



South African President Cyril Ramaphosa (centre) with Chinese President Xi Jinping (left) and Prime Minister Narendra Modi at the Brics summit in Johannesburg

PHOTO: PTI

# Saudi Arabia, Iran among six nations set to join Brics

PM: Expansion would strengthen belief in a multi-polar world order

SUBHAYAN CHAKRABORTY  
New Delhi, 24 August

**T**he Brics nations have unanimously decided to admit six new countries — Argentina, Egypt, Iran, Saudi Arabia, Ethiopia, and the United Arab Emirates (UAE) — into the grouping as full members. The bloc currently comprises Brazil, Russia, India, China, and South Africa.

The new membership will be effective from January 1, 2024, and will be the first of a set of planned expansions, South African President Cyril Ramaphosa said at the end of the 15th Brics

summit in Johannesburg on Thursday. Prime Minister Narendra Modi said: "This step would strengthen the belief of many nations in a multi-polar world order." He said the expansion of Brics was a message to other global institutions that they needed to change in line with changing circumstances.

Turn to Page 6 ▶

## GROWING STRONGER

- ▶ Brics to now have six of the top 9 crude oil producers — Saudi Arabia, Russia, China, UAE, Brazil, and Iran
- ▶ Bloc will comprise 3 of the top 5 economies in Africa — Egypt, South Africa, Ethiopia
- ▶ It will also have South America's two largest economies — Brazil and Argentina
- ▶ Will bring together ideological rivals Saudi Arabia and Iran, the leading Sunni and Shia Muslim powers

## Modi raises border concerns with Xi

SUBHAYAN CHAKRABORTY  
New Delhi, 24 August

Prime Minister Narendra Modi expressed India's concerns on the "unresolved issues" along the Line of Actual Control (LAC) in eastern Ladakh to Chinese President Xi Jinping during an interaction on the sidelines of the Brics summit, Foreign Secretary Vinay Kwatra said on Thursday.

"In that conversation with President Xi Jinping, Prime Minister Modi highlighted India's concerns regarding the unresolved issues along the LAC in the Western sector of the India-China border areas," Kwatra told reporters at a briefing. The two leaders have agreed to direct their relevant officials to intensify efforts at expeditious disengagement and de-escalation, Kwatra said.

Turn to Page 6 ▶

P9

**EDIT:  
NEW BRICS  
IN THE  
WALL**

Investors Service affirmed India's long-term local and foreign-currency sovereign ratings and retained the outlook at "stable" It said India's long-term local and foreign-currency issuer ratings and the local-currency senior unsecured rating remained at Baa3, while the other short-term local-currency rating stood at P-3. In 2016, during its presidency of Brics (the grouping of Brazil, Russia, India, China and South Africa), India had proposed to create a credit-rating agency under the umbrella of the grouping to challenge the existing credit-rating system dominated by the three global rating agencies India considered biased against developing countries.

## Brics...

In a veiled reference to other multilateral organisations such as the United Nations and the World Bank, the PM said Brics' move could become an example for other institutions set up in the 20th century. Modi said India has had very deep and historic ties with the invitee nations. "With the help of Brics, new dimensions would be added to our bilateral ties," he added. India has entered into formal comprehensive strategic partnerships with Egypt and the UAE, and maintains close political and economic ties with Saudi Arabia and Iran. "India has always fully supported the expansion of Brics. It has believed that the addition of newer members would make Brics stronger as an organisation and give strength to our collective efforts," Modi said.

He said the guiding principles, standards, criteria and procedures of new members being added to the bloc had also been decided on.

With the latest additions, the grouping will have six of the top 9 crude oil producers in the world, according to the 2022 data by the US Energy Information Administration.

Other countries that want to join Brics would be helped by India to become partner nations, Modi said. Ramaphosa said foreign ministers had been tasked with developing the Brics partner country model, and a list of prospective countries would be presented by the next summit. At least 23 nations had applied to join the bloc. It is yet not clear whether the grouping would stick to its name going forward, or opt for a name change to reflect the new members as well.

Brics currently brings together five of the largest developing countries of the world, representing 41 per cent of the global population, 24 per cent of the global GDP, and 16 per cent of the global trade.

## Johannesburg II Declaration

The Johannesburg II Declaration adopted by the BRICS nations accepted that global growth momentum had weakened and the economic prospects had declined owing to trade fragmentation, prolonged high inflation, and tighter global financial conditions. "We reaffirm our commitment to enhance macro-economic policy coordination, deepen economic cooperation, and work to realize strong, sustainable, balanced and inclu-

sive economic recovery," the declaration said. The bloc also called for further reform of the United Nations Security Council and "to increase the representation of developing countries in the Council's memberships".

## Hatchbacks...

By these projections, we expect 1 million vehicle sales this year (with annual sales projected at 4 million). This would mark the highest-ever festival season sales for passenger vehicles. Industry booking levels are at 700,000 units, and the semiconductor chip supply issue is largely resolved," Srivastava said. A dealer in western India stated that there is high demand for sport utility vehicles (SUVs), and companies with an SUV-focused portfolio might perform well, along with those offering a mix of hatchbacks and SUVs.

"We anticipate around 30 per cent growth in demand during the festival season starting in September, compared to the previous months," said Rishi Dada, owner of Dada Motors, a Tata Motors dealership. Manish Raj Singhania, president of Federation of Automobile Dealers Associations of India, noted that dealer inventory levels have reached around 50 days, but dealers are optimistic about better liquidation during the season. Despatches are being sent to regions where festivities begin. The travel sector is also experiencing an upswing ahead of the season.

According to Thomas Cook, metro routes are witnessing

