

***Indian Culture And Heritage*****Ramayana Express****In News**

- Indian Railways has announced a special tourist train '**Shri Ramayana Express**', covering the prominent sacred places associated with the life of Lord Rama.
- The 16 day trip operated by IRCTC will cover around 8000 kms on the Indian Railway's **Ramayana Circuit** from Ayodhya in Uttar Pradesh to Rameswaram in Tamil Nadu.
- An add-on tour is also designed to visit the places of Ramayana located in Sri Lanka.
- The Ramayana circuit has been started under the **Swadesh Darshan Scheme**, launched by **Ministry of Tourism** in 2014-15 for integrated development of theme-based tourist circuits.
- The destinations are chosen according to the places where Lord Ram is believed to have travelled across India.
- Some of the important destinations of Ramayana circuit are Nandigram, Sitamarhi, Janakpur, Varanasi, Prayag, Shringverpur, Chitrakoot, Nasik, Hampi and Rameswaram.
- The scheme is a joint effort of the states and the central government. It has a larger aim of providing job opportunities to local artisans by giving boost to religious tourism, as it promotes local art and craft.

**Swadesh Darshan Scheme**

- It is one of the flagship scheme of Ministry of tourism for **development of thematic circuits** in the country in a planned and prioritised manner.
- It intends to **promote cultural and heritage value of the country** by developing world-class infrastructure in the circuit destination.
- Under this scheme, **13 thematic circuits have been identified** for development. They are Buddhist Circuit, North-East India Circuit, Coastal Circuit, Himalayan Circuit, Krishna Circuit, Desert Circuit, Eco Circuit, Wildlife Circuit, Tribal Circuit, Rural Circuit, Spiritual Circuit, Ramayana Circuit, and Heritage Circuit.

**PRASAD Scheme**

- **Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD)** aims to beautify and improve the amenities and infrastructure at pilgrimage centres of all faiths and harness the value of religious tourism.
- Under the PRASAD scheme, **13 sites** have been identified for development, namely: Amritsar, Ajmer, Dwaraka, Mathura, Varanasi, Gaya, Puri, Amaravati, Kanchipuram, Vellankanni, Kedarnath, Kamakhya, and Patna.

**Kambala****In News**

- The coastal districts of **Dakshina Kannada and Udupi** are all set for kambala (a traditional slush-track buffalo race) with 18 races lined up for the 2018-19 season.

- The first race, named 'sathya-dharma', was held at Bantwal taluk in Dakshina Kannada on November 24. The last and the 18th 'soorya-chandra' kambala will be conducted at Mangaluru taluk on March 23, 2019.

### Legal Issue

- Kambala was not held in the coastal districts during 2016-17 due to a ban imposed by Karnataka High Court in November 2016 on a PIL filed by the People for the Ethical Treatment of Animals (PETA). In view of the apex court verdict on jallikattu, the high court had also stayed this event.
- Later, the President promulgated **The Prevention of Cruelty to Animals (Karnataka Amendment) Ordinance 2017**, which was valid till January 20, 2018 paving the way for conducting kambala in 2017-18.
- Though PETA challenged the ordinance in the Supreme Court, it refused to pass an interim stay on the Ordinance. Hence some kambalas were held in the last season.
- With the Governor giving approval to the **Prevention of Cruelty to Animals (Karnataka Second Amendment) Act, 2017**, and the State government notifying the same in February 2018, kambala organisers can go ahead with the race without the threat of a ban hanging over the event.
- However, PETA has again questioned the constitutional validity of the new law in the Supreme Court in September, 2018 seeking direction to strike it down.

### About Kambala

- Kambala is an annual buffalo race which is a tradition in the Karnataka's Dakshina Kannada and Udupi districts' farming community. This area is called Tulunadu (Land of Tulu Language).
- The festival begins with an inaugural ceremony and a parade of the participating farmers along with their prized buffaloes. Tracks are ploughed into a muddy field that is made slushy with water.
- This annual event starts in November and lasts till March every year. This age-old festival is organized on a large scale and a huge crowd gathers to participate in the celebrations.
- According to one belief, Kambala is a festival that originated in the farming community of Karnataka around 800 years back.
- The festival is dedicated to Kadri's Lord Manjunatha, an incarnation of Lord Shiva. It is believed to be celebrated to please the Gods for a good harvest.
- It is a form of recreational sport for the farming community and also another belief is that it is considered as the Sport of the royal (landlord) Family.

### UNESCO Asia-Pacific Awards for Cultural Heritage Conservation

#### In News

- The UNESCO Asia-Pacific Awards for Cultural Heritage Conservation were announced recently.
- The programme recognizes the efforts of private individuals and organizations that have successfully conserved structures and buildings of heritage value in the region.
- It aims to encourage other property owners to undertake conservation projects within their communities, either independently or by seeking public-private partnerships.
- Ever since the awards programme was established in 2000, major strides have been witnessed in cultural heritage conservation over the past twenty years.

- This year's projects show the heightened level of public awareness, policy support and private sector investment in an ever-widening range of heritage typologies.

#### **List Of Awards**

- **Award of Excellence:** Shijo-cho Ofune-hoko Float Machiya, Kyoto, Japan
- **Award of Distinction:** The LAMO Centre, Ladakh, India
- **Award of Merit:** 5 Martin Place, Sydney, Australia; Aijing Zhuang, Fujian, China; Old Warehouse of the Commercial Bank of Honjo, Saitama, Japan
- **Honourable Mention:** Hengdaohezi Town, Heilongjiang, China; Rajabai Clock Tower & University of Mumbai Library Building, Mumbai, India; Ruttonsee Muljee Jetha Fountain, Mumbai, India
- **New Design in Heritage Contexts:** Kaomai Estate 1955, Chiang Mai, Thailand; The Harts Mill, Port Adelaide, Australia

#### **Aadi Mahotsav**

##### **In News**

- The 4<sup>th</sup> edition of annual "Aadi Mahotsav", a National Tribal Festival organized by **Ministry of Tribal Affairs in association with TRIFED and Ministry of Culture** to celebrate and cherish the spirit of tribal culture, craft, cuisine and commerce was recently held at Dilli Haat, New Delhi.
- The theme of the festival is "**A Celebration of the Spirit of Tribal Culture, Craft, Cuisine and Commerce**".
- The Adivasi way of life is guided by primal truths, eternal values, and a natural simplicity. The greatness of the tribes lies in this that they have managed to retain the primal skills and natural simplicity. Their creations issue from the depths of time. This quality gives their arts and crafts a timeless appeal.
- The mahotsav comprises of display and sale of items of tribal art and craft, tribal medicine & healers, tribal cuisine and display of tribal folk performance, in which tribal artisans, chefs, folk dancers/musicians from 23 States of the country are participating and providing glimpse of their rich traditional culture.
- Further, steps towards digitization have been taken in partnership with leading online retailers to enable selection and purchase of tribal products through the shopping sites.

#### **Sangai Tourism Festival**

*Government interventions for development in various sectors*

##### **In News**

- Named after the state animal Sangai, the brow-antlered deer found only in Manipur, the festival started in 2010 and it has grown into a big platform for the state to showcase its rich tradition and culture.
- The brow-antlered deer or the dancing deer is found in its natural habitat only at Keibul Lamjao National Park over the floating biomass locally called "phumdi" in the south eastern part of Loktak Lake.

- It is now recognized as a national event and has brought the state's cultural flavor to the centre stage, as well as promote handloom and handicraft products.
- The 10-day festival, the biggest of the state, will see various cultural troupes from different parts of the country, including Assam, Odisha and Uttar Pradesh; and countries like Thailand and South Korea.
- It gives a chance to experience the very best of Manipur's culture—songs, dances, cuisine, the exotic indigenous sports, crafts, textile heritage, traditional dances, classical and folk music and dances—representing so many ethnic groups.
- While cultural highlights include the legendary Raas Leela dance form, Kabui Naga dance, bamboo dance and Maibi dance, Pung Cholom, Nata Sankirtana, etc, the indigenous sports section celebrates Sagol Kangjei—Manipuri Polo, Yubi lakpi, a local form of rugby played with a greased coconut, and Mukna kangjei (combining both hockey and wrestling), among others.

## ***Society***

### **World Food Programme**

*Syllabus: Poverty and Developmental Issues*

#### **In News**

- The **UN World Food Programme** and Chinese e-commerce giant **Alibaba Group** have formed a strategic partnership to support efforts to **eliminate hunger globally by 2030** - one of the key Sustainable Development Goals (**SDG 2**).
- Under the framework, Alibaba will provide its leading technology and resources to support the digital transformation of WFP's operations.
- In particular, Alibaba Cloud, the cloud computing arm of Alibaba, will collaborate with WFP to develop a digital **World Hunger Map** to monitor the status of global hunger and help enhance the efficiency of operations and shorten emergency response times to support efforts towards the goal of attaining SDG 2.
- The parties will also create a **Digital Transformation Working Group** to determine priorities, assess new opportunities, and review progress on projects.

#### **About WFP**

- World Food Programme is the UN agency focused on hunger alleviation and food security.
- It was first **established in 1961** after the 1960 Food and Agriculture Organization (FAO) Conference and has its **headquarters in Rome**.
- Globally, it responds to emergencies making sure food reaches where it is needed, especially in times of civil strife and natural disasters.
- In India, WFP has moved from providing direct food aid to providing technical assistance and capacity building services to the government.
- Focus Areas: Food and Nutrition Security; Strengthening food-based safety nets; Policy reform to enhance food and nutrition security; Fortification of food; Food security mapping and analysis; Addressing nutrition concerns during the first 1000 days of life; Addressing nutritional needs of adolescent girls, pregnant and lactating women, and older persons.

**World Cities Day**

*Syllabus: Urbanization, Their Problems, and Their Remedies*

**In News**

- The National Mission for Clean Ganga partnered with UN Habitat to organize a policy dialogue- '**Urban Cafe: River for Habitat**' in Delhi on the occasion of World Cities Day 2018.
- Experts in the sector got together to discuss **deep association that rivers have with various aspects of human civilization** – our cities, our economy and various facets of our daily lives, the challenges to maintaining healthy river ecosystems, and ways to deal with the same.

**World Cities Day**

- World Cities Day is celebrated on **31st October** and aims to promote the international community's interest in global urbanisation, enhance cooperation among countries and cities in meeting opportunities and addressing challenges on urbanisation, and contribute to sustainable urban development.
- The overall World Cities Day theme is **Better City, Better Life**.
- **Building Sustainable and Resilient Cities**, the theme for World Cities Day 2018, is a call to action to rethink how cities may become better places to protect and enhance people's lives, leaving no one behind.

**UN Habitat**

- The United Nations Human Settlements Programme (UN-Habitat) is the United Nations agency working towards a better urban future.
- It was **established in 1978** as an outcome of the First UN Conference on Human Settlements and Sustainable Urban Development (Habitat I) held in Vancouver, Canada, in 1976 and has its headquarters at Nairobi, Kenya.
- Its mission is to **promote socially and environmentally sustainable human settlements development** and the achievement of adequate shelter for all.

**Constitution, Polity, And Governance**

**Quota For Marathas**

*Syllabus: Indian Constitution: Historical underpinnings, evolution, features, amendments, significant provisions and basic structure.*

**In News**

- After months of protests, the Maratha community has secured promise of reservation in government jobs and educational institutions. The proposal has been cleared by the Maharashtra legislature to provide **16% reservation**.
- Previous government in 2014 moved to reserve 16% of seats in government jobs and educational institutions but it was stayed by the Bombay High Court.
- As per **Article 340** of the Constitution, the term socially and educationally backward class (SEBC) is being used for the OBCs.

**Rationale For Grant Of Reservation**

- **As Per Recommendation of SBCC:** Maharashtra government has defended this by saying that it is in line with the recommendations of a State Backward Class Commission (SBCC) report, mandating reservations for Marathas under a new separate SEBC category.
- **General Backwardness:** As per the report's assessment, Marathas are socially and educationally backward, with minuscule representation in government services and the State is liable to take action considering the extraordinary and exceptional conditions.
- According to the MSBCC's report, the percentage of Marathas below poverty line was **37.28 %**, higher than the 25 % base; the percentage of those with small and marginal land-holdings among Marathas was **62.78 %**, much higher than the base 48.25 % which is considered for social economic backwardness. The grading for education (post Class X and Class XII) also showed Marathas lagged behind the national average literacy index. The community registered the highest number of suicides, especially in the agriculture sector.

**Opposition To The Move**

- **Above 50% Limit:** Creating a separate category now would increase the overall quota beyond the 50% limit which the Supreme Court has set.
- **Not backed with data:** The SBCC's reported findings that a significant proportion of Marathas constitute a socially and educationally backward class do not square with available data. As with Jats in Rajasthan and Patels in Gujarat, they enjoy a socio-economic status closer to that of the forward classes and castes in Maharashtra.
- **Marathas comprises just 12% of population:** The **Kunbi community**, a sub-caste of the Marathas, which is considered backward, claims that if Kunbis are removed from this 30% figure, then the Marathas would be just 12%. So, if the Maharashtra government offers reservation of 15-16% to the Marathas, claiming that they are 30% of the state's population, then the matter could be

**In a Fix**  
Giving 16% reservation to the Marathas, including the Kunbis, isn't possible because the Kunbis are already included the OBC quota

Even if the state accords 6-9% reservation, Marathas might face a legal hurdle because Maharashtra would have exceeded SC's 50% reservation limit

We are a sub caste in the Marathas who don't consider us as their own. If you remove the Kunbis from this 30% figure, then the Marathas would be just 12%

**Vishwanath Patil,**  
Kurbi Sena Chief

legally challenged. (Kunbis are already included in the OBC quota)

- **No social stigma:** There is no reason to argue that Marathas face any social stigma that calls for affirmative action.
- **Reservation just to dole out benefits:** The demand for reservations in this case is less an acknowledgement of social backwardness from a politically powerful community and more a call for the accrual of welfare benefits to less well-off sections among the community.
- **Political motivation:** The Cabinet's nod is in any case born of political exigency, not socio-economic reasons.
- **Perception based reservation:** The assertions of backwardness by sections of dominant communities such as Marathas, Patels and Jats have largely been due to perceptions about the relative inability to move up the economic ladder and the lack of adequate employment opportunities amid a sluggish agrarian economy.
- **Claim by other communities:** There are more than 300 different castes vying for just 27% reservations for OBCs, an exclusive 16% reservations for Marathas could see similar communities who do not enjoy reservations to stake claim by arguing that the 'socially and educationally backward caste class' criteria tag for Marathas suit them too.

### Way Forward

- As judicial scrutiny is bound to be brought to bear on the government's decision, it will be well-advised to look at measures to alleviate the State's prolonged agrarian distress and the lack of adequate jobs, problems that affect all sections of society.
- Thus, reservation is indeed an instrument to rectify social and educational backwardness, but it does not have solutions for every social and economic ailment. The government will have to expand the economic cake and create fresh opportunities so that people, especially young people, who leave agriculture are absorbed in non-farm sectors.

### SC on Double Jeopardy

*Syllabus: Indian Constitution: Historical underpinnings, evolution, features, amendments, significant provisions and basic structure.*

### In News

- The SC has held that the bar of double jeopardy does not arise if an accused was discharged of a criminal offence, even before the commencement of trial, on the basis of an invalid sanction for prosecution.
- The judgment is based on an appeal filed by the State of Mizoram against an order passed by the Guwahati High Court in August 2015, upholding a Special Court decision to decline to entertain a second charge sheet filed in a corruption case against the accused, Dr. C. Sangnghina on the ground of double jeopardy.
- **Article 20(2):** It mandates that a person can't be prosecuted or punished twice for same offence.

### The Judgement

- **No trial- no double jeopardy:** A Bench of Justices R. Banumathi and Indira Banerjee held in a judgment that if an accused has not been tried at all and convicted or acquitted, the principles of double jeopardy cannot be invoked at all.

- **No quashing of the proceedings:** The courts are not to quash or stay the proceedings under the Prevention of Corruption Act merely on the ground of an error, omission or irregularity in the sanction granted by the authority, unless it is satisfied that such error, omission or irregularity has resulted in failure of justice.

**Private Member’s Bill**

*Syllabus: Parliament and State Legislatures- structure, functioning, conduct of business, powers & privileges and issues arising out of these.*

**In News**

- As the Ram Janmabhoomi-Babri Masjid issue arose, the nominated Member of Rajya Sabha Rakesh Sinha said he would bring a private member’s Bill on the Ram Temple.
- The last time a private member’s Bill was passed by both Houses was in 1970. This was the *Supreme Court (Enlargement of Criminal Appellate Jurisdiction) Bill, 1968.*
- 14 private member’s Bills, 5 of which were introduced in Rajya Sabha, have become law so far.

**About Private Members And Their Bills**

- Any MP who is not a Minister is referred to as a private member. Parliament’s key role is to debate and make laws. Both Ministers and private members contribute to the lawmaking process.
- **Government’s Bill:** Bills introduced by Ministers are referred to as government bills. They are backed by the government and reflect its legislative agenda.
- **Private Member’s Bill:** Private member’s bills are piloted by non-Minister MPs. Their purpose is to draw the government’s attention to what individual MPs see as issues and gaps in the existing legal framework, which require legislative intervention.

**Introduction Of Private Member’s Bill**

- **Admissibility:** The admissibility of a private member’s Bill is decided by the Rajya Sabha Chairman. (In case of Lok Sabha, it is the Speaker; the procedure is roughly the same for both Houses.)
- **Procedure:** The Member must give at least a *month’s notice* before the Bill can be listed for introduction. The House secretariat examines it for compliance with constitutional provisions and rules on legislation before listing.
- **Number of private bills per session:** Up to 1997, private members could introduce up to *3 Bills* in a week. This led to a piling up of Bills that were introduced but never discussed; Chairman K R Narayanan, therefore, capped the number of private member’s Bills to **3 per session**.
- **Day reserved for discussion:** While government Bills can be introduced and discussed on any day, private member’s Bills can be *introduced and discussed only on Fridays*.
- **Introduction and discussion on bill:** On the scheduled Friday, the private member moves a motion for introduction of the Bill, which is usually not opposed. Only a fraction of private member’s bills that are introduced, are taken up for discussion. Rajya Sabha draws a ballot to decide the

**PRIVATE MEMBER’S BILL**

➤ The first such bill to be passed was the Muslim Wakf Bill in 1954 and the last was the Indian Penal Code (Amendment) Bill in 1969

**Till now, only 14 private members’ bills have been passed by Parliament**

➤ In the last session of Parliament, Rajya Sabha passed the Rights of Transgender Persons Bill. Moved by DMK MP Tiruchi Siva, it sought equal rights with dignity for transgenders

13th Lok Sabha (1999-2004)	14th Lok Sabha (2004-2009)	15th Lok Sabha (2009-2014)
343 private members’ bills were introduced, of which 17 were discussed	328 such bills were introduced, of which 14 were discussed	372 such bills were introduced and 11 were discussed

sequence of discussion of Bills. If a Bill is successful in the ballot, it has to wait for the discussion to conclude on a Bill currently being debated by the House. Over the last three years, Rajya Sabha saw the introduction of 165 private member's Bills; discussion was concluded on only 18.

- **Lapse:** A private member's Bill that is introduced but not discussed in Rajya Sabha lapses when Member retires.
- **After end of discussion:** Upon conclusion of the discussion, the Member piloting the Bill can either withdraw it on the request of the Minister concerned or he may choose to press ahead with its passage. In the latter case, the Bill is put to vote and, if the private member gets the support of the House, it is passed. In 2015, Rajya Sabha passed *The Rights of Transgender Persons Bill, 2014*, a private member's Bill piloted by Tiruchi Siva of the DMK. The Bill is now pending before Lok Sabha.

### **Issue Over Dissolution Of J&K Assembly**

*Syllabus: Issues & challenges pertaining to federal relations*

#### **In News**

- Jammu and Kashmir (J&K) Governor Satya Pal Malik dissolved the State Assembly, citing the impossibility of forming a stable government.
- Malik moved shortly after PDP leader Mehbooba Mufti staked claim to form a government with the support of the National Conference and Congress. She cited a collective strength of 56 MLAs in the 87 member House.

#### **Constitutional And Legal Position**

- **SC Judgments**
  - A nine-judge bench of the Supreme Court in the **SR Bommai (1994)** case had observed that the power under *Article 356* is extraordinary, must be used sparingly and should never be used for political gain for the party in power at the Centre.
  - As indicated in **Rameshwar Prasad Case 2006**, a Governor can't shut out post poll alliances altogether. Moreover, the court had also said unsubstantiated claims of horse trading or corruption in efforts at govt formation can't be cited as reasons to dissolve the Assembly.
  - The SC has held in various judgements that the floor test is mandatory before any decision on the dissolution of the assembly and dissolution should be a measure of last resort.
  - The action of Governor is not in consonance with the recent apex court judgement on dissolution of Uttarakhand and Arunachal Assembly. In these cases, the Court held that the goal of attainment of the glory of constitutional democracy should be through representative democracy rather than nominated Governors.
- The **Sarkaria Commission** makes it clear that where pre-poll alliance and largest party principles cannot apply, then a third and fourth option must be first tried, before the extreme step of dissolution *viz.* post electoral coalition of parties or some of the parties in the alliance forming a govt and the remaining parties supporting the government from outside. Clearly, the J&K context falls in these categories which the governor deliberately and illegally avoided.

#### **Arguments In Favour Of Dissolution**

- **Opportunistic Alliance With Opposing Political Ideologies:** There is impossibility of forming a stable government by coming together of political parties with opposing political ideologies. Moreover, the experience of the past few years shows that with the fractured mandate, it is not

possible to form a stable government. The coming together of such parties in a grouping is nothing but an attempt to gain power rather than to form a responsive government.

- **Allegation Of Horse Trading:** There were reports of extensive horse trading and possible exchange of money in order to secure the support of legislators belonging to widely diverging political ideologies just to be able to form a government. Such activities are not healthy for democracy and vitiate the political process.
- **Doubt Over Longevity Of Government:** Serious doubts about the longevity of any such arrangement, where there are competing claims of majority.
- **Security Situation of J&K:** There is a fragile security scenario in the state of J&K and it need to have a stable and supportive environment for security forces which are engaged in extensive anti-militancy operations and are gradually gaining control over the security situation.

### Arguments Against Dissolution

- **Against Legal Position:** The decision seems to be against the SC judgments and Committee's recommendation as mentioned above.
- **Politically Motivated Action:** Governor of J&K decided to dissolve the assembly within minutes of the claim of formation of government by the PDP, NC and Congress, which show that action was not legally based.
- **Flawed reasoning:** The Governor has no power to examine the ideologies of the political parties prior to inviting them to form government. Moreover, the Governor can't oppose the coming together of parties of opposing ideologies when the BJP itself was in a coalition government with the PDP for more than two years.
- **Violates basic structure of constitution:** Dissolution of the assembly to prevent the formation of a popular government shows a lack of belief in parliamentary democracy, which comes under the basic structure of Constitution.

### Way Forward

- The decision of the Governor *prima facie* seems to be in violation of the SC's order that has made floor test mandatory before any decision on the dissolution.
- To avoid such fiasco, there is need to make the officer of Governor independent by implementing the recommendations of *Sarkaria Commission*.

### Supreme Court in-house Think-tank

*Syllabus: Structure, organization, and functioning of Judiciary and Related Issues*

### In News

- Recently, the Chief Justice of India started an in-house think-tank by establishing **Centre for Research & Planning**.
- The aim is to build a network of independent professionals to speed up justice delivery and ushering in much needed judicial reforms.
- **Composition:** The think tank will initially comprise a select few persons. But it will also have the authority to build a network of independent professionals who will pitch in with ideas and inputs which can help improve the system in terms of both jurisprudence and hastening the justice delivery mechanism.

**Analysis Of The Decision**

- **Welcome step:** The court procedures and work distribution in courts need an urgent look but it cannot be done by judges and academicians. There must be professionals at the helm of affairs in the court who understand work flows etc. Therefore, establishment of such an independent research unit to look in these affairs is a positive step.
- **Precondition for success:** The expert believe that it can bring in judicial reform only if it is independent and comprises of domain experts.
- **Actual implementation of recommendation a must:** Moreover, above all, the system (judiciary) must heed the inputs given by any in-house think tank. Therefore, some policy syncing is a must.
- **Upgradation of existing institution was required:** Moreover, the court would have done well to upgrade the institutions already in existence rather than create a new one. Institutions such as the ILI (Indian Law Institute) could have been galvanized.
- **No such mechanism at HC level:** Such think tanks are, in fact, needed more at the High Court level than the Supreme Court.

**Way Forward**

There are many such private institutions, which can give inputs on ushering in much-needed changes in the system. The court would therefore do well to institutionalize the new think tank and also make it wholly independent of the registry (the court bureaucracy) to ensure its independence. Otherwise it will not be efficient.

**Central Recruitment To Fill Judge’s Vacancies**

*Syllabus: Structure, organization, and functioning of Judiciary and Related Issues*

**In News**

- The Union Law Ministry is working with the Supreme Court to conduct a nationwide examination to recruit around 6,000 judges for the lower judiciary as a one-time measure.
- The appointment of judges in district and subordinate courts is the responsibility of state governments and the High Courts concerned. But things have come to this pass because of inordinate delays in holding examinations for judicial recruitment at the state level.
- Under the nationwide recruitment scheme, a Central Agency will conduct the test with due importance given to local languages for those opting for a particular state.
- Subsequently, an all-India merit list will be prepared based on which the state governments will make the final appointments.

**Impact**

- This is much needed given the high pendency of cases. In fact, lower courts currently have a backlog of **2.78 crore cases**.
- It is generally said that the **justice delayed is justice denied**, but the current step will resolve such dilemma.
- Moreover, access to court and fast pace of justice delivery is important considering that the judiciary is

<b>STRENGTH &amp; VACANCIES</b>	
STATUS REPORT ON DISTRICT & SUBORDINATE JUDICIARY	
Sanctioned strength of district & sub judiciary	22,474
Working strength of district & sub judiciary	16,728
Vacancies	5,746
Number of court halls	18,403
Court halls under construction	2,730
No. of residential quarters for judges	15,552
Residential units under construction	1,486
<b>Note: Status as on 31st March 2018</b>	
<small>Source: Law ministry</small>	

the last *hope for ordinary aggrieved citizens*.

- This will also help ensure **uniformity in judicial recruitment** across the country and reduce delay in appointment.
- High pendency creates an impression that the courts only work for the powerful, undermining faith in the justice system. Resolving pendency will create trust in judiciary.

### Way Forward

- Although several states are not in favour of the central selection mechanism, current Chief Justice Ranjan Gogoi deserves credit for favoring the one-time exercise to reduce pendency.
- Although this has been proposed as a one-time measure, there is a case here to have a permanent central judicial recruitment mechanism.
- The Union govt would do well to get all states on board a permanent central selection mechanism. That's the only way case backlogs can be reduced and the credibility of the judiciary protected.

### Bill For Renaming High Courts

*Syllabus: Structure, organization, and functioning of Judiciary and Related Issues*

#### In News

- A Bill seeks to rechristen the iconic High Courts of Madras, Calcutta and Bombay has run into trouble and a fresh bill has to be introduced in Parliament to do the same.
- The **High Court (Alteration of Names) Bill, 2016** was introduced in the Lok Sabha in July 2016 to change the names of *Calcutta, Madras and Bombay High Courts* to Kolkata, Chennai and Mumbai High Courts, respectively.
- **Rationale:** Since the names of the cities in which the High Courts are located have been changed, the names of the High Courts are being consequently modified.
- **Government to modify relevant laws:** As per the Bill, in order to give effect to the alteration of names of the three High Courts, the appropriate government will have the power to amend or repeal any laws. This must be done *within one year* of the coming into force of this Act.
- **Concern Areas**
  - The Tamil Nadu government has asked the Centre to rename the Madras High Court to High Court of Tamil Nadu instead of High Court of Chennai as proposed in the Bill.
  - While West Bengal wants the Calcutta High Court to be renamed as Kolkata High Court but the High Court has itself not agreed for revised nomenclature.
- **State's views sought:** The Central government has sought views from the State governments concerned and the respective High Courts for finalizing a fresh Bill.

### MCA Panel For Allowing Audit Firms To Offer Legal Services

*Syllabus: Structure, organization, and functioning of Judiciary and Related Issues*

#### In News

- An expert panel constituted by the Ministry of Corporate Affairs (MCA) has recommended that **Advocates Act** be amended to allow audit firms to offer legal services, a proposal which is being opposed by domestic law firms.

- In 2015, the Society of Indian Law Firms had complained to the Delhi Bar Council against the Big 4 i.e. PwC, Deloitte, KPMG, and EY for unauthorized practice of law.

**MCA Panel View**

- **Allowing such services:** The MCA panel, which was set up to look into the regulation of audit firms and their networks, is of the view that development of multi-disciplinary practice (MDP) firms should be facilitated in the country and to meet this goal, auditors should be allowed to expand their portfolio of services.
- **A necessary step:** For Indian firms to evolve into global leaders in auditing, legal, consultancy and ancillary services, it is necessary to rationalize the *Advocate Act, 1961* to facilitate development of Indian audit firms as well as legal firms.
- **Law firms also venturing into MDPs:** The law firms are diversifying into multi-disciplinary practice (MDPs) such as forensic operations and undertaking commercial diligence and investigation for their clients, traditionally considered as a domain of audit firms.

**Opposition To The Proposal**

- **Foreign law firms not allowed to operate in India:** If the proposal to allow audit firms to provide legal services is accepted, lawyers apprehend that it could create a scenario where the Big 4 could also offer legal services, at a time when foreign law firms are not allowed to operate in the country.
- **Difficult to manage and regulate:** Big 4 are basically Chartered Accountant (CA) and Company Secretaries (CS) firms and they practicing law and starting law firms would only create havoc and it would be very difficult for any regulator to manage them.
- **Impact independence:** Allowing MDPs would be a retrograde step as it would destroy independence of the legal profession, which would become a business and there is also a clear case of conflict on the audit side. Moreover, the independence and role of auditors is under the scanner in an increasing number of cases already.

**SC On Paid News**

*Syllabus: Elections and Representation of People's Act*

**In News**

- In a breather to the Election Commission (EC) of India, days before five states go to elections, the Supreme Court has stayed a Delhi High Court order that questioned EC's remit over content of speech and hence paid news.
- EC had filed a special leave petition before the apex court challenging the Delhi High Court order in the **Narottam Mishra paid news case**.

**Background Of The Case**

- EC had disqualified Narottam Mishra, MLA from Datia constituency in Madhya Pradesh in July 2017, after it claimed to have established 42 cases of paid news in the newspapers in the run-up to polls in 2008.

<b>WHAT IS 'PAID NEWS'?</b>			
'Paid news' has been defined by the Press Council of India as any news or analysis appearing in any media (print & electronic) for a price in cash or kind as consideration.			
<b>Bad news about 'paid news'</b> <ul style="list-style-type: none"> <li>• Misleads public and hampers the ability of people to form correct opinions</li> <li>• Influences voters and affects their right to information</li> <li>• Seeks to circumvent election expenditure laws/ceiling</li> </ul>	<b>Dos</b> <ul style="list-style-type: none"> <li>• News should be clearly demarcated from advertisements by printing disclaimers</li> <li>• News must always carry a credit line and should be set in a typeface that would distinguish it from advertisements</li> </ul>	<b>Don'ts</b> <ul style="list-style-type: none"> <li>• There should not be any discreet exchange of money or favours to ensure positive content or negative content aimed at a political party or any candidate</li> <li>• No undue credit to be given to political party or any candidate</li> </ul>	<b>Decided case of paid news</b> <p>Print media cases would be sent to ECI, which refers them to the PCI for action; electronic media cases would be referred to National Broadcasters Association.</p>  <p><b>RAJESH LAKHONI</b> Chief Electoral Officer</p>

- The 69-page EC order observed how the local administration and electoral office bearers ignored the plying of promotional media material disguised as news in newspapers between November 8 and 27, 2008.

### Impact Of The Decision

- **Help in dealing paid news:** The stay is crucial to upcoming state elections as it will now allow the poll panel to crack down on all instances of paid news in the five states.
- **Level playing field:** This will ensure that the EC's *locus standi* on paid news is established, which will ensure level playing field between the candidates.
- **Not part of freedom of speech:** This will ensure that the motivated propoganda by politicians published in newspapers cannot be considered part of their fundamental right to free speech.

### Andhra, West Bengal Withdraws CBI Power To Investigate

*Syllabus: Constitutional/Statutory/Regulatory/Quasi-Judicial Bodies*

#### In News

- Escalating the political fight between non-BJP ruled states and the Centre in the run-up to the 2019 elections, Andhra Pradesh and West Bengal has withdrawn the **general consent** given to the CBI to investigate any case in the state.
- **Kinds Of Consent:** There are two kinds of consent – *case specific and general*. Given that the CBI has jurisdiction only over central government departments and employees, it can investigate a case involving state government employees or a violent crime in a given state only after that state government gives its consent. General consent is normally given to help the CBI seamlessly conduct its investigation into cases of corruption against central government employees in the concerned state.
- This is not the first time that a state government has revoked general consent for CBI probes. Several states, have done it in the past. For example- in 1998, the Janata Dal led government of J H Patel in Karnataka had similarly withdrawn general consent to CBI.

