GREEN DELTA CAPITAL

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Envisioning The 2023

BRICS Expansion

BRICS is an association of five major countries including Brazil, Russia, India, China, and South Africa. Distinguished by their emerging economies, the group has sought to improve diplomatic coordination, reform global financial institutions, and ultimately serve as a counterbalance to Western hegemony.

On August 24, 2023, BRICS announced that it would formally accept six new members at the start of 2024: Saudi Arabia, Iran, Ethiopia, Egypt, Argentina, and the United Arab Emirates (UAE).

Share of Global GDP

Because most of the new BRICS members are considered to be developing economies, their addition to the group will not have a major impact on its overall share of GDP.

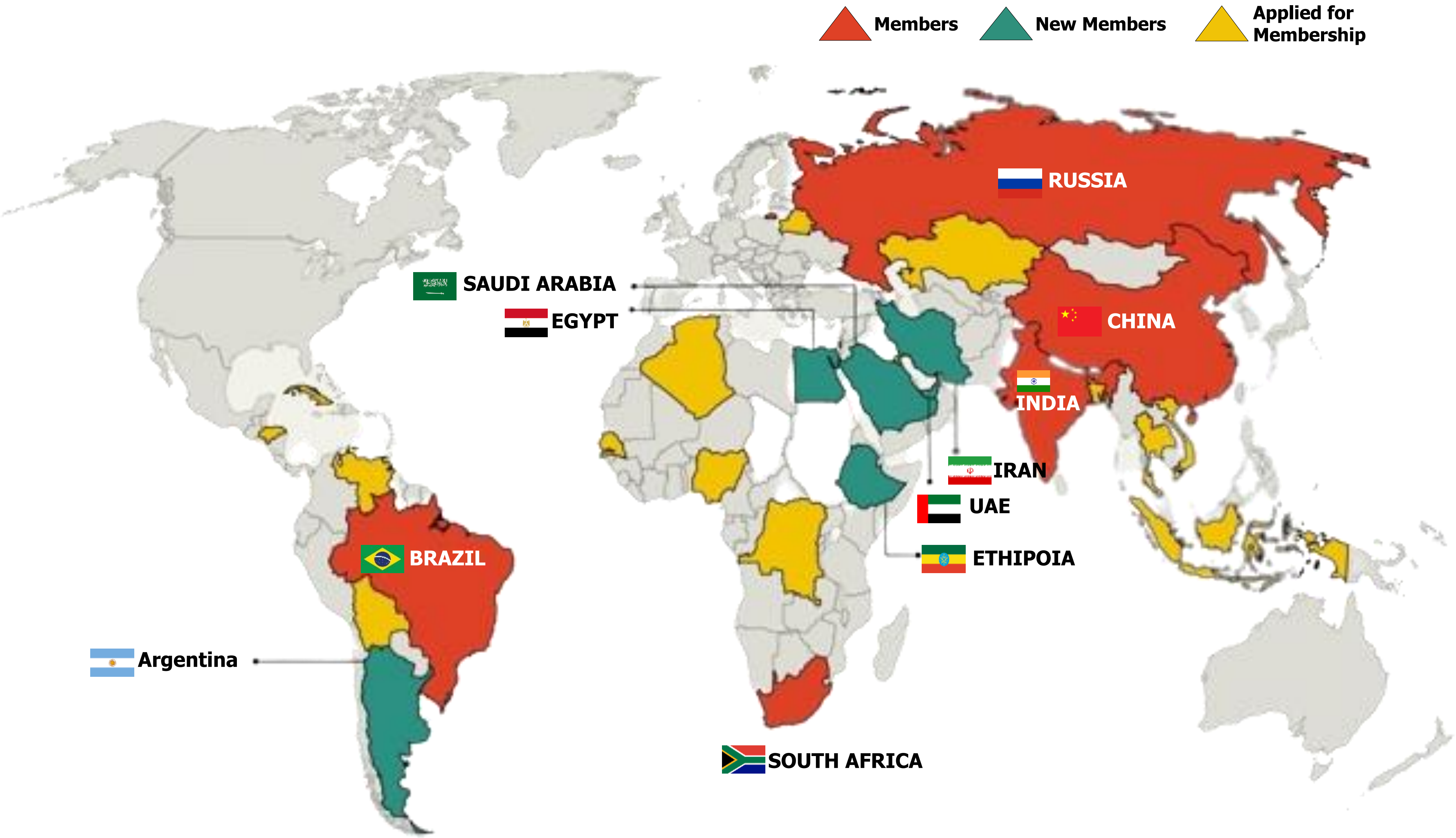
The following table includes GDP projections for 2023, according to IMF.

Original BRICS Member	Country	GDP (USD billions)	Share of Global (%)
Yes	Brazil	$2,081	2.0%
Yes	Russia	$2,063	2.0%
Yes	India	$3,737	3.6%
Yes	China	$19,374	18.4%
Yes	South Africa	$399	0.4%
No	Saudi Arabia	$1,062	1.0%
No	Iran	$368	0.4%
No	Ethiopia	$156	0.1%
No	Egypt	$387	0.4%
No	Argentina	$641	0.6%
No	UAE	$499	0.5%
-	**BRICS Total**	**$30,767**	**29.3%**
-	**Rest of World**	**$74,362**	**70.7%**

The original five BRICS members are expected to have a combined GDP of $27.6 trillion in 2023, representing 26.3% of the global total. With the new members included, expected GDP climbs slightly to **$30.8 trillion**, enough for a 29.3% global share.

BRICS Expansion

BRICS, a bloc of developing countries formed in 2010, is set to welcome six new members at the beginning of 2024.



Why 40+ Countries Want to Join BRICS

BRICS is a globally influential bloc, with its member nations outperforming the Group of Seven (G7). The BRICS countries account for almost 30% of global GDP, compared to 30.7% for the G7. Furthermore, with 3.7 billion people, BRICS nations account for 46% of the world's population. This obviously demonstrates the BRICS countries' power and importance, adding that they are also considered a powerful counterweight to Western influence.

The Future of BRICS

- **New Development Bank's growing popularity, influence**

The New Development Bank (NDB), founded by BRICS in 2014, is another reason why countries are expressing a strong wish to join BRICS. Since its founding, the bank has financed nearly 100 projects worth USD 34 billion in core infrastructure sectors. This financing has attracted countries seeking alternative credit sources and serves as a counterweight to Western-dominated financial institutions like the World Bank IMF.

- **Expansion hurdles and BRICS' future prospects**

Despite the interest of many countries in joining BRICS, expansion remains uncertain due to differing opinions among current members. India and Brazil's concerns about transparency and maintaining a balanced approach may hinder the bloc's growth. The future of BRICS expansion will depend on finding common ground among its members and ensuring that the organization remains cohesive and effective.

Expecting to be BRICS member in second phase

Back in June 2023, Bangladesh formally expressed its desire to join BRICS. Since then, the topic has garnered attention within the country, with various media outlets presenting news reports and articles detailing the potential advantages and disadvantages of BRICS membership.

The real and tangible benefit of becoming a BRICS member is to get access to funds of the New Development Bank (NDB). Since Bangladesh is already a member of this Bank, it is getting the benefit from this platform.

Bangladesh and BRICS

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