

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the EU foreign policy towards the BRICS and other emerging powers: objectives and strategies

The European Parliament,

- having regard to Article 21 of the Treaty on European Union, in particular its point (h), which sets forth that the Union shall define and pursue common policies and actions, and shall work for a high degree of cooperation in all fields of international relations, in order to promote an international system based on stronger multilateral cooperation and good global governance,
 - having regard to Council Decision 2010/427/EU of 26 July 2010 establishing the organisation and functioning of the European External Action Service⁽¹⁾,
 - having regard to its resolution of 10 March 2010 on the annual report from the Council to the European Parliament on the main aspects and basic choices of the Common Foreign and Security Policy (CFSP) in 2008, presented to the European Parliament in application of Part II, Section G, paragraph 43 of the Interinstitutional Agreement of 17 May 2006⁽²⁾,
 - having regard to the European Council conclusions of 16 September 2010 as regards the EU's relations with its strategic partners,
 - having regard to its resolution of 5 April 2011 on migration flows arising from instability: scope and role of EU foreign policy⁽³⁾,
 - having regard to its recommendation to the Council of 8 June 2011 on the 66th Session of the United Nations General Assembly⁽⁴⁾,
 - having regard to its resolution of 13 September 2011 on an effective raw materials strategy for Europe⁽⁵⁾,
 - having regard to its resolution of 7 July 2011 on EU external policies in favour of democratisation⁽⁶⁾,
 - having regard to the Commission Communication on the Financial Framework 2014-2020, entitled 'A Budget for Europe 2020' ([COM\(2011\)0500](#)),
 - having regard to Rule 48 of its Rules of Procedure,
 - having regard to the report of the Committee on Foreign Affairs and the opinion of the Committee on Development (A7-0010/2012),
- A. whereas the growing political and economic relevance of Brazil, Russia, India, China and South Africa (the BRICS) entails an increased relevance of these countries in foreign policy terms;
- B. whereas the BRICS and other emerging economies could become increasingly relevant in foreign policy terms on the global scene if their economic growth is further consolidated;
- C. whereas seven emerging countries (Brazil, Russia, India, China, Indonesia, Mexico and Turkey) are projected to have larger economies than, collectively, the G-7 countries (USA, Japan, Canada, United Kingdom, Germany, France and Italy) in 2050; whereas, in terms of gross domestic product, China is projected to become the world's largest economy before 2020; whereas India could become the fastest growing economy in the world before 2050; whereas, in 2050, China, the USA and India could together represent 50% of the world's economy; whereas the EU could be of a broadly comparable scale to any of these countries if it acts as a single and robust political entity; whereas such a comparable scale is key to maintaining political

leverage and being able to continue to promote universal values in the new multipolar system of global governance that is taking shape; whereas this should be done in the framework of a foreign policy approach aimed at promoting partnership, cooperation and shared governance based on common values;

- D. whereas, with the process of consolidation of strong economic and foreign policy powers such as the BRICS, a multi-polar system has emerged, where global leadership is increasingly shared amongst several countries and regional blocs of countries; whereas such a multi-polar system entails a progressive shift in global economic power to the BRICS and other emerging economies and may further entail a shift of leadership and positive leverage in foreign policy terms from established powers to emerging powers; whereas the current economic crisis has accelerated the transition towards a multipolar system; whereas the emergence of new global players may prove a valuable opportunity for constructive partnership between the emerged powers and the emerging ones and for concerted action on global issues and challenges;
- E. whereas transnational challenges – such as climate change, global regulatory issues, access to raw materials and rare earths, terrorism, the fight against non-State based radical movements, sustainable development, global political stability and security – will require a rule-based, inclusive approach based on partnership, common values, consensus, close consultation and cooperation with the new emerging powers, if truly shared, effective solutions to transnational challenges are to be found; whereas the EU could and should take the initiative in this respect;
- F. whereas, without an inclusive new global governance system based on close consultation and cooperation with the BRICS and other emerging economies, there will be little incentive for international cooperation and concerted action on major global issues with the potential risk of (i) political and economic fragmentation and the emergence of competing world agendas and separate regional areas, (ii) the disentanglement of global economic structures and investment flows and (iii) the creation of regional blocs of influence with very limited international coordination and no possibility of concerted solutions to transnational challenges;
- G. whereas the large demographic dimensions of the BRICS and other emerging powers, compared to the declining demographics of the West, will give more authority to such countries in international fora, as the BRICS and other emerging powers will be able to claim more representativeness of the vast majority of the world's population; whereas this entails the need to reform the global governance system and the governance structure of international organisations, so that they can become more representative of the new economic and political landscape and continue to maintain a central role in the global consensus-building and decision-making processes;
- H. whereas, in view of the current economic crisis and the budgetary constraints of the EU and the USA, there is an urgent need to pool resources with other emerging powers in order to ensure a coherent and efficient global security and stability architecture and effective intervention in sensitive areas on the basis of common objectives and coordinated strategies and efforts;
- I. whereas a successful transition to a middle-income economy can, under certain conditions, foster a more moderate and stability-oriented foreign policy; whereas, however, in some BRICS countries and other emerging countries the consolidation of their economic and political power has not always given rise to such a transition;
- J. whereas, in spite of the recent spectacular economic growth in most of the BRICS countries, these same countries are also the ones with the single largest concentration of poverty in the world; whereas this shows that, in the great majority of cases, without pro-poor growth and creation of safety nets, rapid economic growth may entail an increase in inequalities;
- K. whereas the BRICS and current emerging economies do not constitute or comprise a formal grouping of countries designed to play a specific role in international affairs and whereas the EU should therefore develop a relationship with each one of those countries, taking note of their singularity and specific foreign policy objectives and aims; whereas the EU should invest in strategic partnerships with each BRICS country and

