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Halal industry an 'exciting' prospect for Brunei: OBG expert



Oxford Business Group's (OBG) Regional Editor Paulius Kuncinas speaking during the launching of 'The Report: Brunei Darussalam 2009'. Picture: BT/Raul Padernal

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BANDAR SERI BEGAWAN

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EXPERTS from the Oxford Business Group (OBG) have expressed anticipation over the growth of Brunei's halal branding and industry, saying that it is a "very exciting" prospect and niche that Brunei can capitalise on.

OBG Regional Editor Paulius Kuncinas said that the halal industry is one which is most interesting because it offers real tangible prospects as the demand is out there.

"There are many (international) businesses wanting to register their products here...This is a very executable business plan," he said during the launching of OBG's The Report: Brunei Darussalam 2009 at the Empire Hotel and Country Club on Tuesday.

He said that Brunei's reputation in strict application of halal rules and certification, coupled with effective marketing promises to create an important line of economic diversification.

"The Report: Brunei Darussalam 2009 also highlights the significance of Brunei's entry into the lucrative halal industry, which is estimated to be worth US\$560 billion with an annual growth of two per cent," he said.

The Report: Brunei Darussalam 2009 is a publication targeting at potential foreign investors by placing the spotlight on Brunei's long term development plans and increase in economic activity, while further enhancing Brunei's profile around the world to provide reliable information on the country.

Kuncinas said they also expected growth in other areas such as tourism and transport, but the halal industry was one with most potential in volume, value and percentage growth in gross domestic product.

Other notable diversification efforts include developments in the Islamic finance sector which is expected to enjoy greater uptake as it develops new products and becomes more competitive, with Brunei raising its profile as a financial offshore centre.

"We also highlight the progress made in transport sector, with developments at Pulau Muara Besar that will improve Brunei's competitiveness as a logistics centre for international cargo," said the regional editor.

"On the digital front, the report foresees a greater role for new online businesses and services that have emerged on the back of improved broadband connectivity created by Asia-America Gateway (AAG) and public initiatives such as fibre-to-the-home (FTTH) initiative," he added.

He also spoke of how better air connectivity would also help aid promote Brunei's "untapped" tourism sector which is set to benefit the Sultanate as the gateway to Borneo, resulting in the rise of visitors in Southeast Asia.

When asked how Brunei should brand itself in tourism, Kuncinas replied that the "Sultanate" was still considered as a place of mystique by foreigners.

"People are now tired of mass tourism destinations. They want to find something off the beaten track, a niche destination. Brunei has this appeal that can be built and capitalised on," he said.

The regional editor also touched on the importance of bringing in foreign direct investments (FDI) into Brunei. "FDIs mean different things in different countries. It usually means companies competing for financial capital, but this is not a problem in Brunei."

He said that the Sultanate, instead, needs FDIs to create new areas of activity, particularly in creation of new jobs and knowledge transfer.

"It will be difficult to spot the opportunity here because of the size of the country. We cannot attract investors looking for a market. The investor instead has to be export-oriented and make use of the advantages of the country such as its location and highly-skilled population," he added.

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