

Southern multilateralism from IBSA to NDB: Synergies, continuities and regional options

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Abstract

The shifting nature of contemporary global politics highlights the growing contestation about power and how it is distributed, with multipolarity as its hallmark and distinguishing feature. Amid the shift to multipolarity, new forms of multilateralism are emerging from the South, which are grounded in ‘institutional arrangements led by countries of the Global South’ in terms of the origin of initiatives, the drivers of such arrangements and the resources to sustain them. In this context, Southern Multilateralism offers a different approach to classical Realist thinking where power is ‘the final arbiter of things political’. Southern Multilateralism has also given rise to new international institutional arrangements, such as the BRICS-led New Development Bank (NDB) and its predecessor, the India, Brazil and South Africa (IBSA) Trilateral Forum and the IBSA Fund Facility for Poverty and Hunger Alleviation. This article compares the IBSA and their Fund with the NDB and argues that there are continuities and linkages between the NDB and the IBSA Fund, which have yet to be examined by scholars; and to be more precise, the NDB has absorbed and reflects, key attributes of the IBSA and their Fund. Moreover, this study concludes by suggesting regional collaboration options for the NDB, led by South Africa, India and Brazil and their respective regions, whereby the NDB can expand its global role and relevance in future via its regional offices, particularly by supporting the regional trade integration plans in Africa, South Asia and South America.

1 | INTRODUCTION

The shifting nature of contemporary global politics highlights the growing contestation about power, and how it is distributed, with multipolarity as its hallmark and distinguishing feature. Amid the shift to multipolarity, new forms of multilateralism are emerging from the South, which are grounded in ‘institutional arrangements led by countries of the Global South’ in terms of the origin of initiatives, the drivers of such arrangements and the resources to sustain them (Roy, 2022, p. 3; Jardim, 2019).

Southern Multilateralism entails a different ontology that departs from the touchstone of classical Realist thinking where power is ‘the final arbiter of things political’ (Gilpin, 1984, p. 290). This emerging ontology sees new international political spaces in which states and societies are locked into interdependent and contradictory

processes of both integration and fragmentation but are also subject to localisation and fission with respect to political forms, identities, economics, technology, the environment, climate change, poverty, collective norms and so on (Alden et al., 2010; le Pere, 2005; see also Acharya, 2018). Southern Multilateralism has also given rise to new international institutional arrangements, such as the BRICS-led New Development Bank (NDB). But before the BRICS nations met as a political grouping, and before the NDB, there was the India, Brazil and South Africa (IBSA) Trilateral Forum and the IBSA Facility for Poverty and Hunger Alleviation (IBSA Fund, in short).

IBSA as a Trilateral Dialogue Forum was launched in June 2003 at a meeting of the Foreign Ministers of the three countries in Brasilia. The Governments of the three nations established an IBSA Fund in 2004, as a financing mechanism to ‘benefit other Southern

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countries', managed by the United Nations Office for South–South Cooperation (UNOSSC), as the Fund Secretariat. UNOSSC operates under the UN Development Programme (UNDP) (UNOSSC, 2021). Nearly a decade later, the Governments of the BRICS (Brazil, Russia, India, China, South Africa) nations decided to create the NDB in 2014 at the sixth BRICS Leaders' Summit in Fortaleza, Brazil and announced the location of its headquarters in Shanghai. Further, in 2018, the NDB opened its first Regional Office in Africa, and subsequently Offices in South America, Eurasia and South Asia. The IBSA Fund and the NDB are examined in this study as institutionalised sites of the new 'Southern Multilateralism'.

