JANUARY 2024

OUTCOMES OF 2023 BRICS BUSINESS COUNCIL (BBC) SUMMIT

OUTCOMES OF AUGUST 2023 BBC SUMMIT

The five chapters of the BRICS Business Council (BBC) officially handed over the 2023 Annual Report to the BRICS Heads of State, with recommendations from the nine sectoral-facing working groups through which it executes its mandate.

The handover was preceded by a successfully executed business programme of events which started off with the Africa Caucus on 18 August, hosted by the South Africa Chapter of the BRICS Business Council (SABBC). This series of mostly sectoral-facing engagements culminated to the BRICS Business Forum held on the 22 August at the Sandton Convention Centre, which saw 1200 business and government leaders from Brazil, Russia, India, China and Africa gather at the Sandton Convention Centre.

Under the theme, *Making Accelerated Growth and Sustainable Development a Reality*, the BRICS Business Forum was a curated programme of thematic discussion areas anchored on the strategic focal areas of the BRICS 2023 business Chairship posture, which included the unlocking of BRICS trade and investment opportunities in BRICS markets, just energy transition and greening of the economy in emerging markets, market access for small to medium businesses and the promotion of the Africa Continental Free Trade Area as a tool to develop Africa. The session also honed in on the promotion of Agriculture across BRICS markets and sustainable development in agriculture across BRICS Nations.

At the official handover of the BRICS Business Council 2023 Annual Report to the Heads of State of BRICS, the global Chairperson of the BBC Busi Mabuza, highlighted the priorities that the council focused on, which included:

- *Developing a partnership towards an equitable just transition*, a key outcome of this commitment is the establishment of the BRICS Centre of Excellence in Africa, a platform that will evolve into a BRICS Energy Agency to drive increased collaboration, enhanced research and innovation in energy; provide skills development and capacity building; energy trends; collaborate with international organizations; data and statistics repository and be the leader policy formulation centre for the BRICS energy community and beyond.

- *Transforming education and skills development for the future*, which focuses on intensifying programmes of knowledge, skills exchange, and work within the BRICS partners. Through this programme of work, the council has identified more education and empowerment driven opportunities to unlock the potential that resides in our developing nations.
- *Unlocking the opportunities in the African Continental Free Trade Area (AfCFTA),* remains a key pillar in the council's trade and investment posture. This historic trade agreement envisages a single market encompassing the entire African continent, facilitating trade and investment on an unprecedented scale. With a projected GDP growth approaching $4 trillion and 1.3 billion people, the SABBC, is committed to catalyzing the advancement of trade relations between BRIC and Africa.

In a joint statement by the five partner chapters, the BBC has collectively pledged to drive trade and investment promotion, across all sectors, to contribute towards the fair-trade balance, and inclusive trade practices, while encouraging investment flows that benefit all our economies.

Consensus was reached in a hallmark agreement in the form of a signed Intra Working Group MOU. The agreement serves as a critical instrument for enhancing coordination and cooperation within the council. The Intra Working Group MOU will facilitate better collaboration among the nine working groups, ensuring efficient communication and exchange of ideas.

Of notable importance in the annual report are the various recommendations from the nine working groups. The SABBC acknowledged the collaborative efforts put forth by all partner chapters in finalising these recommendations, an achievement which underpins the unity and shared aspirations of the BRICS nations.
The official BRICS Business programme concluded as President Ramaphosa prepared to host the BRIC Heads of State for the XV BRICS business Summit on August 24th, at the Sandton Convention Centre, under the theme: BRICS and Africa: Partnership for Mutually Accelerated Growth, Sustainable Development and Inclusive Multilateralism.

Speaking at the handover of the annual report, Mabuza cited, "*we have witnessed an upward trajectory in growth in trade volumes and investments among BRICS countries"*. However, we also recognize the challenges posed by tariff barriers, non-tariff measures, and regulatory complexities which hinder the full potential of our trade and investment capabilities."

2023 marked ten years of the BRICS Business Council, Mabuza also gave a glimpse of next ten-year proposition, “we agree that looking ahead, the opportunity for intra-BRICS and BRIC-Africa investment remains promising. However, more effort is required to make investment a key driver of economic cooperation among the BRICS and BRIC-Africa, and to bring more benefits for sustainable and inclusive economic development in the bloc and promote industrialisation on the African Continent,” said Mabuza.

The next ten years of the BRICS Business Council’s posture will anchor on the advancement of economic partnerships, mutual prosperity among BRICS countries, and building a BRICS Business Council that not only serves the interests of our member nations but also acts as a catalyst to drive an upward economic change across the world.

BRICS EXPANSION

On January 1, 2024, BRICS officially welcomed five (5) new members. The SABBC is excited about the opportunities to expand the market presence and seek investment opportunities in Ethiopia, Egypt, Iran, Saudi Arabia, and United Arab Emirates for SA businesses. These countries are emerging economies with a growing middle class and a substantial consumer market, expanding into these markets will lead to growth opportunities for South Africa. Some of the immediate benefits for South Africa include:

- Improve the trade patterns across new BRICS members through enhanced bilateral investment agreements, balancing of trade and exploring the value chain opportunities in line *(AfCfTA*)
- The construction of resilient infrastructure and sustainable industrialization as one of the key objectives of the UN Sustainable Development Goals, thus SA ‘s infrastructure deficit can be tackled by tapping into the BRICS new members, nurturing partnerships that yield programs with both a public appeal and commercial value. This also in line with Africa’s Advancement Agenda 2063, where businesses must align their operations with sustainable development goals, (i.e., promotion renewable energy, reduce gas emission, and drive environmentally friendly practices) to promote a sustainable and resilient business environment with these new member countries.
- Develop business matchmaking services in each region for South African companies to bring together their counterparts. This requires a strong partnership between government and the private sector.

The expanded BRICS has an opportunity to shape the future of global trade, investment, and sustainable development. This can be achieved through capitalizing on our respective strengths, fostering innovation, promoting inclusivity, and supporting initiatives such *AfCfTA*. The expanded BRICS should collaborate with African nations to facilitate the successful implementation of the *AfCfTA* and recognize its potential to bolster Africa's global economic participation whilst also offering a significant value proposition to other markets. The expanded BRICS countries can create a more prosperous, equitable, and interconnected world.

FORWARD LOOKING

The SABBC is on record that the next decade (2023-2033), must personify pragmatism in trade and investment. This approach entails taking concrete actions, adopting effective strategies, leveraging the collective strengths and areas of complementarity of the "*expanded BRICS*" countries to address the evolving challenges and capitalize on emerging opportunities.

In assuming a pragmatic approach, the "*expanded BBC*" can continue to deliver tangible results, bolster economic resilience, and create an environment conducive to sustainable growth. By promoting intra-expanded BRICS trade, enhancing market access, and facilitating the exchange of goods, services, and technologies, the expanded BRICS countries are creating a more balanced and diversified trade environment that benefits all participants. Such endeavors not only strengthen regional economic integration but also contribute to global trade stability.