



BRUNEI DARUSSALAM FOREIGN DIRECT INVESTMENT STATISTICS 2022

Department of Economic Planning and Statistics
Ministry of Finance and Economy

www.deps.mofe.gov.bn

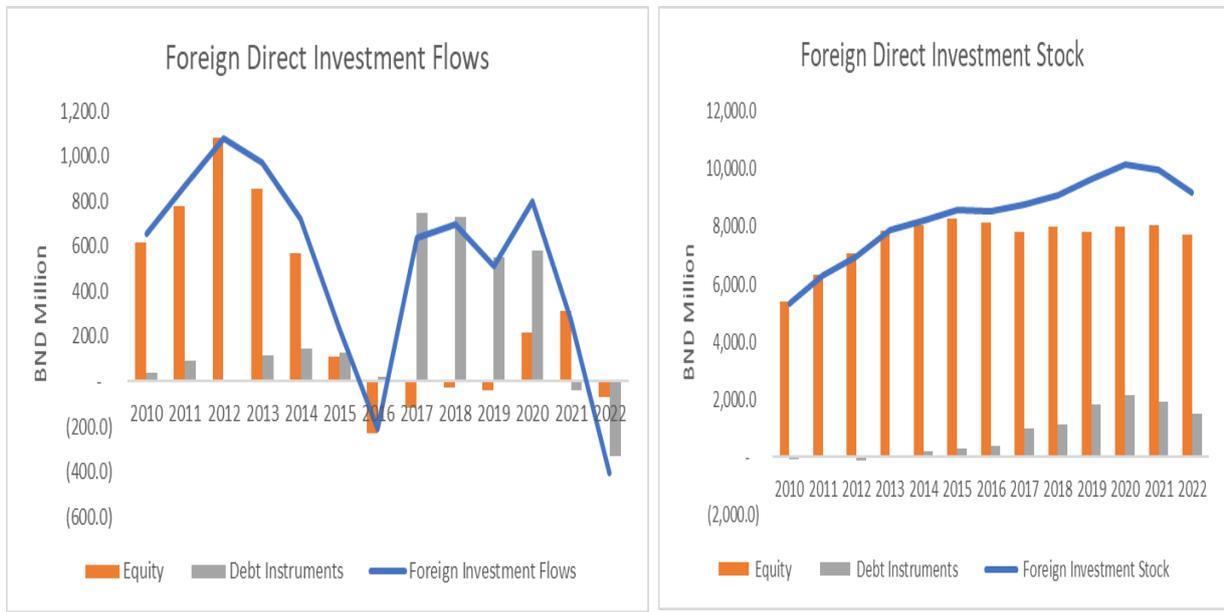
info.statistics@jpes.gov.bn

[statistics.jpes](https://www.instagram.com/statistics.jpes)

HIGHLIGHTS

- The foreign direct investment (FDI) in Brunei Darussalam recorded a net inflow of negative BND403.2 million in 2022.
- Financial & Insurance activities, and Wholesale and Retail Trade were the main recipients of foreign direct investment flows in Brunei Darussalam valued at BND80.5 million and BND27.8 million respectively.
- Main sources of foreign direct investment flows were Singapore and Malaysia.
- The foreign direct investment stock in Brunei Darussalam decreased 7.5 per cent to BND9.2 billion at the end of Q4 2022.

Chart 1: Foreign Direct Investment Flows and Stock



FOREIGN DIRECT INVESTMENT FLOWS

The foreign direct investment flows to Brunei Darussalam in 2022 was negative BND403.2 million, decreased by 246.6 percent compared to BND275.1 million in 2021. The decline was due to decreases in equity and debt instruments amounted negative BND71.3 million and BND331.9 million respectively.

Table 1: Foreign Direct Investment Flows by Components

	BND Million			Change %	
	2020	2021	2022 ^p	<u>2021</u> <u>2020</u>	<u>2022</u> <u>2021</u>
Foreign Direct Investment Flows	796.7	275.1	-403.2	-65.5	-246.6
Equity	216.5	312.1	-71.3	44.1	-122.8
Debts Instrument	580.2	-37.0	-331.9	-106.4	797.0

Note: p - provisional

FOREIGN DIRECT INVESTMENT FLOWS BY ECONOMIC ACTIVITY

The financial and insurance activities dominated foreign direct investment flows to Brunei Darussalam in 2022, contributed about BND80.5 million This was followed by wholesale and retail trade (BND27.8 million) and Construction (BND14.7 million). Meanwhile the manufacturing sector was the main recipients of foreign direct investment flows in 2021 valued at BND315.8 million.