other emerging economies, as they increasingly play a role in the international arena, particularly in international organisations, such as the UN, as a means of advancing common goals, namely peace and global security, the rule of law domestically or internationally, the promotion of human rights, democracy, sustainable development and global financial regulation;

- L. whereas the BRICS and other emerging economies require a stable foreign policy setting and a stable regulatory and public policy environment, which can sustain interest and investment in their economies and societies; whereas the BRICS and other emerging economies need to invest and be supported in the consolidation of democratic, political, economic and social stability;
- M. whereas the EU must play a major role in the global power transition as a promoter of partnership and inclusive governance, but needs to act fast if it wishes to maintain its leverage (or it could be strategically sidelined); whereas this will entail strategic changes both inside the EU and with regard to its foreign policy, inter alia the introduction of greater policy coherence;
- N. whereas, at the end of their third meeting on 14 April 2011, the BRICS leaders issued a joint declaration calling for more international cooperation and a strengthening of global governance, and expressing support for multilateral diplomacy with the United Nations and the G-20; whereas all five BRICS countries have been concurrently present in the UN Security Council during 2011; whereas the BRICS have called for change in the governing structures of the international financial institutions and the UN to reflect the changes in the world economy and to better manage today's global challenges;
- O. whereas the BRICS display considerable divergences in their political and economic systems, demographic and social trends, and foreign policy outlooks;
- P. whereas the European Council conclusions of 16 September 2010 stressed that, in accordance with the Lisbon Treaty and in line with the European Security Strategy, the EU and its Member States would act more strategically so as to bring Europe's true weight to bear internationally and that the EU's strategic partnerships with key players in the world provide a useful instrument for pursuing European objectives and interests;
- Q. whereas current trade agreements between the EU and the BRICS countries are not only mutually beneficial in economic terms but also politically beneficial to both sides;
- R. whereas the EU should play a proactive part in building an inclusive and representative United Nations system based on partnership, that can effectively contribute to global governance and solutions, peace and security, democracy, human rights and a rule-of-law-based international order; whereas, in accordance with Article 21 of the TEU, the EU is formally committed to effective multilateralism with a strong UN at its core;
- S. whereas over the years the EU has developed with BRICS bilateral strategic partnerships based on shared values and interests aimed at upgrading the relations and enhancing cooperation at all level; whereas these strategic partnerships have often proved to be inadequate with regard, in particular, to promoting democracy, strengthening the rule of law and defining a common approach to the resolution of conflicts;
- T. whereas there is an urgent need to seek ways of strengthening cooperation within the United Nations system and within the groups of leading countries (G-7, G-20) and improving the way their work is coordinated;
- U. whereas the Group of 20 (G-20), whose member countries account for 88 % of global GDP and 65 % of the world's population, has become an important forum for cooperation at global level, but the problem of its representativeness needs to be resolved and its precise role in the multilateral architecture determined;
- 1. Stresses how the current economic crisis has demonstrated the interdependence between the emerged powers and the BRICS and other emerging countries; points to the deep, mutual link between stable economic growth of developed economies and stable economic growth of emerging economies; emphasises the positive nature of such interdependence and the mutually beneficial character of political and economic ties between

developed and emerging economies; believes that further political dialogue and understanding with the BRICS and other emerging countries, including on an individual basis, should thus be pursued by the EU and its Member States in a spirit of partnership and with the overall aim of achieving an inclusive new system of governance; believes, furthermore, that regular high-level meetings between the EU and individual BRICS countries would provide a valuable opportunity to build relations of trust, reconcile positions and encourage BRICS countries to assume greater responsibility in a new system of global governance, based on shared responsibility, common approaches and more closely coordinated actions; expresses the view that the instrument of strategic partnerships could provide valuable synergies in achieving such objectives;

