

INTERNATIONAL MONETARY FUND



# Staff Country Reports

## **Suriname: Selected Issues and Statistical Appendix**

This Selected Issues paper and Statistical Appendix for **Suriname** was prepared by a staff team of the International Monetary Fund as background documentation for the periodic consultation with the member country. It is based on the information available at the time it was completed on **September 25, 2003**. The views expressed in this document are those of the staff team and do not necessarily reflect the views of the government of **Suriname** or the Executive Board of the IMF.

The policy of publication of staff reports and other documents by the IMF allows for the deletion of market-sensitive information.

To assist the IMF in evaluating the publication policy, reader comments are invited and may be sent by e-mail to [publicationpolicy@imf.org](mailto:publicationpolicy@imf.org).

Copies of this report are available to the public from

International Monetary Fund • Publication Services  
700 19th Street, N.W. • Washington, D.C. 20431  
Telephone: (202) 623 7430 • Telefax: (202) 623 7201  
E-mail: [publications@imf.org](mailto:publications@imf.org) • Internet: <http://www.imf.org>

Price: \$15.00 a copy

**International Monetary Fund**  
**Washington, D.C.**

INTERNATIONAL MONETARY FUND

SURINAME

**Selected Issues and Statistical Appendix**

Prepared by Trevor Alleyne (Head), Oscar Hendrick, Jordi Prat, and  
Alejandro Simone (all WHD)

Approved by the Western Hemisphere Department

September 25, 2003

	Contents	Page
I.	Civil Service Reform: Background and Issues .....	3
II.	The Surinamese Financial System: Structure, Condition and Recent Policy Developments .....	10
	A. Introduction.....	10
	B. Structure of the Financial System .....	10
	C. Market Structure, Ownership Structure and Lending Portfolio Composition of the Banking System .....	12
	D. A Preliminary Assessment of the Condition of the Banking System .....	14
	E. Implications for Financial Sector Reform.....	16
 Figures		
I.	1. Evolution of Civil Service Salaries.....	5
	2. Real Wages and Fiscal Deficit .....	6
	3. Growth of Net Domestic Assets and Contribution of Net Credit to Government.....	9
	4. Reserve Money Growth Decomposition .....	9
	5. M2 Growth Decomposition .....	9
	6. Exchange Rate Depreciation, Inflation, and Money Growth .....	9
 Boxes		
I.	1. Inflation Spiral Dynamics .....	8
II.	1. Main Improvements in the Banking Supervision Act.....	17
	2. The Central Bank's Prudential Regulations.....	18

Statistical Appendix Tables

1.	Gross Domestic Product by Sectors of Origin at Constant Prices .....	20
2.	Gross Domestic Product by Sectors of Origin at Current Prices .....	21
3.	Gross Domestic Product by Expenditure at Constant Prices .....	22
4.	Gross Domestic Product by Expenditure at Current Prices .....	23
5.	Agriculture, Livestock, and Fisheries—Production Data .....	24
6.	Bauxite Sector—Production Data.....	25
7.	World Production, Consumption and Changes in Stocks of Primary Aluminum .....	26
8.	Consumer Price Index—Paramaribo and Suburbs.....	27
9.	Employment by Sector.....	28
10.	Population Data.....	29
11.	Central Government Operations in billions of guilders .....	30
12.	Central Government Operations in percent of GDP .....	31
13.	Central Government Revenue and Grants in billions of guilders .....	32
14.	Central Government Revenue and Grants in percent of GDP .....	33
15.	Central Government Expenditure in billions of guilders.....	34
16.	Central Government Expenditure in percent of GDP .....	35
17.	Summary Accounts of the Banking System.....	36
18.	Banking System Liabilities to the Private Sector.....	38
19.	Distribution of Commercial Bank Credit by Destination .....	39
20.	Loans and Deposits by Interest Rates .....	40
21.	Summary Balance of Payments in millions of U.S. dollars.....	41
22.	Summary Balance of Payments in percentage of GDP.....	42
23.	International Reserves.....	43
24.	Exports by Major Categories .....	44
25.	Value, Volume, and Unit Value of Principal Exports .....	45
26.	Exports by Economic Use.....	46
27.	Destination of Exports .....	47
28A.	Imports by Economic Use.....	48
28B.	Origin of Imports .....	49
29.	External Grants Received .....	50
30.	Public and Publicly-Guaranteed External Debt Outstanding.....	51
31.	Public and Publicly Guaranteed External Debt: Principal and Interest in Arrears.....	53
32.	Average Exchange Rates .....	54

## I. CIVIL SERVICE REFORM: BACKGROUND AND ISSUES<sup>1</sup>

1. **The need for a comprehensive public sector reform, targeting both the civil service and the public enterprises has been a repeated refrain in staff reports on Suriname for a number of years.** These reports have argued that the sizes of the civil service and the wage bill are the main sources of fiscal vulnerability and macroeconomic instability; the poor quality of public service delivery has had a serious adverse effect on overall economic efficiency; and the large and generally unprofitable public enterprise system has been a drain on the government finances and a key obstacle to private sector development.
2. **In 2002, the government formally announced its intention to move ahead with a comprehensive reform and invited the IDB and the UNDP to be joint partners in the process.** Discussions between the government and the international agencies aimed at developing a strategy and a road map for the reform are still ongoing.
3. **This note provides some background to the problems cited above, namely data on the size of the civil service; a discussion of the contribution of civil service wage policy to macroeconomic instability; and an account of the causes and symptoms of public sector inefficiency.**

### **Basic statistics on employment and wages**

4. **According to official data, the central government has over 36,000 persons on its payroll, or about 40 percent of total formal sector employment.** In comparison, Costa Rica's civil service comprises 15 percent of total employment and Trinidad and Tobago 20 percent. When Surinamese civil servants are added to an estimated 15,000–17,000 workers in some 120 public enterprises and parastatal agencies, total public sector employment rises to close to 60 percent of total formal sector employment, or more than 25 percent of the economically active population and 12 percent of the total population. In contrast, public sector employment in the Latin America and Caribbean (LAC) averages 10 percent of the economically active population and 4 percent of the total population.
5. **Over the 2000–02 periods, central government wages and salaries averaged 13 percent of GDP, the highest in LAC, where the average was 5 percent.** The large wage bill is attributable mainly to the large number of employees rather than high salaries, at least for skilled personnel. In fact, the salaries of technical and managerial staff, despite recent large increases, may still not be adequate to attract and retain them. Wage compression is acute. In 2001, the salary of a person with a master's degree was less than twice that of the lowest salaried civil servant (cleaning staff).

---

<sup>1</sup> Prepared by T. Alleyne, J. Prat, and A. Simone.

### Wage Compression

Monthly Salary in guilders	Cleaning Staff	Master's Degree	Ratio
January 1, 1997	22,220	124,925	1: 5.6
January 1, 1998	40,000	174,000	1: 4.4
November 1, 2001	322,000	606,000	1: 1.9
January 1, 2002	387,000	1,024,000	1: 2.6

#### Civil service salary adjustments—a recent history

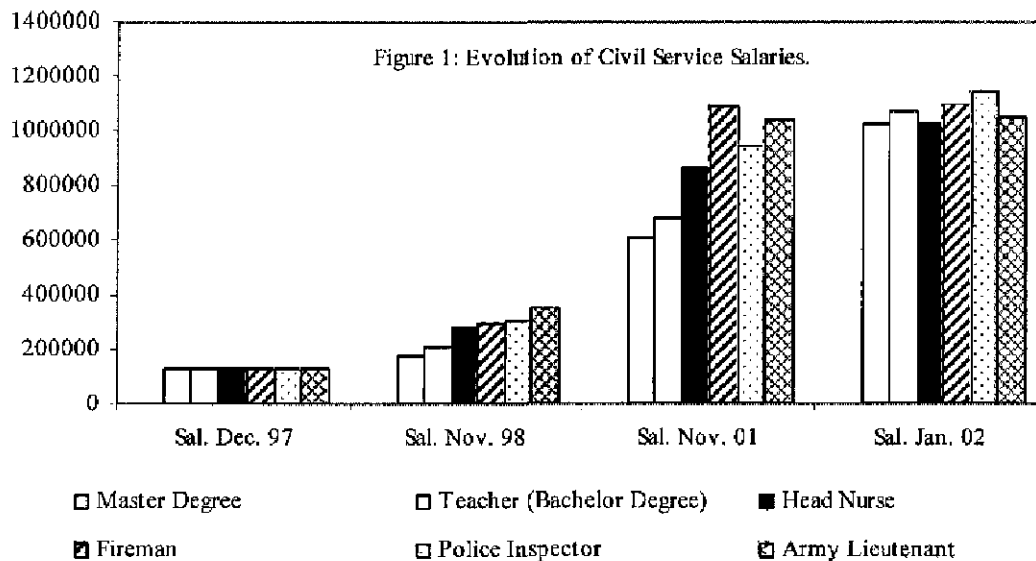
6. **The 2002 civil service increase was an attempt to bring the structure of salaries back in line with the civil service code**, following a four-year period of ad hoc adjustments for certain groups of government workers. However, the decision to correct the misalignment in one step caused the monthly wage bill to increase by more than 80 percent<sup>2</sup> and the annual wage bill by about 6½ percent of 2001 GDP. Moreover, concerns about the lack of budgetary resources to finance the wage adjustment sparked a 35 percent depreciation of the guilder and an increase in the inflation rate from less than 5 percent in 2001 to 28 percent in 2002.

7. In 1997 all civil servants were in one salary scale. Then, in 1998, the government created new “strategic groups”, i.e., teachers and nurses, and “constitutional groups”, i.e., military, police, and firemen, and also disconnected directors and deputy directors in ministries from the general salary scale. Differential wage increases were granted during the year so that workers in strategic and constitutional groups, who previously earned the same as their regular administrative counterparts, ended up with salaries as much as twice as large (Figure 1).

8. In February 1999, civil servants received a 20 percent increase (inflation correction) of their base salary, and a purchasing power allowance of Sf 30,000 per month. The government also agreed to pay the income tax, health care premium, and general old age premium associated with the inflation correction.

---

<sup>2</sup> The main civil service union argues that the increase would be somewhat less if the comparison was made on the basis of gross wages. It claims that if a 1998 tax subsidy by the government were included in the calculation, it would imply a lower percentage increase. While this may be true, this subsidy by the government has never appeared in the government accounts nor is it reflected in any official salary quotes of the workers.



Source: CLO (government workers trade union).

9. In October 1999, the government paid the teachers a new inflation correction allowance of 50–60 percent of base salary. The main civil service union, which represents administrative workers, had been lobbying the government (unsuccessfully) for a realignment of salaries based on the law. At first the union refused to accept the increase granted to the teachers but, in April 2000, acquiesced, and administrative workers were granted the increase retroactive to October 1999.

10. In October 2000, the new government granted civil servants an exchange rate compensation allowance of Sf 65,000 per month, following the adjustment in the official exchange rate from Sf 1,100 per U.S. dollar to Sf 2,200. This was followed in June 2001 by a cost of living allowance of Sf 100,000 – Sf 140,000 per month to all civil servants.

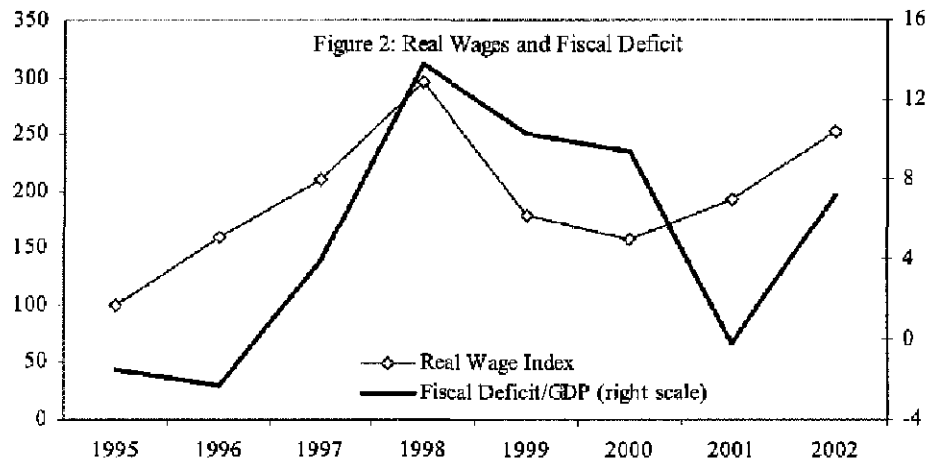
11. In January 2002, the government finally conceded to the request of the main civil service union for a realignment of the salary structure.<sup>3</sup> All the various cost of living and exchange rate compensation allowances, which were not subject to tax and other deductions, were consolidated in the base (taxable) salaries. Salary increases were granted in such a way to ensure that not only was there a realignment consistent with the civil service code but that no worker received less than what his/her existing “take home” pay.

---

<sup>3</sup> However, the government refused to bring the directors and deputy directors back into the salary scale and also removed top ranking military, police, and firemen.

### Wage policy and inflation

12. Because of the size of the civil service, adjustments in salaries have traditionally put severe strain on the public finances (Figure 2). Wage increases have been associated with a build up of exchange rate and inflation pressures as a result of the government's tendency of financing the resulting fiscal deficit through central bank borrowing. This mechanism, which is consistent with the findings of Fischer, Sahay, and Végh (2002), is described in Box 1.



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

13. Changes in central bank net credit to government, i.e., the main source of financing government fiscal deficits, have been a key factor determining changes in the monetary base and broader monetary aggregates. Changes in net credit were the main contributor to changes in central bank net domestic assets (Figure 3), which were the main component of changes in reserve money (Figure 4). Finally, changes in reserve money were the main contributor to changes in M2 (Figure 5), which in turn are strongly correlated with changes in inflation and the exchange rate (Figure 6).

### Public service delivery

14. The quality of public service delivery has steadily deteriorated over the years. In part, this reflects the “bottom heavy” nature of the civil service. Despite the large size of the civil service, many voices in the society express the need for more teachers to improve education, more police to deal with growing crime, more nurses to replace those that are constantly lured abroad, more qualified managers and technicians in the ministries, and so on. As mentioned above, salaries for skilled personnel are below the private market, making it difficult to attract or retain the best trained and experienced staff. However, there is also another issue: even among skilled personnel, there is a mismatch of existing personnel with the type of jobs needed. Thus, in the ministry of education, although the number of teachers suggest a teacher to school-age population ratio of less than 1:20, there is an acute shortage of teachers for schools outside the urban areas.



15. **Another cause of poor public service delivery has been the absence of effective personnel management.** This has led to a serious breakdown in discipline, reflected in a high rate of absenteeism at the workplace. This absenteeism is tolerated without any real threat of sanctions for the workers, who, in any case, are the beneficiaries of very protective labor laws and courts. Public service delivery has suffered because government expenditure on the wage bill has crowded out other types of spending, notably infrastructure spending. This has adversely affected public works (e.g., roads, sanitation) and the provision of education and health services, and forced ministries to maintain antiquated office equipment and technologies, thereby hurting productivity.

