

# LEGAL COOPERATION AMONG BRICS COUNTRIES

---

---

Dan Wei<sup>1</sup>

Faculty of Law, University of Macau

Yiliang Chen<sup>2</sup>

PhD Candidate, Faculty of Law, University of Macao

**Abstract:** The BRICS cooperation framework has undergone a transformative expansion, marking a pivotal milestone in its development and injecting new momentum into efforts to reshape global governance. As a leading force within the Global South, BRICS embodies a paradigmatic shift from regionally confined collaboration toward a cross-regional model of solidarity. This article explores the multifaceted dimensions of BRICS cooperation, including trade and investment, legal assistance, finance and alternative dispute resolution — highlighting the tangible progress achieved through bilateral partnerships, particularly between China and Brazil. Despite these advances, the mechanism confronts mounting internal challenges, including growing heterogeneity among members, the absence of a permanent coordinating body, and a fragile foundation of political trust. These issues threaten the cohesion and efficiency of the cooperation. To ensure long-term sustainability and effectiveness, BRICS countries shall enhance the mechanism through improvements in institutional design, regulatory alignment, and political coordination.

**Key words:** BRICS expansion; Global governance reform; Global South cooperation; China-Brazil cooperation.

---

<sup>1</sup> Professor, Faculty of Law Associate Dean (Research), University of Macao

<sup>2</sup> PhD Candidate, Faculty of Law, University of Macao

## Introduction

The concept of the “BRIC” nations — comprising Brazil, Russia, India, and China — first emerged in 2001 when economist Jim O’Neill of Goldman Sachs identified these four countries as key drivers of future global economic growth.<sup>3</sup> His analysis highlighted their substantial contributions to global output and population, positioning them as rising powers in the international system. The idea later evolved into a formal platform for cooperation: in 2006, the original BRIC countries established an intergovernmental grouping aimed at enhancing dialogue among major emerging economies. The group expanded in 2010 with the inclusion of South Africa, thereafter adopting the acronym “BRICS.” Designed to provide a counterbalance to the dominance of developed countries — particularly those in North America and Western Europe — BRICS represents a collective effort by leading developing nations to assert greater influence in global governance.

The formation of the BRICS can be understood as a response to the crisis of legitimacy of global governance system, particularly within the international financial system, which was exacerbated by the 2008 global financial crisis.<sup>4</sup> BRICS positions itself as a platform for dialogue and cooperation among member states, with the purpose

---

<sup>3</sup> O’Neill, J. (2001). Building better global economic BRICs (Vol. 66, pp. 1-16). New York: Goldman Sachs.

<sup>4</sup> Wei, D., & Rafael, A. P. (2023). INFLUENCING COMPANIES’ GREEN GOVERNANCE THROUGH THE SYSTEM OF LEGAL LIABILITY FOR ENVIRONMENTAL INFRACTIONS IN CHINA AND BRAZIL: LIGHTING THE WAY TOWARD BRICS COOPERATION. *BRICS Law Journal*, 10(2), 37-67.

of establishing an international system based on the rule of law and multilateralism.<sup>5</sup>

In a significant development, Egypt, Ethiopia, Iran, and the United Arab Emirates were invited to join the group, with their membership set to commence on 1 January 2024. On January 6, 2025, Indonesia formally joined BRICS, becoming the first Southeast Asian nation in this organization worldwide.<sup>6</sup> While Indonesia holds the distinction of being the first ASEAN member state to join BRICS, it is not alone in expressing interest in joining the BRICS. Other Southeast Asian countries, including Malaysia, Thailand, and Vietnam, have also demonstrated a proactive stance by initiating steps toward potential membership in this group.

Following this enlargement, the BRICS nations collectively account for a population of approximately 3.3 billion people, representing over 40% of the global population.<sup>7</sup> As for purchasing power parity (PPP), the collective share of global gross domestic product (GDP) held by BRICS nations surpassed that of the G7 economies as early as 2018. This divergence has become more pronounced over time, and by 2024, BRICS countries were responsible for approximately 35% of global GDP, while the G7's (the United States, Germany, Italy, France, the United Kingdom, Canada and

---

<sup>5</sup> Dan, W. (2008). China's Embrace of Regional Trade Agreements on The Way To Multilateralism. *Cadernos da Escola de Direito*, (9).

<sup>6</sup> Retrieved from <https://www.csis.org/blogs/latest-southeast-asia/latest-southeast-asia-indonesia-joins-brics>

<sup>7</sup> Retrieved from [https://www.startupindia.gov.in/chinese\\_simplified/content/sih/en/BRICS.html](https://www.startupindia.gov.in/chinese_simplified/content/sih/en/BRICS.html)

Japan) share had declined to around 30%, reflecting a notable shift in the global economic landscape.<sup>8</sup>

It is undeniable that the BRICS economies hold a distinctive position in the global economy. Their rapid economic growth and demographic advantages highlight a structural superiority compared to other regions of the world.

Currently, the BRICS nations and their initiatives have become a central topic in global economic discussions and international political debates. Many optimists predict that, as fast-growing economies and rising political forces, the BRICS countries hold the potential to redefine the transformation of the international economic power structure by 2050.<sup>9</sup>

Legal cooperation among BRICS countries plays a vital role in shaping the future of global governance. Through legal cooperation, BRICS countries reinforce the principles of multilateralism and collective decision-making. By working together on legal frameworks, these nations showcase a willingness to engage in dialogue, compromise, and collaboration within existing international institutions.<sup>10</sup>

This paper aims to analyze and evaluate legal cooperation among BRICS countries as well as the BRICS cooperation mechanisms within the framework of global governance.

