

# Brunei Darussalam: Financial Sector Blueprint

*Harnessing our Economic Potential*

2016 - 2025

*Prospectus*



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# Brunei Darussalam: Fact Sheet

## Official Name

Negara Brunei Darussalam  
(Abode of Peace)

## Capital

Bandar Seri Begawan

## Population

417,200 (2015); annual  
population growth of 1.3%

## Religion

Islam is the official religion and all other religions may be practised in peace and harmony by the persons professing them



## Currency

Brunei Dollar (BND) is at one to one parity to the Singapore Dollar and interchangeable dollar notes are available in denominations of \$1, \$5, \$10, \$50, \$100, \$1000 and \$10,000. Coins are in 1,5,10, 20, and 50 cents denominations



## Time Zone

GMT +0800 (Standard Time)



## Land Area

5.765 km<sup>2</sup> with a coastline of 161 km along the South China Sea. About 70% of its land area is covered by rainforest reserves



## Climate

Tropical, hot, humid, rainy with temperatures ranging between 23°C and 32°C. Average annual rainfall is 320 cm. There is no history of natural disasters



## Languages

Bahasa Melayu (Malay) is the official language. English is widely spoken in business



## GDP

BND 18.6 billion/ USD 13.1 billion  
(2015)



## GDP Per Capita

BND 44,571/ USD 31,388 (2015)



## Main Natural Resources

Oil and natural gas, timber, fisheries, agricultural products

Sabda by

His Royal Highness Prince Haji Al-Muhtadee Billah ibni  
His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah,  
The Crown Prince and Senior Minister at the Prime Minister's Office  
As Chairman of Autoriti Monetari Brunei Darussalam

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ  
السلام عليكم ورحمة الله وبركاته  
الحمد لله رب العالمين، والصلاة والسلام على أشرف المرسلين، سيدنا محمد  
وعلى آله وصحبه أجمعين، وبعد



**W**awasan 2035 sets out the economic vision of Brunei Darussalam over the next two decades: developing a diversified, dynamic and sustainable economy which delivers a level of income per capita within the top 10 countries in the world.

In recent years, Brunei Darussalam has made bold strides in enhancing its international credibility in the financial sector. From implementing effective regulation through the Securities Market Order (2013), to chairing a series of ASEAN Finance and Central Banks Meetings in 2013 to laying the foundations of an economy adapting fit for the digital age.

Looking ahead, one component of Brunei Darussalam's financial ecosystem that has colossal scope for growth is the turning of the nation into an international hub for Islamic Finance.

Steeped rich in Islamic traditions and culture, Brunei Darussalam's continued political stability and favourable international ties would be conducive for foreign direct investments to collectively participate in the economic prosperity of the region.

Against this backdrop, I am delighted to announce that Brunei Darussalam is 'open for business' and welcomes the presence of international institutions in joining our country in the path to further progress the financial sector.

It is thus with great pleasure to present to you this *Prospectus* that complements the recently published *Brunei Darussalam Financial Sector Blueprint (FSBP), 2016-2025*. It lays out a high-level roadmap of how Brunei Darussalam's financial services will grow into one of Asia's most competitive and innovative hubs.

# Foreword by Managing Director

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ  
السَّلَامُ عَلَيْكُمْ وَرَحْمَةُ اللَّهِ وَبَرَكَاتُهُ



I am delighted to announce the release of the *Prospectus* version of Brunei Darussalam's *Financial Sector Blueprint, 2016-2025*. The *blueprint* sets out the strategic framework within which Autoriti Monetari Brunei Darussalam (AMBD) will be working with other ministries and stakeholders to reach the objectives of *Wawasan 2035*.

The *Blueprint* is being released at an exciting time for the nation's financial sector. Buoyed by a stream of reforms, Brunei Darussalam ranked as the most-improved country in the World Bank's 2017 Ease of Doing Business Report.

Recent statistics by the Department of Economic Planning and Development show the financial sector's share to GDP at around 5.1%.

Building upon the platform developed, and leveraging the myriad of opportunities in Asia - the world's fastest growing region - *Wawasan 2035* envisages that, by 2035, the financial sector's contribution to GDP will have expanded to 8% of GDP.

The *Blueprint* lays out a vision of the financial sector in the following ways:

1. **Financial Services – an enabler for growth**
2. **Provider of niche financial services**
3. **Competitive and Innovative Financial Institutions and Services**
4. **Development of a supportive 'eco-system'**
5. **Shift from 'government dependence' to 'self-reliance'**

These steps provide the avenues by which Brunei Darussalam's financial sector can sustainably grow its contribution to GDP and support the growth of the economy.

This *Prospectus* is an easy-read guide to the *Blueprint*. It aims to dissect the *Blueprint* into bite-size forms, allowing the reader to quickly understand how Brunei Darussalam intends to strategically evolve its financial sector into Asia's most innovative and dynamic Islamic Finance hub.

**Yusof bin Haji Abd Rahman**  
Managing Director, AMBD



# Future Directions

## The Evolving Role of the Financial Services Sector

The following section outlines the strides made by Brunei Darussalam's financial sector in recent years and outlines the plans for its future evolution:

|                               |    |
|-------------------------------|----|
| Strengthening the Foundations | 8  |
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# Strengthening the Foundations

**F**ocused on growing the financial sector's contribution to GDP from 5.1% to 8% by 2035, Brunei Darussalam has begun to build the springboard for the sector's growth.

