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## *Progress Report 2024*

# **BRICS Expansion and the Middle East**

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## *Foreword*

The presence of Middle Eastern countries has been prominent in the recent BRICS expansion. BRICS is an acronym for the English acronyms of Brazil, Russia, India, China, and South Africa, a term popularized to refer to representative emerging economies with potential for future economic growth. The 15th BRICS Summit, held in South Africa in August 2023, saw six new members, Argentina, Iran, Egypt, Ethiopia, Saudi Arabia, and the UAE, and except for Saudi Arabia and Argentina, these countries have been full members since January 2024. The presence of these countries is significant, as was shown that four of the six countries are located in the Middle East. Furthermore, at the BRICS Plus summit in Russia in October 2024, Turkey, Bahrain, and the Palestinian Authority participated as observers, and some countries were reportedly offered “partner country” status; in January 2025, Indonesia was also granted full membership.

The current international order, led by the West, has been severely shaken by Russia’s invasion of Ukraine (February 2022) and Hamas’s large-scale surprise attack on Israel (October 2023). Against this backdrop, the focus on emerging countries of the Global South can be considered as an objection to various contradictions in the current international order, such as the legacy of colonialism, exploitation of resources and human resources, unilateral sanctions, and double standards. In this sense, the trend of BRICS expansion, which is closely related to the Global South, appears to be irreversible, and the role of Middle Eastern countries in this new order cannot be ignored. However, what exactly BRICS expansion means for the Middle East, and simultaneously, what the Middle East expects from the BRICS are currently unclear.

The Middle East Institute of Japan (MEIJ) has been working on a project titled, “The Role of Japan’s Diplomacy in Middle East/Eurasia: Understanding the Reality of Great Power-led Connectivity Strategies and Regional Order Restructuring in an Era of Competition among Nations,” funded by the Ministry of Foreign Affairs’ FY2024 Subsidy for the Research and Study Projects on Diplomacy and Security (Research Project). The project has been underway. This special feature analyzes the perceptions and views held by countries in and outside the region toward the BRICS from different perspectives, and examines how the BRICS will affect the countries of the Middle East and beyond, and the order that

surrounds them, in an interactive manner. The BRICS is a regional order that is being restructured in the Middle East and Eurasia.

*Middle East Institute of Japan*

**[Table of contents]**

1. The turbulent geopolitics of the Middle East and the weakening of the “Axis of Resistance” camp (Masaki Mizobuchi)
2. BRICS expansion and the Middle East in Chinese diplomacy (Emi Mifune)
3. Saudi Arabia's interest in the Global South and the second Trump administration (Kenichiro Takao)
4. Turkey's BRICS accession strategy: Background and challenges in its quest for multipolarity (Mayu Kaneko)
5. Developments in the UAE and Egypt and their impact on energy (Masahide Takahashi)
6. India's multifaceted diplomacy: From its stance toward the INSTC and BRICS (Ryohei Kasai)
7. Russia's expectations for BRICS expansion (Mizuki Chuma)
8. Iran's accession to the BRICS and the Iran-Russia Comprehensive Strategic Partnership Agreement (Hisae Nakanishi)
9. BRICS expansion from a Middle East/Eurasian perspective (Kenta Aoki)

# **1. The turbulent geopolitics of the Middle East and the weakening of the “Axis of Resistance” camp**

Masaki Mizobuchi

The situation in the Middle East in 2024 can be summarized as the significant weakening of Iran and the pro-Iranian militias in the region (the “Axis of Resistance”).

It began with a massive surprise attack by Hamas on Israel in October 2023. The motives for this attack are not fully understood, however, are likely to have been influenced by a combination of Israeli settlement activity, which has intensified in recent years, the Netanyahu government's low approval ratings, and the Palestinian community's opposition to the “Abraham Accord.” In response to the surprise attack, Israel launched a large-scale ground invasion with the goals of “hostage-taking” and “dismantling Hamas,” inflicting a devastating blow on Hamas while inflicting an estimated loss of nearly 70,000 casualties.

Subsequently, against the backdrop of no major condemnation or sanctions being imposed by the international community, Israel expanded its frontiers to Lebanon and conducted large-scale air strikes on Hezbollah, which was considered a more serious threat. Israel first conducted a communications equipment bombing campaign in Lebanon and Syria (which involved years of careful preparation), followed by intensive bombing of southern Lebanon and the Dahiya area south of Beirut. This resulted in the killing of most of the leadership, including the Supreme Leader Hasan Nasrullah, and devastated Hezbollah.

