



AMERICAN AIRLINES TO FLY 110 FLIGHTS A DAY TO CUBA AS US TRACTOR BUSINESS BECOMES FIRST TO OPEN ON ISLAND

News / Airports / Routes



Anthony Foxx, the US transport secretary, is in Havana on Tuesday to sign a deal which promises to bring thousands more American tourists and their cash to Cuba.

Cuba and the United States are to sign a deal on Tuesday which will restore scheduled flights between the two countries for the first time in more than half a century.

Up to 110 flights a day will run from the United States to the island, significantly increasing the number of tourists and bring a boost to the economy, but posing problems for Cuba's creaking tourist infrastructure.

Until now, charter flights had made around 100 crossings a week – mainly from Miami – but scheduled airlines were not permitted.

Americans are still not permitted to travel to Cuba as tourists. But, since President Barack Obama and his Cuban counterpart Raúl Castro announced a re-establishment of diplomatic relations in December 2014, thousands of Americans have visited the island under a burgeoning series of "specialist" tours – for religious, cultural, journalistic, or educational purposes.

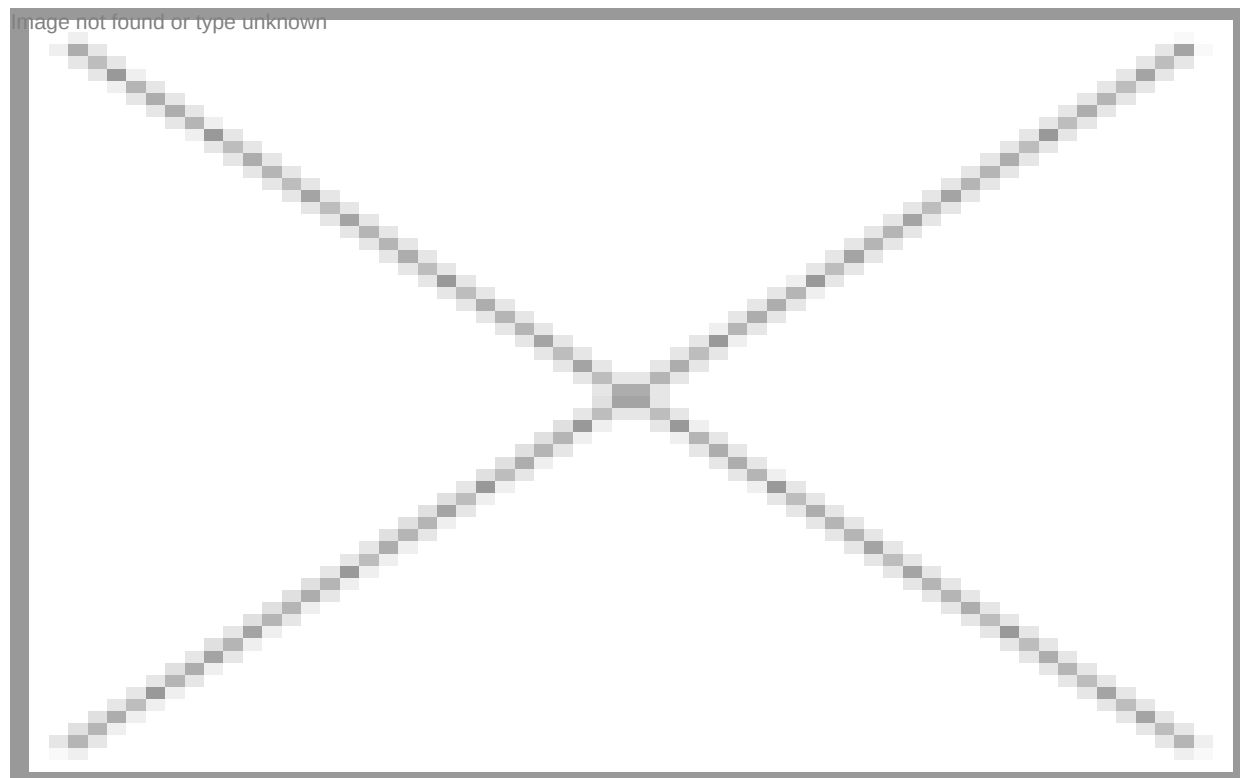
"VFR" - visiting friends and relatives - is another popular category of travel.