Though not affected by the 2008 Global Financial Crisis, Brunei Darussalam has made a number of positive strides to strengthen its financial services platform, regulatory robustness and linkages to an interconnected global economy.

| Indicator                     | Brunei Rank (DB 2016) | Brunei Rank (DB 2017) | Change in Ranks |
|-------------------------------|-----------------------|-----------------------|-----------------|
| <b>Overall (out of 189)</b>   | <b>97</b>             | <b>72</b>             | <b>+25</b>      |
| Getting Electricity           | 76                    | 21                    | ↑ 55            |
| Registering Property          | 135                   | 134                   | ↑ 1             |
| Getting Credit                | 78                    | 62                    | ↑ 16            |
| Protecting Minority Investors | 118                   | 102                   | ↑ 16            |
| Paying Taxes                  | 96                    | 89                    | ↑ 7             |
| Trading Across Borders        | 143                   | 142                   | ↑ 1             |
| Enforcing Contracts           | 115                   | 93                    | ↑ 22            |
| Resolving Insolvency          | 997                   | 57                    | ↑ 40            |
| Starting a Business*          | 181                   | 74                    | +107            |

\* The Starting a Business Indicator conveys the rankings from the 2015 and 2016 World Bank Doing Business reports

## Recent Key Achievements of Brunei Darussalam's Financial Sector



Establishment of AMBD as the Central Bank of Brunei Darussalam



Chaired the ASEAN Central Bank Governors Meeting, 2013



Growth in Brunei Darussalam as an international Islamic hub



Enhanced access to financing especially to SMEs & micro-enterprises



Aligned to International Anti-Money Laundering Standards, such as FATF



Strengthened surveillance, regulatory & supervisory framework



Greater policy initiatives to modernise ICT infrastructure



Strengthened international economic linkages

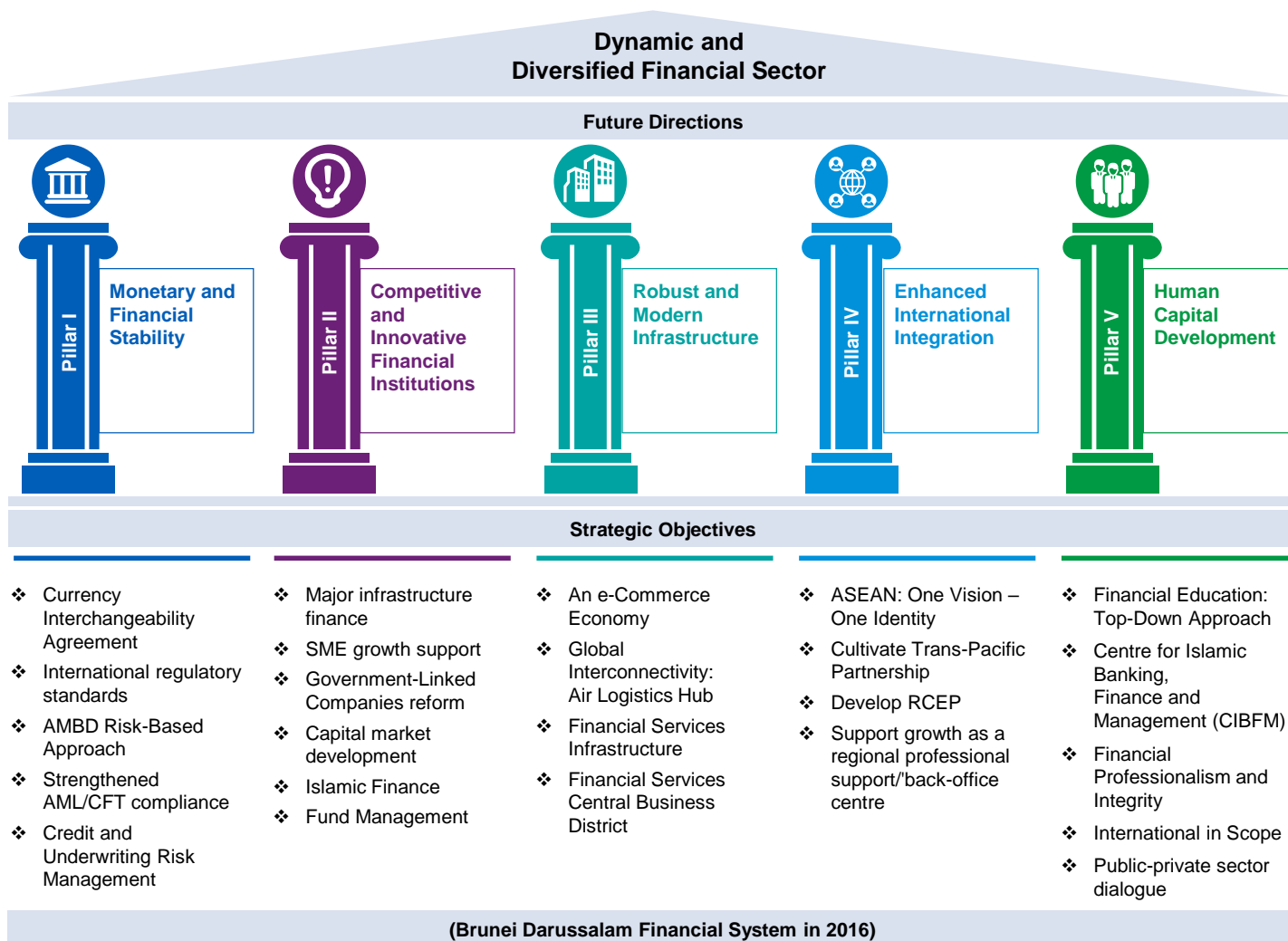
*“One of the economies showing the most notable improvement in ‘Doing Business’ in 2017 was Brunei Darussalam.”*