This article compares the IBSA and their Fund with the NDB and argues that there are continuities and linkages between the NDB and the IBSA Fund, which have yet to be examined by scholars; and to be more precise, that the NDB has absorbed and reflects, key attributes of the IBSA and their Fund. Moreover, this study concludes by suggesting regional collaboration options for the NDB, led by South Africa, India and Brazil and their respective regions, whereby the NDB can expand its global role and relevance in the future via its regional offices, particularly by supporting the regional trade integration plans in Africa, South Asia and South America. In so doing, these new engines of Southern Multilateralism may provide some shock absorbing capacity amid the weakening systemic machinery of the UN, and the Bretton Woods institutions and be used as a form of 'soft balancing' against the preponderant power of the US and Europe (Pape, 2005).

2 | THE ORIGINS AND HISTORY OF THE IBSA FUND

The story of the IBSA Fund starts with the IBSA. It is suggested, here, that the IBSA is indicative of a new Post-Cold War order that is emerging, and where the drivers, including the IBSA partners, are trying to come to terms with a changing, more volatile and complex global environment and are doing so through new forms of international cooperation.

Underpinning the style of cooperation promoted by the IBSA partners was a less than encouraging track record of South–South initiatives such as the G77 + China and the Non-Aligned Movement, which have been more anchored in declaratory diplomacy than robust programmatic agendas (Agarwal, 2019). Despite the chequered past, at the time of IBSA's establishment, the governments of the three countries enjoyed strong political affinities, an abiding commitment to advancing the cooperative process and mutual confidence among the countries' political leadership. This provided the impulse for delivery, structure and strategic direction to become important organising principles through close

coordination, sharing of experiences and expertise, joint piloting and evaluation of projects and developing a dedicated cadre of officials across the countries to administer the process, across India, Brazil and South Africa (Silva, 2019).

President Mbeki once toyed with the idea of establishing a G7 of the South as a counterweight to the G7 axis of industrialised countries but for various reasons, the idea did not gain much traction. However, it did provide the impetus for the notional grounding of IBSA. The formation of IBSA further flowed from the strong bilateral relations that South Africa, in particular, established and enjoyed with India and Brazil after its own democratic transition in 1994. The formal Bi-National Commissions (BNCs) were the anvils on which the institutional edifice of IBSA was forged and where South Africa and its President Thabo Mbeki came to play critical roles in shaping its conceptual and normative contours. South Africa established its Bi-National Commission with India in 1995 and with Brazil in 2000 from which flowed a series of Memorandums of Understanding and bilateral agreements (White, 2009).

The organisational and operational agendas of IBSA were directly influenced by the thematic concerns of the BNCs and these included addressing a matrix of global challenges, which found their way into IBSA declarations and communiqués such as new threats to global security including terrorism, transnational organised crime, the HIV/Aids pandemic, poverty, natural disasters, nuclear weapons proliferation. Other BNC relevant issues that shaped the IBSA dialogue included promoting scientific and technological research, and the development of biotechnology, information technology and renewable energy. Adherence to the Kyoto Protocol was encouraged to address atmospheric warming and greenhouse gas emissions; and the IBSA governments showed strong commitment to advancing the Doha development programme in the World Trade Organization (WTO) as integral to their trade diplomacy, as well as promoting the UN-led Millennium Development Goals (Pandey, 2016; Silva, 2019).

When the IBSA Foreign Ministers met in Brasilia in 2003, they looked to further elevate their cooperation by creating a new intra-IBSA multilateral institutional mechanism. This would serve as a trilateral diplomatic vehicle for triangular cooperation between the three countries that would further enhance their own intra-IBSA cooperative efforts and relations across a range of topical areas but also serve as a platform for helping other countries of the South; and furthermore, advance South–South cooperation and solidarity more broadly beyond the IBSA grouping and in global multilateral forums (Alden & Vieira, 2005). This was the essence of the 'Brasilia Declaration', which was the charter document that has shaped and defined the strategic endeavours between the IBSA countries.

