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Good afternoon. It is a great pleasure to be back here at the World Policy Conference to share with you our perspective on the BRICS expansion and its impact on the world order. I am being joined by an outstanding panel, who I will introduce in detail in a few minutes, after I have had the opportunity to frame the discussion we will have over the next hour.

We want to talk about the implications of the BRICS expansion for the future global order and the question is: is BRICS a new reality, a myth, and how will it impact businesses around the world? For those people who doubted the impact of BRICS, its meeting six weeks ago in Kazan brought together the five original BRICS countries plus the four new additions, showing the world that in 2024, nine leading world economies met in Russia and defined the future of their economies, potentially together.

When we talk to CEOs, executive committees and boards around the world there are many topics on the corporate agenda, especially the impact they have on economic development. There is the shift of trade to Asia; the questions around China's deceleration; the impact of the ultimate election year, given that 2024 was the year where more than 70 countries had elections. There is a question around the impact on business of conflicts in the Middle East and Ukraine. Of course, there is the whole question around the geopolitics of AI and the controls countries have over AI. There is the rise of green industrial policies and of course, the challenge of demographic devolution and fast-aging societies, as well as the competition for talent. By the way, our host country is very successful at attracting and retaining top talent. You also see that one of these nine forces that are shaping the global business landscape is the BRICS expansion, which is why we want to talk about this today.

If you look at geopolitics overall and the geopolitics of global alliances, you can see that BRICS is actually a very interesting addition to the world's big global alliances, and it is actually an interesting counterpart to the G7. If you look at the huge population numbers, the impact on GDP as well as trade, BRICS is an important entity going forward, which also straddles the G20 world. The nine official BRICS countries—and we all know that Saudi Arabia's position is still open after its invitation—have an impact on different areas. From our side, the expanded BRICS will have impacts on five areas that are critical for corporations: energy, trade, infrastructure and development, monetary policy, and last but not least, technological cooperation.

Let me deep-dive into two of these five areas. The first is energy, and if you look at the volume of oil and gas that the expanded BRICS plus Saudi Arabia, plus the countries that would like to join the BRICS' control, this group controls a large majority of the world's oil and a good portion of the world's gas production. It is also interesting that when you look at where the BRICS countries get their energy from, a large majority is actually intra-BRICS energy trade.

This shows that the expanded BRICS, and potential new joiners, are creating their own sphere/energy market independent of other players.

The second deep dive I wanted to share with you is trade. When it comes to what percentage of exports from these nine countries go to fellow BRICS countries and what percentage of imports comes from them, in the 20 years from 2003 to 2023, the share of intra-BRICS trade for many countries has grown by 10 to 20 percentage points. Again, this is an element where we think it is important for corporations to understand the impact that BRICS will have on their trading patterns.

We were asked to have a business perspective, so let me conclude by saying that we see implications for countries in this new BRICS world, both ones that are and are not BRICS-based. It starts with the fact of developing a BRICS-specific go-to-market strategy and how you approach these countries. I think we have seen it here and elsewhere: BRICS is a concentration of countries with massive infrastructure investments, and the question is how to tap into the infrastructure boom in these markets. It is also important in a world where we have learned that pandemic and tariffs can disrupt trade lanes overnight: BRICS can be a formidable base for resilient supply chains. However, and I think it was clear from the summit in Kazan, it is also necessary to navigate the BRICS in the overall environment of Western sanctions regimes. Last but not least, to be successful in these countries, companies need to develop what we call a geopolitical muscle, that is the ability of companies to understand geopolitical shifts, trade developments and of course, also to be able to integrate that into their decision-making, whether for investments or long-term strategies.

With that framing, I am very happy to join with our panel for the discussion, which I will now introduce in detail. I think the BRICS countries are very well represented, except for one—and we were joking in the green room that it is rare to have two Austrians on a panel of five, a little, neutral country in the middle of Europe.

I will start with His Excellency, Étienne Berchtold, Ambassador of the Republic of Austria here in the UAE, who has been here for two years, and we just talked about the fascinating dynamic of this region. Before that he worked at the Chancellery in Vienna, was the spokesperson for three Austrian Chancellors and has a very broad and comprehensive perspective on the world. Thank you for joining us today.

I am happy to introduce Trudi Makhaya from South Africa—the S in the BRICS—and she was the Special Economic Advisor to President Ramaphosa from 2018 to 2023 and is now on the board of the Spar Group. We will talk about it later, but I think she has a very interesting take on the BRICS from a South African point of view, and we also look forward to hearing how you see other African countries that are joining the BRICS.

From the first letter in the BRICS, Brazil, Constanza Negri Biasutti was the B20 Sherpa from Brazil and is head of the Trade and International Integration at the Brazilian National Confederation of Industry. During the preparation we already talked about Brazil's perspective on the B20, G20, BRICS and the different overlaps and non-overlaps, so that is an important role.



From China, Qiao Yide is the Vice Chairman and Secretary General of the Shanghai Development Research Foundation, and he has a long history of research on the impact of development on countries, both in the US and China. We are very grateful you made the long journey to join us at the WPC to share that perspective.