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Suriname—Recent Economic Developments

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INTERNATIONAL MONETARY FUND

SURINAME

Recent Economic Developments

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Approved by the Western Hemisphere Department

December 9, 1994

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Suriname--Basic Data

Area and population

Area	163,265 sq. kilometers <u>1/</u>
Population (1993)	404,800
Annual rate of population increase (1989-93)	0.3 percent
GDP per capita (1993) <u>2/</u>	US\$1,214

Population characteristics (1993)

Urban population (percent of total)	49.0
Population density per square mile of agricultural land	475.0
Population age structure (percent)	
0-14	35.7
15-64	59.6
65 and above	4.7
Crude birth rate (per thousand)	31.0
Crude death rate (per thousand)	6.5
Total fertility rate	2.8
Life expectancy at birth (years)	68.6
Infant mortality rate (per thousand)	36.5
Child death rate (per thousand)	47.0

Food, health, and nutrition

Index of food production per capita (1987 = 100)	82.5
Per capita supply of:	
Calories (per day)	2,809.0
Proteins (grams per day)	66.0
Population per physician (thousand)	1.3
Population per nurse (thousand)	0.3
Population per hospital bed (thousand)	0.1
Access to safe water (percent of population)	
Total	98.0
Urban	100.0
Rural	94.0

Education

Students reaching grade 4 (percent)	92.0
-------------------------------------	------

Origin of nominal GDP (1993)

	<u>(percent)</u>
Agriculture, animal husbandry, forestry, and fishing	21.6
Mining and quarrying	2.3
Manufacturing, construction, and public utilities	21.4
Trade, restaurants, financial institutions, housing and real estate	36.7
Public administration and defense	10.7
Transportation, storage, communication, and personal, social, and other community services	7.3

Ratios to GDP (1993)

Exports of goods and services <u>2/</u>	109.5
Imports of goods and services <u>2/</u>	129.7
Central government revenues and grants	32.6
Central government expenditures and net lending	40.5
Central government external debt (end of year)	27.8
Gross domestic saving	22.5
Gross investment	23.2
Money and quasi-money (end of year)	89.3

	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>
<u>Annual changes in selected economic indicators</u>					
Real GDP	4.1	0.1	2.9	4.3	-3.0
Real GDP per capita	3.3	-0.5	2.8	3.9	-2.8
GDP at market prices	16.2	12.4	19.7	38.4	112.8
Domestic expenditure (at current prices)	9.9	19.5	26.9	37.9	112.2
Investment	34.3	16.0	13.1	54.0	114.5
Consumption	4.1	20.6	30.9	33.7	111.6
GDP deflator (1980 =100)	11.6	12.4	16.3	32.6	119.3
Cost of living (annual averages)	0.8	21.8	26.0	43.7	143.4
Central government revenues and grants	30.8	18.2	-0.6	44.6	119.8
Central government expenditures and net lending	7.4	-2.3	34.5	23.4	102.4
Broad money	18.1	4.2	23.4	19.5	72.3
Money	11.2	3.8	28.0	11.1	74.8
Quasi-money	30.2	4.7	16.7	33.0	68.9
Merchandise exports (f.o.b.)	45.9	-11.2	-16.0	6.0	-9.5
Merchandise imports (f.o.b.)	31.4	17.1	3.9	3.5	-13.4

	<u>(millions of Suriname guilders)</u>				
<u>Central government finances</u>					
Revenues and grants	931.7	1,101.2	1,094.1	1,581.9	3,476.8
Expenditures and net lending	1,317.0	1,286.2	1,729.5	2,134.4	4,320.7
Overall surplus or deficit (-)	-385.3	-185.0	-635.4	-552.4	-843.9
External financing (net)	13.2	3.1	17.6	2.0	-227.4
Domestic financing and adjustments (net)	372.1	181.9	617.8	550.4	1,071.3

	<u>(millions of U.S. dollars)</u>				
<u>Balance of payments</u>					
Merchandise exports (f.o.b.)	620.3	550.7	462.3	490.0	443.3
Merchandise imports (f.o.b.)	-476.8	-558.4	-580.2	-600.8	-520.5
Factor income (net)	-6.8	-8.6	-15.1	-10.9	-13.2
Nonfactor services and private transfers (net)	-6.6	-5.8	21.2	36.5	49.3
Official transfers	37.1	57.5	34.9	103.2	47.0
Current account	167.2	35.4	-76.9	18.0	5.9
Official medium- and long-term capital (net)	-0.1	-4.1	-3.8	-6.8	-4.8
Other capital (net)	-170.5	-16.3	26.4	-21.5	-12.3
Errors and omissions	-2.9	-1.9	4.1	-5.9	-5.0
Overall balance	-6.3	13.1	-50.2	-16.2	-16.2

	<u>December 31</u>				
	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>
<u>International reserve position</u>					
Monetary authorities (net) ^{3/}	24.4	37.3	-12.9	-28.9	-45.1
Monetary authorities (gross)	29.0	39.6	25.4	36.4	41.4

IMF data (as of October 31, 1994)

Membership	April 27, 1978
Status	Article VIII
Intervention currency and rate	U.S. dollar at Sf365 per US\$
Quota	SDR 67.60 million
Fund holdings of Suriname guilders	100 percent of quota
Special Drawings Rights Department	
Net cumulative SDR allocation	SDR 7.75 million
Holdings of SDRs	--

- 1/ Includes a disputed area of some 19,000 sq. kilometers.
 2/ Based on a GDP in U.S. dollars estimated by World Bank and Fund staff.
 3/ Including external payments arrears as reserve liabilities.

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I. Recent Economic Developments 1/

1. Developments before 1994

Suriname's economic performance has deteriorated markedly since the early 1980s as a result of a decline in world prices for bauxite and its derivatives--which substantially reduced export earnings and government revenues 2/--and the lack of corrective measures. These difficulties were compounded by the suspension in late 1982 of development assistance from the Netherlands following reports of human rights violations 3/, and guerrilla activity against the Government. As international reserves dwindled, the authorities resorted increasingly to trade and exchange restrictions and to controls on economic activities. This gave rise to widespread parallel market transactions and created serious distortions in relative prices. During the 1980s real GDP declined by a cumulative 12 percent, while annual inflation averaged 13 percent. Large remittances from Surinamese living abroad, mainly in the Netherlands, prevented an even greater deterioration of economic conditions.

In the period 1990-92 real GDP recovered moderately, but inflation accelerated, reaching 58 percent in the 12 months ended December 1992, owing to a further weakening of financial policies (Table 1). Interest rates became sharply negative in real terms, which initiated a gradual shift out of domestic financial assets. 4/ The external accounts remained weak, and the overall balance of payments showed deficits that were financed by a decline in international reserves and an accumulation of external payments arrears. The Suriname guilder became increasingly appreciated in real

1/ The continued deterioration of statistical information in Suriname has made it increasingly difficult to assess economic developments. Furthermore, the existence of a sizeable parallel economy and the operation of a multiple exchange rate system complicate the interpretation of economic data, particularly on the national accounts and the external sector.

2/ Exports of bauxite and its derivatives accounted for 71 percent of total exports during 1980-93, while taxes on the bauxite sector represented 14 percent of total government revenue.

3/ This assistance, which is provided in the context of the Development Cooperation Agreements of 1975 and 1992 between the two nations (see appendix to SM/93/192), averaged some US\$87 million a year in 1980-82. It was resumed in 1988 at US\$3 million, and averaged US\$50 million a year in 1989-94. These amounts compare with a GDP of about US\$466 million a year on average for 1989-94 (based on a World Bank estimate of GNP in U.S. dollars for 1993 that uses an average of the various legal exchange rates and the parallel exchange rate to convert Suriname guilders into U.S. dollars).

4/ Broad money (average of beginning and end-of-period stocks) had reached the equivalent of 116 percent of GDP in 1991, presumably due to the lack of alternative financial assets and expectations of a decline in inflation.

effective terms as the official exchange rate remained fixed at Sf 1.785 per U.S. dollar (a rate in effect since 1971).

In response to increasing demand pressures in the official exchange market, in September 1992 the authorities introduced a multiple exchange rate system, with unification scheduled for mid-1994. 1/ This system comprised up to seven exchange rates, including one for the transactions of the bauxite companies, 2/ and another one determined in auctions of foreign exchange provided by the Netherlands for balance of payments support. 3/ Based on a weighted average of the various prevailing exchange rates, 4/ the Suriname guilder depreciated substantially in real effective terms following the introduction of the multiple system (Chart 1).

The economic situation deteriorated further in 1993; real GDP declined by 3 percent, reflecting lower output in the construction, government, manufacturing, and agricultural sectors; while the 12-month rate of inflation accelerated to 225 percent by December owing to a further weakening of financial policies. Late in 1992 the National Assembly had approved a framework for a Structural Adjustment Program (SAP), which contained a number of policy measures in the fiscal, monetary, exchange rate, and social areas; but only few of the envisaged measures were put in place. In the event, the Central Government showed an overall deficit equivalent to 8 percent of GDP in 1993 (including foreign grants equivalent to 20 percent of GDP) 5/ and the Central Bank experienced exchange losses (owing to the multiple exchange rate system introduced in late 1992) equivalent to 11.5 percent of GDP. Interest rates fell further in real terms, and the shift away from domestic financial assets intensified, with broad money declining by 47 percent in real terms during 1993.

The current account of the balance of payments registered a surplus of US\$6 million in 1993, with large declines in both exports and imports. The

1/ The evolution of the multiple exchange rate system is described in Section V.

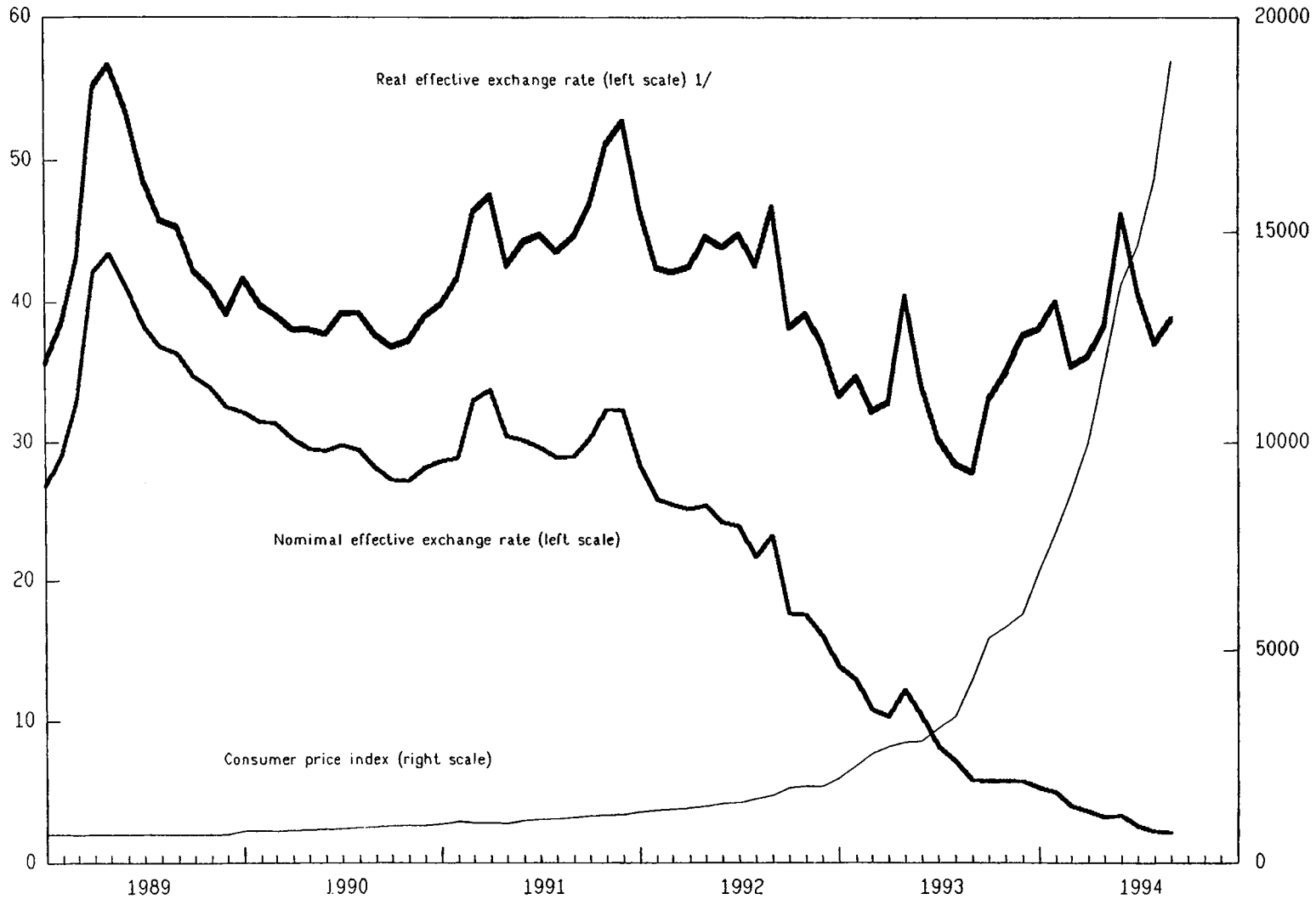
2/ In January 1993 the Government and the bauxite companies agreed that a special exchange rate would be applicable to the transactions of these companies, that their tax liabilities would be based on accounting in U.S. dollars, and that taxes would be paid in U.S. dollars.

3/ There were ten auctions of foreign exchange between October 1992 and July 1993 for a total amount of US\$36.4 million dollars.

4/ Including the parallel exchange rate, weighted by the values of exports not subject to surrender requirements and of imports not requiring proof of a foreign exchange purchase, such as "own funds" imports.

5/ The ratio of foreign grants to GDP in the government accounts depends on the particular exchange rate at which these grants are converted into Suriname guilders for fiscal purposes, and thus it is likely to differ from the ratio of foreign grants in U.S. dollars to GDP estimated in U.S. dollars. Also, comparison of fiscal proceeds from foreign grants (as a percentage of GDP) across years may be distorted by sharp changes in the exchange rate applied to these grants for fiscal purposes.

CHART No 1
 SURINAME
 PRICE AND EXCHANGE RATE DEVELOPMENTS
 (Index 1980=100)



Source: IMF Information Notice System

1/ Trade-weighted index of nominal exchange rates deflated by seasonally adjusted relative consumer prices; increase means appreciation.

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overall balance of payments showed a deficit of US\$16 million, which was financed by an accumulation of payments arrears. By end-1993 gross international reserves stood at US\$41 million (about one month of imports of goods and nonfactor services) and external payments arrears had reached US\$48 million; 1/ the officially recognized exchange rates ranged from Sf 1.785 per U.S. dollar to Sf 87 per U.S. dollar, while the parallel rate stood at Sf 110 per U.S. dollar.

2. Developments during 1994

Real GDP is projected to decline by about 1 percent in 1994, reflecting lower output in the government and agricultural sectors, and the 12-month rate of inflation is likely to reach close to 500 percent. Inflation has accelerated because of further shifts out of domestic financial assets and notwithstanding that the central government deficit is estimated to have remained at the same level as in 1993 and central bank exchange losses have declined markedly (see below).

As had been envisaged in the SAP, the authorities unified the official foreign exchange market on July 11, 1994. Initially, the new official exchange rate was announced daily by the Central Bank, and commercial banks and exchange houses (cambios) had to effect their transactions at exchange rates that stayed within a narrow band around that rate; deviations from the band required central bank consent. Participation in the official market continued to be subject to constraints on the demand side as banks and cambios could sell foreign exchange only to those holding foreign exchange licenses. In addition, the system of "own funds" imports was discontinued in May 1994.

Upon unification, the exchange rate was set at around Sf 180 per U.S. dollar, fairly close to the prevailing parallel exchange rate and implying a devaluation of some 40 percent with respect to the weighted average exchange rate of June 1994. Subsequently, the official exchange rate was kept relatively constant in the presence of high inflation, and the spread between the parallel and the official exchange rates increased to about 50 percent by mid-October. At that point, the authorities allowed the official exchange rate to be determined freely by the market and started to grant import licenses liberally. 2/ The Suriname guilder depreciated immediately; by mid-November the official exchange rate was around Sf 370 per U.S. dollar and the spread with the parallel rate was about 20 percent.

1/ These are arrears on government and government-guaranteed debt; there is no information available on arrears on private sector debt.

2/ The Central Bank is a major participant in the foreign exchange market as it receives foreign exchange surrendered by the main exporting sectors, which it sells back to commercial banks. Those transactions are effected at the official exchange rate, which is calculated daily as a weighted average of the exchange rates at which commercial banks effected their transactions with the public during the previous working day.

The public finances, defined to include the central bank exchange losses, are expected to improve considerably in 1994. The central government deficit would remain about constant, while central bank exchange losses would decline from 11.5 percent of GDP in 1993 to 5 percent of GDP in 1994, reflecting the unification of the official foreign exchange market in July. Central bank credit to the Central Government would expand by the equivalent of 11 percent of GDP in 1994, assuming a moderate decline in external arrears and no accumulation of domestic arrears.

The overall deficit of the Central Government is projected to remain at about 8 percent of GDP in 1994 (including foreign grants equivalent to 27 percent of GDP). Central government revenue, which had decreased as a proportion of GDP for a number of years due to the erosion caused by accelerating inflation, is expected to rise by some 14 percentage points of GDP in 1994 mainly reflecting the effect of changes in the exchange rate regime on the proceeds from income taxes on the bauxite companies, and from import duties and fees associated with international trade. ^{1/} In July 1994, a sales tax on domestically produced nonalcoholic beverages was introduced, and the taxes on liquor, beer and tobacco were raised, but the contribution of these taxes on total revenue remained minor.

Central government expenditures (other than those associated with foreign grants) are projected to increase by 5 percentage points of GDP in 1994, mainly as a result of an 11 percentage points of GDP increase in subsidies and transfers that was offset only partially by a decline in other expenditure. Prior to the unification of the official exchange rates, many of those subsidies were provided through the sale of foreign exchange at preferential exchange rates (for imports of vehicle fuel, fuel to produce electricity, cooking gas, wheat, and milk powder) and thus were reflected in central bank exchange losses. Following unification, these subsidies appear explicitly in the central government's accounts. After falling sharply in 1993, expenditure on wages as a proportion of GDP is expected to decline further in 1994.

Interest rates have become increasingly negative in real terms (time deposit interest rates stood at around 23 percent and bank lending rates at around 30 percent by November 1994), and confidence in the domestic currency has continued to be eroded by the persistence of high inflation. On this basis, broad money is projected to decline by 54 percent in real terms (to 37 percent of GDP) in 1994.

The current account of the balance of payments is projected to show a surplus of some US\$40 million in 1994, reflecting a large fall in imports (excluding those associated with project assistance from the Netherlands), mainly in response to the sizable increase in the effective import tariff rate. Official grants are envisaged to increase to US\$71 million (of which US\$61 million represent project assistance from the Netherlands) and private unrequited transfers to remain relatively unchanged at US\$55 million. After

^{1/} See Section II.

taking account of scheduled debt amortization, the overall balance of payments is expected to show a small deficit, which, together with a projected moderate reduction of arrears, would be financed by a decline in gross international reserves.

II. Tax Structure

This section describes the structure of the tax system in Suriname. It indicates the nature, exemptions and rates of direct and indirect taxes in force as of September 1, 1994.

The main sources of government revenue in Suriname are the profits tax on companies, customs duties, and individual income taxes, which together are estimated to provide 84 percent of tax revenues in 1994 (Tables 2 and 3). The relative importance of each of these taxes, however, changed drastically in 1994 as a consequence of the various modifications made to the exchange rate system during the year. In particular, custom duties and the profits tax on bauxite companies have risen substantially and, as a result, their combined shares in total tax revenues are estimated to have increased from 27 percent in 1993 to 67 percent in 1994. 1/

The most important source of tax revenue in Suriname is the profit tax on companies (37 percent of estimated tax revenue in 1994). This is a tax levied on taxable income of firms domiciled in Suriname and of firms not domiciled in Suriname but receiving a gross income in Suriname. It includes the profit tax paid by the two local bauxite companies (32 percent of estimated tax revenue in 1994), which has been calculated and paid in U.S. dollars since January 1, 1993. The national currency equivalent of the income taxes paid by these companies has increased significantly since 1993 as the bauxite exchange rate was increased from Sf 8 per U.S. dollar in 1993 to Sf 55 per U.S. dollar for the first six months of 1994 and to the unified exchange rate thereafter.

