

Brunei – a brief overview

Brunei is a sovereign state located on the north coast of the island of Borneo, in Southeast Asia. Apart from its coastline with the South China Sea, it is completely surrounded by the state of Sarawak, Malaysia; and it is separated into two parts by the Sarawak district of Limbang. It is the only sovereign state completely on the island of Borneo. The remainder of the island's territory is divided between the nations of Malaysia and Indonesia. Brunei's population was 408,786 in July 2012.

Economy of Brunei

Brunei has a small well-to-do economy that depends on revenue from natural resource extraction but encompasses a mixture of foreign and domestic entrepreneurship, government regulation, welfare measures, and village tradition. Crude oil and natural gas production account for 60% of GDP and more than 90% of exports. Per capita GDP is among the highest in Asia, and substantial income from overseas investment supplements income from domestic production. For Bruneian citizens the government provides for all medical services and free education through the university level. The government of Brunei has been emphasizing through policy and resource investments its strong desire to diversify its economy both within the oil and gas sector and to new sectors.

Key agri-products of Brunei

Key agri-products of Brunei are rice, vegetables, fruits; chickens, water buffalo, cattle, goats and eggs.

Key Industries of Brunei

Key industries of Brunei are petroleum, petroleum refining, liquefied natural gas, construction, agriculture and transportation.

Brunei's major trading commodities and partners

Major export commodities of Brunei are crude oil, natural gas, garments while its major export partners are Japan 45.7%, South Korea 15.1%, Australia 9.1%, NZ 6.6%, India 5.8%, Vietnam 4.7% (2012). Moreover, major import commodities are iron and steel, motor vehicles, machinery and transport equipment, manufactured goods, food, chemicals while its major import partners are Singapore 26.3%, China 21.3%, UK 21.3%, Malaysia 11.8% (2012).

Economic Relations between Pakistan and Brunei

Diplomatic relationship between Pakistan and Brunei are very warm and friendly, this is primarily because both are Muslim countries and member of the Organization of Islamic Cooperation (OIC). Pakistan maintains a High commission in Brunei, and Brunei has an embassy in Islamabad, Pakistan. To further foster ties between the 2 countries, Brunei-Pakistan Friendship Association (BPFA) was created in 2008. Defense cooperation between the two countries remains strong. Brunei Darussalam and the Islamic Republic of Pakistan signed a "Memorandum of Understanding on Defence Cooperation" on 19 May 2004. Pakistan has so far trained up to 100 Bruneian trainees at Pakistani military academies.

Bilateral Trade Relations between Pakistan and Brunei

Trade links between the 2 countries is small, largely because of Brunei small size. Current trade volume between the two countries stands at ~\$ 5Mn in FY13. To foster trade and investment between the two countries Pakistan-Brunei Joint Investment Company was created in November 2006. Brunei exports to Pakistan stood at \$ 3.18Mn in FY13 while Brunei's imports from Pakistan stood at \$ 2.48Mn in FY13.

Trading Commodities between Pakistan and Brunei

Brunei's exports petroleum coke, printed circuits, cotton, synthetic rubber, electric apparatus, etc. to Pakistan while it imports rice, ethyl alcohol, woven fabrics, bed and table linen, stationary items, etc. from Pakistan.

Potential for enhancing bilateral trade relations between Brunei and Pakistan

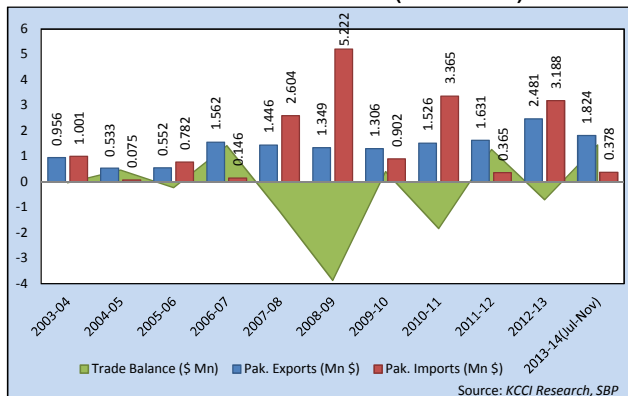
There is much potential of enhancing trade between the two Muslim countries by effective utilization of trade platforms and trade promotion institutions which would turn out to be a win-win situation for both the nations.

Economic Indicators

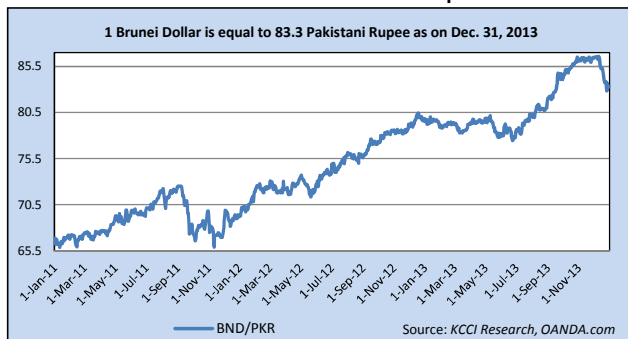
Indicators	Unit	2011	2012 est.	Change
GDP (PPP)	\$ Bn	21.76	22.04	1.29%
GDP per Capita	\$	55,400	55,300	-0.18%
GDP growth	%	2.2	1.3	-0.90%
Forex Reserves	\$ Bn	NA	NA	NA
External Debt	\$ Bn	NA	NA	NA
Exports	\$ Bn	12.75	NA	NA
Imports	\$ Bn	3.02	NA	NA
Trade Balance	\$ Bn	9.73	NA	NA
Current Account	\$ Bn	NA	NA	NA
CPI	%	2.1	0.5	-1.60%
Unemployment	%	2.6	NA	NA
Discount Rate	%	NA	NA	NA

Sources: KCCI Research, CIA Factbook, TDAP, SBP

Pakistan's Trade with Brunei (FY04-Nov'13)



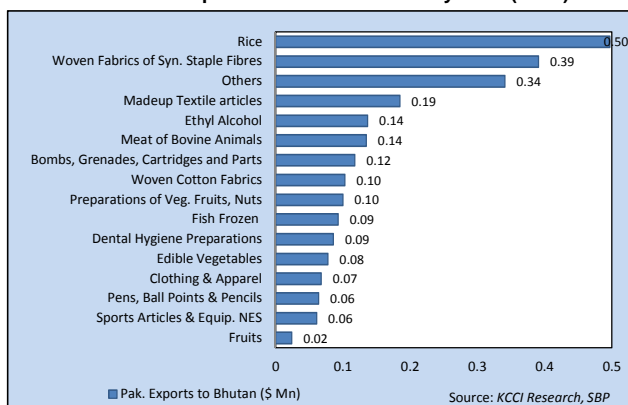
Brunei Dollar Vs. Pakistani Rupee



Key Memberships

Brunei is the member of many international organizations including ADB, APEC, ARF, ASEAN, C, CP, EAS, G-77, IBRD, ICAO, ICC (NGOs), ICRM, IDA, IDB, IFRCS, ILO, IMF, IMO, IMSO, Interpol, IOC, ISO (correspondent), ITSO, ITU, NAM, OIC, OPCW, UN, UNCTAD, UNESCO, UNIFIL, UNWTO, UPU, WCO, WHO, WIPO, WMO, WTO

Pakistan's Export to Brunei - Commodity Wise (FY13)



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