2. Believes that relations between, on the one hand, the established powers and, on the other, the BRICS and other emerging powers maintain a relevant economic dimension, but are essentially political and should thus be politically framed, as all the countries concerned share an interest in ensuring an effective system of global governance and in tackling together, in a spirit of cooperation and consultation, and convergence of policy stances, those global stability and security risks which may pose a threat to sustainable global economic growth and its potential for the future; calls, therefore, for enhanced cooperation between the EU and the BRICS, including in terms of partnerships with individual BRICS countries, on all matters of international concern;
3. Stresses that whilst the BRICS may hold similar stances in foreign policy terms, major differences characterise them in political, economic and social terms; points out, in particular, that their political systems vary from strong authoritarian regimes to credible and stable democracies; calls, in this respect, on the EU to step up relations and develop synergies, in particular, with those BRICS that genuinely share and respect democratic values and strive for a social market economy;
4. Believes that, with the emergence of new economic and foreign policy powers, the EU will not see its leverage reduced but has an important role to play in promoting a common understanding on policy choices and should show leadership in tackling global challenges; takes the view that the EU and its transatlantic partners should focus on achieving the necessary economies of scale and develop concerted efforts to enable them to interact with the emerging powers constructively and effectively both in a bilateral and multilateral fashion, and in a spirit of true partnership and good cooperation; points to the need to develop an inclusive system of global governance, based on cooperation and coordination with the BRICS and other emerging countries, as appropriate, for the benefit of all; points further to the key role of the EU and its transatlantic partners in promoting an inclusive system of global governance; stresses that the EU should act more strategically so as to bring Europe's true weight to bear internationally, in particular by managing the implications of interdependence, instigating reforms of global governance, and mobilising collective action in areas such as the rule of law, sustainable environment and regional security, through constructive interaction with the BRICS and other emerging powers;
5. Welcomes the concept of bilateral strategic partnerships and urges the Council and the EEAS to operationalise it; considers strategic partnerships to be a promising and potentially transformative tool for organising and advancing the EU's relations with key players in the global arena, including the BRICS and other emerging powers; recommends that this instrument be used by the EU to pursue both multilateral and bilateral agendas and to develop meaningful linkages between the two; underlines that internal coherence is vital for the EU to act and be perceived as a genuine strategic interlocutor with the BRICS and other emerging powers;
6. Notes that in the past the BRICS have appeared to coordinate their stances in foreign policy terms in the UN Security Council in certain instances, most notably at the onset of the Libyan and Syrian crises and, additionally, by deferring the vote on the role of the EU in the UNGA and by adopting coinciding positions on Côte d'Ivoire and Sudan; points out in this regard that the BRICS may seem to be challenging the current system of international governance, but that democratic dialogue, political engagement, including on an individual basis, and true partnership may bring to the fore positive synergies and facilitate a new inclusive system of global governance; believes that the EU should duly take into account the new weight, in political and economic terms, of the BRICS and other emerging powers, as this may contribute to an orderly reform of

global governance, based on a convergent platform without any destabilising effects;

