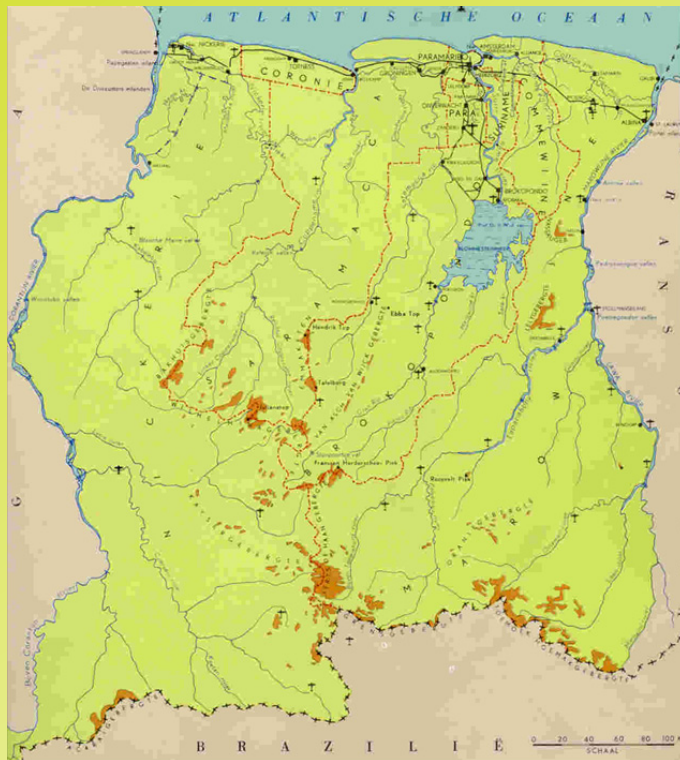


# SURINAME

*General Information related to the business environment*



*Produced by  
Centrale Bank van Suriname  
Paramaribo, November 2016*



### Sources:

- Algemeen Bureau voor de Statistiek (General Bureau of Statistics)
- Ministerie van Arbeid (Ministry of Labour)
- Ministerie van Handel en Industrie (Ministry of Trade and Industries)
- Ministerie van Transport, Communicatie en Toerisme (Ministry of Transport, Telecommunication and Tourism)
- N.V. Energiebedrijven Suriname
- N.V. Surinaamsche Waterleiding Maatschappij (Watersupply company)
- Nationaal Instituut voor Milieu en Ontwikkeling in Suriname (National Institute for Environment and Development in Suriname)
- Staatsolie Maatschappij Suriname N.V. (State Oil Company)
- Kamer van Koophandel & Fabrieken (Chamber of Commerce & Industry)
- N.V. Havenbeheer Suriname (Suriname Port Management Company)

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## Macro-economic View

Suriname is a small upper middle-income country with a GDP per capita of US\$ 9,363 at the end of 2015. Suriname has been recording encouraging economic growth rates for the 14 years, even during the global recession of 2008-2009 and amidst continued cloudy international economic environment. However, the sharp decline in international bauxite, gold and oil prices have led to lower export earnings from these sectors, which in turn contribute to a significant drop in Government revenues and the discontinuation of activities of the bauxite company Suralco, which has contributed substantially to economic activity in the country. Consequently, economic growth is estimated to be -2.1% in 2015 (Table 2) and is expected to decline further in 2016, due to reduced overall economic activity, the winding down of investments in the mining sector and a large drop in real Government spending.

At the end of 2015, Suriname recorded an end-of-period inflation rate of 25.1 percent (Table 2), while the international reserves stood at 2.2 months of imports of goods and services, (excluding imports from the mining sector). Although a substantial increase in debt, Suriname's Government debt was still amongst the lowest within the Caribbean, amounted to 50.9 percent of GDP in 2015. The Debt ceiling, as stipulated in

