

USAID/Cuba
Operational Plan

FY 2006

June 15, 2006

Please Note:

The attached RESULTS INFORMATION is from the FY 2006 Operational Plan and was assembled and analyzed by the country or USAID operating unit identified on the cover page.

The Operational Plan is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

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Program Performance Summary FY 2005: A. Program Performance Summary

Program Narrative (FY 2005): OU Performance Narrative

Country Setting:

Cuba is one of the most economically and politically repressed countries in the world. The Heritage Foundation's 2005 Index of Economic Freedom, released in January 2005, places Cuba 149th among the 155 countries--just below Iran--at the bottom of all "economically repressed regimes" in the world. Freedom House lists the Government of Cuba (GOC) among the 8 "most repressive regimes" in the world, with failing scores on political rights and civil liberties. The reasons are apparent. The GOC violates fundamental human rights and directly controls mass media, trade unions, universities, and all formal economic activity.

For forty-seven years, the Cuban government has maintained power through vertical and centralized control over all institutions of Cuban society. Cubans as a result, including those who belong to professional associations and NGOs, know little about the functioning of democratic civil society. It is in the U.S. interest to continue to provide informational and material support to Cuban citizens and independent nongovernmental organizations in Cuba that wish to promote democratic change.

During FY 2005, Cuban civil society increased its activity in spite of the Cuban government's March 2003 arrest and imprisonment of 75 activists, bringing the total number of political prisoners to more than 300. Activity increased in spite of increased violence by Cuban authorities attempting to frighten and marginalize human rights activists, independent librarians, independent journalists, and other independent groups. Even though the Cuban government, under international pressure, released fourteen prisoners for health reasons, the poor treatment and humiliating conditions of the remainder is well documented.

The September 2005 report of the Economic Intelligence Unit projects Cuba's economy will grow 5% in 2005-2006, up from 4% last year and 2.9% the year before, due to increased assistance from China and Venezuela, remittances from Cubans living overseas, expanded nickel exports and continued growth of tourism. In spite of higher international prices for sugar, Cuba will soon become a net importer of sugar. Cuba's 2004-2005 sugar harvest was only 1.3 million metric tons -- a 45% decrease from the harvest of 2.5 million metric tons the year before and far removed from the 7 million metric ton harvests of the early days of the revolution.

In FY 2005, Cuba continued its attempts to off-set the nearly \$5 billion annual loss of former Soviet subsidies by actively seeking new sources of foreign investment, particularly for the mining, energy and tourism industries. Renewed agricultural imports from some U.S. agricultural export states, highly subsidized oil imports from Venezuela, and new investment from Canada, China and Spain contribute to the economic outlook for FY 2006. Hurricane's Wilma's destruction caused damage to citrus and poultry production and may negatively affect FY 2006 tobacco harvests. Tobacco ranks fourth in Cuba's export earnings.

Power generation suffers from poorly-maintained antiquated equipment compounded by a dependence on high sulfur domestic oil. Lengthy power outages during FY 2005 closed factories, cut short school days, and left many without the means to preserve monthly food rations.

The USAID Program:

In FY 2005, the USAID/LAC Cuba program continued to implement recommendations from the May 2004 report of the Presidential Commission for Assistance to a Free Cuba for hastening a peaceful transition to democracy in Cuba. Authorization for the program stems from the Cuban Democracy Act of 1992 which encourages the President to provide assistance "...through appropriate nongovernmental organizations (NGOs), for the support of individuals and organizations to promote nonviolent democratic change in Cuba." The Cuban Liberty and Solidarity (LIBERTAD) Act of 1996 further elaborates the types of

assistance and support the President is authorized to provide, including: published and informational matter (e.g. books, videos, and cassettes) on democracy, human rights and market economies; humanitarian assistance to victims of political repression and their families; support for democratic and human rights groups in Cuba; and support for visits by and permanent deployment of independent international human rights monitors in Cuba. The Act also authorizes the planning of assistance to a future transition government in Cuba.