• General consent is the approval given by a State government concerned from time to time to the CBI (the agency originated from the Special Police Establishment) and other agencies covered by the Delhi Special Police Establishment Act, 1946 (Central Act No. 25 of 1946)



• The consent is necessary as the jurisdiction of these agencies is confined to Delhi and Union Territories under this Act

#### Legal Position

- **Section 5 of the Delhi Special Police Establishment Act (DSPEA)** gives powers to the CBI over all areas in the country, but **Section 6** states that without the consent of the state concerned, it cannot enter that state's jurisdiction.
- **Ambiguity In The Provisions:** There is ambiguity, however, on whether the agency can carry out a search in the state in connection with an old case without the consent of the state government.
- **Court's Judgement**
  - An Oct' 2018 order of the Delhi High Court (HC) makes it clear that the agency can probe anyone in a state that has withdrawn general consent, if the case is not registered in that state. The order came on a case of corruption in Chhattisgarh. The Court ordered that CBI could probe the case without prior consent of Chhattisgarh government, even the case was registered in Delhi.

- The Supreme Court (SC) has made it clear that when SC or a HC directs that a particular investigation be handed over to CBI, there is no need for any consent under the DSPE Act. A landmark judgment in this regard was the 2010 Supreme Court decision by which the case of killing of 11 Trinamool Congress workers in West Bengal in 2001 was handed over to the CBI.
- **Current position:** In most cases, States have given consent for a CBI probe against only Central government employees. The agency can also investigate a *Member of Parliament*. Apart from Mizoram, West Bengal and Andhra Pradesh, the agency has consent in one form or the other for carrying out investigations across the country.

#### Arguments In Favour Of The Move

- Some experts have said that the decision was purely an administrative one taken in context of **law and order being a State subject** that necessitated any Central investigation agency taking prior consent. Earlier, the consent was given routinely and now instead of a blanket permission, it should be on the merit of each case.
- Every **state's anti-corruption bureau** has capability to carry out various functions of the CBI.
- **Section 6** provision is incorporated in the DSPE Act to **maintain the federal structure**.
- The act of withdrawal of consent can be judicially reviewed and withdrawal of consent is **no bar for a Constitutional Court** to use its inherent and extraordinary powers to order a CBI investigation into individual cases for purpose of delivery of complete justice.
- The CBI could continue to register new cases in other States, having links to the one in which the general consent has been rescinded.
- Some experts points out that the decision by Andhra Pradesh and West Bengal has come amid concerns being voiced that Central agencies such as the CBI, Enforcement Directorate and Income Tax (IT) Department are being used against them with **political motivation and to harass state governments** that don't toe Centre's line.
- These State Governments found it necessary to take the decision on withdrawing consent to the CBI *in the background of recent internal fissures in CBI*, resulting in **loss of trust and credibility** over its independent and objective conduct.

#### Arguments Against The Move

- The withdrawal of consent simply means that **CBI officers will lose all powers** of a police officer as soon as they enter the state unless the state government has allowed them.
- The CBI will **no longer be able to carry out searches, raids or investigation** in these states without the state government's consent.
- **Operational problems:** The agency will now have to seek permission of the state government for every case and every search, making it difficult to carry out surprise searches or register a case not agreeable to the State Government.
- **Dilute deterrence to corruption:** Putting up hurdles in its operation will not improve things. Instead, it can dilute a deterrent to corruption.

#### Way Forward

- Both state governments should roll back their positions in larger interest. At the same time CBI too needs to transform itself into an agency which evokes respect and not derision.

- Making CBI accountable to a bipartisan committee of Parliament or perhaps a special governing body consisting of the PM, Home Minister, CJI and Leader of Opposition can be the way out.
- The current deputation system should be ended and CBI must cultivate its own cadre of officers. Moreover, the office of CBI director should come with its own prestige and his post-retirement reemployment in any government supported organisation should be banned.
- Perhaps full records of closed cases should also be made accessible under RTI, after the lapse of five or 10 years. This would act as a deterrent and provide incentive for adopting good practices.

**Government May Invoke Section 7 Of RBI Act**

*Syllabus: Constitutional/Statutory/Regulatory/Quasi-Judicial Bodies*

**In News**

- The issue of government invoking the never used before powers under **Section 7 of the RBI Act**, thereby allowing it to issue directions to the Central Bank Governor, is a development that gives a new twist to the ongoing skirmish between RBI and the Government.
- There is a possibility that the government may issue direction on issues ranging from liquidity for Non-Banking Financial Companies (NBFCs), capital requirement for weak banks, imposition of prompt corrective action (PCA), and lending to SMEs.

**About Section 7 of RBI Act**

- The Section 7 of the RBI Act empowers government to consult and give instructions to the Governor to act on certain issues that the government considers serious and in public interest.
- This section had never been used in independent India till now. It was not used even when the country was close to default in the dark days of 1991, nor in the aftermath of the 2008 crisis.

**Positive Impact Of Government’s Move**

- **Government’s Accountability to People:** This reflects the right of the government in a democracy to question an institution that is answerable to it.
- **RBI autonomy is not independent of accountability:** A democratically-elected government has the right to demand accountability of any institution created under the statute.
- **Coordinating With Other:** The RBI has full independence in monetary policy, enshrined in the inflation targeting framework. But with the *Financial Stability and Development Council (FSDC)* having been set up, the RBI has to coordinate with other regulators on financial stability issues.
- **Urgent Steps Required:** Inadequate or delayed response by RBI to short-term illiquidity in NBFC sector after IL&FS crisis can create irreversible long-term asset destruction.
- **RBI Enjoys Sufficient Powers:** The RBI has been slammed for poor regulation following the fraud at Punjab National Bank but RBI claims that it does not have enough powers over PSBs. But the RBI does have nominee directors on bank boards. Further, it leads physical inspection at banks and financial audits. It has also orchestrated mergers between banks whenever a bank has been on the verge of collapse (for instance, *Global Trust Bank merged with Oriental Bank of Commerce*). So, the RBI does have adequate control over PSBs but may not be exercising it fully.

**Twelve to Delve**  
Govt has initiated consultation with RBI on about 12 issues under Sec 7

WISH LIST			QUESTIONS ASKED	
SPECIAL refinance window for NBFCs /HFCs and MFIs	MORE opportunities for rectification and restricting of MSME loans	RELAX 20% limit for FPI investment in corporate debt of single company	EFFICACY OF PCA framework in restoring health of banks	APPLICATION of Basel III to banks not internationally active
FACILITY FOR banks to raise \$30 billion	DROP MANDATORY hedging for intra loans of less than 10-years maturity		HIGH RISK weight for MSME credit	BUILD UP OF capital conservation buffer during period of stress
			HIGHER RBI capital norms and risk weight for banks as opposed to lesser Basel II	

### Negative Impact Of Government's Move

- **RBI's Autonomy:** The aggressive move raises questions about the government's intentions and the impact on RBI's autonomy.
- **Less Maneuverability:** Using the powers under Section 7 is considered sacrilegious among central bankers as it leaves little scope for regulator to conduct affairs in a way they deem fit.
- **RBI's Contentions:** RBI contention is that the government has been trying to undermine RBI *first*, by appointing government affiliated officials instead of subject matter experts to key central bank positions. Second, by eroding independent powers of the central bank through piecemeal legislative amendments. Third, by blocking rule-based banking policies in favour of *ad-hoc* discretionary interventions. And fourth, by setting up parallel regulatory agencies to perform financial intermediation functions outside the remit of the central bank.
- **Sets Wrong Precedence:** It would also set a precedent for future governments to push through their agenda even on minor issues, if there are differences.

### Way Forward

- There are enough mechanisms available for effective communication between RBI and government. Such as the government has nominees on the RBI board and the government can use that channel to let the RBI know its concerns. Then, there is also the *forum of FSDC*.
- Moreover, if the autonomy of the RBI as the manager of the banking system needs to be respected, that has to be circumscribed within the economic goals set by the elected government. Further, the center, while asking legitimate questions, should refrain from invoking desperate clauses or encroaching upon the management of *payments and settlements systems*.
- RBI is autonomous and accountable to the people ultimately, through the government. The onus is thus on responsible behaviour by both sides. There is a need for coordinated action from both sides to meet economic challenges and both the Government and the Central Bank, in their functioning, have to be guided by public interest and the requirements of the Indian economy.

### RBI Board

*Syllabus: Constitutional/Statutory/Regulatory/Quasi-Judicial Bodies*

### In News

- Recently there was a public spat between the central bank and the Finance Ministry on **Section 7 of the RBI Act**, as discussed in previous topic.
- After this issue the role and powers of the **Committee Of The Central Board (CCB)** of the RBI are in the spotlight. It will also be a key element in the debate on governance at RBI and the responsibilities of its board of directors.
- The Government thinks that the structure and influence of CCB may be disproportionately high, and thus is in favour of reviewing the role and even the composition of the committee.

### About RBI Board

- **Composition:** The RBI Board is a body comprising officials from the Central bank and the Government of India, including officials nominated by the government. Thus, the Board consists of
  - Official Directors, who include the Governor and up to four Deputy Governors,

- Non-official Directors, who include up to 10 Directors from various fields and 2 government officials and one director from each of *four local boards* of the RBI.
- **Term of office:** The Governor and Deputy Governors hold office for not more than five years, the ten directors nominated by the government hold office for four years and the government officials are to hold a term on the RBI Board as long as the government sees fit.
- **Power of CCB:** According to the RBI General Rules, the CCB shall have full powers to transact all the usual business of a banking regulator except in such matters that are specifically reserved by the Act to the Central government or the central board.

**Challenges/Lacunae In RBI Board**

- **Conflict of interest:** The board has members from the corporate world who have a stake in the financial markets, which poses serious conflict of interest. For example- the present board has N. Chandrasekaran, who is the chairman of Tata Sons, the holding company and promoter of more than 100 Tata operating companies. Thus, there will be conflict of interest if the businessmen who are part of the RBI's board have advance information of RBI's regulations.
- **Unclear Legal Provisions:** Section 7 of the RBI Act is a mix of things. Section 7(2) gives powers to the board over administration and management of RBI's functions, but Section 7(3) gives the concurrent power to the RBI Governor.
- **Approval Of Significant Decision Without Much External Oversight:** The CCB, which enjoys similar powers as the central bank's main board of directors, meets every Wednesday and is authorised to approve significant decisions as long as just one external director attends the meeting with the governor and deputy governors.
- **Old Rules:** The committee of the central board draws its powers from the *RBI General Rules*, which were drafted in 1949 when the central bank was nationalized. Thus, may not be in tune with the current requirements.



**Way Forward**

To avoid conflict of interest, the RBI board should be reconstituted with academicians and technocrats who have no business interest in financial markets and could aid the RBI management with valuable inputs.

**NFRA Rules Notified**

*Syllabus: Constitutional/Statutory/Regulatory/Quasi-Judicial Bodies*

**In News**

- The Centre has notified the National Financial Reporting Authority (NFRA) rules, taking away the CA Institute's monitoring and disciplinary powers over auditors of listed entities and large unlisted companies besides banks and insurance companies.
- With the latest Corporate Affairs Ministry move, the NFRA (the newly set up independent regulator of the audit profession) has become the all-powerful body when it comes to disciplining auditors and overseeing the quality of service rendered by chartered accountants at large entities.

**New NFRA Rules**

- **Power and Function:** The NFRA will have the power to monitor and enforce compliance with accounting standards and auditing standards and undertake investigation of the auditors of listed entities; unlisted entities with paid-up capital of not less than Rs. 500 crore or annual turnover of over Rs. 1,000 crore or those having aggregate loans, debentures or deposits of not less than Rs. 500 crore as of March 31 of the preceding financial year.
- **Oversight:** The NFRA will also have oversight over auditors of banks, insurers, electricity firms and also those body corporates referred to it by the Centre.
- **Duties:** The NFRA will maintain details of particulars of auditors appointed by companies; recommend accounting and auditing standards for approval by the Central government; monitor and enforce compliance with accounting standards and auditing standards. The authority will also oversee the quality of service of the professions associated with ensuring compliance with such standards and suggest measures for improvement in quality of service.
- The NFRA will cooperate with national and international organisations of independent audit regulators in establishing and overseeing adherence to accounting standards and auditing standards.
- **Procedure For Disciplinary Action:** The rules also provide for a detailed procedure on disciplinary proceedings that will be undertaken by the NFRA. It has mandated time bound disposal (**90 days**) of the show cause notice through a summary procedure. The order disposing of a show cause notice may provide for no action; caution and action of imposing penalty on auditor or debarring the auditor from engaging in the profession.

**Yuva Sahakar - Cooperative Enterprise Support and Innovation Scheme**

*Syllabus: Government Policies and Interventions For Development In Various Sectors and issues arising out of their design and implementation.*

**In News**

- To cater to the needs and aspirations of the youth, the *National Cooperative Development Corporation (NCDC)* has come up with a youth-friendly scheme Yuva Sahakar-Cooperative Enterprise Support and Innovation Scheme for attracting them to cooperative business ventures.
- The scheme will be linked to Rs 1000 crore Cooperative Start-up and Innovation Fund (**CSIF**), created by the NCDC. It would have more incentives for cooperatives of North Eastern region, aspirational districts, and cooperatives with women or SC or ST or PwD members.

- The funding for the project will be up to 80% of the project cost for these special categories as against 70% for others.
- The scheme envisages 2% less than the applicable rate of interest on term loan for the project cost up to Rs 3 crore including 2 years moratorium on payment of principal.
- All types of cooperatives in operation for at least one year are eligible.

### **NCDC**

- NCDC was established by an Act of Parliament in 1963 as a **statutory Corporation** under the **Ministry of Agriculture & Farmers Welfare**.
- It has the unique distinction of being the sole statutory organisation functioning as an apex financial and developmental institution exclusively devoted to cooperative sector. It supports cooperatives in diverse fields apart from agriculture and allied sectors.
- It is an ISO 9001:2015 compliant organisation and has a distinctive edge of competitive financing.

### **Emergency Response Support System (ERSS) for Himachal Pradesh**

*Syllabus: Government Policies and Interventions For Development In Various Sectors and issues arising out of their design and implementation.*

### **In News**

- Himachal Pradesh has become the **first state in the country to implement the Emergency Response Support System (ERSS)** as the Union Home Ministry launched ERSS number 112 for the state.
- The event marks the beginning of commencement of a single number based 112 emergency services which will connect to Police, Fire, Health and other help lines through an Emergency Response Centre in the State. The service obviates the need for citizens to remember multiple helpline numbers.
- The service also includes a **'112 India' mobile app** integrated with panic button of smart phones and ERSS State website for ease of citizen in availing immediate assistance. To increase its effectiveness the ERC has also been integrated with location based services provided by telecom service providers.
- It will provide a 24\*7 efficient and effective response system which can receive inputs from various voice and data services like voice call, SMS, e-mail and panic buttons in public transport, to attend to citizens in distress.
- It can also identify the location of persons in distress and immediate assistance will be provided to the affected.
- Furthermore, it will help in optimum utilisation of manpower and problems related to coordination will also be simplified.
- The app will be subsequently rolled out **in all States & Union Territories** to help people across the country access the unified emergency services. Central Government has **allocated ₹321.69 Crore under Nirbhaya Fund** for implementation of ERSS project across the country.

**Location Tracking Devices In Public Service Vehicles**

*Syllabus: Government Policies and Interventions For Development In Various Sectors and issues arising out of their design and implementation.*

**In News**

- The Ministry of Road Transport & Highways has mandated that all new public service vehicles, except auto rickshaws and e-Rickshaws, registered on and after 1st January 2019, will have to be equipped with **Vehicle Location Tracking (VLT) and Emergency Buttons**.
- The regulation is being brought in to **ensure safety of passengers, especially women**.
- The Motor Vehicles (Vehicle Location Tracking Device and Emergency Button) Order, 2018 will apply to all public service vehicles specified under the Central Motor Vehicles Rules, 1989.
- In case of older public service vehicles – those registered up to 31st December, 2018, the respective State/UT Governments will notify the date by which these vehicles have to install VLT devices and Panic Buttons.
- Command and Control Centres will be setup by the State or VLT manufacturers or any other agency authorized by the State Government, and these centers will provide interface to various stakeholders such as state emergency response centre, Regional Transport Offices, Ministry of Road Transport and Highways and its designated agencies.
- The details of each VLT device will be uploaded on the VAHAN database by the manufacturer, using its secured authenticated access.

Vahan is a software that enables easy computerisation of processes related to vehicle registration, fitness, taxes, permits and enforcement. It has been conceptualised as a facility to capture and correlate these government functions by central and state motor vehicle regulations.

- Further, the VLT devices will be registered along with details of vehicle on the corresponding back-end systems in real-time.
- The public service vehicle owners have to ensure that the VLT devices installed in their vehicles are in working condition and regularly send required data to the corresponding backend system through cellular connectivity.
- The manufacturers will have to get their devices tested for conformity of production every year after the first certification from the testing agencies.

**International Tourism Mart**

*Syllabus: Government Policies and Interventions For Development In Various Sectors and issues arising out of their design and implementation.*

**In News**

- The Union Ministry of Tourism in association with the Department of Tourism, Government of Tripura and the North Eastern States had recently organized the **International Tourism Mart (ITM) in Agartala, Tripura**.
- It was the 7th edition of ITM, an annual event organised in the North Eastern region with the objective of **highlighting the tourism potential of the region in the domestic and international markets**.

- ITM is organised in the North Eastern States on rotation basis. The earlier editions of this mart have been held in Guwahati, Tawang, Shillong, Gangtok and Imphal.
- North East is endowed with diverse tourist attractions and products. The varied topography of the region, its flora and fauna, the ethnic communities with their rich heritage of ancient traditions and lifestyles, its festivals, arts and crafts, make it an excellent holiday destination.
- ITM brings together the tourism business fraternity and entrepreneurs from the eight North Eastern States. The event has been planned and scheduled to facilitate interaction between buyers, sellers, media, government agencies and other stakeholders.
- It saw wide participation of International buyers and media delegates from countries around the world and from different regions of the country and enabled the tourism product suppliers from the region to reach out to international and domestic buyers.
- In addition to the business interactions between the tour operators, the three-day event included presentations by state governments of the region on their tourism potential, panel discussion, cultural evenings and sightseeing visits to local attractions in and around Agartala.
- An exhibition by State Tourism Departments from the North Eastern States including display of beautiful handicrafts and handlooms was also organized, to show case the tourism products of respective participating States
- Post-mart familiarisation tours to the North Eastern states were arranged for the international delegates to create awareness of the region and to give them a first-hand experience of the destination.

### **Beyond Fake News Project**

*Syllabus: The role of NGOs, SHGs, various groups and associations in Development*

#### **In News**

- The UK-based broadcasting channel BBC has launched the **Beyond Fake News Project** on how and why misinformation is shared.
- Around the globe, disinformation has been seen to **cause social and political harm**, with people having less trust in the news, or in some cases being subjected to violence or death as a result.
- Poor standards of global media literacy and ease with which malicious content can spread unchecked on digital platforms mean there's never been a greater need for trustworthy news providers to take proactive steps.
- The project is based on findings from original BBC research by accessing the user's encrypted messaging app in India, Kenya, and Nigeria.
- The programme has already begun delivering workshops in India and Kenya. It draws on the BBC's pioneering work to tackle disinformation in the UK, where digital literacy workshops have also been delivered to schools across the country.
- The project aims to fight back with a major focus on global media literacy, panel debates, hackathons exploring tech solutions and a special season of programming across the BBC's networks in Africa, India, Asia Pacific, Europe, and the Americas.

**Dr. Ambedkar International Centre to be Developed into Think Tank**

*Syllabus: Important aspects of governance, transparency and accountability*

**In News**

- **Introduction:** The Ministry of Social Justice and Empowerment has moved an inter-ministerial consultation note to conceptualize Dr Ambedkar International Centre as a think tank for socio-economic transformation.
- **Other Aims:** The Centre also plans to develop it as a think tank and an institution offering government recognized academic courses, research opportunities and training programmes for government officials and corporates. Further it will also have a *Center of Excellence* for Buddhist studies. The center will also advise the government and the corporate sector on inclusive growth and various means of affirmative action for the Scheduled Castes.
- **Five Schools:** The Centre will have five schools *i.e.* School of Sustainable Development and Livelihood, School of Buddhist Studies, School of Policy Making and Policy Advocacy, School of Studies on Ambedkar and School of Socio-economic Transformation. The five schools would offer short term accredited courses, training and internships, data mining opportunities, research programmes, conferences and symposiums, lecture series and study tours.

**India Slips In Global RTI Ratings**

*Syllabus: Important aspects of governance, transparency and accountability*

**In News**

It is surprising to note that despite the RTI statute in India remaining the same along with its legal framework, India has slipped from its 2<sup>nd</sup> position in 2011 to 4<sup>th</sup>, 5<sup>th</sup>, and 6<sup>th</sup> position in 2016, 2017, and 2018 respectively on Global RTI rating.

**About The Rating System**

- The Global RTI ratings, based on 61 indicators, is a programme founded by the **Centre for Law and Democracy (CLD)**, a Canada-based non-governmental organisation, along with **Access Info Europe**.
- **Purpose of Ranking:** According to CLD, the global RTI rating is a system for assessing the strength of the legal framework for guaranteeing the right to information in a given country.
- **Comparative Ranking:** India ranks lower than smaller nations like Afghanistan, which adopted the RTI later than India and Serbia.
- India scored 128 out of a possible total of 150 points. Out of the 61 indicators, there are nine indicator categories under which India's points have been downgraded.

<b>GLOBAL RTI RATINGS</b>	
<b>RTI in India</b>	<ul style="list-style-type: none"> <li>➤ Only 10 states have updated annual reports</li> <li>➤ 12 states have no vacancies in state information commissions</li> <li>➤ 48 of 156 posts for information commissioners vacant at state and CIC level</li> </ul>
Total RTI pleas received in 2017:	<b>66.6 LAKH</b>
Total number of RTI rejected:	<b>4.8 LAKH (7.2%)</b>
Total second appeals (to CIC):	<b>18.5 LAKH</b>
Total penalty amount imposed by CIC:	<b>₹1.9 CRORE</b>

Source: Access Info Europe and Centre for Law and Democracy; Transparency International India

**Lacunae In Ranking**

- **No rationale for fall in ranking:** It is surprising to note that despite the RTI statute in India remaining the same along with its legal framework, India has slipped in the ranking.

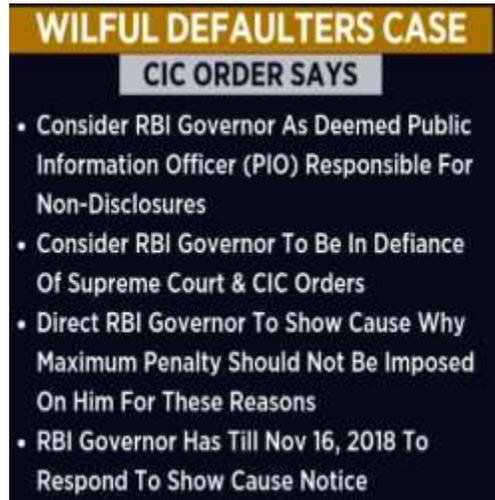
- **Does not consider quality of implementation:** The ranking is limited to measuring the legal framework only and does not gauge the quality of implementation.

### **Disclosure of List Of Willful Defaulters**

*Syllabus: Important aspects of governance, transparency and accountability*

#### **In News**

- The Central Information Commission (CIC) has issued a show cause notice to the Reserve Bank of India (RBI) to reveal the list of willful borrowers.
- The CIC has also asked the RBI Governor to explain why a maximum penalty be not imposed on him for dishonouring the verdict.



#### **RBI's Stand For Non-Disclosure**

- **Twin challenge:** RBI has claimed that it involves risk to the country's economic interest and its fiduciary relationship with lenders/bankers to avoid sharing information on the largest defaulters with RTI applicants.
- **Impact ongoing probe:** The RBI had also reasoned that any disclosure of information might jeopardize probe against defaulters.
- **Steps already initiated:** The RBI has started setting up a digital **Public Credit Registry (PCR)** to capture details of all borrowers, including willful defaulters and also the pending legal suits in order to check financial delinquencies.
- **Asset Quality Review:** Moreover, RBI's AQR has forced banks to come clean on the dodgy loans and more stringent recognition norms are put in place.

#### **Arguments In Favour Of Disclosure**

- **In Sync With SC Order:** The Supreme Court (SC), in its 2015 order, has also mandated disclosure of names of the willful defaulters.
- **Legally Mandated:**
  - The RBI is liable to provide information regarding inspection report and other documents to the general public. Thus, the central bank should comply with the provisions of the RTI Act, which mandate disclosure of public information.
  - The Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act allow publication of photographs of defaulting borrowers. Their names get revealed when banks file bankruptcy suits and the case is referred to the National Company Law Tribunal.
- **No Fiduciary Relationship:** The RBI has no legal duty to maximize the benefit of any public sector or private sector bank and thus there is no relationship of trust between them. The SC also endorsed the same in 2015, when it held that the RBI is clearly not in any fiduciary relationship with any bank.

- **Practically Possible:** The compliance with the verdict is possible since the RBI has the right to obtain information from the banks under Section 27 of Banking Regulation Act. Under this, RBI collect information from the banks in due course to update their voluntary disclosures from time to time as a practice under Section 4(1)(b) of RTI Act.
- **Taxpayer Finally Faces The Brunt:** RBI argument that contract between bankers and their borrowers forbid it from making these details public does not hold water as due to the misdeeds of willful defaulters, the taxpayer are being asked to bear the cost.
- **Involvement of Public Money:** RBI should also comply with the CIC's directive as loans to corporate borrowers are disbursed from public deposits and bad loans are a cost to the economy.
- **Deterrent Effect:** The disclosure will also put pressure on defaulters, even as banks have to use every possible way to recover loans. Thus, there is no reason why fraud and mala fide should be hidden from the public.
- **Misconceived Basis:** The baseless and unsubstantiated argument of the RBI that the disclosure would hurt the economic interest of the country is totally misconceived.
- **Disclosure Essential For Taking Rational Decisions:** If defaults are not made public the day they happen, then it is impossible for any credit rating agency or the stock markets or any analyst to take a view on the company. Moreover, when defaulters data is immediately made public that serious analysis of the causes and projections can be made that are critical for any form of analysis and resolution of the problem.
- **International Best Practice:** Countries such as Sweden, Finland, and Norway even publish everyone's income-tax returns. India has a distance to go.

### Way Forward

- Though all large unpaid loans are by-products of *mala fide* borrowing, the onus is on the RBI and the government to initiate steps retaining public trust.
- Further, it is also to be kept in mind that there is no use in just name shaming the defaulters and insolvency process has to begin as quickly as possible to retrieve the defaulted the money.

## Social Justice

### Global IT Challenge for Youth with Disabilities 2018

*Syllabus: Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes*

### In News

- The Global IT Challenge (GITC) for Youth with Disabilities 2018 was recently held in India.
- The three-day event, held every year in Asia Pacific region, was organised by the **Ministry of Social Justice and Empowerment** in association with Rehabilitation International Korea and their associated partner LG Electronics.
- Around 100 youth with disabilities (visual disability, hearing disability, locomotor disability and intellectual disability/developmental disorder) from 18 countries participated in the event.
- It is a capacity building project that **helps youth with disabilities to overcome their limitations and challenge themselves for a better future** by providing them with access to ICT and related experiences, improving their ability to leverage information and social participation while setting ICT

agendas for participant countries related to disabilities and boosting international cooperation and exchange.

- It is being held with a total of four events including e-Tool Challenge to evaluate the skills of using the MS Office programme and e-Life Map Challenge to evaluate the online information search ability in specific situations.
- Holding of GIRC annually has certainly made an impact on promoting the use of ICT among the youth with disabilities. Moreover, it can also help to reduce digital divide and expand social integration of persons with disabilities across communities and countries by creating an accessible global information network.
- India has always been in the forefront of software development in the world. However, there is a need to create deeper and wider awareness about the application of ICT at the grass root level for empowering the person with disabilities.

**Andamans: Tribals And No-Go Areas**

*Syllabus: Mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections*

**In News**

- The Sentinelese have again rejected external contact when an American John Allen Chau, who went to North Sentinel Island to preach Christianity, was killed by the them. Similarly, in 2006, two fishermen went harvesting crabs illegally off North Sentinel Island and did not return.
- The Allen Chau incident also symbolizes the surveillance challenges that continue to bedevil the Indian security establishment. Given India’s long coastline and maritime expanse that includes the far-flung island territories (Andaman and Nicobar Islands and Lakshadweep and Minicoy Islands), ensuring 24/7 zero-error surveillance is a complex challenge.
- The Sentinelese are a pre-Neolithic people who have inhabited **North Sentinel Island** for an estimated 55,000 years without contact with the outside world. They are short statured, possibly due to the island effect that causes genetic limitation over time.
- They hunt and gather in the forest, fish in the coastal waters and are animistic in faith. Unlike the neighbouring Jarawa tribe, they make boats which can only be used in shallow waters.
- Their extreme isolation makes them **very vulnerable to diseases to which they have no immunity**. A large chunk of the population of the 10 Great Andamanese tribes was wiped out after the indigenous peoples caught syphilis, measles, and influenza on an epidemic scale following contact with the early settlers.



**Legal Regulations**

- Jawaharlal Nehru’s **Tribal Panchsheel** were the guiding principles after Independence to formulate policies for the indigenous communities of the Andaman and Nicobar Islands.

- **International Conventions:** International policy has changed over the decades. While the Indigenous and Tribal Populations Convention 1957, of the International Labour Organisation (ILO) insisted on an integrationist approach towards tribal communities, the 1989 Convention insisted on a policy of non-intervention, “recognizing the aspirations of these peoples to exercise control over their own institutions, ways of life and economic development.” *India ratified the 1957 convention, but has not ratified the 1989 convention.* However, despite not signing it, India tried to tread the path of non-interference.
- **Protection Granted To Tribes:** The Sentinelese and other aboriginal tribes of the archipelago are protected under The Andaman and Nicobar (Protection of Aboriginal Tribes) Regulation, 1956. This Regulation protected the tribals from outside interference, specified the limits of reserved areas and said no land in a reserved area shall be allotted for agricultural purposes or sold or mortgaged to outsiders. Those violating the land rights of the tribals were to be imprisoned for one year, fined Rs. 1,000 or both. Despite this, there continued to be constant interactions between the tribals and settlers/ outsiders.
- **1963 Order:** Under the Foreigners (Restricted Areas) Order, 1963, the Andaman & Nicobar Islands are a “Restricted Area” in which foreigners with a *restricted area permit (RAP)* can stay on 13 islands and make day visits to another 11.
- **Buffer Zone:** The Sentinelese have remained hostile from the time efforts began to reach out to them in 1967. The government gave up in the mid-1990s, and in order to safeguard their health and sovereignty, decided that no one could enter a 5 km buffer zone around their island, which was already out of bounds.
- **Change of Policy:** In December 2014, the A&N administration announced a change of policy from “hands off” to “hands off but eyes on” to protect the Sentinelese.
- **Relaxation from RAP:** In recent years, the Andaman Chamber of Commerce and Industry and the Andaman Association of Tour Operators have pressed to have the RAP restrictions relaxed. Therefore, in August 2018, the Home Ministry dropped the RAP requirement for visiting 29 inhabited islands until 2022, even though separate approval continue to be required for visiting Reserve Forests, Wildlife Sanctuaries and Tribal Reserves. Following criticism that the move compromised the safety of the tribes and ecology of the islands, the UT Administration clarified in October 2018 that Indian nationals would continue to require a pass issued by the Deputy Commissioner for entering a tribal reserve, and foreigners would need prior approval from the Principal Secretary (Tribal Welfare).

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**Need To Leave Them Alone /Cost Of Outside Exposure On Tribals**

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- **Reduced Immunity:** Many millennia of living in isolation and in far smaller numbers have denied them exposure and immunity to most infectious diseases that other human societies encountered. And it could be the collective memory of exploitation or epidemics after contact with outsiders that makes the Sentinelese hostile.
- **Negative Consequences:** From 2004 onward, the 400-odd surviving Jarawa began to retreat into the forest, closing the window of their willing interaction with the world. But the highway that passes through their inhabited land continues to bring the world and sexual exploitation, substance abuse and disease into their shrinking sanctuary.
- **Possible Land Encroachment:** The commercialization of tribal spaces could lead to encroachment of land, as we see in other parts of the country.

- ***Dwindling Number And Loss Of Knowledge Of Local Customs:*** Fewer than 50 Great Andamanese are alive today. In 2010, Boa, the last of the Bo, a Great Andamanese tribe, died taking with her the knowledge and language of her people. A few months earlier, another ancient language, Khora, had passed with Boa's neighbour Boro.
- ***Rising Dependence:*** In December 2008, at least 15 Onge men died after drinking from a plastic container that had washed up on Dugong Creek. The Onge, who now number fewer than 100 have abandoned hunting gathering and depend entirely on government help.
- ***Home Ministry's Stand (counter-view):*** While the Home ministry maintains that its doing away with restricted area permits for foreigners to visit North Sentinel Island had nothing to do with the killing of Chau, as he had flouted stricter restrictions under the *Protection of Aboriginal Tribes (Protection) Law and the Indian Forests Act* and also failed to report his stay in Andamans to the local FRRO. So, it would have made no difference even if RAP had been in place. The Ministry also conveyed to National Commission for ST (NCST) that while 44 violations of rules and regulations by foreign visitors to Andaman & Nicobar were reported in the recent past, not one related to RAP regime. It also recalls that two people were killed in a similar way in 2016 when RAP restrictions were in place.

