

Watch

BRICS Watch

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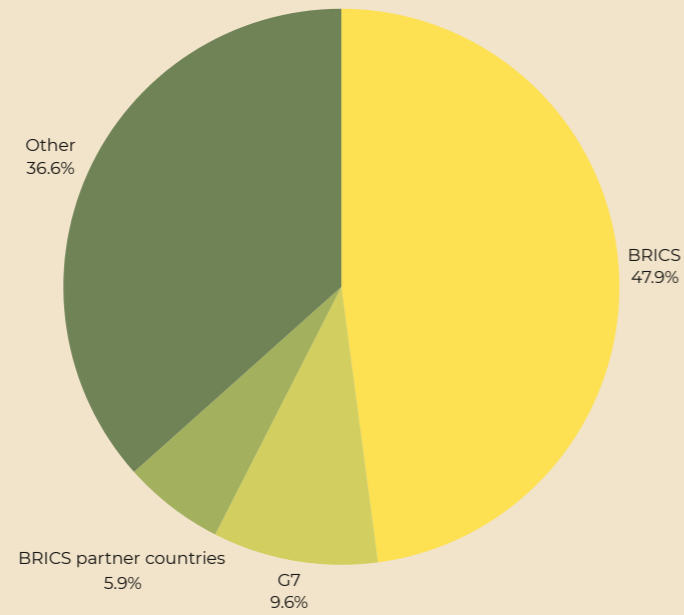
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BRICS in Numbers

POPULATION OF BRICS AND G7

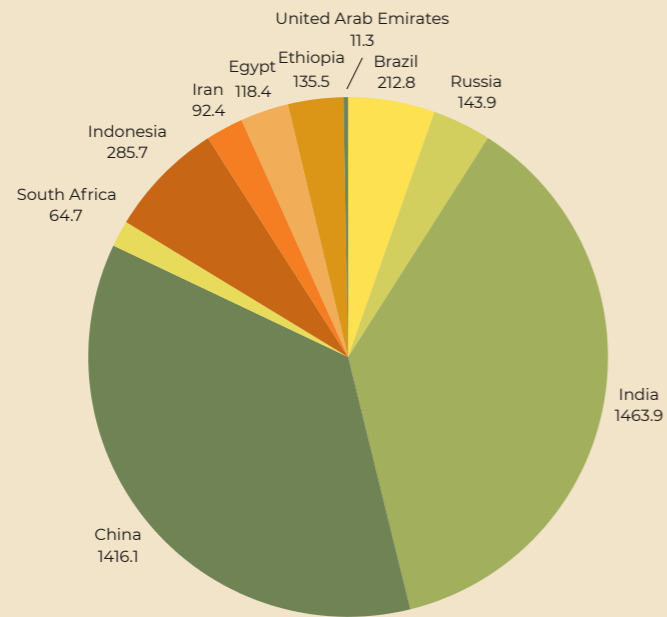
World population - 2025



In total: 8.2 billion people

SOURCE: [UN POPULATION DIVISION](#)

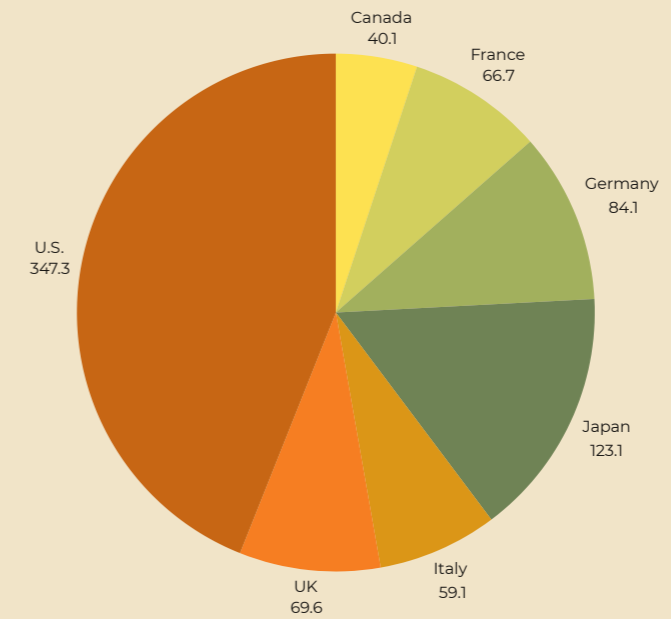
Population of BRICS - 2025 (in million)



