



The Durban BRICS Summit: Partnership for Development and Integration

Proceedings report



Compiled by Lesley Masters

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LIST OF ACRONYMS AND ABBREVIATIONS

AISA – Africa Institute of South Africa

AU – African Union

BASIC – Brazil, South Africa, India and China

BRIC – Brazil, Russia, India, China

BRICS – Brazil, Russia, India, China and South Africa

CAIR – Centre for Africa's International Relations

CAR – Central African Republic

CBD – Conference on Biological Diversity

CGETI – Contact Group on Economic and Trade Issues

CRA – Contingent Reserve Arrangement

CSIR – Council for Scientific and Industrial Research

DDA – Delhi Development Authority

DFID – Department for International Development

DIRCO – Department of International Relations and Cooperation

DRC – Democratic Republic of the Congo

ECOWAS – Economic Community of West African States

EMDCs – emerging markets and developing countries

EU – European Union

EXIM – Export-Import Banks

FOCAC – Forum on China-Africa Cooperation

G20 – The Group of Twenty
GDP – gross domestic product
GNP – gross national product
IAEA – International Atomic Energy Agency
IBSA – India, Brazil, South Africa
ICTs – information and communication technologies
IDA – International Development Association
IERI – Institute for Economic Research on Innovation
IFIs – international financial institutions
IGD – Institute for Global Dialogue
IMF – International Monetary Fund
LDCs – least developed countries
LICs – low income countries
MDBs – multilateral development banks
MDGs – Millennium Development Goals
NAM – Non-Aligned Movement
NEPAD – New Partnership for Africa's Development
NGOs – non-governmental organisations
NTP – Non-Proliferation Treaty
OECD – Organisation for Economic Co-operation and Development
PICI – Presidential Infrastructure Championing Initiative
PIDA – Programme for Infrastructure Development in Africa
PREST – Policy Research in Engineering, Science and Technology
RDBs – regional development banks
RECs – regional economic communities
SA – South Africa
SADC – Southern African Development Community



SDGs – Sustainable Development Goals

SDR – Special Drawing Rights

SMEs – small and medium-sized enterprises

SOCs – state-owned companies

TUT – Tshwane University of Technology

UDW – University of Durban-Westville

UJ – University of Johannesburg

UK – United Kingdom

UN – United Nations

UNCTAD – United Nations Conference on Trade and Development

UNGA – United Nations General Assembly

UNISA – University of South Africa

UNSC – United Nations Security Council

UP – University of Pretoria

US – United States

WB – World Bank

WTO – World Trade Organization



PRESENTER PROFILES

Prof. Chris Landsberg

Professor Chris Landsberg is the South African National NRF Chair: African Diplomacy and Foreign Policy in the Faculty of Humanities, and a Senior Associate: School of Leadership at the University of Johannesburg (UJ). He is a former Head of Politics at UJ. He was a former Rhodes Scholar at Oxford where he obtained his M. Phil and D. Phil degrees. A Director of the Centre for Policy Studies in Johannesburg (2002-2007) and former co-director of the Centre for Africa's International Relations (CAIR) at Wits, he has published widely on South African foreign policy and African diplomacy.

Dr Rasigan Maharajh

Rasigan Maharajh is currently Chief Director of the Institute for Economic Research on Innovation (IERI) based in the Faculty of Economics and Finance of the Tshwane University of Technology. He was previously the Head of Policy at the Council for Scientific and Industrial Research (CSIR) following his deployment as National Coordinator of the Science and Technology Policy Transition Project for South Africa's first democratic government. Dr Maharajh has a PhD from the Forskningspolitiska Institutet of Lund University (Sweden). He is also an alumnus of the University of KwaZulu-Natal (South Africa) and Harvard Business School (United States of America). He has also been associated with the Kennedy School of Government at Harvard University and the Institute for Policy Research in Engineering, Science and Technology (PREST) at the University of Manchester. His research focus includes the field of evolutionary political economy, innovation systems and public policy. He is involved in numerous international, continental and regional projects on the form, function and context of knowledge generation, application and diffusion in economic development, social cohesion and democratic governance.

Dr Siphamandla Zondi

Dr Siphamandla Zondi analyses the intersection of social policy and regional governance in Africa. He was trained in African studies at the former University of Durban-Westville (UDW) and University of Cambridge, UK. He lectured for short stints at UDW and the former Rand Afrikaans University. He later coordinated the SADC integration programme at the Africa Institute of South Africa before being appointed Director for Africa and Southern Africa at the Institute for Global Dialogue (IGD). In that position, he led the Institute's two-track diplomacy transition projects on Burundi, Côte d'Ivoire, Chad, Sudan and Zimbabwe. In January 2010, he was appointed the Executive Director of the IGD, responsible for its strategic direction and positioning internationally. Dr Zondi has published widely on issues of regional integration, South Africa's international relations and foreign policy, governance in Africa, social policy, public health, the migration-development nexus and soft power politics. He is a sought-after political/policy analyst in the media, diplomatic engagement and government briefings on these and other strategic issues of policy.

Acknowledgements:

This seminar was part of the IGD's ongoing focus on development diplomacy and its implications for South Africa's foreign policy which forms part of a larger study on development diplomacy, generously supported by the Department for International Development (DFID), UK.

INTRODUCTION

The media hype and international attention that centered on Durban during the fifth BRICS Summit (26–27 March) has faded. As the dust settles, a number of lingering questions remain around the role of South-South cooperation and the establishment of a BRICS Development Bank, and the implications of the eThekweni Declaration and Action Plan for international cooperation more generally, and for Africa in particular. It is within this context that the IGD held a seminar to further interrogate the outcomes of the Durban Summit and its implications for Africa and wider South-South development cooperation. This was held in Pretoria on 3 May 2013 and was attended by a number of representatives from academia, civil society, research organisations and the diplomatic corps. The discussion was led by Prof. Chris Landsberg, South African Research Chair in African Diplomacy and Foreign Policy at the University of Johannesburg, and Dr Rasigan Maharajh, Chief Director of the Institute for Economic Research on Innovation (IERI), with Dr Siphamandla Zondi, Director of the Institute for Global Dialogue (IGD), acting in the role of discussant. This report is a synthesis of the presentations and the interactive discussion that followed, of which a video interview with selected speakers is also available on the IGD's website (www.igd.org.za).



