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Coopération économique entre l'Indonésie et Cuba : une analyse utilisant la classification des produits RCA-CMSA et les modèles TINA

Cooperação Econômica entre Indonésia e Cuba: Uma Análise Utilizando a Classificação de Produtos RCA-CMSA e os Modelos TINA

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ABSTRACT Indonesia and Cuba are two old friends and have cordial diplomatic relations, but their economic cooperation—particularly in trade and investment—remains below their potential. This study aims to identify the potential trade and investment opportunities. First, by using the RCA-CMSA Product Classification Model, the study suggested trade opportunities for Indonesia to export mining and manufactured goods, while Cuba exports manufactured goods and agricultural commodities. In the investment sphere, the findings suggest Indonesian outbound investment in Cuba including human blood antisera; ethyl alcohol; spirits and liqueurs; natural honey; and unwrought lead. Meanwhile Cuba is suggested to invest in transportation-related products, food products, textiles, essential oils and electrical appliances in Indonesia. Using the TINA model, the tariff dismantlement would boost Indonesia's export products to Cuba including soap, palm oil, and food preparations. Meanwhile, Cuba would export products including cigarettes, cigars, cigarillos and cheroots, rum and other spirits. The findings suggest both countries should explore to establish Indonesia-Cuba Comprehensive Economic Partnership Agreement to expand bilateral economic cooperation, fostering Central Bank financial cooperation via Local Cooperation Settlement and Quick Response Code Indonesia Standard digital payment system complemented by encouraging socio-cultural, education and training, and research cooperation to enhance mutual understanding, and advancing South-South cooperation agenda. Last but not least, Indonesia could share best practices on Indonesian economic school of thought including 'ekonomi kerakyatan' (common people's economy) and 'berdikari (to stand on one's own feet) in guiding economic processes in Cuba in accordance to the National Economic and Social Development Plan 2030.

Keywords: South-South Cooperation, economic diplomacy, Indonesia-Cuba bilateral relations, international trade analysis, foreign direct investment, comprehensive economic partnership agreement

RESUMEN *Indonesia y Cuba son dos viejos amigos y mantienen relaciones diplomáticas cordiales, pero su cooperación económica, particularmente en comercio e inversión, se mantiene por debajo de su potencial. Este estudio busca identificar las oportunidades potenciales de comercio e inversión. Primero, utilizando el Modelo de Clasificación de Productos RCA-CMSA, el estudio sugirió oportunidades comerciales para que Indonesia exporte minería y productos manufacturados, mientras que Cuba exporta productos manufacturados y productos agrícolas. En el ámbito de la inversión, los hallazgos sugieren inversiones indonesias en Cuba, incluyendo antisueros de sangre humana; alcohol etílico; licores y bebidas espirituosas; miel natural; y plomo en bruto. Mientras tanto, se sugiere que Cuba invierta en productos relacionados con el transporte, productos alimenticios, textiles, aceites esenciales y electrodomésticos en Indonesia. Utilizando el modelo TINA, la desmantelación arancelaria impulsaría los productos de exportación de Indonesia a Cuba, incluyendo jabón, aceite de palma y preparaciones alimenticias. Mientras tanto, Cuba exportaría productos como cigarrillos, puros, ron y otras bebidas espirituosas. Los hallazgos sugieren que ambos países deberían explorar la posibilidad de establecer un Acuerdo de Asociación Económica Integral entre Indonesia y Cuba para ampliar la cooperación económica bilateral, fomentando la cooperación financiera con el Banco Central mediante el Acuerdo de Cooperación Local y el sistema de pago digital Estándar de Indonesia con el Código de Respuesta Rápida, complementado con el fomento de la cooperación sociocultural, educativa, formativa e investigativa para mejorar el entendimiento mutuo e impulsar la agenda de cooperación Sur-Sur. Por último, pero no menos importante, Indonesia podría compartir las mejores prácticas de la corriente económica indonesia, como la «ekonomi kerakyatan» (economía popular) y el «berdikari» (autogestión),*

para guiar los procesos económicos en Cuba, de conformidad con el Plan Nacional de Desarrollo Económico y Social 2030.

Palabras clave: Cooperación Sur-Sur, diplomacia económica, relaciones bilaterales entre Indonesia y Cuba, análisis del comercio internacional, inversión extranjera directa, acuerdo de asociación económica integral.

RÉSUMÉ *L'Indonésie et Cuba entretiennent des relations diplomatiques cordiales et sont depuis longtemps amies, mais leur coopération économique, notamment en matière de commerce et d'investissement, demeure en deçà de son potentiel. Cette étude vise à identifier les opportunités commerciales et d'investissement potentielles. Premièrement, grâce au modèle de classification des produits RCA-CMSA, l'étude suggère des opportunités commerciales pour l'Indonésie, notamment l'exportation de produits miniers et manufacturés, tandis que Cuba exporterait des produits manufacturés et des produits agricoles. Dans le domaine de l'investissement, les résultats indiquent que les investissements indonésiens à Cuba pourraient porter sur des produits tels que les antisérum contre le sang humain, l'alcool éthylique, les spiritueux et liqueurs, le miel naturel et le plomb brut. Parallèlement, il est suggéré à Cuba d'investir dans les produits liés au transport, les produits alimentaires, les textiles, les huiles essentielles et les appareils électriques en Indonésie. Selon le modèle TINA, la suppression des droits de douane stimulerait les exportations indonésiennes vers Cuba, notamment le savon, l'huile de palme et les préparations alimentaires. De son côté, Cuba exporterait des produits tels que les cigarettes, les cigares, les cigarillos et les cheroots, le rhum et d'autres spiritueux. Les résultats suggèrent que les deux pays devraient envisager la mise en place d'un Accord de partenariat économique global Indonésie-Cuba afin de développer la coopération économique bilatérale, de renforcer la coopération financière entre les banques centrales via le système de règlement de coopération locale et le système de paiement numérique QRIC (Quick Response Code Indonesia Standard), et d'encourager la coopération socioculturelle, éducative, de formation et de recherche pour améliorer la compréhension mutuelle et faire progresser la coopération Sud-Sud. Enfin, l'Indonésie pourrait partager ses meilleures pratiques en matière de pensée économique, notamment les concepts d'« ekonomi kerakyatan » (économie participative) et d'« autonomisation » (autonomie), afin d'orienter les processus économiques à Cuba, conformément au Plan national de développement économique et social 2030.*

Mots-clés : Coopération Sud-Sud, diplomatie économique, relations bilatérales Indonésie-Cuba, analyse du commerce international, investissement direct étranger, accord de partenariat économique global

RESUMO *Indonésia e Cuba são dois países amigos de longa data e mantêm relações diplomáticas cordiais, mas sua cooperação econômica — particularmente em comércio e investimento — permanece aquém do seu potencial. Este estudo visa identificar as potenciais oportunidades de comércio e investimento. Primeiramente, utilizando o Modelo de Classificação de Produtos RCA-CMSA, o estudo sugeriu oportunidades comerciais para a Indonésia exportar produtos de mineração e manufaturados, enquanto Cuba exporta produtos manufaturados e commodities agrícolas. Na esfera de investimento, as conclusões sugerem investimentos indonésios em Cuba, incluindo soro antiofídico; álcool etílico; bebidas destiladas e licores; mel natural; e chumbo bruto. Por sua vez, sugere-se que Cuba invista em produtos relacionados a transporte, produtos alimentícios, têxteis, óleos essenciais e eletrodomésticos na Indonésia. Utilizando o modelo TINA, o desmantelamento tarifário impulsionaria as exportações indonésias para Cuba, incluindo produtos como sabão, óleo de palma e preparações alimentícias. Em contrapartida, Cuba exportaria produtos como cigar-*

ros, charutos, cigarrilhas e cheroots, rum e outras bebidas destiladas. Os resultados sugerem que ambos os países devem explorar a possibilidade de estabelecer um Acordo de Parceria Econômica Abrangente Indonésia-Cuba para expandir a cooperação econômica bilateral, fomentando a cooperação financeira entre os bancos centrais por meio do Sistema de Liquidação Cooperativa Local e do sistema de pagamento digital QR Code Indonesia Standard, complementado pelo incentivo à cooperação sociocultural, educacional e de treinamento, e de pesquisa para aprimorar o entendimento mútuo e promover a agenda de cooperação Sul-Sul. Por fim, mas não menos importante, a Indonésia poderia compartilhar as melhores práticas da escola de pensamento econômico indonésia, incluindo a “ekonomi kerakyatan” (economia do povo) e o “berdikari” (ser autossuficiente), para orientar os processos econômicos em Cuba, em consonância com o Plano Nacional de Desenvolvimento Econômico e Social 2030.

Palavras-chave: Cooperação Sul-Sul, diplomacia econômica, relações bilaterais Indonésia-Cuba, análise do comércio internacional, investimento estrangeiro direto, acordo abrangente de parceria econômica

INTRODUCTION

Indonesia and Cuba established diplomatic relations on 22nd January 1960. In 2025, both countries celebrated 65 years of anniversary of diplomatic relations. Indonesia and Cuba are old friends, in which Indonesia's first President, Soekarno paid an official visit to Cuba in May 1959 and had a very close friendship with the Cuban leaders including President Osvaldo Dorticós Torrado, Prime Minister Fidel Alejandro Castro Ruz, and Ernesto "Che" Guevara. They shared common understandings of anti-imperialism and anti-colonialism, and strong solidarity among the global south nations during the decolonization period. This historical friendship continues to be a memorable diplomatic footprint between the two countries.

In the political sphere, over the years both countries continue to show strong cooperation through high-level official visits and mutual support in various international fora to advance the global south common interest on the South-South cooperation agenda. Meanwhile in the economic sphere, in 2024 the bilateral trade relations amounted to US\$10.5 million (Trade Map, 2025). Indonesia's main export to Cuba are: soap, palm oil, vaccines, and sacks and bags. Meanwhile Cuba's main export to Indonesia are: cigarettes, immunological products, cigars, animal raw hides and skins, and rum or other spirits. Apart from trade, there are several Indonesian investment in Cuba in the hospitality sector, and over

the years Indonesia offered capacity building program as part of the technical cooperation. In the socio-cultural sphere, people to people contact is still relatively limited, as there are few Indonesian citizens live in Cuba and vice-versa. There are socio-cultural cooperation initiatives, mainly focused on sports, health, education, and research sectors. Also, Cuba's initiative on international humanitarian and medical diplomacy efforts in Indonesia during the Tsunami in Aceh (2004) and the earthquake in Yogyakarta (2006) (Luska, 2025).