### **Way Forward**

- Considering the significance of the indigenous tribes of the Andaman and Nicobar Islands, the government needs to reorient its priorities towards protecting them from outside influence. India ***needs to sign the 1989 convention of the ILO*** and implement its various policies to protect the rights of the indigenous population.
- Chau's tragedy underlines the need to re-examine security and tighten vigil around North Sentinel Island. The policies of "protection" demand strong surveillance infrastructures, empowered staff and coordination among police, forest and welfare agencies. It should also make efforts to sensitize settlers and outsiders about them. That Chau was helped in his journey shows a lack of understanding about the Sentinelese. Only concrete efforts can prevent such an incident from happening again.
- Moreover, the Home Ministry's recent decision to include North Sentinel Island among 29 islands that will not require a restricted area permit, purportedly to boost tourism, was uncalled for. And it must consider reimposing restrictions (on ground that it would endanger primitive tribes occupying nearly 10 of the 29 islands) that require foreigners to obtain special permits to visit protected islands in Andaman & Nicobar housing, un-contacted, aboriginal tribes. (NCST has also demanded reimposition of RAP)
- Similarly, post 26/11, there have been attempts to enhance the capability of the Indian Coast Guard and the maritime police clusters among coastal states. While these initiatives are welcome, the larger and more intractable challenge is the reform of India's intelligence apparatus.

### **Lexicon For Tribal Languages In Odisha**

*Syllabus: Mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections*

### **In News**

- In what is seen as a significant step to keep vanishing tribal languages in circulation, the Odisha government has come out with lexicons of 21 such languages.

- The bilingual tribal dictionaries will be used in multilingual education (MLE), initiated by the State government, at the elementary level in tribal-dominated districts.
- The bilingual tribal dictionaries for MLE and trilingual tribal language proficiency modules in all the 21 tribal languages have been formulated by the Special Development Council. Both will help in enhancing proficiency in tribal languages.
- **Odisha has** a unique place on the tribal map of India for having the **maximum number of Scheduled Tribe communities**. The State is home to 62 different tribal communities, including 13 Particularly Vulnerable Tribal Groups (PVTGs).
- These tribes speak 21 languages and 74 dialects. Of the 21 tribal languages, seven have their own scripts. However, Odia is used as the medium of communication in the dictionaries.
- Adoption of more widely spoken competitors, such as Odia, Hindi, English and dominant tribal languages, has hastened the disappearance of rare dialects. Preparation of the dictionaries is a small step towards ensuring that they are preserved and promoted.
- Going forward, it will not only help students and researchers but will also go a long way in bringing government functionaries closer to tribal communities.

### **International Day For the Elimination of Violence against Women**

*Syllabus: Mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections*

#### **In News**

- The International Day for the Elimination of Violence Against Women was celebrated worldwide on November 25.
- This year's theme is **Orange the World: #HearMeToo**, and as in previous years, the colour orange is used to represent a brighter future, free from violence against women and girls as a unifying theme running through its global activities, while the hashtag is encouraged to amplify the message of survivors and activists and to put them at the centre of the conversation and response.
- It also includes **16 Days of Activism** against gender-based violence which is an international initiative that takes place each year. It commences on November 25, and continues till the International Day of Human Rights on December 10.

#### **Convention on Elimination of All Forms of Discrimination Against Women (CEDAW)**

- Violence against women and girls is one of the most widespread, persistent, and devastating human rights violations in our world today and remains largely unreported due to the impunity, silence, stigma and shame surrounding it.
- Despite the adoption of **CEDAW** by the UN General Assembly in 1979, violence against women and girls remains a pervasive problem worldwide.
- The Declaration on the Elimination of Violence Against Women, issued by the UN General Assembly in 1993, defines violence against women as "*any act of gender-based violence that results in, or is likely to result in, physical, sexual or psychological harm or suffering to women, including threats of such acts, coercion or arbitrary deprivation of liberty, whether occurring in public or in private life.*"

- The adverse psychological, sexual and reproductive health consequences of violence faced by women affects them at all stages of their life.
- It continues to be an obstacle to achieving equality, development, peace as well as to the fulfillment of women and girls' human rights. The promise of the Sustainable Development Goals (SDGs) to leave no one behind cannot be fulfilled without putting an end to this violence.

### **Alarming Figures**

- 1 in 3 women and girls experience physical or sexual violence in their lifetime, most frequently by an intimate partner.
- Only 52% of women married or in a union freely make their own decisions about sexual relations, contraceptive use and health care.
- Worldwide, almost 750 million women and girls alive today were married before their 18th birthday, while 200 million women and girls have undergone female genital mutilation.
- 1 in 2 women killed worldwide were killed by their partners or family in 2012, while only 1 out of 20 men were killed under similar circumstances.
- 71% of all human trafficking victims worldwide are women and girls, and 3 out of 4 of these women and girls are sexually exploited.
- Violence against women is as serious a cause of death and incapacity among women of reproductive age as cancer, and a greater cause of ill health than traffic accidents and malaria combined.

### **SHe BOX Linked to All Ministries**

*Syllabus: Mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections*

### **In News**

- The Ministry of Women and Child Development has linked SHe-Box, the online portal to report complaints of Sexual Harassment at Workplace, to all the Central Ministries, Departments and 653 districts across 33 States/Union Territories.
- She-Box is a comprehensive online complaint Management System for women working in both public and private organizations to lodge complaints of sexual harassment at workplace.
- With the linking of the portal to central and state governments, once a complaint is submitted to the portal, it will be directly sent to the section of the employer concerned.
- Those who have already filed a written complaint with the concerned Internal Complaint Committee (ICC) or Local Complaint Committee (LCC) constituted under the Sexual Harassment Act are also eligible to file their complaint through this portal.
- Meanwhile, the government has also empanelled 223 institutions and organisations to conduct awareness exercises on the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 in the wake of a large number of women coming out to name their harassers under the **#MeToo campaign**.
- These empanelled institutes have to submit quarterly reports. They have so far organised over 700 capacity-building exercises which were attended by nearly 50,000 participants.

**Pneumonia and Diarrhea Progress Report 2018**

*Syllabus: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.*

**In News**

- The **Pneumonia and Diarrhea Progress Report 2018** was recently released ahead of the 10th Annual World Pneumonia Day, on November 12, by the International Vaccine Access Center (IVAC) at the Johns Hopkins Bloomberg School of Public Health.
- It describes efforts to fight pneumonia and diarrhea in **15 Countries that account for 70%** of global pneumonia and diarrhea deaths in children under five.
- Globally, **pneumonia and diarrhea together led to nearly one of every four deaths** that occurred in children under five years of age in 2016.
- It analyzes how effectively countries are delivering or ensuring the use of 10 key interventions, which include exclusive breastfeeding, vaccination, access to care and use of antibiotics, oral rehydration solution, and zinc supplementation to help prevent and treat pneumonia and diarrhea.
- These measures are known to help protect children from death due to these illnesses and could help achieve the **UN's Sustainable Development Goal target of reducing under-five mortality to 25 per 1,000 live births by 2030.**

**The Report**

- Eight out of 15 countries assessed failed to meet the targets for any of 10 interventions to protect against and treat pneumonia and diarrhea.
- Although countries are making progress towards improved vaccine coverage, they seriously lag in efforts to treat childhood illnesses, especially among populations that are remote, impoverished, or otherwise left behind.
- Progress to stop child deaths is being hampered by persistent inequities in countries around the world.
- **Indian scenario**
  - Despite improvements in full immunisation coverage across India, girls under the age of five in rural and poorer urban localities continue to lose out on vaccinations.
  - In India, the under-five child mortality for girls is 40 deaths per 1,000 live births, while for boys it is 39 deaths per 1,000 live births. A total of 2,60,990 children, under the age of five, died of pneumonia and diarrhoea in India in 2016 – the highest in the world.

**Way Ahead**

Addressing these inequities will demand greater levels of funding, **strong political commitment, accountability supported by better data, and a coordinated global effort that prioritizes the most vulnerable.** Further, integrating strategies related to health systems, poverty, and education will also yield opportunities to improve equity in these countries.

**Air Pollution Problem**

*Syllabus: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.*

**In News**

- **Context:** Steadily deteriorating air quality in the Capital New Delhi.

- The World Health Organization's *Air Pollution and Child Health: Prescribing Clean Air* report has been released.
- It is the general notion that India's air problem is mainly due to urban problem. However, the report underlines the fact that this is not so. As it notes, "the main sources of air pollution may vary from urban to rural areas, but no area is, strictly speaking, safer."

### Major Findings And Challenges

- The report found **India had almost 61,000 deaths of children under five years** due to ambient and household pollution. This is the most deaths globally in this age bracket.
- For other children who are exposed to dangerous levels of air pollution in India—which is 98% or so of them—the issue links to a number of long-term physical and mental developmental problems.
- It is also connected with the country's shifting epidemiological profile, feeding into the rise of non-communicable diseases such as cardiovascular conditions and cancer.
- And contrary to popular perception, **this is as much or more a rural issue**; of the 1.1 million air pollution-related deaths in 2015, **75% were in rural India**.

### Rural or Urban ?

- There is, unfortunately, insufficient data and research here. In 2003, the Central Pollution Control Board (CPCB) issued guidelines for ambient air quality monitoring.
- They differentiated between the types of pollution affecting urban and rural areas. When it comes to the latter, the guidelines focus entirely on indoor air pollution. The use of biomass fuels for indoor cooking, heating and light is a significant problem.
- However, every winter, the Indo-Gangetic plains, housing nearly a third of India's population, are blanketed with a thick layer of ambient pollution. Stubble burning, brick kilns, coal-fired factories and woodfires for heat all contribute.
- The **problem is that** of the 600-plus air quality monitoring stations the CPCB set up across the country, there are none in rural areas.

### Draft National Clean Air Programme

- The programme aims to expand the monitoring network to include 50 rural areas with at least one monitoring station each.
- Most crucially, the programme does not envisage any cooperation and coordination across crucial ministries such as health, transport and energy.
- In effect, what should have been the first comprehensive framework for addressing ambient air pollution across the country seems to have little more in mind than the first step in the process—data collection.
- The scenario is, likewise, complicated when it comes to indoor pollution in rural India. The Pradhan Mantri Ujjwala Yojana, aimed at shifting poor households from biomass to clean liquified petroleum gas (LPG), had the right idea.
- But it hasn't quite worked out that way in practice. LPG costs are a major deterrent to adoption and that even in households where LPG is used, fuel stacking—using biomass fuels alongside LPG—is common.

### Where To Focus

New Delhi's status as national capital ensures that it will receive plenty of attention every year come winter. Rural India in the north of the country—the heart of the problem—is not as fortunate. That must change to make a serious dent in the economic and health burden of air pollution.

### **Choked By Smog: On Air Pollution**

*Syllabus: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.*

#### **In News**

Air pollution is choking several cities in the northern States once again, as changes in temperature and slowing winds trap soot, dust and fine particulate matter.

#### **The Issue**

- The National Capital Region is badly hit, as the burning of agricultural residue in Punjab and Haryana is releasing large volumes of smoke containing, among other pollutants, highly damaging fine particulates, or PM2.5.
- **The problem is aggravated by the burning of urban waste, diesel soot, vehicular exhaust, road and construction dust, and power generation.**
- Although India has nine of the 10 most polluted cities in the world, it has not taken consistent action on pollution.
- Tens of millions live with ambient air quality that is well short of even the relaxed parameters the country has set for fine particulates, compared with those of the World Health Organization.
- The **UN Environment Programme's recent report titled 'Air Pollution in Asia and the Pacific: Science-Based Solutions'** has sounded a warning, pointing out that only 8% of the population in the countries of the region get to breathe air of acceptable quality.
- One study of degradation of Delhi's air over a 10-year period beginning 2000 estimated premature mortality to have risen by as much as 60%.
- Farm stubble burning is a major contributor to the problem, and its footprint may be growing because of wider use of mechanical harvesters that is producing more waste.

#### **What Can Be Done To Tackle The Situation**

- The Centre and the State governments need to get into crisis mode to dramatically reduce emissions. They must address the burning of carbon, which is a direct source, and emissions with oxides of nitrogen and sulphur from vehicles that turn into fine particulates through atmospheric reactions.
- An innovative approach could be to use climate change funds to turn farm residues into a resource, using technological options such as converting them into biofuels and fertilizers.
- From an urban development perspective, large cities should reorient their investments to prioritise public transport, favouring electric mobility.
- Governments should make the use of personal vehicles in cities less attractive through strict road pricing mechanism. Sharply escalated, deterrent parking fees can be implemented.
- If governments delay action on the critical issue of pollution control, public pressure must force them to act.

**Delhi Air Pollution**

- Although less than previous year, farmers of Punjab and Haryana continue to burn stubble despite a court order and the visible consequences it has on Delhi's air quality.
- Thanks to the promotion of farm machinery backed by financial assistance by government and awareness programmes, there is a visible reduction in the volume of post-harvest stubble-burning in Punjab and Haryana this year.
- But still, a significant chunk of farmers continue to burn the stubble, even after they understand how it contributes to Delhi's air pollution.

**Why Farmers Aren't Giving Up Stubble Burning?**

- Happy Seeder, which precludes the need for stubble burning, fails to persuade the farmers in not burning stubble. There are two reasons for this, which are enough to override the fear of penal action on stubble burning and ignoring the consequences it has on capital's air quality:
  - Fear of lower yields
  - High cost of farm machines
- Many farmers in these states take land on lease -- by paying up to Rs 60,000 per acre -- which leaves them with small leeway to think about the Happy Seeder, as they assume lower yields translate into huge losses for them.
- However, the fear of a lower output has no factual or legitimate basis, say experts in the field, even as they feel all farmers would adopt new techniques in due course of time.

**What is Happy Seeder?**

Conceived by the Punjab Agricultural University (PAU) in 2007-08, Happy Seeder allows sowing without removing stubble. It is seen as a perfect alternative to the problem as it completely rules out the possibility of straw burning.

**Why Doesn't Everyone Use It?**

- The Happy Seeder machine is expensive at Rs 1.5 lakhs. Despite the 50 per cent subsidy, the amount of Rs 75,000 is still huge for farmers, especially for those who take land on lease.
- Although they can hire the machine for Rs 1,500 per acre from Custom Hiring Centres (CHC), it is hard to get them during wheat sowing period because there are not enough machines available.

**Monogenic Diabetes**

*Syllabus: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.*

**In News**

- A National Monogenic Diabetes Study Group has been formed to identify cases of monogenic diabetes across the country.
- Supported by the Indian Council of Medical Research (ICMR), the Madras Diabetes Research Foundation (MDRF), and Dr. Mohan's Diabetes Specialities Centre (DMDSC) will be the national coordinating centre for the study group.

- Monogenic diabetes is a group of disorders where **mutation of a single gene causes diabetes**, the three commonest forms being - Maturity Onset Diabetes of the Young (MODY), Neonatal Diabetes Mellitus (NDM) and Congenital Hypoglycaemia,
- It is usually passed on in an autosomal dominant gene (a sex independent gene that's inherited from one of the parents). This means only one copy of the mutation is needed to develop diabetes. There is usually a strong family history of diabetes and in multiple generations. Diagnosis, therefore, involves genetic testing for these diabetes-causing gene mutations that disrupt insulin production.
- Patients are also usually antibody negative. Once treatment for the diabetes begins, the antibodies usually resolve.
- In addition to blood sugar issues, some of the forms of Monogenic diabetes involve metabolic issues such as - Growth problems, Impaired glycogen storage in the liver, Impaired fatty acid metabolism, and Exocrine pancreatic insufficiency

### **ICMR Guidelines for Antibiotic Use**

*Syllabus: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.*

#### **In News**

- To ensure judicious use of antibiotics in healthcare facilities, the Indian Council of Medical Research (ICMR) has released **Antimicrobial Stewardship Guidelines** to advise hospitals in setting up Antimicrobial Stewardship Programmes (AMSP) for the purpose.
- Recognising the importance of setting up AMSP structures in healthcare institutions, ICMR has initiated AMSP activities by developing AMSP curriculum, conducting workshops, and developing AMSP research projects
- These guidelines provide guidance for setting up structure and processes of Antimicrobial Stewardship Programmes in healthcare institutions. It will help discuss essential elements of antimicrobial stewardship, diagnostic stewardship besides providing information on tools that can be used to measure progress.
- Hospital-based programmes dedicated to improving antibiotic use have been helpful in improving the quality of patient care and safety through increased infection cure rates, reducing treatment failures, and increasing the frequency of correct prescription for therapy and prophylaxis

#### **About AMR**

- Antimicrobial resistance (AMR) is a major public health challenge and with very few new antibiotics in the pipeline, it is important to use the existing drugs judiciously.
- Irrational prescription of broad-spectrum antibiotics, poor regulations around sale of antibiotics, self-medication, lack of education and awareness regarding responsible use of antibiotics have been identified as some of the key factors driving antimicrobial resistance in the country.
- The **National Health Policy, 2017** also terms antimicrobial resistance as one of the key healthcare issues and prioritises development of guidelines regarding antibiotic use, *limiting over-the-counter use of antibiotics and restricting the use of antibiotics as growth promoters in livestock.*

**Allied and Healthcare Professions Bill, 2018**

*Syllabus: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.*

**In News**

The Union Cabinet recently approved the A&HP Bill, 2018 that aims to regulate and standardize education and services by allied and healthcare professionals.

**Current Ecosystem**

- The current system is highly focused on efforts towards strengthening limited categories of professionals such as doctors, nurses and frontline workers like ASHAs and ANMs. However, in the current state of healthcare system, there also exist many A&HPs who remain unidentified, unregulated and underutilised.
- A&HPs constitute an important element of the health resource network. Public healthcare experts claim that skilled and efficient A&HPs in any healthcare system can reduce the cost of care and dramatically improve the accessibility to quality driven healthcare services.
- Globally, A&HPs typically attend undergraduate degree programme of a minimum of three to four years to begin with and may attain up to PhD level qualification in their respective streams. However, currently most Indian institutions offering such courses lack standardisation.
- Majority of the countries worldwide have a statutory licensing or regulatory body that is authorised to license and certify the qualifications and competence of such professionals, particularly those involved in direct patient care (such as physiotherapist, nutritionist) or those whose occupation impact patient care directly (such as lab technologists).
- Though such professionals have existed in the Indian healthcare system for many decades, a considerable gap in the allied and healthcare space is because of a lack of a comprehensive regulatory framework and absence of standards for education and training of A&HPs.

**Provisions Of The Bill**

- The Bill provides for setting up of an Allied and Healthcare Council of India and corresponding State Councils which will set the standards and play the role of a facilitator for A&HPs.
- The Bill provides for structure, constitution, composition and functions of the Central Council and State Councils. The councils will be framing policies and set standards for regulation of professional conduct, creation and maintenance of live registers, and provisions for common entry and exit examinations.
- The Central Council will comprise 47 members, of which 14 members shall be ex-officio representing diverse and related roles and functions and remaining 33 shall be non-ex-officio members who mainly represent the 15 professional categories.
- An Interim Council will be constituted within 6 months of passing of the Act holding charge for a period of two years until the establishment of the Central Council.
- The Bill empowers the central and state governments to make rules. Moreover, central government also has the power to issue directions to the Council, to make regulations and to add or amend the schedule.
- The Councils are to be established as a body corporate with a provision to receive funds from various sources.

- Councils will also be supported by central and state governments respectively through grant-in-aid as needed. However, if the state government expresses inability, the central government may release some grant for initial years to the State Council.
- Professional Advisory Bodies under Central and State Councils will examine issues in detail and provide recommendations relating to specific recognized categories.
- The bill will also have an overriding effect on any other existing law for any of the covered professions.
- Offences and penalties clause have also been included in the bill to check mal-practices.

### **Benefits**

- The legislation will bring all existing A&HPs on board within a few years from the date of establishment of the Council.
- It provides an opportunity to create qualified, highly skilled and competent jobs in healthcare by enabling professionalism of the allied and healthcare workforce.
- It lays ground work for high quality, multi-disciplinary care in line with the vision of Ayushman Bharat, moving away from a doctor led model to a care accessible and team based model.
- The step can help country to cater to the global demand of healthcare workforce which is projected to be about 15 million by the year 2030, as per WHO Global Workforce Report 2030.
- It is estimated that the Allied and Healthcare Professions Bill, 2018 will directly benefit around 8-9 lakh existing A&HPs in the country and several other graduating professionals joining the workforce annually.
- However, since this Bill is directed to strengthen the healthcare delivery system at large, the entire population of the country and the health sector as a whole will be benefited by the Bill.

### **World Toilet Day**

*Syllabus: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.*

### **In News**

- Recently World Toilet Day was celebrated on **19<sup>th</sup> November** across the world. It was established by the World Toilet Organization in 2001. Twelve years later, the UN General Assembly declared World Toilet Day an official UN day in 2013.
- The theme for this year is '**When Nature Calls**'. It implies when nature calls, we need a toilet, but billions of people don't have one. This means human faeces, on a massive scale are not being captured or treated – turning the environment into an open sewer.
- **Sustainable Development Goal (SDG) 6** aims to ensure availability and sustainable management of sanitation and water for all by 2030. World Toilet Day exists to inform, engage and inspire people to take action toward achieving this goal.
- Today, 4.5 billion people live without safely managed sanitation and **892 million people still practise open defecation**.
- The impact of exposure to human faeces on this scale has a devastating impact upon public health, living conditions, nutrition, education and economic productivity across the world

**Statistics**

- **20% of schools worldwide do not provide any toilet facilities** - a particular problem for girls during menstruation.
- **900 million schoolchildren across the world have no hand washing facilities** – a critical barrier in the spread of deadly diseases.
- Globally, 80% of the wastewater generated by society flows back into the ecosystem without being treated or reused.

**Leadership for Academicians Programme (LEAP)**

*Syllabus: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.*

**In News**

- Ministry of Human Resource Development recently launched the Leadership for Academicians Programme (LEAP) in New Delhi.
- LEAP is a three weeks flagship **leadership development training programme** (2 weeks domestic and 1 week foreign training) for second level academic functionaries in public funded higher education institutions.
- The main objective is to **prepare second tier academic heads** who are potentially likely to assume leadership roles in the future.
- The programme would provide senior faculty with high academic credentials the required leadership and managerial skills including skills of problem-solving, handling stress, team building work, conflict management, developing communication skills, understanding and coping with the complexity and challenges of governance in HEIs, financial & general administration.
- It will fulfill the critical need of **combining the qualities of a good teacher and an effective leader** which will make higher education institutions perform their roles of developing better students who will be torch bearers of the future.
- The implementation of the programme will be through **15 NIRF top ranked Indian Institutions** and the foreign Universities identified for the training are within the top 100 in the world global rankings.

**Annual Refresher Programme in Teaching (ARPIT)**

*Syllabus: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.*

**In News**

- Ministry of Human Resource Development has launched the ARPIT.
- It is a unique initiative for **online professional development** of 15 lakh higher education faculty using the MOOCs platform **SWAYAM**.
- For implementing ARPIT, 75 discipline-specific institutions have been identified and notified as National Resource Centres (NRCs) in the first phase.
- The NRCs are tasked to prepare online training material with focus on latest developments in the discipline, new & emerging trends, pedagogical improvements and methodologies for transacting revised curriculum.

- The course is a 40-hour module with 20 hours of video content and 20 hours of non-video content, covering a diverse range of topics.
- It will be an ongoing exercise so that every year NRCs will continuously develop new refresher modules in their earmarked disciplines each year.
- It aims to revolutionize professional development of faculty by catering to massive numbers by leveraging ICT and online technology platform of SWAYAM.

### **Institution's Innovation Council**

*Syllabus: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.*

#### **In News**

- Union HRD ministry recently launched the Institution's Innovation Council (IIC) program under Innovation Cell of MHRD to systematically foster a culture of Innovation in all Higher Education Institutions (HEIs) across the country.
- It is a significant step in institutionalising innovation & developing a scientific temperament in the country.
- The purpose of formation of network of Institution's Innovation Councils (IICs) is to encourage, inspire, and nurture young students by exposing them to new ideas and processes resulting in innovative activities in their formative years.
- Universities are the main research centres of developed countries and because of their research they are at the top in global innovation ranking. The setting up of IICs would also help the country in improving its ranking in the innovation space.
- More than 1000 Higher Education Institutions (HEIs) have already formed IICs in their campuses and enrolled for the IIC network to develop an innovative eco-system in their campuses.
- Apart from IIC, Innovation Cell has undertaken many initiatives in this direction such as implementing programs like Atal Ranking of Institutions on Innovation Achievement (ARIIA), Smart India Hackathon (SIH)- 2019 etc to contribute to the holistic development of education in the country.

## ***International Relations***

### **Pakistan's Economic Crisis**

*Syllabus: India and its neighbourhood- relations.*

#### **In News**

- Pakistan is currently going through a severe balance of payments crisis, the third one in the last 10 years.
- Notably, by the end of June 2018, Pakistan had a current account deficit of \$18 billion, nearly a 45% increase from a deficit of \$12.4 billion in 2017.

#### **Key Highlights**

- Pakistan's economy is passing through a very critical situation. Foreign debt has nearly reached US\$95 billion.
- Pakistan's foreign exchange reserves of around \$15 billion are sufficient to cover only two-and-a-half months of imports.

- Debt-servicing costs are crippling. Foreign-exchange reserves are at almost the lowest level in the nation's history.
- Exports have dropped, while foreign remittances have also suffered. Devaluation of the Pakistani currency has increased inflation domestically.
- The poor system of tax collection is a major cause of budgetary deficiency in the form of income and expenditures. The gap between poor and rich is growing rapidly.

#### **Steps Taken By Pakistani Government**

- Pakistan has **approached the International Monetary Fund (IMF)** seeking \$6 billion financial bailout for averting its balance of payments crisis. An IMF team is currently reviewing Pakistan's monetary and fiscal policies as well as its monetary needs in keeping with the current account deficit.
- If an assistance package is agreed on, it would be **Pakistan's second IMF bailout in 5 years** and its **13<sup>th</sup> since late 1980s**.
- Earlier, **Saudi Arabia** confirmed that it would provide Pakistan with a \$6 billion rescue package. However, this aid is not enough to help the crisis-ridden state.

#### **Analysis**

- Pakistan economy's external vulnerability is worse than other emerging markets. It has a history of borrowing from IMF and has been more dependent on the Fund than others in South Asia.
- Pakistan's perennial dependence on foreign funds has meant that it is dependent on external donors to stabilize its economy. Many analysts believe that years of financial assistance by the US and US-aligned multilateral institutions have left **no incentive for Pakistan to introduce structural reforms**.
- Instead, the government often seems happy to **leverage its geographical importance** to secure more money and bailouts.
- According to experts, this has created a situation of "**Dutch disease**", *wherein inflow of foreign currency and overvaluation of the Pakistani rupee has damaged the domestic industry*.
- China is also stepping into the role of influential donor for the country. A recent study by the US-based think tank, Centre for Global Development, warned that China's Belt and Road Initiative (BRI) could raise the risk of sovereign debt default by relatively small and poor countries.
- China has already upstaged the US as the main source of external funds for Pakistan, and Pakistan's dependence on China could rise further in the years to come.

#### **Impact on India**

- Pakistan's deep economic troubles suggest that India might have to live with increased Chinese influence in Pakistan, in particular, and South Asia, in general.
- The example of Sri Lanka's Hambantota port, which has been handed over to China as debt obligations mounted, only add to such concerns.
- The last time a big power, the US, had roped in Pakistan in its proxy war against the then USSR, sections of Pakistan's ruling establishment felt emboldened to undertake hostile actions against India.
- However, there are sections of analysts who believe that Pakistan will not necessarily pursue an adventurist policy against India with Chinese cover.

- China, because of its investments in Pakistan, would at least have a stake in stability, if not peace. Moreover, China has demonstrated in past instances that it could have a restraining effect on Pakistan.
- It is too early to say whether a China-Pakistan alliance will lead to greater or less anti-India activities. But India might need a new strategy to engage with Pakistan's external donors to mitigate risks arising from a volatile situation in our neighbourhood.

#### **Pakistan-Saudi Arabia Relations: Few Facts**

- Pakistan has benefited enormously from Saudi Arabia – the Muslim world's wealthiest nation – through generous financial aid, the supply of oil on a deferred payment basis and aid during crises.
- For instance, the Saudis provided a grant of US\$10 million during the 2005 earthquake, \$170 million during the 2010-11 floods, and a \$1.5 billion grant when Pakistan faced an economic crisis in 2014.
- Recently, Saudi Arabia has sanctioned a loan of US\$3 billion to help Pakistan overcome its financial crisis. It has also agreed to allow Pakistan to make deferred payments on oil imports amounting to US\$3 billion.
- There are around two million Pakistani expatriates in Saudi Arabia, and they send back remittances worth over \$5 billion every year. Though the trade balance is heavily skewed in favour of Saudi Arabia, the two countries are negotiating a bilateral treaty to help correct the imbalance to some extent.
- The stock placed by the Pakistani government on strengthening relations with Saudi Arabia is clear from the fact that newly elected PM Imran Khan has visited the Kingdom twice in three months.
- Pakistan and Saudi Arabia have long shared strong geopolitical and economic relations. These relations have been challenged in recent years.
- Pakistan's stated **neutrality in the war in Yemen** and its **failure to openly support the Saudi blockade of Qatar** affected the relationship.
- On its part, Saudi Arabia did not support Pakistan at a crucial vote of the Financial Action Task Force to determine if Pakistan should be placed on its grey list for "strategic deficiencies" in clamping down on terrorism financing.
- To attract Saudi interest, Pakistan floated a number of ideas, including inducting Saudi Arabia as a partner in the CPEC.
- Since this was met with a lukewarm reception from the Kingdom, Pakistan then invited the Saudis to build an oil refinery at its Gwadar port. The Saudis have also been offered a stake in the Reko Diq copper-gold mines in Balochistan.

#### **China to Build Port in Myanmar**

*Syllabus: India and its neighbourhood- relations.*

#### **In News**

China and Myanmar has signed an agreement to develop a multi-billion dollar deep sea port in **Kyaukpyu** on the coast of Bay of Bengal.

**Key Highlights**

- After Gwadar in Pakistan and Hambantota in Sri Lanka, it will be third port in India’s neighbourhood. China is also funding the development of the Chittagong port in Bangladesh.
- China will fund 70 % of the project and the remaining 30 % will be taken up by Myanmar.
- Total China-Myanmar investment into the Kyaukpyu project has been scaled down to \$1.3 billion (initial phase) from the earlier \$7 billion figure. China’s investment in the project was reduced following Myanmar’s concerns of falling into a debt-trap.

**Analysis**

- The port is expected to boost the China-Myanmar economic corridor and will be another road-sea link under President Xi Jinping’s Belt and Road Initiative. Oil and natural gas pipelines are already functioning between the Kyaukpyu and Kunming in China’s Yunnan province, bordering Myanmar.
- For Myanmar, the project promises employment to thousands and billions in tax revenue in the future.
- However, analysts in India term this move as a part of String of Pearls theory of building strategic network of ports to encircle India.
- The port will be located on the western coast of Myanmar in Rakhine state. When developed, it will not be far away from a submarine base India is developing on its east coast, close to Vishakhapatnam.

**Revoking Birthright Citizenship**

*Syllabus: Effect of policies and politics of developed and developing countries on India’s interests*

**In News**

- U.S. President recently said that he intends to issue an executive order that would end birth right citizenship for children born in the US to undocumented immigrants.
- Birthright citizenship comes from the **14<sup>th</sup> Amendment’s** citizenship clause, which states, “All persons born or naturalized in the United States and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside.”
- Thus, the U.S. propose to strike down the right to citizenship decided only by the place of birth, derived from common law.

**Background**

- **Dred Scott v. Sandford Case 1857:** It ruled that African slaves and their descendants were not and could never become U.S. citizens.
- **14th Amendment 1868:** It was adopted to correct the injustice met to African slaves and their US born children, who found themselves stripped of citizenship, after the decision of Dred Scott v. Sandford Case 1857. The amendment guarantees that a child born on US soil is automatically a full citizen, irrespective of the citizenship status of its parents.

The infographic is divided into three main sections. The top section, titled 'BIRTH TOURISM', features a map of California and states: 'In 2005, Anchor Babies = 1/2 of all California Medi-Cal births (Medicaid program)'. Below this, it says 'Around 36,000 Birth Tourists' and 'Visit the U.S. each year, specifically so that the child will be an American citizen. Then they return home with the baby.' A sub-section notes: 'Birth tourists have defrauded hospitals and taxpayers by taking advantage of healthcare meant for the indigent'. An example case is provided: 'In one case, a birth tourist paid just \$4,000 of a \$28,045 hospital bill.' Another note says: 'Investigations revealed that their bank account had charges at Louis Vuitton, Rolex, and the Wynn Las Vegas Hotel'. The middle section, 'U.S. Compared To The World', shows a world map with the US and Canada highlighted in red and states: 'The United States and Canada are the only two developed countries that still allow birthright citizenship'. The bottom section lists countries that have ended universal birthright citizenship: 'The United Kingdom, which ended the practice in 1983; Australia (1986); India (1987); Malta (1989); Ireland, which ended the practice through a national referendum in 2004; New Zealand (2006); and the Dominican Republic (2010)'.

- Birthright citizenship in US is acquired by virtue of the circumstances of birth. It is automatically granted to any person born within and subject to the jurisdiction of the United States. This includes the territories of Puerto Rico, the Marianas (Guam and the Northern Mariana Islands), and the U.S. Virgin Islands. Birthright citizenship also applies to children born elsewhere in the world to U.S. citizens (with certain exceptions).

#### **Misuse Of The 14<sup>th</sup> Amendment**

- **Promote Illegal Immigration:** The decision was taken at the backdrop of the assertion that birthright citizenship draws people to illegally enter the United States.
- The Pew Research Center estimates that about 2,50,000 babies were born in the United States in 2016 to parents residing in the country illegally. An estimated 36,000 additional babies are born to parents from around the world who come legally for Medical tourism purpose.
- **Favourable SC Order on Travel Ban:** The Supreme Court in U.S. had already upheld a watered-down version of the President's travel ban, initiated by executive order. That ruling gave wide leeway to interpret and enforce the nation's immigration laws.
- **International Practice:** In 2004, nearly 80 percent of Irish voters decided to end birthright citizenship as change was needed because foreign women were travelling to Ireland to give birth in order to get an EU passport for their babies. Similarly, in 2004, India abolished a similar provision in response to fears about mass immigration from Bangladesh. Moreover, more than 195 countries in world base citizenship at birth on the nationality or resident status of the child's parents.

