BUREAU VOOR DE STAATSSCHULD

Suriname Debt Management Office

Quarterly Debt Report **1st quarter of 2024**

Development of the Central Government Debt

May 30, 2024

Introduction

In 2013, Suriname Debt Management Office (SDMO) started publishing the quarterly report on the development of the national debt. Starting from 2022, this report is enhanced by representing more relevant analysis, tables, charts of debt, and other economic indicators. Efforts are made to place this report on the SDMO its website within 4 weeks, after the publication of the quarterly statistics.

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Summary

- As of the end of March 2024, the outstanding central government debt was SRD 118.4 billion (USD 3.4 billion). This is a decrease of 6 percent compared to the end of 2023. The decrease was mainly due to larger principal payments on the debt than disbursements received and the appreciation of the SRD against the USD of 5 percent during this period.
- The development of the price of both the restructured bond and the VRI shows an upwards movement in the first quarter. Market confidence in TotalEnergies' plans to develop Block-58 is strong. It is expected that the FID will take place at the end of 2024. The adjustment of the Suriname Savings- and Stabilization Fund Act, which should facilitate payments on the VRI in the future, is also on schedule.
- In the first quarter of 2024, total disbursed amounted to approximately USD 35.3 million, while debt service payments were USD 87.2 million.
  In the first quarter of 2024, the settlement of the "gold loan" took place, while the first interest payment on the rescheduled Eurobond was made.
- The finalization of the restructuring of the ABN AMRO bank loan worth EUR 21.3 million, with a haircut of EUR 5.3 million (25 percent), took place in March 2024.
- A debt to DSB was restructured for a second time in January 2024 by extending the maturity, as the government was still unable to meet its obligations under the first restructuring agreement.
- The total arrears on the Central Government debt decreased by approximately 11 percent in the first quarter of 2024 compared to the last quarter of 2023, due to restructuring and the payments of arrears on the domestic debt.
- During this period, a total amount of USD 49.2 million for four new external loans was signed, and a domestic loan of USD 39.5 million was attracted from the banking sector.
  As of the end of 2023, the Cost-Risk indicators on the debt portfolio indicate that the average interest rate on the total debt portfolio has decreased by approximately 1 percent compared to the end of 2022. This is due to the (completed) restructuring agreements, especially of the Eurobond, where the interest rate including the penalty interest was reduced from 9-12 percent to 7.95 percent.

Debt definitions and debt statistics coverage

The central government debt managed by the Suriname Debt Management Office pertains to the Central Government Debt, and it includes monitoring guarantees provided for the debts of third parties. The statistics are currently presented on a cash base. The outstanding balances to suppliers for goods and services provided to the government, also referred to as **"supplier debt," have been included in the statistics since July 2023**, starting with the balances as of the end of December 2021.

The definition of gross government debt is formulated as follows in the National Debt Act:
" the total of legally established debt obligations outstanding against the State, including outstanding current debt, as well as arrears on interest and costs, both those that impose a repayment obligation on the State and those that constitute a called guarantee obligation of the State (article 1 paragraph i) ".

In the past, the amount of debt expressed in SRD differed from the international standard definition (effective debt). This was due to article 3, paragraph 3, which stated: "the equivalent value in Surinamese currency of amounts expressed in foreign currency shall be calculated at the exchange rates according to the quotation of the Central Bank of Suriname on the last banking day of the calendar year to which the nominal Gross Domestic Products (GDP) refers."

The GDP figure from the ABS (General Bureau of Statistics) for the previous year is typically available in the third quarter of the current year. Consequently, the exchange rates used for converting foreign currency debt may vary significantly from those related to the debt in the current year.

By amending Article 3, paragraph 3, it is determined that the exchange rate to be used when calculating external debts denominated in Surinamese currency should be *the exchange rate on the reporting date of the debt*, rather than the year-end exchange rate to which the most recent GDP figure from ABS refers. As a result, the amount has been aligned with international standards and the debt figures according to the National Debt Act now match the effective debt figure.

The statistics are compiled using information received from various sources for example the Central Bank of Suriname, the Ministry of Finance & Planning, and GDP figures from General Bureau of Statistics and International Monetary Fund are used to determine deviations from the debt ceiling and to assess the pressure of the current debt on the economy.

In Article 3, the debt ceiling is based on the debt-to-GDP ratio, with the ceiling for the total debt is set at 60 percent. This ratio must be calculated based on the most recent GDP figure published by the General Bureau of Statistics.

In Article 28, paragraph 2 of the amended National Debt Act of March 16, 2023, it is indicated that the government has 13 years to bring back the ratio to 60 percent. To assess the pressure of the current debt on the overall economy, the effective debt to GDP ratio is calculated with the estimated GDP figures of the year to which the debt relates.

Outstanding Debt and Debt to GDP ratios at the end of March 2024

At the end of March 2024, the central government debt (effective/legal) amounted to USD 3.4 billion (figure 1) and expressed in SRD, SRD 118.4 billion (figure 2). The central government debt in USD has shown a stable trend in the past quarter, while in SRD terms there is a clear decrease of the debt. Table 1 shows that the total debt, expressed in SRD, decreased by approximately 6 percent at the end of March 2024 compared to the end of 2023. This decrease can be attributed to the following:

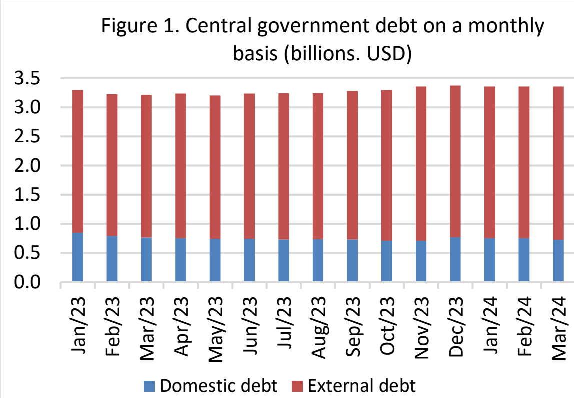
- ❖ In the first quarter of 2024, the total disbursements minus principal payments on the total debt resulted in a decrease of USD 20 million.
- ❖ During this period, there was an appreciation of 5 percent of the Surinamese dollar against the US dollar. This increase in value contributed to the reduction of the debt, as about 86 percent of the debt is foreign currency debt.
- ❖ Interest arrears have decreased due to the restructuring of the debt to ABN-AMRO bank with a debt reduction (haircut).
- ❖ Supplier debt decreased by 4 percent in the first quarter of 2024, which amounted to a reduction of SRD 300 million. At the end of March 2024, this debt component amounted to SRD 7.3 billion.