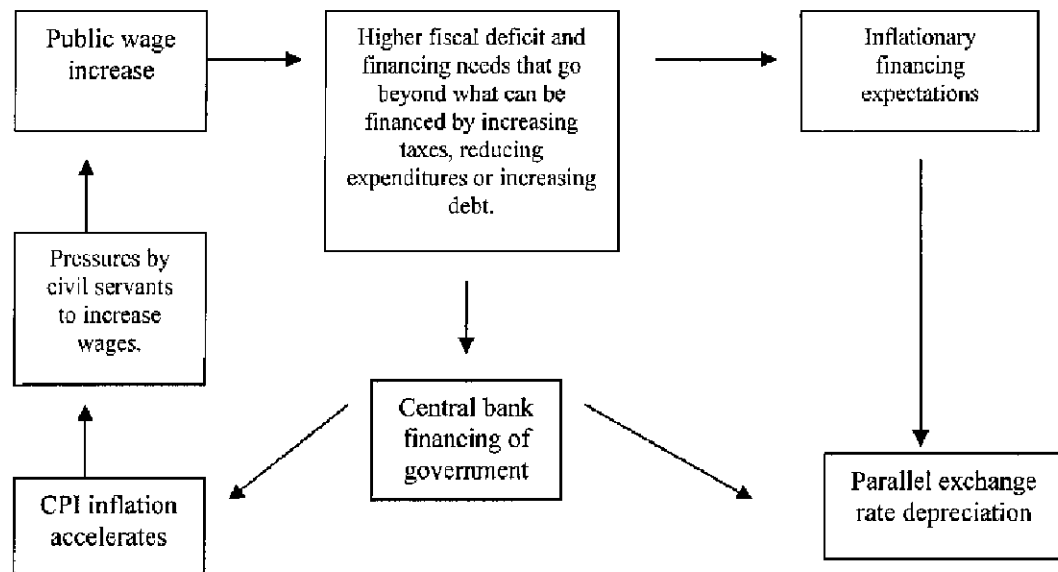
#### **Civil service reform—key components of the package**

16. As the government and its international partners continue discuss a strategy for comprehensive reform of the civil service, it is clear that the process must include the following:

- **A careful analysis of core functions of government, the profile of employees needed to fulfill these functions, and the type of career paths (and compensation) that could be implemented to create an efficient civil service.**
- **A gradual downsizing of the civil service and the large number of public enterprises and agencies.** This will be key to freeing up resources for needed for productivity-enhancing nonwage expenditures and improving long-term prospects for fiscal sustainability and macroeconomic stability.

**A strategy that facilitates the absorption of surplus public sector workers into the private sector.** Key initiatives in this area would include the removal of a host of bureaucratic obstacles to private investment, and divestment from productive sector activities (especially agriculture, utilities, and financial services), which discourage private investment and do not appear to be core functions government in any case.

**Box. Inflation Spiral Dynamics**



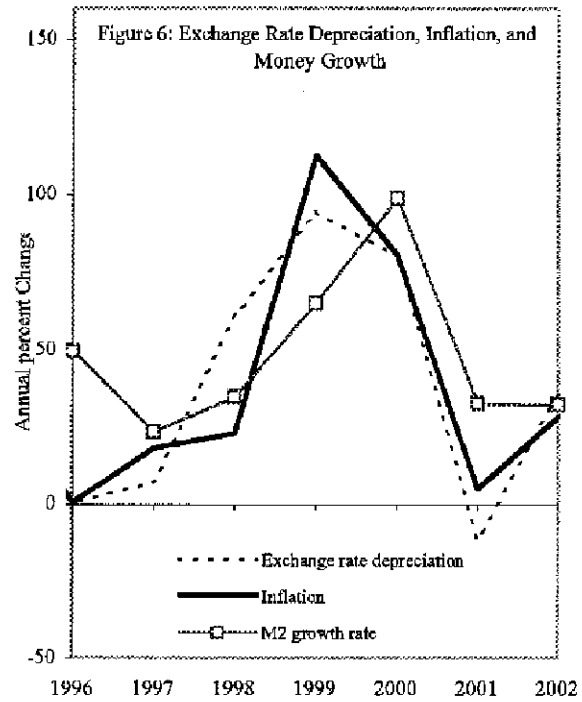
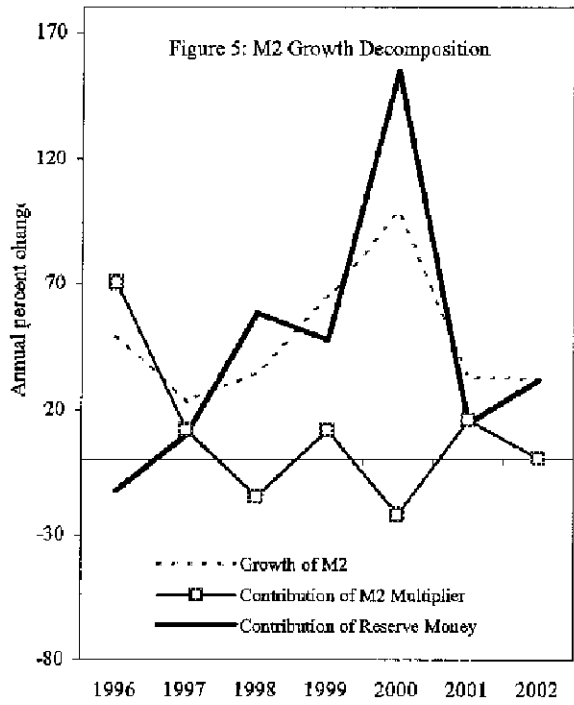
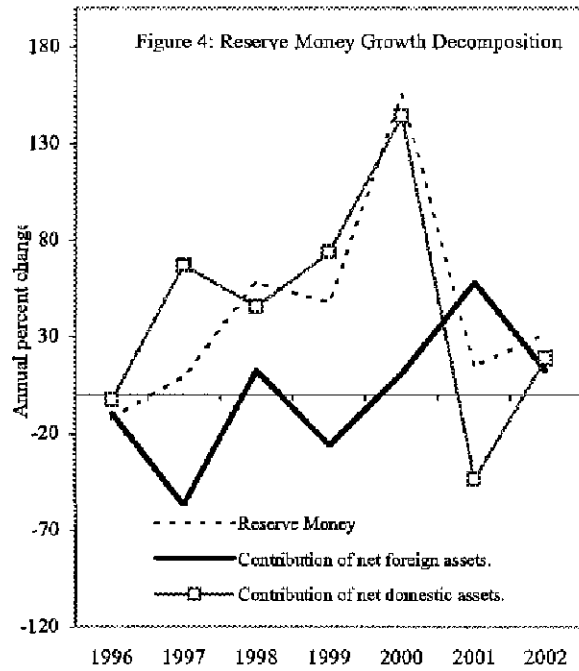
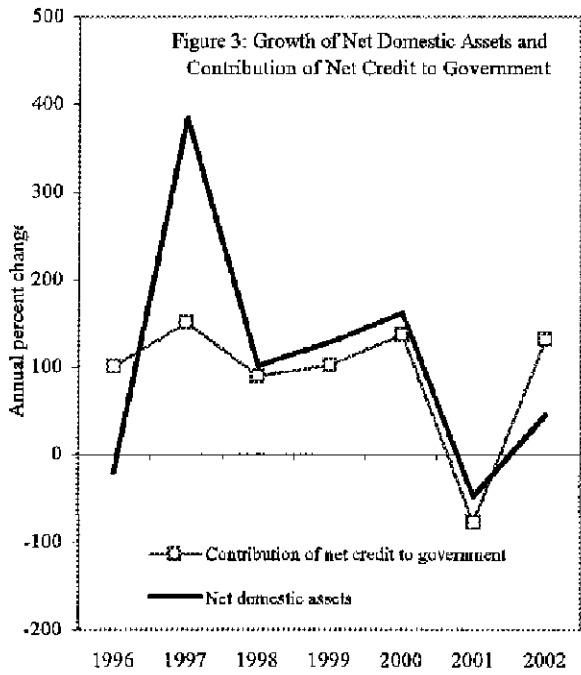
According to this inflation spiral hypothesis, the monetary authorities accommodate inflation expectations that have already been reflected in the exchange rate and the price level. Thus, if the hypothesis is valid, increases in inflation and exchange rate depreciations should precede increases in money growth. To verify if money growth leads or lags inflation and the exchange rate, Granger causality tests were conducted by running vector auto regressions (VARs) in a three variable system containing the inflation rate, the nominal exchange rate depreciation and money growth (see Fischer, Sahay, and Végh) using quarterly data for the period 1995–2002.<sup>1</sup> In case that one variable Granger causes the other, a chi-squared test rejection of the null hypothesis at a 5 percent significance level is indicated with two asterisks and at the 10 percent level by one asterisk.

**Granger Causality Test Results**

Row <i>i</i> Granger Causes Column <i>j</i>	Money Growth	ER Depreciation	Inflation
Money growth	...	No	No
ER depreciation	Yes (**)	...	Yes (**)
Inflation	Yes (*)	Yes (**)	...

The results suggest that the causality runs from exchange rate or inflation to money growth. Thus supporting the hypothesis. However, the causality between exchange rate depreciation and inflation is indeterminate. This may be due to the fact that both the exchange rate depreciation and inflation may be Granger-caused by public wage growth. Unfortunately, a quarterly public wage growth series for the period of study is not available to test this last hypothesis.

<sup>1</sup> Given the relatively small number of observations text results are only intended to be suggestive of their inflation spiral hypothesis. The unrestricted VAR had to be minimized to one or two lags.



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

## II. THE SURINAMESE FINANCIAL SYSTEM: STRUCTURE, CONDITION AND RECENT POLICY DEVELOPMENTS<sup>1</sup>

### A. Introduction

1. **This chapter discusses the structure of the financial system and provides a preliminary assessment of the condition of the banking system.**<sup>2</sup> Recent legislation and other measures taken by the government of Suriname to improve banking supervision are discussed in their context of the financial sector reform implications.

2. Section B discusses the overall structure of the financial system. Section C discusses in detail the market structure, ownership structure, and lending portfolio composition of the banking system. Section D analyzes the condition of the banking system. Section E discusses the implications of the findings in Section D for financial sector reform and reviews recent initiatives taken by the authorities.

### B. Structure of the Financial System

3. **The financial sector consists of the Central Bank of Suriname (CBvS), a commercial banking system, and a number of nonbank financial institutions.** The central bank determines credit, monetary and exchange rate policies, and is responsible for the regulation and supervision of the financial system. The banking system is composed of eight banks.<sup>3</sup> Except for the deposits in the Postal Savings Bank (SPSB), which represent less than 5 percent of the total assets of the banking system, there is no explicit deposit insurance scheme for the protection of depositors.<sup>4</sup> Nonbank financial institutions (NBFI) comprise one trust company, 12 insurance companies, 29 pension funds, 5 provident funds and 27 credit unions.<sup>5</sup> There are also 21 foreign exchange houses (*cambios*).

---

<sup>1</sup> Prepared by A. Simone.

<sup>2</sup> The available information on some banks is based on unaudited reports submitted to the Supervision Department of the Central Bank of Suriname limiting severely its reliability and accuracy. A more definitive assessment will have to await a full audit of those banks and the full implementation of the new banking supervision regulations described in Section E.

<sup>3</sup> The banks own six finance companies that are consolidated in their accounts.

<sup>4</sup> Deposits of SPSB are insured by the government of Suriname.

<sup>5</sup> Although nonbank financial institutions (NBFI) are subject to reporting requirements, financial information on them is limited. Reporting of NBFI to the supervision department of the central bank has been irregular and largely based on unaudited balance sheets, limiting the reliability of  
(continued...)

4. **Banks dominate the financial system** representing about 68 percent of total financial system assets in 2000,<sup>6</sup> while reporting NBFI represent the remaining 32 percent.<sup>7</sup>

	Value of Assets (Billions of guilders)	Percent of FSA	Percent of GDP
Banking System	667	68.3	40.1
Reporting NBFI	310	31.7	18.6
Pension Funds	237	24.3	14.2
Insurance Companies	63	6.4	3.8
Credit Unions	10	1.0	0.6
Total Financial System Assets	977	100.0	58.7

Sources: Supervision Department-Central Bank of Suriname; and General Bureau of Statistics.

5. **The most important group of NBFI is the pension funds**, which represent about 24 percent of total financial system assets. The four largest pension funds represent about 83 percent of total pension fund assets. The second most important group is the insurance companies with 6 percent of total financial system assets. One locally owned insurance company, accounts for about 48 percent of all insurance companies' assets and owns a controlling interest in one of the large commercial bank.

6. In spite of their relative importance in the financial system as indicated by asset size, NBFI seem to provide less than 10 percent of the total credit to the domestic economy. The limited information available seems to suggest that the largest pension funds invest their resources mainly in foreign assets.

---

the information. The exceptions are the insurance companies, which report on the basis of audited balance sheets.

<sup>6</sup> Total financial system assets are equal to the total value of assets of the banking system plus the total value of assets of the reporting NBFI, unless otherwise stated.

<sup>7</sup> The size of NBFI may be underestimated since not all of them reported to the central bank in 2000. Nevertheless, the nonreporting institutions that year were largely negligible in size and would not alter significantly the numbers.

**C. Market Structure, Ownership, Structure, and Lending Portfolio  
Composition of the Banking System**

7. **The banking sector accounts for over 90 percent of the credit extended to the domestic economy.** The system comprises eight banks, five of which are government owned. However, although the government owns 51 percent of Hakrinbank (HKB) shares, HKB acts and is widely perceived as an independent entity and enjoys virtually the same prestige as the two larger banks. The NOB is a development bank funded mainly by the Surinamese government and does not take deposits from the public.

Ownership Structure of the Banking System, 2002  
(In percent)

Banks	Largest Shareholders	Government of Suriname	Smaller Shareholders
De Surinaamsche Bank <sup>1</sup> (DSB)	49	10	41
Royal Bank of Trinidad and Tobago <sup>2</sup> (RBTT)	100	0	0
Hakrinbank (HKB)	11	51	38
Finabank (FB)	...	0	...
Surinaamse Postpaarbank (SPSB)	0	100	0
Stichting Surinaamse Volkscredietbank (VCB)	0	100	0
Landbow Bank (LBB)	0	100	0
Nationale Ontwikkelingsbank (NOB)	0	100	0

Source: Supervision Department, Central Bank of Suriname.

<sup>1</sup> In 2001 ABN-AMRO, a large international Dutch Bank, sold its 49 percent participation in DSB to Assuria N.V, Suriname's largest insurance company.

<sup>2</sup> Before 2000, what would become RBTT was a full service branch of ABN-AMRO. In 2000 ABN-AMRO sold all its shares to RBTT, an international bank whose activity is concentrated in Trinidad and Tobago and the rest of the Caribbean.

8. **An important feature of the banking system is its high concentration.** Three large commercial banks account for about 80 percent of total claims, assets, and deposits of the banking system and have been gaining market share at the expense of the smaller banks.

Market Structure of the Banking System

(In percent)

Banks	2000			2002		
	Total Assets	Total Credit	Total Deposits	Total Assets	Total Credit	Total Deposits
De Surinaamsche Bank (DSB)	37.9	37.2	40.2	42.8	41.2	43.9
Royal Bank of Trinidad and Tobago (RBTT)	28.3	22.3	27.7	26.0	24.8	26.2
Hakrinbank (HKB)	14.9	13.6	15.5	15.9	16.5	16.6
Finabank (FB)	0.7	0.9	0.6	0.8	1.2	0.8
Surinaamse Postpaarbank (SPSB)	5.2	4.8	5.5	3.6	2.9	3.5
Stichting Surinaamse Volkscredietbank (VCB)	6.5	10.9	6.6	6.5	8.0	5.1
Landbow Bank (LBB)	5.8	9.2	3.3	3.6	5.0	3.2
Nationale Ontwikkelingsbank (NOB)	0.7	1.1	0.6	0.8	0.4	0.7

Source: Supervision Department-Central Bank of Suriname.

9. **The three smaller state owned commercial banks were established in order to resolve a perceived failure of larger banks to allocate credit to certain segments of the society and to some of the sectors considered by the government as important for Suriname's overall development.** LBB was established to stimulate the development of agriculture, animal husbandry, fisheries, and forestry. VCB was established to satisfy the credit needs of the lower socio-economic strata. Its primary focus has been making small loans to individuals and also to manage, on behalf of the government, funds for housing lending. SPSB was established to mobilize small savings and offer loans to lower income groups. Because of their socio-economic role, the three smaller commercial banks have received funding from the Surinamese and Dutch governments in differing degrees for special lending programs in addition to their deposit funding.

10. **The social role assigned to these banks has resulted in a credit allocation that has significant differences from that of the three large commercial banks.** The three small state banks have consistently allocated over 55 percent of their loan portfolios to agriculture and housing, consistent with their social mandate, while the large commercial banks have tended to stay away from these sectors and focus their lending in trade activities and in the financing of different services activities.

