

GOVERNMENT OF INDIA
MINISTRY OF EXTERNAL AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO.2487
TO BE ANSWERED ON 26.12.2018
FORMATION OF BRICS

2487. SHRI RAM MOHAN NAIDU KINJARAPU:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) the reasons for forming the BRICS association; and
- (b) the benefits accrued to the country by being a member in this group?

ANSWER
THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS

[GEN. (DR) V. K. SINGH (RETD)]

(a) The BRIC [Brazil, Russia, India and China] idea was first conceived in 2001 by Goldman Sachs as part of an economic modeling exercise to forecast global economic trends over the next half century.

As a formal grouping, acknowledging the leadership role played by each of the BRIC countries and their growing contribution to the global economy, the 1st meeting of BRIC Foreign Ministers was held on the margins of United Nations General Assembly in New York in 2006. The 1st BRIC Summit was held in Yekaterinburg, Russia, in 2009.

BRIC was expanded to BRICS (Brazil, Russia, India, China and South Africa) with the inclusion of South Africa at BRICS Summit in Sanya in 2011.

(b) All Members of BRICS grouping benefit from its collective strength by way of consultation and cooperation on economic issues of mutual interest as well as topical global issues, such as SDGs, international terrorism, climate change, food and energy security, reform of global governance institutions, trade & tax, health, traditional medicines, labour, disaster management, anti-corruption, information and communication technology, customs cooperation, industries, etc. In addition, BRICS countries are cooperating in People-to-People format on culture, sports, youth, cinema, academics, tourism, skill development, science, technology and innovation, etc.

The New Development Bank (NDB) has come into existence with the vision of mobilizing resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries, to supplement the existing efforts of multilateral and regional financial institutions for global growth and development. The NDB helps India and other member countries to raise and avail resources for their infrastructure and sustainable development projects. Contingent Reserve Arrangement is another BRICS initiative that acts as a financial safety instrument for BRICS countries in the event of a financial crisis.
