Iran needs to leverage BRICS membership for economic resilience

Membership alone cannot shield Iran from sanctions

By Delaram Ahmadi
Staff writer

INTERVIEW

The BRICS Summit was held in New Delhi on September 13–14, with Iranian President Masoud Pezeshkian taking part in the meeting. For Iran, which faces extensive Western sanctions, membership in BRICS is viewed as an opportunity to strengthen economic resilience, expand trade and financial ties, and develop mechanisms to reduce the impact of sanctions and restrictions.
However, membership in the bloc alone cannot guarantee such outcomes, according to Seyyed Mohammad Abbasnia, a financial expert who spoke to Iran Daily. He said the real value of BRICS for Iran would ultimately depend not on membership itself, but on the country’s ability to translate that membership into greater trade, access to capital and technology, and stronger economic resilience.


Mohammad Abbasnia

Iranian President Masoud Pezeshkian addresses the BRICS Business Forum in New Delhi, India, on September 11, 2026, as the leaders of Russia, India, and South Africa listen.
president.ir

IRAN DAILY: Given BRICS’ expansion and the significant share of the global economy represented by its members, what practical capacity does the group have to expand trade, investment, and financial cooperation among its members, and to what extent can Iran take advantage of these opportunities?
ABBASNIA: Any assessment of BRICS’ economic potential should distinguish between the aggregate economic weight of its members and the actual degree of economic integration among them. With 11 full members, BRICS today encompasses nearly half of the world’s population. According to official figures released during India’s presidency, its members account for roughly 40 percent of the global economy and approximately 26 percent of world trade. The GDP figure, however, depends on the methodology used: estimates based on purchasing power parity place the BRICS share of global output at roughly 39 to 40 percent.
The group’s significance is even greater in several strategic sectors. BRICS members account for approximately 44 percent of global oil production and more than one-third of natural gas production, while also commanding substantial shares of strategic minerals, agriculture, manufacturing, technology, and consumer markets. At one end of the group are China and India, with enormous domestic markets and vast industrial capacity; at the other are major energy producers such as Iran, Russia, Saudi Arabia, and the United Arab Emirates, while countries including Brazil, South Africa, and Indonesia bring significant mineral, agricultural, and industrial resources to the table.
More importantly, intra-BRICS trade has expanded sharply. According to UNCTAD, merchandise exports among BRICS economies rose from about $84 billion in 2003 to approximately $1.17 trillion in 2024, an increase of more than thirteenfold. Even so, that level remains below what might reasonably be expected given the combined size of these economies, suggesting that BRICS still has considerable untapped potential for deeper intragroup trade.
For Iran, a substantial portion of this economic geography is already in place. UNCTAD data indicate that in 2024, more than 40 percent of Iran’s imports originated in BRICS member countries. Iran’s principal opportunity, therefore, is not simply to increase the volume of trade, but to improve the quality and composition of its economic relationships. That means moving beyond exports of oil, petrochemicals, and minerals toward joint investment, industrial co-production, technology transfer, the development of cross-border value chains, and greater use of Iran’s geographic position along north-south and east-west transport corridors. President Pezeshkian emphasized precisely these priorities at the most recent summit, calling for greater joint investment, harmonized standards, customs digitalization, and a transition from trade in raw materials toward shared production and value chains.
There is also an important continuity in Iran’s foreign economic policy that should be recognized. Iran’s accession to BRICS was secured under the previous administration, and the country became a full member at the beginning of 2024. Under Pezeshkian’s administration, Iran has therefore entered the next phase, which can be described as the phase of deepening membership and converting it into tangible economic gains. If the previous administration opened the door to membership, the task of the new administration should be to institutionalize its economic, financial, banking, trade, and investment foundations.
BRICS is neither a customs union nor a single market. Membership by itself does not reduce tariffs, generate foreign investment, or resolve trade frictions. For Iran, therefore, the potential of BRICS is substantial but conditional. Success should be measured through concrete indicators: the volume of joint investment, growth in value-added exports, lower trade costs, a higher share of local currencies in settlement, expanded transport corridors, and greater participation by Iranian firms in the value chains of other member economies.

