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SURINAME

April 2025

NINTH REVIEW UNDER THE EXTENDED ARRANGEMENT UNDER THE EXTENDED FUND FACILITY, REQUEST FOR A WAIVER OF NONOBSERVANCE OF PERFORMANCE CRITERION, AND FINANCING ASSURANCES REVIEW—PRESS RELEASE; STAFF REPORT; AND STATEMENT BY THE EXECUTIVE DIRECTOR FOR SURINAME

In the context of the Ninth Review Under the Extended Arrangement Under the Extended Fund Facility, Request for a Waiver of Nonobservance of Performance Criterion, and Financing Assurances Review, the following documents have been released and are included in this package:

- A **Press Release** including a statement by the Chair of the Executive
- The **Staff Report** prepared by a staff team of the IMF for the Executive Board's consideration on March 24, 2025, following discussions that ended on February 14, 2025, with the officials of Suriname on economic developments and policies. Based on information available at the time of these discussions, the staff report was completed on March 7, 2025.
- A **Statement by the Executive Director** for Suriname.

The IMF's transparency policy allows for the deletion of market-sensitive information and premature disclosure of the authorities' policy intentions in published staff reports and other documents.

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IMF Executive Board Completes Final Review Under the Extended Fund Facility Arrangement with Suriname

FOR IMMEDIATE RELEASE

- The Executive Board of the International Monetary Fund completed the ninth and final review under the Extended Fund Facility (EFF) arrangement for Suriname. The approval allows for an immediate purchase equivalent to SDR 46.8 million (about USD 62 million) of which SDR 33.6 million or about USD 44.7 million would be for budget support.
- The objectives of the program have been broadly achieved. The economy is growing, inflation is receding, public debt is declining, the autonomy and governance of the central bank have been strengthened, and investor confidence is returning. The main near-term policy priority is to maintain fiscal discipline in the run-up to the elections while protecting the vulnerable.
- Building on the progress made under the program, the authorities should strengthen the fiscal framework, including through the operationalization of the recently enacted fiscal rules supported by the appropriate institutional mechanisms. The implementation of these critical reforms will enable Suriname to efficiently and transparently manage its newly found oil resources.

Washington, DC – **March 24, 2025:** The Executive Board of the International Monetary Fund (IMF) approved the ninth and final review under the Extended Fund Facility (EFF) arrangement with Suriname. The completion of the review allows the authorities to draw the equivalent of SDR 46.8 million (about USD 62 million), bringing total program disbursement to SDR 430.7 million (about USD 572 million). In completing the review, the Executive Board approved the authorities' request for a waiver of non-observance of the end-December 2024 performance criteria on the central government primary balance based on the corrective actions the authorities have already taken.

Suriname's EFF arrangement was approved by the Executive Board on December 22, 2021 (see Press Release No. 21/400), in an amount equivalent to SDR 472.8 million (366.8 percent of quota). Under the EFF, Suriname pursed an ambitious economic reform agenda with the objective of restoring macroeconomic stability and debt sustainability, while laying the foundations for strong and more inclusive growth. The program focused on restoring fiscal and debt sustainability, protecting the poor and vulnerable, upgrading the monetary and exchange rate policy framework, addressing banking sector vulnerabilities, and advancing the anti-corruption and governance reform agenda.

Following the Executive Board discussion on Suriname, Mr. Kenji Okamura, Deputy Managing Director and Acting Chair, issued the following statement:

“The authorities’ reforms under the EFF-supported program—the first ever to be completed by Suriname—are increasingly bolstering macroeconomic stability and investor confidence. The economy is growing, inflation is approaching single digits, international bond spreads are at record low levels, and donor support is increasing.

“In view of the Final Investment Decision for the country’s oil resources, it is critical to put in place robust institutional frameworks, including fiscal rules and improved transparency and accountability safeguards. Such institutional improvements will help Suriname avoid procyclical fiscal policy, prioritize urgent development needs, ensure intergenerational equity, and transform exhaustible resource wealth into financial assets.

“The near-term priority is to maintain the path for debt reduction while protecting the vulnerable from the burden of the adjustment. Gradually phasing out electricity subsidies and strengthening tax administration will help create fiscal space for higher, targeted social assistance and infrastructure spending. Fully implementing the recently finalized social assistance reform plan will make social programs more efficient and effective. Strengthening financial management controls in the state-owned electricity company, including regularly publishing its audited financial statements, will help promote accountability and oversight.

“The debt restructuring process is nearing completion. Bilateral agreements with all official creditors and all but one commercial creditor have been achieved. Domestic debt arrears have been cleared. Improving commitment controls in the budget and addressing weaknesses in cash management will restrain public spending and prevent accumulation of supplier arrears.

“A restrictive monetary policy is supporting disinflation. Recent implementation of the agreed central bank recapitalization plan is a critical step in ensuring a strong central bank balance sheet with clear operational and financial autonomy. The authorities’ demonstrated commitment to a flexible, market-determined exchange rate is supporting international reserve accumulation. Timely implementation of recapitalization plans for undercapitalized commercial banks and improving the monitoring of non-bank financial institutions will help bolster financial sector resilience.

“The authorities should persevere with their ambitious structural reform agenda to strengthen institutions, address governance weaknesses, build climate resilience, improve data quality and address gender gaps. This important work will continue to be supported by capacity development from the Fund and other development partners.”

INTERNATIONAL MONETARY FUND

SURINAME

March 7, 2025

NINTH REVIEW UNDER THE EXTENDED ARRANGEMENT UNDER THE EXTENDED FUND FACILITY, REQUEST FOR A WAIVER OF NONOBSERVANCE OF PERFORMANCE CRITERION, AND FINANCING ASSURANCES REVIEW

EXECUTIVE SUMMARY

Context. The economy is growing, inflation is receding, donor support is increasing, public debt is declining, and credit rating agencies have upgraded Suriname's sovereign debt rating. The oil production from block 58 is set to begin in 2028 and the authorities are putting in place the institutions needed to transparently manage this resource windfall. Upon completion of this ninth review—the first ever IMF-supported program that Suriname will have completed—SRD 46.8 million (about USD 61.2 million) would be made available.

Program issues. The authorities met all the end-December quantitative performance criteria except for the floor on the primary balance of the central government. Slower-than-expected non-tax revenue growth and a repeat of payment delays from the state-owned electricity company linked to last year's drought are the main factors behind the fiscal underperformance. Supply-side and institutional reforms are moving ahead, albeit with delays. The 2025 budget has been submitted to the National Assembly (targeting a 2.7 percent of GDP primary surplus) underpinned by credible policy measures.

Approved By
Nigel Chalk (WHD) and Bergljot Barkbu (SPR)

Discussions were held in Paramaribo and via video conferences during February 5 – February 14, 2025. The mission team comprised Anastasia Guscina (head), Francisco Cabezon and Atif Chaudry (all WHD), Urban Sila (FAD), Yesim Aydin (MCM), Peter Wankuru (SPR), Charles Amo-Yartey (Resident Representative) and Ansjela Bhagwandin (Resident Representative Office). Nigel Chalk (WHD), Andre Roncaglia and Karel Eckhorst (both OED) participated in some of the discussions. The team met the President, the Vice President, the Minister of Finance and Planning, the Minister of Justice and Police, the Minister of Home Affairs, the Minister of Environment, the Central Bank Governor, the leadership and members of parliament, other senior government officials, representatives of the private sector, and development partners.

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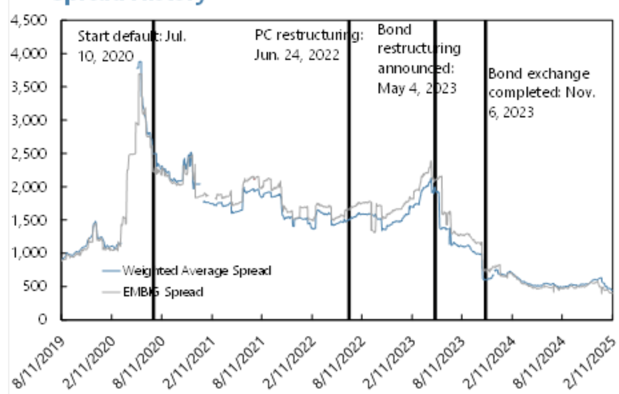
CONTEXT AND RECENT DEVELOPMENTS

1. **The principal objectives of the EFF arrangement have been broadly met.** The EFF-supported economic recovery program was instrumental in supporting Suriname as it navigated a nascent balance of payments crisis and recovered from the pandemic. The authorities' policy efforts have restored fiscal and debt sustainability, improved the effectiveness of government spending, provided increased resources to the poor, and created institutions to improve governance and tackle corruption. Concretely, a new VAT was introduced, fuel subsidies have been eliminated, subsidies on electricity, water, and gas have been reduced, spending on social assistance programs has doubled, and the government successfully restructured its official and privately-held debt. The Central Bank Act approved in 2022 has strengthened the autonomy and governance of the central bank and its recapitalization has been completed. The AML/CFT regime was strengthened, an Anti-Corruption Commission was established, and legislation is in train to require annual income and asset disclosures by public officials. Financial sector oversight has improved, asset quality reviews were undertaken, and the vulnerabilities of the banking system have lessened. As a result of these efforts, credit rating agencies upgraded the sovereign rating and bond spreads are at all-time lows.

Spread History



Sources: Bloomberg Sovereign Debt Monitor, and IMF staff

2. **The priority ahead is to put in place effective institutions to manage Suriname's future oil wealth**. With the final investment decision (FID) announcement in October 2024, Total Energies and its partners are expected to invest about USD 12 billion during 2025-31 (with an estimated effect on the local economy of about USD 1.2 billion). There is a short window of opportunity to establish institutions to ensure that this new wealth is managed well, with high levels of transparency and accountability.[1] In December, the National Assembly approved two critical pieces of legislature to strengthen the Savings and Stabilization Fund Suriname (SSFS) and to put in place clear fiscal rules to manage the oil resources. These will be instrumental in ensuring a prudent and transparent use of these extraordinary natural resource revenues.

3. **The near-term economic outlook is steadily improving**.

- Growth is expected to be around 3-4 percent in the next few years but step up to 50 percent in 2028 as oil production from block 58 comes online.

[1] The government's take from oil revenue is based on expected flows from royalty payments, corporate income taxes and production sharing. Part of the new oil revenue is expected to be used to meet obligations arising from the Value Recovery Instrument (VRI) offered to private creditors as part of the debt restructuring.

- Employment has returned to its pre-pandemic level.

- Despite a significant expansion of the safety net, levels of poverty (especially in the interior of the country) remain high. In 2022, 17.5 percent of the total population and 25 percent of citizens in the interior were living below the poverty line. [2]

- Headline inflation fell to 9.8 percent y-o-y in January 2025 from over 60 percent at the start of the program in December 2021. This is the lowest inflation since 2019.

- Driven by restrictive monetary policy, the nominal exchange rate appreciated by 21 percent from January-August, but then depreciated 15.4 percent from early October to mid-November. The exchange rate has since stabilized. The Central Bank of Suriname (CBvS) has refrained from FX intervention and has allowed the exchange rate to adjust to market conditions. Usable international reserves now stand at 6.4 months of imports (about 130 percent of ARA metric), up from 2.4 months in December 2021 (and 0.4 months of imports, 8 percent of ARA metric when this government took office in July 2020).

- Improved oversight of the financial system and enhanced regulatory framework have put most of the banks on a path toward a stronger capital position. Nonetheless, important financial system vulnerabilities remain (Section C).

4. Sovereign debt restructuring agreements have been reached with all bilateral and all-but-one commercial creditor. The authorities are in active negotiations with the remaining commercial creditor, offering the same terms as agreed with other creditors. The authorities are advancing in negotiations on a stock treatment with individual Paris Club creditors (Annex I). With the oil from block 58 incorporated into the baseline, it is now assumed that the value recovery instrument (VRI) will be paid according to the new oil revenue sharing arrangement in the private bond exchange offer and that the official creditors will also activate provisions built into their loan agreements to revise the debt payments once the new revenue from block 58 is realized (Annex I).[3]

5. Suriname is trying to leverage its carbon-negative status. In August, Suriname launched the world's first sale of carbon credits under Article 6 of the Paris Agreement. These credits are based on the preservation of Suriname's forests, which cover 93 percent of the country and absorb over 20 million tons of carbon per year. The price of this carbon credit is estimated at USD 25-35 per ton. Around 90 potential buyers have expressed interest in the country's carbon credits but no sale has yet been made.

6. There are important near-term downside risks. Policy implementation challenges are the foremost near-term risk, particularly given binding capacity constraints and the potential that social

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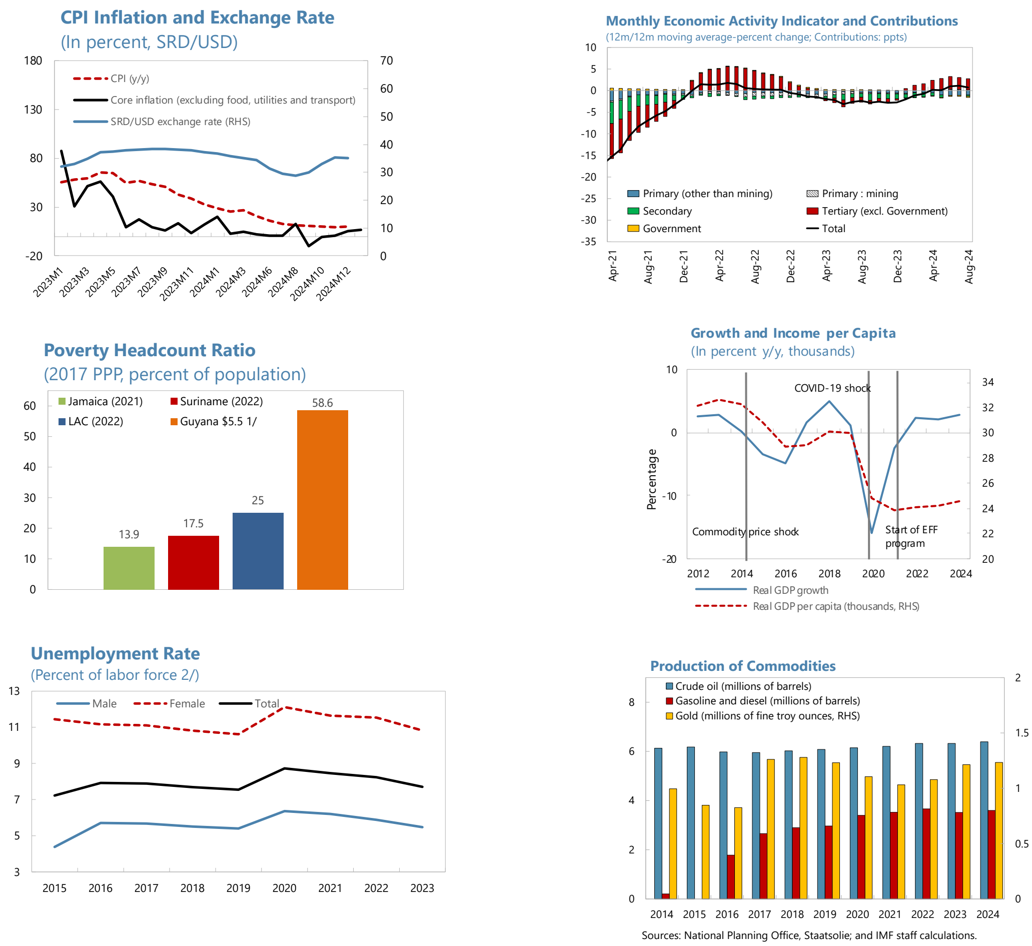
[2] The World Bank defines the upper middle income poverty line as USD 6.85 per day (2017 PPP adjusted). In 1999 44.5 percent of the population (with estimates covered only urban areas) were living below the poverty line.

[3] The Stabilization Fund Amendment passed by the National Assembly on December 30, 2024 specifies that VRI holders will be paid according to the oil revenue sharing arrangement.

and political pressures for increased spending will intensify in the run-up to the elections. The expectation that Suriname will soon become oil-rich could further magnify the pressures to bring forward spending and/or invest in low-return projects. Large-scale oil investments magnify contingent liability risks.[4] Ongoing efforts to increase spending on social protection programs, improve governance and institutions, and tackle corruption vulnerabilities are intended to mitigate these pressures. The materialization of credit losses in a still-fragile banking system could precipitate deposit outflows and financial instability. The main external risk arises from a worsening in the terms of trade, particularly from lower oil and gold prices.

Suriname: Real Sector Developments



Sources: CBvS, World Bank Gender Statistics; General Bureau of Statistics; National Planning Office; 2006 Guyana Household Income Expenditure Survey; World Economic Outlook, IMF; and IMF staff calculations.
1/ Guyana rates are based on $5.5 a day.
2/ Estimates are obtained from ILO model
Note: Based on World Bank estimates of $6.85 a day.

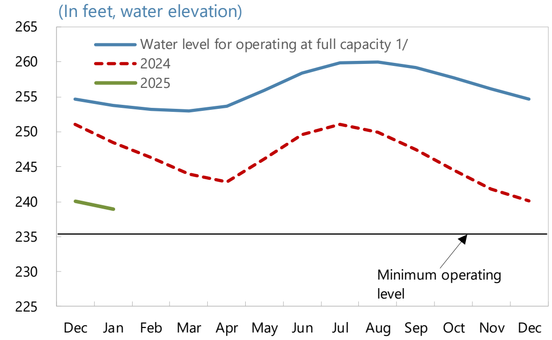
[4] Staatsolie is currently raising financing domestically and internationally to exercise its stake in block 58. This is flagged as a contingent liability risk for the central government (see Annex I).

7. Over the medium-term risks are to the upside. There could be additional oil field discoveries (some are under active exploration) that would further boost growth and employment, raise living standards, increase export and fiscal revenues, strengthen the balance of payments, and improve debt dynamics. There are also some potential prospects from bauxite exploration and funding costs may decline as oil projects move closer to completion.

PROGRAM PERFORMANCE

8. Program performance has been mixed. The authorities met all end-December quantitative targets and continuous PCs, except for the floor on the PC central government primary balance due to lower-than-expected non-tax revenues and higher spending on electricity subsidies and social assistance. The ongoing drought has lowered hydroelectric production and continues to reduce transfers to the budget from the electricity company (EBS) as it is forced to rely more on higher-cost thermal generation. Previous efforts by the government to create greater predictability for these transfers have not proven to be effective. The drought also led to the failure of rice crops, requiring the government to provide emergency assistance to farmers. River access to the interior districts of the country has been disrupted and the government has had to increase spending to deliver critical supplies by helicopter.

Drought: Water Levels in the Afobaka Dam Lake
(In feet, water elevation)



Source: EBS
1/ The recommended water level for operating at full capacity (105 MW) based on historical information.

9. Structural reforms are moving ahead with a stronger impetus (Table 13). Three SBs were met: (i) the continuous SB on publishing the quarterly budget execution report; (ii) submission to the auditor of EBS 2021 financial statements; and (iii) end-December SB on signing a memorandum of understanding underlying domestic debt payment processes and procedures supported by IMF Technical Assistance. Four SBs were implemented with delay: (i) hiring 25 staff by the tax department; (ii) publication of the 2019 and 2020 financial statements and audit reports of EBS; (iii) introduction of the quarterly expenditure ceilings for line ministries; and (iv) launching of the FX trading platform. The end-February 2025 SB to amend the anti-corruption legal framework for income and asset declaration for high-ranking public officials was not met, but the revised amendment (assessed by staff to be in line with the SB specifications) was approved by the State Council and has been submitted to the National Assembly (although is unlikely to move forward until after the elections). Two other SBs were not met but are expected to be implemented in March: (ii) publication of the CBvS IFRS audited FY22 financial statements; (ii) establishing a treasury single account (TSA) for a subset of line ministries.

Suriname: Summary of Program Performance

Review:	**1st**	**2nd**	**3rd**	**4th**	**5th**	**6th**	**7th**	**8th**	**9th**
Test-date:	Dec.-21	Dec.-22	Jun.-23	Sep.-23	Dec. 23	Mar. 24	Jun. 24	Sep. 24	Mar. 25
Quantitative Performance Criteria (QPC)									
Fiscal/debt targets									
1. Primary fiscal balance (cash basis) of central government (floor)	Met	Not Met	Met	Not Met	Met	Not Met	Not Met	Not Met	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling)	Met	Met	Met	Met	Met	Met	Met	Met	Met
3. New central government guaranteed debt (continuous ceiling)	Met	Met	Met	Met	Met	Met	Met	Met	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling)	Met	Not Met	Not Met	Met	Met	Met	Met	Met	Met
Monetary targets									
5. Gross credit to the central government by the central bank (continuous ceiling)	Met	Met	Met	Met	Met	Met	Met	Met	Met
6. Net international reserves of the central bank (floor)	Met	Met	Met	Met	Met	Not Met	Met	Met	Met
7. Net domestic assets of the central bank (ceiling)	Not Met	Not Met	Met	Met	Met	Not Met	Met	Met	Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (continuous ceiling)	Met	Met	Met *	Met	Met	Met	Met	Met	Met
9. Central government mineral revenue in local currency (ceiling)				Met	Met	Met	Met		
Indicative Targets (IT)									
1. Social spending of central government (floor)	Not Met	Met	Not Met	Not Met	Not Met	Met**	Met	Met	Met
2. VAT refund arrears						Met	Met	Not Met	Not Met
3. Domestic debt arrears (continuous ceiling)								Met	Met

* Assessed from the 2nd review. The ceiling was breached by direct sales of US$ 13 million in February 2023 while the program was off-track.
** Revised data shows that the IT on social spending, which was reported as not met at the 6th review, was actually met.

POLICY DISCUSSIONS

A. Improving Fiscal Management

10. To address the fiscal underperformance in the fourth quarter, the authorities resubmitted to the National Assembly a 2025 budget that is consistent with achieving a 2.7 percent of GDP primary surplus. The budget is underpinned by credible corrective measures of at least 2 percent of GDP (text table).

- ***Revenues***. The fuel excise tax has been increased and will be further increased in June (corrective measure, yielding 1.6 percent of GDP). Administrative procedures and necessary registries will be operationalized to underpin non-tax revenue collections (notably for air navigation fees, land leases and land conversion fees). Various government levies are being reviewed to ensure that they are consistent with the generalized rise in prices in recent years.

- ***Capital expenditure***. The budget allocation for infrastructure spending will be reduced (corrective measure, yielding 0.4 percent of GDP) and projects will be subject to a more rigorous project appraisal process that is focused on demonstrating the project's economic and societal desirability.

- ***Electricity***. The revised budget incorporates higher spending on electricity subsidies given that the water level in the Afobaka dam remains at a critical level (and EBS will have to rent emergency generators to meet demand). However, the budget still assumes that EBS is able to meet its (lower) obligations to the budget in a timely manner. To facilitate this, the authorities have put in place a commission to evaluate the financial situation of EBS and suggest a more automatic process (via an escrow account) to transfer revenues from higher tariffs to the state budget. The state oil company has also agreed to provide a discount for thermal energy production (applied retroactively from September 2024) to defray the costs borne by EBS and support the central government fiscal position.

- ***Wage bill***. Unregistered government employees (4 percent of the total public workforce) will be removed from public payrolls in March and the government will continue with their hiring freeze for an additional year.[5] This would ensure that the wage bill remains flat in percent of GDP terms.

- **Adequacy of social spending**. Budgetary allocation for social assistance will remain adequate to protect the vulnerable.

Suriname: Contributions to Fiscal Adjustment
(In percent of GDP)

	2022	2023	2024		2025		Total	
			8th review 1/	Curr. Proj.	8th review 1/	Curr. Proj.	8th review 1/	Curr. Proj.
Annual change of Primary Balance	**1.6**	**0.4**	**1.1**	**-1.1**	**0.2**	**2.4**	**3.2**	**3.2**
Adjustment from Policy Changes	**1.3**	**2.7**	**2.3**	**1.2**	**1.3**	**2.9**	**7.2**	**8.0**
Revenue measures	**0.2**	**2.4**	**2.3**	**1.6**	**0.5**	**1.8**	**5.1**	**6.1**
Replacing sales tax with VAT	0.0	1.2	0.5	-0.2	0.2	0.2	1.8	1.2
Sales tax increase on G&S	0.2	0.1	0.0	0.0	0.0	0.0	0.4	0.4
Royalties increase for gold miners	0.3	0.2	0.3	0.3	0.0	0.0	0.9	0.9
Taxes on fuel	-0.4	0.8	0.4	0.8	0.0	1.6	0.8	2.8
Customs administration improvements	0.0	0.0	0.3	0.4	0.1	0.1	0.4	0.5
Scaling back exemptions	0.0	0.1	0.2	0.2	0.0	0.0	0.3	0.3
Air navigation charge increases	0.0	0.0	0.2	0.1	0.0	0.0	0.2	0.1
Land conversion and land lease fee increases	0.0	0.0	0.2	0.0	0.0	0.0	0.2	0.0
Expenditure measures	**1.1**	**0.3**	**-0.1**	**-0.5**	**0.8**	**1.1**	**2.1**	**2.0**
Wage bill restraint	-0.5	0.8	-0.1	-0.3	0.1	0.0	0.3	0.0
Goods and services expenditure	2.3	-0.4	-0.1	0.1	-0.2	0.0	1.7	2.0
Phased electricity subsidy elimination	0.5	-0.1	1.1	0.9	1.5	0.4	3.0	1.7
Phased fuel subsidy elimination	-1.8	1.3	0.5	0.5	0.0	0.0	0.0	0.0
Phased gas subsidy elimination	0.0	0.1	0.2	0.2	0.1	0.1	0.4	0.4
Social programs spending	-0.4	-0.6	-1.0	-1.2	0.0	0.2	-3.9	-2.0
Other transfers and subsidies	1.6	0.0	-0.5	-0.4	-0.3	0.0	2.8	1.3
Capital spending	-0.7	-0.9	-0.1	-0.2	-0.4	0.4	-2.0	-1.4
Contribution by Non-Policy Factors	**0.3**	**-2.3**	**-1.2**	**-2.2**	**-1.1**	**-0.5**	**-4.0**	**-4.8**
Revenue	0.3	-1.9	-1.2	-2.2	-1.1	-0.5	-3.6	-4.3
Non-Mining	-1.5	0.1	-0.5	-0.6	-0.1	0.6	-2.0	-1.4
Mining	1.8	-2.0	-0.7	-1.6	-1.0	-1.1	-1.9	-2.9
Expenditure	0.0	-0.4	0.0	0.0	0.0	0.0	-0.4	-0.4
Memo								
Primary Balance	1.0	1.4		0.3		2.7		

Sources: Ministry of Finance and Planning and IMF staff calculations.
1/ See IMF Country Report No. 2024/006

[5] Legal uncertainty was resolved in January with respect to the "no work-no pay act", allowing for a dismissal of unregistered workers in March 2025.

11. The authorities are undertaking important fiscal reforms that include:

- *Tax administration.* The Tax Department recruited 25 new staff[6] and, with the help of the IDB, is being converted into a Semi-Autonomous Revenue Authority, which will allow for a better organizational structure and higher remuneration for its skilled staff. Legislation to support this effort was passed in December 2024.

- *VAT administration.* Over 4,700 companies have registered for the VAT and the authorities are working on clearing the stock of outstanding VAT refunds. Penalties and interest are now being imposed for the late filing and payment of VAT. The authorities are fast-tracking refunds for taxpayers who have a track record of filing accurately and on time. To facilitate the cross-matching of data to identify unregistered taxpayers and underreporting, the use of fiscal identification numbers has been made mandatory for all importers and exporters.

- *Pricing of fuel.* Fuel prices are now determined by an automatic pricing mechanism based on international prices. Specific excise taxes on fuel have been reimposed and increased.

- *Non-tax revenues*. Leasing fees for government land have been increased and the sale of government land is being started. The government has increased rates for air navigation services. A new head of the non-tax unit at the MOFP has been appointed in an effort to strengthen collections.

- *Wage bill.* The authorities agreed with union representatives to raise civil servant wages on average by 15 percent on average, backdated to July 2024. As per that agreement, another 5 percent increase took place in January 2025. The authorities have commissioned a study to regularize the salary scale across ministries for similar positions/experience levels and to benchmark it to private-sector comparators for higher-skilled workers. They also implemented a stricter process for requesting and approving overtime.

- *Electricity subsidies.* Average electricity tariffs for households have been increased by more than 80 percent since the start of 2023, reducing the subsidy cost by 1.3 percentage points of GDP. Low- and middle-income households (proxied by electricity consumption) continue to receive discounts on their energy bills. Tariff adjustments are now automatically linked to the price of oil, the exchange rate, and the thermal/hydroelectric energy mix. Tariff adjustments will allow electricity to reach cost recovery for households by end-2026 (tariffs for commercial users are already at cost recovery). The electricity company has published online its financial statements and audit reports for 2019 and 2020 (*end-December 2024 SB, not met, implemented with delay in February 2025)* and will submit its 2021 financial statements to the external auditor *(end-February 2025 SB, met)*.

- *Liquified petroleum gas subsidies*. In September 2023, LPG prices were increased by 200 percent, and a further 27 percent in June 2024. Further adjustments will be made each quarter to fully

[6] Additional recruitment of staff by the tax department would be needed, as 5 new employees have already quit.

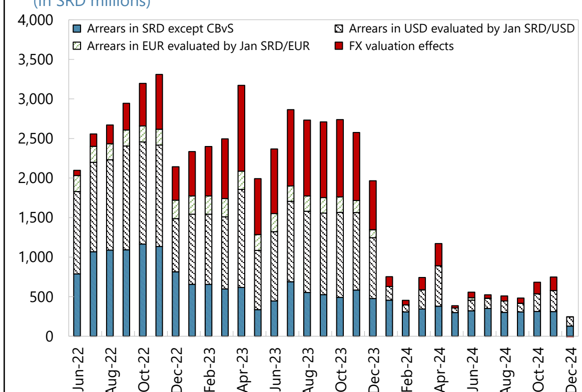
eliminate the subsidy by September 2026.

- *Cash transfers*. Since end-2021, social assistance spending has been increased from 1.5 to 3.7 percent of GDP, led primarily by the expansion of the Purchasing Power Enhancement cash transfer program. The authorities have met the program floor on social assistance spending throughout 2024 with the margin of SRD 330 million (0.2 percent of GDP) and are publishing online a monthly report on average cash transfers received by households in each district. A plan to improve the efficiency and effectiveness of social benefits is being implemented with input from the IDB and ILO.[7] Budgetary allocation for social assistance in the 2025 budget will remain adequate to protect the vulnerable.

- *Capital spending*. Climate resilience considerations are being integrated into the appraisal and selection of capital projects.[8] The Surinamese and Guyanese authorities are discussing the construction of a new bridge to connect the two countries and are in the process of evaluating the economic returns and fiscal risks of the project.[9]

12. Efforts are being made to prevent a recurrence of debt and expenditure arrears. All domestic debt arrears have been cleared and the continuous IT on non-accumulation of domestic debt arrears was met. However, there remain significant arrears to suppliers and for VAT refunds (totaling almost 4.3 percent of GDP at end-2024). The authorities have developed a schedule to clear these by 2027. In 2025, they plan to clear suppliers and VAT refund arrears of SRD 3.3 billion (2.3 percent of GDP). To prevent accumulation of new arrears, ministries and spending agencies are required to obtain prior authorization before signing contracts (above a certain threshold) and the government has advertised that it will not be held legally responsible for contracts that do not have such prior authorization. Additionally, there is a need to establish an electronic system to automate debt securities payments and prevent future domestic debt arrears. The authorities should also increase

Stock of Domestic Debt Arrears 1/
(In SRD millions)



Sources: SDMO and IMF staff calculations.
1/ Excludes arrears to CBvS.

[7] To improve effectiveness of social protection programs the authorities are working on: (i) identifying linkages between social protection measures and complementary interventions to support households suffering multiple deprivations; automatically adjusting cash transfers for inflation, modernizing the delivery system of the cash transfer program; strengthening monitoring and evaluation systems to avoid duplication and leakages; updating the social registry to improve targeting and improve coverage to vulnerable groups in the interior

[8] Climate adaptation is critical for Suriname given its vulnerability to flooding since 30 percent of its land mass is less than 3 meters above sea level.

[9] The project is at a preliminary evaluation stage and expenditures on the bridge are expected to be met within the program's medium-term budget envelope. The project is not in Suriname's 2025 budget.

efforts to develop the domestic debt market, supported by a well-communicated debt management strategy and the regular publication of an annual borrowing plan.

13. To further strengthen fiscal institutions, the authorities are working to:

- Build capacity at the debt management office to improve the recording, reporting, and timely payment of public debt obligations;
- Strengthen the quality and consistency of the quarterly budget execution reports;
- Establish a pilot treasury single account (TSA) for a subset of line ministries.[10]
- Fully implement the new procurement law;
- Strengthen digitalization (Box 1) to increase transparency and promote greater efficiency in government spending and remove bottlenecks to growth.
- Publish a report quantifying the principal fiscal risks faced by the largest state-owned enterprises.

14. In December 2024 Suriname passed legislation to strengthen the fiscal framework, introduce fiscal rules, and revamp the SSFS. The legislation (developed with support of the IDB) introduced two fiscal rules: (i) a target for public debt (net of assets in the SSFS) to be reached by the end of the five-year period, and (ii) annual primary expenditure limits that are consistent with this debt target. By the legislation, the totality of the mineral government revenue will be received by the SSFS and every five years the government will set the numerical values of the two fiscal rules and submit them in a Financial Five-Year Plan (FFYO) to the National Assembly. Annual budgets must be in line with the FFYP, which will define the limit of the transfers from the SSFS to the central government. Operationalizing the net debt target would require an integrated asset and liability management system that accounts for asset returns against the cost of different forms of borrowing. The legislation included a well-defined escape clause from the fiscal rules in the event of a national disasters[11]. The SSFS will manage its resources independently, investing in foreign currency reserve assets. The government has appointed a Board of Directors and an Investment Advisory Committee for the SSFS and designated the CBvS as the operational manager of the fund for the next three years. There are clear reporting requirements for SSFS, in line with international standards, and the National Assembly will receive an annual independent audit of the SSFS' financial statements.

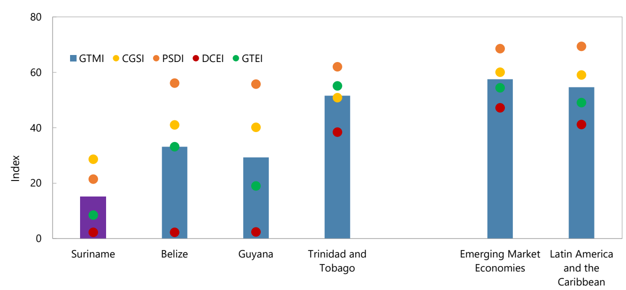
[10] Four ministries will take part in the pilot TSA and progress has been made with bank accounts at the central bank. Further work is needed on the interface between IFMIS and the system of the central bank, and to move forward with the bank accounts at commercial banks.

[11] If the clause is triggered, the Minister of Finance may ask the National Assembly to declare a temporary suspension of the fiscal rules and may request more money to be withdrawn from the SSFS than the limit included in the Budget.

Box 1. Suriname: Digitalization

Digitalization can help increase efficiency of government spending, improve access to information and the ease of doing business, and lessen vulnerabilities to corruption. Surinamese authorities are striving to catch up to peers in the digitalization of the economy and connectivity. Digital public service delivery and citizen engagement are low relative to peer countries. In rural areas only 19 out of 392 villages have internet access, and the cost of mobile internet is relatively high.

GovTech Maturity Index



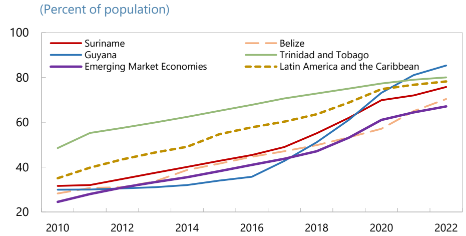
Sources: World Bank, https://www.worldbank.org/en/data/interactive/2022/10/21/govtech-maturity-index-gtmi-data-dashboard.
Note: GTMI (GovTech Maturity Index) consists of the average of four components: CGSI (Core Government Systems Index), capturing the key aspects of a whole-of-government approach; PSDI (Public Service Delivery Index), presenting the state of online portals, e-filing services, e-payments; DCEI (Digital Citizen Engagement Index), measuring aspects of public participation platforms, citizen feedback, and open gov/data portals; and GTEI (GovTech Enablers Index), capturing strategy, institutions, and regulations, as well as digital skills and innovation programs. Each component index is calculated as weighted average scores from relevant questions from the Central Government GTMI survey.

To address the situation in a comprehensive manner, the authorities drafted the National Digital Strategy 2023-2030. This strategy aims to strengthen digital infrastructure, facilitate the digitalization of government departments, and provide affordable internet access to households. It would cost about 0.3 percent of GDP per year in additional investment to achieve full internet access across settlements by 2030, combined with efforts to improve the quality and affordability of internet access, and enhancing digital skills among citizens and public officials.

There has been progress in implementing electronic IDs and digitalizing services for tourists. Particularly promising is the creation of the Beneficiary Integrated System, a collaborative initiative between the IDB and the Ministry of Social Affairs & Housing (MOSAH), which seeks to integrate various government databases to streamline applications for social benefits and enhance the effectiveness of social programs.

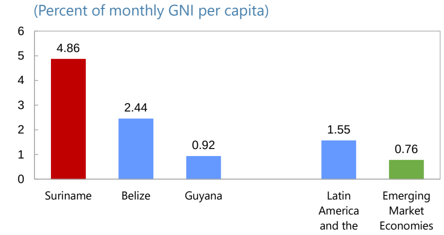
In addition to improving social program effectiveness, cross-country analysis has shown that the digitalization of government processes has been an effective way of reducing corruption (chart).

Internet Users
(Percent of population)



Sources: ITU, Ookla, and IMF staff calculations.
Note: Internet users reflect the proportion of individuals using the Internet among the total population or at least individuals of 5 years and older. Population-weighted averages are used for regional/group aggregates.

Mobile Cellular Data Package Price
(Percent of monthly GNI per capita)

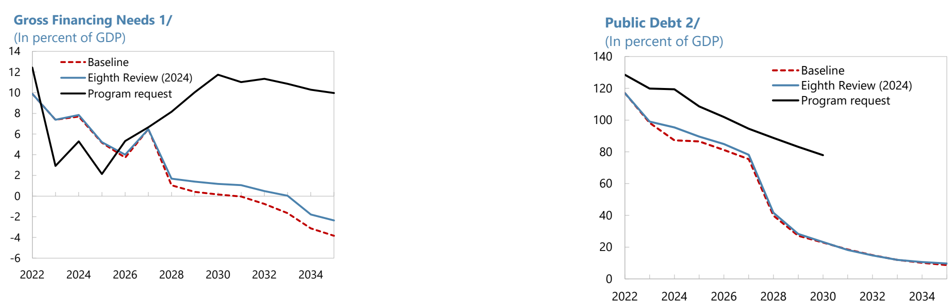


Sources: ITU, Ookla, and IMF staff calculations.
Note: Population-weighted averages are used for regional/group aggregates.

15. In December 2024 Suriname passed legislation to strengthen the fiscal framework, introduce fiscal rules, and revamp the SSFS. The legislation (developed with support of the IDB) introduced two fiscal rules: (i) a target for public debt (net of assets in the SSFS) to be reached by the end of the five-year period, and (ii) annual primary expenditure limits that are consistent with this debt target. By the legislation, the totality of the mineral government revenue will be received by the SSFS and every five years the government will set the numerical values of the two fiscal rules and submit them in a Financial Five-Year Plan (FFYO) to the National Assembly. Annual budgets must be in line with the FFYP, which will define the limit of the transfers from the SSFS to the central government. Operationalizing the net debt target would require an integrated asset and liability management system that accounts for asset returns against the cost of different forms of borrowing. The legislation included a well-defined escape clause from the fiscal rules in the event of a national disasters[12]. The SSFS will manage its resources independently, investing in foreign currency reserve assets. The government has appointed a Board of Directors and an Investment Advisory Committee for the SSFS and designated the CBvS as the operational manager of the fund for the next three years. There are clear reporting requirements for SSFS, in line with international standards, and the National Assembly will receive an annual independent audit of the SSFS' financial statements.

16. By 2029, the increase in oil revenue should support a primary surplus of 4.6 percent which will bring the debt to GDP ratio to 9 percent of GDP by 2035. Gross financing needs are expected to steadily decline from the 2024 peak (of 7.7 percent of GDP that was temporarily boosted by principal payments on multilateral debt whose grace periods ended and clearance of arrears arising from recently completed debt restructuring agreements) to 1 percent of GDP by 2028. Debt is judged to be sustainable (Annex I)[13].

Suriname: Gross Financing Needs and Public Debt



Sources: CBvS, Ministry of Finance, and IMF staff estimates.
1/ Gross financing needs include instruments used for the recapitalization of the CBvS. GFNs and primary balance are on a cash basis and clearance of supplier arrears is subsumed in the primary balance.
2/ 2028 public debt to DGP ratio decreases sharply due to the incorporation of new oil production to the baseline.

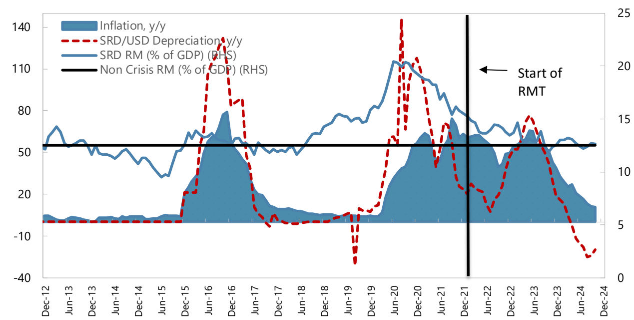
[12] If the clause is triggered, the Minister of Finance may ask the National Assembly to declare a temporary suspension of the fiscal rules and may request more money to be withdrawn from the SSFS than the limit included in the Budget.

[13] Royalty from the new oil revenue and payments to VRI holders impacts the primary balance post 2028. This reflects staff's current understandings of the appropriate treatment of VRI. The terms of the VRI stipulates evolution of the notional amount under an accrual rate of 9 percent. The payments to VRI holders are capped at 30 percent of royalties from block 58 after the first USD 100 million royalties are allocated exclusively to the government.

17. Suriname has been participating in the Extractive Industries Transparency Initiative (EITI) since May 2017 but has fallen short in improving transparency. During the 2024 Validation procedure, the EITI Board gave Suriname a low score on implementing the 2019 EITI Standard, particularly on transparency. Suriname has failed to publish data on company payments and government revenues from extractive industries (in accordance with the EITI requirement for data timeliness). This has led to a temporary suspension of Suriname from the EITI. While Suriname has published the production-sharing contracts for the new oil fields it has not disclosed other contracts in the oil and gas sector. Revisions to the Mining Law to strengthen beneficial ownership disclosure have yet to be legislated. The role of state-owned enterprises in quasi-fiscal transactions needs to be clarified and further improvements in transparency are needed in gold royalty collections. The authorities are committed to improving transparency and fulfil the EITI requirements so as to have Suriname's suspension reversed. An auditing firm has been contracted to produce the 2021/22 EITI report and the report is expected to be finalized in May.

B. Bringing Down Inflation

Inflation, FX and Monetary Developments



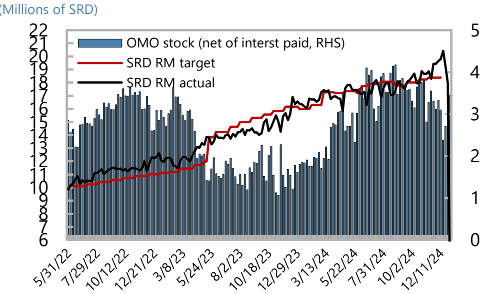
Sources: CBvS and IMF Staff calculations

18. Restrictive targets for reserve money growth have helped bring down inflation. The stock of reserve money has fallen back to its historical average as a share of GDP as the central bank continues to maintain a restrictive monetary stance. As a result, inflation has declined, with most significant contributions coming from food, transport and communications. There is scope, as inflation falls further, to move to a more neutral monetary stance. However, in the near term the central bank will need to be attentive to the potential shifts in local currency liquidity as the government moves its deposits out of the banking system and into the Treasury Single Account. This may require, inter alia, a greater reliance on the CBvS's standby lending facility as banks adjust to this new structure.

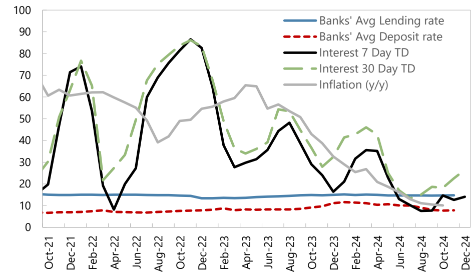
19. Over a longer horizon (i.e., the next 3 years), Suriname should prepare to transition to a new monetary policy regime. As the impact of the oil discoveries begins to be felt in the domestic economy there will be large swings in both activity and relative prices. This will make it very difficult to calibrate a framework centered on monetary aggregate targets. To prepare for this eventual shift in the monetary framework from quantities to interest rates as the primary operational target, the central bank should prioritize establishing a well-functioning interbank market for short-term liquidity so as to ensure that a market-determined, short-term interest rate can be used as an effective tool to calibrate and communicate the degree of monetary restraint. The Central Bank should first establish an intermediate target (e.g. inflation projection) that would link short-term interest within a policy rule. There is also a broader need to improve the central bank's institutional structure and develop better technical capacity to design a new framework and then successfully operate it.

Suriname: Recent Monetary Policy Developments

SRD Reserve Money and OMO/CBC stock
(Millions of SRD)

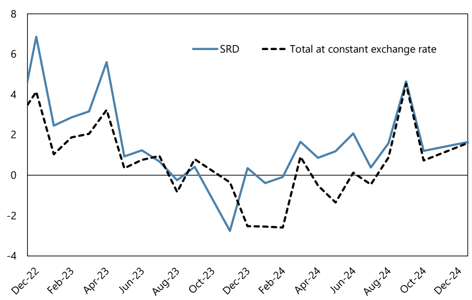


Interest Rates

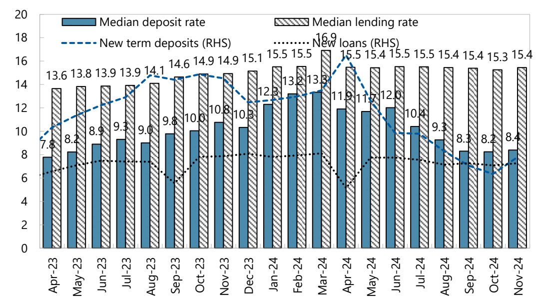


Adhering to SRD RM targets helped bring down inflation and the Central Bank Term Deposit (CBTD) facility rates. Yet, the interest rate channel of transmission remains weak as deposit and lending rates remain inelastic to the CB/TD rates.

Bank Private Sector Credit Growth
(Nominal, month-on-month, in percent)

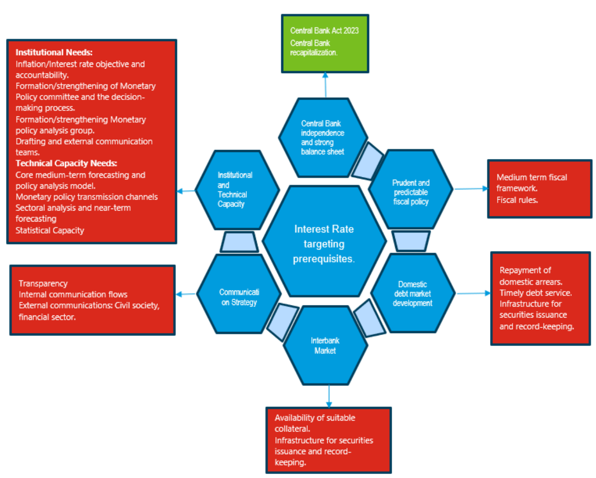


Average Bank Interest Rates
(SRD deposits and loans, in percent)



Sources: CBvS and IMF staff calculations.

Suriname: Requirements to Transition to a New Monetary Policy Regime



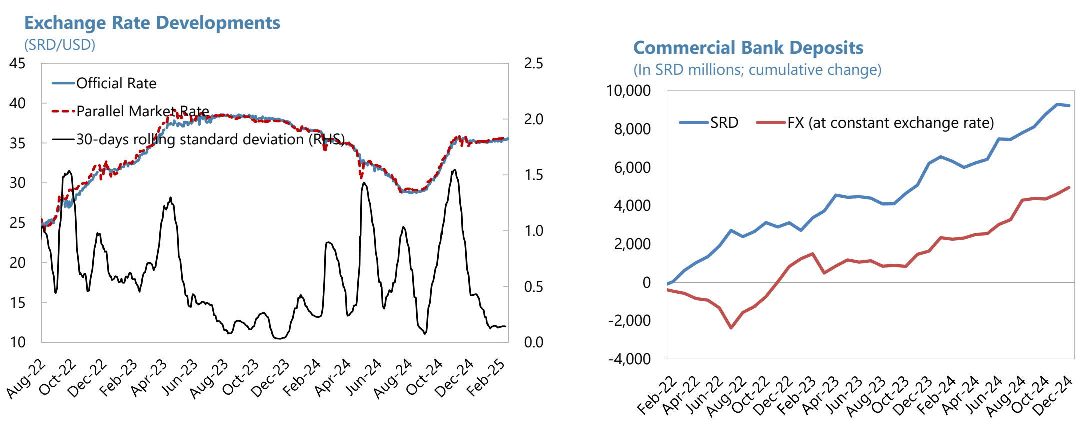
Source: IMF
Refer to Annex VI of CR 25/11 for CD already provided.

20. The central bank should discontinue its practice of selling its liabilities to retail investors. To improve monetary policy implementation and transmission, the central bank should limit its counterparties in open market operations to those institutions that are subject to the reserve requirement and supervision. As liabilities held by retail investors come due, they should not be renewed. The central bank should increase efforts to develop the domestic money market (as discussed above), enhance the collateral framework for using central bank liquidity facilities, improve banks' liquidity management practices, and modernize financial market infrastructure.[14] These efforts, along with ongoing initiatives to develop and digitize the domestic debt market, will support the deepening of the financial sector.

