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CURRENT AFFAIRS
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1. POLITY AND CONSTITUTION

1.1. NATIONAL REGISTER OF CITIZENS (NRC)

Why in news?

Assam has published the final draft of the updated National Register of Citizens (NRC).

Brief background

- Assam's demographic changes date back to **the 19th century when British brought in tribal labourers from Chota Nagpur and Bihar** to work on the plantations. This also encouraged **the migration of Muslim farmers from Bengal** which continued after Independence and partition.
- To tackle the illegal immigration issue just after the independence, NRC was first prepared after the Census of 1951. But this process rendered ineffective due to vote bank politics.
- **In 1979,** agitation was started **by All Assam student Union** for illegal migrant deportation which culminated in signing of **Assam Accord** in 1985.
- The Citizenship Act of 1955 was amended after the Assam Accord for **all Indian-origin people who came from Bangladesh before January 1, 1966 to be deemed as citizens. Those who came between January 1, 1966 and March 25, 1971 were eligible for citizenship after registering and living in the State for 10 years while those entering after March 25, 1971, were to be deported**. However, nothing much happened over the decades.
- **In 2014**, the Supreme Court asked the state government **to update the 1951 NRC in a time-bound manner.** Present exercise is being conducted under the supervision of the Supreme Court.

What is NRC?

- It is a list of all bona fide Indian citizens of Assam, the only state with such a document.
- The NRC is being updated as per **the provisions of The Citizenship Act, 1955 and The Citizenship (Registration of Citizens and Issue of National Identity Cards) Rules, 2003**
- It will include persons whose names appear in any of the electoral rolls upto the midnight of 24th March, 1971 or National Register of Citizens, 1951 and their descendants.
- The process of verification involved house-to-house field verification, determination of authenticity of documents, family tree investigations in order to rule out bogus claims of parenthood, and linkages and separate hearings for married women.

Benefits of this exercise

- It will provide a much-needed perspective on the extent of illegal migration that has taken place into Assam, thus restricting the wild speculations about their actual number by political parties for their advantage.
- The fear that illegal immigrants will **change the demography of state** and influence the politics of state will also be done away with.
- The publication of an updated NRC is expected to deter future migrants from Bangladesh from entering Assam illegally as publication of the draft itself had created a perception that staying in Assam without valid documentation will attract detention/jail term and deportation.
- The inclusion of the names in the NRC will provide respite to all those Bengali speaking people in Assam who have been, hitherto, suspected as being Bangladeshis.
- The exercise will help identify illegal immigrants and deport them back to their country of origin and **saving resources of country** for legitimate citizens and also reduce **concern for internal security** due to illegal migration.

Issues with NRC

- **Exclusion:** Only 29 million out of 32.9 million applicants have been found eligible to be included in the register, leaving **4 million** out of the final draft.
- **Need to produce pre-1971 documents**: Given the status of document record in the country, this is **an onerous pre-condition** and difficult for many people. Unlike international conventions on establishing citizenship, **the burden of proof rests with the NRC applicant**.

- **Misinformation**: Ascertaining the authenticity of parental linkages remained a challenge. Many people were showing by different names in different places which may lead to duplicity or mistaken exclusion from the list.
- **Focus on completion**: The emphasis of Supreme Court, the Centre and the Assam government was on **completing exercise** without consideration of creating an orderly mechanism for those aggrieved by exclusion.
- **Citizenship issues**
    o One main contention is **what will be the citizenship of the children and grandchildren of illegal immigrant.**

    o While the citizenship law of the country provides for citizenship by birth irrespective of the parents' citizenship, the NRC rules do not recognize it.

    o **The Citizenship (Amendment) Bill** which makes Hindu illegal migrants and those from certain other minority communities in Afghanistan, Bangladesh and Pakistan eligible for Indian citizenship further creates apprehensions about alienation of minorities in the process.

> **What next for Excluded people?**
> - The list released is **only a draft and not the final one**. Final list is expected to be **published by December 2018**.
> - There is scope for filing claims and objections, for which forms of correction would be available at various NRC seva kendras
> - The people have a graded appeals process in the order - NRC Seva Kendras, District magistrates, The Foreigners' Tribunals, The Guwahati High Court, The Supreme Court.

- **Issue of D voters: Around 2.5 lakh** out of the 40 lakh exclusions include D-voters— doubtful voters, their descendants and people whose cases are pending before the foreigners' tribunal in Assam.
    o D-voters are those who are disenfranchised by the government on the account of their alleged lack of proper citizenship credentials and their inclusion will depend on decision of the **Foreigners Tribunals**.
- **Issues post-release**
    o **Claims and objections**: The excluded people could face rejection again if they submit the same papers second time.
    o **Issue of deportation**: No state can act on illegal immigration unilaterally. As of now, there is no any bilateral agreement between India and Bangladesh, which lets the fate of those finally be excluded hang in air.
- **Humanitarian concerns**: Ignoring the concerns of those who have lived for a long time in this land will put a dent on democratic social value of the country.

Way Forward

- **Regarding finally excluded individuals**: They would officially be non-citizens but India has no fixed policy for "stateless" persons. They will surely not have voting rights but certain facilities on "humanitarian grounds" may be provided to them such as right to work etc.
- **Grant amnesty:** one option is granting Indian citizenship to the proclaimed illegal migrants after a process of naturalization but this may be protested by some sections.
- **Tackle issue of illegal migration comprehensively**: Solving illegal migrants issue in Assam will not solve the whole issue as they may very well come through states like West Bengal and then move on to the other parts of the country. Thus, following steps should be taken:
    o **Comprehensive border management**: including fencing, total surveillance 24x7, use of new imaging technology etc.
    o **Work permits**: Possibility of transparent work permits to foreigners should be explored.
    o **Punishing collusion**: Officials and people who are colluding with foreigners to ensure entry and residence etc. should be penalized for such behavior.
    o **Forging bilateral agreement** with neighboring countries that provide for taking back nationals who stay illegally in the other country after due verification.
    o **Assistance from international organisations:** such as United Nations High Commissioner for Refugees (UNHCR), the International Organization for Migration (IOM), and other concerned international agencies with experience in this kind of complex issue**.**
    o **Establish a SAARC convention:** India should take the initiative to encourage other countries in the SAARC region to develop a SAARC convention or declaration on refugees in which member states would agree to ratify the 1951 Refugee Convention.

1.2. PREVENTION OF CORRUPTION (AMENDMENT) ACT, 2018

Why in News?

Parliament has passed the Prevention of Corruption (Amendment) Act, 2018, which amends the archaic Prevention of Corruption Act, 1988.

Brief background

- Currently, offences related to corrupt practices of public officials are regulated by the Prevention of Corruption Act, 1988.
- In 2007, **Second Administrative Reforms Commission (2nd ARC)** in its fourth report recommended that the Act be amended to include bribe giving as an offence, limit prior sanction for prosecution to certain cases, and provide for the attachment of property of public officials accused of corruption.
- In 2011, India ratified the **United Nations Convention against Corruption**, and agreed to bring its domestic laws in line with the Convention that covers giving and taking a bribe, illicit enrichment and possession of disproportionate assets by a public servant as offences, addresses bribery of foreign public officials, and bribery in the private sector.

Prevention of Corruption Act 1988
- The act extends to whole of India except Jammu and Kashmir.
- Under this Act **special judges** were to be appointed by the Central and State Government under the Code of Criminal Procedure, 1973.
- The act shifted **the burden of proof from prosecution to the accused.**
- The '**public servant'** as per the definition includes any person in service of a government and in the pay of the government, or its department, its companies or any undertaking or control of the government.
- Misappropriation, abusing official position, obtaining a pecuniary advantage etc. are being taken as offences under this act
- **MPs and MLAs** have been kept out of this act.
- If the offences against the public servant have been proved, it is punishable with **imprisonment of not less than six months which may extend upto five years.**

KEY PROVISIONS OF THE BILL

1 BRIBERY

What is new
- Giving a bribe is now an offence, punishable by a 7-year prison term
- Except when one is forced to give a bribe. But it should be reported within seven days
- Bribe is termed 'undue advantage', defined as 'gratification other than legal remuneration'
- The trial in cases of bribe and corruption should be completed by the special judge within two years and in case of delays, the reasons for the same must be recorded and the total trial time must not exceed four years.

What it was
- No specific provision, except as abetment

It could empower the public to refuse to give a bribe but seven –day limit may not be enough. As to what happens if citizen's report of coercion is not registered by the police is unclear

4 CRIMINAL MISCONDUCT

What is new
- Only be two forms of criminal misconduct.
- Misappropriation of property entrusted to public servant
- Intentionally enriching oneself illicitly

What it was
- There were five kinds: omitted ones are taking bribe habitually, getting anything free or at a concession, obtaining pecuniary advantage for oneself or for another without public interest

This is to protect public servants from being wrongly prosecuted for official decisions. Earlier it was a crime to "obtain advantage to a private party without public interest"

2 PRE-INVESTIGATION APPROVAL

What is new
- Police officer cannot begin probe without prior approval of relevant authority or govt (except when caught red-handed)

What it was
- No such provision in the Act, but a rule similar to it was struck down by Supreme Court

Protection formerly available to officials of rank of joint secretary and above (before SC struck it down) is extended to all public servants

3 SANCTION FOR PROSECUTION

What is new
- Sanction needed for prosecuting former officials for offences done while in office
- Center may notify guidelines for sanction
- Decision on request for sanction within 3 months, which may be extended by a month

What it was
- Sanction was required under PCA for serving officers only

Sanction for IPC offences covered both serving and retired officers. Guidelines and time limit may help make sanction process easier

5 FORFEITURE OF PROPERTY

What is new
- Section introduced for Special Court under this act to attach and confiscate property

What it was
- This was not done under the Prevention of Corruption Act but under a 1944 ordinance through civil courts

This helps avoid a fresh procedure to confiscate property obtained through corruption, enables court conducting trial to do so itself

Benefits of the amendments

- **Potential to reduce the rising cases of corruption and frauds:** India's rank in the Corruption Perception Index, 2017 fell to 81 (out of 180 countries) signifying the rise in such cases. Strict implementation of the act can deter public functionaries to indulge in corrupt practices.
- **Safeguards to honest officers:** it would encourage public sector officials to carry out their duties fearlessly and on merit, while doing away paralysis in decision making.
- **Ensure speedy trial in corruption cases:** time bound trial of such cases would do away with long pendency of corruption related cases.
- **Inclusion of bribe giver:** The act also includes bribe giver which will act as a deterrent for promoting corruption and luring with cash or kind. In the past, the bribe giver had enjoyed immunity and that helped perpetuate corruption.

Concerns regarding the amended act

- **Partially addresses the issue of 'coerced bribe givers':** though it gives them seven days to report the matter, it ignores the situation where they might feel threatened to even approach law enforcement agencies.
- **Deters bribe giver from appearing as witness in court:** as the provision which protected a bribe giver from prosecution for any statement made by him during a corruption trial is removed in the act, it would create deterrence among bribe givers to appear as witness.
- **Increases the threshold to establish the possession of disproportionate assets:** while redefining criminal misconduct, it now also requires proving the 'intention' to acquire disproportionate assets in addition to possession of such assets.
- **Burden of proof on accused only for taking a bribe:** Under the 1988 Act, the burden of proof was on the accused for offences like taking a bribe, habitual offender and abetment. However, the amendment puts the burden of proof on accused person only for the offence of taking a bribe.
- **Certain provisions of the UN Convention against Corruption have not been included:** Provisions such as in case of bribery of foreign public officials, bribery in private sector and compensation for damage didn't find any place in the amended act.
- **Diluted the provisions of earlier act:** By including the provision of prior sanction even before the investigation stage it could considerably dilute the act and could result in undue delays in genuine cases of corruption. This further strengthens the need of prior sanctions despite the Supreme Court quashing **Section 6A of Delhi Special Police Establishment act, 1946** which required similar approval from the Government.
- **Vague terms** such as **'lawful sources of income'** remains undefined which creates the misconception that as long as tax has been paid on income received from an undisclosed and illegitimate source, such income becomes lawful.
- Despite the good intentions behind the Amendments, it should be ensured that the act is implemented in letter and spirit. The CVC must issue clear guidelines regarding sanctioning procedure so as to maintain the sanctity of the provision and inert from political influence. There is also a need to complement the amendment with holistic reforms such as electoral reforms, decriminalization of politics, de-politicization of civil services, police reforms, appointments of judges, members of CBI and Lokpal should be appointed on a priority basis etc.

1.3. LEGALISING SPORTS BETTING IN INDIA

Why in news?

The Law Commission of India submitted a report to the government, saying that since it is impossible to stop illegal gambling, the only viable option left is to "regulate" gambling in sports.

Betting/Gambling in India

- The Constitution of India in its Seventh Schedule, List II (State List) empowers the State Governments to make laws regarding gambling and betting activities.

> **Law Commission of India**
> - It is an **executive body** established by an order of the Government of India.
> - Its major function is to work for legal reform.
> - The First Law Commission was established in 1834 by the British Government under the Chairmanship of **Lord Macaulay**.
> - The Commission is established for a fixed tenure and works as an advisory body to the Ministry of Law and Justice.

- Pre-independence there was no such distinction and the **Public Gambling Act, 1867**, governed gambling and betting activities in the country.
- The Public Gambling Act, 1867, prohibits any games of chance and probability except lotteries. The Act prohibits owning, keeping and being found in a common gaming house, however, the Act excludes "games of skill" from its ambit.
- **The Information Technology Act 2000** prohibits online gambling and the punishment for such activities is much more serious than for offline gambling operations.

Why Betting/Gambling should be legalised?

- The money generated can be used for **public welfare** activities.
- Regulation would empower the authorised agencies to identify and prevent instances of gambling by minors and 'problem-gamblers'.
- Regulated betting should be permitted to curb the **menace of match-fixing**. According to International Cricket Council's Anti-Corruption Unit, it is easier to monitor illegal betting activity in a regulated market.
- Other benefits include generating considerable revenue; generating employment; development of tourism as it may work as a complimentary industry; and preventing any kind of inconvenience at the hands of the law enforcement authorities.
- It will help in controlling of money laundering business. At present betting racket is run by the underworld and huge amount of money is transferred through Hawala transactions which is used for terrorism.

Why Betting/Gambling should not be legalised?

- It would be against the social norms and the principle of welfare State under Article 39 of the Constitution of India.
- Argument made for 'revenue over morality' lacks merit. States such as Gujarat, Bihar, Manipur, Nagaland etc., prioritize societal morality over revenue collection taking into account its ill-effects on the society.
- Gambling has been proven to result in financial losses, causing an adverse impact on one's economic state, personal life and social life. Such activities affect the vulnerable sections of the society in unimaginable and often, irreparable ways.
- One of the major drawbacks is **loan-sharking** i.e. taking loans at exorbitant rates for gambling.
- The existing policy of the Government (National Sports Development Code of India, 2011, etc.), the current socio-economic atmosphere in the country and the prevalent social and moral values do not encourage betting and gambling.

Constitution and Betting
- According to **Entry 40 of List I** of the Seventh Schedule of the Constitution, the Parliament has the power to legislate on 'Lotteries organized by the Government of India as well as the Government of any State'.
- The power of the State governments to make laws on gambling can be traced to **Entry 34 List II**. Thus, the States have exclusive power to make laws on this subject including power to prohibit or regulate gambling etc. in their respective territorial jurisdiction.
- Supreme Court observed that expression "Betting and gambling" includes and has always been understood to have included the conduct of lotteries.
- Since the subject 'Lotteries organised by the Government of India or the Government of a State' has been made a subject within the exclusive legislative competence of Parliament, no legislature of a State can make a law touching lotteries.

Lodha Committee on Betting
- It recommended the legalisation of betting, except for those covered by the BCCI and IPL regulations
- Regulatory framework would enable the government in differentiating betting from match fixing.
- The Players, Administrators and others closely associated with the sport would be required to furnish the details of their income and assets for the sake of transparency.
- Licence would have to be issued to those placing the bets as well, with age and identification details recorded.

Recommendations

- **Model Law**: The Parliament may enact a **model law** for regulating gambling that may be adopted by the States.
- **Licensed Operation**: Gambling and betting, if any, should be offered only by Indian licensed operators from India possessing valid licences granted by the game licensing authority.

- **Define gambling**: Gambling must be classified into two categories, namely '**proper gambling**' and '**small gambling**.' Proper gambling would be for the rich who play for high stakes, while small gambling would be for the low-income groups.
- **Cap on gambling**: The government should introduce a **cap on the number of gambling transactions** for each individual, that is, monthly, half-yearly and annual.
- **Protecting vulnerable groups**: Regulations need to **protect vulnerable groups**, minors and those below poverty line, from exploitation through gambling.
- **Risk awareness**: Information regarding the **risks involved** in gambling/betting and how to play responsibly must be displayed prominently on all gambling and betting portals/platforms.
- **Encouraging foreign capital**: Foreign Exchange Management and Foreign Direct Investment laws and policies should be amended to encourage investment in the casino/online gaming industry. This would **propel tourism and employment**.
- **Mode of transaction**: The transactions made between and among operators and players should mandatorily be made '**cashless**'. This would help authorities to keep a close eye on every single transaction so made.
- **Taxation**: Any income derived from such activities should be **made taxable** under the Income Tax Act, 1961, the Goods and Services Tax Act, 2017 and all other relevant laws.
- **Punishments**: Match-fixing and sports fraud should be specifically made **criminal offences** with severe punishments.

1.4. FUGITIVE ECONOMIC OFFENDERS BILL (FEOB) ,2018

Why in news?

President recently gave his assent to the Fugitive Economic Offenders Bill (FEOB) ,2018.

Background

- There have been several instances of economic offenders fleeing the jurisdiction of Indian courts, anticipating the commencement, or during the pendency of criminal proceedings. The absence of such offenders from Indian courts has several deleterious consequences such as
  - o it hampers investigation in criminal cases, wastes precious time of courts and undermines the rule of law in India.
  - o most such cases of economic offences involve non-repayment of bank loans thereby worsening the financial health of the banking sector in India.
- The existing civil and criminal provisions in law are not entirely adequate to deal with the severity of the problem. It is, therefore, felt necessary to provide an effective, expeditious and constitutionally permissible deterrent to ensure that such actions are curbed.
- In view of the above context, the Act was proposed in order to address the lacunae in the present laws and lay down measures to deter economic offenders from evading the process of Indian law by remaining outside the jurisdiction of Indian courts.
- The Act is expected to re-establish the rule of law by plugging gaps in the existing laws thus providing a higher deterrent effect on economic offenders.
- This would also help the banks and other financial institutions to achieve higher recovery from financial defaults committed by fugitive economic offenders, improving the financial health of such institutions.

Salient Features of the Act

- The Act allows for a person to be **declared as a fugitive economic offender (FEO) if**:
  - o an arrest warrant has been issued against him for any specified offences where the value involved is over Rs 100 crore, and
  - o he has left the country and refuses to return to face prosecution.
- It extends not only to loan defaulters and fraudsters, but also to individuals who violate laws governing taxes, black money, benami properties and financial corruption.
- The **Enforcement Directorate (ED)** will be the apex agency to implement the law.
- To declare a person an FEO, an application will be filed in **a Special Court (designated under the Prevention of Money-Laundering Act, 2002)** containing details of the properties to be confiscated, and any information about the person's whereabouts.

- The Special Court will require the person to appear at a specified place at least six weeks from issue of notice. Proceedings will be terminated if the person appears.
- The Act allows authorities to **provisionally attach properties of an accused**, while the application is pending before the Special Court.
- Upon declaration as an FEO, **properties of a person may be confiscated** and vested in the central government, free of encumbrances (rights and claims in the property).
- Those classified as fugitives **will also not be able to pursue any civil cases** in India unless they come back to India and face prosecution.

Issues with the act

- **Against principle of justice and violates fundamental rights:** Basic principles of natural justice like -fair play, innocent until proven guilty, access to justice are being violated by several provisions of the act like:
  - Selling the property on the mere declaration of a person as a fugitive economic offender and without a proper trial.
  - Confiscating all properties belonging to a fugitive economic offender, and not just properties acquired through proceeds of crime.
- **It does not require the authorities to obtain a search warrant** or ensure the presence of witnesses before a search. These safeguards protect against harassment and planting of evidence.
- The legislation also makes an arbitrary and discriminatory distinction by virtue of which only offences involving sums over Rs 100 crore will attract the FEOB's provisions.
- Most of the procedural aspects under the Act are **similar to existing laws** such as the CrPC, 1973, and the Prevention of Money-Laundering Act (PMLA), 2002. For example, CrPC, 1973 also allows for attachment and confiscation of properties of absconders.
- **Use of sale proceeds from confiscated property not specified:** The Act specifies that an FEO's properties will be confiscated and vested in the central government. The central government may dispose off the properties after 90 days. However, the Act does not specify how the central government will use the sale proceeds i.e. would the government be obliged to share the sale proceeds with persons who may have a claim against the FEO.

1.5. CENTRAL CIVIL SERVICES (CONDUCT) RULES, 1964

Why in News?

Several provisions of **Central Civil Services (Conduct) Rules, 1964** (CCS (conduct) rules, 1964) are often used against public servants which restricts their fundamental rights.

Background about the CCS (Conduct) rules, 1964

- **CCS (conduct) rules prescribes a set of Do's and Don'ts:** These rules require them to maintain absolute integrity, devotion to duty and political neutrality which are essential requirement of any public servant but certain prohibitions may come in conflict with their fundamental rights. For instance -
  - Prohibits government servants to take part in the editing or management of any newspaper or periodical.
  - Prohibits speculation in stock, share or any other investment except occasional investments made through stock brokers.
  - Public servants are barred from accepting gifts, buying and selling properties, making commercial investments, promoting companies and accepting commercial employment after retirement.

> **Article 19(1)(a):** Guarantees the fundamental right to freedom of speech and expression to all citizens of India subject to reasonable restrictions which are enumerated in **Article 19(2).**
>
> **Article 19(2) includes following restrictions**: In the interests of Sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality or in relation to contempt of court, defamation or incitement to an offence.

In 1964, following the recommendations of the Committee on Prevention of Corruption (**Santhanam Committee**), these rules were considerably enlarged.

Issues with the Rule 9 of the CCS (Conduct) Rules, 1964:

- **Rule 9** prohibits any public servant to publish in his own name or anonymously or pseudonymously any statement of fact or

opinion which has the effect of an **adverse criticism** of any current or recent policy or action of the Central Government or a State Government.

- The surveillance and disciplining attitude demands no criticism and uniform and unquestioning obedience from the public servants which acts as an assault upon the fundamental right to freedom of speech and expression guaranteed in the Constitution under **Article 19 (1)(a).**

Arguments in favor of Rule 9

- Civil servants being **permanent executives** serve with different elected executives. In this case, it becomes necessary to maintain their political neutrality and ensure implementation of policies without any bias. It thus ensures political neutrality of Public Servants and disciplinary actions are justified in case of its violation.

Arguments against Rule 9

- **By becoming a government servant, one does not surrender one's fundamental rights:** Supreme Court in *Kameshwar Prasad vs State of Bihar, 1962* held that Article 19 applies to all citizens and that government servants in common with all other citizens enjoy the protection of all fundamental rights.
- SC in *Vijay Shankar Pandey vs Union of India, 2014* reiterated that individual's fundamental rights did not get diminished by being a member of the civil service.
- **Public Order**, the reasonable restriction under Article 19(2) most often resorted to by government in disciplining the civil servants has been defined in several Judgments. In *Superintendent of Central Prison vs Ram Manohar Lohia, 1960*, it was held that public order is synonymous with public safety and tranquility which was the absence of disorder involving breaches of local significance.

> **Civil Servants and Fundamental Rights**
> - Subject to the power of Parliament, under Article 33, to modify the fundamental rights in their application to members of the Armed Forces and the Police Forces, the fundamental rights guaranteed by the constitution are in favour of all 'citizens', which obviously include public servants.
> - While a public servant possesses the fundamental rights as a citizen, the State also possesses, under the Proviso to Article 309, the power to regulate their 'conditions of service'.
> - Now, the interests of service under the State require efficiency, honesty, impartiality and discipline and like qualities on the part of the public servant. The State has thus the constitutional power to ensure that every public servant possesses these qualities and to prevent any person who lacks these qualities from being in the public service.
> - Therefore, that State regulation of the conditions of service of public servants so as to restrict their fundamental rights will be valid only to the extent that such restrictions is reasonably necessary in the interests of efficiency, integrity, impartiality, discipline, responsibility and the like which have a 'direct, proximate and rational' relation to the conditions of public service as well as the general grounds (e.g., public order, under Article 19) upon which the fundamental rights of all citizens may be restricted.