Furthermore, in October, a series of air strikes on missile production facilities and nuclear-related sites on the Iranian mainland caused extensive damage to the military and defense infrastructure, which had been one of the key elements of Iran's regional influence. In addition, with Donald Trump's renewed victory in the presidential election, sanctions against Iran are expected to be reinforced in the next four years. In December, the collapse of the Syrian regime of Bashar al-Assad, Iran's long-standing ally, and the cornerstone of the “Axis of Resistance,” effectively divided the land corridors linking the “Axis of Resistance.”

The concentration of these combined military blows in such a short

period of time means that the “Axis of resistance,” with Iran at its core, will take a considerable number of years to rebuild to pre-conflict levels.

However, even if certain armed groups such as Hamas and Hezbollah are temporarily brought to the brink of destruction by violence, these organizations are deeply rooted in the community, and as long as Israel continues its military occupation in defiance of international law, they will eventually reorganize, or new, more radicalized armed groups will rise. The root of the problems that have persisted in the region for nearly 80 years is the critical absence of the principle of the “rule of law” in the relationship between Israel and its neighbors, and even more so in the governance of neighboring countries. This cannot be solved by relying solely on military forces. The international community is called on to seek a framework for long-term sustainable conflict resolution through legally binding agreements and strengthened regional governance.

In the global balance of power, the expansion of the BRICS, which has become more pronounced since late 2023, has had a new impact on the Middle East: the BRICS has announced a policy of incorporating new potential members at the 2023 summit, including Saudi Arabia, Iran, Egypt, the UAE, and other Middle Eastern and North African countries. The BRICS is strengthening its position as a “unipole in a multipolar world,” which is different from the Western-led framework. Iran, in particular, has suffered a major blow to its military infrastructure, however, now that it is a full member of the BRICS, it may find a way to avoid economic sanctions and strengthen energy diplomacy, even after the second Trump administration assumes power in January 2025 and beyond. In the future, the development of new and existing BRICS member states will attract more attention as they rebuild their power structures and diplomatic strategies in the Middle East.

(Masaki Mizobuchi, Associate Professor, Meijigakuin University)

## **2. The BRICS expansion and the Middle East in Chinese diplomacy**

Emi Mifune

How does China position BRICS expansion?

Even as the West is “decoupling” from China in the pursuit of “derisking,” China is strengthening its supply chains and building up its fraternal blocs (i.e., networks). Members and partner countries of the expanding BRICS are major producers of crude oil, natural gas, key minerals, and food. With the enlargement of BRICS, which will reinforce “One Belt, One Road” initiative’s military-civilian fusion, China is attempting to enhance its supply chain networks. In fact, BRICS enlargement can only increase China’s voice and representation among BRICS nations, as members’ reasons for joining include expectations of economic opportunities and looming concerns about the international situation under the Trump administration.

China, while striving for restructuring of the existing international order, is working toward the formation of a multilateralist order in which it is at the center. With US-China relations and China’s economy under strain, Chinese President Xi Jinping, who has called for reforming global governance for promoting democratization of international relations, stated at the Kazan summit that “BRICS is starting afresh as a group.” BRICS nations will find it more difficult to become a monolith with an expanded framework. However, as indicated by the theme of the Kazan summit, “Strengthening multilateralism for a just world development and security,” China, which regards the existing international order as favorable to the West, can strengthen multilateralism by making BRICS an instrument of unity and cooperation in the Global South. It seeks to position BRICS as a force spearheading the promotion of global governance reform.

For example, China, through BRICS and others, has called for reform of the World Bank and the International Monetary Fund. At the Fourth International Conference on Financing for Development to be held in

Spain in June 2025, restoring confidence in multilateralism, reforming the international financial architecture, which China terms “outdated,” and reforming international rules in trade, investment, and finance will be discussed.

How does China regard the Middle East in relation to BRICS expansion?

In addition to the need to secure stable energy resources, China, which is affected by Western sanctions and export controls, seeks to undermine the economic predominance of the US dollar. To weaken US dollar hegemony, which has been supported by a petrodollar system, the major oil-producing countries of the Middle East must be introduced into a China-Progress Report 2024 7- led multilateral framework. China is attempting to reduce its dollar dependence in world trade and is attempting to increase yuan settlements, to avoid the freezing of Sino-Russian trade settlement proceeds by Western policies, and to expand and strengthen the BRICS inter-BRICS “correspondent bank” network and the BRICS contingency reserve fund (CRA) as an intra-BRICS financial safety net. Furthermore, with Russian assets frozen under Western sanctions, the participation of Middle Eastern countries with high credit ratings, such as the UAE, in BRICS can be expected to raise new funds and to help strengthen the financial infrastructure of the New Development Bank (NDB).

