

## **India-Brunei Relations**

Contacts between India and Brunei have historical and cultural roots as extension of India's contacts with peninsular Malaysia and the Indonesian islands.

The discovery of oil in Brunei in 1929 brought a substantial number of Indians into Brunei in the oil sector and allied services and later as teachers. Some of them even inter-married locally. Bilateral diplomatic relations between India and Brunei were established in May 1984. Interest in upgrading bilateral relations started in friendly meetings between late Prime Minister Rajiv Gandhi and the Sultan of Brunei at CHOGM meetings, etc. It was in response to Rajiv Gandhi's invitation that the Sultan paid a State visit to India, in September 1992. Resident diplomatic missions were opened in mid-1993. By virtue of their common membership of UN, NAM, Commonwealth, ARF etc. and as developing countries with strong traditional and cultural ties, Brunei and India enjoy a fair degree of commonality in their perceptions of major international issues. Brunei is supportive of India's 'Look East' policy and expansion and deepening of cooperation with ASEAN.

2. The visit of the Sultan of Brunei to India in May 2008 was a high water mark in the relations between India and Brunei. The manner in which the leadership in India received the Sultan was taken as a demonstration of India's readiness to forge cooperation in diverse sectors ranging from agriculture to defence. The itinerary of the visit also included a visit to the parachute regiment in Bangalore, which was a primary interest of the Sultan. Five MoU/Agreements were signed during the Sultan's Visit:

- i) Bilateral Investment and Protection Agreement (BIPA);
- ii) MOU on Cooperation in Information and Communication Technology;
- iii) MOU on Cooperation in the fields of Culture, Arts and Sports;
- iv) Agreement on Trade and Economic Cooperation (Joint Trade Committee); and
- v) Renewal of the MOU on Cooperation in the Operation of the Telemetry tracking and Tele-command Station for satellite and Launch Vehicles and for Cooperation in the field of Space Research Science and Applications.

3. Ministerial visits from India have included visits of the then MOS for Health and Family Welfare, Ms. Mohsina Kidwai in February 1984 to represent India at Brunei's independence celebrations; MOS for External Affairs, Shri K. Natwar Singh in March 1987; MOS for External Affairs, Shri Salman Khurshid in February 1993; MOS for Tourism, Smt. Sukhbans Kaur in 1995; MOS for External Affairs, Shri Omar Abdullah in May 2002; Minister of External Affairs, Shri Yashwant Sinha in July 2002; Commerce and Industry Minister, Shri Murasoli Maran in September 2002; and Dr. Shakeel Ahmad, Minister of State (Communications & IT) in September, 2006 to participate in the 2<sup>nd</sup> TELMIN + India Meeting; Shri Vayalar Ravi, Minister of Overseas Indian Affairs from 13-14 December 2009 in connection with the Pravasi Bharatiya Divas - PBD 2010; Mr.

Sultan Ahmed, Minister of State for Tourism from January 24-27, 2010 to attend the ASEAN Tourism Forum (ATF) 2010.

4. Mr. R.P.N. Singh, Minister of State for Petroleum and Natural Gas led a five-member Indian delegation to 29<sup>th</sup> ASEAN Ministers on Energy Meeting (AMEM) from 19-21 September 2011. He held a meeting with his Bruneian counterparts and discussed supply of LNG to India. Shri E. Ahamed, Minister of State for External Affairs visited Brunei from 24-26 September 2011. He had an audience with the Sultan where he discussed bilateral issues and supply of LNG to India. He also held meetings with Acting Minister of Foreign Affairs and Trade; Minister of Education and Minister of Communications.

#### 5. **Trade**

India's trade with Brunei remained at modest levels as can be seen from the table below:

<b><u>Year</u></b>	<b><u>Exports from India to Brunei</u></b>	<b><u>Imports by India from Brunei</u></b>
	<b>(in US \$ Million)</b>	
2002-2003	4.45	0.32
2003-2004	4.59	0.34
2004-2005	5.06	0.54
2005-2006	42.94	0.88
2006-2007	8.31	285.38
2007-2008	10.43	227.24
2008-2009	17.64	397.52
2009-2010	24.44	428.65
2010-2011(Apr-Dec)	18.42	130.47

(Source: Department of Commerce, Government of India)

6. The main import of India from Brunei in the last few years is crude oil. The reasons inhibiting bilateral trade have been relatively high shipping costs, lack of contacts between the business communities of both sides and Brunei's small population base of 4,28,000 (2010) with consequent limited needs of its people for goods and services. Due to the small size of demand, most of the consumer goods from India are received in Brunei through re-exports via Malaysia and Singapore. In the services sector, India has been exporting its manpower to Brunei in reasonably good numbers, both highly qualified professionals, and skilled/semi-skilled workers and the repatriation of their savings to India constitute an important foreign exchange earning for India.

7. India-Asean Free Trade Agreement: ASEAN and India signed the Framework Agreement on Comprehensive Economic Cooperation at the 2<sup>nd</sup> ASEAN-India Summit in 2003. Pursuant to FTA with Asean in 2009, India's Free Trade Agreement on Goods with Brunei became effective from 1 November 2010, slashing import duties on products like seafood, chemicals, apparel, etc. Brunei became the seventh country in implementing the FTA. India-Brunei bilateral trade stood at US\$453 million in 2009-10. The

Framework Agreement envisages the establishment of an ASEAN-India Regional Trade and Investment Area (RTIA) as a long-term objective.

### **Art & Culture**

8. Malay customs, rituals and culture has a lot of India – Hindu origin. Bollywood film stars, movies and filmy music are also very popular. ICCR had sent troupes in the past and efforts are under way to bring more as per local regulations. Local Indian Associations together with the High Commission do organize cultural events to celebrate India's Independence Day, Onam, Pongal, Diwali etc.

### **Indian Community:**

9. The Indian community in Brunei is estimated to be around 6000. A Majority of the senior doctors in Brunei are from India. Other professionals include engineers, IT professionals, bankers, teachers etc. Indian businessmen have a near monopoly in textiles. They also have a presence in hardware and electronics. Shri Mohinder Singh, and NRI and now a Bruneian citizen, was awarded the Pravasi Bharatiya Samman Award (PBSA) 2010.

10. There are following Indian associations in Brunei Darussalam:

- 1) Indian Association of Bandar Seri Begawan
- 2) Indian Association of Kuala Belait
- 3) Brunei India Friendship Association
- 4) Brunei Indian Chamber of Commerce

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