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Issue Brief

Significance of PM Modi's Visit to Brunei

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S*ummary*

Prime Minister Narendra Modi's visit to Brunei elevated the relationship to an 'enhanced partnership'. Brunei is important for India from the point of view of space, defence and energy sectors. The Sultanate also hosts a large Indian diaspora, an important bridge between the two countries. In the space and defence sector, India has a huge scope to play an enlarged role.

Prime Minister Narendra Modi concluded a bilateral visit to Brunei Darussalam on 4 September 2024, celebrating the 40th anniversary of establishing diplomatic ties between the two countries. During the visit, PM Modi, along with Sultan Haji Hassanal Bolkiah, PM of Brunei, elevated the bilateral relations to an ‘enhanced partnership’. This was the first-ever bilateral visit to Brunei by an Indian PM in 40 years. The visit took place at a time when the heart of the Indo-Pacific—Southeast Asia—is in the midst of the United States (US)—China contestation for preponderance over the regional order. The Brief highlights the broader context of PM Modi’s visit to the sultanate on the northern part of Borneo Island and places in perspective Brunei’s place in India’s Act East Policy (AEP).

Context

PM Modi’s visit to Brunei was in line with the high-level engagement between India and the Southeast Asian countries after the new government was elected in New Delhi in June 2024. Vietnamese PM Pham Minh Chinh visited New Delhi from 30 July to 1 August 2024, followed by Malaysian PM Anwar Ibrahim on 19–21 August 2024. President Droupadi Murmu visited Timor Leste on 10 August 2024. PM Modi flew to Singapore for an official visit after winding up his visit to Brunei on 4 September 2024.

PM Modi was also supposed to attend the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) Summit meeting in Thailand this month, which got postponed due to internal political dynamics in the country. Laos is also likely to witness high-level diplomatic activity from the Indian side when it hosts the annual Association of Southeast Asian Nations (ASEAN) events in October 2024. Therefore, it can be discerned that India has upped its diplomatic engagement with Southeast Asian nations at the highest level, giving a boost to the AEP.

Given that it took 40 years for our PM to make a bilateral visit to Brunei clearly shows that several countries in Southeast Asia find themselves off-radar of the Indian diplomacy and Brunei is one of them. It is not that high-level diplomatic visits did not take place previously. The then Vice President Dr Hamid Ansari visited Brunei in 2016. Prime Minister Dr Manmohan Singh travelled to Brunei to participate in the 11th ASEAN–India Summit and the 8th East Asia Summit (EAS) in 2013. Meanwhile, Sultan Bolkiah paid two State Visits to India in 1992 and 2008 and participated in the India–ASEAN Summit meeting in New Delhi in 2012 and 2018. However, with PM Modi visiting the Southeast Asian Sultanate, India has addressed the diplomatic blind spot in implementing the AEP while marking a decade of announcement of the policy.

Brunei in India’s AEP

Brunei is an important player for India *vis-à-vis* the implementation of AEP in multiple fields, and PM Modi’s visit to that country further highlighted this fact. First, Brunei hosts the Indian Space Research Organisation’s (ISRO) Telemetry Tracking and Command (TTC) Station since 2000 under a Memorandum of Understanding (MoU) signed between the two countries. The ISRO TTC Network (ISTRAC) “provides tracking support for all the satellite and launch vehicle missions of ISRO, from launch vehicle lift-off till injection of satellite into orbit”.¹ To that effect, the ISRO has developed ground stations in many places in India and neighbouring nations, including Mauritius, Indonesia and Brunei. PM Modi appreciated Brunei’s cooperation in the space arena and renewed the MoU “welcoming further cooperation in the areas of mutual interest”² during the visit.