The second most important tax in terms of revenue is the customs duty (34 percent of estimated tax revenue in 1994), which is levied on imports of goods. The valuation of imports in national currency for custom duties purposes was modified from Sf 1.785 per U.S. dollar to Sf 55.34 per U.S. dollar as of April 1, 1994 and to the unified exchange rate on July 11, 1994. In addition, the previous system of numerous tariff rates ranging from 3 to 65 percent was replaced by a four-tier system of 5-10-20-40 percent as of July 4, 1994, but the rate of 40 percent for "extra-luxury" imports has not yet been implemented.

The third most important source of revenue is the tax on domestic and foreign taxable income of individuals (12 percent of estimated tax revenue

1/ The modifications to the exchange rate system in 1994 also have resulted in a marked increase in total tax revenue as a proportion of GDP, from 8 percent of GDP in 1993 to 24 percent of GDP in 1994.

in 1994). The tax rates and brackets of the wage tax were modified effective August 1, 1994 to compensate in part for the tax bracket creep that resulted from the high rates of inflation that Suriname has experienced recently. An additional "crisis" rate of 10 percent of annual taxable income for incomes over Sf 200,000 was introduced effective August 1, 1994 and is to be levied until the year 2000.

Statistical fees and consent rights, which are levied on merchandise imports and exports, are estimated to contribute 4 percent and 3 percent of tax revenue, respectively in 1994. The sharp increase in the exchange rate used for the valuation of imports and exports has increased the importance of these two sources of revenue in 1994.

A number of consumption taxes levied on goods and services, albeit individually not significant, together constituted an important source of revenue prior to 1994 (17 percent in 1993). However, their share is estimated to decline to 7 percent in 1994 because of the sharp increase in revenue from the previously mentioned taxes, and because most consumption taxes are in the form of specific taxes and thus their revenue is eroded by inflation. They include a consumption tax on imported gasoline, on other similar motor fuels, and on diesel oil (5.4 percent of estimated tax revenue in 1994), a consumption tax on domestic smoking tobacco and cigarettes (0.9 percent of estimated tax revenue in 1994), and other minor taxes such as the tax on motor vehicles operating in Suriname, excise taxes on beer and liquor, taxes on public entertainment, and a tax on all lotteries conducted in Suriname. A sales tax on nonalcoholic beverages of 5 percent of the wholesale price was introduced on July 1, 1994 and is projected to yield 0.3 percent of tax revenue in 1994. A tax on alumina production is also levied on bauxite companies (0.9 percent of estimated tax revenue in 1994).

Other sources of government tax revenue, but with relatively little yield, include a dividend tax payable by those persons who directly or through certificates receive dividends from shares in a profit-making enterprise, or from income-bearing bonds in firms whose capital is divided into shares and that are established in Suriname; a wealth tax levied on holdings of stocks, bonds, mortgages, and insurance policies with periodic dividends and other assets; a tax on the export of wood; a tax on the rental value of land and buildings; taxes on inheritance; a tax on merchandise in transit; and taxes on goods in bonded warehouses.

Suriname: Tax structure as of September 1, 1994 1/

Nature of Tax	Exemptions and Deductions	Rates										
1. <u>Taxes on net income and profits</u>												
1.1 <u>Profit tax on companies, corporations and enterprises</u>	<p>Annual tax on profits of companies operating within the country. Companies based in Suriname are taxable on worldwide income; branches of companies not based in Suriname are taxed only on Suriname income. Losses made in the first three years of operations can be deducted from profits over an indefinite period. Losses made after three years from the beginning of operations can be deducted within the next seven years. Losses are not spread out over a number of years if they can be deducted in full. Payments are made in the current year on the basis of a preliminary assessment.</p>	<p>Nonincorporated public enterprises are exempt. Under the Investment Ordinance an investment board can grant individual exemptions up to five years if investments are at least Sf 100,000 and up to ten years if investments are at least Sf 375,000, and provided additional employment is generated. Production costs, depreciation, interest on loans, and indirect taxes can be deducted from turnover.</p> <table border="0"> <tr> <td>Annual Profits in Sf</td> <td>Marginal Rates</td> </tr> <tr> <td>Up to 49,999:</td> <td>35 percent</td> </tr> <tr> <td>50,000 to 149,999:</td> <td>40 percent</td> </tr> <tr> <td>150,000 to 249,999:</td> <td>43 percent</td> </tr> <tr> <td>250,000 and over:</td> <td>45 percent</td> </tr> </table> <p>One bauxite company pays 40 percent of annual profits in U.S. dollars (under the Brokopondo agreement). The other bauxite company pays 45 percent of annual profits in U.S. dollars.</p> <p>Casinos pay 50 percent.</p> <p>Branches of insurance companies: life insurance companies pay 7.5 percent of premiums income; other insurance companies pay 15 percent of the premiums income.</p>	Annual Profits in Sf	Marginal Rates	Up to 49,999:	35 percent	50,000 to 149,999:	40 percent	150,000 to 249,999:	43 percent	250,000 and over:	45 percent
Annual Profits in Sf	Marginal Rates											
Up to 49,999:	35 percent											
50,000 to 149,999:	40 percent											
150,000 to 249,999:	43 percent											
250,000 and over:	45 percent											
1.2 <u>Taxes on individuals</u>												

Suriname: Tax structure as of September 1, 1994 1/

Nature of Tax	Exemptions and Deductions	Rates		
1.2.1 <u>Individual income taxes</u>	<p>A tax on income from entrepreneurship, labor ("the wage tax"), pensions, fixed assets, and other capital. The tax on income from labor is withheld at the source based on a pay-as-you-earn (PAYE) system as paychecks are received; for other income, payments during the current year are based on a preliminary assessment. Taxable income covers world-wide sources and is defined as earnings reduced by the personal annual exemption of Sf 50,000 for employees resident in Suriname and earnings without application of the personal exemption for employees not resident in Suriname.</p>	<p>Diplomats and foreign technical assistance experts are exempt regarding income related to their functions. Vacation pay, with a maximum of Sf 6,000, and gratification and bonuses up to the same maximum, are also exempt from tax. Deductions are allowed for losses of business income as under the corporate income tax. Other exemptions and deductions: bonuses for work under hazardous conditions; charitable contributions; medical expenses in excess of 2 percent of gross income; educational expenses for dependent children (maximum Sf 3,600); gifts; life insurance premiums; alimony; and interest on loans up to Sf 5,000. The tax is reduced by 5 percent for each child with a maximum of Sf 150. Dividend tax payments are deductible from tax liability.</p>	<p><u>Rates for wage earners</u> (as of August 1, 1994):</p>	
		<p><u>Annual Taxable Income (Sf)</u></p>	<p><u>Marginal Rates</u></p>	
		50,001-100,000:	15 percent	
		100,001-200,000:	30 percent	
		200,001-450,000:	45 percent	
		450,001 and over:	50 percent	
		<p>An additional "crisis" rate of 10 percent of annual taxable income applies to income over Sf 200,000.</p>		
		<p><u>Rates on income from overtime work:</u></p>		
		<p><u>Annual Taxable Income (Sf)</u></p>	<p><u>Marginal Rates</u></p>	
		up to 1,499:	10 percent	
		1,500-2,999:	20 percent	
		3,000 and over:	30 percent	
	<p>An artist or professional sportsman resident in Suriname who has a contract of short duration pays tax at the rate of 10 percent.</p>			
		<p><u>Rates for self-employed individuals:</u></p>		
		<p><u>Annual Taxable Income (Sf)</u></p>	<p><u>Marginal Rates</u></p>	
		up to 19,999:	10 percent	
		20,000-39,999:	20 percent	
		40,000-79,999:	40 percent	
		80,000 and over:	55 percent	

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Suriname: Tax structure as of September 1, 1994 1/

	Nature of Tax	Exemptions and Deductions	Rates		
1.2.2	<u>Dividend tax</u>	Tax on disbursed dividends, withheld at source. Tax payments are deductible from personal income tax liability.	Dividend payments to holding companies in the country.		
			25 percent. Under the double tax avoidance treaty with the Netherlands, residents of each country pay between 7.5 percent and 20 percent on dividends in the country where these originate, depending on the share in equity capital.		
4.	<u>Taxes on property</u>				
4.1	<u>Rental value tax</u>	Tax on the rental value of real property, i.e., land and buildings.	Government; foreign missions; religious, charitable, and educational institutions; property of industrial, agricultural, and mining enterprises.	Annual rental income in Sf	Marginal Rates
			500-3,999:	5 percent	
			4,000-15,999:	6 percent	
			16,000 and over:	7 percent	
4.2	<u>Wealth taxes</u>	Tax on the net wealth of individuals. The net wealth includes holdings of mortgages, stocks, bonds, jewelry, deposits, cash holdings, and motor cars.	Furniture, antiques for personal use, jewelry up to a certain amount, and life insurance policies.	Married persons: 0.8 percent on net wealth over Sf 30,000.	Unmarried persons: same rate but tax threshold is Sf 20,000.
4.3	<u>Inheritance taxes</u>	Tax on the amount inherited as a result of a person's death and on the amount received as gift.	Amount received from the Government. Amount received by the spouse, children or parents of the estate up to a certain amount.	20 percent of the value of the inheritance or the value of the gift.	
5.	<u>Taxes on goods and services</u>				
5.1	<u>Liquor</u>	Tax on the consumption of domestically produced alcohol, payable by the producers.	Alcohol for medical purposes; exports.	Sf 20 per liter.	
5.2	<u>Beer</u>	Tax on the consumption of domestically produced beer, payable by the producers.	Exports.	Sf 5 per liter.	
5.3	<u>Tobacco</u>	Tax on the consumption of domestically produced tobacco products, payable by the producers.	Exports.	45 percent of the retail price of tobacco and Sf 0.50 per cigarette.	

Suriname: Tax structure as of September 1, 1994 1/

	Nature of Tax	Exemptions and Deductions	Rates
5.4	<u>Entertainment</u> Tax on public entertainment, including all recitals, exhibitions, performances, or gatherings to which the public is admitted on payment of a fee.	Performances that benefit social or cultural organizations.	25 percent of the price of the tickets.
5.5	<u>Lottery</u> Tax on the sale of lottery tickets.	None.	15 percent of either the value of the tickets sold or the value of prizes in merchandise; plus 5 percent of monetary prizes and 5 percent of prizes in merchandise. Lotteries for social or charitable purposes pay only 10 percent of either the value of the tickets sold or the value of prizes in merchandise.
5.6	<u>Consumption tax on motor fuels</u> Tax on consumption of imported gasoline, other similar motor fuels, and diesel oil.	Deliveries to the Suriname Energy Corporation, the Suriname Water Works, the Suriname Aluminum Corporation, the Billiton Company and to aircraft and ships with overseas destinations.	2 percent for administrative fees and 1.5 percent for merchandise in transit on the number of liters multiplied by the difference between the old and the new c.i.f. value.
5.7	<u>Tax on alumina production</u> Tax on the quantity of alumina produced.	None.	US\$ 0.67 per ton.
5.8	<u>Motor vehicles</u> Annual license tax on the use of a vehicle.	Vehicles of the Government and diplomats; ambulance; agricultural tractors.	Passenger cars: Sf 300 to Sf 1,050 depending on weight. Trucks and pickups: Sf 545 to Sf 1,500 depending on cargo capacity. Buses: Sf 570 to Sf 800 depending on seating capacity. Tractors: Sf 500. Trailers: Sf 225 to Sf 1,150 depending on weight. Two-wheeled vehicles: Sf 250. Motorbikes: Sf 50.
5.9	<u>Sales tax on domestic non-alcoholic beverages</u> Tax on the consumption of domestically produced non-alcoholic beverages, payable by the producers.	Exports.	5 percent of wholesale price.

Suriname: Tax structure as of September 1, 1994 1/

Nature of Tax	Exemptions and Deductions	Rates
6. <u>Tax on international trade and transactions</u>		
6.1 <u>Customs duty</u>	Most imports are subject to an ad valorem duty applied to the c.i.f. value. There is a single schedule of tariffs, since preferential rates for the European Community were abolished in October 1991. Classification is based on the Brussels System of Nomenclature.	Imports for public development projects except passenger cars and fuel; insecticides; fertilizers; medical supplies. Under the Investment Ordinance imports of investment goods can be exempted provided a certain minimum amount is invested and a certain minimum number of jobs created.
		<p><u>Ad Valorem Rates</u></p> <p>Reduced rate: 5 percent for raw materials, machinery, tools, gasoline, etc. Base rate: 10 percent. High rate: 20 percent for luxury goods, wine, beer, etc. Higher rate: 40 percent for extra-luxury goods.</p>
6.2 <u>Statistical fees</u>	Tax on the value of imports and exports.	Imports for public investment projects.
		<p>2 percent of the f.o.b. value of exports of bauxite and derivatives and of c.i.f. value of imports of bauxite companies; 0.5 percent of f.o.b. value of other exports; and of c.i.f. value of imports of other agents.</p> <p>One bauxite company pays a fixed sum of US\$ 280,000 per annum for the statistical fees and consent rights combined.</p>
6.3 <u>Consent rights</u>	Tax on the value of imports and exports.	Imports for public investment projects.
		<p>0.1 percent of the f.o.b. value of exports of bauxite and derivatives; 1 percent of f.o.b. value of other exports; and 1.5 percent of c.i.f. value of all imports.</p> <p>One bauxite company pays a fixed sum of US\$ 280,000 per annum for the statistical fees and consent rights combined.</p>
6.4 <u>Taxes on goods in bonded warehouses</u>	Taxes on imported goods stored in bonded warehouses under the supervision of the Inspectorate of Import Duties and Excises.	None.
		<p>Levies per 24-hour period:</p> <p>Unpacked and liquid goods: Sf 0.05 for every 100 liters. All other goods: Sf 0.40 for every cubic meter.</p>

Suriname: Tax structure as of September 1, 1994 1/

	Nature of Tax	Exemptions and Deductions	Rates	
6 5	<u>Taxes on merchandise in transit</u>	Tax on goods which are taken out of free commerce in Suriname: goods for exports, goods intended for import, goods for reexport after a period in storage, goods under license from the Foreign Exchange Commission, and the purchases of unprocessed gold.	Goods intended for reexport, for which import duties have been paid.	Various rate schedules, by type of goods.
6 6	<u>Wood export tax</u>	Tax on the export value of all unprocessed and semi-processed wood.	None.	100 percent of the value.
<u>Employees' contributions</u>				
	<u>Old Age Fund</u>	Contributions levied on salaries and wages.	None.	2 percent of gross salaries and wages.
	<u>Pension Fund</u>	Contributions levied on salaries and wages of civil servants.	None	10 percent of gross salaries and wages.
	<u>Medical Fund</u>	Contributions levied on salaries and wages of civil servants.	None	4 percent of gross salaries and wages.

Sources: Tax Office, Ministry of Finance; Suriname Bauxite Institute; and Suralco.

1/ The first digit of the tax structure classification is according to A Manual on Government Finance Statistics.

III. Social Programs

Income distribution appears to be highly unequal in Suriname. 1/ According to estimates of a private consulting firm, the average income of the highest income earners (traders) was 27 times that of the lowest income earners (retired poor) in 1990. 2/ The Government estimates that 25 percent of the Surinamese population lives in poverty (i.e. members of households with an income of less than Sf 2,200 per month.) 3/. To deal with poverty and the disparities in the income distribution, the Government established a number of wide-ranging social programs, some of which are presently under reform in an effort to increase their effectiveness. Some programs are targeted directly at the poor or groups among which poverty is widespread (the elderly, children and the handicapped), while others are aimed at reducing poverty by providing basic goods at subsidized prices, or more indirectly through education and training.

1. Social programs aimed directly at the poor

Low-income households can enroll in a government-financed program that entitles them to subsidized medical care ("Geneeskundige Hulpkaart" or GHK, also known as the "Vrije Geneeskundige Voorzieningen" or VGV). Low-income households are classified into destitute families ("onvermogenden"), with less than Sf 1,100 in income per month, and limited income households ("minvermogenden"), with a monthly income between Sf 1,100 and Sf 2,200. Limited income households pay a semiannual fee of Sf 10 for enrollment in this program, while destitute families are exempt. The destitute contribute Sf 25 for every day that they are hospitalized and Sf 10 for every drug prescription, while limited income families pay Sf 100 for a day in the hospital and Sf 25 for a prescription. In June 1994, 46,667 families with 106,921 members were enrolled in this health care program. The cost for the Government is estimated at Sf 123 million in 1994 (Table 4).

In addition, the Government provides direct income support ("Financiële Bijstandsuitkering" or FB, also known under the name "Behoeftigen- en Bejaardenzorguitkering" or BBZ) to destitute households. The amount of the FB benefit depends on the size of the household, varying from Sf 270 per month for single people to Sf 900 per month for families of five or more. It is estimated that currently some 11,000 families with 17,600 persons receive an FB benefit. 4/ In 1994, the cost of the FB program is estimated at Sf 72 million.

Since the beginning of 1994, destitute families receive a supplemental emergency benefit of Sf 50 per family member per week. This program was

1/ No income distribution survey has been carried out in Suriname.

2/ See Coopers and Lybrand Deloitte (1990).

3/ Unless indicated otherwise, all numbers in this chapter refer to the situation as of September 1994.

4/ See Warwick Research Institute, and Aide à la Decision Economique (1994).

introduced to replace a program under which food parcels were distributed to every household in Suriname and that broke down in the beginning of 1994. The cost of this program in 1994 is estimated at Sf 48 million.

A public pension system ("Algemene Ouderdomspensioen Voorziening" or AOV) provides retirement, disability, and survivor benefits to the 33,000 Surinamese over 60 years of age. The pension benefit is currently Sf 900 per month. The AOV is funded by payroll taxes (2 percent of taxable income) and by general tax receipts. In 1993, when pension benefits totalled Sf 178 million, Sf 38 million was paid out of payroll taxes and Sf 140 million out of general taxes. In 1994, the total cost of the AOV pension system is estimated to rise to Sf 310 million.

The Government provides child allowances of Sf 30 per child per month (through a program called "Algemene Kinderbijslag" or AKB) to parents who do not receive financial support from their employers (see below the description of supplementary programs). In 1994 the Government will spend an estimated Sf 25 million on AKB benefits for approximately 64,000 children up to the age of 18. In addition, in 1994 the Government will spend an estimated Sf 68 million from the budget and the equivalent of Sf 35 million in foreign aid on food, school supplies, school clothing, study allowances and school transport for children. It distributes free milk to needy children up to age 5 on the indication of their pediatricians; meals for school children of age 4 to 12 on the indication of their teachers; school uniforms and shoes for children and teenagers between 6 and 16 years (limited-income households receive vouchers for two free school uniforms a year, destitute households can claim four uniforms, and other students can obtain the cloth for school uniforms at a subsidized rate); monthly allowances for students older than 15 years from poor families (the allowances are Sf 115 per month for students in secondary school and Sf 375 a month for university students supplemented with Sf 1,125 a year for books and other learning materials; 10 percent of the students receive such an allowance); free school transport for children who live more than four kilometers from their school; and subsidies for books for students in primary and secondary school.

The Government also administers a social housing program, although no funds were allocated for this purpose in 1993 and 1994. Under this program, three types of housing are subsidized. First, households with an income below Sf 1,000 a month can rent a house ("volkswoningen") at a cost of 1/7 of their income, with a minimum rent of Sf 30. Households with incomes up to Sf 2,000 a month can build their own houses with government support in the "zelfbouw woningen" or "sociale woningen" programs. In 1992, there were 7,178 "volkswoningen" (up from 6,528 in 1988) and 320 houses in the "zelfbouw woningen" and "sociale woningen" programs (unchanged from 1988). After 1992, no new social housing has become available, even though at the start of 1993, 14,000 people were on the waiting list.

In 1994, the Government is expected to grant an estimated Sf 38 million in subsidies to 19 social institutions (homes for the elderly and handicapped, orphanages and several charity institutions including a

lottery), partly on the basis of operating losses, partly on the basis of occupancy rates in homes and partly as a subsidy for fuel costs. In addition, the Government also subsidizes the medical institutions (at an estimated cost of Sf 198 million in 1994), mostly by financing the operational deficit and investments.

2. Education and training

A cornerstone of the social programs in Suriname is the universal educational system, which entitles all school-aged children to free education at the primary and secondary levels. The Government covers most of the cost of education. In 1994, the Government will spend an estimated Sf 1,274 million on education, including departmental costs and other non-educational spending, (4.4 percent of total Government expenditures), of which Sf 373 million would go to subsidies for private schools and the University of Suriname. About 43 percent of all students attend a private school while the rest attend public schools.

In 1994, a training and credit program for small entrepreneurs was started, financed out of Dutch grants. The training program is targeted at increasing the level of vocational skills and is projected to cost Sf 15 million in 1994. The Social Investment Fund ("Sociaal Investeringsfonds" or SIF) provides credits to small businesses at a projected cost of Sf 87 million in 1994.

