

The 2023 BRICS Summit and a New Vision for BRICS Cooperation

BRICS Summit Research Team, CICIR *

Abstract: Despite increasing factors contributing to global security instability and an uncertain outlook for the global economy's overall recovery and the politicization and securitization of the economic and trade sectors, the BRICS countries have consistently adhered to their original intention of safeguarding the interests of developing countries. The mechanism's resilience has withstood the test. BRICS have also achieved historic growth, ushering in a new era of transformation and upgrading. Standing at a new starting point, the internal and external development momentum of BRICS countries is synchronously enhanced. The BRICS countries will continue to explore new models for the collective and sustainable rise of developing and emerging economies and promote economic development and achieve common security. China actively practices the BRICS spirit, working with BRICS member countries to strengthen practical cooperation and more effectively implement the BRICS Action Plan, enhance and improve the global governance system, and jointly build a community of shared future for mankind.

Keywords: a community of shared future for mankind, BRICS, Global South, Summit in South Africa, world economy

BRICS leaders attended the 15th BRICS Summit in Johannesburg, South Africa, on August 22–24, 2023. After three years, this is the first offline meeting of BRICS leaders. The BRICS decided to admit six new

* The director of the research team is Yang Mingjie, president and researcher of the China Institutes of Contemporary International Relations. Members of the research team include Zhang Jian, Ni Jianjun, Xu Feibiao, Sun Hong, Han Liqun, Si Wen, Chen Lu, and Zheng Yi, who are researchers at the China Institutes of Contemporary International Relations.

members at this summit. Against the backdrop of increasing volatility in the international security situation, uncertain prospects for global economic recovery, and a surge of pan-politicization and pan-security in the economic and trade fields, the BRICS countries have always adhered to the original intention of safeguarding the developing countries' interests. They have further consolidated the consensus of the Global South by accepting new members, thus winning the recognition and trust of developing countries that wish to simultaneously accelerate their development and maintain their independence and demonstrating the inclusiveness and resilience of the BRICS mechanism. Standing on a new starting point, the BRICS countries will continue to explore new models for the sustainable emergence of developing countries and emerging economies, to promote economic development and common security, to more effectively reform the global governance system through pragmatic cooperation, and to profoundly shape the global landscape.

BRICS Enters a New Era

The 15th BRICS Summit in South Africa invited 67 leaders from African and other developing countries to participate in BRICS dialogues. Since the establishment of the BRICS mechanism, this is the largest number of leaders attending the summit. This unprecedented event has attracted much attention, demonstrating the strong attraction and appeal of BRICS cooperation.

First, the historic expansion of BRICS members demonstrates the mechanism's viability. The BRICS Summit's theme is "BRICS and Africa: Partnership for Mutually Accelerated Growth, Sustainable Development and Inclusive Multilateralism." The BRICS member countries thoroughly discuss six issues, including strengthening inclusive multilateralism, creating an environment for peace and development, promoting mutual growth, promoting sustainable development, deepening humanistic exchanges, and strengthening mechanism building and reached many agreements and produced fruitful results,¹ membership expansion being one of the topics that drew much

¹ XV BRICS Summit Johannesburg II Declaration, Sandton, Gauteng, South Africa, August 23, 2023, <https://brics2023.gov.za/wp-content/uploads/2023/08/Jhb-II-Declaration-24-August-2023-1.pdf>.

attention at this summit.

For more than a decade, BRICS cooperation has flourished following historical trends, increasing in importance in the global political and economic arena and becoming increasingly appealing to developing countries, with an increasing number of countries expressing their willingness to join. Since its inception in 2006, the BRICS have only included South Africa in 2011. According to Chinese President Xi Jinping, the BRICS are not a closed club or a xenophobic small circle, but rather a large family of watchfulness and mutual assistance and a good partner for win-win cooperation. Against this backdrop, the BRICS launched its expansion process, supported by many developing countries, during China's presidency in June 2022. Before the summit, more than 20 countries formally applied for membership, and more than 40 countries expressed an interest in joining. According to Anil Sooklal, South Africa's ambassador-at-large for Asia and the BRICS, developing countries have been confident in the BRICS mechanism's achievements since its inception.¹ At the summit, six countries, namely Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates, officially joined the BRICS, exceeding all parties' expectations regarding the number of members and the distinctive features of the expansion. The BRICS has expanded from the original five countries to a large family of 11 countries, and their overall strength and international influence have greatly improved.

In terms of multilateralism, BRICS is committed to upholding the United Nations' central role in the international system, advocating for increased representation of emerging markets and developing countries in international organizations and multilateral mechanisms. They also support the reform of international organizations such as the United Nations, World Trade Organization, World Bank, and International Monetary Fund. United Nations Secretary-General António Guterres, who attended the summit, agreed that today's global governance architecture reflects the world of yesterday, and that multilateral institutions must be reformed to reflect today's power and economic realities to remain truly representative.² Concerning regional conflicts

¹ "Over 40 Nations Express Interest in Joining BRICS," <https://www.africanews.com/2023/07/21/over-40-nations-express-interest-in-joining-brics/>.

² Joseph W. Sullivan, "A BRICS Currency Could Shake the Dollar's Dominance," *Foreign Policy*, April 24, 2023.

and security, BRICS is committed to resolving differences and disputes in Africa, the Middle East, and Ukraine, as well as arms control and nuclear nonproliferation, terrorism, cybersecurity, and other issues through dialogue and inclusive consultations, in a coordinated and cooperative manner.