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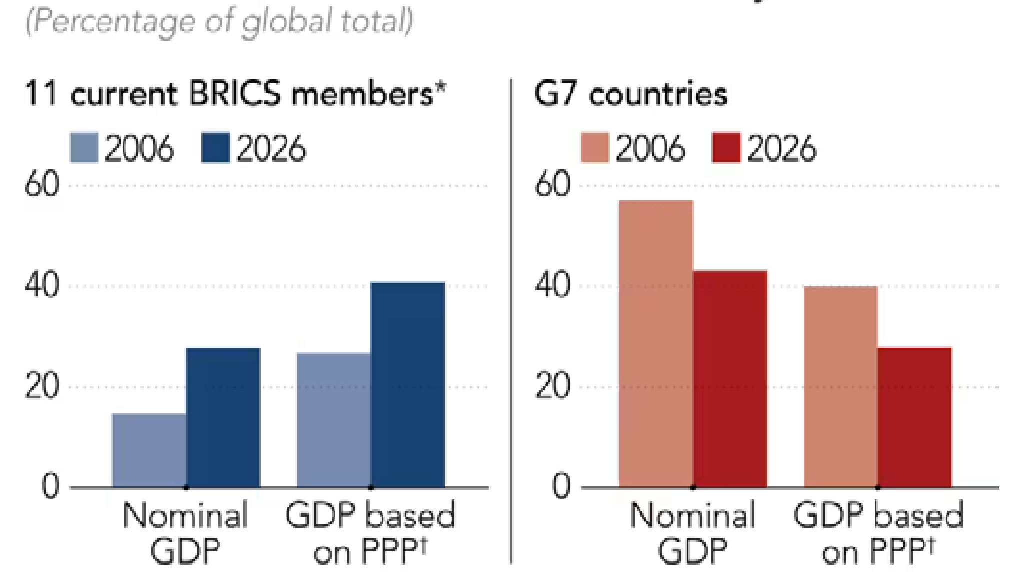
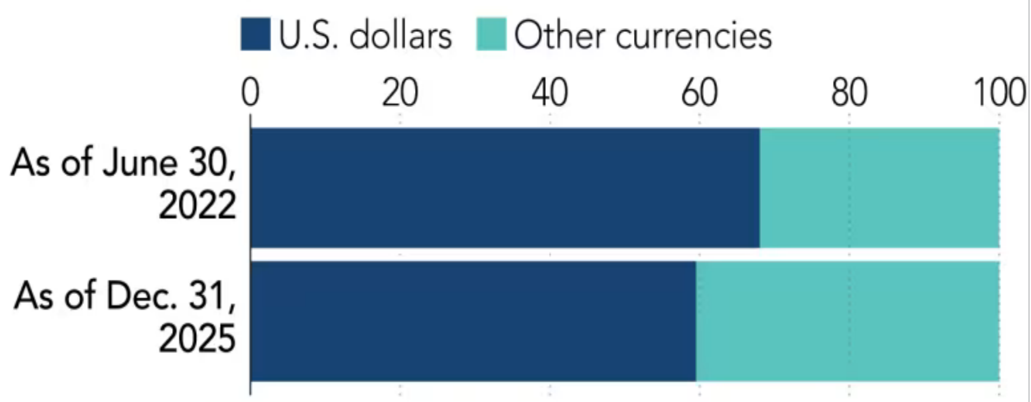
Pezeshkian has proposed that the BRICS New Development Bank become a major engine for financing member countries’ infrastructure and energy projects through dedicated credit lines and local-currency financing. How practical is this proposal, and what role could the New Development Bank play in financing projects in Iran?
From a technical standpoint, Pezeshkian’s proposal is broadly consistent with both the mandate and the evolving strategic direction of the BRICS New Development Bank. The NDB was established with authorized capital of $100 billion to finance infrastructure and sustainable development in emerging economies. By the end of 2025, it had approved a cumulative 139 projects totaling approximately $42.9 billion in financing, while at the end of the same year, 115 projects worth roughly $35.6 billion remained in the Bank’s active portfolio. The distinction between these two figures matters: the first represents cumulative historical approvals, while

Economic blocs’ share of world economy
(Percentage of global total)



*Includes Saudi Arabia, which was invited to join in 2023 but has left its membership status ambiguous †Purchasing power parity, adjusts GDP for differences in cost of living and prices between countries
IMF

New Development Bank (BRICS Bank) has reduced dollar lending (Percentage of total)



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