



COCOA PROCESSING — AGRI-PROCESSING IN SURINAME

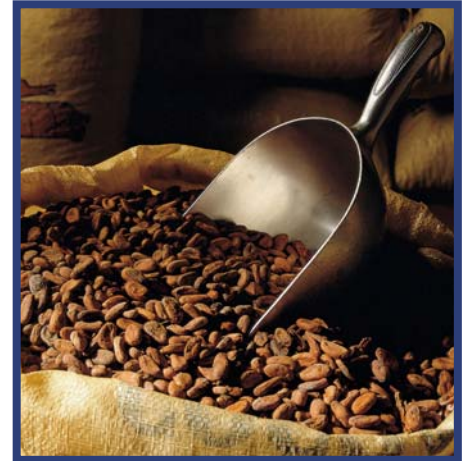
Cocoa Processing Opportunity in Suriname

An opportunity is available in Suriname to establish up a cocoa processing plant to process local and/or imported cultivated cocoa beans. With increasing international demand of cocoa and cocoa products, this is a potentially lucrative opportunity with added social benefits for Suriname. The project will implement sustainable production of cocoa beans in the most efficient way, while keeping high standards for the environment and providing employment opportunities, as the cocoa bean processing industry is labour intensive.

The facility that is envisaged will be located on a one hectare site. With 45 employees the plant will be able to produce 460,000 kg of liquor per annum. An investment of US\$7,676,234 will be required to establish the facility. With a minimum project life of 20 years, the payback period is expected to be 11 years and 9 months. An average annual profit of US\$300,000 is projected for the investment.

A Climate for Investment

- ❖ Suriname is a country with extensive natural resources, cultivated land, affordable energy and fresh water. The climate is well suited to agricultural activities such as cultivation of cocoa, rice and bananas.
- ❖ The cost of labor and cost of living in Suriname are low compared to neighbouring countries such as Brazil, Chile and Mexico.
- ❖ Recently, the Surinamese government has invested heavily in infrastructural development, resulting in the rehabilitation and expansion of the sea port and the renovation and expansion of the international airports, which will have benefits for the agri-business sector.



Testimonials

“KPMG sees Suriname as a country full of potential. Suriname has proven to realize economic growth while the world was in the financial and economic crisis. There are all the ingredients to accommodate long term growth: abundant natural resources, safe working environment, improving investment climate and a motivated and skilled workforce.”

Victor Bergisch, Managing Director of KPMG Assurance Services N.V.

Incentives

Suriname offers a wide range of incentives for foreign investors. These include:

- ❖ Tax based incentives under the Suriname Investment Act include a nine year tax holiday that can be extended for an additional year for large investments of at least US\$ 13 million: results in reduction of corporate income tax, accelerated depreciation on assets: results in an extension of corporate income tax, or tax consolidation which results in reduction of corporate income tax due, if any.
- ❖ In terms of non-tax incentives a license can be granted by the authorized institution regarding the repayment of the equity capital obtained from abroad to finance the investments as meant in this act, the payment of profit and/or dividend, the payment of interest and amortization for money borrowed from abroad to finance investments as meant in this act, and the payment of remunerations for management, technical assistance, knowhow, patent and such.

- ❖ Licenses will also be granted to investors by the authorized institution for residence and settlement of foreign personnel, occupation of foreign personnel, establishment of a company and import and export of goods and services

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