The BRICS countries have presented several initiatives centered on growth drivers, such as the digital economy, trade and investment, and infrastructure development regarding growth and sustainable development. Moreover, they are committed to promoting the New Industrial Revolution Partnership, payment system, the New Development Bank (NDB), and emergency reserve arrangements to achieve greater results. They call for collaborative efforts to address issues such as debt vulnerability, climate change, and food insecurity. The summit discussed the promotion of payment process research and development and the use of local currencies in international trade and financial transactions between member countries and with other countries. Cooperation in settling local currencies has recently increased between emerging markets and developing countries represented by BRICS member countries. The *Foreign Policy* commented that the dollar's dominance is unlikely to end overnight, but its dominance has begun to erode.¹

In terms of people-to-people and cultural exchanges, the 2023 BRICS Summit proposed strengthening cooperation in youth leadership, political party dialogue, cultural heritage, and traditional sports culture. With their diverse cultural backgrounds and distinct styles, the BRICS member countries are a small microcosm of human civilization's diversity. Humanistic exchanges provide fuel for the BRICS mechanism's practical cooperation. BRICS has emphasized the sharing of knowledge and experience in science and technology among its member countries to promote the common progress of their scientific and technological development, in addition to establishing a platform for dialogues and exchanges among different groups of people, such as political parties, youth, women, and scholars. For example, the BRICS countries have encouraged space agencies to continue strengthening cooperation in remote sensing satellite data sharing and applications.

Second, the BRICS has entered a new transformation and development

¹ Joseph W. Sullivan, "A BRICS Currency Could Shake the Dollar's Dominance."

upgrading period. First, in terms of both strength and conceptual foundation, the BRICS are no longer what they once were. On the one hand, the BRICS' overall strength has grown as its membership has expanded, as evidenced by economic, political, military, scientific, and technological aspects, and the foundation of BRICS cooperation has become more solid. On the other hand, the concept of BRICS cooperation has been constantly innovated. The BRICS countries have always adhered to the BRICS spirit, on which they have incorporated the core elements of a community with a shared future for mankind, the Global Development Initiative, the Global Security Initiative, and the Global Civilization Initiative, and have placed greater emphasis on the values of pluralism, inclusiveness, mutual appreciation, win-win cooperation, and openness.

Second, the BRICS brand is being revitalized. BRICS has never changed its essential characteristics as a symbol of solidarity and cooperation among the countries of the Global South. BRICS grew from five emerging economies to 11 countries, with broader representation and greater authority. The six new member countries are from Asia, Africa, and Latin America, which can better reflect regional balance, and BRICS is adopting a more modern look to be active on the global stage. Following this expansion, the BRICS's influence and attractiveness will be increased, and it is expected that more countries will want to join. The summit agreed on the guiding principles, criteria, and procedures for the expansion process and charged the foreign ministers with further discussing the BRICS partnership model and the list of potential partner countries and submitting a report before the next BRICS leaders' meeting.

Finally, the mechanism has been updated. BRICS cooperation has expanded in terms of areas, closer partnership, and continuous improvement of its institutional framework following a golden decade of development. However, BRICS is struggling to improve the quality and effectiveness of its existing cooperation mechanism and desperately needs a breakthrough. The new members will bring new needs, resources, and impetus to the BRICS partnership. This will help revitalize existing mechanisms and stimulate the potential for cooperation and allow countries to capitalize on their comparative advantages more fully. Based on the existing three-dimensional cooperation mechanism, it is important to combine strengths and complement weaknesses

and explore broader, more flexible, and more diverse cooperation paths. The summit also emphasized that BRICS cooperation should respond to changing times, stay current, and further integrate and optimize cooperation.

The agenda has also been updated. The breadth, depth, and dimension of internal cooperation will increase as the BRICS membership grows, and the cooperation agenda will be enriched. At the same time, changes in the BRICS cooperation's foundation, concept, identity, and mechanism will cause changes in the existing cooperation agenda. The world is experiencing unprecedented change, and human society is confronted with unprecedented challenges. The international environment in which BRICS operates has changed, and the focus of its cooperation and development strategy must be adjusted accordingly. The BRICS are off to a new start, with stronger capacity and responsibility. Setting the agenda will not only take into account the new members' concerns, but will also need to be based on a global vision, focus on global issues and put forward global programs.

Third, the BRICS countries have prioritized development. Five years on, Africa is once again hosting the BRICS Summit. Africa is the continent with the most developing countries in the world and the geopolitical plate with the lowest level of economic development. Africa has the most potential, with unrivaled population, energy resources, and market size advantages. South Africa, as Africa's most economically developed country, has always regarded Africa as a top Foreign Policy priority, actively promoting the African development agenda through the multilateral mechanisms in which it participates. South Africa has hosted two summits as a representative of Africa since joining the BRICS, with the theme of both summits being Africa. In 2013, the 5th BRICS summit was held in Durban, South Africa in 2013 with the theme "BRICS and Africa: Partnership for Development, Integration and Industrialization." The summit established the BRICS–Africa dialogue mechanism. The Africa development agenda was promoted at the 10th BRICS Summit in Johannesburg, South Africa 2018, under the theme "BRICS in Africa: Collaboration for inclusive growth and shared prosperity in the fourth industrial revolution."

