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REPORT BY THE SECRETARIAT

BRUNEI DARUSSALAM

This report, prepared for the fourth Trade Policy Review of Brunei Darussalam, has been drawn up by the WTO Secretariat on its own responsibility. The Secretariat has, as required by the Agreement establishing the Trade Policy Review Mechanism (Annex 3 of the Marrakesh Agreement Establishing the World Trade Organization), sought clarification from Brunei Darussalam on its trade policies and practices.

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SUMMARY

1. Brunei Darussalam (Brunei) is a small economy rich in hydrocarbon resources. It ranks among the wealthiest economies in Southeast Asia and remains highly dependent on oil and gas. Its economic performance is closely correlated to fluctuations in the price of oil. In 2023, the oil and gas sector (excluding downstream activities) contributed 47% to GDP and generated 75% of government revenue. It was followed by the services sector, which accounted for around 38% of GDP, with public administration, finance, and wholesale and retail trade being the main activities. Brunei maintains a relatively open regime and sees trade as a key component for achieving its economic goals under its Vision 2035 Strategy. The State remains Brunei's main employer.

2. During the review period (2015-24), Brunei's need for economic diversification became more urgent owing to, inter alia, successive declines in oil prices, disruptions in oil production, and the impact of the COVID-19 pandemic, which led to consecutive fiscal deficits for the first time since the financial crisis, causing an erosion of public finances. Brunei sought to maintain a prudent fiscal policy, reduce expenditures, and accelerate the diversification of its economy.

3. Despite these challenges, the economy grew in general at a positive rate. In 2023, real GDP grew by 1.4% and inflation stood at 0.4%. Brunei's monetary policy remains based on a currency board arrangement that is supported by a long-standing currency interchangeability agreement between Brunei and Singapore. Under this system, the Brunei dollar is pegged to the Singapore dollar; according to the IMF, this practice has been critical in ensuring macroeconomic stability.

4. During this period, the Government's diversification efforts focused on attracting FDI, creating a conducive business environment, developing the private sector, and promoting the production of more value-added goods and of non-oil and gas activities. In this regard, Brunei identified five sectors for development: (i) downstream activities of oil and gas; (ii) food manufacturing; (iii) information and communication technology (ICT); (iv) tourism; and (v) services. Of these sectors, oil downstream activities witnessed the most remarkable expansion following the completion of a new refinery complex. Since 2020, Brunei has significantly increased the exports of refined oil products and, to a lesser extent, petrochemicals. The food sector also benefited from reforms with a view to strengthening it and supporting the halal industry. Efforts to develop the other sectors are ongoing. Brunei is also seeking to enhance its participation in global value-chain activities, which is still in the very early stages.

5. Brunei implemented various measures to, inter alia, support MSMEs, streamline customs procedures, enhance its intellectual property regime, and establish a competition policy framework. It also promoted initiatives to support the participation of women in the economy, notably through capacity-building. According to World Bank estimates, in 2023, women's participation rate in the Bruneian labour market was 55.4%.

6. In 2020, Brunei adopted its national climate change policy to guide its green transition and achieve carbon neutrality by 2050. As part of this policy, a mandatory greenhouse gas reporting mechanism was launched in 2023, and a carbon pricing mechanism is to be implemented by 2025. The Government is also exploring ways to increase the use of renewable energy and aims to have at least 30% of power generation from renewable energy by 2035. During the review period, the Energy Efficiency (Standards and Labelling) Act was introduced as a part of an energy efficiency and conservation initiative. Fuels remain subsidized.

7. Throughout the review period, Brunei maintained a merchandise trade surplus, which increased from USD 2.2 billion in 2016 to USD 3.7 billion in 2023, driven by the increase in the exports of refined oil products. In 2023, goods exports and imports totalled USD 11.2 billion and USD 7.5 billion, respectively. The oil and gas sector accounted for 42% of total exports (nearly 80% when including refined oil products) and for 64% of total imports. In 2023, Brunei's main export markets were Australia, Singapore, and China, while its main suppliers of imports were Malaysia and the United Arab Emirates, reflecting Brunei's increased demand for crude oil for refining. In trade in services, Brunei continued to record a trade deficit, driven mostly by an increase in imports of construction and other business services. In 2023, the deficit amounted approximately to USD 1.3 billion, accounting for 8.6% of GDP. During the review period, Brunei succeeded in securing new FDI, notably in the downstream oil and gas and chemicals sectors.

8. Brunei is an original Member of the WTO and grants at least MFN treatment to all of its trading partners. In February 2024, Brunei ratified the Agreement on Fisheries Subsidies. Brunei is neither a party to the Information Technology Agreement nor to the plurilateral agreements on government procurement and trade in civil aircraft. It has never been involved in a trade dispute at the WTO. Brunei submitted various notifications during the review period, including one concerning standards and labelling of energy, and some notifications under the Trade Facilitation Agreement (TFA). However, several notifications are pending, including on state trading enterprises, quantitative restrictions, import licensing, agriculture and subsidies, and countervailing actions.

9. During the review period, four RTAs to which Brunei is a party entered into force: the (ASEAN) Trade in Services Agreement; the ASEAN-Hong Kong, China FTA; the Comprehensive and Progressive Agreement for Trans-Pacific Partnership; and the Regional Comprehensive Economic Partnership (RCEP). Brunei's RTAs, except RCEP, have been notified to the WTO.

10. Brunei's main investment legislation is the Investment Incentives Order, 2001, unchanged since the previous Review; no substantial changes were introduced to the incentives granted to domestic and foreign investors under the Order. It was decided in 2018 that permanent residents and foreigners would no longer be able to purchase land and property through power of attorney or trust deeds. Leases up to 60 years are allowed.

11. Brunei continued to make progress in trade facilitation. It expanded the features of the Brunei Darussalam National Single Window (BDNSW) and consolidated its functions by discontinuing the e-customs platform. In 2017, it also implemented the Sutera Lane Merchant Scheme, its authorized economic operators programme. By the end of 2022, Brunei had implemented all of its commitments under the TFA. International trade costs involving Brunei declined in general between 2016 and 2022, in some cases by up to about 60%, but remain on average among the highest in Southeast Asia. In 2022, Brunei's trade costs were the lowest in transactions with Australia and most ASEAN partners, while the highest trade costs were recorded with certain economies in the Middle East, South America, and Europe.

12. Brunei maintains a relatively liberal trade regime. In 2024, more than 90% of tariff lines were duty-free and its simple average applied MFN tariff was 0.4%, one of the lowest among WTO Members. During the review period, Brunei reduced applied MFN tariffs, notably for non-agricultural goods, and eliminated the tariff bands of 20% and 30%. Currently, the highest rate is 15%. All agricultural goods, except for 26 lines, are duty-free. In 2024, the simple average applied MFN tariff for agricultural and non-agricultural goods (WTO definition) was virtually zero and 0.5%, respectively. Brunei has bound nearly 90% of its tariff lines using mostly ad valorem duties. The average bound rate is 25.4%.

13. During the review period, Brunei expanded the coverage of the excise tax applicable to imports and amended some of its rates. In 2024, an excise tax was applicable to 33% of its tariff lines, which corresponded to 3,729 lines, up from 692 tariff lines in 2014. In some cases, excise rates and import duties were jointly amended and tended to be negatively correlated to balance revenue considerations against other policy objectives, including the promotion of environmental and health objectives. Under Brunei's tariff schedule, goods are subject either to an import duty or an excise duty, but not both. About 60% of lines were free from both import duties and excise duties. Brunei does not have a VAT regime and does not apply any export taxes, charges, or levies.

14. Brunei does not have legislation for anti-dumping, countervailing, and safeguard measures.

15. Brunei prohibits and restricts the import and export of certain products based on safety, religious, health, environmental, and economic considerations. These measures have remained largely unchanged since the previous Review, with few additions. In 2017, Brunei introduced a licence requirement for importing and exporting fireworks, smoking pipes, used tyres, and e-cigarettes. Most licences and permits can be requested through the BDNSW.

16. Brunei supports exports and production mostly through fiscal incentives under its investment regime and, more recently, through other support initiatives focusing on MSMEs. These initiatives include grants and credits at preferential conditions to support their development, facilitate their access to finance, and encourage the adoption of digital solutions. In 2018, Brunei launched the I-Usahawan programme to promote the participation of entrepreneurs and MSMEs in tenders for

contracts with the Government, SOEs, and other public entities. At the institutional level, in 2016 Brunei established Darussalam Enterprise, Brunei's MSMEs promotion agency, and in 2017 Bank Usahawan, an SOE, focusing also on MSMEs. In 2017, Brunei's first free trade zone was introduced, although it is not yet operational.

17. In the area of standards and technical regulations, Brunei undertook institutional reforms with a view to strengthening its national standards body, notably in the area of certification and accreditation. Regarding sanitary and phytosanitary measures, Brunei introduced an import permit requirement on all food products in the legislation, thereby formalizing an existing practice. In 2017, it established the Brunei Darussalam Food Authority to centralize the regulatory functions concerning food safety. Additionally, in 2021, Brunei adopted a new legislation concerning animal health, which seeks to establish a unified and modern framework.

18. Brunei adopted the Competition Order, 2015, its first legislation defining the competition policy framework. The legislation, which is gradually being implemented, prohibits collusive agreements, the abuse of a dominant position, and mergers having a negative impact on competition. In 2017, Brunei established the Competition Commission of Brunei Darussalam (CCBD) and in 2020 it put into force the provisions regarding collusive agreements. By June 2024, the CCBD had conducted three investigations.

19. Brunei controls the retail prices for 11 types of goods, compared to 22 in 2014. Maximum prices are applied to rice, sugar, powdered milk, cooking oil, and various fuels. The products that are no longer subject to maximum prices are plain flour, milk (condensed and evaporated), and construction materials. The minimum prices for cigarettes and tobacco were also lifted.

20. SOEs play a critical role in Brunei's economy and dominate strategic areas like the oil and gas sector. Since 2016, Brunei has undertaken the corporatization of certain public entities, particularly in the areas of postal and maritime services, as well as agriculture. Brunei's public procurement system has remained largely unchanged since the previous Review. The system follows a decentralized approach for contracts not exceeding BND 250,000. In 2022, new financial regulations were adopted to enhance the governance of public funds and standardize procurement procedures across public entities. In April 2024, Brunei launched an e-procurement platform for online tendering.

21. In the area of intellectual property, Brunei adopted its first legislation on the protection of plant varieties in 2015, which provides for the protection of plant breeders' rights for up to 25 years. In 2017, it also put into force the Madrid Protocol and amended its legislation accordingly, to operationalize the procedures for the international registration of trademarks. Brunei also acceded to the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty, bringing the number of WIPO-administered agreements to which it is party to nine.

22. Agriculture's contribution to Brunei's economy remains small; along with forestry and fisheries, it accounts for 1.2% of GDP. Rice and sugar are imported mainly by the Treasury Department and sold to registered suppliers; the Department has exclusive rights to import certain varieties of rice. Brunei maintains a system of subsidy for, inter alia, rice, sugar, seeds, fertilizers, pesticides, and food packaging; it started to stop providing subsidies to machineries from June 2020 in stages. Brunei does not allow the exportation of logs and sawn timber.

23. The hydrocarbons industry continues to dominate Brunei's economy in terms of contribution to GDP, government revenues, and merchandise exports. In 2019, the Petroleum Authority of Brunei Darussalam was established and is vested with exclusive mineral rights and powers with respect to Brunei's petroleum resources. The largest oil and gas operator and producer remains the state-owned Brunei Shell Petroleum (BSP) by virtue of its control of the major oil and natural gas fields; it operates through the concession agreements. A new refinery complex started its operations in November 2019.

24. The authorities encourage manufacturing to reduce Brunei's dependence on its petroleum resources; several incentives are used to encourage investment in priority sectors (e.g. food and ICT). The Brunei Darussalam Economic Development Board continues to promote and manage large-scale industrial estates, which are widely dispersed across Brunei. In 2023, the manufacturing sector (excluding activities related to oil and gas products) accounted for less than 2% of GDP.

25. On 26 June 2021, Autoriti Monetari Brunei Darussalam was renamed as Brunei Darussalam Central Bank (BDCB), which is responsible for the supervision and regulation of the financial system. Brunei aims to become an international hub for Islamic financial services, including Islamic banking, takaful (Islamic insurance), and Islamic capital market products. In terms of banking, the BDCB modified several prudential regulations during the review period. Since 2017, the BDCB has focused on enhancing governance and risk management practices in the insurance/takaful sector. Brunei does not have its own stock exchange. The BDCB continues to monitor the progress of fintech participants in the FinTech Regulatory Sandbox, which is intended to test whether new financial products and services meet regulatory requirements. In 2023, the financial sector accounted for 6.2% of GDP.

26. The telecommunication sector had a major structural change during the review period. In September 2019, the United National Networks (UNN) consolidated all networks previously owned by telecom providers; providers now need to obtain access to UNN's network infrastructure to begin providing services. In addition, number portability was introduced in 2020. There is no specific regulation to govern prices and tariffs, but the authorities are empowered to give regulatory directions to licensees in the public interest and ensure fair and efficient market conduct. In 2020, Brunei adopted the Digital Economy Masterplan 2025 to guide the country's digital transition, and in 2023 it introduced 5G technology.

27. The tourism sector is still recovering from the impacts of the COVID-19 pandemic and is expected to fully recover in 2025. In 2023, hotel and restaurant activities contributed 1.3% to GDP. For travel agencies, foreign equity participation in tour operator services must not exceed 70%. Similarly, for hotel lodging services, if a joint venture corporation is composed of Bruneian individuals or Bruneian-controlled corporations or both, the aggregate foreign shareholding in the joint venture corporation shall not exceed 70% foreign equity. Regarding tourist guide services and other consultancy services in tourism, foreign ownership must not surpass 70%. Foreign tour guides must obtain a local tourist guide licence in Brunei to provide tour guide services. In addition, a private company must have at least two directors, and at least one must be a local resident.

28. In sum, during the review period, Brunei managed to maintain an overall positive economic performance despite facing multiple shocks. Recognizing the importance of economic diversification, Brunei intensified its efforts to promote non-oil and gas activities and produce more value-added goods as shown by the development of the downstream oil sector. Brunei implemented reforms to strengthen its business environment and support the development of the private sector, with a strong focus on MSMEs. Legal and/or institutional reforms were implemented, for example, in the areas of competition, SPS, TBT, intellectual property, energy, and telecommunications. Brunei also sought to enhance its participation in world markets and took measures to facilitate customs procedures and further simplify its tariff regime. Four new RTAs have entered into force since the previous Review. Looking ahead, growth in 2024 is expected to continue at 2.4%, according to the IMF. The downstream oil sector is set to grow further as the country plans to increase refinery capacity by 2028. Initiatives to revitalize the tourism sector are also ongoing, and a Tourism Industry Roadmap 2024-2035 is being prepared to guide these efforts. These plans to diversify the economy, alongside ongoing reforms, are encouraging and will be critical for ensuring both fiscal and economic sustainability, and to support Brunei's transition towards a greener economy.

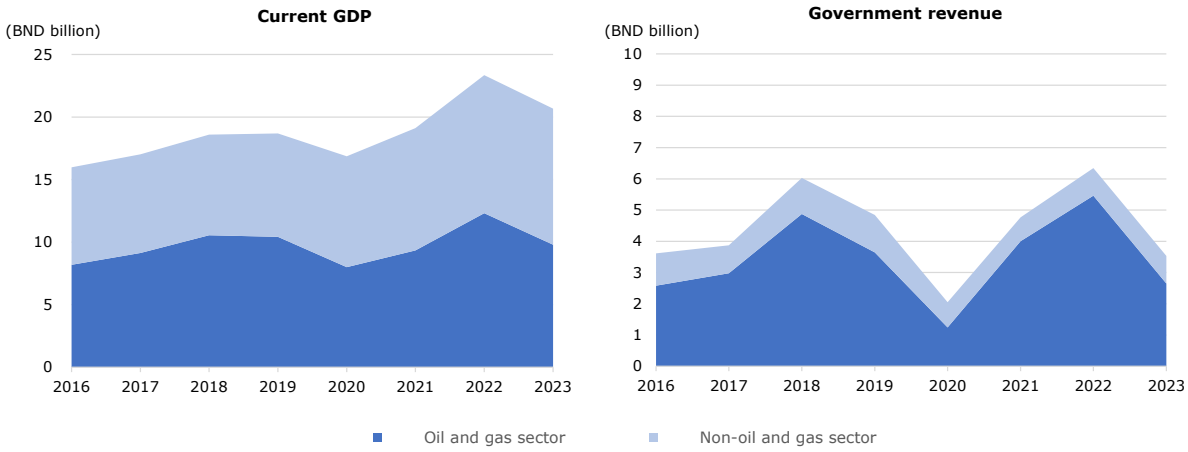
1 ECONOMIC ENVIRONMENT

1.1 Main features of the economy

1.1. Brunei Darussalam (Brunei) is a high-income economy, according to the World Bank. In 2023, it had a population of nearly 0.5 million people and a GDP per capita of approximately USD 33,600, ranking among the richest economies in Southeast Asia.[1]

1.2. Brunei is rich in hydrocarbon resources, particularly oil and natural gas, and relies considerably on the oil and gas sector for its economic development, which rendered it vulnerable to oil price fluctuations in recent years. The sector is the largest contributor to Brunei's GDP and the main source of government revenue. In 2023, the sector (excluding downstream activities)[2] contributed 47.4% to GDP and generated 75% of government revenue (Chart 1.1 and Table A1.1). In terms of trade, the sector was responsible for nearly 80% of total exports and 65% of total imports, when including refined oil products. The services sector accounted for 38.1% of GDP, with public administration, finance, and wholesale and retail trade being the main activities; the contribution of the agricultural sector was minimal (1.2% of GDP) (Table A1.2).

Chart 1.1 Brunei's GDP and government revenue, 2016-23



Note: Government revenue is based on a fiscal year that runs from April to March. In the charts, "2016" represents FY2016/17 and so on.

Source: Ministry of Finance and Economy, *eData Library, National Accounts Statistics* and *Government Finance*. Viewed at: https://deps.mofe.gov.bn/SitePages/eData%20library.aspx.

1.3. The State continues to have a significant presence in the economy through state-owned enterprises (SOEs), which dominate strategic sectors, including oil and gas. The State is also Brunei's main employer, accounting for 21% of total employment in 2022 (Table A1.2). Moreover, the structure of the economy and its reliance on oil and gas highlight some challenges commonly associated with potential susceptibility to a "Dutch Disease" situation.[3]

1.4. Brunei's long-term-development strategy is articulated in the Vision 2035 Strategy (Wawasan Brunei 2035) adopted in 2007, under which economic diversification is critical to building a "dynamic and sustainable economy" – the strategy's third goal.[4] In response to increasing oil price uncertainty, Brunei has intensified its efforts to increase the contribution of the non-oil and gas sector to the economy by focusing on attracting foreign direct investment (FDI) and developing the private sector.

[1] World Bank Open Data, *Brunei Darussalam*. Viewed at: https://data.worldbank.org/country/brunei-darussalam.

[2] The oil and gas sector comprises oil and gas mining and the manufacture of liquefied natural gas. Per Brunei's definition, downstream oil activities are included in the non-oil and gas sectors.

[3] For a literature review on this topic, see World Trade Report (2010), *Trade in natural resources*.

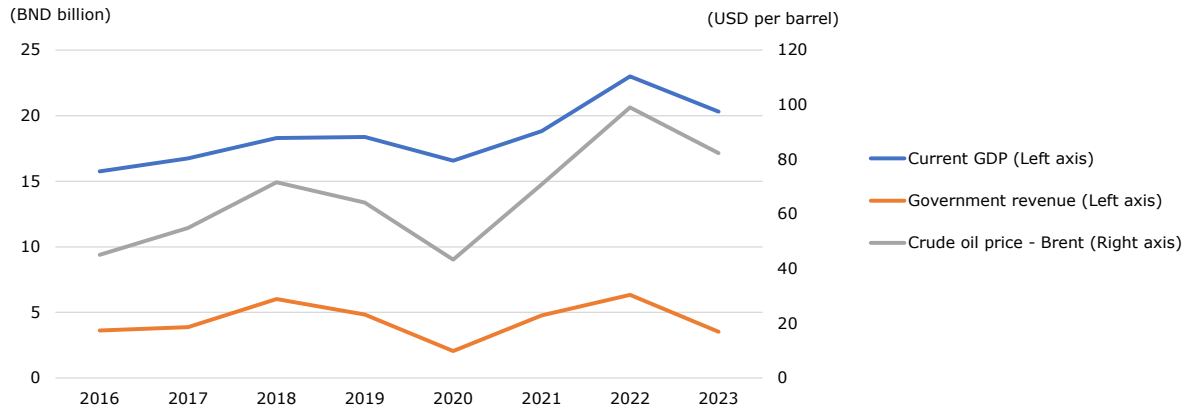
[4] Wawasan Brunei 2035, *Goal 3*. Viewed at: https://www.wawasanbrunei.gov.bn/en/SitePages/new-goal-3.aspx.

1.2 Recent economic developments

1.2.1 Overview

1.5. During the review period, Brunei's economy was negatively affected by successive declines in oil prices (in 2014-16, 2020, and 2023), the COVID-19 pandemic, and disruptions in domestic oil production.[5] Given Brunei's reliance on the oil and gas sector, fluctuations in oil prices had a particularly pervasive impact on the economy, highlighting the significant correlation between the two (Chart 1.2). Despite these challenges, Brunei's economy showed resilience and grew in general at a positive but uneven rate, with the real GDP growth rate varying between 0.1% and 3.9%, except in 2016 and 2021-22 when the rate was negative (Table A1.1). In 2023, Brunei's real GDP grew by 1.4% driven by the favourable performance of the services sectors. This positive growth rate was expected to continue in 2024, according to IMF estimates.[6]

Chart 1.2 Brunei's GDP and revenue, and international oil prices, 2016-23



Note: Government revenue is based on a fiscal year that runs from April to March. In the chart, "2016" should be read as FY2016/17 and so on.

Source: Ministry of Finance and Economy, eData Library, *National Accounts Statistics* and *Government Finance*. Viewed at: https://deps.mofe.gov.bn/SitePages/eData%20library.aspx; and IMF data, *Primary Commodity Price System*. Viewed at: https://data.imf.org/?sk=471dddf8-d8a7-499a-81ba-5b332c01f8b9.

1.6. Following the fall of international oil prices between 2014 and 2016, the need for economic diversification grew more urgent in Brunei as public finances eroded and consecutive fiscal deficits arose for the first time since the financial crisis. In response, Brunei sought to maintain a prudent fiscal policy and boost the diversification of its economy. The country kept its expenditures relatively stable and even reduced them between FY2015/16 and FY2020/21 through fiscal consolidation (Table A1.2). During this period, Brunei increased excise taxes (Section 3.2) and introduced (in 2022) a framework to enhance the management of government funds (Section 3.3.6). Reforms regarding subsidies, notably on fuels and utilities, as well as regarding SOEs (i.e. privatization and corporatization) were being evaluated.[7] In FY2019/20, the fiscal deficit stood at around BND 1 billion (i.e. 5.6% of GDP) before widening again due to the COVID-19 pandemic and fluctuating in subsequent years, reaching a deficit estimated at BND 2.4 billion in FY2023/24 (BND 2.6 billion in FY2015/16). Following the pandemic (FY2020/21), Brunei implemented a fiscal stimulus package to

[5] Ministry of Finance and Economy (2023), *Brunei Darussalam Key Economic Developments*, Q4 and Annual 2023.

[6] IMF (2024), *World Economic Outlook*. Viewed at: https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024. The IMF estimates Brunei's real growth rate at 2.4% for 2024.

[7] IMF (2019), *Brunei Darussalam: Staff Report for the 2019 Article IV Consultation*, IMF Country Report No. 19/310. Viewed at: https://www.elibrary.imf.org/view/journals/002/2019/310/002.2019.issue-310-en.xml.

support its economy that included fiscal concessions, deferment of principal repayments of loans, and subsidies for the salaries of employees of micro, small, and medium enterprises (MSMEs).[8]

1.7. In the area of monetary policy, the Brunei dollar is pegged to the Singapore dollar based on a currency board arrangement[9], which is supported by a long-standing currency interchangeability agreement between Brunei and Singapore. According to the IMF, this arrangement has been critical in ensuring the country's macroeconomic stability, and as of 2023 the level of reserves remained adequate to sustain it.[10] In 2023, the inflation rate stood at 0.4% and is estimated at 1.3% for 2024.[11]

1.8. To support the implementation of its Vision 2035 Strategy, Brunei adopted the Economic Blueprint in 2021.[12] The Blueprint aims to increase the contribution of non-oil sectors in the economy and identifies five priority sectors for development: (i) downstream industry of oil and gas; (ii) the food sector; (iii) tourism; (iv) the ICT sector; and (v) services. The Blueprint also provides for enhancing the participation of domestic companies in global value-chain activities, which is still in the very early stages.[13] In line with these strategies, Brunei has focused in recent years on enhancing its business environment to attract FDI and promote the private sector, notably MSMEs (Sections 2.4 and 3.3.1). For instance, it has undertaken unilateral trade liberalization (Section 3.1.3) and ratified new regional trade agreements, notably the Regional Comprehensive Economic Partnership and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (Section 2.3.2). Brunei also established an agency for the promotion of MSMEs in 2016 and a separate regulatory entity for the oil and gas sector, the Petroleum Authority of Brunei Darussalam, in 2019 (Sections 3.3.1 and 4.2.1).

1.9. During the review period, Brunei also expanded its downstream oil sector by constructing a new refinery complex through a joint venture (Section 4.2.1). The new complex started operation in November 2019 and led to a surge in exports of refined oil products and, to a lesser degree, petrochemicals (see below). This development marked a significant change in Brunei's trade structure and progress towards diversifying into more value-added activities. A second phase for expanding this complex was launched in 2023.[14]

1.10. In 2020, Brunei adopted its first climate change policy strategy under which it aspires to reduce greenhouse gas (GHG) emissions by 20% by 2030 and become a carbon-neutral economy by 2050.[15] The strategy also provides for the introduction of mandatory reporting of GHG by 2021 and the implementation a carbon pricing mechanism by 2025.[16] The reporting mechanism was launched in 2023.

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[8] IMF (2021), *Brunei Darussalam: Staff Report for the 2021 Article IV Consultation*, IMF Country Report No. 21/214. Viewed at: https://www.elibrary.imf.org/view/journals/002/2021/214/002.2021.issue-214-en.xml.

[9] Under the currency board arrangement, Brunei is required to back up every Brunei dollar (notes and coins) it issues with an equivalent amount in foreign exchange reserves.

[10] IMF (2023), *Brunei Darussalam: Staff Report for the 2023 Article IV Consultation*, IMF Country Report No. 23/346. Viewed at: https://www.elibrary.imf.org/view/journals/002/2023/346/002.2023.issue-346-en.xml.

[11] IMF, *Brunei Darussalam.* Viewed at: https://www.imf.org/en/Countries/BRN.

[12] Ministry of Finance and Economy (2021), *Economic Blueprint for Brunei Darussalam – Towards a Dynamic and Sustainable Economy*. Viewed at: https://deps.mofe.gov.bn/DEPD%20Documents%20Library/NDP/BDEB/Econ_Blueprint.pdf.

[13] OECD/ERIA (2018), *SME Policy Index: ASEAN 2018: Boosting Competitiveness and Inclusive Growth, SME Policy Index*, Chapter 12 (Brunei Darussalam); and Commonwealth Secretariat (2020), *Addressing Barriers to the Integration of Brunei Darussalam's Business Services Sectors into Global Value Chains*. Viewed at: https://www.mofe.gov.bn/Shared%20Documents/OTHERS/Brunei%20Services%20Report_UPDF%20-%20FINAL.pdf.

[14] The completion of works is expected for 2028 (Ministry of Finance and Economy, *Brunei Darussalam Key Economic Developments, First Quarter, Q1 2023*).

[15] Brunei Climate Change Secretariat (2020), *Brunei Darussalam National Climate Change Policy*. Viewed at: https://climatechange.gov.bn/SitePages/BNCCP/index.html#page=1. and UNCC (2020), *Brunei Darussalam: Nationally Determined Contribution (NDC) 2020*. Viewed at: https://unfccc.int/documents/497350.

[16] Prime Minister's Office (2023), "Launching of the Directive on the Mandatory Reporting on Greenhouse Gas". Press release, 27 April.

1.2.2 Balance of payments

1.11. Brunei recorded a surplus in its current account throughout the review period. The surplus showed a downward trend until 2020, when it reached its lowest level at BND 748.4 million (Table 1.1). This pattern reflected mainly the decline in the trade surplus in goods driven by oil and gas exports. These exports were negatively impacted by the collapse of oil prices in 2014, the COVID-19 pandemic, and a reduction in domestic oil and gas production, which was due to ageing fields, and infrastructure maintenance and refurbishment.[17]

1.12. In 2020, this downward trend was reversed by the increase in exports of refined oil products after a new oil refinery complex started operating in 2019.[18] By 2022, the current account surplus had reached BND 4,501 million (equivalent to nearly 20% of Brunei's GDP), its highest level since 2014. In terms of national savings and investment, this pattern reflects the combined effects of an increase in savings and the decline in investments since 2020.

1.13. The financial account fluctuated during the period under review but remained generally positive, reflecting net outflows (net lending) from other investments.

Table 1.1 Balance of payments, 2016-23

BND million	2016	2017	2018	2019	2020	2021	2022	2023
Current account	2,032.9	2,741.7	1,254.9	1,214.4	748.4	2,110.0	4,501.0	2,611.0
Goods and services	1,436.3	2,356.9	1,824.3	1,389.7	732.2	2,664.4	5,935.9	3,353.9
Goods	2,976.1	3,318.8	3,184.1	3,011.6	1,910.7	3,600.3	7,105.3	5,103.2
Exports	6,648.4	7,556.1	8,734.4	9,831.2	9,026.5	14,783.4	19,484.0	15,094.1
Imports	3,672.3	4,237.2	5,550.2	6,819.6	7,115.8	11,183.1	12,378.6	9,990.9
Services	-1,539.8	-961.9	-1,359.8	-1,621.9	-1,178.6	-935.9	-1,169.5	-1,749.3
Credit	732.6	761.3	769.8	842.8	485.9	269.3	388.2	456.6
Debit	2,272.4	1,723.2	2,129.6	2,464.7	1,664.5	1,205.2	1,557.7	2,205.9
Primary income	1,153.5	994.8	113.1	492.6	499.1	120.5	-509.7	260.6
Credit	1,487.1	1,464.1	1,347.5	1,402.3	1,268.6	1,288.3	757.4	1,286.2
Debit	333.6	469.3	1,234.3	909.7	769.4	1,167.8	1,267.1	1,025.6
Secondary income	-556.9	-610.0	-682.5	-668.0	-482.9	-674.9	-925.2	-1,003.4
Credit	73.8	55.7	43.1	62.6	64.2	89.3	67.1	77.2
Debit	630.7	665.8	725.6	730.6	547.1	764.2	992.3	1,080.7
Capital account	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial account (including reserve assets)	9,024.0	1,596.3	75.7	479.3	-247.6	1,312.3	3,397.3	1,535.1
Financial account (excluding reserve assets)	8,821.8	1,983.6	94.6	-552.6	363.8	-160.5	3,290.7	2,473.4
Direct investment	206.7	-635.3	-697.8	-511.0	-796.7	-275.1	403.2	68.6
Abroad	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
In Brunei	-206.7	635.3	697.8	511.0	796.7	275.1	-403.2	-68.6
Portfolio investment	862.0	-88.4	-1,941.6	1,907.9	1,647.2	-318.7	628.7	-363.8
Assets	862.0	-88.4	-1,941.6	1,907.9	1,647.2	-318.7	628.7	-363.8
Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other investment	7,753.2	2,707.3	2,734.0	-1,949.5	-486.8	433.4	2,258.8	2,768.7
Assets	7,488.6	2,883.4	2,940.4	384.6	-728.6	292.6	1,196.5	1,841.2
Liabilities	-264.6	176.2	206.4	2,334.1	-241.8	-140.8	-1,062.3	-927.5
Net errors and omissions	6,991.1	-1,145.4	-1,179.2	-735.1	-996.0	-797.7	-1,103.7	-1,076.0
Reserve assets	202.2	-387.2	-18.9	1,031.9	-611.4	1,472.8	106.6	-938.4

Source: Ministry of Finance and Economy, *National Statistics*. Viewed at: https://deps.mofe.gov.bn/SitePages/National%20Statistics.aspx.

[17] IMF (2017), "IMF Executive Board Concludes 2017 Article IV Consultation with Brunei Darussalam". Press Release No. 17/185; Viewed at: https://www.imf.org/en/News/Articles/2017/05/19/pr17185-imf-executive-board-concludes-2017-article-iv-consultation-with-brunei-darussalam#:~:text=In%20concluding%20the%202017%20Article,prices%2C%20building%20on%20past%20reform; IMF (2021), IMF Country Report No. 21/214; and IMF (2023), IMF Country Report No. 23/346.

[18] While this new development led to an increase in the exports of refined products, it also led to a surge in the imports of crude oil, but the increase in these exports more than offset the imports of crude oil in the trade balance.

