

STATISTICS ON INTERNATIONAL TRADE IN SERVICES 2023

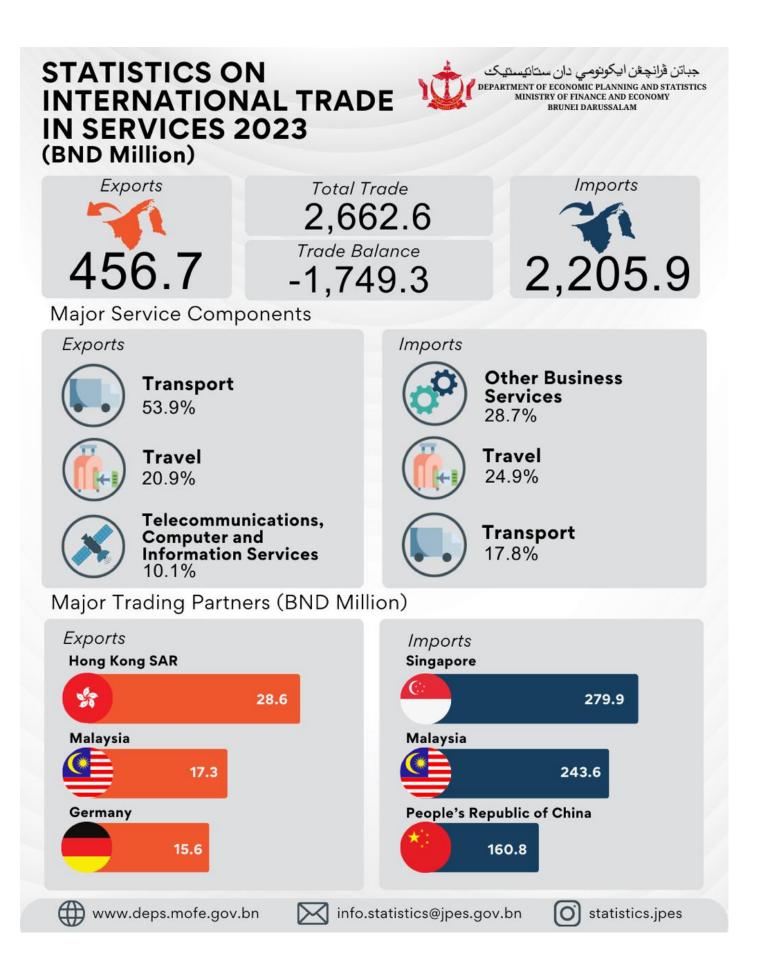
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INTRODUCTION

The Department of Economic Planning and Statistics, Ministry of Finance and Economy through the Department of Statistics, has released the Statistics of International Trade in Services (SITS) for Brunei Darussalam. The Statistics of International Trade in Services report presents the crossborder services transactions between Brunei Darussalam's residents and non-residents.

The international trade in services sector represents a significant share of economic output, with productivity growth and innovation in services industries now becoming more fundamental in driving economic growth. Thus, international trade in services data provides useful information to the planners, policy makers, researchers, academicians and for the business planning development.

The SITS covers all components of services in accordance with the guidelines of the Manual on Statistics of International Trade in Services (MSITS) 2010 of United Nations Statistics Division and Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6) of the International Monetary Fund. The SITS data are compiled from the survey on international services conducted by the Department of Statistics on a quarterly and annual basis. These data are supplemented by administrative data from various sources.

The main standard international trade services are classified broadly into 12 components:

- 1. Manufacturing services on physical inputs owned by others
- 2. Maintenance and repair services not included elsewhere (n.i.e.)
- 3. Transport
- 4. Travel
- 5. Construction
- 6. Insurance services
- 7. Financial services
- 8. Charges for the use of intellectual property not included elsewhere (n.i.e.)
- 9. Telecommunications, computer and information services
- 10. Other business services
- 11. Personal, cultural and recreational services
- 12. Government goods and services not included elsewhere (n.i.e.).

Highlights

In 2023, the total trade in services was valued at BND2,662.6 million, an increase of 36.8 per cent compared to 32.0 per cent in 2022, constituting about 13.1 per cent of the Gross Domestic Product at current prices.

The exports and imports of services also increased by 17.6 per cent and 41.6 per cent, respectively. The growth of exports of services was mainly due to the increase in Travel services, and Telecommunications, computers and information services.

Concurrently, the increase in imports of services was driven by services under Travel, and Maintenance and repairs.

