Brazil, Russia, India, China, South-Africa (BRICS) and the Global South Cooperation: Redefining Global Development Partnership – A Study of the New Development Bank

Samuel C. Anyaoha
Dept. of Development Studies, Nigerian Open University of Nigeria, Abuja - Nigeria
Email: sanyaoha@noun.edu.ng

Abstract:
This paper examines the role of the New Development Bank (NDB) in redefining global development partnerships within the framework of South-South Cooperation. The study explores whether the NDB is a real alternative to the Western-led international financial institutions, the IMF, and the World Bank, or merely exist to complement these global financial architectures. The research problem entails how NDB enhances BRICS financial sovereignty and those of other Global South countries struggling with governance, financial capacity, and geopolitical power. This study adopts a qualitative approach. Thus, a qualitative methodology based on content analysis informed by policy documents, academic works, and case studies on some of the NDB-funded projects was used. Specifically, thematic and comparative analyses are used to establish how the governance model, lending practices, and development impact of the NDB compare with those of traditional financial institutions. The results show that while the NDB offers an alternative source of funding with less policy conditionality, it is no less handicapped by limited financial capacity, governance inefficiencies, and internal BRICS power imbalances—especially in terms of China's growing influence. It concludes that while the NDB has contributed to the financing of infrastructure in BRICS countries, it has limited room to manoeuvre in acting as a stabilizing factor beyond this bloc within global finance. The study concludes that while the NDB is indicative of the trend toward a multi-polar financial world system, as yet it falls short of acting as a direct competitor to Western-dominated institutions. Policy recommendations underline the call for increased financial capacity, greater transparency, lending beyond BRICS, and enhanced crisis-response mechanisms. The critical areas in which future research by the BRICS-led financial institutions should focus include the impact of these institutions on global trade, financial sovereignty, and new dynamics of South-South Cooperation.

Keywords: *BRICS (Brazil, Russia, India, China, South-Africa led Cooperation Organization); NDB (New Development Bank); SSC (South-south Cooperation); Multi/Uni-polar World; Global governance; Global south.*

Background to the Study:

Since its inception, South-South cooperation has been the dynamic force driving international development—alternatives to the prevailing North-South economic and political engagement paradigm. The foundation for this solidarity lies in historical unity and the awareness of post-colonial economic disparities and structural imbalances foisted upon developing countries by the institutions of global governance dominated by the West: the IMF and the World Bank.

The 1955 Bandung Conference was a starting point, based on principles of mutual support, respect for sovereignty, and non-alignment (Singh, 2023). This impulse found institutional expression with the creation of the Group of 77 (G77) in 1964 and again with the subsequent development of regional development banks and trade agreements designed to wean developing countries off their reliance on Western financial mechanisms (United Nations, 2020). The rise of the BRICS in the early 2000s marked an important turn in SSC, foreshadowing a grouping of leading emerging economies that would play a substantial role in the reconfiguration of global governance.

Thus, BRICS has positioned itself increasingly to be an alternative power bloc capable of contesting the uni-polar dominance of Western financial and political institutions. With a combined GDP that surpasses many traditional economic powers, BRICS countries have a huge influence on global trade, investment flows, and development finance. Unlike the Bretton Woods institutions, which have also been criticized as imposing hard conditions on loans, leading to continued financial dependence by the recipient developing countries (Jouili, 2022).

The BRICS fosters a more multi-polar world order in a way that development for developing nations is reinforced. Central to its agenda is an NDB developed in 2015 as the direct counterweight to the World Bank and the IMF. The NDB works under the mandate of financing infrastructure and sustainable development projects in BRICS and other developing countries, based on a policy approach that respects flexibility and national economic priorities to a great extent (Braga, 2022).

Essentially, the rationale behind studying NDB within the framework of SSC pertains to the fact that it may reconstitute global development partnerships through its financial architecture, based on equity and mutual benefit. Traditional financial institutions have long been accused of sustaining economic hegemony through conditionality-based lending, which often compromises national policy autonomy in borrower states (Singh, 2023). In contrast, the NDB is premised on the model of "development without dominance," affording the member states more control over project priority and financial terms (Deforge, 2023).

Whether this helps to genuinely empower developing nations remains, however, open to question. Critical studies argue that it is mainly at the level of rhetoric in some aspects; given its finance and geopolitical leverage, the NDB remains greatly subject to Chinese economic priorities despite all the fine language about it (Jose, 2021). That begs a question: To what degree would the bank be able to maintain a governance structure that is independent of the strategic ambition of any one nation and democratic at its heart?

The big question, however, remains on whether the NDB can fix the structural imbalances in the global financial architecture. While it has already granted loans amounting to billions of dollars for different projects in the BRICS and other developing nations, its finances remain rather small compared to those of the IMF and World Bank. This brings into question whether the NDB acts as a transformative force in global finance or just as a complementary player within the existing system. Further, while the bank's emphasis on sustainable development rhymes well with the UN's 2030 Agenda, its concrete contribution to poverty alleviation and equitable economic growth remains under-researched.

The study's objective is to critically review the NDB's role in redefining global development partnerships within a broader landscape of SSC. In particular, key research questions of the study include the following: (1) To what extent has the NDB provided an alternative financing model that enhances economic sovereignty for the nations of the developing world? (2) How does governance at the NDB level affect decision-making and its lending policies? (3) What are the main challenges and limitations of the NDB in fulfilling its development mandate? (4) How does the NDB fare compared to the traditional financial institutions in terms of project outcomes and economic impact? Given the preceding, this paper is guided by the preceding questions, which could give a decent analysis of whether or not NDB represents a paradigm shift in global development finance or, instead, it is yet another extension of BRICS' geopolitical and economic interests.

