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Nazia Hussain



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By Nazia Hussain

SYNOPSIS

The 17th BRICS Summit highlighted the bloc's continued expansion and institutionalisation amid US tariff threats. As India prepares to assume chairmanship of BRICS in 2026, a focus on advancing digital public infrastructure and consolidating the new partner state model could reinforce the bloc's relevance for emerging economies. Can BRICS deliver on its growing ambitions to be a key platform for Global South cooperation?

COMMENTARY

The 17th BRICS Summit, held on 6-7 July 2025, concluded in Rio de Janeiro amid US President Donald Trump's threat to impose [tariffs](#) on countries aligning with the bloc. Although marked by the absence of Chinese President Xi Jinping, who missed the summit for the first time in 12 years, and nearly half the heads of state, the summit nevertheless managed to highlight BRICS' common agenda in advancing the Global South's interests at a time when multilateralism and global governance institutions have come under scrutiny.

The [joint statement](#) reaffirmed BRICS' long-standing priorities in calling for the reform of multilateral institutions, adopted a new climate finance framework that prioritises funding to overcome financing gaps in developing countries, and emphasised the need for inclusive global discourse on AI governance.

Attracting Regional Partners

The momentum for BRICS expansion continues with the launch of the partner state model at Rio, which has attracted additional applicants. More than thirty countries have reportedly [applied](#) to join the bloc in 2024. BRICS' economic prospects and its "plus"

format hold enough appeal for emerging and middle powers looking to diversify their economic and diplomatic partnerships.

Countries aspiring to join BRICS are hoping that membership could grant [access to](#) lucrative markets, enable technology transfers, and provide alternate sources of funding through the New Development Bank (NDB), which is said to be managing around [120 projects](#) with a total value of US\$39 billion, including clean energy projects, infrastructure development, and sustainability-related programmes.

While the NDB operates at a much smaller scale compared to other multilateral development banks like the World Bank, whose lending facilities approved [new projects](#) totalling around US\$62 billion in 2024 alone, it imposes less stringent lending conditions and is committed to finance more infrastructure projects in [local currency](#), attracting borrowers across the Global South.

The key question is whether President Trump's tariff threats could potentially undermine BRICS' appeal to regional states. In Southeast Asia, BRICS' potential has found a positive reception, with Indonesia's accession as a full member and Malaysia, Thailand and Vietnam joining as partner states. However, much will hinge upon BRICS' ability to align its strategic rhetoric with concrete economic benefits. This includes access to NDB development financing, integration into alternative [trade networks](#), digital infrastructure cooperation, and shared advocacy for global governance reforms.

In this regard, the new financial mechanism proposed at the Rio summit – the [BRICS Multilateral Guarantees \(BMG\)](#) initiative – underscores an attempt to strengthen financial resilience and mobilise private investment for infrastructure and sustainable development as uncertainty surrounding US trade policy widens. Backed by the NDB and modelled on the World Bank's [Multilateral Investment Guarantee Agency](#), the BMG initiative [aims to offer](#) tailored guarantee instruments to de-risk strategic investment and improve creditworthiness in developing countries.

However, in seeking to leverage [existing capital](#) from the NDB instead of requiring additional financial contributions from member states, the initiative could be limited in the scope of guarantees offered. Still at an ideation stage without operational clarity or a track record, the BMG thus warrants cautious optimism.

Beyond economic considerations, many Global South countries harbour the desire for a seat at the table within a rising coalition of non-Western states aspiring to reorganise the global order to one which is responsive to their needs. Hence, despite President Trump's repeated threats to impose additional [10 per cent](#) tariffs, alongside impending trade penalties, on countries perceived to be aligning themselves with the “anti-American” policies of BRICS, the bloc's continued expansion reflects a broader concern among emerging economies about the implications of the US leveraging tariffs as punitive measures with little consideration for global financial stability.

India's 2026 Chairmanship of BRICS

As BRICS charts its institutional expansion, India's forthcoming chairmanship of BRICS in 2026 will likely build on the momentum from its G20 presidency,

consolidating the advances made on digital public infrastructure (DPI), championing inclusivity, and strengthening the Global South agenda under the theme “[Building Resilience and Innovation for Cooperation and Sustainability](#)”. India is well-positioned to lead the conversation on global digital governance as it has made notable strides in accelerating digital transformation by rolling out DPI at population scale.

India’s deployment of the “[India Stack](#)” digitisation project – a multi-layered and interoperable digital identity, payment and data management system of open application programming interfaces (APIs) and e-governance applications – has already garnered interest from developing countries seeking scalable, low-cost models of digital inclusion.

Enhancing digital inclusion would help developing countries, especially their rural communities, improve access to government services, financial systems, education, healthcare, and economic opportunities, thereby fostering greater participation in the formal economy and reducing the rural-urban divide.

As such, by positioning DPI as the basis for inclusive development, New Delhi can shape BRICS cooperation around technology transfer, setting technical standards, and capacity-building. Moreover, taking the lead in crafting a digital governance framework would cement India’s status as a leading [voice of the Global South](#) – a diplomatic aspiration that the Indian government has expressed categorically.

New Delhi could also use its BRICS chairmanship to buttress the new partner state model. This effort will be particularly relevant given concerns that rapid expansion may pose challenges for the consensus-seeking oddly divergent grouping with different socio-cultural and political systems, whose economies are in different stages of development, and who share some degree of ideological dissonance, thus complicating agreement on contentious issues.

By advancing inclusive South-South cooperation on less divisive but strategically relevant issues such as AI governance, data sovereignty, and digital trade norms, India could help mitigate the risks of internal fragmentation while reinforcing BRICS as a credible platform for shaping global governance frameworks. Whether New Delhi can steer the grouping toward development-based multilateralism that transcends traditional bloc politics, however, remains to be seen.

Nazia Hussain is an Associate Research Fellow in the Centre for Multilateralism Studies (CMS) at S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University, Singapore (NTU).

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