

**PERSIDANGAN KEBANGSAAN MENGENAI MASYARAKAT BERMAKLUMAT  
NATIONAL SUMMIT ON INFORMATION SOCIETY (NASIS)  
7 – 8 SEPTEMBER 2005  
INTERNATIONAL CONVENTION CENTER, BRUNEI DARUSSALAM**

---

---

**Date of issue: 6<sup>th</sup> September 2005**

**Doc. S2-4**

**Session 2: Enabling Environment and Policies**

**Funding ICT SMEs – are banks willing to help?**

**by Haji Rajali Haji Abu Bakar,  
Corporate Financing Manager  
Islamic Development Bank of Brunei**

**(Thursday, 8<sup>th</sup> September 2005, 8.15am – 10.00am)**

---

---



## Corporate Financing Products and Facilities

Tuesday, September 06, 2005

1

## *The Bank's Objectives*

The main of objectives of IDBB are:-

- To diversify the overall banking activities in Negara Brunei Darussalam
- To play it's dual role of providing both Commercial Banking activities and Development Financing, based on Syari'ah principles.
- To satisfy the Bank customers, employees and maximize shareholders value through consistent earnings, in compliance with the Syari'ah principles.

Tuesday, September 06, 2005

2

## ***The Corporate Banking Division : Responsibilities & Objectives***

The Corporate Banking Division comprised of two main Units, the Corporate & Trade Financing Unit and the SME Service Center.

The responsibilities and objectives are :-

- To provide financing and investment facilities to the Bank's Corporate and SMEs customers, including other financial services such as business advisory and training .
- Responsible in the assessment and implementation of structural finance to suit the financial and investment needs of the Bank and its customer.
- Implementation of the SME Financing Scheme under the Enterprise Facilitation Scheme and Micro Credit Financing Scheme

Tuesday, September 06, 2005

3

## ***Who do we financed ?***

- Company registered and incorporated in Negara Brunei Darussalam.(sole proprietor/partnership/limited company/joint venture company/cooperatives).
- Company expanding or diversifying its business, upgrading its equipments and machineries or about to set up a business.
- The project/business to be implemented must be Syariah compliance and in line with the country's economic development policy.
- Business/project must be technically and economically viable and profitable and have good prospects of achieving a profitable operation with debt servicing capabilities.
- Company/shareholders/owners/directors are not blacklisted legally or by Banks.

Tuesday, September 06, 2005

4

## ***What are the types of facility?***

- Term Financing under the concept of Bai Bithaman Aajil.
- Short Term Financing under the concept of Bai Bithaman Aajil Naqad (overdraft).
- Leasing under the concept of Al-Ijarah.
- Equity financing financing under the concept of Musyarakah.(Joint venture)
- Trade financing under the concept of Al-Wakalah and Murabahah.
- Bank guarantees for labour, performance bond, tender .

Tuesday, September 06, 2005

5

## ***What are the purpose of the facilities?***

The facilities provided are mainly for:-

- The working capital of the company.
- To purchase raw materials & equipments etc.
- Contract financing
- Project financing
- Any other requirement for the company's business

Financing can be done through direct financing, equity financing, or end-financing.

The purpose MUST be in accordance to Syariah's principles.

Tuesday, September 06, 2005

6

## ***How much is the financing amount?***

The Financing amount is subject to:-

- The type of Financing Schemes
- The business or project requirement
- Revenue and income from the business/project
- Financial assessment by IDBB
- Security or collateral pledged
- Type of product and facility

Tuesday, September 06, 2005

7

## ***How long is the financing period?***

The repayment period of financing is subject to :-

- The type of Financing Schemes
- Type of facility or product
- Type of business / project
- The payment period from the business / project
- Completion period of the project

Tuesday, September 06, 2005

8

## ***How much is the Profit Rate?***

The profit rate is subject to:-

- Type of financing Schemes
- Type of business / project
- Risk of the business / project
- Type of facility
- Security / collateral
- 4% per annum for the Enterprise Facilitation Scheme/Microcredit Scheme
- Between 7 % to 9 % for the Corporate financing scheme

Tuesday, September 06, 2005

9

## ***What are the Security / Collateral needed?***

Depending on the type of Financing Schemes and the type of project or business proposal, the financing extended has to be secured by either or combination of the following:-

- Mortgage on land and property
- Personal / joint and several guarantees/ corporate guarantee
- Investment Deposit Account
- Other acceptable security(s) may be considered on exceptional cases

Tuesday, September 06, 2005

10

## ***What are the information needed?***

Sufficient basic information on the financing proposal is required in order to assess the merits of the application.

Information required to be submitted with the standard application form are:-

- Business plan or project proposal
- Company's profile
- Corporate and management information
- Company certificate of registration
- Memorandum & Articles of Association (Limited Company)
- Company's resolution (Limited Company)
- List of Directors/shareholders
- Copies of Identity cards (applicants/ Directors/guarantors)
- Investment cost
- Financial statements (Balance sheet/Profit & Loss/ Income Statement)
- Existing and projected cash flow
- Market review
- Other relevant information as required by the Bank

Tuesday, September 06, 2005

11

## ***Processing Procedures***

- All information will be treated in the strictest confidence and negotiations will be undertaken with the applicants or their authorized representatives only.
- Applicants are advised to discuss their proposals with the Bank's Corporate Financing Officer before submitting formal application.
- The application form must be fully completed and all relevant information or attachments required must be enclosed upon submission.
- Timeframe of the processing depends on full submission of all requirements.

Tuesday, September 06, 2005

12

## Further Information

### Please contact:-

#### Head Quarters

#### Corporate & Trade Financing Unit

Ground Floor,  
Komplek Setia Kenangan  
Kg Kiulap  
Tel: 2223430 ext.123 & 125  
Fax : 2232521

#### Bank Branches

- **Sengkurong**  
Tel: 2661614 / 2661506
- **Kuala Belait**  
Tel: 3330626 / 3330627
- **Delima, Serusop**  
Tel: 2334553 / 2334531
- **The Mall, Gadong**  
Tel: 2421597 / 2421598

Tuesday, September 06, 2005

13

## Thank You



Islamic Development Bank  
of Brunei Berhad

*'Your Friendly Banker'*

Tuesday, September 06, 2005

14