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BRICS: Opportunities and Challenges for the European Union

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Abstract

The BRICS announcement in 2009 by some developing nations alarmed the world, but Western scholars initially paid little attention. The growing trade relations between BRICS nations and the EU pose serious challenges for the former while also offering opportunities to strengthen economic cooperation with Asian, Latin American, and African states. With the addition of new member states, the BRICS has become BRICS plus, with some of the largest oil-producing states, such as Iran and the UAE, also joining the organization. The paper aims to discuss how the mutual dependence between the BRICS nations and the EU will bring opportunities and Challenges for the EU. Further, it will also describe the growing influence of China within the BRICS, which is likely to create some obstacles for the EU *partner and the great power, the US, China's competitor. Additionally, the BRICS nations are trying to launch their own currency by ditching the dollar, which will also be challenging for the EU. Therefore, this paper will analyze the profound challenges and opportunities the EU is likely to face in trade with the BRICS nations.*

Keywords: BRICS, EU, economic challenges, geopolitical obstacles, trade, Opportunities.

Introduction

Jim O'Neil first coined the term BRIC in 2001. A few weeks after the 9/11 attacks on the US, he argued that developing states, including Russia, China, India, and Brazil, had entered a new category of economic integration and cooperation.[1] However, the term was formally announced in 2009, when the first BRIC summit was held in Russia. In 2010, with the addition of South Africa to the original BRIC, the term became BRICS. BRICS is an intergovernmental organization that accounts for around 31% of global GDP, valued at $30 trillion. Moreover, it covers 27% of the world's surface and 42% of the global population. All five states are also members of the world-leading G20 group.[2]

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[1] Jim O'Neil, "Building Better Global Economic BRICs," *Global Economic,* no. 66 (November 2001).

[2] Taimur Fahad Khan, "BRICS and Pakistan-Assessing opportunities and Challenges," *Institute of Strategic Studies Islamabad*, (October 2023).

At the 15th BRICS summit in 2023, South Africa announced that other states were also invited to join the organization. These countries were Argentina, Egypt, Saudi Arabia, the United Arab Emirates, Iran, and Ethiopia. Moreover, the BRICS nations are considered the world's fastest-growing economies due to their low labor costs, favorable demographics, and rich natural resources.[3] The BRICS states operate as an organization seeking greater economic integration and cooperation, aiming to enhance their standing through economic ties. However, other priorities of BRICS include working together to resolve important regional challenges, such as reforms to the World Bank and IMF policies, and establishing BRICS as an inter-banking cooperation mechanism.[4]

The BRICS group functions as an informal confederation, with the heads of state meeting annually at the BRICS summit. The head of state of a member country serves as the group's chairman, a role that rotates annually. The group's informal meetings began in 2006, and its first official meeting was held in June 2009 in Russia.[5] In 2015, the members established the BRICS Parliamentary Forum. The purpose of the BRICS Parliamentary Forum is to strengthen and

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[3] Stewart Patric et al., "BRICS expansion and the future of new world order: perspective from member states, Partners, and Aspirants," *Carnegie endowment for international peace,* March 31,2025, https://carnegieendowment.org/research/2025/03/brics-expansion-and-the-future-of-world-order-perspectives-from-member-states-partners-and-aspirants.
[4] Jan Wouter and S Van Kherchkoven, "A European perspective on G20 and BRICS", *International Organizations Research Journal* 13, no. 2 (2018).
[5] Oliver Stuenkel, "Emerging power and status: The case of first BRICS summit," *Asian Perspective* 38, no. 1 (January 2014).

promote contacts at the leadership level of chambers, committees, and groups of parliamentarians. This body is responsible for developing new procedures for inter-parliamentary cooperation and for conducting inter-parliamentary consultations and exchanges.[6]

Meanwhile, to strengthen their organization, the BRICS are inviting the least developed and developing nations to enhance their influence in global decision-making and to collaborate in the global economy. In 2014, the BRICS members announced the establishment of the "New Development Bank (NDB) and the Contingent Reserve Arrangement as initiatives compatible with present financial institutions, such as the International Monetary Fund (IMF) and the World Bank (WB).[7] Additionally, the expansion of the BRICS indicates a strong willingness to establish a platform that allows developing countries to collaborate and shape the existing global order. Currently, the BRICS calls for greater representation for the least developed and developing nations and considers itself an agency of the Global South. However, it also offers trade and economic cooperation to states under Western sanctions, such as Russia and Iran, as an alternative.[8] According to BRICS members, the addition