The interactive experiences and substantive concerns of the BNCs, such as annual high-level dialogues at ministerial level and preparatory meetings between officials in the foreign ministries, would prove salutary in informing the organisational contours of IBSA. As such, a Joint Trilateral (IBSA) Commission was set up to drive an ambitious intra-IBSA agenda based on carefully defined principles of cooperation that covered technical, social and economic elements, including a focus on poverty alleviation, sustainable human development, service delivery and employment creation. However, the group also decided to concentrate on strategic areas of international relations of cooperation, where the countries acting in concert, could become fulcrum points for a targeted global reform agenda. In this regard, key themes included promoting the letter and spirit of international law, advancing greater trade equity in the WTO, and reforming the UN Security Council and the main Bretton Woods Institutions, namely, the International Monetary Fund and the World Bank Group (Silva, 2019).

In addition to the annual forums of foreign ministers, several trilateral sectoral ministerial meetings were arranged and became part of the regular trilateral process, involving ministers with portfolios for defence and security, science and technology, health, energy and transport. These meetings led to the establishment of trilateral working groups with an expanded sectoral focus on agriculture, culture, defence, education, energy, health, information society, trade and investment, social issues, science and technology, tourism and transportation. These later evolved into 14 Joint Working Groups (JWGs), to which were added People-to-People Forums, including a Parliamentary Forum, an Academic Forum, a Local Government Forum, a Women's Forum and a Business Forum. IBSA came to enjoy what Habermas (1998) called 'elective affinity' (drawing on the Weberian notion), meaning an action-oriented association underpinned by common normative guideposts, mutual accords and joint rule-making, which, in turn, provided the connective tissue for IBSA's various and diverse cooperation and communication mechanisms.

The first summit of heads of state in Brasilia in September 2006 was one of the most significant developments in the life of IBSA because it was the first time that the political Leaders of the three countries came together. The summit was thus presided over by Presidents Luiz Inacio Lula da Silva of Brazil, Thabo Mbeki of South Africa and Prime Minister Manmohan Singh of India. This was followed by further high-level summit of heads of state in Pretoria in October 2007; in Delhi in October 2008; and in Brasilia in April 2010. The last summit of heads of state took place in South Africa in October 2011 (the Leaders meeting planned for May 2013 in Delhi was cancelled, a full year before Narendra Modi took office in May 2014).

By the time that the IBSA Leaders meetings were cancelled, IBSA had experienced something of an existential decline, mainly for three reasons. First, it had lost the political and diplomatic stewardship of the three founding Heads of State who had also enjoyed great personal chemistry: Mbeki was replaced by Jacob Zuma, Lula by Dilma Rousseff and Dr Singh by Narendra Modi, and the next leaders did not share the same degree of inter-personal chemistry as the founders. Second, the global financial crisis that started in 2008 had an adverse long-term effect on the economies of the IBSA partners such that domestic responses and imperatives became more of a priority. And third, the institutional relevance of the IBSA was eclipsed by the BRICS Leaders meetings.

Nevertheless, the developmental sectoral focus of the JWGs and the partners' normative commitment to South–South cooperation are suggestive of the political economy profiles of the three countries. At the time of IBSA's establishment, together they had a total population of 1.2 billion people and a GDP of about US\$1.1 trillion. Moreover, they are electoral democracies, middle powers and emerging markets (Flemes, 2007). India is regarded as an established democracy, albeit with growing defects and deficiencies, which are fast eroding its *raison d'être*; while South Africa and Brazil are considered as consolidating democracies, albeit with serious transitional governance challenges. However, all suffer from high levels of poverty, inequality and unemployment. Although poverty is much more endemic in India, South Africa and Brazil also have some of the highest levels of inequality in the world, with Gini coefficients of close to 60 at the time, compared to 33 for India. Moreover, the countries have had to confront a raft of social pressures such as rapid urbanisation, the HIV/Aids pandemic, poor access to welfare services and high levels of crime and violence (Dupas, 2006).

