

THE BEDB'S DIVERSIFICATION STRATEGY – WHAT IT MEANS FOR SMES



**A Presentation to
The French Bruneian
Business Association
21st September 2004**

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***BEDB'S Diversification Strategy – What it
means for SMEs***

*Any solution to help SMEs must address the fundamental
causes of the difficulties they face – the lack of business
opportunity and dynamism within Brunei Darussalam's
domestic economy.*

The BEDB's Approach

Create more economic opportunities for Brunei Darussalam that are:

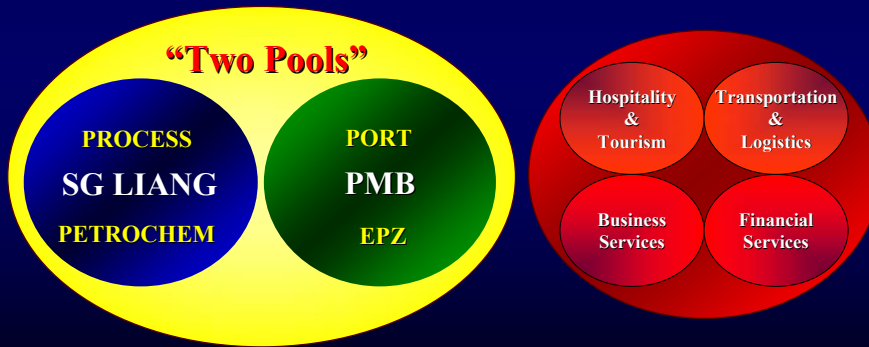
- ◆ *Sustainable*
- ◆ *Not dependent on continuous government funding*
- ◆ *Driven by investment not consumption*

The BEDB's Strategy

- ◆ *Use major projects to kick-start economic activity and drive change and redefine the economic landscape*
- ◆ *Develop 4 sustainable business clusters to produce viable drivers for competitive local SMEs.*

The Brunei Economic Development Board

The Two Pronged Strategy



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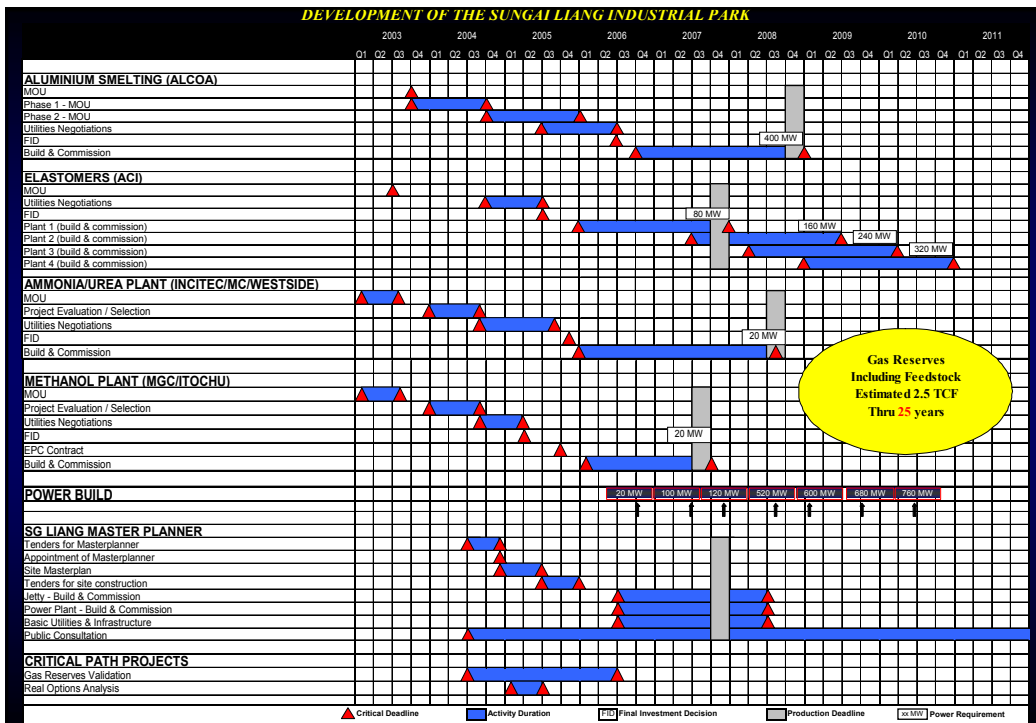
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THE BRUNEI ECONOMIC DEVELOPMENT BOARD PROJECT FDI SUNGAI LIANG

PROJECTS	STATUS	POTENTIAL INVESTMENTS (US\$ Million)			DIRECT JOBS	TOTAL JOBS
		Total Investment	FDI	HMG		
Core Strategy						
1 SG LIANG						
1.1 Aluminium Smelting	MOU	1,500	1,500	-	900	2,700
1.2 Elastomers	MOU	400	400	-	350	1,200
1.3 Methanol	Finals	300	240	60	120	300
1.4 Ammonia/Urea	Finals	600	480	120	205	500
1.5 Utilities		500	500	-	150	200
1.6 Export Facility		300	300	-	150	200
1.7 Sg. Liang Infrastructure		100	-	100	150	200
2 PMB (global port)	MKT	1,500	450	1,050	4000	4000
Totals		5,200	3,870	1,330	6,025	9,300
FDI Initiatives (Monitor)						
	Ongoing	300	300	-	500	500
New Business						
	Under review	35	35	-	300	300
Grand Total		5,535	4,205	1,330	6,825	10,100

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PROJECT – MEDIUM TO LONG TERM IMPACT

Examples of spin-off business opportunity

Sungai Liang

- Aluminium Smelting } Building materials, alloy, processed aluminum products, wheel fabrication
- Elastomers } Packaging, carbon black, support services, transport, warehousing, chemicals, rubber-based manufacturing
- Methanol } Construction and maintenance
- Urea/Ammonia } Coating and laminates, building products packages, fuel additives
- Utilities
- Export facility
- Basic infrastructure

Pulau Muara Besar

- Mega-port Phase I } Construction, logistics, trucking, maintenance and repair, tanking, chandlery, bunkering, ship repair
- Final phase } Support services like catering, housing, recruitment and training, banking
- Export Processing } Light industry e.g. repacking, customising, assembly, testing, repair, quality control; medium industry like assembly and manufacturing; warehouse, distribution

BUSINESS CLUSTERS – ECONOMIC IMPACT

Clusters	Investment (US\$ Million)	Examples of business opportunity
Transportation and logistics	300	Airframe heavy maintenance Composite repair, component repair and overhaul, supply-chain management
Business Services		Management consulting, data recovery, data warehousing, on-line information services, computer services, programming, marketing
Hospitality and Tourism		Scuba diving center, cultural village, waterfront development, transportation, tourism attractions, tour related services, accommodation, food and beverages
Financial Services		Local Office Fund Management

“Brunei Open for Business”

A Kingdom of EXPECTED TREASURES



Sustainable Economic Engine Room



Business Incentives

BRUNEI



Stability

DARUSSALAM



Well-Educated Workforce

YOUR



Strategic Location

FIRST



Excellent Infrastructure

CHOICE



People Friendly