[6] Van Peter, "the BRICS as an EU security challenges", *Clingendeal report*, (Sep 2015).
[7] Mukhtar Ahmad and Mubashir Ahmad, "BRICS: An option to the World Bank and the IMF," *International Journal of Psychosocial Rehabilitation* 23, no. 03 (2019).
[8] Manmohan Agarwal, "Reconfiguring Financial institution: The BRICS initiative," *Research and information center for developing countries*, no 196 (May 2015).

of the UAE to the group will strengthen its economic backbone, as it is among the 10 largest oil producers. Iran, on the other hand, is also an oil-rich state and became a BRICS member in Jan 2024, offering a good opportunity for China and India in the energy field.[9]

The European Union is a supranational economic and political union of 27 states, primarily located in Europe. The EU's Eastern neighborhood extends to the Caucasus and the Western Balkans, as well as to the MENA (Middle East and North Africa) region. For the countries surrounding the EU, the Union adopted a customary approach through trade and offered hope of future inclusion. However, this EU strategy has been in decline in recent years, as neighboring states have realized that joining the EU is not possible in the near future.[10]

The BRICS promote a gradual shift to a low-carbon economy that accounts for national capacities and shared yet distinct responsibilities. For instance, the most recent summit reiterated the BRICS's shared support for developing nations' right to use fossil fuels to boost their economic development and security.[11] On the

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[9] Rafael Leal-Arcas, "How Will the EU Approach the BRIC Countries? Future Trade Challenges," *Vienna Online Journal on International Constitutional Law* 2 (2008): 235.
[10] D Dhanuraj, Aleena Sabu and Adithyan P V, "BRICS in the Evolving global order: Geopolitical challenges and adopting new strategies in the Trump era," *Friedrich Naumann Foundation,* (August 2025).
[11] Tatjana Piljan and Marija Lukic, "BRICS countries," (Eleventh international scientific conference employment, education and entrepreneurship, Belgrade, 2022).

other hand, through multilateral dialogue, the African states, the EU, and the BRICS group may be able to jointly address the challenges of mutual interests on the continent and develop a common roadmap. By doing so, they might increase market opportunities; share investment costs and risks, and provide greater support for Africa's needs. Moreover, Europeans should pledge to find ways to mitigate the adverse effects of EU policies, such as the CBAM, to promote this cooperation.[12]

Therefore, this paper investigates the dual nature of the BRICS as both an important economic partner and geopolitical competitor to identify how the European Union can effectively balance strategic autonomy in an increasingly multipolar world. To answer the questions, this study uses a qualitative research method grounded in a systematic review of secondary sources, including EU policy and economic reports, analytical research studies, and think-tank reports.

Literature Review

The recent expansion of BRICS has sent shockwaves through global powers. The accession of Ethiopia, Argentina, Egypt, the UAE, and Saudi Arabia has significant implications for the EU. The inclusion of Gulf heavyweights, including the UAE, which are long-standing EU allies, is a serious and alarming threat to the European Union.[13]

[12] Freire, M.R, "EU relations with BRICS," *International Organization Research Journal*, (2017).
[13] Alexandra Kateb, "BRICS+ and the Arab Gulf: The perks of Membership," *Carnegie Endowment International Peace*, January 4, 2024,

China and Russia are exploiting the European Union for their own strategic purposes in their neighborhood. As before, the EU did the same to Russia in the 1990s, taking advantage of the USSR's political and economic weakness, which led to the USSR's collapse.[14] One of NATO's most significant summits, addressing both the security and human dimensions of the current global crisis, took place on July 8 and 9, 2016. At the North Atlantic Council meeting in Warsaw, representatives of heads of state and government reported that the Organization's primary goal, to ensure the Alliance's survival, has not changed. We share freedom, human rights, modern democracy, and the rule of law. It's crucial to remember that, in the global geo-strategic framework, we are at a pivotal point.[15]

Claiming and defending the principle of national sovereignty, the BRICS have revealed and demonstrated a common position, similar to that of the EU, opposing military intervention to resolve the Syrian crisis.[16] In this instance, as part of the Geneva peace process, both the EU and the BRICS adopt a stance that protects a non-violent, peaceful

https://carnegieendowment.org/sada/2024/01/brics-and-the-arab-gulf-the-perks-of-membership

[14] Olerato Manyaapelo, "The Future of BRICS and the role of Russia and China," *Journal of BRICS Studies* 2, no. 1 (July 2023).

[15] Lysa John, "Engaging BRICS Challenges and Opportunities for Civil society", *OXFAM India*, (2012).