This tradition was continued at this year's summit, which focused on cooperation between the BRICS and Africa. South Africa extended an invitation

to all African countries, which elicited a positive response from several African countries. More than 30 African leaders were present. This summit drew more than 30 African leaders. The summit's agenda focused on fair and green transformation, improving education and skill development, the African continental free trade zone and African development, post-pandemic economic recovery, promoting the realization of the 2030 Agenda for Sustainable Development, and strengthening multilateralism. This reflects African countries' strongest development and international governance aspirations. The Declaration echoes these demands. According to the Declaration, BRICS supports Africa's integration efforts and emphasizes the partnership between BRICS and Africa to unlock mutually beneficial growth in trade and investment, as well as opportunities for infrastructure development. The BRICS countries will continue to focus industrialization, infrastructure development, food security, agricultural modernization for sustainable development, health care, and climate change. The Declaration also expresses explicit support for the African Union's participation as a G20 member at the G20 Summit in New Delhi.¹

Stronger Development Momentum

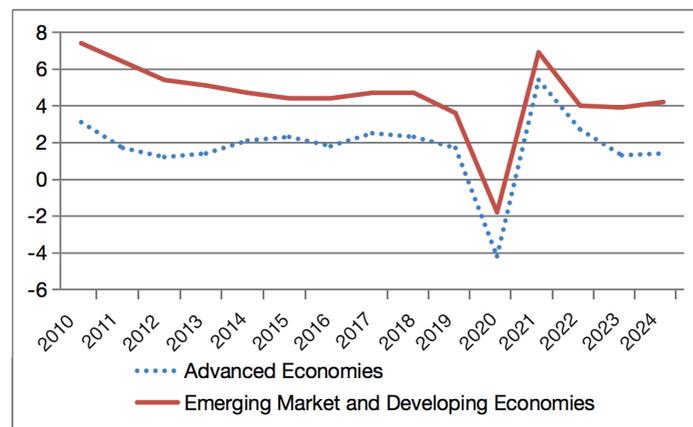
Against the backdrop of escalating competition among major countries, intensifying geopolitical conflicts, a slowing global economy, and impediments to global governance, the BRICS mechanism is facing a test of its adjustment capacity and resilience. Simultaneously, the BRICS mechanism is hampered by member countries' diverse national circumstances, uneven development, inconsistent demands on some issues, and difficulties in achieving results. However, the general trend of the international environment and the adaptive adjustment of the BRICS mechanism have given BRICS cooperation new impetus.

First, changes in the international environment have energized BRICS cooperation. The global economic structure has undergone significant changes.

¹ XV BRICS Summit Johannesburg II Declaration, Sandton, Gauteng, South Africa, August 23, 2023, <https://brics2023.gov.za/wp-content/uploads/2023/08/Jhb-II-Declaration-24-August-2023-1.pdf>.

Since the beginning of the century, developing countries have unleashed their economic development potential, with their overall economic growth rate far outpacing that of developed countries, propelling them to the forefront of global economic growth (see Figure 1). According to the International Monetary Fund, the share of developing countries' gross domestic products in the global economy doubled from 21% to 43% in current US dollars between 2000 and 2022, narrowing the gap with developed countries to just 14 percentage points. The global economic landscape has fundamentally changed. In the future, developing countries will continue to grow faster than developed countries' potential economic growth rate, narrowing the gap between the size of their economies and that of developed countries. Asia's developing countries, led by China and India, have seen rapid manufacturing and service innovation growth. The middle-income group is increasing, as is consumption capacity. The global economy's center of gravity is shifting from West to East and from North to South. Development is a top priority for developing countries, and South–South cooperation is growing. The BRICS countries are an important economic force in the world. The increase in developing countries' overall economic strength has laid a solid foundation for the consolidation and expansion of economic, trade, and financial cooperation, as well as the promotion of programs such as the BRICS Partnership on a New Industrial Revolution.

Figure 1: Comparison of economic growth rates between developed economies and emerging markets and developing economies



Source: International Monetary Fund, World Economic Outlook Database.
Note: The values for 2023 and 2024 are predicted.

The concept of international cooperation requires urgent revision. The West's ability and willingness to continue providing global public goods has greatly diminished. The United States and Western countries are encouraging the factionalization and fragmentation of international politics and the economy and the return of unilateralism and protectionism. They are constantly refocusing their means of suppressing other countries' development through export controls, financial sanctions, and investment restrictions, undermining the overall environment of international cooperation. This contradicts the general trend of global economic development and the concept of developing-country cooperation. The BRICS cooperation mechanism was created in response to the multipolarization and economic globalization trends. BRICS has moved beyond old ideological thinking and the old concept of "you lose, I win," "the winner takes all," and pursued the concept of open and inclusive cooperation, practiced the new concept of mutual benefit and win-win cooperation, and embarked on a new path of mutual respect and common progress. It is more in line with the global development agenda and the aspirations of many developing countries.

