



HIGH COMMISSION OF INDIA
BRUNEI DARUSSALAM
ECONOMIC & COMMERCIAL REPORT –AUGUST 2015

ECONOMIC INDICATORS

Population	422,000 [July 2014 estimate]					
GDP at constant prices	US\$ 9.5 billion [March 2014]					
GDP (PPP)	US\$22.25 billion [2013]					
GDP Per capita at current prices	US\$ 39,055 [March 2014]					
GDP Growth	1.8% [2013]; 0.9% [2012]; 3.4% [2011]					
Inflation	1% [2013]					
Foreign Trade:						
Export of Goods [fob]	US\$11.26 billion [2013]; US\$8.42 billion [Jan-Oct 2014]					
Imports of Goods	US\$3.5 billion [2013]; US\$2.65 billion [Jan-Oct 2014]					
Balance of trade	US\$7.7 billion [2013]; US\$5.79 billion [Jan-Oct 2014]					
Main items of export	Crude Oil, Natural Gas & Garments					
Main items of import	Iron and Steel, Motor Vehicles, Machinery and Transport equipment, Manufactured Goods, Foods, and Chemicals					
Main destinations of export						
	Japan	South Korea	Australia	NZ	India	Vietnam
2012	44.1%	15.7%	7.5%	5.1%	8.9%	4.7%
2013	39.8%	16.3%	7.3%	4.1%	7.6%	5.3%
Main origin of import						
	Singapore	China	UK	Malaysia	USA	Japan
2012	23.6	11.4%	9.1%	19.9%	7.8%	7.5%
2013	19.1%	11.2%	2.0%	21.9%	11.9%	5.8%

II INDIA-BRUNEI TRADE

Our trade figures with Brunei Darussalam are given below (Source DGCIS):

(Value: Million Brunei B\$) (B\$1 = ₹ 48.54)

	2009	2010	2011	2012	2013	2014	2015 (up to June)
Indian Exports	39.21 (+33.41%)	31.13 (-20.60%)	36.53 (+17.34%)	42.59 (+16.58%)	47.20 (+10.82%)	53.71 (+13.79%)	17.22 (-67.94%)
Indian Imports	892.55 (86.66%)	674.80 (-24.39%)	1265.91 (+87.59%)	1444.55 (+14.11%)	919.78 (-36.33%)	1185.32 (+28.86%)	390.70 (-67.04)
Total trade	931.76 (+83.58%)	705.93 (-24.23%)	1302.44 (+84.49%)	1487.14 (+14.18%)	966.98 (-34.98%)	1239.03 (+28.13%)	407.92 (-67.08%)

Note: The figures in parenthesis represent the percentage change compared to the previous year.

According to DGCIS Kolkata data, the bilateral trade between India and Brunei during the period 2014 amounted to B\$1,238.47 million. The exports from India amounted to B\$53.39 million and imports from Brunei were B\$1,185.08 million. Figures from the last few years indicate that the overall trade between India and Brunei has been increasing steadily over the last few years. Our imports are showing substantial increase primarily due to import of LNG and petroleum products. This trend is likely to continue as our energy requirement keeps increasing every year. Our exports

to Brunei are also showing a steady increase.

The reasons for lower level of bilateral trade have been relatively high shipping costs, and Brunei's small population base of approximately 422,000 (July 2014 estimates). The main import of India from Brunei is crude oil and petroleum products, followed by organic chemicals, metal ores and scrap. Due to low demand, most of the consumer goods from India are received in Brunei through re-exports via Malaysia and Singapore. Our main exports to Brunei consist of transport equipment, followed by meat and meat products and gems & jewellery.

III. ECONOMIC AND INVESTMENT RELATED NEWS

1. **Exports:** According to Department of Economic Planning and Development (JPKE), there was an increase of 4.4% in Brunei's total exports in June 2015 from \$698.5 million to \$740.8 million vis-à-vis May 2015 which was mainly attributed to rise in crude oil and gas production. Japan accounted for 27.5% of total exports, followed by Taiwan (15.7%), Thailand (10.9%) and South Korea (9.6%).

2. **Malaysia:** May bank's GM for Brunei said that the weak Malaysian ringgit would help Bruneian businesses reduce the cost of importing goods from Malaysia and also encourage cross-border shopping among Bruneians. The Malaysian ringgit has dropped by one per cent to 4.1780 against the dollar.

3. **Business license:** With the introduction of new guidelines in Jan 2015 to make it easier to start a business in the Sultanate, 1,756 business licenses were issued from January to July 2015 compared to 1,777 issued in 2014.

4. **AMBD issues \$100 million Islamic bonds:** The Autoriti Monetari Brunei Darussalam (AMBD) issued a \$100 million-*sukuk* (Islamic bonds) at a rental rate of 0.83%. Brunei Government has issued over \$8.93 billion worth of short-term Sukuk Al-Ijarah securities since its inception on 06 April, 2006. Islamic bonds are structured as profit-sharing or rental agreements underpinned by physical assets.

5. **CPI:** According to JPKE, the Consumer Price Index (CPI) in July 2015 fell by 0.4% compared to the same month in 2014 due to decreases in transport, clothing, footwear and education.

6. **Unemployment up by 1.6%:** According to JPKE, the number of unemployed locals including permanent residents, aged 18 to 59, increased by 1.58% from 13,845 in May 2015 to 14,065 persons in June 2015.