Credit Allocation by Sectors of the Main Groups of  
Commercial Banks  
(In percent of total credit)

Sectors	2000		2002	
	Three Large Banks	Three Small Banks	Three Large Banks	Three Small Banks
Agriculture, forestry, and fisheries	9.7	35.1	4.5	27.0
Mining	0.7	1.9	0.4	0.5
Construction and industry	9.9	9.8	9.5	4.7
Trade	23.8	10.7	30.0	10.7
Housing	2.4	20.8	4.9	31.3
Other services	53.5	21.7	50.7	25.8

Source: Supervision Department, Central Bank of Suriname.

11. **The rest of the banking system is comprised of two small banks.** NOB was established with the purpose of funding the development of national industries that contribute to the social and economic development of Suriname. The NOB engages in concessionary medium- and long-term lending and has systematically maintained over 88 percent of its lending portfolio concentrated in the industrial, agriculture, forestry, and fisheries sectors. FB is a very small privately owned full service commercial bank and has a lending portfolio composition which has a strong trade and services component similar to that of the large commercial banks.

#### D. A Preliminary Assessment of the Condition of the Banking System

##### Overall condition of the banking system

12. **On the basis of official data the three large commercial banks appear relatively healthy, while the three small state owned banks have problems.** The three small state owned banks have had a negative return on assets and negative capital adequacy ratios<sup>8</sup> while, in contrast, the large commercial banks have a capital adequacy ratio which has been systematically above Basle's minimum guidelines and have obtained a positive return on

---

<sup>8</sup> If a correction were made for the overestimation of income in the profit and loss statement (which may include interest on loans with more than three months arrears that were not considered to be nonperforming) the net worth and the return on assets would be even lower.



assets. The nonperforming loan ratio for the three small state banks has averaged over 30 percent during the last three years, more than three times that of the three large commercial banks.

#### **Possible explanations of the current condition of the banking system**

13. **The main reason for the marked differences in the condition of the large commercial banks and the three small state owned banks lies in the fact that the three small state owned banks were created in large part to satisfy social objectives.** Creating financial institutions with this kind of mission undermines their chances of being financially viable, as they are more likely to face problems such as adverse selection, a weakening of incentives to operate on the basis of sound internal controls and lending screening criteria, moral hazard, and lack of diversification.

14. **The adverse selection problem originates because the small state banks were created to provide credit to sectors and agents that large commercial banks avoided.** As discussed in Section C, the small state commercial banks maintained a very large share of their loan portfolio in agriculture and housing, in contrast with the large commercial banks. It is possible that part of the reason for the large banks' relative underweight position in these sectors reflects their perception of low profitability or risk-adjusted rate of return.

15. **The introduction of social objectives in the operation of banks usually entails replacing clear and measurable profit maximizing criteria by nonmeasurable and unclear social welfare maximization criteria** that can be easily influenced by noneconomic considerations to cater specific interests. Therefore, the lack of a clear profit maximizing rule and market discipline as a guiding principle for operations tends to reduce the incentives to develop and improve sound internal controls and lending practices. This may also give management incentives to operate a bank in ways that create moral hazard problems. The fact that sound internal controls and lending screening criteria were lacking in the small state owned commercial banks and the large amount of nonperforming loans compared with the profit oriented banks are evidence in favor of this point.

16. **The focus on specific sectors such as agriculture, forestry, fisheries, and housing prevented the banks from diversifying adequately their loan portfolio.** The large exposure to developments in a particular sector is even more serious in an economy with a history of macroeconomic instability such as Suriname where the quality of borrowers may change rapidly.

17. **Finally, the weak banking supervision environment in Suriname also played a role in allowing this situation to develop without adequate and prompt reaction.** The weakness in supervision has mainly been due to (i) inadequate regulations satisfying international standards; (ii) inadequate staff resources to conduct onsite or offsite inspections with the comprehensiveness and frequency required; and, (iii) limited enforcement powers to collect the necessary financial information on a timely basis and to ensure compliance of directives from the supervision department.

### E. Implications for Financial Sector Reform

18. **The first implication of the above analysis for any financial sector reform program is that the regulatory and supervisory framework should be significantly strengthened.** Adequate banking supervision regulations complying with international standards and a sufficient amount of well trained supervisory staff are required. The enforcement powers of the supervision department need to be increased to allow it to collect accurate and timely information from financial institutions, especially in the case for the small state banks and NBFIs. In particular, information on the latter institutions is needed to permit appropriate consolidated supervision.

19. **The authorities have already taken important steps to address these problems.** In January 2003 a new banking supervision act was enacted by parliament that enhances the supervisory powers of the central bank. Making use of its enhanced supervisory powers, the central bank issued five new regulations regarding capital adequacy, classifications of loans and provisioning, large exposures, insider lending and fixed assets investments that will enable Suriname to comply with several of the requirements in the Basel Committee's Core Principles for Effective Banking Supervision. In addition, Fund technical assistance was requested and has already been scheduled to assist in the implementations of the new regulations. Box 1 provides a summary of the main improvements of the new banking supervision act with respect to the previous version and Box 2 summarizes the five new central bank regulations.

20. **The second implication for financial sector reform is that the situation of the small state banks needs to be resolved as soon as possible.** The authorities understand the urgency of the situation and have obtained support from the IDB to determine the financial situation of the small state banks and recommend possible solutions. A final decision regarding the future of the banks is expected by the beginning of 2004.

21. **A lasting solution to the problem of the small state banks must necessarily involve eliminating the perverse microeconomic incentives generated by using financial institutions as a way of catering to the needs of some sensitive economic sectors and segments of the society neglected by the large commercial banks.** Three generic alternative types of solution that satisfy this condition are (i) bank restructuring and continued public ownership with private management that ensures strict profit maximization behavior;<sup>9</sup> (ii) restructuring and privatization; or (iii) liquidation. All alternatives imply making difficult decisions regarding the allocation of costs among the parties of the financial reform, administration and disposal of nonperforming loans and the potential social cost of downsizing. In making a final decision between the alternatives, the minimization of the financial cost to the government and the maximization of the involvement of the private

---

<sup>9</sup> Hakrinbank is an example of this alternative.

### **Box 1. Main Improvements in the Banking Supervision Act**

#### **Bank licensing**

The new banking act introduces a formal system of licensing, provides the central bank with exclusive authority to issue bank licenses and prohibits unlicensed persons from conducting banking business. It also sets out detailed criteria for the issue of licenses and gives the central bank very wide discretionary powers to refuse a license when considering applications. This replaced a simple requirement of a no objection certificate from the central bank as the only requirement to start operations.

#### **Changes in control of banks**

The new law gives the central bank new powers to control changes in the ownership and control of banks that were absent in the past. Without consent of the central bank, no person may acquire, hold, or increase a qualifying holding (5 percent) in a bank or exercise any control from such a holding.

#### **Prudential guidelines**

The new law clarifies and strengthens significantly the central bank's legal powers to issue guidelines for the purpose of bank supervision. In particular, it empowers the central bank to issue guidelines to banks in the interest of their solvency or liquidity and in relation to their administrative and management organization, including financial administration and control.

#### **External auditors and reporting**

The new law improves substantially the central bank's ability to obtain the information it needs for prudential supervision in certain key respects. It requires banks to notify the central bank if they propose to change their external auditors and to authorize access to all written materials produced by external auditors in relation to the auditing processes. It also authorizes the central bank to conduct special investigations into the management or the financial condition of banks and obtain all necessary information it needs for consolidated supervision.

#### **Corrective action**

The new law considerably improves the central bank's ability to oblige banks to take corrective action. Under the previous act, if a bank failed to comply with a central bank request, the central bank could only inform a bank of its concerns and publish its correspondence with the bank. Instead, the new law allows the central bank to compel its governing organs to exercise their authority subject to the approval of persons designated by the central bank.

#### **Revocation of licenses**

The new law authorizes the central bank to revoke licenses in a wide range of circumstances, such as inadequate capital and directors or controlling shareholders not considered to be "fit and proper" to manage a bank. This is a considerable improvement over the previous law which made no provision to close a bank by withdrawing its certificate of no objection.

#### **Emergency arrangements and bankruptcy**

The new law considerably improves the procedure for dealing with insolvent or illiquid banks. In a case where a bank is unable to meet its liabilities, the only action the central bank could take with the previous legislation was an application to the court for the declaration of a moratorium. However, the new law permits the central bank in such cases to apply to the court for an emergency measure to be taken in the interests of the bank's creditors. If the court is satisfied, it will appoint one or more administrators who will assume all the powers of the bank's directors and shareholders. The administrator then proceeds, under the control of the court, to manage the bank in the interests of the creditors and, if necessary, to wind up its affairs and to make distributions to creditors.

## **Box 2. The Central Bank's Prudential Regulations**

### **Capital adequacy**

The regulation imposes a minimum capital requirement of 4.5 billion guilders with a grace period of three years for those banks which currently fall below this level. In addition, all banks have to observe a minimum risk weighted capital ratio of 8 percent, while the central bank can, when necessary, impose higher ratios on individual banks. The required ratio is calculated on a consolidated basis only.

### **Classification of loans and provisioning**

The regulation has the objectives of obliging the senior management of banks to adopt credit policies and to introduce minimum standards for the accounting treatment commercial banks apply to their outstanding loans. The regulation closely reflects international practice as recommended by the Basel Committee and provides detailed guidance, particularly in the area of loan accounting.

### **Large exposures**

The regulation imposes a limit on single large exposures (including exposures to counterparties related to each other) of 25 percent of a bank's capital, although the central bank can authorize a bank to exceed this limit if suitable collateral is provided. In addition, the aggregate total of a bank's exposures may not exceed 600 percent of its capital. Regular reports of large exposures have also to be made to the central bank. The limits are applied on a consolidated basis.

### **Insider lending**

The regulation closely follows the Basel's Committee's in this respect. It imposes a limit on lending to a single insider of 25 percent and a limit of 100 percent of capital for aggregate loans to insiders.

### **Fixed asset investments**

The regulation limits bank's direct and indirect investments in fixed assets to 100 percent of the capital base (adjusted to include those fixed asset revaluation reserves which are ineligible to be included in capital when calculating the risk weighted ratio).

banking community in the loan recovery process must be key criteria. The first is needed to minimize the macroeconomic impact of financing the reform whose costs on the basis of international experience are likely to be significant, while the second is more likely to maximize the recovery of nonperforming loans.

22. **The current financial situation of the small state banks and the financial costs that the government of Suriname will have to incur to solve the problem underscores the dangers of using financial institutions as vehicles to pursue social objectives.** The use of the financial system to channel subsidies may significantly obscure and magnify the cost of attaining a specific social objective by encouraging resource misallocation and increasing the vulnerability to systemic banking problems. Transparency and the targeting principle suggest that these subsidies, if determined to be socially beneficial, should be channeled through the government budget so that their costs are clear to society.

Table 1. Suriname: Gross Domestic Product by Sectors of Origin at Constant Prices

	1998	1999	2000	2001	2002 1/
(In millions of Suriname guilders at 1990 prices)					
<b>Gross domestic product</b>	<b>4,193</b>	<b>4,157</b>	<b>4,154</b>	<b>4,343</b>	<b>4,475</b>
Agriculture	276	287	306	339	337
Mining	191	202	185	224	209
Manufacturing	281	256	288	302	324
Electricity, water, and gas	208	196	177	185	205
Construction	206	176	155	162	163
Trade, restaurants, and hotels	638	602	577	504	509
Transport and communication	273	278	349	442	464
Finance	686	675	676	674	681
Government	458	457	467	476	481
Personal services	68	69	70	71	72
Less: imputed service charge	285	267	265	273	273
Plus: indirect taxes - subsidies	304	300	297	312	322
Informal sector	889	926	872	925	982
(Percentage change)					
<b>Gross domestic product</b>	<b>2.2</b>	<b>-0.9</b>	<b>-0.1</b>	<b>4.5</b>	<b>3.0</b>
Agriculture	-6.1	4.0	6.6	10.8	-0.6
Mining	6.1	5.8	-8.4	21.1	-6.7
Manufacturing	2.2	-8.9	12.5	4.9	7.3
Electricity, water, and gas	7.2	-5.8	-9.7	4.5	10.8
Construction	16.4	-14.6	-11.9	4.5	0.6
Trade, restaurants, hotels	2.1	-5.6	-4.2	-12.7	1.0
Transport and communication	5.8	1.8	25.5	26.6	5.0
Finance	1.8	-1.6	0.1	-0.3	1.0
Government	2.9	-0.2	2.2	1.9	1.1
Personal services	4.6	1.5	1.4	1.4	1.4
Less: imputed service charge	4.0	-6.3	-0.7	3.0	-0.1
Plus: indirect taxes - subsidies	2.7	-1.3	-1.0	5.1	3.0
Informal sector	-0.3	4.2	-5.8	6.1	6.1

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

1/ Preliminary estimates.

Table 2. Suriname: Gross Domestic Product by Sectors of Origin at Current Prices

	1998	1999	2000	2001	2002 1/
(In millions of Surinamese guilders)					
<b>GDP at market prices</b>	<b>445,059</b>	<b>761,482</b>	<b>1,176,909</b>	<b>1,664,355</b>	<b>2,234,399</b>
Agriculture	37,306	64,285	119,190	165,364	213,060
Mining	20,816	55,807	104,521	122,905	153,158
Manufacturing	35,996	60,226	96,349	96,568	103,122
Electricity, water and gas	20,913	25,515	34,153	55,487	57,922
Construction	17,056	24,645	34,480	51,598	61,983
Trade, restaurants and hotels	55,952	104,995	160,167	194,190	242,144
Transport and communication	21,302	44,995	86,644	116,877	149,602
Finance	51,691	90,757	137,993	198,629	253,068
Government	73,377	101,501	162,217	212,878	377,678
Personal services	5,159	12,619	28,320	30,386	45,508
Less: imputed service charge	16,288	31,539	36,034	50,464	68,009
Informal sector	66,787	111,857	143,200	236,870	332,270
Indirect taxes minus subsidies	54,992	95,819	105,709	233,067	312,893
(In percent of GDP at market prices)					
<b>Gross domestic product</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Agriculture	8.4	8.4	10.1	9.9	9.5
Mining	4.7	7.3	8.9	7.4	6.9
Manufacturing	8.1	7.9	8.2	5.8	4.6
Electricity, water and gas	4.7	3.4	2.9	3.3	2.6
Construction	3.8	3.2	2.9	3.1	2.8
Trade, restaurants and hotels	12.6	13.8	13.6	11.7	10.8
Transport and communication	4.8	5.9	7.4	7.0	6.7
Finance	11.6	11.9	11.7	11.9	11.3
Government	16.5	13.3	13.8	12.8	16.9
Personal services	1.2	1.7	2.4	1.8	2.0
Less: imputed service charge	-3.7	-4.1	-3.1	-3.0	-3.0
Informal sector	15.0	14.7	12.2	14.2	14.9
Indirect taxes minus subsidies	12.4	12.6	9.0	14.0	14.0

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

1/ Preliminary estimates.

Table 3. Suriname: Gross Domestic Product by Expenditure at Constant Prices

	1998	1999	2000	2001	2002 I/
(In millions of Suriname guilders at 1990 prices)					
<b>Gross domestic product</b>	<b>4,193</b>	<b>4,157</b>	<b>4,154</b>	<b>4,343</b>	<b>4,475</b>
<b>Consumption</b>	<b>4,079</b>	<b>3,772</b>	<b>4,217</b>	<b>4,468</b>	<b>4,515</b>
Private	2,696	2,672	2,680	3,060	2,970
Public	1,383	1,100	1,537	1,407	1,546
Investment	890	676	495	1,207	1,015
Private	427	423	398	1,105	936
Public	463	252	97	102	79
Exports of goods and nonfactor services	1,082	1,138	814	1,017	953
Imports of goods and nonfactor services	1,858	1,389	1,371	2,349	2,008
(Percentage change)					
<b>Gross domestic product</b>	<b>2.2</b>	<b>-0.9</b>	<b>-0.1</b>	<b>4.5</b>	<b>3.0</b>
<b>Consumption</b>	<b>7.1</b>	<b>-7.5</b>	<b>11.8</b>	<b>6.0</b>	<b>1.1</b>
Private	0.4	-0.9	0.3	14.2	-3.0
Public	23.1	-20.5	39.7	-8.4	9.8
Investment	20.9	-24.1	-26.8	143.9	-15.9
Private	-22.1	-1.0	-6.0	177.8	-15.3
Public	146.8	-45.5	-61.6	5.4	-22.7
Exports of goods and nonfactor services	4.4	5.2	-28.5	25.0	-6.3
Imports of goods and nonfactor services	25.6	-25.2	-1.3	71.3	-14.5

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

I/ Preliminary estimates.