21. The new system for electronic trading of FX has been launched. Regulations for the FX auction and trading platforms have been updated to make them consistent with the Fund's MCP policy. Both the FX trading platform and the central bank's FX auction platform will improve the efficiency, liquidity and transparency of the FX market. The CBvS is also working to strengthen its FX reserves management and operations.

22. Important progress has been made in strengthening governance and operational autonomy of the central bank. The CBvS' Council and Executive Board have been fully constituted in line with both the 2021 safeguards report recommendations and the 2023 Central Bank Act. The FY21 financial statements were published in August 2024 and FY22 financial statements will be published in March 2025 (*an end-January 2025 SB, not met*). The MOFP has included resources for central bank recapitalization plan in the 2025 budget, registered SRD 8.4 billion in bonds for recapitalization, and injected SRD 1 billion into the CBvS in February – thereby fully implementing the recapitalization plan agreed in August 2024.

Suriname: Recent Foreign Exchange and International Reserve Developments



Sources: CBvS and IMF staff calculations.

[14] The CBvS' standing lending and intraday facilities are generally not used and banks prefer either to hold a large precautionary liquidity buffer or borrow liquidity from other banks through FX swaps.

Suriname: FX Cash Flow Projections
(In millions of USD)

	2022	2023	2024	2025	Total
Inflow of FX (CBvS and Central Government)	**590**	**694**	**778**	**478**	**2,540**
Govt mineral and other FX revenues 1/	260	160	266	291	976
IFI financing (budget support)	200	190	150	25	565
IMF financing	54	157	251	63	580
Other (incl. project financing)	76	186	111	99	473
Outflow of FX (CBvS and Central Government)	**386**	**292**	**569**	**468**	**1,715**
Debt service 2/	134	165	371	271	941
Other FX outflows (incl. use of project financing)	97	127	198	197	620
PBOC swap reversal	154	0	0	0	154
Private sector (net)	**-2**	**-250**	**0**	**0**	**-252**
Commercial banks' transfers (net) 3/	-2	-250	0	0	-252
FX purchases by CBvS	0	0	0	0	0
FX sales to private sector by CBvS and Central Government 4/	0	0	0	0	0
Change in Gross Foreign Reserves of CBvS (+: Increase)	**202**	**152**	**209**	**10**	**573**
Private sector	-2	-250	0	0	-252
Public sector	204	402	209	10	825

Sources: CBvS and IMF staff estimates.

1/ Government mineral and other revenue received in foreign curency that are transferred to the CBvS.

2/ Debt service to all external and domestic obligations of the central government and CBvS denominated in FX.

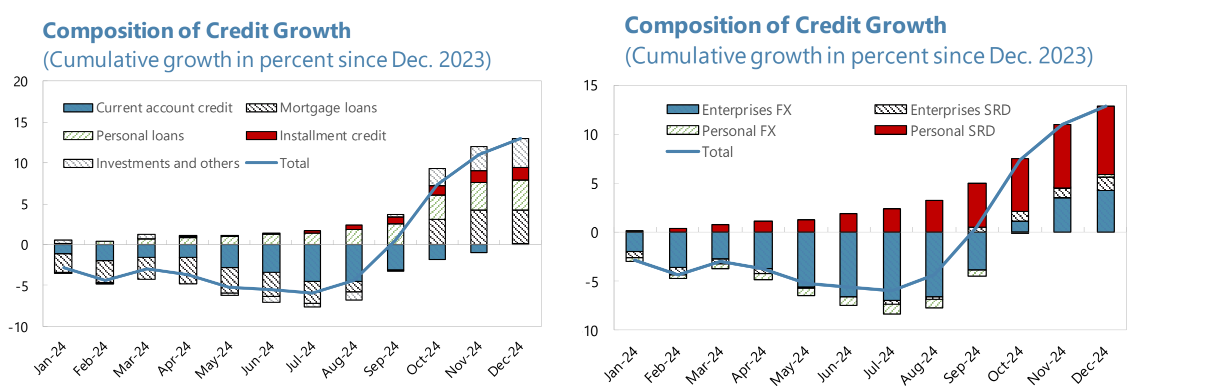
3/ Commercial banks' transfers to/from their accounts at the CBvS from/to their Nostro account abroad.

4/ Direct FX sale by the central government to fuel importers in February 2023.

C. Improving Financial Stability

23. Private sector credit growth rose significantly in the last quarter of 2024. Bank lending appears to be driven by the ongoing economic recovery and the FID announcement. Credit to the private sector is expected to continue to grow in 2025.

Suriname: Credit Developments



Sources: CBvS and IMF Staff calculations.

24. Despite important improvements, vulnerabilities in the banking system remain. Liquid assets comprise 52 percent of total assets but with significant variation across banks (much of the liquidity is concentrated in one systemic bank). Nonperforming loans (NPLs) slightly declined relative to end-September (6.8 percent as of end-November) largely due to the partial repayment of legacy loans in a systemic bank. However, this may not accurately reflect underlying credit quality. Banks' profitability is still dependent on their holdings of central bank instruments.

25. The CBvS should enforce a timely completion of banks' recapitalization plans and ensure state-owned banks are run on a fully commercial basis with a level-playing field with private banks. The reported level of capital adequacy for the banking system is 22 percent as of November 2024. The CBvS is working on the orderly resolution or liquidation of one, small private bank with a capital shortfall (with an overarching principle of preserving financial stability).[15] Despite some progress in strengthening the governance framework of the state-owned bank (i.e., improving the supervisory board and beginning the process of converting the bank to a limited liability company), progress in internal audit and risk management systems is insufficient, and there are important questions surrounding the bank's business model. A recapitalization of this bank will be completed in 2025, but it should be combined with reforms to internal governance and the senior management structure, improvements to internal audit and risk management systems, and a clear plan to return the bank to profitability from its core businesses. Any future government support to the banks should be provided only to viable banks and should aim to minimize fiscal costs and moral hazard, invigorate public confidence, and provide a clear exit strategy for the government.

26. The CBvS should remain vigilant to the risks that could arise from the rapid credit growth and increase in lending rates. Risk management practices of the banks should be effectively supervised to ensure they follow prudent credit underwriting, collateralization, follow up and classification practices and refrain them from excessive risk taking. The CBvS should improve its liquidity and solvency stress testing, gathering information on interconnectedness, requiring banks to strengthen their own internal risk management systems, and monitoring banks' maturity mismatches. The framework for bank resolution should be quickly operationalized and the MOFP and CBvS should develop internal contingency plans, under the auspices of the Financial Stability Committee, to prepare for a range of stress scenarios. The swift establishment of a comprehensive credit registry will help track the leverage of borrowers and close data gaps. The authorities are working on a roadmap to develop and implement a macro prudential toolkit to counter systemic bank risk, prioritizing the borrower-based measures. Supervision of nonbank financial institutions (NBFIs) needs to be improved including through a better assessment of their lending practices, stricter reporting requirements and asset classification regulations, introducing fit-and-proper criteria for their ownership and including a gradual expansion of macroprudential framework to include NBFIs.[16]

27. Stronger legal frameworks should be established for the supervision and regulation of virtual assets. A Virtual Asset Service Providers Supervision Act has been drafted to provide a legal basis for the supervision of virtual assets service providers, incorporating the IMF recommendations.

[15] This bank corresponds to 2.4 percent of banking system assets.

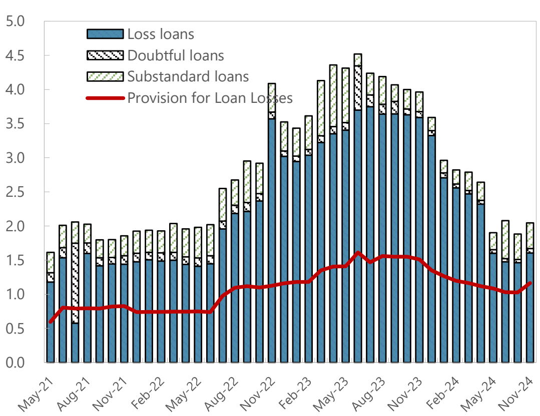
[16] Swift operationalization of the bank resolution framework and development of internal contingency plans by the CBvS and MOF would help prepare for a range of stress scenarios.

The draft Act prioritizes mitigating AML/CFT risks, ensuring safe provision of crypto services, protecting client assets, and setting disclosure, prudential and risk management requirements.

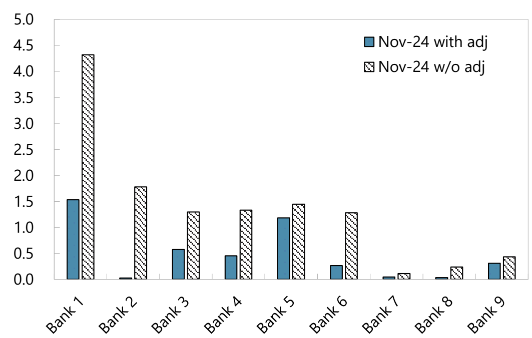
28. The AML/CFT regime should be further strengthened. Amendments to the AML/CFT Act were approved by parliament in July 2024. However, to fully comply with CFATF requirements and in line with the ongoing AML/CFT technical assistance, Suriname needs to: (i) enhance AML/CFT supervision for all financial institutions; (ii) develop and implement risk-based supervisory framework for Designated Non-Financial Businesses and Professions (DNFBPs); (iii) make available adequate human, financial, and technological resources to the Financial Intelligence Unit and Gaming Control Board; (iv) increase ML/TF related investigations, prosecutions and confiscations; and (v) amend the International Sanctions Framework to update the legal framework in relation to the implementation of the UN Security Council Resolutions on Terrorism and Proliferation Financing. Work is underway in these areas, with IMF CD support focused on strengthening supervision. The second national risk assessment (NRA) has just been completed. At the CFATF December 2024 plenary, Suriname received upgrades for eight FATF recommendations and is now compliant or largely compliant with 21 of the 40 recommendations.

Suriname: Selected Financial Sector Indicators

NPLs and Provisioning 1/
(In SRD billions)



Adjusted and Unadjusted SRD Net Liquidity Positions 2/
(In SRD billions)



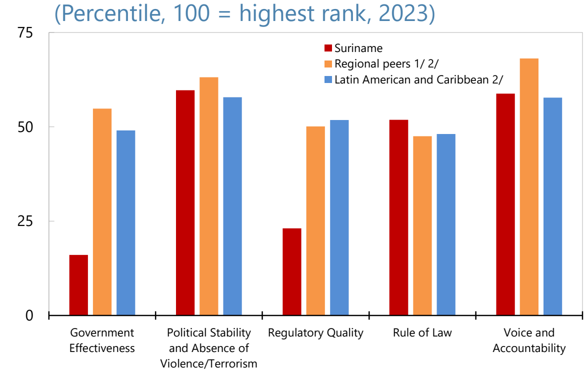
Source: CBvS and IMF staff calculations.
1/ The large shift in December 2020 from substandard to doubtful loans shows the reclassification of a large loan by one of the banks in line with CBvS provisioning guidance. The movement between doubtful and loss loans in July 2021 likely is a reporting error that was corrected in August 2021.
2/ Adjusted means exclusion of required reserves and exposures to government T-bills.

D. Governance

29. With Suriname expected to soon benefit from large oil revenues, there is a need to quickly strengthen institutions to mitigate corruption risks and increase transparency and accountability.

- With Fund CD, the authorities have made important progress towards amending the anti-corruption framework to strengthen income and asset declarations of politically exposed persons, particularly to require (i) a routine verification of these declarations; (ii) publication of income and asset declarations; and (iii) the establishment of proportionate and dissuasive sanctions for non-compliance. The draft amendment that is in line with SB specifications was submitted to the National Assembly in February (although is expected to be considered by the Assembly only after the election in May).

World Governance Indicators
(Percentile, 100 = highest rank, 2023)



Source: World Governance Indicators
1/ Regional peers include Barbados, Guyana, Jamaica, and Trinidad and Tobago.
2/ Aggregates are based on averages.

- The new procurement law was enacted in November 2024 and requires the publication of all tenders and contracts awards, all procurement contracts, the names of the awarded entities and their beneficial owners, the names of the public officials awarding the contracts, and an ex-post validation of delivery of the contracted services.

E. Improving Economic Statistics

30. Progress is being made in improving the quality and timeliness of monetary, fiscal, financial, and national accounts, including prices and balance of payment statistics (Annex VI, CR 25/11). The authorities have increased the budget of the statistics office, but further efforts are needed to improve the production and timeliness of GDP statistics and provide more disaggregated data on consumer prices. There is ongoing IMF CD to improve government finance data, including tracking the evolution of the CG financial balance sheet on a monthly basis (starting with data from December 2023 in September 2024), and to track accounts payable and suppliers' arrears.

PROGRAM ISSUES

31. Corrective actions for waiver of non-observance. As a basis for a waiver of non-observance of the end-December PC on the primary balance of the fiscal government, the authorities resubmitted the 2025 budget (targeting 2.7 percent of GDP primary balance) underpinned by credible corrective actions (¶10) that show 2 percent of GDP in additional fiscal effort.

32. Access and capacity to repay. Suriname's capacity to repay continues to be assessed as adequate under the current macro-framework but successful implementation of the government's program will be critical. Fund credit outstanding including projected purchases under the proposed arrangement, will peak in 2025 at 13 percent of GDP and equivalent to around 21.4 percent of exports of goods and services and 32.4 percent of usable international reserves, and will remain elevated through 2028 (Table 11). Total debt service to the Fund will peak at 1.3 percent of exports of goods and services and 6.8 percent of usable international reserves in 2028 (Table 11). Out of the

SDR 46.8 million scheduled for the ninth review, SDR 33.6 million (72 percent) would be made available for budget support.

33. Lending into arrears. Staff assess that good faith efforts are being made to reach a collaborative agreement with the remaining private external creditor. The creditor is not deemed to be a holdout risk and the arrears to the creditor do not undermine the medium-term external viability of Suriname's balance of payments and its capacity to repay the Fund. As such, the requirements of the lending into arrears policy are judged to have been met.

Suriname: Program Financing 1/
(In millions of US dollars)

	2021	2022	2023	2024	2025	Total
Financing gap	237	421	307	399	88	1452
Official financing	34	253	308	399	88	1081
O/w: IMF	34	53	158	249	63	556
Purchases	55	53	158	249	63	577
O/w: for budget support	55	53	103	122	45	377
Repurchases	21	0	0	0	0	21
O/w: IFIs	0	200	150	150	25	525
Financing from external arrears accumulation (net) 1/	203	168	-1	0	0	371

Source: IMF staff calculations
1/ Excludes financing from external debt restructuring.

34. Program financing. Suriname's program continues to be fully financed with firm commitments of financing for the next 12 months and good prospects for adequate financing beyond program period that expires in March.[17]

35. Future engagement. The current government remains interested in continuing to engage with the Fund after the current EFF-supported program ends. After the May 2025 elections, staff will discuss with the new government the modalities of that future engagement that best meets the new government's needs.

STAFF APPRAISAL

36. Completion of the EFF-supported program marks a major milestone for Suriname. The EEF-supported program was anchored on two main objectives: First, address the systemic fiscal and external imbalances and return the country to macroeconomic stability. Second, to strengthen domestic institutions and lay a foundation for sustained and inclusive growth. These two objectives have been broadly met.

37. Suriname's economy is now stronger and more resilient. At the start of the program, Suriname was in a deep crisis as external shocks compounded pre-existing vulnerabilities. The real economy activity had contracted 18 percent in the previous two years, inflation reached 60 percent,

[17] The authorities' engagement with IDB on budget support for 2025 are ongoing. It will depend on IDB's own assessment of macroeconomic stability and likelihood of a successor arrangement with the IMF. The CDB is expected to provide USD 25 million in budget support in 2025. Other IFIs commit to disbursing agreed project loans conditional on the IMF program review and their own conditionality.

monetary financing of deficit was rampant, international reserves were precariously low, there was a parallel exchange rate, the country had defaulted on its public debt, and 4 out of 9 commercial banks were undercapitalized. Now, Suriname shows solid economic growth; inflation is in the single digits; and reserves are at 7 months of imports. Public debt is on a firm downward path following a successful restructuring of official and privately-held external debt. Negotiations are underway to complete the restructuring with the one remaining commercial creditor. The restructuring of domestic debts—including those to the central bank has been finalized and domestic debt arrears cleared. Spreads are at historic low and only one commercial bank is currently undercapitalized.

38. Structural reforms implemented during the past three years will serve Suriname for years to come. On the fiscal side, Suriname introduced a broad-based VAT, revamped its sovereign wealth fund, introduced fiscal rules, modernized the management of public finances, and started the process of cleaning up public payrolls from unregistered and chronically absent employees. Wasteful spending on subsidies (fuel, electricity, gas, water) have been substantially reduced with resources redirected towards social assistance programs (where spending has doubled as a percent of GDP). Numerous reforms have taken place to improve fiscal transparency and accountability. Suriname has also passed legislation to strengthen the governance and independence of the central bank and then subsequently recapitalized the central bank.

39. Economic prospects of Suriname are bright if the oil resources can be used prudently and efficiently. As the experience of many countries shows, transparent management of these resources is critical to safeguard macroeconomic stability, address development needs and ensure better living standards for both current and future generations. The laws that revamped the sovereign wealth fund and introduced fiscal rules are crucial first steps. However, this is just a starting point. They must be accompanied by prompt operationalization to make them effective as well as accompanying reforms across a range of areas to improve accountability and lessen the incentives for corruption.

40. Fiscal policy needs to remain focused on cementing debt sustainability. Notwithstanding the improvements noted above, the central government still runs an overall budget deficit, public debt is still too high, and it will be tempting to spend the oil inflows before they materialize. Enshrining debt and fiscal sustainability requires a continued commitment to fiscal consolidation in the coming years. The government should persevere with phasing out the electricity subsidies and improving tax administration to create space for social programs and much-needed investment in both physical and human capital. At the same time, the administration of the social assistance programs must be enhanced to ensure that the resources are not wasted, that they reach the most vulnerable in every region of the country, and that they are effective in closing the poverty gap. A comprehensive look at the public wage bill is necessary, as the increasingly flattened civil service salary scale impedes government's ability to attract and retain skilled workers and likely incentivizes corruption.

41. Continued efforts are needed to improve public finance management. Monitoring and gradually reducing the stock of supplier arrears could be helped by building capacity in cash forecasting and management. Gradually implementing Single Treasury Account and expanding it to include more ministries would help in this regard and would increase the transparency and accountability of ministries for their deployment of government resources. A clearer budgeting process and enforcement of quarterly budget ceilings for line ministries would help avoid expenditure overruns and arrears accumulation.

42. The authorities should continue addressing financial system vulnerabilities, including the risks that could arise from rapid credit growth as the new oil discovery is being developed. Structural reforms have been implemented to financial system oversight, including the enhancement of the CBvS authority and capacity to regulate and supervise the financial system and implement prompt corrective actions and resolution powers. Banking system resilience has been strengthened by asset quality reviews of the commercial banks. The authorities should conclude discussions to resolve or liquidate the one private bank with capital shortages. The recapitalization of the state-owned bank should be tied to wide-ranging governance reforms at the bank. The CBvS should enhance its capacity for systemic risk monitoring, including the enhancement of stress testing tools and establishment of a macroprudential framework. The CBvS should increase its monitoring of NBFIs, particularly with respect to their interconnectedness with the banking system. The bank resolution framework should be operationalized through the issuance of relevant regulations and guidelines. Ongoing efforts to strengthen AML/CFT will support financial system integrity and prevent the potential loss of corresponding banking relationships.

43. A strengthening of economic statistics is required for policy formulation. Building capacity to produce quarterly GDP data, reducing the lag with annual GDP provision, providing more disaggregated CPI series, and regular reporting on socioeconomic indicators, would help with policy formulation. It would support a transition to a new monetary policy framework and help the authorities assess the distributional effects of possible fiscal policies.

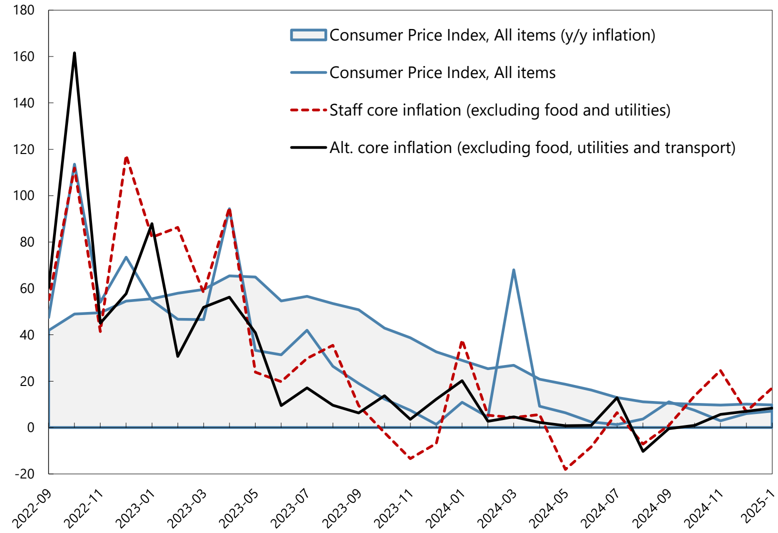
44. There is limited window of opportunity to improve transparency and strengthen governance before the oil inflows begin. Enactment of the amendment of the anti-corruption law to strengthen the income and asset declaration regime for politically exposed persons is essential and must be followed by a prompt implementation. Transparency of public officials’ asset holdings would lessen the vulnerability to corruption that comes with the massive oil wealth. It is also very important to get the suspension lifted from the Extractive Industries Transparency Initiative (EITI).

45. Avoiding a resource curse will require sustained efforts to raise the competitiveness of the non-oil sector. Increasing female labor force participation, promoting financial inclusion and access to credit for small and medium-size enterprises can help foster a culture of entrepreneurship and boost potential growth. Investing in education to address skills mismatch will help prepare today’s youth for future opportunities in the private sector. Digitalization of public sector service delivery would increase the efficiency of government operations. Improving access to the internet in the interior would also support private sector-led growth.

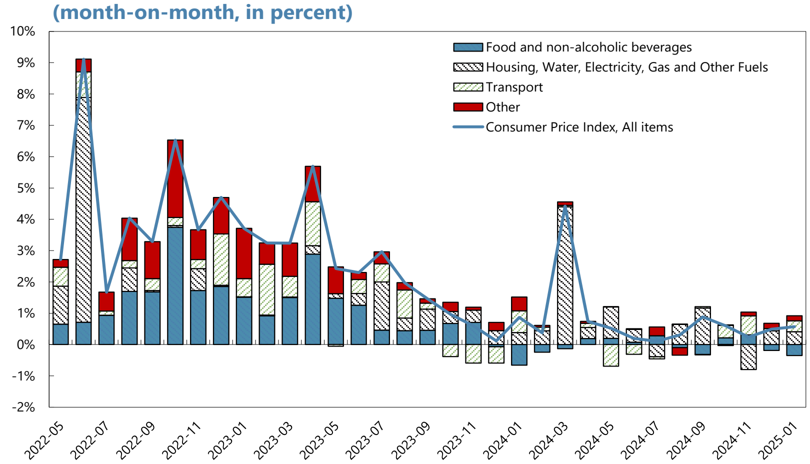
46. Staff supports the authorities request for the completion of the ninth and final review under the EFF arrangement and the completion of financing assurances review. In view of the commitments made by the Surinamese authorities and the significant policy efforts made to date coupled with corrective actions taken, staff supports the authorities' request for waiver for the non-observance of the end-December 2024 performance criterion on the primary fiscal balance of the central government. It is proposed that Suriname's Article IV consultation cycle be shortened back to 12 months. The next Article IV consultation is expected to be held in December 2025.

Figure 1. Suriname: The Inflation Developments

Annualized Month-on-Month Inflation
(in percent)



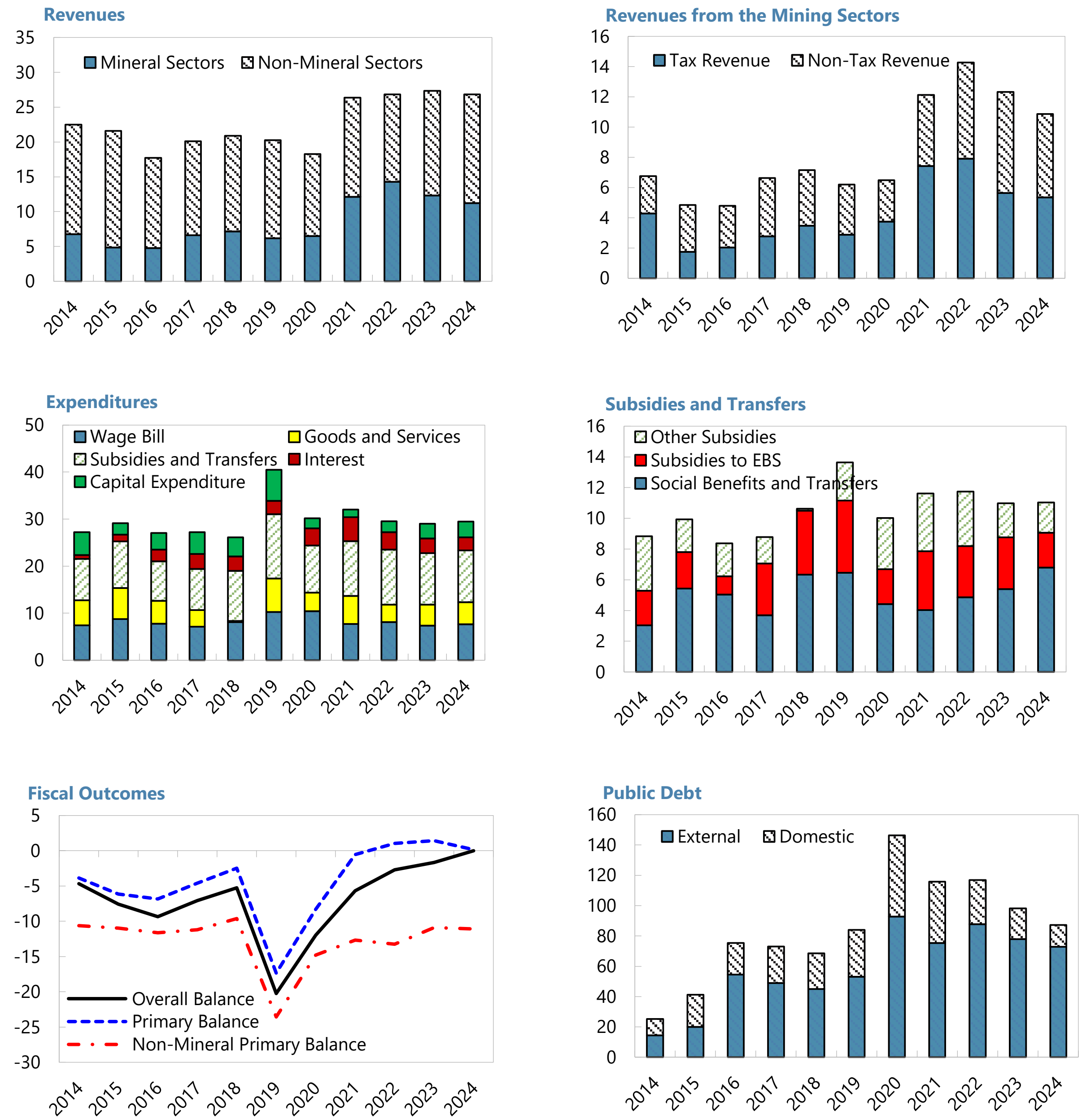
CPI Inflation and Contribution by Subcomponent (month-on-month, in percent)



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

Figure 2. Suriname: Fiscal Developments, 2014–24

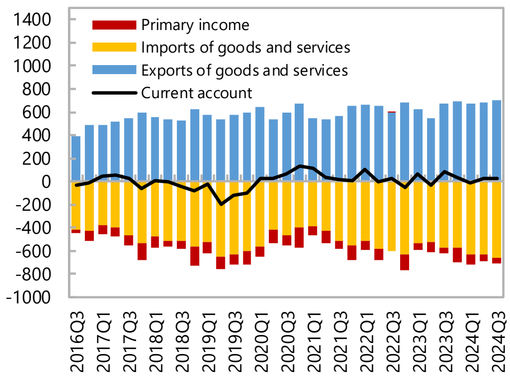
(In percent of GDP)



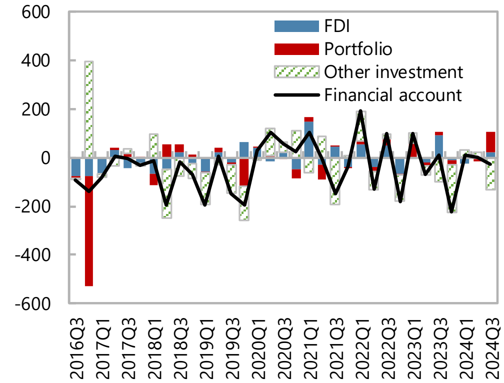
Sources: Ministry of Finance; and IMF staff estimates.

Figure 3. Suriname: External Sector Developments

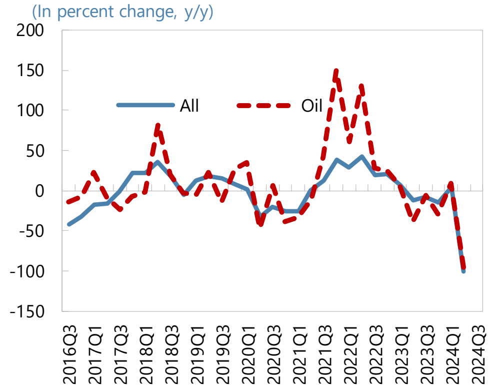
Current Account
(In millions of USD)



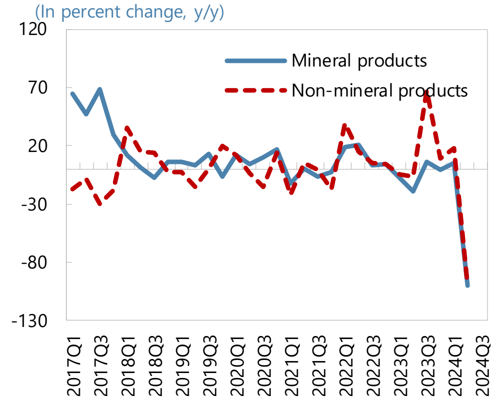
Financial Account
(In millions of USD)



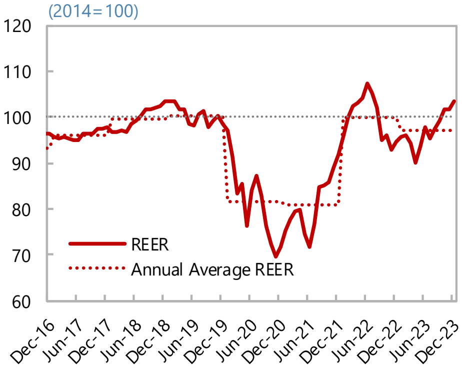
Imports of Goods, USD Value
(In percent change, y/y)



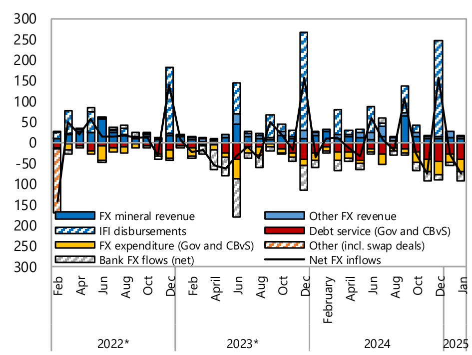
Exports of Goods, USD Value
(In percent change, y/y)



Real Effective Exchange Rate
(2014=100)

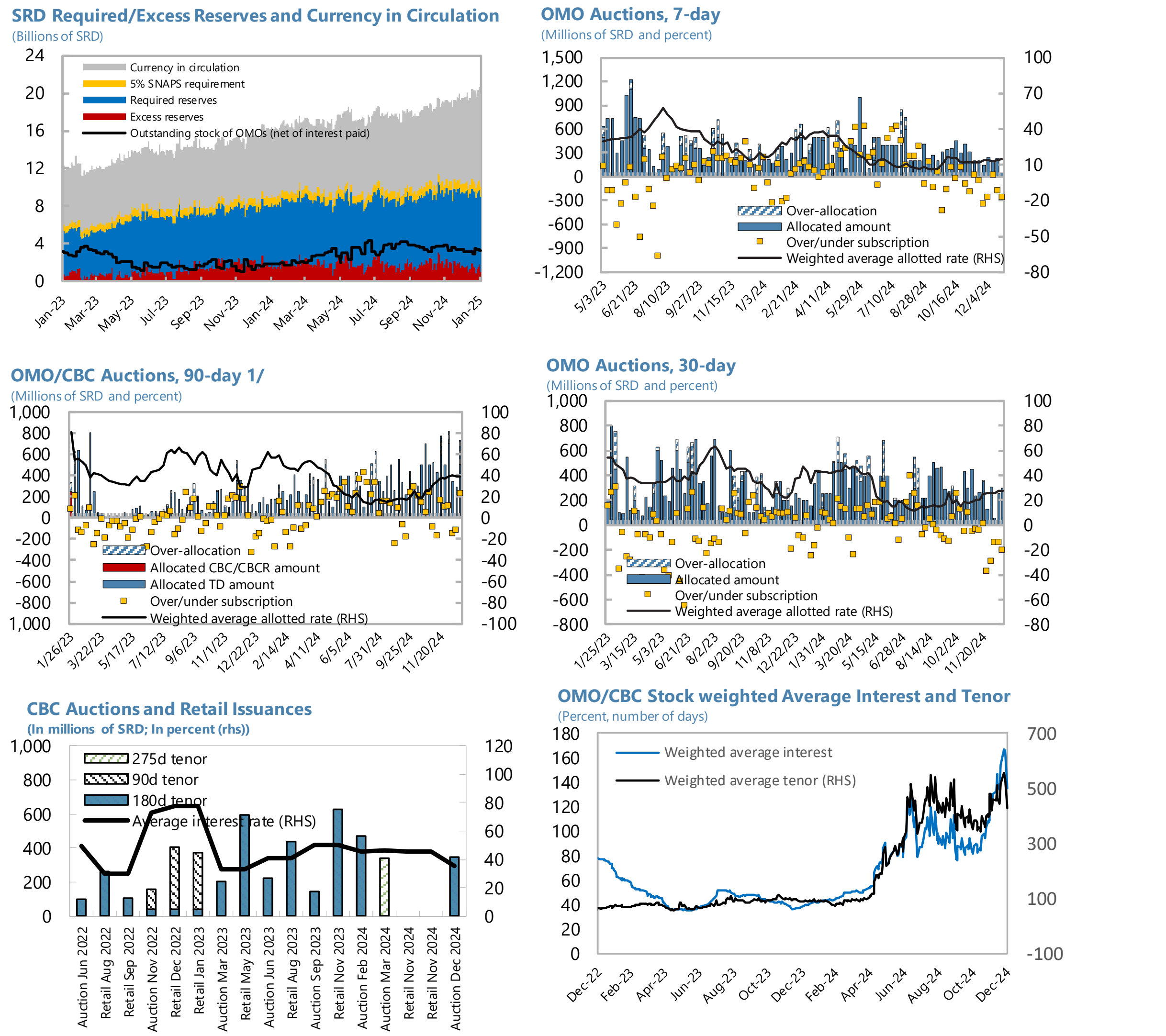


Reserve Contributing FX Inflows and Outflows
(In millions of USD)



Sources: International Financial Statistics (IFS); Central Bank of Suriname; and IMF staff estimates.

Figure 4. Suriname: Monetary Developments



Sources: Central Bank of Suriname and IMF staff calculations.

1/ Nov 28 was a wholesale CBC auction.

Table 1. Suriname: Selected Economic Indicators

	2021	2022	2023	2024 8th Review	2024	2025 8th Review	2025	2026	2027	2028	2029	2030
Real sector (percent change)												
Real GDP	-2.4	2.4	2.5	3.0	3.0	3.2	3.2	3.7	4.0	50.3	27.5	3.8
o/w Non-oil Real GDP			2.7	3.2	3.2	3.5	3.5	4.0	4.5	6.0	7.0	7.0
o/w Oil Real GDP			0.0	1.1	1.1	-0.8	-0.8	-0.2	-3.7	746.8	67.7	-0.2
Nominal GDP	56.9	47.3	42.0	16.2	15.9	13.5	11.1	10.0	10.1	77.1	33.8	5.6
GDP deflator	60.8	43.9	38.5	12.8	12.5	9.9	7.7	6.0	5.9	17.8	5.0	1.7
Consumer prices (period average)	59.1	52.4	51.6	16.8	16.2	10.7	8.7	7.0	6.3	5.2	5.0	5.0
Consumer prices (end of period)	60.7	54.6	32.6	12.2	10.1	8.6	7.4	6.9	5.7	5.0	5.0	5.0
Labor market (percent)												
Unemployment rate	11.2	10.9	10.6	10.3	10.3	9.5	9.5	9.0	8.0	7.5	7.0	7.0
Labor force participation rate	58.2	58.7	59.0	59.4	59.4	59.9	59.9	62.0	63.0	65.0	67.0	70.0
Money and credit (percent change)												
Broad money	45.3	45.1	19.5	10.3	9.3	7.6	7.1	8.4	7.1	19.2	36.6	20.5
Broad money (percent of GDP)	76.0	74.9	63.0	59.8	59.4	56.7	57.3	56.5	55.0	37.0	37.8	43.1
Reserve money	48.0	44.8	4.9	7.0	10.1	10.0	7.5	9.1	8.5	26.8	27.3	17.6
Reserve money (percent of GDP)	31.2	30.7	22.7	20.9	21.5	20.2	20.8	20.7	20.4	14.6	13.9	15.5
Private sector credit	18.5	65.7	18.6	14.4	15.9	12.3	11.0	10.8	9.8	9.7	10.5	10.8
Private sector credit (in real terms)	-26.3	7.2	-10.6	2.0	5.3	3.4	3.3	3.7	3.9	4.5	5.2	5.6
Private sector credit (percent of GDP)	18.1	20.4	17.0	16.8	17.0	16.6	17.0	17.1	17.1	10.6	8.8	9.2
Central government (percent of GDP)												
Revenue and grants	26.4	26.8	27.3	28.5	26.7	27.9	28.1	28.0	27.6	24.5	22.8	22.6
Total expenditure	28.0	29.5	29.0	29.8	29.2	29.1	29.2	28.8	28.7	21.1	19.2	18.6
Of which: Primary expenditure	26.9	25.8	25.9	26.0	26.4	25.2	25.4	25.0	24.6	18.8	17.7	17.3
Statistical discrepancy	-3.9	7.3	-0.5	0.0	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Overall balance (net lending/borrowing) 1/	-1.6	-2.7	-1.7	-1.2	-2.4	-1.2	-1.2	-0.9	-1.0	3.4	3.6	3.9
Primary balance	-0.5	1.0	1.4	2.5	0.3	2.7	2.7	3.0	3.0	5.7	5.2	5.3
Non-resource primary balance (percent of non-resource GDP)	…	-15.9	-13.1	-10.7	-12.3	-9.1	-8.3	-8.2	-7.4	-12.0	-15.6	-12.7
Net acquisition of financial assets 2/	-0.4	5.2	3.9	6.4	3.5	0.0	5.7	0.0	0.0	1.3	1.6	1.6
Net incurrence of liabilities	5.0	0.5	6.1	7.6	6.2	1.2	6.9	0.9	1.0	-2.2	-2.0	-2.3
Net domestic financing	0.7	-7.7	-2.6	1.4	0.4	-0.2	5.8	0.3	3.8	-0.5	0.0	-0.4
Net external financing	-1.8	3.6	8.7	6.2	5.7	1.4	1.1	0.6	-2.8	-1.7	-2.0	-2.0
External arrears (net)	6.1	4.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central government debt 3/ (percent of GDP)	115.8	116.9	98.2	95.4	87.2	89.6	86.6	81.1	75.4	39.9	27.3	23.0
Domestic	40.4	29.1	20.3	17.9	14.3	14.9	15.2	11.9	13.9	7.4	5.5	4.9
o/w: change due to GDP deflator movement	-20.3	-12.3	-8.1	-2.4	-2.3	-1.6	-1.0	-0.9	-0.7	-2.1	-0.3	-0.1
External	75.4	87.8	77.9	77.5	72.9	74.7	71.4	69.2	61.5	32.5	21.7	18.2
o/w: change due to exchange rates movement	12.1	27.1	10.1	0.0	-2.9	…	…	…	…	…	…	…
o/w: change due to GDP deflator movement	-35.1	-23.0	-24.4	-8.8	-8.6	-7.0	-5.2	-4.1	-3.8	-9.3	-1.5	-0.4
Net External Debt 7/				44.6	40.1	43.7	40.1	39.2	34.1	13.0	-6.3	-17.6
External sector (percent of GDP)												
Current account balance	5.7	2.1	4.3	-3.6	-2.8	-38.0	-33.9	-60.4	-67.9	-2.0	26.5	31.3
Capital and financial account	4.4	10.8	7.1	0.7	-0.1	-36.2	-32.0	-60.2	-67.8	-6.9	12.0	21.0
Overall balance	14.0	-0.5	-5.0	-4.3	-2.6	-1.8	-1.9	-0.2	-0.1	4.8	14.4	10.3
Financing	-14.0	0.5	5.0	4.3	2.6	1.8	1.9	0.2	0.1	-4.8	-14.4	-10.3
Change in reserves (- = increase)	-21.7	-11.1	-3.9	-4.7	-6.4	-0.2	0.0	0.0	0.6	-4.2	-13.6	-9.6
Official financing	1.1	7.0	8.9	9.0	9.0	2.0	2.0	0.2	-0.4	-0.6	-0.8	-0.8
External arrears (net)	6.6	4.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum items												
GDP at current prices (SRD billions)	60.7	89.5	127.1	147.6	147.3	167.5	163.6	180.0	198.1	350.8	469.3	495.4
Terms of trade (percent change)	-20.2	-9.3	1.1	-3.6	-2.9	-2.1	-2.5	-1.7	-1.3	-1.4	-1.4	-1.4
Gross international reserves (USD millions)	992	1,195	1,346	1,555	1,632	1,565	1,634	1,635	1,606	1,975	3,586	4,790
In percent of Reserve adequacy (risk-weighted measure) 4/	112	135	150	160	169	150	158	144	132	145	257	383
In months of imports	5.1	6.5	7.3	6.9	7.4	4.4	4.7	3.5	3.1	4.0	8.5	13.0
Usable gross international reserves (USD millions) 5/	512	865	1,112	1,321	1,373	1,331	1,374	1,375	1,346	1,715	3,327	4,530
In percent of Reserve adequacy (risk-weighted measure)	58	98	124	136	142	128	133	121	111	126	239	362
In months of imports	2.6	4.7	6.1	5.9	6.2	3.7	3.9	3.0	2.6	3.5	7.8	12.3
REER based on weighted average ER (percent change, + = appreciation) 6/	-0.6	8.3	-2.8	26.1	26.1	…	…	…	…	…	…	…
Nominal effective exchange rate (percent change, + = appreciation)	-36.5	-20.1	-33.2	11.2	11.6	…	…	…	…	…	…	…
Inflation differential	56.6	35.6	45.5	13.5	13.0	…	…	…	…	…	…	…
REER based on official ER (percent change, + = appreciation) 6/	-20.4	8.3	-2.8	26.1	26.1	…	…	…	…	…	…	…
Official exchange rate (SRD per USD, eop)	20.8	31.7	36.7	36.7	35.2	…	…	…	…	…	…	…
Official exchange rate (SRD per USD, period average)	18.3	24.6	36.9	33.2	33.0	…	…	…	…	…	…	…
Weighted average exchange rate (SRD per USD, eop)	20.8	31.7	36.7	36.7	35.2	…	…	…	…	…	…	…
Weighted average exchange rate (SRD per USD, period average) 6/	19.7	24.6	36.9	33.2	33.0	…	…	…	…	…	…	…
Gold production (growth rate)	-6.6	4.5	12.5	1.6	1.6	1.2	1.2	1.3	1.3	1.3	1.3	1.3
Gold price (USD per troy ounce)	1,800	1,802	1,943	2,342	2,387	2,608	2,821	2,963	3,096	3,198	3,244	3,244
Growth Rate	1.7	0.1	7.9	20.5	22.9	11.3	18.2	5.0	4.5	3.3	1.5	0.0
Oil price (USD per barrel)	69.2	96.4	80.6	81.3	79.2	72.8	76.6	71.5	69.6	68.6	68.0	67.6
Growth Rate	65.8	39.2	-16.4	0.9	-1.8	-10.4	-3.2	-6.7	-2.7	-1.4	-0.9	-0.6
Notional VRI amount (USD millions) 8/			314.7	343.0	343.0	373.9	373.9	407.5	444.2	456.5	397.1	333.1

Sources: Surinamese authorities and Fund staff calculations and projections.

1/ The overall balance is computed using net financial transactions, and therefore, includes statistical discrepancy.

2/ Includes acquisition of stake in gold mine and loans to state-owned enterprises.

3/ The debt-to-GDP ratio is different when computed using the definition in the Government Debt Act of Suriname.

4/ Based on IMF, 2015, "Assessing Reserve Adequacy."

5/ Excluding the PBOC swap and ring-fenced reserves.

6/ The weight of the official exchange rate is 30 percent and that of the parallel market exchange rate is 70 percent in this measure. Fiscal and monetary sectors in this macro-framework use the official rate (except for public debt which uses the weighted average exchange rate), and real and BOP sectors use the weighted average exchange rate. The official and parallel market exchange rates converged in June 2021.

7/ Gross public external debt minus usable reserves

8/ Projected opportunity cost of sharing oil revenues from block 58 oil

Table 2. Suriname: Real Sector, by Expenditures 1/
(Percent change, unless otherwise indicated)

	Est. 2022	2023	2024 8th Review	2024	2025 8th Review	Proj. 2025	2026	2027	2028	2029	2030
Growth rates (constant prices)											
Real GDP	2.4	2.5	3.0	3.0	3.2	3.2	3.7	4.0	50.3	27.5	3.8
Private Absorption	4.3	1.6	6.5	6.0	28.9	28.4	19.2	7.9	-3.8	-8.4	-2.4
Public Consumption	-16.6	-6.2	4.2	4.1	1.7	2.0	4.2	4.9	16.1	7.5	7.5
Public Gross Investment	44.7	41.6	5.2	9.8	17.4	-8.4	18.9	5.3	75.7	46.2	-27.3
Exports	7.8	2.0	9.9	10.0	2.2	2.4	2.3	3.0	122.5	43.0	2.1
Imports	7.9	-0.4	19.8	19.0	60.2	57.5	31.9	10.1	-5.3	-15.1	-14.1
Contributions (constant prices)											
Real GDP growth	2.4	2.5	3.0	3.0	3.2	3.2	3.7	4.0	50.3	27.5	3.8
Private Absorption	3.6	1.3	5.5	5.0	25.1	24.6	20.7	9.7	-4.9	-6.9	-1.4
Public Consumption	-2.1	-0.6	0.4	0.4	0.2	0.2	0.4	0.5	1.5	0.5	0.5
Public Gross Investment	0.7	1.0	0.2	0.3	0.6	-0.3	0.6	0.2	2.6	1.9	-1.3
Net Exports	0.2	0.9	-3.0	-2.7	-22.7	-21.3	-17.9	-6.4	51.1	31.9	6.0
Growth rates (current prices)											
Nominal GDP	47.3	42.0	16.2	15.9	13.5	11.1	10.0	10.1	77.1	33.8	5.6
Private Absorption	63.5	36.0	28.9	27.1	61.8	57.4	34.9	15.8	-2.4	-11.1	-1.9
Public Consumption	27.2	42.1	18.6	18.1	14.1	11.5	10.5	10.5	22.4	12.9	12.9
Public Gross Investment	108.2	96.1	18.6	23.5	29.1	-1.4	26.1	11.4	91.7	55.6	-23.4
Exports	41.5	45.9	-3.1	-3.6	13.3	10.4	6.5	6.7	123.6	41.5	1.1
Imports	56.1	40.9	9.6	7.5	81.2	74.3	39.7	15.5	-3.5	-14.8	-13.8
Contributions (current prices)											
Nominal GDP growth	47.3	42.0	16.2	15.9	13.5	11.1	10.0	10.1	77.1	33.8	5.6
Private Absorption	45.1	28.4	21.9	20.4	52.0	47.5	40.9	22.8	-3.6	-9.3	-1.1
Public Consumption	3.7	5.0	2.2	2.1	1.7	1.4	1.3	1.3	2.7	1.1	0.9
Public Gross Investment	1.8	2.2	0.6	0.7	0.9	0.0	0.8	0.4	3.2	2.1	-1.0
Net Exports	-3.2	6.5	-8.5	-7.4	-41.2	-37.7	-33.0	-14.4	74.8	39.9	6.8
Deflators (Growth Rates)											
GDP	43.9	38.5	12.8	12.5	9.9	7.7	6.0	5.9	17.8	5.0	1.7
Private Absorption	56.8	33.9	21.0	19.9	25.6	22.5	13.2	7.4	1.5	-3.0	0.5
Public Consumption	52.4	51.6	13.9	13.5	12.2	9.4	6.0	5.4	5.4	5.0	5.0
Public Gross Investment	43.9	38.5	12.8	12.5	9.9	7.7	6.0	5.9	9.1	6.4	5.5
Exports of goods and services	31.3	43.0	-11.9	-12.3	10.8	7.8	4.1	3.6	0.5	-1.1	-1.1
Imports of goods and services	44.7	41.4	-8.5	-9.7	13.1	10.6	5.9	4.9	1.9	0.4	0.3
CPI	52.4	51.6	16.8	16.2	10.7	8.7	7.0	6.3	5.2	5.0	5.0
GDP (current prices, USD billions)	3.6	3.4	4.4	4.5	...	...	...	...	...	...	...
GDP (current prices, SRD billions)	89.5	127.1	147.6	147.3	167.5	163.6	180.0	198.1	350.8	469.3	495.4
GDP deflator (Index = 100 in 2015)	593	822	927	924	1019	995	1055	1117	1316	1382	1405

Sources: IMF staff calculations and projections.