Literature Review:

Conceptual Review

Definition and evolution of South-South Cooperation

South-South Cooperation (SSC) can be broadly understood as a framework of development cooperation through which Global South countries collaborate to achieve common economic, political, and technical advancements toward the ideal of collective development and self-determination (Xinzhu, 2021). Unlike traditional North-South cooperation, which often involves conditional aid and hierarchical relationships between donors and recipients, SSC is based on the principles of mutual benefit, respect for national sovereignty, and non-interference (Deforge, 2023).

The origins of SSC can be traced back to the Bandung Conference of 1955, where newly independent Asian and African states tried to forge economic and political alliances with one another to lessen their dependence on their ex-colonial masters. This momentum later led to the creation of the Group of 77 (G77) in 1964 and the establishment of organizations such as the Non-Aligned Movement (NAM), which emphasized economic self-sufficiency and solidarity among the developing nations (Quadir, 2021). However, these ideals have often been at odds with the reality of SSC, as critics argue that economic asymmetries among developing nations have usually constrained it, with dominant actors like China and India holding disproportionate sway over the cooperation agenda (Suri & Reddy, 2021).

The evolution of SSC took on new meaning in the 21st century with the rise of BRICS: Brazil, Russia, India, China, and South Africa—the leading emerging economies that had banded together to challenge the Western-dominated financial system. A series of events, most notably the 2008 global financial crisis, exposed the fragility of developing nations within the Bretton Woods system (Singh, 2023). BRICS countries responded to this by calling for alternative financial mechanisms that would reduce dependence on the International Monetary Fund (IMF) and the World Bank—long criticized for imposing rigid economic policies that often-exacerbated inequality in borrowing nations (Braga, 2021).

While SSC is often cast as a counter-hegemonic movement, scholars have questioned whether it truly represents a departure from traditional power structures or simply replicates them within a different geopolitical context (Khomyakov, 2021). For example, China's giant infrastructure financing in Africa under SSC has been criticized as a form of "neo-colonialism" over concerns of debt dependency and opaque lending terms (Morozkina & Skryabina, 2021). This leads to questions about whether, in its present incarnation, SSC really succeeds in its intention of providing economic independence or is it an outright geopolitical instrument at the disposal of new emerging powers.

The New Development Bank (NDB): Structure, objectives, and functions.

At the heart of BRICS' vision for alternative finance is the New Development Bank, established in 2015 as a multilateral financial institution that offers financing infrastructure and sustainable development financing for the BRICS and other emerging economies (Jouili, 2022). Unlike the IMF and World Bank, which tend to package their loans conditional on the adoption of Structural Adjustment Programs, NDB financing comes with less political conditionality and respect for national policy sovereignty (Calleja et al., 2022).

Structurally, the bank is designed on the lines of equal partnership, wherein each of the BRICS members has an equal share of the vote that precludes any single country's dominance in decision-making. This is far removed from the World Bank, where voting power is pegged on the financial contributions of the countries, making the Western nations the drivers of policy decisions at the Bank. However, it has been argued by some scholars that China, as the largest economy in BRICS, is too dominant in setting the agenda of the NDB—especially in the selection of funded projects and, above all, the appointment to its leadership.

While the objectives of the NDB are much broader and include funding infrastructure, sustainable development, innovation, and promotion of financial stability in the developing member countries, the bank has approved financing for renewable energy projects, urban development, and transport infrastructure, thus placing itself at the forefront of climate-friendly development finance (Jose, 2021). Still, in comparison with the World Bank, it has limited lending capacity, which leaves doubts as to whether it would be able to change the fundamental dynamics of global finance (Suri & Reddy, 2021).

Moreover, while the NDB is announced as a more flexible alternative to traditional lenders, there are also concerns about transparency in its lending criteria and whether it implies greater financial sovereignty for its borrowing countries (Esteves & Assunção, 2020). To what extent the NDB will be able to succeed in redefining the parameters of global development partnerships remains an open question: success for this multilateral bank lies in being able to balance economic pragmatism with its founding principles of equity and cooperation.

BRICS and Its Role in Global Economic Governance

The rise of BRICS (Brazil, Russia, India, China, and South Africa)as a collective force in global economic governance bespeaks a change underway in world finance and development. First conceptualized by Goldman Sachs economist Jim O'Neill in 2001 as the coming together of fast-growing economies, BRICS evolved into an active political and economic alliance opposing the dominance created by Western-headed institutions such as the International Monetary Fund and the World Bank. These five nations, put together, represent over 40% of the global population and almost 25% of world GDP; as such, it strategically puts them in the position to impact the course of international economic policy.

BRICS would therefore strive toward a multi-polar world order wherein the traditional dominance by the United States and other European nations in making economic policy is diluted (Xinzhu, 2021). In parallel, the bloc sought to increase its presence within the financial governance at the global level through, with a growing voting power inside the multilateral financial institutions, proposed alternative financing mechanisms, such as NDB and CRA (Braga, 2022).

However, whether BRICS has succeeded in reconfiguring the global economic governance effectively is highly contested. It often presents itself as a flag-bearer for the Global South on one hand, but on the other hand, internal divergences among its member countries often act as a blockade to cohesive policy action. While the European Union operates under an institutionalized framework of governance, BRICS lacks any such mechanism at a centralized level. This has led to an asymmetrical balance of influence, where China outweighs all others combined due to its superiority in the economy and finance (Morozkina & Skryabina, 2021).

Further, the geopolitical tensions between BRICS members themselves—for example, the border disputes between China and India, and Russia's hostile relations with the West—have more often complicated its attempt to work as one coherent economic bloc. Moyo (2021) argued that while

BRICS styles itself as a counterweight to Western financial institutions, there is yet to be an alternative coherent governance model that concentrates on transparency, inclusiveness, and long-term economic stability.