**Table 1**  
**Nominal GDP Breakdown by Sector**  
(in percent)

	2010	2011*	2012*	2013*	2014*	2015 <sup>1</sup>
<b>Sector</b>						
Agriculture, Hunting and Forestry	7,0	6,1	6,1	5,5	5,6	6,0
Fishery	2,4	2,6	2,3	2,5	3,5	3,3
Mining and Quarrying	7,2	6,7	7,0	5,6	4,4	3,2
Manufacturing	21,0	20,8	21,2	18,8	16,3	15,1
Electricity, Gas and Water Supply	2,1	1,8	1,8	2,0	1,9	2,0
Construction	4,8	5,8	5,1	5,9	7,2	7,5
Wholesale and Retail Trade	19,4	18,5	18,6	18,8	19,7	20,4
Hotels and Restaurants	2,6	2,8	3,0	3,2	3,4	3,6
Transport, Storage and Communication	5,9	5,8	6,8	7,4	8,1	8,3
Financial Intermediation	5,0	5,1	5,5	5,9	5,3	5,3
Real Estate, Renting and Business Activities	3,1	3,1	3,0	3,3	3,5	3,6
Education	0,1	0,1	0,1	0,1	0,1	0,1
Health and Social Work	0,6	0,6	0,6	0,7	0,7	0,7
Other Community, Social and Personal Services	0,6	0,7	0,7	0,7	0,8	0,8
<b>Government</b>						
Agriculture, Hunting and Forestry	0,2	0,2	0,2	0,2	0,2	0,2
Electricity, Gas and Water Supply	0,1	0,1	0,1	0,1	0,1	0,1
Construction	0,1	0,1	0,1	0,1	0,1	0,1
Transport, Storage and Communication	0,2	0,2	0,2	0,2	0,2	0,2
Public Administration	4,3	4,1	4,0	4,3	4,3	4,4
Education	3,4	3,2	3,0	3,5	3,5	3,6
Health and Social Work	2,5	2,4	2,4	2,8	2,9	3,0
Taxes less subsidies on production	7,1	9,1	8,6	8,5	8,3	8,5
<b>Total</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>

Source: General Bureau of Statistics, Suriname Planning Office, Central Bank of Suriname

<sup>1</sup> Planning Office estimates

\* Preliminary figures

**TABLE 2**  
**SURINAME: SELECTED MACROECONOMIC INDICATORS**

	2010	2011*	2012*	2013*	2014*	2015*
<b>Production</b>						
GDP market prices (mln SRD)	11.993,0	14.451,9	16.433,7	16.932,1	17.194,1	18.103,1
Real GDP growth (%)	5,1	5,3	3,1	2,8	1,8	1,5
GNI per capita (US\$)	8.128,4	7.808,1	8.971,8	9.240,7	9.355,5	n.a.
<b>Government Finances **</b>						
Revenue (mln SRD) <sup>1)</sup>	2.606,2	3.537,5	4.024,5	3.960,4	3.750,9	3.041,3
Expenditures (mln SRD) <sup>1)</sup>	2.955,3	3.551,1	4.410,6	4.728,4	4.564,4	4.308,7
Overall balance (mln SRD) <sup>1)A)</sup>	-305,7	-284,7	-445,1	-1.027,1	-961,1	-1.429,2
Overall balance in % of GDP <sup>1)</sup>	-2,5	-2,0	-2,7	-5,9	-5,1	-7,9
<b>Balance of Payments</b>						
Merchandise exports (mln US\$) <sup>2)</sup>	2.084,1	2.646,9	2.700,2	2.416,2	2.145,3	1.309,1
Merchandise imports (mln US\$) <sup>2)</sup>	1.397,9	1.679,1	1.993,5	2.173,7	2.012,3	1.575,7
Trade balance (mln US\$) <sup>2)</sup>	686,2	967,8	706,6	242,5	133,0	-266,7
Net services, income and current transfers (mln US\$) <sup>2)</sup>	-35,4	-536,5	-537,4	-418,2	-517,9	-225,8
Current account balance (mln US\$) <sup>2)</sup>	650,8	431,3	169,2	-175,7	-384,9	-492,5
Overall balance (mln US\$) <sup>2)</sup>	35,0	124,1	180,1	-148,8	-150,2	-210,0
Gross international reserves (mln US\$)	690,8	816,9	1.008,4	778,8	625,1	330,2
Import cover ratio (months) <sup>3)</sup>	5,0	4,4	4,7	3,4	2,7	1,4
<b>Financial Sector</b>						
Money stock [M1] (mln SRD) <sup>4)</sup>	3.003,8	3.546,5	4.305,3	4.466,5	4.650,4	4.926,4
Broad Money [M2] (mln SRD) <sup>4)</sup>	5.525,2	6.710,0	8.128,5	9.028,1	9.520,2	10.639,3
Net credit to the government (mln SRD)	191,4	-63,5	-9,4	525,5	1.291,5	2.637,0
Credit to the private sector (mln SRD)	3.052,0	3.660,1	4.228,9	4.983,8	5.407,1	6.287,6
Weighted average nominal SRD deposit rate (%)	6,2	6,6	7,0	7,2	7,4	7,7
Weighted average nominal SRD lending rate (%)	11,8	11,8	11,8	12,0	12,5	13,4
<b>Exchange Rate and Inflation</b>						
Official buying rate (SRD per US\$)	2,71	3,22	3,25	3,25	3,25	3,33
Official selling rate (SRD per US\$)	2,78	3,32	3,35	3,35	3,35	3,43
Annual average inflation (%)	6,9	17,7	5,0	1,9	3,4	6,9
End-of-period inflation (%)	10,3	15,3	4,3	0,6	3,9	25,0
<b>Government Debt Ratios <sup>5)</sup></b>						
External debt ratio (%)	15,0	16,2	16,4	18,8	20,8	28,5
Domestic debt ratio (%)	12,5	10,6	10,7	15,7	12,3	22,4