The bilateral relations between the two countries are positive and cordial, but the economic relations seem to be limited and below its potentials. More efforts should be undertaken to further strengthen the bilateral economic relations. This study attempts to identify and search ways to strengthen the bilateral economic relations. So far, relatively few studies have been conducted on Indonesia-Latin American relations and as well as Indonesia-Caribbean relations, particularly on Indonesia-Cuba relations.

Sjahril (2020) wrote that since 2005, Latin America has gained increasing attention in Jakarta and with renewed interest. Over the years, Indonesia has cordial relationships with the Latin American states and is an opportunity to turn this positive political relationship into a thriving economic relationship including boosting trade, tourism, investment and services relations. Latin America can be an alterna-

tive source of energy (particularly oil and gas, and now critical minerals), agro-industry cooperation, and technical and development cooperation for Indonesia. Meanwhile Latin America can find in Indonesia a potential hub in South-East Asia.

But there are structural and objective challenges to enhancing Indonesia Latin America relations including geographical distance with no direct flights or shipping transportation, high transportation costs, poor infrastructure and connectivity, and trade barriers (tariff and non-tariff barriers) may hinder the strengthening of commercial ties (Sjahril, 2020). Further, a lack of historical connections and mutual knowledge, cultural differences, language barriers, limited mutual interest and scarce access to information are also challenging factors.

Sjahril (2017) identified using a gravity model approach, he discovered that three variables, namely Latin American countries' GDP, the establishment of Indonesian embassies in Latin America and of Latin American embassies in Indonesia, and the number of MOUs can have a positive effect on Indonesia-Latin America bilateral trade performance.

At the bilateral level, there are some previous studies on Indonesia's relations with the Latin American counterparts such as (but not limited to) Chile, Peru, and Argentina. The joint National Research and Innovation Agency (BRIN)-Ministry of Foreign Affairs of the Republic of Indonesia policy paper (2025) shows that Chile is an economically stable market and increasingly strategic for Indonesia, especially after the entry into force of the Indonesia-Chile Comprehensive Economic Partnership Agreement (IC-CEPA). Further, Indonesia's trade balance with Chile has been consistently positive, while several commodities such as automotive products, footwear, chemical products, and paper have been mapped as having the strongest export opportunities. Meanwhile, Al-Husin & Virgianita (2024) found that the relationship between Indonesia and Chile in various fields shows a fluctuating trend because both nations still focus on traditional partners, the relationship between the two countries is prag-

matic, lack of political will, and lack of information about each other's characteristics.

Firdaus & Nurhayati (2020) revealed that the recent Indonesia-Peru plan to improve economic cooperation can be the first step for Indonesia to start diversifying markets and opening new markets, especially new markets in Latin America. Using the Trade Complementarity Index (TCI), showed the level of complementarity of the exports of the two countries falls into the moderate category of trade complementary, and the Export Product Dynamic (EPD) analysis showed that the market position of most of the Indonesian commodities studied shows a favorable

position (rising star position), meanwhile Peruvian export cooperation to Indonesia has great potential in the five commodities studied. Further, the Global Trade Analysis Project (GTAP) analysis showed that the Indonesia-Peruvian PTA policy will benefit both countries.

Diphda et al (2025) explained why Indonesia decided to sign the Indonesia-Peru Comprehensive Economic Partnership Agreement (CEPA) dated on 11 August 2025 using the three-motive lens: economic, security, and leverage. From the economic perspective, the CEPA addresses discrimination risks by removing most tariffs at entry into force and clarifying rules of origin, customs, and cooperation on technical barriers to trade and sanitary and phytosanitary measures. The security motives are visible in the presidential ceremony tied to 50 years of diplomatic relations, a joint declaration, and a parallel cooperation memorandum that widens cross-regional engagement with an Latin American partner. Leverage motives appeared in the committee structures that build capacity for later talks.

Rubiolo & Ramoneda (2012) discussed Indonesia-Argentina relations in which Argentina views Association of Southeast Asian Nations (ASEAN) particularly Indonesia as the biggest economy in the ASEAN region provides major potential market for Argentina as part of the trade diversification strategy. The study stated that Argentina's relations with Indonesia will receive greater importance on the Argentina's foreign policy agenda in the years to come.

Other study, Rubiolo (2014) viewed that there are increasing interest in the context of South-South cooperation in the South America’s foreign policy agendas, and thus, strengthening trade relations with the Southeast Asian nations become more relevant for the South American foreign agenda, and Argentina is no exception in this trend. Indonesia is becoming an Asian axis for Argentina’s trade insertion, and Argentina did a political approach with the high-level visits to Indonesia in opening avenues for trade diversification. Further, it is suggested the cooperation should be multidimensional including energy, science and technology, and cultural cooperation.

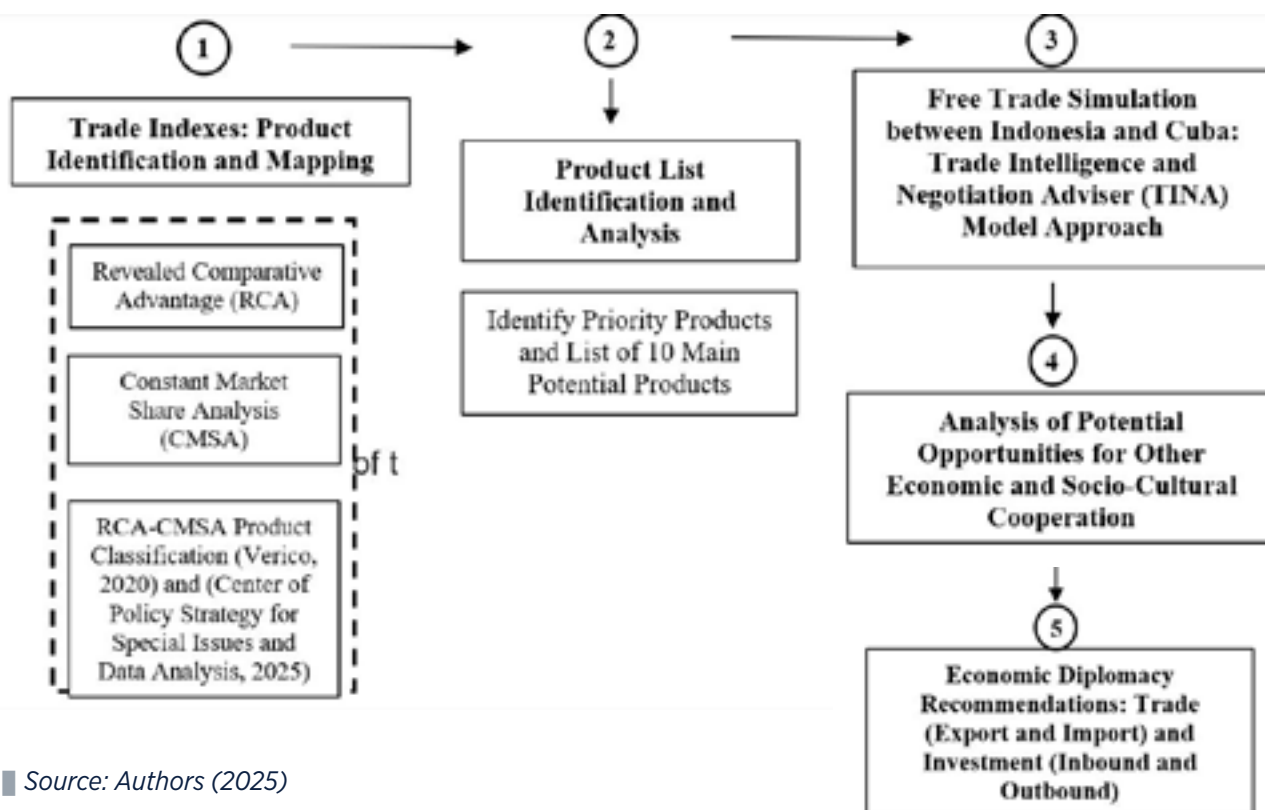
This paper attempts to identify and map potential trade and investment cooperation opportunities between the Indonesia and Cuba to strengthen the bilateral economic relations. It is expected with the guided market intelligence analysis of both countries’ economic structures, and as well as the market and investment needs, both countries can leverage their sectoral advantages to develop a more comprehensive and mutually beneficial economic relations. Economic diplomacy is clearly a priority agenda in both countries’ foreign policy to support national economic

development agenda. Therefore, this study is needed to enhance the bilateral economic relations, as currently still relatively limited and below its potentials. The study is also expected to contribute in enriching scientific economic and international relations literatures, particularly in the field of the international trade and economic diplomacy issues. For the policymakers, this research may be used as one of the guidances for the Indonesian and Cuban government to take the appropriate economic diplomacy measures on strengthening Indonesia-Cuba bilateral trade relations

Research Methodology and Data

This study utilizes a market intelligence approach to analyze the potential trade and investment opportunities between Indonesia and Cuba, followed by the analysis of the potential economic impact of Indonesia-Cuba free trade simulation, discussion on the potential and opportunities for other economic and socio-cultural cooperation between the two countries, and finally, the conclusion and policy recommendation. The analytical framework used in this study can be seen in detail in Figure 1 below.

Figure 1. Analysis Framework



Source: Authors (2025)

The first part, the study uses Revealed Comparative Advantage-Constant Market Share Analysis (RCA-CMSA) Product Classification Model, developed by Verico (2020, 2022, 2025), and later further jointly developed (remodified) Verico-Center of Policy Strategy for Special Issues and Data Analysis (2025) which enables a systematic mapping of products with comparative advantages and dynamic market trends. The research utilizes a combination of Revealed Comparative Advantage (RCA) and Constant Market Share Analysis (CMSA) to highlight competitive products and also identify those with sustainable growth potential, making it a valuable tool for crafting long-term trade and investment strategies (Verico, 2020).