Source: World Bank



# The Evolving Role of the Financial Services Sector

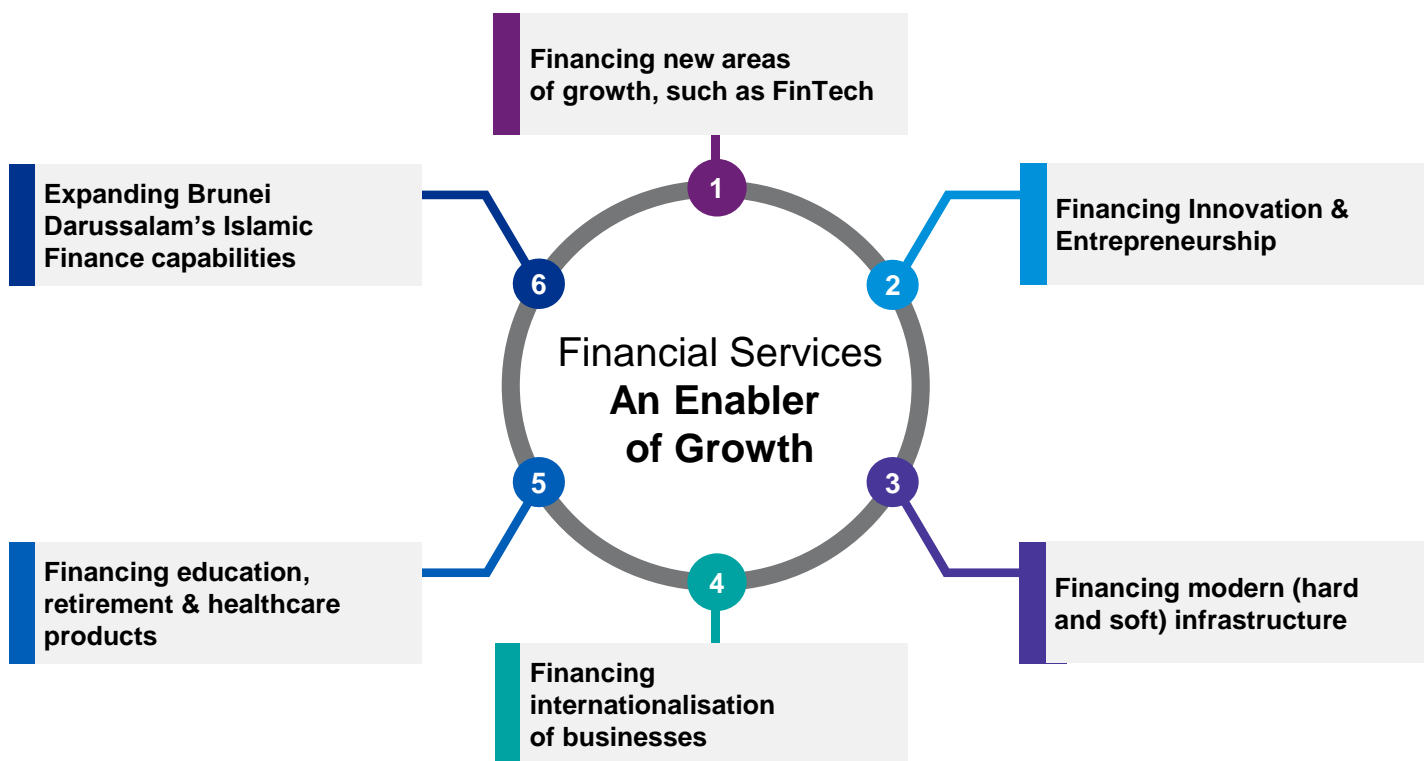
*The Blueprint identifies five key pillars that form critical components of a sustainable financial ecosystem.*



# An Enabler of Growth

The programs and plans set out within the *Blueprint* are at varying stages of development. In some cases, programs have already been developed and are being implemented, others are at the planning stage and some are included in the *Blueprint* as possibilities for future study.

It is important to understand the broad intentions and objectives of the financial sector. The financial sector should effectively and efficiently allocate resources to the relevant activities that facilitate the diversification of Brunei Darussalam's economy towards the financial services sector. The graphic below identifies core areas where the financial services sector can act as an enabler for growth for the Sultanate.



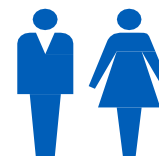
# Brunei Darussalam: Economic Fast Facts



Brunei has one of  
**Top 10**  
**GDP**  
Per Capita in Asia



Currency Interchangeability  
Agreement with Singapore



The Labour Force of  
Participation Rate of  
women is **58.3%**

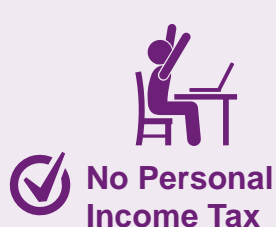


Financial Sector  
contributes **5.1%** to GDP.  
*Wawasan 2035* envisages  
that, by 2035, contribution to  
GDP has grown to **8%**



**Ranked number #1**  
As the most improved  
country in the world in the  
*World Bank's 2017 Doing  
Business Report*

## Business Friendly Tax Environment





# The Five Pillars

## The Foundation of a New Age of Finance

The following section conveys the developing features and policy directions of Brunei Darussalam's financial landscape. These broad features provide the backdrop that Brunei Darussalam's financial service sector can build upon.

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# Pillar I: Monetary and Financial Stability

## STRATEGIC ROADMAP: POLICY DIRECTIONS



Currency Interchangeability Agreement with Singapore is the bedrock of Brunei Darussalam's monetary stability

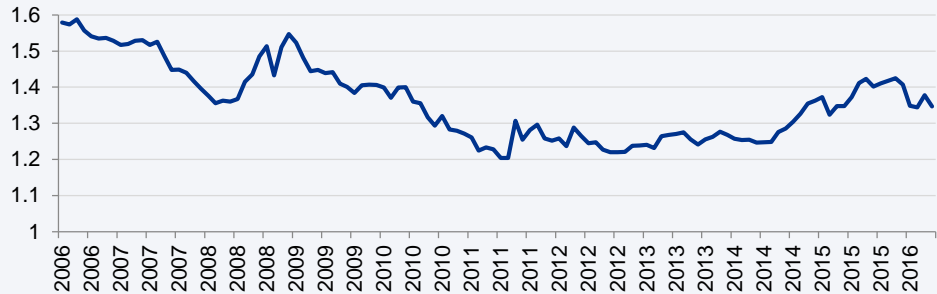


In 2015, the banking sector's average Capital Adequacy Ratio was

# 21.5%

- well above international regulatory requirements

Historical SGD/USD Exchange Rates: 2006 - 2016



Source: Bloomberg

**B**runei Darussalam has established a stable monetary and competitive fiscal environment, supported by AMBD's progressively robust regulatory framework. Indeed, the World Economic Forum has consistently ranked Brunei Darussalam highly as a destination renowned for a stable macroeconomic environment.

