

Diversification helping to reshape the economy and open doors to investment

Targeted diversification, rising non-oil exports and a strong digital push are helping Brunei reduce reliance on hydrocarbons and attract foreign investment

Over the last decade, there has been a unified effort to diversify Brunei’s economy away from a reliance on the oil and gas sector. During that time period, progress has been made and the structure of the economy has begun to shift, thanks to targeted policies aimed at reducing the reliance on energy prices and creating economic resilience.

Now the non-oil and gas sector has grown to account for more than half of GDP, a transformation that has been driven by growth in downstream industries such as petrochemicals and fertilizers, alongside the development of new sectors including food manufacturing, tourism and information and communication technology (ICT).

Efforts have also been made by the government to attract foreign investment, support small and medium enterprises and expand digital infrastructure. While these have helped to broaden economic activity, the oil and gas industry remains central to public finances and new alternatives are being explored as Brunei looks to continue the rise of non-energy sectors.

“Ten years ago, non-oil exports were just 10 per cent of total exports. Today, they account for nearly 60 per cent and are approaching 70 per cent. Unemployment has also dropped



Dato Dr. Amin Liew Abdullah
Minister at The Prime Minister's Office and Minister of Finance and Economy II

sharply from 9 per cent to 4.7 per cent over the last eight years, and inflation has remained stable, averaging around 1 per cent annually,” outlined Dato Dr. Amin Liew Abdullah, Minister at The Prime Minister's Office and Minister of Finance and Economy II. “Non-oil and gas sectors have grown steadily at about 4.2 per cent per year, reflecting the success of our diversification efforts. This has focused on five priority sectors: downstream oil and gas, tourism, ICT, services and food, while remaining open to proposals in other areas.

“These areas have already made a significant impact on our economy, but our work is not done. There are still many opportunities to advance our five priority sectors, and potentially explore others over time. Ex-

panding these areas further will have a substantial effect on our economic growth.”

These diversification efforts have also helped to attract investment as there are clearer growth opportunities beyond the oil and gas sector. Large-scale downstream projects such as petrochemicals and fertilizer production have also demonstrated the government's willingness to support capital-intensive ventures.

At the same time, the focus on sectors such as food manufacturing and ICT has allowed Brunei to tap into regional and global demand, giving investors greater confidence that the country is building a broader, more resilient economic base.

“Brunei offers investors a unique and efficient environment,” said Dato Dr. Amin. “Many international investors, including those from the Middle East, are now exploring opportunities here and often find Brunei a highly conducive place to invest.

“We have seen growth beyond the downstream industry, including the food sector and farming sector, as well as in aquaculture activities. We have also formed joint ventures with foreign investors in the marine sector, ICT and artificial intelligence (AI).”

Another major focus of the

government over the last decade has been transitioning towards the digital economy. This has led to major investment in nationwide digital infrastructure, including the expansion of e-government services and supporting tech-driven businesses and start-ups through targeted incentives and policies.

“We recognised that the digital economy was inevitable in our region, so we began upgrading network connectivity around eight years ago,” explained Dato Dr. Amin. “Today, more than 90 per cent of the population has 5G coverage, with nearly 99 per cent on 4G. Our mobile download speeds have even ranked fifth globally at one point. Good connectivity lays the foundation

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MINISTER AT THE PRIME MINISTER'S OFFICE AND MINISTER OF FINANCE AND ECONOMY II

for digital payments and new applications. To support innovation, we established the Brunei Innovation Lab in 2021, where entrepreneurs can develop and test products, many already using AI in areas like aquaculture.



We focus on providing the infrastructure and environment to help these innovations thrive.

“The government has also adopted many digital solutions, including digital IDs. Our payment systems are all very much digitalised. Brunei’s own National Single Window is also linked

priority for Brunei and the government plans to continue exploring new sectors and attracting investment.

“We welcome investors from the Middle East to explore opportunities in Brunei. With shared culture and religion, we aim to make visits seamless. We have an open-door policy and strive to facilitate projects, helping investors understand the environment and potential here,” said Dato Dr. Amin “When it comes to the future, we will continue to prioritise welfare, healthcare and environmental protection. At the same time, we are preparing for the future economy, focusing on AI, climate change and digitalisation to ensure Brunei remains adaptable and competitive. We also aim to ensure people gain experience to adapt to a changing economy. While jobs today may evolve due to global trends, investing in skills and education is key.”

Five strategic sectors leading the economic transformation as laid out in Wawasan Brunei 2035



Downstream oil and gas

Brunei aims to create higher-value products, skilled jobs, and more stable long-term revenues



ICT

Investment in ICT is intended to drive digital transformation, and support innovation and startups



Services

Expected to grow as a key source of employment and income, supporting areas such as finance



Food

Brunei hopes to strengthen food security, reduce reliance on imports, and build agri-food industries



Tourism

The country is highlighting its unique offering to attract high-value, sustainable visitors

Transforming the maritime sector

Major investments in digital systems and port infrastructure are positioning Brunei as a competitive maritime hub, with MPABD playing a key role in delivering the goals of Wawasan 2035

Since the unveiling of Wawasan Brunei 2035, the Maritime and Port Authority of Brunei Darussalam (MPABD) has played a key role in the success of the long-term development agenda by supporting economic diversification, trade efficiency and global connectivity. This has been achieved by delivering efficient port operations, improving logistics performance and enhancing regional and international connectivity.

