



AUTHORITARIAN SHADOWS

THE KREMLIN PLAYBOOK
IN CENTRAL AMERICA



CENTER FOR
THE STUDY OF
DEMOCRACY

Authoritarian Shadows

The Kremlin Playbook in
Central America



The war in Ukraine has underscored Russia's ambition for restoring its global reach by exploiting power vacuums and institutional weaknesses, on the one hand, and to project its state capture model, on the other. Using its unlimited friendship with China, corrosive capital arrangements, and strategic agreements, Moscow reinforces anti-Western narratives and secures allies globally.

Central America's strategic location and financial infrastructure offer Russia opportunities to convert historical ties and diplomatic gestures into tangible influence, enabling it to punch above its economic weight in the region. The report exposes how Russia has entrenched itself in Cuba and Nicaragua and leveraged them as gateways to project influence across the region. Through economic entanglements, media manipulation, and elite capture, Moscow undermines democratic governance and exploits vulnerabilities in key democratic institutions.

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ISBN: 978-954-477-539-1

Sofia: Center for the Study of Democracy, 2025.

CONTENTS

EXECUTIVE SUMMARY	9
THE KREMLIN'S CLIENT STATES	11
FOLLOW THE MONEY: RUSSIAN ECONOMIC FOOTPRINT IN CENTRAL AMERICA.....	13
Trade Patterns.....	13
Investment Promises and Strategic Cooperation.....	18
A Needle in the Haystack: Mapping the Russian Corporate Footprint	26
POLITICAL AMPLIFIERS.....	28
Formal and Informal Strategic Cooperation	28
WINNING HEARTS AND MINDS	33
Media Manipulation and Narrative Control	33
Cultural Diplomacy	34
Elite Capture and Political Multipliers	35
FORTIFYING DEMOCRATIC RESILIENCE.....	37

LIST OF FIGURES

Figure 1. Top Import Partners of the Americas (2000-2023)	14
Figure 2. Share of Russian Imports in Total Imports in Central America and the Caribbean	16
Figure 3. Key Russian-Owned Companies in Cuba.	21
Figure 4. Projects Carried Out by Russian Companies in Cuba.	22
Figure 5. Number of Offices of Russian-Owned Entities per Region in Nicaragua.	25
Figure 6. Projects Carried Out by Russian Companies in Nicaragua	25
Figure 7. NK SESLA: A Russian Intelligence-Linked Network in Latin America	31
Figure 8. Instruments of Sharp Power: Russia’s Influence Operations in Central America	36

LIST OF BOXES

Box 1. Rerouting Supplies: Jamaica’s Role in Russian Aluminum Imports	15
Box 2. China as the Strategic Economic Partner to Cuba	17
Box 3. China Buttresses Russia’s Political Weight with Economic Muscle in Cuba and Nicaragua.....	22
Box 4. Digital Currencies and Sanctions Evasion.....	26
Box 5. A Network of Spies	30

LIST OF ABBREVIATIONS

BRICS+	Brazil, Russia, India, China, South Africa
BVI	British Virgin Islands
CAC	Central America and the Caribbean
CSD	Center for the Study of Democracy
CUPET	Unión Cuba-Petróleo
EU	European Union
FDI	Foreign Direct Investment
G7	Group of Seven
GLONASS	Global Navigation Satellite System
HKND	Hong Kong Nicaragua Canal Development Group
IT	Information Technology
MIR	Russian National Payment System
RDIF	Russian Direct Investment Fund
RT	Russia Today

EXECUTIVE SUMMARY

Russia has re-emerged as a disruptive actor in Central America, exploiting authoritarian regimes and weak governance to secure strategic influence. While Moscow's economic footprint remains modest compared to that of China, the Kremlin has successfully leveraged **targeted investments, debt relief, military cooperation, and disinformation** to amplify its political presence. Cuba and Nicaragua serve as Russia's primary platforms for projecting regional influence including by sustaining anti-Western narratives.

Central America's geographic position as a maritime and financial hub magnifies its importance to Moscow. The Panama Canal handles 5% of global trade and 40% of U.S. container traffic, while offshore centers such as Panama, the Cayman Islands, and the British Virgin Islands host over \$70 billion in Russian assets. Russia's shadow fleet reflags tankers in Panama to evade the G7 oil price cap, and Russian firms increasingly use regional networks to mask sanctioned commerce with Venezuela and Cuba. The Caribbean corridor has thus become a **critical node in Russia's sanctions-evasion architecture**, and a source of illicit financial flows ultimately profiting Moscow's war machine.

Cuba and Nicaragua anchor Moscow's influence in the broader region. In Cuba, Russia has revived Soviet-era projects, pledged \$1 billion in investments across energy, metallurgy, and healthcare, and secured legal concessions granting Russian companies long-term land use and majority ownership rights in joint ventures. Novikombank opened the first Russian bank branch in Havana in 2024, while Cuba adopted Russia's MIR payment system, facilitating ruble settlements and attracting 185,000 Russian tourists in 2024. Moscow has also entrenched its presence in Cuba's transport and energy sectors, including new power plants and vehicle assembly lines. Yet, many projects remain symbolic, and **China** outpaces Russia with far larger **financing in energy and infrastructure**.

Nicaragua exemplifies Moscow's state capture strategy. The Ortega regime relies on Russian wheat, fuel credits, and military assistance, while selectively granting Moscow access to ports, telecoms, and intelligence cooperation. At the same time, the 2017 installation of a GLONASS ground station and reports of the possible reopening of the Soviet-built Lourdes signals intelligence facility in Cuba highlight Russia's ambition to recover some of its lost capacity to conduct influence operations in the U.S. backyard. Bilateral trade with Nicaragua surged by 70% in early 2024, but volumes remain negligible. Moscow's **influence is instead amplified through media cooperation**, with Russian state outlets embedded in Managua's controlled broadcasting ecosystem, projecting political presence.

Russia's sharp power in Central America extends into narrative control, elite co-optation, and symbolic displays of solidarity with the Global South. Outlets such as *RT en Español* and *Sputnik Mundo* enjoy privileged access in Cuban and Nicaraguan media, reinforcing Kremlin narratives about NATO

“aggression” and U.S. hypocrisy. Beyond media, Russia cultivates civil society proxies, chambers of commerce, and intelligence-linked business associations like NK SESLA to institutionalize its presence and embed itself within the fabric of authoritarian governance.

At the same time, Moscow emphasizes **the reach of its political engagement in the region**, by inviting Central America-based parliamentarians to high-profile events in Moscow, such as State Duma sessions and parliamentary forums. While these encounters carry little institutional weight and rarely produce tangible agreements, they are carefully choreographed to showcase Russia’s international legitimacy, amplify the rhetoric of South–South cooperation, and entrench Moscow’s image as a partner attentive to the voices of smaller states. Through these networks and spectacles, Russia projects both practical influence and the appearance of a multipolar order in defiance of Western pressure.

Yet, China remains the structural economic power in Central America, and a critical silent partner of Russia’s ambitions for global reach. Its Belt and Road investments, technology transfer, and financing dwarf Russia’s, especially in Nicaragua. Yet Moscow leverages politically-driven deals, debt forgiveness, and historical ties to amplify its political weight. This asymmetric but consistent strategy enables the Kremlin to punch above its economic weight, positioning Cuba and Nicaragua as loyal authoritarian allies and regional amplifiers of its global confrontation with the West. Russia remains an “outsider” in Latin America, but Cuba and Nicaragua are perceived as “local,” even “part of the family.” Although Ortega’s regime has relatively few followers, Cuba continues to serve as a highly popular symbol for leftist forces in the region and is instrumental in amplifying Moscow’s narrative.

THE KREMLIN'S CLIENT STATES

Central America's geographic position as a land and maritime bridge between the Pacific and Atlantic Oceans makes it a **critical juncture in global trade networks**. For Russia, whose global strategy increasingly focuses on bypassing Western sanctions and cultivating influence in the Global South, this transit-rich corridor presents both economic and geopolitical opportunities.

The region's proximity to major shipping lanes and checkpoints, including the Panama Canal, which handles about 40% of U.S. container traffic and approximately 5% of world trade,¹ the Caribbean Sea transit routes, and west coast ports in Mexico, Guatemala, and Costa Rica that connect to China, Japan, and Korea, makes it an attractive route for facilitating both licit and illicit commerce. Russia already operates a **shadow fleet** in the region using flags of convenience (especially Panama and other neutral registries) crossing the Caribbean Corridor, the Panama Canal, and the Gulf of Mexico.

Russia is also considering the opening of a **direct maritime trade route** with Latin America, positioning the Cuban port of Mariel as a key logistical hub. Due to its strategic location and economic advantages, Mariel is seen as an ideal operational base for distributing Russian goods throughout the region, with goods concentrated there and then distributed by local transport companies, potentially enhancing Russia's economic footprint across the Americas.² This effort reflects Moscow's attempt to reinvigorate its Cold War-era bonds with Cuba through strategic yet uncertain investments and media-visible projects.

However, China has already stepped into that space, delivering infrastructure, deepening trade via Mariel, and playing a critical role in powering Cuba's recovery. For now, China's approach carries far greater commercial weight and reliability than Russia's largely symbolic overtures. At the same time, Russia can still advance more effectively in Cuba precisely because of the Soviet legacy and because China may prefer to focus on more profitable regions. Cuba's proximity to the United States makes it uniquely valuable for Moscow, and the dynamics of the Russia-China rivalry on the island are thus an essential and highly significant element of the broader regional picture.

To increase its economic and political influence in Central America, the Kremlin has favored a largely bilateral strategy, focused on **military aid, targeted investments in strategic sectors** such as energy, and the deployment of sharp power instruments for capturing powerful domestic elites and swaying the public discourse in an anti-Western and anti-American narrative.

¹ European Parliament Think Tank, "[The Panama Canal: Panama's sovereign rights under threat?](#)", 8 May 2025.

² OnCubaNews, "[Port of Mariel could host a logistics hub for trade between Russia and Latin America](#)", 15 June 2023.

State capture forms the core of the Kremlin Playbook, reflecting the nature of the regime in Moscow and its approach to influencing the political and economic landscapes of targeted countries.³ State capture refers to the infiltration and subversion of a nation's democratic governance and market economy checks and balances through corruption, manipulation, and the establishment of overt and covert ties with local elites and political leaders.⁴ Russia has successfully employed this tactic globally and in Latin America, by seeking to create relationships of dependence with political leaders and factions with strong authoritarian and reactionary, anti-Western interests.

