

# Finance Minister charts path for oil growth, green transition



A aerial view of Brechin Castle Solar Limited's solar farm. PHOTO COURTESY BP

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In his 2026 budget presentation in Parliament yesterday, Finance Minister Dave Tancoo unveiled a comprehensive energy strategy designed to secure T&T's economic future.

Emphasising the central role of oil and gas, Tancoo outlined a multi-pronged approach to strengthen production, attract foreign investment, create jobs, and accelerate the country's transition to renewable energy.

The minister highlighted recent gains in crude oil production, which rose from 52,357 to 55,257 barrels per day between April and August 2025—an increase of nearly 3,000 barrels. This growth was driven by bpTT, EOG Resources, and Heritage Petroleum, supported by the Mento Development project, which achieved first oil in May. Heritage is expanding its drilling campaign, while Perenco's acquisition of shallow-water assets from bpTT and Woodside is expected to further enhance output from mature fields.

Natural gas production also climbed, from 2.41 to 2.73 billion cubic feet per day between April and

May, largely due to bpTT's Cypre Phase 1 and the Mento field, with Phase 2 of Cypre expected to boost supply further.

Investor confidence mirrors production gains, with foreign direct investment (FDI) in upstream energy projected at US\$2.2 billion for 2025, rising to US\$2.5 billion in 2026. The country's offshore potential was validated during the deepwater bid round, which offered 26 blocks and closed with four bids, including a US\$42.5 million production sharing contract with ExxonMobil for Block TTUD-1.

Beyond domestic production, the government is expanding regional energy cooperation with Grenada, Suriname, and Guyana, focusing on joint exploration, renewable energy development, and capacity building— positioning T&T as a regional energy leader.

Domestically, negotiations with Trinidad Steel Company for a new gas contract are underway to restart steel production, create jobs, and revive exports, revitalising the industrial base.

While maximising oil and gas returns, the government is also committed to a sustainable energy transition, targeting a 15 per cent reduction in emissions by 2030. A major milestone was reached in July when the 92.2-megawatt Brechin Castle solar plant began delivering green power—set to be the largest solar facility in the English-speaking Caribbean.

Tancoo said the government is finalising a renewable energy policy and advancing wind energy development, identifying 2.75 gigawatts of onshore and 32 gigawatts of offshore wind potential. An expanded offshore wind resource assessment programme will provide bankable data by 2026 to support future investment.

Looking further ahead, T&T is laying the foundation for a green hydrogen economy, aiming to scale 25 gigawatts of offshore wind capacity and produce 1.5 million tonnes of hydrogen annually by 2044, with a longterm target of four million tonnes by 2065.