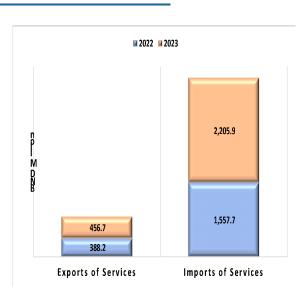


Table 1. Exports and imports of Trade in Services										
	BND Million Change (%)									
	2021	2022	2023	2022	2023					
				2021	2022					
Exports of Services	269.3	388.2	456.7	44.2	17.6					
Imports of Services	1,205.2	1,557.7	2,205.9	29.2	41.6					
Trade Balance (Net Services)	-935.9	-1,169.5	-1,749.3	25.0	49.6					
Total Trade	1,474.5	1,945.9	2,662.6	32.0	36.8					

Table 1: Exports and Imports of Trade in Services

Notes: Net Services = Exports of Services - Imports of Services Total Trade = Exports of Services + Imports of Services

Exports of Services by Major Components

The main component contributing to exports of services in 2023 was Transport services valued at BND246.3 million or 53.9 per cent, particularly sea and air freight activities. This was followed by Travel services (BND95.4 million or 20.9 per cent) and Telecommunications, computers and information services (BND46.1 million or 10.1 per cent).



Transport BND246.3 million



Travel BND95.4 million



Telecommunications, computers and information BND46.1 million Meanwhile, the increase in the exports of services at 17.6 per cent was mainly driven by the increase in Travel services from BND19.0 million in 2022 to BND95.4 million in 2023. This was mainly due to an increase in tourists' arrival, following an increase in foreign travellers' spending in Brunei Darussalam.

This was followed by increases in Telecommunications, computer and information services, as well as Maintenance and repair services. These were mainly driven by the usage of telecommunication business networks and support services, as well as maintenance and repair services on transport owned by non-residents in Brunei Darussalam.

Table	Table 2: Exports in Services by Major Components										
Major Components		BND (Million)			nge %)	Contribution (%)					
	2021	2022	2023	2022	2023	2023					
				2021	2022						
 Manufacturing services on physical inputs owned by others 	-	-	-	-	-	-					
 Maintenance and repair services not included elsewhere (n.i.e.) 	0.9	0.1	0.4	-85.8	223.7	0.1					
3. Transport	133.1	271.8	246.3	104.2	-9.4	53.9					
4. Travel	2.8	19.0	95.4	583.4	402.8	20.9					
5. Construction	86.1	41.2	22.0	-52.1	-46.8	4.8					
6. Insurance services	0.6	1.9	0.3	195.8	-82.4	0.1					
7. Financial services	0.3	0.6	0.6	76.4	4.9	0.1					
8. Charges for the use of intellectual property not included elsewhere (n.i.e.)	0.0	0.0	0.0	0.0	0.0	0.0					
9. Telecommunications, computer and information services	10.3	8.0	46.1	-22.6	476.3	10.1					
10. Other business services	9.6	20.1	20.1	109.8	-0.2	4.4					
11. Personal, cultural and recreational services	0.0	0.0	0.0	14.3	-29.2	0.0					
12. Government goods and services not included elsewhere (n.i.e.).	25.5	25.5	25.5	0.0	0.0	5.6					
Total	269.3	388.2	456.7	44.2	17.6	100.0					

Notes: '-' - Nil

Figure may not tally due to rounding

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Imports of Service by Major Components

The imports of services in 2023 accelerated by 41.6 per cent to BND2,205.9 million from BND1,557.7 million in the previous year. This was mainly due to the increase in services under Travel services (BND548.9 million), following an increase in Brunei's travellers spending abroad. This was followed by increases in Maintenance and repairs services, and Other business services valued at BND190.9 million and BND633.4 million, respectively.

The increase in imports of Maintenance and repairs services was mainly due to maintenance of machinery and equipment acquired abroad. Meanwhile, the increase in Other business services (BND633.4 million) was led by the increase in the import of acquiring services under oil and gas extraction, and professional and management consulting services.