On the other hand, the negative foreign direct investment flows were mainly contributed under the mining and quarrying and manufacturing registered at – BND293.8 million and -BND231.2 million respectively.

Table 2: Foreign Direct Investment Flows by Economic Activity

		BND Million	
Economic Activity	2021	Economic Activity	2022^p
Manufacturing	315.8	Financial and Insurance Activities	80.5
Financial and Insurance Activities	53.2	Wholesale and Retail Trade	27.8
Construction	18.1	Construction	14.7
Wholesale and Retail Trade	8.3	Manufacturing	-231.2
Mining and Quarrying	-110.1	Mining and Quarrying	-293.8
Other Activities	-10.1	Other Activities	-1.2
Foreign Direct Investment Flows	275.1	Foreign Direct Investment Flows	-403.2

Note: p - provisional

FOREIGN DIRECT INVESTMENT FLOWS BY COUNTRY

The main sources of foreign direct investment flows in 2022 came from Singapore valued at BND68.8 million. This was followed by Malaysia (BND46.1 million) and United States of America (BND0.9 million). Meanwhile in 2021, Hong Kong SAR was the main source of foreign direct investment flows amounted at BND280.4 million.

Table 3: Foreign Direct Investment Flows by Country

Country	BND Million	
	2021	2022^p
ASEAN	58.9	115.0
Malaysia	1.6	46.1
Singapore	58.2	68.8
Others	-0.9	0.1
EUROPEAN UNION	61.2	-147.9
Germany	0.4	0.0
Netherlands	60.0	-140.8
Others	0.8	-7.1
OTHER COUNTRIES	155.0	-370.4
Hong Kong SAR	280.4	-212.7
Japan	30.9	-8.7
United Kingdom	-224.7	-248.7
USA	0.6	0.9
Others	67.8	98.8
Foreign Direct Investment Flows	275.1	-403.2

Note: p - provisional

Total may not tally due to rounding

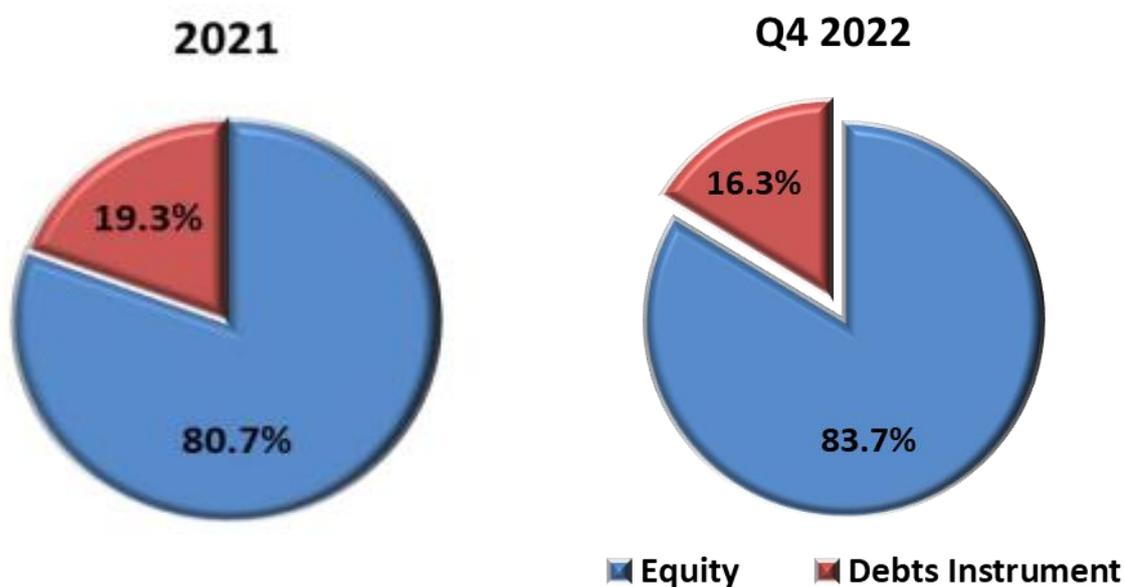
FOREIGN DIRECT INVESTMENT STOCK

The foreign direct investment stock in Brunei Darussalam decreased 7.5 per cent to BND9.2 billion at the end of 2022. The decrease was due to decreasing funds invested by foreign direct investors in existing affiliates.