3. Price subsidies

The Government subsidizes the prices of rice, milk, bread, sugar, water, cooking gas, electricity and fuel. ^{1/} In 1994 these subsidies were increased markedly, in part to compensate for the discontinuation of the food parcel program in the beginning of 1994, and in part to cushion the adverse effects on the price level of the unification of the exchange rate in July 1994.

Rice exporters are required to sell part of their merchandise to the Government at a concessional price. The rice is then sold to the public at an even lower rate via a number of designated shops. The Government subsidizes milk by providing the single milk processing plant of Suriname with imported milk powder at a subsidized price; controls on the price of milk ensure that this subsidy is passed on to the consumer. The Government subsidizes bread in a similar way; the price of imported wheat is kept low and the price of bread is subject to controls. To buy subsidized rice, milk, bread, cooking oil and sugar, the prospective buyer must have a card ("green card") issued by the Ministry of Trade and Industry that can only be obtained by heads of households. The subsidizing of water takes the form of covering the operating losses of Suriname's water company. The system of

^{1/} A scheme to subsidize cooking oil was interrupted in May 1994 due to a disagreement over prices between the Government and the manufacturer.

subsidizing cooking gas and electricity prices is aimed at keeping the prices low for poor families. This is done by directly subsidizing the price of the smaller type of gas canisters, mainly in use by poorer households, and by subsidizing the operating losses of the electricity company that ensue from the progressive electricity price system, benefitting small users. To keep fuel prices down, the Government provides car owners with vouchers that allow them to buy a limited amount of fuel at the equivalent of a subsidized exchange rate.

4. Supplementary programs

The Surinamese system of social security consists of three layers: (a) Government administered social programs; (b) insurance schemes that are established as part of collective wage negotiations, and which are tied to the employee status of the insured person; and (c) individual insurance plans.

Government and private collective schemes provide old-age, disability and survivors' pensions, health care insurance, family benefits, termination of service compensation, and sick pay and employment injury benefits. They are generally paid out of employers' and employees' contributions. Collective insurance plans are freely determined by employers and workers, with some exceptions (sick pay for up to six weeks and employment injury insurance are obligatory). Generally, only workers in larger firms and in the public sector are provided with an extensive insurance package.

Public sector employees are insured against health care costs through the "Staatsziekenfonds" or SZF. Public sector employees contribute 4 percent and public sector entities 5 percent of gross wages to the SZF, which covers about 145,000 people at an estimated cost to the Government of Sf 390 million in 1994. Since 1992, the SZF is also, on a voluntary basis, open for nonpublic sector employees, including employers who want to insure their workers. However, not many choose to participate in the SZF since it is perceived as an expensive insurance scheme.

The pension plan for public sector employees ("Pensioenfonds") is funded by a contribution of 15 percent of gross wages, with 10 percent paid for by the public sector employees and the remainder by the employer. In 1994, the Government will pay an estimated Sf 489 million into the public sector pension plan, covering about 43,000 public sector workers. Furthermore, about 19,000 private sector employees are enrolled in private pension plans. This brings the share of workers covered by plans other than the AOV to more than 60 percent of the total labor force. Of the current pensioners, about 40 percent receive a pension besides their AOV benefit. Upon retirement, workers receive a pension benefit that ranges between 40 and 70 percent of their pre-retirement wage (70 percent for public sector employees and workers at large companies), not including the AOV benefit. Pension benefits, including those from the public sector pension plan, are not indexed for inflation.

The third layer of social security is made up of individual insurance plans. In Suriname, it is possible for individuals to buy insurance against medical costs (e.g. through the SZF), and against the loss of income as a consequence of disability, death or old age. However, not many people take part in these individual insurance schemes.

In addition to the social programs, the activities of domestic and foreign Non-Governmental Organisations (NGO's), often funded by foreign donors, play an important part in the alleviation of poverty in Suriname. They undertake such activities as building and renovating schools, organizing food programs and aiding the handicapped. NGO's currently also participate in the implementation of the Social Investment Fund.

5. Reform of the social programs

The social programs in Suriname seem to have been beset by a lack of transparency and problems of management. 1/ While the criteria to determine the eligibility for benefits under these programs might be well defined, there have been difficulties in properly targeting the poor, in part because of the absence of an appropriate statistical database. In addition, the management of these programs is hampered by limited resources. As a consequence, an estimated 15-20 percent of direct income support (FB) is unjustly claimed. This percentage might be considerably higher for the subsidized medical insurance (GHK), as many employers avoid having to obtain costly health care insurance for their workers by under-declaring their wages.

Also, the Government has not always been able to fulfill its obligations with respect to the state pension fund, the state medical insurance (SZF), and several suppliers of subsidized goods. This has resulted in an apparent underfunding of the state pension plan, labor unrest among state workers and disruptions in the flow of subsidized goods.

Other problems are related to the multi-tier nature of the social security system. The wide disparity in collective insurance benefits for workers in different organizations seriously hampers mobility. Given the wide-ranging social benefits package that is provided to state workers, it is particularly unattractive for them to switch to positions in the private sector. Moreover, the lack of coordination between the public sector and private sector arrangements gives rise to disincentives for private sector schemes. For example, employers are reluctant to introduce child allowance schemes since that would prevent their workers from obtaining state child allowance benefits (AKB).

In light of these problems, the Government has begun a reform of the social programs. The reform aims at increasing the effectiveness of the

1/ Warwick Research Institute and Aide à la Decision Economique (1994), Government of Suriname (1993) and International Labour Organization (1987).

programs through improved targeting, strengthening of management and coordination, and the introduction of new programs. Some measures have already been implemented. For example, the requirements for obtaining direct income support (FB) have been simplified and the pools of child allowance (AKB) and state pension (AOV) recipients are being screened by eliminating those who do not show up when they are requested to. In addition, the Ministry of Social Affairs is in an ongoing process to strengthen the internal and external auditing of the social programs by improving its departmental organization, and it intends to initiate a computerization project.

Several problems remain unresolved, however. Untargeted subsidies still are an important part of Suriname's social programs, an integrated policy that comprises both public and private forms of social insurance has not yet been developed, and the group of the poor still is not clearly identified for lack of basic statistics concerning the distribution of income.

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IV. Financial System: Main Features

1. Legal framework

The Bank Act of 1956 created the Central Bank of Suriname and established its legal framework; until then the largest commercial bank-- the Surinaamsche Bank--had acted in the capacity of a Central Bank. Subsequently, the Bank and Credit Supervision Act of 1968 provided the guidelines for the supervision of financial institutions.

The Bank Act of 1956 sought to contain central bank financing of public sector deficits through Article 21, which allows short-term government borrowing up to 10 percent of budgeted government revenues for the fiscal year. To circumvent this ceiling, the Government has sought financing from the Central Bank by issuing short-term paper every six months. These transactions with short-term paper were based on the authorities' liberal interpretation of Article 16 of the 1956 Bank Act, which authorized the

Central Bank to use open market operations as tools of monetary policy. 1/ The authorities are now considering measures to close existing loopholes so as to make the legal limit effective (established by Article 21), and are preparing draft legislation that would enable the Government to consolidate existing short-term credits into a one-time long-term central bank loan.

The Board of Directors of the Central Bank is headed by the President of the Central Bank and includes three directors: the Director of Banking Affairs, the Director of Monetary and Economic Affairs, and the Director of Bank Supervision and Financial Institutions. The Bank is divided in six departments (Administration, Secretary's, Banking Supervision, Personnel Affairs, Public Relations, and Research) which report directly to the President of the Central Bank.

2. Financial institutions

The banking system consists of the Central Bank of Suriname and six commercial banks. In declining order of the amount of credit outstanding the commercial banks are: the Surinaamsche Bank, the Hakrinbank, the ABN-AMRO Bank, the Landbouwbank, the Surinaamse Postspaarbank, and the Volkscredietbank. 2/ The six commercial banks account for 90 to 95 percent of credit to the private sector extended by the financial system. The Surinaamsche Bank and the ABN-AMRO bank are privately owned in affiliation with Dutch banking groups, while the Government is the sole or majority owner of the other four commercial banks. The rest of the financial sector comprises eight finance companies; four indemnity, five life, two funeral service insurance companies and one holding company; twenty-eight pension funds; eight provident funds; and thirty-four credit unions. In addition, in June 1993, five cambios (exchange houses) were authorized to deal in foreign exchange. All incorporated financial institutions, with the exception of the Government's pension fund, are subject to supervision by the Central Bank.

3. Central Bank supervision of the financial system

The Central Bank's supervision practices include off-sight and on-sight inspection. In keeping with the off-site inspection requirements, commercial banks and medium and large credit unions are required to report on all financial transactions to the Central Bank at least once a month; small credit unions must report once each quarter; provident funds must

1/ The Loan Act of 1971 established a global ceiling on credit to the Government, but this ceiling has been revised upward to accommodate the growing government budget deficits.

2/ As of April 1994, the shares of the three largest banks in total bank credit were approximately 38, 18, and 15 percent, while the share of each of the other three banks was 10 percent.

report every six months; and all others must report once a year. 1/ On-site inspection of commercial banks takes place once a year and usually targets one aspect of the institution such as the credit portfolio or the internal organization and administrative procedures of banks.

Compliance with reporting requirements has not been uniform across the various types of institutions. While commercial banks and insurance companies have a good record of reporting information to the Central Bank, other institutions such as the credit unions, pension funds, and finance companies have a poor record.

There are special off-site reporting instructions for each category of institution. For instance, commercial banks' monthly statements must include a list of debtors' names, along with their account number, their credit limit and the amount drawn. In addition, commercial banks are to provide information on the sectoral destination of credit and on how the loan was secured. When making loans, commercial banks also are required to abide by predetermined solvency ratios, which, depending on the nature of the financial assets and the extent of the perceived risk, determine the percentage of equity capital cover which must be retained. These "solvency requirements" are shown in Table 5. Compliance with these ratios is monitored routinely by the Central Bank.

Commercial banks also are subject to a large exposure rule designed to help spread risk. This provision restricts banks from extending loans of more than 25 percent of own capital to any one borrower or group of borrowers. In addition, since 1986 banks have been subject to an "immobilia rule" which restricts them from having more fixed assets (such as real estate and inventory stocks) than equity capital.

The existing penalties for noncompliance with the above mentioned regulations (in order of increasing severity) are: counselling, public exposure, legal action, and liquidation.

4. Interest rates

There are no regulations constraining the level of interest rates in Suriname. However, nominal rates have failed to keep up with inflation and have become increasingly negative in real terms, presumably due to the lack of competition in the financial system. While in the 1980s bank deposits increased in real terms despite negative real interest rates, reflecting in part money illusion and the absence of alternative investment opportunities, the acceleration of inflation in recent years has been accompanied by a sharp decline in bank deposits in real terms.

1/ Insurance companies have to report every month on their foreign exchange transactions and every quarter on their financial position. In addition to the annual audit report which insurance companies submit to the Central Bank, life insurance companies must also file an actuarial report.

Nominal deposit rates averaged 4.7 percent a year during 1990-92 and increased slightly to 5.4 percent in 1993. In real terms, the average deposit rate was a negative 24.5 percent a year during 1990-92, and it declined to a negative 67.5 percent in 1993 as inflation increased to 225 percent (Table 6). Similarly, the average lending rate increased from 9.7 percent a year in 1990-92 to 13.2 percent in 1993. In real terms, the average lending rate was a negative 20.9 percent in 1990-92 and declined to a negative 65.1 percent in 1993. With accelerating inflation, bank loans are being made increasingly on an adjustable rate basis, and there has been a shift in the composition of bank assets in favor of loans of a shorter maturity.

5. Financial instruments

Financial instruments in Suriname include demand deposits, savings deposits, time deposits, and foreign exchange deposits. 1/ Table 7 shows broad money and its components over the period 1989-93. The table reveals a decline in the share of demand deposits since 1991, and a decline in the share of savings deposits in 1993.

Foreign currency deposits, legalized in April 1993, presumably constitute only a small fraction of private sector liabilities of the banking system. 2/ Indeed, commercial banks as well as the cambios find it difficult to compete with the parallel market.

6. Financial system credit

Commercial banks are faced with monthly limits on credit expansion on the basis of the composition of their deposit liabilities. No credit expansion is permitted on the basis of demand deposits. Banks are allowed to use 75 percent of the increase in short-term time deposits for credit expansion, 90 percent of the increase in savings deposits, and 100 percent of the increase in long-term time deposits. 3/ The ceiling on credit creation for a given month is based on the difference between the increase in deposits in that month and the unused part of the previous month's credit ceiling. 4/ Banks are not required by law to keep at the Central Bank the portion of their deposits that is not loaned (i.e., 100 percent of demand

1/ This is in addition to government bonds issued in 1990 and 1992.

2/ Since commercial banks do not report information on foreign exchange deposits to the Central Bank, no entries are shown in Table 7.

3/ Short-term time deposits have a maturity of one year or less.

4/ For example, if in a given month a commercial bank obtains additional short-term time deposits for Sf 100 million of which it lends only Sf 50 million (instead of the Sf 75 million allowed) and in the next month it obtains another Sf 100 million of short-term deposits, the bank can lend only 75 percent of the difference between the additional deposits in the second month and the unused part of the first month ceiling. In other words, the bank can lend 75 percent of Sf 75 million rather than 75 percent of Sf 100 million.

deposits, 25 percent of short-term time deposits, 10 percent of savings deposits), but they have preferred to do so for reasons of safety and convenience. 1/

There are no known formal restrictions governing the sectoral distribution of commercial bank credit in Suriname. Commercial banks have shown a preference to finance trade activities. In 1993, the commerce sector was the principal beneficiary of credit accounting for 35 percent of total credit issued. Commerce, housing construction, agriculture and manufacturing activities accounted for 65 percent of total credit issued by the commercial banks in 1993.

7. Monetary policy instruments

The Bank Act of 1956 authorized the Central Bank to engage in open market operations and utilize rediscount policy, credit ceilings and liquidity ratios. In addition, the Bank and Credit Supervision Act of 1968 expanded the list of instruments by authorizing the Central Bank to use reserve requirements. However, no use has been made of reserve requirements or open market operations, and central bank rediscounting and overdraft facilities are seldom used. Therefore, credit ceilings are the only formal monetary policy instrument in use.

V. Developments in the Exchange Rate System in Suriname

This section describes the recent evolution of the exchange rate system in Suriname, which moved from a single official exchange rate to multiple official exchange rates in late 1992, and returned to a unified system in mid-1994.

The system of multiple official exchange rates was introduced as a temporary arrangement to replace the increasingly unrealistic official exchange rate and as an attempt to bring the growing amount of parallel market activity back into the formal financial system. However, as the underlying macroeconomic disequilibria were not addressed, parallel market activity did not subside and pressures on the official foreign exchange market continued. As envisaged at the time of introducing the multiple exchange rate system, Suriname returned to a unified system on July 11, 1994.

1. The initial system

The Suriname guilder was first issued in 1865 under a Dutch royal charter. Originally printed by the Surinaamsche Bank, notes have been issued by the Central Bank of Suriname since 1957. In the period from December 1971 until October 1992, the Suriname guilder was pegged officially

1/ Commercial bank reserves held at the Central Bank are unremunerated.

to the U.S. dollar at a rate of Sf 1.785 per U.S. dollar. 1/ A parallel market for foreign exchange emerged in the 1970s and proliferated after 1982 following the suspension of the Dutch development aid. As inflationary pressures accumulated, the parallel market rate diverged rapidly from the official rate, reaching Sf 26 per U.S. dollar by August 1992 (Chart 2).

2. The introduction of the multiple system

In response to this divergence and the increasing importance of parallel market activity, in October 1992 the authorities issued a resolution that established a multiple exchange rate system consisting of seven exchange rates 2/ (Chart 2 and Statistical Appendix Table 42):

a. The official rate (Sf 1.785 per U.S. dollar), applicable to the service of official and officially guaranteed debt and imports of basic consumer goods;

b. The auction rate (the rate determined at the most recent auction of balance of payments support from the Netherlands) applicable to licensed transactions not designated to be carried out at the other official rates; 3/

c. The tourist rate (Sf 10 per U.S. dollar), applicable to the tourist surrender requirement of f 300;

d. The rate for rice exports (50 percent of the official rate and 50 percent of the auction rate);

e. The rate for banana exports (70 percent of the official rate and 30 percent of the auction rate);

1/ There were two other rates: the Arron rate of Sf 5 per Dutch guilder, applicable to bridging aid with funds from the 1975 Development Treaty with the Netherlands (mid-1988 through end-1990); and a special SLM rate of Sf 14 per U.S. dollar, applicable to the conversion to Suriname guilders of the U.S. dollar price of airplane tickets (paid by the public) and the payments made by SLM (the state-owned airline) on government-guaranteed debt. However, the volume of transactions at these rates was relatively small.

2/ This is in addition to the parallel market exchange rate.

3/ There were ten auctions (between October 1992 and July 1993) for a total amount of US\$36.4 million. The mechanism by which foreign exchange was allocated and by which the reported auction rate was determined varied. For the first three auctions, foreign exchange was allocated at the marginal successful rate (i.e., lowest in foreign currency terms), and this rate was reported as the auction rate. For the fourth and fifth auctions, foreign exchange was allocated at the individual successful bids--the Dutch auction mechanism--while the reported auction rate remained the marginal successful rate. For the sixth through tenth auctions, foreign exchange was allocated at the individual successful bids, and the reported exchange rate was a weighted average of the successful bids.

f. The rate for other exports and service receipts (20 percent of the official rate and 80 percent of the auction rate); and

g. The bauxite rate (Sf 8 per U.S. dollar) for the surrender of foreign exchange by the bauxite companies, which became effective on January 1, 1993. 1/

The resolution also formally established a regulated rate to be managed by the Central Bank. However, this rate never came into effect because the plan to create an intervention fund for this purpose did not materialize. The auction rate was used in lieu of the regulated rate when reference was made to the regulated rate in legislation.

The foreign exchange auctions introduced market forces in the determination of the exchange rate for some legal transactions, but only to a limited extent. Participation in the auctions was subject to restrictions, as bidders were to use auction proceeds only for items on the so-called "positive list" (i.e., inputs for the "productive sectors"). Participants were required to bring import licenses for the amount of foreign exchange desired; in the event of a successful bid, Dutch guilders were disbursed from an account in the Netherlands to an exporter to pay for the licensed import (foreign exchange was not credited to any account in Suriname). These restrictions were reflected in the spread between the parallel exchange rate and the auction rate, which averaged some 55 percent for the period October 1992-July 1993.

