

ECONOMIC DIVERSIFICATION IN BRUNEI DARUSSALAM



**A Presentation to
The Britain Brunei Business Forum
Tuesday 17th February 2004**

*John Perry, Chief Executive Officer
The Brunei Economic Development Board*

The Brunei Economic Development Board

Brunei Darussalam's Value Proposition

*“Brunei Darussalam is more than an investment destination – it is your **partner** in pursuing business opportunities”*

The Brunei Economic Development Board



“...Brunei is working hard to revolutionize its economy and perceptions of it. Asian leaders should pay close Attention to what is happening here. So should investors looking for a new destination for their money.”

The Brunei Economic Development Board

Brunei Darussalam – The Drivers

- ◆ *Natural Resources – Gas*
- ◆ *Strategic Location – Deep Water*

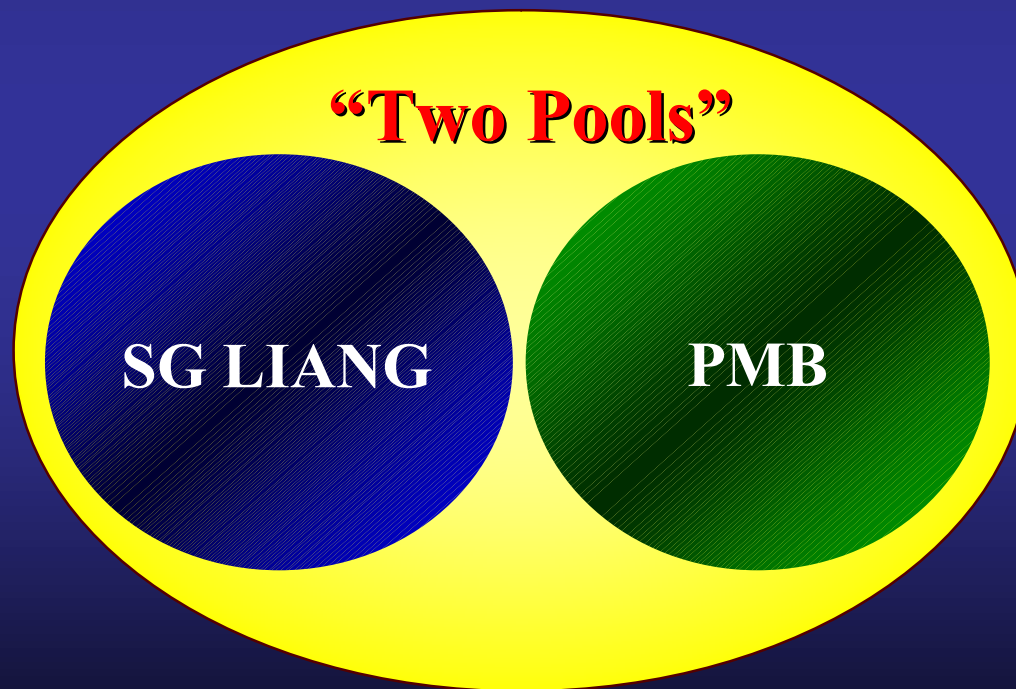