1.3 Developments in trade and investment

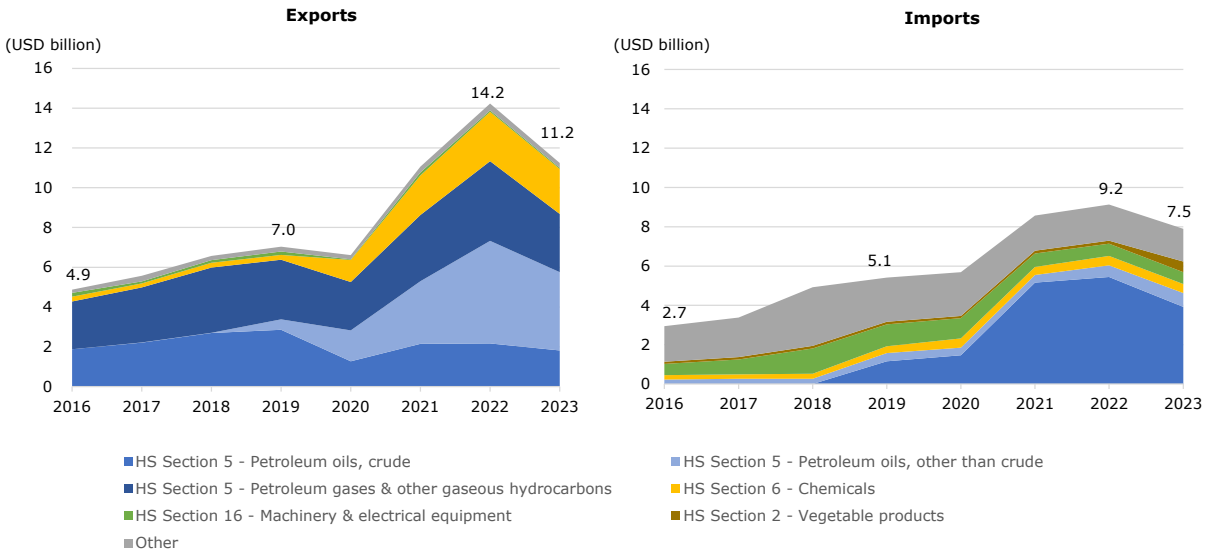
1.3.1 Trends and patterns in merchandise and services trade

1.3.1.1 Trade in merchandise

1.14. During the review period, Brunei maintained a trade surplus that fluctuated and amounted to USD 3.7 billion in 2023, up from USD 2.2 billion in 2016. During this period, Brunei made progress in its product diversification strategy by developing the downstream oil sector, which contributed to boosting exports and the trade surplus.

1.15. Brunei's exports grew slowly until 2020 but soared in subsequent years, reaching USD 11.2 billion in 2023 up from USD 4.9 billion in 2016, with a peak in 2022 due mostly to an increase in oil prices (Chart 1.3). In that year, Brunei's exports amounted to USD 14.2 billion, the largest value recorded in the last 20 years.[19] The increase in exports since 2020 was driven mainly by the expansion in Brunei's refinery capacity, which led to a surge in the exports of fuels. In 2023, fuels (HS 2710), natural gas (HS 2711), and crude oil (HS 2709) were Brunei's leading exports, accounting for about 77% of total exports. In 2019, the exports of chemicals, notably petrochemicals (HS 2902) and fertilizers (HS 3102), also expanded; by 2023, they accounted for about 20% of total exports (Chart 1.4 and Table A1.3).

Chart 1.3 Patterns in trade in goods, 2016-23



Note: Subcategories for HS section 5 (mineral fuels & oils) are at the HS 4-digit level.

Source: WTO Secretariat calculations, based on UN Comtrade database.

1.16. Imports almost tripled during the period 2016-23, reaching USD 7.5 billion in 2023. They have also been relatively concentrated in a few product categories: crude oil, machinery and mechanical appliances, vehicles, and electrical machinery and equipment. Crude oil has been imported since 2019 following the increase in the demand for refining activities. In 2023, imports of crude oil accounted for 52% of total imports.

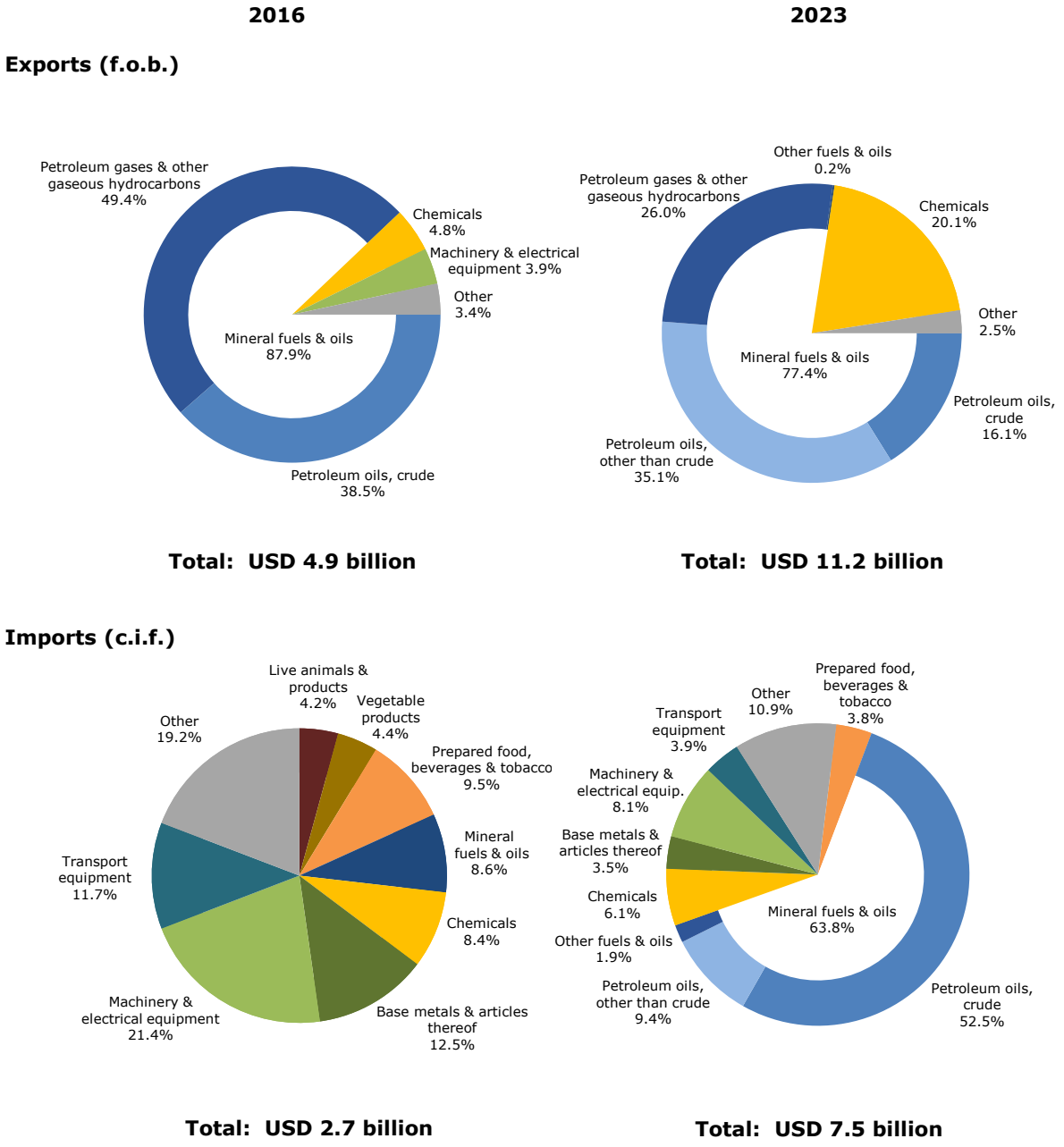
1.17. In terms of market structure, Brunei's top partners for exports and imports remain economies in the Asia-Pacific region, although there have been some intra-regional changes in recent years associated with the development of the downstream oil sector. In 2016, Japan was Brunei's main export market, followed by the Republic of Korea and India. Since 2020, exports to Australia,

[19] Ministry of Finance and Economy, eData Library, *International Merchandise Trade Statistics*. Viewed at: https://deps.mofe.gov.bn/SitePages/eData%20library.aspx.

Singapore (for fuels), and China (for petrochemicals) have surged. In 2023, these three markets, along with Japan were Brunei's main export destinations (Chart 1.5).

1.18. On the import side, the main suppliers in 2023 were Malaysia and the United Arab Emirates, reflecting Brunei's increased demand for crude oil for refining. They were followed by China, Australia, and Qatar. Prior to 2020, Brunei's main import markets were China, Singapore and Malaysia.

Chart 1.4 Merchandise trade by HS section/chapter, 2016 and 2023



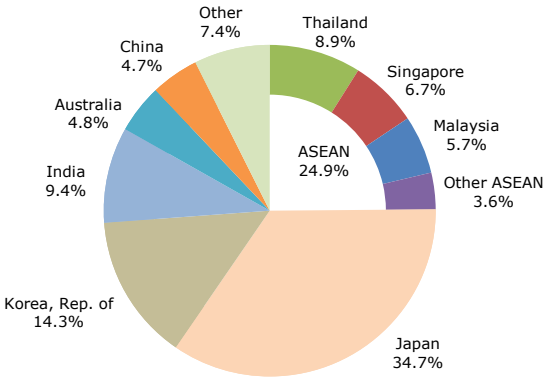
Note: Subcategories for HS section 5 (mineral fuels & oils) are at the HS 4-digit level.

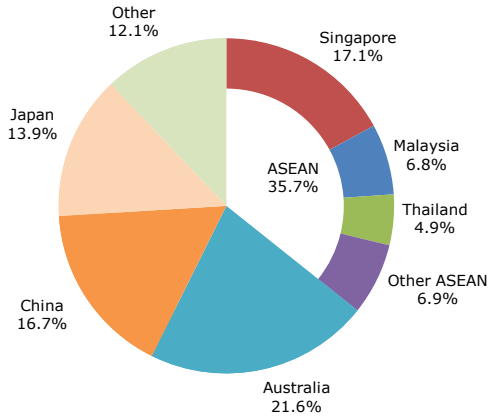
Source: WTO Secretariat calculations, based on UN Comtrade database.

Chart 1.5 Merchandise trade by partner, 2016 and 2023

2016 **2023**

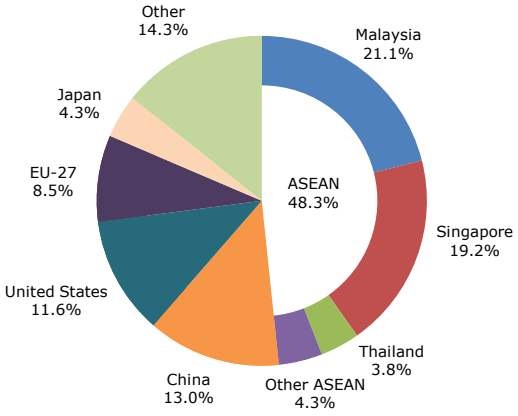
Exports (f.o.b.)

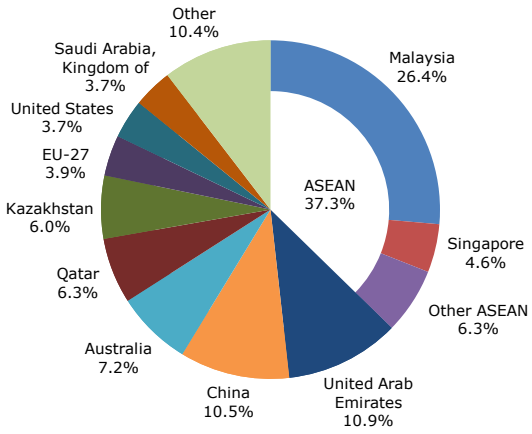




Total: USD 4.9 billion **Total: USD 11.2 billion**

Imports (c.i.f.)





Total: USD 2.7 billion **Total: USD 7.5 billion**

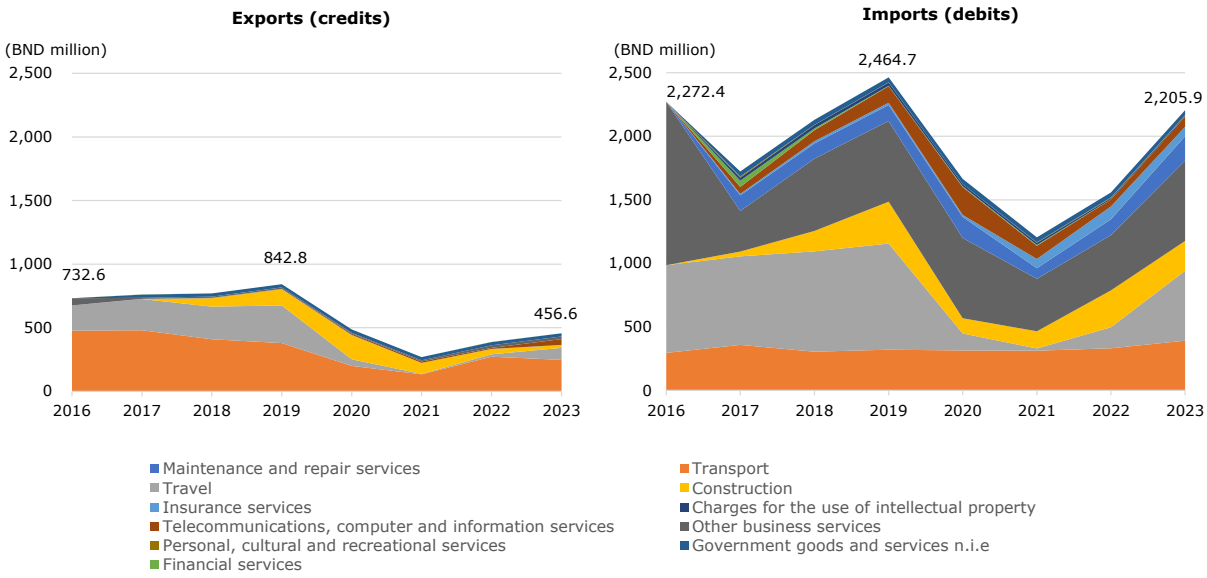
Source: WTO Secretariat calculations, based on UN Comtrade database.

1.3.1.2 Trade in services

1.19. In trade in services, Brunei continued to record a trade deficit during the review period. This deficit fluctuated, totalling BND 1,749.3 million (or USD 1,302 million) in 2023 and was driven mostly by a sustained increase in imports of construction and other business services.

1.20. Following the COVID-19 pandemic, services trade fell sharply, especially in the travel sector, and has been gradually recovering since 2021. In 2023, both export and imports were still below pre-pandemic levels. Exports were mainly concentrated in transportation services, which contributed 54% of total exports in 2023, while for imports the main sectors were transportation, travel, and other business services, accounting for 71% of total imports in 2022 (Chart 1.6 and Table A1.6).

Chart 1.6 Composition of trade in services, 2016-23



Source: Ministry of Finance and Economy, *National Statistics*. Viewed at: https://deps.mofe.gov.bn/SitePages/National%20Statistics.aspx.

1.3.2 Trends and patterns in FDI

1.21. FDI plays a significant role in Brunei's economy, contributing on average (in terms of stocks) to about 50% of GDP during 2016-23, with investments concentrated primarily in the mining and quarrying, manufacturing, and financial sectors (Table A1.7). Under Brunei's most recent national development plan, attracting new FDI is critical to increasing the contribution of the non-oil and gas sectors to the economy.[20]

1.22. During the review period, Brunei succeeded in securing new FDI, reversing a declining trend that had persisted since 2012. FDI inflows increased for most of the period, reaching USD 577 million in 2020, before falling again and recording negative inflows in subsequent years, mainly due to loan repayments from foreign companies to their parent and subsidiary companies abroad.[21] FDI inflows in 2020 were the largest recorded since 2012, though modest when measured as a share of GDP (i.e. less than 5%).

1.23. The increase in FDI inflows was driven by investments in the downstream oil and gas and chemicals sectors, notably the development of a new oil refinery complex and a fertilizer plant.[22] The main sources of new investments during this period were Hong Kong, China; Malaysia; and Singapore (Table 1.2). Data on outward and outflows FDI are not publicly available.

[20] Ministry of Finance and Economy (2020), *Eleventh National Development Plan 2018-2023: Increasing Non-Oil & Gas Sector Output as Catalyst for Economic Growth*.

[21] Ministry of Finance and Economy, *Foreign Direct Investment Statistics 2022*, *Foreign Direct Investment Statistics 2023*; and eData Library, *Foreign Investment Flows by Component*. Viewed at: https://deps.mofe.gov.bn/SitePages/eData%20library.aspx.

[22] IMF (2023), IMF Country Report No. 23/346.

Table 1.2 FDI inflows by sector and partner 2016-23

	2016	2017	2018	2019	2020	2021	2022	2023
FDI inflows (BND million)	-206.7	635.3	697.8	511.0	796.7	275.1	-403.2	-68.6
FDI inflows (USD million)	-149.6	460.1	517.3	374.6	577.4	204.7	-292.4	-51.1
FDI inflows (% of GDP)	-1.3	3.8	3.8	2.8	4.8	1.5	-1.8	-0.3
By economic activity (BND million)								
Mining and quarrying	-290.7	-660.4	-355.0	-228.4	-93.8	-110.1	-293.8	161.2
Manufacturing	19.0	680.2	944.1	648.2	877.2	315.8	-231.2	-265.9
Construction	5.1	663.9	25.2	-35.3	-8.9	18.1	14.7	-27.4
Wholesale and retail trade	-15.0	-18.4	-39.0	-9.9	-9.4	8.3	27.8	21.6
Financial and insurance activities	13.3	-140.6	101.1	40.6	18.3	53.2	80.5	55.9
Professional, scientific and technical activities	..	..	..	..	9.7	16.9	-25.9	-7.1
Other activities	61.6	110.6	21.4	95.7	3.6	-27.0	24.7	-6.9
By partner (BND million)								
ASEAN	-88.6	755.1	99.0	-24.4	5.6	58.9	115.0	-47.4
Malaysia	8.9	674.7	29.1	-5.8	-18.8	1.6	46.1	-43.0
Singapore	-97.9	79.6	69.5	-19.2	26.7	58.2	68.8	-4.4
Other	0.4	0.8	0.4	0.6	-2.3	-0.9	0.1	0.0
EU-27	164.0	-47.3	37.0	-115.6	-85.9	61.2	-147.8	0.6
Germany	-5.7	5.6	-2.4	-1.7	-0.4	0.4	0.0	1.0
Netherlands	176.4	-33.7	36.3	-99.1	-85.5	60.0	-140.8	-5.2
Other	-6.8	-19.2	3.1	-14.8	0.0	0.8	-7.0	4.8
Hong Kong, China	10.0	651.5	917.4	763.0	740.6	280.4	-212.7	-181.1
Japan	-4.9	-16.5	84.5	-28.9	186.7	30.9	-8.7	-59.5
United Kingdom	-405.4	-776.4	-498.9	-251.5	-79.0	-224.7	-248.7	234.5
United States	3.1	-1.4	0.3	0.5	1.2	0.6	0.9	-24.5
Other	115.1	70.2	58.6	167.8	27.6	67.8	98.8	8.8

.. Not available.

Source: Ministry of Finance and Economy, *eData Library, Foreign Direct Investment*. Viewed at: https://deps.mofe.gov.bn/SitePages/eData%20library.aspx.

2 TRADE AND INVESTMENT REGIMES

2.1 General institutional and legal framework

2.1. Under the Constitution, the Sultan is the head of state. He also serves as Prime Minister, Minister of Finance and Economy, Minister of Foreign Affairs, and Minister of Defence. The power to promulgate laws is also vested in the Sultan. He is assisted by the Council of Cabinet Ministers[1], which handles executive matters, and by the Legislative Council in which policies under consultation or implementation are debated. Other councils advise the Sultan on constitutional, religious, and customs and tradition issues.

2.2. Some administrative reforms took place during the review period. For example, the Ministry of Finance and Economy (MOFE) was established in September 2018 and the Ministry of Primary Resources and Tourism (MPRT) was established on 22 October 2015.

2.3. Brunei Darussalam's (Brunei) legal system is based on common law and Shariah law. On 3 April 2019, the new Syariah Penal Code, which partially entered into force on 1 May 2014 and is applicable to both Muslims and non-Muslims, fully entered into force.

2.2 Trade policy formulation and objectives

2.4. The MOFE is responsible for the formulation and implementation of Brunei's trade policy, in cooperation with other ministries and trade-related agencies. The MOFE is also responsible for WTO issues, negotiating and implementing regional trade agreements (RTAs), and promoting trade and investment; it holds consultations with the private sector in the formulation of Brunei's trade policy on *ad hoc* basis, including organizing briefings on RTA negotiations.

2.5. Brunei aims to achieve three objectives: (i) to have more highly skilled people; (ii) to have an economy that is sustainable, dynamic, and diversified; and (iii) to have a high quality of life for its population. These objectives are contained in Brunei's long-term development plans: the National Vision 2035 (Wawasan Brunei 2035)[2], launched in 2008, and the Economic Blueprint adopted in 2021 to implement Wawasan Brunei 2035. In line with Wawasan Brunei 2035, Brunei is focused on developing five priority sectors: downstream oil and gas, food, tourism, ICT, and services.

2.6. Recognizing the importance of female entrepreneurs' contribution to the economy, the authorities indicate that they have been making efforts to elevate women's economic empowerment, such as by introducing a national definition for women-owned businesses, providing entrepreneurial support to MSMEs including women-owned businesses through online business courses, reskilling and upskilling programmes, and providing mentorship and business counselling. They also consider it important to continue dialogue between public and private sectors in identifying gaps, challenges, and appropriate strategies to effectively address barriers towards women's economic empowerment. According to the World Bank, in 2023, the labour force participation rate for women in Brunei was 55.4%.[3]

2.7. The authorities state that Brunei is currently reviewing the MSMEs policy that will cover the following key areas: reviewing public policies and regulations that discriminate against or hinder the start-up, survival, formalization, and growth of MSMEs; enhancing growth of the MSMEs sector; identifying and assigning clear roles for key actors; developing strategies that will facilitate provision of financial and non-financial services to MSMEs; and developing and institutionalizing public-private partnerships for the development of MSMEs.

2.8. Since 2015, new trade-related legislation has been introduced in the areas of, *inter alia*, business environment, competition, energy, financial services, SPS, and tourism (Table A2.1).[4]

[1] The Council of Cabinet Ministers is appointed and presided over by the Sultan.

[2] Wawasan Brunei 2035. Viewed at: https://www.wawasanbrunei.gov.bn/en/SitePages/wawasan-brunei-2035.aspx.

[3] World Bank, Gender Data Portal, *Brunei Darussalam.* Viewed at: https://genderdata.worldbank.org/en/economies/brunei-darussalam.

[4] Attorney General's Chambers. Viewed at: http://www.agc.gov.bn.

2.3 Trade agreements and arrangements

2.3.1 WTO

2.9. Brunei is an original Member of the WTO and grants at least MFN treatment to all of its trading partners. Brunei is neither a party to the Information Technology Agreement nor to the plurilateral agreements on government procurement and trade in civil aircraft. Brunei deposited its instrument of acceptance of the Agreement on Fisheries Subsidies on 26 February 2024.

2.10. Brunei fully supports the multilateral trading system. It has never been involved in a trade dispute.

2.11. Brunei submitted various notifications during the review period, including one concerning standards and labelling of energy in August 2022, and some notifications under the Trade Facilitation Agreement. However, some notifications are pending, including on state trading enterprises, quantitative restrictions, import licensing, agriculture, and subsidies and countervailing actions (Table 2.1).

Table 2.1 Notifications by Brunei, May 2024

Agreement	Requirement	Periodicity	WTO documents
Enabling Clause			
WT/L/671, Para.14	ASEAN-China	*Ad hoc*	WT/COMTD/N/20/Add.2, 09/02/2022 WT/COMTD/RTA21/N/1/Add.1, 20/09/2021
	ATIGA replaced CEPT-FTA	*Ad hoc*	WT/COMTD/RTA21/N/1, 20/09/2021WT/COMTD/RTA21/N/1, 20/09/2021
L/4903, Para.4(a)	ASEAN-Korea	One time	WT/COMTD/RTA13/N/1, 14/01/2020
GATT 1994			
Article XVII:4(a) & para. 1 of the Understanding on the Interpretation of Article XVII	State Trading Enterprises	Biennial	Pending period 2020-22
Article XXIV:7(a)	CPTPP	*Ad hoc*	WT/REG395/N/5, 09/06/2023 WT/REG395/N/4, 15/02/2023 WT/REG395/N/3, 27/01/2023 WT/REG395/N/2, 14/03/2022 WT/REG395/N/1, 20/12/2018
	FTA-RCEP	*Ad hoc*	WT/REG277/N/3, 24/08/2018
	AHKFTA	*Ad hoc*	WT/REG448/N/1, 11/02/2021
	FTA-ATIGA	*Ad hoc*	WT/REG457/N/1, 21/09/2021
WT/L/671, Para. 14	FTA-ATIGA	*Ad hoc*	WT/REG457/N/1/Add.1, 21/09/2021
General Agreement on Trade in Services			
Article III:4	Enquiry Points	One time	S/ENQ/78/Rev.23, 10/02/2023
Article IV:2	Contact Points	One time	S/ENQ/78/Rev.19, 29/08/2019
Article V:7(a)	CPTPP	*Ad hoc*	S/C/N/920/Add.4, 09/06/2023 S/C/N/920/Add.3, 15/02/2023 S/C/N/920/Add.2, 27/01/2023 S/C/N/920/Add.1, 14/03/2022 S/C/N/920, 20/12/2018
	ASEAN-Japan	*Ad hoc*	S/C/N/1117, 17/11/2022
	AFAS	*Ad hoc*	S/C/N/1125, 22/12/2022
	AKHFTA	*Ad hoc*	S/C/N/1043, 11/02/2021
	ASEAN-India	*Ad hoc*	S/C/N/822, 20/08/2015
WT/L/671, para. 14	ASEAN-China	*Ad hoc*	S/C/N/463/Add.1, 09/02/2022
Agreement on Agriculture			
Article 18.2 – MA:2	Tariff quota fill-rates	Annual	Pending 2023
Article 18.2 – DS:1	Domestic Support	Annual	Pending 2023
Articles 10 & 18.2 – ES:1	Export Subsidies	Annual	Pending 2023 G/AG/N/BRN/1, 28/06/2023
Articles 10 & 18.2 – ES:2	Export Subsidies	Annual	Pending 2023
Agreement on Technical Barrier to Trade			
Article 2.9	Technical Regulations	*Ad hoc*	G/TBT/N/BRN/3, 23/08/2022
Article 2.10	Technical Regulations (Urgent)	*Ad hoc*	
Article 5.6	Conformity Assessment	*Ad hoc*	
Article 5.7	Conformity Assessment (Urgent)	*Ad hoc*	
Article 15.2	Laws and Regulations	One time	G/TBT/2/Add.119, 24/10/2016
Decision on Notification Procedures for Quantitative Restrictions			
G/L/59/Rev.1	Quantitative Restrictions	Biennial	Pending period 2022-24

Agreement	Requirement	Periodicity	WTO documents
Agreement on Import Licensing			
Article 1.4(a)	Publications	*Ad hoc*	G/LIC/N/1/BRN/1/Rev.1, 12/12/2016
Article 8.2(b)	Laws and Regulations	*Ad hoc*	G/LIC/N/1/BRN/1, 25/11/2016
Article 7.3	Replies to Questionnaires	Annual	Pending 2023
Agreement on Rules of Origin			
Annex II, Para. 4	Preferential Rules of Origin	*Ad hoc*	G/RO/N/257, 28/09/2023 G/RO/N/252, 04/05/2023 G/RO/N/251, 04/05/2023 G/RO/N/229, 16/11/2021 G/RO/N/221, 29/04/2021
Agreement on Subsidies and Countervailing Measures			
Article 25.1	Specific Subsidy under Art.1:1	Biennial	Pending period 2021-23 G/SCM/N/343/BRN, 10/09/2019
Article 25/11	Countervailing duty action	Semi-annual	Pending 2023
Agreement on Trade Facilitation			
Article 1.4	Im-Ex & Transit Procedure	One Time	
Article 10.4.3	Single Window	One Time	
Article 10.6.2	Customs Brokers	One Time	G/TFA/N/BRN/2, 01/05/2023
Article 12.2.2	Contact Points	One Time	
Article 16	Category Designation	One Time	G/TFA/N/BRN/1, 06/09/2017
	Indicative Date	One Time	G/TFA/N/BRN/1/Add.1, 12/09/2017
	Definitive Date	One Time	G/TFA/N/BRN/1/Add.2, 30/01/2020
Agreement on Trade-Related Intellectual Property Rights			
Article 63.2	Legislation	One Time	IP/N/1/BRN/2-5, 31/10/2016

Source: WTO Secretariat.

2.3.2 Regional trade agreements

2.12. During the review period, four RTAs entered into force: the Association of Southeast Asian Nations ASEAN Trade in Services Agreement (ATISA), the ASEAN-Hong Kong, China FTA; the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP); and the Regional Comprehensive Economic Partnership (RCEP) (Table A2.2). The CPTPP was signed in March 2018; for Brunei, it entered into force in July 2023. The RCEP entered into force on 1 January 2022 for 10original members including Brunei.

2.13. Brunei's RTAs have been notified to the WTO, except for the RCEP. The Brunei Darussalam-Japan Economic Partnership Agreement and the Trans-Pacific Strategic Economic Partnership (TPSEP) have been reviewed by the Committee on Regional Trade Agreements.

2.14. In 2023, merchandise trade with RTA partners accounted for about 58.4% of Brunei's total imports and 94.0% of total exports. The difference in percentage share of imports and exports with RTA partners is due to the large share of imports with Middle Eastern countries, which are not parties to the same RTAs as is Brunei.

2.3.2.1 ASEAN

2.15. During the review period, two ASEAN-related agreements entered into force: (i) the ATISA, which entered into force in April 2021; and (ii) the ASEAN-Hong Kong, China FTA concerning goods and services, which entered into force in June 2019. In addition, the ASEAN RTAs with India and Japan were deepened with the entry into force in July 2015 of the ASEAN-India FTA concerning services, which modified the existing RTA by adding a services section; and in August 2020 of the Protocol concerning Services to the ASEAN-Japan FTA.

2.3.2.2 Other arrangements

2.16. During the review period, Brunei continued to receive preferential treatment from Armenia, Belarus, Kazakhstan, Kyrgyz Republic, and the Russian Federation.

2.4 Investment regime

2.4.1 Legal framework

2.17. The main investment legislation is the Investment Incentives Order, 2001, unchanged since the previous Review. The Order provides tax incentives to investors, as it is in the process of amendment. There is no specific framework to regulate domestic and foreign investment in Brunei.

2.18. The MOFE is responsible for maintaining a conducive investment climate to attract FDI. The Brunei Economic Development Board (BEDB)[5], under the MOFE, is in charge of promoting Brunei as an attractive destination for FDI. The BEDB envisions a resilient and diversified economy; it is committed to catalyzing sustainable growth by attracting and facilitating impactful investments that could create jobs and generate opportunities for local enterprises. The BEDB provides support and resources to enterprises of all sizes to spur innovation and growth and develops industrial infrastructure to enable enterprises to thrive. The BEDB currently manages 27 industrial sites.

2.19. Based on the Economic Blueprint issued in 2021, the BEDB identified five priority clusters: (i) downstream oil and gas; (ii) food; (iii) tourism; (iv) ICT; and (v) services (Section 4).[6] With the establishment of the Foreign Direct Investment and Downstream Industry (FDIDI) Steering Committee, the FDI Action and Support Centre (FAST) was formed in November 2015 to provide complete facilitation to investors in obtaining their project requirements.

2.20. FDI restrictions have remained largely unchanged since the previous Review. Both domestic and foreign investment in the manufacture of liquor and armaments are prohibited. In most activities, full foreign participation is allowed except in those that use natural resources or relate to national food security; they must be located in industrial sites for which 30% minimum local equity participation is required. Both domestic and foreign investment in sectors for which the State is the major service provider (e.g. telecom, energy) are subject to approval by the relevant regulatory authority. Market concentration and nationality requirement may also restrict the participation of domestic and foreign investors. In retail trade, foreign investors are allowed on a case-by-case basis.[7]

2.21. No minimum level of investment is required to invest in Brunei. There are no restrictions on repatriation of capital, remittance of profits or royalties abroad, or exchange control. Pursuant to measures against money laundering, certain amounts of cross-border movements of cash must be reported to the relevant authorities. Financial institutions must declare suspicious transactions to the Financial Intelligence Unit under the BEDB. The authorities indicate that there has been no record of expropriation in Brunei.

2.22. It was decided in 2018 that permanent residents and foreigners would no longer able to purchase land and property through power of attorney or trust deeds. Instead of purchases, leases up to 60 years are allowed. Leases exceeding seven years must be registered and approved by the Sultan. Temporary occupation licences (TOLs) are issued for temporary use of state-owned land. New TOLs for land are only issued for, *inter alia*, commercial and educational use (schools).

2.23. The Arbitration Order, 2009 stipulates domestic and international arbitration; it allows courts in Brunei to support but not interfere in arbitration proceedings.

2.24. Brunei has 8 bilateral investment treaties[8], 19 avoidance of double taxation agreements, and 10 tax information exchange agreements. Brunei is also a signatory to the ASEAN Comprehensive Investment Agreement and a contracting party to the International Centre for Settlement of Investment Disputes.

[5] The BEDB was established in November 2001.
[6] BEDB, *Investment Opportunities*. Viewed at: https://www.bedb.gov.bn/industries.
[7] WTO document WT/TPR/S/309/Rev.1, 7 April 2015.
[8] Kingdom of Bahrain; China; Germany; India; the Republic of Korea; the State of Kuwait; Oman; and Ukraine.

2.4.1.1 Incentives

2.25. During the review period, no substantial changes were introduced to the incentives granted to domestic and foreign investors under the Investment Incentives Order, 2001. Investors may apply for an incentive certificate to the MPRT. Incentives are aimed at encouraging enterprises to manufacture pioneer products or provide pioneer services, engage in export activities, and invest in new productive equipment to increase production or profitability (Table 2.2). Pioneer status in manufacturing is granted to innovative activities that have significant development potential to contribute to economic diversification, exports, and job creation. Brunei has identified 28 manufacturing activities that are eligible for pioneer status.

