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BRICS

in a Changing Geopolitical
Landscape:

**South Africa and Russia's Chairship
in 2023 and 2024**

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1. Introduction: Sketching the Geopolitical Context of the 2023 BRICS Summit

1.1 An increasingly fragmented global order

South Africa took up chairship of the BRICS group in 2023, in a geopolitical environment that had grown increasingly fragmented and contested. The pandemic and accompanying responses had already raised tensions between the global north and south. Countries in the global south accused their counterparts in the north of prioritising their citizens rather than formulating a coordinated approach at the multilateral level. Vaccines were thus unevenly distributed and proposals by South Africa and India, which called for a waiver on intellectual property rights through the World Trade Organisation (WTO), were largely ignored. To rub salt into the wound, countries in the global north imposed unilateral travel bans that mostly led to an erosion of trust.¹

Following the COVID-19 pandemic, South Africa chaired various in-person BRICS-related engagements. This was significant and allowed the grouping to revive a degree of momentum towards BRICS cooperation. It was, however, also a year that tested South Africa's diplomatic skills, as the country had to balance its relations with the BRICS countries and Western partners who had grown increasingly confrontational with two of the BRICS member states, namely, China and Russia.

The following research article outlines the key outcomes of the BRICS 2023 Summit while looking ahead to Russia's chairship of BRICS 2024, which promises to be an ambitious one given the West's efforts to isolate Russia. It thus contextualizes the two respective summits in a broader geopolitical landscape undergoing important changes and greater fragmentation. It then highlights some of the most important agreements reached at the Johannesburg Summit. In analysing the Russian

chairship, attention is paid not only to the key priorities already outlined but also to efforts that Russia will probably make to reassure its BRICS partners that it is serious about minimising the negative effects of the war in Ukraine, especially on the global south. As a point of departure, the article begins with unpacking geopolitical tensions between two BRICS member states (Russia and China) with the United States of America (USA) and European Union, in the section below.

1.2 Deteriorating Relations between the USA, EU, China, and Russia

While the USA and its counterparts in the EU increasingly view China as an existential threat and competitor on the global stage, their approaches have been being coordinated in efforts to 'de-risk' their investments, especially their important supply chains in high-tech manufacturing. There is a growing consensus in Europe and the USA that vital supply chains needed to be relocated away from China towards 'friendly' countries and regions. Chinese investments in Europe and the USA are continuously scrutinised to safeguard the national interests of the USA and its European allies such as the United Kingdom (UK), Germany, and France, especially in the areas of high-tech manufacturing. The USA updated its National Security Strategy, outlining China and Russia as adversaries in the international system.²

The EU and its key member states would also follow the USA's lead in aligning their security frameworks and strategies to those of Washington. On the one hand, the USA and its European allies sought to 'de-risk' their Chinese investments while also discouraging countries in Africa and the global south from deepening their relations with China and Russia. This placed countries such as South Africa in the crossfire of

geopolitical tensions between the USA, EU, China, and Russia.

South Africa chaired the BRICS at a time when Western countries had imposed steep sanctions on Russia, for its war in Ukraine, in an attempt to isolate the country and weaken it militarily, politically, and economically. The sanctions sought to cripple Russia's ability to sell its petroleum resources, the idea being that if it struggled to sell its petroleum, it would weaken its war effort in Ukraine and severely reduce economic activity in the country.³ The measures imposed by Western countries included the freezing of Russian foreign reserves and the removal of the country from the SWIFT payment system, an unprecedented move highlighting the extent to which their relationship with Russia had deteriorated. This would also place additional pressure on countries in the global south as Western capitals sought to persuade them to condemn Russia's actions and support sanctions

1.3 Chairing the 2023 BRICS Summit: Managing the External Pressure

With South Africa chairing the BRICS grouping amid growing fragmentation and geopolitical competition, the country found itself under extreme external pressure, especially once an arrest warrant for President Vladimir Putin was issued by the International Criminal Court (ICC) – given its obligation to the ICC as a member state. African countries were also polarised in the United Nations General Assembly (UNGA), over whether to condemn Russia for its war in Ukraine, as the variations in voting patterns demonstrated. South Africa's position has been one of non-alignment, choosing to abstain from the various United Nations (UN) resolutions condemning Russia. These voting patterns also attracted attention from the USA and its European allies, only adding to the scrutiny. Already in March 2022, shortly after Russia launched its full-fledged invasion of Ukraine, Africa's response to the Ukraine crisis was not unanimous. Rifts became visible during the historic UNGA session in early March, where only half of African states supported the resolution's 'denunciation of Russian aggression'. 'Where some countries robustly condemned the invasion as a flagrant violation of crucial norms, others were more hesitant, often highlighting the West's inconsistent commitment to those very principles.'⁴

These tensions were exacerbated by accusations from the USA Ambassador to South Africa that the country had supplied weapons to Russia on the Lady-R ship, which had docked in Simons Town in late 2022. While an independent panel found the claims to be false, suspicion continued to cloud relations.⁵ Combined with the ICC arrest warrant

for President Putin and accusations of supplying arms to Russia, South Africa's non-aligned position towards the war in Ukraine was again placed under the spotlight as the country was accused of supporting Russia despite its stated position in multiple fora.

