

Brunei Darussalam



Trade and investment relationship with Australia

Two-way trade A\$4.6b (2022)	Two-way investment: np (2022)	Students 246 (2022)	Visitors 3,050 (2022)
Two-way trade in goods A\$4.5b (2022)	AUS investment in Brunei: np (2022)		
Two-way trade in services: A\$0.1b (2022)	Brunei investment in AUS: A\$207m (2022)	Diaspora 3,010 (2021)	Outbound visitors 1,270 (2022)

np = not available for publication

Multilateral/Regional	Bilateral
WTO – member, APEC – member, CPTPP – party, RCEP – party, AANZFTA – party, IPEF – founding member	Comprehensive Partnership

Diplomatic and economic relations

Australia and Brunei enjoy a longstanding relationship focused on defence, trade, education and regional cooperation. The two countries work closely through ASEAN-related forums and share a common interest in open, rules-based trade. Australia and Brunei cooperate effectively on security threats facing the region and have close links between police, security, counter-terrorism and immigration authorities.

Outlook to 2040

Revenue from hydrocarbon exports has boosted Brunei's health, education and income levels, which are high compared with most other Southeast Asian countries. Beyond upstream oil and gas, Brunei's economy has potential to develop in the aquaculture, food processing and maritime sectors, as well as downstream oil and gas industries. Brunei's economic growth projections to 2040 are steady. Real GDP is forecast to grow by 3.5 per cent in 2023, then slow to 1.3 per cent annually by 2030, before steadily rising to 1.8 per cent by 2040. The working-age population is expected to decline from 2035. Inflows of skilled migrants and greater levels of tertiary education among its youth – particularly outside oil and gas – would assist in offsetting these challenges. The Bruneian Government's Vision 2035 seeks to achieve top 10 global status on the Human Development Index and a sustainable economy with income per capita in the top 10 in the world. Brunei is embarking on efforts to diversify its economy to reduce its dependence on upstream oil and gas exports. The key priority sectors include downstream oil and gas, food, tourism, information and communications technology (ICT) and services.

Sectors to watch

Agriculture and food

Brunei will likely remain a small but valuable market for Australia. As a developed economy, Brunei will continue to prize Australian agricultural goods. Australian meat and fresh produce played an important role in maintaining Brunei's food security during the COVID-19 pandemic. Brunei's transition from an oil and gas-led economy to new sources of growth could open opportunities for Australia to supply inputs and investment for agrifood processing for export to global halal markets.

Resources

Resources exports will likely remain a key part of Brunei's economic growth story to 2040. There will continue to be opportunities for Australian resources companies to engage in this sector.

Green energy transition

As Brunei targets net zero by 2050, there will be opportunities for Australian investment to assist with energy transition. Australian education providers could also contribute to Brunei's green-skilled workforce development, including through education exchanges.

Education and skills

Bruneian universities are looking for Australian partners to host students on semester and year-long exchanges and split degree programs.



Raise awareness

- Showcase investment opportunities for the Brunei Investment Agency in Australia
- Match Australian tech businesses' capability with digital economy opportunities in Brunei
- Promote Australian capabilities in low-emissions LNG extraction and transport
- Build business-to-business awareness of bilateral green economy opportunities
- Attract more tertiary, VET, English-language and school students from Brunei
- Build awareness among Australian and Bruneian universities of semester and year-long exchanges
- Facilitate business-to-business dialogue between Australian and Bruneian logistics firms
- Expand Australian tourism marketing efforts



Remove blockages

- Seek common standards across industries, including food, medicines, medical devices, cyber and green economy
- Advocate for a protocol with Brunei on advising Australian energy businesses on subcontracting opportunities
- Encourage bilateral recognition of qualifications



Build capability

- Expand the Cyber and Critical Tech Cooperation Program to build cyber resilience
- Provide long-term support to address food safety standards
- Facilitate access to Australian expertise and laboratory services in food technology
- Deepen institutional-level partnerships and expand technical assistance on decarbonisation pathways
- Explore potential for infrastructure cooperation through the Brunei–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA)
- Expand the TGA regulatory strengthening program to build the capacity of Bruneian regulators
- Facilitate Brunei–Australia dialogue on Islamic finance



Deepen investment

- Focus investment promotion initiatives on Brunei
- Reopen an in-country Austrade office, with focus on enhancing trade and investment in agrifood, energy, cyber services and vocational training
- Maintain support for the ASEAN Climate Change Centre, to be hosted in Brunei, including its work to promote green economy partnerships
- Explore establishing ecotourism partnerships between Brunei and Australia