However, BRICS countries are far from realizing the creation of a common digital currency and payment system because they have reached no agreement on a direction to follow in reducing their US dollar dependence.

(Emi Mifune, Professor, Komazawa University)

### **3. Saudi Arabia's interest in the Global South and the second Trump administration**

Kenichiro Takao

In the 2010s, the rebalancing (emphasis on Asia) policy of the Obama-US administration led to post-Arab Spring swarming in the Middle East. The sectarian foreign policy of the regional powers led to various tensions (e.g., the Saudi-Iranian conflict, the Saudi-UAE-Qatar-Turkish confrontation, and the strengthening of the “Axis of resistance” network centered on Iran), spurred by the hardline stance of the first Trump administration toward Iran.

However, in the 2020s, there is widespread reconciliation regarding these moods. Countries have turned their attention to decreasing regional tension as much as possible in the process of prioritizing economic pragmatism. The restoration of diplomatic relations between Saudi Arabia and Iran, between Saudi Arabia, the UAE, Bahrain, Egypt, and Qatar; the improvement of relations between Arab states and Turkey; and the normalization of diplomatic relations between the UAE, Bahrain, Morocco, Sudan, and Israel are signs of this. By extension, countries have restructured their relations with extra-regional powers to maximize fluidity and efficiency in other areas while maintaining the importance of their military and security relations with the US. This has accelerated the expansion of the influence of China and Russia into the Middle East.

The trend toward building relations between Middle Eastern countries and the Global South has emerged along these lines. For example, Saudi Arabia has developed an all-round diplomacy from the perspective of promoting investment, preventing fossil fuels from becoming stranded assets, food security, securing the workforce, and promoting the tourism industry. Moreover, it has actively promoted the building of relations with regional cooperation organizations such as the Shanghai Cooperation Organization (SCO), African Union (AU), ASEAN (Association of South East Asian Nations), and Association of Caribbean States (ACS).

Therefore, the fact that Saudi Arabia has been invited to become a member of BRICS but has withheld this invitation has been received with some surprise by the world. The possible intentions of Saudi Arabia are as follows. BRICS is an effective platform for multilateral economic

cooperation; that is, a stage that provides opportunities to expand and strengthen economic relations with various countries. However, it does not seek significance beyond strengthening relations with other countries and has no particular merit in becoming a stakeholder. Saudi Arabia's interest in BRICS is not necessarily political solidarity. Its position differs from that of Iran, stressing the significance of BRICS as an anti-US bloc.

However, the Global South's approach to the Middle East, led by BRICS, is expected to intensify in the future. In particular, with the Trump administration suggesting a hardline stance toward Russia and China, the two countries should seek to strengthen their relations with Middle Eastern countries in several areas. Policies adopted by the Trump administration, such as the demand for lower oil prices from OPEC and various tariffs, will provide the groundwork for promoting the presence of Russia, which can adjust prices through OPEC +, and China, as a supporter of free trade through FTA talks with the Middle East.

In this sense, relations between Middle Eastern countries and the Global South are expected to be heavily influenced by US Middle East policy. At the 2024 BRICS meeting, the UAE proposed solidarity among member states outside the economic sphere to the BRICS, and it remains to be seen whether such a transformation will appear in the BRICS.

(Kenichiro Takao, Executive Research Fellow,  
Middle East Institute of Japan)

## **4. Turkey's BRICS accession strategy: Background and challenges in its quest for multipolarity**

Mayu Kaneko

In October 2024, Turkey formally submitted its application for full membership at the BRICS Summit held in Kazan, Russia. However, the application was ultimately not accepted, and Turkey was instead granted the status of a “partner country.” This outcome reflected the preferences of existing member states, with reports suggesting that India voiced opposition to Turkey’s accession. Amid heightened tensions with neighboring Pakistan, India is believed to have viewed the close ties between Turkey and Pakistan with concern, particularly in light of the potential impact Turkish membership might have on internal BRICS dynamics. Additionally, although Turkey’s relations with countries such as Egypt, the United Arab Emirates, and China appear to have improved, these states have not entirely dispelled their distrust regarding Ankara’s stance on Syria, the Muslim Brotherhood, and the Uyghur issue. Such reservations are thought to have contributed to their cautious position on Turkey’s membership.

