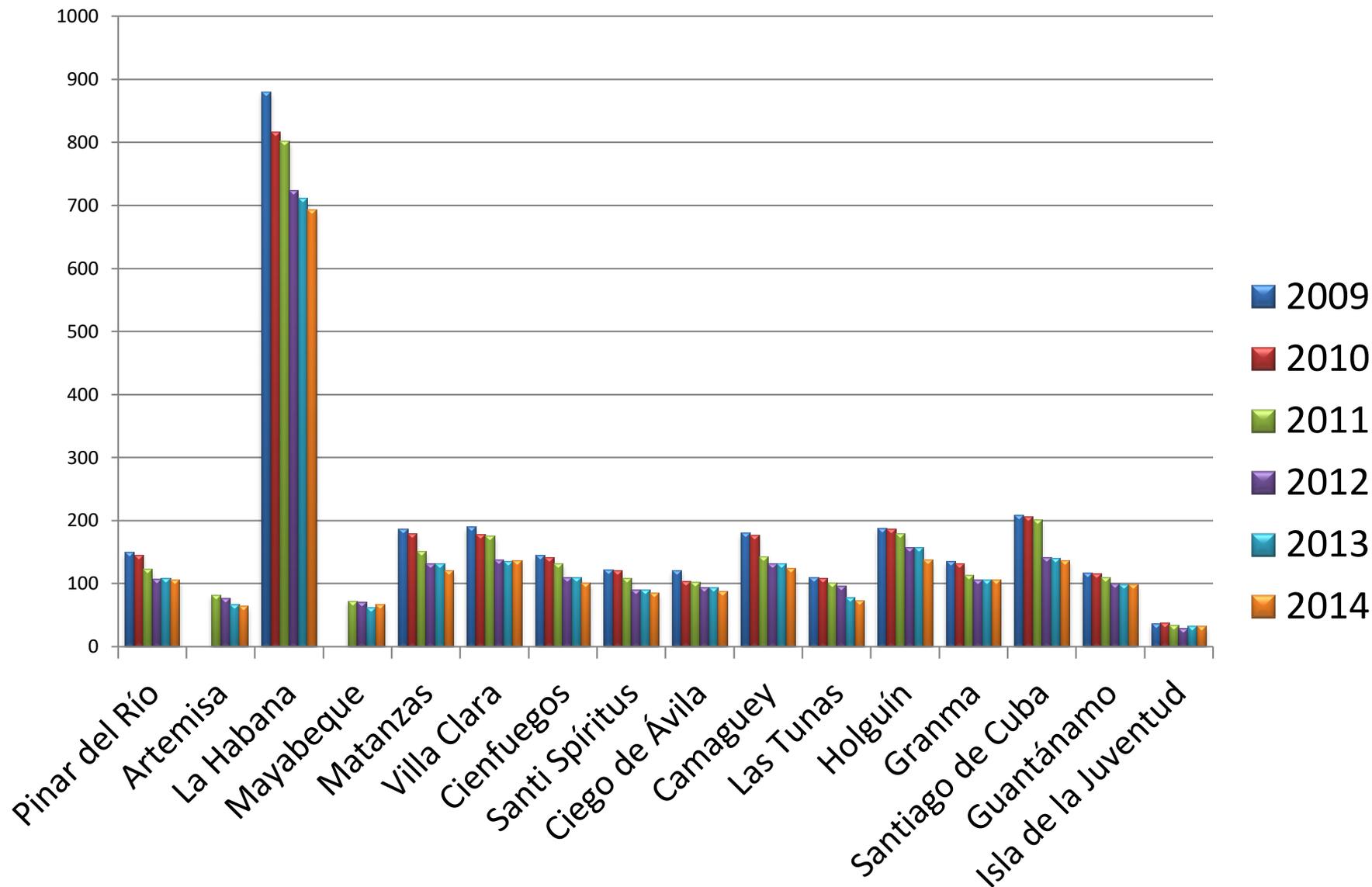
Budgeted Units by Province

2009-2014

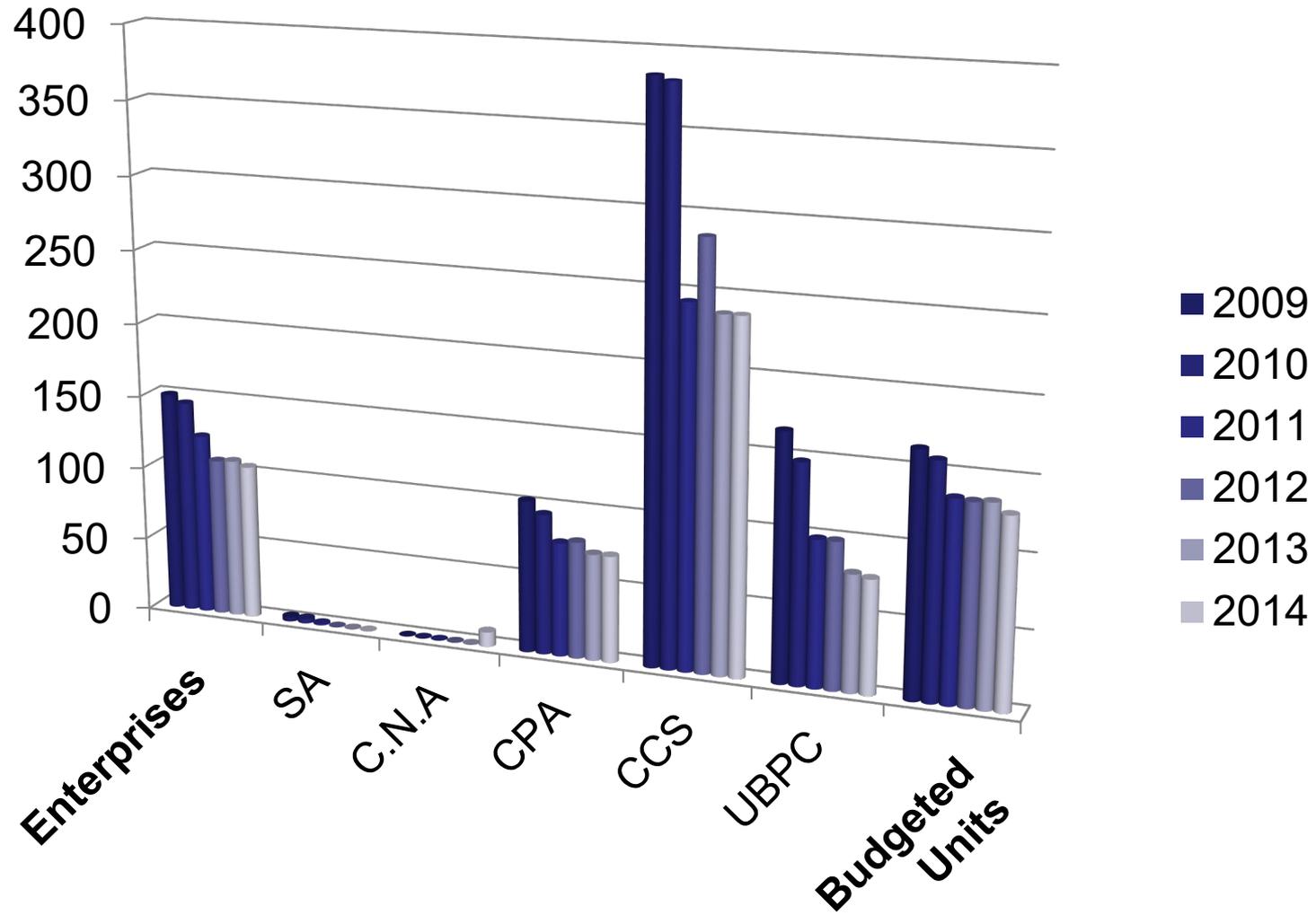


Enterprises by Province

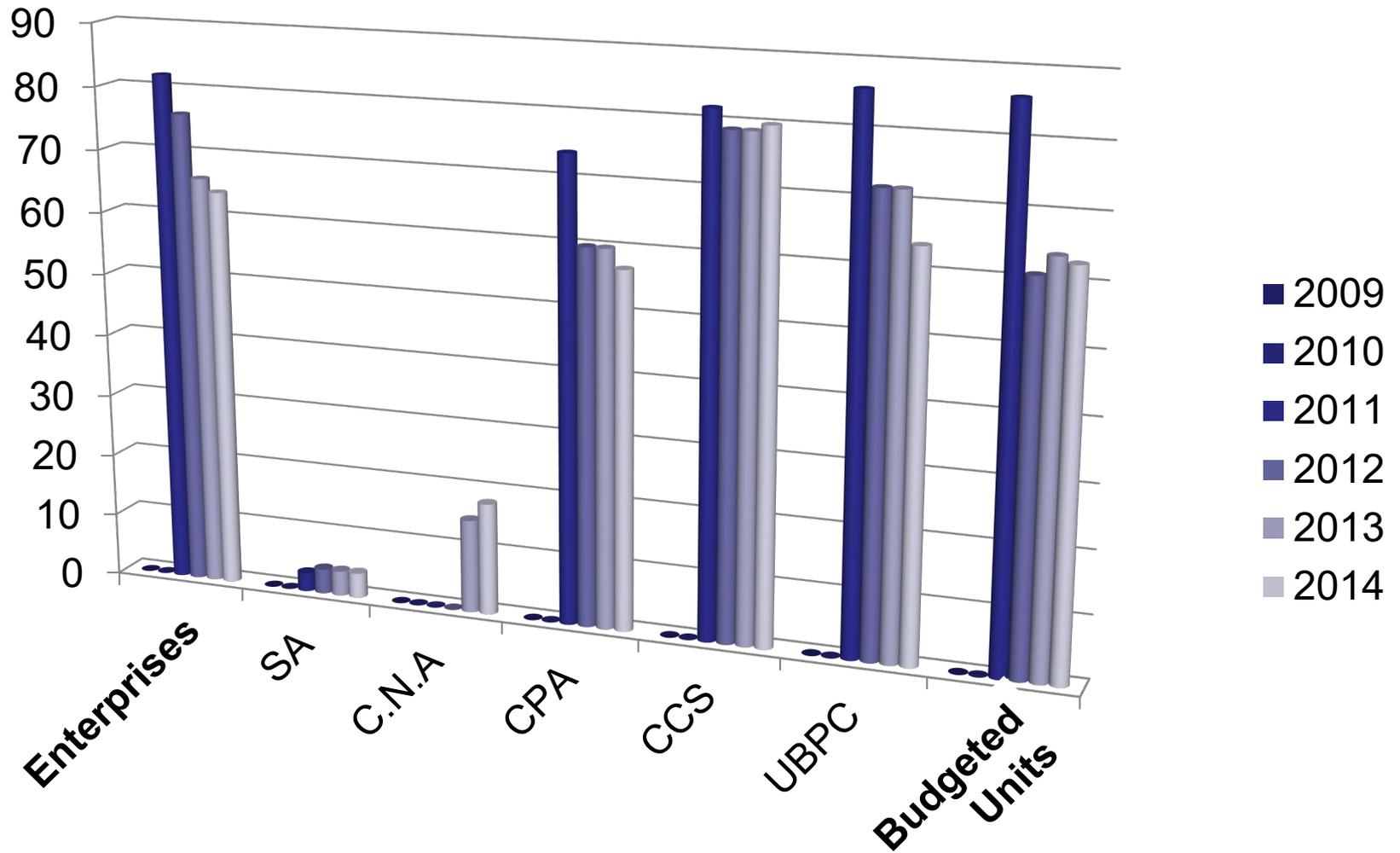
2009-2014



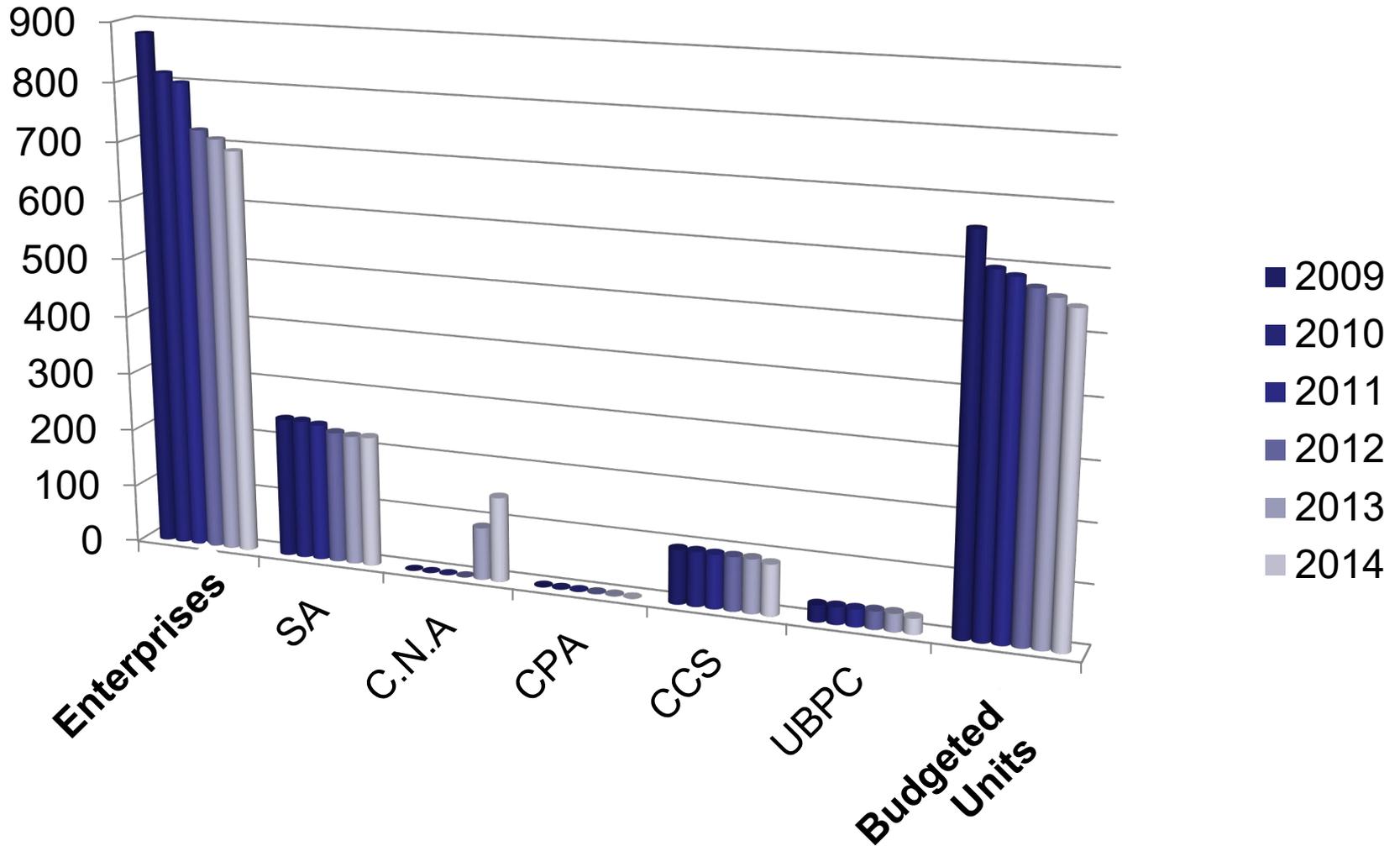
Pinar del Río



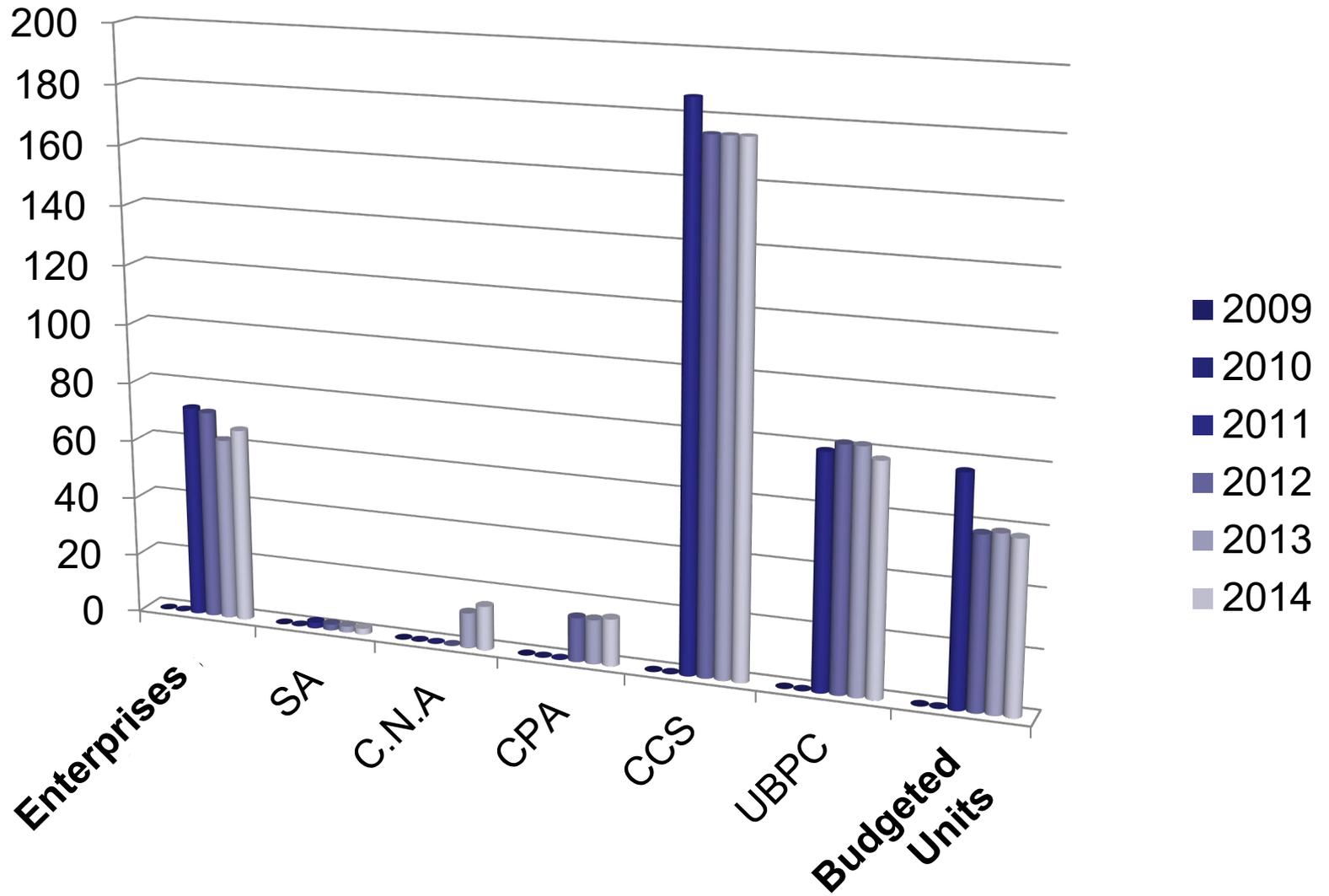
Artemisa



