

# President Putin's Address To The Participants In The BRICS Business Forum

August, 2023

The 15<sup>th</sup> BRICS summit is taking place on August 22–24 in Johannesburg (South Africa). The theme of the session is “BRICS and Africa: Partnership for Mutually Accelerated Growth, Sustainable Development and Inclusive Multilateralism.” The leaders of the Group of Five will discuss current international and regional challenges, as well as achievements and goals of the BRICS strategic partnership in the political, economic, cultural and humanitarian areas. Special attention will be paid to issues of BRICS institutional development, including expansion of the association and creation of payment infrastructure resistant to external risks.

Video Address to the Participants in the BRICS Business Forum

## **President of Russia Vladimir Putin:**

Esteemed President Ramaphosa, ladies and gentlemen, friends,

I am pleased to greet representatives of government institutions and business, specialists and industry experts who have gathered for this meeting of the BRICS Business Forum.

I would like to note that holding such business forums on a regular basis, along with the systemic work of the BRICS Business Council, which brings together top businessmen and heads of major companies of the five countries, plays an immense practical role in promoting mutual trade and investments, enhancing cooperation ties and expanding direct dialogue among the business communities – and thus effectively contributes to accelerated socio-economic growth of our states and achievement of the Sustainable Development Goals.

It is important that this Forum focuses on such pressing issues as the post-pandemic economic recovery of the BRICS states, improvement of citizens' well-being, industrial modernization, development of effective transport and logistics chains, and stimulation of equitable technology transfers.

These challenging and complex tasks need to be tackled against the backdrop of the increasing volatility in stock, currency, energy and food markets, coupled with substantial inflationary pressure stemming from, inter alia, the irresponsible large-scale money creation by a number of countries seeking to mitigate the effects of the pandemic, which has led to the accumulation of private and public debt.

The global economic situation is also seriously affected by the illegitimate sanctions practice and illegal freezing of assets of sovereign states, which essentially amounts to the trampling upon all the basic norms and rules of free trade and economic life – norms and rules that not so long ago seemed immutable.

Shortage of resources, growing inequality, rising unemployment, and aggravation of other chronic problems in the global economy are the direct consequences of this. Prices for food, basic agricultural products and crops are forced up, making the most vulnerable, poor countries suffer the most.

**Importantly, under these circumstances, the BRICS states have stepped up their interaction, and our joint work to ensure economic growth and sustainable development brings concrete, tangible results. More and more new infrastructure and investment projects are being launched, mutual trade is growing, industry contacts are expanding.**

**The main thing is that our cooperation is based on the principles of equality, partner support, and respect for each other's interests. And that is what lies at the core of our Association's forward-looking strategic course – the course that reflects the aspirations of most of the world's community, the so-called global majority.**

The figures speak for themselves. Over the last decade, mutual investments among the BRICS countries have increased six-fold. Their overall investments in global economy have doubled, and their total exports have reached 20 per cent of the world exports.

As for Russia, the trade volume with our BRICS partners has increased by 40.5 per cent, reaching a record of over 230 billion US dollars. In the first half of this year it grew by 35.6 per cent compared with the same period in 2022 and constituted 134.7 billion US dollars.

**I would also like to point out that the share of the BRICS countries, with their population totalling more than three billion people, now accounts for nearly 26 per cent of the global GDP; our five countries are ahead of the G7 in terms of purchasing power parity (the forecast for 2023 is 31.5 per cent against 30 per cent).**

**The objective and irreversible process of the de-dollarization of our economic ties is gaining pace. We are working to fine-tune effective mechanisms for mutual settlements and monetary and financial control. As a result, the share of US dollar in export and import operations within BRICS is declining: last year it stood at only 28.7 per cent.**

Incidentally, during this summit we will discuss in detail the entire range of issues related to the transition to national currencies in all areas of economic cooperation between our five nations. The BRICS New Development Bank, which has already become a credible alternative to existing Western development institutions, has a great role to play in these efforts.

It is only natural that enhancing connectivity and creating new sustainable traffic arteries have become a shared priority in cooperation between our five countries. In this context, the BRICS Business Council's initiative to work out modern intermodal logistics solutions and develop railway transport corridors is of particular importance.

**For its part, Russia actively works to redirect its traffic and logistics flows to reliable foreign partners, including in the BRICS states. Our flagship projects include the Northern Sea Route and the new International North-South Transport Corridor. These two major transport arteries aim to provide the shortest and most cost-effective trade routes to link major industrial, agricultural and energy hubs with consumer markets.**

With regard to the Northern Sea Route, I would like to emphasize that Russia has already adopted and launched a large-scale, multi-year plan to develop its infrastructure. We intend to build fuel terminals, hub ports to ensure connections with road and rail transport. The icebreaking fleet is being expanded, first of all by commissioning nuclear-powered vessels that have no analogues in the world.