3. Modifications to the multiple system

The pressure on the exchange rate system continued, as inflation accelerated and the parallel market rate depreciated further (to Sf 42 per U.S. dollar by May 1993). In response, in June 1993 a new resolution modified the existing multiple exchange rate regime into one consisting of the following six rates:

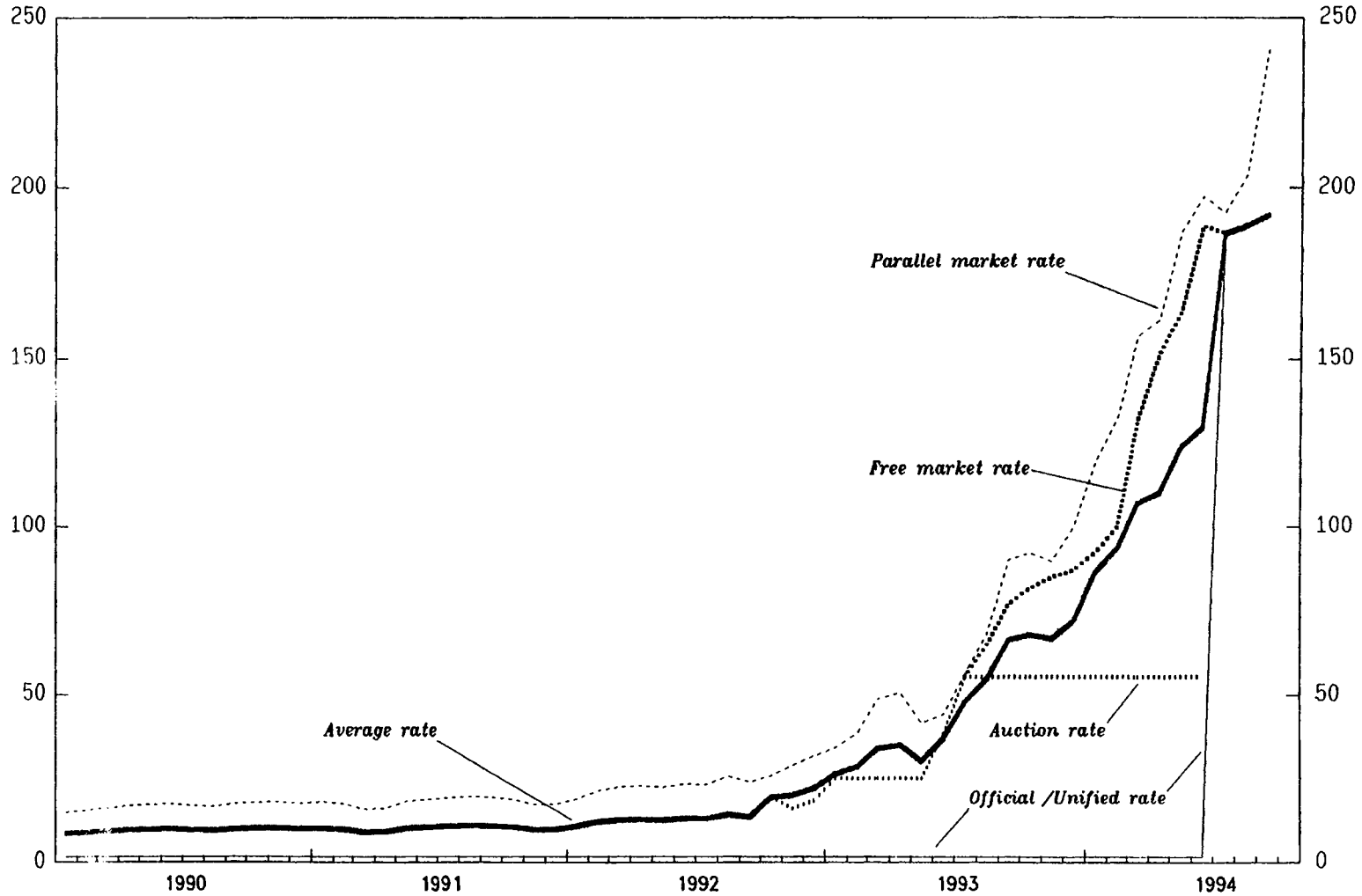
a. The official rate (Sf 1.785 per U.S. dollar), applicable to the service of official and officially guaranteed debt, and the receipts of specified exports that took place before October 2, 1992;

b. The bauxite rate (Sf 8 per U.S. dollar), applicable to the exports of the bauxite companies, imports of basic consumer goods, imports of the health and education sectors, and transactions of the public utilities; 2/

1/ The rate applicable to the surrender of foreign exchange by the bauxite companies is governed by agreements negotiated between the Government and the two local bauxite companies.

2/ As of January 1, 1994 the exchange rate applicable to the transactions of the bauxite companies was changed to Sf 55 per U.S. dollar, as contemplated in the 1993 Bauxite Agreement.

CHART 2
SURINAME
NOMINAL EXCHANGE RATES
 (Suriname guilders per U.S. dollar)



Source: Fund staff estimates.

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c. The fuel rate, (Sf 20 per U.S. dollar), applicable to imports of gasoline and diesel fuel;

d. The auction rate Sf 55.34 per U.S. dollar, as determined at the last auction of balance of payments support, in July 1993, applicable to specified imports of the productive sectors, export proceeds of the banana, shrimp, and oil sectors, aid received under the 1975 Development Treaty with the Netherlands, and the foreign tourist surrender requirement;

e. A rate applicable to all foreign transactions of the rice sector: this rate moved from Sf 34 per U.S. dollar during the first half of 1993 to Sf 64 per U.S. dollar for the spring harvest, and to the free-market rate in October 1993.

f. The free-market rate, determined in the newly established official free market (with six commercial banks and five cambios participating). The free-market rate was applicable to all transactions that went through the banking system and for which none of the other official rates could be used. The official free-market exchange rate for a given day resulted from the average exchange rate reported by banks and cambios to the Central Bank. 1/

As the supply of foreign exchange at the subsidized rates fell short of existing demand, in June 1993 the authorities permitted imports at the free-market rate of basic consumer goods, goods for the health and education sectors, transactions of public utilities, fuel imports, and inputs for the "productive sectors".

The free market did not develop strongly; the volume of transaction remained low and foreign exchange was scarce, as banks and cambios were not completely free in setting the exchange rate, mainly because of moral suasion. For instance, a bank reporting a heavily depreciated rate could be asked to meet with the Central Bank to discuss underlying developments. Moreover, these institutions apparently had difficulties in competing against parallel market dealers who had a well-developed network and more experience in operating in a competitive foreign exchange market.

Regulations on foreign exchange deposits further limited the competitiveness of the free market. Foreign exchange accounts became legal in April 1993, but were subject to restrictions. For instance, they could not be credited with export proceeds or receipts from real estate transactions, and the use of funds in these accounts required the filing of extensive documentation.

1/ Only rates on transactions with the public were used to calculate the official free-market rate (interbank quotes were disregarded).

4. Return to a unified system

In accordance with the Structural Adjustment Program approved by the National Assembly in November 1992, the authorities adopted a unified exchange rate system on July 11, 1994. Initially, the unified exchange rate was managed by the Central Bank, but as of mid-October the rate was allowed to float freely (see Section I).

Table 1. Suriname: Selected Macroeconomic Indicators

	1990	1991	1992	1993	Est. 1994
<u>(Annual percentage change)</u>					
Real GDP (at 1980 prices)	0.1	2.9	4.3	-3.0	-0.8
Real GDP per capita	-0.5	2.8	3.9	-2.8	-0.7
Consumer price index					
Annual average	21.8	26.0	43.7	143.4	357.0
End of year	31.6	30.0	57.5	224.7	486.2
Broad money (end of period)	4.2	23.4	19.5	72.3	167.3
<u>(In percent of GDP)</u>					
<u>Central government finances</u>					
Revenues	33.1	28.4	23.2	12.5	26.8
External grants	3.3	1.8	8.3	20.1	27.1
Current expenditures	38.5	46.1	40.2	37.0	56.3
Net lending	0.8	0.5	0.2	0.1	...
Capital expenditures	3.2	1.1	2.2	3.4	5.6
Current account deficit (-)	-2.6	-16.3	-9.0	-6.8	-7.8
Overall deficit (-)	-6.1	-17.5	-11.0	-7.9	-8.1
Overall deficit plus Central Bank's exchange losses (-)	-6.1	-17.5	-11.8	-19.5	-13.0
<u>(In millions of U.S. dollars)</u>					
<u>External transactions</u>					
Merchandise exports	550.7	462.3	490.0	443.3	420.8
Merchandise imports	558.4	580.2	600.8	520.5	489.4
Balance on goods and nonfactor services	-55.4	-152.2	-134.3	-86.1	-73.8
Current account balance	35.4	-76.9	18.0	5.9	39.8
Overall balance	13.1	-50.2	-16.2	-16.2	-1.4
<u>(In millions of U.S. dollars at end of period)</u>					
Gross official foreign reserves	39.6	25.4	36.4	41.4	36.2
Net official foreign reserves	37.3	-12.9	-28.9	-45.1	-46.6
Of which: payments arrears	2.2	21.0	32.0	48.0	44.2

Sources: Central Bank of Suriname; General Bureau of Statistics; Ministry of Finance; and Fund staff estimates.

Table 2. Suriname: Government Tax Revenues ^{1/}
(In millions of Suriname guilders)

	1990	1991	1992	1993	Est. 1994
Tax revenues	637.3	758.0	793.2	994.8	11,220.7
Direct taxes	346.9	412.5	384.9	610.1	5,598.8
Income taxes	335.1	397.1	372.1	596.6	5,573.1
Individual income taxes	153.0	227.8	251.5	424.7	1,380.4
Wage tax	143.7	209.3	226.6	391.4	1,275.9
Self-employed income tax	9.3	18.5	24.9	33.3	104.5
Profit tax on companies	182.1	169.3	120.6	171.8	4,192.7
of which: bauxite companies	112.0	57.3	26.2	95.6	3,638.2
Wealth tax	0.7	1.3	1.7	2.0	4.6
Dividend tax	7.9	4.0	2.1	2.0	22.7
Rental value tax	0.1	3.0	1.6	1.8	1.0
Other	11.1	14.1	11.1	11.6	21.1
Indirect taxes	290.4	345.5	408.3	384.7	5,621.9
Consumption taxes	104.1	133.4	160.6	170.8	827.9
Liquor	13.8	10.5	14.1	14.6	20.1
Beer	15.8	14.3	9.7	16.4	22.0
Tobacco	29.7	25.7	26.0	31.4	106.4
Lottery	5.6	4.7	4.2	5.2	3.9
Entertainment	1.3	1.6	3.4	4.5	6.6
Motor vehicles	18.0	19.1	30.6	34.8	30.3
Motor fuel	19.8	57.5	72.6	63.9	604.7
Soft drinks	--	--	--	--	34.0
Taxes on international trade	184.3	209.8	244.9	207.7	4,680.7
Customs duty	157.8	177.5	216.0	176.4	3,841.9
of which: bauxite companies	...	...	...	...	1,207.2
Statistical fees	18.6	22.9	21.9	24.0	465.3
of which: bauxite companies	5.4	5.0	4.8	5.3	144.8
Consent rights	6.2	7.4	5.3	7.1	371.5
of which: bauxite companies	1.8	1.6	1.2	1.6	54.5
Wood export tax	--	--	--	0.1	2.0
Export and re-export taxes	1.6	2.0	1.7	...	...
Other taxes	2.1	2.3	2.8	6.1	113.3
Tax on alumina production	1.6	1.8	1.6	3.4	97.0
Other	0.5	0.5	1.2	2.7	15.9
Memorandum items not included above:					
Employees' contributions to					
Pension Fund	40.2	46.9	51.5	70.4	433.6
Medical Fund	17.1	19.4	22.5	27.2	203.8
Old Age Fund	19.1	24.1	26.5	38.4	195.1

Sources: Ministry of Finance; and Fund staff estimates.

^{1/} Excludes tax revenues from unidentified sources. As a result, figures may differ from those in Statistical Appendix Table 22.

Table 3. Suriname: Government Tax Revenues

(In percentage of total tax revenues)

	1990	1991	1992	1993	Est. 1994
<u>Tax revenues</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Direct taxes	54.4	54.4	48.5	61.3	49.9
Income taxes	52.6	52.4	46.9	60.0	49.7
Individual income taxes	24.0	30.1	31.7	42.7	12.3
Wage tax	22.5	27.6	28.6	39.3	11.4
Self-employed income tax	1.5	2.4	3.1	3.4	0.9
Profit tax on companies	28.6	22.3	15.2	17.3	37.4
of which: bauxite companies	17.6	7.6	3.3	9.6	32.4
Wealth tax	0.1	0.2	0.2	0.2	--
Dividend tax	1.2	0.5	0.3	0.2	0.2
Rental value tax	--	0.4	0.2	0.2	--
Other	1.7	1.9	1.4	1.2	0.2
Indirect taxes	45.6	45.6	51.5	38.7	50.1
Consumption taxes	16.3	17.6	20.2	17.2	7.4
Liquor	2.2	1.4	1.8	1.5	0.2
Beer	2.5	1.9	1.2	1.6	0.2
Tobacco	4.7	3.4	3.3	3.2	0.9
Lottery	0.9	0.6	0.5	0.5	--
Entertainment	0.2	0.2	0.4	0.5	0.1
Motor vehicles	2.8	2.5	3.9	3.5	0.3
Motor fuel	3.1	7.6	9.2	6.4	5.4
Soft drinks	--	--	--	--	0.3
Taxes on international trade	28.9	27.7	30.9	20.9	41.7
Customs duty	24.8	23.4	27.2	17.7	34.2
of which: bauxite companies	...	...	...	...	10.8
Statistical fees	2.9	3.0	2.8	2.4	4.1
of which: bauxite companies	0.8	0.7	0.6	0.5	1.3
Consent rights	1.0	1.0	0.7	0.7	3.3
of which: bauxite companies	0.3	0.2	0.1	0.2	0.5
Wood export tax	--	--	--	--	--
Export and re-export taxes	0.3	0.3	0.2	...	...
Other taxes	0.3	0.3	0.3	0.6	1.0
Tax on alumina production	0.3	0.2	0.2	0.3	0.9
Other	0.1	0.1	0.1	0.3	0.1

Source: Table 2.

Table 4 Suriname: Expenditures on Social Programs

(In millions of Suriname guilders)

	1993	Est. 1994
<u>Total expenditures on social programs</u>	<u>608</u>	<u>6,858</u>
<u>Ministry of Social Affairs</u>	<u>248</u>	<u>660</u>
Medical care (GHK)	13	123
Direct income support (FB)	25	72
Supplemental emergency benefit	--	48
Public pension system (AOV)	178	310
Child allowance (AKB)	11	25
Food, school supplies, and school clothing for children	9	44
Subsidies to social institutions	12	38
<u>Ministry of Education</u>	<u>95</u>	<u>432</u>
School feeding program	--	35
Study allowances, school transport, and school clothing <u>1/</u>	42	24
Subsidies to private schools and the University of Suriname <u>2/</u>	53	373
<u>Ministry of Labor</u>	<u>--</u>	<u>102</u>
Training program for small entrepreneurs	--	15
Social Investment Fund (SIF)	--	87
<u>Ministry of Trade and Industry <u>3/</u></u>	<u>54</u>	<u>1,052</u>
Subsidies on rice, milk, bread, cooking oil, and sugar	54	1,052
<u>Ministry of Natural Resources</u>	<u>112</u>	<u>4,414</u>
Subsidies on water, electricity, and cooking gas	112	2,567
Vehicle fuel subsidy	--	1,847
<u>Ministry of Health</u>	<u>99</u>	<u>198</u>
Subsidies to medical institutions	99	198
<u>Memorandum items</u>		
Total government revenues	3,477	25,196
Total government expenditures	4,321	28,971
GDP at market prices	10,673	46,799

Sources: Ministry of Social Affairs; Warwick Research Institute; and Statistical Appendix Table 25.

1/ Excludes the costs of school transport in 1994. Those costs amounted to Sf 35 million in 1993.

2/ Data on expenditures on public schools are not available.

3/ No estimate is available for the cost of the food parcel program in 1993.

Table 5. Suriname: Solvency Requirements

(In percent)

Assets Requiring Solvency Coverage	Required Coverage From Owned Assets
A. Bills of exchange and discounted promissory notes	5.0
B. Granting of credits:	
Covered by mortgages	5.0
Other covered credit	7.5
Uncovered	10.0
C. Other debit positions requiring solvency coverage	10.0
D. Participations	
In financial institutions	100.0
In other enterprises	20.0
E. Real estate	15.0
F. Movable property, including inventory	20.0
G. Liabilities through guarantees, security bonds, and letters of credit to the extent that they are not covered by payments, bank guarantees, and/or equally valid assets not covered by solvency requirements	2.5
H. Uncovered voluntary foreign exchange positions	2.5

Source: Central Bank of Suriname.

Table 6. Suriname: Summary of Average Commercial Bank Interest Rates

(In percent)

	1989	1990	1991	1992	1993
Nominal deposit rates	4.6	4.7	4.8	4.6	5.4
Time deposits	5.9	6.0	6.1	5.8	7.7
Savings deposits	3.5	3.4	3.5	3.5	3.1
Nominal lending rate	9.2	9.4	9.8	9.8	13.2
Real deposit rates <u>1/</u>	2.5	-20.4	-19.4	-33.6	-67.5
Time deposits	3.8	-19.5	-18.4	-32.8	-66.8
Savings deposits	1.4	-21.4	-20.4	-34.3	-68.3
Real lending rate <u>1/</u>	7.0	-16.8	-15.5	-30.3	-65.1
<u>Memorandum item</u>					
CPI (percentage change end-of-period)	2.0	31.6	30.0	57.5	224.7

Sources: Central Bank of Suriname; and Fund staff estimates.

1/ Nominal rates deflated by the end-of-period rate of increase in the consumer price index.

Table 7. Suriname: Composition of Broad Money

	1989	1990	1991	1992	1993
(In millions of Suriname guilders)					
<u>Currency in circulation and</u>					
<u>total deposits</u>	<u>3,602.2</u>	<u>3,752.4</u>	<u>4,632.0</u>	<u>5,534.5</u>	<u>9,534.6</u>
Currency in circulation	874.2	958.2	1,143.0	1,347.2	2,669.6
Demand deposits	1,270.0	1,268.3	1,707.6	1,818.4	2,865.1
Savings deposits	575.1	795.3	982.0	1,427.9	2,100.8
Time deposits	882.9	730.6	799.4	941.0	1,899.1
(In percent of broad money)					
<u>Currency in circulation and</u>					
<u>total deposits</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Currency in circulation	24.3	25.5	24.7	24.3	28.0
Demand deposits	35.3	33.8	36.9	32.9	30.0
Savings deposits	16.0	21.2	21.2	25.8	22.0
Time deposits	24.5	19.5	17.3	17.0	19.9

Source: Central Bank of Suriname.

Table 8. Suriname: Output and Expenditure

(In millions of Suriname guilders at current prices)

	1989	1990	1991	1992	Prel. 1993
<u>Gross domestic expenditure</u>	<u>2,424.2</u>	<u>2,896.4</u>	<u>3,674.5</u>	<u>5,066.4</u>	<u>10,752.5</u>
Consumption	1,853.0	2,233.8	2,924.9	3,911.8	8,276.0
Private <u>1/</u>	1,016.4	1,455.5	1,919.2	2,518.2	5,351.9
Central Government	836.6	778.3	1,005.7	1,393.6	2,924.1
Gross investment	571.3	662.3	749.6	1,154.7	2,476.6
Private <u>1/</u>	484.4	566.4	711.1	1,046.5	2,112.9
Central Government	86.9	96.2	38.5	108.2	363.7
Of which:					
fixed capital formation	455.4	585.5	589.3	917.5	1,989.5
change in inventories	115.8	77.1	160.3	237.1	487.0
<u>Gross domestic saving</u>	<u>839.2</u>	<u>793.2</u>	<u>699.6</u>	<u>1,104.7</u>	<u>2,396.6</u>
Private sector <u>1/</u>	1,122.2	857.2	1,278.3	1,540.6	2,870.2
Central Government	-283.0	-64.0	-578.7	-435.9	-473.6
<u>Resource balance</u>	<u>267.9</u>	<u>130.6</u>	<u>-50.0</u>	<u>-50.0</u>	<u>-80.0</u>
Exports of goods and nonfactor services	1,022.6	975.0	1,000.0	1,450.0	2,800.0
Imports of goods and nonfactor services	754.7	844.4	1,050.0	1,500.0	2,880.0
<u>GDP at market prices</u>	<u>2,692.1</u>	<u>3,027.0</u>	<u>3,624.5</u>	<u>5,016.4</u>	<u>10,672.5</u>
Factor receipts	1.7	4.0	2.5	1.3	0.3
Factor payments abroad (-)	-12.8	-15.9	-19.3	-25.7	-25.7
<u>GNP at market prices</u>	<u>2,681.0</u>	<u>3,015.1</u>	<u>3,607.7</u>	<u>4,992.0</u>	<u>10,647.1</u>

Sources: Data provided by the Surinamese authorities; and Fund staff estimates.

1/ Includes public entities other than the Central Government.

Table 9. Suriname: Aggregate Demand and Supply at Current Prices

	1989	1990	1991	1992	Prel 1993
<u>(Annual percentage change)</u>					
<u>Gross domestic expenditure</u>	<u>9.9</u>	<u>19.5</u>	<u>26.9</u>	<u>37.9</u>	<u>112.2</u>
Consumption	4.1	20.6	30.9	33.7	111.6
Private <u>1/</u>	5.1	43.2	31.9	31.2	112.5
Central Government	2.8	-7.0	29.2	38.6	109.8
Gross investment	34.3	16.0	13.1	54.0	114.5
Private <u>1/</u>	34.7	16.9	25.6	47.2	101.9
Public	31.7	10.7	60.0	181.0	236.1
<u>Exports of goods and nonfactor services</u>	<u>50.2</u>	<u>-4.7</u>	<u>2.6</u>	<u>45.0</u>	<u>93.1</u>
<u>Imports of goods and nonfactor services</u>	<u>33.3</u>	<u>11.9</u>	<u>24.3</u>	<u>42.9</u>	<u>92.0</u>
<u>GDP at market prices</u>	<u>16.2</u>	<u>12.4</u>	<u>19.7</u>	<u>38.4</u>	<u>112.8</u>
<u>(In percent of GDP at current market prices)</u>					
<u>Gross domestic expenditure</u>	<u>90.0</u>	<u>95.7</u>	<u>101.4</u>	<u>101.0</u>	<u>100.7</u>
Consumption	68.8	73.8	80.7	78.0	77.5
Private <u>1/</u>	37.8	48.1	53.0	50.2	50.1
Central Government	31.1	25.7	27.7	27.8	27.4
Gross investment	21.2	21.9	20.7	23.0	23.2
Private	18.0	18.7	19.6	20.9	19.8
Public	3.2	3.2	1.1	2.2	3.4
<u>Gross domestic saving</u>	<u>31.2</u>	<u>26.2</u>	<u>19.3</u>	<u>22.0</u>	<u>22.5</u>
Private sector <u>1/</u>	41.7	28.3	35.3	30.7	26.9
Public sector	-10.5	-2.1	-16.0	-8.7	-4.4
<u>Resource balance</u>	<u>10.0</u>	<u>4.3</u>	<u>-1.4</u>	<u>-1.0</u>	<u>-0.7</u>
Exports of goods and nonfactor services	38.0	32.2	27.6	28.9	26.2
Imports of goods and nonfactor services	-28.0	-27.9	-29.0	-29.9	-27.0

Sources: Statistical Appendix Table 8.