7. **Money laundering:** The AMBD held an Anti-Money Laundering and Combating Financing of Terrorism (AML/CFT) conference to combat money laundering and prevent misuse for terrorist financing and weapons of mass destruction.

8. **Appointment of External Auditor:** The Ministry of Industry and Primary Resource's (MIPR) appointed Bureau Veritas, a global testing and certification body, as an external auditor to improve quality of services, to boost transparency and gain public confidence and signed a three-year contract to achieve the ISO9001:2008 certification by the end of this year.

9. **UK:** The British HC to Brunei stated that UK was keen to collaborate with Brunei on the development of Islamic finance in both countries through sharing of expertise and knowledge.

10. **RBA:** According to Royal Brunei Airlines, the number of tourists from China has grown substantially. Bruneian celebrity, Wu Chun was chosen RBA's brand ambassador last year to capitalise on the China market and which has resulted in attracting more tourists especially from Shanghai and Hong Kong.

11. **Private Sector still prefers foreign workers:** Whereas the Government of Brunei has been impressing upon the Bruneians to take up jobs in the private sector, some employers of private companies have stated that they prefer foreign workers over the locals as the Bruneian nationals do not stay for long and turnover rate in their case is very high. The foreign workers are considered to be more reliable, committed and consistent in turning up for the work.

12. According to statistics of the Department of Commerce, Government of India, India's exports to Brunei for the first quarter of 2015-16 have decreased to USD 7.90 million compare to the same period of 2014-15 while the imports from Brunei have improved to USD 182.86 million from USD 151.31 in the first quarter of 2014-15. Due to increase in import of crude oil from Brunei, the importshaveincreased by 27.55%.

Trade Quaries in the month of August 2015

<u>No. SI</u>	<u>Company and name</u>	<u>Contact Email Address</u>	<u>Products Inquiry</u>
1.	Truly India Tours & Travels (Sushil K. Gupta)	info@trulyindiatours.com	Travel Agencies
2.	Ardent Exim (DhavalVachhani)	info@ardentexim.com	Ceramic
3.	Eagle Group (Munendra)	munendra@eaglegroup.co.in	Textile
4.	SalagramBhoorchand (Sarish Khatri)	ersatishkhatri@gmail.com	Chemical Dyes
5.	Palson Exim (Suresh Kumar)	palsonexim@gmail.com	Agriculture
6.	Speno Ceramic	exports.spenoceramics@gmail.com	Ceramic
7.	DCP India (P) Ltd. (Shivaji Marg)	gm.export@dcp.in	Agriculture
8.	Ban Labs (P) Ltd. (KhyatiKalaria)	export@banlab.com	Beauty Care
9.	Thakker Overseas (JayveerThakker)	info@thakkeroverseas.com	Agriculture and Spices
10.	Fresh Life International (Rajiv)	info@freshlifeinternational.com	Garments
11.	Swiss Formulations (D.A.Shah)	info@swissformulations.com	Textile
12.	KSK Worlwide KanhaiyalalKedia	kskworlwide@gmail.com	Sweets (Food)
13.	(Gautam)	ruprellgautamb@gmail.com	Plastics
14.	(ManivannanArthanari)	agarexports@yahoo.com	Cotton Woven
15.	Pursuit Pharma (Utkarsh Mehta)	pursuitpharma@gmail.com	Chemical
16.	Actionware India Pvt. Ltd. (Mehul Solanki)	corp@actionware.in	Kitchen Ware
17.	Arora Gifts Pvt. Ltd. (Virendra Singh)	export@worldoneindia.com	Stationary
18.	Eagle Impex (K. Saravanan)	eagleimpex11@gmail.com	Agriculture, Spice, Textile and Building Material
19.	(SandipVadhadia)	sandipvadhadia@gmail.com	Tile
20.	Sri Parvathi Exports (R.Mahendran)	sriparvathiexports@gmail.com	Agriculture, Spices and Herbs
21.	Rabbit Bite (SamitAmbalia)	samit@rabbitbite.com	Fruits and Foods
22.	Midco Limited (ZakiKazi)	zaki.kazi@midco.in	Oil and gas Equipment
23.	Jadon Technologies (Jitendra Bhardwaj)	contac@jadontech.com	Web Developers
23.	Forlink Ventures Pvt. Ltd. (RohitS.Mehta)	info@forlinkventures.com	Fertilizers

IV. IMPORTANT BRUNEI WEBSITES

1. Department of Economic Planning and Development, Prime Minister's office - www.depb.gov.bn
2. Brunei Economic Development Board – www.bedb.com.bn
Link for the presentation “Opportunities in Brunei Darussalam:
http://www.bedb.com.bn/downloads/opportunities_in_Brunei_Darussalam.pdf.
3. Brunei Investment Agency – www.bia.com.bn
4. Ministry of Finance, Investment Division – www.investment@mof.gov.bn
5. The Gold Pages website: www.goldpages.com.bn
6. The Yellow Pages website: www.yip.com.bn
7. Bruneians Business Portal: Bruneimart.com

ECONOMIC & COMMERCIAL SECTION

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This issues with the approval of the High Commissioner.

[RavinderNath]
First Secretary
08 September, 2015