The cornerstone of Brunei Darussalam's monetary policy remains the Currency Interchangeability Agreement (CIA) with Singapore and the adoption of the Currency Board Framework since 1967.

Over the last five years, AMBD has strengthened the resilience of Brunei Darussalam's financial system, adapted to an increasingly digital financial landscape and enhanced its credibility through the forging of alliances and Memorandum of Understandings with international regulators and central banks.

Looking ahead, AMBD has developed numerous strategic plans to support Brunei Darussalam's financial sector's growth.



# Pillar I: Monetary and Financial Stability

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### Monetary Stability

- Brunei Darussalam to maintain the Currency Interchangeability Agreement (CIA) with Singapore, and the Currency Board framework, for the foreseeable future.
- Development of the market operations by AMBD to foster an efficient and competitive interbank money market and a secondary market in Government and private issuance of sukuk.

### International Regulatory Standards

AMBD plans to:

- Consider whether financial institutions in Brunei Darussalam should have a credit rating.
- Continuously review and develop the legal and regulatory framework on par with international standards.
- Maintain a policy of licensing only demonstrably high quality banks, insurers/takaful operators, and capital market intermediaries.

Banks and insurers/takaful operators to be expected to maintain levels of capital adequacy relative to the risks inherent in their balance sheets and operations, that:

- (i) Meet the required minimum international standards.
- (ii) Avoid unnecessary complexity.



### AMBD Risk-Based Approach

AMBD in its prudential supervision of licensed financial institutions will:

- Become more risk-based focused.
- Work towards achieving full compliance with the frameworks of core principles promulgated by the international standard setters.
- Develop and train a cadre of supervisors with the necessary skills and experience needed to uphold resilient and robust regulatory standards.



# Pillar I: Monetary and Financial Stability

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### Strengthening AML/CFT Compliance

AMBD has responsibilities to supervise AML/CFT compliance in line with the Financial Action Task Force (FATF) Standards.

- AMBD to continue to make AML/CFT supervision a priority and to establish a risk-based supervision program based on the National Risk Assessment.

### The Expanding Role of AMBD



1

Taking over responsibility for the interbank clearing house and establishing a real-time gross settlement (RTGS) system for the settlement of interbank payments.



2

Through the Centre for Islamic Banking, Finance and Management (CIBFM), adopt a stronger focus in fostering human capacity building for the financial sector.



3

Establishing and operating a credit bureau and a collateral registry.



4

Addressing strategic deficiencies in Brunei Darussalam's AML/CFT regime.



### Credit & Underwriting Risk Management

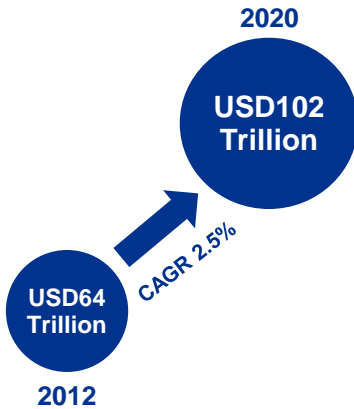
- An increased focus on the core credit and underwriting risks in AMBD's risk-based supervision. For banks, AMBD will be looking to ensure that they have credit policies and practices that ensure:
  - (i) Borrower Supervision
  - (ii) Monitoring of Loans
  - (iii) Diversify Loan Exposure
- AMBD will require insurers and takaful operators to ensure that insurance and takaful risks are classified and priced effectively by taking into account risk differentiation and profiling.





# Pillar II: Competitive and Innovative Financial Institutions and Services

STRATEGIC ROADMAP:  
POLICY DIRECTIONS



Global Value of Assets under Management (AUM) 2012 to 2020, USD

Source: PwC



In 2015, Islamic banks accounted for

## 52.4%

of total banking assets in Brunei Darussalam



**B**runei Darussalam is in a strong position to compete within one of the global financial sector's fastest growing services: Islamic Finance.

Brunei Darussalam's political, social and increasingly economic framework aligns to Islamic teachings and principles, providing the country with a competitive edge. This is exemplified by the national commitment to Melayu Islam Beraja philosophy which has been in practice for 600 years, contributing to political and social stability.

As Islamic Finance continues to grow, Brunei Darussalam aims to leverage against such unique characteristics to evolve into an Islamic Finance and Fund Management hub, serving the fast-growing ASEAN region.

In addition, Brunei Darussalam plans to build on the Securities Market Order, 2013, and launch a Securities Exchange that would propel the country's ambition to become a critical part of Asia's financial services ecosystem.



# Pillar II: Islamic Finance

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### Commercial Banks & Takaful/Insurance

AMBD plans to:

- Ensure requirements are met for product disclosure by financial institutions that readily enables customers to compare products offered by competing institutions.
- Work with industry to tap into the potential growth of life insurance/family takaful in Brunei Darussalam, especially on savings / investments.
- Raise awareness on the benefits of insurance/takaful products through various mediums including digital platforms. Takaful operators should consider the use of telephone, email and online applications as alternative distribution channels.
- To support the development of the takaful market, the industry should undertake further studies on takaful concepts with a view to innovate.