Major Components	BND (Million)			Chai (%	-	Contribution (%)	
	2021	2022	2023	2022	2023	2023	
				2021	2022		
1. Manufacturing services on	-	-	-	-	-	-	
physical inputs owned by others							
2. Maintenance and repair	83.1	124.1	190.9	49.4	53.8	8.7	
services not included elsewhere							
(n.i.e.)							
3. Transport	312.5	330.8	391.8	5.9	18.4	17.8	
4. Travel	17.9	165.8	548.9	826.8	231.1	24.9	
5. Construction	135.3	289.8	235.9	114.2	-18.6	10.7	
6. Insurance services	73.5	101.3	73.3	37.9	-27.6	3.3	
7. Financial services	5.4	2.1	1.1	-60.9	-48.3	0.0	
8. Charges for the use of	18.3	8.5	8.1	-	-3.9	0.4	
intellectual property not included							
elsewhere (n.i.e.)							
9. Telecommunications, computer	104.0	54.8	78.6	-47.3	43.5	3.6	
and information services							
10. Other business services	412.8	436.1	633.4	5.7	45.2	28.7	
11. Personal, cultural and	2.6	4.4	3.9	68.2	-10.9	0.2	
recreational services							
12. Government goods and	40.0	40.0	40.0	-	-	1.8	
services not included elsewhere							
(n.i.e.).							
Total	1,205.2	1,557.7	2,205.9	29.2	41.6	100.0	

Table 3: Imports in Services by Major Components

Notes: '-' - Nil Figure may not tally due to rounding

While the main contributor to imports of services was Other Business Services (BND633.4 million

or 28.7 per cent). This was followed by Travel (BND548.9 million or 24.9 per cent) and Transport (BND391.8 million or 17.8 per cent), collectively contributing about 71.4 per cent of total imports of services.

The services incidental to the oil and gas extraction sub-component contributed the highest imports of Other Business Services. Meanwhile, Brunei's travellers spending abroad, and sea and air freight activities were the main contributors to Travel and Transport services respectively.







Transport BND391.8 million

Exports and Imports of Services by Trading Partners

In 2023, the main exports of services went to Hong Kong SAR, valued at BND28.6 million. This was followed by Malaysia (BND17.3 million) and Germany (BND15.6 million).



Hong Kong SAR BND28.6 million





Germany BND15.6 million

Meanwhile, the main imports of services was from Singapore which grew at 8.6 per cent from BND257.8 million in 2022 to BND279.9 million in 2023. This was followed by imports of services from Malaysia and People's Republic of China valued at BND243.6 million and BND160.8 million respectively.



Singapore BND279.9 million



Malaysia BND243.6 million



People's Republic of China BND160.8 million

Technical Notes

1. Introduction

Statistics on International Trade in Services (SITS) are generally compiled in accordance with the United Nations' recommendations, as outlined in the Manual on Statistics of International Trade in Services 2010 (MSITS 2010) and the 6th edition of the IMF Balance of Payments Manual (BPM6).

2. Data Sources

The main sources of SITS data are based on

• Survey on International Trade in Services

The survey on International Trade in Services is the primary source of data for exports and imports of services and encompasses enterprises involved in international trade in services between Brunei Darussalam residents and non-residents.

The survey is conducted under the authority of the Statistics Act, Chapter 81 of the Laws of Brunei Darussalam. All information provided will be treated as confidential and used solely for statistical purposes. Partner country data is also used to estimate service transactions and for comparison purposes.

Administrative Sources

Administrative data is collected from government agencies and private agencies for the compilation of international trade in services under government transactions, travel, transport, and communication.

3. Concept of Resident and Non-Resident

A resident is defined as any individual, enterprise or other organization ordinarily domiciled in Brunei Darussalam. Brunei Darussalam branches and subsidiaries of non-resident companies are considered residents of Brunei Darussalam.

On the other hand, a non-resident is any individual, enterprise or other organization ordinarily domiciled in a country other than Brunei Darussalam. Similarly, foreign branches and subsidiaries of Brunei Darussalam companies who are residing temporarily in Brunei Darussalam are considered as non-residents.

There are exceptions to these definitions. Individuals and members of their immediate families who reside outside Brunei Darussalam but work with the Brunei Government, such as diplomats, consular officials, and members of the armed forces, are considered Brunei residents. Brunei students studying at foreign educational institutions are also considered as Brunei residents, regardless of the duration of their study abroad.

Conversely, individuals and members of their immediate families working in Brunei Darussalam for foreign embassies, consulates or other missions as well as foreign students enrolled at Brunei Darussalam's educational institutions are not considered as Brunei Darussalam residents, regardless of their length of stay.