Members of the USA Congress also placed the country under an increasing amount of pressure, using the African Growth and Opportunity Act (AGOA) as an instrument. As chair of the revamped House Foreign Affairs panel on Africa, Republican Congressman John James of Michigan introduced legislation denouncing South Africa's joint maritime exercises with the navies of Russia and China. He proposed that the Biden Administration review its relations with South Africa and reconsider the country's trade preferences to AGOA.⁶ USA Senator Jim Risch (R-Idaho), a ranking member of the Senate Foreign Relations Committee, also sent a letter to Secretary of State Antony Blinken and USA trade

Representative Katherine Tai, outlining concerns regarding the Biden Administration's decision to hold the African Growth and Opportunity Act Forum in South Africa, in which he states the following⁷:

” I write to reiterate my strong concerns regarding the Biden Administration's decision to hold the African Growth and Opportunity Act (AGOA) Forum in Johannesburg, South Africa. ”

” I was also disappointed to learn that South Africa will remain fully eligible for AGOA's duty-free trade preferences in 2024, despite South Africa's continued actions that subvert U.S. national security and foreign policy interests. ”

More recently, South Africa's case of genocide against Israel has also placed the country under the spotlight, especially from legislators in the USA, who accuse the country of not applying the same approach towards Russia as it has on Israel. However, this comparison fails to grasp the way South African decision-makers see the respective wars in Gaza and Ukraine. The war in Ukraine is largely seen as a result of deteriorating relations and geopolitical tensions among the great powers, especially the USA and Russia. Conversely, the war in Gaza is seen as another phase of a decades-old occupation by Israel, a country with a modern army and sophisticated weapons, and Palestinians, a people who continue to struggle for recognition and the establishment of a state alongside Israel. Traditionally, South Africa's position has been one of non-alignment when confronting tensions and conflicts among the great powers, as is seen in the case of Ukraine.

Despite the fractured geopolitical landscape and immense pressure placed on developing countries and South Africa, as the chair of BRICS in 2023, the country was able to host an important summit, which took significant decisions such as the expansion of BRICS. However, it meant that due to the arrest warrant by the ICC, President Putin participated virtually while Foreign Minister Lavrov physically attended the summit. In so doing, South Africa did not violate its obligations under the ICC and successfully shifted media speculation about whether President Putin would attend the summit, to the content of the summit. Some of the agreements reached included increasing the use of local currencies in economic relations, accelerating the movement towards alternative payment systems, and an agreement on expanding BRICS, which saw Argentina, Egypt, Ethiopia, the United Arab Emirates (UAE), Saudi Arabia, and Iran invited to be full members from 1 January 2024. Despite Argentina's decision not to join, following the electoral victory of Javier Milei in December 2023, the other five countries are now full members of BRICS, thus doubling the membership.

It is also important to note that South Africa hosted meetings on all diplomatic tracks, including the BRICS Academic Forum, BRICS Business Forum, and the BRICS Political Parties Plus Dialogue. These all added greater interest and momentum to BRICS cooperation.

2. Key Outcomes of the BRICS 2023 Summit: Assessing the Johannesburg Declaration

2.1 Continuity in the Overall Summit Theme

'BRICS and Africa: Partnership for Mutually Accelerated Growth, Sustainable Development and Inclusive Multilateralism' was the theme of the 2023 summit held in Johannesburg from 22nd to 24th August. This was in line with the themes of previous summits hosted by South Africa in 2013 (Durban) and 2018 (Johannesburg). The country's intention has always been to use its chairship of BRICS to enhance relations between Africa and BRICS countries.

It also uses the opportunity to highlight the issue of sustainable development to further the UN Sustainable Development Goals (SDGs) of eradicating extreme poverty by the year 2030. It also argues that there should be inclusive multilateralism in a changing international landscape, urging multilateral institutions to adapt and reform to reflect the reality of the current global balance of power, especially considering that countries in the global south have become more influential in their immediate regions and beyond. Despite these qualitative changes to the balance of power, multilateral institutions have continued to drag their feet in supporting meaningful reforms in the way decision-making takes place in multilateral fora.

Importantly, South Africa has consistently highlighted the importance of supporting non-state initiatives such as the BRICS Business Council, BRICS Think Tanks Council, BRICS Civil Society Forum, and the BRICS Political Parties Dialogue, which the country first hosted in 2018. These non-state initiatives, which have allowed a deepening of people-to-people relations, have become essential pillars of BRICS cooperation, fostering ongoing relations during and between summits. South Africa's priorities under BRICS have thus been relatively consistent over the years. In recent years, each BRICS chairship has hosted over one hundred and fifty official meetings. However, because of the research and dialogue networks between the BRICS countries, institutions such as think tanks, universities, civil society, community-based structures, and youth organisations have continued to engage at a formal and informal level between summits.

2.2 Global Governance Reforms, and Partnerships for Inclusive Multilateralism

Focusing its attention on the pillar of building partnerships for inclusive multilateralism, the 2023 BRICS Summit emphasized upholding

international law as enshrined in the UN Charter. This has been expressed in previous summits and has increasingly become a source of polarisation globally as China, Russia, the United States, and its European allies find each other at loggerheads, accusing each other of selectively adhering to the UN Charter, including on central principles of sovereignty. The members of the United Nations Security Council (UNSC) have thus been accused of violating the very principles they are tasked with safeguarding to maintain a degree of predictability in international relations.