---

<sup>8</sup> Retrieved from <https://www.statista.com/statistics/1412425/gdp-ppp-share-world-gdp-g7-brics/>

<sup>9</sup> Wilson, D., & Purushothaman, R. (2006). *Dreaming with BRICs: The path to 2050*. In *Emerging economies and the transformation of international business*. Edward Elgar Publishing.

<sup>10</sup> Mao Ruipeng, 'Multilateralism and China's UN Diplomacy' (2020) 85 *China Int'l Stud* 44

# 1. The BRICS Cooperation Mechanism within the Global Governance Framework

## 1.1 The Crisis of the Global Governance System

Global governance refers to a system of management, rules, practices, and actions implemented to address cross-border issues.<sup>11</sup> Robert O. Keohane et al. introduced the theory of global governance, defining it as a multidimensional construct.<sup>12</sup> First, it encompasses various levels of human activities that generate transnational impacts. Second, it manifests as a set of international rule systems. Third, within an increasingly interconnected and interdependent network, it includes multiple rule systems that form an integral part of the network.

In practice, many international organizations have released relevant documents emphasizing the urgent need for reform within the existing global governance framework. These reforms aim to effectively address a range of global challenges, including poverty, hunger, public health crises, inequality, environmental degradation, and transnational security threats.

Although the international community has widely expressed a strong desire to enhance cooperation and improve governance, the global governance process has not advanced smoothly. On the

---

<sup>11</sup> Gao, F., & Yu, Z. Y. (2024). Challenges in Global Governance and China's Governance Proposals. *Contemporary China and the World*, (4), pp. 60–72. doi: CNKI:SUN:DDZS.0.2024-04-007.

<sup>12</sup> Keohane, R. O., & Nye, J. S. (2003). Governance in a globalizing world. In *Power and governance in a partially globalized world* (pp. 193-218). Routledge.

contrary, it has encountered structural stagnation and even risks falling into a “governance vacuum” or “state of anarchy.”

On one hand, multilateral mechanisms centered on the United Nations suffer from procedural weaknesses that undermine their legitimacy.<sup>13</sup> The reform processes of the World Trade Organization (WTO) and the core institutions of the Bretton Woods system (the World Bank and the International Monetary Fund) frequently face resistance. On the other hand, the dominant role of traditional Western powers, such as the United States, in shaping international rules has been increasingly questioned.

The deficits in global governance expose the limitations of the current system in addressing complex and evolving global challenges. Emerging economies and developing countries have expressed dissatisfaction with the existing governance structure, arguing that it fails to meet the demands of the Global South for equity and development. The rise of unilateralism, protectionism, and geopolitical competition has further constrained international cooperation. At the same time, global governance has become more complex, as new cooperation mechanisms led or heavily influenced by developing countries have strengthened cross-regional collaboration. These mechanisms include, but are not limited to, the Belt and Road Initiative (BRI), the Asian Infrastructure Investment Bank (AIIB), and the Shanghai Cooperation Organization (SCO). However, shaping these new mechanisms poses significant challenges for emerging economies, including the BRICS countries.

In summary, the global governance system is undergoing a transformation. Its goal is to establish a more inclusive, sustainable, equitable, and diverse framework for international cooperation. As

---

<sup>13</sup> Zürn, M. (2021). *Multilateralism in crisis: A European perspective 1. In Towards a New Multilateralism* (pp. 119-131). Routledge.

a group of influential emerging powers, the BRICS countries have drawn the attention and expectations of the international community since their first ministerial meeting in 2006. They have played a pivotal role in advancing global governance reform, promoting South-South cooperation, and driving institutional innovation and structural reconstruction.

## 1.2 BRICS and the Global South

In contrast to Northern countries, the term “Southern countries” intuitively refers to geography. However, in the context of the international governance system, it encompasses broader political, economic, cultural, and social dimensions. Northern countries predominantly consist of developed nations located in the northern parts of the Northern Hemisphere, while Southern countries mainly refer to developing nations situated in the southern parts of the Northern Hemisphere and throughout the Southern Hemisphere.

Since the rise of Western nations in modern times, the world has progressively formed a dichotomy between the developed “North” and the underdeveloped “South,” often characterized as the “global city” and the “global countryside.” Countries of the “Global South” generally hold a critical stance toward the Western-dominated liberal international order, expressing strong dissatisfaction with its inherent injustices and inequalities while calling for fundamental reforms to the existing international governance system.

Although Global South countries account for the vast majority of the world’s population, the developed countries of the North — representing just about 22% of the global population — consume over 70% of the world’s energy resources and are responsible for more than 50% of global greenhouse gas emissions. This imbalance has exacerbated the development gap between the Global North and South.

Moreover, Southern countries are often located in tropical and low-latitude island regions, making them the most direct victims of climate change. They face multiple challenges, including extreme weather conditions, rising sea levels, and ecosystem degradation. With vast numbers of impoverished populations and limited financial and technological capacities, these nations struggle to effectively address the impacts of climate change.<sup>14</sup>

This reality has fueled the demand among Southern countries for greater representation and influence in international affairs, as they seek to secure a more equitable and inclusive global governance system.