1/ Includes public entities other than the Central Government.

Table 10. Suriname: Gross Domestic Product by Sector

	1989	1990	1991	1992	Prel. 1993
<u>(In millions of Suriname guilders at current prices)</u>					
<u>GDP at factor cost</u>	<u>2,488.1</u>	<u>2,800.2</u>	<u>3,384.4</u>	<u>4,705.8</u>	<u>10,463.6</u>
Primary sector	333.5	405.2	491.7	776.9	2,556.3
Agriculture, animal husbandry, forestry, and fishing	243.6	313.6	402.5	673.4	2,306.8
Mining and quarrying	89.9	91.6	89.2	103.5	249.6
Secondary sector	593.0	672.7	754.5	1,003.0	2,286.9
Manufacturing	321.0	371.5	388.0	498.9	1,493.8
Construction	177.9	193.4	222.8	353.2	561.6
Electricity, gas, and water	94.1	107.8	143.7	151.0	231.5
Services	1,561.7	1,722.3	2,138.3	2,925.9	5,620.4
Trade, restaurants, and hotels	514.2	572.5	711.5	1,089.4	2,786.0
Transportation, storage, and communication	166.5	180.2	235.1	326.4	734.2
Financial institutions, housing, real estate, business services	540.9	624.4	739.6	953.2	1,568.1
Public administration and defense	514.0	527.1	677.5	843.3	933.6
Personal, social, and other community services	35.1	34.6	34.0	36.2	40.1
Imputed bank service charges	-209.0	-216.5	-259.4	-322.6	-441.6
<u>Indirect taxes minus subsidies</u>	<u>204.0</u>	<u>226.8</u>	<u>240.1</u>	<u>310.6</u>	<u>208.9</u>
<u>GDP at market prices</u>	<u>2,692.1</u>	<u>3,027.0</u>	<u>3,624.5</u>	<u>5,016.4</u>	<u>10,672.5</u>
<u>(In percent of GDP at factor cost)</u>					
Primary sector	13.4	14.5	14.5	16.5	24.4
Secondary sector	23.6	24.0	22.3	21.3	21.9
Services	62.9	61.5	63.2	62.2	53.7

Sources: General Bureau of Statistics; and Fund staff estimates.

Table 11. Suriname: Real Gross Domestic Product by Sector

	1989	1990	1991	1992	Prel. 1993
<u>(In millions of Suriname guilders at 1980 prices)</u>					
<u>GDP at factor cost</u>	<u>1,406.1</u>	<u>1,406.9</u>	<u>1,448.0</u>	<u>1,510.8</u>	<u>1,465.5</u>
Primary sector	260.3	258.9	284.9	293.8	299.6
Agriculture, animal husbandry, forestry, and fishing	129.1	130.2	154.5	156.2	147.4
Mining and quarrying	131.2	128.7	130.5	137.7	152.2
Secondary sector	359.7	364.9	360.0	382.2	347.0
Manufacturing	181.0	182.6	176.8	178.5	168.4
Construction	68.1	58.7	57.4	68.3	49.1
Electricity, gas and water	110.6	123.6	125.7	135.4	129.5
Services	786.2	783.0	803.1	834.9	818.9
Trade, restaurants, and hotels	182.9	170.6	168.3	179.4	188.4
Transportation, storage, and communication	76.9	75.6	89.0	93.2	92.3
Financial institutions, housing, real estate, business services	245.7	250.8	257.1	270.6	271.8
Public administration and defense	375.5	382.1	388.8	395.8	378.7
Personal, social, and other community services	19.0	20.0	16.2	15.6	13.8
Imputed bank service charges	-113.8	-116.1	-116.3	-119.7	-126.1
<u>Indirect taxes minus subsidies</u>	<u>115.3</u>	<u>115.3</u>	<u>118.7</u>	<u>123.9</u>	<u>120.2</u>
<u>GDP at market prices</u>	<u>1,521.4</u>	<u>1,522.2</u>	<u>1,566.7</u>	<u>1,634.7</u>	<u>1,585.6</u>
<u>(In percent of GDP at factor cost)</u>					
Primary sector	18.5	18.4	19.7	19.4	20.4
Secondary sector	25.6	25.9	24.9	25.3	23.7
Services	55.9	55.7	55.5	55.3	55.9

Sources: General Bureau of Statistics; and Fund staff estimates.

Table 12. Suriname: Real GDP (at 1980 Prices)

(Annual percentage change)

	1989	1990	1991	1992	1993
<u>GDP at factor cost</u>	<u>4.2</u>	<u>0.1</u>	<u>2.9</u>	<u>4.3</u>	<u>-3.0</u>
Primary sector	1.9	-0.5	10.0	3.1	2.0
Agriculture, animal husbandry, forestry, and fishing	-2.4	0.9	18.6	1.1	-5.6
Mining and quarrying	6.6	-1.9	1.4	5.5	10.5
Secondary sector	0.9	1.5	-1.3	6.1	-9.2
Manufacturing	1.5	0.9	-3.2	0.9	-5.6
Construction	-10.3	-13.7	-2.2	18.9	-28.1
Electricity, gas, and water	8.3	11.7	1.8	7.7	-4.4
Services	6.6	-0.4	2.6	4.0	-1.9
Trade, restaurants, and hotels	32.1	-6.7	-1.3	6.6	5.0
Transportation, storage, and communication	-4.8	-1.7	17.7	4.7	-1.0
Financial institutions, housing, real estate, business services	6.7	2.1	2.5	5.3	0.5
Public administration and defense	1.3	1.8	1.8	1.8	-4.3
Personal, social, and other community services	-7.9	5.1	-18.8	-4.0	-11.7
Imputed bank service charges	9.7	2.0	0.2	2.9	5.4

Sources: Statistical Appendix Table 11.

Table 13. Suriname: Agriculture, Livestock, and Fisheries--Production Data

(In metric tons unless otherwise indicated)

	1989	1990	1991	1992	Prel. 1993
Agricultural production					
Paddy	260,895	196,010	229,260	261,080	236,264
Bananas	45,943	47,943	49,971	49,886	49,493
Plantains	8,766	7,757	17,082	13,197	18,518
Oil palm fruit	13,953	7,695	7,814	10,640	8,681
Sugarcane	18,492	725	729	--	--
Vegetables <u>1/</u>	15,483	23,153	33,122	37,725	43,615
Peanuts	410	571	414	428	477
Cacao and coffee	69	63	82	64	59
Other food crops	5,071	9,118	12,520	15,690	17,560
Citrus	15,242	15,992	16,005	16,916	19,023
Coconuts <u>2/</u>	11,270	10,956	12,086	9,522	11,762
Planted area <u>3/</u>					
Rice					
Physical area	49,600	48,200	48,200	48,200	48,200
Planted area	69,860	52,005	60,085	68,750	58,640
Crop intensity <u>4/</u>	1.41	1.08	1.25	1.43	1.22
Bananas	2,076	2,073	2,116	2,131	2,170
Plantains	352	375	663	622	966
Oil Palm	6,128	5,425	4,835	4,625	4,163
Sugarcane	2,495	2,273	2,291	2,245	2,245
Citrus	2,239	2,275	2,425	2,506	2,544
Yield <u>5/</u>					
Paddy	3.73	3.77	3.82	3.80	4.03
Bananas	22.13	23.13	23.62	23.41	22.81
Plantains	24.90	20.69	25.76	21.22	19.17
Oil palm fruit	2.28	1.42	1.62	2.30	2.09
Sugarcane	7.41	0.32	0.34	--	--
Livestock					
Meat production					
Beef	2,059	2,243	2,667	2,637	2,183
Pork	1,605	1,650	1,975	1,449	1,400
Chicken	9,636	12,576	9,528	8,932	6,755
Eggs <u>6/</u>	60.0	61.0	61.0	40.0	60.0
Size of herd <u>2/</u>					
Cows and oxen					
Of which: milk cows	89.0	92.0	92.0	95.0	97.0
Pigs	25.1	31.9	30.8	31.0	36.0
Chickens	6,883	8,384	6,806	5,955	4,504
Fisheries					
Catch					
Shrimp	2,454	2,929	3,083	2,836	2,700
Crab/other seaproducts	2,987	3,385	8,037	8,160	7,121

Source: Ministry of Agriculture, Animal Husbandry, and Fishing.

1/ Cabbage, tomatoes, and green vegetables.2/ In thousands of units.3/ In hectares4/ The ratio of planted to physical area; reflects areas with two harvests.5/ In metric tons per hectare.6/ In millions of units.

Table 14. Suriname: Bauxite Sector - Production Data

	1989	1990	1991	1992	1993
<u>(In thousands of metric tons)</u>					
<u>Bauxite</u>					
Production	3,461	3,283	3,134	3,250	3,413
Processed into alumina	3,388	3,338	3,271	3,237	3,012
Change in stocks	73	-55	-137	13	401
<u>Alumina</u>					
Production	1,567	1,532	1,510	1,576	1,507
Exports	1,553	1,473	1,449	1,514	1,426
Processed into aluminum	55	61	60	63	59
Change in stocks	-41	-2	1	-1	22
<u>Aluminum</u>					
Production	28.4	31.3	30.7	32.4	30.1
Exports	26.1	31.9	26.3	34.5	28.7
Change in stocks	2.3	-0.6	4.4	-2.1	1.4
<u>(Percentage change)</u>					
<u>Bauxite</u>					
Production	0.8	-5.1	-4.5	3.7	5.0
<u>Alumina</u>					
Production	-4.0	-2.2	-1.4	4.4	-4.4
Exports	-4.7	-5.2	-1.6	4.5	-5.8
<u>Aluminum</u>					
Production	189.8	10.2	-1.9	5.5	-7.1
Exports	243.4	22.2	-17.6	31.2	-16.8
<u>(In thousands of metric tons)</u>					
<u>World totals</u>					
Bauxite production	107,603	115,545	115,254	108,178	113,526
Alumina production	31,537	32,894	33,947	33,771	35,168
Aluminum production	19,137	19,383	19,692	19,452	19,805
<u>(In percent)</u>					
<u>Suriname's market share</u>					
Bauxite production	3.22	2.84	2.72	3.00	3.01
Alumina production	4.97	4.66	4.45	4.67	4.29
Aluminum production	0.15	0.16	0.16	0.17	0.15

Sources: Central Bank of Suriname; Bauxite Institute of Suriname; and World Metal Statistics.

Table 15. Suriname: World Production, Consumption,
and Changes in Stocks of Primary Aluminum

(In thousands of metric tons)

	1989	1990	1991	1992	Prel. 1993
Total world production	19,137	19,383	19,692	19,452	19,805
Total world consumption	19,255	19,046	18,490	19,173	19,354
Surplus or deficit (-) in production	-118	337	1,202	279	451
<u>Memorandum item</u>					
World price of aluminum <u>1</u> / (percent change)	88.5 23.4	74.4 15.9	59.2 20.5	57.0 -3.7	51.8 -9.1

Sources: World Metal Statistics, various issues, London; International Financial Statistics; and Fund staff estimates.

1/ U.S. cents per pound.

Table 16. Suriname: Selected Manufacturing Production

	Units	1989	1990	1991	1992
Wheat flour	metric tons	18,605	20,744	15,408	19,685
Pasteurized milk	thousand liters	11,196	10,684	16,727	15,342
Margarine	metric tons	558	755	386	578
Sugar	metric tons	42	--	--	--
Beer and stout	thousand liters	11,678	12,218	12,218	6,608
Cattle fodder	metric tons	51,812	80,107	32,483	24,217
Cigarettes	million units	526	487	337	419
Shoes	thousand units	106	110	137	112
Cooking oil	thousand liters	2,928	1,603	1,069	1,504
Cement	thousand metric tons	52	55	24	14
Soft drinks	thousand liters	29,379	16,715	26,530	10,168
Processed wood	cubic meters	43,000	44,100	39,500	42,700

Source: General Bureau of Statistics.

Table 17. Suriname: Consumer Price Index - Paramaribo and Suburbs

	Total Index (1.000)	Food and Beverages (0.400)	Housing and Furnishings (0.236)	Clothing and Footwear (0.110)	Other Expenses (0.254)
<u>(Index 1969 = 100)</u>					
<u>Period average</u>					
1989	667.8	742.6	564.7	940.7	527.9
1990	813.2	964.3	644.9	1,012.7	645.3
1991	1,024.3	1,144.3	837.8	1,397.8	846.8
1992	1,471.1	1,772.7	1,102.8	1,869.9	1,168.2
1993	3,582.4	4,678.1	2,589.7	4,100.8	2,560.7
<u>End of period</u>					
1989	671.0	760.4	543.7	992.9	509.0
1990	882.8	1,004.8	710.8	1,127.6	744.3
1991	1,147.8	1,308.6	907.3	1,631.0	908.8
1992	1,808.4	2,249.6	1,250.9	2,108.5	1,501.5
1993	5,871.9	7,815.2	4,060.4	6,657.9	4,165.0
<u>(Change in percent)</u>					
<u>Period average</u>					
1989	0.8	1.6	-2.7	12.4	-5.1
1990	21.8	29.9	14.2	7.7	22.3
1991	26.0	18.7	29.9	38.0	31.2
1992	43.7	54.9	31.6	33.8	37.9
1993	143.4	163.9	134.8	119.3	119.2
<u>End of period</u>					
1989	2.0	8.6	-7.4	14.3	-9.9
1990	31.6	32.1	30.7	13.6	46.2
1991	30.0	30.2	27.6	44.6	22.1
1992	57.5	71.9	37.9	29.3	65.2
1993	224.7	247.4	224.6	215.8	177.4

Source: General Bureau of Statistics.

Table 18. Suriname: Employment by Sector 1/

(Number of employees)

	1989	1990	1991	1992	Prel. 1993
Total	67,837	66,053	65,717	66,020	64,475
Mining	3,242	3,242	3,303	3,303	3,242
Manufacturing	6,944	6,279	6,427	6,501	6,870
Utilities	1,304	1,292	1,267	1,205	1,181
Construction	1,909	1,644	1,571	1,571	1,329
Trade	4,224	4,303	4,463	4,542	4,622
Transportation, storage and communication	2,315	2,051	2,072	2,051	2,051
Banking	1,319	1,359	1,389	1,409	1,439
Insurance	407	407	426	459	505
Other services	1,920	1,920	1,939	2,118	2,118
Government	44,254	43,558	42,861	42,861	41,118

Sources: General Bureau of Statistics; and Fund staff estimates.

1/ Companies or entities with nine employees or more.

Table 19. Suriname: Average Gross Labor Cost Per Employee

(Annual percentage change)

	1989	1990	1991	1992	Prel. 1993
<u>Total</u>	<u>8.8</u>	<u>2.0</u>	<u>16.8</u>	<u>22.5</u>	<u>61.6</u>
Mining	8.8	-2.4	7.3	17.6	104.6
Industry	16.8	2.1	12.5	26.4	47.6
Manufacturing	7.9	6.3	11.9	23.0	62.3
Construction	11.7	8.1	31.2	21.7	8.4
Trade	-0.5	11.6	6.2	28.1	48.1
Transportation, storage, and communication	7.2	13.0	4.1	20.7	78.5
Banking	1.7	4.4	21.8	14.4	31.7
Insurance	6.7	10.7	8.5	13.0	65.1
Other services	--	29.6	-3.6	15.8	29.1
Government	11.5	-3.0	30.5	24.5	51.3
<u>Memorandum item</u>					
Consumer price index (period average)	0.8	21.8	26.0	43.7	143.4

Sources: General Bureau of Statistics; and Fund staff estimates.

Table 20. Suriname: Population Data

	1989	1990	1991	1992	1993
<u>(In thousands)</u>					
Total population (end of year)	403.1	403.7	404.2	405.9	404.8
Net migration (during year)	-3.3	-6.2	-6.0	-5.4	-7.6
Natural increase (during year)	7.5	6.8	6.5	7.1	6.5
<u>(In percent)</u>					
Rate of population increase	1.1	0.1	0.1	0.4	-0.3
Natural rate of increase	1.9	1.7	1.6	1.7	1.6

Source: General Bureau of Statistics.

Table 21. Suriname: Central Government Operations

	1989	1990	1991	1992	1993
(In millions of Suriname guilders)					
<u>Revenues and grants</u>	<u>931.7</u>	<u>1,101.2</u>	<u>1,094.1</u>	<u>1,581.9</u>	<u>3,476.8</u>
Revenues	862.3	1,001.6	1,029.7	1,166.0	1,333.9
Grants	69.4	99.6	64.4	415.9	2,142.9
Balance of payments support grants	--	--	--	267.4	802.9
Bridging aid	41.8	51.8	11.9	45.7	38.3
Other Dutch grants	19.8	36.3	34.5	61.6	1,142.2
Other grants	7.8	11.5	18.0	41.2	159.5
<u>Expenditures and net lending</u>	<u>1,317.0</u>	<u>1,286.2</u>	<u>1,729.5</u>	<u>2,134.4</u>	<u>4,320.7</u>
Current expenditures <u>1/</u>	1,214.7	1,165.2	1,672.8	2,017.8	3,950.4
Net lending	15.4	24.8	18.2	8.4	6.6
Capital expenditures	86.9	96.2	38.5	108.2	363.7
<u>Current account deficit (-)</u>	<u>-290.2</u>	<u>-78.6</u>	<u>-590.6</u>	<u>-452.6</u>	<u>-726.0</u>
<u>Overall deficit (-)</u>	<u>-385.3</u>	<u>-185.0</u>	<u>-635.4</u>	<u>-552.4</u>	<u>-843.9</u>
<u>Financing (net)</u>	<u>385.3</u>	<u>185.0</u>	<u>635.4</u>	<u>552.4</u>	<u>843.9</u>
Domestic and adjustments	372.1	181.9	617.8	550.4	1,071.3
Domestic	411.0	66.5	625.0	118.4	1,370.9
Central bank (net)	427.3	-373.0	621.7	-64.1	1,165.3
Advances	469.5	-321.1	633.3	251.3	1,732.2
Blocked counterpart balance of payments support	--	--	--	-267.4	-534.8
Blocked counterpart bridging aid	-41.8	-51.8	-11.9	-45.7	0.3
Blocked counterpart PL-480	--	--	--	--	-16.0
Other deposits	-0.4	-0.1	0.3	-2.3	-16.4
Commercial banks	-21.3	57.1	-25.8	47.0	202.7
Bonds	--	445.4	--	134.4	--
Other	5.0	-63.0	29.1	1.1	2.9
Adjustments	-38.9	115.4	-7.2	432.0	-299.5
External	13.2	3.1	17.6	2.0	-227.4
Disbursements	17.2	9.5	17.0	18.9	16.4
Amortization <u>1/</u>	-5.8	-4.3	-16.2	-26.6	-258.3
Arrears <u>1/</u>	1.8	-2.1	16.8	9.7	14.5
<u>Memorandum item</u>					
Central Bank's exchange losses (-)	...	...	...	-38.9	-1,232.3
(In percent of GDP)					
<u>Revenues and grants</u>	<u>34.4</u>	<u>36.4</u>	<u>30.2</u>	<u>31.5</u>	<u>32.6</u>
Revenues	31.8	33.1	28.4	23.2	12.5
Grants	2.6	3.3	1.8	8.3	20.1
<u>Expenditures and net lending</u>	<u>48.6</u>	<u>42.5</u>	<u>47.7</u>	<u>42.5</u>	<u>40.5</u>
Current expenditures	44.8	38.5	46.1	40.2	37.0
Net lending	0.6	0.8	0.5	0.2	0.1
Capital expenditures	3.2	3.2	1.1	2.2	3.4
<u>Current account deficit (-)</u>	<u>-10.7</u>	<u>-2.6</u>	<u>-16.3</u>	<u>-9.0</u>	<u>-6.8</u>
<u>Overall deficit (-)</u>	<u>-14.2</u>	<u>-6.1</u>	<u>-17.5</u>	<u>-11.0</u>	<u>-7.9</u>
Central Bank financing	15.8	-12.3	17.2	-1.3	10.9
Other financing	-1.6	18.4	0.3	12.3	-3.0
<u>Memorandum item</u>					
Overall deficit plus Central Bank exchange losses (-)	-14.2	-6.1	-17.5	-11.8	-19.5

Sources: Ministry of Finance; Central Bank of Suriname; Embassy of the Netherlands in Suriname; and Fund staff estimates.