Within the BRICS, despite all the restraints, these have enabled the grouping to shape global economic governance by taking the demands for a greater role in decision-making processes at both the IMF and the World Bank. The bloc was able to lobby the quota reforms at the IMF in 2010, which increased the voting power of the emerging economies (Deforge, 2023).Progress has been slow, though, with BRICS members still airing their grievances over the slowness in governance reforms of traditional financial institutions. This frustration has culminated in the establishment of the NDB that has been envisioned as a straight challenge to the Western-led financial orders. While in theory, the NDB presents as a more equable and developmental alternative, much remains to be seen about the actual capacity, institutional influence, and global reach it will bear vis-à-vis the Bretton Woods financial twins, IMFS and WBG (Suri & Reddy, 2021).

Comparison between the NDB and Traditional Financial Institutions (IMF and World Bank)

The New Development Bank was established in 2015 as a response to perceived failings of the IMF and World Bank in their lending policies toward developing countries. The World Bank, established in 1944, is quite literally a development lender that funds projects including infrastructure and those designed to alleviate poverty. The IMF serves, in turn, as a financial stabilizer that provides short-term liquidity to countries in balance-of-payments crises, but usually with quid pro quo structural reforms (Hooijmaaijers, 2022).

However, both of these institutions have been under heavy criticism for the stringent policy conditions they put on the borrowing nations, which in many cases involve austerity measures, privatization, and trade liberalization as quid pro quo for financial assistance (Ghosh, 2017). The conditions have further increased the economic instability and inequality of recipient countries, reinforcing their dependence on Western financial structures rather than fostering sustainable development (Duggan et al., 2022).

It "brands itself as a development-oriented bank that focuses on infrastructure financing without the heavy conditionalities usually attached to multilateral lenders such as the IMF and World Bank". The governance structure adopted—the equal-shareholding one, whereby every member of the BRICS outfit contributes equally toward its capital base, meaning none of them owns a disproportionate vote in decision-making—constitutes one of the defining characteristics of this bank (Clleja et al., 2022).

Unlike the World Bank and IMF, this bank has voting power based on financial contributions that give extraordinary influence to the Western nations (Humphrey, 2020). Moreover, NDB believes itself to be more sensitive to the individual needs of the developing countries by its flexible loan terms and respect for national sovereignty while choosing as well as implementing their own projects.

However, despite its progressive rhetoric aside, there are structural constraints standing in the way of the NDB's ability to challenge the existing financial order. Its total lending capacity is several orders of magnitude lower than that of the World Bank: in 2022 alone, the latter approved financial commitments totaling $104 billion, while the cumulative approvals by the NDB since inception are estimated at a paltry $30 billion (World Bank, 2023).

Furthermore, while the NDB itself argues that it tries to avoid the prescriptive strings attached with the IMF and World Bank lending, the lending portfolio itself has been overwhelmingly dominated by China projects, so it bears possible subjectivity to geopolitical influence (Hooijmaaijers, 2021). Morozkina and Skryabina (2021) questioned the institutional independence of the NDB, given China's economic weight within BRICS that in effect provides the country the ability to steer the strategic direction of the bank in subtle but significant ways.

Another very critical difference between the NDB and the IMF/World Bank is in their management of financial crises. Although it is always contentious, to date, the IMF remains a lender of last resort for financially distressed countries; through its liquidity injections, it manages to calm the markets during these crises (Dye, 2022). The NDB does not have any such emergency financing mechanism and is hence unable to take part in short-run stabilization of an economy but only in the long-run development of infrastructure (Kirton & Larionova, 2022). The BRICS Contingent Reserve Arrangement was established to supplement the NDB in times of crises, but the lending framework has largely remained untested, throwing massive doubts over the effectiveness of CRA in responding to global financial shocks.

Theoretical Framework:

Different interpretations are interesting to theorize, such as the role that the NDB under BRICS can play in world financial governance. Specifically, Dependency Theory, Institutional Theory, and South-South Cooperation Theory are good prisms through which one can assess whether NDB is a bellwether for new financial independence of the developing countries or simply reproduces the already existing global economic structures. While all three offer useful angles by which the NDB's relevance can be appreciated, Dependency Theory comes closest to offering a framework that is most relevant to this study, in so far as it squarely addresses concerns over financial dependence, economic sovereignty, and structural inequalities embedded in the global financial system.

Dependency Theory

Dependency Theory, as expounded by such writers as André Gunder Frank (1966), Theotonio Dos Santos (1970), and Samir Amin (1976), is the argument that the economic structures of underdeveloped countries are structurally caused by dependence on industrial economies. It views the world economy as divided into a "core" of developed countries and a "periphery" of less-developed countries, in which case wealth flows disproportionately from the latter to the former, reinforcing structural inequalities. These institutions—more so the IMF and the World Bank—have been blamed for perpetuating the dependency relationship with conditional loans, constraining national policy autonomy, and forcing borrowing nations into debt spirals (Duggan et al.,2022).

The NDB itself was established as an explicit effort to counter such exploitative financial arrangements to establish an alternative source of development finance that would not impose a structural adjustment program (NDB, 2022). However, one can highly question whether it has broken the dependency cycle. While the NDB's lending model may signal borrowing opportunities with less conditionality than the IMF and World Bank, it does not challenge the global financial order whereby developing nations remain dependent on the need for externally sourced borrowing requirements to fund development projects (Moyo, 2021).

Moreover, while there is an equal governance structure for all members in BRICS, the disproportionately large economic weight of China within the bloc is likely to make the NDB a tool of Chinese economic influence rather than an independent development bank (Kirton & Larionova, 2022). This bears resemblance to previous instances of new financial institutions created in reaction to Western hegemony only to reproduce the same dynamics of power. Thus, from a Dependency Theory perspective, the NDB appears to be a reformist rather than a revolutionary institution: it opens more possibilities for developing nations but does not substantively change their placement in the international financial architecture.

