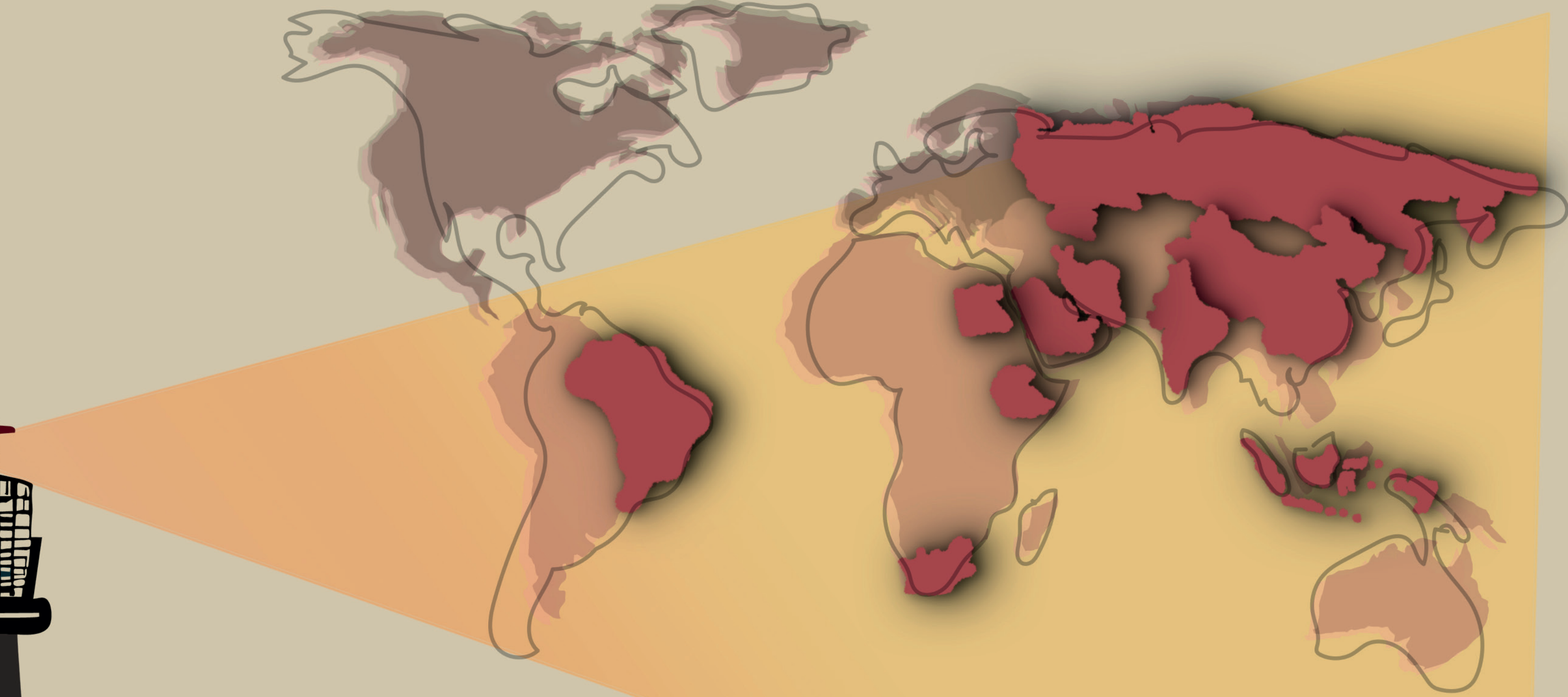

BRICS+ AND THE SOVEREIGN FUTURE OF THE GLOBAL SOUTH

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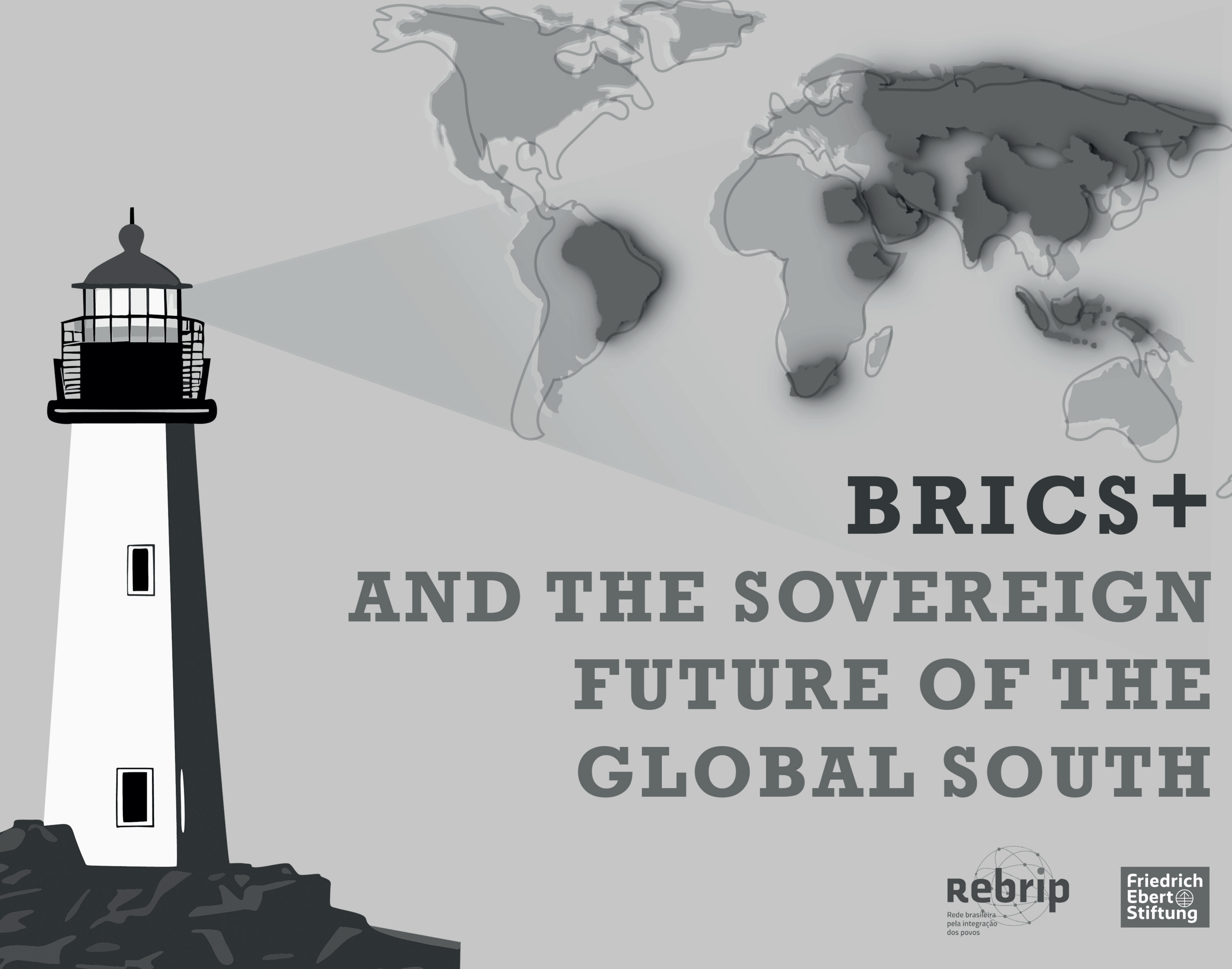

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SUMMARY

FOREWORD

In a recent event towards the G20 in Rio de Janeiro, the author of the famous book *Kicking Away the Ladder*[1] professor Ha-Joon Chang mentioned, in surprise, that he heard panelists and others speak of civilization, economic, climate, food, health crises and more. "If you go to the East and ask the people about crises, they will ask, "what crisis are you talking about?"

In any case, it is the so-called Collective West – informal name given to countries that were allies to the USA during the Cold War, between 1947 and 1991, particularly those in Europe – that's immerse in a profound crisis, which goes far beyond the cyclic crises that capitalism has grown us used to.

In fact, the current world order that emerged after World War II is crumbling down, and this deterioration drives the chaos we feel across the region, which, in its turn, has major and varied impacts on the planet, given the both economic and military hegemonic importance of the West.

Multilateral institutional instances, such as the IMF, the World Bank, the WTO and others, are delegitimized, along with principles such as respect for national borders, the states' equality and autonomy, the principle of non-interference, the peoples' right to self-determination. All basic assumptions of the normative system and of international law, principles that would support a presumably peaceful operation of the world, or – in other words – that would prevent a World War III. This is all in general terms, despite the "eternal wars" promoted by the hegemon in various countries, nearly always in each individual country in separate, according to the old rationale of "divide to conquer". Indeed, for many decades, the USA the "police of the world", particularly after the fall of the Soviet Union and the end of the Cold War, consolidating this role after 2001 and their "war on terrorism".

In its turn, corporate globalization came to impose the US economic hegemony as of the 1980's as well as their free trade and minimum state logic, promoting, along with the neoliberal model, a single thought and the "end of history".

However, those recipes yielded results that diverge from that which the colonial globalization promised and eventually caused major changes to the geopolitics, increasing financial crises as of the mid 1990's, particularly after a rather unruled advancement of the international financial system. Concomitantly, with the Western productive system crumbling in the wake of manufacturing relocations in search for cheap labor and the *hegemon* waging destructive wars in search for territories and resources, those crises were increased and enhanced, particularly in 2008, when the blow-up of the US financial system helped spread them across the stock exchanges of the entire world. In the midst of this turmoil, the BRIC was created in 2009, after having contributed member country reserves in order to overcome the crisis, and the G20 was formed in the wake of the G7 in face of an unruly international economic system.

However, the BRIC (which later became the BRICS, as South Africa was incorporated) will go past this initial moment of intervention to contribute a way out of the crisis, raising the early challenge of surpassing the unipolar hegemonic system and showing their vocation towards multi-

[1] Chang, H.-J. (2004). Kicking away the ladder: Development strategy in historical perspective. São Paulo: UNESP.

lateralization and the promotion of multilateral integration across the world.

> *From the early start, they recognized the importance of joint efforts to advance multilateral diplomacy and a "fair and balanced economic system"*[2]*, thus reinforcing the need for peaceful dispute resolution and reaffirming the importance of engaging in dialog towards worldwide peace and security, including South-South cooperation.*[3]

THE GLOBAL NORTH SCENARIO

Since this is intended as a short summary to this REBRIP dossier that will include ten articles by different authors, we will attempt to share a bit of our BRICS experience and their importance in the context of the international neoliberal order, which has since been extending a significant crisis with evident signs of a decline.

In 2005, we find the US in a crisis that included an unruly debt of over 120% of their GDP, the cause of politico-economic uncertainty both internally and across the world. Trump's arrival at the White House has further aggravated the conflict by adding new elements to the long standing US tariff war on China. Some of his proposals refer to breaking international conviviality pillars erected in the past century – including respect for other countries integrity and autonomy – such as taking over Greenland, the Panama Canal and their neighboring Canada, to mention but a few examples of this emerging global turbulence.

When it comes to Europe, there is a lot of instability too, and the relentless Ukraine war, despite Trump's skewed attempts to promote a ceasefire, only add to the crisis and to local weakening. They have taken it upon themselves to wage this proxy war in behalf of US interests under the Biden administration to advance into the Russian border, despite the warnings and agreements[4] in force since 2014, the Maidan conflicts, and Ukraine's potential joining NATO. So, that war just cannot be won by Ukraine and has only yielded thousands of dead and wounded, a tragedy with severe consequences to their economy and well-being, which only continues because European leaders fail to recognize it is a lost war and refuse to accept it is popularly rejected, and it would incur nearly 1 trillion euros to create some warfare infrastructure of their own that would replace US collaboration with NATO to stop this war.

All of that adds to the crisis now set across the European industry, to the weakening of an energy system and to the countless social and climate consequences of those choices. Not to mention the legacy of destruction in Ukraine: mistreatment of migrants in the borders of "Fortress Europe", where human rights enforcement dwindles all the way down to total relinquishment of humanitarian principles made explicit through their support to Israel's ongoing genocide in Gaza.

In short, a Global North that has been proving uncapable of Western multilateralism in handling the planet's systemic health, economic, social and environmental crises, conducive to the current populational disbelief in politics and in a better future!

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[2] Yekaterinburg Declaration. www.itamaraty.gov.br/sala-de-imprensa/
[3] INESC/REBRIP. The BRICS and Social Participation from the Perspective of Civil Society Organizations. 2013.
[4] Minsk Agreements and negotiations surrounding the Maidan conflict. 2014–2015 in Kyiv and Ukraine.

IMPORTANCE OF THE BRICS

On the other hand, for 15 years we have been watching an advancing BRICS as a significantly growing block recently added by another 6 countries[5], thus becoming the BRICS+, now totaling 11 with a long line of requests to join. And that is happening in a scenario of the emergence and the rise of the so-called Global South, a debated concept that includes characteristics such as the principle of cooperation with mutual benefits and provides the grounds for a socio-economic perspective that differs from the hegemonic one, a space of resistance to colonial projects and an alternative construct that challenges the existing power dynamics in an attempt to promote a more just international order. These characteristics of what we now call Global South were already part of the recent history under different names, such as non-allied countries or Third World, with the ever present logic of those who had suffered colonial situations.

The BRICS is formed in this context, but now as "emerging countries", and the perspective is that they will become the world's leading economies by 2050, with extensive populations and territories, and significant presence in their respective continents. Evidently, this new context brings new challenges along, as well as new chances and pathways for their engagements and their performance.

China's accelerated growth in these particularly few years have turned the country into an economic and technological power, which has actually brought some South Asian countries along on a route for multiple local and regional productive options and for advancing digital technologies. India, with the huge political differences it shares with its big Northern neighbor, has moved along a perspective of shared peaceful existence, which has thus far enjoyed the support from the political dialog within the BRICS. In its turn, Russia's strategic partnership with their most important partner, China, has been translated into strategic interaction agreements and associations of mutual interest, which have helped them cope with the thousands of US imposed economic sanctions.

In their turn, minor partners South Africa and Brazil have played a crucial qualitative role in creating the democratic basis for important processes, such as the New Development Bank (NDB) and the Contingent Reserve Agreements (CRA), in addition to approximating broad regions, Africa and Latin America, which are, respectively, continental hubs.

However, the changing economic conditions of those countries were not the only factor contributing to the appearance of the new international block. The political conditions created by the repeated economic-financial crises, always starting in the West, and the political and ethical decline of the Collective West – the US and their NATO allies – also played an important role with the many wars waged in the Global South, some of which last until today (and escalate in truculence as the genocide in Gaza). Both economic and ethic-political causes are interwoven, and they condition each other.

GEOPOLITICAL CONDITIONS OF THE SYSTEMIC CRISIS

This is the complex moment we are now going through, enhanced by the election of Trump and the advancing neoliberal far right.

[5] Countries that became members of the original BRICS: Iran, Egypt, Ethiopia, the United Arab Emirates, Saudi Arabia, and more recently, Indonesia.

Indeed, then new US president has proven extremely disruptive. However, his blabbermouth cannot hide the proposed selective import tariff increases follow the lines of a trade war that had already been drawn by previous governments, nor can it hide that there is continuity in the process of weakening multilateral institutions (Castilho, 2025). But the manner in which he makes his announcements may bring this shock style in order to accelerate "global recycling" as Varoufakis has conceptualized[6].

> *The essence of this global recycling mechanism is simple: since the 1980's, US deficits provided Germany, Japan and, later, China with a demand for their manufactured products. In exchange for that, the European Union, Japan and, later, China sent their profits accumulated profits to Wall Street and their subordinate City of London, to be recycled in the US rentier sector: private and public debt, parasitic financialization with investments in shares and real estate goods.*

Having generated increasing trade deficits and a gigantic debt in the US, this mechanism has also allowed for accumulated wealth in Northern Europe and East Asia. Apparently, it has now reached a threshold, and Trump has no more than brought the US elites' perspective to light for their main allies across the world, letting go of their partners, who now look dazzled and swinging between condemnation and sticking to their headsman.

We believe that the important thing to do now is to realize that this is opening up a window of opportunity for us to rethink our Global South condition and to try and recover the productive economy from the viewpoint of production chains that need to be reorganized, and to finalize the outstanding task of industrialization, with innovation and well-being, involving the region, such as Chine did with their neighbors.

BRAZIL IN THE BRICS, IN RECIPROCITY

When we're heading towards a global scenario that abounds with uncertainties and turbulence, being clear about the way to go, in terms of the productive and country model to be built, allows us to count on solid grounds to react to challenges and opportunities. Given the disruption of productive chains made explicit after the pandemic, a current global production rearrangement rises in the horizon, allowing for upcoming opportunities to resume the Brazilian reindustrialization in the medium and long term, in keeping with the technological advancement and the urgent need for a transition to a low carbon economy. In the Brazilian case, the current internal context doesn't seem to accommodate moving towards this upcoming more productive added value matrix, unless the country makes the political decisions that are required right now.

The BRICS is part of this opportunity that allows for a potential turnaround to the current and unequal international division of labor, which necessarily pushes us towards a primary exporter model that is environmentally unsustainable and will scarcely create jobs and most likely income concentration, with its subsequent unequal social distribution of wealth. With it, we now have the possibility of securing a

[6] VAROUFAKIS, Yanis. Available at: https://x.com/yanisvaroufakis/status/1919498798461542465?t=O61JyU_YOcSfhn27MS2Vaw&s=08

place for exchanging innovation and technology that will allow us to move towards a value added productive chain, supporting small and medium size enterprises that will have more conditions to create jobs, with the increased potential of bioeconomy and renewable energy sources.

And this BRICS related opportunity comes up both for geopolitical reasons, of building a multipolar, anti-hegemonic world that will allow for global power distribution to many different players, and from the potentially easier transfer of technology and investment that will leverage the sustainability of growth and the capacity to overcome the huge Brazilian and regional inequalities. This chance depends on constructive dialog and on the weight of the history of peoples who have been seeking to overcome the colonial experiences and the Western promoted “clash of civilizations”.

Liberal democracy and Western multilateralism have brazenly failed in their task of promoting peace and prosperity, and this is why we need to move towards civilization coexistence of mankind, which includes accepting differences and the self-determination of peoples.

Now increasing the number of countries and its global reach, the BRICS is a group that shares rather diverse political, cultural and civilizational views, but they are willing to work together in diversity towards improving global prosperity.

NOTES FOR BUILDING THE BRICS+ POSSIBLE FUTURES

Despite certain critical views that resist international scenario changes, that wish to see an anti-western BRICS+, the block has been consolidating its role as a beacon seeking to shed light on a multipolar world, with respect for historical, political, economic and cultural differences that challenge us in the globalized world.

This is why we wish to make a few fundamental points for reflection.

- Firstly, the BRICS is a construction of the Global South, and we can therefore say that, in essence, it is composed of countries that were once colonized and are mostly non-Western but not necessarily anti-Western. However, we need to overcome the anti-BRICS narrative on account of the many cliches and prejudice that surround it. On the contrary, the BRICS is being built upon a non-confrontational strategy, as Ambassador Celso Amorim and many other leaders often state, accepting different views and looking for a more peaceful and just world that will strengthen the development of the Global South, overcoming the cursed colonial legacy of underdevelopment.

Multilateralism it will be as it will also allow the operation of the much needed new and existing multilateral institutions that can be refurbished and updated in accordance with international rules for coexistence that will condemn hunger, poverty, racism, genocide and all other forms of neocolonialism, inequality and discrimination. We also indicate that the struggle for Palestinian self-determination in Gaza and the West Bank, standing up against Israel’s brutal genocide with explicit Western support, has to become a symbolic banner of the Global South struggle.

This is perhaps the biggest challenge, and it is for us, the Brazilian civil society, of the utmost essence to seek harmonious coexistence among millennial civilizations, where the prevailing practice will be to fight and overcome inequalities and the ails that persist across our societies. Our cultural proximity with the US and Europe has actually been harmful to us, as it helps to perpetuate political and cultural colonialism that has been the hegemonic patina of Latin America and other regions' economic submission to Global North countries.

So, despite harshly shaped by the West, our rich millennial Indo-American culture has managed to grow richer and richer with the contributions of African cultures initially and later with those from other migrant peoples, as has also been the case, and may continue to be, with Asian cultures. Only greater reciprocal knowledge and cultural exchanges may bear fruit in the much needed international cooperation of mutual benefits if we are to build a civilized world that is now experiencing the yet unknown online communication towards greater global approximation.

- Secondly, we believe that the BRICS should also aim at harmonizing relations between Global South countries through multidimensional cooperation and "economic connectivity" with natural, financial and technological resources with state leadership – factors that would provide it with the necessary autonomy for development with equitability and environmental justice, overcoming the crisis we had just mentioned and much surprised professor Ha-Joon Chang.

The South is somewhat wary of an economic system that is hegemonized by the Global North, particularly by the imbalance of the US and the exaggerated tariff response imposed by Trump, who extemporaneously declared the "death of the BRICS". Some analysts see some aggressive decline in the US that is evidenced through their mechanisms of coercive punishment – such as the countless sanctions imposed not only to Russia but to other states as well – brandished as economic weapons to stop the growth of rival countries, boosting an atmosphere of distrust and creating harsh turbulence.

It just so happens that the BRICS response has grown stronger in their challenge to a hegemonic monetary system and search for alternatives as well as solutions that include the use of their mutual national currencies in commercial transactions, cooperation agreements in innovation and technology (to fight climate change and famine as well as global and local health initiatives), in industrial process and energy transition exchanges, and in communication as well as in many others.

- Thirdly, the issue of the BRICS organization has been brought about, as well as the issue of enhancing the group's institutionality. This far, there has been no secretariat thereto, nor any permanent structure, such as a decentralized network.

However, despite the need for institutionalization and, at least, centralizing information, we consider that

> *in a multilateral space, a flexible format that does not require a one-size-fits-all type of solutions seems more attractive. Nor are rigid rules required that seek to advance ideas such as a single currency, which would eventually be centered on China on account of their size and power and to which India would likely oppose, or the use of a payment system to which some countries would feel bonded.7*

This is exactly where the BRICS effectiveness comes from: this more flexible format that has enabled 15 years of continuous progress and exacted many countries' solid interest to adhere. That, by the way, exemplifies the BRICS' success, giv-

[7] DIESEN, G. BRICS versus Unipolar World Order. 2025. Available at: https://x.com/Glenn_Diesen/status/1895940275064992067.

en its symbolic value in clustering the Global South's desire for multilateralism.

Finally, in the way of concluding this introduction to the dossier, we wish to emphasize the Brazilian government need to commit to enhancing and increasing social participation in the BRICS Civil Council[8], actually across the entire realm of the Brazilian Foreign Policy (PEB, in the Brazilian acronym). As such, REBRIP requires a CONPEB (National Council for the Brazil Foreign Policy) as an advisory and inclusive board for the diversity of the entire Brazilian society in order to afford more solidity to both domestic and international actions and to become a catalyst for participatory processes based on civil society autonomy and with respect for foreign policy as a national public policy.

May 2025
GRACIELA RODRIGUEZ
Director of the EQÜIT Institute
Coordinator of the REBRIP (Brazilian Network for the Integration of Peoples)

[8] https://rebrip.org/rebrip-lanca-sua-proposta-de-criacao-do-forum-da-sociedade-civil-dos-brics-cc57/.

BRAZILIAN PRESIDENCY OF THE BRICS[1]

Guided by the motto *Strengthening the Global South Cooperation for a more Inclusive and Sustainable Governance*, the Brazilian presidency of the BRICS in 2025 has two priorities: Global South Cooperation and the BRICS Partnerships for Social, Economic and Environmental Development.

Starting from these priorities, Brazil proposes to focus political attention in six core areas:

A – Cooperation in Global Health: to encourage cooperation projects among the BRICS countries to promote sustainable and inclusive development in various sectors, particularly in health, in order to ensure access to medication and vaccines; to launch the BRICS Partnership to Eliminate Socially Determined Diseases and Neglected Tropical Diseases;

B – **Trade, Investment and Finance**: to consider financial markets' governance and reform, local currencies as well as payment instruments and platforms as a means to increase and diversify commercial, financial and investment flows, to advance the Partnership for a New Industrial Revolution and to adopt the 2030 Strategy for the BRICS Economic Partnership;

C – Climate Change: to adopt a BRICS Climate Leadership Agenda, including a Leaders' Framework-Declaration on Climate Funding in order to instruct a structural change to the financial sector;

D – Governance for Artificial Intelligence: to promote inclusive and responsible international governance for artificial intelligence in order to unlock this technology's potential for social, economic and environmental development;

E – Multilateral Architecture for Peace and Security: to promote a comprehensive reform of multilateral architecture for peace and security in order to ensure effective action in the struggle against conflicts, to avoid humanitarian catastrophes and to prevent new crises; to rebuild mutual trust and understanding, to resume diplomacy and promote peaceful solutions for conflicts and disputes;

F – Institutional Development: to improve the BRICS structure and cohesion.

[1] Brazilian Presidency. Available at: https://brics.br/pt-br/sobre-o-brics/presidencia-brasileira. Accessed: May 7, 2025.

COOPERATION IN GLOBAL HEALTH

BRICS AND THE GLOBAL HEALTH CRISIS: A CALL TO ACTION FOR JUSTICE, SOLIDARITY AND EQUITABILITY

Susana van der Ploeg[1]
Rajnia de Vito Nunes Rodrigues[2]

INTRODUCTION

The strategies to strengthen cooperation among BRICS countries have become ever more important in the current international political context. There are many examples of how the US presidency has dismantled the structure of international trade, humanitarian aid, multilateralism and the very democracy at the national and international levels.