1/ Historical values are not shown due to lack of official GDP estimates by expenditure.

Table 3a. Suriname: Central Government Operations

(Millions of SRD)

	2021	Est. 2022	2023	2024 8th Review	2024	2025 8th Review	2025	2026	2027	2028	2029	2030
Revenues	**16,010**	**24,021**	**34,750**	**42,093**	**39,395**	**46,741**	**45,939**	**50,332**	**54,762**	**85,993**	**107,230**	**111,853**
Taxes	11,831	16,649	21,968	27,804	27,870	30,868	33,136	35,885	38,964	57,060	71,193	75,451
Direct taxes	8,137	11,126	12,160	14,797	14,221	15,303	14,786	16,735	17,337	31,866	42,919	43,724
Of which: mineral taxes	4,502	7,070	7,152	8,619	7,886	7,862	7,539	8,484	8,142	21,279	30,968	30,234
Indirect taxes	3,693	5,523	9,809	13,007	13,649	15,564	18,349	19,150	21,627	25,193	28,273	31,727
Grants	140	87	375	443	101	0	101	0	0	0	0	0
Non-tax revenues	4,039	7,285	12,407	13,846	11,424	15,873	12,702	14,447	15,798	28,933	36,038	36,402
Of which:												
Mineral resource revenues	2,864	5,706	8,500	8,993	8,108	10,375	8,994	10,317	11,196	23,633	30,055	29,649
o/w Royalties from block 58 oil										7,709	13,303	13,085
Expenditures	**16,994**	**26,427**	**36,884**	**43,929**	**42,975**	**48,709**	**47,863**	**51,913**	**56,763**	**73,995**	**90,307**	**92,391**
Primary expenditures	16,339	23,099	32,956	38,393	38,915	42,218	41,520	44,933	48,820	66,094	82,979	85,655
Compensation of employees	4,664	7,274	9,332	11,039	11,231	12,367	12,510	13,752	15,126	19,171	21,641	24,428
Other primary current expenditure	10,693	13,778	19,612	22,596	22,726	23,708	24,121	25,017	26,824	32,642	36,847	41,593
Of which: payment to VRI holders										1,109	3,991	3,925
Of which: fuel and electricity subsidies	2,326	4,590	4,849	3,109	3,337	792	2,910	945	0	0	0	0
Of which: cash transfer programs	892	1,717	3,163	5,122	5,453	5,891	5,679	6,731	7,500	9,680	10,927	12,334
Net acquisition of nonfinancial assets	983	2,047	4,013	4,758	4,958	6,143	4,889	6,165	6,870	13,172	20,500	15,709
Interest	3,126	3,329	3,928	5,536	4,061	6,490	6,343	6,980	7,943	7,900	7,328	6,736
Overall balance (net lending/borrowing) 1/	**-984**	**-2,406**	**-2,134**	**-1,836**	**-3,581**	**-1,967**	**-1,924**	**-1,581**	**-2,000**	**11,998**	**16,923**	**19,462**
Of which: primary balance	**-329**	**923**	**1,794**	**3,700**	**480**	**4,523**	**4,418**	**5,399**	**5,943**	**19,898**	**24,251**	**26,198**
Non-resource balance	**-10,821**	**-13,440**	**-18,309**	**-19,448**	**-20,427**	**-20,204**	**-18,466**	**-20,392**	**-21,348**	**-32,917**	**-44,092**	**-40,405**
Of which: non-resource primary balance	**-7,695**	**-11,853**	**-14,147**	**-13,911**	**-16,057**	**-13,714**	**-12,114**	**-13,402**	**-13,396**	**-25,014**	**-36,772**	**-33,685**
	-3,325											
Net financial transactions	**-3,325**	**4,167**	**-2,831**	**-1,836**	**-3,950**	**-1,967**	**-1,924**	**-1,581**	**-2,000**	**11,998**	**16,923**	**19,462**
Net acquisition of financial assets 3/	-267	4,631	4,935	9,382	5,111	0	9,382	0	0	4,448	7,435	7,865
Net incurrence of liabilities	3,058	464	7,765	11,218	9,061	1,967	11,306	1,581	2,000	-7,550	-9,488	-11,597
Domestic (Net)	-2,328	-5,225	-4,387	4,279	-512	-302	9,530	560	7,537	-1,686	29	-1,815
Amortizations	-2,846	-1,474	-4,902	-3,982	-688	-2,622	-2,515	-1,556	-1,825	-4,763	-3,531	-5,492
Central bank	0	0	0	0	0	-224	-224	-337	-337	-337	-337	-2,013
Commercial banks	-1,954	-629	-3,048	-1,810	-444	-1,014	-965	-505	-634	-1,982	-1,467	-1,757
Suppliers credit	0	0	0	0	0	0	0	0	0	0	0	0
Other domestic 4/	-892	-844	-1,854	-2,172	-243	-1,383	-1,325	-715	-854	-2,444	-1,728	-1,722
Disbursements	518	-3,751	515	8,261	175	2,320	12,044	2,116	9,362	3,077	3,560	3,678
Central bank	-1,478	-4,463	-1,549	8,261	0	0	12,044	1,632	0	0	0	0
Claims on government	252	0	-1,549	8,382	0	0	8,382	0	0	0	0	0
Liabilities to government	1,730	4,463	0	121	0	0	-3,662	-1,632	0	0	0	0
Commercial banks	796	-168	1,300	0	175	1,160	0	242	4,681	1,538	1,780	1,839
Suppliers credit	0	0	0	0	0	0	0	0	0	0	0	0
Other domestic 4/	1,200	880	764	0	0	1,160	0	242	4,681	1,538	1,780	1,839
Domestic arrears	2,748	-1,670	1,095	-2,223	1,152	0	0	0	0	0	0	0
Accumulation of arrears	3,359	1,770	2,799	0	3,132	1,392	2,426	2,474	1,461	0	0	0
of which: VAT Refund arrears 2/			594	0	0	0	0	0	0	0	0	0
Payment of arrears	-611	-3,440	-1,704	-2,223	-1,980	-1,392	-2,426	-2,474	-1,461	0	0	0
of which: payment of VAT Refund arrears 2/				-809	-809							
Foreign (Net)	-1,086	3,214	11,081	9,162	8,421	2,269	1,777	1,021	-5,537	-5,864	-9,516	-9,782
Amortizations	-2,922	-4,968	-2,449	-3,546	-3,250	-4,155	-3,993	-3,205	-8,425	-9,681	-13,105	-12,345
IFIs	-1,119	-1,960	-2,126	-1,937	-1,899	-2,829	-2,734	-2,788	-2,909	-3,259	-3,297	-3,025
Official bilateral	-257	-1,446	-316	-1,169	-981	-818	-782	0	-1,094	-1,863	-5,005	-4,435
Commercial	-1,546	-1,563	-7	-440	-371	-508	-477	-417	-4,423	-4,560	-4,803	-4,885
O/w Eurobonds	--	--	--	0	0	0	0	0	4,189	4,214	4,172	4,130
Disbursements	1,014	1,954	4,215	3,691	2,705	3,769	3,273	3,599	3,467	5,261	5,981	5,068
IFIs	1,006	1,954	4,215	3,691	2,705	3,769	3,273	3,599	3,467	5,261	5,866	4,954
Official bilateral	8	0	0	0	0	0	0	0	0	0	0	0
Commercial	0	0	0	0	0	0	0	0	0	0	115	113
Official financing	822	6,228	9,314	9,018	8,967	2,655	2,497	627	-579	-1,445	-2,393	-2,505
O/w: IMF	822	1,299	3,781	4,040	4,011	1,706	1,589	-334	-579	-1,445	-2,393	-2,505
Purchases	1,204	1,299	3,781	4,040	4,011	1,706	1,589	0	0	0	0	0
Repurchases	-381	0	0	0	0	0	0	-334	-579	-1,445	-2,393	-2,505
O/w: IFIs	0	4,928	5,533	4,978	4,956	948	908	960	0	0	0	0
External arrears (net)	3,724	4,145	-23	0	0	0	0	0	0	0	0	0
Statistical discrepancy	-2,340	6,573	-697	0	-370	0	0	0	0	0	0	0
Memorandum items:												
Electricity subsidy financed through the budget	2,326	2,986	4,274	3,109	3,337	792	2,910	945	0	0	0	0
Public (central government) debt 5/	70,344	104,632	124,822	140,860	128,452	150,064	141,697	146,037	149,390	139,853	127,973	114,047
Notional VRI amount 6/			11,562	12,602	12,071	14,561	13,947	16,038	17,918	18,232	15,701	13,036
Official exchange rate (SRD per USD, period average)	18.3	24.6	36.9	33.2	33.0	...	...	...	...	...	...	...
Official exchange rate (SRD per USD, eop)	20.8	31.7	36.7	36.7	35.2	...	...	...	...	...	...	...
Total central government debt interest rate (effective)	1.6	1.5	3.4	4.1	3.3	4.4	4.6	4.8	5.3	5.7	5.7	5.9
Domestic central government debt interest rate (effective)	1.4	1.0	15.6	9.9	6.4	8.9	8.7	8.9	7.2	8.5	8.2	8.8
External central government debt interest rate (effective)	1.6	1.5	2.2	3.2	3.1	3.7	4.0	4.3	5.0	5.1	5.2	5.2

Sources: Surinamese authorities; and IMF staff calculations and projections.

1/ The overall balance is computed using net financial transactions, and therefore, includes statistical discrepancy. Note, 2021 balances were revised based on new information

2/ The VAT refund arrears are converted to debt that is fully amortized in 2024, thereby not affecting the overall balance (cash basis 2024 onwards)

3/ Includes acquisition of stake in gold mine and loans to state owned enterprises, and recap of CBvS in 2024

4/ Comprised of holding of T-bills and notes by non-bank financial institutions.

5/ The debt-to-GDP ratio is different when computed using the definition in the Government Debt Act of Suriname.

6/ Opportunity cost of sharing oil revenues from block 58 oil

Table 3b. Suriname: Central Government Operations

(In percent of GDP)

		Est.										
	2021	2022	2023	2024	2024	2025	2025	2026	2027	2028	2029	2030
				8th Review		8th Review						
Revenues	**26.4**	**26.8**	**27.3**	**28.5**	**26.7**	**27.9**	**28.1**	**28.0**	**27.6**	**24.5**	**22.8**	**22.6**
Taxes	19.5	18.6	17.3	18.8	18.9	18.4	20.2	19.9	19.7	16.3	15.2	15.2
Direct taxes	13.4	12.4	9.6	10.0	9.7	9.1	9.0	9.3	8.8	9.1	9.1	8.8
Of which: mineral taxes	7.4	7.9	5.6	5.8	5.4	4.7	4.6	4.7	4.1	6.1	6.6	6.1
Indirect taxes	6.1	6.2	7.7	8.8	9.3	9.3	11.2	10.6	10.9	7.2	6.0	6.4
Grants	0.2	0.1	0.3	0.3	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Non-tax revenues	6.7	8.1	9.8	9.4	7.8	9.5	7.8	8.0	8.0	8.2	7.7	7.3
Of which:												
Mineral resource revenues	4.7	6.4	6.7	6.1	5.5	6.2	5.5	5.7	5.7	6.7	6.4	6.0
o/w Royalties from block 58 oil										2.2	2.8	2.6
Interest receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Expenditures	**28.0**	**29.5**	**29.0**	**29.8**	**29.2**	**29.1**	**29.2**	**28.8**	**28.7**	**21.1**	**19.2**	**18.6**
Primary expenditures	26.9	25.8	25.9	26.0	26.4	25.2	25.4	25.0	24.6	18.8	17.7	17.3
Compensation of employees	7.7	8.1	7.3	7.5	7.6	7.4	7.6	7.6	7.6	5.5	4.6	4.9
Other primary current expenditure	17.6	15.4	15.4	15.3	15.4	14.2	14.7	13.9	13.5	9.3	7.9	8.4
Of which: payment to VRI holders										0.3	0.9	0.8
Of which: fuel and electricity subsidies	3.8	5.1	3.8	2.1	2.3	0.5	1.8	0.5	0.0	0.0	0.0	0.0
Of which: cash transfer programs	1.5	1.9	2.5	3.5	3.7	3.5	3.5	3.7	3.8	2.8	2.3	2.5
Net acquisition of nonfinancial assets	1.6	2.3	3.2	3.2	3.4	3.7	3.0	3.4	3.5	3.8	4.4	3.2
Interest	5.1	3.7	3.1	3.7	2.8	3.9	3.9	3.9	4.0	2.3	1.6	1.4
Overall balance (net lending/borrowing) 1/	**-1.6**	**-2.7**	**-1.7**	**-1.2**	**-2.4**	**-1.2**	**-1.2**	**-0.9**	**-1.0**	**3.4**	**3.6**	**3.9**
Of which: primary balance	**-0.5**	**1.0**	**1.4**	**2.5**	**0.3**	**2.7**	**2.7**	**3.0**	**3.0**	**5.7**	**5.2**	**5.3**
Non-resource balance	**-17.8**	**-15.0**	**-14.4**	**-13.2**	**-13.9**	**-12.1**	**-11.3**	**-11.3**	**-10.8**	**-9.4**	**-9.4**	**-8.2**
Of which: non-resource primary balance	**-12.7**	**-13.2**	**-11.1**	**-9.4**	**-10.9**	**-8.2**	**-7.4**	**-7.4**	**-6.8**	**-7.1**	**-7.8**	**-6.8**
Net financial transactions	**-5.5**	**4.7**	**-2.2**	**-1.2**	**-2.7**	**-1.2**	**-1.2**	**-0.9**	**-1.0**	**3.4**	**3.6**	**3.9**
Net acquisition of financial assets 3/	-0.4	5.2	3.9	6.4	3.5	0.0	5.7	0.0	0.0	1.3	1.6	1.6
Net incurrence of liabilities	5.0	0.5	6.1	7.6	6.2	1.2	6.9	0.9	1.0	-2.2	-2.0	-2.3
Domestic (Net)	-3.8	-5.8	-3.5	2.9	-0.3	-0.2	5.8	0.3	3.8	-0.5	0.0	-0.4
Amortizations	-4.7	-1.6	-3.9	-2.7	-0.5	-1.6	-1.5	-0.9	-0.9	-1.4	-0.8	-1.1
Central bank	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.2	-0.2	-0.1	-0.1	-0.4
Commercial banks	-3.2	-0.7	-2.4	-1.2	-0.3	-0.6	-0.6	-0.3	-0.3	-0.6	-0.3	-0.4
Suppliers credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other domestic 4/	-1.5	-0.9	-1.5	-1.5	-0.2	-0.8	-0.8	-0.4	-0.4	-0.7	-0.4	-0.3
Disbursements	0.9	-4.2	0.4	5.6	0.1	1.4	7.4	1.2	4.7	0.9	0.8	0.7
Central bank	-2.4	-5.0	-1.2	5.6	0.0	0.0	7.4	0.9	0.0	0.0	0.0	0.0
Claims on government	0.4	0.0	-1.2	5.7	0.0	0.0	5.1	0.0	0.0	0.0	0.0	0.0
Liabilities to government	2.8	5.0	0.0	0.1	0.0	0.0	-2.2	-0.9	0.0	0.0	0.0	0.0
Commercial banks	1.3	-0.2	1.0	0.0	0.1	0.7	0.0	0.1	2.4	0.4	0.4	0.4
Suppliers credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other domestic 4/	2.0	1.0	0.6	0.0	0.0	0.7	0.0	0.1	2.4	0.4	0.4	0.4
Domestic arrears	4.5	-1.9	0.9	-1.5	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accumulation of arrears	5.5	2.0	2.2	0.0	2.1	0.8	1.5	1.4	0.7	0.0	0.0	0.0
of which: VAT Refund arrears	-	-	0.5	-	-	-	-	-	-	-	-	-
Payment of arrears	-1.0	-3.8	-1.3	-1.5	-1.3	-0.8	-1.5	-1.4	-0.7	0.0	0.0	0.0
of which: payment of VAT Refund arrears	-	-		-0.5	-0.5	-	-	-	-	-	-	-
Foreign (Net)	-1.8	3.6	8.7	6.2	5.7	1.4	1.1	0.6	-2.8	-1.7	-2.0	-2.0
Amortizations	-4.8	-5.6	-1.9	-2.4	-2.2	-2.5	-2.4	-1.8	-4.3	-2.8	-2.8	-2.5
IFIs	-1.8	-2.2	-1.7	-1.3	-1.3	-1.7	-1.7	-1.5	-1.5	-0.9	-0.7	-0.6
Official bilateral	-0.4	-1.6	-0.2	-0.8	-0.7	-0.5	-0.5	0.0	-0.6	-0.5	-1.1	-0.9
Commercial	-2.5	-1.7	0.0	-0.3	-0.3	-0.3	-0.3	-0.2	-2.2	-1.3	-1.0	-1.0
O/w Eurobonds	…	…	…	0.0	0.0	0.0	0.0	0.0	2.1	1.2	0.9	0.8
Disbursements	1.7	2.2	3.3	2.5	1.8	2.3	2.0	2.0	1.8	1.5	1.3	1.0
IFIs	1.7	2.2	3.3	2.5	1.8	2.3	2.0	2.0	1.8	1.5	1.3	1.0
Official bilateral	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Official financing	1.4	7.0	7.3	6.1	6.1	1.6	1.5	0.3	-0.3	-0.4	-0.5	-0.5
O/w: IMF	1.4	1.5	3.0	2.7	2.7	1.0	1.0	-0.2	-0.3	-0.4	-0.5	-0.5
Purchases	2.0	1.5	3.0	2.7	2.7	1.0	1.0	0.0	0.0	0.0	0.0	0.0
Repurchases	-0.6	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	-0.3	-0.4	-0.5	-0.5
O/w: IFIs	0.0	5.5	4.4	3.4	3.4	0.6	0.6	0.5	0.0	0.0	0.0	0.0
External arrears (net)	6.1	4.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Statistical discrepancy	-3.9	7.3	-0.5	0.0	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum items:												
Electricity subsidy financed through the budget	3.8	3.3	3.4	2.1	2.3	0.5	1.8	0.5	0.0	0.0	0.0	0.0
Public (central government) debt 5/	115.8	116.9	98.2	95.4	87.2	89.6	86.6	81.1	75.4	39.9	27.3	23.0
Notional VRI amount 6/			9.1	8.5	8.2	8.7	8.5	8.9	9.0	5.2	3.3	2.6
Official exchange rate (SRD per USD, period average)	18.3	24.6	36.9	33.2	33.0	…	…	…	…	…	…	…
Official exchange rate (SRD per USD, eop)	20.8	31.7	36.7	36.7	35.2	…	…	…	…	…	…	…
Domestic debt interest rate (effective)	1.4	1.0	15.6	9.9	6.4	8.9	8.7	8.9	7.2	8.5	8.2	8.8
External debt interest rate (effective)	1.6	1.5	2.2	3.2	3.1	3.7	4.0	4.3	5.0	5.1	5.2	5.2

Sources: Surinamese authorities; and IMF staff calculations and projections.

1/ The overall balance is computed using net financial transactions, and therefore, includes statistical discrepancy. Note, 2021 balances were revised

2/ The VAT refund arrears are converted to debt that is fully amortized in 2024, thereby not affecting the overall balance (cash basis 2024 onwards)

3/ Includes acquisition of stake in gold mine and loans to state owned enterprises.

4/ Comprised of holding of T-bills and notes by non-bank financial institutions.

5/ The debt-to-GDP ratio is different when computed using the definition in the Government Debt Act of Suriname.

6/ Opportunity cost of sharing oil revenues from block 58 oil

Table 3c. Suriname: Central Government Operations

(In percent of non-resource GDP)

	Est. 2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenues	**32.3**	**32.1**	**30.2**	**31.5**	**31.0**	**30.2**	**41.2**	**45.5**	**42.1**
Taxes	22.4	20.3	21.3	22.7	22.1	21.5	27.4	30.2	28.4
Direct taxes	14.9	11.2	10.9	10.1	10.3	9.6	15.3	18.2	16.4
Of which: mineral taxes	9.5	6.6	6.0	5.2	5.2	4.5	10.2	13.2	11.4
Indirect taxes	7.4	9.1	10.5	12.6	11.8	11.9	12.1	12.0	11.9
Grants	0.1	0.3	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Non-tax revenues	9.8	11.5	8.8	8.7	8.9	8.7	13.9	15.3	13.7
Of which:									
Mineral resource revenues	7.7	7.9	6.2	6.2	6.3	6.2	11.3	12.8	11.2
o/w Royalties from block 58 oil							3.7	5.6	4.9
Expenditures	**35.5**	**34.1**	**32.9**	**32.8**	**31.9**	**31.3**	**35.5**	**38.3**	**34.8**
Primary expenditures	31.0	30.4	29.8	28.4	27.6	26.9	31.7	35.2	32.2
Compensation of employees	9.8	8.6	8.6	8.6	8.5	8.3	9.2	9.2	9.2
Other primary current expenditure	18.5	18.1	17.4	16.5	15.4	14.8	15.6	15.6	15.6
Of which: payment to VRI holders							0.5	1.7	1.5
Of which: fuel and electricity subsidies	6.2	4.5	2.6	2.0	0.6	0.0	0.0	0.0	0.0
Of which: cash transfer programs	2.3	2.9	4.2	3.9	4.1	4.1	4.6	4.6	4.6
Net acquisition of nonfinancial assets	2.7	3.7	3.8	3.3	3.8	3.8	6.3	8.7	5.9
Interest	4.5	3.6	3.1	4.3	4.3	4.4	3.8	3.1	2.5
Overall balance (net lending/borrowing) 1/	**-3.2**	**-2.0**	**-2.7**	**-1.3**	**-1.0**	**-1.1**	**5.8**	**7.2**	**7.3**
Of which: primary balance	**1.2**	**1.7**	**0.4**	**3.0**	**3.3**	**3.3**	**9.5**	**10.3**	**9.9**
Non-resource balance	**-18.1**	**-16.9**	**-15.6**	**-12.6**	**-12.5**	**-11.8**	**-15.8**	**-18.7**	**-15.2**
Of which: non-resource primary balance	**-15.9**	**-13.1**	**-12.3**	**-8.3**	**-8.2**	**-7.4**	**-12.0**	**-15.6**	**-12.7**
Net financial transactions	**5.6**	**-2.6**	**-3.0**	**-1.3**	**-1.0**	**-1.1**	**5.8**	**7.2**	**7.3**
Net acquisition of financial assets 3/	6.2	4.6	3.9	6.4	0.0	0.0	2.1	3.2	3.0
Net incurrence of liabilities	0.6	7.2	6.9	7.7	1.0	1.1	-3.6	-4.0	-4.4
Domestic (Net)	-7.0	-4.1	-0.4	6.5	0.3	4.2	-0.8	0.0	-0.7
Amortizations	-2.0	-4.5	-0.5	-1.7	-1.0	-1.0	-2.3	-1.5	-2.1
Central bank	0.0	0.0	0.0	-0.2	-0.2	-0.2	-0.2	-0.1	-0.8
Commercial banks	-0.8	-2.8	-0.3	-0.7	-0.3	-0.3	-1.0	-0.6	-0.7
Suppliers credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other domestic 4/	-1.1	-1.7	-0.2	-0.9	-0.4	-0.5	-1.2	-0.7	-0.6
Disbursements	-5.0	0.5	0.1	8.3	1.3	5.2	1.5	1.5	1.4
Central bank	-6.0	-1.4	0.0	8.3	1.0	0.0	0.0	0.0	0.0
Claims on government	0.0	-1.4	0.0	5.7	0.0	0.0	0.0	0.0	0.0
Liabilities to government	6.0	0.0	0.0	-2.5	-1.0	0.0	0.0	0.0	0.0
Commercial banks	-0.2	1.2	0.1	0.0	0.1	2.6	0.7	0.8	0.7
Suppliers credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other domestic 4/	1.2	0.7	0.0	0.0	0.1	2.6	0.7	0.8	0.7
Domestic arrears	-2.2	1.0	0.9	0.0	0.0	0.0	0.0	0.0	0.0
Accumulation of arrears	2.4	2.6	2.4	1.7	1.5	0.8	0.0	0.0	0.0
of which: VAT Refund arrears	-	0.5	-	-	-	-	-	-	-
Payment of arrears	-4.6	-1.6	-1.5	-1.7	-1.5	-0.8	0.0	0.0	0.0
of which: payment of VAT Refund arrears	-		-0.6	-	-	-	-	-	-
Foreign (Net)	4.3	10.2	6.5	1.2	0.6	-3.1	-2.8	-4.0	-3.7
Amortizations	-6.7	-2.3	-2.5	-2.7	-2.0	-4.7	-4.6	-5.6	-4.6
IFIs	-2.6	-2.0	-1.5	-1.9	-1.7	-1.6	-1.6	-1.4	-1.1
Official bilateral	-1.9	-0.3	-0.8	-0.5	0.0	-0.6	-0.9	-2.1	-1.7
Commercial	-2.1	0.0	-0.3	-0.3	-0.3	-2.4	-2.2	-2.0	-1.8
O/w Eurobonds	...	...	0.0	0.0	0.0	2.3	2.0	1.8	1.6
Disbursements	2.6	3.9	2.1	2.2	2.2	1.9	2.5	2.5	1.9
IFIs	2.6	3.9	2.1	2.2	2.2	1.9	2.5	2.5	1.9
Official bilateral	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Official financing	8.4	8.6	6.9	1.7	0.4	-0.3	-0.7	-1.0	-0.9
O/w: IMF	1.7	3.5	3.1	1.1	-0.2	-0.3	-0.7	-1.0	-0.9
Purchases	1.7	3.5	3.1	1.1	0.0	0.0	0.0	0.0	0.0
Repurchases	0.0	0.0	0.0	0.0	-0.2	-0.3	-0.7	-1.0	-0.9
O/w: IFIs	6.6	5.1	3.8	0.6	0.6	0.0	0.0	0.0	0.0
External arrears (net)	5.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Statistical discrepancy	8.8	-0.6	-0.3	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum items:									
Electricity subsidy financed through the budget	4.0	3.9	2.6	2.0	0.6	0.0	0.0	0.0	0.0
Public (central government) debt 5/	140.5	115.3	98.4	97.1	89.8	82.5	67.0	54.3	42.9
Notional VRI amount 6/		10.7	9.2	9.6	9.9	9.9	8.7	6.7	4.9
Official exchange rate (SRD per USD, period average)	24.6	36.9	33.0	...	...	...	...	...	...
Official exchange rate (SRD per USD, eop)	31.7	36.7	35.2	...	...	...	...	...	...
Domestic debt interest rate (effective)	1.0	15.6	6.4	8.7	8.9	7.2	8.5	8.2	8.8
External debt interest rate (effective)	1.5	2.2	3.1	4.0	4.3	5.0	5.1	5.2	5.2

Sources: Surinamese authorities; and IMF staff calculations and projections.

1/ The overall balance is computed using net financial transactions, and therefore, includes statistical discrepancy. Note,

2/ The VAT refund arrears are converted to debt that is fully amortized in 2024, thereby not affecting the overall balance

3/ Includes acquisition of stake in gold mine and loans to state owned enterprises.

4/ Comprised of holding of T-bills and notes by non-bank financial institutions.

5/ The debt-to-GDP ratio is different when computed using the definition in the Government Debt Act of Suriname.

6/ Opportunity cost of sharing oil revenues from block 58 oil

Table 4a. Suriname: Balance of Payments

(In millions of U.S. dollars, unless otherwise indicated)

	2021	2022	2023	2024	2024	2025	2025	2026	2027	2028	2029	2030
			Est.									
				8th Review		8th Review						
Current account	**176**	**76**	**148**	**-160**	**-126**	**-1,677**	**-1,529**	**-2,829**	**-3,371**	**-177**	**3,127**	**3,948**
o/w Non oil Current account	265	168	256	279	311	200	355	269	133	-291	-495	-707
Exports of goods and services	2,299	2,600	2,533	2,728	2,727	2,703	2,738	2,757	2,833	6,296	8,999	9,187
Imports of goods and services	1,876	2,342	2,203	2,703	2,644	4,284	4,190	5,535	6,157	5,908	5,086	4,429
Trade balance, goods	**865**	**755**	**788**	**449**	**534**	**-1,124**	**-992**	**-2,295**	**-2,798**	**748**	**4,092**	**4,898**
Exports, f.o.b.	2,204	2,457	2,360	2,486	2,485	2,437	2,466	2,455	2,490	5,644	8,024	8,015
Of which: gold, petroleum	1,996	2,218	2,089	2,253	2,246	2,206	2,218	2,205	2,207	5,354	7,725	7,705
Imports, f.o.b.	1,338	1,701	1,572	2,038	1,951	3,561	3,458	4,750	5,288	4,897	3,932	3,117
Trade balance, services	**-442**	**-497**	**-458**	**-423**	**-450**	**-457**	**-460**	**-484**	**-527**	**-360**	**-179**	**-140**
Exports	96	143	173	242	242	266	272	301	343	652	975	1,172
Imports	538	640	631	665	692	724	732	785	870	1,012	1,154	1,312
Primary income, net	**-393**	**-308**	**-321**	**-337**	**-365**	**-240**	**-225**	**-182**	**-155**	**-605**	**-775**	**-782**
Credit	7	12	47	48	74	49	75	76	78	79	81	82
Debit	400	320	368	384	438	288	300	259	233	685	855	864
Secondary income, net	**146**	**126**	**139**	**151**	**156**	**144**	**149**	**132**	**109**	**41**	**-11**	**-29**
Capital and financial account	**135**	**392**	**246**	**31**	**-5**	**-1,599**	**-1,443**	**-2,818**	**-3,365**	**-600**	**1,423**	**2,646**
Capital account	**37**	**0**	**1**	**0**	**3**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Financial account	**98**	**392**	**245**	**31**	**-8**	**-1,599**	**-1,443**	**-2,818**	**-3,365**	**-600**	**1,423**	**2,646**
Foreign direct investment	124	-3	63	-250	-267	-1,395	-1,335	-2,337	-2,691	-435	1,178	2,699
Portfolio investment	-47	19	35	0	67	0	0	0	0	0	0	0
Central government	0	0	0	0	0	0	0	0	0	0	0	1
Other investment	21	376	146	281	192	-204	-107	-481	-674	-166	245	-53
Net Acquisition of Assets	-43	-36	-62	0	0	0	0	0	0	0	0	0
Net Incurrence of Liabilities	-64	-411	-208	-281	-192	204	107	481	674	166	-245	53
Central government	-104	-122	48	4	-17	-10	-20	10	-124	-110	-179	-185
Disbursements	55	79	114	111	82	99	90	94	87	131	151	129
IFIs	55	79	114	111	82	99	90	94	87	131	148	126
Official bilateral	0	0	0	0	0	0	0	0	0	0	0	0
Commercial	0	0	0	0	0	0	0	0	0	0	3	3
Amortization	159	202	66	107	98	110	110	83	211	241	330	314
IFIs	61	80	58	58	57	75	75	73	73	81	83	77
Official bilateral	14	59	9	35	30	22	22	0	27	46	126	113
Commercial	84	63	0	13	11	13	13	11	111	114	121	124
Other Sectors (including SOE)	40	-289	-256	-286	-176	214	127	470	798	276	-66	238
Errors and omissions	**316**	**297**	**-78**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Overall balance	**431**	**-19**	**-173**	**-191**	**-114**	**-78**	**-86**	**-11**	**-6**	**424**	**1,704**	**1,301**
Financing	**-431**	**19**	**173**	**191**	**114**	**78**	**86**	**11**	**6**	**-424**	**-1,704**	**-1,301**
Change in reserves (- = increase)	-668	-404	-134	-209	-286	-10	-2	-1	29	-368	-1,612	-1,203
Official financing	34	254	308	401	401	88	88	12	-22	-55	-92	-98
O/w: IMF	34	54	158	251	251	63	63	-13	-22	-55	-92	-98
Purchases	55	54	158	251	251	63	63	0	0	0	0	0
O/w: for budget support	56	53	102	122	121	45	44	0	0	0	0	0
Repurchases	21	0	0	0	0	0	0	13	22	55	92	98
O/w: for budget support	0	0	0	0	0	0	0	9	15	36	60	64
O/w: IFIs	0	200	150	150	150	25	25	25	0	0	0	0
External arrears (net) 1/	203	168	-1	0	0	0	0	0	0	0	0	0
Memorandum items:												
Gross international reserves	992	1,195	1,346	1,555	1,632	1,565	1,634	1,635	1,606	1,975	3,586	4,790
In months of imports of goods and services	5.1	6.5	7.3	6.9	7.4	4.4	4.7	3.5	3.1	4.0	8.5	13.0
In percent of Reserve adequacy (risk-weighted measure) 3/	112	135	150	160	169	150	158	144	132	145	257	383
Usable gross international reserves 4/	512	865	1,112	1,321	1,373	1,331	1,374	1,375	1,346	1,715	3,327	4,530
In months of imports of goods and services	2.6	4.7	6.1	5.9	6.2	3.7	3.9	3.0	2.6	3.5	7.8	12.3
In percent of Reserve adequacy (risk-weighted measure) 3/	58	98	124	136	142	128	133	121	111	126	239	362
Reserve adequacy (risk-weighted measure), USD millions 3/	886	886	895	970	965	1,043	1,037	1,138	1,213	1,361	1,395	1,250
In months of imports	4.5	4.8	4.1	2.7	2.8	2.2	2.2	2.2	2.5	3.2	3.8	3.1
GDP (in millions of USD)	3,084	3,630.9	3,445	4,449	4,458	…	…	…	…	…	…	…
Gold price (USD per troy ounce)	1,800	1,802	1,943	2,342	2,387	2,608	2,821	2,963	3,096	3,198	3,244	3,244
Oil price (USD per barrel)	69	96	81	81	79	73	77	72	70	69	68	68
Weighted average exchange rate (SRD per USD, period average)	19.7	24.6	36.9	33.2	33.0	…	…	…	…	…	…	…
Weighted average exchange rate (SRD per USD, eop)	20.8	31.7	36.7	36.7	35.2	…	…	…	…	…	…	…
Real Effective Exchange Rate Change (+=appreciation; percent change; period average)	-0.6	8.3	-2.8	26.1	26.1	…	…	…	…	…	…	…
External Debt 5/	4,088	4,181	4,289	4,675	4,615	5,102	5,027	5,570	6,038	5,949	5,353	4,367
External debt (Percent of GDP)	140.2	148.1	124.0	116.3	110.3	118.6	114.6	121.8	123.0	67.7	45.1	34.5
o/w: Change in external debt due to exchange rate movement	21.8	50.3	16.6	0.9	-4.0	…	…	…	…	…	…	…

Sources: Surinamese authorities; and IMF staff calculations and projections.

1/ External arrears in 2020 are implicitly covered in errors and omissions.

2/ Calculated as a difference between the debt restructuring scenario and a scenario without debt restructuring.

3/ Based on IMF, 2015, "Assessing Reserve Adequacy."

4/ Excluding the PBOC swap and ring-fenced reserves.

5/ Includes both private and public sector debt.

Table 4b. Suriname: Balance of Payments

(In percent of GDP)

	2021	Est. 2022	2023	2024 8th Review	2024	2025 8th Review	2025	2026	2027	2028	2029	2030
Current account	**5.7**	**2.1**	**4.3**	**-3.6**	**-2.8**	**-38.0**	**-33.9**	**-60.4**	**-67.9**	**-2.0**	**26.5**	**31.3**
o/w Non oil Current account	**8.6**	**4.6**	**7.4**	**6.3**	**7.0**	**4.5**	**7.9**	**5.7**	**2.7**	**-3.3**	**-4.2**	**-5.6**
Exports of goods and services	**74.6**	**71.6**	**73.5**	**61.3**	**61.2**	**61.2**	**60.8**	**58.8**	**57.0**	**72.0**	**76.2**	**72.9**
Imports of goods and services	**60.8**	**64.5**	**64.0**	**60.7**	**59.3**	**97.0**	**93.0**	**118.2**	**124.0**	**67.6**	**43.0**	**35.1**
Trade balance, goods	**28.1**	**20.8**	**22.9**	**10.1**	**12.0**	**-25.5**	**-22.0**	**-49.0**	**-56.3**	**8.6**	**34.6**	**38.9**
Exports, f.o.b.	71.5	67.7	68.5	55.9	55.7	55.2	54.7	52.4	50.1	64.6	67.9	63.6
Of which: gold, petroleum	64.7	61.1	60.6	50.6	50.4	50.0	49.2	47.1	44.5	61.2	65.4	61.2
Imports, f.o.b.	43.4	46.9	45.6	45.8	43.8	80.6	76.8	101.4	106.5	56.0	33.3	24.7
Trade balance, services	**-14.3**	**-13.7**	**-13.3**	**-9.5**	**-10.1**	**-10.4**	**-10.2**	**-10.3**	**-10.6**	**-4.1**	**-1.5**	**-1.1**
Exports	3.1	3.9	5.0	5.4	5.4	6.0	6.0	6.4	6.9	7.5	8.3	9.3
Imports	17.4	17.6	18.3	14.9	15.5	16.4	16.2	16.8	17.5	11.6	9.8	10.4
Primary income, net	**-12.7**	**-8.5**	**-9.3**	**-7.6**	**-8.2**	**-5.4**	**-5.0**	**-3.9**	**-3.1**	**-6.9**	**-6.6**	**-6.2**
Credit	0.2	0.3	1.4	1.1	1.7	1.1	1.7	1.6	1.6	0.9	0.7	0.7
Debit	13.0	8.8	10.7	8.6	9.8	6.5	6.7	5.5	4.7	7.8	7.2	6.9
Secondary income, net	**4.7**	**3.5**	**4.0**	**3.4**	**3.5**	**3.3**	**3.3**	**2.8**	**2.2**	**0.5**	**-0.1**	**-0.2**
Capital and financial account	**4.4**	**10.8**	**7.1**	**0.7**	**-0.1**	**-36.2**	**-32.0**	**-60.2**	**-67.8**	**-6.9**	**12.0**	**21.0**
Capital account	**1.2**	**0.0**	**0.0**	**0.0**	**0.1**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Financial account	**3.2**	**10.8**	**7.1**	**0.7**	**-0.2**	**-36.2**	**-32.0**	**-60.2**	**-67.8**	**-6.9**	**12.0**	**21.0**
Foreign direct investment	4.0	-0.1	1.8	-5.6	-6.0	-31.6	-29.6	-49.9	-54.2	-5.0	10.0	21.4
Portfolio investment	-1.5	0.5	1.0	0.0	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other investment	0.7	10.3	4.2	6.3	4.3	-4.6	-2.4	-10.3	-13.6	-1.9	2.1	-0.4
Net Acquisition of Assets	-1.4	-1.0	-1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Incurrence of Liabilities	-2.1	-11.3	-6.0	-6.3	-4.3	4.6	2.4	10.3	13.6	1.9	-2.1	0.4
Central government	-3.4	-3.4	1.4	0.1	-0.4	-0.2	-0.4	0.2	-2.5	-1.3	-1.5	-1.5
Disbursements	1.8	2.2	3.3	2.5	1.8	2.3	2.0	2.0	1.8	1.5	1.3	1.0
IFIs	1.8	2.2	3.3	2.5	1.8	2.3	2.0	2.0	1.8	1.5	1.3	1.0
Official bilateral	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	5.2	5.6	1.9	2.4	2.2	2.5	2.4	1.8	4.3	2.8	2.8	2.5
IFIs	2.0	2.2	1.7	1.3	1.3	1.7	1.7	1.5	1.5	0.9	0.7	0.6
Official bilateral	0.5	1.6	0.2	0.8	0.7	0.5	0.5	0.0	0.6	0.5	1.1	0.9
Commercial	2.7	1.7	0.0	0.3	0.3	0.3	0.3	0.2	2.2	1.3	1.0	1.0
Other Sectors (including SOE)	1.3	-8.0	-7.4	-6.4	-3.9	4.9	2.8	10.0	16.1	3.2	-0.6	1.9
Errors and omissions	**10.3**	**8.2**	**-2.3**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Overall balance	**14.0**	**-0.5**	**-5.0**	**-4.3**	**-2.6**	**-1.8**	**-1.9**	**-0.2**	**-0.1**	**4.8**	**14.4**	**10.3**
Financing	**-14.0**	**0.5**	**5.0**	**4.3**	**2.6**	**1.8**	**1.9**	**0.2**	**0.1**	**-4.8**	**-14.4**	**-10.3**
Change in reserves (- = increase)	-21.7	-11.1	-3.9	-4.7	-6.4	-0.2	0.0	0.0	0.6	-4.2	-13.6	-9.6
Official financing	1.1	7.0	8.9	9.0	9.0	2.0	2.0	0.2	-0.4	-0.6	-0.8	-0.8
O/w: IMF	1.1	1.5	4.6	5.6	5.6	1.4	1.4	-0.3	-0.4	-0.6	-0.8	-0.8
Purchases	1.8	1.5	4.6	5.6	5.6	1.4	1.4	0.0	0.0	0.0	0.0	0.0
O/w: for budget support	1.8	1.5	3.0	2.7	2.7	1.0	1.0	0.0	0.0	0.0	0.0	0.0
Repurchases	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.4	0.6	0.8	0.8
O/w: for budget support						0.0	0.0	0.2	0.3	0.4	0.5	0.5
O/w: IFIs	0.0	5.5	4.4	3.4	3.4	0.6	0.6	0.5	0.0	0.0	0.0	0.0
External arrears (net) 1/	6.6	4.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum items:												
Gross international reserves	992	1,195	1,346	1,555	1,632	1,565	1,634	1,635	1,606	1,975	3,586	4,790
In months of imports of goods and services	5.1	6.5	7.3	6.9	7.4	4.4	4.7	3.5	3.1	4.0	8.5	13.0
In percent of Reserve adequacy (risk-weighted measure) 3/	112	135	150	160	169	150	158	144	132	145	257	383
Usable gross international reserves 4/	512	865	1,112	1,321	1,373	1,331	1,374	1,375	1,346	1,715	3,327	4,530
In months of imports of goods and services	2.6	4.7	6.1	5.9	6.2	3.7	3.9	3.0	2.6	3.5	7.8	12.3
In percent of Reserve adequacy (risk-weighted measure) 3/	58	98	124	136	142	128	133	121	111	126	239	362
Reserve adequacy (risk-weighted measure), USD millions 3/	886	886	895	970	965	1,043	1,037	1,138	1,213	1,361	1,395	1,250
In months of imports	4.5	4.8	4.1	2.7	2.8	2.2	2.2	2.2	2.5	3.2	3.8	3.1
GDP (in millions of USD)	3,084	3,631	3,445	4,449	4,458	...	...	...	...	...	...	...
Gold price (USD per troy ounce)	1,800	1,802	1,943	2,342	2,387	2,608	2,821	2,963	3,096	3,198	3,244	3,244
Oil price (USD per barrel)	69	96	81	81	79	73	77	72	70	69	68	68
Weighted average exchange rate (SRD per USD, period average)	19.7	24.6	36.9	33.2	33.0	...	...	...	...	...	...	...
Weighted average exchange rate (SRD per USD, eop)	20.8	31.7	36.7	36.7	35.2	...	...	...	...	...	...	...
Real Effective Exchange Rate Change (+=appreciation; percent	-0.6	8.3	-2.8	26.1	26.1	...	...	...	...	...	...	...
External Debt 5/	4,088	4,181	4,289	4,675	4,615	5,102	5,027	5,570	6,038	5,949	5,353	4,367
External debt (Percent of GDP)	140.2	148.1	124.0	116.3	110.3	118.6	114.6	121.8	123.0	67.7	45.1	34.5
o/w: Change in external debt due to exchange rate movements	21.8	50.3	16.6	0.9	-4.0	...	...	...	...	...	...	...

Sources: Surinamese authorities; and IMF staff calculations and projections.
1/ External arrears in 2020 are implicitly covered in errors and omissions.
2/ Calculated as a difference between the debt restructuring scenario and a scenario without debt restructuring.
3/ Based on IMF, 2015, "Assessing Reserve Adequacy."
4/ Excluding the PBOC swap and ring-fenced reserves.
5/ Includes both private and public sector debt.

Table 5. Suriname: Gross External Financing Requirements
(In millions of US. dollars, unless otherwise indicated)

		Est.										
	2021	2022	2023	2024 8th Review	2024	2025 8th Review	2025	2026	2027	2028	2029	2030
1. Gross external financing requirements	**82**	**239**	**23**	**620**	**467**	**1927**	**1866**	**3039**	**3457**	**252**	**-3024**	**-3869**
A. Current account deficit	-176	-76	-148	160	126	1677	1529	2829	3371	177	-3127	-3948
B. Public sector debt amortization	259	308	166	207	198	135	135	133	236	242	332	317
(i) Central government	159	202	66	107	98	110	110	83	211	241	330	314
(ii) CBvS	0	0	0	0	0	0	0	0	0	1	2	3
(iii) SOEs	100	107	100	100	100	25	25	50	25	0	0	0
C. Other outflows	-1	7	5	253	143	115	202	76	-150	-167	-228	-238
2. Sources of financing	**197**	**-77**	**-10**	**266**	**190**	**1812**	**1743**	**3028**	**3451**	**676**	**-1319**	**-2568**
A. Asset sales (net) (Other investment account)	43	36	62	0	0	0	0	0	0	0	0	0
B. Foreign direct investment (net)	-124	3	-63	250	267	1395	1335	2337	2691	435	-1178	-2699
C. Portfolio flows (net)	47	-19	-35	0	-67	0	0	0	0	0	0	0
(i) Central government	0	0	0	0	0	0	0	0	0	1	2	3
(ii) SOEs	0	0	0	0	0	0	0	0	0	0	0	0
(iii) Other	47	-19	-35	0	-67	0	0	0	0	-1	-2	-3
D. Public sector debt financing	55	79	114	179	149	429	419	690	760	240	-144	129
(i) Central government	55	79	114	111	82	99	90	94	87	131	151	129
(ii) SOEs	0	0	0	67	67	329	329	596	673	109	-294	0
E. Other inflows (net)	176	-176	-88	-163	-160	-11	-11	0	0	1	2	3
Balance (2-1) excluding expected accumulation of gross reserves; Gap (-) Surplus (+)	115	-315	-34	-354	-277	-114	-123	-11	-6	424	1704	1301
3. Expected change in gross reserves of the CBvS; accumulation (-)	**-668**	**-404**	**-307**	**-209**	**-286**	**-10**	**-2**	**-1**	**29**	**-368**	**-1612**	**-1203**
4. Errors and omissions	**316**	**297**	**-78**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
5. Financing needs -(2-1+3+4)	**237**	**423**	**418**	**563**	**563**	**124**	**124**	**12**	**-22**	**-55**	**-92**	**-98**
Allocation by:												
(i) Official financing	34	254	308	401	401	88	88	12	-22	-55	-92	-98
a. IMF	34	54	158	251	251	63	63	-13	-22	-55	-92	-98
Purchases	55	54	158	251	251	63	63	0	0	0	0	0
O/w: for budget support	56	53	102	122	121	45	44	0	0	0	0	0
Repurchases	21	0	0	0	0	0	0	13	22	55	92	98
b. IFIs	0	200	150	150	150	25	25	25	0	0	0	0
(ii) External arrears (net)	203	168	-1	0	0	0	0	0	0	0	0	0
(iii) Financing from external debt restructuring 1/			111	163	163	36	36					
						(In percent of GDP)						
1. Gross external financing requirements	**2.7**	**6.6**	**0.7**	**13.9**	**10.5**	**43.6**	**41.4**	**64.9**	**69.6**	**2.9**	**-25.6**	**-30.7**
A. Current account deficit	-5.7	-2.1	-4.3	3.6	2.8	38.0	33.9	60.4	67.9	2.0	-26.5	-31.3
B. Public sector debt amortization	8.4	8.5	4.8	4.6	4.5	3.0	3.0	2.8	4.8	2.8	2.8	2.5
(i) Central government	5.2	5.6	1.9	2.4	2.2	2.5	2.4	1.8	4.3	2.8	2.8	2.5
(ii) CBvS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iii) SOEs	3.2	2.9	2.9	2.2	2.2	0.6	0.6	1.1	0.5	0.0	0.0	0.0
C. Other outflows	0.0	0.2	0.1	5.7	3.2	2.6	4.5	1.6	-3.0	-1.9	-1.9	-1.9
2. Sources of financing	**6.4**	**-2.1**	**-0.3**	**6.0**	**4.3**	**41.0**	**38.7**	**64.6**	**69.5**	**7.7**	**-11.2**	**-20.4**
A. Asset sales (net) (Other investment account)	1.4	1.0	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
B. Foreign direct investment (net)	-4.0	0.1	-1.8	5.6	6.0	31.6	29.6	49.9	54.2	5.0	-10.0	-21.4
C. Portfolio flows (net)	1.5	-0.5	-1.0	0.0	-1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) SOEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iii) Other	1.5	-0.5	-1.0	0.0	-1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
D. Public sector debt financing	1.8	2.2	3.3	4.0	3.3	9.7	9.3	14.7	15.3	2.7	-1.2	1.0
(i) Central government	1.8	2.2	3.3	2.5	1.8	2.3	2.0	2.0	1.8	1.5	1.3	1.0
(ii) SOEs	0.0	0.0	0.0	1.5	1.5	7.5	7.3	12.7	13.6	1.2	-2.5	0.0
E. Other inflows (net)	5.7	-4.8	-2.6	-3.7	-3.6	-0.3	-0.3	0.0	0.0	0.0	0.0	0.0
Balance (2-1) excluding expected accumulation of gross reserves; Gap (-) Surplus (+)	3.7	-8.7	-1.0	-8.0	-6.2	-2.6	-2.7	-0.2	-0.1	4.8	14.4	10.3
3. Expected change in gross reserves of the CBvS; accumulation (-)	**-21.7**	**-11.1**	**-8.9**	**-4.7**	**-6.4**	**-0.2**	**0.0**	**0.0**	**0.6**	**-4.2**	**-13.6**	**-9.6**
4. Errors and omissions	**10.3**	**8.2**	**-2.3**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
5. Financing needs -(2-1+3+4)	**7.7**	**11.6**	**12.1**	**12.7**	**12.6**	**2.8**	**2.8**	**0.2**	**-0.4**	**-0.6**	**-0.8**	**-0.8**
Allocation by:												
(i) Official financing	1.1	7.0	8.9	9.0	9.0	2.0	2.0	0.2	-0.4	-0.6	-0.8	-0.8
a. IMF	1.1	1.5	4.6	5.6	5.6	1.4	1.4	-0.3	-0.4	-0.6	-0.8	-0.8
Purchases	1.8	1.5	4.6	5.6	5.6	1.4	1.4	0.0	0.0	0.0	0.0	0.0
O/w: for budget support	1.8	1.5	3.0	2.7	2.7	1.0	1.0	0.0	0.0	0.0	0.0	0.0
Repurchases	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.4	0.6	0.8	0.8
b. IFIs	0.0	5.5	4.4	3.4	3.4	0.6	0.6	0.5	0.0	0.0	0.0	0.0
(ii) External arrears (net)	6.6	4.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iii) Financing from external debt restructuring 1/			3.2	3.7	3.7	0.8	0.8	0.0	0.0	0.0	0.0	0.0

Sources: Fund staff estimates and projections.