Institutional Theory

Institutional Theory explains how formal organizations and governance structures shape economic and political behaviours within international systems (North, 1990). In the case of the NDB, this explores whether the bank introduces new financial norms that are disruptive to the Western-centred financial governance or if it reproduces existent institutions and practices. The establishment of the NDB was to counter the IMF and the World Bank but has an underlying governance system that at all times ensures BRICS members enjoy equal voting rights. This institutional framework theoretically precludes any single country from dominating decision-making, a feature that sharply contrasts with the IMF, where voting power is tied to financial contributions and therefore disproportionately favouring the United States and European nations (Hooijmaaijers, 2022).

Suri and Reddy (2021) noted that the NDB, while packaging itself as an innovative financial institution, mostly replicates the operational structures of the existing multilateral banks (Griffith-Jones, 2018). The bank follows the same loan approval procedure, risk assessment, and project evaluation criteria according to the mainstream financial paradigm rather than questioning it. Moreover, its lending has been concentrated in BRICS countries, which somewhat limits its broader impact on the developing world. From an Institutional Theory perspective, NDB has contributed to global financial cooperation by diversifying funding sources, although it does not change the institutional landscape of development finance in a big way. What will determine its effectiveness as a transformative institution is whether it will be oriented to the economic sovereignty of borrower nations through an expansion of influence beyond BRICS, transparency in financial practices, and mechanisms for such

South-South Cooperation Theory

The South-South Cooperation (SSC) Theory frames international development in terms of solidarity among developing nations, highlighting mutual benefit, shared economic growth, and non-interference in domestic affairs (Muhr, 2023). Supporters argue that SSC represents an alternative to the exploitative relationships associated with North-South financial arrangements through the history of development and stimulates more balanced partnerships (Jose, 2021). This was in manifestation at the NDB, as it focused on the prioritization of development projects for emerging economies and placed itself in a distinguished position as a financial institution without policy prescriptions for borrowing nations (Jouili, 2021).

However, notwithstanding these claims notwithstanding, SSC Theory has been criticized for idealizing South-South financial relationships and discounting power asymmetries within the Global South itself (Xinzhu, 2021). A further concern here is that the huge economic and geopolitical dominance of China in BRICS would make SSC operationalized through NDB an instrument of Chinese influence rather than a genuine effort toward giving financial autonomy to developing countries (Dugga et al., 2022).

Moreover, having financed a few large projects in infrastructure, the NDB remains a pretty small actor in global finance compared to the traditional lenders; this somewhat constrains its potential to drive systemic change (Dye, 2022). Those are only some of the reasons why, though SSC gives an interesting framework within which to understand the goals of the NDB, it doesn't fully reflect the complexity of power dynamics in BRICS and the wider global financial order.

Theoretical Framework:
Dependency Theory most fittingly offers a framework through which the role of the NDB in global economic governance can be analyzed, from the three theoretical perspectives studied. Institutional Theory and SSC Theory are useful in an insightful analysis of the governance structure of the bank and its aims, but they fall short of fully addressing the bigger question of whether or not the NDB truly decreases financial dependency for developing countries. On the other hand, the Dependency Theory would criticize the bank for unable to challenge existing economic hierarchies and empower borrower nations.

Available evidence shows that while the NDB offers an alternative mechanism for funding, it does not change the global financial order or remove structural constraints that produce economic dependence. While the NDB may be more flexible and have fewer conditionalities than the IMF and the World Bank, as long as the countries of the developing world remain dependent on external borrowing to fund development, financial dependency will merely morph and arise in different forms. For that reason, this study primarily adopts Dependency Theory as the principal theoretical lens through which the operation of the NDB about the current changes in global financial governance and economic sovereignty are analyzed.

Empirical Review:
South-South Cooperation, or SSC, has been an issue on which much research has been conducted as an alternative paradigm of global development. Many scholars pointed out that SSC could build a more balanced international financial system. Other research focused on how SSC helps to reduce dependence on Western-led financial institutions and fosters self-reliance among developing nations (United Nations, 2020; Mawdsley, 2019).

The paper by Esteves and Assunção in 2020 helps readers arrive at one major conclusion: SSC has been of paramount importance in transforming the architecture of world trade and investment flows, mainly by helping developing countries access alternative funding sources not accompanied by tough conditionalities generally imposed by the IMF and World Bank. Similarly, Chin (2022), noted that SSC is also indicative of an ideational shift toward a multi-polar world in which financial and economic policies are being purposefully designed by actors other than the Global North.

However, empirical studies also depict the contradictions of SSC. Abdenur and Folly (2021) debunk an assumption usually taken for granted: that by default, South-South collaboration would be on equal terms, while major SSC players like China and India usually have extraordinary power over smaller ones. It therefore raises the question as to whether SSC, as practised today, really represents something different challenging structures of dependency, or just the same old reproduction in a new disguise. For instance, Moyo (2019) argues that although SSC has enabled economic cooperation among developing countries, it has not changed the global trading patterns, which still favour the dominant economies in the Global South. These findings point to the fact that although SSC represents an alternative to traditional financial arrangements, its effectiveness in securing equitable global partnerships remains highly doubtful.

At the heart of the SSC architecture is the NDB, which is meant to offer an alternative to traditional multilateral lenders, the IMF and World Bank. There is already some comparative scholarship discussing whether NDB provides more equitable and development-related financing options. In Humphrey (2020) view, NDB lending differs a great deal from the World Bank in that it imposes no conditions, such as structural adjustments, on the countries taking the loans while greatly promoting infrastructure and sustainable development projects as specified for BRICS and developing nations in need.

Griffith-Jones (2018) carries out a much more detailed comparison between the NDB and the traditional financial institutions, elaborating that while the NDB offers loans with less conditionality, the total lending capacity remains far smaller than that of the World Bank. As of 2023, the annual lending capacity of the World Bank is more than $100 billion, while the NDB has lent around $30 billion since its inception (World Bank, 2023). This asymmetry raises questions as to whether the NDB can meaningfully challenge the financial dominance of Western-led institutions.