These complexities highlight the need for South Africa to work with both permanent UNSC members and the rotating non-permanent members of the Security Council to build greater momentum for reform, including enhancing work within the General Assembly and the various socio-economic organs that form part of the UN system. President Lula of Brazil, during the open plenary of the Summit, acknowledged that BRICS members are actively working to resolve the conflict in Ukraine by speaking to both Ukrainian and Russian leaders. He further stated that “the war in Ukraine highlights the limitations of the U.N. Security Council,”⁸ pointing to the way it is hamstrung when one of its permanent members is involved in a conflict. This has rendered the UNSC incapable of playing a positive role in creating conditions for dialogue during the war in Ukraine.

The 2023 declaration also expressed concern about the use of unilateral measures, which BRICS countries argued were incompatible with the principles of the UN Charter. Both in the lead-up to and during the summit, member states expressed how unilateral sanctions also produced negative effects in other countries, notably in the developing world.⁹

Consistent with previous summits, BRICS countries also called for greater representation of emerging markets and developing countries in international organisations and multilateral fora, something that continues to resonate across the global south. The concept of ‘the right to development’ was invoked by the Summit as BRICS countries reiterated the importance of implementing a rights-based approach to development. Despite the accusation of driving an anti-Western agenda, the formal BRICS Summit programme seeks reforms to the current global governance architecture rather than looking to upend the current political and financial structure. However, as long as the war in Ukraine continues, Russia and its BRICS counterparts can expect continued criticism of the human cost of the war.

As BRICS countries position themselves as reformers instead of status quo powers, they once again called for the reform of the United Nations and its Security Council to support the desires

of emerging and developing countries from Africa, Asia and Latin America. The declaration explicitly mentioned the legitimate wishes of South Africa, India, and Brazil to play greater roles in international affairs, in particular in the United Nations, including its Security Council.¹⁰

One of the international organisations that has suffered greatly from the crisis of multilateralism is the World Trade Organisation (WTO), which has not been able to regain its primary position in multilateral trade negotiations. The WTO dispute settlement mechanism continues to face a crisis due to the US blocking appointments to one of its most important structures, the Appellate Body. As a result, it has become extremely difficult for WTO members to enforce their obligations through complaints against measures they believe are violations. This has coincided with leading developed countries going outside the framework of the WTO to forge more exclusive free trade deals with strategic countries and regions.

The 2023 Summit reaffirmed the support for an ‘open, transparent, fair, predictable, inclusive, equitable, non-discriminatory and rules-based multilateral trading system with the WTO at its core, with special and differential treatment for developing countries, including Least Developed Countries’. Calls for the reform of global governance institutions also extended to the Bretton Woods institutions, the IMF and World Bank, to which the BRICS countries initially turned their reform efforts when the grouping was founded. BRICS countries have thus continued to call for emerging markets and developing countries to play more significant roles, including leading the Bretton Woods institutions, considering their increased roles in the world economy¹²

2.3 Peace and Security

The 2023 BRICS Summit further emphasized the need to foster an environment for peace and development, including addressing the root causes of conflict. This was especially important given the context of the war in Ukraine and various efforts by BRICS countries to establish an environment for dialogue. While BRICS countries have not taken a uniform position, they do support a dialogue process that considers the interests and security concerns of all stakeholders. It was in this context that South Africa was involved in the African peace initiative that resulted in discussions with both President Zelensky and President Putin in a short space of time.¹³

Amongst the various conflicts discussed during the 2023 summit, BRICS countries commended efforts towards fostering peace and cooperation between Saudi Arabia and Iran. This will remain

important as both countries now enjoy full membership of the group. While there was no common BRICS position on the war in Ukraine, the summit made special mention of its support for the various dialogue processes led by BRICS countries, including the African peace initiative. BRICS countries will thus continue seeking ways to strike a delicate balance in relations between Russia, Ukraine, and its declared allies in Europe and North America, despite the criticism of their non-aligned stances.

In line with previous summits chaired by South Africa, the declaration emphasized the centrality of the UN system and ongoing efforts to foster greater cooperation between the UN and the African Union in peace and security. This also meant support for resourcing and equipping African stakeholders to be able to better contribute towards peace-building and peacekeeping efforts on the continent.¹⁴ This is a long-held South African position and has been actively advocated for in various regional and global structures such as the African Union and the United Nations. It was thus important for the country to gain support from its fellow BRICS counterparts to add impetus to efforts to enhance cooperation between the UNSC and the African Union (AU) Peace and Security Council.

It was significant that the Summit supported the various peace initiatives underway, especially the African peace initiative, given its ability to speak to both Ukrainian and Russian heads of state within a short space of time.¹⁵ As the war in Ukraine continues, military solutions rather than political ones have taken precedence, distracting global attention from important development commitments under the SDGs. By having a serious discussion on the conflict, BRICS also became one of the only global platforms able to speak directly to President Putin about the dynamics of the conflict, its effects in the global south, and efforts to address its root causes.