Pictured from left to right: Dr Siphamandla Zondi, Prof. Chris Landsberg, Dr Rasigan Maharajh, Mr Francis Kornegay

The Durban BRICS Summit: Partnership for Development and Integration

As Chair of the session, Mr Francis Kornegay opened the seminar by noting that the development of the BRICS grouping had completed its first cycle with the inclusion of South Africa, who acted as hosts of the fifth BRICS Summit in Durban. He went on to highlight that there are political, economic, and strategic preoccupations that flow into a larger process of power distribution and redistribution and that it is against this context that BRICS may fit in as a formation that is emblematic of what is currently happening in international relations. He also went on to point out that there has been a tendency to either romanticise the role of emerging powers, or to dismiss it as being beside the point. Regardless of this, the central point remains that it is important to understand it.

BRICS in a changing world order: outcomes from the Durban summit

Dr Rasigan Maharajh



Pictured from left to right: Dr Rasigan Maharajh, Mr Francis Kornegay

In his presentation Dr Maharajh set the context of the changing world order by highlighting the geo-political economic transition taking place, but noting that these changes remain subjective opinions. Dr Maharajh drew on a quote by Wallerstein which states that '[t]here are those who think of the BRICS as the avant-garde of anti-imperialist struggle. There are those who, quite to



the contrary, think of the BRICS as subimperialist agents of the true North (North America, western Europe, and Japan). And there are those who argue that they are both' (Wallerstein 2013).

Through a series of slides showing the 'anthropogenic transformation of the biomes', or population development globally from 1700 to 2000, Dr Maharajh noted how the process of colonisation had changed land use from a geo-physical perspective, that transformation of biomes has been on the basis of anthropogenic actions – or that humans have reshaped the biophysical shape of the world.

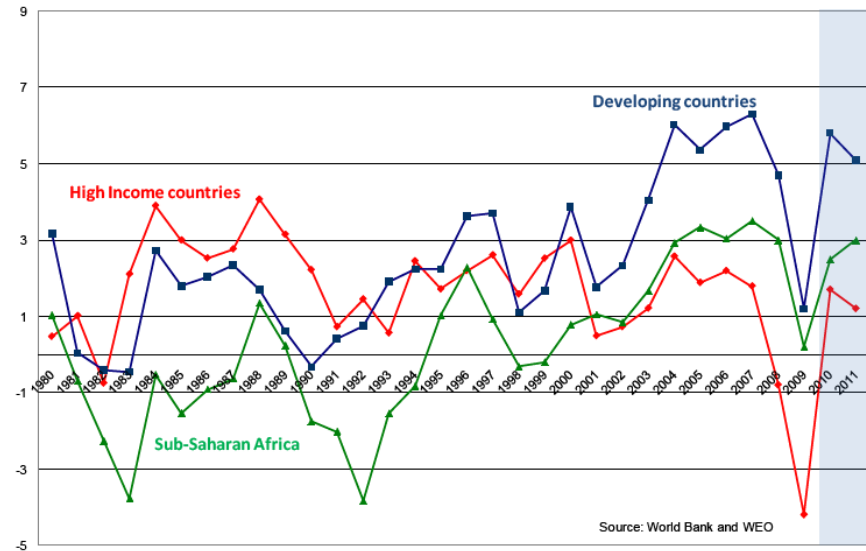
Within these changes there has been a shared history that has seen divisions between the north and south, east and west. In essence this has created a false division which masks more than it reveals. This includes a variety of capitalisms:

1. Real existing capitalisms
 - Triadic (USA, EU and Japan)
 - Welfare states
 - Social democracies
2. Actually existing socialisms
3. Popular nationalisms

Dr Maharajh questioned whether there was a more nuanced view, in which he drew attention to Wallerstein's world systems theory of the core, semi-periphery and periphery. In this context the BRICS are seen as the avant-garde of the semi-periphery. These are high income countries but they still have unresolved problems. In addition, he noted that the 'core' is shrinking in terms of contribution to GNP, with an OECD report highlighting that this is not only transitory, but represents significant structural change.

There are concurrent crises effecting contemporary capitalism – climate change, energy, environment, finance and food, poverty and underdevelopment. The ability to respond to these is undermined by social, political and economic situations. Weak policies, incoherent agencies, and reduced regulatory impact, have resulted in a hollowed-out state allied with corruption. In these circumstances there are both winners as well as losers. The winners are those that have occupied a space as monopolies, cartels and oligopolies through corruption.

There has been growing focus on emergent geo-political alliances. This includes:



GDP per Capita: Annual Growth Rates (%)

- G20 (finance-dominated agenda)
- IBSA (trilateral political agenda)
- BASIC (climate change agenda)
- BRICS (economic trade bloc or progressive global alternative?)

Dr Maharajh posited that there were those who wanted to legitimise the current order by bringing in these new geo-political actors, and those that want to change it.

There is potential in the outcomes of BRICS but this may be lost in practice. As such there is a need to go beyond geo-politics as it is traditionally defined. BRICS opens up a way forward from capitalism but this will depend on what happens within BRICS countries, between BRICS countries and in terms of BRICS countries' relations with other countries.

There has been an increased focus on wealth. Capitalism has become 'over-financialised' with a need for a separation between fictional and productive capitalism. This dominance of the financial sector has had an impact on policy choices. For instance, less than 1% of the world – the banks – controls the finances of businesses internationally. There needs to be a more sceptical approach by BRICS to what is possible, with the BRICS taking a stronger stand.

Dr Maharajh pointed to the increasing role of transnational cooperation, where 40 of the top 100 economies are corporations.



A trans-national World 2012:



In concluding Dr Mahrajh highlighted that there has been a serious global crisis that has not been adequately responded to, and there continues to be a serious push of the planetary boundaries. This leaves no predictable models of the future.