The RCA index is originally introduced by Balassa (1965), which uses the index to measure the comparative advantage of a country's export products relative to global export patterns. Meanwhile, CMSA is firstly introduced by Tyszynski (1951) aims to further explore the export growth and competitiveness of commodities traded between the two countries. The CMSA captures the market share dynamics of products over time and it allows the trends identification in product competitiveness within the country's market.

Several previous studies have used the RCA-CMSA product classification model, including Kurniawan (2024) to get a nuanced understanding of the competitiveness of traded commodities between Indonesia and Sudan, which is essential for evaluating the potential benefits of deepening trade ties through an RTA. Ragimun et al (2022) utilized the RCA-CMSA matrix analysis to identify potential trade and investment cooperation between Indonesia and China in the Regional Comprehensive Economic Partnership (RCEP). Ragimun et al. (2022) proposed using RCA-CMSA model to categorize traded commodities between trade partners, and this approach mirrors the Boston Consulting Group (BCG) Matrix, which was originally developed to guide companies in prioritizing their various business units (Drummond et al., 2008). By applying

a similar matrix to trade analysis, the model can provide a nuance understanding of the competitive positioning of different commodities within international trade agreements. Other study, Ristanto (2024) used the RCA-CMSA estimation to identify the potential commodities that intensify trade and investment between Indonesia and Eurasian Economic Union (EAEU) member countries. Sinta et al (2026) utilized RCA-CMSA Product Classification Model to identify potential trade and investment opportunities between Indonesia and Angola, and found that Indonesian export opportunities including palm oil and ferro alloys; meanwhile, Angolan export opportunities includes petroleum and gas. In the investment sphere, Indonesian potential inbound investment from Angola includes cocoa and coffee, and suggested Indonesian outbound investment in Angola refers to the investment offer by AIPEX and Angola's SEZs to support Angola's economic diversification agenda.

This study utilizes modified RCA-CMSA Product Classification Model as guided by the economic intelligence guidebook published by Center of Policy Strategy for Special Issues and Data Analysis (2025). The model still refers to the Verico (2020) RCA-CMSA Product Classification Model, using the CMSA3, the competitiveness effect or national global factor, which is a key indicator of a country's ability to maintain or increase market share amid competition. The CMSA3 (comparative factor) parameter is able to identify the competitiveness performance of a country's export products in the destination market.

The RCA-CMSA Product Classification Model analysis compares the competitiveness of products globally and classifies them into four categories, namely: Great ($RCA > 1$; $CMSA > 0$), Sunrise ($RCA < 1$; $CMSA > 0$), Sunset ($RCA > 1$; $CMSA < 0$), and Saturated ($RCA < 1$; $CMSA < 0$) (Verico, 2020). Using this product classification analysis between two states, the study could provide economic diplomacy recommendation in four categories: export strategy, import strategy, outbound investment strategy,

and inbound investment strategy (Center of Policy Strategy for Special Issues and Data Analysis, 2025) (see table 1).

In this study, the RCA calculation uses 2023 data to assess the competitiveness position of Indonesia's products in the Cuban market, and vice versa.

Meanwhile, CMSA is applied to analyze the market share dynamics of these products over two time periods, namely 2021 and 2023, in this case the CMSA results are used to see the dynamics of changes in the competitiveness of Indonesian products in the Cuban market, and vice versa. The data used in this study are sourced from TradeMap, with product

Table 1. RCA-CMSA Product Classification Model

RCA-CMSA3_RI	RCA-CMSA3_CUBA	Economic Diplomacy Recommendation
Great	Saturated	Export
Great	Great	Import
Great	Sunrise	Export
Great	Sunset	Export
Saturated	Great	Import
Saturated	Saturated	Import
Saturated	Sunrise	Import
Saturated	Sunset	Import
Sunrise	Great	Import
Sunrise	Saturated	Export
Sunrise	Sunrise	Import
Sunrise	Sunset	FDI Outbound
Sunset	Sunrise	FDI Inbound
Sunset	Saturated	Export
Sunset	Sunset	Import
Sunset	Great	Import

Source: Modified from Center of Policy Strategy for Special Issues and Data Analysis (2025)

classification based on Harmonized System at the 4-digit level (HS-4), covering the period from 2021 to 2023.

From the RCA-CMSA product mapping results, the study identifies the top 10 priority products for economic diplomacy strategy, namely the suggested trade strategy (exports and imports) and investment strategy (inbound and outbound). The top priority products are ranked based on the trade data 2023, specifically for the Indonesian export strategy is based on the Indonesian export to the world, the Indonesian import strategy is based on the Indonesian import from the world, Indonesian inbound investment from Cuba is based on the Indonesia's export value to Cuba, and Indonesian outbound investment from Cuba is based on the Indonesia's import value from Cuba.

For the second part, the study assesses the potential economic impact of the Indonesia-Cuba bilateral free trade agreement scenario. The study uses TINA (Trade Intelligence and Negotiation Adviser) model approach, an online partial equilibrium analysis dashboard developed by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) (Trade Intelligence and Negotiation Adviser, 2025). The TINA model aims to assist trade policymakers and researchers in carrying out analytical tasks commonly conducted as part of trade agreement negotiations, and one of the features is a partial-equilibrium model dashboard¹ to assess the potential economic impact of reduced tariffs (UNESCAP, 2025a). For this study uses 6-digit level (HS-6) product classification Harmonized System (HS) code data and based on trade data year 2024 and only covers primary and manufactured goods.

Various previous studies have used TINA model to assess trade policy changes (including change in tariff policy). For instance, the Bangladesh-India trade agreement feasibility study; the studies of the potential effects of India-EU and India-UK trade agreements; and the study of the potential of the Mongolia-Republic of Korea trade agreement

(UNESCAP, 2025b). Rashid (2025) also used TINA tool to quantify Bangladesh's preference-erosion risk after LDC (Least Developed Country) status graduation and estimates post-graduation trade losses of Bangladesh ranging from USD 4.7 billion to USD 17 billion, while emphasizing vulnerabilities such as export concentration and weak diversification, recommending smooth transition strategies with a coordinated planning.

The third part of this study introduces Indonesia-Cuba diplomatic relations, followed by discussion of the broader prospects for bilateral economic cooperation complemented with potential socio-cultural cooperation and South-South cooperation agenda by incorporating insights from the relevant references and secondary data sources. The findings subsequently inform as inputs for evidence-based policy recommendations designed to strengthen the economic diplomacy agenda between Indonesia and Cuba, with a particular emphasis on advancing trade and investment relations. Finally, in the last section, the paper attempts to provide economic diplomacy recommendations for the Indonesian and Cuban policymakers.

The study uses primarily the secondary data and will be collected from the open resources such as online trade database and journals, and relevant websites. For instance, for the source of trade data will be based on the World Integrated Trade Solution (WITS) database jointly developed by the World Bank and the United Nations Conference on Trade and Development (UNCTAD), TradeMap, and TINA. In general, the scope of this research covers: a) The number of countries observed are 2 states, Indonesia and Cuba; and b) For the trade data, product classification Harmonized System data (HS code) will be used to conduct the research.

Robustness Analysis and Limitations of the Results

The empirical analysis using the RCA-CMSA product classification model and TINA model is based on quantitative models that provide a systematic over-

view of product mapping with comparative advantages and dynamic market trends, as well as the potential trade impact of a change in trade policy (tariff changes). However, these models have inherent limitations. TINA, as a partial equilibrium model has several weaknesses, including: it neglects the interactions and feedbacks between the various markets or the inter-sectoral input/output linkages that are typically captured in general equilibrium model; and it does not fully account for constraints applied to the various factors of production and their movement across sectors.

Meanwhile, the RCA-CMSA product classification model identifies suggested economic diplomacy strategies (trade and investment strategies) based on comparative advantage and dynamic market trends under the assumption of *ceteris paribus* (holding other factors constant). Consequently, the model may overlook other important determinants of economic diplomacy strategies, such as structural constraints (including logistics cost), geographical distance, and even geopolitical factors such as the U.S. sanctions on Cuba that could hinder the realization of the identified economic diplomacy strategies. To address these limitations, this study complements the quantitative analysis with a qualitative discussion of Indonesia – Cuba diplomatic relations and broader prospects for bilateral economic cooperation, including socio-cultural cooperation and the South-South cooperation agenda, based on relevant literature.

DEVELOPMENT

Results and Discussion

In this section, the results and discussion of the market intelligence analysis of Indonesia-Cuba economic relations are divided into 3 (three) main sections. The first section presents the identification and mapping of Indonesia's potential products to Cuba (and vice versa) using the RCA-CMSA Product Classification Model for economic diplomacy recommendation (trade and investment cooperation). The second section discusses the potential economic impact of Indonesia-Cuba free trade simulation using the TINA

model, a partial equilibrium analysis dashboard. The third section discusses the potential and opportunities for other economic and socio-cultural cooperation between Indonesia and Cuba.

Indonesia-Cuba Potential Product Identification and RCA-CMSA Product Mapping Results

The results of the RCA-CMSA product mapping analysis show that there are 862 potential HS-4 product combinations between Indonesia and Cuba. Based on the RCA-CMSA product classification model, Indonesian export opportunities to Cuba accounting for 359 products, meanwhile Indonesian potential import opportunities from Cuba totaling 473 products. In addition, foreign direct investment (FDI) opportunities were identified on both sides, a total of 4 products fall into the Indonesian FDI outbound in Cuba, specifically from category sunrise Indonesia-sunset Cuba. Meanwhile, there are 26 products of the potential Indonesia FDI inbound from Cuba, based on the sunset Indonesia-sunrise Cuba matrix, highlighting a narrow but focused opportunity for investment cooperation between the two countries.

In summary, the RCA-CMSA matrix between Indonesia and Cuba reveals opportunities for bilateral trade and investment. There are potential trade opportunities between the two countries and investment cooperation serves as a complementary path in the selected sectors (or products). Further, the bilateral investment cooperation could become key areas for both countries as a stepping stone for capacity building, technical cooperation, and industrial diversification in their respective countries.

Indonesia's Potential Export Products in the Cuban Market

The RCA-CMSA matrix-based product mapping identifies 359 potential HS-4 product combinations between Indonesia and Cuba under the Indonesian export strategy. The complete list of 10 potential products for Indonesian exports to Cuba can be seen in Table 3.