2.4 Enhancing Economic Cooperation

The Summit addressed rising debt levels in some countries, which have reduced their fiscal space and ability to address development challenges. These challenges have been exacerbated by monetary tightening in advanced economies and rising interest rates, which have worsened debt vulnerabilities in many countries, especially in the developing world.¹⁶ BRICS countries acknowledged the importance of successive G20 summits chaired by countries in the global south, especially BRICS countries India, Brazil and South Africa, which preside over the G20 from 2023 to 2025.¹⁷ This would allow greater continuity to resolve issues affecting countries in the global south. It will also undoubtedly ensure that debt

vulnerability issues remain a priority not only for BRICS countries but for the G20 as well, given how vital they are for the development aspirations of the global south. This is in the context of the BRICS countries supporting the African Union being included in the G20 as a permanent member. Enhanced economic cooperation and the reform of the existing global financial architecture were the main drivers behind the formation of BRICS and have remained important priorities. Currently, the grouping remains guided by the Strategy for BRICS Economic Partnership 2025, which influences the various ministerial tracks and working groups. In 2023, the summit sought to enhance the interconnectivity of supply chains and payment systems to promote trade and investment flows.

It was recognised by the member states of BRICS that inexpensive, transparent, safe, and inclusive payment systems would contribute to the implementation of the strategy for BRICS economic partnerships, especially in the context of unprecedented sanctions against Russia. In line with the overall theme of the Summit, member states also reiterated their support for the AU Agenda 2063 and the continent's efforts towards integration, especially through operationalising the African Continental Free Trade Area (AFCFTA). Implementation of the AFCFTA was viewed as important in identifying opportunities and enhancing BRICS cooperation with Africa in trade, investment, and infrastructure development.¹⁸

To promote economic cooperation in a fractured geopolitical landscape, BRICS countries encouraged using local currencies in international trade and financial transactions between themselves and their trading partners. This would prompt members to encourage their banking networks to increase cooperation and allow settlements in local currencies. Finance Ministers and Central Bank Governors were requested to consider the issue of local currencies, payment instruments and platforms and to report back by the next summit in Russia. The New Development Bank (NDB) will be the backbone of implementing this resolution by BRICS countries, having set itself the target of extending 30 percent of financing in local currencies by 2026. Over time, this may reduce the hegemony of the dollar. It will thus be expected to provide 'effective financing solutions for sustainable development, a steady process in membership expansion, and improvements in corporate governance and operational effectiveness towards the fulfilment of NDB's General Strategy for 2022-2026.'

This becomes more important with the recent inclusion of new members into the NDB, namely Egypt, Bangladesh and the UAE, as they inject new resources into the NDB while creating additional financing opportunities.¹⁹ While the NDB certainly adds to the development finance landscape, bear in mind that it still depends on the ratings

of traditional Rating Agencies. All new projects in Russia are therefore on hold to avoid being targeted through sanctions and ultimately losing their good rating. This highlights the limitations of the current architecture. It also illustrates the BRICS approach to reform rather than completely upending the current international economic and political order.

2.5 Institutional Development and BRICS Expansion

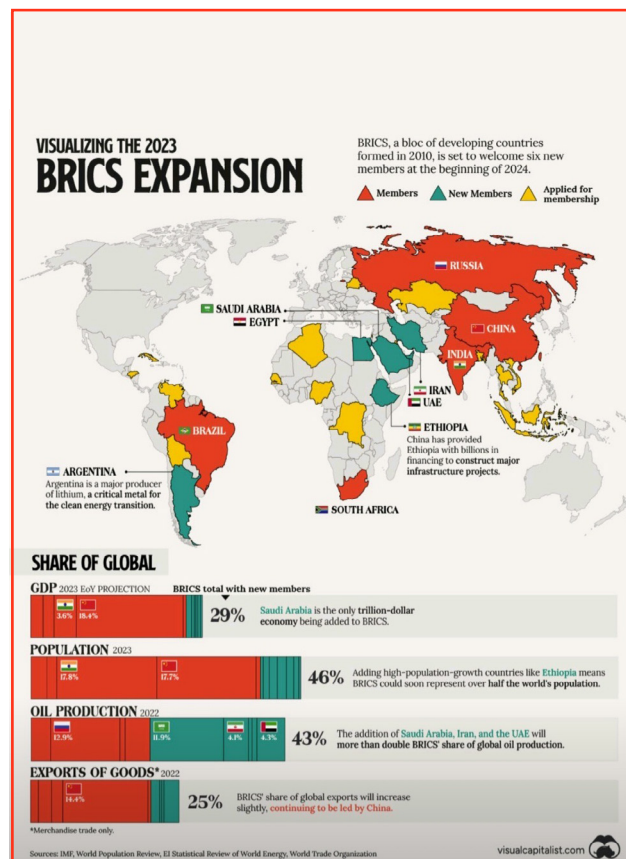
When considering the idea of BRICS expansion, it is important to note that South Africa was the first country in an expanded grouping. It was also during South Africa's first chairship of the group in 2013 that the country proposed an outreach initiative that saw African countries and the various Regional Economic Communities (RECs) invited to participate on the sidelines of the summit. This planted the seeds of a broader BRICS outreach initiative, as seen in every subsequent summit after 2013, with each host extending an invitation to regional partners interested in BRICS. This round of outreach initiatives was only broken during Brazil's chairing of the group under President Bolsonaro.

