

The 28th SEOB bulletin addresses recent economic developments in Suriname. SEOB is an independent institution established on June 1, 2023, with the primary objective of monitoring the IMF program. Since the completion of the IMF program, SEOB has focused on monitoring the key macroeconomic indicators and advising the government and key stakeholders. The performance indicators used are based on internationally applied standards. On our website – www.seob.sr – statistics are regularly presented in a clear and structured manner.

Key developments

- Inflation (year-on-year) slowed in January 2026 and reached 11.0%.
- In January 2026, the Surinamese dollar strengthened slightly against the US dollar and the euro.
- Economic activity increased to 1.5% in September 2025, driven by a strong contribution from the forestry and construction sectors.
- The monetary base (SRD component) declined by 0.6% due to the central bank withdrawing liquidity from the market through open market operations and foreign exchange auctions.
- Broad money (SRD share) grew by 0.7% in January 2026.
- International reserves increased by 3.1%, reaching USD 1.6 billion in January 2026. This represents an import coverage of 7.4 months.
- The government's financial position remains vulnerable due to a predominantly negative primary balance (deficit of SRD 511.6 million in November 2025).
- Public debt remains extremely high but declined to 118.8% of GDP, substantially higher than the benchmark of 60%.
- Lending and savings interest rates declined slightly: lending rates by 0.2 percentage points and savings rates also by 0.2 percentage points.
- Banks remained financially strong with a solvency ratio of 20.0%, well above the required 10%. Non-performing loans (NPLs) declined slightly to 2.8%, meaning that households and businesses are repaying their loans somewhat better.

Discontinuation of the AML-PIU Raises Concerns About the Continuity of Suriname's AML-CFT Policy

With the discontinuation of the activities of the Anti-Money Laundering Project Implementation Unit (AML-PIU), an important link in Suriname's fight against money laundering and terrorism financing has disappeared. Over the past years, the AML-PIU has demonstrably performed valuable work and, in close cooperation with the National Anti-Money Laundering Commission (NAMLAC) and other stakeholders, made a crucial contribution to preventing Suriname from being blacklisted by the Caribbean Financial Action Task Force (CFATF).

The AML-PIU worked closely with the Anti-Money Laundering Steering Council (ASC) and was responsible for implementing ASC decisions concerning the National Risk Assessment (NRA). In this context, the unit also collaborated closely with NAMLAC and other national and international partners.

The responsibilities of the AML-PIU included, among others:

- Conducting an inventory of the steps to be taken within the framework of implementing ASC decisions;
- Gathering relevant documentation and conducting research on matters directly and indirectly related to anti-money laundering and combating the financing of terrorism;
- Identifying national and international trends and typologies and communicating these to national stakeholders;
- Creating a platform for actors in the public and private sectors to promote consultation and information exchange and acquisition;
- Preparing, in consultation with technical ministries, the necessary legislation within the framework of implementing ASC decisions;
- Periodically providing written and oral reports to the Anti-Money Laundering Steering Council (ASC) regarding activities performed and results obtained.

The AML-PIU remained operational until July 2025, after which policymakers no longer made use of the expertise and institutional knowledge built up within the unit. Information gathered also indicates that since then, the ASC has no longer held meetings with public and private stakeholders. Furthermore, very little has been communicated about the progress of the multi-year plan, the strategic AML plan for Suriname.

This development comes at a time when Suriname must prepare for the fifth round of evaluations by the CFATF in 2026 and 2027. During this round, particular emphasis will be placed on the actual enforcement of laws and regulations. Through the analysis of data and practical examples, an assessment will be made regarding the effectiveness of Suriname's AML-CFT system.

The close down of the AML-PIU and the reduced activity of the ASC may complicate the coordination, monitoring, and progress of necessary reforms. Especially in the lead-up to the next evaluation round, a properly functioning inter-institutional platform is essential to ensure that Suriname maintains the progress achieved and continues to comply with international compliance standards.

Recent economic developments

Economic activity¹

Economic Activity Index (MEAI) recorded growth of 1.5%, a modest increase compared to the revised 1.4% in August 2025. This growth reflects a recovery trend that is particularly visible in the construction and trade-related sectors and aligns with the cautiously positive trend observed over recent quarters.

Growth was mainly driven by the wholesale & retail trade sector and the construction sector. The trade sector contributed 2.0 percentage points, driven by a notable increase in building material sales of 28%. The construction sector added another 1.2 percentage points, supported by a 12% increase in the import of construction materials. This points to continued construction activity, likely fueled by both private and public investments.

At the same time, the industry & manufacturing sector reduced growth by 2.1 percentage points due to a sharp decline in gold production of approximately 29%. This decline is attributed to lower processing capacity and reduced ore quality in large-scale mining, combined with a significant decrease in gold exports from small-scale mining, likely related to smuggling activities. This recurring vulnerability in the mining sector underlines how

¹ Source: CBvS Monthly Economic Activity Index.

strongly Suriname’s economic performance still depends on a single sector and highlights the urgency of broader economic diversification.