Post-BRICS and the advancement of the African Agenda

Prof. Chris Landsberg

In his presentation, Prof. Landsberg noted that at the BRICS Summit there had been five different BRICS agendas for Africa, each one corresponding to one of the BRICS countries represented. Similarly, there were two African agendas: South Africa's agenda for Africa and that articulated by the African Union. Nevertheless, the theme of the 5th BRICS summit was significant in



Pictured from left to right: Dr Siphamandla Zondi, Prof. Chris Landsberg, Dr Rasigan Maharajh

terms of its focus on Africa's development, integration and industrialisation, with specific focus on Africa's infrastructure development. It is, however, necessary to ask if there is a cohesive position among the BRICS countries on Africa, given the existence of significant geo-political differences and individualistic relations that the BRICS countries have with Africa. Is it even possible for the BRICS to 'sing from the same hymn book' in global forums as promised in the Durban outcomes document? Moreover, will the engagement of African RECs by the BRICS, as promised in Durban, take place collectively or individually?

As was noted at the outset of the seminar, there was a perception that a different phase had now been entered by the BRICS grouping. Prior to the summit questions had been focused on the nature of this formation. Now there is an emphasis on outcomes, agendas and commitments. Nevertheless a key question remains – what are the chances of these aims being realised?

Prof. Landsberg pointed out that the BRICS summit convened under the theme of African development and industrialisation, where South Africa remained under pressure to justify its place within the grouping. Four pillars of the African agenda were highlighted including peace and security, governance and stability, cooperation with the outside world, and a developmental agenda, with the outcomes of the BRICS summit indicating some positive gains in focusing on infrastructure development. Here it was noted that, although it may not have been highlighted as significant at the Summit, the Chinese



Premier had indicated that Africa needed to identify no fewer than 300 mid-career officials for training in development and planning. In this context it could be argued that China, it seems, has been open and transparent about what it wants.

Significant differences between the BRICS countries on Africa need to be overcome, both in relation to Africa and how they cooperate with and in Africa. BRICS countries will learn to coordinate better, but is there a will to come up with these positions? There remains a problematic position for Africa, and Africa's position towards BRICS. Here again the question of South Africa's position in representing Africa within the BRICS was raised, whether Africa would trust South Africa in decision making, as South Africa's position does not represent the interests of all of Africa. Indeed, South Africa is increasingly finding itself under pressure to show that it is acting in the best interest of Africa.

Equally important is the question of how to develop a common African position vis-à-vis the BRICS in the context of the reluctance of African states to surrender their sovereignty to continental processes. In the final outcome the BRICS committed to coordinate efforts in multilateral organisations better, particularly within the G20.

On the issue of a BRICS Development Bank, progress was noted but more telling have been the differences that have emerged around the architecture of the bank, its institutions and financial commitments. It was pointed out that two of the five BRICS countries are worried that they may not have the necessary finance for the \$10 bn agreed, while China has proposed even greater commitments. It was noted that the Indian position on the bank was that it should not be seen in isolation from existing banks, but as a conduit and spokesperson in engaging the IMF and World Bank on questions of governance. Other issues around a BRICS Development Bank for consideration include how to manage the expectations of the different regions of the BRICS members. In addition, on the hosting of the bank, even if the other BRICS members do not contest the hosting of the bank in South Africa, the question was raised as to whether the country could muster the capacity required to host such a bank. Could South Africa turn it into a robust institution?

In considering other outcomes from the BRICS summit, Prof. Landsberg noted that while the Durban talks indicated the need to support the promotion of African peace and security, there is no clear indication that the BRICS are ready to do the 'heavy lifting', particularly with regard to playing a greater role in peacekeeping in Africa, besides using the UNSC to support such missions. The Durban document makes a commitment to engage African RECs while

also singling out infrastructural development as area of focus within RECS. Yet the document is silent on issues of peace and security in this context.

Finally, the question was raised as to the future of BRICS as a club of five countries, and the rising pressure to expand its ranks and incorporate other emerging economies like Nigeria, Turkey and Indonesia. This will be an enduring question in the immediate term, and something that will have to be addressed by the BRICS countries. Indeed, it seems that the emergence of 'the BRICS' has perhaps moved too fast even for BRICS countries, with events having overtaken them. There is thus a need to look at their identity, and how they will relate to other emerging powers.

Discussion Session

In opening the discussion session, Dr Zondi indicated that the place of BRICS needs to be understood within the context of changes in the world, and that it is important to note the structural change in global power which expresses itself in the balance of international trade and the movement of capital. As Dr Maharajh indicated, perspectives on BRICS are divided and it was important not to over-emphasise changes of global power, from the west/north to the east/south. This is more of a geographical shift than a shift in paradigm. Power is being concentrated in new ways, through the co-option of emerging powers into the 'core', rather than the 'core' disappearing. As such there has been no geo-strategic shift.



Pictured from left to right: Dr Siphamandla Zondi, Prof. Chris Landsberg, Dr Rasigan Maharajh

BRICS has been born out of changes globally, where old forms of engagement, such as the Non-Aligned Movement (NAM), could not work to take up the opportunities. Alternative 'clubs' were supposed to be alliances of like-minded



states, but there are doubts as to their like-mindedness as there is no cohesion on what to meet over or the decisions taken. In other words they are battling to find a centre of gravity on which to converge.

BRICS activism should be seen first and foremost as an attempt by these countries, which are on the periphery of the global political economy, to take advantage of the changing economic conditions to assert themselves in global policy circles. It is worth reflecting on whether the coinage of the term BRIC by Goldman Sachs was actually conceived and promoted as an alternative or a challenge to the existing order. Either way, can the BRICS develop agency and seize the opportunity to advance their strategic interests? The question is really whether they can do things differently through institutions such as a BRICS Development Bank within the current structural challenges that breed inequity and underdevelopment.

What has emerged from successive BRICS meetings is an increased number of priorities. In returning to the question of what the BRICS Summit meant for Africa, Dr Zondi posited that the summit was both successful and unsuccessful for Africa. On the one hand, there is a much greater representation of African interests in documents and in responses to conflict, infrastructure (NEPAD), and socio-development questions. On the other hand, there are continuing challenges in terms of implementation. The next summit will add another element of the African agenda. This may be an achievement as it creates a means, but there must be an end. There is continued pessimism on BRICS and other platforms in creating dynamism for 'bringing in' the periphery. While the semi-periphery creates space for thinking about reform, this has also been beneficial for the core, which is in the doldrums itself. There is indeed a huge space and expectations for the BRICS and other emerging countries to be radical and innovative for a better world order. Here there is space for NGOs and academics and other thinkers to consider an outcome that may not have, as yet, been anticipated.