#### **Concerns/Challenges**

- **Move Unconstitutional:** The U.S. Constitution grants the power to regulate citizenship to Congress, and not to the President. Also, it grants only Congress the authority to establish rules for citizenship by naturalization. Thus, president *via* executive order cannot amend it.
- **Require Constitutional Amendment:** US Constitution grants birthright citizenship to all persons born on US soil, meaning that any change would probably require a constitutional amendment.
- **Violates Constitutional Intent:** Also, the recent proposal seems an unprecedented grab for executive power by the President and it probably violates the intent of framers of the constitution.
- **Violates Article 2:** The executive order banning the birth citizenship clause would violate Article 2 of the Constitution, which states that President "shall take Care that the Laws be faithfully executed." Further, the executive order would violate laws of denaturalization and would attempt to strip citizenship retroactively *i.e.* another violation of the Constitution.
- The decision will face legal challenges, since millions of citizens, the children of immigrants who were not citizens when they were born, would be disenfranchised by such a move.
- The eliminating birthright citizenship will do nothing to solve US immigration issues.

#### **Envoys Seek Meeting On Xinjiang Concerns**

*Syllabus: Effect of policies and politics of developed and developing countries on India's interests*

#### **In News**

- A group of 15 Western ambassadors in Beijing, spearheaded by Canada, are seeking a meeting with the top official in China for an explanation of alleged rights abuses against ethnic Uighurs in Muslim dominated Xinjiang region.

- The move represents unusually broad, coordinated action by a group of countries over a human rights issue in China and illustrates the mounting backlash Beijing is facing over its crackdown in the western region.
- In past many foreign governments have refrained from speaking out over the Xinjiang situation as countries are fearful of angering China, an increasingly weighty diplomatic player thanks to its economic heft and initiatives such as the Belt and Road infrastructure programme.



### Situation In Xinjiang Region

- **International Outcry:** Beijing has faced an outcry from activists, academics, foreign governments and U.N. rights experts over mass detentions and strict surveillance of the mostly Muslim Uighur and other Muslim groups who call Xinjiang home.
- **Detention in Camps:** In August, a United Nations human rights panel said it had received many credible reports that a million or more Uighurs in China are being held in what resembles a massive internment camp that is shrouded in secrecy.
- **Human Rights Violation In Camps:** The camps impose military-style discipline and punishments and force detainees to renounce their religion and culture while swearing loyalty to China's President and the ruling Communist Party.
- **Aimed at Political re-education:** There are also reports that since April 2017 the Chinese government has detained an estimated 2 million Uighurs, Kazaks and other Muslims in internment camps for political re-education.
- **Beijing Stand:** China says it is not enforcing arbitrary detention and political re-education, but rather some citizens guilty of minor offences are being sent to vocational centres to provide employment opportunities. Moreover, Beijing bristles at criticism of its human rights situation, espousing a policy of non-interference in the affairs of other countries.
- **Fear of Islamic Militants:** China also says in Xinjiang it faces a serious threat from Islamist militants and separatists who plot attacks and stir up tensions with the ethnic Han Chinese majority.

### Way Forward

- There is a need to end such alleged counterproductive policies and free all those arbitrarily detained. There is also need to promote accountability for those who commit human rights violations and abuses.

- Further, the world countries also need to consider imposing sanctions against officials and Chinese companies linked to allegations of rights abuses in Xinjiang. For example- The US is considering use of **Magnitsky Act**, which prevents foreign officials from entering the US and freezes any assets they have in American banks.

## **US Midterm Election Results**

*Syllabus: Effect of policies and politics of developed and developing countries on India's interests*

### **In News**

- Opposition Democrats captured the House of Representatives in the crucial midterm elections, while President Donald Trump's Republican Party retained its majority in the Senate.
- The Democrats took control of the House for the first time in eight years, upending the balance of power in Washington where Trump enjoyed an easy ride following his shock 2016 election with Republican dominance of both chambers.

### **Impact**

- **Intensify Bitterness:** An outcome also likely to intensify the political bitterness and fighting between the two major parties in the run up to the 2020 presidential poll.
- **Difficulty In Legislative Changes:** It would make it tough for President Trump, who wants major legislative changes on some of his signature issues including immigration, tax, and healthcare reforms.
- **Institutional Check:** By capturing the House of Representatives, the Democrats may exert a major institutional check on Trump and break the Republican monopoly in Washington.
- **Test of President's Policies:** The crucial poll also marked the first major voter test of Trump and is seen as a referendum on his controversial policies, including those on immigration.

## **Tension Between Russia and Ukraine**

*Syllabus: Effect of policies and politics of developed and developing countries on India's interests*

### **In News**

- Russia's capture of three Ukrainian naval ships and over 20 crew members in the disputed **Azov Sea** has re-focussed international attention on the conflict on Europe's eastern corridors. Ukraine has declared martial law and demanded that the sailors be treated as prisoners of war.
- Sea of Azov is a sea in Eastern Europe in the south it is linked by the narrow (about 4 km or 2.5 mi) Strait of Kerch to the Black Sea, and it is sometimes regarded as a **northern extension of the Black Sea**. Further, the **Kerch Strait** separates Russia from Crimea, a Ukrainian peninsula that was annexed by Russia in 2014.
- A court in Russian-annexed Crimea, meanwhile, has ordered many of them to be held in pre-trial detention, charging them with illegally entering its territorial waters.

### **Background**

- **Introduction:** Ukraine gained independence after the collapse of the Soviet Union in 1991. However, Russia considers a Western-leaning Ukraine a threat to its interests. In 2014, Ukraine's pro-Russian leader was overthrown after large-scale protests (**Maidan Square Protests**) against the government's decision to abandon plans to sign an association agreement with the EU.

- **Crimea Annexation:** Russia then annexed Crimea, while Russia-backed separatists moved against the Ukrainian state in the east.
- **Consequences:** The protracted conflict has so far claimed about *10,000 lives* and displaced millions and no lasting resolution is in sight.
- **Peace Efforts:** The **Minsk Peace Accords 2014-15** prohibited air strikes and heavy artillery firing. But the dispute has dragged on into a smouldering low-intensity combat.
- **Election In Crimea:** In turn, the election in October 2018 of the legislatures of two breakaway enclaves of Ukraine, with Moscow's endorsement, drew criticism from Ukraine, leading European powers and the US as violations of the Minsk accords.

**Core Issue In Recent Dispute**

- **Violation Of Convention and Treaty**

- Ukraine and Russia accuse each other of violating international maritime law. They refer to **1982 UN Convention on the Law of the Sea (UNCLOS)**, which both states joined in 1990s.
- Ukraine insists on freedom of movement in the **Kerch Strait and the Sea of Azov** in accordance with this agreement, while the Russian side is trying to draw territorial borders.
- The countries also have a **2003 Bilateral Agreement** on the free use of the Kerch Strait and the Sea of Azov, an accord that Russia has never called into question.
- Thus, as per the treaty the Russia and Ukraine share access to this water and the treaty also specifically states that Russia has the **right to inspect any vessel** sailing to or from the Sea of Azov. The Ukraine has accused Russia of abusing that right.



- **International Law In This Respect:**

- The UNCLOS sets out various scenarios that give a state freedom of passage, irrespective of a state's territorial waters.
- It says all ships, including foreign warships, enjoy the right of **"innocent passage"** within another state's territorial sea under international law. The UN law states that a passage is innocent so long as it is not prejudicial to the peace, good order or security of the coastal state. But Russia has disputed whether the passage was innocent.
- Also under UN conventions, there is a requirement under which all ships needs to be given the freedom to travel through a strait from one part of high seas to another, known as **transit passage**.
- There are also rules within the UN convention that ensure that ports which can only be reached by a single route through the strait, as is true of all ports in the Sea of Azov, always remain accessible.

- **Recent Controversy**

- **Construction of new bridge:** Russia's newly opened bridge over the Kerch strait that connects mainland Russia with Crimea has raised concerns about Moscow's greater control and influence in the region.

- **Blocking of Ports:** Kerch Strait is the only connection between the Black Sea and the Sea of Azov, and the only way to reach two important Ukrainian ports, **Mariupol and Berdiansk**. Russia has controlled the strait since annexing Crimea in 2014, which has made traffic significantly more difficult for Ukrainian ships. Ukraine says Russia is deliberately blockading its port. Thus, Ukraine has accused Russia of trying to occupy the Sea of Azov and damage Ukraine's economy by hindering access its ports.

### Final Analysis

- **Ukraine and Russia's Allegation:** Ukraine has alleged Russia of violating the *UNCLOS and 2003 Treaty* as well as blocking its ports. While Russia said the Ukrainian ships were violating its waters and accuses the Ukrainians of failing to inform it that three of its ships were planning to sail through Kerch. Moscow has also accused Kiev of planning the recent confrontation as a provocation aimed at convincing Western governments to impose further sanctions on Russia. Further, Russia calls the sea clash a provocation organised by Ukraine's authorities in the run-up to the Ukrainian Presidential election.
- **Global Pressure:** There has been renewed Western diplomatic pressure since the new skirmishes, with the UN Security Council and NATO calling on Moscow and Kiev to de-escalate tensions.
- **No Effect Of Sanctions:** The economic sanction on Russia have only forced Russian President Vladimir Putin to toughen his rhetoric *vis-à-vis* the big powers and the hardships from the economic sanctions since Crimea's occupation have achieved little by way of confidence building in the region.
- **Division In Europe:** European powers are divided between those advocating greater diplomatic engagement with the Kremlin and others wanting to press with further sanctions to punish perceived Russian political interference.
- **NATO Expansion:** The basic issue is of NATO's continued expansion into the former Eastern Europe and the erstwhile USSR, which has been a continued source of provocation for Moscow.
- **Diverting Attention From Domestic Issues:** The recent escalations could serve well the leaders of both Russia and Ukraine to divert attention from the sagging popularity levels at home. Ukrainian President Petro Poroshenko faces a general election next year, which, it is widely forecast, he will lose.

### Way Forward

- The geopolitical imperative of greater engagement with Moscow has never been more urgent, as hawks in the U.S. administration make no secret of their preference for confrontation over dialogue.
- The humanitarian situation arising from the continuing conflict brooks no delay in arriving at a speedy resolution.

### Visit of Prime Minister To Singapore

*Syllabus: Effect of policies and politics of developed and developing countries on India's interests*

### In News

- Prime Minister Narendra Modi visited Singapore on 14-15 November 2018 at the invitation of Prime Minister of the Republic of Singapore, Mr. Lee Hsein Loong, to attend the ASEAN-India Breakfast Summit, 13th East Asia Summit (EAS) and Regional Comprehensive Economic Partnership (RCEP) Summit.

- Singapore, as the current Chair of ASEAN, is hosting these Summits.

### **Significance Of The Visit**

- **Launch of APIX:** Prime Minister launched the APIX which is a platform through which the ASEAN financial institutions, innovators and users would connect with the Indian users to begin with but it is finally a global platform in which there will be many more connects.
- **Review of CECA:** PM of India and Singapore reviewed the relationship and expressed satisfaction that the second review of the Comprehensive economic cooperation Agreement (CECA) has concluded and third review was ongoing.

### **India-Singapore Bilateral Relations**

#### **Background**

- The close ties between India and Singapore have a history rooted in strong commercial, cultural and people-to-people links. India's connection with Singapore dates back to the Cholas.
- The more modern relationship is attributed to Sir Stamford Raffles who in 1819 established a trading station in Singapore on the route of the Straits of Malacca which became a colony under British India governed from Calcutta (1830-1867).
- The colonial connection is reflected in a similarity of institutions, practices, usage of English and the presence of a large Indian community.
- India was one of the first countries to recognize Singapore in 1965. India's economic reforms in 1990s and the Look East Policy provided opportunities to recreate a new framework for cooperation which included the Comprehensive Economic Cooperation Agreement (CECA) of 2005.
- This robust relationship was elevated to a Strategic Partnership during the visit of Prime Minister Modi in November 2015 who signed a Joint Declaration on a Strategic Partnership with Singapore Prime Minister Lee Hsien Loong on the occasion of the 50th anniversary of the establishment of diplomatic relations.

#### **Bilateral Trade and Investments**

- Singapore is India's 10th largest bilateral trade partner (2016-17) and the 2nd largest among ASEAN countries with a share of 2.5 % and 2.6 % of overall trade of India and Singapore respectively.
- Bilateral trade expanded after the conclusion of CECA from US\$ 6.7 billion in 2004-05 to reach US\$ 17.7 billion in 2017-18.
- Total foreign direct investments from Singapore into India was USD 57.6 billion (till June 2017) which was 16.8% of total FDI inflow.
- High ease of doing business has resulted in many Indian companies to register their offices in Singapore which also results in greater FDI. The FDI from Singapore in the period April 2016 – March 2017 was US\$ 8.7 billion. The outward Indian FDI to Singapore was USD 49.45 billion (till June 2017) making Singapore one of the top destinations for Indian investments.
- The sectors which attracted investments include Information Technology, real estate, manufacturing, construction, renewable energy and pharmaceuticals.
- About 6,000 Indian companies are registered in Singapore. 6 PSUs, 9 banks, India Tourism, CII, FICCI, Air India, Jet Airways have their offices in Singapore. More than 440 companies from Singapore are registered in India. 2 banks, International Enterprise Singapore (IE) and Singapore

Tourism Board have their offices in India. Thus, there is an environment of deep and strong economic cooperation between the two countries.

- Singapore has expressed interest in working with India on the Smart Cities initiative. A consortium of Singapore companies is working to develop Amaravati, new capital city of Andhra Pradesh. Singapore is also working with State Governments in preparing Concept Plans for townships in Udaipur, Jodhpur and Greater Shimla.

#### **Other Areas of Partnership**

- Defence has been an area where both the countries share deepening relationship. The SIMBEX a joint naval exercise between the two countries is the symbol of the strong defence ties. India is crucial to Singapore in providing a strong defence partner that can counter and withstand the growing Chinese assertiveness.
- Science and technology and skill development have been other areas of nurturing closer ties. Singaporean companies have tied up with India's Skill Ministry for the flagship SKILL INDIA scheme. While national university of Singapore (NUS) has made several tie ups with IITs and other premier science institutes. ISRO has also helped Singapore with the launch of crucial communication satellites.
- Cultural ties have been one of the strongest pillar of the relationship between India and Singapore. Inter-governmental cooperation in culture is governed by a 1993 MOU for Cooperation in the fields of Arts, Archives and Heritage.
- ICCR and the National University of Singapore (NUS) have signed an MOU in March 2010 establishing a short-term Chair on Indian Studies at the South Asian Studies Programme, NUS.
- Indian Community has a strong presence in Singapore. Ethnic Indians constitute about 9.1 % or around 3.5 lakhs of the resident population of 3.9 million in Singapore.

#### **President Kovind Visit to Vietnam and Australia**

*Syllabus: Effect of policies and politics of developed and developing countries on India's interests*

#### **In News**

- President Ram Nath Kovind visited Vietnam and Australia from November 18 to 24 with an aim to strengthen ties with the Indo-Pacific nations.
- President's visit is also a part of India's continuing and growing engagement with countries in the Indo-Pacific region under its "**Act East**" Policy.

#### **Areas Of Cooperation (Vietnam)**

- The visit is going to be the first visit of the President of India to Vietnam, an ASEAN country.
- President also visited **Danang**, one of the most important ports in Vietnam. Danang and India connect with each other in rich history.
- **Areas of Discussion:** The President discussed the issue of climate change, enhanced bilateral cooperation in the maritime domain through first Bilateral Maritime Security Dialogue to be hosted by Vietnam in early 2019, India's support to Vietnam as it takes over the ASEAN Chair in 2020, promotion of peace and prosperity in the Indo-Pacific Region, acknowledgment of Vietnam's support for an early adoption of a Comprehensive Convention on International Terrorism at the United Nations,

- **Economic Cooperation:** Indian President invited Vietnam to collaborate in the flagship programmes like Make in India, Clean India, Start-up India and Digital India. Indian President also suggested reviving maritime connect with Vietnam which will increase the bilateral trade from the current \$ 12.8 billion to a target of \$ 15 billion by 2020.
- **Deepening of Defence And Security Cooperation:** India agreed to provide training support for Vietnam Armed Forces. The implementation of the Line of Credit of \$ 100 million for building high speed patrol vessels for Vietnamese Border Guards was also reviewed.
- **Cooperation at International fora:** Two sides reaffirmed mutual support for their respective candidatures as non-permanent members of the United Nations Security Council Vietnam for the term of 2020–2021 and India for the term of 2021–2022.
- **Scholarship Programme:** The President of India reaffirmed the Indian Government's commitment to provide around 200 annual scholarships to Vietnam through the *Indian Technical and Economic Cooperation Program (ITEC)* and 30 scholarships through the *Cultural Exchange Program/ General Cultural Scholarship Scheme (CEP/GCSS) Program*.

### Visit To Australia

- This was the first ever visit of President of India to Australia. In Sydney, President addressed the Indian diaspora and unveiled the statue of Mahatma Gandhi marking his 150<sup>th</sup> Birth anniversary.
- **ANZAC Memorial:** President Kovind laid wreath at the ANZAC Memorial and paid homage for fallen soldiers of WWI at Sydney. In the meeting, President conveyed India's decision to contribute additional AUD 10 million matching funds over the next 4 years towards Australia India Strategic Research Fund.
- **Economic Cooperation:** President welcomed Australian PM Morrison's proposal of "India Economic Strategy To 2035" to increase the Australian investment from current AUD 10 billion to 100 billion by 2035. An agreement was signed between Invest India and Austrade to facilitate bilateral investment.
- **Disability:** An agreement between the Department of Empowerment of persons with Disabilities, Government of India and the Department of Social Services, Government of Australia for cooperation in the area of disability and to deliver services to the differently-abled.

### Ninth Joint Commission Meeting on Bilateral Cooperation between India and Lao PDR

*Syllabus: Effect of policies and politics of developed and developing countries on India's interests*

### In News

- A delegation led by External Affairs Minister (EAM) Sushma Swaraj paid an official visit to Lao PDR on 22-23 November, 2018. Here the EAM co-chaired the 9<sup>th</sup> Meeting of India – Lao PDR Joint Commission on Bilateral Cooperation with her counterpart H.E Saleumxay Kommasith, Minister of Foreign Affairs of the Lao PDR.
- The Joint Commission meeting and other engagements of EAM was aimed to further enhance the cooperation between the two countries in various areas.

### Highlights Of Meeting Between India & Lao

- **Shared History:** India and Lao PDR share age-old civilizational ties best symbolized by the relic of the Buddha encased in the **That Luang Stupa**, the national emblem of Lao PDR, and the **Vat Phou**

**Temple Complex**, an ancient Shiva temple, whose earliest structures date back to the 5-6 century A.D. and which is currently being renovated and restored by the Archaeological Survey of India.

- **Review of Existing Relationship:** The two sides reviewed the entire gamut of bilateral cooperation covering areas of Defence, Development Partnership, Agriculture, Trade & Investment, Education & Culture, Science & IT, Energy & Mining, Transport and Natural Resources & Environment.
- **Roadmap for Cooperation:** The meeting also laid out the road map for future cooperation and enhancement in bilateral relations. Both agreed that India-Lao PDR enjoy excellent bilateral relations which need to be strengthened further through constant political dialogue and through increased trade and investment.
- **Mekong Ganga Cooperation:** Both sides recalled the success of the Mekong-Ganga Ministerial Meeting held on 4 August 2018 in Singapore. Lao said it values the cooperation under the Mekong-Ganga Cooperation Framework and appreciated the approval of three Quick Impact Projects (QIPs) which are: establishment of fertilizer analysis laboratory, Vientiane, promotion of goat raising in Vientiane Province, and promote green cardamom cultivation in Paksong, Champasack Province. These projects will contribute to the promotion of the socio-economic development of Lao PDR, especially in agricultural sector. The first instalment, 40 per cent of the sanctioned amount, has been transferred to the Lao side.
- **Connectivity:** Lao has urged India to play a proactive role in the development of infrastructure in the ASEAN region to meet the target of digital connectivity between member states by 2020 and physical connectivity by 2025 as well as to support the implementation of the ASEAN ICT Master Plan 2020 in order to connect ASEAN and India.
- **Trade:** At USD 233 million in 2017, Lao stood at ninth position among 10 ASEAN member states in terms of trade with India. Indonesia tops with USD 17 billion followed by Singapore with USD 16.7 billion. Both sides noted that the trade volume between the two countries has been growing, but still limited. Both sides agreed to take all possible steps to promote bilateral trade.
- **Indian Investment:** They also agreed to encourage Indian companies to invest in Lao PDR, especially in priority areas of Lao PDR's National Socio-Economic Development Plan. Both sides also agreed to accelerate the negotiation on the *Double Taxation and Avoidance Agreement (DTAA)* at the earliest. Both sides agreed to encourage the two chambers of commerce and industry of the Lao PDR and India to organize business forums during the exchange of visits by high level officials in order to exchange information as well as promote cooperation in trade and investment.
- **UN Membership:** The Lao PDR reiterated support for India's candidature for permanent membership of a reformed UNSC.

### **Indian PM Visit to Maldives**

*Syllabus: Effect of policies and politics of developed and developing countries on India's interests*

#### **In News**

Prime Minister Narendra Modi attended the swearing-in ceremony of Maldives President **Ibrahim Mohamed Solih** to strengthen the bilateral relations.

#### **Background**

- **Debt Trap:** The former President Abdulla Yameen had claimed unprecedented infrastructure development in the island nation, it was largely perceived as being part of China's "**debt for**

**leverage” model**, which can be used by Beijing to get access to the country’s natural resources as well as for strategic reasons. Experts say Chinese loans for projects already account for around 70 % of the Maldives’ national debt.

- **Chinese Presence:** The relations between India and Maldives had deteriorated in the last few years with Yameen in power. Yameen’s trampling of democratic processes and his veering towards China had caused considerable concern in New Delhi.
- **Election:** Yameen’s high-handed approach had prompted former Presidents Nasheed and Gayoom, arch rivals to join hands and form a joint opposition and they had fielded Solih as their presidential candidate.

### Highlights Of The Visit

- **Peace And Stability In The Region:** Modi and Solih, who had a bilateral meeting just after the swearing-in, agreed on the importance of maintaining peace and security in the Indian Ocean and being mindful of each other’s concerns and aspirations for the stability of the region. This is aimed at addressing concerns stemming from China’s assertive activities in the Indian Ocean region.
- **Development Aid:** Solih briefed Modi on the dire economic situation facing his country and they discussed the ways in which India could continue the development partnership, particularly to help the new government meet its pledges to the people of the Maldives. In particular, President Solih highlighted the pressing need for increased *housing and infrastructure development* as well as for establishing *water and sewerage systems* in the outlying islands.
- **Investment:** Advocating for the Indian footprint to be expanded, India welcomed the expanding opportunities for Indian companies to invest in the Maldives in different sectors for the mutual benefit of both countries.
- **Visa:** Recognizing that nationals of both countries travel extensively between the two countries, the leaders also agreed on the need for facilitating easier visa procedures. Indian workers and professionals in the Maldives had been facing issues regarding visas and work permits as ties deteriorated.
- **Security Cooperation:** Modi and Solih also expressed their unwavering commitment and support for increased cooperation in combating terrorism both within the region and elsewhere. The Maldives has faced a rising tide of Islamist fundamentalism in the last few years. It is said to have supplied between 50 and 200 fighters to the ISIS and Maldivian civil society has witnessed an increase in religious intolerance and violent extremism.

### Final Analysis/Way Forward

- Maldives President Ibrahim Solih’s swearing-in marked the successful culmination of a democratic struggle. Prime Minister’s presence at Solih’s inauguration reflected the goodwill that seems to have been rekindled between Male and New Delhi..
- Now, with Solih at the helm, it is an opportune moment for Male to renew its ties with India. Solih reportedly sought India’s assistance to develop his country’s infrastructure during his meeting with Modi and the two leaders discussed the modalities of deepening economic cooperation. On the other hand, Nasheed has suggested that the new government will pull out of the *Free Trade Agreement with China*.
- While India has reasons to view the turn of events in the Maldives with satisfaction, it would be unwise to assume that the country has become “pro-India” and return to the old ways of doing business in Male. New Delhi needs to realise that its smaller neighbours are not willing to offer

uncritical and unquestioning support for India. It must also recognize Beijing's ability to win favours. India saw this play in Sri Lanka where China compelled Maithripala Sirisena and Ranil Wickremesinghe to back Chinese infrastructure projects that they had initially opposed.

- India must learn to engage the Maldives with sensitivity and devote sustained political attention and economic resources to transform the bilateral relationship into a genuine Indian Ocean partnership.

***For 2 other topics related to Maldives (China-Maldives Friendship Bridge, Presidential Elections in the Maldives), refer Sept CA Magazine 2018.***

## **US Partially Allow India To Continue With Iranian Oil Import**

*Syllabus: Effect of policies and politics of developed and developing countries on India's interests*

### **In News**

- The US has agreed to let **eight countries including China, Japan, India and South Korea** keep buying Iranian oil after it reimpose sanctions on the Iran on November 5.
- It would allow Indian oil companies to continue to import about **1.25 million tonnes of oil a month** till March 2019 from Tehran. The US has managed to reduce Iran's oil exports from **2.7 million to 1.6 million barrels** a month.
- The Islamic Republic had become a preferred supplier for India, making it the second largest Iranian crude oil purchaser of Iranian oil after China due to sweeteners such as **60-day credit, free insurance and shipping.**

### **Background**

- ***Iran Nuclear Programme:*** The US has re-imposed oil-related sanctions on Iran on November 4, 2018 to choke the Islamic Republic's biggest source of income and pressure it to renegotiate a new nuclear deal. Any country or company, trading with Iran without US consent after sanctions kick off risks getting cut off from the American financial system.
- ***Country Specific Waiver:*** The US has insisted every country to reduce oil imports from Iran to zero eventually, but was open to country-specific waivers that would allow limited imports by those pledging 'significant' cut. India and other key importing countries have been engaged for months with the US for a waiver.
- ***Two Set of Sanctions:*** The US has reinstated two sets of sanctions. The **first set of sanction** came into effect on August 7, which included restrictions on: Iran's purchase of U.S. currency, Iran's trade in gold and other precious metals, Sale to Iran of auto parts, commercial passenger aircraft, and related parts and services. The **second set of sanctions**, which will come into force on November 4, restricts sales of oil and petrochemical products from Iran.
- ***Conditions for Sanction:*** These sanctions will remain until Iran meets demands such as sending support for terrorism, ending military engagement in Syria and halting its nuclear and ballistic missile development completely.

### **Conditions Of Waiver**

- India had imported about **22 million tonnes** of crude oil from Iran in 2017-18 and planned to raise that to about **30 million tonnes** in 2018-19. But, as a condition of waiver, Indian oil firms will reduce their imports significantly. Indian companies can import 1.25 million tonnes a month up to March 2019, the same as they ordered for October and November 2018.

- **Not To Drive Up The Oil Price:** While the Trump administration's goal remains to choke off revenue to Iran's economy, waivers are being granted in exchange for continued import cuts so as not to drive up oil prices.
- **Temporary Exemptions:** The waivers are only temporary, and the U.S. will expect countries that get them to keep cutting Iranian imports in the months ahead.
- **Payment Mechanism:** The Indian side, while building its case for a waiver, assured the US that the payment mechanism between India and Iran ensure that Iran can't use oil money from India for any terror-related activity, a key American concern. Thus, countries that get waivers under the revived sanctions must pay for the oil into escrow accounts in their local currency. That means the money won't directly go to Iran, which can only use it to buy food, medicine or other non-sanctioned goods from its crude customers. The US administration sees those accounts as an important way of limiting Iranian revenue and further constraining its economy.
- **American Oil Import:** During the negotiations, India also told the US that it would like to import more American oil if it came on competitive terms.

### Impact

- **Diversification:** With India's domestic production unable to match the country's ever increasing domestic demand, the country will continue to depend on imports for foreseeable future. India has been trying to diversify its supply portfolio, with firms starting to source liquefied natural gas and oil from the US. The options before it include increasing imports from sources such as the US, Iraq, Saudi Arabia, Nigeria, Venezuela, and UAE.
- **Relief To Oil Companies:** State oil firms are yet to decide on how this quantum will be split between them. A waiver will come as a big relief to Indian Oil and MRPL, the two largest Iranian oil consumers.
- **Tough Road Ahead:** India is heavily reliant on oil imports from overseas, including Iran, to fulfill its consumption needs and *83 % of the oil comes from external sources*. Iran provides the cheaper option and it could have been tough when retail prices of fuel are at an all-time high in the country.

### Way Forward

- The waivers are welcome also as they indicate that despite all the harsh rhetoric on choking Iran, the U.S. may have had a rethink on its sanctions, and the costs incurred in pushing around allies and partners such as India, Japan and South Korea to zero out oil purchases.
- This conclusion stems from the fact that both India and China, Iran's two biggest oil importers, have been extended waivers. This flexibility could be a sign that the U.S. is leaving space for leeway in resuming talks with Iran in the long term.
- The European Union, Russia and China have also been working on a "special payment mechanism" to circumvent sanctions. But they have yet to launch it, limiting India's options.
- Moreover, the fact that the waivers are temporary and contingent on further reductions in oil trade with Iran, means that for now India will need to continue to find alternatives to its off take from Iran. The alternative rupee-rial mechanism, which was operationalized in 2012 during the last round of sanctions, depends on increasing Iranian demand for Indian goods to balance India's annual purchases of about \$10 billion, which hasn't fructified yet.
- Above all, by seeking the waivers, instead of sticking to its earlier line that it accepted only UN and not "unilateral" sanctions, India has lost its moral leverage. Unlike China, it chose to reduce its oil

intake from Iran and entered into negotiations for alternative fuel supplies from Iran's rivals in the Gulf. This could, in turn, impact Delhi-Tehran ties in the long run.

- Meanwhile, India will have to keep engaging the U.S. in order to secure further waivers, both in this case and for CAATSA-related U.S. sanctions on Iran, Russia and North Korea.

### **US Waives Sanction For Work On Chabahar Port**

*Syllabus: Effect of policies and politics of developed and developing countries on India's interests*

#### **In News**

- Activities related to the development of the Chabahar port in Iran will be exempt from U.S. sanctions that kicked on 4 Nov, following the *180 day cool-off period* after the U.S. withdrew from the Joint Comprehensive Plan of Action (JCPOA or the 'Iran Deal') in May 2018.
- This waiver will bring some measure of relief to India, which had been discussing a sanctions exemption for Chabahar, having signed an agreement with Iran and Afghanistan in May 2016 for the port's development.
- India has committed \$500 million to the project and \$2 billion to build a railway line from Chabahar to Hajigaj in Afghanistan.

#### **Specifics on Waiver**

- The US has provided for an exception from the imposition of certain sanctions under the ***Iran Freedom and Counter-Proliferation Act of 2012 (IFCA)*** with respect to the development of Chabahar port and the construction of an associated railway and for the shipment of non-sanctionable goods through the port for Afghanistan's use, as well as Afghanistan's continued imports of Iranian petroleum products.
- The IFCA was one of the laws under which sanctions on Iran were imposed by former U.S. President Barack Obama, with implications for non-U.S. companies working with Iran in various sectors, including shipping, shipbuilding, energy and insurance.
- **Temporary Arrangement:** Earlier, India had picked *Bandar Abbas-based Kaveh Port and Marine Services company* to run the port on a temporary arrangement for 18 months till a full-time manage, operate and maintain (MOM) contract is finalized by *India Ports Global Pvt Ltd*, the Indian state-owned entity that is implementing the project. The start of commercial operations at Chabahar has been delayed because of difficulties in paying Kaveh Port and Marine for the services due to banking issues on transfer of funds. Now, the waiver granted by the US will allow us to ask Kaveh to start operations; this is the first step.

#### **Rationale For Waiver**

- **Close Relationship:** The U.S. President Donald Trump's South Asia strategy is focussed on economic growth for Afghanistan and a close partnership with India and the U.S. seeks to maintain a close relationship with both countries as they pursue a "policy of maximum pressure" against Iran.
- **Importance of Chabahar:** India had broadly conveyed to the US that Chabahar is India's strategic investment in the region, which is key for various reasons. It is also seen as a gateway to Central Asia, which is inaccessible for India directly. The Chabahar port is not just a financial investment but also is a strategic alternative to access Afghanistan, since that's the only way to circumvent Pakistan and get to Afghanistan.

- **US Own Interest:** The American interlocutors were told that if sanctions kick in and cover the infrastructure development in Chabahar, it may face roadblocks in meeting the deadlines. New Delhi also told American officials that India's goal of helping Afghanistan's reconstruction, at the request of the Trump administration, may be affected by any US move to tighten the screws on Chabahar's potential use.
- **Growth of Afghanistan:** This exception was vital for reconstruction assistance and economic development for Afghanistan.
- **Iran Viewing Second Option:** The need for a waiver became even more important since Iran was seen to be offering the port to others, including China, which is already developing the *Gwadar Port in Pakistan*.

