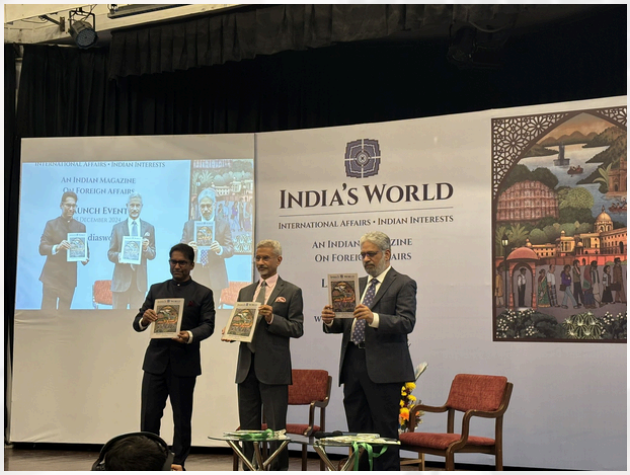
## The Evolution And Expansion Of BRICS

# From Four Emerging Economies to a Wider Platform for Global Cooperation

### Introduction

### A changing voice in global affairs




Over the past two decades, BRICS has evolved from a term used to describe a group of fast-growing emerging economies into a significant platform for international dialogue and cooperation. Its expansion reflects a wider change in the global economy: the growing influence of developing countries and their demand for a stronger voice in institutions that shape international finance, trade and governance.

BRICS brings together countries with different political systems, economic structures, resource endowments and foreign-policy priorities. Its members do not always agree on global issues, and the grouping is not a military alliance or a conventional free-trade bloc. Instead, it operates primarily as a forum for consultation, coordination and practical cooperation across areas such as development finance, trade, technology, energy, health and people-to-people exchanges.

The expansion from the original four countries—Brazil, Russia, India and China—to a much wider membership has increased BRICS' geographical reach and economic diversity. South Africa joined in 2011, followed by a major enlargement beginning in 2024. Indonesia became a full member in January 2025, while a partner-country category created in 2024 opened another channel for engagement.

The central question is no longer simply why BRICS was formed. It is how this increasingly diverse grouping can convert its collective economic weight into practical outcomes while managing differences among its members.

### The origin of BRIC: An economic idea becomes a diplomatic platform




The acronym BRIC was introduced in 2001 by economist Jim O'Neill in a Goldman Sachs research paper titled *Building Better Global Economic BRICs*. It referred to Brazil, Russia, India and China—four large emerging economies whose growth prospects suggested that they would become increasingly important in the world economy.

The original concept was an investment and economic analysis, not an intergovernmental organisation. It drew attention to the changing distribution of global economic activity and the potential of large developing markets. The four countries had different strengths: Brazil was an important agricultural and natural-resource economy; Russia had substantial energy and mineral resources; India had a large workforce and expanding services sector; and China was rapidly becoming a manufacturing and export powerhouse.

As the economic influence of these countries increased, their governments found common ground in seeking greater representation in international decision-making. The first meeting of BRIC foreign ministers took place in 2006 on the sidelines of the United Nations General Assembly in New York. This marked the beginning of formal political coordination.

The first BRIC leaders' summit was held in Yekaterinburg, Russia, on 16 June 2009. The meeting took place in the aftermath of the global financial crisis, when questions about the structure of international finance and the representation of emerging economies had become especially urgent.

## South Africa joins: BRIC becomes BRICS




The next major development came with South Africa's inclusion. The country joined the grouping in 2010 and participated in the third BRICS summit, held in Sanya, China, on 14 April 2011. The addition of the letter 'S' transformed BRIC into BRICS.

South Africa's inclusion extended the group's representation to the African continent. It also strengthened the argument that BRICS should reflect a broader range of developing-country perspectives rather than remain a grouping of large economies from Asia, Europe and Latin America.

The expansion was not based solely on the size of national GDP. Geographic representation, diplomatic relationships and the desire to connect with developing regions were also relevant. South Africa brought experience in regional diplomacy and a stronger link to African development priorities.

With five members, BRICS began to develop a wider agenda. Discussions increasingly covered development, agriculture, food and energy security, science and technology, public health, education and reform of global institutions. The group's annual summits provided a regular forum for leaders to review cooperation and issue joint declarations.

The South African accession also demonstrated that BRICS could evolve. It established a precedent for future discussions about membership and the role of the Global South in international governance.

## Building institutions: From declarations to development finance

A significant step in BRICS' institutional development came at the sixth summit in Fortaleza, Brazil, in July 2014. Leaders signed the agreement establishing the New Development Bank (NDB), designed to mobilise resources for infrastructure and sustainable development projects in BRICS countries and other emerging and developing economies.

Headquartered in Shanghai, the NDB represents one of the most visible practical outcomes of BRICS cooperation. Its creation reflected a shared view that developing countries needed additional sources of long-term finance for roads, transport, clean energy, water, urban development and other infrastructure.

The Fortaleza summit also established the Contingent Reserve Arrangement (CRA), a framework intended to provide a financial safety net through liquidity support in response to short-term balance-of-payments pressures. The CRA was designed to complement existing international financial arrangements, not replace the International Monetary Fund.