Table 2.2 Investment incentives

	Incentive	Tax relief period (not exceeding)
Pioneer industries	Exemption from income tax Carry-forward of losses and allowances Exemption from customs and import duties	5-8 years (11 years), depending on the amount of fixed capital expenditure 11 years (20 years) for industries established in a high-tech park
Pioneer service companies	Exemption from income tax Carry-forward of losses and allowances Exemption from customs and import duties	8 years (11 years) 5 years (10 years) for financial services
Post-pioneer companies	Exemption from income tax Deduction of losses Adjustment of capital allowances and losses	6 years (11 years)
Expansion of established enterprises	Exemption from income tax	3-5 years (15 years), depending on the amount of new capital expenditure
Expanding service companies	Exemption from income tax	11 years (20 years)
Production for export	Exemption from income tax	6 years (11 years) for pioneer enterprises, depending on sales volume 8 years for the remaining enterprises, depending on sales volume 15 years, depending on the amount of fixed capital expenditure
Export of services	Exemption from income tax Deduction of allowances and losses	11 years (20 years)
International trade incentives	Exemption from income tax	8 years
Foreign loans for productive equipment	Exemption from withholding tax on interests paid to non-resident lenders	Depends on the financial agreement with the foreign lender
Investment allowances	Exemption from income tax	5 years 11 years for tourism
Warehousing and servicing incentives	Exemption from income tax	11 years (20 years)
Investment in new technology companies	Deduction of losses	n.a.
Overseas investment and venture capital incentives	Deduction of losses	n.a.

n.a. Not applicable.

Source: Investment Incentives Order, 2001, as amended.

2.26. Incentives are mainly in the form of income tax exemption for specific periods of time that may be extended (Table 2.2). The tax relief period for pioneer industries is determined by the amount of expenses in fixed capital (minimum BND 500,000) or the location. Providers of pioneer services are granted an eight-year tax relief period (except for those providing financial services, for which a five-year tax relief period is granted).

2.27. Brunei also grants duty exemptions for the promotion of investment. These exemptions, described mainly under the Investment Incentives Order, 2001 and the Customs Import Duties Order, 2007, remained largely unchanged during the review period. Exempted goods (fully or partially) include machinery, equipment, and parts and accessories for the use of export enterprises or enterprises operating in a pioneer industry provided that the item imported is not available in Brunei (Section 3.1.3.4).

2.28. Enterprises manufacturing pioneer products or export products are also exempt from import duties on capital goods and raw materials only if these are not sold locally in Brunei.[9]

2.4.2 Starting a business

2.29. Business entities are registered in Brunei under the Companies Act or the Business Names Act. During the review period, orders and rules under the Companies Act were amended in 2017, 2018, 2019, and 2020.[10] As at end-June 2024, there were 9,628 registered private companies, 17 registered public companies, and 515 registered branches of a foreign company on Register of Companies.

2.30. The Registry of Companies and Business Names Division (ROCBN) introduced an online registration system in 2015.[11] The system (www.ocp.mofe.gov.bn) features one-click name validation, one-step registration, and the ability to pay online.

2.31. Regulated activities (e.g. financial services, telecom) are also required to be licensed by or registered with the regulatory authority prior to their operation.

2.32. Companies may be incorporated in Brunei as public or private companies with limited or unlimited liabilities. Private companies must, *inter alia*, have at least 2 but not more than 50 shareholders and at least 2 directors. If there are only two directors, one must be an ordinary resident of Brunei. Shareholders (members of the company) can be of any nationality. There is no minimum paid-up capital requirement for the incorporation of companies (or registration of a branch of a foreign company). A branch of a foreign company must have a registered office in Brunei and at least two local authorized agents. It has the same powers and authority as a local company. Foreigners may also participate in partnerships that are exempt from income tax. The Insolvency Act covers corporate insolvency and restructuring of companies.

2.33. Expatriate employment is controlled by the Department of Labour through a labour quota system and by the Department of Immigration and National Registration through the issuance of employment visas and/or work permits (employment passes). Employers must be licensed by the Department of Labour before recruiting foreign workers. They must also obtain a bank guarantee to cover repatriation and insurance costs for each foreign worker they intend to hire.

[9] Investment Incentives Order, 2001, Part XV.

[10] These concerned Companies Act (Amendment) Order, 2017; Companies Act (Amendment) Order (No. 2), 2017; Companies Act (Amendment) Order, 2018; Companies (Striking Off) Rules, 2018; Companies Act (Amendment) Order, 2019; Companies (Composition of Offences) Rules, 2019; Companies (Corporate Governance) (Public Companies) (Amendments) Rules, 2019; Companies Act (Amendment) Order, 2020; and Companies (Register of Controllers and Nominee Directors) Rules, 2020.

[11] The ROCBN's primary role is facilitate the registration of business and the incorporation of companies. Its main functions are to (i) administer the Business Names Act and Companies Act; (ii) establish a register of documents and information and provide access to these documents; (iii) promote public awareness on any matter under the purview of the Registry; and (iv) represent the Government internationally in matters relating to the registration and regulations of business entities.

3 TRADE POLICIES AND PRACTICES BY MEASURE

3.1 Measures directly affecting imports

3.1.1 Customs procedures, valuation, and requirements

3.1.1.1 Customs procedures and requirements

3.1. The legal and institutional framework for customs procedures in Brunei Darussalam (Brunei) has not undergone any significant change since the previous Review. Customs procedures are governed by the Customs Order, 2006 and its amendments, which are complemented by a large body of subsidiary legislation.[1] During the review period, Brunei continued to make progress in simplifying and digitizing customs procedures to facilitate trade, in line with its commitments under the WTO Agreement on Trade Facilitation (TFA).

3.2. The Royal Customs and Excise Department (RCED) under the Ministry of Finance and Economy (MOFE) is Brunei's customs authority, and as such it is responsible for implementing customs legislation and carrying out all customs operations. The RCED administers four main types of customs regimes: (i) import; (ii) export; (iii) transit; and (iv) temporary admission. Additionally, as of June 2024, Brunei was in the process of implementing its first free trade zone (Section 3.2.4).

3.3. Importers for commercial purposes must first register their business with the Registry of Companies and Business Names (RCBN) of the MOFE[2] and then with the RCED. Importers of processed food must also register their products with the Brunei Darussalam Food Authority (BDFA) prior to their importation. Registration with the RCBN, the RCED, and the BDFA can be done online through the corresponding websites.[3] RCED registrations can also be completed through the Brunei Darussalam National Single Window (BDNSW) website (www.bdnsw.gov.bn) or in person.

3.4. Imports are cleared based on the submission of customs declarations and other relevant shipping documents, including a certificate of origin if seeking the application of a preferential regime, and an import permit or licence when applicable. For example, an import permit or licence is required for salt, sugar, rice, and used motor vehicles (Section 3.1.5). All customs declarations must be submitted electronically through the BDNSW, which also supports applications for certain import permits/licences and for the exchange of information under the Association of Southeast Asian Nations (ASEAN) Trade in Goods Agreement (ATIGA). Duty payments can be made online.

3.5. During the review period, Brunei expanded the functionalities of the BDNSW and discontinued the e-customs platform, which operated in parallel with the BDNSW until 2014. Since 2018, the BDNSW has enabled the advance payment of duties, and the issuance of port clearance certificates and blanket import permits for agricultural products. The BDNSW is also connected to the ASEAN Single Window, which has allowed for the electronic exchange of the ATIGA certificate of origin among ASEAN members since 2019. In 2021, the system enabled the exchange of the ASEAN Customs Declaration Document.[4]

3.6. The use of customs brokers (forwarder) is optional for completing customs formalities. Customs brokers must be licensed; licences are granted only to companies incorporated in Brunei with Bruneian ownership. There are no nationality requirements for their staff. According to the latest estimations by the authorities, in 2021, it took on average about two days and four hours to complete

[1] Customs Order, 2006. The Order has been amended four times since 2015, most recently in 2018. Legislation is published on the website of the Prime Minister's Office, Attorney General's Chambers, *BRULAW*. Viewed at: https://www.agc.gov.bn/Theme/Home.aspx.

[2] Foreigners willing to engage in any business activity in Brunei must be registered as a company with the RCBN. Other types of business entities (i.e. sole proprietorships, partnerships, and cooperatives) are reserved for Brunei's citizens and permanent residents (Section 2.4).

[3] BDFA registrations can be done through the BDFA Processed Food Import Registration System (https://pfir.bdfa.gov.bn/), and RCBN registration can be done through the Government One Common Portal (https://www.ocp.mofe.gov.bn/).

[4] Information provided by the authorities; and APEC (n.d.), *Individual Action Plan Update for Brunei Darussalam for 2020*. Viewed at: https://www.apec.org/docs/default-source/aboutus/achievementsbenefits/2020/iap/brunei-darussalam-iap-update.pdf?sfvrsn=36c1db0e_1.

customs clearance of goods from the time of a vessel's arrival. Administrative decisions by customs authorities may be appealed.[5]

3.7. Brunei ratified the WTO TFA in December 2015 and notified to the WTO its commitments in Categories A and B in 2017 and 2020. It did not designate any provision under Category C, and by 2022 it had implemented all of its TFA commitments.[6] Brunei is not a party to the Revised Kyoto Convention on the Simplification and Harmonization of Customs Procedures. According to the ESCAP-World Bank Trade Cost Database, between 2016 and 2022, international trade costs involving Brunei have in general declined, in some cases by up to about 60%, but remain on average among the highest in Southeast Asia. In 2022, Brunei's trade costs were the lowest in transactions with Australia and most ASEAN partners, while the highest trade cost were recorded with certain economies in the Middle East, South America and Europe.[7]

3.8. Other initiatives to streamline customs procedures and facilitate trade include the implementation in September 2017 of the authorized economic operators (AEO) programme, known as the Sutera Lane Merchant Scheme (SLMS). Traders willing to participate in this programme must be incorporated as a private company in Brunei, have been in operation for at least three years, and have operations of at least BND 1 million per year.[8] Applications that do not meet these requirements are assessed on a case-by-case basis. Brunei also signed in September 2023, together with the other ASEAN member States, a Mutual Recognition Arrangement of their respective AEO programmes to further facilitate trade at the regional level. This initiative is currently being implemented as a pilot but is expected to be fully operational by the end of 2025.[9]

3.9. In the area of customs control, the RCED conducts random inspections on declared goods using automated risk assessments. Additionally, a selectivity system of zones and lanes has been gradually implemented at Muara Port since 2018.

3.1.1.2 Customs valuation

3.10. During the review period, Brunei did not make any significant changes to its rules on customs valuation. These rules are described in the Customs (Valuation of Imported Goods) Rules, 2001[10], and are based on the WTO Customs Valuation Agreement. Brunei uses the transaction value as the primary method to determine the value of imported goods. If the transaction value is not available, it applies the other five WTO methods of valuation in sequential order. Brunei does not use minimum customs values for goods valuation[11] and does not maintain any preshipment inspection regime. The RCED can issue advance rulings regarding the tariff classification, origin, and customs valuation of goods.[12] According to the authorities, during the period 2017-23, between 89% and 99% of customs valuations carried out annually used the transaction value.

3.11. Importers may appeal customs decisions regarding goods valuation. The appeal must be submitted in writing to the Minister of Finance and Economy.[13]

3.1.2 Rules of origin

3.12. Brunei applies only preferential rules of origin. These rules are described in each of the 11 RTAs it currently has in place (Section 2.3.2). Of these RTAs, three entered into force during the review period: the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) (2023); the Regional Comprehensive Economic Partnership (RCEP) (2022), and the

[5] Customs Order, 2006, Section 153.
[6] WTO TFA database, *Profiles*. Viewed at: https://tfadatabase.org/en/members/brunei-darussalam.
[7] WTO calculations based on ESCAP-World Bank Trade Cost Database. Viewed at: https://www.unescap.org/resources/escap-world-bank-trade-cost-database.
[8] World Customs Organization (2020), *Compendium of Authorized Economic Operator Programmes*, 2020 Edition. Viewed at: https://www.wcoomd.org/-/media/wco/public/global/pdf/topics/facilitation/instruments-and-tools/tools/safe-package/aeo-compendium.pdf?db=web.
[9] Information provided by the authorities.
[10] Customs (Valuation of Imported Goods) Rules, 2001.
[11] Customs (Valuation of Imported Goods) Rules, 2001, para. 11.2.
[12] Customs (Customs Rulings) Regulations, 2013, para. 2.
[13] Customs (Valuation of Imported Goods) Rules, 2001, paras. 23-27.

ASEAN-Hong Kong, China RTA (2020).[14] As of June 2024, Brunei had notified the preferential rules of origin under all of its RTAs in force, except for the RCEP.[15]

3.13. Imported goods complying with these rules of origin qualify as originating and, therefore, are eligible for preferential treatment. These rules, while specific to each RTA, follow a common set of principles. In general, a good will be deemed originating if it has been (i) wholly obtained or produced in the territory of the parties (using exclusively originating materials); or (ii) produced in the territory of the parties and undergone sufficient transformation when using non-originating inputs.

3.14. Sufficient transformation requirements follow specific rules of origin that are based on a change in tariff classification, a regional value content (or value-added rule) (RVC), and/or additional criteria such as production process requirements. For the RCEP and the ASEAN-Hong Kong, China RTA, the RVC shall be 40% of the value of the good for originating materials, which is the RVC criteria generally used in ASEAN RTAs to which Brunei is a party.[16] For the CPTPP, the RVC varies between 30% and 70% depending on the computing methodology.[17] It also has specific RVC rules for automotive products.

3.15. These three RTAs also include a *de minimis* provision (or tolerance rule, not accumulative with the value-added rule), which provides some flexibility in the application of the rules of origin. The provision states that a good will maintain its originating status provided that the value of the non-originating inputs used in its production that do not meet the relevant rules of origin does not exceed a certain percentage of the product's value. This percentage is 10% of the f.o.b. value of the good under the CPTPP, the ASEAN-Hong Kong, China RTA, and the RCEP.[18] This is also the threshold generally used in the other RTAs involving Brunei.[19] For textiles and apparel, a specific *de minimis* provision applies.

3.16. Regarding cumulation, the three RTAs allow for a bilateral/regional cumulation within the parties so that originating inputs maintain their originating status when used by other parties in the production of other goods. This allows for further flexibility in the establishment of value chains by broadening the network of input suppliers, which can be particularly beneficial under the RCEP and the CPTPP as they each involve more than 10 economies.

3.17. Goods imported into Brunei from an RTA party must be accompanied by the corresponding certificate of origin to claim preferential treatment. Regarding exports, the MOFE is responsible for issuing preferential certificates of origin upon request (Section 3.2.1). In January 2022, Brunei implemented the ASEAN-wide self-certification, which was adopted in 2020 and allows eligible exporters to self-certified the originating status of their goods.

3.1.3 Tariffs

3.1.3.1 Applied MFN tariff

3.18. Brunei's 2024 tariff schedule comprises 11,414 lines at the 8-digit and is based on HS22 nomenclature. HS22 was adopted in May 2023. Prior to this date, the tariff schedule was described at the 10-digit level (with 9,916 tariff lines in 2014).[20] The tariff further follows the ASEAN Harmonized Tariff Nomenclature (AHTN), under which product codes are harmonized at the 8-digit

[14] WTO documents WT/REG395/N/5, S/C/N/920/Add.4, 9 June 2023 for the CPTPP; and WT/REG448/N/1, S/C/N/1043, 11 February 2021 for the ASEAN-Hong Kong, China RTA.

[15] Notifications submitted to the Committee of Rules of Origin between 2017 and 2023 are WTO documents G/RO/N/229, 16 November 2021 (ATIGA); G/RO/N/221, 29 April 2021 (Hong Kong, China); and G/RO/N/257, 28 September 2023 (CPTPP).

[16] Only the ASEAN–India RTA has a different RVC (i.e. 35%) (WTO document WT/COMTD/RTA/8/1, 14 December 2016).

[17] CPTPP Agreement, Annex 3-D.

[18] CPTPP Agreement, Article 3.11; RCEP Agreement, Article 3.7; and ASEAN-Hong Kong, China RTA, Chapter 3, Article 10.

[19] The ASEAN–India RTA does not include a *de minimis* provision (WTO document WT/COMTD/RTA/8/1, 14 December 2016).

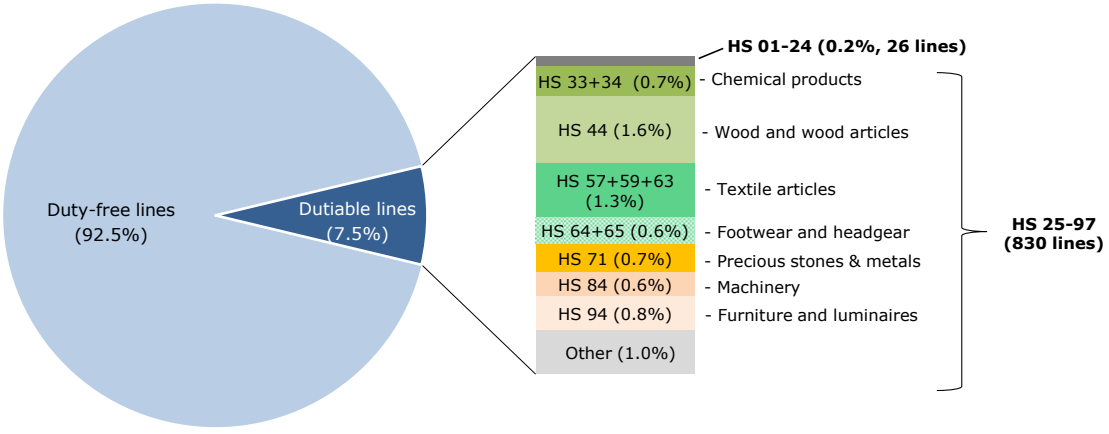
[20] At the time of the previous Review, the 2014 tariff schedule comprised 9,916 tariff lines at the 10-digit level (equivalent to 9,557 at the 8-digit level). Following the adoption of HS22 nomenclature, the tariff was established at 8-digit level, and the total number of lines increased, reflecting the splitting of lines across chapters but in particular HS chapters 87 (vehicles) and 39 (plastics and products thereof).

level across all ASEAN member States.[21] The tariff schedule is described in the Customs Import Duties Order, 2007, last amended in May 2023. As of June 2024, no further amendments have been adopted, according to the authorities.

3.19. During the review period, Brunei amended its tariff regime to further simplify and liberalize it. In addition to the structural changes that followed the adoption of the HS22 nomenclature, Brunei reduced duties, notably on non-agricultural goods, and eliminated the tariff bands with the highest rates (i.e. 20% and 30%). Most changes took place in 2017 and 2023.

3.20. In 2024, 92.5% of tariff lines were duty-free, and Brunei's average applied MFN tariff (0.4%) was one of the lowest among WTO Members (Chart 3.1).[22] Duties covered 7.5% of the total number of lines and applied mainly to wood and wood articles, textiles, chemicals, furniture and luminaires, and precious stones and metals. All agricultural goods, except for 26 lines, are duty-free. At the time of the previous Review, 76% of the total number of lines (8-digit level) were duty-free. Brunei does not apply any tariff-rate quotas or seasonal tariffs, either on an MFN or preferential basis. In FY2022/23, revenue collected from customs duties contributed to about 1.2% of the Government's tax revenue.[23]

Chart 3.1 Overview of the MFN applied tariff, 2024



Note: Percentages denote the share of the total number of tariff lines at the 8-digit (11,414 tariff lines). Product categories are given in HS chapters.

Source: WTO Secretariat calculations, based on data provided by the authorities.

3.21. Dutiable lines are subject mainly to *ad valorem* duties and organized according to four bands (2.5%, 5%, 10%, and 15%), down from five bands in 2014 (5%, 10%, 15%, 20%, and 30%). The most frequent rate remains 5%, and since 2017, the highest rate has been 15%. The latter applies to goods falling under Chapter 71 (precious stones and metals), heading 9405 (luminaires), and one line referring to headband lamps designed for medical use (HS 9018.90.10) (Chart A3.1).

3.22. Non-*ad valorem* duties apply to 65 lines (0.6% of all tariff lines) (55 lines in 2014) and take the form of specific duties (Table 3.1). For these lines, *ad valorem* equivalents (AVEs) were calculated using the unit value method when possible.[24] Estimated AVEs ranged from 0.01% to 4.6%, with the highest rate applying to green tea. Other products subject to specific duties included

[21] Ministry of Finance and Economy (MOFE) (2023), *Brunei Darussalam Tariff and Trade Classification 2022*.

[22] WTO, ITC, and UNCTAD (2023) *World Tariff Profiles 2023*. Viewed at: https://www.wto.org/english/res_e/booksp_e/world_tariff_profiles23_e.pdf.

[23] WTO estimations based on data provided by the authorities, and data from the MOFE, *eData Library*, *Types of Taxes and Duties Collected.* Viewed at: https://deps.mofe.gov.bn/SitePages/eData%20library.aspx.

[24] The WTO Secretariat estimated AVEs for 46 of the 65 specific rates in Brunei's tariff schedule based on import data provided by the authorities for 2022.

coffee, alcoholic preparations for making beverages, fuels, and lubricating preparations.[25] All dutiable agricultural lines (26 lines) were subject to specific duties and referred to coffee, tea, and alcoholic preparations for making beverages.

Table 3.1 Main indicators of the MFN tariff, 2014 and 2024

(%, unless otherwise indicated)

	MFN applied			Final bound[a]
	2014 (10-digit)	2014 (8-digit)	2024 (8-digit)	
Bound tariff lines (% of all tariff lines)	89.1	92.2	88.6	88.6
Simple average rate	1.7	1.8	0.4	25.4
WTO agricultural products	0.05	0.05	0.08	23.5
WTO non-agricultural products	2.0	2.1	0.5	25.7
HS 01-24	0.04	0.04	0.02	23.5
HS 25-97	2.1	2.1	0.5	25.8
Duty-free tariff lines (% of all tariff lines)	76.9	76.0	92.5	0.0
Simple average rate of dutiable lines only	7.6	7.5	6.1	25.4
Tariff quotas (% of all tariff lines)	0.0	0.0	0.0	0.0
Non-*ad valorem* tariffs (% of all tariff lines)	0.6	0.6	0.6	0.5
Domestic tariff "peaks" (% of all tariff lines)[b]	4.9	5.1	7.1	0.0
International tariff "peaks" (% of all tariff lines)[c]	3.2	4.2	0.0	99.5
Standard deviation	4.1	4.2	1.9	8.4
Nuisance applied rates (% of all tariff lines)[d]	0.3	0.3	0.4	0.1
Number of lines	9,916	9,557	11,414	10,110
Duty-free lines	7,626	7,267	10,558	0
Ad valorem rates (>0%)	2,235	2,235	791	10,061
Specific rates	55	55	65	49

a Final bound rates are based on the 2024 tariff schedule in HS22 nomenclature. Since the latest certified binding schedule is in HS17 nomenclature, the concordance to HS22 nomenclature is done to the best extent possible. Calculations are based on 10,110 bound rates, including 49 partially bound rates.
b Domestic tariff peaks are defined as those exceeding three times the overall simple average applied rate.
c International tariff peaks are defined as those exceeding 15%.
d Nuisance rates are those greater than zero, but less than or equal to 2%.

Note: The 2014 tariff schedule is at the 10-digit level and based on HS12 nomenclature. The 2024 tariff schedule is at the 8-digit level and based on HS22 nomenclature. For reference and comparison purposes with the 2024 tariff schedule, the table also includes the 2014 tariff schedule at the 8-digit level.
For 2014, calculations include *ad valorem* equivalents (AVEs) for 40 out of 55 specific rates provided by the authorities. For 2024, AVEs for 46 of 65 specific rates are included, calculated by the WTO Secretariat, based on data provided by the authorities.

Source: WTO Secretariat calculations, based on data received by the authorities.

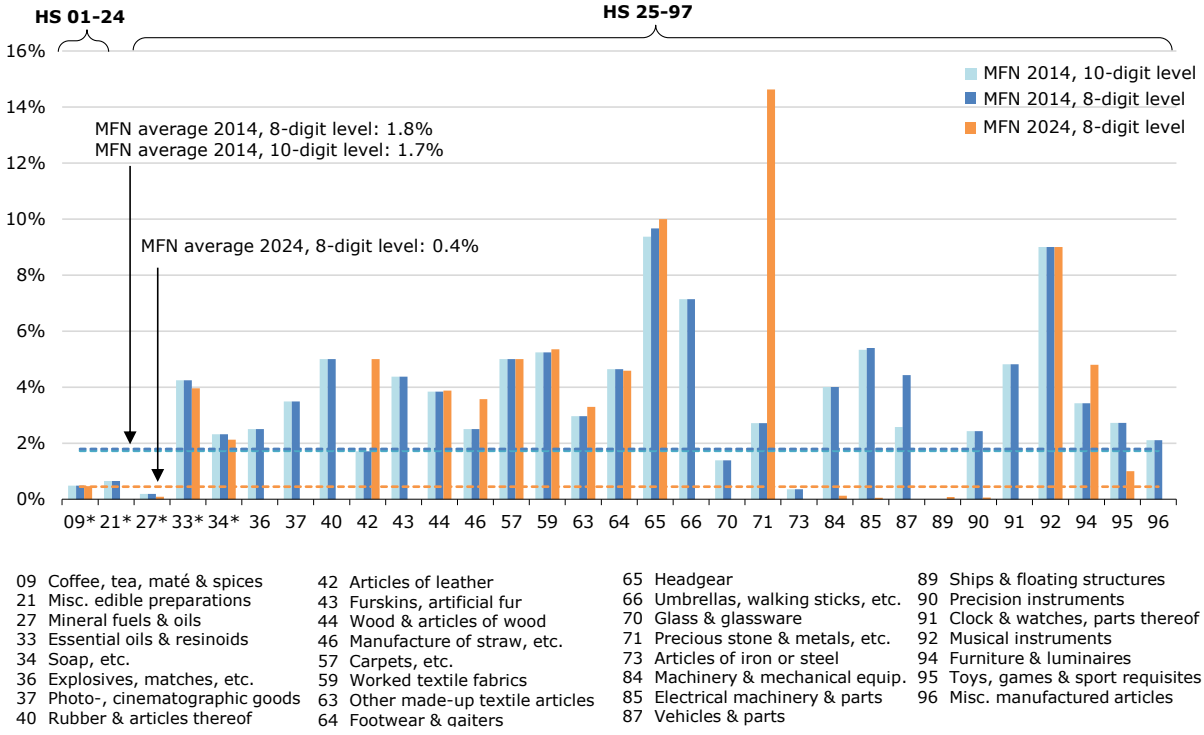
3.23. Compared with the 2014 tariff schedule, aligned at the 8-digit level, the 2024 tariff schedule shows that the share of duty-free lines increased from about 76% in 2014 to 92.5% in 2024 (Table 3.1).[26] Consequently, the simple average applied MFN tariffs also declined from 1.8% in 2014 to 0.4% (including AVEs when available). For non-agricultural goods (WTO definition), the average applied MFN tariff decreased from 2.1% to 0.5% during the same period, while for agricultural products, the average remained virtually unchanged at zero percent.

3.24. By HS chapter, the average applied MFN rates in 2024 range from zero to 14.6%. The most protected products were precious stones, metals and pearls (with an average applied MFN rate of 14.6%), headgear (10%), musical instruments (9%), textiles (5.3%), carpets (5%), and leather

[25] Of these products, only coffee and tea are also bound using specific duties.
[26] Based on the changes regarding the level of disaggregation, the 2014 tariff schedule (10-digit level) and the 2024 tariff schedule (8-digit level), as notified, are not fully comparable. For comparison purposes, we therefore refer in this paragraph to the tariff indicators at the 8-digit level. When aggregating the 2014 tariff schedule at 10-digit level to the 8-digit level, the main tariff indicators barely change; they are the same or very similar.

products (5%) (Chart 3.2). By WTO category, the highest average applied MFN rates are on wood, paper and furniture (2%), textiles (1.2%), and rubber, leather, and footwear (1.2%).

Chart 3.2 Average applied MFN rates by HS dutiable chapter, 2014 and 2024



09 Coffee, tea, maté & spices
21 Misc. edible preparations
27 Mineral fuels & oils
33 Essential oils & resinoids
34 Soap, etc.
36 Explosives, matches, etc.
37 Photo-, cinematographic goods
40 Rubber & articles thereof
42 Articles of leather
43 Furskins, artificial fur
44 Wood & articles of wood
46 Manufacture of straw, etc.
57 Carpets, etc.
59 Worked textile fabrics
63 Other made-up textile articles
64 Footwear & gaiters
65 Headgear
66 Umbrellas, walking sticks, etc.
70 Glass & glassware
71 Precious stone & metals, etc.
73 Articles of iron or steel
84 Machinery & mechanical equip.
85 Electrical machinery & parts
87 Vehicles & parts
89 Ships & floating structures
90 Precision instruments
91 Clock & watches, parts thereof
92 Musical instruments
94 Furniture & luminaires
95 Toys, games & sport requisites
96 Misc. manufactured articles

Note: The chart presents only chapters (HS 2-digit level) whose tariff averages were more than zero in 2014 and/or 2024 (i.e. contained at least one dutiable line). Calculations include AVEs for specific rates, where available. The * indicates HS chapters containing specific duties.

Source: WTO Secretariat calculations, based on data provided by the authorities.

3.25. During the review period, Brunei removed all duties in the following HS chapters: edible preparations (HS 21), explosives (HS 36), photographic and cinematographic goods (HS 37), rubber and related articles (HS 40), fur skins and artificial fur (HS 43), umbrellas and walking sticks (HS 66), glass and glassware (HS 70), articles of iron and steel (HS 73), vehicles and their parts (HS 87), clocks and watches, and their parts (HS 91), and miscellaneous manufactured articles (HS 96). Tariff reductions also benefited electrical machinery and mechanical appliances, and their parts (HS 84 and HS 85).

3.26. While there was a trend to further remove duties during this period, some products were subject to tariff increases, raising the average tariff of several HS chapters, notably those referring to precious stones, metals and pearls (HS 71), articles of leather (HS 42), furniture and luminaires (HS 94), and manufactures of straw, and other plaiting materials (HS 46). HS chapter 71 showed the largest increase with the average MFN duty going from 2.7% in 2014[27] to 14.6% in 2024. In that year, most lines except for two were subject to an MFN applied duty of 15%, while in 2014, goods under this chapter were either duty-free or subject to an MFN duty of 5%.

3.1.3.2 Bound tariff

3.27. Brunei has bound nearly 90% of its tariffs using mostly *ad valorem* duties; 49 lines corresponding to coffee, tea, tobacco, and tobacco products, are bound at specific rates. Bound *ad valorem* duties range from 0% to 50% and consist of 6 different rates (i.e. 20%, 20.7%, 30%, 35%, 40%, and 50%), of which the most frequent are 20%, 30%, and 40%. Together these three

[27] In 2014, the average MFN duty for HS chapter 71 was the same under the 2014 tariff schedule at both the 8-digit and 10-digit levels.

rates cover almost all bound tariff lines. Applied rates, including those based on an AVE (when available), fall below the corresponding bound rates.

3.28. By WTO category, all categories for agricultural goods are fully bound except for beverages and tobacco (55 unbound lines). For non-agricultural goods, unbound lines (1,249 lines) are spread across 9 WTO categories (corresponding to 21 HS chapters) so that only 3 categories are fully bound, namely fish and fish products, textiles, and clothing. About two thirds of the unbound non-agricultural lines refer to vehicles and their parts (HS chapter 87).

3.29. The average bound tariff has not changed since the last Review and stood at 25.4% in 2024. This average and the current structure of Brunei's bound rates contrast sharply with its liberal applied tariff regime, which exhibits an average tariff close to zero. This gap between the bound and applied rates has been a recurrent concern raised by WTO Members in previous Reviews.[28]

3.1.3.3 Tariff preferences

3.30. Brunei grants preferential treatment to imports from 20 economies in accordance with its RTAs (Sections 2.3.2). Given Brunei's relatively liberal trade regime, the scope for preferences is limited and the benefits to Brunei's partners in this regard come mostly from the preferences applied to non-agricultural products and from provisions in other areas covered by its RTAs.

3.31. Since the last Review, Brunei has implemented three new preferential regimes: the CPTPP (2023), the RCEP (2022), and the ASEAN-Hong Kong, China RTA (2020). Under RCEP and the ASEAN-Hong Kong, China RTA, Brunei had liberalized about 94% of the total number of lines as of 2024. For CPTPP, nearly all tariff lines were duty-free. For the other RTAs, the share of duty-free lines ranges from 95.8% (ASEAN-India RTA) and 100% (ATIGA) (Table 3.2). Consequently, the average preferential tariff under Brunei's RTAs is very low, ranging between zero and 0.3%, just slightly lower than the MFN level (0.4%). For agricultural products, the average preferential tariff is virtually zero across RTAs, while for non-agricultural products, it ranges from zero to 0.3%, compared to 0.5% at the MFN level.

Table 3.2 Tariffs under preferential agreements, 2024

RTA	Simple average (%)			Duty-free tariff lines (% of total)			
	Overall	WTO agriculture	WTO non-agriculture	Overall	WTO agriculture	WTO non-agriculture	No. of dutiable lines
MFN	**0.4**	**0.1**	**0.5**	**92.5**	**97.1**	**91.8**	**856**
ASEAN Trade in Goods Agreement (ATIGA[a])	0.0	0.0	0.0	100.0	100.0	100.0	0
ASEAN–Korea, Rep. of	0.0	0.0	0.0	100.0	100.0	100.0	4[b]
ASEAN–Australia, New Zealand	0.0	0.0	0.0	99.9	99.5	100.0	9[c]
CPTPP[d]	0.0	0.0	0.0	99.9	99.5	100.0	9[c]
TPSEP[e]	0.0	0.0	0.0	99.9	99.5	100.0	9[c]
Brunei–Japan	0.0	0.0	0.0	99.9	99.5	100.0	9[c]
ASEAN–Japan	0.004	0.0	0.01	99.8	99.5	99.9	19[c,f]
ASEAN–China	0.04	0.0	0.04	99.2	99.5	99.1	95[c,g]
ASEAN–India	0.2	0.01	0.3	95.8	98.7	95.4	480

[28] WTO documents WT/TPR/M/309, 20 March 2015; and WT/TPR/M/196, 10 April 2008; and WT/TPR/M/84, 11 July 2001.