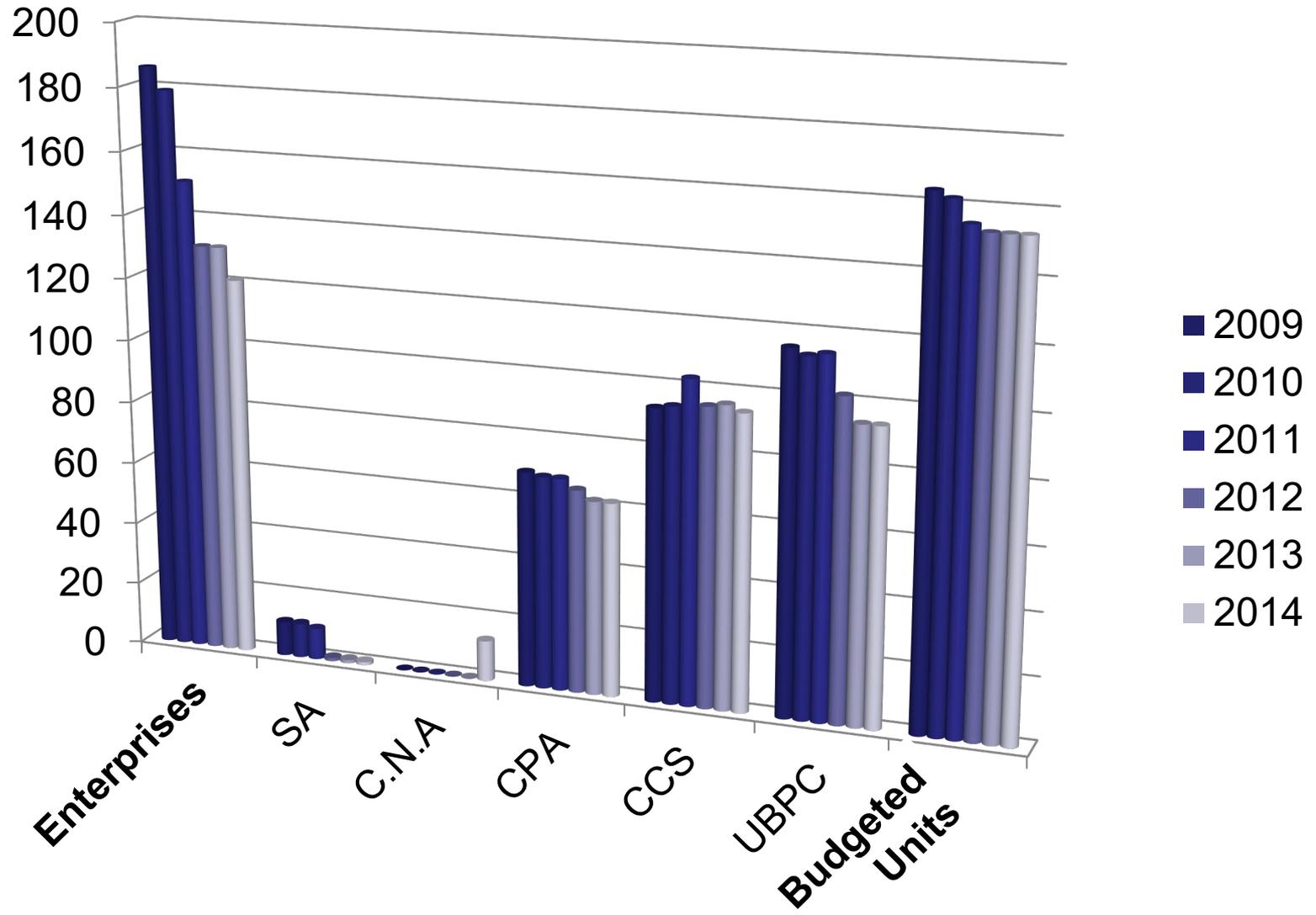
La Habana



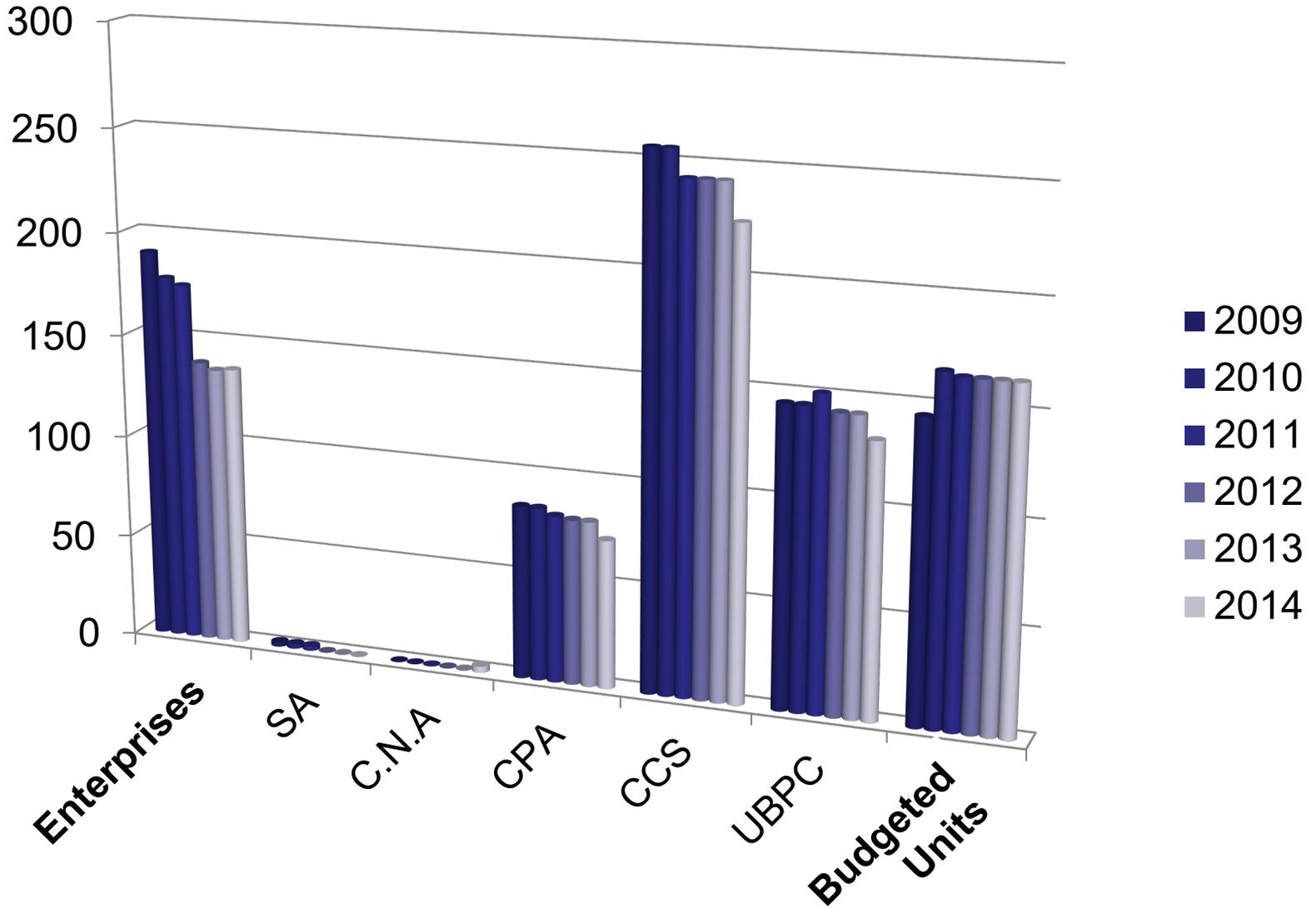
Mayabeque



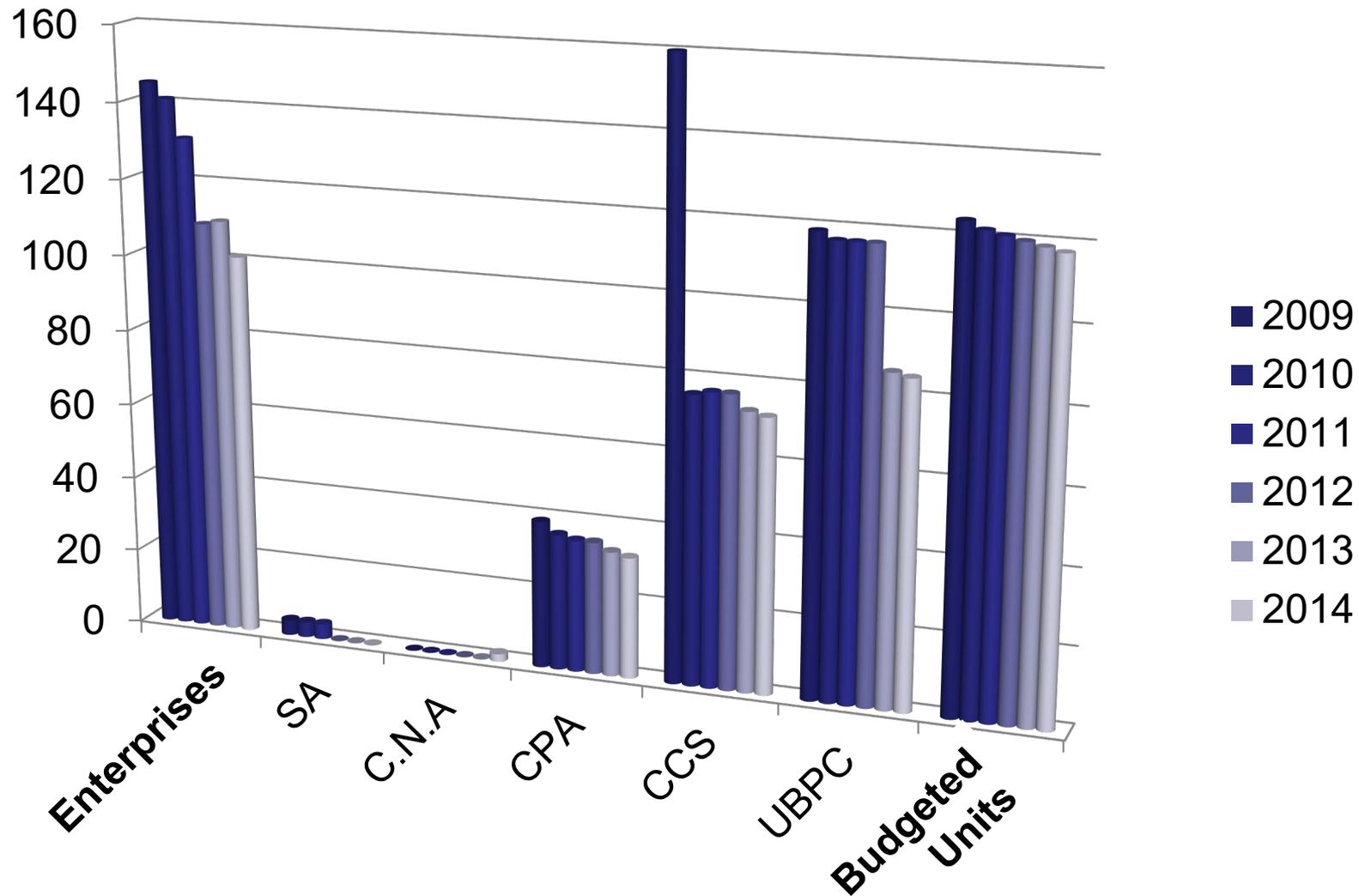
Matanzas



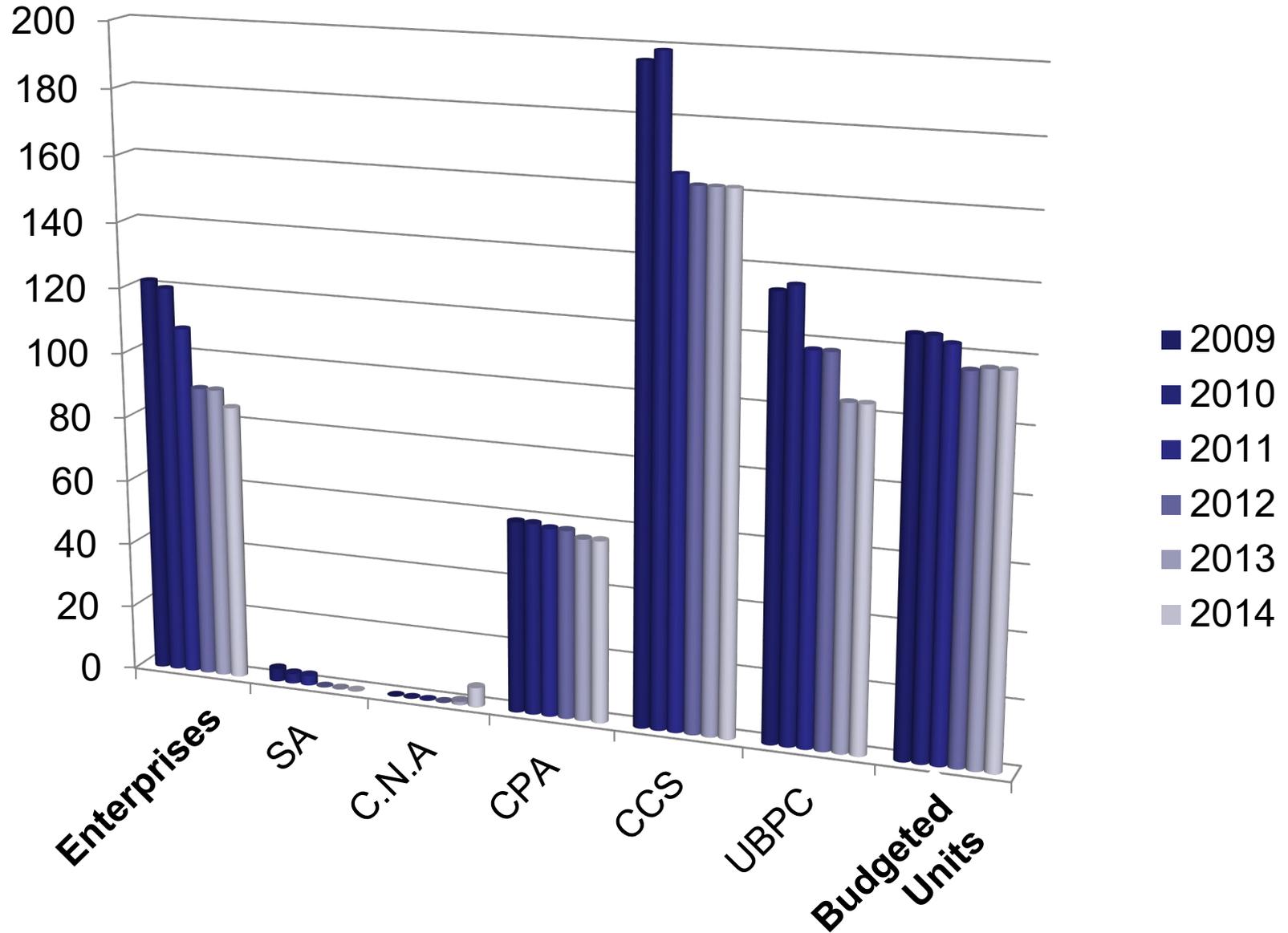
Villa Clara



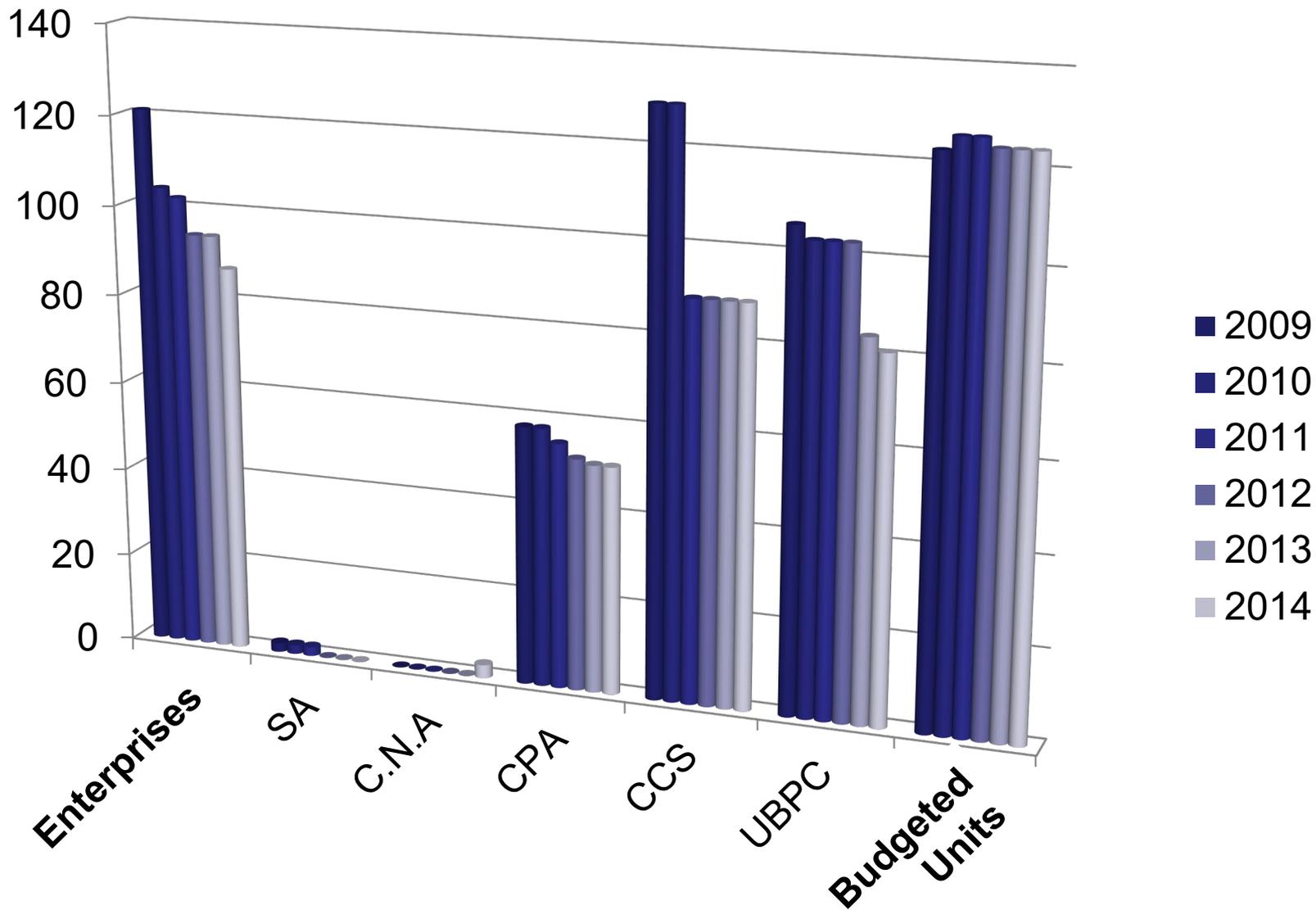
Cienfuegos



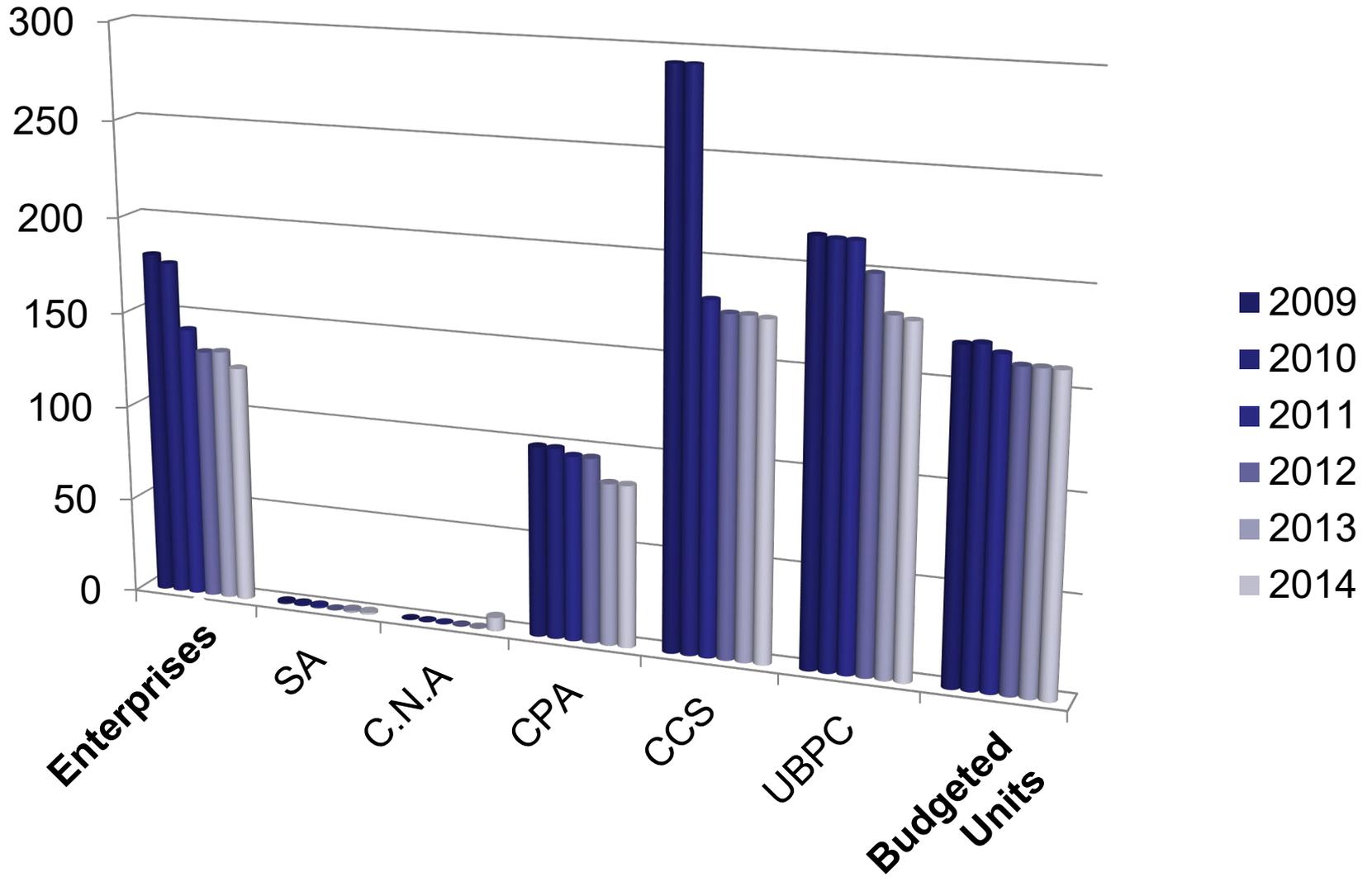
Santi Spíritus



