



FOREIGN DIRECT INVESTMENT STATISTICS

2023

BRUNEI DARUSSALAM

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 BRUNEI DARUSSALAM

FOREIGN DIRECT INVESTMENT (FDI) STATISTICS IN BRUNEI DARUSSALAM

2023

FDI FLOWS AND STOCK BY COMPONENT

FDI Net Inflows
-BND68.6 million
FDI Stock
BND8,960.8 million

		BND Million
Flows	Equity	336.9
	Debt Instruments	-405.5
Stock	Equity	7,728.6
	Debt Instruments	1,232.2

TOP SECTORS

		BND Million		
Flows	Mining and Quarrying	161.2	Manufacturing	3,444.3 (38.4%)
	Financial and Insurance Activities	55.9	Mining and Quarrying	3,422.5 (38.2%)
	Wholesale and Retail Trade	21.6	Financial and Insurance Activities	1,174.1 (13.1%)
Stock				

TOP RECIPIENTS

		BND Million		
Flows	United Kingdom	234.5	United Kingdom	3,007.7 (33.6%)
	Germany	1.0	Hong Kong SAR	2,954.3 (33.0%)
Stock			Netherlands	600.4 (6.7%)

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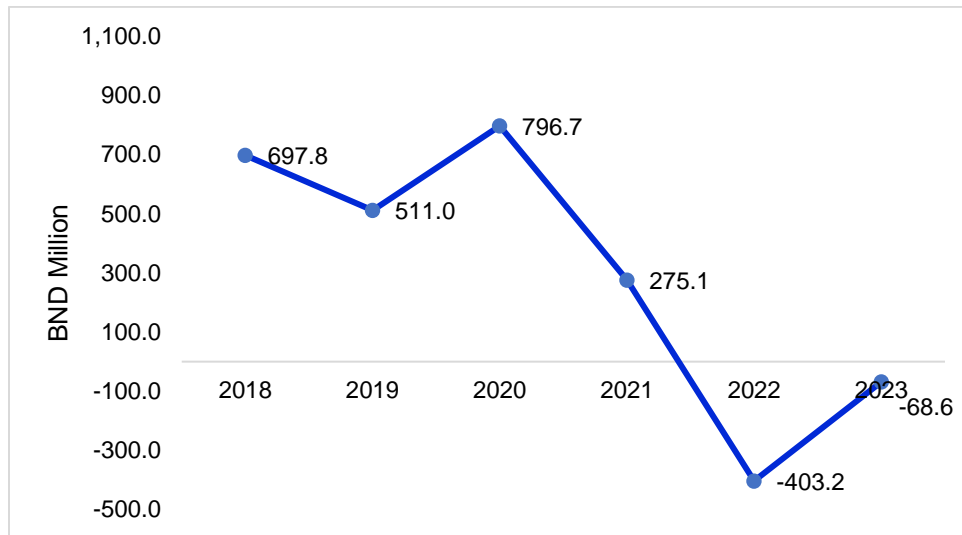
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Highlights

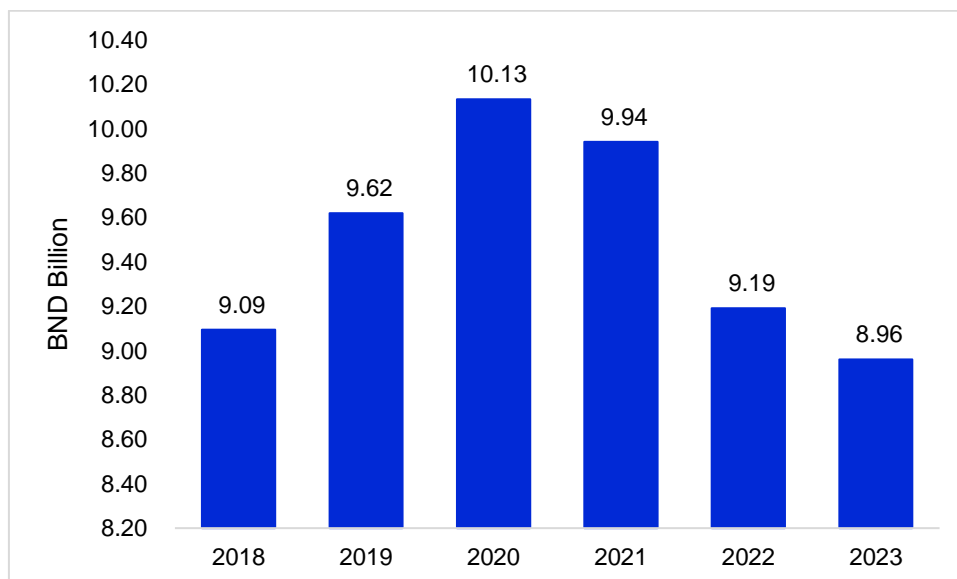
- Foreign Direct Investment (FDI) in Brunei Darussalam recorded a negative net inflow of BND68.6 million in 2023.