Even Brunei has recognised the importance of the space domain in its Defence White Paper (DWP) 2021, which states that ‘in the military context, Brunei Darussalam will continue to have a reliance on space to provide communication and navigational connectivity’.³ Accordingly, Bruneian candidates have participated in a course on the design of nano-satellites conducted by ISRO in 2019.⁴ India and Brunei have also decided to strengthen cooperation in satellite development and remote sensing.⁵

Second, India–Brunei defence relations are robust and include ‘official level defence exchanges, visit of naval and coast guard ships, training and joint exercises and participation in each other’s defence exhibitions/expositions’.⁶ Indian naval diplomacy is a prominent part of bilateral defence engagement, with regular port calls by naval and coast guard ships to Brunei and vice versa. With its geographic location within the contested South China Sea, the port calls assume greater significance. There is a healthy exchange of military officers in each other’s defence courses.

Additionally, DWP 2021 has expressed a desire to be self-reliant which ‘provides further opportunities to engage, cooperate and collaborate together with current and new partners and friends in the future’.⁷ Further, it wants to ‘phase out legacy capabilities, and replaces them with capable types that can competently meet the security challenges’.⁸ This vision in the DWP 2021 is supported by the allocation of funds for the defence ministry. The year 2024 saw an increase of 31 per cent in funds

¹ [“Indian Space Research Organisation”](#), Department of Space, Government of India.

² [“Joint Statement on an Enhanced Partnership between the Republic of India and Brunei Darussalam”](#), Ministry of External Affairs, Government of India, 4 September 2024.

³ [“Defence White Paper 2021”](#), Ministry of Defence of Brunei Darussalam, 2021.

⁴ [“India-Brunei Bilateral Brief”](#), High Commission of India, Brunei Darussalam, 12 June 2024.

⁵ [“We Have Decided to Give Enhanced Partnership Status to India-Brunei Ties: PM Modi”](#), *DD News*, 4 September 2024.

⁶ [“India-Brunei Bilateral Brief”](#), no. 4.

⁷ [“Defence White Paper 2021”](#), no. 3.

⁸ *Ibid.*

over the last year.⁹ As India is emerging as a reliable defence exporter with an increase of 32.5 per cent in exports over the last year,¹⁰ Brunei can look up to India to achieve its target of building a modern defence force by 2035.

Brunei and India have an existing Defence Cooperation MoU, which was extended for five years in 2021.¹¹ This can be put to the best use by increasing defence cooperation between both countries. PM Modi remarked during the visit that both sides “took positive views on the possibilities of defence industry training and capacity building”.¹² In 2022, Brunei ordered C295 transport aircraft from Airbus. Two aircraft were delivered earlier this year. Even India has ordered C295 transport aircraft, and Airbus has teamed up with Tata Advanced System to manufacture and assemble some of these in India. The similarity of hardware opens up the possibility of training and maintenance cooperation between the two nations, as India has a history of such cooperation with Southeast Asian countries, India, for instance, has trained Malaysian pilots for Mig-29 aircraft and Vietnamese submariners for Kilo-class submarines.

Third, Brunei hosts a vibrant Indian community—about 14,500 Indians out of 4.5 lakh population. Nearly half are semi and unskilled blue-collar workers in the oil and gas and construction industries. The remaining half are highly skilled professionals, including doctors, engineers, teachers and Information Technology (IT) professionals, who are well respected in Bruneian society.¹³ Sultan Bolkiah appreciated “the valuable contributions of the Indian community across various professions in the country to its socio-economic and national development” during Modi’s visit.¹⁴ The Indian government has recognised the contributions of the Indian community by conferring the prestigious Pravasi Bharatiya Samman awards on more than one occasion, the latest in 2023.¹⁵ The robust India–Brunei relations contribute to strengthening people-to-people relations and the well-being of the Indian diaspora in that country.

India in Brunei’s Strategic Calculations

As seen earlier, India is playing a benign role in fulfilling Brunei’s space aspirations, and its role can further be enlarged according to Brunei’s national requirements.

⁹ Gordon Arthur, “[Brunei Defence Budget Surges by 32%, with Focus on Intel, Targeting](#)”, *Defence News*, 7 March 2024.