Central America is especially susceptible to these state capture tactics. Moscow has offered unlimited targeted support to the region's two full-fledged dictatorships, Cuba and Nicaragua, leveraging the influence over the ruling political elites to achieve the broader Russian geopolitical objective of **undermining the U.S. standing in the region**. This backing can take the form of financial assistance, conspicuous state to state economic deals, strategic advice, military training and intelligence cooperation.

Cuba and Nicaragua, have become effective instruments of the Kremlin for politically-driven penetration in the broader Latin American region, and especially successfully in Venezuela and Bolivia. Russia has been surprisingly adept at leveraging modest resources to advance its objectives in the region and has utilized its informal oligarchic networks to establish a stronghold in strategic regional markets.

The region is a critical node in the Kremlin's global financial network as some of the largest Russian companies use the **offshore financial hubs** in the Caribbean extensively to continue doing business around the world. Offshore shell companies controlled close to \$70 billion in Russian assets at the end of 2023 up more than 10% since the Russian invasion in Ukraine. The British Virgin Islands (BVI), Panama, Curacao and the Cayman Islands are some of the biggest holders of Russian financial assets providing a key safe haven for Russian entities.

These hubs not only launder Russian money but also facilitate the **circumvention of sanctions** against authoritarian regimes in Latin America. For instance, Russian firms use Panama to reflag oil tankers, allowing Venezuela to continue exporting oil despite U.S. and EU sanctions. Panama flags the biggest share of the Russian shadow fleet aiming to breach the G7 oil price cap regime.

³ Shentov, O., Stefanov, R., and Vladimirov, M., *The Kremlin Playbook in Europe*, Sofia: Center for the Study of Democracy, 2020; Shentov, O., Stefanov, R., and Vladimirov, M. (eds.), *The Russian Economic Grip on Central and Eastern Europe*, London: Routledge Contemporary Russia and Eastern Europe Series, 2019.

⁴ Stoyanov, A, Gerganov, A, and Yalamov, T., *State Capture Assessment Diagnostics*, Sofia: Center for the Study of Democracy, 2019.

FOLLOW THE MONEY: RUSSIAN ECONOMIC FOOTPRINT IN CENTRAL AMERICA

Except for Venezuela and Brazil, and to a lesser degree Cuba, Moscow has not been able to become a significant economic power in Latin America. Kremlin-linked companies have implemented few large-scale projects, and their corporate presence is dwarfed by China.⁵ Despite the publicly announced intentions to strengthen its trade cooperation with Latin American countries through multiple bilateral agreements, the region is still not a major trading partner for Russia. This may be changing as **Russian exports of petroleum products and fertilizers have surged** on the back of sharp discounts and the Kremlin's attempt to replace traditional markets in the West that has imposed economic sanctions following Russia's full-fledged invasion of Ukraine.

Trade Patterns

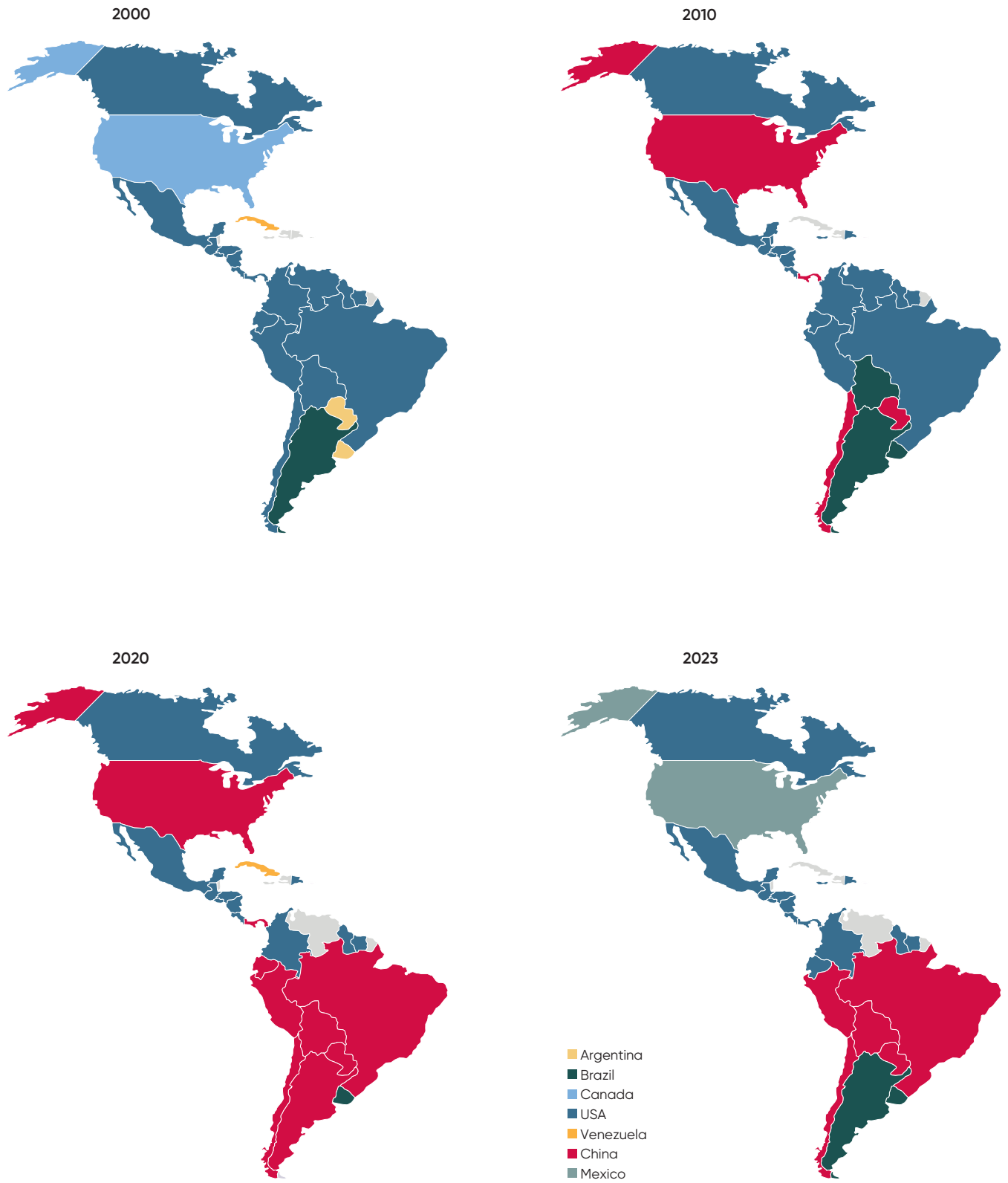
Despite the media hype that pro-Russian outlets create around bilateral deals between Russia and regional governments, most notably Cuba and Nicaragua, Russia rarely appears among the top three import partners for Central America and Caribbean (CAC) countries. It briefly appeared as Cuba's top import partner in 2000 but disappeared in subsequent years. Although Russia has pursued influence through **energy deals and military cooperation**, this has not led to significant or sustained trade relationships.

Russia's share of imports across CAC countries has generally been low, mostly under 1%. Cuba experienced a spike in 2021, and Jamaica's imports from Russia increased significantly in 2023. On the export side, Russia plays a limited role as a destination for CAC countries' exports, generally under 0.2% of total exports. Jamaica is an exception, where exports to Russia peaked at 3.45% in 2023. Costa Rica, Guatemala, and the Dominican Republic report small and declining shares, while many others have little or no trade with Russia.

⁵ Vladimirov, M., Rueda, G., and Osipova, D., *Global Reach: The Kremlin Playbook in Latin America*, Sofia: Center for the Study of Democracy, 2024.

China has pursued a comprehensive approach based on economic cooperation, investments, and commercial diplomacy with structural components, allowing it to operate more deeply across the region through economic, cultural, and diplomatic engagement. China's growing presence is especially notable in technology, machinery, and manufactured goods. By 2023, many Central and South American countries no longer relied on the U.S. as their primary source of imports. While the U.S. remains dominant in Mexico, Central America, and parts of the Caribbean, its influence has waned in the Southern Cone.

Figure 1. Top Import Partners of the Americas (2000-2023)



Source: CSD based on Comtrade.

Box 1. Rerouting Supplies: Jamaica's Role in Russian Aluminum Imports

In 2023, Jamaica's exports to Russia surged to 3.45 percent of its total exports, largely due to the disruption of Russia's traditional alumina supply lines. Following the outbreak of the war in Ukraine, Russia lost access to the Mykolaiv alumina refinery, one of Rusal's most important overseas assets, after it was seized and rendered inoperable. To compensate, Moscow turned to alternative sources, and alumina shipments from Jamaica, through Rusal's Windalco refinery, expanded in volume and significance. This increase was not so much a sign of Russia's dependence on Jamaica as it was evidence of the broader role Latin America can play as a fallback provider for Moscow in moments of international isolation. The episode underscores how Russia continues to mobilize long-standing economic linkages in the region to soften the impact of sanctions and wartime disruptions.

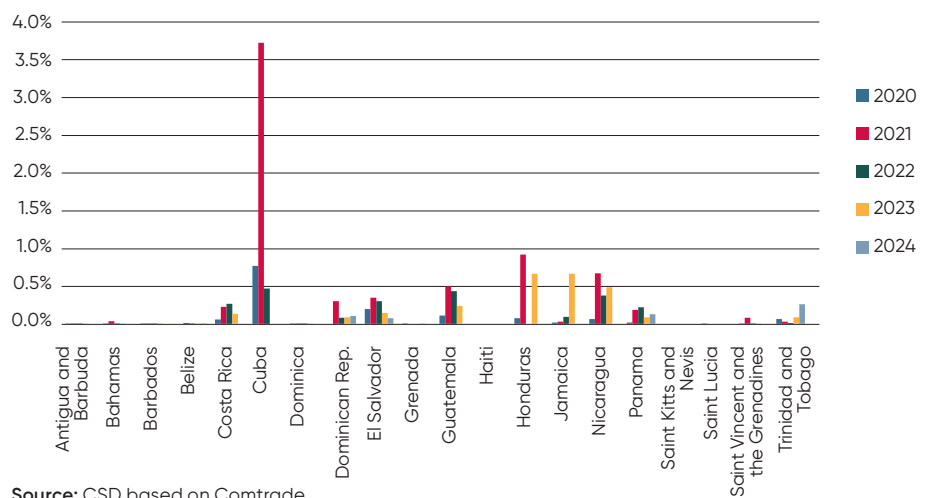
While they do not represent the largest volumes of official trade with Russia, Cuba and Nicaragua remain important strategic partners for Russian interests in Latin America. Russian companies sell metals, construction materials, mineral and chemical products, and, more recently, machinery and electronics to Nicaragua – all essential for the country's industrial and infrastructure development. Much of this trade has been driven by Russian **state-owned or Kremlin-linked companies**, such as Severstal (steel), Rusal (aluminum), Uralchem, and PhosAgro (fertilizers and chemicals). In the machinery sector, firms like Rostselmash have maintained a small but consistent presence, particularly in agricultural and energy-related equipment.