Unlike other BRICS members, Turkey is a member of NATO, the Council of Europe and remains a candidate for EU accession. Historically, Turkey has assumed an active role within the Western security and diplomatic architecture, emphasizing its strategic function in this framework. However, in recent years, the Erdoğan administration has sought to recalibrate this alignment, exploring strategies that distance the country from its traditional Western allies. The application to BRICS in October 2024 can thus be seen as a manifestation of this broader diplomatic reorientation. Nevertheless, this strategic shift carries the risk of further complicating Ankara’s already strained relations with the West.

Turkey’s pursuit of BRICS membership is underpinned by a desire to diversify its foreign policy and enhance its international standing. This ambition can be attributed to three primary factors: economic considerations, regional dynamics, and the stagnation of relations with the European Union.

First, on the economic front, Turkey has in recent years accelerated its diversification of trade and investment partners beyond the Western bloc. In response to severe domestic economic difficulties, Ankara has sought to expand its market access and attract greater investment by deepening economic ties with BRICS countries. According to official statistics, trade volume between Turkey and BRICS (Brazil, Russia, India, China, and South Africa) rose significantly from USD 74.3 billion in 2013 to USD 121.3 billion in 2023. Of this total, Russia and China accounted for the lion's share, with bilateral trade reaching USD 105 billion in 2023—approximately 17% of Turkey's total trade volume. In this context, Turkey's BRICS bid reflects not only a diplomatic initiative but also a pragmatic response to its economic challenges.

Second, regional developments have played an important role. On major international issues such as the war in Ukraine and the Gaza conflict, Turkey's positions increasingly diverge from those of the West and align more closely with several BRICS members. Likewise, Turkey's Syria policy differs considerably from the United States' approach. Against this backdrop, Ankara has actively sought to cultivate new partnerships with countries in the Global South.

Third, the prolonged stagnation of Turkey's EU accession process has prompted a strategic reassessment. In the early 2000s, Turkey implemented significant domestic reforms aimed at joining the EU. However, relations soured—particularly over the Cyprus issue—and negotiations have since stalled. The EU has cited democratic backsliding and the erosion of the rule of law as core reasons for suspending talks, while Turkey has criticized the EU's stance as shortsighted and lacking in strategic foresight. With EU membership prospects now distant, Ankara has been compelled to reevaluate its Europe-centric foreign policy and explore alternative diplomatic paths. As a result, Turkey is increasingly turning toward engagement with non-EU partners.

Taken together, Turkey's efforts to join BRICS reflect a broader strategy of foreign policy diversification and an attempt to bolster its international role. This approach is characterized by a dual emphasis on pragmatic economic objectives and a reorientation away from exclusive reliance on the West. However, successful implementation of this strategy will require careful navigation of political differences within BRICS and the crafting of a nuanced approach that avoids further deterioration in relations with Western partners. In particular, managing India's opposition and

positioning itself within the evolving power dynamics of Russia and China will be key challenges going forward.

(Mayu Kaneko, Senior Research Fellow,  
Middle East Institute of Japan)

## **5. Developments in the UAE and Egypt and their impact on energy**

Masahide Takahashi

### **(1) UAE**

The UAE has been actively working toward the realization of BRICS membership, including joining the BRICS New Development Bank (NDB) in October 2021 and participating in the “BRICS Friendly Countries” Forum held in Cape Town in June 2023. The UAE has maintained strong relations with its traditional partner country, the US, while simultaneously seeking to expand its access to emerging markets and trade and investment opportunities through BRICS membership. In this regard, the UAE's participation in BRICS is not a statement of its anti-Western position, but a means of building a number of economic partnerships. The UAE has played a role as a trade staging post to regions such as Europe, Africa, and Central Asia by building land, sea, and air logistics corridors in its country. To establish its position as an international trade hub, the UAE sees economic advantages in the total population (over 3 billion people) and economic size (approximately 30% of the global GDP) of the BRICS member states.