The Brunei Economic Development Board

BEDB's Quantifiable Objectives Thru 2008

- ◆ *US\$ 4.5 billion New Investments*
- ◆ *6,000 Permanent New Jobs*

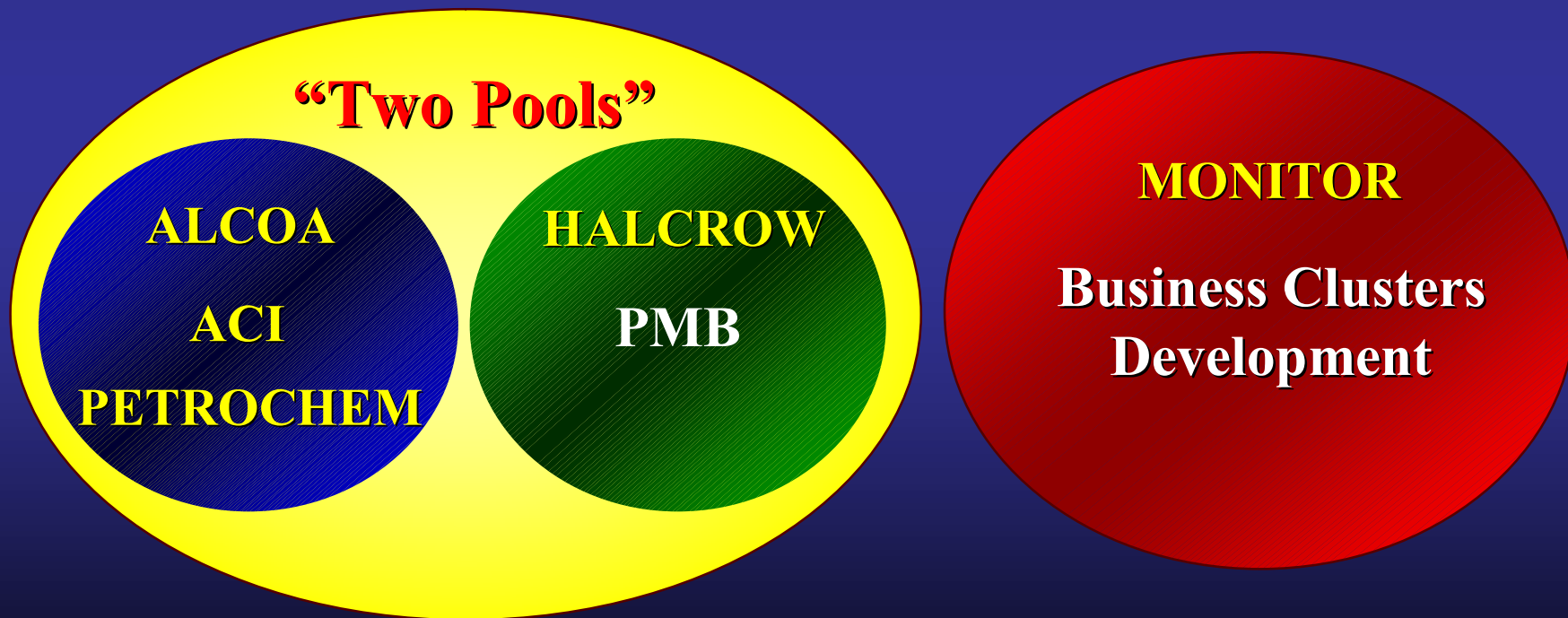
The Brunei Economic Development Board

The Two Pronged Strategy



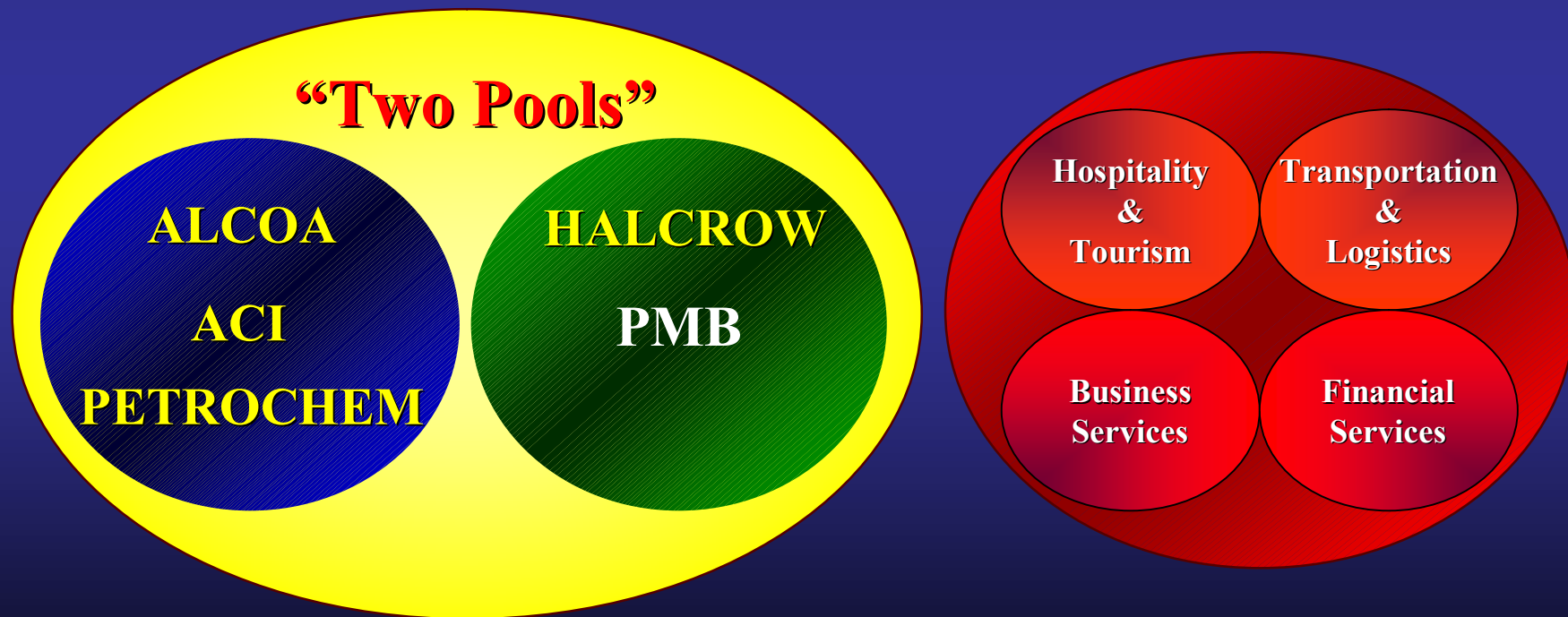
The Brunei Economic Development Board

The Two Pronged Strategy



The Brunei Economic Development Board

The Two Pronged Strategy

