

THE FIFTH MEETING OF THE BRICS TRADE MINISTERS

MOSCOW, 7 JULY 2015

JOINT COMMUNIQUE

1. The BRICS Trade Ministers met for the fifth time in Moscow, Russia on the eve of the Seventh BRICS Summit. The Ministers reviewed the current state of BRICS trade and economic cooperation, assessed the progress made since the First Meeting of the BRICS Trade Ministers in Sanya in 2011, and discussed the way forward for BRICS.

Global economic developments and their impact on trade and investment relations among the BRICS countries

2. The Ministers welcomed the enhancement of the BRICS economies' role in global trade and economic system as well as the strengthening of cooperation and the development of economic integration.

3. The Ministers reviewed current trends in the global economy and their influence on intra-BRICS trade and economic activity. They noted that the slow pace of recovery and fragile growth of the global economy hinder trade and investment flows. In this regard, the Ministers reaffirmed their commitment to implement the decisions taken by the BRICS Leaders at the Summits in Sanya, Delhi, Durban and Fortaleza with the aim to build a partnership that will help increase stability, growth and development of the BRICS economies.

4. In this context, the Ministers agreed to develop pragmatic economic cooperation and forge a closer economic partnership with a view to promoting global economic recovery, reducing potential risks in international financial markets and strengthening sustainable economic growth in the BRICS members. The Ministers instructed the BRICS Contact Group on Economic and Trade Issues (CGETI) to explore possible ways to enhance intra-BRICS

trade and the development of value chains including from the perspective of micro, small and medium scale enterprises (MSMEs).

BRICS cooperation in the WTO and Doha Development Agenda

5. The Ministers joined in the celebration of the twentieth anniversary of the World Trade Organization (WTO) and reaffirmed their intention to work together to strengthen an open, transparent, non-discriminatory, and rules-based multilateral trading system as embodied in the WTO. They welcomed Kenya's hosting of the 10th WTO Ministerial Conference (MC10) in Nairobi on 15-18 December 2015. They stressed the importance of a successful meeting in Nairobi that brings tangible results and meaningful outcomes on the development agenda, including on the issues of interest to LDCs.

6. The Ministers commended the adoption of the Protocol of Amendment for the Trade Facilitation Agreement (TFA) in 2014 and called on all WTO Members to contribute to the timely entry into force of the TFA, with predictable resources made available to facilitate its implementation. They also welcomed the decision to make concerted efforts to agree and adopt a permanent solution on the issue of public stockholding for food security purposes by the end of 2015 while underlining the importance of implementation of all Bali Package elements, including LDC issues, such as LDC Services Waiver, as an important part of MC10 results.

7. The Ministers emphasized that the successful conclusion of the Doha Round remains central to the objective of promoting the full integration of developing countries into the global trading system. Therefore, they reaffirmed their commitment to coordinate their efforts in the WTO to formulate the Post-Bali Work program as a key stepping-stone to concluding the Doha Round. This work programme should provide for the full achievement of the key objectives of the DDA, acknowledge

the special circumstances of countries and accord priority to development issues.

8. Ministers acknowledged that successful conclusion of the Doha Round is the shared responsibility of all WTO Members. Ministers called on all WTO Members to ensure support to these negotiations.

9. Ministers stressed the centrality of the WTO as the institution that sets multilateral trade rules. They noted the importance of bilateral, regional and plurilateral trade agreements and encourage the parties to those negotiations to comply with the principles of transparency, inclusiveness and compatibility with WTO rules to ensure that they contribute to strengthening the multilateral trading system.

Cooperation in Global and Regional Organizations and Multilateral Fora

10. The Ministers reaffirmed their commitment to develop cooperation in global and regional organizations and multilateral fora, such as the G20, UNCTAD, WIPO, UNDP and UNIDO amongst others.

11. The Ministers welcomed participation of the BRICS countries in regional integration processes as well as in the activities of regional organizations. They underlined that the development of the expanded dialogue on economic and political agenda with the participation of regional organizations such as Eurasian Economic Union (EEU), the Shanghai Cooperation Organization (SCO) and IBSA Dialogue Forum would contribute to strengthening BRICS economic cooperation. It would also enhance the role of the BRICS countries as regional leaders, enhance development, sustainable growth, as well as strengthen inter-regional ties and promote a multipolar global economic system.

Intra-BRICS Cooperation

12. The Ministers agreed that current circumstances required new approaches, models and mechanisms to strengthen intra-BRICS economic cooperation. They emphasized the need to work together to build on the respective advantages and requirements of the BRICS economies. They agreed that it could be achieved by identifying complementarities and synergies, with a particular attention to key growth sectors.

13. The Ministers welcomed the work done by the BRICS High Level Working Group to fulfill the BRICS Leaders' instruction to finalize the draft Strategy for BRICS Economic Partnership by the BRICS Summit in 2015. The Ministers noted the recommendations outlined in the Strategy and committed to provide full support to their implementation.