[16] Peter Van Ham, "The BRICS as an EU security challenge*", Clingendael Report*, (2015).

resolution. However, the EU does not explicitly plan to rule out military action if required.[17]

Moreover, Asian nations are currently experiencing higher economic growth than the European Union, and only China's economy is larger than the EU's, measured by GDP. It is important to note that the majority of BRICS nations' exports consist of raw materials, and the EU market remains the largest destination for these materials. For example, in the agricultural sector, Brazil is the EU's single largest exporter. In addition, China is one of the EU's largest trading partners.[18] This shows that a strategy based solely on relative gains might not be the best course of action, as these emerging economies still depend heavily on the EU.

One of the main objectives of the BRICS agenda is to promote sustainable development. The leaders of the BRICS countries frequently highlight the group's advocacy for increased global "stability, sustainable development, and prosperity." South-South cooperation has emerged as a key avenue for promoting global sustainable development in recent years, and the BRICS' approach to it is evident in China and India's bilateral outreach to Africa's less developed nations.[19] For example, India bases its development

[17] Rafael Leal Arcas, "How will the EU approach to the BRICS countries: Future Trade Challenges", *ICL Journal*, (2008).
[18] Briefing, "Expansion of BRICS; A quest for great global influence*", European Parliament*, (2024).
[19] Gabriel Huland, "BRICS: growth of China led bloc raises question about a rapidly shifting global order," *The Conversation*, January 29, 2025,

cooperation strategy with Africa on the priorities of African nations. Brazil faces both opportunities and challenges because of the BRICS changes. On one side, Brazil is increasing its legitimacy and influence across South America through BRICS, given its status as a founding member.[20] On the other hand, the new non-democratic members and fossil fuel-exporting nations challenge its aims, which could eventually lead to further divisions within the organization.[21]

While existing studies have mostly emphasized geopolitical rivalry and economic competition between BRICS countries and the European Union, there is limited literature on how mutual dependence shapes both cooperation and conflict. The study has adopted the Complex Interdependence framework to analyze how BRICS, along with South-South cooperation, will influence the EU's role on the global stage. The study sought to answer the question of how the interdependence between BRICS members and the EU poses challenges and creates opportunities for the European Union.

Theoretical Framework

Joseph Nye and Robert Keohane proposed the concept of Complex Interdependence in the 1970s. It challenges the traditional realist

https://theconversation.com/brics-growth-of-china-led-bloc-raises-questions-about-a-rapidly-shifting-world-order-248075

[20] M.R Freire, "EU relations with the BRICS; Strategic partnership or structural disjunction*", International organization research journal,*" 12, No 2 (2017).

[21] Pedro Antonio Vieira, "Brazil and BRICS: The Trap of Short Time," *Journal of World-System Research* 22, no. 2 (2016): 404-429.

paradigm, which prioritizes the nation-state as the most significant actor in international relations, security, and military power, and that this should be a primary concern for a state. On the contrary, Complex Interdependence argues that states are connected in complex ways.[22] The interactions between states are not limited to the government level; they occur through various channels, such as NGOs, transnational organizations, MNCs, and other non-state actors.[23] Unlike realist theories, which are dominated by military and security relations among states, this concept navigates the state's priorities and argues that there is no single priority for a state. All relations, such as economic, climate, human rights, and stability, are essential as military.[24] In modern times, resolving disputes through military means is expensive, as states are deeply interlinked in the economic domain.

Due to the complex interdependencies between the BRICS and the EU, their relations extend beyond political ties. Still, they are deeply embedded in business and heavily reliant on Western-led institutions and capital within the BRICS financial system. The European Union and BRICS countries are major trading partners and could gain mutual benefits through multilateral platforms in trade, investment,

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[22] Robert Koehane and Joseph Nye, *Power and Interdependence: World Politics in Transition* (Pearson, 1977) 20.
[23] Ibid.
[24] Poudel Sanju Kumari, “An Appraisal of Multiple Channel of Complex Interdependency: A Case Study of Nepal,” *Journal of US-China Public Administration* 22, no.1 (2025).

and markets. Additionally, engagement through global institutions such as the World Trade Organization and the G20 allows them to coordinate on various issues.[25] Shared issues such as human rights, climate change, and terrorism create greater space for both to engage and cooperate effectively. However, challenges remain, including asymmetric economic relations, such as China's trade and supply chain advantage over the EU. BRICS-led institutions, such as the New Development Bank (NDB), also challenge the EU-supported global order. Lastly, differences in political systems and values between the BRICS countries and the EU further complicate the relationship.[26]