At the same time, Nicaragua's exports to Russia have deteriorated falling from as much as 8% of the total foreign sales in 2001 to just 0.07% in 2023. Most exports are in agricultural and food products. While the overall trade balance remains negligible compared to Nicaragua's ties with the United States, Moscow has sought to increase volumes. Bilateral trade grew by over 50% in 2023 and 70% in early 2024, driven largely by Russian exports of vaccines, fertilizers, vehicles, and alcohol. Managua, in turn, has sought to expand coffee, cocoa, and seafood exports to Russia, while experimenting with ruble- and córdoba-based (in Nicaraguan currency) settlement systems to align with Moscow's de-dollarization agenda.

The meagre trade turnover between Russia and Nicaragua is in stark contrast with the much stronger political alignment between the Sandinista government of President Daniel Ortega and the Kremlin. In the late 1990s and early 2000s, Nicaragua settled part of its Soviet-era debt, with Russia forgiving over 90% and restructuring the remainder. This symbolic generosity laid the groundwork for renewed cooperation once Daniel Ortega returned to power. However, the closer political ties have not turned into greater economic cooperation.

In contrast, **China** has become a much more significant trade partner, especially following Nicaragua’s 2021 diplomatic switch from Taiwan to China. Since then, China has expanded its engagement through tariff reductions, sectoral agreements, and the Framework Cooperation Agreement, positioning itself as a key provider of technology, industrial inputs, transportation equipment, and consumer goods. The growing weight of Chinese imports suggests a **shift in Nicaragua’s strategic supply chains**, with China now playing a systemic role that Russia does not.

Figure 2. Share of Russian Imports in Total Imports in Central America and the Caribbean (%)



Source: CSD based on Comtrade.

Cuba’s trade relationship with Russia is more difficult to assess due to limited data⁶. Available data points to Cuban imports from Russia increasing after 2016. These imports have included machinery, electronics, vehicles, metals, construction materials, and mineral products, reflecting Cuba’s need for industrial inputs. After the start of the war in Ukraine, Russia has almost doubled wheat exports on the back of new shipping routes from the port of Visotski and logistics providers like Rusagrotrans.⁷ In the energy sector, Russia provides technical support to CUPET,⁸ Cuba’s state oil company, while KAMAZ and AVTOVAZ (part of Rostec) export trucks, engines, and automobiles.⁹

⁶ U.S. sanctions, including the Helms-Burton Act have undermined the data reporting in Cuba. For example, UN Comtrade lacks Cuban trade data from 2007 to 2015, forcing analysts to rely on mirror data from Russia and third-party sources like The Economist Intelligence Unit and FDI Markets. Cuba withholds foreign direct investment figures, a full balance of payments, disaggregated current account data, foreign debt details (reported three years late), and international reserve structure. This opacity is compounded by its non-membership in the IMF and World Bank, and its failure to meet data obligations to bodies like the UN, WTO, ECLAC, UNDP, and UNCTAD.

⁷ Frómeta, A., “Rusia multiplica exportaciones de trigo a Cuba: 126.000 toneladas que cambian el juego” [Russia multiplies wheat exports to Cuba: 126,000 tons that change the game], *NoticiasCuba.Net* (n.d.).

⁸ OnCubaNews, “Rusia al alza en Cuba: crecen el comercio y los planes bilaterales” [Russia on the rise in Cuba: trade and bilateral plans are growing], 21 December 2023.

⁹ Granma, “¿Han tenido resultados los vínculos con Rusia para el transporte cubano?” [Have the ties with Russia yielded results for Cuban transportation?], 16 June 2024.

On the export side, Cuban sales to Russia have collapsed from almost a quarter of the total in 2001 to around 0.11% by 2023. Aside from rum and alcoholic beverages and sugar, Cuba has not maintained regular exports to Russia. Earlier agricultural and food product sales, such as fruits, vegetables, and sugar exports, declined after 2006. More recently, Cuba's limited shipments have included small quantities of tropical fruits, coffee, tobacco, and other traditional products like rum and cigars. For example, in 2023, Cuba shipped 20 tons of Super Haden mango from Cumanayagua, Cienfuegos,¹⁰ and promoted rum and tobacco at the Cuba-Russia Business Economic Forum.¹¹

By 2023, turnover had tripled to \$452 million. Much of this increase came from Russian oil and wheat shipments, alongside Cuban exports of rum, cigars, and nickel. Moscow and Havana also signed a comprehensive trade cooperation program through 2030, formalising energy, transport, and industrial projects as strategic pillars of the relationship.

Cuba and Russia have also deepened their cooperation in energy and the heavy industry. In oil, **Zarubezhneft** is partnering with **CUPET** to enhance production at the **Boca de Jaruco** field.¹² In 2023, Cuban Prime Minister Manuel Marrero announced an annual commitment of 1.64 million tons of Russian oil and refined products. In **steel**, Russian firms are helping modernize the **José Martí steel mill (Antillana de Acero)** in Havana, improving Cuba's domestic production capacity.¹³

Box 2. China as the Strategic Economic Partner to Cuba

In contrast to Russia, Cuba's trade relationship with China has expanded considerably over the same period. Over the past two decades, Cuba's trade with China has grown significantly, with China becoming a key partner. While Cuban exports to China were modest in the early 2000s, they surged after 2016, peaking at over 21% of total exports by 2019, driven largely by minerals and agricultural products. Exports of metals increased as China's industrial demand grew, while agricultural exports declined slightly after 2017. On the import side, Cuba has steadily increased its purchases of Chinese machinery and electronics, supporting its industrial development. In this sense, the roles of Russia and China can be seen as complementary: Moscow provides political-symbolic backing and selective economic lifelines, while Beijing underpins Cuba's broader trade and development needs through sustained commercial engagement.

¹⁰ CubaNoticias260, "Cuba comenzará exportación de mango a Rusia" [Cuba to begin exporting mango to Russia], 29 May 2023.

¹¹ Granma, "Cuba y Rusia por el impulso a los sectores principales del desarrollo económico en la Isla" [Cuba and Russia to boost the main sectors of the island's economic development], 17 May 2023.

¹² OnCubaNews, "Rusia al alza en Cuba: crecen el comercio y los planes bilaterales" [Russia on the rise in Cuba: trade and bilateral plans are growing], 21 December 2023.

¹³ Martínez, M. F., "Cuba y Rusia tras nuevas rutas de cooperación, asegura representante ruso en la isla" [Cuba and Russia pursuing new paths of cooperation, says Russian representative on the island], *ElPais.cr*, 17 July 2023.

Investment Promises and Strategic Cooperation

While bilateral trade with Russia has remained limited, Russian foreign direct investments (FDI), or even just promises of strategic business deals in key sectors, have become **significant sources of political influence**. The collapse of the USSR left dozens of Soviet-built factories, power plants, and infrastructure projects in Cuba without maintenance, spare parts, or investment, creating a deep sense of abandonment among many Cubans. In the 1990s, during the so-called *Periodo Especial*, this fueled resentment: Russia, as the successor state to the Soviet Union, was often seen as having turned its back on the island at a moment of profound crisis.

Over time, however, this perception has grown more ambivalent. Despite the bitterness, Cubans continue to rely heavily on Soviet-era equipment, from thermoelectric plants and metallurgical facilities to UAZ trucks, which still form the backbone of much of the country's industrial and transport infrastructure. Because the Cuban state lacks the financial resources to replace these systems with Western or even Chinese alternatives, there is a pragmatic hope that renewed ties with Russia could bring spare parts, technical assistance, or investment to keep these aging facilities operational. Moscow, in turn, is attempting to reclaim influence by positioning itself as the indispensable partner for modernizing these same assets, framing this effort as the "restoration of historic ties" and turning Soviet-era sunk costs into leverage for long-term influence.

After a bilateral agreement from 2012, **Russia forgave 90% of Cuba's debt** (\$32 billion), making the Kremlin one of largest contributors to the country's debt relief efforts alongside Japan and Mexico¹⁴. In 2023, Moscow postponed Cuba's repayment of its remaining €1.2 billion debt by five years, extending the deadline for final repayment to 2040. This follows the Kremlin's broader strategy of using debt relief as leverage to secure long-term political loyalty. The debt relief agreement opened the way to bigger Russian FDI flows in Cuba's healthcare, energy, finance, infrastructure, and metallurgy sectors.

In 2025, Russia further pledged \$1 billion in new investments across six key sectors, including energy, hospitality, IT, and heavy industry, highlighting how Havana's financial dependency is carefully managed by Moscow to maintain strategic alignment. The Kremlin sweetened the deal by offering interest-rate subsidies for Russian companies investing in Cuba, locking in Moscow's economic foothold at a time when Havana is starved of capital and credit.

Cuba has introduced a number of legal and market reforms to partially liberalize the economy and attract more foreign investment. In 2020, the government passed legal changes to allow foreign investors to hold majority ownership in joint ventures within key sectors such as tourism, biotechnology, pharmaceuticals, and wholesale trade, offering greater flexibility in ownership structures.¹⁵ Additionally, the Cuban government has granted Russian companies **long-term land use rights** for up to 30 years, an unusual

¹⁴ Villanueva, O.E.P., "Foreign Direct Investment in Cuba: A Necessity and a Challenge", - In: Hershberg, E., LeoGrande, W.M. (eds.), *A New Chapter in US-Cuba Relations. Studies of the Americas*, Palgrave Macmillan, Cham, 2016, pp. 143–159.