Questions and Answers

The discussion session was opened to the floor for participants' comments and queries regarding the role of BRICS and the summit outcomes. The first point raised was regarding the BRICS' growing interest in Africa. Here it was noted that it is important for Africa to become better at engagement, particularly in looking at new ways of partnership. In addition Africa needs to define the agenda, in what and how cooperation will be managed. Here African leadership and agency is key. It was argued that the onus and responsibility on South Africa in ensuring that there is delivery for Africa is significant. For example, there was much excitement about the G8 Action Plan for Africa, but this plan has subsequently been shifted to the G20. Certainly in order for

BRICS to take NEPAD seriously, the programme must first be reclaimed and taken seriously by Africans.

In terms of implementation, it was pointed out that the lack of a secretariat may hamper action. Here it was noted that not having a secretariat would not deter a country like China from using its engagement with Africa to promote its domestic industrialisation. The question that should be asked is: what can Africa do to ensure that the BRICS countries relate to it in constructive terms?

The discussion session then turned to South Africa's inclusion in BRICS and what could be achieved from this position. Here it was indicated that following the country's inclusion, the first 18 months were given to deciding what was wanted from BRICS, with no serious thinking on what the agenda was. Since then, a much clearer strategic agenda that has emerged. It was pointed out that the Deputy Minister for International Relations and Cooperation, Ebrahim Ebrahim, has highlighted a three-pronged approach: to promote South Africa's national economic interests; promote Africa's development; and use BRICS to influence global governance.

Rather than suggest that BRICS has made IBSA redundant, it seems correct to argue that BRICS has provided IBSA with a 'lifeline'. BRICS should focus on global economic issues while IBSA focuses on political issues. Yet there is concern that the BRICS agenda is overloaded.

The discussion turned to the role of the Academic Forum, which preceded the BRICS Summit, in contributing to the BRICS debate. It was noted that the Forum focused on three sets of issues broken down into six themes: global issues addressing current challenges and managing the new economic order, including issues of global governance and responsibility; Africa's economic development, industrialisation and regional integration, including how Africa could learn from the BRIC on issues such as education and technology.

It was further posited that the discourse is going to have to move beyond a 'West against the rest' paradigm to include issues such as class dynamics within BRICS as well as within the geo-political North. There is the new emerging multicultural dynamic that supports these policy positions. For example, within the US many black and Hispanic people, as well as Asians, are not looking at intervention abroad, although it needs to be remembered that there is no room for isolation either. Some of the assumptions from the current discourse are too simplistic.

One of the outcomes from the Academic Forum (and South Africa needs to reflect more on this) was that BRICS should deepen cooperation with the AU and the possibility of a BRICS-Africa forum. This would help to take Africa out of a default reactive position. The problem is that this would



result in a 'one and the many' forums such as FOCAC-Africa, India-Africa. It was also argued that Africa's fragmentation means that there is an embedded imperialist paradigm in relation to any external power. It was pointed out that the AU, the RECs, and representatives of NEPAD were invited to the summit. Yet it was also noted that it is difficult to know how Africa has received the idea of a partnership with the BRICS, considering that no statement was released at the end of the Durban outreach. There is, however, a sense that African leaders have acknowledged the importance that is being given to the continent. However, the question should be asked whether Africa can make a strong case before BRICS, since its leaders seem to be more comfortable in positions of subordination which benefit the elite.

The discussions around FOCAC and Africa raised the point on the impact of Sino-South Africa relations on BRICS. It was indicated that there is a misperception, fuelled by the Indians, that South Africa owes its membership of BRICS to the Chinese, but that it was a mere coincidence that South Africa's diplomatic process to join the BRICS coincided with China's hosting of the BRICS summit. Nevertheless intra-BRICS dynamics between the countries continue and should be considered in any analysis.

In light of the current challenges facing the world today, such as climate change, the role of BRICS in addressing these global problems was questioned. Here participants highlighted that the forms and structures of human organisation are testing the limit of what is possible. We have reached the end of the cycle of what global capitalism can offer. The institutions we have in place cannot cope with the increasing complexity of life. It is imperative to start turning to the local level in search for alternative solutions to the challenges we are confronted with. For example, embracing the values of community solidarity, cooperatives, etc. Moreover, there is a need for greater humility to enable us to look for better ways of working together. A good example is the ongoing integration process in east Africa. Unlike European integration, however, African integration is not premised on neo-functionalism but on pan-Africanism, which advocates political union before economic integration.

On the question of whether the Durban declaration *really* prioritised African development this was answered in the affirmative, considering that it is Africa and other LDCs that need the BRICS Development Bank most, and discussions about the bank were paramount in the declaration. Most BRICS countries no longer need development financing, suggesting that despite the order of preference outlined in the document on where the bank would focus its activities, Africa and other LDCs would become the main recipients of the bank's funding.



PARTICIPANT LIST

Chris	Landsberg	UJ
Rasigan	Maharajh	TUT
Siphamandla	Zondi	IGD
Lesley	Masters	IGD
Francis	Kornegay	IGD
Fritz	Nganje	IGD
Kenny	Dlamini	IGD
John	Mashala	IGD
Joseph	Diescho	UNISA
Tumba	Dieudonne	UNISA
Geoff	Pigman	UP
Liberty	Timewell	DFID
Dumisani	Kewuti	AISA
Nelia	Barnard	DIRCO
MM	Basadien	DIRCO
Sandy	Collett	Australian High Commission
Jasmien	De Winne	Embassy of Belgium
Cécile	Vigneau	Embassy of France

Herbert	Beck	Embassy of Germany
Falih	Hilmi	Embassy of Iraq
Eivind Vad	Petersson	Embassy of Norway
Costin	Ionescu	Embassy of Romania
Megan	Bradshaw	US Embassy
Jerome S	Niyonkuru	UADEBU Southern Africa
Patrick	Baleka	Western Sahara Solidarity Forum (SA)
Xuehua	Li	Science and Technology
Patrick	Maesela	
Arina	Muresan	UJ
Lyndsey	Duff	
Paul	Nohd Yavi	Malaysian High Commission
Dikweni	Ndumou	DIRCO
Kastune	Maharaj	DIRCO
George	Kassesse	Embassy of Angola
Joseph	Nsabua	UJ
L. M.	Motebejane	UNISA
G	Bender	DIRCO
Esther	Kibuka Sebitosi	UNISA



