



## **Suriname and its bondholders agree on payment deferral, paving the way for an orderly debt restructuring**

The Republic of Suriname has succeeded in obtaining the necessary bondholder votes for the consent solicitations launched on November 13th that will result in the deferral of a total of US\$48 million of principal and interest payments due on its outstanding Eurobonds between October 26th, 2020 and March 31st, 2021.

Having inherited an unsustainable public debt stock from the previous Government in a context of depressed economic activity and high inflation, the newly-elected government of Suriname has decided to engage in constructive debt negotiations with its creditors, based on transparency, principles of inter-creditor equity and sense of responsibility.

Such debt restructuring negotiations will be underpinned by courageous economic reforms that will pave the way for a better future for the Surinamese population, and by ongoing discussions with the IMF with the goal of securing a program soon.

The government's responsible and collaborative approach was welcomed by the Republic's bond investors, which, today, agreed—in excess of the required 75% majorities—to the payment deferrals. As of the Expiration Time, (5:00 p.m., New York City time, on December 4, 2020) holders representing approximately 99.8% of the outstanding 2023 notes and 83.5% of the outstanding 2026 notes had validly delivered their consents.

The government intends to provide for a similar approach towards its commercial and bilateral foreign-currency denominated debt.

"We are grateful that creditors realize both the depth of the financial problems faced by the country and our desire to overcome such financial woes through cooperation, goodwill and sound economic reforms," says the Finance Minister, Armand Achaibersing.

The payment deferral period, which should run until 26 April 2021, creates favorable conditions for constructive discussions between the Republic and its creditors regarding the government's plans to make Suriname's debts sustainable through IMF-supported, credible and rigorous macroeconomic policies, as well as appropriate debt relief.

Under President Chandrikapersad Santokhi's leadership, the government is committed to returning the country to sustainable growth and prudent debt ratios, while providing relief for the population.

*Paramaribo, the 7th of December 2020*

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