7. Notes that BRICS have shown regional integration capacity and hence the capacity to engage in multipolar governance systems; believes that this demonstrates further the potential interest of the BRICS in contributing to global governance; takes the view, therefore, that the BRICS and other emerging countries are in the process of defining their strategic direction in foreign policy terms and thus becoming partners of emerged powers and supporters of a global governance system based on universal values, partnership and inclusiveness;
8. Believes that, in light of their political and economic interests and their scale, regional role and aspirations, the BRICS may attempt to act as a group in foreign policy terms, but acknowledges that individual dimensions are also relevant; considers, in this connection, that besides focusing on the BRICS as a potentially cohesive group of States in foreign policy terms, the EU should focus also on the BRICS on a country-by-country basis, whilst maintaining a systemic and coordinated approach; takes the view, in this regard, that such an approach will enable the EU to build up economies of scale through partnerships with individual BRICS, maximise its interests and role in the various regions and contribute to the consolidation of a multipolar order with a political and economic balance between emerged and emerging economies, on the basis of an inclusive system based on dialogue, partnership and bilateral or multilateral partnerships;
9. Believes further that the considerable divergences in the political and economic systems, demographic and social trends, and foreign policy outlooks of the BRICS should inform, and be reflected in, a nuanced EU policy towards these countries aimed at creating synergies with individual BRICS countries and other emerging countries and at discouraging the creation or consolidation of potentially cohesive alternative groups of States in foreign policy terms; urges the EU and its Member States, in this context, to discourage the entrenchment of and strategic competition between blocs of emerged and emerging powers, respectively; contends that, in order to promote international collective action and the reform of global governance, the EU must leverage a diverse range of bilateral, multilateral and non-state interactions, and harness issue-based coalitions that cut across the emerged/emerging world divide;
10. Believes that the EU should formulate its position regarding a closer relationship with the BRICS, even taking into account the fact that the EU's vision and the BRICS countries' vision with regard to binding commitments and institutionalised regimes may not necessarily always be the same; believes also that support from the BRICS countries for effective multilateralism might be gained in exchange for stronger representation in relevant international institutions; insists that the challenges posed by the rise of the BRICS should be seen as an opportunity rather than a problem;
11. Takes the view that relations with the BRICS countries should be built upon bilateral dialogues focusing on and fostering further democratisation and the consolidation of the rule of law, good governance, regulatory convergence, coordination of common positions in international fora and intensified relations with the EU;
12. Underscores the importance of Brazil as a leading power of the MERCOSUR regional integration process; welcomes the renewed EU-Brazil Strategic Partnership Joint Action Plan 2012-2014, and the mutual commitments made in the areas of democracy promotion and reforms of the multilateral system of governance; urges both sides to honour their commitments and contribute to the reform of the world's financial architecture; recalls the offer made by President Rousseff regarding support for the EU to overcome its sovereign-debt crisis, and acknowledges the interrelation between both; expresses its support for a balanced and fair conclusion of the Doha Development Agenda and the EU-MERCOSUR Association Agreement, which will be the most important association agreement ever signed by the EU, encompassing 750 million people and trade worth USD 125 billion a year; takes note of Brazil's request to have full visa liberalisation and asks the Commission to present a proposal in this regard;
13. Highlights the indispensable role of the EU-Russia strategic partnership in maintaining peace and security in Europe, enhancing trade and economic development, preserving energy security, and addressing transnational challenges; considers that, in the long-term, the rise of Asian powers is likely to facilitate further alignment of

interests and closer strategic cooperation between the EU and Russia; believes that such cooperation is vital for progress on issues of global importance, such as nuclear proliferation, terrorism, climate change or illegal migration;

14. Highlights the importance and potential of the EU-India strategic partnership; considers that, in the current global economic crisis, issues such as the social crisis, climate change, migration flows and global security should be addressed in a more comprehensive partnership between India and the EU; notes also that the ongoing free-trade agreement negotiations are reinforcing EU-India relations: considers, however, that this relationship should not be limited to trade issues; would welcome the re-establishment of a counterpart grouping to the European Parliament Delegation for relations with India, following the experience of the India-Europe Friendship Group, which existed in the Indian Parliament before its 2009 elections;
15. Underscores the importance of China as a major economic power and highlights its essential role in global economic recovery; recalls, in this connection, the need for China to meet its agreed WTO obligations, ten years after its accession; calls on the EU and its Member States and China, furthermore, to tackle common challenges and threats to international peace and security, in particular through improved cooperation on a diplomatic solution to Iran's nuclear crisis; urges both sides to foster more balanced trade between them, notably by stepping up their efforts to conclude negotiations on a new partnership and cooperation agreement, in order for this framework to fulfil the potential of the EU-China strategic partnership;
16. Underscores the strategic nature of EU-South Africa relations; welcomes the positive outcome of the fourth EU-Africa summit of September 2011, in particular the convergence of views on the situation in Libya; urges the EU and South Africa to conclude, as soon as possible, negotiations on a new Economic and Partnership Agreement; contends that South Africa, given its record of successful and peaceful transition to democracy and its role as a regional power, can be a major force in promoting democracy and good governance, fostering regional economic integration, and supporting national reconciliation across Africa, and a key partner for the EU in these efforts; stresses the importance of close cooperation between the EU and South Africa on climate change, sustainable development and reforms of international institutions;
17. Believes that, in light of the increasing relevance of the BRICS and other emerging powers and the multipolar system of global governance that is taking shape, the G-20 could prove a useful and particularly appropriate forum for consensus building and for a decision-making process which is inclusive, based on partnership and able to foster convergence, including regulatory convergence; takes the view that, notwithstanding the increasing relevance of the G-20, the G-7 could play a key role as a consultative, coordinating and consensus-building forum for the established powers with a view to dialogue with the BRICS and other emerging powers, and ahead of G-20 meetings; considers that the existence of the G-8 should also be harnessed in an effort to reconcile positions with Russia so that common challenges can be addressed in a coordinated and effective manner; supports the G-20 parliamentary dimension and believes that it should be further consolidated and involved in the decision-making processes to ensure reinforced democratic dialogue and scrutiny; supports also the creation of a parallel G-20 consultative forum bringing together non-governmental organisations and leading representatives of civil society and business from G-20 states;
18. Believes that the current sovereign debt crisis will be an important test for the G-20 as an effective forum for strategic political dialogue able to promote a truly global system of economic and financial governance reflecting the interdependence between developed economies and emerging ones, creating the foundations for the elimination of systemic unbalances which can be particularly damaging both for developed economies and, in a longer-term perspective, emerging ones, and promoting solidarity in international financial fora such as the International Monetary Fund;
19. Calls on the EU to enhance political dialogue and cooperation with the BRICS to push further forward the reform of global financial and economic governance institutions, i.e. the Bretton Woods institutions, with the aim of ensuring the broad representation of all member countries while reflecting changes in economic weight;