In total: 3.9 billion people

SOURCE: [UN POPULATION DIVISION](#)

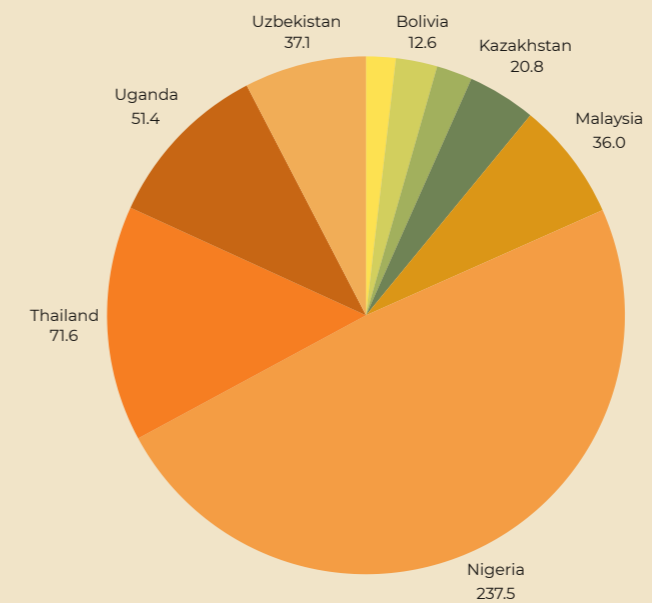
Population of G7 - 2025 (in million)



In total: 790 million people

SOURCE: [UN POPULATION DIVISION](#)

Population of BRICS Partner Countries (in million)



In total: 486.9 million people

SOURCE: [UN POPULATION DIVISION](#)

Brazil's Dilemma

- Is It Possible to Counterbalance any Polarisation within BRICS?

Brazil is taking over the BRICS Presidency at a time when there is a greater chance than ever for the largest Member States to be pitted against each other because of their conflicting interests. The Brazilian BRICS Presidency will be smaller in scale than the Russian Presidency last year, and will focus more on policy objectives in 2025. Brazil's President Luiz Inácio Lula da Silva hopes that this will put the Brazilian economy in a favourable position within the organisation without antagonising its Western partners. The Presidency faces significant challenges with its trade, investment and financial initiatives, its environmental and sustainability projects, the diverging interests of a significantly increased number of Member States and the hawkish foreign policy of the new US President. However, in an ever-changing international political space, the Brazilian Presidency has the opportunity to demonstrate that BRICS can provide solutions to the challenges facing developing countries.

Brazil has taken over the rotating presidency of BRICS from 1 January this year, for the fourth time since the organisation was established. A summit of the grouping's leaders is scheduled to take place in Rio de Janeiro in July. The following is a summary of how Lula's planned orientation and projects fit in with Russian and Chinese visions and what challenges the grouping will face in 2025.

Although there is still disagreement on some of the objectives of BRICS, it is now clear that the Cooperation Organisation makes an attempt to counterbalance the influence of Western-dominated global institutions. In recent years, the interstate cooperation association has set itself a number of concrete tasks, but the relevant differences between Member States in their political, economic systems and geopolitical situations have not contributed to the rapid achievement of the expected results. The

association's achievements are mainly economic: 1) a New Development Bank (NDB) was established for the countries of the 'Global South', alongside the IMF and the World Bank; 2) a Contingent Reserve Arrangement (CRA) was agreed upon to provide foreign currency funding to countries facing liquidity problems (more than 40% of contributions is provided by China); 3) the intention was expressed to create a common currency to counterbalance the US dollar's hegemony in global financial markets. The introduction of the single currency is still a long way off and is unlikely to take place in the near future. Another important area of cooperation is enlargement, the latest criterion of which was set at the 2024 Kazan Summit which paved the way for a partnership association for cooperation in trade, finance, and research and development.