Table 1. Central Government Debt on cash base and Debt to GDP ratio's

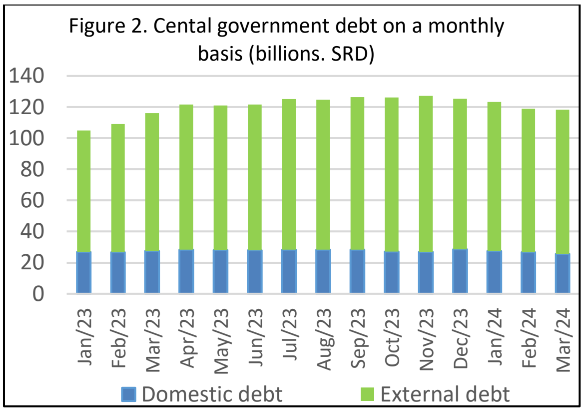
Debt according to the law	**2023-II**	**2023-III**	**2023-IV**	**2024-I**
External debt (billion SRD)	93.8	98.1	96.9	92.7
Domestic debt (billion SRD)	27.8	28.3	28.6	25.7
Total debt	**121.7**	**126.3**	**124.4**	**118.4**
External Debt to GDP ratio	104.8	109.6	108.3	103.6
Domestic Debt to GDP ratio	31.1	31.6	31.9	28.7
Total Debt to GDP ratio	**136.0**	**141.2**	**140.2**	**132.3**
Effective debt (billion USD)	**3.2**	**3.3**	**3.4**	**3.4**
Effective debt (billion SRD)	**121.7**	**126.3**	**124.4**	**118.4**
Total effective debt-to-GDP ratio	**87.2**	**90.6**	**89.9**	**69.3**
Memorandum items				
Exchange rate SRD/USD end 2021	37.6	38.5	37.2	35.3
Exchange rate SRD/USD (e.o.p)	37.6	38.5	37.2	35.3
GDP 2021 current prices (billion SRD)	89.5	89.5	89.5	89.5
GDP 2023 (IMF estimates) (billion SRD)	139.5	139.5	139.5	170.9

Sources: SDMO, CBvS, ABS, IMF e.o.p.= end of period

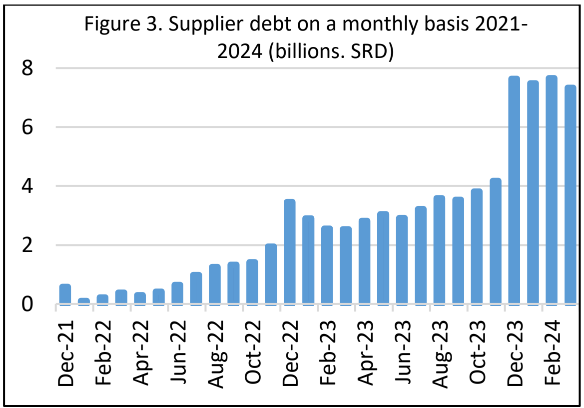
The supplier debt, which became part of the domestic debt following the amendment of the Debt Act on March 16, 2023, represents unpaid invoices for goods and services delivered to the government. This debt item have been updated retrospectively from December 2021 in the domestic debt statistics and are well monitored by the Ministry of Finance and Planning. The supplier debt has significantly increased from SRD 588 million in December 2021 to SRD 7.3 billion in March 2024 (figure 3), an increase of approximately 1500 percent.



Source: SDMO



Source: SDMO



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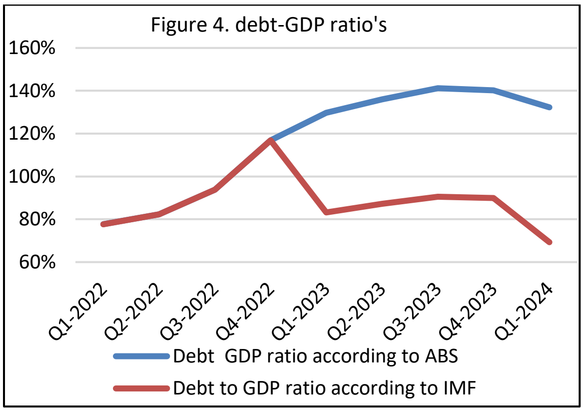


Source: SDMO

According to the fifth review by the IMF, further accumulation of supplier debt must be prevented. The budget department of each ministry must set and maintain the expenditure ceiling quarterly. Additionally, the supplier debt must be fully cleared by the end of 2025.

The legal debt-to-GDP ratio at the end of the first quarter of 2024 is approximately 132 percent according to the 2022 GDP figure from the General Bureau of Statistics. This is a decrease of about 7 percentage points compared to the end of 2023 due to the reduction in debt (figure 4). A better representation of the pressure of the central government debt on the total revenue/production of the economy in 2024 is the ratio based on the GDP estimate of the year. The ratio for March 2024 is then approximately 69 percent. This implies a decrease of about 20 percentage points compared to the end of 2023 (figure 4).