¹⁵ DW, "Cuba autoriza mayoría de capital extranjero en empresas" [Cuba authorizes majority foreign ownership in companies], 8 December 2020.

concession in the Cuban context, further signaling its strategic openness to foreign capital, particularly from Moscow.¹⁶

Russian **energy investments** include upgrading the Máximo Gómez and Habana del Este power plants through the provision of a €1.5 billion loan in 2015 for the construction of four 200 MW generation units using natural gas.¹⁷ Russia has also invested in the assessment and repair of the island's dilapidated electricity infrastructure and address Cuba's ongoing electricity crisis. In 2024 alone, Russia granted Cuba a \$60 million fuel credit,¹⁸ a \$2 million donation for power system repairs, a \$65 million energy credit,¹⁹ and announced new credit lines to help offset the effects of U.S. sanctions.²⁰ Russia even plans to support renewable energy development.²¹

The Intergovernmental Commission for Economic, Commercial, Scientific, and Technical Collaboration coordinates a support program for the supply of essential goods for the Cuban economy including petroleum, wheat, and fertilizers.²² For example, in 2025, Cuba received a Russian state loan and 100,000 tons of oil.²³ Russia also provided substantial donations during the COVID-19 pandemic, including nearly 20,000 metric tons of wheat in 2022, valued at over six million dollars.²⁴

Beyond energy, Russia has also financed **Cuba's railway infrastructure** with a €1.88 billion modernization contract signed in 2020, the largest financial agreement Cuba has signed with Russia.²⁵ The latter comes right out of the Kremlin Playbook for entrenching economic dependencies through investments in strategic sectors.

Russia is also embedding itself in Cuba's **transport sector**. In 2025, Moscow and Havana launched a taxi joint venture using "Moskvich" cars, with an initial fleet of 50 vehicles supported by dedicated service infrastructure. The irony, of course, is that "Moskvich" is no longer a genuinely Russian car

¹⁶ CiberCuba, "Cuba ofrece tierras a Rusia en usufructo por 30 años" [Cuba offers land to Russia in usufruct for 30 years], 18 May 2023.

¹⁷ Sputnik, "Embajador ruso: Moscú impulsa en Cuba 'un número considerable de proyectos' en finanzas y energía" [Russian ambassador: Moscow promotes "a considerable number of projects" in finance and energy in Cuba], 3 March 2023.

¹⁸ CubaNet.com, "Rusia otorga donativo y crédito por 60 millones de dólares al régimen Cubano" [Russia grants \$60 million donation and credit to Cuban regime], 9 November 2024.

¹⁹ CiberCuba, "Cuba aumenta su deuda con Rusia: nuevo crédito de 65 millones para enfrentar crisis energética" [Cuba increases its debt with Russia: new 65 million credit to face energy crisis], 9 November 2024.

²⁰ DW, "Rusia anuncia que otorgará nuevas líneas de crédito a Cuba" [Russia announces new lines of credit to Cuba], 10 September 2024.

²¹ PrensaLatina, "Rusia proyecta apoyar a Cuba en desarrollo de energías renovables" [Russia plans to support Cuba in the development of renewable energy], 6 June 2024.

²² Prensa Latina, "Rusia prioriza suministros petroleros, trigo y fertilizantes a Cuba (+Fotos)" [Russia prioritizes petroleum, wheat, and fertilizer supplies to Cuba], 15 March 2024.

²³ Reinaldo, O. F., Montero, A. A., and Padilla, A. P., "Sesiona comisión intergubernamental ruso-cubana" [Russian-Cuban intergovernmental commission holds session], *CubaDebate*, 4 April 2025.

²⁴ OnCubaNews, "Cuba recibe más de 19 mil toneladas de trigo donadas por Rusia" [Cuba receives more than 19,000 tons of wheat donated by Russia], 21 April 2022.

²⁵ Diario de Cuba, "Más de 1.000 millones de euros: el monto del 'préstamo' de Rusia al Gobierno de Cuba" [More than 1 billion euros: the amount of Russia's 'loan' to the Cuban government], 13 February 2020.

at all but a rebranded Chinese model assembled under a Soviet-era badge. Parallel to this, Cuba inaugurated an assembly line for UAZ vehicles, capable of producing up to 1,500 SUVs and trucks annually.

Cuba's UAZ assembly line, however, illustrates another layer of irony. UAZ models are notorious for their poor quality, mechanical unreliability, and fuel inefficiency, while their basic design has changed little since the Soviet era. Far from representing technological progress, these vehicles embody a relic of outdated engineering repackaged as a symbol of modern cooperation. Their presence in Cuba underscores how Moscow relies more on the persistence of Cold War imagery than on genuine innovation to project influence and cultivate the rhetoric of solidarity. Cubans, of course, are well aware of this. Yet because they have long been accustomed to repairing and maintaining Russian cars, the tradition persists. In this way, Moscow manages to kill two birds with one stone: on the one hand, it supplies outdated products that cannot compete in a free market, and on the other, it contributes to perpetuating Cuba's backward car supply and dependence on Russia in this context.

All these highly publicized projects have limited commercial weight but serve as potent symbols of Moscow's technological presence and its promise of modernization in everyday Cuban life. They also reinforce a powerful narrative of brotherly relations between the two countries, amplifying the Kremlin's political influence in Cuba.

In **metallurgy**, Russia financed a \$111 million modernization of the Antillana de Acero plant, including electric steel mill installation and system upgrades²⁶ as well as the modernization of a wire-rod factory, a material used in construction.²⁷ In **healthcare**, there has been an intergovernmental plan for a joint biopharmaceutical venture by 2025 to develop innovative drugs for Eurasian and Latin American markets.²⁸ The Russian Direct Investment Fund (RDIF) has invested over \$11 million in medications targeting geriatric and oncological diseases.²⁹

Cuba has also adopted Russia's **MIR payment system** and in June, 2024, Novikombank, a Rostec subsidiary, opened the first Russian bank office in Havana to support Russian businesses and strengthen bilateral economic ties.³⁰ In 2025, Cuba announced that it would begin issuing Russian MIR payment cards, becoming the first country in Latin America to do so. MIR cards are now accepted in over 20,000 Cuban retail outlets and hotels, directly boosting Russian tourism flows.

²⁶ Diario Las Américas, "Otra inversión de Rusia en Cuba avanza en Antillana de Acero" [Another Russian investment in Cuba moves forward at Antillana de Acero], 18 May 2023.

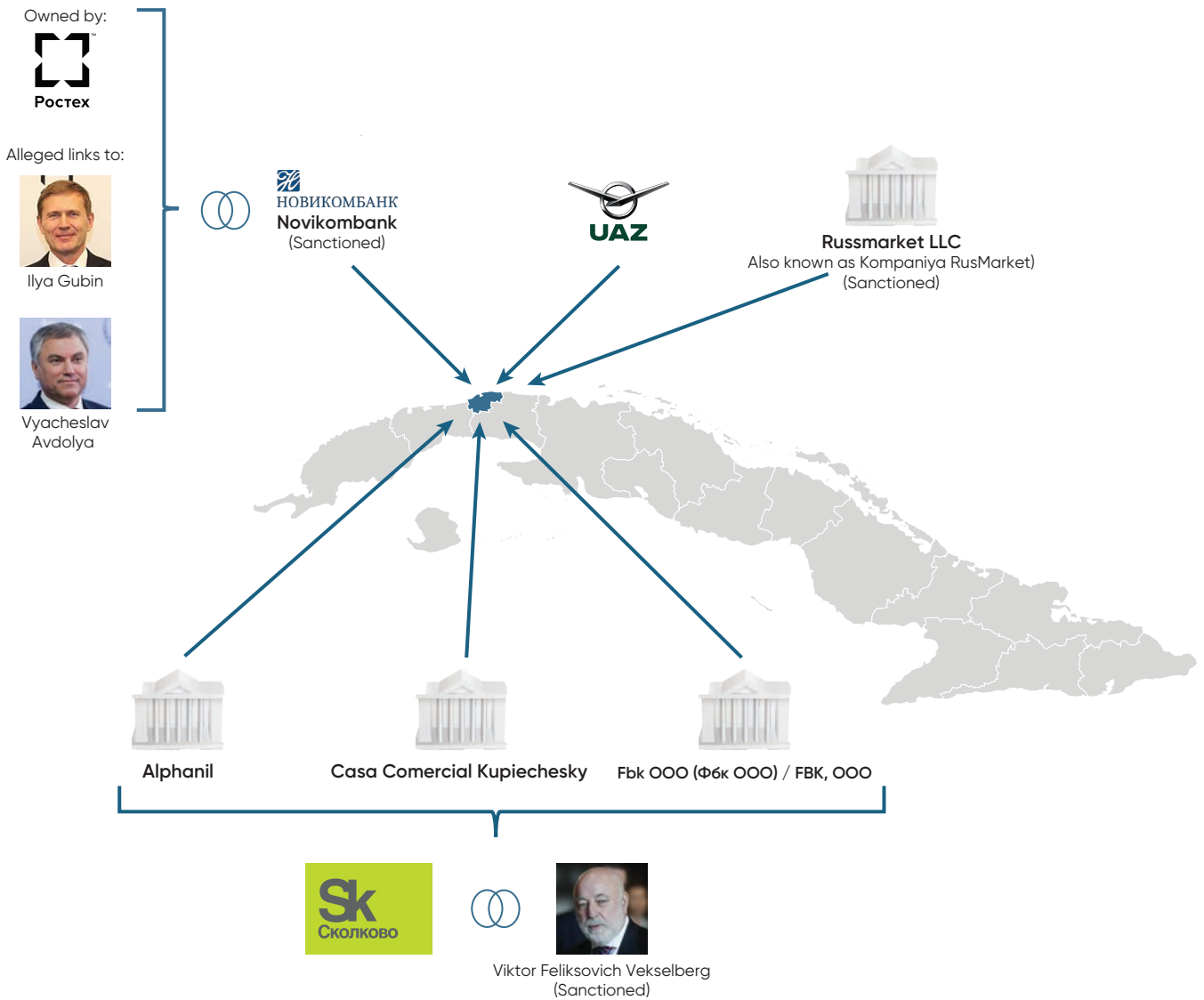
²⁷ Periódico Cubano, "Rusia aporta 30 millones de dólares para la industria cubana" [Russia contributes \$30 million to Cuban industry], 2 November 2017.

²⁸ Prensa Latina, "Rusia y Cuba en camino a crear empresa mixta biofarmacéutica" [Russia and Cuba on track to create biopharmaceutical joint venture], 28 February 2025.

²⁹ SwissInfo, "Un fondo ruso invertirá 11 millones de dólares en Cuba para desarrollar medicamentos" [Russian fund to invest \$11 million in Cuba for drug development], 6 June 2024.

