

FINANCIAL REPORT 2015
to
THE MANAGEMENT OF
N.V. ENERGIEBEDRIJVEN SURINAME
PARAMARIBO
regarding
THE FINANCIAL STATEMENTS OF THE PROGRAM
“SUPPORT TO IMPROVE THE SUSTAINABILITY OF THE ELECTRICITY SERVICE”
FOR THE YEAR 2015

INVESTMENT LOAN CONTRACT No. 3059/OC-SU
PROJECT No. SU-L1009

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N.V. E.B.S.
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STATEMENT OF CASH FLOWS

(all amounts are in US dollars)

	Notes	Year ended 31 December 2015			Year ended 31 December 2014		
		IDB	COUNTER-PART	TOTAL	IDB	COUNTER-PART	TOTAL
CASH RECEIVED							
Accumulated cash at beginning of year							
Activity during the year:							
▪ Disbursements (advances, reimbursements, direct payments and reimbursements guaranteed by letter of credit)	4	8,323,724	256,180	8,579,904	5,220,878	160,979	5,381,857
▪ Interest received	3	-	7,464	7,464	-	4,891	4,891
Total cash received during the year		8,323,724	263,644	8,587,368	5,220,878	165,870	5,386,748
DISBURSEMENTS MADE							
Activity during the year							
▪ Repayments		-	-	-			
▪ Payments for goods and services	8	-9,662,273	-256,180	-9,918,453	-766,045	-160,979	-927,024
▪ Other (bank service charge and interest paid)		-	-26,820	-26,820		-375	-375
▪ Internal cash transfers disbursed	3	-1,405,000	-	-1,405,000			
▪ Internal cash transfers received	3	1,285,171	-	1,285,171			
Total cash disbursements		-9,782,102	-283,000	-10,065,102	-766,045	-161,354	-927,399
AVAILABLE CASH AS OF END OF YEAR	3	2,996,455	-14,840	2,981,615	4,454,833	4,516	4,459,349

The accompanying notes are an integral part of this statement



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STATEMENT OF CUMULATIVE INVESTMENTS

(all amounts are in US Dollars)

Category	Beginning of year 2015			Movement during the year			At the end of the year 2015		
	IDB	COUNTER-PART	TOTAL	IDB	COUNTER-PART	TOTAL	IDB	COUNTER-PART	TOTAL
01.00.00 IMPROVEMENT OF EBS OPERATIONS									
01.00.00 Project management	-	139,197	139,197	-	32,006	32,006	-	171,203	171,203
01.01.00 Scada System	-	-	-	-	-	-	-	-	-
01.02.00 Geographical Information System (GIS)									
01.02.00 Software	362,292	-	362,292	399,873	-	399,873	762,165	-	762,165
01.02.00 Hardware	169,988	-	169,988	128,043	-	128,043	298,031	-	298,031
01.02.00 Training	5,397	-	5,397	-	-	-	5,397	-	5,397
01.02.00 Data Collection	-	-	-	29,548	-	29,548	29,548	-	29,548
01.03.00 Selection of ERP solution									
01.03.00 Consultants	45,675	-	45,675	26,607	-	26,607	72,282	-	72,282
02.00.00 SUSTAINABLE RURAL ELECTRIFICATION AND INSTITUTIONAL STRENGTHENING									
02.01.00 Integration of Powakka Area to EBS Grid	163,376	-	163,376	4,343,858	-	4,452,748	4,507,234	108,890	4,616,124
02.01.00 Goods and services	-	1,783	1,783	-	-	-	-	1,783	1,783
02.01.00 Project management									
02.02.00 Provision of quality service in Civic Center Atjoni									
02.02.00 Goods and services	-	-	-	399,096	5,114	404,210	399,096	5,114	404,210
02.03.00 Support to the design and implementation of rural electrification projects	-	-	-	20,560	-	20,560	20,560	-	20,560
03.00.00 CRITICAL INFRASTRUCTURE									
03.01.00 Upgrade EBS Substation S/S C	-	17,610	17,610	2,734,035	84,688	2,818,723	2,734,035	102,298	2,836,333
03.02.00 Upgrade EBS Substation S/S D	-	-	-	1,431,651	10,339	1,441,990	1,431,651	10,339	1,441,990

to be continued)