Chart 1: Foreign Direct Investment Flows, 2018-2023



- The foreign direct investment stock in Brunei Darussalam decreased by 2.5 per cent to BND8.96 billion in 2023.

Chart 2: Foreign Direct Investment Stock, 2018-2023



Foreign Direct Investment Flows by Component

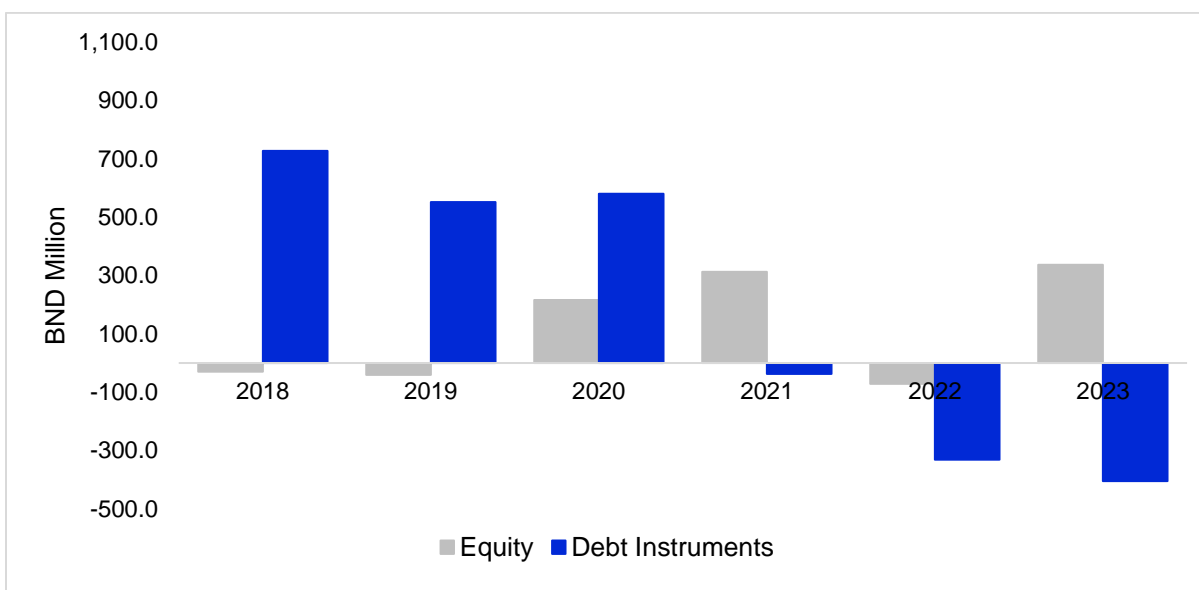
In 2023, Brunei Darussalam saw an increase in foreign investment flows compared to the previous year. This growth was driven by existing FDI companies reinvesting BND336.9 million in the country, mainly from the Mining and Quarrying, and Financial and Insurance Activities posted at BND161.2 million dan BND55.9 million respectively.