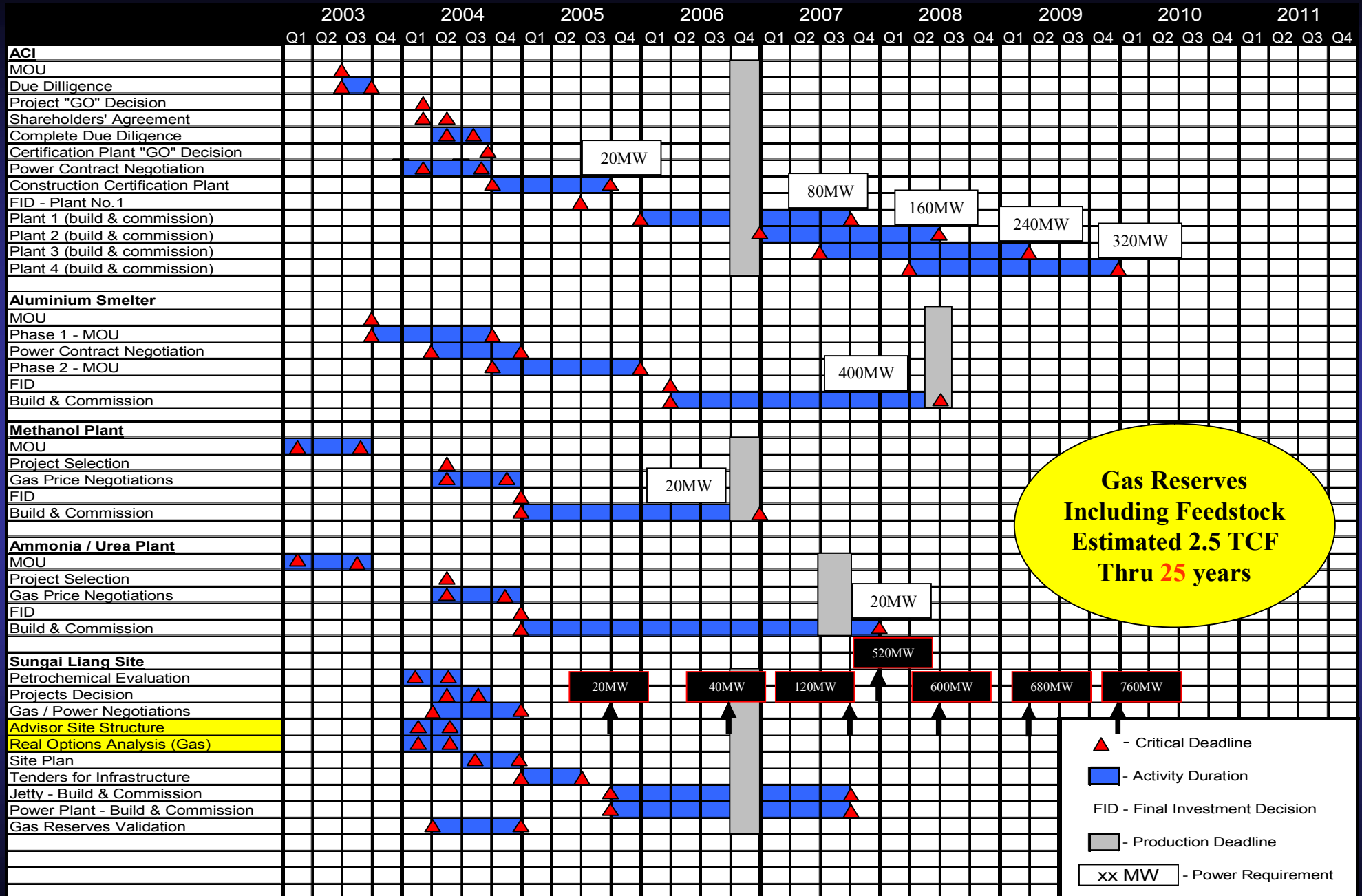


The Brunei Economic Development Board

Two Pool Investments Update

	Investment US\$ (Billion)	Permanent Jobs
SUNGAI LIANG Industrial Site		
1,000 MW Power Plant	0.5	200
2 Downstream Projects (Led by Petroleum Brunei)	0.8	300
1 Manufacturing – Aluminium	1.5	1,000
1 Manufacturing – Elastomers	1.8	1,200
1 Export Facility	0.5	200
Infrastructure	0.1	300
PMB Mega Port	1.5	4,000
Total	6.7 billion	7,200

