

Enabling Social Innovation in Brunei

Country Snapshot

Social innovation: "the processes and outcomes of developing novel approaches to address societal challenges facing people and planet." ↓

This snapshot represents a descriptive, non-exhaustive overview of key highlights from Brunei's social innovation ecosystem.

✓ Direct focus on social innovation ⌘ Connected but indirect focus on social innovation ✗ No focus on social innovation

INSTITUTIONAL FRAMEWORK

Official Definition of Social Innovation ⌘

Brunei has **no formal legal definition** of social innovation or social enterprise. In practice, government discourse increasingly uses *social enterprise* to describe organisations applying commercial approaches to achieve social or environmental outcomes while remaining financially sustainable. This framing aligns with national development objectives under **Wawasan Brunei 2035**, particularly quality of life, human capital development, and economic sustainability.

Government Body for Social Innovation ✓

There is **no single dedicated government agency** for social innovation. Responsibility is distributed across several bodies:

- **Darussalam Enterprise (DARE)** (est. 2016) serves as the national SME agency, indirectly supporting social entrepreneurs through incubation, training, financing facilitation, and market access.
- **The Ministry of Culture, Youth and Sports (MCYS)** plays a coordinating role for youth entrepreneurship and community initiatives.
- **Yayasan Sultan Haji Hassanal Bolkiah (YSHHB)** has emerged as a key quasi-institutional actor. In 2019, it established a **Social Enterprise Committee** to mentor and incubate social enterprises addressing unemployment and poverty—Brunei's first dedicated platform of this kind.

Government Strategy for Social Innovation ✓

Brunei does not have a standalone social innovation strategy. Relevant priorities are embedded in broader frameworks:

- **Wawasan Brunei 2035** emphasises inclusive development, skills, and a dynamic economy.
- The **National Youth Policy and Strategy 2020–2035** promotes youth entrepreneurship, volunteerism, and community engagement.

Senior officials have publicly recognised social enterprise as aligned with national objectives, signalling growing political legitimacy despite the absence of a dedicated strategy

Policies, Laws & Regulations ✓ ⌘

There are **no social-innovation-specific laws** or legal forms for social enterprises. Organisations register as companies, associations, or charitable trusts.

Indirect enablers include:

- Business-entry reforms (e.g. simplified licensing since 2016), benefiting micro-enterprises including socially driven ventures.
- SME and innovation policies under the **Economic Blueprint (2021)**.
- Endorsement of the **Bandar Seri Begawan Declaration on Youth Volunteerism and Entrepreneurship (2013)** at ASEAN level.
- Islamic institutions (zakat, waqf) support social welfare objectives but are not formally linked to social enterprise policy.

Official Statistics

Brunei does **not** collect official statistics on social innovation or social enterprises. Available indicators highlight underlying social challenges:

- Youth unemployment remains high (\approx 18.5% in 2024, ILO estimates).
- Poverty is low in aggregate but persistent among specific groups, prompting the creation of the [Sistem Kebajikan Negara](#) welfare database.
- Given the strong welfare state, the social enterprise sector remains small (anecdotal estimates suggest only a few dozen active initiatives).

Government Programs

No programs are explicitly branded as social innovation, but several entrepreneurship and community initiatives have social relevance:

- **National [Entrepreneurship Agenda](#)** programs (e.g. Startup Bootcamps, Community Incubation Program, Entrepreneurship Village).
- **Youth Entrepreneurship Ecosystem (YEE)**, including co-matching grants (up to BND 20,000), mentoring networks, and subsidised training.
- **i-Usahawan** public procurement scheme reserving small government contracts for youth-led businesses.
- YSHHB capacity-building workshops (e.g. Heart of the Community series).
- These initiatives indirectly support social enterprises, particularly youth- and community-based models.

ECOSYSTEM

Stakeholders

Brunei's ecosystem is small, centralised, and relationship-driven, with notable actors including:

- **Yayasan Sultan Haji Hassanal Bolkiah (YSHHB)** – incubator and convenor for social enterprises focused on poverty and employment.
- **Darussalam Enterprise (DARe)** – primary SME support institution; represents Brunei in regional social enterprise forums.
- **Society for Community Outreach and Training (SCOT)** – youth-led NGO transitioning toward social enterprise models addressing poverty and food security.
- **Green Brunei** – environmental social enterprise promoting sustainability education and youth engagement.
- **An-Nur Harapan** – Brunei's first dedicated social enterprise (2018), operating UnikLearn, a vocational program for differently-abled youth with strong employment outcomes.
- **Big BWN Project** – youth-driven social enterprise with over 180 community projects and multiple ASEAN-level awards.
- **Project Women Brunei** – social enterprise advancing women's empowerment and gender awareness.

