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Rules reform key to igniting new business



Hj Shazali Dato Hj Sulaiman (L), Partner, KPMG Brunei Darussalam at the launch of the Think Big business plan competition 2010/11 at the iCentre yesterday. Picture: BT/Rudolf Portillo

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BANDAR SERI BEGAWAN

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EASE of doing business in Brunei has to be improved and the process of setting up enterprises made more efficient if the Sultanate is to nurture its spirit of entrepreneurship, said a partner at KPMG Brunei Darussalam yesterday.

Hj Shazali Dato Hj Sulaiman said that a common theme when speaking to young entrepreneurs is that they get dejected from doing business as a result of procedures involved when setting up a company.

"From what I gather, there ... (are so many) procedures, from the registration of the company to labour requirements, licenses and others. These procedures require a lot of time and these young entrepreneurs are new so they do not know what to do," he said during yesterday's launching ceremony of iCentre's ThinkBig Business Plan Competition for 2010/11 at iCentre, Anggerek Desa.

"These stumbling blocks can discourage new entrepreneurs and it kills the entrepreneur spirit so they turn to doing business outside the law. They forget about all the procedures and become a cowboy entrepreneur by selling on roadsides. If they get pushed away by the relevant authorities, they will just wait for a few days before coming back again," he said, using makeshift stalls selling food, drinks and mobile phone cards in the Gadong area as examples.

The Brunei Government is aiming to climb up the charts of the World Bank's Ease of Doing Business by working on a drastic improvement in its ranking by 30 points over the short term.

The target is to improve its Ease of Doing Business ranking from 96th out of 183 economies included in the study to 66th or better.

Hj Shazali went on to say that ease of doing business for locals should be very easy.

"E-government, E-efficiency and E-registration has to be super efficient. The young entrepreneurs should not need to wait for more than one week to get everything done," he said.

"The faster we make the processes, the faster they can do business which lowers their start-up cost. It is a sure sign of failure when an entrepreneur fails to maintain sufficient cashflow due to the need to pay rental while waiting for completion of such processes instead of doing business," he added.

With this in mind, Hj Shazali informed the participants that more than 25 per cent of the country's population is below the age of 25 and that by the year 2031, 10 per cent of Brunei's population will be over the age of 65.

"The challenge here is, especially with the recent increase of (the) retirement age, more people will remain longer in the government which translates to less government jobs for the young people," he said.

"This has to act as a catalyst to develop and nurture youth entrepreneurs... it is important to diversify from the oil and gas industry and to develop other industries because by nurturing these other industries such as agriculture and tourism, we will be able to encourage entrepreneurs to enter these markets," he told The Brunei Times.

He also used the opportunity to remind the participants to look upon the success of others and use it as an example.

"What we need to do, rather than being jealous of success, is to be envious. Use other's success as stepping stones and motivation to do well," said Hj Shazali.

"We have to be honest with the youth. Business is not easy and in business, you have to learn the hard way. We have failures along the way and this is how you learn. Do not be depressed but learn from it instead," he added.

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