'The Durban BRICS Summit: Partnership for Development and Integration'

3 May 2013

Kwame Nkrumah Hall, UNISA

Programme

10:00

Welcome

Chair: Mr Francis Kornegay, *Institute for Global Dialogue*

Panel Discussion:

10:10 – 10:30 BRICS in a changing world order: outcomes from the Durban summit

Dr Rasigan Maharajh, Chief Director: Institute for Economic Research on Innovation, *Tshwane University of Technology*

10:30 – 10:50 Post-BRICS and the advancement of the African Agenda

Prof. Chris Landsberg, NRF Chair: African Diplomacy and Foreign Policy, *University of Johannesburg*

Discussant:

10:50 – 11:00 Dr Siphamandla Zondi, Director, *Institute for Global Dialogue*

Discussion Session

This workshop was made possible through the support of the Department for International Development (DFID), UK

DECLARATION AND ACTION PLAN

Fifth BRICS Summit

Durban: 27 March 2013

BRICS and Africa: Partnership for Development, Integration and Industrialisation

eThekweni Declaration

1. We, the leaders of the Federative Republic of Brazil, the Russian Federation, the Republic of India, the People's Republic of China and the Republic of South Africa, met in Durban, South Africa, on 27 March 2013 at the Fifth BRICS Summit. Our discussions took place under the overarching theme, "BRICS and Africa: Partnership for Development, Integration and Industrialisation". The Fifth BRICS Summit concluded the first cycle of BRICS Summits and we reaffirmed our commitment to the promotion of international law, multilateralism and the central role of the United Nations (UN). Our discussions reflected our growing intra-BRICS solidarity as well as our shared goal to contribute positively to global peace, stability, development and cooperation. We also considered our role in the international system as based on an inclusive approach of shared solidarity and cooperation towards all nations and peoples.

2. We met at a time which requires that we consider issues of mutual interest and systemic importance in order to share concerns and to develop lasting solutions. We aim at progressively developing BRICS into a full-fledged mechanism of current and long-term coordination on a wide range of key issues of the world economy and politics. The prevailing global governance architecture is regulated by institutions which were conceived in circumstances when the international landscape in all its aspects was characterised by very different challenges and opportunities. As the global economy is being reshaped, we are committed to exploring new models and approaches towards more equitable development and inclusive global growth by emphasising complementarities and building on our respective economic strengths.

3. We are open to increasing our engagement and cooperation with non-BRICS countries, in particular Emerging Market and Developing Countries

(EMDCs), and relevant international and regional organisations, as envisioned in the Sanya Declaration. We will hold a retreat together with African leaders after this Summit, under the theme, “Unlocking Africa’s potential: BRICS and Africa Cooperation on Infrastructure”. The retreat is an opportunity for BRICS and African leaders to discuss how to strengthen cooperation between the BRICS countries and the African continent.

4. Recognising the importance of regional integration for Africa’s sustainable growth, development and poverty eradication, we reaffirm our support for the continent’s integration processes.

5. Within the framework of the New Partnership for Africa’s Development (NEPAD), we support African countries in their industrialisation process through stimulating foreign direct investment, knowledge exchange, capacity-building and diversification of imports from Africa. We acknowledge that infrastructure development in Africa is important and recognise the strides made by the African Union to identify and address the continent’s infrastructure challenges through the development of the Programme for Infrastructure Development in Africa (PIDA), the AU NEPAD Africa Action Plan (2010-2015), the NEPAD Presidential Infrastructure Championing Initiative (PICI), as well as the Regional Infrastructure Development Master Plans that have identified priority infrastructure development projects that are critical to promoting regional integration and industrialisation. We will seek to stimulate infrastructure investment on the basis of mutual benefit to support industrial development, job-creation, skills development, food and nutrition security and poverty eradication and sustainable development in Africa. We therefore, reaffirm our support for sustainable infrastructure development in Africa.

6. We note policy actions in Europe, the US and Japan aimed at reducing tail-risks in the world economy. Some of these actions produce negative spillover effects on other economies of the world. Significant risks remain and the performance of the global economy still falls behind our expectations. As a result, uncertainty about strength and durability of the recovery and the direction of policy in some major economies remains high. In some key countries unemployment stays unusually elevated, while high levels of private and public indebtedness inhibit growth. In such circumstances, we reaffirm our strong commitment to support growth and foster financial stability. We also underscore the need for appropriate action to be taken by advanced economies in order to rebuild confidence, foster growth and secure a strong recovery.

7. Central Banks in advanced economies have responded with unconventional monetary policy actions which have increased global liquidity. While this may



be consistent with domestic monetary policy mandates, major Central Banks should avoid the unintended consequences of these actions in the form of increased volatility of capital flows, currencies and commodity prices, which may have negative growth effects on other economies, in particular developing countries.

8. We welcome the core objectives of the Russian Presidency in the G20 in 2013, in particular the efforts to increased financing for investment and ensure public debt sustainability aimed at ensuring strong, sustainable, inclusive and balanced growth and job creation around the world. We will also continue to prioritise the G20 development agenda as a vital element of global economic stability and long-term sustainable growth and job creation.

9. Developing countries face challenges of infrastructure development due to insufficient long-term financing and foreign direct investment, especially investment in capital stock. This constrains global aggregate demand. BRICS cooperation towards more productive use of global financial resources can make a positive contribution to addressing this problem. In March 2012 we directed our Finance Ministers to examine the feasibility and viability of setting up a New Development Bank for mobilising resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries, to supplement the existing efforts of multilateral and regional financial institutions for global growth and development. Following the report from our Finance Ministers, we are satisfied that the establishment of a New Development Bank is feasible and viable. We have agreed to establish the New Development Bank. The initial contribution to the Bank should be substantial and sufficient for the Bank to be effective in financing infrastructure.

10. In June 2012, in our meeting in Los Cabos, we tasked our Finance Ministers and Central Bank Governors to explore the construction of a financial safety net through the creation of a Contingent Reserve Arrangement (CRA) amongst BRICS countries. They have concluded that the establishment of a self-managed contingent reserve arrangement would have a positive precautionary effect, help BRICS countries forestall short-term liquidity pressures, provide mutual support and further strengthen financial stability. It would also contribute to strengthening the global financial safety net and complement existing international arrangements as an additional line of defence. We are of the view that the establishment of the CRA with an initial size of US\$ 100 billion is feasible and desirable subject to internal legal frameworks and appropriate safeguards. We direct our Finance Ministers and Central Bank Governors to continue working towards its establishment.