Table 4. Suriname; Gross Domestic Product by Expenditure at Current Prices

	1998	1999	2000	2001	2002 1/
(In millions of Surinamese guilders)					
<b>Gross domestic product</b>	<b>445,059</b>	<b>761,482</b>	<b>1,176,909</b>	<b>1,664,355</b>	<b>2,234,399</b>
Consumption	432,971	683,673	1,194,657	1,712,206	2,254,382
Private	286,131	482,127	759,219	1,172,829	1,482,627
Public	146,841	201,546	435,437	539,377	771,755
Investment	94,493	123,794	140,184	462,540	506,834
Private	45,365	77,546	112,684	423,349	467,346
Public	49,129	46,249	27,500	39,192	39,488
Exports of goods and nonfactor services	114,832	208,511	230,594	389,874	475,852
Imports of goods and nonfactor services	197,237	254,496	388,526	900,265	1,002,669
(In percent of GDP)					
<b>Gross domestic product</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Consumption</b>	<b>97.3</b>	<b>89.8</b>	<b>101.5</b>	<b>102.9</b>	<b>100.9</b>
Private	64.3	63.3	64.5	70.5	66.4
Public	33.0	26.5	37.0	32.4	34.5
Investment	21.2	16.3	11.9	27.8	22.7
Private	10.2	10.2	9.6	25.4	20.9
Public	11.0	6.1	2.3	2.4	1.8
Exports of goods and nonfactor services	25.8	27.4	19.6	23.4	21.3
Imports of goods and nonfactor services	44.3	33.4	33.0	54.1	44.9

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

1/ Preliminary estimates.

Table 5. Suriname: Agriculture, Livestock, and Fisheries—Production Data

	1998	1999	2000	2001	2002
(In metric tons, unless otherwise indicated)					
<b>Agricultural production</b>					
Paddy	188,410	180,296	163,655	191,370	157,105
Bananas	37,582	54,710	48,706	43,139	8,071
Plantains	14,004	10,874	10,782	12,481	11,449
Palm oil fruit	560	0	0	0	0
Vegetables 1/	21,185	15,021	15,758	17,073	17,138
Peanuts	201	256	254	265	207
Cocoa and coffee	23	19	11	...	...
Other food crops	10,869	10,940	9,935	13,805	4,818
Citrus	14,120	13,643	12,584	13,699	14,898
Coconuts 2/	9,186	8,934	8,517	8,056	10,033
(In hectares, unless otherwise indicated)					
<b>Planted area</b>					
Paddy					
Physical area	49,350	49,350	49,350	49,350	49,350
Planted area	50,135	48,460	41,995	50,780	40,050
Crop intensity 3/	1.02	0.98	0.9	1.0	0.8
Bananas	2,152	2,143	2,182	2,172	2,178
Plantains	616	460	496	536	482
Oil palm	1,900	1,900	1,900	n.a.	n.a.
Citrus	1,775	1,699	1,738	1,689	1,736
(In metric tons per hectare, unless otherwise indicated)					
<b>Yield</b>					
Paddy	3.8	3.7	3.9	3.8	3.9
Bananas	19.0	27.0	24.1	n.a.	n.a.
Plantains	22.7	23.6	21.7	23.3	23.8
Palm oil fruit	0.0	0.0	0.0	0.0	0.0
<b>Livestock</b>					
<b>Meat production</b>					
Beef	2,112	2,246	1,952	1,890	1,606
Pork	1,061	1,006	1,165	1,282	1,437
Chicken	3,025	3,805	n.a.	4,920	5,538
Eggs 4/	35	38	50	55	55

Sources: Ministry of Agriculture; Animal Husbandry and Fishing via General Bureau of Statistics.

1/ Cabbage, tomatoes, and green vegetables.

2/ In thousands of units.

3/ The ratio of planted to physical area; reflects areas with two harvests.

4/ In millions of units.

Table 6. Suriname: Bauxite Sector—Production Data

	1998	1999	2000	2001	2002 1/
(In thousands of metric tons)					
<b>Bauxite</b>					
Production	3,889	3,715	3,610	4,394	4,002
<b>Alumina</b>					
Production	1,771	1,853	1,906	1,893	1,903
Exports	1,725	1,858	1,869	1,909	1,886
<b>Aluminum</b>					
Production	27.5	6.6	0.0	0.0	0.0
Exports	27.5	6.8	0.0	0.0	0.0
(Percentage change)					
<b>Bauxite</b>					
Production	0.3	-4.5	-2.8	21.7	-8.9
<b>Alumina</b>					
Production	2.6	4.6	2.9	-0.7	0.5
Exports	4.7	7.7	0.6	2.2	-1.2
<b>Aluminum</b>					
Production	-1.8	-76.0	-100.0	...	...
Exports	-1.8	-75.3	-100.0	...	...
(In thousands of metric tons)					
<b>World totals</b>					
Bauxite production	123,004	130,128	138,810	137,648	141,716
Alumina production	45,043	45,784	48,119	48,488	49,788
Aluminum production	22,654	23,710	24,465	24,477	26,099
(In percent)					
<b>Suriname's market share</b>					
Bauxite production	3.2	2.9	2.6	3.2	2.8
Alumina production	3.9	4.0	4.0	3.9	3.8
Aluminum production	0.1	0.0	0.0	0.0	0.0

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

1/ Preliminary estimates.

Table 7. Suriname: World Production, Consumption and Changes in Stocks of Primary Aluminum

(In thousands of metric tons, unless otherwise indicated)

	1998	1999	2000	2001	2002
<b>Total world production</b>	<b>22,654</b>	<b>23,710</b>	<b>24,465</b>	<b>24,477</b>	<b>26,099</b>
<b>Total world consumption</b>	<b>21,826</b>	<b>23,312</b>	<b>24,874</b>	<b>23,495</b>	<b>24,821</b>
<b>Surplus or deficit (-) in production</b>	<b>828</b>	<b>398</b>	<b>-409</b>	<b>981</b>	<b>1,279</b>
<b>Memorandum item:</b>					
World price of aluminum 1/	1,357.6	1,360.0	1,551.5	1,446.7	1,351.1
(percent change)	-15.1	0.2	14.1	-6.8	-6.6

Sources: World Metal Statistics; EDSS, Commodity Price System.

1/ U.S. dollars per metric ton.

Table 8. Suriname: Consumer Price Index—Paramaribo and Suburbs

	Total Index	Food and Beverages	Housing and Furnishings	Clothing and Footwear	Other Expenses
Weights until 2000	100.0	40.0	23.6	11.0	25.4
Weights after 2000	100.0	35.0	7.0	4.1	53.9
(December 2000 = 100)					
<b>Period average</b>					
1996	24.8	23.6	29.7	21.1	18.8
1997	26.6	25.6	29.5	22.8	22.2
1998	31.7	30.9	33.8	30.3	26.8
1999	62.9	57.2	64.4	61.2	63.6
2000	100.0	100.0	100.0	100.0	100.0
2001	103.3	100.8	102.7	95.6	105.5
2002	119.3	118.6	113.6	92.1	122.6
<b>End-of-period</b>					
1996	17.9	21.6	14.3	14.8	15.8
1997	21.1	23.9	19.2	17.9	19.3
1998	26.0	27.5	24.4	26.0	24.0
1999	55.3	57.4	49.6	59.9	51.9
2000	100.0	100.0	100.0	100.0	100.0
2001	104.6	103.0	102.3	90.6	107.0
2002	134.3	134.9	127.4	95.3	137.8
(In percent change)					
<b>Period average</b>					
1996	1.1	-7.3	-4.3	1.6	17.4
1997	7.3	8.8	-0.6	8.0	18.2
1998	19.0	20.5	14.3	32.5	20.7
1999	98.8	84.9	90.6	102.2	137.1
2000	58.9	75.0	55.4	63.5	57.1
2001	3.3	0.8	2.7	-4.4	5.5
2002	15.5	17.6	10.6	-3.6	16.2
<b>End-of-period</b>					
1996	0.5	-3.1	-4.8	5.8	10.4
1997	18.3	10.7	34.0	20.7	22.3
1998	22.9	15.1	27.1	45.0	24.7
1999	112.8	108.7	103.6	130.6	115.9
2000	80.9	74.1	101.6	66.9	92.7
2001	4.6	3.0	2.3	-9.4	7.0
2002	28.4	31.0	24.5	5.2	28.8

Source: General Bureau of Statistics.

Table 9. Suriname: Employment by Sector

	1998	1999	2000	2001	2002 1/
(Number of employees)					
<b>Total</b>	<b>63,153</b>	<b>62,073</b>	<b>62,506</b>	<b>62,894</b>	<b>63,574</b>
Mining	3,064	2,722	2,490	2,388	2,168
Manufacturing	6,473	6,430	6,316	6,197	6,233
Utilities	1,406	1,423	1,622	1,632	1,685
Construction	1,308	1,284	1,277	1,262	1,241
Trade	6,622	6,157	6,279	6,226	6,352
Transport and communication	2,308	2,155	2,076	2,027	2,002
Banking	1,603	1,529	1,506	1,314	1,467
Insurance	309	312	296	289	309
Other services	2,333	2,172	2,169	2,332	2,442
Government	37,727	37,889	38,475	39,227	39,676
(Annual percentage change)					
<b>Total</b>	<b>2.3</b>	<b>-1.7</b>	<b>0.7</b>	<b>0.6</b>	<b>1.1</b>
Mining	-9.0	-11.2	-8.5	-4.1	-9.2
Manufacturing	1.8	-0.7	-1.8	-1.9	0.6
Utilities	-5.2	1.2	14.0	0.6	3.2
Construction	-2.0	-1.8	-0.5	-1.2	-1.7
Trade	8.3	-7.0	2.0	-0.8	2.0
Transport and communication	0.8	-6.6	-3.7	-2.4	-1.2
Banking	6.3	-4.6	-1.5	-12.7	11.6
Insurance	-4.6	1.0	-5.1	-2.4	6.9
Other services	6.9	-6.9	-0.1	7.5	4.7
Government	2.6	0.4	1.5	2.0	1.1
(In percent of total)					
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Mining	4.9	4.4	4.0	3.8	3.4
Manufacturing	10.2	10.4	10.1	9.9	9.8
Utilities	2.2	2.3	2.6	2.6	2.7
Construction	2.1	2.1	2.0	2.0	2.0
Trade	10.5	9.9	10.0	9.9	10.0
Transport and communication	3.7	3.5	3.3	3.2	3.1
Banking	2.5	2.5	2.4	2.1	2.3
Insurance	0.5	0.5	0.5	0.5	0.5
Other services	3.7	3.5	3.5	3.7	3.8
Government	59.7	61.0	61.6	62.4	62.4

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

1/ Preliminary estimates.

Table 10. Suriname: Population Data

	1997	1998	1999	2000	2001 1/
(In thousands)					
Natural increase	7.9	7.4	7.2	6.7	6.2
Net migration	-1.4	-2.6	-0.6	-2.2	-0.6
Population at end of period	422.2	427.0	433.5	438.1	443.7
(In percent)					
Rate of population increase	1.6	1.1	1.5	1.1	1.3
Natural rate of increase	1.9	1.8	1.7	1.5	1.4

Source: General Bureau of Statistics.

1/ Preliminary estimates. Information for 2002 is not available yet.

Table 11. Suriname: Central Government Operations

(In billions of guilders)

	1998	1999	2000	2001	2002
Revenue and grants	152.8	180.6	320.1	643.9	653.8
Revenue	126.3	160.3	297.6	616.5	623.8
Direct taxes	50.5	58.9	147.9	289.0	232.4
Indirect taxes	55.4	91.7	123.9	267.3	313.9
Nontax revenue	20.4	9.7	25.9	60.2	77.5
Grants	26.5	20.3	22.5	27.4	30.0
Expenditure and net lending	196.0	253.5	462.9	590.9	811.2
Current expenditure	146.8	201.5	435.4	539.4	771.8
Wages and salaries	73.6	94.9	153.7	199.2	339.8
Goods and services	47.9	61.1	192.4	140.2	229.5
Subsidies and transfers	21.5	42.5	82.8	151.7	144.6
<i>Of which</i>	0.0	0.0	0.0	0.0	0.0
Private sector	1.0	3.5	10.5	16.3	5.6
Public sector	0.2	0.5	13.1	24.2	22.5
Households	20.3	38.5	59.2	111.2	116.6
Interest	3.8	3.1	6.5	48.2	57.8
Net lending	0.0	8.6	0.0	12.4	0.0
Capital expenditure	49.1	43.4	27.5	39.2	39.5
Primary balance	-39.4	-69.8	-136.4	101.1	-99.6
Overall balance	-43.2	-73.0	-142.8	52.9	-157.4
External amortization	-0.4	-1.9	-150.8	-159.6	-73.4
Gross financing requirement	43.6	74.8	293.7	106.7	230.9
Net domestic borrowings	35.1	44.8	171.1	-162.9	229.2
Domestic commercial banks	12.6	2.7	41.7	31.4	4.1
Central bank	20.5	49.2	147.2	-215.5	196.2
Other domestic private sector	0.0	0.0	0.0	0.0	0.0
Nonidentified financing	1.9	-7.1	-17.8	21.3	28.8
Gross external borrowing	8.6	30.1	122.5	269.6	1.7
Bilateral agencies	0.0	0.0	0.0	0.0	0.0
Multilateral agencies	0.0	0.0	0.0	0.0	1.7
Foreign commercial banks	8.6	30.1	122.5	269.6	0.0
Foreign nonbanks	0.0	0.0	0.0	0.0	0.0

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



Table 12. Suriname: Central Government Operations

(In percent of GDP)

	1998	1999	2000	2001	2002
Revenue and grants	34.3	23.7	27.2	38.7	29.3
Revenue	28.4	21.1	25.3	37.0	27.9
Direct taxes	11.4	7.7	12.6	17.4	10.4
Indirect taxes	12.5	12.0	10.5	16.1	14.1
Nontax revenue	4.6	1.3	2.2	3.6	3.5
Grants	5.9	2.7	1.9	1.6	1.3
Expenditures and net lending	44.0	33.3	39.3	35.5	36.3
Current expenditures	33.0	26.5	37.0	32.4	34.5
Wages and salaries	16.5	12.5	13.1	12.0	15.2
Goods and services	10.8	8.0	16.3	8.4	10.3
Subsidies and transfers	4.8	5.6	7.0	9.1	6.5
<i>Of which</i>					
Private sector	0.2	0.5	0.9	1.0	0.2
Public sector	0.1	0.1	1.1	1.5	1.0
Households	4.6	5.1	5.0	6.7	5.2
Interest	0.9	0.4	0.6	2.9	2.6
Net lending	0.0	1.1	0.0	0.7	0.0
Capital expenditures	11.0	5.7	2.3	2.4	1.8
Primary balance	-8.8	-9.2	-11.6	6.1	-4.5
Overall balance	-9.7	-9.6	-12.1	3.2	-7.0
External amortization	-0.1	-0.2	-12.8	-9.6	-3.3
Gross financing requirement	9.8	9.8	25.0	6.4	10.3
Net domestic borrowings	7.9	5.9	14.5	-9.8	10.3
Domestic commercial banks	2.8	0.4	3.5	1.9	0.2
Central bank	4.6	6.5	12.5	-12.9	8.8
Other domestic private sector	0.0	0.0	0.0	0.0	0.0
Nonidentified financing	0.4	-0.9	-1.5	1.3	1.3
Gross external borrowing	1.9	3.9	10.4	16.2	0.1
Bilateral agencies	0.0	0.0	0.0	0.0	0.0
Multilateral agencies	0.0	0.0	0.0	0.0	0.1
Foreign commercial banks	1.9	3.9	10.4	16.2	0.0
Foreign nonbanks	0.0	0.0	0.0	0.0	0.0