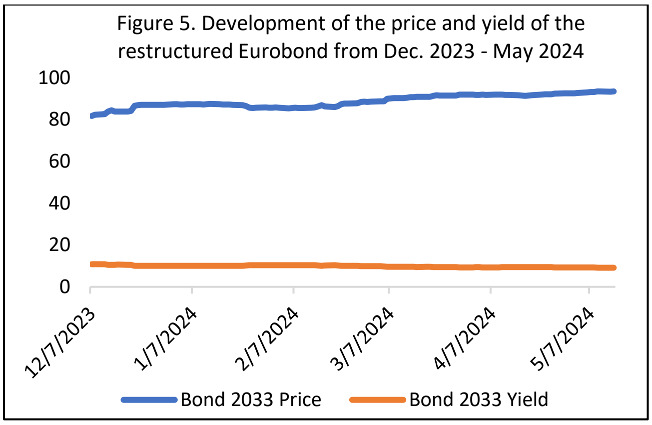
An important part of the IMF-EFF program is to create an environment of stability and resilience for our financial system and to ensure this. Within the framework of the programme, the Central Bank of Suriname (CBvS) must be recapitalized. With the amendment of the Banking Act in 2023 and based on best practices, it is necessary to keep the capital of the CBvS at a certain level.
According to the Banking Act of 2023, the capital of the CBvS must amount to SRD 1 billion. Additionally, the law requires that the combined amount of capital and reserves must be no less than 6 percent of certain financial standards. In 2024, the government will need to allocate financial resources to the CBvS to start the recapitalization. It is estimated that the recapitalization will amount to approximately 5 percent of the GDP for 2024 and will be financed through new debt.

The restructured Eurobond and the VRI instrument

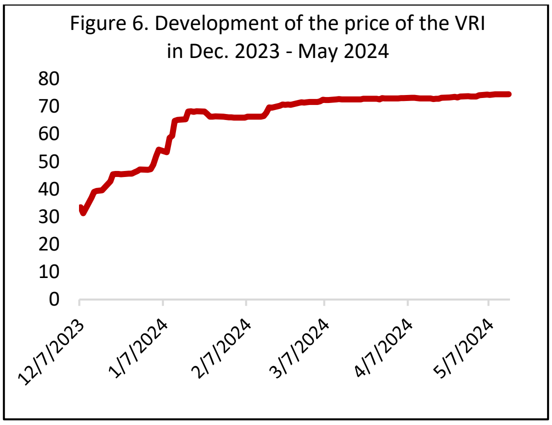
The restructured international Eurobond was finalized on December 6, 2023. The debt had accumulated to USD 912 million by the end of November. Due to a haircut, this debt was restructured to an amount of USD 660 million. The interest rate on the restructured bond is set at 7.95 percent, with 4.95 percent of the coupon to be paid in cash in 2024-2025, while the remaining 3 percent will be capitalized. The debt has a maturity of 10 years with a grace period of 3 years.

The discount given by the creditors will be compensated from the royalty revenues of the offshore oil production from Block 58 in the form of a Value Recovery Instrument (VRI).

Figure 21 indicates that 3 months after the issuance of the restructured Eurobond, the price has stabilized around 85 cents on the US dollar. By the end of May 2024, the price of the Eurobond had risen to 93 cents on the US dollar.



Source: Bloomberg with editing by SDMO



Source: Bloomberg with editing by SDMO

The price of the Value Recovery Instrument (VRI) also rose sharply at the beginning of the year, reaching 74 cents on the US dollar by the end of May 2024. The increase is attributed to market confidence, primarily in TotalEnergies' plans to develop Block-58, with expectations that the Final Investment Decision (FID) will be made by the end of 2024.
The VRI currently does not have a yield return, because the exact amount of royalties owed to the government cannot be determined in advance.

To facilitate and guarantee the payout of the VRI from future offshore oil revenues from Block 58, the Suriname Savings and Stabilization Fund Act must be amended by the end of 2024. If this does not occur, the government will incur additional costs to pay the Euro bondholders.

In 2017, the **Suriname Savings- and Stabilization Fund Act (SSSF)** was approved by the Surinamese Parliament (DNA), thus coming into effect. Two years later, in 2019, the board of the Fund was installed by Presidential Resolution and comprises of:

- The Chairperson (nominated by the Government).
- The Vice Chairperson (nominated by the Ministry of Finance and Planning).
- One member nominated by the Suriname Trade and Business Association (VSB).
- One member nominated by the labor union.
- One member nominated by the Central Bank of Suriname (CBvS).

Despite having a functioning law and an installed board, the Fund could not formally become operational because no government funds were deposited into the Fund as outlined in Article 4 of the law. The reasons for this is primarily a result of the government's financial situation and debt position at that time. It should also be noted that the model and the law were designed in 2012 and amended in 2017, subsequently. Neither at these times were there any "offshore" oil and gas discoveries. After 2019, the need to adapt the model and law became significant.

Proposed Amendments

Following the significant offshore oil and gas discoveries, it has become evident that the current form of the law does not meet the requirements to absorb and process substantial revenues from additional yields. In collaboration with the Inter-American Development Bank (IDB), comprehensive adjustments, additions, and integration of the SSFS law are being undertaken, currently. The adjustments entail the following:

- Adjustment of deposit and withdrawal rules
- Integration of the Fund within the broader government financial policy through linkage with the Medium-Term Fiscal Framework (MTFF), which will ensure medium-term projections and therefore multi-year government financial plans.
- Incorporation of fiscal rules in the Public Financial Management (PFM) Law and the SSFS law. These rules are intended to protect both government finances and the assets in the SSFS against the volatility of internationally determined mineral prices. Without these rules, policy will largely be procyclical determined, and very painful and abrupt corrections of imbalances in government finances will occur more frequently.
- Incorporation into the SSFS Law of the Value Recovery Instrument (VRI) as defined in the debt restructuring agreement between the Republic of Suriname and the Euro bondholders. Once the State of Suriname has received the first US$ 100 million in oil revenues, this value loss compensation mechanism will immediately come into effect. Simultaneously, the first income flows towards the Fund, must also be initiated. Therefore, the sequence can be established with the VRI provision in the law.