The largest component of the foreign direct investment stock at the end of 2022 was equity constitutes 83.7 per cent (BND7.7 billion). Meanwhile debt instruments contributed 16.3 per cent (BND1.5 billion) of the total stock.

On an instrument basis, the foreign direct investment stock in the form of equity declined by 4.0 per cent. The foreign stock of debt instrument decreased by 22.2 per cent billion to BND1.5 billion.

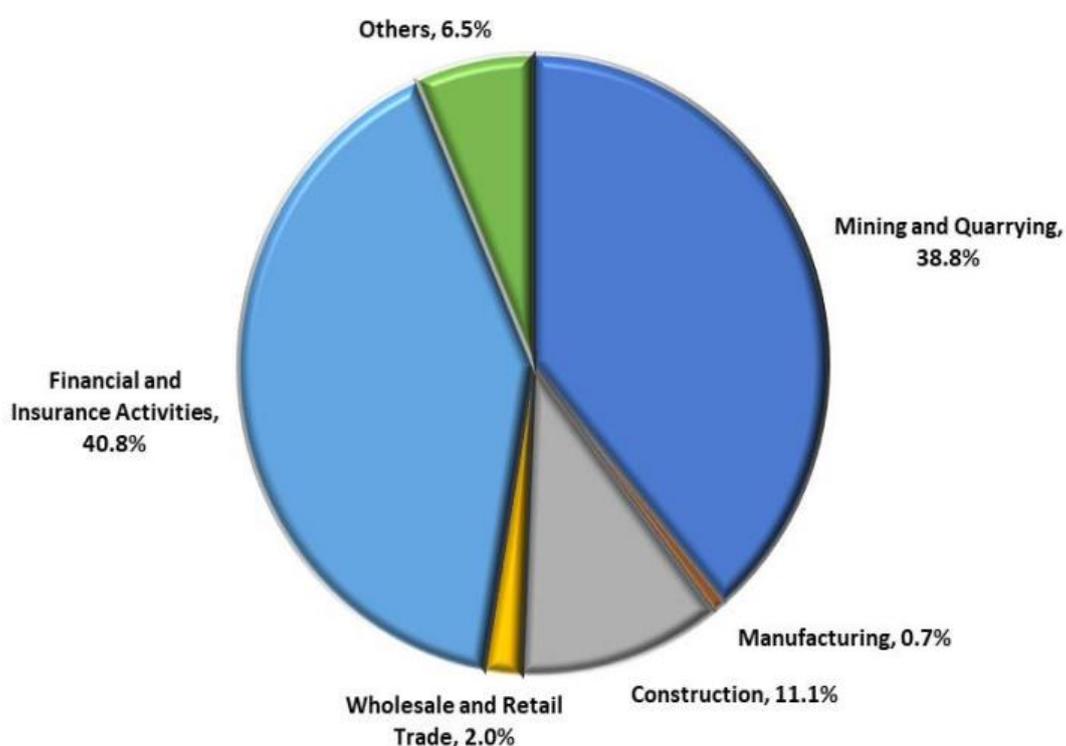
Chart 2: Share of Foreign Direct Investment Stock by Components



FOREIGN DIRECT INVESTMENT STOCK BY ECONOMIC ACTIVITY

As at the end of 2022, manufacturing was the largest contributor to foreign direct investment stock at 40.8 per cent or BND3.7 billion. This was followed by mining and quarrying (38.8 per cent or BND3.6 billion) and financial and insurance activities (11.1 per cent or BND1.0 billion).

Chart 3: Share of Foreign Direct Investment Stock by Economic Activity



FOREIGN DIRECT INVESTMENT STOCK BY COUNTRY

The highest contributor of foreign direct investment stock to Brunei Darussalam at the end of 2022 were Hong Kong SAR and United Kingdom at 35.1 per cent and 30.9 per cent respectively. Meanwhile in ASEAN, Singapore was the highest contributor of foreign direct investment stock valued at BND430.9 million, followed by Malaysia (BND232.6 million).