Among the many blows, the more remarkable ones include the end of health programs and policies. The US used to be the principal donors supporting the international humanitarian apparatus, funding HIV/AIDS, tuberculosis and malaria as well as mother-child health programs. The US were also the main funders for WHO. Though the event has surfaced the problem with dependance and charity, the effects of this blast are profound and comprehensive, with no like replacement effort in sight. Also, European countries have already proclaimed the extinction or at least cuts to their humanitarian aid expenditures.

In this context, BRICS initiatives, such as the Integrated System for Early Warning to Prevent the Risk of Mass Infectious Diseases, the Research Network for Tuberculosis and the Vaccine Research and Development Center prove to of the essence. A likely reply based on ethical and political principles that oppose what the US represent at this moment is a matter of urgency and is likely to uplift BRICS countries' commitments even higher.

BRICS has an opportunity to project a new global order based on sovereignty, solidarity and justice. In prioritizing cooperation among developing countries, the BRICS may relinquish the legacy of dependance and offer a development model that is driven by public interest rather than by market flags, promoting economic self-sufficiency, fair trade and shared technological progress.

From this framework, we need to seriously face the determinant commercial factors of health, recognizing that economic agreements and intellectual property regimes have direct impacts on the life and well-being of peoples. Persisting on a pharmaceutical innovation model grounded on intellectual property is excluding.

In face of this scenario, the BRICS role becomes ever more relevant. With the Brazilian presidency, there is a historical opportunity for the block to take on a transformational protagonist position in the global governance of health, fighting

[1] Coordinator of the Intellectual Property Working Group at REBRIP.
[2] Consultant at the Third World Network.

not only the symptoms but also the causes of inequalities. As such, based on a political agenda that is based on social justice, international solidarity and respect for the dignity of peoples, we claim the BRICS countries to adopt the following priority actions in defense of universal access to health:

To strengthen the Global Alliance for Health Care, in order to curb the social determinants of health and the neglected tropical diseases;

To promote rich countries' accountability for the global funding of health and for technology transfer, and to increase the BRICS Development Bank's role in support to public health programs and to access to medication;

To adopt non-voluntary measures, such as public health compulsory licenses and safeguards, provided in the international frameworks (TRIPS/WHO and the Doha Declaration) and in the BRICS national legislation, in order to ensure access to essential treatments;

To strengthen the BRICS Vaccine Center, with its effective operationalization, as a strategic measure for the block's sanitary sovereignty;

To restructure the health innovation model by ending public subsidies to private profiteering and adopting a paradigm based on human rights as a starting point for science, technology and innovation policies.

Lastly, it is paramount that the BRICS take a protagonist position in building global solidarity based on life, the dignity and the health of the peoples.

BRICS AND THE GLOBAL HEALTH CRISIS: A CALL TO ACTION FOR JUSTICE, SOLIDARITY AND EQUITABILITY

The next BRICS summit, in June 2025, under the Brazilian presidency, is held in a scenario of intense geopolitical and trade dispute, marked by a commercial confrontation between the planet's two largest superpowers: the United States and China. In parallel, the world is facing a serious crisis in global health funding. with severe repercussions after budget cuts promoted by the Trump administration that involve from the supply of HIV/AIDS and tuberculosis medication all the way to developing the science and the operation of the World Health Organization.

In face of that, this text seeks to analyze the Brazil proposal for cooperation in health within the BRICS, stressing the urgency for material initiatives around this intersection between health and trade, the current geopolitical context and the specificities shared by the block's countries.

STRUCTURAL CRISIS IN GLOBAL HEALTH

Global health is currently going through a structural and multifaceted crisis. Persisting pandemics such as HIV, tuberculosis and viral hepatitis, imminent sanitary emergencies, the effects of the climate crisis and enhanced inequalities all place unprecedented challenges to the world. These urgencies, however, are imposed in a scenario of dismantling multilateralism, with dramatic budget cuts driven by antidemocratic ideologies that are in denial and contrary to global solidarity.

We are experiencing a historical regression in the governance of health. The COVID-19 pandemic unveiled the failure of an international system that revolved around the profit of large pharmaceutical industries, which restrict access to essential technologies. Rich countries let go of their commitments to international cooperation and undermine institutions such as the WTO, while maintaining the current intellectual property regime perpetuates historical injustices, particularly in the Global South.

This dismantling is not accidental. It is part and parcel of a broader ideological project that tackles science, diversity and human rights. The suspension of PEPFAR and USAID funding laid bare how frail the current model is: more than 30 million people – particularly in Africa – are at risk of losing access to antiretroviral therapy. The WTO has classified this scenario as a "global threat", with severe impacts as well on the response to tuberculosis and on mother-child health care.

This funding disruption directly affects the health systems of low- and medium-income countries, with increased mortality, shortage of essential medication and higher direct health expenditures. At the same time, there is a systematic effort to censor and ideologically control scientific institutions in the US, threatening global scientific advances and corroding the pillars of the civilizational pact around life and health.

In this alarming scenario, the BRICS needs to take a strategic and transformational role. Given the Western white hegemony and the centralization of politico-economic power, the block has the opportunity to build a new international order based on sanitary sovereignty, solidarity and justice. And that requires facing the commercial determinants of health and the corporate interests that prioritize profits in the detriment of life.

By strengthening the South-South cooperation and promoting innovation models that are focused on the public interest, the BRICS may break away from the excluding logic of intellectual property and contribute to a global health system that is more just, inclusive and resilient.

INTELLECTUAL PROPERTY: THE CENTRAL KNOT OF INJUSTICES IN ACCESS TO HEALTH

Any critique on intellectual property will require a structural analysis of the international legal framework that supports it. The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), adopted in 1995 in the realm of the World Trade Organization (WTO), represents a central pillar in a normative agenda shaped by the interests of large pharmaceutical corporations. Far from fulfilling their promise of fomenting innovation and strengthening local industrial capacity, the TRIPS has consolidated a model of technological appropriation that perpetuates Global South countries' dependence on the big centers of economic power.

As suggested by Ha-Joon Chang (2001), the costs associated with implementing the intellectual property regime under the TRIPS expressively surpass any of the benefits expected by developing countries. These countries hardly ever manage to capture any significant value from their patents. Promises such as greater technology transfer, increased direct foreign investment and stimulus to local innovation remain, in practical terms, elusive. In counterpart, the demands imposed by that regime include significant foreign currency output via royalty payments, increasing monopolistic abuse and a halt to more accessible therapeutic alternatives.

This model fails systematically when it gives in to voluntary access mechanisms that centralize decision-making power in the hands of patent holders, who hold no obligation to cater to public health needs. An emblematic example of that failure is voluntary licensing, often promoted by means of bilateral agreements between pharmaceutical companies and consortia such as the *Medicines Patent Pool*. Though introduced as mechanisms for "corporate solidarity", those licenses systematically exclude medium-income countries, where most of the world's population live. Those agreements impose severe territorial restrictions, which prevent exporting or reexporting generic medication and fragment regional markets as they block the action of apt local producers.

In practice, however, voluntary licenses play the role of market control instruments under the disguise of access mechanisms, maintaining pricing power in the hands of the large pharmaceutical companies and preventing the construction of sustainable public or regional production alternatives. They not only fail to ensure universal access to essential medication but also discourage the use of legal safeguards as compulsory licenses as they create apparent sufficiency and collaboration that mask the limitations imposed by the international intellectual property regime.

Furthermore, this model also systematically fails to respond to the main populational needs of Global South countries, such as the neglected tropical diseases, ignoring the impact they have on millions and millions of people just because they do not represent a profitable market. These diseases are considered market failures, when they should be taken for what they really are: structural failures of an innovation system that does not recognize health as a common good.

FROM SOCIAL TO COMMERCIAL DETERMINANTS: THE BRAZILIAN PROPOSAL FOR THE BRICS AND THE CHALLENGES TO UNIVERSAL ACCESS

Under the Brazilian presidency in 2025, health has been risen to one of the BRICS agenda priorities. The proposal is based on the understanding that countries in this block share profound structural challenges, such as poverty, inequality, environmental racism and the disproportional weight of socially determined diseases. Launched in 2024, the interministerial program *Brasil Saudável* (Healthy Brazil) provides a structure to this vision by liaising health with social, environmental and economic policies in order to transform the conditions that sicken the population. This approach revives elements that were central in the Brazilian Sanitary Reform and in the global movement for health for Health as a Right, as it defends social justice as a basic condition for collective health.

Based on this experience, Brazil offers a proposal to the BRICS: to form a strategic alliance to fight the structural factors that sustain the Neglected Tropical Diseases (DTNs in the Brazilian acronym) and other poverty related diseases. The proposal includes guidelines geared for fighting hunger and promoting equitability, valuing health workers, encouraging science and innovation, and providing investments in infrastructure, sanitation and environmental protection – based on the recognition that ensuring the right to health involves transformations that go beyond the supply of services.

However, at the same time it proposes to fight the social determinants, the Brazilian initiative also avoids directly approaching an ensemble of equally structural obstacles: the commercial determinants of health. Absence of that dimension weakens the transformative potential of the proposal.

International trade related barriers, such as intellectual property rules, continue to dramatically limit access to essential technologies. The global patent system benefits the concentration of power in the hands of a handful of corporations, perpetuating monopolies, rising prices and preventing the productive autonomy of Global South countries.

During the COVID-19 pandemic, the effects of this model became self-evident: concentrated vaccine production, refrains from sharing knowledge and technologies, and the failed proposal to suspend patents within the WTO, all reveal the limitations of a system that is based on commercial exclusivities. Faced with this scenario, many countries, social movements and civil society organizations demanded resorting to the flexibilities in the TRIPS agreement, such as compulsory licenses, which are internationally recognized legitimate mechanisms that are still targeted by stigmas and pressure of all sorts.

The Brazilian presidency of the BRICS represents a strategic opportunity to reframe the agenda of international cooperation in health. Countries within this block have complementary capacities and historical experiences in the fight against monopolies – such as the compulsory license of the efavirenz in Brazil in 2007, the strong generic Indian industry, and the Chinese leadership in the production of APIs. Acting in liaison, these forces may drive a new innovation logic that is centered upon the public interest and sanitary sovereignty.

If we are to achieve that, the BRICS will have to go beyond sharing experiences and take on an active role in the construction of structural solutions. And that includes joint non-exclusive licensing initiatives, R&D and shared production agreements, price and patent transparency as well as public collaborative funds for innovation in health. In multilateral spaces, such as the WHO, WTO and IPO, the black may well defend more just and balanced rules that will prioritize collective health and limit the abuse practiced by large corporations.

Consolidating a more cohesive and protagonist BRICS in the global scenario therefore involves recognizing that fighting the social determinants is of the essence, but insufficient if we fail to fight the commercial structures that restrict access, limit the autonomy and threaten the sanitary sovereignty of Global South countries.

POTENTIALS FOR COOPERATION IN HEALTH

Cooperation among the BRICS countries represents a strategic opportunity to rebalance the global system of access to medication and to innovation in health care. Each member country gathers their singular industrial, scientific and institutional competencies which, if coordinately articulated, may compose a robust collective response to the structural weaknesses of the current global pharmaceutical model.

India stands out as a crucial pillar in this arrangement, as it is a major supplier of generic medication for the Global South, being responsible for some 20% of worldwide exports in that segment (Mehta & Gopakumar, 2023). Their consolidated industrial infrastructure, regulatory capacity and long-standing experience providing treatment for HIV and tuberculosis have reassured their position as an international reference. However, the high dependance on active pharmaceutical ingredients (APIs) – which is as high as 90% in some therapeutic classes – unveils critical weaknesses in their productive chain (Wouters *et al.*, 2022), thus reinforcing the need for a cooperative agenda focused on regional pharmaceutical security.

In this context, China emerges as a core strategic partner. The largest exporter of AFIs, this country is responsible for more than 60% of the global supply (UNCTAD, 2023). In 2024, for instance, the WuXi AppTec company inaugurated a new peptide production facility in Taxing, signaling the dynamism of their industrial structure, whose added value goes beyond US$5.65 trillion (Xinhua, 2024). This industrial capacity renders it an essential country for the production and stabilization strategies of critical input in the region.

Brazil, in its turn, brings about a rich experience in health-related public policies and state production of medication. The Single Health System (SUS in the Brazilian acronym) is a model of universal coverage that combines stable public demand with national production capacities, as exemplified by the FIOCRUZ/Farmanguinhos laboratories (Gadelha *et all.*, 2021). The country also has a relevant history in the use of flexibilities within the TRIPS Agreement such as in the emblematic case of compulsory licenses for antiretrovirals (Galvão, 2005). However, its productive AFI base is still limited and there are persistent obstacles to consolidating a sovereignty pharmaceutical industry policy, which reveals how dependent it is on global chains that are mostly controlled by Northern countries.

South Africa contributes highly strategic competencies in epidemiological surveillance and genetic monitoring of pathogens, as shown during the COVID-19 pandemic. Actions of the Network for Genomic Surveillance in South Africa (NGS-SUCH AS), which identified and sequenced relevant variants of the SARS-coverage-2, were crucial for the global response to that sanitary crisis. Despite their limitations in medication productive capacity, their expertise in biosafety and epidemiological intelligence turned the country into an essential link for building rapid sanitary emergency response systems – particularly in contexts of scientific disinformation and data blackouts such as the ones observed in Global North countries.

These complementarities have shown how strategic it is to foster a cooperative arrangement structured among the BRICS countries, with a focus on: joint investments in research and development (R&D) geared for neglected diseases and antimicrobial resistance; public consortia for the production of AFIs and supply stabilization; technology sharing for formulation and best industrial practices; regulatory harmonization; and coordinated action in multilateral forums such as WHO and WTO to defend the flexibilities provided in the TRIPS Agreement and against TRIPS-Plus clauses in bilateral free trade agreements with developed countries.

As such, cooperation within BRICS ought not to be seen as a mere pathway to securing industrial gains. It is a geopolitical strategy for the Global South affirmation in health governance. In times of recurring sanitary crises and persisting asymmetries in access to medication, this alliance has the potential to open new pathways towards international sanitary justice.

CONCLUSION: FOR A NEW GLOBAL ORDER IN HEALTH

BRICS has the opportunity to lead a new global order in health, guided by solidarity, equitability and justice. It is therefore crucial for the block to adopt measures that will ensure universal access to essential medication and technologies, particularly for the developing countries.

1. Funding and tech transfer

Building sustainable models for public funding of research and development in health is a matter of urgency, with a focus on the needs of population that have been historically neglected. Technology transfer between Global South countries must be encouraged and facilitated, because of cooperation and solidarity. It requires breaking away from the ties imposed by trade and intellectual property agreements that often prevent access to information and local production of essential technologies.

2. Compulsory licenses and non-voluntary measures

The BRICS countries must reaffirm their sovereignty in health-related public policies and ensure full use of the flexibilities provided in the WTO's TRIPS Agreement, such as the compulsory licenses. Those measures are exceptions, but they are legitimate tools for defending the right to health and for the sustainability of health-related public systems.

3. Changing the pharmaceutical innovation model

We defend profound transformations to the innovation model, replacing the logic of scarcity and monopoly with that of collaboration, open science, and innovation guided by true public health needs. Knowledge must be treated as a common good, and public investments need to be linked to conditions of access to and the sharing of results.

4. Implementing the BRICS Vaccine Center

The BRICS Vaccine Center must be effectively implemented and operated with transparency, social participation and a commitment to ample access to the technologies developed thereby. This center has the potential to be a reference in solidarity innovation, connecting research, production and vaccine distribution capacities among the countries within the block.

Lastly, we reaffirm that health is not merchandise and it cannot be submitted to the logic of profits and accumulation. In the BRICS, cooperation in health is not to be limited to exchanging best practices. It is high time for a new international solidarity architecture to be proposed – one that will challenge monopolies, protect public systems, and bring life to the center. The Brazilian proposal must therefore go beyond good intentions and overcome the true obstacles that prevent universal access to health care. Incorporating the debate on intellectual property, compulsory licenses and innovation guided by the public interest is not only a matter of technical choice – it is a political choice.

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INVESTMENT IN CARE AS A SUSTAINABLE DEVELOPMENT STRATEGY IN THE BRICS

Marina Cortez[1]

THE SOCIAL AND ECONOMIC IMPORTANCE OF CARE WORK

Care is a human right, a need and a public good. Given the inescapable human condition of interdependence and vulnerability, care work is the response to this universal need: everybody, in the course of a lifetime, needs care, just as the environment where we live requires care to be inhabitable. More than that, the job of reproducing life is the basis that supports the economic systems and the development of countries. However, the social and economic centrality of this work, which is often performed for free in the homes, is not recognized: its contribution to the economy of countries is not accounted for in the mensuration of the GDP, there is no remuneration or accounting for the years put into this task for the social security systems. If and when it is remunerated, this job is often precarious, informal and poorly paid, as it is performed in many national contexts by racialized and/or immigrant women.

Care work – be it remunerated or not – includes activities such as direct assistance (health, hygiene, feeding children, dependent elderlies and sick persons) and indirect domestic tasks, and it is mostly performed by women and girls due to patriarchal structures. In addition to the practical workload, it involves mental (organizing and planning for the domestic demands) and emotional (affective support) management in support of family well-being and community bonds. Furthermore, depending on the (un)availability of basic services, such as the supply of water, power, sewer and garbage collection, the burden of domestic tasks can be considerably bigger – a recurring situation in urban peripheries and rural areas. Likewise, when located in rural zones, family care tasks usually mingle with livelihood activities, thus increasing the care workload. In those households. Yet another factor contributing to this overburden on rural women is their greater difficulty accessing public or even private care services such as creches and health care services.

Care-related demands vary according to the different phases (such as childhood or advanced age) of each individual and his/her overall physical condition and cognitive capacity, requiring differentiated response and adequate public policies from the State and from society. Likewise, populational dynamics directly influence the social demand for care, just as global care dynamics, environmental conditions and the climate crisis, food and nutritional security, the level of social security, and so on. On the supply side, paid or free provision has been historically distributed in a profoundly imbal-

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Urbanization in BRICS
Table 1 – Urbanization rates in BRICS

Country	Urban Population	Rural Population	Urbanization Rate (annual growth)
Brazil	87%	13%	+0.7%
Russia	75%	25%	+0.1%
India	35%	65%	+2.3%
China	64%	36%	+1.7%
South Africa	68%	32%	+1.5%

Source: United Nations, Department of Economic and Social Affairs: **World Urbanization Prospects: The 2018 Revision**, 2018. Available at: https://population.un.org/wup/**. World Bank: Urban Population Data Bank.** Available at: https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS

The urbanization rate among BRICS countries (**Brazil, Russia, India, China and South Africa)** is highly variable. Brazil and Russia have the highest urbanization rates, 87% and 75%, respectively, and there is no significant urban and rural population redistribution in sight for the near future. Then, China and South Africa present similar urbanization levels, 64% and 68%, respectively. China's recent urbanization process is noteworthy, as the country has promoted the relocation of half a billion people from rural to urban areas since 1990. Their urbanization rates, however, have been slowing down. Lastly, India has the lowest urbanization rate, a mere 35%, and has been presenting accelerated growth, with an estimated 50% of the population in urban areas by 2050. India's low urbanization rate could be one of many factors contributing to the extremely high non-remunerated care work overload on Indian women and girls, as we can see in statistics on the time dedicated to these activities.

anced manner that is furthermore pervaded by gender, race or ethnical, class, regional inequalities, to name but a few. Far from any fair co-shared responsibility for the care work by families, communities, the State and private sector (as employers), the social organization of care work is, by and large, feminized and restricted to the family level, however much female participation in the economic, political and social life of the countries has increased in the past half century.

This unequal care work accountability and the overburden upon women are due to two major factors: a) culturally patriarchal standards that have settled upon the non-recognition of the economic, social and environmental value of care, thus the non-recognition of it as work that requires knowledge and acquired – not innate – skills; and b) care being taken for granted as a task to be performed by women in general, and specifically, subordinate women[2]; depending on national and local context, subordination gains different racial and ethnical components, or a national and regional nature, including religion, chaste and others.

Care work division by sex in BRICS
Table 2 – Time spent on unpaid care work per gender

	Brazil	**Russia**	**India**	**China**	**South Africa**
Time spent on unpaid care work (minutes/day)	Women				
	191,5	259,1	351,9	234	249,6
	Men				
	43,2	115,2	51,8	91	102,9
	Difference				
	Women dedicate 4.4 times more time than men	Women dedicate 2.2 times more time than men	Women dedicate 6.8 times more time than men	Women dedicate 2.6 times more time than men	Women dedicate 2.4 times more time than men

Source: Brazil – World Bank, 2012; Russia – World Bank, 2014; India, China and South Africa– OECD *apud*. Russian National Committee on BRICS Research (2020)*.

As a pillar of the socioeconomic system, unpaid care work represents from 5 to 7% of the global GDP** – but it remains invisible and neglected. In the BRICS countries, as in the rest of the world, women have a bigger unpaid care work load than men (see table 2); while Russia, China and South Africa have somewhat similar statistics concerning the amount of time spent by women (average 247.6 minutes/day) and men (average 103 minutes/day) in unpaid care work, we see Brazilian women (191.5 minutes/day) and Brazilian men (43.2 minutes/day) dedicate less time to this job, but this labor division by

[2] I refer to the concept of subalternity developed by Indian theorist Gayatri Chakravorty Spivak.
* Dr. Marina Larionova, Irina Popova, Andrey Sakharov, Natalia Strigunova, Dr. Andrey Shelepov. National Committee on BRICS Research Russia, Russia Expert Council. Toolkit Women Economic Empowerment in BRICS, 2020. Available at: https://bricsthinktankscouncil.org/wp-content/uploads/2020/02/Toolkit_Women_in_BRICS.pdf
** ILO. Care Work and Care Jobs for the Future of Decent Work, 2018.

sex is more unequal – women dedicate 4.4 times more time to these tasks than men in Brazil; while in the abovementioned countries the different between female and male dedication is 2.4 times, in average. Inequality levels in Brazil is only higher in India, as it ranks first in the number of hours spent by women in care work everyday: among BRICS, Indian women are the ones who dedicate the most time to these tasks (351.9 minutes/day), while male dedication is only 51.8 minutes/day. The different between female and male dedication is 6.8 times more time dedicated to these tasks by women.

THE CARE CRISIS

Given the current supply and demand dynamics of care, there is today a worldwide care crisis, enhanced by and made visible during the pandemic, with multiple determinants: due to the populational dynamics – a tendency to populational ageing, reduced number of offspring per woman, increased participation of women in the jobs market, migration flows – to gender inequalities in the division of care work and a prevalence of a family care centered model, there are more and more people in need for care and less women available to provide it in a non-remunerated manner.

Still, the current strengthening of conservative tendencies in societies and the rise of ultra-right governments enhance intersectional inequalities that pervade the social organization of care, for a number of reasons. First, they rely on the submission of women and girls and on taking care work for granted as something done by females and for free, in behalf of love and as the outcome of a natural vocation, they defend the superiority of a single family model that is composed of a heterosexual couple and their offspring, ignoring robust populational tendencies of increased number of other family configurations, such as single parent families (particularly in Latin America), they disseminate individualism as the ideological perspective, actively promoting a corrosion of social pacts based on solidarity and the common good, destroying social and community bonds and producing materially and psychically helpless, hopeless and sickening individuals. Among others, the economic tool they most commonly use to promote this individualistic rationale has been the currently hegemonic model of fiscal austerity, which is conducive to a forced reduction of State sectors dedicated to social policies, to income redistribution and to the fight against inequalities by scrapping, privatizing and removing public services.

Given the absence of a true social pact for co-sharing the responsibility for the care work and for the prioritization of public policies for care, the lower income families – particularly women – are cornered between dedicating to care and domestic work at home, with no remuneration (which makes it even more difficult if not impossible for them to remain in the jobs market and to maintain their economic autonomy) and fomenting feminizing rates of poverty and domestic violence, as well as hiring those services, thus reducing family budgetary resources that are needed for the acquisition of other basic items, such as food and health, and that are often enabled by family indebtedness. The remunerated domestic jobs market, in its turn, is pervaded by informality, precarious working conditions and low wages, and those workers often have no alternative other than leaving their children and other dependent family members unassisted or under the care of other poorly paid women who have been rendered equally precarious.

So, austerity policies and the States' dodging any responsibility for care work generate a vicious circle where the feminized and family-restricted nature of the provision of care is enhanced, on the one hand, and the hiring costs are thus embedded in the social reproduction costs for many families, on the other. The chronic supply insufficiency or the removal of free quality and accessible public care services fuels the commodification and financialization of care, which further aggravates historical gender, race and class inequalities overarching reproductive work.

The care crisis in BRICS

The **care crisis** in BRICS reveals common challenges, aggravated by structural inequalities: while **China** and **Russia** face the pressure of populational aging, **Brazil, India** and **South Africa** deal with scarce policies to alleviate the disproportional workload for women – who are responsible for up to 80% of the unpaid care work. The lack of accessible creches, equitable parental-leaves and infrastructure for the elderly increase the precariousness of female work and limit their economic participation, thus perpetuating poverty cycles. In the five countries, the solution calls for urgent investments in public services and a total break away from gender standards that take care work for granted as "female duty". Below are data on demographic dynamics that influence the care work crisis.

