

Cuba announces austerity measures: Here are the details



The measures were presented on Friday in a special broadcast (source: [Cubadebate](#)).

On Friday, Cuba's government presented a comprehensive package of measures to maintain basic services despite drastically reduced fuel supplies due to the [US oil embargo](#). "No fuel has arrived in this country since December," Díaz-Canel explained in a [press conference on Thursday](#), where he announced the measures for the first time.

In a special edition of the program "Mesa Redonda" (Round Table), Minister of Foreign Trade and Deputy Prime Minister Oscar Pérez-Oliva Fraga presented the measures, which include both savings and investments. "This is an opportunity to accelerate internal economic changes and a challenge that we will undoubtedly overcome," Pérez-Oliva said. "We will not collapse," the minister emphasized.

Trump had previously threatened to impose tariffs on products from all countries that export oil or fuel to Cuba. For months, the US government has been tightening its unilateral sanctions against the island. These include diverting ships carrying oil supplies that Cuba has purchased on the world market and threatening actors in the shipping and energy sectors.

"We are not here to provide justifications, but to explain how we can address this situation with concrete measures and the efforts of all," Pérez-Oliva said.

The following measures are planned:

Energy supply and power generation:

- **The power supply to private households will be maintained.** Generation will be secured mainly by the eight large thermal power plants using domestic crude oil, gas, and renewable energies.

- The [program to build solar parks](#) will continue despite the bottlenecks, but with more local resources and more manual labor.
- In addition to the large parks, 20,000 solar systems are to be installed for households, 10,000 of which will be for selected teachers and health workers. In addition to panels, the systems also include batteries to store electricity for nighttime use. This was made possible by a recent acceleration of relevant agreements with China.
- Another 5,000 modules are planned for remote communities, which would mean that the country would be 100 percent electrified.
- For the first time, electricity producers will be allowed to sell their energy directly to third parties, not just to the state-owned electricity company UNE.
- Domestic oil production is to be increased after growth was recorded again for the first time in 2025.
- **All companies will be allowed to import fuel independently** – a new form of decentralization that, according to Pérez-Oliva, is supported by solidarity-minded entrepreneurs and friendly countries.

Fuel rationing:

- The **sale of fuel to private individuals is being restricted**. Until further notice, gasoline will only be sold in foreign currency, and the sale of diesel to private individuals will be suspended. "Starting February 7, gas stations that sell fuel in US dollars will introduce the digital platform [Ticket](#) for purchasing B90 and B94 gasoline. The goal is to organize the sales process and serve as many customers as possible. The amount of fuel is limited to 20 liters per registration. After notification, customers will have 24 hours to pick up their order," announced gas station operator CUPET.
- Once the situation improves, the restrictions will be gradually lifted.



Food production:

- This year, 200,000 hectares of rice are to be cultivated to cover a significant portion of the country's own needs.
- Irrigation is to be increasingly powered by renewable energies, and field work is to be carried out more with draft animals instead of machines.
- Local food production and urban and family farming are being promoted.
- Private economic actors and foreign companies are to help with food supply at lower prices.

Healthcare:

- Basic medical care will be maintained, with priority given to emergency services, maternal and child health, cancer programs, and epidemic surveillance.
- Medical transport will continue to be guaranteed. Special transport solutions will be set up for chronically ill patients in remote areas.
- Dialysis patients can be admitted to hospitals in emergencies.
- The state-owned pharmaceutical company BioCubaFarma will continue to be supplied with fuel so that essential basic medicines can be produced locally.
- The production of vital chemicals for water treatment, oxygen, and chlorine for the healthcare system will be secured.



Economy and tourism:

- **Working hours will be adjusted**, and workers will be relocated where they can make the greatest contribution. Administrative activities will mainly be concentrated in the period from Monday to Thursday. **Priority will be given to basic services, food production, and agricultural work.**
- Where possible, working from home will be encouraged. As this is difficult due to power cuts, working from home may be linked to the installation of a home solar power system.
- If it is not possible to redeploy staff to the essential sectors mentioned above or to introduce flexible working arrangements, the legally established work interruption will apply. “In the first month, continued payment of salary equivalent to the basic monthly salary is guaranteed,” explained Labor Minister Jesús Otamendiz Campos.
- **Tourism will continue**, airports and hotels will remain open and will receive fuel. “If we have no income, we will not overcome this situation,” said Pérez-Oliva. As the minister announced, the current high season is going better than in previous years. A plan to reduce energy consumption in tourism has been developed, which aims to make more efficient use of the existing hotel infrastructure (focusing on fewer hotels with higher occupancy rates per facility).