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

Table 13. Suriname: Central Government Revenue and Grants

(In billions of guilders)

	1998	1999	2000	2001	2002
<b>Total revenue and grants</b>	<b>152.8</b>	<b>180.6</b>	<b>320.1</b>	<b>643.9</b>	<b>653.8</b>
<b>Current revenue</b>	<b>126.3</b>	<b>160.3</b>	<b>297.6</b>	<b>616.5</b>	<b>623.8</b>
<b>Tax revenue</b>	<b>106.0</b>	<b>150.6</b>	<b>271.7</b>	<b>556.3</b>	<b>546.3</b>
<b>Direct taxes</b>	<b>50.5</b>	<b>58.9</b>	<b>147.9</b>	<b>289.0</b>	<b>232.4</b>
Income taxes	46.9	50.1	111.4	216.5	227.5
Individual income taxes	31.8	33.8	53.7	61.2	116.4
Wage tax	28.4	29.7	47.1	53.5	106.2
Self-employed	3.3	4.1	6.7	7.7	10.3
Corporate income taxes	15.1	16.3	57.7	155.3	111.0
Bauxite companies	9.5	14.4	26.8	80.0	34.3
Other companies	5.7	2.0	30.9	75.3	76.7
Wealth tax	0.1	0.0	0.1	0.2	0.2
Dividend tax	0.1	0.4	0.4	9.8	0.8
Rental value tax	0.0	0.0	0.1	0.0	0.3
Property tax	0.0	0.0	0.0	0.0	0.0
Other (net of tax refunds) 1/	3.4	8.4	35.8	62.4	3.5
Casino Tax	0.0	0.0	0.0	0.0	0.0
<b>Indirect taxes</b>	<b>55.4</b>	<b>91.7</b>	<b>123.9</b>	<b>267.3</b>	<b>313.9</b>
<b>Domestic taxes on goods and services</b>	<b>19.8</b>	<b>25.7</b>	<b>24.7</b>	<b>97.4</b>	<b>115.1</b>
Motor fuel	12.4	10.6	2.4	44.2	55.9
Motor vehicles	0.7	0.3	0.3	0.0	0.0
Sales tax on Domestic goods and services	3.6	10.6	14.4	22.7	25.4
Other Domestic taxes (net of tax refunds)	3.1	4.2	7.6	30.4	33.8
<i>Of which</i>					
Tobacco	0.9	1.2	1.1	10.5	10.9
Liquor	0.4	0.7	2.8	9.2	10.9
Beer	0.7	0.6	2.5	5.5	5.7
Lottery	0.3	0.4	0.6	5.2	5.5
Entertainment	0.3	0.4	0.7	0.0	0.9
Soft drinks	0.6	1.0	0.0	0.0	0.0
<b>Taxes on international trade</b>	<b>35.1</b>	<b>65.1</b>	<b>98.2</b>	<b>168.2</b>	<b>194.2</b>
Sales tax on imports	9.2	22.0	27.5	51.0	57.6
Customs duty	21.6	34.0	55.5	91.1	107.2
Statistical fees and Consent rights	4.3	8.6	14.6	25.1	28.7
Statistical fees	1.8	4.1	7.5	11.6	15.1
Consent rights	2.5	4.5	7.1	13.5	13.6
Wood export tax	0.0	0.1	0.2	0.6	0.3
Export and re-export taxes	0.0	0.5	0.4	0.4	0.4
<b>Other taxes</b>	<b>0.5</b>	<b>0.8</b>	<b>0.9</b>	<b>1.7</b>	<b>4.7</b>
Contribution on alumina production	0.4	0.7	0.6	1.3	4.6
Other	0.2	0.1	0.3	0.4	0.1
<b>Nontax and capital revenue</b>	<b>20.4</b>	<b>9.7</b>	<b>25.9</b>	<b>60.2</b>	<b>77.5</b>
<b>Nontax revenue</b>	<b>20.4</b>	<b>9.7</b>	<b>25.9</b>	<b>60.2</b>	<b>77.5</b>
Pension fund contributions	0.0	0.0	0.0	0.0	0.0
Old age fund contributions	3.6	3.6	5.0	7.8	12.8
Central bank profits	0.0	0.0	0.0	0.0	0.0
Administrative fees, fines, etc.	16.8	6.1	20.8	52.4	64.7
Fees and licenses	1.8	4.0	7.0	8.8	12.9
Payment for government services	1.1	1.4	2.0	3.0	3.5
Income from state enterprises	0.2	0.6	0.3	2.1	3.4
Revenue from government ministries	0.0	0.0	0.0	0.0	0.0
Miscellaneous nontax revenue	13.6	0.1	11.6	38.5	44.9
<b>Grants</b>	<b>26.5</b>	<b>20.3</b>	<b>22.5</b>	<b>27.4</b>	<b>30.0</b>

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

1/ Also includes payments of unclassified tax arrears.

Table 14. Suriname: Central Government Revenue and Grants

(In percent of GDP)

	1998	1999	2000	2001	2002
<b>Total revenue and grants</b>	<b>34.3</b>	<b>23.7</b>	<b>27.2</b>	<b>38.7</b>	<b>29.3</b>
<b>Current revenue</b>	<b>28.4</b>	<b>21.1</b>	<b>25.3</b>	<b>37.0</b>	<b>27.9</b>
<b>Tax revenue</b>	<b>23.8</b>	<b>19.8</b>	<b>23.1</b>	<b>33.4</b>	<b>24.4</b>
<b>Direct taxes</b>	<b>11.4</b>	<b>7.7</b>	<b>12.6</b>	<b>17.4</b>	<b>10.4</b>
Income taxes	10.5	6.6	9.5	13.0	10.2
Individual income taxes	7.1	4.4	4.6	3.7	5.2
Wage tax	6.4	3.9	4.0	3.2	4.8
Self-employed	0.8	0.5	0.6	0.5	0.5
Corporate income taxes	3.4	2.1	4.9	9.3	5.0
Bauxite companies	2.1	1.9	2.3	4.8	1.5
Other companies	1.3	0.3	2.6	4.5	3.4
Wealth tax	0.0	0.0	0.0	0.0	0.0
Dividend tax	0.0	0.1	0.0	0.6	0.0
Rental value tax	0.0	0.0	0.0	0.0	0.0
Property tax	0.0	0.0	0.0	0.0	0.0
Other (net of tax refunds) 1/	0.8	1.1	3.0	3.8	0.2
Casino tax	0.0	0.0	0.0	0.0	0.0
<b>Indirect taxes</b>	<b>12.5</b>	<b>12.0</b>	<b>10.5</b>	<b>16.1</b>	<b>14.1</b>
<b>Domestic taxes on goods and services</b>	<b>4.4</b>	<b>3.4</b>	<b>2.1</b>	<b>5.9</b>	<b>5.1</b>
Motor fuel	2.8	1.4	0.2	2.7	2.5
Motor vehicles	0.1	0.0	0.0	0.0	0.0
Sales tax on domestic goods and services	0.8	1.4	1.2	1.4	1.1
Other domestic taxes (net of tax refunds)	0.7	0.6	0.6	1.8	1.5
<i>Of which</i>					
Tobacco	0.2	0.2	0.1	0.6	0.5
Liquor	0.1	0.1	0.2	0.6	0.5
Beer	0.2	0.1	0.2	0.3	0.3
Lottery	0.1	0.1	0.0	0.3	0.2
Entertainment	0.1	0.0	0.1	0.0	0.0
Soft drinks	0.1	0.1	0.0	0.0	0.0
<b>Taxes on international trade</b>	<b>7.9</b>	<b>8.6</b>	<b>8.3</b>	<b>10.1</b>	<b>8.7</b>
Sales tax on imports	2.1	2.9	2.3	3.1	2.6
Customs duty	4.9	4.5	4.7	5.5	4.8
Statistical fees and consent rights	1.0	1.1	1.2	1.5	1.3
Statistical fees	0.4	0.5	0.6	0.7	0.7
Consent rights	0.6	0.6	0.6	0.8	0.6
Wood export tax	0.0	0.0	0.0	0.0	0.0
Export and re-export taxes	0.0	0.1	0.0	0.0	0.0
Other taxes	0.1	0.1	0.1	0.1	0.2
Retribution on alumina production	0.1	0.1	0.1	0.1	0.2
Other	0.0	0.0	0.0	0.0	0.0
<b>Nontax and capital revenue</b>	<b>4.6</b>	<b>1.3</b>	<b>2.2</b>	<b>3.6</b>	<b>3.5</b>
<b>Nontax revenue</b>	<b>4.6</b>	<b>1.3</b>	<b>2.2</b>	<b>3.6</b>	<b>3.5</b>
Pension fund contributions	0.0	0.0	0.0	0.0	0.0
Old Age fund contributions	0.8	0.5	0.4	0.5	0.6
Central bank profits	0.0	0.0	0.0	0.0	0.0
Administrative fees, fines, etc.	3.8	0.8	1.8	3.2	2.9
Fees and licenses	0.4	0.5	0.6	0.5	0.6
Payment for government services	0.2	0.2	0.2	0.2	0.2
Income from state enterprises	0.1	0.1	0.0	0.1	0.2
Revenue from government ministries	0.0	0.0	0.0	0.0	0.0
Miscellaneous nontax revenue	3.1	0.0	1.0	2.3	2.0
<b>Capital revenue</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Grants</b>	<b>5.9</b>	<b>2.7</b>	<b>1.9</b>	<b>1.6</b>	<b>1.3</b>

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

1/ In 1999 and 2000 it includes payments of unclassified tax arrears.

Table 15. Suriname: Central Government Expenditure

(In billions of guilders)

	1998	1999	2000	2001	2002
<b>Total expenditure</b>	<b>196.0</b>	<b>253.5</b>	<b>462.9</b>	<b>590.9</b>	<b>811.2</b>
Current expenditure	146.8	201.5	435.4	539.4	771.8
Wages and salaries	73.6	94.9	153.7	199.2	339.8
Allowances	0.0	0.0	0.0	0.0	0.0
Payroll	73.6	94.9	153.7	199.2	339.8
Current transfers	21.5	42.5	82.8	151.7	144.6
Private sector enterprises	1.0	3.5	10.5	16.3	5.6
Public sector	0.2	0.5	13.1	24.2	22.5
To households	20.3	38.5	59.2	111.2	116.6
<i>Of which</i>					
Pensions to civil servants	6.6	13.8	21.8	39.3	17.9
Social welfare	7.5	2.9	5.2	8.1	6.7
Interest	3.8	3.1	6.5	48.2	57.8
Domestic	0.1	1.6	1.5	12.5	31.5
External	3.7	1.5	5.0	35.7	26.3
Goods and services	47.9	61.1	192.4	140.2	229.5
Government ministries	27.1	45.5	92.4	12.2	31.6
Other goods and services	20.2	11.9	98.4	117.7	181.6
<i>Of which</i>					
Extraordinary expenditure	0.0	0.0	37.9	0.0	0.0
Abroad	0.7	3.7	1.6	10.2	16.2
Net lending to public entities 2/	0.0	8.6	0.0	12.4	0.0
Capital expenditures	49.1	43.4	27.5	39.2	39.5
EEC	0.0	2.4	0.0	0.0	0.0
Dutch grants	0.0	17.9	22.5	0.0	0.0
Central government resources	0.0	2.7	5.0	11.8	9.5
Private sector financing and other grants 3/	49.1	20.4	0.0	27.4	30.0
<b>Memorandum item:</b>					
Defense expenditure 4/	10.6	13.9	20.4	0.0	0.0

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

1/ Includes in 1996, 1997, and 1998 current grants from the European Union and Holland and the purchase of patrol boats in 1997.

2/ On-lending operations treated as net lending with the offset under external financing.

3/ In 1998 and 1999 includes financing of bridges by a Dutch consortium.

4/ Expenditure of the Ministry of Defense, including wages and salaries, goods and services, utilities, etc.

Table 16. Suriname: Central Government Expenditure

(In percent of GDP)

	1998	1999	2000	2001	2002
Total expenditure	44.0	33.3	39.3	35.5	36.3
Current expenditure	33.0	26.5	37.0	32.4	34.5
Wages and salaries	16.5	12.5	13.1	12.0	15.2
Allowances	0.0	0.0	0.0	0.0	0.0
Payroll	16.5	12.5	13.1	12.0	15.2
Current transfers	4.8	5.6	7.0	9.1	6.5
Private sector	0.2	0.5	0.9	1.0	0.2
Public sector	0.1	0.1	1.1	1.5	1.0
To households	4.6	5.1	5.0	6.7	5.2
<i>Of which</i>					
Pensions to civil servants	1.5	1.8	1.9	2.4	0.8
Social welfare	1.7	0.4	0.4	0.5	0.3
Interest	0.9	0.4	0.6	2.9	2.6
Domestic	0.0	0.2	0.1	0.8	1.4
External	0.8	0.2	0.4	2.1	1.2
Goods and services	10.8	8.0	16.3	8.4	10.3
Government ministries	6.1	6.0	7.9	0.7	1.4
Other goods and services	4.5	1.6	8.4	7.1	8.1
<i>Of which</i>					
Extraordinary expenditure	0.0	0.0	3.2	0.0	0.0
Abroad	0.2	0.5	0.1	0.6	0.7
Net lending to public entities 2/	0.0	1.1	0.0	0.7	0.0
Capital expenditure	11.0	5.7	2.3	2.4	1.8
EEC	0.0	0.3	0.0	0.0	0.0
Dutch grants	0.0	2.3	1.9	0.0	0.0
Central government resources	0.0	0.4	0.4	0.7	0.4
Private sector financing and other grants 3/	11.0	2.7	0.0	1.6	1.3
<b>Memorandum item:</b>					
Defense expenditure 4/	2.4	1.8	1.7	0.0	0.0

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

1/ Includes in 1996, 1997, and 1998 current grants from the European Union and Holland and the purchase of patrol boats in 1997.

2/ On-lending operations treated as net lending with the offset under external financing.

3/ In 1998 and 1999 includes financing of bridges by a Dutch consortium.

4/ Expenditure of the ministry of defense, including wages and salaries, goods and services, utilities, etc.