The formation and development of the BRICS countries represent a dynamic process showcasing the rise and collaboration of major and middle powers within the Global South. However, significant heterogeneity exists among Southern countries in terms of political systems, cultural traditions, and foreign strategies. Furthermore, constrained by national capabilities, most Southern countries have long concentrated their cooperation efforts within their respective regions, with limited connections beyond.

For instance, regional organizations such as ASEAN, the Gulf Cooperation Council (GCC), the Community of Latin American and Caribbean States (CELAC), the African Union (AU), and the Shanghai Cooperation Organization (SCO) were all established and developed based on geographic proximity, with their scope of cooperation largely confined to specific regions.

In contrast, the BRICS countries have transcended geographical boundaries, linking regions such as Asia, Europe, Africa, and Latin

---

<sup>14</sup> Dasgupta, S., Laplante, B., Meisner, C., Wheeler, D., & Yan, J. (2009). The impact of sea level rise on developing countries: a comparative analysis. *Climatic change*, 93(3), 379-388.

America. This shift has facilitated the transformation of regional cooperation mechanisms among Southern countries into a global cooperation framework.

Although the BRICS countries differ significantly in terms of land area, population size, and economic output, each member state holds a certain level of representativeness within its respective region and is generally recognized as an emerging power or a regionally influential middle power. Amid the ongoing transformation of the international governance system, the BRICS countries are well-positioned to leverage the BRICS cooperation mechanism as a platform to fully utilize their respective geographic advantages and diplomatic resources, fostering greater alignment with other regional organizations in the Global South.

By enhancing coordination and collaboration with these regional mechanisms, the BRICS countries have the potential to establish a multilateral cooperation network encompassing the entire Global South. This strategic upgrade — from “regional South” to “global South” — could contribute to the emergence of a more inclusive, multipolar, and balanced global governance framework.<sup>15</sup>

## 2. The Current State of Legal Cooperation

### 2.1 Trade and Investment

In recent years, the BRICS countries have made initial progress in investment and trade cooperation, signing several cooperation documents, such as the Framework for Trade and Investment Cooperation and the Action Plan for Investment Facilitation. These efforts have elevated investment facilitation from the practical

---

<sup>15</sup> Merino, G. E., & Tianjiao, J. (2025). BRICS+ and the Global Power Transition. *Chinese Political Science Review*, 1-33.

level to the level of intergovernmental coordination, reflecting a shared commitment to enhancing policy transparency, streamlining administrative procedures, and strengthening service capacities. However, the BRICS nations still lack a unified, comprehensive, and binding institutional mechanism for investment cooperation, and investment barriers remain a significant challenge.

The 2020 BRICS Trade and Economic Contact Group meeting emphasized the need to strengthen facilitation measures without compromising national interests, providing fair protection for investors. In 2023, negotiations for the WTO Investment Facilitation Agreement were concluded, but the BRICS countries exhibited divergent positions. China, Russia, and Brazil supported the agreement, while India and South Africa maintained their stance on preserving regulatory autonomy for developing countries.

This divergence highlights the need for the BRICS countries to further improve the transparency and accessibility of their investment policies, simplify review and administrative procedures, and reduce information asymmetry and institutional transaction costs. By doing so, they can foster a more efficient and predictable investment environment within the region, while safeguarding national interests and regulatory capacities.<sup>16</sup>

## 2.2 Legal assistance

Overall, the BRICS countries place significant emphasis on judicial cooperation in the criminal domain, while cooperation in civil and commercial judicial matters remains less developed.<sup>17</sup>

---

<sup>16</sup> Silva, E. M. D., & Campos, B. R. S. (2021). Possible legal cooperation for a BRICS perspective on international and transnational economic law. *BRICS Law Journal*, 8(4), 31-37.

<sup>17</sup> Zhu, W. (2018). Current Status, Problems, and Prospects of Judicial

In the field of criminal law, the United Nations has adopted the United Nations Convention against Transnational Organized Crime and the United Nations Convention against Corruption to combat transnational crimes and curb corruption. These conventions provide member states with cooperation mechanisms to facilitate criminal judicial collaboration. All BRICS countries are signatories to these conventions, which establish a multilateral foundation for criminal judicial cooperation in combating transnational organized crime and corruption.

In the realm of civil and commercial matters, the Hague Conference on Private International Law has developed the Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters and the Convention on the Taking of Evidence Abroad in Civil or Commercial Matters. These conventions provide a legal basis for cross-border service of judicial documents and evidence collection in international civil and commercial cases. However, not all BRICS countries are parties to these conventions. As a result, in key areas such as cross-border evidence collection, international service of process, recognition and enforcement of foreign judgments, and application of foreign law — areas closely tied to international civil and commercial disputes — the existing cooperation mechanisms are insufficient to support litigation. Consequently, they are unable to address the large volume of international civil and commercial disputes among BRICS countries effectively.

## **2.3 Finance**

### **2.3.1 New Development Bank**

In 2014, the BRICS countries officially signed an agreement to

establish the New Development Bank (NDB), marking a historic breakthrough in building an independent financial cooperation mechanism. The creation of this institution was the result of years of political dialogue and economic coordination among the BRICS nations. As early as the Delhi Declaration issued at the Fourth BRICS Summit, the member states had expressed their shared desire to establish an independent development bank. The primary objective was to pool resources to provide financial support for infrastructure development and sustainable development projects in BRICS countries, as well as in other emerging economies and developing nations.