As for the North-South Transport Corridor, it will connect Russian ports on the Arctic seas and the Baltic Sea with offshore terminals in the Persian Gulf and Indian Ocean, thereby providing opportunities to increase cargo transportation between Eurasian and African countries. Besides, this will certainly give impetus to developing new industrial, trade and logistics facilities along the route.

**Russia stands for greater cooperation within BRICS as regards reliable and uninterrupted supplies of energy and food resources to the world markets. We are consistently increasing supplies of fuel, agricultural products and fertilizers to countries in the Global South, making a significant contribution to strengthening global food and energy security, addressing acute humanitarian issues and fighting hunger and poverty in countries in need.**

All these issues, in particular, were discussed in depth at the recent [Russia–Africa Summit](#). For example, last year trade in agricultural products between Russia and African states grew by 10 per cent and amounted to 6.7 billion US dollars. And in January-June this year, it increased by another record 60 per cent. Our country is and will remain a responsible supplier of food to the African continent.

Russian grain exports to Africa amounted to 11.5 million tonnes in 2022 and almost 10 million tonnes in the first six months of 2023. This is despite the unlawful sanctions imposed on us that seriously hinder the export of Russian food products and complicate transport logistics, insurance and bank payments.

Russia is being deliberately obstructed in the supply of grain and fertilizers abroad and at the same time we are hypocritically blamed for the current crisis

situation on the world market. This has been clearly seen in the implementation of the so-called "grain deal" concluded with the participation of the UN Secretariat and initially aimed at ensuring global food security, reducing the threat of hunger and providing aid to the poorest countries.

We have repeatedly drawn attention to the fact that in a year under the deal, a total of 32.8 million tonnes of cargo has been exported from Ukraine, of which over 70 percent have reached high- and upper-middle-income countries, including the European Union. And only about three percent have gone to the least developed countries – that is, less than one million tonnes.

None of the terms of the so-called deal concerning the lifting of sanctions imposed on Russian exports of grain and fertilizers to world markets have been fulfilled. Obligations to Russia in this regard have been simply ignored. Even our free transfer of mineral fertilizers blocked in European ports has been obstructed. In fact, this is a purely humanitarian campaign that should not in principle be subject to any sanctions.

With these facts in mind, since July 18, we have refused to further extend the so-called deal. And we will be ready to get back to it, but only if all obligations to the Russian side are actually fulfilled.

I have repeatedly said that our country has the capacity to replace Ukrainian grain, both commercially and as free aid to needy countries, especially since our harvest is again expected to be perfect this year. As a first step, we have decided to gratuitously provide six African countries with 25-50 thousand tonnes of grain each with free delivery of these cargoes. Negotiations with partners are being completed.

**Among the priority areas of interaction we also see further coordination of approaches of the BRICS members on the subject of supporting small and medium-sized enterprises. This is an important part of the overall economic agenda of the Group of Five, which implies assistance to the widest circles of citizens engaged in business activity as regards administrative and tax regulation, digitalization, e-commerce, and participation in the value chains.**

I would note that thanks to the state support programmes, the entrepreneurs from the BRICS countries successfully adapt to the constantly changing situation in the global markets. They find new partners and new sales channels, attract additional funding and use more actively modern technologies.

It is equally important to continue developing cooperation within BRICS in terms of decarbonizing the economy, reducing human impact on nature and adapting to the changing climate. Russia is ready to work jointly to promote more balanced approaches to the climate change in the international arena.

Our country is consistently implementing the National Low-Carbon Development Strategy. We plan to reach carbon neutrality of the Russian economy not later than 2060, including through the introduction of technological

innovations, modernization of infrastructure for access to affordable and clean energy, conservation of ecosystems on land and sea. We understand that the implementation of the climate goals can be facilitated by a variety of technologies, including those that have been in use for a long time already, such as nuclear generation, hydropower and gas motor fuel.

**To sum it up, I would like to reiterate that the multifaceted partnership and cooperation within the BRICS not only makes a significant contribution to ensuring the sustainable growth of our states but also generally promotes global economic recovery and successful achievement of global development goals and targets set by the United Nations – to fight poverty, expand people's access to quality healthcare, eradicate hunger and improve food security.**

Therefore, I am confident that the BRICS Business Forum and Business Council will continue their creative work aimed at expanding contacts between the business circles of the Group of Five countries and jointly implementing new mutually beneficial projects.

In conclusion, I would like to invite representatives of your countries' business circles to attend the Eastern Economic Forum in Russia that will take place on September 10–13 in the city of Vladivostok, where, by tradition, the discussions will focus on issues that are also of interest to the business communities of the BRICS countries.

Thank you for your attention.