

4019 Outline of the Agreement between Japan and Brunei Darussalam for an Economic Partnership

On December 2006, Japan and Brunei Darussalam jointly announced that agreement in principle has been reached between the Japanese side and the Brunei Darussalam side on all major elements of the Japan-Brunei Darussalam Economic Partnership Agreement (hereinafter referred to as the "JBEPA"), on the basis of a series of negotiations since June 2006. The JBEPA was entry into force on July 2008.

The JBEPA became the seventh economic partnership agreement, following those concluded with Singapore, Mexico, Malaysia, Chile, Thailand and Indonesia.

1. Summary of the agreement

The JBEPA contributes to enhancing the cross-border flow of goods, services and investment between the two countries, ensuring the stable supply of energy, and improving the business environments of both Japan and Brunei Darussalam.

2. The significance of the agreement for Japan

Brunei Darussalam is Japan's 121st export partner and 40th import partner (2023 Trade Statistics, Ministry of Finance). Japan is a leading export destination and an important investor for Brunei Darussalam, while Brunei Darussalam is an important supplier of oil and natural gas for Japan. The JBEPA is deepening and enhancing cooperation, in fields of mutual interest such as those of human resource development, energy and environment including through capacity building.

3. The key elements in the agreement

- (1) Trade in goods: Tariff elimination or reduction, bilateral safeguards, etc.
- (2) Customs procedure: Publication of laws and regulations, rationalization and harmonization of customs procedure, bilateral cooperation and information exchange between customs authorities, establishment of a subcommittee, etc.
- (3) Investment: Equal national treatment and most favored nation status, as a general rule, for investment activities by investors from the other signatory nation (including activities at the stage of investment approval)
- (4) Trade in services: Pledge for market access, equal national treatment, most favored nation status and transparency for service providers of the other party nation

- (5) Energy: Pledge of respect for contractual relations upon introduction of regulation, report to the other party nation, and consultations and cooperation in the area of energy
- (8) Business environment development: Establishment of a subcommittee on development of a business environment. Definition of intellectual property right protection and liberalization of the government procurement market as factors in development of a business environment
- (9) Cooperation: Cooperation in the 10 areas of trade investment promotion, small businesses, agriculture, forestry and fisheries, tourism, education and human resources development, information and communication technology, science and technology, environment, intellectual property and land transportation systems