

BRICS and International Institutions: Models of Engagement in Multilateral Governance¹

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This article focuses on the BRICS group's engagement with other international organizations in fulfilling global governance functions. The study is based on qualitative and quantitative analysis of references to international institutions in BRICS documents, identifying and examining the models and intensity of engagement, and their distribution across institutions and time.

The findings of the study suggest that the dynamics of the BRICS' engagement with other international institutions is positive. However, despite an increase in the absolute number of references, a decrease in their intensity is observed. This trend persists in spite of the expansion of the BRICS agenda and the establishment of cooperation mechanisms involving BRICS and other international institutions in new areas.

The BRICS group's engagement with international institutions is mainly based on two models: the "catalyst" approach and "parallel treatment." In addition, BRICS countries use mechanisms for coordinating their positions in international institutions on issues relevant to their agenda and broader policy areas. The establishment of the BRICS' own institutions has not led to a noticeable decrease in the number and intensity of references to other international organizations. Thus, the BRICS group and its New Development Bank and Contingent Reserve Arrangement should be considered as a new tool for the development of multilateralism and coordination, rather than alternatives or competitors to existing international institutions.

The analysis leads to the conclusion that in order to enhance the effectiveness of global governance mechanisms, it is necessary for BRICS to intensify its cooperation with other institutions, giving priority to leadership in setting priorities and identifying new areas of work, concrete decisions to support them, the delegation of mandates, and the development of mechanisms for coordinating the positions of the five countries rather than deliberation on the institutions' activities.

Key words: BRICS, international institutions, models of engagement with international institutions, "catalyst" approach, "parallel treatment"

Introduction

Since the group's establishment in 2008, the BRICS have constantly deepened their cooperation, working on a positive agenda in a wide range of areas, including finance, economy, trade, health, science and innovation, security, and development. Like other informal summit institutions, BRICS aims to increase the efficiency of collective action on its agenda priorities through the use of accountability instruments, the creation of its own special mechanisms and institutions, and engagement with international institutions at different levels. BRICS usually uses two types of engagement with international organizations: the "catalyst" approach (stimu-

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lating or supporting changes in and reforms of international organizations) and “parallel treatment” (creating its own institutions). Since 2012, BRICS has started working on establishing its own institutions, often considered to be an alternative to existing elements of the international financial system. At the same time, BRICS rarely uses the engagement model typical of other informal institutions, primarily the G20, based on leadership in defining new priorities on the global agenda and stimulating work on these priorities by relevant organizations. Participating in key international organizations, the BRICS countries actively establish consultation mechanisms on their sidelines to coordinate national positions.

The strengthening of intra-institutional cooperation and the development of interaction with international organizations are aimed at addressing the BRICS group’s priorities, strengthening the role of the forum in global governance, and improving the sustainability, legitimacy and efficiency of the global governance architecture as a whole.

Methodology

To assess the role of the BRICS in the system of global governance, the study explores the models, intensity and distribution of the BRICS group’s cooperation with international organizations. Content analysis of BRICS documents helped to identify references to international organizations and carry out their qualitative and quantitative analysis.

Quantitative analysis of the dynamics of the BRICS group’s references to international institutions is carried out using a special database including 50 documents adopted by the countries’ leaders, ministers of foreign affairs, finance, health, trade, science and technology, and in other formats, from 2008 to September 2015. The analysis uses data on the absolute number of references to particular institutions in the documents of a particular BRICS presidency, and relative data on the shares of particular institutions in the total number of references. In addition, it uses the relative parameter of intensity for examining the engagement of BRICS with international organizations over time, taking into account differences in the volume of documents adopted during each BRICS presidency. The indicator of intensity is expressed using the formula: $Di = Mi / Si$, where Di is the intensity of references to a particular institution during a specified period of time; Mi is the number of references to this institution in the BRICS documents adopted during the specified period; Si is the total number of text characters in these documents.

The qualitative analysis of BRICS documents is aimed at identifying the models of engagement with international institutions: “catalyst”, “core group” and “parallel treatment” approaches exercised by summitry institutions (exerting an influence for international organizations’ changes through endorsement or stimulus, or compelling them to reform; imparting a new direction by giving a lead that the other organizations would follow; and creation of the informal institutions’ own mechanisms). The qualitative analysis revealed the most typical models of the BRICS’ engagement with different organizations, and the incentives for and results of this interaction.

The results of the quantitative and qualitative analysis help to trace the dynamics and nature of the BRICS’ engagement with international multilateral institutions, and to assess the effectiveness of the forum in using international organizations to address collective priorities and achieve global governance objectives.

Main findings

References to international institutions in BRICS documents

To date, 636 references to 48 international institutions have been registered in BRICS documents, and their number has been growing from summit to summit, with the exception of the

second BRICS summit in 2010 in Brasilia (Table 1). BRICS countries constantly emphasize their commitment to the principles of multilateralism, international law and active cooperation with international and regional organizations, considering the United Nations to be the core of the international relations architecture. Thus, the UN is the most frequently mentioned institution in the BRICS documents. The UN's share in the total number of references exceeds 28% (Figure 1).

BRICS member countries, mostly at the meetings of their leaders and foreign ministers, stress the leading role of the UN in addressing key global challenges. At the same time, given the aspirations of Brazil, India and South Africa to become members of the UN Security Council, the BRICS often emphasize the need to reform the UN, particularly the Security Council. In addition to the Security Council, the UN General Assembly is also one of the most frequently mentioned organs of the United Nations (4.9% of all references).

Table 1. Reference to international institutions in BRICS documents, 2008–2015

| | Before Yekaterinburg | Yekaterinburg | Brasilia | Sanya | New Delhi | Durban | Fortaleza | Ufa | Total |
|--------------------------------------|-------------------------|---------------|----------|-------|--------------|--------|-----------|-----|-------|
| UN | 6 | 8 | 9 | 19 | 9 | 29 | 45 | 53 | 178 |
| G20 | 8 | 13 | 7 | 9 | 9 | 5 | 3 | 15 | 69 |
| WTO | 0 | 3 | 2 | 6 | 12 | 14 | 11 | 18 | 66 |
| IMF | 8 | 13 | 4 | 4 | 6 | 4 | 13 | 4 | 56 |
| WHO | 0 | 0 | 0 | 7 | 10 | 22 | 9 | 6 | 54 |
| Contingent Reserve Arrangement | 0 | 0 | 0 | 0 | 0 | 6 | 18 | 8 | 32 |
| New Development Bank | 0 | 0 | 0 | 0 | 1 | 6 | 10 | 15 | 32 |
| World Bank | 6 | 9 | 3 | 1 | 2 | 3 | 2 | 1 | 27 |
| UNCTAD | 0 | 0 | 0 | 0 | 9 | 7 | 2 | 4 | 22 |
| African Union | 0 | 0 | 0 | 1 | 0 | 5 | 5 | 2 | 13 |
| ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Total | 33 | 49 | 29 | 61 | 60 | 116 | 138 | 150 | 636 |

The next most frequently mentioned institution is the G20 (10.8% of all references). The BRICS confirm the central role of the G20 in reforming the global economic and financial system, and ensuring that “the emerging and developing economies must have greater voice and representation in international financial institutions” [BRIC Leaders, 2009]. BRICS members have consistently expressed support for the G20's efforts to achieve strong, sustainable and balanced growth. BRICS members also regularly coordinate their positions on key issues of the G20 agenda.

