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BRICS: Time for
Consolidation

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The Widening Path
of the NDB

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To Another Golden Decade



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China Confirms India's Withdrawal of Troops, Equipment from Dong Lang

On August 28, China confirmed via on-site checks that India has withdrawn personnel and equipment from Dong Lang (Doklam) after a military stand-off lasting more than two months.

Chinese Foreign Ministry spokesperson Hua Chunying said that Chinese personnel completed the on-site check around 2:30 p.m., adding that China will continue to safeguard its territorial sovereignty according to historical boundary treaties. The Chinese government values its neighborly friendship with India, Hua said. It expects India to respect historical boundary treaties and basic principles of international law, and to work with China to safeguard peace and stability in the border area on the basis of mutual respect of each other's territorial sovereignty.

BRICS Seminar on Governance in Quanzhou

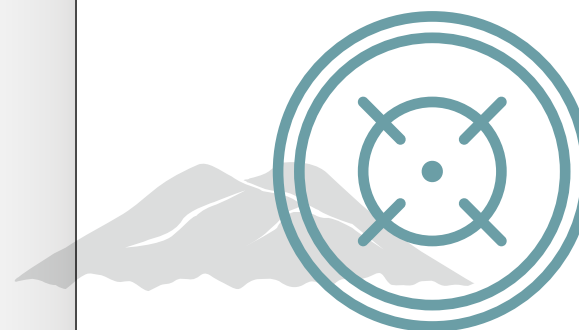
The BRICS Seminar on Governance was held in Quanzhou, Fujian Province, China, from August 17 to 18. More than 160 academics, consultants and business leaders from BRICS countries as well as other emerging markets and developing countries attended. The seminar featured an opening ceremony and three parallel meetings respectively focused on "enhancing reform for common development", "increasing communication for cultural prosperity", and "strengthening collaboration on global governance".

The seminar reached the Quanzhou Consensus of the BRICS Seminar on Governance, which proposed that BRICS countries make development the top priority, work on win-win cooperation between BRICS countries, amplify BRICS voice in global governance and actively strengthen cultural exchange between the countries. During the seminar, think tanks from China and other countries signed a series of cooperative agreements.

Ministry of Foreign Affairs of China Issues Document titled *The Facts and China's Position Concerning Indian Border Troops' Crossing of the China-India Boundary in the Sikkim Sector into Chinese Territory*

On August 2, 2017, China's Ministry of Foreign Affairs issued a document titled *The Facts and China's Position Concerning Indian Border Troops' Crossing of the China-India Boundary in the Sikkim Sector into Chinese Territory*. According to the document, the Dong Lang area (Doklam), which is located on the Chinese side of the boundary, is indisputably Chinese territory. On June 16, 2017, Chinese construction workers began building a road in the Dong Lang area. On June 18, more than 270 Indian border troops carrying weapons and two bulldozers crossed the boundary in the Sikkim Sector at the Duo Ka La (Doka La) pass and advanced more than 100 meters into Chinese territory to obstruct the Chinese road construction, causing tension in the area. In addition to the two bulldozers, the trespassing Indian border troops, which numbered as many as over 400 at one point, pitched three tents and advanced over 180 meters into Chinese territory. As of the end of July, more than 40 Indian border troops and one bulldozer still illegally remain in Chinese territory. The incident occurred in an area where there is a clear and delimited boundary. The issue is fundamentally different from

past incidents between border troops in areas without delimited boundaries. The Indian border troops' crossing of a clearly defined border is a very serious incident that violates China's sovereignty and territorial integrity, contravenes the 1890 Convention and the UN Charter, and flagrantly tramples the basic principles of international law and basic norms governing international relations. Since the incident began, India has offered a wide array of excuses to justify its illegal action, but none of its arguments hold any factual weight or legal validity.



BRICS Tax Heads Meet in Hangzhou

The Meeting of BRICS Heads of Tax Authorities 2017 was held in Hangzhou on July 27. This taxation-related ministerial conference leads up to the ninth BRICS Summit in Xiamen in September. At the meeting, heads of tax authorities of the five countries signed the BRICS Taxation Cooperation Memorandum, the bloc's first document to elevate taxation cooperation to an institutional level.

Seventh BRICS Security Meeting Held in Beijing

The seventh meeting of BRICS senior representatives on security issues was held at the Diaoyutai State Guesthouse in Beijing from July 27 to 28. Chinese State Councilor Yang Jiechi chaired the meeting, while his counterparts from the other four countries attended.

The meeting focused on global governance, anti-terrorism, internet security, energy security, hot-button global and regional issues and development.

All parties agreed to constantly expand the role of the mechanism and the meeting and promote in-depth development of BRICS cooperation in political security. All parties agreed in their commitment to improve global governance, effectively cope with global threats and challenges, advance international order in a fairer and more reasonable direction and promote economic globalization as a more open, benefit-sharing and inclusive force. All parties agreed to strengthen communication and cooperation in anti-terrorism, cybersecurity, energy security and other fields, expand the roles of consultation mechanisms at all levels, enhance communication and coordination and speak with a louder BRICS voice.

Fifth BRICS STI Ministerial Meeting in Hangzhou

The fifth BRICS Science, Technology and Innovation (STI) Ministerial Meeting was held from July 17 to 18 in Hangzhou, Zhejiang Province. The meeting produced many important agreements concerning policy exchange of STI, cooperation in special fields, jointly sponsored multilateral research programs, young entrepreneur innovation and start-ups as well as cooperation on science and technology parks. After the meeting, the "Hangzhou Declaration", "BRICS Action Plan for Innovation Cooperation" and "BRICS Work Plan for Innovation (2017-2018)" were all signed.

As an important multilateral mechanism, the BRICS STI Ministerial Meeting is playing a more important role in the global governance of innovation. South Africa will host the sixth BRICS science, technology and innovation ministerial meeting.

China and Brazil's Guiding Role in BRICS Cooperation

By Li Jinzhang



As the two largest developing countries in the eastern and western hemispheres and two important members of BRICS, China and Brazil have engaged in pragmatic cooperation across many fields, not only playing a guiding role in the development of the BRICS cooperative mechanism, but also enhancing the China-Brazil strategic partnership comprehensively to enable a leap-forward development.

In September, the 2017 BRICS Summit will be held in Xiamen, Fujian Province in southeastern China. A meeting held at an important juncture of the BRICS mechanism as it steps into its second decade, the gathering is expected to play a significant role in bridging the past and future. Under the theme of "BRICS: Stronger Partnership for a Brighter Future," the meeting will focus on building consensus, drawing blueprints, sharing cooperative experience in improving global

governance, enhancing pragmatic cooperation, increasing cultural exchange and strengthening the construction of BRICS mechanisms.

Since assuming the rotating presidency this year, China has been working with other members to improve new forms of BRICS cooperation in politics, economics and public benefits, which has not only fostered new avenues of BRICS cooperation but also laid a solid foundation for the success of the upcoming Xiamen summit.

First, the role of BRICS as a global governance accelerator has become increasingly clear. Currently, the global political and economic situation is positioned at a critical crossroads requiring profound adjustment. The rise of "counter globalization" movements around the world has exacerbated uncertainties in global governance and made it more difficult. Against this backdrop, Chinese President Xi Jinping presided over an informal meeting of leaders of BRICS countries on the sidelines of the G20 Summit in Hamburg

in early July.

During the meeting, the five leaders exchanged ideas on key issues involving the global political and economic situation and reached important consensus on increasing solidarity and coordination, building an open world economy, improving global economic governance and promoting sustainable development. Together, they made BRICS a strong voice to promote new globalization featuring openness, inclusiveness, universal benefits, balanced and win-win development, and shifting the international order to develop in a more reasonable and fair direction.

Second, the role of BRICS as an international stabilizer has become more pronounced. Global geopolitical factors are more complex today, as regional conflicts break out one after another. Cyber-security and terrorism are causing increasing concerns, and traditional and non-traditional security challenges are becoming more intertwined.

To safeguard international fairness and justice, BRICS countries agree on the principle of multilateralism and always work together to tackle major international and regional issues. They exhort all parties to solve regional conflicts and disputes through peaceful and diplomatic means. The group advocates fully utilizing multilateral mechanisms such as the United Nations to discuss international rules, build partnerships and address global challenges to

achieve peaceful coexistence and a win-win future for all countries.

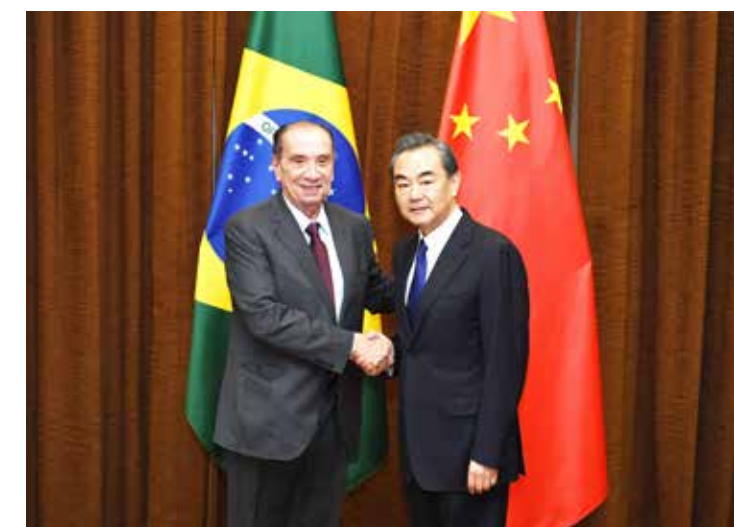
At the Seventh Meeting of BRICS High Representatives for Security Issues and the meeting of BRICS Ministers of Foreign Affairs recently held in Beijing, the members had in-depth discussions on issues such as global governance, counter-terrorism, cyber-security and energy security as well as major international and regional issues. They staunchly promoted development of BRICS political security cooperation and inspired optimism in world peace and stability.

Third, the role of BRICS as a booster of solidarity and cooperation between developing countries has become more important. In the last decade, BRICS countries' share of the global GDP has increased from 12 percent to 23 percent, and share of foreign trade increased from 11 percent to

16 percent. Share of foreign investment rose from 7 percent to 12 percent and their total contribution to world economic growth increased to a staggering 50 percent, marking a simultaneous rise of emerging markets and developing countries encompassing BRICS.

By firmly upholding development as the core goal, BRICS countries have carried out fruitful cooperation in fields of economics, finance and trade. They created a wide-ranging, multi-level and comprehensive cooperation pattern, made a series of groundbreaking and symbolic achievements, such as the foundation of the New Development Bank (NDB) and the publication of the BRICS Contingent Reserve Arrangement (CRA). Through joint efforts, they promoted the "BRICS+" cooperation model and built a broad platform for South-South cooperation. Recently,

June 16, 2017: Chinese Foreign Minister Wang Yi (right) attends the second China-Brazil Foreign Ministerial-level Comprehensive Strategic Dialogue in Beijing with his Brazilian counterpart Aloysio Nunes. by Cui Nan/China News Service/VCG



the NDB released a five-year development strategy focused on financing infrastructure and other projects, which is expected to inject new energy into emerging markets and developing countries.

Fourth, the role of BRICS as a cultural exchange platform has become more necessary. The BRICS countries are found in Europe, Asia, Africa and South America, far-away places with distinct cultural heritages and folk features.

In recent years, the five countries have launched a wide variety of cultural exchange programs and greatly enhanced the people-to-people ties.

This year, China has conducted rich and colorful cultural exchange activities with other BRICS countries such as the Fifth Meeting of BRICS Education Ministers, the BRICS Games, the BRICS International Film Festival, BRICS Political Parties, Think-tanks and Civil Society Organizations Forum, the BRICS Media Summit, BRICS Health Ministers Meeting and High-level Meeting on Traditional Medicine, aiming to encourage people from all walks of life in BRICS countries to carry out friendly exchanges and promote cultural cooperation at a deeper and more concrete level. These efforts will consolidate public support and provide a strong impetus for the BRICS cooperation in every realm.

As the two largest developing countries and important members of BRICS, China and Brazil have maintained close

communication and cooperation in bilateral and multilateral mechanisms and promoted leap-forward development and a comprehensive strategic partnership.

In political security, the two countries have maintained frequent high-level exchanges. For example, the China-Brazil High-level Coordination and Cooperation Committee and similar mechanisms have been continuously improved, leading to tighter bilateral relations. Exchanges between legislators, military and officials in other sectors have become more frequent, adding more strength to the bilateral relations.

In economics and trade, China-Brazil cooperation has maintained high-speed development and formed a "three-wheel-drive" pattern across trade, investment and finance. In 2016, bilateral trade volume reached US\$58 billion. So far, China has invested more than US\$40 billion in Brazil.

Not long ago, a joint China-Brazil investment promotion fund was launched in Sao Paulo, Brazil, providing strong financial support for the expansion and upgrade of bilateral cooperation.

In the field of cultural exchanges, China-Brazil cooperation has also been promoted heavily. There are now 13 Confucius Institutes and Confucius classrooms in Brazil, ranking first in Latin American countries. Cooperation in scientific and technological research has become a highlight. The two

countries have made steady progress in the fields of earth resource satellites, smart cities, electric vehicles and polar scientific expedition.

China and Brazil have also maintained close coordination in international affairs. For example, the Second China-Brazil Foreign Ministerial-level Comprehensive Strategic Dialogue was held in Beijing on June 16, 2017, which enhanced mutual understanding and strategic trust. Furthermore, China and Brazil both seek to develop on new ideas, such as their cooperation through platforms such as the Belt and Road Forum for International Cooperation. China and Brazil have played a basic and guiding role with pragmatic effort as an important part of overall BRICS cooperation.

Years of efforts have resulted in good achievements. Thanks to the joint efforts of China, Brazil and other BRICS members, the upcoming Xiamen summit will produce fruitful results. All signs point to wider pragmatic BRICS cooperation at new levels, accelerated progress in BRICS mechanism construction and greater international influence of the BRICS coalition. Ultimately, the group will open the door to a brighter future for shared development in other developing countries as well as promoting world peace and development. ■

The author is the Chinese ambassador to Brazil.

Working Together for Future BRICS Cooperation

By Li Hui



For a decade, BRICS countries continuously strengthened dialogue and cooperation, injecting new energy to drive the world economy, reform global economic governance and facilitate the democratization of international relations.

A new concept, BRICS has become a cooperative mechanism involving the five leading emerging economies, under which the leaders of all five countries regularly meet. Additionally, it sponsors a series of exchange activities like ministerial meetings, business forums, think tank forums and media summits. For a decade, BRICS countries continuously

strengthened dialogue and cooperation. By setting up the New Development Bank and Contingent Reserve Arrangement, BRICS has realized a transformation from concept to real entity that has been injecting new energy to drive the world economy, reform global economic governance and facilitate the democratization of international relations.

BRICS countries are all at similar phases of

development, share common historical responsibilities and look towards the same developmental aims. The large populations of BRICS countries give them huge market potential, which in turn enables complementary economic cooperation. Against the backdrop of complex and changeable international and regional situations as well as slow global economy recovery, the five countries have

reached political and social consensus on more extensive cooperation, which has not only influenced the development of the five countries but also affected international economic growth and the trends of global institutions and world order.

Firstly, the grouping seeks to build a community of common interests for BRICS countries. In 2013, Chinese President Xi Jinping proposed the “Belt and Road” Initiative, which has drawn recognition and support from many countries and provided opportunities for BRICS countries to widen their strategic cooperation space and update pragmatic cooperation. Russia is one supporter of the “Belt and Road” Initiative. In May 2015, state leaders of China and Russia signed a joint statement on integrating China’s Silk Road Economic Belt initiative with Russia-led Eurasian Economic Union (EAEU) construction, evidencing both countries’ determination to arrange a community of interests. China and other member countries are exploring cooperation in national and regional development strategies. The export of China’s capital and production capacity can promote the construction of infrastructure and the update and transformation of industries in BRICS countries. The interests of the five countries and their peoples are all closely related.

Secondly, BRICS seeks to build a community of common activities. As major

countries in their respective regions, BRICS members all maintain a strong sense of responsibility and hope to set up a global governance system based on multi-polar principles and mirroring new world political and economic development situations. Only when BRICS countries unite to speak with a single voice can they realize their strategic interests and exert the most powerful influence on current international patterns and global governance. State leaders of BRICS countries meet regularly to exchange ideas on important international and regional issues. They work together to deal with world affairs and uphold United Nations core status on world affairs to promote the democratization of international relations as well as world peace and development. BRICS countries endeavor to gain more influence and input by sending a uniform voice and collectively play a more important role in improving global governance and promoting multilateralism.

Thirdly, BRICS aspires to build a community of common responsibility. Chinese President Xi Jinping pointed out that BRICS countries play a lead role in emerging market countries and developing countries. At present, the world is unsafe and challenged by rising trade protectionism, hegemony, power politics and unilateral sanctioning behavior. Facing unfair and unreasonable world order, BRICS countries have the responsibility to protect the common

interests and concerns of emerging market countries and developing countries on issues like climate change, IMF reform, anti-terrorism, transnational crime and internet security. Meanwhile, as big new economies and stakeholders in considerable global interests, BRICS countries have the ability and responsibility to provide feasible plans to address global challenges. While doing their own things domestically, BRICS countries will provide more public products for the international community.

The Ninth BRICS Summit, themed “BRICS: Stronger Partnership for a Brighter Future,” will be held in Xiamen, China, in September and draw global attention. As host and rotating chair of the group, China is striving to promote BRICS cooperation on wider, deeper and more pragmatic levels as BRICS enters a second “golden decade.” Against the backdrop of global economic and political patterns undergoing in-depth adjustment and emerging market countries and developing countries represented by BRICS rising together, it is my opinion that if the five countries can maintain principles of open, inclusive, cooperative and win-win work that continuously enhances the partnership, cohesive forces and positive action in member countries, BRICS cooperation has a promising future. ■

The author is the Chinese ambassador to Russia.