Brazil, as a founding member, has started the BRICS Presidency with high hopes and has been playing a major role in leading discussions on global governance reforms. During the period of former President Jair Bolsonaro (2019-2022), the restrained policy was replaced by Lula's energetic approach, which may culminate under the current Presidency. However, with the recent acceleration of the continuous enlargement of BRICS, there is a risk that the country will lose influence and its agenda may be dwarfed by that of larger countries such as China and India. For this reason, and because of the potential influence that the rotating presidency offers, President Lula will do his utmost to influence the direction of the bloc's expansion, both in terms of the identity of its members and its goals and tasks.

The motto of the Brazilian Presidency is 'Strengthening Cooperation in the Global South for More Inclusive and Sustainable Governance', under which Brazil has [set itself](#) two main priorities: promoting cooperation between the 'Global South' and reforming global governance. The declared objective of BRICS is to position itself under the Brazilian Presidency as a representative of developing countries.

Compared to the programme of the Russian Presidency, which set more general but nevertheless ambitious goals, the Brazilian Presidency has announced a more focused and limited (and therefore more feasible) [five-point programme](#) which primarily reflects Brazil's foreign policy objectives:

1. *Promoting economic cooperation between the countries of the 'Global South', building on multilateralism.* Facilitating investment and

trade within the group, fostered by a transition to an alternative payment system. BRICS Pay, an alternative payment system initiated by Russia, which has been ousted from the SWIFT international interbank communication system, is now an established system among BRICS Member States and is seen as a key depository for achieving a multipolar global economy. After a very active Russian Presidency in this area, Brazil, by contrast, is expected to make efforts to shift the focus from dedollarisation to the use of local currencies. Lula does not want to engage in an open confrontation with the US on this issue. This issue also includes the question of enlargement, as it will be decided during the Brazilian Presidency whether the new members invited to join the organisation will be full members or partner countries. Of course, China and Russia will also have a major role to play, but the final decision will, in theory, be taken unanimously by the Member States.

2. *Strengthening the institutional framework of BRICS.* It is an impressive plan, which cannot be implemented in haste and the strength of BRICS must also be taken into account: it gives members the freedom of initiatives and their room for manoeuvre is not bound by complicated treaties. However, the aim is to develop a more efficient decision-making mechanism.

3. *Responsible governance of artificial intelligence (AI) for sustainable development.* As there has not been any global agreement on the governance of AI to date, the Brazilian Presidency is taking the initiative to reach an agreement within BRICS, setting an example for the rest of the world. Initiatives to regulate

artificial intelligence have not been endorsed by the Brazilian Presidency. Already during the Russian Presidency last year, the issue played a key role and a plan for an AI Alliance Network between BRICS Member States was developed, with the aim of providing an alternative to Western, mainly US-dominated AI technologies and systems.

4. *Public health cooperation between member countries* to improve public healthcare and to effectively manage pandemics based on the experience of the past years, referring to the omissions made or presumed to be made by the WHO during the COVID-19 pandemic.
5. *Strengthening climate protection and sustainability and the underlying financial structures.* This is also in line with this November's COP30 Climate Change Conference, also [to be hosted](#) by Brazil, where climate finance is also expected to be discussed. Lula is also keen on implementing the planned market for an innovative, co-regulated carbon market envisaged by the Kazan Agreement, which could in principle be useful, given the frequent stalemates in global environmental negotiations.

Brazil is committed to the above goals, but the Brazilian Presidency is expected to face imminent challenges in order to ensure that these promising goals are achieved. Ensuring the viability of the organisation itself is of utmost importance. It must be decided whether BRICS wants to function as an effective grouping in the near future or not. The main critics of the enlargement of BRICS (even Brazil itself) feel that the accession of many new members could dilute the organisation, in some cases rendering it indecisive or simply ineffective.