11. We are grateful to our Finance Ministers and Central Bank Governors for the work undertaken on the New Development Bank and the Contingent Reserve Arrangement and direct them to negotiate and conclude the

agreements which will establish them. We will review progress made in these two initiatives at our next meeting in September 2013.

12. We welcome the conclusion between our Export-Import Banks (EXIM) and Development Banks, of both the “Multilateral Agreement on Cooperation and Co-financing for Sustainable Development” and, given the steep growth trajectory of the African continent and the significant infrastructure funding requirements directly emanating from this growth path, the “Multilateral Agreement on Infrastructure Co-Financing for Africa”.

13. We call for the reform of international financial institutions to make them more representative and to reflect the growing weight of BRICS and other developing countries. We remain concerned with the slow pace of the reform of the IMF. We see an urgent need to implement, as agreed, the 2010 International Monetary Fund (IMF) Governance and Quota Reform. We urge all members to take all necessary steps to achieve an agreement on the quota formula and complete the next general quota review by January 2014. The reform of the IMF should strengthen the voice and representation of the poorest members of the IMF, including sub-Saharan Africa. All options should be explored, with an open mind, to achieve this. We support the reform and improvement of the international monetary system, with a broad-based international reserve currency system providing stability and certainty. We welcome the discussion about the role of the SDR in the existing international monetary system including the composition of SDR's basket of currencies. We support the IMF to make its surveillance framework more integrated and even-handed. The leadership selection of IFIs should be through an open, transparent and merit-based process and truly open to candidates from the emerging market economies and developing countries.

14. We emphasise the importance of ensuring steady, adequate and predictable access to long term finance for developing countries from a variety of sources. We would like to see concerted global effort towards infrastructure financing and investment through the instrumentality of adequately resourced Multilateral Development Banks (MDBs) and Regional Development Banks (RDBs). We urge all parties to work towards an ambitious International Development Association (IDA) replenishment.

15. We reaffirm our support for an open, transparent and rules-based multilateral trading system. We will continue in our efforts for the successful conclusion of the Doha Round, based on the progress made and in keeping with its mandate, while upholding the principles of transparency, inclusiveness and multilateralism. We are committed to ensure that new proposals and approaches to the Doha Round negotiations will reinforce the core principles and the developmental mandate of the Doha Round. We look forward to



significant and meaningful deliverables that are balanced and address key development concerns of the poorest and most vulnerable WTO members, at the ninth Ministerial Conference of the WTO in Bali.

16. We note that the process is underway for the selection of a new WTO Director-General in 2013. We concur that the WTO requires a new leader who demonstrates a commitment to multilateralism and to enhancing the effectiveness of the WTO including through a commitment to support efforts that will lead to an expeditious conclusion of the DDA. We consider that the next Director-General of the WTO should be a representative of a developing country.

17. We reaffirm the United Nations Conference on Trade and Development's (UNCTAD) mandate as the focal point in the UN system dedicated to consider the interrelated issues of trade, investment, finance and technology from a development perspective. UNCTAD's mandate and work are unique and necessary to deal with the challenges of development and growth in the increasingly interdependent global economy. We also reaffirm the importance of strengthening UNCTAD's capacity to deliver on its programmes of consensus building, policy dialogue, research, technical cooperation and capacity building, so that it is better equipped to deliver on its development mandate.

18. We acknowledge the important role that state owned companies (SOCs) play in the economy and encourage our SOCs to explore ways of cooperation, exchange of information and best practices.

19. We recognise the fundamental role played by small and medium-sized enterprises (SMEs) in the economies of our countries. SMEs are major creators of jobs and wealth. In this regard, we will explore opportunities for cooperating in the field of SMEs and recognise the need for promoting dialogue among the respective Ministries and Agencies in charge of the theme, particularly with a view to promoting their international exchange and cooperation and fostering innovation, research and development.

20. We reiterate our strong commitment to the United Nations (UN) as the foremost multilateral forum entrusted with bringing about hope, peace, order and sustainable development to the world. The UN enjoys universal membership and is at the centre of global governance and multilateralism. In this regard, we reaffirm the need for a comprehensive reform of the UN, including its Security Council, with a view to making it more representative, effective and efficient, so that it can be more responsive to global challenges. In this regard, China and Russia reiterate the importance they attach to the status of Brazil, India and South Africa in international affairs and support their aspiration to play a greater role in the UN.

21. We underscore our commitment to work together in the UN to continue our cooperation and strengthen multilateral approaches in international relations based on the rule of law and anchored in the Charter of the United Nations.

22. We are committed to building a harmonious world of lasting peace and common prosperity and reaffirm that the 21st century should be marked by peace, security, development, and cooperation. It is the overarching objective and strong shared desire for peace, security, development and cooperation that brought together BRICS countries.

23. We welcome the twentieth Anniversary of the World Conference on Human Rights and of the Vienna Declaration and Programme of Action and agree to explore cooperation in the field of human rights.

24. We commend the efforts of the international community and acknowledge the central role of the African Union (AU) and its Peace and Security Council in conflict resolution in Africa. We call upon the UNSC to enhance cooperation with the African Union, and its Peace and Security Council, pursuant to UNSC resolutions in this regard. We express our deep concern with instability stretching from North Africa, in particular the Sahel, and the Gulf of Guinea. We also remain concerned about reports of deterioration in humanitarian conditions in some countries.

25. We welcome the appointment of the new Chairperson of the AU Commission as an affirmation of the leadership of women.

26. We express our deep concern with the deterioration of the security and humanitarian situation in Syria and condemn the increasing violations of human rights and of international humanitarian law as a result of continued violence. We believe that the Joint Communiqué of the Geneva Action Group provides a basis for resolution of the Syrian crisis and reaffirm our opposition to any further militarization of the conflict. A Syrian-led political process leading to a transition can be achieved only through broad national dialogue that meets the legitimate aspirations of all sections of Syrian society and respect for Syrian independence, territorial integrity and sovereignty as expressed by the Geneva Joint Communiqué and appropriate UNSC resolutions. We support the efforts of the UN-League of Arab States Joint Special Representative. In view of the deterioration of the humanitarian situation in Syria, we call upon all parties to allow and facilitate immediate, safe, full and unimpeded access to humanitarian organisations to all in need of assistance. We urge all parties to ensure the safety of humanitarian workers.

