

T&T cannot burn bridge to Caracas

Energy analysts on natural gas future:



Flashback: Prime Minister Dr Keith Rowley and Venezeulean President Nicolas Maduro shake hands after the signing of the terms of the development of the natural gas from the Venezuelan Dragon Gas field between NGC, PDVSA and Shell in Venezuela, August 2018. PHOTO BY RISHI RAGOONATH



**Andrea
Perez-Sobers**
andrea.perez-sobers@guardian.co.tt

As T&T deepens its engagement in cross-border hydrocarbon development, recent geopolitical tensions between the United States and Venezuela cast a long shadow over projects central to T&T's energy future.

While the Prime Minister's endorsement of the US military presence in the Caribbean has sparked regional debate, Energy Minister Dr. Roodal Moonilal has stepped forward to contextualise T&T's position, underscoring continuity in national policy and a pragmatic pursuit of long-term energy security.

Speaking Tuesday on the issue to the Business Guardian, Dr Moonilal reminded the public that "the matter of the cross-border fields between Venezuela and T&T has been a subject of negotiations for several years, maybe several decades now." He noted that while the current standoff between Washington and Caracas is not new, the intersection of military concerns with energy diplomacy has created a volatile backdrop for critical negotiations.

Balancing security with sovereignty

Moonilal acknowledged that national security concerns especially in relation to drug and human trafficking necessitate international cooperation.

"We will continue our work with international partners and governments to ensure that we advance our economic and developmental interests in the energy sector," he said, reaffirming the state's position against criminal activity undermining regional stability.

In a pointed reminder of policy continuity, he noted that the Rowley administration had signed agreements facilitating US military cooperation in the region in December 2024, well before the current escalation over Venezuela and Guyana's border dispute. Moonilal framed recent developments as a reaffirmation, not a departure, from Trinidad and Tobago's established security stance.

However, he was quick to draw a line: while T&T collaborates on security issues, it must also preserve space for dialogue with Venezuela.

“Advancement in dialogue and our economic partnership with the United States, Venezuela, and our multinational partners is beneficial not only to T&T, but to other governments as well.”

One energy expert, who wished to remain anonymous, said T&T’s overt support of the US military, announced by Prime Minister Kamla Persad-Bissessar on Saturday, represents a notable shift in the region’s security dynamics.

While framed as part of the wider fight against transnational crime, including the trafficking of drugs, firearms, and human beings, the expert said the decision may have unintended consequences for key cross-border energy projects.

“At the centre of concern are two major gas fields: the Dragon gas field, with an estimated 3.2 trillion cubic feet (TCF) of reserves, and the Cocuina field, which holds an additional 1.2 TCF.

Both projects are subject to approval from the US Office of Foreign Assets Control (OFAC) due to longstanding sanctions against Venezuela,” the Energy expert detailed. The expert agreed that the US can play a pivotal role in countering illicit networks operating across the Caribbean.

However, the analysts warned that any perception of military alignment against Venezuela could complicate T&T’s efforts to develop joint hydrocarbon ventures with its neighbour.

On the positive side, the expert indicated that closer alignment with US strategic objectives may streamline access to OFAC licences, potentially accelerating the rollout of these energy projects and boosting T&T’s gas output at a critical time for the industry, but stated the risks are just as significant.

Sources close to the energy sector suggest Caracas may reconsider its future collaboration with T&T if it views Port of Spain’s security position as hostile or politically aligned with Washington’s agenda. This could result in stalled negotiations, delays in project execution or even full abandonment of resource-sharing agreements.

“More broadly, any escalation of US-Venezuela tensions, particularly military action, could destabilise the region and spark increased migration from Venezuela.

T&T, already a frontline state in the ongoing migration crisis, may face additional social and economic pressure from a potential influx of refugees. Observers say the future of cross-border energy development will depend on T&T’s ability to strike a delicate balance: engaging in security cooperation to protect its borders, while simultaneously advancing diplomatic and economic ties with both Venezuela and the United States,” sources said.

Energy expert Anthony Paul, on Monday explained that the immediate outcome is that nothing has changed because the sanctions put on by the US Government have not changed, noting that these are the ones causing the delay of the Dragon Gas operations.

‘The Manatee has two sides.

Trinidad-only gas and unitised gas. Again, the US sanctions have stopped the unitised gas from coming, so the Trinidad-only gas will continue to come. In other words, there’s no short-term change in that situation. Longer term, it depends on how the T&T and Venezuela relationship plays out over time, and who knows how that will play out. So it’s hard to say,” Paul further explained.

He reiterated that at the moment, the immediate impact is no different on those specific projects.

Paul, however, noted that over the decades, the diplomatic relationship between T&T and Venezuela has been “extremely good.”

On whether these relations could change given the current administration's support for the Trump administration, Paul said this country's relationship with Venezuela is based on diplomacy, but if that diplomatic landscape changes, then the relationship could change.

Wikipedia background on Loran-Manatee

The Loran-Manatee field, jointly owned by Venezuela and T&T, straddles the maritime border between the two nations.

With estimated gas reserves exceeding 10 TCF, it was once seen as a flagship project for regional energy integration.

However, due to protracted US sanctions and limited diplomatic progress, the project stalled. In 2020, T&T opted to develop its portion of the Manatee field independently, while the Venezuelan side, Loran, remains undeveloped.

This decoupling reflected a strategic pivot to safeguard national interests amid geopolitical gridlock.

Still, it also highlights the complex balancing act required: securing investment and development while maintaining political neutrality and regional goodwill.

Analysts maintain that for Trinidad and Tobago, the path forward is one that demands surgical diplomacy.

Alignment with US strategic objectives could expedite OFAC licensing and breathe life into delayed cross-border projects. But overstepping could alienate Venezuela, risking the very cooperation required to monetise these offshore assets.

As it stands, T&T must walk a fine line, leveraging US goodwill without burning bridges with Caracas.

Transparent engagement, regional leadership, and a focus on mutual benefits will be critical if the country is to unlock its cross-border gas potential while maintaining geopolitical equilibrium.