The global governance mechanism urgently requires reform. As globalization enters a new phase, old problems such as poverty eradication and terrorism remain unresolved, while new challenges such as climate change, pandemics, and digital and green development emerge. The existing global governance mechanism, led by developed countries, is incapable of promptly providing adequate and effective international public goods and effectively addressing current global governance challenges or adapting to the needs of the new situation by proposing reforms. At the same time, developed countries are failing to meet their historical responsibilities and international moral obligations, and they have infuriated developing countries by repeatedly delaying the realization of their commitments to climate funding for developing countries and establishing conditions for their assistance to developing countries. At the BRICS summit, United Nations Secretary-General António Guterres stated, "We cannot afford a world with a divided global economy and financial system; with diverging strategies on technology including artificial intelligence; and with conflicting security frameworks." He called for global

governance reform.¹ In this context, BRICS, as a mechanism composed of developing countries, carries developing countries' expectations, conveys developing countries' voices, and becomes a transformative force in the global governance system.

Second, the BRICS are gaining momentum in terms of development. The BRICS' continued development is driven by sustained cooperation. Following a golden decade of development, BRICS cooperation has produced fruitful results, the institutional framework has gradually improved, strategic partnerships have taken off, and mechanisms such as the NDB have become models for a new type of international financial cooperation. History shows that once established, international institutions can be self-reinforcing.

The cumulative effect is clear. Since the first BRICS ministerial meeting in 2006 and the first BRICS Summit in June 2009, BRICS has grown rapidly from an investment concept of the US investment firm Goldman Sachs to an international organization with significant international influence representative of developing countries. At present, BRICS has established an all-encompassing, multifaceted, and three-dimensional cooperation framework, with the core consisting of formal and informal meetings of leaders, more than 30 ministerial-level cooperation mechanisms, more than 60 working groups, and other complementary mechanisms, as well as a multitrack mechanism of regular meetings. Institutionalized cooperation has created a powerful centripetal force that promotes closer and smoother cooperation among countries, and its hundreds of cooperative achievements have laid a solid foundation for future cooperation.

The BRICS cooperation has a spillover effect. As a young and developing organization, each step forward in BRICS cooperation will generate new demands for collaboration. As cooperation deepens, the dividends of cooperation and political mutual trust increase, and the impetus for cooperation grows, creating new opportunities for cooperation in the political, social, and humanistic fields.

BRICS has had a branding effect. After years of development, BRICS

¹ "At BRICS Summit, Guterres Global Unity Call in Face of 'Existential' Challenges," <https://news.un.org/en/story/2023/08/1140022>.

has become a well-known brand for cooperation among emerging markets and developing countries, as well as a constructive force in promoting global economic growth, improving global governance, and democratizing international relations, as well as pioneering and promoting the construction of a new pattern of emerging power group rise. The principles of openness and transparency, solidarity and mutual assistance, deepening cooperation, and seeking common development underpin the BRICS cooperation mechanism. According to the BRICS spirit, “treating each other as equals and seeking common ground while shelving differences, taking a results-oriented, innovative approach to make our cooperation benefit all, developing ourselves to help others with the well-being of the world in our mind.” Most developing countries recognize these. The brand effect will increase BRICS’ international visibility and influence, and BRICS will play a larger role on the global stage.

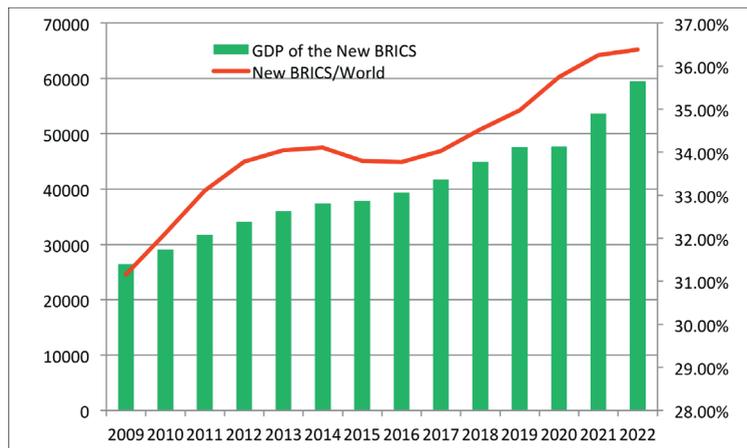
The expansion of BRICS membership gives BRICS more traction. Following China’s initial proposal of BRICS+ cooperation at the 2017 summit and formal proposal of the expansion initiative at the 2022 summit, many countries hope to knock on the door of BRICS and participate in BRICS cooperation. The BRICS have begun the process of expansion and have received dozens of applications for membership, which not only highlights the openness, inclusiveness, and attractiveness of BRICS cooperation, but also fully stimulates and releases the BRICS mechanism’s vitality and potential energy and increases the BRICS’ overall strength and international influence.

The BRICS have become more representative as their membership has grown: among the six new members, one is a Latin American country, two African countries, and three Middle Eastern countries. Their regions are densely populated by emerging markets and developing countries, which improves the BRICS countries’ regional representation and better represents and reflects the collective interests and aspirations of developing countries. The expanded BRICS countries have increased their share of the world’s land area from 26% to nearly 35%, and their population share from 42% to 47%. They will be more diverse in terms of ethnicity, language, religion, culture, political and social systems, and ecological environment, with greater global representation.