***Through the Securities Exchange, AMBD is also preparing for Government sukuk to be extended to the secondary market, providing institutional and retail investors alternative investment opportunities.***



### Sukuk Potential

The objective of the current Government sukuk programme is to:

- Expand the domestic sukuk programme and channel sukuk into the local market.
- Develop Brunei Darussalam's yield curve as a benchmark for corporate sukuk and to provide a safe and liquid investment instrument for domestic financial institutions.

AMBD plans to undertake:

- Market operations for banking system liquidity-smoothing purposes, which would help anchor the short end of the yield curve.



# Pillar II: Islamic Finance

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### Syariah Governance Framework

In terms of the Syariah financial infrastructure, a key initiative currently developed by AMBD is the Syariah Governance Framework (SGF). The objectives of the SGF are to:

- Set out the expectations of AMBD on the Islamic Financial Institution's (IFI) Syariah governance structure, processes and arrangements to ensure that all its operations and business activities are Syariah compliant;
- Provide a comprehensive guidance to the Board of Directors, Syariah Advisory Board and management of the IFI in discharging its duties in matters relating to Syariah; and
- Outline the Syariah Department functions relating to Syariah review, Syariah audit and Syariah research.



### Present State of Islamic Financial Market

Continuous program of sukuk issuance maintained by the government since 2006

Only two instances of initial public offering of shares and corporate sukuk in the last two decades

Minimal secondary market trading within Brunei of capital market securities, and trades happen mostly on 'over-the-counter' basis

Offering of mainly foreign Islamic funds and only one domestic Islamic fund to retail investors

### Future State of Islamic Financial Market

Development of Syariah compliant capital market and Syariah compliant market index

Development of active money market for banks

Encourage local corporates and institutions to issue sukuk

Encourage participation of retail investors in capital market

Create a favorable environment to raise capital by issuing IPO

AMBD to encourage the development of Islamic funds, including REIT



# Pillar II: Securities Exchange

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### Securities Exchange

- The launch of a Securities Exchange in Brunei Darussalam is expected to catalyse economic growth and business expansion through enabling Bruneian businesses alternative funding routes.

#### Characteristics of Brunei Darussalam's

#### Securities Exchange

The aspiration is for the characteristic features of the Brunei Securities Exchange to be unique. Fundamentally, the vision of the exchange is to be simple in terms of design and yet have comprehensive rules based on international standards and best practices, to cater for various investment products.

All companies will have the opportunity to be listed, provided that they are able to meet the listing rules of the exchange, which are currently being prepared. In addition, with Brunei Darussalam being a Muslim country, a core objective of the exchange is to provide for the needs of Muslim investors. Sukuk, being one of the common types of Syariah compliant securities, may potentially be listed on the Exchange.



### Investment Opportunities in Brunei

1

#### Major Infrastructure Finance

There is a need for financing major national construction and industrial projects, some of which have already commenced.

2

#### Support for SME and Innovative Services (e.g. FinTech)

Fostering the growth of the SME sector is a Government policy priority. FinTech, in particular, has been identified as a key growth engine.

3

#### Government-Linked Companies Reform

The Government owns a significant number of commercial enterprises. As the companies become increasingly corporatised, there is scope for Government-Linked Companies to become partly or fully privatised.





# Pillar II: Fund Management

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### Islamic Fund Management

AMBD plans to:

- Structure the fund management industry around core propositions that leverage Brunei Darussalam's competitive advantages, such as:
  1. Islamic Fund Hub offering Syariah Compliant Products
  2. Sustainable, Responsible and Impact Investing
  3. Fund Management Services – Back Office Provider

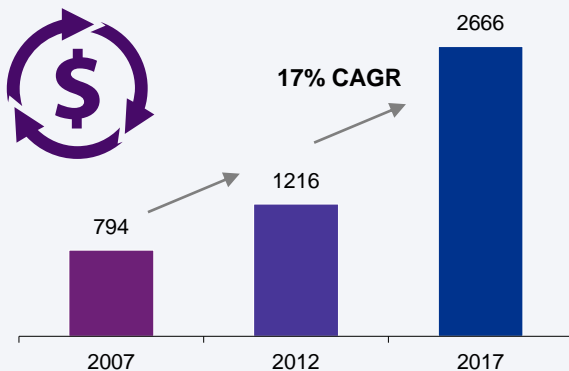


### Private Equity & Venture Capital

AMBD plans to:

- Put in place supporting reforms and environment to attract long-term focused private equity and venture capital entities to help financing and improving the operations of start-ups and small firms, as well as more mature firms in transition.

### Islamic Finance- AUM USD1.2 trillion



Source: PwC



Located in the heart of a region that contains

**5 of the 10** largest Islamic countries by population, Brunei Darussalam is well placed to capitalise on emerging trends in Islamic fund management.



# Pillar III: Robust and Modern Infrastructure

STRATEGIC ROADMAP: POLICY DIRECTIONS



Aligned to Wawasan

**2035,**

Brunei Darussalam aims to  
build an economy of  
ICT-Smart Citizens



The UN International  
Telecommunication  
Union ICT Development Index,  
2015, ranked Brunei  
Darussalam

**71/167 countries.**

Up **18** rankings from its  
2010 score



**B**runei Darussalam has made large strides in upgrading its hard and soft infrastructure.

The completion of the Brunei International Airport refurbishment in 2015 has seen passenger capacity double to 3 million and will facilitate greater business activity in the Sultanate. In ICT, the Government, in concert with the private sector, have initiated various strategic infrastructure projects such as the 2010 FTTH programme to adapt Brunei Darussalam and Bruneians to an increasingly digital and globalised world.

There have also been direct improvements in the country's financial infrastructure. AMBD's major programme to revamp Brunei Darussalam's domestic electronic payments system and national transition to e-commerce, is an example of the fast-paced changes in the sector.

Looking ahead, Brunei Darussalam has numerous initiatives designed to transition the economy into a digital age.