1/ Calculated as a difference between the debt restructuring scenario and a scenario without debt restructuring.

Table 6. Suriname: Depositary Corporations Survey and Central Bank Accounts

(In millions of SRD)

	2019	2020	2021	2022	2023	2024	2024	2025	2025
						8th Review		8th Review	
Monetary Survey									
Net foreign assets	**5,867**	**11,674**	**23,827**	**47,473**	**68,778**	**79,882**	**77,767**	**86,735**	**89,681**
Net international reserves (Held by the CBvS)	4,345	7,905	20,727	36,876	45,624	49,072	49,998	51,700	52,027
Net other foreign assets	1,522	3,769	3,100	10,596	23,154	30,810	27,769	35,034	37,654
Net domestic assets	**13,430**	**20,119**	**22,358**	**19,544**	**11,326**	**8,463**	**9,770**	**8,283**	**4,036**
Net claims on the public sector	4,787	11,310	10,682	4,684	-4,661	3,679	-6,323	2,954	-3,395
Of which: on central government	5,055	11,360	10,501	5,301	-3,973	4,911	-4,750	4,255	-1,736
From CBvS	3,248	8,234	6,877	780	-5,497	4,451	-4,325	3,525	-446
From Commercial Banks	1,807	3,126	3,624	4,521	1,524	460	-424	730	-1,290
Net claims LC	78	985	390	-385	-2,088	-2,048	-2,514	-945	-2,522
Net claims FC	1,729	2,141	3,234	4,906	3,612	2,508	2,090	1,676	1,232
(In USD millions)	234	153	155	154	100	68	59	43	33
Credit to the private sector	7,310	9,299	11,019	18,255	21,641	24,768	25,085	27,812	27,841
Other items, net	1,334	-490	657	-3,395	-5,655	-19,984	-8,992	-22,482	-20,410
Broad money 1/	**19,269**	**31,793**	**46,185**	**67,016**	**80,103**	**88,345**	**87,538**	**95,018**	**93,717**
Currency in circulation	1,973	3,498	4,397	5,578	6,654	7,439	8,679	8,182	9,484
Local currency deposits	6,842	8,473	10,623	13,321	16,676	18,663	19,603	20,528	21,422
Foreign currency deposits	10,454	19,823	31,165	48,117	56,774	62,243	59,256	66,308	62,811
Central Bank (CBvS)									
Net foreign assets	**2,394**	**4,039**	**11,266**	**28,020**	**35,439**	**38,812**	**40,431**	**40,793**	**41,879**
(In USD millions)	**324**	**288**	**539**	**882**	**977**	**1,056**	**1,149**	**1,047**	**1,123**
Net international reserves	4,345	7,905	20,727	36,876	45,624	49,072	49,998	51,700	52,027
(In USD millions)	587	564	992	1,161	1,257	1,336	1,421	1,327	1,395
Of which :									
Gross International Reserves	4,790	8,199	20,730	37,934	48,852	57,146	57,447	60,960	60,955
(In USD millions)	648	585	992	1,194	1,346	1,555	1,632	1,565	1,634
Liabilities	-445	-294	-3	-1,058	-3,229	-8,074	-7,449	-9,259	-8,928
(In USD millions)	-60	-21	0	-33	-89	-220	-212	-238	-239
Net other foreign assets	-1,951	-3,866	-9,461	-8,856	-10,184	-10,260	-9,567	-10,908	-10,148
Gross Other foreign assets	21	44	63	95	125	165	151	175	168
(In USD millions)	3	3	3	3	3	4	4	4	5
Gross other foreign liabilities	-1,971	-3,910	-9,524	-8,951	-10,309	-10,425	-9,718	-11,082	-10,316
(In USD millions)	-267	-279	-456	-282	-284	-284	-276	-285	-277
SDR allocations	-901	-1,779	-6,189	-8,947	-10,305	-10,420	-9,713	-11,077	-10,311
(In USD millions)	-122	-127	-296	-282	-284	-284	-276	-284	-276
Other (incl. RMB Swap with PBoC)	-1,070	-2,131	-3,335	-5	-5	-5	-5	-5	-5
(In USD millions)	-145	-152	-160	0	0	0	0	0	0
Net domestic assets	**7,198**	**8,766**	**7,689**	**-565**	**-6,669**	**-7,982**	**-8,705**	**-6,876**	**-7,763**
Net claims on public sector	3,248	8,234	6,877	780	-5,497	4,451	-4,325	3,525	-446
Of which: central government	3,248	8,234	6,877	780	-5,497	4,451	-4,325	3,525	-446
Net claims on commercial banks	264	-2,496	-4,731	-7,380	-7,941	-7,469	-10,379	-4,304	-991
Other items, net	3,686	3,027	5,544	6,035	6,768	-4,964	5,999	-6,097	-6,325
Reserve money	**9,593**	**12,817**	**18,967**	**27,470**	**28,816**	**30,830**	**31,736**	**33,916**	**34,116**
Currency in circulation	2,263	3,861	4,792	6,084	7,215	8,255	9,745	9,079	10,650
Bankers deposits	7,211	8,869	14,054	21,229	21,331	22,261	21,721	24,507	23,178
Other demand deposits in national currency	90	19	23	14	75	75	36	75	36
Gold certificates	28	67	97	143	194	240	234	254	253
Memorandum items:			(12-month percent change, unless otherwise indicated)						
Monetary survey									
Velocity (GDP/broad money; end of period)	1.6	1.2	1.3	1.3	1.6	1.7	1.7	1.8	1.7
Broad money	4.7	65.0	45.3	45.1	19.5	10.3	9.3	7.6	7.1
Broad money (constant exchange rate)	4.7	16.4	60.2	11.7	12.8	10.1	14.6	5.5	5.1
Broad money (local currency portion only)	21.8	35.8	25.5	25.8	23.4	11.9	21.2	10.0	9.3
Broad money (in real terms)	0.5	2.6	-9.6	-6.1	-9.9	-1.7	-0.7	-1.0	-0.3
Broad money (Percent of GDP)	60.7	82.1	76.0	74.9	63.0	59.8	59.4	56.7	57.3
FX deposits	-6.4	0.0	5.5	1.6	3.3	8.3	7.6	0.5	0.0
Credit to the private sector	0.4	27.2	18.5	65.7	18.6	14.4	15.9	12.3	11.0
Credit to private sector (in real terms)	-3.6	-20.9	-26.3	7.2	-10.6	2.0	5.3	3.4	3.3
Credit to private sector (Percent of GDP)	23.0	24.0	18.1	20.4	17.0	16.8	17.0	16.6	17.0
Central bank									
Reserve money	92.8	33.6	48.0	44.8	4.9	7.0	10.1	10.0	7.5
Reserve money (constant exchange rate)	144.1	-5.6	24.3	21.8	10.9	8.5	15.9	9.8	7.2
Reserve money (local currency portion only)	19.1	42.7	26.3	32.3	35.1	11.0	20.5	12.4	9.1
Reserve money (in real terms)	85.0	-16.9	-7.9	-6.3	-20.9	-4.7	0.0	1.3	0.1
Reserve money (Percent of GDP)	30.2	33.1	31.2	30.7	22.7	20.9	21.5	20.2	20.8
Money multiplier (SRD broad money/reserve money)	1.7	1.6	1.6	1.5	1.4	1.4	1.4	1.4	1.4

Sources: Central Bank of Suriname; and IMF staff calculations and projections.

1/ The definition of broad money excludes deposits of public nonfinancial corporations (which are included in net claims on the public sector).

Table 7. Suriname: Financial Soundness Indicators

(In percent)

	2018 Dec.	2019 Dec.	2020 Dec.	2021 Dec.	2022 Dec	2023* Jun	2023 Sep	2023 Oct	2023 Dec	2024 Mar	2024 May	2024 Aug	2024 Oct
Capital Adequacy													
Regulatory capital to risk-weighted assets	9.6	11.4	11.8	14.5	16.8	18.4	18.7	18.9	20.3	21.6	21.8	22.9	22.0
Regulatory Tier 1 capital to risk-weighted assets	9.0	10.8	10.5	13.1	15.5	17.3	16.7	16.9	18.4	19.9	20.2	21.4	20.5
Tier 1 capital to total assets (leverage ratio)	4.9	4.9	4.3	5.7	6.1	7.4	7.1	7.2	7.7	8.3	8.7	9.1	8.9
Asset Quality													
NPL to gross loans	12.0	10.6	14.6	12.8	12.4	16.1	14.3	14.0	13.0	10.4	7.2	7.2	6.9
NPL net of provisions to Tier 1 capital	39.0	34.9	68.1	43.6	35.2	45.5	40.6	39.9	33.7	22.8	13.4	13.9	13.1
Provisions to total NPLs	61.6	60.5	46.0	...	39.9	35.7	..	..	..	..	..	...	...
Large exposures to capital	272.5	228.7	306.5	178.3	150.2	112.8	113.5	115.4	95.2	80.1	60.8	50.2	47.9
Foreign currency loans to total loans	62.8	59.2	49.1	55.5	61.5	61.3	61.5	61.0	60.3	58.6	56.2	55.1	57.2
Earnings and Profitability													
Return on assets (ROA, annualized)	0.1	1.0	2.0	1.8	2.7	1.2	2.0	2.2	2.7	0.7	1.0	1.3	2.0
Return on equity (ROE, annualized)	1.9	16.7	34.8	29.6	44.8	16.0	27.4	29.9	36.5	9.3	13.2	15.9	24.2
Net interest income to gross income	70.6	69.2	47.7	53.5	61.7	63.3	66.2	67.0	67.0	76.6	80.3	80.6	72.1
Spread between lending and deposit rates (ppts)	8.0	7.4	7.4	7.7	8.1	8.4	8.3	8.5	8.5	8.7	8.8	9.0	9.2
Liquidity													
Liquid assets to total assets	40.2	46.8	51.5	58.8	54.3	52.3	53.7	53.2	53.6	54.2	53.3	53.0	52.0
Liquid assets to short-term liabilities	82.1	93.4	101.3	117.0	114.0	102.7	106.7	104.6	102.6	103.6	99.8	99.0	97.4
Total loans to total deposits *	44.6	47.9	40.2	...	35.1	35.2	..	35.8	34.1	33.0	34.3	35.7	34.7
Sensitivity to market risk													
Net open positions in foreign currency to capital	22.2	11.5	20.8	39.4	23.2	21.0	16.8	21.7	20.6	17.7	22.6	12.2	18.7
Foreign currency liabilities to total liabilities	66.5	60.9	69.2	71.6	74.1	75.0	75.3	74.6	73.3	71.8	69.0	67.5	64.5

Source: Central Bank of Suriname

Table 8. Suriname: Schedule of Reviews and Available Purchases

Availability Date	Millions of SDR	Percent of Quota	Conditions
12/22/2021	39.4	30.6	Board Approval of the Extended Arrangement
3/15/2022	39.4	30.6	First review and continuous and end-December 2021 performance criteria
6/14/2023	39.4	30.6	Second review and continuous, end-December 2022 performance criteria 1/
9/14/2023	39.4	30.6	Third review and continuous and end-June 2023 performance criteria
12/14/2023	39.4	30.6	Fourth review and continuous and end-September 2023 performance criteria
3/14/2024	46.7	36.3	Fifth review and continuous and end-December 2023 performance criteria
6/14/2024	46.7	36.3	Sixth review and continuous and end-March 2024 performance criteria
9/14/2024	46.7	36.3	Seventh review and continuous and end-June 2024 performance criteria
12/6/2024	46.8	36.3	Eight review and continuous and end-September 2024 performance criteria
3/14/2025	46.8	36.3	Ninth and final review and continuous and end-December 2024 performance criteria
Total	**430.7**	**334.1**	
Memo:			
Quota	128.9		

Table 9. Program Monitoring—Indicators of Fund Credit Under the EFF Supported Program
(In millions of SDR, unless otherwise indicated)

							Proj.						
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Prospective Drawings	39.4	118.2	186.9	46.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Percent of quota	30.6	91.7	145.0	36.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repurchases	0.0	0.0	0.0	0.0	9.8	16.4	40.6	67.9	71.8	71.8	61.9	55.4	31.2
Total Interest / Charges	2.0	8.5	17.6	19.9	20.8	20.1	18.9	16.9	14.3	11.6	8.9	6.7	4.8
Total Debt Services	2.0	8.5	17.6	19.9	30.6	36.5	59.5	84.8	86.0	83.4	70.9	62.0	35.9
Percent of exports	0.1	0.4	0.9	0.9	1.5	1.7	1.2	1.2	1.2	1.2	1.0	0.9	0.5
Percent of usable reserves	0.3	1.0	1.7	1.9	2.9	3.5	4.5	3.3	2.5	2.0	1.4	1.1	0.6
Percent of GDP	0.1	0.3	0.5	0.6	0.9	1.0	0.9	0.0	0.0	0.0	0.0	0.0	0.0
Percent of quota	1.6	6.6	13.6	15.5	23.7	28.3	46.2	65.8	66.8	64.7	55.0	48.1	27.9
Outstanding Credit (eop)	78.8	197.0	383.9	430.7	420.9	404.4	363.8	295.9	224.2	152.4	90.4	35.1	3.9
Percent of exports	4.1	10.4	18.7	20.5	19.9	18.7	7.6	4.3	3.2	2.1	1.2	0.5	0.1
Percent of usable reserves	12.2	23.6	37.1	40.9	40.0	39.3	27.7	11.6	6.5	3.7	1.8	0.6	0.1
Percent of GDP	2.9	7.6	11.4	12.5	11.7	10.6	5.4	3.3	2.3	1.5	0.8	0.3	0.0
Percent of quota	61.1	152.8	297.8	334.1	326.5	313.8	282.2	229.6	173.9	118.2	70.2	27.2	3.0
Memo items:													
Quota	128.9	128.9	128.9	128.9	128.9	128.9	128.9	128.9	128.9	128.9	128.9	128.9	128.9
Exports of G&S (US$ million)	2,600	2,533	2,727	2,738	2,757	2,833	6,296	8,999	9,187	9,467	9,494	9,063	8,606
Gross International Reserves (US$ million)	1,195	1,346	1,632	1,634	1,635	1,606	1,975	3,586	4,790	5,714	6,868	7,635	8,027
as percent of ARA	135	150	169	158	144	132	145	257	383	513	649	777	872
Gross International Usable Reserves (excluding PBoC swap and ring-fenced reserves (US$ million)	865	1,112	1,373	1,374	1,375	1,346	1,715	3,327	4,530	5,455	6,608	7,375	7,767
as percent of ARA	98	124	142	133	121	111	126	239	362	490	624	750	843
Nominal GDP (SRD million)	89,472	127,066	147,277	163,645	179,971	198,092	350,765	469,282	495,446	525,201	550,259	562,117	577,318

Source: IMF staff calculations and projections.

Table 10. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/

(In millions of Suriname dollars, unless otherwise indicated)

	2020	2021				2022											
		end-Dec				end-Jan.				end-Feb.				end-Mar.			
	Act.	PC	Adj. PC	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria																	
Fiscal/debt targets																	
1. Primary fiscal balance (cash basis) of central government (floor) 2/	-2,321	-719	334	3,007	Met	110	159	135	Not Met	221	-110	14	Met	331	-3	161	Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)		0		0	Met	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)		0		0	Met	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling)		0		0	Met	0		0	Met	0		0	Met	0		0	Met
Monetary targets																	
5. Gross credit to the central government by the central bank (continuous ceiling) 3/	10,229	0		0	Met	0		0	Met	0		0	Met	0		0	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/4/	-154	348	310	319	Met	11	-2	5	Met	103	2	16	Met	114	30	19	Not Met
7. Net domestic assets of the central bank (ceiling) 2/4/	8,777	-343	161	203	Not Met	-6	180	-6	Met	-1,134	272	113	Met	-1,137	39	-118	Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)		0		0	Met	0		0	Met	0		0	Met	0		0	Met
Indicative Targets																	
1. Social spending of central government (floor) 2/	604	1,070		922	Not Met									371		269	Not Met
2. Stock of VAT refunds outstanding (ceiling)																	
Memorandum items																	
Reserve money	12,817	18,294		18,967		18,629		18,950		19,061		19,180		19,597		18,881	
Reserve money (local currency portion only)	7,342	9,188		9,271		9,341		9,338		9,494		9,570		9,647		9,289	
Reserve money (constant exchange rates)	12,817	14,838		15,933		14,991		15,893		15,144		16,209		15,297		15,847	
NFA (constant exchange rates)	4,039	6,403		6,953		6,563		6,920		7,844		7,117		8,000		7,020	
Gross international reserves (millions of U.S. dollar)	585	968		992		979		986		1,071		848		1,139		899	
Usable international reserves (millions of U.S. dollar) 5/	129	501		512		513		505		604		518		673		566	
Program exchange rate	14.018	14.018		14.018		14.018		14.018		14.018		14.018		14.018		14.018	

Table 10. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)

(In millions of Suriname dollars, unless otherwise indicated)

	2022											
	end-Apr.				end-May.				end Jun.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	442	166	-111	Not Met	552	300	8	Not Met	663	707	660	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	118	49	13	Not Met	122	104	92	Not Met	156	150	156	Met
7. Net domestic assets of the central bank (ceiling) 2/	-1,040	-67	134	Not Met	-941	-691	-246	Not Met	-1,263	-1,188	-591	Not Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
Indicative Targets												
1. Social spending of central government (floor) 2/									742		832	Met
2. Stock of VAT refunds outstanding (ceiling)												
Memorandum items												
Reserve money	21,223		19,110		21,856		20,025		22,390		20,280	
Reserve money (local currency portion only)	9,801		9,516		9,954		9,860		10,107		10,411	
Reserve money (constant exchange rates)	16,306		16,136		16,459		16,676		16,612		16,879	
NFA (constant exchange rates)	8,220		7,022		8,277		7,943		8,739		8,490	
Gross international reserves (millions of U.S. dollar)	1,000		886		1,004		951		1,094		983	
Usable international reserves (millions of U.S. dollar) 5/	674		558		678		620		768		656	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

Table 10. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)
(In millions of Suriname dollars, unless otherwise indicated)

	2022											
	end-Jul.				end-Aug.				end Sep.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	773	1,005	311	Not Met	884	946	346	Not Met	994	1,218	345	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	158	159	169	Met	160	168	192	Met	192	169	193	Met
7. Net domestic assets of the central bank (ceiling) 2/	-1,142	-1,161	-91	Not Met	-1,016	-1,124	-77	Not Met	-1,316	-986	-14	Not Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
Indicative Targets												
1. Social spending of central government (floor) 2/									1,112		1,315	Met
2. Stock of VAT refunds outstanding (ceiling)												
Memorandum items												
Reserve money	22,912		21,413		23,444		22,654		23,858		23,723	
Reserve money (local currency portion only)	10,260		11,098		10,413		11,359		10,566		11,450	
Reserve money (constant exchange rates)	16,765		17,587		16,918		18,084		17,071		18,424	
NFA (constant exchange rates)	8,778		8,698		8,811		9,182		9,253		9,458	
Gross international reserves (millions of U.S. dollar)	1,097		991		1,099		1,018		1,187		1,029	
Usable international reserves (millions of U.S. dollar) 5/	771		667		773		698		862		713	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

Table 10. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)

(In millions of Suriname dollars, unless otherwise indicated)

	2022											
	end-Oct.				end-Nov.				end-Dec.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	1,105	1,788	657	Not Met	1,215	2,111	1,174	Not Met	1,326	2,625	1,150	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0		0	Met	0		0	Met	0		0.02	Not Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	194	169	204	Met	196	150	179	Met	226	313	332	Met
7. Net domestic assets of the central bank (ceiling) 2/	-1,193	-845	-111	Not Met	-1,063	-425	435	Not Met	-1,332	-2,548	-1,080	Not Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
Indicative Targets												
1. Social spending of central government (floor) 2/									1,483		1,717	Met
2. Stock of VAT refunds outstanding (ceiling)												
Memorandum items												
Reserve money	24,277		25,205		24,660		26,514		25,047		27,470	
Reserve money (local currency portion only)	10,718		11,507		10,871		11,632		11,024		12,263	
Reserve money (constant exchange rates)	17,224		18,583		17,377		18,710		17,529		19,414	
NFA (constant exchange rates)	9,289		9,714		9,316		9,296		9,478		11,514	
Gross international reserves (millions of U.S. dollar)	1,190		1,045		1,192		1,031		1,260		1,194	
Usable international reserves (millions of U.S. dollar) 5/	864		716		866		707		934		865	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

Table 10. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)

(In millions of Suriname dollars, unless otherwise indicated)

	2023											
	end-Jun.				end-Jul.				end-Aug.			
	PC	Adj. PC	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	1,147	1,571	2,013	Met	1,338	1,693	2,181	Met	1,529	1,826	1,855	Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0		4	Not Met	0		0	Met	0		0	Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	-57	-38	-31	Met	-55	-32	-26	Met	-54	-28	-28	Met
7. Net domestic assets of the central bank (ceiling) 2/	3,602	3,334	2,376	Met	4,006	3,683	3,843	Not Met	4,397	4,030	2,776	Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
9. Central government mineral revenue in local currency (ceiling) (millions of U.S. dollar) 2/					5		7	Not Met	10		11	Not Met
Indicative Targets												
1. Social spending of central government (floor) 2/	1,981		1,058	Not Met								
2. Stock of VAT refunds outstanding (ceiling)												
Memorandum items												
Reserve money	33,964		27,590		35,102		29,378		36,147		27,225	
Reserve money (local currency portion only)	14,249		14,064		14,642		15,602		14,998		14,438	
Reserve money (constant exchange rates)	21,461		19,448		21,896		20,914		22,294		19,457	
NFA (constant exchange rates)	9,959		9,172		9,990		9,170		9,997		8,781	
Gross international reserves (millions of U.S. dollar)	1,153		1,091		1,155		1,096		1,156		1,062	
Usable international reserves (millions of U.S. dollar) 5/	835		853		837		857		838		825	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

Table 10. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)

(In millions of Suriname dollars, unless otherwise indicated)

	2023															
	end-Sep.				end-Oct.				end-Nov.				end-Dec.			
	PC	Adj. PC	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria																
Fiscal/debt targets																
1. Primary fiscal balance (cash basis) of central government (floor) 2/	1,721	1,790	1,773	Not Met	1,912	1,550	2,088	Met	2,103	1,306	2,133	Met	2,294	637	2,029	Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0		0	Met	0		0	Met	0		0	Met	0		0	Met
Monetary targets																
5. Gross credit to the central government by the central bank (continuous ceiling)	0		0	Met	0	0	-1,042.3	Met	0	0	-1,042	Met	0	0	-1,661.8	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	-53	-39	-21	Met	-57	-39	5	Met	-73	-61	-7	Met	-6	22	152	Met
7. Net domestic assets of the central bank (ceiling) 2/	3,892	3,703	2,448	Met	4,214	3,967	2,995	Met	4,722	4,554	3,743	Met	4,121	3,733	1,986	Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met	0		0	Met
9. Central government mineral revenue in local currency (ceiling) (millions of U.S. dollar) 2/	15		14	Met	20		15	Met	25		18	Met	30		20	Met
Indicative Targets																
1. Social spending of central government (floor) 2/	2,971		1,915	Not Met									3,962		3,163	Not Met
2. Stock of VAT refunds outstanding (ceiling)																
Memorandum items																
Reserve money	29,440		26,720		30,049		27,660		30,670		28,647		31,374		28,816	
Reserve money (local currency portion only)	15,320		14,208		15,573		15,111		15,831		15,621		16,162		16,566	
Reserve money (constant exchange rates)	20,589		19,167		20,857		20,000		21,130		20,708		21,477		21,523	
NFA (constant exchange rates)	8,797		8,819		8,742		9,212		8,507		9,223		9,455		11,264	
Gross international reserves (millions of U.S. dollar)	1,132		1,107		1,128		1,141		1,112		1,142		1,234		1,346	
Usable international reserves (millions of U.S. dollar) 5/	893		873		889		908		873		908		995		1,112	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018		14.018		14.018	

Table 10. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)

(In millions of Suriname dollars, unless otherwise indicated)

	2024											
	end-Jan.				end-Feb.				end-Mar.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	384	577	-116	Not Met	769	1,492	484	Not Met	1,153	1,653	308	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0			Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0			Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0			Met	0		0	Met	0		0	Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,662	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	-7	-10	-14	Not Met	-25	-1	-2	Not Met	-65	-19	-22	Not Met
7. Net domestic assets of the central bank (ceiling) 2/	454	494	378	Met	1,041	702	855	Not Met	1,423	773	1,346	Not Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0	0	0	Met	0	0	0	Met	0	0	0	Met
9. Central government mineral revenue in local currency (ceiling) (millions of U.S. dollar) 2/	30	30	3	Met	30	30	5	Met	30	30	7	Met
Indicative Targets												
1. Social spending of central government (floor) 2/									1,308	1,308	1,440	Met*
2. Stock of VAT refunds outstanding (ceiling)												
Memorandum items												
Reserve money	28,866		29,074		29,300		29,226		29,699		28,810	
Reserve money (local currency portion only)	15,978		16,841		16,298		17,416		16,582		17,627	
Reserve money (constant exchange rates)	20,761		21,639		21,085		21,817		21,373		22,442	
NFA (constant exchange rates)	9,112		11,101		8,849		11,270		8,682		10,826	
Gross international reserves (millions of U.S. dollar)	1,188		1,328		1,169		1,334		1,225		1,365	
Usable international reserves (millions of U.S. dollar) 5/	955		1,070		936		1,075		991		1,107	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

* Revised data indicate that the social spending target, which was reported as "Not Met" at the 6th review, was actually met.

Table 10. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)
(In millions of Suriname dollars, unless otherwise indicated)

	2024											
	end-April.				end-May				end-Jun.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	1,538	2,085	162	Not Met	1,922	2,220	52	Not Met	692	556	-50	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,662	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	-29	-11	-29	Not Met	-14	-34	-45	Not Met	-96	-58	-42	Met
7. Net domestic assets of the central bank (ceiling) 2/	1,066	804	1,209	Not Met	980	1,267	1,401	Not Met	2,277	1,747	1,282	Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0	0	0	Met	0	0	0	Met				
9. Central government mineral revenue in local currency (ceiling) (millions of U.S. dollar) 2/	30	30	9	Met	30	30	11	Met	30	30	13	Met
Indicative Targets												
1. Social spending of central government (floor) 2/									2,617	2,617	2,931	Met
2. Stock of VAT refunds outstanding (ceiling)	909	909	748	Met					722	722	693	Met
Memorandum items												
Reserve money	29,526		28,238		28,004		27,768		30,127		27,124	
Reserve money (local currency portion only)	17,202		17,389		17,570		17,281		17,749		17,134	
Reserve money (constant exchange rates)	22,110		22,160		22,312		22,023		22,463		21,956	
NFA (constant exchange rates)	10,656		10,773		11,073		11,073		9,926		10,546	
Gross international reserves (millions of U.S. dollar)	1,365		1,364		1,396		1,350		1,382		1,410	
Usable international reserves (millions of U.S. dollar) 5/	1,131		1,130		1,162		1,116		1,148		1,176	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

Table 10. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (concluded)
(In millions of Suriname dollars, unless otherwise indicated)

	2024																							
	end-Jul.				end Aug.				end Sep.				end Oct.				end Nov.				end Dec.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria																								
Fiscal/debt targets																								
1. Primary fiscal balance (cash basis) of central government (floor) 2/	1,346	976	226	Not Met	1,999	1,706	210	Not Met	2,653	2,416	1,762	Not Met	3,306	3,306	1,338	Not Met	3,960	3,960	619	Not Met	3,700	3,700	115	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars) 6/	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met
3. New central government guaranteed debt (continuous ceiling)	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met
Monetary targets																								
5. Gross credit to the central government by the central bank (continuous ceiling)	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,661.8	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	-122	-74	-45	Met	-137	-91	-55	Met	-179	-85	4	Met	-143	-89	-5	Met	-158	-155	-59	Met	-76	-121	49	Met
7. Net domestic assets of the central bank (ceiling) 2/	2,781	2,105	1,766	Met	2,636	1,988	2,512	Not Met	3,754	2,442	1,780	Met	3,261	2,584	2,594	Not Met	3,647	3,609	4,404	Not Met	2,867	3,502	2,916	Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling) 7/	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0		0	0	0	Met
Indicative Targets																								
1. Social spending of central government (floor) 2/									3,785		4,240	Met									5,122		5,453	Met
2. Stock of VAT refunds outstanding (ceiling)									443		859	Not Met									693		971	Not Met
3. Non-accumulation of central government domestic debt arrears (continuous ceiling) (millions of SRD)									0		0	Met	0			Met	0			Met	0	0	0	Met
Memorandum items																								
erve money	30,312				27,786				28,545		28,663		28,985		30,566		29,668		31,555		30,830		31,736	
Reserve money (local currency portion only)	17,912				18,108				17,772		18,194		18,019		18,881		18,240		19,867		18,381		19,956	
Reserve money (constant exchange rates)	22,596				23,004				22,770		23,195		22,866		23,863		23,055		24,748		23,342		24,908	
NFA (constant exchange rates)	9,557				10,503				8,757		11,376		8,686		11,206		8,547		10,370		10,216		11,820	
Gross international reserves (millions of U.S. dollar)	1,356				1,411				1,366		1,545		1,361		1,536		1,352		1,464		1,555		1,545	
Usable international reserves (millions of U.S. dollar) 5/	1,121				1,145				1,132		1,278		1,127		1,273		1,117		1,203		1,321		1,286	
Program exchange rate	14.018				14.018				14.018		14.018		14.018		14.018		14.018		14.018		14.018		14.018	

rce: Authorities and IMF staff calculations and projections.

1/ Targets as defined in the Technical Memorandum of Understanding.

2/ Cumulative flows from begining of the year.

3/ The 2020 figure is a stock as of end-June 2021.

4/ The 2020 figure is a stock as of end-December 2020.

5/ Official reserve assets excluding the PBOC swap and ring-fenced reserves.

6/ The zero new natural-resource revenue-collateralized debt contracted by or on behalf of government is subject to an exception applying exclusively to new oil-resource revenue related-collateralized debt contracted by Staatsolie, which is capped at US$ 2 Billion cumulatively to exclusively finance its stake in the exploration of oil in block 58

7/ Non-observance for the month February 2023

Table 11. Suriname: Structural Benchmarks Under the EFF

Measure	SR ¶	Target date 1/	Status	Objective
Structural benchmarks				
Exchange rate/monetary/safeguards				
Establish competitive FX auctions for the CBvS to undertake buying/selling of FX during periods of disorderly market conditions (defined as when the intraday change in the exchange rate versus the U.S. dollar is more than 2 percent) under the agreed rule.		December 2021	Met	Ensure the CBvS has a mechanism to intervene in the FX market.
Establish an electronic trading platform for inter-bank/cambio FX trading.		June 2022	Not met	Create a consolidated FX market.
Develop a time-bound plan for the CBvS's recapitalization agreed between the CBvS and the government.		September 2022	Not met	Protect the CBvS's financial autonomy.
Publish on the CBvS's external website the FY 2016 - 2018 audited financial statements.		December 2021	Not met; implemented with a delay in February 2022	Strengthen accountability and transparency, and reduce risk of misreporting.
National Assembly to pass amendments that are in line with IMF staff recommendations, to inter alia, (i) clarify and strengthen the mandate; (ii) bring CBvS' institutional, financial, and personal autonomy into line with international best practice; (iii) increase transparency, accountability and oversight; (iv) define clear requirements on accounting, profit distribution, reserves and eventual recapitalization of the CBvS and (v) introduce strict limits on monetary financing (with transitional rules).		January 2022	Not met; implemented with a delay in April 2023	Strengthen the CBvS's mandate, autonomy, governance, and accountability and transparency.
Establish an electronic trading platform for inter-bank/cambio FX trading, with expanded scope to cover also bank/cambio trading with gold exporters.	14	September 2023	Not met; implemented with delay in February 2025	Create a consolidated FX market.
Publish on the CBvS's external website the FY 2020-2021 audited IFRS financial statements.	17	June 2024	Not met; implemented with delay in August 2024	Strengthen accountability and transparency, and reduce risk of misreporting.
Publish on the CBvS's external website the FY 2022 audited IFRS financial statements.	17	January 2025	Not met	Strengthen accountability and transparency, and reduce risk of misreporting.
Develop a time-bound plan for the CBvS's recapitalization agreed between the CBvS and the government.	17	April 2024	Not met; implemented with delay in August 2024	Protect the CBvS's financial autonomy.
Submit a legislative amendment to the Foreign Exchange Regulation 1947 to the National Assembly in consultation with Fund staff to rectify any misalignments with the amended Central bank Act 2022.	14	December 2023	Not met; implemented with delay in May 2024	Enable the CBvS to effectively and independently manage its official reserves and conduct foreign exchange policy.
Financial sector/crisis preparedness				
Undertake full asset quality review for the two largest (by assets size) banks (drawing on the expertise of an internationally reputable specialist firm).		September 2022	Met	Diagnose the largest banks and potential recapitalization needs.
Submit to the State Council the Credit Institutions Resolution Act to increase CBvS' powers and tools for early intervention, recovery, and resolution of financial institutions.		January 2022	Not met; implemented with delay in February 2023	Strengthen the CBvS's role in crisis management.
Submit the revised Banking and Credit Supervision Act to the State Council to facilitate risk-based supervision through expanding CBvS' assessment powers to determine bank compliance with regulatory requirements.		January 2022	Not met; implemented with delay in February 2023	Solidify oversight over the financial sector.
Operationalize the Financial Stability Committee, composed of representatives from the MoF and CBvS.		January 2022	Not met; implemented with a delay in April 2022	Improve coordination on financial sector issues.
Operationalize a Bank Resolution Unit within the CBvS with appropriate governance arrangements, staffing, funding and clear internal guidelines on how the unit would undertake crisis management and enforcement actions.		February 2022	Not met; implemented with a delay in April 2022	Strengthen the CBvS's role in crisis management.
Undertake full asset quality review for the remaining banks (drawing on the expertise of an internationally reputable specialist firm).		December 2022	Not met; implemented with a delay in May 2023	Diagnose the financial sector and potential recapitalization needs.
CBvS and MoF agree on a governance framework for state-owned banks.	16	December 2023	Not met; implemented with delay in February	Improve governance of state-owned banks.
CBvS to instruct the banks to incorporate the AQR results and review the recapitalization plans submitted by the banks to verify their credibility		October 2023	Not met; implemented with delay in December	Improve strength of the financial sector.
CBvS, in consultation with IMF, to set common equity tier one and capital adequacy ratio targets for banks and outline the corrective measures it would escalate if CET1/CAR targets are breached	16	March 2024	Not met; implemented with delay in April 2024	Improve strength of the financial sector.

Table 11. Suriname: Structural Benchmarks Under the EFF (continued)

Measure	SR 1	Target date	Status	Objective
Fiscal and Debt				
Publish a time-bound plan to implement recommendations from technical assistance programs provided by the IMF to streamline treasury functions through the Treasury Single Account (TSA).		January 2022	Met	Improve governance and increase transparency.
Develop a term of reference, with technical assistance from international partners, for hiring specialists to audit outstanding supplier arrears.		January 2022	Met	Improve governance and increase transparency; improve fiscal data reporting.
Publish the financial assessment of EBS that includes its legacy liabilities.		May 2022	Met	Achieve full cost recovery in the electricity sector.
Commence an audit on outstanding supplier arrears.		April 2022	Met: audit completed in May 2023	Improve governance and increase transparency; improve fiscal data reporting.
Passage of laws needed to implement the VAT by the National Assembly.		March 2022	Not Met; implemented with a delay in August 2022	Ensure fiscal adjustment in line with program parameters.
Publish a plan to scale back a range of tax exemptions (including an assessment of existing tax exemptions, the list of exemptions to be discontinued starting April 1, 2022, and the expected revenue impact) aimed at raising additional revenue of 0.4 percent of GDP.		March 2022	Not Met; Implemented in February 2023 budget	Ensure fiscal adjustment in line with program parameters.
Pass laws and issue relevant decrees if needed to expand the legal mandate of the debt management office (SDMO) to include the whole nonfinancial public sector, including all suppliers' arrears, guarantees, and contingent liabilities.		June 2022	Not Met; implemented with delay in March 2023	Improve debt data reporting.
Create a large taxpayer unit to increase taxpayer compliance.		June 2022	Not Met; implemented with a delay in July 2022	Improve tax administration.
Review the social protection public expenditure and publish a time-bound strategic plan to improve the efficiency and effectiveness of social benefits.	8	December 2023	Not met; implemented with delay in May 2024	Strengthen social spending.
Establish a system to compile and maintain in a central place an up-to-date list of public entities (Institutional Table), starting with the central government entities.		June 2023	Met	Improve fiscal data reporting.
Enact the amended VAT Act to convert all zero-rated products (except exports and ancillary supplies to exports) to exempt ones and impose the standard 10 percent VAT rate on sales covering at least 60 percent of household consumption		July 2023	Not Met; implemented with a delay in September 2023.	Ensure fiscal adjustment in line with program parameters.
Publish on the EAS external website quarterly updates of the rationale for each tariff adjustment, the estimated cost of providing electricity, and the remaining size of the subsidy.		October 2023	Met	Improve governance and increase transparency; improve fiscal data reporting.
Operationalize the enacted amendment to the Personnel Act by issuing a state decree (with detailed procedures) to halt payments of salaries for unregistered workers.		October 2023	Not Met; implemented with delay in November 2023	Strenthen PFM and ensure fiscal adjustment in line with program parameters.
Issue State Decree to provide the Minister of Finance the authority to access all bank accounts held by government entities at commercial banks	10	March 2024	Not Met; implemented with delay in April 2024	Strengthen PFM.
Publish quarterly budget execution report starting with the end June 2023 budget outturns.	10	Continuous	Met for end-September 2024 and end-December	Strengthen PFM.
MoFP, SDMO, and CBvS to sign a Memorandum of Understanding detailing respective responsibilities and processes with respect to external debt payments		January 2024	Met	Improve debt management and reporting, and avoid external debt arrears.
Publish on the Ministry of Social Affairs and Housing's external website a monthly report detailing the number of households or individuals covered by each program in each district and the value of cash transfers made to recipients in each district under each program.	8	January 2024	Met	Improve governance and increase transparency.
Mandate that all tax declarations and transactions use a Fiscal Identification Number	8	June 2024	Reformulated as below	Improve tax administration.
Mandate that all importers/exporters use the Fiscal Identification Number.	8	June 2024	Met	Improve tax administration.
Hire 25 new qualified staff for the Tax Department.	8	November 2024	Not met, implemented with delay in December 2024	Improve tax administration.
MoFP, SDMO, and CBvS to sign a Memorandum of Understanding detailing respective responsibilities and processes with respect to domestic debt payments	28	December 2024	Met	Improve debt management and reporting, and avoid domestic debt arrears.
Implement a pilot Treasury Single Account for a limited set of ministries.	10	January 2025	Not met	Strengthen PFM.
The Budget Department will set commitment ceilings by line ministry quarterly and enforce them, including through FreeBalance.	11	Continuous	Not met, implemented with delay in February 2025	Strengthen PFM and avoid new expenditure arrears.
Fully repay domestic debt arrears	11	March 2024	Not Met; implemented with delay in July 2024	Improve debt management and financial stability
Issue a resolution to clarify that government will not be responsible for for contracts agreed with line ministries that have no prior authorization from the MoF.	11	April 2024	Met	Strengthen PFM and avoid new expenditure arrears.
Mandate all line ministries to report the stock of arrears to the MoF	11	June 2024	Met	Improve debt management and financial stability
Publish online the full financial statements (and corresponding audit reports) of EBS for the years 2019 and 2020		December 2024	No met, implemented with delay in February 2025	Improve governance and increase transparency.
Finalize and submit the 2021 financial statements of EBS to the external auditor.		February 2025	Met	Improve governance and increase transparency.

Table 11. Suriname: Structural Benchmarks Under the EFF (concluded)

Measure	SR ¶	Target date	Status	Objective
Governance (anti-corruption)				
Ratify the United Nations Convention Against Corruption (UNCAC).		January 2022	Met	Reduce vulnerabilities to corruption and promote investment and growth.
Issue an Implementation Act to amend the Anti-Corruption legal framework to ensure criminalization of all corruption acts (in line the with the requirements of the UNCAC) and to strengthen the income and asset declaration provisions in the Anti-Corruption law to support routine verification of income and asset declarations for high-level and high-risk public officials, provide this information to the public and establish proportionate sanctions for non-compliance.		June 2022	Not Met, reformulated as below	Reduce vulnerabilities to corruption and promote investment and growth.
Operationalize the Anti-Corruption Commission (as required by the 2017 Anti-Corruption Act) and adopt an operational framework for its implementation, in line with the UNCAC.		March 2022	Not Met; implemented with a delay in May 2023	Reduce vulnerabilities to corruption and promote investment and growth.
Amend the Anti-Corruption legal framework to criminalize acts of corruption	19	June 2024	Met	Reduce vulnerabilities to corruption and promote investment and growth.
Amend the Anti-Corruption legal framework to strengthen a requirement for the income and asset declarations of politically exposed persons, the routine verification of these declarations, the publication of this information and the establishment of proportionate sanctions for non-compliance.	19	February 2025	Not met	Reduce vulnerabilities to corruption and promote investment and growth.
Governance (procurement)				
Enact a new procurement law to centralize and mandate the publication of all public procurement tenders and contract awards, including the names of the awarded entities and their beneficial owner(s), the names of public officials awarding the contracts, and the ex-post validation of delivery of the contracted services	19	September 2023	Not Met; implemented with a delay in November 2024	Strengthen procurement efficiency.
Governance (AML/CFT)				
Amend the AML/CFT law legislation and other relevant laws and regulations to bring them into line with the FATF international AML/CFT standards (including with respect to the treatment of politically-exposed persons and beneficial ownership requirements).		August 2022	Not Met; implemented with a delay in November 2022	Mitigate the adverse effects of criminal economic activity and promote integrity in financial markets.

Source: IMF staff.
1/ The target dates for all structural benchmarks are the end of the month.

Table 12. Suriname: Decomposition of Public Debt and Debt Service by Creditor
(2024–27)

	Debt Stock incl. arrears end-2024			Debt Stock excl. arrears end-2024	Arrears end-2024	Debt Service 2025	2026	2027	2025	2026	2027
	(In USD)	*(Percent Total debt)*	*(Percent GDP)*	*(In USD)*	*(In USD)*	*(In USD)*			*(Percent GDP)*		
Total	3,646	100	87	3,450	195	316	348	415	7	7	8
External	3,046	84	73	3,040	5	202	251	336	4	5	7
Multilateral creditors	1,739	48	42	1,739	0	141	148	156	3	3	3
IMF	510	14	12	510	0	18	27	33	0	1	1
World Bank	29	1	1	29	0	3	3	3	0	0	0
IADB	1,007	28	24	1,007	0	95	92	96	2	2	2
Other Multilaterals	193	5	5	193	0	26	25	24	1	1	0
o/w Caribbean Development Bank	109	3	3	109	0	15	15	15	0	0	0
o/w European Investment Bank	0	0	0	0	0	0	0	0	0	0	0
o/w Islamic Development Bank	55	2	1	55	0	6	6	5	0	0	0
o/w The OPEC Fund for International Development	28	1	1	28	0	4	4	4	0	0	0
Official Creditors	559	15	13	559	0	15	39	12	0	1	0
Bilateral Creditors	407	11	10	407	0	12	20	8	0	0	0
o/w : Paris Club	26	1	1	26	0	0	0	0	0	0	0
China	373	10	9	373	0	9	19	7	0	0	0
India	9	0	0.2	9	0	3	0	0	0	0	0
ECA-backed loans	152	4	4	152	0	3	19	5	0	0	0
o/w: Paris Club	46	1	1	46	0	2	1	1	0	0	0
China	83	2	2	83	0	0	18	3	0	0	0
India	23	1	1	23	0	0	0	0	0	0	0
Commercial Creditors	748	21	18	743	5	46	64	168	1	1	3
Eurobonds	660	18	16	660	0	34	45	155	1	1	3
o/w: Oppenheimer	660	18	16	660	0	34	45	155	1	1	3
Other private creditors	88	2	2	83	5	13	19	14	0	0	0
o/w: ABN-AMRO Bank N.V.	16	0	0	16	0	1	5	5	0	0	0
o/w: Israel Discount Bank	7	0	0	7	0	1	0	0	0	0	0
o/w: Credit Suisse	10	0	0	4	5	2	2	1	0	0	0
o/w: ICBC	53	1	1	53	0	7	12	8	0	0	0
o/w: KBC	3	0	0	3	0				0	0	0
Domestic	600	16	14	410	190	114	97	79	3	2	2
Held by Central Bank	249	7	6	249	0	44	47	45	1	1	1
Held by Local Banks	68	2	2	67	1	30	15	11	1	0	0
Held by Local Non-Banks	282	8	7	93	189	40	34	23	1	1	0
o/w other accounts payable, incl. supplier arrears	181	5	4	-	181						

Source: IMF staff estimates from Suriname Debt Management Office (SDMO).

Annex I. Debt Sustainability Analysis

Annex I. Figure 1. Suriname: Risk of Sovereign Stress

Horizon	Mechanical signal	Final assessment	Comments
Overall	...	Moderate	The overall risk of sovereign stress is moderate.
Near term 1/	n.a.	n.a.	Not applicable.
Medium term	Low	Moderate	The assessment of medium-term risks is moderate, despite a mechanical signal indicating low risk. The GFN tool points to low risk based on a declining GFN path and contained bank exposure to the sovereign. Conversely, the fanchart tool indicates a moderate risk signal, reflecting significant historical volatility in macro-fiscal shocks as shown by the chart's width.
Fanchart	Moderate	...	
GFN	Low	...	
Stress test	Comm. Prices Cont. Liabty. Nat. Diast.	...	
Long term	...	Moderate	Long-term risks are assessed as moderate. Public debt to GDP is projected to decrease, significantly aided by the commencement of oil production from block 58. However, there is expected to be an increase in GFN to GDP in 2027, primarily due to repayments of restructured external debts after grace periods end. This situation highlights the necessity of maintaining fiscal discipline over the long
Sustainability assessment 2/	...	**Sustainable**	The ongoing implementation of policies under the program is anticipated to lead to the stabilization of debt, with GFNs remaining manageable in the medium term.
Debt stabilization in the baseline			Yes

DSA Summary Assessment

Commentary: The baseline suggests that public debt and GFNs are sustainable. However, even after restructuring, public debt remains high in part due to vulnerability to macro-fiscal shocks. The vulnerability is particularly highlighted by the moderate risk signal of the fanchart, which reflects historical volatility in the real exchange rate and inflation. The FX vulnerability can be mitigated by the significant share of government revenues received in foreign currency and prospects for higher oil revenues in the medium term.

Source: Fund staff.

Note: The risk of sovereign stress is a broader concept than debt sustainability. Unsustainable debt can only be resolved through exceptional measures (such as debt restructuring). In contrast, a sovereign can face stress without its debt necessarily being unsustainable, and there can be various measures—that do not involve a debt restructuring—to remedy such a situation, such as fiscal adjustment and new financing.

1/ The near-term assessment is not applicable in cases where there is a disbursing IMF arrangement. In surveillance-only cases or in cases with precautionary IMF arrangements, the near-term assessment is performed but not published.

2/ A debt sustainability assessment is optional for surveillance-only cases and mandatory in cases where there is a Fund arrangement. The mechanical signal of the debt sustainability assessment is deleted before publication. In surveillance-only cases or cases with IMF arrangements with normal access, the qualifier indicating probability of sustainable debt ("with high probability" or "but not with high probability") is deleted before publication.

Annex I. Figure 2. Suriname: Debt Coverage and Disclosures

						Comments
1. Debt coverage in the DSA: 1/	CG	GG	NFPS	CPS	Other	
1a. If central government, are non-central government entities insignificant?					Yes	
2. Subsectors included in the chosen coverage in (1) above:						
Subsectors captured in the baseline					Inclusion	
1 Budgetary central government					Yes	
2 Extra budgetary funds (EBFs)					No	Not applicable
3 Social security funds (SSFs)					No	Not applicable
4 State governments					No	Not applicable
5 Local governments					No	Not applicable
6 Public nonfinancial corporations					No	Not applicable
7 Central bank					No	Not applicable
8 Other public financial corporations					No	Not applicable
3. Instrument coverage:	Currency & deposits	Loans	Debt securities	Oth acct. payable 2/	IPSGSs 3/	
4. Accounting principles:	Basis of recording		Valuation of debt stock			
	Non-cash basis 4/	Cash basis	Nominal value 5/	Face value 6/	Market value 7/	
5. Debt consolidation across sectors:		Consolidated		Non-consolidated		

Subsector groupings: CG = rows 1–3; GG: expected = rows 1–5; NFPS = rows 1–6; CPS = rows 1–8.

Color code: chosen coverage (green); Missing from recommended coverage (red); Not applicable (grey)

Highlighted in the chart: CG (coverage); Yes (1a; subsector 1); Currency & deposits, Loans, Debt securities, Oth acct. payable 2/ (instruments); Cash basis; Nominal value 5/; Non-consolidated (all green). No for subsectors 2–5 and IPSGSs 3/ are red; No for subsectors 6–8 is grey.