RTA	Simple average (%)			Duty-free tariff lines (% of total)			
	Overall	WTO agriculture	WTO non-agriculture	Overall	WTO agriculture	WTO non-agriculture	No. of dutiable lines
RCEP[h]	0.3	0.02	0.3	94.1	98.2	93.5	666
ASEAN-Hong Kong, China	0.2	0.01	0.3	94.1	98.2	93.5	674

a ATIGA members: Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Viet Nam.
b The rate for four tariff lines (under HS 9401.69 and HS 9403.60 – wooden furniture) remains at 5%.
c Nine lines are subject to specific rates, for which no AVEs are available. They refer to inputs used in the production of alcoholic beverages: seven lines fall under HS 2106.90, and two lines fall under HS 3302.10.
d CPTPP members: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Viet Nam.
e TPSEP: Trans-Pacific Strategic Economic Partnership Agreement. TPSEP members are Brunei, Chile, New Zealand, and Singapore. According to the authorities, the CPTPP supersedes the TPSEP. The TPSEP was signed in 2005 and remains in force.
f The rate for 10 tariff lines remains at 5%.
g The rate for 86 tariff lines remains at 5%.
h RCEP members: ASEAN member States, Australia, China, Japan, the Republic of Korea, and New Zealand.

Note: All tariff calculations include AVEs, where available. If no preferential rate is applied, the corresponding MFN rate is used for the calculations.

Source: WTO Secretariat calculations, based on data provided by the authorities.

3.1.3.4 Tariff exemptions and concessions

3.32. Brunei grants duty exemptions for economic purposes, notably for the promotion of exports and investment. These exemptions were not subject to any significant change during the review period and are described under the Investment Incentives Order, 2001 and the Customs Import Duties Order, 2007 and its amendments. Exempted goods (fully or partially) under Brunei's investment regime include machinery, equipment, parts, and accessories for the use of export enterprises or enterprises operating in a pioneer industry provided that the item imported is not available in Brunei (Sections 2.4 and 3.2.4). This exemption also applies to the import of raw materials to be used in the production of a pioneer product.[29]

3.33. Other exemptions are provided under Customs Import Duties Order, 2007 and include (i) goods for use of the Government and certain government officials, (ii) goods for the use of Brunei Darussalam Shell Petroleum; (iii) equipment and fuel intended for airline companies; (iv) machinery for use in the industrial sector; (v) protective apparel, clothing, accessories, and equipment intended for the medical or industrial sector; (vi) ships and boat parts and accessories; (vii) goods imported using air courier or express mail (excluding tobacco products and alcoholic beverages) worth up to BND 400; and (viii) goods imported for the personal use of passengers.[30]

3.34. Additionally, Brunei grants duty drawback to imported goods in certain customs regimes whereby imported goods are to be subsequently re-exported (Section 3.2.4).

3.1.4 Other charges affecting imports

3.35. In addition to duties, imports may be subject to a transit charge and an excise tax where applicable. Brunei does not have a value added tax (VAT) regime.

[29] Investment Incentives Order, 2001, Sections 109-112.
[30] Customs Import Duties Order, 2007, Second Schedule. During the review period, the Second schedule was amended twice in 2017 to provide duty exemptions to the imports by the Brunei Darussalam Monetary Authority and certain members of the Royal Family. This legislation also includes a Third Schedule that identifies persons eligible for the refund of duties on their imports. The Third Schedule was not subject to any amendment during the review period.

3.36. Brunei applies a transit charge for services rendered in relation to goods in transit. This fee is BND 25 per transportation unit, except for dangerous and controlled/restricted goods (Sections 3.1.5 and 3.2.3), and certain hydrocarbons and agricultural goods.[31] This fee amounts to BND 50 per transportation unit for petroleum and LPG gas and to BND 10 per transportation unit for rice, eggs, sugar, vegetables, fruits, fish, and salt. Dangerous and controlled/restricted goods are subject to a fee of BND 100 per transportation unit. There are no other fees for customs-related operations.

3.37. Brunei also applies an excise tax mainly for fiscal, health, religious, and environmental reasons. This tax is applied to imported and locally produced goods. For imports, it is calculated based on the good's c.i.f. (cost, insurance, freight) value, plus import duties, and any other charge or expense incidental to the purchase and delivery of the good. For manufactured goods, it is calculated based on the selling price of the good at the factory (i.e. excludes charges and expenses related to transportation and storage after removal from the factory).[32] The excise tax takes the form of a specific or *ad valorem* rate depending on the product category. Liquors, tobacco, sweetened and flavoured beverages, and plastics are in general subject to a specific rate. For the remaining product categories, an *ad valorem* rate applies with rates ranging from 2.5% to 100%. The rate of 100% applies to certain tobacco products and to electrical machinery and equipment (Table A3.2). In FY2022/23, excise duties on imported goods were the Government's second-largest source of tax revenue, after corporate tax. They accounted for about 26% of total tax revenue, with almost half of this amount coming from imported cars.[33]

3.38. During the review period, Brunei significantly expanded the list of excisable goods and modified some of its rates as part of broad tax reforms applying to both excise and customs duties (Chart 3.3 and Table A3.2).[34] In 2024, excisable goods accounted for 33% of the total number of tariff lines at the 8-digit level, which corresponded to 3,729 lines, up from 692 tariff lines in 2014.[35] Most of the amendments took place in 2017 and 2023 and sought, *inter alia*, to simplify Brunei's tariff structure, enhance business competitiveness, foster investments, raise fiscal revenue, promote healthier habits among the population, and advance environmental objectives.[36] For example, in 2017, Brunei introduced an excise tax for plastics and plastic products (e.g. bags and containers) to discourage their use.[37] Given the scope of these objectives, excise rates and import duties were, in some cases, jointly amended, notably, to balance the policy objectives in the different areas against revenue considerations. This seems to suggest that changes in excise rates and import duties tend to be negatively correlated. Moreover, according to Brunei's tariff schedule, a good is subject either to an import duty (856 lines) or an excise duty (3,729 lines), but not both. About 60% of lines were free from both import duties and excise duties.

[31] Customs (Customs Transit) Rules, 2006 and its amendments. According to this order (para. 3), a "transport unit" includes (i) containers; (ii) road vehicles; (iii) railway coaches or wagons; (iv) lighters, barges and other vessels; and (v) aircrafts.

[32] Excise Order, 2006, Section 2.

[33] WTO estimations based on data provided by the authorities, and data from the MOFE, *eData Library: Types of Taxes and Duties Collected.* Viewed at: https://deps.mofe.gov.bn/SitePages/eData%20library.aspx.

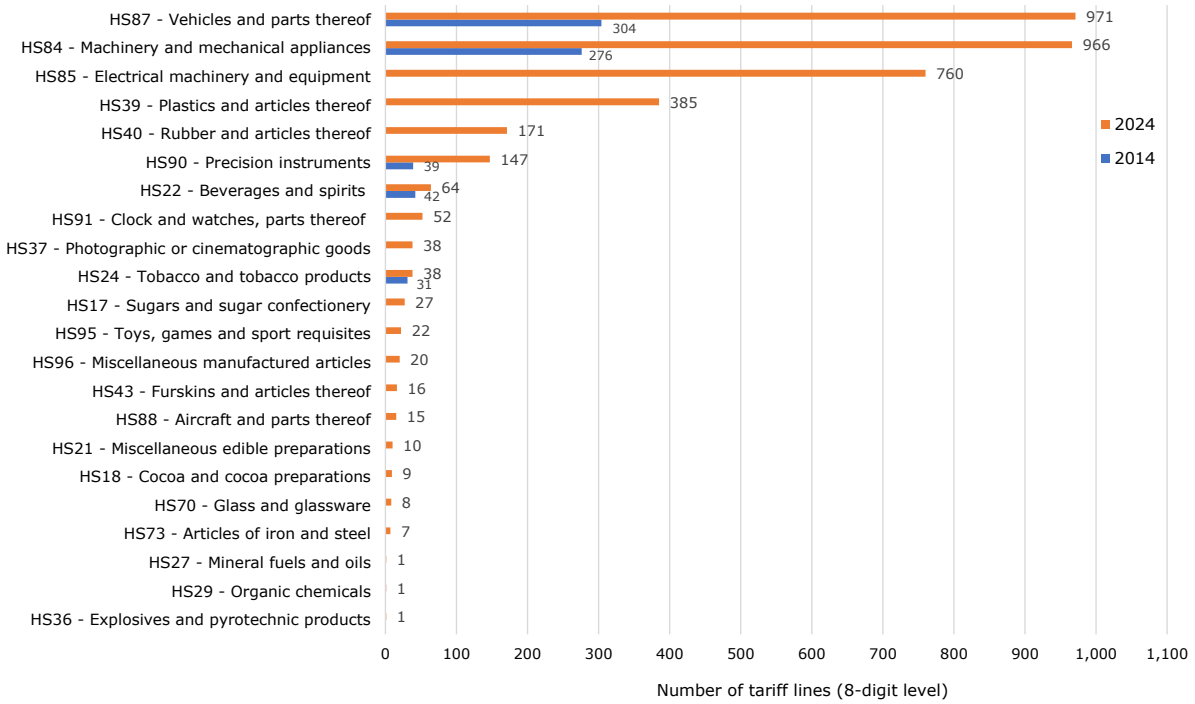
[34] During this period, the Excise Duties Order, 2007 was modified four times in 2017 and once in 2023.

[35] The number of excisable lines in 2014 was originally notified at the 10-digit level (1,021 lines).

[36] MOFE (2017), "Amendments to the Customs Import and Excise Duties effective 1st April 2017". Viewed at: https://www.mofe.gov.bn/SiteCollectionImages/Customs/Custom-Import-Duty/Customs%20Import%20Duty.pdf; and (2023), "Amendments to the Customs Import and Excise Duties Effective 17 May 2023". Viewed at: https://bdnsw.mofe.gov.bn/PublishingImages/Pages/Home/AMENDMENTS%20TO%20THE%20CUSTOMS%20DUTIES%2017%20MAY%202023.pdf.

[37] In July 2023, the rate increased from 3% to 5% for certain plastics products. MOFE (2023), "Temporary Remit (Suspension) of Excise Duty Rate for Plastic's Primary Form and Other Related Plastic Products, Effective from 17th May 2023". Viewed at: https://tradingacrossborders.mofe.gov.bn/PublishingImages/SitePages/home/PRESS%20RELEASE%20ON%20PLASTIC%20TAX%20(ENGLISH).pdf).

Chart 3.3 Excisable lines by HS chapter, 2014 and 2024



Note: The total number of excisable lines at the 8-digit level was 692 in 2014 and 3,730 in 2024. For the purposes of this chart, the number of excisable lines in 2014, which were originally notified at the 10-digit level (1,021 lines), were converted from the 10-digit to the 8-digit level.

Source: Data provided by the authorities and Excise Duties (Amendment) Order, 2012, 27 September 2012.

3.39. In 2024, excisable goods fell in 22 different HS chapters, against 5 HS chapters in 2014, with most lines referring to vehicles and their parts (HS 87), machinery and mechanical appliances (HS 84), and electrical machinery and equipment (HS 85) (Chart 3.3). Other product categories subject to excise duties included alcoholic beverages (e.g. beer and spirits/liquors), tobacco products, cars, plastics and plastic products, rubber, toys, and fur skin products, as well as food products with high sugar content.

3.40. Brunei exempts certain products (imported and locally produced) from the payment of excise duties (e.g. machinery intended for the industrial sector, ships and boat parts and accessories, and protective apparel, clothing, and equipment). Exemptions also apply to fuel and imported equipment intended for the air transport operators.[38]

3.1.5 Import prohibitions, restrictions, and licensing

3.41. Brunei prohibits and restricts the importation of certain products based on safety, religious, health, environmental, and economic considerations. These measures are governed by the Customs (Prohibition and Restriction on Imports and Exports) Order, 1955 and various sector-specific legislation. During the review period, Brunei updated the list of products requiring an import licence.

3.42. In 2016, Brunei notified to the WTO the list of sector-specific legislation dealing with import controls.[39] As of June 2024, no other notification had been submitted in this area. Brunei has not submitted its replies to the annual WTO questionnaire on import licensing procedures, nor the notifications regarding the amendments to the Customs (Prohibition and Restriction on Imports and

[38] Excise Duties Order, 2007 (and its amendments), Second Schedule.

[39] WTO documents G/LIC/N/1/BRN/1, 25 November 2016; and G/LIC/N/1/BRN/1/Rev.1, 12 December 2016.

Exports) Order, 1955. The biennial notifications on import prohibitions and controls (i.e. procedures for quantitative restrictions) were also pending.

3.1.5.1 Import prohibitions

3.43. The list of prohibited goods under the Customs (Prohibition and Restriction on Imports and Exports) Order has remained largely unchanged since the previous Review. It comprises 11 product categories including drugs, vaccines, and eggs (Table 3.3). Additional prohibitions may apply in specific cases based on sectoral regulations, such as the ban on importing non-Halal raw meat (except pork).

Table 3.3 List of prohibited products for import, 2024

Product	Reasons
Drugs (Opium and Chandu)	Health protection
Java Sparrows bird	Environmental/wildlife protection
Salk polio vaccine	Health protection
Publications declared as undesirable under Brunei's legislation	Religious protection
Vaccines of Chinese Taipei origin	Health protections
Fire crackers	Public safety
Cigarettes without health warning written on their package	Health protection
Pencil-like "syringe"	Public safety
Pigs bred in or exported from Thailand	Health protection
Eggs for hatching purposes, and fresh eggs unless they were authorized (stamped) to be imported.	Health protection
Counterfeit currencies (i.e. fabrics of tissues bearing the imprint of any currency)	Anti-fraud

Source: Customs (Prohibition and Restriction on Imports and Exports) Order, 1955 (and its amendments), First Schedule. The consolidated list of prohibited goods for import can be viewed on the MOFE's website Trading Across Borders: https://tradingacrossborders.mofe.gov.bn/SitePages/import-step2.aspx.

3.1.5.2 Import restrictions and licensing

3.44. Brunei controls the imports of certain products through a system of (non-automatic) licences and permits. This system is based on two lists – a list of restricted goods and a list of controlled goods – that differ only in the legal instruments regulating them, according to authorities.

3.45. The list of restricted goods includes items that require an import licence under the Customs (Prohibition and Restriction on Imports and Exports) Order, 1955, overseen by the RCED. The list comprises about 23 product categories (Table A3.3) and includes plants, live animals, sugar, salt, rice, meat, drugs, alcoholic beverages, and gambling machines. The list remains mostly unchanged from the previous Review, with a few additions made in 2017. In that year, Brunei introduced a licence requirement for importing fireworks, smoking pipes, used tyres, and e-cigarettes (including e-liquid) and also updated the coverage for tobacco products.[40] Of the products on the list, sugar, salt, and rice are subsidized by the Government (Section 4.1) and are subject to an import licence to ensure food security and price stability in the internal market.

3.46. Brunei also maintains a list of controlled goods that includes those requiring an import permit under sector-specific legislation. The list comprises 27 product categories, including firearms, petroleum products, live animals, vegetables, fruits, medicines, mineral water, and radioactive materials. Some of these products may also need an export permit (Table A3.4 and Section 3.2.3).

3.47. Anyone wishing to import restricted or controlled goods, either for personal consumption or commercial purposes, must submit the corresponding import licence or permit, in addition to the other import requirements (Section 3.1.1). Import licences and permits are granted by the relevant ministries or agencies. If a product is restricted or listed as both restricted and controlled, the importation also, requires approval from the RCED.[41] Currently, almost all licences and permits

[40] Customs (Prohibition and Restriction on Imports and Exports) (Amendment) Order, 2017.

[41] Information provided by the authorities, and MOFE, Trading Across Borders, *Step 2: Apply Permit for Controlled Goods*. Viewed at: https://tradingacrossborders.mofe.gov.bn/SitePages/import-step2.aspx.

(35 out of 37) can be requested through the BDNSW. Import licences are issued for a period of six months, renewable, and cannot be transferred to another importer.[42]

3.1.6 Anti-dumping, countervailing, and safeguard measures

3.48. Brunei does not have legal or institutional frameworks for the application of anti-dumping, countervailing, and safeguard measures. Consequently, Brunei has not taken any contingency actions to date.

3.1.7 Other measures affecting imports

3.49. There are no other substantial measures directly affecting imports.

3.2 Measures directly affecting exports

3.2.1 Customs procedures and requirements

3.50. Export procedures and requirements have not undergone any significant change since the previous Review. They are governed by the same legal instruments regulating those for imports (i.e. the Customs Order, 2006 and related subsidiary legislation).

3.51. To engage in trading activities for commercial purposes, exporters – like importers – must be registered with the RCED, and have their business incorporated in Brunei through the RCBN of the MOFE. Exporters must submit their customs declaration electronically through the BDNSW, along with all supporting documentation, including the goods invoice, bill of landing, delivery order, and when applicable the corresponding export licence or permit (see below) and the origin certificate.

3.52. Certificates of origin (COs) are issued by the MOFE upon request for a small fee (BND 2). There are three types of COs: preferential, ordinary, and for claiming preferences under the Generalized System of Preferences. Preferential COs are issued for exporters willing to claim preferential treatment under one of Brunei's RTAs (Section 3.1.3.3). Ordinary COs are issued when required by the importing country, for goods or materials produced in Brunei that meet a minimum local content of 25%, or for a change in tariff heading (CTH).[43]

3.53. Exporters willing to apply for a CO can do so in person or online through the BDNSW. Online applications are currently available only for COs under ATIGA. For other agreements, the application of the corresponding certificate is still done in person.

3.54. During the review period, Brunei took steps to further facilitate origin certification within ASEAN. In 2019, it allowed for ATIGA COs to be shared with ASEAN parties through the ASEAN Single Window (ASW), a module under the BDNSW. Since 2023, ATIGA COs can only be requested and issued electronically to facilitate the exchange of information through the ASW.[44] In January 2022, Brunei further implemented the ASEAN-wide self-certification under ATIGA, which allows certified exporters to self-certify that their exports comply with ASEAN rules of origin. Currently, there are two certified exporters in Brunei.[45]

3.55. Exporters may apply to the SLMS – Brunei's AEO programme (Section 3.1.1) – to benefit from simplified customs procedures, as well as simplified inspection and clearance requirements.

3.56. There are no customs fees for export procedures or registration, but certain goods in transit through Brunei are subject to a fee ranging from BND 10 to BND 100 (Section 3.1.4).

[42] Information provided by the authorities.
[43] BruneiTrade, *For Exporters in Brunei, FAQs*. Viewed at: https://bruneitrade.mofe.gov.bn/SitePages/bdntr/FAQs.aspx.
[44] Information provided by the authorities.
[45] ASEAN (2021), *ASEAN-wide Self-Certification (AWSC) Guidebook*.

3.2.2 Taxes, charges, and levies

3.57. Brunei does not apply any export taxes, charges, or levies.

3.2.3 Export prohibitions, restrictions, and licensing

3.58. Brunei maintains export prohibitions and licensing requirements for certain goods, mostly based on health, economic, and environmental considerations. As with import (Section 3.1.6), these measures are described in the Customs (Prohibition and Restriction on Imports and Exports) Order, 1955 and in various sector-specific legislations. The latter were notified to the WTO in 2016; as of June 2024, this was the only notification made by Brunei in this area since the previous Review (Section 3.1.5).

3.59. During the review period, the list of export prohibitions remained unchanged, covering prawn refuse, copra cake, stones, gravel, and unprocessed timber products,[46] while the list of restricted goods – goods subject to an export licence – was amended in 2017. In that year, Brunei added fireworks, used tyres, smoking pipes, and e-cigarettes (including e-liquid) to this list and updated the coverage for tobacco products.[47] The export license is authorized by the relevant ministry or agency, and requires also the approval by the RCED. As of June 2024, the list of goods subject to an export licence comprised 13 product categories (Table 3.4).

Table 3.4 List of products subject to an export licence (restricted goods), 2024

Product category	Institution	Reasons
Daerris species (Tuba)	Ministry of Primary Resources and Tourism (MPRT) (Agriculture and Agri-food Department)	Wildlife conservation
Elaesis guineesis (Oil palm)	Ministry of Finance and Economy (MOFE) (Treasury Department)	Supply and price stability
Rice paddy and the products thereof	MOFE (Treasury Department)	Supply and price stability
Sugar	MOFE (Treasury Department)	Supply and price stability
Alcoholic liquors	MOFE (RCED)	Health protection
Timber Class 1A, 1B, 1C, Nibong Rattans	MPRT (Forestry Department)	Supply and price stability
Gasoline (premium and regular), diesoline, and kerosene	Prime Minister's Office (Energy Department)	Supply and price stability
Hydroflurocarbons (as pure substance or in mixtures)	Ministry of Development (Environment, Recreational and Park Department)	Environment protection
Fireworks (since 2017)	Royal Brunei Police Force	Safety
Smoking pipe (since 2017)	Ministry of Health	Health protection
Tobacco, and tobacco products (since 2017)	Ministry of Health	Health protection
e-cigarettes/vaporizers (including e-liquid) (since 2017)	Ministry of Health	Health protection
Used tyres (since 2017)	Ministry of Transport and Infocommunications (Land Transport Department)	Safety

Source: Fourth Schedule of the Customs (Prohibition and Restriction on Imports and Exports) Order, 1955 (and its amendments). The list of restricted goods at export can be viewed on the MOFE's website Trading Across Borders: https://tradingacrossborders.mofe.gov.bn/SitePages/export-step2.aspx.

3.60. As with imports, Brunei also maintains a list of controlled goods that require an export permit. This list comprises 12 product categories, including petroleum products, live animals, fish, timber, and various agricultural products (e.g. vegetables, fruits, eggs, and rice). When there is an overlap in the lists, such as with rice and petroleum products, the permit issuance requires approval from both the RCED and the relevant ministry or agency. Some of these products also require an import permit (Table A3.4 and Section 3.1.5).

[46] Customs (Prohibition and Restriction on Imports and Exports), 1955 (and its amendments), Third Schedule; and Forest Rules, Section 19, 1956 (last amended 2007).

[47] Customs (Prohibition and Restriction on Imports and Exports) (Amendment) Order, 2017.

3.61. Exporters willing to apply for one of these licences or permits must submit their application to the corresponding ministry or agency. According to the authorities, online applications for most export licences and permits are available through the BDNSW.

3.2.4 Export support and promotion

3.62. Brunei supports exporters and businesses willing to export through capacity-building, advisory services, market intelligence, and business matching activities, including organizing export events like trade fairs and exhibitions. In certain cases, funding may also be provided. Most of these activities are conducted by Darussalam Enterprise (DARe), Brunei's MSMEs promotion agency (Section 3.3.1). In recent years, Brunei has increased its efforts to promote the internationalization of local enterprises through new programmes like the Elevate Growth Programme or the Brunei Minicorn initiative. For example, Brunei Minicorn supports high-performing startups in expanding internationally by providing guidance and access to finance. Brunei has notified to the WTO that it did not provide any export subsidies for agricultural products during the period 2015-23.[48]

3.63. Brunei also supports exporters through tax incentives and tariff concessions, which can be granted under its investment regime (Section 2.4) and its duty drawback system. During the review period, Brunei sought to establish and develop a free trade zone (FTZ) regime to attract investment and promote the diversification of its exports. FTZs are governed by the Free Trade Zones Act, which was adopted in December 2014 and entered into force on 1 January 2015.[49] The corresponding regulations have also been adopted and are in force.[50] According to the legislation, companies established in a FTZ will be exempted from customs and excise duties on their imports.[51] In 2017, Brunei established its first FTZ (i.e. Terunjing FTZ) by granting FTZ status to one of its existing industrial parks.[52] As of June 2024, this FTZ was not yet operational.

3.64. Brunei grants tax incentives to eligible companies under the Investment Incentives Order, 2001 (Section 2.4).[53] This incentive regime has undergone not any significant change since the previous Review and provides different tax exemptions specific to exporters, as well to companies operating in certain sectors qualifying as "pioneer industries or products". Under this regime, goods exporters are exempted from income tax for a period up to 15 years provided its exports account for at least 20% of the value of its total annual sales and are worth at least BND 20,000.[54] The duration of the tax relief period depends on, *inter alia*, the exporter's size and sector of activity. Exporters are also exempted from customs duties on any inputs (e.g. raw materials and machinery) required to produce their goods provided they are not available in Brunei.[55] Income tax exemptions are also available for companies engaged in international trade with operations exceeding BND 3 million per year, as well as export services companies.[56]

3.65. Brunei maintains a duty drawback system under which customs duties paid on imported raw materials used in the production of other goods can be refunded, provided the final goods are exported. Traders can also claim drawback for duties paid on imported goods that are subsequently re-exported without transformation. This system was not subject to any significant change during the review period. Refunds under this system totalled approximately BND 1.3 million for the period 2015-23.

3.2.5 Export finance, insurance, and guarantees

3.66. Brunei does not maintain any financing, insurance, or guarantee programme designed exclusively for exporters but maintains certain support programmes to improve access to finance for MSMEs and for businesses in general, regardless of whether they are exporters (Section 3.3.1).

[48] WTO documents G/AG/N/BRN/1, 5 July 2023; and G/AG/N/BRN/2, 27 May 2024.
[49] Free Trade Zones Act, 2014.
[50] Free Trade Zones Regulations, and Free Trade Zones (Manufacture) Regulations, 2014.
[51] Free Trade Zones Act, 2014, Section 5.
[52] Free Trade Zones (Declared Areas) Notification, 5 August 2017.
[53] Investment Incentives Order 2001.
[54] Investment Incentives Order, 2001, Sections 40-42.
[55] Investment Incentives Order, 2001, Sections 109-112.
[56] Investment Incentives Order, 2001, Sections 55-62 and 63-74.

3.3 Measures affecting production and trade

3.3.1 Incentives

3.67. Brunei maintains various types of incentives mainly to support the development of businesses and promote foreign investment in general but also in specific sectors. The current measures mostly take the form of fiscal concessions and grants, and have not been notified to the WTO. During the review period, Brunei implemented some measures to facilitate access to finance for MSMEs, as well as to support business during the COVID-19 pandemic. At the institutional level, in 2016 Brunei established the Darussalam Enterprise (DARe), its MSMEs promotion agency. DARe was created to support and promote the development of MSMEs through capacity-building and outreach activities, and by facilitating access to finance and industrial infrastructure.[57] In April 2024, DARe was absorbed by the Brunei Economic Development Board (Section 2.4).

3.68. According to its most recent WTO notification (2019), Brunei did not grant any subsidy as defined in Article 1.1 of the Agreement on Subsidies and Countervailing Measures (SCM Agreement), which is specific within the meaning of Article 2 of the SCM Agreement, or which operates directly or indirectly to increase exports from or reduce imports into its territory within the meaning of Article XVI:1 of the GATT 1994.[58]

3.3.1.1 Fiscal incentives

3.69. Brunei maintains a relatively attractive tax system with a set of fiscal incentives under its investment regime with a view to diversifying business activities and encouraging foreign investment.

3.70. The corporate tax rate in Brunei stands at 18.5%, ranking below the world average (21% in 2023), and among the lowest in Southeast Asia.[59] This rate applies to all sectors, except oil and gas, for which the income tax rate is 55%.[60] Corporate tax is by far the most important source of tax revenue for the Government. In FY2022/23, the revenue from corporate tax accounted for about 59% of the Government's total tax revenue (same proportion as in FY2015/16).[61] Brunei does not have a capital tax or VAT.

3.71. The regime on fiscal incentives under the Investment Incentives Order, 2001 has not undergone any significant change since the previous Review and applies, *inter alia,* to companies in "pioneer industries" or engaged in the production of "pioneer products", as well as to exporters regardless of the pioneer status of their activities (Sections 2 and 3.2.4). Benefits for eligible companies include exemption from income tax and from customs duties on raw materials and any machinery, equipment, and components needed in their production, provided there are not available in Brunei. Pioneer industries include pharmaceuticals, chemicals, furniture, toys, paper, wood, electronics, cement, and textiles.

3.3.1.2 Credit and other support programmes

3.72. Brunei currently has one main scheme to facilitate MSMEs' access to finance: the Co-Matching Scheme. The scheme was established in 2019 and provides eligible enterprises with financial grants equivalent to 70% of the cost of the project and up to BND 20,000 (Table 3.5).[62] It is managed by the Brunei Economic Development Board, through DARe.

3.73. In 2016, Brunei also launched the Microcredit Financing Scheme, which provided eligible enterprises with loans of up to BND 15,000 at preferential conditions. The scheme ran until 2019, when it was phased out.[63] Loans were granted through two state-owned banks: Bank Islam

[57] Darussalam Enterprise (2024), *Annual Report 2022/2023*.
[58] WTO document G/SCM/N/343/BRN, 10 September 2019.
[59] OECD (2023), *Corporate Tax Statistics 2023*. Viewed at: https://doi.org/10.1787/f1f07219-en.
[60] Income Tax (Petroleum) Act, Section 13.
[61] MOFE, *eData Library, Types of Taxes and Duties Collected.* Viewed at: https://deps.mofe.gov.bn/SitePages/eData%20library.aspx.
[62] DARe, *Financing, Co-Matching Scheme.* Viewed at: https://www.dare.gov.bn/financing.
[63] In this regard, the authorities indicate that the scheme remains active for those companies that are still making repayments.

Brunei Darussalam Berhad (BIBD) and Bank Usahawan. The latter was created in 2017 with a focus on MSMEs. In addition, Brunei has a few grant schemes to support entrepreneurs to start and develop their business.[64]

Table 3.5 Main support schemes, 2015-24

Subsidy scheme	Form of assistance	Eligibility	Main conditions
Co-Matching Scheme (2019-ongoing)	Grant equivalent to 70% of the cost of the project to start or expand a business. The grant is capped at BND 10,000 for starting up a project and at BND 20,000 for expanding a project.	- To start a business: micro and small enterprises that are 100% owned by Bruneian citizens or permanent residents. - To expand a business: MSMEs that are 100% owned by Bruneian citizens or permanent residents.	- Able to finance 30% of the project - the execution of the project shall be completed within 12 months
Microcredit Financing Scheme (2016-19)	Loans of up to BND 15,000	- Bruneian entrepreneurs or MSMEs that are 100% owned by Bruneian citizens.	- Conditions: no collateral required -Interest rates: 4% - Repayment terms: 36 months

Note: MSMEs are defined as enterprises with less than 100 employees, with micro and small enterprises defined as those with less than 20 employees.

Source: Business Brunei Darussalam, *Getting Finance*. Viewed at: https://business.mofe.gov.bn/SitePages/getting_finance.aspx.

3.74. At the sectoral level, Brunei also maintains a broad set of measures to support farmers and businesses in the agricultural sector. These measures comprise subsidies to purchase inputs (e.g. fertilizers) and capital goods. The fisheries sector also benefits from support, such as subsidized fuel (Section 4.1).

3.75. In response to the COVID-19 pandemic, Brunei introduced various temporary measures in March 2020 to support businesses. These measures included subsidies to salaries of employees of MSMEs, deferment of principal repayments of loans, fiscal concessions to the tourism and transportation sectors, and exemptions of customs and excise duties on personal hygiene products.[65] These measures were discontinued in December 2021.

3.3.2 Standards and other technical requirements

3.76. During the review period, Brunei continued to make progress in implementing its standards and conformance system. It undertook institutional reforms and worked to align its conformance infrastructure with international practices. Brunei is also currently drafting a National Standards and Accreditation Order, which is targeted to be completed by the end of 2025.

3.77. The Brunei Darussalam Standards and Accreditation Centre (BDSAC) (formerly known as the Brunei Darussalam National Standards Centre) is the country's national standards body. It is responsible for standardization and, since February 2024, for certification activities. It has been operating under the MOFE since 2019.[66] In that year, the metrology functions of the BDSAC were transferred to the Ministry of Health, which has since hosted the Measurement Standards Laboratory (MSL). The BDSAC is the Enquiry Point under the WTO Agreement on Technical Barriers to Trade (TBT Agreement) as notified to the WTO in 2016[67], and the Trade Division under the MOFE is the Notification Authority.

[64] A list of funding programmes can be found on the DARe's website under *Financing, Available Funding Options in Brunei*: https://www.dare.gov.bn/financing.

[65] MOFE, *Interim Measures by The Ministry of Finance and Economy in Assisting the Private Sector Affected by COVID-19*. Viewed at: https://www.mofe.gov.bn/Lists/News/NewDispForm.aspx?ID=259; and IMF (2022). *Brunei Darussalam: Staff Report for the 2022 Article IV Consultation*, IMF Country Report No. 22/302.

[66] Prior to 2019, Brunei's national standards body was under the Prime Minister's Office.

[67] WTO document G/TBT/2/Add.119, 24 October 2016. Brunei also notified Enquiry Points for halal certification and regulations.

3.78. National standards (known as Piawai Brunei Darussalam) are voluntary, except for those that are incorporated or referenced in a regulation. Currently, two standards are compulsory.[68] The development of standards is overseen by the BDSAC and based on the WTO TBT Agreement principles, according to the authorities.[69] Standards are developed by a technical committee and approved by a sector-specific National Standard Committee.[70] Currently, three National Standards Committees operate, covering construction, food, and tourism. As of June 2024, Brunei had 163 national standards, with approximately half (51.5%) being equivalent to or based on international standards.

3.79. In the area of conformance infrastructure, the Accreditation Unit under the BDSAC is the sole provider of accreditation services. According to the authorities, the Unit had registered 32 conformity assessment bodies to provide certification services to local companies and was planning to expand its accreditation activities to include verification/validation bodies, as well testing and calibration laboratories. Currently, Brunei is an affiliated member of the Asia Pacific Accreditation Cooperation (APAC) and aims to become a full member in the near future, according to the authorities.

3.80. From 1 January 2015 to 31 June 2024, Brunei made two TBT notifications: one regarding a proposed labelling measure on energy efficiency for electrical appliances (2022), and another on its WTO Notification Authority and Enquiry Point (2016). Under the 2016 notification and in reference to Article 15.2 of the TBT Agreement, Brunei further notified that it does not require any specific legislation to ensure the implementation and administration of the TBT Agreement. During the same period, Brunei neither raised nor was the object of any specific trade concern in the TBT Committee.

3.81. Regarding marks and labelling, Brunei requires all pre-packed food products – imported or locally produced – to be labelled to be sold in the country. Label requirements are described in the Public Health (Food) Regulations, 2001 (and its amendments) and include information regarding the list of ingredients and the good's country of origin. Labels can be written either in Malay or English. In 2021, Brunei also adopted labelling requirements for electrical appliances (see above)[71], which came fully into force in January 2023.