The institutional design of the NDB partially draws on the operational model of the World Bank, with a strong focus on infrastructure investment and development assistance. Against the backdrop of increasing global economic uncertainties, the NDB is committed to offering its member countries flexible and robust financing channels. Notably, the bank has played a significant role not only in enhancing the financial capacity of developing countries but also in creating employment opportunities and promoting regional connectivity, showcasing its broad potential impact.

By the end of 2022, the NDB had provided cumulative financing of nearly \$32 billion for key projects in various sectors across developing countries. These projects span critical infrastructure areas such as transportation, bridge construction, railway systems, and water resource management, injecting vital momentum into the development of the Global South.

### **2.3.2 Contingent Reserve Arrangement**

To ensure financial security, another significant financial cooperation mechanism among the BRICS countries is the Contingent Reserve Arrangement (CRA). This mechanism stems from the BRICS nations' dissatisfaction with the slow pace of reform

within the International Monetary Fund (IMF) and their aspiration to establish a financial safety net independent of Western-dominated institutions.<sup>18</sup> The CRA is designed to strengthen member states' capacity to address short-term balance of payments pressures, provide liquidity support, and reduce reliance on traditional international financial institutions such as the IMF.

The total size of the CRA is \$100 billion, with each member country allocated withdrawal quotas based on their contributions. Unlike the IMF, the CRA adopts an equal voting system and a consensus-based decision-making process, ensuring that no single country can dominate the decision-making process. This voting mechanism is fundamentally different from the weighted voting system used by traditional financial institutions and promotes equality among member states.<sup>19</sup>

Together with the New Development Bank (NDB), the CRA represents a strategic initiative by the BRICS countries to challenge the dominance of the United States and Bretton Woods institutions within the global financial system. These initiatives form part of the

broader efforts by the BRICS nations to establish a multipolar world order.<sup>20</sup>

---

<sup>18</sup> Würdemann, A. I. (2018). The BRICS Contingent Reserve Arrangement: A subversive power against the IMF's conditionality?. *The Journal of World Investment & Trade*, 19(3), 570-593.

<sup>19</sup> Luo, H., & Yang, L. (2021). Equality and Equity in Emerging Multilateral Financial Institutions: The Case of the BRICS Institutions. *Global Policy*, 12(4), 482-508.

<sup>20</sup> Evaghorou, E. L. (2016). BRICS states new development bank: challenges and controversies for the global political economy system. *International Journal of Diplomacy and Economy*, 3(1), 59-74.

## 2.4 Alternative Dispute Resolution

The Convention on the Recognition and Enforcement of Foreign Arbitral Awards (commonly referred to as the New York Convention) provides an efficient framework for the recognition and enforcement of foreign arbitral awards across different countries. Given the lack of smooth judicial cooperation mechanisms in civil and commercial litigation among the BRICS countries, and the fact that all BRICS nations are signatories to the New York Convention, arbitral awards are more readily recognized and enforced among these countries. Therefore, the BRICS countries can encourage parties to resolve civil and commercial disputes through arbitration.

In the resolution of international investment disputes, the Washington Convention provides an efficient arbitration and mediation mechanism for disputes between foreign investors and host states. The International Centre for Settlement of Investment Disputes (ICSID), established under the Convention, has played a significant role in facilitating cross-border capital flows and enhancing investor confidence. Although bilateral investment treaties (BITs) that China has signed with several BRICS countries reference the possibility of submitting disputes to ICSID, the Washington Convention applies only to its contracting states. Currently, among the BRICS nations, only China, Egypt, and the UAE are contracting parties, while other members have not yet acceded. As a result, most investment disputes are subject to the more limited Additional Facility Rules, which are significantly weaker in terms of arbitration procedures, impartiality, and enforcement of awards. This inadequacy severely hampers the efficiency and credibility of investment dispute resolution within the BRICS framework.

In response, some scholars have called for more BRICS countries to join the Washington Convention promptly.<sup>21</sup> Additionally, they

---

<sup>21</sup> Zhu, W. (2018). Current Status, Problems, and Prospects of Judicial

propose exploring the establishment of an independent dispute resolution mechanism tailored to the development needs of BRICS countries, in order to enhance the overall stability and predictability of the investment environment.

## 2.5 A special focus on China and Brazil

Brazil is the largest country in Latin America with a population of 214.7 million people<sup>7</sup> (6<sup>th</sup> place in the world) and one of the world's leading economies (8<sup>th</sup> place in the world by GDP, \$2.05 trillion<sup>2</sup>). Since 2000, the country's macroeconomic stability has been improving, resulting in significant GDP growth, which peaked at \$2.46 trillion in 2014. In 2015-2016, due to a number of reasons, there was an economic downturn, from which the economy is gradually emerging.<sup>22</sup>

In 2016, the trade volume between China and Brazil was \$67.1 billion, showing a slight decrease from \$71.59 billion in 2015. China has consistently been Brazil's largest trading partner for several years.

In the field of judicial assistance in civil and commercial matters, China and Brazil signed a specific treaty on judicial assistance in civil and commercial matters in May 2009. This treaty contains detailed provisions regarding the recognition and enforcement of judicial documents for service abroad, cross-border investigation and evidence collection, as well as the recognition and enforcement of judgments and arbitral awards in international civil and commercial

---

Cooperation Among BRICS Countries. Hebei Law Science (05), 12–19. <https://doi.org/10.16494/j.cnki.1002-3933.2018.05.002>

<sup>22</sup> Venera Shaidullina & Igor Semenovskiy, 'BRICS Countries' Economic and Legal Cooperation through the Prism of Strategic Planning Documents' (2022) 9 BRICS LJ 4

cases. These provisions are highly beneficial for the resolution of civil and commercial disputes between parties from China and Brazil.