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STATEMENT OF CUMULATIVE INVESTMENTS (continued)

Category	Beginning of year 2015			Movement during the year			At the end of the year 2015		
	IDB	COUNTER-PART	TOTAL	IDB	COUNTER-PART	TOTAL	IDB	COUNTER-PART	TOTAL
04.00.00	19,317	2,389	21,706	149,002	15,143	164,145	168,319	17,532	185,851
05.00.00	-	-	-	-	-	-	-	-	-
	766,045	160,979	927,024	9,662,273	256,180	9,918,453	10,428,318	417,159	10,845,477

NOTES TO THE FINANCIAL STATEMENTS

1. PROGRAM DESCRIPTION

General

The loan contract was entered into on December 4, 2013, between the REPUBLIC OF SURINAME (borrower) and the INTER-AMERICAN DEVELOPMENT BANK (IDB) to cooperate in the execution of the Program "Support to improve the sustainability of the electricity service". The loan agreement embraces an investment loan to the Republic of Suriname of USD 30 million to contribute to the financing of the Program.

The Executing Agency (EA) of the Program is N.V. Energiebedrijven Suriname (EBS). EBS is responsible for the fulfillment of technical, administrative and financial procedures related to the execution of the Program, as well as the planning, monitoring, supervision and independent evaluation thereof.

The total cost of the Program is estimated to be the equivalent of USD 30 million. However, pursuant to the loan contract, the Republic of Suriname shall contribute in a timely manner all of the resources in addition to those of the loan which may be necessary for the complete and uninterrupted execution of the Project, the estimated amount of which is specified in the loan contract. If during the process of disbursement an increase in the estimated cost of the Project takes place, IDB may require the modification of the investment schedule referred to in the loan contract such that the Republic of Suriname shall meet such increase. No counterpart funds are quantified in the loan contract.

A subsidiary agreement dated 27 March 2014 has been signed between the Government of Suriname and EBS for the use and management of the loan resources in accordance to the terms and conditions agreed under the loan contract. The Government of Suriname and EBS committed themselves to execute the Project towards the achievement of the objectives of the project.

The Executing Agency has appointed the following full-time dedicated team as part of the Program Execution Unit: a program manager, a procurement specialist, a financial specialist, an electrical engineer and a social-environment specialist.

The Executing Agency has prepared and approved the following key planning documents: Program Operating Manual, Financial Plan and Annual Operating Plan.

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Program objective

The Program will contribute to the sustainability of the power sector by strengthening Energiebedrijf Suriname's ("EBS") operational procedures and corporate performance, and by improving the sustainability of rural electricity supply.

The specific objectives are to support the implementation of information technologies in business support tools for EBS, to provide financial support for upgrading critical infrastructure, and to contribute to expand electricity coverage by grid extension and Renewable Energy (RE) systems in the Hinterlands.

Program Components

The main components of the Program are the following: (i) Improvement of EBS' Operations; (ii) Sustainable Rural Electrification; and (iii) Critical Infrastructure.

Component I. Improvement of EBS' Operations

The specific objective of Component I is to contribute to improve EBS' performance by: (i) integrating Supervisory Control and Data Acquisition (SCADA) platforms for technical supervision and operation of the power system; (ii) incorporating business information solutions by financing Information Technologies (IT) hardware and software, such as the Enterprise Resources Planning (ERP) and a Geographical Information System (GIS).

- a. SCADA. The implementation of the SCADA system by EBS is expected to contribute to achieve: (i) better standards in grid reliability, monitored through the SAIDI indicator; (ii) proactive problem detection and resolution to improve reliability; and (iii) real-time control of the system, reducing operational costs. EBS already has part of the EPAR transmission grid connected to a local SCADA system. The objective is to integrate and expand the existing capabilities, and control the entire EPAR grid through a centralized SCADA system. Based on a n analysis of the occurrence of power interruptions in the EPAR system, a potential reduction of 8% in the System Average Interruption Duration Index (SAIDI) can be attained by the proposed centralized SCADA.
- b. IT Solutions. EBS reporting, payroll activities, and resource management, are done via legacy IT systems, including Microsoft Excel, Word and Access forms and applications. These legacy tools become inadequate with increasing customer numbers and workforce and therefore lead to higher costs and increased employee turnover. Although most business processes are supported by an IT solution, these are not integrated and do not allow real-time synchronization, barely support EBS operations, and do not provide relevant information to assist EBS' management in decision making.