### Analysis

- If the US had not made the exemption on Chabahar, the impact of sanctions regime on Iran would have been visible on Afghanistan, which needs Iran's continued support for the much needed infrastructure development.
- Further, thinking strategically, the Trump administration has been wise in not imposing sanctions on the Chabahar port, as its successful operation would bring Afghanistan and India closer, theoretically curtailing the influence of Pakistan and China.
- But despite the waivers from the U.S., India will still face the impact of the U.S. sanctions, on its investment in Chabahar, as very few international companies may be willing to undertake contracts.

***For Significance of Chabahar Port, please refer September CA 2018 Magazine***

### U.N. Approves \$9 Million In Aid For Crisis-Stricken Venezuela

*Syllabus: Effect of policies and politics of developed and developing countries on India's interests*

### In News

- The United Nations announced \$9.2 million in health and nutritional aid for crisis-stricken Venezuela, where hunger and preventable disease are soaring amid the collapse of the economy. It is the first U.N. emergency funding for the government of President Nicolas Maduro, which blames the country's economic problems on U.S. financial sanctions and an economic war led by political adversaries.
- **UN Central Emergency Relief Fund (CERF):** The move to unlock the CERF for various U.N. agencies since mid-November marks a breakthrough because such U.N. emergency funding for a country generally requires the approval of its government. The U.N. CERF will support projects to provide nutritional support to children less than five years old, pregnant women and lactating mothers at risk and emergency health care for the vulnerable. CERF mainly funds projects in countries at war or experiencing other crises like natural disasters.
- **Challenges:** Many governments have been wary of providing direct aid to Venezuela, where officials face sanctions from the United States and Europe for alleged wrongdoing including corruption, human rights abuses and drug trafficking. Moreover, there is a worry the funds could fuel the corruption of the ruling Socialist Party.

***For details on Venezuela crisis, please refer CA August 2018 Magazine.***

## Bangladesh Elected as IORA Chairman

*Syllabus: Bilateral, regional and global groupings and agreements.*

### In News

- Bangladesh has been elected as Vice Chairman of **Indian Ocean Rim Association (IORA)** for the period of 2019-21 and eventually as the IORA Chairman for 2021-23 at the 18<sup>th</sup> IORA Council of Minister's Meeting.
- The current Chair is **South Africa** and the Vice Chair is the **UAE**. When the incumbent Vice Chair UAE will take the post of Chair in 2019, Bangladesh will assume the Vice Chairmanship.
- After completion of two years of vice chairmanship, Bangladesh will become the Chairman of IORA for the first time on 01 October 2021.
- As per the practice, IORA is led by Chair and Vice Chair on behalf of the member states while the spell of the posts is **two years** each.

### About IORA

- **Introduction:** Indian Ocean Rim Association (IORA), established in 1997, is international organisation consisting of coastal states bordering Indian Ocean.
- **Aim/Purpose:** It is based on the principles of open regionalism for strengthening economic cooperation particularly on trade facilitation and investment, promotion as well as social development of the region.
- **Objectives of IORA:** It is to promote sustainable growth and balanced development of the region and member states and promote liberalization, remove impediments and lower barriers towards freer and enhanced flow of goods, services, investment and technology within Indian Ocean rim.
- **Six Priority Areas:** Maritime security, Trade and investment facilitation, Fisheries management, Disaster risk reduction, Academic and scientific cooperation Tourism promotion and cultural exchanges.
- **Tripartite Forum:** It is regional forum, tripartite in nature bringing together representatives of Government, Business & Academia for promoting cooperation and closer interaction among them.
- **Structure:** Its coordinating secretariat (headquarter) is in **Ebene Cyber City, Mauritius**. The apex body of IORA is the Council of (Foreign) Ministers (COM).
- **Membership:** It comprises **22 member states** (including *recently inducted Maldives*) and **7 dialogue partners** (China, Egypt, France, Germany, Japan, United Kingdom and United States), Indian Ocean Tourism Organisation and Indian Ocean Research Group have observer status.



### Other Decisions At The Council Of Minister's Meeting

- **New Membership:** During the meeting, the Maldives was accepted as the 22<sup>nd</sup> member of the IORA, while Myanmar membership application was not approved due to lack of consensus.
- **Upcoming Meeting in Bangladesh:** Bangladesh informed the IORA member states that it would host the Third IORA Blue Economy Ministerial Conference in Dhaka in September 2019, which would be the first ever IORA ministerial level conference to be organized by Bangladesh.

- **Adoption of Two Outcome Documents:** The 18th IORA Council of Ministers Meeting adopted two outcome documents namely the '**Declaration on the commemoration of Nelson Mandela**' and the **eThekwiní Communiqué**, which are expected to enhance co-operation among the 21 member states and contribute more in ensuring a peaceful, stable and sustainable Indian Ocean.

### **APEC Summit In Papua New Guinea**

*Syllabus: Bilateral, regional and global groupings and agreements.*

#### **In News**

- The world leaders met in Port Moresby, the capital of Papua New Guinea, for an Asia-Pacific Economic Cooperation (APEC) summit.
- But For the first time in its 25-year history, the APEC summit ended with its leaders failing to agree on a formal joint statement.
- U.S. President Donald Trump is not attending the APEC meeting, nor is his Russian counterpart, Vladimir Putin.

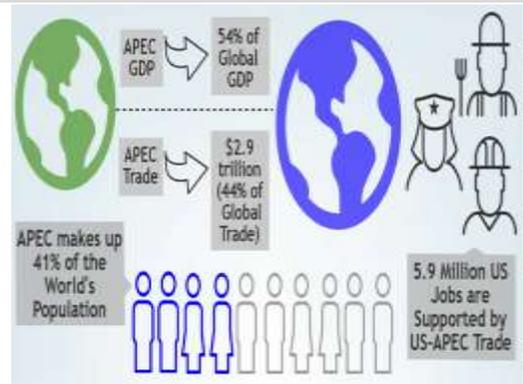
#### **Highlights Of The Summit**

- **US-China Rivalry**
  - The United States and China swapped barbs over trade, investment and regional security at the APEC) summit, as growing fault lines among members suggested little prospect of consensus at the meeting.
  - Speaking in the Papua New Guinean capital, U.S. Vice President Mike Pence said there would be no end to American tariffs until China changed its ways, after its president, Xi Jinping, warned that the shadow of protectionism and unilateralism was hanging over global growth.
  - Pence took direct aim at Xi's flagship Belt and Road program, which China has been promoting to Pacific nations at APEC, saying countries should not accept debt that compromised their sovereignty.
  - China's efforts to win friends in the resource-rich Pacific have been watched warily by the traditionally influential powers in the region - Australia and the United States.
  - Speaking before Pence, Xi said there was no geopolitical agenda behind the project, which was unveiled in 2013 and aims to bolster a network of land and sea links with Southeast Asia, Central Asia, the Middle East, Europe and Africa. "It does not exclude anyone. It is not an exclusive club closed to non-members, nor is it a trap as some people have labeled it."
  - Soon after Pence spoke, Australia said it was joining the United States and Japan in a partnership that would help countries in the region develop infrastructure priorities, a possible alternative to China's Belt and Road.
- **Regional Security**
  - Pence also said the United States would join Australia to help Papua New Guinea build a navy base on its Manus Island, which was a U.S. base in World War II.
  - The plan comes after China emerged as a possible developer of the deep-water port, which analysts say could impact the West's ability to navigate in the Pacific while offering China a site close to U.S. bases in Guam.

- “The United States of America will continue to uphold the freedom of the seas and the skies, which are so essential to our prosperity,” Pence said.
- **Double Tariffs**
  - There were differences between other APEC members, with some calling for radical change to trade systems while others argued for a return to the status quo on globalization.
  - Malaysian Prime Minister Mahathir Mohamad warned globalization was leaving some people behind and fuelling inequality.
  - Australian Prime Minister Scott Morrison mounted a defense of free trade, saying a billion people had been lifted out of extreme poverty since 1991 because of the jobs and cheaper goods that free trade brought.
  - Xi told delegates that the shadow of “protectionism and unilateralism” hung over global growth and erecting barriers and cutting ties was short-sighted and doomed to fail.
  - But Pence made it clear that the United States would not back down, saying it could more than double the \$250 billion of Chinese goods subject to tariffs.

**About APEC**

- It is a regional economic forum, established in 1989, to leverage the growing interdependence of the Asia-Pacific.
- It has **21 members** who aim to create greater prosperity for the people of the region by promoting balanced, inclusive, sustainable, innovative and secure growth and by accelerating regional economic integration.
- **Members:** Its member include Australia; Brunei Darussalam; Canada; Chile; People’s Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; The Philippines; The Russian Federation; Singapore; Chinese Taipei; Thailand; United States of America; Vietnam.
- **Other facts:** APEC Members account for approximately 40% of the world’s population, 54% of the world’s GDP, and about 44% of world trade.



**13<sup>th</sup> East Asia Summit (EAS) Held At Singapore**

*Syllabus: Bilateral, regional and global groupings and agreements.*

**Agreements Signed**

- **Security cooperation:** With the world facing renewed anxieties over nuclear warfare and grappling with the threat of cyber-attacks and terrorism, ASEAN nations and eight of their key partners vowed to step up cooperation in a range of security areas. The members agreed to do more to tackle returning foreign fighters, beef up cyber security and ensure the safe and secure use, storage and transport of nuclear and other radioactive materials.
- **Combating Marine Plastic Debris:** They also took aim at a problem plaguing the environment *i.e.* the rise of plastic litter in the oceans, which places marine biodiversity as well as industries such as fisheries, maritime transport and tourism at risk.

- **ASEAN Smart Cities:** EAS members also recognised that developing a regional smart cities ecosystem will help the region weather challenges arising from rapid urbanization and allow them to harvest the opportunities associated with the ongoing digital and fourth industrial revolution for better economic, social and environmental outcomes.

#### About EAS

- It is a forum, established in the year 2005, held annually by leaders of **18 countries**. EAS meetings are held after ASEAN leader's meetings. The first summit was held in Kuala Lumpur, Malaysia.
- **Aim:** The EAS was formed to further the objectives of regional peace, security and prosperity.
- **Members:** The members of EAS consists of 10 ASEAN nations (Indonesia, Thailand, Singapore, Malaysia, The Philippines, Vietnam, Myanmar, Cambodia, Brunei and Laos), Australia, China, India, Japan, New Zealand, South Korea, Russia and the US.
- **Priority area of cooperation:** Six priority areas of regional cooperation within the framework of the EAS are Environment and Energy, Education, Finance, Global Health Issues and Pandemic Diseases, Natural Disaster Management and ASEAN Connectivity.

#### G-20 Summit in Argentina

*Syllabus: Bilateral, regional and global groupings and agreements.*

#### In News

- The G-20 leaders, in a meeting at *Buenos Aires (Argentina)*, agreed to fix the world trading system but only 19 of them agreed to support the Paris accord on fighting climate change with the United States the lone holdout.
- The next G20 summit is to be held in Osaka, Japan in June 2019.

#### Outcome Of The Summit

- **Need for WTO Reform:** The official summit statement acknowledges flaws in global commerce and calls for reforming the World Trade Organization.
- **No Reference To Protectionism:** With trade tensions between the U.S and China dominating the summit, the Europeans sought to play mediator. The members also scaled back their expectations by cutting out mentioning of rising protectionism, mainly aimed at Trump.
- **US-China Meeting:** During US-China meeting on sidelines of G-20, Trump agreed to hold off on plans to raise *tariffs on \$200 billion in Chinese goods*. Xi agreed to buy a substantial amount of agricultural, energy, industrial and other products from the United States to reduce America's huge trade deficit with China. The cease-fire will buy time for the two countries to work out their differences in a dispute over Beijing's aggressive drive to supplant U.S. technological dominance.
- **Views On Climate Change:** Regarding climate, the *19 nations* that are signatories to the Paris accord reiterate their commitment to it while the U.S. reiterates its decision to withdraw. It also notes a recent U.N. report that warned damage from global warming will be much worse than previously feared and expresses support for an upcoming *UN climate meeting in Poland* meant to nail down how countries will meet promises made in the Paris accord.
- **On Migration:** It acknowledged growing migrant flows and the importance of shared efforts to support refugees and solve the problems that drive them to flee.

**Existence of G20 In Question: A Note**

- **The Main Issue Of Its Existence Ebbed:** In 2008, amid the concerns of the global financial crisis, world leaders upgraded G20 from what used to be an obscure finance ministers' conference into a high-profile meet of powerful heads of government and state to coordinate policies and tackle the worst financial crash since the Great Depression of the 1930s. But with the worst effects of the 2008 crisis ebbing the glue of existential fear that bound G20 members is gone. The G20's raison d'être of being a steering mechanism to fight systemic economic collapse lacks validity in light of improved GDP growth and macroeconomic health in member countries.
- **Emergence of New Belief Among World Nations:** The belief that each country can solve its issues free of advice or supervision from global institutions is now flourishing. Leading this anti-multilateral wave is US President Donald Trump, who rejects the ideology of globalism and prefers sovereign decisions that benefit one's own citizens alone.
- **Trump Policies:** Until Trump arrived on the world scene in 2017, G20 thrived on the premise that in an interdependent world, unthoughtful actions and policies of one country can negatively impact other countries. But now his policies are openly flouting the G20's core principles. The same is evident from difficulty in signing joint communiqué at the end of a multilateral summit.
- The only way for G20 to remain central to governing the global economy from now on is to reimagine itself as preventer of future recessions. G20 should wake up to the reality that financial risks and unjust economic policies are again rearing their heads.
- Even if the US under Trump plays spoiler, likeminded countries within the G20 should flag these alarming trends and establish smaller sub-group mechanisms to forestall the next economic disaster.

**6<sup>th</sup> RCEP (Regional Comprehensive Economic Partnership) Ministerial Meeting**

*Syllabus: Bilateral, regional and global groupings and agreements.*

**In News**

- Union Minister of Commerce & Industry lead the Indian delegation for the 6<sup>th</sup> RCEP Trade Minister's Meeting in **Singapore**, which was also attended by Indian PM.
- The Ministers will give guidance to the Trade Negotiating Committee of RCEP to enable negotiations move forward.
- The meeting also assumes significance, as the member countries are not moving at a healthy pace even as the negotiation for the deal started in November 2012. The **23<sup>rd</sup> round** of the negotiation was recently concluded without much progress in **Bangkok**.

**About RCEP**

- RCEP is a proposed free trade agreement (FTA) or comprehensive regional economic integration agreement between the **10 ASEAN countries** (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam) and its **six FTA partners** (Australia, New Zealand, India, China, Japan and Korea).
- Till 2017, 16 RCEP member states accounted for population of **3.4 billion people** with total GDP (in terms of PPP) of **\$49.5 trillion**, approximately **38% of the world's GDP** (combined GDPs of China and India makes up more than half that amount) and 29% of world trade.

- The negotiations for this mega trade deal were formally launched at **2012 ASEAN Summit in Cambodia**. It aims to cover goods, services, investments, economic and technical cooperation, competition and intellectual property rights under its ambit.
- ASEAN is amongst the fastest growing markets in the world. ASEAN has emerged as the second largest trade partner of India in 2017-18 with bilateral trade valued at US\$ 81.33 billion, comprising 10.58% of India's total trade with the world.

**STRENGTHENING TIES**

India has significant trade deficit with RCEP nations

RCEP nations	EXPORT in 2017-18 (\$ bn)	IMPORT in 2017-18 (\$ bn)	TRADE DEFICIT (\$ bn)
10 ASEAN countries combined	34.2	47.1	12.9
China	13.3	76.2	62.9
Australia	4.0	13.9	9.9
New Zealand	0.3	0.6	0.2
South Korea	4.4	16.3	11.9
Japan	4.7	10.9	6.2

Source: Department of commerce

**Progress In Singapore Negotiation**

- **Substantial Progress:** The Ministers acknowledged the good progress made in the negotiations so far with successful conclusion of 5 chapters this year alone, taking the **total to 7 chapters**, namely (i) Economic and Technical Cooperation (ii) Small and Medium Enterprises (iii) Customs Procedures and Trade Facilitation (iv) Government Procurement (v) Institutional Provisions (vi) Standards, Technical Regulations and Conformity Assessment Procedures (STRACAP); and (vii) Sanitary and Phytosanitary (SPS).
- **India's Gain:** India has managed to obtain balanced outcomes in the application of the Dispute Settlement Mechanism in both STRACAP and SPS negotiations. However, India showed flexibility on the principle of 'consensus' in the Institutional Provisions Chapter to help its successful conclusion.
- **Further Deliberation In Other Areas:** It was also decided that the negotiators will deliberate further on E-Commerce, Competition and Investment chapters where consensus could not be reached during this meeting.

**India's Concern**

- **Impact Local Manufacturing:** There is concern across ministries that joining the accord could severely dent local manufacturing and jobs.
- **Chinese Goods May Flood Indian Market:** China's \$60-billion trade surplus with India will swell even further as it floods the market with cheap goods at zero tariff.
- **Impact On Sensitive Items Due To Tariff Cuts:** Also ASEAN's aggressive push to dismantle tariffs on about 90-92 % items and reduce tariffs to below 5 % on an additional 7 % of items is equally worrying for India; it would expose sensitive items, including farm and dairy goods, automobiles and steel products, to tariff cuts.
- **Focused More On Goods Rather Than Services:** India, however, feels while most RCEP members want New Delhi to commit more to further liberalize its goods trade, they are reluctant to offer anything substantial in return in services trade, especially on unrestricted movement of skilled professionals that is of immense interest to India. India has a trade deficit with as many as 10 RCEP countries, including China, South Korea and Australia, among others. It has so far

**Changing Tack**

China's case to be treated differently in terms of phase-out period of tariffs

In 2015-16, India's exports to China stood at \$9 billion while the imports were a staggering **\$61.7 billion**

India is working on a single tariff concession for 15 countries in the proposed RCEP agreement

Tariff cuts could be in the **65-80% range**

The commerce dept wanted RCEP to go the TPP way while discarding the three-tier structure

The TPP has offered its members countries to phase out tariffs over long periods of time in cases of some products

India's move comes in the wake of the RCEP talks having been stuck for a year due to lack of consensus on collapsing the three-tier structure of tariff cuts

maintained that a speedy and successful conclusion of the agreement would be possible only with the inclusion of a higher level of services and investment in the India-ASEAN trade basket.

- **Loss Of Tax Revenue:** Moreover, according to a 2016 estimate by the Finance Ministry, India could lose tax revenue of Rs 75,733 crore a year, if it scraps tariff on merchandise imports entirely, if it were emulate zero duty model over a period of time.
- **Some Suggest That India Should Look For Alternative:** There is a view in some quarters of the government that India should instead look at concluding trade pacts separately with Australia and New Zealand.
- **Contentions in the Investment Sector:** In the investment chapter too, there are contentious areas such as liberalizing based on a negative list (wherein all items are to be included except those specifically mentioned in a list) and the inclusion of an **Investor State Dispute Settlement Mechanism**. This could lead to India getting involved in costly legal suits filed against it by corporates.

### Final Analysis

- Although it was agreed during the recently concluded Singapore Ministerial meeting that the deadline for an agreement be shifted to 2019. But with just about 40% of the agenda items having been resolved, there is still a long way to go before the RCEP talks are concluded.
- Before Singapore meeting, just 5 of 16 chapters for discussion were settled. In Singapore meeting, 2 more chapters were resolved, taking the total to 7. However, the core of the talks are about market access for goods, services and investment, and those talks are still ongoing.

### Australia Joins US, Poland, Israel In Refusing To Sign UN Migration Pact

*Syllabus: Bilateral, regional and global groupings and agreements.*

### In News

- Australian Prime Minister Scott Morrison recently announced that Australia will not join a United Nations backed global pact on migration.
- The Morrison government's decision comes as countries from around the world move to formally adopt the **Global Compact for Safe, Orderly and Regular Migration**.
- Australia has come under fire from international rights groups for its strict immigration laws. For years, asylum-seekers who were caught illegally entering Australia by boat were sent to processing centers on Nauru and Papua New Guinea's Manus island. Some have spent years there and a 2016 UN report found cases of attempted suicide, self-immolation, acts of self-harm and depression among children detained on Nauru.

### About International Migration

- **Introduction:** Today, there are **over 258 million migrants** around the world living outside their country of birth. This figure is expected to grow for a number of reasons including population growth, increasing connectivity, trade, rising inequality, demographic imbalances, and climate change.
- **Opportunity and challenges:** Migration provides immense opportunity and benefits for the migrants, host communities, and communities of origin. However, when poorly regulated it can create significant challenges. These challenges include overwhelming social infrastructures with the

unexpected arrival of large numbers of people and the deaths of migrants undertaking dangerous journeys.

### About The Pact

- UN Global Compact on Migration will be the first inter-governmentally negotiated agreement under auspices of UN to cover all dimensions of international migration in holistic and comprehensive manner. It comprises of 23 *objectives* for better managing migration at local, national, regional and global levels.
- The UN made the decision on the compact in the wake of the crisis in the Mediterranean, which has seen thousands of migrants die while attempting to cross into Europe.
- Its genesis can be found in ***New York Declaration for Refugees and Migrants*** adopted in September 2016 by UN General Assembly. Under this declaration, signatory UN member countries had decided to develop global compact for safe, orderly, and regular migration. The process to develop this global compact for migration was started in April 2017.
- ***Based on Some Inherent Values:*** The global compact is *non-legally binding*. It is grounded in values of state sovereignty, responsibility-sharing, non-discrimination, and human rights, and recognizes that a cooperative approach is needed to optimize the overall benefits of migration, while addressing its risks and challenges for individuals and communities in countries of origin, transit and destination.
- ***Some Key Points Of Agreement***
  - The pact aims to ***mitigate the adverse drivers and structural factors*** that hinder people from building and maintaining sustainable livelihoods in their countries of origin.
  - It seeks to address the ***legitimate concerns of states and communities***, while recognizing that societies are undergoing demographic, economic, social, and environmental changes at different scales that may have implications for and result from migration.
  - The pact also strives to ***create conducive conditions*** that enable all migrants to enrich our societies through their human, economic and social capacities and thus facilitate their contributions to sustainable development at the local, national, regional and global levels.
  - It also states that refugees and migrants are entitled to the ***same universal human rights*** and fundamental freedoms, which must be respected, protected and fulfilled at all times.
  - The pact also includes a commitment to review and revise relevant legislation, policies and practices related to immigration detention to ensure that migrants are ***not detained arbitrarily***, that decisions to detain are based on law are proportionate, have a legitimate purpose and are taken on an individual basis, in full compliance with due process and procedural safeguards.
- ***Opening up legal migration:*** The UN pact on migration is also expected to help open up legal migration and better management of the movement of people around the world.

### Australia's Rationale For Not Signing It

- ***Already Have System In Place:*** According to the Australian government, the nation's immigration policy already promotes safe, orderly and regular migration.
- ***Sovereignty Issue:*** Australia also says it's not in their national interest to hand over their border protection policy over to the UN. Further, it believes that by signing the pact, it will have to surrender its sovereignty.

- **Capacity to Manage Borders:** Australia believes that the pact will not add anything to enhancing its capacity to control the borders and manage successful immigration program.
- **Fail to Distinguish People:** The Compact fails to adequately distinguish between people who enter Australia illegally and those who come to Australia the right way, particularly with respect to the provision of welfare and other benefits.
- **Promote Illegal Migration:** The government also feels that adopting the pact would risk encouraging illegal entry to Australia and reverse the hard won successes in combating the “people smuggling trade”.
- **Issue of Migrant Detention:** Australia has taken umbrage at parts of the final draft, which insist migration detention should only be used as a measure of last resort and work towards alternatives.

**Way Forward**

The global compact is a significant opportunity to improve the governance on migration, to address the challenges associated with migration and to strengthen the contribution of migrants and migration to sustainable development. Thus, all the countries need to adopt the same to ensure protection of the rights of the migrants.

**Kenya Hosts Sustainable Blue Economy Conference**

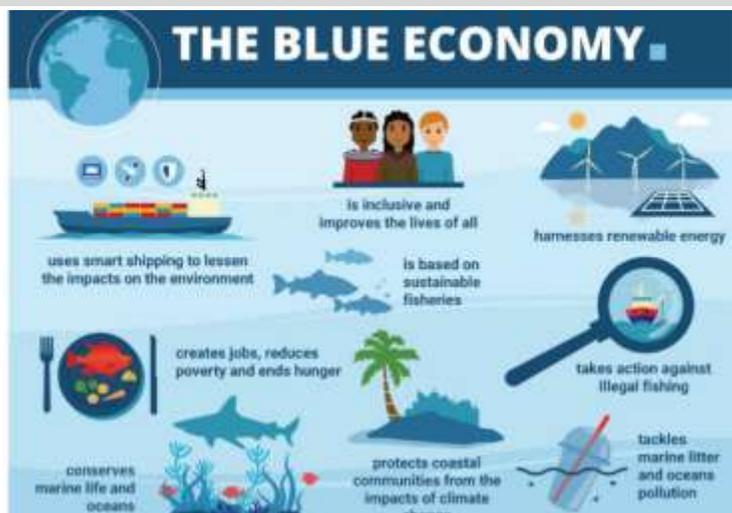
*Syllabus: Bilateral, regional and global groupings and agreements.*

**In News**

- Kenya is hosting first ever-Sustainable Blue Conference with **Canada and Japan as co-host** in the Kenyan capital, Nairobi. The theme of the conference is “*The Blue Economy and the 2030 Agenda for Sustainable Development.*”
- **UN Sustainable Development Goal 14** tasks nations to “conserve and sustainably use the oceans, seas and marine resources for sustainable development”.

**About Blue Economy**

- The Blue Economy is the economic benefit and value we realize from the Earth’s coastal and marine environment. While sustainable blue economy is a marine-based economy that provides social and economic benefits for current and future generations, restores, protects and maintains the diversity, productivity and resilience of marine ecosystems and is based on clean technologies, renewable energy, and circular material flows.
- **Composition:** The blue economy’s main sectors include some familiar to all (ocean fisheries, tourism, transportation, marine energy, and seabed mining for minerals) and some unfamiliar (*‘blue carbon’ sequestration* by restoring mangroves and sea grasses, amongst the largest carbon stores).



**Aim Of The Conference**

- **Listing Down Of Concerns:** The humanity's impact on the global environment has increased over the past hundred years. Issues such as pollution, plastic pollution (most striking example being the so-called *Great Pacific Garbage Patch*), coral bleaching and overfishing have become significantly larger, damaging important ecosystems around the globe.
- **Aim:** To identify how to harness the potential of the blue economy to create jobs and combat poverty and hunger; show how economic development and healthy waters go hand in hand; capture commitments and practical actions that can be taken today and bring together the players needed to transition to a blue economy.
- **End Result:** The idea behind building a blue economy is that countries should use oceans and seas to their full advantage without that leading to the suffering of aquatic life, pollution or other negative effects. This does not only include the world's oceans, but also seas, lakes, rivers and smaller bodies of water.

**Way Forward**

- The key to a blue economy is finding the middle road between sustainability and economic growth, often achieved with the help of innovative and new technologies. First, this means minimizing carbon emissions by switching to more sustainable energy sources and making sure that, for instance, shipping routes are planned in the most effective and least polluting way possible.
- Another important aspect of the blue economy is making sure that economic growth is sustained without exhausting natural resources. Finally, blue economies want to make sure that marine reserves and coral reefs grow and become healthier.
- The ultimate goal is that blue economies will lead to more human prosperity as well, not because they use up resources provided by the oceans, seas, lakes and rivers, but because a relationship has been found that provides enough for both humans as well as aquatic life to thrive, without either of them being affected negatively.
- Significant and coordinated effort is required from member states of the *United Nations, including Regional Fisheries Management Organisations, the International Seabed Authority* and others with important ocean jurisdictions, to re-examine their rules and performance.

**Inclusive Wealth Report, 2018**

*Syllabus: Important International institutions, agencies and fora- their structure, mandate.*

**In News**

- The **UN Environment Programme (UNEP, or UN Environment)** and partners released preliminary findings from the 'Inclusive Wealth Report 2018' that aims to evaluate and report on a country's wealth and well-being.
- The Inclusive Wealth Report is a **biennial report** that ranks 140 countries using the *Inclusive Wealth Index*, a tool that assesses a country's ability to look after its wealth in a way that is sustainable and safeguards its future generations.
- The report, curated by more than 200 economists from around the world, focuses on **stocks of natural** (forests, agricultural land, rivers and estuaries, the atmosphere and the oceans), **human** (aptitude, education, knowledge and skills) and **manufactured capital** (buildings, equipment, machines and roads) to measure inclusive wealth as an alternative to using gross domestic product

(GDP) as a measure of a country's wealth, arguing that GDP measures only the size of a country's economy without considering its underlying asset base.

### Findings

- **Decline in Inclusive Capital:** More than *one-third of the 140 countries* ranked in the report's Inclusive Wealth Index had increased their GDP since 1998, but experienced a decline in their inclusive per capita wealth.
- **Not Sustainable Growth:** The report finds that, for many countries, increases in overall global wealth come at the expense of environmental assets, including biodiversity, forests, clean air and water.
- **Top Performer For Inclusivity:** The top ten performers on the basis of per capita inclusive wealth for 1992-2014 are the Republic of Korea, Singapore, Malta, Latvia, Ireland, Moldova, Estonia, Mauritius, Lithuania and Portugal.
- **Poor Performers:** 15 countries are assessed as unsustainable by inclusive wealth per capita, when adjusted for carbon damage and oil capital gains. These are Bulgaria, Congo, Gabon, the Gambia, Greece, Croatia, Haiti, Jamaica, Lao People's Democratic Republic (PDR), Latvia, the Sudan, Serbia, Syria, Ukraine and Vietnam.
- **Impact on Small Countries:** Carbon damage as a share of inclusive wealth produces a stronger effect on small countries because smaller countries tend to be too small to absorb such shocks. The report further finds that carbon damage is relatively large in high-income countries, such as Germany, France, the UK and the US among others.
- **Relation Between Inclusive Growth and SDG:** The report also considers the relationship between inclusive wealth and the SDGs, arguing that governments need to have a way to check whether or not the economic measures they take to meet the SDGs jeopardize the sustainability of the Goals. The report suggests that, if wealth increases as governments implement the SDGs, the Goals will be sustainable, but if wealth declines as governments try to meet the SDGs, the Goals should be considered unsustainable.
- **Importance of Inclusivity Index:** The report argues that the Inclusive Wealth Index allows policymakers to assess whether or not enacted policies are sustainable, and will allow them to make decisions on how to best manage their assets.

### Global Wage Report

*Syllabus: Important International institutions, agencies and fora- their structure, mandate.*

### In News

International Labour Organisation (ILO) recently released the Global Wage Report 2018-19 in which analysis of prevalent wages in 73 countries was taken up.

### Reports Highlights

- **Lowest Growth in Wage in 2017:** The rate of growth in wages in 2017 fell to its lowest level of 1.8 % since 2008. During the financial crisis in 2008, Global wage growth stood at 3.4 %. This growth rate would fall further to 1.1 % if China, which made a significant contribution to this growth, were to be excluded from the list. What is more surprising is that the slowdown in wage growth in 2017 occurred in spite of rapid economic growth during the period.

- **Highest Wage Growth in Asia-Pacific:** Among all regions, workers in Asia and the Pacific got the highest real wage growth over the period 2006-17 with countries like China, India, Thailand and Vietnam remaining on top. But in the Asia Pacific region also real wage growth in 2017 was lower than 2016 at 3.5 per cent, down from 4.08 per cent in 2016.
- **Wage Growth Declined In Advanced Countries:** In the advanced G20 countries, real wage growth declined from 1.7 per cent in 2015 to 0.9 per cent in 2016 and 0.4 per cent in 2017. In Europe (excluding Eastern Europe), real wage growth declined from 1.6 per cent in 2015 to 1.3 per cent in 2016 and further declined to about zero in 2017, owing to lower wage growth in countries including France and Germany and declining real wages in Italy and Spain.
- **Gender Wage Gap:** Women continued to be paid around 20 % less than men globally and the gap was lowest in high-income countries and highest in low and middle-income countries. In high-income countries, the gender pay gap is biggest in top-salaried positions. While in low and middle-income countries, however, the gap is widest among lower-paid workers.
- **Low Salaries In Developing Countries:** The salaries are still far too low in the developing world. The gaps are still significantly big as often the wage level is still not high enough for people to meet their basic needs.
- **Impact on Global Economic Growth:** The impact of overall global wage growth on global economic growth decline to 1.8% in 2017 from 2.4% in 2016. It's because restrained spending by wage earners hurt the consumption demand. So, the acceleration of economic growth in high-income countries in 2017 was led mainly by higher investment spending rather than by private consumption.
- **Impact of Globalization:** There is intensification of competition in the wake of globalization, accompanied by a worldwide decline in the bargaining power of workers. This has resulted in a decoupling between wages and labour productivity. The effect has been the weakening share of labour compensation in GDP across many countries, which remain substantially below those of the early 1990s. Also, widening inequality is slowing demand and growth by shifting larger shares of income to rich households that save rather than spend.



### India Specific Findings

- **Highest Wage Growth:** Workers in India got the highest average real wage growth (adjusted for inflation) in the last decade in southern Asia. During 2008-17, real wage growth in India stood at 5.5 per cent, highest among all the countries in southern Asia.
- **High Gender Wage Gap:** According to the report, India and Pakistan had the highest gap of 34.5 per cent and 34 per cent respectively between what men and women earn. This wage gap was the worst among all the 73 countries for which data was compiled.

### Regional Meeting of World Customs Organisation

*Syllabus: Important International institutions, agencies and fora- their structure, mandate.*

### In News

- A four-day regional meeting of the World Customs Organisation (WCO) was held at Jaipur with representatives of 33 member countries of Asia attending it.

- The meeting deliberated upon various issues including the steps required for the capacity building and reforms in customs.
- It also discussed and deliberated upon the amended Kyoto protocol, digital customs, e-commerce among other issues..