4. Classifications

The international trade in services are compiled in accordance to the MSITS and BPM6 standard services major components, which consist of 12 headings, as follows:

1. Manufacturing services on physical inputs owned by others

Manufacturing services on physical inputs owned by others include activities such as processing, assembly, labelling and packing that are undertaken by enterprises that do not own the goods. Examples include oil refining, liquefaction of natural gas and assembly of clothing and electronics. Exclusions from this category are the assembly of prefabricated construction (included in construction) and labelling and packing incidental to transport (included in transport services).

The manufacturing is undertaken by an entity that does not own the goods and is paid a fee by the owner. The ownership of the goods does not change, so no general merchandise transaction is recorded between the processor and the owner. Only the fee charged by the processor is included under this item, although such a fee may include the cost of materials purchased by the processor.

2. Maintenance and repair services not included elsewhere (n.i.e.)

Maintenance and repair services n.i.e. include maintenance and repair work by residents on goods owned by non-residents (and vice versa). The repairs may be performed at the site of the repairer or elsewhere. Maintenance and repairs on ships, aircraft and other transport equipment are included in this item. Cleaning of transport equipment is included in transport services. Construction repairs and maintenance are included under construction. Maintenance and repairs of computers are included under computer services.

The value recorded for maintenance and repairs is the value of the repair work done, not the gross value of the goods before and after repairs. The value of maintenance and repairs encompasses any parts or materials supplied by the repairer and included in the price (parts and materials charged separately are excluded from services and included in general merchandise). Both minor repairs that maintain the item in working order and major repairs that extend the efficiency or capacity of the good or extend its life are included. No distinction is made between those repairs included by the customer in intermediate consumption and those included in capital formation.

3. Transport

Transport covers the carriage of people and objects from one location to another, along with related supporting and auxiliary services, as well as rentals (charters) of carriers with crew. Postal and courier services are also included. Transport can be classified based on the mode of transport and the items carried (passengers or freight).

4. Travel

Travel includes goods and services acquired by individuals undertaking study or medical care outside the territory of residence. It also includes acquisitions of goods and services by seasonal, border and other short-term workers in the economy of employment.

Travel excludes the acquisition of goods and services by diplomats, consular staff, military personnel, etc., and their dependents in the territory in which they are posted (these are included in Government goods and services n.i.e.).

5. Construction

Construction covers the creation, management, renovation, repair or extension of fixed assets in the form of buildings, land improvements of an engineering nature and other constructions such as roads, bridges and dams. It also includes related installation and assembly work, site preparation and general construction as well as specialised services such as painting, plumbing and demolition.

6. Insurance services

Insurance services cover the provision to non-residents of various types of insurance by resident insurance enterprises, and vice versa. Insurance and pension services be disaggregated into direct insurance; reinsurance and auxiliary insurance.

Direct insurance is further broken down into life insurance, freight insurance and other forms of direct insurance. Insurance provides financial protection to individual units (such as governments, enterprises and households) exposed to certain risks, covering the consequences of the occurrence of specified events. In addition, insurers frequently act as financial intermediaries, investing funds collected from these units in financial or other assets in order to meet future claims.

7. Financial services

Financial services cover financial intermediation and auxiliary services, excluding those provided by insurance enterprises and pension schemes. These services include those usually offered by banks and other financial intermediaries and auxiliaries. Included are services related to transactions in financial instruments, as well as other services associated with financial activity. These services include, inter alia, deposit taking and

lending, letters of credit, credit card services, commissions and charges related to financial leasing, factoring, underwriting and clearing of payments. Also included are financial advisory services, custody of financial assets or bullion, financial asset management, monitoring services, convenience services, liquidity provision services, risk assumption services other than insurance, merger and acquisition services, credit rating services, stock exchange services and trust services.

8. Charges for the use of intellectual property not included elsewhere (n.i.e.)

Charges for the use of intellectual property n.i.e. include:

- Charges for the use of proprietary rights, such as patents, trademarks, copyrights, industrial processes and designs, trade secrets, and franchises, where rights arise from research and development, as well as from marketing.
- Charges for licences to reproduce and/or distribute intellectual property embodied in produced originals or prototypes, such as copyrights on books and manuscripts, computer software, cinematographic works and sound recordings, and related rights, such as for the recording of live performances and for television, cable or satellite broadcast.

9. Telecommunications, computer and information services

Telecommunications services covers the broadcast or transmission of sound, images, data, or other information via telephone, telex, telegram, radio and television cable transmission, radio and television satellite, electronic mail, facsimile, etc. This category includes business network services, teleconferencing and support services. It excludes the value of the information transported. Also included are mobile telecommunications services, Internet backbone services and online access services, including the provision of access to the Internet. Exclusions from this category are installation services for telephone network equipment (included in construction), and database services (included in information services).