BRICS as an emerging economy

Since the emergence of BRICS in 2009, it has expanded its influence and membership to include various countries. It has emerged as an alternative global organization to the G-7, a developing-world economic bloc. The primary aim of the BRICS is to represent the global South, while the G-7 organization represents the world's most developed states and the global North.[27] The bloc's expansion was the subject of the first conversation; later, six nations had received invitations from BRICS leaders to join the platform. These six invited

[25] Andrey Shelepov, "BRICS and International Institutions: Models of engagement in Global Governance," *International Organization Research Journal* 10, no.4 (2015).
[26] Adriana E. Abdenur, "The New Multilateral Development Bank and the Future of Development: What role for the UN," *UNU Centre for Policy Research* (2015).
[27] Elizabeth Roche, "At Rio, the BRICS projected the voice of the Global South," *The Diplomat*, July 09, 2025, https://thediplomat.com/2025/07/at-rio-the-brics-projected-the-voice-of-the-global-south/

nations were Argentina, South America's second-biggest economy, which declined to join the bloc.[28] Ethiopia, the sole colonized nation on the continent and the dominant force in the Horn of Africa, has been a member of the organization since Jan 2024. Iran, one of the major players in the Middle East and a fervent opponent of the West, has also joined the BRICS. The most important political, military, and economic forces in the Arab world are three Arab nations: Egypt, Saudi Arabia, and the United Arab Emirates (UAE). Egypt and the UAE have officially joined the bloc, while KSA is still pending.[29]

On the other hand, the Western Balkans, the MENA region, Eastern Europe, and the Caucasus constitute the European Union's strategic neighborhood. The EU applies its standard conditionality policy to every country in its neighborhood, expecting that trade will promote human rights and the rule of law in those nations. Since the political elites in the EU's neighboring countries are no longer certain that joining the EU is feasible in the near future or that it remains an appealing prospect, the efficacy of this strategy has decreased in recent years.[30] This has made room for third parties to enter the scene with greater assertiveness, such as the BRICS countries.

[28] Robert Plummer, "Argentina pulls out of plan to join BRICS," *BBC*, December 29, 2023, https://www.bbc.com/news/world-latin-america-67842992
[29] Reuters, "Saudi Arabia has not yet joined BRICS," *Reuters*, February 01, 2024, https://www.reuters.com/world/saudi-arabia-has-not-yet-joined-brics-saudi-official-source-2024-02-01/
[30] Briefing, "Expansion of BRICS: A quest for greater global influence," *Think Tank European Parliament*, (2024).

The BRICS promote a gradual shift to a low-carbon economy that accounts for national capacities and shared yet distinct responsibilities. Their priorities occasionally diverge from the EU's climate ambitions because they reject a universal approach. For instance, the statement from the most recent summit reiterates the BRICS's commitment to supporting developing nations' rights to use fossil fuels to promote their economic development and security.[31] The recent failure of the G20 to agree to phase out fossil fuels was likely due to a few members of the group. The group's opposition to "climate-related trade barriers" is also stated in this year's communique, with hints of the EU's carbon border adjustment mechanism (CBAM)—a highly unpopular policy among Global South states that find it difficult to establish green value chains, particularly in carbon-intensive industries.[32]

Many of these views are shared by African nations, which also have an interest in increasing trade and investment with the BRICS. As the continent becomes increasingly significant over time as a supplier of energy and mineral resources, competition for resources and markets could pose risks for Europe. The European Union must ensure it does not miss opportunities to strengthen its energy policies and climate action, and that it continues to play an important role in global energy

[31] Marida Nach and Ronney Ncwadi, “BRICS economic integration: Prospects and challenges,” *South African journal of international affairs* 31, no.2 (2024): 151-166.
[32] John Kirton and Marina Larionova, “The First Fifteen Years of the BRICS,” *International Organisations Research Journal* 17, no. 2 (2022): 7–30.

and climate governance.[33] This has taken on even greater significance in light of the summit's decision to expand the group. The BRICS's international recognition is strengthened by the addition of these states, which also enhances the group's trade and investment and its bargaining power in shaping the green transition. The EU should be able to negotiate and work together with the BRICS as a group (just as Europeans do with the G20, which includes Russia) despite ignorance, sanctions, and the need to isolate Russia.[34]

BRICS: From Economic to Political Influence

The European Parliament's Foreign Affairs Committee (AFET) released the strategic document on its relations with BRICS in February 2012. The so-called BRICS documents make the following claim: "The EU will not see its credit decrease with the emergence of new economic and foreign policy powers, but has a significant role to play in developing a common understanding of policy choices through formal interaction with the BRICS. What matters most is that the economic influence of the BRICS is translated into political influence, self-confidence, and ambition for the role that can be played,"[35] said Baroness Ashton, the EU's High Representative for

[33] Reinhold Brender, "Why the BRICS Summit in Kazan should be a Wake-up Call for EU," *Egmont Policy Brief*, no. 364 (2024).
[34] Maddalena Procopie, "Shifting Alliances: Why the EU needs to cooperate with the BRICS and Africa on the energy transition", *European Council on Foreign Relations*, (2023).
[35] The European Parliament's Foreign Affairs Committee, "EU foreign policy towards the BRICS and other emerging powers," (February 2012), https://www.europarl.europa.eu/doceo/document/TA-7-2012-0017_EN.pdf

Foreign Affairs and Security Policy, in response to the important question.