³⁰ SputnikMundo, "El primer banco ruso abre una oficina de representación en Cuba" [The first Russian bank opens a representative office in Cuba], 20 June 2024.

Figure 3. Key Russian-Owned Companies in Cuba



Source: CSD.

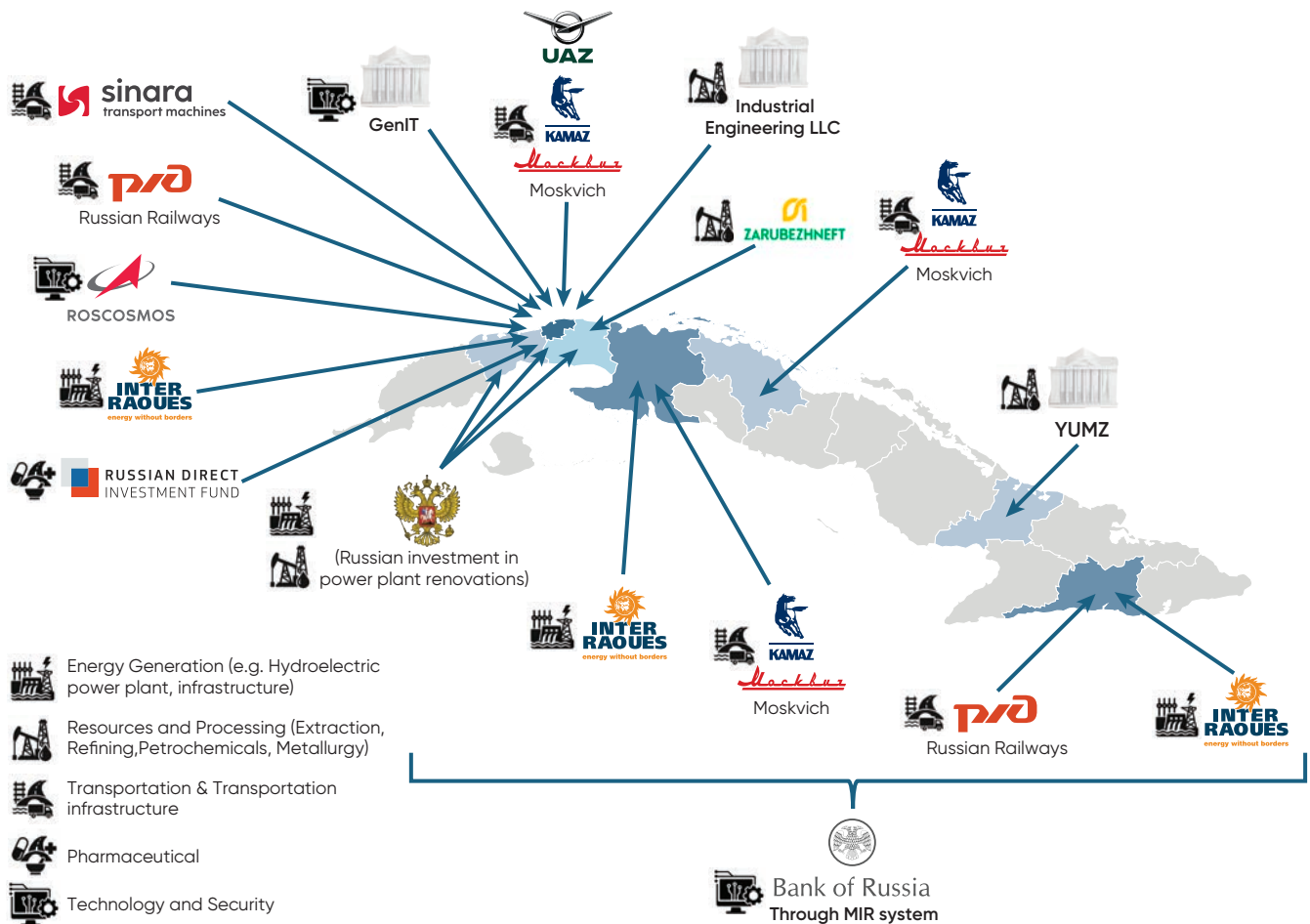
At the same time, the Cuban Central Bank confirmed that bilateral trade with Russia has entirely abandoned the use of the U.S. dollar, shifting to rubles and euros. This not only entrenches Russian financial influence but also provides a sanctions-evasion lifeline for Moscow and its allies in the region, deepening the integration of Cuba into Russia’s alternative financial architecture.

Russia is also expanding into Cuba’s **tourism sector**, with plans for a hotel complex targeting Russian visitors, aiming to open by the end of 2025. In 2024, Russian tourist arrivals hit a record 185,000, following the launch of direct flights from Moscow.³¹ Beyond generating revenue, these flows symbolically

³¹ Reinaldo, O. F., Montero, A. A., and Padilla, A. P., “Sesión comisión intergubernamental ruso-cubana” [Russian-Cuban intergovernmental commission holds session], *CubaDebate*, 4 April 2025.

anchor Russian presence in Cuba’s service economy and support Havana’s resilience under U.S. sanctions. Planned Russian hotel developments and joint ventures in tourist infrastructure will further entrench the Russian footprint in the tourism sector.

Figure 4. Projects Carried Out by Russian Companies in Cuba



Source: CSD.

Box 3. China Buttresses Russia’s Political Weight with Economic Muscle in Cuba and Nicaragua

While Russia has repeatedly promised to modernize Cuba’s steel and sugar industries, build hotels, and rehabilitate transport infrastructure, many projects have stalled or failed to materialize. For instance, the Russian-funded steel plant inaugurated in 2023 produced less than 10% of its planned output by 2024. In contrast, China has quietly filled the vacuum: financing 55 solar power plants in 2025, modernizing Cuba’s grid, and expanding port and telecommunications projects. This divergence underscores Moscow’s leverage of symbolic deals for political influence.

In the meantime, China has increasingly become Cuba's main international partner, quietly filling critical gaps left by Russia's unfulfilled promises. Also, **Cuba joined the Belt and Road Initiative in 2018**. This strategic engagement not only addresses Cuba's urgent economic and energy crises but also positions China as a pivotal actor supporting the island's development amid growing challenges and tightening U.S. sanctions under the second Trump administration.³²

In Nicaragua, between 2018 and 2023, China has been contributing \$400 million annually.³³ Chinese loans peaked at over \$600 million in 2022, accounting for up to 35% of Nicaragua's external financing, reflecting a strategic, long-term approach absent in Russia's engagement³⁴, positioning China, as a structural actor in Nicaragua's cooperation landscape,^{35,36} unlike Russia's sporadic and symbolic engagement.

Chinese state-owned enterprises are now active in energy, infrastructure, and telecommunications, security and defense, with major Chinese state-owned enterprises like China Railway Construction Corporation, State Grid, and China Communications Construction Company. The Chinese economic influence in Nicaragua has surged during the failed Grand Interoceanic Canal project (2012–2014) led by HKND Group³⁷ and the post-2021 diplomatic shift from Taiwan to China. Nicaragua and China have begun free trade agreement talks, and the Central American country was included in the Belt and Road Initiative.

While large-scale investments comparable to the canal have yet to materialize, China's growing presence, especially in digital connectivity and surveillance technologies, raises concerns about transparency, political influence, and digital governance, reflecting Beijing's strategic use of economic cooperation to deepen its influence in Nicaragua and the region.

The Nicaraguan Inter-Oceanic Canal continues to serve as a geopolitical bargaining chip. Framed as a challenge to U.S. control over regional trade routes, Russia has signaled willingness to provide naval protection. Although the project collapsed due to financing shortfalls, Ortega has periodically revived it, inviting both Moscow and Beijing to participate. The canal functions less as a real economic project than as a tool for Ortega to signal defiance of U.S. hegemony and to sustain the exaggerated narrative of strategic multipolarity in Central America.

³² Sherwood, D., "China is quietly supplanting Russia as Cuba's main benefactor", *Reuters*, 30 June 2025.

³³ Matus Rodríguez, F. E., and Pérez Espinoza, A. M., "El resurgimiento de las relaciones entre Nicaragua y China; consideraciones sobre el proceso" [The resurgence of relations between Nicaragua and China: considerations on the process], *REICE*, 11(21), 2023, pp. 263–290.

³⁴ Gallagher, K. P., *The China Triangle: Latin America's China Boom and the Fate of the Washington Consensus*, Oxford University Press, 2016.

³⁵ Ellis, R. E., *PRC Engagement with Central America – An Update*, Peruvian Army Center for Strategic Studies, 2024.

³⁶ Barría, C., "Los 3 pilares de la expansión china en América Latina y el Caribe en dos años de pandemia" [The 3 pillars of China's expansion in Latin America and the Caribbean in two years of the pandemic], *BBC*, 30 December 2021.

³⁷ An ambitious but unrealized plan that granted the company exclusive rights over critical national assets for 50 years, signaling an early and controversial concession of economic sovereignty.

Turning to **Nicaragua, Russian FDI remains modest and scattered**, with most engagement occurring through bilateral cooperation and state donations rather than private investment.^{38,39} Official investment exchanges have been limited, totaling roughly \$168 million from 2007 to 2023, representing only 1.49% of the total investment received by Nicaragua during the same period (\$11.2 billion), around 90% of which are donations of wheat, public transportation vehicles, and disaster relief equipment.⁴⁰ Grants from Russia are around 5% of the total aid Nicaragua has received in the same period. Despite the largely symbolic nature of this bilateral economic cooperation, government-controlled media has exaggerated the importance of the aid transfers.

The most substantive element of the Russian economic engagement in Nicaragua has been Gazprom's 2013 **agreement to explore oil and gas reserves** in the Caribbean Sea. Another energy-related step was a 2009 memorandum of understanding with Inter RAO UES on hydroelectric and geothermal projects, though progress appears limited.⁴¹ More recently, the two countries agreed to expand cooperation on non-energy applications of **nuclear technology**, including **agriculture and medicine**, with the Russian state-owned company, Rosatom acting as the primary vehicle.

Beyond energy, Russia has invested in Nicaragua's telecommunications sector through the creation of the Yota de Nicaragua firm, a **joint telecom venture** (the Russian company Skartel controls 75% of the consortium), which became country's second-largest wireless internet provider. Its success rested not on competitiveness but on close ties to Sandinista elites, including Ortega's security circle.⁴² Russian presence in the sector also includes Rostelecom Solar, a cybersecurity firm active in Nicaragua through cybersecurity training. Nicaragua has also adopted Russia's MIR payment system, following similar steps to Cuba.