2.1 | The IBSA fund

India, Brazil and South Africa all continue to work on their own national development challenges and concerns. However, the governments of these three nations have also supported the development of other countries in the South. They have done so and are not only doing so through their own bilateral development assistance programs, but they have also done so through their trilateral IBSA activities, primarily through the IBSA Fund. Since its establishment in March 2004, each member country has contributed US\$1 million to its operations and projects. Evaluation criteria for projects submitted to the Fund include the reduction of poverty and hunger; national ownership and leadership; South–South cooperation; strengthening local capacities; having an identifiable impact and so on. (For a sampling of country projects, see

below). The Fund is administered by the UNOSSC, operating under the UNDP and with an IBSA Board of Directors providing strategic and managerial oversight.

After it was 'jointly established', the Fund became operational in 2006, and further to the evaluation criteria, its purpose was and is to 'identify replicable and scalable projects that can be disseminated to developing countries on a demand-driven basis as examples of best practices in combating poverty and hunger' (RIS, n.d.-a, n.d.-b). According to the principal parties, 'IBSA Fund projects help *partner countries* in the Global South to achieve *their national priorities*, as well as all other internationally agreed development goals'.

It is important to note that the purpose of establishing the Fund under the auspices of the UN was precisely to ensure that the demand-driven nexus would realise appreciable developmental dividends for partners in the Global South. This would be accomplished through modalities of horizontal cooperation as opposed to the traditional North–South model of vertical donor-recipient relationships. The principle of local ownership and the participation of local institutions and capacities are meant to breathe life and meaning into the horizontal dynamic. In addition to the local ownership principle, there is an emphasis on the sustainability of projects, ensuring that their impacts are readily identifiable, that these can be replicated elsewhere and that knowledge is widely shared among all participants in the horizontal ecosystem (Pandey, 2019; UNOSSC, 2021).

Therefore, in drilling beneath the lofty rhetoric of IBSA trilateralism, to examine the rhetoric as purposive discourse, one sees that the main normative underpinnings of the IBSA Fund are the norms associated with the discourse of 'South–South cooperation' (SSC), as articulated by Governments of countries that self-identify with the 'Global South', including major emerging economies. For example, first, rather than 'development assistance', as per the language of the Northern donors, one of the SSC norms underlying the IBSA Fund is 'South–South partnership'. The Permanent Representatives of the IBSA Country Permanent Missions to the United Nations (Ambassadors to the UN of South Africa, Brazil and India) refer to the IBSA Fund as a 'remarkable example of partnership between developing countries', for 'exchanging knowledge, skills and technologies' and for 'promoting South–South cooperation' (UNOSSC, 2020). According to the Ambassadors, the IBSA Fund highlights 'best practices' of 'what we [IBSA countries and other developing countries] can achieve together', 'helping developing countries to build and share indigenous solutions in improving the well-being of people, particularly women and children'.

Second, is the norm that the Governments of the 'partner countries' (not referred to as 'recipient nations' as in the North/South discourse) play a 'key

role taking leadership and ownership to the projects' (UNOSSC, 2021). The OECD DAC has talked 'local ownership' as part of its 'Strengthening Aid Effectiveness' discussion, but the actual track record of the Northern donors in supporting 'local ownership' is highly debatable if not doubtful, as the Northern donors continue to exercise the determining hand on project identification and financing decisions, often working through their own Program Plans or their own donor government foreign policy priorities. In contrast, the Ambassadors of South Africa, Brazil and India to the UN jointly stated (UNOSSC, 2020) that the 'demand-driven approach' of the IBSA Fund has 'enabled partner countries to steer their own development'. The Fund 'enables partner countries to lead the design and implementation processes of all projects, as per the respective need and priorities of their populations'.

According to the data provided by the UNOSSC at the launch of the IBSA Fund 2020 Annual Report, from its inception in 2004 to 2020, the IBSA Fund has allocated US\$39.43 million in 31 countries, via 35 development projects (UNOSSC, 2021). The IBSA website managed by the Research and Information System for Developing Countries (RIS) in India has given the figure US\$44 million for the same time-period and states that, as of 2020, 8 projects were still ongoing, 24 projects were completed, and 4 projects were moving towards implementation. India donated another US\$ 1 million to IBSA Fund in 2017, and Brazil another \$2 million in 2020.