China is increasing its influence in the Western Balkans by funding road and power plant development in countries such as Albania, Serbia, Bosnia and Herzegovina, and Montenegro. China's strategic interests in the region were underscored in December 2014, when a significant summit between China and Southeast Europe was held in Belgrade. The "16+1" platform, which outlines China's approach to Central and Eastern Europe, was unveiled in September 2012.[36] With this new initiative, Central and Eastern Europe will have access to a 10 billion US dollar special credit line from China, an investment cooperation fund, and a forum to promote tourism, research, and cultural cooperation.

Russia extends its strategic influence in the region by leveraging its leading position in the energy sector. Russia currently maintains strategic partnerships with several European states, including Serbia, Bosnia and Herzegovina, Macedonia, and Montenegro. These partnerships include military and intelligence cooperation. Bosnia-Herzegovina briefly considered secession after Russia annexed Crimea, and Macedonia prefers not to join the EU's sanctions against Russia. Montenegro's economy is largely dependent on Russian

[36] Tim Cocks, “BRICS expansion could hinder the bloc's geopolitical aspirations” *Reuters*, Aug 2023 https://www.reuters.com/world/brics-expansion-could-hinder-blocs-geopolitical-aspirations-2023-08-24/

investment because the Western Balkans are an important route for Russian natural gas to reach Europe.[37]

Three conclusions can be drawn from the case of the Western Balkans. First, emerging powers such as the BRICS are increasing their strategic and economic influence, even in a region where the EU is supposed to have political dominance under the existing accession vision. [38] Second, the Euro crisis has eroded the EU's economic and political appeal, giving the BRICS an advantage in gaining traction in the Western Balkans. Third, the corrupt political elites in the region are being propped up by Russia, China, and the Gulf States, all of which promote various societal norms that are opposed to Western social norms, aiming to strengthen support for the authoritarian regime.[39]

Exploiting the EU's EURO crisis

The Gulf States, along with China and Russia, are taking advantage of the current EU crisis for geopolitical gain. This is hardly shocking, and we must admit that the EU appropriated the remnants of the fallen Soviet Empire by taking advantage of Russia's political and economic

[37] Usha Nori and R. K. Mishra, "An Analysis of Trade Flows between BRICS and European Union: A Quantitative Assessment," *Transnational Corporations Review* 13, no. 4 (2021): 394–405.
[38] Muzi Shoba, "An Appraisal of EU and BRICS Relations: Lessons for BRICS," *Journal of African Foreign Affairs* 10, no. 1 (2023): 7.
[39] Gracelin Baskaran and Ben Cahill, "*New BRICS: Implications for Trade, CSIS*, (Aug 2023). https://www.csis.org/analysis/six-new-brics-implications-energy-trade

weakness following the end of the Cold War. Examining the current geostrategic struggle over Eastern Europe (and the Caucasus) against this historical backdrop is necessary. The European Neighborhood Policy (ENP) emphasized strengthening relationships with neighboring countries by deepening civil societies and social partnerships. Notably, the EU seeks to recast the situation as one of international law and the sovereign right of each Eastern European nation to determine its own fate, eschewing Russia's narrative of a geopolitical struggle.[40]

Russia and the EU

Russia's relationship with the EU is distinct among the BRICS countries due to geographical proximity and shared history. Russia's European region contains the majority of the country's population and industrial capacity. Western and Central Europe have fueled their modernization over the past 300 years. The majority of military assaults against Russia, including those that had the capacity to destroy Russia as a nation completely, originated in Europe. The Cold War's front line was in Europe. Russia's and the EU's economies are complementary and interdependent.[41] The EU continues to be Russia's main trading partner even six years after the Ukraine crisis

[40] Vasily Alexendra and Suslov kapoor, "The Future Talks to the Past: BRICS Countries' Strategies Towards the European Union", *Valdai Discussion Report,* (April 2021).
[41] Tom Casier et al., "EU-Russia Relations: Which Way Forward," *Jean Monnet Multilateral Research Group*, (2016).

began, and the old model of relations collapsed amid sanctions and counter-sanctions.