Source: Central Bank of Suriname, Ministry of Finance, Suriname Debt Management Office,  
General Bureau of Statistics, Planning Office, IMF.

\* Preliminary figures

\*\* Data presentation according to international definition following the methodology as stipulated in the Government Finance Statistics Guide (IMF Manual).

<sup>A)</sup> Includes statistical discrepancies.

<sup>1)</sup> 2015 pertains to data till November.

<sup>2)</sup> Based on three quarters (Q1-Q3) data for 2015.

<sup>3)</sup> Based on imports of all goods and services.

<sup>4)</sup> Includes foreign currency deposits.

<sup>5)</sup> Based on national definitions; see [www.sdm.org](http://www.sdm.org) for debt ratios compiled in accordance with international definitions.

the Government Debt Act, dictates a maximum debt of 60 percent of GDP for the total Government debt, divided into 35 percent of GDP for external debt and 25 percent of GDP for domestic debt. The domestic government debt amounted to 22.4 percent of GDP, while external debt stood at 28.5 percent of GDP at end-December 2015.

## ***E**stablishing a Business*

### ***B**usiness entities*

To establish a business in Suriname a registration in the Trade Register of the Chamber of Commerce and Industry is obligatory, for both businesses for which a permit is mandatory and non-mandatory. Registration takes a single day however, setting up a new business, opening of a local office for a foreign company, establishing a franchise or acquiring an existing business requires different procedures. In general, permits are issued by the Licensing Department of the Ministry of Trade and Industry. Before registering, however, it is very important to consider legal entity of the business.

In Suriname there are several business legal entities, namely:

- Sole proprietorship.
- General partnership.
- Limited partnership.
- Limited liability company.
- Cooperative association.

Currently there are two draft laws in preparation for two new business entities:

- Private / Individual professional.
- Exhaustive Liability Company.

## ***L**icensing and Registration*

In order to improve the business climate in Suriname, the licensing system has gradually been liberalized whereby it is decided, as of June 2, 2011, that all applications for licenses for the businesses and professions applicable for license must only be submitted to the Business Licenses Department of the Ministry of Trade and Industry. From this date on only 45 businesses and professions are obliged to have a license. The other businesses and professions are not obliged to have a license, but registration in the Trade Register of the Chamber of Commerce and Industry remains compulsory. However, licenses that are issued by or on behalf of other government agencies than the Ministry of Trade and Industry are still subject to the existing licensing conditions.



### *License application*

Business licenses can be obtained in person, by the founder of the company, at the the Licensing Department of the Ministry of Trade and Industry.

In order to support new business activities and facilitate the procedure of the business license application the Chamber of Commerce & Industry created a so called "One Stop Window".

This service desk took over the task of gathering the necessary documents for application and supports the licensing request. Dependent upon the sort of business, the average waiting time for the issue of licenses by the Ministry of Trade and Industry takes a minimum of 21 working days after approval by the Ministry. Initiatives for further reform are ongoing.

### *Investors' protection*

Investors are protected if they engage in a limited partnership or limited liability company as a silent or limited partner or shareholder, since their liability is limited to their shares. In addition, property rights ensure investors' protection. Property rights are protected and facilitated by law.

