HAVANA, Cuba. – The Business Opportunities Portfolio 2022, presented at the start of the year, and thereon revealed at every event that had to do with foreign investments in Cuba, did not include among the principal offers of CubaSol Enterprise (through the CubaGolf society) an important plot of land about 9 square miles in size, located south of the town of Jaimanitas, in Havana.

Although it was anticipated that, for May of this year and in time for the International Tourism Fair in Varadero, the portfolio published by the Ministry of Foreign Trade and Foreign Investment (MINCEX, by its Spanish acronym) would be updated, the news that some were expecting did not come to fruition, especially the inclusion of a plot of land that is flanked by 11B, Quinta D and 222 streets in Playa municipality, a spot better known as Punto Cero where, until a few years ago, the residences of the Castro family were located.

Neither was the Jaimanitas plot mentioned in late October by Luis Martínez de Armas, president of CubaSol Enterprise, owner of Cubagolf S.A., during closing ceremony of the Great Golf Tournament in Varadero. However, according to witnesses and participants, at several meetings and business dinners held during the four days that the tournament lasted, Martínez de Armas not only answered
positively questions raised in private about the possibility of Punto Cero becoming an 18-hole golf course soon, but also, of his own accord, he brought up the subject matter at after-dinner talks where Antonio “Tony” Castro Soto del Valle was present, in search for foreign capital for a project that, although approved confidentially –he repeated this several times- was not being welcomed by the more reactionary individuals in the Cuban government, nor by members of the Castro family, including Dalia Soto del Valle, Fidel Castro’s widow.

A not-too-recent proposal

In spite of what transpired in Varadero, the rumors about the possibility that the extensive housing and land complex known as Punto Cero will end up transformed into a golf course connected to the Hemingway Marina facilities, as part of a great real estate complex exclusive for foreigners, goes back to 2018 when Tony Castro himself, winner of several international golf championships and principal promotor of this sport in the island, made a proposal to his uncle Raúl, getting as an answer “It’s an interesting project”. Raúl’s only condition was that any negotiation had to exclude the main residence, as well as the mansion he and Vilma Espín lived in for years, located on the south side of Punto Cero along 222 Street.

In fact, soon after this tentative approval and before Dalia Soto del Valle had
moved out of her own volition to another residence in the Abatey area, also in Playa, Punto Cero ceased to be the bunker that was barred to vehicular and pedestrian traffic, surrounded by several security perimeters and guarded by snipers, and had become an open territory, accessible to local traffic even along Quinta D and 222 streets, which are the avenues closest to the principal mansions. The security checkpoints are still equipped with armed guards, and traffic signs barring entry to certain ways are still in place.

“Security has been reduced to a small group of about 10 soldiers, but the unit itself was deactivated in 2019 and moved definitively to Baracoa Beach,” states a source close to the Castro family that CubaNet consulted on condition of anonymity. “Only some security checkpoints remain because Dalia visits the place every so often (...), but there is almost nothing left there. The important things were moved to Atabey, to other residences, and to the Fidel Castro Center. Punto Cero is deserted,” stated our source.

Another anonymous source we consulted, someone who lives in the area and has been able to access the perimeter regularly, states that the land, which is covered by weeds, is very deteriorated, and that the security checkpoints seem to be abandoned on certain days, although the security cameras are still connected.

“There is talk about the golf course. They say it will be as large as the one in Varadero, that it will extend all the way to the Hemingway Marina,” states our source. “You couldn’t trespass before, they would rake the gun right on your face, the (Black berets) cars were inspecting the premises all day, even if (Fidel Castro) wasn’t there. Now, anyone can go in and stop to look around, and nobody says...
anything, but they don’t allow you to record or to take out your cell phone. If you want to do it, you have to do it outside the range of the cameras. The soldiers assigned have no purpose, in fact, the checkpoints are sometimes empty.”

