

BACKGROUND ...

COMPETITOR ANALYSIS

CURRENT SITUATION ...

Process of Supplying Defense Equipment to the Ministry of Defense

In Brunei, Royal Brunei Technical Services, (RBTS), was appointed by the Sultan of Brunei in 1988, to be the sole agent for contracting sensitive defense equipment (eg: radar, ammunition, armored vehicles, weapons, and intelligence hardware) to the Armed Forces and Police Force. Canadian suppliers of sensitive equipment must deal directly with RBTS, whereas suppliers of non-sensitive equipment (eg: spare parts, civil aviation and open tender requirements) may approach local or Singapore based defense contractors.

Canadian defense contractors must deal with MOD purchases of British hardware and defense equipment will ask 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 (Sai Marcati, IT). These new aircraft 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 for 2000 and dual seat for 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 Aerospatiale (France).

Other capital equipment purchases in 1989 to upgrade the Flotilla include a Corvette Offshore Patrol Vessel (Thyssen, 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 persistence in seeking contracts with MOD officials.