In the field of criminal judicial assistance, China and Brazil signed a specific treaty on criminal judicial assistance in May 2004, which outlines clear and specific provisions for matters related to criminal judicial assistance. In order to effectively combat transnational crimes, China also signed a dedicated extradition treaty with Brazil in November 2004, aiming to extradite criminals who have fled to another country back to their home country for criminal prosecution or execution of penalties.

In general, compared to other BRICS countries, the bilateral judicial cooperation mechanism between China and Brazil is relatively sound. They have signed corresponding bilateral treaties in the areas of civil, criminal, extradition, and investment. In contrast, their bilateral judicial cooperation mechanisms with South Africa and India are relatively weak, with fewer bilateral treaties signed in the areas of civil, criminal, and extradition.

### 2.5.1 Overview

China and Brazil have established a robust and asymmetrical trade relationship. As of 2023, Brazil stands as China's ninth-largest trading partner, while China remains Brazil's top trading partner. The total bilateral trade volume reached USD 181.53 billion in 2023, representing a 6.1% increase compared to the previous year.<sup>23</sup> Notably, Brazil continues to be China's leading supplier of agricultural commodities, underscoring the strategic importance of agribusiness in bilateral economic exchanges.

---

<sup>23</sup> Retrieved from <https://www.china-briefing.com/news/china-brazil-economic-ties-trade-investment-and-opportunities/>

Chinese direct investment in Brazil has predominantly targeted sectors such as energy, mining, infrastructure and industrial manufacturing. In contrast, Brazilian capital flows into China have been directed mainly toward real estate, coal-related industries, automotive manufacturing, etc. With the continuous deepening of China-Brazil economic ties, opportunities for bilateral trade and investment cooperation are expanding into emerging strategic domains, including renewable energy, advanced technologies, electric and hybrid vehicle production, etc.

Diplomatic relations between the two countries were formally established in 1974, and the relationship was elevated to a strategic partnership in 1993, reflecting mutual interests in expanding cooperation across multiple fronts. Over the past two decades, bilateral ties have been largely driven by trade expansion and investment flows, which have significantly intensified since the early 2000s.

During President Luiz Inácio Lula da Silva's first administration (2003-2010), Brazil adopted a more assertive approach toward engaging with emerging economies, particularly China. Lula's administration recognized China's rising global influence and prioritized the enhancement of bilateral relations. During this period, Lula visited China four times, and in 2009, China surpassed the United States as Brazil's largest trading partner.

Both China and Brazil are founding members of the BRICS grouping, a multilateral platform aimed at enhancing cooperation in areas such as trade, investment, innovation, and sustainable development. China hosted the 14th BRICS Summit in June 2022, and Brazil is scheduled to assume the rotating presidency in 2025, signaling continued engagement within this emerging economies framework.

However, bilateral relations experienced a period of relative cooling during the presidency of Jair Bolsonaro (2019-2022), whose

administration adopted a foreign policy orientation more closely aligned with the USA under President Donald Trump. This shift temporarily influenced the tone and trajectory of China-Brazil engagement.

Since President Lula's return to office in early 2023, diplomatic and economic relations between the two countries have improved markedly. The Lula administration has actively sought to rebuild and expand ties with China, with a clear emphasis on intensifying trade and investment cooperation.

In March 2023, China and Brazil signed an agreement to conduct bilateral trade settlements in local currencies, thereby reducing dependence on the US dollar. This move reflects Brazil's interest in diversifying its monetary exposure and aligns with China's strategic goal of promoting the internationalization of the RMB.

Subsequently, in April 2023, during President Lula's state visit to China, the two countries signed 15 new cooperation agreements, with a combined estimated value of USD 10 billion, further cementing the comprehensive nature of their bilateral partnership.

## **2.5.2 Opportunities for China-Brazil cooperation**

China and Brazil have established a solid and multifaceted foundation for cooperation in economic and trade domains, characterized by a high degree of complementarity and significant potential for expansion across a range of strategic sectors.<sup>24</sup> The following areas represent key avenues for continued bilateral engagement:

---

<sup>24</sup> Zhao, S., Chang, T., Ni, Y., & Zhou, P. (2023). An empirical study of trade in goods between China and Brazil: analysis of competitiveness and complementarity. *Economies*, 11(9), 224.

## **i. Energy and Mineral Resource Development**

Brazil's extensive reserves of oil, natural gas, and mineral resources position it as a strategic partner for China, which continues to seek stable sources of raw materials to support its industrial development. China brings to the partnership advanced capabilities in resource extraction, processing technologies, and infrastructure development, laying a solid foundation for expanded cooperation in resource-intensive sectors.

## **ii. Technological Innovation and R&D Investment**

In an era defined by rapid technological change, innovation-driven development has become a priority for both China and Brazil. Brazilian entities are increasingly exploring opportunities to engage with Chinese firms and research institutions in areas such as artificial intelligence, biotechnology, renewable energy, etc. By participating in China's innovation ecosystem, Brazilian investors can not only access

cutting-edge technologies but also strengthen their competitiveness within global value chains.

## **iii. Infrastructure Development**

China, with its globally recognized expertise in infrastructure financing, engineering, and project implementation, is capable to contribute to Brazil's infrastructure modernization. Meanwhile, it is important for Brazil to make improvements in transportation, urban infrastructure, and digital communications. Therefore, it created an opportunity for cooperation.