USAID awarded its first grant in FY 1996, aimed at promoting a democratic transition in Cuba. In FY 2005, the objectives remain the same with USAID's Cuba Program Strategic Objective (SO), Civil Society Developed through Information Dissemination. The program builds civil society by increasing the flow of accurate information on democracy, human rights, and free enterprise to, from, and within Cuba. The program achieved substantial results in FY 2005; for the first time measuring success via the SO indicator "Increased Number of Public Acts of Non-Violent Civil Protest." Independent Cuban activists initiated more than 1800 acts of civic resistance -- an average of 150 acts of civil protest each month, compared to 110 per month the year before*.

In Cuba, program beneficiaries include groups of independent librarians, journalists, human rights and labor activists, many of whom are women. Globally, the Cuba Program assists six solidarity committees in Europe and Latin America that encourage the international community to provide additional moral and material support. The program also helps fund international conferences to increase international awareness of Cuban government repression and to encourage international support for Cuban civil society.

The most unique aspect of the USAID Cuba Program is that it directly supports independent activists in Cuba, whom the regime labels "counter-revolutionaries" and "dissidents," ostracizing them, depriving them of employment and subjecting them to physical abuse. Those marginalized by the regime routinely suffer public harassment, job loss, defamation and destruction to home and property, exclusion from public places, and harassment of their school-age children.

Key FY 2005 Achievements:

Increased Solidarity Built with Cuban Human Rights Activists: In FY 2005, program partners delivered more than 100,700 pounds of food and medicine to families of political prisoners, human rights activists, and other victims of repression throughout Cuba. In addition, after Hurricane Dennis hit the island in August 2005, program partners, with funding augmented by the USAID Office of Foreign Disaster Assistance, quickly provided food, shelter and other basic needs to Cuban activists who, through their broad on-island networks, helped thousands who had lost their homes and livelihood.

The program also helped attract increased international support for Cuban activists, and especially to the peaceful public protests of the wives of political prisoners. These women, dressed all in white, began weekly marches through the streets of Havana, attracting international media attention. The European Parliament, reacting to press reports, awarded its prestigious Sakharov Prize for Freedom to these "Ladies in White." As reported by the Inter Press News Service Agency, "The decision to grant the award to the ladies in white was praised by dissident leaders such as Oswaldo Payá, the head of the Christian Liberation Movement, who received the Sakharov Prize himself in 2002."

Greater voice for Cuba's Independent Journalists: Cuba Program partners published via the internet more than 3,000 reports from Cuba's independent journalists in FY 2005, bringing the total number of published reports since the program's inception to approximately 20,000. Program partners distributed the reports in hard copy newsletters as well as by electronic mail throughout the island and abroad. In FY 2005, the program provided training in journalism through correspondence courses and teleconferences to more than 100 independent journalists, bringing the total number of journalists the program has trained to more than 180. At the end of FY 2005, fourteen Cuban independent journalists remained in prison and over 20 have been forced into exile. Forty-eight new trainees have replaced them.

Development of Independent Cuban Non-Governmental Organizations Enhanced: During FY 2005,

program partners sent 50 international experts into Cuba to help develop and train independent Cuban NGOs. Partners also provided thousands of books, newsletters, videos and other informational materials, as well as office equipment to improve the management capacity of Cuban NGOs and their ability to support local community needs. The independent library movement witnessed establishment of 19 new independent libraries during FY 2005.

Direct Outreach to the Cuban People Increased: In FY 2005, in spite of active resistance from the Cuban government, program partners provided more than 5,400 short wave radios to the Cuban people, enabling families and individuals to listen to international programming of their choice. This brings the total number of radios provided since the beginning of the program to approximately 20,000. Program partners also provided more than 70,000 books, and more than one million newsletters, brochures and other informational materials to the Cuban people during FY 2005. This brings overall program delivery of these materials since the beginning of the program to more than three million books, newsletters and other informational materials. The program distributed to Cuban households every month approximately 100,000 newsletters.

The USAID Cuba Program also assisted direct outreach activities of the U.S. Interests Section in Havana, including multi-media and internet access programs for Cuban citizens and other visitors.

