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Suriname

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By Ivan Cairo, Correspondent at Caribbean Net News Suriname

PARAMARIBO, Suriname: In a bid to prevent a possible shortage of local supplies of rice, the main staple in Suriname, the government is considering to introduce an export quota, a government official here disclosed on Monday. For the current season the export quota would be between 20,000 and 25,000 tons. The remainder of the crop would be for local supply.

"We are not raising barriers for exporters, but a licence will be required in the near future to ensure an exact registration of what is being exported and what stays here for local consumption," said Agriculture Minister Kermechend Raghoebarsing.

He further argued that, since prices on the world markets are increasing, the ministries of Agriculture and Trade are in constant dialogue with the Association of Rice Exporters. The rice exporters meanwhile have called on the authorities to indicate and establish quotas in order for them not to get into trouble after signing contracts with international buyers.

"They don't want to sign contracts and ultimately are prevented from delivering due to export restrictions and are subject to claims of buyers," said the minister.

Additionally, the government will beef up security at the borders and intensify scrutiny by customs to prevent smuggling.

"Given the current high prices it is imaginable that some individuals would be tempted to smuggle the product. The Customs Department and the police have been given specific orders and instructions to insure that illegal exports of rice do not take place," the officials noted.

Meanwhile, the government is considering options to lower the price of rice for local consumers. Since January 2007 the price has nearly doubled to US\$1 per kilogram. Households and especially low-income families are reeling from soaring prices of food and the costs of living, and are calling on the government to address the issue.

In October 2005 the government stopped subsidies on fuel, which subsequently led to a continual price hike for goods and services, including bus fares. In order to offer some relief the government said it will establish a social safety net of US\$20 million to assist the most affected groups in society.

While prices of consumer goods, commodities and raw materials on the international markets are soaring, interested parties are urging the government to take urgent measures to assist entrepreneurs and investors to boost production in the country.

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[E-mail: natlaw@natlaw.com](mailto:natlaw@natlaw.com)