

14th BRICS Summit

June 27, 2022

In news– 14th BRICS Summit was convened under the Chairship of President Xi Jinping of China on 23-24 June 2022 in a virtual format.

About the summit & its outcomes-

- BRICS countries agreed to push for expansion of the group to a “BRICS Plus” and the summit hosted a High-Level Dialogue on Global Development with 13 guest countries.
- The participating **guest countries were Algeria, Argentina, Cambodia, Egypt, Ethiopia, Fiji, Indonesia, Iran, Kazakhstan, Senegal, Uzbekistan, Malaysia, and Thailand.**
- The theme of the summit was **“Foster High-quality BRICS Partnership, Usher in a New Era for Global Development.”**
- BRICS leaders **held discussions including in the fields of counter-terrorism, trade, health and agriculture, besides delving into various global issues** such as reform of the multilateral system, COVID-19 pandemic and global economic recovery.
- The BRICS declaration backed Russia-Ukraine talks, and called for the UN to strengthen efforts to manage the humanitarian situation in and around Ukraine.
- It called for inclusive and representative government, ensure Afghan soil isn't used for attacks against other countries and provide shelter to terrorist groups.

Note:

A BRICS Plus virtual conference was held in May 2022 as part of the main meeting with ministers from countries, including the UAE, Saudi Arabia, Egypt, Kazakhstan, Indonesia,

Argentina, Nigeria, Senegal, and Thailand. BRICS Plus is a new phase in the expansion of BRICS.

India at the summit-

- The Prime Minister of India called for the **strengthening of the BRICS identity and proposed the establishment of an online database for BRICS documents** as well as a **BRICS railways research network**.
- He said that **India will be organizing the BRICS Startup event** in 2022 to strengthen the connection between Startups in BRICS countries.
- He noted the **importance of the circular economy** and invited citizens of participating countries to join the **Lifestyle for Environment (LIFE) campaign**.
- He focussed on the common agenda on economic governance, the importance of multilateral systems, and other BRICS initiatives- which he called “practical” initiatives.

What are the practical BRICS initiatives?

- **New Development Bank or BRICS bank- multilateral bank** with a starting capital of \$50 billion- it has so far approved 70 infrastructure and sustainable development projects worth \$ 25.07 billion, including about \$6.9 billion in loans to India.
- **Contingent Reserve Arrangement-** to help members whose currencies are buffeted by global economic trends- President Putin spoke of a new reserve currency based on a basket of commodities during the summit- which is being developed, as a counter to the Dollar based system.
- **BRICS payment system** as an alternative to the SWIFT payment system. This has taken on a new urgency as post Ukraine war, Russia has been frozen out of SWIFT.
- **Customs agreement** to coordinate and ease trade transport between BRICS countries.

- **R&D centre on Covid vaccine research in South Africa.**
- **A Remote Sensing constellation of satellites** has been launched – with 6 satellites including 2 from India, 2 from China, 1 from Russia, and 1 Brazil-China collaboration.
- **Digital BRICS Task Force (DBTF)** and a plan to hold the Digital BRICS Forum in 2022.

These last three initiatives mirror Quad initiatives as well

About BRICS-

BRICS is a multilateral forum consisting of five major emerging economies of the world, namely Brazil, Russia, India, China and South Africa.

Structure and Mandate-

- The group at each summit elects one of the heads of state of the component countries to serve as President Pro Tempore of the BRICS.
- Based on World Bank data (2019), BRICS countries together represent 41% of the world's population, around 25% of global GDP and around 20% of world trade.
- Bilateral relations among BRICS states are conducted mainly based on non-interference, equality, and mutual benefit.
- The existence of the BRICS grouping does not signify a formal or informal alliance.
- Currently, there are two components that make up the financial architecture of BRICS, namely, the New Development Bank (NDB), or sometimes referred to as the BRICS Development Bank, and the Contingent Reserve Arrangement (CRA).
- Both of these components were signed into a treaty in 2014 and became active in 2015.