Cuba opens foreign exchange market to private companies

Banco Metropolitano is the first bank to start selling foreign currency to private economic actors (source: Trabajadores/AI-scaled)

Despite the uncertainty surrounding the events in Venezuela, Cuba is continuing to implement its ongoing reforms. Following the introduction of an official currency market last December, the Cuban central bank has now begun to create a channel for the private sector to purchase foreign currency.

As Havana's Banco Metropolitano announced last Friday, cooperatives and small and medium-sized enterprises (SMEs) can now purchase dollars through the banking system. The measure is based on Central Bank Resolutions 127 and 128 from 2025 and is part of the restructuring of the country's foreign exchange market.

The regulation stipulates that companies can purchase foreign currency once a month. However, entrepreneurs cannot determine the amount themselves. As stated in the note, banks calculate the maximum possible purchase amount using a fixed procedure. This involves determining the average income in the company's tax account over the past three months. Half of this amount is divided by the current exchange rate, which was most recently 417 pesos per dollar.

As Banco Metropolitano emphasized, all transactions must be processed through the banking system. The Cuban pesos are debited from the tax account, and the foreign currency purchased is transferred exclusively to a foreign currency account of the respective company. Cash withdrawals or informal transfers are not permitted.

Before executing each transaction, the bank verifies the identity of the customer and the accounts involved, as required by the applicable regulations on due diligence, control, and traceability. Applications must be submitted via the online service *Metropolitano en Línea* on the website www.banmet.enzona.net.

It remains to be seen how good the availability of foreign currency will actually be in practice. In addition to purchases at Cadeca exchange offices, the mechanism is also financed by a surcharge on export proceeds. One obstacle to the current regulation is that companies can buy correspondingly less foreign currency after months of low revenues, which is likely to be a problem for many. As things stand, the mechanism will therefore be more of a welcome addition to the informal market than a definitive solution. (Cubaheute)