The BRICS support the development of an open, stable, equitable and non-discriminatory international trading system, and stress the centrality of the WTO in this regard. References to the WTO in BRICS documents are also connected to the need to ensure a balanced outcome in multilateral trade negotiations, taking into account the interests of developing countries. In addition, the WTO was actively mentioned in BRICS documents prior to and just after Russia's accession to this organization. As a result, the share of references to the WTO in BRICS docu-

ments during the study period exceeds 10%. BRICS trade ministers and leaders also often refer in their documents to UNCTAD, considering its role in addressing the trade and investment interests of developing countries to be “unique and necessary” [BRICS Leaders, 2014b]. The share of references to UNCTAD reaches 3.5%.

Given the delay in implementation of the Bretton Woods institutions’ reform, as agreed in 2010, BRICS members retain their focus on this problem. This results in a relatively high share of references to the IMF and World Bank during the study period, reaching 8.8% and 4.2%, respectively.

The intensity of the BRICS’ engagement with international institutions in the health area, especially with the World Health Organization, remains consistently high. In the period from 2008 to September 2015, 54 references to the WHO were registered in BRICS documents, constituting 8.5% of all references.

The BRICS’ own institutions, namely the New Development Bank and Contingent Reserve Arrangement, are also frequently mentioned. The numbers of references to these two institutions in the BRICS documents are currently equal, and constitute 5% of the total number of references.

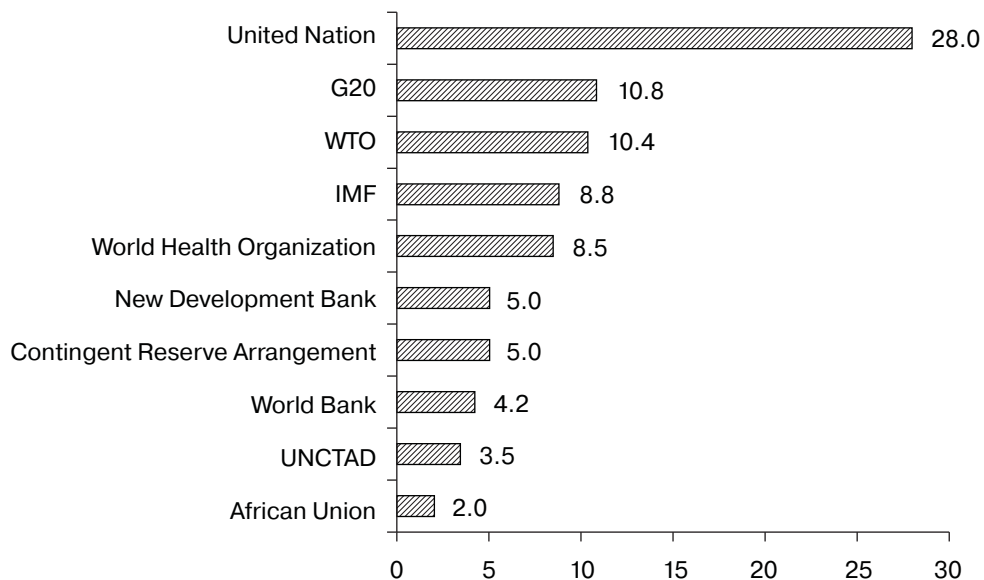


Figure 1. References to international institutions in BRICS documents, 2008–2015, share of references, %

The intensity of references to international institutions in BRICS documents, i.e. the ratio of the number of references to the number of text characters in the document of the forum, was the highest in the period before the summit in Yekaterinburg and during the subsequent Russian presidency. This can be explained by the establishment of the new institution under trying economic conditions and the need to develop collective solutions to overcome the global economic crisis. Following the Brazilian presidency of 2009–10, the intensity of the BRICS’ engagement with international institutions declined by almost half. This is explained by the formation of the institution’s own independent agenda, the establishment of special working formats within BRICS, and the subsequent increase in the number of adopted documents and their volume. An increase in this indicator has been registered in the documents of the South African presidency,

due to the growing number of references to the UN, the WHO, the African Union, NEPAD and other organizations in the area of development, especially that of the African continent, given that development was a key priority of the South African presidency. The presidency of Brazil in 2014–15 is characterized by a declining intensity in references. However, a slight increase in the indicator is registered during the subsequent Russian presidency (Figure 2).

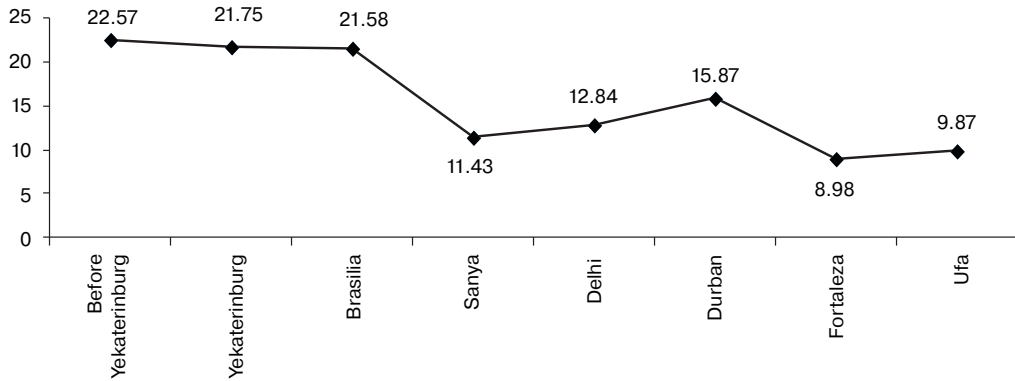


Figure 2. Intensity of references to international institutions in BRICS documents, 2008–2015

The proportions of references to various institutions change in line with fluctuations in the total number of references and their intensity. For instance, the shares of references to the G20, the IMF and the World Bank in their total number are declining. In recent years, NEPAD has not been mentioned in the BRICS documents. At the same time, due to the expansion of BRICS cooperation to new areas, the forum has launched and developed its engagement with new organizations, such as the WHO and UNCTAD. Given the further institutionalization of the BRICS group, its member countries now more frequently refer to the institutions established by the forum: the New Development Bank and Contingent Reserve Arrangement.

