



**PRESS RELEASE**  
**AMBD POLICY STATEMENT 1/2020**

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1. Autoriti Monetari Brunei Darussalam (AMBD) today published its bi-annual policy statement for the first half of 2020.
2. In the Policy Statement 1/2020, AMBD noted that the global economy is expected to decline by 4.9% in 2020. The domestic economy grew by 3.9% year-on-year in 2019. AMBD's inflation forecast for 2020 has been revised up to the range of 1% to 2%.
3. Despite heightened uncertainties due to the COVID-19 pandemic, the policy statement highlighted that the banking sector continued to exhibit resilience in the first quarter of 2020. AMBD has been in active engagement with key stakeholders including the Ministry of Finance and Economy (MoFE) and the Brunei Association of Banks (BAB) to address the impacts of the pandemic on the economy. A set of interim measures were introduced with the objective of alleviating the financial distress faced by local businesses and individuals.
4. AMBD continues to ensure that there is sufficient liquidity to support the well-functioning of the financial system through the expansion of liquidity management measures to banks in Brunei Darussalam.
5. As part of AMBD's commitment to improve the supervisory regime for the protection of insurance/ Takaful policyholders in Brunei Darussalam, 3 notices and guidelines were issued in Q1 2020. This included guidelines on developing a recovery plan for insurers and Takaful operators; guidelines on online distribution for insurers and Takaful operators; as well as guidelines on surplus distribution by Takaful operators.
6. AMBD also issued a Notice on Providing Market Access to a Foreign Market for Capital Markets Services Licence holders on 4 November 2019. In implementing the risk based supervision framework for the supervision of the capital market intermediaries, AMBD completed a second onsite inspection using the risk based methodology in Q1 2020.
7. Initiatives under the Digital Payment Roadmap for Brunei Darussalam 2019-2025 are currently being implemented which, among others, calls for the establishment of a Payment Hub infrastructure to enable customers to make instant digital payments. To ensure the aims of the project are aligned with other national initiatives, engagement with the relevant stakeholders such as the Digital Economy Council are continuously made.
8. With the issuance of the Notice on Banks' Recovery Plan on 20 December 2019, all banks are required to submit their recovery plans to AMBD, no later than 30 September 2020. This is to ensure banks' preparedness in remaining resilient in periods of distress.
9. AMBD will continue to closely monitor the development of the COVID-19 situation and engage with financial institutions to ensure the well-functioning of essential financial services. AMBD

stands ready to implement additional measures, as and when necessary, to safeguard the financial stability of country.

10. Members of the public may view the Policy Statement 1/2020 on the AMBD website at [www.ambd.gov.bn](http://www.ambd.gov.bn).

**Autoriti Monetari Brunei Darussalam**

Reference : AMBD/COMMS/3

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