Proponents of the IBSA Fund suggest that the Fund is a unique Southern initiative under the UN that allows for 'low cost, high impact' projects (Simplicio & Jardim, 2021). The UNOSSC (and the UNDP) manage the initial project identification for the Fund. Ultimately, the Focal Points located in the national capitals of Pretoria, Brasilia and New Delhi serve as the final clearinghouses for assessing and approving proposals received for funding. By region, African countries has received the most contributions from the Fund at 33 per cent; followed by Latin America and the Caribbean at 24 per cent; Asia at 22 per cent; and Arab states at 21 per cent (UNOSSC, 2021). The IBSA Fund is also touted by the RIS to be especially appealing for small states 'who seek funding for small and medium-sized projects' and proved itself to be a 'useful outreach tool with states [India, Brazil, South Africa] which are not able to assist through bilateral development projects' (RIS, n.d.-a, n.d.-b).

In terms of sectors, 33 per cent of the annual budget approvals went to agriculture and agriculture related activities; followed by healthcare and livelihoods at 24 per cent. However, projects were also supported across a diverse range of activities such as water, waste management, youth and sports, governance and security, renewable energy and women's empowerment (UNOSSC, 2021).

A small sampling of country projects is emblematic of the Fund's geographical reach and sectoral impact (UNOSSC/UNDP, 2021):

- Burundi: establishing a centre for HIV/AIDS prevention, testing and treatment;
- Cabo Verde: investing in safe drinking water, sanitation and hygiene through desalination of sea water;
- Cambodia: establishing a centre for children with special needs, which provides services for special education, physiotherapy, speech and hearing therapy and treating epilepsy;
- Fiji: introducing and financing energy-saving stoves for cooking and building storage facilities to distribute them to 1500 rural women;
- Guinea Bissau: supporting improved rice production and yields for 4500 small farmers, 60% of whom are women;
- Guyana: improving waste management by financing 15 garbage compactor trucks and distributing 2000 trash cans to schools; and
- Palestine: building a 1000sq/meter indoor sports complex in Ramallah and rehabilitating a cultural and hospital centre for the Red Crescent Society in the Gaza Strip.

The next section traces and interrogates the institutional linkages between the IBSA Fund and the NDB.

3 | FROM THE IBSA FUND TO THE BRICS NEW DEVELOPMENT BANK

The integration of the IBSA countries into BRICS, completed with the admission of South Africa into the larger grouping in late 2010, was widely interpreted in the scholarship as sounding the marginalisation if not death knell of the emerging IBSA triumvirate (Stuenkel, 2015a, 2015b). It is further argued that, after being absorbed into the powerful embrace of China and Russia, the development cooperation initiatives employed by these leading regional democracies in the Global South were gradually diluted or rehatted under a BRICS umbrella (Stuenkel, 2015a, 2015b). Yet a closer examination of IBSA and the NDB revealed that IBSA developmental norms and ambitions continued to exercise foundational influence into the BRICS, albeit within the IBSA accompanying logic transferred into a new multilateral development bank, the BRICS-led New Development Bank.

It is important to note the operational and strategic differences between the IBSA Fund and the NDB, with the former providing project grants subject to certain evaluative criteria; while the latter is quintessentially loan oriented based on accepted global financial regulations. However, it is proposed, here, that the launch of the NDB could be seen as the spin-off of the IBSA

process, and the result of the full integration of the IBSA countries into the larger BRICS grouping when South Africa joined the BRICS, starting at the BRICS Summit in 2011 in Sanya, China. This synergism between IBSA and the NDB was less about the particulars of the funding mechanism of the IBSA and the specific institutionalised arrangements and policies of the NDB, and more about sharing guiding developmental 'spirit', principles and goals—in short, the logic—that inspired the two initiatives. This can be seen in the two organisations' shared policy language around partnerships, standards and sustainable development.