Under the pillar of institutional development, BRICS countries discussed ways to strengthen their institutional framework through outreach initiatives towards what was referred to as the 'Friends of BRICS', the Africa Outreach, and a formal process of BRICS expansion. One of the far-reaching decisions involved agreements on a set of criteria, principles, and guidelines for expansion and the formal invitation of Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, and the UAE to become full members of BRICS from 1 January 2024. In this regard, BRICS foreign ministers were further tasked with developing the BRICS partner country model and a list of prospective partner countries. A report back will be delivered at the next summit in Russia.²⁰ As stated above, only Argentina's membership was not carried forward by the newly-elected government.

Looking at the below image of BRICS expansion, it is clear that its position has strengthened with the inclusion of new members. This is amplified in the addition of oil-producing countries like Saudi Arabia, Iran, and the UAE. The new members also bring challenges given their relationship dynamics. Ethiopia and Egypt, Saudi Arabia and Iran will thus all have to temper their bilateral disagreements for the sake of cohesion within BRICS. This may prove advantageous for medium to long-term cooperation, as these countries will enhance dialogue mechanisms through BRICS. When factoring in that approximately two hundred meetings in various capacities are set to take place through the different diplomatic tracks

in 2024 and beyond, the hope is that increased opportunities for dialogue will lead to greater cooperation in future. Indeed, even China and India have generally managed to ensure that their disagreements at a bilateral level do not harm BRICS cooperation

BRICS Expansion Visualised²¹



3. Looking Ahead: Russia's BRICS Chairship for 2024

3.1 Priorities for Russia's Chairship

President Putin and his BRICS team are likely to build on South Africa's chairship while seeking to maximise the domestic and global attention on BRICS in what is an election year in Russia. Russia will welcome the new members of BRICS while seeking tangible progress on various tasks agreed to in 2023, including creating alternative payment systems and increasing the use of local currencies. Both of these goals are closely tied to Russia's interests as the country seeks to minimize the effects of Western sanctions.

Amongst the challenges the Russian leadership will seek to confront is the weaponisation of the dollar and the global financial system. The most glaring example is the removal of notable Russian banks from the SWIFT payment system and the freezing of its foreign reserves, amounting to roughly \$300 billion held in gold and forex reserves.²² It is perhaps this action that sent the biggest shock waves in the global south, leading some to conclude that if Russia's foreign reserves could be frozen, there was very little keeping the USA from freezing the foreign reserves of other countries who took positions seen to go against their interests. Such an environment lends itself to increased efforts to create alternative payment mechanisms and increase the use of local currencies to settle financial transactions, which will certainly gain momentum during Russia's chairship in 2024.²³

Work has already begun ahead of the summit in Russia, themed "Strengthening Multilateralism for Equitable Global Development and Security". The first meeting of Sherpas/Sous-Sherpas took place from January 30 – February 1, with the new countries – Ethiopia, Egypt, Iran, the United Arab Emirates and Saudi Arabia participating fully for the first time.²⁴ The meeting was chaired by Deputy Minister of Foreign Affairs, Russia's Sherpa in BRICS, Sergey A. Ryabkov, who highlighted priorities for the Russian chairship. It was also an opportunity for various Russian ministries and departments to give briefings on key areas of cooperation for the year ahead. Russia emphasised the importance of initiatives such as the launch of an Integrated Early Response System to the risks of contagious diseases, made even more significant because of the COVID-19 pandemic and challenges to international cooperation during the pandemic. The establishment of an Industrial Competence Center based on the United Nations Industrial Development Organization (UNIDO), and the BRICS Medical Association were also emphasised. Importantly, Russia also highlighted opportunities for greater cooperation in the field of transport and tourism, which has become especially pressing as Russia aims to secure a steady flow of foreign currency and cooperation in logistics following unprecedented sanctions by Western capitals.²⁵

Although BRICS expansion would remain important, it was clear that rather than limiting expansion to full membership, during the Russian chairship, there was a likelihood of formalising another category of BRICS partner states. These states would be recognised as partners without having full membership. Discussions thus focused primarily on the modalities of the category of BRICS partner states, as well as the growing role of national currencies and payment instruments in cross-border transactions of the BRICS countries. It is also envisaged that the outreach (BRICS plus) dialogue mechanisms that began under South Africa's chairmanship in 2013 will continue,

creating spaces for continued interaction with developing countries to contribute to expanding the strategic reach of BRICS.²⁶

In a wide-ranging BRICS-related interview with TASS, the aide to the President of Russia for Foreign Policy Yuri Ushakov, stated that to implement the priorities outlined during Russia's chairship, 'an interdepartmental Steering Committee for Preparing and Ensuring Russia's BRICS Presidency in 2024 has been established under a presidential decree.'²⁷ This body, which he heads, is tasked with coordinating the participation of Russian federal and regional authorities, parliamentary, business and non-governmental organizations in the BRICS mechanisms, and, in general, all issues related to the Russian Presidency, including the preparation of meetings at various levels and, of course, the BRICS summit.' Working groups have also been meeting regularly, and overseeing various foreign policy, financial, and organisational matters. In December 2023, the Steering Committee had already approved about 250 BRICS-related events to be held in a dozen Russian cities, with the summit in Kazan scheduled to take place from October 22-24 as the key event of the Russian Presidency.²⁸

The BRICS Economic Partnership Strategy, being implemented until 2025, includes efforts to strengthen supply chains, develop the digital economy, support small and medium-sized businesses, stimulate tourist flows, and interact in the field of transport. Russia is taking the strategy and its implementation very seriously.²⁹ Given the momentum of the BRICS expansion, there is a strong possibility that the strategy will be further adapted, with efforts to draft a longer-term strategy beyond 2025 likely to be given greater impetus considering the changes to contemporary geopolitics and geoeconomics.

