



## **Keynote Address**

**Yang Mulia**

**Dayang Hajah Rashidah binti Haji Sabtu**

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**China-ASEAN Financial Cooperation and Development Forum  
Organizing Committee**

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Distinguished guests,  
Respected speakers,  
Ladies and gentlemen.

Assalamualaikum warrahmatulahi wabarakatuh to our Muslim colleagues and good morning.

1. I am very honoured to join you today at the annual China-ASEAN Financial Cooperation and Development Forum, marking my first time attending this event as well as my first visit to Nanning, China— a green city fuelling digital innovation. I would like to extend my sincere appreciation to the China-ASEAN Financial Cooperation and Development Forum Organising Committee for the invitation and opportunity to deliver my remarks this morning.
2. Over recent decades, ASEAN and China have achieved remarkable economic growth and deepened their financial and trade linkages. Economic growth for both China and the ASEAN region is projected to exceed 4% in 2025 and 2026, highlighting their resilience amidst ongoing external headwinds. As the global economy evolves, our cooperation must also advance beyond traditional trade and investments, adapting proactively to emerging or new challenges and opportunities.
3. One promising opportunity lies in intelligent digital transformation, which leverages artificial intelligence (AI) and big data analytics to go beyond traditional approaches. AI has the potential to revolutionise the financial services industry by redefining risk management practices, enhancing operational efficiency and delivering a highly personalised customer experience. Looking ahead, the sector is transitioning towards Agentic AI, a new paradigm in which autonomous agents can independently analyse data and execute complex tasks with minimal human intervention, unlocking significant operational efficiencies and competitive advantages.
4. Within the financial industry, the payments sector has long been at the forefront of this rapid transformation. Latest technological advances have fueled growth in innovative payment services – from digital wallets to the use of digital assets, such as privately issued digital tokens, and the exploration of central bank digital currencies. Alongside these, we are also seeing more countries modernising their payment infrastructure to facilitate cross-border payment linkages. In the ASEAN region, substantial progress has been made, with 26 operational linkages enhancing transactions within ASEAN

economies and its key economic partners, including China. With estimates indicating a growing digital economy of up to USD1 trillion by 2030 in ASEAN, from USD300 billion today, these developments present extraordinary opportunities to drive growth and benefit more than 2 billion people within the ASEAN-China context.

Esteemed guests, ladies and gentlemen,

5. Brunei Darussalam continues to enjoy longstanding relations with China, both as a member of ASEAN and through our bilateral ties. Since the establishment of diplomatic relations in 1991, our partnership has strengthened steadily, as reflected in our growing bilateral trade, which reached USD2.8 billion in 2024, making China one of our largest trading partners. The Strategic Cooperative Partnership between Brunei Darussalam and China, initiated in 2018, has supported significant contributions to our economic diversification efforts. On this note, I am pleased to share that during the occasion of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam's state visit to the People's Republic of China in February 2025, our state leaders have further affirmed their commitment to advancing this enduring relationship.
6. As a small nation at the heart of Southeast Asia, Brunei Darussalam is well-positioned for foreign investors seeking opportunities in Brunei Darussalam and across the broader ASEAN region. Over the years, we have continuously invested in a modern infrastructure and developed the skills and talent of our people to build a dynamic and sustainable economy. These efforts have yielded a highly literate and skilled workforce, a critical advantage for investors wishing to enter our economy. As part of the country's economic diversification efforts, the Government of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam has identified five key priority sectors, namely downstream oil and gas, food production, tourism, ICT, and services. It is thus in our vested interest to build an export-driven digital economy powered by innovation. In particular, the country envisions transforming the ICT Sector from a TelCo-dominated sector into a vibrant digital ecosystem that includes financial services, food delivery, and digital government services, to name a few.
7. In line with the country's commitment to digital transformation, investments have been made towards building the country's digital infrastructure. Today, 96% of our populated areas are equipped with 5G and fibre optic connectivity, and mobile subscription rates have reached 127%. Another landmark achievement was the recent launch of our

national instant payment system, called Tarus, which enables interoperable real-time money transfers domestically and, eventually, real-time cross-border transactions. I am pleased to share that BDCB is a signatory to the Regional Payment Connectivity, a Memorandum of Understanding among ASEAN nations, cementing our commitment to developing cross-border linkages with our regional neighbours.

8. The benefits of a digital economy can only be harnessed with a solid regulatory environment. In Brunei Darussalam, the introduction of the Personal Data Protection Order and the Cybersecurity Act mark a step in the right direction in fostering public trust in our digital ecosystem. The Government is also taking bold measures to ensure the responsible adoption of AI with the publication of the Guide on AI Governance and Ethics for Brunei Darussalam in April this year, with the forthcoming National AI Strategy currently under development.
9. Similarly, central banks play a crucial role in fostering responsible innovation that fits the needs of the economy and its people. For BDCB, our commitment to drive such responsible innovation is evident through the introduction of the FinTech regulatory sandbox framework in 2017. This framework has enabled both local and foreign companies to test their solutions, such as digital remittance, digital payments, a peer-to-peer lending platform, and virtual customer onboarding, among others, within a relaxed regulatory environment for a specific period. This forward-looking approach ensures that our regulatory regime keeps pace with innovation while mitigating potential risks to overall financial stability. I am happy to share that one of the successful innovations tested in the sandbox was a payment solution integrating Alipay for Brunei-based businesses, which continue to benefit foreign visitors entering Brunei Darussalam today. In further enriching the FinTech ecosystem, the launch of the Mekar FinTech Innovation Centre and FinTech.BN, our national FinTech association, are set to promote stronger collaboration amongst the FinTech community in Brunei Darussalam. Looking ahead, BDCB recognises that digital transformation will continue to be crucial in ensuring the competitiveness of our financial sector. As such, the exploration of digital assets and open finance for financial development and ultimately economic growth will be our key strategic focus for the next decade.

Esteemed guests, ladies and gentlemen,

10. BDCB views digitalisation not only as a strategic priority but also as an opportunity for collaboration between Brunei Darussalam and China. China's digital economy has experienced rapid growth and now stands at the forefront of global technological advancements. As Brunei Darussalam advances its own digital transformation, we have much to learn from China's extensive experience. With a digital economy poised for further growth, Brunei Darussalam is carving out a niche in Islamic financial services, including FinTech and innovative solutions, offering investors a unique platform to innovate and scale across the broader ASEAN market. As digital financial services continue to grow, strengthening our people's digital financial literacy will be vital to build greater confidence and participation in the digital economy. Lessons from China's leadership in digital payments will be valuable as we shape a more dynamic and sustainable future.
11. In closing, the pace of innovation shows no signs of slowing. Advancements in technologies will continue to transform industries, including the financial industry, demanding new approaches in managing risk and innovation. Central banks must not navigate this journey alone. Events such as today provide us with the platform to deepen our knowledge and to build meaningful partnerships, particularly with the China-ASEAN community. The digital economy holds untapped potential in the ASEAN market, and Brunei Darussalam stands ready to serve as a hub where investors and business leaders can converge to explore growth opportunities in the region.

Thank you, and I wish everyone a productive and insightful forum.