BRICS Collaboration and China-India Cooperation

By Luo Zhaohui



China-India cooperation not only reflects the requirements for the two countries as key BRICS members, but is logical choice for their development.

China is now leading the BRICS mechanism into a second “golden decade” as the country assumes the rotating chair of the influential group in 2017. Over the past 10 years, BRICS mechanism has ushered in a new era of unity and cooperation between emerging markets and developing countries, and left a brilliant record of BRICS countries working together to accelerate global economic growth, improving global governance and promoting democracy in international relations.

The BRICS mechanism conforms to the trend of multi-polarity and economic globalization, and represents the consensus of its five members, which all seek cooperation and development. Chinese President

Xi Jinping once likened the BRICS countries to five fingers—each having distinctive features and strengths, but form a powerful fist when clenched together. Guided by the principle of development through cooperation, BRICS countries have become increasingly stronger over the past decade. Their combined GDP has increased from 12 percent to 23 percent of the world’s total, trade volume from 11 percent to 16 percent, and outbound investments from 7 percent to 12 percent. BRICS members collectively contribute to more than 50 percent of global economic growth. Moreover, BRICS countries continue expanding scopes of cooperation, from economic and trade cooperation to three pillars of cooperation—

political security, economy and finance and people-to-people exchanges, making the group a significant player on the world stage.

Cooperation and development complement each other. This is the most important lesson drawn by BRICS countries in the past decade of evolvement of the BRICS mechanism. The world today has reached a new historical stage. The world economy has already begun to rebound, but in-depth contradictions remain unsettled, causing considerable uncertainty. International coordination remains a daunting task. Global challenges in areas like development, refugees, climate change and anti-terrorism are becoming more complex alongside the rise

of nationalism, extremism, anti-globalization and trade protectionism. How BRICS countries tackle new challenges has evoked wide attention from the international community. As President Xi once said, true partnership is not just about celebrating success together—it is more about standing together in times of adversity. Undoubtedly, BRICS countries need to continue to seek answers from collaborative development. At the beginning of this year, President Xi sent letters to leaders of other BRICS countries, putting forward China's ideas for the Xiamen Summit, including deepening practical cooperation for common development, strengthening global governance to jointly address challenges, carrying out people-to-people and cultural exchanges to consolidate popular support, and promoting institution building to forge more extensive partnerships. This roadmap for the deepened cooperation between BRICS countries is concise and clear.

BRICS countries have distinctive features in their development, and can complement each other, creating huge space for cooperation. For instance, China boasts a complete industrial system, advantageous manufacturing products, rich experience in infrastructure construction and a strong financial capacity. Dubbed the world's "back office," India has developed an IT industry with competitive edge and a financial industry with unique feature

while experiencing rapid infrastructure development. If united, BRICS countries will surely give impetus to deepening BRICS cooperation, provide new solutions on global governance, make new contributions to global economic growth, and create a brighter future for themselves and the world.

China-India cooperation not only reflects the requirements for the two countries as key BRICS members, but is logical choice for their development. The two countries share similar development ideas and strategies and can complement each other with their respective advantages. They have more common interests than differences, and greater need for cooperation than competition. In recent years, relations between the two countries have maintained a momentum of development on the whole and cooperation in sectors including politics, economics, trade, culture, people-to-people and local exchanges, law enforcement and security has been substantially strengthened. China and India have particularly engaged in close cooperation in economic and trade sectors. So far, cumulative investment of Chinese enterprises in India has reached nearly US\$5 billion and is still rising. More than 500 Chinese companies have settled in India. Besides early "trailblazers" like Huawei and ZTE, many other famous Chinese enterprises such as China Fortune Land Development Co., Ltd. have also invested in India to build industrial parks and other

projects. Latecomers such as OPPO, VIVO, Xiaomi and Lenovo expanded even faster in the Indian market. In 2016, bilateral trade volume between China and India reached US\$71.18 billion. In the first five months of this year, China-India trade volume stood at US\$33.29 billion, an increase of 22.6 percent year-on-year. India's exports to China increased by 46.4 percent. Sectors such as railways, telecommunication equipment, clean energy, engineering equipment and industrial parks are becoming new platforms for China and India to deepen and expand cooperation. Furthermore, Indian enterprises engaged in information technology, pharmaceuticals and consulting services have entered the Chinese market and performed impressively.

China and India are important neighbors. In recent years, their bilateral ties have generally maintained sound development. Stable China-India relations will not only serve the fundamental interests of the two countries and their people, but also be conducive to regional and global peace, stability and development.

As China-India relations have great potential to grow, the two countries should work together to meet each other half way, strengthen political mutual trust and properly handle differences to ensure their bilateral ties moving forward along the right track. ■

The author is the Chinese ambassador to India.

Working Together for a Second Golden Decade of BRICS Cooperation

By Lin Songtian



In September, BRICS leaders will meet in the Chinese city of Xiamen for the Ninth BRICS Summit. As they meet during the harvest season, BRICS leaders will discuss development plans, build strategic consensus and jointly draw up an ambitious blueprint for BRICS cooperation over the next decade.

This is the second meeting held by China as the BRICS chair. At the last meeting when China chaired the organization, South Africa was officially accepted as a BRICS member. In April 2011, President Zuma visited Sanya, China, attending the BRICS Summit for the first time. In the past six years, South Africa has joined hands with other BRICS members to promote BRICS cooperation,

opening a new chapter of friendship and cooperation between BRICS and African countries.

South Africa's joining BRICS is tremendously significant for the development of the BRICS' cooperation, which is a new mechanism representing the cooperation between emerging economies in the international community. The addition of the "S" to the BRIC acronym indicates that the mechanism enters the African continent which has the largest number of developing countries. BRICS is now associated with four continents, and has become more representative, with greater economic weight and a louder voice. This has laid a solid foundation for developing countries,

including African countries, to be involved in the deliberation and decision-making of international affairs on an equal footing. As the only African country in BRICS, South Africa is a natural bridge between BRICS and the entire continent, playing an important role in helping BRICS enhance its representativeness, increase its strength of cooperation, promote cooperation between BRICS and Africa in maintaining peace, gaining development and facilitating regional integration. As the leading African emerging economy, South Africa has irreplaceable strengths in geographic location, natural resources, know-how and talent resources, making itself an indispensable BRICS partner in Africa. After joining BRICS, South Africa

has made constant efforts for the progress of BRICS cooperation mechanisms. Many important cooperation mechanisms such as the New Development Bank, BRICS Contingent Reserve Arrangement, BRICS Business Council, and BRICS Think Tank Council were decided at the 2013 BRICS Summit, hosted by South Africa in Durban.

BRICS cooperation has also created tangible benefits for South Africa and Africa. In recent years, uniting and speaking with one voice in the United Nations, the G20 and other various institutions of global governance, BRICS has actively promoted a world that is fair, just, inclusive and orderly. By responding actively to Africa's aspirations for addressing climate change, realizing sustainable development, and combating terrorism, BRICS firmly upholds the shared interests of all developing countries. For African countries, no issue is more pressing than development. During the G20 Hangzhou Summit in 2016, China joined South Africa and other BRICS partners in developing the Action Plan on the 2030 Agenda for Sustainable Development. It was the first time that the G20 adopted collective action to support the industrialization of Africa and least developed countries. During the recently concluded G20 Hamburg Summit, BRICS partners called on the G20 to follow the consensus of the Hangzhou Summit regarding the improvement of peace and development in

Africa. With the upcoming official launch of the African Regional Center of the New Development Bank, BRICS cooperation will surely make greater contributions to infrastructure development and sustainable growth in Africa. Cooperation between BRICS and Africa will also serve as a role model to further encourage the rest of the international community to work with Africa to explore potential and create greater opportunities for African countries to realize sustainable development.

As key members of BRICS, both China and South Africa have been builders, contributors and beneficiaries of BRICS cooperation. In recent years, mutually beneficial cooperation between China and South Africa in fields of ocean economics, industry production capacity, economic special zones, infrastructure construction, human resource development,

— April 13, 2011: President Jacob Zuma of South Africa (2nd left) attends, for the first time, the BRICS Leaders Meeting. [VCG]



tourism, financial services and other realms have ensured constant progress and breakthroughs, and cooperation has been upgraded from conventional flow of trade to high value-added cooperation in investment and industry. South Africa has become China's biggest trading partner and the most important investment and tourist destination in Africa. Today, around 160 large and medium-sized Chinese companies are doing business in South Africa, with total investment of over US\$15 billion. South Africa's Home Appliance Manufacturing Industrial Park and Heavy Truck Factory funded by Chinese investment created over 20,000 jobs for the local population. Home to the first RMB clearing bank in Africa, South Africa is leading the development of the offshore RMB market in Africa. Great progress has also been made in science park cooperation between China and South Africa, which has resulted in the first China-Africa park with focus on technology innovation. Leading Chinese telecommunications company Huawei established its first African innovation center in South Africa and promised to train 1,000 IT experts in South Africa within five years. People-to-people exchange between China and South Africa is thriving. South Africa has become the top African destination for Chinese tourists, immigrants and international students.

In the rapidly changing and highly complex global

environment today, BRICS countries face more common tasks: strengthening unity and cooperation, maintaining domestic stability and development, fostering a favorable international environment and creating an international order that is more just and equitable. BRICS should strive to boost development, stabilize peace, accelerate reform and promote greater BRICS cooperation.

First, BRICS should work on tighter mutually beneficial cooperation. Since the international financial crisis, BRICS has strived to work in joint efforts as an anchor and a driving engine for world economic recovery against the backdrop of low economic ebb. In the last decade, the percentage of the economic aggregate of BRICS in the world economy rose from 12 percent to 23 percent, total trade volume from 11 percent to 16 percent and foreign investment from 7 percent to 12 percent. BRICS has contributed more than half of global economic growth. The future is indeed bright for BRICS economic development and mutually beneficial cooperation. In the future, BRICS members will work to build a strategic cooperative partnership for economic development, employing each other's strengths, dovetailing each other's demand, and deepening mutually beneficial cooperation. BRICS will continue to support the industrialization of South Africa and other African countries to realize win-win

cooperation and common development.

Second, BRICS should work on creating stronger global governance capabilities. In the last decade, the BRICS cooperation mechanism has grown into multi-dimensional, multi-layered cooperative framework thanks to regular meetings of state leaders and with support from conferences of senior representatives on security, foreign ministers and other senior officials of the ministerial level. As a model and important platform for South-South cooperation in the new era, BRICS is playing an increasingly significant role in global governance. In the future, BRICS should further strengthen coordination in the UN, the G20, IMF, World Bank, WTO and other international platforms, speak with one voice to safeguard the common interests of developing countries, including African countries, and make greater contributions to the improvement and modernization of global governance.

Third, BRICS should work on promoting closer people-to-people and cultural exchanges. All BRICS countries have time-honored history and rich culture and together form a colorful picture of the diversity of human civilization. Therefore, strengthening BRICS people-to-people and cultural exchanges will contribute greatly to the promotion of mutual understanding, friendship and trust among the peoples of the BRICS

countries as well as mutually beneficial cooperation around the world. The Year of South Africa in China and the Year of China in South Africa in 2014 and 2015, respectively, were successfully held, becoming new events in China-Africa relations. In April of this year, China and South Africa launched the first high-level people-to-people and cultural exchange mechanism, starting a series of exchange events between China and South Africa and between China and other African countries, in the fields of culture, education, health, media and youth. The success of this mechanism offers good reference for BRICS to carry out people-to-people and cultural exchanges with developing countries. In the future, BRICS should further strengthen cooperation in the fields of culture, arts, sports, media, think-tanks and health to win popular support for BRICS cooperation, strengthen its inner strength, and increase its popularity.

From the 2011 BRICS Sanya Summit to the 2017 BRICS Xiamen Summit, South Africa and other African countries have further engaged in BRICS cooperation, and BRICS has made great progress. We strongly believe that the Ninth BRICS Summit in Xiamen will be a great success – as we celebrate past achievements and map out an ambitious blueprint for yet another Golden Decade of BRICS cooperation! 🇨🇳

— The author is the Chinese ambassador to the Republic of South Africa.

BRICS: Time for Consolidation

By Swaran Singh

BRICS continues to be viewed as a valuable alternative to the post-war America-dominated world order.

BRICS continues to receive increasing attention as a key actor in an evolving international system.

BRIC was first mentioned in 2001 as a metaphoric acronym by Jim O'Neil of Goldman Sachs to describe how China, India, Brazil and Russia together would soon challenge the global economic hegemony of G7 powers. By 2003, the concept of the group had gained so much attention that Dominic Wilson published a study titled "Dreaming with BRICs: The Path to 2050," which cautioned longer time frames of this transformation. It projected BRIC would reach half the size of G7 GDP by 2025 and become even bigger than the G7 by 2040. BRIC foreign ministers began holding independent meetings at the UN from 2006, and since 2009 formal summit meetings have been held regularly. The original acronym melted into history in 2010 when South Africa was added, and the name became BRICS, but the quartet had already far transcended its status as an economic grouping of otherwise

unconnected nations. Since then, China's economic deceleration, Russia's geo-strategic distractions, India's divisive politics and political turmoil in Brazil and South Africa have cast a thick shadow over some of the once ambitious expectations for BRICS to become a formidable driver of a transformation of the structures of global governance.

BRICS, however, has gained traction in many other realms that have facilitated early relevancy. At the most visible level, BRICS has already transformed the G7 into the G20. The 2007-2009 global financial crisis – the worst since the Great Depression of 1929 – triggered and accelerated a tectonic drift that has enhanced BRICS participation in global financial decision-making and implementation. The groundswell for reform in post-war global governance institutions has also gained momentum. In this crucial period, BRICS has ensured regular and increasingly frequent interactions through perpetually expanding avenues involving official and

nonofficial representatives, ignited new synergies, ideas and support for bold new initiatives in bilateral channels and enhanced regional outreach and global visibility. More recently, the shrinking global leadership of the United States has placed further pressure on BRICS to take charge of several new global initiatives beyond financial governance.

To highlight the magnitude of BRICS interaction, during the run up to the 2016 Goa Summit in India, Indian cities hosted over 50 BRICS meetings across a wide array of sectors involving multiple levels of governmental and non-governmental organizations. With more focus on people-to-people contact, the 2016 summit was preceded by the first BRICS trade fair, first BRICS film festival, first BRICS under-17 football cup and other inclusive events. Various Chinese cities have been hosting similar events since early this year with tremendous success. Heralding the official commencement of the 2017 BRICS summit, the February

meet of BRICS Sherpas in Nanjing was attended by over one hundred diplomats, bankers and other dignitaries from the five BRICS member states. Alluding to the intended tone of the 2017 summit, senior Chinese State Councilor Yang Jiechi urged delegates to make BRICS the force driving rapid growth in developing nations. He asked the members to serve as a voice for developing countries who, according to studies by the International Monetary Fund (IMF), contribute over 80 percent of total global annual economic growth. Projects resulting from these meetings present one measure of BRICS' strength while its impact on governance structures remains the other critical factor.

The pace of the high-level meetings has been hectic: Beijing hosted a BRICS national security advisers meeting in late July that resulted in several security-related initiatives including those on counterterrorism strategies and cybersecurity. A week before, BRICS education ministers adopted the "Beijing Declaration on Education" to expand equity, quality and exchange of scholars in line with the requirements of the UN Sustainable Development Goal of Education 2030. It's no secret that most of the elite classes in BRICS even today still prefer to send their children to attend school and work in top G7 countries, which continue to hold the bulk of patents in every field of science and technology. Hangzhou hosted the fifth ministerial meeting of BRICS science and technology



June 28, 2017: Representatives from BRICS countries including Brazil, Russia and South Africa visit the headquarters of Sinopec Corp. for discussion on cooperation with EPEC, the e-commerce platform launched by the energy giant. [VCG]

ministers, who adopted the "BRICS Action Plan for Innovation Cooperation 2017-2020." BRICS is home to 42 percent of the world's population but contributes only 17 percent of the world's investment in research and development and publishes 27 percent of scientific articles. In the first week of July, Tianjin hosted the second meeting of the BRICS culture ministers, which produced stronger bonds of friendship, empathy and cooperation among BRICS nationals and remains a challenge considering BRICS countries' drastically different cultural histories, economies and geographies.

Meanwhile BRICS has also expanded its agenda to include other concerns of global governance in sectors like climate change, terrorism and illegal trafficking, which often drive global financial decision-making as well. While expanding its agenda, BRICS has continued to resist expanding membership since

South Africa was admitted in 2010. It has resisted suggestions on including new observers or dialogue partners from several aspiring countries or regional organizations that, of course, will eventually be accommodated. There have already been serious proposals to add seven G20 nations as 'Friends of BRICS' or 'BRICS Plus' as well as requests for close linkage to China's Belt and Road Initiative. BRICS may not be ready for such organizational expansion yet, but the path ahead is already clear once BRICS consolidates its foundation. Creating a secretariat may be the next critical step to facilitate new ideas.

Consolidation remains the top priority for BRICS at present. The imperceptible drift of intra-BRICS linkages from limited inter-state to wider inter-societal stakeholders is cultivating constituencies grooming enduring camaraderie. In June in Guangzhou, over 300 young



July 6, 2017: Guests attend the Photo Exhibition of Cultural Heritage of BRICS Countries in Tianjin, a coastal eastern city neighboring China's capital. [VCG]

athletes from BRICS countries gathered for the second sports meet. Outside the sports arena, BRICS cultural cooperation has achieved substantive expansion. At the same time, Chengdu hosted the second BRICS film festival to explore collaboration in cinema and anchor the group's collective soft power. The enormous success of the Indian film *Dangal* in China provided the perfect backdrop for five celebrated BRICS film directors to present a 110-minute compilation of short films highlighting stories of courage, hope, neglect, fear and the future using cinematic language of emotions that bind their people together. Such cultural grounding of BRICS is critical if the venture is to reach the next level. At official levels, BRICS has shown determination to take the lead on issues that were originally seen as beyond its jurisdiction. In June, Tianjin hosted a meeting of BRICS environmental ministers and senior officials who reaffirmed their strong commitment to the Paris climate change deal, which needs even more support from BRICS after the U.S. President withdrew his

country from this initiative. In their May meeting in Beijing, BRICS heads of revenue administrations finalized a draft memorandum on cooperation in "capacity building and knowledge sharing" and to set up an international forum to be announced at the September summit.