Changes are also observed in the distribution of different models of the BRICS' engagement with international institutions. Due to the ongoing institutionalization of the BRICS group and its strengthening role in global governance, the share of the governance model "without international institutions," or "parallel treatment," is increasing. Moreover, there are some examples of engagement based on the BRICS' leadership in setting priorities for the work of other international institutions. The BRICS' practice of encouraging and supporting changes and reforms of international organizations, or "acting as a catalyst," has strengthened.

At the same time, the establishment of internal institutions and mechanisms created by the BRICS has not led to a decrease in the intensity of references to other international organizations that traditionally work on the same issues. This indicates that the forum does not position its own institutions as competitors to existing ones.

Thus, the number of references to international institutions in BRICS documents has been steadily growing since the establishment of the forum. However, given the increase in the number of documents adopted in the framework of different BRICS cooperation formats and their volume, a declining intensity of references is observed. The list of the most frequently mentioned institutions in BRICS documents includes the UN, the G20, the WTO and UNCTAD, the IMF and the World Bank, the World Health Organization, as well as the BRICS' own institutions: the New Development Bank and the Contingent Reserve Arrangement. The "catalyst" approach remains the main model of the BRICS' engagement with international institutions. However, the ongoing institutionalization of the BRICS group and the corresponding increase

in its contribution to and role in the multilateral global governance system, have led to the appearance and increasingly active implementation of other models of engagement. It is clear that in future, closer cooperation with international institutions in the development and implementation of decisions, including through mandating them to fulfil their commitments, can increase the BRICS' impact on global governance processes.

Main features of BRICS' engagement with key institutions

The United Nations

BRICS considers the UN to be the key international organization that guides and coordinates the global community's efforts to address a wide range of issues. The UN is the most frequently mentioned organization in BRICS documents. The total number of references to the United Nations (178) is more than twice as large as the figure for the G20. Besides, the UN is mentioned in all the documents of BRICS leaders, and the number of references is steadily increasing. Thus, their intensity remains relatively constant.

The UN was mentioned for the first time in the first document to be adopted by the BRIC group – the joint communiqué of the four countries' foreign ministers of 16 May 2008. The foreign ministers stressed that “today's world order should be based on the rule of international law and the strengthening of multilateralism with the United Nations playing the central role.” They also reaffirmed the need for comprehensive reform of the UN, enabling it to better respond to current global challenges. In addition, representatives of Russia and China noted the importance of the status of India and Brazil in international relations, and supported their aspirations to play a greater role in the UN [BRIC Foreign Ministers, 2008].

The three main ideas of the UN's centrality in international affairs, the need to reform the organization, and the need to strengthen the role of India and Brazil in the United Nations, were reflected in almost all subsequent documents of foreign ministers, as well as the BRICS leaders. As the agenda of the forum expands and its influence strengthens, BRICS has been emphasizing the role of the organization in certain distinct areas of its work more specifically. For instance, in their joint statement at the summit in Yekaterinburg, the BRIC leaders looked forward to a successful outcome of the United Nations Conference on the World Financial and Economic Crisis and its Impact on Development, held in New York on June 24–26, 2009. They also called for the urgent adoption of the Comprehensive Convention on International Terrorism that was under consideration by the UN General Assembly [BRIC Leaders, 2009].

At the 2010 summit in Brazil, BRICS leaders for the first time declared that “the fight against international terrorism must be undertaken with due respect to the UN Charter, existing international conventions and protocols, the UN General Assembly and Security Council resolutions.” Also for the first time, BRICS dialogue focused on the issues of encouraging dialogue among civilizations, cultures, religions and peoples within the UN initiative “Alliance of Civilizations,” holding a Conference of the Parties to the United Nations Framework Convention on Climate Change, and achieving the Millennium Development Goals. Regarding the last of these priorities, the leaders expected policy recommendations to be developed at the UN MDG Summit in September 2010 [BRIC Leaders, 2010]. At the third BRICS summit in Sanya, aside from the previously identified priorities, the leaders discussed cooperation within the UN to resolve regional conflicts. In particular, they highlighted that the concurrent presence of all five BRICS countries in the Security Council during the year of 2011 was a valuable opportunity to work closely together on issues of peace and security, especially in the Middle East, North and West Africa. A separate commitment was made on cooperation via the UN Security Council on Libya [BRICS Leaders, 2011].

The BRICS Delhi Declaration stressed the need to strengthen the role of the UN Security Council in resolving the Israeli-Palestinian conflict and addressing the problem of Iran’s nuclear program [BRICS Leaders, 2012a]. A year later, similar statements were made in relation to conflicts on the African continent (Democratic Republic of Congo was mentioned specifically) and in Syria. Referring to the elaboration of the post-2015 development agenda, the leaders called for “an inclusive and transparent inter-Governmental process under a UN-wide process which is universal and broad based” [BRICS Leaders, 2013a]. During the Brazilian BRICS presidency in 2014–15, a commitment to a sustainable and peaceful settlement of disputes in accordance with the principles and objectives of the UN Charter was underscored at various levels. At the summit in Fortaleza, the leaders condemned “unilateral military interventions and economic sanctions in violation of international law and universally recognized norms of international relations,” primarily the UN Charter. In the Fortaleza declaration they also expressed support for UN efforts to promote peace, human rights and sustainable development in Guinea-Bissau, Madagascar, Mali, South Sudan, Central African Republic, the DRC, Syria, Palestine and Afghanistan. The BRICS called for multilateral negotiations to be conducted within the framework of the UN, in order to develop a code of conduct on activities in space. The agenda of the forum was expanded to include the fight against organized crime, corruption and drugs. In this regard, the leaders noted the importance of implementing the relevant UN Conventions [BRICS Leaders, 2014b]. At the Ufa summit, the BRICS leaders pledged to promote cooperation and strengthen coordination within the United Nations. For the first time, they stressed the importance of cooperation via UN human rights institutions, discussions on sovereign debt restructurings for developing countries within the framework of the organization, and the UN’s participation in the development of international public policies on the Internet. The BRICS leaders also supported the work of the UN to combat the Ebola virus [BRICS Leaders, 2015b].

