

Chambers:

## ZOSOs could affect business confidence

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THE newly proposed Zones of Special Operations (ZOSO) legislation has raised fresh concerns within the business community, with chamber heads warning that while the initiative may improve security, it could also disrupt commercial activity if not carefully implemented.

The Law Reform (Zones of Special Operations) (Special Security and Community Development Measures) Bill 2026 was passed in the House of Representatives at 3.32 a.m. on Saturday.

The legislation allows the Government to bring the state of emergency (SoE) to an end and introduce ZOSOs, while extending the powers of law enforcement to operate in areas declared as crime hotspots.

In response to questions from Express Business, business chamber leaders stressed the need to strike a balance between enhanced security measures and economic realities. The Confederation of Regional Business Chambers (CRBC), in a statement to Express Business, said it recognised that the concept of ZOSOs appears to be rooted in the broader objective of improving public safety and community stability, both of which are fundamental to sustainable economic activity.

'From a business and investment perspective, investor confidence particularly foreign direct investors are closely linked to predictability, transparency, and the consistent application of the rule of law. Any policy initiative, including ZOSO, will therefore need to be clearly defined, well-communicated, and supported by strong institutional frameworks to ensure it enhances, rather than inadvertently undermines, confidence,' the CRBC stated.

It noted that businesses operating within or near designated areas would naturally assess how such zones may affect logistics, operating hours, staff mobility, customer access, and insurance costs.

'Clarity around enforcement, continuity of commercial activity, and the protection of lawful business operations will be essential to avoid uncertainty or disruption,' it stated. The CRBC also highlighted the importance of avoiding unintended economic consequences, such as the creation of a two-tier investment environment where capital becomes concentrated only in perceived "safe" areas.

'Inclusive economic development requires that all communities remain viable spaces for enterprise, employment, and entrepreneurship. At this stage, meaningful consultation with the business community is critical. Ongoing dialogue can help ensure that ZOSO are implemented in a manner that supports economic activity, safeguards existing businesses, and aligns security objectives with commercial realities,' the CRBC stated. It added that if properly structured and supported, such zones could be leveraged as part of a wider development strategy encouraging urban renewal, SME growth, and job creation.

'However, this will depend heavily on execution, stakeholder engagement, and complementary policies that address infrastructure, skills, and access to finance," it stated.

'The bill having passed by the Lower House and now ready for the Senate, the CRBC looks forward to the debate and hopes policymakers will ensure that any initiative aimed at improving safety also strengthens investor confidence and economic resilience," the confederation added.

### **'Need for transparency'**

President of the Greater San Fernando Chamber of Commerce Kiran Singh said the ZOSOs were introduced to replace the expiring state of emergency in an effort to curb fears surrounding escalating crime, but stressed the need for transparency.

'The business community would have several concerns as to its implementation and operation and the potential impact on commercial activity. While the objective of reducing violent crime is legitimate and essential, the mechanisms should be transparent in operation to gain the trust of the communities in which they will guard," Singh said.

He added that international investors typically assess sovereign risk using factors such as transparency of governance, adherence to due process, and clarity around legal regimes.

"We cannot afford to let foreign investor enthusiasm be dampened. They must be accompanied by strong rule-of-law protections and transparent oversight," he warned.

Singh outlined several potential implications for businesses, including: ☐ Workforce mobility-curfews may hinder employees' ability to commute.

☐ Supply chains and logistics-restrictions on movement could delay deliveries, increase transportation costs, or disrupt just-in-time inventory models.

☐ Retail and service activity-reduced foot traffic during enforcement periods could negatively affect sales and service delivery, particularly for SMEs reliant on daily cash flow.

☐ Insurance costs-insurers may price in heightened risk if special zones are interpreted as areas of intensified operational risk, even if intended as short-term measures.

'Concerns have been raised that investment may be stymied in ZOSOs. This potential risk can be mitigated by the quelling of crime to the point where investors feel safe to capitalise in the same said areas," he noted.

Singh called for advance notice of declarations and protocols affecting business districts; ongoing consultation mechanisms with business representative bodies; clear criteria and transparent metrics for zone selection; and independent oversight with accessible avenues for redress for enterprises adversely affected by enforcement actions.

'In the medium to long term, community safety initiatives can be an economic development catalyst if structured to empower renewal, inclusion and local economic participation. However, without strong social, educational and economic development programmes accompanying enforcement measures, there is a risk that short-lived security gains will not translate into sustainable opportunities for urban renewal, MSME growth, and job creation," he said.

Singh added that successful ZOSO frameworks, particularly in Jamaica, demonstrate that security must be paired with investment in human capital, infrastructure, and local enterprise capacity, otherwise the private sector may view such

measures as temporary crackdowns rather than components of a broader economic uplift strategy.

'The Greater San Fernando Chamber of Commerce supports initiatives that bolster public safety and the rule of law, as these are foundational to robust economic activity.

Nevertheless, we urge that ZOSOs be implemented with maximum transparency, robust safeguards, clear timelines, and ongoing private sector consultation to ensure that economic activity is protected, community development is prioritised, and investor confidence, both domestic and foreign are maintained," Singh said.

#### **'Firm but cautious support'**

Chaguanas Chamber of Commerce president Baldath Maharaj said the chamber has adopted a position of "firm but cautious support".

'We wish to repeat that to solve some of our problems, disruptive measures, rather than small changes, have to be done and implemented. For many years, criminal activity has imposed an unacceptable burden on law-abiding businesses," Maharaj stressed.

He added that chamber members have been forced into self-imposed curfews, reduced operating hours, and increased spending on private security, simply to remain safe.

Maharaj said the chamber believed the time has come for decisive action, and said it would support the authorities' efforts to restore law and order before the situation becomes irreversible.

'This Chamber made calls previously to identify hotspots and create these zones.

However, for these areas to become true ZOSO, security measures must be carefully balanced with economic realities. There should be some engagement with the business community to ensure that operations do not unintentionally disrupt commerce, logistics, or access for customers and employees," he noted.

From an investment perspective, Maharaj said the designation of these zones 'sends a strong signal to both local and foreign investors that the State is serious about security and the rule of law".

'If implemented properly, this initiative can reduce the hidden crime tax (extortion) currently paid by some businesses. There will also exist the risks of redlining and the creation of a two-tier environment, where capital migrates to perceived safe areas and leaves designated zones," he said.

Maharaj added that in the medium to long term, these zones could become powerful economic development tools- "but only if strong security is followed by targeted support for businesses and job creation".

'The Chaguanas Chamber of Commerce stands ready to work with the State to ensure this policy strengthens communities, supports businesses, and lays the foundation for sustainable growth in Central Trinidad and across the nation," he added.



**'MORE POLICE RESOURCES NEEDED':** A view of Chaguanas Main Road, Chaguanas on Monday. Central business people are calling for increased police resources to keep pace with the area's rapid expansion in the past decade. -Photo: ISHMAEL SALANDY



**'BRING TRANSPARENT OVERSIGHT':** President of the Greater San Fernando Chamber of Commerce Kiran Singh believes clear mechanisms for the proposed Zones of Special Operations can help build community trust.