These initiatives helped move BRICS beyond political statements. They created mechanisms through which members could pursue development priorities and strengthen financial cooperation. However, their effectiveness depends on sound project selection, transparent governance, financial discipline and the ability to mobilise capital at competitive costs.

The NDB's role is particularly relevant as developing countries face large investment requirements in infrastructure, climate adaptation and energy transition. Its long-term significance will depend on its capacity to deliver projects efficiently and maintain strong financial credibility.

## The 2023 Johannesburg decision: A new phase of enlargement



The most consequential expansion decision in BRICS history was announced at the fifteenth summit in Johannesburg, South Africa, in August 2023. Leaders agreed to invite additional countries to join the grouping, reflecting a growing interest among developing economies in participating in BRICS discussions.

The invitation list included Argentina, Egypt, Ethiopia, Iran, Saudi Arabia and the United Arab Emirates. The decision was widely viewed as an effort to broaden the group's reach across regions and bring together countries with significant populations, natural resources, energy capacity and strategic locations.

The enlargement was scheduled to take effect from 1 January 2024. Egypt, Ethiopia, Iran and the UAE joined at the beginning of 2024. Saudi Arabia's position has been described differently in some official national sources, so editorial references to its status should follow the relevant BRICS chairship and government confirmation at the time of publication. Argentina, despite receiving an invitation, did not proceed with membership.

The 2023 decision was important for several reasons. It increased the representation of the Middle East and Africa, strengthened the group's connection to global energy markets and expanded the range of development experiences represented at the table. It also made internal coordination more complex.

A larger membership can increase diplomatic influence, but it also requires more extensive consultation. Countries may share an interest in reforming global institutions while differing on security, trade, regional conflicts, monetary policy and relations with major powers.

## Indonesia and the partner-country framework

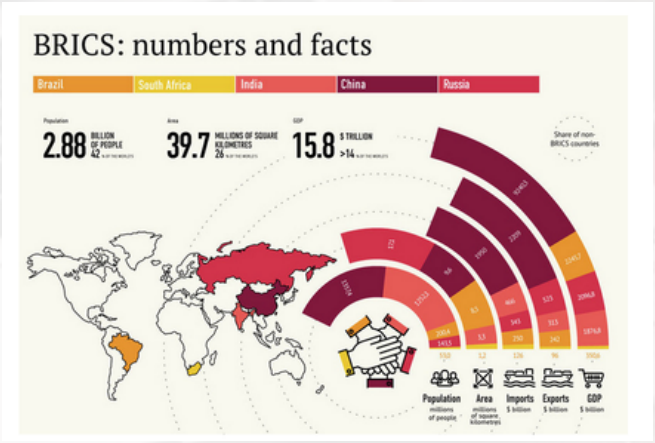
BRICS enlargement continued in 2025. Indonesia became a full member on 6 January 2025, adding Southeast Asia's largest economy and a major population centre to the grouping. Its accession strengthened BRICS' representation in the Indo-Pacific and brought additional opportunities for cooperation in manufacturing, minerals, infrastructure, digital services and regional trade.

Another important development was the creation of a partner-country category at the sixteenth BRICS summit in Kazan, Russia, in October 2024. This framework was designed to provide countries with a structured way to engage with BRICS without immediately becoming full members.

In January 2025, nine initial partner countries were announced: Belarus, Bolivia, Kazakhstan, Cuba, Malaysia, Nigeria, Thailand, Uganda and Uzbekistan. Vietnam was subsequently added to the partner-country framework, taking the announced partner group to ten.
Partner countries may be invited to participate in selected BRICS meetings and discussions, subject to the forum's procedures and consensus arrangements. The category offers a more flexible route for cooperation and allows the grouping to widen its network without making every participating country a full member.

The distinction between full membership and partnership is important. The two categories do not necessarily carry identical participation rights or responsibilities. For accurate reporting, the latest official BRICS or chairship list should be checked before publication, as participation arrangements may evolve.

## What makes BRICS economically significant?




The economic significance of BRICS comes from the scale and diversity of its members. Together, they represent a substantial share of the world's population, production, natural resources, energy markets and trade. The expanded group connects major manufacturing centres, commodity producers, agricultural exporters, technology markets and rapidly growing consumer economies.

China is a central manufacturing and trading power. India is a large and expanding market with strengths in services, digital technology and a growing industrial base. Brazil is important in agriculture, mining and energy. Russia has a major role in energy and natural resources. South Africa provides an important link to African markets and mineral supply chains.

The newer members add further dimensions. Egypt and Ethiopia strengthen the group's African presence; Iran, Saudi Arabia and the UAE add significant energy and regional connectivity interests; and Indonesia brings a major Southeast Asian economy with important natural resources and consumer-market potential.

However, aggregate economic size should not be confused with economic uniformity. Members differ considerably in income levels, productivity, inflation, trade patterns, financial-market depth and development needs. Per-capita income and the distribution of economic benefits also vary widely.

BRICS' combined weight gives it a stronger platform for discussion, but its ability to influence outcomes depends on coordination, implementation and the willingness of members to translate shared statements into practical projects.

