

Suriname

Location: Suriname is situated in northern South America, bordering the North Atlantic Ocean, between French Guiana and Guyana.

Total Area: 163,270 sq km: slightly larger than the state of Georgia.

Population: 438,144 (July 2005 est.)

Government: Constitutional democracy

Political History: The country gained independence from the Netherlands in 1975. Five years later the civilian government was replaced by a military regime that soon declared a socialist republic. It continued to rule through a succession of nominally civilian administrations until 1987, when international pressure finally forced a democratic election. In 1990, the military overthrew the civilian government, but a democratically elected government returned to power in 1991.

Economy: Suriname's economy is dominated by the bauxite industry, which accounts for more than 15 % of GDP and 70 % of export earnings. Other main export products include sugar, and Suriname has some oil and gold reserves. About a quarter of the population works in the agricultural sector. The Surinamese economy is very dependent on other countries, with its main trade partners being the Netherlands, the United States and countries in the Caribbean.

Mineral Industry: Suriname is ranked among the top 10 leading producers of bauxite (Aluminum ore) and was a growing producer of crude petroleum and gold. The country is positioned within the Guiana Shield; a region in northern South America is that is well known for its untapped resources of copper, gold, iron ore, manganese, nickel, platinum, and uranium.

Mining Friendly Government: In recent years, the Government's policies have been aimed at maintaining an open-market economy to attract foreign investment and to reduce its role in an effort to allow the development of the private sector.

Mineral Rights: The government approved a standard mineral agreement allowing;

- production and sale of minerals in the open market without restriction
- access to foreign exchange at competitive rates
- provisions for a tax deduction on reinvestment
- the repatriation of capital and profits
- a government royalty rate reduced to 2.25%
- nominal license fees for exploration and production
- exemptions for mineral rights holders from import duties on equipment used for mining, milling, and expansions
- expenditures on prospecting, exploration, and other preproduction costs can be written off during the first 5 years of operations.