Doing Business in Brunei: Towards a Better Business and Investment Environment

Submitted by: Brunei Darussalam
Doing Business in Brunei:
Towards a better business and investment environment

By Nazim Ahmad
For
APEC ANSSR Workshop, 30-31 January 2013, Jakarta, Indonesia

Introduction

- Through Wawasan 2035, Brunei wants to have a Dynamic and Sustainable Economy
  - Aims to further expand opportunities in employment, business, and investment
- Ease of Doing Business (EoDB) as a key mechanism to improve business and investment environment.
Ease of Doing Business (EoDB)

- Very important to Brunei- creation of an EoDB ‘National Steering Committee’ to facilitate businesses and raise Brunei’s ranking in the World Bank list.
- Looks into the entire processes, procedures and regulations that are needed to be fulfilled during the entire life cycle of a business.
- An on-going collective effort from all stakeholders- both the Government and the private sector.

Why Brunei?

- Political Stability
- Well-educated population
- Modern Infrastructure
- Strategic Location
- Strong Oil and Gas industry
- Attractive investment incentives
Current Status and Progress

- In the World Bank’s Doing Business 2013 report, Brunei is ranked 79th (up 4 places).
- Improvements in “Starting a business” and “Dealing with Construction Permits” but declines in almost every other categories.
- **GOAL**: Brunei wants to climb further up the EoDB scorecharts and plans to be in the top 20 in the future.

Current Status and Progress

- Look at systemic weaknesses in rules and regulations governing business and address them
- Various reforms have been made or are on-going such as the improvement of Authority for Building Control and Construction Industry (ABCi), System for Tax Administration & Revenue Services (STARS), the new Business Licensing System (BLS), and the review of licences involved.
Challenges

- Brunei’s local market is relatively small and most foreign investors will need to find a local partner to enter the market.
- Businesses/Investors must have patience when dealing with the local government as decision making tends to be slow.
- Competition from neighbouring countries
- Perceptions

Conclusion

- More speedy and focused efforts to improve all government business processes in order to improve Brunei’s ranking in all business categories.
- The new reforms were not reflected in the 2013 report as these were implemented after the survey. It is expected that these reforms will be reflected in the upcoming Doing Business Report 2014, and hopefully improve Brunei’s overall ranking.
Thank You!