Table 2. Indonesia-Cuba Potential Product RCA-CMSA Product Mapping Results

Combination	Cuba					
	Saturated	Sunset	Sunrise	Great	Total	
Indonesia	Saturated	297	3	70	7	377
	Sunset	37	3	26	2	68
	Sunrise	230	4	70	14	318
	Great	66	5	21	7	99
	Total	630	15	187	30	862

■ Source: Author Calculation from Trade Map (2025)

Table 3. Top 10 Potential Indonesian Export Products in the Cuban Market

No	Product code HS-4	Product Description	RCA RI	CMSA RI	Class RI	RCA CUB	CMSA CUB	Class CUB	RI - CUB*	RI - World**
1	'7202	Ferro-alloys	30.09	7,045,751	Great	0.14	454	Sunrise	0	15300359
2	'2603	Copper ores and concentrates	8.10	2,625,468	Great	0.00	0	Saturated	0	8326477
3	'7501	Nickel mattes, nickel oxide sinters and other intermediate products of nickel metallurgy	47.28	4,547,538	Great	148.0	-1241287	Sunset	0	6764479
4	'7219	Flat-rolled products of stainless steel, of a width of >= 600 mm, hot-rolled or cold-rolled	14.60	104,701	Great	0.00	0	Saturated	0	5538532
5	'7113	Articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal	3.69	2,274,755	Great	0.00	8	Sunrise	0	5529037
6	'7218	Stainless steel in ingots or other primary forms (excl. remelting scrap ingots and products ...	49.46	-673,815	Sunset	0.00	0	Saturated	0	2848999
7	'4703	Chemical wood pulp, soda or sulphate (excl. dissolving grades)	7.34	91,177	Great	0.00	0	Saturated	0	2747592
8	'8517	Telephone sets, incl. smartphones and other telephones for cellular networks or for other wireless ...	0.39	1,167,318	Sunrise	0.02	-603	Saturated	0	2541752
9	'4802	Uncoated paper and paperboard, of a kind used for writing, printing or other graphic purposes, ...	11.62	211,617	Great	0.00	0	Saturated	0	2322771
10	'1513	Coconut "copra", palm kernel or babassu oil and fractions thereof, whether or not refined, ...	32.85	-152,337	Sunset	0.00	0	Saturated	0	2066210

■ *Source: Authors Modification (2025)*

**Indonesia's export value to Cuba in 2023, thousand US\$*

***Indonesia's export value to the world in 2023, thousand US\$*

The leading suggested Indonesian export products are the metal products (HS72-HS83) which are iron and steel (HS72) products, namely, ferro-alloys (HS7202), flat-rolled products of stainless steel (HS7219), and stainless steel in ingots or other primary forms (HS7218) in which Indonesia has a very strong comparative advantage (high RCA), nickel mattes, nickel oxide sinters and other intermediate products of nickel metallurgy (HS7501); mineral commodities (HS25-HS26), namely, copper ores and concentrates (HS2603); natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad (HS71), namely, Articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal (HS7113); wood (HS47-48), namely, chemical wood pulp, soda or sulphate (excl. dissolving grades) (HS4703) and uncoated paper and paperboard, of a kind used for writing, printing or other graphic purposes, ... (HS4802); machinery and electrical equipment (HS84-HS85), namely, Telephone sets, incl. smartphones and other telephones for cellular networks or for other wireless (HS8517), and coconut "copra", palm kernel or babassu oil and fractions thereof, whether or not refined (HS1513). In general, Indonesia has strong comparative advantage and strong global presence, while the majority Cuba does not export these products competitively (RCA 0.00).

Indonesia's Potential Import Products from Cuba

The RCA-CMSA analysis identifies 473 HS-4 digit products that suggests Indonesian potential import from Cuba. Among these potential products, 10 main products have been prioritized based on their highest Indonesian import value from the world in 2023. The complete list of Indonesia's top 10 potential import products from Cuba can be seen in Table 4.

Overall, the RCA-CMSA analysis reveals Indonesian suggested import opportunities from Cuba mainly are categorized as machineries and electrical equipments (HS84-HS85) including Automatic data-processing machines and units thereof; magnetic or optical readers, machines (HS8471), Machines and mechanical appliances having individual functions, not specified or included elsewhere (HS8479), Machinery, plant or laboratory equipment whether or not electrically heated (excl. furnaces) (HS8419), Parts suitable for use solely or principally with the machinery of heading 8425 to 8430, n.e.s. (HS8431), and Insulated "incl. enamelled or anodised" wire, cable "incl. coaxial cable" and other insulated (HS8544).

There are also transportation products (HS86-HS89) such as Parts and accessories for tractors, motor vehicles for the transport of ten or more persons (HS8708) and Motor cars and other motor vehicles principally designed for the transport of (HS8703). Other commodities are: Gold, incl. gold plated with platinum, unwrought or not further worked than semi-manufactured (HS7108), Cane or beet sugar and chemically pure sucrose, in solid form (HS1701), and Iron ores and concentrates, incl. roasted iron pyrites (HS2601).

Historically, sugar was vital to Cuba's national economy, contributed 25% to 29% of the national economy, dominated export revenues, and major employment/industrial footprint. The study suggests Indonesia should import Cane or beet sugar and chemically pure sucrose, in solid form (HS1701), but later Indonesia could also explore for outbound investment and technical cooperation in the Cuban sugar industry. In 2017, Indonesia used to import significantly raw cane sugar from Cuba reaching US\$59.47 million, but due to the Indonesian domestic policy measures to tighten sugar imports from abroad, the sugar import has declined afterwards.

Table 4. Top 10 Indonesian Potential Import Products from Cuba

No	Product code HS-4	Product Description	RCA RI	CMSA RI	Class RI	RCA CUB	CMSA CUB	Class CUB	CUB – RI*	World – RI**
1	'7108	Gold, incl. gold plated with platinum, unwrought or not further worked than semi-manufactured ...	0.15	-1,073,449	Saturated	0.02	683	Sunrise	0	4582910
2	'8471	Automatic data-processing machines and units thereof; magnetic or optical readers, machines ...	0.06	-30,679	Saturated	0.00	-44	Saturated	0	3712337
3	'8708	Parts and accessories for tractors, motor vehicles for the transport of ten or more persons, ...	0.41	-108,306	Saturated	0.01	204	Sunrise	0	3171102
4	'1701	Cane or beet sugar and chemically pure sucrose, in solid form	0.31	-170,772	Saturated	5.02	-140,447	Sunset	0	3028911
5	'8703	Motor cars and other motor vehicles principally designed for the transport of ...	0.57	1,569,063	Sunrise	0.00	83	Sunrise	0	2591484
6	'8479	Machines and mechanical appliances having individual functions, not specified or included elsewhere ...	0.06	-16,962	Saturated	0.00	-1,171	Saturated	0	1953285
7	'8419	Machinery, plant or laboratory equipment whether or not electrically heated (excl. furnaces, ...	0.08	-67,321	Saturated	0.01	41	Sunrise	0	1572252
8	'2601	Iron ores and concentrates, incl. roasted iron pyrites	0.02	-33,701	Saturated	0.71	8332	Sunrise	0	1519829
9	'8431	Parts suitable for use solely or principally with the machinery of heading 8425 to 8430, n.e.s.	0.41	-2,810	Saturated	0.05	-2,180	Saturated	0	1383413
10	'8544	Insulated "incl. enamelled or anodised" wire, cable "incl. coaxial cable" and other insulated ...	0.93	-156,058	Saturated	0.00	-19	Saturated	0	1326831

■ Source: Authors Modification (2025)

*Indonesia's import value from Cuba in 2023, thousand US\$

**Indonesia's import from the World in 2023, thousand US\$

Sugar cane cooperation could be strategic to strengthen Indonesia-Cuba diplomatic relations. Both countries have signed Memorandum of Understanding on Sugar Cane Cooperation (2006) and Renewed Memorandum of Understanding on Sugar Cane Cooperation (2015), Letter of Intent on Technical Cooperation (2024), and Memorandum of Understanding on Science, Technology and Innovation Cooperation (2024). For the technical cooperation, Indonesia could provide training, sharing best practices, repair and maintenance of sugar industry equipments and parts, offering Joint Development Post Doctoral Degree and Professional Doctor offered by National Research and Innovation Agency (BRIN) and scholarships Darmasiswa and Kemitraan Negara Berkembang (KNB) scholarship programs.

Indonesia's Potential Inbound Investment from Cuba

The results of the RCA-CMSA product mapping analysis show that there are 26 potential HS-4 product for the Indonesian inbound investment from Cuba that falls under the category sunset Indonesia-sunrise Cuba. The suggested top 10 potential investment opportunities for Cuba in Indonesia are the transportation products (HS86-HS89) such as Motorcycles, incl. mopeds, and cycles fitted with an auxiliary motor, with or without side-cars (HS8711) and Bicycles and other cycles, incl. delivery tricycles, not motorised (HS8712); machineries and electrical equipments (HS84-HS85) such as Monitors and projectors, not incorporating television reception apparatus; reception apparatus (HS8528) and Primary cells and primary batteries, electrical; parts thereof (excl. spent) (HS8506); food products such as Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion (HS1905), Essential oils, whether or not terpenes, incl. concretes and absolutes; resins; extracted (HS3301), Mattress supports (excl. spring interiors for seats); articles of bedding and similar furnishing (HS9404), New pneumatic tyres, of rubber (HS4011), Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted

(excl.) (HS6110), and Plywood, veneered panel and similar laminated wood (excl. sheets of compressed wood, cellular) (HS4412). By encouraging Cuba's investment in Indonesia in such areas may also support industrial diversification agenda over time.

Based on the RCA-CMSA product mapping results, a total of 4 products fall into the FDI outbound category, specifically sunrise Indonesia-sunset Cuba. Taking into account the values of the Indonesian imported products from Cuba in 2023, the study identifies 4 products of the potential Indonesian investment outbound in Cuba. Indonesia is suggested to invest in pharmaceutical products, particularly Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera (HS3002); beverages and spirits, such as Undenatured ethyl alcohol of an alcoholic strength of < 80%; spirits, liqueurs and other spirituous (HS2208); Natural honey (HS0409); and unwrought lead (HS7801).