1/ Debt service on external debt and external arrears are valued at Sf 1.8 per U.S. dollar.

Table 22. Suriname: Government Revenues and Grants

	1989	1990	1991	1992	1993
(In millions of Suriname guilders)					
<u>Total revenues and grants</u>	<u>931.7</u>	<u>1,101.1</u>	<u>1,094.1</u>	<u>1,582.0</u>	<u>3,476.8</u>
<u>Current revenues and grants</u>	<u>912.7</u>	<u>1,081.0</u>	<u>1,088.7</u>	<u>1,577.2</u>	<u>3,471.8</u>
<u>Current revenues</u>	<u>843.3</u>	<u>981.4</u>	<u>1,024.3</u>	<u>1,161.3</u>	<u>1,328.9</u>
<u>Tax revenues</u>	<u>528.5</u>	<u>622.3</u>	<u>746.0</u>	<u>823.8</u>	<u>879.9</u>
<u>Direct taxes</u>	<u>293.5</u>	<u>355.8</u>	<u>419.2</u>	<u>436.4</u>	<u>495.5</u>
Income taxes	259.4	335.1	397.1	372.1	596.6
Individual income taxes	141.6	153.0	227.8	251.5	424.7
Wage tax	134.8	143.7	209.3	226.6	391.4
Self-employed income tax	6.8	9.3	18.5	24.9	33.3
Profit tax on companies	117.8	182.1	169.3	120.6	171.8
of which: bauxite companies	...	112.0	57.3	26.2	95.6
Wealth tax	0.3	0.7	1.3	1.7	2.0
Dividend tax	3.8	7.9	4.0	2.1	2.0
Rental value tax	0.4	0.1	3.0	1.6	1.8
Other	8.7	11.1	14.1	11.1	11.6
Float <u>1/</u>	25.1	8.9	6.7	51.5	-114.6
<u>Indirect taxes</u>	<u>235.0</u>	<u>266.5</u>	<u>326.8</u>	<u>387.4</u>	<u>384.4</u>
Consumption taxes	72.0	104.1	133.4	160.6	170.8
Liquor	2.3	13.8	10.5	14.1	14.6
Beer	10.6	15.8	14.3	9.7	16.4
Tobacco	15.5	29.7	25.7	26.0	31.4
Lottery	5.1	5.6	4.7	4.2	5.2
Entertainment	1.2	1.3	1.6	3.4	4.5
Motor vehicles	17.5	18.0	19.1	30.6	34.8
Motor fuel	19.8	19.8	57.5	72.6	63.9
Taxes on international trade	169.4	184.3	209.8	244.9	207.7
Customs duty	145.6	157.8	177.5	216.0	176.4
Statistical fees	15.9	18.6	22.9	21.9	24.0
of which: bauxite companies	...	5.4	5.0	4.8	5.3
Consent rights	6.1	6.2	7.4	5.3	7.1
of which: bauxite companies	...	1.8	1.6	1.2	1.6
Wood export tax	--	--	--	--	0.1
Export and re-export taxes	1.8	1.6	2.0	1.7	...
Other taxes	1.9	2.1	2.3	2.8	6.1
Tax on alumina production	1.5	1.6	1.8	1.6	3.4
Other	0.4	0.5	0.5	1.2	2.7
Float <u>1/</u>	-8.3	-23.9	-18.7	-20.9	-0.3
<u>Nontax revenues</u>	<u>314.8</u>	<u>359.1</u>	<u>278.3</u>	<u>337.5</u>	<u>449.0</u>
Pension contributions	40.9	40.2	46.9	51.5	70.4
Medical fund contributions	17.5	17.1	19.4	22.5	27.2
Old age fund contributions	18.3	19.1	24.1	26.5	38.4
Central bank profits	115.8	153.6	90.9	153.1	150.0
Post office	5.3	8.7	8.6	7.4	16.9
Administrative fees, fines, etc.	117.0	120.4	88.4	76.5	146.0
<u>Grants</u>	<u>69.4</u>	<u>99.6</u>	<u>64.4</u>	<u>415.9</u>	<u>2,142.9</u>
<u>Capital revenues</u>	<u>19.0</u>	<u>20.1</u>	<u>5.4</u>	<u>4.8</u>	<u>5.0</u>

Sources: Ministry of Finance; Embassy of the Netherlands in Suriname; and Fund staff estimates.

1/ Includes the difference between total receipts for the tax group and the individual components reported by collecting agencies.

Table 23. Suriname: Government Revenues and Grants

	1989	1990	1991	1992	1993
(In percent of GDP)					
<u>Total revenues and grants</u>	<u>34.4</u>	<u>36.4</u>	<u>30.2</u>	<u>31.5</u>	<u>32.6</u>
<u>Current revenues and grants</u>	<u>33.7</u>	<u>35.7</u>	<u>30.1</u>	<u>31.4</u>	<u>32.6</u>
<u>Current revenues</u>	<u>31.1</u>	<u>32.4</u>	<u>28.3</u>	<u>23.1</u>	<u>12.5</u>
<u>Tax revenues</u>	<u>19.5</u>	<u>20.6</u>	<u>20.6</u>	<u>16.4</u>	<u>8.2</u>
Direct taxes	10.8	11.8	11.6	8.7	4.6
Income taxes	9.6	11.1	11.0	7.4	5.6
Individual income taxes	5.2	5.1	6.3	5.0	4.0
Wage tax	5.0	4.7	5.8	4.5	3.7
Self-employed income tax	0.3	0.3	0.5	0.5	0.3
Profit tax on companies	4.3	6.0	4.7	2.4	1.6
of which: bauxite companies	--	3.7	1.6	0.5	0.9
Wealth tax	--	--	--	--	--
Dividend tax	0.1	0.3	0.1	--	--
Rental value tax	--	--	0.1	--	--
Other	0.3	0.4	0.4	0.2	0.1
Float 1/	0.9	0.3	0.2	1.0	-1.1
Indirect taxes	8.7	8.8	9.0	7.7	3.6
Consumption taxes	2.7	3.4	3.7	3.2	1.6
Liquor	0.1	0.5	0.3	0.3	0.1
Beer	0.4	0.5	0.4	0.2	0.2
Tobacco	0.6	1.0	0.7	0.5	0.3
Lottery	0.2	0.2	0.1	0.1	--
Entertainment	--	--	--	0.1	--
Motor vehicles	0.6	0.6	0.5	0.6	0.3
Motor fuel	0.7	0.7	1.6	1.4	0.6
Taxes on international trade	6.3	6.1	5.8	4.9	1.9
Customs duty	5.4	5.2	4.9	4.3	1.7
Statistical fees	0.6	0.6	0.6	0.4	0.2
of which: bauxite companies	--	0.2	0.1	0.1	--
Consent rights	0.2	0.2	0.2	0.1	0.1
of which: bauxite companies	--	0.1	--	--	--
Wood export tax	--	--	--	--	--
Export and re-export taxes	0.1	0.1	0.1	--	--
Other taxes	0.1	0.1	0.1	0.1	0.1
Tax on alumina production	0.1	0.1	--	--	--
Other	--	--	--	--	--
Float 1/	-0.3	-0.8	-0.5	-0.4	--
<u>Nontax revenues</u>	<u>11.6</u>	<u>11.9</u>	<u>7.7</u>	<u>6.7</u>	<u>4.2</u>
Pension contributions	1.5	1.3	1.3	1.0	0.7
Medical fund contributions	0.6	0.6	0.5	0.4	0.3
Old age fund contributions	0.7	0.6	0.7	0.5	0.4
Central bank profits	4.3	5.1	2.5	3.1	1.4
Post office	0.2	0.3	0.2	0.1	0.2
Administrative fees, fines, etc.	4.3	4.0	2.4	1.5	1.4
<u>Grants</u>	<u>2.6</u>	<u>3.3</u>	<u>1.8</u>	<u>8.3</u>	<u>20.1</u>
<u>Capital revenues</u>	<u>0.7</u>	<u>0.7</u>	<u>0.1</u>	<u>0.1</u>	<u>--</u>
(In percent of imports)					
Taxes on imports	4.5	3.4	3.6	2.8	0.8

Source: Statistical Appendix Tables 8, 22 and 31.

1/ Includes the difference between total receipts for the tax group and the individual components reported by collecting agencies.

Table 24. Suriname: Central Government Expenditures

	1989	1990	1991	1992	1993
(In millions of Suriname guilders)					
<u>Total expenditures and net lending</u>	<u>1,317.0</u>	<u>1,286.2</u>	<u>1,729.5</u>	<u>2,134.4</u>	<u>4,320.7</u>
<u>Current expenditures</u>	<u>1,214.7</u>	<u>1,165.2</u>	<u>1,672.8</u>	<u>2,017.8</u>	<u>3,950.4</u>
Wages and salaries	541.4	530.9	645.2	886.9	1,163.7
of which: allowances	118.9	130.9	139.7	188.7	253.9
Current transfers	239.2	247.2	494.3	421.4	742.8
Private entities	8.0	0.8	--	--	--
Public entities subsidies and tariff subsidies	30.9	39.7	86.8	76.8	175.5
Welfare and social services	200.3	206.7	407.5	344.6	567.2
Pensions to civil servants <u>1/</u>	43.8	50.0	61.0	107.3	104.2
Advances to medical funds <u>2/</u>	36.0	40.0	58.0	59.7	52.8
Welfare	65.0	51.3	172.4	142.2	258.8
Health	24.1	38.3	83.2	14.9	98.6
Education	31.4	27.1	32.9	20.5	52.8
Interest	138.9	139.7	172.8	202.8	283.6
Domestic	134.6	134.3	166.9	188.5	219.2
External <u>3/</u>	4.3	5.4	5.9	14.3	64.4
Goods and services	295.2	247.4	360.5	506.7	1,760.4
Out of blocked accounts	--	--	--	--	306.7
Out of European Communities grants	1.1	1.2	0.7	1.6	38.8
Out of Dutch grants	12.8	24.7	23.5	32.2	668.2
Other	281.3	221.5	336.3	472.9	746.7
<u>Net lending</u>	<u>15.4</u>	<u>24.8</u>	<u>18.2</u>	<u>8.4</u>	<u>6.6</u>
<u>Capital expenditures</u>	<u>86.9</u>	<u>96.2</u>	<u>38.5</u>	<u>108.2</u>	<u>363.7</u>
Out of European Communities grants	5.8	8.4	6.0	9.1	85.3
Out of Dutch grants	1.4	6.2	5.9	7.6	167.0
Other	79.7	81.6	26.6	91.5	111.4
<u>Memorandum item</u>					
Military expenditures	80.0	85.3	113.8	116.1	162.3
(In percent of GDP)					
<u>Total expenditures and net lending</u>	<u>48.6</u>	<u>42.5</u>	<u>47.7</u>	<u>42.5</u>	<u>40.5</u>
<u>Current expenditures</u>	<u>44.8</u>	<u>38.5</u>	<u>46.1</u>	<u>40.2</u>	<u>37.0</u>
Wages and salaries	20.0	17.5	17.8	17.7	10.9
Current transfers	8.8	8.2	13.6	8.4	7.0
Public entities	1.1	1.3	2.4	1.5	1.6
Other	7.7	6.9	11.2	6.9	5.3
Interest	5.1	4.6	4.8	4.0	2.7
Goods and services	10.9	8.2	9.9	10.1	16.5
<u>Net lending</u>	<u>0.6</u>	<u>0.8</u>	<u>0.5</u>	<u>0.2</u>	<u>0.1</u>
<u>Capital expenditures</u>	<u>3.2</u>	<u>3.2</u>	<u>1.1</u>	<u>2.2</u>	<u>3.4</u>

Sources: Ministry of Finance; Embassy of the Netherlands in Suriname; and Fund staff estimates.

1/ Relates to payments made directly to those eligible to receive pensions.

2/ Relates to payments made directly to providers of medical services.

3/ Interest on external debt is valued at Sf 1.8 per U.S. dollar.

Table 25. Suriname: Central Government Subsidies,
Net Transfers, and Lending

	1989	1990	1991	1992	1993
<u>(In millions of Suriname guilders)</u>					
<u>Total</u>	<u>254.8</u>	<u>272.1</u>	<u>512.5</u>	<u>429.8</u>	<u>749.4</u>
<u>Social services and transfers</u>	<u>200.4</u>	<u>206.8</u>	<u>407.5</u>	<u>344.6</u>	<u>567.3</u>
Pensions to civil servants	43.8	50.0	61.0	107.3	104.2
Advances to Medical Fund	36.0	40.0	58.0	59.7	52.8
Welfare	65.1	51.4	172.4	142.2	258.8
Old Age Fund (AOV)	46.5	33.9	95.5	110.9	178.0
Child Allowance Fund (AKB)	10.8	10.6	67.9	24.3	11.4
Welfare Fund	5.0	4.1	5.9	5.3	25.3
Other welfare	2.8	2.8	3.1	1.7	44.1
Health	24.1	38.3	83.2	14.9	98.6
Education	31.4	27.1	32.9	20.5	52.8
Of which: University	18.5	11.7	15.8	11.3	45.9
<u>Subsidies and lending to public entities</u>	<u>46.4</u>	<u>64.5</u>	<u>105.0</u>	<u>85.2</u>	<u>182.1</u>
Subsidies	31.0	39.7	86.7	76.8	175.5
SML Wageningen	10.7	5.7	13.4	10.0	--
Shipping company	3.7	1.8	1.7	10.2	6.6
Sugar company	8.0	19.1	11.1	16.2	13.4
Dairy plant	--	4.2	6.0	2.5	18.5
Electricity company	6.3	6.6	4.7	--	77.0
Surexco	--	--	47.1	36.0	21.9
Water supply	--	--	--	--	34.7
Other	2.3	2.3	2.7	1.9	3.4
Lending	15.4	24.8	18.3	8.4	6.6
Grassalco	--	0.3	5.9	--	--
Palm oil estates	1.4	1.8	8.1	4.0	--
Para industries	1.0	--	--	--	--
Dairy plant	0.6	--	--	--	--
Suriname timber	2.4	1.6	1.5	1.5	2.0
State Oil	5.7	--	--	--	--
Surexco	--	13.7	--	--	--
Other	4.3	7.4	2.8	2.9	4.6
<u>Subsidies to private entities</u>	<u>8.0</u>	<u>0.8</u>	<u>--</u>	<u>--</u>	<u>--</u>

Sources: Ministry of Finance; and Fund staff estimates.

Table 26. Suriname: Central Government Debt

	1989	1990	1991	1992	1993
<u>(In millions of Suriname guilders; end of period)</u>					
<u>Domestic debt</u>	<u>2,949.0</u>	<u>3,078.5</u>	<u>3,674.4</u>	<u>3,791.7</u>	<u>5,259.7</u>
Banking system (net)	2,940.9	2,625.0	3,220.9	3,203.8	4,571.8
Central Bank	2,903.7	2,530.7	3,152.4	3,088.3	4,253.6
Commercial banks	37.2	94.3	68.5	115.5	318.2
Other <u>1/</u>	8.1	453.5	453.5	587.9	687.9
<u>(In millions of U.S. dollars; end of period)</u>					
<u>External debt</u>	<u>99.6</u>	<u>101.3</u>	<u>117.8</u>	<u>124.1</u>	<u>126.3</u>
Current debt	97.3	100.2	107.3	108.1	102.2
Arrears	2.3	1.1	10.5	16.0	24.1
<u>(In percent of GDP)</u>					
<u>Total debt</u>	<u>133.7</u>	<u>125.5</u>	<u>127.4</u>	<u>101.0</u>	<u>75.1</u>
Domestic debt	110.0	102.1	101.8	76.0	49.4
External debt <u>2/</u>	23.7	23.4	25.5	25.0	25.7

Sources: Ministry of Finance; Central Bank of Suriname; and Fund staff estimates.

1/ Mainly government bonds.

2/ Based on a GDP in U.S. dollars estimated by the staffs of the World Bank and the Fund, using an average of prevailing exchange rates including the parallel market rate.

Table 27. Suriname: Summary Accounts of the Banking System

(In millions of Suriname guilders)

	December 31				
	1989	1990	1991	1992	1993
I. Monetary Authorities					
<u>Net international reserves</u>	43.5	66.6	-23.0	-51.5	-3,809.0
Assets 1/	51.7	70.6	45.3	64.9	3,498.5
Liabilities 2/	-8.2	-3.9	-68.4	-116.4	-7,307.5
<u>Net other foreign assets</u>	-70.9	-64.5	-68.1	-24.3	-1,653.3
<u>Net domestic assets</u>	2,730.2	2,506.9	3,153.6	3,394.2	12,801.2
Net claims on the public sector	2,895.0	2,520.3	3,142.5	3,078.4	4,243.8
Net central government (budget)	2,903.7	2,530.7	3,152.5	3,088.4	4,253.6
Assets 3/	2,948.4	2,627.3	3,260.6	3,511.9	5,244.1
Liabilities	-2.9	-3.0	-2.7	-5.0	-21.4
Blocked Account	-41.8	-93.6	-105.5	-418.6	-969.1
Net other central government	-8.7	-10.4	-9.9	-9.9	-9.9
Liabilities	-8.7	-10.4	-9.9	-9.9	-9.9
Credit to the private sector	15.2	15.3	15.4	1.1	1.5
Official capital and surplus	-34.5	-34.5	-34.5	-34.5	-34.5
Exchange losses	--	--	--	38.9	1,271.2
Net unclassified assets	-145.5	5.8	30.2	310.3	7,319.2
Assets 2/	76.2	84.8	139.8	169.4	7,646.3
Liabilities	-221.7	-78.9	-109.7	-140.9	-327.0
<u>Counterpart unrequited foreign exchange</u>	99.9	91.6	88.5	55.9	1,621.6
Allocation of SDRs	18.2	19.7	19.8	19.0	19.3
Valuation adjustment, IMF accounts	1.3	-2.0	-1.6	-0.9	-1.1
Valuation adjustment, gold and foreign exchange 1/	80.5	74.0	70.3	37.8	1,603.4
<u>Net liabilities to commercial banks</u>	1,296.9	1,339.2	1,767.5	1,912.8	3,047.7
Currency	58.3	76.3	87.5	90.9	186.2
Demand deposits	1,241.1	1,263.2	1,680.4	1,823.5	2,865.1
Other liabilities	-2.4	-0.3	-0.4	-1.6	-3.5
<u>Liabilities to the private sector</u>	1,306.0	1,078.2	1,206.5	1,349.6	2,669.6
Currency in circulation 3/	874.2	958.2	1,143.0	1,347.2	2,669.6
Time deposits	431.8	120.0	63.5	2.4	--
II. Commercial Banks					
<u>Net international reserves</u>	20.2	27.7	26.2	16.2	101.4
Assets	21.2	27.7	26.2	16.2	473.1
Liabilities	-1.1	--	--	--	-371.7
<u>Net other foreign assets</u>	-112.4	-135.5	-148.3	-146.9	-6,561.1
<u>Monetary reserves and currency holdings</u>	1,299.4	1,339.5	1,767.8	1,914.4	3,051.3
<u>Net domestic assets</u>	1,289.4	1,705.5	2,094.2	2,798.2	10,943.9
Net claims on the public sector	117.6	183.4	185.9	199.5	369
Net central government (budget)	37.2	94.3	68.5	115.5	318.2
Assets	60.0	117.7	108.0	141.0	421.2
Liabilities	-22.8	-23.5	-39.5	-25.5	-103.0
Net decentralized agencies	80.4	89.2	117.4	84.0	50.8
Assets	80.4	89.2	117.4	84.0	50.8
Credit to the private sector	1,145.5	1,453.8	1,809.4	2,464.1	4,248.2
Net unclassified assets	26.3	68.3	98.9	134.6	6,326.7
Assets	558.8	299.2	270.5	208.2	8,639.8
Liabilities	-532.4	-230.9	-171.6	-73.6	-2,313.1

Table 27. Suriname: Summary Accounts of the Banking System (Concluded)

(In millions of Suriname guilders)

	December				
	1989	1990	1991	1992	1993
<u>Liabilities to monetary authorities</u>	2.4	0.3	0.4	1.6	3.5
<u>Liabilities to the private sector</u>	2,495.1	2,936.8	3,739.6	4,579.5	7,531.9
Demand deposits	1,270.0	1,268.3	1,707.6	1,818.4	2,865.1
Time, savings and foreign currency deposits	1,026.2	1,405.9	1,718.0	2,366.5	3,999.9
Other liabilities	22.5	17.2	18.2	25.5	23.6
Private capital and surplus	176.4	245.4	295.9	369.1	643.3
III. Banking System					
<u>Net international reserves</u>	63.6	94.3	3.2	-35.3	-3,707.6
Assets 1/	72.9	98.2	71.6	81.1	3,971.6
Liabilities 2/	-9.3	-3.9	-68.4	-116.4	-7,679.2
<u>Net other foreign assets</u>	-183.2	-200.0	-216.4	-171.1	-8,214.4
<u>Net domestic assets</u>	4,019.5	4,212.4	5,247.8	6,192.3	23,745.1
Net claims on the public sector	3,012.6	2,703.7	3,328.4	3,277.9	4,612.8
Net central government (budget)	2,940.9	2,625.0	3,220.9	3,203.8	4,571.9
Assets 3/	3,008.4	2,745.0	3,368.7	3,652.9	5,665.3
Liabilities	-25.7	-26.5	-42.3	-30.4	-124.3
Blocked account	-41.8	-93.6	-105.5	-418.6	-969.1
Net other central government	-8.7	-10.4	-9.9	-9.9	-9.9
Liabilities	-8.7	-10.4	-9.9	-9.9	-9.9
Net decentralized agencies	80.4	89.2	117.4	84.0	50.8
Assets	80.4	89.2	117.4	84.0	50.8
Official capital and surplus	-34.5	-34.5	-34.5	-34.5	-34.5
Credit to the private sector	1,160.6	1,469.1	1,824.8	2,465.2	4,249.8
Exchange losses	--	--	--	38.9	1,271.2
Net unclassified assets	-119.2	74.1	129.1	444.9	13,645.9
Assets 2/	634.9	383.9	410.3	377.6	16,285.1
Liabilities	-754.2	-309.8	-281.2	-67.2	-2,640.2
<u>Counterpart unrequited</u>					
<u>foreign exchange</u>	99.9	91.6	88.5	55.9	1,621.6
Allocation of SDR's	18.2	19.7	19.8	19.0	19.3
Valuation adjustment, IMF accounts	1.3	-2.0	-1.6	-0.9	-1.1
Valuation adjustment, gold and foreign exchange 1/	80.5	74.0	70.3	37.8	1,603.4
<u>Liabilities to the private sector</u>	3,801.1	4,015.1	4,946.1	5,929.1	10,201.5
Monetary liabilities (money)	2,144.1	2,226.5	2,850.6	3,165.6	5,534.7
Currency in circulation 3/	874.2	958.2	1,143.0	1,347.2	2,669.6
Demand deposits	1,270.0	1,268.3	1,707.6	1,818.4	2,865.1
Other liabilities	1,480.5	1,543.1	1,799.6	2,394.5	4,023.5
Time, savings and foreign currency deposits	1,458.0	1,525.9	1,781.4	2,368.9	3,999.9
Other liabilities	22.5	17.2	18.2	25.5	23.6
Private capital and surplus	176.4	245.4	295.9	369.1	643.3
<u>Memorandum item</u>					
External arrears included above	8.0	3.9	37.5	57.1	4,055.0

Sources: Central Bank of Suriname; and Fund staff estimates.