Table 3 – Populational growth rate of BRICS countries- 1990-2023

Country	1990-2000	2000-2010	2010-2020	2023	Population 2023
Brazil	1.6%	1.2%	0.6%	0.5%	~211,000,000
Russia	-0.3%	-0.1%	0.2%	-0.1%	~145,000,000
India	1.9%	1.6%	1.2%	0.9%	~1,438.000,000
China	1.0%	0.6%	0.5%	-0.2%	~1,422.000,000
South Africa	1.8%	1.3%	1.2%	1.3%	~63,000,000

Sources: UN, **Department of Economic and Social Affairs, Population Division:** World Population Prospects 2024. Available at: https://population.un.org/wpp/

Table 4 – Populational age composition of the BRICS countries – 2023

Faixa etária	Brasil	Rússia	Índia	China	África do Sul
0-14 anos	9,2%	7,9%	12,1%	7,7%	12,3%
15-64 anos	78,8%	73,6%	79,8%	76,5%	80%
65+ anos	12,1%	18,5%	8,1%	15,8%	7,7%

Fonte: WHO: Countries data. Disponível em https://data.who.int/countries/

The BRICS countries present remarkably different demographic dynamics, with direct implications to cater to the care needs of the population in each society. **China** and **Russia** face accelerated populational ageing and growth rates near zero or negative (-0.2% and -0.2% in 2023, respectively), resulting from decades of low birth rates and, in the Chinese case, from their single child policy. **Brazil** continues on a demographic transition, with moderate growth (0.5%) and progressive increase of the elderly population, while **South Africa** (1.3%) maintains a younger age structure, though with challenges connected with youth unemployment. **India**, in its turn, (0.9%) stands out for a more vigorous population growth between the BRICS and an age pyramid with large numbers within the active age bracket. These difference require specific policies: China and Russia need to adapt their social security and health systems to that ageing, while India and South Africa need strategies to absorb the youth in the jobs market. There is therefore need for public services focused mostly on children.

Table 5 – Percentage of the economically active population currently working or looking for work – BRICS

Country	Women in EAP	Men in EAP	Gender gap (pp)
Brazil (2024)	53.5%	73.6%	-20.1 pp
Russia (2023)	56.2%	70.5%	-14.3 pp
India (2024)	34.4%	77.5%	-43.1 pp
China (2010)	63.7%	78.2%	-14.5 pp
South Africa (2024)	49.8%	61.7%	-11.9 pp

Source: ILO, ILOSTAT: Country profiles. Available at: https://ilostat.ilo.org/data/country-profiles/

Female participation in the jobs Market varies significantly among the BRICS countries, reflecting historical diferences. China leads with 63.7% of economically active women, a result of decades os inclusive state policies and a broad network of public creces. Russia (56.2%) maintains relatively high rates due to the soviet legacy of formal employment equality thought there is persisting occupational segregation. Brazil (53.5%) and South África (49.8%) presente recent progres, but they face challenges such as high informality rates and racial inequalities. India, in its turn (34.4%) stands out negatively, with the lowest rates in the group, a result of strict patriarcal norms and lack of a care infrastructure, such as creces. Meanwhile, China and Russia reduced their gender gaps by some 14 percentage points, Brazil and India still record sharp disparities (20.1 and 43.1, respectively), revealing the need for specific policies to work and family care.

INVESTMENTS IN CARE AS A DEVELOPMENT STRATEGY

Integrating care-related public policies to a country's socio-economic plan proves to be essential if we are to overcome structural inequalities and to build truly developed societies. In this context, sustainability is not restricted to environmental preservation and to the fight against climate change; it rather requires equitable social systems that can place human life and nature in the center of all priorities. The current civilizational crisis – marked by devaluing care and social reproduction – unveils the urgency to break away from economicist and patriarchal view that drops the responsibility for collective well-being in the non-remunerated work of the women. Including the perspective of care in public policies is, therefore, an indispensable condition for just and sustainable development, replacing the family-restricted logic with models of co-responsibility among families, State, the market and the society.

The document *A Guide to Public Investments in the Care Economy*[3] proves that investing in care (creches, assistant to the elderly and parental licenses) brings about significant economic and social benefits: it generates more jobs than other sectors, reduces gender inequalities as it integrates women in the formal market and produces fiscal gains that surpass the initial costs. The analysis therein indicates that treating care as **essential infrastructure** – rather than secondary support – is crucial for sustainable development, for it converts investments into long term productivity, equity and social cohesion gains. The South African case and others are proof enough of that efficacy.

Furthermore, increasing public policies geared for the economy of care represents a multidimensional strategy that can live up to one of the biggest problems in today's world. First, it contributes to **fighting hunger and poverty** as it generates formal jobs in sectors such as child education, home health and assistance to the elderly, in addition to allowing particularly poorer class women to join the remunerated jobs market. School children's food programs, caregiver training and support to family farming are illustrations of how this investment impacts the base of the social pyramid.

[3] ILO, UN Women. Policy Tool: A Guide to Public Investments in the Care Economy – Policy Support Tool for Estimating Care Deficits, Investment Costs and Economic Returns. 2021.

Simultaneously, care promotes a **culture of peace** as it strengthens community solidarity networks and reduces social tensions resulting from inequality. Societies that value collective well-being and ensure social protection from the early childhood all the way to old age tend to be more stable and less violent.

Care work is still fundamental for **climate action and socioenvironmental resilience**. As it prioritizes the sustainability of life rather predatory production, the sector reduces emissions, since care services have minimal carbon footprint if compared to extractivist industries; prepares communities for climate crises with local support systems for vulnerable groups (the elderly, children and people with disabilities in extreme events), fosters regenerative economic models, such as community urban farming and preventive health systems that reduce pressure upon natural resources.

Lastly, care work is fundamental for a resilient economy in face of the ongoing job market transformations brought about by new technologies such as AI and other types of automation. Robotics and digital platforms are complementary technologies, but they cannot replace human care. With worldwide aging, the demand for care work is likely to grow at significant rates, pushing sectors such as community health and urban assistance. Investments in this area bring proven economic return and represent a paradigm shift: instead of predatory growth, an economy centered on human and environmental well-being as a true indicator of development.

THE NEW DEVELOPMENT BANK AND THE FINANCE OF PUBLIC CARE SERVICES

The New Development Bank (NDB) can play a strategic role by creating lines for funding care infrastructures in the countries, in line with their sustainability priorities, infrastructure investments that will promote social development and inclusion, prioritize disaster resilient projects that will be technologically integrated and socially inclusive, promoting gender and race equity. By steering resources for the construction and modernization of creches, long stay hospices for the elderly and home care systems, the Bank would not only promote social inclusion and gender equity but also economic and environmental resilience. Those projects could be connected with clear sustainability criteria, such as energy efficiency for buildings, the use of ecoefficient materials, and integration with local public policies for inequality reduction.

Additionally, the NDB could prioritize initiatives that would combine technological innovation (such as telemedicine for remote areas) with the generation of green and formal jobs in the care sector – ensuring that funding fulfills its just low carbon development mandate. By including metrics of social impact (e.g. non-remunerated work-load reductions for women) in their performance reports, the Bank would reinforce its commitment with the SDGs and establish new standards for investments in sustainable social infrastructure in the Global South.

TRADE, INVESTMENTS AND FINANCE

HOW TO DRIVE SUSTAINABLE INDUSTRIAL POLICIES IN THE BRICS COUNTRIES IN THE CURRENT GLOBAL CONTEXT

Fernando Amorim Teixeira[1]

INTRODUCTION

In recent years, it has become less of an exception than the rule to implement explicit industrial policies in countries with different levels of development. To a great extent, those policies have engaged with economic, social, sanitary and climate crises; and this is also why they spare important differences from traditional 20th Century industrial policies.

This is because the COVID-19 crisis unleashed the breakup of various global value chains as well as the need to build regional distribution hubs and chains. Climate changes have been imposing the need for the new industry to reduce their greenhouse gas emissions. Geopolitical changes arising from wars, sanctions and protectionism have caused uncertainties and generated complex challenges, but also opportunities.

The BRICS countries need to implement profound structural changes, by incorporating new technologies and increasing added value to their national production, to generate higher quality jobs and income. This is why various industrial policies have been fostered and implemented, both in the old ways, that is, via clustering polluting productive chains, and in the use of sustainable technologies for decarbonization. In concrete terms, China continues to implement their policies anchored on their strategy for long term development, while other member countries have recently developed (re)industrialization plans with different foci and strategies (Santiago, 2020).

At the same time, in strict adherence to the different proportions, the BRICS countries are now forced to deal with US sanctions and/or with their tariff impositions. This new reality is likely to generate opportunities in their search for productive complementarities within the block but also risks that a less "harmonious" relationship may arise in face of some countries' attempts at offensively occupying markets, thus generating a series of hurdles for the others.

From the perspective of this article, the BRICS should tap from the global advance to enhance cooperation of their industrial policies, particularly those governed by sustainability principles. That is, those that will eventually promote innovation, strengthen international competitiveness and generate green jobs within the countries with no harm for their partners.

In the way of this discussion, the text is divided as follows: section 2 will present what we refer to as "new wave of industrial policies" in the context of climate change. Section 3 will bring some points about how to incorporate critical as-

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pects to country development through integration with sustainable value chains. Section 4 will bring final reflections while the last, section 5, will present concrete proposals for the Brazilian presidency of the BRICS.

NEW WAVE OF INDUSTRIAL POLICIES

In the structuralist-developmentalist tradition, long term growth is conditioned by the elasticity-income ratio between imports and exports, an indicator that expresses the degree of technological diversification and sophistication of a country's productive structure. Now, from the contemporary perspective of insertion in value chains, the economic dynamism is determined by the nature of this insertion, that is, if it happens in more or less knowledge and technology intense segments (Feijó *et al.*, 2024).

The bigger the distance between elasticity-income of exports in relation to imports, the lesser external restriction to long term sustained growth. In other words, an economy's potential growth is directly related to its productive structure and with the position it occupies in the value chains. Those aspects are particularly relevant for developing countries, which depend on foreign capital and technology, and whose growth path requires maintaining external balance.

More recently, climate changes have brought new elements to this reality. The need to significantly change production and consumption patterns requires transitioning to a low carbon economy in different economic sectors. Considering that each country or region has its own productive characteristics and different levels of development, their contributions to this transformation at the necessary speed and scale are to be treated in also different manners.

As such, enabling a Just Transition (JT) depends directly on the promotion of a "new" industry that can enhance both growth and the promotion of economic infrastructures with social inclusion. And we have to be clear about the key sectors will have to be prioritized in order to transform the countries' productive matrixes, which institutional, macroeconomic and financial arrangement will be necessary to support those transformations and what State capacity will be necessary to build and lead the initiatives.

Build State Capacity for Industrial Decarbonization

Industrialization (or reindustrialization) in the third decade of the 21st Century means focusing on modernizing the productive structure while incorporating energetically more efficient productive processes, while the participation of sophisticated goods is increased within industrial priorities. They also need to be inclusive, that is, incorporating technology that will generate benefits for the national populations, while they reduce their greenhouse gas emissions.

As such, the new industry to be fomented needs to be intrinsically connected with sustainability and to be presented as a crucial strategy to drive economic development, to face social and environmental challenges, and to transform the productive bases. It will need to contemplate, for instance, the inclusion of currently unemployed workers in emissions intensive activities to ensure their (re)insertion in the new productive processes – a crucial element to make it really "just" (Teixeira *et al.*, 2023).

In poor and developing countries, "reindustrialization" faces obstacles that can be clustered around two main axes: first, the need to adapt to the new environmental requirements, adjusting productive processes and consumption patterns to the greenhouse gas emissions reduction goals; second, the urgency to increase the economic policy space in order to break away from the underdevelopment cycle and to enable an effective structural transformation.

In this scenario, it becomes crucial that innovative policies are accompanied by a transformation of the State (Mazzucato, 2024), that is, that public institutions are equipped and committed and have the capacity to build sustainable productive fabrics. And that the autonomy to implement monetary and fiscal policy is preserved, in face of the need for an alignment with economic and ecological transformation policies, lest they send contradictory signs to the economic agents and, thus, generate mean results.

Furthermore, increasing and diversifying industrial policy instruments is of the essence, with the formulation of "conditionalities" associated with sharing knowledge and inducing investments in priority sectors, creating and formatting new markets. Incorporating conditionalities to public investments means binding subsidies, acquisitions, funding and investment to commitments with sustainable productive transformations, aligned with long-term development strategies (Mazzucato e Rodrik, 2023).

Intertwining collective objectives and private interests must steer the construction of a more symbolic relation between the State and the productive sector. As such, establishing counterparts in all public support instruments will be strategic to ensure a new social contract: state support in exchange for productive transformation and private investment in key sectors, in order to build a more inclusive and sustainable economy.[2]

In face of that, the construction of a transition geared for sustainable development may also benefit from stronger value chains with strategic partners, exploring productive complementarities. In addition to increasing the scale of industrial processes, this potentiality may be the grounds for greater economic integration between blocks of nations that share common challenges, such as the BRICS countries.

COOPERATION TO ENCOURAGE INDUSTRIAL POLICIES IN THE BRICS COUNTRIES MAY BE AN ASSET IN THE CURRENT CONTXT OF MULTIPLE CRISES

2025 was the 10th year since the BRICS countries launched their Industry Ministers Meeting held in Moscow in 2015. In this encounter, country collaboration around industrial policies in order to drive trade, sustainable economic growth, technology transfer and the creation of jobs was institutionalized, and that included strengthening bonds and improving the atmosphere for investments (Santiago, 2020).

Two years later, in Hangzhou, an "Action Plan" was adopted to increase the scope of collaboration, recognizing the emergence of the Fourth Industrial Revolution and the growing integration between manufacture and services. The BRICS Consolidated Technology Platform had the mandate of fomenting cooperation in the modernization and/or development of new engineering industries of high technology and innovation as well as in the development of capital goods and machinery related with manufacture and mineral processing (Santiago, 2020).

[2] Public services, in this context, play a strategic role: in addition to stabilizing economic cycles, they contribute to conscious consumption, productive reconversion, and the upskilling of the workforce. These services are essential not only to ensure technical competencies for new generations, but also to promote a culture of sustainability and environmental responsibility (Kerstenetzky, 2021).

In 2021, in New Deli, the BRICS created the so-called "Partnership for the New Industrial Revolution" (PartNIR), intent on identifying common interests and exploring challenges and opportunities, approaching various themes such as artificial intelligence, intelligent manufacturing and robotics, micro, small and medium size companies and bioindustry and circular economy. Recently, the "BRICS Partnership for Industrial Development, Innovation and Technological Cooperation" has reinforced the block countries' attention to that theme[3].

The accumulation resulting from those initiatives is important because, after decades of trade liberalization, we have recently witnessed the redesign of value chains and the flow of goods, partly related with incentives and protectionist measures by developed countries. With the ongoing tariff war, some commercial disputes are likely to increase, and the commoditization of Global South economies is likely to increase, therefore increasing external vulnerabilities. In this context, the BRICS countries' actions may be both beneficial and harmful to the ongoing industrial policies.

In the first case, a window of opportunity is clearly opening for an identification of priority sectors to be fomented on the basis of different countries' expert capacities[4], be it in terms of funding or investment, be it in modeling to attract international investors from within the block. In the second case, a short term view may be responsible for an attempt to flush products that were previously imported by the US, thus flooding local markets and generating unsustainable competitive pressures for many producers.

In order to jointly live up to the new global context, an effort towards concerting industrial policies may allow for greater productive integration. With that, the BRICS countries may act more cooperatively, protecting one another from international jolts while promoting complementarities and increments to their industrial fabrics.

FINAL THOUGHTS

Modern industrial policies clarify the need for rapid and structural changes as an alternative to the neoliberal paradigm centered on fiscal austerity. They ought to be included in programs that will combine short-term measures with long-term structural reforms at the national level or in blocks of countries that share common challenges.

From a practical standpoint, sustainable reindustrialization requires profound restructuring of the productive, economic, financial and social systems. This reconstruction may be enabled by implementing a process of State-led liaison with other players, such as non-governmental organizations, civil society and workers.

Building a "Just Transition" assumes that industrial policies contemplate mechanisms for the (re)integration of workers coming from greenhouse gas emitting sectors, thereby

[3] https://www.gov.br/mdic/pt-br/assuntos/noticias/2025/marco/brics-discute-parceria-para-desenvolvimento-industrial-inovacao-e-cooperacao-tecnologica-entre-os-paises-do-bloco

[4] According to Feijó et al. (2024), certain sectors and industrial activities have a greater capacity to connect existing productive structures with the challenges of the transition. The highlighted possibilities include: expanding value chains linked to agriculture; increasing environmental efficiency in the exploitation of natural resources; promoting smart cities; using the health and national security sectors to drive demand for high-tech industrial complexes; modernizing sectors with existing comparative advantages; fostering Industry 4.0; and investing in sanitation, recycling, solid waste management, and input chains focused on sustainable and resilient infrastructure, particularly in the logistics sector.

enabling their adaptation to the new productive chains. In this context, initiatives such as those promoted by the BRICS need to be given more transparency and amplitude, calling on civil society and the workers from member countries to share their opinion in official forums so they can more effectively participate in the construction and implementation of the process.

Proposals

Given the aforementioned, our proposals are:

1. To establish formal guidelines and mechanisms so that the industrial policies of the various countries are well set on the principles of Just Transition.
2. To discuss the way to build State capacity to lead national sustainable reindustrialization policies with a focus on technological innovation, multisector concertation and social inclusion.
3. To debate measures so that the short-term needs (often harmed in the other countries) do not stand above the BRICS's long term cooperation opportunities.
4. To promote participatory prs and to institutionalize permanent channels so that the organized civil society, trade unions and environmental organizations may participate in the construction and monitoring of industrial policies geared for the sustainable transition.
5. To give more transparency to BRICS initiatives, ensuring effective inclusion of those who are under greater impact in the official forums for the industry debate.

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INTEGRATION MECHANISMS IN THE BRICS: THE COMMERCIAL ISSUE AND THE FACILITATION OF TRADE AS A MECHANISM FOR PRODUCTIVE INTEGRATION

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INTRODUCTION

The economic theme within the bri has always been a central axis for the organization of the group. Remarkably, the original collective – Brazil, Russia, India and China – formed back in 2006 and formalized during the first meeting, held in Russia, in 2009, that is, in the wake of the financial-economic crisis, was then increased by South Africa two years later, in 2011. Just as the G20, the BRICS is a direct outcome of the international economic crisis of 2007-2008, whose epicenter was the USA. At that moment, the original group gained relevance for the negotiation around managing the crisis and coming out of it, when it was then incorporated to the G20.

Evidently, the constitution of a group with that configuration not only attracted international attention but was, per se, an important geopolitical event due to the weight of member countries together in the regional scenarios where they are located, in the world trade and economy, in the UN Security Council (two permanent members, Russia and China), because of their nuclear weapons (in addition to the two permanent UN Security Council members, Russia and China; in addition to those two holding that position, also India has this military technology), due to the availability of territory and mineral resources.

So, from the early start, the economic and financial weight as well as the availability of resources and the geopolitical importance have been in the essence of the new block and must be taken into account in their operations and in their journey of construction and growth in the course of many years.

Remarkably, from the very start, China has defended more commercial integration of the group, with mechanisms for overall trade facilitation and for trade funding within the block. Given the commercial weight China already had back then, which but increased thereafter, the other countries were all very cautions in face of that movement. However, the more recently accelerating changes across the world eventually help clarify the advantages of greater trade within the group, provided it took place in combination with production integration mechanisms that will not relinquish the other countries to mere China's satellites.

THE BRICS' INITIAL JOURNEY

South Africa, which will only formally join the group in 2011, was already participating in a concertation with Brazil and India, called IBAS. When that country finally joins the original BRIC in 2011, its economic weight was – and continues

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to be – much smaller than that of the other countries in the group, but South Africa works as an investment portal for meridional Africa, in addition to the political weight that country enjoys across the world. As such, the incorporation of this African country is very important, with a *de facto* incorporation of an entire region to the BRICS. South Africa was also a G20 member and, therefore, its incorporation added further weight to the group within the G20.

That requires some additional sizeable consideration. Since it came into being, the BRICS operated as an important political subgroup within the G20. In G20 meetings, by and large, the BRICS used to gather before the broader encounter to present their views in a reasonably collective manner when they came to the G20, at least until the mid 2010's, That is, on many themes, despite not formalized, joint intervention by the BRICS countries often operated in counterpoint to the influence of G7 countries (namely US, Japan, Germany, France, United Kingdom, Italy and Canada).

Also, an outcome of the 2007/2008 crisis, the BRICS has centered discussions on the financial issue. So much so that, at the same time billionaire inputs to the International Monetary Fund and the World Bank were discussed for crisis management, the BRICS were discussing its increased role within those institutions, as in a power dispute. Between 2008 and 2010, multilateral financial institutions are estimated to have contributed some 660 billion US dollars to programs in support to crisis-bound countries, according to instructions provided by the G20, which, in 2008, issued a final report that included, among other measures, "to ensure that the IMF, the World Bank and other multilateral development banks have enough resources to continue playing their roles to overcome the crisis". Emerging countries (including the BRICS, Mexico and Indonesia) stood out in this new fundraising effort, in which the BRICS are estimated to have put in a little less than 20% of the total amount, whose half was contributed by China alone. However, from the viewpoint of increasing institutional quotas, China was the only one to secure significant advancement.

This movement inside the institutions, however, starts to flow back as of 2014, with the first conflict in Ukraine, and the Russian occupation of Crimea, which starts to more significantly change the geopolitical situation.

BRICS, however, did not restrict actions inside the pre-existing system built upon Bretton Woods standards. They also discuss creating institutions of their own, which would somehow emulate the Bretton Woods institutions. Those discussions pick up in speed as of 2013 (the BRICS meeting in Durban, South Africa) and 2014 (meeting held in Fortaleza, Brazil). In this process, the Fortaleza meeting creates the Contingent Reserves Agreement (CRA), some type of mutual support provided by a consortium of five central banks for any potential problems befalling some of the member countries, and the New Development Bank, a multilateral investment bank formed initially by the five countries, but open to new partners.

FINANCIAL VISION: THE CRA AND THE NEW DEVELOPMENT BANK

In the G20 meetings held in South Korea in 2010, from the viewpoint of 2008 crisis related measures, prevailing discussions revolved around a financial protection network, with an emphasis on fiscal consolidation and some development related themes, the main focus of South Koreans because of the informal structure of the group availed the host with the possibility of conducting the meeting and developing their own conclusions, which are eventually important. There was also a more clarified position about changes in the composition of IMF participation quotas to ensure a more expeditious transition towards greater participation with increased voting power for the developing countries, particularly China, India and, to a lesser extent, Brazil. After this meeting, particularly after the Brisbane meeting in late 2014, G20 leaders' resolutions started to implement a more active search for new investment alternatives (or new spaces to be occupied by financial investments), particularly in infrastructure. Despite the persisting crisis, many G20 members started to revolve in the discussion more strongly around the search for new valuation of financial investments, speaking once again about funding development.

As such, there is not much of a surprise that, in the case of the BRICS, during this same period of time, discussions about a network for financial protection (in the case of the CRA) and about funding development (the New Development Bank) started to move hand in hand.

The creation of the New Development Bank (known as the BRICS Bank) in the Fortaleza meeting indicated that, from the group's perspective, there would also be a search for instruments to fund their development strategy around projects implemented by the group's countries. That was an important novelty from the viewpoint of multilateral investment banks.

RECENT PRODUCTION CHANGES IN THE WORLD

In this more recent period – and, with the COVID-19, 2020 clearly showed it – countries that dismantled their technological development areas as well as their industrial production in health and related areas, from the more sophisticated products, such as medication and vaccines, all the way to accessories such as masks, and hospital products, such as beds and pulmonary ventilators, found it very difficult to handle the pandemic. The need to import whatever products forced them to face high prices and logistic difficulties in their attempts to access those goods, including international disputes wherever the products had to pass in their delivery routes, at a moment when all countries were facing the same problem at the same time. That alone would suffice to raise a very important point: products that were treated as commodities in this world of trade liberalization could be considered strategic goods for the countries (remarkably, the same thing happened with food stuff in the Ukraine war as of 2022). Production discontinuation caused by the pandemic, and the very discontinuation of trade flows due to different stoppages (such as the so-called "container crisis") caused hindrances to the workings of global production chains due to input shortages, raising red flags all around. Geopolitics in the years subsequent to the pandemic, with the Ukraine war and many disruptions in the supply of products (food, oil, gas and others), eventually relocated the problem of productive integration strategies, the importance at different levels of self-sufficiency and raising a debate on "deglobalization", a theme that would have caused some surprise a few years ago!

Enhancement of the environmental crisis also raises discussions around the role of industry and the global supply chains. Moving products across large distances, using energy for that purpose, incurs non neglectable environmental costs (in addition to production costs per se, in case of energy price rises)! These factors must be factored in and included in discussions around the new development strategies.

Increased poverty and inequality, social exclusion associated with the globalizing productive model, and the relentless financialization of the past 30 years also have to be included in the discussion. There is an ever so great pressure for a transition towards an environmentally and socially healthier model, and that includes rethinking the important role of the industry in these new perspectives.

Bringing the social and environmental issues to the discussion in an interconnected manner implies that development has to be seen from other metrics than that of expanding consumption and production. That is, looking at the industry from this new perspective means to also think about the necessary recycling efforts, not only within the industry but also around the existing production and consumption systems. That is a consideration that ought to advance so that a new development strategy will be not more of the same but rather become a real development alternative for the majority of the people in their countries and for the planet.