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The existing applications are unable to keep up with the functional requirements for business processes automation. In order to operate effectively and efficiently in the future, EBS plans to move to an integrated ERP application. The ERP system will be used for financial processes, such as invoicing, payments and accounting, and for customer-oriented services including customer care and billing, Customer Relationship Management (CRM), customer self-service facilities, and quotation management. The implementation of the ERP comprises 3 phases: (i) ERP roadmap; (ii) product selection; and (iii) ERP implementation and quality assurance.

Phase I is key to the definition of the next steps and focuses on the identification of risks and the possible impacts of implementation activities on EBS' operation. Phase I determines change management initiatives, serves as the basis for project prioritization, completes high level technical review and identifies the business requirements, and will finance ERP phase I.

- c. GIS. The goal and purpose of the envisaged GIS within EBS is: (i) to provide EBS with an efficient platform for data management, planning and analysis, workforce automation and situational awareness by improving spatial data quality and data sharing; (ii) to give EBS a powerful decision-making tool by linking data to geographic locations so that better decisions can be made regarding internal operations and delivery to clients; and (iii) to create the internal knowledge and capacity on GIS technology knowledge for maintaining the GIS system and services.

Component II. Sustainable Rural Electrification and Institutional Strengthening

The specific objectives of Component II are:

- (i) the integration of Powakka village and surrounding communities into the EPAR grid by rehabilitating and upgrading the transmission and distribution system and securing the sustainability of the investment;
- (ii) the installation of hybrid RE generation to local distribution systems to improve sustainability of electricity supply in Atjoni and nearby communities; and
- (iii) support EBS in the design and implementation of future rural electrification projects by financing the impact evaluation of this component.

a. Powakka and the surrounding villages are located about 50-kms south of Paramaribo in the Para District. Power generation and distribution for the villages is presently under the DEV. The power generation is being done by small diesel generators that operate from 5:00 pm to midnight. In order to provide full electricity service, MNH and EBS are planning to connect these villages to the EPAR grid, which implies a shift in ownership (from DEV to EBS), tariff structure, and technical connection requirements. In order to upgrade the electrical infrastructure in the Powakka area, four projects have been identified:

- (i) upgrade S/S Paranam; (ii) construction of new S/S Powakka; (iii) extension of existing single circuit 33-kV OverHead Line (OHL) with 7.4-km between S/S Paranam and S/S Powakka; and (iv) new installation of 12-kV en 220-V OHL from Powakka to Casipoera. The total number of connections is about 1,800 with an expected power demand of approx. 5,500-kVA. The expected benefits or about 6,000 people include: (i) the elimination of diesel generators, fuel transports and inadequate disposal of residues; (ii) 24-hour service enabling commercial and productive activities and better community services; (iii) reduction of distribution losses and expansion of service area by introducing higher voltage levels; and (iv) increase of end-use efficiency by introducing prepaid metering.

b. Atjoni is one of the planned civic centers in the inland Sipaliwini District and is expected to play a pivot role for the development of central Suriname, with an estimated population of 5,162 households. It is located about 195-km from Paramaribo and can be reached over land by road. From Atjoni, boats depart connecting the villages upstream the Suriname River with the coastal area. Atjoni is presently served by diesel generators (2 systems of 437-kVA) offering electricity between 7:00pm and 7:00am to the several economic activities and community services are in place. In order to provide electric power on a 24-hour basis, major upgrades in the electrical infrastructure, (including generation) are needed which surpass the technical capabilities of DEV. The GOS therefore plans to transfer the responsibility for electricity supply in Atjoni to EBS.

Component II will finance the upgrade of the electricity grid to provide high-quality service on a 24-hour basis to 494 households and other end-users in Atjoni and Pokigron, including 9 shops, the Civic Centre, and 7 local businesses. The existing diesel generators will be complemented with 500-kW solar PV systems to feed the local distribution network. The upgrade involves the installation of 1,600-meter (m) 12-kV OHL lines, 450-kV transformers, 1,405-m kV cable, 54 units of street lighting, the network, and site preparation for the installation of approximately 200 PV panels, and a battery bank to guarantee reliability and 24-hrs supply. The project is designed as a hybrid thermal-RE system interconnected to a local 12-kV/220-volt (V) system.

