

# ASIAN DEVELOPMENT BANK MEMBER FACT SHEET

## Brunei Darussalam: Cumulative Lending, Grant, and Technical Assistance Approvals<sup>a, b</sup>

Sector	No.	Total Amount (\$ million)	%
Finance	1	0.60	100.00
Total	1	0.60	100.00

<sup>a</sup> Refers to reimbursable technical assistance.

<sup>b</sup> Using primary sector in reporting of approvals.

ADB signed a memorandum of understanding with Brunei Darussalam, effecting its classification as a graduated developing member country.

## BRUNEI DARUSSALAM

Brunei Darussalam is one of the more recent members of the Asian Development Bank (ADB), joining in 2006. The country's economy is driven by the energy sector and, in light of low international oil prices, its economy contracted since 2013. Brunei Darussalam is now more actively pursuing economic diversification. Most indicators of social and human development in Brunei Darussalam are well above regional averages. The country also ranked 31st in the United Nations Development Programme's Human Development Report 2015.

Inflation in Brunei Darussalam remains generally low due to a stable currency, subsidies, and administered prices. Substantial fiscal and current account surpluses are used to provide a cushion against external economic shocks, although these buffers have deteriorated in recent years as low oil prices adversely affect government revenues and export receipts. Income from hydrocarbons—through taxes, dividends, and royalties—provides the government with revenue to fund the public sector.

The country's long-term development plan, Wawasan Brunei 2035, emphasizes the need to diversify the economy by expanding its manufacturing, construction, and services sectors. In 2014, Brunei Darussalam launched a program to enhance oil and gas production in the medium to long term by increasing investment and expanding value-added petrochemical products. The government, meanwhile, is promoting economic expansion away from the energy sector, and steps are being taken to address weaknesses in the country's investment environment. Brunei Darussalam has successfully attracted several major international investments in recent years and Islamic banking is thriving.

In March 2013, ADB approved the classification of Brunei Darussalam as a graduated developing member country.



This classification became effective when the government signed a partnership memorandum of understanding (MOU) with ADB in August 2016.

## ADB-SUPPORTED PROJECTS AND PROGRAMS

ADB provided Brunei Darussalam its first reimbursable technical assistance in 2008. This technical assistance supported the development of the capital market and a modernized payment and settlement system. Under a regional technical assistance project, ADB is similarly helping improve the operation of Brunei Customs.

ADB continues to extend advisory support to the Brunei Darussalam–Indonesia–Malaysia–Philippines–East Association of Southeast Asian Nations (ASEAN) Growth Area (BIMP-EAGA) subregional cooperation program. ADB helped BIMP-EAGA formulate strategic planning agendas beyond 2016. Brunei Darussalam actively participates in BIMP-EAGA activities, particularly in trade facilitation, transport infrastructure, and development of information and communication technology. In 2016,

ADB supported key meetings between ASEAN, BIMP-EAGA, and Indonesia–Malaysia–Thailand Growth Triangle, with an inaugural joint meeting on transport being convened. Other priorities under BIMP-EAGA are the region's food basket (especially fisheries), tourism, and the environment. In 2016, ADB supported a study on Muara Port, the country's only deepwater port, for opportunities in transnational shipment across Southeast Asia. The country is also expected to take an active role in the Green Cities Initiative for sustainable urban development.

## PARTNERSHIPS

The MOU with ADB is a broad strategic document encompassing many of the objectives and goals of Wawasan Brunei 2035, enabling ADB to provide technical and capacity development support.

Brunei Darussalam plays a key role in BIMP-EAGA. With its strategic central location on Borneo island, the country has made a significant contribution to trade facilitation in Southeast Asia. Brunei Darussalam was chair of ASEAN in

2013 and contributed \$10 million to the ASEAN Infrastructure Fund.

## OPERATIONAL CHALLENGES

ADB currently has no direct operational engagement with Brunei Darussalam. The partnership MOU aims to help implement Wawasan Brunei 2035 through reimbursable technical assistance projects on knowledge and capacity development.

## FUTURE DIRECTIONS

ADB looks forward to working closely with Brunei Darussalam and supporting initiatives under Wawasan Brunei 2035. The MOU will also support the country's engagement in BIMP-EAGA. ADB will continue to provide advice to the subregional working groups on strengthening their institutional and operational links with the ASEAN Secretariat and other regional bodies, such as the Coral Triangle Initiative and the Heart of Borneo Initiative. Brunei Darussalam plans to become the seventh member of the Coral Triangle Initiative in the near future.

## ABOUT BRUNEI DARUSSALAM AND ADB

### ADB Membership

Joined 2006

### Shareholding and Voting Power

Number of shares held:	37,386 (0.352% of total shares)
Votes:	76,993 (0.580% of total membership, 0.891% of total regional membership)
Overall capital subscription:	\$502.59 million
Paid-in capital subscription:	\$25.18 million

### Contributions to Special Funds Resources

Brunei Darussalam has contributed to the Asian Development Fund (ADF), which is ADB's window for concessional lending to its borrowing members, and to the Technical Assistance Special Fund (TASF), which provides grants to borrowing members to help prepare projects and undertake technical or policy studies.

Contributions to the ADF (committed):	\$19.69 million
Contributions to the TASF (committed):	\$0.92 million

**Philaslak Yulkasemwong** is the Director and **Rokiah Hj Badar** is the Alternate Director representing Brunei Darussalam on the ADB Board of Directors.

The Brunei Darussalam government agency handling ADB affairs is the Ministry of Finance.

## ABOUT THE ASIAN DEVELOPMENT BANK

ADB is a multilateral development bank owned by 67 members, 48 from the region and 19 from other parts of the world. ADB's main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2016, lending volume was \$16.35 billion (126 projects), with technical assistance at \$169.03 million (225 projects) and grant-financed projects at \$526.75 million (31 projects). In addition, \$14.06 billion was generated in direct value-added cofinancing in the form of official loans and grants, other concessional cofinancing, and commercial cofinancing such as B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB's Trade Finance Program. From 1 January 2012 to 31 December 2016, ADB's annual lending volume averaged \$13.74 billion. In addition, investment grants and technical assistance funded by ADB and special funds resources averaged \$562.24 million and \$154.91 million in technical assistance over the same period. As of 31 December 2016, the cumulative totals excluding cofinancing were \$247.28 billion in loans for 2,935 projects in 44 countries, \$7.75 billion in 296 grants, and \$4.06 billion in technical assistance grants, including regional technical assistance grants.

## CONTACTS

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### Useful ADB websites

Asian Development Bank  
[www.adb.org](http://www.adb.org)

Asian Development Outlook  
[www.adb.org/publications/series/asian-development-outlook](http://www.adb.org/publications/series/asian-development-outlook)

Annual Report  
[www.adb.org/documents/series/adb-annual-reports](http://www.adb.org/documents/series/adb-annual-reports)

Depository Libraries  
[www.adb.org/publications/depositories](http://www.adb.org/publications/depositories)

To access a complete list of development and economic indicators, visit:

Statistics and Databases  
[www.adb.org/data/statistics](http://www.adb.org/data/statistics)