TRADE AND INTEGRATION

In the case of Brazil, an important point to be considered is the industrial dynamism, which may come for the process of regional integration. As was mentioned before, we have had an important integration experience in the automotive chain with Argentina, Mexico and South Africa, whose dynamics was established by transnational companies controlling the assembling industry in the four countries, in addition to many other sectors. That would imply planning some type of common industrial policy, which is no simple matter. On the other hand, that would imply working with market sizes that are much bigger than the existing national ones, which would potentialize the introduction, in some of the countries, of productive plants with bigger production scales and, therefore, productivity gains in many sectors. Given the size of its economy, Brazil can be a regional leader in this process. Coordinating regional and international production chains means admitting that important parts of that chain, of the production process of some of the final goods, in addition to the research and development involved, would have to be in other countries, or else the process may not be attractive for some. To operate while replicating, at the regional or even broader level, the international division of production relations that the region now has with Europe, the US and China – at least as designed this far – may render this integration project unfeasible.

On the other hand, if well conducted, it may have advantages for all the countries involved. Because of those issues around production strategies and sovereignty over the production of some goods, or groups of goods, but also on account of the costs for productive chains that involve big displacement, and also for their environmental effects, productive chains have been regionalized across the world, where companies cluster in neighboring countries, in the so-called nearshoring process. Designed a bit earlier, as mentioned before, this process was enhanced by the pandemic and with the Ukraine war, events that indicated major dangers inside the supply chains of productive connections scattered around the world. We may once again mention the health complex, from the viewpoint of both vaccines and medication (as well as input for their production), including hospital equipment and technology development centers as well as training for services (and here we can mention nursing services as well as software for examinations and medical visits). But we could also think of many other sectors that may be interconnected and developed in the region.

If successful, a process such as this one, in combination with regional integration and integration within the BRICS, social inclusion with the environmental issue as a center point, it could contribute not only to offering an important perspective to Brazil but also to various governments that may act jointly across the region, as it could also have important political and geopolitical effects. Yes, political, because governments seeking to build alternatives in the region, which did have an important opportunity in the first decade of this century, need to escape the trap of a primary-exporter model, an extractivist model that eventually prevails, under the beacon of the US and/or the European Union, including China if the current design is maintained for the countries in the region. Actually, in that model, countries within the region are indeed competitors amongst themselves, many of which generate the same products and dispute the worldwide market. Therefore, taking the extractivist project along, it is a big challenge to think about political integration of the countries.

On the other hand, in a world where uncertainties abound and where there is an ongoing dispute for hegemony involving the USA and China, if a dynamic and diversified process of integration is enabled, its geopolitical consequences may even become very important at the international level. Important, that is, particularly in the sense of affirming the region as a more autonomous and sovereign hub that can engage in dialog and negotiate its interests not only with the partners who dispute that hegemony but also with the entire world. Strengthening the Latin America integration opens up a whole series of national and international perspectives, which must be taken into account when we think about the future of the region. Regional integration strengthens Brazil within the BRICS, the integration of production chains within the BRICS, and it also strengthens Brazil at the international level.

This possibility for a broader integration, one that would involve liaising the productive structures of the whole of the BRICS, and those with the countries in the region – a situation in which Brazil could play a very important role in making this connection – could now be on the table. This possibility of a connection of productive chains among politically and economically close countries (known as *friendshoring*) admits that one of the BRICS countries, China in this case, could take a position of reviewing its absolute protagonism in the group of industrial productive chains and somehow develop an industrial policy of decentralization, thus providing room for other countries to increase their manufacturing space instead of becoming mere commodity suppliers to China. It is therefore a process that goes far beyond market possibilities, which would require a productive partnership, but also some political concertation, where the latter element would design the new productive chains to be implemented through that proximity and through the construction of a strategic project among the countries.

An initial step in that process would be the possibility to advance in trade facilitation mechanisms within the group that would involve not only today's existing issues in the realm of the WTO (approved in the Nairobi Ministerial meeting in 2015), but also expanding the reciprocal credit mechanisms between member countries, enabling practical national currency trade among the countries in the region. In the realm of Latin America, there is a Payments and Reciprocal Credit Agreement of the ALADI (Latin American Integration Association) which has been operating since 1966, which already includes Argentina, Bolivia, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru, Uruguay and Venezuela, among others. Brazil, which was already a member, left the agreement in April 2019, but it would be interesting to join back, since the agreement operates to leverage the possibility of enabling, through central bank agreements, trade in national currencies. The decision to leave the agreement was made under the Bolsonaro administration and is yet to be reviewed, though the current administration has consistent and affirmative discourse towards regional integration. This is a crucial step to leverage the integration process, allowing for broader use of national currencies in international trade.

REINDUSTRIALIZATION

Problems arising out of Brazil's deindustrialization process appeared more clearly when the country started to discuss its search for new development strategies, a debate that was kindled in the first Lula administration and then enhanced by the international financial crisis of 2007-2008. Dismantling the industry eventually disconnected whatever integration there could have been among sectors in the country. As such, even when the country was growing (and it started to grow faster as of 2004, the 2nd year of the Lula administration), part of that growth was transferred by foreign demand and in face of increasing imports. So, growth policies geared for the lower income layers of the population, with increased minimum wages, popular credit and income complementation policies, adopted during that period which enabled more accelerated growth, transferred a good amount of that growth potential abroad, through the disconnection of industrial production chains in the country. And this phenomenon took place in other countries in the same region, such as Argentina, which still maintained some of the preexisting productive structure. The same can be said about growth of commodity export sectors, also dependent upon imports for their good operations (in agricultural and cattle breeding areas, for instance, production depends on the import of seeds, pesticides, fertilizers and machinery, all of which have to be imported). Effective growth is thus always smaller than what could have been leveraged in the case of greater internal productive chain complexity, with production coming from the internal market. At some moments, they attempted to leverage the internalization of some sectors, such as oil production, always with strong opposition from foreign suppliers. In a more recent period, negotiating government procurement chapters through ongoing agreements (such as between the European Union and the Mercosur) can be even more limiting of those possibilities; hence the huge damage reduction effort in the text of the Mercosur-EU agreement, handled by Brazilian negotiators since the beginning of the new Lula administration, in 2023. However, loss reduction does not prevent their existence and, as such, the negotiated agreement (still not in force) poses limits to the now existing possibilities.

Furthermore, the importance of the industrial sector as generator and disseminator of technical progress is to be considered, and so is the role of technical progress in development. Industry, on the one hand, is the sector where there is indeed the greatest possibility of generating technical progress, by nature of competition and of diversified production. Because of the latter aspect, technical progress is also more rapidly disseminated. By diversifying (in an analogy to concentrating around few agricultural products), that is, by increasing the division of labor, more possibilities of generating technical progress are thus created, and organized workers' pressure also pushes the introduction of technical progress. By reducing the weight of the industry, the dynamism of generating and disseminating technical progress is also lost in economic development.

Industry resumption in Brazil, as part of a new national development project, is crucial, as we pointed earlier, so that we can have sovereignty and dynamism within a new development strategy. An industrial development and production chain complexification strategy at the national level is extremely importance as well, within attempts to work towards combining social inclusion and the development process. As discussed here, it is in industry that the best jobs are generated, and also an organization standard for the labor force that also proves dynamic in the struggle for social transformations.

There is great potential for an expressive industrial leap forward, considering three elements. The first one refers to the so-called "green transition", that is, a profound change to the production and consumption matrix that will factor in the productive process the issue of its environmentally noxious effects, seeking to either put an end to them or neutralize them – and this change, per se, is so profound that it would generate great potential economic growth by virtue of the very transformation of the existing productive structure. Another important point here is that this process has to be implemented also in combination with permanent sales of new products, more focused on the duration and effects of these products. Nevertheless, the profound change to the production standard is likely to generate significant impacts on growth for the upcoming period, and it would be interesting to be able to internalize them in the country through domestic industrial production, avoiding "export" of the growth potential.

In the Brazilian case, we must consider that this industrial development process also implies reducing inequalities and social exclusion. Social inclusion policies have great effects on income and jobs, particularly when they are not seen as mere income expansion for the poor, but rather as an assemblage of an entire services structure (water and sanitation, education, housing, transport, energy, health, culture, connectivity, support to children and youth as well as to the elderly, and many others). So, the second element is to consider that, if it is to account for demands that have not been catered to in the course of centuries, on its own, the development potential generates great development perspectives, and part of this dynamism must be geared towards the industrialization process. An active connection within the BRICS, if possible, may provide significant help in the search for a new social infrastructure, one that will consider the care economy as an ally to overcome inequalities, including particularly those of gender, race and ethnicity.

One last component has to do with the perspectives that are opened with the process of regional integration and among the BRICS countries, which may respond not only for increased markets (and, as such, enable the installation of more productive industrial plants). The integration process greatly increases political and geopolitical perspectives, paving the way for significant gains in the freedom to set up local development strategies, *vis a vis* the traditional powers, allowing for less potential conflicts with autonomous development strategies, also allowing for countries in the region to also catalyze this process. In this case, also, there is increased importance in factoring in the ensemble of the BRICS countries, considering this enlargement of the past two years, and that which is yet to come. The group's growth increases the possibilities of expansion across many other regions of the globe (such as the ones that are already appearing in Africa and Asia), as it also increases the capacity to connect interests in sectorial productive chains, such as the ones that develop around oil, gas and basic petrochemicals, for instance.

CONCLUSION/PROPOSALS

Important changes are currently happening in the commercial, financial and productive scenes around the world. The process has been accelerated by the tariff discussions used by the Trump administration in the US as a mechanism to try to change the international commercial situation to their own benefit.

Therefore, an important window of opportunity is opened that may or may not be used. In order to gain density in the international economic scenario, showing that it may be an effective hub for the construction of an alternative to an income, wealth and power concentration world, it is important for the BRICS (and other countries may be identified and may be willing to join, even though they may not be group members) to be able to advance in a process of building integrated productive chains.

In order to achieve this process of productive integration, and given the productive chain restructuring that is now in progress around the world, it is crucial for some countries to take some initial steps, starting from the construction of this pathway:

Discuss a common productive strategy among the BRICS countries, in search for integrated productive diversification within the group's countries, that can be mutually supported and also allow for the BRICS countries to tap from the regional integration possibilities within this common productive strategy, which must be agreed upon within the political realm and must have a long-term horizon to enable for an adaptation of the preexisting productive structures along this new route;

Advance with trade facilitation mechanisms, including an effective reciprocal credit mechanism that will allow for significant leveraging of BRICS member country exchanges, as well as exchanges with others that may be willing to adhere to that mechanism, thus allowing for an important step towards integrating productive chains among the countries. Here, it is also crucial to resume, at the regional level, ALADI's Reciprocal Payments and Credit Agreement;

Use of the New Development Bank, as well as the existing national and regional development banks, including other existing finance mechanisms, as sovereign funds in the realm of the BRICS countries in order to enable the consolidation of the common productive strategy to be put in place;

Create common concertation mechanisms among member countries as well as other nearby countries in order to consolidate education and technological development policies that will allow for an integrated development project;

Develop a cultural approximation strategy that will allow for the construction of a common outlook, despite all the different historical journeys among group members, in a way that the integration process will not advance with attrition forces among them.

WHAT IS THE ROLE OF BRICS COUNTRIES' STATE-OWNED FINANCIAL INSTITUTIONS IN THE PROMOTION OF A SUSTAINABLE AND INCLUSIVE FUTURE?

Fernando Amorim Teixeira[1]

INTRODUCTION

Under Brazil's presidency, the BRICS Finance Track has outlined six overarching priorities. Among them, one stands out: the promotion of financing mechanisms and new instruments to confront climate change. This article aligns with that objective by focusing on a specific angle – namely, the role of state financial institutions with a public and long-term mandate within the broader ecosystem of sustainable and inclusive development financing.

In the BRICS context, it is understood that – with the exception of China, which combines state financial institutions of immense scale with tighter capital controls, thereby affording greater autonomy over its monetary and financial policies – the remaining member countries face, to varying degrees, substantial challenges in financing their transitions toward low-carbon economies rooted in social justice.

However, the fact that BRICS countries collectively manage trillions of dollars through Public Development Banks (PDBs) and Sovereign Wealth Funds (SWFs) places the block in a privileged position – not only to channel strategic investments domestically, but also to act in coordinated fashion to meet the needs of other nations. For this reason, it is believed that there remains considerable room to foster exchanges of experience among member states, enabling mutual learning around the challenges and opportunities inherent in the use of patient-mandate institutions to support sustainable development agendas.

To advance this discussion, the article is structured as follows: Section 2 explores the challenges of financing sustainable development in the current climate crisis scenario and highlights the strategic importance of state financial institutions – particularly Public Development Banks and Sovereign Wealth Funds. Section 3 offers an overview of these institutions across BRICS countries, aiming to map out commonalities and opportunities. Section 4 presents final reflections. Section 5 outlines concrete proposals for the BRICS Finance Track under Brazil's presidency.

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CHALLENGES TO SUSTAINABLE FUNDING IN THE CURRENT CLIMATE CHANGE CONTEXT AND THE ROLE OF STATE FINANCIAL INSTITUTIONS

One of the greatest challenges facing humanity lies in how to mobilize the necessary investments that will drive the decarbonization of economies and implement sustainable, resilient projects that enable countries to pursue development – in all senses of the term – while simultaneously reducing emissions. Structural projects, by their very nature, require substantial external capital – in other words, they rely on financial agents willing to front resources for new investments. Yet such willingness is often insufficient or altogether absent.

Worsening this scenario is the growing reluctance of financial agents to disburse capital in a context of accelerated climate change. As non-probabilistic uncertainties become more prevalent, risk aversion tends to rise, directly and indirectly impacting both financing flows and investment volumes.

At present, environmental risks are being gradually incorporated into the operational frameworks of financing and investment, following two main pathways: (i) through internal criteria and conditions attached to project funding, and (ii) via the development of customized financial products and services designed to attract investors, including institutional ones. The most significant procedural shifts in climate transition financing include adopting social and environmental risk protocols – primarily geared toward managing the reputational risk[2] of the funding institution. In other words, when so-called 'dirty' investments are identified, the institutions involved may be penalized through market self-regulation mechanisms[3]. Environmental risk assessment remains a critical gap.

Moreover, the dominant reliance on stochastic modeling for risk forecasting assumes that past data can adequately predict future risks and that investment decisions – particularly those aimed at emissions mitigation – can be accurately priced. Yet both physical and transition risks linked to climate change are characterized by deep uncertainty and non-linearity. Such complexity renders traditional financial tools ineffective for pricing these impacts with any degree of precision (Ryan-Collins, 2019).

In addition, prevailing financial practices typically operate on short time horizons – generally five years or less – creating a structural misalignment with the long-term nature and externalities of green investments. Known as the 'tragedy of the time horizon' (Carney, 2015), this phenomenon alienates long-term investments from conventional risk analyses. The problem is compounded by the increasing likelihood of so-called 'green swans' (Bolton et al., 2020) – unpredictable, high-impact events tied to environmental disruptions with far-reaching economic, social, and ecological consequences.

Against this backdrop, this article argues that the State must assume an active role in guiding and coordinating financial agents – either through budgetary spending or via indirect instruments such as Public Development Banks (PDBs) and Sovereign Wealth Funds (SWFs). In the latter case, there are fewer ideological and practical constraints, and numerous countries are already investing heavily in these institutions.

As strategic tools, PDBs and SWFs offer enhanced capacity to mobilize and coordinate public and private resources,

[2] Reputational risk refers to the possibility of loss or damage to the image and the reputation of an organization due to an event, decision, action or lack thereof. That risk may result in negative consequences, including reduced stakeholder trust, business losses, brand depreciation and adverse impact on the entity's financial performance.
[3] Through traditional risk analysis models: credit, liquidity, market and operational.

aligning sustainability with economic returns and long-term feasibility. State financial institutions – armed with long-term mandates and a commitment to implementing public policy – thus have a fundamental role to play in advancing national sustainable development agendas (Mazzucato et al., 2024)[4].

STATE-OWNED FINANCIAL INSTITUTIONS LEADING ECONOMIC AND ECOLOGICAL TRANSFORMATION

Public Development Banks (PDBs) and Sovereign Wealth Funds (SWFs) have the potential to lead a shift in posture and provide direction for sustainable financing and investment. Rather than merely intervening in market failures[5], these institutions must act as catalysts for transformation – offering conditional credit, guiding private sector decisions, and contributing technical expertise to monitor and evaluate investments (Mazzucato et al., 2024). In so doing, they can ensure that projects align with national social, environmental, economic, technological, and climate objectives.

In recent years, many multilateral organizations – historically reluctant or outright opposed to an active State role in managing tangible and intangible assets – have begun to reconsider their stance in light of today's urgent challenges. The World Bank, for instance, has underscored that state institutions can serve as powerful levers for implementing reforms aimed at ambitious mitigation and adaptation targets. Likewise, the OECD and the IMF have emphasized their importance in the implementation of policies to transition toward a low-carbon economy (IMF, 2020; 2024; OECD, 2018; 2022; World Bank, 2023).

In practice, both PDBs and SWFs have already taken significant steps in this direction. However, there is still room to construct resource allocation mechanisms and explore how these institutions can operate to make the sustainable finance ecosystem more responsive to national needs.

Public Development Banks

In the case of PDBs, a few essential conditions must be met for effective performance. Chief among them is access to appropriate funding – whether fiscal, parafiscal, or sourced through bond issuance and other instruments – that is stable and enables, among other functions, the provision of credit at equally stable rates. According to Griffith-Jones (2022), this is precisely what is now occurring in developed countries, where new, modern development banks are being established with appropriate mandates to drive large-scale investment in the green transition[6].

By allocating a significant portion of their portfolios to initiatives focused on environmental, social, and climate issues, these institutions can set a precedent for financing

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[4] To overcome the excuse that, in the absence of available fiscal resources, the solution shall come exclusively from private capital

[5] From a market failure approach, in certain cases, the market would not be able to self-regulate and would require an external player, the State in this case, in order to perform this soft touch regulation, which would take place of four fronts: i) externalities; ii) public assets; iii) asymmetric information; and iv) market power. Regulators should then focus on correcting those faults by adopting a normative, standardized approach, disregarding productive structure specificities of the countries as well as their development needs.

[6] That's the case of the European Investment Bank (EIA), establishing that 50% of the funding has to be made available for green loans by 2025. Another example is the US Congress approval for a Federal Green Bank. One of the DB advantages in this type of mandate is that, once private investments are pro-cyclic (as shown in various episodes of the economic crisis, more recently in the COVID-19 pandemic), those banks would remain financially stable in periods of excessive uncertainty – which would allow for investment plans to continue, given that the Planet would not stop warming on account of an economic crisis.

sustainability-driven projects. In addition to direct financing, the technical assistance provided by PDBs plays a critical role, from offering expertise in environmental impact assessments to planning sustainable projects – thus equipping regions to implement and manage them effectively. Support for research and development (R&D), particularly in green technologies and sustainable innovation, has also been central to the agenda of these banks.

The definition of clear standards and criteria for green and sustainable investments by PDBs can create market benchmarks and encourage other investors to adopt more sustainable practices. In the same vein, the implementation of rigorous monitoring and evaluation systems helps ensure that supported projects remain consistent with the goals of a sustainable green transition – adapting as needed to global shifts and emerging demands.

Finally, by collaborating with a range of actors – including governments, the private sector, and civil society organizations – PDBs can broaden the scope of their interventions, promoting sustainable policies and practices at both the national and global levels.

Sovereign Wealth Funds

Sovereign Wealth Funds (SWFs), as institutional investors owned and controlled by the State – with no external beneficiaries or representative liabilities – can operate with short- or long-term horizons, depending on government interests and based on pre-established objectives and regulations (Teixeira, 2017). Their public ownership and ability to direct investment flows in support of specific policy goals make SWFs a fundamental component of the sustainable finance ecosystem.

Most of these funds are national[7] in nature, meaning they are managed at the federal level, with assets denominated in foreign currency. Consequently, they primarily aim to manage fiscal surpluses abroad, in a manner distinct from how central banks handle international reserves. Operating at the intersection of monetary, financial, and fiscal policy (under rules that govern withdrawals), SWFs are part of the macroeconomic framework of their respective countries and can play an active role in shaping institutions and state capacities across jurisdictions (Teixeira, 2017).

In recent years, many global sovereign wealth funds have taken a strategic stance on environmental, social, and climate agendas, particularly when aligned with the Sustainable Development Goals (SDGs). Among emerging megatrends is the creation – or the integration into existing mandates – of Strategic Investment Funds (SIFs), with portfolios increasingly directed toward transition-related agendas, especially in sustainable and resilient infrastructure projects (The Center for the Governance of Change, 2024).

DEVELOPMENT BANKS AND SOVEREIGN WEALTH FUNDS IN THE BRICS

As noted in this article's introduction, BRICS countries possess a wide array of Public Development Banks (PDBs) and Sovereign Wealth Funds (SWFs) with diverse mandates and areas of expertise, which can contribute innovative solutions to financing the transition toward low-carbon economies with social justice. It is therefore possible to harness the potential of these institutions to drive economic transformation

[7] Despite the existence of subnational funds, such as in Brazil. See more at: Teixeira e Feijó, 2022.

and bridge essential financing gaps – both individually and collectively – across the BRICS block.

Public Development Banks and Sovereign Wealth Funds in the BRICS

The following presents an overview of the presence and involvement of PDBs and SWFs in climate financing across the five original BRICS members – Brazil, Russia, India, China, and South Africa. The aim is to highlight their capabilities and operational frameworks in advancing sustainable development within their respective national contexts.

Brazil has three national development banks, along with regional and state-level banks, and eight subnational SWFs. Its largest PDB, the Brazilian Development Bank (BNDES), manages US$152 billion in assets (FiCS, 2025) and plays a key role in implementing sustainability-focused public policy. It also manages innovative climate funds such as the Climate Fund and serves as the secretariat for the Brazil Investment Platform for Climate and Ecological Transformation (BIP), a federal initiative to increase green investment. Since 2017, several Brazilian states and municipalities have created subnational SWFs[8] funded by oil royalties and special participation revenues.[9] These funds collectively manage about US$1.5 billion and have diverse mandates, with strong potential to catalyze sustainable investment at the territorial level.

Russia has one national development bank and two sovereign wealth funds. The State Development Corporation manages US$55 billion in assets and focuses on agricultural financing, export promotion, housing, infrastructure, SMEs, and public-private engagement (FiCS). The country's two SWFs are designed to stabilize oil revenues and foster co-investment in Russian enterprises to support industrial policy. The National Wealth Fund, its largest, manages approximately US$136 billion and holds stakes in the country's major financial institutions (The Center for the Governance of Change, 2024).

India maintains ten national development banks and several subnational institutions, along with one SWF. Its largest PDB, the Power Finance Corporation Limited, holds US$125 billion in assets and focuses on national infrastructure, while the others have sector-specific mandates (FiCS, 2024). Its SWF, the National Investment and Infrastructure Fund, aims to promote infrastructure investment and attract capital for sustainable and resilient projects – particularly in renewable energy, which has become a leading destination for international institutional investors (The Center for the Governance of Change, 2024).

China has six national PDBs, in addition to various subnational banks, and six SWFs with clearly defined mandates, goals, and governance structures. Its development banks manage approximately US$5 trillion in assets (FiCS), while its sovereign funds control an estimated US$3.5 trillion (The Center for the Governance of Change, 2024). The China Development

[8] Brazil has a controversial experience in Sovereigh Wealth Funds. In 2008, a Brazil Sovereign Fund was started as a federal institution to mitigate the effects of economic cycles, gather public savings, promote investments in local and foreign assets, in addition to supporting strategic projects for the national development. However, given the fund's design, it eventually played a marginal role in the country's financial structure and was officially extinguished.

[9] In the wake of this movement, municipalities with a considerable amount of the revenues coming from the Financial Compensation for the Exploration of Mineral Resources (CFEM), they also decided to create their own sovereign funds. As such, there are at least eight subnational funds that are either currently operating or in their final structuring stages. They include the municipalities of Ilhabela (SP), Maricá (RJ), Niterói (RJ), Congonhas (MG), Itabira (MG), and Conceição do Mato Dentro (MG); and the states of Rio de Janeiro and Espírito Santo.

Bank (CDB)[10], its largest PDB, manages US$2.6 trillion in assets and is dedicated to financing large-scale infrastructure, social development, and strategic industries in alignment with national economic policy[11]. The largest SWF, China Investment Corporation (CIC), was created to manage a substantial portion of China's international reserves and to reform the domestic financial system. Currently the second-largest SWF in the world, CIC is expanding its participation in the field of sustainable investment, particularly in renewables.[12]

South Africa has four national development banks and is currently exploring the creation of a sovereign wealth fund (The Center for the Governance of Change, 2024). Its largest PDB, the Industrial Development Corporation, manages US$8 billion and supports several priority sectors for national development (FiCS). Beyond studying the creation of a SWF, South Africa is reviewing the governance and coordination of its state-owned enterprises, seeking greater alignment with long-term development objectives (Mazzucato *et al.*, 2024).

Table 1. National Public Development Banks and Sovereign Wealth Funds in BRICS, 2023/2024

Country	Public Development Banks (National)	Sovereign Wealth Funds	Total Assets Managed (US$)
Brazil	3	8*	172 billion
Russia	1	2	217 billion
India	10	1	539 billion
China	6	6	8.5 trillion
South Africa	4	0**	16 billion
Total	**24**	**9**	**9.5 trillion**

Source: FiCS (2025); FiCS (2025); The Center for the Governance of Change (2024) – Author's compilation

[10] The CDB has six subsidiaries to effectively operate in different niches: 1) CDB Development Fund: whose main objective is to fund projects in key sectors by contributing capital, shareholder loans and corporate funds finance; 2) CDB Capital Co: active in urban development sectors, industrial investments, foreign investment, and fund management; 3) CDB Leasing Co: operating in leasing for aviation, shipbuilding, transport, commercial vehicles, engineering equipment, basic infrastructure, social housing, and small and medium sized companies; 4) China-Africa Development Fund: focused on investment and consultancy operations for Chinese companies looking at expanding their activities in the African Continent, promoting China-African economic cooperation; 5) funding for China's rural economy; 6) CDB Securities Co: active in the merger and acquisitions sector as well as security subscriptions, and asset management.