#### **About WCO**

- The World Customs Organization (WCO) is an independent intergovernmental body whose mission is to enhance the effectiveness and efficiency of Customs administrations.
- It was established in 1952 as the Customs Co-operation Council (CCC).
- Today, the WCO represents 182 Customs administrations across the globe that collectively process approximately 98% of world trade.
- As the global centre of Customs expertise, the WCO is the only international organization with competence in Customs matters and can rightly call itself the voice of the international Customs community.
- It is headquartered in Brussels, Belgium.

#### **International Telecommunications Union (ITU)**

*Syllabus: Important International institutions, agencies and fora- their structure, mandate.*

#### **In News**

- India has been elected as a Member of the International Telecommunications Union (ITU) Council for another 4-year term (2019-2022).
- The elections to the Council were held during the ongoing ITU Plenipotentiary Conference 2018 at Dubai, UAE.

#### **Key Highlights**

- By securing 165 votes, India ranked third among the 13 countries elected to the Council from the Asia-Australasia region, and eighth among the 48 countries elected to the Council globally.
- India has been an active member of the ITU since 1869, earnestly supporting the development and propagation of telecom in the global community of nations.
- The country has been a regular member of the **ITU Council since 1952**, and has played an important role in harmonizing the contributions of member States from the region, always respecting the principles of equality and consensus-building.

#### **About ITU**

- ITU is the **United Nations specialized agency** for information and communication technologies – ICTs.
- It is headquartered at Geneva, Switzerland. It has 12 regional and area offices in the world.
- It allocates global radio spectrum and satellite orbits, develop the technical standards that ensure networks and technologies seamlessly interconnect, and strive to improve access to ICTs to underserved communities worldwide.
- Recently, ITU has decided to set up the *ITU South Asia Area Office and Technology Innovation Centre in New Delhi*.

## **Economic Growth and Development**

### **Government Allegedly Want Rs 3.6 Lakh Crore From RBI Reserves**

*Syllabus: Indian Economy and Issues relating to mobilization of resources.*

#### **In News**

At the heart of the RBI-Government standoff is a proposal by the Finance Ministry seeking to transfer a surplus of **Rs 3.6 lakh crore**, more than a third of the **total Rs 9.59 lakh crore** reserves of the central bank, to the government. The Ministry has suggested that the RBI and the government can manage this surplus jointly.

#### **RBI's Income And Reserve And The Controversy**

- RBI's Income:** The RBI earns income from lending to commercial banks and from purchase and sale of government securities. It also has a surplus seignior age (the difference between the value of notes that it prints and the cost of printing and distributing them). Thus, the reserves are built through transfers from the annual surpluses in the profit and loss account of RBI. The balance surplus after transfer to reserves is given to the Centre as dividend.
- The RBI maintains various types of reserves to cover various risks including *market risk, operational risk, credit risk and contingency risk*.
- For the year ending June 2018, RBI had **total reserves of Rs 9.59 lakh crore**, comprising mainly currency and gold revaluation account (Rs 6.91 lakh crore) and contingency fund (Rs 2.32 lakh crore). While **Contingency Fund** represents the provisions made for unforeseen contingencies, the **Currency and Gold Revaluation Account (CGRA)** represent unrealized marked to

Among the points of conflict between the RBI and the government is the level of reserves the central bank should hold. Here's a breakdown of the numbers:

#### 1) THE RBI'S RESERVES

Various Funds (in lakh crore)	FY17	FY18
Contingency fund	2.28	2.32
Currency and gold revaluation account	5.3	6.92
Asset development fund	0.23	0.23
Investment revaluation account-rupee	0.57	0.13
<b>TOTAL</b>	<b>8.38</b>	<b>9.6</b>

#### 2) HOW DOES RBI BUILD ITS RESERVES?

- RBI earns income from:
  - Interest on government bonds held for conducting open market operations
  - Fees from government's market borrowing programme
  - Income from investment in foreign currency assets
- Earnings retained after giving dividends to govt are parked in reserves
- Revaluation of foreign assets and gold goes to revaluation reserves

#### 3) THE ROW

The govt feels the RBI is more than adequately capitalised and should pass on the surplus.

RBI's reserves as % of assets	Global median
25.4 FY17	16%
26.5 FY18	

Source: Economic Survey, 2015-16

#### 4) WHY DOES A CENTRAL BANK NEED CAPITAL?

- Foreign asset holdings**  
Central banks that have such assets need capital to absorb potential losses.  
RBI's foreign assets (in lakh crore):  
FY17: 23.7  
FY18: 26.4
- Likelihood of monetary/financial shocks**  
Central bank of an economy prone to shocks will need more capital
- Political stability**  
In case of unstable govt, monetary authorities carry a bigger burden  
Central banks will need more capital in such a situation
- Range of functions**  
Central bank charged with price stability, exchange stability and others will need more in reserve
- Independence**  
Low capital will force central bank to turn to government in time of need  
This will give government influence over central bank

#### 5) IS THERE A RIGHT LEVEL OF RESERVES?

RBI Act does not specify amount to be transferred to government

There is no consensus on the right level of capital for a central bank

Unlike a govt bank, a central bank can work with a negative net worth also

#### 6) GLOBAL NORMS ON TRANSFER TO GOVT

The US Federal Reserve transfers surplus beyond a threshold

This is decided by provisions of the Federal Reserve Act and Consumer Protection Act

Bank of England and the Treasury have an MoU for capital and surplus transfer

#### 7) HOW GOVERNMENT COULD GAIN

If the RBI agrees its reserves are excess or adequate:

**CASE I: RBI DOES NOT SET ASIDE MORE IN FUNDS**

Going ahead govt will get more from RBI every year as dividend

Entire profit of RBI will be available for govt

**CASE II: RBI LIQUIDATES RESERVES DEEMED EXCESS**

RBI sells some of its assets

Govt gets one-time big cash inflow from RBI

Legality of this liquidation is not clear yet

#### 8) INTERNATIONAL PRECEDENT

The US Fed gave \$19 BILLION to the government from its surplus capital to finance transportation projects

market gains/losses.

- **Surplus Distribution Policy:** The Finance Ministry has raised objections to the *Staggered Surplus Distribution Policy (SSDP)* of the Central Bank, under which the RBI transfers its surplus to the government. The Ministry's view is that RBI has been conservative and at times arbitrary, especially when it came to the transfer of the interim surplus.
- The CGRA accounts for 19.11% of total assets and the contingency reserve for another 6.41%.
- Back in 2004, a committee under **Usha Thorat**, then Deputy Governor, examined the question about the ideal size of RBI's reserves. It suggested that the CGRA should be 12.26% of total assets while the contingency reserve should be 5.5%, totalling 17.76% in all.
- But the RBI Board did not accept the recommendation and preferred to continue with the level set by an earlier committee in 1997. That committee, under **V. Subrahmanyam**, had set a *contingency reserves level of 12%* of total assets.
- **Past transfers:** In 2017-18, the RBI transferred a surplus of Rs 50,000 crore to the government (comprising an interim transfer of Rs 10,000 crore), up from Rs 30,659 crore in 2016-17, but lower than in the previous three years.

#### Arguments In Favour Of Transfer Of Reserves

- **Surplus Reserves Are High As Per International Standard:** The Government believes that, when compared with global central banks, the RBI holds much higher total capital as a percentage of its total assets (**at about 28 %**). While, countries including the US, the UK, Argentina, France, Singapore maintain much lower capital as a percentage of total assets.
- **Over Estimation Of Capital Requirement Due To Conservative Assessment Of Risk:** The Finance Ministry claims that the existing economic capital framework, which governs the RBI's capital requirements and terms for the transfer of its reserves to the government is based on a very conservative assessment of risk by the Central Bank. Thus, RBI has over-estimated its capital reserves requirements resulting in excess capital of *Rs 3.6 lakh crore*.
- **Unilateral Adoption by RBI:** For its part, the Finance Ministry argues that the RBI unilaterally adopted the current framework in July 2017, because both the government nominees on the Board were not present during the meeting. The government did not accede to this framework and has since then been constantly seeking discussions with the RBI.
- **Viable Deployment:** The government has proposed that the use of these funds be decided in consultation with the RBI. These funds can be used, for example, to recapitalize public sector banks, help them expand their loan book and come out of the Prompt Corrective Action (PCA) framework.
- The **Malegam Committee** in 2013 estimated that the RBI was holding *Rs 1.49 lakh crore* of reserves and buffers in excess of its requirements.

#### Arguments Against Transfer Of Reserves

- **Lender Of Last Resort:** Central banks need to be adequately capitalized in order to perform their core functions, which include being the lender of last resort for the banking system.
- **Weaken RBI's Balance Sheet And Its Role:** If the RBI dips its reserves further to pay the Centre, this would weaken its balance sheet. Moreover, it will also impact on the RBI's role in Open Market Operations (OMOs) via which it implements monetary policy and also supports its role as the public

debt office. The reserve is also a cover for the deposit insurance fund given that the *Deposit Insurance and the Credit Guarantee Corporation (DICGC)* is a wholly-owned subsidiary of the RBI.

- **RBI Most Under-Capitalized Central Bank:** Only a third of RBI capital is actually contingency funds that can be deployed when needed. Thus, the deployable capital base of the RBI is just about **7 % of total assets**. This makes the RBI one of the most under-capitalized central banks in the world.
- **Impact Macro-economic Stability:** The RBI view is that this attempt by the Government to dip into its reserves can adversely impact macro-economic stability. The transfer will not only hurt the government's commitment to fiscal prudence, it also affects the confidence of the financial markets.
- **No Fresh Receipt:** RBI in its opinion also states that reserves do not tantamount to any fresh income and was essentially in the nature of issuing new securities to fund government expenditure.
- **International Experience:** The transfer of excess reserves from a central bank to government can be catastrophic, as had been proven in the case of Argentina. The transfer of \$6.6 billion of its central bank's reserves to the national treasury, sparked off the worst constitutional crises in Argentina and led to a grave reassessment of its sovereign risk.

### Way Forward

The RBI should adopt a policy framework to determine dividend payable to the government each year, after assessing Contingency fund adequacy *vis-à-vis* an identified set of risks, following a rich methodology.

### Government And RBI Meeting On Acrimonious Issues

*Syllabus: Indian Economy and Issues relating to mobilization of resources.*

#### In News

The Government and the Reserve Bank of India (RBI) pulled back from the brink after a public spat and reached an agreement on providing relief to small and medium firms and easing lending restrictions on some state-owned banks.

#### The Agreement

- **Loan Recast for SMEs:** The RBI agreed to work out a loan-restructuring scheme for SMEs for a loan exposure of up to Rs 25 crore in line with the advice of the board. The Board advised that the scheme should be subject to such conditions as are necessary for ensuring financial stability. The RBI was earlier unwilling to consider any loan-recast scheme for small units as the banking sector is already reeling under the impact of a huge pile of bad loans.
- **Review of PCA Framework:** An existing committee of the RBI, the Board for Financial Supervision (BFS), will review the Prompt Corrective Action (PCA) framework, which imposes restrictions on lending on banks which have been hit by bad loans and weak capital. This is expected to ease curbs and so boost lending for 11 PSU banks, which have been placed under this framework.
- **Committee On Capital Framework:** The Board also decided to form an expert committee to fix the appropriate capital framework or the capital, which is needed to

#### CRUCIAL SESSION

- The RBI central board discussed the Basel regulatory capital framework, a restructuring scheme for stressed MSMEs, bank health under PCA framework and the ECF of RBI
- The Board has decided to examine the Economic Capital Framework (ECF) — the amount of surplus reserve a bank holds to tide over risks
- The central bank will take measures on improving liquidity and to ease restrictions on certain state-run banks' reserve ratio
- The next meeting of the RBI board is likely to be held on December 14

shield or protect the central bank from future losses. The membership and terms of reference of which will be jointly determined by the Government of India and the RBI.

- **Ease of Buffer Norms:** The banks are expected to get a boost with the easing of norms on the Capital Conservation Buffer (CCB), which is the extra capital banks hold above their mandatory capital and in terms of pushing back the deadline for transition to the globally recognised Basel norms by one more year to end of *March 2020*.
- Further, on the issue of capital for banks, Government nominees and an independent director argued for *8 % capital* in line with the Basel recommendations; while the RBI Board decided to retain the capital adequacy requirement at *9 %*.

**Review of IBC’s Progress**

*Syllabus: Indian Economy and Issues relating to mobilization of resources.*

**In News**

As per the Corporate Affairs Secretary, the insolvency and Bankruptcy Code (IBC) has catalyzed the recovery of around Rs. 3 lakh crore from various default cases, directly or indirectly, since its inception in 2016.

**Relevant Data**

- **Lowest Recovery:** The lowest recovery rate of *6 %* was seen in the case of Synergies Doorey Automotive in which financial creditors could recover only Rs 54.7 crore out of total claims of Rs 972.2 crore.
- **Average Recovery:** The average recovery in the 60 odd insolvency cases that have seen resolution over the past two years has been to the tune of **46 %**, against just **26 %** under the earlier Board for Industrial and Financial Reconstruction (BIFR) regime. Thus, highlighting the effectiveness of the nascent insolvency framework.
- **Total Recovery:** The resolution of the 60 cases have so far yielded around **Rs 71,000 crore**, some Rs 50,000 crore is expected to be recovered from Essar Steel, which is at the advanced stage of being resolved.
- **Fear of IBC Among Defaulters:** Apart of these, around 3500 cases involving *defaults of Rs. 1.2 lakh crore* were withdrawn from the National Company Law Tribunals (NCLTs) before applications were admitted by the adjudicating authority, suggesting that creditors might have recovered money from debtors by just issuing threats of the IBC.
- **Reduction in NPAs:** The non-performing assets (NPAs) worth another *Rs. 45,000-50,000 crore* were converted to standard accounts after the borrowers had paid back, ostensibly due to fears of the IBC being invoked by the lenders.
- **Missing Deadlines:** More than half of the companies on the RBI’s first list for resolution, which were referred to the NCLT, have completed more than *400 days of CIRP* (computation of time period of corporate insolvency resolution process) duration against the stipulated 270 days. For example, the Essar Steel resolution process missed many deadlines since it was admitted to the NCLT in June 2017.

**A fifth of IBC cases cross the 180-day deadline**

*Status of cases admitted under NCLT*

Resolution in progress of which*	442
< 30 days	33
30-150 days	225
150-180 days	67
>180 days	117
Resolution plans approved	10
Liquidation order passed	30
Closed by appeal/review	36
Total petitions admitted	525

**Problems With IBC**

- **Delays:** The delay adds to the operational losses to creditors, who cannot receive interest for the period. This will impact foreign investments & force companies to remain in liquidity crisis.
- **Banks at loss:** Experts say that the delay also results in substantial losses for banks in terms of interest as banks can book interest on an account only up to the date of commencement of insolvency proceedings.
- **Conflict between rival creditors:** The dissent between the financial lenders and operational creditors is creating inordinate delays with their repeated intervention in the resolution of cases before the National Company Law Tribunal (NCLT). The latest being the case of Standard Chartered Bank that has questioned resolution of Essar steel bankruptcy case.

### Way Forward

- Experts say that once a resolution plan is approved by the CoC as per the requisite majority, no such objection should be entertained, as many entities unnecessarily delay the closure out of self-interest. If at all these entities have to be heard on the point of view of natural justice, it should be time-bound so that the entire process does not go for a toss.
- IBC is a welcome proposal in complicated resolution process. India's new Bankruptcy Code has instilled deterrence among defaulting promoters & empowered its long-suffering lenders.
- Further, the principal stakeholders of the insolvency ecosystem *i.e.* the NCLTs, the committee of creditors and resolution professionals need to work towards expediting the resolution process.
- Thus, even if the IBC succeeds in instilling in the promoters of India Inc. a real fear of losing control over their assets and shapes better behaviour that will still count as its biggest triumph.

### Insolvency: Pre-IBC Facility

*Syllabus: Indian Economy and Issues relating to mobilization of resources.*

### In News

The government is exploring the feasibility of implementing a so-called "pre-packaged" bankruptcy scheme, prevalent in *countries like the US*, in India to aid the existing insolvency framework and cut costs and time of the resolution process.

### About The Scheme

- The pre-packaged bankruptcy scheme will typically allow a stressed company to prepare a financial reorganization plan with the approval of its **at least two-thirds of creditors and shareholders** before the filing of an insolvency application by any party at the National Company Law Tribunal (NCLT). The resolution plan so reached can then be placed before the NCLT for approval, so that it can be implemented.
- **Complementary To The Existing Scheme:** The pre-IBC (Insolvency and Bankruptcy Code) window for the resolution of stressed assets will not seek to dilute the existing IBC framework in any way and creditors can still tap the current IBC window if they don't want any pre-IBC negotiations with debtors.
- **Effect:** Since the plan is already endorsed by the lenders, it will effectively bypass various requirements and interventions by the NCLT at different stages under the usual IBC process, thus reducing litigation costs and delays. It will also help to decongest the over-burdened NCLTs.

**Exports Grow 17.86% to \$26.9 Billion in October**

*Syllabus: Indian Economy and Issues relating to mobilization of resources.*

**In News**

- **Exports:** India's goods exports bounced back in October 2018 posting a 17.86 % year-on-year growth to \$26.98 billion boosted by an increase in shipments of petroleum products, chemicals, pharmaceuticals and engineering goods.
- **Imports:** Imports during the month grew 17.62 % to \$44.11 billion widening the trade deficit to \$17.13 billion compared to \$14.61 billion last October.
- **Commodity wise:** The import of crude and petroleum products jumped over 52 % to \$14.20 billion during the month, while import of gold declined 42.9 % to \$1.68 billion. Ready-made garments, gems & jewellery, spices, electronics, leather goods, plastics and handicrafts also recorded an increase in exports.
- **Overall Export:** Total exports in April-October 2018-19 were \$191.01 billion, which was 13.27 % higher than exports in the same period last year. Imports during the period were 16.37 % higher at \$302.47 billion.
- **Overall Trade Deficit:** Trade deficit in the first seven months of the fiscal widened to **\$111.46 billion** compared to \$91.28 billion in the same period last year.

**E-Registration Mandatory For Jobs In 18 Countries**

*Syllabus: Indian Economy and Issues relating to employment.*

**In News**

- Passport holders with "non-Emigration Check Required (non-ECR)" status will soon have to get themselves registered with the Ministry of External Affairs before taking up jobs abroad.
- The rule, which takes effect on 1<sup>st</sup> January 2019, applies to jobs in 18 countries, including the six GCC nations, which have the largest number of expats.
- The non-ECR category of passengers include Indians paying income tax and those with educational qualification above matriculation.
- As of now only ECR category passport holders were required to get emigration clearance from the office of the Protector of Emigrants to seek employment abroad. Now all those seeking employment in the said countries will have to register online and those failing to register at least 24 hours prior to actual departure will be off-loaded at the airports.
- It has been observed that not all blue-collar workers are in the ECR category. Some have higher educational qualifications but don't get included in the e-migrate system.
- There are lots of people who are vulnerable and it is to safeguard their interest. It will enable the consulate and the ministry to provide help quickly as they will have the details of their whereabouts.

**E Migrate**

- Launched in 2015, e-Migrate is an online registration system for foreign employers to recruit Indian workers. Indian citizens with ECR stamp on their passports have to get their job offers cleared through the e-Migrate system.
- The system was introduced to protect unskilled and illiterate blue-collar workers from contract substitution, exploitation, and human trafficking.

**Fact File**

- Statistics available with the Ministry of External Affairs show that UAE is one of the five top destination countries for Indians taking up employment. Nearly 1.5 lakh Indians had taken up employment in that country last year.
- Further, Uttar Pradesh has emerged as the top labour-sending State followed by Bihar, Tamil Nadu, West Bengal and Rajasthan.

**India’s Position On Ease Of Doing Business Ranking**

*Syllabus: Effects of liberalization on economy*

**In News**

- India jumped 23 spots in the World Bank’s Ease of Doing Business ranking to **77<sup>th</sup> place**, becoming the top ranked country in South Asia for the first time and 3<sup>rd</sup> among the BRICS nations.
- In the last two years, the country has climbed 53 notches, a performance matched in the past only by **Bhutan and Djibouti**. The government’s objective is to lift India into the top 50.
- The survey, which is restricted to **Mumbai and Delhi**, maps reforms across **10 parameters** such as starting a business, getting construction permits, securing electricity, registering property, getting credit, protecting minority investors, paying taxes, cross-border trade, enforcing contracts and resolving insolvency.



**Other Takeaways**

- **New Zealand** tops the list of 190 countries, followed by Singapore, Denmark, and Hong Kong. The US is placed 8<sup>th</sup> and China has been ranked 46<sup>th</sup> while Pakistan is placed at 136.
- **Top 10 Improvers:** With 13 reforms between them, China and India, two of the world’s largest economies are among the 10 top improvers. **Djibouti and India** are the only economies to make the list of 10 top improvers for the second consecutive year in the 190-country ranking.
- **Absolute Improvement In Performance:** More remarkably, India stands out among the top five reformers among 190 countries, its score up by 6.63 points to 67.23; the four countries whose score has jumped more are **Afghanistan, Djibouti, China and Azerbaijan**. This implies that an improvement in rank is based on India’s absolute performance and not on the under-performance of other countries.
- **Biggest Gain:** The biggest gain was in construction permits, where India climbed 129 ranks to 52<sup>nd</sup> place on the back of targeted government efforts to remove hurdles. In dealing with construction permits, India has implemented an online single window system, introduced deemed approvals and reduced the cost of obtaining these permits. The government has also facilitated improved building quality and control by introducing decennial liability and insurance.

**• Dismal Ranking On Other Parameters:**

- Its score remains dismal on registering property, where it ranks 166. While it takes 69 days to register a piece of property and costs about 8% of its value in India, the norm for OECD countries is just 20 days at half that cost. New Zealand gets this done in a single day.
- There has been a deterioration in ranking of the paying taxes parameter to 121 from 119 in 2018. A typical Mumbai-based firm makes 13 tax payments a year, spends 278 hours on this and coughs up 52% of its profits.
- **India's rank on other indicators:** India now ranks in the *top 25* in the world on three indicators *i.e.* getting electricity, getting credit and protecting minority investors.
- **Rank on Distance To Frontier (DTF):** The Doing Business Report ranks countries on the basis of Distance to Frontier (DTF), a score that shows the gap of an economy to the global best practice. India's DTF score *improved to 67.23 from 60.76* last year.

**Steps Taken By Government For Ease Of Doing Business**

- **Steps in Electricity Sector and IBC:** In the electricity sector, the time taken for obtaining a new connection has dropped from 105 days to 55 in the past four years. India has also put in place a new Insolvency and Bankruptcy Code (IBC) and a time bound reorganization procedure for corporate debtors. Under IBC, secured creditors are now given priority over other claims and repaid first during liquidation, a move that helped India's rank improve seven places in the getting credit criterion.
- **Startups:** To help ease business startups, the government has merged PAN and TAN with SPICe (Simplified Proforma for Incorporating Company Electronically). Registration is also faster under the Goods and Services Tax (GST) regime.
- **Removal of Site Inspection:** At the same time, Mumbai abolished the practice of site inspections for registering companies under the Shops and Establishments Act.
- **Other Steps:** By upgrading port infrastructure and electronic sealing of containers, India jumped to 80<sup>th</sup> place in 2018 from 126<sup>th</sup> in 2017, in that area.

**Lacuna In The Ranking Framework**

- **Restricted Analysis:** The ranking framework is only restricted to the cities of *Mumbai and New Delhi*, thus ignores the improvement or hurdles in business environment in other parts of India. Recognizing this limitation, World Bank is in process to calculating district wise ranking.
- **Indicators Not Comprehensive:** The World Bank's intent is to measure a country's progress on a few doing business indicators in great depth, without trying to be comprehensive about the indicators or striving for a statistically large sample.
- **Qualitative Aspect:** The index does not take qualitative factors into consideration. The notion of a supportive business environment cannot be seen in isolation of a country's health and education indices, its political climate and the robustness of key institutions.
- **Biased:** The index has also evoked criticism by Nobel Prize winner Paul Romer who suggested that the Index's methodology is biased and alleged the political motivations of the World Bank staff in influencing the ease of business rankings. Moreover, he questioned the repeated changes in methodology for calculating the same.
- **Confine Itself To Review Of Old Rules And Regulations:** Critics have argued that the report does not take a nuanced view of regulation.

**Way Forward**

- Although there may be lacunas in EODB rankings, but it do serve as the most trusted ready-reckoner for foreign investors looking to set up shop in a country. For that reason, this is an achievement for India to celebrate.
- Moreover, the learnings will be especially critical as the country strives to focus on further improving its performance on Doing Business with the objective of achieving the vision of making India the easiest and simplest place to do business in.

**Credit Availability for MSMEs**

*Syllabus: Changes in industrial policy & their effects on industrial growth.*

**In News**

- Prime Minister has announced 12 measures under the MSME support and outreach programme to boost the Micro, Small and Medium Enterprises (MSME) sector, including a portal that would enable the units to get a loan **upto Rs. 1 Crore in just 59 minutes**.
- The programme will run for **100 days covering 100 districts**.
- These measures come when the government is engaged with banks to address the liquidity crunch in the markets.
- The MSME sector accounts for an estimated **30 % of country’s GDP, 45 % of its manufacturing output, and 40 % of merchandise exports**.
- And given that MSMEs have contributed least to the banking system’s non-performing assets crisis, even while disproportionately bearing the brunt of demonetization and GST, there is also a moral case to support the sector.

**About The Measures**

- **Five Key Areas:** The government will focus on five key aspects for facilitating the MSME sector. These include access to credit, access to market, technology upgradation, ease of doing business, and a sense of security for employees.
- **GST Registration Mandatory:** The firms registered on the GST portal would be able to avail themselves of loan facility on the portal itself.
- **Interest Subvention:** Moreover, GST registered firms will also get a 2% rebate on interest rates for fresh & incremental loans. For exporters, who receive loans in the pre-shipment and post-shipment period, an increase in interest rebate from **3 % to 5%** was announced.
- **Compulsory Procurement:** The Public sector companies had now been asked to compulsorily procure 25%, instead of 20% of their total purchases from the MSMEs. Further, of the 25% procurement mandated from the MSMEs, 3% must now be reserved for women entrepreneurs.



- **TReDS Portal:** All companies with a turnover of more than Rs. 500 crore must now compulsorily be brought on the Trade Receivables e-Discounting System (TReDS). Joining this portal will enable entrepreneurs to access credit from banks, based on their upcoming receivables. Thus, will resolve their problems of cash cycle.
- **GeM Portal:** All public sector companies have been mandated to register on the GeM portal (Government e-Marketplace) through which they can source their requirements. A total of 1.5 lakh suppliers comprising 40,000 MSMEs are currently registered with GeM.
- **Technology Upgradation:** On technological upgradation, the *20 tool hubs* would be formed across the country and *100 spokes* in the form of tool rooms would be established.
- **Other Measures:** The other measures announced were establishing clusters of pharma MSMEs, the easing of return filing, the allotment of inspectors for routine inspections of factory units, the merging of air and water pollution permits and the simplification of the process to address minor violations under the Companies Act.

### Benefits

- **Credit Availability:** These measures will help to improve credit flow to MSMEs where growth has been much lower particularly after recent NBFC crisis.
- **Check Misuse:** Forcing large companies to list all their receivables on TReDS will curb the misuse of factoring (use of receivables for loans) practice and benefit the MSMEs.

### Challenges

- **Surge in NPAs:** But at the same time, it should also be considered that the biggest risk of a credit stimulus is the misallocation of productive economic resources. Thus, unintended consequence is the likely deterioration in credit standards as financial institutions are pushed to lend aggressively to MSMEs as seen in case of *MUDRA Loans Scheme*, which has been troubled by soaring bad loans.
- **Inefficiencies:** There is a fear that obligation on PSUs for procuring a quarter of their inputs from MSMEs could breed further inefficiency in the economy.
- **Release of Input Tax Credit:** The promise of higher interest subvention to exporters is welcome, too, although the real reform the sector needs is faster release of much-delayed input tax credit on exports.
- **State Support A Must:** The Central Government has promised that factory inspectors will be permitted to conduct visits through random computerized allotment with compulsory publication of reports *within 48 hours*. In addition, there would be only a single environmental approval for both air and water pollution. But the implementation here, too, is dependent mainly on the states concerned.

### Way Forward

- Thus, care needs to be taken to see that the new MSME loan scheme does not pose a similar risk in the future.
- Moreover, a well-functioning debt market is the solution to MSME finance, along with greater freedom for the emerging fintech sector to operate in trade credit. NBFCs, small finance banks, *etc.* can raise money from the debt market and service MSMEs that cannot access the debt market directly. The government and Reserve Bank of India must work to this end.

## **Merchant Mining of Coal**

*Syllabus: Infrastructure: Energy, Ports, Roads, Airports, Railways etc.*

### **In News**

- Centre needs to follow the big bang reforms in the coal sector and promptly allow merchant mining to end perennial shortages of the fuel that remains India's main source of commercial energy.
- As per the reports, the coal stocks at thermal power plants are **down to about 6 days worth**, while the stipulated **norm is 21 days**.

### **Government's New Proposal**

- The Centre has proposed tweaking the rules for the next round of captive coal block auctions, so as to *allow 25% offloading in the open market* from such mines. The idea presumably is to boost investor's interest in captive coal blocks.
- Captive mines are those coal mines that are allocated to the industry to fulfil their own coal requirements. They can't be used for any other purpose, except for the reasons it has been allocated.

### **Proposals To Boost Coal Production**

- **Opting Out Of Captive Mining:** The whole notion of captive coal mining must be abandoned. Captive blocks are necessarily suboptimal, lacking economies of scale. It also means forcing total non-specialists to foray into a capital-intensive sector like coal with its attendant risks and costs.
- **Ending Monopoly In Coal Sector:** There is a need to overhaul Coal India that has been unable to meet coal demand. The fact is that India has been importing huge volumes of coal, *about 200 million tonnes per annum*, despite having some of the largest coal reserves.
- **Allowing Private Investment:** The coal sector must be opened up for private sector investment and technological upgradation, even as we step up production of renewable energy. The way forward is to have multiple, competing coal producers.

### **Way Forward**

The government did set aside the **Coal Mines Nationalization Act 1973** and has, in fact, put in place legislation to duly allow merchant mining. But it needs to walk the talk, take trade unions into confidence, and rev up productivity in domestic coal mining. Further, coal-to-gas and coal-to-liquid research must get top priority, as well.

## **PM Unveils Vision For A Gas Based Economy**

*Syllabus: Infrastructure: Energy, Ports, Roads, Airports, Railways etc.*

### **In News**

- PM laid the foundation stone for City Gas Distribution (CGD) projects in 129 districts of 18 States that were awarded in the recently concluded bid round.
- India consumed *142 million standard cubic meters per day* of natural gas in the fiscal year ending March 31, 2018 and is slated to *rise 2.5 times* in next decade.

### **Vision for Gas-based Economy**

- **Gas Infra:** Gas infrastructure is being strengthened through a nationwide gas grid, city gas distribution projects, and raising liquefied natural gas (LNG) import capacity.

- **Gas Distribution Network:** The government will more than *double city gas networks to 400 districts*, quadruple piped cooking gas connections to households to *2 crore*, and also set up 10,000 CNG dispensing stations.
- **New Biddings:** The government also launched the 10<sup>th</sup> round of bidding for award of city gas licenses in 124 new districts. Once 10<sup>th</sup> round is completed, natural gas as fuel will cover 400 districts and 70 per cent population.
- **Incentive for Investment:** The Domestic gas prices have been linked to global gas market and to increase domestic production, marketing and pricing freedom has been given.
- **Independent Operation & Exchange:** An independent transport operator and a trading exchange are being developed to provide transparency in operations of pipelines and price discovery.
- **Connecting Northeast India:** Over Rs 22,000 crore is being spent on laying new pipelines that will transport natural gas to unconnected eastern states of Bihar, Odisha and West Bengal and further to northeastern states, making available environment friendly fuel for industry and domestic use.
- **Biogas:** To promote clean energy, *5,000 compressed biogas plants* will be set up in five years to convert agri-waste into bio-CNG. This would not only address the problem of agri-residue, but also increase farmer income.
- **Ethanol:** Besides, 12 modern bio-refineries to convert biomass into fuel are being set up at an investment of Rs 10,000 crore. The blending of sugarcane-extracted ethanol in petrol has jumped four times since 2014 and the target is to take the doping to around 10 per cent level from current 3-4 per cent.
- **Environment Friendly Fuel In Energy Mix:** With the push towards a gas-based economy, the share of environment-friendly fuel in the energy basket will be increased from 6.2 % to 15 % by 2030.
- All these efforts will create lakhs of jobs and help meet India's COP-21 (Climate Change Conference) commitment of cutting emission intensity by 33-35 %

### **First Multi-modal Terminal on Inland Waterways**

*Syllabus: Infrastructure: Energy, Ports, Roads, Airports, Railways etc.*

#### **In News**

- Prime Minister inaugurated India's first multi-modal terminal on the Ganga river in Varanasi and it received the country's first container cargo transported on inland waterways from Kolkata.
- This is the first of the four multi-modal terminals being constructed on the **National Waterway-1 (Sahibganj and Haldia)** as part of the World Bank aided **Jal Marg Vikas project** of the Inland Waterways Authority of India.
- Food and beverages major **PepsiCo India** become the first company to use the country's inland waterways for container movement by transporting products from its plant in Kolkata to Varanasi.

#### **About Jal Marg Vikas Project**

- After the passage of the **National Waterways Act, 2016**, under which 111 inland waterways were declared as national waterways, the Centre launched the Jal Marg Vikas (JMV) project to boost the carrying capacity of the Ganga, also called NW-1.

