

SURINAME



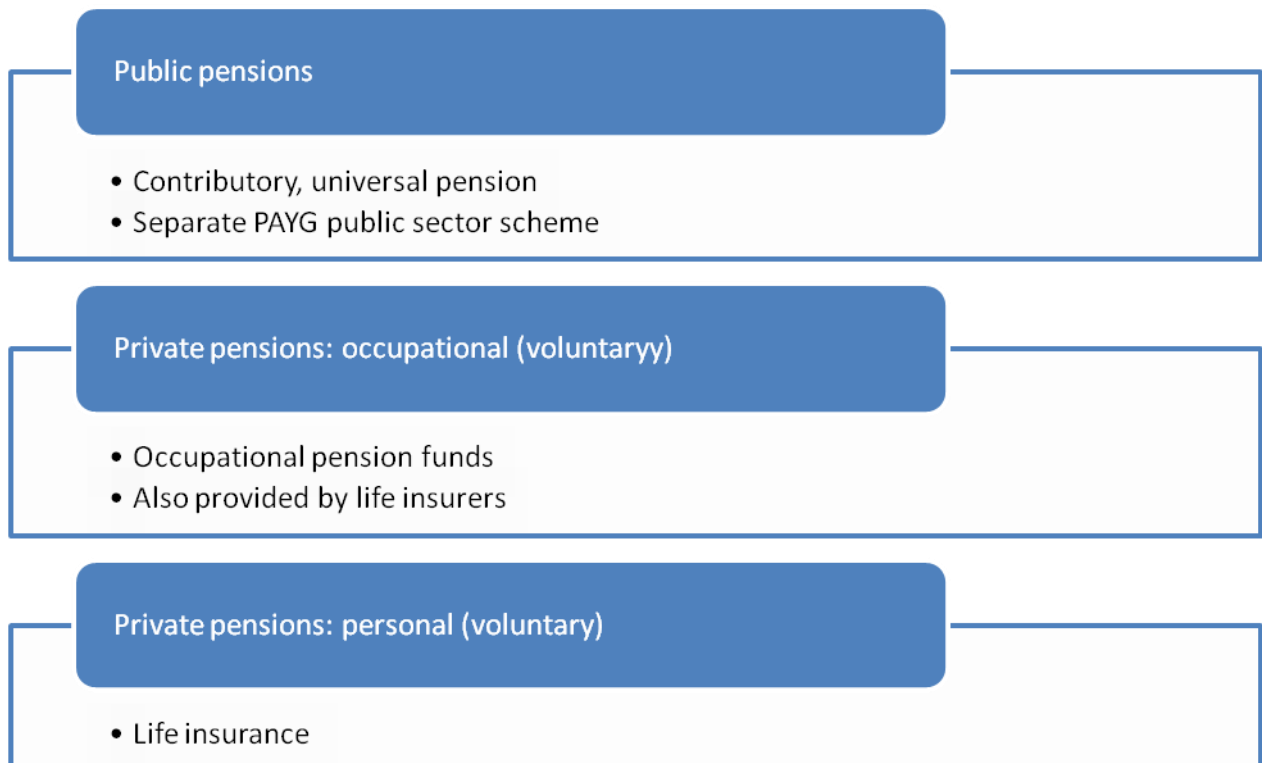
DEMOGRAPHICS AND MACROECONOMICS

Nominal GDP (millions of national currency)	7,875
GDP per capita (USD)	5,569
Population (thousands)	515
Labour force (thousands)	ND
Employment rate	ND
Population over 65 (%)	ND
Dependency ratio	ND

Data from 2008 or latest available year.
1. Ratio of over 65-year-olds the labour force.
Source: OECD, various sources.

COUNTRY PENSION DESIGN

STRUCTURE OF THE PENSION SYSTEM



Source: OECD Global Pension Statistic.