14. The Ministers noted the BRICS Roadmap on trade, economic and investment cooperation until 2020 suggested by Russia and directed CGETI to initiate a preliminary discussion on it.

15. Considering the necessity for securing balanced and sustainable development of the BRICS economies, the Ministers welcomed the efforts aiming at ensuring balance of interests of consumers and producers of energy resources, creating transparent and predictable conditions for sustainable development of the world energy market and energy security of BRICS countries as set out in the Strategy for BRICS Economic Partnership.

16. The Ministers noted the importance of exchanging best practices on investment climate improvement and suggested that the BRICS export credit and guarantees agencies, in the framework of the cooperation MoU signed at the Fortaleza Summit, exchange experiences on risk analysis, including the use of country ratings in the light of specific aspects of developing markets.

17. The Ministers recognized the importance of the dialogue on BRICS investment policies and international investment rules and instruct officials

to explore ways to improve mutual knowledge of investment policies of the member countries.

18. The Ministers highlighted the relevance of measures aimed at increasing the share of value-added goods in production and exports of the BRICS countries and diversifying their mutual trade. They agreed that these measures would enhance the role of the BRICS countries in global value chains and thus, reduce their dependence on the fluctuations in the world economy.

19. The Ministers noted that trade and investment facilitation as well as strengthening cooperation in the areas of standards, technical regulation and conformity assessment procedures would create favourable conditions for enhancing intra-BRICS trade.

20. The Ministers also highlighted the relevance of the new cooperation initiatives in the fields of trade promotion and trade facilitation, including the establishment of the Trade Promotion Working Group and the organization of a seminar on Single Window Systems. They agreed that such measures could enhance intra-BRICS cooperation and create new opportunities for member countries.

21. The Ministers reaffirmed the importance of strengthening BRICS customs cooperation with a view to facilitating trade amongst the BRICS countries.

22. The Ministers noted the existing imbalance in the development of markets for the establishment and development of software and hardware. They agreed to make joint efforts to avoid excessive market dominance in the global market of software, hardware and equipment in the IT-sphere through cooperation on software development. They also agreed to strengthen cooperation and promote joint activities and initiatives to address common concerns in the field of ICTs, including the Internet (software development, cloud computing, big data and internet of things).

23. The Ministers also highlighted the importance of strengthening intra-BRICS cooperation on e-commerce. They welcomed convening and noted the recommendations of the First BRICS Expert Dialogue on E-Commerce (14 April 2015, Moscow). They also welcomed the Framework for BRICS E-commerce Cooperation as an instrument to promote current and future initiatives with an aim to build a closer economic partnership in this sphere.

24. The Ministers reaffirmed that intellectual property rights (IPR) provided incentives that encourage creativity and innovation and emphasize the need to share best practices to ensure IPR regime contributes to the development objectives of countries. They renewed their commitment to enhance cooperation among BRICS countries on IPR. In this regard, the Ministers agreed to coordinate positions in international fora on IP related matters. They welcomed the initiative on strengthening IPR cooperation among BRICS countries and instructed officials to develop the Terms of Reference of the IPR Cooperation mechanism under CGETI.

25. The Ministers noted that MSMEs make a vital contribution to jobs creation and promotion of strong, sustainable and balanced growth and development. In this context, they agreed to work towards identifying promising areas of cooperation among BRICS MSMEs.

26. The Ministers highlighted the importance of the development of new initiatives in this area including the creation of the Expert Dialogue on MSMEs. The Ministers emphasized the importance of developing cooperation among organizations responsible for support and development of BRICS MSMEs and exchanging information and best practices on MSMEs regulation and support, facilitation of MSMEs' access to public services, financing, exports and international projects.

27. The Ministers highlighted the potential for establishing business cooperation among BRICS MSMEs with a view to facilitating

their participation in international MSMEs conferences, forums, exhibitions and fairs held in the BRICS countries.

28. The Ministers highlighted that “green economy” in the context of sustainable development and poverty eradication as well as environment protection were crucial for achieving sustainable and balanced growth. Therefore, they welcomed strengthening cooperation between public and private sector to stimulate investment in environmentally friendly and energy efficient technologies, which may also contribute to combating climate change, and noted the importance of joint efforts aimed at environmental protection.

29. The Ministers highlighted that increasing connectivity among the BRICS countries would improve the quality of growth and contribute to economic prosperity and resilience of the BRICS economies.

30. The Ministers emphasized the importance of developing youth cooperation among BRICS countries in the sphere of innovation, youth entrepreneurship and collaboration of startup projects with participation of business leaders from BRICS countries.

31. The Ministers welcomed the efficient work undertaken by the BRICS Business Council as outlined in the Annual Report that brought together companies and business associations and helped foster joint projects and initiatives by the BRICS countries. Further to this, the Ministers commended the Council for establishing the Working Groups on Agri-business and Deregulation; two areas that warrant dedicated attention. The Ministers encouraged the BRICS Business Council to work towards more quantitative and clearly defined outcomes through the development of a tangible work programme.