### **2.5.3 China-Brazil bilateral trade**

Since the formalization of diplomatic ties between China and

Brazil, bilateral economic and trade exchanges have experienced sustained and substantive growth. Notably, from 2008 onward, Brazil's export volumes to China have expanded steadily, reinforcing China's status as Brazil's principal commercial partner. While Brazil ranks among China's top ten trading partners — specifically, the ninth — China has consistently maintained its position as Brazil's largest trading counterpart.<sup>25</sup>

Although China and Brazil have not yet concluded a formal free trade agreement, the two countries have established a series of bilateral economic and trade arrangements aimed at enhancing commercial cooperation. In recent years, the BRICS cooperation framework has played an increasingly important role in facilitating trade between the two nations. Within this multilateral platform, China and Brazil have leveraged institutional mechanisms to promote trade facilitation, thereby advancing the liberalization of bilateral trade flows.

#### **2.5.4 Brazil exports to China**

China has maintained its position as Brazil's largest trading partner for 14 consecutive years. Among all Latin American countries, Brazil was the first to achieve annual bilateral trade with China exceeding USD 100 billion. Brazil has consistently maintained a trade surplus with China, while simultaneously serving as China's primary source of agricultural imports — a status driven by Brazil's absolute dominance in core agricultural products such as soybeans. With China's sustained economic growth and expanding middle class, bilateral trade is projected to remain robust. This presents significant opportunities for Brazil to further diversify its export portfolio and enhance export value.

---

<sup>25</sup> Dias, C. R., Leite, G. S., & Mori, J. S. (2016). Development of trade relations between Brazil and China: An analysis of the years 2002-2014 [Article]. *Espacios*, 37(24), 16.

### 2.5.5 China exports to Brazil

China's exports to Brazil are dominated by machinery, information and communication technology equipment, instruments, textiles, steel, and transportation-related products, with new energy technologies and electric vehicles (EVs) emerging as particularly dynamic sectors. Take electric vehicles as an example, they have become the fourth-largest category of Chinese exports to Brazil. Leading Chinese brands such as BYD, Chery, and Great Wall have established a strong market presence.

### 2.5.6 Brazil as a Key Destination for Chinese Investment

Brazil has emerged as China's largest investment destination in Latin America. According to data released by the Macau Trade and Investment Promotion Institute,<sup>26</sup> China continues to serve as the principal source of foreign direct investment (FDI) from Asia into Brazil. In 2023, Chinese FDI inflows into Brazil reached USD 45.3 billion, representing a 22.1% year-on-year increase, thereby positioning China as Brazil's ninth-largest investor by the end of the year. Projections by the Brazil-China Business Council (CEBC) suggest that this upward trend could lead to Chinese outbound investment commitments in Brazil reaching USD 73 billion, potentially elevating China to the position of Brazil's fifth-largest foreign investor, following the United States, the Netherlands, France, and Spain.

---

<sup>26</sup> Retrieved from the official website of the Macao Trade and Investment Promotion Institute: <https://www.ipim.gov.mo/zh-hans/portuguese-speaking-countries-news-sc/2025-02-19-%E4%B8%AD%E5%9B%BD%E5%AF%B9%E5%B7%B4%E8%A5%BF%E6%8A%95%E8%B5%84%E5%88%9B%E6%96%B0%E9%AB%98/>

Since 2021, Chinese investment activity in Brazil has shown consistent growth. Between 2014 and 2024, Brazil attracted 137 greenfield investment projects from Chinese enterprises, with a cumulative capital injection of USD 10.6 billion. These investments have been heavily concentrated in energy infrastructure, transportation networks, and the automotive manufacturing sector.

Despite not formally joining China's Belt and Road Initiative (BRI), Brazil — like many other regions — has witnessed a diversification of Chinese investment projects. This includes significant developments in financial cooperation, with major Chinese financial institutions such as Bank of China, China Construction Bank, Industrial and Commercial Bank of China, and the China Development Bank establishing branches in Brazil to support bilateral trade and investment. The localization of Chinese tech firms is also notable: the consumer electronics giant Lenovo employs over 1,600 local staff and has invested BRL 500 million (approx. USD 72.6 million) to establish a joint R&D center in Brazil. In the field of agricultural cooperation, Brazil's position as a leading global agricultural producer — characterized by advanced technologies, fertile land, and favorable climatic conditions — complements China's sophisticated agricultural supply chains and precision management systems, facilitating a high degree of strategic alignment between the two countries.<sup>27</sup>

Regarding the legal framework for investment, China and Brazil signed a Bilateral Investment Promotion and Protection Agreement in April 1994. However, this agreement has not been ratified by the Brazilian Congress due to several concerns, including issues of national sovereignty, principles of sovereign equality, the lack of empirical

---

<sup>27</sup> Retrieved from  
<https://www.china-briefing.com/news/china-brazil-economic-ties-trade-investment-and-opportunities/>

correlation between bilateral investment treaties and increased FDI inflows in Brazil, and inconsistencies between treaty provisions and Brazil's domestic legal framework.<sup>28</sup>

To address this gap, Brazil introduced a new model for international investment governance in 2013, known as the Cooperation and Investment Facilitation Agreement (CIFA). Unlike traditional bilateral investment treaties, which focus on investor protection, CIFAs emphasize institutional cooperation and investment facilitation, often incorporating diplomatic and non-adversarial mechanisms. For countries reluctant to adopt Investor-State Dispute Settlement (ISDS) mechanisms but still seeking to resolve investment-related disputes, CIFAs present a viable alternative.<sup>29</sup>

In the area of tax coordination, China and Brazil signed the Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income in August 1991. In May 2022, the State Taxation Administration of China and Brazil's Ministry of Economy signed a protocol amending the 1991 agreement and its annex, updating and refining its provisions to reflect current bilateral tax cooperation needs.