³⁸ OECD, *Creditor Reporting System – Aid Activity Database*, 2023.

³⁹ Central Bank of Nicaragua, *Evolución de la Inversión Extranjera Directa en Nicaragua 2024* [Foreign Direct Investment Evolution Report 2024], 2025. For example, the donation of wheat, buses, and equipment for the National Disaster Prevention System (SINAPRED).

⁴⁰ Before 2021, Nicaragua's Central Bank did not publish a biannual did not report on Foreign Direct Investment (FDI). Now there is a more detailed report of investment flows, financing sources, and distribution sector using international standards. However, the report only covers selected countries, and does not provide disaggregated data on Russian investment specifically.

⁴¹ Renewable Energy World, "Russian firm to develop Nicaragua hydro, geothermal", 2 January 2009.

⁴² Cnews, "Yota обставила богатейшего человека мира" [Yota has surpassed the wealthiest individual in the world], 2 October 2009.

Figure 5. Number of Offices of Russian-Owned Entities per Region in Nicaragua



Source: CSD.

Figure 6. Projects Carried Out by Russian Companies in Nicaragua



Source: CSD.

A Needle in the Haystack: Mapping the Russian Corporate Footprint

The corporate footprint in Central America and the Caribbean remains relatively limited, and other types of financial interactions with Russia are similarly modest. However, determining the true extent of Russian capital inflows into the region is challenging. In many countries, data on Russian investments is confidential, and investments are often channeled through **networks of shell companies** to obfuscate the ultimate beneficial ownership of capital flows, including those directed to other Latin American economies.

Russia has 221 formally registered companies in the CAC region, 192 of which are active. Approximately three quarters are in the Caribbean. The main destination for Russian companies is the British Virgin Islands (BVI), accounting for 58% of all registered firms, followed by Panama (13%), the Cayman Islands (8%), Belize (8%), Bermuda (5%), and Bahamas (4%).

In addition, several Caribbean nations, including Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, and St. Lucia, operate **Citizenship by Investment (CBI) programs** that offer passports in exchange for financial contributions. These programs have raised concerns due to lax vetting, limited transparency, and the fact that applicants are not automatically disqualified for providing false information. They have drawn particular criticism from the U.S. government and civil society organizations for posing risks related to corruption and transparency, especially in the context of global security and financial integrity.

Box 4. Digital Currencies and Sanctions Evasion

Russia has cooperated with Venezuela on developing a scheme for using cryptocurrencies to evade international sanctions. This cooperation patterns has been also echoed in Cuba where during the 2022 Havana International Fair (FIHAV), Russian and Cuban officials discussed the possibility of conducting commercial transactions using rubles and cryptocurrencies. Boris Titov, the Russian Presidential Commissioner for Entrepreneurs' Rights, stated that both countries were considering "mutual agreements" to operate using these digital currencies, explicitly aiming to bypass U.S. sanctions.⁴³

⁴³ Diario De Cuba – DDC, "Mosú y La Habana buscan eludir sanciones con el uso de rublos y criptomonedas en operaciones comerciales" [Moscow and Havana seek to circumvent sanctions by using rubles and cryptocurrencies in trade operations], 17 November 2022.

In fact, **St. Kitts and Nevis has attracted clients mainly from Russia, China, Sudan, and the Middle East.**⁴⁴ These programs often appeal to wealthy individuals seeking ways to evade travel bans and financial sanctions, while enabling the easier transfer and hiding of illicit financial flows. Although many countries in the Central America and Caribbean (CAC) region are making efforts to strengthen their anti-money laundering (AML) and counter-financing of terrorism (CFT) frameworks, financial crime risks remain persistent due to the region's strategic position along major drug trafficking routes. The attempt by Russia and other authoritarian countries like Venezuela to use these offshore jurisdictions to weave a web of opaque intermediaries, supply chains and reflagging activities compound the more traditional money laundering risks.

⁴⁴ Yansura, J. et al., *Financial Crime in Latin America and the Caribbean: Understanding Country Challenges and Designing Effective Technical Responses*, Global Financial Integrity, 2021.

POLITICAL AMPLIFIERS

By providing support to political elites that are sympathetic to its interests, Russia has embedded itself within the authoritarian regimes of Cuba and Nicaragua. This support can take the form of financial assistance, strategic advice, military training and intelligence cooperation.

Cuba occupies a unique place in Russia's strategy to sustain political influence across Central America. Moscow exploits Havana's historical anti-US posture, authoritarian governance, and institutional networks to amplify Kremlin narratives and to secure a loyal ally in regional and global fora.

Russian and Cuban officials increasingly present their partnership as a response to "politically motivated restrictions" imposed by Washington. Cuban diplomats publicly denounce US sanctions not only as aggression against Havana but also as a wider attack on the sovereignty of all "independent states" willing to cooperate with Russia.

Cuba also leverages **multilateral platforms** to bolster Moscow's international legitimacy. Since 2021, it has held observer status in the Eurasian Economic Union (EAEU), where Cuban officials actively promote joint projects in biotechnology, agriculture, IT, and medical services. By linking its flagship Special Development Zone in Mariel to EAEU initiatives, Havana positions itself as a gateway for Russian and Eurasian engagement with Latin America. More recently, Cuba submitted a request to join BRICS as a partner country under Russia's presidency, explicitly appealing to Moscow as the broker of Global South solidarity against US hegemony.

At the same time, Cuba carefully calibrates its alignment with Moscow. While Havana echoes Kremlin narratives on Western sanctions and NATO "aggression," its voting record in the UN on Ukraine shows selective abstention rather than full endorsement. In 2023, Cuba moved to dismantle a clandestine network recruiting Cubans to fight in Ukraine, publicly distancing itself from Russian military entanglements. This balancing reflects the regime's need to maintain a margin for negotiation with Washington, particularly given its acute domestic economic crisis.

Formal and Informal Strategic Cooperation

La Havana and Managua view Moscow as an ally that offers **diplomatic support, technical cooperation, and international legitimacy** in the face of growing isolation by the West. Hence, the Kremlin and Nicaragua have strengthened their defense and security cooperation. Since 2007, Moscow has supplied military equipment and infrastructure such as the creation of the Anti-Narcotics Training Center. Notably, this center is managed entirely by Moscow on its own terms, giving the Russians complete autonomy to operate as they wish, a uniquely advantageous scenario for the Kremlin that cannot be found elsewhere in the region.

The two countries have also signed an agreement, allowing **Russian warships** to use Nicaraguan ports as part of a 2015 deal.⁴⁵ Plans to sign a new military cooperation agreement by late 2025 could further enhance Russia's logistical access to Nicaraguan ports, with port infrastructure and military-linked facilities offering discreet channels for cargo transfers and dual-use deployments under the cover of commercial trade, deepening its strategic footprint in the region.⁴⁶ Other countries in Latin America, such as Cuba and Venezuela, have also advanced similar agreements, deepening strategic ties with Moscow⁴⁷ and **expanding Russia's access to key maritime and military infrastructure in the region.**

Russia has also engaged in strategic defense investments such as the installation of the GLONASS (an alternative GPS system) ground station in 2017, operated by Roscosmos. Despite its civilian label, GLONASS ground station has raised concerns about dual-use intelligence activities⁴⁸. The agreement has been led by the Chilean-based Russian National Committee for the Promotion of Economic Trade with Countries of Latin America (NK SESLA). On the surface, it promotes Russian trade in Latin America and the Caribbean, presenting this as one of the "priorities of Russian foreign trade" within the context of Russia's broader strategy to diversify and reorient its foreign trade in response to Western sanctions.^{49,50} In fact, it has emerged as an unofficial group of intelligence and surveillance companies and organizations. They are involved in **cyber intelligence, cryptology, and surveillance.**⁵¹ NK SESLA has promoted Russia's GLONASS also in Brazil and Chile.

⁴⁵ SputnikGlobe, "Russia, Nicaragua Agree Simplified Port Entry Protocols for Russian Warships", 12 February 2015.

⁴⁶ Prensa Latina, "Russia and Nicaragua could sign military cooperation agreement", 14 May 2025.

⁴⁷ EN.IZ, "Teach good maneuvers: Nicaragua and Russia to sign military agreement in 2025", 14 May 2025.

⁴⁸ Tlis, F., "Russian Military Politician: Tracking Station in Nicaragua Does Not Spy on US", *VoaNews.com*, 12 April 2017.

⁴⁹ Ternovsky, V., "América Latina y el Caribe se consolidan como una de las prioridades del comercio exterior ruso" [Latin America and the Caribbean consolidate as one of Russia's foreign trade priorities], *Sputnik*, 23 June 2025.

⁵⁰ Ternovsky, V., "Rusia y América Latina "encuentran soluciones" a las sanciones occidentales" [Russia and Latin America "find solutions" to Western sanctions], *Sputnik*, 8 June 2024.

⁵¹ Farah, D., and Richardson, M., "Dangerous Alliances: Russia's Strategic Inroads in Latin America", Washington D.C.: Institute for National Strategic Studies, Strategic Perspectives, No. 41, 2022.

Box 5. A Network of Spies

The NK SESLA includes diplomatic, commercial, and business representatives from Latin America, maintains ties with embassies and trade missions, collaborates with chambers of commerce and business associations, participates in intergovernmental commissions and regional seminars, and operates at both national and regional levels across Latin American countries. It also partners with business organizations in the Central America and Caribbean region, such as the **ProNicaragua Agency** and the Panama company **Energolatina**.

The institution uses Russian embassies in the region as platforms to expand its influence. For example, in Honduras, the then-Russian ambassador, Alexander Khokhólikov, inaugurated the **Honduras–Russia Chamber of Commerce and Industry**. This association was created in September 2023 at the initiative of the Russian Embassy and includes around seventy members, primarily from agricultural associations and private Honduran businesses. As part of its effort to establish institutional ties, a Cooperation Agreement was signed in December 2023 between the bilateral Chamber of Commerce and NK SESLA.⁵²

Despite its official image, NK SESLA is in reality a **Russian intelligence-linked network** operating in Latin America. Based in Santiago, Chile, it is heavily involved in cyber intelligence, cryptology, surveillance, and strategic partnerships. The organization has close ties with the Russian military and the Federal Security Service (FSB), with documented authorization to act on their behalf.