Table 17. Suriname: Summary Accounts of the Banking System 1/

(In millions of Surinamese guilders)

	1998	1999	2000	2001	2002
<b>I. Central Bank</b>					
<b>Net foreign assets</b>	<b>35,800</b>	<b>13,787</b>	<b>27,500</b>	<b>216,754</b>	<b>254,636</b>
Net international reserves	39,288	18,591	27,383	216,633	253,273
Assets 2/	127,269	122,869	252,869	385,875	255,409
Liabilities 3/	-87,981	-104,278	-225,487	-169,241	-2,135
Net other foreign assets	-3,488	-4,804	117	121	1,362
<b>Net domestic assets</b>	<b>47,466</b>	<b>108,984</b>	<b>283,643</b>	<b>141,681</b>	<b>217,054</b>
Net claims on the public sector	34,303	83,237	231,260	12,454	208,889
Central government (net)	30,250	79,454	226,682	11,161	207,368
Assets	38,568	101,947	287,428	57,124	263,098
Liabilities	-8,317	-22,493	-60,746	-45,963	-55,730
Rest of the public sector (net)	4,052	3,783	4,577	1,293	1,522
Claims on commercial banks	19,077	38,249	43,064	44,884	21,721
Claims on private sector	1,477	3,785	4,235	11,804	7,194
Claims on other banking institutions	218	511	623	719	783
Official capital and surplus	-13,191	-29,404	-19,905	45,195	-41,635
Net unclassified assets	5,582	12,606	24,367	26,626	20,102
Assets	10,754	13,140	24,063	18,736	21,117
Liabilities	-5,172	-535	304	7,890	-1,016
<b>Reserve money</b>	<b>83,266</b>	<b>122,771</b>	<b>311,143</b>	<b>358,435</b>	<b>471,689</b>
Currency outside cash houses and central bank 4/	60,862	98,345	173,396	206,181	229,887
Bankers deposits	20,562	17,701	115,805	116,085	178,816
Other liabilities to the private sector	1,842	6,725	21,942	36,169	62,987
<b>II. Commercial Banks</b>					
<b>Net short term foreign assets</b>	<b>34,402</b>	<b>100,951</b>	<b>210,842</b>	<b>275,546</b>	<b>306,313</b>
Assets	38,675	154,546	235,147	312,164	345,275
Liabilities	-4,274	-53,594	-24,305	-36,619	-38,962
Net other foreign assets	-24	-24	-11,024	-11,024	-11,000
<b>Net domestic assets</b>	<b>139,988</b>	<b>184,443</b>	<b>345,541</b>	<b>509,863</b>	<b>733,466</b>
Net claims on the public sector	20,647	23,052	63,505	95,045	99,243
Central government (net)	18,471	21,164	62,882	94,232	98,370
Assets	18,638	21,706	63,407	95,071	98,779
Liabilities	-167	-542	-525	-840	-409
Rest of the public sector (net)	2,176	1,888	623	813	873
Credit to the private sector	89,523	130,490	143,568	245,246	402,296
Monetary reserves and currency holdings	30,981	34,394	138,578	139,825	204,873
Liabilities to the central bank	-19,077	-38,249	-43,064	-44,884	-21,721
Net unclassified assets	17,914	34,756	42,954	74,631	48,775
Assets	41,028	49,820	82,000	113,713	110,513
Liabilities	-23,113	-15,064	-39,046	-39,082	-61,738
<b>Liabilities to the private sector</b>	<b>174,365</b>	<b>285,370</b>	<b>545,359</b>	<b>774,385</b>	<b>1,028,779</b>
Monetary liabilities	161,845	264,440	526,700	712,349	964,742
Demand deposits	39,929	51,367	111,010	175,972	279,407
Time, savings, and other deposits	87,578	108,151	160,966	178,435	205,095
Foreign currency deposits	34,338	104,923	254,724	357,943	480,239
Other liabilities	28	21	13	5	0
Private capital and surplus	12,492	20,909	18,645	62,031	64,037

Table 17. Suriname: Summary Accounts of the Banking System 1/

(In millions of Surinamese guilders)

	1998	1999	2000	2001	2002
<b>III. Banking System</b>					
<b>Net foreign assets</b>	<b>70,177</b>	<b>114,714</b>	<b>227,318</b>	<b>481,276</b>	<b>549,948</b>
Net international reserves	39,288	18,591	27,383	216,633	253,273
Assets 2/	127,269	122,869	252,869	385,875	255,409
Liabilities 3/	-87,981	-104,278	-225,487	-169,241	-2,135
Net other foreign assets	30,889	96,123	199,935	264,643	296,675
<b>Net domestic assets</b>	<b>156,473</b>	<b>259,033</b>	<b>490,606</b>	<b>511,719</b>	<b>745,647</b>
Net claims on the public sector	54,950	106,289	294,765	107,498	308,133
Central government (net)	48,722	100,618	289,564	105,393	305,738
Assets	57,206	123,653	350,835	152,195	361,876
Liabilities	-8,484	-23,035	-61,271	-46,802	-56,138
Rest of the public sector (net)	6,228	5,671	5,201	2,106	2,395
Claims on the private sector	90,999	134,276	147,803	257,050	409,490
Claims on other financial institutions	218	511	623	719	783
Net unclassified assets	23,496	47,361	67,321	101,257	68,877
Assets	51,781	62,960	106,062	132,449	131,631
Liabilities	-28,285	-15,599	-38,741	-31,192	-62,754
Official capital and surplus	-13,191	-29,404	-19,905	45,195	-41,635
<b>Liabilities to the private sector</b>	<b>226,650</b>	<b>373,747</b>	<b>717,924</b>	<b>992,995</b>	<b>1,295,596</b>
Broad money	214,130	352,817	699,265	930,960	1,231,558
Money	91,600	136,029	269,424	382,219	527,634
Currency in circulation 4/	50,443	81,652	150,622	182,441	203,830
Demand deposits	41,157	54,377	118,802	199,778	323,804
Gold certificates	614	3,716	14,150	12,364	18,589
Quasi-money	87,578	108,151	160,966	178,435	205,095
Foreign currency deposits	34,338	104,923	254,724	357,943	480,239
Other liabilities	28	21	13	5	0
Private capital and surplus	12,492	20,909	18,645	62,031	64,037
<b>Memorandum item:</b>					
Accounting exchange rate 5/	401	987	2,178	2,178	2,500

Source: Central Bank of Suriname.

1/ As of December 31.

2/ Gold is valued at market prices.

3/ Adjusted for external arrears.

4/ Includes central government issue of coins.

5/ Official central bank rate (end of period).

Table 18. Suriname: Banking System Liabilities to the Private Sector 1/

	1998	1999	2000	2001	2002
(In millions of Surinamese guilders)					
<b>Total liabilities</b>	<b>226,650</b>	<b>373,747</b>	<b>717,924</b>	<b>992,995</b>	<b>1,295,596</b>
Broad money	214,130	352,817	699,265	930,960	1,231,558
Money	91,600	136,029	269,424	382,219	527,634
Currency in circulation	50,443	81,652	150,622	182,441	203,830
Demand deposits	41,157	54,377	118,802	199,778	323,804
Quasi- money 2/	88,192	111,866	175,117	190,798	223,685
Foreign currency deposits	34,338	104,923	254,724	357,943	480,239
Other liabilities	28	21	13	5	0
Private capital and surplus	12,492	20,909	18,645	62,031	64,037
(In percent of Broad money)					
<b>Total liabilities</b>	<b>105.8</b>	<b>105.9</b>	<b>102.7</b>	<b>106.7</b>	<b>105.2</b>
Broad money	100.0	100.0	100.0	100.0	100.0
Money	42.8	38.6	38.5	41.1	42.8
Currency in circulation	23.6	23.1	21.5	19.6	16.6
Demand deposits	19.2	15.4	17.0	21.5	26.3
Quasi- money 2/	41.2	31.7	25.0	20.5	18.2
Foreign currency deposits	16.0	29.7	36.4	38.4	39.0
Other liabilities	0.0	0.0	0.0	0.0	0.0
Private capital and surplus	5.8	5.9	2.7	6.7	5.2
(In percent of GDP)					
<b>Total liabilities</b>	<b>50.9</b>	<b>49.1</b>	<b>61.0</b>	<b>59.7</b>	<b>58.0</b>
Broad money	48.1	46.3	59.4	55.9	55.1
Money	20.6	17.9	22.9	23.0	23.6
Currency in circulation	11.3	10.7	12.8	11.0	9.1
Demand deposits	9.2	7.1	10.1	12.0	14.5
Quasi- money 2/	19.8	14.7	14.9	11.5	10.0
Foreign currency deposits	7.7	13.8	21.6	21.5	21.5
Other liabilities	0.0	0.0	0.0	0.0	0.0
Private capital and surplus	2.8	2.7	1.6	3.7	2.9
<b>Memorandum item:</b>					
GDP at market prices	445,059	761,482	1,176,909	1,664,355	2,234,399
(Annual percentage change)					
<b>Total liabilities</b>	<b>32.6</b>	<b>64.9</b>	<b>92.1</b>	<b>38.3</b>	<b>30.5</b>
Broad money	34.6	64.8	98.2	33.1	32.3
Money	33.5	48.5	98.1	41.9	38.0
Currency in circulation	56.7	61.9	84.5	21.1	11.7
Demand deposits	13.0	32.1	118.5	68.2	62.1
Quasi- money 2/	41.8	26.8	56.5	9.0	17.2
Foreign currency deposits	21.2	205.6	142.8	40.5	34.2
Other liabilities	-87.5	-26.8	-36.5	-63.6	-100.0
Private capital and surplus	7.2	67.4	-10.8	232.7	3.2

Source: Central Bank of Suriname.

1/ As of December 31.

2/ Includes time and savings deposits, and gold certificates.



Table 19. Suriname: Distribution of Commercial Bank Credit by Destination 1/

	1998	1999	2000	2001	2002
(In millions of Surinamese guilders)					
<b>Total credit outstanding 2/</b>	<b>99,797.9</b>	<b>130,063.5</b>	<b>156,028.6</b>	<b>241,662.7</b>	<b>288,555.6</b>
Agriculture	18,533.1	28,603.8	19,921.7	33,357.6	19,277.4
Fisheries	4,476.2	5,147.4	3,154.7	6,663.8	6,113.8
Forestry	1,694.8	2,402.7	1,545.1	518.9	215.8
Mining	3,048.1	2,122.8	1,428.2	925.8	692.5
Manufacturing	9,338.8	9,136.8	8,894.9	8,111.6	9,538.8
Construction	2,007.9	2,613.2	2,767.7	3,118.3	6,242.7
Utilities	1,251.4	1,412.6	35.2	120.4	0.0
Commerce	23,574.7	30,708.2	28,918.2	41,027.3	55,970.7
Transport and communications	4,259.5	5,345.5	3,991.7	4,093.4	4,081.3
Services	4,999.8	5,676.0	4,761.8	7,305.2	10,485.5
Housing construction	11,758.3	14,490.9	13,669.2	22,874.6	26,658.0
Other	14,855.3	22,403.6	66,940.2	113,545.8	149,279.1
(In percent of total)					
Agriculture	18.6	22.0	12.8	13.8	6.7
Fisheries	4.5	4.0	2.0	2.8	2.1
Forestry	1.7	1.8	1.0	0.2	0.1
Mining	3.1	1.6	0.9	0.4	0.2
Manufacturing	9.4	7.0	5.7	3.4	3.3
Construction	2.0	2.0	1.8	1.3	2.2
Utilities	1.3	1.1	0.0	0.0	0.0
Commerce	23.6	23.6	18.5	17.0	19.4
Transport and communications	4.3	4.1	2.6	1.7	1.4
Services	5.0	4.4	3.1	3.0	3.6
Housing construction	11.8	11.1	8.8	9.5	9.2
Other	14.9	17.2	42.9	47.0	51.7

Source: Central Bank of Suriname.

1/ As of December 31.

2/ Figures for total credit outstanding include investments of the commercial banks.

Table 20. Suriname: Loans and Deposits by Interest Rates 1/ 2/  
(December 31)

	1997	1998	1999	2000	2001	2002
(In millions of Surinamese guilders)						
<b>Lending rate</b>						
Up to 5	48.1	464.5	758.5	360.9	542.8	7,621.2
5-10	2.9	3,195.3	6,901.7	7,215.9	9,144.2	18,218.8
10-15	14,931.4	23,760.2	27,227.9	16,290.6	22,983.5	28,159.6
15-20	495.6	6,010.1	6,230.4	6,627.5	14,763.3	20,353.8
20-25	3,497.8	3,995.6	6,435.4	9,636.5	59,553.9	95,316.2
25-30	21,162.4	33,245.8	4,615.4	5,714.0	38,557.5	50,683.7
30-35	13,953.8	12,743.2	24,357.6	23,827.9	11,897.4	11,098.1
35-40	6,528.9	3,453.6	36,267.9	37,769.6	11,889.1	1,788.5
40-45	7,230.1	8,436.9	12,131.3	6,030.1	5,371.6	322.3
45-50	3,425.1	1,919.1	2,957.3	825.0	165.3	105.0
Over 50	1,469.7	3,010.1	2,650.3	3,239.6	680.1	4,004.5
<b>Total</b>	<b>72,745.8</b>	<b>100,234.4</b>	<b>130,533.7</b>	<b>117,537.6</b>	<b>175,548.7</b>	<b>237,671.7</b>
<b>Deposit rate</b>						
0-5	128.3	263.1	299.2	191.5	377.7	15,101.4
5-10	6,226.1	8,275.9	3,206.1	1,966.0	90,519.4	164,722.4
10-15	37,543.5	47,440.5	68,042.1	108,553.2	68,924.9	19,842.4
15-20	12,633.5	18,611.6	17,022.9	26,194.1	10,619.5	6,740.2
20-25	9,824.1	11,690.4	13,135.9	14,517.6	3,876.4	1,607.9
25-30	3,198.8	3,516.1	6,876.5	11,921.3	5,939.5	2,183.4
30-35	2,571.0	1,780.9	2,501.0	1,425.4	1,023.0	867.1
35-40	2,518.3	1,249.6	979.0	70.4	3.4	0.0
40-45	509.6	486.1	385.4	15.2	0.0	0.0
45-50	113.5	41.5	40.5	0.0	0.0	0.0
Over 50	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>75,266.7</b>	<b>93,355.7</b>	<b>112,488.6</b>	<b>164,854.7</b>	<b>181,283.8</b>	<b>211,064.8</b>
(As percentage of total)						
<b>Lending rate</b>						
Up to 5	0.1	0.5	0.6	0.3	0.3	3.2
5-10	0.0	3.2	5.3	6.1	5.2	7.7
10-15	20.5	23.7	20.9	13.9	13.1	11.8
15-20	0.7	6.0	4.8	5.6	8.4	8.6
20-25	4.8	4.0	4.9	8.2	33.9	40.1
25-30	29.1	33.2	3.5	4.9	22.0	21.3
30-35	19.2	12.7	18.7	20.3	6.8	4.7
35-40	9.0	3.4	27.8	32.1	6.8	0.8
40-45	9.9	8.4	9.3	5.1	3.1	0.1
45-50	4.7	1.9	2.3	0.7	0.1	0.0
Over 50	2.0	3.0	2.0	2.8	0.4	1.7
<b>Deposit rate</b>						
0-5	0.2	0.3	0.3	0.1	0.2	7.2
5-10	8.3	8.9	2.9	1.2	49.9	78.0
10-15	49.9	50.8	60.5	65.8	38.0	9.4
15-20	16.8	19.9	15.1	15.9	5.9	3.2
20-25	13.1	12.5	11.7	8.8	2.1	0.8
25-30	4.2	3.8	6.1	7.2	3.3	1.0
30-35	3.4	1.9	2.2	0.9	0.6	0.4
35-40	3.3	1.3	0.9	0.0	0.0	0.0
40-45	0.7	0.5	0.3	0.0	0.0	0.0
45-50	0.2	0.0	0.0	0.0	0.0	0.0
Over 50	0.0	0.0	0.0	0.0	0.0	0.0
<b>Memorandum item:</b>						
CPI, percent change, (end of period)	18.3	22.9	112.8	80.4	4.9	28.4

Source: Central Bank of Suriname.

1/ Rates are in percent per annum.

2/ Includes demand deposits.

