

Poverty & Equity Brief

Latin America & the Caribbean

Suriname

April 2024

About 17.5 percent of the Surinamese population lived below the World Bank's upper middle-income line of US\$6.85 (2017 PPP) per day in 2022. The Gini index was approximately 39, close to the World Bank's threshold of 40 for high inequality countries. About four in 10 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. Factors that predict poverty include low education of the household head and the presence of children (poverty rate of 30 percent for an uneducated head and 22.4 percent for a household with children). Food, rent, and utilities make up an important share of the consumption expenditure of the poorest households (63 percent in the bottom decile), with poor households commonly reporting food insecurity.

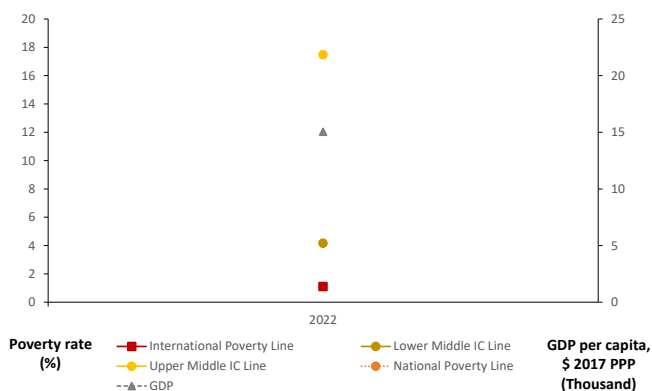
It is challenging to ascertain long-term trends in poverty and inequality due to a paucity of comparable data sources. However, Suriname's population clearly suffered during a severe macroeconomic crisis, which started in 2020 and was compounded by the COVID-19 pandemic. A 2021 IDB study found that the crisis had deepened preexisting inequalities. High inflation (well over 50 percent year-over-year in recent years), particularly of food and housing, has been a clear challenge to poor households.

The outlook for poverty reduction is improving. In the short term, a substantial temporary social assistance program covering roughly the poorest fifth of the population and providing sizeable cash transfers is expected to significantly reduce poverty. In the medium term, positive growth prospects and lower inflation will further contribute to poverty reduction.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	N/A	N/A	N/A
International Poverty Line 23 in Surinamese dollar (2022) or US\$2.15 (2017 PPP) per day per capita	6.8	1.1	2022
Lower Middle Income Class Poverty Line 39.1 in Surinamese dollar (2022) or US\$3.65 (2017 PPP) per day per capita	25.7	4.2	2022
Upper Middle Income Class Poverty Line 73.4 in Surinamese dollar (2022) or US\$6.85 (2017 PPP) per day per capita	108.0	17.5	2022
Multidimensional Poverty Measure		N/A	N/A
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		39.2	2022
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		-3.25	2017-2022
Annualized Income or Consumption Growth per capita from Household Survey		N/A	N/A
MEDIAN INCOME			
Growth of the annual median income/consumption per capita		N/A	N/A

Sources: WDI for GDP, National Statistical Offices for national poverty rates, PIP as of October 2023, and Global Monitoring Database for the rest.

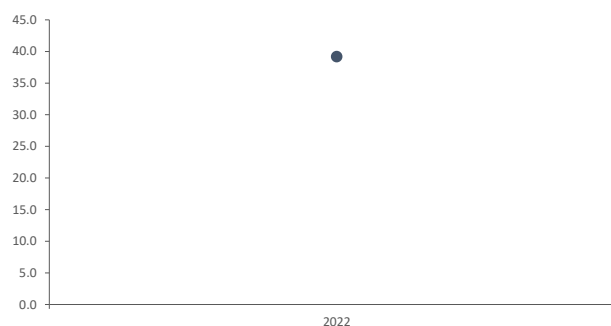
POVERTY HEADCOUNT RATE, 2022



Source: World Bank using SSLC/SEDLAC/GMD

INEQUALITY TRENDS, -2022

Gini Index



Source: World Bank using SSLC/SEDLAC/GMD

KEY INDICATORS

Distribution among groups: 2022	Upper Middle income line(%)		Relative group (%)		Multidimensional Poverty Measures: 2022	(% of population)
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population				N/A	Monetary poverty (Consumption)	
Rural population				N/A	Daily consumption less than US\$2.15 per person	1.1
Males	83	17	39	61	Education	
Females	82	18	41	59	At least one school-aged child is not enrolled in school	0.9
0 to 14 years old	74	26	51	49	No adult has completed primary education	7.0
15 to 64 years old	85	15	37	63	Access to basic infrastructure	
65 and older	91	9	28	72	No access to limited-standard drinking water	2.4
Without education (16+)	70	30	58	42	No access to limited-standard sanitation	5.6
Primary education (16+)	77	23	48	52	No access to electricity	0.3
Secondary education (16+)	87	13	35	65		
Tertiary/post-secondary education (16+)	97	N/A*	14	86		

Source: World Bank using SSLC/SEDLAC/GMD

Source: World Bank using SSLC/SEDLAC/GMD

Notes: N/A missing value, N/A* value removed due to less than 30 observations

POVERTY DATA AND 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 US\$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 draft analysis for a poverty assessment currently under preparation. Frequent poverty data required to estimate trends in poverty and inequality and to measure shared prosperity are missing.

Note on new global poverty lines: Poverty data are now expressed in 2017 Purchasing Power Parity (PPP) prices, versus 2011 PPP in previous editions. As price levels across the world evolve, global poverty lines have to be periodically updated to reflect the increase of the value of the lines in nominal terms. The new global poverty lines of \$2.15, \$3.65, and \$6.85 reflect the typical national poverty lines of low-income, lower-middle-income, and upper-middle-income countries in 2017 prices. In addition to reflecting updates in nominal terms, upper-middle-income countries raised the standards by which they determine people to be poor from 2011 to 2017. Hence, the increase in the upper line is larger, and the population that does not meet the new standard is higher in most countries than it was with 2011 PPPs. See pip.worldbank.org.

HARMONIZATION

The numbers presented in the brief are based on the regional data harmonization effort known as the Socio-economic Database for Latin America and the Caribbean (SEDLAC) - a joint effort of the World Bank and CEDLAS from the National University of La Plata (Argentina). SEDLAC includes 18 countries and more than 300 household surveys since the 80s. Several Caribbean countries have not been included in the SEDLAC project due to lack of data. Since an income-based welfare aggregate is widely used in the region for official poverty estimates, income-based microdata is used for the Global Monitoring Database (GMD) and Global Poverty Monitoring. SEDLAC covers demographics, income, employment, and education. Terms of use of the data adhere to agreements with the original data producers.