27. We welcome the admission of Palestine as an Observer State to the United Nations. We are concerned at the lack of progress in the Middle East



Peace Process and call on the international community to assist both Israel and Palestine to work towards a two-state solution with a contiguous and economically viable Palestinian state, existing side by side in peace with Israel, within internationally recognized borders, based on those existing on 4 June 1967, with East Jerusalem as its capital. We are deeply concerned about the construction of Israeli settlements in the Occupied Palestinian Territories, which is a violation of international law and harmful to the peace process. In recalling the primary responsibility of the UNSC in maintaining international peace and security, we note the importance that the Quartet reports regularly to the Council about its efforts, which should contribute to concrete progress.

28. We believe there is no alternative to a negotiated solution to the Iranian nuclear issue. We recognise Iran's right to peaceful uses of nuclear energy consistent with its international obligations, and support resolution of the issues involved through political and diplomatic means and dialogue, including between the International Atomic Energy Agency (IAEA) and Iran and in accordance with the provisions of the relevant UN Security Council Resolutions and consistent with Iran's obligations under the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). We are concerned about threats of military action as well as unilateral sanctions. We note the recent talks held in Almaty and hope that all outstanding issues relating to Iran's nuclear programme will be resolved through discussions and diplomatic means.

29. Afghanistan needs time, development assistance and cooperation, preferential access to world markets, foreign investment and a clear end-state strategy to attain lasting peace and stability. We support the global community's commitment to Afghanistan, enunciated at the Bonn International Conference in December 2011, to remain engaged over the transformation decade from 2015-2024. We affirm our commitment to support Afghanistan's emergence as a peaceful, stable and democratic state, free of terrorism and extremism, and underscore the need for more effective regional and international cooperation for the stabilisation of Afghanistan, including by combating terrorism. We extend support to the efforts aimed at combating illicit traffic in opiates originating in Afghanistan within the framework of the Paris Pact.

30. We commend the efforts of the AU, the Economic Community of West African States (ECOWAS) and Mali aimed at restoring sovereignty and territorial integrity of Mali. We support the civilian efforts of the Malian Government and its international community partners in realising the transitional programme leading up to the presidential and legislative elections. We emphasise the importance of political inclusiveness and economic and social development in order for Mali to achieve sustainable peace and stability. We express concern about the reports of the deterioration in humanitarian

conditions in Mali and call upon the international community to continue to cooperate with Mali and its neighbouring countries in order to ensure humanitarian assistance to civilian population affected by the armed conflict.

31. We are gravely concerned with the deterioration in the current situation in the Central African Republic (CAR) and deplore the loss of life. We strongly condemn the abuses and acts of violence against the civilian population and urge all parties to the conflict to immediately cease hostilities and return to negotiations. We call upon all parties to allow safe and unhindered humanitarian access. We are ready to work with the international community to assist in this endeavour and facilitate progress to a peaceful resolution of the conflict. Brazil, Russia and China express their sympathy to the South African and Indian governments for the casualties that their citizens suffered in the CAR.

32. We are gravely concerned by the ongoing instability in the Democratic Republic of the Congo (DRC). We welcome the signing in Addis Ababa on 24 February 2013 of the Peace, Security and Cooperation Framework for the Democratic Republic of the Congo and the Region. We support its independence, territorial integrity and sovereignty. We support the efforts of the UN, AU and sub-regional organisations to bring about peace, security and stability in the country.

33. We reiterate our strong condemnation of terrorism in all its forms and manifestations and stress that there can be no justification, whatsoever, for any acts of terrorism. We believe that the UN has a central role in coordinating international action against terrorism within the framework of the UN Charter and in accordance with principles and norms of international law. In this context, we support the implementation of the UN General Assembly Global Counter-Terrorism Strategy and are determined to strengthen cooperation in countering this global threat. We also reiterate our call for concluding negotiations as soon as possible in the UN General Assembly on the Comprehensive Convention on International Terrorism and its adoption by all Member States and agreed to work together towards this objective.

34. We recognize the critical positive role the Internet plays globally in promoting economic, social and cultural development. We believe it's important to contribute to and participate in a peaceful, secure, and open cyberspace and we emphasise that security in the use of information and communication technologies (ICTs) through universally accepted norms, standards and practices is of paramount importance.

35. We congratulate Brazil on hosting the UN Conference on Sustainable Development (Rio+20) in June 2012 and welcome the outcome as reflected in "The Future we Want", in particular, the reaffirmation of the Rio Principles



and political commitment made towards sustainable development and poverty eradication while creating opportunities for BRICS partners to engage and cooperate in the development of the future Sustainable Development Goals.

36. We congratulate India on the outcome of the 11th Conference of the Parties to the United Nations Conference on Biological Diversity (CBD COP11) and the sixth meeting of the Conference of the Parties serving as the Meeting of the Parties to the Cartagena Protocol on Biosafety.

37. While acknowledging that climate change is one of the greatest challenges and threats towards achieving sustainable development, we call on all parties to build on the decisions adopted in COP18/CMP8 in Doha, with a view to reaching a successful conclusion by 2015, of negotiations on the development of a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties, guided by its principles and provisions.

38. We believe that the internationally agreed development goals including the Millennium Development Goals (MDGs) address the needs of developing countries, many of which continue to face developmental challenges, including widespread poverty and inequality. Low income countries (LICs) continue to face challenges that threaten the impressive growth performance of recent years. Volatility in food and other commodity prices have made food security an issue as well as constraining their sources of revenue. Progress in rebuilding macro-economic buffers has been relatively slow, partly due to measures adopted to mitigate the social impact of exogenous shocks. Many LICs are currently in a weaker position to deal with exogenous shocks given the more limited fiscal buffers and the constrained aid envelopes, which will affect their ability to sustain progress towards achieving the MDGs. We reiterate that individual countries, especially in Africa and other developing countries of the South, cannot achieve the MDGs on their own and therefore the centrality of Goal 8 on Global Partnerships for Development to achieve the MDGs should remain at the core of the global development discourse for the UN System. Furthermore, this requires the honouring of all commitments made in the outcome documents of previous major international conferences.