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Component III. Critical Infrastructure

The specific objective of Component III is to finance the rehabilitation and upgrade of critical infrastructure of EBS including retrofitting of the two existing 33/12/6-kV S/S (C and D) in the EPAR system, supplying energy to the northern load center of Paramaribo. Both S/S were built in 1965.

- a. The upgrade of S/S C involves the retrofit of an existing 33/12/6-kV S/S. S/S C design ratings are inadequate, thereby imposing limitations to transmission and distribution operations. Even more important, the Short-Circuit Rating (SCR) is violated by recent expansions in the generation and transmission capacity. This situation affects the integrity of equipment and reduces overall reliability of the EPAR system in the northern part of Paramaribo and beyond. Component III will upgrade the distribution capacity of S/S C to 25-MVA (12.6-kV) plus 25-MVA (6.3-kV). A second 12.6-kV, 25-MVA transformer will be added at a later stage.

Upgrading this S/S is critical for upcoming expansion plans and dispatch of the new power plants at SPCS and BEM. Component III further includes a 36-kV switchgear and a 12.6-kV switchgear with bay control units, and metering devices as well as High Voltage (HV) cables, prewired protection panels, Direct Current (DC) chargers, and secondary materials. A local SCADA system will be implemented to allow for control from the EBS Command Center.

- b. S/S D faces similar limitations as S/S C with respect to its nominal capacity and SCR and equipment integrity and performance. Upgrading of S/S D involves the installation of a new 36-kV switchgear with bay control units, and metering devices as well as HV cables, pre-wired protection panels, DC chargers, and secondary material.

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Program organizational structure

The program organizational structure, depicted in Figure 1, will be composed of:

- The Project Steering Committee
 - Management of EBS
 - The Project Executing Unit (PEU): the PEU consists of mandatory specialists as required by the Bank.
- EBS is responsible for the recruitment of staff and consultants with the pertinent skills to support it in the implementation. The PEU will also be supported by designates from key N.V. EBS departments. A Program Advisory Committee will be formed composed of key stakeholders and offer regular input and advice on program implementation.

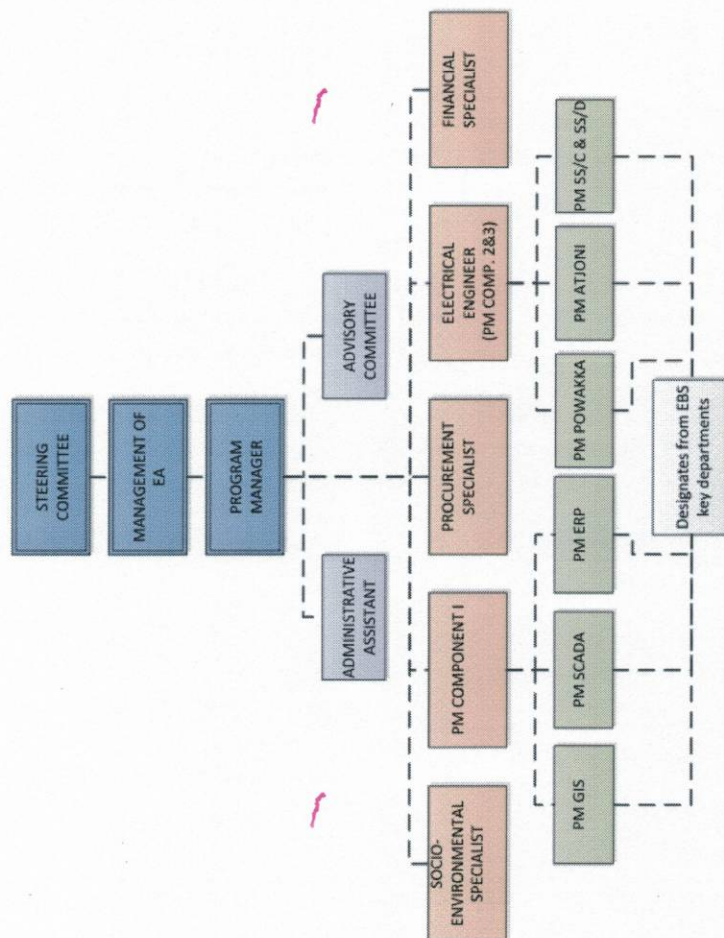


Figure 1: Organizational Structure of Support to Improve Sustainability of the Electricity Service (SISES) PEU