The investment needed is US$ 150 million

That Punto Cero is not included in the Business Opportunities Portfolio does not mean that the Cuban regime has given up on taking advantage of what years before 1950 had been a huge golf course as part of the famous Havana Biltmore Yatch and Country Club that extended some 0.15 square miles which were occupied not only by the residential complex at Punto Cero (which was built before 1959), but also the town of Jaimanitas and part of what is today the Hemingway Marina.

According to sources that CubaNet consulted at the Ministry of Tourism (MINTUR, by its Spanish acronym), there is a possibility that the project has sparked interest among certain companies, including the Canadian Golf Design Services Ltd, which in the late 1990s designed the Varadero golf course. There is also another Canadian company, whose name or origins have not been revealed; according to some sources, it could be Sunwing Travel Group, owned by Blue Diamond; or two other real-estate companies –Esencia Hotels and Resorts, from the United Kingdom, and Caribbean Resorts and Golf, which has 30% interest in Urbas Grupo Financiero of Spain- plus other real-estate companies is the Baleares Islands that are linked to the Cristoforetti family and closely linked to Tony Castro’s businesses in Cuba, Europe and Panama.

According to information gathered by CubaNet, the project had first received
MINCEX’s approval and later the approval of the Council of State, and both the foreign and Cuban parties –Cubasol, S.A. and Gaviota S.A.- had been asked in 2019 to form a single association before December 2022 –different and independent from the existing ones, like Empresa Mixta Carbonera S.A. and Ceiba S.A., that would be registered in the United Kingdom and the Baleares Islands in order to facilitate the steps toward financing of a total calculated at US$ 150 million, plus an additional US$ 20 million to expand and modernize the Hemingway Arena dock. This investment was included in the most recent Business Opportunities Portfolio, where an annual income of between US$4 million and US$ 5 million, and a payback period of nine years, was projected.

To summarize, the golf course as a whole would be similar to that of Varadero, or probably larger, including land beyond the perimeter of Punto Cero down to the Palco market to the east, and the marina dock to the northeast. The project includes an 80 guest-room hotel and a residential area with residences and a commercial zone.

“We are thinking of the vicinity of Mariel, in the center of Havana and also in the health tourism circuit, which eliminates projects to the west for now,” stated a source from the Ministry of Public Health. “It is a megaproject in an area that, if truth be told, is practically abandoned; due to the large expanse that it encompasses, it strategically interrupts the development of the zone which has great potential for investments and tourism.”

More crisis, more golf, more contradictions and fewer tourists

While the energy crisis worsens due to lack of financial resources to modernize the national electric grid, as well as the fact that the arrival of tourists hasn’t
reached the numbers for years before the pandemic, companies associated with tourism, like Cubasol S.A. and Gaviota S.A. insist on developing 100% of all investments projected until 2030, including not only hotels but also theme parks, nautical facilities and more than a dozen golf courses throughout the island.

According to statements made by Alex Mulet, vice president of Cubasol, in the following years and until 2030, the group hopes to complete some 150 non-hotel-services and real-estate projects, including the sale of properties to foreigners.

However, according to the information included in various Business Opportunities Portfolios published from 2016 to the present, many of the original 395 initial proposals, most of which are linked to tourism and the real-estate business, have not generated a response. This means that they remain in the new issues with other projects, for a total of 678 proposals in this year’s portfolio, and it’s possible that they will never materialize due to distrust among investors regarding a political and economic scenario where nothing turns out to be what it pretends to be.

After decades of having the practice of golf censored by Fidel Castro, who considered golf an “elitist sport” and ordered the destruction or lack of attention of most golf courses that exited in Cuba prior to 1959, today, many are surprised and worried about the insistence of the Cuban regime to build dozens of costly facilities linked to real-estate projects, especially when the number of participants at golf tournaments has plummeted. A record number of competitors was attained in October 2018 when 144 golfers from 11 countries attended, while at the most recent tournament, the number went down to 54 mostly Canadian participants.

*Recibe la información de CubaNet en tu celular a través de WhatsApp. Envíanos un mensaje con la palabra “CUBA” al teléfono +1 (786) 316-2072, también puedes suscribirte a nuestro boletín electrónico dando click aquí.*