Table 4: Foreign Direct Investment Stock by Country

Country	BND Million	
	Q3 2022	Q4 2022^P
ASEAN	709.1	668.8
Malaysia	234.4	232.6
Singapore	474.7	430.9
Others	0.0	5.3
EUROPEAN UNION	1,001.3	912.6
Germany	16.3	10.0
Netherlands	962.4	872.8
Others	22.6	29.8
OTHER COUNTRIES	7,736.2	7,610.4
Hong Kong SAR	3,047.5	3,222.7
Japan	490.4	412.8
United Kingdom	3,154.4	2,840.2
USA	5.2	24.6
Others	1,038.7	1,110.1
Foreign Direct Investment Stock	9,946.6	9,191.9

Note: p - provisional

1. Introduction

This report provides annual foreign direct investment statistics that reflects the objective of a resident entity in one economy obtaining a lasting interest implies in an enterprise resident in another economy.

The foreign direct investment statistics is compiled in accordance with the methodology set forth in the IMF'S Balance of Payments Manual, Sixth Edition (BPM6) and Organisation for Economic Co-operation and Development (OECD), Fourth Edition 2008.

2. Concept and definition

The foreign direct investment statistics compiled according to the directional principle. Foreign direct investment implies that a resident equity is one economy exercises a significant degree of influence over the management of a business enterprise resident in another economy. Ownership of 10 percent or more of the ordinary shares or rating power (for incorporated enterprise) or the equivalent (for unincorporated enterprises) is taken as evidence of a significant degree of influence over management.

Foreign direct investment includes equity capital, reinvested earnings, and intercompany debt transactions. Reinvested earnings consist of the direct investor's share (in proportion to equity participation) of earnings not distributed as dividends.

Equity capital comprises;

- i) equity in branches;

- ii) all shares in subsidiaries and associates (except non-participating preferred shares that are treated as debt securities and included under direct investment, debt instruments); and

- iii) other contributions of an equity nature.

Foreign direct investment stock shows at a point in time the value of financial assets of residents that are claims on non-residents; and the liabilities of residents to non-residents

3. Methodology

In Brunei's context any investor that is non-resident (less than 1 year) and has at least 10 % of the shares in direct investment enterprises in Brunei is considered as foreign investment.

The foreign direct investment statistics are compiled according to a directional basis which is designed to provide users with information reflecting the direction of influence underlying the direct investment. This requires a compiling to determine whether the investment was inward (labeled as foreign direct investment flows). Foreign direct investment statistics are presented compiled according to industrial sector and geographical distribution.

- Industrial Sector

This refers to the business activity that is reported by the companies through census or otherwise we can get this information from the Registrar of Companies Ministry of Finance and Economy. These activities are classified according to International Standard Industrial Classification of all economic activities (ISIC Rev.4)

- Geographical Distribution

The geographical origins of the investors are established based on their residential or registered addresses outside Brunei that are considered as foreign (non-resident) investors. They are recorded according to the immediate source economy, rather than the ultimate source economy.

4. Data Sources

The primary data sources for foreign direct investment are the quarterly Survey of International Investment and International Services (for larger foreign direct investment enterprises), supplemented with information the annual survey for smaller foreign direct investment enterprises.

APPENDIX

Appendix 1: Foreign Direct Investment Flows by Components

	BND Million				
Investment	2018	2019	2020	2021	2022 ^P
Equity	-29.4	-41.1	216.5	312.1	-71.3
Debts Instrument	727.3	552.1	580.2	-37.0	-331.9
Foreign Direct Investment Flows	697.8	511.0	796.7	275.1	-403.2

Appendix 2: Foreign Direct Investment Flows by Economic Activity

	BND Million				
Economic Activity	2018	2019	2020	2021	2022 ^P
Mining and Quarrying	-355.0	-228.4	-93.8	-110.1	-293.8
Manufacturing	944.1	648.2	877.2	315.8	-231.2
Construction	25.2	-35.3	-8.9	18.1	14.7
Wholesale and Retail Trade	-39.0	-9.9	-9.4	8.3	27.8
Financial and Insurance Activities	101.1	40.6	18.3	53.2	80.5
Other Activities	21.4	95.7	13.3	-10.1	-1.2
Foreign Direct Investment Flows	697.8	511.0	796.7	275.1	-403.2