CRITICAL DEADLINES – SUNGAI LIANG INFRASTRUCTURE SITE PLANNING

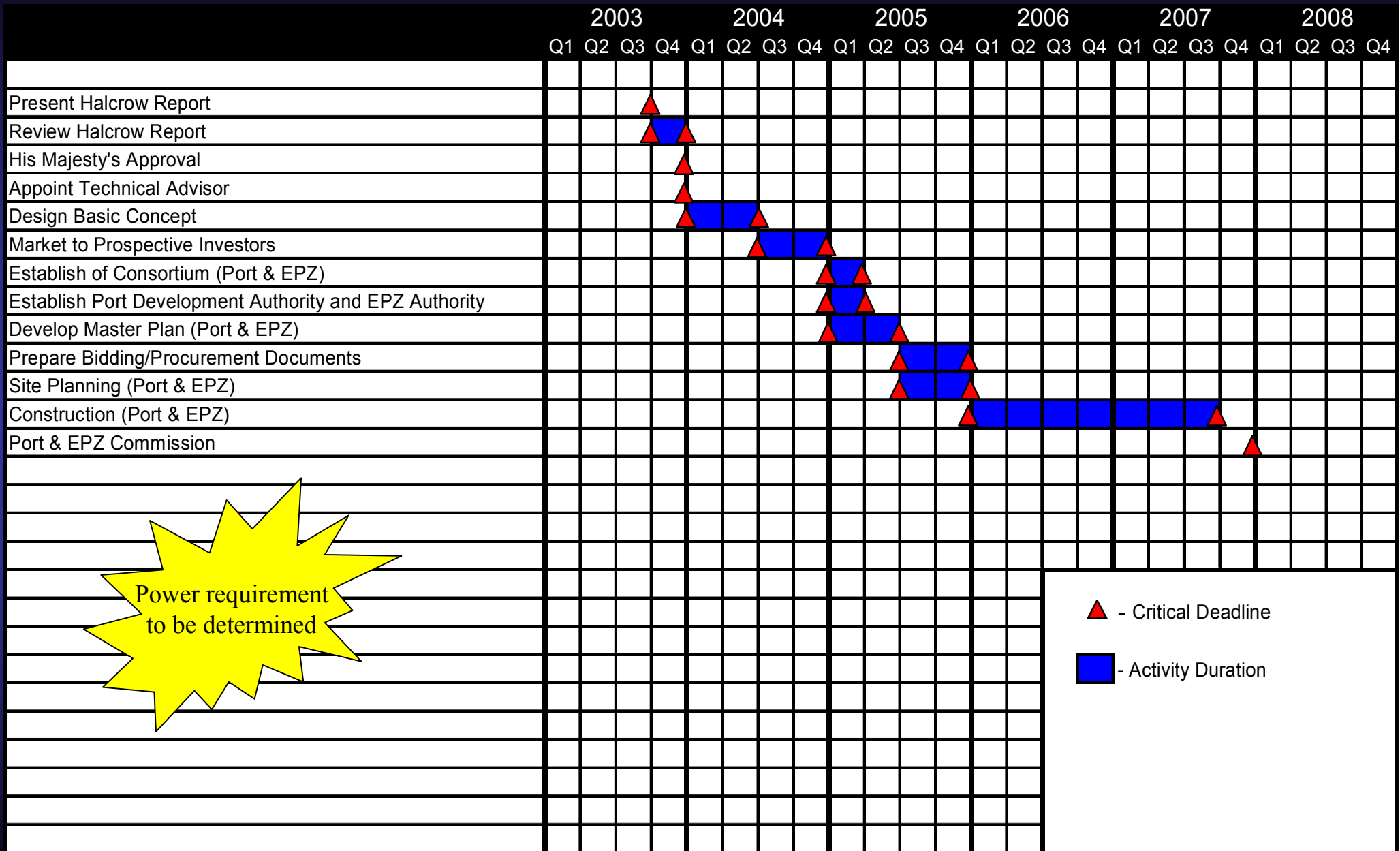


Gas Reserves Including Feedstock Estimated 2.5 TCF Thru 25 years

- ▲ - Critical Deadline
- - Activity Duration
- FID - Final Investment Decision
- - Production Deadline
- xx MW - Power Requirement

Note: (1) Power Requirement (in MW) does not include gas required for feedstock

CRITICAL DEADLINES – PMB Project – Competitive Global Port



Power requirement to be determined

▲ - Critical Deadline

■ - Activity Duration

SME Development Opportunities The ACI Example



THE IMPACT OF ACI ELASTOMERS USA, INC. IN WEST VIRGINIA

January 2004



Contents	
Title	Page
Title education	2
Marion County and Its Labor Markets	3
Estimating Regional Impacts	5
Lab or Supply Elasticity	5
The Impact of ACI Global Elastomers	6
The Potential Detraction of Economic Activity	11
Summary	12

Contact:

Michael J. Hicks, Ph.D.
Director of Research
Center for Business and Economic Research
Marshall University
One John Marshall Drive
Huntington, West Virginia
25804-0233
mhicks@marshall.edu

SME Development Opportunities

The ACI Example



Table 1, Natural Resources and Chemicals

	direct	indirect	induced	total
Landscape and Horticultural Services	0	2	0.8	2.8
Rubber Suppliers, NEC	0	54.2	0.7	54.9
Natural Gas Liquids	0	1.4	0	1.5
Sand and Gravel	0	2.2	0	2.2
Maintenance and Repair- Residential	0	0.6	1.5	2.1
Maintenance and Repair Other Facilities	0	18.1	3.3	21.4
Maintenance and Repair Oil and Gas	0	7.1	0.1	7.2
Newspapers	0	2.6	0.6	3.2
Alkalies & Chlorine	0	1.2	0	1.3
Inorganic Chemicals NEC	0	1.5	0	1.6
Cyclic Crudes- Intermediate & Industrial Organics	0	6.5	0.1	6.6
Petroleum Refining	0	7	0.1	7
ACI Corp.	350	0	0	350
Total				461.2