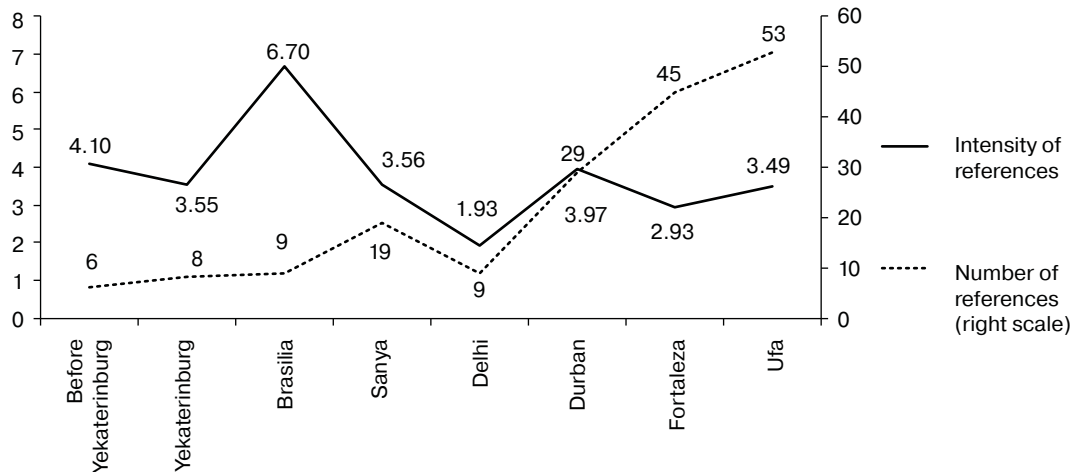


Figure 3. The number and intensity of references to the UN in BRICS documents, 2008–2015

The range of priorities of the BRICS’ engagement with the UN has been constantly expanding. In addition to 144 direct references to the United Nations, BRICS documents contain 31 references to the General Assembly, three mentions of the UN Security Council, and a large number of references to various UN conventions. BRICS countries not only express support for UN activities, but also seek to coordinate their positions on topical issues from its agenda. Start-

ing from September 2008, meetings of BRICS foreign ministers have been held at least once a year on the sidelines of UN General Assembly sessions. Discussions at these meetings focus both on current priorities of the UN, and cooperation relevant for the BRICS. The Strategy for BRICS Economic Partnership adopted at the Ufa summit sets out further “cooperation within the UN system... in accordance with the fundamental principles of the UN Charter” [BRICS Leaders, 2015a].

Thus, the main forms of cooperation between the BRICS and the UN are coordinating the positions of the five countries on the UN agenda on the sidelines of its meetings, expressing support for its activities, and making relevant commitments. The key cooperation priorities are to ensure global peace and security, protect human rights, and promote sustainable development. The strengthening of cooperation is reflected in the relatively stable intensity of references to the UN in BRICS documents, as well as the development of consultation mechanisms on UN priorities.

G20

Despite the widespread perception that the BRICS group competes for influence with the G20, analysis of the BRICS’ discourse shows that their engagement is characterized by support and cooperation. The G20 is mentioned in most documents of the BRICS leaders and finance ministers, and the total number of references is 69. It should be noted that this engagement is not mutual. BRICS is mentioned only once in all of the G20 documents, namely, in the Action Plan to Support the Development of Local Currency Bond Markets [G20 Finance Ministers, 2011].

BRICS countries recognize the role the G20 as a key forum for dialogue and coordination on international economic and financial issues. They cooperate with the other G20 members and coordinate their positions in the G20 to achieve the common goals of stimulating economic growth, reforming international financial institutions, improving financial markets regulation, and ensuring a fair world order.

For the first time, the BRICS group mentioned the G20 before its first summit in Washington. In the communiqué of their meeting in Sao Paulo on 7 November 2008, the finance ministers of Brazil, Russia, India and China “welcomed the initiative to convene a summit of G20 leaders on financial markets and the world economy” [BRIC Finance Ministers, 2008]. After that, the BRICS leaders expressed support for the G20 and emphasized its key role in ensuring strong, sustainable and balanced growth, in each of their declarations. In the statement at the Yekaterinburg summit they called for the implementation of decisions adopted at the G20 summit in London, and pledged to cooperate within the BRIC group, and with other partners to ensure further progress of collective action at the G20 summit in Pittsburgh in September 2009 [BRIC Leaders, 2009].

In the joint statement of 15 April 2010, the BRICS leaders welcomed the establishment of the G20 as the premier forum for international economic coordination [BRIC Leaders, 2010]. At the summit in Sanya in April 2010, the leaders supported the G20’s actions to stabilize international financial markets, ensure sustainable and balanced growth, and support the development of the global economy. They also expressed appreciation for the Russian offer to host the G20 summit in 2013 [BRICS Leaders, 2011]. At the fourth BRICS summit in New Delhi (March 2012) the leaders of the forum agreed to cooperate with Mexico, which was chairing the G20 at the time, to strengthen coordination on macroeconomic issues, and to ensure the recovery of the global economy and financial stability, including through improving the international financial architecture [BRICS Leaders, 2012a]. In the eThekweni declaration adopted in Durban, South Africa in March 2013, the BRICS leaders welcomed the efforts of the Rus-

sian G20 presidency to ensure growth and employment across the globe. For the first time, the BRICS stressed the need to address the issues on the G20 development agenda as an important element of global financial stability [BRICS Leaders, 2013a].

In the Fortaleza declaration adopted in July 2014, the BRICS leaders committed to contribute to the G20 the goal of raising the collective GDP over the next five years by more than 2% above the trajectory implied by current policies [BRICS Leaders, 2014b]. At the summit in Ufa, the BRICS countries decided to continue consultations and coordination on the G20 agenda. The leaders reaffirmed their commitments to strengthen global growth and improve financial architecture. They also pledged to pay greater attention to issues on the G20 agenda that are particularly important for developing countries, including macroeconomic policy coordination; containing spillover effects; supporting economic activity; bridging gaps caused by cross-border impacts of global financial regulation reform; and adaptation to the new rules introduced by the Action Plan on Base Erosion and Profit Shifting (BEPS) and the Common Reporting Standard for Automatic Exchange of Tax Information. While expressing support for the upcoming Chinese G20 presidency, the BRICS countries committed to work closely with all members in order to consolidate the role of the G20 as the premier forum for international financial and economic cooperation [BRICS Leaders, 2015b].

Thus, references to the G20 have been widely present in the BRICS group's discourse since 2008. The greatest number of references (44) was registered during the Russian presidency. At the same time, despite the expansion of the BRICS agenda and the creation of the New Development Bank and Contingent Reserve Arrangement, often considered as competitors to the traditional international financial institutions, the BRICS group remains committed to cooperation with the G20 and aims to contribute to its goal of achieving strong, sustainable and balanced growth. Inclusive growth, one of the three key priorities of the Turkey G20 presidency in 2015, has been one of the main priorities on the BRICS agenda since its second summit in Brasilia, where the leaders declared that "an inclusive process of growth for the world economy is not only a matter of solidarity but also an issue of strategic importance for global political and economic stability" [BRIC Leaders, 2010].