Secured interest in property, both movable property and real property, is recognized and enforced. Mortgages are registered by the Mortgage Office (Management Instituut GLIS) and brands are registered at the Bureau for Intellectual Property Rights (Ministry of Justice and Police). A draft law on Secured Transaction is in preparation which also provides legal basis for setting up of a registry for movable assets. In general it can be stated that during the last three years, progress has been made to improve the business climate in Suriname. Furthermore, reform of the legal framework for improving the investment climate and protection of entrepreneurs is in progress.

### *Business climate and hours*

The business climate in Suriname can be described as professional and formal. General business hours are 7:30 A.M. or 8:00 A.M. to 4.30 P.M. on weekdays. Opening hours of banks are generally Monday through Friday from 8:00 A.M. till 2.30 P.M. Due to increasing demand, some banks have started to provide service also in the afternoon and on Saturday. Government offices are open from 7:00 A.M. till 3:00 P.M. on weekdays.

### *Accommodations*

Suriname has different international hotels, motels, lodges and guesthouses. Accommodations exist for every budget.

## *Restaurants*

Restaurants ranges from casual to trendy and from budget to haute cuisine. The cultural diversity also expresses itself in the international cuisine, which ranges from spicy curry Hindustani cuisine, authentic Javanese food to high standard French cuisine. In short, there is a tremendous offering of delicious food.

## *Professional services*

There is a plethora of professional services in Suriname to support your business activities. Business services are offered by a wide variety of renowned international and local companies. The official language is Dutch, however English is widely spoken.

Professional services located in Suriname include:

- Audit, tax and legal services.
- Consulting, advisory and research services.
- Financial and Insurance services.

## *Financial services*

As of 2012, Suriname's financial sector comprised of the Central Bank of Suriname, nine commercial banks (including subsidiaries), investment and finance companies, pension funds, provident funds, the stock exchange, foreign exchange bureaus, and money transfer houses.

## *Financial reporting*

Most small and non-public companies use different reporting standards such as International Financial Reporting Standards (IFRS), Dutch Generally Accepted Accounting Principles (GAAP) or other generally accepted standards.

## *Taxation*

### *Corporate income tax*

According to the Income Tax Law, companies resident in Suriname are subject to corporate income tax which is levied on their worldwide income. Resident corporate income tax payers are companies:

- Incorporated under Surinamese law.
- Incorporated under foreign law and effectively managed and controlled within Suriname.

The current income tax rate for companies is 36%. The only withholding tax applicable in Suriname is dividend tax of 25% upon the dividend payments to shareholders.

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### ***Relief of tax losses***

Tax losses incurred during the first three years of the companies existence may be carried forward indefinitely. Losses incurred during subsequent years may be carried forward for a period of seven years.

### ***Personal taxation***

The principal taxes on the income and wealth of individuals (natural persons) include the following: personal income tax including wage tax, dividend tax, and wealth tax.

### ***Import, export and excise duties***

The import of goods is subject to import duties. By Decree of the Minister of Finance, investors in the production sector can request an exemption of the import duty to a maximum of 75% to the import of investment goods (heavy equipment).

## ***T*ax & non-tax incentives**

### ***Tax incentives***

In Suriname an investor can benefit from one of the following tax based incentives as included in the Investment Act:

- Ten year tax holiday for large investments: results in reduction of corporate income tax due, if any.
- Accelerated depreciation on assets: results in an extension of corporate income tax due, if any.
- Tax consolidation: results in reduction of corporate income tax due, if any.

### ***Non-tax incentives***

Together with the granting of a tax incentive, according to the Investment Act, a license can also be granted by the authorized institution regarding:

- The repayment of the equity capital obtained from abroad to finance the investments as meant in this act.
- The payment of profit and/or dividend.
- The payment of interest and amortization for money borrowed from abroad to finance investments as meant in this act.
- The payment of remunerations for management, technical assistance, know-how, patent and such.

### ***Taxes related to the mineral sector***

The main tax incentives available for investors in the mineral sector are:

- Import duties exemption: results in a reduction of investment costs.
- Accelerated depreciation.
- Reinvestment reserve.



## *Raw Materials Act*

Under the current Raw Materials Act an exemption of import duties is granted for the import of raw materials. Exemptions are also granted for the food, the soft drinks industry and the fruit juice industry.