[11] Another bank worth mentioning is the Export-Import Bank of China (Exim Bank), wi provides financial support to drive Chinese product and service exports across the world, strengthening the national industry and fomenting exports, playing a crucial role in the Belt and Road Initiative.

[12] Recently, the CIC made the largest renewable energy acquisition in history, the Equis Energy, with more than 11GW of installed capacity in solar, wind and hydroelectric power, distributed across countries such as Australia, Japan, India and the Philippines.

* Of a subnational nature; **Currently under governmental evaluation.

Finally, all of these instruments may function as complementary tools and catalysts for financing and investment – including those of the New Development Bank (NDB) – enhancing its resource allocation capacity through co-financing and co-investment strategies. Furthermore, it is worth emphasizing that, if one includes the institutions of the new BRICS members, the number of PDBs and SWFs with rich and diverse modes of operation grows significantly, opening new avenues to be explored.

FINAL THOUGHTS

Public Development Banks (PDBs) and Sovereign Wealth Funds (SWFs) play a fundamental role in sustainable financing and investment across many countries. The BRICS context is no exception, with dozens of institutions that carry patient mandates and the operational capacity to implement public policies aligned with economic, social, environmental, and climate sustainability.

In Brazil, BNDES is a central actor in the management and implementation of innovative climate instruments, while several subnational SWFs have shown responsiveness to local needs. China, with its vast institutional expertise, currently accounts for 37% of the global climate finance market (CPI, 2024) – a feat largely attributable to the role of its state financial institutions in the development finance ecosystem. India leverages its PDBs and SWF effectively to attract resources into resilient and sustainable infrastructure sectors. Russia has mobilized its public financial institutions to advance national interests across multiple sectors. South Africa, meanwhile, is strengthening its public financial architecture with a long-term perspective.

These examples highlight the presence of institutions with distinct mandates, capacities, and operational models within domestic financial systems, each contributing in different ways to fostering investment through innovative instruments targeted at sustainable development. These institutions not only operate individually within specific market niches but are also structuring broader strategies to attract investment for sustainable projects.

In the 2013 e-Thekwini Declaration[13], BRICS countries encouraged existing state-owned enterprises to explore cooperation opportunities and share knowledge and best practices. However, isolated exchanges – whether among state enterprises or between development banks – are insufficient to fully harness the capacities and expertise of state financial institutions, particularly when a more coordinated and strategic articulation is needed. Moreover, in the case of sovereign funds, no known initiatives currently promote inter-institutional collaboration or experience-sharing.

Proposals

In light of the above, we recommend the following:

1. Ensure transparency in existing knowledge-sharing spaces, enabling systematic monitoring by civil society;
2. Establish mechanisms for social participation to gather suggestions and reinforce narratives around the strategic role of PDBs and SWFs in directing resources toward public policies for economic and ecological transformation

[13] https://www.gov.br/mre/pt-br/canais_atendimento/imprensa/notas-a-imprensa/v-cupula-do-brics-durban-27-de-marco-de-2013-brics-e-africa-parceria-para-o-desenvolvimento-integracao-e-industrializacao-declaracao-de-e-thekwini

– standing in direct contrast to agendas of privatization and the dismantling of public portfolios.

3. Establish a permanent Working Group (WG) composed of Public Development Banks (PDBs), Sovereign Wealth Funds (SWFs), and other state financial institutions, as well as representatives from civil society, academia, and labor, to discuss how these actors can operate within national sustainable finance ecosystems.

Themes for the WG:

1. Equip and inform domestic debates on operational models and financial instruments used to confront climate change;
2. Build channels for dialogue and the development of investment partnerships between PDBs and SWFs in a balanced manner, aligning financing and investment with each country's priority agendas.

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CLIMATE CHANGE

CLIMATE AND TRADE IN PESPECTIVE: THE BRAZILIAN PRESIDENCY OF THE BRICS+ AND THE CHALLENGES OF MULTILATERAL GOVERNANCE

Tatiana Oliveira[1]

CONTEXT

The current global governance crisis has profound structural roots. As mentioned by Karl Polanyi in *The Great Transformation*[2], the equilibrium between nations cannot be sustained without solid economic basis. In 2025, this warning sounds particularly relevant because traditional multilateral mechanisms have given signs of exhaustion and present evident limitations, in the face of an ongoing systemic reconfiguration marked by multiple crises – climate, economic, sanitary and geopolitical – including production, consumption and power distribution standards that feed back to one another.

As indicated by Polanyi, adhering to consolidated forms of social organization – including production, consumption and power distribution standards – tends to significantly increase transformation costs. This type of institutional conservatism hinders the necessary adaptations and contributes to the rigidity of structures that should be, by definition, dynamic. As such, the unstable international scenario affects international intergovernmental institutions capacity to produce coordinated response.

Emerging conflicts, in practice, prevent (or, at least, delay) the delivery of essential global public goods, draining resources from areas that are valuable for the population. As an example, we were concerned to witness resources being channeled for warfare while well-being measures and concrete actions to foment sustainable development and decarbonize the economy are in short funding. Consequently, the very legitimacy of the multilateral system was challenged, and it now needs to be revived.

In this context, President Luiz Inácio Lula da Silva's brave intervention in the 79th UN General Assembly (Sept. 2024)[3] – in defense of an urgent reform to the UN Charter – echoes as a call to re-founding the international system on more equitable bases. With no references of what this equitable international system could be, the Brazilian president's words may be interpreted as an exercise of will and imagination, which should challenge the current rationale instead of merely repositioning it. We need to dream big, and we must do so hand in hand with the political subjects who produce solutions on an everyday basis.

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[2] POLANYI, K. The Great Transformation: The Political and Economic Origins of Our Time. Translated by Fanny Wrobel. Rio de Janeiro: Elsevier, 2000.

[3] Speech by President Luiz Inácio Lula da Silva at the 79th United Nations General Assembly. Available at: https://www.gov.br/planalto/pt-br/discursos

This political quagmire that I have just described is to be added by aggravating global economic conditions. In the field of finance, the expansion cycle started with the recovery from the 2007/2008 crisis was intensified by the measures adopted in order to curb the economic effects of the COVID-19 pandemic[4]. However, this movement is in sharp contrast with the current reality of many national economies, since many countries are facing stagflation – a combination of low growth with high inflation – on an aggravating trend.

The foreign debt boom[5], the increasing cost of credit and the revival of protectionist practices in the trade arena, often justified by anti-globalization discourse, are examples of a set or contemporary phenomena that have place obstacles to joint responses, that is, at the multilateral level, affecting particularly the Global South. In this scenario, international political economy is but a hurdle to cooperation.

The difficulties to coordinate countries nurture a tendency to remove international responsibility in face of global challenges. Developed countries withdrawal from commitments made within the Paris Agreement, particularly regarding climate funding to enable an ecological transition in the Global South, is a symptom of that. The difficulty to include a climate agenda in the governance of international trade is also symptomatic. One can no longer think of the environment as a mere economic externality when the climate, the biodiversity losses and desertification become consolidated risks to global economic stability.

However, despite the adversities, transition periods also create opportunities for strategic repositioning. Global South countries have historically claimed a more just international order. In 2025, the Bandung Conference[6], that is, the Conference of Countries that are Not Aligned with the Cold War, celebrates its 70th anniversary. In the current scenario, the BRICS inherits this legacy – and it must be proud of that!

Particularly in its enlarged configuration, the BRICS+ emerges as a platform with a true potential to influence the future of global governance. This is why, by liaising political as well as economic and environmental agendas, the group gets the highlights in 2025. In its turn, as it successively takes the presidential seat ahead of the G20, the BRICS Summit and the cop30, Brazil is in a privileged position to lead proposals for structural transformation and for stronger multilateral cooperation.

In face of this scenario of global reconfiguration, the interface between trade and climate takes on a central role. Today's paralysis of the multilateral trade system and increasing geoeconomic conflicts pose the need for new coalitions that can bring common interests together and promote a just ecological transition. This policy brief – part of a series of contributions by the **Brazilian Network for the Integration of Peoples (REBRIP)** – seeks to subsidize the Brazilian government and civil society by offering recommendations for strategic integration between trade and climate agendas. The objective here is to ensure that the transition to a low carbon economy will be a vector for social, economic and environmental justice rather than enhance structural inequalities.

[4] TOOZE, A. Shutdown: How Covid Shook the World's Economy. São Paulo: Todavia, 2021. Portuguese translation by José Geraldo Couto. ISBN 978-65-5692-198-3.
[5] IMF (2024). World Economic Outlook – April 2024. Washington: International Monetary Fund.
[6] Bandung Conference, Indonesia, 1955. See: Prashad, Vijay. The Darker Nations: A People's History of the Third World. New Press, 2007.

THE BRICS+ 2025 AGENDA

With the motto of "Strengthening Global South Cooperation for a more Inclusive and Sustainable Governance"[7], the BRICS+ Summit in 2025 reaffirms the block's commitment to a new global governance based on solidarity, sustainability and justice. The group's working plan is structured around two main pillars: (i) South-South cooperation; and (ii) sustainable development, set upon its three pillars (social, environmental, economic).

On the first axis, there are proposals to reform the Bretton Woods institutions and promote a BRICS+ institutional update. Strengthening the New Development Bank and activating the Contingency Reserve Arrangement are some of the actions in store. The block's adherence rules and internal power dynamics will also be brought to the debate. The objective of these reforms is to reduce dollar dependence, encourage South-South trade clustering and foment greater balance in international financial flows. The agenda also includes the Partnership on the New Industrial Revolution (ParNIR), geared for technological modernization of block countries' productive bases.

The second axix prioritizes the green economy and climate action. This is because the Brazilian presidency believes in the BRICS+ as a forum for political coordination intent on aligning positions for the COP30. This diplomatic strategy is not to be obliterated. Given the low institutionalization of the BRICS+, consensus decisions will have to be made within more structured multilateral forums, such as the UN Framework Convention on Climate Change (UNFCCC). As such, intrablock political concertations will be rendered more effective, thus preventing agreements from lacking practical effects.

The BRICS+ climate agenda is organized around five action fronts: (i) a leadership declaration on climate finance; (ii) practical solutions to enable climate action; (iii) technological cooperation; (iv) climate and trade synergies; and (v) common principles for carbon accountability.

This agenda design sends a positive political signal to international climate negotiations as it indicates that the Summit shall prioritize demand coordination by implementing finance, technology and capacity building, which are all necessary to fulfill the nationally determined contributions (NDCs) under the Paris Agreement, thus serving as a unity factor among Global South countries.

The agenda also includes sensitive conjunctural themes. The endeavor to achieve consensus stands out on account of socioenvironmental standards in value chains, given the emergence of extraterritorial legislation in this area. However, it is important that those standards abide by the WTO (World Trade Organization) trade rules, as well as by the international environmental regime.

Another point of attention is the recent IMO (International Maritime Organization) decision[8] establishing taxation for greenhouse gas emissions for the maritime cargo transport.

[7] This section was prepared based on the following documents: Brazil. BRICS+ Presidency (2025). Concept Note of the Brazilian BRICS+ Presidency – 2025. Brasília: Ministry of Foreign Affairs, 2025. Available at: https://brics.br/pt-br/sobre-o-brics/presidencia-brasileira; BRICS. Ministers approve BRICS Environment Declaration. BRICS Brazil, April 3, 2025. Available at: https://brics.br/pt-br/noticias/ministros-aprovam-declaracao-de-meio-ambiente-do-brics

[8] IMO (2025). Draft Global Carbon Pricing Framework. International Maritime Organization. Available at: https://www.imo.org

TRADE AND CLIMATE

Interconnections between international trade and climate change are now inescapable. This section analyses the main challenges and opportunities of this interface, with a focus on multilateral governance, on the risks presented by extraterritorial legislations and on the strategic role of maritime cargo transport. One rationale is that trace can be a vector for ecological transition, provided it is operated under more equitable and sustainable rules. International cooperation is therefore paramount, and it must reconcile climate mitigation and adaptation with economic and social justice. Coordinated action by forums such as the WTO, the UNFCCC, the IMO and the BRICS+ may pave the way for the construction of sustainable and inclusive global value chains.

a) WTO, environment and climate

Though the Marrakech Agreement (1995) – which creates the WTO – formally recognizes relations between trade and the environment, the organization has historically addressed the theme with marginal attention. Only in face of an aggravating climate crisis and increasing securitization of the environmental agenda did the Committee on Trade and Environment (CTE) start to look for closer integration between trade policies and sustainability.

Still, the organization's prevailing approach presents an important bias: it concentrates on trade as part of the solution for the climate crisis, without considering the way in which certain trade standards – such as long productive chains, emissions-intensive transport and funding environmental harmful sectors – also contribute to the problem. Lack of a thorough analysis of the value chains is a limiting factor for any regulatory efficiency. Any solution for that will require more visibility to the logistic infrastructures[9] that carry the international trade of goods, in addition to reevaluating credit concession criteria for activities considered harmful from the climate and environmental perspectives.

b) Extraterritorial legislation in international trade

As developed countries adopt extraterritorial legislation – such as non-tariff barriers under climate justifications – they are also stirring trade disputes, thereby generating regulatory uncertainties and imposing disproportionate costs to Global South countries. Harmonizing instruments such as carbon pricing and the decarbonization standards are a matter of urgency if we are to mitigate those risks. In that effort, the WTO may play a relevant role as a space for dialog, transparency, normative convergence and coordination of international action.

Other multilateral forums, such as the UNFCCC, have also addressed the intersection between trade and climate. One such example is the agenda on the impacts of climate response measures, which evaluates, among others, the effects of applying extraterrestrial legislation on third parties. In this agenda, COP29, held in 2024, reaffirmed the countries' commitment to minimize negative impacts and to maximize the benefits of those measures[10]. Despite being bureaucratic, the outcomes signal that the climate regime continues watching for the monitoring of externalities resulting from unilateral actions by the commercial sector.

[9] Cowen, Deborah. The Deadly Life of Logistics: Mapping Violence in Global Trade. Minneapolis: University of Minnesota Press, 2014.
[10] UN. Climate Change Conference – Baku. November 2024. Matters related to the impacts of the implementation of response measures. Draft decision -/CP.29 -/CMP.19 -/CMA.6. Proposal by the President. Available at: https://unfccc.int/documents/643542

Still on the extraterritorial legislations, during the G20 (2024), the CIPÓ Platform, in partnership with the King's College London, proposed to create a Fair, Sustainable and Inclusive Value Chain Facility[11]. The initiative was intent on supporting producers from developing countries in their adaptation to unilateral socioenvironmental requirements, offering technical, technological and financial assistance. The objective there is to prevent those countries from being excluded from international trade due to lack of resources to meet demanding standards, thus encouraging an agroecological transition and sustainable agriculture in line with human rights principles.

c) Maritime cargo transport

In the realm of maritime transport, which is crucial for Global South exchanges, the International Maritime Organization (IMO) approved, in 2025, a global carbon pricing framework for ships above 5,000 tons gross tonnage. The decision is scheduled to be enforced in 2028. The initiative was considered a regulatory advancement. IMO's so-called "Net Zero Emissions Framework"[12] was considered very successful, among other issues, as it is the first to combine *mandatory emission limits and greenhouse gas pricing across an entire industrial sector.* Approved by the MEPC (Marine Environment Protection Committee) 83rd session, held on April 7-11, 2025, those measures include a new fuel standard for ships and a global mechanism for emissions pricing.

On the other hand, the measure was criticized on account of its limited ambition – with an expected 8% emissions reduction by 2030 – and of the absence of compensation mechanisms for countries that are more vulnerable to climate change. The US$10 billion collected annually are expected to be reverted as naval sector investments, with no transference to the more affected countries and populations. This is an enhancement item whose change needs to be within the reach of decision-makers. Furthermore, developing countries have warned of the adverse economic consequences, such as increased export costs, which reinforces the need for instruments that will ensure climate justice and prevent the enhancement of global inequalities.

This decision underlines the necessary strengthening of trade and climate connections. We need to add complexity to this discussion. If the ecological transition is to take place in any just manner, we need to make sure that new international trade rules will not perpetuate historical inequalities nor will they exclude developing countries from global value chains. As a summit-bridge between the G20 and the COP30, the Brazilian presidency of the BRICS+ offers a unique opportunity to advance this agenda. The challenge lies in transforming diagnoses into coordinate action, consolidating the BRICS+ as a platform for political convergence towards structural reform in the multilateral system.

PROPOSALS

1. To strengthen the BRICS+ role as a diplomatic platform for climate action:

- To use the BRICS+ Summit as a space for the concertation of common Global South positions in the various multi-

[11] CIPÓ Platform & King's College London (2024). Policy Proposal on Equitable Value Chains. Available at: https://plataformacipo.org/g20/g20-deve-liderar-construcao-de-cadeias-globais-de-valor-mais-justas-e-sustentaveis-aponta-estudo/

[12] See reference provided above.

lateral forums, promoting synergy among the 3 Rio Conventions (climate, biodiversity and desertification), with a focus on principles of equity, common but differentiated responsibilities (according to the relevant capacities and local contexts): endeavoring for climate justice; and fighting against environmental racism.

- To advance the UNFCCC process to the political consensus established within the BRICS+, as a way to increase the group's influence on more institutionalized multilateral forums.
- To reinforce the BRICS+ role in defending integration among the Agenda2030 pillars and the Paris Agenda, promoting synergic approaches between sustainable development and climate action.

2. To enhance governance in international trade for a just ecological transition:

- To promote, within the realm of the WTO, the harmonization of environmental and trade standards, with incidence on carbon pricing and on the definition of collective standards for the decarbonization of the productive and logistic sectors that will not penalize developing countries nor the populations that are more vulnerable to climate changes.
- To establish measures for productive inclusion and for support to small and medium size producers in the Global South countries, in such ways that their production is not excluded from trade, restructuring, upon new bases, and settling on appreciating a culture of local production and consumption, by designing short trade circuits and support to agroecological transition.

3. To ensure just and accessible climate funding for the Global South:

- To develop proposals, through the BRICS+, for new financial mechanisms geared for the energy transition and climate adaptation, with more accessible criteria and without any bonds with excessive conditionalities, benefiting access to resources.
- To advocate so that part of the resources raised by initiatives such as global taxation of maritime transport (IMO) are geared to support vulnerable countries, with a focus on resilient infrastructure and food sovereignty.
- To reinforce integration between trade, climate finance and social justice in the nationally determined contributions (NDCs), underlining Global South countries' role as climate creditors.

FINAL CONSIDERATIONS

An integration of climate and trade agendas requires more than legislative reforms; it also requires a new logic of international cooperation. The recommendations contained in this policy brief are developed upon recognizing that Global South countries face disproportionate challenges in face of the climate crisis, often aggravated by trade rules that perpetuate structural inequalities. If the ecological transition is to be just and effective, we must put together mechanisms that will reconcile development, sustainability and productive inclusion.

As such, multilateral cooperation becomes a crucial pillar. The BRICS+, the WTO, the UNFCCC and the IMO offer complementary spaces that ought to be used in a coordinate fashion in order to allow for the proposals herein to be implemented. The Brazilian presidency in some of those forums in 2025 represents a strategic window to reposition Brazil and its allies as agents for political convergence and institutional innovation.

More than adjusting norms, it is about redefining priorities. The construction of sustainable global value chains and a just regulation of environmental trade and accessible climate funding depend on shared commitments, on pacts between nations and on increased representativeness of developing countries in decision making realms. Strengthening multilateralism is therefore not only an ethical or political must – it is a prime condition to ensure that no economy, no society or ecosystem will be left behind in the global climate transition.

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BRICS+ AND CLIMATE: CHALLENGES, OPPORTUNITIES AND RECOMMENDATIONS FOR STRATEGIC CLIMATE COOPERATION STARTING FROM THE GLOBAL SOUTH

Priscilla Papagiannis[1]

INTRODUCTION

After hosting in 2024 the G20 Summit, an encounter of the world's 20 biggest economies, Brazil now makes new commitments, hosting another 2 strategic international events: the BRICS Summit and the Conference of the Parties within the UN Framework Convention on Climate Change, the COP30. Despite the complex context of the international scenario, with armed conflicts, security risks, simultaneous wars, economic stagnation and aggravating climate crisis, Brazil played an important role in the G20 as it promoted liaising the climate agenda with global economic challenges, thus showing its leadership role at a critical moment for the future of international politics and for multilateralism (Netto *et al.*, 2024).

More than a mere intermediary between the G20 and COP30 spaces, the BRICS is a strategic group, created more than 15 years ago, of which Brazil is a founding member. Furthermore, the BRICS Summit is not only a great international event but also a fundamental negotiations process for the international insertion of Brazil and the Global South (Fernandez, Garcia, 2025).

The BRICS+ is currently composed of Brazil, China, Russia, India, South Africa, Egypt, Ethiopia, United Arab Emirates and Iran. In 2025, Saudi Arabia and Indonesia also joined the group, underlining the first measure taken by the Brazilian presidency (Brasil, online). As such, the BRICS became BRICS+ (Fernandez, Garcia, 2025). The entrance of new members has the potential to reconfigure geopolitical, economic and global trade dynamics, and it has therefore been targeted by international interests (Almeida *et al.*, 2025). However, new challenges appear with the entrance of new countries[2] that are the world's biggest oil producers (IBP, 2023).

So, like the G20, the BRICS+ can be considered an informal multilateral group that provides a flexible non-institutionalized platform for engagement amongst countries. This is why, despite annual declarations in their respective summits, the documents agreed upon are not legally binding, that is, they do not function as international treaties. In this context, implementation of signed agreements is encouraged by the economic expectations they generate, as well as by the political and moral pressure among peers (Rodriguez *et al.*, 2024). Furthermore, the political weight of an emerging power declaration may have relevant im-

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[2] Saudi Arabia, Iran and United Arab Emirates rank among the 15 top oil producers in the world, respectively 3rd, 7th and 9th.

pact on multilateral processes in other instances, such as the COP30, for instance.

Under the Brazilian presidency, the BRICS+ Summit will have the motto of "Strengthening Global South Cooperation for a more Inclusive and Sustainable Governance". Priorities established by the Brazilian government for this year include integrating the themes of climate change and energy transition, which will liaise the BRICS+ agenda with the COP30. In this context, this document is intended to present strategic recommendations to the Brazilian government on actions within the climate theme in the realm of the BRICS+. This analysis will therefore be structured in three parts: initially, Brazil's role in the BRICS+ will be addressed; then, we shall provide some contextualization to the group's position on climate change; and lastly, recommendations will be made for interconnections between the BRICS+ and COP30 climate agendas, indicating priority themes to be incorporated in the summit's final declaration.

BRAZIL'S ROLE IN BRICS+

Brazil has resumed its international mainstream role in recent years, after Jair Bolsonaro's mandate (2019-2022), which isolated the country in its international relations and broke apart from the classic principles of Brazilian foreign policy that underlined cooperation and a leadership position in the climate agenda (Fernandes *et al.*, 2024). The external context, in its turn, does not turn the difficult Brazil mission of resuming this mainstream role any easier so it can make negotiations advance in different multilateral spaces. With rather unfavorable COP29 results around a just climate funding goal, in line with the annual 1.3 trillion dollars that had been requested as minimum amount to address the adaptation of Global South countries, the Brazilian government is also facing a new submissions round for nationally determined contributions, which will revolve around insufficient funding. Brazil will thus have the challenge of proposing feasible and just climate funding so that the NDCs can be more ambitious and in line with the Paris Agenda objectives, namely to maintain average global warming below 1.5ºC (*Le Monde Diplomatique*, 2025).

In the context of resuming its international mainstream position, in addition to the G20 in 2024, Brazil had already taken the presidential seat for the Mercosur and for the UN Security Council in 2023 (Agência Gov, 2023). In 2025, the country will be responsible for hosting the BRICS+ Summit and the COP30 – in addition to having nominated Dilma Rousseff to the presidential seat of the New Development Bank (NDB). That being the case, in addition to coordinating the operation of those international events, the country is also incumbent on proposing agendas for negotiation that, given the current political context of expanding far right and geopolitical conflicts, becomes ever more difficult (Fernandes *et al.*, 2024).

Under the motto "Strengthening Global South Cooperation for a more Inclusive and Sustainable Governance", the Brazilian presidency proceeds with the themes developed in the G20 in 2024, which reflect the convergency and consistency of Brazil's priorities in different multilateral forums (Rodriguez *et al.*, 2024). The motto will be reflected in five priorities, one of which is **to enhance funding structures to fight climate change, in dialog with the COP30 (the 2025 UN Conference on Climate Change)**.

Within the scope of climate change, the Brazilian presidency defined priorities, promoting a BRICS Leadership Climate Agenda and providing political and practical solutions to increase efforts around not trespassing the critical threshold of 1.5° C of average temperature increase across the planet. As such, the climate agenda will also be organized around five lines of action: (i) a Leadership Framework-Declaration on Climate Finance; (ii) consolidated solutions to facilitate climate action; (iii) climate technology cooperation, with a focus on intellectual property; and (v) high level principles in the realm of the BRICS+ for common approaches to carbon accountability (Brasil, 2025). In this document, we shall focus on three of those.

With this context in mind, Brazil will have a lot of work in 2025 in order to consistently advance the climate agenda in the two international multilateral forums it will host.

