The Programming Committee of the Board met on September 24, 2007 to discuss the IDB Country Strategy with Suriname (GN-2459). In presenting the strategy, Management noted that the slow pace of disbursements to Suriname prior to 2005 was continuing to show improvement, with a 50% increase in disbursement levels in 2006 and a projected 60%-70% increase (over the 2006 levels) in 2007.

Discussion during the meeting focused on: (1) weak institutional capacity in Suriname, with Management pointing out that technical assistance was being provided in the form of increased training through technical cooperation as well as a forthcoming PRODEV initiative on results based program management; (2) fiscal management and the importance of a possible stabilization fund with the IMF (to counter fluctuating terms of trade and hence revenues); (3) private sector activity through possible concessions and privatization efforts in road construction, timber, rice, and bananas; and (4) the importance of natural resource management, particularly in view of further development in the country’s interior.

Directors commended the approach of the new strategy which is more focused on capacity building and infrastructure. A reduced number of larger initiatives would allow closer monitoring of project implementation. Several chairs insisted on the need to strengthen the Bank's role in terms of donor coordination, considering it is the largest multilateral lender to Suriname. Bearing in mind the potentially significant oil and gas reserves, it was also recommended that the Bank should assist the country authorities in expanding this sector of activity.

The Board welcomed Management's explanations regarding progress on the preparation of the new Country Strategy Guidelines, that should be circulated in the weeks to come.

The meeting concluded with the Committee agreeing to recommend Board approval of the Strategy. In my capacity as Programming Committee Chair, I therefore recommend that the Board approve the IDB Country Strategy with Suriname as set forth in document GN-2459.