## *Trade regime*

In September 1999, Suriname introduced a new system of trade control under which all products could be freely imported unless otherwise specified in a negative list. The Law on the Movement of Goods, which is entered into force on October 2003, incorporates this approach by declaring imports of goods into Suriname free of non-tariff restrictions except to protect “public order, public morality, state security, public safety, international law and order, the health and life of persons, animals or plants, environment, nationals artistic possessions and industrial and commercial property”. Restrictions that ensure from technical regulations and contingency measures may also be adopted.

The division Import Export and Foreign currency control is a department of the Ministry of Trade and Industry which is responsible for granting licences for Import, Export and Transit. With the implementation of the trade liberalization as September 1, 1999 everyone may import and export free after they have being registered at the Chamber of Commerce and Industry, under the goods law (SB 2003 no. 58) and the decision Negative list (SB 2003 no 74).

The Negative List adopted under the Law on the Movement of Goods, lists the products that are currently subject to import restrictions, which can take the form of prohibitions, non-automatic licensing requirements, or certification requirements.

The Negative List distinguishes three categories of goods:

- Category 1. Prohibited goods
- Category 2. Goods subjects to license requirements
- Category 3. Goods subjects to certificate requirements

## *Import of goods*

Licensing and certification requirements are applied regardless of the origin of the goods. Licenses are issued by the Ministry of Trade and Industry, sometimes on the advice of the Ministry of Health, Ministry of Natural Resources, or Ministry of Agriculture, Animal Husbandry and Fisheries.

Depending on the product, certificates are issued by a national government agency other than the Ministry of Trade and Industry or by the country in which the product originates.

Importers and exporters are eligible for a license as long as they fulfill the relevant requirements. Applications for licenses must be submitted to the Department of Import, Export and Foreign Exchange Control of the Ministry of Trade and Industry.

## Exports

Due to the deregulated trade regime, all goods are exempted from export licenses except those goods mentioned in the negative list. Licensing and certification requirements are applied regardless of the origin of goods. Licenses are issued by the Ministry of Trade and Industry, sometimes on the advice of Foundation for Forest Management and Production Control, Ministry of Agriculture and Service of the country bunch management. Depending on the product, certificates are issued either by a national government agency other than the Ministry of Trade and Industry or by the country in which the product originates.

## Trade policy

Suriname's trade policy is determined by the Government's medium-term development policy objectives, as laid down in the 5-year development plan.

Suriname's economic policy is aimed towards diversification of its economy which contributes to the regional integration strategy participation in the CARICOM Single Market and Economy (CCSME). Suriname is also engaged in various major external trade negotiations on a multilateral level as well as on a regional level such as the multilateral Doha Development Agenda (DDA) negotiations in the World Trade Organization (WTO), and the negotiations with the CARICOM (CARICOM-CUBA, CARICOM-Dominican Republic, CARICOM-Costa Rica), CARIFORUM-EU Economic Partnership Agreement (EPA) (in review process), Trade Preferential System-Organization of Islamic Cooperation (TPS-OIC), Union of South American Countries (UNASUR) and Community of Latin America and Caribbean States (CELAC).

## Entrepreneurship

Apart from the efforts to facilitate trade, the ministry of Trade and Industry has taken the following measures to improve entrepreneurship in Suriname.

- Establishment of an Entrepreneurs desk, to provide starting entrepreneurs with the necessary guidance and assistance in developing their business plan.
- Establishing of the SME fund, which provides finances against lenient conditions/ interest. A loan from this fund, entails mandatory guidance in the development of the business. The ministry provides this support to the entrepreneurs.
- The ministry also provides entrepreneur trial training, which is the basic of entrepreneurship and development of their business model.

## Labor market

According to the Ministry of Labor the working population in the households in the districts of **Paramaribo and Wanica** was estimated at 238,397 in 2012.