Several member countries have already had troubled relations with each other (see the conflicts between China and India), and the admission of more countries could further strain the organisation's ability to function. This is why the so-called 'Partner Country' cooperation category was created, giving the new countries only symbolic powers until the Member States grant them advancement towards a full status. However, this twin-track solution could be dangerous for the existence of the organisation, as it could lead to the admission of many members who could undermine cohesion (see the heated debates over the invitation of Venezuela). The 'I'll let you in if you let my candidate in' approach may lead to aspiring countries becoming members without any abidance or commitment (see the case of Belarus, Cuba, Bolivia). In the case of the current partner countries, conditionality is practically limited to an anti-West attitude, but this is not enough to make BRICS stronger and more viable. Brazil is aware of this, and is trying to introduce more efficient selectivity and to maintain a balance between quality and quantity, but without excluding the wider 'Global South' concept. At the Kazan Summit, the importance of replacing the US dollar with a new currency was reiterated and Brazil itself argued fervently in favour of it. US President Donald Trump responded by threatening with the imposition of tariffs on the BRICS countries, and it seems to have been effective. More and more States are stressing that they do not want to replace the US dollar with a new currency, but would prefer to use the local currency.

This has undoubtedly benefited China, as the yuan is already the most important foreign currency in many BRICS countries, including Brazil. However, dedollarisation, i.e. replacing the US currency with a presumably weaker local currency, seems difficult

to be rationally feasible for all members.

Lula has long been promoting the triangle of sustainability, environmental protection and energy transformation. As a result of climate change, Brazil has recently experienced severe floods in the South and scorching droughts in the North. The country is therefore strongly focusing on rapid agricultural adaptability, but cannot ignore the growing global market demands, either. This is a huge challenge for the country, as increased agricultural production has to go hand in hand with the protection of the natural environment, including rainforests, soil and surface and groundwater, which is a complex issue. The Brazilian BRICS Presidency will find it difficult to reach significant systemic achievements, as it will have to take into account the interests of other gas and oil producing countries within the group, such as Russia, the United Arab Emirates, Iran, or the new partner country, Nigeria. The two countries with the largest industrial capacity, China and India, also face significant constraints in these areas.

On the trade front, Brazil is struggling, if not openly, against 'asymmetric interdependence', where China's dominance in manufactured goods undermines industrial activity in several countries, including Brazil. Lula is therefore stressing the importance of trade balance and trying to invite as many of his neighbours as possible to join the group.

Brazil will be keen to preserve its neutrality during its BRICS Presidency. However, this neutrality will be increasingly difficult to preserve in a polarising world. Brazil has been under increasing pressure to meet Russian and Chinese expectations within the BRICS, while at the same time the aim is not to alienate the United States, either. This uncomfortable dichotomy [appears](#) in an observation of Brazil's BRICS ambassador (and thus head of the Brazilian BRICS

Presidency) Eduardo Saboya, who, the day after President Trump's inauguration, contradicted the Kazan Summit by claiming that there had never been any plan to replace the US dollar within BRICS.

Despite the above-mentioned difficulties, the programme of the Brazilian BRICS Presidency aims to mobilise substantial resources to tackle several global problems in developing countries. Thanks to the draft, significant progress can be expected in several areas, such as the comprehensive development of trade relations and the definition of the basis for AI regulation.

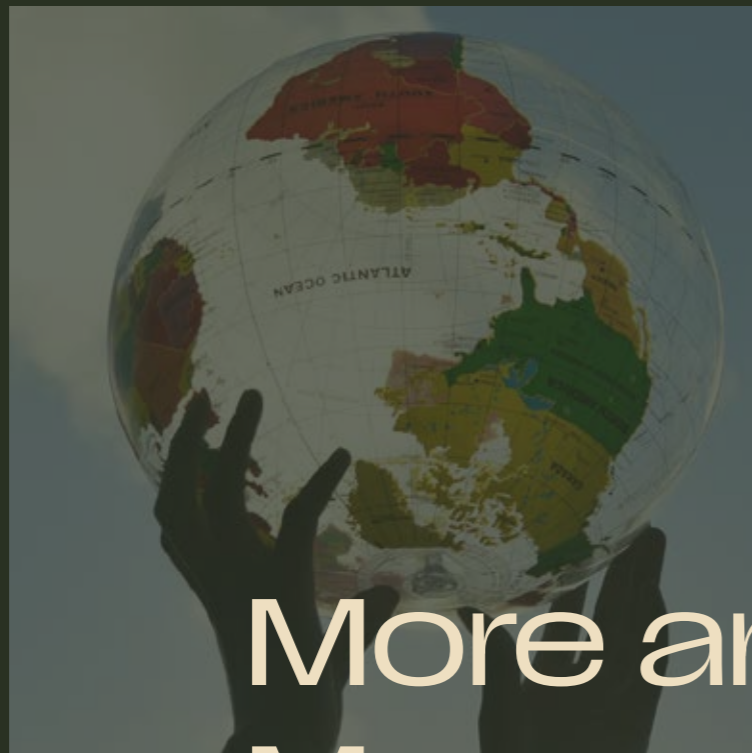
Brazil is therefore trying to focus its Presidency on the policy issues of BRICS cooperation, such as sustainability, good governance or the regulation of artificial intelligence, and, as a result of the radical tariff policy of the new US administration, it is also trying to avoid even the pretense of dedollarisation initiatives in basic trade cooperation.

