

## **REQUIREMENTS FOR FOREIGN TRADE IN SERVICES BRUNEI DARUSSALAM**

### **General Requirements**

- Foreigners are not allowed to set up sole proprietorship.
- Half of the board members of a public company and half the directors of a private company must be nationals or residents of Brunei Darussalam.
- All companies incorporated outside Brunei Darussalam which establish or have established a place of business in Brunei Darussalam must have one or more locally resident agents to accept service of process and any service of process or any notices required to be served on the company.
- Entry for intra-corporate transferees<sup>1</sup> is limited to a three year period that may be extended for up to two additional years for a total term not to exceed five years.

### **Business Services**

#### Legal Services

- Partnerships consisting of more than 20 persons formed for the purpose of business or gain, shall be registered as a company under the Companies Act.
- Legal firms are to be registered only as firms or partnerships.
- Only nationals or permanent residents can qualify for the purposes as defined under the Legal Profession Act. However those in active practice from the UK, Singapore, Malaysia and any other Commonwealth country designated by the Attorney General can also apply for admission.
- Admissions subject to needs test. The Chief Justice shall be of the opinion that the number of advocates practising in Brunei Darussalam is sufficiently adequate to serve the needs of the community he shall by notice in the Government Gazette so declare.

#### Auditing Services

- Audit firms may be set up as a sole proprietorship or a partnership:
  - A partnership may consist of only individuals, local companies and/or branches of foreign companies
  - Maximum number of partners in an audit firms is twenty
- Must prove commitment to recruit and develop more local human resources.
- Principal or only place of residence within Brunei Darussalam.
- Cross-border supply need authorisation by the Ministry of Finance and need 5 years auditing experiences.
- Minimum qualifications to be an authorised auditor (Mode 2):
  - A. For accounts kept in English

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• <sup>1</sup> Intra-corporate transferees refers to managers, executives and specialists, who are employees of firms that provides services within Brunei Darussalam through a branch, subsidiary, or affiliate established in Brunei Darussalam and who have been in the prior employ of their firms outside Brunei Darussalam for a period of not less than one year immediately preceding the date of their application for admission.] Unbound for measures concerning commercial presence.

Associate membership in one of the following bodies:

- Institute of Chartered Accountants (of Australia, Canada, England and Wales, Ireland, New Zealand and Scotland).
- Association of Certified Accountants.
- Australian Society of Accountants
- New Zealand Society of Accountants

B. For accounts kept in language other than English

- Associate membership of one of the Bodies set out in A(a) above; and
- Evidence of competency in the language concerned.

#### Architectural Services

- Requirement of local incorporation and residency requirement for foreign architects.
- Foreign architectural firms can form a joint operation with local partners by establishing a representative office or a joint venture.
- Not less than 50% equity should be held by Brunei Citizens.
- For cross-border supply, plans should be submitted through licensed practicing Architects in Brunei Darussalam.

#### Engineering Services

- Requirement of local incorporation.
- For cross-border supply, plans should be submitted through licensed practicing Engineers and registered company/partnership in Brunei Darussalam.

#### Integrated Engineering Services

- Requirement of local incorporation.
- Foreign equity participation is allowed up to 55%.
- For cross-border supply, plans should be submitted through licensed practicing engineers and registered company/partnership in Brunei Darussalam.

#### Urban Planning and Landscape Architectural Services

- Commercial presence is allowed through local incorporation., and foreign equity is limited to 50%.
- For cross-border supply, plans should be submitted through licensed practicing urban-planners in Brunei Darussalam.