¹⁰ “[Defence Exports Touch Record Rs 21,083 crore in FY 2023-24, An Increase of 32.5% Over Last Fiscal; Private Sector Contributes 60%, DPSUs - 40%](#)”, Press Information Bureau, Ministry of Defence, Government of India, 1 April 2024.

¹¹ “[India-Brunei Bilateral Relations](#)”, High Commission of India, Brunei Darussalam, November 2022.

¹² “[We Have Decided to Give Enhanced Partnership Status to India-Brunei Ties: PM Modi](#)”, no. 5.

¹³ “[India-Brunei Bilateral Brief](#)”, no. 4.

¹⁴ “[Joint Statement on an Enhanced Partnership between the Republic of India and Brunei Darussalam](#)”, no. 2.

¹⁵ “[India-Brunei Bilateral Brief](#)”, no. 4.

New Delhi also holds the potential to play an important role in the Bruneian defence industry. Currently, Brunei does not feature in India’s defence export destinations, although Indian defence exports reach 84 countries across the globe.¹⁶ The two countries are using established mechanisms to advance their bilateral relationship. In this regard, the Joint Committee Meeting for Foreign Office Consultations (FOC), established in 1995, held several meetings. In February 2021, External Affairs Minister Dr S. Jaishankar virtually met Dato Erywan Yusof, Minister of Foreign Affairs II of Brunei, to discuss issues of mutual interest.¹⁷ On the commercial side, India was one of the major importers of Bruneian crude oil, although it makes up a fraction of India’s total oil imports. However, after 2020, India’s oil imports decreased due to various factors. During the visit, PM Modi and PM Bolkiah “discussed the possibilities of long-term cooperation in Liquefied Natural Gas (LNG)” supplies.¹⁸

Brunei is looking to diversify its economy away from the fast-depleting hydrocarbons, whose fluctuating prices in the international market cause financial problems at home. The Sultanate is over-dependent on oil and gas revenues, constituting “over half of the country’s gross domestic product (GDP)”.¹⁹ Given the depletion of hydrocarbon sources, the regime understands that such dependence is not sustainable in the long term. In 2021, the government came up with an Economic Blueprint for Brunei Darussalam (the Blueprint) titled ‘Towards A Dynamic and Sustainable Economy’,²⁰ which was a complementary document to the broader vision of the ‘Wawasan Brunei 2035’²¹ (Brunei Vision 2035) published in 2007. The aim of Wawasan Brunei 2035 is to develop Brunei into a nation of highly educated and skilled people with the best quality of life and a sustainable economy. The Blueprint is more pointed in its goal of diverting the nation away from an oil-dependent economy.

Some of the areas under Six Aspirations that the Blueprint intends to focus on are Tourism, Info-communications and Technology (ICT), Services, Science and Technology, Skilling Sustainable Environment and Infrastructure, among others. India can play a major role in these areas, helping Brunei achieve its Blueprint’s objectives. Modi and Bolkiah welcomed direct flight connectivity between Chennai and Bandar Seri Begawan to boost tourism and people-to-people connections. It is worth noting that other Southeast Asian countries like Vietnam and Cambodia have been able to attract more Indian tourists once direct air connectivity was established with New Delhi. In the case of Vietnam, the number of tourists more than doubled

¹⁶ [“Indian Defence Goes Global”](#), Department of Defence Production, Ministry of Defence, Government of India, 2020.

¹⁷ [“India-Brunei Bilateral Brief”](#), no. 4.

¹⁸ [“We Have Decided to Give Enhanced Partnership Status to India-Brunei Ties: PM Modi”](#), no. 5.

¹⁹ James Fox, [“Moving Away from Oil: How can Brunei Diversify Its Economy?”](#), ASEAN Briefing, 23 May 2022.

²⁰ [“Economic Blueprint for Brunei Darussalam”](#), Ministry of Finance and Economy, Brunei Darussalam, 2020.