Project Steering Committee

The Project Steering Committee (PSC) is composed of:

1. a representative of the Ministry of Natural Resources as Chairperson
2. a representative of the Ministry of Finance
3. a representative of the Executing Agency, and
4. the Program Manager as its Secretary

Core Management functions of the PEU

The Program will be executed by the N.V. EBS through a Project Executing Unit (PEU) created for the implementation of the Program. The PEU will have an organizational structure of five (5) specialists and one administrative assistant and will be headed by a Program Manager who will be responsible for its operation. The PEU will be supported by 3 Component Managers and 7 Project Managers. The organizational structure of the Program is presented in Figure 1.

The Program Manager is assisted directly by a Financial Specialist, Procurement Specialist, Socio-Environmental Specialist, and the Electrical Engineer. The Program Manager will supervise the administrative assistant.

Management functions of the PEU

The core functions of the PEU are:

1. The Financial Specialist of the project represents the Project Executing Unit (PEU) and ensures the efficient and effective execution of the Program, managing optimally the financial resources and reporting the progress achieved. The objective of the function is to ensure the coordination of all financial administration of the Program in accordance with the Program Report, Loan Contract and the Program Operating Regulations. The Financial Specialist reports directly to the PEU Program Manager and is responsible for the overall management of all aspects and activities under the Support to Improve Sustainability of the Electricity Service. This position is a full time position and will be filled by an EBS specialist through an internal selection process.

2. The Electrical Engineer is responsible for the specification for the hiring of services and the acquisition of equipment and materials for the execution of technical/electrical Program's components. He or she is responsible for the monitoring of the execution of contracts under the Programs including compliance with environmental mitigation, the social management plans, and the contractor's health and safety plans. This is to be done in collaboration with the Socio-environmental Specialist. Also, the electrical engineer is responsible for the contribution to maintain good coordination and dialogue between all entities involved in the implementation of the program, including Ministry of Natural Resources. The Electrical Engineer will work under the direction of the Project Manager and in collaboration with other specialists in the PEU and is responsible for the overall management of all aspects and activities under the Support to Improve Sustainability of the Electricity Service. This position is a full time position and will be filled by an EBS specialist through an internal selection process.
3. The Socio-Environmental Specialist is responsible for the design and implementation of a social and environmental strategy to communicate the reforms proposed by the Program to the community and all other Stakeholders. The socio- environmental specialist is responsible for assessment of direct, indirect and cumulative negative environmental and social impacts, prepare and implement the Environmental and Social Analysis, prepare contingency plans, propose additional measures to ensure adequate health and safety and maintain a good coordination and dialogue between all entities involved in the implementation of the program. The social and environmental plan will be prepared with the collaboration of the Program Manager. This position will be filled by an EBS employee through an internal selection process.
4. The Procurement Specialist is responsible for all national and international procurement of goods, works and services of the Program in accordance with the Program Operations Manual, Procurement Standards of the IDB and requirements of the Government of Suriname. The Procurement Specialist reports directly to the PEU Program Manager and is responsible for the overall management of all aspects and activities under the Support to Improve Sustainability of the Electricity Service. This position is a full time position and will be filled by an EBS specialist through an internal selection process.
5. The Project Manager Component I is responsible for the efficient and effective execution of Component I of the Program: (i) integrating Supervisory Control and Data Acquisition (SCADA) platforms for technical supervision and operation of the power system; and (ii) incorporating business information solutions by financing Information Technologies (IT) hardware and software, such as the Enterprise Resources Planning (ERP) and a Geographical Information System (GIS). The Component Manager is responsible for the overall management, implementation, monitoring and reporting on all aspects of the Component, in close coordination with the Financial and Procurement specialist. This position will be a full time one, contracted through a single source selection.