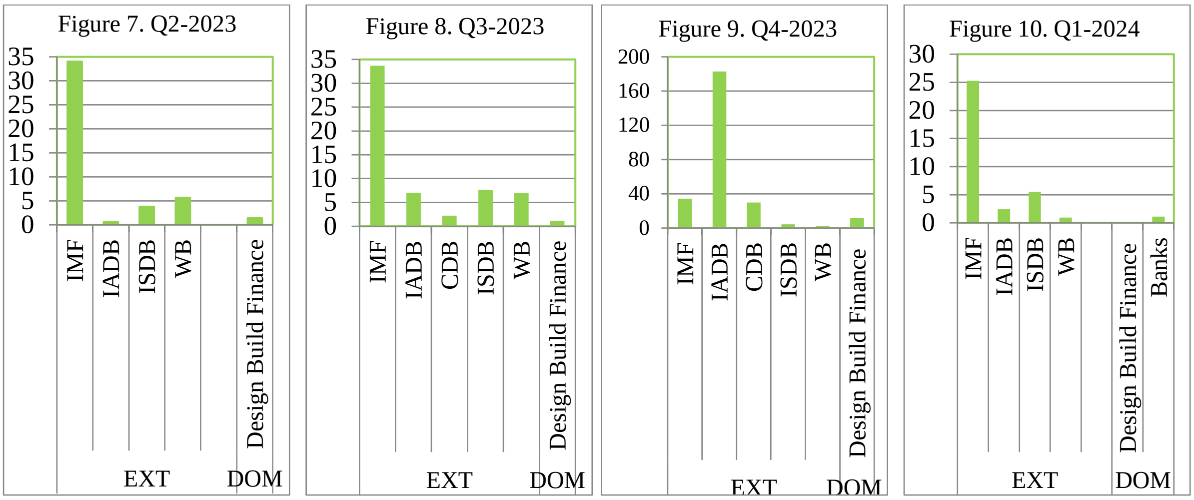
It has been agreed upon that the amended SSFS law will be processed and adopted in the National Assembly (Parliament) before the end of 2024.

Disbursements and debt service payments

In the first quarter of 2024, total disbursements amounted to USD 35.3 million. Of which, 96 percent was on external loans, the largest of which was from the International Monetary Fund, with an amount of USD 25.3 million (figure 10).

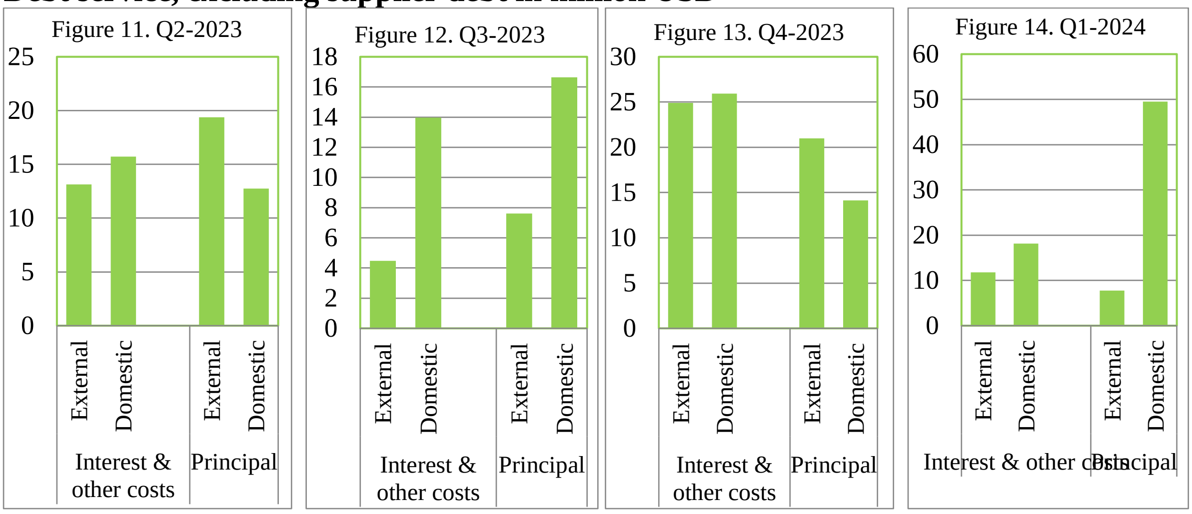
Domestic disbursements amounted to USD 1.2 million. The majority of these are disbursements on a loan with Trustbank Amanah to finance the purchase of Hotel Babylon for an amount of USD 1.1 million (SRD 39.5 million). The remaining amount, worth USD 0.11 million, are disbursements on credit for infrastructure projects.

Disbursements in million USD



Source: SDMO EXT = external debt DOM = domestic debt

Debt service, excluding supplier debt in million USD



Source: SDMO

In the first quarter of 2024, total debt service payments amounted to USD 87.2 million, of which USD 19.6 million was paid on external debt and USD 67.6 million on domestic debt.

Debt payments on domestic debt were quite high in this quarter because of the interest free “gold loan" from the Suriname Environmental and Mining Foundation (SEMiF), which was attracted in March 2018 and rescheduled in 2021, and has been completely settled.
The government was able to settle this loan of 8,000 troy ounces of gold at a cost of USD 17.4 million based on a gold price of USD 2,214 per troy ounce.

In addition, domestic interest payments have been made to the CBvS and many arrears have been cleared on domestic debt for example on treasury paper, bank loans, as well as on debt for infrastructure projects.
Payments on supplier debt was lower in the first quarter of 2024 compared to the last quarter of 2023 (figure 15). Approximately SRD 2 billion worth of supplier debt was paid during this period.

