



Brunei Darussalam

BRUNEI DARUSSALAM

Brunei Darussalam, "The Abode of Peace" lies in the northwest corner of the island of Borneo, along the shores of the South China Sea, with a total land area of 5,765 square kilometres and 70% being covered with unspoiled rainforest. The capital of Brunei Darussalam is Bandar Seri Begawan. The population as at 2009 was estimated at 406,000 mainly comprising of Malays with a mixture of Chinese and Indian communities. Expatriates and a few indigenous groups comprise a minority of the population. Bahasa Melayu is the official language but English is widely spoken and understood by a greater part of the population. Brunei Darussalam's unit of currency is the Brunei Dollar which is pegged to the Singapore Dollar at one-to-one parity.

MINISTRY OF FINANCE

Brunei Monetary Policy

Brunei Darussalam does not have a central bank. The Ministry of Finance (MoF) through the Treasury, the Brunei Currency and Monetary Board (BCMB), Financial Institutions Division (FID) and the Brunei Investment Agency (BIA) exercises most of the functions of a central bank.

Brunei Darussalam has a currency board arrangement (CBA) where the Brunei dollar (B\$) is pegged to the Singapore dollar (S\$) on a one-to-one parity. As such, Brunei Darussalam's monetary policy mirrors the monetary policy of Singapore.

The Brunei Currency and Monetary Order 2004, which allowed for the establishment of the Brunei Currency and Monetary Board (BCMB) on 1 February 2004, replaced the previous Currency Act of 1967. BCMB remains the sole authority to manage and issue currency in the country and to maintain external reserves in order to safeguard the international value of that currency.

This legislation also provides an enabling framework to strengthen the mandate of the Board to act as an agent for the government on such conditions as may be agreed between BCMB and the government, where BCMB shall act within the provisions of this Order and within its role as a monetary authority.

The Currency Interchangeability Agreement between Singapore and Brunei Darussalam of 1967 has remained intact. Under this agreement, the Singapore dollar is customary tender in Brunei and vice-versa for the Brunei dollar in Singapore.

The BCMB is also charged with the responsibility of issuance and redemption of Brunei dollars and the investment of its external reserve to back the local currency. The country's monetary discipline of having a currency board system has ensured the convertibility of base money with the exchange rate pegged at par to the Singapore dollar.

The FID is the regulator of the finance, banking and insurance sectors. It is responsible for market entry of financial institutions and the regulation and supervision of financial institutions under its purview.

Brunei Darussalam's economy is heavily dependent on the oil and gas industries and it is making efforts towards the diversification of the economy base.

**Policy Making
Body** Ministry of Finance

FINANCIAL STABILITY

The Financial Institutions Division and Brunei International Financial Centre are the relevant authorities responsible for financial stability and supervision of the financial sector.

The institutional coverage of the financial supervisory authority include the following:

- Banking and Finance Unit
- Insurance Unit
- Money Changers and Money Remittance Unit
- Securities
- Financial Intelligence Unit

The authority performs both off-site and on-site supervision using the risk-based approach.

The Basle I capital accord was implemented in 1998 and currently captures certain components of Basel II. Full implementation of Basle II will take place once the information infrastructure necessary for this purpose is in place. The authority also closely abides by the IOSCO (International Organisation of Securities Commissions) standards.

CURRENT MONETARY OFFICIALS *(as of 1 February 2010)*

**Minister of
Finance** His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah,
Sultan dan Yang Di-Pertuan of Brunei Darussalam

**Minister of
Finance II** Pehin Oang Kaya Laila Setia Dato Seri Setia Awg Haji Abdul Rahman Bin
Haji Ibrahim

**Permanent
Secretaries** Awang Haji Bahrin Bin Abdullah
Dr. Awang Haji Mohd Amin Liew bin Abdullah
Awang Haji Mohd Roselan bin Haji Mohd Daud

Deputy Permanent Secretaries Awang Haji Mohd Rosli bin Haji Sabtu
Awang Haji Hisham bin Haji Mohd Hanifah
Awang Yusof bin Haji Abdul Rahman

Directors/Heads of Sections and Divisions Awang Haji Mohd Rosli bin Haji Sabtu
Acting Director Brunei International Financial Centre
Awang Haji Hisham bin Haji Mohd Hanifah
Acting Director of Financial Institutions
Awang Yusof bin Haji Abdul Rahman
Acting Director of Research and International
Awang Chong Fu Li
Director of Revenue
Awang Haji Zakaria bin Haji Serudin
Director of Budget
Pengiran Haji Mohd Noordin bin PLP Pengiran Haji Mohd Said
Acting Director of Administration
Haji Adi Marhain bin Haji Leman
Acting Chief Executive Officer, Brunei Currency and Monetary Board
Awang Haji Abu Bakar bin Haji Ibrahim
Senior Special Duties Officer, Investment Division
Pengiran Haji Ismail bin PLW Pengiran Haji Yussof
Assistant Director Internal Audit
Dayang Norliah binti Haji Kula
Head, SCP Unit
Dayang Suraya binti Haji Jaidin
Secretary, State Tender Board Division

Directors/Heads of Departments Dr. Haji Mohd. Amin Liew Abdullah
Managing Director, Brunei Investment Agency
Awang Haji Mohd Don bin Haji Abdul Hamid
Acting Managing Director, Employees Trust Fund
Pengiran Haji Abdul Razak bin Pengiran Abdul Wahap
Acting Accountant General, Treasury Department
Awang Yahya bin Haji Idris
Controller of Customs and Excise, Royal Customs and Excise
Awang Matali bin Haji Apong
Acting Director of Information Technology and State Store

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