Computer services consist of hardware and software related services and data processing services. These include sales of customized and non-customized software, installation and consultancy services.

Information services include news agencies services, database services (database conception, storage, and dissemination), and direct non-bulk subscriptions to newspapers and periodicals, whether by mail, electronic transmission or other means.

10. Other business services

Other business services comprised of three sub-components: research and development services, professional and management consulting services and technical, trade-related and other business services.

- Research and development services covers those services associated with basic research, applied research and experimental development of new products and processes. This includes activities in the physical sciences, the social sciences and the humanities.
- Professional and management consulting services are divided into two parts:
 - legal, accounting, management consulting, and public relations services and advertising, market research and public opinion polling.
- Technical, trade-related and other business services is broken down into five subcomponents: architectural, engineering, scientific and other technical services; waste treatment and de-pollution, agricultural and mining services; operating leasing services; trade-related services; and other business services n.i.e. Architectural, engineering, scientific and other technical services is broken down into three components:
 - Architectural services, which includes transactions related to the design of buildings;
 - Engineering services, which includes the design, development and utilization of machines, materials, instruments, structures, processes and systems. Services of this type involve the provision of designs, plans and studies related to engineering projects. Mining engineering is excluded and included instead in services incidental to mining, and oil and gas extraction; and
 - Scientific and other technical services, which include surveying; cartography; product testing and certification; and technical inspection services.

11. Personal, cultural and recreational services

Personal, cultural, and recreational services comprise of two sub-components: audiovisual and related services and other personal, cultural, and recreational services.

12. Government goods and services not included elsewhere (n.i.e.)

Government goods and services n.i.e. cover:

- Goods and services supplied by and to enclaves, such as embassies and military bases.
- Goods and services acquired from the host economy by diplomats, consular staff and military personnel located abroad and their dependants.
- Services supplied by and to Governments and not included in other categories of service.

5. International Trade in Services by Trading Partner

The international trade in services by partner country are collected via surveys conducted by the Department of Statistics of the Department of Economic Planning and Statistics, Ministry of Finance and Economy. The record is based on the country of residence of the non-resident transactor and the value of the transactions vis-à-vis each country. The compilation of trading partners data does not include transport, travel and government services.

Annex 1: Exports in Services by Major Components

Major Components	BND (Million)							
	2018	2019	2020	2021	2022	2023		
1. Manufacturing services on physical inputs owned by others	-	-	-	-	-	-		
2. Maintenance and repair services not included elsewhere (n.i.e.)	-	0.0	0.0	0.9	0.1	0.4		
3. Transport	408.9	379.2	200.1	133.1	271.8	246.3		
4. Travel	256.6	295.5	52.3	2.8	19.0	95.4		
5. Construction	66.6	128.6	188.7	86.1	41.2	22.0		
6. Insurance services	1.4	1.9	2.0	0.6	1.9	0.3		
7. Financial services	0.3	0.5	0.3	0.3	0.6	0.6		
8. Charges for the use of intellectual property not included elsewhere (n.i.e.)	-	-	-	0.0	0.0	0.0		
9. Telecommunications, computer and information services	1.3	1.3	10.1	10.3	8.0	46.1		
10. Other business services	9.1	10.4	7.0	9.6	20.1	20.1		
11. Personal, cultural and recreational services	0.0	0.1	0.0	0.0	0.0	0.0		
12. Government goods and services not included elsewhere (n.i.e.).	25.5	25.5	25.5	25.5	25.5	25.5		
Total	769.8	842.8	485.9	269.3	388.2	456.7		