Among the BRICS member states, trade and investment between the UAE, China, and India are strong. The China Ocean Shipping (COSCO) cargo terminal, CSP Abu Dhabi Terminal, opened in 2018 at Khalifa Port in the capital, Abu Dhabi, making the UAE one of China's most important shipping hubs. In addition, the UAE and India have signed a Comprehensive Economic Partnership Agreement (CEPA) for 2022, have begun oil trading in local currencies, and are eagerly adopting payment methods other than the dollar.

### **(2) Egypt**

After ratifying its accession to the NDB in March 2023, Egypt applied for membership in June and became an official member in January 2024. Egypt's push for BRICS membership was probably economically motivated. Egypt is seeking further investment from China, a major investor, and expanding its trade with India, whose economy is growing rapidly. In addition, Egypt, one of the world's leading wheat importers, is attempting to import additional wheat from India, the world's second-

largest producer, and Russia, the third-largest producer, as competition for wheat procurement intensified under the Ukraine crisis. Thus, it is important to use its accession to BRICS as an opportunity to strengthen ties among member countries and promote economic cooperation with India and Russia from the perspective of food security. On the political front, Egypt receives large amounts of military and economic aid from Western countries such as the US and the EU but is increasingly frustrated by interference in its internal affairs, such as demands for the introduction of values such as democracy and human rights as a condition for aid. Egypt considers BRICS as an extremely important regional framework for diversifying its cooperation partners with non-Western countries.

However, from the perspective of the BRICS countries, the factors that led to the approval of Egypt's membership of the BRICS include its extensive economic market with a population of over 100 million and its control of the Suez Canal, an important trade route for global logistics.

### (3) Energy

Strengthening the links between the BRICS member states provides an excellent opportunity for Middle Eastern countries to promote energy cooperation. To increase oil revenues, the largest source of financial income, oil-producing countries such as Iran and the UAE are attempting to expand exports to India, which has the largest population in the world, in addition to China, which is a major energy consumer.

In the clean energy sector, which is attracting attention as a decarbonization policy, China and Russia stand out. China accounts for 70-80% of the global production share of solar panels and is introducing solar power at a high pace domestically, outstripping Western countries in terms of low production costs and abundant installations. Thus, China's renewable energy industry is expected to significantly contribute to the diffusion of clean energy promoted by the UAE and Egypt in the future.

Furthermore, Russia has successfully competed with Western countries and won orders to construct nuclear power plants in Turkey and Egypt through active nuclear diplomacy and its strength as a fuel supplier. Russian-built nuclear power plants will reduce gas consumption for power generation and contribute to lower electricity prices and a higher share of clean energy generation. As countries in the Middle East are forced to diversify their fossil fuel-dependent power supply mix owing to rising domestic electricity demand and the trend toward decarbonization, there

are high expectations for cooperation with China and Russia in the clean energy sector.

(Masahide Takahashi, Senior Research Fellow,  
Middle East Institute of Japan)

## **6. India's multifaceted diplomacy: From its stance toward the INSTC and BRICS**

Ryohei Kasai

India is increasing its national power against the background of rapid economic growth and is improving its position in the international community. This manifests in proactive diplomatic initiatives. Simultaneously, India distinguished itself from the West, as evidenced by its maintenance of traditional and close relations with Russia. It is well known that India has not joined the West's condemnation of Russia following its invasion of Ukraine and has sharply increased its oil imports from the country; in July 2024, Prime Minister Modi visited Russia and met President Putin (he also visited Ukraine the following month).

The International North-South Transport Corridor (INSTC) will develop a freight transport network on a route linking Mumbai, India, to St Petersburg, Russia, via the Arabian Sea, Iran and the Caucasus, with India expecting to strengthen relations with these countries through this, as well as improving connectivity. As of January 2025, logistics using INSTC had a limited track record (June 2022 and June 2012,) for cargo transport from Russia to India. However, India would benefit from exploring possibilities that go beyond core routes, such as improving access to the region by connecting with routes through Central Asia and increasing the importance of the Iranian port of Chahbahar (which India is involved in developing).

Another aspect of Indian diplomacy is its role as a “leader” in the Global South. This was demonstrated in the form of the online Voice of the Global South Summit in 2023, the outcome of which was reflected in the G20 New Delhi Summit in September 2023, and the proposal for full membership of the African Union (AU) at the same summit, which received unanimous approval. In this regard, BRICS is another important forum for India. India has been a member since the first meeting of foreign ministers in 2006 (BRICs, as it was then before South Africa's accession) and has been actively involved in the establishment of the BRICS New Development Bank, including calling for its headquarters to be located in its own country (it was eventually located in Shanghai). In recent years, the Global South

countries have been actively seeking to join the BRICS, and it is extremely important to examine India's attitude toward this trend. According to press reports, there were initial differences between India, China, and other existing members when six new members were approved to join in 2023 (four of whom have since joined). Moreover, some believed that India supported establishing as an observer status rather than significantly increasing its full membership, and it is noteworthy whether India took the initiative in establishing the “Partner Countries” agreed in October 2024. We will continue to study these issues along with developments in INSTC.