One of the major initiatives that has helped to deliver success has been the implementation of Brunei’s first Maritime Single Window system, a major milestone in modernising port administration and documentation. This has helped to transform port operations and is merely the start of a major overhaul of the country’s maritime operations.

“The maritime digitalisation initiative replaced 14 manual forms with a single electronic submission and cut average ves-



Zil Husam bin Haji Abdul Rahman
Chief Executive, Maritime and Port Authority of Brunei Darussalam

sel clearance time by more than 40 per cent,” explained Zil Husam bin Haji Abdul Rahman, Chief Executive of MPABD.

“The system now connects port authorities, customs, immigration, the police and the health department in one trusted digital ecosystem. This is just the first phase of our transformation. Phase two is underway, expanding to smart port operations, li-

censing, seafarer IDs, financial transactions and human resources modules.

“Part of our five-pillar strategic plan, this digitalisation aims for full maritime logistics and administrative automation by 2026, with 100 per cent adoption targeted within five years, no later than 2030. Beyond convenience, it enables real-time maritime data for evidence-based regulation, predictive scheduling, and future Internet of Things and artificial intelligence applications.”

It is not just new systems that are being introduced; Brunei has also invested heavily in infrastructure as it bids to position the country as a regional maritime logistics hub. Key to achieving this has been the modernisation of Muara Port, the nation’s main maritime gateway.

“The Muara Port expansion involves \$400 million in foreign investment from Brunei Darussalam Asset and Guangxi Beibu Port Group, doubling the cur-



The impressive Sultan Haji Omar Ali Saifuddien Bridge connects remote areas to the country’s urban capital

rent twenty-foot equivalent unit capacity from 250,000 by 2027,” said Rahman. “We are adding 3.6 hectares of trade zone space, with potential to become a free trade zone. This supports diversified, demand-driven growth and helps Brunei reduce reliance on oil and gas. The modernisation includes deeper drafts, new cranes and a digital gate system, positioning Brunei as a regional transhipment and multimodal hub.”

Alongside the development of Muara Port, plans are also underway to create a broader maritime

cluster that will offer services such as repairs, bunkering, logistics and decommissioning.

“We are expanding Brunei’s GDP through MPABD by developing an integrated maritime service cluster across all nine maritime sectors, not just Muara Port,” detailed Rahman. “For example, the ship-to-ship transfer and layup area is expected to be operational by Q1 2026, generating spinoff services like oil bunkering and offshore support. We are also licensing shipyards and maritime service supply bases, offering land

and offshore assets to potential investors. This initiative aims to increase vessel calls by 30 per cent and diversify revenue by 5–8 per cent by 2026.

“This aligns with our refreshed vision which covers the period from 2026 until 2030. Our goal is to make MPABD a trusted leader in maritime connectivity, economic prosperity and sustainability. By 2030, we aim for 100 per cent digitalisation of key services, zero major incidents, 30 per cent greenhouse gas reduction and three marine protected zones.”



BRUNEI DARUSSALAM MARITIME WEEK 2026

Mark your calendars for a pivotal event in the global maritime industry. Returning for its third installment, Brunei Darussalam Maritime Week 2026 is a premier platform for international collaboration and dialogue. This event is a must-attend for professionals seeking to network with key stakeholders, explore investment opportunities, and stay ahead of emerging trends in the maritime sector.

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Powering industrial diversification efforts

Brunei Fertilizer Industries has emerged as a flagship industrial project, supporting economic diversification, sustainability and global market access for Brunei

Despite only being established in 2013, Brunei Fertilizer Industries (BFI) has quickly become a cornerstone of Brunei's efforts to create a sustainable and diverse economy. This is thanks to the company operating a world-class ammonia-urea complex that converts domestic natural-gas feedstock into a high-value, exportable chemical product.

The construction of the facility, which is the largest single-train fertilizer plant in Southeast Asia, has helped to put Brunei on the map as a major fertilizer producer and has allowed it to access markets that had previously been difficult to reach. Reducing the country's reliance on the export of raw hydrocarbons, the company now exports high-quality granular urea and enhanced-efficiency fertilizers across Asia, Africa and the Americas.

"Although we have only been in commercial operation since 2022, we have gained significant recognition in the fertilizer industry," said Dr. Harri Kiiski, CEO of BFI. "We are one of around 30 industry stewardship champions within the International Fertilizer Association's 500-member network."

"Safety is a top priority and we have achieved more than 4.2 million safe working hours without injuries, medical treatments or restricted work cases, among the best in the industry. Our reliability as a supplier, the quality of our products and our customer service have also been recognised regionally."