With Iran, Saudi Arabia and UAE as members, BRICS countries now produce about 44% of the world's crude oil.³⁰ Importantly, the group also consists of some of the most important consumers of energy. The expanded BRICS thus carries an even greater amount of demographic and economic weight. It now accounts for almost half the world's population (46%, up from 41% for BRICS).³¹ This is significantly higher than the population of the G7 countries, which account for just under 10% of the world's population. While BRICS already accounted for a larger share of world GDP in purchasing power parity terms than the G7 (31.6%), the expansion has increased this share to over a third (35.6% in 2022).³² Looking into the future, this share is likely to rise due to increased economic growth in emerging countries. According to projections by the International Monetary Fund (IMF), BRICS Plus countries will account for 37.6% of world GDP at Purchasing Power Parity (PPP) in 2027 compared with 28.2% for the G7.³³

3.2 Allaying fears about the negative effects of the war in Ukraine

While at the helm of the expanded BRICS, one of the continued areas for discussion will remain the ongoing war in Ukraine. Russia will attempt to reassure its partners in BRICS and the global south that it is taking reasonable measures to address the negative consequences of the war in Ukraine. At the Russia-Africa Summit in 2023, it started to manage expectations with African counterparts on the suspension of the Black Sea grain deal and used the occasion to present an alternative to the grain deal.³⁴

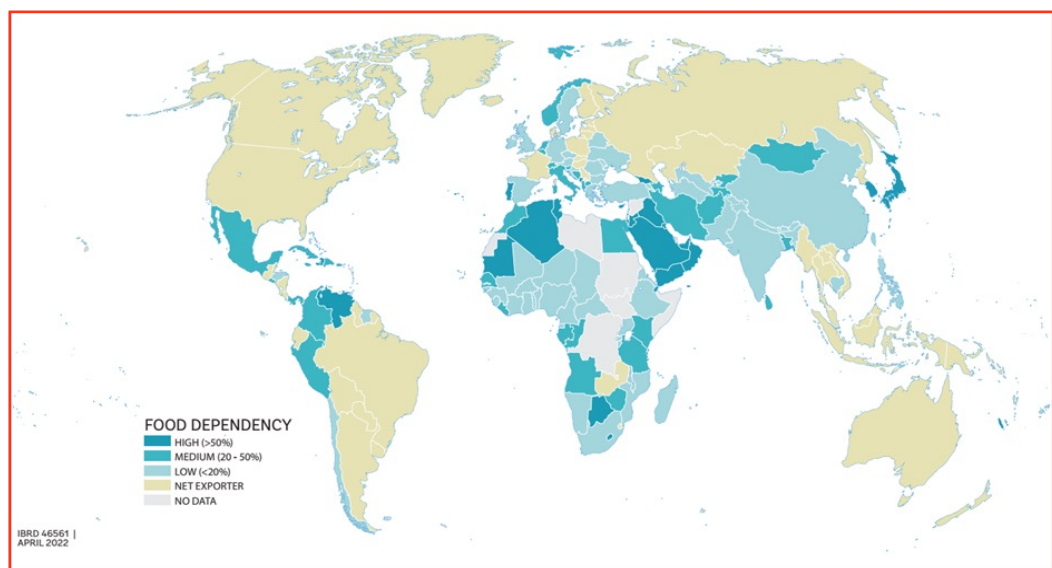
The ongoing war in Ukraine has certainly continued to not only impact Russia, Ukraine, and its immediate region but has reverberated throughout the various regions of the world, directly and indirectly affecting global efforts to meet the Sustainable Development Goals (SDGs) by 2030.

This has especially impacted countries in the global south. However, Russia's chairing of BRICS will provide it with an opportunity to continue proactively repositioning itself in a changing geopolitical landscape. Furthermore, its hosting of the BRICS Summit will be seen as a diplomatic victory, demonstrating that it is not isolated.

Countries in the global south have been disproportionately affected by the economic consequences of the war, which have included rising food and energy prices, while shortages in the supply of other important goods such as fertilisers have been exacerbated. These direct impacts of the conflict have also seen a raft of indirect effects on the global south, constraining their fiscal space and eroding safety nets across the world.³⁵

Russia will no doubt condemn unilateral sanctions imposed by the USA and its European allies while demonstrating to fellow BRICS countries and those in the global south that it is the West that should receive much of the blame for inflation affecting food and energy prices. Russia will also

seek to place the blame on the West for adopting irresponsible fiscal policies that exacerbated inflation. However, given the challenges related to food security and the disruption of supply chains, it is also likely that Russia will seek to enhance cooperation in the agricultural sector. Net importing countries have been particularly hard hit by food inflation, and it will be in Russia's interest as chair to issue a strong message that gives direction on measures that BRICS countries are taking to address the challenge of food inflation and the disruption of agricultural supply chains. Russia will thus seek to project itself as solution-oriented rather than the cause of challenges facing developing countries.