However, there was also an increase in debt repayments of BND405.5 million by foreign companies to their parent and sister companies outside Brunei, which partially offset the positive impact of reinvestment. The FDI companies from the Manufacturing, Construction, and Professional, Scientific and Technical Activities contributed to the increase in debt repayments.

Table 1: Foreign Direct Investment Flows by Components

	BND Million		
	2021	2022	2023
Foreign Direct Investment Flows	275.1	-403.2	-68.6
Equity	312.1	-71.3	336.9
Debt Instruments	-37.0	-106.4	-405.5

Chart 3: Foreign Direct Investment Flows by Component, 2018-2023



Foreign Direct Investment Flows by Economic Activity

The highest foreign direct investment flows into Brunei Darussalam were dominated by the Mining and Quarrying sector, amounting to BND161.2 million. This was followed by Financial and Insurance Activities, which accounted for BND55.9 million, and Wholesale and Retail Trade, amounting for BND21.6 million.

Table 2: Foreign Direct Investment Flows by Economic Activity

Economic Activity	BND Million	
	2022	2023
Mining and Quarrying	-293.8	161.2
Manufacturing	-231.2	-265.9
Construction	14.7	-27.4
Wholesale and Retail Trade	27.8	21.6
Financial and Insurance Activities	80.5	55.9
Professional, Scientific and Technical Activities	-25.9	-7.1
Other Activities	24.7	-6.9
Foreign Direct Investment Flows	-403.2	-68.6

Foreign Direct Investment Flows by Country

The largest investment into Brunei Darussalam in 2023 came from the United Kingdom totaling BND234.5 million, followed by Germany with BND1.0 million. Meanwhile, within ASEAN, Malaysia and Singapore recorded negative FDI flows of BND43.0 million and BND4.4 million, respectively.

Table 3: Foreign Direct Investment by Country

Country	BND Million	
	2022	2023
ASEAN	115.0	-47.4
Malaysia	46.1	-43.0
Singapore	68.8	-4.4
Others	0.1	-
EUROPEAN UNION	-147.8	0.6
Germany	-	1.0
Netherlands	-140.8	-5.2
Others	-7.0	4.8
OTHER COUNTRIES	-370.4	-21.8
United Kingdom	-248.7	234.5
Hong Kong SAR	-212.7	-181.1
Japan	-8.7	-59.5
USA	0.9	-24.5
Others	98.8	8.8
Foreign Direct Investment Flows	-403.2	-68.6

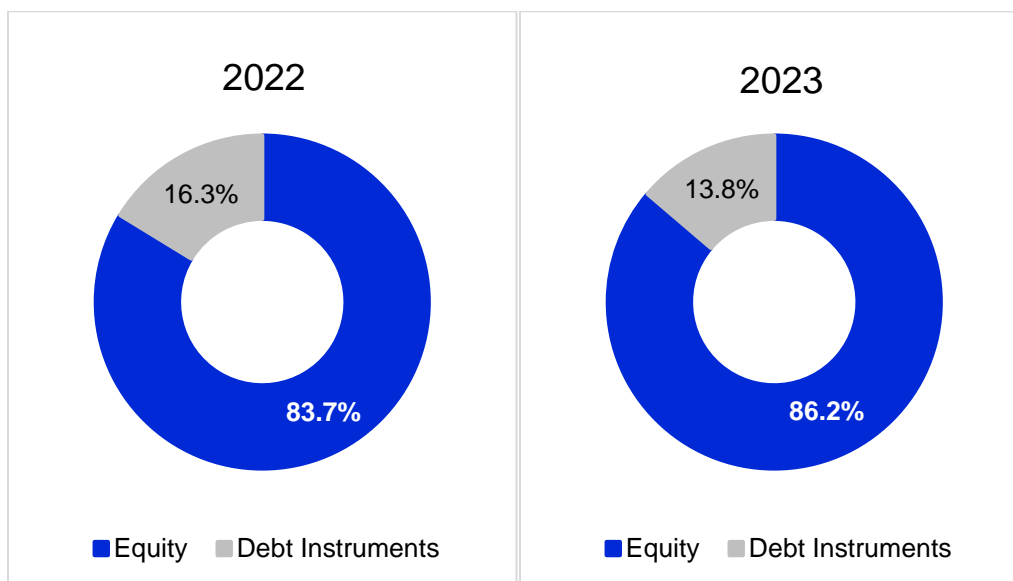
Foreign Direct Investment Stock by Component