Reporting on Intra-Government Debt Holdings

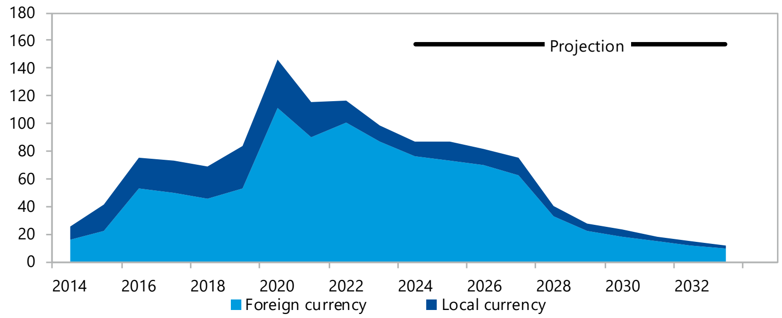
Issuer \ Holder	Budget. central govt	Extra-budget. funds (EBFs)	Social security funds (SSFs)	State govt.	Local govt.	Nonfin. pub. corp.	Central bank	Oth. pub. fin corp	Total
1 Budget. central govt									0
2 Extra-budget. funds									0
3 Social security funds									0
4 State govt.									0
5 Local govt.									0
6 Nonfin pub. corp.									0
7 Central bank									0
8 Oth. pub. fin. corp									0
Total	0	0	0	0	0	0	0	0	0

1/ CG=Central government; GG=General government; NFPS=Nonfinancial public sector; PS=Public sector.
2/ Stock of arrears could be used as a proxy in the absence of accrual data on other accounts payable.
3/ Insurance, Pension, and Standardized Guarantee Schemes, typically including government employee pension liabilities.
4/ Includes accrual recording, commitment basis, due for payment, etc.
5/ Nominal value at any moment in time is the amount the debtor owes to the creditor. It reflects the value of the instrument at creation and subsequent economic flows (such as transactions, exchange rate, and other valuation changes other than market price changes, and other volume changes).
6/ The face value of a debt instrument is the undiscounted amount of principal to be paid at (or before) maturity.
7/ Market value of debt instruments is the value as if they were acquired in market transactions on the balance sheet reporting date (reference date). Only traded debt securities have observed market values.

Commentary: Suriname's public debt as outlined in the DSA pertains to central government debt, which includes lending for the balance of payments (BOP) portion of IMF disbursements. There are no estimates for the debts of local governments and social security funds, but they are expected to be minimal. Similarly, while there is no estimate for state-owned enterprises (SOEs) debts, the government has enacted a law to extend the legal mandate of the SDMO to encompass the entire Non-Financial Public Sector (NFPC) and monitor the financial status of the ten largest SOEs. Additionally, a contingency liability stress test of approximately 14.3% of GDP is included in the DSA due to the limited debt coverage and anticipated Staatsolie financing for participation in the FID.

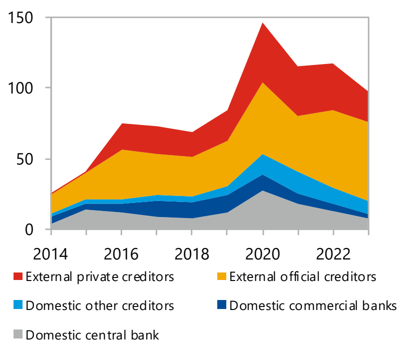
Annex I. Figure 3. Suriname: Public Debt Structure Indicators

Debt by Currency (Percent of GDP)



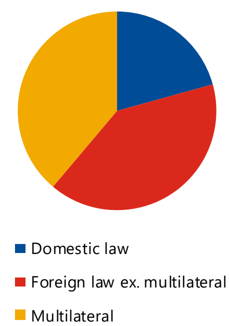
Note: The perimeter shown is central government.

Public Debt by Holder (Percent of GDP)



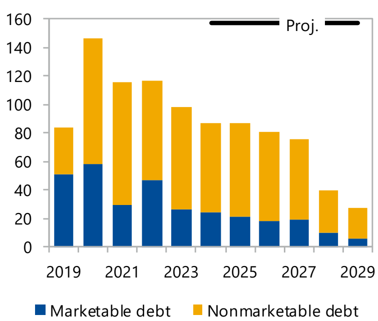
Note: The perimeter shown is central government.

Public Debt by Governing Law, 2023 (percent)



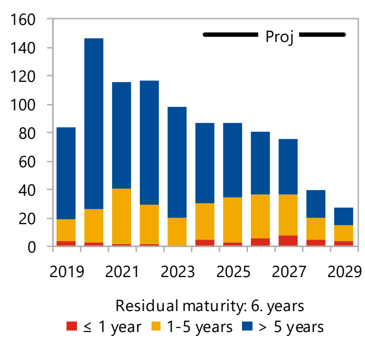
Note: The perimeter shown is central government.

Debt by Instruments (Percent of GDP)



Note: The perimeter shown is central government.

Public Debt by Maturity (Percent of GDP)



Note: The perimeter shown is central government.

Commentary: By the end of 2023, Suriname's public debt reached 98 percent of GDP. Foreign exchange (FX) debt constituted 86 percent of GDP, while external public debt accounted for 78 percent of GDP. Multilateral debt made up 42 percent of GDP, with approximately two-thirds owed to the Inter-American Development Bank (IADB). Other official debt totaled 13 percent of GDP, primarily owed to China, which accounts for 11 percent of GDP. Private debt, consisting of bonds and loans, includes restructured eurobonds at 16 percent of GDP and other private creditors at 2 percent of GDP. Domestic debt is estimated at 14 percent of GDP, with debts mainly owed to CBvS (6% of GDP), commercial banks (2% of GDP), and non-banking institutions (7% of GDP). Domestic arrears, including supplier arrears, are estimated at 4.3 percent of GDP as of the end of 2024.

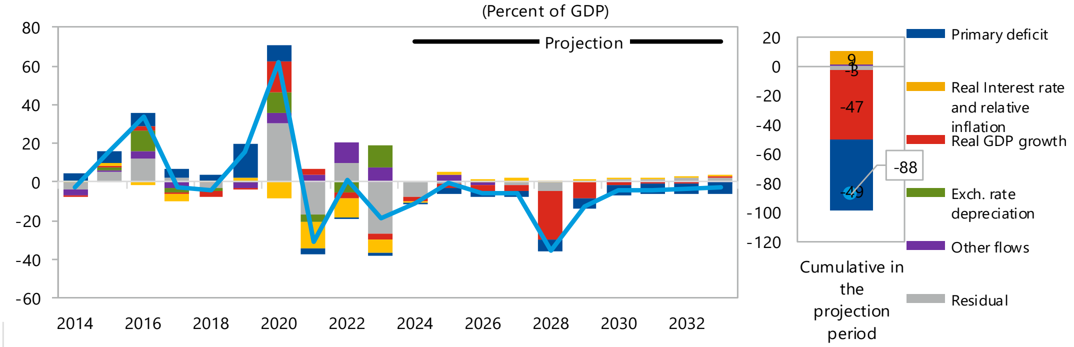
Annex I. Figure 4. Suriname: Baseline scenario

(Percent of GDP unless indicated otherwise)

	Actual		Medium-term projection					Extended projection			
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Public debt	98.2	87.2	86.6	81.2	75.4	39.9	27.3	23.0	18.6	15.0	12.0
Change in public debt	-18.7	-11.0	-0.6	-5.5	-5.7	-35.5	-12.6	-4.2	-4.5	-3.6	-3.0
Contribution of identified flows	-4.6	0.7	1.4	0.8	-4.1	-33.0	-15.4	-5.7	-5.9	-6.1	-6.0
Primary deficit	-1.4	-0.3	-2.7	-3.0	-3.0	-5.7	-5.2	-5.3	-5.5	-5.7	-6.0
Noninterest revenues	27.3	26.7	28.1	28.0	27.6	24.5	22.8	22.6	22.3	32.6	34.2
Noninterest expenditures	25.9	26.4	25.4	25.0	24.6	18.8	17.7	17.3	16.8	26.9	28.2
Automatic debt dynamics	1.7	-3.3	-0.9	-1.3	-0.9	-25.1	-7.8	-0.1	0.1	0.3	0.7
Real interest rate and relative inflation	-6.8	-0.4	1.8	1.8	2.2	0.2	0.8	0.9	0.7	0.5	0.4
Real interest rate	-30.5	-7.8	-2.1	-0.9	-0.3	-5.3	0.1	0.9	0.4	0.3	0.2
Relative inflation	23.7	7.3	4.0	2.7	2.5	5.5	0.7	0.0	0.2	0.2	0.2
Real growth rate	-2.9	-2.9	-2.7	-3.1	-3.1	-25.2	-8.6	-1.0	-0.6	-0.2	0.2
Real exchange rate	11.3	-15.1	--	--	--	--	--	--	--	--	--
Other identified flows	-4.9	4.3	5.0	5.1	-0.2	-2.3	-2.4	-0.3	-0.5	-0.8	-0.7
(minus) Interest Revenues	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Recapitalization of CBvS	0.0	0.0	5.1	-0.5	-0.4	-1.8	-0.6	-0.1	-0.4	-0.4	-0.3
Other accounts payable	2.0	1.3	1.5	1.4	0.7	0.0	0.0	0.0	0.0	0.0	0.0
IMF BoP component	1.6	3.0	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Changes in deposits at CBvS	0.0	0.0	-2.2	-0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nominal haircut eurobonds	-7.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nominal haircut CBvS	-1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contribution of residual	-14.1	-11.7	-2.0	-6.3	-1.7	-2.5	2.8	1.5	1.5	2.6	3.0
Gross financing needs (incl. arrears clearance)	7.4	7.5	5.2	3.7	6.5	1.1	0.4	0.2	0.0	-0.8	-1.7
of which: debt service (excl. arrears)	5.7	7.9	7.9	7.2	9.9	7.1	5.9	5.4	5.6	5.0	4.5
Local currency	1.6	0.7	1.1	1.5	1.5	1.8	1.1	1.2	1.7	1.6	1.5
Foreign currency	4.0	7.2	6.8	5.7	8.4	5.3	4.8	4.2	3.9	3.5	2.9
Memo:											
Real GDP growth (percent)	2.5	3.0	3.2	3.7	4.0	50.3	27.5	3.8	2.7	1.2	-1.6
Inflation (GDP deflator; percent)	38.5	12.5	7.7	6.0	5.9	17.8	5.0	1.7	3.2	3.5	3.8
Nominal GDP growth (percent)	42.0	15.9	11.1	10.0	10.1	77.1	33.8	5.6	6.0	4.8	2.2
Effective interest rate (percent)	1.4	3.3	4.9	4.9	5.4	5.3	5.2	5.3	5.3	5.3	5.3

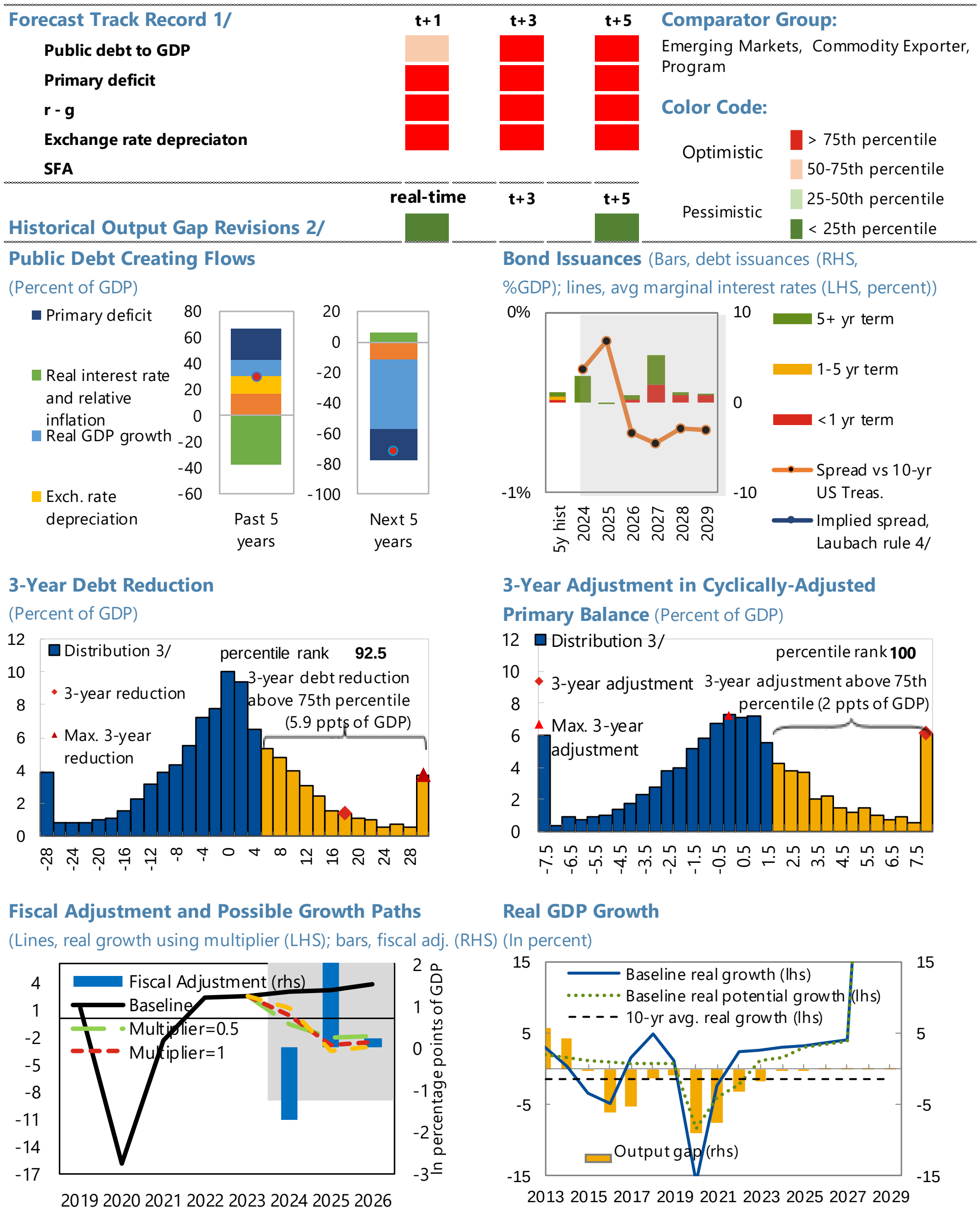
Contribution to Change in Public Debt

(Percent of GDP)



Commentary: Public debt is expected to fall below 80 percent of GDP by 2027, driven by fiscal adjustments and restructuring agreements, continuing on a steady downward trend to under 40 percent in 2028 with the commencement of block 58 oil production. GFNs peaked in 2024 due to principal payments on multilateral debtmultilateral debt and the clearance of arrears from recent restructuring agreements. However, GFNs are anticipated to decrease to 1 percent of GDP by 2028, bolstered by increased oil revenues. The GFN trajectory is supported by sustained primary surpluses, and maintaining a liquidity buffer, including government deposits, is deemed essential for managing future shocks. Note: The GFNs are on a cash basis and reflect arrears clearances.

Annex I. Figure 5. Suriname: Realism of Baseline Assumptions



Commentary: The tools alert to a rapid reduction in public debt and improvement in primary balance, but the projections are underpinned by the authorities' strong commitments to fiscal adjustment, ongoing debt restructuring, and increased oil production and growth. The interest-growth gap reflects optimism, but this is partly explained by the fact that about half of total financing is expected to come from IFIs without external market access until at least 2027. In the long term, the real exchange rate is assumed to converge to its equilibrium REER as the initial depreciation is reversed by the end of the five-year horizon.

Source : IMF Staff.

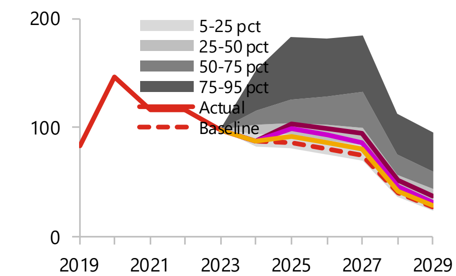
1/ Projections made in the October and April WEO vintage.

2/ Calculated as the percentile rank of the country's output gap revisions (defined as the difference between real time/period ahead estimates

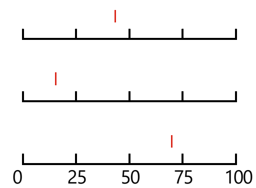
3/ Data cover annual obervations from 1990 to 2019 for MAC advanced and emerging economies. Percent of sample on vertical axis.

Annex I. Figure 6a. Suriname: Medium-Term Risk Analysis

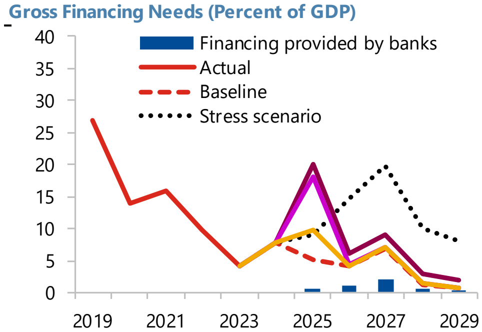
Final Fanchart (Percent of GDP)



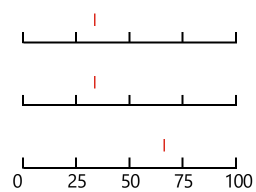
	Value	Contrib 1/	Percentile in peer group 2/
Debt fanchart module			
Fanchart width *(percent of GDP)*	71.8	1.0	
Probability of debt non-stabilizaiton *(percent)*	0.0	0.0	
Terminal debt-to-GDP x institutions index	36.4	0.8	
Debt fanchart index (DFI)		1.8	
Risk signal: 3/		Moderate	



Gross Financing Needs (Percent of GDP)



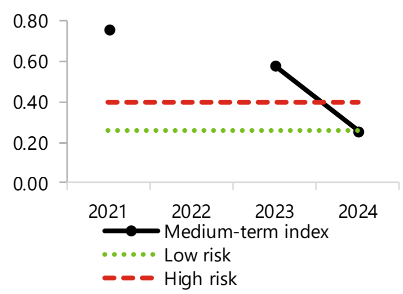
	Value	Contrib 1/	Percentile in peer group 2/
Gross financing needs (GFN) module			
Average baseline GFN *(percent of GDP)*	4.3	1.5	
Initial Banks' claims on the gen. govt *(pct bank assets)*	4.4	1.4	
Chg. In banks' claims in stress *(pct banks' assets)*	7.3	2.4	
GFN financeability index (GFI)		5.3	
Risk signal: 4/		Low	



Triggered stress tests (stress tests not activated in gray)

Banking crisis ☐ Commodity prices Exchange rate ☐ Contingent liab. ☐ Natural disaster

Medium-Term Index (Index Number)



Medium-term risk analysis

	Value	Value (normalized)	Weight	Contribution
Debt fanchart index	1.8	0.4	0.5	0.2
GFN finaceability index	5.3	0.1	0.5	0.1
Medium-term index		0.3		
Risk signal: 5/		Low		
Final assessment:		Moderate		

Prob. of missed crisis, 2024-2029, if stress not predicted: 9.1 pct.

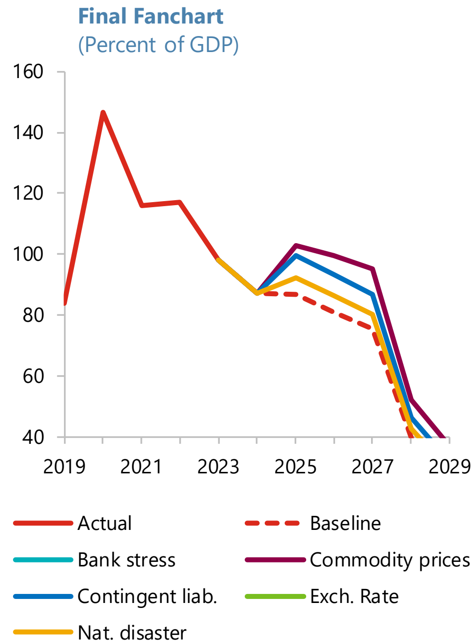
Prob. of false alarms, 2024-2029, if stress predicted: 42.0 pct.

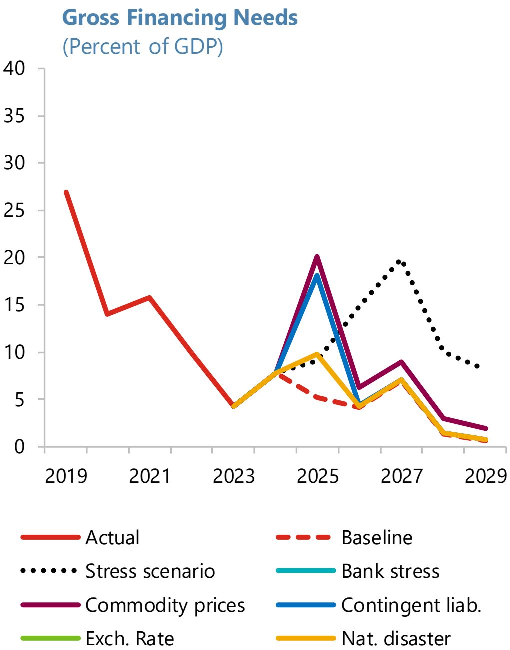
Commentary: The debt fanchart module indicates a moderate risk of debt distress, primarily due to the wide range of the fanchart, which reflects significant historical fluctuations in the real exchange rate and inflation. Nevertheless, the flexible exchange rate regime and commitment to prudent policies are expected to help mitigate these risks. The risk associated with debt non-stabilization is relatively low, supported by a steady decline in public debt and ongoing fiscal adjustments in the medium term. The GFN finance-ability module points to a low risk of debt distress, aided by a declining GFN path. However, risks related to changes in bank claims are higher than anticipated due to the recapitalization needs of CBvS, impacting GFN due to both direct cash injections and the use of marketable bonds with bullet maturities in the medium term. Conversely, risks to public debt can be alleviated by the significant portion of government revenues received in foreign currency and the potential for increased oil revenues. Overall, both the medium-term and overall risks are assessed as moderate.

Source: IMF staff estimates and projections.

1/ See Annex IV of IMF, 2022, Staff Guidance Note on the Sovereign Risk and Debt Sustainability Framework for details on index calculation.
2/ The comparison group is emerging markets, commodity exporter, program.
3/ The signal is low risk if the DFI is below 1.13; high risk if the DFI is above 2.08; and otherwise, it is moderate risk.
4/ The signal is low risk if the GFI is below 7.6; high risk if the DFI is above 17.9; and otherwise, it is moderate risk.
5/ The signal is low risk if the GFI is below 0.26; high risk if the DFI is above 0.40; and otherwise, it is moderate risk.

Annex I. Figure 6b. Suriname: Stress Scenarios





Annex I. Figure 7. Suriname: Long-Term Risk and Analysis

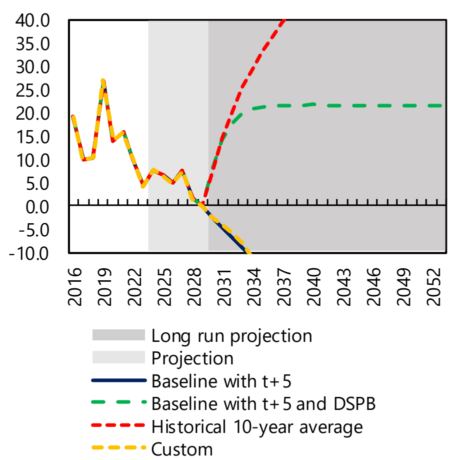
Large amortizations	Pensions	Climate change: Adaptation	Natural Resources
	Health	Climate change: Mitigation	

Suriname: Long-Term Risk Assessment: Large Amortization Incl. Custom Scenario

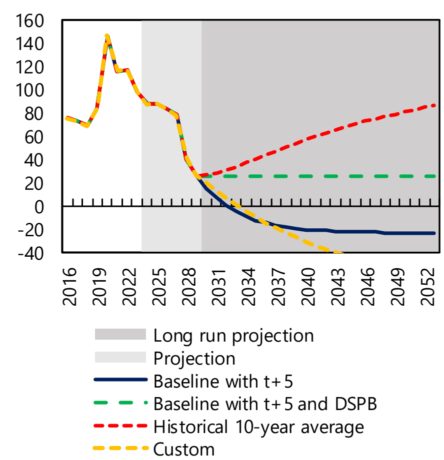
Projection	Variable	Risk Indication
Medium-term extrapolation	GFN-to-GDP ratio	
	Amortization-to-GDP ratio	
	Amortization	
Medium-term extrapolation with debt stabilizing primary balance	GFN-to-GDP ratio	
	Amortization-to-GDP ratio	
	Amortization	
Historical average assumptions	GFN-to-GDP ratio	
	Amortization-to-GDP ratio	
	Amortization	
Overall Risk Indication		

Variable	2029	2033 to 2037 average	Custom Scenario
Real GDP growth	27.5%	0.9%	6.7%
Primary Balance-to-GDP ratio	5.2%	5.7%	5.5%
Real depreciation	-5.7%	-3.2%	-3.8%
Inflation (GDP deflator)	5.0%	3.3%	3.4%

GFN-to-GDP Ratio



Total Public Debt-to-GDP Ratio



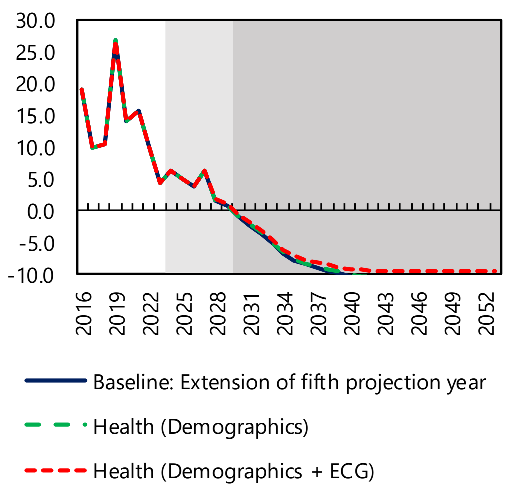
Commentary: The long-term analysis indicates that GFN to GDP and public debt to GDP diverge very quickly if the government followed the past 10-year path. The historical 10-year average scenario is less informative because the scenario includes macro-fiscal shocks during the crisis period of 2020-22. Nevertheless, it highlights the importance of running sufficient PB surpluses to achieve declining GFN to GDP and public debt to GDP paths in the medium to long term. The staff's projection is in line with the case of "Baseline with t+5". GFNs increase over the medium term as repayments to restructured claims and the IMF loans would commence after grace periods. Therefore, it is essential to continue fiscal reforms and keep sufficient liquidity buffer in the medium term.

Note: The staff projection may deviate from the long-term module's (mechanical) baseline because the former reflects below-the-line transactions (e.g., arrear clearances, debt restructuring).

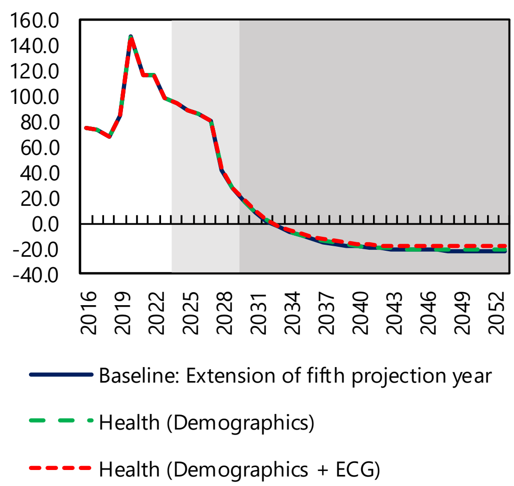
Annex I. Figure 7. Suriname: Long-Term Risk and Analysis (continued)

Suriname: Demographics: Health

GFN-to-GDP Ratio



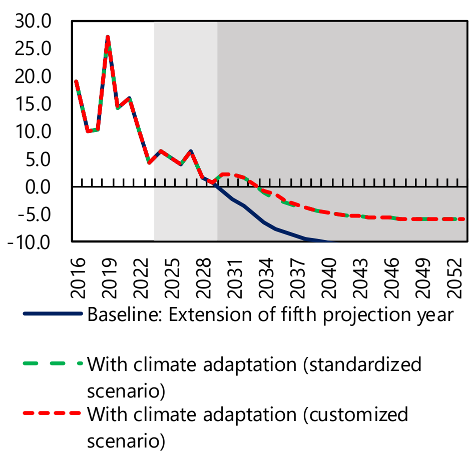
Total Public Debt-to-GDP Ratio



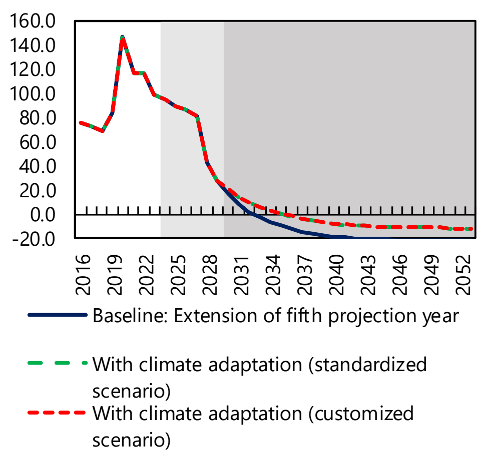
Commentary: Health cost based on demographic changes could provide additional risks in the long-term but this would not have a material impact given that GFN to GDP and public debt to GDP keep declining based on continued fiscal consolidation efforts.

Suriname: Climate Change: Adaptation

GFN-to-GDP Ratio



Total Public Debt-to-GDP Ratio

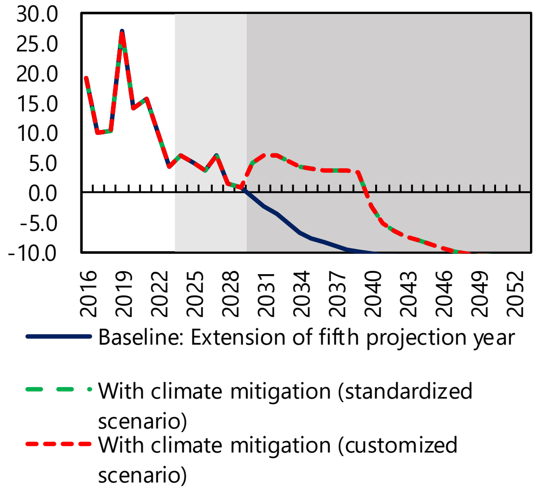


Commentary: Suriname is outside the hurricane belt but is occasionally affected by the tails of hurricanes and local storm events, resulting in flooding. Climate adaptation could cause additional fiscal costs. In both the standardized and customized scenarios, adaptation requires additional investment worth 3 percent of GDP per year. Therefore, it is important to continue fiscal efforts and keep sufficient liquidity buffers.

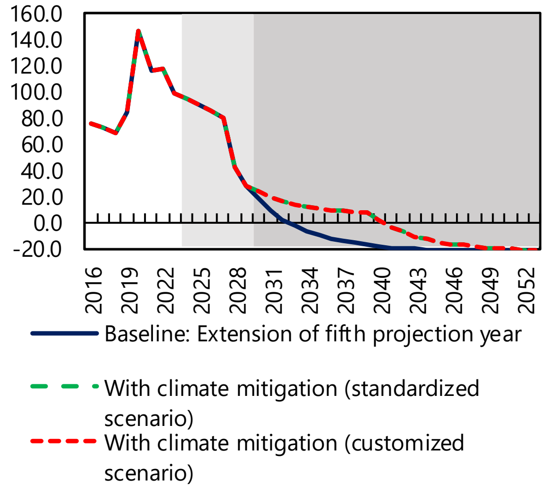
Annex I. Figure 7. Suriname: Long-Term Risk and Analysis (concluded)

Suriname: Climate Change: Mitigation

GFN-to-GDP Ratio



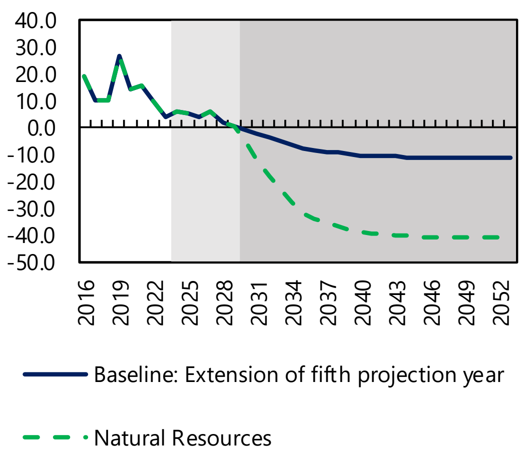
Total Public Debt-to-GDP Ratio



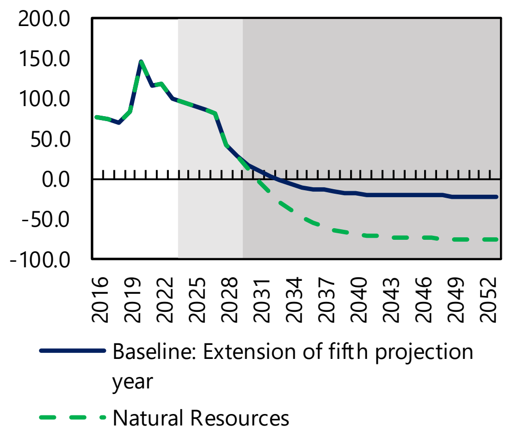
Commentary: Climate mitigation could cause additional fiscal costs. Therefore, it is important to continue fiscal efforts and keep sufficient fiscal and liquidity buffers. In both the standardized and customized scenarios, adaptation requires additional investment worth 5.7 percent of GDP.

Suriname: Natural Resources

GFN-to-GDP Ratio



Total Public Debt-to-GDP Ratio



Commentary: Scaled up oil extraction from block 58 oil project with initial estimates of recoverable reserves of 750 million barrels reduces signficantly the GFNs and reduces the long term debt path. However, it is important to include mitigating measures to climate change, which could further impact revenues, growth and debt profile. There is need for continue fiscal consolidation efforts and rebuilding buffers for future shocks.

Annex II. Public Debt Restructuring

1. The goal of debt restructuring, along with fiscal consolidation, is to put public debt on a firm downward trajectory and achieve the medium- and long-term debt anchors. The program aims to reduce public debt to 60 percent of GDP by 2035 and reduce GFNs to an average of 9 percent and an upper limit of 12 percent over 2023–35. These targets serve as the long-term anchors of the program, providing sufficient buffer given the Suriname's vulnerabilities. A 60 percent debt-to-GDP target is consistent with other recent debt restructurings under IMF-supported programs in the region (e.g., Barbados and Jamaica).

2. The specific assumptions of the baseline scenario are as follows:

- ***Debt restructuring with external official creditors***. The debt perimeter for restructuring covers external commercial and official bilateral debt (including arrears), in total amounting to about 50 percent of GDP as of end-2021. The authorities reached a restructuring agreement with Paris Club creditors on June 24, 2022, followed by bilateral agreements with all the PC creditors. The final bilateral agreement was reached with Italy in June 2023. Under the agreement with the Paris Club, there is no face value reduction of official debt and ECA-backed commercial debt, but amortization is paused for 7 years (until 2028) and for 8 years (until 2029) respectively. 60 percent of the PC arrears under the bilateral agreement were already paid and the remaining 40 percent was paid in 2024. The authorities signed phase two of debt restructuring agreement with the Paris Club in October 2024, providing a stock relief, with the repayments commencing in 2030. Discussions are ongoing with individual PC creditors on implementing the second phase of the agreed PC treatment. In March 2023, an agreement on official credit lines by EXIM India was made and 60 percent of the end-2021 arrears were paid, while the remaining 40 percent was paid in 2024. An agreement on loans backed by EXIM India was made in May 2023. A final agreement on phase one of debt restructuring with China was signed in November 2024. The agreements with the Paris Club and China include contingencies for the second phase of debt treatment should the macroeconomic outlook improve, in particular pertaining to oil developments.

- ***Debt restructuring with external private creditors***. The authorities reached an agreement in principle (AIP) with bondholders in May 2023. The formal debt exchange with private external bondholders was finalized in November 2023, reaching a pre-CAC participation rate of over 96 percent and a post-CAC participation rate of 100 percent.[1] The new bonds were issued in an aggregate principal amount of USD 650 million, with an additional USD 10 million issued to cover fees and expenses of the bondholder committee. Interest payments started from 2024 with a coupon of 4.95 percent in cash and with a coupon of 3 percent being capitalized until January 2026, when the coupon rate increases to 7.95 percent. The bonds are amortized in 14 semi-annual installments starting in 2027 equal to 1/14th of the outstanding principal amount.

[1] Before the bond exchange, the Eurobonds comprised 95 percent of the total external debts with private external creditors (Table 14).

As part of the restructuring offer, bondholders also accepted a VRI conditional on new revenue streams from block 58 oil project which reached a final investment decision in October 2024. The treatment of the VRI in the DSA is based on staff's current understandings and follows past precedents. Specifically, payment obligations are only recognized as they are expected to materialize, i.e. in line with the assumed realization of revenues (from 2028 onwards). As the authorities will have the means to meet these obligations as they fall due, no additional financing or other accumulation of debt will be needed to cover these payments; instead, the economic cost is reflected in the opportunity cost associated with the lost revenue. Agreements were reached in April 2024 and December 2024 to restructure the majority of external commercial loans. Negotiations are ongoing with the remaining one commercial creditor, with expected debt treatment on comparable terms and in line with program parameters.

- ***Comparability of treatment for the other creditors***. The restructuring agreements with the Paris Club (PCs) and China include contingencies (clawback provisions) for the second phase of debt treatment should the macroeconomic outlook improve, in particular pertaining to oil developments. The DSA assumes that both the Paris Club and China will revisit clawback provisions in their restructuring agreement to be repaid as per terms comparable to VRI holders, once the VRI starts paying out. Staff conservatively assume that the PC and China will require repayments on terms comparable to VRI holders. This is achieved by scaling up principal payments proportionate to the VRI payments to be made to VRI holders post 2028.

- ***CBvS restructuring***: Legacy debts to the CBvS have been restructured into a new loan with a grace period of 2 years and a maturity of 27 years. All short-term advances made to the CG were repaid to the CBvS in 2023 and there are no outstanding arrears. Losses arising from this restructuring were reflected in the CBvS recapitalization plan.

- **Other domestic restructuring**. As of November 2022, accumulated domestic debt arrears to commercial banks and NBFIs peaked at SRD 3.3 billion. By February 2024, the authorities had finalized the bilateral restructuring negotiations for all domestic debts (mainly by rollovers combined with extending maturities), including a large USD loan to a commercial bank which accounted for 50 percent of arrears at end-2023. The authorities have gradually implemented a concrete action plan for clearing all domestic debt arrears and have met the continuous IT on non-accumulation of domestic debt arrears. All domestic debt arrears were fully paid by end-December.

- **Supplier arrears and other arrears**. The total stock of accounts payable stood at SRD 6.4 billion by December 2024, up from 5.2 billion in end December 2023. The end period 2024 stock comprising of SRD 0.403 billion in legacy suppliers arears, and SRD 0.971 billion in VAT refund claims. The authorities have further accumulated (on a net basis) SRD 2.97 billion by end December 2024.[2] About 70 percent of this stock is more than 90 days past the due date and

[2] STA has provided a framework to help capture the stock of debt with suppliers (arrears) since the invoices were approved, drawing information from authorities' Freebalance (IFMIS) and to track accumulation of new debt arrears, and clearance.

hence considered supplier arrears. The authorities are committed to gradually clearing all verified arrears on other accounts payable by 2027, while further improving their capacity through PFM reforms and TA to prevent new arrears. These arrears are being cleared in line with authorities' commitment. In 2025, they plan to clear 2.3 percent of GDP (Text Table).

Suriname: Domestic Suppliers Arrear Clearance in 2025

(Net basis)

	2025	
	SRD millions	% of GDP
Arrear repayments	**3,397**	**2.3%**
Suppliers	2,426	1.6%
VAT refunds	971	0.7%

Source: IMF staff estimates.

- ***Financing***: Financing requirements are projected to decline significantly over the medium term due to the external debt restructuring, both through the face-value reduction and coupon reduction on existing external bilateral and commercial debt. Budget support from the IDB is assumed until 2024 as a conservative assumption, though the government might seek further support in 2025 and afterwards. Project financing from multilateral creditors is assumed to decline gradually in the medium to long term as Suriname switches to market financing of its capital expenditures. Domestic financing is expected to be limited due to the gradual recovery in the market confidence. The baseline assumes modest issuance (SRD 484 mn) to test domestic market appetite in 2026. In 2026/27 we assume that residual GFNs will be met by 100 percent domestic T bonds. External market access is assumed to resume in 2028/29. The lack of external and domestic market access creates a potential financing gap in 2025/26 that is filled by CG deposit withdrawal. The government had accumulated deposits of SRD 13.5 billion (9.2 percent of GDP) by end December-2024, so potential delays in market access could be covered by a large liquidity buffer. Based on the FY2021 audit, the recapitalization of the CBvS was set at 9.4 billion, comprising of a one-off cash injection of SRD 1.0 billion in February 2025 and marketable bonds[3] issued in January 2025. The bonds have a total face value of SRD 8.4 billion and maturities ranging from 6 to 10 years. The coupon rate is fixed at 9 percent with semi-annual payments.

- **Contingent liability shock**. Contingent liability stress test of around 14.3 percent of GDP is included in the DSA in lieu of the narrow debt coverage and planned Staatsolie's financing for participation in the FID. Staatsolie shared with Staff its planned drawdown of the syndicated loan facility to meet its capital injection and in line with the procurement plan agreed with Total Energy. We estimate that for 2024/2025, up to US$610 million will be required. As a result, the

[3] The issuance of a marketable bond for recapitalization is consistent with the provisions of the new Central Bank Act.

GFN increases to 18 percent of GDP in 2025, while debt to GDP reaches 100 percent of GDP, before easing gradually to 46 percent of GDP by 2028.

3. Public debt is assessed to be sustainable, and risks of debt distress are assessed moderate. Public debt is expected to fall below 80 percent of GDP by 2027, driven by fiscal adjustments and restructuring agreements, continuing on a steady downward trend to under 40 percent in 2028 with the commencement of block 58 oil production. Moreover, GFNs would decline sharply from 7.7 percent of GDP in 2024 to 1 percent in 2028 as royalty revenues from block 58 oil project begins to flow. The GFN path is also anchored by sustained primary surpluses and it is essential to keep a liquidity buffer, including the government's deposits, against future shocks. If downside risks were to materialize, however, fiscal consolidation beyond the program period may be needed to generate additional buffers.

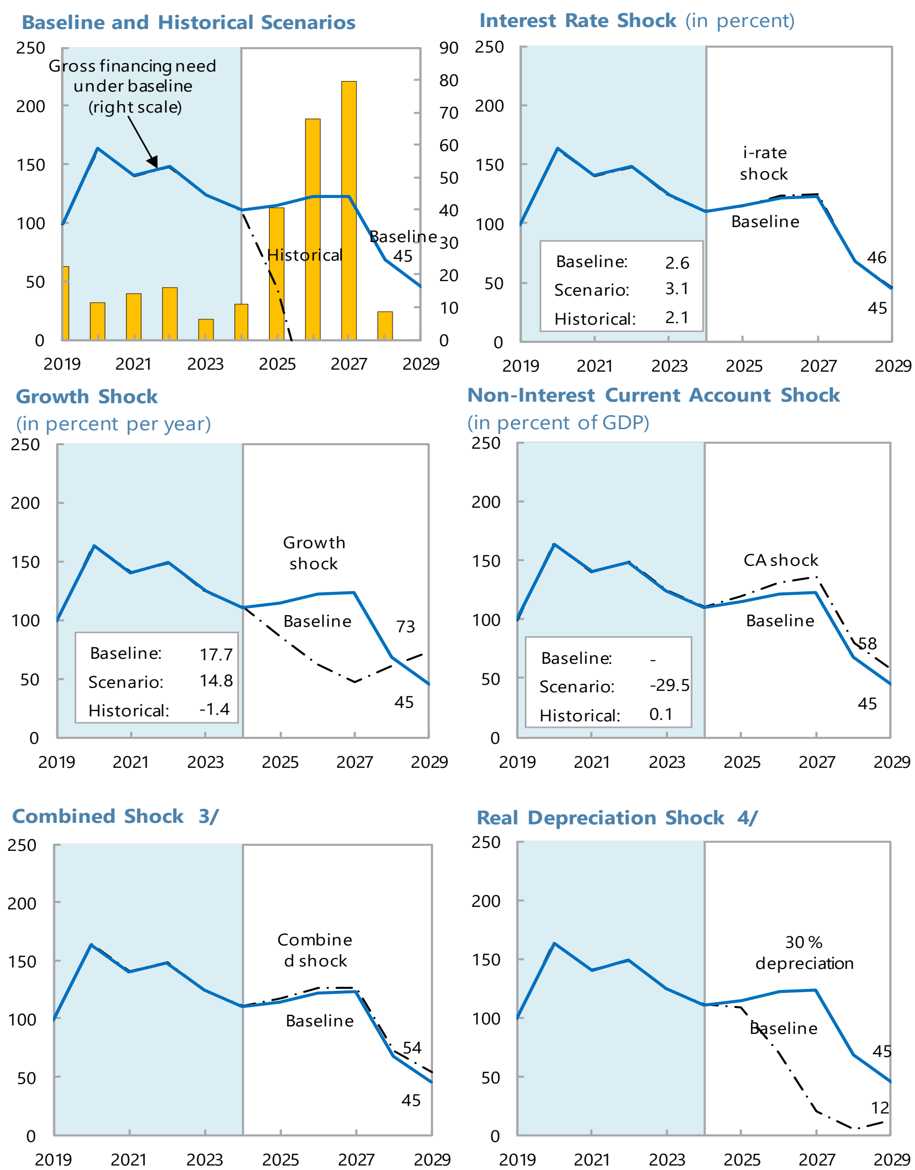
A. External DSA

4. External debt stood at 110 percent of GDP at end-2024, down from 124 percent at end-2023. Total external debt is projected to decline below 70 percent of GDP at end-2028, in part due to large foreign direct investment into block 58 oil project. While external debt is projected to decline substantially over the medium term, macroeconomic shocks pose significant risks (Figure 8). Various economic shocks reveal that the external debt would be generally kept below 100 percent of GDP. Nonetheless, continued internal and external adjustment is critical to ensure external sustainability going forward.

5. Final Investment Decision (FID) and Staatsolie’s participation: The FID on investments to extract oil from block 58 was announced in October, the state oil company (Staatsolie) would need financing of USD 2.6 billion to exercise its option of holding claims to 20 percent equity in the offshore fields by June 2025. Staatsolie intends to raise this financing through a combination of own cash reserves, domestic FX bonds (USD 200 million) and syndicated commercial bank financing of around (US$1.5 billion). The equity participation enables the government to benefit from both royalty revenues and the share of profit oil. Staatsolie’s investment in block 58 could support the government in times of need through higher dividend payment and would increase Staatsolie’s footprint in the region.

Annex II. Figure 1. Suriname: External Debt Sustainability: Bound Tests 1/2/3/4

(External Debt in percent of GDP)



Sources: International Monetary Fund; Country desk data; and staff estimates.
1/ Shaded areas represent actual data. Individual shocks are permanent one-half standard deviation shocks. Figures in the boxes represent average projections for the respective variables in the baseline and scenario being presented. Ten-year historical average for the variable is also shown.
2/ For historical scenarios, the historical averages are calculated over the ten-year period, and the information is used to project debt dynamics five years ahead.
3/ Permanent 1/4 standard deviation shocks applied to real interest rate, growth rate, and current account balance.
4/ One-time real depreciation of 30 percent occurs in 2025.

Annex III. Risk Assessment Matrix[1]

Risks (Likelihood)	Economic Impact if Risks Realized	Policy Response
Conjunctural Risks		
High	**Medium**	
Intensification of regional conflicts. Intensification of conflicts (e.g., in the Middle East, Ukraine, Sahel, and East Africa) or terrorism disrupt trade in energy and food, tourism, supply chains, remittances, FDI and financial flows, payment systems, and increase refugee flows.	Disruptions to energy and food prices, worsening fiscal and current account balances, inflation pressures due to higher import prices.	Remain committed to fiscal discipline, provide targeted fiscal support to ensure delivery of essential services; increase social assistance transfers. Maintain appropriately tight monetary policy to keep inflation expectations anchored.
High	**High**	
Commodity price volatility. Supply and demand volatility (due to conflicts, trade restrictions, OPEC+ decisions, AE energy policies, or green transition) increases commodity price volatility, external and fiscal pressures, social discontent, and economic instability.	An increase in fuel and/or food prices would increase fuel import bill, worsen current account and external financing needs; increase inflation and exchange rate pressures.	Reprioritize spending to provide targeted fiscal support to the most vulnerable. Maintain appropriately tight monetary policy to keep inflation expectations anchored. Move ahead with transition to a fully renewable economy to reduce reliance on fossil fuel. Raise domestic capacity for food and other goods supply; and maintain fiscal and external sustainability.
Low	**Medium**	

[1] The Risk Assessment Matrix (RAM) shows events that could materially alter the baseline path. The relative likelihood is the staff's subjective assessment of the risks surrounding the baseline ("low" is meant to indicate a probability below 10 percent, "medium" a probability between 10 and 30 percent, and "high" a probability between 30 and 50 percent). The RAM reflects staff views on the source of risks and overall level of concern as of the time of discussions with the authorities. Non-mutually exclusive risks may interact and materialize jointly. The conjunctural shocks and scenarios highlight risks that may materialize over a shorter horizon (between 12 to 18 months) given the current baseline. Structural risks are those that are likely to remain salient over a longer horizon.