## The Global South and reform of international institutions

A recurring objective of BRICS has been to improve the representation of emerging and developing economies in global governance. Members have called for reforms in institutions such as the United Nations, the International Monetary Fund and the World Bank to reflect changes in the distribution of economic power.

Many developing countries argue that their influence in international decision-making has not kept pace with their contribution to global output, trade and population. They seek a greater role in setting rules on finance, development, technology, climate and trade.

BRICS provides a platform through which members can discuss common positions and advocate changes. Its agenda has also included food security, public health, climate finance, education, skills, digital public infrastructure and sustainable development.

The phrase "Global South" covers countries with very different circumstances and priorities. It should not be understood as a single political bloc. BRICS members themselves have diverse relationships with the United States, Europe and other international partners. Their cooperation is therefore often issue-based rather than identical across every policy area.

The group's influence will depend on whether it can build practical coalitions with countries beyond its membership and contribute constructive proposals to multilateral institutions.

## Trade, local currencies and the debate over the US dollar



One of the most discussed areas of BRICS cooperation is the use of national currencies in cross-border trade and finance. Members have exploed ways to make payments more efficient, reduce transaction costs and improve the resilience of financial channels.

Greater use of local currencies can be useful where businesses have regular trade flows and where banking arrangements, currency markets and settlement infrastructure support the transactions. It may reduce some exchange-rate exposure, but it does not eliminate currency risk. Businesses still need to manage convertibility, liquidity, price volatility and regulatory requirements.

Discussion about local-currency settlement is sometimes presented as a plan to create a common BRICS currency or replace the US dollar. These are different propositions. There is no established single BRICS currency in circulation. A common currency would require deep economic coordination, shared institutions, agreed monetary rules and a high level of trust among countries with different economic conditions.

The US dollar continues to play a major role in global reserves, trade invoicing, commodity markets and international finance. Any gradual diversification of payment and reserve arrangements should therefore be understood as an evolving process, not an immediate replacement of the existing system.

For BRICS, practical progress may be more likely through improved payment connectivity, trade finance, local-currency arrangements and cooperation among financial institutions.

## Challenges of an expanded grouping

The expansion of BRICS brings opportunities, but it also creates challenges. The members differ in political systems, economic priorities, regional interests and approaches to international disputes. These differences can make it difficult to reach consensus on sensitive matters.

The group's informal structure offers flexibility, but it can also limit implementation. BRICS does not operate like a treaty-based organisation with a central authority empowered to enforce decisions. Many outcomes depend on national governments, voluntary cooperation and follow-through after summits.

A larger membership also increases the need for clear procedures. Members must agree on how new countries are admitted, how partner countries participate, how priorities are set and how disagreements are managed. Without effective coordination, expansion could make the agenda too broad and reduce the ability to deliver measurable results.

Another challenge is managing expectations. BRICS

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## . India's role in the expanding BRICS



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India has been a founding member of BRICS and has consistently supported a more representative international order. It has chaired the grouping in 2012, 2016, 2021 and 2026, giving it repeated opportunities to shape priorities and encourage cooperation.

India's interests include development finance, technology, digital public infrastructure, food and energy security, climate action, reform of multilateral institutions and stronger opportunities for developing countries. Its large domestic market and expanding services and manufacturing sectors also create opportunities for trade and investment with other members.

India's position requires balancing cooperation within BRICS with its relationships across the wider international system. It maintains important economic and strategic ties with the United States, Europe, Japan, the Gulf countries and other partners. Its approach has therefore generally emphasised strategic autonomy, issue-based cooperation and constructive engagement.

For Indian businesses, the expanded BRICS network may create opportunities in pharmaceuticals, information technology, engineering, agriculture, education, renewable energy, infrastructure and professional services. Realising these opportunities will require better market intelligence, compliance with local regulations, reliable payment channels and strong commercial partnerships.

India can contribute most effectively by promoting practical cooperation, ensuring that the concerns of smaller developing economies are heard and helping the grouping focus on achievable outcomes.

## Conclusion: Expansion must translate into cooperation

The evolution of BRICS reflects a broader transformation in the global economy. What began as an economic label for Brazil, Russia, India and China became a diplomatic forum in 2006 and a leaders' summit process in 2009. South Africa's accession in 2011 gave the grouping a wider continental reach. The 2023 Johannesburg decision, the accessions beginning in 2024 and Indonesia's entry in 2025 opened a new phase of expansion. The partner-country framework has widened engagement further.

BRICS now brings together countries with significant demographic, economic and strategic weight. Its potential lies in development finance, trade facilitation, technology cooperation, energy security, institutional reform and a stronger voice for developing economies.

Yet size alone does not guarantee influence. Differences among members, complex geopolitical relationships and the need for consensus can constrain action. The group will need clear priorities, transparent processes and measurable results to maintain credibility.

For the international economy, BRICS is best understood not as a replacement for the existing global system, but as an increasingly influential platform seeking to reshape parts of it. Its future significance will depend on whether its members can turn shared aspirations into practical cooperation that improves lives, supports sustainable development and contributes to a more representative global order.



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