Notes: '-' - Nil

Figure may not tally due to rounding

Annex 2: Imports in Services by Major Components

Major Components	BND (Million)								
	2018	2019	2020	2021	2022	2023			
1. Manufacturing services on physical inputs owned by others	-	-	-	-	-	-			
2. Maintenance and repair services not included elsewhere (n.i.e.)	119.7	127.3	166.1	83.1	124.1	190.9			
3. Transport	304.9	319.7	313.7	312.5	330.8	391.8			
4. Travel	789.5	835.6	134.7	17.9	165.8	548.9			
5. Construction	160.3	330.4	120.0	135.3	289.8	235.9			
6. Insurance services	16.8	16.3	15.7	73.5	101.3	73.3			
7. Financial services	14.3	3.2	5.4	5.4	2.1	1.1			
8. Charges for the use of intellectual property not included elsewhere (n.i.e.)	26.7	25.5	16.9	18.3	8.5	8.1			
9. Telecommunications, computer and information services	87.2	131.1	219.9	104.0	54.8	78.6			
10. Other business services	569.3	634.0	630.9	412.8	436.1	633.4			
11. Personal, cultural and recreational services	1.1	1.4	1.2	2.6	4.4	3.9			
12. Government goods and services not included elsewhere (n.i.e.).	40.0	40.0	40.0	40.0	40.0	40.0			
Total	2,129.6	2,464.7	1,664.5	1,205.2	1,557.7	2,205.9			

Notes: '-' - Nil

Figure may not tally due to rounding

Annex 3: Exports in Services by Tra	ading Partners
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Trading Partners		BND M	lillion		Percentage Share (%)			
	2020	2021	2022	2023	2020	2021	2022	2023
Total	207.8	107.9	72.0	89.6	100.0	100.0	100.0	100.0
ASEAN	4.0	4.5	8.4	28.7	1.9	4.2	11.6	32.1
Malaysia	2.7	3.8	5.5	17.3	1.3	3.5	7.6	19.4
Singapore	0.7	0.3	0.9	9.4	0.3	0.2	1.3	10.5
Others	0.6	0.5	2.0	2.0	0.3	0.5	2.8	2.2
European Union	185.5	80.8	35.9	16.6	89.3	74.9	49.9	18.5
France	1.2	80.6	1.0	0.0	0.6	74.7	1.3	0.0
Germany	184.3	-	33.2	15.6	88.7	-	46.2	17.5
Others	0.0	0.2	1.7	0.9	0.0	0.2	2.4	1.0
Other Countries	18.3	22.6	27.7	44.3	8.8	20.9	38.4	49.4
People's Republic of China	0.3	0.1	1.6	8.1	0.1	0.1	2.2	9.1
Hong Kong SAR	0.4	0.8	0.3	28.6	0.2	0.8	0.5	32.0
Switzerland	0.0	0.1	-	2.0	0.0	0.1	-	2.3
Others	17.6	21.6	25.8	5.5	8.5	20.0	35.8	6.1

Notes: '-' - Nil

Figure may not tally due to rounding

Excluding components under transport, travel and government services

Annex 4: Imports in Services by Trading Partners

Trading Partners		BND M	illion		Percentage Share (%)				
	2020	2021	2022	2023	2020	2021	2022	2023	
Total	1,176.1	834.8	1,021.1	1,225.2	100.0	100.0	100.0	100.0	
ASEAN	215.9	341.9	459.9	582.2	18.4	41.0	45.0	47.5	
Malaysia	164.8	160.3	149.6	243.6	14.0	13.6	12.7	20.7	
Philippines	24.1	-	0.5	0.2	2.0	-	0.0	0.0	
Singapore	-	142.7	257.8	279.9	-	12.1	21.9	23.8	
Viet Nam	5.5	26.9	50.1	55.0	0.5	2.3	4.3	4.7	
Others	21.5	12.0	2.5	3.7	1.8	1.0	0.2	0.3	
European Union	256.3	140.1	101.9	104.8	21.8	16.8	10.0	8.6	
France	25.5	39.4	33.0	37.3	2.2	3.3	4.0	4.5	
Italy	16.8	11.4	17.3	7.5	1.4	1.0	2.1	0.9	
Netherlands	189.2	53.9	36.4	51.5	16.1	4.6	4.4	6.2	
Others	24.8	35.4	15.1	8.5	2.1	3.0	1.8	1.0	
Other Countries	703.9	352.9	459.3	538.2	59.8	42.3	45.0	43.9	
Australia	483.4	202.5	235.8	132.7	41.1	24.3	23.1	10.8	
People's Republic of China	138.2	41.0	41.2	160.8	11.8	4.9	4.0	13.1	
Switzerland	0.9	6.9	87.1	9.5	0.1	0.8	8.5	0.8	
United Kingdom	36.4	36.7	52.1	63.1	3.1	4.4	5.1	5.1	
United States of America	31.7	49.6	31.5	66.1	2.7	5.9	3.1	5.4	
Others	13.2	16.2	11.6	106.1	1.1	1.9	1.1	8.7	

Notes: '-' - Nil

Figure may not tally due to rounding

Excluding components under transport, travel and government services