Although Indonesia was admitted to join the BRICS group at the very beginning of the Brazilian Presidency, this was the outcome of processes that were independent of the Brazilian Presidency. Brazil is not expected to put the issue of further enlargement on its Presidency agenda, enlargement issues are nevertheless decided on a consensus basis, so Brazil alone will not be able to obstruct the admission of further members. One of the greatest challenges of the Brazilian Presidency, beyond global economic developments, arises precisely from the enlargement processes that have already taken place. Hundreds of working groups will form the backbone of cooperation, and the Brazilian Presidency will be responsible for integrating the new Member States adequately and establishing cooperation mechanisms with the constantly increasing partner countries.

Zsolt Reile, Senior Research Fellow, HIIA

Why is BRICS

Attracting



More and More Countries?

The most important element driving the BRICS expansion is its comparative attractiveness as an organization of last resort. Until recently, it was not an alternative, as many critics have pointed out. Its original purpose was that of a lobby group for the reform of the United Nations, at best a safety net if the Western (financial) order failed. But today BRICS is becoming an alternative, not because of a sudden explosion of desire or internal consolidation and convergence among existing members, but because the West is systematically and meticulously dismantling the post-1945 international order it created and imposed on everyone else. New candidates are queuing up to join BRICS because there is no other viable protective global framework in many areas of security. The imminent re-militarization of the West will further accelerate the expansion of BRICS for the same reasons.

BRICS Has Not Changed, but the International Environment Has, Thus Making It Attractive

In its first decade, the BRICS coalition was often dismissed as a spectacle of eccentric leaders searching for meaning. In a 2012 interview with the New York Times, [Yasheng Huang](#), a professor of global economics at MIT said: "It's not a policy bloc at all." Adding, "It's really a photo op. It is really this idea that the West is no longer or should no longer be viewed as the only center of gravity." The members themselves were relatively silent on the direction the forum should take. That was matched by a relatively low level of outside interest, with few seriously considering joining. There was no particular reason or urgency to do so. For the [sceptics](#): "BRICS looked dead."

In recent years, however, the landscape has changed dramatically, with a growing number of countries expressing interest in joining BRICS. Analysts largely agree that the shift in perception was influenced by the West's reaction to Russia's invasion of Ukraine in 2022. That reaction made it clear to many in the 'global South' that despite nearly 70 years of UN

membership, their perspectives remain largely overlooked in global decision-making. In turbulent times therefore, any form of solidarity framework can be invaluable in protecting national sovereignty. Prince Faisal bin Farhan, the Saudi foreign minister, speaking at the BRICS summit in South Africa (2023), indicated what his country would gain from BRICS: "respecting the independence and [sovereignty of states](#), and not interfering in their affairs."

More countries are now attracted to BRICS not just because of the influence of China, Russia or anti-Western sentiment, but because they recognize its potential to amplify their voices in the international arena. Thailand, for instance, officially drafted a letter of intent earlier this year, noting in a statement that "joining [BRICS would benefit Thailand](#) in many respects" and that membership would boost its "prospects of being one of the international economic policy makers." After the latest round of enlargement, with Indonesia [joining](#) BRICS as a full member, there are now 10 member states,⁹ Partner

Countries and, according to the latest reports, some 30 others [aspiring](#) to join the grouping. With enlargement policy prevailing, BRICS will soon be equal in size and importance with the [OECD](#).