No doubt BRICS faces challenges as well. Widely varying size and stature of BRICS member states have become increasingly glaring if not yet detrimental to working together. China has clearly emerged as an economic superpower, while Russia is a former superpower and now the second largest exporter of energy. India is young and growing, rapidly attracting attention and investment. While Brazil and South Africa have been mired in domestic political trouble that has affected their economies, the countries have become major beneficiaries of China's expanding economic outreach, which has also affected their local manufacturing sectors. At its core, BRICS still remains most relevant as a 'non-Western' (not anti-Western) grouping of aspirant and rising economies led by China. Together they seek to influence and shape global governance structures to ensure that developing countries do not remain unrepresented in various structures of global governance. BRICS, for instance, has already been successful in increasing the voting shares of developing countries in global institutions such as the IMF in addition to the erection of parallel

model institutions like the New Development Bank and the Contingent Reserve Arrangement.

Setting aside their much-hyped differences and even domestic political troubles, it is clear that as a group, BRICS continues to receive increasing attention as a key actor in an evolving international system. Today, the group occupies an important place in international governance discourse and is quickly staking claims in global decision-making as well. BRICS continues to be viewed as a valuable alternative to the post-war America-dominated world order. Expanding interests beyond financial governance have fueled growing awareness of organic connections related to security and development – both are becoming increasingly inclusive and creating space for new issues and actors. The future role of BRICS as a catalyst for restructuring antiquated instruments of global governance has only received limited encouragement in Western discourse. In contrast, assessments in most developing nations remain far more upbeat and usually call for a cautious wait-and-see approach to the BRICS model in not just reforming existing patterns of fundraising, but more importantly in directing financial flow to critical sectors like infrastructure in the developing world's most cash-starved economies. ■

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BRICS

A Golden Decade of Economic Cooperation

By Wang Lei

BRICS originated with the concept of trade investment. Over the past decade, economic cooperation has been the most important cooperation among BRICS countries, resulting in abundant fruits of pragmatic efforts in economic and financial sectors. The organization has served as a stabilizer and reliable facilitator of such cooperation.

Over the past decade, BRICS members have worked in concerted efforts by constructing an economic partnership to jointly hedge against the impact of the international financial crisis, promote reform of the global economic governance system and the international financial system, and defend the open world economic system, making BRICS the most important engine for world economic recovery.

As a representative of emerging economies and developing countries, BRICS has launched a new global partnership for development, intensified cooperation in developing nations, promoted

a more open, inclusive, balanced, mutually-beneficial and sustainable international economic system, and opened a new path for South-South Cooperation. Data show that economic cooperation within BRICS created a "Golden Decade" in terms of pragmatic financial, economic and trade cooperation and construction of an economic cooperation mechanism.

Pragmatic, Efficient, Extraordinary Achievements

Technically, BRICS countries enjoy abundant natural and human resources, vast domestic markets, huge development potential and ample policy space. Over the past 10 years, these countries have strengthened

cooperation and joined hands to move forward. They are becoming the foundation of the world economic landscape, presenting the world with an untapped goldmine.

BRICS countries have boosted world economic growth. In 2006, the GDP of the then four member countries – Brazil, Russia, India, and China – ranked 15th, 13th, 10th and 4th, respectively. In 2016, the ranking of the founding members rose rapidly to 9th, 12th, 7th and 2nd, respectively. In December 2010, after South Africa joined the organization, BRICS got further expanded covering Latin America, Europe, Asia, and Africa.

In a decade, BRICS countries' contribution to

the world's economic output increased from 12 to 23 percent, global trade volume grew from 11 to 16 percent, and foreign investment rose from 7 to 12 percent. In general, BRICS have contributed over 50 percent of the world's economic growth, and in 2016, the figure rose to 75 percent.

Financial Cooperation Highlights

At the bilateral level, BRICS has facilitated several bilateral currency swap agreements, directed construction of a more robust financial safety network, and proposed settlement of currency.

At the multilateral level, as the world's first independent multilateral development finance institution established by developing countries, the New Development Bank (NDB) has undergone the following stages: Inception to approved feasibility report in 2013, signing the *Articles of Agreement* in 2014, and the beginning of official operation

in 2015 with headquarters in Shanghai. With capital of US\$100 billion contributed equally by the five founding members, the NDB has provided US\$1.5 billion for seven member projects concerning infrastructure and sustainable development, making the bank an important instrument for cooperation among BRICS countries. Moreover, they have launched initial funding of US\$100 billion as contingency reserves to help member countries cope with short-term liquidity pressure and reinforce its financial safety net.

Globally, BRICS, with joint efforts, has successfully promoted reform programs on the last round of quota and governance for the International Monetary Fund (IMF) and the World Bank (WB), enhancing the influence of emerging economies and developing countries in the world's major multilateral financial institutions and ensuring them a bigger piece of pie in such established

financial institutions – from 8 and 11 percent to 14.9 and 13 percent, respectively. This explains why China, India and Russia rank among the top 10 in terms of proportion in the IMF and WB.

Perfecting a Cooperation Mechanism

A review of the Golden Decade shows that BRICS countries have intensified economic cooperation, actively advocated construction of an open world economy, supported a multilateral trading system and improved the multilateral financial system. BRICS' unremitting efforts to mechanize, systematize and solidify economic cooperation have considerably accelerated economic globalization and diversified growth and global economic governance democratization, working as an important constructive force for improving and reforming the global economic governance system.

Today, a cooperation framework featuring comprehensive, multi-level and wide-ranging patterns has taken shape to facilitate BRICS cooperation through mechanisms with strengthened top-level design and focus on pragmatic effects, ultimately accelerating implementation of cooperation initiatives and agreements concerning BRICS.

First, BRICS leaders and informal meetings have provided political guidance and strategic decisions for BRICS economic cooperation. Previous summits pointed the

direction for BRICS economic cooperation towards big market integration, greater finance circulation and infrastructure connectivity, gradually implementing BRICS' *Strategy for Economic Partnership* (hereinafter referred to as the Strategy) and drawing a blueprint for long-term economic cooperation amongst BRICS countries.

Second, several meeting mechanisms for professional ministers of economics have been established. BRICS countries have already held seven trade ministers' meetings as part of an agenda featuring multiple annual meetings of central bankers and finance ministers. Meeting mechanisms for ministers in various realms of industry, transportation, taxation and customs have also been established and improved.

Third, the BRICS Business Council has been established to enhance enthusiasm in the BRICS business community. The Business Council, established in 2013, has served as a platform to strengthen and promote cooperation among the five member countries in sectors of economics, trade, commerce and investment, as well as an important mechanism for increasing pragmatic economic and trade cooperation among these countries.

Fourth, BRICS has established cooperation and conference mechanisms in many multilateral economic mechanisms around the world. The G20 is the primary platform for global

economic governance. Since the 2011 Cannes summit, leaders of BRICS countries have held informal meetings on the sidelines of G20 summits, brainstorming solutions for major economic issues relating to building an open world economy, defending the central position of the multilateral trading system and accelerating reform of the global financial governance system.

Economic Cooperation in the New Normal Era

In recent years, BRICS countries have entered a new stage of economic development: a new normal featuring deeper, broader economic cooperation due to global economic situation, which has become increasingly complex.

First, the external environment of BRICS economic cooperation is more complex and fluid, which poses a great challenge for BRICS economic cooperation. During its early stages of cooperation, BRICS was plagued by the global financial crisis, but the member states stuck together to confront the challenge. Since the end of 2014, however, the weak recovery of the global economy has resulted in more prominent economic divisions between developed and developing countries, giving rise to trade protectionism, kindling greater political trade friction and marginalizing the multilateral trading systems, creating more challenges in building an open economic world in the face of anti-

globalization and selective anti-globalization sentiments. BRICS countries have suffered an incomparably severe impact on trade and domestic development, which led to an economic downturn.

Second, China plays a leading role in BRICS economic cooperation and a variety of driving forces have gradually taken shape to back up BRICS economic cooperation. In 2016, China's GDP reached US\$11 trillion, surpassing the total of that of the other four countries, and its average annual growth rate of some 7 percent was still outstanding. For a long time, China's trade with the other four countries accounted for 90 percent of the total trade volume among BRICS. China has remained the largest trading partner of Brazil, Russia and South Africa as well as one of India's major trade partners.

Over the last few years, the driving forces of BRICS economic cooperation have gradually become more diversified, which has significantly accelerated the establishment of a more balanced, inclusive BRICS economic partnership that will ensure healthier, more sustainable development in BRICS countries.

BRICS economic cooperation has entered an era of new normal, inseparable from the global political and economic situation. The current situation is also an outcome of the BRICS' initiative macroeconomic control and enhancement of common development.

June 17, 2017: The opening ceremony of BRICS sports meet in Guangzhou City, Guangdong Province. [VCG]





K. V. Kamath (left), president of the New Development Bank of BRICS countries, was interviewed during the Eighth BRICS Summit in Goa, India, October 15-16, 2016. by Bi Xiaoyang/Xinhua

As the international situation continues to undergo profound changes, the growing pains of instability and uncertainty are causing regional conflicts one after another as well as complicated and grim cases of terrorism, all of which have led to sluggish global market demand. Global trade is hovering at low rates and the international financial market has been volatile. BRICS countries could hardly avoid being dragged down by the world economy as it slowly recovers towards more sustainable operation.

After more than 10 years of rapid growth, BRICS countries have encountered problems, both socially and economically. All of the member states are experiencing an economic downturn that is considered the cost of reform during economic policy adjustment and economic transformation and upgrading by seizing opportunities for macroeconomic control.

China has the initiative to adjust and adapt to the economic growth pace of the new normal. The Brazilian government is also working on overall economic reform covering social security, infrastructural construction and state-owned enterprises. The government of India has actively deepened its reform in sectors of real estate, taxation and employment. South Africa has implemented radical economic reform measures.

Prospects for the Next Golden Decade

A decade of painstaking efforts has resulted in a decade of gains. BRICS economic cooperation has been consistently aimed at the objective needs of world economic development. Cooperation has been deep and solid with impressive, fruitful results. BRICS has become an important platform for cooperation between emerging countries and developing countries.

The golden BRICS shines

brighter today than ever before. The road ahead leads to a bright future of economic progress – these countries will make greater contributions to the development of the global economy and reform of the international economic and financial system. We are confident because:

First, we should fully and objectively look at the causes of BRICS' recent relative slowdown in economic growth and be aware that the basic ingredients of rapid economic development of BRICS countries have not changed. Its energy resources remain strong, its indigenous power is sufficient, its industrial structure is becoming more rational, and its national economy and industrial system are increasingly ideal. This is different from what had happened during the global financial crisis: sluggish flow of finance, debt crises and lack of demand that developed economies were faced with.

Second, after initial adjustment and reform, the five countries are focusing on overcoming the difficulties in economic development. They are trying to enhance their inner economic strength, underpin macroeconomic strategy with social policies, and thus enter a new period of development by turning quantity growth to quality improvement and through inclusive growth.

Third, BRICS countries have agreed on guided construction that allows more coordinated policies, intensified cooperation and capitalization on

complementary strengths, creating enormous potential and space for cooperation and development as well as a louder voice in international economic and financial communities.

Economic cooperation will remain the focus in the future. Economic cooperation is the eternal theme of promoting BRICS development and serving as a stabilizer for BRICS to expand cooperation. Embracing the next "Golden Decade," BRICS' economic cooperation will feature common development that is stronger, more inclusive, and more sustainable, across the following aspects:

First, strengthen global economic governance and work together to overcome challenges.

1) BRICS countries will make joint efforts to build an open world economy, firmly safeguard multilateral trading systems, continue to promote the Doha Round, oppose all forms of protectionism and exclusion, and ensure that all countries enjoy equal rights, equal opportunities and equal rules in development.

2) BRICS countries will continue to work together to improve the international monetary system, promote reform of Bretton Woods institutions and enhance the voice and representation of emerging markets and developing countries in global economic governance. Small states will play a great role in operation of the NDB, support development efforts of BRICS and other emerging market countries and developing countries and improve the

operability of emergency reserve arrangements.

3) BRICS countries will strengthen coordination and cooperation in multilateral mechanisms. As the most important emerging economies, all members will strengthen communication and coordination in major international institutions such as the G20, United Nations, World Bank, IMF and the World Trade Organization, improve global economic governance, and promote international economic order that is fairer, more reasonable and more efficient.

Second, promote shared development of BRICS members and other developing countries by intensifying economic cooperation among BRICS.

1) The BRICS economic partnership will be further strengthened. BRICS countries have an important position in the global economic landscape. The five countries have mapped out the Strategy in a bid to systematically plan intensified cooperation and create a massive market for trade investment. Against the backdrop of the complex world economic situation and the co-existence of opportunities and challenges in economic development, BRICS will implement the Strategy, draw a roadmap for long-term economic cooperation, strengthen macroeconomic policy coordination, take into account the respective development strategies of each of the five countries, and make joint endeavors to

integrate their large markets, financial circulation, and infrastructure.

2) As representatives of emerging economies, BRICS will continue to promote international development cooperation, follow the principle of development, play a leading and exemplary role in implementing the 2030 agenda for sustainable development, provide more financial and technical support to developing countries and urge developed countries to keep their commitments, reinforce international cooperation in development, and help BRICS cooperation become the most important platform for boosting South-South cooperation.

This year marks the dawn of the second decade of BRICS cooperation. BRICS will continue to uphold the principles of "openness, inclusiveness, cooperation, and win-win results" as it builds a closer economic partnership, promotes implementation of the Strategy, furthers pragmatic cooperation in various fields, responds to global challenges, and creates the second Golden Decade. Obviously, it will play a larger role in promoting world economic growth, improving global economic governance and accelerating common development of the whole world. ■

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BRICS Marching Forward

By Pang Zhongying

BRICS should become one of the most important global coordination mechanisms of the 21st Century and remain committed to reducing the negative impact of geopolitics, effectively avoiding global conflict and achieving lasting peace in a globalized world.

BRICS member states' consensus on world order is the most essential requirement for the BRICS mechanism to be solidified as a global institution. A review of communiqués, statements and other documents on past BRICS cooperation shows that BRICS countries share commonalities as well as differences in their attitudes towards world order. The greatest commonality is that they all think the current world order needs to be "reformed" or "improved," in order to enhance its fairness, inclusiveness, representation and efficiency.

Those documents also show that although all BRICS member states are parts of the existing world order, they have starkly contrasting views on how the BRICS cooperative mechanism

should be related to the world order. Their stances on a series of major issues concerning global governance are not in alignment. For instance, some believe that the BRICS mechanism and its institutions such as the Shanghai-based New Development Bank are intended to potentially replace existing international institutions, while others consider BRICS merely complementary and collaborative with current global institutions such as the World Bank. They want BRICS to coexist parallel to existing international institutions without challenging them.

China is a key member of BRICS. Since the 18th National Congress of the Communist Party of China (CPC) in 2012, Chinese leaders have stressed on many important bilateral and multilateral occasions that China is part of the current

world order, and that pursuit of some very important international initiatives proposed by China, especially the Belt and Road Initiative, is not meant to "reinvent the wheel, and rather aims to complement the development strategies of involved countries by leveraging comparative strengths." China is "ready to share the experiences of development with other countries, but has no intention of interfering in other countries' internal affairs, exporting our own social system and model of development, or imposing our own will on others. In pursuing the Belt and Road Initiative, we will not resort to outdated geopolitical maneuvering. We hope to achieve a new model of win-win cooperation. We have no intention of forming a small coalition detrimental to stability; what we hope



August 1, 2017: China's Vice-Minister of Commerce Wang Shouwen shakes hands with Marcelo Maia, secretary of commerce and services of Brazil's Ministry of Development, Industry and Foreign Trade, at the signing ceremony of a memorandum of understanding on service trade cooperation between the two countries during the 7th Meeting of BRICS Trade Ministers in Shanghai. by Zhang Hengwei/China News Service/VCG

The BRICS mechanism and the Belt and Road Initiative can complement each other. The latter can reinforce BRICS cooperation by injecting new content and patterns.

to create is a big family of harmonious co-existence."

Meanwhile, China has always emphasized that the international community should work together to forge a new world order that is fairer and more reasonable and build a "community of shared future for mankind." China defines itself as a "facilitator" of the

new international order.

As the world order stands at a crucial crossroads, various countries are in heated debate and hold different views on its future. Considering this, BRICS countries should hold high-level meetings on building the new world order to coordinate their stances and reach wide consensus

on this issue. Coordinating BRICS member states' stances and policies on the world order should be given priority in BRICS cooperation and the bloc's international institutionalization.

Solidarity of BRICS Countries Is Crucial

Clearly, geopolitics is a major obstacle in the way of solidarity of BRICS countries. In the 21st Century, geopolitics hasn't melted away due to globalization, but has become even more complicated.

How should geopolitical obstacles hindering international cooperation be eliminated? Other than giving up "geopolitical mindsets" as some countries such as China have done, it also requires redesigning and reconstructing international rules to prevent geopolitics



June 23, 2017: The film *Where Has Time Gone?* premieres at the BRICS Film Festival in Chengdu, Sichuan Province. The film is an anthology of five shorts by five renowned directors: Walter Moreira Salles (Brazil), Alexey Fedorchenko (Russia), Jia Zhangke (China), Madhur Bhandarkar (India) and Jahmil Qubeka (South Africa). [VCG]

from hindering global development and world order.

