



BRICS STATEMENT ON ENSURING EFFECTIVE FUNCTIONING OF JOINT VALUE CHAINS

Recalling,

the Strategy for BRICS Economic Partnership 2025, which encompasses the promotion of effective integration of BRICS enterprises into global and regional value chains, as well as the enhancement of supply chain connectivity through identifying bottlenecks in regional supply chains so as to ensure more efficient and timely operation of supply chains,

the BRICS Initiative on Enhancing Cooperation on Supply Chains of 2022, which provides for the maintenance of openness, efficiency, stability and resilience of the global and regional supply chains, as well as reinforcement of investment cooperation, trade and supply chains cooperation,

Johannesburg II Declaration of 23 August 2023, which provides for the promotion of cooperation among BRICS countries with the aim to enhance the interconnectivity of supply chains and payment systems so as to promote trade and investment flows,

Recognizing that taking concerted measures to facilitate production and trade in goods and services, as well as to stimulate mutual investments, will allow members to use their resources more efficiently, increase their production competitiveness in world markets, expand their export potential and promote their citizens' well-being,

BRICS Members agree on the following:

1. BRICS Members account for 27 % of the world GDP and 45 % of the world population. BRICS as a group is one of the largest producers of natural resources, including oil, gas, coal, diamonds, cobalt, lithium, nickel, copper, niobium, palladium, platinum, rhodium, gallium, germanium, magnesium, scandium, rare earth elements, and others.

However, these resources, as well as other economic resources such as human capital, financial resources and technologies, are allocated unevenly among the BRICS Members. This represents an opportunity. Access to such resources is a major comparative advantage of BRICS Members as well as a strong base for the development of industries and intra-BRICS global value chains (GVCs). BRICS Members commit to exploring how their unique individual and collective endowments of critical and non-critical minerals and materials can be leveraged to become a global leader in renewables, low-carbon technologies and energy in an inclusive manner.

2. To this end, BRICS Members should strengthen their cooperation across the entire value chain, including activities related to research and diversification of production, promotion of value addition, and development of efficient and multimodal logistics networks, while ensuring non-discriminatory and equitable treatment for trade and safeguarding the security, stability and resilience of global supply chains.

3. To advance this goal, as feasible and practicable, BRICS Members should endeavor to, *inter alia*:

- create economic and legal incentives for developing joint industrial and investment projects along the entire value chain,
- strengthen BRICS Members' collaboration and coordination on creating technologies, developing human capital and sharing knowledge,
- foster structural transformation and industrialization within BRICS Members to achieve economic and global supply chain diversification and building resilience, particularly in the low-carbon and green technologies and energy sectors,
- take joint actions to promote regional connectivity through integrating various modes of transport for an efficient and sustainable transport system in the BRICS Members, reiterating the agreement made in the Joint Statement of the BRICS Ministers of Foreign Affairs/International Relations of June 10th, 2024 to respect the sovereignty and territorial integrity of all Member states while carrying out transport cooperation.

- facilitate investments in transport infrastructure, human capital, research and development, creation of new technology, scientific and technical know-how, knowledge intensive goods and services, digital economy and trade facilitation digital tools in a manner that promotes economic cooperation between BRICS Members,
- facilitate cooperation of BRICS companies by identifying potential investment opportunities, entry points into value chains and trade,
- facilitate access to trade finance facilities, financial instruments, faster, cheaper, more transparent and more inclusive cross-border payment system, in accordance with national laws and international obligations, including remittances, in particular in national currencies, between BRICS Members,
- take joint actions with the aim to oppose unilateral protectionist measures that are inconsistent with the existing WTO provisions, particularly those measures that deliberately disrupt global supply chains and lead to the fragmentation of the global trade, and to promote a more resilient and sustainable multilateral trading system with the WTO at its core that recognizes the need for policy space to move up the value chain,
- recognize the success of the Kimberley Process in stopping the financing of conflicts through the exploration of rough diamonds, the BRICS Members support it as the only universal mechanism for regulating trade in rough diamonds,
- explore to establish an informal platform in BRICS format to ensure sustainable development of the diamond mining, trading and manufacturing sectors,
- elaborate an independent mechanism for precious metals market participants within BRICS aimed at increasing the turnover of precious metals between BRICS Members and establishing their own precious metals rules and quality standards,
- establish a dialogue for further elaboration of joint actions aimed at ensuring sustainable trade in a manner that promotes structural transformation of BRICS economies and other potential areas,
- promote digital transformation of BRICS Members' economies, as well as trade facilitation, including use of electronic bills of lading and] digitalization of other trade documents,

- promote more sustainability in supply chains, including the circular economy approaches related to trade and investment cooperation,
- share best practices regarding the development, entrance into and participation in the GVCs.

4. Bearing in mind that trade in services can play a crucial role in helping climbing up the global value chains, as a follow-up to the consensus of 2023, BRICS Members will continue discussions on the establishment of the BRICS Trade in Services Network (BTSN) in order to reach consensus as soon as possible, and aim to promote implementation of BRICS Trade in Services cooperation Roadmap and relevant documents including the BRICS framework for cooperation in trade in professional services.

5. Recognizing the crucial role of micro small and medium enterprises (MSME) in value chains, BRICS Members should create a special focus on integrating MSMEs into global value chains. This includes, simplifying trade procedures and documentation for micro small and medium enterprises, developing MSME-focused logistics solutions, and creating digital platforms for MSME participation in cross border e-commerce.

6. Highlighting the importance of supporting and strengthening a rules-based multilateral trade system, BRICS Members agree to enhance collaboration and coordination at the WTO, in order to foster equity in the international trade and accommodate the special development needs of developing and least developed countries. Meanwhile, BRICS Members agree to strengthen cooperation under multilateral trading framework on the topic of global supply chains.