Table 21. Suriname: Summary Balance of Payments 1/

(In millions of U.S. dollars)

	1998	1999	2000	2001	Prel. 2002
<b>Current Account</b>	<b>-158.5</b>	<b>-168.2</b>	<b>-83.1</b>	<b>-158.0</b>	<b>-102.4</b>
Trade balance 1/	-49.4	-29.5	13.3	15.3	52.6
Exports, f.o.b.	510.3	482.5	513.9	449.0	529.4
Imports, f.o.b.	-559.7	-512.1	-500.6	-433.7	-476.8
Services, net	-124.9	-95.4	-115.0	-115.3	-127.6
Exports	72.0	79.1	91.0	59.4	38.5
Imports	-196.9	-174.5	-206.0	-174.7	-166.1
Travel, net	-8.9	-3.6	-7.1	-15.0	-6.5
Transportation, net	-47.9	-44.0	-43.7	-44.9	-49.1
Government, net	-17.9	-8.8	-33.0	-7.2	-10.4
Insurance, net	-2.3	0.0	0.0	-2.1	-2.0
Other services, net	-50.2	-39.0	-31.2	-46.1	-59.6
Income, net	-9.6	-63.9	-1.5	-80.0	-43.6
Private sector	-0.5	-57.9	6.0	-67.6	-32.8
Public sector	-9.1	-6.0	-7.5	-12.4	-10.8
<i>Of which: NFPS interest</i>	-9.1	-6.0	-7.5	-12.4	-10.8
Current transfers, net 2/	25.4	20.6	20.1	22.0	16.2
<b>Capital and Financial Account</b>	<b>77.4</b>	<b>96.9</b>	<b>45.7</b>	<b>184.1</b>	<b>74.7</b>
Capital account (public sector grants) 3/	25.8	22.5	17.3	12.6	22.3
<b>Financial account</b>	<b>51.6</b>	<b>74.4</b>	<b>28.4</b>	<b>171.5</b>	<b>52.4</b>
Public sector	61.2	27.8	-15.9	80.7	-29.6
Nonfinancial public sector	61.2	27.8	-15.9	80.7	-29.6
Disbursements	66.1	35.0	93.8	123.8	0.8
Amortization	-4.9	-7.2	-109.7	-43.1	-30.4
Monetary authorities	0.0	0.0	0.0	0.0	0.0
Private sector	-7.4	20.4	19.7	50.1	58.1
Direct investment	9.1	24.0	14.0	11.4	14.8
Portfolio investment	0.0	0.0	0.0	0.0	0.0
Loans	-16.5	-3.6	5.7	38.7	43.3
Short-term flows	-2.2	26.2	24.6	40.7	23.9
<b>Errors and omissions</b>	<b>48.2</b>	<b>-4.0</b>	<b>36.0</b>	<b>60.8</b>	<b>30.0</b>
<b>Overall balance</b>	<b>-17.2</b>	<b>75.3</b>	<b>1.3</b>	<b>-86.9</b>	<b>-2.3</b>
<b>Financing</b>	<b>-17.2</b>	<b>75.3</b>	<b>1.3</b>	<b>-86.9</b>	<b>-2.3</b>
NFA of the central bank (-) increase	-17.2	75.3	1.3	-86.9	-2.3
Net use of Fund credit	0.0	0.0	0.0	0.0	0.0
<b>Memorandum items:</b>					
Current account as percent of GDP	-14.3	-19.0	-9.4	-20.7	-10.3
Stock NFA central bank	89.3	14.0	12.6	99.5	101.9
NFA in months of M G&S	1.4	0.2	0.2	2.0	1.9

Source: Surinamese authorities; and Fund staff estimates.

1/ Adjusts the cash-based transactions of the Central Bank, with information from the Bureau of Statistics, and estimates of unrecorded gold exports.

2/ Remittances, estimated at a conservative 2.5 percent of GDP are removed from net errors and omissions.

3/ Consists principally of project and program assistance from The Netherlands and grants from the European Development Fund and Belgium.

Table 22. Suriname: Summary Balance of Payments 1/

(In percentage of GDP)

	1998	1999	2000	2001	Prel 2002
<b>Current account</b>	<b>-14.3</b>	<b>-19.0</b>	<b>-9.4</b>	<b>-20.7</b>	<b>-10.3</b>
Trade balance 1/	-4.5	-3.3	1.5	2.0	5.3
Exports, f.o.b.	46.0	54.5	57.9	58.8	53.5
Imports, f.o.b.	-50.4	-57.8	-56.4	-56.8	-48.2
Services, net	-11.3	-10.8	-13.0	-15.1	-12.9
Exports	6.5	8.9	10.3	7.8	3.9
Imports	-17.7	-19.7	-23.2	-22.9	-16.8
Travel, net	-0.8	-0.4	-0.8	-2.0	-0.7
Transportation, net	-4.3	-5.0	-4.9	-5.9	-5.0
Government, net	-1.6	-1.0	-3.7	-0.9	-1.1
Insurance, net	-0.2	0.0	0.0	-0.3	-0.2
Other services, net	-4.5	-4.4	-3.5	-6.0	-6.0
Income, net	-0.9	-7.2	-0.2	-10.5	-4.4
Private sector	0.0	-6.5	0.7	-8.8	-3.3
Public sector	-0.8	-0.7	-0.8	-1.6	-1.1
<i>Of which</i> : NFPS interest	-0.8	-0.7	-0.8	-1.6	-1.1
Current transfers, net 2/	2.3	2.3	2.3	2.9	1.6
<b>Capital and Financial Account</b>	<b>7.0</b>	<b>10.9</b>	<b>5.1</b>	<b>24.1</b>	<b>7.5</b>
Capital account (public sector grants) 3/	2.3	2.5	1.9	1.6	2.3
<b>Financial account</b>	<b>4.6</b>	<b>8.4</b>	<b>3.2</b>	<b>22.4</b>	<b>5.3</b>
Public sector	5.5	3.1	-1.8	10.6	-3.0
Nonfinancial public sector	5.5	3.1	-1.8	10.6	-3.0
Disbursements	6.0	4.0	10.6	16.2	0.1
Amortization	-0.4	-0.8	-12.4	-5.6	-3.1
Monetary authorities	0.0	0.0	0.0	0.0	0.0
Private sector	-0.7	2.3	2.2	6.6	5.9
Direct investment	0.8	2.7	1.6	1.5	1.5
Portfolio investment	0.0	0.0	0.0	0.0	0.0
Loans	-1.5	-0.4	0.6	5.1	4.4
Short-term flows	-0.2	3.0	2.8	5.3	2.4
<b>Errors and Omissions</b>	<b>4.3</b>	<b>-0.5</b>	<b>4.1</b>	<b>8.0</b>	<b>3.0</b>
<b>Overall Balance</b>	<b>-1.5</b>	<b>8.5</b>	<b>0.2</b>	<b>-11.4</b>	<b>-0.2</b>
<b>Financing</b>	<b>-1.5</b>	<b>8.5</b>	<b>0.2</b>	<b>-11.4</b>	<b>-0.2</b>
NFA of the central bank (-) increase	-1.5	8.5	0.2	-11.4	-0.2
<b>Memorandum items:</b>					
Nominal GDP (in millions of U.S. dollars)	1,109.9	885.4	887.6	764.2	989.3
Stock NFA central bank	8.0	1.6	1.4	13.0	10.3

Sources: Surinamese authorities; and Fund staff estimates.

1/ Adjusts the cash-based transactions of the Central bank, with information from the Bureau of Statistics, and estimates of unrecorded gold exports.

2/ Remittances, estimated at a conservative 2.5 percent of GDP are removed from net errors and omissions.

3/ Consists principally of project and program assistance from The Netherlands and grants from the European Development Fund and Belgium.

Table 23. Suriname: International Reserves 1/

	1998	1999	2000	2001	2002
(In millions of Surinamese guilders)					
<b>Net official international reserves</b>	<b>39,288</b>	<b>18,591</b>	<b>27,383</b>	<b>216,633</b>	<b>253,273</b>
Assets	127,269	122,869	252,869	385,875	255,409
Gold 2/	71,114	69,410	140,280	149,179	15,412
Foreign reserves	56,155	53,460	112,589	236,696	239,997
Liabilities	-87,981	-104,278	-225,487	-169,241	-2,135
<b>Net short-term foreign assets of commercial banks</b>	<b>34,402</b>	<b>100,951</b>	<b>210,842</b>	<b>275,546</b>	<b>306,313</b>
Assets	38,675	154,546	235,147	312,164	345,275
Liabilities	-4,274	-53,594	-24,305	-36,619	-38,962
(In millions of U.S. dollars)					
<b>Net official international reserves</b>	<b>98.0</b>	<b>18.8</b>	<b>12.6</b>	<b>99.5</b>	<b>101.3</b>
Assets	317.4	124.5	116.1	177.2	102.2
Gold 2/	177.3	70.3	64.4	68.5	6.2
Foreign reserves	140.0	54.2	51.7	108.7	96.0
Liabilities	-219.4	-105.7	-103.5	-77.7	-0.9
<b>Net short-term foreign assets of commercial banks</b>	<b>85.8</b>	<b>102.3</b>	<b>96.8</b>	<b>126.5</b>	<b>122.5</b>
Assets	96.4	156.6	108.0	143.3	138.1
Liabilities	-10.7	-54.3	-11.2	-16.8	-15.6
<b>Memorandum item:</b>					
Accounting exchange rate (Sf/US\$) 3/	401.0	987.0	2,178.0	2,178.0	2,500.0

Source: Central Bank of Suriname.

1/ At December 31.

2/ Gold holdings are valued at market prices.

3/ Official rate (end of period).

Table 24. Suriname: Exports by Major Categories

	1998	1999	2000	2001	2002
(In millions of U.S. dollars)					
<b>Total major exports</b>	<b>406.4</b>	<b>399.8</b>	<b>425.0</b>	<b>404.6</b>	<b>401.5</b>
Bauxite derivatives	335.8	305.2	341.9	330.3	289.9
Alumina	298.1	296.9	341.9	330.3	289.9
Aluminum	37.7	8.3	0.0	0.0	0.0
Rice	19.5	13.2	11.2	11.0	14.2
Shrimp and Fish	31.7	37.2	41.4	39.7	50.6
Lumber	3.8	2.4	2.9	4.2	4.3
Crude oil	15.6	41.8	27.7	19.4	42.5
(In percent of total major exports)					
<b>Total major exports</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Alumina	73.3	74.3	80.4	81.6	72.2
Aluminum	9.3	2.1	0.0	0.0	0.0
Rice	4.8	3.3	2.6	2.7	3.5
Shrimp and fish	7.8	9.3	9.7	9.8	12.6
Lumber	0.9	0.6	0.7	1.0	1.1
Crude oil	3.8	10.4	6.5	4.8	10.6

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

Table 25. Suriname: Value, Volume, and Unit Value of Principal Exports

(Unless otherwise indicated, value in millions of U.S. dollars, volume in thousands of metric tons, and unit value in U.S. dollar per metric ton)

	1998	1999	2000	2001	2002
<b>Alumina</b>					
Value	298.1	296.9	341.9	330.3	289.9
Volume	1,732.9	1,857.7	1,869.3	1,909.3	1,886.3
Unit value	172.0	159.8	182.9	173.0	153.7
<b>Aluminum</b>					
Value	37.7	8.3	0.0	0.0	0.0
Volume	26.8	6.8	0.0	0.0	0.0
Unit value	1404.4	1223.0	0.0	0.0	0.0
<b>Rice</b>					
Value	19.5	13.2	11.2	11.0	14.2
Volume	65.6	77.8	47.8	52.5	71.8
Unit value	297.6	169.7	233.5	209.0	197.4
<b>Shrimp and fish</b>					
Value	31.7	37.2	41.4	39.7	50.6
Volume	12.9	14.5	16.5	17.2	17.7
Unit value	2458.2	2570.4	2501.5	2311.7	2860.7
<b>Lumber</b>					
Value	3.8	2.4	2.9	4.2	4.3
Volume	30.7	14.1	8.2	18.2	18.2
Unit value	125.1	169.6	352.4	232.2	235.9
<b>Crude oil</b>					
Value	15.6	41.8	27.7	19.4	42.5
Volume 1/	2684.0	2602.0	1350.0	1076.8	2156.1
Unit value 2/	5.8	16.0	20.5	18.0	19.7
<b>Total major exports</b>	<b>406.4</b>	<b>399.8</b>	<b>425.0</b>	<b>404.6</b>	<b>401.5</b>
<b>Memorandum item:</b>					
Alumina and aluminum exports as percent of total major exports	82.6	76.3	80.4	81.6	72.2

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

1/ Thousand barrels.

2/ U.S. dollars per barrel.

Table 26. Suriname: Exports by Economic Use 1/

	1998	1999	2000	2001	2002
(Value in millions of U.S. dollars)					
<b>Total 2/</b>	<b>510.3</b>	<b>482.5</b>	<b>513.9</b>	<b>449.0</b>	<b>529.4</b>
Food and live animals	63.1	63.9	67.4	63.1	69.9
Beverages and tobacco	7.6	5.1	5.4	5.3	6.3
Crude materials, except fuels	302.8	291.1	322.6	242.9	313.1
Mineral fuels including lubricants	25.6	46.8	34.4	30.2	37.2
Animal and vegetable oils and fats	0.6	0.3	1.2	1.4	1.0
Chemicals	0.6	1.3	4.6	1.9	2.3
Manufactured goods	40.2	10.4	3.1	3.6	15.1
Machinery and transport equipment	9.5	11.9	13.3	8.6	11.7
Other 3/	60.3	51.7	61.9	92.0	72.9
(In percent of total)					
<b>Total 2/</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Food and live animals	12.4	13.2	13.1	14.1	13.2
Beverages and tobacco	1.5	1.1	1.1	1.2	1.2
Crude materials, except fuels	59.3	60.3	62.8	54.1	59.1
Mineral fuels including lubricants	5.0	9.7	6.7	6.7	7.0
Animal and vegetable oils and fats	0.1	0.1	0.2	0.3	0.2
Chemicals	0.1	0.3	0.9	0.4	0.4
Manufactured goods	7.9	2.2	0.6	0.8	2.9
Machinery and transport equipment	1.9	2.5	2.6	1.9	2.2
Other	11.8	10.7	12.0	20.5	13.8

Source: General Bureau of Statistics.

1/ Standard International Trade Classification (SITC).

2/ Details for 2002 not yet available. Estimates based on the composition average for the last four years.



Table 27. Suriname: Destination of Exports

	1998	1999	2000	2001	2002
(Value in millions of U.S. dollars)					
<b>Total exports 1/</b>	<b>510.3</b>	<b>482.5</b>	<b>513.9</b>	<b>449.0</b>	<b>529.4</b>
Norway	97.6	96.8	97.8	90.0	103.6
United States	93.2	100.9	101.4	106.6	109.4
The Netherlands	104.6	70.5	69.7	34.4	74.6
France	39.4	45.9	45.2	40.1	46.3
Canada	53.3	44.0	40.3	36.3	44.2
United Kingdom	0.0	0.0	0.0	0.0	0.0
Japan	18.5	20.5	21.0	19.0	21.4
French Guinea, Guadeloupe, Martinique, and Netherlands Antilles	6.6	7.9	4.8	1.1	5.4
Other countries	97.0	96.1	133.8	121.5	124.6
(In percent of total)					
<b>Total exports 1/</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Norway	19.1	20.1	19.0	20.0	19.6
United States	18.3	20.9	19.7	23.7	20.7
The Netherlands	20.5	14.6	13.6	7.7	14.1
France	7.7	9.5	8.8	8.9	8.7
Canada	...	9.1	7.8	8.1	8.3
United Kingdom	0.0	0.0	0.0	0.0	0.0
Japan	3.6	4.2	4.1	4.2	4.0
French Guiana, Guadeloupe, Martinique, and Netherlands Antilles	1.3	1.6	0.9	0.3	1.0
Other countries	19.0	19.9	26.0	27.1	23.5

Source: General Bureau of Statistics.

1/ Details for 2002 not yet available. Estimates based on the composition average for the last four years, as GBS records were not available.

Table 28A. Suriname: Imports by Economic Use 1/ 2/

	1998	1999	2000	2001	2002
(Value in millions of U.S. dollars)					
<b>Total 3/</b>	<b>589.2</b>	<b>539.0</b>	<b>526.9</b>	<b>456.5</b>	<b>501.9</b>
Food and live animals	62.3	57.4	70.4	60.7	60.1
Beverages and tobacco	14.0	13.5	16.2	12.0	13.3
Crude materials, except fuels	5.7	7.2	7.5	6.0	6.3
Mineral fuels including lubricants	60.2	43.0	30.5	72.1	49.9
Animal and vegetable oils and fats	10.0	11.1	6.9	5.8	8.0
Chemicals	83.5	61.7	55.6	40.8	56.6
Manufactured goods	100.3	97.0	91.5	68.9	84.7
Machinery and transport equipment	191.8	190.9	191.0	141.4	169.6
Other 3/	61.4	57.2	57.3	48.8	53.4
(In percent of total)					
<b>Total 3/</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Food and live animals	10.6	10.6	13.4	13.3	12.0
Beverages and tobacco	2.4	2.5	3.1	2.6	2.6
Crude materials, except fuels	1.0	1.3	1.4	1.3	1.3
Mineral fuels including lubricants	10.2	8.0	5.8	15.8	9.9
Animal and vegetable oils and fats	1.7	2.1	1.3	1.3	1.6
Chemicals	14.2	11.4	10.6	8.9	11.3
Manufactured goods	17.0	18.0	17.4	15.1	16.9
Machinery and transport equipment	32.6	35.4	36.2	31.0	33.8
Other	10.4	10.6	10.9	10.7	10.6

Source: General Bureau of Statistics.