Moreover, Article 19 (2) kicks in only when the views expressed reach the level of incitement causing public disorder.

- Criticism is inherent in the right to freedom of speech and expression, whereas Rule 9 makes an underlying assumption that any criticism of the government is synonymous with indiscipline and subordination. Criticism does not mean disobedience and criticizing the government does not tantamount to disobeying the orders of the government.
- **Colonial origins:** these rules which apply to all public servants in the country date from colonial times and are reflective of colonial mindsets, guided by a surveillance and command and control mentality.

Measures taken by the Government

- In **1957**, the Department of Administrative Reforms of the Government of India had prepared a **code of ethics** for public services, prescribing standards of integrity and conduct which were never issued.
- In **2006,** the Department of Personnel had drafted a **Public Service bill** emphasizing political neutrality, objectivity, impartiality, integrity, honesty, etc, for all public servant but no action was taken.
- **The Second Administrative Reforms Commission** in its **fourth report (2007)** recommended a code of ethics for public servants and emphasized a set of "**Civil Service Values**" like integrity, impartiality, commitment to public service, open accountability, devotion to duty and exemplary behavior, the transgression of which was to attract disciplinary action.

Way Forward

- CCS (Conduct) Rules, 1964 should be replaced by a broad set of **'code of ethics'** based on self-regulation, accountability, and transparency like in other countries. For instance, in UK as per the Civil Service Values (2006) and a legally enforceable code of conduct, civil servants are expected to observe integrity, honesty, objectivity and impartiality. In US, public servants follow a code of ethics devised in 1958. US office of government ethics established under the Ethics in Government Act, 1978 foster high ethical standards for employees. Similarly, OECD Council and the European Union both prescribe a broad set of principles governing ethical conduct of employees in public institutions.
- Public Service Bill must be enacted on priority basis to ensure proactive accountability of public servants to the Citizens.

1.6. NON PERFORMING NGOS

Why in News?

The Ministry of Women and Child Development has released a list of blacklisted NGOs to help the public know about the performing and non-performing organisations in their areas.

More in News

- NGOs that do not have **Darpan Portal** Registration Number, a facility offered by the NITI Aayog and National Informatics Centre for government to list authentic bodies or **FCRA registration number** or have been **blacklisted by any ministry or autonomous body** such as NABARD, NCW, etc. have been blacklisted by MoWCD.
- However, the NGOs believe that the criteria are non-transparent and they were not provided any information or notice before being categorised as non-performing.

BLACKLISTED
STATES WITH "NON-PERFORMING' NGOS

STATES	PERFORMING	NON-PERFORMING
Odisha	70	289
Andhra Pradesh	41	149
Uttar Pradesh	78	78
Tamil Nadu	49	66
Delhi	158	43
Telangana	18	42

Background

- Various reports, including reports of CBI and Intelligence Bureau, have shown the misappropriation of funds by a large number of NGOs. India is said to lose around 2-3% of its GDP because of such NGOs.
- Therefore, the Supreme Court (in 2017) had asked Centre to examine enacting a law to regulate government funds for NGOs and prosecute them in case of misuse, misappropriation of funds or non-filing of annual statements.
- In response to this, the Centre had come up with a **guideline to blacklist such errant NGOs**.
- NGOs, including Greenpeace, Amnesty and Cordaid, were accused of serving as tools for foreign policy interests of western governments by sponsoring campaigns to protect the environment or support human rights.

> **Regulation of NGOs**
> - The Foreign Contribution Regulation Act (FCRA) was introduced in 2010, requiring all NGOs to apply for a license to receive foreign funding. All NGOs receiving foreign funds now have to re-register for their FCRA license. Organisations with permanent FCRA licenses now have to get these renewed every five years.
>   - It's estimated that at least 10,000 FCRA licenses, needed to receive foreign funds, have been revoked.
>   - the government barred several prominent NGOs from receiving funds from foreign countries after they failed to file their annual returns for five consecutive years.
>   - The ministry directed NGOs across the country to validate the bank accounts in which they receive foreign funds. In a circular issued in 2017, the MHA had said all NGOs registered under FCRA should receive foreign donations in a single designated bank account.

Other issues with legitimacy of NGOs

- **Independence and reliability** of the organisational structures of NGOs: For instance, questions are frequently raised regarding role and composition of the board, financial accounting, management structure, etc.
- Questions are also oriented towards **ties to the public, transparency and adherence** to the mission of an NGO, representative status (whom does it represent?), relationship to community served etc.

- Effectiveness of **NGOs as a social service delivery agent**: This usually have to do with the quality and quantity of the services offered like distribution of medicines, food etc. Inadequate trained personnel, lack of funds might also affect the effectiveness.

Way-forward

- The government should appoint commissions of enquiry or committees to cross check the misuse of funds by NGOs. The members of committee may supervise and monitor the activities of NGOs periodically.
- Further, the recommendations of **S. Vijay Kumar committee** may also be taken into consideration by the government.
- On part of NGOs in India, they have been successful in bringing about several electoral reforms to make politicians accountable. NGOs played a key role in getting the landmark Right to Information (RTI) Act passed in 2005 to make the government machinery accountable. However, it is time for NGOs in India to focus their energies at enhancing their own accountability.

FRESH OUTLOOK

Measures suggested by the committee headed by former secretary **S. Vijay Kumar**

- Modernise registration procedures for NGOs
- Ensure seamless operation of the applicable provisions of the IT Act and FCRA
- Reduce the need for a physical interface between NGOs and public officials
- A three-tier monitoring system for NGOs receiving support from the Central government
- "Enable procedures that are not cumbersome and intrusive'
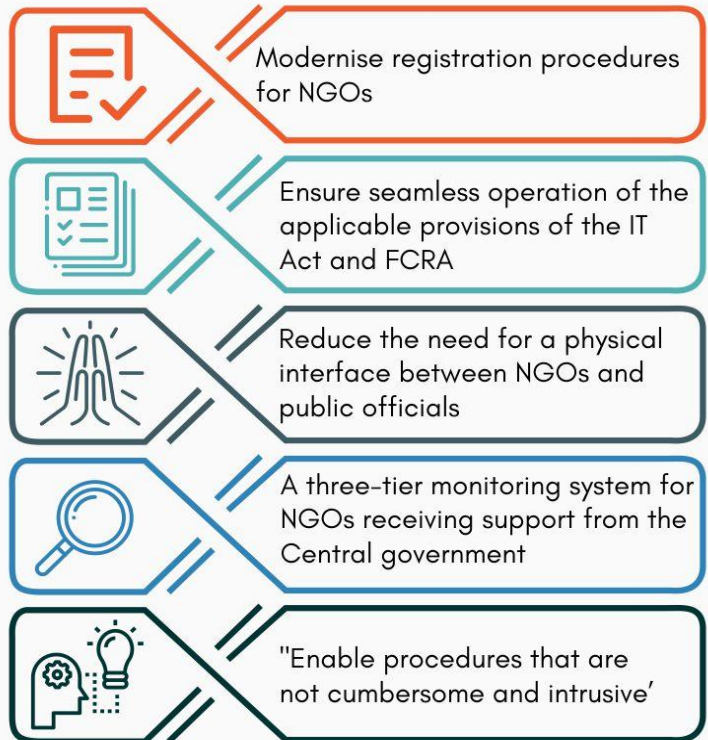
1.7. COMMERCIAL COURTS, COMMERCIAL DIVISION AND COMMERCIAL APPELLATE DIVISION OF HIGH COURTS (AMENDMENT) BILL, 2018

Why in news?

The Commercial Courts (Amendment) Bill 2018 was recently passed by the Lok Sabha.

Key provisions of the bill

- **Reduction in the limit** of commercial courts and commercial divisions of high courts to adjudicate commercial disputes with a value of **three lakh** rupees from at least one crore rupees earlier.
  - However, there is a concern that the transfer of all commercial disputes above three lakh rupees **may overburden the commercial courts** and defeat the objective with which they were established.
- **Allowing state governments to establish commercial courts at the district level,** even in territories where high courts have

> **Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015**
> - The term 'Commercial Dispute' has been given an inclusive and wide definition.
> - The Act essentially introduces setting up of a Commercial Court at District level and a Commercial Division in the High Court, having ordinary original civil jurisdiction to deal with Commercial Dispute.
> - Commercial Appellate Divisions will be set up in every High Court to hear appeals against (i) orders of Commercial Division of High Court; and (ii) orders of Commercial Courts.
> - It says that the applications and appeals related to international commercial arbitration are to be heard by the Commercial Division of the concerned High Court.
> - It ensures timely disposal of Commercial Disputes and appeals.

ordinary original civil jurisdiction (Chennai, Delhi, Kolkata, Mumbai and State of Himachal Pradesh), after consulting concerned High Court.

- **Commercial appellate courts**: In areas where high courts do not have original jurisdiction, state governments may set up commercial appellate courts at the district level to consider appeals from commercial courts below the level of a district judge.

- **Introduces the Pre-Institution Mediation (PIM) process** to provide an opportunity to the parties to resolve commercial disputes outside courts through the authorities constituted under the Legal Services Authorities Act, 1987. The mediation process is required to be completed within a period of three months (may be extended by another two months).
- **Rule-making power with centre**: It proposes a new Section, 21A, which enables the Centre to make rules and procedures for PIM.

Benefits

- This **would bring down the time taken** (at present, 1,445 days) in resolving commercial disputes of lesser values.
- It would bring many disputes within the ambit of the commercial courts thereby improving India's ranking in the parameter of enforceability of contracts **in World Bank's Ease of Doing Business Report.**
- Worldwide the experience of pre-institution mediation has been positive and thus may **reduce litigation** in India too.
- It would help create a conducive regulatory environment for investors to set up and operate businesses.

2. INTERNATIONAL RELATIONS

2.1. GLOBAL COMPACT FOR MIGRATION

Why in news?

United Nations member states (except the U.S. and Hungary) have agreed on a Global Compact for Migration to better manage international migration.

Brief background

- In 2016, UN General Assembly adopted **New York Declaration for Refugees and Migrants** which calls upon Member States to:
  - protect the safety, dignity, human rights and fundamental freedoms of all migrants, regardless of their migratory status;
  - support countries rescuing, receiving and hosting large numbers of refugees and migrants;
  - integrate migrants – addressing their needs and capacities as well as those of receiving communities – in humanitarian and development assistance frameworks and planning;
  - combat xenophobia, racism and discrimination towards all migrants;
  - develop, through a state-led process, non-binding principles and voluntary guidelines on the treatment of migrants in vulnerable situations; and
  - strengthen global governance of migration, including by bringing International Organization for Migration into the UN family and through the development of a **Global Compact for Safe, Orderly and Regular Migration**.
- As a result, the members are expected to formally adopt **Global Compact for Migration** in Morocco in December.
- The New York Declaration also set in motion a separate negotiation process for the **Global Compact on Refugees** which aims to
  - Ease the pressures on host countries
  - Enhance refugee self-reliance
  - Expand access to third-country solutions
  - Support conditions in countries of origin for return in safety and dignity

About Global Compact for Migration

- It is framed in consistent with **target 10.7 of the SDG** in which Member States committed to cooperate internationally to facilitate safe, orderly and regular migration.

- This Global Compact sets out a common understanding, shared responsibilities and unity of purpose regarding migration, making it work for all.
  - Common understanding that current and potential migrants must have full information about the rights and awareness of the risks of irregular migration
  - Shared responsibility because no country can address the challenges and opportunities of migration on its own
  - Unity of purpose as success of compact rests on mutual trust, determination and solidarity of States to fulfill the objectives
- The major objectives of the compact include:

> **Principles of Global Compact for Migration**
> - **People-centred approach:** promotes the well-being of migrants and the members of communities in countries of origin, transit and destination.
> - **National sovereignty**: safeguards the sovereign right of States to determine their own migration policy.
> - **Rule of law and due process**.
> - **Sustainable development**: aims to leverage the potential of migration for achievement of Sustainable Development Goals.
> - **Human rights:** upholds the principles of non-regression and non-discrimination.
> - **Gender-responsiveness**.
> - **Child-sensitive**.
> - **Whole-of-government approach**: ensure policy coherence across all sectors and levels of government.
> - **Whole-of-society approach**: promotes multi-stakeholder partnerships.

- o Minimize the adverse drivers and structural factors that compel people to leave their country of origin.
- o Enhance availability and flexibility of pathways for regular migration and reducing vulnerability in migration.
- o Facilitate fair and ethical recruitment and safeguard conditions that ensure decent work.
- o Manage borders in an integrated, secure and coordinated manner.
- o Use migration detention only as a measure of last resort and work towards alternatives.
- o Empower migrants and societies to realize full inclusion and social cohesion.
- o Establish mechanisms for the portability of social security entitlements and earned benefits.

Importance of the agreement
- It is **not legally binding**. It does not dictate nor impose and it fully respects the sovereignty of States.
- It demonstrates the potential of multilateralism - our ability to come together on issues that demand global collaboration — in complicated and contentious issues
- It **acknowledges climate change as a cause of migration** and aims to develop approaches to address this challenge.
- It will protect members of a vulnerable population who are often demonized and attacked while risking their lives during migration.

Challenges
- **Coordination**: There is a possibility that turf wars emerge between UN agencies, and the geopolitics of the North-South divide are transposed to migration policy.
- **Operationalisation of GCM's objectives**: There is lack of timelines or roadmap leading to variable implementation in different nations. Also, the operationalization of each objective will include important behind-the-scenes disputes about the best kinds of migration policies.
- **Monitoring implementation**: As of now, the monitoring mechanisms are lumped primarily in the International Migration Review Forum, which only meets every four years, thus, may have very little impact on state policies.
- **Funding**: The concept note proposes a start-up fund to provide seed-funding for projects, but little details on scale and operations.
- It being a voluntary non-binding agreement has raised question on its effectiveness.

Conclusion
The Global Compact for Migration is an opportunity to help migrants around the world, but it is not a self-executing agreement. The Compact needs to develop more thoroughly on how the commitments will be implemented and how actors will be held accountable. The GCM lays out five operational components—regional and state actions, research and information centers, a capacity building mechanism, the UN network on migration, and review forums—but implementation requires further actions by the key stakeholders, especially member states, UN agencies and civil society.

2.2. 10TH BRICS SUMMIT

Why in News?

Recently, the 10th BRICS Summit took place from 25th to 27th July, at Johannesburg in South Africa. The Theme of the summit was **'BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution.'**

About the Johannesburg Declaration:

It reaffirms the principles of democracy, inclusiveness and agrees to fight unilateralism and protectionism. Some of the important takeaways of Johannesburg Declaration includes:

- **Multilateral Trading System:** It stresses the centrality of rules based, transparent, non-discriminatory, open and inclusive multilateral trading based on WTO.

About BRICS
- **BRICs** is the acronym coined by British Economist Jim O'Neill in 2001. Officially formed in 2006, it originally included four emerging economies of **Brazil, Russia, India and China.** Its first summit took place at Russia in 2009. Later in 2010, **South Africa** became the 5th member of the grouping.

About BRICS Part NIR
- It aims at deepening BRICS cooperation in digitalization, industrialization, innovation, inclusiveness and investment to maximize the opportunities and address the challenges arising from the 4th Industrial Revolution.
- It would enhance comparative advantages, boost economic growth, promote economic transformation of BRICS countries, strengthen sustainable industrial production capacity, create networks of science parks and technology business incubators, and support small and medium-sized enterprises in technology intensive areas.

- **Commitment to United Nations:** It commits support for multilateralism and the central role of the United Nations in international affairs and uphold fair, just and equitable international order, respect for international law, promoting democracy and the rule of law.
- **Importance of 4th Industrial Revolution:** It recognizes the importance and role of culture as one of the drivers of the 4th Industrial Revolution and acknowledges the economic opportunities that it presents. It recommends the establishment of **BRICS Partnership on New Industrial Revolution (PartNIR).**
- **On counter-terrorism:** It calls upon the international community to establish a genuinely broad international counter-terrorism coalition and support the UN's central coordinating role in this regard. It calls for expeditious finalisation and adoption of the **Comprehensive Convention on International Terrorism (CCIT)** by the United Nations General Assembly.
- Along with commitment towards **strengthening cooperation in international peace and security** there were concerns against **arms race in outer space** and calls for strict compliance with the existing legal regime providing for the peaceful use of outer space.
- **Brazil to get a New Development Bank (NDB) regional office:** The Declaration mentioned the creation of the Project Preparation Fund and establishment of the NDB Regional Office in São Paulo, Brazil, which, alongside the Africa Regional Centre, will help the NDB consolidate its presence in these continents.

Significance of BRICS

- **Represents five countries and four continents:** It consists of 43% of world population, 22% of the total world GDP and 17% world trade share. According to a UN report, the combined output of BRICS countries will surpass the aggregate GDP of US, Canada and other European nations by 2020.
- **Influential grouping,** including four developing and emerging economies and Russia, which promotes a multi-polar world. It has expanded the arc of its interests and established new institutions and partnerships. For instance, institutions like **New Development Bank** injected fresh driving force into the mechanisms' leading role in South- South cooperation.
- **Platform for addressing Global issues** such as IMF reforms, climate change, terrorism, etc. from the perspective of emerging economies. BRICS nations adhere to the principle of equality, negotiations, and pragmatic cooperation.
- **Platform for addressing bilateral issues** among it members. For instance, India has tried to use the Summit level meets for resolving mistrust and complications with China.
- **'BRICS outreach to Africa' and 'BRICS Plus' formats:** BRICS plus format initiated at Xiamen Summit in 2017 by inviting a few countries from different regions was emulated in Johannesburg Summit also. It presents an opportunity for networking among different leaders.
- **Diverse agendas under BRICS:** It is also working in issues like Global Governance reforms, Women Empowerment by a proposal to set up a BRICS Gender and Women's Forum and setting up a vaccine research center for immunization to promote research, develop and discover new vaccines.
- **Multi-layered pragmatic cooperation** has been established in the fields, such as economy and trade, finance, industry and commerce, agriculture, education, healthcare, science and technology, culture, think tanks and twinned cities which have imposed great influence on the international community.

Concerns

- **Still far from achieving its initial goals** such as a) Reform of global financial governance; b) Democratization of United Nations and expansion of UNSC are work in slow progress.
- **Contradicting views of the members:** For instance China opposed India's move to declare Pakistan based terror outfits. It is also against India's bid to UNSC and NSG membership. No decisions are taken yet on **BRICS Credit Rating Agency** favored by India.
- **Lack of commonality among the members:** While Brazil, India and South Africa are democratic, China and Russia are not. Brazil and Russia export hydrocarbons, China and India are net importers. China and Russia are permanent members of the UN Security Council – the others are not. Structure of financial systems, levels of income, education, inequality, health challenges also differ substantially within BRICS which makes it hard for them to speak with a unified voice and to co-ordinate action.
- **New Development Bank (NDB) yet to disperse loans to outside member countries:** So far all the loans dispersed totaling $5.1 Billion are to its members only, with other developing countries like African country look at NDB for their infrastructural requirements.

Way Forward

- To **address the asymmetry of power** within the group and global governance they must reaffirm their commitment to a multi-polar world that allows for sovereign equality and democratic decision-making.
- Building on the success of the NDB it must **invest in additional institutions**, for instance, an institutional research wing, along the lines of the Organisation for Economic Co-operation and Development (OECD), can offer solutions distinct from western-led knowledge paradigms and is better suited to the developing world.
- BRICS must lead the effort to meet their commitments under the Paris Agreement on climate change and the UN's SDGs by **setting up a BRICS energy alliance and an energy policy institution**.
- BRICS members must **encourage direct interactions between their constituents** as in the digital age, seamless conversations amongst people, business and academia can foster relationships, which are more likely to cement the future of this alliance than any government efforts.

2.3. SAARC DEVELOPMENT FUND (SDF)

Why in news?

SDF's Partnership Conclave 2018 was held in New Delhi.

More about the news

- The event aims towards Strategic growth in the South Asian region through project collaboration and Regional integration and proposes to:
  o Solicit Cross-Border project Co-Financing under social, economic and infrastructure windows for SDF in SAARC member States.
  o Build partnership with various organisations like the World Bank, Asian Development Bank (ADB) and the Asian Infrastructure Investment Bank (AIIB) for fund mobilisation and investment in SAARC member states
- The larger aim is to **convert the SDF into a regional bank** by strengthening its credit portfolio so that it could get lender's status. It will help raise funds from the capital market through various instruments like bonds etc.

> **About SDF**
> - It was established by heads of all eight SAARC member states during **16th SAARC summit at Thimphu**, Bhutan in April 2010.
> - Its **Secretariat** is located at Thimphu, capital of Bhutan. Its **Governing Council** comprises finance ministers of these eight countries.
> - It was created as umbrella financial mechanism for all SAARC developmental projects and programmes.
> - Its **core objectives** are to promote welfare of the people of SAARC region, improve their quality of life and accelerate economic growth, social progress and poverty alleviation in the region.
> - It **funds projects in South Asia** region via three windows viz. Social Window, Economic Window and Infrastructure Window.
> - The SDF has a total corpus of $1.5 billion with the total capital base currently at $497 million. Of this, more than 100 million has been committed.

Opportunities of SDF

- **Economic integration of south Asia:** According to a World Bank study, the South Asia Region needs to invest between $ 1.7 trillion and $ 2.5 trillion to close its infrastructure gaps mainly in energy, power, transportation, telecom and environment.
- **SDF** can play a major role in ensuring physical as well as financial connectivity. Thus, an efficient regional value chain would be developed on the lines of ASEAN tigers.
- **Dedicated project development agency**: It may fill the vacuum of a dedicated project development agency in the south Asian region which is a major cause of delay in project implementation.
- **Reforming global financial architecture:** It may add to India's continuing effort to reform global financial architecture by presenting an inclusive model of development to the world.
- **Opportunity for South-South cooperation:** SDF can also invest in countries of South-east Asia, Africa and Latin America like ADB and other multilateral financial agencies. It would provide India an opportunity to claim leadership of the global south.

Challenges

- **Lack of financial resources:** SDF lacks membership of economic powerhouses like China, Japan, USA as in other multilateral financing agencies like ADB, AIIB etc.

- **Power asymmetry between India and other neighbouring countries:** India is disproportionately big as compared to other SAARC members both in territorial extent and economic, political and military strength, hence a sense of apprehension exists among its neighbours.
- India has many unresolved outstanding issues like border disputes and river disputes with its neighbours that also doesn't inspire confidence for sustained cooperation.
- **Security challenges** like cross border terrorism and armed insurgent movements also create problems for investments.
- **Presence of China** in the region with its deep pocket throws a major challenge for India to secure investment opportunities in the neighbourhood in particular and the developing world in general.

Way forward

- **SAARC minus X model:** Developing small models at sub-regional level as a template to replicate, for example Bangladesh-Bhutan-India-Nepal (BBIN) Motor Vehicles Agreement (MVA), South Asian satellite, etc. have been developed without Pakistan's cooperation.
- **Gujral doctrine:** Unilateral support to smaller neighbours without expectation of reciprocity is very important to inspire confidence which would help in taking them on board for regional cooperation. Also resolve outstanding issues on priority basis with all the neighbouring countries.
- **Converging efforts of other regional groups** like BIMSTEC, South Asia Subregional Economic Cooperation (SASEC).

2.4. INDIA-APTA TARIFF EASING MEASURES

Why in news?

The results of the 4th Round of negotiations under the Asia Pacific Trade Agreement (APTA) have been implemented with effect from 1st July, 2018.

More about the 4th round

- With the implementation of the current Fourth Round, the coverage of preferences for each member would increase to 10,677 tariff lines (up from 4,270 items at the conclusion of the Third Round).
- The average **Margin of Preference** (MoP) being provided under the agreement would deepen to 31.52% **but Least Developed Countries (LDC) members are entitled to greater concessions** on 1,249 items with an average MoP of 81%.
- India has agreed to provide tariff concessions on 3,142 products to APTA and special concessions on 48 tariff lines for LDCs, with Bangladesh and Laos.
- China has agreed to **reduce or cut to zero tariffs** on a total of 8,549 types of goods originating in India, Bangladesh, Laos, South Korea and Sri Lanka.
- These concessions are **significant not in terms of value but in terms of gesture** in the context of recent trade wars triggered by USA.
- However, issues of market access in agricultural commodities and pharma products remain a challenge.