THE BRICS+ ROLE IN CLIMATE

Historically, developed countries have been responsible for most global emissions. As such, the principle of Common But Differentiated Responsibilities, according to their respective capacities and in light of the national context (CBDR-RC), is crucial for to understand how the BRICS+ countries see, at both the national and the international level, the transition to a low carbon emissions society (Instituto Igarapé, 2025). The CBDR is intended to attribute environmental responsibility on the basis of recognizing the different role played by each country in terms of the existing environmental problems, and of how those countries can fight them (Instituto Igarapé, 2025). That is, developed countries, or Global North countries, are responsible for the current climate crisis and they should be the ones to fund developing countries, or Global South countries, in their mitigation and adaptation efforts, with special focus on those particularly vulnerable in climate terms.

However, even when the responsibility is attributed to the Global North, current climate governance has proven insufficient to address those elements that hold responsibility for the climate crisis and to hold them accountable, such as provide adequate funding and technology transfer. The geopolitical context of wars, the rise of the far right and climate denial have rendered negotiations even more fragile, particularly as the second leader in greenhouse gas emissions, the United States, leaves the Paris Agreement, a move that was concerted by the current administration that openly denies climate changes.

In its turn, the New Collective Quantified Goal agreed upon in Baku during COP29 unveiled the inefficiency of the climate negotiations process. The cost of Global South climate adaptation was estimated at 1.3 trillion dollars annually, very far from the amount agreed up during the Conference, set at 300 billion dollars annually. However intangible this amount may sound, it is nothing more than 53% of the total amount spent on armament in 2024, according to data from the *Global Peace Index* (*Le Monde Diplomatique*, 2025). In addition to an insufficient target, developed countries' responsibility in leading the process has been watered down, as indicated by Stela Herschmann (Observatório do Clima, 2024).

Though the group does not emerge to address originally the climate issue, this theme has been ever more present in the BRICS agenda (Mattos, 2023). In Russia in 2024, for instance, a BRICS Contact Group was created to deal with Climate Change and Sustainable Development as a cooperation mechanism in climate issues (Brasil, 2024). In the absence of effective multilateral cooperation engendered through the international climate regime to cater to Global South country needs in fighting global warming, however, we may now observe groups of countries moving about to respond to the imperative of an ecological transition with social justice.

As we look at the BRICS Summit high level declarations, we will see increasing incorporation of environmental and climate themes. According to the Instituto Igarapé (2025), specific attention to these two agendas has grown since 2014, where emphasis on the theme varies along the years in accordance with the member hosting the Summit. Overall, declarations stressed the need to achieve sustainable development and stick to international agreements such as the Paris Agreement and the Convention on Biological Diversity. Some of the themes most mentioned include green technologies, sustainable economic development and support to the energy transition (Instituto Igarapé, 2025).

Remarkably, with the group's increased climate accountability, given by the new oil producing membership, we need to see the BRICS as a potential catalyst for a new global alliance for the climate. The BRICS countries have their own responsibilities over climate change and duties to fend off this crisis. At the same time, they present high potential to become Global South leaderships for a transition to low carbon economies and to economic opportunities going on this direction (Sandrin, 2024).

A study called *The BRICS Climate Ambition* (2024) clearly illustrated the progress and challenges involving the BRICS countries, challenges that are intensified with the new oil producing membership. The study concludes that these five countries' goals, policies and actions, in force until 2024, are not consistent with the Paris Agreement objective of limiting the planet's temperature increase to 1.5°C. In addition to highly fossil fuel dependent energy mixes (at the exception of Brazil), insufficient climate funding, lack of technological cooperation, the contradiction between energy transition policies and fossil energy, and the geopolitical disputes, these are all but some of the obstacles to the implementation of more effective policies (Sandrin *et al.*, 2024).

When we look at the new members, challenges seem to remain the same: climate action remains dependent upon international funding and technological cooperation, and the contradiction around the energy transition is present: on the one hand, countries increase their participation in renewable energy investments and, on the other, they continue to fund the production of fossil fuels. If we are to advance in this scenario, we will have to raise the level of our climate ambition, alignment among policies and focus on climate justice, particularly as the block expands to BRICS+.

Egypt, for instance, has launched their National Climate Change Strategy 2050 and updated their nationally determined contribution (NDC) n 2022, committing to reach 42% of renewable energy in their energy mix by 2030. Despite that commitment, the country heavily depends on natural gas and still significantly invests in the production and exploration of new oil and gas fronts. Furthermore, their efforts towards greater climate ambition are limited, according to their government, due to financial challenges and to the need for international support for infrastructure and for their energy transition (*Reuters*, 2024; *Climate Action Tracker*, 2023).

Ethiopia has committed to reduce their greenhouse gas emissions by 64% until 2030, according to their updated NDC. The country has an almost totally decarbonized electric power grid, where most of their electricity is generated by hydroelectric power plants. Their energy mix still has oil as a major factor, around 10%. However, they have challenges related with institutional capacity and the need for international funding to fulfill their climate goals (UNFCCC, 2021; *Climate Action Tracker*, 2022).

The United Arab Emirates updated their NDC in 2023, committing to reduce emissions by 47% until 2035 in relation to their 2019 levels. However, their goal is not in line with commitments undertaken for 2030[3], which raises criticism around their real climate ambitions. The country invests in solar and nuclear energy as well as in carbon capture technologies, looking to be carbon neutral by 2050. In spite of all that, they continue to expand their fossil fuel production, which raises criticism around the consistency of their climate policies (*Reuters*, 2024; *Climate Action Tracker*, 2024).

Iran, in its turn, presented minimal emissions reduction targets in their NDC, committing unconditional 4% and conditional 12% before 2030, depending on international support. Furthermore, their focus on economic recovery excludes mitigation policies and renewable energies from the government's priorities. The country faces significant challenges due to economic sanctions and technological limitations, which makes it harder for them to implement effective climate policies (UNFCCC, 2015; *Climate Action Tracker*, 2023).

Saudi Arabia has an energy sector under the command of fossil fuels, which are responsible for nearly 100% of the country's energy supply. Furthermore, the country anticipates energy demand increases that will include oil and natural gas, by 2030 and beyond. The country's investment in carbon capture and storage (CCS) looks like makeup in order to continue increasing their fossil production. Saudi Arabia is, in that sense, a most complex new member in the BRICS+ mix. Their continuous dependence on fossil fuels and their opposition to global gradual elimination of those fuels generate questions about their climate policy and also raise a major challenge for the group in terms of political consistency (*Reuters*, 2024; *Climate Action Tracker*, 2024).

Indonesia has set economic and infrastructure development as a priority, with a focus on self-sustained production of food, water and energy, which puts climate and environmental impacts at stake. Though their renewable energy investments have increased, they represent but 13% of their energy mix, and a continued expansion of their fossil fuel capacity, particularly coal, is still a reality. However, the country has committed to gradually eliminate coal powered plants by 2040 and intends to achieve carbon neutrality by 2060. In addition to that, they signed the *Just Energy Transition Partnership* (JETP), the same partnership where South Africa is a member and whose objective is to increase the country's renewable portion and to accelerate retiring their coal plants. The country also faces challenges related with funding and the need for international support to achieve their climate goals (*The Guardian*, 2024; *Climate Action Tracker*, 2024).

Considering the similar challenges faced by the BRICS countries, the Brazilian presidency's mission in addressing themes that are climate funding sensitive and ambitious NDCs, and the inevitable cluster of multilateral processes to be hosted in the country, the next section will bring recommendations focused on some of the Brazilian priorities for the BRICS agenda in 2025.

[3] The new target did not increase the country's climate ambition for 2030. Without it, an additional 41% reduction would be required (rising from 7% to 48% below 2019 levels in a mere 5 years.

BRICS AGENDA RECOMMENDATIONS FOR THE BRAZILIAN GOVERNMENT

Strengthening climate action: political consistency is necessary in different multilateral forums as well as in national policies

The BRICS+ countries take part in different multilateral spaces, such as the G20, the COP30, the World Trade Organization, among others. Within the crisis of multilateralism and in distrust of collective negotiation processes, maintaining consistent and converging positions in different international spaces can be a determining factor to drive climate action starting from the Global South. In order to mostly reform global institutions, the BRICS+ now have a major opportunity to both push the capacity to negotiate solutions in multilateral spaces and secure implementation capacities that will generate results, as indicated by Maurício Lyrio[4], the BRICS ambassador this year. As such, maintaining consistency in different spaces may promote greater capacity and increase the weight in negotiations, particularly when we speak of the climate debate.

Highlighting the need for adequate climate funding and technology transfer with capacity building is a unanimous point made by the BRICS+ countries in climate negotiations. However, beyond this point, the BRICS+, in light of national capacities, must reinforce previous commitments from other forums in a convergent manner as well.

The *Global Stocktake* evaluated the overall progress around climate action in the past few years and offered guidance for the coming round of commitments – looking at general gaps to achieve the Paris Agreement and how to overcome them (WRI, 2023a). One of the remarkable results was the need to transition away from fossil fuels, where this was the first time the term ever appeared in the formal output of a formal declaration since the beginning of climate negotiations (WRI, 2023b).

Fossil fuels are most responsible for the climate crisis. Still, during the COP29 and the G20 encounter in 2024, the commitment to transition away from fossil fuels was not resumed in the final text of those negotiations. As such, the BRICS+ countries ought to maintain consistency with the commitments agreed upon on the basis of their concertation capacity and their economic and political weight, replicating those commitments in different multilateral spaces. This movement helps both to build more convergent internal policies around the climate issue and to take the the BRICS+ countries' demands that are more difficult to ignore, reinforcing the central role of multilateralism and building a just and equitable global order on climate. One measure that can be useful to increase the consistence of BRICS+ countries position is to build permanent mechanisms for climate cooperation among group members. One example of that would be to ensure frequent monitoring of the national climate policies, as a BRICS+ Climate Policy Observatory, followed by exchanges of information and capacity building on effective policies in terms of mitigation and adaptation that are also in agreement with the objectives of the Paris Agreement.

Climate Finance: the BRICS countries ought to reinforce the NDB's crucial role for climate finance

The New Development Bank is a most important instrument of the BRICS initiative and, from the very start, the bank has prioritized infrastructure and development projects in mem-

[4] See: https://www.youtube.com/live/FXGPqBFIYBg

ber countries. Unlike other multilateral development banks (MDB), the NDB is a bank that was created by emerging and developing countries to cater to their needs and aspirations (Instituto Igarapé, 2025). In August 2024, the bank 3 prjojects geared for environmental protection and 15 projects to deliver clean energy and energy efficiency (Instituto Igarapé, 2025). Today, one of the Bank's goals is that, by 2026, 40% of all their funding will be geared for the mitigation of climate change and adaptation, in addition to providing support to member country national strategies, by funding green and renewable energy as well as resilient low carbon infrastructure (Rodriguez, 2024b).

In the declaration from the last BRICS Summit, held in Kazan, Russia, the BRICS countries recognized the crucial role of the NDB in promoting infrastructure and sustainable development for member countries, supporting the use of new finance mechanisms to mobilize funding from diverse sources.

And, knowing that the NDB is a member of the *Joint MDB Climate Finance Group*, created in 2011 in order to align bank activities in the fight against climate change, the BRICS+ countries could increase their investment goal by 50% to reach climate related issues by 2030. As the new members arrive, the therefore feasible possibility to mobilize more resources is even greater. Furthermore, the BRICS countries could channel their investment flows, which currently finance wars, fossil fuels, extractivist industries, deforestation and other sectors that harm populations as well as biodiversity, to increase the available amounts to find infrastructure and sustainable development projects. The Bank would thus match 5 of the other 9 member banks in the collective, which set more than 50% of their operations aside for that purpose. The NDB is currently the second smaller contributor in the group, percentagewise (Rodriguez *et al.*, 2024b).

Remarkably, though the NDB stands out as a potential climate finance facilitator for developing countries, the focus of funding requests will have to be on Global North countries' provisional responsibility, rather than just deal with the necessary financial resources. Studies indicate that the necessary climate finance revolves around 1 trillion dollars annually, and the New Collective Quantified Goal (NCQG) established last year in the COP29 didn't even scratch the necessary amount. Furthermore, this funding needs to be mostly new, adequate, predominantly non-concessional and based on principles of predictability, flexibility and transparency, without increasing low and medium income countries' public debt, in addition to being accessible on the base and on the territories.

Brazil shall have the complex task of redressing the issue of climate funding and improving upon what was agreed in the COP29. It will be extremely relevant if BRICS+ country alignment is maintained there, particularly after the Brazilian presidency announced that a declaration about climate finance would be made in separate from the BRICS+ Summit declaration. These countries ought to tap from that opportunity in order to bring to the table important climate finance related aspects, such as the abovementioned.

Trade and climate: under the eye of Climate Justice

Given the pressure towards a decarbonized society and the need for an energy transition, the demand for critical minerals increased. According to an International Energy Agency (IEA) report, *Critical Minerals Market Review* (2023), major transition ore producers are: Rare Earths (US, China, Australia), Graphite (China, Mozambique, Madagascar), Lithium (Australia, Chile, China), Cobalt (Australia, Democratic Republic of the Congo, Indonesia), Nickel (Russia, Indonesia, Philippines), Copper (Chile, Democratic Republic of the Congo, Peru). Looking at the processing of those minerals, the IEA indicates that China commands more than half the processing of those minerals, which places it in a rather privileged position in the productive chain. In spite of not being included as a major producer, Brazil has sizeable reserves of those minerals and is included in the world ranking, such as for Niobe, whose Brazilian reserves indicate 94% of the planets availability. The country also has reserves of Graphite, Nickel and Rare Earths, Lithium and Cobalt, among others.

This brief overview shows that the BRICS+ countries, particularly China, Indonesia, Russia and Brazil, have a privileged position in the extraction and supply chain of transition critical minerals. Data also show Global South countries capacity to put an end to a colonial division of labor, where Global South countries ought to serve as mere commodity exporters, but there are possibilities to supply specialized transition products.

While Global North countries raise obstacles in negotiations within the United Nations Framework Convention on Climate Change, in the trade agenda, developed countries have dedicated to ensuring free access to the supply of critical minerals. Rachmi Hertanti (2024) indicates that international trade has been used, by means of free trade agreements, to ensure that Global North countries – particularly G7 ones – and transnational companies have the necessary minerals to produce green technology.

According to an OECD report (2022), in addition to not being big critical mineral producers, most G7 countries[5] are also not relevant players in the mineral processing industry for key green technology raw materials (Hertanti, 2024). That is, in spite of the critical mineral reserves in their territories, quantities are still small to meet their internal industrial demand. So, it is critical for them to expand trade and investments in mineral reserves for their transition.

With that in mind, Hertanti (2024) indicates that G7 Trade Ministers agreed upon a meeting in Germany in 2022 to intensify multilateral, regional and bilateral trade cooperation to address export restrictions and trade barriers in order to ensure access to critical ores at the international level. Furthermore, G7 countries have reinforced their request for a WTO reform that will make sure their transparency mechanisms are abided by all members in the context of critical ore supply chains.

The transparency principle was incorporated in the realm of the Trade Facilitation Agreement (TFA) adopted in Bali in 2013. This principle ensures commitments to publish and disseminate information included in their agreements before the documents come into force within national legislations, that is, it seeks to ensure the predictability of trade policies and practices (Aladi, online). Hertanti (2024) indicates that, within the WTO transparency mechanism, export restrictions have become an important concern as well as a point for dispute at the level of the multilateral agency.

One of the examples indicated by the author is also that indicated by one of the BRICS+ members: Indonesia. The author presents the case of a dispute over raw materials between the European Union and Indonesia in 2019. The European block filed a complaint at the WTO against the prohibition of nickel exports to the EU. Indonesia had applied restrictions in order to prioritize their national market's processing and obligation requirements (Hertanti, 2024). This dispute indicates

[5] G7 is a periodic meeting of seven out of the developed countries: Germany, Canada, United States, Japan, United Kingdom, France and Italy.

international trade standards can be instrumentalized in order to ensure free worldwide markets that will also facilitate continuous supply of critical ores to powerful countries.

Their attempt to take up an important role in the supply chain activities around electric batteries and mineral resources represents a change to move the Indonesian economy from a position of a mere commodity exporter to one with highly competitive products, breaking away from the colonial development model, where southern countries are subjected to commodity exporter roles. However, Hertanti (2024) indicates that international trade standards are again preventing Indonesia from developing their energy transition program at the cost of EU interests.

Furthermore, in the Indonesian case there are complexities that may extend to the worldwide ongoing analysis of the energy transition that unveils the contradictions inherent to this model. At the same there is criticism about how powerful countries (such as those in the EU) can squash Indonesia's ambitions to break away from the colonial development model that puts the country as a mere commodity exporter, there is also criticism around State control over natural resources and around the extractivist focus that affects the lives of thousands of populations. That is, at the same time Indonesia breaks away from the process of green colonialism – which is exactly this dynamics of extraction and appropriation of raw materials, natural goods and labor, particularly from the Global South, intent on a transition to green energy (Bringel, Svampa, 2023) – the country internally encourages a model that both is extractivist and has severe impacts on the life of the populations.

With that in mind, and considering the BRICS' privileged position in the international trade in terms of transition critical minerals, it is of utmost important to consider technology transfer, capacity building and funding in order to ensure that the colonial exploitation model will not be repeated and that Global South countries will not be restricted to the condition of mere commodity exporters. Furthermore, expanding the renewables for the energy transition shall not at all lead to social exclusion, and it is not to be implemented at the expense of local communities that are often in situation of vulnerability, nor shall extractivism be enhanced in developing countries. Gender issues are also to be considered in terms of wind project impacts, which often befall on women, as exposed in Ceará's community of Cumbe, analyzed by a research called *In Behalf of the Climate*, produced by the Rosa Luxemburg Foundation (2024).

Environmental, social and governance pos need to be developed and enforced in order to protect communities living where these projects are installed, so that a just, inclusive, accessible and democratic energy transition may take place.

FINAL CONSIDERATIONS

It is therefore evident that BRICS+ is a group with great potential, particularly in terms of the strategic role it plays in the energy transition, as it represents an alternative leadership to the currently climate governance, which has been failing to promote a just transition for the Global South. However, the group faces various challenges related to the necessary cohesion to augment their climate ambition and to defend commonalities in different multilateral spaces, particularly in a rather complex and hectic geopolitical context.

As new members come in, particularly Saudi Arabia and the United Arab Emirates, discussing increased climate ambition and actions in a coherent manner across the BRICS+ countries becomes ever more challenging, considering that reaching consensus among members was already difficult (Almeida *et al.*, 2025). When it comes to Iran, the complexity is even greater, since the country is not a Paris Agreement signatory. In this case, building a BRICS+ alignment around the global commitment to fight climate change becomes even harder (Almeida *et al.*, 2025). Aligning positions, particularly among strategic cous, is of utmost importance in the attempt to advance more ambitious climate negotiations. That is, coordinating joint positions, particularly consistent climate actions, both in speech and in practice, is crucial for the construction of a more robust climate negotiation process.

Despite China and India's renewable sources leadership position in the global energy transition, they are also major coal producers across the world. Russia, in its turn, was the biggest individual supplier of subsidy payments for the fossil fuel sector. In the case of Brazil, despite the ambitious initiatives geared for the energy transition, the country insists on the need to open up new oil exploration fronts, in addition to having high emissions coming from its cattle industry and deforestation. These are some of the contributions presented in BRICS+ countries' speech and practice.

Given their resource potential and technological capacity to lead the energy transition, and their capacity to be ever more ambitious in their climate policies, the BRICS+ countries ought to take a more cohesive and robust stance in the various multilateral spaces where they are active, with a focus mostly on a just energy transition, establishing joint positions about just and accessible climate funding for Global South territories, placing women, ethnical and racial minorities, indigenous peoples and traditional communities, LGBTQIAP+ persons and persons with disabilities in the center of decisions about the debate and policies, and adopting ambitious climate policies that will be compatible with the Paris Agreement objectives.

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ENERGY TRANSITION IN BRICS

Gustavo Teixeira[1]

The imperative to decarbonize – t he global economy in response to climate change – commonly referred to as the energy transition – presents technical and technological challenges, but is above all a matter of political decision-making, both locally and globally. This text focuses on the role of the BRICS in global energy geopolitics, outlining key challenges and opportunities the group faces in advancing the energy transition process.

JUST ENERGY TRANSITION

Addressing climate change requires a profound transformation of the energy sector's structure, both in terms of supply and demand, as this sector is the primary source of greenhouse gas (GHG) emissions. The global energy matrix remains heavily dependent on fossil fuels – oil, gas, and coal – accounting for nearly 80% of the total. In response to the imperative to reduce GHG emissions, global decarbonization scenarios[2] underscore the urgent need to expand the use of clean energy sources[3], electrification and energy efficiency, alongside a significant reduction in the demand for fossil fuels. In this regard, we understand that the climate emergency requires governments to act on two major fronts: energy planning and "green" industrial strategies.

Energy planning must seek to reconcile the integration of new environmentally sustainable technologies with the classical goals of energy policy: ensuring energy security and promoting universal access to affordable energy. The trade-off among these three dimensions – environmental sustainability, security, and energy equity – has been referred to as the "Energy Trilemma" (WCE, 2024).

However, this is no easy task. Changes in the international order have weakened the multilateral system, and the geopolitical landscape that previously enabled national and global commitments to environmental sustainability is shifting. Armed conflicts, in particular, have heightened uncertainty around energy security and the dependence on imported energy inputs. These conflicts may also disrupt the flow of clean technologies and the financial resources needed to leverage research and fixed capital investments for transforming energy sectors.

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[2] Both in the Net Zero Emissions (NZE) scenario and in the Announced Pledges Scenarios (APS) defined by individual countries.
[3] According to the International Energy Agency (IEA, 2024), clean energy technologies include renewables such as hydroelectric, solar, and wind, as well as nuclear and fossil fuels with carbon capture and storage (CCS), hydrogen and ammonia, and large-scale heat pumps.

Put differently, the current geopolitical context may hinder the energy transition process by discouraging innovation and cooperation while prioritizing energy security as a matter of national security. This, in turn, leads to increased control over and exploitation of fossil fuel sources. Therefore, energy policy objectives must be aligned with other development policies, such as those aimed at reducing poverty, creating quality jobs, and developing economic and social infrastructure resilient to the impacts of extreme climate events.

In this context, many countries have adopted industrial policies to stimulate the development of clean technology supply chains, through strategies aligned with a new industrial paradigm described as "the age of clean energy technology manufacturing" (IEA, 2023). Clean energy and technology supply chains are deeply interlinked: on the one hand, clean energy supply chains depend on technologies that must be manufactured and implemented; on the other hand, every stage of the clean technology supply chain consumes energy and, therefore, relies on energy supply chains.

These clean energy technology supply chains encompass all the stages necessary for deploying these technologies – from the extraction and transformation of minerals (critical minerals and bulk materials) to the manufacturing and installation of components, operation, decommissioning, and reuse or recycling of materials. Despite the maturity of some clean technologies, such as wind and solar, the International Energy Agency (IEA, 2023) estimates that half of the GHG emission reductions required to achieve net-zero emissions by 2050 will come from technologies that are not yet commercially viable. These include, for instance, innovations like small modular reactors (SMRs). This highlights the need for tight coordination between energy and industrial policies to ensure a successful energy transition.

The transformations needed to enable the energy transition fundamentally depend on investment in research, innovation, and infrastructure – activities historically funded by the State, especially in Global South countries. Thus, the challenge of the energy transition in BRICS countries requires direct state involvement in both energy planning and development strategies tied to clean technology manufacturing. This, in turn, demands a substantial increase in investment in clean and resilient infrastructure and technologies – an effort that faces significant barriers due to high capital costs in many economies.

In this regard, BRICS cooperation policies should prioritize mechanisms aimed at reducing technological and structural disparities among member countries. By investing in sustainable industrial processes and advanced technologies, BRICS countries can reduce the environmental impact of production while simultaneously driving a process of structural change. According to the International Renewable Energy Agency (IRENA) and the International Labour Organization (ILO) (2021), the availability of materials and equipment, as well as skills across the entire renewable energy value chain, is essential to gradually establishing a local or regional renewable energy industry.

Thus, the potential for job creation linked to clean technology development and the increased digitalization of electricity systems hinges on industrial policy supported by a comprehensive set of public policies. These include labor market organization, social protection, diversity and inclusion programs, and training and reskilling initiatives (IRENA & ILO, 2021, p. 65).

As it implies structural transformations, the energy transition process entails significant short- and medium-term costs. Consequently, uncertainty and conflict among different actors (households, companies, investors, financial institutions, etc.)

increase and must be politically arbitrated by governments, ensuring the competitiveness of productive sectors while addressing the energy needs of the population. This should include, for example, redistributive measures to offset the loss of purchasing power among the most vulnerable populations. Climate policy impacts weigh more heavily on the budgets of low-income households or those located far from city centers – groups most affected by fuel price hikes or the potential pricing of polluting emissions (Silva and Ferraz, 2021).

BRICS IN THE ENERGY GEOPOLITICS

The BRICS play a pivotal role in the geopolitics of energy, representing a significant share of both global energy production and consumption. As such, the bloc's energy policies carry the potential to influence the trajectories of other countries.

In addition to being major exporters and importers of energy inputs, the group relies heavily on fossil fuels within their energy matrices. In the 2023 global ranking of the "Energy Trilemma Index" compiled by the World Energy Council (WEC, 2024), BRICS countries hold intermediate positions, many of them located in the third or fourth quartile in indicators of energy equity and environmental sustainability. Among the bloc, Brazil is the top performer – yet it ranks only 36th globally.