Inflation and exchange rate

Year-on-year inflation in 2025 amounted to 11.4%. In January 2026, inflation declined further to 11.0%, a decrease of 0.4 percentage points compared to December. Although inflation is lower than during the peak years 2021–2023, the price level remains high and households continue to experience pressure on their purchasing power.

The USD exchange rate appreciated further in January 2026, with the SRD increasing in value against the US dollar from SRD 38.7 to SRD 38.4. At the same time, the SRD appreciated by 0.7% against the euro, with the exchange rate declining slightly from SRD 45.4 to SRD 45.0. These movements are consistent with international USD-Euro exchange rate developments and reflect the import dependency and limited market depth of the Surinamese foreign exchange market.

Figure 1. Exchange rate and inflation



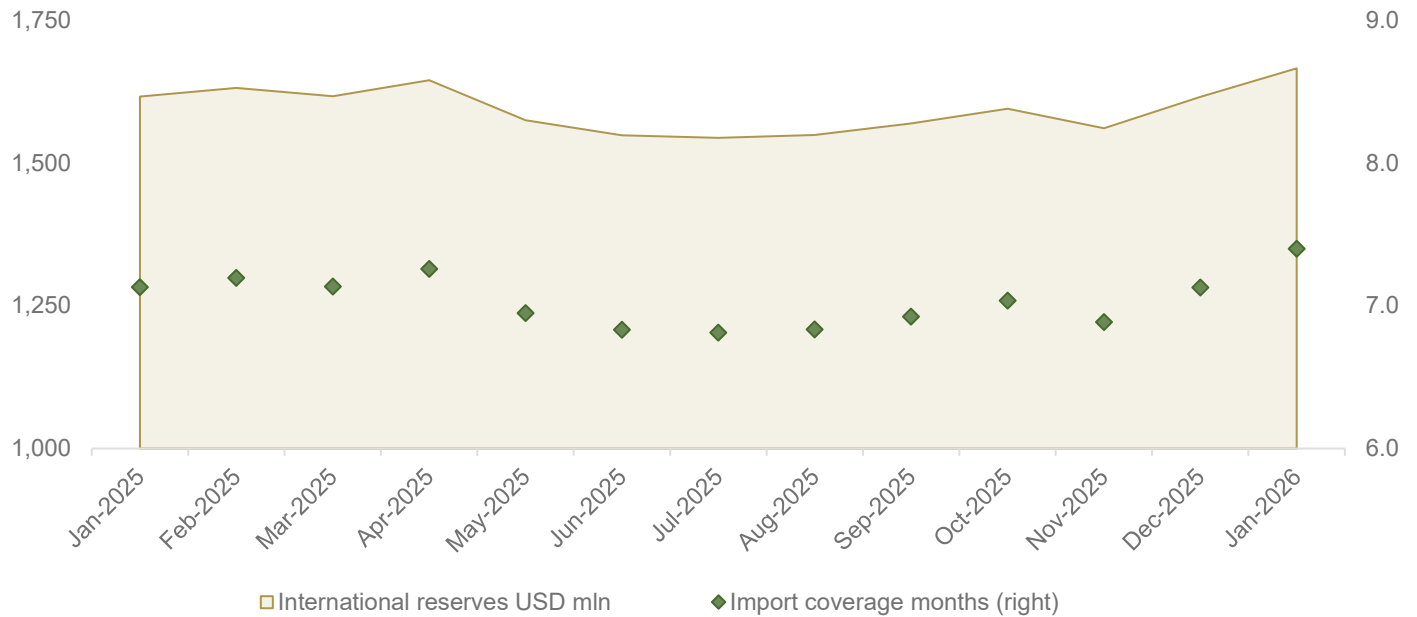
Sources: ABS and CBvS.

Monetary developments

The SRD component of the monetary base declined by 0.2% in December 2025 and by 0.6% in January 2026 due to the central bank withdrawing liquidity from the market through open market operations and foreign exchange auctions. The SRD share of the liquidity ratio grew by approximately 2.9% in December 2025 and by 0.7% in January.

This growth can largely be attributed to an increase in the item “Other,” while the private sector and the government made negative contributions. In January 2026, total SRD credit declined by 0.7%. This development resulted from a decrease in lending to both the government and the private sector.

Figure 2. International Reserves and Import Coverage



Source: CBvS.

International reserves

In January 2026, international reserves increased further by 3.1%, reflecting an import coverage of approximately 7.4 months. Total reserves – including the “ringfenced” reserves of commercial banks – amounted to USD 1.6 billion in January, keeping Suriname’s external position strong, with import coverage well above the international benchmark of three months. It remains essential to monitor the reserve position closely, as it plays an important role in safeguarding exchange rate stability, absorbing external shocks, and maintaining confidence in macroeconomic policy.