Ghosh (2017) goes further in arguing that, despite being couched in pro-development rhetoric, it actually functions within the same global financial structures as its Western counterparts, frequently embracing risk-averse lending policies where financial sustainability is privileged over radical development objectives.

Another comparative study by Chin (2022) is on the governance structures of NDB, comparing them with the IMF and the World Bank. Unlike in the case of IMF, where the voting power is based on the magnitude of the financial contributions by countries, thus creating dominance for the US and Europe, NDB has adopted an equal-shareholding model for BRICS members. However, critics pointed out that the weight of China's economy in BRICS would result in unequal influence in NDB operations and debunk the bank's claim of equal governance (Abdenur & Folly, 2021). These initial studies have thus illustrated that although the NDB provides alternative financing mechanisms, its structural constraints are too large for it to become a complete replacement for traditional financial institutions.

The following case studies present what goes on and the real outcome of such projects financed by NDB. One major case is NDB's investment in India's renewable energy projects. In 2016, NDB approved a sum of $350 million for green energy-related objectives to help promote the Indian "Green Energy Corridor" through the integration of renewable energies with the national grid (NDB, 2022). As Griffith-Jones (2018) indicated, the project has helped move India toward sustainable energy and reduction of its dependency on fossil fuels. It is, however, highly questionable if such initiatives provide long-term economic benefits for the local populations or if they serve the strategic interests of the national governments.

Another case study is the NDB financing for transport infrastructure in South Africa. In 2018, the bank approved a $200 million loan to increase the carrying capacity of the Port of Durban, one of the key trade corridors within Sub-Saharan Africa (NDB, 2022). The project, Humphrey (2020) argued, facilitates regional trade and related logistics enhancements. However, critics note that such large infrastructure projects usually bring about benefits that never trickle down to the most marginalized communities, hence feeding uneven development patterns within the recipient countries themselves (Esteves & Assunção, 2020).

In China, the NDB has invested in various urban development projects, including a $300 million loan for clean water infrastructure in 2019. Critics consider that, in line with the bank's priorities, this project does not provide transparency in the implementation of such a project. A study by Chin (2022) critiqued NDB's loan approval processes as opaque, hence making it difficult to assess whether funds are allocated efficiently and equitably. These case studies have shown that while NDB-funded projects contribute to infrastructure development, their long-term economic and social impacts require further scrutiny.

While ambitions to the contrary exist, there are quite a few limitations and criticisms that mean the NDB does not succeed in wholly redefining global financial partnerships. Perhaps first and foremost among these is that it has very limited financial capacity. For instance, NDB lending volume remains a small fraction of the World Bank. This has consequently driven some scholars to argue that the NDB remains a complementary institution rather than a viable alternative to the Western financial structures (Ghosh, 2017).

Another related criticism has to do with the governance and transparency of the bank's operations. Although the NDB technically is a bank where each country has equal representation, the dominance of China within BRICS raises questions about its actual influence on bank policies (Abdenur & Folly, 2021). Moreover, the processes followed by the bank in arriving at its decisions are also far less transparent than those of established multilateral lenders, thereby making the assessment of project effectiveness very difficult to judge (Chin, 2022). Moreover, the NDB has also been criticized because of its lending pattern, which disproportionately favours the BRICS countries, not providing substantial financial resources to the majority of the Global South. As Humphrey (2020) explains, "Over 70% of lending by the NDB has gone to BRICS members themselves—a lending profile which drastically reduces the institution's effectiveness to smaller developing countries lacking alternatives.". This is the opposite of the mission of the bank, which claims to be a facilitator of global development partnerships and has hence been accused of primarily serving the geopolitical and economic interests of its founding members (Esteves & Assunção, 2020).

Finally, the NDB is slow in responding to global financial crises unlike the IMF, which provides emergency liquidity support to economies that are in dire straits. The BRICS CRA was established to complement the NDB in times of crisis, but its effectiveness remains to be tested (Chin, 2022). This cast doubts on NDB's stabilizing force capacity within global finance or is it just a long-term development lender?

Research Methodology:

The research methodology to be used in this study will, therefore, take a critical look at the role of the NDB in redefining the global partnership on development within the broader framework of South-South Cooperation. Given that the focus of the study is financial governance, institutional structures, and development finance, the adopted method will thus follow the qualitative approach using content analysis of published works. This would allow for deep analysis of existing literature, policy documents, and empirical studies carried out to assert that the NDB is either a transformative force in global finance or just an extension of prevailing power structures.

Research Design

This is a qualitative research design since this best suit the institutional practices, governance structures, and financial policies of an organization within the scope of interpretation. Rather than the quantitative studies based on numerical data, this research places significance on the depth of contextual understanding with regards to how NDB works in the global financial system. Qualitative methodology is of great relevance in studying financial institutions that have been operating under large, complicated geopolitical and economic frameworks since its approach allows for critiques of policies and objectives besides assessments of their impacts (Creswell & Poth, 2018).

The main research strategy is content analysis. Content analysis will be the systematic study and interpretation of texts from academic publishing, policy reports, and institutional documents in search of meanings, themes, and patterns-contrasts for drawing inferences (Krippendorff 2018). By doing so, the present study can distil underlying structures of power dynamics, institutional bottlenecks, and geopolitical perspectives that influence the operations of the NDB.

Data Collection Method

- Given the qualitative nature of this study, it adopts secondary data collection. This comprises:
- Policy Documents: NDB's Official reports, BRICS summits, and international organizations such as UNDP and the World Bank.
- Academic Journal Articles: Referred research on South-South cooperation, global financial governance, and comparative study issues to development banks give us theoretical and empirical evidence of what role the NDB plays internationally within the context of international finance.
- Multilateral Institution Reports: Reports published by IMF, World Bank, and regional development banks with performance analysis and impacts of alternative financial institutions, including the NDB are also used.
- Case Studies of NDB-Funded Projects: Reports of the various infrastructure and development projects financed by NDB, using appraisal indicators of their economic and social impacts also form part of the secondary data collected and used in this study. Case studies provide empirical evidence on whether funding from the bank furthers sustainable development or reinforces traditional structures of dependence.