Although investments in renewable energies have generally advanced substantially within the BRICS, coal dependence remains high in South Africa, China, and India – the latter two also being heavily reliant on imports. Conversely, South Africa and Russia are among the world's top coal exporters. Additionally, six of the ten largest oil producers are BRICS+ members, accounting for approximately 45% of global oil production in 2023.

– Brazil, Russia, China, Saudi Arabia, the United Arab Emirates, and Iran (IBP, 2025)[4]. It is also worth highlighting the importance of fossil fuel trade flows among the bloc's countries – for example, Brazil's oil exports to China and India, and Russia's diesel exports to Brazil.

India is the third-largest energy consumer in the world (behind China and the United States), yet it has the lowest per capita energy consumption among the BRICS (well below the global average) and is highly dependent on imported energy inputs. According to estimates by the IEA, the country could become the world's leading energy demand center, doubling its consumption by 2040. These factors increase the political and energy-related complexity of reconciling economic growth and development with the goals of transitioning to a low-carbon economy.

Yet, BRICS countries also stand out in terms of clean energy production. China and Brazil are the top two countries globally in installed hydropower capacity, followed by Russia (5th) and India (6th). Combined, these four BRIC countries account for nearly half of the world's installed hydroelectric generation capacity – with China alone responsible for about 30%. According to IRENA projections, achieving the NZE scenario by 2050 will require doubling installed hydropower capacity, replacing fossil fuel sources and meeting increased electricity demand – including the construction of thousands of small hydropower plants (SHPs)[5].

[4] See: https://www.ibp.org.br/observatorio-do-setor/snapshots/maiores-produtores-mundiais-de-petroleo/
[5] See: https://www.hydropower.org/publications/2024-world-hydropower-outlook

Another key source of clean energy within the BRICS is nuclear power. China, Russia, and India were, respectively, the second, fourth, and twelfth largest nuclear energy producers in 2023. China (15%) and Russia (10%) together account for one-quarter of global nuclear generation, while India (1.7%), Brazil (0.5%), South Africa (0.3%), and Iran (0.2%)[6] hold smaller shares. By 2040, China, Russia, and India are expected to be the main frontiers for nuclear capacity expansion. Currently, around 60 nuclear reactors are under construction, and more than 40 countries have energy policies supporting the expansion of nuclear energy – focusing not only on existing technologies but also on innovation in Small Modular Reactors (SMRs).

CHALLENGES FOR THE BRICS ENERGY SECTOR

In the power sector, the main challenges of the energy transition include integrating renewable energy sources and increasing the resilience of infrastructure to support the growth of electrification – especially in the face of extreme climate events such as storms, floods, and wildfires. Additionally, it is necessary to decouple electricity prices from fossil fuel market volatility and improve consumer protection, particularly for the most vulnerable populations.

These factors increase the operational complexity of electric systems, requiring direct state coordination through integrated plans, strategic planning, and long-term energy policies. Moreover, the intermittent nature of wind and solar energy sources must be complemented by stable power generation options – such as hydropower storage systems, nuclear energy, or batteries. This challenge has renewed government interest in nuclear projects. Nuclear energy technology is controlled by a small group of countries and faces major hurdles, including high project costs, long construction times, and safety and environmental sustainability concerns (IEA, 2022).

Additionally, integrating renewable energy sources requires transmission infrastructure capable of delivering energy over long distances, connecting the areas where renewables are produced to major consumption centers. Inadequate electricity transmission infrastructure is cited as one of the main obstacles to expanding clean, accessible energy and electrification (IEA, 2024b). As Losekann and Tavares (2019) note, in many BRICS countries, the infrastructure is still under development, and access to energy – both in terms of reach and quality – is expanding. Thus, the choice to expand electrification can help achieve the goals of the energy transition.

When it comes to installing new clean energy capacity, China stands out both as the leading exporter of equipment and systems and as the world's top investor in clean energy (wind, solar, nuclear, and batteries) – even though it continues to expand coal usage in its energy mix. For example, in 2023, global investment in renewable energy, grids, and storage surpassed total investment in fossil fuels for the first time, with US$ 500 billion allocated solely to solar photovoltaic energy (IEA, 2024).

In 2024, global energy investment is expected to exceed US$ 3 trillion, with US$ 2 trillion channeled into clean energy technologies, power grid infrastructure and storage, and energy efficiency measures. China's energy investment alone is estimated at nearly US$ 680 billion, while the United

[6] Ver: https://world-nuclear.org/information-library/current-and-future-generation/nuclear-power-in-the-world-today#world-overview

States and the European Union are expected to invest US$ 300 billion and US$ 370 billion, respectively. By contrast, all developing economies combined account for only 15% of total clean energy investment. This concentration of investments – both in energy production and in clean technology manufacturing – risks creating a new global division of labor centered around renewable energy production and clean energy technology value chains.

Finally, it is important to emphasize that the technologies driving the shift to a net-zero emissions (NZE) scenario – such as wind, solar, hydrogen, and electrification systems – are highly resource-intensive, relying heavily on natural resources like minerals and water. This creates a critical dependency on mineral supply chains, essential for renewable energy technologies, electrification, and electronics, reinforcing the exploitative dimension of energy transition strategies.

The environmental and social impacts of clean technology manufacturing and critical mineral supply chains must be closely monitored. Beyond emissions, mining and the construction of processing and refining plants pose risks to the environment, to workers, and to local communities. BRICS countries must avoid falling into a "neo-extractivist" trap and instead develop industrial strategies that promote investment and transformation of the productive structure – placing the principles of a just transition at the core of their energy transition strategies.

To this end, scientific and technical cooperation policies – such as those supported by the BRICS Energy Research Cooperation Platform (established in 2018) – should incorporate institutional commitments to protect the environment, workers, and local communities, and adhere to internationally recognized standards on human rights, decent work, and the Sustainable Development Goals (SDGs)[7].

THE ROLE OF STATE-OWNED ENERGY ENTERPRISES IN THE BRICS ENERGY TRANSITION

Due to the particular characteristics of the energy sector, there has historically been a strong presence of state-owned enterprises, especially in developing countries and in those with significant energy potential – such as hydropower or oil reserves – as is the case in many BRICS nations. Currently, state-owned oil companies manage a large share of global oil production and reserves, while 60% of hydropower and nuclear energy generation capacity is state-owned (OECD, 2024). Thus, state-owned enterprises rank among the main contributors to CO_2 emissions, but also among the largest global investors in clean technologies (OECD, 2022; World Bank, 2021).

In this context, the predominance of state-owned energy enterprises within the BRICS stands out, positioning them as a key political instrument to advance a just transition. These companies are well-placed to play a critical role in the energy transition due to their innovation capabilities, experience in large-scale investments and capital-intensive project management, and their access to substantial revenues derived from natural resource exploitation and public utility services.

In other words, the state ownership structure of these companies enables governments to effectively exercise shareholder power to advance political goals related to climate change mitigation, transition to low-carbon economies,

[7] See: https://brics.br/pt-br/brics-p2p

and enhancing the resilience of economic infrastructure. Evidence shows that state-owned enterprises have been important instruments for supporting the energy transition in various countries, by engaging in activities aligned with public policy mandates focused on sustainable development (Benoit, 2019; OECD, 2022). As highlighted in a recent OECD report on state ownership:

> *There is a growing trend of translating climate and environmental policies into state ownership strategies. In some cases, these policies also reinforce the rationale for state ownership, especially in addressing market failures or fulfilling public interest activities linked to broader political goals of climate change mitigation. State-owned enterprises can take the lead by adopting clean technologies and sustainable practices in their operations and by channeling investments into renewable energy infrastructure and sustainable development projects. Public companies can incorporate social and environmental goals alongside financial performance, requiring a long-term vision and systemic transformation." (OECD, 2024, p. 102 – our translation).*

These enterprises have the potential to adapt and repurpose existing infrastructure for clean energy production. However, investment levels by state-owned oil companies in clean energy remain relatively low compared to their investments in fossil fuels, and well below what is required to meet the 2030 targets.

Therefore, it is crucial to expand commitments to clean energy and energy efficiency initiatives, as well as to increase investments in research and development of technologies such as carbon capture and storage, electrification, offshore wind, biofuels, e-fuels (like sustainable aviation fuel – SAF), sustainable hydrogen, and others (IRENA & CPI, 2020). Additionally, these companies must develop plans for decommissioning mines and thermal generation units, especially coal-based ones, which are critical steps toward achieving climate goals.

Lastly, it is essential to recognize the potential for cooperation among BRICS state-owned energy enterprises. Public–public partnerships can facilitate the financing and implementation of large-scale infrastructure projects and include technology transfer agreements, especially considering that mobilizing such resources remains limited in several BRICS countries due to macroeconomic risks and uncertainties stemming from external economic shocks.

The potential of state-owned enterprises can be further amplified through the development of an integrated investment plan, strengthening synergies – especially among energy conglomerates and public planning objectives within the BRICS framework. In this regard, Mazzucato and Gasperin (2023) argue that a mission-oriented state productive sector should align with a model of "public entrepreneurship," in which public enterprises are evaluated based on their ability to generate long-term added value, create quality jobs, attract capital, and promote R&D investments. This model contrasts with the current approach of passive state shareholding in several energy companies, which limits the state's role to that of a financial investor.

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GOVERNANCE OF ARTIFICIAL INTELLIGENCE

TECHNOLOGICAL TRANSITION: STRATEGIES AND SAFEGUARDS

Mateus Mendes[1]

One of the few points of consensus regarding BRICS is that it constitutes a heterogeneous concertation. Several factors confirm this: population, ethnicity, religion, territorial extension, GDP... Yet heterogeneity can take on either a positive or negative character. When it signifies diversity – as is the case with the multiple ethnicities represented in the bloc – it is undeniably one of BRICS' strengths. However, when the issue is inequality in the level of technological development, we are clearly speaking of a shortcoming.

While China is at the forefront of technological development and leads international trade in various high-tech sectors – such as transmission equipment, computers, and 5G internet – the other countries in the bloc largely focus their exports on primary goods or low value-added products.

That said, to varying degrees, BRICS countries share a sense of dissatisfaction with the current global political and economic order. In this regard, it may be said that the pursuit and promotion of development is a common thread among BRICS members. More specifically, the issue of information and communication technologies (ICTs) has drawn increasing attention within the bloc. This is evident in the creation of the Digital Economy Working Group under the BRICS Business Council (2017), the BRICS Institute of Future Networks (BIFN) (2018), and the Working Group on Digital Economy, Digital Sovereignty, Artificial Intelligence, and Governance under the Civil and Popular Council (2025).

What compels the bloc to address this issue is the ongoing technological transition, with Industry 4.0 grounded in the digital political economy.

This text is dedicated to examining some of the key aspects of this technological transition. More specifically, it initially highlights the importance of technology transfer for the bloc's joint development. It then sheds light on the issues of digital sovereignty, mass unemployment, and mental health deterioration. These three aspects must be carefully considered so that the new technological paradigm does not deepen inequalities among people and nations, nor continue to promote – either directly or indirectly – the spread of psychosocial disorders.

TECHNOLOGY TRANSFER AND ALIGNMENT OF INDUSTRIAL INNOVATION ECOSYSTEMS

A strong technological capacity yields several advantages for nations. An economy whose output is based on technologically intensive sectors and products – particularly high-tech goods – tends to exhibit a high or upper-middle income level. This, in turn, bolsters a robust domestic market.

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Another benefit is productive diversity in the manufacturing sector. In this regard, it is worth analyzing some aspects of the export patterns among BRICS countries. Table 1 shows the weight and composition of the top five exported products in each BRICS nation. As the data reveal, in four of these countries, the top five goods account for over half of total exports; in the remaining five, they represent between 30% and 50%. Moreover, in nine countries, most of these leading products are agricultural or mineral (raw or processed), whereas only three produce technologically intensive goods. It is also worth noting that the fourth most exported item from South Africa is automobiles – manufactured primarily by European or Asian companies for the European market. This does not necessarily reflect a high level of industrial sophistication in South Africa.

Table 1 – Share of the five main products exported by each BRICS country and their respective profiles

Country	Share of Top 5 (%)	Agricultural	Raw Minerals	Processed Minerals	Pharmaceuticals and Chemicals	Manufactures	High-Tech Manufactures	Cars
South Africa	44,5		3	1				1
Saudi Arabia	80,2		1	2	2			
Brazil	45,8	3	2					
China	23					1	4	
Egypt	28,7		2	2	1			
Arab Emirates	62,9		2	2			1	
Ethiopia	57,5	4	1					
India	31,3		1	1	1	1	1	
Indonesia	32,2	1	1	3				
Iran	38,6		2	1	2			
Russia	64,4		2	3				

Top 5 Weight
share of top 5 between 30% and 50%
share of top 5 greater than 50%

Primary sector (Agricultural + Raw or Processed Minerals)
3 or 4 of the top 5 products are from the primary sector
top 5 products are from the primary sector

Source: author's compilation based on The Observatory of Economic Complexity.

The table ultimately highlights the disproportion between China and the other members of the bloc. Not only is China less dependent on its main export products, but those products are also primarily of high technological complexity.

This is not exactly new information. Still, it is important to underscore it to highlight the need to correct – or at least mitigate – this imbalance.

As a coalition of developing countries that challenges the status quo, BRICS must link the promotion of development to the reduction of inequalities. After all, one of the structural foundations of inequality among nations lies in their differing levels of development. As a matter of consistency and commitment to development, the group stands to gain from narrowing the gap between its members. Furthermore, raising the overall technological standard of the bloc's countries tends to generate a virtuous cycle.

The fastest and most efficient path toward this transformation is through technology transfer and closer alignment between industrial innovation ecosystems. Combining these two strategies would maximize the inventive and productive potential of the bloc as a whole. While technology transfer enhances installed capacity and accelerates capital flows, stronger links among innovation ecosystems hasten the development of new technological solutions. This combination also stimulates domestic industries, broadening their role in national and bloc economies, diversifying portfolios, strengthening internal markets, and reducing marginal propensity to import.

In this regard, it is worth noting that in 2021, the BRICS Partnership on New Industrial Revolution (PartNIR) was launched – a ministerial and technical-level forum bringing together officials from the member states' ministries of industry and innovation. Conceived to identify shared interests, foster partnerships, and promote cooperation in strategic projects, this initiative emerged in a context of significant transformation across various industrial sectors, driven by the advent of new technologies.

However, the most concrete initiatives in this area have so far occurred at the bilateral level. In 1984, Brazil and China signed a space cooperation agreement that gave rise to the CBERS program, which has since launched six satellites.

Nonetheless, the asymmetry between the parties is undeniable, as illustrated by Brazil's satellite connectivity issue. Given the challenges of installing physical infrastructure across vast territory, and the civil, commercial, and military need for nationwide connectivity – compounded by the lack of capable national companies – Brazil had to rely on foreign firms to provide satellite internet. For years, this market was dominated by Starlink, whose owner, businessman Elon Musk, has come into conflict with the Brazilian state.

During President Xi Jinping's visit to the G20 Summit in Rio de Janeiro, Brazil and China signed various memorandums of understanding – one of them concerning satellite broadband connectivity.

The signatories to this memorandum include Telebras and Spacesail. According to the document, the Chinese company "proposes to invest in the operation of a LEO satellite system to provide services that expand Brazil's space connectivity offerings" and "proposes, as far as possible, to develop this project in collaboration with Telebras" (Brazil, 2024).

It is also worth noting that Brazil and India are currently discussing a technical cooperation agreement focused on supercomputing, artificial intelligence, and quantum computing. Negotiations advanced significantly last year when the president of Serpro and a team of specialists received a delegation including the Indian ambassador to Brazil and officials from India's Ministry of Electronics and Information Technology (Serpro, 2024).

Broadening the analysis beyond Brazil's bilateral relations, it is important to mention the technology cooperation agreement between South Africa and China, which focuses on industrial development, renewable energy, and the digital economy (South Africa Republic, 2024).

These initiatives carry a dual message. On the one hand, the issue of technology transfer has not yet received, in our view, the attention it deserves from BRICS. On the other hand, bilateral initiatives demonstrate that it is indeed possible, through technology transfer, to enhance synergy between the industrial and innovation ecosystems of bloc countries and, thus, promote shared development.

DIGITAL SOVEREIGNTY

Within BRICS, technology transfer and the alignment of industrial innovation ecosystems are also essential to ensure that each state can assert its digital sovereignty – an imperative in the new technological paradigm.

As noted earlier, Industry 4.0 is founded on the digital political economy. In this regard, beyond the production of goods intensive in digital technologies, it is crucial that states possess the tools to sovereignly generate, process, manage, and store the data produced within their territories.

This conception must be broad, because in the digital political economy, not only are daily life and economic, political, and cultural activities "datafied" – that is, transformed into data – but virtually all operations depend on data transmission and circulation. Commerce, including informal trade, relies on online payments. Schools and universities require connectivity for everything from registration to the management of academic and scientific documents. Vehicle registration and legal proceedings of all kinds produce and depend on data. The armed forces rely on information highways for both intelligence and operational purposes, whether in training or combat. Critical infrastructure – such as telecommunications, transportation, communications, water supply, and energy – relies on information systems and data for efficient and secure functioning.

In this context, it is untenable to claim that a country is truly sovereign if, to perform these essential and even strategic tasks, it must invariably resort to clouds, software, hardware, and other devices developed in – and with the technology of – foreign nations. The inability of some states to master fundamental aspects of the digital political economy places them in a condition of data colonialism and a new iteration of the international division of labor. Some countries become the core of the accumulation regime, while others are relegated to supplying raw materials and becoming sites of value production to be appropriated elsewhere. What determines a country's position in this division is the degree of control it exercises over the various stages of digital technology production.

This is why technological transition strategies must be anchored in digital sovereignty as one of their central pillars and guiding principles. Otherwise, some countries will continue to experience a fragmented, incomplete form of sovereignty – lacking the elements that provide it with substance and material expression.

ENSURING QUALITY EMPLOYMENT

In recent months, no other area within Industry 4.0 has garnered as much attention as artificial intelligence (AI). Beyond its transformative and disruptive potential, several negative aspects have been highlighted – among them, the risk it poses to employment. In this regard, as Bill Gates predicted in March of this year, the forecasts are far from encouraging: "In 10 years, humans will no longer be needed for most things" (Terra, 2025).

However, AI is merely the most visible expression of Industry 4.0's deleterious potential for the world of work. When we add to it the massive automation of machinery and processes, and additive manufacturing (3D printing), it becomes clear that only a political decision in defense of jobs – especially quality jobs – can ensure that the benefits of the technological transition do not translate into mass unemployment and impoverishment.

By way of example: in 1990, the combined revenues of Detroit's three largest companies amounted to US$ 250 billion, with a market capitalization of US$ 36 billion and a workforce of 1.2 million people. By 2014, in Silicon Valley, the three largest corporations had a similar combined revenue – US$ 247 billion – but a market capitalization of US$ 1.09 trillion and employed only 137,000 people (Mendes, 2024).

Some argue that the unemployment we are witnessing is merely a transitory phenomenon. Indeed, the onset of technological revolutions has often been marked by frictional unemployment: part of the labor force is displaced by innovation, and another part is absorbed by the new professions generated by the revolution. Nevertheless, by 2016, only 0.5% of the U.S. workforce was employed in industries that did not exist at the turn of the century, whereas in the 1980s, 8% of workers were employed in sectors associated with the Information Revolution (Mendes, 2024).

Moreover, the Fourth Industrial Revolution is unfolding amid a highly precarious labor context: structural unemployment, job insecurity, outsourcing, gig work, intermittent contracts, and so forth. To this, we must add that a significant portion of the working class – especially the younger generations – has been ideologically captured by the entrepreneurship discourse, often viewing labor rights as unnecessary or even detrimental.

While the most glaring example of this blend of precarity and "entrepreneurship" is platform-based labor, the same reality is found behind the scenes of AI. Behind the algorithms that enable autonomous systems lies "microwork," "ghost work," and "click labor." Algorithmic efficiency depends on training – performed by a workforce under extreme precariousness.

Here again, we find a clear asymmetry among BRICS members. In January of this year, with the launch of DeepSeek, China disrupted the market and the prevailing bets in generative AI, which had until then been dominated by U.S. big tech – particularly ChatGPT. The impact of the Chinese chatbot goes beyond proving that the development and training of generative AI can be far cheaper than what the U.S. big techs were spending. The nearly 200 researchers and professionals who co-authored the paper introducing DeepSeek to the world were trained entirely in China – not having attended American or European universities at any stage, from secondary school to graduate programs (G1, 2025). Thus, in addition to its considerable corporate capabilities, China has demonstrated its capacity to train a large volume of highly qualified human capital. Meanwhile, South Africa, Brazil, and India appear among the regional hubs for ghost work – exploited in the development and training of generative AIs for the core countries (Chan et al., 2021).

India, finally, presents a sui generis case. On the one hand, as English is the country's official language, many U.S. companies have outsourced IT support and call center services to India. On the other hand, big tech companies have Indians in various positions within their development teams – notably, Adobe, Alphabet, and Microsoft are currently headed by Indian executives. In other words, India suffers under a structure that stimulates the large-scale emigration of highly qualified labor and the internalization of poorly paid service roles, thus reinforcing an international division of labor that relegates the country to a subordinate condition.

Thus, within BRICS coexist entirely distinct realities when it comes to the quality of jobs in the Industry 4.0 landscape. On one side, China advances toward becoming a technological powerhouse with abundant highly skilled labor; on the other, South Africa, Brazil, and India seem on track to remain loci of low-skilled, low-paid jobs and exporters of highly qualified professionals who are unable to find employment matching their education.

MENTAL HEALTH

Last but by no means least, when we consider technological transition, special attention must be paid to mental health. The affirmation of the new technological paradigm has imposed a heavy burden in terms of mental health disorders.

Connectivity presents a paradox: while communication platforms and tools bring people closer together across the globe, they can also induce feelings of loneliness and isolation. These have aggravated or triggered various mental health issues, negatively affecting social interaction. Among the most impaired capacities are empathy, tolerance, and acceptance (SBPC, 2023).

The main fronts where the harmful effects of new technologies are already being felt include the world of work, adolescents and youth, and education.

The mental illnesses most directly associated with digital labor include anxiety, depression, burnout syndrome, panic disorder, feelings of isolation, aggressive behavior, exhaustion, and body image obsession. These pathologies are estimated to affect 15% of working-age adults and account for 12 billion lost workdays per year – costing the global economy nearly one trillion U.S. dollars (PAHO, 2022).

Moreover, the picture is particularly alarming among teenagers. The toxic environment of social networks has contributed to increased cases of aggression (resulting or not in death), self-harm, and suicide. A noteworthy gender pattern emerges: while boys are more often the perpetrators of violence against others, girls more frequently turn violence against themselves (Folha de São Paulo, 2025).

In addition to violence – whether self-directed or not – the mental health toll among adolescents suggests a medium- and long-term risk to human development. While there is no indication that the widespread, prioritized use of technology in education leads to measurable academic or educational benefits (UNESCO, 2023), the harms are increasingly evident. Since 2012, when mobile devices and social media became widespread, the number of students achieving the minimum score in the Programme for International Student Assessment (PISA) has been declining. Beyond the aforementioned disorders, another common consequence is sleep deprivation (Alvarez, 2025).

PROPOSALS

In line with the above, we present three recommendations:

1. Creation of a body to centralize and publicize information and initiatives related to technological transition within the BRICS framework;
2. Institutionalization of an authority responsible for mapping synergies and identifying areas of disarticulation between industrial innovation ecosystems, as well as for proposing strategies to promote equitable development

among BRICS members. These strategies must be guided by respect for the sovereignty of member states and the preservation and generation of quality employment;

3. Formation of a group of mental health experts tasked with monitoring the deleterious impacts of new technologies on the mental well-being of BRICS populations.

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INSTITUTIONAL DEVELOPMENT
STRENGTHENING THE BRICS STRUCTURE AND COHESION

INSTITUTIONAL ARCHITECTURE OF THE BRICS: MEMORY, PARTICIPATION AND IMPACT FOR A TRANSFORMATIVE GOVERNANCE

Graciela Rodriguez e Marta Fernández[1]

INTRODUCTION

Since the enactment of the 1988 Constitution, Brazilian diplomacy has increasingly aligned itself with the renewed constitutional commitment to democracy. In this spirit, it has shown greater receptivity, in its public declarations, to political pressures and demands arising from various sectors of society – gradually moving away from its traditionally closed posture, once almost exclusively tied to the interests of dominant economic elites, often conflated with the so-called "national interest."

Indeed, Brazil's democratic project gave rise to a federal Constitution celebrated for fostering public policymaking more attuned to the interests of society as a whole, notwithstanding the many setbacks and reversals of recent decades. In tandem, foreign policy has moved closer to broader public policy, contributing to the consolidation of the rule of law and the effective realization of human rights – albeit not without enduring challenges and regressions. The ideas, proposals, and above all, the resistances of Brazilian civil society have played a fundamental role in advancing the nation's collective interests.

Thus, the dialogue between public policy – particularly foreign policy – and organized civil society in Brazil must continue to deepen. This dialogue encompasses a diverse and vibrant spectrum of social actors: social movements, labor unions, peasant organizations, environmentalists, women's groups, Black communities, Indigenous peoples, and myriad collectives rooted in territory, identity, and the defense of civil liberties.

A brief overview of the past decades reveals considerable progress – yet also persistent obstacles, resistance, and missteps that must be overcome through the very exercise of social participation, a principle once again reaffirmed by President Lula's current administration as central to Brazilian public policy.