#### Computer Related Services

- Commercial presence is allowed through local incorporation for services related to:
  - Consultancy Services related to the Installation of Compute Hardware
  - Software Implementation Services
  - Data Processing Services
  - Database Services
  - Maintenance and repair services of office machinery and equipment including computers
  - Other computer Services

#### Research and Development Services

- Commercial presence is allowed with foreign equity up to 49% for:
  - R&D services on natural sciences and engineering
  - R&D services on social sciences and humanities
  - Interdisciplinary R&D services

#### Rental/leasing services without operators

- Commercial presence is allowed with foreign equity up to 49% for:
  - Rental/Leasing services relating to other machinery and equipment
  - Rental/Leasing services concerning personal and household goods
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- For rental/leasing services relating to aircraft without operators:
  - Only through a representative office with a permanent address in Brunei Darussalam.
  - Appointment of a Bruneian General Sales Agent required, and one foreign technical post allowed subject to local availability test, designation of a specified number of Brunei trainees
  - For cross-border supply, entry is subject to approval and limitations on the basis of infrastructure capacity

#### Other Business Services

- Commercial presence is allowed with foreign equity up to 49% for:
  - Marketing research and public opinion polling services
  - Management consulting services
  - Related scientific and technical consulting services
  - Technical testing and analysis services (including other technical testing and analysis services)
  - Advertising services
  - Building-cleaning services
  - Photographic services
  - Packaging services
  - Printing, publishing services
  - Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment)
  - Duplicating services
  - Translation and interpretation services
  - Mailing list compilation and mailing services
  - Specialty design services

### **Communication**

#### Telecommunication Services

- For cross-border supply of Telecommunication subject to commercial arrangements with licensed operator(s) for:
  - Public Non-Fixed
  - Public Switched Voice Telephone Services
  - Public payphone services
  - Prepaid Telecommunications Services
  - Voice Mail
- Public Non-fixed services is limited to reselling of services using infrastructure owned by an AITI licensee as per the new licensing framework
- Packet-switched data transmission services; Only through locally incorporated Joint Venture corporation with Bruneian individuals or Bruneian controlled corporations with foreign equity limited to 51%.

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## **Construction**

- Commercial presence is allowed with foreign equity is up to 55%.

## **Education**

- Commercial presence is allowed through joint venture, and foreign equity is limited to 49%.
- Foreign employees should not exceed 10% of the workforce for courses with the maximum duration of 3 months (Private education)

## **Tourism and Travel-Related Services**

- Commercial presence is allowed through joint venture
- Travel Agent Services:
  - Number of travel agents is limited to 45 operators
  - Services are limited to inbound travel
  - Commercial presence is allowed through joint venture, and foreign equity is limited to 49%.
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- Tourism Services Provided in the National Park
  - Operated by one private operator and other tour operators will have to negotiate access and supply of services for individual tour groups with this operator.
  - No restriction on numbers of natural persons supplying services in the national park (eg operator of temuai (local longboat), but priority is given to the local residents in the area.

## **Recreational, Cultural and Sporting Services**

### Theme Parks

- Requirement of joint venture.

## **Transport Services**

### Maritime Passenger Transport Services

- Commercial presence is allowed with foreign equity up to 49%.

### Maritime Freight Transport Services

- Commercial presence is allowed through joint venture, and foreign equity participation is limited to 49% (exclude vessels for the carriage and transportation of energy goods)
- Foreign shipping companies are required to appoint a Bruneian Shipping Agency Company to act as their general ship-agent to supply maritime agency services for their vessels calling at sea-ports in Brunei Darussalam.
- For Shipping agents services, Stevedoring Services, Freight Forwarders, Container Terminal operator, Ports Warehousing Tenants: All companies incorporated outside Brunei Darussalam, which establish or have established a place of business in Brunei Darussalam, should have one or more locally resident agents to conduct their business.

#### Other Maritime Services

- Commercial presence is allowed through joint venture, and foreign equity is limited to 49% for:
  - Maritime Agency Services
  - Maritime Cargo Handling Services
  - Maritime Freight Forwarding Services

#### Space Transport

- Commercial presence is allowed through joint venture, and foreign equity is limited to 49%.

#### Rail Transport Services

- Commercial presence is allowed with foreign equity up to 49% for:
  - Rail Passenger
  - Rail Freight
  - Rail Pushing and Towing Services
  - Maintenance and Repair of Rail Transport Equipment

#### Land Transport Services (Bus Services and Taxi Services)

- Operation of scheduled bus services permitted under license or franchise options.
- Only Bruneians could operate a taxi business.

#### Storage and warehousing services

- Commercial presence is allowed through joint venture, and foreign equity is limited to 49%.