The overall strength of the BRICS has increased. Following this expansion, the BRICS countries’ total economic output rises from 26% to 29%

of the global total in current dollars and 36% of the global total in purchasing power parity (see Figure 2). The share of total trade in goods rises from 20% to 25%, and the working-age population (15–64 years old) reaches 2.5 billion, accounting for nearly half of the world’s share, rising from 43% to 48%.¹ On the financial front, membership expansion is beneficial to strengthening the BRICS banking network and promoting local currency settlements. The BRICS countries have taken the lead in promoting the diversification of the international monetary system. The BRICS have also strengthened their position in terms of food, resource, and energy security.

Figure 2: Gross domestic products of the New BRICS and its global share (purchasing power parity, in billions of US dollars)



Source: International Monetary Fund, World Economic Outlook database.

The BRICS have a greater impact on the international landscape. The BRICS countries are all regionally important emerging economies, with the majority of them active in international political and economic arenas. Argentina and Saudi Arabia are G20 members, bringing the total number of BRICS countries to seven. This will increase the BRICS’ regional and international influence, allowing developing countries to play a larger role in the ongoing reform of international political and economic institutions, the 2030

¹ The total economic output is calculated based on the 2022 data from the World Economic Outlook database of the International Monetary Fund, while the total trade in goods and the number of working-age people are calculated based on the 2022 data from the UNCTAD STAT database of the United Nations Conference on Trade and Development.

Agenda for Sustainable Development, and other important global agendas. The initiation of the membership expansion process, as well as the continued steady advancement of BRICS+ cooperation, will entice more developing countries to pay close attention to BRICS trends and participate in BRICS cooperation, as well as increase the importance of the BRICS platform in the Global South and guide more developing countries to improve their awareness and ability to participate in international affairs.

China Practices the BRICS Spirit

The Joint Statement of the Leaders of the BRIC Countries, issued following the first BRICS summit in Yekaterinburg, Russia, in 2009, proposes to promote cooperation, policy coordination, and political dialogue among countries in the international economic and financial spheres. It promotes a step-by-step, proactive, pragmatic, open, and transparent approach to promoting dialogue and cooperation among the four countries (Brazil, Russia, India, and China) to construct a harmonious world of lasting peace and common prosperity.¹ The BRICS mechanism's characteristics are conducive to realizing the full potential of the BRICS countries and promoting common development.

Since its inception, the BRICS mechanism has emphasized openness, inclusiveness, and win-win cooperation among member countries. Each BRICS member country has used its own advantages to contribute to the growth of BRICS after more than a decade of development. Brazil is a strong supporter of BRICS cooperation, encouraging dialogue between BRICS and South American countries and promoting the BRICS mechanism as a tool for international development cooperation. Russia hosted the first BRICS Summit and is the driving force behind the BRICS mechanism, from conception to gradual maturation. It also promotes the expansion of BRICS members and improves cooperation in local currency settlement, payment system construction, and other areas. India hopes to increase its international influence through BRICS cooperation, values economic and trade, energy, food, counterterrorism, and other cooperation with BRICS countries, and presented

¹ Joint Statement of the BRIC Leaders, http://brics2022.mfa.gov.cn/eng/hywj/ODS/202203/t20220308_10649520.html.

the idea of establishing an NDB and contingency reserve arrangement for the first time at the 2012 BRICS Summit in New Delhi. South Africa actively participates in the development of the BRICS mechanism, introduces the African agenda for BRICS cooperation, and emphasizes the importance of promoting BRICS cooperation in the fields of think tanks, business circles, and personnel. The 2018 BRICS Summit in Johannesburg, South Africa, marked the beginning of BRICS cooperation's second golden decade, and the 2023 BRICS Summit in Johannesburg, South Africa, will mark another watershed moment in the organization's successful expansion.

As a founding member of BRICS, China is an active practitioner of the BRICS spirit. In 2017, President Xi Jinping summed up the spirit of BRICS cooperation over the last decade, saying that it was about “treating each other as equals and seeking common ground while shelving differences, taking a results-oriented, innovative approach to make our cooperation benefit all, developing ourselves to help others with the well-being of the world in our mind.”¹ This vividly illustrates the BRICS mechanism's foundation of cooperation and has caused global ripples. In conjunction with BRICS cooperation, China has always taken a positive and constructive approach to promoting a community with a shared future for mankind, a human security community, the Belt and Road Initiative, and sustainable development. China, with its own economic strength and international influence, has enhanced the BRICS countries' overall economic strength and growth potential, and will continue to promote BRICS cooperation with new BRICS member countries.

First, BRICS cooperation prioritizes deepening economic and trade exchanges among member countries, and China has practiced and strengthened economic and trade cooperation with BRICS countries. According to the China General Administration of Customs, China's total imports and exports to other BRICS countries (Brazil, Russia, India, and South Africa) amounted to RMB 3.69 trillion in 2022, representing a 17% increase. From January to July 2023, China's imports and exports to other BRICS countries totaled 2.38 trillion yuan, an increase of 19.1% year-on-year, accounting for 10.1% of China's total

¹ Xi Jinping, “Working Together to Usher in the Second ‘Golden Decade’ of BRICS Cooperation,” http://english.scio.gov.cn/2017-09/04/content_41524749.htm.

foreign trade imports and exports. At the same time, private Chinese companies are actively exploring the BRICS market. According to data from January to July 2023, the total import and export of Chinese private enterprises to other BRICS countries accounted for as much as 57.1%, highlighting the vitality of private trade among BRICS countries.¹ In addition, China has improved trade cooperation with the new BRICS members. China has been Saudi Arabia's main trading partner since 2013, Egypt's main trading partner since 2012, and the United Arab Emirates and Ethiopia's trading partner, which has great potential to promote mutual trade among the BRICS countries.