20. Considers that the emerged powers should support regional organisations which include the BRICS and other emerging countries, such as ASEAN or Mercosur, including their institution-building and capacity-building processes, and ensure a high-level diplomatic presence at meetings of such organisations;
21. Notes that, given the increasing global and regional relevance of China, India and other emerging countries in Asia, both the United States of America and the EU may progressively shift their primary attention, political investment and resources to the Pacific and perceive the North Atlantic dimension and mutual cooperation as less strategic; further notes that Asia should play a more important role on the foreign agenda of the European Union and EU Member States; calls for more coordination of the US and EU policies towards China, India and other emerging countries in Asia in order to avoid a decoupling of such policies; strongly believes that by coordinating their efforts the USA and the EU will attain the required political synergies to engage in an effective positive and constructive dialogue with the BRICS and other emerging countries; takes the view that, without prejudice to the G-7, regular EU-US summits would provide the opportunity to identify common objectives and coordinate strategies on matters of global relevance, including economic governance, in order to reach a common approach towards the emerging powers; recalls that transatlantic relations are of utmost importance both economically and politically and stresses the mutual strong economic relationship between the United States of America and the EU; considers that the Transatlantic Economic Council and the Transatlantic Legislators' Dialogue could also offer an opportunity for dialogue and stock-taking and should thus include a reflection on strategic engagement by the EU and the US of the BRICS and other relevant emerging countries and on how to foster regulatory convergence with such countries; recalls the need to set up a Transatlantic Political Council as an ad-hoc body for systematic, high-level consultation and coordination on foreign and security policy between the EU and the US;
22. Stresses that for issues of global reach or related to global governance the EU, rather than its Member States, should be the interlocutor of emerged powers, the BRICS and other emerging countries; believes that, with a view to achieving a coherent policy stance towards the BRICS and other emerging powers, it is of fundamental importance that Member States develop their bilateral relations with maximum transparency and bearing in mind the potential impact of such relations on EU policies and stances; believes that the EU should strive to achieve more political and economic cohesion and growth in order to maintain political leverage and a key role in the multipolar system that is taking shape and be perceived as a necessary valuable counterpart by the BRICS and the new emerging countries;
23. Stresses that the overall coordination of EU foreign policy towards the BRICS and other emerging powers should be ensured by the High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the Commission in accordance with Articles 18(4) and 21(3) TEU; believes that the EU should strive to achieve, under the coordination of the High Representative, a better linking of foreign and security policy with EU sectoral policies, such as development, energy security, trade, access to raw materials and rare earths, climate change and migration, with a view to exploiting synergies and ensuring a coherent and systemic foreign policy approach aiming at universal respect for the rule of law, human rights and democratic governance; considers that the concept of EU 'strategic partners' should be further upgraded and better equipped to reflect such fundamental objectives; points to the conclusions of the COP 17 to the United Nations Framework Convention on Climate Change (UNFCCC) and stresses the continued need for a coherent and coordinated effort with the BRICS to reach a progressive agreement;
24. Takes the view that a coherent foreign policy approach at EU level also entails enhanced coordination between the President of the European Council, the High Representative, the Council, Parliament and the Commission on issues related to the agendas of the G-7, G-8 and G-20;
25. Notes that the EU should have capacity to adjust and reform its internal governance structures in order to ensure a decision-making process able to reflect its plurality and create consensus; stresses the importance that a coherent foreign policy approach at EU level towards the BRICS and other emerging countries be reflected in the functioning of the EEAS; believes that the EEAS should review and strengthen strategic partnerships with individual BRICS countries, in close consultation with Parliament, exploiting their specificities and the potential for synergies and cooperation with the EU; urges the EEAS to devise horizontal