In 2023, the FDI stock in Brunei Darussalam saw a slight decrease of 2.5% to BND9.0 billion from BND9.2 billion. This decrease was primarily due to repayments of loans to foreign-related companies. However, there was a positive increase in funds invested by the existing FDI companies, amounting to BND7.7 billion by the end of 2023.

The majority of the FDI stock in 2023 was in equity, making up 86.2% (BND7.7 billion), while debt instruments contributed 13.8% (BND1.2 billion) to the total stock.

In 2023, stock of equity saw an increase of 0.4%, while the stock of debt instruments decreased by 17.5% to BND1.2 billion.

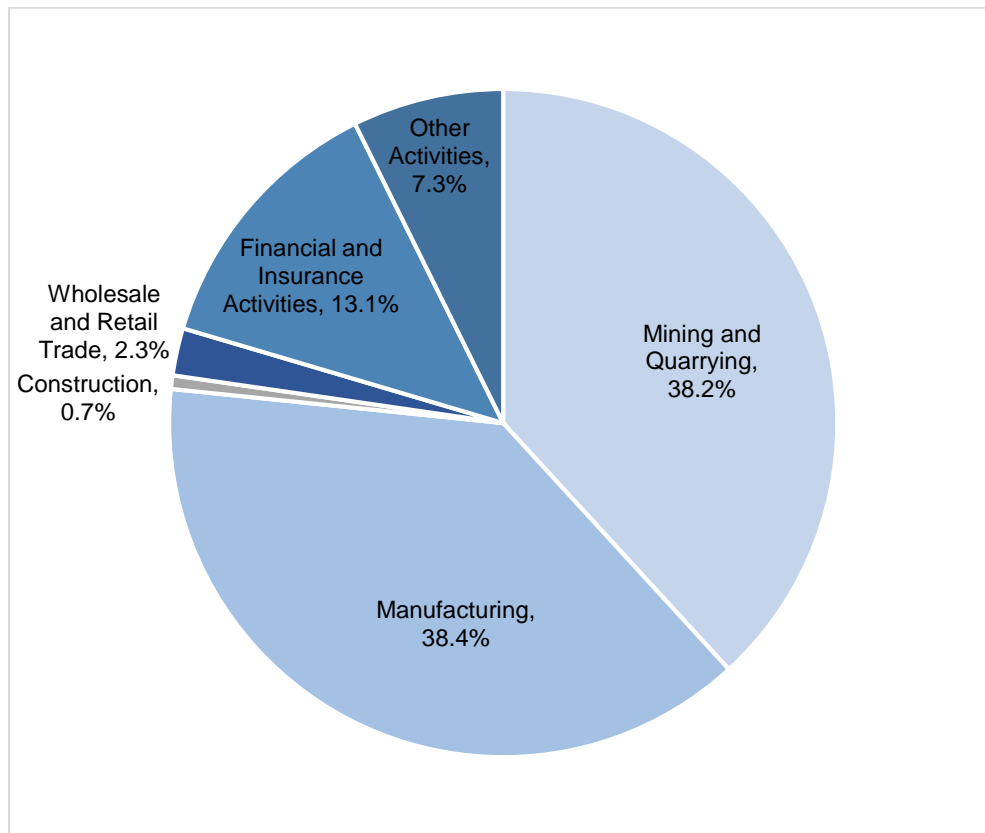
Chart 4: Shares of Foreign Direct Investment Stock by Component



Foreign Direct Investment Stock by Economic Activity

In 2023, Manufacturing was the largest contributor to foreign direct investment stock, accounting for 38.4 per cent, about BND3.44 billion. It was closely followed by Mining and Quarrying representing 38.2 per cent at BND3.42 billion. Financial and Insurance Activities contributed 13.1 per cent which is equivalent to BND1.2 billion.