Risks (Likelihood)	Economic Impact if Risks Realized	Policy Response
Easing of conflicts, positive supply-side surprises (e.g., oil production shocks), productivity gains from AI, or structural reforms raise global demand and trade.	A global positive scenario would increase trade, remittances, and investment. Currency appreciation and disinflation, which will improve domestic growth outlook, fiscal and external accounts, and reduce debt service costs.	Keep the exchange rate flexible to act as a shock absorber. Use existing policy space to support the economy and protect the most vulnerable, consistent with the monetary policy framework and fiscal sustainability. Implement structural measures to improve competitiveness to support domestic demand.
High	**Medium**	
Trade policy and investment shocks. Higher trade barriers or sanctions reduce external trade, disrupt FDI and supply chains, and trigger further U.S. dollar appreciation, tighter financial conditions, and higher inflation.	Reduction of investment, increased import prices and currency depreciation.	Keep flexibility in exchange rate to act as a shock absorber. Keep appropriately tight monetary policy stance, communicating and signaling strong commitment to keeping inflation in check. Reprioritize spending to provide targeted fiscal support to the vulnerable.
Medium	**Medium**	
Risks (Likelihood)	**Economic Impact if Risks Realized**	**Policy Response**
Tighter financial conditions and systemic instability. Higher-for-longer interest rates and term premia amid looser financial regulation, rising investments in cryptocurrencies, and higher trade barriers trigger asset repricing, market dislocations, weak bank and NBFI distress, and further U.S. dollar appreciation, which widens global imbalances, worsens debt affordability, and increases capital outflow from EMDEs.	Higher global risk premium can result in a negative feedback loop between sovereign and banks; asset quality deterioration for banks.	Monitor the financial system and be ready to provide liquidity assistance if needed to maintain financial stability. Adjust macroprudential measures to avoid an undue tightening of financial conditions. Continue with fiscal discipline backed by structural reforms to increase fiscal sustainability and improve business/regulatory environment, thereby increasing investors' confidence.

Risks (Likelihood)	Economic Impact if Risks Realized	Policy Response
High	**Medium**	
Sovereign debt distress. Higher interest rates, stronger U.S. dollar, and shrinking development aid amplified by sovereign-bank feedback result in capital outflows, rising risk premia, loss of market access, abrupt expenditure cuts, and lower growth in highly indebted countries.	Higher funding costs for sovereign and corporates, capital outflows. Sovereign international market access is not expected until 2027.	Maintain fiscal discipline and tight monetary policy. Proceed with restructuring of sovereign debt. Seek additional financing from IFIs and bilateral donors.
Medium	**High**	
Social discontent. High inflation, real income loss, spillovers from conflicts (including migration), worsening inequality, and disputed elections cause social unrest and detrimental populist policies. This exacerbates imbalances, slows growth, and leads to policy uncertainty and market repricing.	Social discontent leads to protests, weakens the reform momentum, damages investor confidence, and slows growth.	Reprioritize spending to provide targeted fiscal support to the vulnerable. Strengthen social safety nets. Maintain appropriately tight monetary policy.

Structural Risks

Risks (Likelihood)	Economic Impact if Risks Realized	Policy Response
High	**Medium**	
Deepening geoeconomic fragmentation. Persistent conflicts, inward-oriented policies, protectionism, weaker international Cooperation, labor, mobility curbs, and fracturing technological and payments systems lead to higher input costs, hinder green transition, and lower trade and potential growth.	Deeper fragmentation would weaken growth and strain the ongoing macroeconomic and structural reforms. Suriname would need to find a new source of future growth that is less reliant on the external environment.	Allow the exchange rate to adjust to reflect the new fundamentals. If inflation has fallen, utilize monetary policy space to ensure that the output gap does not stay negative for too long. Extending targeted measures to support individuals and businesses by reprioritizing spending.
Medium	**Low**	
Disorderly energy transition. A disorderly shift to net-zero emissions (e.g., owing to shortages in critical metals) and climate policy uncertainty cause supply disruptions, stranded assets, market volatility, and subdued investment and growth.	Would slowdown climate mitigation and adaptation efforts and adversely impact long-term growth.	Continue building capacity to monitor and assess climate change risks, including building a data collection mechanism.

Risks (Likelihood)	Economic Impact if Risks Realized	Policy Response
Medium	**High**	
Climate change. Extreme climate events driven by rising temperatures cause loss of life, damage to infrastructure, food insecurity, supply disruptions, lower growth, and financial instability.	Extreme climate shocks, like drought, would weaken fiscal position and reduce government ability to mobilize revenues while increasing the need for more priority spending.	Accelerate investment into climate resilient infrastructure that could mitigate disaster risk; and continue seeking climate financing to safeguard from natural disaster shocks.
High	**High**	
Cyberthreats. Cyberattacks on physical or digital infrastructure (including digital currency and crypto assets), technical failures, or misuse of AI technologies trigger financial and economic instability.	Disruption in economic activity, reduction capital inflows.	Adhere to the digitalization 2023-203agenda and spent on strengthening cybersecurity.

Annex IV. Advancing Expenditure Policy Through Digitalization[1]

Suriname is steadily progressing toward building a digitally empowered public sector, driven by the comprehensive vision outlined in its National Digital Strategy 2023-2030. This strategy underscores the importance of robust digital infrastructure, affordable and inclusive connectivity, and the adoption of GovTech solutions to enhance public service delivery. By leveraging modern technology, the government aims to improve efficiency, transparency, and accessibility across its institutions, paving the way for more responsive governance. Significant challenges persist, including bridging the digital divide, particularly in rural areas, investing about 0.3 percent of GDP per year to achieve universal coverage by 2030, improving the affordability and quality of the internet service, and addressing critical gaps in digital skills among citizens and public officials. Overcoming these obstacles will be essential for Suriname to fully harness the transformative potential of digitalization and deliver tangible benefits to its population.

A. Suriname's Commitment to Digitalization

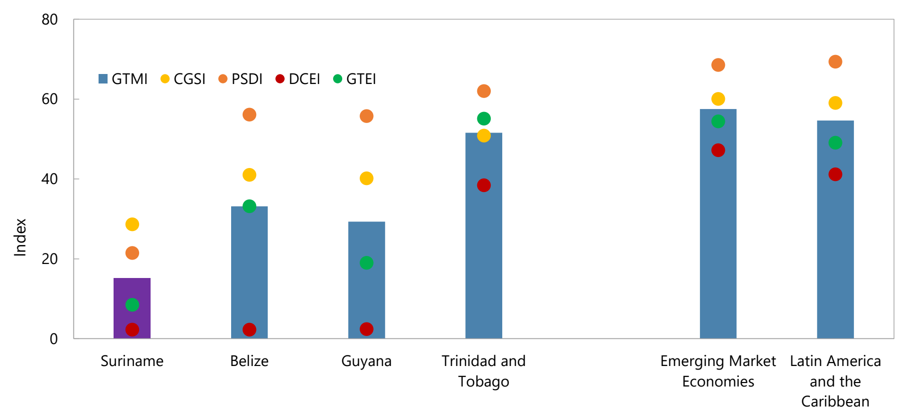
1. **Since early 2010s, Suriname has recognized digital transformation as a catalyst for economic development and has actively leveraged GovTech solutions to modernize public administration**. In 2012, the government established its e-Government committee with ambitious goals, including connecting every household in Suriname to the internet, making all government services available online, and providing every citizen with a secure smart ID card by 2020. Although not all goals are fully achieved, the government's endeavors have yielded substantial progress. In 2019, Suriname introduced e-Visa and e-Tourism card systems to streamline travel authorization processes, marking a significant step in digitizing public services. In April 2021, the government established a Presidential Working Group on E-Government Development (E-PWG) to conduct comprehensive analysis of information and communication technologies (ICT) within the government and to develop protocols and guidelines for future e-government initiatives.

2. **Suriname lags its peers in the progress of digital transformation in the public sector**. Based on the World Bank's GovTech Maturity Index, Suriname has a large gap in public service delivery (Figure 1). This is in line with the UN Government Online Services Index in which Suriname scores 0.34 compared to the global average of 0.56. This is largely due to the absence of systematic mechanisms to understand and optimize the user experience of government digital services. It also highlights broader issues in monitoring and evaluation process, as well as gaps in data collection. Similarly, the comparison with peers suggests that there is substantial room for Suriname to strengthen the implementation of its e-government strategy by strengthening citizen engagement through public participation platforms, citizen feedback mechanisms, and open data/government portals (Digital Citizen Engagement Index), and by improving GovTech enablers, including digital skills and innovation programs (GovTech Enablers Index).

[1] Prepared by Carolina Bloch, Jiemin Ren and Mona Wang (FAD)

3. The government of Suriname is actively exploring a wide range of digital government and public service initiatives. Many of them are in the early stages of development but are gaining momentum. Notable examples include the 'Safe City' services, launched in 2018 for security and crime monitoring, the e-Visa and e-Tourism card systems introduced in 2019 to streamline travel authorization processes, the implementation of X-Road for secure data exchange, and the ongoing development of a national electronic ID system. These initiatives demonstrate the government's commitment to leveraging digital tools to improve public service delivery and foster greater citizen engagement.

Annex IV. Figure 1. GovTech Maturity Index



Sources: World Bank, https://www.worldbank.org/en/data/interactive/2022/10/21/govtech-maturity-index-gtmi-data-dashboard.

Note: GTMI (GovTech Maturity Index) consists of the average of four components: CGSI (Core Government Systems Index), capturing the key aspects of a whole-of-government approach; PSDI (Public Service Delivery Index), presenting the state of online portals, e-filing services, e-payments; DCEI (Digital Citizen Engagement Index), measuring aspects of public participation platforms, citizen feedback, and open gov/data portals; and GTEI (GovTech Enablers Index), capturing strategy, institutions, and regulations, as well as digital skills and innovation programs. Each component index is calculated as weighted average scores from relevant questions from the Central Government GTMI survey.

4. Building on these foundational efforts, the government has renewed its commitment to comprehensive digital transformation through the National Digital Strategy 2023-2030.[2] Published in 2023, the new digital strategy outlines a vision to create "an accessible, transparent, sage and secure digitally transformative environment, that sustainably enables the prosperity and universal well-being of all citizens of Suriname." It focuses on six strategic priorities: 1) strengthening digital infrastructure, 2) providing accessible and affordable internet, aiming to allow at least 95 percent of the households in the populated districts and 75 percent of the households in the rural area districts have access to internet broadband services, 3) delivering digital identity, finalizing

[2] See https://gov.sr/wp-content/uploads/2023/09/Suriname-National-Digital-Strategy-2023-2030.pdf, accessed January 2025.

e-Card reading infrastructure by 2025 and achieving nationwide coverage of e-ID by 2030, 4) improving access to government services, with a target of 25 percent of government departments fully digitized by 2027, 5) ensuring hybrid and distance digital learning; and 6) increasing citizen awareness and creating and mindset shift. The strategy also outlines transformative approaches for key sectors, including education, health, public service delivery, financial payment system, agriculture, and oil and gas.

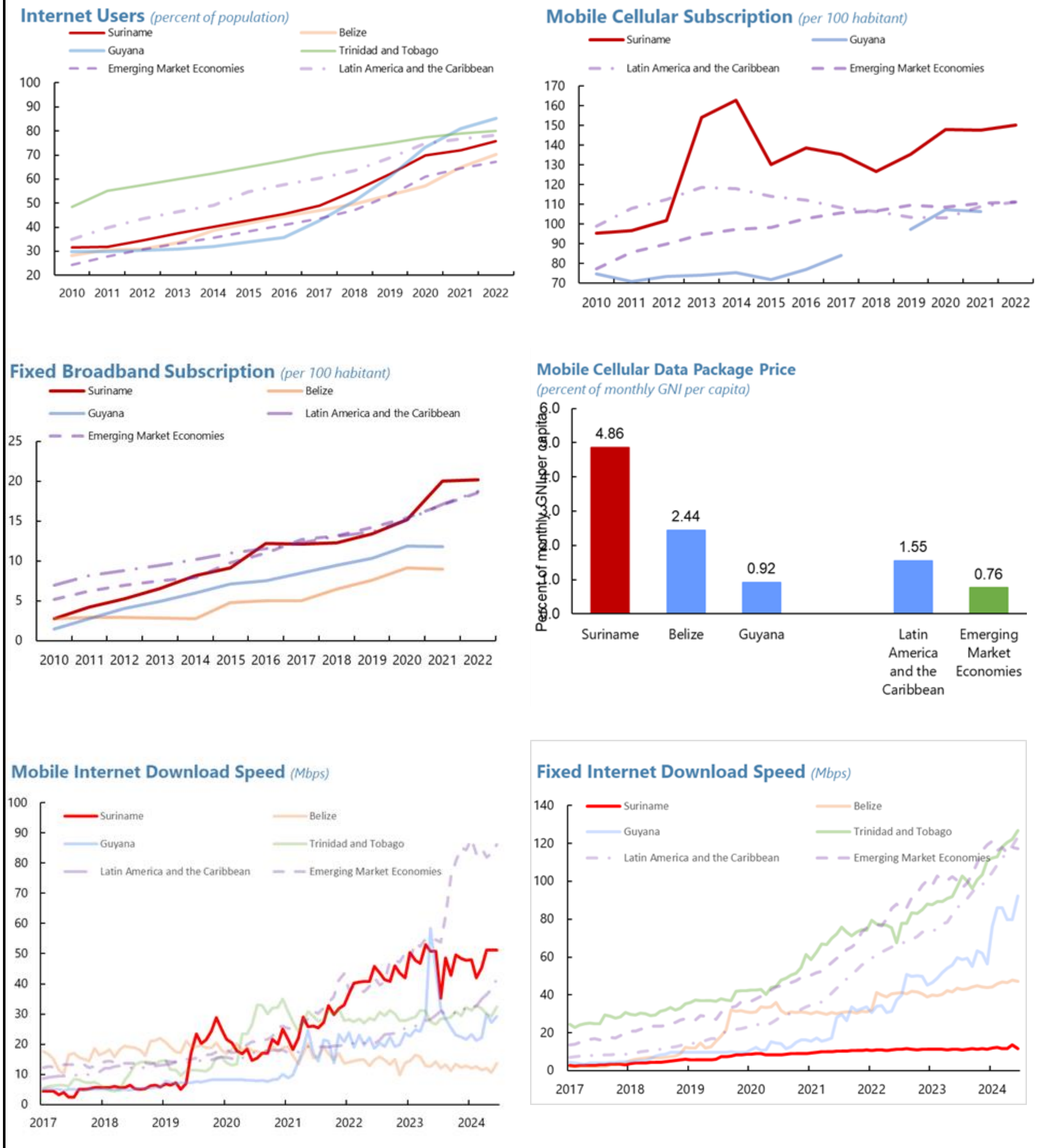
B. Digitalization Landscape in Suriname

5. Suriname has made progress in establishing its digital infrastructure and expanding Internet access in metropolitan areas. Internet penetration has grown from 31 percent in 2010 to 75 percent in 2022, indicating rapid expansion and progress toward the Latin American average. This growth has been largely driven by the rapid increase in mobile cellular subscription, while fixed broadband subscription has increased at a much slower path (Figure 2). TeleSur, the country's biggest telecom provider, which holds an estimated 85-90 percent market share in mobile service market, operates 279 cell towers across Suriname. Over half of the cell towers support 4G networks, and TeleSur is rolling out 5G services in the downtown area of the capital city. Additionally, in November 2022, Suriname inaugurated its own Internet Exchange Point (SUR-IX), to improve connectivity and internet efficiency within the country.

6. Despite these advancements, a significant digital divide remains between the coastal and interior regions. The recent expansion of internet coverage has primarily benefited major coastal cities, while interior regions, mostly covered by rainforests, continue to face substantial limited connectivity. Currently, mobile internet is available in only 19 out of 392 villages in the interior, but the telecom companies have shown little interest in expanding coverage to those area due to the scarce population density and infrastructure constraints, such as the lack of electricity in some areas. However, people living in those isolated areas stand to gain the most from digitalization, making it essential for the government to adopt innovative and tailored solutions to bridge this gap.

7. There is a pressing need to improve both the affordability and quality of the internet service in Suriname, potentially through infrastructure upgrades. Although mobile internet download speeds saw an uptick during COVID19 and have continued to improve, they still fall short of expectations. The cost of a basic mobile cellular data package is almost 5 percent of the monthly Gross National Income (GNI), which is much higher than in peer countries and the average level of Latin America and Caribbean region. Fixed internet, mainly used by businesses, costs about the same as mobile cellular service, but its download speeds have remained slow with little improvement over the past decade. Although optic fiber service is available to business, the high installation fees deter many entrepreneurs from adopting it. The low speeds and instability of the regular network makes it difficult for businesses to leverage modern tools, such as cloud services, to advance. To fully capitalize on the benefits of ongoing digital transformation in the public sector, it might be beneficial for Suriname to consider infrastructure upgrades. This could help ensure that reliable, high-speed connectivity becomes more accessible and affordable for all citizens.

Annex IV. Figure 2. Suriname: Internet Accessibility and Affordability



Sources: ITU, Ookla, and IMF staff calculations.

Note: Internet users reflect the proportion of individuals using the Internet among the total population or at least individuals of 5 years and older. Population-weighted averages are used for regional/group aggregates.

C. Social Dividends from Digital Transformation

8. Digital transformation in Suriname presents a significant opportunity to drive social dividends across various sectors, including social protection, education, and health. By embracing digital solutions, the country could improve resource allocation and enhance transparency in service delivery. This section examines the key policy considerations in these areas, highlighting both the benefits and challenges of existing digital initiatives in Suriname's social sectors, and outlining essential measures for sustained progress.

Social Safety Nets: modernization of information systems and social protection delivery system

9. Suriname has made significant strides to digitalize its social protection system. In 2021, the Ministry of Social Affairs & Housing (MOSAH) launched the Beneficiary Information System (BIS) to digitize the application process for social assistance programs. Currently, with the support of IDB, MOSAH is revamping this service to merge government data bases to automatically assign subsides and improve the targeting effectiveness of these program. The project is on time, the beta of the website is functioning and its projected to be online by May 2025. Additionally, Suriname is enhancing service delivery and ensuring that financial support promptly reaches those in need by using digital payments via debit cards and its banking system.

10. While significant progress has been made, further digital transformation is needed to modernize Suriname's social protection delivery system. The government is working towards fully digitalizing the application and intake process for programs like the General Child Benefit (AKB) child allowance, transitioning from paper-based applications to an online platform. This includes developing a social beneficiary app, allowing applicants to submit forms digitally before attending an intake appointment. Additionally, digitizing outreach will be important to reach out to key vulnerable populations more effectively, considering geographic and cultural diversity.

Education: Initiatives to develop digital learning and ICT skills

11. Suriname is taking decisive steps to enhance ICT readiness across its educational system, in align with the National Digital Strategy 2023-2030. Currently, only 29 percent of public and subsidized schools have internet access, primarily used for administrative purposes. Digital literacy levels among the population are also low, with only 40 percent of youth aged 15-24 possessing at least one ICT skill. Geographic, socioeconomic, and ethnic disparities further exacerbate this divide. For instance, only 10 percent of youth in the interior have digital skills, compared to 46 percent in urban areas. A key focus of the initiatives in education is expanding internet connectivity to schools through partnerships with agencies like Telesur and e-Gov. The government plans to provide digital teaching kits, including laptops, audiovisual equipment, and network enablers, to classrooms while addressing connectivity gaps through solar panels and minor infrastructure upgrades. To support this transformation, a teacher training program will be implemented to develop teachers' digital skills for integrating technology into pedagogy. Specific resources and culturally relevant materials will be created to address the needs of indigenous and

Maroon students in the interior. These initiatives are expected to bridge the digital divide, enhance teaching and learning, and prepare students for the increasing demand for digital skills in the labor market.

Health: unifying fragmented data sources and the enhance of service efficiency

12. Suriname's health system is highly fragmented, characterized by rarely integrated data, manual process, and a lack of interoperability between public and private healthcare providers. Public providers like the Regional Health Service (RGD) and the Medical Mission (MM) operate disconnected data systems, while private hospitals, clinics, and diagnostic labs maintain independent records. As a result, critical health data such as epidemiological, health services production, and patient histories are often collected through resource-intense manual process. The lack of a unified electronic health record system makes it difficult to access patient information, coordinate care, and allocate resources effectively. Additionally, limited IT infrastructure and workforce capacity further exacerbate those challenges, slowing the adoption of digital healthcare solutions.

13. Significant digital health initiatives have been launched to address gaps in Suriname's health system and improve service efficiency. As part of the Digital Health Agenda Vision 2030, the government is prioritizing the development of an interoperable national Electronic Health Record (HER), the modernization of IT infrastructure in primary care facilities, and the expansion of telehealth applications to connect remote clinics with specialists. The Ministry of Health, in collaboration with international partners like the Pan-American Health Organization (PAHO) and the Inter-American Development Bank (IDB), is working to develop a national Health Information Exchange Platform (HIEP) that aims to unify fragmented data sources and enable efficient data-sharing between different healthcare entities.

D. Conclusions and Policy Recommendations

14. Enhancing digital transformation is critical for supporting and accelerating the development of Suriname. To address existing challenges and fully reap the benefits, Suriname should prioritize the following policies:

- **Investment in digital infrastructure**: Providing accessible and affordable broadband access is essential to unlocking the full potential of Suriname's digital transformation, including e-government services and private sector innovation. The government has started with digitizing data registries and managing a range of digital contracts with vendors and other providers, but further investment is needed particularly in rural and remote areas, to ensure equitable access to digital services. Based on the IMF's Digital Infrastructure Costing Estimator (DICE),[3] the

[3] Oughton, Edward J; David Amaglobeli, and Marain Moszoro. 2003. "What would it cost to connect the unconnected? Estimating global universal broadband infrastructure investment." Telecommunications Policy 47(10): 102670. https://doi.org/10.1016/j.telpol.2023.102670[2] Oughton, Edward J., David Amaglobeli, and Marian Moszoro. 2023. "What would it cost to connect the unconnected? Estimating global universal broadband infrastructure investment." Telecommunications Policy 47(10): 102670. https://doi.org/10.1016/j.telpol.2023.102670

infrastructure investments needed to reach full connectivity in Suriname by 2030 amount to 0.3 percent of GDP per year.

- **Expand accessibility in underserved areas**: achieving equitable digital access across Suriname requires strategic investment in underserved regions, particularly the interior, where low population density and infrastructure challenges have hindered private sector expansion. The government could implement incentive programs—such as subsidies and tax benefits—to motivate telecom providers to expand mobile and broadband services to remote areas. Additionally, off-grid innovations like solar-powered cell towers and satellite-based internet should be explored to bypass electricity shortages and connectivity barriers. A good example is the construction of three hybrid solar energy plants in 2024, which will provide power to 25 villages in Suriname.

- **Targeted and broader digital literacy efforts**: Suriname should prioritize ICT training programs for educators, improving digital skills for teachers across both urban and remote areas. It is important to continue increasing digital literacy in mandatory education and to upskill local workers through longer-term focused vocational training that is aligned with labor market demands. In addition, targeted initiatives—such as subsidized access to devices, localized digital content in indigenous languages, and community-led workshops—can empower marginalized groups, including women and rural populations, to engage with e-government platforms and online services. By integrating digital literacy into lifelong learning programs and partnering with organizations like IDB, UNDP and PAHO, Suriname can ensure inclusive participation in its digital economy.

- **Enhance digital governance**: Strengthening governance is crucial for ensuring the effective institutional coordination and policy execution. Suriname should focus on formalizing an eGovernment agency, supported by legislation that ensures its independence and mandates a cohesive and cross-government approach to digital governance. Additionally, the government must streamline regulatory frameworks to support digital services, data privacy, and cybersecurity while promoting interoperability across ministries and agencies. Sustainable funding mechanisms should be explored to support long-term digital governance reforms.

Appendix I. Letter of Intent

Paramaribo, Suriname
March 7, 2025

Ms. Kristalina Georgieva
Managing Director
International Monetary Fund
Washington, DC 20431

Dear Ms. Georgieva,

The attached Memorandum of Economic and Financial Policies reviews recent economic developments and performance under the Extended Fund Facility arrangement approved by the IMF Executive Board in December 2021. It also updates the government's policies and priorities for 2025 and the medium term.

We inherited an extremely challenging economic situation amid the global health crisis. With the support of the Fund, we implemented the macroeconomic adjustment and structural reforms to help Suriname recover from the unprecedented economic crisis and lay foundations for inclusive growth. Over the course of the past two years, despite increasingly challenging domestic and external environment and capacity constraints, seven consecutive reviews (2^{nd} through 8^{th}) were completed.

The broad objectives of the program have been achieved. Economic growth has returned, international reserves are now comfortable, and inflation has declined from 61 percent in December 2021 to 10 percent in December 2024. Fiscal and debt sustainability have been restored, while spending on social assistance program in percent of GDP has doubled. Governance and operational autonomy of the central bank has been strengthened and its recapitalization completed. We successfully restructured all official and almost all privately-held external debt and have fully repaid domestic debt arrears. Financial sector oversight has improved and vulnerabilities in the banking system have lessened. Donors, credit rating agencies and investors have recognized our policy efforts and international bond spreads are now at historic lows and our sovereign credit ratings have been upgraded.

The announcement of Final Investment Decision in October 2024 marked a new beginning for Suriname. However, we are mindful that an abundance of natural resources does not guarantee prosperity for the population, unless proper institutional frameworks are put in place. In this regard, in December 2024, the National Assembly passed amendments to the Public Financial Management (PFM) and Savings and Stabilization Fund Suriname (SSFS) laws to introduce fiscal rules (establishing targets for public net debt and annual primary expenditure limits). We will continue working closely with the IMF and IDB to calibrate and operationalize these rules with the objective of avoiding excessive fiscal procyclicality with respect to oil, building buffers, and ensuring intergenerational equity.

We remain committed to fiscal discipline. We have submitted to the National Assembly a 2025 budget targeting a primary surplus of 2.7 of GDP to be achieved through a combination of expenditure and revenue measures. On the expenditure side, we are continuing to phase out subsidies on electricity, water, and gas. We are removing unregistered and chronically absent workers from public payrolls, while enforcing the hiring freeze. To ensure fiscal discipline, we have introduced quarterly ceilings for line ministries. On the revenue side, we are continuing our efforts to strengthen tax administration, including through hiring and training of additional staff, improving VAT collections and processing of VAT refunds. Reforms are ongoing to strengthen the Large Taxpayer Unit and to make the tax department a semi-autonomous revenue agency, supported by the recently approved legislature.

Our sovereign debt restructuring process is close to completion. A final agreement with EXIM China on the first phase and China ICBC was signed in November 2024. In December 2024, an agreement was signed with Israel Discount Bank to restructure four outstanding commercial loans. Negotiations are ongoing with the remaining one commercial creditor with expected debt treatment on comparable terms and in line with program parameters. We have also signed an umbrella agreement with the Paris Club (PC) for the second phase of debt treatment and bilateral negotiations with individual PC creditors are ongoing.

Our restrictive monetary policy stance has put inflation on a firmly downward path, benefiting the Surinamese people by arresting the real wage erosion and helping create a more favorable business climate. We met all the monetary targets for this review. We will continue to monitor monetary developments and will maintain the reserve money path consistent with our restrictive monetary policy stance until the inflation is firmly in the single digits. We will gradually phase out the retail segment of CBCs to improve the monetary transmission mechanism and to increase banking intermediation. We will continue to carefully monitor the liquidity conditions and consult with the IMF staff on any additional policy steps. We are laying foundations for the eventual transition to a new monetary policy regime where we would target interest rate as an operating target.

We remain committed to a flexible, market-determined exchange rate. The CBvS has refrained from FX interventions. To increase liquidity in the FX market, we will continue enforcing compliance with the 35 percent surrender requirement in a manner that is consistent with Article VIII provisions of the IMF. To increase the liquidity and transparency in the FX market, we have launched an electronic trading platform in February 2025 for interbank FX trading, which will also include AML/CFT compliant secondary banks that hold licenses for conducting FX transactions. We have also prepared regulations governing FX trading platform, as well as reviewed and updated FX regulations guiding the FX Auction to ensure they are consistent with the program objectives and do not interfere with the efficient functioning of the FX market.

We are committed to bolstering financial sector resilience and strengthening central bank governance and operational independence. The CBvS has published audited IFRS financial statements from 2019 to 2021. We are striving to regularize the audit cycle by end-2025. We have also implemented the recapitalization plan of the Central Bank, that was finalized in August 2024.

We are prudently monitoring the resilience of the financial system, including the interconnectedness within the banking system and across banks and nonbank financial institutions, remaining vigilant to risks arising from rapid loan growth. We have also aligned the base for the calculation of the FX and SRD Suriname National Electronic Payment System (SNEPS) norms with that of the reserve requirements for the banks. This will avoid the need for cumbersome procedures by the banks and will increase transparency in calculating SNEPS norms. We are committed to working on the options for orderly resolution or liquidation of the bank with capital shortages with the overarching principle of preserving financial stability.

Strengthening governance and addressing vulnerability to corruption are critical to prepare Suriname for oil wealth. We are revising the anti-corruption legal framework to strengthen the requirement for the income and asset declarations of politically exposed persons, the routine verification of these declarations, the publication of this information, and the establishment of proportionate sanctions for non-compliance. We have made good progress in strengthening the AML/CFT framework. We have enacted a number of legislations to bring our AML/CFT framework in line with international standards based on the FATF recommendation. We have just completed the second National Risk Assessment (NRA) on ML/TF that will help us fill the gaps identified in the first NRA. The recent legislative changes have resulted in upgrades for 21 of the 40 FATF recommendations.

As we experienced some setbacks in program implementation, we are requesting waiver for the nonobservance of the end-December 2024 QPC on the primary fiscal balance of central government (floor, cash basis) based on the corrective actions we undertook to correct the fiscal underperformance. To close the gap of about 2.4 percent of GDP, we have increased excises on fuel.

We have formed a working group to look at the financial situation of EBS and to work on a mechanism for monthly remittances (through an escrow account) of additional revenues EBS gets from tariff increases to the budget. The state power company (Staatsolie) will return to the state budget the discount for thermal electricity production it has agreed to provide to EBS from October (retroactively) and will provide this discount going forward. The draft 2025 budget has included budgetary allocations for electricity, water, telecommunications and fuel payments for each ministry. To improve fiscal transparency, EBS published the audited financial statements for 2019 and 2020 and has submitted to the auditor 2021 financial statements. We are implementing measures for stricter enforcement of VAT tax compliance, including imposing penalties and interest on late filing and payment of outstanding taxes, in line with the VAT law. On the other hand, fully complying companies are now benefitting from fast-track refund processing and limited audits. We are more stringently enforcing the ”no work-no pay law” through swift removal of unregistered and chronically absent workers from public payroll and capped the unsanctioned use of overtime.

We met our social assistance spending targets for end-December with a large margin and are working to increase efficiency and effectiveness of our social safety net – which is critical for a sustainable and socially acceptable fiscal adjustment and poverty reduction – guided by the recently ratified social spending reform plan. Work is ongoing on a unified information system and social benefit database and on forming a monitoring and evaluation unit.

We are committed to bring this program to a successful completion in March. This would mark a historic milestone – the first IMF-supported program Suriname will have completed. Against this background, we are requesting the completion of the final review of the extended arrangement under the EFF, which will make available an amount equivalent to SDR 46.8 million (36.3 percent of quota or about USD 62.6 million) upon completion of the review (out of which SDR 33.6 million or about USD 45 million would be for budget support), and the completion of the financing assurances review. As part of our communication strategy, we have held frequent discussions with the broader society on the EFF-supported program and the government's economic recovery plan, and we will publish this letter on the websites of the Ministry of Finance and Planning (MoFP) and the CBvS to keep our citizens and international partners informed about our policy actions and intentions. In that regard, we authorize the IMF to publish this letter, its attachments, and the related staff report.

The government will observe the standard continuous performance criteria against imposing or intensifying exchange restrictions, introducing or modifying multiple currency practices, concluding bilateral payment agreements that are inconsistent with Article VIII of the IMF's Articles of Agreement, and imposing or intensifying import restrictions for balance of payments reasons.

Very truly yours,

__________/s/__________

Chandrikapersad Santokhi

President of Suriname

_________/s/_________
Kermechend S. Raghoebarsing
Minister of Finance and Planning
Paramaribo, Suriname

_________/s/_________
Maurice L. Roemer
Governor, Central Bank of Suriname
Paramaribo, Suriname

Attachments: Memorandum of Economic and Financial Policies
Technical Memorandum of Understanding

Attachment I. Memorandum of Economic and Financial Policies

I. BACKGROUND AND RECENT DEVELOPMENTS

1. **Our government remains fully committed to the objectives of our home-grown reform program supported by the Extended Fund Facility (EFF) arrangement**. On December 22, 2021, the IMF Executive Board approved an extended arrangement under the EFF with access of 366.8 percent of quota (SDR 472.8 million or USD 673 million). The program aimed to: (i) restore fiscal sustainability and strengthen fiscal management; (ii) bring public debt down to sustainable levels; (iii) improve the social safety net to better protect the most vulnerable; (iv) upgrade the monetary policy framework and adopt a flexible, market-determined exchange rate; (v) improve the viability of the financial system (including, where needed, through recapitalization) and develop a more effective bank oversight; and (vi) tackle corruption, strengthen institutions and institutional governance, and enhance Suriname's AML/CFT framework. After one year delay, we were able to bring the program back on track and complete the second review in June 2023. Since then, based on our demonstrated commitment to implement the reform program despite challenging socio-political environment, the IMF Executive Board completed the third through the eight reviews under the extended arrangement under the EFF.

2. **The broad objectives of the EFF arrangement have been met**. Our policy efforts have restored fiscal and debt sustainability, improved the effectiveness of government spending, provided increased resources to the poor, and created institutions to improve governance and tackle corruption. More concretely, a new VAT was introduced, fuel subsidies have been eliminated, subsidies on electricity, water, and gas have been reduced, spending on social assistance programs has doubled, and we have successfully restructured our external official and privately held debt. The Central Bank Act approved in 2022 has strengthened the autonomy and governance of the central bank and the government has recapitalized the institution. The AML/CFT regime was strengthened, and an Anti-Corruption Commission was established. Financial sector oversight has improved and vulnerabilities in the banking system have lessened. As a result of these efforts, credit rating agencies upgraded the sovereign rating and bond spreads are at all-time lows.

3. **We are in the final phase of external debt restructuring**. We have reached an umbrella agreement with Paris Club for the second phase of debt treatment, as well as an agreement with China Exim Bank (first stage) and ICBC, and the Israel Discount Bank. Ongoing negotiations are taking place to restructure debt with Credit Suisse, the last commercial creditor.

4. **We are seeing the results of our hard work and sacrifices in restored macroeconomic stability**. Economic recovery is strong. Inflation has dropped from the highs of 60 percent in December 2021 to 10.1 percent year-on-year in December 2024. Employment has reached pre-crisis levels. Usable international reserves are stable at 6.5 months of imports at end-December. Moody's upgraded Suriname's government long-term local and foreign-currency issuer rating from Caa3 to Caa1 and changed the outlook from stable to positive.

5. The Final Investment Decision for Block 58 presents a unique opportunity to transform the economy. With the FID announcement in October, investment will soon start in the new offshore field (Block 58) and oil production is expected to begin in 2028. Total Energies and its partners are expected to invest about USD12 billion during 2025-8 with a local content component of about USD1 billion. This future oil wealth has the potential to significantly improve living standards for the Surinamese people but achieving this outcome will require investing in institutions that ensure this new wealth is managed well, with high levels of transparency and accountability. In that regard, the National Assembly has approved two critical pieces of legislature to strengthen the Savings and Stabilization Fund Suriname (SSFS) and to put in place clear fiscal rules to manage the oil resources.

II. RETURNING PUBLIC FINANCES TO A SUSTAINABLE PATH WHILE PROTECTING THE VULNERABLE

6. Our ability to implement difficult policies despite an increasingly challenging socio-political environment speaks of our commitment to fiscal sustainability. In a span of 24 months, we fully eliminated fuel subsidies, started to phase out object subsidies (electricity, gas, water), and made efforts to contain the public wage bill. We also introduced the VAT and subsequently broadened its base.

7. While we fell short of the end-December 2024 primary fiscal balance target, we are taking measures to correct the course (¶9). Solid tax and mineral revenues were not sufficient to offset slippages on electricity subsidies, low revenues from non-tax measures, higher-than-expected social assistance transfers, and the need to compensate rice farmers for their loss of crop due to the drought. To correct course, EBS has restarted transferring the additional incomes (SRD 140 million) it gets from higher electricity tariffs to the state budget each month, Staatsolie will remit to the government a lump sum of SRD 210 million towards the agreed discount on the provision of thermal power and will continue to provide this discount through the rest of the year, and the electricity tariff formula continues to take into account the changing energy mix. We have also further increased the government fuel take and postponed non-priority capital spending.

8. We have included the corrective measures in the 2025 draft budget that has been submitted to the parliament, keeping the primary balance target at 2.7 percent of GDP. The revised draft budget accommodates higher electricity subsidy spending, as the ongoing drought in the interior depleted the reservoir for hydro energy generation and strained EBS balance sheet. Furthermore, the critical situation in the electricity sector has triggered the need to rent 30 MW of emergency generators, with an additional cost of SRD 200 million per month. It also provides a slightly lower allocation for capital expenditures. The revised budget also accounts for higher collection from the fuel excises and lower revenue collection from non-tax revenues. Any success in collecting navigation, and land lease fees are considered an upside risk for the budget.

9. To reach the 2025 primary balance and ensure fiscal sustainability going forward, we are committed to implementing a range of revenue and expenditure measures, including:

- *VAT*. In 2023, we enacted an amendment to the VAT Act to broaden the tax base to impose the standard 10 percent VAT rate on 60 percent of household consumption. A new 5 percent rate on water, electricity, and cooking gas was introduced in June 2024. We have made significant strides in registering new taxpayers, with over 4,700 registered by December 2024 – albeit short of our target of 5,000. However, filing compliance remains low (at around 70 percent). To correct this issue, we issued a ministerial instruction that for any tax returns due in June 2024 and onwards, late filing and/or failure to pay would incur penalties and interest. All outstanding returns for the taxable periods January 2023 to May 2024 are subject to penalties and interest as of April 1. Based on the recommendations of the recently concluded IMF/FAD TA on revenue administration, we will implement streamlined and risk-based procedures to ensure fast processing of VAT refunds. In addition, we are fast-tracking refunds for compliant taxpayers by setting up a "gold list" of top taxpayers that have filed accurately and on-time. We have already introduced a VAT refund profiling mechanism to accelerate the processing of VAT refunds. We commit to monitor and sustainably reduce the outstanding stock of VAT refunds. We continue strengthening the Tax Department, including the Large Taxpayer Unit.

- *Electricity subsidies*. We aim to phase out costly and inefficient electricity subsidies, mindful that climate change is increasingly impacting our ability to use hydropower to produce low-cost and stable electricity. We increased average electricity bills by around 36 percent in 2023. We implemented the agreed plan of tariff adjustments in 2024, with the first increase of 40 percent in March, 7 percent in May, July, September and November 2024. The tariffs are linked to the exchange rate and oil price developments, and now also reflect the shifting energy mix between hydro and thermal in the electricity production. Tariffs for commercial users reached cost-recovery by mid-2024. On the other hand, low- and middle-income households still receive partial support towards their electricity bills. This discount for the middle-income households will be gradually phased out by the end of next year. EBS is committed to remit the additional income received from higher electricity tariffs to the state budget. We are also working towards raising transparency and accountability by publishing online the full financial statements (and corresponding audit reports) of EBS for the years 2019 and 2020 (*end-December 2024 SB, not met, implemented with delay in February 2025)*. In addition, we finalized and submitted the financial statements of 2021 to the auditor (end-February SB 2025, met). We will continue publishing on the Energie Autoriteit van Suriname external website quarterly updates of the tariffs for each consumer group, the rationale for the adjustment, the estimated cost of providing electricity, and the remaining size of the subsidy. We will also provide the information on the cost, consumption, subject subsidy, and object subsidy on the electricity bill that each consumer receives. We have also incorporated into the 2025 year's budget an allocation for electricity payments, so that each ministry and state bodies included in the budget are responsible for paying their own electricity bills to EBS on time.

- *Wage bill.* To compensate for erosion in real wages over time, it was agreed with union representatives to raise civil servant wages on average by 15 percent in July 2024, implying a wage bill of 7.6 percent of GDP in 2024. A further 5 percent increase in salaries was implemented in January 2025. A freeze on public employment is still in effect and the number of civil servants is trending downwards. Moreover, we are proceeding carefully with the process of removing unregistered and chronically absent workers from the public payroll. Underpinned by recently strengthened legislation (State Decree was issued in January 2025), the remaining unregistered workers (4 percent of public workforce) will be dismissed by end-March. We have been clearing other irregularities (workers with two full-time salaries, for example). In February 2024, we rolled out a digital personnel data information system at five ministries to monitor the size of the civil service, absenteeism, and the alignment between qualifications and appointments. We expect this system to cover all ministries by end-2025. We will conduct a study on the salary structure in the public sector, with the goal of achieving standardization and revising salary scales for more experienced and high-skilled workers.

- *Fuel subsidies and taxes*. We fully eliminated fuel subsidies in March 2023 and reinstated taxes on fuel. Fuel prices are now determined by an automatic pricing mechanism based on international prices. We have developed and documented a methodology that automatically increases taxes on fuel when fuel prices drop and decreases the fuel tax when fuel prices increase. This methodology also incorporates annual adjustments for inflation and a floor on the tax.

10. We are strengthening fiscal institutions. The reforms focus on improving our tax administration, public debt management and public financial management (PFM), including strengthening the fiscal framework to manage prospective high increases in oil revenues.

- *Improving treasury management*. We will implement a pilot treasury single account (TSA) for a limited set of ministries (*structural benchmark for end-January 2025, not met, expected to be implemented by end-March 2025*). The implementation of the TSA is being supported by IMF capacity development. Implementation will include devising new business processes for the TSA and developing a strategy for the orderly transition of balances from individual bank accounts to the TSA. We will communicate the decision to establish a TSA broadly across ministries and build capacity for all those involved with the TSA. After implementing the pilot, we will evaluate the process and consider what changes are needed before fully rolling out the TSA in subsequent years.

- *Preventing supplier arrears.* Aided by IMF capacity development, we have created a cash management unit within the Treasury at end-2023 that oversees the implementation of the TSA, covers liquidity planning, accounts management, and cashflow management. We continue to improve our monitoring of supplier arrears. In April 2024, we issued a resolution stating that government will not be responsible for contracts agreed with line ministries that have no prior authorization from the MoFP. To prevent further accumulation of supplier arrears, the Budget Department issued quarterly commitment ceilings to line ministries and enforce them, including through FreeBalance (*continuous structural benchmark, not met, implemented with delay in February*). We have institutionalized meetings and data sharing between the Budget Department and the Cash Management Unit. We continue improving the reliability of cash flow forecasts and liquidity planning. To improve oversight of expenditure arrears across the government, all line ministries are reporting the stock of arrears to the Ministry of Finance and Planning (MoFP) monthly. With support of the IMF's capacity development, we will continue to enhance the quality and accuracy of the arrears information by strengthening the legal framework, processes and institutional capacities. We have (i) finalized and are using the template proposed by IMF TA to report on expenditure arrears, including an ageing analysis; (ii) will define and adopt a strategy to clear expenditure arrears accumulated from 2022; (iii) will establish a committee made up of accounting officers with the assistance of internal audit and also external audit, to verify all expenditure arrears; and (iv) will include a definition of expenditure arrears in the regulatory framework. These are critical aspects for implementing effective arrears control measures.

- *Strengthening tax administration*. We are prioritizing improvements in the administration of the VAT to reduce the outstanding stock of VAT refunds and improve compliance and collections. We mandated that all importers and exporters use the Fiscal Identification Number (FIN) when processing transactions with the Custom and Excise Department, which would facilitate sharing and cross-matching of data to identify unregistered taxpayers and underreporting. We will expand this mandate to cover all taxpayers by end-March 2025. We will continue establishing a dedicated VAT refund account to pay refunds, and with IMF capacity development developed a national audit plan with audit risk selection criteria. To improve the ease of paying taxes, we will continue working with banks to develop an online VAT payment option. With the CD by IDB, the Tax Department is being converted into a Semi-Autonomous Revenue Authority – a law on this was passed by parliament in December 2024 - which will allow for a better organizational structure and higher remuneration for its skilled staff. We recruited 25 new staff at the Tax Department *(end-November 2024 SB, implemented with delay in December 2024)*. These steps are expected to improve our ability to administer all taxes.

- *Strengthening fiscal framework*. To manage the new oil wealth, with the help of IDB, we passed legislation to strengthen the fiscal framework by introducing fiscal rules and revamping the Savings and Stabilization Fund Suriname (SSFS). The legislation strengthens the PFM law by introducing two fiscal rules: (i) a target for public debt (net of assets in the SSFS) to be reached by the end of the five-year period, and (ii) annual primary expenditure limits, consistent with achieving the debt target. All mineral revenues will be deposited directly in the SSFS and managed independently by the fund (under strengthened transparency and corporate governance requirements). In turn, annual budgets will set the limit for a maximum withdrawal from the fund during a fiscal year to partly finance spending. The new law also includes an escape clause in the event of a national disasters (defined in the legislation).

- *Improving debt management and recording.* To ensure timely payments of debt obligations, we have improved SDMO's back-office capacity and coordination between SDMO, the MoFP, and the CBvS. We have set up an information system tasked with receiving and dispatching information regarding upcoming payments to external creditors. With help from IMF capacity development, we have produced and signed a memorandum of understanding (MOU) between these parties, which defines responsibilities for timely information provision to other agencies and processing of payments. The MOU also specifies an escalation process within each agency and procedures for inter-agency monitoring. We have developed a similar MOU governing domestic debt payments *(end-December SB 2024, met).* We have not accumulated any new external debt arrears since this system was set up. To strengthen our case for market access, promote development of the interbank market, and rebuild trust on our debt management, we are committed to maintaining zero arrears to domestic debt creditors (continuous IT) for the remainder of the program. We have staffed the SDMO with six employees to strengthen back-office functions.

- *Improving procurement practices.* We have ratified the Caribbean Community (CARICOM)'s Protocol on Public Procurement in July 2022. To improve transparency in public procurement, in November 2024 we enacted a new procurement law to centralize and mandate the publication of all public procurement tenders and contract awards, including the names of the awarded entities and their beneficial owner(s), the names of public officials awarding the contracts, and an ex-post validation of delivery of the contracted services *(structural benchmark for end-September 2023, not met, implemented with delay in November 2024)*. We will start publishing the information in line with the enacted law on an external government website by end-May 2025. In collaboration with the CARICOM Secretariat, we will incorporate in our Integrated Financial Management Information System a procurement module and integrate and connect this module with the regional system to increase spending efficiency.

- *Strengthening public investment management with climate considerations.* With help from the IDB, we are upgrading our public investment management (PIM) procedures into a PIM manual. We will publish this manual with general guidelines for the economic appraisal of investment projects, including climate change and flood risk management considerations, and sectoral guidelines for key ministries by end-May 2025. We have already engaged line ministries to sensitize them, and we will seek to formalize these guidelines by strengthening the PIM governance legal framework and put in place a public investment unit at the Ministry of Finance.

- *Strengthening SOE oversight.* We will strengthen our oversight of SOEs. We will collect and publish the latest financial information for the largest SOEs. We will initiate quarterly financial monitoring of these SOEs and, with the help from the IMF capacity development, we will produce a report that identifies and quantifies the fiscal risk generated by the largest SOEs by end-March 2025.

- *Improving transparency in extractive industries*. Suriname has been participating in the Extractive Industries Transparency Initiative (EITI) since May 2017 and progress has been made. We are committed to fulfil the EITI reporting requirements by end-May 2025, so as to have Suriname's temporary suspension reversed. Furthermore, we will make concerted efforts to take corrective measures as laid out by the EITI Board during the 2024 Validation procedure.

III. STRENGTHENING THE SOCIAL SAFETY NET

11. Our goal is to ensure that the burden of fiscal consolidation is not borne by the poor and vulnerable. Instead, the better off should pay their fair share of taxes, and the fiscal space created by eliminating generalized energy subsidies that disproportionately benefit the rich should be channeled to help the poor and vulnerable. Sheltering the poor from the adjustment is not only a moral imperative, but also important for preserving growth and securing a stable social environment for the implementation of the program. Budgetary allocation for social assistance in the 2025 budget will remain adequate to protect the vulnerable.

12. **We are redoubling our efforts to tackle extreme poverty through improved social assistance programs**. Suriname's poverty rates are decreasing, with around 17.5 percent of the population living below the upper middle income poverty line of US$6.85 (2017 PPP per day) in 2022, down from 44.5 percent in 1999 (when estimates covered urban areas). However, poverty is highest in the interior, where 1 out of 4 Surinamese lives below the upper middle income poverty line compared to 1 out of 6 at the national level, and in some selected population groups. Efforts are underway to improve and strengthen social protection remain key to reducing poverty and protecting our people from shocks.

13. **Due to our efforts to sufficiently increase social protection spending, we met all the program targets in Q1, Q2, Q3 and Q4 2024**. In July 2023 we increased the value of cash transfers by around 45 percent and expanded coverage of the social beneficiary program (SRD 1800 per month) to include recipients of the general old age pension. In December 2023 we fast-tracked the registration and delivery of digital payments cards to applicants to the new social beneficiary program. In January 2024 we issued one-off payments to the eligible beneficiaries. We increased social spending from 2.5 percent of GDP in 2023 to 3.7 percent of GDP in 2024. We are expanding the coverage of the social beneficiary program while digitizing the social beneficiary registry and linking it to other relevant databases to strengthen the verification of eligibility. We continue calibrating the value of cash transfers to ensure that vulnerable households are protected, with a view to closing the poverty gap for as many poor households as possible. We will coordinate increases in our social beneficiary program with electricity tariff adjustments to ensure that vulnerable households are protected while energy subsidies are phased out. We will make concerted efforts to reach out and deliver social aid to all eligible households.

14. **We have finalized a strategic plan for improving the efficiency and effectiveness of social protection**. With help from the ILO and IDB in conducting diagnostics, we developed our home-grown strategic plan in line with our Multi-Annual Development Plan 2022–26. Our strategic focus is on areas where efficiency savings can be made by rationalizing programs and on expanding coverage. We are working towards creating a single digital beneficiary information system financed by the IDB which is expected to be ready for implementation by end-2025. This will enable us to streamline our 21 social programs into a smaller set of coherent social programs. We are also expanding coverage and reducing costs by transitioning to digital payment methods. Where feasible, we will make steps to send payments through the banking system, to improve transparency and oversight.

