

Business leaders want forex reform, port efficiency

Ahead of mid-year Budget Review:



Chaguanas Chamber of Industry and Commerce president Baldath Maharaj

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As the United National Congress (UNC) Government prepares for its June 18 mid-year Budget review, members of the business community are calling for firm policy direction on the fiscal deficit, the foreign exchange shortage, ease of doing business, and persistent inefficiencies at the ports that continue to impact small and medium enterprises (SMEs).

Speaking to Guardian Media, Chaguanas Chamber of Commerce president Baldath Maharaj said small businesses remain under pressure, especially due to delays in accessing foreign currency requests and a lack of policy clarity.

“The most important thing is the ease of doing business,” Maharaj said.

He also highlighted unresolved issues surrounding tax refunds.

“To avoid delays in funding refunds, we should know or have a clear policy from the Government as to when refunds will be paid, as opposed to just waiting and expecting an announcement to be made,” he explained.

On the matter of the fiscal deficit, Maharaj said transparency was needed.

“My understanding is that it’s just short of \$5 billion. In order for the country to continue doing anything, we need to determine whether we continue with our deficit budget or do we borrow money. They should tell us how they intend to do it,” he added.

Maharaj also called for a policy that clearly outlines how foreign exchange is allocated.

“Most SMEs import goods and we know there is a foreign exchange shortage. So what is important

to us is to have a clear policy on forex so we will better be able to plan how we move in power in terms of importing any goods or services,” he said.

In San Fernando, Greater San Fernando Area Chamber of Commerce president Kiran Singh noted that the Government must face financial constraints directly.

“The new Government is going to face challenges with the economic resources available to it at this time. We have a declining energy sector that is not performing as well as we need it to,” Singh said.

He welcomed the Prime Minister’s announcement regarding the reopening of the Pointe-a- Pierre refinery but noted that details were limited.

“That will take months to come into operation, but we look forward to seeing how this will be done,” Singh said.

Singh added that San Fernando’s waterfront presents a viable economic opportunity.

“The waterfront is also something we hope will be developed because this is the new economic frontier for San Fernando. It will benefit the community and also contribute to social development,” he said.

On the Heritage and Stabilisation Fund (HSF), Singh said the business community accepted the short-term use of the fund.

“The Prime Minister spoke of drawing down from the HSF in the short term. While it is not the ideal situation, we support that move to meet expenses,” he said.

Singh pointed to agriculture and tourism as sectors with potential to generate foreign exchange.

“With the development of the waterfront, we want to see more yachts coming into the southwest peninsula, more cruise ships bringing in foreign exchange. We want to see water sports being developed. Is there a plan for the La Brea drydock facility?” he asked.

He called for faster customs clearance and digitised operations for goods entering the country.

Meanwhile, San Fernando Business Association president Daphne Bartlett said business leaders need more information on the state of public finances before setting expectations.

“We need to know how much from the budgeted amount for fiscal 2025 is still unspent. We did observe that there were several borrowings and a drawdown on the Heritage and Stabilisation Fund (HSF). Given that information then the newly formed government would be able to make an informed decision,” she said.

Bartlett acknowledged that some campaign promises were already implemented, including the removal of property tax and reductions in food prices, but she cautioned against expecting rapid implementation of all measures.

She said the business community was looking forward to the reopening of the Petrotrin refinery.

“We know that it would generate the muchneeded employment and foreign exchange. When we start to produce our own fuel we would save the country approximately US\$740 million. These are the things that are of immediate concern to us,” she said.

She also noted progress in agriculture and tourism and expressed support for using the HSF if necessary.

“If we have to withdraw from the HSF if it is necessary then so be it. We would do it with the aim of depositing when our energy sector perks up.

We have had three recent oil finds. Thank God for that,” she said.

In recent months, the Government has reported several new energy discoveries. BpTT announced the Ginger gas development and a successful gas find at the Frangipani well. EOG Resources also confirmed an oil discovery at the Beryl well in the TSP Deep Area. Energy stakeholders have said these finds are expected to support energy production and ease fiscal pressures.