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6. The Project Manager Component II is responsible for the efficient and effective execution of Component II of the Program: (i) the integration of Powakka village and surrounding communities into the EPAR grid by rehabilitating and upgrading the transmission and distribution system and securing the sustainability of the investment; and (ii) the installation of hybrid RE generation to local distribution systems to improve sustainability of electricity supply in Atjoni and nearby communities. The Component Manager is responsible for the overall management, implementation, monitoring and reporting on all aspects of the Component, in close coordination with the Financial and Procurement specialist. This position is a full time position and will be filled by an EBS employee through an internal selection process.
7. The Project Manager Component III is responsible for the efficient and effective execution of Component III of the Program: the rehabilitation and upgrade of critical infrastructure of EBS including retrofitting of the two existing 33/12/6-kV S/S (S/S C and S/S D) in the EPAR system. The Component Manager is responsible for the overall management, implementation, monitoring and reporting on all aspects of the Component, in close coordination with the Financial and Procurement specialist. This position will be filled by an EBS employee through an internal selection process.
8. The Senior Administrative Assistant will undertake a wide range of administrative duties in order to ensure effective and efficient operation of the program. The Senior Administrative Assistant is expected to develop and implement an administrative work plan and maintain records and correspondence of all communications with the N.V. EBS, Bank and the Government of Suriname. The position requires close working relationship with the PEU Team. This position will be a full time one, contracted through a competitive process.

Finally, the whole team works in close coordination with Ministry departments and other stakeholders involved in the execution of specific activities for the different components.

Program Advisory Committee

The Program Advisory Committee reviews and offers advice to the PEU on annual operating plans and general program execution. The Project Controller of EBS will chair the meetings of the Advisory Committee. The Advisory Committee is composed of representatives from EBS: EBS Financial Controller, EBS Project Controller and EBS Manager Legal Affairs. The Advisory Committee will conduct meetings regularly, at least once per month.

N.V. EBS key departments

The key departments are (limited list): Project Engineering, Transmission, Distribution, New Builds & Operational Support, Energy Innovation, Customer & Commercial Services, Legal Affairs, Accounting, Procurement, Treasury and ICT, Project Management Office. These departments will assist the PEU in defining the activities and implementation modalities within the different program components in their area of expertise and provide input into terms of references and bidding documents. These departments will also assist in the execution of the program activities according to the program plans.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared using the cash basis of accounting, recognizing cash receipts in the period when cash is received and recognizing expenses when cash has been disbursed. This accounting policy is another comprehensive basis of accounting than generally accepted accounting principles, under which transactions should be recorded when they occur and not when they are paid.

Unit of currency

The approved and contractual currency is US dollar (the legal tender of the United States of America). All disbursements shall be denominated and made in US dollar, unless the borrower requests that a disbursement be denominated in a currency other than the US dollar. The functional currency of the Program is US dollar. The program's accounting records are maintained in US dollar (USD). There are no accounting records in Surinamese dollar (SRD). In order to calculate the equivalent in USD, the cash received in local currency (SRD) in a bank account and disbursements made in SRD, are translated into USD using the official buying rate of exchange used by the Central Bank of Suriname at December 31 (USD 1 = SRD 3.96).

All amounts in this report are stated in US dollars.

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3. AVAILABLE CASH BALANCE

The available cash balance as of 31 December 2015, is deposited in the Program's bank accounts, and includes earned interest income.

	2015	2014
	USD	USD
Bank account no. 2400001000321336 RBC ROYAL BANK (SURINAME) N.V. (SRD) (exchange rate from 1 January 2015 till 18 November 2015 USD 1 = SRD 3,25 and from 19 November till 31 December 2015 USD 1 = SRD 3,96)	294,622	-33
Bank account no. 2400001000321344 RBC ROYAL BANK (SURINAME) N.V. (USD)	<u>2,686,992</u>	<u>4,459,382</u>
Total	<u>2,981,614</u>	<u>4,459,349</u>

During the fiscal year 2015, available earned interest income equated to USD 7,464. There were exchange rate gains of USD 11,054.

If deposits of project resources in the bank accounts accrue interest, commissions etc. for the Executing Agency this income must be contributed to the Program as an integral part of the local or counterpart contribution. These funds may be used for expenses that are similar and/or complementary to eligible project expenses financed by the Bank.

Internal cash transfers

Internal cash transfers from the USD bank account to the SRD bank account resulted in undeposited funds of USD 119.829 at December 31, 2015. This amount was received in January 2016.

