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Suriname

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PARAMARIBO, Suriname: China and Suriname are considering signing a customs agreement, government officials here have disclosed. With the agreement Suriname is aiming at reducing smuggling of goods, tax evasion, invoice fraud and making trade with China more transparent, said Roy May, director of the Internal Revenue Service (IRS) in an interview.

For several years now, imports from China are on the rise, with Chinese shops, department stores, supermarkets, hardware stores and roofing factories popping up all over the country. Established Surinamese enterprises are increasingly complaining about the numerous Chinese businesses that are allegedly selling goods well below cost price.

May contends that there is not much the authorities can do, since it has been established that, due to mass production in China, goods could be offered for very low prices.

However, in order to tackle possible irregularities, the authorities will introduce a "minimum value" for containers originating from China.

May further disclosed that, when the customs agreement has been signed, the Suriname Customs Department could invoke assistance and cooperation from its Chinese counterpart to determine the value of goods originating from China.

"They know, like no others, the value of goods which come from their own country," said the IRS-director. "We export almost nothing to China, but the imports from that country are overwhelming," he added.

Imports from China account for 5 percent of Suriname's total imports.

Suriname and China has recently strengthened diplomatic and economic ties, which resulted in the signing of several loan and technical agreements to improve infrastructure, housing, and port security. In December China agreed to finance the establishment of a container scanner at Suriname's main port, Nieuwe Haven, in the capital Paramaribo.

According to the head of the Internal Revenue Service, with the new scanner, service to importers will improve significantly, while revenues for the government will also increase considerably. The new inspection system will also improve security at the port and eventually push back, fraudulent invoicing and illegal imports.

According to May, Beijing will provide a US\$3.2 million dollar loan to set up the scanner, which will be delivered by Nuctech Co Ltd, China's world-leading container inspection system manufacturer.

Currently the Customs Department strips 60 to 120 containers daily, which will increase significantly, said May, since scanning a container with the new inspecting system will take less than 10 minutes.

The scanner should be ready by August 2008, said the official.

In 2007 China has also donated three speed boats and other equipment to the Customs Department to help fight smuggling at Suriname's borders.