SME Development Opportunities

The ACI Example



Table 2, Transportation, Communications and Public Utilities

	indirect	induced	total
Railroads and Related Services	1.4	0.1	1.5
Local- Interurban Passenger Transit	0.5	0.8	1.3
Motor Freight Transport and Warehousing	41.9	2.2	44.1
Water Transportation	6.5	0.1	6.6
Pipe Lines- Except Natural Gas	1	0	1.1
Communications- Except Radio and	2.3	2.2	4.5
Radio and TV Broadcasting	1.9	0.4	2.3
Electric Services	5	1.5	6.5
Gas Production and Distribution	3.1	0.3	3.4
Sanitary Services and Steam Supply	0.9	0.1	1
Total			72.3

SME Development Opportunities

The ACI Example



Table 3, Trade

	indirect	induced	total
Wholesale Trade	41	7.1	48.1
Building Materials & Gardening	0.2	4.1	4.4
General Merchandise Stores	0.7	12	12.7
Food Stores	0.9	15.1	16
Automotive Dealers & Service Stations	0.2	13.6	13.8
Apparel & Accessory Stores	0.2	3.3	3.5
Furniture & Home Furnishings Stores	0.2	3.9	4.1
Eating & Drinking	7.8	31.7	39.5
Miscellaneous Retail	1	19	20
Total			162.1

SME Development Opportunities

The ACI Example



Table 4, Finance, Insurance and Real Estate	indirect	induced	total
Banking	5.6	4.3	9.9
Credit Agencies	2	1.9	3.9
Insurance Carriers	1	2.7	3.8
Insurance Agents and Brokers	0.4	1.1	1.5
Real Estate	5.1	4.8	9.9
Total			29

SME Development Opportunities

The ACI Example



Table 5, Personal Services

	indirect	induced	total
Hotels and Lodging Places	15.8	3.9	19.7
Laundry- Cleaning and Shoe Repair	0.8	2.9	3.8
Beauty and Barber Shops	0	3.5	3.5
Funeral Service and Crematories	0	1	1
Miscellaneous Personal Services	0.1	1.3	1.4
Advertising	0.9	0.2	1.1
Other Business Services	3.4	1.5	4.9
Photofinishing- Commercial Photogr	0.6	0.4	1
Services To Buildings	3	1	4
Equipment Rental and Leasing	2	0.2	2.2
Personnel Supply Services	13.4	2.6	16
Computer and Data Processing Servi	4.6	1	5.6
Detective and Protective Services	1.2	0.8	2
Total			66.2

SME Development Opportunities

The ACI Example



Table 6, Miscellaneous Services	indirect	induced	total
Automobile Rental and Leasing	1.1	0.4	1.4
Automobile Repair and Services	6.9	3.5	10.4
Electrical Repair Service	1.3	0.3	1.6
Miscellaneous Repair Shops	3.5	0.2	3.8
Motion Pictures	0.7	0.9	1.6
Amusement and Recreation Services-	0	2.8	2.8
Membership Sports and Recreation C	1.4	1	2.4
Total			24

SME Development Opportunities

The ACI Example



Table 7, Health, Legal and Educational Services

	indirect	induced	total
Doctors and Dentists	0	13.4	13.4
Nursing and Protective Care	0	4.5	4.5
Hospitals	0	17.3	17.4
Other Medical and Health Services	0	3.4	3.4
Legal Services	8.5	2.3	10.8
Colleges- Universities- Schools	0.1	4	4.1
Other Educational Services	0.1	1.1	1.2
Child Day Care Services	0	1.5	1.5
Social Services- N.E.C.	0	4.4	4.4
Residential Care	0	2.6	2.6

