

Poverty & Equity Brief

October 2024

SURINAME

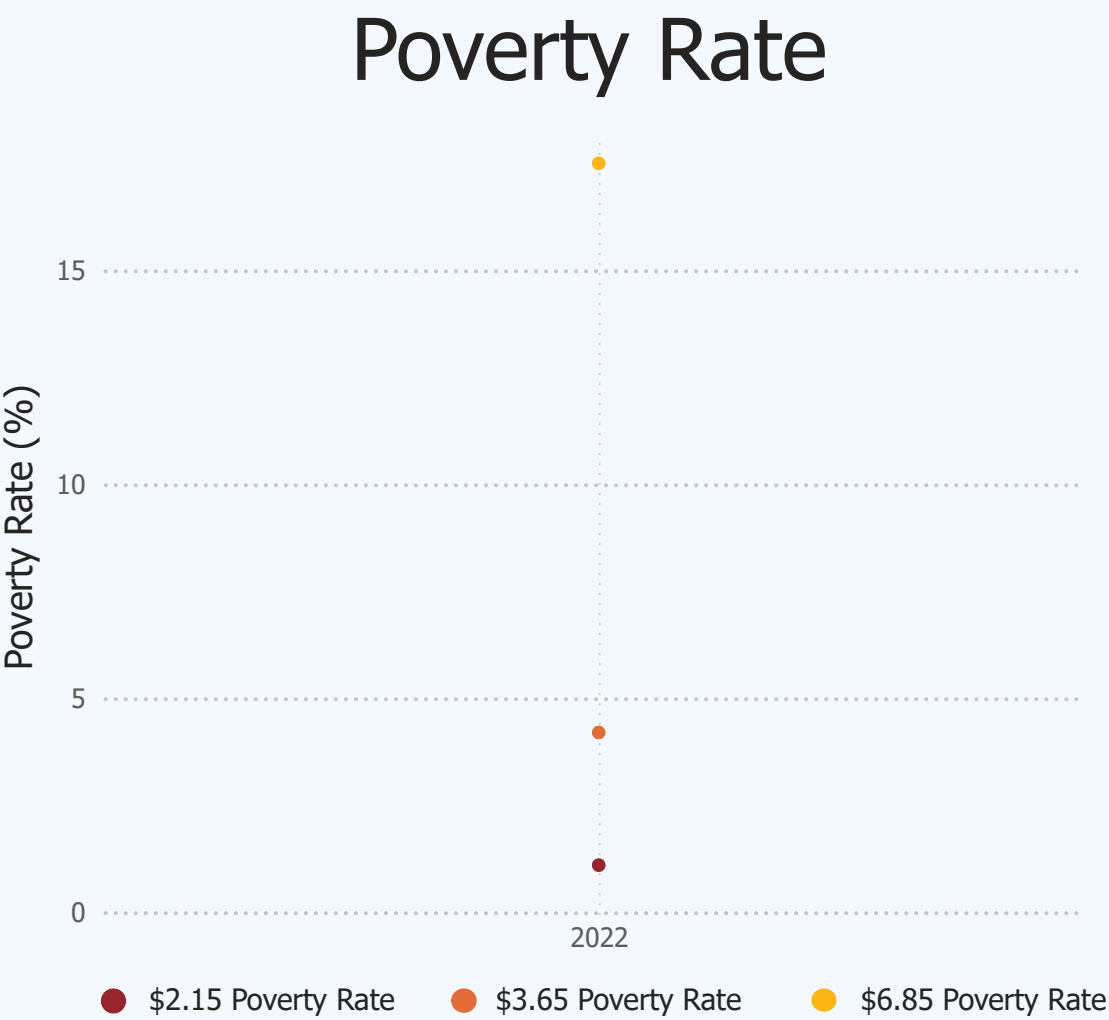
In 2022, the last year with available household survey data, 17.5 percent of the Surinamese population lived below the World Bank’s upper middle-income line of \$6.85 (2017 PPP). About 46.5 percent of Surinamese lived in multidimensional poverty, defined in accordance with Suriname’s national approach. Chronic illness, low levels of education, limited information and communication technology skills, and lack of access to medical insurance were especially important components of multidimensional poverty.