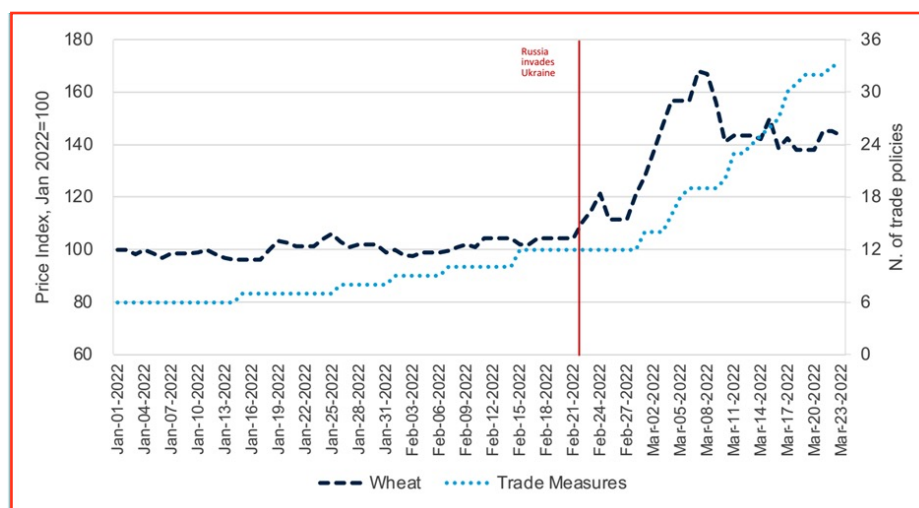
Source: UN's Food & Agriculture Organization Global Perspectives Studies (2018)

Percentage of net food imports in domestic food supply (total calories)³⁶

Russia and Ukraine are major commodity producers and disruptions brought on by the conflict and the accompanying sanctions have, at varying times, caused global prices to soar, especially for oil and natural gas. Food costs have also jumped, with wheat, for which Ukraine and Russia make up 30 percent of global exports, reaching a record high.³⁷ The example of Egypt, which is now a full member of BRICS, comes to mind as a country that imports about 80 percent of its wheat from Russia and Ukraine, while traditionally attracting many tourists from both countries. Some of the costs are the result of disruptions to supply chains and payment channels caused by the sanctions placed on Russia. The country has had to find alternative means to get its products to the market while creating alternative forms of payment. The removal of Russia from the SWIFT payment system has been especially disruptive for those countries with closer economic ties. The creation of alternative payment systems has consequently become a high priority for Russia to enable it to

maintain its economic relations with countries in the global south.

International Wheat Prices and Trade Policy Measures³⁸



use of currencies different from the US dollar. We believe that creating an independent BRICS payment system is an important goal for the future, which would be based on state-

of-the-art tools such as digital technologies and blockchain. The main thing is to make sure it is convenient for governments, common people and businesses, as well as cost-effective and free of politics.

The addition of new members from the Middle East, especially Saudi Arabia, Iran, and the UAE, will influence BRICS-related discussions on energy as the grouping sees greater representation from both petroleum exporters

and importers.⁴²

Countries in the global south have also been confronted by many direct and indirect effects of macroeconomic policy decisions in developed countries, increasing their cost of finance. Rising interest rates have impacted exchange rates, leading to the weakening of their currencies against the dollar, euro, and pound sterling.³⁹ It is therefore not only repayment costs to the national debt that have risen in their countries, but the dollar cost of importing essentials. This will likely lend additional legitimacy to BRICS efforts to increase the use of local currencies while introducing innovations that lead to the creation of alternative payment systems amongst BRICS countries and their counterparts in the global south. Russia's Finance Minister, Anton Siluanov, stated that the country is keen to promote the adoption of a system that addresses the fragmentation of the current financial, payment, and settlements system outside the existing Western-led systems.

Ideas being experimented with include the use of central bank digital currencies (CBDC) as tools for facilitating payments among BRICS countries and other interested partners.³⁹ An aide to the President of Russia for Foreign Policy, Yuri Ushakov, reiterates this point by stating the following⁴¹:

We see increasing the role of BRICS counties in the international currency and financial system as a specific task for this year. In the 2023 Johannesburg Declaration, the leaders enshrined our countries' determination to boost transactions in national currencies and strengthen correspondent banking networks to secure international transactions. Work will continue to develop the Contingent Reserve Arrangement, primarily regarding the

4. Conclusion

The article has highlighted the key outcomes of the 2023 BRICS Summit hosted by South Africa in an increasingly fragmented geopolitical landscape. It also underscored the intense pressure South Africa faced in hosting the summit as the war in Ukraine continued to have ripple effects beyond the immediate theatre of war, placing the country in the crosshairs of geopolitical tensions amongst the great powers. Building on South Africa's chairship of the BRICS Summit in 2023, Russia will host 250 meetings in 2024. These will not be restricted to meetings amongst government officials but include all diplomatic tracks, including the BRICS Academic and Business Forums. These meetings will add to the existing interest in BRICS cooperation. The research article has outlined the key outcomes of the BRICS 2023 Summit while looking ahead towards Russia's BRICS 2024 chairship, which already promises to be an ambitious one given the efforts to isolate Russia from the West. Russia has thus started welcoming the new members of BRICS while seeking tangible progress on various tasks agreed to in 2023. These tasks included establishing alternative payment systems and increasing the use of local currencies, both goals closely tied to Russia's interests as the country seeks to mitigate the effects of Western sanctions.