EU-Russia Trade since the Ukraine War

After Russia invaded Ukraine in February 2022, suggestions were made to cut off economic ties with Russia. Nations were urged to impose sanctions, curtail trade with Russia, and eliminate any reliance on Russian resources or on the Russian economy. This blog examines how trade values between the EU and Russia have changed a year after the invasion, as well as how the EU's economic alliances have changed. The trade between the EU and Russia has changed significantly in the last year, but the effects are not as noticeable as was first believed. These modifications, which have significant ramifications for the future of trade between the EU and Russia, have been spearheaded by various EU member states and have affected several sectors.[42]

The economic backlash against Russia has involved significant contributions from the EU. In addition to actively supporting sanctions against Russia, the EU is responsible for more than 5,000 of the 10,971 economic sanctions currently in force against the country. Bilateral trade between the EU and Russia has significantly declined due to sanctions, uncertainty, and pressure to terminate economic relations with Russia. According to the most recent data

[42] Vanika Sharma, “EU-Russia Trade since the start of the War – recoupling for some, expansion for others”, *ECIPE*, (Feb 2023)

available, EU imports from Russia decreased by 91%, from €20 billion to €1.7 billion, and exports to Russia decreased by 75%, from €7 billion to €1.8 billion.[43] Nevertheless, trade between the EU and Russia has not completely stopped despite the pressure to sever economic ties. Multiple industries contributed to slowing the rate of economic disintegration between the two regions. Between January 2022 and October 2022, the EU imported more goods from Russia in the following product categories: pharmaceuticals; metals (nickel, aluminum, and zinc), weapons and ammunition; and textiles (silk, cotton, and leather). Several other industries saw an increase in EU exports to Russia, but the pharmaceutical industry saw the largest increase.[44]

EU-China

The year 2020 marked a significant shift in the relationship between Europe and China, the culmination of several years' worth of trends. A revision of relations with Beijing was all but inevitable due to the shifting balance of their economic and technological capabilities, Brussels' dissatisfaction with China's policy towards certain EU members, and Europe's political reliance on the United States.[45]

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[43] Oscar Guinea and Vanika Sharma, "EU-Russia Trade since the start of the war," *European Center for International Political Economy,* (February 2026), https://ecipe.org/insights/eu-russia-trade-since-the-start-of-the-war/
[44] European Commission report (2022)
[45] Vasily Aleksandrov and Suslov Kapoor, "The Future Talks to the Past: BRICS Countries' Strategies towards the European Union," *Valdai Discussion Report,* April 2021.

However, China's policy aligns with the EU's commitment to defend its values and to eliminate any external action that poses a threat to state sovereignty. China and the EU commit to prioritizing the implementation of UN values, including promoting human rights, democracy, non-interference, and the rule of law. Sanctions and other restrictive measures must be applied in conjunction with the EU's international partners in response to any violations of fundamental values or principles.[46] The relations between the EU and China emphasized value-based investment to promote sustainability, democracy, climate action, fundamental rights, and equality. The Comprehensive Agreement on Investment (CAI), concluded between China and the EU in 2020, represents a positive step forward for EU-China relations. Enhancing the legal foundation for trade relations between the EU and China is essential, as is ensuring that no investment agreement limits the EU's authority to address human rights abuses. In addition to promoting trade, the EU must use the CAI to protect fundamental rights, maintain strategic autonomy and sovereignty, and ensure that China fulfills its major obligations under the International Labor Organization (ILO).[47]

[46] Armagan Gozkaman and Kaan Celikok, "EU-China Relations: Competition and Partnership," paper presented at the *International Conference on Eurasian Economies*, 2023.
[47] EU-China Relations; European Movement International.

EU-India

The relationship has changed significantly from the British colonial legacy that defined India's ties to Europe before 1947 to the current engagement with the supranational European Union (EU). Deep economic ties to the British Empire were the result of colonial history. Still, as the newly independent nation looked to other partners to rebuild its faltering economy, that history changed. India has prioritized expanding trade and investment ties over the years to strengthen its "strategic autonomy" grounded in "sovereign equality."[48] The relationship was elevated to a Strategic Partnership in 2004 following the first summit between India and the EU in 2000. The following year, a Joint Action Plan, revised in 2008, was implemented. Twelve yearly summits were scheduled to take place starting in 2000; however, this process was halted when two Italian marines were arrested in India in 2012 for the murder of two fishermen off the country's coast.[49]