Total

63.3

SME Development Opportunities

The ACI Example



Table 8, Business Services, Civic Organizations and Government

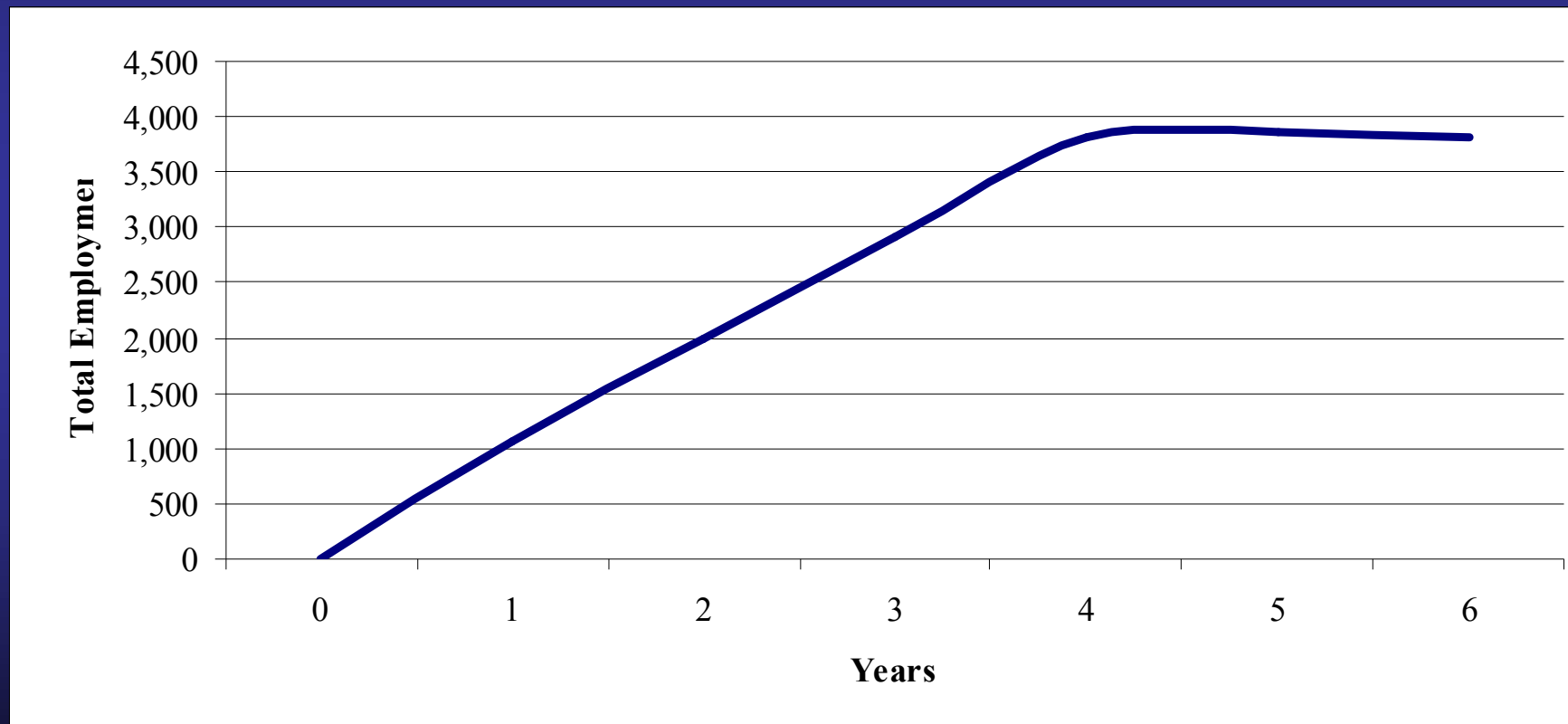
	indirect	induced	total
Business Associations	1.1	0.5	1.6
Labor and Civic Organizations	0.1	4.7	4.8
Engineering- Architectural Services	2.6	0.3	2.9
Accounting- Auditing and Bookkeeping	7.3	2.4	9.7
Management and Consulting Service	3.1	1	4.1
Research- Development & Testing Se	2.7	0.6	3.3
Other State and Local Gov't Enterprise	4.3	2	6.3
U.S. Postal Service	1	0.9	1.9
Domestic Services	0	4.8	4.8
Misc.			24
Total			63.4

SME Development Opportunities

The ACI Example



Cumulative, Non-Construction Employment Impact



SME Development Opportunities

The ACI Example



Summary

The non-transient economic impact of the *ACI Elastomers USA, Inc. project* in West Virginia is conservatively estimated at 1,225 direct jobs and 2,600 indirect and induced jobs across the state. This is a statewide employment **multiplier of roughly 3.12**. Annual tax revenue impacts are estimated to be roughly \$1.8 million (in only income and sales tax collections). Construction employment will provide another 560 annually throughout the construction phase (years one through five).