Note: p - provisional

Total may not tally due to rounding

Appendix 3: Foreign Direct Investment Flows by Country

Country	BND Million				
	2018	2019	2020	2021	2022 ^p
ASEAN :	99.0	-24.4	5.6	58.9	115.0
Malaysia	29.1	-5.8	-18.8	1.6	46.1
Singapore	69.5	-19.2	26.7	58.2	68.8
Others	0.4	0.5	-2.3	-0.9	0.1
EUROPEAN UNION :	-461.9	-367.1	-85.9	61.2	-147.9
Germany	-2.4	-1.7	-0.4	0.4	0.0
Netherlands	36.3	-99.1	-85.5	60.0	-140.8
United Kingdom ⁽¹⁾	-498.9	-251.5	-	-	-
Others	3.1	-14.8	0.0	0.8	-7.1
OTHER COUNTRIES :	1,060.7	902.5	877.0	155.0	-370.4
Hong Kong SAR	917.4	763.0	740.6	280.4	-212.7
Japan	84.5	-28.9	186.7	30.9	-8.7
United Kingdom ⁽¹⁾	-	-	-79.0	-224.7	-248.7
U.S.A	0.3	0.5	1.2	0.6	0.9
Others	58.6	167.8	27.6	67.8	98.8
Foreign Direct Investment Flows	697.8	511.0	796.7	275.1	-403.2

Note: p - provisional

(1) Withdrawal of the United Kingdom from the European Union in February 2020

Total may not tally due to rounding

Appendix 4: Foreign Direct Investment Stock by Components

BND Million					
Investment	2021	2022 ^P			
		Q1	Q2	Q3	Q4
Equity	8,019.4	7,915.2	8,288.0	8,401.3	7,697.5
Debts Instrument	1,921.8	1,723.7	1,487.5	1,045.3	1,494.4
Foreign Direct Investment Stock	9,941.2	9,638.9	9,775.5	9,446.6	9,191.9

Appendix 5: Foreign Direct Investment Stock by Economic Activity

BND Million					
Economic Activity	2021	2022 ^P			
		Q1	Q2	Q3	Q4
Mining and Quarrying	4,047.3	3,899.4	4,044.6	3,927.5	3,568.2
Manufacturing	4,128.8	3,862.4	3,894.3	3,679.7	3,749.7
Construction	38.4	81.5	100.3	98.2	65.2
Wholesale and Retail Trade	156.7	155.8	161.7	181.5	187.3
Financial and Insurance Activities	1,045.0	1,060.1	1,053.9	1,033.6	1,022.5
Professional, Scientific and Technical Activities	240.6	261.6	214.7	211.6	306.6
Other Activities	284.4	318.1	306.0	314.5	292.4
Foreign Direct Investment Stock	9,941.2	9,638.9	9,775.5	9,446.6	9,191.9

Note: p - provisional

Total may not tally due to rounding

Appendix 6: Foreign Direct Investment Stock by Country

Country	BND Million				
	2021	Q1	2022 ^P Q2	Q3	Q4
ASEAN :	628.6	944.4	696.4	709.1	668.9
Malaysia	242.5	271.8	225.9	234.4	232.6
Singapore	381.7	671.5	469.5	474.7	430.9
Others	4.4	1.1	1.0	-	5.3
EUROPEAN UNION :	1,042.4	1,171.3	906.4	1,001.3	912.6
Germany	15.5	16.2	17.5	16.3	10.0
Netherlands	1,008.5	1,132.1	866.0	962.4	872.8
Others	18.4	23.0	22.9	22.6	29.8
OTHER COUNTRIES :	8,270.2	7,523.2	8,172.7	7,736.2	7,610.4
Hong Kong	3,498.7	2,985.8	3,389.3	3,047.5	3,222.7
Japan	426.9	356.5	458.3	490.4	412.8
United Kingdom ⁽¹⁾	3,193.4	3,052.3	3,255.7	3,154.4	2,840.2
U.S.A	25.5	25.6	5.1	5.2	24.6
Others	1,125.7	1,103.0	1,064.3	1,038.7	1,110.1
Foreign Direct Investment Stock	9,941.2	9,638.9	9,775.5	9,446.6	9,191.9

Note: p - provisional

(1) Withdrawal of the United Kingdom from the European Union in February 2020

Total may not tally due to rounding