In 2024, India-EU trade totaled $120 billion, accounting for 12% of India’s total trade. The EU is India's 9th-largest trading partner, accounting for 2.4% of total trade, far behind China (16%), the US (14%), and the UK (10%). Over the past ten years, trade in goods

[48] Shairee Malhotra, “EU-India Relations: A Soft Power Approach,” *European Institute for Asian Studies*, (2015).
[49] Angheta Korana, “The FTA: A Strategic Call for the EU and India?” *ECFR*, (Oct 2020)

between the EU and India has grown by roughly 30%. In 2020, trade in services between India and the EU totaled €30.4 billion.[50]

EU-Brazil

In contrast to other Latin American states, Brazil's path to independence has greatly shaped its relations with Europe. It avoided an armed struggle for independence when, at the beginning of the 19th century, it was declared part of the United Kingdom of Portugal, Brazil, and the Algarves, effectively making it equal to Portugal, the metropole. Brazil began asserting its rights to regional dominance under this new form of government as its economy boomed.[51] This was most vividly expressed in its 19th-century foreign policy doctrine, initiated by "the father of Brazilian diplomacy," Baron of Rio Branco. Currently, the EU accounts for 16% of all trade and is Brazil's second-largest trading partner; Brazil is the EU's tenth-largest trading partner. The EU is Brazil's top foreign investor, generating high-quality jobs across the country's economy. In 2020, nearly 49.5% of all foreign investments in Brazil came from EU direct investment, totaling €263 billion.[52]

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50 European Commission (2024), https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/india_en
51 Flavio Celio Goldman and Gabriel Fernandas, “Brazil and the European Union: The State of Affairs and Perspective,” *CEBRI-Journal*, no.16 (2025): 124-132.
52 European Commission: Trade and Economic Security, (2024), https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/brazil_en

Brazil is the EU's second-largest trading partner, accounting for 18.3% of its total trade. In 2017, Brazil accounted for 1.7% of all EU trade, ranking as the EU's 11th-largest trading partner. Primary goods, particularly food, drink, and tobacco products, which account for around 16.3% of EU imports from Brazil, are the main categories of goods entering the EU from Brazil. Moreover, vegetable products accounted for around 17.8%, and mineral products accounted for 21.8%. Globally, Brazil is the EU's top agricultural goods exporter. The top three exports from the EU to Brazil are chemical products (23.6%), machinery and appliances (26.6%), and transportation equipment (13.6%).[53]

EU-South Africa

Africa is becoming increasingly significant due to the continent's continued potential for growth and development, as well as the world's mounting ecological and economic challenges. Africa is consequently becoming an even more alluring area of strategic interest for both established and rising power poles, as nations such as Saudi Arabia, Brazil, India, China, South Korea, Turkey, Russia, and the United States seek different ways to increase their influence on the continent.[54] Therefore, attracting significant foreign direct investment (FDI) into South Africa, which ensures the EU supports

[53] European Commission, "Brazil," *European Commission: Trade Relationships with Countries and Regions*, 2024 https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/brazil_en
[54] Aphroditi Sentoukidi et al., "Assessing the South African and European Union Strategic Partnership," *University of Pretoria and ELIAMEP*, 2023.

pan-African organizations such as the African Union (AU) and regional economic communities such as the Southern African Development Community (SADC), is the primary foreign policy interest of South Africa with the European Union.[55]

Strong and expanding trade relations have existed between the EU and South Africa since the two sides signed the Trade, Development, and Cooperation Agreement (TDCA) in 1999. The SADC-EPA agreement, signed in 2016 among the EU, South Africa, Botswana, Lesotho, Mozambique, Namibia, and Swaziland, sets out the trade-related requirements of the Trans-African Free Trade Agreement (TDCA) and governs trade in goods between the two regions.[56] The EU has partially removed its customs duties on 98.7% of South African imports under the SADCEPA agreement and has ensured access for all other signatory countries without any restrictions.[57]

Potential Challenges

1. **Diverse interests and priorities**: the socio-economic and political objectives of the BRICS nations are multifaceted. Within the BRICS, different political systems exist, ranging from dictatorship and authoritarianism to monarchy and democracy. This creates a complex

[55] Muhammad Atif, “BRICS and african Region partnership;Challenges and opportunities”, *ResearchGate*, December 2019.
[56] Sasha Vanja Franicevic, “Trade Relations between European Union and South Africa,” *Croation Yearbook of European Law and Policy* 7, no.7 (2011).
[57] European Commission (2024), https://www.consilium.europa.eu/en/infographics/eu-south-africa-trade/

challenge for the EU in engaging with the BRICS nations as an organization, given their diversity and opposing political ideologies.