Chart 5: Share of Foreign Direct Investment Stock by Economic Activity



Foreign Direct Investment Stock by Country

In 2023, the United Kingdom emerged as the main contributor to foreign direct investment stock in Brunei Darussalam, accounting for 33.6 per cent, equivalent to BND3.0 billion. Hong Kong SAR closely followed with 33.0 per cent, amounting to BND2.95 billion.

Within ASEAN, Singapore led the contributions of foreign direct investment stock, valued at BND0.4 billion, followed by Malaysia at BND0.3 billion.

Table 4: Foreign Direct Investment Stock by Country

Country	BND Million		
	2022	2023	% Contribution
ASEAN	668.9	633.1	7.1
Malaysia	232.6	269.5	3.0
Singapore	430.9	363.6	4.1
Others	5.4	-	
EUROPEAN UNION	912.6	627.6	7.0
Germany	10.0	11.0	0.1
Netherlands	872.8	600.4	6.7
Others	29.8	16.2	0.2
OTHER COUNTRIES	7,610.4	7,700.1	85.9
United Kingdom	2,840.2	3,007.7	33.6
Hong Kong SAR	3,222.7	2,954.3	33.0
Japan	412.8	362.0	4.0
USA	24.6	2.5	0.0
Others	1,110.1	1,373.6	15.3
Foreign Direct Investment Stock	9,191.9	8,960.8	100

Technical Notes

1. Introduction

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

The foreign direct investment statistics are 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 are compiled according to the directional principle. Foreign direct investment implies that a resident entity in one economy exercises a significant degree of influence over the management of a business enterprise located in another economy. Ownership of 10 per cent or more of ordinary shares or voting power (for incorporated enterprises) 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, at a point in time, represents 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 who is a non-resident (for less than 1 year) and holds at least 10% of the shares in direct investment enterprises in Brunei is considered as foreign investment.

The foreign direct investment statistics are compiled based on a directional approach which is designed to provide users with information reflecting the direction of influence underlying direct investment. This requires compilation 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 companies through census, or alternatively, we can obtain this information from the Registrar of Companies at the Ministry of Finance and Economy. These activities are classified according to the 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, which 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 from the annual survey for smaller foreign direct investment enterprises.

Appendices

Appendix 1: Foreign Direct Investment Flows by Components

	BND Million					
Investment	2018	2019	2020	2021	2022	2023^P
Equity	-29.4	-41.1	216.5	312.1	-71.3	336.9
Debt Instruments	727.3	552.1	580.2	-37.0	-331.9	-405.5
Foreign Direct Investment Flows	697.8	511.0	796.7	275.1	-403.2	-68.6

Appendix 2: Foreign Direct Investment Flows by Economic Activity

	BND Million					
Economic Activity	2018	2019	2020	2021	2022	2023^P
Mining and Quarrying	-355.0	-228.4	-93.8	-110.1	-293.8	161.2
Manufacturing	944.1	648.3	877.2	315.8	-231.2	-265.9
Construction	25.2	-35.3	-8.9	18.1	14.7	-27.4
Wholesale and Retail Trade	-39.0	-9.8	-9.4	8.3	27.8	21.6
Financial and Insurance Activities	101.1	40.6	18.3	53.2	80.5	55.9
Professional, Scientific and Technical Activities	9.7	16.9	-25.9	-7.1
Other Activities	21.4	95.7	3.6	-27.0	24.7	-6.9
Foreign Direct Investment Flows	697.8	511.0	796.7	275.1	-403.2	-68.6