As an emerging international cooperation mechanism, BRICS needs to optimize its institutional design and construction if it wants to play a central role in global peace, development, governance and order. Currently, BRICS is learning from international financial mechanisms such as the Bretton Woods System, but it transcends all of them. Institutions built by BRICS countries, such as the New Development Bank, are not controlled by the largest economy in the bloc (China). All member states hold equal rights in voting and operation. Consequently, BRICS is an international cooperation mechanism void of hegemony. Currently, international relations academia has yet to fully discuss hegemony-free international cooperation. The BRICS mechanism offers the possibility of hegemony-free international cooperation. However, only time will tell whether it can outlast international cooperation marked by hegemony.

BRICS should work hard to become a catalyst and the backbone of world peace. It can achieve this goal by drawing on lessons learned from Europe's century of peace and progress (1815-1914) and eventually become a global coordination mechanism for the 21st Century. Europe's coordination mechanism used to be one source of today's global governance. Only when geopolitical obstacles are removed can countries around the world forge public or common power to address global problems together. Evidently, BRICS hasn't defined itself as an institutional arrangement for global coordination. Following the old "geopolitical path" will only downgrade international cooperation frameworks like BRICS, and even make them "talk shop." If we make BRICS a global coordination mechanism devoted to global peace, it can avoid getting trapped in the vicious circle of geopolitics.

If BRICS countries can reach consensus on global coordination at the upcoming

Xiamen Summit, they will be able to intensify internal solidarity. One noteworthy point is that BRICS countries are not only looking to protect their interests, but also to promote world peace. The BRICS mechanism was created to safeguard peace. In a sense, this has made BRICS cooperation indispensable for countries that may risk falling into conflict or even war if there is no such mechanism. In the future, other developing countries joining the BRICS mechanism should also pledge to help improve the emerging global coordination mechanism to continue the peaceful nature of BRICS cooperation.

China-India relations present a good example. History has shown that even if the two countries reach consensus on many multilateral cooperation projects globally (within which, of course, disagreement and discord remain), such cooperation plays a limited role in resolving their complex bilateral issues. If China and India coexisted in an institutionalized, close international coordination mechanism, things would be different. Both countries would be pressured to solve disputes for fear that seceding from the mechanism would exacerbate problems.

BRICS Cooperation Accelerates Healthy Globalization

BRICS cooperation has the following features:

First, BRICS is a global development initiative that aims to explore "new development," rather than

continue "old development." Data and analysis show that "old development" would only generate greater challenges. Of course, it is not an easy task to define "new development" and achieve "new development" because the relationship between old and new development is extremely complicated. However, one thing is sure: "new development" should be sustainable, balanced, inclusive and fair — developmental concepts accepted globally.

Second, the BRICS mechanism emphasizes South-South cooperation. Since its inception in the 1970s, South-South cooperation has weathered 40 years of experience. Prior to the founding of the BRICS mechanism, limited progress was made in South-South cooperation and countries of the Global South were plagued by some of the worst conflicts in the world. Will the rise of BRICS and the Belt and Road Initiative be a turning point for South-South cooperation?

Will South-South cooperation herald an era of fast development? These questions are worth exploring.

Third, BRICS cooperation plays a significant role in promoting global development. Prior to 2008, globalization (which began in the 1970s) was not comprehensive and hadn't yet spread around the world. At that time, some renowned American scholars admitted that globalization was indeed regional. Only when those key non-Western countries such as China, India and Brazil became completely immersed in the trend did globalization really go global.

The current international situation contrasts the 1990s when developed countries such as the United States and Britain considered globalization "inevitable." Nowadays, the pace of globalization is slowing worldwide, especially in Europe and the United States. Some believe that the trend of globalization is even reversing.

In the event that

globalization faces challenges, BRICS should shoulder two new tasks: Help non-Western countries in Africa, Asia and Latin America become new driving forces and even the main engine of globalization. Currently, European and American developed economies remain the mainstay forces of globalization, but many doubt whether they will continue to play a leading role in the future. Meanwhile, globalization cannot be achieved through only the efforts of developed countries. If they can maintain sustained development, BRICS countries will play a greater role in the transformation, diversification and deepening of globalization. The other task is to achieve real, balanced globalization and rebalance the trend. Only balanced globalization will last long.

We must realize that BRICS countries' role in globalization is still smaller than that of Europe and the United States. At this point, we must properly evaluate the role of BRICS countries, rather than exaggerate it. No one can deny that BRICS countries are pushing globalization forward. In the future, BRICS countries will play a greater role than Europe and the United States in promoting globalization. Perhaps globalization will be truly global only when all BRICS countries are achieving "new development."

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June 10, 2017: The BRICS Political Parties, Think-tanks and Civil Society Organizations Forum, themed "Pooling Wisdom and Efforts Towards Common Development and a Brighter Future," is held in Fuzhou, capital of Fujian Province, China. [VCG]



China's Plan to Align with BRICS' Development Strategy

By Feng Xingke

The BRICS development strategy synergizes with the Belt and Road Initiative, which can be perfectly aligned with the development strategies of BRICS countries.

This year marks the dawn of the second decade of construction of the BRICS mechanism as well as China's turn to hold the rotating chair.

Under the theme "BRICS: Stronger Partnership for a Brighter Future," BRICS countries are joining hands to intensify their partnership, review past cooperation experience, build consensus for future cooperation, and map out a new plan for cooperation characterized by the motto "new starting point, new motivation, new measures."

Consequently, the international community, including BRICS countries as well as many emerging

economies and developing countries, are full of expectations.

Future Opportunities and Challenges

As we embrace the second decade of cooperation, BRICS are facing important opportunities as well as great challenges. The current international community is facing the situation that anti-globalization trends, protectionism and populism are rising up, and many unstable factors are increasing.

In the face of these challenges, BRICS must strengthen the coordination and cooperation between countries to jointly address severe international situations, to further cement BRICS'

development strategy, to explore the sustainable development of South-South cooperation, to create a new model for win-win cooperation, and to pave a path for common global prosperity.

Anti-globalization trends and passive behavior of big Western powers have altered the new wave of globalization, and international strength is in a period of great change. The international order has entered a "post order" era. For BRICS, this is a challenge as well as an opportunity.

As both participant and beneficiary of the global free trade system, BRICS should seize this opportunity to strengthen cooperation, participate more in global governance and

globalization in a broader and deeper manner, and bear responsibilities of global governance to begin playing a leading role instead of being a follower in such efforts.

As a representative of emerging economies and developing countries, BRICS should kick off its second decade by expanding its "circle of friends", unite emerging economies and developing countries, and strengthen South-South cooperation. It should join hands with developed countries that advocate an open economy to hedge against the conservative tide of anti-globalization, formulate new rules for global free trade, maintain a multilateral trading system, form a platform for an open world economy, make rules for fair and reasonable global

governance, and hone the current system of global governance.

For many years, BRICS countries have contributed tremendously to the formulation of rules for globalization and global governance with substantial achievements that have promoted global governance.

In recent years, every BRICS leaders summit has resulted in suggestions and opinions on the reform of the global economy and financial governance after leaders met to brainstorm methods of global governance.

In 2016, for instance, China hosted the G20 Summit in Hangzhou, Zhejiang Province, where 29 achievement documents were realized. This showcases China's ability to formulate global economic

governance rules.

May this year, Chinese President Xi Jinping delivered a speech on the Belt and Road Forum for International Cooperation, advocating the establishment of a fair, reasonable and transparent regulation system for international economic trade and construction around economic globalization that is open, inclusive, mutually-beneficial and balanced. The initiative has won wide recognition around the world.

China's Plan

Today, different BRICS countries are experiencing different social and economical development: China and India continue to maintain rapid growth; Russia has passed peak crises but is still plagued by economic difficulties; Brazil

June 19, 2017: The Meeting of BRICS Ministers of Foreign Affairs kicks off at Diaoyutai State Guesthouse, Beijing. [VCG]



is struggling through reform with new policies to aid its economic recovery; and South Africa is striving to climb up from its economic low point.

This explains why BRICS countries should stay together, as always, to overcome difficulties, reinforce each others' development strategy to build a community of shared future and weave a win-win cooperation pattern for a better future for all five countries.

The Belt and Road Initiative, a key program of the new century, is the most important public product that China, a large responsible country, has offered to the international community, and it has attracted global attention.

The spirit of the Silk Road is characterized by "peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit, win-win results" and "sharing, discussing and co-constructing," making the program highly acclaimed and accepted by many countries.

BRICS countries have responded to the initiative positively in general and are now striving to align their own development strategies with the Belt and Road Initiative to ensure mutual benefits and win-win results.

Construction of the Belt and Road has been accelerated, and Sino-Russian strategic mutual trust has never been stronger in history. Fully aware of the potential benefits of such campaigns, Russia has agreed to integrate its popular "Eurasian economic union" with the Belt and Road Initiative.



Rizhao Harbor in Shandong Province serves as a hub for railway and sea cargo transportation among five Central Asian countries, Mongolia, Russia, the DPRK, Vietnam and other countries and regions. [VCG]

In 2015, China and Russia signed a joint statement on integration in Moscow, at which time Russian President Vladimir Putin expressed belief in a harmonious complementary relationship between the two countries. He asserted that China's Belt and Road Initiative is conducive to accelerating a free trade area in the Asia-Pacific region and that some of its measures would help implement a proposal to integrate the region.

May of this year, President Putin attended the Belt and Road Forum for International Cooperation, evidencing Russia's recognition and support for the Belt and Road Initiative.

Of the BRICS countries, India has shown the most complex attitude towards the Belt and Road Initiative. It hasn't yet merged its own relevant development strategies with the Belt and Road Initiative.

Some think-tank experts in India hold that the ideas of the 21st-Century Maritime Silk Road collide and overlap with their country's "India-Ocean strategy" and point to the unsettled territorial dispute between China and India

and competition for global economic benefits as reasons not to participate. These opinions are why India says no to China's Belt and Road Initiative.

Others argue that the Belt and Road Initiative has already had a positive effect in South and Central Asia and inspired a positive response from many countries around the world. If India refuses to share the benefits of the Belt and Road Initiative, it will surely marginalize itself. These analysts suggest India join the game as early as possible. In their eyes, the Belt and Road Initiative aligns with the interests of India perfectly, especially in segments of industrial-park development and infrastructure construction: India needs to learn from China's experience and can use its investment.

While China's Belt and Road Initiative was taking off, Indian Prime Minister Narendra Modi publicly declared that India intended to strengthen the construction of interconnection with South Asian countries. Logically, the two countries can work side-by-side to strengthen cooperation and jointly promote prosperity and

stability in South Asia.

Modi also believes that China and India will eventually become perfect partners if they build concrete mutual trust and communicate more actively on specific topics, objectives and means as well as on factors like the environment and employment.

People of different circles in South Africa have paid close attention to the Belt and Road Initiative since its inception. Scholars believe that the idea of infrastructure connectivity in the Initiative coincides with China's assistance in construction of railways, highways, aviation networks and industrialization. Moreover, the Belt and Road Initiative will bring unprecedented opportunities to South Africa, especially in the sectors of infrastructural construction and the marine economy.

The South African Consulate General in Hong Kong and Macao noted that although the country is embraced on three sides by the sea and bestowed with abundant marine resources, South Africa still has much work to do to optimally utilize such resources. "Blue" economic progress can be achieved under the framework of the Belt and Road Initiative by collaborating with China in fields of marine transportation and oil exploration, among many others.

South Africa has already signed a memorandum of understanding on jointly building the Belt and Road and became one of the first participants in the Asian Infrastructure Investment

Bank (AIIB) as a founding member. South Africa intends to serve as the African hub of the program, making it a key player in the Belt and Road Initiative.

President Jacob Zuma expects to accelerate his country's industrialization and agricultural modernization and expand cooperation in segments of bilateral economics and trade, science and technology and energy through the power of the Belt and Road Initiative.

Brazil and Latin American countries have always shown great interest in the Belt and Road Initiative, which they consider a new, fully-open strategy and a great opportunity for development that they should seize.

In this context, Brazil led Latin American countries in joining the AIIB, which has been well received by politicians in ruling and opposition parties alike. According to EL PAS, over the past few years, China has invested substantially in Brazil's infrastructure and energy, making it the largest beneficiary in Latin America.

Zanotto Thomaz, vice president of the St. Paul Federation of Industry and Commerce of Brazil, expressed gratitude for creative ideas and action like the AIIB under the Belt and Road Initiative, which he believes will gradually eliminate trade barriers between China and Brazil and create more open space for cooperation.

Brazilian President Michel Temer admits that China is now Brazil's most needed partner, with the greatest

power to cooperate in infrastructure.

Chinese ambassador to Brazil Li Jinzhang praised Brazil's painstaking efforts to align its domestic programs with the Belt and Road Initiative.

In May of this year, President Temer sent his strategic affairs secretary Hussein Ali Kaloud to the Belt and Road Forum for International Cooperation held in Beijing. Kaloud asserted that the Initiative will help lift Sino-Brazilian bilateral relations to a new high, particularly in their trade cooperation.

Overall, BRICS' development strategy ideally synergizes with the Belt and Road Initiative, as already demonstrated by participating countries including Russia, South Africa and Brazil, among many others. It is tremendously important for BRICS to cooperate and move forward in the next 10 years.

As Chinese President Xi Jinping noted, BRICS countries are like five fingers, long or short when outstretched – but they work as a fist when clenched together.

BRICS will clearly become a leader of global governance and globalization, create a new model for cooperation and win-win results and lead developing countries towards a shared future by aligning with development strategies and sticking together to overcome difficulties. ■

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BRICS Security Cooperation A Way to Go

By Lin Minwang

Only by continuously strengthening the role of the BRICS Security Meeting mechanism will in-depth development of security cooperation among BRICS be promoted.

The BRICS cooperation mechanism, which can be traced back to 2006, has become a shining symbol of cooperation among emerging markets and developing countries as well as an important force fueling the world economy. Alongside economic cooperation, people-to-people communication and mechanism construction, BRICS countries have also carried out a good deal of security cooperation over the last decade.

BRICS security cooperation is centered on maintaining a unanimous opinion on major international matters. "Declarations" reached by successive BRICS leaders express the bloc's attitude on major global issues. Internal changes could lead to differences on regional issues, but the bloc's stance on the Middle East, North Africa and

Afghanistan has remained consistent.

The most solid foundation for security cooperation among BRICS countries is the five countries' similar stance on global governance and order. They are all committed to a fair and just international order based on the principles of the UN Charter and pushing the international order in a more just and reasonable direction. BRICS promotes economic globalization to be more fair, mutually-beneficial and inclusive. Especially since Donald Trump took office, BRICS countries' common ground on international trade has becomes more pronounced. All five countries support a rule-based, transparent, non-discriminatory, open and inclusive multilateral trading system. They all follow the existing rules and obligations required by the

World Trade Organization and oppose trade protectionism. They call for the international community to implement the Paris Agreement in accordance with the principles of the United Nations Framework Convention on Climate Change and to fulfill its commitment to the provision of financial and technical support to developing countries to address climate change.

At the same time, the BRICS countries have all expressed similar appeal to reform the existing international system. For example, the BRICS countries called for comprehensive reform of the United Nations including its Security Council, to make it more representative, effective and efficient, and to increase representation of developing countries. They promote IMF's reform to strengthen the voices

of emerging markets and developing economies. They require developed European economies to fulfill their promise to give up two IMF executive board seats to enhance the voice and representation of the poorest members of sub-Saharan Africa. The countries appeal to the international community to make greater efforts to implement the 2030 Sustainable Development Agenda.

As for specific security issues, BRICS countries have started cooperation and achieved some progress in fields like the fight against terrorism, space exploration, network security and energy security. In 2016, during India's presidency of the BRICS Summit, member countries set up the first cooperation mechanism on counterterrorism and in September 2016 organized the first meeting of the Working Group on Counter-Terrorism in New Delhi. On May 18, 2017, the second meeting of the BRICS Working Group on Counter-terrorism was held in Beijing. BRICS countries found

extensive common interests and broad cooperation space in fields including terrorism suppression, and they should make full use of the BRICS anti-terrorism mechanism to gradually expand pragmatic cooperation in anti-terrorism information exchange, law enforcement, capacity building and protection of overseas interests, as well as to strengthening multilateral communication and coordination to make BRICS'

contribution a greater factor in the global fight against terrorism.

In the Ufa and Goa Declarations, BRICS' cooperation in space exploration received considerable attention. The declarations documented their common position that international law gives all nations the right to peacefully explore outer space and utilize its resources. And no arms or force should ever be used in outer space to ensure the sustainability of outer space activities. To promote space cooperation among the BRICS countries, the first meeting of the heads of the BRICS space authorities was held in Zhuhai, Guangdong Province, China, on October 31, 2016. All parties agreed that space cooperation would inject new vitality into BRICS strategic cooperation and confirmed that BRICS countries would jointly build a BRICS sharing mechanism for remote sensing satellite data to help with challenges such as climate change, natural disasters, environmental protection, and the sustainable development of BRICS countries.

In cybersecurity, BRICS countries have plenty of common ground. Based on international law such as the Charter of the United Nations and how it outlines political independence, territorial integrity, equal state sovereignty, settlement of disputes by peaceful means, non-interference in the internal affairs of other countries, respect for human rights and

fundamental freedoms and privacy, all BRICS countries have deep interest in developing information and communication technology and advocate an open, unified and secure internet. As for the realm of energy security, in November 2015, the first BRICS energy ministerial meeting was held in Moscow, which laid a framework and foundation for energy cooperation between the five countries. On June 7, 2017, the second BRICS energy ministerial meeting was held in Beijing. Participants of that meeting discussed issues like energy security, energy transformation and a platform for BRICS countries' energy research cooperation, culminating in the publication of a joint statement.

