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15Sep96 CUBA: CUBA SEEKS RECORD NICKEL OUTPUT WITH CANADIAN HELP.
By **Lionel Martin**
HAVANA, Sept 15 (Reuter) - Cuba's nickel industry together with Canadian partner Sherritt International Corp. was seeking to shatter its all-time production record of nickel ore this year.
An article in Sunday's Juventud Rebelde said that if the goal of producing some 55,000 tons was achieved, it would represent a "miracle of resurrection."
The previous record of 46,591 tons was achieved in 1989 when the Soviet Union was still buying 70 percent of the island's nickel ore exports.
Sherritt International has been sanctioned by Washington for doing business with Cuba under a provision of the Helms-Burton act that was signed by President Bill Clinton in March. The company's top officers and their families have also been barred from visiting the United States
The law penalizes foreign companies who "traffick" in expropriated properties in Cuba that had belonged to either U.S nationals or Cubans who later became U.S citizens or own enterprises in the United States.
The law also allows the former owners of the Moa Bay plant to sue Sherritt International in U.S courts.
After the 1991 breakup of the Soviet Union the Cuban nickel industry went into a tailspin, with production falling each year until it bottomed out in 1994 with 26,362 tons.
Last year's recovery to 43,900 tons has been attributed to a joint enterprise agreement with Sherritt International, which has invested an estimated $200 million to revitalize production at the Moa Bay nickel plant in eastern Cuba.
In addition to new equipment, Sherritt helped to introduce more efficient managerial techniques and incentives for managers, technicians and workers. It also commercializes nickel and cobalt produced from Cuban ore on the world market.
A U.S company built the Moa Bay plant shortly before the Cuban revolution victory in 1959. It was designed to produce nickel and cobalt ore that would be refined at a plant in Louisiana.
Production was paralyzed at the plant for several years following its nationalization by Fidel Castro's revolutionary government in 1960 and Washington's embargo on trade with Cuba. For almost three decades, the Soviet Union and the communist camp filled the vacuum left by the absence of U.S enterprises by ensuring a stable market for the island's nickel ore.
The Moa Bay nickel plant is now jointly run by Sherrit and a Cuban state-owned company. The nickel-cobalt ore is shipped to a refinery in Fort Saskatchewan, Alberta, Canada, which is also jointly run.
There are three nickel plants now operating in eastern Cuba and Moa Bay produces about half the output. The other two are owned and operated by the Cuban government.
Washington's 34 year-old embargo prohibits any products containing Cuban nickel from being imported into the United States. Sherritt says it has sufficient markets in other industrialized nations including Canada.
Last week, during a board meeting of Sherritt International in Havana, Castro met with the Toronto-based company's directors and called them "valient" for refusing to withdraw from Cuba under U.S pressure.

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