Government finances

The government’s financial position remains precarious, with structurally persistent deficits. The primary balance recorded a deficit of SRD 511.6 million in November 2025 (overall balance deficit: SRD 967 million). Looking ahead to the final months of 2025, the government’s financial position remains vulnerable. The continuously negative primary balance continues to indicate structural pressure on the budget. Given seasonal expenditures, there is a risk that the deficit may increase again in the coming months, limiting the government’s fiscal space. An increase in operational expenditures may generate inflationary pressure, especially when not accompanied by an increase in production.

Public debt

In January 2026, the debt ratio – public debt as a percentage of GDP – declined compared to the previous month. According to the international definition, it decreased to 118.8%. A debt ratio above 60% of GDP is far above internationally accepted norms for comparable economies. The size of the public debt points to a deterioration in the fiscal position, higher interest burdens, increasing inflation risks, and greater vulnerability to external shocks. As a result, macroeconomic stability may come under pressure.

Banking sector

Both average lending rates and savings rates declined slightly compared to December 2025 by 0.2 percentage points to 14.1% and 6.7%, respectively. The decline in lending rates may have contributed to the growth in private SRD lending, reflected in part by increased lending to households. Growth in private SRD lending was mainly driven by the "Other" sector, followed by the Trade sector and the Housing sector. For USD lending, the main sectors were the Trade sector and the Services sector.

The solvency ratio in the banking sector declined in December to 20.0%, but remains well above the CBvS benchmark of 10%, indicating a strong capital position of commercial banks. Gross non-performing loans (NPLs) declined further to 2.8% (November 2025: 2.9%), a sign that borrowers are better able to meet their debt repayment obligations. The combination of a strong capital position and a declining NPL ratio points to a robust and resilient banking sector, with improved credit quality and sufficient buffers to absorb risks.

SEOB recommendations

The Surinamese economy remains vulnerable. Although annual inflation recently declined slightly, the price level remains high and government deficits continue to pose risks to macroeconomic stability. SEOB draws attention to the high government subsidies, particularly for electricity. In addition, we advocate for the further strengthening of the social safety net, transparency and anti-corruption control mechanisms, in anticipation of the substantial increase in revenues from offshore oil sales. SEOB advocates strengthening and operationalizing crucial institutions such as the Savings and Stabilization Fund (SSFS), the introduction of a five-year government financial plan including expenditure ceilings and a sustainability target for total public debt. Despite pressing development needs, the authorities will have to limit expenditures very carefully. SEOB emphasizes that strengthening institutions is necessary to promote macroeconomic stability.

SEOB further recommends:

- Maintaining the AML-PIU, as a properly functioning inter-institutional platform is essential in the lead-up to the next evaluation round to ensure that Suriname sustains the progress made and continues to comply with international compliance standards.
- Strict fiscal discipline is essential to preserve the stability achieved and sustainably anchor the recovery.
- Greater fiscal transparency and a clear fiscal vision.
- A coherent medium-term framework for tax policy.
- Broadening revenues through a regime comparable to the RIGI model (Surinamese version of the investment law). In this regard, a modern investment framework to attract new and stable foreign currency inflows is important.
- To break the cycle of government deficits, inflation, and exchange rate pressure, a coherent strategy is needed that combines fiscal consolidation with structural reforms and targeted economic diversification.
- The government budget should reflect an integrated government policy in which ministries connect a revenue model to their respective ministry.
- To strengthen public finances, SEOB recommends transparently divesting non-strategic, loss-making state-owned enterprises that require substantial subsidies to the private sector.
- The enactment of the procurement law is necessary to ensure transparency and clear rules in government procurement and tendering and to control costs.
- Strengthening and maintaining international reserves requires export growth and investment promotion. Economic diversification outside mining, with emphasis on the agricultural sector, including fisheries and agricultural processing, services, and (eco-)tourism, is crucial.
- The government and private sector should jointly develop a short-term (production and export) growth strategy to promote investments and exports.

- Intensive monitoring of inflation and the protection of vulnerable groups require targeted social programs.
- Active debt management is necessary given the high debt ratio.
- Building human capital within key institutions such as the Tax Authority, Customs, and ministries must be safeguarded independently and sustainably.
- Improved (digital) tax collection and more effective import duty collection are needed to reduce the deficit.
- Coordination between fiscal and monetary policy is essential to limit inflationary pressure and stabilize the SRD. Safeguarding the independence of the central bank, in accordance with the Central Bank Act 2022, remains a priority.
- Safeguarding financial stability requires responsible lending policies by banks, with emphasis on lending to SMEs and households, without weakening buffers. High lending rates currently hinder investments.
- Restoring confidence requires consistent policy and clear communication regarding the socioeconomic strategy for the coming years.
- A greater focus on the NRA is important to protect the integrity of the financial system in order to prevent money laundering and terrorism financing, thereby promoting confidence, investments, financial inclusion, and sustainable growth of the economy as a whole.

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