The sources were selected to be reliable in such a way that all the documents are from verifiable and traceable sources: academic databases such as JSTOR, Springer, and Elsevier, official government reports, and policy briefings emanating from international financial institutions.

Data Analysis Technique

The study uses two complementary analytical techniques: thematic analysis and comparative analysis.

Thematic Analysis:

- The thematic analysis identifies and analyzes those themes that are emerging repeatedly in the collected literature, which touch on the governance structures, financial independence, and policy flexibility of the organization.
- The data is categorized into key themes by the use of thematic coding, including:
- NDB's governance and decision-making framework.
- The role of NDB in SSC and its implications for economic sovereignty.
- The effectiveness of NDB in offering alternative models of financing.
- Challenges and controversies of NDB's operations.
- This design helps in unearthing buried assumptions and ideological predispositions behind financial governance scholarship (Braun & Clarke, 2021).

Comparative Analysis:

Comparative analysis is done to determine how the NDB differs from the NDB's traditional financial institutions like the IMF and the World Bank. Key performance indicators such as lending conditions, governance models, and project financing approaches are contrasted across institutions to examine whether the NDB represents a fundamental reconfiguration away from Western financial architectures or reproduces them. The approach provides excellent insight into the institutional effectiveness of the NDB and how this will be a harbinger of future roles it might play in reshaping global financial governance (Ghosh, 2017).

Justification of Methodology

The use of a qualitative approach becomes pertinent because it aids critical inquiry into the in-depth role that NDB assumes within SSC. The purpose of such a qualitative study over quantitative measures of financial performance is better understood by capturing institutional behaviour, policy frameworks, and geopolitical influences. More importantly, by providing an in-depth analysis of the content, it allows covering complexities extending beyond simple quantitative indicators of financial governance.

Therefore, this study systemically evaluates NDB's effectiveness as a development finance institution through thematic and comparative analysis, indicating its potential contributions and intrinsic limitations. This methodological approach ensures that the conclusion, based on empirical evidence and theoretical insights, is balanced and shows whether the NDB is an alternative to Western-led financial institutions or just another complementary player in the existing global financial order.

Findings and Discussion:

This study critically examines NDB's role in redefining global development partnerships with regards to contributions it has made towards financial independence, challenges in the implementation of its programs, its economic impact, and its placement in global financial diplomacy. While the NDB projects itself as a non-Western alternative to the Bretton Woods financial institutions, evidence rather points to underperformance emanating from internal governance issues, financial resource constraints, and BRICS' own geopolitical power imbalances.

How the NDB Contributes to Financial Independence among BRICS and Global South Nations

NDB's one key strategic objective is to furnish an alternative source of development finance, thereby diminishing BRICS and other Global South countries' reliance on Western-controlled institutions (the IMF and the World Bank). Unlike the IMF, which necessarily applies structural adjustment programs as conditions for financial support, the NDB provides loans for development, where there is no prescriptive policy condition. It thus bestows more liberty to the countries that borrow because of the designs in their economic policies (Kiron & Larionova, 2022). This has particularly been useful for countries like India and Brazil that tap the NDB financing for large infrastructure and energy projects without the austerity measures that the IMF is generally associated with (Deforge, 2023). Theoretically, the equal-shareholding model of the NDB ensures that no country will dominate decision-making within it, while in the World Bank, voting power is concentrated in the United States and European countries (Chin, 2022). That way, it contributes toward a more balanced governance framework where BRICS nations can cumulatively shape financial policies congruent with their development priorities. Also, by insisting on local currencies in transactions rather than the US dollar, the bank helps reduce the dependency on currencies and, hence, the exchange rate risks as well (Humphrey, 2020).

However, the extent of the contribution of NDB toward more financial freedom is not without controversy. While it does offer an additional source of financing, by no stretch of imagination would it be a replacement for the existing financial dependencies. Much of the lending by NDB remains impossible because it is still limited in lending capacity, while concerns prevail over China's disproportionately large influence in the bank (Abdenur & Folly, 2021). After all, its ability to expand lending operations beyond BRICS to other parts of the Global South will be a key determinant of whether the NDB is a real instrument of financial sovereignty.

Challenges Ahead for NDB in implementing Development Projects

With all its ambitions, NDB has to overcome a catalogue of challenges to finance and implement its development projects effectively. First, the NDB's challenge is its financial incapacity unlike the IMF and the World Bank. For instance, the New Development Model (NDM) has provided a total of $30 billion in loans, a figure that pales in comparison to the more than $100 billion the World Bank has lent each year cumulatively since 2015 (World Bank, 2023). This financial gap limits NDB from meaningfully altering global financial flows or large-scale economic reliefs in periods of financial crisis.

The second big challenge is related to internal governance and operational efficiency. Although the governance model of the NDB ensures equality among the BRICS members, bureaucratic inefficiencies and disagreement among member states have delayed decisions and the approval of projects. There is also some doubt as to the transparency of its procedures concerning the selection and appraisal of the projects being funded. In comparison, while the IMF and World Bank publish lengthy reports on the conditions of loans and the outcomes of projects, NDB has been criticized for lack of public disclosure, making it very difficult to discern the long-term implications of its financing (Banik & Mawdsley, 2023).

Second, the overly concentrated lending within BRICS decreases the NDB's potential in the Global South. While it was supposed to serve as an instrument of development finance across emerging economies, over 70% of the lending so far has been channelled to the BRICS members, especially to China and India (Hooijmaaijers, 2021, 2022). This raises a few questions about whether this new bank acts like a global alternative or instead just cements the intra-BRICS economic relations.