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President Barack Obama and his Cuban counterpart Raúl Castro meeting in Panama City last year

Mr Obama is known to be keen to visit the island before the end of his presidency - which would make him the first serving president to visit since Calvin Coolidge in 1928.

And Thomas Engle, US deputy assistant secretary for transportation affairs, said the deal was proof of a blossoming relationship between the Cold War foes.



The deal represents a concrete step towards the opening of Cuban skies to American carriers and travellers Photo: Reuters

Until now an agreement about flights was stalled by thorny negotiations over reparations for the 50-year embargo. Both sides feared their aircraft could be seized amid compensation claims. Negotiations over reparations are continuing, but the impasse has evidently been removed.

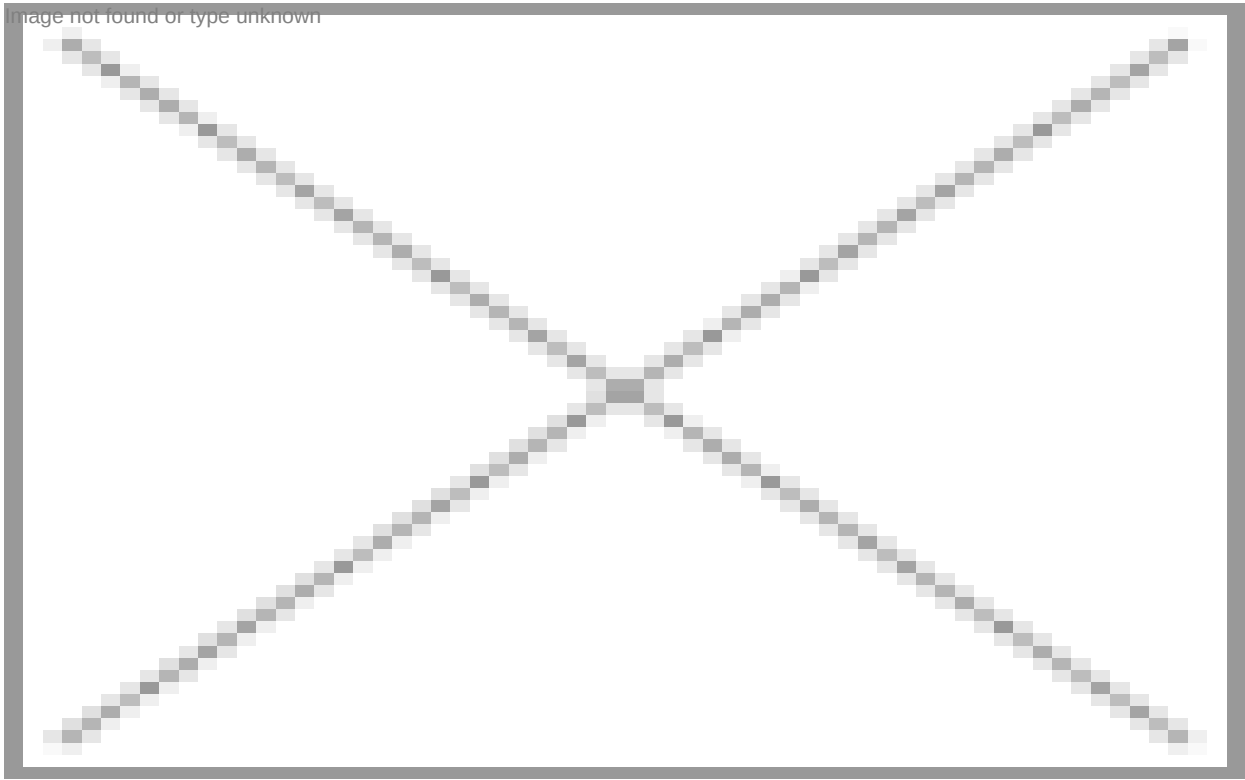
"The Cuban government will give thorough consideration to future requests from the US government to increase this level of service," he said. "The two governments reaffirm their commitment to strengthen their already close cooperation in aviation safety and security matters."

US airlines now have 15 days to submit applications to the department of transportation for the routes they would like to fly. Twenty flights a day will be permitted to Havana, and ten daily flights to nine other Cuban airports.