For example, with respect to 'partnerships', the IBSA Fund has supported 'Southern partnership', instead of donor-recipient foreign aid relations, as detailed above. Similarly, when the NDB was launched in 2015/16, in the NDB's 'Articles of Agreement', the founders called for strong partnership, to quote: 'We place a strong emphasis on building and implementing effective partnerships' to 'accelerate member countries' endeavours dedicated to sustainable development'. Heretofore, the NDB has continued to characterise one of its missions as working 'closely with a range of stakeholders across the global development community' to build 'strong, strategic partnerships [that] help us achieve our mandate by enhancing our capacity to mobilise resources for infrastructure and sustainable development projects, while fostering the exchange of knowledge, human resources and information' (New Development Bank, 2023).

Similar to the IBSA's original contribution arrangement, the NDB's capital base and governance is structured as equal partnership: an initial \$50 billion for each of the founding members (\$10 billion paid in shares and \$40 billion callable shares), all of it equally shared between them. Lending is directed to members and their designated agencies, banks or other recognised instruments. At the outset, it was only in exceptional circumstances that the Board of Directors could approve loans to non-member developing countries (New Development Bank, 2016a, 2016b, 5). Following an incrementalism approach, within three years the NDB had expanded its lending criteria to include international organisations (NDB, 2019).

On 'standards', the NDB works according to the national standards of its borrower countries, and in this regard, mirrors or reproduced, the local ownership norm of the IBSA, and of the self-styled 'Southern development partners'—and has extended this norm beyond grants (IBSA) to loans. To quote its 'core principles' in the NDB's 'Environmental and Social Framework': 'NDB promotes the use of strong country and corporate systems in the management of environmental and social risks and impacts' (NDB, 2016a, 2016b, p. 4). Furthermore, 'NDB also assists in further strengthening the country systems through a variety of mechanisms... including by (i)

favouring the use of country systems, with adequate support, at the operational level as it fosters greater accountability and ownership...’ (NDB, 2016a, 2016b, p. 4).¹ The normative rationale is that the NDB aims to be highly attuned and responsive to national/local developmental needs and wants (characteristics) and is not looking to impose external (non-Southern, non-developing country) norms or standards onto the borrowers. Therefore, rather than imposing some external norms or standards, the NDB founders agreed from the outset to work according to the borrower's national standards. Sceptics would argue that the Southern development partners have gone too far on local ownership, particularly their willingness to work with local regulatory standards rather than pushing for adherence to more stringent international/global standards of environmental protection, societal impact mitigation and good governance.

With respect to supporting ‘sustainable development’, the IBSA Fund's Annual Report 2021 declares:

The IBSA Fund is a remarkable example of cooperation among three developing countries, which pioneered the implementation of South-South cooperation among Southern Countries in partnership with the United Nations system...The IBSA Fund-supported projects are concrete expressions of solidarity for the benefit of the most vulnerable and marginalised people...with the aim of achievement of the Sustainable Development Goals.

(IBSA Fund Annual Report 2021, p. 6)

The NDB website professes a similar set of guiding principles:

The New Development Bank (NDB) is a multilateral development bank established by Brazil, Russia, India, China and South Africa (BRICS) with the purpose of mobilising resources for infrastructure and sustainable development projects in emerging markets and developing countries (EMDCs).

(New Development Bank, 2023)

The NDB has shied away from some of the loftier rhetoric of the IBSA Fund, delved more deeply into the technical specificities that are entailed in ensuring the NDB's professional competency and standing as a Bank, or from an IR/IO perspective, ensure its integration into the existing multilateral development banking landscape (IBSA, no date). This goal for the NDB was reflected in the emphasis that the first NDB President put on positioning the Bank as a peer competitor in the global multilateral development

finance sector with a AAA rating—which is still yet to be achieved—and ensuring that the highest standards in governance and transparency were reflected in the workings of the NDB (KV Kamath, interview, Shanghai, 27 May 2019).