<b>Table 4</b> <b>Working Age Population in the Households in Paramaribo &amp; Wanica by Activity Status, 2010-2012</b>						
Activity status	2010	%	2011	%	2012	%
Economic inactive	87,293	38	92,464	39	93,662	39
Economic active	142,099	62	145,698	61	144,735	61
<b>Total</b>	<b>229,392</b>	<b>100</b>	<b>238,162</b>	<b>100</b>	<b>238,397</b>	<b>100</b>
Source: Selected Gender statistics 2013 - ABS						

## Educational level

The education system in Suriname includes:

- Primary Education, which is guaranteed by the state, although in practice religious institutions accommodate primary education to a significant extent. Primary schooling of 6 years takes place at over 400 schools scattered throughout the country;
- Secondary Education which begins at middle school where an academic program including accounting, biology, mathematics and physics extends over 4 years;
- Vocational education system where students can also be diverted to vocational streams at the end of primary or middle school when they achieve a minimum standard. Streams include career-specific programs through to special education;
- Tertiary Education, which is the country's higher education system, and includes a teacher training college, 5 higher professional institutes including University of Suriname, and a number of research bodies. The Anton de Kom Univeristy was founded in 1968 and is the only national state university. It has faculties of medical sciences, technological sciences, and social sciences that include economics, education, law, public administration, sociology, and business management. There are also 5 research institutions with a wide spread of interests.

## Foreign workers

Under working permits legislation, foreign companies are required to give preference to hiring local nationals. Foreigners require both a residence permit and a work permit to work in Suriname. The residence permit can be obtained from the Ministry of Justice and Police. The work permit can be obtained from the Ministry of Labor, Technological Development and Environment.

### *Residence permit*

Foreigners are allowed to stay up to six months without a residence permit, under the condition that they have a valid visa and a roundtrip ticket. After six months a residence permit is required. A residence permit is valid for two years, after which a request for renewal has to be filed.

### *Work permit*

Every employer who wishes to employ an employee with a nationality other than the Surinamese (a foreigner), requires a work permit. A work permit is granted by the Ministry of Labor. The application of a work permit is a responsibility of the employer. The foreigner supports the application by co-signing it.

A work permit is not required in the following categories:

- Foreigner married to a Surinamese citizen;
- Returning emigrant of Surinamese origin;
- Foreigner with refugee status;
- Foreigner who will be employed as a civil servant;
- Foreigner with the status of CARICOM-competent citizen.

Additionally a deposit receipt of the charges for the work permit application is needed, which:

- amounts to USD 300,- (or equivalent in Surinamese Dollars) per application, in case of employment of a foreigner in the interior, in a company that is involved in gold mining;
- amounts to SRD 75,- per application, in all other cases.

### *Rules and regulations on environment*

Suriname is party to a number of international environmental agreements such as the UN conventions on Biological Diversity, Kyoto Protocol, Ozone Layer protection, Land degradation, and other regional environmental conventions such as Wetlands, Endangered Species, and the Amazon Cooperation Treaty.

The National Institute for Environment and Development of Suriname (Nationaal Instituut voor Milieu en Ontwikkeling in Suriname, (NIMOS)) is a government foundation established in 1998 to develop and implement an environmental management system in Suriname. Within this environmental management system there exists a National Environment Council (NMR), which is an advisory body to the President and the GoS, on all environmental related matters.





The N.V. Energiebedrijven Suriname (EBS) is the main energy provider in Suriname. The energy offered by EBS is generated by EBS, Suriname Aluminium Company, L.L.C. (Suralco) and Staatsolie Power Company Suriname (SPCS). Suralco operates a hydro-electric power plant in the district Brokopondo also known as Afobakka. This plant delivers around 80 megawatt (MW) to EBS annually, but has an installed capacity of 189 MW.

EBS, owns and operates two large power plants in the district of Paramaribo and 5 smaller power plants in Apoera and in the districts of Nickerie, Coronie and Marowijne. The oldest power plant in Paramaribo is a diesel power plant which generates around 45 MW, but has an installed capacity of 83 MW. The second power plant became fully operative in January 2014 and generates around 60 MW.

The third power producer SPCS, the subsidiary of Staatsolie Maatschappij Suriname N.V. (Staatsolie), owns and operates a power plant at Tout Lui Faut, with an installed capacity of 64 MW. Commonly the utility offers to end-users a frequency of 60 Hz and 220/127 Volt.

## Telecommunication

The telecommunication sector is partly liberalized. Fixed Telecommunication infrastructure and fixed-line services are state-owned, whereas mobile telecom has been liberalized. Telesur is the state-owned telecom company and has exclusive rights of fixed-line services.