And while the deal must still be approved by Cuba's government, it represents a concrete step towards the opening of Cuban skies to American carriers and travellers.

On Tuesday it was also announced that the first American business has been granted permission to build and operate a factory in Cuba.

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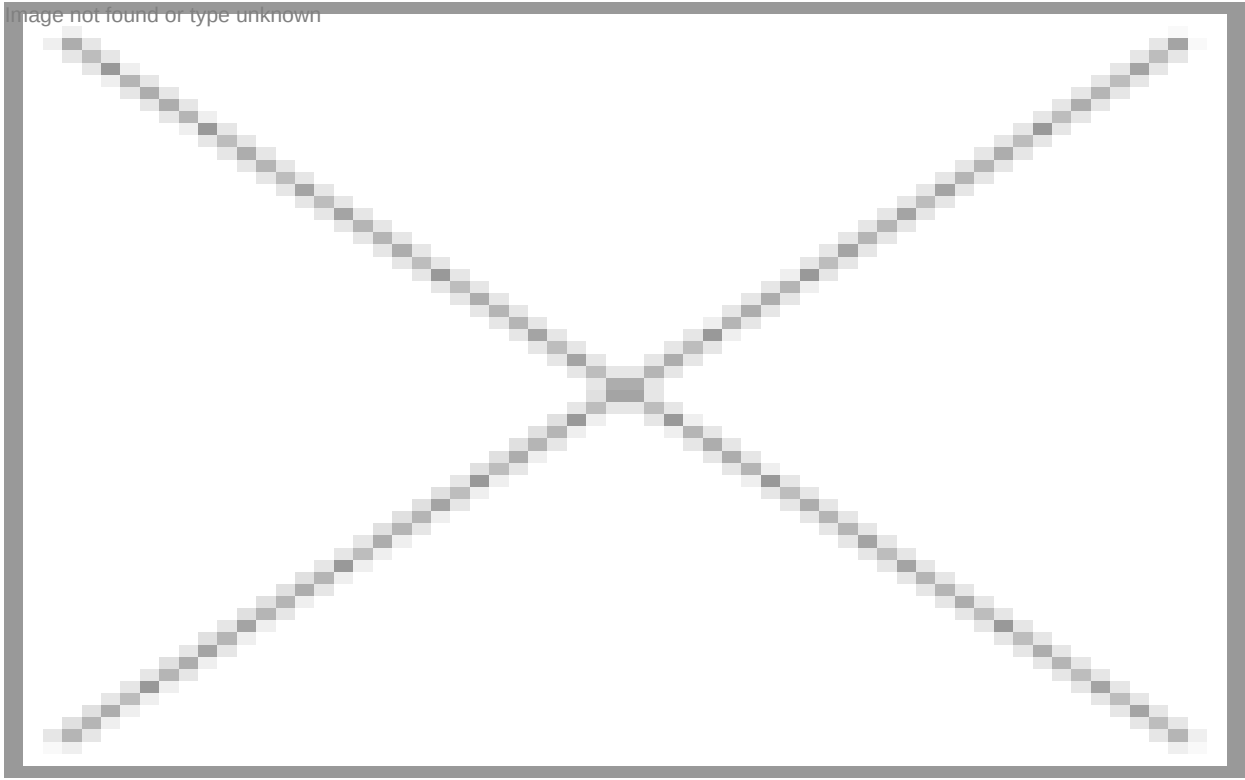


A farmer drives his tractor in Pinar del Rio, Cuba

Cleber, an Alabama-based company that builds tractors for small farms, was notified by the treasury department that it could open a facility in Cuba. Saul Berenthal, the co-founder, said the company's lawyer was in Havana on Monday to start the lengthy process of finalising the agreement with the Cuban government, and the company hopes to start production by early 2017.

"Being first is great," said Mr Berenthal. "But for certain, we should not be the only ones. We're hoping and expecting many more will follow."