4. ADVANCES AND JUSTIFICATION

Opening balance of Advance of Funds	2015	2014
Advances received and recorded during the period	USD	USD
Advance of funds justification (administration, monitoring and auditing)	5,201,561	-
Closing balance of Advance of Funds	8,323,774	5,220,878
	19,317	19,317
	13,544.652	5,201,561

The amounts correspond with the IDB records as per LMS-1 as of January 25, 2016.

Second disbursement, request No. 2 dated 10 March 2015

Pursuant to the terms and conditions of the loan contract, the Executing Agency requested Advance of Funds on March 10, 2015 for the amount of USD 8,323,774. EBS received the amount of USD 8,323,724. Book date en record entry date: March 30, 2015. The advance was recorded in the contractual currency (USD). The difference (USD 50) between the amount received and the amount recorded is recorded as bank charges.

5. LOCAL COUNTERPART FUNDS

Pursuant to the loan contract, the Republic of Suriname shall contribute in a timely manner all of the resources in addition to those of the loan which may be necessary for the complete and uninterrupted execution of the Project, the estimated amount of which is specified in the loan contract. If during the process of disbursement an increase in the estimated cost of the Project takes place, IDB may require the modification of the investment schedule referred to in the loan contract such that the Republic of Suriname shall meet such increase. During the reporting year, no increase in the estimated cost of the Project was foreseen and no contributions of the Government of Suriname were received. The expenses of the Executing Agency are considered to be counterpart expenses.



6. PRIOR PERIOD ADJUSTMENTS

Prior year adjustments are not applicable.

7. PROCUREMENT OF GOODS AND SERVICES

Unless IDB agrees otherwise in writing, the contracts for works, goods and services are subject to Ex-ante review by IDB and require IDB no-objection prior to proceeding, in accordance with the IDB's policies and procedures.

Procurement of goods and works and non-consulting services

The procurement policies applicable in 2015 are those dated March 2011, which are contained in IDB-document GN-2349-9.

Selection and contracting of consultants

The procurement policies applicable in 2015 are those dated March 2011, which are contained in IDB-document GN-2350-9.

Awarded contracts

Several procurement activities were performed in 2015. The following contracts were awarded contracts during the year 2015:
 The amounts of contracts in other currency than USD (mainly SRD) are translated in USD.

Contract	Description Services	Signature date	Prism number	USD
NV GISSAT	SEARCH AND NAVIGATION EQUIPMENT	17 December 2015	SUB0820	47,032
UNITED CARIBBEAN	ELECTRICAL WORK	30 October 2015	SUA0293	611,914
SIOC NV	COMPUTER AND OFFICE EQUIPMENT	30 October 2015	SUB0816	34,908
HAUKES NV	NONRESIDENTIAL BUILDING CONSTRUCTION	28 October 2015	SUB0814	66,024
HAUKES NV	NONRESIDENTIAL BUILDING CONSTRUCTION	28 October 2015	SUB0815	230,554
HAUKES NV	TRANSPORTATION EQUIPMENT + SUPPLIES	23 September 2015	SUB0817	11,268
NECAREX	ELECTRICAL GOODS	6 July 2015	SUA0294	101,890
NV GISSAT	PHOTOFINISHING LABORATORIES	2 September 2015	SUB0784	410,408
KULDIPSINGH READYMIX NV	TRANSPORTATION EQUIPMENT + SUPPLIES	1 September 2015	SUB0818	31,693
KULDIPSINGH READYMIX NV	CONCRETE PRODUCTS, NEC	25 August 2015	SUA0290	106,820
ROCCO PALLAS	NONRESIDENTIAL BUILDING CONSTRUCTION	6 July 2015	SUB0804	1,009,147
NECAREX BV	ELECTRICAL GOODS	11 June 2015	SUA0289	45,902
BOUWBEDRIJF RAMLAL	GENERAL BUILDING CONTRACTORS	8 May 2015	SUB0796	20,847
KIRAM WOODS	ELECTRIC DISTRIBUTION EQUIPMENT	11 March 2015	SUB0793	138
SIOC NV	COMPUTER AND OFFICE EQUIPMENT	23 January 2015	SUB0786	89,474
Subtotal (Goods)				2,818,019
JOINT VENTURE OF SURIBRAZ -				
SOCIAL SOLUTIONS	ENVIRONMENTAL STUDIES	22 October 2015	SUA1624	185,166
GISSAT NV	COMPUTER TECHNOLOGY	6 July 2015	SUA1612	11,440
PALMER WRIGHT, COLEEN	COMPUTER TECHNOLOGY	8 May 2015	SUA1551	178,938
ECOMP CONSULTANT INC.	COMPUTER TECHNOLOGY	8 May 2015	SUA1566	78,984
Subtotal (Services)				454,528
Total				3,272,547