APTA
- The Asia-Pacific Trade Agreement (APTA), previously named as the **Bangkok Agreement**, was signed in **1975** as an initiative of UNESCAP (United Nations Economic and Social Commission for Asia and the Pacific).
- It is the oldest **preferential trade agreement** (PTA) among developing countries in Asia-Pacific, under which the basket of items as well as the extent of tariff concessions are enlarged during the trade negotiating rounds, which are launched from time to time.
- Currently, the following **six** Participating States are parties to APTA: 1. Bangladesh 2. China 3. India (founding member) 4. Laos 5. South Korea 6. Sri Lanka (Mongolia is set to become the 7th member)
- It is open to all developing member countries.
- It aims to promote economic development through the adoption of mutually beneficial trade liberalization measures that will contribute to intra-regional trade expansion and provides for economic integration through coverage of merchandise goods, services, investment and trade facilitation.
- Notably, it is the only operational trade agreement linking China and India.

> **Preferential Trade Agreement v/s Free Trade Agreement**
>
> Under a free trade agreement (FTA), countries cut or eliminate duties on most number of goods traded between them besides liberalising norms to promote services trade and investments. But under a PTA, duties are eliminated on a certain number of identified items.
>
> **Margin of Preference**
>
> It means the percentage difference between the Most Favoured-Nation (MFN) rate of duty and the preferential rate of duty for the like product.

2.5. INDIA-SOUTH KOREA

Why in news?

South Korean President Moon Jae-in recently visited India for the first time since being elected last year.

Key Highlights of the visit

- Moon coined a new acronym **'3P Plus'** for boosting bilateral ties through **cooperation for people, prosperity and peace.**
- Indian Prime Minister and President of the Republic of Korea inaugurated **Samsung's mobile manufacturing plant,** touted as the biggest in the world, in Noida.
- South Korean President also **set a trade target of $50 billion to be achieved by 2030**, up from the $20 billion at present.
- South Korea would be the second country after China with whom India would undertake a joint project in Afghanistan.
- Joint Statement on **Early Harvest Package of the Upgraded Comprehensive Economic Partnership Agreement (CEPA):** its objective is to facilitate ongoing negotiations on upgrading the India-South Korea CEPA by identifying key areas for trade liberalisation (including shrimp, molluscs and processed fish).

India-South Korea relations

- **Politically** India played an important and positive role in Korean affairs after Korea's independence in 1945. Bilateral consular relations were established in 1962 which was upgraded to Ambassador-level in 1973. Since then various high level meetings have taken place between the two.
- **In terms of Commercial relations,** in course of time, RoK's open market policies found resonance with India's economic liberalization and 'Look East Policy' as well as "Act East Policy". Trade and economic relations have gathered momentum following the implementation of CEPA in 2010 and the bilateral trade in 2011 crossed USD 20.5 billion registering a 70% growth over a two-year period. Economic engagement constitutes the core of our relations.

> **Important Agreements Signed**
>
> India and South Korea signed 11 agreements, including in the areas of trade, cultural and scientific and technological cooperation, during the visit of South Korean President Moon Jae-in to India. Following are some major MoUs signed-
> - **On Trade Remedies**: its objective is for cooperation in the area of trade remedies viz. anti-dumping, subsidy, countervailing
> - **On Future Strategy Group** for cooperation in the development of cutting edge technologies for commercialisation to reap benefits of **the fourth industrial revolution**.
> - On cooperation in the field of scientific and technological research.
> - On cooperation in the field of biotechnology and bio-economics, ICT and Telecommunications, etc.

> **New Southern Policy**
>
> - The new S. Korean government is seeking to elevate strategic ties with the Association of Southeast Asian Nations (ASEAN) on par with Korea's four traditional, major diplomatic partners of the United States, China, Japan and Russia.
> - It is a new policy orientation is being pursued under the government's broader strategy of promoting a "Northeast Asia Plus Community for Responsibility-sharing (NEAPC)".
> - New Southern Policy is one of the 3 parts of NEAPC which would involve deepening relations with India as well as the countries of Southeast Asia, including in the economic realm.
> - Moon's New Southern Policy aims to strengthen the economic-cooperation and build a prosperous and people-centric community of peace while India's "Act East Policy," as articulated by Modi, focuses on promoting deeper economic engagement, reinvigorating cultural and civilizational relations, and developing new strategic partnerships with countries in the Indo-Pacific region through continuous engagement at bilateral as well as at multilateral levels. Both these policies show convergence in their objectives and should further strengthen the Special Strategic Partnership between India and South Korea.

- o India and South Korea launched an initiative '**Korea Plus'**, as proposed by Indian Prime Minister in June 2016 to promote and facilitate Korean Investments in India.
  - o Major Korean conglomerates such as Samsung, Hyundai Motors and LG have made significant investments into India, estimated at over $4.43 billion (as of March 2017).
  - o The **large trade deficit in South Korea's favour** has led India to be wary of further opening up. In turn, Korean companies cite problems in doing business in India, despite a special "Korea Plus" desk set up by the Prime Minister's Office in 2015.
- **Cultural Relations**- To further enhance cultural exchanges between India and Korea, various cultural centres have been established in Seoul, Busan, etc.
- **Other Areas- Tourism** between the two countries has always been low while **strategically** both New Delhi and Seoul are preoccupied with tensions in their immediate neighbourhoods.

Way forward

- **Trade:** Agreement to invoke the **"early harvest" clause in the 2010 CEPA** will allow both to do away with tariffs in 11 areas, benefiting Indian seafood exporters and food processing units, as well as South Korean petrochemical companies.
- **Investment:** More Korean companies should be persuaded to invest, by projecting a counter-narrative to the failed bid by the steel company Posco to set up its plant in Odisha. Much will depend on negotiations on the regional free trade agreement, the Regional Comprehensive Economic Partnership.
- **Strategic front:** On the strategic front, **India has asserted its place as a "stakeholder" in the Korean peace process**, while South Korea has for the first time shown an interest in talking about an Indo-Pacific policy.
- In the short term, a symbolic token towards shared interests will be seen in a **joint "capacity-building" programme in Afghanistan**.

Conclusion

- South Korea can be an indispensable partner of India in its Act East Policy in the Indo-Pacific region.
- South Korea's technological advancement and manufacturing capabilities can be helpful in India's economic growth and human resource development.
- At a time when U.S. foreign policy is capricious and unpredictable, and China's is making purposeful moves towards global domination, it is important that the South Korea-India partnership grows and consolidates, to contribute to stability in the region.

2.6. PM VISIT TO AFRICAN NATION

Why in News?

PM visited three African Nations of Rwanda, Uganda and South Africa on the sidelines of 10th BRICS summit held in Johannesburg.

Agreements signed with Rwanda during the visit

- Eight agreements were signed in the areas of cooperation in agriculture and animal resources, Defence, Dairy, leather and allied sector and trade.
- Two lines of credit worth $100 Million each were extended by India for development of industrial parks and expansion of **Kigali Special Economic Zones (SEZ)**, and Agriculture irrigation scheme respectively.

About Girinka Programme
• It is the Rwanda's one of a kind Social Protection scheme under which the poorest residing in the region get cows from the government and gift the first female calf to a neighbour to promote brotherhood.
• It aims to transform livelihoods, reconcile communities, and improve agricultural productivity through the use of manure as fertilizers.
• It has led to an increase in agricultural production in Rwanda - especially milk production and products, reduced malnutrition and increased incomes.
• India gifted 200 locally bought cows to villagers from Rweru village for Girinka.

- An Indian High Commission will be opened at Rwanda which will ease the consular and passport/Visa related processes between the countries.

Agreements signed between India and Uganda

- India and Uganda signed four MoUs on - Defence Cooperation, Visa exemption for Diplomatic and official passport holders, Cultural Exchange Programme and Material Testing Laboratory.

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- In Uganda, India extended **two lines of credit** of $141 million for electricity lines and sub-stations, and $64 million for agriculture and dairy production.
- PM while addressing a session of Ugandan Parliament listed **10 guiding principles for deepening India's engagement with Africa** to help in its economic growth and tackle challenges like terrorism and climate change.

Significance of these visits

- While it was **the first ever visit by an Indian Prime Minister to Rwanda**, it was also a first bilateral tour by any Indian PM to Uganda since 1997. This outreach **enhances India's South-South leadership credentials.**
- **Rwanda is the current Chair of African Union** and after the end of its civil war (1994), is moving steadily on the path of recovery and national reconciliation and is also one of the fastest growing economies of Africa.
- Similarly, **Uganda is the current chair of East African Community** which is a regional intergovernmental organization of six partner States: Burundi, Kenya, Rwanda, South Sudan, Tanzania and Uganda.

Differences in approach of India and China towards Africa:

India's Approach towards Africa	China's Approach towards Africa
India's engagement lays emphasis on long term objectives such as enhancing Africa's productive capacities, diversifying skills and knowledge and investing in small and medium sized enterprises.	China's approach is more traditional – resource extraction, infrastructure development and elite level wealth creation.
Follows bottoms up approach, development as per local needs. For instance, the AAGC is a consultative initiative between three equal partners (India, Japan and Africa).	Follows top – down approach, imposed development. For instance, BRI is more of a top-down, unilateral approach to secure Chinese interests.
India is largely focusing on Military training programmes, joint exercises and capacity building as part of its defence security cooperation with African nations.	China is diversifying its defence security cooperation with Africa in areas such as Internal security, strengthening domestic police forces, law enforcement diplomacy and exporting Artificial Intelligence, Big data software to boost their surveillance capabilities.

2.7. UN MILITARY OBSERVER GROUP IN INDIA AND PAKISTAN (UNMOGIP)

Why in news?

UN Secretary-General Antonio Guterres has appointed a veteran Uruguay Army general, Major General Jose Eladio Alcain, as the chief military observer of the UNMOGIP.

Details

- The UNMOGIP was established in January 1949 with first team of unarmed military observers arriving in Jammu and Kashmir to supervise the ceasefire between India and Pakistan, and to assist the **Military Adviser to the UN Commission** for India and Pakistan (UNCIP), established in 1948 by the UN Security Council.
- Following the **India-Pakistan war in 1971** and a subsequent ceasefire agreement, the tasks of UNMOGIP have been to observe, to the extent possible, developments pertaining to the strict observance of the ceasefire of December 17, 1971 and to report to the Secretary-General.
- Further, it clarified that mission does not have a mandate beyond the LoC and does not cover whole of Kashmir.
- On the other hand, India has maintained that UNMOGIP **has outlived its utility** and is **irrelevant after the Shimla Agreement and the consequent establishment of the Line of Control.**

2.8. INDIA-BANGLADESH

Why in news?

The first meeting of the India-Bangladesh Joint Committee on Border Haats was held on 22-23 July 2018 in Agartala.

Details

- In the meeting, both the sides noted the **positive impact of border haats on the livelihoods** of the people living in areas adjoining the haats.
- To improve the livelihood of people on the border, India and Bangladesh **will set up six more border haats (markets)** in addition to the **existing four.**

India- Bangladesh Border Haats

- It is a border trade market organised by the two countries one day a week.
- The border haats aim at promoting the wellbeing of the people dwelling in remote areas across the borders, by establishing **traditional system of marketing the local produce through local markets.**
- Two border haats are located in Meghalaya at Kalaichar and Balat and two are located in Tripura at Srinagar and Kamalasagar.
- India and Bangladesh opened their first border haat at **Kalaichar on the India-Bangladesh** border in **Meghalaya's West Garo Hills district** on July 23, 2011 reviving the traditional border trade after nearly 40 years.

2.9. DELHI DIALOGUE X

Why in News?

Recently, India hosted the 10th edition of the Delhi Dialogue with a theme "**Strengthening India-ASEAN Maritime Cooperation".**

Highlight of Delhi Dialogue

- It is a **premier annual track 1.5 event** to discuss politico-security, economic and socio-cultural engagement between India and ASEAN.
- It has been held **annually since 2009** in partnership with **Research and Information System for Developing Countries (RIS).**

> **Research and Information System for Developing Countries (RIS)**
> - It's a New Delhi–based autonomous policy research institute that specialises in issues related to international economic development, trade, investment and technology.
> - It focusses on promoting South-South Cooperation and collaborate with developing countries in multilateral negotiations in various forums.
>
> **Track 1.5 Diplomacy** is used to denote a situation in which official and non-official actors work together to resolve conflicts.

3. ECONOMY

3.1. IMPACT OF CHINESE GOODS ON INDIAN INDUSTRY

Why in news?

The Parliamentary Standing Committee on Commerce tabled a report titled "Impact of Chinese goods on Indian industry" in Rajya Sabha.

Highlights of the Report

- Numerous anti-dumping investigations have been initiated against China; also **majority (i.e. 102/144) of the enforced anti-dumping duties** are against Chinese products.
- All the industries affected by the dumping are not able to reach Directorate General of Anti-Dumping and Allied Duties (DGAD) on account of high cost involved in moving the applications.
- Delayed action in the part of DGAD causes permanent damage to the industry in question, leaving little or no scope for remedial measures.
- No impact assessment of anti-dumping/counter-veiling duties by the government leading to non-review of such duties, renders the anti-malpractices framework ineffective.
- One estimate suggests that due to the dumping of Chinese solar panels, nearly two lakh jobs are lost as nearly half of our domestic industry capacity remains idle.
- Chinese products are certified/ registered quite easily and faster by India's Bureau of Indian Standards. To the contrary, Indian products suffer delays and high fee for getting certified/ registered with Chinese authorities before exporting into China.

Reasons for deluge of Chinese imports to India

Chinese imports flood the Indian markets due to high demand owing to large size of the Indian market and also competitive prices of these products. Elaborative reasons behind this phenomenon include:

Hard Numbers: India-China Trade Quantum
• China is India's largest goods trading partner and the bilateral trade reached \$89.6bn in 2017-18, from \$38bn in 2007-08.
• China's share in India's imports stands at 16.6% in FY1718.
• Trade deficit with China at \$63bn constitutes more than 40% of India's total trade deficit.
• Between FY0708 and FY1718, Indian exports to China increased by \$2.5bn but the imports, however, increased by \$50bn.
• China has increased prices of bulk pharma drugs by 1200% over the last two years, impacting prices of finished products by Indian pharma industry.
• No bilateral trade agreement between the two, to accord preferential treatment to the Chinese products.

How Chinese goods find their way to Indian markets?
• **Dumping** of cheap Chinese products.
• **Under-invoicing** of Chinese goods: causes revenue loss to the Government as well as puts the domestic manufacturers at a disadvantage in terms of price of like items.
• **Re-routing** of products via countries that have FTAs with India.
• **Flouting of Rules of Origin norms** e.g. setting shops in Least Developed Countries(LDC) arrangements under Duty Free Tariff Preference (DFTP) scheme.
• Mis-declaration and mis-classification of prohibited goods.
• **Smuggling of proscribed items:** In April to December 2017-18, as many as 1,127 cases of smuggling have been registered by India, recovering more than Rs 5.4 billion worth of Chinese goods.
• **Circumvention of duties** due to lax implementation of Indian regulations.

- **Industry-friendly lending rates, lower logistics and energy costs as compared to India:** On account of costlier energy, finance and logistics, Indian goods are costlier by about 9% in the global market. Chinese industry gets loans at 6%, compared to 11-14% in India. Logistics costs are 1% of the business in China, compared to 3% in India.
- Chinese exports largely constitute manufactured products related to **expanding sectors** such as telecom and power (while Indian exports to China are primary products largely).
- **Support by the Chinese government** e.g. export rebate, state-owned enterprises, tax discounts within the provinces.
- **Currency manipulation** for export competitiveness.
- Non-transparent trade policy, unfair trade practices such as exports subsidies that are against the WTO regulations.
- **Robust and integrated global value chain** along with leveraging of economies of scale.

- Infrastructure required to address the demands of quality checks is inadequate.
- Delays in firming up the Quality Control Orders (QCOs) helps the Chinese industry monopolise its low quality goods in the market e.g. toys, low-quality LEDs etc.

Implications for the Indian Economy

- Labour-intensive industries such as textiles, solar, firecrackers etc., in India are worse affected by Chinese imports.
- Many MSMEs in the stainless steel industry have shut down.
- Direct and indirect tax collections take a hit due to smuggling, under-invoicing etc. This will fall further as domestic manufacturers shrink or dissolve in future.
- Aims and targets of the Make In India programme are undermined.
- Banking sector, already reeling under the NPAs, faces further stress.
- Low-quality products from China adversely impact the environment.
- Manufacturers are turning into traders, having negative impact on the employment.
- Overt dependence on imports of key products such as the bulk drugs can have cascading effects on supply of many products, employment etc., in addition to self-reliance, national interests and security in critical situation

Recommendations of the Report

- Governmental should **provide financial assistance to recognized industry forums** to improve the access of MSMEs/SSIs to trade remedial measures.
- Creation of a **DGAD platform** for continuous dialogue with the Indian industry on WTO non-compliant subsidies.
- Shortening of time period for investigations and notifications.
- **Stringent implementation of anti-dumping framework**, to check smuggling, misclassification and other trade malpractices.
- Augmentation and strengthening of the **Directorate of Revenue Intelligence (DRI) workforce**.
- Working out **a formal arrangement with China**, to avail price and other relevant information on imports suspected of under invoicing – for Indian Customs administration.
- Better enforcement of FTAs and Rules of Origin norms by **a joint verification/ certification mechanism** with the partner countries.
- Study of the likely impact of the tariff concessions under ongoing RCEP negotiations on our domestic industry, to ensure zero cost to Indian industrial health.
- Easing of the restrictive and discriminatory clauses being faced by the Indian Industry in public tenders and implementation of **Public Procurement (Preference to Make in India), Order 2017** in spirit. State governments should also be sensitized in this regard.
- Steeping up the **surveillance of Land Ports** especially in the Indo-Nepal Border and North East border.
- Support to the **Bureau of Indian Standards (BIS)** in terms of availability of technical manpower and infrastructure Identification and inclusion of more products under technical regulations specifying compliance.

ON THE BRINK

PHARMACEUTICAL INDUSTRY

- **China** is the main supplier of raw materials for Active Pharmaceutical Ingredients (APIs) and Key Standing Materials (KSMs).
- About **75%** of the APIs used in the formulations of NLEM (National List of Essential Medicines) are sourced from China.
- Indian import of **bulk drugs** is not reciprocated by exports of Indian generic pharma products to China, due to restrictive market access.

SOLAR INDUSTRY

- In the **National Solar** Mission, whose primary objective envisages energy security through development of indigenous solar manufacturing capacity, Chinese imports account for nearly **90%** of the market share directly or indirectly through their off-shore companies across **South East Asia**.
- Between **2006** and **2011**, before dumping of imports from China, India was one of the major exporters of solar products to countries like Germany, France and Italy.

TEXTILES INDUSTRY

- Cheap Chinese imports of manmade fabrics (polyster & blends) have resulted in **35%** closure of power looms in Surat and Bhiwandi.
- Application of trade defence measures are difficult on apparel products due to difficulty in determining 'Normal Value' of the garments because of the **branding** and **design** contents.
- GST structure has caused unintended benefits to **China**

BICYCLE INDUSTRY

- **Chinese bicycles** are mostly undervalued or unfairly priced, giving them competitive edge over Indian manufacturers.
- Poor enforcement mechanism is the major cause of sufferings of **Indian industry**.

FIRECRACKER INDUSTRY

- Spurt of Chinese fireworks in the Indian market had led to adverse impact on the fireworks industry, which mostly falls in the **MSME** category.
- Despite the ban on firework imports, cheap illegal firecrackers from **China** are glutting the Indian markets and the intended protection to the domestic firecracker industry has not materialised.

TOY INDUSTRY

- Low quality, low priced **Chinese toys** are either mass produced or these are rejects from other countries and they are diverted to Indian sub-continent/ **Africa**.
- Toy imports are made of toxic material – these should be subject to **QCOs** at the earliest.

- Representation of BIS on SWIFT to further add to the effectiveness of the latter.
- Sensitization of enforcement agencies like Customs authorities, State Governments etc. to work in co-ordination with the Regulators.
- Necessary and immediate **review of the existing inverted duty structure.**
- Production subsidy or incentives should entail government tariff protection, to match the Chinese assistance so that our domestic production gets a real boost.
- Constitution of steering committee to oversee the **revival of the API industry,** including reviving PSUs like IDPL and Hindustan Antibiotics, especially at the time when many APIs units in China are closing due to strict environment norms there.
- To protect the solar industry, ADD may be levied in a **differential manner** to facilitate level pegging for domestic industry.
- Solar power industry must explore the avenues of protection under CVD since Chinese solar industry enjoys WTO non-complaint subsidies of the Chinese Government.
- Import of finished toy products from China must be banned as it has affected 50% of the domestic toy industry and traditional skills are getting lost with artisans migrating to other vocations.
- Stringent penal actions to create effective deterrence against unscrupulous elements.
- Creation of public opinion in the country to discourage buying of sub-standard imported product, with engagement of the industry, thus popularising 'Swadeshi apnao' (buy made-in-India products).

> **Countervailing duty (CVD)**
> Additional import duty that is imposed to neutralize the negative effects of subsidies
>
> **Safeguard duty**
> Tariff imposed to restrict imports of a product temporarily (take "safeguard" actions) if its domestic industry is injured or threatened with injury caused by a surge in imports
>
> **Anti-dumping duty (ADD)**
> Protectionist tariff that a domestic government imposes on foreign imports that are priced lower than their value in their home market
>
> **Inverted Duty Structure**
> - It implies a situation where import duty on finished goods is low compared to the import duty on raw materials that are used in the production of such finished goods.
> - This makes domestically produced goods more expensive that their imports from other countries.

> **SWIFT – Single Window Interface for Facilitating Trade**
> - Single Window provides a single platform for relevant agencies like Wildlife, Drug Control, Animal Quarantine, Plant Quarantine, FSSAI and Textile Committee for necessary clearance or certification before the goods are released inland from the ports
> - Optimal use of SWIFT can ensure effective quality control of all the imports of products under QCO/technical regulations.

Steps being taken

Since India and China are the members of the WTO, no restrictions can be imposed on the WTO-compliant trade. While the action to be taken on the basis of the Report is yet to be determined, certain measures have already been taken to protect the domestic industry and to curb the flood of Chinese imports that include:

> **API – Active Pharmaceutical Ingredients**
> These are those constituents of drugs that are responsible for effects produced by these drugs. The other constituents of the drugs called excipients are chemically inactive substances, which help carry APIs to the body system or target organ etc.

- Safeguard duty has been imposed on the solar cell imports from China and Malaysia for two years, till July 2020.
- DGAD has recently opened an assistance counter for the help of the MSME Sector.
- Recent creation of an integrated single umbrella National Authority, namely, **Directorate General of Trade Remedies (DGTR)** will be effective in providing comprehensive and swift trade defence mechanism in India.
- Measures have been taken to increase the efficacy of Risk Management System (RMS) – to tighten the inspection infrastructure at the entry points.

> **Market Economy Status of the WTO**
> - MES is accorded by the WTO to the countries where economic decisions and the pricing of goods and services are guided solely by open competition, with little or no government intervention or central planning
> - China's bid for this status is opposed by the US, the EU, India and other parties
> - If granted this status, imposition of anti-dumping duties and other trade defences gets difficult to impose against such a nation.

- Introduction of the GST will help in business efficiency, better record-keeping infrastructure, easier audits and controls and creation of uniform market across the country.

- India needs to stay firm on its non-MES status stand to China at the WTO to ensure protection to its domestic industry.

3.2. PROJECT SASHAKT

Why in news?

Recently the government announced a comprehensive plan **Project Sashakt** for the resolution of stressed assets in banking sector.

Present status of Non-Performing Assets

- Gross non-performing assets (NPAs) with the banking rose to ever time high **11.6%** in March 2018.
- Around **85% of these bad loans** were with the PSBs. The GNPA for PSBs stands at 15.7%. PSBs condition is particularly bad as compared to private banks because they have to lend under various government objectives and under the compulsion of social banking.
- The Reserve Bank of India has already warned that the gross NPA ratio of scheduled commercial banks could rise to **12.2% by March 2019**.