### **3. Challenges and Improvement of the BRICS Legal Cooperation Mechanism**

Although the BRICS countries have achieved certain results in multilateral cooperation, their mechanism tends to function more as

---

<sup>28</sup> Dan Wei, 'Bilateral investment treaties: an empirical analysis of the practices of Brazil and China' (2012) 33 *Eur JL & Econ* 663

<sup>29</sup> Dan Wei & Ning Hongling, 'Is Investment Facilitation a Substitute or Supplement? A Comparative Analysis of China and Brazil Practices' (2022) 19 *Braz J Int'l L* 326

a temporary platform to address specific crises (e.g., the 2008 global financial crisis). As the impact of such crises gradually diminishes, the momentum of BRICS cooperation has weakened, and its future prospects have been called into question. This paper argues that, at the current stage, the BRICS countries face significant challenges that hinder their effectiveness and progress toward integration:

### **3.1 Increasing heterogeneity among member states**

One of the greatest obstacles to BRICS cooperation lies in the high degree of heterogeneity in legal systems and national contexts among its members. The original five BRICS countries already represented diverse legal traditions, including civil law, common law, and mixed legal systems, with significant differences in legal principles, procedural rules, and judicial practices.<sup>30</sup> These disparities make it difficult to establish unified standards on key issues such as mutual recognition of legal documents, evidence standards, and procedural justice. With the addition of new members, the BRICS mechanism has expanded to include ten countries, doubling the number of participants. This expansion has further magnified the differences in language, culture, historical traditions, political systems, and development paths. The interests and diplomatic preferences of member states have become increasingly diverse, and some bilateral relationships even exhibit competition or conflict. These multi-level divergences increase the costs of communication and coordination, reduce the efficiency and depth of cooperation, and pose significant challenges to the institutionalization of the BRICS mechanism. Developing an inclusive and operational cooperation framework in a highly diverse context is an issue the BRICS countries must address for long-term development.

---

<sup>30</sup> Maria, Z., & Vladimir, P. (2018). Experiences of legal integration and reception by the BRICS countries: five passengers in a boat (Without a Dog). *BRICS Law Journal*, 5(2), 4-23.

### 3.2 Lack of a permanent coordinating institution

Currently, BRICS legal cooperation primarily relies on platforms such as ministerial meetings, lacking a permanent body to implement decisions, monitor progress, evaluate outcomes, or resolve disputes.<sup>31</sup> This absence of a standing institution weakens the binding force of legal agreements and results in inefficiencies and weak enforcement, particularly when dealing with sensitive or complex cases.

### 3.3 Weak foundation of political trust

Although BRICS countries publicly emphasize unity and cooperation, in practice, they often hesitate to share sensitive information or actively promote collaboration due to considerations of national interest and security. This lack of trust further undermines the depth of cooperation.<sup>32</sup>

Trust is the foundation of cooperation. However, the BRICS countries exhibit relatively low levels of internal trust, which is the result of a combination of historical conflicts, strategic interests, and external pressures. First, there is the possibility of geopolitical conflicts within the BRICS framework, such as the border disputes between China and India, which could heighten suspicion and caution among member states, thereby affecting collective decision-making. Second, the national interests and priorities of individual member states do not always align with the collective goals of the BRICS

---

<sup>31</sup> Neuwirth, R. (2019). "Brics law": An oxymoron, or from cooperation, via consolidation, to codification? [Article]. *BRICS Law Journal*, 6(4), 6–33.

<https://doi.org/10.21684/2412-2343-2019-6-4-6-33>

<sup>32</sup> Monya, D., & Ndzendze, B. (2021). Introduction: The Genealogies, Elements and Implications of a 'BRICS Order'. *The BRICS Order: Assertive or Complementing the West?*, 1-34.

alliance. Cooperation among members is often more of an initiative rather than a structured, binding framework, which weakens overall cohesion. On the external front, Western powers' efforts to court or pressure BRICS member states have further exacerbated internal distrust. Some member countries, due to their significant economic dependence on the U.S. and Europe, may align more closely with Western positions on major issues. This external interference deepens divisions and mistrust among BRICS members, limiting the bloc's potential to act as a cohesive entity with greater international influence.

Improving the BRICS cooperation mechanism requires a comprehensive approach. In terms of institutional design, it is essential to first strengthen the capacity of existing BRICS institutions to facilitate more effective cooperation across multiple sectors. At the same time, a dedicated secretariat should be established to coordinate the cooperation agenda, streamline decision-making and coordination processes, and enhance overall efficiency. Efforts should be made to align rules and standards in key areas such as law, investment, and finance, gradually reducing institutional barriers to cooperation. For example, negotiating preferential trade agreements and launching joint investment projects can help promote intra-BRICS trade and increase economic interdependence. On the multilateral stage, BRICS countries should strive to present more unified positions — for instance, maintaining consistent stances in international forums such as the United Nations and the G20 — to amplify the BRICS voice and advocate for reform of global governance structures. Moreover, enhanced coordination of foreign policy is necessary to resist external forces seeking to divide the group and to strengthen BRICS' collective influence on the global stage. By addressing these issues, BRICS can build a more cohesive and efficient partnership that benefits all member states.