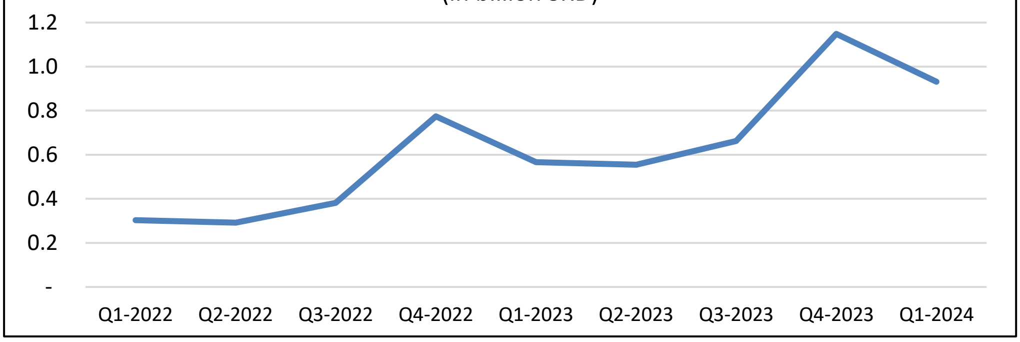


Figure 15. Debt service payments, supplier debt on quarterly basis (in billion SRD)

Source: SDMO

Most external debt service payments are related to multilateral creditors, mainly IaDB. The first interest payment on the restructured Eurobond worth USD 5.9 million was also paid in January.

Arrear payments

At the end of March 2024, arrears on the total debt amounted to USD 217 million, of which USD 195.9 million was on external debt and approximately USD 21 million on domestic debt (figure 16). Compared to the end of 2023, arrears have decreased by 11 percent.

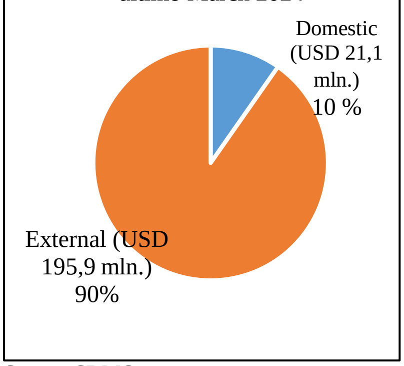


Figure 16: Outstanding arrears on total debt ultimo March 2024

Source: SDMO

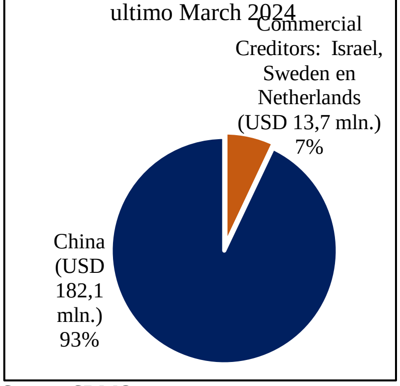


Figure 17: Outstanding arrears on external debt ultimo March 2024

Source: SDMO

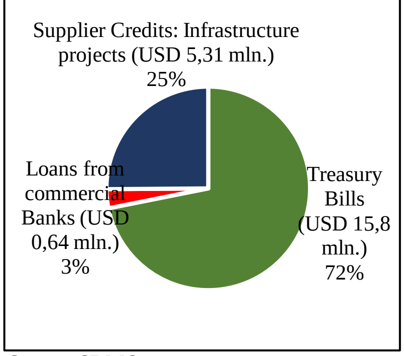


Figure 18: Outstanding arrears on domestic debt ultimo March 2024

Source: SDMO

The decrease in arrears is significantly noticeable in the domestic debt portfolio. This is mainly due to the reduction of USD 9.4 million in arrears on treasury bills at commercial banks (DSB, Finabank, and Hakrinbank). Moreover, arrears on loans from commercial banks, particularly the DSB loan, have been restructured, so USD 25.6 million in arrears have been cleared.
As of the end of March 2024, arrears on treasury paper amounted to USD 15.2 million and on supplier credits for infrastructure projects to USD 5.3 million. Arrears on loans from commercial banks are mainly with Finabank, while the arrears of USD 640,000 at Republic Bank Suriname were regularly settled on the eighth of the following month (figure 18).

During the fifth review of the IMF, it was indicated that within the EFF program, all domestic arrears must be cleared by the end of March 2024, except for technical arrears on debt for infrastructural works, with a one-month delay. The government has not been able to clear all arrears in the first quarter and must address this issue as soon as possible.

Arrears on external debt have increased by approximately 3 percent. China has the largest arrears within the external portfolio due to the fact that the debt restructuring with this creditor is not yet finalized. The arrears have accumulated to USD 182 million. This amount also includes the share owed to the Chinese commercial creditor, the Industrial and Commercial Bank of China (ICBC). Arrears with other commercial creditors, such as Israel Discount Bank and Credit Suisse at the end of March 2024 amount to USD 13.7 million (figure 17).

Cost and Risk Indicators of the Central Government Debt Portfolio as of the End of 2023

As of the end of 2023, the total (effective) central government debt amounted to USD 3.4 billion, and the debt-to-GDP ratio, based on the estimated 2023 GDP figure from the IMF, is 89.9 percent. Table 2 presents the cost and risk indicators of the debt portfolio as of the end of 2023.

Table 2. Cost & Risk Indicators of the Central government Debt Portfolio (by currency type) as of the End of 2023

Risk Indicators of the Debt Portfolio		Foreign Currency Debt	SRD Debt	Total Debt
Total Debt (in SRD billion)		107,7	17,7	125,4
Total Debt (in USD billion)		2,9	0,5	3,4
Debt-to-GDP ratio		77,8	12,1	89,9
Cost Indicator	Interest Paid as a Percentage of GDP	4,0	0,6	4,6
	Weighted Average Interest Rate (percentage)	5,1	8,8	5,4
Refinancing Risk	ATM (years)	7,1	13,0	7,4
	Debts Due within 1 Year (percentage of total)	6,3	5,6	6,3
	Debts Due within 1 Year (percentage of GDP)	7,4	0,4	7,8
Interest Rate Risk	ATR (years)	5,5	13,0	5,9
	Debt "Refixing" within 1 Year (percentage of total)	34,9	6,1	33,4
	Debts with a Fixed Interest Rate including Treasury Bills (percentage of total)	70,3	100,0	71,9
	Treasury Bills (percentage of total)	1,5	6,0	1,7
Foreign Exchange Risk	Foreign Currency Debts (percentage of total)			87,0
	Short-term Foreign Currency Debt (percentage of international reserves)			14,5

Source:SDMO MTDS-framework with editing in may 2024
ATM = Average Term to Maturity ATR = Average Term to Refixing

The debt service projections used in this exercise are based on finalized restructuring agreements and some proposals with the various creditors. For France, Banca Monte dei Paschi di Siena, ING Bank N.V., and Israel Discount Bank, debt service projections are based on restructured agreements under the Paris Club. The restructuring of ABN-AMRO, the Eurobond, and India are fully incorporated, while projections for China (Eximbank and the Industrial and Commercial Bank of China) are based on proposed restructuring terms. All domestically restructured debts are also included in the projections. If the debt service projections for the future change, it will affect the cost and risk indicators as of the end of 2023.