Added to that is a growing sense of disorientation as the West ignores or creates procedural dysfunction in global governance, particularly in the functional areas of trade, justice and health. [Eric Posner](#), professor at the University of Chicago Law School, says: "The ruins of international law are all around us, reflecting the breakdown of globalization, neoliberal democracy, and other postwar American-led projects." He then goes on to list the organizations that are made irrelevant: the WTO, International Court of Justice, the International Criminal Court and soon the World Health Organization. For example, in trade and disease control, small countries cannot operate effectively without international standards and access to scientific information. Being part of a trusted network of specialized institutions is important for most countries because of limited state capacity, especially in the case of [small and fragile states](#).

All that requires autonomous non-Western frameworks in every area of expertise and resource control. The West had several centuries to create those structures, forms of cooperation and the necessary socialization. BRICS is trying to do the same but in a very limited timescale. The BRICS countries have to extract themselves from the Western systems and at the same time put in place workable alternatives. That implies double the effort and cost, along with all the uncertainties due to [western sanctions](#). The other main problem is that BRICS has considerable [investment capacity](#), though that is dispersed and uncoordinated.

With the exception of China, BRICS is a collection of high-growth middle powers. By the very nature of their structural position, they have the size and base framework for capacity building. What is more interesting is that their competences and specializations vary. [Dani Rodrik](#) (Professor of International Political Economy at Harvard Kennedy School) had this to say of BRICS and middle powers: "Perhaps the most important contribution middle powers can make is to demonstrate, by their example, the feasibility of both multipolarity and diverse development paths in the global order. They offer a vision for the world economy that does not depend on either America's or China's power and goodwill." It is therefore very probable that this middle power potential within BRICS will attract other middle powers, and small countries aggregated to them. Eventually that should create a snowball-effect.

Middle Powers and Socialization and Mutualization within BRICS

BRICS is taking the process of socialization-mutualization, sector-by-sector, patch-by-patch. Thanks to its middle powers, BRICS has latent capacity, it just needs more coordination. Slowly but surely BRICS is tipping the balance in terms of becoming a dominant economic grouping. According to Banque de France, the French central bank, BRICS+ will account for [37.6%](#) of world GDP at PPP in 2027, compared with 28.2% for the G7. It should come as no wonder that the group has become the [global food store](#), producing 42% of the world's wheat, 52% of its rice and 46% of its soya. Furthermore, the group controls 42% of the global [oil production](#) and 35% of total oil consumption. China and India are naturally the two

largest commodity consumers, while the others are producers. Currently, transactions between member countries happen in an ad hoc manner, though there are serious undertakings in progress toward building a BRICS commodities [exchange](#).

Conclusion: Factors That Can Slow, Disrupt, or Stop the BRICS Expansion

The potential for disunity in BRICS is considerable. The divergent aspirations of some members to align with Western interests, while others seek to displace them, have fostered divisions and a climate of mistrust. That situation mirrors the dynamics within the current UN Security Council, where the original BRICS members may inadvertently hinder the group's expansion. BRICS members and aspiring members should recognize this moment as an opportunity to reassert authority over global governance. The expansion of BRICS must be swift, as the West is likely to reassert itself with considerable military might, potentially destabilizing the global balance of power. A robust and cohesive BRICS alliance is essential to prevent the world from descending into a prolonged state of conflict. It is therefore imperative for BRICS to strengthen its integration and expand its membership, for the sake of its own security.

Ramachandra Byrappa, Senior Research Fellow, HIIA

Building the New International Order and the Russian Presidency of BRICS in 2024

The main priorities of the Russian Presidency of BRICS included the strengthening of financial cooperation between the BRICS countries and preparing the ground for further steps towards dedollarisation. The fact that since the Russian invasion of Ukraine five new members were admitted to BRICS means for Moscow that states of the 'Global South' do not reject Russia's actions. However, Russia also places strong emphasis on how the new composition of BRICS will reshape the dynamics of the cooperation.