About Project Sashakt

- It aims to **strengthen the credit capacity, credit culture and credit portfolio** of public sector banks.
- It is **a five-pronged strategy** towards resolution of stressed assets, as recommended by **Sunil Mehta Committee**.
  - **Small and Medium Enterprise (SME) resolution approach**
    - ✓ It is applicable for **loan exposure up to Rs.50 crore**.
    - ✓ For this, a resolution plan based on simple metrics and Standard Operating Process (SOP) will be arrived at **within 90 days** of detection of stress by individual banks.
    - ✓ **Internal SME steering panel(s)** should be established by banks for formulating and validating these schemes, including provision of additional funds.
  - **Bank-led resolution approach**
    - ✓ It is for loans **between Rs.50 crore and Rs.500 crore** resolution, led by a consortium of lenders, needs to be completed within 180 days, failing which the asset would be referred to the National Company Law Tribunal (NCLT) for insolvency proceedings.
    - ✓ Under this, banks would sign **inter-creditor agreement**, according to which lenders with exposure to stressed accounts will **appoint a lead bank** as its agent to formulate a resolution plan.
    - ✓ The resolution plan has to be approved by voting by lenders holding **at least 66 per cent** of the debt.
    - ✓ The independent steering committee appointed by the Indian Banks Association (IBA) has to validate the **process within 30 days**.
  - **AMC/AIF led resolution approach**
    - ✓ Under this, loans **above Rs.500 crore** would be resolved through an **independent asset management company (AMC)** which would be funded by **alternative investment fund** (AIF).
    - ✓ AIF would raise funds from foreign and institutional investors. Banks may also invest if they wish. Besides, AIFs can also **bid for assets in NCLT**.
    - ✓ The price discovery of these NPAs will be through open auction by the lead bank in which asset reconstruction companies (ARCs), AMCs and other investors can participate.
  - **NCLT/IBC approach:** It also envisages invocation of IBC if other options fail. The resolution route is also applicable to larger assets already before the National Company Law Tribunal (NCLT) and any other asset whose resolution is still pending.
  - **Asset-trading platform** to be created for trading of both performing and NPAs.

Benefits

- It will ensure **the operational turnaround** of the banks and stressed companies and help retain and recover the asset value.
- The plan **doesn't involve government interference** as it would entirely be led by banks. Also, it **does not require any law to be enacted**. All provisions **comply with existing regulation of banking sector**. Hence it will **speed up process of resolution**.

- It is seen as an effort to **create a market for assets** which is commendable.
- The **inter creditor agreement** will prevent the earlier delays in decisions making among lender banks and will work and implement the resolution plan swiftly.
- The resolution process will help bring in **credible long-term external capital** and limit the burden on the domestic banking sector.
- It also ensures robust governance and credit architecture to **prevent a similar build-up of non-performing loans in the future.**

Challenges

- The strategy appears to be i**ncremental** as none of the approach attempts early resolution of NPAs in banks.
- There is **nothing new in the resolution plan. All the approaches like setting up focused verticals for management of stressed** assets, SME Steering Committee are in **operation in most of the banks in one form or the other.** Besides, 26 ARCs and a couple of resolution advisory service companies are already in operation for NPA resolution.
- The bank-led resolution approach has failed in the past. Also, here the key challenge would be to arrive at a consensus, as the exposure is held by multiple banks/lenders.
- ARCs are low-capital institutions. They have **to mobilize resources for large scale NPA resolution**. But **only a few investors** have come in so far.
- ARCs are smaller institutions compared to banks and depend on people's investment. If that money is to be used for buying stressed asset they will be answerable to public.
- The issue of **price at which the banks should transfer the assets to ARCs** has always been contentious. There often is a **mismatch between the price quoted by bank and the ARCs**.

3.3. MUNICIPAL BONDS

Why in News?

Indore Municipal Corporation recently listed its bonds aggregating Rs. 100 Crore and received an oversubscription of 1.26 times. This is the third such listing after urban local bodies (ULBs) of Hyderabad and Pune in the last one year.

About Municipal Bonds

- Municipal Bonds are marketable debt instruments issued by ULBs either directly or through any intermediate vehicle (Corporate Municipal entity/statutory body/special purpose distinct entity) with an objective to on-lend towards projects implemented by the ULB.
- The funds raised may be utilized towards implementation of capital projects, refinancing of existing loans, meeting working capital requirements etc., depending on powers vested with the ULBs under respective municipal legislation.
- Bangalore Municipal Corporation was the **first ULB** to issue Municipal Bond in India in **1997**.

Significance of Municipal bonds

> **SEBI Guidelines on municipal bonds, 2015**
>
> As per the SEBI Regulations, 2015, a municipality or a Corporate Municipal Entity (CME) should meet certain conditions:
>
> - The ULB should not have negative net worth in any of three immediately preceding financial years.
> - Non-default: The municipality should not have defaulted in repayment of debt securities or loans obtained from banks or financial institutions during the last 365 days.
> - Non wilful defaulter: The corporate municipal entity, its promoter, group company or director(s), should not have been named in the list of the willful defaulters published by the RBI.
> - Municipal bonds should have mandatory ratings above investment grade for pubic issue. The bonds should have a three-year maturity period and financial institutions including banks should be appointed as monetary agencies.
> - Municipalities need to contribute at least 20% of the project cost.
> - SEBI allowed urban local bodies to raise money through the issue of revenue bonds as well. Municipal bonds where the funds raised are kept for one project are termed **revenue bonds**. Servicing of these bonds can be made from revenue accrued from the project.

- **Can Solve financial woes of Indian cities:** These can be the solutions to the financial issues of Indian cities which, according to **Isher Judge Ahluwalia Committee** in 2011, require Rs. 40 Trillion at constant prices over next 20 years.

- **Leverage future cash flows to finance capital expenditure:** As per CARE rating estimates, large municipalities in India could manage to raise Rs 1000 crore to Rs 1500 crore every year by issuing municipal bonds.
- **Attract new long-term investors and resources into urban projects:** this includes insurance funds, mutual funds and external funds. It also provides greater flexibility in terms of revenue and repayment options.
- **As a force multiplier for improving internal processes:** requires ULBs to implement a stringent reporting and disclosure standard which ushers in greater transparency and accountability towards citizens.
- **Boost quality of life in cities:** The money raised from municipal bonds can boost quality of life in cities, enhancing job prospects in the locality and may also prove a good investment option for investors.

Prerequisite for effective issuance as per 'Guidance on use of Municipal Bonds' issued by Ministry of Finance in 2017

- **Financial Discipline and information disclosure:** accounting discipline, quality of financial reporting and periodicity of information dissemination and disclosures by ULBs are key demands for long term investors.
- **Ring Fenced Projects:** this along with approved DPRs help build investor confidence.
- **Shelf of Project for sustainable financing:** ULBs are required to view municipal bonds as an ongoing alternative financing channel rather than as a one off initiative. Multi-year plans along with a prioritized shelf of projects to be financed by future bond issuance should be prepared.
- **Escrowed Revenues:** to address risk perception of investors escrowing can be done to earmark specific revenue streams of ULBs for debt servicing so as to improve visibility and certainty of cash flows to investors which would then improve credit quality and issue rating of bonds.

MUNICIPAL BONDS: CONSTRAINTS FACED BY ULBS

FINANCIAL
- Inadequate own revenue base
- Limited visibility on the buoyancy of own revenue
- Over reliance on capital grants for capital works
- Underdeveloped Financial management practices
- Higher Transaction costs

GOVERNANCE
- Multi-institutional coordination in Urban sector limiting ULB capacity as well as efficiency in project implementation
- Limited powers for ULB to implement revenue reforms
- Absence of a formulaic transfer of grants from State (in most of the ULBs)
- Short term planning horizon
- Ineffective ecosystem to promote municipal bond –Lack of incentives to promote bond issuances
- Presence of multiple channels/ institutions for direct lending (vis-a-vis capital markets)

INSTITUTIONAL
- Weak institutional capacity for project designing and implementation
- Higher implementation risks for big ticket projects especially in a multi-institutional setup
- Delay in timely audit of accounts due to capacity constraints at ULB & Local fund audit levels
- Weak information and reporting systems
- Weak Institutional capacity to manage the incidental actions associated with Municipal bond issuance
- Underdeveloped financial and accounting system
- Lack of Stability in Top Management

Way forward

- As bonds have to be repaid through cash flows, the urban governments should strengthen their own revenue base from other sources as well, such as property tax reforms and user charges.
- Money raised from the bonds should not be diverted for other purposes as done earlier by several State governments in their projects.
- India would need policies to reduce the risks in municipal bonds, following model can be adopted for this:
  - Japan provided a sovereign guarantee to Japan Financial Corporation for Municipal Finance.
  - The Development Bank of South Africa uses its balance sheet to support municipal bond issues.
  - Denmark uses pooled finance/ joint bond issue mechanism to protect bond holders in case one city in the pool defaults. (Some cities in Tamil Nadu and Kerala experimented with this)

3.4. FRAMEWORK FOR BOND MARKET DEVELOPMENT

Why in news?

SEBI has proposed a new framework for bond market development in India.

More about news

- The proposal was announced in Budget for 2018-19 that SEBI will consider **mandating, beginning with large corporate, meeting about one-fourth of the companies' financing needs from the bond market**.
- Over time government has taken a number of steps to deepen the bond market. Some of them are:

- o Mandatory reporting requirement of OTC (over the counter) trades in bonds and dissemination of the data in public domain
- o Setting up of dedicated debt segment on exchanges
- o Electronic bidding platform for private placement
- As a result, the share of bond market in comparison to bank financing has seen a steady growth. Further, FY 2016-17 was a watershed year when share of bond market financing overtook that of bank financing.

Proposed New Bond market Framework

- The framework is proposed to be implemented from April 1 next year.
- It will be applicable to large corporates, i.e., which has an outstanding long term borrowing of **at least Rs 1 billion,** credit rating of **AA and above** and intends to finance itself with long-term borrowings (borrowings above 1 year)
  - o SEBI may decide on reducing the threshold of rating framework from "AA" to "A" after making an assessment of the capacity of the bond market to absorb even lower rated issues.
- The large corporate will have to garner **at least 25 per cent of their borrowings** made in 2019-20 through bond market.
- **Comply or Explain approach** for the initial two years of implementation**.**
- o In case of **non-fulfillment** of the requirement of market borrowing, reasons for the same will have to be disclosed as part of the **"continuous disclosure requirements"**.
- o After 2 years if there is any shortfall in compliance, a **monetary penalty in the range of 0.2 per cent to 0.3 per cent of the shortfall** will be levied.

Benefits

- This move will create **the right structure for future borrowing** and the financial system will emerge stronger than before.
- This will **reduce reliance on banks for financing corporate** which are reeling under bad debts and simultaneously develop a liquid and vibrant corporate bond market.
- By starting off with AA-rated companies, SEBI has **ensured that there is minimum risk of default**.
- It will make **India par global practices** where bond markets dominate and banks are investors in this market.
- Bonds are an ideal tool **for financing long-term infrastructure projects**, and can thus help to fill the region's infrastructure investment gap.

> **Issues in bond financing of infrastructure projects**
> - The lack of depth and liquidity of domestic local currency bond markets makes bond financing difficult
> - Credit rating gaps is also one of the problems. According to ratings by the three international credit rating agencies, the share of infrastructure bonds rated AA or above is about 52% in the EU, but only around 16% in Asia.
> - Infrastructure bonds pose a challenge for corporate issuers because their credit ratings are lower than those of governments. This raises the cost of debt financing.

3.5. LIMITED LIABILITY PARTNERSHIPS

Why in news?

The **Ministry of Corporate Affairs (MCA)** has send notices to 7,775 limited liability partnerships (LLPs) for not filing annual returns for at least two consecutive years.

Limited Liability Partnerships

- It is **an alternative corporate business vehicle** that provides the benefits of limited liability of a company, but allows its members the flexibility of organising their internal management on the basis of a mutually arrived agreement, as is the case in a partnership firm.
- The LLP as a separate legal entity, is fully liable of its assets but liability of the partners is limited to their agreed contribution in the LLP.
  - o It limits the liability of partners as far as civil cases are concerned.
  - o In such a partnership, partners can't be held liable for another's misconduct or negligence.
- **Foreign Direct Investment** in an LLP is also allowed and it can be in the form of capital contribution or by way of acquisition of profit shares.
- Owing to flexibility in its structure and operation, it is **useful for small and medium enterprises**, in general, and for the enterprises in services sector, in particular.

- It is governed by the provisions of the **Limited Liability Partnership Act, 2008.**
- The LLP Act 2008 confers powers on the Central Government to apply provisions of the Companies Act, 1956 as appropriate. Central Government also has powers to investigate the affairs of an LLP, if required, by appointment of competent Inspector for the purpose.
  o Registrars of Companies (ROC) is appointed under Companies Act and is under Ministry of Corporate Affairs.
  o Its primary duty is to register companies and LLPs under respective states and UTs and ensure their compliance with statutory requirements.
- Since laws are less stringent for LLPs, it is a preferred option for businesses. Over 50,000 private companies converted to LLPs during April-November 2017 due to-
  o It has lower registration cost.
  o It does not have requirement of compulsory audit.
- LLPs are also **tax efficient** as they are exempt from **dividend distribution tax and minimum alternative tax**.
- However, like shell companies, inactive LLPs can be used for tax evasion and money laundering. Hence, the government is now taking steps to deregister inactive LLPs to prevent generation of black money.

3.6. DRAFT E-COMMERCE POLICY

Why in news?

Recently, the government has released the draft e-commerce policy prepared by Task force **headed by commerce secretary**.

Need of e-commerce policy

Following factors necessitates better and clear policy response and coordination among various wings of the government:

- **Rapid growth in e-commerce**: India's e-commerce sector, currently estimated to be worth around $**25 billion**, is expected to grow to **$200 billion by 2020**. According to an estimate by the finance ministry, the size of the digital economy in India will be $1 trillion by 2022 and it will account for **close to 50% of the entire economy by 2030**.
- **Increasing investment:** The potential of the market has drawn in giants such as Amazon, Walmart, Alibaba, SoftBank and Uber to invest millions of dollars to become dominant players in this space. After covering the metros and large cities, the bigger e-commerce firms are poised to go for next phase of **expansion in tier-II and tier-III towns**, where the expansion of 3G and 4G networks have put consumers online.
- **Better standing on international table**: A national e-commerce policy will also enable better negotiations on multilateral issues with the World Trade Organization.

Key proposals under draft

- **Establish Central Consumer Protection Authority (CCPA)**: It will act as the nodal agency for intra-government coordination on e-commerce policies and hearing complaints from both the public as well as e-commerce companies.
- **Mandatory registration**: It provides for mandatory registration of all e-commerce operators whether domestic or foreign.
- **Uniform legislation**: It also proposes a single legislation to address all aspects of digital economy.
- **FDI policy for e-commerce:** It proposes 49% FDI under the inventory model for firms to sell locally-produced goods on their online platforms. The control of such firms will remain with Indians. At present, 100% FDI is allowed in online stores that follow the marketplace model; no FDI is permitted in firms following the inventory model.
  o A separate wing will be set up in the Enforcement Directorate to handle grievances related to foreign investment in e-commerce.
  o There should be **differential voting rights** for Indian founders with minority stakes giving founders more control.
- **Data Localization:** It strongly recommends data localization i.e. data that will be considered as critical should necessarily be located in India. For this, various suggestions are given:
  o **Infrastructure status** to data centres/server farms as well as easy access of physical infrastructure for setting up the centres.

- o A **two-year sunset period** for the industry to adjust before localization rules becomes mandatory.
- o **Only personal data or community data** collected by "internet of things" devices in "public space" will need to be stored in India.
- **For MSME related**
  - o Allow MSME to follow **inventory-based models** for selling locally produced goods through an online platform.
  - o **Exemption from GST**: Currently, MSMEs with revenue of less than Rs.20 lakh a year are not subject to GST if they sale offline whereas they have to pay GST if they sell goods on online platforms.
  - o Such companies may also be allowed up to **49% foreign investment.**
- **For merger and acquisition**
  - o **Mandatory examination by Competition Commission of India** (CCI) of competition-distorting mergers and acquisitions below the existing threshold. This assumes significance in the light of the recent acquisition of Flipkart by US retail major Walmart.
  - o **Sunset clause for deep discounting**: A maximum duration should be set for "differential pricing strategies". CCI and the department of industrial policy and promotion (DIPP) will oversee this proposal.
- **Tax related proposals**
  - o **Centralized registration instead of local registration** of e commerce companies for GST purposes.
  - o Modifying relevant GST provisions in order to create a **level-playing field between online and offline** delivery of goods and services.
  - o Use principle of '**significant economic presence'** as the basis for determining '**Permanent Establishment'** for tax assessment.
- **Regulating price distortions**
  - o Prohibits e-commerce players from "**directly or indirectly influencing" sale prices**.
  - o Prohibition of bulk purchases of branded goods like mobile phones, fashion items which lead to price distortions.

> **What is a marketplace and inventory-based model?**
> - Marketplace based model of e-commerce means providing an information technology platform by an e-commerce entity on a digital & electronic network to act as a facilitator between the buyer and seller.
> - Inventory based model of e-commerce means an e-commerce activity where inventory of goods and services is owned by e-commerce entity and is sold to the consumers directly.

Benefits

- The draft e-commerce policy is **comprehensive and encompasses all aspects of the e-commerce business,** data privacy and taxation, a host of technical aspects such as technology transfer, server localization, and connectivity issues.
- The regulator will ensure **consumer protection** from online frauds and compliance with foreign investment caps in e-commerce.
- Data localization move will help private sector companies comply with the norm **to store a copy of a user's personal data in the country** as laid down by the Srikrishna committee on data localization.
- It will also provide boost to MSME sector through various provisions mentioned in policy which will lead to revenue as well as employment generation.
- The **2-year sunset clause** for data localization will provide some time to the domestic industry to prepare for the data storage procedures before actually imposing the legislation.
- It will be able creating **a level playing field** for foreign and domestic players in the Indian market.

Challenges/issues

- The logic of protecting domestic industry against foreign giants with deep pockets is **against the principle of liberalization**.
- Data sharing and localization will create **issue of intellectual property rights** of companies and will have significant impact on the way they do business.
- **Issues of discount**
  - o Restriction on discounting by e-commerce players to protect offline players are **over stated** given in Indian groceries and food market which makes up half of India's retail spend, online players account for less than one per cent of the market.

- o Setting a price floor can also **impede local players** from offering attractive deals
- o Curb on discounting has already been tried in the past and might not be easily implementable.
- o Introducing unnecessary regulations could result into **slowing down** of yet another sector**.**
- o With online discounts gone, the consumer will lose out.
- o It will put **restrictions on retail strategies** of ecommerce majors.
- Certain states have protested against **the Centre's intrusion by framing laws for retail**, which remains a state subject.
- **Coordination between various ministries** like Ministry of commerce and Ministry of Electronic and IT is an issue because of contradictory views on the matter.

Way forward

- State government must be taken aboard for policy formulation and implementation.
- The regulation of e-commerce transactions should be left to the Competition Commission of India rather than making vague regulations which are open to abuse.
- The policy must be **facilitating 'ease of doing business'** with minimum regulation and should offer a **level-playing field to foreign and domestic players**.

3.7. GLOBAL DIGITAL TAX RULES

Why in News?

At a meeting of G20 finance ministers and central bankers held at Argentina in July 2018 the European Finance leaders called for progress on global rules to tax digital economy.

About the Global Digital Taxation issue

- **Digitalisation** allows more traditional business models (such as e-commerce) to sell to consumers without the need for physical presence in the customer jurisdiction. It also paves the way for new business models, based upon user participation, to generate income without making any traditional sales to the user base in question e.g. social media businesses that generate revenue through advertising sales.
- Currently international laws provide for the companies to be taxed in the jurisdiction in which they have a physical presence instead of end user based taxation. However, digital businesses generate revenues from markets without a significant physical presence in a country but do not pay taxes there.

- These weaknesses create opportunities for Base Erosion and Profit Shifting (BEPS) which require a need to ensure that profits are taxed where economic activities take place and value is created.

> **Case of recent digital tax disputes**
> In Ireland, European Commission found that Apple paid 0.005% to Irish tax authorities in 2014, far below the corporation tax rate of 12.5%, which led to the tax dispute between the two.

- **UN Committee of Experts on International Cooperation in Tax Matters** in their October 2017 report *Tax challenges of digitalization* also emphasized for a stronger action. Committee's position was based on the fact that Developing countries are often the main source of tax revenue loss in the digital economy, as they provide a substantial consumer and user base, but are less likely to host digital economy businesses.
- An OECD report identifies **three common features of highly digitalized businesses**: cross-jurisdictional scale without mass; a heavy reliance on intangible assets, especially intellectual property (IP); and the importance of data, user participation, and their synergies with IP.

Significance of the move

- Digital companies operating across borders would have to pay taxes where their users are located rather than just where they have a physical presence.
- European Commission in March 2018 proposed new rules to ensure that digital business activities are taxed in a fair and growth friendly manner in the EU. Under the proposed rules, the multinational digital companies with significant digital revenues in Europe will have to pay a 3% tax on their turnover on various online services.
- Many jurisdictions have begun to introduce **unilateral rules** to tax digital economy, for instance:
  - o In 2016, **France** extended its tax on the distribution of audio-visual content to include online video- on-demand services that are provided for free but monetized through advertisements shown to viewers.

- o **Italy** has adopted a levy on digital transactions that is expected to become effective from 2019, aiming to ensure level playing field between digital and traditional businesses and capture activities presently uncaptured by corporate tax rules.
  - o Tax authorities in **Saudi Arabia** and **Kuwait** have introduced the concept of a 'virtual service Permanent Establishment', which is deemed to exist even with no physical presence in the countries.
  - o Similar interim measures have been adopted by other nations like Australia, Israel, Turkey, New Zealand, Hungary, etc.
- The OECD and G20 nations constituted the BEPS project that typically targets tax strategies aimed at artificially shifting profits to low or no tax jurisdictions. **Action Plan 1** of this project deals with the tax aspects of the digital economy.
- International bodies such as the OECD are working on longer-term ideas about how to revamp tax on digital earnings and will build a global consensus on the issue by 2020.

India's Position

- In India, the digital economy is pegged at about $450 Billion and is expected to grow to over $ 1Trillion in the next 3-4 years. The expansive digital world would include e-commerce, app stores, crypto currencies, Internet of Things (IoT), Big Data, and cloud computing among others.
- In Budget 2015-16, a **6% equalization levy** was introduced to bring to tax payments made for online advertisement services.
- The 2018-19 Budget proposed to suitably amend the Income Tax Act to tax digital firms. However, as the existing Double Taxation Avoidance Agreements (DTAAs) are not covered under the proposed changes, it will require India to renegotiate tax treaties.
- According to the amendments proposed in the budget, the IT Act will provide "significant economic presence" which includes a download of data or software in India or engaging interaction with a prescribed number of users in India through digital means.
- India pitched for a global mechanism technically called **Multilateral Instrument (MLI)** which would be a permanent measure to tax digital companies that earn revenues from a large user base in the country. This would automatically amend bilateral tax treaties to include the taxation provisions for digital business.

Concerns

About Multilateral Convention to Implement Tax Treaty related Measures to prevent Base Erosion and Profit Shifting (MLI)
• It offers concrete solutions for governments to close the gaps in existing international tax rules by transposing results from the OECD/G20 BEPS Project into bilateral tax treaties worldwide.
• It also implements agreed minimum standards to counter treaty abuse and to improve dispute resolution mechanisms while providing flexibility to accommodate specific tax treaty policies.

- **Policy challenges:** Digitalization raises a large number of public policy challenges and is also changing the nature of policy making itself.
- **Concerns raised by some EU members themselves:** As these measures may affect some of their companies, the international partners may respond with retaliatory measures. For instance, Germany is concerned that a shift towards taxing companies where services are consumed rather than physical presence of the company could end up hitting its lucrative car manufacturers in long term.
- **Low tax EU members** such as Ireland and Luxemburg fear of losing multinational companies situated in their low tax jurisdictions.
- **May seem discriminatory:** US consider such measures to single out its digital companies as major digital companies are based in USA.
- **EU's interim digital tax plans target a company's revenue rather than profit:** This goes against international consensus on corporate taxation.
- The inconsistent unilateral rules adopted by several nations might end up **increasing tax burden of digital firms**.

Way Forward

The world over, policymakers are facing challenges over the issue of taxing digital economy transactions, while many countries have introduced provisions to tax some of these transactions, there is a need for a separate tax code which could bring greater transparency to transactions around the digital economy. This could include:

- A mechanism specially constituted to address digital economy transactional issues in a time-bound manner will also address many of the taxpayer's grievances.
- Support for the growth of industry with additional tax incentives for taxpayers using the digital economy space for transactions as well as for innovators.
- The code should be reviewed frequently by industry experts and include newer types as they evolve.

3.8. EASE OF DOING BUSINESS RANKINGS FOR STATES

Why in news?

Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry has released the final rankings of States in Ease of Doing Business.