Coordination of the BRICS countries' positions in the framework of the G20 was also launched at the start of the two institutions' period of coexistence.

The BRICS finance ministers usually meet on the margins of the G20 ministerial meetings, as well as at regular meetings of the IMF and the World Bank. The meeting of BRIC finance ministers and central bank governors on the eve of a similar G20 meeting in London in November 2009 is an important example. The participants discussed most issues on the G20 financial agenda and proposed setting a target for the redistribution of IMF and World Bank quotas, in the order of 7% and 6%, respectively, to reach an equitable distribution of voting powers between advanced and developing countries [BRIC Finance Ministers, 2009b].

As noted above, the BRICS foreign ministers hold their meetings mainly on the margins of the UN General Assembly sessions. Despite the obvious focus of these meetings on cooperation within the UN system, coordination within the G20 is also discussed there. The statement on the meeting held on the margins of the Nuclear Security Summit in The Hague in March 2014 should also be noted. The BRICS foreign ministers clearly indicated the equality of all G20 members, and stressed that none of them can unilaterally determine G20's nature and character [BRICS Foreign Ministers, 2014].

The BRICS leaders first met on the sidelines of G20 summits prior to the 2011 summit in Cannes. At the next meeting before the summit in Los Cabos, the leaders 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 [BRICS Leaders, 2012b]. At the same time, media reports on these meetings, especially the last in St. Petersburg (September 5, 2013)

[BRICS Leaders, 2013b] and Brisbane (November 15, 2014) [BRICS Leaders, 2014a], show that they have been increasingly used to discuss the agenda of the BRICS themselves, rather than problems addressed by the G20. Thus, these meetings cannot be considered to be aimed solely at coordinating BRICS positions within the G20.

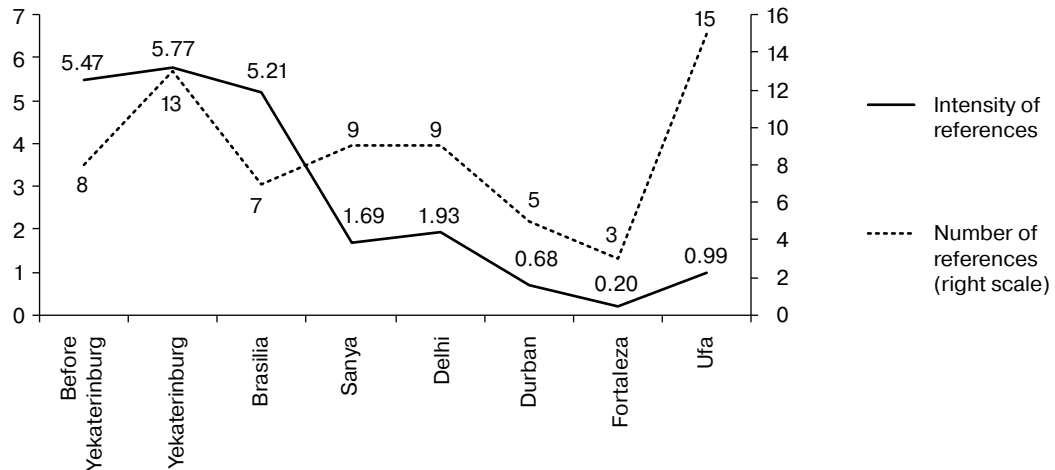


Figure 4. The number and intensity of references to the G20 in BRICS documents, 2008–2015

Thus, the “catalyst” approach and support for G20 activities, and coordinating positions on key issues of its agenda, are the two main dimensions of the BRICS’ engagement with this international institution.

The IMF and World Bank

The importance of ensuring global economic growth and financial sector stability also determine the BRICS’ active engagement with international financial institutions, especially the IMF and the World Bank, which are among the top ten frequently mentioned organizations in the documents of the forum. BRICS countries emphasize the need for urgent completion of the agreed international financial institutions’ governance reforms, and call for a better reflection of developing countries interests in their activities.

At their first meeting in November 2008 the BRIC finance ministers noted that the IMF and World Bank reforms “should move forward and be guided towards more equitable voice and participation balance between advanced and developing countries. The Financial Stability Forum must immediately broaden its membership to include a significant representation of emerging economies” [BRIC Finance Ministers, 2008]. At their next meeting in March 2009, the idea of reforming the financial institutions was further developed. IMF reform was cited as one of the key conditions for the formation of a new financial architecture, to prevent global crises in future. In addition to governance reform and redistribution of quotas, the BRIC countries proposed to increase the IMF’s resources and activate a new income model for the Fund. The ministers called for the implementation of voice and representation reform in the World Bank, increasing its resources through the use of global capital markets and relaxing restrictions on infrastructure project financing. In the communiqué the BRIC ministers expressed their position on the new heads of the IMF and the World Bank, namely, that they should be selected based on their professional qualities irrespective of nationality. The ministers also welcomed the expansion of the FSF and the Basel Committee on Banking Supervision, and encouraged

other international standard-setting bodies in the financial sector to follow this example and reinforce representation of emerging economies [BRIC Finance Ministers, 2009a]. In September 2009, the finance ministers again called for the urgent completion of international financial institution reforms, and reiterated their positions concerning IMF and World Bank activities. The ministers welcomed the decision to increase IMF resources, agreed at the G20 London summit, but urged to implement it in a way that does not undermine the quota review. They also reaffirmed the four countries' commitment to contribute USD80 billion to supplement the resources of the IMF [BRIC Finance Ministers, 2009b].

The issues of reforming the global financial architecture, and increasing the resources and improving the effectiveness of the IMF and the World Bank, were discussed at all subsequent meetings of the BRICS finance ministers, and the countries' position on these issues remained unchanged.

Analysis of the documents adopted at BRICS summits also proves its active engagement with the IMF and the World Bank. The leaders consistently call for reforms of these institutions and the selection of management on a competitive basis, and express support for G20 decisions to increase the institutions' resources. In 2014, the BRICS called on the IMF "to develop options to move ahead with its reform process, with a view to ensuring increased voice and representation of EMDCs, in case the 2010 reforms are not entered into force by the end of the year." The leaders also called on "the membership of the IMF to reach a final agreement on a new quota formula together with the 15th General Review of Quotas so as not to further jeopardize the postponed deadline of January 2015" [BRICS Leaders, 2014b]. It should be noted that in the Ufa declaration, the BRICS leaders for the first time directly pointed to the US responsibility for the delay in implementation of the IMF reform [BRICS Leaders, 2015b]. However, in this case one can hardly speak of a catalytic impact of the BRICS on IMF reform, as an unprecedented delay continues in implementing of the decisions on this reform, adopted in 2010. The same conclusion can be made regarding the BRICS' engagement with the G20.

