

COMPETITOR ANALYSIS

KEY PARTICIPANTS IN THE DEFENSE INDUSTRY

Brunei's historical relationship with Great Britain has resulted in strong traditional links between the Brunei Ministry of Defense and the British Military. Since Independence in 1984, however, the MOD has been gradually reducing the number of British advisors within the Ministry, and advancing Bruneians into command positions. The reduction of British officers in the Ministry, however, will not minimize British military presence. According to local defense contractors, recent MOD purchases of British hardware and defense equipment will call for company representatives in Brunei to provide technical and training assistance.

In 1989, the government purchased Fast Jet Aircraft Hawk 100 (British Aerospace), 3 CN 235 Maritime Patrol Aircraft (IPTN Indonesia) and S211 Intermediate Training Aircraft (Siai Mercetti, IT). These new aircrafts will provide armed and utility services for the military and the "Flying Doctors" service.

In 1989, the Defense Ministry placed an order for 16 single-seat Mk 200s and dual-seat Mk 100s with British Aerospace. Under the same purchase agreement for fibre glass planes, British Aerospace has included a provision for the construction of additional airport facilities at the airport. The construction of another runway for military aircraft and maintenance equipment will increase the presence of British technicians and consultants.

In 1989, the government also purchased avionics and radars from Marconi, electronics from GEC, and equipment from Bell Helicopters (US) and Aerospatial (France).

Other capital equipment purchases in 1989 to upgrade the Flotilla include a Corvette Offshore Patrol Vessel (Thincroft, UK).

FUTURE TRENDS

Because Brunei has a small population and limited resources, the market for defense equipment and services will remain limited. However, MOD will continue to seek contracts with suppliers who provide quality assurance, in-service support and training, and technology transfer. With the British expected to maintain a large market share, Canadian firms will need to apply determination and enthusiasm to seeking contracts with MOD officials.

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