The share of foreign currency debts and SRD debts in the total debt portfolio was 87 percent and 13 percent, respectively. The dominant share of foreign currency in the debt portfolio carries a significant exchange rate risk. This can heavily affect government debt payments in the event of an upwards exchange rate fluctuation of the local currency.

Of these debt portfolios, the cost and risk indicators are as follows:

- The average interest rate on the total debt portfolio is approximately 5.4 percent, with the average interest rate on SRD debt of approximately 8.8 percent and on foreign currency debt of approximately 5.1 percent. The average interest rate on the total debt portfolio has decreased by approximately 1 percent compared to the end of 2022. This is the result of the (finalized) restructured deals, especially that of the Eurobond, where the interest rate, including the penalty interest, were 9-12 percent and has been reduced to 7.95 percent.
- The restructuring agreement with the Central Bank of Suriname has resulted in a decrease of SRD debt due within 1 year to a share of 6.3 percent of the total debt portfolio. This is well below the norm of a maximum of 20 percent, which implies a low refinancing risk.
- Approximately 33.4 percent of the portfolio is subject to a variable interest rate, which entails interest rate risks. The share of total debt "refixing" within 1 year exceeds the desired 30 percent. The variable interest rate risk only applies to foreign currency debts. This relatively large share, given the current rising international variable LIBOR, SOFR, and EURIBOR interest rates, clearly indicates that short-term interest payments will increase.
  Furthermore, the conversion of loans from the Inter-American Development Bank (IADB) with a variable interest rate to a fixed interest rate in April 2024 has increased the Average Time to Refixing (ATR) of foreign currency debts to 5.5 years, compared to 4.4 years at the end of 2022.
  The ATR indicates the timeframe in which the interest rates on the portfolio need to be reset.

Given the significant share of foreign currency debt in the debt portfolio, it is important to develop the local domestic capital market to manage foreign exchange risk on the debt portfolio. A successful restructuring process is also crucial to improve the cost and risk indicators on the central government debt portfolio.

New debt incurred in the first quarter of 2024

As shown in table 3, five new loans were contracted in the first quarter of 2024.
On December 1, 2023, the government, on behalf of the Ministry of Labor, Employment, and Youth Affairs, entered into an agreement with Finatrust, Trustbank Amanah, for an amount of SRD 39.4 million. This investment was made for the purchase of the property known as Hotel Babylon, intended to serve as the new location for the respective ministry. This loan was registered in January 2024.

In the first quarter of 2024, the Surinamese government signed two loan agreements with the Inter-American Development Bank (IaDB) worth USD 10 million, aimed at improving access

to credit for Micro, Small, and Medium-sized Enterprises (MSMEs) in the Bio-Business sector. The financing includes a loan of USD 8 million from the IaDB and USD 2 million from the bank's Green Climate Fund (GCF). This will be used to enhance the lending capacity of the National Development Bank (NOB) and provide financing to MSMEs.
Suriname also successfully passed the fifth review conducted by the IMF under the EFF program. As a result, a tranche of SDR 46.7 million (USD 62 million) became available, of which SDR 19.1 million (USD 25 million) was earmarked for budget support.

Table 3. New loans in the first quarter of 2024

Creditor	Date of Agreement	Amount	Purpose/allocation	Interest	Term
IADB	13/03/2024	USD 8 million	Sustainable development in Suriname	SOFR based	25 years, grace 5,5 years
IADB	13/03/2024	USD 2 million	Sustainable development in Suriname	SOFR based	20 years, grace 5,5 years
IMF	27/03/2024	SDR 19,1 million	Stimulating economic support	SDR - interest rate + marge	10 years grace 4,5 years
Caricom Development Fund	18/04/2024	USD 10,1 million	Development of solar energy microgrids in the Cajana and Galibi Cluster.	3 percent	12 years grace 2 years
New domestic loans					
Trustbank Amanah	01/12/2023	SRD 34,5 million	Purchase of the Hotel Babylon property.	20 percent	6 months., grace 1 month.

Source: SDMO

Additionally, a loan agreement of USD 10 million was signed with the Caricom Development Fund (CDF). This financing will be used to improve electricity supply in remote villages through hybrid systems. This initiative will enable reliable and environmentally friendly energy generation, benefiting the villages in the Cajanna and Galibi clusters, improving living standards, and providing new opportunities for economic growth and social development.

Debt restructuring

External debt

In March 2024, a debt restructuring with ABN-AMRO Bank N.V. took place. This involved a debt of EUR 21.3 million accrued up to the end of December 2023. A debt reduction of 25 percent has taken place, bringing the outstanding debt amounting to EUR 16 million. The interest rate for restructuring has been set at 7,95 percent with a repayment period of 6 years, of which the grace period is approximately 2 years.

An Agreement In Principle was reached at a technical level with China Eximbank in November 2023 on the two-phase debt treatment (flow and stock relief), which is comparable to the Paris Club creditors. The staff-level AIP was signed on March 1, 2024. The finalization of the agreement with Eximbank China has not yet taken place.

Domestic debt

In January 2024, a restructuring took place on DSB Bank's USD credit facility.

The original loan was signed on March 11, 2019 for an amount of USD 33.6 million. This credit facility was provided to the State with the aim of clearing the arrears on government payments.