Second, financial cooperation is an integral component of cooperation among BRICS countries, and China attaches importance to the leading role of financial cooperation and actively participates in the construction of BRICS financial infrastructure. China actively participated in the establishment of the NDB and supported the NDB's issuance of RMB bonds in China's interbank bond market, thereby promoting the NDB's expansion of local currency financing. Since its inception in July 2015, the NDB has issued a total of US\$16 billion in bonds, with RMB accounting for approximately 35% of the total.² The NDB has also become a leading issuer of Panda Bonds in the Chinese interbank market, with RMB 7 billion issued in May 2022 and another RMB 8.5 billion issued in May 2023.³ China is also concerned with the construction of the BRICS contingency reserve arrangement. The initial size of the BRICS contingency reserve arrangement is US\$100 billion, with China contributing US\$41 billion (more than 40%), Brazil, Russia, and India contributing US\$18 billion, and South Africa contributing US\$5 billion. The leaders of the BRICS countries emphasized their encouragement to use their local currencies in international trade and financial transactions with their trading partners in the Declaration of the 15th BRICS summit and to promote the reform of the international financial and monetary system. In terms of the use of local

¹ General Administration of Customs of the People's Republic of China, "In the First Seven Months, China's Imports and Exports to BRICS Countries Maintained Rapid Growth," https://www.gov.cn/lianbo/bumen/202308/content_6899319.htm.

² "New Development Bank Becomes Major Panda Bond Issuer on China Interbank Bond Market," <https://english.news.cn/20230630/5635dc20b2fa4c4fb2c5be480eeacb47/c.html>.

³ "NDB Issued CNY 8.5 Billion Bond in the China Interbank Bond Market," <https://webapp-newwebsite-prod-hk-20230415.azurewebsites.net/news/ndb-issued-cny-8-5-billion-bond-in-the-china-interbank-bond-market/>.

currency, China has a solid foundation for cooperation with the BRICS countries. China and Brazil have begun to complete all trade settlements in local currencies; China and Russia have converted more than 70% of their trade settlements to local currencies.¹ Meanwhile, China and Saudi Arabia are actively promoting local currency settlements for the China-Saudi oil trade, and Argentina has announced that it will settle its imports from China in RMB. China is expected to continue to play an active role in promoting cooperation among the BRICS countries in settling local currencies and diversifying the monetary system in the future.

Third, China and other countries have attempted to improve the BRICS mechanism's design. China has promoted initiatives and achieved results by hosting numerous BRICS summits. At the third BRICS leaders' summit in Sanya in April 2011, China issued the Sanya Declaration. For the first time, membership was expanded, with South Africa becoming a new member, thereby improving the global nature and representativeness of BRICS cooperation. In September 2017, the 9th BRICS Summit was held in Xiamen and the BRICS Leaders Xiamen Declaration was issued. The BRICS Trade in Services Cooperation Roadmap, Outlines for BRICS Investment Facilitation, BRICS E-Commerce Cooperation Initiative, BRICS Action Plan for Innovation Cooperation, and Action Plan for Deepening Industrial Cooperation Among BRICS Countries were all developed at the Summit. China hosted the 14th BRICS Summit via video link in June 2022, organizing more than 170 events yearly, attracting more than 50 non-BRICS countries, and issuing the XIV BRICS Summit Beijing Declaration. The BRICS Initiative on Trade and Investment for Sustainable Development, the BRICS Statement on Strengthening the Multilateral Trading System and Reforming the World Trade Organization, the BRICS Initiative on Enhancing Cooperation in Supply Chains, the BRICS Initiative on Denial of Safe Haven to Corruption, the Agreement between the Governments of BRICS Countries on Cooperation and Mutual Administrative Assistance in Customs Matters, the BRICS Digital Economy Partnership Framework, the BRICS Initiative for Cooperation on

¹ "Over 70% of Trade Deals Between China and Russia Is Settled in Their Local Currencies," <https://infobrics.org/post/38447>.

Digitalization of Manufacturing, and the Strategy on Food Security Cooperation of the BRICS Countries were issued.

Many BRICS initiatives have been implemented, demonstrating the mechanism's effectiveness. At the 2018 BRICS Summit, China proposed establishing a BRICS New Industrial Revolution partnership to promote technological progress and industrial transformation in BRICS countries, laying the groundwork for the optimization and upgrading of BRICS countries' industrial structures and further strengthening the stability of industrial and supply chain.¹ China is also a supporter and promoter of BRICS+ cooperation. Since China proposed the concept of BRICS + cooperation in 2017, the leaders of the five BRICS countries have reached a critical consensus on the expansion of BRICS in 2022. In 2023, BRIC successfully added new members.

The World Needs a BRICS Solution

The world has entered a new period of turbulence and change, with profound crises confronting development and peace. The BRICS countries bear enormous historical responsibilities. BRICS will continue to uphold the BRICS spirit under the existing three pillars of economic, political, and cultural cooperation in the future, accumulate new consensus, gather new strength, embark on a new path of prosperity, peace, and civilization in the new era, and provide the BRICS solution to the world.