1/ SITC (on a c.i.f. basis).

2/ Details for 2002 not yet available. Estimates based on the composition average for the last four years.

3/ Excludes re-exports.

Table 28B. Suriname: Origin of Imports

	1998	1999	2000	2001	2002
(In millions of U.S. dollars)					
<b>Total imports 1/</b>	<b>559.7</b>	<b>512.1</b>	<b>500.6</b>	<b>433.7</b>	<b>476.8</b>
United States	232.0	169.3	138.4	118.0	154.2
The Netherlands	141.4	119.5	120.5	103.2	115.0
Trinidad and Tobago	57.5	56.2	90.4	76.8	68.0
Japan	30.7	56.7	41.0	27.2	37.0
Netherlands Antilles	32.3	22.1	9.2	40.5	25.3
Panama	5.2	7.1	13.5	5.0	7.3
Brazil	9.5	6.0	8.8	7.4	7.5
Belgium	7.8	10.6	12.8	5.1	8.6
China	8.8	10.9	14.2	18.7	13.0
United Kingdom	7.4	13.2	5.7	3.8	7.1
Italy	0.0	5.7	6.2	0.0	2.8
Canada	5.3	6.5	9.0	3.6	5.8
Other countries	21.9	28.2	30.5	24.4	25.2
(In percent of total)					
<b>Total imports 1/</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
United States	41.4	33.1	27.7	27.2	32.3
The Netherlands	25.3	23.3	24.1	23.8	24.1
Trinidad and Tobago	10.3	11.0	18.1	17.7	14.3
Japan	5.5	11.1	8.2	6.3	7.8
Netherlands Antilles	5.8	4.3	1.8	9.3	5.3
Panama	0.9	1.4	2.7	1.1	1.5
Brazil	1.7	1.2	1.8	1.7	1.6
Belgium	1.4	2.1	2.6	1.2	1.8
China	1.6	2.1	2.8	4.3	2.7
United Kingdom	1.3	2.6	1.1	0.9	1.5
Italy	0.0	1.1	1.2	0.0	0.6
Canada	1.0	1.3	1.8	0.8	1.2
Other Countries	3.9	5.5	6.1	5.6	5.3

Source: General Bureau of Statistics.

1/ Details for 2002 not yet available. Estimates based on the composition average for the last four years.

Table 29. Suriname: External Grants Received

(In millions of U.S. dollars)

	1998	1999	2000	2001	2002
<b>Total</b>	<b>25.8</b>	<b>22.5</b>	<b>17.3</b>	<b>12.6</b>	<b>22.3</b>
The Netherlands	19.8	19.9	16.9	12.6	18.4
Project assistance	19.8	19.9	16.9	12.6	18.4
European Development Fund	4.0	2.6	0.4	0.0	3.8
Belgium and UNDP	2.0	0.0	0.0	0.0	0.1

Sources: The Netherlands Embassy; the European Commission, and the Ministry of Planning of Suriname.

Table 30. Suriname: Public and Publicly-Guaranteed External Debt Outstanding 1/

(In millions of U.S. dollars, December 31)

	1998	1999	2000	2001	2002
<b>Total external debt 1/</b>	<b>212.0</b>	<b>257.9</b>	<b>239.5</b>	<b>316.9</b>	<b>314.6</b>
Long-term debt	152.0	193.0	197.7	298.9	296.6
Short-term debt	60.0	65.0	41.8	18.0	18.0
<b>Multilateral</b>	<b>27.2</b>	<b>55.0</b>	<b>47.4</b>	<b>39.1</b>	<b>38.6</b>
<b>Central government</b>	<b>13.3</b>	<b>41.4</b>	<b>33.7</b>	<b>30.4</b>	<b>30.4</b>
<b>Long term</b>	<b>13.3</b>	<b>31.4</b>	<b>31.5</b>	<b>30.4</b>	<b>30.4</b>
IDB, Minov-173	2.2	2.0	2.0	1.6	1.4
Inter-American Development Bank, Minov-781	0.7	0.6	0.6	0.6	0.6
Inter-American Development Bank, NOB-199	1.2	0.9	0.4	0.0	0.0
Inter-American Development Bank, NIC-533	6.2	6.2	6.2	5.6	5.1
Inter-American Development Bank, NIC-809	1.0	1.0	1.0	1.0	1.0
Inter-American Development Bank, HTF1158	0.0	0.2	0.2	18.0	18.0
Inter-American Development Bank, Agriculture	0.0	18.0	18.0	0.3	0.3
Inter-American Development Bank, Decentralization	0.0	0.3	0.3	0.7	1.0
Inter-American Development Bank, cdfs 1246	0.0	0.0	0.0	0.0	0.5
EIB/NOB(GLOB.LOAN-80102)	2.0	2.0	2.0	1.4	1.4
EIB/(Road Jenny-hagikondre) '94	0.0	0.0	0.0	0.5	0.5
Islamic Development Bank	0.0	0.0	0.7	0.7	0.7
Italy/IFAD	0.0	0.0	0.0	0.0	0.0
<b>Short term</b>	<b>0.0</b>	<b>10.0</b>	<b>2.3</b>	<b>0.0</b>	<b>0.0</b>
Islamic Development Bank	0.0	10.0	2.3	0.0	0.0
<b>Government guaranteed</b>	<b>13.8</b>	<b>13.7</b>	<b>13.7</b>	<b>8.7</b>	<b>8.2</b>
<b>Long term</b>	<b>13.8</b>	<b>13.7</b>	<b>13.7</b>	<b>8.7</b>	<b>8.2</b>
EIB/EOF-LANDBB.80082	2.0	2.0	2.0	1.4	1.3
EIB/EOF-LANDBB.80179	8.3	8.3	8.3	6.0	5.8
EIB/NOB GL. II- 70803	0.7	0.7	0.7	1.3	1.1
EIB/NOB>GL. I	0.1	0.0	0.0	0.0	0.0
EIB/NOB>GL. II	2.8	2.8	2.8	0.0	0.0
<b>Bilateral</b>	<b>116.6</b>	<b>116.6</b>	<b>116.3</b>	<b>116.1</b>	<b>114.2</b>
<b>Central government</b>	<b>116.6</b>	<b>116.6</b>	<b>116.3</b>	<b>116.1</b>	<b>114.2</b>
<b>Long term</b>	<b>98.6</b>	<b>98.6</b>	<b>98.3</b>	<b>98.1</b>	<b>96.2</b>
United States, PL-480, 1992	5.6	5.6	5.6	5.6	5.2
United States, PL-480, 1993	2.0	2.0	2.0	2.0	1.9
United States, PL-480, 1994, no 1	4.9	4.9	4.9	4.9	4.2
United States, PL-480, 1994, no 2	0.4	0.4	0.4	0.4	0.3
United States, PL-480, 1995	5.0	5.0	5.0	5.0	4.4
United States, PL-480, 1996	1.8	1.8	1.8	1.8	1.6
Brazil - IRB	5.3	5.3	5.3	5.3	5.3
Brazil II	27.0	27.0	27.0	27.0	27.0
Brazil III	31.8	31.8	31.8	31.8	31.8
China/ Sporthal	7.0	7.0	7.0	7.0	7.0
China/ Tech. Samenwerking	2.9	2.9	2.9	2.9	2.9
China/CL-RMY20	2.4	2.4	2.4	2.4	2.4
China/CL-RMY15	1.8	1.8	1.8	1.8	1.8
India Credit line 1992	0.6	0.6	0.3	0.1	0.1

Table 30. Suriname: Public and Publicly-Guaranteed External Debt Outstanding 1/

(In millions of U.S. dollars, December 31)

	1998	1999	2000	2001	2002
<b>Short term</b>	<b>18.0</b>	<b>18.0</b>	<b>18.0</b>	<b>18.0</b>	<b>18.0</b>
GSM/United States	18.0	18.0	18.0	18.0	18.0
<b>From private institutions</b>	<b>68.3</b>	<b>86.3</b>	<b>75.8</b>	<b>161.7</b>	<b>161.9</b>
<b>Long term</b>	<b>26.3</b>	<b>49.3</b>	<b>54.2</b>	<b>161.7</b>	<b>161.9</b>
Banco Exterior De Espana	14.7	15.9	14.5	11.7	9.7
Banco Santander SA	8.2	19.8	19.8	12.1	9.2
Japan/ MITI	3.4	2.8	2.8	3.2	3.3
Ballast Nedam Theta	0.0	10.8	17.2	12.8	6.9
National Development Bank of the Netherlands (NIO)	0.0	0.0	0.0	121.9	108.1
China /Dalian	0.0	0.0	0.0	0.0	24.7
<b>Short term</b>	<b>42.0</b>	<b>37.0</b>	<b>21.6</b>	<b>0.0</b>	<b>0.0</b>
International Bank of Miami	17.0	17.0	0.0	0.0	0.0
Hamilton Bank	25.0	20.0	0.0	0.0	0.0
China/SunnyPoint (phase 1)	0.0	0.0	0.0	0.0	0.0
China/ SunnyPoint (phase 2)	0.0	0.0	0.0	0.0	0.0
Japan/ Nissho Iwai	0.0	0.0	0.0	0.0	0.0
Standard Bank of London	0.0	0.0	21.6	0.0	0.0
<b>Total interest arrears 2/</b>	<b>0.0</b>	<b>5.8</b>	<b>7.0</b>	<b>5.2</b>	<b>5.2</b>
<b>Multilateral debt</b>	<b>0.0</b>	<b>0.1</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>
EIB	0.0	0.1	0.2	0.0	0.0
<b>Bilateral debt</b>	<b>0.0</b>	<b>5.2</b>	<b>5.2</b>	<b>5.2</b>	<b>5.2</b>
Brazil	0.0	4.6	4.6	4.6	4.6
PL/480/United States	0.0	0.6	0.6	0.6	0.6
MITI/Japan	0.0	0.0	0.0	0.0	0.0
<b>Private debt</b>	<b>0.0</b>	<b>0.5</b>	<b>1.6</b>	<b>0.0</b>	<b>0.0</b>
Santander/Spain	0.0	0.0	0.8	0.0	0.0
Argentaria/Spain	0.0	0.5	0.8	0.0	0.0
<b>Total external debt (including interest arrears)</b>	<b>212.1</b>	<b>263.8</b>	<b>246.6</b>	<b>322.1</b>	<b>319.8</b>
<b>Memorandum items:</b>					
Debt as percentage of GDP (excluding interest arrears)	19.1	29.2	27.1	37.6	30.4
Debt as percentage of GDP (including interest arrears)	19.1	29.9	27.9	38.2	30.9
GDP in millions of U.S dollars	1,108.1	882.4	884.0	842.2	1,035.6

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

1/ Data on external debt owned by the private sector are not available. Outstanding stock of debt includes arrears on principal.

2/ Excludes the capitalization of interest on these arrears

Table 31. Suriname: Public and Publicly Guaranteed External Debt: Principal and Interest in Arrears 1/

(In millions of U.S. dollars, December 31)

	1998			1999			2000			2001			2002		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
<b>Total arrears</b>	<b>18.00</b>	<b>0.00</b>	<b>18.00</b>	<b>28.91</b>	<b>5.80</b>	<b>34.71</b>	<b>31.53</b>	<b>7.00</b>	<b>38.53</b>	<b>27.31</b>	<b>5.20</b>	<b>32.51</b>	<b>26.74</b>	<b>5.20</b>	<b>31.94</b>
<b>Central government</b>	<b>17.97</b>	<b>0.00</b>	<b>17.97</b>	<b>28.19</b>	<b>5.70</b>	<b>33.89</b>	<b>30.80</b>	<b>6.80</b>	<b>37.60</b>	<b>27.31</b>	<b>5.20</b>	<b>32.51</b>	<b>26.74</b>	<b>5.20</b>	<b>31.94</b>
Brazil	0.00	0.00	0.00	7.51	4.60	12.11	7.51	4.60	12.11	7.51	4.60	12.11	7.51	4.60	12.11
PL/480-US	0.00	0.00	0.00	1.26	0.60	1.86	1.26	0.60	1.86	1.26	0.60	1.86	1.26	0.60	1.86
MITI/Japan	0.00	0.00	0.00	0.39	0.00	0.39	0.57	0.00	0.57	0.57	0.00	0.57	0.00	0.00	0.00
Argentina/Spain	0.00	0.00	0.00	0.00	0.50	0.50	1.61	0.80	2.41	0.00	0.00	0.00	0.00	0.00	0.00
Santander/Spain	0.00	0.00	0.00	1.06	0.00	1.06	1.88	0.80	2.68	0.00	0.00	0.00	0.00	0.00	0.00
GSM/USA	17.97	0.00	17.97	17.97	0.00	17.97	17.97	0.00	17.97	17.97	0.00	17.97	17.97	0.00	17.97
<b>Public enterprises</b>	<b>0.03</b>	<b>0.00</b>	<b>0.03</b>	<b>0.72</b>	<b>0.10</b>	<b>0.82</b>	<b>0.73</b>	<b>0.20</b>	<b>0.93</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
BIBABU	0.03	0.00	0.03	0.72	0.10	0.82	0.73	0.20	0.93	0.00	0.00	0.00	0.00	0.00	0.00

Sources: Ministry of Finance; and Fund staff estimates.

1/ Excludes interest capitalization in both interest arrears and principal arrears.

Table 32. Suriname: Average Exchange Rates

	Surinamese guilders per U.S. dollar		Indices (1990 = 100) 1/	
	Official rate	Parallel rate 2/	Nominal Effective	Real Effective
<b>1995</b>				
Quarter I	419.38	526.5	4.51	105.48
Quarter II	472.32	596.6	3.91	113.74
Quarter III	461.73	460.2	4.26	135.20
Quarter IV	412.15	411.5	4.79	138.15
<b>1996</b>				
Quarter I	400.4	408.7	4.98	140.48
Quarter II	402.0	422.3	5.00	138.02
Quarter III	401.7	417.8	4.99	141.72
Quarter IV	401.0	411.0	5.05	142.25
<b>1997</b>				
Quarter I	401.0	420.0	5.21	147.54
Quarter II	401.0	426.0	5.26	148.15
Quarter III	401.0	453.8	5.29	155.38
Quarter IV	401.0	442.8	5.31	167.60
<b>1998</b>				
Quarter I	401.0	454.7	5.41	172.36
Quarter II	401.0	481.5	5.34	178.39
Quarter III	401.0	572.2	5.11	176.96
Quarter IV	401.0	713.4	5.36	201.26
<b>1999</b>				
Quarter I	743.7	888.6	3.02	140.81
Quarter II	795.2	1,296.0	2.89	186.35
Quarter III	913.2	1,434.3	2.53	192.88
Quarter IV	987.5	1,386.1	2.33	186.74
<b>2000</b>				
Quarter I	997.5	1,386.4	2.34	193.57
Quarter II	1,005.0	1,681.1	2.38	217.06
Quarter III	1,124.2	2,199.8	2.16	226.26
Quarter IV	2,178.5	2,498.7	1.14	153.65
<b>2001</b>				
Quarter I	2,178.5	2,315.8	1.13	163.68
Quarter II	2,178.5	2,235.1	1.16	168.41
Quarter III	2,178.5	2,212.0	1.16	166.18
Quarter IV	2,178.5	2,217.0	1.17	164.94
<b>2002</b>				
Quarter I	2,178.5	2,339.6	1.17	170.01
Quarter II	2,178.5	2,635.9	1.15	178.74
Quarter III	2,515.0	3,106.8	0.98	166.95
Quarter IV	2,515.0	3,000.0	0.98	173.22

Sources: Central Bank of Suriname; and IMF Information Notice System.

1/ An increase in the index indicates appreciation of the Suriname guilder.

2/ Quotations from a limited survey of currency traders.