Remarks at MOU Signing Between The Export-Import Bank Of the U.S. and the Brunei Energy Department

Selamat pagi Pehin Jasmin, Dato Jamain (JA-MINE), Dato Matsatejo, Dato Ali, Your Excellency Malaysian Minister of Energy Ongkili, U.S. Embassy Charge D’Affairs Melinda Pavek, members of the Energy Department of the Prime Minister’s Office and Petroleum Brunei, and distinguished guests. May I especially extend my appreciation and congratulations to Pehin Jasmin for his outstanding leadership and vision in organizing Energy Week! I understand that His Majesty the Sultan spent almost three hours yesterday at the energy trade show and job fair – a real testament to the significance of Energy Week.

It is an honor to be here today in beautiful Brunei on this important occasion. It reminds me of my home in Hawaii – though we don’t have Brunei’s water village and proboscis monkeys, both of which I saw on Sunday.
Over the last few years, Brunei has undertaken a key leadership role in the ASEAN region. Brunei joined TPP and has been an important voice --- resolving issues in a timely manner and focusing on the end-goal: the strong positive economic benefits the agreement will bring to the Brunei economy and its people. Last year it hosted the ASEAN East Asia Summit. And in 2012 Brunei, along with the U.S. and Indonesia, served as a founding partner of the U.S.-Asia Pacific Comprehensive Partnership for a Sustainable Energy Future (USACEP). President Obama, His Majesty the Sultan of Brunei and Indonesian President Yudhoyono, announced this Partnership. It offers a framework for consolidating and expanding energy and environmental cooperation across existing regional forums to advance efforts to ensure affordable, secure, and cleaner energy supplies for the region. Like Brunei, Ex-Im is a founding player – having offered $5 billion in financing.

For Ex-Im, today’s MOU builds upon a relationship with Brunei that traces back 44 years. In fact, our first transaction on the books dates to 1970 and was a $14 million loan to Brunei LNG Ltd. The credit supported the purchase of U.S. equipment and services for a LNG plant here. More loans followed.

Today’s Memorandum of Understanding, or MOU, between the Energy Department in the Prime Minister’s Office (EDPMO) and The Export-
Import Bank of the United States expands joint cooperation on trade and business opportunities in Brunei and within the region. EDPMO and ExIm will exchange information and explore options for utilizing up to $1 billion in Ex-Im Bank financing for U.S. products and services in renewable energy, connectivity, natural gas and sustainable energy development projects. We will consider financing both medium and long term loan guarantees as well as direct dollar loans in the Asia Pacific region. The MOU, for example, is expected to contribute to intra-ASEAN project development in accordance with USACEP principles.

This MOU is win-win. Because Ex-Im can finance up to 30 percent in local costs, this collaboration can foster more jobs on both sides of the Pacific – for both US exporters and for Brunei buyers. Further, World Bank statistics indicate that U.S. investment in infrastructure can increase the annual GDP growth rate in ASEAN nations by as much as three percentage points.

As of 2013, more than 42 percent of Brunei’s population was under the age of 25. With such a young citizenry, Brunei continues to explore new and innovative ways to produce and distribute energy both for domestic and international markets, to utilize energy more efficiently, and to develop a plan for sustainable energy. This is a green generation.
Further, growing expertise and jobs in the energy sector will afford Brunei more economic development opportunities.

The MOU is, of course, just the first step. The real benefits to both of our countries will accrue when specific projects are implemented.

We look forward to supporting Brunei’s procurement of U.S. products and services for exploration, diversification of energy production, and export of its energy products. When Ex-Im’s Board approves bankable projects, the full faith and credit of the United States government will be behind these transactions.

In closing, thank you again. As President Kennedy said, “A rising tide lifts all boats.” We look forward to continued mutual cooperation and mutual benefit among U.S. exporters, international buyers and Ex-Im.

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