and vertical coordination mechanisms that will enable EU foreign policy to benefit from EU institutional synergies and from the density and depth of Member States' bilateral ties with strategic partners, including the BRICS and other emerging powers; takes the view that, with regard to the BRICS, in addition to its organisation along geographical and thematic lines, the EEAS should establish an ad hoc coordinating mechanism to ensure that all individual policies towards the BRICS are compatible from a systemic point of view and that the policy lines adopted are reflected in the EU dialogue with emerged powers such as the USA, Canada and Japan; believes that the EU delegations in BRICS countries and other relevant emerging powers should liaise more closely with one another in order to ensure continuous monitoring and analysis on relations amongst the BRICS and relevant cross-sensitivities, thus enabling a more systemic approach; takes the view in this regard that EU Delegations in BRICS countries should analyse the positions of BRICS countries on governance and global challenges and on relations with other BRICS countries; believes that the EU should direct renewed efforts and resources to leading the reform process of a global system of governance and of international organisations with a view to ensuring a more inclusive consensus-building and decision-making process at global level, in particular the reform of the UN Security Council and global financial multilateralism;

26. Believes that 'effective multilateralism' and greater coordination in multilateral fora to address global governance issues should remain the core of enhanced partnership with the BRICS countries; recommends, in particular, that the EU pursue its efforts to engage these countries on this line;
27. Believes that Parliament should participate in the bilateral summits between the EU and its strategic partners;
28. Believes that the staff of EU Delegations in BRICS countries should include Parliament liaison officers in order to foster a greater understanding of the national parliamentary dimension in each of those countries, promote closer cooperation and dialogue between the European Parliament and national parliaments on a bilateral basis and promote more democratic accountability of the decision-making processes in international fora such as the G-8 and the G-20; believes that, in addition to its existing delegations for relations with Russia, India, China and South Africa respectively, a delegation for relations with Brazil could also be considered;
29. Believes that, with a view to ensuring effective democratic scrutiny of EU policy-making towards the BRICS and other emerging countries, and in order to facilitate an enhanced interparliamentary dialogue with such countries, relevant Parliament staff should develop specialised competence and thus have appropriate analytical tools and monitoring capacity and be able to assist Members in promoting effective dialogue; believes also that a system of staff exchanges between Parliament and the EEAS should be put in place to maximise synergies, interinstitutional dialogue and cooperation and promote the exchange of expertise;
30. Stresses that any deepening of relations and strengthening of political cooperation with BRICS at governmental level should go along with a sustained dialogue between civil society organisations; calls on the EEAS and EU delegations, in this connection, to create the framework to facilitate and step up people-to-people contacts and cultural and academic exchanges based on existing and ad hoc programmes with a view to improving mutual understanding and developing common actions and initiatives;
31. Insists on the need to upgrade political dialogue with the BRICS countries on observance of human rights and social and environmental standards; recalls in this respect that the observance of core labour standards (CLS) and the ILO's decent work agenda is essential in achieving the MDGs as guaranteeing socio-political stability and raising the skill levels of a country's workforce has a positive impact on the economy of a country;
32. Welcomes the aforementioned Commission Communication on 'A Budget for Europe 2020', which draws up a proposal for the design of financial instruments and programmes under the next Multiannual Financial Framework 2014-2020; underlines that the new partnership instrument aimed at supporting EU political and economic interests in the rest of the world and including non-ODA-eligible activities should be a foreign policy instrument; believes that such a partnership instrument could help consolidate stronger political ties and thereby stronger economic ties with select countries, and welcomes the promotion of regulatory

convergence as one of its aims; believes also that the Partnership Instrument should comprise financing lines for public diplomacy with a view to consolidating the relations of individual countries with the EU and fostering leverage, partnership and allegiance; takes the view, however, that provision should also be made for additional resources supporting democratisation, the consolidation of the rule of law, better education and the reduction of social disparities; believes that the new design of financial instruments and programmes should give particular relevance to ad hoc financing lines supporting emerging powers and potentially emerging powers in consolidating democratic structures and developing good governance and the rule of law, civil society organisations, good educational systems and progressive social inclusion; welcomes the proposal by the Commission to include the principle of conditionality in all EU programmes and instruments and believes that this is key to achieving more leverage in promoting human rights, democracy and good governance as universal values;

33. Calls on the BRICS countries to take on a role in international development policy that better reflects their share in global GDP;
34. Urges the EU and the Member States to support South-South cooperation initiatives and to take part in triangular cooperation projects in which the BRICS are participating;
35. Considers it extremely important to encourage more EU cooperation with the BRICS and other emerging economies in the system of global governance and in international organisations; believes that the EU and the US should enter a strategic dialogue with the BRICS on the reform options of international organisations; considers that a reflection should be furthered at EU level on how to maximise the role, voice and voting power of the EU in international fora and achieve a more streamlined coordination amongst EU Member States in such fora and thereby a more cohesive stance with a view to positive dialogue, partnership and cooperation with the BRICS;
36. Instructs its President to forward this resolution to the President of the European Council, the President of the Commission, the Vice-President of the Commission/High Representative of the Union for Foreign Affairs and Security Policy, the Council, the Polish Presidency of the Council of the European Union, the Commission, and the US State Department.