(Ryouhei Kasai, Distinguished Visiting Associate Professor,  
Gifu Women's University)

## **7. Russia's expectations for BRICS expansion**

Mizuki Chuma

The 16th BRICS Summit and the BRICS Plus Outreach Meeting were held in Russia from October 22 to 24, 2024. The host country, the Republic of Tatarstan, has a large Tatar Sunni Muslim population. Its capital, Kazan, is known as a city where Islam and Russian Orthodoxy coexist. In the United Arab Emirates (UAE), the majority of the population is Muslim, and in Ethiopia, approximately 30% of the population is Muslim. The choice of the venue was an excellent demonstration of Russia's tolerance for Muslims.

Representatives from 36 countries, including member states and international organizations, attended the BRICS meeting chaired by Russia. Visits by the heads of state and government to Russia are more important than ever for President Putin, whose foreign travel was severely restricted owing to an arrest warrant issued by the International Criminal Court (ICC) in March 2023. In addition, Ukraine strongly opposed the attendance of UN Secretary-General Guterres. Although Russia's relations with Western countries have deteriorated since the invasion of Ukraine in February 2022, through the BRICS meeting, it has succeeded in clearly demonstrating that it is not isolated behind the international scene.

The importance of the BRICS for Russia is not only in terms of diplomacy and international relations, but also in terms of the economy. Even before the invasion of Ukraine, Russia's largest trading partner was China; however, with the exception of that country, its chief trading partners were Western countries, including Japan. However, owing to progressively tougher sanctions against Russia, BRICS member states such as India, the UAE, and Egypt have largely replaced Western countries, whose trade has declined sharply, particularly from 2023 onward. Furthermore, for Russia, whose logistics with Europe are cut off, the realization of the International North-South Transport Corridor (INSTC), which passes through the Caspian Sea and leads from Iran to India, is an urgent necessity. Thus, the BRICS countries are becoming increasingly important to Russia as external economic partners.

Furthermore, in January 2025, Russia's allies and friends in Central Asia, Kazakhstan and Uzbekistan, became newly established “Partner

States” at the 16th BRICS Summit. Although there are no specific conditions stipulated for Partner States, they are considered to have an intermediate status prior to accession and are undoubtedly an important factor in the future expansion of BRICS. Russia has high expectations for the expansion of the BRICS, which is representative of a “non-Western” bloc..

(Mizuki Chuman, Chief Executive,  
ROTOBO General Incorporated Association)

## **8. Iran's accession to the BRICS and the Iran-Russia Comprehensive Strategic Partnership Agreement**

Hisae Nakanishi

In Iran, the easing of economic sanctions is an important policy issue. Moreover, this is an urgent issue for maintaining the current regime. Iran joined BRICS on January 1, 2024, together with Egypt, Ethiopia, Saudi Arabia, the United Arab Emirates, and Argentina. Iran is attempting to improve its “resistance economy” by joining the ranks of major countries in the Global South. With its accession, Iran primarily aimed to strengthen its relations with China and Russia. This paper focuses on the Comprehensive Strategic Partnership Agreement between Iran and Russia signed on January 17, 2025, approximately two weeks after accession and three days before the inauguration of the Trump administration (JETRO, Business Brief, 21 January, 2025).

The Carnegie Foundation of the USA assesses that the Agreement lacks specificity and only reemphasizes the existing strong relationship (Carnegie Politika, Jan. 21, 2025). However, when analyzing the Agreement, which comprises 47 articles (Iranian Government website, <https://irangov.ir/detail/456479>), at least three points emerged. First, it clearly states that, in the event of military aggression by either Russia or Iran, the two countries will neither join the aggressor nor provide military support to each other, implying that the Agreement does not constitute the conclusion of a military alliance (Article 3). This demonstrates that the two countries have yet to fully trust each other. However, it states that the two countries will conduct joint military drills and exercises (Article 5), which implies threats to the US and Israel. Second, the two countries will strengthen cooperation in the area of information (including cyber) security and jointly promote the exercise of cyber sovereignty (Article 11), suggesting a stance against cyber warfare with the US. Third, the two countries will take the lead in cooperation with the Caspian Sea littoral states (Article 13), and the “Permanent Commission for Russia-Iran Trade and Economic Cooperation” (Article 17) will be responsible for bilateral and multilateral interregional cooperation (Article 16). Through this framework, they will cooperate in the development of the North-South

International Transport Corridor (INSTC) (Article 21(4)), and cooperation in the implementation of this corridor program will be emphasized throughout the Agreement.