The ineffectiveness of the BRICS' calls for urgent completion of the IMF and the World Bank reforms is probably one of the factors that led to a reduction in the absolute number and intensity of references to these institutions in the documents of the forum. During the Russian presidency, only four references to the IMF and one mention of the World Bank have been registered, which is a repetition of the lowest result in the BRICS history (the same figures were observed during the Chinese presidency). The intensity of references to the World Bank has fallen by almost a half compared to the previous presidency of Brazil, and the indicator for the IMF is more than three times lower.

Despite the decision made at the first meeting of the BRIC finance ministers in November 2008 to hold the next meeting "in Washington DC, prior to the IMF and World Bank Spring Meetings" [BRIC Finance Ministers, 2008], and the fact that such meetings on the eve of the Bretton Woods institutions' events have become regular, they deal with a wide range of issues of the world economy, and do not focus directly on developing a collective position on the agendas of the IMF and World Bank's governing bodies. International financial institutions are used mainly as a platform for regular meetings of BRICS finance ministers to discuss their own agendas. The BRICS' engagement with the IMF and the World Bank is continually expressed through constant calls for reforms of these organizations, so as to consider the interests of developing countries and to strengthen the resources available to provide additional assistance to these countries in accordance with the organizations' mandates. However, these calls often fail to attract the attention of those to whom they are addressed. Accordingly, given the lack of a "catalytic" impact or possibilities to set new directions in the financial institutions' activities, BRICS uses the "parallel treatment" model, i.e. creates its own mechanisms.

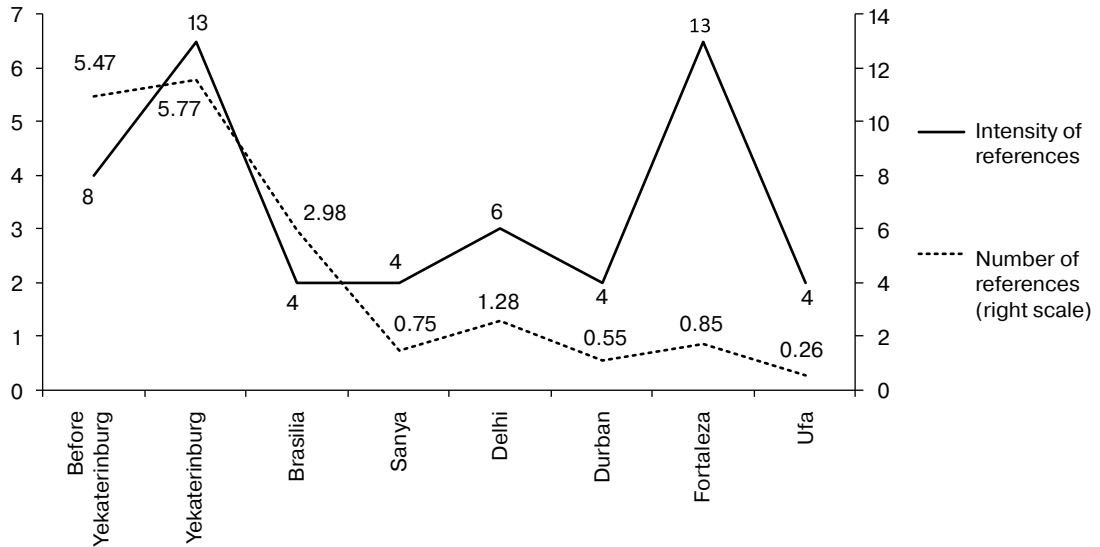


Figure 5. The number and intensity of references to the IMF in BRICS documents, 2008–2015

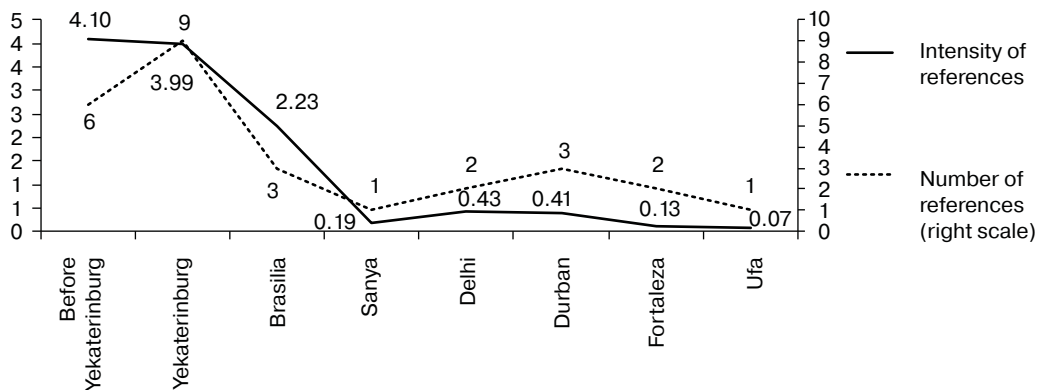


Figure 6. The number and intensity of references to the World Bank in BRICS documents, 2008–2015

The WTO and UNCTAD

The BRICS countries actively support a stable and non-discriminatory trading system, with the WTO in its core, and have included international trade issues as a priority in the agenda of the forum since its establishment. At the Yekaterinburg summit the BRIC leaders called on the “international community to keep the multilateral trading system stable, curb trade protectionism, and push for comprehensive and balanced results of the WTO’s Doha Development Agenda” [BRIC Leaders, 2009].

On 13 April 2011, the first meeting of BRICS trade ministers was held prior to the Sanya summit. In the declaration adopted the next day, the leaders of the four countries reiterated their commitment to a strong, open and rules-based multilateral trading system embodied in the WTO. They once again called for the conclusion of the Doha Development Round of multilateral trade negotiations. Brazil, India, China and South Africa also supported Russia’s early accession to the WTO [BRICS Leaders, 2011].

Further references to the WTO in the declarations of BRICS leaders reflect their positions on the current problems of the organization. For instance, at the summit in South Africa the leaders noted that progress had been made in selecting a new WTO Director-General in 2013 and expressed their view that the next head of the WTO should be a representative of a developing country [BRICS Leaders, 2013a]. In the Fortaleza declaration the leaders addressed the issues of implementing the Trade Facilitation Agreement and the ongoing negotiations on the WTO Dispute Settlement Understanding reform [BRICS Leaders, 2014b]. At the Ufa summit, BRICS for the first time focused on a new trade-related issue in the area: ensuring the compatibility of bilateral, regional and multilateral trade agreements with the WTO rules [BRICS Leaders, 2015b].