Telesur and Digicel Suriname are the two only companies that offer mobile services in Suriname. The telecom infrastructure is comparable to the rest of Latin-America, and fairly competitive. The mobile telecom market has grown significantly in recent years and is much greater than the landline market. In 2015 there were 16.47 fixed subscriptions and 134.48 mobile subscriptions per 100 inhabitants. Suriname has access to two fiber optic cables namely the Americas 2 cable and the Suriname/Guyana SG-submarine cable (SGS). In 2015 there were 65.10 mobile broadband subscriptions and 9.10 fixed broadband subscription per 100 inhabitants. In 2015 licenses for three Internet Service Providers have been issued by the Telecommunication Authority Suriname (TAS). To date they are not yet operational. In 2016 the TAS also issued an additional license for an Internet Service Provider. In Suriname the following technologies are now available: 2G, 3G and 4G/LTE. It is expected that the use of the Internet will continue to increase rapidly and is now expanding from urban, suburban to the interior of Suriname.

## Water

Suriname has enormous freshwater reserves in its underground sand layers, many creeks, rivers and swamps. It is of utmost importance that these water supplies are well protected by proper legislation and extraction quota. In the coastal area approximately 95% of all households living in the urbanized areas have access to a tap water connection,

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compared to 70% of the rural areas. The tap water is of excellent quality and is monitored according to the World Health Organization (WHO) standards. The interior, which is mostly covered with rainforest and only has small human settlements alongside the rivers, has small water purifying units in larger villages. Water is considered one of the most important factor for sustainable development. It is therefore the policy of the government and its subsidiaries to invest in further improvement and expansion of durable water supply.

## *Potential Sectors for Investments*

Suriname, with its mineral and water reserves, fertile land, favorable location and human resources, offers countless opportunities. The government policy is focused on economic diversification, especially to tourism, agriculture and forestry.

### *Agriculture*

Agriculture is an integral aspect of the socioeconomic development of Suriname. The contribution of the agriculture sector to the GDP was 5% in 2014. Agricultural production systems include annual crops (rice and vegetables) and some perennials - the main ones being bananas, plantain, coconut, and citrus. In addition, the fishery industry includes industrial, coastal, brackish water and fresh water fisheries, and aquaculture (schrimp). The direct and indirect employment in the agriculture sector is estimated on 25,000 of which crop agriculture is 12,200 animal husbandry 6,400 and fisheries 650. This sector has much to offer for agriculture oriented companies: abundant of fertile land, forest and plenty of water.

### *The Mining Sector*

Bauxite, gold, oil natural stones and building material are the main activities in the mining industry in Suriname.

### *Gold*



Most of the promising gold deposits of Suriname can be found in the east of the country that is situated on a rock formation called the Greenstone Belt. Although lower international gold prices led to lower export earnings, gold remains the largest export commodity and accounted for approximately 56% of all export in 2015. The gold sector consists of two segments, namely the formal and informal subsector. Gold

production in the formal sector started in 2004 with the launch of Rosebel Gold Mines Limited (now a subsidiary of Canada 'IAMGOLD').

Two activities that would further expand the formal gold subsector started in 2014. The first activity started at the end of 2014 when the State-owned company Grassalco embarked on a pilot - project to recover gold in areas at its concession at Maripaston



in the district of Para, where small-scale miners have worked previously. Effective and environmentally friendly methods were used during this project. This pilot project was successfully completed in 2015 and Grassalco partnered with foreign companies to continue its exploration activities in the other concessions at Lely Gebergte and Goliath Berg. The second activity involves a mine in the Merian Area, the mid-east of Suriname, through a joint venture between the GoS and the Multinational Corporation Newmont (MNC), Surgold N.V., the company that was established, will commence exploitation by the end of 2016. On behalf of the GoS, Staatsolie is the owner of 25% Surgold's shares. The other 75% belongs to MNC.

The informal subsector with its small scale gold miners accounted for 65% of total gold exports in 2015. In the first quarter of 2015 Kaloti Suriname Mint House, a joint venture between the GoS, the domestic private sector, and Kaloti Jewelry Group, with its headquarter in Dubai, United Arab Emirates, was launched. The Mint House melts and refines gold and produces gold bars according to international standards. This enabled Suriname to start exporting refined instead of unrefined gold.

## Oil



One of the main export products consists of oil and oil products. In 2015, 9.5% of all export was oil related. Oil is produced by the state-owned Staatsolie Maatschappij Suriname N.V. This company has exclusive rights regarding the exploration of oil and gas in Suriname. In 2015 the refinery production of Staatsolie consisted of crude oil, diesel oil, fuel oil, bitumen, and ultra low sulphur diesel and gasoline.