Impact of NDB funding on Member Economies

Empirical evidence has shown that the impacts that NDB-funded projects have on the economies of BRICS countries are mixed. In some instances, NDB financing has realized major infrastructure developments that contribute to long-term economic growth. For instance, NDB provided loans of $350 million to support India's Green Energy Corridor for the expansion of renewable energy infrastructure (NDB, 2022). In South Africa, the bank financed the expansion of Durban's port, hence improving trade efficiency and regional connectivity.

However, the long-term sustainability of NDB-funded projects remains uncertain. In Brazil, for instance, an NDB-funded energy project faced implementation delays due to regulatory barriers and inefficiencies in local governance. Also, concerns have been raised about whether the NDB's infrastructure investments contribute to social equity or primarily benefit national governments and large corporations. Some scholars do note that although NDB loans may improve some macroeconomic indicators, such as GDP and the ability to trade, not all these loans bring wide social development or reduction of poverty among people (Braga, 2022).

Another limitation is that the funding of NDB remains insufficient in addressing financial crises. Unlike the IMF which provides emergency liquidity, the NDB concentrates more on long-term development financing. This would mean, for example, during times of BRICS economies' downturn, its members still rely on IMF interventions, so the NDB does play a limited role in stabilizing their economy in financial distress (Chin, 2022). It would follow that although the NDB contributed to economic growth by making specific investments; it was not a general financial stabilizer.

NDB's Role in Global Financial Diplomacy compared to Western Financial Institutions

The NDB was a creation that was challenging the IMF and the World Bank. It articulates the call for the inclusive and multi-polar nature of international finance. This, in diplomatic language, signalled collective ambition aimed at the BRICS nations to reduce the Western dominance of world finances while improving their voices on world economic governance. Singh (2023) argue that its influence remains minimal in reshaping world financial diplomacy in multilateral negotiations.

While the IMF and World Bank have continued to dominate international economic policymaking-for instance, the NDB has a much narrower remit, essentially only financing infrastructure projects without seeking to determine broad financial regulations (Humphrey 2020)-other global financial mechanisms, such as the SDR system, global credit ratings, and international reserve currencies, also remain Western-operated. Indeed, the actualization of local currency lending pursued by the NDB has been slow in coming, since most developing nations would still prefer dollar-denominated transactions for their stability (Jouili, 2022).

Another diplomatic challenge for BRICS has been internal fragmentation. Unlike the European Union, with a somewhat coherent financial framework, its BRICS counterparts have large economic interests that often compete against each other. The fast-growing dominance of China in BRICS-led initiatives has engendered tensions, particularly with India, which has openly demonstrated its unease about Beijing's influence over multilateral financial policies. These geopolitical moves thus, in effect, greatly reduce the chances of the NDB evolving into a powerful and coherent diplomatic force in global financial governance.

The NDB notwithstanding, such limitations do symbolize a very important shift in international finance: there can indeed be alternative financial institutions beyond the Western-managed framework and give developing nations extra leeway regarding developmental financing. How it will further evolve into a proper competitor for the IMF and the World Bank remains to be seen in its ability to grow financial capacity, strengthen governance transparency, and gain global presence beyond BRICS.

Conclusions and Recommendations:

Conclusions

The study critically reviewed NDB's role in redefining global development partnerships within the SSC framework. The findings show that while the NDB serves as an alternative to the Western-led financial institutions, due to its financially constrained, internally governed challenges, and geopolitically imbalanced nature within the BRICS group, it will be bound to have its impacts limited. Thus, this study concludes that:

NDB furthers financial independence of BRICS members through granting development finance with less conditionality than that imposed by IMF and the World Bank. There will also be an extent of monetary sovereignty to be defined, since the much-vaunted commitment to lending in local currencies should mean less reliance on the US dollar. While technically the equal-shareholding governance model does not allow any country to dominate over others, the balance of economic weight is taken over by China.

The financial capacity of the NDB also remains far behind that of the World Bank and thus incapable of becoming an aggressive lender in global development finance. Besides, bureaucratic inefficiencies, lack of transparency, and slow decision-making impede project execution. Conceived to service the wider Global South, most of its disbursements so far have been confined to BRICS members themselves, blunting its impact outside the grouping.

The NDB has invested in projects such as infrastructure, sustainable development, the Green Energy Corridor in India, and the expansion of the port of Durban in South Africa. Yet, while these most definitely will contribute to growth, benefits from such efforts would drastically be confined to urban areas and large corporations, not really reaching social inequalities. Besides, the NDB is not an acting emergency lender; therefore, it cannot also act as an important player during the economic crises of the member country economies.

The NDB symbolizes the movement toward a multi-polar financial system but does not, as of now, rival financially either the IMF or the World Bank. Given the internal fragmentation within BRICS-most obviously, tension between China and India-the potential for the bloc to confront global economic governance in a united manner was undermined. Where monetary policy, global financial regulation, and credit ratings are concerned, the global South is still dominated by strong financial institutions of the West because the NDB still focuses on project development.

Recommendations

Suggested are several policy recommendations to further strengthen the effectiveness of NDB and consolidation of BRICS cooperation:

The NDB should augment its funding capacity through strategic capital expansion, inclusion of new membership, and close partnership with regional development banks while giving priority to lending to developing countries outside the BRICS for its emergence as a genuinely global alternative financial body.

Establish in detail the appropriate project evaluation criteria and provide more detailed public disclosure of the lending terms and associated impact assessments. In addition, ensured accountability mechanisms do not allow a single member state to disproportionately influence decision-making.

NDB should supplement its development finance mandate with the establishment of an emergency lending mechanism akin to crisis support programs of the IMF. Similarly, strengthening the BRICS CRA could underpin liquidity support to member states during economic slowdowns.