- Cigar production and other foreign exchange-earning export sectors will be protected.

Transportation:

- Ports and airports will remain in operation, and domestic and international flight connections will be maintained.
- The ferry service to Isla de la Juventud will be reduced to two trips per week (Tuesday and Saturday).
- Domestic passenger trains will run every eight days instead of every four days. Bus connections to provincial capitals will continue daily, and to Baracoa every other day.
- The waiting list (*lista de espera*) will be suspended. Passengers with canceled tickets can get their money back within 30 days.
- Local transport services will be adjusted by the provinces according to fuel availability. In Havana, a new transport service will be set up specifically for doctors.
- Transport Minister Eduardo Rodríguez Dávila announced increased controls to prevent excessive prices by private transport providers.
- The “Public Transport Development Fund” will promote the expansion of solar-powered charging stations. There are also plans to purchase electric minibuses and cargo vehicles to make local transport in the provinces more sustainable.

Education:

- “The education system will essentially continue to operate,” explained Education Minister Naima Trujillo Barreto. She pointed out that we have gained invaluable experience from the Covid pandemic. However, she made it clear that the current situation presents different variables. **“Our priority is to keep our elementary schools open at all times,”** said the minister.



- Kindergartens and elementary schools will remain open as a priority, but some will operate with reduced hours. Elementary school students will be granted flexibility in class times to accommodate working parents. Special schools will remain unchanged.
- A flexible system will be introduced for secondary schools and universities, which will vary depending on the region and institution. Secondary schools can choose between three organizational forms: single shift, full-day on certain weekdays, or in subject blocks. The aim is to reduce travel as much as possible.
- Graduating classes will receive special attention due to the upcoming university entrance exams.
- Students and teachers at vocational and higher education institutions will be transported to their home communities.

- Higher Education Minister Walter Baluja announced a transition to partial attendance, with students being supervised on site at health facilities, educational institutions, or municipal university centers.

Culture and sports:

- Cultural programs will be adapted to the conditions, and community activities and amateur arts movements will be promoted.
- The national baseball season will continue until the semifinals are completed, with organizational adjustments to save fuel.
- The 34th Havana International Book Fair, one of the country's most important cultural events, will be postponed. A new date will be announced at a later time.

Other areas:

- The water supply will be protected by securing fuel allocations for pumping stations and expanding renewable energies. Sixteen solar-powered pumps are to be installed this month, and solar-powered electric vehicles are already in use in the sector.
- Early warning systems for weather, earthquakes, and radiation will be fully maintained.
- Communication services for the population will be maintained. Pérez-Oliva warned against disinformation on social networks: "We will not allow that to happen; we will guarantee the functioning of our communication system."
- Expenditure in administrations and state-funded areas is to be reduced. Despite the difficult situation, the results achieved in recent years in reducing the budget deficit are not going to be jeopardized, the minister announced.

According to its own statements, the government had already prepared measures in advance to be able to respond to various scenarios. On Thursday, Díaz-Canel explicitly referred to the "Opción Cero," a crisis plan developed by Fidel Castro in the 1990s in case of a complete naval blockade. Unlike then, however, around 55 percent of electricity can now be generated from domestic oil, and there is at least a basic level of solar power.

Overall, the measures were less drastic than some had feared. Much of it is common sense, and a complete economic standstill is not on the agenda for the time being. "The announcements are such that, due to their gradual and piecemeal nature, they are unlikely to help create momentum. And how much time is left for implementation? 10,000 solar panels are good, of course, but they are only a drop in the ocean in the current situation. The key question remains when Cuba will receive new oil deliveries," Bert Hoffmann from the GIGA Institute for Latin American Studies told *Cubaheute*.

Deputy Prime Minister Pérez-Oliva concluded by emphasizing that economic reforms should also continue and struck a combative tone. He highlighted the solidarity that Cuba is currently experiencing from governments, businesses, and communities abroad. "Cuba does not bow down to threats, but grows in the face of adversity," he said. ([Cubaheute](#))