More on News

- In **3rd edition** of the annual ranking of all states and UTs under the Business Reform Action Plan (BRAP) conducted by DIPP and the World Bank, Andhra Pradesh stood to be the best in India to do business.
- Telangana and Haryana in second and third spots, while Meghalaya stood last at 36th position. Jharkhand and Gujarat stood fourth and fifth respectively.
- The ranking was introduced with the **aim of triggering competition** among states to attract investments and improve business climate.

About Business Reform Action Plan (BRAP)

- The aim of this exercise is to **improve delivery** of various Central Government regulatory functions and services in an efficient, effective and transparent manner.
- The reform plan has expanded from 285 to 372 action points till 2017.
- States and UTs have conducted reforms to ease their regulations and systems in areas such as labour, environmental clearances, single window system, construction permits, contract enforcement, registering property and inspections.
- States and UTs have also enacted **Public Service Delivery Guarantee Act** to enforce the timelines on registrations and approvals.
- The current assessment under the BRAP 2017 is based on a combined score consisting of **Reform evidence score** that is based on evidences uploaded by the States and UTs and **Feedback score** that is based on the feedback garnered from the actual users of the services provided to the businesses.

3.9. RYTHU BANDHU SCHEME

Why in news?

Recently **Telangana** government launched a scheme named **Rythu Bandhu** (Friend of farmers) scheme to support farmers.

About Rythu Bandhu Scheme

- It is first of a kind investment support scheme for farmers which involves cheque payments to farmers based on their landholdings. The government gives every beneficiary farmer **Rs. 4,000 per acre as "investment support"** before every crop season.
- The objective is to help the farmer meet a major part of his expenses **on seed, fertiliser, pesticide, and field preparation.**
- The scheme covers 1.42 crore acres in the 31 districts of the state, and **every farmer owning land** is eligible.

Benefits

- The scheme will **avert the need for going to moneylenders** for money before every crop season and help rid of debts over the 4-5 years.
- The government will **issue cheques rather than make Direct Benefit Transfer (DBT)** which eliminates the possibility of banks adjusting DBT money against farmers' previous dues.
- It can be the template **for social and agricultural policy**. It is seen **as a trial for universal basic income** in the country.

Challenges/ Drawbacks

- **Lack of proper land records** resulted in many farmers left out of the scheme. Several cheques have been returned due to discrepancies in names or survey numbers.
- The scheme **does not exclude rich farmers and wealthy landlords**. The scheme does have a provision under which cheques can be returned to the local authorities. But that provision is only voluntary.
- The scheme **leaves out tenant cultivators** which constitutes an estimated 40% of Telangana's farming population and mostly coming from the poorest and most disadvantaged backgrounds.

About Universal basic Income (UBI)

It is an unconditional cash transfer to every citizen of the country periodically.

Argument in favour of UBI

- **Poverty and vulnerability reduction:** UBI will result in equitable distribution of wealth
- **Choice:** Citizens have a choice of using welfare spending as they see best. Also, Increased income will increase the bargaining power of individuals, as they will no longer be forced to accept any working conditions.
- **Better targeting:** As all individuals are targeted, exclusion error is zero.
- **Insurance against shocks:** This income floor will provide a safety net against health, income and other shocks.
- **Improvement in financial inclusion** as Payment – transfers will increase the demand for financial services, thereby, leading to investment in the expansion of service network of banks.
- **Psychological benefits:** A guaranteed income will reduce the pressures of finding a basic living on a daily basis.
- **Administrative efficiency:** UBI in place of a plethora of separate government schemes will reduce the administrative burden on the state.

Arguments Against UBI

- **Conspicuous spending:** Households may spend this additional income on wasteful activities or on temptation goods like alcohol, tobacco.
- **Moral hazard:** A minimum guaranteed income might make people lazy and opt out of the labour market.
- **Gender disparity induced by cash:** Men are likely to exercise control over spending of the UBI which may not always be the case with other in-kind transfers.
- **Fiscal cost given political economy of exit:** Given the large population size, the fiscal burden on government would be high. Also, once introduced, it may become difficult for the government to wind up a UBI in case of failure.
- **Political economy of universality – ideas for self-exclusion:** Opposition may arise from the provision of the transfer to rich individuals as it might seem to trump the idea of equity and state welfare for the poor.

3.10. COMMON DATABASE FOR ECONOMIC INDICATORS

Why in News?

A panel of experts has suggested for one single database for inflation, industrial output and employment.

More on News

- A committee on analytics under IIT-Mumbai professor **NL Sarda** has told the government to set up a **National Integrated Data System (NIDS),** citing lack of metadata or additional contextual information as a major deficiency for all indicators.
- The proposed NIDS will create an integrated database system linking separate datasets with a common standard so that data can be easily correlated and a standard protocol for data exchange and data access be created.

Issues with the present system

- The current practice of data analysis entails collecting data from different sources and analyzing it on a spreadsheet.
- Indian Official Statistical System is divided into silos, each with its own information architecture and lacking interoperability across the entire spectrum of datasets.
- Even when data is collected on a single subject with a regular frequency, users do not get access to a proper database that facilitates creation of user defined analytical report.
- None of the present public Datasets provide metadata to end users as and when data is consumed whereas today's technology allows providing of relevant metadata associated with any data as and when users are consuming that data.

Significance of the move

- **Give more credibility to data:** It will give credibility to India's growth numbers and improve the consistency of key statistics by checking it for coherence and transparency and alignment with each other.
- **Overcome the current shortcomings:** The system is expected to overcome the shortcomings of the current compilation method wherein the establishment-based data of Annual Survey of Industries and enterprise-level data of MCA21 are not integrated.
- **Give deeper insight into functioning of economy:** This is intended to give deeper insight into the functioning of corporate sector with respect to national income accounting.
- **Provide a single view of data available in official statistical system:** NIDS is being considered as an integrating framework that would enable users of official statistics to have a single view of data available in the official statistical system irrespective of the fact that underlying databases are distributed and managed by different central and state departments.
- **Significantly reduce "time to release" of data** for policy makers and general public.

3.11. LOGISTIC SECTOR

Why in New?

Recently, World Development Bank released the Logistic Performance Index 2018.

Highlight of the LPI 2018

- LPI ranking of **India has decreased from 35th in 2016 to 44th** in 2018.
- The score of India has reduced significantly for all the LPI six parameters.
- Germany has been ranked first and Sweden stood at second rank under LPI 2018.

What is Logistic?

Logistics is a network of services that support the physical movement of goods, trade across borders, and commerce within borders. Logistics encompasses an array of activities beyond transportation, including warehousing, brokerage, express delivery, and critical infrastructure services such as terminals.

> **About Logistic Performance Index (LPI) 2018**
> - It is released by **Word bank bi-annually**, by comparing **across 160 countries** on logistic sector performance.
> - The index **ranges from 1 to 5,** with a higher score representing better performance.
> - Logistic is a **$4.3 trillion industry**. The 2018 LPI scores countries on how efficiently they move goods across and within borders.
> - Logistics Performance Index (LPI) analyses countries through **six indicators**:
>   o Custom
>   o International Shipment
>   o Tracking & Tracing of trace consignment
>   o Infrastructure
>   o Logistic Competence
>   o Timeliness of consignment

Importance of Logistic sector in India

- **Employment**: It employs over 45 million people and is growing at the rate of 15% with certain sub-sectors growing at even 30-40% per annum.
- **GDP**: India spends around 14.4% of its GDP on logistics and transportation.
- **Manufacturing Sector:** Logistics sector provides efficient and cost-effective flow of goods on which other commercial sectors depend.

> **Government Initiatives for Logistic Sector**
> - **Infrastructure Status:** Logistic sector has been given **infrastructure status in 2017,** which will ease-out fund related and another logistic bottleneck.
> - Government proposed a **Logistic Hub in Aasam**, with the aid of Asian Development bank.
> - **Domestic Index:** Government has launched- **Logistic Ease Across Different States (LEADS)** index in order to look at logistic bottleneck at state level.
> - **Logistic enhance efficiency programme**- was launched for management and development of logistic parks and reduce the cost of logistics.
> - **GST:** Intended to solve the complex tax structure for logistics which would lead to efficient decision making by logistic firms.

Challenges of Logistic Sector in India

- High driven by **man-power and underleveraged** by an unorganised and fragmented industry structure.
- **Transportation linkages** are highly saturated because of high freight tariff, low terminal quality and less flexibility in carrying different types of products.
- **Technology:** Huge transformation is needed in terms of technology like automated storage and retrieval system, online cargo solutions, GPS cargo track etc.

- **Tax:** A complicated tax regime places several challenges as payment of multiple state and Centre taxes results in considerable loss of time in transit and fragmentation of warehousing space.

Emerging Trends in logistic Sector

- **Skill Man-power:** In the context of emerging efficient supply chain management, there will be huge demand of **domain expertise equipped with specific skill set**, especially in developing countries.
- **Environmentally Friendly Logistic**: It is become imperative for logistic performer to seek eco-friendly shipping option because- 23% of all energy related CO2 emission come from transportation.
- **Resilience to Cyber Threat:** the growing integration of digital space in logistic supply chain management demands a huge investment in cyber security.

Way Forward

- **Coordination in infrastructure planning:** will help to reduce the high transaction costs prevalent in the economy.
- **Reforms in urban planning:** This includes the problem associated with urban conglomerations in terms of road and peripheral infrastructure- should be ease-out, so that **time-monetary cost** associated with logistic supply chain would be minimised.
- **Engagement of all stakeholders:** Blueprints and policy regulations should be based on global standard involving multiple stakeholder. Presently, policy involves few stakeholders such as government and big industries. This makes policies prone to avoidable trial and error events.
- **Investment in value addition:** Dust-proofing at a storage place still does not command the kind of premium in India that it should, and as a result, the logistics service provider does not invest in such provisions.

3.12. COAL MINE SURVEILLANCE & MANAGEMENT SYSTEM (CMSMS) AND 'KHAN PRAHARI' APP

Why in news?

Recently, the Ministry of Coal launched the Coal Mine Surveillance & Management System (CMSMS) and 'Khan Prahari' mobile application.

Background

- Illegal mining is carried out either by extraction of coal without obtaining a valid mining lease from the government or by mining in areas outside lease-hold areas of coal companies.
- Illegal coal mining not only causes a loss to the nation's resources but is also harmful to the environment.
  - o **Leads to accidents and loss of life to persons engaged in illegal mining** due to roof falling, water flooding, poisonous gas leaking, occurrence of underground fire etc.
  - o **Facilitates corruption leading to law and order problems:** Creates unaccounted assets and black money and encourages involvement of mafia.
  - o **Water balance is disturbed** in and around the locations of illegal mining
  - o **Adverse impact on the conservation** of precious fossil fuel and causes environmental degradation.
- Around 17,603 tonne of coal has been recovered from illegal mining in 2017-18.
- The detection of illegal coal mining activities is mainly done at the Central Mine Planning and Design Institute, wherein satellite data is scanned to track coal mining activity taking place outside the authorised leasehold area.
- Since **law and order is a state subject**, the responsibility of curbing illegal coal mining lies primarily with the state and district administration under the Mines and Minerals (Development and Regulation) Act.

Coal Mine Surveillance & Management System (CMSMS)

- The basic objective of CMSMS is reporting, monitoring and taking suitable action on unauthorised coal mining activities.
- It is a web based GIS application through which location of sites for unauthorised mining can be detected.
- The basic platform used in the system is of Ministry of Electronics & Information Technology's (MeiTY) map which provides village level information.

- The system will use satellite data to detect changes by which unauthorised mining activity extending beyond the allotted lease area can be detected and suitable action can be taken on it.
- The complaint originating from coal mines allotted to Coal India will go to Coal India Offices and those originating from coal blocks not allotted to Coal India will go straight to the State Government Officers and for each complaint the alert will also go to the District Magistrate and SP of the district.

Khan Prahahri

- It is a tool for reporting any activity taking place related to illegal coal mining like rat hole mining, pilferage etc.
- One can upload geo-tagged photographs of the incident along with textual information directly to the system.
- The identity of the complainant shall not be revealed.

Major reasons for illegal mining of coal:
- Large scale rural unemployment and poverty.
- Organised marketing network controlled by coal mafias/influential person.
- Easy availability of old, abandoned, unused, closed coal mines.
- Geographically scattered, isolated peripheral patches of coal deposits.
- Apathy of State government Officials.
- Inadequate infrastructure of law enforcement agencies.

Measures suggested to stop illegal mining of coal
- Awarding the job of coal/sand transportation to villagers' Cooperative to ensure villagers participation in the mining activities
- Outside the leasehold areas, illegal mining generally takes place at some patches of coal deposit at shallow depth from the surface. Some of the coal blocks can be awarded by the Central Govt. to the state Governments on nomination basis and the State Govts. can get the mining done through the villagers' Co-operative formed by the nearby villagers of the mine.
- State Police administration should be strengthened with proper infrastructure and modernization for controlling the Mafia as well as for stringent patrolling.
- Legal provisions should be made to confiscate the equipment used in illegal Mining.

3.13. AMENDMENT IN THE DEFINITION OF 'PETROLEUM'

Why in News?

- The government has recently redefined 'petroleum' by amending the Petroleum and Natural Gas Rules of 1959.

Changes in New Definition

- Petroleum means "naturally occurring hydrocarbon in the in the form of natural gas or in a liquid, viscous or solid form, or a mixture thereof but does not include coal, lignite and helium occurring in association with petroleum or coal or shale".
- The old definition contained the phrase "free state" which prevented private players to explore shale, which was reserved for only government-owned entities like ONGC. By removing the word free, it now allows hydrocarbons in absorbed state like shale to be exploited.

Implications

- The amendment would open up exploration of all hydrocarbons including traditional oil and gas, shale, coal bed methane and hydrates -- in the same field. This is in line with the new **Hydrocarbons Exploration and Licensing Policy (HELP)**.
- This should help in enhancing exploration and production of hydrocarbons, thereby increasing India's energy security and reducing our imports.
- However certain challenges remain:
  o the exclusion of natural gas from the purview of GST remains a deterrent to attracting large-scale investments as neither the producers nor the consumers are able to set off the taxes paid on their input and output.
  o Another impediment could be absence of recent data on actual reserves of shale in the country.

3.14. CRISIL DRIP INDEX

Why in News?

Recently, CRISIL release its rainfall parameter index also known as **DRIP (Deficient Rainfall Impact Parameter)** Index.

About the Crisil Drip Index

- DRIP Index move away from simply measuring the rainfall volumetric data and captures the interaction between the most critical aspect of vulnerability (irrigation) and weather shocks.
- The higher the CRISIL DRIP score, the more adverse the impact of deficient rains.

Highlight of the Index

- The index showed that four states -- Bihar, Karnataka, Maharashtra and Uttar Pradesh -- and five crops -- jowar, soyabean, tur, maize and cotton – are most hurt by deficient rains.
- DRIP results highlight some stress in Madhya Pradesh, where rains are still normal (with deficiency of 9%). But given that irrigation is weak, it is likely to have impacted sowing.
- Stress is also visible in Gujarat, West Bengal and Andhra Pradesh, where the DRIP scores are not only higher than in 2017 — which was a good rainfall year — but also above the average of the past five years. Broadly, therefore, these four states are seeing more stress.

4. SECURITY

4.1. DATA PROTECTION

Why in news?

Recently, B. N. Srikrishna committee submitted its report on a Data Protection Framework and a draft bill on data protection.

About Data Protection

- Data protection is the process of protecting data and involves the relationship between the collection and dissemination of data and technology.
- It aims to strike a balance between individual privacy rights while still allowing data to be used for myriad purposes.
- It is required as the volume of data on internet is expanding exponentially and the spread of new technologies like **artificial intelligence internet of things big data** poses a threat of abuse and misuse of data.
- Any data protection framework should secure data in its entire life cycle – Data Collection, Data Processing, Data Use, Data Sharing, Data Destruction.
- Several countries have dedicated law for data protection like Japan's Act on Protection of Personal Information. Recently European Union has adopted **General Data Protection Regulation 2018.**

> **Challenges/ constraints in data protection**
> - Most of the **data storage companies are based abroad**. They also export data to other jurisdiction making it difficult to apply Indian laws.
> - India does not have capability for **data localization** i.e. to store data within country.
> - There **hundreds of private players** are involved in data dynamics which makes it difficult to apply uniform data protection framework.
> - Generally, the application using **pre-ticked boxes on consent** while asking users regarding the acceptance to the terms and conditions.
> - It is usually **difficult to trace the perpetrator** invading the data privacy.

Data protection and India

- India has around 40 cr internet users and 25cr social media users who spend significant time online. The average cost for data breach in India has gone up to Rs. 11.9 crore, an increase of 7.9% from 2017.
- Supreme Court in K.S. Puttaswamy case has declared **Right to Privacy is a Fundamental right**. Hence protecting individual privacy is constitutional duty of the state.
- India does not have any dedicated legal framework for data protection. Presently some acts cover the data protection in general
  - **Sec 43 A of Information technology act 2000** protects user data from misuse but it is applicable to **only corporate entities and not on government agency**. Also the rules are restricted to sensitive personal data only — **medical history, biometric information among other** things.
  - Other acts like **consumer protection Act 2015, copyrights act 1957** among others also attempt to protect the personal information.
- Various attempts at data protection include
  - In 2011 **justice A. P. Shah Panel** on data privacy recommended principles for data protection.
  - In 2017**, a data privacy and protection bill** was tabled in parliament.
  - **Recently Telecom regulatory authority of India (TRAI)** has given its guidelines for data security.
  - Constitution of **Justice B. N. Sri Krishna Committee** to prepare **framework for data protection** and a **draft bill**, which submitted

> **TRAI guidelines for data security**
> - The public should be given **the right to choice, consent and to be forgotten** to safeguard their privacy.
> - Individual owns the data while data collectors and data processors "mere custodians" of data who are subject to regulations.
> - All entities in the digital eco-system, which control or process the data, should be restrained from using metadata to identify the individual users. In fact, standards for annonymisation/de-identification of personal data in digital systems should be formulated.
> - Both **collectors and processors should be accountable** for "unintended harm" caused to the user.
> - Entities should follow the principle of **data minimization** i.e. to collect the bare minimum data needed to provide the service.
> - Existing privacy laws that apply to telecom service providers (TSPs) should also apply to "all entities in the digital ecosystem" such as devices (mobiles and computers), browsers, software operating systems, applications, and over-the-top (OTT) service providers that distribute media streamed over the Internet.

its report recently. Based on the framework, the committee has also prepared a **Draft Personal Data Protection Bill 2018**

Key features of Data protection framework as provided by Sri Krishna Committee

- **Fiduciary relationship**: The relationship between the individual and the service provider must be viewed as a fiduciary relationship. Therefore, the service provider processing the data is under an obligation to deal fairly with the individual's personal data, and use it for the authorised purposes only.
- **Definition of personal data**: It defined what constituted personal data as data from which an individual may be identified or identifiable, either directly or indirectly. It sought to distinguish personal data protection from the protection of sensitive personal data (e.g., caste, religion, and sexual orientation of the individual), since its processing could result in greater harm to the individual.
- **Consent-based data processing:** except these four cases:
  - where processing is relevant for the state to discharge its welfare functions
  - to comply with the law or with court orders in India
  - when necessitated by the requirement to act promptly (to save a life, for instance)
  - in employment contracts, in limited situations (such, as where giving the consent requires an unreasonable effort for the employer)
- **Ownership of personal data:** through rights such as right to access, confirm & correct data, right to object data processing and **right to be forgotten.**
- **Regulatory authority:** to inquire into and take action against any violations of the data protection regime. It may also categorise certain fiduciaries as significant data fiduciaries based on their ability to cause greater harm to individuals which will then be required to undertake additional obligations.
- **Amendments to other laws:** Minimum data protection standards should be adhered to for all data processing in the country authorized under various laws such as Information Technology Act, Census Act etc.

Key provisions of Draft Personal Data Protection Bill 2018

- **Objective:** To balance the growth of the digital economy and use of data as a means of communication between persons with a statutory regime that will protect the autonomy of individuals from encroachments by the state and private entities.

Positive impact of the bill
- The law will create the balance between the rights of the individual and the public good that comes from the digital economy.
- So far there is no dedicated framework for data protection across country. The proposed law will help create data security architecture and protection of personal information of citizens.
- The bill will put a check on state surveillance of citizens and help them against being victimized by state.

Issues with the bill
- There is **no clarity on what kind of security standards** should be followed by the data fiduciary.
- There are multiple standards being followed as of now. For example, payment companies which deal with financial data follow PCI-DSS (Payment Card Industry Data Security Standard), health firms follow HIPPA (Health Insurance Portability and Accountability Act) globally etc.
- The regulation may **discourage people from using internet and social media** as reflected in case of (EU's) General Data Protection Regulation (GDPR) which mandates that every EU citizen's data be stored within the EU. The Facebook and Twitter has noted drop in their revenue and visitors' numbers.
- It does not clearly define **the government's accountability** when it processes personal data of users without their consent.
- The bill also **does not define the time frame** for periodic review and frequency of data security audit of companies as well as for reporting of personal data breach at the fiduciary's end.
- **Issues with data localization**
  - There is no evidence that **data localization** leads to better privacy and security of data.
  - The industry will have to incur **the additional costs given the bill proposes** that companies ensure the storage, on a server or data centre located in India, of at least one copy of personal data.
  - Keeping a copy in **India does not really guarantee** against breach of security or privacy. There have been cases of government beneficiaries' data residing on servers in India being published, going against Aadhaar Act.
- The bill asks to **replace sec 8(1) (j) of RTI act 2005** which may pose a threat to denial of information on the vague grounds of **loss of reputation, mental injuries and will render the Act ineffective in securing access to public records** pertaining to public servants.
- The exemption on the ground of security of state may be too broad and may lead to surveillance and systematic access to citizens' data by the state.

- **Rights of the individual**: The Bill sets out certain rights of the individual. These include: right to obtain confirmation from the fiduciary on whether its personal data has been processed, right to seek correction of inaccurate, incomplete, or out-of-date personal data, and right to have personal data transferred to any other data fiduciary in certain circumstances.
- **Obligations of the data fiduciary**: include implementation of policies with regard to processing of data, maintaining transparency with regard to its practices on processing data, implementing security safeguards (such, as encryption of data), and instituting grievance redressal mechanisms to address complaints of individuals.
- **Data Protection Authority:** to protect interests of individuals, prevent misuse of personal data, and ensure compliance with the Bill.
- **Data localization:** It mandates Data localization of at least one copy in India by data fiduciary.
- **Grounds for processing personal data**: The Bill allows processing of data by fiduciaries if consent is provided except certain circumstances as provided in the framework.
- **Grounds for processing sensitive personal data**: explicit consent of the individual is required for Processing of sensitive personal data except if necessary for any function of Parliament or state legislature, for providing benefits to the individual, or for the compliance of any court judgement.
- **Define Sensitive personal data**: It includes passwords, financial data, genetic data, caste, religious or political beliefs, or any other category of data specified by the Authority.
- **Transfer of data outside India**: Personal data (except sensitive personal data) may be transferred outside India only where the central government has prescribed that transfers to a particular country are permissible, or where the Authority approves the transfer.
- **Exemptions from compliance:** It also gives exemptions **f**or processing of personal data for certain purposes, such as **journalistic activities, law enforcement, security of state.**
- **Offences and Penalties**: The Authority may levy penalties for various offences by the fiduciary including failure to perform its duties, data processing in violation of the Bill, and failure to comply with directions by the Authority. For example, under the Bill, the fiduciary is required to notify the Authority of any personal data breach which is likely to cause harm to the individual failing which can attract a penalty of the higher of Rs 5 crore or 2% of the worldwide turnover of the fiduciary.
- **Amendments to other laws:** The Bill makes consequential amendments to the Information Technology Act, 2000 and RTI Act to permit nondisclosure of personal information where harm to the individual outweighs public good.
- **Recognises privacy as a fundamental right**: It has provisions to protect personal data as an essential facet of information privacy.
- **Monitoring provisions**: Requirements of conducting **Data Protection Impact Assessments**, audits and appointing a **Data Protection Officer** are also included in the bill. There should be a **periodic review** to check if continued storage of data is necessary.

For more details on GDPR, please refer May 2018 current affairs

4.2. MONITORING SOCIAL MEDIA

Why in news?

The proposal to create a Social Media Communication Hub has been recently withdrawn by the government.

About the hub

It was to be a platform that would

- allow the government **to keep an eye on all social media platforms**- Twitter, Facebook, Google+, Instagram, LinkedIn etc.- and try to get a sense of the public mood, with the capability to track any individual's public posts across platforms.
- have the ability **to collect digital media chatter** from all core social media platforms as well as digital platforms like news, blogs and forums and provide real-time insights, metrics and other valuable data to the government.
- gauge and **analyse the public sentiment towards various government policies** and announcements, and track influencers.