The BRICS' positions on the WTO activities, relevant recommendations and commitments are expressed in more detail in the documents adopted by trade ministers. In particular, the BRICS ministerial declaration adopted on 14 December 2011 is almost entirely devoted to the WTO [BRICS Trade Ministers, 2011]. At their third meeting in Durban in March 2013, the BRICS trade ministers agreed to hold regular meetings of the five countries' representatives in the WTO, to promote collaboration and coordination on multilateral trade issues discussed both in the WTO and other international forums [BRICS Trade Ministers, 2013]. As in many other areas, in its engagement with the WTO, the BRICS group pays particular attention to the interests of developing countries. For example, the need to conclude the Doha Round of negotiations was emphasized by the BRICS agriculture ministers regarding the task of improving trade in food and ensuring food security [BRICS Agriculture Ministers, 2010].

The BRICS' focus on development issues, and the relationship between trade and development, determines the frequent references to another relevant international institution – UNCTAD. At their second meeting on the eve of the New Delhi summit, the trade ministers stressed the important role of UNCTAD in the international trading system, and called for strengthening its mandate, particularly given the crisis in the global economy and the impasse at the Doha Round [BRICS Trade Ministers, 2012]. Later on, the WTO and UNCTAD were mentioned jointly as key elements of the international trading system which BRICS countries aim to maintain. In the Ufa declaration, the BRICS leaders for the first time delegated a mandate to an international organization, calling on UNCTAD “to fulfill its development mandate through more active implementation of technical cooperation programmes and facilitation of policy dialogue, as well as research and capacity-building” [BRICS Leaders, 2015b]. The BRICS' aspiration to further develop cooperation with international trade institutions was reflected in the Strategy for BRICS Economic Partnership. The BRICS countries committed to further support the WTO and other organizations in combating protectionism, and agreed to continue their coordination and cooperation in the framework of the WTO “to develop the Post-Bali work program” [BRICS Leaders, 2015a].

The BRICS group supports a transparent and fair international trading system based on the norms and principles developed by representative international organizations. The lack of progress in some areas of mutual interest for the BRICS countries in the area of trade has led to a shift from the engagement model based on discussing the WTO and UNCTAD's activities to more active cooperation, including the establishment of a coordination mechanism for representatives within the WTO, and delegating mandates to UNCTAD. The intensified cooperation is confirmed by the statistics. The WTO consistently ranks third in terms of the total number and intensity of references in BRICS documents, and since the Indian presidency it has outperformed the G20. UNCTAD is also among the top ten international institutions frequently mentioned by BRICS.

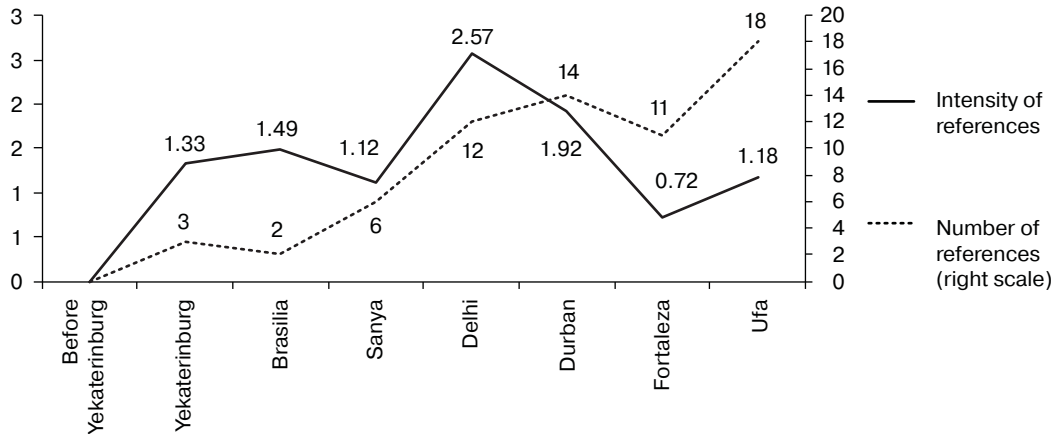


Figure 7. The number and intensity of references to the WTO in BRICS documents, 2008–2015

The World Health Organization

The share of the WHO in the total number of BRICS references to international institutions is 8.5%. Health is a relatively new priority on the BRICS agenda, as dialogue on health issues within the forum was launched only in 2011.

The BRICS' engagement with the WHO, as with institutions in many other areas, is based primarily on the recognition of the central role of this organization in coordinating the international community's efforts to address health issues. In the Beijing Declaration of 11 July 2011, the BRICS health ministers noted the leading role of the WHO among all relevant institutions, urged developed countries to provide additional resources for the fulfillment of its mandate, and highlighted the need for its reform. The ministers also agreed to institutionalize their dialogue and facilitate cooperation among the five countries on the sidelines of the World Health Assembly – the governing forum of the WHO [BRICS Health Ministers, 2011].

To date, eight BRICS meetings on health have been held, and each of them resulted in the adoption of a document reflecting, inter alia, engagement with the WHO. However, the number of references fluctuates (seven during the Chinese presidency, 10 during the presidency of India, 22 during the South African presidency, and only nine during the presidency of Brazil), and the engagement is limited to recognition of the WHO role and expression of support for its activities. References of the BRICS leaders to the WHO could help intensify the engagement, but so far only one reference of this kind, contained in the Ufa declaration, has been registered. It is related to the common efforts of the BRICS countries to combat the Ebola virus through strengthening health systems in developing countries using the mechanisms of the WHO and other international organizations [BRICS Leaders, 2015b]. It is unclear whether this engagement will continue in future.

A similar engagement model is used by the BRICS group in its cooperation with other specialized international organizations. For example, cooperation with the Food and Agriculture Organization of the United Nations (FAO) is reflected in the BRICS agriculture ministers' support for its activities and the work of the mechanism for coordination and dialogue between the BRICS countries' representatives in the FAO [BRICS Agriculture Ministers, 2015].