1/ Gold is valued at market prices.

2/ Includes external payments arrears.

3/ Includes Central Government issue of coins.

Table 28. Suriname: Banking System Liabilities to the Private Sector, End of Period

	1989	1990	1991	1992	1993
<u>(Annual percentage change)</u>					
<u>Total liabilities</u>	<u>17.8</u>	<u>5.6</u>	<u>23.2</u>	<u>19.9</u>	<u>72.1</u>
<u>Money and quasi-money</u>	<u>18.2</u>	<u>4.2</u>	<u>23.4</u>	<u>19.5</u>	<u>72.3</u>
Money	11.2	3.8	28.0	11.1	74.8
Currency in circulation	10.9	9.6	19.3	17.9	98.2
Demand deposits	11.4	-0.1	34.6	6.5	57.6
Quasi-money	30.2	4.7	16.7	33.0	68.8
Time, savings, and foreign currency deposits	30.2	4.7	16.7	33.0	68.8
<u>Private capital and surplus</u>	<u>13.4</u>	<u>39.1</u>	<u>20.6</u>	<u>24.7</u>	<u>74.3</u>
<u>Other liabilities</u>	<u>3.3</u>	<u>-23.8</u>	<u>6.0</u>	<u>40.1</u>	<u>-7.7</u>
<u>(In percent of GDP)</u>					
<u>Total liabilities</u>	<u>141.2</u>	<u>132.6</u>	<u>136.5</u>	<u>118.2</u>	<u>95.6</u>
<u>Money and quasi-money</u>	<u>133.8</u>	<u>124.0</u>	<u>127.8</u>	<u>110.3</u>	<u>89.3</u>
Money	79.6	73.6	78.6	63.1	51.9
Currency in circulation	32.5	31.7	31.5	26.9	25.0
Demand deposits	47.2	41.1	47.1	36.2	26.8
Quasi-money	54.2	50.4	49.1	47.2	37.5
Time, savings, and foreign currency deposits	54.2	50.4	49.1	47.2	37.5
<u>Private capital and surplus</u>	<u>6.6</u>	<u>8.1</u>	<u>8.1</u>	<u>7.4</u>	<u>6.0</u>
<u>Other liabilities</u>	<u>0.8</u>	<u>0.6</u>	<u>0.5</u>	<u>0.5</u>	<u>0.2</u>

Source: Statistical Appendix Table 27.

Table 29. Suriname: Distribution of Commercial Bank Credit by Destination 1/

	December				
	1989	1990	1991	1992	1993
(In millions of Suriname guilders)					
<u>Total credit outstanding</u>	<u>1,284.3</u>	<u>1,659.1</u>	<u>2,032.7</u>	<u>2,684.4</u>	<u>3,319.7</u>
Agriculture	225.4	227.6	262.6	313.6	375.5
Fishery	6.9	6.6	10.2	18.0	24.6
Forestry	4.1	12.9	15.7	7.5	10.1
Mining	46.8	69.8	74.0	85.7	37.6
Manufacturing	123.5	175.4	209.3	252.8	358.2
Construction	38.8	57.1	81.0	136.0	171.7
Utilities	--	--	--	--	1.3
Commerce	346.6	457.6	546.3	856.4	1,160.6
Transport and communications	27.0	33.6	54.9	73.3	92.0
Services	59.7	78.0	96.3	165.5	201.4
Housing	166.2	205.4	258.5	352.9	396.6
Other	239.3	335.1	423.9	422.7	490.1
(In percent of total)					
Agriculture	17.6	13.7	12.9	11.7	11.3
Fishery	0.5	0.4	0.5	0.7	0.8
Forestry	0.3	0.8	0.8	0.3	0.3
Mining	3.6	4.2	3.6	3.2	1.1
Manufacturing	9.6	10.6	10.3	9.4	10.8
Construction	3.0	3.4	4.0	5.1	5.2
Utilities	--	--	--	--	--
Commerce	27.0	27.6	26.9	31.9	35.0
Transport and communications	2.1	2.0	2.7	2.7	2.8
Services	4.6	4.7	4.7	6.2	6.1
Housing	12.9	12.4	12.7	13.1	11.9
Other	18.6	20.2	20.9	15.7	14.7

Source: Central Bank of Suriname.

1/ Figures may differ from those in Statistical Appendix Tables 27 and 30 because they were obtained from different sources.

Table 30. Suriname: Loans and Deposits of Commercial Banks by Interest Rates ^{1/} _{2/}

	1989	1990	1991	1992	1993
<u>(In thousands of Suriname guilders)</u>					
<u>Lending rate</u>					
Up to 2	26,941	23,944	22,316	22,219	267
2-3	--	--	--	3,877	--
3-4	30,019	30,012	30,006	30,000	5,000
4-5	4,134	1,839	4,121	13,711	1,367
5-6	68,200	56,060	35,293	38,508	38,324
6-7	51,337	78,458	98,421	83,414	15,074
7-8	78,153	98,305	73,630	121,889	16,444
8-9	315,382	390,440	301,348	363,107	87,526
9-10	513,967	669,261	1,046,824	1,515,544	442,744
Over 10	192,636	262,333	375,453	427,036	2,017,391
<u>Total</u>	<u>1,280,769</u>	<u>1,610,652</u>	<u>1,987,412</u>	<u>2,619,305</u>	<u>2,624,137</u>
Total interest earnings	118,022	151,734	194,823	255,429	346,582
Average rate	9.21	9.42	9.80	9.75	13.21
<u>Deposit rate</u>					
Up to 2	1,364,312	1,355,014	1,826,247	1,965,555	3,040,952
2-3	13,595	9,895	172	150	551,799
3-4	572,307	796,055	826,523	1,444,225	837,983
4-5	114,438	105,733	261,260	221,851	117,138
5-6	132,546	173,288	238,503	203,754	251,043
6-7	81,992	150,346	209,561	183,594	210,566
7-8	90,164	149,750	181,608	160,288	316,157
8-9	37,231	38,240	15,841	135,384	136,358
9-10	16	--	--	--	97,640
Over 10	--	--	--	--	187,675
<u>Total</u>	<u>2,406,601</u>	<u>2,778,321</u>	<u>3,559,715</u>	<u>4,314,801</u>	<u>5,747,311</u>
Total interest payments	48,082	66,652	82,396	107,204	147,719
Average deposit rate	4.61	4.68	4.75	4.56	5.44
<u>(In percent of total)</u>					
<u>Lending rate</u>					
Up to 2	2.1	1.5	1.1	0.8	--
2-3	--	--	--	0.1	--
3-4	2.3	1.9	1.5	1.1	0.2
4-5	0.3	0.1	0.2	0.5	0.1
5-6	5.3	3.5	1.8	1.5	1.5
6-7	4.0	4.9	5.0	3.2	0.6
7-8	6.1	6.1	3.7	4.7	0.6
8-9	24.6	24.2	15.2	13.9	3.3
9-10	40.1	41.6	52.7	57.9	16.9
Over 10	15.0	16.3	18.9	16.3	76.9
<u>Deposit rate</u>					
Up to 2	56.7	48.8	51.3	45.6	52.9
2-3	0.6	0.4	--	--	9.6
3-4	23.8	28.7	23.2	33.5	14.6
4-5	4.8	3.8	7.3	5.1	2.0
5-6	5.5	6.2	6.7	4.7	4.4
6-7	3.4	5.4	5.9	4.3	3.7
7-8	3.7	5.4	5.1	3.7	5.5
8-9	1.5	1.4	0.4	3.1	2.4
9-10	--	--	--	--	1.7

Source: Central Bank of Suriname.

^{1/} Rates are in percent per annum.^{2/} Figures may differ from those in Statistical Appendix Tables 27 and 29 because they were obtained from different sources.

Table 31. Suriname: Summary Balance of Payments 1/

(In millions of U.S. dollars)

	1989	1990	1991	1992	1993
<u>Current account</u>	<u>167.2</u>	<u>35.4</u>	<u>-76.9</u>	<u>18.0</u>	<u>5.9</u>
Trade balance	143.5	-7.7	-117.9	-110.8	-77.2
Merchandise exports (f.o.b.)	620.3	550.7	462.3	490.0	443.3
Of which: bauxite sector	488.6	404.7	301.8	284.4	254.5
Merchandise imports	-476.8	-558.4	-580.2	-600.8	-520.5
Services and private transfers (net)	-13.4	-14.4	6.1	25.6	36.1
Transportation and travel	-40.6	-48.9	-48.0	-38.9	-35.9
Other nonfactor services	-1.2	1.2	13.7	15.4	27.0
Factor income	-6.8	-8.6	-15.1	-10.9	-13.2
Unrequited private transfers	35.3	41.9	55.5	60.0	58.2
Official transfers (net)	37.1	57.5	34.9	103.2	47.0
<u>Capital account</u>	<u>-170.6</u>	<u>-20.4</u>	<u>22.6</u>	<u>-28.3</u>	<u>-17.1</u>
Medium- and long-term capital (net)	-172.2	-22.9	11.6	-44.8	-37.2
Official	-0.1	-4.1	-3.8	-6.8	-4.8
Private	-172.1	-18.8	15.4	-38.0	-32.4
Short-term capital (net) <u>2/</u>	1.6	2.5	11.0	16.5	20.1
<u>Errors and omissions</u>	<u>-2.9</u>	<u>-1.9</u>	<u>4.1</u>	<u>-5.9</u>	<u>-5.0</u>
<u>Overall balance</u>	<u>-6.3</u>	<u>13.1</u>	<u>-50.2</u>	<u>-16.2</u>	<u>-16.2</u>
<u>Net official reserves (increase -)</u>	<u>6.3</u>	<u>-13.1</u>	<u>50.2</u>	<u>16.2</u>	<u>16.2</u>
Of which: external payments arrears	2.2	-2.3	18.8	11.0	16.0
<u>Memorandum item</u>					
Current account balance as percentage of GDP <u>3/</u>	40.1	8.2	-16.6	3.6	1.2

Source: Statistical Appendix Table 32.

1/ On an accrual basis, there has been a large and rapidly growing discrepancy between imports as recorded by customs, and payments as recorded by the Central Bank. It is estimated that "own funds" imports are two-thirds financed by under-reporting of exports and one-third financed by under-reporting of receipts of services and private transfers. To correct for this problem, cash basis exports as reported by the Central Bank have been increased for 1989, 1990, 1991, 1992, and 1993 by US\$72 million, US\$86 million, US\$117 million, US\$150 million, and US\$153 million, respectively (two thirds of "own funds" imports of US\$109 million, US\$129 million, US\$176 million, US\$225 million, and US\$230 million, respectively). Similarly, receipts of services and private transfers have been increased by US\$36 million, US\$43 million, US\$59 million, US\$75 million, and US\$77 million, respectively.

2/ Includes changes in the commercial banks' net external position.

3/ Based on a GDP in U.S. dollars estimated by the staffs of the World Bank and the Fund, using an average of prevailing exchange rates including the parallel market rate.

Table 32. Suriname: Balance of Payments ^{1/}

(In millions of U.S. dollars)

	1989	1990	1991	1992	1993
<u>Current account</u>	<u>167.2</u>	<u>35.4</u>	<u>-76.9</u>	<u>18.0</u>	<u>5.9</u>
Credit	749.8	711.8	628.1	743.3	652.3
Debit	-582.7	-676.5	-705.0	-725.3	-646.4
Goods, services and income	94.9	-64.0	-167.3	-145.2	-99.3
Credit	670.2	603.6	526.9	565.7	537.8
Debit	-575.4	-667.6	-694.2	-710.9	-637.0
Trade balance	143.5	-7.7	-117.9	-110.8	-77.2
Exports (f.o.b.)	620.3	550.7	462.3	490.0	443.3
Of which: bauxite sector	488.6	404.7	301.8	284.4	254.5
Imports (f.o.b.) ^{2/}	-476.8	-558.4	-580.2	-600.8	-520.5
Of which: oil imports	-87.2	-106.9	-99.4	-96.2	-70.8
Services and income	-48.6	-56.3	-49.4	-34.4	-22.0
Transportation and insurance	-35.0	-37.3	-32.5	-29.7	-40.7
Credit	3.9	3.5	4.7	2.7	11.9
Debit	-38.9	-40.8	-37.2	-32.4	-52.6
Travel	-5.6	-11.6	-15.5	-9.2	4.9
Credit	4.4	0.6	0.8	2.1	7.6
Debit	-10.0	-12.2	-16.3	-11.3	-2.7
Other private services	9.0	12.2	24.8	25.2	34.3
Credit	36.4	43.1	53.7	67.4	73.0
Debit	-27.4	-30.9	-28.9	-42.2	-38.6
Government services	-10.2	-11.0	-11.1	-9.8	-7.4
Credit	4.2	3.5	4.0	2.8	1.9
Debit	-14.4	-14.5	-15.1	-12.6	-9.2
Labor income	-0.8	-1.2	-1.7	-1.6	-1.9
Debit	-0.8	-1.2	-1.7	-1.6	-1.9
Investment income	-6.0	-7.4	-13.4	-9.3	-11.3
Credit	1.0	2.2	1.4	0.7	0.1
Debit	-7.0	-9.6	-14.8	-10.0	-11.4
Unrequited transfers	72.3	99.4	90.4	163.2	105.2
Credit	79.6	108.3	101.2	177.6	114.5
Debit	-7.3	-8.9	-10.8	-14.4	-9.3
Private transfers	35.3	41.9	55.5	60.0	58.2
Credit	42.6	50.8	66.3	74.4	67.5
Debit	-7.3	-8.9	-10.8	-14.4	-9.3
Subsistence payments ^{2/}	28.4	34.1	43.9	46.0	40.1
Credit	32.3	38.8	49.0	49.9	42.4
Debit	-3.9	-4.7	-5.1	-3.9	-2.3
Private grants	8.9	10.4	13.7	18.1	18.7
Credit	9.2	11.1	15.1	21.9	21.3
Debit	-0.3	-0.7	-1.4	-3.8	-2.6
Migrants' transfers	-1.6	-2.2	-1.2	-3.2	0.4
Credit	1.1	0.9	2.2	2.6	3.8
Debit	-2.7	-3.1	-3.4	-5.8	-3.4
Workers' remittances	-0.4	-0.4	-0.9	-0.9	-1.0
Debit	-0.4	-0.4	-0.9	-0.9	-1.0
Official transfers	37.1	57.5	34.9	103.2	47.0
Credit ^{3/}	37.1	57.5	34.9	103.2	47.0

Table 32. Suriname: Balance of Payments 1/ (Concluded)

(In millions of U.S. dollars)

	1989	1990	1991	1992	1993
<u>Capital account</u>	<u>-170.6</u>	<u>-20.4</u>	<u>22.6</u>	<u>-28.3</u>	<u>-17.1</u>
Medium- and long-term capital	-172.2	-22.9	11.6	-44.8	-37.2
Credit	34.5	31.5	52.7	24.2	24.9
Debit	-206.7	-54.4	-41.1	-69.0	-62.1
Official	-0.1	-4.1	-3.8	-6.8	-4.8
Credit	9.6	5.3	9.4	10.6	6.3
Debit	-9.7	-9.4	-13.2	-17.4	-11.1
Long-term loans	0.2	-3.6	-3.3	-6.8	-4.8
Credit	9.6	5.3	9.4	10.6	6.3
Debit	-9.4	-8.9	-12.7	-17.4	-11.1
Other government	-0.3	-0.5	-0.5	--	--
Debit	-0.3	-0.5	-0.5	--	--
Private capital (including direct investment)	-172.1	-18.8	15.4	-38.0	-32.4
Credit	24.9	26.2	43.3	13.6	18.6
Debit	-197.0	-45.0	-27.9	-51.6	-51.0
Short-term capital	1.6	2.5	11.0	16.5	20.1
Official	0.1	0.1	--	0.4	--
Private, nonbank	-7.2	-3.4	3.4	12.2	27.9
Commercial banks 4/	8.7	5.8	7.6	3.9	-7.9
<u>Errors and omissions</u>	<u>-2.9</u>	<u>-1.9</u>	<u>4.1</u>	<u>-5.9</u>	<u>-5.0</u>
<u>Overall balance</u>	<u>-6.3</u>	<u>13.1</u>	<u>-50.2</u>	<u>-16.2</u>	<u>-16.2</u>
<u>Change in net official reserves</u>					
(increase -)	6.3	-13.1	50.2	16.2	16.2
Of which: external payments arrears	2.2	-2.3	18.8	11.0	16.0

Sources: Central Bank of Suriname; Embassy of the Netherlands in Suriname; and Fund staff estimates.

1/ On an accrual basis, there has been a large and rapidly growing discrepancy between imports as recorded by customs, and payments as recorded by the Central Bank. It is estimated that "own funds" imports are two-thirds financed by under-reporting of exports and one-third financed by under-reporting of receipts of services and private transfers. To correct for this problem, cash basis exports as reported by the Central Bank have been increased for 1989, 1990, 1991, 1992, and 1993 by US\$72 million, US\$86million, US\$117 million, US\$150 million, and US\$153 million, respectively (two thirds of "own funds" imports of US\$109 million, US\$129 million, US\$176 million, US\$225 million, and US\$230 million, respectively). Similarly, receipts of services and private transfers have been increased by US\$36 million, US\$43 million, US\$59 million, US\$75 million, and US\$77 million, respectively.

2/ Includes parcel imports of US\$30 million in 1989, US\$36 million in 1990, US\$45 million in 1991, US\$45 million in 1992 and US\$38 million in 1993.

3/ Includes Dutch bridging and humanitarian aid.

4/ Includes changes in the commercial banks' net external position.

