

## India-Brunei Relations

### Political:

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

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. In response to Rajiv Gandhi's invitation the Sultan paid a State visit to India in September 1992 and 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. Brunei supports India's claim for permanent membership in an expanded UNSC and also supported India for its candidature for a Non-Permanent Seat of the UNSC for the 2011-2012 term. Brunei has taken over as India-ASEAN Coordinator from July 2012 for three years.

The visit of the Sultan of Brunei to India in May 2008 was a land mark in India-Brunei relations. Five MoU/Agreements were signed during the Visit on BIPA, ICT, Culture etc, Trade and Space. Pending draft MoUs/Agreements on exemption of visa requirement for holders of Diplomatic and Official Passports; Defence Cooperation; Health; Shipping and Ports; Cooperation in Sports & Youth Affairs, Tourism and Air Services Agreement are being worked on. India also participated at BRIDEX 2009 and 2011. INS Ranvir and INS Jyoti visited Brunei in May 2011 on goodwill visits. Indian Coast Guard Ship Sagar, the first by a coast guard vessel, visited Brunei from 27-30 June 2011 while INS Airavat came from 4-9 July 2011 to participate in the first-ever Brunei International Fleet Review to mark the 50<sup>th</sup> anniversary of Royal Brunei Armed Forces. A Bruneian ship – '*KDB Darulaman*', participated in MILAN 2012 (Andaman). This is notable as it is the first time a Bruneian naval ship ventured out of the South China Sea. Bruneian Deputy Minister of Defence visited India in 2010 and 2012 to participate in the DEFEXO exhibitions and called on Raksha Mantri and Deputy Defence Minister.

In the last three years, Ministerial visits from India were Shri Vyalar Ravi, Minister of OIA in December 2009, Shri Sultan Ahmed, MoS for Tourism, January 2010 to attend the ASEAN Tourism Forum (ATF) 2010; Shri E. Ahamed, Minister of State for External Affairs and Mr. R.P.N. Singh, Minister of State for Petroleum & Natural Gas, who visited in September 2011. In October 2012, Shri S.M. Krishna, External Affairs Minister, visited Brunei on 19-20 October 2012. This was the first time that EAM visited Brunei on a bilateral visit.

The 6<sup>th</sup> Foreign Office Consultation with Brunei was held in December 2011.

**Commercial:**

According to trade statistics made available by the Bruneian authorities which include figures for crude oil imported by India, there was increase in bilateral trade between 2010 to 2011 – the exports increased from \$34.22 m to \$36.53m; and our imports rose from \$674m to \$1266 m (Rs.50b, approx.), mainly due to rise in petroleum off take by Indian petrochemical companies.

The trade figures between India and Brunei during the last five years as recorded by the Department of Economic Planning and Development, PM's Office, Brunei is as given below (current rate of exchange between Brunei Dollar and INR is approximately B\$ 1.00: INR 44.50):

| Year | (In Brunei Dollars million)                |   |
|------|--|---|
|      | Exports from India to Brunei (Million B\$) | Imports by India from Brunei (Million B\$ ) |
| 2006 | 14.15                                      | 597.06                                      |
| 2007 | 21.90                                      | 273.66                                      |
| 2008 | 29.39                                      | 478.15                                      |
| 2009 | 39.21                                      | 892.55                                      |
| 2010 | 31.13                                      | 674.80                                      |
| 2011 | 36.53                                      | 1265.91                                     |

The reasons inhibiting bilateral trade have been relatively high shipping costs, and Brunei's small population base of 411,000. The main import of India from Brunei in the last few years is crude oil. 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.

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

The successful conclusion of the negotiation on ASEAN-India Trade in Services and Investment Agreements during the Commemorative Summit in Delhi on 20 December 2012 is expectedly to give a big boost to both bilateral as well as regional trade.

The MoU on ICT is opening opportunities for presence of India in Brunei. Government of Brunei is committed to an amount of \$1 billion for both infrastructure and e-governance.

ISRO has an active Telemetry and Tracking station in Brunei through a bilateral Agreement for more than ten years.

### **Cultural:**

**Negara Brunei Darussalam**, i.e., “State of Brunei-Abode of Peace”, or “Brunei Darussalam”, or just “Brunei”, is one of the oldest continuing monarchies in the world and one of the few executive ones. Its earliest known history dates back to 6<sup>th</sup> century, when Brunei was apparently called “Puni” (possibly a distortion of the Sanskrit “Baruni”), or “Poli”. Brunei, then a Hindu-Buddhist kingdom, had linkages with the famed Sri Vijaya and Majapahit empires of the region, as well as with China. In the late 14<sup>th</sup> century, Brunei converted into an Islamic Sultanate when its ruler, Awang Alak Betatar, married a Muslim Johore princess from Malacca, and embraced Islam to become Brunei’s first Sultan – Mohammed Shah. Malay customs, rituals and culture have much of India – Hindu origin. Bollywood film stars, movies and filmy music are also very popular.

### **ASEAN-India:**

To mark the 20<sup>th</sup> year of ASEAN-India Dialogue and the 10<sup>th</sup> anniversary of ASEAN-India Summit, a Manipuri Dance recital featuring Priti Patel and Anjika Group performed in Brunei on 30 November 2012. An ASEAN-India Art Exhibition ‘*Merging Metaphors*’ exhibiting art works of artists from ASEAN and India was organized at Waterfront Gallery, Bandar Seri Begawan from 6-13 December 2012. Indian Naval Sail Training Ship Sudarshini paid a port call at Brunei from 21-24 November 2012 and a nine-member Bruneian team participated in the ASEAN-Indian Car Rally.

The Sultan participated in the Asean-India Commemorative Summit held in New Delhi on 20-21 December 2012. He was accompanied by a high-level delegation which included the Minister of Foreign Affairs and Trade II and Minister of Finance II at Prime Minister’s Office. Minister of Foreign Affairs and Trade II Pehin Lim Jock Seng led the Bruneian delegation to the 2<sup>nd</sup> India-ASEAN Business Fair in New Delhi which included Pehin Mahdini, the Chairman of Brunei India Friendship Association (BIFA) and Mr. Nazeer Ahmed, President of Indian Chamber of Commerce in Brunei.

## **Indian Community:**

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. Shri Mohinder Singh, an NRI and now a Bruneian citizen, was awarded the Pravasi Bharatiya Samman Award (PBSA) 2010 in acknowledgement of his outstanding achievements in the field of community service. There is an active Indian Chamber of Commerce and two other Indian Associations. Majority of the doctors in Brunei are from India. Other professionals include engineers, IT professionals, bankers, teachers etc. Indian businessmen have a near monopoly in textiles. According to local government's official sources there are around 10,000 Indians living in Brunei. They also have a presence in hardware and electronics. More than half of the Indian expatriates are semi and unskilled workers.

The Brunei India Friendship Association (BIFA) was launched on Independence Day 2009 and the President is a local Malay former Defence Chief Pehin Mahdani, who has also been Brunei's Ambassador to China.

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