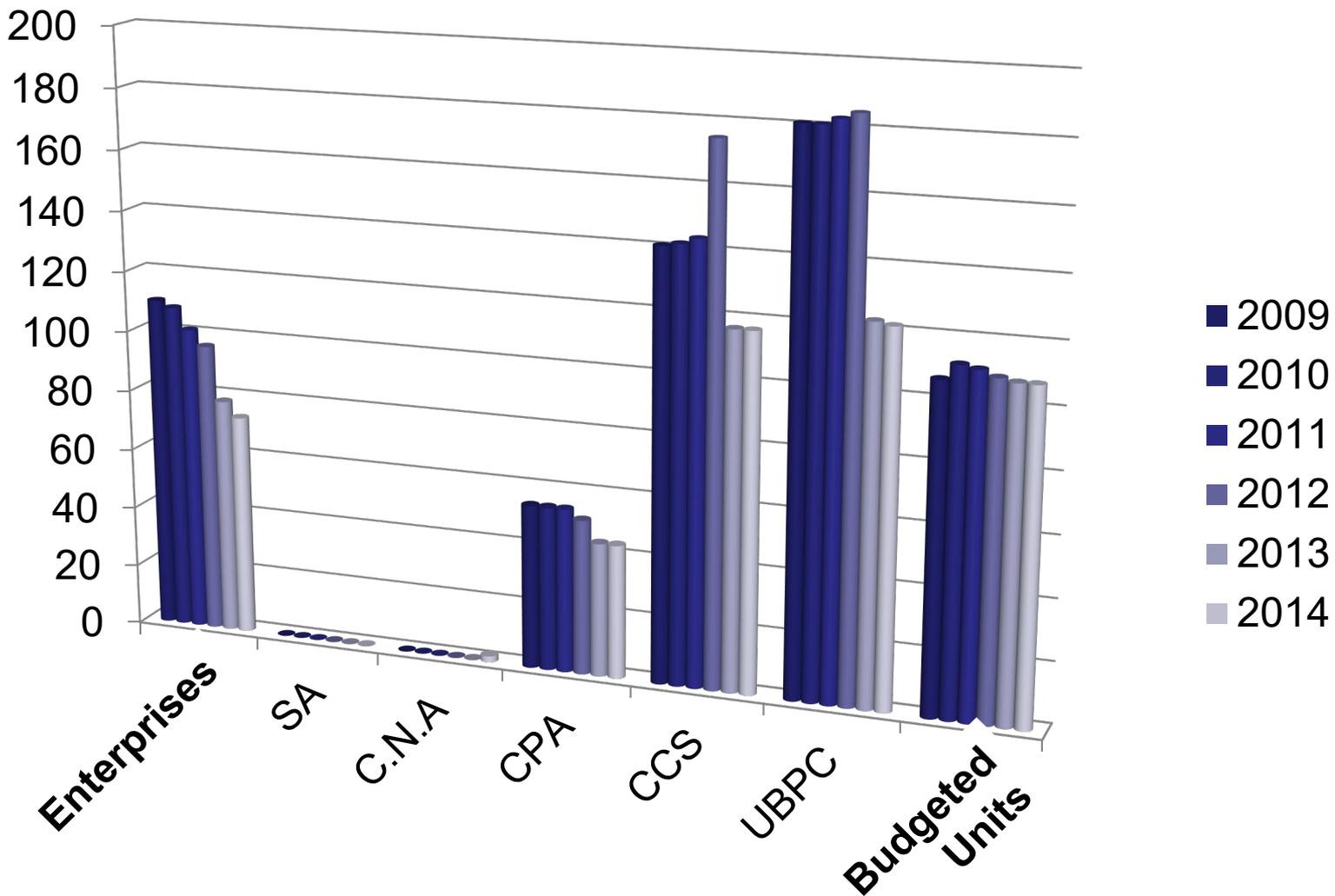
Ciego de Ávila



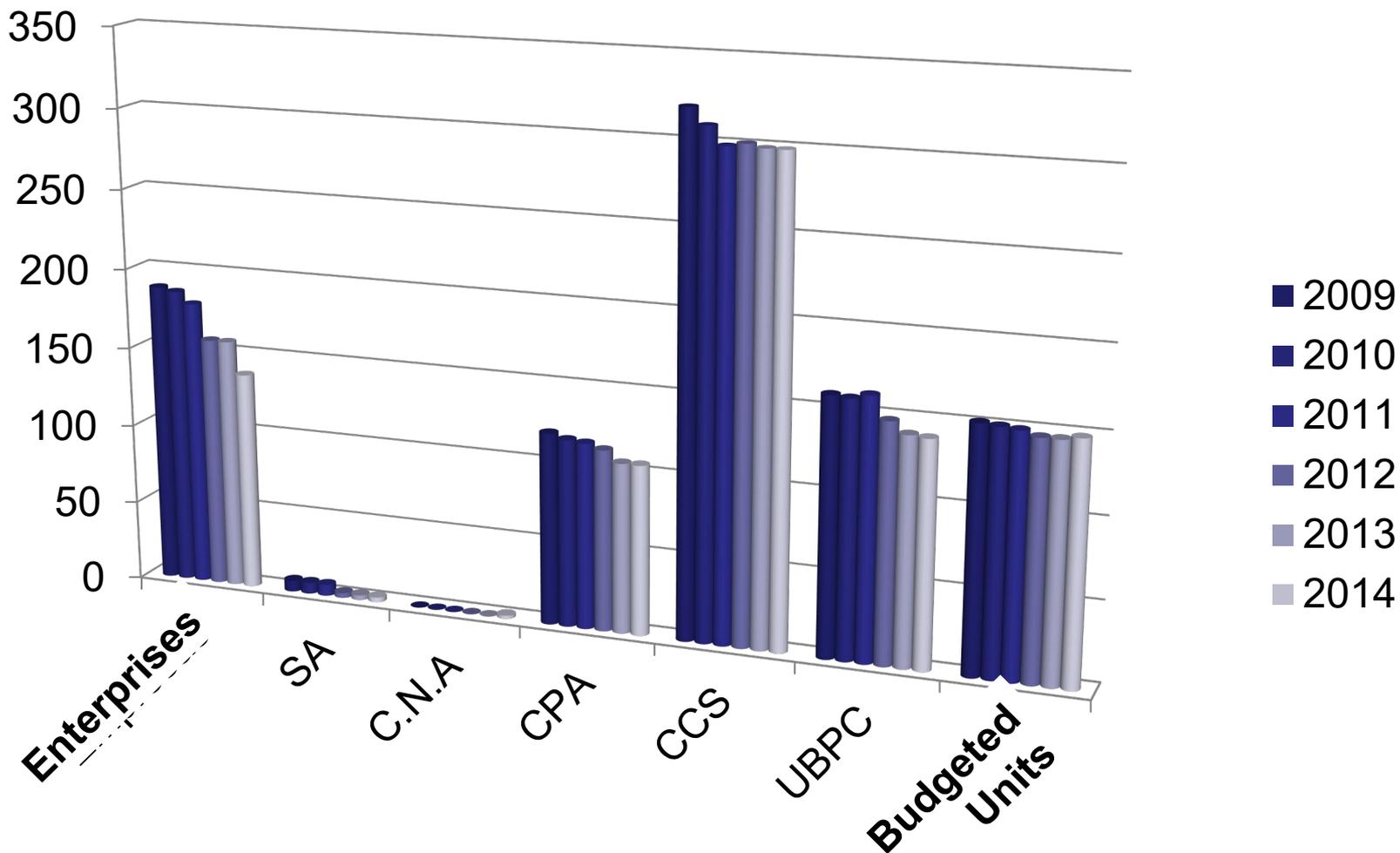
Camagüey



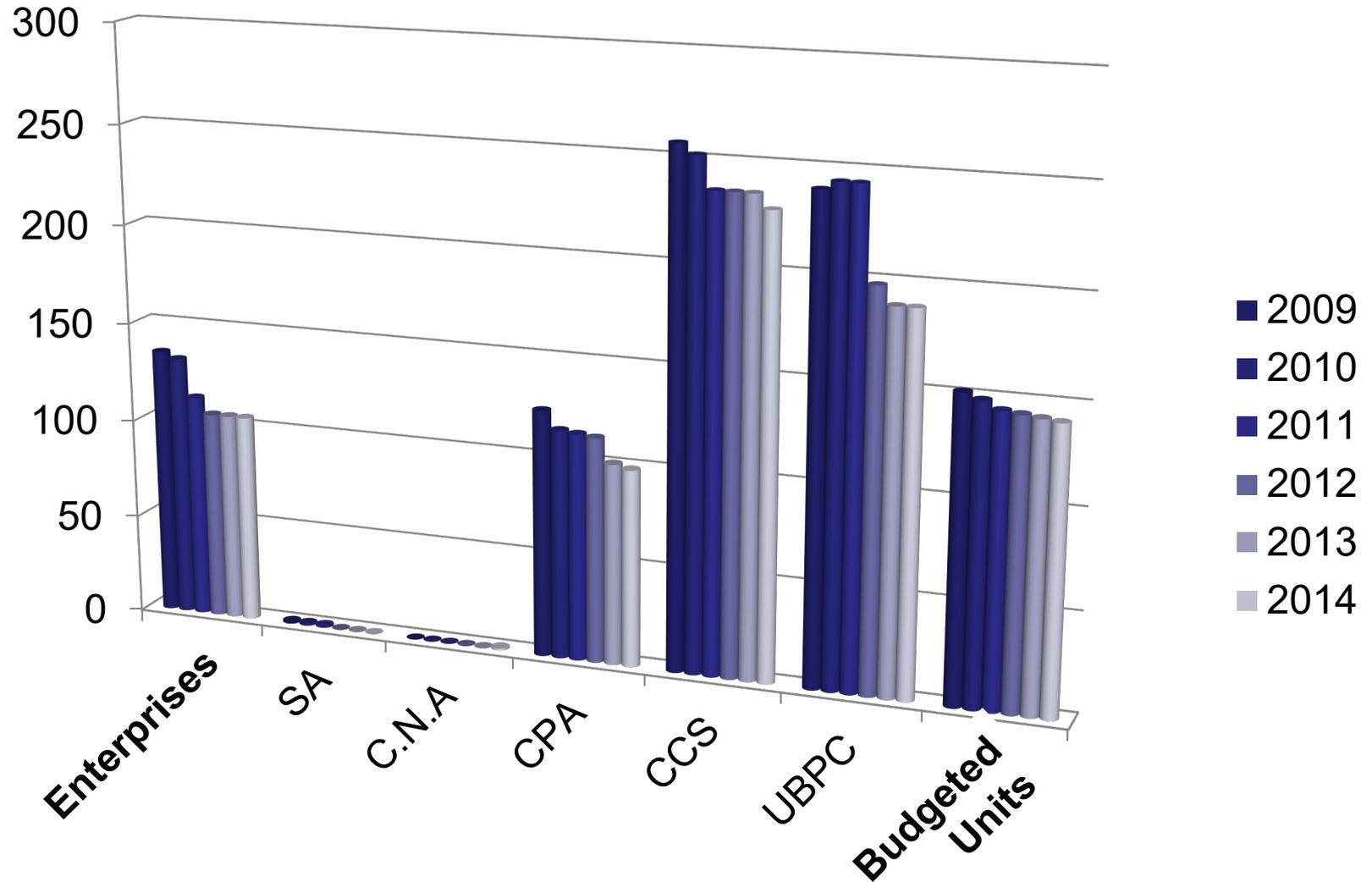
Las Tunas



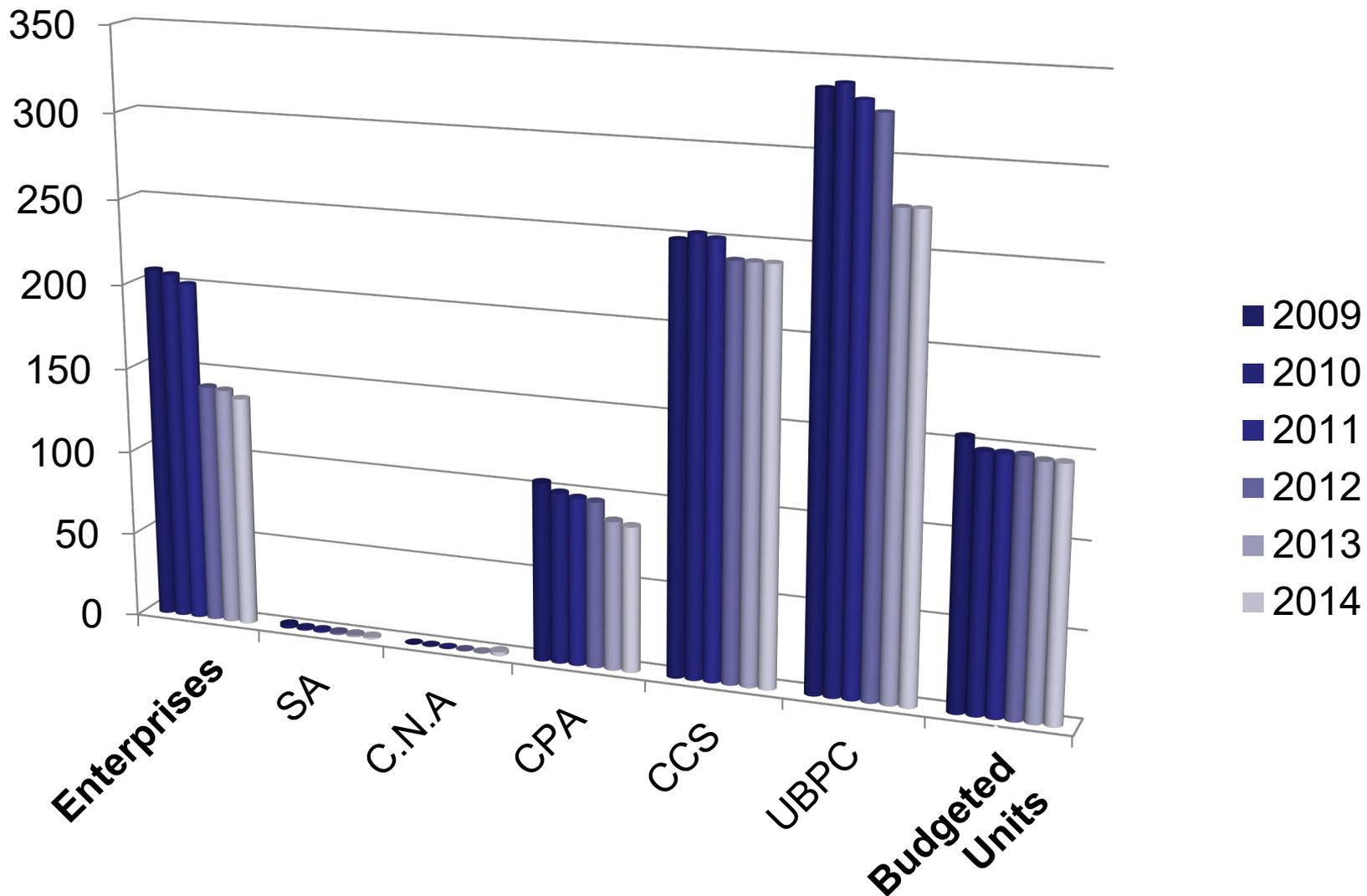
Holguín



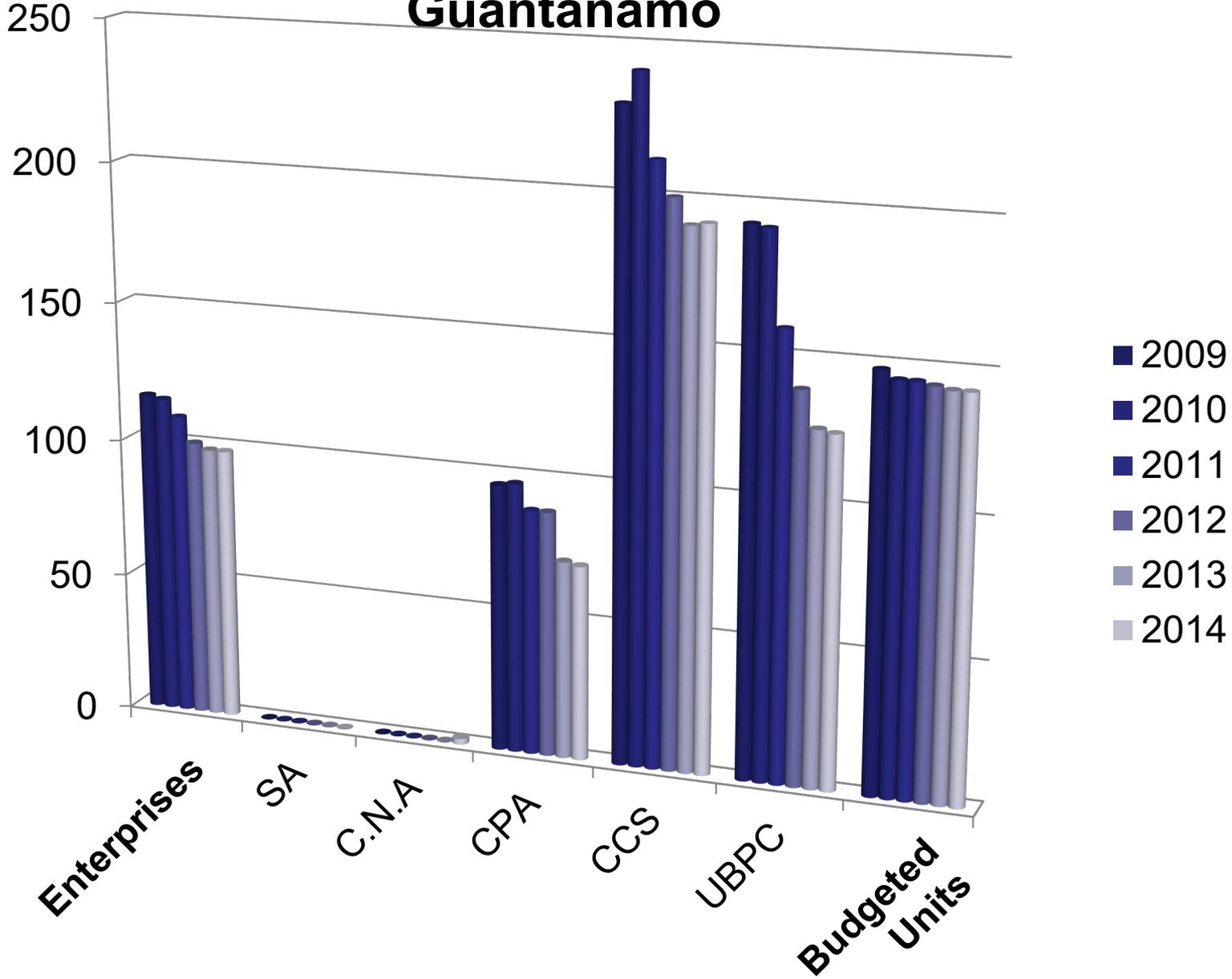
Granma



Santiago de Cuba



Guantánamo





FINAL CONSIDERATION ABOUT SOME CURRENT TRANSFORMATION

