

CUBA 2.0 · DOLLARIZATION POLICY

Dollarization Policy and Strategy.

Retirement of the Cuban peso. Ninety-day collection window.
Operating reserve.

Decision date 6 October 2026. Conversion rate locked at 700 CUP per 1 USD.
Informal street rate on 5 October 2026: 780.



Illustration

700 CUP/USD

Conversion rate locked. Decision date 6 October 2026.

90 days

Purchase window and goods window open the same morning and close on day 90.

\$5.7B

Appropriation lock. Envelope \$4.9–5.7 billion.

USD

Wages will be paid in USD at the 700 rate.

Decision

The peso is retired. The dollar is the unit of account, the means of payment, and the reserve asset. The program buys every peso claim at a single published rate and stops accepting the peso on a published morning.

The rate is **700 Cuban pesos per 1 United States dollar**. It applies to notes and to peso deposits. It does not apply to MLC balances, which are already dollar claims and are reserved separately. On 5 October 2026 the informal street rate was 780. The locked rate pays the holder about 11 percent more dollars than that quote.

Wages will be paid in USD at the 700 rate.

What is bought

The stock is the end-2024 monetary figure. Notes in the hands of the public were 336.7 billion CUP, equal to 72.6 percent of national liquidity. Implied peso liquidity is about 464 billion CUP. A later print raises this bill in proportion. It does not change the rate.

Stock	CUP billion	USD at 700
Notes in circulation	336.7	\$481 million
All peso liquidity	464	\$663 million
Policy: buy all CUP	464	\$663 million

Notes are paid in physical dollars. Deposits become dollar balances on the books of the banks. The deposit conversion does not require a note. The note conversion does.

MLC is not peso. It is a dollar claim the banks cannot currently pay. It is reserved at \$400–800 million and is not run through the 700 rate.

Cash and reserve

Retiring the peso is the small number. Holding a dollarized payments system is the large one. Cuba settles in notes. A dollarized Cuba that still settles in notes needs a float larger than the converted peso stock. Dollars already held in households and private shops are not bought by the program. They stay where they are.

Use	USD
Buy all CUP at 700	\$663 million
MLC claims, reserved	\$400–800 million
Physical notes to import	\$1.5–1.9 billion
Three months of merchandise imports	\$2.2 billion
To dollarize and hold it	\$4.8–5.6 billion

The number to appropriate is **\$5.5 billion** at the top of the range. Of that, about **\$2 billion** is physical cash. The rest is reserve.



The program imports the goods for the ninety-day window.

04 / 07 · STRATEGY

Ninety-day strategy

The purchase window and the goods window open on the same morning and close on day 90. The goods window exists to pull notes out of mattresses before the close, and to put food, milk, and household goods in front of the population at a known price.

The program imports the goods and sells them for pesos only, at the discount below, converted at 700. The pesos received are retired at 700. A dollar till next to the subsidized shelf is prohibited. There is no purchase cap on any line.

4.1 Subsidy schedule

Discounts are on the landed import cost. Milk is outside the food basket so it is not discounted twice. No line has a quantity limit.

Line	Discount	Planning load	Subsidy
Basic food, excluding milk	25%	\$375 million	\$94 million
Milk	20%	\$30 million	\$6 million
Clothing	20%	\$23 million	\$5 million
Computers	25%	\$20 million	\$5 million
Televisions	20%	\$16 million	\$3 million
Phones under \$500	20%	\$20 million	\$4 million
Water tanks, 250 L to 5,000 L	20%	\$64 million	\$13 million
Scooters, 49–150 cc, 4-stroke	15%	\$36 million	\$5 million
Window total		\$584 million	\$135 million

The \$584 million is the import bill. The \$135 million is the part not recovered. The recovered portion, taken in at 700, retires on the order of 310 billion CUP, about two-thirds of the end-2024 liquidity stock.



Food, milk, and household goods at a known price.

4.2 Rules

- Payment in CUP only. No dollar till on a subsidized shelf.
- No purchase limit on any article.
- Scooters sold under the window are 49 cc to 150 cc, four-stroke only.
- Water tanks sold under the window run from 250 liters to 5,000 liters.
- Food is a named basket: rice, beans, oil, chicken, flour, sugar.
- Prices in CUP are published on day one. The window closes on the morning of day 91. Pesos are not accepted for goods after that morning.
- The buyback rate does not change during the window and does not change after it.

05 / 07 · SEQUENCE

Sequence

1. Publish the rate, the price list, and the closing morning.
2. Open the goods window and the cash window on the same day. Notes across the counter. Deposits converted on the books.
3. Import the note float in advance of the opening, sized to the planning load plus bank tills.
4. Day 91: goods window closes. Peso is no longer accepted. Remaining peso claims are bought at 700 until the stock is exhausted, then the peso is demonetized.

Wages will be paid in USD at the 700 rate.

06 / 07 · LIMITS

What this policy does not do

- It does not buy dollars already held by households.
- It does not convert MLC at the peso rate.
- It does not leave the rate open to negotiation at the window.
- It does not limit how many units a person may buy.

Appropriation

Item	USD
Peso retirement at 700	\$663 million
MLC reserve	\$400–800 million
Note import and three-month import reserve	\$3.7–4.1 billion
Ninety-day subsidy, unrecovered	\$135 million
Envelope	\$4.9–5.7 billion

Lock \$5.7 billion. The subsidy is inside the envelope, not on top of a second request. Physical cash inside the envelope is about \$2 billion.

Read the full Dollarization Policy

Dollarization gives the ~250 billion USD CUBA 2.0 program a single unit of account from day one. Read the full policy, watch "Dollarization in 30 seconds", and explore the full program and its two phases.

[Read the policy → cuba20.net/dollarization-policy.html](#)

[Visit cuba20.net →](#)

Ask LISA anything about CUBA 2.0 — the program, investments and next steps: **(727) 620-6584**. Know someone who should read this? [Forward this issue](#) or [subscribe](#) at cuba20.net.

Project Lead: Ernesto Eduardo Dobarganes · Vortygon · CUBA 2.0

Technology-first governmental reconstruction grounded in rule of law. [ernestoeduardo.com](#) · [admin@vortygon.com](#)

© 2026 CUBA 2.0 Governmental Program / Vortygon. All projections are illustrative. This is not an offer to sell securities.

You are receiving this because you subscribed to updates from CUBA 2.0. [Unsubscribe](#) · [admin@cuba20.net](#)