The Russian Federation took over the Presidency of BRICS in 2024 under the motto 'Strengthening Multilateralism for Equitable Global Development and Security'. According to Russia's vision, BRICS could form the basis of an equitable multipolar world order, based on a mutually beneficial system of relations based on economic rationality, without liberal ideologies, interference in the internal politics of countries and external actors' instruments of financial pressure. However, managing BRICS and shaping cooperation is not easy. Today, BRICS is a community without obligations, organised along the same or at least similar interests, with at least as many conflicting as shared interests. Russia's objectives are more specific in this respect, although they are similar to those of its fellow members in many respects. China and India, the economic driving forces of BRICS, remain interested in maintaining an adequate relationship with the West for their own commercial and economic interests, and cannot

take measures that would favour Russian interests. Moreover, Russia cannot impose its will on them, because, with a little exaggeration, it is thanks to them that its economy survives. Therefore, for the time being, BRICS is a 'friendship group' based on a sophisticated system of checks and balances, which, while keen to grumble about the global dominance of the United States and the West, is happy to trade with them.

Recognising and acknowledging this fact should be factored in the assessment of the achievements of the Russian Presidency. In line with the announced motto of the Russian Presidency, it envisages equitable global development and security along the lines of realistic autonomy, which requires institutionalised practical mechanisms for each member. Accordingly, [the main priority of the Presidency](#) was financial cooperation. In Russia's reading, this would primarily mean the development and introduction of mechanisms that are capable of replacing the dominance of the dollar in international trade, but at the same time operating along alternative payment systems that are free from the supervision of existing financial systems. Russia, which has less and less to lose in this respect, takes a bolder stance than other member states, but Russian plans for a financial 'revolution' were not greeted with undivided enthusiasm. While these initiatives have not been abandoned, highlight has been put on developing theoretical and practical

backgrounds for such endeavours. On that basis, a plan to create a supranational platform for central bank digital currencies and digital financial instruments was presented, and the possibilities for the development of a BRICS clearing and deposit infrastructure, i.e. the BRICS Clear, were explored. The year of the Russian Presidency also saw the organisation of the first cross-border [cyber exercise](#) of member states' central banks which enabled these institutions to explore and develop their joint response skills to cyber-attacks.

Another declared goal of the Russian Presidency was the enlargement of BRICS. This idea has caused a great deal of consternation, as witnessed after Russian President Vladimir Putin's visit to Baku and Azerbaijan's announcement on its intention to join the grouping. However, the 'Big Bang' enlargement of BRICS has been cancelled and instead cooperation will be deepened in the frameworks of the newly established status of BRICS Partner Countries and the BRICS Plus/Outreach formats.

Russia may also propose the establishment of an alternative [grain and commodity exchange](#) which, in Russia's reading, is officially intended to improve global food and energy security on a practical and not ideological basis. The real aim of the exchange is to exempt Russian grain and raw materials market turnover from Western sanctions.

It can be concluded that the Russian Presidency has achieved mixed results in terms of achieving its declared goals, with only partial successes on the issues it has always had in mind: financial independence from the West, extension of the system of allies, development of alternative trade regimes. At the BRICS Summit held in the Russian city of Kazan, these were only accepted in principle or replaced by a partial solution. However, the Russian Presidency also had an undeclared goal, i.e.

to spectacularly deny the West's desperate efforts to isolate Moscow – and it has clearly achieved it. 41 international delegations [participated](#) at the Kazan Summit (35 countries and 6 international organisations, including the UN). At the summit, Russia and Putin demonstrated that a large part of the world, or the 'global majority' in Russian colloquial, disagrees with mainstream Western narratives and exceptionalism.

Moscow knows that it cannot gain economic leadership within the BRICS, since it cannot compete with India and China. Its economic and global policy goals are therefore formulated in a way that benefits both countries, while they encounter no problems in acquiring Russian energy resources; but it also sends a message to African countries, for whom food security is critical. Since it cannot assume economic leadership, Moscow is trying to offer an ideological alternative to countries that disagree with the prevailing dogmas of the liberal world order. The Kremlin believes that Russia has a mission: to act as a civilizational model that may as well be attractive to societies organised along traditional values, Christians and Muslims alike. It is no coincidence that during the Russian Presidency, the BRICS Summit was held in Kazan, the capital of Muslim-majority Tatarstan, signalling the unity of Russian society, regardless of the religious or ethnic affiliation of their members.

Russia, while expressing high hopes and ambitions towards BRICS in its communication, is also aware of its limitations. In spite of the fact that the majority of member countries talk about the need to create a new world order, their prosperity depend heavily on those against whom they take their stance. Moscow, therefore, is strengthening its position within the BRICS where it can favour the larger economies without threatening their ideological positions.

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