The main point, however, is that the full integration of the IBSA membership into the BRICS (i.e. South Africa, along with Brazil and India) solidified the developmental orientation of the BRICS and helped pave the way for the proposal from the Indians to the BRICS Leaders to create their own MDB that was tabled in 2012 at the BRICS Leaders Summit in New Delhi, India. The attention on developmental finance as one of the two main foci for intra-BRICS international cooperation (the other being hard currency reserve pooling, that led to the BRICS ‘Contingent Reserve Arrangement’) reflects the influence of the IBSA nations within the BRICS grouping, representing a line of continuity between the IBSA Fund and the NDB.

The decision of the BRICS governments to create the NDB was and is particularly noteworthy with respect to the evolution of Southern Multilateralism because development finance had been overshadowed by the earlier focus among the rising powers on geostrategic imperatives, for example, when considering the roots of the BRICS in the renewal of Russia-China Treaty of Friendship in 2001, and how other geopolitical gatherings were precursors in the creation of the ‘BRICS’ in 2009 (BRICS Summit Statement, 2009). The latter include the four-way intra-BRIC discussions at the UN in 2006, and related experiences such as the so-called ‘Outreach 5’ (O5—Brazil, China, India, Mexico, South Africa) gatherings on the side of the G8 Leaders Summits, starting with the G8+O5 side-meeting at the G8 Heiligendamm Summit in 2007, in Germany (Kornegay & Boller-Muller, 2013), and which continued for 2 more years as the G8+G5 side-meeting at the G8 Summits in Toyako, Japan in 2008 and L'Aquila, Italy in 2009.

The 2008–09 global financial crisis not only resulted in the founding of the G20 Leaders meetings, but it also brought the Southern Multilateralism of the BRIC onto the terrain of the world economy and global development. The guiding consensus on global development finance that emerged at the UN summit in Monterrey in 2002 and given impetus to the New Partnership for African Development (NEPAD) had been premised on cooperation with the G7 countries (IMF, 2015, p. 12, 25; UN, 2003). It was dealt a blow by the G7's categorical failure to manage the global economy and, in the wake of the global recession of 2008, its subsequent inability to fully meet the commitments promised at Monterrey. With all four (including South Africa, who would join BRIC within the year) BRIC members part of the G20, the tenor and substance of policy discussions assumed a more development-orientation that reflected the concerns of the Global South (Cooper, 2013; Golub, 2013).

4 | CONCLUDING REMARKS

The optimism of the post-Cold war globalising era has been replaced by a dark and ominous *zeitgeist* of increasing strategic competition among major powers and intensified geopolitical tension between regions. The international landscape has become more volatile, uncertain and complex because of disquieting systemic imbalances of power and influence that have exposed the weak foundations of the liberal international order (Ikenberry, 2018). As the war in Ukraine intensifies geopolitical divisions and tensions, the NDB could be drawn into the vortex of deteriorating relations between the West and China, especially since according to US Secretary of State, Antony Blinken, the current Biden administration views China 'as the only country with both the intent to reshape the international order, and increasingly the economic, diplomatic, military and technological power to do it' (US Department of State, 2022).

The IBSA and their Fund, and the NDB (as a strategic offshoot of BRICS) can be seen as constitutive of an attempt to address disruptions in the international order and its tendency towards generating 'crisis moments' characterised by entropy, disorder and chaos (Mearsheimer, 2019; Roy, 2022). If seen through the prism of more accommodationist versions of Southern Multilateralism, their's (IBSA, BRICS) is an effort, which '...insists on sharing global responsibility with prevailing institutions of liberal multilateralism, neither seeking to overthrow it nor to be co-opted within it' (Roy, 2022, p. 2).