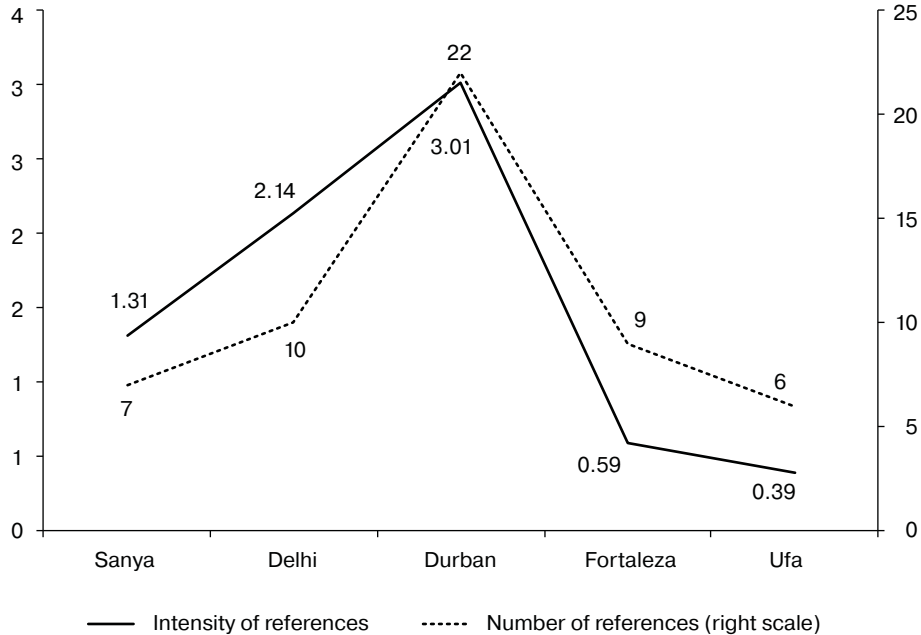


Figure 8. The number and intensity of references to the WHO in BRICS documents, 2008–2015

Regional organizations in Africa

BRICS is committed to developing cooperation with regional organizations and supports initiatives aimed at promoting economic development and addressing political problems of the poorest countries.

The most frequently mentioned organization of this type is the African Union (13 references in BRICS documents), which was first noted at the Sanya summit in the context of the need for a peaceful settlement of the Libyan conflict. In the same document, the leaders expressed their commitment to the development of infrastructure and industrial production on the African continent through the New Partnership for Africa's Development (NEPAD) [BRICS Leaders, 2011].

The greatest number of references to African regional institutions was registered during the South African BRICS presidency, as the country declared promoting the development of the African continent as one of its key priorities. However, the BRICS' engagement with these institutions has not been strengthened further. Endorsement of their activities has not been followed by the adoption of concrete decisions aimed at supporting the implementation of the agreed initiatives. Since the Brazilian 2014–15 presidency, NEPAD has not been mentioned in BRICS documents. The African Union is mentioned five times in the Fortaleza declaration [BRICS Leaders, 2014b], and twice in the Ufa declaration [BRICS Leaders, 2015b]. All these references are made in the context of recognizing the role of the African Union in addressing regional conflicts.

The New Development Bank and Contingent Reserve Arrangement

At the New Delhi summit, the BRICS leaders announced the start of consultations on the establishment of a new development bank aimed at mobilizing resources for investment in

infrastructure and sustainable development projects in BRICS countries and other developing and emerging market economies. They also emphasized that this new bank should complement the efforts of existing multilateral and regional financial institutions [BRICS Leaders, 2012a]. In June 2012, at their informal meeting on the eve of the G20 summit in Los Cabos, the BRICS leaders instructed their finance ministers to study the possibility of creating a pool of foreign exchange reserves [BRICS Leaders, 2012b].

Following the conclusion of a feasibility study on the proposed institutions, at their next summit the BRICS leaders agreed to establish the New Development Bank with capital “substantial and sufficient... to be effective in financing infrastructure” as well as the Contingent Reserve Arrangement with an initial size of USD100 billion [BRICS Leaders, 2013a].

At the summit in Fortaleza, the five countries signed the Agreement on the New Development Bank and the Treaty for the Establishment of a BRICS Contingent Reserve Arrangement. These documents define the objectives and tasks of the new institutions, the resources and methods of their replenishment, governance mechanisms, and other relevant details [BRICS Leaders, 2014b].

At the Ufa summit the leaders committed to use the NDB and CRA as platforms for developing financial and economic cooperation between the BRICS countries. They reiterated the role of these institutions as new actors in the existing international financial system. In particular, the leaders welcomed the proposal for the NDB to cooperate closely with the Asian Infrastructure Investment Bank [BRICS Leaders, 2015b]. BRICS national development banks signed a Memorandum of Understanding on Cooperation with the New Development Bank [BRICS Development Banks, 2015]. It is expected that the selection of pilot projects to be financed by the NDB will be completed in early 2016.

Active work on establishing new financial institutions within the BRICS group resulted in a considerable increase in the number of references to them in the documents of the forum. During the presidencies of Brazil and Russia, the two institutions were fourth and fifth most frequently mentioned. However, after the creation of the New Development Bank and Contingent Reserve Arrangement, the intensity of references to other international institutions, including the IMF and the World Bank, in BRICS documents has not declined, and the balance of engagement models has not changed. This trend once again indicates that the BRICS countries tend to support the repeatedly declared principle that the new institutions should “supplement the existing efforts of multilateral and regional financial institutions for global growth and development” and the “existing international monetary and financial arrangements” [BRICS Leaders, 2015a]. Nevertheless, the establishment of the New Development Bank and Contingent Reserve Arrangement is an example of the “parallel treatment” engagement model (creating BRICS own mechanisms).

Conclusion

Analysis of trends in references to international institutions in BRICS documents and a review of engagement with them on a qualitative level, indicate positive dynamics. However, despite the increase in the absolute number of references, there is a decrease in their intensity. This trend continues even as the BRICS agenda expands, and mechanisms emerge for the BRICS’ cooperation with international institutions in new areas.

The BRICS’ engagement with international institutions is mainly based on two models: the “catalyst” approach and “parallel treatment.” In addition, BRICS countries establish mechanisms for coordinating positions on the agendas of the UN, G20 and WTO on the sidelines of their relevant meetings, or on the whole range of economic and financial issues in the case of the IMF and the World Bank.

The establishment of the BRICS group's own institutions has not led to a considerable decrease in the number and intensity of references to other international organizations. The BRICS countries themselves point out that the new institutions act as complements to the existing financial system and aim to improve the efficiency of its functioning as a whole. Thus, the BRICS group and its New Development Bank and Contingent Reserve Arrangement should be considered as additional tools for the development of multilateralism and coordination, rather than alternatives or competitors to existing international institutions.

However, to further improve effectiveness of global governance mechanisms, the BRICS should intensify cooperation with other institutions, giving priority to leadership in setting priorities and identifying new action areas, concrete decisions to support them, the delegation of mandates, and improved coordination mechanisms in these institutions, rather than deliberation on their activities. The Concept of Russian Federation's Presidency in BRICS reflects the need to "hold, on the margins of BRICS leaders summits and ministerial meetings, regular outreach events with the participation of the heads of major emerging economies, as well as international and regional organisations" and to "begin a system of regular consultations of the BRICS Presidency with the heads of leading international and regional organisations – the UN, the EAEU, the African Union, the League of Arab States, the Islamic Cooperation Organisation, Latin American regional integration associations, ASEAN, etc." [Russia's Presidency in BRICS, 2015]. The implementation of these provisions will also contribute to the further development and increased efficiency of the BRICS' engagement with international institutions.

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