3.82. Additionally, Brunei maintains a halal certification system for food and non-food products under the Halal Certificate and Halal Label Order, 2005. Certification is compulsory for food, beverages, and oral medicines produced and sold in the domestic market, as well as for the importation of raw meat (Section 3.3.3). In 2017 and 2020, the halal certification and labelling regime for domestic companies was amended to strengthen it and support the development of the halal industry, which has been identified as one the clusters for diversification.[72] According to the authorities, these changes do not impact importers; the halal label (certification) remains voluntary for imported food (except raw meat) and non-food products (Section 3.3.3).

3.83. In the area of international regulatory cooperation, Brunei has signed Mutual Recognition Arrangements (MRAs) under ASEAN. These MRAs provide for the acceptance of conformity assessment results among ASEAN member States for selected products such as food hygiene for prepared foodstuffs, automotive products, and building and construction materials. Some MRAs also cover the recognition of bioequivalence study reports of generic medicinal products and the inspection of good manufacturing practices (GMP) for certain products (i.e. pharmaceutical products and cosmetics). As of June 2024, the implementation of these MRAs was ongoing.

[68] These standards refer to halal food and halal cosmetic products.

[69] MOFE, *Frequently Asked Questions (FAQs)*. Viewed at: https://www.mofe.gov.bn/SitePages/FAQs%20NSC.aspx.

[70] The process provides for a period for receiving comments of 60 days in line with WTO principles.

[71] Energy Efficiency (Standard and Labelling) Order, 2021.

[72] Halal Certificate and Label (Amendment) Order, 2017; and Halal Certificate and Label (Amendment) Order, 2020. Following the 2017 amendments, all domestic companies producing or selling food, beverages, and oral medicines must obtain a halal permit and/or a halal certificate, depending on the activity. Previously, both the halal permit and certificate were voluntary. The halal permit applies to the product, allowing the use of the halal label, while the halal certificate certifies the company. The 2020 amendments updated, *inter alia*, the fees for the halal permit.

3.3.3 Sanitary and phytosanitary requirements

3.84. Brunei's SPS regime consists of several pieces of legislation covering food safety and animal and plant health: (i) the Public Health (Food) Act, 2001; (ii) the Agricultural Pests and Noxious Plants Act, 1971; (iii) the Animal (Diseases and Quarantine) Act, 2021[73]; and (vi) the Medicines Order, 2007. These are complemented by their respective amendments and secondary legislation.

3.85. During the review period, Brunei made some specific regulatory and institutional changes, notably in the areas of food safety and animal health, to strengthen and update its SPS regime. In 2021, Brunei formally extended the import permit requirement to all food products, thereby formalizing a practice that already existed, according to authorities.[74] The same year, Brunei established the BDFA to centralize and enhance the regulatory functions related to food safety. In the area of animal health, Brunei adopted the Animal (Diseases and Quarantine) Act, 2021 as the main instrument in this area. The new Act entered into force in August 2021, replacing and repealing all existing related regulations.[75] The new Act seeks to provide for a unified and modern framework for animal health. As of June 2024, Brunei was developing its first law on GMOs.

3.86. At the institutional level, three government entities have responsibilities in the area of SPS: (i) the newly established BDFA (in relation to foods products); (ii) the Ministry of Health (medicinal products); and (iii) the Ministry of Primary Resources and Tourism (MPRT) (agricultural and fisheries products, animal and animal products, and plants). The BDFA was established in 2021 and is the sole government entity responsible for food products and food safety and for ensuring, *inter alia*, the implementation of the Public Health (Food) Act and its Regulations. Prior to this date, food-related issues fell under the responsibility of the Ministry of Health and the MPRT.

3.87. Brunei applies SPS-related requirements for the import of animals, products of animal origin, plants and plant products, and food intended for human or animal consumption. Requirements may vary with the product and have remained broadly the same since the previous Review. In general, the importation of these goods must be accompanied either by a phytosanitary certificate or a veterinary health certificate, along with the appropriate import permit or licence, when applicable (Section 3.1.5.2). Goods are subject to inspection upon their arrival at the border for release. The importation of pharmaceutical and veterinary products requires an import permit or licence depending on the product.

3.88. The importation of raw meat is subject to specific requirements that have remained largely unchanged since the previous Review. Raw meat imports (except pork) require a halal import permit to ensure the products follow Islamic halal procedures and must come from a halal abattoir accredited by Brunei's relevant agency.[76] The importation of non-halal raw meat (applying to pork meat only) is permitted subject to an import permit and a veterinary health certificate.

3.89. In terms of WTO notifications, Brunei did not make any SPS-related notifications during the period from 1 January 2015 to 31 June 2024, and it neither raised nor was the object of any SPS specific trade concern. Brunei has notified via the ePing platform that the BDFA and the MPRT are the Enquiry Points under the WTO Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement). The Permanent Mission of Brunei to the UN, WTO, and other International Organizations has been notified as the entity acting as the SPS Notification Authority.

[73] Animal (Diseases and Quarantine) Order, 2021. The Order was adopted on 27 December 2021, with retroactive effect to 24 August 2021. The Animal (Diseases and Quarantine) Order was renamed as an Act in 2022.

[74] Public Health (Food) (Amendment) Regulations, 2020, Section 3, Regulation 19.

[75] The Animal (Diseases and Quarantine) Act, 2021 repealed (i) the Quarantine and Prevention of Disease (Animals) Regulations; (ii) the Quarantine and Prevention of Diseases (Appointment of Officers) Regulations; and (iii) the Quarantine and Prevention of Disease (Exportation of Animals) Regulations.

[76] Halal Meat Act, 1998, Section 4. The accreditation of abattoirs in exporting countries is subject to various requirements, including on-site inspections, with all related costs supported by the importers. Currently, Brunei has accredited abattoirs in Australia, India, Malaysia, and Thailand.

3.3.4 Competition policy and price controls

3.3.4.1 Competition policy

3.90. During the review period, Brunei adopted its first competition legislation – the Competition Order, 2015 – in accordance with its commitments under ASEAN[77] and the objectives under the Wawasan Brunei 2035 (Section 2). The Competition Order, 2015 was adopted in January 2015 and renamed as the Competition Act in 2022, following a review exercise of the country's legislation.[78] It defines Brunei's competition policy framework and is gradually being implemented with a view to giving time to all stakeholders to prepare for its application. A first set of provisions entered into force in August 2017 and another set did so in January 2020. The former included the establishment of a competition authority and provisions on collusive/concerted agreements.[79] It is expected that the remaining provisions, notably those on the abuse of dominant position and mergers, will enter into force at a later stage, with 2025 as the target set by the authorities. The Act is supplemented by various competition regulations, which entered into force in January 2020.[80]

3.91. The new Act seeks to promote efficiency and competition in the national market, as well to foster economic development and consumer welfare. It applies to goods and services and, in general, to any company (public or private) conducting any commercial activity in any sector in Brunei with some exceptions listed in Schedules 3 and 4 of the Act. In particular, the Act does not apply to activities carried out by the Government, a government agency (i.e. statutory body), or any person acting on their behalf.[81] The Act prohibits collusive/concerted agreements, the abuse of a dominant position, and mergers having a negative impact on competition.[82] The provisions regarding collusive/concerted agreements entered into force on 1 January 2020. Vertical agreements are generally excluded.

3.92. In accordance with the Act, Brunei also established the Competition Commission of Brunei Darussalam (CCBD) on 1 August 2017.[83] The CCBD is the country's competition authority and is responsible for enforcing the Competition Act. It has both investigative and adjudicative powers, which are carried out by its Executive Secretariat and its Board of Commissioners, respectively.[84]

3.93. The Executive Secretariat has been operating since July 2022 as a separate unit under the MOFE. Prior to this date, its functions were performed by the Department of Competition and Consumer Affairs under the same Ministry. The members of the Board of Commissioners (between 6 and 12 members and a chairperson) are appointed by His Majesty the Sultan dan Yang Di-Pertuan Negara Brunei Darussalam.

3.94. Other responsibilities of the CCBD include providing advice to government entities on policies regarding competition matters, doing advocacy work, and conducting market reviews to detect any prohibited practices. Market reviews can be initiated on the CCBD's own initiative or upon the request of the Minister. Upon conclusion of the review, the CCBD will publish a report with its findings and recommendations and the report shall be made publicly available.[85]

3.95. The investigation and enforcement procedures are described in Sections 33 to 52 of the Competition Act. The CCBD may initiate an investigation regarding an alleged prohibited conduct of a company *ex officio* or upon receiving a complaint by any natural or legal person. Investigations

[77] ASEAN Secretariat (2015), *ASEAN Economic Community Blueprint 2025*.
[78] Competition Order, 2015 (currently known as Competition Act) and its amendments.
[79] Competition Order, 2015, Notification of Commencement (No. S69), 2017; and Competition Order, 2015, Notification of Commencement (No. S22), 2019.
[80] The following regulations have been adopted since 2020: (i) Competition Regulations, 2020; (ii) Competition (Transitional Provisions for Section 11 Prohibition) Regulations, 2020; (iii) Competition (Appeals) Regulations, 2020; and (iv) Competition (Composition of Offences) Regulations, 2020. All were published on 26 April 2021 in the official gazette.
[81] Competition Act, Sections 10.
[82] Competition Act, Sections 11, 21, and 23.
[83] Competition Act, Sections 3-9.
[84] The Executive Secretariat is responsible for receiving complaints and initiating investigations, while the Board of Commissioners adjudicates competition matters and imposes penalties in case of infringement.
[85] Competition Act, Sections 62-63.

can also be launched following a market review or a company's application to the leniency regime.[86] If the CCBD determines that the alleged prohibited conduct has been committed, the CCBD may direct the respondent to take redress actions and/or pay a financial penalty, which will be a percentage (in general up to 10%) of its turnover multiplied by the number of years of infringement (up to three years).[87] The CCBD's decision may be appealed before the Competition Appeals Tribunal, established in January 2020.[88] As of June 2024, no appeal had been brought before the Competition Appeals Tribunal. If the respondent fails to comply with the CCBD decision, the CCBD can refer the case to the High Court.[89]

3.96. By June 2024, the CCBD had received 35 complaints and enquiries, of which 3 led to an investigation. Of these investigations, one was concluded without any enforcement decision as no infringements of the Competition Act were found; the other two were still ongoing. The complaints and enquiries received referred mostly to collusive/concerted agreements in various sectors, such as construction and school services. Some cases related to the abuse of a dominant position but none related to anti-competitive mergers. [90] According to the authorities, the CCBD has not issued any enforcement decisions to date.

3.97. The CCBD has reported that one of its priorities is detecting and raising awareness of bid rigging in government procurement, given to the importance of procurement in public spending and the need of ensuring value for money. According to the authorities, public procurement accounted for about 38% of the government expenditure in FY2021/22.

3.98. At the international level, the CCBD engaged in cooperation activities within ASEAN, APEC, and the OECD.[91]

3.3.4.2 Price controls

3.99. Brunei maintains a price control system for certain goods. This system is governed by the Price Control Act, 1974 and its Regulations and is implemented by the MOFE.[92]

3.100. During the review period, Brunei reduced the number of goods subject to price controls. Currently, the legislation sets a maximum price for 11 types of goods, down from 22 in 2014, including rice, sugar, powdered milk, cooking oils, fuels, and vehicles (Table 3.6). According to the authorities, vehicles have not been subject to a maximum price since 2020, but their prices are monitored. Brunei may also apply maximum prices to selected food products on a seasonal basis, in particular during festive periods to ensure affordability and access to goods deemed essential (e.g. whole chickens). Of the regulated goods, rice, sugar, and fuels are subsidized by the Government. There are no products subject to minimum prices.

[86] Competition Act, Section 44. Under this regime, a company can benefit from a lower penalty if it reports to the CCBD its involvement in an infringement of Section 11 (collusive/concerted agreements) or cooperates with the CCBD in the identification or investigation of any prohibited conduct by other undertakings.
[87] Competition Act, Section 42; and CCBD, *Guidelines on Financial Penalty in Pursuant to Section 42*.
[88] Competition Act, Section 60.
[89] Competition Act, Section 46.
[90] Information provided by the authorities.
[91] CCBD (2022), *Biennial Report April 2020-March 2022*.
[92] The MOFE's responsibilities include fixing, monitoring, and enforcing the maximum prices for controlled goods among businesses. In case of infringement, a financial penalty and imprisonment may be imposed. Price Control Act, 1974 (and its amendments), Section 13.

Table 3.6 Products subject to price control, 2024

N°	Sector	Items
1	Food	Rice (acquired and supplied by the Treasury Department, MOFE)
2	Food	Sugar (acquired and supplied by the Treasury Department, MOFE)
3	Food	Formulated powdered milk (for infants to 6 years of age)
4	Food	Cooking oils (canola, corn, palm, vegetable, sunflower, and soya bean)"
5	Fuel	Automotive gas oil, diesel
6	Fuel	Kerosene
7	Fuel	Liquefied petroleum gas (LPG)
8	Fuel	Motor gasoline, RON 97
9	Fuel	Motor gasoline, RON 92
10	Fuel	Motor gasoline, RON 88
11	Manufacture	Passenger motor vehicles

Source: Price Control (Maximum Prices and Charges) (Amendment) Order, 2021.

3.101. In December 2021, Brunei liberalized the price for plain flour, milk (condensed and evaporated), and construction materials[93], which were previously subject to maximum prices, as well as for cigarettes and tobacco, which were subject to minimum prices.[94] These products remain on the list of "controlled articles" (Table A3.5). Goods declared as controlled articles are monitored by the authorities, and if deemed necessary, they may control their movement, export and import, and/or conditions for their sale in the country.[95]

3.3.5 State trading and state-owned enterprises

3.102. State-owned enterprises (SOEs)[96] remain an important component of Brunei's economy. Several dozen SOEs, either wholly or partially government-owned, are estimated to be in operation. They are active in numerous sectors and play a critical role in strategic areas, notably the oil and gas sector. Other sectors of activity include food and agri-business, telecommunications, transport, banking, hospitality, real estate, and utilities (Table A3.6). The exact number of SOEs is not publicly available.

3.103. Brunei does not have legal framework specific to the operations and governance of SOEs, and no consolidated data on their features and performance are publicly available. The oversight of SOEs is to a certain extent centralized around the MOFE through two main entities: the Darussalam Assets (an SOE[97]) and the Ministry's Investment Division (Table A3.6).

3.104. During the review period, Brunei made some progress with respect to the corporatization of certain public entities. For example, in 2022, it created the Wasan Milling Company, which took over the mill operations from the Department of Agriculture and Agri-food under the MPRT. It also completed the corporatization of the Muara Port operator in 2017 and of the Government Printing Department in 2020 and initiated the process for corporatizing the Brunei Postal Services Department. Brunei was also in the process of winding down the Brunei Darussalam National Petroleum Company and has transferred its regulatory and commercial functions to other entities. The regulatory functions were transferred to the newly created Petroleum Authority of Brunei Darussalam (Section 4.3), while the commercial portfolios were transferred to the Brunei Energy Services and Trading, another SOE. In the area of privatization, Brunei did not conduct any privatization process.

3.105. In terms of trade activities, the Government is actively involved in the importation of rice and sugar through the Supply Services Division (SSD) (formerly the Supply and State Stores Department)[98] under the Treasury Department of the MOFE. The SSD oversees the commercialization of these products to ensure food security, affordability for consumers, and a stable income for farmers. The SSD has the exclusive right to import certain varieties of rice (mainly jasmine rice type); except for these varieties, rice can be imported by any interested person or

[93] Asphalt, bitumen, cement, bricks, ready mix concrete, sand, stone, and reinforcement bars.
[94] Price Control (Minimum Price and Charges) (Repeal) Order, 2021.
[95] Price Control Act, 1974 (and its amendments), Section 4.
[96] SOEs are referred to as Government-Linked Companies in Brunei.
[97] Darussalam Assets is owned by the Minister of Finance Corporation under the MOFE and oversees the operations of nearly 40 SOEs.
[98] The Supply and State Stores Department was renamed as the Supply Services Division in 2016.

company subject to an import permit. The SSD's functions have been a recurrent topic of inquiry for WTO Members during past Reviews.[99]

3.106. Brunei has not submitted any notification to the WTO with respect to state trading enterprises within the meaning of Article XVII of the GATT 1994 and the Understanding on its interpretation.

3.3.6 Government procurement

3.107. During the review period, Brunei adopted the Financial Regulations, 2022 (February) and its guidelines (available in Malay only).[100] The new Financial Regulations and their guidelines apply to government funds and aim to enhance the governance of public funds.[101] It does not make any significant changes to Brunei's procurement system, *per se*, but seeks to strengthen it by consolidating all guidelines into one single document and by standardizing the procedures across government entities through the inclusion of specific and more detailed guidelines. These provisions cover various aspects of the procurement system, including the functions and operations of the boards in charge of approving the contracts. The Financial Regulations and their guidelines came into force on 1 April 2022; the new regulations repeal and replace the Financial Regulations, 1983. The MOFE is responsible for their implementation, as well as for the formulation of policies in this area of government procurement. Brunei is not party to the WTO GPA and does not have observer status in the WTO Committee on Government Procurement.

3.108. Brunei's procurement system is decentralized at the ministerial level for contracts worth less than BND 250,000.[102] Contracts beyond this threshold are centralized through the State Tender Board under the MOFE, which assesses and endorses them and then passes them for final approval to the Minister of Finance and Economy (Chart 3.4). The contract threshold of BND 250,000 has been in effect since April 2015, when it was amended to broaden the scope of contracts subject to a centralized process.[103] Prior to this date, the contract threshold was BND 500,000.

3.109. Brunei maintains three main procurement methods: (i) direct allocation for contracts worth up to BND 2,000, referred to as small value purchases; (ii) request for quotations for contracts exceeding BND 2,000 and up to BND 50,000; and (iii) tender for contracts exceeding BND 50,000.[104] Tenders shall be in general open, with some exceptions where they can be selective or a direct purchase.[105] These thresholds apply to contracts covering goods, services, or works.[106]

[99] WTO documents WT/TPR/M/196/Add.1, 10 April 2008; and WT/TPR/M/309/Add.1, 31 March 2015.

[100] The new regulations are complemented by three guidelines issued by the MOFE: the Financial Regulations Guidelines, 2022; the Financial Procurement Guidelines, 2022; and the Guidelines for the Appointment and Functions of the State Tender Board and Mini Tender Boards.

[101] The legislation provides, *inter alia*, for the establishment of a framework for managing public funds.

[102] Contracts worth up to BND 250,000 are assessed and endorsed depending on their amount by either a Controlling Officer, a Quotation Committee, or a Mini Tender Board under the procuring Ministry. Additional approvals are required for contracts assessed and endorsed by the Quotation Committee or a Mini Tender Board (Chart 3.4).

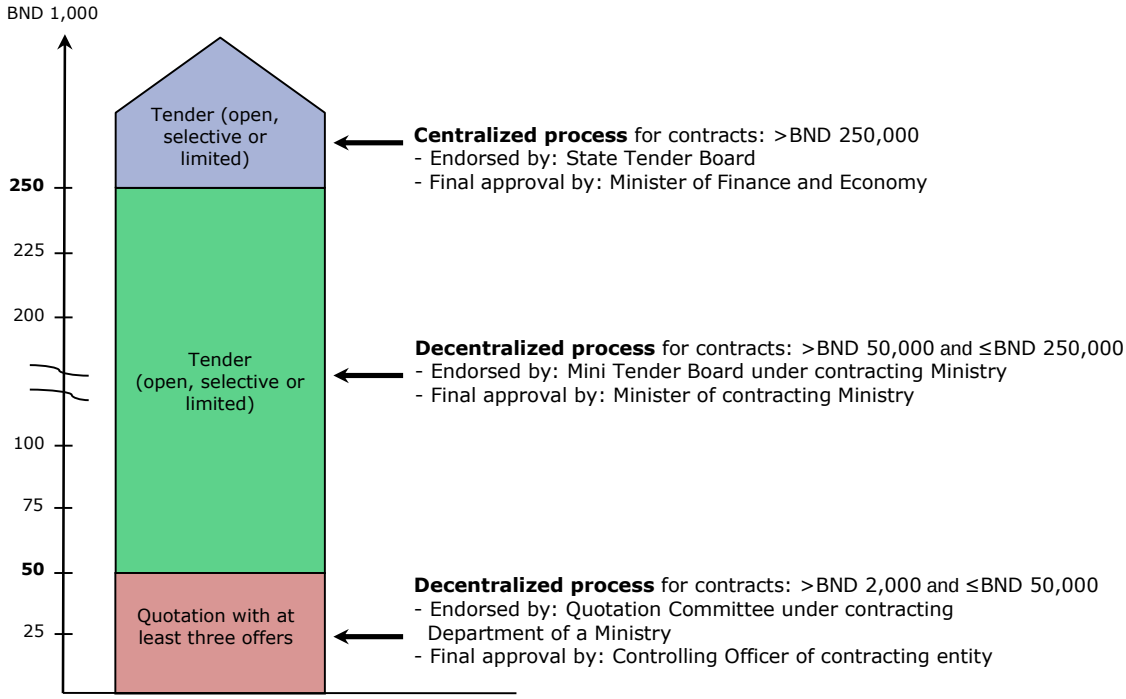
[103] By adopting this threshold in 2015, Brunei reverted to the contract threshold it had in place until 2008.

[104] For more details on each of these methods, see WTO document WT/TPR/S/309/Rev.1, 7 July 2015.

[105] MOFE, *Financial Procurement Guidelines 2022*, Section 2.4.

[106] These thresholds do not apply to vehicle procurement, which has been subject to the approval of the State Tender Board since 2015.

Chart 3.4 Procurement methods and approval authority by contract amount for goods, services, and works, 2024



Note: Excluding procurement contracts worth less than BND 2,000. Such contracts are purchased directly by the procurement entity, provided they are approved by the Controlling Officer.

Source: Ministry of Finance and Economy, *Financial Procurement Guidelines 2022*.

3.110. Foreign suppliers can participate in government procurement processes. To do so, any supplier (local or foreign) must be established in Brunei and registered with the RCBN. Some tenders also require registration with relevant government authorities such as the Registry of Contractors and Suppliers under the Ministry of Development (for construction, architecture, and engineering services). Foreign suppliers may be subject to forming a joint venture depending on the products, services, or works to be procured and value of the contract. In addition, performance requirements may also apply, in terms of the number/share of local employees working for the supplier.[107] According to the authorities, when local companies might not have the capabilities and expertise to do the work, foreign-registered companies will be invited to do it. Tender participation is subject to fee (bid fee) that varies between BND 10 and BND 5,000 depending on the value of the contract.[108] Procurement notices are published in local newspapers and the website of the contracting Ministry. According to the authorities, Brunei does not apply any preferential margins to local suppliers.

3.111. In FY2023/24, the State Tender Board approved 283 contracts (304 in 2014) for the procurement of goods, services, and works, which together totalled BND 687 million, compared to BND 872.2 million in FY2014/15. Of the approved contracts, about 67% were for open tender, 18% for selective, and 15% were limited bids in FY2023/24.[109] In April 2024, Brunei introduced an e-procurement module under its revamped Treasury Accounting Financial Information System (TAFIS 2.0). According to the authorities, the module for online tendering is not currently in use pending completion of users' training (i.e. vendors and procurement entities).

[107] *Government Procurement Guidelines 2022*, Sections 3.1 and 7.1.13; and MOFE, *Overview Government Procurement Process.* Viewed at: https://www.mofe.gov.bn/Divisions/state-tender-board-procurement-process-workflow.aspx.

[108] *Government Procurement Guidelines 2022*, Section 5.

[109] Data provided by the authorities.

3.112. To support MSMEs' development, Brunei launched the I-Usahawan programme in 2018. This initiative promotes the participation of entrepreneurs and MSMEs in tenders for contracts with the Government, SOEs, and other public entities.[110] Vendors must be Bruneian citizens or companies (i.e. 100% owned by Bruneian citizens or permanent residents) that have not been awarded any contracts in the previous five years.

3.113. The programme supports eligible suppliers through mentorship and is managed by DARe for non-energy sectors and the Department of Energy at the Prime Minister's Office for energy sectors. Under this programme, contracts are identified for ring fencing by contracting entities and set aside for eligible suppliers who bid for them on a competitive basis. According to the authorities, no specific procurement amounts are reserved for participants. In 2019, DARe launched the DARe Links platform to connect local vendors with buyers, including public entities and SOEs. This platform is used for the I-Usahawan programme for non-energy sectors.

3.114. Under its RTAs, Brunei has taken commitments on public procurement under the CPTPP, RECP, and its bilateral agreement with Japan.[111]

3.3.7 Intellectual property rights

3.115. Brunei's IP regime is governed by several pieces of legislation covering trademarks, patents, copyrights, layout designs, industrial designs, and most recently, plant varieties (Table 3.7). During the review period, Brunei implemented various amendments to enhance protection and enforcement. The most significant changes involved revising the trademark legislation and adopting, for the first time, legislation on plant varieties protection in 2015, which was notified to the WTO in 2016. Additionally, Brunei acceded to three WIPO-administered agreements.[112]

Table 3.7 Main IP related legislation, 2024

Legislation	Entry into force	Last amended
Plant Varieties Protection Act[a]	1 April 2015	13 February 2020
Patents Act[b]	1 January 2012, and 23 April 2019 for Part 19	13 February 2020
Trade Marks Act	1 June 2000	13 February 2020
Emergency (Copyright) Order, 1999	1 May 2000	4 December 2013
Emergency (Industrial Designs) Order, 1999	1 May 2000	13 February 2020
Emergency (Layout Designs) Order, 1999	1st May 2000	n.a.

n.a. Not applicable.

a Formerly known as the Plant Varieties Protection Order, 2015.
b Formerly known as the Patents Order, 2011.

Source: Compiled by WTO Secretariat.

3.116. At the institutional level, the Brunei Darussalam Intellectual Property Office (BruIPO) under the Attorney General's Chambers of the Prime Minister's Office remains the main government entity in the area of IP. BruIPO is responsible for administering the legislation and the registration of all IP rights, except copyrights and layout designs, which are not subject to registration. During the review period, BruIPO was transferred twice (in 2016 and 2019) and operated under other government agencies before being attached to its current affiliation in 2019.

3.117. The protection of IP rights under Brunei's legislation generally aligns with the TRIPS Agreement, with some exceptions where Brunei provides different levels of protection. For instance, Brunei protects trademarks for 10 years, compared to 7 years under the TRIPS Agreement (both renewable indefinitely). For industrial designs, Brunei offers protection for up to 15 years, while the TRIPS Agreement sets a minimum of 10 years. Additionally, Brunei's legislation does not include provisions specific to undisclosed information, unlike the TRIPS Agreement.[113]

[110] Ministry of Energy, Manpower, and Industry (2018), *I-Usahawan Handbook*.
[111] WTO RTA database. Viewed at: https://rtais.wto.org/UI/PublicMaintainRTAHome.aspx.
[112] WTO document IP/N/1/BRN/4, IP/N/1/BRN/P/4, 31 October 2016.
[113] For more information on the protection provided by Brunei's IP legislation, see WTO document WT/TPR/S/309/Rev.1, 7 April 2015.

3.118. Regarding new developments, the new Plant Varieties Protection Act and its rules entered into force in April 2015 and are gradually being implemented.[114] The Act provides for the protection of plant breeders' rights for a duration of up to 25 years, subject to the payment of an annual fee.[115] In 2017 and 2018, Brunei also amended its legislation on trademarks to, *inter alia*, operationalize the procedures for the international registration of trademarks following its accession to the Madrid Protocol (see below).[116] The amendments set the rules for local applicants wishing to submit an international application through a centralized registration system – known as the Madrid system – to allow for the protection of trademarks in the countries that are party to this Protocol. Brunei also broadened the definition of trademarks by not limiting them to visual signs.[117]

3.119. In the area of enforcement, the related provisions in the legislation have not undergone any significant change. IP rights in Brunei are enforced through the judicial system, with sanctions taking the form of civil remedies or criminal penalties depending on the proceedings (litigation or prosecution). At the border, the RCED is responsible for enforcing IP rights.[118]

3.120. During the review period, Brunei also enhanced its international IP engagement by acceding to the Madrid Protocol (on trademarks), the WIPO Copyright Treaty, and the WIPO Performances and Phonograms Treaty, all of which came into force in 2017. With these additions, Brunei now participates in 9 of the 26 WIPO-administered agreements. Brunei is not a member of the International Union for the Protection of New Varieties of Plants (UPOV) Convention but holds observer status in its Council.

3.121. At the regional level, ASEAN member States continue to promote IP cooperation through the ASEAN Working Group on Intellectual Property Cooperation, which in 2016 adopted the Intellectual Property Rights Action Plan 2016-2025. The Plan sets four strategic goals, including strengthening IP offices and infrastructure and developing IP platforms and services in the region.[119]

3.122. In addition to ATIGA, all of Brunei's RTAs contain provisions on IP, except for the ASEAN-India RTA. These agreements reaffirm Brunei's WTO TRIPS commitments and include additional provisions primarily focused on cooperation.[120]

[114] Plant Varieties Protection Act, 2015; and Plant Varieties Protection Rules, 2016. Both entered into force with retrospective effect on 1 April 2015. Subsequent amendments to the Order did not lead to any significant change. As of June 2024, the Order's last amendment was the Plant Varieties Protection ((Amendment) Order, 2020).

[115] Plant Varieties Protection Act, 2015, Section 23. In this regard, the authorities indicate that the registry is still in the process of being established.

[116] Trade Marks Act (Amendment) Order, 2017; Trade Marks Act (Amendment) (No. 2) Order, 2017, (with retroactive effect to 21 March 2017); and Trade Marks (International Registration) Rules, 2018, (with retroactive effect to 21 March 2017).

[117] Trade Marks Act (Amendment) Order, 2017, Section 3.

[118] For more information on enforcement proceedings and sanctions, see WTO document WT/TPR/S/309/Rev.1, 7 April 2015.

[119] ASEAN (2016), *The ASEAN Intellectual Property Rights Action Plan 2016-2025: Meeting the Challenges of "One Vision, One Identity, One Community" through Intellectual Property*.

[120] WTO RTA database. Viewed at: https://rtais.wto.org/UI/PublicMaintainRTAHome.aspx.

4 TRADE POLICIES BY SECTOR

4.1 Agriculture, forestry, and fisheries

4.1.1 Agriculture

4.1.1.1 Main features and recent developments

4.1. Agriculture's contribution to Brunei Darussalam's (Brunei) economy remains small; along with fisheries and forestry, it accounts for 1.2% of GDP. The sector employed 8,710 persons in 2023. Broiler chicken, vegetables, and eggs were among the main agricultural products (Table 4.1). The share of food imports in total merchandise imports was 8.3% in 2023.

Table 4.1 Agricultural production, 2018-23

(BND million)

	2018	2019	2020	2021	2022	2023
Crops	**61.8**	**56.6**	**50.4**	**57.9**	**55.5**	**65.3**
Flowers	4.5	4.4	4.6	4.6	4.8	3.6
Fruit	21.9	20.3	14.0	20.0	15.1	19.0
Rice	2.0	1.9	3.1	3.3	2.9	3.0
Vegetable	30.1	26.3	25.1	25.1	27.2	33.7
Other crops	3.3	3.7	3.6	4.9	5.5	6.0
Livestock	**201.2**	**196.6**	**220.3**	**296.2**	**276.3**	**250.4**
Beef	24.6	29.1	42.2	83.9	50.2	26.9
Broiler chicken	115.9	109.4	114.0	139.7	151.4	145.5
Eggs	26.2	25.3	26.9	28.9	31.3	33.6
Goat	0.5	0.7	1.6	3.7	1.0	1.0
Dairy milk	0.0	0.0	0.0	0.0	0.0	0.0
Day-old chicks	19.3	18.0	21.0	22.8	23.2	24.0
Fertilized eggs	12.4	11.6	11.7	13.4	16.0	17.1
Other livestock	2.3	2.5	3.0	3.8	3.2	2.3
Agri-food processing	**128.0**	**132.5**	**150.2**	**166.7**	**168.9**	**170.2**
Total	**391.0**	**385.6**	**420.9**	**520.8**	**500.7**	**485.9**

Source: Data provided by Ministry of Primary Resources and Tourism, Agriculture and Agri-food Department, Agri-business Services Unit.

4.1.1.2 Agricultural policy

4.2. The Agriculture and Agri-food Department (DOAA) under the Ministry of Primary Resources and Tourism (MPRT) is responsible for agricultural development and food production. At the regional level, the Association of Southeast Asian Nations (ASEAN) Plus Three[1] Emergency Rice Reserve (APTERR) Agreement aims to ensure sufficient stocks of rice in anticipation of unforeseen circumstances. Brunei contributes 3,000 tonnes to the stock.[2] There are no foreign equity restrictions in primary sectors.

4.3. Brunei maintains various import restrictions mainly for health, sanitary and phytosanitary, and religious reasons, and in some cases to ensure adequate supply and stable prices (Section 3.1). In 2017, the coverage of import restrictions for tobacco products was updated (Section 3.1.5). Importers must refer to the relevant governmental agency to obtain an import permit prior to apply for an approval permit (AP) with the Royal Customs and Excise Department (RCED). Importers must be registered with the RCED and/or must appoint a forwarding agent for them to apply APs through the Brunei Darussalam National Single Window. The RCED requires 3 to 10 working days to process APs; no fees are charged. The RCED is responsible for informing Customs where goods with APs are to be released. Applications must also be accompanied with the packing list and any relevant documents, e.g. veterinary health certificate (if required). Import licences are then issued for six months (with possible extension) and may not be transferred to another importer.

4.4. For agricultural products, maximum retail prices are set by the Department of Economic Planning and Statistics (JPES); it sets and enforces maximum prices for cooking oil (canola, corn, palm, vegetable, and soya bean oil) and formulated powdered milk (for infants up to six years

[1] The Agreement's members are the ASEAN member States, China, Japan, and the Republic of Korea.
[2] ASEAN Plus Three Emergency Rice Reserve (APTERR). Viewed at: http://www.apterr.org/.

of age). JPES also enforces maximum prices for rice and sugar in accordance with the Price Control Act.