The impacts described in this document are a **conservative** estimate of the benefits West Virginia will enjoy as a result of a polymer plant project planned by *ACI Elastomers USA, Inc.* in Mason County. The impacts could be much larger if related firms elect to locate within the State to take advantage of the products produced by *ACI Elastomers USA, Inc.*

SME Development Opportunities

The ACI Example – Spin Off Investments

Investments	Potential Investment (US\$)	Jobs
Radial Tyre Plant	80 million	500
Carbon Black Plant	40 million	150
Packing Plant	10 million	25

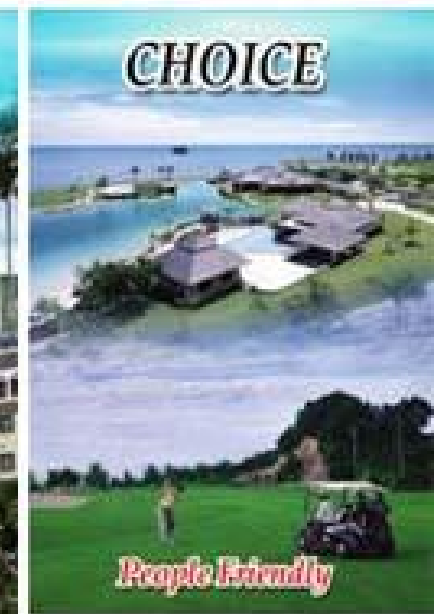
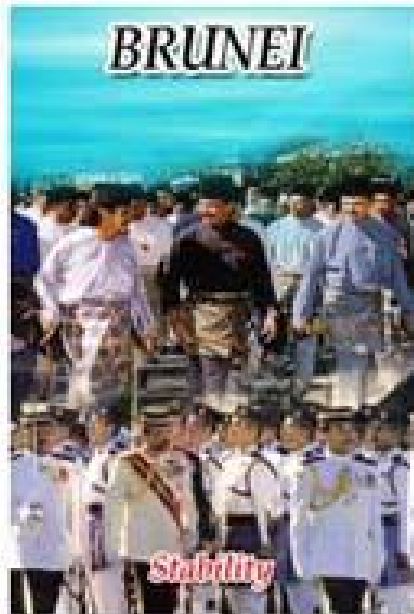
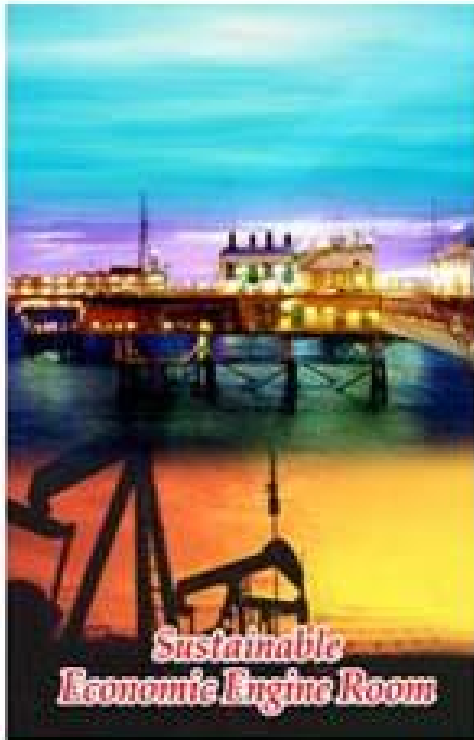
Implementation – ‘The Last Mile’

◆ *Challenge Long Held Views*

◆ *Real Options Analysis*

◆ *Timely Decisions*

◆ *Market Driven*



***BEDB's Mission Statement:
"Powering Sustainable Economic Growth in Brunei Darussalam"***



**Brunei Darussalam
A Kingdom of Expected Treasures**