In general, compared to cooperation in economic and trade sectors, security cooperation among the BRICS countries still has many limits. Although BRICS countries can reach consensus on global issues and policies, cooperation in specific areas often requires more work and is expected to experience further growth. BRICS security cooperation has a long way to go. Fortunately, at the Seventh BRICS Security Meeting, all parties recognized that only by continuously strengthening the role of the BRICS Security Meeting mechanism will in-depth development of security cooperation among BRICS countries be promoted.

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Climate Change Not a Physical Process but a Social One

By Mukul Sanwal

The climate change debate requiring shifted focus to longer-term strategies presents a key opportunity for the thought leadership of India.

A new set of principles is shaping implementation of the global climate agenda. Longer-term global trends, new global governance processes and a shift from maximizing growth to fostering higher-quality growth are leading to integration of climate change, reduction in emissions of carbon dioxide and sustainable development characterized by globally comparable standards of living for all in national growth strategies.

The subject of climate change is high on the agenda and expected to be among focal points of the upcoming BRICS summit scheduled to happen in China this year. As the five participating nations, Brazil, Russia, India, China, and South Africa, gear up

for the annual event, they need to ensure they work together and maintain global momentum in addressing climate change.

The history of negotiating a global climate treaty has been marked by periodic concessions to the U.S. and Europe working together. Both President Trump and Scott Pruitt – head of the U.S. United States Environmental Protection Agency – appear to be confident that the trend will continue. These developments create an opportunity for BRICS countries to step in and fill this vacuum left in the global climate agenda.

India's role today is even more crucial. As a late developer with a strong potential for growth, the country now shoulders great pressure to do more and assumes a leadership position

despite emissions levels a tenth of the U.S. and a third of the global average. India's actions should set the agenda for reframing implementation to focus on solutions rather than multilaterally agreed targets and timetables, which are at best a monitoring tool.

Power and influence drowning out ideas explain how climate governance has been defined in the past – global temperature goals and annual emissions reduction target symptoms as opposed to measurements of human well-being within global ecological limits, which point towards the root cause of the problem. Climate research, largely financed by the U.S., pushed models focused on production sectors while ignoring energy end-use sectors and consumption, which are now responsible for two-thirds of emissions. This sets the framework of multilaterally agreed targets to deal with the problem. Consequently, Indian Prime Minister Narendra Modi's call to frame the *Paris Agreement* around 'climate justice' ended with the term relegated to the Preamble rather than an operational principle.

At the upcoming BRICS summit, India must be bold enough to re-frame implementation around cooperative solutions in five key areas:

First, it must be noted that per capita emissions in Germany are half of those in the U.S. China aims to cap its emissions around that level and India's emissions will likely peak at even lower levels. 'Climate justice,'

or convergence of per-capita historical emissions, as an integral piece of implementation of the *Paris Agreement*, provides the framework for assessing national action without relying on international targets, monitoring and review.

Second, usage of coal has peaked in highly industrialized countries as well as in China, as saturation levels in infrastructure development and urbanization have been reached. Oil consumption appears to have peaked in the U.S. and Europe. An energy transformation is taking place worldwide marked by increasing investment in renewable energy. Global emissions of carbon dioxide have remained steady for three years, highlighting measures that sharply reduce emissions without affecting well-being.

Third, the next point relates to the fact that three-quarters of the global population, economic activity, and emissions of carbon dioxide will soon be in cities. According to the International Energy Agency, urban infrastructure, land use policies and energy efficiency have the potential to reduce greenhouse gas emissions by 50 percent by 2050, without affecting well-being. Energy efficiency expands the carbon budget without bringing new costs and should be the heart of global climate policy.

Fourth, the search for solutions in policy is shifting to drivers, trends and patterns of energy use and away from merely considering the impact



September 3, 2015: The Amazon rainforest in the state of Rondonia in western Brazil. Brazil is the only major developing country to promise absolute reductions in emissions. [VCG]

on nature. At the global level, transport accounts for 35 percent of emissions and manufacturing only 23 percent, while residences account for 21 percent and services 14 percent. Urban dietary patterns have changed with meat production accounting for 15 percent of the global greenhouse gas emissions, and a third of world food production is wasted. The fastest growing emissions are in the urban transport sector, which are expected to double by 2050. Per capita car ownership in China is one twelfth of the U.S., and India has only a third of China. Transport emissions pose the greatest challenge.

Finally, the climate debate needs to shift focus to longer-term strategies as opposed to annual emissions reductions. For example, worldwide, most cars spend more than 95 percent of their lives in garages or parking lots and most roads reach anything near peak usage only once a day and typically in only one direction. Tilting car windows

can reduce energy use by 30 percent. Just 20 to 40 percent of the transmission and distribution capacity is used at a given time, drawing on only about 40 percent of capacity of power plants, and reducing demand has a multiplier effect.

India should focus its national actions and multilateral debate on solutions: renewable energy cooperation, energy efficiency and urban design supporting shared and public transport. The Solar Alliance, along with electric vehicles and shared mobility, should serve as a key means of implementation of the *Paris Agreement*. National reports and their review should focus on reducing the gap between potential and practice in energy efficiency in cities. Exchange of experience on innovative measures for urban mobility should be another feature of annual deliberations.

The question of how urban societies manage (or fail to manage) the imbalance between human well-being (private goods) and planetary limits (public goods) forms the central problem for climate governance. Global environmental change is fundamentally a social process necessitating work at the local level in all countries. It is an opportunity for thought leadership of India, and BRICS as a whole, to lead work on the most important challenge of the century. ■

The author has served as director in the Climate Change Secretariat and authored The World's Search for Sustainable Development, published by Cambridge University Press.

The Widening Path of the NDB

By Ye Yu

The NDB adopts an equal decision-making mechanism and emphasizes localized development. By mobilizing the resources, experience, and knowledge of BRICS nations, the bank will serve as a new driver of infrastructure building and sustainable development in developing countries.

The idea of establishing the New Development Bank (NDB), a multilateral development bank co-founded by the BRICS nations, was introduced at the 2012 BRICS summit in New Delhi, India, in March 2012. According to the agreement, “the Bank shall mobilize resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries, complementing the existing efforts of multilateral and regional financial institutions for global growth and development.” After two years of negotiations, *Agreement on the New Development Bank* was signed in July 2014, and the bank officially opened for business

in Shanghai in 2015.

The NDB was established in a certain context: First, a serious shortage of infrastructure construction funds was bottlenecking development. According to the Organization for Economic Cooperation and Development, global demand for infrastructure financing will reach US\$50 trillion before 2030, 60 percent more than the total actual expenditures over the past two decades. By then, the annual financing gap will reach at least US\$500 billion. Second, expansion of traditional multilateral development banks is hindered by political restraint. Since the 2008 economic recession, reforms on capital increase and voting rights promoted by the G20 group



August 17, 2017: South African President Jacob Zuma speaks at the launch of the NDB's African Regional Center in Johannesburg. [VCG]

were limited, resulting in poor funding capacity for infrastructure construction. Furthermore, over the past 50 years, organizations like the World Bank have experienced

“mission creep” characterized by ever expanding institutes and steadily deteriorating performance.

The NDB is “new” because shared incentive is employed as a new practice, which attracts BRICS nations to contribute new funds, experience and knowledge on infrastructure financing to projects that benefit developing countries. In terms of its unique strategic vision, the NDB intends to be “new” in a broad range of areas including relationships, project types and instruments as well as approaches.

Contrasting traditional multilateral development banks, the NDB has adopted a mechanism enabling equal access in the decision-making process – and no country has veto power, which ensures open doors to the facilitation of cooperation among BRICS nations. BRICS states already control huge capital reserves. According to the World Bank, China’s 2014 aggregate savings rate reached 49 percent, ranking top among the world’s major economies and dwarfing the global average of 24 percent. And the same rate for India was 33 percent. The foreign exchange reserves of BRICS nations also lead the world. China’s foreign exchange reserves alone account for more than one third of the world’s total. Using modern financial instruments and governance structure, these funds will be “internally recycled” to more effectively contribute to infrastructure construction in developing countries and boost their productivity,

rather than seeping into the financial systems of Western countries and exacerbating developmental imbalances among countries. Such factors have been cited by world-renowned economists including Nicolas Stern and Joseph Stiglitz, who have expressed support for the establishment of the NDB.

Hitting the Ground Running

Two years after its inception, the NDB has been making steady progress, and its market status has been cemented preliminarily.

First, the bank’s organizational structure and strategic planning have taken initial shape. Its first five-year plan (2017-2021) was approved by its Board of Directors and published in early July 2017. Basic policy framework in various fields including organizational governance, corruption deterrence, loans, procurement, environment and social standards are already in place. The bank now employs a staff of about 100, a figure that is expected to increase to at least 125 by the end of 2017 and 400 by 2021. The NDB attaches great importance to the recruitment of young employees, the ideal people to further innovate its development.

Second, the local currency financing process of the BRICS nations has begun. The bank’s funds come from the five shareholders. The NDB’s initial capital of US\$50 billion was equally contributed by the five members. With paid-in capital of US\$10 billion, the balance will be paid

within the next five years. However, funding from only the five members will hardly meet the bank’s needs in providing medium and long-term infrastructure financing. And it would be difficult for the bank to earn a high international credit rating within such a short time. Thus, local currency financing was elevated from an option to a priority strategy. In 2016, the NDB issued its first green bond worth three billion RMB in the Chinese inter-bank bond market. This was the first time a multilateral development bank issued a green bond denominated in the Chinese currency in China. The NDB also plans to raise US\$300 million to US\$500 million via rupee denominated masala bonds.

Third, the bank has reinforced its market position focused squarely on sustainable development and infrastructure construction. In 2016, the NDB’s Board of Governors approved seven projects worth a total of more than US\$1.5 billion. These projects were based in the five BRICS countries, with two in China and two in India. Of the seven projects, six are renewable energy programs, and the only exception is a highway project in India’s Madhya Pradesh. In the next two to three years, the scale of NDB loans is expected to double annually. With comprehensive consideration of social and economic benefits, two thirds of loans will go to “sustainable infrastructure,” meaning projects that will cause positive transformative



In 2016, the NDB's Board of Governors approved seven projects. Of them, six are renewable energy programs. The only other is a highway project in India's Madhya Pradesh. [VCG]

benefits to both the environment and society. The other one third will be invested in "traditional infrastructure" to mitigate potential external risk.

Fourth, the NDB places emphasis on commercialization and efficient operations. The NDB features expanded commercial operations and lacks soft-loan windows. It has flexible financing methods including loans, stock equity, guarantees and co-financing. And its prospective borrowers are not limited to sovereign states. The NDB has no standing Board of Governors, and considers prospective borrowers' policies, regulations and institutions to manage their loans, in principle, which greatly reduces administrative costs. For each project, the NDB will appraise the quality of the borrower's environment, societal situation, credit and procurement system. As long as the bank's requirements are met, the borrower's own laws, regulations, and supervision system will be applied as much as possible. Only when a country's systems fail to meet the qualifications will the bank adopt other standards based

on the concrete conditions of each project. Today, many institutions including the World Bank and the Asian Development Bank are using borrowers' national systems more often. But since some members are less developed, it is hard to promote this new practice.

Local Roots

The NDB and Asian Infrastructure Investment Bank (AIIB) are often mentioned in the same breath. Both banks are dedicated to mending defects in the existing international financial system, mobilizing funds in emerging economies and supporting infrastructure projects in developing countries. Moreover, both banks attach importance to flexible and efficient governance patterns. However, the two banks have gradually veered off on different development paths since their respective inception.

As a platform to promote South-South cooperation, the NDB places more emphasis on localized development. The AIIB, which is more international, embodies

China's pivotal role in promoting South-North cooperation. Along with the aforementioned financing localization, the NDB's focus on local development is maintained through the following steps:

First, employee recruitment and purchasing policies are localized. While all NDB employees hail from BRICS nations, AIIB recruits international employees. At present, three of AIIB's vice presidents hail from developed countries outside the region, namely, Britain, France, and Germany. In terms of the purchasing policy, the NDB, in principle, only make purchases from its members, while the AIIB's purchasing policy is open to the world. Thus, even though some countries like the U.S. and Japan are not member states of the AIIB, their citizens and enterprises can equally enjoy the opportunities offered by the AIIB.

Second, partnerships and standards are localized. Already, the NDB has signed memorandums of understanding with nine multilateral development banks to learn from their experience. According to NDB President K.V. Kamath, although his bank will seek co-financing projects, this realm will only account for a small proportion of NDB's operations. The bank's initial focus will be independent projects that will allow the young bank to learn and improve its capabilities. Only with improved operations will the bank be able to cooperate

with other multilateral development banks to provide access to greater resources. The first batch of seven projects approved by the NDB are all individual financing programs primarily supported by the governments of its five members. The NDB stated that it views development banks from its member states as "strategic partners" and will learn from their inspirational models. By contrast, by the end of June 2017, 12 of the 16 projects approved by the AIIB were joint financing programs with other financial institutes including the World Bank, Asian Development Bank, and European Bank for Reconstruction and Development.

Vigorous Growth

The NDB is a new institution. Its organization, governance and policies still have room to be tested, honed and improved. A stable marketplace for the NDB is expected to form within the next five to 10 years. Before that time, the bank needs to overcome the following major challenges.


First are problems of international credit ratings and financing costs. When it was just 18 months old, the AIIB obtained a AAA credit rating, the highest score given by Moody's Investors Service. The rating is tied to the bank's abundant capital and strong support from developed countries. At present, although the NDB has received high credit ratings from Chinese rating agencies, reaching the top international

rating has proved more difficult. Capital markets of BRICS nations still need improvement, costs for local financing are comparatively high, and unstable economic and political situations in some BRICS countries are challenges to be overcome to improve the NDB's financing capabilities.

Second, incomplete national governance systems bring risks. The NDB mainly relies on the borrowers' national systems. While this practice can indeed enhance project efficiency, market supervision regulations of the BRICS nations still need to be further improved because of the different national conditions and stages of development and transition of BRICS countries. The NDB places more social and environmental responsibility on the borrower country. Thus, despite the bank's utilization of external supervision, it still suffers from information asymmetry and weak supervision, which can lead to diffused risk. In the future, if the NDB accepts developing countries with comparatively weak national governance systems as members, these problems will be exacerbated.

Third, joint force of the BRICS nations needs to be strengthened. The EU integration process provided a solid political foundation for the development of the European Investment Bank. And the European Investment Bank, in return, supported the infrastructure connectivity between old and new Europe, which promoted the EU integration process.

If the five BRICS nations can collectively act as a powerful political force, the NDB can better explore local resources and realize developmental advantages. However, because competition between BRICS nations is so intense at present, distribution of relative gains has become a pressing problem. Optimal distribution of resources among the five nations has yet to be satisfactorily realized, which increases the operational costs of the bank.

Inspired by the AIIB's membership expanding, the NDB also seeks to expand its membership to overcome its problems and further develop. Contrasting the BRICS Summit which focuses on emerging economies and developing countries, the NDB's criteria for membership are more flexible and practical. To promote the bank's further development, *Agreement on the New Development Bank* stipulated that membership of the bank shall be open to borrowing and non-borrowing members, which means that developed countries are not excluded from membership. According to the bank's five-year plan, it should maintain a rational proportion of developed, middle-income and low-income countries when recruiting new members, evidencing that the bank is open to developed countries. The participation of new members will make the NDB more international. 

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Cooperation and Development of China-Russia Cross-border E-commerce

By Maria & Li Min

Strengthening institutionalized cooperation between mid-sized and smaller enterprises from BRICS nations is a prerequisite for a bigger voice in the market. BRICS nations could standardize e-commerce protocols for international trade organizations.

In May 2017, the BRICS E-Commerce Cooperation Experts Dialogue was held, during which an e-commerce cooperation initiative among the BRICS nations was produced. In early August, during the meeting of BRICS Trade Ministers, the cooperation initiative was approved. It intends to promote BRICS nations' trade growth, industrial transformation, upgrade and employment and help developing countries and mid-sized and smaller enterprises become embedded in the global value chain.

Russia has endured market turbulence for the

past three years. While its overall economy is stuck in a downturn, its trade with China has exhibited strong growth. China-Russia relations are presently enjoying one of their best periods of development in history. Under the cooperation framework of BRICS, the comprehensive strategic partnership between China and Russia has been deepened and strengthened. Multi-dimensional, wide-ranging and multi-level cooperation between the two countries has seen rapid progress, highlighted by the development of cross-border e-commerce. Rapid development of the logistics industry including the launch

of regular postal trains between Moscow and Beijing and a regular Moscow cargo flight by Chinese delivery giant SF Express has further facilitated the rapid growth of the e-commerce industry.

Russia's E-commerce Market Is a Blue Ocean

Russia's cross-border e-commerce market has enormous potential. According to Yandex, Russia's most popular search engine and largest e-payment service provider, 2016 trade volume of China-Russia cross-border e-commerce exceeded US\$2.5 billion, and Russia's major cross-border e-commerce platforms are all from China. Of all foreign

parcels delivered to Russia, 90 percent came from China, four percent from the EU and two percent from the U.S. In terms of capital ratio, China accounts for 52 percent, the EU for 23 percent and the U.S. for 12 percent. Each day, more than 500,000 parcels on average travel from China to Russia.

In 2016, the volume of commodities purchased by Russian netizens from China saw an increase of 78 percent and expenditures almost doubled compared to 2015. At the same time, the number of customers on China-based Russian online stores has increased by 38 percent.

However, Chinese e-commerce companies' cultivation of the Russian market is just beginning. According to the latest statistics from the market research company eMaketer, Russia is home to 87 million internet users, the largest of any European country.