4.5. Brunei has yet to make notifications concerning, *inter alia*, agricultural domestic support to the WTO.

4.6. Rice and sugar are imported mainly by the Treasury Department under the Ministry of Finance and Economy (MOFE) and sold to registered suppliers. The Treasury Department has exclusive rights to import certain varieties of rice. Registered suppliers may import rice and sugar other than those imported by the Treasury Department, subject to an import permit from the Treasury Department and an AP from Customs (Section 3.1.5). The Treasury Department has signed contracts with suppliers from Thailand and Cambodia (Table 4.2); the Department is exploring other suppliers regionally and internationally to diversify domestic supply and ensure stocks to satisfy local consumption.

4.7. Brunei continues to implement a system of subsidy for rice and sugar. The DOAA, through the Agriculture and Agri-food Incentive Scheme (SIPA), provides farmers and agri-food producers with inputs (e.g. padi seeds, fertilizers, pesticides) and other materials such as food packaging at a 50% subsidized price.[3] The authorities started to stop providing machineries under the SIPA from June 2020 in stages.

Table 4.2 Prices of rice and sugar imported by the Treasury Department, MOFE, May 2024

(BND/10 kg)

	Wholesale price	Wholesale price to registered suppliers	Retail price
Thai Hom Mali rice	57.50	11.50	12.50
Cambodian jasmine rice	57.50	11.50	12.50
Thai white rice	38.50	7.70	8.50
Thai glutinous rice	35.50	7.10	7.60
Refined white sugar	57.20	11.44	12.50

Source: Information provided by the authorities.

4.8. Applied MFN and preferential tariffs on agriculture (WTO definition) are close to zero (Table 3.2 and Table 3.3). Specific import duties apply to 11 tariff lines for coffee, 8 for tea, and 7 for alcoholic preparations of a kind used for the manufacture of beverages.[4] The bound average tariff for agriculture is 23.5%, which allows scope for an increase of the applied rates of agricultural products within their bindings (Section 3.1.3.2).

4.1.2 Forestry

4.9. The Forestry Department, under the MPRT, is the main authority in charge of managing, conserving, and protecting Brunei's forests and forest resources. It aims to achieve sustainable growth in the forest industry through increasing productivity, encouraging investment, and promoting exports, based on sustainable forest management practices.

4.10. In line with the National Forestry Policy adopted in 1989, the Forestry Department classifies the National Forest Estate (Reserved Forests) into Protection Forests, Production Forests, Recreational Forests, Conservation Forests, and National Parks. Currently, the National Forest Estate covers 41% of Brunei's total land area, in which 138,000 ha is reserved for the production of timber to supply domestic demand; Brunei is committed to dedicating 55% of its total land area to reserved forests.

[3] To apply to SIPA, applicants must be registered with the DOAA and must complete the incentive register form with the DOAA. In addition, one of SIPA's components is the Paddy Buy Back Scheme, whereby local rice producers registered with the DOAA may be eligible for the Scheme; to qualify, they are required to grow rice varieties recommended by the DOAA. Under the scheme, the DOAA buys paddy from local producers at a price of BND 1.60 (following standards – pure, dry, and clean) per 1 kg of paddy. Retail price for consumers is set at BND 12 per 10 kg.

[4] The WTO Secretariat calculated *ad valorem* equivalents for 19 (coffee and tea) of these 26 lines, based on import data provided by the authorities.

4.11. The Forest Act was amended in 2019. The amendment includes changes to the classification of timber, adjustments to royalty rates of forest products, modifications to measurement units of forest products, and amendments to the rental rates for sites within forest reserves. Logging in Reserved Forests requires a licence from the Department of Forestry. Royalties are levied on forest products.

4.12. Brunei does not allow the exportation of logs and sawn timber to ensure the domestic supply of raw wood material for the wood-based industry, facilitate the processing of value-added wood products, and protect the environment.

4.13. Brunei's average MFN tariff on wood and articles of wood is 3.7%, while that of pulp of wood, paper, and paperboard is zero (Table A3.1).

4.1.3 Fisheries

4.14. The Department of Fisheries (DoF), under the MPRT, was established in October 2015 and is responsible for managing and administering fishery resources and fishing activities in Brunei's exclusive economic zone (EEZ). Fisheries are governed by the Fisheries Order, 2009. Brunei ratified the WTO Agreement on Fisheries Subsidies in February 2024.

4.15. Under the Fisheries Order 2009, unchanged during the review period, licences are issued to local fishing boats and commercial fishing vessels authorized to fish in Brunei's waters under a joint-venture arrangement. Licences for foreign fishing boats must be applied for by a local agent. Data provided by the authorities indicate that, in 2024, there were 32 commercial fishing vessels registered in Brunei, including 10 foreign fishing vessels in 2024.

4.16. The authorities consider that misuse of fishing licences and small-scale fishers without licences are among the most common problems in Brunei's waters. During the review period, the DoF took various initiatives to ensure fishers were registered with valid fishing gear licences, including conducting joint sea patrol operation with relevant law enforcement agencies to monitor, control, and conduct surveillance (MCS) within Brunei's EEZ, as part of its whole-of-government approach to counter illegal, unreported, and unregulated (IUU) fishing.

4.17. Boat registration with the Maritime and Port Authority of Brunei Darussalam (MPABD), established in 2017, is required prior to applying for a fishing licence. In addition, fishing gear must be licensed by the DoF.[5]

4.18. The operation of the Marine Protected Areas (MPAs) remained largely unchanged during the review period. Brunei continues to support sustainable shallow shelf demersal fisheries through the protection of the spawning of commercial species.

4.19. The catch and landing of all shark species from Brunei's waters and their sale in the domestic market, as well as the importation and trade of shark products, remain prohibited in accordance with the Fisheries Order, 2009.

4.20. Fish processing establishments and fish culture farms must also be licensed.[6] Only licensed fishing boats may berth in Brunei's fish landing complexes (Muara Fish Landing Complex and Kuala Belait Fisheries Centre). In addition, vehicles entering the complexes must be authorized.[7]

4.21. While capture fisheries were generally declining during the review period, aquaculture increased substantially in 2023 (Table 4.3).

[5] Fisheries Order, 2009 (S 25/09), Section 13.
[6] Fisheries (Fish Processing Establishments) Regulations, 2002 (S 28/02), as amended by S 35/04; and Fisheries (Fish Culture Farms) Regulations, 2002 (S 30/02).
[7] Fisheries (Fish Landing Complexes) Regulations, 2002 (S 31/02).

Table 4.3 Fisheries production, 2018-23

(Tonnes)

	2018	2019	2020	2021	2022	2023
Capture fisheries	**17,333.35**	**14,966.12**	**13,795.63**	**13,565.64**	**13,724.58**	**13,073.75**
Commercial fisheries (%)	27.60	31.41	24.84	23.15	25.31	16.80
Aquaculture	**983.57**	**948.86**	**1,632.18**	**1,248.25**	**973.99**	**3,501.38**
Cultured shrimps (%)	3.53	3.84	6.98	3.88	3.14	14.81

Source: Data provided by the authorities.

4.22. Brunei continues to aim to make aquaculture the main component of its fisheries industry by assisting aquaculture farmers to increase production through increased productivity, as well as opening up new sites either for expansion by existing farmers or development of new sites by new local operators and FDI companies.

4.23. Fisheries activities are eligible to receive loans and other support, including co-matching schemes from Darussalam Enterprise (DARe) to assist businesses with starting up or expansion costs.

4.24. Brunei's applied MFN tariff on fish and fishery products is zero (Table A3.1).

4.2 Mining and energy

4.2.1 Oil and gas

4.25. The hydrocarbons industry continues to dominate Brunei's economy in terms of contribution to GDP, government revenues, and merchandise exports (Section 1.1). Brunei produced an average of 9.6 kboe (kilo barrel of oil equivalent) of natural gas per day in 2018-23 (Table 4.4). Approximately 70% of Brunei's natural gas is exported as LNG.

Table 4.4 Oil and natural gas production, export and domestic consumption, 2018-23

	2018	2019	2020	2021	2022	2023
Production						
Crude petroleum ('000 barrels/day)	99.5	109.6	100.5	98.1	84.0	81.4
Natural gas (kboe/day)	12.0	11.7	9.6	8.4	7.9	7.9
Export						
Oil ('000 barrels/day)	101	116	77	81	55	57
LNG (trillion btu)	329	334	322	284	243	237
Price						
Oil (USD/barrel)	73.13	68.57	43.12	72.70	108.17	87.30
LNG (USD/MMBtu)	10.45	9.14	6.66	9.12	14.40	10.69
Domestic consumption ('000 m^3)						
Mogas	365	368	350	328	345	376
Kerosene	5.14	3.79	5.78	5.25	3.94	3.51
Jet A-1	99.54	132.84	46.69	21.65	48.77	74.84
Diesel	322.86	307.52	278.68	277.79	286.82	306.09
LPG	35.46	34.82	34.77	33.22	32.33	34.62
Bitumen	2.36	6.80	2.89	2.69	2.30	1.65
Lubricants	2.85	2.48	2.31	1.92	2.18	1.78
Gas	1,584,433	1,510,946	1,707,857	1,827,008	1,734,739	1,755,857

Note: MMBtu = Million British thermal units.

Source: Data provided by the authorities.

4.26. The Department of Energy under the Prime Minister's Office is responsible for setting the strategic direction and policymaking of Brunei's energy sector, including oil and gas, and electricity. Its mission is to provide efficient, resilient, and diverse forms of energy for socio-economic growth by leveraging national and international collaboration. The Department aims to achieve this vision through three strategic thrusts: (i) sustain the upstream oil and gas sector; (ii) grow the downstream oil and gas sector; and (iii) secure the energy supply of power and fuel. These strategic thrusts are complemented further by value-added strategies that aim to maximize in-country value

through employment and local content spending, as well as reducing GHG emissions from the energy sector. The Department's mission was established to support the Wawasan Brunei 2035 vision through energy security of the country, thus securing its economic growth.

4.27. In 2019, the Petroleum Authority of Brunei Darussalam (PA) was established and is vested with exclusive mineral rights and powers with respect to Brunei's petroleum resources. Among the PA's key roles are monitoring, developing, and implementing technical guidelines and standards to enhance value derived from the oil and gas sector. It is governed under the Petroleum Authority of Brunei Darussalam Act, and the relevant legislation includes the Petroleum Mining Act and the Petroleum (Pipelines) Act. Under the Petroleum Mining Act, investors, including foreign investors, may, by way of invitation bids, apply for petroleum mining agreements for the purposes of exploration, prospecting for, and mining of petroleum.

4.28. Under the Income Tax (Petroleum) Act, Brunei levies a corporate tax on petroleum and gas operations at a rate of 55%. Royalties and petroleum income tax are payable on concessions and production-sharing agreements.

4.29. The largest oil and gas operator and producer remains Brunei Shell Petroleum Company Sdn Bhd (BSP) by virtue of it being granted mineral rights on scheduled lands through the concession agreements signed between the PA and BSP.

4.30. While earlier upstream agreements were based on a concession basis (which still applies to existing blocks), new assignments are being granted through a production-sharing basis.

4.31. The Refinery and Petrochemical Complex at Pulau Muara Besar operated by Hengyi Industries Sdn Bhd started its operations in November 2019; it has a production capacity of 8 million tonnes per annum, fulfilling domestic demand for a number of petroleum products. It produces more than 10 products comprising petroleum products, aromatics, and petrochemical products like benzene and paraxylene. The authorities indicate that the plant has allowed Brunei to move to more added value goods (refined oil goods) as guided by its diversification strategy. Hengyi supplies petroleum products (gasoline, diesel and jet-A1) for domestic use and exports most of the products to over 10 countries, including ASEAN members and China. BSP and Brunei Shell Marketing Company Sdn Bhd (BSM) signed respective commercial agreements with Hengyi in September 2019 for the supply of crude oil and fuel products for the domestic market. Petroleum products for the domestic market are marketed and traded by BSM. BSM is the sole supplier and marketer of petroleum products including gasoline, diesel, kerosene, and bottled LPG fuels.

4.32. Currently, about 29,500 employees work in the mining and energy sector, including upstream oil and gas, downstream oil and gas, and power.

4.33. Brunei's average applied MFN tariff on petroleum is 0.2%, ranging up to 2.1% (Table A3.1). Certain fuels are subsidized for fisheries (Section 3.3.1).

4.2.2 Electricity

4.34. The electricity industry in Brunei is governed by the Electricity Act. The Department of Electrical Services (DES) under the Prime Minister's Office is responsible for the generation, transmission, and distribution of electricity. Other than the DES, electricity is also generated by an independent power producer (IPP), the Berakas Power Company Sendirian Berhad (BPC). The Autoriti Elektrik Negara Brunei Darussalam (AENBD), a division under the Department of Energy at the Prime Minister's Office, was established in 2017 as a regulator mandated to implement and enforce the Electricity Act. As of November 2023, the AENBD had issued seven electricity (generation) licences for the activity on the generation of electricity to IPP as well as Autoproducers (captive power generators).

4.35. Brunei's electrification rate is 99.9%. Its national installed power capacity is more than 1.3 GW, covering both the national grid and Autoproducers catering to energy-intensive industries. Almost 99% of electricity is generated from domestically produced natural gas as the main fuel. Public utilities in Brunei have an installed power generation capacity of 892 MW. The largest consumer of electricity is the residential sector, followed by the commercial sector, government buildings, and industry.

4.36. The Government intend to diversify the energy base for generation to include alternative resources such as renewable energy. It continues to explore ways to increase the use of renewable energy, through various means including solar farms, floating solar technologies, and rooftop solar installation. The Government aims to have at least 30% of power generation from renewable energy by 2035. Among other initiatives to encourage this was the introduction in 2021 of a net-metering programme, which allows residential and commercial customers generating electricity from solar photovoltaic systems to sell excess electricity to the national grid. In addition, Brunei is exploring the importation of clean electricity from neighbouring countries.

4.37. The Department of Energy introduced the Energy Efficiency (Standards and Labelling) Act, 2021 as part of its energy efficiency and conservation initiative; the Act was revised in 2022. The standards stipulated in the Act require manufacturers, suppliers, wholesalers, and retailers in Brunei to import and sell electrical appliances that meet certain minimum energy performance standards. This aims to provide consumers with more energy-efficient and energy-saving choices, targeting high-energy-consuming home appliances. The Act currently covers air conditioning appliances; it is to be extended to other products including lighting and refrigerators.

4.3 Manufacturing

4.38. The authorities state that Brunei is currently preparing and reviewing acts, orders, policies, and standards to create an environment more conducive to drive industrial development; these include the Industrial Co-ordination Order, 2001 and Investment Incentives Order, 2001, which have remained unchanged since the previous Review.

4.39. In addition to the Economic Blueprint to support Goal 3: Dynamic and Sustainable Economy of Vision 2035, there are initiatives such as developing relevant policies, building hard and soft infrastructure, and facilitating market access by providing business support to match Brunei's current and upcoming domestic and foreign direct investment.

4.40. Non-oil and gas manufacturing accounted for 1.3% of GDP in 2023 (compared with 0.9% in 2013). The main large-scale industries include the manufacture of other petroleum and chemical products, wearing apparel and textiles, food and beverage products, cement, iron and steel, and other fabricated metal products.

4.41. The authorities encourage manufacturing (including the food industry) to reduce Brunei's dependence on its petroleum resources; several incentives are used to encourage investment in priority sectors identified by the Government (Section 2.4.1). The incentives include financial assistance to local companies and a lower corporate income tax rate. Companies can also receive an exemption from import duties on machinery, equipment, component parts, accessories, building structures, and raw materials. There are also provisions for the carrying-forward of losses and allowances. In addition, industries that are granted "pioneer status" are eligible for tax relief of up to five years for investments between BND 500,000 and BND 2.5 million; investments in excess may be granted eight-year tax relief, extendable by three years if they are located in a high-tech industrial park. The authorities state that domestic and foreign manufactures are treated equally concerning eligibility for receiving incentives. The authorities state that Brunei is currently reviewing relevant legislation to make it more comprehensive and coherent and to align it with the current needs of the industries as well as to support the priority sectors in creating a more conducive environment to drive industrial development.

4.42. The Brunei Darussalam Economic Development Board continues to promote and manage large-scale industrial estates, including industrial parks that cater to downstream petrochemical plants. Industrial parks are widely dispersed across Brunei; they include the industrial site of Pulau Muara Besar and the Sungai Liang Industrial Park.

4.43. Brunei's average applied MFN tariff on manufacturing (major division 3 of ISIC, Revision 2) is 0.5%, ranging up to 15% on some precious metals and stones, luminaires and lighting fittings, and fibre optic headband lamps of a kind designed for medical use.

4.4 Services

4.4.1 Overview

4.44. The share of services in GDP increased from 30.6% in 2013 to 38.1% in 2023. The leading services subsectors were public administration (10.9% of GDP in 2023), finance (6.2%), and wholesale and retail trade (5.6%).

4.45. Brunei's GATS commitments did not change during the review period.[8] All of the regional trade agreements (RTAs) that Brunei is a party to include services provisions. The authorities state that in most cases, commitments under the RTAs go beyond Brunei's GATS commitments.[9]

4.4.2 Financial services

4.4.2.1 Overview

4.46. On 26 June 2021, the previous Autoriti Monetari Brunei Darussalam was renamed as Brunei Darussalam Central Bank (BDCB). The BDCB is responsible for the supervision and regulation of the financial system. The objectives of BDCB with respect to financial stability include (i) promoting and maintaining a sound financial system; (ii) promoting and enhancing market confidence, consumer protection, and the reputation of Brunei as a financial centre; and (iii) facilitating innovation in financial services business.

4.47. The Deposit Protection Corporation (BDPC), established under the Deposit Protection Act is responsible for administering deposit insurance. The BDPC is a statutory body under the MOFE.

4.48. Brunei aims to become an international hub for Islamic financial services, including Islamic banking, *Takaful* (Islamic insurance), and Islamic capital market products. The Syariah Financial Supervisory Board, established under the Syariah Financial Supervisory Board Order, 2006, aims to enhance Syariah governance and supervision and stimulate growth in the sector.[10] The Board is responsible for making sure that all Islamic products are in accordance with Syariah Law before they are allowed to be distributed.[11]

4.49. Brunei is not a signatory to the Fifth Protocol to the GATS (on financial services).

4.4.2.2 Banking

4.50. The banking sector is governed by the Banking Order, 2006 and the Islamic Banking Order, 2008. During the review period, there was no amendment to either Order. A number of proposed amendments submitted to the Attorney General's Chambers remained under consideration.

4.51. Brunei's banking system is characterized by a dual system consisting of six conventional banks, one Islamic bank, the Islamic Trust Fund set up under its own statute, one custodian bank, and one SME Bank. Out of the eight banks including the Islamic Trust Fund, two are international, three regional, and three domestic. In addition, two licensed finance companies are wholly owned subsidiaries of two licensed banks in Brunei. As of March 2024, local banks held about 82.7% of the banking assets, while 12.7% was held by the two international banks.

4.52. The largest Islamic financial institution in Brunei is Bank Islam Brunei Darussalam (BIBD), a state-owned enterprise (SOE). It captures a significant proportion of government business and is the main bank for government payroll.

[8] WTO document WT/TPR/S/309/Rev.1, 7 April 2015.
[9] For example, under AFAS 10 (and currently not under Brunei's GATS schedule) Brunei has made commitments in architectural services and rail transport services.
[10] The BDCB acts as the Secretariat of the Board.
[11] BDCB, *Islamic Finance Development*. Viewed at: https://www.bdcb.gov.bn/financial-sector-development/islamic-finance-development.

4.53. Since the BDCB announced in 2015 its commitment to implement the Basel II framework by 2020, it has introduced all three pillars of the Basel II framework. Regarding the minimum capital requirement, in March 2017, the BDCB issued a regulatory notice that requires all banks (including Perbadanan Tabung Amanah Islam Brunei, a state-owned Islamic bank) to maintain a minimum capital adequacy ratio of 10% as required under the Banking Order, 2006 and the Islamic Banking Order, 2008. Concerning the supervisory review process, on 27 December 2018, the BDCB issued a Regulatory Notice on Supervisory Review and Evaluation Process to all banks, which requires the banks to produce an Internal Capital Adequacy Assessment Process (ICAAP). In undergoing the ICAAP, the banks shall maintain an appropriate level of capital above minimum Pillar 1 requirements so that all of the banks' risks are adequately covered. All banks must submit their ICAAP documents on an annual basis, no later than 30 June of each year. The first ICAAP document was received in 2019.

4.54. On market discipline, on 2 January 2018, a regulatory notice on Pillar 3 (public disclosure requirements) was issued to all banks; the notice aims to enhance transparency for market participants in their assessment of each bank's capital, risk profile, and risk management including capital adequacy. The first public disclosure was published together with the audited financial statements of the financial institutions in March 2019.

4.55. Since 2018, the BDCB has issued a number of guidelines relating to the risk management framework of the banking industry. Such guidelines encompass different types of risk, such as credit risk, market risk, operational risk, and liquidity risk management. Other guidelines related to banks' governance processes, such as internal controls, compliance function, and internal audit function, were also introduced. These guidelines outline the BDCB's expectations on banks' overall risk management processes.

4.56. In December 2019, the BDCB issued a Regulatory Notice on Banks' Recovery Plan. All banks (including foreign bank branches) are mandated to prepare individual recovery plans against their operating environment for submission to the BDCB every 2 years; the first submission was in 2020.

4.57. To further strengthen the prudential regulatory framework that aligns with best practices, the BDCB is currently developing Basel III liquidity frameworks for the banking industry, starting with Liquidity Coverage Ratio (LCR framework). Industry consultations started in early 2023, and the BDCB plans to implement the LCR framework by the end of 2024.

4.58. In terms of prudential requirements, there are no major distinctions between domestic and foreign banking entities that operate as licensed branches. Nonetheless, one key difference is the licensing requirement, where the minimum paid-up capital is BND 100 million for conventional and Islamic banks with a head office in Brunei; 1,000 million (conventional) and BND 500 million (Islamic) for banks with a head office outside Brunei; and BND 30 million of net head office funds in Brunei for foreign bank branches (conventional and Islamic). Apart from these prudential requirements, domestic and foreign banks are treated equally.

4.4.2.3 Insurance

4.59. The insurance/takaful sector is governed by the Insurance Order, 2006 and Takaful Order, 2008. Insurers underwriting motor business are also governed by Motor Vehicle Insurance (Third Party Risks) Act for the requirement of compulsory third-party motor insurance. The authorities are currently in the process of repealing the International Banking Order, 2000 and the International Insurance and Takaful Order, 2001. In 2015, Brunei adopted amendments to the Insurance Order, 2006 and the Takaful Order, 2008, which provide for the power of the authority related to compounding of offences and revision of the values of fines.

4.60. The BDCB undertakes the registration, licensing, and supervision of insurance and takaful companies, their intermediaries, capital market intermediaries, securities, and mutual funds (conventional and Islamic).[12] Since 2017, the BDCB has focused on enhancing governance and risk management practices in the insurance/takaful sector. A few key governance frameworks have been introduced in line with the International Association of Insurance Supervisors (IAIS) Insurance Core Principles (ICPs). Regarding corporate governance, the BDCB requires insurers to establish and implement a corporate governance framework that provides for sound and prudent management and oversight of the insurer's business and adequately recognizes and protects the interests of policyholders. Concerning risk management and internal controls, the BDCB aims to provide guidance, as part of an insurance company's or takaful operator's overall corporate governance framework, effective frameworks of risk management, and internal controls. To extend the risk-based supervision approach to the capital framework, the BDCB has worked to move away from the rules-based capital regime to a risk-based capital regime with an aim of enhancing protection of policyholders.

4.61. The number of insurance companies in Brunei decreased from 13 in 2014 to 11 in March 2024; the authorities state that the decrease is due to the cessation of business by two general companies, ETIQA Insurance and MBA Insurance in 2014 and 2015, respectively. Brunei's insurance market is relatively small given the size of the population, the demand for life insurance is limited because Brunei has a welfare system that offers full healthcare coverage and a generous pension scheme from the age of 60. Seven insurance firms in Brunei are conventional; there are four takaful operators. Of these, six are general insurance/takaful operators, and five are life/family takaful operators. For FY2023, National Insurance Company Berhad was the largest among the conventional general insurers with a market share of 45.4% in terms of assets and 42.9% in terms of gross premiums. There are no local reinsurance companies in Brunei.

4.62. In 2023, the gross premiums for all general/takaful sectors stood at BND 201.9 million. Takaful operators were heavily concentrated in motor insurance and dominated the market with 40% of total general premiums.

4.63. Brunei has GATS commitments for direct insurance (life and non-life), reinsurance and retrocession, insurance and intermediation (broking and agency services), and auxiliary services (consultancy, actuarial risk assessment, risk management, and maritime loss adjusting). In general, Brunei's schedule reflects current requirements and restrictions, including commercial presence only through companies registered in Brunei for direct insurance, and purchase of compulsory insurance for motor third-party liability and workmen's compensation only from insurance companies licensed and established in Brunei. Other than this, domestic and foreign insurers are subject to the same regulations.

4.4.2.4 Other financial services

4.64. Brunei does not have its own stock exchange. The BDCB administers the Securities Markets Order (SMO), 2013 and the Securities Markets Regulations, 2015. They provide a legal and regulatory framework for the licensing and supervision of market operators (e.g. securities exchanges, clearing houses, trading facilities, and credit rating agencies), capital market intermediaries (e.g. dealers, fund managers, and investment advisers), and public offering of securities products and collective investment schemes. The BDCB issues Capital Market Services Licences and Capital Market Services Representative's Licences, which are needed to conduct one or more of the following regulated activities: dealing and arranging deals in investments as principal or agent; managing investments including collective investment scheme management; providing investment advice as an investment adviser or financial planner; safekeeping and administering assets; and using computer-based systems for giving investment instruction. The legislation covers both Islamic and conventional investment activities. The authorities consider that, in relation to the size of the domestic market, there are a reasonable number of capital market intermediaries available to provide service to both retail and institutional clients. The capital markets services

[12] The main elements of supervision include a security deposit with the Government of BND 1 million for insurers underwriting motor insurance, and for licensed life and/or general insurers under Insurance Order, 2006; minimum paid-up capital requirements of BND 8 million and for foreign branches the equivalent in surplus of assets over liabilities; a solvency margin for general insurers of 20% of net premium income (NPI) of the previous year; and guidelines for the appointment of foreign employees and motor insurance agents. Application fees are stipulated in the Insurance Regulations, 2006 and the Takaful Regulations, 2008.

available in Brunei include dealers and fund managers who provide investment advice as investment advisers or financial planners. Products offered in this sector include securities such as collective investment schemes, bonds, and foreign market shares, as well as investment-linked insurance products.

4.65. Finance companies specialize in automobile loans/financing through hire purchase and also offer savings, fixed deposit services, and consumer durable financing. Finance companies are governed by the Finance Companies Act. Their activities include deposit-taking from the public and lending to individuals and businesses. In fostering an effective foundation for corporate governance for finance companies in Brunei, the BDCB issued a Notice and Guidelines on Corporate Governance on 27 November 2019. The Notice, which entered into force on 1 January 2020, outlines the minimum and specific requirements that finance companies need to comply with, including setting up a Board Audit Committee and disclosing minimum information in their audited financial statements and on their official website. With a view to enabling the BDCB to effectively assess the resilience of finance companies, the Capital Adequacy Framework was introduced to the finance companies with the issuance of a Regulatory Notice on Maintenance of Capital Adequacy Ratio on 14 July 2022. The objective is also to ensure that the capital of a finance company remains adequate against the identified risks.

4.66. The moneylender sector is governed by the Moneylenders Act. The authorities state that, in response to the sector's development, the BDCB is updating the current legislative framework to ensure its suitability to market needs.

4.67. The BDCB continues to monitor the progress of FinTech participants in the Fintech Regulatory Sandbox, which is intended to test whether new products and services meet regulatory requirements with the aim of facilitating innovative financial products and services, including mobile payment solutions and peer-to-peer lending platforms.[13] The BDCB has also observed growing interest in offering digital money remittance, incorporating innovative technology in the provision of traditional remittance businesses. The authorities state that the BDCB is committed to ensuring that financial integrity remains safeguarded and the country's financial system remains stable, while simultaneously serving the public's interests and needs.

4.68. Under the SMO, 2013, any person wishing to give or offer investment advice must hold a Capital Markets Services Licence (CMSL) or a Capital Markets Services Representative's Licence (CMSRL).

4.69. Not all financial planning/financial advisory activities are regulated under the SMO; only financial planners/financial advisers whose activities fulfil the definition of giving or offering investment advice under the SMO are required to obtain a CMSL or a CMSRL. An investment adviser is permitted to give or offer investment advice to sophisticated and retail investors, whereas a financial planner is allowed to give or offer investment advice to retail investors only.[14]

4.4.3 Telecommunications

4.70. The Telecommunications Order, 2001 remained unchanged during the review period. It confers upon the Authority for Info-communications Technology Industry (AITI) the exclusive privilege to operate and provide telecommunications systems and services in Brunei and allows it to issue licences to operators and manage the radio communications spectrum. AITI's licensing regime has a two-tier licensing structure: (i) the InTi (Infrastructure Provider for the Telecommunication Industry) licence, which is required by licensees who own infrastructure; and (ii) the SeTi (Service Provider for the Telecommunication Industry) licence, which is required by those who provide retail services through wholesale arrangements with InTi licensees. An applicant for a licence from AITI

[13] BDCB (2024), Amendment Guidelines No. FTU/G-1/2017/1, *Guidelines on Fintech Regulatory Sandbox Guidelines*. Viewed at: https://www.bdcb.gov.bn/docs/fsd/fintech/BDCB-FinTech-Sandbox-Guidelines-Amendment-No.-2-Clean.pdf.

[14] The Guideline on Conducting the Regulated Activity of Giving or Offering Investment Advice clarifies the difference between undertaking a regulated activity of giving or offering investment advice as an investment adviser and a financial planner.

must be incorporated in Brunei. A joint venture between a local and foreign party must not have a majority vote or control of the applicant.[15]

4.71. There is no specific regulation to govern prices and tariffs, but AITI has the power to give regulatory directions to licensees in the public interest and ensure fair and efficient market conduct. AITI may also issue Codes of Practice in connection with the provision of telecom services, the conduct of telecom licensees, and the governance of prices and tariffs charged for telecom services.

4.72. During the review period, some pieces of legislation were introduced or amended, including (i) the Telecommunications (Exemption from Sections 33, 34(1)(b), and 35) Notification, 2018, aiming to exempt a number of frequency bands listed under the Telecommunications (Radio-communication) Regulations, 2013; (ii) the Telecommunications (Composition of Offences) Regulations, 2019, which aim to provide for compoundable offences under the Telecommunications Order, 2001 and Telecommunication (Radio-Communication) Regulations, 2013; (iii) the Telecommunications (Radio-Communication) (Amendment) Regulations, 2020, which aim to facilitate the removal of the Cellular Mobile Subscriber Licence (CSML) fees; (iv) the Telecommunications (Radio-Communication) (Amendment) Regulations, 2022, which aim to cater for spectrum bands up to 7,100 MHz to facilitate for the implementation of current and future telecommunication networks such as 5G; and (v) the Telecommunications Industry Code of Practice. In 2020, Brunei adopted the Digital Economy Masterplan 2025 to guide its digital transition[16] and in 2023 it introduced 5G technology in the country.

4.73. Newly established Codes of Practices were introduced as a result of the new market structure including the Code of Practice on Principles of Number Portability for the Telecommunications Services in Brunei Darussalam (Number Portability Code), the Code of Practice for the Telecommunications Sector (Telecommunications Code), the Code of Practice for Competition in the Telecommunications Sector (Competition Law Code), and the Code of Practice for General Duties in the Telecommunications Sector (General Duties Code). In addition, there were several advisory guidelines for telcos (vertically integrated providers).[17] As the industry was transitioning from vertically integrated telcos to a wholesale retail market (see below), there were several other changes to legislation, e.g. the revocation of the Classification of Market Players with Significant Market Power and their Obligations (SMP Direction) and the revocation of Direction on Telecommunications Tariffs.

4.74. The Ministry of Transport and Info-communications sets national policies for the development of the telecom sector. The AITI, an independent statutory body in accordance with the AITI Order, 2001, is the telecom regulator and ICT industry development promoter.

4.75. In Brunei, the number of broadband subscriptions increased substantially during the review period (Table 4.5). Overall, Brunei is ranked 10th of 169 economies in the latest ITU's Development Index.[18]

Table 4.5 Selected telecommunications indicators, 2018-23

	2018	2019	2020	2021	2022	2023
Fixed-telephone subscriptions	82,588	86,590	103,885	112,298	122,204	121,819
Fixed phone lines per 100 inhabitants	18.67	19.20	22.90	25.84	27.73	27.35
Mobile phone subscriptions	555,427	574,799	536,589	603,486	528,723	540,706
Mobile phone per 100 inhabitants	125.55	125.09	118.30	140.35	119.97	120.02
Broadband subscriptions	51,174	54,376	71,078	79,417	90,186	92,763
Broadband per 100 inhabitants	48.74	51.79	67.69	75.64	85.89	88.35

Source: ITU, *ICT Statistics Database*. Viewed at: http://www.itu.int/ITU-D/ict/statistics/; and information provided by the authorities.

[15] AITI (2006), *Licensing & Regulatory Framework / Operational Framework*. Viewed at: https://www.aiti.gov.bn/media/ocgngjfs/aiti-operational-framework.pdf.

[16] Digital Economy Masterplan 2025. Viewed at: https://www.mtic.gov.bn/DE2025/documents/Digital%20Economy%20Masterplan%202025.pdf.

[17] AITI, Advisory Guidelines. Viewed at: https://www.aiti.gov.bn/reference-documents/guidelines/.

[18] ITU, *Measuring Digital Development – ICT Development Index 2023*. Viewed at: https://www.itu.int/hub/publication/D-IND-ICT_MDD-2023-2/.