In terms of setting up an independent unit to track conversation across social media platforms, it is a new idea. But the government has been using other methods to assess social media trends. For example, the New Media Wing of the I&B Ministry has been assisting various arms of the government in keeping an eye on activities on various social media platforms.

Need for monitoring social media

- The government has time and again raised its concerns for a need to monitor social media carefully with due safeguards for freedom of expression as such platforms are being misused "to disastrous effect" by groups and individuals to spread violence in the society.
- Various incidences including lynching of people based on rumours, spreading fake news, online recruitment for terrorist groups, radicalization, hate speech and inciting violence against a certain community, etc. stand as testimony to the need of having a social media monitoring framework.

> **Recent steps taken by Ministry of Home Affairs for monitoring social media-**
> - Union home ministry has decided to constitute a **panel to monitor cybercrimes** and ensure compliance of complaints by social media platforms.
> - It is **sensitising law enforcement agencies** to enhance coordination with department of telecom, which is the nodal body to flag violation of IT Act with social media platforms.
> - MHA recently **held meeting with representatives of social media platforms** such as Google, Facebook and Twitter to discuss measures required to filter malicious content — such as hate speech and video linked to terror, child pornography and fake news — from appearing on social media.

Challenges in monitoring social media

- **Accountability issues** - Challenges with respect to fixing the liability of intermediaries in cases like forwarded messages on social media platforms like WhatsApp, Facebook, etc.
- **Jurisdictional challenges** - Complications in jurisdiction as Facebook etc. operate as subsidiaries of foreign internet companies with their servers located outside India.
- **Anonymity** - Police officers have expressed concern over multiplicity of fake profiles that make it even more difficult to track the offenders.
- **Legal challenges** such as Internet traffic monitoring and privacy Concerns, fears of censorship and threat to freedom of speech and expression. As of now, the law in India doesn't allow for blanket tapping, warrants have to be obtained on a case to case basis before it can be done.

> **Concerns about the monitoring**
> - If government gets access to all personal data of individuals on various social media platforms, then it will **lead to mass surveillance by the state**. Such surveillance will **encroach the freedom of speech and privacy** of the citizens of our country.
> - Apart from having a chilling effect on free speech, the tool will also be used to "**profiling and data basing**" of social media users and lacks oversight and accountability.
> - Also, since there is **no underlying statutory basis** for creation of such a tool and it would be an extra-legal entity.

Way forward

The issues of engagement, process, technology and legal challenges posed for government agencies dealing with the medium will have to be tackled with a long-term vision. However, a few concrete steps that could possibly be taken on immediately include:

- **Institutionalise the blueprint for a National Social Media Policy**: The Indian establishment needs to recognise the medium and grant it a legal status if it needs to deal with the multitude of challenges that rise out of it effectively.
- **Implement and institutionalise the Framework of Guidelines on social media engagement**: Department of Electronics and Information Technology's Framework of guidelines has laid down elaborate guiding principles for engagement of social media by government agencies. It discusses objectives, engagement protocol, types of platforms, communication strategy, responsiveness criteria and legal limitations for agencies to formulate their respective strategies for engaging with the medium and stakeholders. The need is to ensure enforcement and institutionalisation of this policy across the country with immediate effect. This has to be flexible and can be customised, depending the needs of each institution.
- **Create awareness on the Challenges posed by social media**: Social media technology can be used for malware propagation, phishing, cybercrime and misinformation campaigns. There exists a huge lack of awareness amongst citizens, law enforcement agencies and higher levels on the potential of misuse of social media.

- **Expand and define scope of public-private partnerships**: The government has already recognised that since the private sector is a much larger user of the internet than the government, there is significant private sector participation in critical infrastructure and, most importantly, there exists a huge talent pool in the private sector is something that the government can usefully leverage.
- **Replicate "Social Media Labs" across the country**: Use the success and work on the limitations of the social media labs experiment for the future and incorporate the best practices at the state and federal levels across the country.

4.3. BORDER AREA DEVELOPMENT PROGRAMME (BADP)

Why in news?

The Centre has increased its outlay under Border Area Development Programme (to Rs. 1,100 crore in 2017-18 from Rs. 990 crore in 2015-16) for the all-round development of villages located along the international border in 17 states.

About BADP

- India's border areas face poor accessibility, inadequate infrastructure, depressed economic growth, rampant poverty and a sense of insecurity among the people. The development of border areas has therefore been envisaged as an important element in border management. Towards this end, the BADP was initiated as early as 1987 **as a Centrally Sponsored Scheme.**
- It has three primary objectives: (a) **to create infrastructure** (b) **provide economic opportunities to the border people**, and (c) **to instil a sense of security among them**.
- BADP **covers 111 border districts** in 17 States to meet special development needs of border population with focus on people living within 50 kilometres of the International Border.
- Initially, the programme was implemented in the **Western Border States** with an emphasis on the development of infrastructure to facilitate deployment of the Border Security Force.
- Later, the ambit of the programme was widened to include other socio-economic aspects such as education, health, agriculture and other allied sectors.
- The implementation of BADP is on **participatory and decentralized basis** through the Panchayati Raj institutions, Autonomous Councils and local bodies.

Impact of the Scheme
- The **impact of scheme varied** in different states. For example-
  - 32% of the people of Manipur, 54% of the people of Mizoram and 100% of people in Himachal Pradesh were satisfied in terms of **impact of community development work** of the scheme.
  - 82% of the people of Tripura and 14% of the people of Nagaland settled said they do not **feel secure**. 100% of the people of Gujarat settled said they feel secure.
  - In almost all areas (except Himachal Pradesh) the **women's participation** remained varied and unsatisfactory.
- Also, in terms of **convergence with other schemes,** it is not very successful because none of the clusters seem satisfied with it.
- As observed, the bigger villages having village panchayat get most of their works done while small villages associated with that village panchayat fail to get much attention. Thus, there need to be some formula for the **distribution of funds**. **Political connections** play a major role in sanction of work under BADP.

Recent changes in BADP
- For comprehensive and all-round development of border villages, it has been decided to **develop 61 model villages**.
- Each model village will provide all basic facilities like primary health centre, primary education, community centre, connectivity, drainage, drinking water, etc. to enable sustainable living in border areas.
- **BADP Online Management System** has been launched for better planning, monitoring and implementation of various projects under BADP.
- Border States can submit their respective **Annual Action Plans online** and receive approvals from Ministry of Home Affairs in **electronic mode** which will bring in transparency in the sanction process and improve quality of planning and implementation.

Constraints in Implementation of BADP Scheme

- Its first phase is to be implemented in the 0-10 km range from the border areas. When all the development works for this area are completed, the state Government can then start the work in the area beyond 10 km and so on. This is problematic because to reach the phase one areas one must go through utterly **underdeveloped areas** which are to be covered in later phase, which makes the project expensive.

- Further, BADP mandates that no work should be allotted beyond 10 km unless 0-10 km (from border) area is '**saturated**'; except that there are no criteria to judge whether or not the area is saturated.
- In some remote areas, heavy rainfall during the rainy season and snow fall during the winter season creates a great **difficulty in implementation** of the scheme, especially construction work.
- The **money under the scheme** gets spent on infrastructure which other schemes also create. The impact of the specific goals of BADP thus stands diluted.
- There is **no proper formula for the allocation of funds**. This creates a lot of scope for subjectivity and monopoly. A fund allocation ratio should be decided as per the distance from border.

Recommendations for Better Implementation of BADP

Among various other recommendations of NITI Aayog, few of the important ones are-

- **Inspection and Monitoring of Program-** There should be a uniform format throughout the country for evaluating the financial status of such developmental schemes. At present, each State has its own format/Proforma for this purpose. Also, Blocks should be involved at every stage from framing and sending a proposal to the implementation of tasks under BADP.
- **Employment and Skill Generating Schemes-** The agriculture sector has become saturated and there is an increase in number of both educated and uneducated unemployed youth who feel that the wages under the scheme are low. There has to be a high degree diversification in the rural economy to bring home non-farming employment opportunities like Small-Scale Industry Promotion.
- **Political Involvement should be Reduced**- Although there is political and popular pressure that influences and informs the selection of the work, yet diversification of the works is advisable on the basis of local needs.
- **Awareness about BADP**- Along with good coordination among various line departments there is an urgent need for awareness building campaigns in all selected districts and blocks regarding various assets covered under BADP.
- **Construction of all-weather Roads**- The problem of inadequacy of funds and a limited flow of funds from the Centre is further exaggerated because these villages are not connected by roads. In cases emergency, the people of these villages find it extremely difficult to access basic amenities.
- **More Funds/Timely Release of Funds**- This remains a major constraint to the timely completion of work under BADP.
- **Power to Panchayats in Planning**- Panchayat Samiti of the Border villages should be involved in the planning and implementation of the programme because they would be in the best position to evaluate the work of the agencies involved at all levels as well as to forward all the information to the BDOs and Nodal Officers in the district.
- **Confidence Building among People**- Due to socio-economic stress, border areas need special treatment when it comes to planning for development, i.e. accelerated and integrated sustainable development. Here, confidence building measures are integral to any developmental strategy hoping to be successful in these areas.

4.4. STRATEGIC PARTNERSHIP MODEL

Why in news?

The Defence Acquisition Council (DAC), chaired by defence minister has approved Implementation guidelines for the Strategic Partnership Model.

What is strategic partnership model?

- The model, whose concept was first suggested by the **Dhirendra Singh Committee**, visualises designating a few private companies as Strategic Partners (SPs) that would not only assume the role of system integrators but also lay a strong defence industrial foundation.
- Strategic Partnership Model aims **to revitalize defence industrial ecosystem and progressively build indigenous capabilities to design, develop and manufacture** complex weapon systems for the future needs of the Armed Forces.
- It aims to promote **Joint ventures between indigenous private sector and global defence majors**.
- The government aims to achieve a **turnover of Rs 1,70,000 crore in military goods and services by 2025**.

Guidelines

- **Incentivise indigenisation**: It lay emphasis on incentivisation of transfer of niche technology and ensure higher indigenous content in military equipments to be produced in India.
- **Incentivise global Majors:** Global majors in collaboration with Indian Partners willing to make India a Regional / Global manufacturing hub will also be incentivized.
- **Empowered Project Committees** (EPC): All procurements under the SP Model would be executed by specially constituted EPCs.
- **Specify norms**: The guidelines also specified norms for carrying out various sector specific manufacturing projects.

Benefits

- It will **boost self-reliance** by encouraging indigenous defence industry and aligning the defence sector with the 'Make in India ' initiative leading to reduction in dependence on imports.
- EPC will provide focussed attention and ensure **timely execution** of the projects, thus, ensuring timely delivery of equipment to the Armed Forces.
- It will **enhance competition, increase efficiencies**, facilitate faster and more significant absorption of technology.
- It will ensure **development of a wider skill base and promote innovation**.
- The model would also go a long way in **bridging the long-standing trust gap** between the Indian private sector and Ministry of Defence.

Challenges

- **Lack of institutional capacity**: Due to this, several promising measures in the past, especially those connected with the 'Make' and 'Buy and Make (Indian)' procedures, have failed to yield the desired results.
- **Lack of structural and procedural reforms**: Lack of reforms in the structures and decision-making processes related to procurement and production have inhibited the development of a strong defence industry.
- **IPR issues**: The sensitive issue of Intellectual Property Rights (IPR) is one of the reasons why foreign vendors are generally reluctant to transfer technologies.
- **Issue of viability**: There is also a concern regarding the long-term viability of SPs largely due to the privileged position enjoyed by public sector entities. In the past as well, the MoD has often deviated from fair play in award of contracts and handed over large orders to Defence PSUs and Ordnance Factories on nomination.

Thus, Government needs to develop capacity and provide adequate resources to implement the model along with following the principle of merit in contract awards.

4.5. APPOINTMENT OF DGPS

Why in News?

Supreme Court in July gave a slew of directions to ensure transparency in the appointment of Director General of Police (DGP) of the state.

THE SEVEN DIRECTIVES

DIRECTIVE ONE
Constitute a **State Security Commission (SSC)** to:
(i) Ensure that the state government does not exercise unwarranted influence or pressure on the police
(ii) Lay down broad policy guideline and
(iii) Evaluate the performance of the state police.

DIRECTIVE TWO
Ensure that the **DGP** is appointed through merit based transparent process and secure a minimum tenure of two years.

DIRECTIVE THREE
Ensure that other police officers on **operational duties** (including Superintendents of Police incharge of a district and Station House Officers in-charge of a police station) are also provided a minimum **tenure of two years.**

DIRECTIVE FOUR
Separate the **investigation** and **law** and order functions of the police.

DIRECTIVE FIVE
Set up a **Police Establishment Board (PEB)** to decide transfers, postings, promotions and other service related matters of police officers of and below the rank of Deputy Superintendent of Police and make recommendations on postings and transfers above the rank of Deputy Superintendent of Police.

DIRECTIVE SIX
Set up a **Police Complaints Authority (PCA)** at state level to inquire into public complaints against police officers of and above the rank of Deputy Superintendent of Police in cases of serious misconduct, including custodial death, grievous hurt, or rape in police custody and at district levels to inquire into public complaints against the police personnel below the rank of Deputy Superintendent of Police in cases of serious misconduct.

DIRECTIVE SEVEN
Set up a **National Security Commission (NSC)** at the union level to prepare a panel for selection and placement of Chiefs of the Central Police Organisations (CPO) with a minimum tenure of two years.

SC's guidelines while appointing DGPs:

- SC restrained the State governments from appointing DGPs without first consulting UPSC. These are the guidelines to one of the seven directives issued by the SC in Prakash Singh judgment of 2006.
- Concerned State government has to send the names of probable candidates to UPSC three months before the incumbent DGP is to retire. UPSC will then prepare a list of three officers on the basis of availability of a clear two years of service and must give due weightage to merit and seniority.
- State in turn shall immediately appoint one of the persons shortlisted by UPSC who should continue to hold the post for a reasonable period beyond the date of superannuation.
- Any legislation or rule formed by any of the states or the Central Government running counter to the direction shall remain in abeyance.

Significance of the SC's directions

- **Putting an end to favoritism and political influence in higher level appointments** it will ensure that there are no distortions in the appointment of DGP of the state.

Way forward

- The SC has laid down the guidelines only for one of the directions it gave in 2006. There are other directives also which need to be implemented in letter and spirit like on the State Security Commission.
- Police needs to be given functional autonomy to enforce rule of law and needs to be restructured and modernized for India to achieve status of a great power.

4.6. MISSILE SHIELD FOR DELHI

Why in News?

India is working on a mega defence project to make the airspace over almost all its major cities, including Delhi and Mumbai, virtually impregnable.

More on News

- The government is procuring a variety of air defence systems, including missiles, launchers and command-and-control units from the US, Russia and Israel, besides deploying indigenously developed missiles as part of the project.
- Recently, Defence Acquisitions Council (DAC) approved the acquisition of National Advance Surface to Air Missile System-II (NASAMA) for the security of Delhi.

NATIONAL ADVANCED SURFACE-TO-AIR MISSILE SYSTEM-II

Armed with 3-D Sentinel radar, short and medium-range missiles, launchers, fire-distribution centres and C & C units

Quickly Detects, tracks & shoots down multiple airborne threats such as cruise missiles, aircraft and drones

Deployed to Guard US & several Nato countries. Israel, Russia and European militaries also deploy them

India's Own Shield is in final stages of development by DRDO. Will be deployed to protect cities like Delhi and Mumbai

Enemy Missile
Missile Interceptor

1 Radar Detection Unit
2 Management and Control Unit
3 Missile Firing Unit
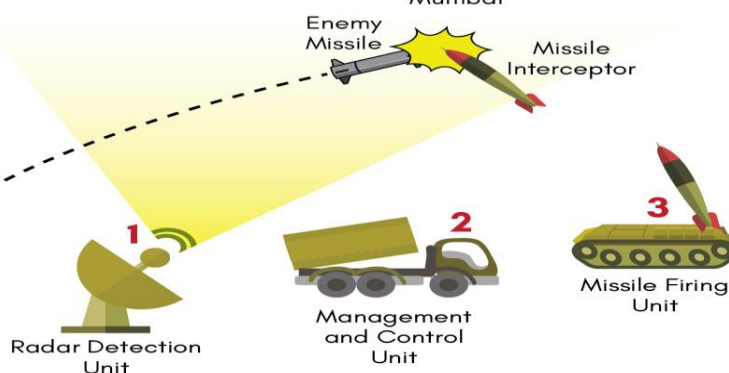
4.7. RIM OF PACIFIC MULTINATIONAL NAVAL EXERCISE (RIMPAC)

Why in news?

The Indian Navy participated in the Rim of Pacific Multinational Naval Exercise (RIMPAC) in Hawaii.

Details

- The 26th edition of RIMPAC, hosted by the U.S. Indo-Pacific Command (INDOPACOM), RIMPAC is the world's largest set of international maritime war games.
- The theme of RIMPAC 2018 is "Capable, Adaptive, Partners."

- This is the first time Brazil, Israel, Sri Lanka and Vietnam are participating in RIMPAC.
- Indigenously built stealth frigate, **INS Sahyadri**, participated in RIMPAC.
- China is absent this year as it was dis-invited from participating by the U.S., citing China's military actions in the South China Sea.
- The Indian Navy was an observer for the 2006, 2010 and 2012 editions of the exercise. In 2014, INS Sahyadri was deployed for the 24th edition of the exercise, while INS Satpura took part in 2016.

5. ENVIRONMENT

5.1. GREEN BONDS

Why in news?

Green bonds of huge amounts from India are stuck because of rising interest rates and global uncertainties.

What is Green Bond?

- Green bonds are debt instruments like normal bonds, but the proceeds are used for renewable energy projects, or for services that are ecologically sustainable.
- The bond is voluntary and may be issued by a financial institution, the government or even a company to raise funds for a defined period.
- Asia as a whole issued $65 billion in green bonds over 2015-17 and China is the dominant issuer of green bonds internationally.

Why Green bonds?

- They can attract environmentally-conscious investors who may not otherwise invest.
- Accessible and powerful instrument for financing a sustainable, low-carbon economy.
- They are generally found to be an economical and convenient financing model by project developers.
- They help project the company as an environmentally-conscious organization, thereby enhancing the brand.

Green Bond issuance so far is $5 billion from overseas and ₹66 billion in the domestic market

Not a single green bond issued so far in 2018

Companies waiting for global uncertainties to recede

Most of the green bonds to be issued from renewable energy sector

SBI's green bond issuance is closely watched for price reference
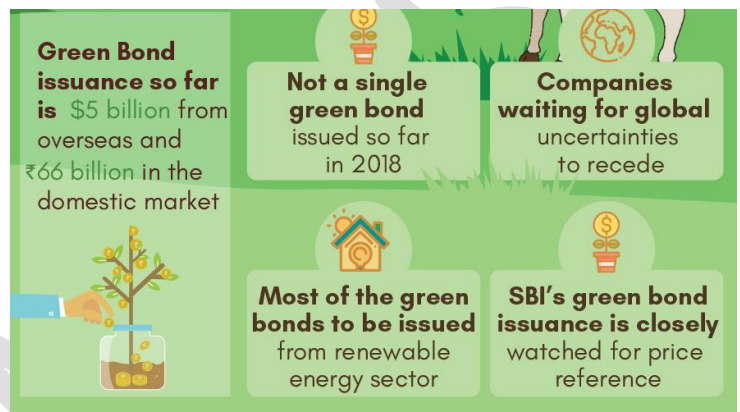
The Indian Green Bond Market

- **BSE** launched the Green Index called **Greenex, carbon-efficient live index.**
- India entered the green bond market in 2015 with the YES Bank issuing the first green bond for financing the renewable and clean energy projects particularly, for wind and solar.
- Gradually, the green bond market has expanded to several public sector undertakings, state-owned commercial banks, state-owned financial institutions, corporates, and the banking sector.
- Green bond issuance is expected to zoom from India as the government is awarding big projects in the renewable energy space to private companies, especially in the solar power sector.
- However, the Indian green bond market hasn't been able to diversify itself much in the nature of assets for funding, which are still focused on the 'pure play' renewable energy projects.

SEBI guidelines on Green Bond

In January 2016, the SEBI published its official green bonds requirements for Indian issuers making India the second country (after China) to provide national level guidelines. As per the guidelines, a debt security shall be considered as 'Green' or 'Green Debt Securities', if the funds raised through issuance of the debt securities are to be utilized for project(s) and /or asset(s) falling under any of the following broad categories:

- Renewable and sustainable energy including wind, solar, bioenergy, other sources of energy which use clean technology, etc.
- Clean transportation including mass/public transportation, etc.
- Sustainable water management including clean and/or drinking water, water recycling, etc. There are different types of definitions and indexes that can be leveraged:
  o Climate change adaptation
  o Energy efficiency including efficient and green buildings, etc.
  o Sustainable waste management including recycling, waste-to-energy, efficient disposal of wastage, etc.
  o Sustainable land use including sustainable forestry and agriculture, afforestation, etc.
  o Biodiversity conservation

Challenges

- **Underdeveloped bond market**: In particular Corporate Bond Market remains underdeveloped despite recent steps taken by RBI and Govt to develop corporate bond market.
- **Defining an investment as "green"**: It is likely that a prescriptive standard set of definitions of "green" will not meet every investor's needs.
- **Lack of concentrated measures to support this nascent instrument:** Due to the newness and lack of understanding of all its implications, the average domestic investor is wary of investing in these, and perceives them as high–risk investments.
- **Additional cost** required to issue a Green bond, while providing returns similar to a normal bond. These costs may include additional expenditure for defining the green criteria, monitoring and maintaining the proceeds as green, and transparently communicating performance to investors over the lifetime of the bonds.

Way forward

- Need for government support to drive the segment to its full potential by
  - Strengthening the disclosure and transparency aspects with a level of standardization
  - Providing concessions, including tax-exemptions; issuing a sovereign green bond could also be done.
- There is scope for involving national development banks, SIDBI and NABARD, to design projects with elements of aggregation and credit enhancement, to direct funding to the untapped sectors.
- There is a large scope for green bonds to be issued across a wide-range of sectors such as the unconventional investment sectors like forestry and marine conservation, innovative transport.
- Develop business models to provide pricing benefits to green bond issuers by combining funding support from the Green Climate Fund (GCF).
- RBI may consider expanding its priority sector lending guidelines to include some of the sectors that are currently part of SEBI guidelines to make them lucrative to the bond issuers.

5.2. PRIVATE PARTICIPATION IN WILDLIFE CONSERVATION

Why in news?

Karnataka recently drafted **Private Conservancy Rules** in a bid to increase forest area through private land.

More about the news

- Under the rules, anyone who has a minimum of 100 acres of land bordering a national park can convert it to a "Wildlife Private Conservancy".
- Of this land, 5% can be used to construct buildings for ecotourism; the rest has to be kept for flora and fauna.

Need for private participation in wildlife conservation

- **Funds:** The conservation activities need huge investments, such as in law enforcement, conflict mitigation, habitat consolidation, village relocation and research and monitoring. Current spending on conservation and management of protected areas is far less than what is needed, particularly in the developing world. The private sector may help fill this funding gap.
- **Expertise and efficient management:** Private sector can provide expertise often missing from government agencies. And, also, the bureaucratic management of government can be less flexible than non-governmental employees, this makes them a poor match for the operational side of parks management, and an expensive.
- **Buffer for wildlife protection:** The privately maintained forest areas around the protected area can act as buffer for wildlife protection and they may also act as extended corridors to connect two protected areas which is very important for conservation of large animals like tiger, elephants etc.
- **Generate income and employment:** The various activities associated with wildlife management and the opportunities of ecotourism would generate income and employment, this would be especially beneficial for forest dwelling communities and arrest their distressed migration**.**

> **Amazon Region Protected Areas Program (ARPA): a model of private participation in Wildlife protection**
> - WWF brought together private corporations, philanthropic individuals, and the Brazilian government to create a $1 billion fund to preserve over 100 protected areas in the Amazon Basin.
> - The private sector contributes capital to the fund, but the money is only released if the government upholds its end of the bargain, matching it with public funds and management.
> - WWF provides expertise on which areas to protect and how best to manage the newly created reserves.

- **Reduce pressure on traditional forest:** Development of stock for commercial lumbering will reduce pressure on the traditional forests. Commercial development of forest can also reduce clearing of forest for agricultural expansion.
- **Other benefits**: It will increase the percentage of forest area (from current 21% towards ideal 33%); Conservation of water bodies and soil in and around wildlife protected areas which is vital to protect the same; increase carbon sequestration capacities among others.