Increased Planning for a Future Political Transition: In FY 2005, Cuba Program partners supported the development of plans for assistance to a post-Castro transition government in Cuba. The University of Miami's Cuban Transition Project conducted seminars in Buenos Aires and Madrid to encourage international participation in transition planning, drawing on the transition experience in Eastern Europe, the former Soviet Union, Spain, Chile, Nicaragua, and other countries. The University of Miami provided Spanish language texts of seminar papers and proceedings to Cuban activists and to the Cuban people. A new USAID collaborative agreement with Creighton University (Omaha) will fund development of a model property claims tribunal to assist future efforts to resolve property disputes resulting from the Castro government's confiscation of private property from U.S. and Cuban citizens.

Donor Relations:

U.S. relations with Cuba remained hostile in FY 2005. The European Union found that its common position of "constructive engagement" with the Cuban government brought no positive political or economic change or improvement in respect for human rights. However, new E.U. members from the former Soviet block proved more inclined to provide moral, material, and informational support to Cuba's human rights activist, to call for the release of political prisoners, and to condemn the continuing human rights abuses of the Cuban government.

In recent years, bilateral donors in Cuba have included China, Venezuela, Vietnam, Iran, North Korea, Spain, Canada, Germany, Italy, Japan and France. Canada's programs focus on modernization of the state, civil society and participatory development, social sector development, and forest management. Spain's assistance focuses on water and sanitation, humanitarian assistance, education, and agricultural production. A number of United Nations (UN) organizations have active programs. The UN Development Program concentrates aid in social and environmental sectors, and with GOC economic reforms. The World Food Program has emergency and development food aid programs for provinces in eastern Cuba. UNICEF improves access to safe drinking water and basic sanitation in rural communities. Other UN organizations in Cuba include the Pan American Health Organization and the Food and Agriculture Organization.

Major Challenges:

Cuba is a totalitarian state, deliberate in its attempt to monitor, influence or censor any information entering, leaving, or circulating within the island. The government routinely opposes and seeks to block or interfere with the work of program partners. The USAID Cuba program, working under such restraints, measures success of its objective through a proxy SO indicator (public acts of Cuban civil society) as well as through measurement of intermediate results. To highlight the sensitivity of Cuba Program activities on

the island, it is important to note under current Cuban Law 88, the Law for the Protection of National Independence and the Economy of Cuba, adopted by Cuba's National Assembly in February 1999, and Article 91 of the Cuban Penal Code allow prison terms of five to 20 years, death (or life imprisonment when accompanied by Law 87 adopted in 1999) for anyone collaborating with the U.S. or other foreign entities which could undermine the stability of the Cuban state. In the March 2003 crackdown these laws alone were used to imprison 26 of the 75 dissidents arrested.

Cuban government opposition to the program is well documented in numerous statements made by Fidel Castro and other GOC officials on Cuban radio and television and in the Cuban press. Systematic opposition by the Cuban government is the single greatest obstacle in achieving results under this SO. The regime continues to violate the fundamental human rights of Cuban citizens by restricting free assembly, freedom of speech, freedom of religion, the right to private property, the right to collective bargaining, and other basic rights. Cubans who call for dialogue or peaceful democratic change are subject to arrest and imprisonment on charges of "disrespect" or "dangerousness."

As of 1994, more than 2,000 so-called "NGOs" were registered with the Cuban Ministry of Justice. Most of these organizations are government led and operated, and are, therefore, not eligible for assistance under this program.

However in recent years, a few independent groups and associations have begun in Cuba. Most are not formally recognized by or registered with the Cuban government. At present, these Cuban NGOs, professional associations and other groups vary in their "independence" from the GOC. Although none are completely free from government interference, some have developed greater autonomy than others, have individual members who favor peaceful democratic change, and should be exposed to the ideas, norms and practices of civil society in democratic countries.

