

BRICS Plus model can unite developing economies

By He Wenping and Hisham Abu Bakr Metwally

With a privileged geographical position as a gateway connecting the continents of Africa and Asia, Egypt perceives that the BRICS Plus model provides an opportunity for open and diversified integration in the global economy.

During the ninth BRICS Summit held in Xiamen, southeast China's Fujian Province, in September 2017, China prompted the bloc to build an open and diversified network with its partners, named the BRICS Plus.

BRICS stands for Brazil, Russia, India, China and South Africa.

The concept is to open a gateway to other countries and regions that are willing to connect with the bloc, promoting exchanges of good practices and economic integration to protect the interests of developing countries.

Under the BRICS Plus model, dialogue and cooperation among the BRICS members and non-BRICS countries should be on an equal footing. The model will be the starting point to bring the current members - as well as different continents - together.

The BRICS Plus model will not curtail the importance of BRICS bloc. Quite the contrary, some other countries like Egypt needed to join the BRICS bloc eventually. Their formal membership will bring a new momentum to the bloc.

The BRICS Plus model is likely to go beyond the boundaries of the current BRICS framework, creating a new platform for cooperation among countries across different continents. Cooperation among the BRICS' new circle of friends can extend the use of national currencies to overseas investments and bilateral and multilateral trade, thus reducing dependency on the US dollar.

The new platform is also expected to strengthen coordination among developing countries in international affairs. For instance, as more countries get on board, the consolidated voting share of those countries in the IMF will increase. This will enable the bloc to have a greater voice in key IMF decisions.

The BRICS bloc is one of the most important groupings of emerging countries, as it includes the largest developing economies in the world. The BRICS Plus initiative, through these regional leading entities, can connect other countries in each region despite their differences. It will allow the BRICS bloc to listen to and try to answer the needs and requests of other countries, in a bid to increase the representation of developing nations.

Egypt has good reason to advance further cooperation with the BRICS bloc. Egypt is a focal point for both African and Asian countries. Most of the goods and services produced in Egypt are exempt from customs and duties upon entering the European markets, as well as Arab and African countries. It has a natural advantage, being a transshipment port.

Egypt has a superb relationship with all the BRICS members. According to Egyptian news site Ahram Online, the Egyptian Ministry of Housing, Utilities and Urban Development signed in May a memorandum of understanding with China's State-owned construction company CGCOC Group to plan and develop an industrial zone in new Alamein city. The cooperation is a step forward for the economic relationship between China and Egypt.

Egypt has longstanding economic relations with India as well, with the latter seeking to strengthen its bilateral cooperation with Egypt, focusing on trade and investment. Egypt also has close relations with Brazil and Russia, and of course strong relations with South Africa.

China invited Egypt to attend the BRICS summit in Xiamen under the BRICS Plus framework, which helped firm up Egypt's cooperation with the BRICS members. The invitation expressed the bloc's appreciation of Egypt and its desire to listen to Egypt's voice.

Egypt showed a great interest in joining the BRICS bloc very early on. Due to political considerations at that time, Egypt couldn't join the bloc. But it's a fact that an organization like the BRICS is needed to unite and represent developing countries amid a resurgence of protectionism.

As the influence of the BRICS bloc expands, other countries like Egypt will be motivated to advance cooperation with the BRICS members. The BRICS Plus model can create a mutually beneficial mechanism for all parties.

(People's Daily/Global Times)