According to some reports,⁵³ **NK SESLA is led by senior figures from Russia’s cyber and intelligence sectors**. One such figure is Aleksandr Vladimirovich Starovoitov,⁵⁴ a former KGB major general and the institution’s founder in 1998, who served as its director until his death in 2021. He was succeeded by Tatiana Mashkova, who currently serves as Executive Director of the Chile Business Council, Vice President of the Russia–Cuba Business Council, and has been actively expanding her influence in other countries in Central America and the Caribbean, such as Cuba, Honduras, and Nicaragua, as well as several South American nations, particularly Brazil, Chile, and Bolivia.

Among its members is also **the Central Institute for Information and Communications (TsITiS)**, which was tasked by President Putin in 2016 with building a secure communications network for the Russian military. NK SESLA also promotes products from PROTEI ST, a cyber surveillance firm aligned with Russia’s SORM-3 program. This program enables full monitoring of phone calls, internet activity, credit card transactions, messaging, and social media. It has allegedly been used by Nicaragua, Venezuela, and Cuba.

⁵² Russian Embassy in Nicaragua, “Sobre el componente económico-comercial de la visita del Embajador de Rusia a Honduras” [On the economic-commercial component of the Russian Ambassador’s visit to Honduras], 22 February 2024.

⁵³ Farah, and Richardson, “Dangerous Alliances: Russia’s Strategic Inroads in Latin America”, Washington D.C.: INSS, Strategic Perspectives, No. 41, 2022.

⁵⁴ Aleksandr Vladimirovich Starovoitov led multiple cyber and surveillance initiatives until his death in 2021, and was honored posthumously as a Hero of Russia.

Figure 7. NK SESLA: A Russian Intelligence-Linked Network in Latin America



Source: CSD based on Farah, D., and Richardson, M., "Dangerous Alliances: Russia's Strategic Inroads in Latin America", Washington D.C.: Institute for National Strategic Studies, Strategic Perspectives, No. 41, 2022.

Russia continues to deepen its **intelligence and security footprint** in Cuba. Investigative reporting suggested that Moscow may have quietly reactivated the Lourdes signals intelligence facility, mothballed in 2001, by rotating intelligence officers under diplomatic cover. Once the Soviet Union's largest signal intelligence (SIGINT) base outside of Eurasia, the base's reported revival,⁵⁵ though officially denied by both governments,⁵⁶ carries significant political and symbolic weight. Even if the facility is not fully operational or is technologically outdated, the rumors of its reactivation reinforce perceptions of a close Moscow-Havana security partnership and highlight the potential for Russian presence just 250 kilometers from Florida.

Over the past two years, however, **defense cooperation between Moscow and Havana** has moved well beyond symbolism. High-level visits⁵⁷ and joint exercises have intensified, most visibly in June 2024 when a Russian naval fleet, including the nuclear-powered submarine *Kazan*, docked in Havana, signaling a bolder Russian military presence in the Western Hemisphere.⁵⁸ Training programs for Cuban cadets in Russia and joint infrastructure projects have further cemented this security partnership.⁵⁹

Yet the most striking, and controversial, dimension has been Cuba's **role in the war in Ukraine**. According to Ukrainian intelligence, between 6,000 and 7,000 Cubans have been recruited to fight since 2022, representing the country's largest foreign deployment since the Angola war. Casualties are estimated at 200 to 300, amid allegations of deceptive recruitment practices promising salaries of \$2,500 per month. While some reports suggest as many as 20,000 Cubans may have been mobilized, figures that remain contested,⁶⁰ the phenomenon underscores the covert and costly ways in which Havana's alignment with Moscow now extends far beyond diplomatic solidarity.

⁵⁵ Kommersant, "Имеющий уши да вновь услышит" [He who has ears, let him hear again], 16 July 2014.

⁵⁶ Kanev, S., "Мальчики на Кубе. Судя по прибывающим на остров ГРУ-шным специалистам, Россия реанимировала базу для слежки за США" [Boys in Cuba. Judging by the GRU specialists arriving on the island, Russia has revived a base for spying on the US], *The Insider*, 23 June 2023.

⁵⁷ Prensa Latina, "Russia and Cuba strengthen military relations", 23 June 2023.

⁵⁸ Cano, R. G., Salomon, G., and Rodríguez, A., "Russian warships reach Cuban waters ahead of military exercises in the Caribbean", AP, 12 June 2024.

⁵⁹ CiberCuba, "Civil Defense cadets from Cuba will be trained at a Russian academy starting in 2026", 3 April 2025.

⁶⁰ Colomé, C. G., "El drama de los cubanos reclutados por Rusia para la guerra en Ucrania" [The drama of Cubans recruited by Russia for the war in Ukraine], *El País*, 7 June 2025.

WINNING HEARTS AND MINDS

The high-level economic and political influence, which often underpins the Russian strategy as the product of the confluence of oligarchic and political interests, is amplified by a number of sharp power instruments. These include the use of targeted disinformation campaigns, the financing of civil society and cultural organizations aiming to change the public discourse in Russia's strategic favor and the coopting of political movements that could become intermediaries to ruling elites. The success of sharp power instruments relies heavily on the cooperation of local enablers, who can become instruments of the Kremlin's agenda.

Media Manipulation and Narrative Control

Russia has steadily expanded its information operations in the CAC region, despite limited economic or military presence. The Kremlin's strategy focuses on shaping narratives, sowing distrust in Western institutions, and cultivating political allies through state-sponsored media, disinformation.

From attempting to influence elections, including in the United States by exploiting issues such as migration from Central America, as seen in cases like the so-called "Haitian voter" narrative,⁶¹ to amplifying unrest in nearby regions in countries such as Brazil, Chile, Colombia, Ecuador, Peru, and Bolivia;⁶² spreading disinformation in places like Panama, Nicaragua, and Cuba⁶³ by **exploiting the region's open information environment to launder pro-Kremlin propaganda** through local media outlets such as El Ciudadano and Pressenza, as well as through influencers, presenting it in a manner that appears organic to Latin American audiences with the goal of undermining support for Ukraine and promoting anti-U.S. and anti-NATO sentiment, and leveraging anti-American sentiment by positioning itself as an alternative power, as evidenced by Russian flags waving in a weakened Haiti, right under the nose of the United States,^{64,65} Russia maintains an active presence in Latin America and the Caribbean through sharp power tactics.

The effectiveness of these sharp power instruments relies heavily on the cooperation of local enablers, key figures who can become instruments of the Kremlin's agenda, and, unlike in more pluralistic information environments, the Kremlin does not rely on subtle influence operations in countries like Cuba or Nicaragua. Instead, **it leverages the countries' highly centralized media landscape** to disseminate pro-Russian narratives as official truth, amplifying anti-Western messaging.

⁶¹ Sardarizadeh, S., and Robinson, O., "US officials say Russians faked 'Haitian voters' video", BBC, 1 November 2024.

⁶² USA Congress, S.Res.833 — 118th Congress (2023-2024), 19 September 2024.

⁶³ US Embassy in Panama, *The Kremlin's Efforts to Covertly Spread Disinformation in Latin America*, Media Note, 8 November 2023.

⁶⁴ Charles, J., "Long before U.S. intel leak revealed group's plan, Russia was showing interest in Haiti", Miami Herald, 12 April 2023.

⁶⁵ Davis, C., "Unburdened by History: Understanding Russia's Growing Influence in Haiti", *Journal of The Americas* (2), 2023, pp.327–339.

Russia's media cooperation with Cuba and Nicaragua exemplifies a deep and **institutionalized partnership** that extends beyond content dissemination into the realms of training, digital footprint, and narrative alignment. This collaboration, grounded in long-standing ideological affinity, has evolved into a strategic alliance that positions Russia as a constant presence within Cuba's and Nicaragua's information ecosystems.

Russian state-backed outlets, *RT en Español* and *Sputnik Mundo*, play a central role in shaping local information ecosystems. In Cuba and Nicaragua, where media is tightly controlled by the state, these platforms are embedded into the national broadcasting structure. For instance, in 2023 Havana made RT en Español the only foreign broadcaster with a permanent daily slot on Cuban television (HD-4 channel),⁶⁶ a decision negotiated directly between Presidents Putin and Díaz-Canel. Similarly, Nicaragua's Communication and Citizenship Council, directed by Daniel Ortega's son Daniel Edmundo Ortega, has formalized cooperation with Russian state media.

These arrangements ensure a **continuous flow of Russian news content**, often retransmitted verbatim by local outlets such as *Granma*, *Prensa Latina*, *Cubadebate* in Cuba and *El 19 Digital*, *Canal 4* in Nicaragua. Coverage avoids terms like "invasion" or "aggression" when referring to Ukraine, instead presenting Moscow's preferred framing of "defensive operations" against NATO expansion. Youth-oriented Cuban programs such as *Con Filo* echo Kremlin talking points in colloquial style, mocking Ukraine's leadership and amplifying Moscow's claims of Western hypocrisy.

Russia complements content dissemination with capacity-building initiatives. Journalists from *Cubavisión Internacional*⁶⁷ and Nicaraguan broadcasters have received technical training from RT and Sputnik professionals, including in digital technologies and AI-assisted news production. These programs reinforce local communicators' role as amplifiers of Russian strategic messaging. Joint productions, such as the *2025 Mesa Redonda—RT Victory Day* special in Havana and Sputnik's 10th anniversary in Nicaragua attended by President Ortega, illustrate how disinformation merges with symbolic diplomacy.

Cultural Diplomacy

Alongside its media strategy, Russia invests heavily in educational and cultural initiatives designed to **foster ideological affinity**. Moscow has expanded scholarship programs for Cuban and Nicaraguan students in strategic sectors such as security, telecommunications, and the natural sciences. In Cuba, the Kremlin now offers 100 annual scholarships for study in Russian universities and in 2025 inaugurated a branch of Southern Federal University in Havana, serving as a preparatory faculty with emphasis on engineering and the humanities.

⁶⁶ Cuba Debate, "Telerebelde y RT en Español será la programación de las señales HD 3 y HD 4 respectivamente" [Telerebelde and RT en Español will be the programming of the HD 3 and HD 4 signals, respectively], 24 May 2020.

⁶⁷ Diplomatic Missions of Cuba Abroad, "Intercambio profesional de periodistas cubanos en RT" [Professional exchange of Cuban journalists at RT], 8 July 2019.