There are, however, also more vanguardist versions of the BRICS, that see BRICS as a catalyst for moving towards a post-liberal international order, involving a transformative international agenda for sustainable development, multipolarity and global re-ordering emanating from the Global South. Not to be overlooked is the power imbalance between the five BRICS nations, with China and India's economic capacities transcending those of the anaemic economies of Russia, Brazil and South Africa. The tensions between the two Asian giants continue to act as a source of division between the BRICS grouping, and it remains uncertain how these tensions will influence the workings of the NDB in its next stages. Against this complex background, what are the possible futures for the NDB?

4.1 | Emerging regional futures for the NDB

In considering the emerging or potential direction of institutional travel for the NDB, one needs to consider the actual trajectory of the BRICS and the NDB. Here, it is useful to note that the growth and development of the BRICS-led NDB has moved at a relatively

cautious pace, if we draw the baseline at the announcement of the NDB's formation at the Fortaleza BRICS summit in 2014 and then the formal launch of the NDB and its receipt of the initial instalments of capital from its founders in 2016. The NDB then expanded further by opening its regional branch offices starting with the Africa Regional Centre in Johannesburg in 2017, the Americas Regional Centre in Sao Paulo in 2018, the Eurasian Regional Centre in Moscow in 2021 and the India Regional Office in Gujarat in 2022 (New Development Bank, 2023). The admission of four new NDB members in 2022, Bangladesh, Egypt, UAE and Uruguay, marks another important step in the institution's gradualist expansion outside of the original BRICS (see the Chin introduction for this collection).

The expansion of BRICS to include new member countries, with Argentina, Saudi Arabia, Egypt, Turkey, Indonesia and Iran identified as possible candidates, would impact the NDB by broadening the pool of emerging and middle powers overall, but especially in the Middle East (Impakter, 2023). Moreover, horizontal growth of BRICS into 'BRICS Plus' would likely translate into more new members in the NDB, and greater reach for the NDB across the Global South. Such expansion would be commensurate with the NDB's stated aims to become *the* major emerging economy, multilateral Bank in promoting sustainable development, and an international financial institution with global reach.² If the BRICS can overcome the concern among some of the existing members (South Africa, Brazil previously) that expansion would dilute their standing within the grouping then it is likely that the NDB would encounter new regional dynamics involving founding members and new members, which are also regional neighbours.

Vertical expansion of the NDB would open the door to play a more activist role inside the respective regions of their member countries, including for the NDB to deploy its financial resources and infrastructure development expertise to support or amplify existing regional development plans in each of the regions, such as supporting the construction of the infrastructure needed to facilitate the trade in the regional trade and investment integration plans of the African Union, Mercosur or the South Asia Free Trade Area (SAFTA) or the South Asian Association for Regional Cooperation (SAARC). In so doing, the NDB would likely need to work out an accommodation or compact with the existing regional development banks in Africa, South America and Asia.

At the global level, BRICS and NDB expansion could also mean the NDB providing broader and deeper collective support to new global efforts such as the China-led Global Development Initiative (GDI), as well as NDB support to discrete regional initiatives that are associated with the more-than-a-decade old Belt and Road Initiative (BRI). Much about the BRI depends, however, on whether China opens-up the Initiative to the input of others, including

India, and responds seriously to the Indian concerns (Singh, 2022). For the NDB, the regional and global efforts may play out simultaneously, and if this comes to be, then we can expect to see more advances in global development and development discourse that are inspired by the BRICS, BRICS Plus and the NDB and the growing sway of Southern Multilateralism in international affairs.

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ENDNOTES

¹ NDB's ESF also states the Bank will further strengthen the country systems by "... (ii) coordinating closely with other multilateral development banks, international financial institutions and relevant centers of expertise; and (iii) maintaining a risk based and outcome focused approach through measures aligned with the core principles" (NDB, 2016a, 2016b).

² Notably all but Iran are members of the G20, an indication of how BRICS expansion could also tilt the balance of power in other leading global forums.

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