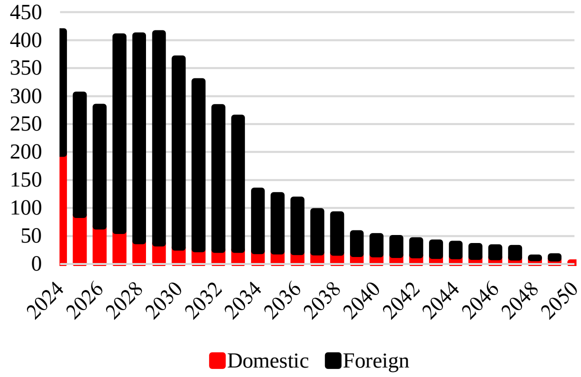
On November 24, 2022, this loan had already been restructured, with a haircut of USD 1.8 million and the total debt subsequently amounting to USD 30 million. The interest rate remained at 6 percent and the repayment period was set at 10 months.

After the debt was reduced to USD 29.8 million in 2023, it was restructured again on January 9, 2024, with the repayment period extended to 17 months. This restructuring had to take place because the government was unable to meet its obligations based on the initial restructuring.

Debt and Debt Service Projections 2024 - 2050

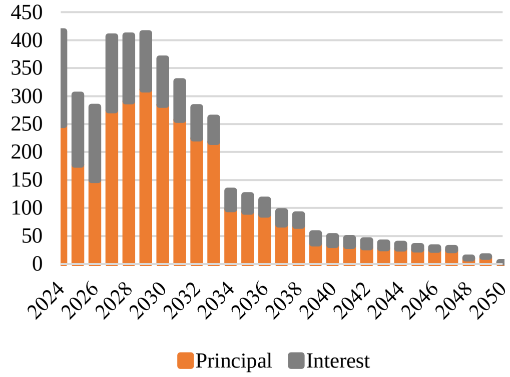
The following figures depict the projections for debt burden payments and outstanding debt for the period 2024-2050. These projections are based on the information provided in the cost and risk indicators section.

Figure 19. Projected Domestic and Foreign Debt Service in 2024-2050 (USD million)



Source: SDMO

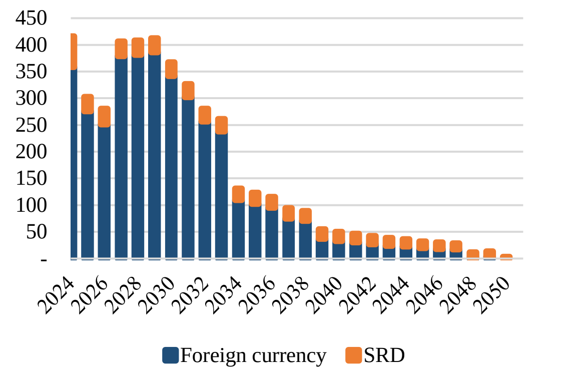
Figure 20. Projected Principal and Interest Payments in 2024 - 2050 (USD million)



Source: SDMO

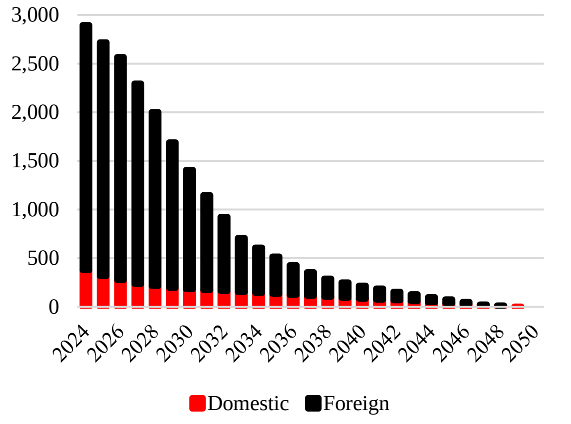
Figure 19, 20, and 21 indicate that the debt service payments for this year are relatively high, amounting to approximately USD 400 million. The significant impact of exchange rate risk on the debt portfolio is once again evident in Figure 21. The appreciation of the exchange rate has a positive effect on the government's debt service payments.

Figure 21. Projected Total Debt Service in SRD and Foreign currency in 2024 - 2050 (USD million)



Source: SDMO

Figure 22. Projected Outstanding Debt in 2023 - 2050 (USD million)



Source: SDMO

APPENDIX: DEBT INDICATORS AND STATISTICS

In percent	2023-2	2023-3	2023-4	2024-01
External debt	77	78	77	78
Domestic debt	23	22	23	22
Short term	19	18	7	6
Long term	81	82	93	94
Fixed interest rate	56	55	49	22
Foreign currency	44	45	51	78
Local currency	13	13	14	14
Foreign currency	87	87	86	86
External loan	50	51	57	58
External Credit Lines	0	0	0	0
External capital markets instruments	26	26	20	20
Domestic advances CBvS	1	2	0	0
Domestic long-term debt CBvS	8	7	7	8
Domestic long-term debt Commercial Banks	6	6	5	5
Domestic treasury bills	3	3	2	2
Domestic supplier credits	3	3	3	3
Domestic supplier debt	2	3	6	6
Multilateral external creditors	29	30	36	37
Bilateral external creditors	17	17	16	16
Commercial external creditors	3	31	24	25
CBvS	9	9	7	8
Commercial domestic creditors: Commercial Banks	5	5	3	3
Commercial domestic creditors: Non-banking private sector	9	9	12	11

Source: SDMO

Table 2. Debt-to-GDP ratios of selected countries in the Caribbean region

	2020	2021	2022	2023	2024-estimate.
Bahamas	75.4	99.8	88.6	84.0	84.0
Barbados	148.1	131.5	119.6	114.8	107.5
Guyana	51.1	43.2	25.1	27.0	31.2
Jamaica	109.7	94.2	77.1	71.8	67.5
Suriname	120.9	110.7	116.9	124.4	87.9*
Trinidad & Tobago	60.6	60.0	50.7	54.3	56.0