²¹ [“Wawasan Brunei 2035”](#), Government of Brunei.

in 2023, as compared to 2019, when direct flights were announced.²² The first three months of 2024 have seen a whopping 248 per cent increase in Indian travellers to Vietnam compared to 2019.²³ Although direct flight connectivity cannot be the sole reason for the increase in footfall of Indians, it is, nevertheless, one of the most important reasons for the same, as recognised by Cambodian tourism stakeholders.²⁴ Phnom Penh began direct flights to New Delhi in June 2024, and there has already been an increase of 20 per cent in Indian tourists.²⁵ Brunei, too, has a high potential to attract Indian tourists with direct air connectivity.

There is existing strong cooperation on capacity-building between the two nations. The Indian Technical and Economic Cooperation Programme (ITEC), the capacity-building platform of the Ministry of External Affairs, provides two slots for Bruneians every year. So far, 68 Brunei nationals have attended various courses, and several have also attended e-ITEC programmes,²⁶ which was appreciated by Sultan Bolkiah.²⁷ India has taken several multilateral initiatives, such as the International Solar Alliance (ISA), the Coalition for Disaster Resilient Infrastructure (CDRI) and the Global Bio-fuel Alliance (GBA), to fight climate change. Brunei may want to join these initiatives in the future to achieve its goals regarding Sustainable Environment. Brunei itself is hosting the ASEAN Centre for Climate Change, which was appreciated by Modi.²⁸ Thus, there are multiple areas where India–Brunei partnership can be useful to achieve each other’s regional and developmental goals.

Brunei in the Contested Indo-Pacific

Brunei’s DWP 2021 correctly recognises the shifts taking place in the global order, with the US and China emerging as key players. While the US is an established major power, China is trying to compete with the US for global stature. However, the process is not yet complete. Thus, there is a flux in the international order with a degree of tension between the two major powers. At some point in the future, the smaller powers will have to choose sides, although that is not a desirable scenario. Brunei would like to maintain good relations with the US and China simultaneously, although that would amount to walking a tightrope.

DWP 2021 notes that ‘Brunei Darussalam will need to work ever closer with both the US and China to realise its own national development. Navigating a path will be

²² [“India Becomes Promising Tourist Source for Vietnam”](#), *VnExpress*, 5 July 2024.

²³ [“Vietnam Has Advantages to Attract Indian Tourists: Experts”](#), *Vietnam Plus*, 17 July 2024.

²⁴ Jigme Palden Pazo, [“Kingdom Turns Gaze to India to Propel Tourism”](#), *Khmer Times*, 18 July 2024.

²⁵ *Ibid.*

²⁶ [“India-Brunei Bilateral Brief”](#), no. 4.

²⁷ [“Joint Statement on an Enhanced Partnership between the Republic of India and Brunei Darussalam”](#), no. 2.

²⁸ *Ibid.*

complex, and at times, tense’.²⁹ The White Paper further predicts the rise of Middle Powers on the global stage, making for a multipolar world order, which will permit ‘smaller nations to hold positions of relative influence, as Major or Middle Powers seek to engage with these nations’.³⁰ Thus, Brunei favours the emergence of the Middle Powers, which gives space to manoeuvre in the emerging world order.

There are certain convergences between India and Brunei *vis-à-vis* the principles guiding the international order. Both countries believe in the rules-based international order that respects international law. The joint statement issued during Modi’s visit notes that ‘the leaders upheld that adherence to a rules-based international system is imperative to ensuring peace and development’.³¹ The two countries keep ASEAN centrality at the heart of their diplomacy towards the region. Modi had spoken about ASEAN centrality being at the centre of India’s Indo-Pacific vision in a keynote address at the Shangri-La Dialogue in 2018.³² In the same vein, the DWP 2021 states that the ‘ASEAN sits at the heart of Brunei Darussalam’s multilateral engagements in the Defence and Security domain’.³³ Just like India, Brunei also believes in multilateralism and during Modi’s visit ‘both leaders agreed to work together for enhanced multilateralism reflective of contemporary realities’.³⁴