At the time of the signing of the Agreement on January 17, the two countries decided “to conclude an agreement to start construction of the Rasht-Astara Railway by the end of March” (Iran Press, Jan 24, 2024). The construction of this railway was important for completing one of the unopened parts of the INSTC. However, more than 18 months have passed since May 2023, when Russia agreed to loan Iran EUR 1.3 billion of the EUR 1.6 billion construction cost. It remains to be seen whether the two countries, which are both strongly affected by economic sanctions, can reach an agreement to begin construction by the end of March.

The agreement, signed approximately two weeks after Iran's accession to BRICS, is certainly conscious of their common enemy, the US. To what extent will Iran's accession to BRICS and this Agreement be effective as a political lever against the US, and how will this Agreement contribute to the progress of the INSTC? Membership in the BRICS is a limited option for Iran under international economic sanctions; however, this is an important step forward. Will Iran be able to develop its INSTC infrastructure and expand its trade with BRICS member states in the future? The Pezeshkian Administration's steering of the ship will be closely monitored..

(Hisae Nakanashi, Doshisha University)

## **9. BRICS expansion from a Middle East-Eurasian perspective**

Kenta Aoki

In recent years, multifaceted cross-border developments have emerged in the Middle East that are not confined to this region. For example, Russia, which is under severe sanctions from the West following its invasion of Ukraine, is focusing on the south and is actively working toward the development of an International North-South Transport Corridor (INSTC) that would connect the Caspian Sea region and India via Iran. Close political and military relations between Azerbaijan and Israel have also led to tensions between Iran and Azerbaijan, which are in conflict with Israel. Thus, there is a growing need to take a bird's-eye view of the entire Middle East/Eurasia, as there are areas that can be overlooked by examining only developments within the Middle East region.

Based on this premise, examining the current BRICS expansion demonstrates that countries in Middle East/Eurasia see BRICS as part of a diversification strategy, although to varying degrees. Here, diversification refers, in part, to the diversification of political partners and, in part, to the diversification of economic, energy trading, and sourcing partners. Underlying this is the widespread belief that, in an era of intense power competition and uncertainty, countries need to increase their flexibility to deal with situations that may arise. During the post-war period, particularly after the end of the Cold War when the US was the dominant power, in extreme terms, the countries of Middle East/Eurasia may have only needed to focus on diplomacy with the US. However, after the complete withdrawal of US troops from Afghanistan (August 2021), Russia's invasion of Ukraine (February 2022), and Hamas's surprise attack on Israel (October 2023), confidence in the former overwhelming US power declined.

These developments have had serious consequences not only for military power, but also for normative power. For example, many countries in Middle East/Eurasia are increasingly dissatisfied with Israel's excessive use of its right to self-defense against the Palestinian Gaza Strip and are also critical of the US, which supports Israel from behind the

scenes. South Africa, a BRICS country, took Israel to the International Court of Justice in December 2023. In the eyes of South Africa, which has experienced apartheid, Israel's actions against the Palestinian population are similar. From this, it can be seen that at the bottom of the BRICS expansion is a challenge to the current Western-centered international order among the countries of what is called the Global South. Furthermore, the example of South Africa indicates that a lineage of decolonization is linked to BRICS expansion.

However, if these ideological resonances have led to the expansion of BRICS, it cannot be said that this trend will continue without twists and turns in the future. For example, it is unlikely that in the near future a joint BRICS currency will be issued, or that the rapid expansion of local currency payments will threaten the position of the US dollar. In this sense, the current stage is transitional, however, the direction of the BRICS expansion itself is likely to continue, and the question of its impact on Middle East/Eurasia should continue to be asked. It is noteworthy that there are variations in the degree of alignment among BRICS member states.

(Kenta Aoki, Former Executive Research Fellow,  
Middle East Institute of Japan)

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