Concerns

o **Fragmentation of wildlife habitat:** The development of supporting infrastructure for tourism like roads , hotels , sport in the garb of developing ecotourism would lead to fragmentation of natural habitat and restrict movement of wildlife.

o **Narrow view of conservation:** Conservation is a complex exercise which must involve the interest of multiple stakeholders associated with it. The main purpose of private sector is profit, thus their participation may result into a top down mechanical way of conservation while ignoring the ground realities.

o **Poaching and illegal trade:** The privately managed buffer areas may act as conduit of poaching and illegal trade in wildlife and other wildlife crimes such as hunting specially because of lack of clear regulations.

o **Exclusion of forest dwelling communities**: The commercial development of forests may further alienate the traditional communities living around them as they would not be able to assert their claim due to politico-bureaucratic and private sector nexus.

o **Development of monoculture:** The development of forest with commercial motive may lead to development of monoculture which will be devoid of ecosystem services.

o **Ethical issues:** There are ethical issues involved in using wildlife for commercial purposes which is equivalent to objectification of a living entity.

Way forward

- Conservation should be a partnership between commerce (tourism), communities (land owners and skill suppliers), and the government (often, a benign overseer). Without a fine balance between these three, any one stakeholder can take a wrong direction which will harm conservation.
- Countries allowing private partnership need to have very clear governance, very clear legislation regarding these partnerships. In nations where the government's authority is weak. For example, in Colombia'sTayrona National Natural Park the company operating tourist concessions has been accused of land grabbing and controversial development within the national park.

5.3. ACTION PLAN TO DEAL WITH AIR POLLUTION

Why in news?

- Niti Aayog has proposed 15-point action plan titled **'Breathe India'** for combating air pollution in ten most polluted cities in the country, including Delhi, Kanpur and Varanasi.

Context

- A recent WHO database (2018) has identified several of India's top cities with some of the highest levels of air pollution. Kanpur, Faridabad, Gaya, Varanasi and Patna are the top five most polluted cities in the world.
- According to the World Health Organisation (WHO) global air pollution database, India has 14 out of the 15 most polluted cities in the world in terms of PM 2.5 concentrations.
- According to Health of the Nation's States, household air pollution was responsible for 5% of the total disease burden in India in 2016, and outdoor air pollution was responsible for 6% of the burden.

CITY	PM 2.5 (Annual mean, ug/m³)
Kanpur	173
Faridabad	172
Gaya	149
Varanasi	146
Patna	144
Delhi	143
Lucknow	138
Agra	131
Gurgaon	120
Muzaffarpur	120

Top 10 most polluted cities in India based on pm 2.5

Source: WHO Database, as on 21 May 2018.

14, of the world's 15 most polluted cities are in India. :WHO, 2018

Action Points

1. **Drive Mobility through Zero-Emission Vehicles (ZEVs):** Increase distribution of electric and hybrid vehicles
    o   **The procurement of electric vehicles** (EVs) should be mandatory for vehicles for Central Government use and public facilities.
    o   **Encourage electric 2 and 3 wheelers**
2. **Enact Strong Measures to Curb Vehicular Emissions:**
    o   **Implement a large scale Feebate program from 2020 onwards:** A feebate is a policy by which inefficient or polluting vehicles incur a surcharge while efficient ones receive a rebate
    o   **Issue guidelines for vehicle ownership and usage**: Measures like congestion pricing, escalation of taxes and insurances, higher costs of parking etc. need to be employed to reduce private vehicle usage
    o   **Switch to low Sulphur fuel** (10 ppm) and implement **Bharat VI standards** for engine emissions
    o   **Introduce a scrapping policy and ensure fleet modernisation**

REDUCTION IN AIR POLLUTION
Control Industrial & Power Emissions | Reform Regulatory Framework | Utilize Crop Residue
Limit Vehicular Emissions | Implement Emissions Trading | Implement Waste Management Policy
Address Clean Cooking & Forest Fires | Adopt Targets and Monitor | Tackle City Dust & Construction

3. **Reduce Emissions by Optimizing the Power Sector:**
    o   Expedite strategic decommissioning of old and inefficient power plants
    o   Push rooftop solar and distributed generation
    o   Ensure high grade low polluting coal to the power plant
    o   Emphasis on improved power reliability in urban areas to eliminate the operation of DG sets
4. **Reform Regulatory Framework for Industrial Air Pollution**
    o   **Revise standards and practices**: The ambient air quality standards of CPCB as well as individual categories of industrial emissions should be considered for revision.
    o   **Incentivise law enforcement**: Incentivising the performing states will be instrumental to speed up corrective action against air pollution.
    o   **Improve audit process**
5. **Adopt Cleaner Construction Practices**
    o   **Mandate Environmental Risk Assessment** for construction projects
    o   **Revise parameters of Green Building** Ratings to include construction process
    o   **Set up smog free towers**: It is an innovative technological solution deployed across Europe, which cleans the polluted air in an area around it
6. **Tackle City Dust through Urban Local Bodies (ULBs)** by adopting mechanical dust removal and mitigation measures. For example, deploying dust absorbing and water spraying vehicles on roads, or mechanized road sweeping machines.
7. **Implement a Business Model to Utilize Crop Residue:**
    o   **Direct procurement of crop residue** by large agro-waste management companies
    o   **Mandate an inter-State trading model**: Centre must direct, on pilot basis, inter-state trading for paddy stubble.
    o   **Reward PRIs with performance-based incentives**
8. **Implement a National Emissions Trading System**: Introducing a market-based instruments within a regulatory framework based on the concept of '**polluters pay'** should be implemented
9. **Implement an Integrated Waste Management Policy**
    o   **Enact Extended Producer Responsibility (EPR)**: It holds the manufacturers responsible for safe disposal of their products and it also encourages producers to use less polluting materials.
    o   **Adopt landfill taxes and regulation:** It can shift more landfilling to treatment/processing methods
    o   **Incentivise waste to energy systems**
    o   **Decentralize waste processing**: Alternatives to landfilling such as waste segregation in Bengaluru, pipe and aerobic composting in Alappuzha etc. can be effectively implemented.
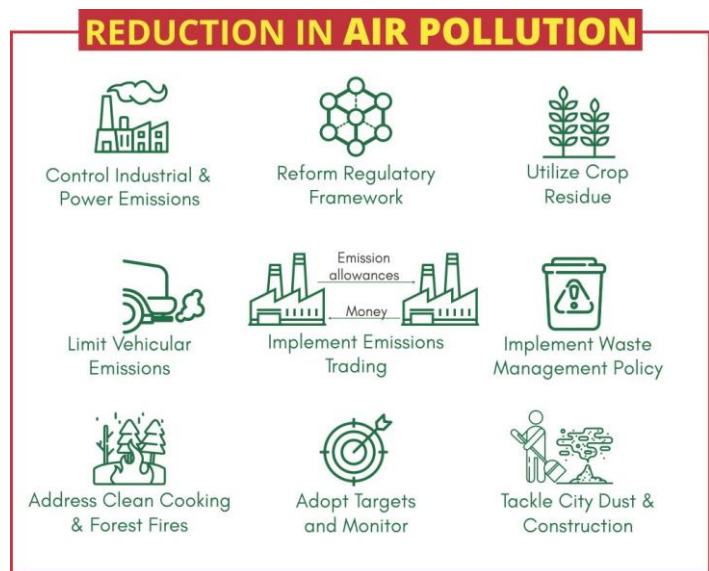
10. **Integrate Efforts to Tackle Forest Fires**
    o **Undertake measures to prevent forest fires:** A comprehensive National Policy for Prevention and Control of Forest Fires being prepared by MoEFCC should be finalized urgently.
    o **Ensure mitigation of forest fires**: Provision of fire breaks and fire lines that act as barriers in propagation of forest fire should be made mandatory.
11. **Encourage Clean Cooking Practices**
    o **Encourage the use of cleaner fuels**: This includes fuels such as LPG, biogas, solar energy and electricity
    o **Promote and distribute of fuel efficient chulhas**: This is to be targeted towards households.
    o **Ensure well-ventilated homes** by formulating guidelines and provisions for building designs.
12. **Drive Public Ownership through Behavioural Change**
    o **Agricultural Pollution**: Through the existing **Krishi Vigyan Kendras** (KVKs), campaigns must be set-up to provide farmers with information tools such as in-situ mulching and on-farm management techniques
    o **Indoor Pollution**: A culture of clean cooking among households by informing the public about the impact on health needs to be promoted
    o **City Dust**: Construction companies for curbing generation of construction waste should be sensitized
13. **Develop Consistent and Quantified National, Sub-National and Sectoral Plans**
    o A comprehensive Action Plan at the national-level should be complemented with well-designed and well-researched State-level and city-level plans, with strong implementation and monitoring mechanisms to ensure achievement
14. **Improve Air Quality Monitoring Systems**
    o Accurately and comprehensively monitor air pollution levels
    o Develop air pollution abatement plans based on monitoring data

5.4. CLIMATE CHANGE AND INDIAN COASTLINE

Why in News?

A recent study by IIT Bombay found that the impacts of climate change on India's Coasts in terms of coastal sediment transport, shoreline erosion and overall coastal vulnerability could be far worse than previously understood.

About the study

- Researchers used newly released data on projections of a large number of **climate variables in the future**, which included Wind- generated waves around Indian coastline as a key variable.
- According to the study different locations would face **different kinds of impacts**.
- The winds are likely to intensify, and there is likely to be greater attack on our beaches, and coasts in the future than we had so far imagined.

> **Related Information**
> **Wind vectors influence** wave heights and directions and also the currents that in turn affect the rates of coastal sediment transport and erosion. For instance, in Udupi coast of Karnataka, there is likely to be a 25% increase in average wind speeds, resulting in about 35% increase in mean wave height in the region. Greater transport of sediments would likely result in erosion in the next 30 years rising to 1.5 times as compared to the previous three decades.

Vulnerability of Indian Coasts

India has a nearly 7500 Km coastline which is experiencing rapid changes as coastal areas experience population growth and expansion of settlements, urbanization and agriculture. These changes are accompanied by an overall phenomena of climate change that has resulted in various other concerns like-

- **Vulnerability to frequent disasters:** Coastal communities remain at a constant risk of disasters and climate change impacts such as Storm surges, Sea- level rise and flooding, heat waves, cyclones and other extreme weather events that are projected to increase with the global warming.
    o Rising sea level is also accompanied by **stronger waves and currents** that are likely to reshape the coastlines and potentially submerge many low-lying areas. This has also resulted in shoreline erosion which is higher on the eastern coast due to turbulent nature of Bay of Bengal.
- **Vulnerability to extreme temperature rise:** According to Intergovernmental Panel on Climate Change (IPCC), extreme temperatures are expected to increase in India by 1 – 4 degree Celsius with maximum increase projected in coastal regions by 2030s.

- **Highly populated coastal areas:** In terms of population share approx 14% of India's population reside within 50 Km of India's coastline with important cities such as Mumbai, Kolkata and Chennai further increasing the vulnerabilities of the region.
- **Economic Significance:** Various economically important activities crucial for India's ongoing economic growth and development occur in coastal zones including oil and gas industries, power plants, ports and harbours, aquaculture, agriculture, fisheries, tourism and mining among others.
- **Wide range of ecosystem along the coasts:** such as mangroves, seagrass beds, salt marshes, coral reefs, lagoons, estuaries, and other important coastal and marine habitats form part of a complex ecosystem. These provide various ecological services including livelihood opportunities, shoreline protection against disasters and help in climate change mitigation as they form carbon reservoirs.
  - Warmer water temperatures and acidifying oceans can degrade the ecology of coral reefs and threaten the artisanal and commercial fisheries that nourish many seaboard communities.
- **Impact on food security:** Increase in the variability and unpredictability of monsoon rainfall, saltwater intrusion caused by sea level rise affect agriculture along coastal areas, hence affecting food security.
  - Climate change also impacts migratory patterns of **marine fishery resources**, quality of aquatic habitats and the distribution and abundance of aquatic competitors, predators and diseases.

Steps taken by India

After the Tsunami of 2004, authorities seized the opportunity to develop coastal zone management guidelines that include reducing the risks of coastal flooding from climate change–related drivers. Various other steps taken are-

- **Integrated Coastal Zone Management Project**: by establishing a Society of Integrated Coastal Management (SICOM). Under the project, SICOM would be implementing the four components, namely, (i) National Coastal Management Programme; (ii) ICZM-West Bengal; (iii) ICZM-Orissa; (iv) ICZM-Gujarat.
- **Comprehensive Vulnerability Map:** India is in the process of preparing a Comprehensive Vulnerability Map of its coastline which will be used to finalize a Coastal Zone Management Plan. Further, Coastal Vulnerability Index was prepared by the Indian National Centre for Ocean Information Services (**INCOIS**).
- **New National Coastal Mission:** is being established under the National Action Plan on Climate Change (NAPCC) which would include ecosystem-centred

> **NAPCC identifies several priority areas for India's coastal zones, including:**
> - Developing an air-ocean circulation modeling system especially for the Bay of Bengal and the Arabian Sea, to simulate regional climate change and, in particular, monsoon behavior.
> - Carrying out high-resolution ocean-atmosphere variability studies in tropical oceans, in particular the Indian Ocean.
> - Engineering a high-resolution storm surge model for coastal regions.
> - Developing salinity-tolerant crop cultivars.
> - Raising community awareness on coastal disasters and necessary action.
> - Establishing timely forecasting and cyclone and flood warning systems.
> - Increased planting and regeneration of mangroves and coastal forests.

and **community-based approaches to adaptation** in the coastal zones. Its objectives include promoting vulnerability mapping, sustainable coastal development, resilient communities and settlements, environmental conservation and mitigation of Green House Gas emissions.

Challenges

- Though coastal zone regulations amended from time to time are meant to preserve the sea shore , yet their **implementation remains below par**.
- In contrast to more developed regions of the world, national-scale awareness of the impending climate risks, special vulnerabilities of particular populations, and responsibilities of individuals and groups in mitigation remain very low.
- Forecast patterns for energy needs, water use, and natural resource consumption suggest pressures on ecosystems and ecosystem services in the region will be exacerbated by climate change, yet a survey of the literature shows that **interest in economic development of the coastal zone** has overridden concerns regarding climate change, natural disasters, or environmental quality.
- Despite slowly increasing levels of awareness among the general public, the **level of debate and discussion** is woefully inadequate.

- Political considerations at one level— local, regional, national—often ignore effects on other levels and in other domains, such as the social or environmental. This contributes to **conflicts over governance**, management, and responsibilities for adaptive responses.

Way Forward

Apart from various steps taken, there remains a need for further actions including-

- More studies based on projected data and using new and sophisticated climate models need to be undertaken for better assessment of potential impacts.
- Well planned urbanization and sustainable development should be ensured along the coastal regions along with monitoring of blue carbon storage and sequestration to mitigate Climate Change.
- Strict reinforcement of current regulations such as Coastal Regulation Zone rules must be followed along with adaptation can help reduce the long-term costs of climate change impacts.

5.5. URANIUM CONTAMINATION OF GROUND WATER IN INDIA

Why in news?

Recently, a new study by researchers has found widespread uranium contamination in groundwater from aquifers in 16 Indian states.

More on findings of the study

- The majority of high-uranium levels were located in Rajasthan and parts of Punjab, Haryana and Gujarat
- The results showed that most of the wells tested in Rajasthan and Gujarat had **more uranium than the WHO's recommended limit of 30 µg/L.** The levels in a few tens of wells in Rajasthan were close to 300µg/L.

> **Related information**
> - Uranium contamination in groundwater has been a persistent problem in Punjab, which came to the fore as early as 1990s.
> - Possible causes of contamination of soil and ground water in Malwa region of Punjab are believed to be the fly ash from coal burnt at thermal power plants, which contains high levels of uranium and ash.

- Similar high levels contamination was also found in other districts of northwestern India and southern and southeastern India especially in Andhra Pradesh and Telangana**.**
- The primary source of uranium is geogenic, i.e., main source **of uranium is granite**, which is common in the Himalayan range. Over the years, uranium may have slowly leached into the water.
- However, anthropogenic factors such as over-**exploitation of groundwater** for agricultural irrigation and nitrate pollution due to **overuse of nitrogenous fertilizers** may have further enhanced uranium mobilization.

Issues associated with uranium contamination

- The **Bureau of Indian Standards' Drinking Water Specifications** does not prescribe any limit for uranium which makes **quality monitoring of water table impossible.**
- Uranium in drinking water raises concerns not because of radioactivity but mainly because of **chemical toxicity, chronic kidney problems etc.**

5.6. GLOBAL ENVIRONMENT FACILITY (GEF)

Why in news?

- Recently, the **Sixth GEF Assembly summit** took place in **Da Nang, Viet Nam** in June 2018.

More about the summit

- It announced GEF replenishment of **$4.1 billion**, a cut in the funding from USD 4.4 billion in 2014. This will be the **first time GEF's budget has been reduced** since its origin.
- The cut is because US has pledged to slash its contribution to GEF by almost half.
- The GEF has proposed certain changes in the light of funding cut from US
  - Increased co-financing requirement for the poorest countries to **5 times** and larger developing countries to **9 times the original grant.**
  - **A new "index of development"** for restricting countries from accessing funding that have developed beyond a certain point according to this index.

- o Large countries **whose avg. GDP growth is more than 5% over the last four years to be ineligible to receive any GEF funding.**
- It approved a grant of USD 15 million for the **Bay of Bengal Large Marine Ecosystem (BOBLME) project**, started by the UN Food and Agriculture Organization (FAO) in 2009, involving all eight countries along its coastline - Bangladesh, India, Indonesia, Malaysia, Maldives, Myanmar, Sri Lanka and Thailand.
  - o BOBLME project aims to promote sustainable fishing, reduce marine pollution and improve the lives of approximately 400 million people who live along its coasts.
- On the sidelines of the assembly, the Green Climate Fund (GCF) and the GEF have also agreed to take joint steps to improve climate finance flows to best meet the needs of developing countries.

Issues with GEF

- The **cut in funding** is a serious setback because GEF has been one of the world's major sources of green funding for developing countries.
- The proposed new development index is seen as another attempt by industrialized countries at **abdication of their own responsibilities** for the harm they have caused to the world.
- **Risks of exchange rate volatility**: The GEF encountered about a 15 percent shortfall in available financial resources due to it as GEF has no financial mechanism available to manage these risks.
- **Operational restrictions and lack of awareness** of the GEF have resulted in limiting or not fully realizing the potential for successful engagement with the private sector.

> **About GEF**
> - It is a financial mechanism **established under the 1992 Rio Earth Summit** to help tackle our planet's most pressing environmental problems.
> - It is managed by **World Bank.**
> - Presently, it involves an international partnership **of 183 countries, international institutions, civil society organizations and the private sector** that addresses global environmental issues.
> - **The Council** is the GEF's main governing body, comprises 32 Members appointed by and from among GEF member countries (14 from developed countries, 16 from developing countries and 2 from economies in transition).
> - T**he GEF Assembly** is composed of all 183 member countries which meets every four years to review general policies, GEF's operation and the membership of the Facility.
> - **Environmental Conventions under GEF financial mechanism**
>   - o Convention on Bio diversity (CBD)
>   - o Convention to combat desertification (UNCCD)
>   - o Framework convention on climate change (UNFCCC)
>   - o Stockholm Convention on Persistent Organic Pollutants
>   - o Minamata Convention
>   - o Montreal Protocol (provides support)
>
> **Its significance**
> - Since its inception, the GEF has provided **over $17.9 billion in grants** mobilized an **additional $93.2 billion in co-financing** for a whole range of projects that combat climate change, restore degraded farmlands, protect biodiversity etc.
> - Its **small grants programme** has helped farmers in various developing countries adapt to climate change impacts, especially water shortages.
> - It strongly **supports inclusion of national agencies** in the GEF partnership to build suitable capacities in the country and improve the efficiency.
> - The **GEF Gender Mainstreaming Policy** has strengthened role of gender in the operations in a more systematic manner.

- There is a need to distinguish its engagement and financing from that of others to be well positioned to continue to play a pivotal role for the global environment:
  - o Linking **more resources to advisory services**, technical assistance, and capacity building.
  - o Going beyond how much money is going towards the different focal areas and concentrate on the **outcomes achieved**.
  - o Considering greater flexibility and fungibility of **resources within country** allocations.
  - o Enhancing the **operational efficiency and transparency** to make GEF more agile and responsive to recipient demands.
  - o Enabling **technology transfer** from developed countries.

5.7. MEGHALAYAN AGE

Why in news?

Scientists have identified a new phase in Earth's geological history called the Meghalayan age.

Geological Time Scale

- The geological time scale is the "calendar" for events in Earth history.
- It subdivides all time into named units of abstract time called—in descending order of duration—**eons, eras, periods, epochs, and ages.**
- **Eons** are the largest intervals of geologic time and are hundreds of millions of years in duration. For e.g. Phanerozoic Eon is the most recent eon and began more than 500 million years ago.
- Eons are divided into smaller time intervals known as **eras.** For e.g. the Phanerozoic is divided into three eras: Cenozoic, Mesozoic and Paleozoic.
  - The names of eras were chosen to reflect major changes of the development of life on the Earth: Paleozoic (old life), Mesozoic (intermediate life), and Cenozoic (recent life).
- Eras are subdivided into **periods.** For e.g. the Paleozoic is subdivided into the Permian, Pennsylvanian, Mississippian, Devonian, Silurian, Ordovician and Cambrian periods.
- Periods are further subdivided into epochs which are further divided into ages.
  - Each period corresponds to significant events such as the break-up of continents, shifts in climate, and the emergence of particular types of animals and plant life.
- These units of the geologic time scale are based on sedimentary strata that have accumulated over time.

Eonothem / Eon	Erathem / Era	System / Period	Series / Epoch		Stage / Age	Numerical age (Ma)
PHANEROZOIC	CENOZOIC	QUATERNARY	Holocene	U/L	Meghalayan	present / 0.0042
				M	Northgrippian	0.0082
				L/E	Greenlandian	0.0117
			Pleistocene		Upper	0.126
					Middle	0.781
					Calabrian	1.80
					Gelasian	2.58
		NEOGENE	Pliocene		Piacenzian	3.600
					Zanclean	5.333
			Miocene		Messinian	7.246
					Tortonian	11.63
					Serravallian	13.82
					Langhian	15.97
					Burdigalian	20.44
					Aquitanian	23.03

Meghalayan Age

- The Meghalayan Age, which is the subdivision of the Holocene Epoch, began about 4,200 years ago.
- It has been officially ratified as the most recent unit of the Geologic Time Scale by the **International Union of Geological Sciences,** an international NGO.
- **The International Commission on Stratigraphy,** which is responsible for standardising the Geologic Time Scale, approved the definition of the beginning of the youngest unit of the Geologic Time Scale based on the timing of this event.
- The Commission then forwarded these proposals to its parent body, the IUGS, for consideration and ratification.
- The other two subdivisions of the Holocene Epoch — the Early Holocene Greenlandian (11,700 years ago), Middle Holocene Northgrippian (8300 years ago) were also approved.
- The Meghalayan Stage has been defined at a specific level in a stalagmite in the **Mawmluh caves —** one of the India's longest and deepest — in Cherrapunji, Meghalaya.
  - The onset of the age was marked by a severe 200-year drought that resulted in the collapse of civilisations and human migrations in Egypt, Greece, Syria, Palestine, Mesopotamia, the Indus Valley, and the Yangtze River Valley.
- The lower boundary of the Greenlandian and Northgripppian stages are defined at specific levels in Greenland ice cores.
- Both the ice cores and the stalagmite are now defined as "international geostandards",
- The International **Chronostratigraphic Chart**, the famous diagram depicting the timeline for Earth's history will be updated.

5.8. LEGAL ENTITY STATUS FOR ALL ANIMALS

Why in news?

The Uttarakhand High Court has declared the "entire animal kingdom including avian and aquatic" as legal entities.

More on News

- The court was hearing a PIL filed in the year 2014 where the petitioner had sought directions to restrict the movement of horse carts, or tongas between Indian and Nepal through Banbasa in Uttarakhand's Champawat district.
- However, the High Court enlarged the scope of the petition in larger public interest to promote the protection and welfare of the animals.
- It gave guidelines for the protection and welfare of the animals in state. For example, it directed the state that no animal, including horses moving between India and Nepal, carries excess weight, banned the use of any "sharp equipment" throughout the state, "to avoid bruises, swelling, abrasions or severe pain" to animals, etc.

