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22Jan96 CUBA: CLUB MED SIGNS AGREEMENT FOR CUBAN RESORT.

By Lionel Martin

HAVANA, Jan 21 (Reuters) - The renowned French tourism provider, Club Med, signed an agreement in Havana on Sunday to make the new Varadero 1920 Hotel one of its exotic spots that offers sun, sand and the sea.

The agreement was signed by the president of Club Med, Serge Trigano and the head of the Cuban tourist enterprise, Gaviota.

The hotel, now being built, will be on "one of the finest stretches of white-sand beach" in Varadero on Cuba's north coast about 90 miles (145 km) east of Havana, Trigano said.

Varadero, scheduled to be ready in November when the new winter tourist season begins, will have 319 rooms in its first stage and may add 197 more rooms next year.

The major investment in building the hotel will be carried by the Gaviota group while Club Med will include it among its worldwide tourist spots and will manage the hotel.

Trigano said that Gaviota had agreed to a Club Med demand that at least 30 percent of the hotel staff, some 80 people, will be brought in from France and other countries. He said his company will also be responsible for training the hotel's Cuban personnel.

Varadero "will be included in millions of booklets of propaganda" as a full-fledged Club Med destination, the head of Club Med said.

He refused to answer questions about the financial side of the Club Med-Gaviota agreement.

The signing coincided with the meeting in Havana of the 39th annual convention of the Association of French Tourist Agents. The president of the Association, Cesar Baldenschi, said that in the future, Cuba could become more of a major tourist market for France and Europe as a whole.

Carlos Lage, a member of the ruling politburo and part of the braintrust that runs the Cuban economy, said after Sunday's signing that last year 730,000 tourists visited Cuba and that 900,000 were expected in 1996.

He said the Club Med agreement shows growing confidence in the stability of the Cuban government and its economy.

U.S. citizens are prohibited from travelling to Cuba because of Washington's 35-year-old embargo on trade and any financial dealings with Fidel Castro's socialist government. Canada and most European Union businessmen have condemned the blockade and their businesses and financial dealings continue.

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