Support Initiatives

Support infrastructure is **shared with the broader entrepreneurship ecosystem**:

- **iCentre** (now under DARe) provides incubation and co-working for startups, including socially oriented tech solutions.
- Universities (UBD, UTB) integrate innovation and entrepreneurship through competitions and experiential learning.
- YSHHB provides ad-hoc incubation-style support for social enterprises.
- Regional exposure via ASEAN and Commonwealth programs supplements limited domestic capacity.

Collaboration

Collaboration typically takes the form of **public–private and community partnerships**:

- Government–NGO initiatives such as SCOT’s *Social Kitchen* (supporting single mothers during Ramadan).
- Corporate CSR partnerships (e.g. Shell LiveWIRE Brunei; Bank Islam Brunei Darussalam’s *Community for Brunei* digital platform).
- ASEAN-level collaboration through youth volunteerism and social enterprise forums.

Events & Awards

Key visibility mechanisms include:

- **National Youth Day**, showcasing youth-led social and entrepreneurial initiatives and conferring royal awards.
- **BICTA** and **CIPTA** innovation awards, including socially beneficial technologies.
- Regional recognition via **ASEAN Business Awards and Commonwealth Points of Light Award**, reinforcing legitimacy and aspiration.

FINANCE

Financing Schemes

Brunei lacks dedicated social-innovation finance but offers **general MSME and community funding**:

- **Public grants** via DARE and MCYS (including YEE co-matching grants).
- **i-Usahawan** contracts providing revenue security for youth enterprises.
- **Islamic microfinance** products (e.g. BIBD micro-financing; TAIB interest-free loans linked to zakat objectives).
- **CSR and philanthropic funding** from corporates and YSHHB.
- Limited informal angel investment; **no domestic impact funds**. International funding remains marginal due to Brunei’s high-income status.

Financing Inclusivity

Financing schemes explicitly prioritise **youth, women, and vulnerable groups**. Islamic finance models enhance access for micro-entrepreneurs lacking collateral. While overall financial inclusion is high, entrepreneurial risk capital remains scarce.

SOCIETY

Public Awareness of Social Innovation

Public familiarity with the term “social innovation” is limited, but **practice-based awareness is rising**, particularly among youth. Media coverage increasingly highlights social enterprises and volunteer initiatives, often framed through entrepreneurship or civic duty rather than innovation discourse .

Research

There is **no dedicated social-innovation research centre**, but related research is emerging:

- **Universiti Brunei Darussalam** and **Centre for Strategic and Policy Studies** publish work on youth employment, volunteerism, and community resilience.
- Practitioner-led needs assessments by NGOs contribute applied knowledge.
- Brunei’s **Voluntary National Reviews (2020, 2023)** document social innovation-relevant initiatives.

Education & Human Capital

No degree programs focus exclusively on social innovation. However:

- Entrepreneurship education is expanding at tertiary level.
- Community service and volunteer requirements foster civic engagement.
- Youth organisations provide informal leadership and social entrepreneurship training.
- Moral foundations rooted in **Malay Islamic Monarchy (MIB)** reinforce social responsibility norms.

Entrepreneurship

66th / 82 countries

Business Environment:

EIU Business Environment Ranking 2020

88th / 139 countries

Innovation capacity

Global Innovation Index 2024



Social entrepreneurship prevalence

Entrepreneurship is improving but constrained by a dominant public sector, small market size, and risk aversion. Youth-led, socially motivated entrepreneurship is increasing but remains niche

Social & Environmental Consciousness



Solidarity

Strong informal solidarity rooted in religion and community norms



Political Participation:

Limited political participation under absolute monarchy governance

(EIU Democracy Index)



Volunteerism

Moderate volunteerism rates by global standards



Sustainability

Environmental performance is moderate; strong forest conservation contrasts with high per-capita emissions from oil dependency