39. We reiterate our commitment to work together for accelerated progress in attaining the Millennium Development Goals (MDGs) by the target date of 2015, and we call upon other members of the international community to work towards the same objective. In this regard, we stress that the development agenda beyond 2015 should build on the MDG framework, keeping the focus on poverty eradication and human development, while addressing emerging challenges of development taking into consideration individual national circumstances of developing countries. In this regard the critical issue of the

mobilization of means of implementation in assisting developing countries needs to be an overarching goal. It is important to ensure that any discussion on the UN development agenda, including the “Post 2015 Development Agenda” is an inclusive and transparent inter-Governmental process under a UN-wide process which is universal and broad based.

40. We welcome the establishment of the Open Working Group on the Sustainable Development Goals (SDGs), in line with the Rio+20 Outcome Document which reaffirmed the Rio Principles of Sustainable Development as the basis for addressing new and emerging challenges. We are fully committed to a coordinated inter-governmental process for the elaboration of the UN development agenda.

41. We note the following meetings held in the implementation of the Delhi Action Plan:

- Meeting of Ministers of Foreign Affairs on the margins of UNGA.
- Meeting of National Security Advisors in New Delhi.
- Meetings of Finance Ministers, and Central Bank Governors in Washington DC and Tokyo.
- Meeting of Trade Ministers in Puerto Vallarta.
- Meetings of Health Ministers in New Delhi and Geneva.

42. We welcome the establishment of the BRICS Think Tanks Council and the BRICS Business Council and take note of the following meetings which were held in preparation for this Summit:

- Fifth Academic Forum
- Fourth Business Forum
- Third Financial Forum

43. We welcome the outcomes of the meeting of the BRICS Finance Ministers and Central Bank Governors and endorse the Joint Communiqué of the Third Meeting of the BRICS Trade Ministers held in preparation for the Summit.

44. We are committed to forging a stronger partnership for common development. To this end, we adopt the eThekweni Action Plan.

45. We agree that the next summit cycles will, in principle, follow the sequence of Brazil, Russia, India, China and South Africa.

46. Brazil, Russia, India and China extend their warm appreciation to the Government and people of South Africa for hosting the Fifth BRICS Summit in Durban.



47. Russia, India, China and South Africa convey their appreciation to Brazil for its offer to host the first Summit of the second cycle of BRICS Summits, i.e. the Sixth BRICS Summit in 2014 and convey their full support thereto.

eThekweni Action Plan:

1. Meeting of BRICS Ministers of Foreign Affairs on the margins of UNGA.
2. Meeting of BRICS National Security Advisors.
3. Mid-term meeting of Sherpas and Sous-Sherpas.
4. Meetings of Finance Ministers and Central Bank Governors in the margins of G20 meetings, WB/IMF meetings, as well as stand-alone meetings, as required.
5. Meetings of BRICS Trade Ministers on the margins of multilateral events, or stand-alone meetings, as required.
6. Meeting of BRICS Ministers of Agriculture and Agrarian Development, preceded by a preparatory meeting of experts on agro-products and food security issues and the Meeting of Agriculture Expert Working Group.
7. Meeting of BRICS Health Ministers and preparatory meetings.
8. Meeting of BRICS Officials responsible for population on the margins of relevant multilateral events.
9. Meeting of BRICS Ministers of Science and Technology and meeting of BRICS Senior Officials on Science and Technology.
10. Meeting of BRICS Cooperatives.
11. Meetings of financial and fiscal authorities in the margins of WB/IMF meetings as well as stand-alone meetings, as required.
12. Meetings of the BRICS Contact Group on Economic and Trade Issues (CGETI).
13. Meeting of the BRICS Friendship Cities and Local Governments Cooperation Forum.
14. Meeting of the BRICS Urbanisation Forum.
15. Meeting of BRICS Competition Authorities in 2013 in New Delhi.
16. 5th Meeting of BRICS Heads of National Statistical Institutions.
17. Consultations amongst BRICS Permanent Missions and/or Embassies, as appropriate, in New York, Vienna, Rome, Paris, Washington, Nairobi and Geneva, where appropriate.
18. Consultative meeting of BRICS Senior Officials in the margins of relevant sustainable development, environment and climate related international fora, where appropriate.

New areas of cooperation to be explored

- - BRICS Public Diplomacy Forum.
- BRICS Anti-Corruption Cooperation.

- BRICS State Owned Companies / State Owned Enterprises.
- National Agencies Responsible for Drug Control.
- BRICS virtual secretariat.
- BRICS Youth Policy Dialogue.
- Tourism.
- Energy.
- Sports and Mega Sporting Events.

Available at <http://www.brics5.co.za/fifth-brics-summit-declaration-and-action-plan/> [accessed 16/05/2013]

ABOUT THE INSTITUTE FOR GLOBAL DIALOGUE

The IGD is an independent foreign policy and international diplomacy think tank dedicated to the analysis of and dialogue on the evolving international political and economic environment, and the role of Africa and South Africa. It advances a balanced, relevant and policy-oriented analysis, debate and documentation of South Africa's role in international relations and diplomacy.

The IGD was initially established in 1995 as the Foundation for Global Dialogue after several years of effort led by the former South African president, Nelson Mandela, in his capacity as the president of the African National Congress. He and his team of leaders saw a need for a research organization that would facilitate the new South Africa's engagement with the changing global order after 1994. This was a period in which three vectors of change coincided: the tectonic shift in global power politics after the collapse of the Soviet Union; the wave of democratization that hit Africa and South America; and the near miraculous transition from apartheid to democracy in South Africa. The initial funding came from the German government and went towards establishing the Foundation's competitive edge, a combination of policy-oriented research, catalytic dialogue, tailor-made publications and grant-making for NGOs interested in international relations.

The IGD's research agenda has three broad programmatic focus areas: foreign policy analysis with special reference to the making and management of foreign policy and diplomatic tools like economic, developmental, and public diplomacy; African studies focusing on the role of regional and continental integration in African politics and development as well as the study of peace diplomacy; and international diplomacy, analysing dynamics in international diplomacy that have a bearing on African peace and prosperity.

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