

IMF meeting with Managing Director, Mrs. Kristalina Georgieva

Monday October 18, 2021 – 4:00 – 5:30pm (SU time)

Intervention by Minister Armand K. Achaibersing

Dear Managing Director, dear colleagues,

1. Today, as Minister of Finance of Suriname, and IMF Governor for my country, I would have liked to concentrate my intervention on congratulating the IMF for having offered wise policy advice to policy makers in dealing with an unprecedented crisis and to thank once again for the SDR allocation, which was indeed a historical feat. In particular, I would have liked to express my appreciation for the support we, as a small member country and young democracy, receive from the IMF.

2. Unfortunately, I am not in a position to celebrate: almost 6 months after we reached a Staff Level Agreement on an Extended Fund Facility, my country is still waiting for the program to be considered by the executive board.

3. Last July, the Board met informally on Suriname and expressed broad support to the program undertaken by our Administration and a very supportive statement by the Managing Director was released underscoring that Suriname had made important progress in implementing this home-grown program.

4. However, despite having implemented all prior actions, almost 3 months after that informal meeting, it is not clear when the arrangement can be approved by the board.

5. The reason is that IMF staff claims that some of the financing assurances, provided by non-Paris Club countries, still fall short of requirements.

6. I know that the Fund needs proper safeguards to lend its resources, but it is very hard for me to know if the stalemate is due to IMF lack of flexibility or to bilateral creditor's insufficient commitment.

7. But I know that our government remains fully committed to restore macroeconomic stability and debt sustainability. However, as time passes, my country is deprived of precious funding, arrears accumulate and the population's support is fast eroding. And the longer it takes, the higher the risk that unpaid commercial creditors will engage in litigation against the country.

8. Madam Managing Director, I'm not blaming anyone personally for that. In fact, I want to acknowledge the strong engagement of staff and management on this. But, if Suriname cannot have an IMF program despite undertaking the agreed adjustment measures, this is clearly an institutional failure. Sadly, a failure that may be consequential for the country and its population.

11. As you all know, article 1 of the Articles of Agreement of the International Monetary Fund establishes as one of its 'purposes' *'To give confidence to members by making the general resources of the Fund temporarily available to them under adequate safeguards, thus providing them with opportunity to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity'*.

12. Having an IMF arrangement would be the way to avert a situation that is 'destructive to our prosperity'. Managing Director, dear colleagues, I count on your support to find a way for the IMF to play its role of a safety net for a member country that is fully committed and already undertaking the measures to adjust its economy and restore sustainable inclusive growth. The alternative, namely a continuing stalemate, would suggest that something is broken in today's multilateralism. I am confident we can prevent such a disastrous outcome.

Thank you.