- The **objective** of the JMV project is to facilitate the movement of 1,500-2,000 tonne vessels along the *Allahabad-Haldia stretch*.
- **Funding:** The annual profits of the 12 major ports, estimated at Rs. 7,000 crores, will be channelized to develop an extensive inland waterways system. The major ports will develop special purpose vehicles to this end.
- **Specifics:** The project entails construction of three multi-modal terminals (Varanasi, Sahibganj and Haldia), two intermodal terminals, five roll-on-roll-off (Ro-Ro) terminal pairs, new navigation lock at Farakka in West Bengal, assured depth dredging, integrated vessel repair and maintenance facility, differential global positioning system (DGPS), river information system (RIS), river training.

### Significance of The Move

- Cheap and environment friendly means of transportation, especially for cargo movement.
- **Project vis-à-vis road project:** Its fuel efficiency is unparalleled, particularly in comparison with road transport. Moreover, deforestation and uncertainties associated with land acquisition are minimized, even as livelihoods of communities living off the river are protected.
- **Benefits of multi-modal transport:** A multi-modal approach will address chronic logistics issues, inviting investment into regions considered uncongenial for business.
- **High Potential:** The potential of inland waterways to emerge as a viable alternative to road transport is immense in a country where barely **3.5 % of trade** is done through this route, against 47 % in China, 40 % in Europe, 44 % in Japan and Korea and 35 % in Bangladesh.
- **Economic Benefits:** The Varanasi will become the gateway and North India hub of the first modern water transport system and it will also be beneficial for export and import through water route, thus benefit local industrialists and exporters/importers.
- **Linkage to Bay of Bengal:** The movement of the container vessel means the eastern Uttar Pradesh and country's eastern part have been linked to the Bay of Bengal.
- **Link with East Asia:** The project will also connect the religious places in East India to the East Asian countries.
- **Tourism Promotion:** The waterway will not only be used for transporting cargo but this will also promote tourism. Varanasi and other areas in the eastern region will also be popular for cruise tourism.



### Final Analysis

- However, environmentalists have raised concerns about the impact of enormous vessels on the riverbed and aquatic life.
- Moreover, meeting river flow concerns across seasons would call for a review of hydal projects.
- In undertaking this paradigm shift towards inland water transport, India should implement the *sustainability practices as in Europe*. A consultative, inter-disciplinary approach, as opposed to a techno centric one, would keep the negative consequences to a minimum.

**Maharashtra Dismantles APMCs Act**

*Syllabus: Storage, transport and marketing of agricultural produce and issues and related constraints*

**In News**

- Maharashtra has become the *second state after Bihar* to allow trade in all farm commodities, including livestock, outside the regulated Agriculture Produce Market Committee (APMC) wholesale markets or mandis.
- An ordinance by the Maharashtra government has amended **the Maharashtra Agriculture Produce Marketing (Development and Regulation) Act, 1963**. This Act had made it mandatory for farmers to sell all their crops after harvest in mandis within a geographically delineated market area under the particular APMC's jurisdiction.
- But the amendment now curtails the supervisory powers of APMCs only within its own principal market yard, sub-market yard and market sub-yard. The APMC shall henceforth not regulate marketing of agricultural produce and livestock in its delineated market area.

**Impact**

- **Direct dealing:** The buyers can strike deals with farmers right at the farm gate and the point of first sale does not have to be an APMC-regulated mandi. Thus, it will enable solvent extraction and oil expeller units, dal millers, ginners, animal feed makers, and other big processors and traders to deal directly with farmers.
- **No requirement of paying fee:** The APMCs can continue to levy a cess/market fee on the produce brought and traded in their mandis. But these levies ranging from **0.8 per cent to 1 per cent** of the value of purchase cannot be charged on trades outside the mandi. Moreover, as no APMC cess/market fee will be levied on their purchases, procurer will be incentivized to make such direct purchases or even pass on some of the savings to farmers.
- **Benefit for farmers:** Farmers, too, would be spared the burden of transporting their produce to the mandi, apart from incurring expenses towards loading, unloading and weighing.
- **Impact on APMC Mandis:** The APMC mandis will be forced to invest in infrastructure and improve their quality of services to attract farmers and buyers. The farmer till now had no choice but to bring his produce to the mandi or sell it at throwaway prices to a village level aggregator.
- **Introduces competition:** The ordinance does is to introduce competition in the market. The farmer may still choose to sell at the mandi, if he gets a better price there than from selling at the farm gate.

**NITI Aayog On Export Of Agricultural Items**

*Syllabus: Storage, transport and marketing of agricultural produce and issues and related constraints*

**In News**

- NITI Aayog has argued against any abrupt restrictions on agriculture exports to meet domestic demand.
- Currently, India exports a large number of agriculture commodities annually. However, this is subject to stable domestic market, which means if demand goes up or prices soar in the domestic

market, the government immediately stops exports mid-way as a result of which India is rarely seen as a consistent supplier of agri-commodities to overseas destinations.

- India's share in global exports of agriculture products **rose from 1%** a few years ago to **2.2% in 2016**. It is currently **ranked 9<sup>th</sup>** among exporters globally.

### NITI Aayog's View

- **Exceptional Situation:** Restriction on export should be resorted to in exceptional situations and producers should know well in advance of impending restrictions.
- **Defining The Trigger:** Export restrictions be based on the principle trigger that the producer knows in advance.
- **Dedicated Exports:** The Aayog is also of the view that agriculture production in India should have dedicated focus on exports and certain amount of all produce should be dedicated to exports. Thus, India should not be exporting residual produce but producing exclusively for exports.
- **Focus Areas:** Aayog also suggested that India should focus on export of niche and value added products like condiments, spices and horticulture products, increase investment in infrastructure and introduce agriculture reforms as immediate measure to boost exports.
- **Cluster Based Approach:** Further, it suggested to adopt a cluster base approach for agriculture commodity exports so that quality products can be exported that complies with the *international phytosanitary standards*.
- **Role of Embassies:** The Indian embassies should be strengthened to get market intelligence and intervene when exporters have issues in these countries.



### Final Analysis

- If Aayog's suggestion is accepted by the government this would ensure that Indian agriculture commodities have a dedicated market overseas as the focus of government **moves from farm land to foreign land** to help take India's agriculture exports to **\$60 billion by 2022**.
- Moreover, the government should focus on strengthening India's existing market share of traditional items like tea, spices, cotton, rice, grapes and pomegranates while simultaneously tapping new markets.

### Government Planning For DBT Route For Agricultural Power Subsidy

*Syllabus: Issues related to direct and indirect farm subsidies and minimum support prices*

#### In News

The government is considering paying a part of the agriculture power subsidy directly to farmers, instead of free or cheap electricity, as part of a move to rationalize farm sector subsidies.

#### The Possible Impact

- **Boost Overall Economy:** The proposal, if it goes through, is expected to put more money into the hands of farmers, enabling more investments in the industry and higher consumption to boost the overall economy.

- **Fiscal Deficit:** A high-level committee, chaired by NITI Aayog member **Ramesh Chand**, has recommended that more than half a dozen subsidies to agriculture, amounting to over Rs. 2.2 lakh crore or Rs. 11,340 crore per hectare, should be reconsidered to ensure that there is no over utilization or wastage of subsidized power and urea. One of the key recommendations of the committee is to let farmers pay for the power used as per metre and this subsidy will be reimbursed under direct benefit transfer (DBT). The power subsidy stands at over *Rs. 90,000 crore*.
- **Negative Consequences:** As the resources like power not being charged to the farmer, there has been over-exploitation of water resources, leading to a drop in water table and creation of scarcity situation for water and power.

## ***Technology***

### **Kilogram Redefined**

*Syllabus: Science and Technology- developments and their applications and effects in everyday life*

#### **In News**

- In a historic judgment, at the 26th CGPM, General Conference on Weights and Measures, in Versailles, Paris more than **60 nations came together to vote unanimously** for a new system that redefines the kilogram.
- Along with the kilogram three other units, the **ampere** (electrical current), the **kelvin** (thermodynamic temperature) and the **mole** (amount of a substance) were redefined at the conference.
- It is arguably the most significant redefinition of an SI unit **since the 'second' was recalculated in 1967**, a decision that helped ease communication across the world via technologies like GPS and the internet.

#### **Need For Change**

- The kilogram has been defined **since 1889 by a shiny piece of platinum-iridium** kept in a special glass case, the **International Prototype of the Kilogram (IPK)**, also known as Le Grand K (The Big K). It is housed at the headquarters of the International Bureau of Weights and Measures (BIPM), just outside Paris.
- The issue is that the IPK doesn't always weigh the same. Even inside its three glass bell jars, **it picks up micro particles of dirt and is affected by the atmosphere**. Sometimes it needs cleaning, which can affect its mass which can have profound implications. If the prototype were to lose mass, atoms would, in theory, weigh more **since the base kilogram must by definition always weigh a kilogram**.
- **Hence**, the scientists wanted to create a measurement system that is based entirely on unchanging fundamental properties of nature.
- Now the kilogram will be defined by a tiny but immutable fundamental value called the **Planck Constant**.
- The Planck constant denoted as  $h$ , is a physical constant that is the quantum of action, which relates the energy carried by a photon with the frequency of its electromagnetic wave. It is named after the physicist Max Planck and is an important quantity in quantum physics.

- The new definition involves an exquisitely accurate weighing machine called the **Kibble balance, which makes use of the constant to measure the mass of an object using a precisely measured electromagnetic force.**
- Unlike a physical object, the formula cannot pick up particles of dust, decay with time or be dropped and damaged. It is also expected to be more accurate when measuring very, very small or very, very large masses
- While **there will be no change for the average consumer, it** is expected to be more accurate when measuring very, very small or very, very large masses and help usher in new innovations in science, industry, climate study and other fields.

### **SpiNNaker (Spiking Neural Network Architecture) Supercomputer**

*Syllabus: Awareness in the fields of IT and Computers*

#### **In News**

- The world's largest **neuromorphic supercomputer**, designed and built to work in the same way a human brain does, has been fitted with its landmark one-millionth processor core and has been switched on for the first time.
- The project was initially funded by the Engineering and Physical Sciences Research Council and is now supported by the **European Human Brain Project.**
- It has taken £15million in funding, 20 years in conception and over 10 years in construction, with the initial build starting way back in 2006.
- The SpiNNaker is capable of completing **more than 200 million actions per second**, with each of its chips having 100 million transistors.
- The SpiNNaker machine, designed and built in The University of Manchester in the UK, can model more biological neurons in real time than any other machine on the planet.
- Biological neurons are basic brain cells present in the nervous system that communicate primarily by emitting spikes of pure electro-chemical energy.
- Neuromorphic computing uses large scale computer systems containing electronic circuits to mimic these spikes in a machine.
- SpiNNaker is unique because, unlike traditional computers, it does not communicate by sending large amounts of information from point A to B via a standard network.
- Instead, it **mimics the massively parallel communication architecture of the brain**, sending billions of small amounts of information simultaneously to thousands of different destinations.
- Researchers eventually aim to model up to a billion biological neurons in real time and are now a step closer.
- One billion neurons is one per cent of the scale of the human brain, which consists of just under 100 billion brain cells, or neurons, which are all highly interconnected via approximately one quadrillion synapses.

#### **European Human Brain Project**

The HBP Flagship was launched by the European Commission's Future and Emerging Technologies (FET) scheme in October 2013, and is scheduled to run for ten years.

**Applications**

- One of the fundamental uses for the supercomputer is to **help neuroscientists better understand how our own brain works**.
- It has also simulated a region of the brain called the Basal Ganglia - an area affected in Parkinson's disease, meaning it has **massive potential for neurological breakthroughs in science such as pharmaceutical testing**.
- It has also been **used to control a robot**, the SpOmnibot. The robot uses the SpiNNaker system to interpret real-time visual information and navigate towards certain objects while ignoring others.

**HysIS**

*Syllabus: Awareness in the fields of Space*

**In News**

- ISRO has successfully launched the PSLV-C43 mission that carried **HysIS (Hyper Spectral Imaging Satellite)** as part of its payload. This was the 45th launch flight of the polar satellite launch vehicle (PSLV) rocket.
- The satellite was accompanied by 30 other satellites developed by various nations, including 23 from the US and had a combined payload of 641.5kg
- The heart of the system required for the satellite is an **optical imaging detector chip** which was indigenously designed and developed by Isro's space application centre and fabricated at a semiconductor lab in Chandigarh.
- The objective of the probe is to monitor the Earth's surface within a bandwidth of 400nm-2500nm wavelength. This includes visible, near infrared and far infrared bands of the electromagnetic spectrum.
- It can be used for an array of activities from monitoring the crops, environmental monitoring, water management, atmospheric activity monitoring, coastal patterns, looking for minerals and oil, military surveillance, while also assisting studies of Earth's magnetic field all of which need visuals that show a high level of differentiation of the scene or object.
- It has been projected into a **polar synchronous orbit**, which sets it in motion along the axis that runs along the Earth's geographic North and South Pole. With its orbit, it will remain at the same position relative to the sun throughout its five-year mission, which ends in 2023.

**China Unveils Heavenly Palace Space Station**

*Syllabus: Awareness in the fields of Space*

**In News**

- China recently unveiled a replica of its first permanently crewed space station, which would replace the international community's orbiting laboratory and symbolises the country's major ambitions beyond Earth.
- The model represented the living and working space of the Tiangong — or "Heavenly Palace" — which will also have two other modules for scientific experiments and will be equipped with solar panels.

- Three astronauts will be permanently stationed in the 60-tonne orbiting lab, which will enable the crew to conduct biological and microgravity research assembly. It is expected to be completed around 2022 and the station would have a lifespan of around 10 years.
- The International Space Station — a collaboration between the US, Russia, Canada, Europe and Japan — has been in operation since 1998 but is due to be retired in 2024.
- China will then have the only space station in orbit, though it will be much smaller than the ISS which weighs 400 tonnes and is as large as a football pitch.
- The country has also announced that the lab would be open to "all countries" to conduct science experiments.

### **GSAT 29 Launch**

*Syllabus: Awareness in the fields of Space*

#### **In News**

- ISRO's GSAT-29 communication satellite was recently launched successfully by the second developmental flight of Geosynchronous Satellite Launch Vehicle Mark III (GSLV Mk III-D2) from the Satish Dhawan Space Centre, Sriharikota.
- It was launched into an elliptical Geo Transfer Orbit (GTO) with a 190 km perigee, the point in the orbit of the moon or a satellite at which it is nearest to the earth, and 35,975 km apogee, the farthest or highest point.

#### **GSAT 29**

- It is a communication satellite with two separate payloads (Ku-band and Ka-band) designed to improve telecommunication and internet services under the Digital India program in remote areas in the country, especially Jammu and Kashmir and the North-East.
- It is a **multiband, multi-beam communication satellite**, intended to serve as a test bed for new and critical technologies.
- Weighing 3,423 kg at lift-off, GSAT-29 is the **heaviest satellite to be launched from India**. With a mission life of 10 years, it is the 33rd communication satellite built by ISRO.
- In addition, the Q/V-Band communication payload onboard is intended to demonstrate the future high throughput satellite system technologies.
- It also carries a **Geo High-Resolution Camera** which will carry out high resolution imaging and the **Optical Communication Payload** will demonstrate data transmission at a very high rate through optical communication link.

#### **GSLV Mark III**

- GSLV Mk III is a **three-stage heavy lift launch vehicle** developed by ISRO. The vehicle has two solid strap-ons, a core liquid booster and a cryogenic upper stage.
- It is designed to carry 4 ton class of satellites into Geosynchronous Transfer Orbit (GTO) or about 10 tons to Low Earth Orbit (LEO), which is about twice the capability of GSLV Mk II.
- With the success of this launch, the developmental phase of the GSLV Mk III vehicle programme will be complete and the vehicle's operational phase will begin.

- The success of GSLV Mk III-D2 marks an important milestone in Indian space programme towards **achieving self-reliance in launching heavier satellites**, as it is currently dependent on European launchers to put heavy satellites in space.
- The first operational mission of this vehicle will be the **Chandrayaan-II mission in January** next year.
- It will also be used for the **Gaganyaan mission** wherein ISRO has set a target of achieving the country's manned mission to space by 2021, with the first unmanned programme planned for December 2020.

### **Bionic Mushrooms**

*Syllabus: Awareness in the fields of bio-tech*

#### **In News**

- Scientists, including those of Indian origin, have created a bionic device that generates green power by 3D-printing clusters of cyanobacteria on an ordinary white button mushroom.
- The research by the Stevens Institute of Technology in the U.S. is part of a broader effort to better improve our understanding of cells biological machinery and how to use them to fabricate new technologies.
- Cyanobacteria, a bacteria with a blue-green colour, was used in the experiment as it creates its energy through photosynthesis, like plants.
- Cyanobacteria's ability to produce electricity is well known. However, researchers have been limited in using these microbes in bioengineered systems because cyanobacteria do not survive long on artificial bio-compatible surfaces.
- To create the bionic mushroom, researchers used a 3D printer to create two types of electronic ink patterns, one containing the bacteria, and a second containing graphene nano ribbons to collect the current. Those patterns were placed on the mushroom's cap.
- The mushrooms essentially serve as a suitable environmental substrate with advanced functionality of nourishing the energy-producing cyanobacteria.
- Integrating cyanobacteria with nanoscale materials capable of collecting the current, it was possible to better access the unique properties of both, augment them and create an entirely new functional bionic system.
- The study can pave the way for larger opportunities involving bio-electricity. It can also help to potentially realise many other designer bio-hybrids for the environment, defence, healthcare and many other fields.

### **Earth BioGenome Project**

*Syllabus: Awareness in the fields of bio-tech*

#### **In News**

- A new scientific mission with an ambitious objective was recently announced to **map the entire genome of every known animal, plant, fungus and protozoan on earth**.

- The **Earth BioGenome Project (EBP)**, being described as the next "moonshot for biology", is a decade-long experiment to map the genomes of roughly 1.5 million species — all the complex life forms known to man.
- The last project of a similar scale and importance was the 13-year endeavour to map the human genetic code, the Human Genome Project, which was completed in 2003.
- Till date, roughly 3,500 complex lifeforms, an estimated 0.2 percent of the total, have had their genomes sequenced. Of those, fewer than a hundred are of a quality worthy of being used as "reference" quality by researchers.
- The volume of data generated by the EBP is expected to be at a massive, 'exascale' — more than the volumes accumulated by Twitter, YouTube or astronomy.

### **Applications**

- The study would create a massive resource for scientists, offering many potential insights, including how environmental change is affecting living systems at the genetic level.
- Having the roadmap, will be a tremendous resource for new discoveries, understanding the rules of life, how evolution works, new approaches for the conservation of rare and endangered species, and new resources for researchers in agricultural and medical fields.
- The project is also a means to open up new avenues for treating infections, drugs for anti-ageing, or even develop new approaches to addressing food shortage and for the development of innovative biomaterials.
- If successful in its goal, the EBP would revolutionize how biology and evolution are studied. Its completion would also give efforts towards the conservation of wildlife and biodiversity a massive boost.

### **Transgenic Rice With Reduced Arsenic Accumulation**

*Syllabus: Awareness in the fields of bio-tech*

#### **In News**

- Arsenic accumulation in rice grains is one of the serious agricultural issues in India. To address this, researchers at **Lucknow-based CSIR-National Botanical Research Institute** have developed transgenic rice by inserting a novel fungal gene, which results in reduced arsenic accumulation in rice grain.
- In their latest study, researchers have cloned Arsenic methyltransferase (WaarsM) gene from a soil fungus, *Westerdykella aurantiaca*, and inserted the same into the rice genome with the help of *Agrobacterium tumefaciens*, a soil bacterium which has natural ability to alter the plant's genetic makeup.
- The newly developed transgenic rice along with normal rice was then treated with arsenic. Comparison of transgenic and **non-transgenic rice showed that transgenic plants accumulated less arsenic in root as well as shoot as compared to non-transgenic lines.**
- In addition, researchers are also looking for gaps in arsenic metabolism in rice which will ultimately lead to understand arsenic uptake and metabolism in rice.
- The knowledge can be applied to develop practices to decrease accumulation of arsenic in rice grain by molecular breeding, gene editing or transgenic approaches which can have tremendous public health consequences

**Shakti Microprocessor**

*Syllabus: Indigenization of technology and developing new technology.*

**In News**

- Researchers at Indian Institute of Technology Madras (IIT-M) have designed and booted up **India's first indigenous microprocessor**, Shakti, which could be used in mobile computing and other devices.
- The microchip is fabricated in the Semi-Conductor Laboratory (SCL) of Indian Space Research Organisation (ISRO) at Chandigarh.
- SCL, which has played a significant part, is an autonomous body engaged in research and development in microelectronics to meet the strategic needs of the country,
- **Bluespec**, an open-source high level synthesis language, went into making the chips and the design originated from an open source instruction set architecture called **RISC V**, which makes it customisable to any device.
- It can be used in low-power wireless systems and networking systems besides reducing reliance on imported microprocessors in communication and defence sectors.
- It will also help in reducing the risk of deploying systems that may be infected with back-doors and hardware Trojans.
- The impact of this completely indigenous fabrication is that India has now attained independence in designing, developing and fabricating end-to-end systems within the country, leading to self-sufficiency.

***Environment and Biodiversity*****CSE Awarded Indira Gandhi Prize****In News**

- Centre for Science and Environment (CSE), the New Delhi based independent research and advocacy think tank, has been awarded and the **Indira Gandhi Prize for Peace, Disarmament Development**.
- The award is accorded annually by the Trust to individuals or organisations in recognition of creative efforts toward promoting international peace, development and a new international economic order, ensuring that scientific discoveries are used for the larger good of humanity, and enlarging the scope of freedom.
- The international jury, chaired by former president Pranab Mukherjee, decided to give the award to CSE for its pioneering work in environmental education and protection, for its steadfast advocacy of measures to combat environmental deterioration, for its success in influencing public policies and programmes that have benefitted social and economic development in India, and for keeping the issue of environmental sustainability at the forefront of national attention and public policy.
- CSE's selection for this prize also points to the significant imperative of environmental issues in our lives. It is a recognition of the imminent threats that the world faces today – of insecurity due to climate change, inequitable development, and rapid and growing environmental degradation.
- **Established in 1980** under the leadership of Anil Aggarwal, CSE has been working for the last four decades on extending awareness and education about environmental issues, on air and water

pollution, waste water management and industrial pollution, food safety and energy, climate change and above all in influencing official policy and public actions for sustainable development.

- As the world, and particularly India, face growing challenges that threaten the future of the planet, CSE has built up the expertise and credibility to make a difference and its programmes have achieved important public health outcomes in several areas of vital impact.

### **Palau To Ban Sunscreen Products To Protect Reefs**

#### **In News**

- Palau is set to become the first country to impose a widespread ban on sunscreen in an effort to protect its vulnerable coral reefs.
- The government has signed a law that restricts the sale and use of sunscreen and skincare products that contain a list of ten different chemicals.
- Researchers believe that these ingredients are highly toxic to marine life, and can make coral more susceptible to bleaching. The ban comes into force in 2020.

#### **How Do Sunscreen Products Harm Corals**

- Scientists have been raising concerns about the impacts of sunscreen products on marine life for many years. They are particularly worried over the **role of two ingredients** called **oxybenzone and octinoxate**. These are used as sun protection factors as they absorb ultraviolet light. However, they are believed to make coral more susceptible to bleaching.
- Research **published in 2015** showed that the **oxybenzone could stunt the growth of baby corals** and was toxic to several different coral species in laboratory tests.
- Oxybenzone is probably the baddest actor out of the 10 chemicals that have been banned. It causes corals to bleach at lower temperatures, and it reduces their resilience to climate change

#### **How Much Of A Threat Does Sunscreen Pose**

- Researchers say that the biggest threat to coral reefs is climate change, with estimates that 90% of reefs will succumb to rising temperatures by 2050.
- The second biggest threat is the suffocating threat posed by algal blooms, triggered by the runoff of nutrients from sewage and farming.
- Sunscreen is now seen as one of a number of other, lesser threats including ocean acidification.

#### **Why Palau And Why Now**

- Palau is located in the western part of the Pacific ocean. It is made up of one large volcanic island and several smaller coral reef associated islands. Despite its small size, it has often taken big steps in protecting the environment.
- In 2015, it designated almost its entire ocean territory as a marine protected zone. Very aware of the threats of climate change, Palau became the second nation in the world after Fiji to ratify the Paris climate agreement in 2016.
- When it comes to coral reefs, the island nation has largely avoided the negative impacts of extensive coastal erosion from agriculture, pollution and rampant overfishing that have affected reefs elsewhere.

- The ban on sunscreen products means Palau is determined to fight any threat to the reefs, which are visited by thousands of tourists every year.

Several regions have imposed bans, including the island of Bonaire in the Caribbean and the US state of Hawaii which passed a law earlier this year. Mexico has banned sunscreen in nature reserves.

#### **Are There Alternatives That Do Not Contain These Chemicals**

- Yes, there are alternatives that do not include the two key chemicals that are being marketed as "reef-safe". But some scientists argue that the term is not legally enforceable, and there is no compulsion on manufacturers to demonstrate that their products don't harm coral.
- Another approach would be to use mineral-based sunscreen, such as non-nanosized titanium oxide or zinc oxide.

#### **Conclusion**

Reefs cannot be saved by banning sunscreens alone. There are **more destructive drivers of reef decline such as sea water warming, overfishing, nutrient enrichment and pollution** that need to be controlled to halt the ongoing degradation of reef ecosystems.

#### **Ozone Hole Is Closing**

##### **In News**

- The Antarctic ozone hole is expected to gradually close, returning to 1980 levels in the 2060s.
- **The ozone layer, found in the Stratosphere, that shields life from cancer-causing solar rays** is recovering at a rate of one to three percent per decade, reversing years of dangerous depletion caused by the release of harmful chemicals, a U.N. study said.
- The four-yearly review of the Montreal Protocol, a 1987 ban on man-made gases that damage the fragile high-altitude ozone layer, found long-term decreases in the atmospheric abundance of controlled ozone-depleting substances and the ongoing recovery of stratospheric ozone.
- The Antarctic ozone hole is recovering, while continuing to occur every year. As a result of the Montreal Protocol much more severe ozone depletion in the polar regions has been avoided.

#### **Complete Healing: Findings And Expectations**

- Evidence presented by the authors shows that the ozone layer in parts of the stratosphere has recovered at a rate of 1-3 percent per decade since 2000. At projected rates, Northern Hemisphere and mid-latitude ozone is scheduled to heal completely by the 2030s followed by the Southern Hemisphere in the 2050s and Polar Regions by 2060.

The U.N. had already hailed the success of the Protocol, which banned or phased out ozone depleting chemicals, including chlorofluorocarbons (CFCs) once widely used in refrigerators and spray cans, but the report said it was the first time that there were emerging indications that the Antarctic ozone hole had diminished in size and depth since 2000.

- In the Arctic, annual variations were much larger, making it hard to confirm whether there had been a definite recovery in the layer since 2000.
- However, while most of the banned gases have been phased out, the report found at least one violation of the protocol: an unexpected increase in production and emissions of CFC-11 from eastern Asia since 2012. The report said the source country had not yet been identified.

- If CFC-11 emissions continued at the same rate, return of mid-latitude and polar ozone-depleting chemicals to their 1980 values would be delayed by about 7 and 20 years, respectively, the report said.

## **Proposed Ganga Bill**

### **In News**

- **Context:** The government has banned the construction of jetties, ports or “permanent hydraulic structures” in the Ganga, unless permitted by the National Ganga Rejuvenation Authority, according to a proposed ‘Ganga Act’.
- The legislation, formally called the **National River Ganga (Rejuvenation, Conservation and Management) Bill, 2018**, proposes to create a management structure that will supervise the health of the 2,500-kilometre long Ganga which, **the draft Bill defines, as ‘India’s national river.’**

### **Highlights Of The Bill**

- Draft Bill envisages constitution of **National Ganga Council and a National Ganga Rejuvenation Authority** to enforce the Law.
- The Bill lays down provisions of imprisonment of 2 to 5 years for offences like commercial fishing, polluting the river and construction of illegal structures in active floodplains.
- The Bill lays down a host of restrictions to ensure the “uninterrupted, ecological flow” of the river.
- The legislation looms even as the government is developing a **National Waterways Project-1 (River Ganga) from Haldia to Varanasi (1,390 km), with the technical and financial assistance of the World Bank.** The waterways project involves creating permanent and movable terminals that require dredging and frequent de-silting to ensure that minimum river depths — for the smooth movement of the vessels — are maintained.
- However, the proposed legislation specifies that “**unauthorised**” activities that cause “...obstruction or discontinuity of water in the River Ganga...due to engineered diversion of water or stoppage of water...could be liable to a prison term of 3 years or fines upto ₹50 crore, or both.”
- Activists say that while the government’s efforts have been largely on cleaning the Ganga — namely, by installing sewage plants in riverine cities such as Allahabad and Varanasi and Kanpur — but neglecting to take steps to ensure the river’s natural flow is maintained through the stretch.

Food and beverage giant PepsiCo has dispatched 16 containers from Haldia containing packaged food and assorted goods, and they are expected to dock in Varanasi on November 12, according to a statement from the Union Shipping Ministry. This is the first container movement aboard an inland vessel in independent India, according to that Ministry.

## **Protect The Little Helpers**

### **In News**

Across India’s agrarian plains, plantations and orchards, millions of birds, bats and insects toil to pollinate crops. However, many of these thousands of species may be in dangerous decline.

### **Key Highlights**

- In 2015, **the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)** found that pollinators lead to huge agricultural economic gains. The report estimated pollinator contribution in India to be \$0.831-1.5 billion annually for just six vegetable crops.

- This is an underestimation considering that nearly 70% of tropical crop species are dependent on pollinators for optimal yields.
- The decline of moths, bees, butterflies, hoverflies and other pollinators is undeniably linked to human activity: large tracts of natural habitats have been cleared for monoculture cultivation, while the use of pesticides and fertilisers is pushing out nature's little helpers.
- In a series of studies at the University of Calcutta, researchers have showed that native Indian bees, when exposed to multiple pesticides, suffer from memory and olfactory impairment, lower response rates, and oxidative stress which damages cells.
- A team estimated that between 1964 and 2008, there was a 40-60% growth in relative yields of pollinator-dependent crops, **while pollinator-independent crops such as cereals and potatoes saw a corresponding 140% rise in yields.**
- In Kashmir, researchers have pinned lowering yields of apple trees on the declining frequency of bee visits. In north India, lowering yields of mustard cultivation may be caused by disappearing pollinators.

#### **What Needs To Be Done**

- Apart from promoting organic farming and lowering pesticide usage, landscape management is key.
- The **EU Pollinators' Initiative** adopted in June can provide pointers to India, particularly a policy of direct payment support to farmers to provide buffer strips for pollinators for nectar- and pollen-rich plants.
- India has millions of hectares of reserve forests, some of which have been converted to pulpwood plantations. Much of this can be restored to become thriving homes for pollinators.
- The same can be done in gram panchayat levels. Fallow areas and government land can be used to plant flowering species for pollinators.

#### **Human-Tiger Conflict**

##### **In News**

- **Context:** India's national animal has fallen prey to human-tiger conflict
- We have lost two of our national animals to targeted killings in two rich landscapes — **Yavatmal (Maharashtra) and Dudhwa (Uttar Pradesh)**. The big cats were victims of human-tiger interface conflict.
- India is in a leadership position on the tiger front with almost 70 per cent of the global tiger population. We pioneered tiger conservation with Project Tiger and by conserving 2.4 per cent of our geographical area as tiger reserves.

##### **Why, Then, Do We Find Ourselves In Such Conflict Situations Repeatedly**

- Our tiger reserves, national parks and sanctuaries exist only as islets in a vast sea of human, cattle and unsustainable land use. The stakeholders are many in this heterogeneous mosaic, from primary (local people) to secondary (government departments) and tertiary (business groups, semi-urbanscape).
- Urbanisation and growth agendas alter landscape dynamics, which has a cascading effect on the ecological dynamics of wildlife. This results in ecological dislocation of sorts, wherein endangered wild animals like tigers either cause distress or land themselves in trouble.

**Statistics**

- India's 3.28 million sq km land area amounts to 2.4 per cent of the planet's geographical area. But we have almost 17 per cent of the world's human population and 16 per cent of global livestock.
- Our per capita forest is just 0.064 ha compared to the global average of 0.64 ha, which partly explains the forest resource dependency of a large number of rural people.
- India's 668 protected areas add up to 14 per cent of her forest area and 4.9 per cent of her geographical area. Of these, 50 protected areas are tiger reserves.
- Against this backdrop, we hold two-thirds of the global tiger population, the largest population of Asiatic elephants and so on.
- Barring protected areas, our forests are not very rich. And the concessions in our forests have caused overuse and abuse of resources.
- Loss of forest productivity in terms of forage for wild herbivores has meant that the bulk of our forests cannot sustain medium-sized wild herbivores like deer, megaherbivores like elephants or big cats like tigers.

**Problems**

- successive assessments have revealed that tigers are largely confined to their source areas (core areas of tiger reserves) and their fringes (buffers). The bulk of other forests in most of India's tiger states have practically lost their **habitat value owing to excessive biotic pressure**.
- Consequently, agriculture and cash crops beyond protected areas readily lure wild pigs and other preys, which in turn lure big cats.
- And once wild animals earn a pest value, they get trapped in snares or succumb to revenge or avoidance killings, more often than not through a silent method of poisoning using pesticides.
- This "interface" is further influenced by urbanisation, rail and road transport infrastructure and intensive operations like mining or special economic zones — part of the growth agenda in any developing country.