2. **Geopolitical competition**: the EU and BRICS have also diverse geopolitical objectives, particularly China and Russia within the BRICS. Promoting Human Rights is the primary goal of the EU, which will pose a challenge in its relations with China due to Uyghur Muslim oppression. Other challenges include territorial disputes, the Ukraine-Russia War, and the growing influence of China and Russia, all of which are serious concerns for the EU and could jeopardize mutual collaboration.

3. **Economic competition and trade barrier**s: In the emerging multipolar world order, the EU and BRICS could enhance their economic cooperation, but key challenges may hamper collaboration in the economic domain. High tariffs, trade deficits, protectionist economic policies, and the Russia-Ukraine war, which has already reduced trade, are serious challenges.[58]

4. **Political differences and governance Challenges**: the EU and certain members of BRICS have distinct political structures, different histories, and complex governance structures. A multifaceted approach to democracy, human rights, governance, and the liberal world order makes it difficult to come together and build consensus on many global issues.

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[58] Hunya Havlik and Urban Lennon etc, "EU and BRICS; Opportunities and Challenges for EU", *Industrial Policy and Economic Reform*, no.13 July 2009.

5. **Lack of institutional framework**: within the BRICS, the absence of an institutional framework for regional cooperation, which the EU already has, created a complex situation within the BRICS as well. This poses a serious challenge for the EU to collaborate with the BRICS on a range of issues due to the lack of an institutional framework.

6. **Competition for resources and influence**; another serious challenge is the competition for resources and influence across the globe between BRICS and the US-partner EU. This factor could reduce cooperation between the EU and the BRICS, as both regional blocs have diverse political and economic interests worldwide.[59] European states are dependent on the US for their security against foreign threats, particularly Russia, a member of the BRICS, and the global competition between China and the US can further jeopardize cooperation.

Opportunities

1. **Economic cooperation**: the BRICS contribute around 31% to the global GDP and have strong economic potential to bolster the economies of the developing world. The BRICS nations could enhance regional and global cooperation along with the EU by attracting investment and improving trade ties. The EU can also diversify its reliance on the US and enter into a larger market among

[59] Rafeal Leal, "How will the EU Approaches to the BRICS countries? Future Trade Challenges", *ICL Journal*, 2008.

the BRICS countries. Cooperation across various fields is possible, including infrastructure development, technology, renewable energy, and innovation.

2. **Addressing global challenges**: both the EU and BRICS could work together to address the leading global challenges, such as the climate issue, poverty, future pandemic, and promote the UN sustainable goals. By working together, both can have a greater impact on the world, and it will provide opportunities for the developing world to engage with both at the same time.[60]

3. **Cultural and people-to-people exchange:** People-to-people cooperation is essential in advancing trade and political ties. To encourage P2P cooperation, educational and cultural exchange programs can strengthen relations between BRICS and the EU.

4. **Innovation and technology transfer;** cooperation and collaboration in the educational and research fields are another sector to strengthen relations. The EU and BRICS nations could collaborate across various research fields, particularly in the tech industry, to bolster relations. Working together across various fields will provide opportunities for both to advance their collaboration, such as in the military and security domains.[61]

[60] Maddalena Procopie, "Shifting Alliances: Why the EU needs to cooperate with the BRICS and Africa on the Energy Transition", *European Council on Foreign Relations*, 2023.
[61] Muhammad Atif, "BRICS and African Region Partnership; Challenges and Opportunities", *Global Political Review*, December 2019.

Conclusion

The cooperation between the EU and BRICS offers a rich venue for advanced collaboration and creates opportunities for the EU to diversify its relations and reduce dependence on the US. The EU could gain access to a greater market in Asia and Africa by working with the BRICS and forming an economic alliance to enhance diplomatic relations, address global challenges, promote cultural exchange, and promote cooperation in the educational field.

Contemporary collaboration in some specific field could advance to various other fields in the future, such as technology, scientific research, and security partnerships. However, the EU engagement with the BRICS is not without challenges. Cooperation with multifaceted political nations and the lack of an institutional framework within the BRICS are some serious concerns for the EU. The BRICS bloc has a distinct political structure in each nation, and the Russia-Ukraine war has already reduced trade, further complicating the situation.

Therefore, to address challenges and seize opportunities, the EU needs a calculated, strategic response to advancing cooperation with the BRICS. BRICS perceive the EU as an example of practical regional cooperation, and the global platform provides a unique opportunity for both to engage in a serious dialogue despite differences in some areas, specifically the Russia-Ukraine war. Both organizations have the potential to establish a framework that could boost collaboration and address the challenges.

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