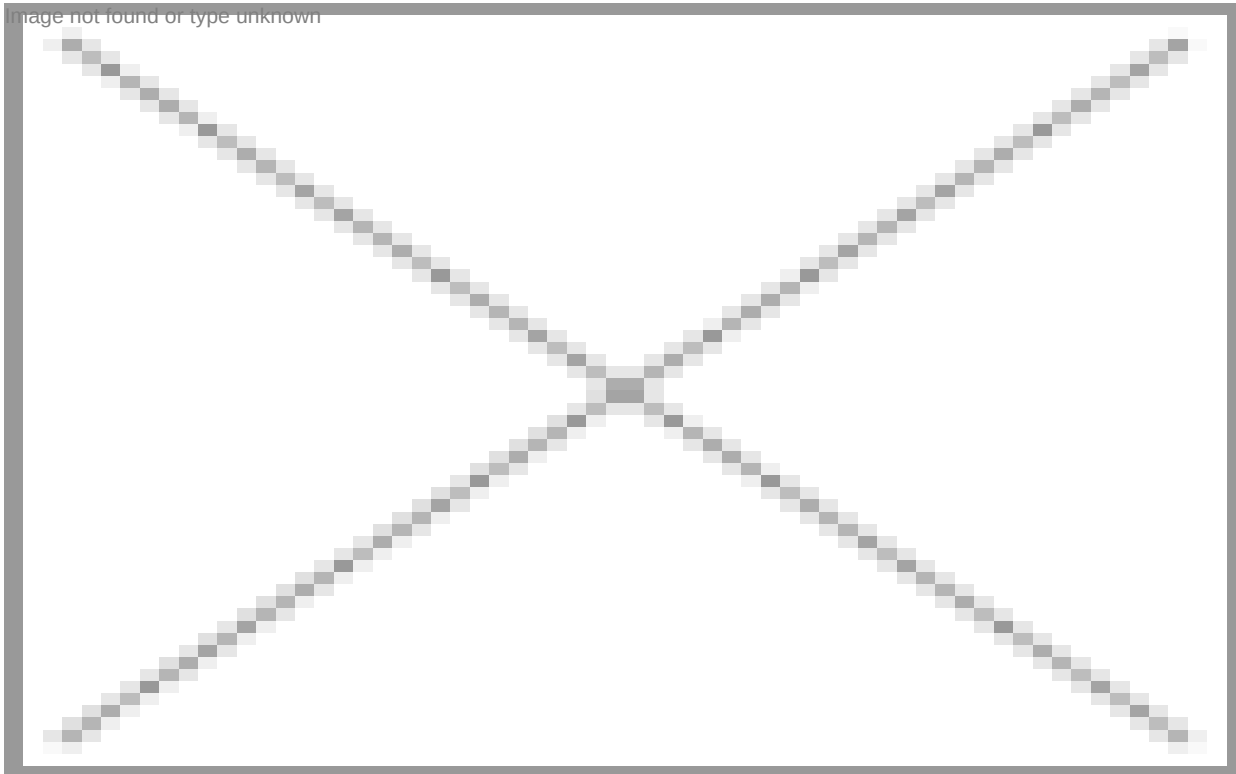
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Horace Clemmens, owner of Cleber company, poses on his company's tractor

American companies have been queuing up to open in Cuba since the December 2014 rapprochement. But the embargo remains in place – Republican-controlled Congress would block any attempt to lift it, despite Mr Obama repeatedly saying it is ineffectual and outdated – and therefore trade is still limited.

American business have, however, found ways of nibble around the edge of the embargo. Airbnb has begun operating, credit cards are now being accepted, and Netflix is available, on improved internet connections. Medical and agricultural firms are exploring opportunities, but there are no American food chains on the island, yet.



An employee wearing a Cleber company shirt

The tractor company won over the Cubans with their emphasis on using Cuban labour. The company will make a small, red tractor it calls the Oggún – named in homage to the Afro-Cuban Santería spirit of metal work. American workers initially will build the pieces in Paint Rock, Alabama, and assemble them in a facility at the port of Mariel, a special economic zone about 30 miles west of Havana.

Mr Berenthal's team will train Cuban workers to build around 1,000 tractors a year. Ageing agricultural equipment is one of Cuba's biggest concerns, with the island now no longer to feed itself and relying on importing food, including even sugar.

"Cuba doesn't want to just import, Cuba wants to do production," he said. "One of the things that the Cuban economic law prefers is that we bring not only employment and technology to Cuba but also management skills.

"We now have created a framework as to how US companies can win approval," he said. "Now we know what it takes."

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