Appendix 3: Foreign Direct Investment Flows by Country

Country	BND Million					
	2018	2019	2020	2021	2022	2023 ^P
ASEAN :	111.7	-24.5	5.6	58.9	115.0	-47.4
Malaysia	28.9	-5.7	-18.8	1.6	46.1	-43.0
Singapore	82.4	-19.2	26.7	58.2	68.8	-4.4
Others	0.4	0.4	-2.3	-0.9	0.1	-
European Union :	-458.6	-367.2	-85.9	61.2	-147.8	0.6
Germany	-2.4	-1.7	-0.4	0.4	-	1.0
Netherlands	35.5	-99.1	-85.5	60.0	-140.8	-5.2
United Kingdom (1)	-494.8	-251.5	0.0	0.0	-	-
Others	3.1	-14.9	0.0	0.8	-7.0	4.8
Other Countries:	1,044.8	902.6	877.0	155.0	-370.4	-21.8
United Kingdom	0.0	0.0	-79.0	-224.7	-248.7	234.5
Hong Kong SAR	917.4	763.0	740.6	280.4	-212.7	-181.1
Japan	84.5	-28.9	186.7	30.9	-8.7	-59.5
U.S.A	0.3	0.5	1.2	0.6	0.9	-24.5
Others	42.6	168.0	27.6	67.8	98.8	8.8
Foreign Direct Investment Flows	697.8	510.9	796.7	275.1	-403.2	-68.6

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

Appendix 4: Foreign Direct Investment Stock by Components

	BND Million					
Investment	2018	2019	2020	2021	2022	2023^P
Equity	7,972.4	7,791.3	7,993.7	8,019.4	7,697.5	7,728.6
Debt Instruments	1,122.5	1,828.7	2,139.1	1,921.8	1,494.4	1,232.2
Foreign Direct Investment Stock	9,094.9	9,620.0	10,132.8	9,941.2	9,191.9	8,960.8

Appendix 5: Foreign Direct Investment Stock by Economic Activity

	BND Million					
Economic Activity	2018	2019	2020	2021	2022	2023^P
Mining and Quarrying	4,599.4	4,816.4	4,290.4	4,047.3	3,568.2	3,422.5
Manufacturing	2,620.8	3,299.5	4,002.6	4,128.8	3,749.7	3,444.3
Construction	77.8	26.0	78.3	38.4	65.2	58.8
Wholesale and Retail Trade	159.9	133.5	145.6	156.7	187.3	205.5
Financial and Insurance Activities	1,200.2	958.3	1,037.7	1,045.0	1,022.5	1,174.1
Professional, Scientific and Technical Activities	239.4	240.6	306.6	228.6
Other Activities	436.7	386.3	338.8	284.4	292.4	427.0
Foreign Direct Investment Stock	9,094.9	9,620.0	10,132.8	9,941.2	9,191.9	8,960.8

Appendix 6: Foreign Direct Investment Stock by Country

Country	BND Million					
	2018	2019	2020	2021	2022	2023
ASEAN :	580.2	163.0	772.1	633.9	668.9	633.1
Malaysia	212.2	(188.5)	250.1	242.5	232.6	269.5
Singapore	360.9	343.9	516.7	387.0	430.9	363.6
Others	7.1	7.6	5.3	4.4	5.4	-
European Union :	5,316.4	5,609.2	1,190.8	1,049.6	912.6	627.6
Germany	25.8	15.3	15.0	15.5	10.0	11.0
Netherlands	1,294.4	1,436.9	1,141.1	1,008.5	872.8	600.4
United Kingdom	3,899.8	4,136.5	-	-	-	-
Others	96.4	20.5	34.7	25.6	29.8	16.2
Other Countries:	3,198.3	3,847.8	8,169.9	8,257.7	7,610.4	7,700.1
United Kingdom	2,154.9	2,741.1	3,533.2	3,498.7	3,222.7	2,954.3
Hong Kong SAR	344.0	214.0	346.3	426.9	412.8	362.0
Japan	-	-	3,482.1	3,193.4	2,840.2	3,007.7
U.S.A	2.7	3.2	4.9	25.5	24.6	2.5
Others	696.6	889.5	803.5	1,113.2	1,110.1	1,373.6
Foreign Direct Investment Stock	9,094.9	9,620.0	10,132.8	9,941.2	9,191.9	8,960.8

Note: p – provisional

Total may not tally due to rounding