Staatsolie operates three oil fields which produce an average of 17,000 barrels per day. Crude oil production in 2015 stood at 6.18 millions barrels (MMBLS). For 2015 total sales of Staatsolie products were 5.8 MMBLS, with an export value of USD 153 million. Approximately 2.8 MMBLS, will be allocated for the local market to provide for the Surinamese oil consumption of around 6,800 barrels a day. The U.S. Geological Survey (USGS) in 2000 declared the Guyana-Suriname Basin to be the second most promising unexplored basin in the world. The USGS estimated that the basin contains approximately 15 billion barrels of crude oil, 42 billion cubic feet of gas and more than 2.3 billion barrels of natural gas liquids. The offshore basin is located in the coastal regions of Guyana, Suriname and French Guyana.

## Outsourcing

Outsourcing is a rather small sector within Suriname. Nevertheless it is a rapidly growing and attractive sector. The favorable tariffs, in combination with the Dutch and English language, the specialist knowledge of IT and the highly educated people make Suriname attractive for outsourcing.



In 2009 a study was conducted by the Rotterdam School of Management which showed that around twelve companies offered outsourcing services in Suriname. Most of them are IT related companies. Services offered were: outbound / inbound calling (sales, recruitment, support); first-line/ second-line support; e-mail processing; customer satisfaction research; administrative services, mostly debt collection services; financial services; software testing; data-entry/ data-conversion; search engine optimizer services, and software development.

### ***Tourism***

Receipts from tourism registered an increase of 10.7% from 2014 to 2015 for the largest market, The Netherlands. Furthermore a significant part of the tourist come from South America, especially from French Guyana and Guyana. Growth is also reflected in the growing number of tour operators. Suriname has beautiful nature with a luscious rain forest and many natural reserves, friendly local people, a rich and diverse culture, and safety to offer. There is a nature conservation system comprising a network of 15 protected areas including the Central Suriname Nature Reserve, which cover more than 14% of the country's surface. There are countless opportunities within the tourism sector. It is expected that the tourism sector will grow significantly in the future and the first movers will profit the most from this positive development.

The tourism sector is relatively small but very promising because of:



- Limited competition (yet).
- Good accessibility by air.
- Good roads and ferries between Suriname, Guyana and French Guyana.
- Opportunities for small cruise ships and yachts.

Surinam Airways and “Koninklijke Luchtvaart Maatschappij” (KLM) offer direct flights from and to Amsterdam. In addition, Surinam Airways, Caribbean Airlines and Insel Air have scheduled flights to Miami, Curacao, Aruba, Trinidad & Tobago, Guyana and Brazil. From August 25, 2016, the Brazilian airline GOL linhas Aéreas Inteligentes SA offers two flights a week from Belem to Paramaribo vice versa.

### ***Tourist Card***

To promote tourism the GoS introduced the tourist card on November 25, 2011. This card can be purchased upon arrival at the Johan Adolf Pengel Airport, before departure at Amsterdam Airport Schiphol, or at the embassies and consulates of the Republic Suriname by nationals of the following countries: Belgium, Bolivia, Canada, Chile, Dubai, Denmark, Germany, Estonia, Finland, France, Greece, Hungary, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, The Netherlands, Norway, Austria, Panama, Paraguay, Peru, Portugal, Singapore, Slovenia, Spain, Czech Republic, Uruguay, Venezuela, United Kingdom and Northern Ireland, United States, Sweden, Switzerland .

### ***P**ort*

The N.V. Havenbeheer Suriname (Suriname Port Management Company) is responsible for the development of port facilities of Suriname . N.V. Havenbeheer is Suriname’s premier port management company and manages port Nieuwe Haven in Paramaribo and port Nieuw Nickerie. Together with private entrepreneurs, especially the terminal operators, N.V. Havenbeheer strives for the highest quality service with total respect for both people and the environment.

### ***E**conomic outlook*

The National Planning Office projects an average growth rate 2.4 percent for the coming 5 years. For the near term, growth is projected at 2.5 percent for 2017. The expected growth in 2017 is due to the spin-off effects of large investments undertaken in the gold and oil sector. Both projects will be fully operational in 2017. Furthermore, with IMF assistance the Government started a recovery and stabilization plan aimed at restricting fiscal balance and macroeconomic stability.



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