Source: SDMO & IMF WEO April 2024
*Estimated debt-to-GDP ratio according to the IMF

Table 3. Effective debt by currency in million units								
	2023				March 2024			
	Domestic	External	Total	In %	Domestic	External	Total	In %
USD	269.3	2,003.8	84,559.3	65%	229.0	2,012.8	79,027.9	64%
Euro	19.9	122.4	5,748.5	4%	15.2	117.6	5,070.0	4%
CNY	0.0	2,093.6	14,955,8	12%	0.0	2,113.3	15,267.5	12%
SDR	0.0	130.7	6,523,3	5%	0.0	149.8	6,992.0	6%
SRD	17,730.3	0.0	17,730.3	14%	17,013.2	0.0	17,013.2	14%

Source: SDMO

Table 4. Total outstanding external debt including arrears by creditor on a cash base in million USD								
Creditor	**2023-II**		**2023-III**		**2023-IV**		**2024-I**	
	Total debt	Of which arrear	Total debt	Of which arrear	Total debt	Of which arrear	Total debt	Of which arrear
Multilateral Creditors	**947.9**	**1.4**	**994.3**	**1.1**	**1,229.7**	**0.0**	**1,254.7**	**0.0**
EIB	0.9	0.2	0.7	0.0	0.5	0.0	0.5	0.0
IADB	677.2	0.0	681.6	1.1	847.1	0.0	845.9	0.0
ISDB	31.1	1.2	37.2	0.0	41.3	0.0	46.4	0.0
CDB	88.5	0.0	88.6	0.0	115.9	0.0	113.5	0.0
OPEC	31.2	0.0	30.8	0.0	30.1	0.0	29.8	0.0
World Bank	13.3	0.0	17.2	0.0	19.3	0.0	20.3	0.0
IMF	105.7	0.0	138.2	0.0	175.4	0.0	198.3	0.0
Bilateral Creditors:	**538.8**	**100.1**	**541.7**	**123.6**	**549.6**	**125.3**	**551.8**	**149.3**
France	31.4	0.0	30.6	0.0	31.8	0.0	31.2	0.0
China	472.6	99.9	476.6	123.6	483.0	125.1	486.1	149.3
India	34.8	0.2	34.5	0.0	34.8	0.0	34.5	0.0
Commercial Creditors:	**1009.9**	**338.6**	**1,008.8**	**339.9**	**827.9**	**68.3**	**160.8**	**46.6**
Capital market instrument issued through Oppenheimer	850.7	280.9	850.7	280.9	659.9	0.0	663.5	0.0
ING Bank N.V.	11.1	0.0	10.8	0.0	11.2	0.0	11.0	0.0
Israël Discount Bank	19.8	7.7	19.3	8.2	20.1	8.7	19.8	9.2
Banca Monte dei Paschi di Siena	32.3	0.0	31.6	0.1	32.8	0.0	32.1	0.0
ABN-AMRO Bank N.V.	20.6	20.6	20.0	20.0	23.5	23.5	17.3	0.0
Credit Suisse	12.0	1.9	11.8	3.2	12.3	3.3	12.1	4.6
China Industrial and Commercial Bank	62.9	27.6	62.9	27.6	65.5	32.8	65.5	32.8
KBC bank	0.5	0.0	1.7	0.0	2.6	0.0	3.1	0.0
Total outstanding debt	**2496.5**	**440.1**	**2,544.8**	**464.7**	**2,607.1**	**193.6**	**1,967.3**	**195.9**

Source: SDMO

Table 5. Total outstanding domestic debt inclusive arrears by debt instrument on cash base in million SRD								
Debt instrument	**2023-II**		**2023-III**		**2023-IV**		**2024-I**	
	Total debt	**Of which arrear**	**Total debt**	**Of which arrear**	**Total debt**	**Of which arrear**	**Total debt**	**Of which arrear**
Treasury bills	839.7	481.8	581.2	481.6	439.8	354.8	153.7	72.5
Treasury notes	3,272.0	598.4	3,167.1	685.1	2,655.8	532.3	1,892.0	462.7
CBvS Advances & short-term debts	1,688.2	1,688.2	1,936.8	0.0	0.0	0.0	0.0	0.0
Leningen:								
CBvS Consolidated debt	9,439.6	1,552.1	9,291.5	0.0	9,291.5	0.0	9,043.8	0.0
Short-term loans of commercial banks	1,183.1	585.4	1,222.0	915.7	953.3	953.3	0.0	0.0
Long-term loans of commercial banks	2,418.4	578.6	2,256.3	442.2	1,640.5	4.0	2,312.3	22.4
Long-term loans of Private sector	1,824.9	0.0	1,857.9	0.0	1,855.6	0.0	1,172.2	0.0
Supplier credit for infrastructural public works	4,258.2	128.4	4,294.3	151.8	4,074.1	138.2	3,753.4	187.1
Supplier debt	*2,915.2*	*0.0*	*3,541.2*	*0.0*	*7,644.4*	*0.0*	*7,337.7*	*0.0*
Total outstanding debt	**27,839.2**	**5,612.9**	**28,148.2**	**2,676.4**	**28,555.0**	**1,982.6**	**25,665.2**	**744.8**

Source: SDMO

Table 6. Total External and Domestic Debt by Economic Sector in million USD		
Sector	**External**	**Domestic**
Agriculture, forestry & fishing	54.8	-
Budget Support	1,116.5	354.5
w.v. CBvS	-	256.6
w.v. Schatkistpapier	-	58.0
Budget Support (incl. supplier debt)	-	208.2
Construction	120.4	-
Defense	9.1	-
Education & Training	81.9	-
Energy (electricity) & Gas	224.0	3.3
Financial & Insurance activities	53.0	21.0
Health & Social work	58.0	1.6
Information & Communication	92.9	-
Other	33.3	-
Public Administration	254.9	-
Roads & bridges	517.6	113.0
Water Supply	14.8	-
Real estate, renting & business	-	3.0
Total	**2,631.1**	**734.6**

Source: SDMO