Brunei is one of the claimants in the South China Sea (SCS) dispute, where four Southeast Asian nations, along with Taiwan and China, have overlapping territorial claims. China claims a large chunk of the SCS, encompassing all other claimants’ Exclusive Economic Zone (EEZ). China has further reclaimed many maritime features to create artificial islands that are used for military purposes. DWP 2021 expresses grave concern regarding the same. It notes

Militarisation of maritime features will continue to be of grave concern as the reach of nations expand well beyond their own mainland shorelines and recognised Economic Exclusive Zones (EEZs)... Left unchecked, the situation will only worsen.³⁵

The White Paper is clear about observing international law by regional actors—the United Nations Convention on the Law of the Sea (UNCLOS) in the case of maritime affairs—to maintain stability in the SCS. Although Brunei has maritime claims in the surrounding seas, it has never aggressively asserted those claims using force. Rather, the country’s approach is to quietly resolve legacy maritime issues. The

²⁹ [“Defence White Paper 2021”](#), no. 3.

³⁰ Ibid.

³¹ [“Joint Statement on an Enhanced Partnership between the Republic of India and Brunei Darussalam”](#), no. 2.

³² [“Prime Minister’s Keynote Address at Shangri La Dialogue”](#), Ministry of External Affairs, Government of India, 1 June 2018.

³³ [“Defence White Paper 2021”](#), no. 3.

³⁴ [“Joint Statement on an Enhanced Partnership between the Republic of India and Brunei Darussalam”](#), no. 2.

³⁵ [“Defence White Paper 2021”](#), no. 3.

maritime dispute with Malaysia regarding Kikeh block and Louisa Reef was resolved amicably in 2009.³⁶

Thus, strict adherence to international law is another point of convergence between India and Brunei, which was reflected in the joint statement. The Joint Statement further notes that

Both leaders reiterated their commitment to maintaining and promoting peace, stability, maritime safety and security, as well as respecting freedom of navigation and overflight and unimpeded lawful commerce, consistent with international law, notably UNCLOS, 1982. The leaders also urged all parties to resolve disputes through peaceful means in accordance with international law, particularly UNCLOS 1982.³⁷

India has walked the talk regarding its maritime dispute with Bangladesh. When the Permanent Court of Arbitration (PCA) awarded a verdict in 2014 on the dispute regarding the delimitation of the maritime boundary between India and Bangladesh, New Delhi quietly accepted it and implemented the same despite being allocated a smaller portion of the 25,602 sq. km sea area of the Bay of Bengal.³⁸

Conclusion

PM Modi’s visit to Brunei was part of India’s broader approach towards Southeast Asia that stresses enhanced high-level engagements with the region. It was also a long overdue visit from the Indian side that elevated the relationship to an ‘enhanced partnership’. Brunei is important for India from the point of view of space, defence and energy sectors. The Sultanate also hosts a large Indian diaspora, an important bridge between the two countries. In the space and defence sector, India has a huge scope to play an enlarged role. India can also be an essential player in Brunei’s quest to diversify its economy away from hydrocarbons. Tourism, ICT, sustainable development, and capacity building are some low-hanging fruits that can be leveraged to further the bilateral relationship. With direct flights commencing between the two countries, Brunei is likely to see an increased Indian footprint in the near future. The two countries have convergent views on observing international law, ASEAN centrality while dealing with the region and the importance of multilateralism. Brunei supports emerging powers like India, which gives itself more room for diplomatic manoeuvring. Moreover, India presents itself as an option beyond the binary of the US and China. Therefore, through PM Modi’s visit to Brunei, India took AEP a step further.

³⁶ [“Country Profile from the Maritime Awareness Project: Brunei”](#), The National Bureau of Asian Research.

³⁷ [“Joint Statement on an Enhanced Partnership between the Republic of India and Brunei Darussalam”](#), no. 2.

³⁸ Haroon Habib, [“Bangladesh Wins Maritime Dispute with India”](#), *The Hindu*, 9 July 2014.

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