



CENTRALE BANK VAN SURINAME

Ref.Nr.: SP-058/13

Paramaribo, March 20, 2013

Mr. Marco Nicola  
Representative  
Inter-American Development Bank  
Peter Bruneslaan 2-4  
Paramaribo

Re: SU-L1034 – Financial Sector Strengthening Program II

Dear Mr. Nicola,

The Government of Suriname recognizes that the implementation of the above mentioned program is critical for accelerating and sustaining the overall economic and social development of its country. Further, the program will strengthen financial institutions, create a more competitive, diversified and growing economy, and increase living standards by access to financial services. These reforms to the financial sector have become even more important for Suriname to attract investments and sustain macroeconomic stability.

Over the last two years, the program progressed substantially by implementing important policy, legislative and regulatory measures – the basis for additional actions in seven areas:

- (i) the maintenance of a macroeconomic policy framework that supports the sound and sustained development of the financial sector;
- (ii) legislative and regulatory reforms;
- (iii) supervision of financial institutions and markets;
- (iv) institutional strengthening of the CBvS;
- (v) money and capital market development;
- (vi) public bank reform; and
- (vii) enabling environment for greater access to finance in support to Suriname competitiveness agenda.

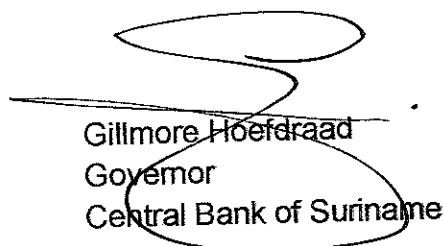
Based on our updated policy and public investment plans, Suriname's fiscal financing needs have increased as GoS acts to manage its exposure to commodity price shocks, grow the non-mineral sector, update the governance framework, and create a business-friendly environment. Therefore, GoS requests IDB's support to fill the revised 2013 financing gap by

- (i) increasing the OC contribution of the loan to US\$ 50.0 million, and
- (ii) facilitating the co-financing of an additional US\$ 50.0 million.

These adjustments should therefore bring the total loan amount to US\$ 100.0 million, still within a sustainable debt framework and low debt-to-GDP ratio over the medium term.

We look forward to your positive response.

Sincerely



Gillmore Hoefdraad  
Governor  
Central Bank of Suriname