15. **To overcome geographic and institutional challenges, we have intensified our digitalization efforts to expand coverage and improve delivery**. We are intensifying our efforts to shift beneficiaries to digital payments using a government-provided debit card system. With the

help of the IDB, we have purchased 73,500 cards to service our traditional and new cash transfer programs. Rolling out digital payments to households in the interior will vastly improve the efficiency of delivery significantly, particularly in hard-to-reach areas. This will enable us to make more timely, cost-effective, and frequent payments to households in the interior where consumption poverty is 20 percentage points above the national average. Our digital cash transfer infrastructure is a critical pillar of preparedness for future economic shocks. We will further leverage this infrastructure to improve financial inclusion in the future – especially for those in rural areas where only 21 percent of adults have bank accounts.

16. To improve transparency in social protection spending, we have begun reporting on the performance and coverage of our cash transfer programs. We publish on the Ministry of Social Affairs and Housing's external website a monthly report detailing the number of households or individuals covered by each program in each district, along with the value of cash transfers made to recipients in each district under each program and eligibility criteria.

IV. RESTRUCTURING PUBLIC DEBT

17. We are committed to putting public debt on a sustainable path.

- We are committed to bringing down public debt to 60 percent of GDP by 2035. We will keep our gross financing needs below an average of 9 percent of GDP in 2024-35 (and no higher than 12 percent of GDP in any one year). Our program ensures the fiscal position is fully financed in 2025.

- Our external debt restructuring is nearing completion, with agreements reached with all official and all but one commercial creditors. An umbrella agreement with the Paris Club for the second phase of debt treatment was signed in October, initiating negotiations with individual PCCs. The final agreement with China on phase one was signed in November 2024, while restructuring agreement with Israel Discount bank was completed in December 2024. The loans from China ICBC and EXIM were restructured under bilateral terms. Additionally, an agreement was signed with ABN AMRO in April to restructure two outstanding loans.

- We have adhered to best practices in sovereign debt restructuring, including considering inter-creditor equity and comparability of treatment of all official and commercial creditors. We have adhered to our commitment to work with all external creditors to achieve debt treatments consistent with program parameters, acknowledging that servicing debt under original terms is not sustainable.

- We are negotiating in good faith with one remaining commercial external creditor, sharing relevant non-confidential information and allowing input on restructuring strategies. Progress is slow due to the reassignment of Credit Suisse's debt portfolio to a new arm of UBS bank. Our government's approach is built on four pillars: fair treatment for all creditors, transparency and constructive dialogue, commitment to fiscal consolidation and reform, and a sustainable debt solution within the IMF framework.

- As part of the commitment to restore debt sustainability, we concluded domestic restructuring of the legacy debts to the CBvS in July 2023 and restructuring with selected commercial banks in January 2024. We have continued to adhere to non-accumulation of domestic debt arrears (continuous IT). We finalized audit and cleared domestic debt obligations owed to the Suriname Pensions Fund.

- We are working on clearing suppliers' arrears. We have cleared SRD2.1 billion of supplier arrears by end December 2024. However, new arrears were accumulated in the meantime. After we reconciled data, the stock of supplier arrears stood at SRD 6.9 billion at end December 2024, excluding legacy arrears incurred before Jan 1, 2022 (of SRD 588mn) and VAT refund arrears (of SRD 971mn). We commit to gradually clear the entire stock of supplier arrears by end-2027, while improving our capacity to monitor and prevent re-emergence of arrears through our PFM reforms and TA support. We are mindful that the fiscal targets are evaluated on a cash basis and commit to offsetting any clearance of supplier arrears by lower goods and services spending. We are actively implementing measures to monitor and prevent the accumulation of supplier arrears (¶9).

- Further, the government will not provide guarantees to debt contracted by other parties during the program, nor will it or the SOEs contract new debt that is collateralized by natural resource revenues (or allow the public sector to contract such debt on behalf of the central government). An exception applies to the contracting of new oil-resource revenue-related collateralized debt by Staatsolie to finance its stake in the exploration of oil in block 58. Staatsolie is expected to finance its FID through both issuance of a domestic bond and an external bank loan. These loans are expected to be contracted on the basis of Staatsolie's projected cashflows and its balance sheet strength.

V. MANAGING MONETARY POLICY

18. Our monetary policy stance has helped put inflation on a downward trend as the SRD liquidity conditions tightened. Tight liquidity is supported by continued diligent implementation of the central bank's open market operations (OMOs) and the increase in the local currency reserve requirement from 39 to 44 percent in 2023. The month-on-month inflation has dropped to pre-crisis levels and has stabilized. The exchange rate has also appreciated in the first half of 2024, depreciated in the latter half of 2024, but has stabilized since then. We will continue to maintain a tight monetary policy stance until the inflation expectations are anchored. Supported by the rebounded growth and positive economic outlook after the FID, private sector credit growth has bounced back. We met all the monetary targets for this review.

19. We are improving our liquidity forecasting capability. We have made some improvements in accuracy and timeliness of government accounts and other autonomous factors by deploying a new statistical forecasting framework provided through IMF capacity development. This framework will refine CBvS's liquidity forecasting, enhancing the conduct of our monetary policy. As part of the implementation of the TSA, we will gradually move the available government deposits in commercial banks to the CBvS, which will improve our ability to forecast liquidity conditions. We will keep IMF staff updated on large deposit movements to Central Bank for necessary assistance in recalibrating Reserve Money Targets, if needed. We have also aligned the base for the calculation of the FX and SRD SNEPS norms with that of the reserve requirements for the banks. This will avoid the need for cumbersome procedures by the banks and will increase transparency in calculating SNEP norms. We are also implementing Treasury Single Account for the government to move its deposits out of the banking system and into the central bank.

20. We will continue to maintain a restrictive monetary policy stance until inflation is firmly down in single digits and inflation expectations are anchored. As we continue to target reserve money until a new monetary policy framework is in place, we will pay attention to any inflation surprises and ensure the reserve money growth remains calibrated appropriately. We will only move to a more neutral monetary policy stance once the inflation is in the single digits. We will also remain attentive to the fiscal policy stance and any potential shifts in local currency liquidity as the government moves its deposits out of the banking system and into the Treasury Single Account. To avoid inadvertent loosening of monetary policy stance, we will also not lower reserve requirements for both SRD and FX deposits until we have done a thorough analysis in consultation with the IMF staff.

21. We are preparing for the eventual transition to a new monetary policy regime in anticipation of oil-related inflows. Large shifts in both quantities and relative prices due to the large inflows post-2028, will make it very difficult to calibrate a framework centered on monetary aggregate targets. We will put in place an institutional structure and develop technical capacity to shift to interest rates as the primary operational target. To prepare for this eventual shift the central bank will prioritize establishing a well-functioning interbank market for short-term liquidity to ensure that a market-determined, short-term interest rate can be used as an effective tool to calibrate and communicate the monetary policy stance. We would seek to develop the domestic money market, enhance the collateral framework for using central bank liquidity facilities, improve banks' liquidity management practices, and modernize financial market infrastructure. These efforts, along with ongoing initiatives to develop and digitize the domestic debt market, will support the deepening of the financial sector. To improve monetary policy implementation and transmission, we would also phase out Central Bank Certificates to retail investors and would limit counterparties in undertaking open market operations to institutions subject to the reserve requirement and appropriate financial oversight. Phasing out such issuances will also increase the monetary policy transmission, banking system’s health and intermediation function. Until the CBC-Rs are completely phased out, we will shift any issuances to a market-based mechanism that is already in place and being practiced for CBC issuances. We will focus our efforts on re-directing the liquidity into the banking system at the maturity of the respective CBC-Rs.

22. The CBvS stands ready to help banks cover unexpected short-term liquidity gaps through the standing lending and intraday facilities. To prevent excessive reliance on the standing facility, it is priced based on the weighted average price of open-market operations plus a modest spread. However, the facilities are currently underutilized as banks prefer to hold on to high levels of precautionary reserves. To strengthen participation in OMOs, we are engaging with the commercial banks to align assessments of excess liquidity and to improve their understanding of all liquidity facilities available with the central bank. We will also make all instruments issued by the central bank as well as government paper eligible as a collateral for CBvS liquidity facilities. We will explore digitalizing various processes to ensure that healthy banks can more easily draw on the liquidity facilities, without having to undergo cumbersome paper-based requests for liquidity which cause processing delays. If required, the CBvS will seek to sterilize liquidity from the use of the facility through OMOs to minimize disruptions to its reserve money targets. Banks' access to the ELA is subject to a supervisory decision based on the assessment of viability and solvency, and as needed, remedial action.

23. Our foreign exchange policies are embedded in our commitment to a flexible, market-determined exchange rate. We have refrained from direct FX interventions. Starting July 2024, we have also terminated the indirect FX sales to essential goods importers. MoFP continues to transfer all government net FX receipts (including from IFI budget support) at the prevailing market exchange rate to the CBvS only, except for transfers required to meet the government's domestic FX debt service obligations.[1]

24. We are improving functioning of the foreign exchange market. After a series of procurement and technical delays in the testing phase, the electronic FX trading platform has been launched (*end-September 2023 SB, not met, implemented with delay in February 2025)*. The initial participation in the platform is be limited to inter-bank transactions and will also include AML/CFT compliant secondary banks that hold licenses for conducting FX transaction. After consultation with the IMF, we issued Circulars 2024-1 and 2024-2 on August 29, 2024 to align selected provisions in the regulations to meet the best practice criteria of IMF's policy on avoiding MCPs. To support timely FX availability to market participants, a surrender requirement to banks by exporters to offer 35 percent of export proceeds to the market remains in force, with sale of repatriated FX to follow banks' own daily rates as per the CBvS Circular 2023-2 issued on September 8, 2023. We have not issued any additional FX market regulatory guidance, and we remain committed to consult with the Fund before issuing any such guidance. Moreover, we will refrain from any interventions or administrative measures that could impede efficient functioning of the FX market or be inconsistent with the program or Suriname's obligations under Article VIII, Sections 2 and 3 of the IMF's Article of Agreement.

VI. REDUCING BANKING SECTOR RISKS

25. We are committed to addressing vulnerabilities in the banking system. The reported level of capital adequacy ratio for the banking system is 22.1 percent as of November 2024. Nonperforming loans (NPL) continue to decline but the average NPL ratio is still above the five percent benchmark. Banks' profitability still largely depends on profits from the OMOs. With the

[1] These concern central government debt to a local bank, serviced through an escrow account funded directly by royalty payments by an international gold mining company.

potential decline in OMO rates, and further increase in the demand for loans, banks should shift to core banking business. The banking system is liquid on aggregate, largely due to high reserve requirements with liquid assets comprising 51.5 percent of total assets. Liquidity, however, remains unevenly distributed across banks and skewed towards one large systemic bank. We will continue to prudently monitor the liquidity in the banking system and consult IMF staff on any changes in monetary policy that may affect the liquidity positions of banks.

26. We will remain vigilant to the risks that could arise from the rapid credit growth and increase in lending rates and continue to prudently monitor the CARs and NPL levels of banks. We are committed to effectively supervising the risk management practices of banks to ensure they follow prudent credit underwriting, collateralization, follow up and classification practices and refrain them from excessive risk taking. We will put in place a credit registry bureau, guided by the CBvS and supported by adequate supervision and regulation, to provide a comprehensive database to track leverage of entities and individuals and to help close the granular data gaps required for an effective supervisory framework.

27. We will work on developing and implementing a macro prudential toolkit based on the financial system vulnerabilities, and a roadmap for its design and implementation. This will also help address the systemic risks stemming from dollarization. We will start this process for banks but over the medium term will be expanding it to also include NBFIs. We will accompany the de-dollarization efforts by sound macroeconomic policy frameworks, including sustainable fiscal and credible monetary policy as a key precondition for de-dollarization. We will review the FX lending regulation to provide the basis for more prudent lending in FX. We will also improve systemic risk monitoring including through liquidity and solvency stress testing, improving information on interconnectedness and monitoring banks' maturity gaps.

28. We will ensure the timely completion of bank recapitalization plans to preserve the stability in the financial system. We will continue monitoring the financial health of the state-owned bank to ensure its capital recovery stems from a sustainable business model. We will ensure the timely enhancement of its governance framework and risk management, internal audit, and internal control functions. We will conclude our discussions to decide on the most optimal options for orderly resolution or liquidation of the private bank with capital shortages with the overarching principle of preserving financial stability. Any government solvency support will be designed to be in place for viable banks under strict conditionality to minimize costs and moral hazard, enhance public confidence, and provide a clear exit strategy for the government.

29. We are implementing structural reforms to strengthen supervision of the banking system. It is our priority to ensure that state-owned banks are taking necessary steps in line with the governance framework agreed by the CBvS and the MoFP, benefiting from international best practices, to ensure they are run on a fully commercial basis, providing a level playing field with private banks. We continue to adopt a risk-based supervision of banks in alignment with the amendments to the Banking and Credit System Supervision Act that was enacted in January 2024 in conjunction with the Bank Resolution Act. These amendments have enhanced our supervisory capacity and allowed our examiners to adequately assess bank's financial health and its compliance with regulations, while ensuring timely interventions to prevent further deterioration in its financial position. The Bank Resolution Act will strengthen CBvS' powers and tools for early intervention, recovery and resolution of credit institutions. We are currently preparing supplementary regulations to support the implementation of our Bank Resolution Act. Considering possible mergers and acquisitions in the banking system, we will explore avenues for the establishment of a Competition Authority and preparation of a Competition Law.

30. We are determined to implement other important financial sector reforms. We are committed to improving the supervision of the insurance and pension sectors, including the assessment of their lending practices and their sources of profitability, intensified monitoring of their interconnectedness with the banking system, introducing stricter reporting requirements and implementing asset classification regulations for NBFIs and fit-and-proper criteria for their ownership. A Virtual Asset Service Providers Supervision Act has been drafted to provide a legal basis for the supervision of virtual assets service providers, considering the IMF recommendations on the previous draft. We will enhance the capital market and electronic payment systems, as well as establishing credit reporting, deposit insurance, and enhancing electronic transactions. CBvS is drafting acts and regulations in these areas. Ongoing efforts to strengthen the AML/CFT framework will further enhance the financial sector resilience. Revised AML/CFT regulation for banks and nonbanks have been issued in April 2024. Given limited resources, we will prepare a comprehensive plan to coordinate and integrate the various reform initiatives to ensure timely implementation, supported by technical assistance by the IMF and other relevant parties.

VII. IMPROVING MONETARY GOVERNANCE

31. The CBvS is continuing to make progress in clearing the backlog of financial statements audits. The CBvS' audited FY 2020 financial statements in line with International Financial Reporting Standards (IFRS) were published in November 2023. We published the FY 2021 IFRS audited financial statements in August 2024 *(end June 2024 SB, not met, implemented with delay in August 2024). We also expect to publish* FY 2022 IFRS audited financial statements in March 2025 *(end January 2025 SB, not met)*. We are also building capacity for reporting central bank financial data consistent with IFRS to speed up the audits of subsequent years. Audits of program monetary data conducted for each test date since the start of the program have not raised material issues. To reinforce the internal audit function, we will continue to co-source specifics audits while building capacity. Finally, to strengthen the governance and oversight of foreign reserves management by the CBvS we received IMF technical assistance and will implement the suggestions in the TA report.

32. We will review the Foreign Exchange Regulation of 1947. We have already aligned the Foreign Exchange Regulation act with the new Central Bank Act**.** As a next step, we have formed a working group to undertake a full review of the Foreign Exchange Regulation of 1947 with a view of finalizing its recommendations by the end of 2025 in consultation with IMF staff. In the meantime, only the CBvS will issue circulars on matters related to the exchange rate and the foreign exchange market.

33. We have implemented the CBvS recapitalization plan. We are determined to ensure that the CBvS has a strong balance sheet and sufficient financial resources to execute its mandate. The recapitalization of CBvS enhances its credibility and strengthens the effectiveness of monetary policy. At the time of the 7th EFF review, we signed a plan that is based on the FY 2021 published audited financials and includes provisions to inject more equity should the finalized FY 2022, and FY 2023 financial audits and/or a realized lower market value of instruments used for recapitalization imply higher recapitalization needs. We also stand ready for further capital injections to ensure the equity of the CBvS will remain above the minimum level as outlined in the Central Bank Act.

VIII. TACKLING CORRUPTION, IMPROVING GOVERNANCE, AND ENHANCING THE AML/CFT FRAMEWORK

34. Despite the binding capacity constraint, the government has made important progress in governance reforms:

- Following the ratification of the United Nations Convention Against Corruption (UNCAC), the government installed the Anti-Corruption Commission (ACC) in May 2023, for a 5-year term. With the help of IMF capacity development, the authorities have brought the anti-corruption legal framework into line with the requirements set out in the end-November 2024 SB concerning the Chapter III of UNCAC on the criminalization of acts of corruption.

- Suriname implemented Chapter III of the UNCAC in our criminal code in 2015 when the code underwent a major revision on transnational crime. Various laws related to corruption have been tightened and updated, including the criminalization of non-official corruption, solicitation of bribes by non-officials, and aggravating official corruption. Article 32 UNCAC (protection of witnesses) and article 37 UNCAC (cooperation with law enforcement) are partly incorporated in our national legislation. These articles are not mandatory, so do not have to be implemented in the national law.

- Also with IMF capacity development, we will make changes to the legal framework to create an effective asset and income declaration scheme which is in line with international best practice, in the Suriname context. The framework will require declarations from politically exposed persons following the Financial Action Task Force (FATF), involve routine declaration verification, and ensure that declarations are made publicly available (except confidential data for personal and family safety reasons such as account numbers or personal identification numbers). The scheme will also establish proportionate sanctions for non-compliance (*structural benchmark for end-February 2025, not met).* We have submitted the amendment to the National Assembly for enactment.

- We are in discussions with several possible providers – including the Inter-American Development Bank (IDB) – concerning an electronic management program for the asset and income declaration (AID) scheme. We will liaise with the IMF to ensure that the system selected will help us deliver an AID scheme that is fit for purpose.

- We are working closely with donors and CD providers, including the IMF, United Nations Office on Drugs and Crime (UNODC) and the World Bank to strengthen Suriname's anti-corruption and AML/CFT framework. Based on the Mutual Evaluation Report of Suriname adopted by the Caribbean Financial Action Task Force (CFATF) in November 2022, we enacted a new AML/CFT law in November 2022 to bring in line with international standards. In the first and second enhanced follow-up process, key technical compliance deficiencies were closed with the aforementioned act. Further amendments to the AML/CFT law were approved by the National Assembly in July 2024 to bring it in line with FATF recommendations. A number of projects are underway to strengthen the AML/CFT regime: new AML/CFT directives were issued in March and April 2024 and, supervision legislation (in line with FATF requirements) is pending in the National Assembly), with the technical assistance offered by IMF, and UNODC, and the World Bank. Our legislative efforts have now resulted in the country being compliant with 21 out of the 40 FATF recommendations.

- Despite the progress made, several reforms need to be completed for the country to be fully comply with CFATF requirements. These include (i) developing and implementing a risk-based framework and strengthening its risk-based AML/CFT supervision for all financial institutions (banks, exchange offices, money transfer offices, credit unions, insurance companies, and pension funds); (ii) developing and implementing a risk-based supervisory framework for Designated Non-Financial Businesses and Professions (DNFBPs); (iii) making available adequate human, financial, and technological resources to the Financial Intelligence Unit (FIU); and (iv) amending the international sanctions framework to update the legal framework in relation to the implementation of the UN Security Council Resolutions Against Terrorism and Proliferation Financing. On the latter, efforts are ongoing to amend the Money Transfer Offices Supervision Act, the Capital Market Act and the Pension Funds Act, as well as introduce an Insurance Supervision Act, a Payment Providers Supervision Act, and a Virtual Asset Service Providers Supervision Act. By presenting new draft legislation to The National Assembly, the Ministry of Finance and Planning together with the Central Bank of Suriname are working towards strengthening the supervision regime for the financial sector. Also, the Ministry of Justice and Police has presented to The National Assembly draft legislation for strengthening the supervision regime for the gaming sector.

- A second National Risk Assessment has just been completed with the support of Kroll AML Division. The findings will help us fill the gaps identified in the first NRA and the Mutual Evaluation Report of Suriname adopted in November 2022 will provide more details on areas not addressed. Ahead of the national risk assessment, we completed sectoral risk analysis with technical assistance from OAS-DTOC. The SRA reports will contribute to establishing targeted AML/CFT policies and the frequency and intensity of supervision of the financial sector. We reported findings of the SRA and the NRA to CFATF in December 2024. Given the good progress made in the implementation of the CFATF recommendations, Suriname is now compliant with 21 out of the 40 CFATF recommendations.

IX. INCORPORATING CLIMATE CONSIDERATIONS IN MACROECONOMIC POLICIES

35. **Suriname is vulnerable to climate change**. Despite a low carbon footprint and being a carbon negative country, its dominant economic activity is in the low-lying coastal area. Future climate-related events could disrupt economic activity and cause substantial long-term damage to the economy. Hence, preparedness for climate adaptation is warranted.

36. **We are strengthening our institutional framework to enhance climate mitigation and adaptation procedures**. We have established an environmental authority by transforming the National Institute for Environment and Development (NIMOS) into National Environmental Authority Suriname (NMA), which will have the legislative mandate to build safeguards against climate issues. The authority will have the power to assess (using the environmental impact assessment framework) any public and private capital projects undertaken in the country against any negative externalities arising from climate issues and provide mitigation measures. As a starting point, we have created a repository, Dondru, where information on climate change mitigation and adaptation can be easily assessed for national policy and planning. A strong collaboration between the MoFP and environment authority is critical to ensure that climate issues are incorporated into Suriname’s fiscal framework. We will publish a public investment management manual with general guidelines for the economic appraisal of investment projects including climate change and flood risk management considerations, and sectoral guidelines for key ministries by May 2025.

37. **We are exploring various climate finance options**. In August, we launched the world's first sale of carbon credits under Article 6 of the Paris Agreement. These credits are based on the preservation of Suriname's forests, which cover 93 percent of the country and offer the absorption of over 20 million tons of carbon annually. The price of this carbon credit is estimated to be worth USD 25-35 per ton. We will be seeking technical assistance from our development partners to assess potential benefits and challenges, including as potential guarantors for DNS and identify possible conservation projects as climate protection pledges.

X. STATISTICS

38. **We are committed to improving the quality and dissemination of economic data, supported by IMF technical assistance**. Recognizing the core importance of economic statistics for policy decisions, we have made some progress in improving the capacity of the General Bureau of Statistic by increasing their budget which allows them to hire additional qualified staffs and recently, the council of ministers have approved a salary increase for their staff. However, there is more to be done on the data of National Accounts, CPI, public debt and fiscal sector statistics. We are focusing our efforts on improving the timelines of annual GDP and to generate quarterly GDP statistics. We are also making efforts to improve the data quality of the Consumer Price Index (CPI) and to start publishing detailed monthly CPI data including all its subcomponents. Finally, we will work towards broadening the institutional coverage of fiscal statistics to the public sector to better assess fiscal risks and publish data that accurately reports all domestic arrears on a monthly basis. We will seek

technical assistance from our international partners to support our efforts to improve the quality of economic data and statistics.

XI. PROGRAM MONITORING

39. Our economic program supported by the EFF is monitored through quarterly reviews, quantitative and continuous performance criteria, indicative targets, and structural benchmarks. The quantitative performance criteria are presented in Table 1, standard non-quantitative continuous targets are presented in para 31 of the Technical Memorandum of Understanding (TMU) and the structural benchmarks under the program are presented in Table 2. Program quantitative targets are defined in the attached TMU.

Table 1. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/
(In millions of Suriname dollars, unless otherwise indicated)

	2020	2021				2022											
		end-Dec				end-Jan.				end-Feb.				end-Mar.			
	Act.	PC	Adj. PC	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria																	
Fiscal/debt targets																	
1. Primary fiscal balance (cash basis) of central government (floor) 2/	-2,321	-719	334	3,007	Met	110	159	135	Not Met	221	-110	14	Met	331	-3	161	Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)		0		0	Met	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)		0		0	Met	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling)		0		0	Met	0		0	Met	0		0	Met	0		0	Met
Monetary targets																	
5. Gross credit to the central government by the central bank (continuous ceiling) 3/	10,229	0		0	Met	0		0	Met	0		0	Met	0		0	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/4/	-154	348	310	319	Met	11	-2	5	Met	103	2	16	Met	114	30	19	Not Met
7. Net domestic assets of the central bank (ceiling) 2/4/	8,777	-343	161	203	Not Met	-6	180	-6	Met	-1,134	272	113	Met	-1,137	39	-118	Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)		0		0	Met	0		0	Met	0		0	Met	0		0	Met
Indicative Targets																	
1. Social spending of central government (floor) 2/	604	1,070		922	Not Met									371		269	Not Met
2. Stock of VAT refunds outstanding (ceiling)																	
Memorandum items																	
Reserve money	12,817	18,294		18,967		18,629		18,950		19,061		19,180		19,597		18,881	
Reserve money (local currency portion only)	7,342	9,188		9,271		9,341		9,338		9,494		9,570		9,647		9,289	
Reserve money (constant exchange rates)	12,817	14,838		15,933		14,991		15,893		15,144		16,209		15,297		15,847	
NFA (constant exchange rates)	4,039	6,403		6,953		6,563		6,920		7,844		7,117		8,000		7,020	
Gross international reserves (millions of U.S. dollar)	585	968		992		979		986		1,071		848		1,139		899	
Usable international reserves (millions of U.S. dollar) 5/	129	501		512		513		505		604		518		673		566	
Program exchange rate	14.018	14.018		14.018		14.018		14.018		14.018		14.018		14.018		14.018	

Table 1. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)

(In millions of Suriname dollars, unless otherwise indicated)

	2022											
	end-Apr.				end-May.				end Jun.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	442	166	-111	Not Met	552	300	8	Not Met	663	707	660	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	118	49	13	Not Met	122	104	92	Not Met	156	150	156	Met
7. Net domestic assets of the central bank (ceiling) 2/	-1,040	-67	134	Not Met	-941	-691	-246	Not Met	-1,263	-1,188	-591	Not Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
Indicative Targets												
1. Social spending of central government (floor) 2/									742		832	Met
2. Stock of VAT refunds outstanding (ceiling)												
Memorandum items												
Reserve money	21,223		19,110		21,856		20,025		22,390		20,280	
Reserve money (local currency portion only)	9,801		9,516		9,954		9,860		10,107		10,411	
Reserve money (constant exchange rates)	16,306		16,136		16,459		16,676		16,612		16,879	
NFA (constant exchange rates)	8,220		7,022		8,277		7,943		8,739		8,490	
Gross international reserves (millions of U.S. dollar)	1,000		886		1,004		951		1,094		983	
Usable international reserves (millions of U.S. dollar) 5/	674		558		678		620		768		656	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

Table 1. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)
(In millions of Suriname dollars, unless otherwise indicated)

	2022											
	end-Jul.				end-Aug.				end Sep.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	773	1,005	311	Not Met	884	946	346	Not Met	994	1,218	345	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	158	159	169	Met	160	168	192	Met	192	169	193	Met
7. Net domestic assets of the central bank (ceiling) 2/	-1,142	-1,161	-91	Not Met	-1,016	-1,124	-77	Not Met	-1,316	-986	-14	Not Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
Indicative Targets												
1. Social spending of central government (floor) 2/									1,112		1,315	Met
2. Stock of VAT refunds outstanding (ceiling)												
Memorandum items												
Reserve money	22,912		21,413		23,444		22,654		23,858		23,723	
Reserve money (local currency portion only)	10,260		11,098		10,413		11,359		10,566		11,450	
Reserve money (constant exchange rates)	16,765		17,587		16,918		18,084		17,071		18,424	
NFA (constant exchange rates)	8,778		8,698		8,811		9,182		9,253		9,458	
Gross international reserves (millions of U.S. dollar)	1,097		991		1,099		1,018		1,187		1,029	
Usable international reserves (millions of U.S. dollar) 5/	771		667		773		698		862		713	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

Table 1. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)

(In millions of Suriname dollars, unless otherwise indicated)

	2022											
	end-Oct.				end-Nov.				end-Dec.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	1,105	1,788	657	Not Met	1,215	2,111	1,174	Not Met	1,326	2,625	1,150	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0		0	Met	0		0	Met	0		0.02	Not Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	194	169	204	Met	196	150	179	Met	226	313	332	Met
7. Net domestic assets of the central bank (ceiling) 2/	-1,193	-845	-111	Not Met	-1,063	-425	435	Not Met	-1,332	-2,548	-1,080	Not Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
Indicative Targets												
1. Social spending of central government (floor) 2/									1,483		1,717	Met
2. Stock of VAT refunds outstanding (ceiling)												
Memorandum items												
Reserve money	24,277		25,205		24,660		26,514		25,047		27,470	
Reserve money (local currency portion only)	10,718		11,507		10,871		11,632		11,024		12,263	
Reserve money (constant exchange rates)	17,224		18,583		17,377		18,710		17,529		19,414	
NFA (constant exchange rates)	9,289		9,714		9,316		9,296		9,478		11,514	
Gross international reserves (millions of U.S. dollar)	1,190		1,045		1,192		1,031		1,260		1,194	
Usable international reserves (millions of U.S. dollar) 5/	864		716		866		707		934		865	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

Table 1. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)

(In millions of Suriname dollars, unless otherwise indicated)

	2023											
	end-Jun.				end-Jul.				end-Aug.			
	PC	Adj. PC	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	1,147	1,571	2,013	Met	1,338	1,693	2,181	Met	1,529	1,826	1,855	Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0		4	Not Met	0		0	Met	0		0	Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	-57	-38	-31	Met	-55	-32	-26	Met	-54	-28	-28	Met
7. Net domestic assets of the central bank (ceiling) 2/	3,602	3,334	2,376	Met	4,006	3,683	3,843	Not Met	4,397	4,030	2,776	Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
9. Central government mineral revenue in local currency (ceiling) (millions of U.S. dollar) 2/					5		7	Not Met	10		11	Not Met
Indicative Targets												
1. Social spending of central government (floor) 2/	1,981		1,058	Not Met								
2. Stock of VAT refunds outstanding (ceiling)												
Memorandum items												
Reserve money	33,964		27,590		35,102		29,378		36,147		27,225	
Reserve money (local currency portion only)	14,249		14,064		14,642		15,602		14,998		14,438	
Reserve money (constant exchange rates)	21,461		19,448		21,896		20,914		22,294		19,457	
NFA (constant exchange rates)	9,959		9,172		9,990		9,170		9,997		8,781	
Gross international reserves (millions of U.S. dollar)	1,153		1,091		1,155		1,096		1,156		1,062	
Usable international reserves (millions of U.S. dollar) 5/	835		853		837		857		838		825	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

Table 1. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)

(In millions of Suriname dollars, unless otherwise indicated)

	2023															
	end-Sep.				end-Oct.				end-Nov.				end-Dec.			
	PC	Adj. PC	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria																
Fiscal/debt targets																
1. Primary fiscal balance (cash basis) of central government (floor) 2/	1,721	1,790	1,773	Not Met	1,912	1,550	2,088	Met	2,103	1,306	2,133	Met	2,294	637	2,029	Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0		0	Met	0		0	Met	0		0	Met	0		0	Met
Monetary targets																
5. Gross credit to the central government by the central bank (continuous ceiling)	0		0	Met	0	0	-1,042.3	Met	0	0	-1,042	Met	0	0	-1,661.8	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	-53	-39	-21	Met	-57	-39	5	Met	-73	-61	-7	Met	-6	22	152	Met
7. Net domestic assets of the central bank (ceiling) 2/	3,892	3,703	2,448	Met	4,214	3,967	2,995	Met	4,722	4,554	3,743	Met	4,121	3,733	1,986	Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met	0		0	Met
9. Central government mineral revenue in local currency (ceiling) (millions of U.S. dollar) 2/	15		14	Met	20		15	Met	25		18	Met	30		20	Met
Indicative Targets																
1. Social spending of central government (floor) 2/	2,971		1,915	Not Met									3,962		3,163	Not Met
2. Stock of VAT refunds outstanding (ceiling)																
Memorandum items																
Reserve money	29,440		26,720		30,049		27,660		30,670		28,647		31,374		28,816	
Reserve money (local currency portion only)	15,320		14,208		15,573		15,111		15,831		15,621		16,162		16,566	
Reserve money (constant exchange rates)	20,589		19,167		20,857		20,000		21,130		20,708		21,477		21,523	
NFA (constant exchange rates)	8,797		8,819		8,742		9,212		8,507		9,223		9,455		11,264	
Gross international reserves (millions of U.S. dollar)	1,132		1,107		1,128		1,141		1,112		1,142		1,234		1,346	
Usable international reserves (millions of U.S. dollar) 5/	893		873		889		908		873		908		995		1,112	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018		14.018		14.018	

Table 1. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)

(In millions of Suriname dollars, unless otherwise indicated)

	2024											
	end-Jan.				end-Feb.				end-Mar.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	384	577	-116	Not Met	769	1,492	484	Not Met	1,153	1,653	308	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0			Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0			Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0			Met	0		0	Met	0		0	Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,662	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	-7	-10	-14	Not Met	-25	-1	-2	Not Met	-65	-19	-22	Not Met
7. Net domestic assets of the central bank (ceiling) 2/	454	494	378	Met	1,041	702	855	Not Met	1,423	773	1,346	Not Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0	0	0	Met	0	0	0	Met	0	0	0	Met
9. Central government mineral revenue in local currency (ceiling) (millions of U.S. dollar) 2/	30	30	3	Met	30	30	5	Met	30	30	7	Met
Indicative Targets												
1. Social spending of central government (floor) 2/									1,308	1,308	1,440	Met*
2. Stock of VAT refunds outstanding (ceiling)												
Memorandum items												
Reserve money	28,866		29,074		29,300		29,226		29,699		28,810	
Reserve money (local currency portion only)	15,978		16,841		16,298		17,416		16,582		17,627	
Reserve money (constant exchange rates)	20,761		21,639		21,085		21,817		21,373		22,442	
NFA (constant exchange rates)	9,112		11,101		8,849		11,270		8,682		10,826	
Gross international reserves (millions of U.S. dollar)	1,188		1,328		1,169		1,334		1,225		1,365	
Usable international reserves (millions of U.S. dollar) 5/	955		1,070		936		1,075		991		1,107	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

* Revised data indicate that the social spending target, which was reported as "Not Met" at the 6th review, was actually met.

Table 1. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (continued)

(In millions of Suriname dollars, unless otherwise indicated)

	2024											
	end-April.				end-May				end-Jun.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria												
Fiscal/debt targets												
1. Primary fiscal balance (cash basis) of central government (floor) 2/	1,538	2,085	162	Not Met	1,922	2,220	52	Not Met	692	556	-50	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
3. New central government guaranteed debt (continuous ceiling)	0		0	Met	0		0	Met	0		0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0		0	Met	0		0	Met	0		0	Met
Monetary targets												
5. Gross credit to the central government by the central bank (continuous ceiling)	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,662	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	-29	-11	-29	Not Met	-14	-34	-45	Not Met	-96	-58	-42	Met
7. Net domestic assets of the central bank (ceiling) 2/	1,066	804	1,209	Not Met	980	1,267	1,401	Not Met	2,277	1,747	1,282	Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling)	0	0	0	Met	0	0	0	Met				
9. Central government mineral revenue in local currency (ceiling) (millions of U.S. dollar) 2/	30	30	9	Met	30	30	11	Met	30	30	13	Met
Indicative Targets												
1. Social spending of central government (floor) 2/									2,617	2,617	2,931	Met
2. Stock of VAT refunds outstanding (ceiling)	909	909	748	Met					722	722	693	Met
Memorandum items												
Reserve money	29,526		28,238		28,004		27,768		30,127		27,124	
Reserve money (local currency portion only)	17,202		17,389		17,570		17,281		17,749		17,134	
Reserve money (constant exchange rates)	22,110		22,160		22,312		22,023		22,463		21,956	
NFA (constant exchange rates)	10,656		10,773		11,073		11,073		9,926		10,546	
Gross international reserves (millions of U.S. dollar)	1,365		1,364		1,396		1,350		1,382		1,410	
Usable international reserves (millions of U.S. dollar) 5/	1,131		1,130		1,162		1,090		1,148		1,151	
Program exchange rate	14.018		14.018		14.018		14.018		14.018		14.018	

Table 1. Suriname: Quantitative Performance Criteria and Indicative Targets Under the EFF 1/ (concluded)

(In millions of Suriname dollars, unless otherwise indicated)

	2024																							
	end-Jul.				end Aug.				end Sep.				end Oct.				end Nov.				end Dec.			
	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	IT	Adj. IT	Act.	Met/Not met	PC	Adj. PC	Act.	Met/Not met
Quantitative Performance Criteria																								
Fiscal/debt targets																								
1. Primary fiscal balance (cash basis) of central government (floor) 2/	1,346	976	226	Not Met	1,999	1,706	210	Not Met	2,653	2,416	1,762	Not Met	3,306	3,306	1,338	Not Met	3,960	3,960	619	Not Met	3,700	3,700	115	Not Met
2. New natural resource revenue-collateralized debt contracted by or on behalf of the central government and/or SOEs (continuous ceiling) (U.S. dollars) 6/	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met
3. New central government guaranteed debt (continuous ceiling)	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met
4. Non-accumulation of central government external debt arrears (continuous ceiling) (millions of U.S. dollars)	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met
Monetary targets																								
5. Gross credit to the central government by the central bank (continuous ceiling)	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,662	Met	0	0	-1,661.8	Met
6. Net international reserves of the central bank (floor) (millions of U.S. dollar) 2/	-122	-74	-45	Met	-137	-91	-55	Met	-179	-85	4	Met	-143	-89	-5	Met	-158	-155	-59	Met	-76	-121	49	Met
7. Net domestic assets of the central bank (ceiling) 2/	2,781	2,105	1,766	Met	2,636	1,988	2,512	Not Met	3,754	2,442	1,780	Met	3,261	2,584	2,594	Not Met	3,647	3,609	4,404	Not Met	2,867	3,502	2,916	Met
8. Direct purchases/sales of FX by the central bank and/or central government from/to SOEs and private sector (millions USD) (continuous ceiling) 7/	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0	Met	0	0	0		0	0	0	Met
Indicative Targets																								
1. Social spending of central government (floor) 2/									3,785		4,240	Met									5,122		5,453	Met
2. Stock of VAT refunds outstanding (ceiling)									443		859	Not Met									693		971	Not Met
3. Non-accumulation of central government domestic debt arrears (continuous ceiling) (millions of SRD)									0		0	Met	0			Met	0			Met	0	0	0	Met
Memorandum items																								
Reserve money	30,312				27,786				28,545		28,663		28,985		30,566		29,668		31,555		30,830		31,736	
Reserve money (local currency portion only)	17,912				18,108				17,772		18,194		18,019		18,881		18,240		19,867		18,381		19,956	
Reserve money (constant exchange rates)	22,596				23,004				22,770		23,195		22,866		23,863		23,055		24,748		23,342		24,908	
NFA (constant exchange rates)	9,557				10,503				8,757		11,376		8,686		11,206		8,547		10,370		10,216		11,820	
Gross international reserves (millions of U.S. dollar)	1,356				1,411				1,366		1,545		1,361		1,536		1,352		1,464		1,555		1,545	
Usable international reserves (millions of U.S. dollar) 5/	1,121				1,145				1,132		1,278		1,127		1,273		1,117		1,203		1,321		1,286	
Program exchange rate	14.018				14.018				14.018		14.018		14.018		14.018		14.018		14.018		14.018		14.018	

Source: Authorities and IMF staff calculations and projections.

1/ Targets as defined in the Technical Memorandum of Understanding.

2/ Cumulative flows from begining of the year.

3/ The 2020 figure is a stock as of end-June 2021.

4/ The 2020 figure is a stock as of end-December 2020.

5/ Official reserve assets excluding the PBOC swap and ring-fenced reserves.

6/ The zero new natural-resource revenue-collateralized debt contracted by or on behalf of government is subject to an exception applying exclusively to new oil-resource revenue related-collateralized debt contracted by Staatsolie, which is capped at US$ 2 Billion cumulatively to exclusively finance its stake in the exploration of oil in block 58

7/ Non-observance for the month February 2023

Table 2. Suriname: Structural Benchmarks Under the EFF

Measure	MEFP ¶	Target date 1/	Status	Objective
Structural benchmarks				
Exchange rate/monetary/safeguards				
Establish competitive FX auctions for the CBvS to undertake buying/selling of FX during periods of disorderly market conditions (defined as when the intraday change in the exchange rate versus the U.S. dollar is more than 2 percent) under the agreed rule.		December 2021	Met	Ensure the CBvS has a mechanism to intervene in the FX market.
Establish an electronic trading platform for inter-bank/cambio FX trading.		June 2022	Not met	Create a consolidated FX market.
Develop a time-bound plan for the CBvS's recapitalization agreed between the CBvS and the government.		September 2022	Not met	Protect the CBvS's financial autonomy.
Publish on the CBvS's external website the FY 2016 - 2018 audited financial statements.		December 2021	Not met; implemented with a delay in February 2022	Strengthen accountability and transparency, and reduce risk of misreporting.
National Assembly to pass amendments that are in line with IMF staff recommendations, to inter alia, (i) clarify and strengthen the mandate; (ii) bring CBvS' institutional, financial, and personal autonomy into line with international best practice; (iii) increase transparency, accountability and oversight; (iv) define clear requirements on accounting, profit distribution, reserves and eventual recapitalization of the CBvS and (v) introduce strict limits on monetary financing (with transitional rules).		January 2022	Not met; implemented with a delay in April 2023	Strengthen the CBvS's mandate, autonomy, governance, and accountability and transparency.
Establish an electronic trading platform for inter-bank/cambio FX trading, with expanded scope to cover also bank/cambio trading with gold exporters..	20	September 2023	'Not met; implemented with delay in February 2025	Create a consolidated FX market.
Publish on the CBvS's external website the FY 2020-2021 audited IFRS financial statements.	25	June 2024	Not met; implemented with delay in August 2024	Strengthen accountability and transparency, and reduce risk of misreporting.
Publish on the CBvS's external website the FY 2022 audited IFRS financial statements.	25	January 2025	Not met	Strengthen accountability and transparency, and reduce risk of misreporting.
Develop a time-bound plan for the CBvS's recapitalization agreed between the CBvS and the government.	27	April 2024	Not met; implemented with delay in August 2024	Protect the CBvS's financial autonomy.
Submit a legislative amendment to the Foreign Exchange Regulation 1947 to the National Assembly in consultation with Fund staff to rectify any misalignments with the amended Central bank Act 2022.		December 2023	Not met; implemented with delay in May 2024	Enable the CBvS to effectively and independently manage its official reserves and conduct foreign exchange policy.
Measure		**Target date**	**Status**	**Objective**
Financial sector/crisis preparedness				
Undertake full asset quality review for the two largest (by assets size) banks (drawing on the expertise of an internationally reputable specialist firm).		September 2022	Met	Diagnose the largest banks and potential recapitalization needs.
Submit to the State Council the Credit Institutions Resolution Act to increase CBvS' powers and tools for early intervention, recovery, and resolution of financial institutions.		January 2022	Not met; 'Implemented with delay in February 2023	Strengthen the CBvS's role in crisis management.
Submit the revised Banking and Credit Supervision Act to the State Council to facilitate risk-based supervision through expanding CBvS' assessment powers to determine bank compliance with regulatory requirements.		January 2022	Not met; 'Implemented with delay in February 2023	Solidify oversight over the financial sector.
Operationalize the Financial Stability Committee, composed of representatives from the MoF and CBvS.		January 2022	Not met; 'Implemented with a delay in April 2022	Improve coordination on financial sector issues.
Operationalize a Bank Resolution Unit within the CBvS with appropriate governance arrangements, staffing, funding and clear internal guidelines on how the unit would undertake crisis management and enforcement actions.		February 2022	Not met; 'Implemented with a delay in April 2022	Strengthen the CBvS's role in crisis management.
Undertake full asset quality review for the remaining banks (drawing on the expertise of an internationally reputable specialist firm).		December 2022	Not met; 'Implemented with a delay in May 2023	Diagnose the financial sector and potential recapitalization needs.
CBvS and MoF agree on a governance framework for state-owned banks.		December 2023	Not met; implemented with delay in February	Improve governance of state-owned banks.
CBvS to instruct the banks to incorporate the AQR results and review the recapitalization plans submitted by the banks to verify their credibility		October 2023	Not met; implemented with delay in December	Improve strength of the financial sector.
CBvS, in consultation with IMF, to set common equity tier one and capital adequacy ratio targets for banks and outline the corrective measures it would escalate if CET1/CAR targets are breached		March 2024	Not met; implemented with delay in April 2024	Improve strength of the financial sector.

Table 2. Suriname: Structural Benchmarks Under the EFF (continued)

Measure		Target date	Status	Objective
Fiscal and Debt				
Publish a time-bound plan to implement recommendations from technical assistance programs provided by the IMF to streamline treasury functions through the Treasury Single Account (TSA).		January 2022	Met	Improve governance and increase transparency.
Develop a term of reference, with technical assistance from international partners, for hiring specialists to audit outstanding supplier arrears.		January 2022	Met	Improve governance and increase transparency; improve fiscal data reporting.
Publish the financial assessment of EBS that includes its legacy liabilities.		May 2022	Met	Achieve full cost recovery in the electricity sector.
Commence an audit on outstanding supplier arrears.		April 2022	Met: audit completed in May 2023	Improve governance and increase transparency; improve fiscal data reporting.
Passage of laws needed to implement the VAT by the National Assembly.		March 2022	Not Met; implemented with a delay in August 2022	Ensure fiscal adjustment in line with program parameters.
Publish a plan to scale back a range of tax exemptions (including an assessment of existing tax exemptions, the list of exemptions to be discontinued starting April 1, 2022, and the expected revenue impact) aimed at raising additional revenue of 0.4 percent of GDP.		March 2022	Not Met; Implemented in February 2023 budget	Ensure fiscal adjustment in line with program parameters.
Pass laws and issue relevant decrees if needed to expand the legal mandate of the debt management office (SDMO) to include the whole nonfinancial public sector, including all suppliers' arrears, guarantees, and contingent liabilities.		June 2022	Not Met; implemented with delay in March 2023	Improve debt data reporting.
Create a large taxpayer unit to increase taxpayer compliance.		June 2022	Not Met; implemented with a delay in July 2022	Improve tax administration.
Review the social protection public expenditure and publish a time-bound strategic plan to improve the efficiency and effectiveness of social benefits.		December 2023	Not met; implemented with delay in May 2024	Strengthen social spending.
Establish a system to compile and maintain in a central place an up-to-date list of public entities (Institutional Table), starting with the central government entities.		June 2023	Met	Improve fiscal data reporting.
Enact the amended VAT Act to convert all zero-rated products (except exports and ancillary supplies to exports) to exempt ones and impose the standard 10 percent VAT rate on sales covering at least 60 percent of household consumption		July 2023	Not Met; imlemented with a delay in September 2023.	Ensure fiscal adjustment in line with program parameters.
Publish on the EAS external website quarterly updates of the rationale for each tariff adjustment, the estimated cost of providing electricity, and the remaining size of the subsidy.	7	October 2023	Met	Improve governance and increase transparency; improve fiscal data reporting.
Operationalize the enacted amendment to the Personnel Act by issuing a state decree (with detail procedures) to halt payments of salaries for unregistered workers.	7	October 2023	Not Met; implemented with delay in November 2023	Strenthen PFM and ensure fiscal adjustment in line with program parameters.
Issue State Decree to provide the Minister of Finance the authority to access all bank accounts held by government entities at commercial banks		March 2024	Not Met; implemented with delay in April 2024	Strengthen PFM.
Publish quarterly budget execution report starting with the end June 2023 budget outturns.		Continuous	Met for end-September 2024 and end-December 2024	Strengthen PFM.
MoFP, SDMO, and CBvS to sign a Memorandum of Understanding detailing respective responsibilities and processes with respect to external debt payments		January 2024	Met	Improve debt management and reporting, and avoid external debt arrears.
Publish on the Ministry of Social Affairs and Housing's external website a monthly report detailing the number of households or individuals covered by each program in each district and the value of cash transfers made to recipients in each district under each program.	14	January 2024	Met	Improve governance and increase transparency.
Mandate that all tax declarations and transactions use a Fiscal Identification Number	8	June 2024	Reformulated as below	Improve tax administration.
Mandate that all importers/exporters use the Fiscal Identification Number.	8	June 2024	Met	Improve tax administration.
Hire 25 new qualified staff for the Tax Department.	8	November 2024	Not met, implemented with delay in December 2024	Improve tax administration.
MoFP, SDMO, and CBvS to sign a Memorandum of Understanding detailing respective responsibilities and processes with respect to domestic debt payments		December 2024	Met	Improve tax administration.
Implement a pilot Treasury Single Account for a limited set of ministries.	8	January 2025	Not met	Strengthen PFM.
The Budget Department will set commitment ceilings by line ministry quarterly and enforce them, including through FreeBalance.	8	Continuous	Not met, implemented with delay in February 2025	Strengthen PFM and avoid new expenditure arrears.
Fully repay domestic debt arrears.	15	March 2024	Not Met; implemented with delay in July 2024	Improve debt management and financial stability
Issue a resolution to clarify that government will not be responsible for contracts agreed with line ministries that have no prior authorization from the MoF.	8	April 2024	Met	Strengthen PFM and avoid new expenditure arrears.
Mandate all line ministries to report the stock of arrears to the MoF monthly.	15	June 2024	Met	Improve debt management and financial stability
Publish online the full financial statements (and corresponding audit reports) of EBS for the years 2019 and 2020		December 2024	No met, implemented with delay in February 2025	Improve governance and increase transparency.
Finalize and submit the 2021 financial statements of EBS to the auditor.		February 2025	Met	Improve governance and increase transparency.