As Dolce de Faria notes, "The rapprochement between Itamaraty and civil society is a process that, initiated after redemocratization, has been gradually taking shape in multiple ways. In general, it accelerates during periods of intense international negotiations, when the demand for civil society participation becomes more pressing…"[2] The 1990s were particularly significant in this regard, inaugurating a trend with the 1992 Earth Summit (Eco-92) and the UN Social Confer-

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[2] Dolce de Faria, Vanessa. (2017) "Foreign Policy and Social Participation – Trajectory and Perspectives". Alexandre de Gusmão Foundation. Brazil.

ence Cycle, in which Brazil's vibrant social movement steadily expanded its participation.

That decade was marked by numerous occasions in which organized civil society, grounded in diverse interests, participated more effectively and substantively. The tripartite representation model (government, business sector, and labor unions) played a significant role in the early years. However, over time, a broader range of social sectors emerged onto the scene, drawing on the powerful participatory momentum built during the drafting of the 1988 Constitution – a landmark moment in Brazil's democratic renewal.

Throughout the 1990s, Brazilian civil society's participation – albeit still informal – grew steadily through memorable engagements such as the United Nations Conference on Environment and Development (1992), the World Conference on Human Rights (1993), the Fourth World Conference on Women (1995), and others, which helped shape the global agenda.

Economic negotiations also sparked significant civil society mobilization. Brazil's participation in processes such as Mercosur, the Free Trade Area of the Americas (FTAA), and, later, WTO negotiations and the Mercosur–European Union agreement, drew growing attention. These negotiations prompted the establishment of more formalized participatory mechanisms, such as the Economic and Social Consultative Forum (FCES), initially based on a tripartite structure, as well as Specialized Meetings within Mercosur, and later, similar forums within UNASUR, CELAC, and ad hoc spaces like SENALCA and SENEUROPA.

To monitor and influence these processes, and drawing on previous participatory experiences, the Brazilian Network for the Integration of Peoples (REBRIP) was founded in 1998. Comprised of social movements, labor unions, environmentalists, peasant organizations, feminist groups, and NGOs, REBRIP was created to follow regional integration processes and counter the emerging FTAA proposal.

During the first decade of the 21st century, the demand for transparency in negotiations and for institutionalized mechanisms of social participation grew stronger within Brazil's Ministry of Foreign Affairs (MRE), reflecting the increasing political involvement of civil society and its expanding dialogue with Itamaraty. Several debate forums with academia and civil society were gradually formalized around various ongoing negotiation tracks.

Within this broader process, more than a decade ago, the GR-RI (a discussion group composed of social organizations and academics from numerous universities) developed and adopted a proposal to create a Consultative Council for Social Participation – one that would include the broad spectrum of Brazilian civil society (business representatives, trade unions, social movements, NGOs, international relations students, researchers, and academic institutions). Since then, efforts have been made to advance the establishment of CONPEB – the National Council for Brazilian Foreign Policy – as a space to democratize foreign policy, broaden the range of voices heard by the Ministry of Foreign Affairs, and enhance the democratic legitimacy of Brazil's international positioning[3].

With the formal establishment of BRIC (Brazil, Russia, India, and China) in 2009 – through a summit of heads of state, rather than finance ministers – civil society interest in the bloc continued to grow, particularly as the idea of South-South integration gained traction. The relevance of BRIC (later BRICS, with the inclusion of South Africa) became increas-

[3] https://www.youtube.com/watch?v=nfEgBnLs70Y

ingly evident in the face of the 2008 financial crisis and the urgent need to rethink global governance. "Overcoming the unipolar hegemonic system and advancing the multilateralization of the global order"[4] became the bloc's new challenges, fueling widespread expectations that BRICS could effectively address the need to regulate the financial system that had triggered the global economic crisis.

It is worth noting that, alongside these lofty expectations, observers also acknowledged the broad heterogeneity and deep asymmetries among BRICS members. Yet, despite significant differences in vision and agendas, over the course of its fifteen-year existence, the bloc has evolved in its approach to the crisis of international hegemonic power. This has enabled BRICS to play an increasingly prominent role in contesting unipolarity and asserting a weightier position within the global order. In this context, the growing participation of civil society in BRICS countries is not just desirable – it is essential, especially given the magnitude of the challenges facing contemporary societies.

Civil society participation in BRICS processes has emerged as a fundamental dimension for enhancing the bloc's legitimacy, transparency, and effectiveness. While international affairs were initially perceived as distant from local struggles, social movements – particularly in Brazil, South Africa, and India – have developed meaningful experiences of critical engagement with the BRICS agenda.

As noted in A Guide to Understanding the BRICS, published by the BRICS Policy Center (2024), there is a consistent track record of civil society engagement within the BRICS framework.

Since 2013, when the Durban Summit took place, organizations from Brazil, South Africa, and India have been organizing parallel events to the BRICS Leaders' Summits, aiming to create synergies, strengthen advocacy networks, and develop joint strategies for action. These actors take a critical stance toward multilateral systems marked by inequality and exploitation, calling for the recognition of grassroots alternatives to development. Along this journey, key events include BRICS from Below (2013), Dialogues on Development (2014), and People's BRICS (2019), all organized by trade unions, NGOs, and social movement networks. Autonomous forums have also been convened, such as the BRICS Peoples' Summit (2014) and the People's Forum on BRICS (2016 and 2021), as a reaction to the lack of openness in official processes.

Women's movements, in particular, have played a fundamental role not only in social mobilization but also in proposing substantive contributions that challenge the patriarchal and neoliberal structures of global policy. During the BRICS Women's Forum, held in 2014 in Fortaleza, their engagement was pivotal in bringing forward agendas such as gender justice, the care economy, and the fight against intersectional inequalities. This reality echoes the findings presented in the report Women in BRICS Countries: Inequalities, Contradictions, and Challenges, which underscores that the consolidation of an inclusive BRICS depends on the effective participation of its civil societies.

In parallel, the BRICS Civil Forum was established in 2015 as an official space for participation, though it has faced significant limitations in terms of continuity and scope. As highlighted in studies referenced in the aforementioned policy

[4] INESC/REBRIP. "Os BRICS e a participação social sob a perspectiva de Organizações da sociedade civil". Brazil, 2013. https://rebrip.org/os-brics-e-a-participacao-social-na-perspectiva-de-organizacoes-da-sociedade-civ-4463/

paper, host governments' control and the absence of democratic criteria for selecting participants have constrained and continue to undermine the potential for broad and effective participation. In many cases, independent NGOs were either not invited or declined to participate due to lack of autonomy.

Indeed, in 2015, REBRIP submitted to the Brazilian government a proposal for the creation of a BRICS Civil Society Consultative Forum, stating at the time: "We are convinced that the establishment of a democratic, representative, and participatory mechanism for social participation could be another path for effective progress within the bloc, contributing significantly to greater legitimacy and effectiveness of BRICS actions, not only within its member states but also in the regional and international arenas."[5] Unfortunately, this initiative was derailed by the political coup underway against President Dilma Rousseff.

Guaranteeing the active and representative presence of social movements in the BRICS Civil Forum is therefore crucial to consolidating the bloc as a truly democratic, inclusive, and transformative project for global governance. This demands a break with hierarchical models of participation and a genuine commitment to building BRICS from the ground up – rooted in the social bases in all their diversity and complexity. The direction and meaning of change within the bloc will be closely linked to the engagement of its civil societies, and it will be the political articulation of social movements that may ensure the overcoming of structural inequalities and the advancement of a fairer development model.

Although they face vastly different realities and obstacles – such as repression, co-optation, or state control – social organizations in BRICS countries are presented with both the challenge and the opportunity to drive real change. The creation of a permanent and representative mechanism for social participation – ensuring transparency, access to information, and public funding – is not merely desirable, but necessary to guarantee legitimacy and effectiveness in the BRICS' role in ongoing global transformations.

Proposal

In light of this scenario, it is recommended that the BRICS Civil Forum be restructured on the basis of principles of democracy, transparency, plurality, and respect for the accumulated experience of social movements. This reformulation must ensure:

1. Legitimate and democratically elected representation, with publicly established criteria that recognize the track record of participation, network-based organization, and the propositional capacity of social movements. The selection of representatives must be conducted through open, collective processes built in dialogue with the movements themselves, while respecting the regional and thematic diversity across BRICS countries. Thematic diversity should encompass different areas of social movement engagement – such as gender justice, territorial rights, climate justice, anti-racism, solidarity economy, culture, and food sovereignty – ensuring that multiple social agendas are equitably represented;
2. An organizational format defined with social movements, avoiding the imposition of top-down models disconnected from the political articulation practices of grassroots organizations. The Forum must reflect the multiplicity of voices and struggles and must not replicate structures based

[5] https://rebrip.org/rebrip-lanca-sua-proposta-de-criacao-do-forum-da-sociedade-civil-dos-brics-cc57/

on asymmetric power relations between BRICS members;
3. Leadership by social movements, ensuring that these actors are central in shaping the agenda, setting priorities, and engaging in dialogue with governments. Such protagonism can and should be reinforced through alliances with think tanks, universities, and other organizations – provided these support, rather than substitute, the voices of the movements;
4. Institutionalization of permanent and autonomous mechanisms for dialogue between civil society and governments, enabling direct communication with the bloc's sherpas and leaders, amplifying the active listening of popular demands, and strengthening society's influence over the policies advanced by the group;
5. Joint BRICS funding for the Forum or Council, to be approved at the Kazan Summit – Russia 2024, and democratically constituted on the basis of a format debated and agreed upon by the abovementioned actors.

CREATING A PERMANENT BRICS WEBSITE

Context

BRICS has grown into a significant force in global governance, representing emerging economies and advocating for a multipolar and inclusive international order. Yet, its digital presence remains fragmented, with information dispersed across temporary websites tied to the rotating presidencies. The absence of a permanent platform undermines the bloc's institutional identity, hinders public access to relevant information, and limits BRICS' international visibility.

A permanent website would provide a centralized and accessible repository for historical records, official statements, technical documents, working group reports, and academic materials related to BRICS. The platform should include a dedicated section for preserving the memory of actions and contributions by social movements that have critically engaged with the bloc over the years. By gathering these voices, the site would serve as a living archive of struggles, coalitions, and proposals put forth by civil society, thereby safeguarding and acknowledging its role in shaping alternatives and monitoring the bloc's policies.

This proposal becomes even more compelling when paired with the creation of a shared digital governance model among member countries. The website could operate on free software and open-source technologies, ensuring transparency. With a decentralized, rotating management structure that respects the principle of equality among members, it would be possible to maintain continuous updates to the platform without relying solely on the country holding the annual presidency. This proposal would enhance the group's institutional strength while reaffirming its commitment to innovation and public engagement. It would also help position BRICS as an initiative committed to transparency, technological innovation, and the active inclusion of voices from the Global South..

Proposal

1. It is recommended that BRICS establish a permanent, multilingual website with shared governance among its member countries, operated using free and open-source software infrastructure. The platform should serve as the official repository of documents, statements, agendas, and initiatives of the group, promoting greater transparency, continuity, and public accessibility. It should also include a section dedicated to the memory of social movements,

bringing together records of parallel forums, civil society proposals, and collaborative initiatives that have contributed to the block's trajectory.

ESTABLISHMENT OF A TROIKA TO ENSURE CONTINUITY WITHIN BRICS

Context

Although BRICS is a flexible arrangement, it faces challenges stemming from the absence of a permanent institutional structure, which may result in inefficiencies and difficulties in coordinating long-term projects. The lack of a clear framework to ensure the continuity of initiatives – especially during leadership transitions – is a critical concern. In this regard, the establishment of a Troika, composed of the current, previous, and incoming presidencies, could offer an effective solution to guarantee the strategic and political continuity of the bloc, without compromising its flexibility. The Troika would be tasked with aligning priorities and ensuring that the projects and decisions of BRICS are implemented consistently, regardless of changes in leadership. This model enables more balanced governance, prevents any single member from exerting disproportionate influence over the agenda, and ensures inclusiveness and balance in the bloc's deliberations and decisions.

Proposal

1. It is recommended that BRICS establish a Troika composed of the current, previous, and incoming presidencies, with the mandate to ensure strategic continuity and consistency in decisions and projects over time. The Troika would provide ongoing oversight, preventing gaps during leadership transitions and ensuring that the bloc's priorities are pursued cohesively. This model also promotes transparency and fairness by preventing the predominance of any one member, and reinforces the collaborative and inclusive character of BRICS. Furthermore, the Troika structure facilitates long-term coordination, ensuring that initiatives are handled consistently and without interruption.

INCLUSIVE EXPANSION OF BRICS

Context

The expansion of BRICS has enhanced its geographical representation, strengthening its image as an inclusive grouping. However, without transparent procedures and clear criteria, the bloc's growth risks being perceived as politically driven or dominated by its most influential members. To ensure that the admission of new members reflects a commitment to equality and collaborative governance, it is essential to adopt transparent admission mechanisms. This would bolster the credibility of BRICS, broaden the diversity of its membership, and ensure that its identity as a non-hierarchical platform for Global South cooperation is preserved.

During the XV BRICS Summit (Johannesburg, 2023), member countries approved the document BRICS Membership Expansion: Guiding Principles, Standards, Criteria and Procedures, a significant step in laying out guiding principles such as mutual respect, equality, solidarity, and the pursuit of reform in the multilateral system to enhance representation of developing countries. The document states that all decisions must be reached by consensus and underscores the need to maintain the bloc's cohesion and identity. Among the criteria for new admissions, it highlights the commitment to the reform of the UN Security Council – aiming to make it more democratic, representative, and effective – and support for increased representation of developing countries, such as Brazil, India, and South Africa, in international decision-making forums. Furthermore, it reaffirms the centrality of the United Nations as the cornerstone of an international system grounded in cooperation among sovereign states, committed to promoting peace, sustainable development, human rights, and fundamental freedoms.

Still, the document lacks institutional and societal mechanisms to ensure that expansion remains rooted in participatory and transparent practices, with public oversight. For this reason, it is appropriate that social movements across BRICS countries demand greater transparency, participation, and access to information in this process, thereby helping to ensure that expansion reflects not only the interests of states but also the aspirations of their peoples.

PROPOSALS

1. **Transparency in the Admission Process:** Publicly disclose candidate countries and the objective criteria for accession, such as alignment with BRICS principles, diplomatic relations with all current members, and regional representativeness. These criteria are already partially defined in the official 2023 document, which, for instance, establishes the rejection of unilateral sanctions not authorized by the UN and a commitment to multilateralism. However, it is essential to ensure that this process is accessible to public scrutiny, breaking with the confidentiality currently in place.
2. **Elimination of Hierarchical Membership Categories:** Abolish distinctions between full members and partners, avoiding the institutionalization of categories with different levels of power and influence. Although the Johannesburg document outlines four stages in the accession process (interested / prospective / invited / member), it is crucial that, once admitted, all countries hold equal rights and responsibilities. This would uphold equality among members and prevent the reproduction of asymmetries similar to those seen in the UN Security Council.
3. **Promotion of Popular Participation:** Make the expansion process more open and participatory by involving social participation mechanisms. Experiences such as the proposed creation of the Brazilian National Council on Foreign Policy (CONPEB) may serve as a reference for strengthening democratic oversight of foreign policy and ensuring that BRICS expansion reflects the interests of civil societies in the countries involved, rather than solely those of their governments.
4. **Redressing Regional Inequalities:** Ensure greater geographic balance in BRICS composition, bearing in mind that Brazil remains the only Latin American country with full member status. The inclusion of other Latin American countries as full — rather than merely partner — members would enhance the bloc's continental representativeness and reaffirm its commitment to South-South cooperation, helping to prevent imbalances between developing regions.

EVALUATION AND MONITORING OF NDB INITIATIVES

Context

The New Development Bank (NDB), a multilateral financial institution of the BRICS, has an Independent Evaluation Office tasked with ensuring transparency and accountability in its operations. However, for the bank – and the BRICS as a whole – to move forward in a more sustainable manner, in alignment with the principles of social justice, it is essential that its initiatives adopt a more inclusive, strategic, and equity-conscious evaluative approach. This means strengthening planning, governance, and impact assessment frameworks through an intersectional and place-based lens.

The active inclusion of civil society in decision-making processes enhances institutional legitimacy, improves the quality of governance, and contributes to greater transparency. To achieve these outcomes, it is crucial to combine participatory methodologies with effective monitoring systems and a long-term strategic planning framework, aligned with the principles of social justice and cooperation that underpin the BRICS agenda.

Proposals

1. **Social Participation:** The NDB and BRICS+ countries must create and strengthen formal spaces for dialogue between civil society, sherpas, and bloc leaders, with the aim of incorporating a plurality of voices – particularly from historically marginalized populations. These spaces should include regular public consultations, active listening to affected communities, nd the inclusion of social organizations in the definition of indicators and monitoring mechanisms. Such consultations must be accessible, transparent, well-informed, and ongoing, in line with ILO guidelines and with full respect for the knowledge and rights of the communities involved.
2. **Intersectional and Place-Based Methodologies:** The evaluation process must be guided by a methodology that acknowledges the intersections of various social markers — such as gender, race, class, territory, disability, and sexuality. Project implementation should be informed by local diagnostics, avoiding one-size-fits-all solutions detached from specific realities. Evaluations must address social, environmental, and cultural impacts – in addition to economic ones – from project design through implementation.

EXECUTIVE SUMMARY

1. SUSANA VAN DER PLOEG & RAJNIA DE VITO NUNES RODRIGUES

BRICS and the Global Health Crisis: A Call to Action for Justice, Solidarity, and Equity

Strengthening cooperation among BRICS countries has become even more vital in the current international political context. There are numerous examples of how the U.S. presidency has dismantled the structures of international trade, humanitarian aid, multilateralism, and democracy itself at both national and global levels.

BRICS now has an opportunity to help shape a new global order based on sovereignty, solidarity, and justice. By prioritizing cooperation among developing nations, BRICS can break free from the legacy of dependency and offer a development model guided by the public interest rather than market dictates, promoting economic self-sufficiency, fairer trade, and shared technological progress.

Within this framework, it is crucial to seriously address the commercial determinants of health, acknowledging that trade agreements and intellectual property regimes directly impact people's lives and well-being. The continued dominance of an innovation model based on intellectual property remains exclusionary.

2. MARINA CORTEZ

Investing in Care as a Strategy for Sustainable Development in the BRICS

Integrating public care policies into the socioeconomic planning of countries is essential to overcome structural inequalities and build truly developed societies. Sustainability, in this context, goes beyond environmental preservation and climate change mitigation – it also requires equitable social systems that place human life and nature at the center.

The current civilizational crisis – marked by the devaluation of care and social reproduction – underscores the urgency of breaking with patriarchal and economistic views that relegate collective well-being to unpaid female labor.

Including the care perspective in public policies is therefore a prerequisite for just and sustainable development, replacing familist logic with shared responsibility between families, the state, the market, and society.

Investing in care (childcare, elder care, parental leave) yields significant economic and social benefits: it generates more jobs than other sectors, reduces gender inequality by integrating women into the formal labor market, and produces fiscal gains that surpass the initial costs.

Recognizing care as essential infrastructure – not just secondary support – is vital to sustainable development, converting such investments into long-term productivity, equity, and social cohesion.

3. FERNANDO AMORIM TEIXEIRA
How to Advance Sustainable Industrial Policies in the BRICS Amid the Current Global Context

Most countries in the Global South must undergo profound structural transformations, incorporating new technologies and increasing the value-added content of national production to generate quality jobs and income. As a result, various industrial policies have been developed and implemented.

At the same time, they are having to contend – albeit in different ways – with sanctions and/or the U.S. tariff offensive. This new reality may generate opportunities to build productive complementarities within BRICS, but it also brings risks that a more "competitive" relationship might emerge, as some countries seek to aggressively capture markets – creating setbacks for others.

In this regard, the "Partnership on New Industrial Revolution, Innovation, and Technology Cooperation" stands out as the institutional mechanism established by the bloc to foster cooperative productive integration, promote complementarities, and sustainably strengthen industrial ecosystems.

4. ADHEMAR MINEIRO
Trade Integration in the BRICS: Commerce Facilitation as a Mechanism for Productive Integration

"Trade facilitation" is the euphemism being used to navigate Russian and Iranian pressure to advance in the use of national currencies to circumvent U.S. sanctions. In other words, it's about accommodating Russian and Iranian demands without openly defying the sanctions, under the guise of trade facilitation.

Brazil's position is to avoid signaling to the U.S. either that it is facilitating trade with China or that it is undermining U.S. sanctions on Russia and Iran – or, worse, that it wants to challenge the dollar as the global reserve currency.

This article will explore these challenges in the current geopolitical landscape, made more complex by the U.S.-imposed tariff war.

5. FERNANDO AMORIM TEIXEIRA
The Role of State Financial Institutions in Promoting an Inclusive and Sustainable Future in the BRICS

The BRICS+ countries have public financial institutions with significant state participation that can act as catalysts for a more inclusive and sustainable future.

Geopolitically, there is a real opportunity to build new forms of cooperation and investment promotion, harnessing the entrepreneurial capacity of the state to advance industrial, economic, and ecological transformation policies.

6. TATIANA OLIVEIRA
Climate and Trade in Perspective: Brazil's BRICS+ Presidency and the Challenges of Multilateral Governance

This article analyzes Brazil's 2025 presidency of BRICS+ as a strategic opportunity to integrate trade and climate agendas.

Amidst the crisis of multilateral governance, BRICS+ is viewed as a platform to strengthen South–South cooperation, promote climate justice, and push for reforms in the international system.

The ecological transition must be inclusive, ensuring fair financing, technological integration, and regulatory harmonization that avoids excluding developing countries and helps construct sustainable global value chains.

7. PRISCILLA PAPAGIANNIS
BRICS+ and Climate: Challenges, Opportunities, and Recommendations for Enhanced Cooperation

Under Brazil's presidency, the theme of the 2025 BRICS+ Summit will be "Strengthening South–South Cooperation for More Inclusive and Sustainable Governance."

As one of Brazil's key priorities for the Summit, climate change and the energy transition agenda will connect BRICS+ to COP30.

This paper offers recommendations for how the Brazilian government can engage on climate within the BRICS+, emphasizing both challenges and opportunities.

It is structured in three parts: first, Brazil's role in BRICS+; second, an overview of BRICS+ and climate; and third, policy recommendations for incorporating climate priorities into the Summit's final declaration.

8. GUSTAVO TEIXEIRA
Energy Transition in the BRICS

Tackling climate change requires a profound transformation in both energy supply and demand, given that the energy sector is the main source of greenhouse gas (GHG) emissions and global energy matrices remain highly dependent on fossil fuels – oil, gas, and coal still represent roughly 80% of total consumption.

Enabling the energy transition hinges on substantial investments in research, innovation, and infrastructure – activities historically financed by the state, particularly in the Global South.

Thus, energy transition in the BRICS countries demands direct state action in energy planning and development strategies that include clean tech manufacturing.

9. MATEUS MENDES
Technological Transition: Strategies and Considerations

Given its growing importance to the global political economy – and China's prominent position in the sector – the digital agenda has gained visibility in BRICS Summits and Declarations.

This has manifested in various ways: sometimes vaguely, as in the Durban (2013) and Fortaleza (2014) Declarations; at other times, with pointed political content, especially with the rise of Artificial Intelligence.

This growing relevance is evidenced by BRICS's creation of two specific digital policy forums: the Digital Economy Working Group (2017) within the BRICS Business Council, and the Institute of Future Networks (BIFN) established in 2018 at the governmental level.

This article proposes reflections and recommendations for society in the BRICS countries to engage not only in the development of AI and Industry 4.0 technologies, but also in adapting to the challenges of technological transition.

10. GRACIELA RODRIGUEZ & MARTA FERNÁNDEZ
The BRICS Institutional Architecture: Memory, Participation, and Influence for Transformative Governance

BRICS has become a key actor in global governance, representing emerging economies and advocating for a multipolar and inclusive international order. Its expansion has enhanced geographic representativeness and consolidated its image as an inclusive grouping.

This article presents proposals that aim to ensure the consolidation of guiding principles and fundamental mechanisms – both pre-existing and newly established – under a collaborative and transparent institutional framework capable of sustaining the bloc's growth and functionality.

Moreover, civil society participation in BRICS processes is an essential dimension for bolstering the bloc's legitimacy, transparency, and effectiveness.

Despite initial assumptions that international issues were distant from local struggles, organized civil society in BRICS countries has accumulated meaningful experience in critical engagement with the bloc's agenda. These contributions must be recognized to ensure that the bloc's expansion reflects the interests of the peoples – not just their governments.

The brazilian Network for the Integration of Peoples (REBRIP) presents this Dossier, BRICS+ and the Sovereign Future of the Global South, a publication containing 10 articles with various analyses and proposals on the themes thar are part of the Brazilian Presidency Agenda for the BRICS+ Heads of State Summit to be held in Rio de Janeiro / Brazil on July 6 and 7, 2025.

The current global order, emerging after World War II and centered on the collective West, is broken. Colonial globalization is crumbling down and so are the multilateral institutions (IMF, World Bank, WTO and so on).

Liberal democracy and Western multilateralism have remarkably failed in their tasks to promote peace and prosperity, suffice to see the enhanced scandalous concentration of wealth, forced migration, increased militarization everywhere and the “eternal wars” – not to mention the brutal genocide we all witness in Gaza!

After 15 years, BRICS, now a significantly expanded block, the so-called BRICS+, with 11 countries and a long line of applicants, is a group sharing diverse political, cultural and civilizational views and perspectives that are, nevertheless, endeavoring to work together in diversity towards peace and improved global prosperity. For its symbolic value in clustering the Global South’s relentless desire for multilateralism, BRICS+ is also an opportunity we shall engage seriously if we are to overcome the hegemonic unipolar system , showing a vocation to promote a more just multipolar integration.