

Driver: Reduce revenue tax on oil output



Dr Thackwray “Dax” Driver, chief executive officer of the Energy Chamber of T&T

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Dr Thackwray “Dax” Driver, Chief Executive Officer of the Energy Chamber of T&T, has laid out a compelling and strategic vision for the country’s energy sector ahead of the upcoming national budget.

Speaking on CNC3’s Morning Brew Programme yesterday, Driver emphasised three critical priorities that must be addressed to unlock the sector’s full potential: fiscal reform, renewable energy advancement and alignment with evolving international trade regulations.

At the heart of his recommendations is a call for urgent changes to the taxation regime governing upstream oil and gas investment.

Driver described this as “the biggest thing” the chamber is advocating for, noting that numerous small oil and gas fields in Trinidad’s shallow waters and onshore areas remain undeveloped—not due to lack of resources, but because the current fiscal structure renders them economically unviable.

“There are a lot of small gas and oil fields in our shallow waters and onshore, Trinidad, which would benefit from changes to the fiscal regime. These are fields which are there, which have been discovered, but are not economically feasible with the current structure,” he explained.

Driver specifically pointed to the need for reform in three areas: royalties, the supplemental petroleum tax and capital allowances.

“Those are the things which would allow these projects to become financially viable and we’d see more of these small shallow water projects being developed. So, that is crucial,” he said.

Equally pressing is the need to modernise legislation to support renewable energy integration, particularly small-scale solar solutions.

Driver stressed that increasing domestic electricity generation from renewables would free up natural gas for export, especially to the petrochemical industry.

“The more electricity for the domestic market which we can generate from renewable energy the more natural gas we make available to the petrochemical industry.

That helps with jobs. It helps with business activity and it helps with foreign exchange.

“So, we really think that we need to have that focus on renewables as well to displace natural gas from the domestic electricity sector and make that natural gas available to exporting sectors to earn foreign exchange,” he added.

In light of ongoing geopolitical tensions— especially those affecting energy cooperation with Venezuela—Driver underscored the importance of a proactive and reform-minded budget.

While short-term projects like importing Venezuelan natural gas may face delays, he remains optimistic about medium- to longterm opportunities.

“Obviously, we’ve had quite a lot of ongoing discussions with Venezuela about importing natural gas from Venezuela. And those things obviously now seem to ... those moving forward in the short term may be challenged. We continue to think that in the medium to long term, there’s major opportunities for Trinidad and Tobago with relations with Venezuela.

“And just, you know, we hope that those will improve over time,” Driver stated.