For the pharmaceutical products, over the years Cuba exported immunological products, antisera and other blood fractions, human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses, vaccines for human medicine, and vaccines for veterinary medicine. In line with this, Indonesia could strategically encourage selected state-owned enterprises (SOEs) in these sectors to pursue outbound investment and production partnership in Cuba. Indonesian SOEs such as Bio Farma, Kimia Farma, and Indofarma are well positioned to engage in such activity, given their historical mandates in vaccine production, biopharmaceutical development and public health supply chains. Biofarma, for instance, has expanded its international footprint through vaccine exports and technology partnerships and is a WHO-prequalified manufacturer of vaccines (Biofarma, 2023). Kimia Farma too, has pursued overseas expansion via pharmaceutical trading, clinical laboratory services, and health-care ventures, including international distribution and joint initiatives aligned with Indonesia's global health diplomacy (Kimia Farma, 2022).

Table 5. Top Potential Indonesian FDI Inbound from Cuba

No	Product code HS-4	Product Description	RCA RI	CMSA RI	Class RI	RCA CUB	CMSA CUB	Class CUB	RI - CUB
1	'1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion ...	1.46	-79,773	Sunset	0.00	5	Sunrise	60
2	'3301	Essential oils, whether or not terpenes, incl. concretes and absolutes; resinoids; extracted ...	2.82	-57,607	Sunset	0.12	49	Sunrise	35
3	'9404	Mattress supports (excl. spring interiors for seats); articles of bedding and similar furnishing, ...	1.54	-26,960	Sunset	0.00	1	Sunrise	6
4	'8711	Motorcycles, incl. mopeds, and cycles fitted with an auxiliary motor, with or without side-cars; ...	2.64	-395,329	Sunset	0.00	3	Sunrise	0
5	'4011	New pneumatic tyres, of rubber	1.67	-185,496	Sunset	0.02	164	Sunrise	0
6	'8528	Monitors and projectors, not incorporating television reception apparatus; reception apparatus ...	1.30	-113,827	Sunset	0.00	6	Sunrise	0
7	'6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted (excl. ...)	1.40	-311,250	Sunset	0.02	103	Sunrise	0
8	'8712	Bicycles and other cycles, incl. delivery tricycles, not motorised	1.05	-60,834	Sunset	0.00	1	Sunrise	0
9	'4412	Plywood, veneered panel and similar laminated wood (excl. sheets of compressed wood, cellular ...)	9.82	-223,150	Sunset	0.00	1	Sunrise	0
10	'8506	Primary cells and primary batteries, electrical; parts thereof (excl. spent)	4.74	-39,639	Sunset	0.01	6	Sunrise	0

■ Source: Authors Modification (2025)

*Indonesia's export value to Cuba in 2023, thousand US\$

For the beverage products, especially alcohol, spirits, liquors, and other spirituous beverages (HS2208), Indonesia's opportunity can be framed as a downstream and branding-oriented cooperation model that leverages Cuba's long-established sugar-cane base and global reputation in rum and spirits, while combining it with Indonesia's growing capabilities in beverage processing, branding, halal-compliant production management, and regional market access. Rather than focusing on bulk alcohol alone, Indonesian investors could explore joint ventures, contract distillation, co-branding arrangements, and bottling and packaging facilities, enabling value addition within Cuba while targeting export markets in Latin America, the Caribbean, Asia, and selected niche segments in the Global South.

This approach is consistent with Cuba's need to upgrade agro-industrial value chains under resource constraints, and Indonesia's economic diplomacy objective to support outward investment in sectors with strong multiplier effects. PT Perkebunan Nusantara (PTPN Group) is a strategic candidate given its extensive experience in sugar-cane plantations and ethanol-related agro-industry, including diversification initiatives into bioethanol and downstream sugar derivatives as part of Indonesia's plantation value-chain upgrading agenda. In the private sector, several Indonesian alcoholic beverage producers with international licensing, brewing, and spirits distribution experience have the capacity to operate under regulated alcohol markets

Table 6. Top Indonesian Potential FDI Outbound in Cuba

No	Product code HS-4	Product Description	RCA RI	CMSA RI	Class RI	RCA CUB	CMSA CUB	Class CUB	CUB- RI
1	'3002	Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera	0.04	28,858	Sunrise	2.15	-150,005	Sunset	230
2	'2208	Undenatured ethyl alcohol of an alcoholic strength of < 80%; spirits, liqueurs and other spirituous	0.01	2,938	Sunrise	38.01	-665	Sunset	9
3	'0409	Natural honey	0.04	12	Sunrise	93.69	-2,627	Sunset	0
4	'7801	Unwrought lead	0.39	26,874	Sunrise	1.97	-43,926	Sunset	0

Source: Authors Modification (2025)

*Indonesia’s import value from Cuba in 2023, thousand US\$

and to manage brand portfolios aligned with global standards.

Furthermore, investment opportunities are present in the horticultural and processed food segment, particularly in natural honey (HS 0409). In this respect, Indonesia could promote a value-chain oriented investment approach – not merely exporting raw honey, but establishing quality assurance, processing, packaging, and branding capacity in Cuba to supply the domestic market while also leveraging Cuba’s geographic position as a platform to access Caribbean and wider Latin American markets. There are several prominent Indonesian companies that could be promoted for investment, given its long-running industrial production base and demonstrated export orientation, including (but not limited to) PT Air Mancur Group and PT Ultra Sakti (Madu TJ).

For the unwrought lead (HS7801), Indonesia could frame the opportunity as a resource-industrial linkaging strategy: establishing cooperation in lead refining and/or lead-acid battery recycling-t-ingot processes to support downstream manufacturing and to strengthen supply reliability in a constrained market environment. For potential Indonesian

“champion” companies, the most relevant domestic firms are those with deep lead-acid battery competence (where unwrought lead is a core upstream input), for instance, PT Century Batteries Indonesia (Astra Group) and PT GS Battery (Astra Otoparts-GS Yuasa-Toyota Tsusho JV). PT Century Batteries Indonesia (Astra Group) has a proven export orientation—the company states that it has exported to more than 30 countries across five continents, demonstrating capability in international market standards, packaging, and cross-border distribution that can be leveraged for overseas project development. Meanwhile PT GS Battery (Astra Otoparts-GS Yuasa-Toyota Tsusho JV) is another credible candidate because it operates at large scale (tens of millions of units per year) in lead-acid battery categories, implying robust technical know-how on lead-based battery value chains that could be transferred into Cuban cooperation models.

Indonesia-Cuba Diplomatic Relations: An Overview of 65 Years of Diplomatic Relations

Indonesia and Cuba established diplomatic relations on 22nd January 1960. Indonesia established the Embassy in La Habana on 14th August 1963, but due to austerity reasons closed in October 1971

(accredited its diplomatic relations with Cuba concurrently from the Indonesian Embassy in Mexico City), but later re-opened again in December 1995, while Cuba established its Embassy in Jakarta swiftly after the diplomatic relations was formalized (Departemen Luar Negeri Republik Indonesia, 1971). Cuba is one of the old Indonesia's friends in Latin American and Caribbean region together with Brazil, Mexico, Argentina, Venezuela, Bolivia, Chile and Uruguay. The first Indonesian President, Soekarno had a very close friendship with Cuban President Osvaldo Dorticós Torrado, Prime Minister Fidel Alejandro Castro Ruz, and Ernesto "Che" Guevara, a major figure of the Cuban Revolution. Soekarno paid an official visit to Cuba in May 1959 as part of his official visit in Latin American and Caribbean region. The visit was a milestone that continues to be commemorated between the two countries.

During the visit, both leaders shared common understandings against imperialism and colonialism, accompanied with spirit of common solidarities among third-world nations (or South-South countries) during the decolonization period. Soekarno was well-known for his leadership in Indonesian free and active foreign policy, manifested in the Asia Africa Conference 1955 (The Bandung Conference) and established the Non-Aligned Movement (NAM) in 1961, and his stance on 'Berdikari' (Marhaenism concept) meaning 'standing on its own feet' to be self-reliant, signifying independence (sovereignty), self-sufficiency, and not depending on others, promoting domestic strength and self-reliance from economy to defense.

Meanwhile, on the other hand, Osvaldo Dorticós and Fidel Castro, after the triumph of the Cuban Revolution in 1959, with a communist and socialist political system promoted the common view on anti-imperialism and anti-colonialism, with the foreign policy oriented towards Union of Soviet Socialist Republics (USSR) and in 1959 delegated Che Guevara to conduct official journey to Asia, particularly with certain leaders that later established the NAM. The visit resulted in the opening of diplomatic re-

lations with Sri Lanka (1959), India (1960), Indonesia (1960), Cambodia (1960), Democratic People's Republic of Korea (1960), China (1960), Vietnam (1960), and Mongolia (1960). Prior to that, Cuba has also established diplomatic relations with Japan (1929), the Philippines (1946), Taiwan (1951), Pakistan (1955), and Thailand (1958) (Ruvislei, 2020).

During President Soekarno administration, the bilateral relations were exceptionally warm and cordial, and but mainly emphasized on political relations and to a lesser extent socio-cultural cooperation. But, during the President Soeharto administration, politically, Indonesia did not have close relationship with the Cuban leaders. At the earlier phase of the New Order regime, Soeharto put forward the state-led development agenda, thus, it's foreign policy must be in conjunction with the national development. In the economic realm, the Latin American and Caribbean nations were not considered as potential to support the Indonesian economic development due to the geographical distance, product similarities, and due to status as developing third world nations and donor recipient countries. But interestingly, during the late 1970s until 1982, the bilateral trade relations were rising significantly, reaching US\$39.9 million in 1980, in which Indonesia imported Manuf. of leather or of artif. or reconst. leather (SITC612) amounted US\$3990544.