## Conclusion

At present, the global governance system is facing both risks and the imperative for reform. The Global South, represented by the BRICS countries, is emerging as a key force in promoting a more multipolar world and driving changes in global governance. The BRICS cooperation mechanism not only embodies the shared development aspirations of Global South countries but also reflects their collective demand for a greater voice in international affairs. In recent years, BRICS has undergone a historic expansion, doubling its membership and injecting new vitality into the mechanism, while providing a broader platform for solidarity and cooperation among Global South nations.

However, with the increase in member states, the BRICS cooperation mechanism is also encountering a range of new challenges, including growing heterogeneity among members, the absence of a permanent coordinating institution, and a weak foundation of political trust. These issues have, to some extent, undermined the cohesion and decision-making efficiency of the mechanism. To ensure the long-term sustainability of BRICS cooperation, member states must enhance the mechanism through improvements in institutional design, regulatory alignment, and political coordination.

Through these efforts, BRICS has the potential to build a more cohesive, efficient, and inclusive cooperation framework — one that not only advances the common development of its members but also provides institutional support and strategic guidance for the broader rise of the Global South.

## Reference

Dan Wei, 'Bilateral investment treaties: an empirical analysis of the practices of Brazil and China' (2012) 33 *Eur JL & Econ* 663

Dan Wei & Ning Hongling, 'Is Investment Facilitation a Substitute or Supplement? A Comparative Analysis of China and Brazil Practices' (2022) 19 *Braz J Int'l L* 326

Wei, D., & Rafael, A. P. (2023). INFLUENCING COMPANIES'GREEN GOVERNANCE THROUGH THE SYSTEM OF LEGAL LIABILITY FOR ENVIRONMENTAL INFRACTIONS IN CHINA AND BRAZIL: LIGHTING THE WAY TOWARD BRICS COOPERATION. *BRICS Law Journal*, 10(2), 37-67.

Dan, W. (2008). China's Embrace of Regional Trade Agreements on The Way To Multilateralism. *Cadernos da Escola de Direito*, (9).

Neuwirth, R. (2019). "Brics law": An oxymoron, or from cooperation, via consolidation, to codification? [Article]. *BRICS Law Journal*, 6(4), 6–33. <https://doi.org/10.21684/2412-2343-2019-6-4-6-33>

O'neill, J. (2001). Building better global economic BRICs (Vol. 66, pp. 1-16). New York: Goldman Sachs.

Wilson, D., & Purushothaman, R. (2006). Dreaming with BRICs: The path to 2050. In *Emerging economies and the transformation of international business*. Edward Elgar Publishing.

Mao Ruipeng, 'Multilateralism and China's UN Diplomacy' (2020) 85 *China Int'l Stud* 44

Gao, F., & Yu, Z. Y. (2024). Challenges in Global Governance and China's Governance Proposals. *Contemporary China and the World*, (4), pp. 60–72. doi: CNKI:SUN:DDZS.0.2024-04-007.

Keohane, R. O., & Nye, J. S. (2003). Governance in a globalizing world. In *Power and governance in a partially globalized world* (pp. 193-218). Routledge.

Zürn, M. (2021). Multilateralism in crisis: A European perspective 1. In *Towards a New Multilateralism* (pp. 119-131). Routledge.

Merino, G. E., & Tianjiao, J. (2025). BRICS+ and the Global Power Transition. *Chinese Political Science Review*, 1-33.

Silva, E. M. D., & Campos, B. R. S. (2021). Possible legal cooperation for a BRICS perspective on international and transnational economic law. *BRICS Law Journal*, 8(4), 31-37.

Würdemann, A. I. (2018). The BRICS Contingent Reserve Arrangement: A subversive power against the IMF's conditionality?. *The Journal of World Investment & Trade*, 19(3), 570-593.

Luo, H., & Yang, L. (2021). Equality and Equity in Emerging Multilateral Financial Institutions: The Case of the BRICS Institutions. *Global Policy*, 12(4), 482-508.

Evaghorou, E. L. (2016). BRICS states new development bank: challenges and controversies for the global political economy system. *International Journal of Diplomacy and Economy*, 3(1), 59-74.

Zhu, W. (2018). Current Status, Problems, and Prospects of Judicial Cooperation Among BRICS Countries. *Hebei Law Science* (05), 12-19. <https://doi.org/10.16494/j.cnki.1002-3933.2018.05.002>

Venera Shaidullina & Igor Semenovskiy, 'BRICS Countries' Economic and Legal Cooperation through the Prism of Strategic Planning Documents' (2022) 9 *BRICS LJ* 4

Zhao, S., Chang, T., Ni, Y., & Zhou, P. (2023). An empirical study of trade in goods between China and Brazil: analysis of competitiveness and complementarity. *Economies*, 11(9), 224.

Dias, C. R., Leite, G. S., & Mori, J. S. (2016). Development of

trade relations between Brazil and China: An analysis of the years 2002-2014 [Article]. *Espacios*, 37(24), 16.

Maria, Z., & Vladimir, P. (2018). Experiences of legal integration and reception by the BRICS countries: five passengers in a boat (Without a Dog). *BRICS Law Journal*, 5(2), 4-23.

Monyae, D., & Ndzendze, B. (2021). Introduction: The Genealogies, Elements and Implications of a 'BRICS Order'. *The BRICS Order: Assertive or Complementing the West?*, 1-34.