JUSTIFICATION

The BRICS (Brazil, Russia, India, China and South Africa) and other emerging economies could gather strong relevance in foreign policy terms on the global scene, provided their economic growth further consolidates. In a global economic perspective, seven emerging countries (Brazil, Russia, India, China, Indonesia, Mexico and Turkey) are projected to have larger economies than, collectively, the G-7 countries (USA, Japan, Canada, United Kingdom, Germany, France and Italy) in 2050. In terms of gross domestic product, China is projected to become the world's largest economy before 2020 whilst India could become the fastest growing economy in the world before 2050.

As the current economic crisis demonstrates, there is a strong degree of interdependence between emerged powers and emerging powers and the consolidation of the economic leadership of the latter is clearly conditional on the economic welfare and growth of the former. This provides the potential to go beyond *comitas* and cooperation in economic terms, and strive rather for the creation of a common platform in foreign policy terms, provided a new system of global governance, inclusive enough for the BRICS and other emerging powers and based on shared values, is devised.

In this regard, it should be pointed out that the BRICS have already shown clear ambitions in foreign policy terms: they have held regular meetings since 2009 and are seeking engagement at the international level. In particular, at the end of the third BRICS leaders meeting, on 14 April 2011, the BRICS leaders issued a joint declaration calling for more international cooperation, a strengthening of global governance and expressing support for multilateral diplomacy with the United Nations and the G-20. The BRICS have also been seeking to

gather momentum by coordinating their stance on several occasions: they abstained from the vote on UNSC Resolution 1973 (2011) on Libya (South Africa was not yet part of the BRICS at that time), they deferred the vote on EU's role in UNGA, and sought coinciding positions on Côte d'Ivoire, Sudan and on the placement of weapons in outer space. Thus, the BRICS seem to challenge the current system of international governance. However, if an inclusive, new system of governance were to be devised, they could become valuable partners of the West, as the recent reform of the International Monetary Fund, the appointment of its new Director General and the ongoing discussions on how to manage the economic crisis in Europe indicate.

The EU will have to duly take into account the new weight, in political and economic terms, of the BRICS and other emerging powers and use its political leverage to continue to promote universal values in the looming new multi-polar system of global governance and be at the forefront of the process of reform of the international governance system. For this, however, the EU needs to act as a single and robust political and economic entity. This proves all the more necessary, considering that transnational challenges - such as climate change, global regulatory issues, access to raw materials and rare earths, terrorism, sustainable development, global political stability and security – will require a rule-based, inclusive approach based on common values, consensus, close consultation and cooperation with the new emerging powers, if truly shared, effective solutions to transnational challenges are to be found. The EU could and should by all means take initiative in this respect and play a central role.

The aim of this report is to discuss the foundations of a new, inclusive system of global governance and make recommendations, whilst identifying key areas of reform, where the EU could seek to streamline its action and institutional architecture and thereby increase its potential and effectiveness as global actor.

OPINION OF THE COMMITTEE ON DEVELOPMENT (7.12.2011)

for the Committee on Foreign Affairs

on EU foreign policy towards the BRICS and other emerging powers: objectives and strategies

Rapporteur: Birgit Schnieber-Jastram

SUGGESTIONS

The Committee on Development calls on the Committee on Foreign Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- A. whereas, with the exception of Russia, all of the BRICS countries are, according to the OECD/DAC classification, developing countries;
- B. whereas, in spite of the recent spectacular economic growth in most of the BRICS countries, these same countries are also the ones with the single largest concentration of poverty in the world, according to the World Bank (e.g. in China, 207 million people live on less than USD 1.25 per day, while in India 41.6 % of the population does so); whereas this shows that in the great majority of cases, without pro-poor growth and creation of safety nets, rapid economic growth may entail an increase in inequalities;
1. Points out that the BRICS countries are too diverse for the EU to pursue a single policy towards them and urges that a new, differentiated form of development cooperation be established; suggests, however, that while the EU should try to find coherent patterns and areas of interest to the BRICS (technical cooperation and assistance, alignment of legislative requirements, etc.) which could allow the EU to establish itself as a primary BRICS partner and to maximise its comparative advantages, such as advanced environmental legislation, experience in regional cooperation and expertise in setting up systems for reducing social inequalities (e.g. efficient tax and social protection systems), the EU should strive to engage further the BRICS countries in multilateral settings to address global issues, as in the case of climate change, sustainable development (in the context of Rio + 20), the fight against poverty, etc. and in taking a responsible role in

international climate talks;