First, the BRICS proposed and implemented a new development concept, experimenting with a new global development model. Global development has faced a profound crisis in recent years due to the multiple impacts of COVID-19 pandemics, geopolitical conflicts, and high debt, inflation, and interest rates. In terms of growth, the global economy will be mired in a quagmire. According to the World Bank's most recent report, the global economic growth rate is expected to fall from 3.5% in 2022 to 3.0% in 2023 and 2024, which is lower than the world economy's potential growth rate. The global economy's average annual growth rate over the next ten years (2020–2029) will be 2.2%,

¹ "BRICS Leaders to Initiate Partnership on New Industrial Revolution," http://www.xinhuanet.com/english/2018-07/27/c_137350447.htm.

significantly lower than the previous 20 years (2000–2019). The percentage is 3.8%. The global economy may be entering a “lost decade.”¹

In terms of sustainable development, the United Nations’ Sustainable Development Goals (SDGs) aim to reduce global poverty to around 3% by 2030. According to the World Bank, global poverty reduction made significant progress between 2001 and 2010, with the number of people living in absolute poverty falling from 1.668 billion to 1.01 billion. As a result of the world economy’s slow growth, the rate of poverty reduction decreased significantly between 2010 and 2019, falling to less than 40 million per year. Progress in reducing global poverty is hampered when the achievements of BRICS countries, such as China, are ignored. Global poverty reduction suffered a significant setback after 2020. The convergence of multiple crises has resulted in an increase rather than a decrease in absolute poor people. There are approximately 75 million to 95 million new poor people by 2022. Almost one-third of national economic losses in developing countries will take a decade or more to recover. Furthermore, the other 16 SDGs, such as climate, environment, and employment, are experiencing varying degrees of difficulty.² Global sustainable development will also face a “lost decade” if there is no global solidarity and cooperation and more effective and stronger responses are not taken.

The global economic and development crisis shows that existing international mechanisms cannot provide solutions. Even during the “golden period” of neoliberalism from the 1980s to the first decade of the twenty-first century, excluding the contribution of BRICS countries such as China, the impetus of the existing order to world development problems was very limited, and most developing countries in Asia, Africa, and Latin America’s development deficits remained unresolved. On the contrary, income polarization and environmental degradation have become more visible.

The emergence and growth of BRICS, which has always prioritized development and been a voice for developing countries, has added a new dimension to global development.

¹ World Bank, *World Economic Outlook*, July 2023.

² United Nations, *The Sustainable Development Goals Report 2022*, July 2022.

The BRICS countries offer new development programs and have always placed a premium on sustainable development. The 2022 BRICS Summit in Beijing made Expediting Implementation of the 2030 Agenda for Sustainable Development an important part of the summit statement. The theme of the BRICS summit in South Africa in 2023 was written directly during the meeting. BRICS has recently made its voice heard in areas such as pandemic management, climate change, green development, and biodiversity. It has also presented new BRICS proposals with a strong South–South cooperation flavor in areas such as digital transformation, aerospace cooperation, disaster management, and education and training. In addition, BRICS has launched BRICS actions in areas where it has advantages, such as food security, energy security, industrial cooperation, and African development. For example, BRICS launched the Strategy on Food Security Cooperation of the BRICS Countries and the Action Plan 2021–2024 for Agricultural Cooperation of BRICS Countries.¹ To contribute to global development, BRICS should focus on the shortcomings of the sustainable development agenda, expand and upgrade the existing economic partnership, and launch more, newer and more practical cooperation programs in the areas of poverty alleviation and reduction, infrastructure, workforce development, food, energy, supply chain, and other areas.

BRICS exemplifies a novel approach to development. The BRICS countries have reached broad agreement on development issues and adhere to the concepts of inclusive, open, equitable, and sustainable development. More importantly, with their distinct development histories and experiences, China, India, and the other BRICS countries have demonstrated a different economic development model and path from that of the West. China’s Global Development Initiative, in particular, is a systematic development concept proposed by the BRICS countries that, for the first time, systematically answers a series of difficult questions, such as “for whom to develop,” “how to develop,” and the relationship between the country and the market, and has a strong theoretical self-consistency. The new BRICS development concept

¹ XIV BRICS Summit Beijing Declaration, Beijing, China, June 2022, https://www.fmprc.gov.cn/eng/wjdt_665385/2649_665393/202206/t20220623_10709037.html.

is expected to provide unique theoretical guidance for countries worldwide as they develop their own economies and promote global common development.

Second, the BRICS countries have proposed and implemented a new concept of security and explored new avenues for global peace. The next decade will be a critical and sensitive transition period in international politics. The old order is disintegrating at a rapid pace, whereas the new order is still in its early stages. Historical experience has shown that the transition period between the old and new order and the coexistence of emerging and traditional countries is frequently the most fragile and dangerous period for global peace.

BRICS can help to promote global peace in a variety of ways. For starters, it can strengthen the power of peace. China and Russia, the two permanent members of the United Nations Security Council, are among the BRICS, as are regional powers India, Brazil, South Africa, Saudi Arabia, Iran, Egypt, and Argentina. It is crucial in international politics. Internally, BRICS is a platform for economic, political, and security cooperation and coordination. Mutual respect, mutual understanding, and peaceful coexistence among the BRICS countries have resulted in nearly half of the world's population being free of violence and conflict, thus significantly contributing to global peace. Externally, the expanded BRICS, with its increased representativeness and authority and wider geographical coverage, can actively mediate regional conflicts in various regions through the BRICS+, forge consensus among emerging and developing countries worldwide, participate in global governance, and promote global issue resolution.