- August 2010:

ANPP: approved a new amendment to the political-administrative division. The proposed changes are intended to facilitate the work of governments and administrations in each territory.

Ley No. 110/10 de la Asamblea Nacional del Poder Popular (*ANPP*) Modificativa de la Ley No. 1304 del 3 de julio de 1976, de la División Político Administrativa, publicada en la Gaceta Oficial de la República de Cuba en No. 023 Extraordinaria del 2 de septiembre de 2010.

Could be been to the doors of a new political-administrative division?

- August 2011:

Adoption of the “experiment” to separate the management of the CAP and the Provincial and Municipal Assemblies of People's Power (Artemisa y Mayabeque).

- July 2012:

Ley No. 113, “Del Sistema Tributario”.

The law establishes a Land Tax for Local Development, which are required companies, corporations totally Cuban capital and cooperatives, for their facilities without prejudice the municipality in which they are engaged.

- Res.170 de 2014:

Gradualism in the implementation of the Land Tax delay the impact of collection.

The income obtained by the CAM (Land Tax for Local Development), is used to finance activities under the Plan of Economics.

- April 2014:

Lack of a territorial perspective on the new FDI Law in 3 elements: There are 3 levels of approval, none involves local / Difficulty governments to undertake FDI in the village / Exemption from payment of the special contribution to territorial development during the period payback (Art.42), referred to as an incentive in the law of FDI.

IDENTIFICAR LOS NUDOS
FUNDAMENTALES PARA DESPEGAR