# Pillar III: Robust and Modern Infrastructure

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### Digital Strategy

AMBD plans to:

- Continue to grow the FinTech Unit, developing its capabilities and knowledge sharing with other national regulators.
- Adopt and support developments in FinTech that can bring innovation to the financial sector and promote financial inclusion.
- Raise awareness of the ICT sector to the public.
- Liaise and coordinate with Brunei National Cyber Security Working Group.
- Formulate, review and update regulations on Cyber Security and Technology Risks for financial sector.

### Building Brunei Darussalam's Digital Landscape: AITI Initiatives



Provide Accreditation: AAB Status



Offer Financial Assistance: AITI Grant Scheme



Catalyse Innovation: Host Local and Regional ICT Competitions



Develop Capacity Building



Energise Market Access



### An e-Commerce Economy

AMBD plans to:

- Complete the automated clearing house and thereafter an interbank retail payments infrastructure.
- Be active in the planning groups for the integration of payments networks across ASEAN, which is expected to begin with RTGS and CSD Linkages.
- Establish the sukuk CSD and a Securities Exchange trading platform, and creation of the associated securities settlement system for effecting transfer of title of securities traded on a DvP basis via RTGS.





# Pillar III: Robust and Modern Infrastructure

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### Global Interconnectivity: Air Logistics Hub

Brunei Darussalam's national airline carrier, Royal Brunei (RB), has launched a new five-year plan (2016-2021) focused upon:

- Enhancing the international connectivity, through establishing new market routes.
- Supporting the growth of new international alliances and partnerships to promote Brunei Darussalam globally and to key investor markets.

Brunei Darussalam also plans to:

- Develop aviation agreements that promote open air services such as the Multilateral Agreement on the Liberalisation of International Air Transportation (MALIAT) and ASEAN Single Aviation Market (ASEAN-SAM).



The refurbishment of the Brunei International Airport in 2015 has seen passenger capacity double to

# 3 million



### Financial Services Infrastructure

It is the intention of Brunei Darussalam to:

- Develop a financial sector nucleus that attracts financial service entities to a localised destination within Brunei Darussalam.
- Develop other functions of the Credit Bureau in consultation with current and potential users.
- Operationalise the new Collateral Registry.



# Pillar IV: Enhanced International Integration

STRATEGIC ROADMAP: POLICY DIRECTIONS



Asia's middle-class population is forecasted to grow from about

**500 million**

now to

**1.75 billion**

by 2020.

Source: Lee Kuan Yew School of Public Policy



In 2000, the region accounted for less than **30% of world output**, by 2014 this contribution had risen to almost **40%.**

Source: IMF



**G**iven the Sultanate's geographic location in Asia - the fastest growing region in the world - its membership of ASEAN and its augmenting reputation as a centre for Islamic finance, Brunei Darussalam is well-positioned for its financial sector to achieve outward international integration. The forthcoming implementation of the ASEAN Economic Community integration will further enhance intraregional trade in goods, with freer movement of goods, services, skilled labour, and capital anticipated.

## ASEAN POPULATION IN 2016 (3<sup>rd</sup> largest in the world)



Source: World Population Clock



# Pillar IV: Enhanced International Integration

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### ASEAN: One Vision – One Identity

Brunei Darussalam will:

- Participate in ASEAN integration initiatives and contribute towards the successful implementation of the ASEAN Economic Community (AEC).
- Participate in trans-border initiatives that will enable the growth of the financial sector, such as the ASEAN trading link and the ASEAN Framework for Cross-Border Offerings of Collective Investment Schemes (CIS).



### The Combined Potential of ASEAN



A land area of  
**4.46 MILLION** sq km,  
**LARGER** than the EU



A population of  
**626 MILLION**,  
**TWICE** as large as  
the United States



A combined GDP of  
**US\$2.4 TRILLION**,  
**LARGER** than **BRAZIL**,  
**INDIA** or **RUSSIA**



As combined economic  
potential, it would be  
the **7th LARGEST**  
**ECONOMY** in the world