Indonesia - Cuba relations from the 1990s to 2019 are best understood as steady and ideationally compatible rooted in Indonesia's free and active foreign policy and Cuba's long-standing emphasis on South-South solidarity, including through various multilateral fora. In 1995, Indonesia re-activated its direct diplomatic footprint in Cuba: the Presidential Decree No.43/1995 mandated the reopening of the Embassy of Indonesia in Havana after earlier closure period. In the 2000s, two countries showed a multilateral alignment, especially on issues of sovereignty, when in 27 November 2001, Indonesia is listed among states voting "in favor" of ending the US embargo against Cuba (United Nations Office of the High Commissioner, 2001). High-level engagement

also appeared via NAM (Non-Aligned Movement) when President Susilo Bambang Yudhoyono visited Havana to attend the 14th NAM Summit (Liputan6, 2006). In 2007, Indonesia and Cuba explored a more practical cooperation in public health when two countries' health ministries seek to develop a joint research in developing new vaccines for diseases such as dengue and malaria. During the early to mid 2010s, cooperation became more sectoral and technical, with sports diplomacy standing out. Indonesia's Ministry of Youth and Sports agreed a sport cooperation MoU signed in 2013 (JDIH Kemenpora) with Cuba's relevant sports authority, framing cooperation through exchanges of expertise and structured programs. In 2017, the two countries renewed their cooperation on health by signing a MoU, discussed and endorsed on the sidelines of the 70th World Health Assembly in Geneva, with cooperation in areas such as vaccines, maternal and child health, communicable and non-communicable diseases, joint R&D (biopharma/biotech/nanotech), and human resources and knowledge transfer (Kementerian Kesehatan Republik Indonesia, 2017).

In the political sphere, over the years both countries have demonstrated strong cooperation through mutual support in various international fora and high-level official visits including the Indonesian presidents, Abdurrahman Wahid and Susilo Bambang Yudhoyono visited Cuba for the High Level Conferences (Summit) on South-South Cooperation (2000), Group-77 summit (2000), and NAM summit (2006). Both nations are members of the Non-Aligned Movement, Group of 77 (G-77), the Forum of East Asia-Latin America Cooperation (FEALAC). Cuba as an associate member of BRICS, and over the years, both countries have shown strong cooperation through mutual support in international fora to advance the South-South cooperation agenda.

Cuba views Indonesia as one of its main partners in fostering a common stance to promote the third world countries' interests. Cuba has always been committed to support the integrity of the Republic of Indonesia (NKRI), and sees Indonesia as a

supportive partner for the lifting of the economic, trade, and financial embargo by the United States, partner for trade and investment cooperation, and as a hub for Cuban products in the Southeast Asian region. Further, in 2014, the Cuban government appointed Ambassador accredited to the Association of Southeast Asian Nations (ASEAN), and subsequently, in 2020, Cuba acceded to the Treaty of Amity and Cooperation (TAC) demonstrating its commitment to regional peace and stability, and the promotion of friendly relations and cooperation with ASEAN (ASEAN Secretariat, 2024). Further, the ASEAN Committee in Havana, Cuba (ACHC) was established in 2022 to promote ASEAN's relations and cooperation with Cuba in the host country.

Meanwhile, Indonesia views Cuba as an important partner supporting the Unitary State of the Republic of Indonesia (NKRI) and mutual support in international fora, strengthening trade and investment cooperation, technical cooperation, health, and education cooperation. Both countries have signed agreements, namely, Exchange of Notes between the Government of the Republic of Indonesia and the Government of the Republic of Cuba on the Establishment of a Joint Commission (1996), and Memorandum of Understanding between the Government of the Republic of Indonesia and the Government of the Republic of Cuba on the Establishment of Bilateral Consultation (1997). Further, both countries have held five times Joint Commission Meeting (1997, 2000, 2003, 2005, 2008) and twice held Bilateral Consultation Meeting (2016, 2022).

In the economic sphere, during the period 1968-2024, the bilateral trade relations had shown an increasing trends over the years but with fluctuations. During the late 1970s until 1982, the bilateral trade showed significant improvement reaching US\$39.9 million in 1980. After that, the bilateral trade remains limited until late 2000s, and reaching its peak amounted US\$69.3 million in 2017 (see graph 1). In 2017, Indonesian main exports to Cuba were papers and soaps reaching US\$8 million, meanwhile Indonesia mainly imported raw cane sugar valued

US\$59.47 million, followed by Cathode ray television picture tubes, incl. video monitor cathode ray tubes amounted US\$521664, and Antisera and other blood fractions amounted US\$410046. During the pandemic Covid-19 period (2019-2020), like in many countries throughout the globe, the bilateral economic relations between Indonesia and Cuba faced a decline. During this period, in 2019 the bilateral trade relations amounted US\$6.7 million, and in 2020 the total trade relations further declined to US\$5.5 million.

In 2024 the bilateral trade relations amounted US\$10.5 million, in which Indonesia recorded a trade surplus amounted US\$8.4 million. Indonesian export to Cuba valued at US\$9.4 million, while Indonesian import from Cuba amounted to US\$1.1 million (Trade Map, 2025). Indonesia’s main exports² to Cuba are: Soap in the form of flakes, granules, powder, paste or in aqueous solution (HS340120) valued at

US\$7.97 million, followed by Palm oil and its fractions, whether or not refined (excl. chemically modified and crude) (HS151190) valued at US\$437000, Vaccines for human medicine (HS300241) valued at US\$264000, Soap and organic surface-active products and preparations, in the form of bars, cakes, moulded.. (HS340111) valued at US\$231000, and Sacks and bags, for the packing of goods, of polyethylene or polypropylene strip or the like (HS630533) valued at US\$164000. These commodities accounted for 96.2% of the total Indonesian export to Cuba in 2024.

Meanwhile, Indonesian main imports from Cuba are: Cigarettes, containing tobacco (HS240220) valued at US\$488000, Immunological products, put up in measured doses or in forms or packings for retail sale (excl.) (HS300215) valued at US\$230000, Cigars, cheroots, cigarillos and cigarettes consisting wholly of tobacco substitutes (HS240290) valued

Graph 1: Indonesia-Cuba Trade Relations Period 1968-2024



Source: World Integrated Trade Solutions (2025)

at US\$207000, Cigars, cheroots and cigarillos containing tobacco (HS240210) valued at US\$69000, Whole raw hides and skins of bovine "incl. buffalo" or equine animals, whether or not dehaired (HS410150) valued at US\$23000, Butts, bends, bellies and split raw hides and skins of bovine "incl. buffalo" or equine animals (HS410190) valued at US\$19000, and Rum and other spirits obtained by distilling fermented sugar-cane products (HS220840) valued at US\$9000.

In addition to trade relations, there are various Indonesian investments in Cuba in the hospitality sector. There are six Indonesian investment in hotel management network (Archipelago International) in Cuba, namely: Grand Aston Cayo, Las Brujas Beach Resort and Spa, Aston Costa Verde Beach Resort, Aston Panorama Hotel, Grand Aston Varadero Beach Resort, Grand Aston Cayo Paredon Beach Resort, and Grand Aston La Habana Hotel (KBRI Havana, 2025). Meanwhile during the period 2010-2025, there is none Cuban investment in Indonesia (Satu Data BKPM, 2025). In the tourism sector, in 2024, it is recorded there are 495 Cuban visitors visited Indonesia, and during the period January-October 2025 there are 262 Cuban visitors came to Indonesia. These figures are significantly higher compared during the Covid-19 pandemic period which recorded 171 visitors (2020) and 20 visitors (2021) (Badan Pusat Statistik, 2025). Meanwhile, for the technical cooperation, over the years Indonesia offered capacity building program including coconut product diversification training (2024).

Also, to strengthen the bilateral economic relations, both countries have signed economic agreements, namely, Agreement on Economic and Trade Cooperation (1992), Agreement on the Promotion and Protection of Investments (1997), Memorandum of Understanding on Sugar Cane Cooperation (2006), Memorandum of Understanding on the Establishment of A Framework for the Development of Business Relations (2008), Renewed Memorandum of Understanding on Sugar Cane Cooperation (2015), and Letter of Intent on Technical Cooperation

(2024). But there are clearly challenges in strengthening Indonesia-Cuba bilateral economic relations, including due to the unilateral U.S. comprehensive economic embargo (economic, commercial, and financial blockade) on Cuba since 1962 which remains in place until today (also so-called U.S economic warfare against Cuba), U.S. list of countries as State Sponsors of Terrorism (Cuba, North Korea, Iran, and Syria), geographical distance, and high transportation cost.

In the socio-cultural sphere, to promote people to people contact, both countries signed Agreement on Visa Exemptions for Holders of Diplomatic and Official or Service Passports which entered into force as of 31 January 2023. Indonesia and Cuba socio-cultural cooperation mainly focused on sports, health, education, and research sectors. Both countries sent trainers and athletes, conducted health research cooperation such as developing vaccines for dengue fever and malaria, and as well as educational cooperation in higher educational institutions and schools. As a form of friendship, there are two Indonesian schools in Cuba, namely, Instituto Pre-universitario Urbano República de Indonesia (Guanajay, Artemisa Province), and Escuela Primero de La República de Indonesia di Marti (Marti, Matanzas Province). The Cuban government provided scholarships medical studies to 9 Indonesian citizens at the Escuela Latinoamericana de Medicina (ELAM), Cuba, and the Indonesian government has also actively promote educational and cultural diplomacy among others through the Darmasiswa and Kemitraan Negara Berkembang (KNB) scholarship programs as well as Joint Development Post Doctoral Degree and Professional Doctor offered by National Research and Innovation Agency (BRIN). However, at present, the exact number of Cuban students who have received those instruments appears not publicly consolidated in accessible official reporting.

Further, both countries have also signed agreements, namely, Agreement of Cultural Cooperation (1960), Agreement (Renewed) on Cultural Cooperation (1997), Memorandum of Understanding on

Sports Cooperation (2003), Memorandum of Understanding between the Department of Foreign Affairs of the Republic of Indonesia and the Ministry of Foreign Relations of the Republic of Cuba on Education and Training Cooperation (2003), Arrangement on Sports Cooperation (2007), Letter of Intent between the Minister of Health of the Republic of Indonesia and the Minister of Health of the Republic of Cuba (2007), Renewed Agreement on Cultural Cooperation (2013), Renewed Memorandum of Understanding on Sports Cooperation (2013), Memorandum of Understanding on Health Cooperation (2017), Memorandum of Understanding on Science, Technology and Innovation Cooperation (2024), and Memorandum of Understanding on Health Cooperation (2025).

Meanwhile for the people-to-people relations, although the number is still relatively small, it is recorded there are some Indonesian citizens living in Cuba among others serving as pastors and expatriates at the hospitality sector, and Cuban citizens living in Indonesia among others as athletes (volleyball). Also, during the tsunami in Aceh in 2004, Cuba as part of international humanitarian and medical diplomacy efforts sent 35 doctors and medicines and during the earthquake in Yogyakarta in 2006, Cuba sent 135 doctors and medical personnel (Luska, 2025).