Table 33. Suriname: International Reserves 1/

	December 31				
	1989	1990	1991	1992	1993
(In millions of Suriname guilders) <u>2/</u>					
<u>Banking system (net)</u>	63.6	94.3	3.2	-35.3	-3,707.6
Assets <u>1/</u>	72.9	98.2	71.6	81.1	3,971.6
Liabilities <u>3/</u>	-9.3	-3.9	-68.3	-116.4	-7,679.2
<u>Monetary authorities (net)</u>	43.5	66.6	-23.4	-51.5	-3,809.0
Assets <u>1/</u>	51.7	70.6	45.3	64.9	3,499.5
Liabilities <u>3/</u>	-8.2	-3.9	-68.4	-116.4	-7,308.5
<u>Commercial banks (net)</u>	20.2	27.7	26.2	16.2	101.4
Assets	21.2	27.7	26.2	16.2	473.1
Liabilities	-1.1	--	--	--	-371.7
(In millions of U.S. dollars)					
<u>Total net reserves</u>	35.7	52.8	1.8	-19.8	-43.9
Monetary authorities <u>1/3/</u>	24.4	37.3	-12.9	-28.9	-45.1
Commercial banks	11.3	15.5	14.7	9.1	1.2
<u>Gross reserves</u>					
Official <u>1/</u>	29.0	39.6	25.4	36.4	41.4
(months of imports)	0.7	0.9	0.5	0.7	1.0
Banking system <u>1/</u>	40.9	55.1	40.1	45.5	47.0
(months of imports)	1.0	1.2	0.8	0.9	1.1

Source: Central Bank of Suriname.

1/ Gold holdings are valued at market prices.

2/ The amounts in Suriname guilders are derived from the U.S. dollars amounts using the official rate (Sf 1.785 per U.S. dollar) for the years 1989-92 and the free rate (Sf 84.48 per U.S. dollar) for 1993.

3/ Adjusted for external payments arrears.

Table 34. Suriname: Exports by Major Categories

	1989	1990	1991	1992	1993
(In millions of U.S. dollars)					
<u>Total</u>	<u>620.3</u>	<u>550.7</u>	<u>462.3</u>	<u>490.0</u>	<u>443.3</u>
Bauxite derivatives	488.6	404.7	301.8	284.4	254.5
Alumina	437.3	354.1	261.7	240.1	219.5
Aluminum	51.4	50.6	40.1	44.3	35.0
Rice	31.8	25.4	22.0	26.5	26.8
Shrimp and fish	33.3	37.4	32.8	25.5	50.4
Lumber	2.4	0.7	0.7	1.5	2.2
Bananas and plantains	10.2	10.3	9.1	9.7	8.5
Crude oil	6.1	5.9	6.2	4.6	5.2
Other <u>1/</u>	48.0	66.2	89.7	137.6	95.7
(In percent)					
<u>Total</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Bauxite and derivatives	78.8	73.5	65.3	58.0	57.4
Alumina	70.5	64.3	56.6	49.0	49.5
Aluminum	8.3	9.2	8.7	9.0	7.9
Rice	5.1	4.6	4.8	5.4	6.1
Shrimp and fish	5.4	6.8	7.1	5.2	11.4
Lumber	0.4	0.1	0.1	0.3	0.5
Bananas and plantains	1.6	1.9	2.0	2.0	1.9
Crude oil	1.0	1.1	1.3	0.9	1.2
Other <u>1/</u>	7.7	12.0	19.4	28.1	21.6

Sources: General Bureau of Statistics; and Fund staff estimates.

1/ Includes estimates of under-reported exports.

Table 35. Suriname: Value, Volume, and Unit Price of Principal Exports

(Value in millions of U.S. dollars; volume in thousands of metric tons; and unit price in U.S. dollars per ton)

	1989	1990	1991	1992	Prel. 1993
<u>Alumina</u>					
Value	437.3	354.1	261.7	240.1	219.5
Volume	1,553.4	1,473.1	1,449.1	1,513.6	1,426.1
Unit price	281.5	240.4	180.6	158.6	153.9
<u>Aluminum</u>					
Value	51.4	50.6	40.1	44.3	35.0
Volume	26.1	31.9	26.3	34.5	28.7
Unit price	1,968.3	1,587.6	1,523.0	1,284.5	1,219.5
<u>Rice</u>					
Value	31.8	25.4	22.0	26.5	26.8
Volume	80.7	64.9	52.7	53.4	66.6
Unit price	393.6	391.9	416.7	496.2	402.9
<u>Bananas and plantains</u>					
Value	10.2	10.3	9.1	9.7	8.5
Volume	28.8	28.3	28.2	30.2	28.2
Unit price	354.0	364.2	323.8	322.8	300.0
<u>Shrimp</u>					
Value	32.0	35.7	32.2	23.1	47.8
Volume <u>1/</u>	2,499.7	3,312.9	3,065.4	1,934.3	3,262.0
Unit price <u>2/</u>	12.8	10.8	10.5	11.9	14.6
<u>Lumber</u>					
Value	2.4	0.7	0.7	1.5	1.1
Volume <u>3/</u>	12.0	2.2	2.2	6.1	2.0
Unit price <u>4/</u>	200.7	305.6	305.6	248.0	560.2
<u>Fish</u>					
Value	1.3	1.7	0.7	2.5	2.6
Volume <u>1/</u>	893.4	1,013.3	692.1	913.8	1,636.0
Unit price <u>2/</u>	1.4	1.7	1.0	2.7	1.6
<u>Crude oil</u>					
Value	6.1	5.9	6.2	4.6	5.2
Volume <u>5/</u>	65,540	58,198	65,002	35,256	42,343
Unit price <u>6/</u>	92.3	101.1	94.8	131.9	122.2

Sources: General Bureau of Statistics; Suriname Bauxite Institute; and Fund staff estimates.

- 1/ In thousands of kilograms.
- 2/ U.S. dollars per kilogram.
- 3/ In thousands of cubic meters.
- 4/ U.S. dollars per cubic meter.
- 5/ In thousands of liters.
- 6/ U.S. dollars per thousand liter.

Table 36. Suriname: Imports (c.i.f.) of Hydrocarbons

	1989	1990	1991	1992	1993
<u>(In thousands of barrels)</u>					
<u>Total</u>	<u>3,364</u>	<u>3,332</u>	<u>3,474</u>	<u>3,719</u>	<u>2,934</u>
Gasoline	523	534	556	582	476
Kerosene	147	156	198	150	113
Diesel	1,038	1,042	1,103	1,145	944
Heavy fuel	1,445	1,382	1,375	1,598	1,268
Liquified gas	158	160	166	178	102
Lubricants	49	53	63	45	24
Asphalt	4	5	13	21	6
<u>(In millions of U.S. dollars)</u>					
<u>Total</u>	<u>87.2</u>	<u>106.9</u>	<u>99.4</u>	<u>96.2</u>	<u>70.8</u>
Gasoline	14.5	19.4	17.9	16.9	12.4
Kerosene	4.4	6.2	6.2	4.5	9.9
Diesel	29.8	36.9	35.0	34.0	25.5
Heavy fuel	25.8	29.3	22.8	25.5	15.6
Liquified gas	5.5	6.2	6.1	6.6	3.8
Lubricants	7.1	8.7	11.0	7.8	3.2
Asphalt	0.1	0.2	0.3	1.0	0.4
Value in percent of GDP at market prices <u>1/</u>	20.9	24.7	21.5	19.4	14.4

Sources: Central Bank of Suriname; Ministry of Natural Resources; and Fund staff estimates.

1/ Based on a GDP in U.S. dollars estimated by the staffs of the World Bank and the Fund, using an average of prevailing exchange rates including the parallel market rate.

Table 37. Suriname: Imports by Economic Use ^{1/}

	1989	1990	1991	1992	1993
(In millions of U.S. dollars)					
<u>Total</u>	<u>476.8</u>	<u>558.4</u>	<u>580.2</u>	<u>600.8</u>	<u>520.5</u>
<u>Hydrocarbons (f.o.b.)</u>	<u>71.1</u>	<u>87.3</u>	<u>90.2</u>	<u>83.3</u>	<u>67.9</u>
<u>Raw materials</u>	<u>222.2</u>	<u>238.4</u>	<u>211.9</u>	<u>225.7</u>	<u>183.5</u>
Of which for:					
agriculture and fisheries	7.9	11.6	7.0	9.7	8.6
food, beverages, and tobacco	17.3	21.4	16.8	42.4	41.7
construction	22.6	32.3	36.3	44.8	43.4
textiles	7.9	9.0	7.9	7.4	5.6
other industries	166.6	164.1	143.9	121.3	84.2
<u>Consumer goods</u>	<u>99.7</u>	<u>142.3</u>	<u>164.4</u>	<u>186.9</u>	<u>179.4</u>
Food products	28.1	38.8	43.8	30.1	24.5
Beverages and cigarettes	4.8	6.9	9.3	11.0	11.6
Home appliances	17.0	27.9	23.2	25.8	23.4
Clothes and footwear	6.7	11.0	14.5	12.6	12.4
Cleaning products	2.9	2.7	3.9	1.8	1.3
Pharmaceuticals and cosmetics	9.5	13.3	14.0	14.9	13.4
Recreational items	6.1	10.4	10.9	38.8	42.3
Bicycles and mopeds	1.9	2.4	1.8	3.1	3.0
Passenger cars and motorcycles	13.8	16.5	28.5	37.4	37.5
Other	9.0	12.4	14.4	11.2	9.9
<u>Investment goods</u>	<u>83.8</u>	<u>90.5</u>	<u>113.7</u>	<u>104.9</u>	<u>89.8</u>
Transport equipment	35.1	30.4	48.1	35.3	29.1
Machinery parts for bauxite sector	7.1	8.1	8.6	7.7	6.1
Other	41.6	51.9	57.0	61.9	54.6
(In percent of total)					
<u>Total</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
<u>Hydrocarbons (f.o.b.)</u>	<u>14.9</u>	<u>15.6</u>	<u>15.5</u>	<u>13.9</u>	<u>13.0</u>
<u>Raw materials</u>	<u>46.6</u>	<u>42.7</u>	<u>36.5</u>	<u>37.6</u>	<u>35.2</u>
Of which for:					
agriculture and fisheries	1.7	2.1	1.2	1.6	1.7
food, beverages, and tobacco	3.6	3.8	2.9	7.1	8.0
construction	4.7	5.8	6.3	7.5	8.3
textiles	1.6	1.6	1.4	1.2	1.1
other industries	34.9	29.4	24.8	20.2	16.2
<u>Consumer goods</u>	<u>20.9</u>	<u>25.5</u>	<u>28.3</u>	<u>31.1</u>	<u>34.5</u>
Food products	5.9	6.9	7.5	5.0	4.7
Beverages and cigarettes	1.0	1.2	1.6	1.8	2.2
Home appliances	3.6	5.0	4.0	4.3	4.5
Clothes and footwear	1.4	1.9	2.5	2.1	2.4
Cleaning products	0.6	0.5	0.7	0.3	0.3
Pharmaceuticals and cosmetics	2.0	2.4	2.4	2.5	2.6
Recreational items	1.3	1.9	1.9	6.5	8.1
Bicycles and mopeds	0.4	0.4	0.3	0.5	0.6
Passenger cars and motorcycles	2.9	2.9	4.9	6.2	7.2
Other	1.9	2.2	2.5	1.8	1.9
<u>Investment goods</u>	<u>17.6</u>	<u>16.2</u>	<u>19.6</u>	<u>17.5</u>	<u>17.3</u>
Transport equipment	7.4	5.4	8.3	5.9	5.6
Machinery parts for bauxite sector	1.5	1.5	1.5	1.3	1.2
Other	8.7	9.3	9.8	10.3	10.5

Sources: General Bureau of Statistics; and Fund staff estimates.

^{1/} Net of re-exports.

Table 38. Suriname: Destination of Exports

	1989	1990	1991	1992	1993
(In millions of U.S. dollars)					
<u>Total exports</u>	<u>620.3</u>	<u>550.7</u>	<u>462.3</u>	<u>490.0</u>	<u>443.3</u>
United States	83.0	62.7	63.9	63.1	54.6
Netherlands	154.7	158.8	122.6	131.1	117.0
Norway	181.3	195.8	148.9	158.4	143.2
United Kingdom	22.8	12.0	10.7	13.4	10.0
Brazil	38.3	26.4	32.3	29.3	26.2
Japan	32.4	37.3	31.9	30.8	28.8
France	9.6	25.7	11.5	14.2	19.4
Germany	17.1	0.1	6.6	6.9	6.2
Sweden	--	0.3	2.0	0.8	1.8
French Guiana, Guadeloupe, Martinique, and Netherlands Antilles	5.2	2.6	4.2	3.6	3.4
Other countries	76.0	28.9	27.7	38.3	31.8
(In percent of total)					
<u>Total exports</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
United States	13.4	11.4	13.8	12.9	12.3
Netherlands	24.9	28.8	26.5	26.8	26.4
Norway	29.2	35.6	32.2	32.3	32.3
United Kingdom	3.7	2.2	2.3	2.7	2.5
Brazil	6.2	4.8	7.0	6.0	5.9
Japan	5.2	6.8	6.9	6.3	6.5
France	1.5	4.7	2.5	2.9	4.4
Germany	2.8	--	1.4	1.4	1.4
Sweden	--	0.1	0.4	0.2	0.4
French Guiana, Guadeloupe, Martinique, and Netherlands Antilles	0.8	0.5	0.9	0.7	0.8
Other countries	12.2	5.2	5.9	7.8	7.2

Sources: General Bureau of Statistics; Central Bank of Suriname; and Fund staff estimates.

Table 39. Suriname: Origin of Imports 1/

	1989	1990	1991	1992	1993
<u>(In millions of U.S. dollars)</u>					
<u>Total imports</u>	<u>476.8</u>	<u>558.4</u>	<u>580.2</u>	<u>600.8</u>	<u>520.5</u>
United States	208.8	228.7	222.6	274.5	235.1
Netherlands	95.7	131.4	128.5	134.9	117.9
Germany	5.8	11.5	8.7	5.4	4.6
Japan	19.9	15.8	21.7	17.3	13.4
United Kingdom	7.1	6.6	9.4	7.1	5.8
Italy	9.3	1.2	14.3	0.2	0.8
Brazil	24.3	23.9	17.5	14.4	9.4
Trinidad and Tobago	45.0	51.3	65.0	67.8	60.7
China	1.0	1.9	1.8	3.2	3.7
Hong Kong	7.4	5.9	6.7	4.4	2.9
Taiwan Province of China	4.2	5.3	5.6	3.0	2.2
French Guiana, Guadeloupe, Martinique, and Netherlands Antilles	17.7	29.8	20.7	10.3	7.5
Other countries	30.5	45.2	57.5	58.2	56.4
<u>(In percent of total)</u>					
<u>Total imports</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
United States	43.8	41.0	38.4	45.7	45.2
Netherlands	20.1	23.5	22.2	22.5	22.7
Germany	1.2	2.1	1.5	0.9	0.9
Japan	4.2	2.8	3.7	2.9	2.6
United Kingdom	1.5	1.2	1.6	1.2	1.1
Italy	1.9	0.2	2.5	--	0.1
Brazil	5.1	4.3	3.0	2.4	1.8
Trinidad and Tobago	9.4	9.2	11.2	11.3	11.7
China	0.2	0.3	0.3	0.5	0.7
Hong Kong	1.6	1.1	1.2	0.7	0.6
Taiwan Province of China	0.9	0.9	1.0	0.5	0.4
French Guiana, Guadeloupe, Martinique, and Netherlands Antilles	3.7	5.3	3.6	1.7	1.4
Other countries	6.4	8.1	9.9	9.7	10.8

Sources: General Bureau of Statistics; Central Bank of Suriname; and Fund staff estimates.

1/ Net of re-exports.

Table 40. Suriname: Trade Indices
(1990=100)

	1989	1990	1991	1992	1993
<u>Exports</u>					
Unit value	113.5	100.0	83.6	79.7	77.9
Volume	102.2	100.0	95.5	98.7	96.5
<u>Imports</u>					
Unit value	92.1	100.0	96.8	96.8	94.2
Volume	94.7	100.0	108.8	103.8	102.6
<u>Terms of trade</u>	<u>123.1</u>	<u>100.0</u>	<u>86.3</u>	<u>82.3</u>	<u>82.7</u>

Sources: General Bureau of Statistics; Central Bank of Suriname; Suriname Bauxite Institute; Ministry of Natural Resources; and International Financial Statistics.

Table 41. Suriname: Public and Publicly Guaranteed
External Debt Outstanding ^{1/}

(In millions of U.S. dollars at end of period)

	1989	1990	1991	1992	1993
Total external debt	154.4	162.7	194.2	206.1	207.4
Medium- and long-term debt	165.4	145.6
To official creditors	113.5	104.7
International institutions	32.3	29.9
EIB/EEC	20.6	19.0
IDB	11.6	10.9
Governments	81.2	74.8
Brazil	56.1	51.2
China	9.9	9.9
Taiwan, Province of China	6.1	3.9
South Korea	1.8	1.0
USA (PL 480)	7.2	7.2
India	--	--	--	--	1.5
To private creditors	51.9	40.9
Financial institutions	43.2	30.7
ABN, Netherlands	9.1	7.6
ABN-AMRO, Netherlands	24.8	19.3
ABN-AMRO, Miami	0.8	0.6
Chasebank, USA	3.0	1.0
Rabobank, USA	2.4	1.2
Mantrust, USA	3.1	1.1
Other	8.7	10.2
Isuzu and Subaru, Japan	8.7	10.2
Short-term debt	8.8	13.7
To official creditors	1.7	2.3
Venezuela	1.7	2.3
To private creditors	7.1	11.4
Financial institutions	4.9	10.3
ABN, Houston	4.9	10.3
Others	2.2	1.1
Apotex, Canada	2.2	1.1
External payments arrears	4.5	2.2	21.0	31.9	48.2
<u>Memorandum item</u>					
Debt as percent of GDP ^{2/}	37.0	37.6	42.1	41.6	42.2

Sources: Central Bank of Suriname; and Fund staff estimates.

^{1/} Data on external debt owed by the private sector are not available.^{2/} Based on a GDP in U.S. dollars estimated by the staffs of the World Bank and the Fund, using an average of prevailing exchange rates including the parallel market rate.

Table 42. Suriname: Exchange Rates 1/

		<u>Suriname guilders per U.S. dollar</u>				<u>Indices (1980 = 100) 2/</u>	
		Free Rate <u>3/</u>	Parallel Rate <u>4/</u>	Auction Rate <u>5/</u>	Economy Wide Average Rate <u>6/</u>	Nominal Effective	Real Effective
		<u>End of period</u>			<u>Quarterly average</u>		
1989	Mar.	...	14.8	...	8.8	29.6	39.1
	June	...	10.3	...	6.4	42.3	55.1
	Sept.	...	12.3	...	7.5	37.1	46.6
	Dec.	...	13.9	...	8.3	33.7	40.8
1990	Mar.	...	15.5	...	8.9	31.7	40.2
	June	...	17.1	...	9.8	29.8	38.0
	Sept.	...	17.8	...	9.7	29.2	38.7
	Dec.	...	17.5	...	10.1	27.6	37.7
1991	Mar.	...	14.9	...	9.6	30.2	42.7
	June	...	18.4	...	9.9	31.5	44.9
	Sept.	...	18.6	...	10.8	29.2	44.4
	Dec.	...	19.1	...	10.0	31.6	50.3
1992	Mar.	...	21.9	...	11.9	26.6	43.7
	June	...	23.3	...	12.9	24.9	43.8
	Sept.	...	24.0	18.0	13.6	23.0	44.7
	Dec.	...	30.5	19.9	20.5	17.1	38.2
1993	Mar.	...	63.0	25.0	29.7	12.5	33.4
	June	...	48.0	43.4	34.1	11.0	35.9
	Sept.	86.5	90.0	55.3	56.4	7.1	28.8
	Dec.	86.6	110.0	55.3	68.9	5.8	35.2
1994	Mar.	152.8	157.0	55.3	95.8	4.8	37.9
	June	193.6	198.0	55.3	121.2	3.4	40.3
	Sept.	192.4	250.0	...	192.4	2.4	38.9

Sources: Central Bank of Suriname; International Financial Statistics; and Information Notice System.

1/ The official exchange rate was Sf 1.785 per U.S. dollar through July 11, 1994.

2/ An increase in the index indicates an appreciation of the Suriname guilder, nominally or in real terms.

3/ Through June 1994, a flexible exchange rate applicable to certain specified transactions. Afterwards, the (unified) official exchange rate.

4/ Quotations from a limited survey among currency traders.

5/ Marginal rate, i.e. rate of lowest accepted bid in currency auctions, through October 1992; weighted average of accepted bids thereafter.

6/ Trade weighted average of the various officially recognized exchange rates and the parallel exchange rate.