

BACKGROUND ...

DIRECTIONAL EMPHASIS OF SECTOR ...

The 6th Development Plan (1991-1994) will continue to focus on the basic telephone infrastructure. In 1988, international and internal telephone calls (outbound and originating) were 10 million. Other services to be added in 1990 include telephones, cellular mobile telephones, facsimile, telex, country wide paging and rural radios.

Presently, there are 29,902 direct telephone lines. A B\$35 (C\$1 : B\$1.55) million digital switching project has been purchased from Siemens to increase the country's automatic telephone lines to 47,000. Of 11 anticipated systems, half are now in operation.

International communications will be expanded with the implementation of the AT&T international gateway exchange to be fully operational by year-end. A B\$2 million packet switching network system should also be fully installed by the end of 1990. This exchange will facilitate more sophisticated communications such as Electronic Mail and Videotex.

Since 1983, the government has also liberalized the sale of facsimile machines to the domestic market. There are indications that the government will liberalize the sale of cellular mobile telephone, pager equipment and telephones within the year.

There are two satellite earth stations at Telesai - a B\$12 million station established in 1979 and a second station built in 1983. Both stations provide international and national direct telex and telephone facilities with access to 160 countries and work via the Pacific Ocean Satellite.

Memorandums of understanding have been signed by Brunei with Singapore and the Philippines for multi-million dollar submarine cable projects. Two cables will link Brunei with Singapore and Malaysia and with the Philippines. With the system design now complete, both cable projects should be completed by early 1992.

ECONOMIC OVERVIEW

The telecommunications market in Brunei is comprised of two categories. Capital equipment refers to government capital expenditure on large projects such as Analogous and Digital Switching Equipment. Terminal equipment includes major equipment such as telephone sets, cellular mobile telephone sets, pagers, Private Branch Exchanges (PABX) and facsimile machines.

Under the 4th Plan (1980 -1984) transport and communications were allocated B\$408 million of which telecommunications received approximately 20% (B\$84 million), the second largest allocation after the road construction. The 5th Plan (1986-1990) development allocations for transport and communications is B\$323 million of which JTB has received 10%. The decrease in the telecommunications allocation is due to a reduction of the total 5th Year Plan budget which affected various departments including education and fisheries.