And about 42 percent of all internet users regularly buy things online. While Russia's online retail accounts for only two percent of its retail total, China and the U.S. are at about six and 10 percent, respectively. According to the Russia E-Commerce Association, the present contribution rate of the internet economy to Russia's GDP is about 2.8 percent, and the contribution rate of markets related to the internet economy to the country's GDP is as high as 19 percent. Still, these numbers lag far behind developed countries. Russia's e-commerce market is just taking shape, and China-Russia cross-border e-commerce cooperation could have enormous potential.

In 2017, e-commerce cooperation between China and Russia became even more frequent. Russian Railways and China Railway Express reached a cooperation

agreement to establish a cross-border e-commerce logistics platform between the two countries. Moreover, the China-Russia E-commerce Promotion Association and China's cn.hisupplier.com signed a cooperation agreement to jointly set up a vendor hub for China-Russia trade.

Challenge vs. Opportunity

The exchange rate of the Russian ruble has been unsteady as of late. When sanctioned by Europe, future Russian customers will become even more sensitive about price and turn to online shopping — especially commodities from China. China's cross-border online retailers should embrace more developmental opportunities.

The biggest problem hindering China-Russia cross-border e-commerce today remains customs clearance. Since Russia's customs service allocates personnel

October 13, 2015: Jack Ma (center), founder and executive chairman of Alibaba Group, is joined by diplomatic envoys to China from 39 countries for the launch of the 2015 Tmall Singles' Day sale, the world's biggest online shopping event. [VCG]



and infrastructure based on regular flow of imports and exports, they are not fully prepared, in terms of staff, facilities, and existing processes, to deal with booms of incoming small parcels from overseas. As a result, customs clearance process bottlenecks and expansion is prevented when packages pile up at customs.

Russia is the largest country in the world, spanning nine time zones. Its logistics challenges in online shopping are more difficult than any other country.

Russia's infrastructure, logistics networks, postal service and delivery have not improved significantly in many years. The country lacks both handling ability and experience to meet the demands of an e-commerce explosion, which makes pile-ups of packages frequent. For Russian e-commerce enterprises and entrepreneurs, the crucial factor for success is smooth logistics, which significantly raises the threshold of the Russian e-commerce market.

Russia is a cash-driven economy. Generally speaking, Russians do not trust online payments. Although analysts predict usage of credit cards will rapidly increase in Russia in years to come, their penetration at present is comparatively low. Many Russian credit cards cannot even be used for online payments. And those still brave enough to engage in opening an online payment business must endure banks' complicated security assessment process.



February 6, 2017: EMS employees sort parcels in Jinhua, Zhejiang Province. According to Yiwu customs, the top three overseas destinations for packages and mail from Yiwu are the U.S., Russia, and Spain. The most commonly shipped commodities are accessories, clothes and glasses. [VCG]

The common practice for Chinese cross-border e-commerce companies to solve payment problems is to partner with local Russian logistics companies. Russian logistics companies help Chinese internet retailers ship goods, collect payment and transfer money. However, this system has major problems. The entire process from a buyer placing an order to a Russian logistics company transferring payment to the Chinese company usually takes two to three months, which prolongs the process of funds withdrawal and adds operational difficulties to the China e-commerce companies. It will take time to change the situation. However, with the Russian government and Russian enterprises promoting online payments, and the industry maturing in the country, this problem will gradually be solved.

Another solution for Chinese cross-border e-commerce companies is to change their business model. They can supply goods to

local e-commerce companies and shift their role from retailer to wholesaler, or shift the opposite direction and delve deeper into Russia to do business, which could foster greater opportunity.

AliExpress: Changing the Spending Habits of Russian Customers

In Russia, people on the street would probably not name Amazon as the most popular online shopping platform. Most will say "AliExpress."

Launched in 2010, AliExpress, dubbed the international version of the popular Chinese online shopping website Taobao.com, entered Russia in 2012. It took only five years for the online retail service to become the largest and the most visited e-commerce website in Russia. Every day, 500,000-plus parcels are shipped from China to Russia. For Russians, AliExpress is the portal to any commodity from China, from the mundane to the exotic. For example, the day after the

2016 U.S. presidential election results were announced, a Donald Trump wig could already be purchased on the website. Backed by China's powerful manufacturing industry, no Russian online shopping websites offer cheaper commodities than AliExpress. A cotton T-shirt made in Dongguan sells for about US\$1, and sometimes shipping is free.

AliExpress's Russia team already consists of more than 70 employees working to adapt Taobao.com to Russia. More than 500 Russian enterprises now work with AliExpress. AEmall under AliExpress has become a branded e-mall providing local shipment, Russian-language customer service, and local post-sale service.

The past ten years have witnessed the mutual development of China's logistics and e-commerce industries. A similar scenario is currently happening in Russia. Over the past three years, Russia Post's delivery time from China dropped to as few as seven days from as many as 30.

Since February 2016, the Russian Central Bank and the Russian National System of Payment Cards, (NSPC) pilot payment cards dubbed "Mir," can be used on AliExpress. This practice aims to attract more Russian end-users to AliExpress. And the two sides signed a memorandum of understanding in March of last year.

Russian media has compared what AliExpress has done with what Coca Cola achieved in the 1990s — but

in an Asian way. In a sense, AliExpress' development in Russia embodies the website and even Alibaba Group's international expansions ambitions. At the same time, AliExpress is promoting Russia's transformations in logistics and banking and changing the psychographics of Russian customers.

E-commerce Regulations among BRICS Nations

From January to June, 2017, bilateral trade volume between China and Russia reached nearly US\$40 billion, an increase of nearly 26 percent on the same period last year. Bilateral trade volume for the year is expected to top US\$80 billion. China has been Russia's largest trade partner for six consecutive years. China-Russia cross-border e-commerce has exhibited a good development trend in recent years, and is becoming a new trade pattern. Thus, promoting e-commerce cooperation has become a major part of bilateral economic and trade cooperation. During the Fourth China-Russia Expo in June 2017, the countries held an e-commerce cooperation conference themed around the idea that "cross-border e-commerce promotes the innovation and development of China-Russia economic and trade cooperation." The conference strengthened communication and cooperation between e-commerce companies from both sides and set a foundation for promoting innovation and development

of China-Russia economic and trade cooperation.

Today, the world urgently needs trade rules adapted to the internet era. In the traditional global trade structure, 20 percent of transnational corporations hold dominant positions in the international economic area. However, with the deepening globalization process, small and mid-sized enterprises as well as individuals are replacing transnational corporations to play a more central role in world trade. Strengthening institutionalized cooperation between small and mid-sized enterprises from BRICS nations is a prerequisite for a stronger voice in the market. According to Russia's first deputy economic development minister Alexei Likhachev, statistics from the United Nations Conference on Trade and Development show that by 2018, 40 percent of e-commerce's "business to consumer" service will be happening in developing countries and countries in transition, and the share for developed countries will drop to 60 percent. BRICS nations could standardize e-commerce protocols for international trade organizations. BRICS nations are now working on the possibility of cooperation and will release uniform e-commerce rules for its member countries. 

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Author Maria is a manager with Yandex's department of resource optimization.
Author Li Min is a senior advertising executive with Yandex's China branch.

How Will BRICS Start Another “Golden Decade”

Concept by *China-India Dialogue*

In your opinion, what has been the most important achievement made under the BRICS cooperation mechanism in the past ten years



Ronnie Lins CEO of Center China-Brazil: Research & Business

Several great things were accomplished by BRICS. I was particularly moved by the idea of uniting so-called “emerging” countries, which could collectively wield economic and political weight that transcends much of the great world powers.

Another important point has been the unity of “countries of continental dimensions.” They can together solve their internal problems to generate better quality of life for their people – do things like eradicate poverty together. This organization also has great potential to help other countries which can benefit from similar measures. Many of them are our African brothers.



Boris Guseletov Senior research fellow from the Institute of Europe of the Russian Academy of Sciences

Though confronted by the global financial crisis and the ensuing economic downturn, the BRICS countries made remarkable achievement in the past ten years. One of the most significant achievements of BRICS has been the setting up of the New Development Bank, which is progressing at a steady pace and is expected to play a critical role in supporting developmental projects in the BRICS economies. The BRICS Business Council has been interacting with the NDB to build closer partnership and facilitate funding for key developmental projects.

The initiation of the BRICS Contingent Reserve Arrangement (CRA) has beefed up the global financial safety network.



Manmohan Agarwal Reserve Bank of India Chair Professor at the Centre for Development Studies, Thiruvananthapuram, Kerala

There are two sorts of activities that BRICS can undertake. One would be actions that enhance their prosperity either in the economic sphere or social sphere, or international security. The second would be actions that enhance the efficacy of the operation of the international system. One of the major problems with the system of international economic governance has been the manner of operation of the Bretton Woods institutions (the World Bank and the International Monetary Fund). Problems have been with conditionality. The concept of conditionality runs counter to their own rhetoric that a country owns the changes. If the country owns the reforms then they don't need conditionality. Also the conditionality imposed seems to have no relation with the problem. Conditionality has rendered the IMF, in particular, dysfunctional. The BRICS nations, by setting up the New Development Bank (NDB) and the Contingent Reserve Arrangement (CRA), have the opportunity to establish new rules of operation for international organizations. The establishment of these organizations is the most important achievement of the BRICS cooperation mechanism.



Jia Jinjing Director of the Macro Research Department, Chongyang Institute for Financial Studies, Renmin University of China

The BRICS cooperation mechanism was born in 2006, and the BRICS countries have enjoyed a “Golden Decade” marked by notable results. The total economic output of the five BRICS members – Brazil, Russia, India, China and later South Africa – accounts for nearly a fourth of the world's total, and they have contributed approximately 50 percent of world economic growth. BRICS has gradually evolved into a model for mutually-beneficial cooperation between emerging markets and developing countries from previously an investment concept into concrete results. Today, it plays an important role in promoting world economic growth and improving global governance.



Yazini April Research specialist at the HSRC's Africa Institute

Financial and economic cooperation, particularly related to the BRICS Bank — the New Development Bank (NDB) — has served as a new and innovative model for further South-South cooperation.

Compared with other multilateral cooperation mechanisms, what's the innovation of the BRICS mechanism



Ronnie Lins

Because the group was made based on characteristics of emerging countries rather than “continental dimensions,” BRICS has placed its focus on mutual cooperation for economic development which correlates with the needs of solving social inequality. However, it should be remembered that given the enormous economic and political weight of BRICS in the world context, all the major world issues inexorably deserve the group's participation and influence.



Boris Guseletov

BRICS countries are the most important engine for world economic growth and will be the backbone for materializing such perspectives. On the way of development, BRICS nations are forming a joint force and making a unified voice, while providing new solutions for fueling economic growth and optimizing global governance. Through strengthening North-South and South-South cooperation, BRICS is expected to inject new vitality, open new dimension for international development and cooperation, and drive the world development in a robust, sustainable, balanced and inclusive way.



Manmohan Agarwal

If these institutions can be made to work effectively either without conditionality or a reformed conditionality, that will have tremendous impact on the current international economic organizations. The NDB has the opportunity to fill an important gap that has arisen in the international aid architecture. The lower middle-income countries have graduated from the IDA (International Development Association) but still have considerable needs for cheap credits to finance their infrastructure. Given the lags in infrastructure construction and the difficulty to make them self-financing, ordinary World Bank loans are not suitable for financing them. If the NDB can step in to fill this gap, it will be a signal achievement.



Jia Jinjing

Over the past 10 years, BRICS has grown from an investment concept on paper to a multi-level and multi-sector cooperation framework featuring meetings between leaders, ministers and senior private-enterprise representatives on security issues and a host of other issues. Over the last few years, BRICS cooperation has stayed with the principles of “two-wheel” drive with economics and politics, which has paved new roads for South-South cooperation. Compared to other multilateral cooperation mechanisms, BRICS has innovated its mechanisms in four ways: First, BRICS swiftly changed member countries' role from a participant to a leader in global governance. This is not only the result of the BRICS

countries' strong collective voice in global governance, but also the result of inevitable evolution of global patterns. History shows that BRICS does not impose its will on others – rather, it has fostered a greater output of public products while ensuring independent internal affairs, thus creating a new model worth studying and applying to global governance.

Second, BRICS countries have accumulated rich experience in economic and trade cooperation. The present world economy needs a new round of technological revolution and industrial transformation for growth. During the past 10 years of cooperation, BRICS has impressively explored areas of new economics, e-commerce, trade, investment facilitation, innovation and development, earning valuable experience in the process.

Still, there is huge space to capitalize on complementary advantages between the BRICS countries, which are able to promote construction of a big, closely interconnected market characterized by infrastructure connectivity, open trade and investment, and monetary and financial interconnection. This will open new avenues to win-win results in economic growth.

Third, BRICS has promoted people-to-people exchange. BRICS countries are located in several continents, and each has an iconic and profound cultural legacy and different channels of communication with the world's major cultures. The intensification of comprehensive exchanges among BRICS across multiple sectors such as business, academia, media, think tanks, and literary and art circles are promoting people-to-people exchange as it helps to construct a community of a shared future.

Fourth, BRICS has founded a new type of cooperation mechanism. The five members have established a cooperation mechanism while furthering development in political, economic, and cultural realms, forming a comprehensive cooperation mode different from the Western G7, which is flat and mostly networking, hence providing a new type of cooperative platform for emerging-market countries and developing countries – which are home to 80 percent of the world population – and allowing developing countries to share the results of growth.



Yazini April

In general, BRICS countries have gradually become aware that they share mutual interests in international affairs and actively participate in international multilateral cooperation. Along with other more traditional multilateral economic organizations, BRICS countries consistently weigh in on international economic affairs. For instance, through APEC and the OECD forums, BRICS countries have conducted various forms of international coordination activities in response to global and regional issues of common concern. The G20 has become an important platform for them to strengthen cooperation and provides a new supporting mechanism for their participation in global economic governance.

BRICS

In the next ten years, in which areas do you expect the most breakthroughs to be made in the BRICS cooperation



Ronnie Lins

BRICS faces several challenges in the coming years, but I am looking forward to greater agility in transforming cooperation agreements into concrete action. Areas I expect to see progress made include free trade zones, infrastructure that improves the competitiveness of products and services, shared technological advances of the “Fourth Industrial Revolution” in the global productive sector, financing of development programs for companies and social action, among other activities.



Boris Guseletov

1) Boosting confidence. When the global economy was bogged down in the financial crisis with excess volatility in markets, frozen capital flows and plummeting international trade, it was the BRICS, with stable economic growth of its members that prevented the global economy from falling apart. In stark contrast to the developed countries floundered in financial turmoil, the BRICS kept marching ahead steadily, thus conveying a message to the market that there were still hope for the world economy.

2) Strengthening cooperation. The BRICS members are not just pursuing their own interests, they are also committed to the world's common good. To manage the financial crisis and save the global market, the BRICS countries enhanced macroeconomic policy coordination with other economies. Despite the limited resources that were greatly needed for their own economy, BRICS contributed a total sum of US\$180 billion to the International Monetary Fund (IMF) in two rounds, helping other countries in trouble to weather the storm. Now the crisis is fading away, but the BRICS members are committed to maintaining the momentum of macroeconomic policy coordination and strengthening cooperation to safeguard international financial stability.

3) Proceeding with reforms. The BRICS members are firmly committed to global economic governance reforms so as to reflect changes of world economic configuration featured in the growing weight of emerging and developing countries. Motivated by the BRICS, the IMF and World Bank have both decided to reform their governance. The Financial Stability Forum, once dominated by the G7 industrialized countries, has been reconfigured to the Financial Stability Board with broad and equal participation of emerging economies, and has evolved into a more representative institution of international financial standard setting.



Manmohan Agarwal

Two areas are going to be of critical importance: financial services and development of new technologies. Financial services are important to create a smooth conduit between savers and investors. Except in China, where the state plays a very important role in making this process smoother, other countries lack an adequate mechanism. As a result, investment levels in Brazil, Russia and South Africa are much lower today than they have been in the past. Low levels of investment are responsible for low levels of growth. Even in India in recent years, levels of investment have fallen as the commercial system is clogged by non-performing assets. Though generating new technologies is very important, governments may find it difficult to successfully intervene in this process and so may find it easier to deal with the financial system.



Jia Jinjing

In the coming decade, BRICS will become a heavyweight in global governance and international affairs. To fix the imbalance of the global economy, it is necessary to increase developing countries' participation in global governance, enhance the right to discourse and ensure more say in decision-making to build an equal world order together. BRICS cooperation in global governance continues to intensify.

During the BRICS leaders informal meeting in 2016 on the sidelines of the G20 summit in Hangzhou, Chinese President Xi Jinping proposed that BRICS countries work together to improve global governance by increasing representation and the right to speak of emerging markets and developing countries.

At BRICS Goa 2016, the group reiterated the *G20 Action Plan on the 2030 Agenda for Sustainable Development* to promote economic global governance while stressing an anti-terrorism theme and actively designing an international order that is peaceful and stable.



Yazini April

Industrialization will probably be widely celebrated. BRICS must promote development programs and recognize that development programs for infrastructure connectivity must be scaled across regions to meet the UN 2030 Agenda.

BRICS

Which challenges your country faces can be solved by the BRICS cooperation mechanism



Ronnie Lins

Brazil is currently experiencing political problems, but the government is trying to make necessary reforms that have never been achieved by any other government. It is time that Brazil put priority on programs that will change social inequality instead of focusing on internal political disputes. Brazil is a country of continental dimensions. It has tremendous resources, but requires support to even begin exploiting some of them, a predicament that BRICS can aid immensely. I would point to technological development and infrastructure, which could lead to reduced production costs, increased productivity and development of products and services with greater value added.

Brazil has great potential for new investment and will certainly become one of the great world powers in the future.



Boris Guseletov

1) The slowdown of the economy as a result of sanctions of the Western countries, which have a particularly painful effect on the financial sector and the attraction of high-tech equipment and modern technologies.

2) Strengthening the common security forces of the BRICS countries in the context of an aggressive US policy.