8. INVESTMENT CATEGORIES AND DISBURSEMENTS MADE

Category	Investment Category	Current approved amount	Cumulative Investments	
			IDB	Counter-part TOTAL
01.00.00	IMPROVEMENT OF EBS OPERATIONS			
01.00.00	Project management		-	171,203
01.01.00	Design and installation of the integrated SCADA system	6,200,000	-	-
01.02.00	Geographical Information System (GIS)	3,300,000	1,095,141	1,095,141
01.03.00	Design of the Enterprise Resource Planning ERP system (Phase I)	500,000	72,282	72,282
02.00.00	SUSTAINABLE RURAL ELECTRIFICATION AND INSTITUTIONAL STRENGTHENING			
02.00.00	Project management		-	1,783
02.01.00	-Substation Paranam (S/S P) -Substation Powakka (S/S POW) -Transmission and distribution systems in target area Powakka-Ayo-Redi Doti-Casipoera	7,500,000	4,507,234	108,890
02.02.00	Provision of quality service in Civic Centre Ationi	2,500,000	399,096	5,114
02.03.00	Design and implementation of Rural Electrification Projects	1,000,000	20,560	-
03.00.00	CRITICAL INFRASTRUCTURE			
03.01.00	Upgrade EBS Substation S/S C	4,700,000	2,734,035	102,298
03.02.00	Upgrade EBS Substation S/S D	2,300,000	1,431,651	10,339
04.00.00	Administration, monitoring, auditing	1,000,000	168,319	17,532
05.00.00	Contingencies	1,000,000	-	-
	Total	30,000,000	10,428,318	417,159
				10,845,477

The current approved amounts correspond with the IDB records as per LMS-1 at December 31, 2015.

Local counterpart funds

Pursuant to the loan contract, the Republic of Suriname shall contribute in a timely manner all of the resources in addition to those of the loan which may be necessary for the complete and uninterrupted execution of the Project, the estimated amount of which is specified in the loan contract. The local counterpart expenditures included in this financial report are made through the Executing Agency. In the loan contract, the counterpart funds are not quantified.

9. RECONCILIATION BETWEEN THE STATEMENT OF CASH FLOWS AND THE STATEMENT OF CUMULATIVE INVESTMENTS

The amount of payments for goods and services in the Statement of Cash Flows equals the total amount in the Statement of Cumulative Investments.

	IDB	COUNTERPART	TOTAL
Statement of Cumulative Investments: cumulative investments at beginning of period (this amount equals the amount in de statement of Cash Flows for the year ended 31 December, 2014)	766,045	160,979	927,024
Statement of Cash Flows: amount of payments for goods and services	9,662,273	256,180	9,918,453
Total	10,428,318	417,159	10,845,477
Statement of Cumulative Investments: total amount	10,428,318	417,159	10,845,477

10. RECONCILIATION BETWEEN THE STATEMENT OF CUMULATIVE INVESTMENTS AND THE LOAN MANAGEMENT SYSTEM (LMS)

This reconciliation is not included since the IDB records as per LMS-1 do not reconcile with the expenditures per project's records.

The IDB records as per LMS-1 at January 25, 2016 include:

- current approved amounts: USD 30,000,000 (reference is made to note 8)
- advance of funds USD 13,544,652 (reference is made to note 4)

The LMS-1 at January 25, 2016 does not include other amounts which can be reconciled with the Statement of Cumulative Investments.

11. CONTINGENCIES

The borrower, directly or via the Executing Agency, as the case may be, agreed to obtain, prior to awarding the contract for each of the works of the Project, if any, legal possession of the property where the construction of the respective work is to take place, easement or other rights required for its construction and use, as well as water rights required for the work in question.

12. SUBSEQUENT EVENTS

There are no subsequent events that should be disclosed.