Source: KPMG

### Regional Trade and Support

*Brunei Darussalam will:*

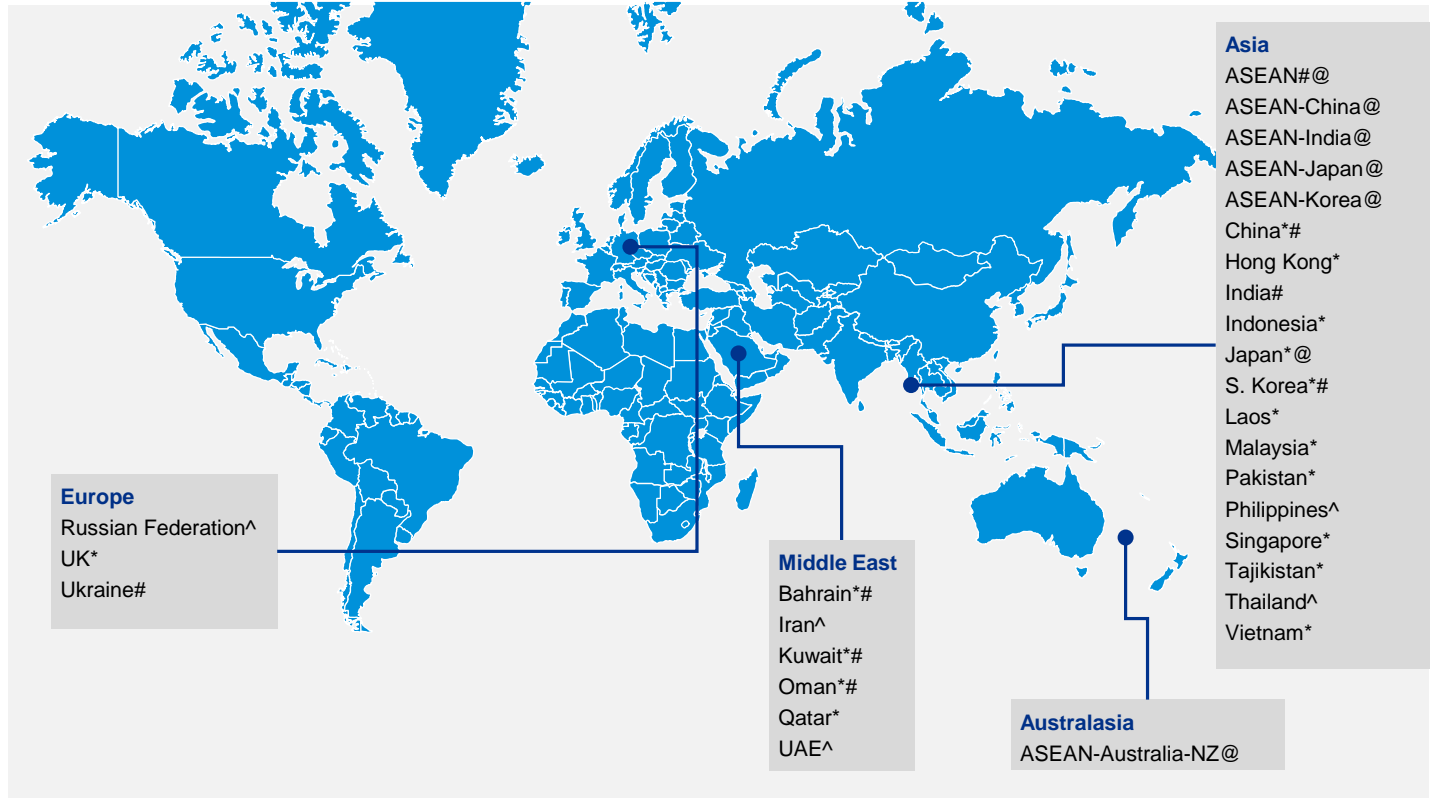
- Support the domestic ratification of TPPA. To achieve this, the country will work on revising several pieces of legislation.
- Continue to be a committed and pro-active member of the Regional Comprehensive Economic Partnership
- Offer professional support (including back-office) services to financial institutions based in the large and higher cost financial centres in the region, with which Brunei Darussalam has a very long-standing and close economic relationship.



# Pillar IV: Enhanced International Integration

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### Brunei Darussalam's Growing International Partnerships



Source: ASEAN Economic Community 2015: Progress and Key Achievements and BEDB

| Legend |                               |
|--------|-------------------------------|
| *      | Double Taxation Agreements    |
| @      | Free Trade Agreements         |
| #      | Bilateral Investment Treaties |
| ^      | Ongoing negotiations          |





# Pillar V: Human Capital Development

STRATEGIC ROADMAP: POLICY DIRECTIONS



Within ASEAN, Brunei

Darussalam has the **2nd**  
highest adult  
**(96.8%)**  
and youth literacy rate  
**(99.6%).**

Source: <http://www.asean.org/storage>



**B**runei Darussalam is equipped with a highly educated, English-speaking and literate population. A number of national schemes, institutions and public-private sector programmes have been established to raise the financial literacy and financial discipline standards of the workforce.

Supporting the local higher education platform that cultivates Islamic Scholars, the founding of the Centre for Islamic Banking, Finance and Management (CIBFM) will play a fundamental role in the further development of Syariah experts, scholars and financially literate talent.



# Pillar V: Human Capital Development

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### **Financial Education: Top-Down Approach**

Brunei Darussalam will:

- **Raise Financial Literacy Standards:** To grow Brunei Darussalam's financial services sector, top-down and bottom-up methods must be adopted to improve domestic financial literacy standards.
- **Align the National Curriculum to the Future Economy:** Closely associating the national curriculum to the economic vision will help ensure Brunei Darussalam has a local workforce complimentary to the country's economic needs.



### **Centre for Islamic Banking, Finance and Management (CIBFM)**

CIBFM to continue to have a key role as a training Centre of Excellence, spanning:

- Specialised skills in niche areas such as corporate finance, wealth management, investment advisory services and Syariah advisory
- Continuous professional development
- Leadership
- Islamic finance
- Research and dissemination of that research to lift Brunei Darussalam's credibility and visibility as a financial centre
- Industry-Governmental Dialogue

***AMBD, alongside  
Governmental Ministries, is  
implementing numerous  
'grass roots' schemes to instill  
financial discipline across  
Brunei Darussalam.***



# Pillar V: Human Capital Development

## STRATEGIC ROADMAP: POLICY DIRECTIONS

### International in Scope

Brunei Darussalam will:

- Continue International Collaboration: Brunei Darussalam and AMBD are committed to establishing alliances and partnerships with international institutions, such as central banks, national regulators and universities.
- Foreign Expertise: Educating and enticing locals towards the financial sector is critical to Brunei Darussalam's economic diversification, as well as attracting specialised foreign talent to bridge the interim shortage whilst building the relevant financial services experience within the local workforce.

### Retaining Local Talent

- There are young Bruneians abroad working in international financial centres. To benefit Brunei Darussalam's financial services sector directly and to ensure knowledge transfer takes place, it is fundamental that the country stays in contact with Bruneians working overseas.



### Developing a Savings Culture

AMBD, in collaboration with government ministries, are to adopt a number of measures to promote a savings culture, such as:

- I. National roadshows
  - II. Organised events
  - III. Digital media marketing
- Raising financial awareness and educational standards through developing targeted digital and social media platforms. The intention is to market industry training programmes, provide online financial education lessons and offer savings tips to the public.