Due to the company's success in such a short period, BFI is often cited as a model for successful state-led industrial ventures. Not only has it become a global player in the fertilizer industry, but it has also made a significant contribution to national employ-



Dr. Harri Kiiski
CEO, Brunei Fertilizer Industries

ment and skills development.

"When we started, more than 30 per cent of our workforce were expats. Today, that number is down to 22 per cent, with 68 per cent Bruneians. Around five to six years ago, we hired 160 fresh graduates, many of whom are now key operators at the plant. This shows our commitment to developing young Bruneian talent and contributes to Wawasan Brunei 2035 by creating career opportunities for them," outlined Kiiski. "Last year, we outsourced maintenance operations to Brunei Rotary Engineering, a joint venture with the Brunei government and Singapore's Rotary Company. This aims to accelerate talent development in maintenance and foster cooperation with Singapore's Jurong Island Industrial Park."

"Our vision is to develop a similar industrial park in Brunei, attracting both large players and small to medium-sized enterprises, whether local, joint ventures or foreign-invested, over the coming years."

In addition to developing talent, BFI has shown a willingness to embrace technology, which has led to its plant becoming one of the most advanced fertilizer facilities in Southeast Asia. This ensures production efficiency,

product quality and helps the company move toward more innovative fertilizer solutions.

"Our licences come from world-class technology providers, which enables sustainable fertilizer production at world-class capacity, 2,200 tonnes of ammonia and 3,900 tonnes of urea per day," said Kiiski. "Strategically located at the market's centre with short shipping times, our products are recognised as among the highest quality in the region."

"We aim to be a model for new entrants and welcome neighbours to our industrial park to explore synergies from urea, ammonia, steam and other by-products. We are also diversifying into speciality fertilizers, such as those with inhibitors, micro-nutrients and bio stimulants, to address key food security challenges."

"For example, zinc-deficient soils in the region affect health, particularly for women and children. Our fertilizers can improve soil health, boost root growth and increase nutrient use efficiency, helping farmers achieve better crop yields while moving from commodity products to tailored solutions."

These speciality fertilizers are particularly important as they are set to play a vital role in supporting Brunei's food security agenda and improving agricultural productivity. "Brunei is a small country with 460,000 people, and local agriculture is limited. Our fertilizer production could meet the country's needs in just a few hours," said Kiiski. "We work with local universities and institutions to develop fertilizers for rice cultivation, a vital crop for Asean (Association of Southeast Asian Nations) countries, India and China, where 80-90 per cent of the world's rice is grown. Rice



BFI operates the largest single-train fertilizer plant in Southeast Asia

is deeply rooted in regional culture and essential for food security. However, agriculture faces an ageing workforce, so we aim to attract younger generations to the sector."

Another way in which BFI is setting new standards is by championing sustainability. Not only is it working with technology partners on digital optimisa-

tion, predictive maintenance and process efficiency, but the plant itself was designed with modern, high-efficiency process technology that optimises energy use, reduces water intensity and limits emissions.

"Sustainability is central to our operations. Located in a region with 100 years of oil and gas production, we see opportunities for carbon capture and storage, as well as green energy integration through the Asean grid, which

could support green ammonia and hydrogen production," detailed Kiiski. "Using the latest fertilizer technology reduces resource consumption, while our central location cuts transport emissions by 30-40 per cent compared to the Middle East. Speciality fertilizers with inhibitors can lower nitrous oxide emissions from rice cultivation

by 25-50 per cent. About 15 of our employees are trained as sustainability champions, embedding these practices throughout the company."

Now viewed as one of Southeast Asia's most successful industrial enterprises, BFI is the perfect example of Brunei's ability to successfully deliver and operate large, industrial projects to global standards. The company's success also acts as a confidence anchor for investors in chemicals,

energy transition and advanced manufacturing, demonstrating that the country is a credible base for future-oriented industries.

With BFI acting as a compelling reason for overseas investors to explore Brunei, Kiiski is confident that partnerships will soon emerge with companies from the UAE and the Middle Eastern market.

"Brunei offers significant logistical advantages, strategically located in the heart of the market with excellent air, land and sea connections," he added. "Its container port can be further developed to support shipments to Singapore, China and beyond, while daily Royal Brunei flights connect to major hubs like Dubai."

"Proximity to Singapore also enables food security investments, such as fish farming and agriculture. Brunei's education system is also strong, with high literacy rates and graduates from top universities in the UK and Malaysia. Brunei is like an unpolished diamond full of opportunities and with every milestone achieved, BFI stands as a proud testament to Brunei and its capabilities and ambitions on the world stage."

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DR. HARRI KIISKI, CEO, BRUNEI FERTILIZER INDUSTRIES



The BFI Plant is Brunei's premier ammonia and urea plant with a production nameplate capacity of 2,200 tonnes of ammonia per day, which is converted to produce 3,900 tonnes of granular urea per day.

Making A Difference,
With Bruneian Roots.

