

Background Note on Development Issues, MDG achievement and Reforms in Cuba

Cuba has made excellent progress towards the MDGs in the past decade, building on its already notable achievements in health and education¹. According to the latest National Progress Report on the MDG's, Cuba is on course to achieve most of the MDG's by 2015. Cuba's economic and social indicators were already quite advanced, especially in terms of poverty, hunger, education, child and maternal health at the start of measuring MDG achievement. It is among the top 20 achievers in terms of progress relative to MDG targets². But while Cuba has relatively high level of development and ranks 59 out of 187 countries in the 2012 human development index, certain development challenges remain.

These include food security which is partly caused by low agricultural productivity and weak production chains. The country is highly dependent on food imports, importing about 80% of its domestic food requirements in 2009. As outlined in the "Guidelines of the Economic and Social Policy of the Party and the Revolution", which was adopted in April 2011, the government is focusing particularly on the agricultural sector by improving wholesale and retail markets and granting rights to use idle land.

Also, only MDG 7's achievement, Ensure environmental sustainability, has been labelled as "potentially probable," due to the need to improve the quality of housing and address the lack of housing affected by an increasing occurrence of natural disasters. In 2008 Cuba's vulnerability to natural disasters was displayed when it experienced a series of devastating hurricanes and storms which incurred losses of about \$10 billion.

¹ <http://www.theguardian.com/global-development/poverty-matters/2010/sep/30/millennium-development-goals-cuba>

² <http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/6014.pdf>

In terms of MDG 8, Cuba is very committed towards supporting the Global Partnership for Development and has engaged in South-South cooperation. Cuba has also advanced in terms of computer and internet use, which have increased 1.3 and 1.5 times between 2003 and 2008. But the initial levels were very low; therefore, it will need more financing in this area.

In broader terms, Cuba is undergoing important reforms. The abovementioned guidelines also aim to shift the centralized economy to a more market-based and decentralized economic model, including the launch of a monetary unification of the two currencies currently used, as decided in October 2013³. It also covers the economic management model, macroeconomic policies (monetary policies, exchange rate, fiscal policies, and pricing), foreign economic policy, investment policy, social policy, industrial and energy policies and, other sectoral policies (tourism, transport, construction, trade, housing) and science and technology⁴.

³ <http://www.cepal.org/publicaciones/xml/1/51821/BPI-Cuba.pdf>

⁴ <http://www.undp.org/content/dam/cuba/docs/2011%20Resident%20Coordinator%20Annual%20Report.pdf>