Potential Opportunities for Broader Economic and Socio-Cultural Cooperation between Indonesia and Cuba

The two countries are old friends with historically rooted political solidarity and South-South cooperation ethos, and thus, elevating bilateral partnership can be articulated as a strategic deepening of the two countries' moving towards a comprehensive partnership for shared prosperity. Under President Prabowo Subianto's administration, it is emphasized that Indonesian diplomacy will continue to be directed to support the Long-Term Plan 2025-2045 Indonesian Golden Vision (Sekretariat RPJPN 2025-2045, 2025). The Prabowo administra-

tion aims to achieve the Asta Cita grand vision by upholding the values of Pancasila and the principle of free and active foreign policy. The National Medium-Term Development Plan (RPJMN) 2025-2029 serves as a detailed articulation of the President's vision, mission, and priorities, collectively known as Asta Cita. By nature, Indonesia currently prioritizes export diversification, outward-looking investment, industrial upgrading, and the expansion of non-traditional markets in support of its long-term development vision (Golden Indonesia 2045).

As economic diplomacy become the priority for Indonesia, a bilateral preferential framework or a phased pathway towards Indonesia-Cuba Comprehensive Economic Partnership Agreement (CEPA) could be a strategic avenue worth undertaken to elevate both countries' partnership for shared prosperity. Indonesia itself to date has at least 46 trade initiatives (PTA, FTA, and CEPA) which are currently in the process of studies, negotiations or have entered into force (Asia Regional Integration Center, 2025). With the Latin American and Caribbean counterparts, among others there are Indonesia-Chile CEPA (entered into force in 2019), Indonesia-Peru CEPA (signed 2025), and Indonesia-Mercosur CEPA (proposed/under consultation). These success stories can be a reference to realize the Indonesia-Cuba CEPA.

Meanwhile, Cuban foreign policy towards the Asia Pacific region (including Southeast Asian region) have been characterized on the confluence of interests and support the Global South nations, and the systematic search of spaces for economic cooperation (Panton León, 2025). Indonesia is viewed as an emerging Southeast Asian nation titan and the country has made decisive progress towards integration within the emerging multipolar system. Cuba's economic diplomacy encompasses on internationalist practices, sovereign trade, mutual benefit, and free from political interference (Gillies-Lekakis, 2025). Cuba-Indonesia bilateral economic relation adheres these values and principles. Cuba has several trade initiatives including the Caribbean Community

(CARICOM)-Cuba Trade and Economic Cooperation Agreement³ (signed in 2000), MERCOSUR-Cuba FTA, and Colombia-Cuba Economic Agreement to strengthen commercial and economic ties. Further, Cuba's economic diplomacy seeks economic resilience, technology access, and productive partnerships to overcome structural constraints and the enduring unilateral U.S. embargo⁴.

Therefore, both countries view economic diplomacy as a priority within the foreign policy agenda, thus, establishing trade agreements are crucial for both countries to support enhancing national welfare. Indonesia-Cuba CEPA could be a potential common interest to strengthen bilateral economic relations as part of their economic diplomacy efforts. For Indonesia, Cuba could be a potential gateway to enter the Caribbean market. To support the economic cooperation, a financial cooperation between the two countries' central banks—particularly through Local Currency Settlement (LCS) arrangements and the gradual integration of Quick Response Code Indonesia Standard (QRIS)-based digital payment systems—would further strengthen economic ties by reducing transaction costs, mitigating third-currency dependence, and enhancing trade continuity under external financial pressures (e.g. U.S. sanction on Cuba).

Crucially, broader cooperation should rest on a stronger knowledge base and mutual understanding, which can be achieved by systematically expanding exchanges of researchers, policy experts, academics, technocrats, and practitioners across priority sectors. Structured programs for joint research, visiting fellowships, post-doctoral placements, and expert secondments—especially under the framework of BRIN cooperation and existing education and training MoUs—would allow both countries to better understand each other's economic structures, regulatory environments, and development challenges. Such exchanges are particularly relevant in agriculture (notably sugar-cane and agro-industry), public health and biotechnology, food security, renewable energy, and industrial po-

lity, where applied knowledge can directly inform economic cooperation and investment decisions.

Both Ministry of Foreign Affairs have signed Memorandum of Understanding on Education and Training Cooperation (2003), and this can be follow up by exchange of Spanish and Indonesian language instructors teaching at the diplomatic academies, as well as higher educational institutions, for instance, at Universitas Prof. Dr. Moestopo (Beragama) which has a Center for Latin America (CeLA) for teaching Spanish language, meanwhile at Universidad de la Habana for the Indonesian language. Further, Indonesia could explore to establish Indonesian Corner or Indonesia Study Center at higher educational institutions and public libraries in Cuba, as well as promoting cooperation Indonesian schools in Cuba with the schools in Indonesia to promote socio-cultural cooperation, including language and curriculum programs.

Last but not least, Indonesia could share best practices on Indonesian economic school of thought including 'ekonomi kerakyatan' (common people's economy) and 'berdikari⁵ (berdiri di atas kaki sendiri)" or to stand on one's own feet) in guiding economic processes in Cuba, which will contribute to the effective implementation of the National Economic and Social Development Plan 2030 in Cuba. Currently, among others Cuba has exchange of experiences with Vietnam and Laos in guiding economic processes in Cuba (Panton León, 2025). To this end, it will be necessary to conduct more systematic theoretical seminars between the Communist Party of Cuba with the relevant stakeholders in Indonesia. Haridadi Sudjono, a former Indonesian Ambassador to Cuba, stated that Indonesian first president, Soekarno's teachings (paradigms) became Fidel Castro's reference in leading his country (Al Ghifari, 2012). The two of Soekarno's ideas that Fidel Castro most inspired were Tri-Sakti and Resopim. The Tri-Sakti concept encompasses three things: political sovereignty, economic self-reliance, and cultural personality. Meanwhile Resopim, is the essence of Soekarno's speech in 17th August 1961: Revolution, Indonesian Socialism, and National Leadership.

Indonesia-Cuba Bilateral Free Trade Scenario: A Partial Equilibrium Analysis

In this section, the paper attempts to analyze the potential impact of the Indonesia-Cuba bilateral free trade scenario using the TINA model. The objective is to analyze the potential impact on the trade creation effects. To analyze the bilateral FTA scenario, the paper uses the HS 6 Digits Code and a complete tariff dismantlement scenario (extreme scenario) on all products using the trade data in 2024

The bilateral free trade TINA simulation reveals trade creation for Indonesia (increased in Indonesian export to Cuba) amounted US\$1.11 million, an increase of 12.08% (by trade value) of imports of selected commodities by Cuba from Indonesia. There are 23 commodities impacted and 0 commodities not impacted (for example, as a result of inelastic demand). On the other hand, the study also shows trade creation for Cuba (increased in Cuban export to Indonesia) amounted US\$815650, an increase of 104.98% (by trade value) of imports of selected commodities by Indonesia from Cuba, representing an increase of 77.53% in total imports of Indonesia from Cuba in 2024. There are 12 commodities impacted, and 0 (none) commodity not impacted.

The Potential Impact of Indonesia-Cuba Bilateral Free Trade Scenario on the Trade Creation Effect

The bilateral free trade utilizing TINA simulation revealed Indonesian trade creation effect or meaning the tariff dismantlement opens market access for Indonesian export to Cuba amounted US\$1.11 million including soap, palm oil, food preparations, insulated electric conductors, sacks and bags, acids, essential oil, cases and containers, and plastics; tubes, pipes and hoses thereof, furnitures, ceramics, seats, mattresses, glass, curtains, clothing accessories, and garments (the results are reported in table 7).

The top 6 Indonesian potential export products to Cuba are: Soap; in forms n.e.c. in item no. 3401.11 (HS340120) which contributed the highest potential increase of Indonesian export to Cuba by US\$729303, followed by Vegetable oils; palm oil and its fractions, other than crude, whether or not refined, but not chemically modified (HS151190) amounted to US\$109095; Food preparations; bakers' wares n.e.c. in heading no. 1605, whether or not containing cocoa; communion wafers, empty cachets suitable for pharmaceutical use, sealing wafers, rice papers and similar products (HS190590) valued at US\$90866; Insulated electric conductors; for a voltage not exceeding 1000 volts, not fitted with connectors (HS854449) valued at US\$74794; Sacks and bags; of a kind used for the packing of goods, of man-made textile materials, of polyethylene or polypropylene strip or the like, not flexible intermediate bulk containers (HS630533) valued at US\$39923; and Soap and organic surface-active products; in the form of bars, cakes, moulded shapes, and paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent, for toilet use (including medicated products) (HS340111) valued US\$35355. These top 6 export potential products represent 97.23% of the total trade creation effect.

Meanwhile, on the other hand the tariff dismantlement would open Cuba's export to Indonesia amounted to US\$815650 with main potential products including: Cigarettes; containing tobacco (HS240220) valued at US\$504674; Cigars, cigarillos and cheroots; containing tobacco substitutes including the weight of every band, wrapper or attachment thereto (HS240290) valued at US\$243528; Cigars, cheroots and cigarillos; containing tobacco including the weight of every band, wrapper or attachment thereto (HS240210) valued at US\$55038; and Rum and other spirits obtained by distilling fermented sugar-cane products (HS220840) valued at US\$11453. The top 4 commodities represent 99.88% of the total creation effect (The results are reported in table 8).