Putting pressure on Russia, the West intends to impose political and economic isolation. To overcome this isolation of Russia, it is very important to have support from other countries, and especially the members of BRICS in all areas.

Russia also aspires now to promote its integration project of the Eurasian Economic Union (EEU). However, due to the difficult economic situation within the country, the implementation of this project is also fraught with a number of difficulties. To overcome them, it is very important to try to ensure the interfacing of the projects of the EEU and China's Belt and Road Initiative.



Manmohan Agarwal

India would benefit if the BRICS countries could jointly set up regulatory and supervisory systems for financial institutions. India has not been able to benefit from its high rates of savings, unlike China in the past. India has also not been able to establish institutions that would generate new technologies. Each of the BRICS countries has been successful in



Jia Jinjing

At present, the world's "long-period economic downturn" hasn't yet bottomed out, as deep-rooted contradictions are continuously exposed. International cooperation mechanisms such as regional economic and trade arrangements, regional groups, the Bretton Woods system and the G20 have navigated the course of the global economy. Today, however, the world is experiencing many new changes economically: Emerging markets and developing countries account for a bigger part of the global economy, and Eurasia has become a major power for global production and consumption. Establishing new concepts of and blazing new paths to international cooperation have become urgently needed for global development. China's voice in global discourse has become increasingly louder in recent years in respond to these urgent needs. While facing challenges, the BRICS countries have also ignited opportunity in new directions for globalization. Internally speaking, BRICS countries are complementary in economy, and as emerging economies, they are all in the stage of economic growth. The BRICS countries have been reformers of international financial order since the day BRICS was formed. Over the next 10 years, they will lead another round of world economic development and fuel another round of globalization with mechanisms including the BRICS Development Bank and its "Contingent Reserve Arrangement."



Yazini April

South Africa as well as the African continent has benefited from economic cooperation with BRICS partners. South Africa's trade with BRICS countries has increased by 70 percent. In 2014, its total trade with BRICS was US\$29 billion (R382 billion), up from US\$20 billion (R268 billion) in 2011. Africa has doubled its total trade with BRICS since 2007 to US\$340 billion (R4.2 trillion) in 2012.

Despite the economic statistics, challenges remain for South Africa to more deeply cooperate with BRICS, most of which relate to poverty alleviation. Poverty alleviation is not just a South African challenge — countries in BRICS face the same situation along with many of the G20 members. The creation of sustainable development, reduced inequality of living standards and improved economic growth are ideal items for this year's BRICS agenda and should be examined further.

How will the BRICS cooperation mechanism influence and promote the reform of global governance



Ronnie Lins

I think President Xi's governance model is a source of inspiration. First, it has well-defined and clear steps on achieving the "Chinese Dream." Then, by analyzing other components of the model, we can determine how it could be appropriately customized for any developing country, regardless of its particular policy and ethical or religious nature. The ultimate aim of the model is to promote improved quality of life for Chinese people, especially by eradicating poverty. I have no doubt that BRICS, which has already focused on social inequality, will certainly gain even greater weight in the global context in the years to come.



Boris Guseletov

BRICS proposed a new paradigm of inter-governmental cooperation featuring openness, inclusiveness and common development. A good example was a dialogue between BRICS and African leaders, when some African leaders hailed the event as the first of its kind allowing them to conduct dialogues with big countries out of their region, on the basis of equality and genuine partnership. That's totally different from the dialogues they used to have with former colonial powers. BRICS is an ongoing process compatible with the historical trend of peace, development and cooperation, and represents a progressive force in international relations. BRICS countries account for 29.6 percent of the world's territory and 42.3 percent of the world's population. Their GDP amount to 21.3 percent of the world's total last year. Economic vitality and social stability of these countries constitute a solid foundation and driving force for international peace and stability. Pragmatic and efficient cooperation among BRICS leads to more balanced global economy, more democratic international relations and more effective global governance.



Manmohan Agarwal

Despite the rhetoric, South-South cooperation has not made much progress over the years. Often too many countries with diverse interests are involved. Successful cooperation among the BRICS countries can encourage others to also engage with them. BRICS can become a nucleus around which broader South-South cooperation can develop. South-South cooperation would enable developing countries even as the developed countries to avoid stagnating.



Jia Jinjing

Within the G20, the somewhat more inclusive platform for global economic governance, BRICS and the G7 are two of the most important transnational mechanisms. After 10 years of development, the BRICS mechanism has gradually started working alongside the G7 in global governance. First, BRICS shoulders a heavy task in global governance. The BRICS countries account for nearly 40 percent of the world's population, and they have seen a rapid economic development in recent years. In a decade, their total share of economy has risen from 12 to 23 percent, contributing more than 50 percent of world economic growth. Because BRICS is the largest driver of the global economy, it needs the greatest "enhancement" of its right to speak and vote in global governance. Second, BRICS and G7 share the global governance "stock" responsibility. About 30 years ago, the total economy of the seven Western countries accounted for about 85 percent of the world's total, and the G7 became a premier platform for global economic governance. After the international financial crisis in 2008, those countries have not been able to shake off the shadow of low growth, and their proportion of global economic output has dropped to below 50 percent. Nevertheless, the G7 has always been the pace car for the G20 and BRICS to follow. Therefore, the G7, as a more mature mechanism, shares the same responsibility in global governance as BRICS. Finally, both BRICS and the G20 share the responsibility of leading global governance. The 2016 G20 summit in Hangzhou, China, was a critical turning point in the history of global governance. All kinds of reports on cooperation in 2017, such as the recent Media Note of the Meeting of the BRICS Ministers of Foreign Affairs/International Relations, evidence the clear-cut mission of BRICS to share responsibility in G20 policies – a marked difference between the development of BRICS and the G7. The BRICS mechanism is becoming the standard-bearer of the G20's fundamental policies.



Yazini April

While BRICS countries and other emerging economies have been pushing for deep reform in global governance, their national interests and world views differ, which makes complete alignment in global governance reform, such as the UN Security Council reform, unlikely. BRICS was created to address financial governance for developing countries and should probably focus on that objective first. Broadening the scope on the reform of global governance is a bit complex for current member states. I think it's too soon for that.

A Decade of BRICS Cooperation

Edited by Hu Zhoumeng
Designed by Andrey Maleev

Since its launch in 2006, BRICS has evolved from an investment concept into an influential international mechanism and a major bloc to hedge against financial crisis, drive economic growth and democratize international relations, after consistently fostering positive development through the years.

ORIGIN



In November 2001, Goldman Sachs chief economist Jim O'Neill first coined the acronym "BRIC" to refer to Brazil, Russia, India and China.

In June 2009, foreign ministers of BRIC countries gathered in Russia for the first BRIC foreign ministers' meeting, which officially launched the BRIC cooperation mechanism.

When South Africa joined in December 2010, the bloc's name was changed to BRICS.



BRICS SPIRIT



Openness



Cooperation



Inclusiveness



Win-Win Results

COMPLEMENTARY COMBINATION



By leveraging respective advantages in different areas, the BRICS nations can complement each other to fit specific economic growth and development plans. From 2011 to 2015, trade between BRICS countries grew faster than the world average by ten percentage points.

RIISING AS A WHOLE



The BRICS countries are emerging economies with vast territories, large populations, rich reserves of resources and great economic potential.

Over the past decade, the share of BRICS nations' GDP globally rose from 12% to 23%, foreign trade went up from 11% to 16% and outbound investment from 7% to 12%, contributing more than half of world economic growth during the period.

This signals the rise of emerging markets and developing countries as a whole, featuring BRICS countries.

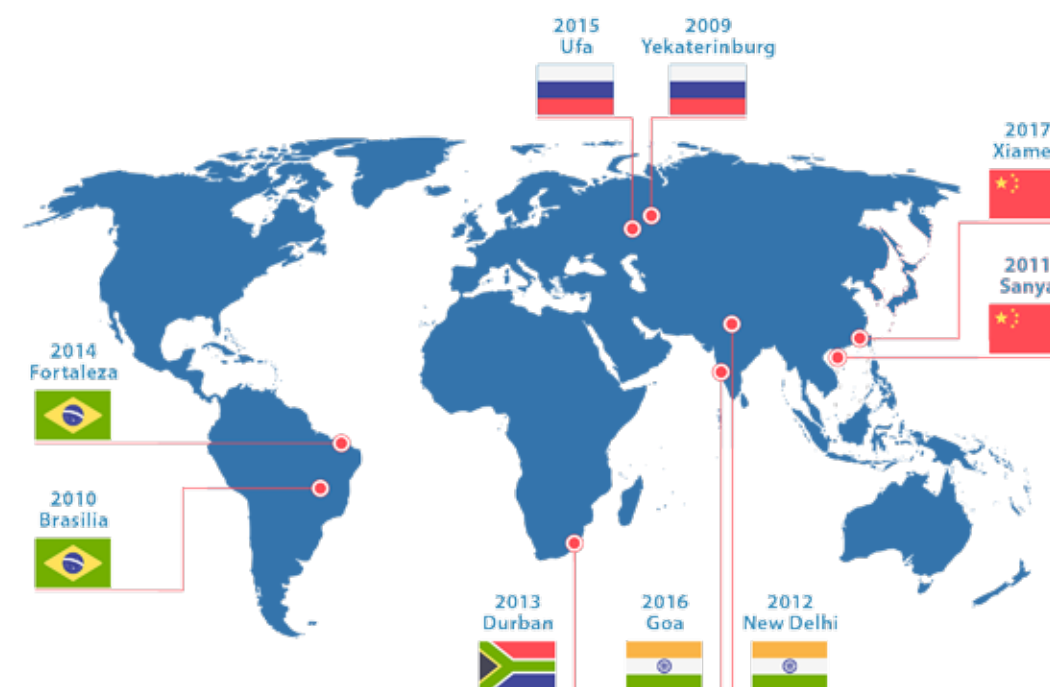


Voting rights in the World Bank



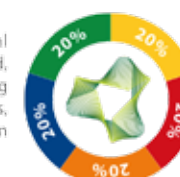
Voting rights in the International Monetary Fund

BRICS SUMMITS



NEW DEVELOPMENT BANK

The bank is the first international financial institution jointly funded, managed and operated by emerging markets and developing nations, benefitting them all. Each BRICS nation holds 20% ownership.



Headquartered in Shanghai, founded on July 21, 2015, authorized capital of US\$100 billion

- In 2016, the bank approved 7 loans to support green energy and infrastructure worth US\$1.5 billion, and it is expected to approve 10 to 15 loans totalling US\$2.5 to 3 billion in 2017.
- In 2016, the bank issued its first green bond worth 3 billion yuan in China.
- In August 2017, the bank established its first regional office: the African Regional Centre in Johannesburg, South Africa.

TRADE



- Supporting multilateral trading systems and opposing protectionism
- Cooperation on e-commerce
- Cooperation on service trade
- Cooperation on intellectual property
- Cooperation on investment convenience

FINANCE

- Contingent Reserve Arrangement of US\$100 billion
- Cooperation on Public-Private Partnership
- Cooperation on Financial regulation
- Accounting principles convergence and auditing regulation
- Currency swap, domestic currency settlement, and domestic currency investment
- Fighting money laundering and terrorism financing



TAXATION



In July, 2017, tax authorities of the five BRICS nations signed the BRICS Taxation Cooperation Memorandum, the bloc's first document to elevate taxation cooperation to an institutional level.

- Actively engage in rule-making, act against base erosion and profit shifting, and make the global taxation governance system more balanced and modern.
- Implement a financial account information exchange system before September 2018 to counter cross-border tax evasion and enhance taxation transparency.
- Strengthen negotiation on taxation cases and accelerate settlement of cross-border taxation disputes.

SECURITY



Anti-terrorism



Strengthen international information security and combat cyber crime



Combat pirates

JUDICIARY

The Supreme Courts of the BRICS nations are committed to expanding judicial cooperation and strengthening experience sharing on judicial reforms and system improvements, and to improve the deliverance of justice.



In 2009, BRICS supreme courts signed the *Protocol of Intent Among the BRICS Countries' Supreme Courts*.



In 2014, the BRICS Legal Forum was founded.

ANTI-CORRUPTION



- Improve legal framework for cooperation
- Enforce anti-bribery rules and track down fugitives
- Punish and prevent cross-border corruption
- Share information and experience

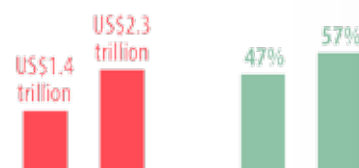
DRUG CONTROL

- Regulate sensitive chemicals and new psychoactive substances
- Information sharing and anti-drug law enforcement
- Coordination of drug control policy
- Personnel training and technology exchange



AGRICULTURE

Growth of the gross value of agricultural production of BRICS nations and its share in the world since 2010:



Brazil hosted the Meeting of Agricultural Experts Working Group on Agro-Products and Food Security.



Russia hosted 'Golden Autumn' Agricultural Exhibition.



India launched the BRICS Agricultural Research Platform.



China founded the BRICS Agricultural Information Exchange System.



South Africa hosted the BRICS Workshop on Agriculture and Climate Change.



BRICS nations issued a joint report on agricultural development.

ENERGY



BRICS nations will strengthen cooperation on energy security by researching strategic energy reserves, renewable energy, energy efficiency, technology innovation and project financing.

COMMUNICATION

BRICS nations will accelerate technology innovation and promote the application of information and communication technology in many areas including infrastructure and technology integration.



ENVIRONMENTAL PROTECTION



Tackle climate change



Reduce and control air and water pollution



Protect biological diversity

DEMOGRAPHICS



- Long-term, balanced demographic development
- Eliminate inequality, provide care for the elderly, protect women's rights, and solve social problems involving teenagers and the disabled
- Protect sexual and reproductive health, and defend universal birth rights

PUBLIC HEALTH



- Mutual learning on traditional medicine and medical products innovation
- Epidemic prevention and chronic disease control
- Disease surveillance and universal health coverage

SCIENCE AND TECHNOLOGY



The investment of BRICS nations in science and technology research accounts for 17% of the world total, and their publications of essays in scientific journals accounts for 27% in the world total, making BRICS a critical source of science and technology innovation.

- Joint research programs, access to scientific research infrastructure
- Industrial zones and technological enterprises cooperation
- Technology transfer and transformation, and relevant talent development
- Investment in science and technology innovation, and talent mobility

AEROSPACE



The establishment of the BRICS cooperative mechanism in aerospace science promotes cooperation within the constellation of remote sensing satellites, which aims to combat common challenges including climate change and severe natural disasters through data sharing of satellites of BRICS nations.

STATISTICS



Since 2010, statistics authorities of BRICS nations have produced annual joint statistical reports to better understand the economic and social development of each other.

CULTURE



First BRICS sports meet: June 2017, Guangzhou, China.



First BRICS film festival: September 2016, New Delhi, India.



First co-produced film of BRICS nations: *Where Has the Time Gone*.



First BRICS press photo exhibition: June 2017, Beijing, China, 14 media organizations, over 170 pictures.



In July 2017, the BRICS library league, museum league, art gallery league and teenager and children drama league were founded.

EDUCATION

BRICS multi-lateral educational cooperation serves universities in BRICS nations in cross-border and cross-discipline research, promotes coordination of development strategies and people-to-people exchange and attracts outstanding research talent to BRICS and developing nations to increase talent pools to help drive the development of BRICS countries.

BRICS Universities League: 43 universities are official members.

BRICS Network University: joined by 55 universities, 11 from each nation.



DIALOGUES ON REGIONAL AND SOUTH-SOUTH COOPERATION DURING BRICS SUMMITS

March 2013 BRICS Leaders-Africa Dialogue Forum

July 2014 Dialogue between leaders of BRICS countries and South American countries

July 2015 Dialogue between leaders of BRICS countries, member states and observer states of the Shanghai Cooperation Organization and the Eurasia Economic Union

October 2016 Dialogue between BRICS and BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) leaders

September 2017 Emerging Market Economies and Developing Countries Dialogue

My Story with BRICS Countries

For a Closer Partnership through People-to-People Exchange

Concept by *China-India Dialogue*

Exchange Student to China: An Unforgettable Experience

Marcelo Medeiros

Age: 26

Occupation: Student of Chinese language and literature at the University of São Paulo, Brazil

Birth place: Brazil

Current residence: São Paulo, Brazil

In late July 2016, I left São Paulo on a journey to Xi'an International Studies University. After a 20-hour flight, two other Brazilian exchange students and I finally arrived at Baiyun airport in Guangzhou, China. After disembarking the plane, we headed to Guangzhou railway station for another 7 hours on a high-speed train. Though the trip was very

long, it wasn't boring at all – stunning landscapes outside the window escorted the train to its destination. Traveling from south to north, the moist climate gradually became arid, and the sky turned more and more clean.

Many people visiting a new place tend to compare it to places they have been before, and I am no exception.

I continued thinking a lot about China after returning to Brazil. I will always miss the great time I had in China. I will definitely return the first chance I get.



At first glance, I compared both Guangzhou and Xi'an to the Chinatown in São Paulo. However, I eventually discovered a plethora of surprises.

First was the diet. Xi'an's cuisine, compared to Chinese dishes I have eaten frequently, such as fried rice and spring rolls, seemed completely different. Spicy, sour and salty are the most common flavors of Xi'an dishes. *Liangpi* (cold rice noodles dressed with sesame sauce and pepper) and *Roujiamo* (also called the "Chinese burger") are maybe the most popular Xi'an specialties throughout China.

Then there was the language. When Cantonese speakers speak mandarin, it sounds soft and slow. The Xi'an accent is much faster and more "stiff". Moreover, they like to add an "er" to the end of words (which is also common in Beijing). When I had just arrived in Xi'an, it was very difficult to communicate with locals. I couldn't understand anything out of their mouths, nor could they my words – the dialect was unlike anything in my Chinese language books in Brazil.

