<u>Presentation of Suriname at the First Meeting of the Technical Executive</u> <u>Group of the Venezuela – Brazil – Guyana – Suriname Hub, 19 November</u> 2002, Manaus – Brazil.

Suriname is situated on the northern coast of the South American continent and therefore at the crossroads between South America and the Caribbean. Against this background it pursued membership of the Caribbean Community, is a founding member of the Association of Caribbean States, is partner to the Treaty for Amazonian Cooperation and has closer cooperation with Mercosul as one of its regional priorities.

Given its geographic location, Suriname can perfectly serve as a transhipment point in the trade relations between South America and the Caribbean. It should also be noted that Suriname is the only ACP-country which has a physical border with Europe, because it shares a frontier with France through French Guyana in the east. A fortunate and promising consequence of this geographic situation is that Suriname has easy road access to Europe. Suriname is now actively pursuing integration with the countries in the region to fully exploit this geographic advantage. That is also why Suriname attaches great relevance to this IIRSA initiative on physical integration of South America.

In the west, a ferry is providing regular access to Guyana. The road connecting Suriname with both French Guyana and Guyana is called the northern East-West Connection.

In the south, a road leading to the border with Brazil is still lacking. This is due to the fact that the coastal plain is very fertile and that development activities, primarily in the agricultural sector, a heritage from the colonial period, were concentrated in this region.

Economic development of the south, which was not suitable for agriculture, was therefore of no high priority.

Only in the fifties the Government of Suriname shifted the development focus from agriculture in the north to the exploration of natural resources further south. Based on the conception that infrastructure is indispensible for economic development, the southern East-West Connection and the various North-South Connections were constructed, mainly for the development of the forestry and bauxite industries.

At this moment, the infrastructure in Suriname exists of the following main constituents:

- The first northern east-west connection, which has above all a serving function as a traffic road in the populated part of Suriname, linking the cities and the villages. This connection is an asphalt road, but the pavement needs to be rehabilitated.
- The second southern east-west connection through the forest belt, which evidently has a productive meaning. The road is a laterite road with 18 bridges of wood and steel combination, most of them in need of repair.
- A north-south connection road system, reaching about 100 km. in the hinterland, which connects both systems with each other and with the capital. This road is also a laterite road.

This primitive road system at present, forms the base, not only for the already started production activities, but also for future development.

The geographic conditions of the country enable the area south of the populated coastal plain to grow into a most suitable area for supporting the development of the country s production.

The northern east-west connection is situated in the coastal plain of Suriname. Most of the inhabitants are living in the coastal area and they also have their economic activities in this area. The reason for this is that Suriname has had a plantation structure since the beginning and this has remained. The coastal area is about 20% of the national territory.

Suriname is highly aware that expansion of this East-West Connection will cope with many restrictions, such as:

- The coastal area is flat and expensive drainage systems will be needed.
- Because of the clay in the coastal area, the construction and maintenance of the infrastructure, such as roads, bridges, etc. will be expensive.
- Power and water supply is not available in this area.
- Because of the rising of the sealevel, many parts of the coastal area can be flooded in the next 30 to 40 years, therefore expensive damconstructions will have to be built.
- The coastal area has not many possibilities for industrial activities.
- The coastal area is a fertile area, which is suitable for agriculture.
- Paramaribo is situated in the coastal area, but there are no more possibilities for expansion.

These are the reasons why Suriname is giving high priority to the rehabilitation and upgrading of the second East-West Connection. This connection is constructed at the beginning of the forest belt. The present destination in several areas is primarily forest exploitation with proven possibilities for conversion to other destinations, such as charcoal, wood-cultivation, agriculture, cattle-breeding, as well as domestic tourism.

A possible development of Western Suriname could bring some changes, taking into account that the mining industry and the hydro power works could then be the dominant destinations. At this moment, there are only a few settlements along this east-west connection.

The hinterland (southern Suriname) is about 80% of the national territory. This area has a great potential of natural resources, such as bauxite, gold, timber, natural stone, hydro-energy, fresh water and eco-tourism. Construction and maintenance of infrastructure such as roads, bridges, drainage systems and buildings are much cheaper than in the coastal area, because of the conditions of the soil and the availability in that area of building material.

The construction of the north-south connection, which will connect Suriname with Brazil, is not only important for the economic development of Suriname, but will also be part of the process of physical integration of the Americas. But further studies are needed to determine the feasibility of this project.

As mentioned before, the second East-West Connection enjoys high priority with the Government of Suriname, because it will give better access to Western Suriname, where huge development activities are planned for the immediate future. Only recently the Government signed an agreement with two multinationals regarding bauxite-mining activities in this part of Suriname which, once implemented, will drastically improve the economic situation of the country. According to calculations, the bauxite reserves in this region range from 70 to 200 m. tonnes and the companies have the intention to invest about US\$ 3 bn. for the construction of a hydro-power plant, an alumina refinery and an aluminum smelter. This will mean an additional injection in the surinamese economy of US\$100 m. on a year basis.

nce contribution and eventual contribution of Fily constructed for the hauling of bauxite and is still in good condition. At preto the this railroad is occasionally used for the hauling of logs and rock-quarry products.

There is no doubt that in the future this railroad will play an important role in the plans of the Government to develop the natural resources in Western Suriname. And it is also logical that the upgrading of the southern East-West Connection will be eminent in this effort. The improved connection with French Guyana and Guyana also must not be forgotten. If this scenario is in place, Suriname will have a promising future.

Another aspect of the importance of this project to Suriname is the fact that apart from a regular airconnection and an irregular seaconnection, the country has no direct access to the rest of South America. It shouldbe recalled that Brazil and France have agreed in completing the roadlink between Macapá and Caiena in French Guyana. Once this connection is completed, Suriname will have access, although indirect, with Brazil and the rest of South America via French Guyana. We are lloking forward to the contribution and eventual participation of France in the IIRSA project.

At the other end, Brazil and Guyana have also agreed in the construction of the roadlink between Boa Vista and Georgetown. If this link is completed, Suriname will have another access, but also indirect, with Brazil.

Since the construction of a roadlink between Brazil and Suriname is not forseen in the near future, Suriname deems it of eminent importance that this so-called ARCO NORTE project, connecting Brazil, Suriname and Guyana, be completed as soon as possible.

We have been informed that a direct connection between Georgetown and Caracas is in study. Suriname welcomes this initiative, because it will provide an additional outlet to other destinations in the region.

I wish to conclude by reiterating my country's support for the implementation of the IIRSA project, which will be to the benefit of all our peoples.