Russian language promotion is another priority. Through the Russkiy Mir Foundation and the Pushkin Institute in Havana, Moscow has revived Cold War–style tools, such as Russian-language classes on Cuban state television (“Russian on Television” program) and free courses at the Orthodox Church of Our Lady of Kazan. In Nicaragua, a Russian cultural center operates at the National Autonomous University (UNAN), while cooperation agreements link universities in both countries with Russian institutions on cybersecurity, AI, and disinformation. By 2025, Moscow had signed over 60 agreements with Cuban universities, embedding influence in the academic sphere.

Cultural exchange extends into film, literature, and commemorations. The Russian Film Festival in Havana (2024) and the reciprocal Cuban film showcases in St. Petersburg (2025) exemplify this symbolic diplomacy. Such events position Russia as an alternative cultural reference point to Western hegemony, while religious and historical symbols, such as ceremonies at the Pushkin monument, foster grassroots affinity.

Elite Capture and Political Multipliers

Over the past decade, Russia has systematically built a robust framework of influence in Central America and the Caribbean, centering its efforts on elite capture. This strategy, aimed at undermining U.S. regional standing, relies heavily on high-level diplomacy, sectoral cooperation, intergovernmental commissions, and parliamentary engagement.

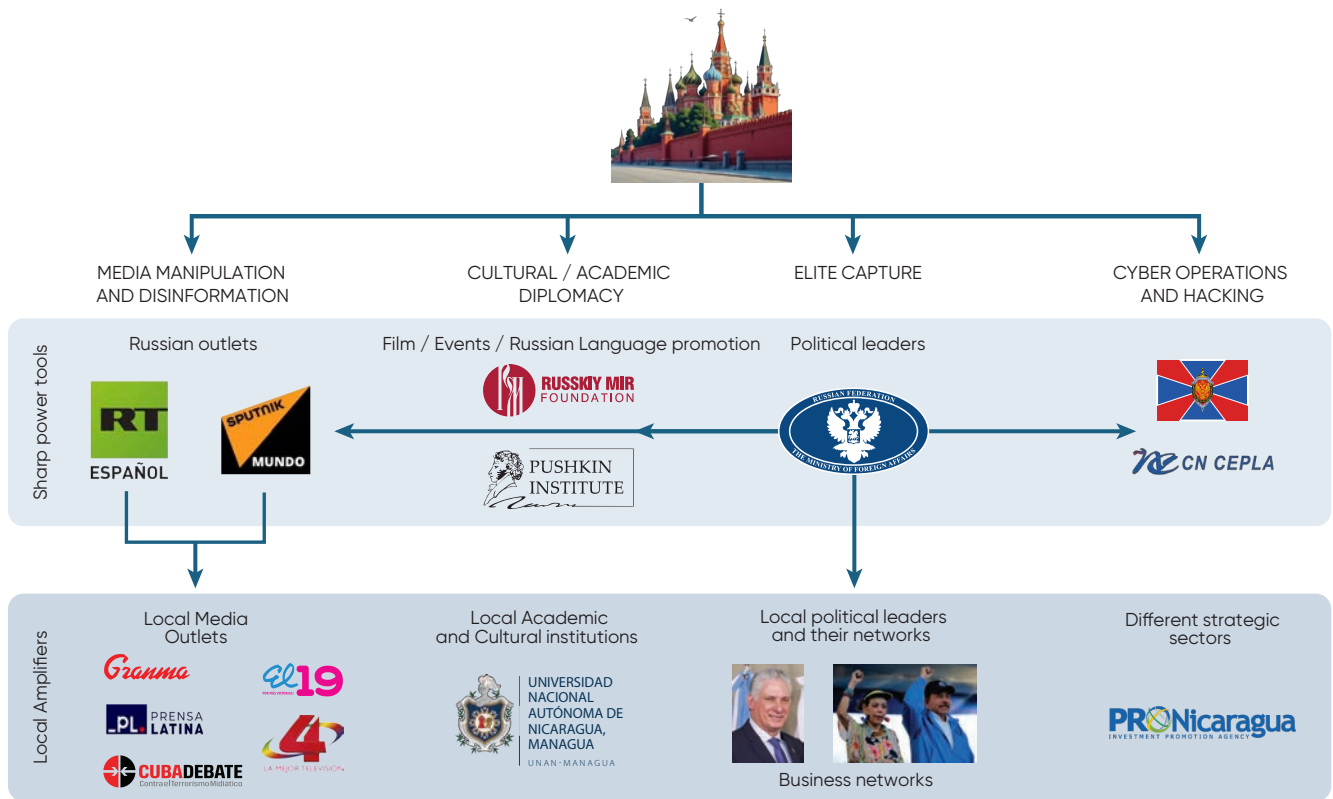
In Cuba, President Miguel Díaz-Canel has become a central figure in cementing strategic alignment, frequently meeting with Vladimir Putin and co-chairing the Interparliamentary Commission with Duma Chairman Vyacheslav Volodin. His repeated joint declarations with Russian authorities underscore not just diplomatic solidarity, but ideological affinity rooted in the support for the so-called *anti-Western multipolarity*. Parliamentary diplomacy has been reinforced through Cuba’s participation in Russia-led forums, and through figures such as Esteban Lazo Hernández and Julio Antonio Garmendía Peña, Cuba’s ambassador in Moscow, who bridges official diplomacy with business networks like *Delovaya Rossiya*.^{68,69}

Nicaragua replicates this model through the Ortega-Murillo dynasty. Laureano Ortega Murillo acts as Special Presidential Representative for Russia, spearheading economic and military cooperation. Parliamentary friendship groups and intergovernmental commissions institutionalize these links, while the Russo–Nicaraguan Mixed Commission oversees agreements in energy, infrastructure, and communications. The frequency of bilateral visits and diplomatic meetings in Nicaragua, totaling 142 recorded events, demonstrates the institutionalization of the relationship, contributing to a public narrative of strategic alignment and deepening institutional ties.

⁶⁸ RBC, “Президент Кубы прилетел в Россию” [Cuban President Arrives in Russia], 4 May 2025.

⁶⁹ Delovaya Russia, “Павел Титов: «Деловая Россия» готова содействовать развитию бизнес-сотрудничества с Кубой” [Pavel Titov: “Delovaya Rossiya” is ready to promote the development of business cooperation with Cuba], 15 May 2024.

Figure 8. Instruments of Sharp Power: Russia's Influence Operations in Central America



Source: CSD.

Russia further amplifies its influence through multilateral platforms. By supporting Cuba's application for BRICS partner status, Moscow provides diplomatic validation to Havana's authoritarian leadership while embedding it in a wider bloc opposed to U.S. hegemony. High-level Cuban and Nicaraguan delegations to the St. Petersburg International Economic Forum reinforce these symbolic ties, even as Moscow offers limited material assistance.

FORTIFYING DEMOCRATIC RESILIENCE

Russia's renewed ambitions in Central America and the Caribbean demonstrates how a resource-constrained actor can nevertheless exert strategic influence through a combination of symbolic diplomacy, selective investments, and elite capture. By anchoring its efforts in Cuba and Nicaragua, Moscow has consolidated alliances that reinforce authoritarian resilience, provide diplomatic support in multilateral fora, and amplify narratives hostile to the West. These partnerships allow Russia to **secure outsized returns** despite the relatively modest scale of its economic engagement.

The result is a **deeply asymmetric relationship** in which Havana and Managua rely on Moscow for legitimacy and limited material support, while the Kremlin gains platforms to advance its global geopolitical agenda from within the United States' immediate neighborhood.

The implications for regional stability and democratic governance are serious. Russia's influence is not built on broad-based trade or sustained development assistance but on the capture of strategic sectors, the manipulation of information ecosystems, and the cultivation of loyal elites. Economic cooperation agreements are usually negotiated outside of public scrutiny, reinforcing **opaque governance** and creating dependencies that extend Moscow's reach into core sectors such as energy, fertilizers, heavy industry, telecommunications, and tourism. These arrangements do not necessarily deliver economic development but instead embed long-term vulnerabilities by granting Russian state-owned companies or politically connected intermediaries privileged access to critical infrastructure and markets.

Countering these risks requires a comprehensive approach for fortifying democratic resilience that goes beyond exposing disinformation or limiting diplomatic outreach. Western governments and regional partners must develop strategies that directly **address the intersection of economic security and state capture**. Transparency and accountability mechanisms should be strengthened to ensure that foreign investment and cooperation agreements are subject to democratic oversight. This includes publishing the terms of intergovernmental commissions, and monitoring the role of politically exposed persons in facilitating Russian-linked projects. By increasing scrutiny over how economic ties are formed and managed, local institutions can be shielded from becoming conduits of external influence.

At the same time, greater emphasis should be placed on offering **credible economic alternatives** that reduce the appeal of Russian engagement. Development assistance, foreign direct investment, and energy transition support from the EU, the United States, and international financial institutions should be targeted toward sectors that both Russia and China have sought to penetrate. By tying these initiatives to strict governance and transparency standards, democratic partners can not only crowd out Moscow's and Beijing's influence but also strengthen the resilience of domestic institutions against

future capture. This approach should extend to creating **regional investment platforms that pool resources for strategic infrastructure**, ensuring that no single external actor can monopolize access through opaque bilateral agreements.

Addressing Russia's growing role in Central America also requires coordinated efforts to reinforce the independence of civil society, academia, and the media. The West should support a wide range of activities in **education, training, and international cooperation**. Ensuring that young leaders, journalists, and academics in the region have access to pluralistic, transparent, and merit-based opportunities will reduce the appeal of Kremlin-sponsored initiatives that are often tied to political loyalty.

Russia's influence should be treated not as an isolated phenomenon but as part of a broader contest over the rules of global governance. Moscow's use of **the China-powered BRICS framework** and its engagement in international economic fora signal a clear intent to position itself as a provider of alternative governance models. To respond effectively, Western actors must integrate their regional engagement with **broader economic security strategies**, ensuring that Central American states are included in initiatives aimed at strengthening supply chain resilience, diversifying energy partnerships, and building digital sovereignty.

The Kremlin's power rests less on the volume of its investments and more on the **political leverage it extracts through elite capture**, opacity, and narrative manipulation. Building resilience therefore demands a dual strategy: constraining the channels through which Moscow embeds its influence, while simultaneously creating transparent, rules-based economic opportunities that strengthen democratic governance.

By focusing on economic security and addressing the risks of state capture, Western governments and their regional partners can reduce the appeal of authoritarian partnerships and reinforce the foundations of democratic resilience in the hemisphere.

