

BRICS Grouping

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BRICS Grouping Latest News

U.S. President Donald Trump's threat to impose 10% tariffs on members of the BRICS grouping that held a summit in Rio de Janeiro recently is the latest in a series of similar threats.

About BRICS Grouping

- **BRICS** is an **acronym for Brazil, Russia, India, China, and South Africa**, a bloc of countries that formed a partnership following the creation of an acronym 'BRIC' in 2001 by Goldman Sachs economist Jim O'Neill (but it didn't include South Africa at the time).
- Representatives of the **BRIC countries first began meeting** informally during the **2006** meeting of the United Nations General Assembly.
- **South Africa joined in 2010, making it "BRICS"**.
- The objectives of BRICS include strengthening economic, political, and social cooperation among its members, as well as increasing the influence of Global South countries in international governance.

- The group seeks to **improve the legitimacy, equity** in participation, and **efficiency of global institutions** such as the UN, IMF, World Bank, and WTO. Moreover, it aims to bolster sustainable **social and economic development** and promote **social inclusion**.
- BRICS **work is based on action plans approved during annual summits** since 2010.
- **BRICS Grouping New Members: Egypt, Ethiopia, Iran, the United Arab Emirates, and Indonesia.**
- The expanded group has a combined population of about 3.5 billion, or **45% of the world's inhabitants**.
- Combined, members' economies are worth more than \$28.5tn – about 28% of the global economy.

New Development Bank (NDB)

- NDB is a **multilateral development bank established by BRICS** with the purpose of mobilising resources for infrastructure and sustainable development projects in emerging markets and developing countries (EMDCs).
- The Agreement was signed during the BRICS Summit held in Fortaleza in 2014, and the Bank **started operations in 2015**.
- **Headquarters: Shanghai, China**, with regional offices in South Africa and Brazil.
- The **membership** is **open to members of the United Nations**.
- The **voting power** of each member **shall equal its subscribed shares in the capital**.
- However, the **share of the BRICS nations can never be less than 55% of the voting power**. Also, **none of the countries** will have veto power.

Source: TH

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