



15th BRICS Summit

For Prelims: [BRICS](#), [New Development Bank](#)

For Mains: Groupings and Agreements, BRICS Summit,

Source: [TH](#)

Why in News?

The 15th [BRICS summit](#) hosted by South Africa in Johannesburg, holds significant importance against the backdrop of **geopolitical changes and global economic dynamics**.

- Notably, this summit marks the first in-person gathering since 2019 due to the [Covid -19 pandemic](#).
- The theme for the 15th BRICS Summit is **“BRICS and Africa: Partnership for Mutually Accelerated Growth, Sustainable Development and Inclusive Multilateralism”**.

What are the Key Highlights of the 15th BRICS Summit?

- **BRICS Expansion:**
 - BRICS marked its 15th summit by **expanding its membership from five to eleven countries**, reflecting a concerted effort to enhance its global standing.
 - **Egypt, Iran, Saudi Arabia, UAE, Ethiopia, and Argentina** joined the BRICS fold, amplifying the group's representation **across the Middle East, Africa, and South America**.
 - **Full membership will take effect on January 1, 2024.**
 - The original BRIC members had two things in common: **large economies, and high potential growth rates**.
 - The expanded BRICS-11 is a less coherent group; some are going through **crises, and others are thriving**. This could signal an expansion of the **agenda beyond economics**.
- **India's Stakes in the BRICS Summit:**
 - The summit is important for India, as it is the first in-person meeting since the **India-China military standoff at the [Line of Actual Control](#)**.
 - After the bilateral talks between the **Prime Minister (PM) of India and President of China**, both nations have agreed to step up efforts for the **disengagement of troops and de-escalation of tensions along the LAC**.
 - India played a key role in **drafting membership criteria and promoting strategic partnerships among new entrants**.
 - India leverages BRICS to expand its network of allies and enhance its geopolitical influence.
 - India sees BRICS as a **"non-western" rather than an "anti-western" group**, emphasizing the platform's diversity of perspectives.
 - India aims to enhance **cooperation with China and Russia for the Leader's**

declaration.

- The Indian PM proposed to establish a **BRICS space exploration consortium** to advance cooperation in the field of space technology and research.
- India called for BRICS collaboration under the [International Big Cat Alliance](#) in protecting the endangered big cats that live in their countries .
- **Geopolitical Context and Significance:**
 - The summit gains new importance as it follows the [Russian invasion of Ukraine in 2022, impacting global stability and security.](#)
 - BRICS discussions are perceived to carry a "**counter-western**" perspective.
 - Amidst attempts to "**isolate**" **Russia over the Ukraine conflict, BRICS deliberations gain importance.**
- **United Nations Reform:**
 - India and other BRICS members support comprehensive [reform of the United Nations](#), including the Security Council, to make it more democratic, representative, effective and efficient.
- **Climate Change:**
 - BRICS members agreed to **address the challenges posed by [climate change](#) while also ensuring a just, affordable and sustainable transition to a low-carbon and low-emission economy.**
 - The five nations called on developed countries to lead by example and support developing countries towards such transitions.
 - BRICS nations opposed trade barriers imposed by certain developed countries under the pretext of tackling climate change.

What is BRICS?

- **About:**
 - BRICS is an **acronym** for the grouping of the world's leading emerging economies, namely **Brazil, Russia, India, China, and South Africa.**
 - **In 2001**, the **British Economist Jim O'Neill** coined the term BRIC to describe the four emerging economies of Brazil, Russia, India, and China.
 - The grouping was **formalized** during the first meeting of BRIC Foreign Ministers in **2006**.
 - **South Africa was invited to join BRIC in December 2010**, after which the group adopted the acronym BRICS.
- **Share of BRICS:**
 - The BRICS brings together five of the largest developing countries of the world, representing **41% of the global population, 24% of the global GDP and 16 % of the global trade.**
- **Chairmanship:**
 - The **chairmanship of the forum is rotated annually** among the members, in accordance with the acronym B-R-I-C-S.
 - India hosted the chair for the 2021 BRICS Summit.
- **Initiatives of the BRICS:**
 - [New Development Bank:](#)
 - During the **Sixth BRICS Summit in Fortaleza (Brazil) in 2014**, the leaders signed the Agreement establishing the [New Development Bank \(NDB - Shanghai, China\).](#)
 - It has so far approved 70 infrastructure and sustainable development projects worth.
 - **Contingent Reserve Arrangement:**
 - In 2014, the **BRICS governments had signed a treaty on the setting up** of the contingent reserve arrangement
 - The arrangement is **aimed at forestalling short-term balance of payments pressures**, providing mutual support and strengthening the financial stability of the BRICS nations.
 - **Customs Agreements:**
 - Customs agreements were signed to **coordinate and ease trade transport** between BRICS countries
 - **Launched of Remote Sensing Satellite:**

- **In August 2021, the five space agencies signed an agreement on the Cooperation on BRICS Remote Sensing Satellite Constellation.**
 - The constellation is made up of six existing satellites: Gaofen-6 and Ziyuan III 02, both developed by China, CBERS-4, jointly developed by Brazil and China, Kanopus-V type, developed by Russia, and Resourcesat-2 and 2A, both developed by India.

UPSC Civil Services Examination, Previous Year Question (PYQ)

Q. Consider the following statements: (2016)

1. New Development Bank has been set up by APEC.
2. The headquarters of New Development Bank is in Shanghai.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans: (b)

Exp:

- The **New Development Bank (NDB)** was formed referred to as the **BRICS Development Bank**.
- It is a multilateral development bank established by the BRICS states (Brazil, Russia, India, China and South Africa). Hence, statement 1 is not correct.
- **The bank is headquartered in Shanghai, China.** Hence, statement 2 is correct.
- During the sixth BRICS Summit in Fortaleza (2014), the New Development Bank (NDB) was established by the Fortaleza Declaration to strengthen cooperation among BRICS and supplement the efforts of multilateral and regional financial institutions for global development.
- It had an initial authorized capital of US\$ 100 billion, with an initial subscribed capital of US\$ 50 billion, equally shared among founding members.
- **Therefore, option (b) is the correct answer.**