Table 2. Suriname: Structural Benchmarks Under the EFF (concluded)

Measure		Target date	Status	Objective
Governance (anti-corruption)				
Ratify the United Nations Convention Against Corruption (UNCAC).		January 2022	Met	Reduce vulnerabilities to corruption and promote investment and growth.
Issue an Implementation Act to amend the Anti-Corruption legal framework to ensure criminalization of all corruption acts (in line the with the requirements of the UNCAC) and to strengthen the income and asset declaration provisions in the Anti-Corruption law to support routine verification of income and asset declarations for high-level and high-risk public officials, provide this information to the public and establish proportionate sanctions for non-compliance.		June 2022	Not Met, reformulated as below	Reduce vulnerabilities to corruption and promote investment and growth.
Operationalize the Anti-Corruption Commission (as required by the 2017 Anti-Corruption Act) and adopt an operational framework for its implementation, in line with the UNCAC.		March 2022	Not Met; implemented with a delay in May 2023	Reduce vulnerabilities to corruption and promote investment and growth.
Amend the Anti-Corruption legal framework to criminalize acts of corruption	28	June 2024	Met	Reduce vulnerabilities to corruption and promote investment and growth.
Amend the Anti-Corruption legal framework to creates a requirement for the income and asset declarations of politically exposed persons, the routine verification of these declarations, the publication of this information and the establishment of proportionate sanctions for non-compliance.	28	February 2025	Not met	Reduce vulnerabilities to corruption and promote investment and growth.
Governance (procurement)				
Enact a new procurement law to centralize and mandate the publication of all public procurement tenders and contract awards, including the names of the awarded entities and their beneficial owner(s), the names of public officials awarding the contracts, and the ex-post validation of delivery of the contracted services	8	September 2023	Not Met; implemented with a delay in November 2024	Strengthen procurement efficiency.
Governance (AML/CFT)				
Amend the AML/CFT law legislation and other relevant laws and regulations to bring them into line with the FATF international AML/CFT standards (including with respect to the treatment of politically-exposed persons and beneficial ownership requirements).	28	August 2022	Not Met; implemented with a delay in November 2022	Mitigate the adverse effects of criminal economic activity and promote integrity in financial markets.

Source: IMF staff.

1/ The target dates for all structural benchmarks are the end of the month.

Attachment II. Technical Memorandum of Understanding

This Technical Memorandum of Understanding (TMU) sets out the understanding between the Surinamese authorities and the IMF staff regarding the definition of quantitative performance criteria (QPC) and indicative targets (IT). It also sets out the QPC and IT adjusters and data reporting requirements for the duration of the Arrangement under the Extended Fund Facility (EFF), as described in the authorities' Letter of Intent (LOI) dated December 4, 2024 and Memorandum of Economic and Financial Policies (MEFP). This TMU describes the methods to be used in assessing the program performance and the information requirements to ensure adequate monitoring of the targets. As is standard under all Fund arrangements, we will consult with the Fund before modifying measures in the LOI/MEFP or adopting new measures that would deviate from the program goals. We are also committed to providing Fund staff with the necessary information for program monitoring.

1. The QPC and IT are shown in Table 1 of the MEFP. Structural benchmarks are listed in Table 2 of the MEFP.

2. For program purposes, unless otherwise specified, all foreign currency-related assets, liabilities, and flows will be evaluated at "program accounting exchange rates" as defined below, except for items affecting government fiscal balances, which will be measured at current exchange rates. Unless otherwise indicated, U.S. dollar denominated components of the balance sheet of the Central Bank of Suriname (CBvS) will be valued at the official exchange rate of the Surinamese dollar to the U.S. dollar of 14.0180 set by the CBvS as of December 31, 2020. Amounts denominated in other currencies will be converted for program purposes into U.S. dollar amounts using the following cross-rates as of December 31, 2020: the Euro valued at 1.2281 U.S. dollars, Pound Sterling valued at 1.3600 U.S. dollars, the Chinese Yuan valued at 0.1532 U.S. dollars, the Special Drawing Right (SDR) valued at 1.4403 U.S. dollars. Official gold holdings were valued at 1,892.0 U.S. dollars per fine ounce.

I. QUANTITATIVE PERFORMANCE CRITERIA: DEFINITION OF VARIABLES

3. Definition of central government: The central government (CG), for the purposes of the program, consists of the set of institutions and government units currently covered under the state budget. Newly formed public sector entities will be examined and included within the CG perimeter if adjudged to meet the definition of a CG unit per the Government Finance Statistics Manual 2014.

4. Definition of State-Owned Enterprises (SOE): State-Owned Enterprises (SOE), for the purposes of the program, consists of the set of corporations that (i) the CG is a shareholder; or (ii) are controlled by the CG directly or indirectly through other government-controlled entities. The control by the CG can be established through legislation or equity participation.

5. Definition of debt. External debt is determined according to the residency criterion (and, as such, would encompass nonresident holdings of Suriname law local currency and foreign currency debt). The term "debt" will be understood to mean a current, i.e., not contingent, liability, created under a contractual arrangement through the provision of value in the form of assets (including currency) or services and which requires the obligor to make one or more payments in the form of assets (including currency) or services, at some future point(s) in time; these payments will discharge the principal and/or interest liabilities incurred under the contract. Debts can take several forms; the primary ones being as follows:

i. loans, i.e., advances of money to the obligor by the lender made on the basis of an undertaking that the obligor will repay the funds in the future (including deposits, bonds, debentures, commercial loans and buyers' credits) and temporary exchanges of assets that are equivalent to fully collateralized loans under which the obligor is required to repay the funds, and usually pay interest, by repurchasing the collateral from the buyer in the future (such as repurchase agreements and official swap arrangements);

ii. suppliers' credits, i.e., contracts where the supplier permits the obligor to defer payments until sometime after the date on which the goods are delivered or services are provided; and

iii. leases, i.e., arrangements under which property is provided which the lessee has the right to use for one or more specified period(s) of time that are usually shorter than the total expected service life of the property, while the lessor retains the title to the property. For the purpose of these guidelines, the debt is the PV (at the inception of the lease) of all lease payments expected to be made during the period of the agreement excluding those payments that cover the operation, repair, or maintenance of the property.

6. Under the definition of debt set out in previous paragraph, arrears, penalties, and judicially awarded damages arising from the failure to make payment under a contractual obligation that constitutes debt are debt. Failure to make payment on an obligation that is not considered debt under this definition (e.g., payment on delivery) will not give rise to debt.

7. For program purposes, a debt is considered contracted when all conditions for its entrance into effect have been met, including approval by the National Assembly. Contracting of credit lines with no predetermined disbursement schedules or with multiple disbursements will be also considered as contracting of debt.

8. The fiscal year is the calendar year, starting on January 1 and ending on December 31.

A. Primary Fiscal Balance (Cash Basis) of Central Government (Floor)

9. Definitions: The primary fiscal balance (cash basis) of the CG is calculated as the cumulative CG interest payments minus total net borrowing requirements from the beginning of the year. Net borrowing requirements (NBR) are measured at official (current) exchange rates and are defined as the sum of:

i. The change in net CBvS credit to the CG, including changes in the government deposit position at the CBvS and excludes any accrued interest;

ii. The change in net credit from depository corporations, which includes changes in CG deposits and the net issuance of treasury bills, lending, and other CG securities held by commercial banks and excludes any accrued interest;

iii. The change in net non-bank credit to the CG, which includes net issuance of Treasury bills and other CG securities to non-banks, and other CG claims and debts vis-à-vis nonbank institutions and excludes any accrued interest;

iv. New external loan disbursements net of external loan amortization including repayment of external arrears;

v. Net sale of government assets (financial including privatization receipts).

Table 1. Suriname: Total Mineral Revenues of CG

	(In SRD millions)
Cumulative flows from the beginning of the fiscal year	
End-January 2024	1,409
End-February 2024	2,818
End-March 2024	4,227
End-April 2024	5,499
End-May 2024	6,874
End-June 2024	9,214
End-July 2024	11,261
End-August 2024	13,015
End-September 2024	16,278
End-October 2024	16,789
End-November 2024	17,307
End-December 2024	17,611

10. Definition: CG Interest payments are defined on a cash basis as interest paid on CG domestic and external debt obligations.

- **Definition**: Mineral revenue is defined as the government's tax and non-tax proceeds from state-oil company Staatsolie Suriname and from gold companies. This includes corporate tax, wage tax (including old age fund contributions), dividend tax, indirect taxes, dividends, royalties and others. Royalties from small scale gold mining are also included in mineral revenue (Table 1). The QPC for the fiscal balance is calculated based on the projected official exchange rate. Reporting (and adjustments, as defined below) will be made using the current official exchange rate.

11. Reporting: Fiscal data will be provided to the Fund with a lag of no more than six weeks after the end of the month.

12. Adjusters: The floor on the cumulative primary cash balance of the CG will be adjusted:

1. downward (upward) to the full extent that cumulative project loans are more (less) than project loans given in Table 2.

2. upward to the extent of any rise in mineral revenue above the cumulative baseline projections given in Table 1.

Table 2. Suriname: Budget and Project Financing in FX (Baseline Projection)

Cumulative flows from the beginning of the fiscal year	(In USD millions)
External loans from IFIs for budget financing 1/	
End-January 2024	0
End-February 2024	0
End-March 2024	0
End-April 2024	0
End-May 2024	0
End-June 2024	0
End-July 2024	0
End-August 2024	0
End-September 2024	0
End-October 2024	0
End-November 2024	0
End-December 2024	150
External debt from bilateral and private creditors for budget financing 2/	
End-January 2024	0
End-February 2024	0
End-March 2024	0
End-April 2024	0
End-May 2024	0
End-June 2024	0
End-July 2024	0
End-August 2024	0
End-September 2024	0
End-October 2024	0
End-November 2024	0
End-December 2024	0
External loans for project financing	
End-January 2024	4
End-February 2024	9
End-March 2024	13
End-April 2024	18
End-May 2024	22
End-June 2024	22
End-July 2024	27
End-August 2024	31
End-September 2024	37
End-October 2024	93
End-November 2024	102
End-December 2024	111

1/ Excluding IMF disbursements.
2/ Including international capital markets.

B. New Natural Resource Revenue-Collateralized Debt Contracted by or on Behalf of the Central Government and/or State-Owned Enterprises (SOE) (Continuous Ceiling)

13. Definition: The ceiling on new natural resource revenue-collateralized debt (domestic and external) contracted on a gross basis by or on behalf of the CG and/or SOEs will be a continuous performance criterion throughout the program period. Natural resource revenue-collateralized debt is external or domestic debt, which involves creating a security interest, charge or lien over any natural resource, natural resource receivables, or the proceeds from the sale or lease of natural resources. The use of a collection account (e.g., for natural resources receivables or the proceeds of the sale of natural resources) where no charge or lien is created over such account is excluded from this definition. External debt contracted due to external debt restructuring, to be agreed between the authorities and its creditors, is excluded from this definition. The ceiling also applies to prefinancing arrangements where debt is contracted against future sales of natural resources. A non-zero exception applies to the contracting of new oil-resource revenue-related collateralized debt by the state oil company, Staatsolie to finance its stake in the exploration of oil in block 58. The exception is subject to a continuous cumulative non-zero ceiling of US$ 2 Billion. The official exchange rate will apply to all non-SRD denominated debt.

14. **Reporting**: Data will be provided to the IMF on a continuous basis. This would include any new debt contracts that are entered into by the CG and/or SOEs to verify they do not include a security interest, charge, or lien over any natural resource.

C. New Central Government Guaranteed Debt (Continuous Ceiling)

15. **Definition**: The ceiling on new CG guaranteed debt (domestic and external) will apply to the amount of guarantees issued by the CG for debt contracted by any agency or entity outside the CG. For program purposes, the guarantee of a debt arises from any explicit legal or contractual obligation of CG to service a debt owed by a debtor outside the CG (involving payments in cash or in kind). The official exchange rate will apply to all non-SRD denominated debt.

16. **Reporting**: Data will be provided to the IMF on a continuous basis.

D. Non-Accumulation of Central Government External Debt Arrears (Continuous Ceiling)

17. **Definition**: The non-accumulation of arrears by the CG on contractual debt obligations owed to non-resident creditors will be a continuous performance criterion throughout the program period. External payments arrears for program monitoring purposes are defined as external debt obligations-of the CG, which either have not been paid within 30 days after the contractual due date, or within the contractual grace period, whichever is longer. Arrears resulting from the nonpayment of debt service, for which a rescheduling or restructuring agreement is being sought, based on good faith negotiations, are excluded from this definition.

18. **The stock of external arrears of the CG** will be calculated based on the schedule of external payment obligations reported by the Ministry of Finance and Planning (MoFP). Data on external arrears will be reconciled with the relevant creditors, and any necessary adjustments will be incorporated as they occur.

19. **Reporting**: Data will be provided to the IMF on a continuous basis.

E. Gross Credit to Central Government by the CBvS (Continuous Ceiling)

20. **Definitions**: The ceiling that applies on the change in gross credit provided to the CG by CBvS (including any provision of overdrafts) will be a continuous performance criterion throughout the program period and will be measured from end-June 2021 for 2021 and from beginning of the year for 2022. Coins and notes issued by the MoFP and claims on IMF related to the valuation of IMF account no 1 and 2 are excluded from the definition. The stock of gross credit will be valued at fair value and at program exchange rates. Changes in the stock of the COVID-19 Fund approved by Parliament in 2020 would constitute gross credit from the CBvS to the CG. Rolling over CG principal and interest payments due to the CBvS does not constitute gross credit.

21. Reporting: Data will be provided to the IMF on a continuous basis.

F. Net International Reserves of the CBvS (Floor)

22. Definitions: The floor applies to cumulative flows from the beginning of the year (end-December level of NIR of the previous year). For program monitoring purposes, net international reserves (NIR) of the CBvS are defined as the U.S. dollar value of the difference between reserve assets and reserve liabilities, as defined in what follows.

Table 3. Suriname: International Reserves
(USD million, unless otherwise specified)

	31-Dec-20
Reserve assets	**128.9**
IMF reserve position	2.8
IMF SDR	1.1
Foreign currency cash and deposits with foreign banks	125.0
Reserve liabilities	**283.1**
IMF program disbursements outstanding	20.9
Other liabilities with non-residents	0.1
Liabilities with residents	262.2
Reserve Requirements (non-ringfenced)	5.6
Reserve Requirements (the ring-fenced sovereign bond)	10.3
Working balance accounts of commercial banks	69.0
Long-term loan to commercial banks	177.3
Other	0.0
Net international reserves	**-154.3**

Source: Central Bank of Suriname.

- **Reserve assets** are readily available claims on nonresidents denominated in foreign convertible currencies. They include: (i) foreign exchange (foreign currency cash, deposits with foreign correspondents, holdings of foreign securities); (ii) monetary gold; (iii) IMF reserve position; and (iv) SDR holdings. Excluded from foreign assets are any assets that are pledged, collateralized, or otherwise encumbered (e.g., pledged as collateral for foreign loans or through forward contracts; ring-fenced reserves from domestic banks' foreign reserve requirements), CBvS claims on resident banks and nonbanks, claims in foreign exchange arising from derivatives in foreign currencies vis-à-vis domestic currency (such as futures, forwards, swaps, and options), precious metals other than monetary gold, assets in nonconvertible currencies, illiquid swaps, and any reserve assets that are not readily available for intervention in the foreign exchange market.

- **Reserve liabilities** are defined as: (i) all short-term foreign liabilities of the CBvS vis-à-vis nonresidents denominated in convertible foreign currencies with an original maturity of one year or less; (ii) all outstanding credit from the IMF resulting from purchases; (iii) the nominal value of all derivative positions (including swaps, options, forwards, and futures) of the CBvS, implying the sale of foreign currency or other reserve assets; and (iv) all foreign exchange liabilities of the CBvS to resident entities (e.g., claims in foreign exchange of domestic banks, non-ring-fenced reserve requirements of domestic banks on their foreign currency deposits, reserve requirements of domestic banks on their foreign currency deposits that are ring-fenced in Suriname's sovereign bond in the amount of USD 10.283 million, and CBvS credits in foreign exchange from the domestic market) excluding foreign exchange liabilities to the CG.

- **Reporting**: Data on foreign reserves and the foreign exchange cash flow will be provided by the CBvS to the Fund once a week. Data on the statistics indicated in Table 3 will be provided to the Fund on a monthly basis, in both official and program exchange rates, with a lag of no more than two weeks after the end of the month. At each program test date, the quarterly data on net international reserves submitted by the CBvS to the IMF will be audited by the CBvS external auditors in accordance with International Standards on Auditing, to ensure conformity with the program definition and calculation methods. Reports from the external auditors should be submitted to the CBvS, with a copy to the IMF, no later than 60 days after each test date. Data on total foreign exchange mineral revenue will be provided by the government to the IMF on a weekly basis. Inflows of the government's foreign exchange mineral revenue to the CBvS will be monitored as part of the weekly reporting of CBvS purchases and sales of foreign currency.

Table 4. Suriname: Total FX Mineral Revenue Received by the Government and Other FX Revenues of CG Transferred to CBvS (Baseline Projection)

Cumulative flows from the beginning of the fiscal year	(In USD millions)
End-June 2023	46
End-July 2023	67
End-August 2023	89
End-September 2023	117
End-October 2023	135
End-November 2023	153
End-December 2023	170
End-January 2024	19
End-February 2024	38
End-March 2024	65
End-April 2024	80
End-May 2024	102
End-June 2024	112
End-July 2024	143
End-August 2024	158
End-September 2024	184
End-October 2024	200
End-November 2024	256
End-December 2024	266

23. **Adjusters**: NIR targets will be adjusted:

1. upward (downward) by the full amount of the cumulative surplus (shortfall) in program loan disbursements from IFIs relative to the baseline projections reported in Table 2. Program loan disbursements are defined as external loan disbursements from official creditors that are usable for the financing of the CG.

2. upward (downward) by the full amount of the cumulative surplus (shortfall) in loans from official bilateral and private creditors (including international capital markets) relative to the baseline projections reported in Table 2.

3. upward (downward) by the full amount of the cumulative surplus (shortfall) in the sum of the government's total mineral and other revenues received in foreign exchange that are transferred to the CG account at the CBvS, with the exemption of pending transfers of these funds to the foreign bank account of the CBvS, relative to baseline projections reported in Table 4. Mineral revenue in FX is defined as the government's FX tax and non-tax proceeds

from state-oil company Staatsolie Suriname and from gold companies. This includes corporate tax, wage tax (including old age fund contributions), dividend tax, indirect taxes, dividends, royalties and others. Royalties from small scale gold mining are also included in mineral revenue. Other FX revenues of the CG are defined as any revenues in foreign exchange other than mineral revenue as defined above.

Table 5. Suriname: FX Debt Service Payments by the Central Government and CBvS (Baseline Projection)

Cumulative flows from the beginning of the fiscal year	(In USD millions)	Start date	End-date
End-June 2023	76		
End-July 2023	92		
End-August 2023	112		
End-September 2023	121	Dec-22	Sep-23
End-October 2023	136	Dec-22	Oct-23
End-November 2023	163	Dec-22	Nov-23
End-December 2023	204	Dec-22	Dec-23
End-January 2024	21	Dec-23	Jan-24
End-February 2024	54	Dec-23	Feb-24
End-March 2024	59	Dec-23	Mar-24
End-April 2024	82	Dec-23	Apr-24
End-May 2024	117	Dec-23	May-24
End-June 2024	180	Dec-23	Jun-24
End-July 2024	214	Dec-23	Jul-24
End-August 2024	240	Dec-23	Aug-24
End-September 2024	256	Dec-23	Sep-24
End-October 2024	279	Dec-23	Oct-24
End-November 2024	279	Dec-23	Nov-24
End-December 2024	279	Dec-23	Dec-24

4. downward (upward) by the full amount of the cumulative surplus (shortfall) in CG and CBvS's debt service payments in foreign exchange relative to baseline projections reported in Table 5.

5. downward by the amount of FX sales by the CBvS insofar as these sales occur via competitive auctions in response to the intraday depreciation in the exchange rate versus the U.S. dollar that is more than 2 percent and are less than USD 2 million per day. This adjustor is capped at USD 20 million per quarter.

G. Net Domestic Assets of the CBvS

24. Definitions: The ceiling applies to cumulative flows from the beginning of the year. The CBvS' net domestic assets (NDA) are defined as the difference between reserve money (as defined below) and net foreign assets (NFA, as defined below). Items in foreign currencies will be valued at fair value and at program exchange rates. Thus defined, the stock of NDA amounted to SRD 8,777.1 million as of December 31, 2020 (Table 6).

- **Reserve money at program exchange rates** is defined as currency in circulation, commercial banks' deposits in correspondent accounts at the CBvS, and statutory cash reserve requirements against prescribed liabilities in SRDs and foreign currency held by commercial banks at the CBvS, other commercial banks' deposits at the CBvS in national and foreign currency, other demand deposits in national and foreign currency, and gold certificates (Table 6). Central bank certificates issued to retail investors as part of its open market operations to absorb liquidity are excluded from reserve money. Reserve money excludes balances in deposit auctions and commercial banks' term deposits at the CBvS. The definition is consistent with the measure of reserve money published on the CBvS' website. As of December 31, 2020, reserve money amounted to SRD 12,816.6 million.

- **The value of NFA at program exchange rates** is calculated as the difference between foreign assets and foreign liabilities, defined as follows:

- **Foreign assets** are claims on nonresidents denominated in foreign currencies. They include foreign exchange (foreign currency cash, deposits with foreign correspondents, holdings of foreign securities), monetary gold, IMF reserve position, and SDR holdings.

- **Foreign liabilities** are defined as liabilities of the CBvS vis-à-vis nonresidents denominated in foreign currencies; all outstanding credit from the IMF resulting from purchases under arrangements and SDR allocation; the nominal value of all derivative positions (including swaps, options, forwards, and futures) of the CBvS, implying the sale of foreign currency or other reserve assets.

Table 6. Suriname: NFA, NDA, and Reserve Money
(In SRD millions)

	31-Dec-20
Net foreign assets	4,039.5
Foreign assets	8,243.5
Foreign liabilities	-4,204.0
Net domestic assets	8,777.1
Net claims on the government	8,234.0
Claims on the government in local currency	9,833.7
Liabilities to the government in local currency	-446.8
Claims on the government in foreign currency	144.1
Liabilities to government in foreign currency	-1,297.0
Net claims on commercial banks	-2,495.6
Claims on commercial banks in local currency	2.2
Liabilities to commercial banks in local currency	-200.0
Claims on commercial banks in foreign currency	187.0
Liabilities to commercial banks in foreign currency	-2,484.7
Other items net	3,038.7
Reserve money	12,816.6
Reserve money in local currency	7,342.2
Reserve money in foreign currency	5,474.4
Memorandum item	
Program exchange rate	14.018

Source: Central Bank of Suriname.

25. Thus defined, NFA amounted to SRD 4,039.5 million as of December 31, 2020 (Table 6).

26. Reporting: Data will be provided to the IMF with a lag of no more than two weeks after the end of the month. At each program test date, the quarterly data on net domestic assets submitted by the CBvS to the IMF will be reviewed by the CBvS external auditors, to ensure conformity with the program definition and calculation methods. Reports should be submitted to the CBvS, with a copy to the IMF, no later than 60 days after each test date.

27. Adjusters: Consistent with the NIR target adjustment mechanism defined above, NDA targets will be adjusted:

1. downward (upward) by the full amount of the cumulative surplus (shortfall) in program loan disbursements from IFIs relative to the baseline projections reported in Table 2.

2. downward (upward) by the full amount of the cumulative surplus (shortfall) in loans from official bilateral and private creditors (including international capital markets) relative to the baseline projections reported in Table 2.

3. downward (upward) by the full amount of the cumulative surplus (shortfall) in the sum of the government's total mineral and other revenues received in foreign exchange that are transferred to the CG account at the CBvS, with the exemption of pending transfers of these funds to the foreign bank account of the CBvS, relative to baseline projections reported in Table 4 (see definition in section F). Mineral revenue in FX is defined as the government's FX tax and non-tax proceeds from state-oil company Staatsolie Suriname and from gold companies. This includes corporate tax, wage tax (including old age fund contributions), dividend tax, indirect taxes, dividends, royalties and others. Royalties from small scale gold mining are also included in mineral revenue. Other FX revenues of the CG are defined as any revenues in foreign exchange other than mineral revenue as defined above.

4. upward (downward) by the full amount of the cumulative surplus (shortfall) in CG and CBvS's debt service payments in foreign exchange relative to baseline projections reported in Table 5.

5. Downward by the full amount of the CBvS' cumulative purchases of foreign exchange from the market relative to the baseline projections reported in Table 7.

28. For the purposes of calculating adjusters, these flows will be valued at program exchange rates.

H. Direct Purchases/Sales of FX by the CBvS and/or Central Government from/to SOEs and Private Sector (Continuous Ceiling)

29. Definitions: The ceiling on direct purchases/sales of FX by the CBvS and/or central government from/to SOEs and private sector will be a continuous performance criterion throughout the program period. The following purchases/sales of FX by the CBvS from/to the FX market are excluded from this definition:

- Purchases/sales of FX with banks and cambios undertaken through fixed allotment/variable price auctions.

Table 7. Suriname: FX Purchases by CBvS (Baseline Projection)

Cumulative flows from the beginning of the fiscal year	(In USD millions)
End-June 2023	0
End-July 2023	0
End-August 2023	0
End-September 2023	0
End-October 2023	0
End-November 2023	0
End-December 2023	0
End-January 2024	0
End-February 2024	0
End-March 2024	0
End-April 2024	0
End-May 2024	0
End-June 2024	0
End-July 2024	0
End-August 2024	0
End-September 2024	0
End-October 2024	0
End-November 2024	0
End-December 2024	0

- Sales of FX to (former) CBvS employees for children's overseas study and livelihood purposes, overseas pension transfers, overseas salary transfers and overseas travel expenses up to a maximum amount of USD 100,000 per quarter or an equivalent thereof in another convertible currency.

- Purchases of EUR banknotes from banks and cambios in exchange for USD banknotes.

- Sales of FX by mineral companies associated with these companies' tax or non-tax obligations to the central government.

30. Reporting: Data on direct purchases/sales of FX by the CBvS and/or central government from/to SOEs and private sector will be provided by the CBvS to the Fund daily.

II. OTHER CONTINUOUS PERFORMANCE CRITERIA

31. During the period of the Arrangement under the EFF, Suriname will not: (i) impose or intensify restrictions on the making of payments and transfers for current international transactions; (ii) introduce or modify multiple currency practices; (iii) conclude bilateral payments agreements that are inconsistent with Article VIII; and (iv) impose or intensify import restrictions for balance of payments reasons.

III. INDICATIVE TARGETS: DEFINITION OF VARIABLES

I. Social Spending of Central Government (Floor)

32. Definition: Social spending of central government includes all the spending of the Ministry of Social Affairs and Public Housing (Ministerie van Sociale Zaken en Volkshuisvesting) on social protection programs. The floor on CG social spending is cumulative from the beginning of the year and is defined as the sum of spending on the following cash transfer programs:

- General old-age pension.

- General child benefit.

- Financial assistance for persons with disabilities.

- Financial assistance for weak households.

- Social beneficiary program.

33. Reporting: Data will be provided to the IMF with a lag of no more than six weeks after the end of the quarter.

J. Stock of Value Added Tax Refunds Outstanding (Ceiling)

34. Definition: The stock of value added tax (VAT) refunds outstanding will be assessed as total cumulative VAT refund claims which have not yet been paid or declined by the Tax Authority of Suriname (Belastingdienst Suriname). The stock is cumulative from the beginning of 2023. A claim for a refund will be assessed as existing once a credit return is filed. The stock of VAT refunds outstanding will exclude interest payable on approved delayed refunds and refunds due to non-VAT registrants. A VAT refund claim is deemed to be paid if settled against outstanding payable VAT returns or if settled against non-VAT revenue arrears.

35. Reporting: Data will be provided to the IMF with a lag of no more than six weeks after the end of the quarter.

K. Non-Accumulation of New Domestic Debt Arrears by the Central Government (Continuous Ceiling)

36. Definition: The non-accumulation of domestic debt arrears by the CG on contractual debt obligations owed to resident creditors will be a continuous IT throughout the program period Domestic debt arrears for program monitoring purposes are defined as domestic debt obligations of the central government owed to commercial banks, Central bank, non-bank financial institutions (pension, insurance, and non-depository banks) and non-financial sector (suppliers and other private sector), which either have not been paid within 30 days after the contractual due date or within the contractual grace period, whichever is longer. Domestic debt arrears that are subject to a renegotiation or a restructuring plan as of end-2023, and domestic debt arrears disputed or under audit as of December 31 2023, as well as arrears owed on supplier credits, VAT refund, and expenditure arrears, are excluded from this definition.

37. The stock of domestic debt arrears of the CG will be calculated based on the schedule of domestic debt service reported by the Ministry of Finance and Planning (MoFP). Data on the stock of domestic debt arrears will be reconciled with the relevant creditors, and any necessary adjustments will be incorporated as they occur.

38. Reporting: Data will be provided to the IMF on a continuous basis.

IV. INFORMATION REQUIREMENTS

39. In accordance with IMF Government Finance Statistics Manual (GFSM) 2014 and Public Sector Debt Guide for compilers and users total gross debt covers all liabilities that are debt instruments. A debt instrument is defined as a financial claim that requires payment(s) of interest and/or principal by the debtor to the creditor at a date, or dates, in the future. The following instruments are considered debt instruments:

- Special drawing rights (SDRs);

- Currency and deposits;
- Debt securities;
- Loans;
- Insurance, pension, and standardized guarantee schemes; and
- Other accounts payable.

40. All liabilities included in the GFSM balance sheet are considered debt, except for liabilities in the form of equity and investment fund shares and financial derivatives and employee stock options. Equity and investment fund shares are not debt instruments because they do not require the payment of principal or interest. For the same reason, financial derivatives are not considered debt liabilities because no principal is advanced that is required to be repaid, and no interest accrues on any financial derivative instrument.

41. For the purpose of the program, Suriname Budgetary Central government (BCG) debt includes the following instruments:

- Debt Securities including short term liquidity instruments;
- Loans (including overdraft in bank accounts);
- Other Accounts Payables.

42. Any liabilities issued by the BCG, held as an asset by other entity of the BCG should be netted out. Since the consolidation is done at the level of BCG, central bank lending to the government is included in the stock of BCG debt.

43. To ensure adequate monitoring of economic variables and reforms, the authorities will provide the following information:

44. Daily/Semi-weekly

- Official nominal exchange rates.
- Volumes and nominal exchange rates (inclusive of any fees, commission, or other types of charge) of foreign exchange transactions (purchases and sales) by banks and cambios.
- Volumes and nominal exchange rates of direct purchases/sales of foreign exchange by the CBvS and/or central government from/to SOEs and private sector.

- Monitoring Template IMF (no. 25[41]) - Deposits including largest 5 depositors in accordance with the Enhanced Supervision framework, within one week after the reporting period.

- Monitoring Template IMF (no. 26) – Liquid assets held by banks in accordance with the Enhanced Supervision framework, within one week after the reporting period.

- Liquidity Coverage SRD template (no. 30) in accordance with the Enhanced Supervision framework, within one week after the reporting period.

- Net Foreign Currency Position (Net Open Position) template (no. 27) for banks in accordance with the Enhanced Supervision framework. For cambios this ratio will also be reported, in both cases within one week after the reporting period.

45. Weekly/bi-weekly

- CBvS liquidity assistance to financial institutions, by institution.

- Reports on large exposures by bank that are equal or exceed 10 percent of Tier 1 Capital (template no. 28) in accordance with the Enhanced Supervision framework, within two weeks after the reporting period.

- Large deposits that are equal or exceed 10 percent of Tier 1 Capital (template no. 29) in accordance with the Enhanced Supervision framework, within two weeks after the reporting period.

- Liquidity forecast and realization (templates no. 15, 17 and 19) in accordance with the Enhanced Supervision framework, within two weeks after the reporting period.

- Liquidity stress testing (templates no. 10-13) in accordance with the Enhanced Supervision framework, within two weeks after the reporting period.

- Lending availability in SRD and USD (templates no. 21 and 22) in accordance with the Enhanced Supervision framework, within two weeks after the reporting period.

- Table on monitoring of banking sector benchmarks in accordance with the Enhanced Supervision framework on a bi-weekly basis, within two weeks after the reporting period.

- CBvS purchases and sales of foreign currency (FX cash flow table). FX auction amounts, auction bids, highest and lowest prices, cut-off and weighted average prices, FX rate before the auction.

- Information on auction results for open market operations no later than two days after the auctions, including on: instrument type, total open market operations auction volume, settlement date, expiration date, the number of total bids, total amount of bids, the number of total allocated bids, total amount of allocated bids, the minimum bid rate, the cut-off interest rate, the highest bid rate, and the weighted average allotted interest rate.

- Weekly submission of daily transactions and rates for the following: interest rates on domestic debt securities by maturity; required and excess reserves of the banking sector in local and foreign currency; total liquidity assistance to banks through normal lending operations, standing facilities, and ELA. Interest rates on OMOs, standing facilities, and ELA by maturity.

- Weekly submission of daily mineral tax and non-tax revenue of major commodity companies and small gold miners, by revenue item and type of commodity (and separately for large-scale gold companies and small-scale gold miners). Data is to be provided within 3 working days of the end of each week.

46. Monthly

- CG operations (revenues and expenditure) data in GFS format within six weeks of the end of the month.

- CG detailed revenues data from the tax office by revenue category, including: (i) direct tax by item; (ii) indirect tax by item; and (iii) non-tax revenues by item within six weeks of the end of the month.

- Number of public civil servants and total wage bill by Ministry within six weeks of the end of the month.

- CG authorized spending data by Ministry within four weeks of the end of the month.

- CG subsidies data by Ministry and programs within six weeks of the end of the month.

- CG balance from the financing side by sources and by currency, with a lag of no more than six weeks after the end of the month.

- CG domestic and external debt stock, including by: (i) creditor; (ii) currency; (iii) instrument; (iv) collateralized by natural resources revenue; and (v) guaranteed. The reporting lag should not exceed four weeks after the end of the month.

- Amortization payments of CG and government guaranteed debt by creditor, instrument, and currency. In the case of issuance of government guaranteed debt, the name of the guaranteed individual/institution should be provided. The reporting lag should not exceed four weeks after the end of the month.

- Interest payments and fees on CG and government guaranteed debt by creditor, instrument, and currency. The reporting lag should not exceed four weeks after the end of the month.

- Stock of CG expenditure arrears, separately including payment of existing arrears and creation of new domestic arrears including the currency of the arrears. The reporting lag should not exceed four weeks after the end of the month.

- Stock of CG domestic and external debt arrears, including the currency of arrears. The reporting lag should not exceed two weeks after the end of the month. Stock of CG domestic debt arrears should provide a breakdown on confirmed arrears and arrears under dispute/being audited.

- New debt contracts (official or private) entered into by the CG and/or SOEs. The reporting lag should not exceed two weeks after the end of the month.

- Holdings of domestic T-notes and T-bills (SRD-denominated and foreign currency-denominated) by investor, maturity, and currency. The reporting lag should not exceed four weeks after the end of the month.

- Legal measures that affect the revenue of the CG, such as tax rates, import tariffs, and exemptions. The reporting lag should not exceed six weeks after the end of the month.

- Balance sheet of the CBvS within two weeks of end of the month.

- A summary of the monetary survey of the banking system (including CBvS and deposit-taking institutions). This information should be received with a lag of no more than six weeks after the end of the month.

- Income statement of the CBvS on a cash and accrual basis, with a lag of no more than three weeks from the end of the month.

- Projections of CBvS purchases and sales of foreign currency (FX cash flow table, 12 months ahead).

- Information on interconnectedness of the financial sector and related party lending (templates no. 6 and 37) in accordance with the Enhanced Supervision framework, within four weeks after the end of the month.

- The deposit funding structure of the banks (template no.8) in accordance with the Enhanced Supervision framework, within four weeks after the end of the month.

- Information on measures taken by the banks in the context of the COVID-19 pandemic (templates no.33-35), within four weeks after the end of the month.

- Banks' claims on the government and State-owned Entities with breakdown by type (debt types, loan types including the gross amount of overdrafts) within four weeks after the end of the month.

- The Monthly Returns as reported to the CBvS, within four weeks of the end of the month.

- A written update on the progress of the Asset Quality Review (until the review has been concluded) that includes any issues encountered by CBvS and/or their advisor and any remedial actions taken.

- Data on foreign reserve assets and foreign reserve liabilities for NIR target purposes (Table 2) evaluated at both official and program exchange rates, within two weeks of the end of the month.

- Data on NDA, NFA, and reserve money (Table 4) evaluated at both official and program exchange rates, within two weeks of the end of the months.

- Data on foreign reserve assets split into ring-fenced and non-ring-fenced assets evaluation at official exchange rates, within two weeks of the end of the months.

- Consumer price index, including by sub-components of the CPI index within four weeks after the end of the month.

- Cash flow of EBS showing government transfers to cover the gap between the average electricity tariff and EBS recovery cost within eight weeks after the end of the month.

- Electricity average tariff, total electricity consumption volume, total billing and amount collected (in SRD) to be provided by consumption categories (household, commercial, and industrial) and by consumption volume. This information should be received with a lag of no more than eight weeks after the end of the month.

- Electricity costs including: (i) production costs: fuel costs, Staatsolie electricity costs, hydropower costs, separately, (ii) other operational costs: personnel costs and financing costs, and (iii) investment costs. This information should be received with a lag of no more than eight weeks after the end of the month.

- EBS committed and executed payments to Staatsolie for purchases of fuel and electricity. This information should be received with a lag of no more than eight weeks after the end of the month.

47. Quarterly

- Detailed balance of payments data within 60 days after the end of the quarter.

- Detailed International Investment Position data within two months after the end of the quarter.

- Projections regarding banks' balance sheets and profit and loss statement (template no. 2 and 3) in accordance with the Enhanced Supervision framework, within four4 weeks after the end of the quarter.

- Liquidity forecast and realization (templates no. 14, 16 and 18) in accordance with the Enhanced Supervision framework, within four weeks after the end of the quarter.

- Progress reports of the banks on inspection items identified by CBvS, within six weeks after the end of the quarter.

- A full set of quarterly Financial Soundness Indicators (FSI) calculated by the CBvS within 60 days after the end of the quarter.

- CG spending on social protection programs, by program, as defined for the indicative target on social spending. The reporting lag should not exceed six weeks after the end of the quarter.

48. Annual

- Financial statements of EBS within six months of year end.

- Nominal GDP and real GDP within eight months of year end.

Labor market statistics (including the unemployment rate and labor participation ratio) within twelve months of the year end.

Statement by Mr. Andre Roncaglia, Executive Director for Suriname, Mr. Felipe Antunes, Alternative Executive Director, and Mr. Karel Steven Eckhorst, Advisor
March 24, 2025

On behalf of the Surinamese authorities, we thank staff for the constructive and frank discussions during the ninth and last review of the Extended Fund Facility (EFF) arrangement. Our authorities largely agree with staff's assessment of Suriname's economic performance and outlook under the EFF program.

Although mid-term prospects are very positive, the authorities are aware that significant steps remain necessary to anchor macroeconomic stability and debt sustainability. The authorities are committed to keeping the economy on a path of macroeconomic stabilization, with debt sustainability and financial stability. They fully recognize that important challenges remain to lock in recent achievements and are determined to continue to implement structural reforms. The authorities are particularly committed to correct current slippages and prevent policy reversals in the future. Therefore, they are working tirelessly to implement the agreed structural reform agenda with a view to strengthen and ringfence legislative and institutional frameworks. In that context, we underscore that all except one end-September quantitative targets and continuous PCs have been met.

Recent Developments and Outlook

Suriname's economic recovery is gaining momentum. The economy is growing, inflation is decelerating, and public debt is declining. The 2025 general elections present short-term economic challenges, particularly as election-related spending often exerts pressure on the exchange rate. Despite these short-term risks, the longer-term growth outlook remains highly favorable. The Final Investment Decision for offshore oil development marks a transformative opportunity, with USD 10.5 billion in planned investments between 2025 and 2028, including USD 1 billion in local content. Offshore oil production is expected to commence by 2028, offering the potential for significant improvements in living standards. Authorities recognize that sustained institutional strengthening will be crucial to ensure transparency, accountability, and effective governance, which are essential for maximizing the development benefits of the upcoming resource windfall.

Inflation has steadily declined due to tight monetary policies and fiscal restraint. Macroeconomic discipline, including tighter monetary policy, has played a crucial role in curbing inflationary pressures. The trend continued into early 2025, with annual inflation dropping to 9.8 percent in January. Projections indicate that inflation will reach single-digit levels throughout the year. These improvements provide a stronger foundation for economic planning and investment, fostering a more predictable and stable business environment.

Sustainable and Inclusive Development

The authorities are committed to continue protecting the most vulnerable. Enhancing efficiency so that cash transfers reach every eligible household will be a priority. In that regard, recommendations to improve efficiency and effectiveness of social policies, provided by the International Labor Organization (ILO), will be implemented. Emergency measures to improve the health system are also being implemented. We highlight that, in 2024, the Indicative Target on social spending has been met continuously.

Climate-related challenges were promptly addressed by the authorities, but are likely to increase energy costs. The many facets of climate change have taken a toll on the economy. Continued decline of hydro-electricity capacity caused by prolonged periods of drought triggered necessary adjustments in the energy mix. In the short run, the electricity matrix will need to shift further towards more expensive thermal sources. The acute situation mandates drastic measures to support the current level of electricity consumption and protect the population against widespread energy poverty. Therefore, the state electricity company (EBS) presented a short-term solution to prevent grave disruptions of electricity supply. It proposed the rental of emergency power generators to produce 30 Megawatt of electricity the coming three months. The payment of the costs that amounts to SRD 200 million per month is still being discussed between the Government and EBS. Fortunately, since the second half of March 2025, lake water levels have stabilized due to continuous rains in the hinterlands. While this new development lowers the risk of load-shedding in the electricity supply, several villages experience flood risks due to rising river levels.

Suriname is committed to preserve its status as one of the greenest countries on Earth, while developing large oil and gas deposits. The Governments' Green Development Strategy 2025 - 2050 (GDS) presents a clear roadmap for the sustainable use of new income streams that ensures the well-being of every Surinamese while preserving nature and biodiversity. Future oil revenues will be used as a catalyzer to achieve green and inclusive development.

Fiscal and Tax Policies

Necessary measures to correct the significant primary balance shortfall are being implemented. In the aftermath of unexpected revenue shortfalls and overspending in the last quarter of 2024, the Ministry of Finance and Planning (MoFP) quickly reversed course and implemented a system that automatically caps expenditures on a monthly basis. The 2025 Budget will be more comprehensive and accurate. With elections in May 2025, a traditionally large expense item, the authorities are aware that good budget control remains crucial. In addition, an allocation for electricity payments was incorporated into the 2025 budget, so that each ministry and state bodies included in the budget are responsible for their own electricity bill.

Crucial institutional and legislative reforms to strengthen public financial management are being implemented. At the end of December 2024, Parliament approved the amended Public Financial Management (PFM) Act and the Savings-and Stabilization Fund Suriname (SSFS) Act, which were enacted by the President and published in the Legal Gazette. The primary expenditure and total public debt rule incorporated in the PFM law will be quantified within the CARTAC-supported Medium-Term Fiscal Framework (MTFF) and operationalized through implementation decrees. These rules will help give guidance to the management of mineral revenues through the central government's budget over well-defined periods of five years.

The Tax Department is strengthening capacity to improve tax compliance, administration, and collection. Authorities are continuing their efforts to strengthen tax administration and tax collection. In addition, tax authorities are striving to achieve the targets for tax and the non-tax revenues. Ongoing efforts to improve VAT compliance and maintain an optimal tax base include the hiring and training of new staff. A Semi-Autonomous Revenue Authority (SARA) is currently being established. The law was passed in Parliament and the preliminary phase of implementation of the SARA has started. To get this new entity operational, financial and technical support from the Inter-American Development Bank (IDB) is being secured within the coming months.

Progress continues to be made in the management of suppliers' arrears and expenditures. Spending ceilings were calculated in December 2024 and communicated to all ministries. On a higher frequency, payments are closely monitored on a monthly basis to prevent overspending and budget misalignments. At the same time, authorities are optimizing the management of arrears and reconciliation in the system. Furthermore, significant progress towards a Treasury Single Account (TSA) has been achieved. A pilot with a limited number of ministries will be conducted to ensure an orderly transition to the TSA.

<u>Debt Management and Sustainability</u>

Macroeconomic stability and growth have put public debt on the path of sustainability. The public debt burden declined steadily from above 120% of GDP in recent years to an estimated 83% at the end of 2024. The authorities remain committed to continue the process of debt negotiations. In the interim period before oil production and export from block 58 takes off, further fiscal consolidation will gradually reduce public debt pressures.

The debt restructuring process has now entered the final phase following a successful first phase. Both China Exim and China ICBC loans underwent first phase restructuring in November and December last year. Furthermore, the authorities signed an umbrella agreement with the Paris Club (PC) for the second phase of debt treatment. Bilateral negotiations with individual PC creditors are ongoing. The negotiations with China Exim Bank regarding the second phase of debt restructuring has also started and is expected to be finalized in the coming months. Furthermore, agreements between the authorities and the remaining commercial creditors are scheduled to be signed in the coming months. The completion of these agreements will provide a solid base for debt management and debt sustainability going forward.

<u>Monetary, Financial, and Exchange Rate Policies</u>

Tight monetary policy has successfully curbed inflation by restraining SRD liquidity, supported by the Central Bank's open market operations. As a result, month-on-month inflation has returned to pre-crisis levels. Although excess liquidity in the banking system increased due to higher government spending, investments in Central Bank instruments also grew, allowing the Central Bank to meet the monetary QPCs for December 2024. To anchor inflation expectations and sustain disinflation, a restrictive stance will be maintained until inflation firmly reaches single digits. Looking ahead, the Central Bank is preparing for a transition to a new monetary policy framework in anticipation of oil-related inflows post-2028. Large capital inflows will complicate monetary targeting, necessitating a shift toward interest rates as the primary operational target. To facilitate this, efforts will focus on developing a well-functioning interbank market, enhancing financial market infrastructure, and modernizing liquidity management practices.

The Central Bank is committed to financial stability and is working to strengthen the banking system and addressing remaining vulnerabilities. The capital adequacy ratio of the banking system is 23.4 percent per December 2024 and the nonperforming loan ratio is close to the five percent benchmark. The Central Bank is advancing its risk-based supervision framework, in line with recent legislative changes to strengthen regulatory oversight. Efforts are ongoing to further enhance the framework, ensuring its effectiveness in addressing emerging financial risks. To bolster systemic risk monitoring and management, the Central Bank is improving its stress-testing and macro-prudential framework. Reforms in the insurance and pension sectors are progressing, with a view to enhance resilience and sustainability. Efforts to improve capital markets, electronic payments, credit reporting, and AML/CFT regulations are ongoing.

The Central Bank's foreign exchange policies are based on flexible, market-determined exchange rates. Accordingly, currency valuation should reflect economic fundamentals. Market dynamics have led to occasional shifts in the exchange rates, reflecting underlying economic conditions, without sustained deviations. To enhance the efficiency and transparency of the foreign exchange market, the Central Bank has prioritized strengthening its functioning. A key milestone in this effort has been the launch of the electronic FX trading platform. Following a series of procurement and technical delays in the testing phase, this platform is now operational. Initially, participation is limited to interbank transactions. This initiative is expected to enhance price discovery, improve liquidity management, and support overall financial sector stability by fostering a more structured and transparent FX market.

Governance Reforms

The Central Bank is making progress in clearing its financial audit backlog. IFRS-audited statements for FY 2020, 2021, and 2022 were published between November 2023 and March 2025. Efforts are underway to enhance IFRS-compliant reporting and accelerate future audits. Program monetary data audits have revealed no major issues, and internal audit capacity is being strengthened through co-sourcing. To improve foreign reserves management, IMF's recommendations will be implemented. The CBvS recapitalization plan has been executed to ensure a strong balance sheet and effective monetary policy. The plan is based on FY 2021 financials and allows for additional capital injections if future audits reveal greater recapitalization needs.

Further strengthening of the anti-corruption framework includes provisions to prevent rent-seeking of oil-related revenues by exposed officials. A provision was included in the legislation for the declaration of incomes and assets of politically exposed persons. The provision mandates the routine verification of these declarations, the publication of this information, and the establishment of proportionate sanctions for non-compliance. The previously established anti-corruption commission, in cooperation with the Evaluation Commission, designed a framework that categorizes this group of people based on the nominal value of their assets. The amended law was approved by the Council of Ministers in February 2025. A very important objective of this reform is to mitigate vulnerabilities to corruption and promote investment and growth.

Concluding remarks

At the end of the program, authorities are proud that overall performance remained satisfactory. Authorities were able to manage a very complex crisis and implement a program with steadfast commitment. Their ambitious reform agenda, which includes energy subsidy reforms, sensitive anti-corruption initiatives, financial sector reforms to ensure financial stability, and the strengthening of the Central Bank, needs to be continued to further anchor macroeconomic stability, increase transparency, and encourage good governance. The authorities fully recognize that significant challenges remain to be addressed in the post- program period. A case in point is the adoption of crucial legislation that will create robust entities to improve revenue collection, support countercyclical fiscal policies, and safeguard intergenerational wealth. Furthermore, the authorities are confident that the conclusion of debt restructuring discussions will pave the way for long-term debt sustainability.

The medium- and long-term outlook for Suriname has been significantly altered after the Final Investment Decision from Total/APA in October 2024. The major economic transformation that will follow large revenues from oil and gas exploitation in 2028 will depend on robust resource revenue management frameworks to capture, absorb, and redistribute abundant oil wealth in a fair and balanced manner over the medium-term, to the benefit of the people of Suriname.

It is expected that after the May 2025 general elections, the new administration will remain committed to continue the pathway towards macroeconomic stability. Any possible successor program, if requested, must be strongly focused on institutional strengthening and measures that will increase the country's capacity to mitigate the devastating effects of climate change and increase its climate resilience. Climate-related investments in infrastructure that withstands extreme weather events are very costly and will require strong support in the form of substantial access to IFIs' climate financing in the very near future.