During its chairship, Russia will also be aware that many countries in the global south have been considering the broader implications of the unilateral sanctions imposed by the USA and

its European allies on Russia, which are seen as part of continued actions that have weaponised the dollar. Russia will thus seek to tap into the uncertainty created, and the unintended consequences of sanctions amongst countries in the global south.

This will lend itself to Russian priorities in the sphere of economic cooperation, which has become a growing concern in a fragmented geopolitical landscape that has seen multilateral institutions in crisis and the erosion of international law and long-accepted diplomatic practices.

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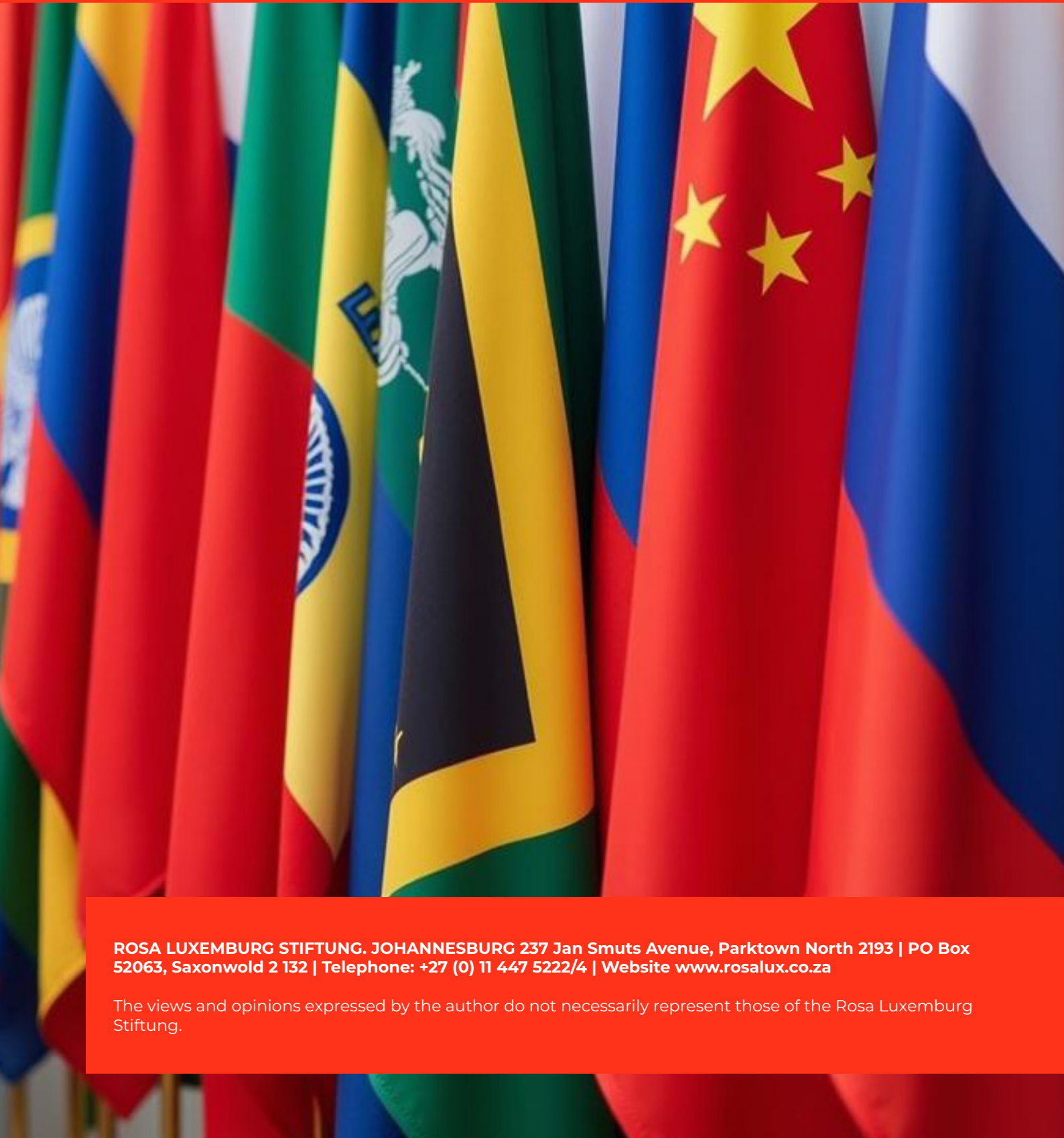
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