

■ AMCHAM on Economic Outlook

## Franco: Challenges in an election year

PORT OF SPAIN

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AS he opened the American Chamber of Commerce's (AMCHAM T&T) Economic Outlook Forum yesterday, chamber president Stuart Franco shared a 'sobering message' he received from a now-former member.

He read the message from the business person: 'I regret to inform you that I will not be renewing my AMCHAM membership. Please understand that this decision is not a reflection on the organisation; I am extremely grateful for my experiences as a member.'

'My decision to leave is based solely on my concerns for the future of my business in Trinidad. I have observed that many of my fellow entrepreneurs and myself are struggling in an environment that seems to lack opportunity for smaller players. In contrast, my business endeavours outside of Trinidad have yielded significantly better results with less effort, and I feel it is essential to focus my energy where I see the greatest potential for success.'

Franco told the audience at the Hilton Trinidad in Port of Spain: 'This note appears to reflect the general sentiment. In a short while...you will see the massive turnaround in sentiment on the Economic Outlook. The vast majority of respondents are not confident about the economy in 2025. In fact, the numbers show an almost 180-degree turnaround in that regard from last year to this year. A significant proportion of those who are not confident cited the lack of a clear development plan as one of the reasons for their concern.'

He also spoke about the challenges facing T&T and the upcoming general election. Several things are clear, 'especially as we enter an election year', Franco said.

'Those aspiring to political office have to start talking about policy, with specifics, to identify how they propose to address the myriad of problems facing T&T.'

Our leaders need to find some common ground on key strategies that can lead to economic growth.

'The business community needs to be more closely engaged as these plans are not only developed but also rolled out,' he suggested.

He pointed out that while the situation was concerning, he believed it was also a moment to 'recalibrate'.

'Despite the challenges we face, there are some positive indicators to reflect on from the end of 2024:

- The International Monetary Fund (IMF) projects a 2.4% growth for our economy in 2025. -Our GDP is expected to reach US\$29.24 billion by year end. -Moody's has affirmed Trinidad and Tobago's Ba2 rating with a stable outlook. -The operationalisation of the Trinidad and Tobago Revenue Authority (TTRA) in 2025 is seen as a significant step forward. -The Heritage and Stabilisation Fund (HSF) and our cash reserves continue to provide a buffer against potential fiscal risks,' Franco noted.

'In summary, despite the challenges we face, Trinidad and Tobago's economic prospects for 2025 are not calamitous. In fact, we still have some limited fiscal space to recalibrate. The longer we take to change course however, the less policy options we have.'

But overshadowing any prospects of economic growth though, is crime, Franco said.

'If we are unable to address the crime situation it could dampen the positive projections we are seeing.'

During an interview with the media later yesterday morning, he said with regard to members leaving the business landscape

and migrating, he said he did not believe the narrative of 'greener on the other side' would go away.

But even though locals have migrated and made a name for themselves, Franco said they usually tend to give back.

### Relationship with United States

Franco said it was 'no secret that our quickest path to economic recovery and growth lies with accessing cross-border Venezuelan gas.'

'Our largest trading partner, our largest source destination for tourists and a key source of innovation and investment. Therefore, the relationship with the US will always be a priority. As such we have to ensure that we are engaging the new administration on multiple fronts, emphasising our mutual inter-ests and avoiding the diplomatic pitfalls that could hamper an otherwise excellent and strong relationship.'