Both monetary and multidimensional poverty were markedly higher in the country’s rural interior than in the greater Paramaribo area or other coastal areas. Accordingly, a disproportionate share of the poor live in the sparsely populated interior. Poverty rates differ by the educational attainment of the household head (poverty rate of 29.3 percent if uneducated) and are markedly higher in households with children (22.3 percent).

It is challenging to ascertain long-term trends in poverty and inequality due to a paucity of comparable data sources. However, UNICEF survey data point to a longer-term decline in multidimensional poverty. During a recent severe macroeconomic crisis, which started in early 2020 and was compounded by the COVID-19 pandemic, Suriname’s population suffered greatly, with a 2021 Inter-American Development Bank study indicating that the crisis had deepened pre-existing inequalities.

The outlook for poverty reduction is improving. A substantial temporary social assistance program targeting the elderly and the poorest adults provides sizeable cash transfers and is estimated to significantly reduce poverty. In the medium term, positive growth prospects and lower inflation can further contribute to poverty reduction. Efforts to provide better value for money in Suriname’s education system and enhance its efficiency and effectiveness could also play an important role.

Much anticipated future offshore oil revenues could result in further poverty reduction. However, additional fiscal resources to cover unmet basic needs may not be immediately available. Furthermore, the risks of Dutch disease and the “resource curse,” the fact that offshore oil exploitation is capital rather than labor-intensive, and skills shortages that may keep Suriname’s labor force from benefitting from new economic opportunities could all contribute to disappointment down the line. Broad preparations to adequately absorb future oil revenues are a priority.



Poverty at Different Lines

Poverty Line	Number of Poor (Thousands)	Rate (%)	Year
International Poverty Line (\$2.15/day)	6.8	1.1	2022
Lower Middle Income Class Poverty Line (\$3.65/day)	25.7	4.2	2022
Upper Middle Income Class Poverty Line (\$6.85/day)	108.0	17.5	2022
Multidimensional Poverty Measure		2.1	2022

Group and Multidimensional Poverty

Poverty by Group	Poverty Rate (%)	Multidimensional Poverty Components	(% of Pop.)
Urban population	N/A	Daily income less than US\$2.15 per person	1.1
Rural population	N/A	At least one school-aged child is not enrolled in school	0.9
Males	16.7	No adult has completed primary education	7.0
Females	18.3	No access to limited-standard drinking water	2.4
0 to 14 years old	26.0	No access to limited-standard sanitation	5.6
15 to 64 years old	14.9	No access to electricity	0.3
65 and older	9.3		
Without education (16+)	30.3		
Primary education (16+)	22.6		
Secondary education (16+)	12.6		
Tertiary/post-secondary education (16+)	N/A*		

Note:
Data for the "Poverty by Group" table is derived from a 2022 survey and data for the "Multidimensional Poverty Components" table is derived from a 2022 survey. The rates in the "Poverty by Group" table above are shown at the \$6.85 upper-middle income line. "N/A" denotes a missing/removed value, while "N/A*" refers to a value which was removed due to having fewer than 30 observations.

Poverty Data & Methodology

Internationally comparable poverty rates discussed in this Poverty and Equity Brief are derived from a consumption-based welfare aggregate, using the international poverty line for upper middle-income countries of \$6.85 (2017 PPP) per person per day, as well as two global lines more appropriate for lower middle-income and poor countries. For details, see the March/April 2024 Update to the Poverty and Inequality Platform (PIP) at: <https://pip.worldbank.org/publication>.

Poverty numbers are reported for 2022, the year in which the latest Suriname Survey of Living Conditions was collected. The broader discussion draws on the analysis for a poverty assessment recently published by the World Bank: <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099071624155540100/p179498133a969088185f2117de1b8d4fea>. Frequent poverty data required to estimate trends in poverty and inequality and to measure shared prosperity are not available.

Harmonization

The numbers presented in the brief are based on a regional data harmonization effort for Caribbean countries. This consumption harmonization project resulted in the CONLAC database. It constructed harmonized consumption-based welfare aggregates for Caribbean countries with available data to measure poverty (at international lines) and inequality. It currently includes five surveys covering four countries in the Caribbean. The harmonization followed the latest World Bank guidelines for consumption-based welfare measurement (Mancini and Vecchi, 2022).