Accelerate NDB's efforts to increase the use of local currencies in financial transactions to reduce exposure to volatility in exchange rates. The development of digital mechanisms for payments and financial technologies within BRICS would further de-link dependence on Western financial systems.

The NDB should actively collaborate with regional financial institutions like the AfDB and AIIB to expand its influence. Also, reinforcement of the SSC frameworks through joint investments in infrastructure and knowledge-sharing platforms will go a long way in promoting long-term economic self-reliance.

References

Abdenur, A. E., & Folly, M. (2021). The BRICS and the financing of development: The New Development Bank in the global financial architecture. Routledge.

Amin, S. (1976). Unequal development: An essay on the social formations of peripheral capitalism (Translated from the French by Brain Pearce). Monthly Review Press.

Banik, D., & Mawdsley, E. (2023). South–South Cooperation and global development in a multipolar world: China and India in Africa. Journal of International Development.

Braga, J. P. L. (2022). Addressing the 'new in the New Development Bank (NDB)': A mission-oriented institution to finance the BRICS' ecological transitions (Doctoral dissertation, Dissertação (Mestrado em Ciências)–Faculty of Commerce, Law and Management, University of the Witwatersrand).

Braun, V., & Clarke, V. (2021). Thematic analysis: A practical guide. SAGE Publications.

Calleja, R., Cichocka, B., Gavas, M., & Pleeck, S. (2022). Global development paradigm for a world in crisis (No. 275). Center for Global Development.

Chin, G. T. (2022). The BRICS-led challenge to the global financial order: Alternatives, competition, or convergence? Cambridge University Press.

Creswell, J. W., & Poth, C. N. (2018). Qualitative inquiry and research design: Choosing among five approaches (4th ed.). SAGE Publications.

Deforge, Q. (2023). Financing development: Demands from the Global South, challenges for the multilateral system. In Routledge Handbook of International Organization (pp. 594-605). Routledge.

Duggan, N., Ladines Azalia, J. C., & Rewizorski, M. (2022). The structural power of the BRICS (Brazil, Russia, India, China and South Africa) in multilateral development finance: A case study of the New Development Bank. International Political Science Review, 43(4), 495-511.

Dye, B. J. (2022). Uneven convergence in India's development cooperation: the case of concessional finance to Africa. Third World Quarterly, 43(1), 166-186.

Esteves, P., & Assunção, M. (2020). BRICS and the global development finance agenda: Competing or complementary? Third World Quarterly, 41(5), 827-844.

Frank, A. G. (1966). The development of underdevelopment. Monthly Review, 18(4), 17–31.

Ghosh, J. (2017). Rethinking development finance: The role of the New Development Bank. Development and Change, 48(3), 411-427.

Griffith-Jones, S. (2018). The New Development Bank: An alternative to the World Bank? Economic and Political Weekly, 53(6), 23-27.

Hooijmaaijers, B. (2021). Understanding success and failure in establishing new multilateral development banks: The SCO Development Bank, the NDB, and the AIIB. Asian Perspective, 45(2), 445-467.

Hooijmaaijers, B. (2022). The internal and external institutionalization of the BRICS countries: The case of the New Development Bank. International Political Science Review, 43(4), 481-494.

Humphrey, C. (2020). Financing development: The role of emerging powers and the NDB. Oxford University Press.

Jose, H. S. (2021). Indonesia's 2020 new paradigm of collaborative strategic outlook in the South-South Cooperation (SSC) as the bridge-builder for the post-pandemic development. Verity Jurnal Ilmiah Hubungan Internasional, 12(24), 5-20.

Jouili, M. (2021). South–South Cooperation: A new development paradigm. South-South Cooperation in the 21st Century: New challenges, 199.

Jouili, M. (2022). South–South Cooperation. South-South Cooperation in the 21st Century: New challenges, 199-211.

Khomyakov, M. (2021). BRICS and beyond: Some principles of educational collaboration in the Global South. The BRICS Order: Assertive or Complementing the West?, 221-247.

Kirton, J., & Larionova, M. (2022). The first fifteen years of the BRICS. International Organisations Research Journal, 17(2), 7-30.

Krippendorff, K. (2018). Content analysis: An introduction to its methodology (4th ed.). SAGE Publications.

Morozkina, A., & Skryabina, V. (2021). BRICS and partnerships for sustainable development: prospects for trade with least developed countries. Int Organ Res J, 16(1).

Moyo, G. (2021). Reinserting African agency in the BRICS financing in Africa. In African Agency, Finance and Developmental States (pp. 75-106). Cham: Springer International Publishing.

Muhr, T. (2023). Reclaiming the politics of South-South cooperation. Globalizations, 20(3), 347-364.

NDB (2022). Annual Report: Advancing sustainable development in emerging economies. Shanghai: NDB Publications.

North, D. C. (1990). Institutions, institutional change and economic performance. Cambridge University Press.

Quadir, F. (2021). South-South cooperation, realpolitik and the changing global aid architecture: exploring the role of Southern aid providers in development cooperation. In Handbook of Development Policy (pp. 159-170). Edward Elgar Publishing.

Santos, T., 1970. The structure of dependence. TheAmerican Economic Review, 60(2), pp. 231-236.

Singh, A. R. (2023). The new era of globalism: Redefining globalisation through international initiatives, alliances and associations. Electronic Journal of Social and Strategic Studies, 4, 339-355.

Suri, N., & Reddy, A. (2021). Beyond government: Role of new actors in India's development cooperation. A 2030 Vision for India's Economic Diplomacy, 222-234.

World Bank (2023). Global economic prospects: Emerging markets and the role of BRICS. World Bank Publications.

Xinzhu, F. A. N. (2021). BRICS climate cooperation in the post-paris agreement era. International Relations, 9(07), 259-277.