PENSION FUNDS DATA OVERVIEW

	2001	2002	2003	2004	2005	2006	2007	2008
Assets								
Total investments (National currency millions)	ND	429	368	590	641	721	ND	ND
Total investments, as a % of GDP	ND	16.67	11.10	14.61	13.15	12.30	ND	ND
Of which Assets overseas, as a % of Total investment:								
• Issued by entities located abroad	ND	ND	ND	ND	ND	ND	ND	ND
• Issued in foreign currencies	ND	43.00	57.00	42.00	37.00	42.00	ND	ND
By financing vehicle (as a % of Total investments)								
• Pension funds	ND	ND	ND	ND	ND	ND	ND	ND
• Book reserves	ND	ND	ND	ND	ND	ND	ND	ND
• Pension insurance contracts	ND	ND	ND	ND	ND	ND	ND	ND
• Other financing vehicle	ND	ND	ND	ND	ND	ND	ND	ND
By pension plan type								
• Occupational assets	ND	429	368	590	641	721	ND	ND
• % of DB assets	ND	100.00	100.00	100.00	100.00	100.00	ND	ND
• % of DC (protected and unprotected) assets	ND	0.00	0.00	0.00	0.00	0.00	ND	ND
• Personal assets	ND	0.00	0.00	0.00	0.00	0.00	ND	ND
Structure of Assets (as a % of Total investments)								
Cash and Deposits	ND	16.00	14.00	17.00	15.00	18.00	ND	ND
Fixed Income	ND	52.00	65.00	52.00	58.00	57.00	ND	ND
Of which:								
• Bills and Bonds issued by the public and private sector	ND	37.00	51.00	38.00	34.00	37.00	ND	ND
• Loans	ND	15.00	14.00	14.00	24.00	20.00	ND	ND
Shares	ND	12.00	8.00	10.00	11.00	13.00	ND	ND
Land and Buildings	ND	7.00	6.00	7.00	7.00	8.00	ND	ND
Other Investments	ND	13.00	7.00	14.00	9.00	4.00	ND	ND
Contributions and Benefits								
Total Contributions, as a % of GDP	ND	1.22	1.03	0.90	0.95	0.71	ND	ND
• Employer Contributions, as a % of Total contributions	ND	71.90	82.40	81.50	84.30	84.60	ND	ND
• Employee Contributions, as a % of Total contributions	ND	28.10	17.60	18.50	15.70	15.40	ND	ND
Total Benefits, as a % of GDP	ND	0.31	0.72	0.40	0.71	0.35	ND	ND
• % of benefits paid as a Lump sum	ND	0.00	0.00	0.00	0.00	0.00	ND	ND
• % of benefits paid as a Pension	ND	100.00	100.00	100.00	100.00	100.00	ND	ND
Membership (in thousands of persons)¹								
Total membership	ND	6,257	6,959	7,140	6,233	6,233	ND	ND
• % of Total active membership	ND	100.00	100.00	100.00	100.00	100.00	ND	ND
Of which: % of Deferred membership								
• % of Passive membership	ND	ND	ND	ND	ND	ND	ND	ND
Other beneficiaries	ND	ND	ND	ND	ND	ND	ND	ND
Number of Pension Funds/Plans								
Total number of funds	ND	31	31	30	30	30	ND	ND
Total number of plans	ND	ND	ND	ND	ND	ND	ND	ND

1. Membership figures reflect 'membership' rather than 'people'. Therefore a person may be a member of more than one types of plan at any one time, particularly if the person has a number of employments in the year.

ND = data not available

NA = data not applicable

Source: OECD, Global Pension Statistics

SURINAME: THE PENSION SYSTEM'S KEY CHARACTERISTICS

PUBLIC PENSION

The public pension in Suriname is a universal PAYG system covering all the citizens meeting the following conditions:

1. Surinamese citizens who are 60 years and older;
2. Non-Suriname citizens over 60 who have lived in the country for 10 years continuously and have contributed for at least 10 years.

Both employees (in the formal sector) and the government provide the financing. The contribution is a flat rate of 4% of earnings/wages, which every employee in Suriname has to contribute monthly. Benefits are in the form of monthly payments.

The public pension provides a relatively modest retirement income (SRD 250,-) for insureds who reach the age of 60. The payment is not indexed, but at times, the government raises the amount. This system is compulsory. The government provides from the budget additional benefits to those with disabilities, and those with low income.

Employees (approximately 40,000) in the public sector are covered by a separate, mandatory, PAYG pension system, called Pension Fund Suriname (PFS). The contribution rate is 15% of earnings (employees 10% government 5% - with some dignitaries subject to exclusion from this arrangement). Some institutions that are government owned, also have their pension commitments within this fund. The expected benefit is 70% of the average salary over the last 24 months. The benefits are not indexed, but the government raises (financed by the budget) the benefits at times through allowances. Benefits are generally available from age 60, but also at the age 55 if the employee has served at least 35 years.

OCCUPATIONAL VOLUNTARY

Coverage

Private sector pensions are provided under an agreement (laid down in the charter and pension scheme rules and regulations) between employer and employees. Only a small percentage (approximately 6,200) of the private sector workforce is covered (and a large informal sector exists in the country). Pension commitments may also be insured with life insurance companies.

Contributions

Contribution rates are laid down in pension scheme rules and vary, with both employees and employers contributing in most cases.

The sponsoring employer will convert any shortfall of assets against the technical provision into contributions payable. Some private sector schemes are under-funded, with legal requirements providing a 15 year period to return to full funding.

Benefits

All pension funds are currently DB but it is likely that DC schemes will be introduced in the near future. Most funds have expected benefits of 70% the salary (some basing benefits on the average of last year salary and others on the salary in the last 24 or more months).

PERSONAL VOLUNTARY

All Suriname inhabitants are able to take out supplementary life insurance.

POTENTIAL REFORM

A study regarding the reform of the current pension system in Suriname is being conducted. The committee appointed by the government to design a national basic retirement benefit scheme has yet to finalize its task.

REFERENCE INFORMATION**KEY LEGISLATION**

2005: Wet Pensioenfondsen en Voorzieningsfondsen

1981: Wet Algemene Oudedagsvoorzieningsfonds

1972: Ambtenarenpensioenwet 1972

KEY REGULATORY AND SUPERVISORY AUTHORITIES

Centrale Bank van Suriname is in charge of supervising private pension funds and Pension Fund Suriname. The Bank also supervises the banks, insurance companies, credit unions and provident funds; <http://www.cbvs.sr/english/index.html>

Ministry of Social Affairs and Housing is in charge of supervising the public pension programme.

The Supreme Audit Institution of Suriname is in charge of supervising Pension Fund Suriname, based on the government payments.

COMPARATIVE CHARTS