4.76. The telecommunications sector had a major structural change during the review period. On 1 September 2019, Unified National Networks (UNN) took over all network infrastructure operated by previous telecommunications providers to consolidate and modernize all the transferred networks with a view to providing resilient quality services to the whole nation. Until 2019, the telecommunications industry was based on the traditional model of telcos competing with each other, with Telekom Brunei Darussalam Berhad (TelBru) the fixed incumbent, and with DST Communications Sdn Bhd (DST) and Progresif Cellular Sdn Bhd (Progresif) providing mobile services. Each telco largely offered services based on its respective networks and connected with submarine cable networks managed by the Brunei Darussalam International Gateway Sdn Bhd for international connectivity. In 2020, newly formed service providers (i.e. Imagine[19], DST Digital and Progresif) obtained access to UNN's network infrastructure; the authorities state that this has been done on cost-oriented, transparent, and non-discriminatory terms, ensuring a level playing field for competition and stimulating the introduction of innovative and faster services to customers. They consider that the impact of the introduction of UNN was significant, with all service providers now able to offer both fixed and mobile services. Number portability was introduced in 2020.

4.77. AITI also introduced the Productivity and Efficiency Joint-Funding for Digital Adoption (PENJANA) Scheme to encourage the adoption of digital solutions by MSMEs through financial funding of a portion of total costs.[20]

4.78. In the latest ITU ICT Price Basket (2023), in terms of GNI per capita, Brunei was ranked 16th out of 206 economies concerning data-only mobile-broadband basket.[21]

4.4.4 Tourism

4.79. Travel agent services are regulated under the Travel Agents Act (Amendment) Order, 2012 and the Travel Agents Act (Amendment) Regulations, 2013. Travel agents and tourist accommodation premises must be licensed and registered, respectively, by the Tourism Development Department. Licences are issued for a one-year period and renewed for a one-year or three-year period.

4.80. Within the Tourism Development Department under the MPRT, a working group has been established under four clusters to implement initiatives and monitor progress, as well as create a platform that enables better collaboration concerning marketing, staffing and capacity-building, infrastructure, and connectivity. Progress and challenges are then reported quarterly to higher management at the Brunei Darussalam Tourism Board. The authorities are currently reviewing the Tourism Act, which, among others, will be consolidating the provision regulating travel agents and tourist accommodation premises in Brunei.

4.81. Regarding market access for the tourism sector, in terms of equity restrictions, for travel agencies, foreign equity participation in tour operator services must not exceed 70%. Similarly, for hotel lodging services, if there is joint venture corporation with Bruneian individuals or Bruneian-controlled corporations or both, the aggregate foreign shareholding in the joint venture corporation shall not exceed 70% foreign equity. Moreover, regarding tourist guide services and other consultancy services in tourism, especially those catering to birdwatching, foreign ownership must not surpass 70%. Foreign tour guides must obtain a local tourist guide licence in Brunei to provide tour guide services in the country. In addition, a private company must have at least two directors and at least one must be a local resident.

4.82. The authorities state that the tourism sector in Brunei is still in the recovery phase and is expected to fully recover in 2025. This includes resumption of cruise activities with cruise calls coming from Asia and Europe. Concurrently, Royal Brunei's flight schedule is projected to recover by 60% by the end of 2024. Brunei is working to revive its tourism industry to pre-COVID levels, with targets set at 400,000 tourist arrivals by air by 2025. The Brunei Darussalam Tourism Industry Roadmap 2024-2035 is currently being developed with a view to having it serve as a guide for all relevant stakeholders in the sector.

[19] TelBru was renamed as Imagine; it is no longer the sole operator in the fixed line market.
[20] AITI, *PENJANA Scheme*. Viewed at: https://www.aiti.gov.bn/msme-digital/penjana-scheme/.
[21] ITU, *ICT Price baskets (IPB)*. Viewed at: https://www.itu.int/en/ITU-D/Statistics/Dashboards/Pages/IPB.aspx.

4.83. In Brunei, there are 52 tour operators/travel agents and 59 registered tourist accommodation premises, of which two are SOEs in the tourism sector (i.e. Darussalam Services Sdn Bhd (a tour operator/travel agent) and the Empire Brunei (a hotel)). Additionally, there is only one hotel that is part of an international chain, the Radisson Hotel Brunei Darussalam.

4.84. During the review period, the Tourism Development Department implemented a range of strategic initiatives through social media platforms, organizing familiarization trips and collaborative partnerships in target markets including countries in Southeast Asia, as well as in Australia, China, Japan, and the Republic of Korea. The Tourism Development Department plans to conduct targeted marketing campaigns, expand plans to participate in travel trade shows and exhibitions, and forge more partnerships with key stakeholders in its identified target markets.

4.85. Brunei has made no GATS commitments in tourism services. It is a member of the UN World Tourism Organization. Under the Mutual Recognition Arrangement for Tourism Professionals signed in 2009, within ASEAN, free movement of tourism professionals is allowed under 32 job titles including housekeeping, front office, and food and beverages services. The authorities state that these competencies under the ASEAN MRA–TP toolboxes are applied in training programmes in the sector to enhance the quality of tourism workers.

5 APPENDIX TABLES AND CHARTS

Table A1.1 Selected macroeconomic indicators, 2016-23

	2016	2017	2018	2019	2020	2021	2022	2023
Current GDP at market price (BND million)	15,747.7	16,747.7	18,300.7	18,375.0	16,564.4	18,822.0	23,003.1	20,318.5
Oil and gas sector	8,188.6	9,124.0	10,546.2	10,415.3	7,995.3	9,330.7	12,314.4	9,790.6
Non-oil and gas sector	7,790.5	7,901.4	8,047.3	8,268.2	8,867.5	9,789.9	11,043.4	10,883.3
Current GDP at market price (USD million)	11,400.3	12,128.2	13,566.9	13,469.2	12,005.8	14,006.5	16,681.5	15,128.3
Oil and gas sector	5,928.0	6,607.3	7,818.2	7,634.6	5,795.0	6,943.5	8,930.3	7,289.7
Non-oil and gas sector	5,639.8	5,721.9	5,965.7	6,060.8	6,427.1	7,285.2	8,008.5	8,103.3
Real GDP growth rate (%)	-2.5	1.3	0.1	3.9	1.1	-1.6	-1.6	1.4
Oil and gas sector	-3.2	1.1	-1.5	3.9	-4.9	-4.8	-7.3	-2.0
Non-oil and gas sector	-1.5	1.6	2.1	3.9	8.9	2.0	4.3	4.5
GDP per capita at current market price (USD)	27,322.0	28,443.2	31,074.0	29,865.3	27,174.7	31,781.3	37,452.9	33,581.1
Population ('000)	417.3	426.4	436.6	451.0	441.8	440.7	445.4	450.5
Unemployment rate aged 15 years and above (%)	8.5	9.0	7.7	6.7	7.3	4.9	5.2	5.2
National accounts (% change)								
Final consumption expenditure	-4.2	6.2	1.8	3.7	4.4	4.1	7.6	4.8
Household	-1.3	4.7	2.2	6.1	21.5	5.6	8.3	11.1
Public	-6.4	7.4	1.6	1.8	-9.6	2.6	6.9	-2.4
Gross fixed capital formation	-11.2	8.1	28.3	-4.4	-9.3	-13.9	-1.8	0.2
Money and interest rates								
CPI (% change)	-0.3	-1.3	1.0	-0.4	1.9	1.7	3.7	0.4
Deposit rate (%) - IMF	0.34	0.32	0.31	0.37	0.23	0.14	0.14	0.19
Lending rate (%) - IMF	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
Broad money (% change)	0.31	0.29	0.35	0.34	0.15	0.13	0.16	2.7
Fiscal sector (April to March)[a] (% of GDP)								
Total revenue	22.7	22.7	32.7	26.4	12.6	24.3	27.7	17.3
Oil and gas revenue	16.2	17.5	26.4	19.8	7.7	20.4	23.9	13.0
Tax revenue	2.2	1.8	1.9	1.9	2.1	1.8	1.6	1.8
Total expenditure	39.3	35.7	32.5	31.9	32.6	29.4	26.6	29.2
Fiscal balance	-16.6	-12.9	0.2	-5.6	-20.0	-5.2	1.1	-11.8
External sector								
BND/USD (annual average)	1.381	1.381	1.349	1.364	1.380	1.344	1.379	1.346
Current account balance (% of GDP)	12.9	16.4	6.9	6.6	4.5	11.2	19.6	12.9
Trade in goods balance (% of GDP)	18.9	19.8	17.4	16.4	11.5	19.1	30.9	25.1
Exports	42.2	45.1	47.7	53.5	54.5	78.5	84.7	74.3
Imports	23.3	25.3	30.3	37.1	43.0	59.4	53.8	49.2
Trade in services balance (% of GDP)	-9.8	-5.7	-7.4	-8.8	-7.1	-5.0	-5.1	-8.6
Credit	4.7	4.5	4.2	4.6	2.9	1.4	1.7	2.2
Debit	14.4	10.3	11.6	13.4	10.0	6.4	6.8	10.9
International reserves (USD million, end-of-period)	3,489.0	3,488.1	3,407.1	4,272.7	3,996.8	4,980.1	5,034.9	4,485.1
In months of next year's imports	..	..	6.0	8.1	5.2	5.9	6.7	6.7

.. Not available.

a Fiscal GDP is based on a fiscal year that runs from April to March. In For the table, "2016" should be read as FY2016/17 and so on.

Source: Ministry of Finance and Economy, *eData Library*. Viewed at: https://deps.mofe.gov.bn/SitePages/eData%20library.aspx; and IMF data. Viewed at: https://data.imf.org/.

Table A1.2 GDP and employment by economic activities

	2016	2017	2018	2019	2020	2021	2022	2023
Share of economic activities, current basic GDP (%)								
Agriculture, forestry and fishery	1.2	1.1	1.0	1.0	1.2	1.2	1.1	1.2
Vegetables, fruits & other agriculture	0.2	0.2	0.2	0.1	0.2	0.1	0.1	0.1
Livestock and poultry	0.4	0.4	0.4	0.3	0.4	0.4	0.4	0.4
Forestry	0.2	0.2	0.1	0.2	0.2	0.1	0.1	0.1
Fishery	0.4	0.4	0.3	0.3	0.5	0.5	0.5	0.5
Oil and gas mining	41.7	42.9	45.0	44.7	38.6	40.1	42.4	39.2
Manufacturing	11.3	12.5	13.8	13.4	15.5	18.2	21.8	18.3
Manufacture of liquefied natural gas and other petroleum and chemical products	10.1	11.4	12.7	12.3	14.2	17.0	20.7	16.9
Manufacture of wearing apparel & textiles	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.2
Manufacture of food and beverage products	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.2
Other manufacturing	0.8	0.7	0.8	0.8	0.9	0.9	0.7	1.0
Electricity and water	1.0	0.9	1.0	1.0	1.1	1.0	0.8	0.9
Construction	2.5	2.5	2.5	2.4	2.9	2.4	1.9	2.3
Services	42.4	40.2	36.7	37.5	40.7	37.0	32.0	38.1
Wholesale and retail trade	5.4	5.1	4.8	5.0	5.9	5.6	4.9	5.6
Transport	1.9	1.8	1.6	1.7	1.6	1.4	1.3	1.6
Land transport	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Water transport	0.9	1.0	0.9	0.9	1.1	0.9	0.7	0.8
Air transport	0.3	0.3	0.3	0.3	0.1	0.1	0.2	0.3
Other transport services	0.6	0.5	0.5	0.5	0.4	0.4	0.4	0.5
Communication	1.7	1.6	1.4	1.4	1.9	1.7	1.5	1.7
Finance	6.3	6.0	5.0	5.3	5.5	4.9	4.3	6.2
Real estate & ownership of dwellings	4.1	3.9	3.6	3.4	3.7	3.2	2.7	3.0
Hotels and restaurants	1.1	1.1	1.0	1.1	1.1	1.1	1.0	1.3
Hotels	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Restaurants	1.0	1.0	0.9	1.0	1.0	1.0	0.9	1.2
Health services	1.6	1.5	1.4	1.6	1.8	1.6	1.4	1.7
Education services	3.9	3.6	3.3	3.3	3.1	2.8	2.3	2.6
Business services	2.4	2.2	2.1	2.0	2.4	2.3	2.0	2.4
Domestic services	0.5	0.5	0.4	0.4	0.5	0.5	0.4	0.5
Other private services	0.6	0.6	0.5	0.5	0.6	0.5	0.5	0.5
Government services/public administration	12.9	12.3	11.5	11.7	12.6	11.5	9.8	10.9
Employment by economic activities (% of total)								
Agriculture, forestry and fishery	..	1.5	1.0	1.9	1.3	1.4	1.5	..
Mining and quarrying	..	4.4	2.8	6.6	5.6	3.8	4.7	..
Manufacturing	..	5.5	4.3	4.3	4.3	9.1	6.5	..
Electricity, gas, and water supply	..	1.4	1.5	0.9	1.4	1.5	1.4	..
Construction	..	7.4	12.0	8.5	12.2	9.2	8.9	..
Services	..	79.8	78.4	77.8	75.1	75.0	77.0	..
Wholesale and retail trade	..	14.7	13.3	16.1	17.4	15.7	15.3	..
Accommodation and food service activities	..	7.7	8.9	9.7	5.2	6.0	7.6	..
Transport and storage	..	2.7	2.4	2.9	2.9	2.7	3.1	..
Information and communication	..	2.5	2.6	2.2	2.2	2.4	2.2	..
Financial and insurance activities	..	2.1	2.1	1.8	2.2	2.0	2.4	..
Real estate activities	..	0.5	0.2	0.5	0.5	0.5	0.4	..
Professional, technical administrative and support services	..	8.6	6.1	6.2	6.3	6.9	8.0	..
Public administration	..	23.8	20.9	19.1	22.6	21.9	21.0	..
Education	..	8.2	8.8	8.5	7.3	7.0	8.2	..
Human health and social work activities	..	2.7	3.0	3.7	2.6	3.0	3.0	..
Other service activities	..	2.1	3.3	2.6	1.9	2.0	2.4	..
Activities of households as employers of domestic personnel	..	4.3	6.8	4.4	4.0	5.0	3.6	..

.. Not available.

Source: Ministry of Finance and Economy, *National Statistics*. Viewed at: https://deps.mofe.gov.bn/SitePages/National%20Statistics.aspx.

Table A1.3 Merchandise exports by HS section and main HS chapter/heading, 2016-23

HS section/chapter/ heading	2016	2017	2018	2019	2020	2021	2022	2023
Total exports (USD million)	4,875.1	5,570.6	6,573.6	7,039.1	6,608.2	11,058.2	14,230.2	11,240.6
	(% of total exports)							
01 Live animals and products	0.1	0.1	0.1	0.1	0.1	0.3	0.2	0.1
02 Vegetable products	0.01	0.02	0.04	0.02	0.01	0.02	0.01	0.01
03 Fats and oils	0.00[a]	0.00[a]	0.00[a]	0.01	0.00[a]	0.01	0.00[a]	0.00[a]
04 Prepared food, beverages and tobacco	0.06	0.08	0.04	0.03	0.03	0.08	0.07	0.02
05 Mineral products	87.9	89.6	91.0	91.1	81.5	78.8	80.4	77.4
27 Mineral fuels and oils	87.9	89.6	91.0	91.1	81.5	78.7	80.3	77.4
2709 Petroleum oils, crude	38.5	39.7	41.1	40.5	19.3	19.5	15.3	16.1
2710 Petroleum oils, other than crude	0.01	0.1	0.1	7.6	23.6	28.4	36.3	35.1
2711 Petroleum gases and other gaseous hydrocarbons	49.4	49.7	49.9	42.5	36.8	30.1	28.2	26.0
06 Chemicals and products thereof	4.8	3.6	3.7	3.5	16.7	18.0	17.5	20.1
29 Organic chemicals	2.5	2.5	3.7	3.0	16.6	17.8	15.6	16.8
2902 Cyclic hydrocarbons	0.00[a]	0.00[a]	0.00[a]	0.6	13.8	15.9	14.2	15.3
07 Plastics and rubber	0.1	0.1	0.1	0.1	0.01	0.02	0.04	0.02
08 Raw hides and skins; leather, furskins and articles thereof	0.06	0.02	0.01	0.01	0.00	0.01	0.00	0.00
09 Wood, cork, straw	0.05	0.03	0.02	0.03	0.01	0.02	0.01	0.01
10 Pulp of wood; paper and paperboard	0.03	0.04	0.07	0.02	0.01	0.02	0.01	0.01
11 Textiles and textile articles	0.2	0.2	0.2	0.1	0.1	0.1	0.04	0.03
12 Footwear, headgear, etc.	0.00[a]	0.02	0.00[a]	0.00[a]	0.00[a]	0.00[a]	0.00[a]	0.00[a]
13 Articles of stone, plaster, cement	0.03	0.01	0.04	0.04	0.00[a]	0.01	0.00[a]	0.01
14 Precious stones and metals	0.1	0.2	0.05	0.00[a]	0.2	0.1	0.04	0.05
15 Base metals and articles thereof	0.9	0.6	1.1	1.0	0.3	0.4	0.6	0.8
16 Machinery, electrical equipment	3.9	1.8	2.1	2.5	0.5	1.3	0.5	0.6
17 Transport equipment	1.0	0.7	0.6	0.8	0.3	0.6	0.4	0.5
18 Precision equipment	0.6	2.7	0.7	0.6	0.2	0.2	0.2	0.2
19 Arms and ammunition	..	..	..	..	..	..	..	..
20 Miscellaneous manufactured articles	0.1	0.1	0.1	0.03	0.02	0.04	0.01	0.01
21 Works of art, etc.	0.00[a]	0.01	0.00[a]	0.00[a]	0.00[a]	0.00[a]	0.00[a]	0.1
Other	0.2	0.2	0.1	0.1	0.02	0.05	0.04	0.05

.. Not available.

a Less than or equal to 0.004%.

Source: WTO Secretariat calculations, based on UN Comtrade database.

Table A1.4 Merchandise imports by HS section and main HS chapter/heading, 2016-23

HS section/chapter/ heading	2016	2017	2018	2019	2020	2021	2022	2023
Total imports (USD million)	2,678.5	3,084.5	4,164.1	5,102.7	5,342.5	8,574.7	9,183.9	7,484.5
	(% of total imports)							
01 Live animals and products	4.2	3.8	3.1	2.5	2.1	1.7	1.6	1.8
02 Vegetable products	4.4	3.7	3.1	2.8	2.9	2.0	2.2	2.4
03 Fats and oils	0.5	0.6	0.4	0.3	0.3	0.2	0.3	0.3
04 Prepared food, beverages and tobacco	9.5	7.1	5.6	4.4	5.6	3.3	3.1	3.8
05 Mineral products	10.7	11.0	8.1	34.5	36.9	67.2	68.6	64.2
27 Mineral fuels and oils	8.6	8.7	6.6	33.8	36.5	66.4	67.8	63.8
2709 Petroleum oils, crude	0.00[a]	0.00[a]	0.00[a]	22.8	27.4	60.2	59.2	52.5
2710 Petroleum oils, other than crude	8.4	8.6	6.5	8.1	7.3	4.6	6.5	9.4
06 Chemicals and products thereof	8.4	7.5	6.1	6.7	8.9	4.7	5.2	6.1
30 Pharmaceuticals	2.5	2.1	1.9	2.0	3.2	1.8	1.6	3.0
07 Plastics and rubber	3.8	2.7	1.9	1.7	1.7	1.0	1.0	1.4
08 Raw hides and skins; leather, furskins and articles thereof	0.4	0.3	0.2	0.2	0.1	0.1	0.1	0.1
09 Wood, cork, straw	0.4	0.3	0.3	0.2	0.2	0.1	0.1	0.1
10 Pulp of wood; paper and paperboard	1.5	1.2	0.9	0.7	1.1	0.5	0.4	0.5
11 Textiles and textile articles	2.2	2.1	1.4	1.1	1.3	1.0	1.1	0.9
12 Footwear, headgear, etc.	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2
13 Articles of stone, plaster, cement	2.0	3.5	2.4	1.3	0.7	0.4	0.3	0.4
14 Precious stones and metals, pearls	0.1	0.2	0.1	0.0	0.0	0.1	0.1	0.1
15 Base metals and articles thereof	12.5	15.9	22.7	10.1	8.0	2.7	2.8	3.5
73 Articles of iron and steel	8.0	10.2	17.3	8.0	6.5	1.6	1.5	1.6
16 Machinery, electrical equipment	21.4	24.5	30.9	21.9	19.3	8.0	6.8	8.1
83 Machinery and mechanical appliances, parts thereof	14.5	18.2	24.3	17.6	14.3	5.5	4.6	5.6
84 Electrical machineries and parts thereof	6.9	6.3	6.7	4.2	5.0	2.5	2.2	2.5
17 Transport equipment	11.7	9.7	7.5	7.6	7.3	4.4	4.1	3.9
87 Vehicles, parts thereof	8.4	7.5	5.7	5.8	6.0	3.1	2.5	2.9
88 Aircraft, spacecraft, and parts thereof	2.9	2.1	1.6	1.5	1.1	0.5	1.6	0.9
18 Precision instruments	2.9	3.1	3.2	2.3	1.8	1.1	1.0	1.3
19 Arms and ammunition	..	..	..	..	..	..	..	..
20 Miscellaneous manufactured articles	2.5	2.3	1.7	1.5	1.7	1.1	0.9	0.9
21 Works of art, collectors' pieces and antiques	0.01	0.01	0.00	0.01	0.00[a]	0.00[a]	0.00[a]	0.00[a]
Other	0.3	0.3	0.2	0.1	0.0	0.0	0.1	0.1

.. Not available.

a Less than or equal to 0.004%.

Source: WTO Secretariat calculations, based on UN Comtrade database.

Table A1.5 Merchandise exports and imports by partner, 2016-23

Partner	2016	2017	2018	2019	2020	2021	2022	2023
Total exports (USD million)	4,875.1	5,570.6	6,573.6	7,039.1	6,608.2	11,058.2	14,230.2	11,240.6
	(% of total exports)							
Americas	0.3	0.6	1.0	0.6	1.2	0.2	1.7	4.3
United States	0.2	0.5	0.9	0.5	1.2	0.1	0.9	0.9
Brazil	0.00[a]	0.00[a]	0.00[a]	0.00[a]	0.00[a]	0.00[a]	0.3	2.3
Mexico	0.00[a]	0.00[a]	0.00[a]	0.00[a]	0.00[a]	0.00[a]	0.2	0.8
Europe	0.8	2.6	0.4	0.3	0.1	0.1	0.2	0.3
EU-27	0.1	0.2	0.1	0.1	0.0	0.0	0.1	0.1
EFTA	0.00[a]	2.2	0.02	0.01	0.00[a]	0.01	0.00[a]	0.01
United Kingdom	0.6	0.2	0.3	0.3	0.1	0.1	0.2	0.2
Africa	0.05	0.02	0.01	0.01	0.3	0.00[a]	0.1	0.6
Middle East	0.3	0.1	0.1	0.3	0.03	0.2	0.02	0.05
Asia	98.6	96.8	98.3	98.7	98.3	99.5	97.9	94.8
China	4.7	4.8	3.6	6.1	17.7	20.1	15.6	16.7
Japan	34.7	29.3	34.7	31.4	25.6	20.3	17.4	13.9
Other – Asia	59.2	62.7	60.0	61.3	55.0	59.0	65.0	64.2
Australia	4.8	2.7	8.8	10.2	5.0	12.5	20.6	21.6
Singapore	6.7	7.6	8.5	13.7	21.3	21.4	13.6	17.1
Malaysia	5.7	11.2	7.6	8.7	7.7	5.0	10.1	6.8
Thailand	8.9	11.0	10.5	7.8	4.4	4.7	3.3	4.9
Indonesia	1.7	0.7	0.7	0.5	1.1	1.7	4.7	2.9
Other	0.01	0.00[a]	0.24	0.01	0.01	0.00[a]	0.00[a]	0.00[a]
Memorandum:								
ASEAN	24.9	32.1	28.2	35.3	40.2	39.6	39.3	35.7
Total imports (USD million)	2,678.5	3,084.5	4,164.1	5,102.7	5,342.5	8,574.7	9,183.9	7,484.5
	(% of total imports)							
Americas	12.4	10.3	9.4	6.9	8.1	3.9	5.5	4.7
United States	11.6	9.5	8.7	6.3	5.6	2.6	3.1	3.7
Europe	12.8	13.9	7.3	14.6	14.0	8.3	5.0	5.5
EU-27	8.5	8.6	3.9	11.8	5.4	4.3	2.5	3.9
EFTA	0.7	0.8	0.3	0.2	0.3	3.1	1.2	0.2
United Kingdom	3.2	4.3	3.0	2.4	8.3	0.8	1.2	1.4
CIS[b]	0.00	0.02	0.04	4.0	4.4	15.3	6.8	9.2
Kazakhstan	0.00[a]	0.00[a]	0.00[a]	4.0	0.5	0.0	4.3	6.0
Russian Federation	0.00[a]	0.01	0.01	0.01	3.8	15.3	2.5	3.2
Africa	0.1	0.1	0.1	10.9	2.3	1.8	0.6	0.6
Middle East	0.3	0.3	0.3	6.9	7.7	14.5	24.8	21.0
United Arab Emirates	0.2	0.2	0.2	5.0	4.3	2.1	12.2	10.9
Qatar	0.00[a]	0.00[a]	0.1	0.6	0.00[a]	0.8	6.1	6.3
Saudi Arabia, Kingdom of	0.1	0.1	0.1	0.1	2.2	10.9	4.3	3.7
Asia	74.2	75.2	82.7	56.4	63.5	56.2	57.3	58.9
China	13.0	20.8	39.4	13.2	10.8	6.7	8.8	10.5
Japan	4.3	3.9	3.9	4.1	3.2	3.9	1.2	1.2
Other – Asia	56.8	50.5	39.4	39.2	49.6	45.6	47.3	47.2
Malaysia	21.1	18.2	13.2	11.9	17.4	22.3	24.0	26.4
Australia	1.6	1.4	1.1	0.8	5.6	5.1	4.7	7.2
Singapore	19.2	18.5	13.8	12.5	14.2	8.7	5.4	4.6
Indonesia	3.1	2.4	1.7	2.6	2.9	3.2	3.0	2.8
Thailand	3.8	3.1	2.6	2.3	2.4	1.1	0.9	1.2
Other	0.2	0.2	0.1	0.2	0.1	0.04	0.1	0.1
Memorandum:								
ASEAN	48.3	43.2	32.3	32.1	37.7	36.4	36.1	37.3

a Less than or equal to 0.004%.
b Commonwealth of Independent States, including certain associate and former member States.

Source: WTO Secretariat calculations, based on UN Comtrade database.

Table A1.6 Composition of trade in services, 2016-23

	2016	2017	2018	2019	2020	2021	2022	2023
Total credit (BND million)	732.6	761.3	769.8	842.8	485.9	269.3	388.2	456.6
	(% of total credit)							
Maintenance and repair services	0.00	0.1	0.00	0.00	0.00	0.3	0.03	0.09
Transport	65.1	63.0	53.1	45.0	41.2	49.4	70.0	53.9
Travel	27.2	32.2	33.3	35.1	10.8	1.0	4.9	20.9
Construction	0.0	0.0	8.7	15.3	38.8	32.0	10.6	4.8
Insurance services	0.0	0.3	0.2	0.2	0.4	0.2	0.5	0.1
Financial services	0.0	0.2	0.0	0.1	0.1	0.1	0.1	0.1
Charges for the use of intellectual property	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Telecommunications, computer and information services	0.0	0.0	0.2	0.2	2.1	3.8	2.1	10.1
Other business services	7.8	0.9	1.2	1.2	1.4	3.6	5.2	4.4
Personal, cultural and recreational services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Government goods and services n.i.e	0.0	3.4	3.3	3.0	5.2	9.5	6.6	5.6
Total debit (BND million)	2,272.4	1,723.2	2,129.6	2,464.7	1,664.5	1,205.2	1,557.7	2,205.9
	(% of total debit)							
Maintenance and repair services	0.0	7.2	5.6	5.2	10.0	6.9	8.0	8.7
Transport	13.0	20.8	14.3	13.0	18.8	25.9	21.2	17.8
Travel	30.4	40.4	37.1	33.9	8.1	1.5	10.6	24.9
Construction	0.0	2.1	7.5	13.4	7.2	11.2	18.6	10.7
Insurance services	0.0	0.7	0.8	0.7	0.9	6.1	6.5	3.3
Financial services	0.0	2.8	0.7	0.1	0.3	0.4	0.1	0.0
Charges for the use of intellectual property	0.0	1.4	1.3	1.0	1.0	1.5	0.5	0.4
Telecommunications, computer and information services	0.0	3.2	4.1	5.3	13.2	8.6	3.5	3.6
Other business services	56.6	18.6	26.7	25.7	37.9	34.3	28.0	28.7
Personal, cultural and recreational services	0.0	0.5	0.1	0.1	0.1	0.2	0.3	0.2
Government goods and services n.i.e	0.0	2.3	1.9	1.6	2.4	3.3	2.6	1.8

Source: Ministry of Finance and Economy, *National Statistics*. Viewed at: https://deps.mofe.gov.bn/SitePages/National%20Statistics.aspx.

Table A1.7 FDI inward stock by sector and partner, 2016-23

	2016	2017	2018	2019	2020	2021	2022	2023
FDI inward stock (BND million)	8,528.3	8,769.6	9,094.9	9,620.0	10,132.8	9,941.2	9,191.9	8,960.8
FDI inward stock (USD million)	6,173.9	6,350.7	6,742.4	7,051.7	7,344.2	7,397.8	6,665.8	6,671.8
FDI inward stock (% of GDP)	54.2	52.4	49.7	52.4	61.2	52.8	40.0	44.1
By economic activity (BND million):								
Mining and quarrying	5,702.5	4,793.2	4,599.4	4,816.4	4,290.4	4,047.3	3,568.2	3,422.5
Manufacturing	995.3	1,714.8	2,620.8	3,299.5	4,002.6	4,128.8	3,749.7	3,444.3
Construction	79.0	708.9	77.8	26.0	78.3	38.4	65.2	58.8
Wholesale and retail trade	230.3	188.7	159.9	133.5	145.6	156.7	187.3	205.5
Financial and insurance activities	1,257.3	1,083.6	1,200.2	958.3	1,037.7	1,045.0	1,022.5	1,174.1
Professional, scientific and technical activities	..	..	..	..	239.4	240.6	306.6	228.6
Other activities	263.9	280.5	436.7	386.3	338.8	284.4	292.4	427.0
By partner (BND million):								
ASEAN	557.8	1,134.1	580.2	163.0	772.1	633.9	668.9	633.1
Malaysia	182.7	847.9	212.2	-188.5	250.1	242.5	232.6	269.5
Singapore	369.7	280.0	360.9	343.9	516.7	387.0	430.9	363.6
Other	5.4	6.2	7.1	7.6	5.3	4.4	5.3	0.0
EU-27	1,079.5	1,006.4	1,416.6	1,472.7	1,190.8	1,049.6	912.6	627.6
Germany	30.2	35.9	25.8	15.3	15.0	15.5	10.0	11.0
Netherlands	970.4	875.2	1,294.4	1,436.9	1,141.1	1,008.5	872.8	600.4
Other	78.9	95.2	96.4	20.5	34.7	25.5	29.8	16.2
Hong Kong, China	612.1	1,169.1	2,154.9	2,741.1	3,533.2	3,498.7	3,222.7	2,954.3
Japan	521.9	510.0	344.0	214.0	346.3	426.9	412.8	362.0
United Kingdom	5,035.2	4,412.8	3,899.8	4,136.5	3,482.1	3,193.4	2,840.2	3,007.7
United States	4.4	2.3	2.7	3.2	4.9	25.5	24.6	2.5
Other	717.4	534.9	696.6	889.5	803.5	1,113.2	1,110.1	1,373.6

.. Not available.

Source: Ministry of Finance and Economy, *eData Library, Foreign Direct Investment*. Viewed at: https://deps.mofe.gov.bn/SitePages/eData%20library.aspx.