# Addendum

## Brunei Darussalam's Financial Services Ecosystem

**This section includes the following:**

|  |    |
|--|----|
| List of Financial Institutions<br>Licensed by AMBD | 31 |
| National Bodies                                    | 33 |
| Publications                                       | 34 |

# List of Financial Institutions Licensed by AMBD (as of November 2016)

## Banks

1. Baiduri Bank Berhad
2. Bank Islam Brunei Darussalam (BIBD) Berhad
3. Bank of China (Hongkong) Limited
4. Malayan Banking Berhad (Maybank)
5. RHB Bank Berhad
6. Standard Chartered Bank
7. The Hongkong and Shanghai Banking Corporation Limited (HSBC)
8. United Overseas Bank (UOB) Limited
9. State Street (Brunei) Sdn Bhd (restricted banking license)

## Tabung Amanah (Trust Funds)

1. Perbadanan Tabung Amanah Islam Brunei (TAIB)

## Finance Companies

1. Baiduri Finance Berhad
2. BIBD At-Tamwil Berhad
3. HSBC Finance (B) Berhad

## International Insurance Broker Companies

1. Supremin International Pte Ltd

## Domestic Insurance Brokers

1. Willis Insurance Brokers (B) Sdn Bhd

## Domestic Insurance Adjusters

1. McLarens (B) Sdn Bhd

## Insurance/Takaful Companies

1. AIA Co Ltd
2. The Great Eastern Life Assurance Co Ltd
3. Tokio Marine Life Insurance Singapore Ltd
4. Audley Insurance Company Sdn Bhd
5. MBA Insurance Company Sdn Bhd
6. National Insurance Company Bhd
7. Standard Insurance Sdn Bhd
8. Tokio Marine Insurance Singapore Ltd
9. Insurans Islam TAIB General Takaful Sdn Bhd
10. Insurans Islam TAIB Family Takaful Sdn Bhd
11. Takaful Brunei Keluarga Sdn Bhd
12. Takaful Brunei Am Sdn Bhd

## Capital Markets Services Licence Holders

1. BIBD Securities Sdn Bhd
2. Baiduri Capital Sdn Bhd
3. Standard Chartered Securities Sdn Bhd
4. Abraaj BICB Advisers Sdn Bhd
5. BNP Paribas Asset Management (B) Sdn Bhd
6. CIMB Investment Bank Berhad
7. Lion Global Investors Ltd – Brunei Branch
8. UOB Asset Management (B) Sdn Bhd
9. Seri Venture Capital Management Sdn Bhd
10. GoodLife Financial Planning Sdn Bhd
11. SBI (B) Sdn Bhd

# List of Financial Institutions Licensed by AMBD (as of November 2016)

## Domiciled Collective Investment Scheme Licence Holders

1. BIBD Al-Kauthar Funds DCC Incorporated
2. SBI Islamic Fund (Brunei) Limited
3. SBI Islamic Fund (Brunei) II Limited

## Recognised Foreign Collective Investment Schemes

1. AIAhli Global Trading Equity Fund
2. AIAhli US Trading Equity Fund
3. AIAhli Europe Trading Equity Fund
4. AIAhli Asia Pacific Trading Equity Fund
5. AIAhli Small Cap Trading Equity Fund
6. AIAhli Healthcare Trading Equity Fund
7. BlackRock Global Funds
8. Franklin Templeton Investment Fund
9. Philip Select Fund
10. Henderson Global Select Funds\*
11. HSBC Global Investment Funds SICAV\*

\*These funds are no longer licensed. They are present only for servicing existing clients.

## Recognised Operators of Foreign Trading Facility

1. Bloomberg Tradebook Singapore Pte Ltd

# National Bodies



## Authority for Info-Communications Technology Industry (AiTi)

AiTi is a telecommunications regulator, national radio-frequency spectrum manager and developer of Brunei Darussalam's ICT industry.

<http://www.aiti.gov.bn/>



## The Brunei Economic Development Board

The BEDB promotes Brunei Darussalam as the preferred investment destination, on four priority business areas - Life Sciences, Agri-Business, Information and Communications Technology and the Services industry.

<http://www.bedb.com.bn/>

# CIBFM

Centre For Islamic Banking, Finance And Management

## Centre for Islamic Banking, Finance and Management

Centre for Islamic Banking, Finance and Management (CIBFM) is the learning arm under Autoriti Monetari Brunei Darussalam (AMBD), for Brunei Darussalam's finance industry. The Centre has been accredited by Brunei Darussalam National Accreditation Council (BDNAC) as a training institution in the areas of Banking, Finance and Management.

<http://cibfibrunei.com/>

## دارالسلام است

## Darussalam Assets

## Darussalam Assets Sdn Bhd

Darussalam Assets' vision is to build a sustainable foundation to spur economic vitality in harmony with nation-building objectives. The enterprise acts as a strategic owner Brunei Government-Linked Companies (GLCs).

<http://www.da.com.bn/web/>



## Darussalam Enterprise (DaRE)

DARE (Darussalam Enterprise) is a Statutory Body with the aim to nurture and support local enterprises from start-up to growth.

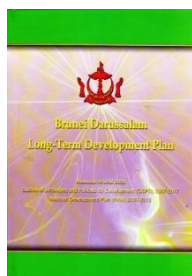
<http://www.dare.gov.bn/>



## **Brunei Darussalam 10-Year Financial Sector Blueprint**

The *Blueprint* sets out a 10-Year Strategic Framework within which Autoriti Monetari Brunei Darussalam (AMBD) aims to support in fulfilling Brunei Darussalam Vision 2035 on the financial sector.


<http://www.ambd.gov.bn/financial-sector-blueprint>



## **Brunei Vision 2035 – Wawasan Brunei 2035**

The Brunei Vision 2035 is a long-term development plan which encompasses Brunei Darussalam's National Vision, Strategies and Policies to transform the Country into a nation widely recognised for well-educated and highly skilled people; improve the quality of life among the top 10 nations in the world; and have a dynamic and sustainable economy.

<http://www.bedb.com.bn/index.php/about-bedb/the-brunei-vision-2035>



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