**Steps Taken**

- The truth is, human-wildlife interface is here to stay. While there can be no "co-existence" with tigers or elephants, a "co-occurrence" agenda with a proactive management control is available. **The National Tiger Conservation Authority (NTCA)** has brought out several Standard Operating Procedures (SOPs) to deal with various challenges of the human-tiger interface.
- An incapacitated tiger or leopard has to be captured on priority
- A prime animal straying close to human settlements requires active monitoring and translocation to suitable habitat.
- For example, tigers were shifted from the fringes of Bandhavgarh to Satpura. All this requires 24x7 monitoring using technology, management of corridors, building up the frontline capacity, creating village teams for reporting wild animal presence, and, an intersectoral portfolio at the landscape level akin to the "master plan" envisaged for an eco-sensitive zone.

**Way Forward**

Human-tiger interface management demands proactive measures. One cannot allow a big cat to get habituated and then brutally eliminate it. It is a tragic end for our national animal, and a complete travesty of the responsibility reposed on foresters and wildlife experts.

**About NTCA:**

- The National Tiger Conservation Authority is a statutory body under the Ministry of Environment, Forests and Climate Change constituted under enabling provisions of the Wildlife (Protection) Act, 1972, as amended in 2006, for strengthening tiger conservation, as per powers and functions assigned to it under the said Act.
- 'Project Tiger' is a Centrally Sponsored Scheme of the Environment, Forests and Climate Change, providing funding support to tiger range States, for in-situ conservation of tigers in designated tiger reserves. It has put the endangered tiger on an assured path of recovery by saving it from extinction, as revealed by the recent findings of the All India tiger estimation using the refined methodology.

**Climate Risk From Rise In Indian AC Units****In News**

- **Context: Refrigerants used for cooling are the major contributors to global warming**
- By 2022, India is expected to have a fourth of the world's air conditioning units, and the risks to climate from this could be immense, according to a report.
- The refrigerants used for cooling are the major contributors to global warming, and if left unchecked, they could cause global temperatures to rise by 0.5 degrees Celsius.

**Phasing Out HFCs**

- In 2016, India was a signatory to a compact of 107 countries to "substantially phase" out a potent greenhouse gas, called hydrofluorocarbons (HFC), by 2045 and move to prevent a potential 0.5 C rise in global temperature by 2050.
- HFCs are a family of gases that are largely used in refrigerants at home and in car air-conditioners. However, they substantially worsen global warming. India, China, the United States and Europe have committed themselves to reducing the use of HFC by 85% by 2045.

**Global Cooling Prize**

- Several Departments in India, including the Department of Science and Technology and the Ministry of Power, has announced a partnership with the Rocky Mountain Institute (RMI), a U.S.-based institute, and Conservation X Labs, a technology solutions company, to institute a **Global Cooling Prize to motivate research laboratories across the world to develop highly efficient cooling technologies.**
- Solving the Global Cooling Challenge would require a technology solution that could help to reduce the impact by one-fifth and ensure that air conditioning units use 75% less electricity.
- Over ₹21 crore (\$3 million) will be awarded over the course of the two-year competition.
- Up to 10 short-listed competing technologies will be awarded up to ₹1.4 crore (\$200,000) each in intermediate prizes to support the design and prototype development of their innovative residential cooling technology designs. The winning technology will be awarded at least ₹7 crore (\$1 million) to support its incubation and early-stage commercialization.

**Is Point Calimere Wildlife Sanctuary Safe For Migratory Birds****In News**

- **Context:** The pH and salinity of the waters exceeded permissible limits for ecologically sensitive zones.
- The water quality at the Point Calimere Wildlife Sanctuary might be unsafe for avifauna to feed and breed, notes a study that examined different pollution indicators in water.
- **The wildlife sanctuary located in Nagapattinam district of Tamil Nadu spreads across an area of 30 sq.km and comprises sandy coastal, saline swamps and thorn scrub forests around the backwater.**
- Though it is a protected area and a **Ramsar site**, chemical companies and small-scale shrimp farms around the wetland have started to pose a threat to the biodiversity and ecosystem of the sanctuary.

**Findings Of Study**

Temperature of the atmosphere and water, and water quality analysis were carried out during the peak bird breeding season. The findings were:

- Atmospheric temperature at a few stations **exceeded 36-40 degrees Celsius**. This can **affect the egg albumen during the pre-incubation period**, thereby providing better growth conditions for harmful microorganisms in the eggs.
- **The pH and salinity of the waters** also exceeded the permissible limits for ecologically sensitive zones. Previous studies have shown that high acidic or high alkaline water can affect the metabolic and developmental activities of wild animals and birds.
- Microbial indicators such as coliform bacteria were also found to be very high at all the five sites. **The faecal waste of the birds contains a high level of microbial load besides nitrogen, and this can significantly alter the nutrients** in the water. Coliform infections in the birds have also been reported to cause a change in their natural behaviour and even affect their long distance migration.
- There are many salt pans near the sanctuary. This could be increasing the salinity. The chemical companies are also letting out untreated effluents into the waters. All this can have a deteriorating effect on the ecology. Previously the sanctuary used to see thousands of migratory birds, now the numbers have gone down to a few hundreds. The birds are starting to avoid the sanctuary.”
- Strict environmental regulations should be imposed and salt pan and other aquaculture practices around the sanctuary should be prohibited. Eco-tourism is also causing disturbances in this area.

**Make Elephant Corridors Eco-Sensitive Zones, Says NGT****In News**

The National Green Tribunal has asked the Ministry of Environment, Forests and Climate Change (MoEF&CC) to consider declaring all elephant corridors in the country as eco-sensitive zones.

**The Issue**

- Owing to the increased denudation and loss of their forest habitats, elephants have come increasingly into conflicts with humans and faced deliberate retaliatory killings and accidents at railway crossings, high tension power lines, power fences and trenches.

- The court ordered the Ministry to look in to the issue by declaring all elephant corridors all over the country as eco sensitive zones by exercising its power (under relevant Acts.)

**Some Facts**

- A wildlife corridor, habitat corridor, or green corridor is an area of habitat connecting wildlife populations separated by human activities or structures (such as roads, development, or logging).
- This allows an exchange of individuals between populations, which may help prevent the negative effects of inbreeding and reduced genetic diversity (via genetic drift) that often occur within isolated populations.
- Corridors may also help facilitate the re-establishment of populations that have been reduced or eliminated due to random events (such as fires or disease).
- Elephant corridors are narrow strips of land that allow elephants to move from one habitat patch to another. There are 88 identified elephant corridors in India.

**BASIC Nations Push For 'Climate Finance'****In News**

- **Context: Climate Financing to meet the Requirements of Paris Climate Deal.**
- Ahead of the United Nations Conference of Parties (COP) in December, Environment Ministers and top climate change negotiators from **Brazil, South Africa, China and India (BASIC) convened in Delhi** and said the countries — as a group — would continue to push the developed countries on their earlier commitment to providing \$100 billion annually from 2020.
- A key aspect to make this possible is climate finance, but countries so far aren't agreed on what constitutes climate finance - do investments made by private companies in developed countries in new green technology count? Does improving efficiency in a thermal plant count?
- Ministers reiterated that public finance is the fulcrum of enhanced climate ambition by developing countries and urged developed countries to fulfil their climate finance commitments of mobilising USD 100 billion per annum by 2020. They encouraged developed countries to progressively and substantially scale up their financial support and finalise a new collective finance goal to inform parties for future action through NDCs (Nationally Determined Contributions).
- In the run-up to the climate conference, India has had meetings with several countries to firm up a key plank of the forthcoming negotiations on transparency. That is, what would be the mechanism in place for countries to reporting their emissions inventory, steps taken and how other countries could be certain that this was being done truthfully and that this data passed agree-upon norms of quality.

**India Gets UN Environment Award For Combating Transboundary Environmental Crime****In News**

- United Nation Environment has awarded **Wildlife Crime Control Bureau (WCCB)**, Ministry of Environment, Forest and Climate Change, Government of India with **Asia Environment**

**Enforcement Awards, 2018** for excellent work done by the Bureau in combating transboundary environmental crime.

- The awards are given to outstanding individuals and/or government organizations/teams that demonstrate excellence and leadership in enforcement of national laws to combat transboundary environmental crime in one of the following eligibility criteria areas: collaboration; impact; innovation; integrity and gender leadership.
- WCCB has adopted innovative enforcement techniques that have dramatically increased enforcement of transboundary environmental crimes in India. Notably it has developed an online Wildlife Crime Database Management System to get real time data in order to help analyze trends in crime and devise effective measures to prevent and detect wildlife crimes across India.
- This system has been successfully used to analyse trends, helping put in preventive measures as well as for successfully carrying out operations such as **Operation SAVE KURMA, THUNDERBIRD, WILDNET, LESKNOW, BIRBIL, THUNDERSTORM, LESKNOW-II along with other enforcement agencies** resulting in the arrest of 350 wildlife criminals and huge seizures of Tiger/Leopard Skin/bones and other trophies, Rhino Horn, Elephant Ivory, turtles/tortoises, Mongoose raw hairs as well as Mongoose hair brushes, protected birds, Marine products, live Pangolin as well as its scales, deer antlers etc. across all the states.

### **Atmosphere & Climate Research-Modelling Observing Systems & Services (ACROSS)**

#### **In News**

- ACROSS scheme pertains to the atmospheric science programs of the Ministry of Earth Sciences (MoES) and addresses different aspects of weather and climate services, which includes warnings for cyclone, storm surges, heat waves, thunderstorms etc.
- Each of these aspects is incorporated as nine sub-schemes under the umbrella scheme "ACROSS" and is implemented in an integrated manner by the Ministry of Earth Sciences through its institutes namely India Meteorological Department (IMD), Indian Institute of Tropical Meteorology (IITM), National Centre for Medium Range Weather Forecasting (NCMRWF), and Indian National Centre for Ocean Information Service(INCOIS).
- As the objective of the ACROSS scheme is to provide a reliable weather and climate forecast for betterment of society, the scheme will aim at improving skill of weather and climate forecast through sustained observations, intensive R & D, and by adopting effective dissemination and communication strategies to ensure its timely reach to the end-user of all services.

#### **Impact**

- The scheme will provide improved weather, climate and ocean forecast and services, thereby ensuring transfer of commensurate benefits to the various services like Public weather service, disaster management, Agro-meteorological Services, Aviation services, Environmental monitoring services, Hydro-meteorological services, climate services, tourism, pilgrimage, power generation, water management, Sports & adventure etc.
- **Generate Employment:** To ensure last-mile connectivity of the weather based services to the end-user, a large number of agencies like the Krishi Vigyana Kendras of Indian Council of Agricultural Research, Universities and local municipalities are roped in thus generating employment opportunities to many people. A sizable number of scientific and technical staff along with requisite administrative support, thereby generating employment.

**Andaman & Nicobar Island: Home To One-Tenth Of India's Fauna Species****In News**

The islands, comprising only 0.25% of country's geographical area, has 11,009 species, according to a publication by the Zoological Survey of India

**Report and Its Findings**

- The **Narcondam hornbill**, its habitat restricted to a lone island; the **Nicobar megapode**, a bird that builds nests on the ground; the **Nicobar treeshrew**, a small mole-like mammal; the **Long-tailed Nicobar macaque**, and the **Andaman day gecko**, are among the 1,067 endemic faunal species found only on the Andaman and Nicobar Islands and nowhere else.
- The presence of a large number of species in such a small area makes the Andaman and Nicobar Islands one of the richest ecosystems and biodiversity hot spots in India.
- The population of the islands, which includes six particularly vulnerable tribal groups (PVTGs) — **Great Andamanese, Onge, Jarawa, Sentinelese, Nicobarese and Shompens** — is not more than 4 lakh.
- Of the ten species of marine fauna found on the islands, the **dugong/sea cow**, and the **Indo-Pacific humpback dolphin**, are both classified as **Vulnerable** under the IUCN (International Union for Conservation of Nature) Red List of Threatened Species.
- Among the 46 terrestrial mammalian species found, three species have been categorised as **Critically Endangered** — **Andaman shrew (*Crocidura andamanensis*)**, **Jenkin's shrew (*C. jenkinsi*)** and **Nicobar shrew (*C. nicobarica*)**.
- Another unique feature of the islands' ecosystem is its **marine fauna diversity**, which includes coral reefs and its associated fauna. In all, 555 species of **scleractinian corals (hard or stony corals)** are found in the island ecosystem, all which are placed under **Schedule I of the WPA**. Similarly, all species of gorgonian (sea fans) and calcereous sponge are listed under different schedules of the WPA.

**Note Of Caution**

- The publication, however, also cautions that **tourism, illegal construction and mining** are posing a threat to the islands' biodiversity, which is already vulnerable to volatile climatic factors.
- The number of tourists visiting the islands has crossed the number of people residing in them, with latest data showing 4.87 lakh tourists visiting the islands annually.
- In a recent development, the Government of India relaxed the **Restricted Area Permit (RAP) norms** for some foreign nationalities notified under the Foreigners (Restricted Areas) Order, 1963, to visit 29 of its inhabited islands, till December 31, 2022. This has triggered further concerns of increased anthropogenic pressures over the islands' ecosystem.
- The **Restricted Area Permit (RAP)**, which forbids people from visiting prohibited locations without permission, may be reimposed in the North Sentinel island where an American was killed by members of a highly protected and reclusive tribe recently.
- While highlighting that a long period of isolation from the mainland made the islands hotspots for **speciation (the formation of new and distinct species) resulting in hundreds of endemic species and subspecies**, the authors of the publication have underlined that any stress can have a long-lasting impact on the islands' biodiversity, devastating the population size of any endemic fauna, followed by extinction within a limited span of time.

**Scientists Mull Stratospheric Barrier To Curb Warming****In News**

- The geo-engineering technique known as stratospheric aerosol injection (SAI) could limit rising temperatures that are causing climate change.
- As yet unproven and hypothetical, it would involve the use of huge hoses, cannons or specially designed aircraft to spray large quantities of sulphate particles into the upper layer of the atmosphere to act as a reflective barrier against sunlight.
- After direct input from several aerospace and engine companies, the scientists said they have developed a design that could be suitable and could be ready to be deployed in 15 years, aiming to cut the rate of temperature change in half.
- There are some risks. Scientists have said SAI could cause droughts or extreme weather in other parts of the world, harm crop yields as well as potential public health and governance issues.
- It also does not address the issue of rising carbon dioxide emissions, the main greenhouse gas blamed for global warming.

**CVF Leaders Urges World's Govts To Raise Ambition Of Climate Targets By 2020****In News**

Leaders at the **Climate Vulnerable Forum** called on world's governments to raise the ambition of their climate targets by 2020 in order to save vulnerable nations threatened by warming beyond 1.5 degrees Celsius.

**Highlights**

- The carbon-free summit brought together leaders of the Climate Vulnerable Forum (CVF), which represents many of the countries most threatened by climate change.
- Through the summit's "**Jumemmej Declaration**", the forum's leaders committed to strengthening their national climate efforts by 2020 in order to pressure world governments to act.
- "Jumemmej" is a Marshallese word of seafaring origin calling for vigilance to keep a watch against threats.
- The Climate Vulnerable Forum (CVF) is an international partnership of countries highly vulnerable to a warming planet. The Forum serves as a South-South cooperation platform for participating governments to act together to deal with global climate.

**Security****INS Arihant****In News**

- INS Arihant, *India's first nuclear ballistic missile submarine*, has completed its first deterrence patrol.
- This means the submarine is fully operational and, when deployed for extended patrols, can target regional adversaries with nuclear-tipped submarine-launched ballistic missiles.

**Background**

- The submarine was sanctioned using secret funds in the late 1970s by then Prime Minister Indira Gandhi after India conducted its first nuclear test.

- The design and technology of INS Arihant was locked in 1984 when the formal go-ahead was given.
- Work on the submarine started in 1998. It took the Ship Building Centre (SBC) almost 11 years to construct the country's first indigenous nuclear-powered submarine.
- INS Arihant was launched on July 26, 2009 to mark 10 years since the end of the Kargil War.
- In August 2013, the submarine's atomic reactor was activated.
- In August 2016, Prime Minister Modi inducted the submarine into the Navy.

### Key Highlights

- INS Arihant is a part of Indian Navy's secretive **Advanced Technology Vessel (ATV) Project**, operated under the supervision of the Prime Minister's Office and closely monitored by agencies such as the Department of Atomic Energy and the Submarine Design Group of the Directorate of Naval Design.
- It is armed with four **K-4 submarine launched ballistic missile** with a range of 3,500 km. It can also be armed with 12 K-15 missiles with a range of 750 km.

### How INS Arihant Is Different From Other Submarines

- Conventional SSK submarines use a diesel-electric engine as their power source, and *have to surface daily to get oxygen for fuel combustion*. However, Strategic Strike Nuclear Submarines (SSBNs) like INS Arihant are bigger in size and are powered by a nuclear reactor and as a result, they can **function submerged for months** without having to surface.
- This feature allows them to travel further and with greater stealth. SSBNs are supposed to be the best guarantor of a second-strike capability in a nuclear exchange.
- INS Arihant is also different from the other nuclear-powered attack submarines as they **can carry ballistic missiles with nuclear warheads**.

### Submarines In Possession of Indian Navy

- The Navy currently has **14 SSKs** — nine Sindhughosh-class (Russian Kilo class), four Shishumar-class (German Type 209) and one Kalvari-class (Scorpene class) submarines.
- Besides these, the navy also has one nuclear-powered attack submarines (SSN), **INS Chakra**, a Russian Akula-class submarine taken on lease in 2012 for 12 years.
- INS Arihant will be the first SSBN-type submarine in the Navy. It has also been reported that its sister vessel, the **INS Aridhaman**, is nearing completion.

### Significance for India

- India's aim has been to develop a "**credible nuclear deterrent**", with capabilities to deliver nuclear weapons from multiple locations on land, air and sea, to all strategic areas and centres, in its two nuclear-armed neighbours —China and Pakistan.
- With the induction of INS Arihant, India is **ready with its nuclear triad** - the capability of firing nuclear weapons from land, air and sea.
- While land-based missile sites can be attacked and destroyed, a submarine-based deterrent is **virtually impregnable** against a missile attack.
- India has now become **part of an elite club of countries** - Russia, the US, China, France and the UK that possess nuclear ballistic missile submarines - the **only non-Permanent member of UNSC** having a sea-based nuclear deterrent.

**India's Nuclear Doctrine:**

- India had made its Nuclear Doctrine in 2003.
- The basic principle of India's nuclear doctrine is "**No First Use**". According to this policy, nuclear weapons will only be used in retaliation against a nuclear attack on Indian Territory or on Indian forces anywhere.
- India needs to build and maintain a **Credible Minimum Deterrent**. This includes:
  - Sufficient and survivable nuclear forces to inflict unacceptable damage to the enemy.
  - Forces must be operationally prepared at all times.
  - Effective Intelligence and Early Warning Capabilities.
  - Communication of Deterrence Capability to the enemy.
- The right to take nuclear action against the enemy **will only be taken by the elected representatives of the people**, i.e. the political leadership of the country, although the cooperation of the Nuclear Command Authority will be necessary.
- The bureaucracy of India is not authorised to take decision of the nuclear attack on the enemy.
- Nuclear weapons will **not be used against non-nuclear state**.
- India will continue to support the global initiative to create a **nuclear free world** and will push forward the idea of **discrimination free nuclear disarmament**.

**Nuclear Command Structure (NCA):**

- It comprises of an Executive Council and a Political Council.
- The Chairman of the Political Council is the Prime Minister. It is the sole body which can authorise the use of nuclear weapons.
- The Executive Council is headed by the National Security Advisor (NSA). The Executive Council provides the inputs for decision taken by the Nuclear Command Authority (NCA) and executes the instructions given to it by the Political Council.

**Border Area Development Programme****In News**

- The Centre has released more than Rs. 113 crore to *six border states* as part of its plan to ameliorate the problems of people living in isolated locations.
- The fund has been released to **Assam, Nagaland, Sikkim, Gujarat, Rajasthan and Uttarakhand** under the Border Area Development Programme (BADP).

**About BADP**

- The **Department of Border Management, Ministry of Home Affairs** has been implementing the Border Area Development Programme (BADP) through the State Governments as part of a comprehensive approach to Border Management.
- The programme aims to **meet the special development needs** of the people living in remote and inaccessible areas situated near the international border and to saturate the border areas with the essential infrastructure through convergence of different schemes and participatory approach.

- It was initiated in the border areas of the western region during that Seventh Five Year Plan period. The programme now covers 394 border blocks of 111 border districts in 17 States.
- The State covered are Arunachal Pradesh, Assam, Bihar, Gujarat, Himachal Pradesh, Jammu & Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Punjab, Rajasthan, Sikkim, Tripura, Uttar Pradesh, Uttarakhand and West Bengal.

### **Analysis**

- Although, the scheme has achieved success in in western sector, particularly in Rajasthan, Himachal Pradesh etc. It has failed in North eastern states.
- A NITI Aayog report “**Evaluation Study on Border Area Development Programme** ” reveals that the programme has not achieved its intended goals in north east India.
- Difficult terrain, the political interference, corruption, meagre funds, faulty implementation by states and inadequate provisions of local participation are some of the mains reasons for this failure.
- Also, due to inadequate planning and coordination, the funds meant for BADP are either siphoned off or remain unused.

### **Mission Raksha Gyan Shakti**

#### **In News**

- Defence Minister (DM) has formally launched “Mission Raksha Gyan Shakti”. As part of the ongoing initiatives to enhance self-reliance in defence, *the Department of Defence Production* has instituted this new mission, which aims to provide a boost to the IPR culture in indigenous defence industry.
- The salient inventions and innovations achieved by Defence Research and Development Organisation (DRDO), Defence Public Sector Undertakings (DPSUs) and Ordnance Factories (OFs) have resulted in successful filing of Intellectual Property Right (IPR) applications.
- The IPR has emerged as a key ingredient of an ecosystem, which stimulates innovation and ingenuity. An **IP Facilitation Cell** was established in April 2018, which has worked tirelessly to achieve ambitious targets of training 10,000 personnel of OFB and DPSUs on IPR and to facilitate filing of at least 1,000 new IPR applications.
- **Future Course of Action:** The focus is also on need to migrate from the culture of seeking Transfer of Technology (ToT) from foreign sources to generating Intellectual Property in India, to achieve the goal of self-reliance in defence sector.
- The **Directorate General of Quality Assurance (DGQA)** has been entrusted with the responsibility of coordinating and implementing the programme. Thus, the end objective of ‘Mission Raksha Gyan Shakti’ is to inculcate IP culture in Indian defence manufacturing ecosystem.

### **10th Indian Ocean Naval Symposium**

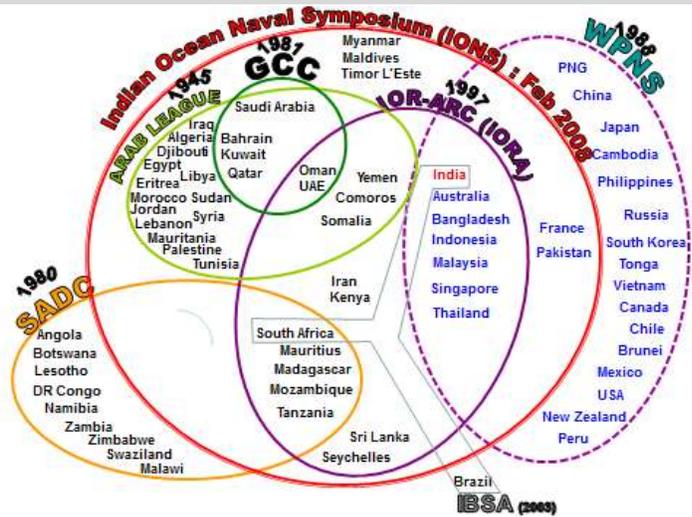
#### **In News**

- As many as 26 of the 32 countries that constitute the membership of the Indian Ocean Naval Symposium (IONS) are participating in the 10<sup>th</sup> edition of the event that commenced in Kochi on November 13, 2018.
- The theme for this year's seminar is “**IONS as a Catalyst for SAGAR**” (*Security and Growth for All in the Region*).

- It is in consonance with India's "Act East" policy and the nation's diplomatic, economic and military outreach in the region.

**About IONS**

- It was launched in 2008 under the aegis of the Indian Navy and consists of 32 nations, including **eight observer states** (like Germany, China and Russia) grouped into *four categories* namely South-Asian, West Asian, East African and South East Asian & Australian Littorals.
- Voluntary Initiative:** The IONS is a voluntary initiative that seeks to increase maritime co-operation among navies of the littoral states of the Indian Ocean Region by providing an open and inclusive forum for discussion of regionally relevant maritime issues.
- Objective:** In addition to fostering maritime cooperation, other principle objectives of IONS were to promote a shared understanding of maritime issues facing the region, formulate strategies and cooperative mechanisms to enhance regional maritime security, and strengthen capabilities to ensure speedy response to requirements of Humanitarian Assistance and Disaster Relief (HADR) in the IOR.
- Working:** The IONS acts as a security construct for the Indian Ocean region and apart from its series of symposiums, it conducts numerous other activities like workshops, essay competitions and lectures to promote its objective.



**Initiative Taken Till Now**

- Working Groups:** IONS has created three IONS Working Groups (IWGs) on Maritime Security, Humanitarian Assistance and Disaster Relief (HADR) as well as Information Sharing and Interoperability. IWG on HADR, chaired by India, have evolved the Draft IONS HADR Guidelines.
- Joint Exercise:** In November 2017, *International Multilateral Maritime Search and Rescue Exercise (IMMSAREX)* by Bangladesh marked the first operational exercise under IONS Charter and is likely to be followed up by *Anti-Piracy exercise* in mid-2019 by Iran. These regional initiatives underscore the overwhelming success of the forum in delivering its envisaged aims.

**Benefits Of The IONS Initiative**

- Well-laid Objective:** The idea of IONS not only puts the Indian Ocean Region (IOR) as a top priority for New Delhi's security and economic prosperity, but also seeks to project India as a benign maritime power initiating multilateralism and inclusivity in the region.
- Envisioned Not On Political Lines:** Being a technical forum with a broad membership, *unlike the politically driven Quad*, India can use IONS to unite the regional states on shared principles and strategies without antagonizing any state at the cost of block politics.
- Is In Consonance With India's Ocean Strategy:** IONS fits into India's *three-fold ambitions in the region* i.e. strengthening and deepening the relations with the Indian Ocean littoral states;

establishing its leadership potential and aspirations of being a net-security provider; and fulfilling India's vision of a rules-based and stable maritime order in the IOR.

- **Platform to Reach To Littoral States of IOR:** The wide and inclusive membership of IONS provides India with a platform that can be used to reach out to a range of IOR states and at the same time strengthen and deepen its existing partnerships in the region. As India seeks to consolidate its sphere of influence from the *Straits of Malacca to Hormuz*, a platform like IONS would ensure that India has the scope to cooperate with the littoral states on issues of maritime security and awareness in the region.
- **Help India Project Itself As Net Security Provider:** As India punches above its weight and seeks to counter-balance the increasing presence of China alongside owning more responsibilities in the region, IONS can help India to project itself as a net-security provider. This idea also emanates from a legacy that the Indian Ocean is the natural theatre for the Indian Navy and it should, by the virtue of its history and geographic centrality, enjoy a primacy.
- **IONS Can Facilitate In Rule-Based Order:** IONS can be a facilitator for India's vision of a rules-based maritime order in the region. A rules-based maritime order can be advanced through a body like IONS in two ways.
  - First, the platform can regularize maritime activities and take steps toward institutionalizing them. This would gradually instill confidence among the states in terms of holding Coordinated Patrols (CORPAT), Maritime Interdiction Operations, Search and Rescue Operations, in turn enhancing the interoperability of forces.
  - Second, India should normatively project the idea of a naval community in the region that harps on inclusivity and coordination in order to deal with common risks and threats. With IONS' broad membership, India can ensure that no one power dominates in the region endangering the balance of power in IOR.

### Challenges

- **Challenge of Implementation:** India is yet to showcase any leadership potential at a multilateral level. Proactive military diplomacy through the platform would provide India an opportunity to match its rhetoric with delivery.
- **Lack of Coordination And Political Will:** While IONS provides multiple possibilities of showcasing and fulfilling India's ambitions in the region, it also suffers from lack of coordination and sufficient political will.
- **Vast Geography And Vision:** The IOR is a vast and diverse expanse where the states differ in capabilities and vision.
- **Presence of Other Regional Groups:** There are hosts of exclusive regional and inter-regional arrangements already present, India needs to chart out a role and purpose for IONS in absence of which it can turn into a powerless club.
- **Presence of Extra Territorial Power in IOR:** The security dynamics of the Indian Ocean would also stand in the way of India and its ambitions being pushed through a multilateral domain. As the presence of extra-regional powers in the region holds the key to alter the balance of power in the region.
- **India's Perusal Of Self-Interest:** Moreover, India's own interests in the region are more than often not pursued through a multilateral approach but a bilateral or trilateral approach.

### Way Forward

- As India turns gradually more to the sea, its strategies and policies should be more carefully and closely watched in the region.
- Multilateral initiatives like IONS may be relegated to diplomatic niceties, but they can be an enabling factor in India's roadmap for IOR in areas of institution building, agenda setting and power projection, without which India's IOR ambitions would ring hollow.
- IONS can be India's platform to showcase that India can be an effective and benign power in the region with diplomatic potential and might along with bringing a structural change that has the possibility of ensuring stability for the Asian balance of power.

**Igla-S system**

**In News**

- Despite several complaints by the competitors, Russia's Rosoboronexport has come out victorious and will soon be supplying **very short-range air defense or VSHORAD program** missile system worth \$ 1.3 billion to the Indian Army.
- The Russian Igla-S system is expected to **replace the IGLA M systems** of Russia that is being used since the 1980s.
- The Indian Army has asked for 5,175 missiles and associated equipment in the VSHORAD program, out of which around 2,300 missiles will be bought in fully formed condition, 260 will be in semi-knocked down (SKD) condition and 1,000 missiles will be completely knocked down (CKD) and 600 missiles will be produced in India under Prime Minister Narendra Modi's Make in India initiative.

**About Igla-S system**

- IGLA-S (SA-24) is the latest model of Russian **MANPADS (Man-portable Air Defense System) technology** offered to the Indian Army and offers superior performance over the earlier supplied SA-18 missiles to India.
- Igla-S system is designed for use against visible targets as tactical aircraft, helicopters, unmanned aerial vehicle, cruise missile, head-on or receding, in the presence of natural (background) clutter and countermeasures.
- These missiles are capable of hitting an aerial target at short range. Thus, The Igla-S system is considered critical for defense against incoming helicopters, UAVs and ground attack aircraft.
- These are new accurate, reliable and flexible VSHORAD system with 24/7 all-target capability have been developed for any combat situation. It is a new generation integrated sighting system,



enhanced gunner aids, high precision, unbeatable range and unjammable laser guidance combine to produce a ground-based air-defence system with world-leading capabilities.

### **Challenges**

- **USA Sanctions:** The concern is the US sanctions under the *Countering America's Adversaries Through Sanctions Act (CAATSA)* law that restricts defence purchases from Russia, Iran and North Korea.
- **Charges of Irregularity In Tender:** Swedish firm Saab (one of the bidder) said that it was contemplating moving the court against the \$1.5 billion deal alleging irregularity in the tendering process.

### **MOD Enhances Financial Powers of Vice Chiefs of Tri-Services**

#### **In News**

- The Ministry of Defence has delegated greater financial decision-making powers to Vice Chiefs of the three Services.
- With the new delegation, the Vice Chiefs will be able to exercise financial powers upto five times more than the existing powers with an enhanced ceiling of Rs. 500 crores. (Earlier it was 100 crore)
- A number of initiatives have been taken by the Defence Ministry in the recent past to simplify and streamline the procedures and decentralize the decision-making through delegation of powers. For example- In March 2018, the vice-chiefs were granted additional powers to carry out specific procurement to ensure operational preparedness.

#### **Impact**

- **Expedite Procurement:** This will expedite the decision making process involved in the revenue procurements of the Armed Forces.
- **Improve Operational Preparedness:** This will also augment the arms and ammunition reserves of the Armed Forces to enhance their operational preparedness.
- **Capacity Building Of Armed Forces:** This is likely to give another fillip to the capacity of the three Armed Forces.

### **NIPUN e-learning Portal**

#### **In News**

- In consonance with the spirit of digital India, the Delhi Police recently launched an e-learning portal 'NIPUN' to provide up to date information to its police. Through the website, Delhi Police will be using advanced technology in imparting **in-service training** to its personnel.
- The website provides the training syllabus, study material, sample question papers, manuals, and much more. This will give online access to police personnel undergoing their basic training for relevant information and will **facilitate information sharing between the faculty and the trainees** at the training institute.
- With resources such as law, standing orders, investigation checklists, forms for case files, latest High Court and Supreme Court rulings being made available online through the e-learning portal, it

is envisioned that the investigating officers will be able to take the benefit of this information during the course of their duty.

- The flexibility of taking courses anytime and anywhere will now make it possible for police personnel to upgrade their skills and re-enforce their learning while balancing training time with work time.
- Many of the courses have been developed in-house while others have been finalised through collaboration with the University Grants Commission, industry body FICCI, National Human Rights Commission, National Commission for Protection of Child Rights, and Janaki Devi Memorial College under the project CLAP (The Collaborative Learning and Partnership).
- Based on the feedback and training needs, the courses will be tailored to meet the needs of the investigating officers.
- Moreover, the website **will not only provide information but also act as a tool for feedback mechanism and bridge communication gap.**