

KEY TAKEAWAYS

The BRICS consistently supports decisions made at G20 summits

It conducts informal consultations on the sidelines of multilateral events

Bonding the BRICS and the G20

More endorsement, encouragement and cooperation are needed in order to improve the effectiveness of how the BRICS and the G20 work together, write Marina Larionova and Andrey Shelepov

Since its establishment in 2009, the BRICS group of Brazil, Russia, India, China and South Africa has established its identity as an informal global governance forum. BRICS members have consistently strengthened cooperation, expanded and deepened their agenda, and coordinated efforts aimed at economic recovery and growth as well as development in other countries. Major practical achievements include the launch of the New Development Bank (NDB) and the Contingent Reserve Arrangement (CRA).

Shared goals

The BRICS mission includes facilitating strong, sustainable, balanced and inclusive growth, recognising the G20 as the premier forum for multilateral economic coordination and cooperation. The BRICS consistently supports decisions made at G20 summits.

There are two major dimensions of BRICS-G20 engagement: The BRICS cooperates with the G20 to attain shared goals, primarily on stimulating economic growth, reforming international financial institutions, improving financial regulation and addressing global security threats. It also coordinates its members' positions within the G20.

The BRICS has an established practice of organising leaders' meetings on the sidelines of G20 summits. The first was held on the eve of the G20's Cannes Summit in 2011. BRICS leaders discussed joint actions to support global economic recovery, the eurozone debt crisis, reform of the international currency system and other issues on the G20 agenda.

In 2012, in Los Cabos, they agreed that the "process of informal consultations on the sidelines of multilateral events was valuable and contributed to closer coordination on issues of mutual interest to BRICS economies". Emphasising the need for increasing the resource base of multilateral development banks, the leaders committed to increasing their countries' contributions to the International Monetary Fund by \$75 billion.

The following year in Saint Petersburg, the discussion focused on the practical aspects of the NDB and CRA, including their subscribed capital and size, respectively. The work of the new BRICS institutions also dominated the discussion of the BRICS summit before the Brisbane Summit. Additionally, the leaders discussed the pressing issue of fighting Ebola. On the sidelines of the G20 summit in Antalya, much attention was paid to combatting terrorism, a problem that was particularly



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The BRICS typically coordinates its positions at G20 meetings

China can provide the impetus to synergise the BRICS and the G20



acute because of the terrorist attacks in Paris and the destruction of the Russian aircraft over Sinai. BRICS leaders traditionally coordinate positions on a wide range of common objectives, including those prioritised by the G20. It has become typical for the BRICS to coordinate positions at the meetings of G20 leaders and finance ministers on the margins of their meetings.

Proposals for the Hangzhou Summit

The BRICS has always been committed to supporting the G20. Coordination of BRICS positions before G20 meetings has proven effective.

Informal BRICS meetings, especially recent ones, tend to deal more with members' own priorities rather than issues related to the G20. Moreover, the BRICS intention to act in alliance with the G20 remains largely unrealised.

To improve the effectiveness of its engagement, the BRICS should find a balance between discussing its own agenda and addressing G20-related issues. It should shift from declarative support of G20 decisions to practical engagement.

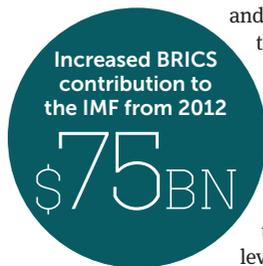
The cooperation between the G20 and

the BRICS is not reciprocal. G20 documents over a period of eight years contain only one reference to the BRICS, whereas the G20 has been explicitly present in BRICS documents since 2008. This frequency is comparable to references to other institutions that the BRICS actively supports, such as the United Nations or the World Trade Organization.

The G20 should pay more attention to the BRICS. Given the BRICS support of landmark G20 decisions, such as lifting collective gross domestic product by more than two per cent within five years or combatting profit shifting, by endorsing and encouraging BRICS activities the G20 could enhance its own legitimacy and improve implementation.

With China holding the 2016 G20 presidency and the 2017 presidency of the BRICS, it has a unique opportunity to shift cooperation to a new level. At the Hangzhou Summit

China can give a strong impetus to synergies between BRICS and G20 actions. A good example of a reciprocal and result-oriented approach to cooperation between the institutions is the Chinese presidency's call on the NDB to play a greater role in complementing the existing multilateral development system. **G20**



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