Table A2.1 Main trade-related legislation, 2024

Subject	Acts and orders	Chapter or *Gazette* ref.	Entry into force	Last amended
Air transport	Airport Passenger Service Charge Act	Chapter 188	1999	2004
	Civil Aviation Order, 2006 (repeals Air Navigation Act (Chapter 113))	S 63/06	2006	2014
Business environment	Arbitration Order, 2009 (repeals Arbitration Act (Chapter 173))	S 34/09	2010	
	Business Names Act	Chapter 92	1958	2012
	Companies Act	Chapter 39	1957	2020
	Co-operative Societies Act (as amended)	Chapter 84	1975	2012
	Criminal Asset Recovery Order, 2012 (repeals the Anti-Money Laundering Act (Chapter 209))	S 47/12	2012	2023
	Darussalam Enterprise Act	Chapter 244	2016	
	Electronic Transaction Act	Chapter 196	2001	
	Exit and Entry Charges Act	Chapter 232	2020	2022
	Free Trade Zones Act	Chapter 255	2015	
	International Arbitration Order, 2009	S 35/09	2010	
	International Business Companies Order, 2000	S 56/00	2000	2017
	International Limited Partnership Order, 2000	S 45/00	2000	2016
	International Trusts Order, 2000	S 55/00	2000	2011
	Registered Agents and Trustees Licensing Order, 2000	S 54/00	2000	
	Insolvency Act (repealed Limited Liability Partnership Order, 2010)	Chapter 247	2016-18	2018
	Limited Liability Partnership Order, 2010	S 117/10	Not yet in force	2018
Competition	Consumer Protection (Fair Trading) Act	S 64/11	2012	
	Competition Act, 2015	Chapter 253	2017	2021
	Monopolies Act (as amended)	Chapter 73	1932	
	Trade Disputes Act	Chapter 129	1962	
Customs	Customs Order, 2006 (repeals Customs Act (Chapter 36))	S 39/06	2006	2023
	Excise Order, 2006 (repeals Excise Act (Chapter 37))	S 40/06	2006	2023
Energy	Brunei National Energy Research Institute Act	Chapter 260	Not yet in force	
	Electricity Act	Chapter 71	1973	
	Energy Efficiency (Standards and Labelling) Act	Chapter 233	2023	2023
Financial services	Brunei Darussalam Central Bank Order, 2010 (formerly known as Autoriti Monetari Brunei Darussalam Order, 2010)	S 103/10	2011	2023
	Banking Order, 2006	S 45/06	2006	2010
	Currency and Monetary Order, 2004 (formerly known as Currency Order, 2004)	S 16/04	2004	2011
	Deposit Protection Order, 2010	S 110/10	2011	
	Finance Companies Act	Chapter 89	1973	2016
	Hire Purchase Order, 2006	S 44/06	2006	2016
	Insurance Order, 2006	S 48/06	2006	2016
	International Banking Order, 2000	S 53/00	2000	2016
	International Finance Corporation Act	Chapter 235	2021	

Subject	Acts and orders	Chapter or *Gazette* ref.	Entry into force	Last amended
	International Insurance and Takaful Order, 2002	S 43/02	2002	
	Islamic Banking Order, 2008 (repeals Islamic Banking Act (Chapter 168))	S 96/08	2008	2016
	Money-Changing and Remittance Businesses Act	Chapter 174	1995	2011
	Money Laundering Order, 2000	2000	2010	
	Moneylenders Act	Chapter 62	1922	2011
	Pawnbrokers Order, 2002	S 60/02	2005	
	Payment and Settlement Systems (Oversight) Act	Chapter 251	2015	2011
	Secured Transactions Act	Chapter 245	2016	
	Securities Markets Order, 2013 (repeals Mutual Funds Order, 2001 and Securities Order, 2001)	S 59/13	2013	2020
	Takaful Order, 2008	S 100/08	2008	2015
Fisheries	Brunei Darussalam Fishery Limits Act (as amended)	Chapter 130	1983	2009
	Fisheries Order, 2009 (repeals Fisheries Act (Chapter 61)) (as amended)	S 25/09	2009	2020
Forestry	Forest Act (as amended)	Chapter 46	1934	2020
Government procurement	Financial Regulations 327-340 (not found)	n.a.	1983	
Hydrocarbons and mining	Petroleum (Pipe-Lines) Act	Chapter 45	1920	2009
	Mining Act	Chapter 42	1920	
	Petroleum Mining Act	Chapter 44	1963	2009
	Petroleum Authority of Brunei Darussalam Act	Chapter 231	2019	
Investment	Investment Incentives Order, 2001 (repeals Investment Incentives Act (Chapter 97))	S 48/01	2001	2011
IPR	Emergency (Copyright) Order, 1999	S 14/00	2000	2013
	Emergency (Industrial Designs) Order, 1999	S 7/00	2000	
	Emergency (Layout Design) Order, 1999	S 8/00	2000	
	Merchandise Marks Act	Chapter 96	1953	
	Patents Order, 2011 (repeals Inventions Act (Chapter 72))	S 57/11	2012	2019
	Trade Marks Act	Chapter 98	2000	2017
Manufacturing	Industrial Co-ordination Order, 2001	S 44/01	2001	
Maritime transport	Maritime and Port Authority of Brunei Darussalam Act (repeals Ports Act)	Chapter 222	2017	
	Merchant Shipping Order, 2002 (repeals Merchant Shipping Act (Chapter 145))	S 27/02	2002	2021
Price control	Price Control Act	Chapter 142	1974	2021
SPS	Agricultural Pests and Noxious Plants Act	Chapter 43	1971	
	Animal (Diseases and Quarantine) Act	Chapter 254	2021	
	Halal Meat Act	Chapter 183	1999	2016
	Infectious Diseases Act (repeals Quarantine and Prevention of Disease Act) (Chapter 47)	Chapter 204	2003	2020
	Plant Varieties Protection Order	Chapter 252	2015	2019
	Poisons Act	Chapter 114	1957	
	Safety, Health and Environment National Authority Act	Chapter 227	2017	1996

Subject	Acts and orders	Chapter or *Gazette* ref.	Entry into force	Last amended
Taxation	Income Tax (Petroleum) Act (as amended)	Chapter 119	1963	2012
	Income Tax Act (as amended)	Chapter 35	1949	2022
TBT	Halal Certificate and Halal Label Order, 2005	S 39/05	2008	
	Hazardous Waste (Control of Export, Import and Transit) Order, 2013	S 94/13	Not yet in force	2017
	Misuse of Drugs Act	Chapter 27	1978	
	Public Health (Food) Act	Chapter 182	2001	2020
	Tobacco Order, 2005	S 49/05	2008	2012
Telecommunications	Telecommunications Order, 2001 (repeals Telecommunications Act (Chapter 54))	S 38/01	2006	2022
Tourism	Tourism Act (repeals Travel Agent Act)	Chapter 239	2016	

n.a. Not applicable.

Note: Legislation is passed by the Sultan as orders and published in the Government Gazette, Part II. Orders are converted into Acts after revision by the Attorney General's Chambers (AGC) and incorporated into the Laws of Brunei. Currently, the Laws of Brunei compile 220 Acts (referred to as Chapters). Orders and Acts have the same legal effect and are equally enforceable. (ASEAN Law Association, *Legal System in Brunei Darussalam*, Chapter 2: Sources of Law. Viewed at: https://www.aseanlawassociation.org/legal-system-in-brunei-darussalam/; and information provided by the authorities).

Source: WTO Secretariat, based on Attorney General's Chambers, AGC Legislation Online. Viewed at: http://www.agc.gov.bn; and information provided by the authorities.

Table A2.2 Brunei 's RTAs in force, June 2024

RTAs entered into force	
ASEAN Free Trade Area	
Type of agreement	Free Trade Agreement and Economic Integration Agreement
Date of signature	26/02/2009 (Goods); 15/12/1995 (Services)
Entry into force	17/05/2010 (Goods); 12/08/1998 (Services)
End of the transition period	2025
Coverage (selected features)	Goods and Services
WTO consideration status	Factual presentation issued (Goods), On hold (Services)
WTO document series	WT/REG457/2 (Goods)
ASEAN Trade in Goods Agreement (ATIGA)	
Type of agreement	Economic Integration Agreement
Date of signature	26/02/2009
Entry into force	17/05/2010
End of the transition period	2025
Coverage (selected features)	Goods
WTO consideration status	Factual presentation issued
WTO document series	WT/REG457/2
ASEAN Trade in Services Agreement (ATISA)	
Type of agreement	Economic Integration Agreement
Date of signature	07/10/2020
Entry into force	05/04/2021
End of the transition period	2036
Coverage (selected features)	Services
WTO consideration status	Factual presentation on hold
WTO document series	
ASEAN-Australia-New Zealand (AANZFTA)	
Type of agreement	Free Trade Agreement and Economic Integration Agreement
Date of signature	27/02/2009
Entry into force	01/01/2010
End of the transition period	2025
Coverage (selected features)	Goods and Services
WTO consideration status	Factual presentation issued
WTO document series	WT/REG264/1/Rev.1 (Goods and Services)
ASEAN-China (ACFTA)	
Type of agreement	Free Trade Agreement and Economic Integration Agreement
Date of signature	29/11/2004 (Goods); 14/01/2007 (Services)
Entry into force	01/01/2005 (Goods); 01/07/2007 (Services)
End of the transition period	2020 (Goods); 2007 (Services)
Coverage (selected features)	Goods and Services
WTO consideration status	Factual presentation issued (Services), Abstract (Goods)
WTO document series	WT/REG279/1 (Services)
ASEAN-India (AIFTA)	
Type of agreement	Free Trade Agreement and Economic Integration Agreement
Date of signature	13/08/2009 (Goods); 13/11/2014 (Services)
Entry into force	01/01/2010 (Goods); 01/07/2015 (Services)
End of the transition period	2024 (Goods); 2015 (Services)
Coverage (selected features)	Goods and Services
WTO consideration status	Factual presentation issued
WTO document series	WT/COMTD/RTA/8/1 (Goods); WT/REG372/1 (Services)
ASEAN-Japan (AJCEP)	
Type of agreement	Free Trade Agreement and Economic Integration Agreement
Date of signature	26/03/2008 (Goods); 27/02/2019 (Services)
Entry into force	01/12/2008 (Goods); 01/08/2020 (Services)
End of the transition period	2026 (Goods); 2022 (Services)
Coverage (selected features)	Goods and Services
WTO consideration status	Factual presentation issued
WTO document series	WT/REG277/1/Rev.1 (Goods); WT/REG277/4 (Services)
ASEAN-Hong Kong, China (AHKFTA)	
Type of agreement	Free Trade Agreement and Economic Integration Agreement
Date of signature	28/03/2018
Entry into force	11/06/2019
End of the transition period	2036
Coverage (selected features)	Goods and Services
WTO consideration status	Factual presentation issued
WTO document series	WT/REG448/1 (Goods and services)
ASEAN-Korea, Republic of (AKFTA)	
Type of agreement	Free Trade Agreement and Economic Integration Agreement
Date of signature	24/08/2006 (Goods); 21/11/2008 (Services)
Entry into force	01/01/2010 (Goods); 01/05/2009 (Services)
End of the transition period	2024 (Goods); 2010 (Services)
Coverage (selected features)	Goods and Services
WTO consideration status	Factual presentation issued
WTO document series	WT/REG287/3 (Goods); WT/REG287/1 (Services)

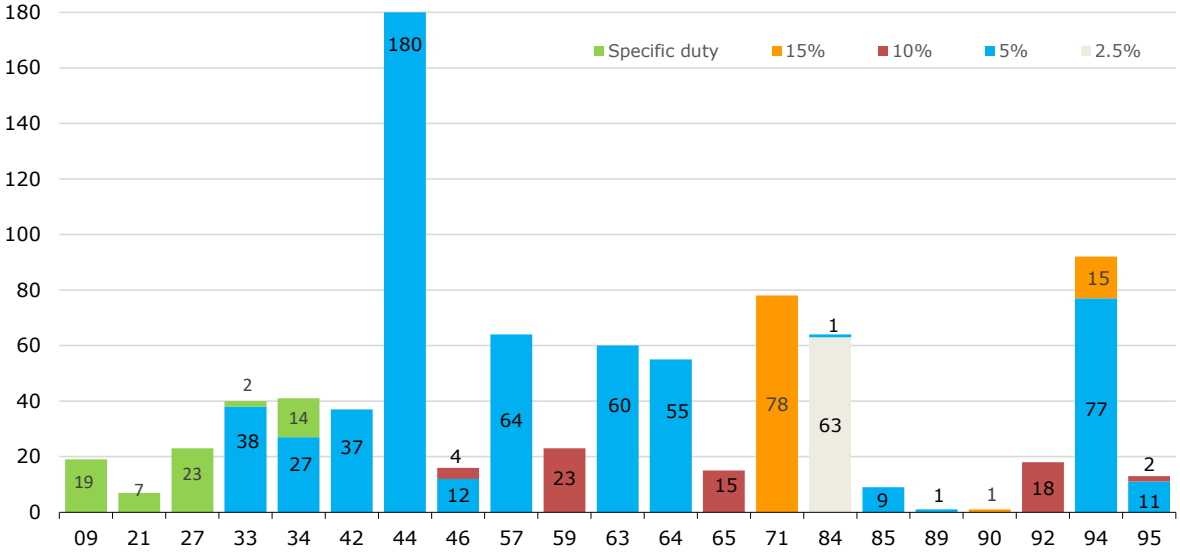
RTAs entered into force	
Brunei Darussalam-Japan (BDJFTA)	
Type of agreement	Free Trade Agreement and Economic Integration Agreement
Date of signature	18/06/2007
Entry into force	31/07/2008
End of the transition period	2023
Coverage (selected features)	Goods and Services
WTO consideration status	Factual presentation issued
WTO document series	WT/REG244/1
Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)	
Type of agreement	Free Trade Agreement and Economic Integration Agreement
Date of signature	08/03/2018
Entry into force	30/12/2018
End of the transition period	2039
Coverage (selected features)	Goods and Services
WTO consideration status	Factual presentation issued
WTO document series	WT/REG395/1/Add.1-8 (Goods and Services)
Trans-Pacific Strategic Economic Partnership	
Type of agreement	Free Trade Agreement and Economic Integration Agreement
Date of signature	18/07/2005
Entry into force	28/05/2006
End of the transition period	2017
Coverage (selected features)	Goods and Services
WTO consideration status	Factual presentation issued
WTO document series	WT/REG229/1 (Goods and Services)
Regional Comprehensive Economic Partnership (RCEP)	
Type of agreement	Free Trade Agreement and Economic Integration Agreement
Date of signature	15/11/2020
Entry into force	01/01/2022
End of the transition period	..
Coverage (selected features)	Goods and Services
WTO consideration status	.. (no notification has been made)
WTO document series	..

.. Not available.

Source: WTO Secretariat; and information provided by the authorities.

Chart A3.1 Type of duties, by HS dutiable chapter, 2024

(Number of tariff lines)



09 Coffee, tea, maté & spices
21 Misc. edible preparations
27 Mineral fuels & oils
33 Essential oils & resinoids
34 Soap, etc.
42 Articles of leather
44 Wood & articles of wood
46 Manufacture of straw, etc.
57 Carpets, etc.
59 Worked textile fabrics
63 Other made-up textile articles
64 Footwear & gaiters
65 Headgear
71 Precious stones & metals
84 Machinery mechanical equipment
85 Electrical machinery
89 Ships & floating structures
90 Precision instruments
92 Musical instruments
94 Furniture & luminaires
95 Toys, games & sport requisites

Note: Only the numbers (labels) of duty lines with a rate higher than zero are displayed in the bars. HS chapters (HS 2-digit level) being fully duty-free are not presented in the chart.

Source: WTO Secretariat calculations, based on data provided by the authorities.

Table A3.1 MFN applied tariff summary, 2024

	Number of lines	Average (%)	Range (%) MFN applied	Standard deviation	Duty-free (%)	Bound range[a] (%)
All products	11,414[b]	0.4	0-15	1.9	92.5	20-50
HS 01-24	1,826[b]	0.02	0-4.6	0.2	98.6	20-50
HS 25-97	9,588[b]	0.5	0-15	2.0	91.3	20-50
By WTO category						
WTO agricultural products	**1,441**[b]	**0.08**	**0-5**	**0.6**	**97.1**	**20-50**
Live animals and meat	159	0.0	0-0	0.0	100.0	20-50[c]
Dairy products	52	0.0	0-0	0.0	100.0	20-50[c]
Fruits and vegetables	299	0.0	0-0	0.0	100.0	20-50[c]
Coffee, tea, cocoa and spices	92[b]	0.3	0-4.6	0.8	79.3	20-50[c]
Cereals and food preparations	184[b]	0.0	0-0	0.0	96.2	20-50[c]
Oilseeds, fats and oils	210	0.0	0-0	0.0	100.0	20-20[c]
Sugars and confectionery	33	0.0	0-0	0.0	100.0	20-50[c]
Beverages and tobacco	133	0.0	0-0	0.0	100.0	20-20
Cotton, silk and wool	25	0.0	0-0	0.0	100.0	20-20[c]
Other agricultural products	254	0.3	0-5	1.2	93.7	20-50[c]
WTO non-agricultural products	**9,973**[b]	**0.5**	**0-15**	**2.0**	**91.8**	**20-50**
Fish and fish products	467	0.0	0-0	0.0	100.0	20-30[c]
Minerals and metals	1,558	0.8	0-15	3.3	95.0	20-40
Petroleum	45[b]	0.2	0-2.1	0.5	48.9	20-20
Chemicals	1,668[b]	0.1	0-5	0.8	96.1	20-50
Wood, paper, furniture	627	2.0	0-10	2.5	61.2	20-40
Textiles	839	1.2	0-10	2.5	80.2	20-40[c]
Clothing	352	0.0	0-0	0.0	100.0	30-30[c]
Rubber, leather and footwear	341	1.2	0-5	2.1	76.2	20-40
Mechanical, office and computing machinery	1,274	0.1	0-5	0.6	95.0	20-40
Electrical machinery and electronic equipment	951	0.0	0-5	0.5	99.1	20-40
Transport equipment	1,184	0.0	0-5	0.1	99.9	20-40
Other manufactures	667	1.1	0-15	3.2	87.4	20-40
By stage of processing						
First stage of processing	1,179[b]	0.5	0-15	2.2	92.6	20-50
Semi-processed products	2,997[b]	0.4	0-15	1.9	94.1	20-50
Fully processed products	7,238[b]	0.5	0-15	1.8	91.8	20-50
By HS section						
01 Live animals and products	624	0.0	0-0	0.0	100.0	20-50[c]
02 Vegetable products	513[b]	0.1	0-4.6	0.4	96.3	20-50[c]
03 Fats and oils	187	0.0	0-0	0.0	100.0	20-20[c]
04 Prepared food, beverages and tobacco	502[b]	0.0	0-0	0.0	98.6	20-50
05 Mineral products	219[b]	0.0	0-2.1	0.2	89.5	20-20
06 Chemicals and products thereof	1333[b]	0.2	0-5	1.1	93.9	20-50
07 Plastics, rubber, and articles thereof	600	0.0	0-0	0.0	100.0	20-40
08 Raw hides and skins, leather	92	2.0	0-5	2.5	59.8	20-30[c]
09 Wood and articles of wood	267	3.7	0-10	2.3	26.6	20-40[c]
10 Pulp of wood, paper and paperboard	310	0.0	0-0	0.0	100.0	20-20
11 Textiles and textile articles	1,180	0.7	0-10	2.0	87.5	20-30[c]
12 Footwear, headgear, etc.	92	4.6	0-10	3.1	23.9	20-30[c]
13 Articles of stone, plaster, cement	266	0.0	0-0	0.0	100.0	20-40[c]
14 Precious stones and metals, pearls	80	14.6	0-15	2.3	2.5	20-30[c]
15 Base metals and articles thereof	1,073	0.0	0-0	0.0	100.0	20-20
16 Machinery, electrical equipment, etc.	2,212	0.1	0-5	0.5	96.7	20-40
17 Transport equipment	1,188	0.0	0-5	0.1	99.9	20-40

	Number of lines	Average (%)	Range (%) MFN applied	Standard deviation	Duty-free (%)	Bound range[a] (%)
18 Precision equipment	313	0.6	0-15	2.5	93.9	20-30
19 Arms and ammunition	32	0.0	0-0	0.0	100.0	0-0
20 Miscellaneous manufactured articles	312	2.2	0-15	3.7	66.3	20-40
21 Works of art, etc.	19	0.0	0-0	0.0	100.0	20-20[c]

a Final bound rates are based on the 2023 tariff schedule in HS22 nomenclature. Latest certified binding schedule being in HS17 nomenclature, the concordance to HS22 nomenclature is done to the best extent possible.
b Includes lines with specific duties.
c All lines within this product category are bound.

Note: For 2023, AVEs for 46 of 65 specific rates are included, calculated by the WTO Secretariat, based on data provided by the authorities.

Source: WTO Secretariat calculations, based on information provided by the authorities.

Table A3.2 Products subject to an excise tax, 2014 and 2024

HS chapter	Product categories	2014		2024	
		Number of tariff lines (8-digit)	Excise duties applied	Number of tariff lines (8-digit)	Excise duties applied
87	Vehicles and parts thereof	304	15%, 20%, 25% 30%	971	5%, 10%, 15%, 20%, 25% 30%, 35%, 40%, 45%
84	Machinery and mechanical appliances	276	5%	966	2.5%, 5%
85	Electrical machinery and equipment	..	..	760	2.5%, 5%, 10%, 15%, 100%
39	Plastics and articles thereof	..	..	385	3%, BND 5/kg
40	Rubber and articles thereof	..	..	171	5%, 15%
90	Optical, photographic, medical and other precision instruments	39	5%	147	2.5%, 5%
22	Beverages and spirits				
	Wine and vermouth (HS 2204 and 2205)	17	BND 55/dal, BND 90/dal, BND 120/dal	22	BND 110/dal, BND 180/dal, BND 240/dal
	Undenatured ethyl alcohol, spirituous beverages (HS 2207.10 and 2208)	17	BND 120 p.p. dal, BND 250 p.p. dal, BND 90/dal, BND 250/dal	20	BND 240 p.p. dal, BND 500 p.p. dal, BND 180/dal, BND 500/dal
	Other fermented beverages (HS 2206)	6	BND 30/dal, BND 90/dal	10	BND 60/dal, BND 180/dal
	Sweetened and flavoured non-alcoholic beverages (HS 2202)	..	..	8	BND 4/dal
	Beer made from malt (HS 2203)	2	BND 30/dal	4	BND 60/dal
91	Clock and watches, parts thereof	..	..	52	10%
37	Photographic or cinematographic goods	..	..	38	5%
24	Tobacco and tobacco products				
	Other tobacco products (HS 2403 and HS 2404)	12	BND 120/kg	19	BND 240/kg, BND 6/ml, 100%
	Unmanufactured tobacco (HS 2401)	13	BND 60/kg	13	BND 120/kg
	Cigars and cigarettes (HS 2402)	6	BND 120/kg, BND 200/kg, BND 0.25/stick	6	BND 240/kg, BND 400/kg, BND 0.5/stick
17	Sugars and sugar confectionery (HS 1702-1704)	..	..	27	3%
95	Video games, gambling equipment (HS 9504)	..	..	22	20%
96	Miscellaneous manufactured articles	..	..		
	Cigarette lighters and decorative hair pins (HS 9613 and 9615)	..	..	18	10%
	Smoking pipes and cigar and cigarette holders (HS 9614)	..	..	2	100%
43	Furskins and articles thereof	..	..	16	5%
88	Unmanned aircraft and parts of aircraft (HS 8806 and 8807)	..	..	15	10%
21	Extracts, essences and concentrates, of coffee, tea or maté (HS 2101)	..	..	10	5%
18	Chocolate and other food preparations containing chocolate (HS 1806)	..	..	9	3%
70	Glass and glassware	..	..	8	5%, 10%
73	Springs and leaves for springs, of iron or steel (HS 7320)	..	..	7	5%

HS chapter	Product categories	2014		2024	
		Number of tariff lines (8-digit)	Excise duties applied	Number of tariff lines (8-digit)	Excise duties applied
27	Petroleum oils (other than crude) being the basic constituents of the preparations, containing biodiesel (HS 2710.20)	..	..	1	22 cent/dal
29	Monosodium glutamate (MSG) (HS 2922.42.20)	..	..	1	30%
36	Fireworks (HS 3604.10)	..	..	1	30%
	total	**692[a]**	**..**	**3,729**	..

.. Not applicable.

a This total corresponded to 1,021 lines at the 10-digit level, which was the degree of disaggregation in place in 2014. Most of the difference between the total number of excisable lines at the 8-digit level (692 lines) and the 10-digit level (1,021 lines) in 2014 comes from the lines under HS section 87 (Vehicles and parts thereof), which amounts to 304 lines at the 8-digit level and 633 lines at the 10-digit level.

dal: Per decalitre.

p.p. dal: Per proof decalitre.

Source: Data provided by the authorities, and Excise Duties (Amendment) Order, 2012.

Table A3.3 Products subject to an import licence (restricted goods), 2024

Product category	Institution	Reasons
Plants and plant material (except from Sarawak and North Borneo)	- Ministry of Primary Resources and Tourism (MPRT)	Health protection
Live cattle and birds (except from Sarawak and North Borneo)	- MPRT	Health protection
Beef products (meat, bones, hide, skin hooves, horn offal or any other part of the animal, or any other thereof), unless it has been slaughtered in an abattoir and authorized by the Minister of Religious Affairs	- Ministry of Health - MPRT - Ministry of Religious Affairs	Health protection and religious considerations
Poultry products (meat, bones, skin or any other part of the animal, or any portion thereof), unless it has been slaughtered in an abattoir and authorized by the Minister of Religious Affairs	- Ministry of Health - MPRT - Ministry of Religious Affairs	Health protection and religious considerations
Separated skimmed or filled milk	- Ministry of Health	Health protection
Rice paddy and the products thereof	- MOFE (Treasury Department)	Food security and price stability
Sugar	- MOFE (Treasury Department)	Food security and price stability
Salt	- MOFE (Treasury Department)	Food security and price stability
Converted timber	- MPRT	Food security and price stability
Used vehicles	- Ministry of Transport and Info-communications	Public safety
Alcoholics liquors	- Ministry of Foreign Affairs, - Prime Minister's Office	Religious considerations
Persian glue	- Ministry of Health	Health protection
Poisons and deleterious drugs	- Ministry of Health	Health protection
Pin table, fruits machines, slot machines and any other tables or machines games used in gambling	- Ministry of Religious Affairs	Religious considerations
Any radioactive materials	- Prime Minister's Office	Public safety
Rhinoceros horn and all other parts of or products derived from the carcass of a rhinoceros	- MPRT	Conservation
Hydrofluorocarbons, whether as pure substances or in mixtures	- Ministry of Health - Ministry of Development	Environment protection
Fireworks (since 2017)	- Royal Brunei Police Force	Public safety
Smoking pipe (since 2017)	- Ministry of Health	Health protection
Tobacco, and tobacco products (coverage updated in 2017)	- Ministry of Health	Health protection
e-cigarettes (including e-liquid) (since 2017)	- Ministry of Health	Health protection
Used tyres (since 2017)	- Ministry of Transport and Info-communications	Public safety

Source: Second Schedule of the Customs (Prohibition and Restriction on Imports and Exports) Order, 1955 (and its amendments). The list of restricted goods can be viewed on the MOFE's website Trading Across Borders: https://tradingacrossborders.mofe.gov.bn/SiteAssets/SitePages/import-step2/Restricted%20and%20Controlled%20Goods.pdf.

Table A3.4 Products subject to an import and/or export permit (controlled goods), 2024

Product category	Institution	Reasons	Scope
Firearms, explosives, fire crackers (only for exports), dangerous weapons, and scrap metals	- Royal Brunei Police Force	Public safety	Imports and exports
Plants, crops, and soil	- Ministry of Primary Resources and Tourism (MPRT)	Health protection	Imports and exports
Live animals	- MPRT	Health protection	Imports and exports
Vegetables	- MPRT	Health protection	Imports and exports
Fruits	- MPRT	Health protection	Imports and exports
Eggs	- MPRT	Health protection	Imports and exports
Rice	- MOFE (Treasury Department)	Food security and price stability	Imports and exports
Fishes, prawns, shells, water organisms	- MPRT	Health protection	Imports and exports
Fishing equipment, and related products	- MPRT	Health protection	Imports and exports
Timber and products thereof	- MPRT	Environment	Imports and exports
Historical antiques made or found in Brunei	- Ministry of Culture, Youth and Sports (Department of Museums)	Historical considerations	Imports and exports
Petroleum products	- Prime Minister's Office (Energy and Industry Department)	Sustainability of national resources	Exports
Publications (e.g. books and newspapers), films, CD, LD, VCD, DVD, cassettes.	- Royal Brunei Police Force - Islamic Dakwah Centre - Prime Minister's Office (Internal Security Department)	Religious considerations	Imports
Recital of Al-Quran, Hadith, religious books	- Royal Brunei Police Force - Islamic Dakwah Centre - Prime Minister's Office (Internal Security Department)	Religious considerations	Imports
Talisman commodities	- Royal Brunei Police Force - Islamic Dakwah Centre - Prime Minister's Office (Internal Security Department)	Religious considerations	Imports
Halal meat	- Ministry of Health - MPRT - Ministry of Religious Affairs	Health protection and religious considerations	Imports
Sugar	- MOFE (Treasury Department)	Food security and price stability	Imports
Salt	- MOFE (Treasury Department)	Food security and price stability	Imports
New vehicles	- Ministry of Transport and Info-communications	Public safety	Imports
Alcoholic beverages	- Ministry of Foreign Affairs - Prime Minister's Office	Religious considerations	Imports
Radio transmitters and receivers, and communications and broadcasting equipment	- Authority for Info-communications Technology Industry of Brunei Darussalam	Public safety	Imports
Medicines, herbal, cosmetics	- Ministry of Health	Public safety and health protection	Imports
Health foods, soft drinks and snacks	- Ministry of Health	Public safety and health protection	Imports
Tobacco products	- Ministry of Health	Health protection	Imports
Poisons, chemicals and radioactive materials.	- Prime Minister's Office	Public safety	Imports
Mineral water	- Prime Minister's Office - Ministry of Health	Health protection	Imports
Badges, banners, Souvenirs comprising of Government Flags and emblems, Royals Regalia, Government flags and crests	- Prime Minister's Office	National security	Imports
Ozone depleting substances under the Montreal Protocol	- Ministry of Health - Ministry of Development	Environment protection	Imports

Source: The lists of controlled goods can be viewed on the MOFE's website Trading Across Borders: https://tradingacrossborders.mofe.gov.bn/SitePages/import-step2.aspx (for imports) and https://tradingacrossborders.mofe.gov.bn/SitePages/export-step2.aspx (for exports).

Table A3.5 List of declared controlled articles, 2024

N°	Sector	Items
1	Food	Rice (acquired and supplied by the Treasury Department, MOFE)
2	Food	Sugar (acquired and supplied by the Treasury Department, MOFE)
3	Food	Formulated powdered milk (for infants to 6 years of age)
4	Food	Cooking oils (canola, corn, palm, vegetable, sunflower, and soya bean)"
5	Fuel	Automotive gas oil (diesel)
6	Fuel	Kerosene
7	Fuel	Liquefied petroleum gas (LPG)
8	Fuel	Motor gasoline, RON 97
9	Fuel	Motor gasoline, RON 92
10	Fuel	Motor gasoline, RON 85
11	Food	Plain flour
12	Food	Milk (condensed and evaporated)
13	Manufacture	Cigarettes and tobacco
14	Construction	Reinforcement bar
15	Construction	Sand
16	Construction	Stone
17	Construction	Cement
18	Construction	Bitumen
19	Construction	Asphalt
20	Construction	Ready mix concrete
21	Construction	Bricks (clay and concrete)

Source: Price Control (Controlled Articles) Order, 2012; and Price Control Act 1974 (and its amendments), Section 4.

Table A3.6 Indicative list of state-owned enterprises, 2024

Company	Government share through public entity (%)	Industry
Brunei Shell Petroleum Company Sdn Bhd	50%	Oil and gas
Brunei Shell Marketing Company Sdn Bhd	50%	Oil and gas
Brunei LNG Sdn Bhd	50%	Oil and gas
Brunei Gas Carriers Sdn Bhd	50%	Oil and gas
Brunei Energy Holdings Sdn Bhd (BEH)	100%	Oil and gas
Brunei Energy Services & Trading Sdn Bhd (100% owned by BEH)	100%	Oil and gas
Brunei Energy Exploration Sdn Bhd (wholly owned by BEH)	100%	Oil and gas
Brunei Energy Production Sdn Bhd (wholly owned by BEH)	100%	Oil and gas
Brunei Energy Investment Overseas Coöperatief (wholly owned by BEH)	100%	Oil and gas
Brunei Darussalam Methanol Company	25%	Oil and gas
Brunei Fertilizer Industries Sdn Bhd	100%	Downstream oil & gas
Hengyi	30%	Petrochemicals
Blue Ocean Tech Sdn Bhd	51%	Aquaculture
Ghanim International Corporation Sdn Bhd[a]	100%	Food & agribusiness
Jerambak Holdings Pty Ltd[a]	100%	Food & agribusiness
PaddyCo Sdn Bhd[a]	100%	Food & agribusiness
PDS Abattoir Sdn Bhd[a]	100%	Food & agribusiness
RBC Sdn Bhd[a]	100%	Food & agribusiness
Royal Brunei Trading Sdn Bhd[a]	100%	Food & agribusiness
Makan Ceria Sdn Bhd (Subsidiary of Royal Brunei Trading) [a]	100%	Food & agribusiness
Wasan Milling Company Sdn Bhd[a]	100%	Food & agribusiness
Dynamik Technologies Sdn Bhd (100% owned by K1)	100%	Information technology
Datastream Digital Sdn Bhd[a]	100%	Telecommunications
DST Managed Services Sdn Bhd[a]	100%	Telecommunications
Imagine Sdn Bhd[a]	100%	Telecommunications
Nex.Us Sdn Bhd[a]	100%	Telecommunications
Progresif Sdn Bhd[a]	100%	Telecommunications
Progresif Cellular Sdn Bhd[a]	100%	Telecommunications
Unified National Networks Sdn Bhd[a]	100%	Telecommunications
Brunei Engineering, Logistics & Training Solutions Sdn Bhd[a]	100%	Logistics & transport
BIACC Sdn Bhd[a]	100%	Logistics & transport
Darussalam Pilotage Services Sdn Bhd[a]	100%	Logistics & transport
PosBru Sdn Bhd[a]	100%	Logistics & transport
Muara Maritime Services Sdn Bhd[a]	50.00%	Logistics & transport
Muara Port Company Sdn Bhd[a]	49.00%	Logistics & transport
Amann Shipping Group Sdn Bhd	55%	Logistics & transport
National Digital Payments Networks Sdn Bhd[a]	51.10%	Finance & banking
Bank Usahawan Berhad (100% owned by K1)	100%	Financial/banking
Bursa Brunei Darussalam Berhad (100% owned by K1)	100%	Financial/banking
Darussalam Assets Sdn Bhd (DA)	100%	Holding company
Khazanah Satu Sdn Bhd (K1)	100%	Holding company
Jerudong Park Country Club Sdn Bhd[a]	100%	Leisure & hospitality
JPH Sdn Bhd (operations includes The Empire Brunei Hotel)[a]	100%	Leisure & hospitality
Peak Performance Sdn Bhd[a]	100%	Leisure & hospitality
RBA Golf Club Sdn Bhd[a]	100%	Leisure & hospitality
RBGCC Sdn Bhd[a]	100%	Leisure & hospitality
Armada Properties Sdn Bhd[a]	100%	Real estate
Bandtree Sdn Bhd[a]	100%	Real estate
Damaira Sdn Bhd[a]	100%	Real estate
Berakas Power Company Sdn Bhd[a]	100%	Power
Berakas Power Management Company Sdn Bhd[a]	100%	Power
Artisan Abadi Sdn Bhd[a]	100%	Retail goods
Print Plus Sdn Bhd[a]	100%	Retail goods
Jerudong International School Sdn Bhd[a]	100%	Education
Jerudong Park Medical Centre Sdn Bhd[a]	100%	Medical services

a Enterprise overseen by the Darussalam Assets.

Note: The list comprises SOEs where either Darussalam Assets, or other public entities administered by the Investment Division of the MOFE, hold at least 50% of shareholding.

Source: Data provided by the authorities.