Unfortunately, the GOC began tightening restrictions and reducing the number of small businesses active within Cuba in FY 2005. This has severely impeded the ability of citizens to augment average monthly salaries of \$40 USD with income gained through the illegal but strong informal sector. Taxi rickshaws, eating "palabras", and informal business have been frequent targets of the Cuban police resulting in many businesses closures, fines, and in some cases arrest and imprisonment.

Integrated Programming:

The USAID Cuba Program works closely with many Department of State (DOS) offices and bureaus. The Cuba Program is most closely affiliated with the Bureau of Western Hemisphere Affairs, Office of Cuban Affairs, which assists in the design, selection, implementation and management of Cuba Program partners. Additionally, the Cuba Program maintains regular contact with the U.S. Interests Section in Havana, in which Havana DOS officers regularly meet with Cuba Program funded partners and individuals and report back to the USAID Cuba Program on overall accomplishments, obstacles and issues affecting program implementation and impact. The DOS's Bureau of Democracy, Human Rights and Labor separately contributes funds a few of USAID's Cuba Program partners. Cuba Program partners frequently augment the USAID funded programs with these resources and private financial donations which furthers the successful impact of U.S. activities on the island. The National Endowment for Democracy, a private, non-profit, non-partisan organization with an annual congressional appropriation also provides financial support to some of USAID's Cuba Program partners.

Gender:

Many women are prominent leaders among the Cuban opposition. The USAID Cuba Program does not specifically target gender in its programs but does provide support to independent groups and individuals on the island, including women such as the "Ladies in White".

*Statistics are compiled in "Steps to Freedom" an annual report published by (Directorio) the Cuban Democratic Directorate, sub-grantee of USAID's Cuba Program partner, the International Republican

Institute. The report is published in affiliation with the Center for the Study of a National Option (a non-USAID partner).

FY 2006 Program**SO: 516-001 Civil Society Developed Through Information Dissemination****Strengthen Civil Society**

Strengthen Civil Society (\$8,910,000 ESF and \$1,980,000 DA). ESF funds are focusing on programs that increase solidarity with Cuban human rights activists, increase direct outreach to the Cuban people, and increase planning for a future political transition. ESF funds will also give greater voice for Cuba's independent journalists and enhance development of independent Cuban NGOs. USAID's program is reaching out to the Cuban people by transmitting accurate information on democracy, human rights and free enterprise to Cuban citizens. Information will flow via web pages which publish reports from independent journalists in Cuba, and through newsletters, faxes and e-mails to Cubans on the island. The program continues to work with U.S. universities, U.S. and U.S.-based Cuban NGOs, and independent Cuban citizens, to develop specific plans for assistance to a transition government, and to train prospective Cuban leaders in the functioning of free market economies. In addition, USAID DA funds continue to provide humanitarian support to Cuba's political prisoners, their families and those affected by natural or man-made emergencies on the island. The program will strengthen the capacity of independent Cuban NGOs through exchange visits between Cuba, the United States and other nations. The U.S. Department of State (DOS) is contemplating a transfer of a portion of these funds to the DOS/Bureau of Democracy, Human Rights and Labor for implementation.

FY 2007 Program**SO: 516-001 Civil Society Developed Through Information Dissemination****Strengthen Civil Society**

Strengthen Civil Society (\$9,000,000 ESF). USAID will continue building solidarity with Cuba's human rights activists by continuing to support distribution of reports by Cuba's independent journalists and transmitting accurate information on democracy, human rights and free enterprise. The program will continue working with U.S. universities, U.S. and Cuban NGOs, and independent Cuban citizens, and to further transition planning. The program will continue to train prospective Cuban leaders in the functioning of free market economies. In addition, USAID will continue to provide humanitarian assistance to political prisoners, their families and others negatively affected by natural or man-made emergencies. Solidarity with independent human rights and civil society groups will be further strengthened via support of exchange visits of Cuban NGOs between Cuba, the United States and third countries. Exchange visits will enhance the capacity and effectiveness of independent Cuban NGOs and inform Cuban society about the functioning of a democratic society and individual entitlement to basic human rights and freedom of expression.

Results Framework

516-001 Civil Society Developed Through Information Dissemination
Program Title: Civil Society Developed