Although the food was different and environment unfamiliar, I quickly became accustomed to both. Day by

day, things transformed from trouble into joy. The new food and language made my life in China more enjoyable.

Furthermore, I was absolutely stunned by the city's history. There are plenty of museums in Xi'an. Historical buildings like the bell tower and drum tower still stand and play pivotal roles in citizens' lives as they evidence the city's lustrous history dating back to the Western Zhou Dynasty (c. 1046-771 BC). The city's river of history still flows strong.

I long believed that Chinese people in general tend to avoid friendship with foreigners. But in China, I discovered that most people are very kind and easygoing. Even if they speak shyly, they likely have warm and friendly hearts. I made many great friends in China with whom I still keep in touch.

I continued thinking a lot about China after returning to Brazil. Many habits that were formed in China have persisted. I drink a lot more tea now, and often invite my friends to join me. When bidding farewell to friends and relatives, I walk them to the gate or bus station. These small details mean a lot to guests.

I will always miss the great time I had in China. I will definitely return the first chance I get.

Chinese Ice Hockey

Stepanov Dmitry

Age: 25

Occupation: Master student of journalism, East China Normal University

Birth place: Moscow, Russia

Current residence: Shanghai, China



Hockey is my favorite sport. While studying in Shanghai, China, it was wonderful to discover that hockey is becoming more and more popular there.

Hockey has a long history. At the end of the 19th Century, Canadian boys started to chase the puck across frozen ponds. In the mid-20th Century, this strange Canadian game immediately captured the hearts of millions of Russians and remains one of the most popular sports in the country.

Hockey tends to be more popular in northern places, so I assumed it would be difficult for the sport to be introduced to warmer locales in the South. I was shocked to discover that

this amazing game was gaining traction in a country full of passion and energy: China.

Hockey has been in China for just a few years, but its fanbase expands every year. Moreover, the sport is even creeping further south to cities like Hong Kong and Macao – places that seem too hot for such a game.

China now faces the difficult, but exciting challenge of developing a national hockey school. To strengthen its own hockey, the Soviet Union established such schools in the 20th Century. The schools developed as Russian coaches and players innovated new exercises and playing styles, designing Russian hockey with successful tactics of football, basketball and handball. As a nation with considerable hockey experience, Russia could help China in this regard. Now, the managing directors of the KHL (Kontinental Hockey League) and the General Administration of Sport of China are seeking plans to develop hockey in China, popularize the sport, teach Chinese children and recruit a national team.

The work has just begun. The KHL offers master classes in various Chinese cities, not only to kindle Chinese hockey, but also to learn the country's emerging strengths in the sport. Russian coaches were eager to share all the traditions of Russian hockey.

Fortunately, Chinese players are quick learners. They made a fast progress in both skating technique and puck control.

China is well on its way to the creation of a hockey school, which is an exciting development for Chinese kids. When I watch them training, I can see the interest and hockey hunger in their eyes. Many, or even all of them, must be dreaming of playing hockey professionally, representing China and playing for the national team. And now they finally can do it. Through a hockey school, they will learn more about the traditions and secrets of hockey.

Russian and Chinese children teams already play against each other in tournaments. Kunlun Red Star, the first Chinese hockey team in the NHL (National Hockey League) system, has embarked on its first season. In the future, hockey will continue spreading to many countries in Asia. The KHL is planning to create a children's championship featuring teams from Russia, China, Japan, Korea and North America.

The Winter Olympics will be held in Beijing and Zhangjiakou, China in 2022. Hockey will surely be one of the important events of the games. I hope that both the Russian and Chinese hockey teams perform excellently in the tournament.

South Africa Through Indian Eyes

Karan Bajaj

Age: 26

Occupation: Development sector consultant

Birth place: Mumbai, India

Current residence: Mumbai, India



As a self-proclaimed Afrophile, I'm ashamed to admit that I did not know much about South Africa before going there on a 10-day holiday last August. I had been to Ethiopia, Kenya and Zambia but nowhere could have prepared me for how breathtaking the Western Cape region in South Africa is. Nestled between mountains

and two oceans, Cape Town is by far the most stunning city I have ever visited. Even though South Africa was most recently ruled by the British, its Dutch influence is more pronounced than any other external culture. Cape Town is a city that should rate as a paradise my most standards: the ocean, mountains, fantastic weather year-round, ultra-chic houses and fabulous restaurants and bars. Who wouldn't want to live in this city?

However, I must also add that all this beauty is still draped in the shadow of two factors that have shaped the narrative around South Africa in the recent past: racism and wealth inequality. South Africa has tremendous economic potential given its vast reserves of minerals such as gold, diamonds and platinum and excellent infrastructure and has already developed into an established hub for many multinationals. However, the country hasn't been able to live up to its potential as a high-growth nation mainly because its wealth distribution is so lopsided, and they are also battling widespread corruption. It is sad that this country has still yet to recover from the apartheid era – the gap between whites and blacks and the haves and have-nots was very prominent in every town

I visited. Perhaps most striking about Cape Town is that its mansions lining the beach, some of the prettiest in the world, are situated less than 10 miles from some of the world's most dangerous ghettos, known as the flatlands.

Despite being the only BRICS country in Africa, South Africa is not exactly representative of the continent considering its unique economic trajectory compared to its neighbors, not to mention its unique culture. Despite geography thousands of miles away from the nearest European capital, the vibrant country seems more culturally bound to Western Europe than many places on the eastern side of that continent.

South Africa also happens to be the birthplace of two of my role models: Elon Musk, who constantly reminds me that I'm not thinking big enough, and Roger Federer, whose passion for tennis should be a benchmark for any endeavor in life. Both of these individuals immigrated to Western countries to get where they are today and achieve their full potential. However, such stories will not be the norm in the future. I will eagerly watch for more South African stars with bated breath and wait to see more successes from South Africa.

Meditation to Understand India

Li Cheng

Age: 31

Occupation: Student, graduated from the Social Science Department of the Tata Institute of Social Sciences (TIIS), India

Birth place: Xi'an

Current residence: Berlin



Acquiring true understanding of life in India is a joyous process that must be accompanied by the ancient and melodious Sarod tune to the brisk and cadenced rhythm of Dholak.

Just mentioning the word "India" brings to mind numerous gods and a mysterious history. Its iconic cultural elements include dialogue rituals between human and divine at dusk in Varanasi, the division of life and death represented by burning

corpses floating on the Ganges River alongside live Hindus bathing in it, the persistence of the Sadu to detach from their body to refine the soul, tea farmers' reciting Tagore poems in Assam and meditation lasting for as long as a week.

Outside opinions of India tend to swing between either burning passion or little interest at all. However, any love or hate of India is surprisingly similar: Laid-back people enjoy the quiet atmosphere and things like people reciting scriptures in various temples anytime and anywhere, while the impatient people can't tolerate waiting at all. Those desiring spiritual detachment sit and meditate anytime and anywhere, while champions of modern science scoff. Those with open mind start to grasp an understanding the diversity of slum culture, while others just write it off as chaos.

People tend to view some separation between "modern India" and "ancient Indian civilization." The former refers to India as a modern nation from the common secular understanding. However, the latter should be viewed from the perspective of civilization, spirit and philosophy rather than a secularist mindset. Unfortunately, many people have been blinded by the secularism. In any discussion

of India, you will always hear some critical voices on political and economic issues. In the modern context, India has been frequently viewed as a poor, backward, and even barbaric country. Especially during the Orientalism movement in Europe in the 19th Century, colonialists narrated a secular India to the whole world from the perspective of so-called civilized men, a first impression which solidified rigid images of Indian civilization in the Western World and informed the secular understanding of India.

The development of modernism has inevitably moved in a monolithic direction. But it is essentially insulated from the diversity of Indian culture. Years after I left India, I one day suddenly felt true understanding of the axiom that by visiting every country in the world except India, you would understand about half of the world—especially in a mental sense. Since I left India, I have remained close to Indian literature, philosophy, religion, phonology and thought. What I miss most about India is the vanishing non-secular values, ways of life and thinking. Now, even though I have strayed far from India, whenever I feel tired I can still took out Tagore poems to comfort my impetuous mind and soul.

Mandarin Making Friends Around the World

Lebone Kgengwenyane

Age: 17

Occupation: Student at Pretoria Chinese School

Birth place: Atteridgeville, South Africa

Current residence: Pretoria, South Africa



The first I heard of the Chinese Bridge competition was in 2007, when I was in my first Mandarin Chinese class. After many years, I had developed great love and passion for the Chinese language and culture. I asked my Mandarin teacher about the Chinese Bridge competition.

My mandarin teacher explained that it is a Chinese proficiency competition for foreign students learning Chinese all over the world, which can motivate learners to perfect their Chinese and get more familiar with Chinese culture. The Chinese

Bridge competition allows foreign students to come together around the beautiful language of Mandarin. After selecting contestants by Chinese language skill level, Chinese national knowledge, Chinese cultural skills and comprehensive learning ability, standouts get an opportunity to win a scholarship to study in China. It sounded amazing!

I saw the positive influence the competition had on the contestants' personalities and character. It teaches you to be strong, responsible and socially interactive.

I told my mother about the event and she encouraged me to one day sign up. For some reason, I knew 2017 would be my year.

On Friday, August 4, all contestants were invited to a dinner to mingle and get to know each other as well as draw lots to determine the competition order. The actual competition took place the next day on August 5 and began with a written test followed by prepared speeches and a talent performance.

I was very nervous when giving my speech. As a foreign student, memorizing it required a lot of time, effort and determination. Nonetheless, I believed in myself and in the hard work that my teachers and I put in. My topic was "Through

Mandarin we make friends around the world." To my amazement, I received the top mark in this event.

After my speech, all that was left to do was impress the judges with my talent. I recited a poem about the famous story of Mulan followed by a martial arts performance. It was my first recitation of Chinese poetry. More than memorizing the poem, the challenge was understanding the depth and background. My work in these realms allowed me to use the right body language and facial expression to emote—it turned out fun as much as difficult. I really enjoyed it! My love for martial arts started in primary school during a Chinese culture camp where we got to do Chinese traditional dancing, calligraphy and martial arts. I got very interested in all of them.

When my name was announced as the winner of the preliminary contest, all I could do was sit in shock as my teachers and parents came to hug my partner and me. I was so happy and pledged to redouble my efforts for the next competitions. I will pursue Mandarin in college and make sure I find work that requires speaking Mandarin. From my experience studying Chinese, I learned that. 🇨🇳

Movies Moving BRICS

Joint productions and film festivals foster emotional connections

By Sudeshna Sarkar & Xia Yuanyuan

The five short films in the anthology represent five diverse cultures on a common theme – time and how our lives have been changing so fast with it.

Madhur Bhandarkar was shocked to find an email in his inbox from internationally acclaimed Chinese director Jia Zhangke, who wrote him with an unusual proposal.

Jia asked Bhandarkar, a successful film director in India's Bollywood, if he would be interested in making a short film as part of a five-story anthology. Jia planned on making one of his own and recruiting directors from the other three BRICS countries (Brazil, Russia, South Africa) for the others.

Bhandarkar agreed without hesitation and less than a year later, the anthology, *Where Has Time Gone?*, premiered at the Second BRICS Film Festival in Chengdu, Sichuan Province,

in June.

"This was the first time I participated in a collaborative project in my life," admitted Jia, whose film *Still Life*, a tale of the self-destruction of a city as the Three Gorges Dam was under construction, won the Golden Lion at the 2006 Venice Film Festival. "We [the five BRICS nations] share social similarities and profound civilizations, but we have different ways of dealing with challenges. The five short films in the anthology represent five diverse cultures on a common theme – time and how our lives have been changing so fast with it."

The first seeds of the collaborative BRICS film project were sown at the summit of BRICS leaders in Goa, India, in 2016. After Indian Prime

Minister Narendra Modi proposed a BRICS Film Festival in 2015, Chinese President Xi Jinping suggested producing a collective BRICS film, and Jia was contacted to coordinate.

Where Has Time Gone? also includes *When the Earth Trembles* by Brazilian director Walter Salles, whose *Motorcycle Diaries* based on Ernesto Che Guevara's work was nominated for two Oscars, *I Am Your Time Now* by Russian director Alexey Fodorchenko and *Stillborn*, South African director Jahmil Qubeka's apocalyptic sci-fi film set 10,000 years in the future, which is populated by robots.

Jia Zhangke's contribution, *Revive*, uses the two-child policy announced by the Communist Party of China in 2015 to weave a poignant story about a long-married couple



June 2017: Directors from the five countries attend the opening ceremony of BRICS Film Festival.

whose lives were becoming predictable, cleverly tapping Chinese history, culture and martial arts. It begins with a ferocious fight to death between two adversaries and the empress emerging from her royal chamber to be greeted by loyal subjects. But everything turns out to be a gimmick to promote tourism. The warriors and empress are all costumed employees to give tourists more photo opportunities.

Bhandarkar's *Mumbai Mist* deals with the issue of an aging population that is perplexed by modern technology and isolated from younger people who are immersed in their own lives and mobile phones. Such a story could easily be set in China or any other part of the world.

"It's cliché to say cinema

is a universal language but it is!" Qubeka exclaimed. "In 108 minutes, we traveled around the globe. While we are different in some ways, we have the same basic values and experience the same emotions. As a film director, I am more fascinated by what makes us the same than what makes us different."

Both the collaborative film and the other films shown at the festival highlighted connections between the five countries. Fodorchenko's drama about a young woman attempting to keep her lover alive by improvising a breathing device after an accident leaves him paralyzed and unable to breathe was inspired by a Chinese story he found during a visit to China. "It was about a family trying to help a son

with a lung problem survive," he explained. "The countries are different, but the emotions — love and sorrow — are universal."

Alok Rajwade, the star of *Kaasav* (Turtle) by Indian directors Sumitra Bhavé and Sunil Sukthankar, won the best actor award for his portrayal of a suicidal young man in a film addressing another universal trend.

"Depression and suicide are major universal problems," remarked Mohan Agashe, producer of the film. "The highest suicide rates in the world are in China, India and Japan. Realizing the severity of the situation, the World Health Organization has declared 2017 the year to 'Fight Depression.' We wanted to address this issue in a positive manner and chose



The film *Where Has Time Gone?*, co-produced by all BRICS countries, hit big screens in June 2017, featuring the theme of time and people's life.



On the closing ceremony of BRICS Film Festival, a Special Award goes to the crew and five directors who produced the film *Where Has Time Gone?*.

film as the medium because it is a universal language."

Where Has Time Gone? will screen again at the BRICS Summit in Xiamen in September. Jia noted that it will also be shown at film festivals around the world. Four more BRICS co-productions are expected to be released by 2022.

The current situation is creating huge opportunities for BRICS filmmakers, especially considering the massive size of the Chinese and Indian domestic film markets. As Han Sanping, chairman of China Film Group Corporation, pointed out, "Any film screened in China is guaranteed tens of thousands of viewers."

In 2016, China's box-office revenue reached 49.2 billion yuan (US\$7.2 billion) thanks to over 70 million moviegoers. By May 2017, China had more than 45,000 screens nationwide, an exponential jump from the

modest 1,845 in 2002. Today, the Chinese film industry is financed by nearly 2,000 investors in over 500 venture capital firms.

Loktak Lairembee (Lady of the Lake), a 2016 film directed by India's Haobam Paban Kumar that was inspired by *Still Life*, enjoyed a boom of new interest and viewership after the Chengdu film festival. Although Kumar has been rising through the ranks of global filmmaking, he remains hardly known in his own country. One reason is that his films are in the Manipuri language, which is spoken only in the tiny northeastern state of Manipur which has a population of only 3 million or so. Although *Loktak* has English subtitles and won many awards, its performance was paltry compared to Bollywood's blockbusters.

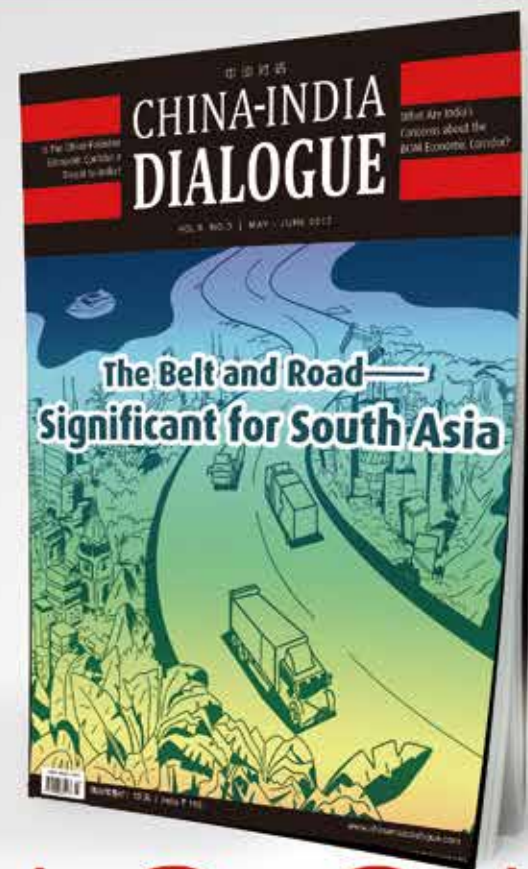
"Small films don't get access to large markets," Sankhajit Biswas, editor of the film, said.

"How can we introduce small films to other countries? This film festival is a wonderful platform to reach a larger audience."

Along with enlarging markets, BRICS films and film festivals are also creating people-to-people contacts, one of the primary objectives of the bloc.

"Everyone knows that China is a big movie country," noted Biswas during his first trip to China. "What we don't see from outside are cultural exchange and human contact. We came to Chengdu, talked with people, shared food and made emotional connections. This will enhance our creativity and foster better communication and fellowship in filmmaking."

Author Sudeshna Sarkar is an editorial consultant with the Beijing Review weekly. Author Xia Yuanyuan is a reporter with the ChinAfrica magazine.



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