Table 7: The Potential Impact of RI-CUBA FTA Scenario on Indonesia's Export to Cuba (Trade Creation Effects) (All Products)

Product Code	Commodity Description	Trade Creation Effects in USD
340120	Soap; in forms n.e.c. in item no. 3401.11	729303.17
151190	Vegetable oils; palm oil and its fractions, other than crude, whether or not refined, but not chemically modified	109095.98
190590	Food preparations; bakers' wares n.e.c. in heading no. 1605, whether or not containing cocoa; communion wafers, empty cachets suitable for pharmaceutical use, sealing wafers, rice papers and similar products	90866.75
854449	Insulated electric conductors; for a voltage not exceeding 1000 volts, not fitted with connectors	74794.01
630533	Sacks and bags; of a kind used for the packing of goods, of man-made textile materials, of polyethylene or polypropylene strip or the like, not flexible intermediate bulk containers	39923.30
340111	Soap and organic surface-active products; in the form of bars, cakes, moulded shapes, and paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent, for toilet use (including medicated products)	35355.82
291570	Acids; saturated acyclic monocarboxylic acids; palmitic acid, stearic acid, their salts and esters	6380.59
330129	Oils, essential; n.e.c. in heading no. 3301 (terpeneless or not), including concretes and absolutes	4603.99
420292	Cases and containers; n.e.c. in heading 4202, with outer surface of plastic sheeting or of textile materials	3551.23
391732	Plastics; tubes, pipes and hoses thereof, other than those of item no. 3917.31, not reinforced or otherwise combined with other materials, without fittings	2241.00
940171	Seats; with metal frames, upholstered, (excluding medical, surgical, dental, veterinary or barber furniture)	1954.24
691390	Ceramic statuettes and other ornamental ceramic articles; other than of porcelain or china	1332.87
940360	Furniture; wooden, other than for office, kitchen or bedroom use	1207.67
940490	Bedding and similar furnishing articles; n.e.c. in heading no. 9404 (e.g. quilts, eiderdowns, cushions, pouffes and pillows)	1191.62
940169	Seats; with wooden frames, not upholstered, (excluding medical, surgical, dental, veterinary or barber furniture)	1187.29
940350	Furniture; wooden, for bedroom use	1047.70
940421	Mattresses; of cellular rubber or plastics, whether or not covered	746.97
940320	Furniture; metal, other than for office use	443.19
702000	Glass; articles n.e.c. in chapter 70	316.42
630319	Curtains (including drapes) and interior blinds; curtain or bed valances, knitted or crocheted, of textile materials other than synthetic fibres	291.74
621710	Clothing accessories; other than those of heading no. 6212 (not knitted or crocheted)	193.69
611120	Garments and clothing accessories; babies', of cotton, knitted or crocheted	110.29
441400	Wooden frames; for paintings, photographs, mirrors or similar objects	39.39

■ Source: Authors Modification from TINA (2025)

CONCLUSIONS

Indonesia and Cuba are old two friends and have cordial diplomatic relations, but their economic cooperation—particularly in trade and investment—

remains below their potentialities. This study aims to identify the potential trade and investment opportunities using the RCA-CMSA Product Classification Model and TINA Model. In the trade sphere, the RCA-CMSA Model revealed targeted trade collaboration opportunities, in which Indonesia is

Table 8: The Potential Impact of RI-CUBA FTA Scenario on Cuba's Export to Indonesia (Trade Creation Effects) (All Products)

Product Code	Commodity Description	Trade Creation Effects in USD
240220	Cigarettes; containing tobacco	504674.96
240290	Cigars, cigarillos and cheroots; containing tobacco substitutes including the weight of every band, wrapper or attachment thereto	243528.05
240210	Cigars, cheroots and cigarillos; containing tobacco including the weight of every band, wrapper or attachment thereto	55038.66
220840	Rum and other spirits obtained by distilling fermented sugar-cane products	11453.87
220870	Liqueurs and cordials	438.74
854890	Electrical parts of machinery or apparatus; n.e.c. in chapter 85	335.72
910121	Wrist-watches; (not electrically operated), automatic winding, whether or not incorporating a stop-watch facility, case of precious metal or of metal clad with precious metal	58.10
490890	Printed matter; transfers (decalcomanias), other than vitrifiable	42.23
220421	Wine; still, in containers holding 2 litres or less	29.33
420291	Cases and containers; n.e.c. in heading 4202, with outer surface of leather or of composition leather	26.46
853620	Electrical apparatus; automatic circuit breakers, for a voltage not exceeding 1000 volts	24.62
841391	Pumps; parts thereof	3.87

■ Source: Authors Modification from TINA (2025)

suggested to export the iron and steel products (ferro-alloys (HS7202), flat-rolled products of stainless steel (HS7219), and stainless steel in ingots or other primary forms (HS7218)); nickel mattes, nickel oxide sinters and other intermediate products of nickel metallurgy (HS7501); mineral commodities (HS25-HS26), namely, copper ores and concentrates (HS2603); natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad (HS71), namely, Articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal (HS7113); wood (HS47-48), namely, che-

mical wood pulp, soda or sulphate (excl. dissolving grades) (HS4703) and uncoated paper and paperboard, of a kind used for writing, printing or other graphic purposes, ... (HS4802); machinery and electrical equipment (HS84-HS85), namely, Telephone sets, incl. smartphones and other telephones for cellular networks or for other wireless (HS8517), and coconut "copra", palm kernel or babassu oil and fractions thereof, whether or not refined (HS1513).

Meanwhile Cuba should export machineries and electrical equipments (HS84-HS85) including Auto-

matic data-processing machines and units thereof; magnetic or optical readers, machines (HS8471), Machines and mechanical appliances having individual functions, not specified or included elsewhere (HS8479), Machinery, plant or laboratory equipment whether or not electrically heated (excl. furnaces) (HS8419), Parts suitable for use solely or principally with the machinery of heading 8425 to 8430, n.e.s. (HS8431), and Insulated "incl. enamelled or anodised" wire, cable "incl. coaxial cable" and other insulated (HS8544); Transportation products (HS86-HS89) such as Parts and accessories for tractors, motor vehicles for the transport of ten or more persons (HS8708) and Motor cars and other motor vehicles principally designed for the transport of (HS8703). Other commodities are: Gold, incl. gold plated with platinum, unwrought or not further worked than semi-manufactured (HS7108), Cane or beet sugar and chemically pure sucrose, in solid form (HS1701), and Iron ores and concentrates, incl. roasted iron pyrites (HS2601). Historically, sugar was vital to Cuba's national economy, thus, the study suggests Indonesia should strategically import Cane or beet sugar and chemically pure sucrose, in solid form (HS1701), but later Indonesia could also explore for outbound investment and technical cooperation in the Cuban sugar industry. Sugar cane cooperation could be strategic to strengthen Indonesia-Cuba diplomatic relations.

In the investment sphere, the findings suggest Indonesian outbound investment opportunities in Cuba are Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera (HS3002); beverages and spirits, such as Undenatured ethyl alcohol of an alcoholic strength of < 80%; spirits, liqueurs and other spirituous (HS2208); Natural honey (HS0409); and unwrought lead (HS7801). Meanwhile Cuba is suggested to invest in Indonesia in transportation products (HS86-HS89) such as Motorcycles, incl. mopeds, and cycles fitted with an auxiliary motor, with or without side-cars (HS8711) and Bicycles and other cycles, incl. delivery tricycles, not motorised (HS8712); machineries and electrical equipments (HS84-HS85) such as Moni-

tors and projectors, not incorporating television reception apparatus; reception apparatus (HS8528) and Primary cells and primary batteries, electrical; parts thereof (excl. spent) (HS8506); food products such as Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion (HS1905), Essential oils, whether or not terpenes, incl. concretes and absolutes; resins; extracted (HS3301), Mattress supports (excl. spring interiors for seats); articles of bedding and similar furnishing (HS9404), New pneumatic tyres, of rubber (HS4011), Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted (excl.) (HS6110), and Plywood, veneered panel and similar laminated wood (excl. sheets of compressed wood, cellular) (HS4412).

The study also conducted a free trade simulation using TINA model and revealed that Indonesia's main potential export products to Cuba including soap, palm oil, food preparations, insulated electric conductors, sacks and bags, acids, essential oil, cases and containers, and plastics; tubes, pipes and hoses thereof, furnitures, ceramics, seats, mattresses, glass, curtains, clothing accessories, and garments. Meanwhile for Cuban main potential exports to Indonesia are cigarettes, cigars, cigarillos and cheroots, rum and other spirits.

The findings suggest both countries should explore to establish Indonesia-Cuba Comprehensive Economic Partnership Agreement to expand bilateral economic cooperation, fostering Central Bank financial cooperation via Local Cooperation Settlement (LCS) and Quick Response Code Indonesia Standard (QRIS) digital payment system aimed to reducing transaction costs, mitigating third-currency dependence, and enhancing trade continuity under external financial pressures. Further, these economic cooperation initiatives should be complemented with the encouragement of socio-cultural, education and training, and research cooperation to enhance mutual understanding, and advancing South-South cooperation agenda. In addition, Indonesia could share its best practices on Indonesian

economic school of thought including ‘ekonomi kerakyatan’ (common people’s economy) and ‘berdikari (berdiri di atas kaki sendiri” or to stand on one’s own feet) in guiding economic processes in Cuba, to contribute to the effective implementation of the National Economic and Social Development Plan 2030 in Cuba.

NOTES

¹ There are other partial-equilibrium model dashboards (Dashboards for Trade Policy Diagnostics): SMART model (Single Market Simulation Model), Global Simulation Analysis of Industry-Level Trade Policy (GSIM), Tariff Reform Impact Simulation Tool (TRIST), Agricultural Trade Policy Simulation Model (ATPSM), and TRADESIFT (United Nations Trade and Development, 2025) and (de Melo, 2020).

² Using the HS 8 Digit Codes: soap chips (HS34012020), liquid fractions of palm oil, refined oil, but not chemically modified, in packing of a net... (HS15119036), pertussis, measles, meningitis or polio vaccines (HS30024120), vaccines for human medicine other than tetanus toxoid, pertussis, measles, meningitis or polio (HS30024190), soap for toilet use including bath soap other than medicated soap (HS34011150), and sacks and bags, of a kind used for the packing of goods; of polyethylene or polypropylene strip (HS63053390).

³ The Agreement allows for the reciprocal preferential trade in goods between the CARICOM MDCs of Barbados, Guyana, Jamaica, Suriname and Trinidad and Tobago and Cuba. The Least Developed Countries of CARICOM are not required to engage in the liberalisation effort.

⁴ The unilateral U.S. comprehensive economic embargo (economic, commercial, and financial blockade) on Cuba since 1962 which remains in place until today (also so-called U.S economic warfare against Cuba), U.S. list of countries as

State Sponsors of Terrorism (Cuba, North Korea, Iran, and Syria).

⁵ Indonesian first president, Soekarno’s teachings (paradigms), namely, Tri-Sakti (political sovereignty, economic self-reliance, and cultural personality) and Resopim (Revolution, Indonesian Socialism, and National Leadership) became Fidel Castro’s reference in leading his country.

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