Second, it has demonstrated a novel understanding of peace. Since their inception, the BRICS countries have presented a consensus-based vision of global security and peace and cooperation. According to the statement issued at the first BRICS Summit in June 2009, BRICS was committed to advancing multilateral diplomacy and supported the United Nations' central role in addressing global threats and challenges. It also advocated for creating a more democratic and just multipolar world based on international law, equality, cooperation, mutual respect, coordinated action, and collective decision-making by all countries.¹ This set the tone for the BRICS on political and security

¹ Joint Statement of the BRICS Leaders, http://brics2022.mfa.gov.cn/eng/hywj/ODS/202203/t20220308_10649520.html.

issues. Since then, each BRICS summit has advanced its own solutions and concepts on global peace and security issues, gradually proposing the BRICS' new security concept. The BRICS' basic position is that it opposes external intervention and is committed to resolving disputes through dialogue. The BRICS countries propose a security path for establishing new international relations. Everyone should decide it through consultation, not just one or two countries. BRICS also proposed plans and proposals to collaboratively address traditional and non-traditional security challenges. President Xi Jinping proposed the Global Security Initiative at the BRICS Summit in June 2022, which advocates adherence to a common, comprehensive, cooperative, and sustainable concept of security that is widely recognized and accepted by all parties. Its core elements will become an important part of the BRICS security program.¹ At present, the BRICS concepts and programs in the field of political security are becoming increasingly mature, which is a path to peace that is different from the West's unipolar pattern and power politics, and will become a reliable and hopeful path to lead the future of global peace.

Third, the BRICS have proposed and implemented new ideas for people-to-people and cultural exchanges, promoting inclusiveness and mutual learning among civilizations, and creating new space. The important distinction between the BRICS mechanism and other existing international cooperation mechanisms is that people-to-people and cultural exchanges are listed as one of the three pillars of cooperation. BRICS encourages people-to-people exchanges, cultural exchanges, and country-to-country cooperation. It promotes spiritual and cultural exchanges and cooperation on the basis of political and economic exchanges and cooperation; it not only creates mutually beneficial economic partners and political mutual trust security partners, but it also creates civilized partners who are inclusive and mutually learning. People-to-people and cultural exchanges have become a stepping stone for BRICS countries' cooperative development, assisting in the improvement of people-to-people exchanges and understanding among BRICS countries. People-to-people ties between the BRICS countries provide strong support for international

¹ Xi Jinping's Speech at the 14th BRICS Summit, June 2022, <https://news.cgtn.com/news/2022-06-24/Full-text-Xi-Jinping-s-speech-at-the-14th-BRICS-Summit-1b6CYOtRtja/index.html>.

cooperation. People-to-people ties are essential for state-to-state relations. Only mutual cultural recognition can truly promote social and economic exchanges and political and security cooperation, as history has shown. Otherwise, political conflicts may arise as a result of competing interests.

The BRICS has a new mechanism and program for the interaction of civilizations. For the first time, BRICS began to explore humanistic exchanges and cooperation at the 2011 BRICS Summit in Sanya. The BRICS countries held their first meeting of health ministers, high-ranking scientific and technological innovation officials, and the first BRICS Friendship Cities and Local Government Cooperation Forum in 2011. Attempts have been made to take the lead in opening cooperation in the fields of culture and sports. In July 2014, at the sixth Summit of BRICS leaders in Fortaleza, Brazil, humanistic exchanges were included the goals in the summit declaration for the first time.¹ Since then, several summits have continued to expand the breadth and depth of BRICS people-to-people and cultural exchanges, expanding BRICS people-to-people and cultural exchanges to more than ten fields such as parliament, youth, culture, sports, tourism, women, and media, and the fields of people-to-people and cultural exchanges and cooperation have continued to expand.

The BRICS have established a new platform and mode of inter-civilizational dialogue. With the BRICS membership expanded to include the cultures of Asia, Africa, and Latin America, the BRICS itself has become a platform for civilizational exchanges, highlighting the diversity and richness of cultures. The development and growth of the BRICS has benefited from the exchanges and mutual understanding of various civilizations, and has greatly promoted tolerance and coexistence of national cultures, forming a virtuous circle.

Through their vast and diverse cultural resources, the BRICS will also contribute new wisdom to promoting exchanges and mutual understanding among civilizations. President Xi Jinping announced the Global Civilization Initiative in March 2023, calling for the respect of the diversity of world civilizations, the promotion of all humankind's common values, the

¹ The 6th BRICS Summit: Fortaleza Declaration, July 15, 2014, Fortaleza, Brazil, <http://www.brics.utoronto.ca/docs/140715-leaders.html>.

advancement of civilizational inheritance and innovation, the strengthening of international humanistic exchanges and cooperation, and the provision of Chinese wisdom for the creation of a harmonious world where civilizations can tolerate and coexist and learn from one another.

There are challenges for the BRICS to promote global peace and development, such as the contradiction between BRICS expansion and the effectiveness of the mechanism, the interference of the US and western countries, and the BRICS countries' own sustainable economic development and political stability. Regardless of the opposition, the BRICS, as a positive, stable, and good force, will thrive and contribute more positively to preserving world peace and promoting common development.