2. Is aware that the BRICS are a stronger economic grouping and are more suited to address global political and economic issues, whereas the IBSA grouping (India, Brazil and South Africa) already has mechanisms in place to tackle socio-economic and developmental issues;
3. Likewise, calls on the EU to enhance political dialogue and cooperation with BRICS to push further forward the reform of global financial and economic governance institutions, i.e. the Bretton Woods institutions, with the aim of ensuring the broad representation of all member countries while reflecting changes in economic weight;
4. Believes that the EU should formulate its position regarding a closer relationship with the BRICS, even taking into account the fact that the EU's vision and the BRICS countries' vision with regard to binding commitments and institutionalised regimes may not necessarily always be the same; believes also that support from the BRICS countries for effective multilateralism might be gained in exchange for stronger representation in relevant international institutions; insists that the challenges posed by the rise of the BRICS should be seen as an opportunity rather than a problem;
5. Calls on the EU to uphold standards of corporate social responsibility even in the face of increased competition over resources in order to guarantee legal security and sustainable long-time partnerships;
6. Believes that 'effective multilateralism' and greater coordination in multilateral fora to address global governance issues should remain the core of enhanced partnership with the BRICS countries; recommends, in particular, that the EU pursue its efforts to engage these countries on this line;
7. Welcomes initiatives within the context of the Joint EU-Africa Strategy 2nd Action Plan 2011-2013 that provide training on best practice in negotiating mineral contracts and in fostering scientific cooperation in the mining sector, as initiatives like EITI will only take effect in the longer term and some BRICS countries have not yet decided to participate in said initiatives;
8. Highlights that the advantages of signing up to the aid effectiveness principles are also relevant for emerging donors and stresses that dialogues in the context of budget support and capacity building in African countries have proven to be productive with regard to intensified discussions with the BRICS;
9. Calls on the Commission to define specific areas of cooperation with the BRICS in the field of development policy, e.g. cooperation in the health sector (including access to basic healthcare services and infrastructure), the fight against poverty, AIDS, urban-rural disparities and corruption, – areas which are not only important within China and other BRICS countries themselves but also represent a focus of their development cooperation – cooperation in mitigation and adaptation to climate change, and cooperation with the BRICS countries in agricultural development;
10. Insists upon the need to upgrade political dialogue with the BRICS countries on observance of human rights and social and environmental standards; recalls in this respect that the observance of core labour standards (CLS) and the ILO's decent work agenda is essential in achieving the MDGs as by guaranteeing socio-political stability and raising the skill levels of a country's workforce these have a positive impact on the economy of a country;
11. Notes that the BRICS have emerged as important players in the field of external assistance, at times questioning the sustainability of the projects financed; calls on the EU to engage the BRICS into endorsing the Equator principles, a voluntary set of standards for determining, assessing and managing social and environment risk in project financing;
12. Stresses the potential of research policy for improved BRICS-EU relations in general and development policy in particular; calls on the Commission, therefore, to support scientific capacity building in developing

countries through greater investment in research infrastructure, either under the framework programmes or through the financing instrument for development cooperation (DCI), for example in radio astronomy projects in Africa in which both BRICS countries and the EU participate;

13. Points out that enhancing transparency on financing flows, ensuring competitive bidding in projects, and assessing fully the macroeconomic impact of financing in the field of development policies is in the interest of low-income countries, the BRICS and the EU;
14. Proposes that the EU's focus on 'aid effectiveness' should be complemented by a focus on 'development effectiveness' (i.e. output and results of development policies and assistance), which is the preferred concept of emerging donors; takes the view that the concept of 'development effectiveness' might thus provide not only an opportunity for more substantial EU-BRICS dialogue but also a chance to strengthen within the EU itself the concept of policy coherence for development enshrined in Article 208 TFEU;
15. Calls on the BRICS countries to take on a role in international development policy that better reflects their share in global GDP;
16. Urges the EU and the Member States to support south-south cooperation initiatives and to take part in triangular cooperation projects in which the BRICS are participating;
17. Points out that because the BRICS are not members of the OECD, they are not bound to observe OECD criteria for official development assistance (ODA) nor OECD guidelines on export credit financing that limit tied aid, regulate credit practices, require exchange of information, and impose social, environmental and governance standards on financing activities;