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Related information

- In common law jurisprudence, there are two types of persons — **natural persons** or human beings and **artificial person**, which are also known as juristic persons, juridical entity or a legal person other than a natural person.
- **Legal or juristic persons** are created by law and recognised as a legal entity, having distinct identity, legal personality and besides duties and rights. They include private business firm or entity, non-governmental or government organisations, trusts and societies, besides others.

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5.9. RECOVERY PROGRAMME FOR WILDLIFE SPECIES

Why in news?

- The National Board for Wildlife (NBWL) recently added four species- **the Northern River Terrapin, Clouded Leopard, Arabian Sea Humpback Whale, Red Panda**- to a Recovery Programme for Critically Endangered Species.

More about Recovery Programme

- It is one of the components of centrally sponsored scheme - Integrated Development of Wildlife Habitats (**IDWH**) which provides assistance to the State/UT governments for activities aimed at wildlife conservation.
- The other two components**:**
  o Support to Protected Areas (National Parks, Wildlife Sanctuaries, Conservation Reserves and Community Reserves **except tiger reserves**)
  o Protection of Wildlife Outside Protected Areas
- IDWH also covers various activities which include:
  o Management Planning and capacity building
  o Anti-poaching & infrastructure development
  o Restoration of habitats
  o Eco-development and community oriented activities
- The four species recently added under recovery program are in addition to 17 other species already identified under the recovery programme - Snow Leopard, Bustard (including Floricans), Dolphin, Hangul, Nilgiri Tahr, Marine Turtles, Dugongs, Edible Nest Swiftlet, Asian Wild Buffalo, Nicobar Megapode, Manipur Brow-antlered Deer, Vultures, Malabar Civet, Indian Rhinoceros, Asiatic Lion, Swamp Deer and Jerdon's Courser.
- **Implementation issues include**: poor recovery chances of the species at the last stage as process of implementation on ground starts after 2-3

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About National Board for Wildlife (NBWL)

- It is a statutory Board constituted under the Wild Life (Protection) Act, 1972.
- It is **chaired by the Prime Minister**. Its vice chairman is Minister of Environment.
- It is involved in framing policies and promoting wildlife conservation and controlling poaching and illegal trade of wild life.
- It makes recommendations on the setting up of and management of national parks, sanctuaries and other protected areas and restriction of activities in those areas.
- Its concurrence is needed for creation of tourist lodges, alteration of the boundaries of Protected Areas, de-notification of Tiger Reserves, etc.
- It may appoint a standing committee which provides clearances to projects that pass through or are located near protected areas.

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About the Species

- **Northern River Terrapin**, which is a species of riverine turtle found in the rivers that flow in Eastern India, is hunted for its meat and carapace. It is a native of Bangladesh, Cambodia, India, Indonesia and Malaysia. **(IUCN-Critically Endangered)**
- **Clouded Leopard**, found in the Himalayan foothills, is threatened due to habitat loss, poaching for its skin and is also as a live pet trade. **(IUCN-Vulnerable)**
- **Arabian Sea Humpback Whale** is a species found in all of major oceans but ship strikes, unforgiving fishing gear and seismic explorations pose grave threat to it. **(IUCN-Endangered)**
- **Red Panda** which is closely associated with montane forests with dense bamboo-thicket, is found Sikkim, West Bengal and Arunachal Pradesh. It is poached for its meat, and for use in medicines, and as a pet. **(IUCN-Endangered)**

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years of planning, simultaneous destructive anthropogenic actions nullifying conservation efforts, environmentally unsound government policies (e.g. coastal regulation zone notification) etc.

5.10. GANGETIC DOLPHIN

Why in news?

The population of the Gangetic river dolphin at the Vikramshila Gangetic Dolphin Sanctuary has declined to 154 from 207 in 2015.

Ganges River Dolphin

- The Ganges River dolphin inhabits the Ganges-Brahmaputra-Meghna and Karnaphuli-Sangu river systems of Nepal, India, and Bangladesh.
- The Ganges Dolphin is among the four freshwater dolphins found in the world – the other three are found in the Yangtze River (China), the 'bhulan' of the Indus (Pakistan) and the 'boto' of the Amazon River (Latin America).
- It is **National Aquatic animal of India**.
- It has been categorised as **endangered** on the Red List of Threatened Species by the IUCN.
- It is also protected under the **Schedule I of the Wildlife Protection Act (1972).**
- A long thin snout, rounded belly and large flippers are characteristics of the Ganges River dolphin.
- It is a mammal and cannot breathe in the water and must surface every 30-120 seconds. Because of the sound it produces when breathing, the animal is popularly referred to as the 'Susu'.
- The presence of the Dolphin in a river system signals its good health and biodiversity.
- **Vikramshila Gangetic Dolphin Sanctuary (VGDS)** in Bihar is India's only sanctuary for the Gangetic dolphin.

Reasons for decline

- **Habitat loss and degradation:** due to increased human interference. Siltation and decreasing water flow and water level in the river due to construction of dams and irrigation projects have impacted the habitat.
- **Pollution:** from industrial waste and pesticides; municipal sewage discharge and noise from vessel traffic have threatened the gangetic river dolphin population. Due to **effective blindness of dolphins and, dependence on echolocation**, the Gangetic dolphins suffer from the noise pollution created by large ship propellers, and by dredging.
- **Directed harvest:** through illegal killing for dolphin oil, which is used as a fish attractant and for medicinal purposes.
- **Bycatch** in gillnets and line hooks is also a major source of mortality for this subspecies mainly due to the widespread use of non-selective fishing gear.

Steps taken

- A **Conservation Action Plan for the Gangetic Dolphin 2010-2020** has been formulated by the Ministry of Environment, Forest and Climate Change. It provides following recommendations:
  o **Potential sites for intense dolphin conservation** should be demarcated in the Ganga River System.
  o Each state with Gangetic Dolphin populations should have a **regional Dolphin Conservation Center,** with a nodal agency responsible for its operation.
  o The **use of nylon monofilament fishing gillnets** in stretch of rivers having dolphin population should be **banned.**
  o Universities and research organisations should be encouraged to **develop dolphin research programs.**
  o The establishment of **Trans-boundary Protected Areas** for Gangetic Dolphins may also be considered between India, Nepal and Bangladesh.
  o Intensive development projects proposed in the river basins that have direct impacts on the dolphins and their habitat need to be identified. Environmental Impacts Assessments (EIAs) of such projects need to focus and indicate the possible impact of the proposed activities on dolphins.
  o **Critical water flow and minimum depths** for all river dolphin habitats should be determined, and management actions should be set in place to ensure such flow and depth.
- **National Mission for Clean Ganga (NMCG)** in its efforts of biodiversity conservation in Ganga River basin has been working further on the Ganges River Dolphin Conservation Action Plan and has taken up steps to coordinate with various institutions to:

- o build capacity for Ganga River Dolphin Conservation and Management;
- o minimize fisheries interface and incidental capture of Ganga River Dolphins;
- o restore river dolphin habitats by minimizing and mitigating the impacts of developmental projects;
- o involve communities and stakeholders for sustainable efforts in Ganga River Dolphin conservation;
- o educate and create awareness and set off targeted research.

5.11. NILGIRI TAHR

Why in news?

As per a study published in *Ecological Engineering* journal, niligiri tahrs could lose approximately 60% of their habitats from the 2030s on.

More on News

- Scientists found that tahr strongholds such as Chinnar, Eravikulam and Parambikulam in Kerala will still be stable habitats under different climate change scenarios.
- Other regions, including parts of Tamil Nadu's Kalakkad Mundanthurai Tiger Reserve and the wildlife sanctuaries of Peppara, Neyyar, Schenduruny and Srivilliputhur, could experience severe habitat loss in future causing the loss.

Conservation Issues

- Nilgiri tahrs exist only in small, isolated populations due to **extreme habitat fragmentation and illegal hunting**. They are, as a result, vulnerable to local extinction.
- The species has always been under severe stress on account of the **construction of numerous hydroelectric projects**, timber felling and monoculture plantation of eucalyptus and wattles.
- All these development activities, especially the **plantation activities** affect the heart of the tahr habitat, which are the grasslands – sholas.

> **About Nilgiri Tahr**
> - The Nilgiri tahr inhabits the **open montane grassland habitats** at elevations from 1200 to 2600 m (generally above 2000 m) of the South Western Ghats.
> - Their range extends over 400 km from north to south, and Eravikulam National Park is home to the largest population.
> - Listed in Schedule I of Wildlife (Protection) Act, 1972 and as **Endangered on IUCN Red List.**
> - Adult males develop a light grey area or "saddle" on their backs and are hence called "saddlebacks".
> - It is state animal of Tamil Nadu.

5.12. HARRIER BIRDS

Why in News?

Concerns have been raised that harrier birds, a migratory raptor species are declining from Indian Subcontinent.

About the Harrier Birds

- Harrier Birds are the only diurnal 'Raptor group or Birds of Prey' nesting and roosting on the ground.
- These birds regularly visit vast swathes of Indian Subcontinent grasslands during winter to escape frigid Central Asia.
- Six of the 16 Harrier species in the world migrate to India every year, these are (i) Eurasian Marsh Harrier (ii) Eastern Marsh Harrier (iii) Hen Harrier (iv) Pallid Harrier (v) Pied Harrier (vi) Montagu's Harrier.
- Montagu's, Marsh and Pallid Harriers are widely distributed in India while Pied and Eastern Marsh Harriers are confined to the eastern parts of India. Hen Harriers are commonly seen in Northern India and up to Upper Assam in North Eastern India.

Ecological Role

- **Birds of Prey:** being top predators, these are a vital indicator of ecosystem health especially of grassland and wetland ecosystem.
- **Natural Controlling agents:** of rodents, grasshoppers and birds which form their major prey base and hence their decline impacts farm productivity.

Reasons for Decline

- **Habitat destruction:** loss of grasslands either due to rapid urbanization or large-scale monocultures and extensive reclamation of wetlands causes change in land use patterns declining their suitable foraging and roosting habitats in many parts in India.

- **Extensive pesticide use:** in farms in and around roosting sites causing bioaccumulation of poisonous substances in food-chain leading to mortality of the birds.

5.13. RED SANDERS NOT ENDANGERED ANYMORE

Why in news?

The International Union for Conservation of Nature (IUCN), now reclassified red sanders (Pterocarpus santalinus) as 'near threatened' from the earlier 'endangered'.

Red Sanders

- It is an **endemic tree of South India**.
- They are found in **Tropical Dry Deciduous forest** of the Palakonda and Seshachalam hill ranges of **Andhra Pradesh** and also found in **Tamil Nadu and Karnataka.**
- It occurs in **hot, dry climate** with a rainfall of 88-105 cm.
- It prefers **lateritic and gravelly soil and cannot tolerate water logging**.
- It is used for various purposes such as **immunity medicine**, **furniture, radiation absorbent, musical instrument,** food dyes and spices, Ayurveda and Sidha medicine, decorative and ornamental purposes etc.
- It is a rare kind of sandalwood, high in demand internationally due to its red colored wood. The major markets for the wood are – China, Japan, Middle East, Sri Lanka, Bhutan and Nepal.
- Its **export is banned in India** in accordance with the CITES and Wildlife Protection Act 1972. Further, Andhra Pradesh Government formed a Joint Task Force called **Red Sanders Anti–Smuggling Task Force (RSASTF)**. However, its smuggling is rife and is rampant in the southern states of Karnataka, Andhra Pradesh and Tamil Nadu.

5.14. KHANGCHENDZONGA BIOSPHERE RESERVE

Why in news?

Recently, Khangchendzonga Biosphere Reserve was included in the UNESCO's World Network of Biosphere Reserve (WNBR) under the Man and Biosphere Programme (MAB).

More on news

- UNESCO also announced the registration of 23 other new sites in the World Network of Biosphere Reserves.
- Now the total number of Biosphere reserves under MAB programme has reached to 686.

About Khangchendzonga Biosphere Reserve

- It is one of the **highest ecosystems** in the world and located at trijunction of India (Sikkim), bordering Nepal to the west and Tibet (China) to the north-west.
- The site is one among the world's 34 biodiversity hotspots.
- The Khangchendzonga National Park (KNP), which comprises the core area of the KBR, was inscribed as India's first **'Mixed World Heritage Site'** in 2016.

Related Information

UNESCO: MAB Programme

- Launched in 1971, it is an **Intergovernmental Scientific Programme** that aims to establish a scientific basis for the improvement of relationships between people and their environments.
- It combines the natural and social sciences, economics and education to improve human livelihoods and the **equitable sharing of benefits,** and to **safeguard natural and managed ecosystems.**

World Network of Biosphere Reserve (WNBR) and India

It covers internationally designated protected areas, each known as biosphere reserves, that are meant to demonstrate a balanced relationship between people and nature.

- India has 18 biospheres reserves, of which 11 have been included in the WNBR.
- The **Nilgiri Biosphere Reserve** was the first reserve from the country to be included in the WNBR.

Others MAB -WNVR site in India

- Gulf of Mannar- Tamilnadu
- Sundarban- West Bangal
- Nanda Devi-Uttrakhand
- Nokrek- Meghalaya
- Pachmarchi-Madhya Pradesh
- Simlipal- Orisa
- Achanakmar-Amarkantak- Madhya Pradesh
- Great- Nicobar- Andaman and Nicobar Island
- Agasthyamala- (Western Ghat) Kerala & Tamilnadu

- Over 118 species of the large number of medicinal plants found in **Dzongu Valley** in north Sikkim are of ethno-medical utility.
- **Fauna:** Red Panda, Snow Leopard, Himalayan Black Bear and herbivores species of Musk deer, Great Tibetan Sheep, Blue Sheep, Boral and Barking Deer.
    o Over 500 species and sub-species of birds, including; Monal Pheasants, Tragopan Pheasants and Blood Pheasants (the State Bird) — are also found in the reserve.

5.15. GANGA VRIKSHAROPAN ABHIYAN

Why in news?

National Mission for Clean Ganga (NMCG) has started "Ganga Vriksharopan Abhiyan" in five main stem Ganga basin states – Uttarakhand, Uttar Pradesh, Bihar, Jharkhand and West Bengal.

More on news

- The campaign has been initiated **as part of the Forest Interventions in Ganga** component of **Namami Gange programme.**
- It aims to **bring greater awareness among people and other stakeholders** regarding the importance of afforestation for the task of Ganga Rejuvenation.
- Schools, colleges and departments have been requested to "Adopt a Plant" to make this campaign into a people's movement.
- **State Forest Departments** of respective states have been made the **nodal agencies** for the smooth and effective execution of the campaign.
- Divisional Forest Officers (DFOs) have been designated as the district level Nodal Officers and Chief Conservator of Forest (CCF) at the State level for organizing the events.
- In Uttar Pradesh, the programme is dovetailed with the Ganga Haritima Abhiyan.

Importance of Afforestation in Ganga Basin-
- Forests cause higher rainfall and raise water level in the rivers.
- Healthy forest cover along the river provides self-cleaning ability to the river.
- Through their foliage, craggy bark and abundant leaf litter, trees and forests decrease the speed of water dispersion and favour slow but greater infiltration of rainwater to ensure smooth functioning of the hydrological cycle.

Namami Gange Programme

- It is an Integrated Conservation Mission to accomplish the twin objectives of effective abatement of pollution, conservation and rejuvenation of National River Ganga.
- Main pillars of the mission are:
    o River front development
    o Conservation of Aquatic life and biodiversity
    o Improvement of coverage of sewerage infrastructure in habitations on banks of Ganga.
    o River Surface cleaning for collection of floating solid waste from the surface of the Ghats and River
    o Afforestation
    o Industrial Effluent Monitoring
    o Development of Ganga Gram
    o Creating Public Awareness
- Under the aegis of National Mission for Clean Ganga (NMCG) & State Programme Management Groups (SPMGs), States and ULBs and PRIs will be involved in this project.

National Mission for Clean Ganga (NMCG)

- The objectives of NMCG is to accomplish the mandate of National Ganga River Basin Authority (NGRBA):
    o To ensure effective abatement of pollution and rejuvenation of the river Ganga by adopting a river basin approach to promote inter-sectoral co-ordination for comprehensive planning and management and
    o To maintain minimum ecological flows in the river Ganga with the aim of ensuring water quality and environmentally sustainable development.
- To achieve the objectives, NMCG shall carry out the following key functions namely:
    o Implement the work programme of National Ganga River Basin Authority (NGRBA).
    o Implement the World Bank supported National Ganga River Basin Project.
    o Coordinate and oversee the implementation of projects sanctioned by Government of India under NGRBA.

- o Undertake any additional work or functions as may be assigned by MoWR, RD &GR in the area of conservation of river Ganga.

5.16. SAGAR NIDHI

Why in News?

Recently, Indian Ocean Research Vehicle (IORV) Sagar Nidhi as part of India- US expedition seeking to find answers to vagaries of Bay of Bengal fed South-West Monsoon was set out in Indian Ocean.

About the India – US mission

- Sagar Nidhi will sail through the Bay of Bengal collecting data on Ocean conditions at different depths and locations and study the underlying principles of interaction of the uppermost layer of ocean with the atmosphere. It will also use radiosondes to gather meteorological data.

Significance

- **Help better prepare for the monsoon:** Intra-seasonal variability of the monsoon is a major problem in India where long dry spells have been associated with droughts, while long wet spells have caused floods, landslides, loss of life and damage to property. Skilful prediction of these varying patterns could help officials better prepare for annual monsoon.
- **Overcome flaws with current models:** presently, models of high clouds and interaction of atmosphere with the ocean are not well represented in computer models thus limiting the forecasting abilities.
- **Crucial for policy makers and farmers:** Bay of Bengal fed South West monsoon accounts for 70% of India's annual rainfall, thus better prediction would result in better planning and policy making. Also getting monsoon forecasts right is essential for more than 230 million Indian farmers who still rely on the rains to water more than half the country's farmlands.
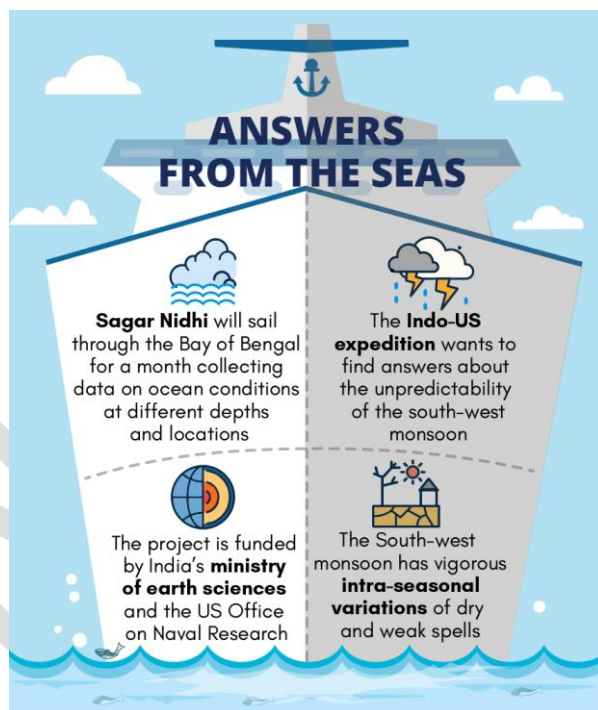
Why it is difficult to forecast monsoon in India?

- **Huge variability of monsoon:** Many factors seem to affect the duration and intensity of monsoon, which include:
  - o **El Nino Southern Oscillation (ENSO):** A climatic phenomenon associated with warming up of eastern Pacific Ocean. Other factors temper or boost the impact of El Nino such as the **Indian Ocean Dipole (IOD)** which is the difference in the Sea Surface Temperature between the western Indian Ocean near Arabian Sea and the Eastern part near the Bay of Bengal. A warmer western pole leads to a positive IOD that can act as a neutralizing factor to El Nino and result in normal rainfall. Other factors include - Equatorial Indian Ocean Oscillation (EQUINOO), Madden Julian Oscillation etc. Moreover, they share complex relations between themselves thus further complicating the scenario.
  - o **Anthropogenic Emissions affect rain patterns:** Warmer atmosphere has direct correlation with greater variability in the monsoon.
  - o **Air Pollution:** complicates the rainfall variability as aerosols such as black carbon interact with sunlight resulting in either scattering or absorbing sunlight. Scattering prevents the light from warming the earth

> **Related news**
> **CUSAT Stratosphere Troposphere-205 Radar:**
> - Situated at Cochin, it is fully indigenously built radar to scan stratosphere over the Indian Ocean for movement of air and monsoon winds.
> - Weather radars detect perturbations in wind and water content of atmosphere. CUSAT-ST radar scans the sky using radio waves to create a three-dimensional picture of the atmosphere. The scan produces a spectrum of densities of air, from which it is possible to compute the actual winds. Accuracy of ST radar observations can be as high as 99% and will add to further the precision of weather, especially the monsoon.

surface while absorbing causes the particles to warm the air around them which ultimately alters the heating pattern of atmosphere and heating up of the land relative to Ocean.

o **Forest Cover:** in August and September around a quarter of the precipitation in the large basin of eastern India comes from land surface, mainly through the evapotranspiration in the forests. Large scale deforestation around the world can lead to an 18% decrease in the Indian Monsoon.

o **Other factors:** for instance dust over North Africa and the Arabian Peninsula absorbs sunlight, warms the air and strengthens wind carrying moisture eastwards which later cause heavy rainfall in India. Similarly, **climate change** further complicates the phenomena.

- **Monsoon Depressions:** these are the depressions formed over Bay of Bengal and are known for producing heavy rainfall during monsoons. In recent years, these are reducing due to anomalous moisture convergence over the western Indian ocean due to rapid sea surface warming.

- **Need for better understanding the role of Jet streams:** During monsoon, strong winds known as **low level monsoon jet stream** appear around the southern part of India at an altitude of about 1.5 Km above the ground. Similarly, around 14 Km altitude (very near to stratosphere) there is another jet stream from the East. The speed, along with the North South movement of these two Jet streams controls the distribution of rainfall over the Indian region.

5.17. DEEP OCEAN MISSION

Why in News?

In a recently unveiled Deep Ocean Mission (DOM) blueprint, Centre has drawn up a five year, Rs. 8000 Crore plan to explore deep resources of the ocean on lines of ISRO in designing and launching satellite.

About the DOM blueprint

DOM aims to explore the depths of the Ocean for the possibilities of deep-sea mining. Its focus will be on technologies for deep-sea mining, under water vehicles, under water robotics and ocean climate change advisory services, among others. Key deliverables to achieve these goals:

- **Offshore tidal energy desalination plant** that will work with tidal energy.
- **Developing a submersible vehicle** to explore depths of at least 6000 Meters with three people on board.

Significance of DOM for India

- India's Exclusive Economic Zone (EEZ) spreads over 2.2 Million Km^2. EEZ are boundaries prescribed by the UNCLOS which give special rights to a state regarding the exploration and use of marine resources.

UN International Sea Bed Authority

- The ISBA is an autonomous international organization situated at Kingston, Jamaica.
- It was established under the UN Convention on the Law of the Sea (UNCLOS) in 1994 to to regulate the exploration and exploitation of marine non-living resources of oceans in international waters.

Poly-Metallic Nodules

- Polymetallic nodules, also called manganese nodules, are rock concretions formed of concentric layers of iron and manganese hydroxides around a core.
- It has been estimated that 380 Million Metric Tonnes of PMN are available at the bottom of the seas in the Central Indian Ocean, a 10% recovery of which can meet the energy requirements of India for next 100 years.
- India is the first country to have received the status of a pioneer investor in 1987 and was allocated an exclusive area in Central Indian Ocean Basin by United Nations (UN) for exploration and utilization of nodules.

- India has been allotted a site of 75,000 Km^2 in the Central Indian Ocean Basin (CIOB) by the UN International Sea Bed Authority for exploitation of Poly-Metallic nodules (PMN). A First Generation Mine-site (FGM) with an area of 18,000 Km^2 has been identified. Latest technologies for extraction of metals from the minerals have also been developed.

- Researches and studies about the Ocean floor can help us to make informed decisions on Climate change.

- It will help in innovating technologies about the field from underwater vehicles to under water robotics, hence improving India's position in ocean research field.

- It will create huge jobs and business opportunities in Ocean science.

6. SCIENCE AND TECHNOLOGY

6.1. RBI BAN ON CRYPTOCURRENCY

Why in news?

The Reserve Bank of India released a statement directing all regulated entities, including banks, to stop dealing with individuals and businesses involved in virtual currencies **within three months.**
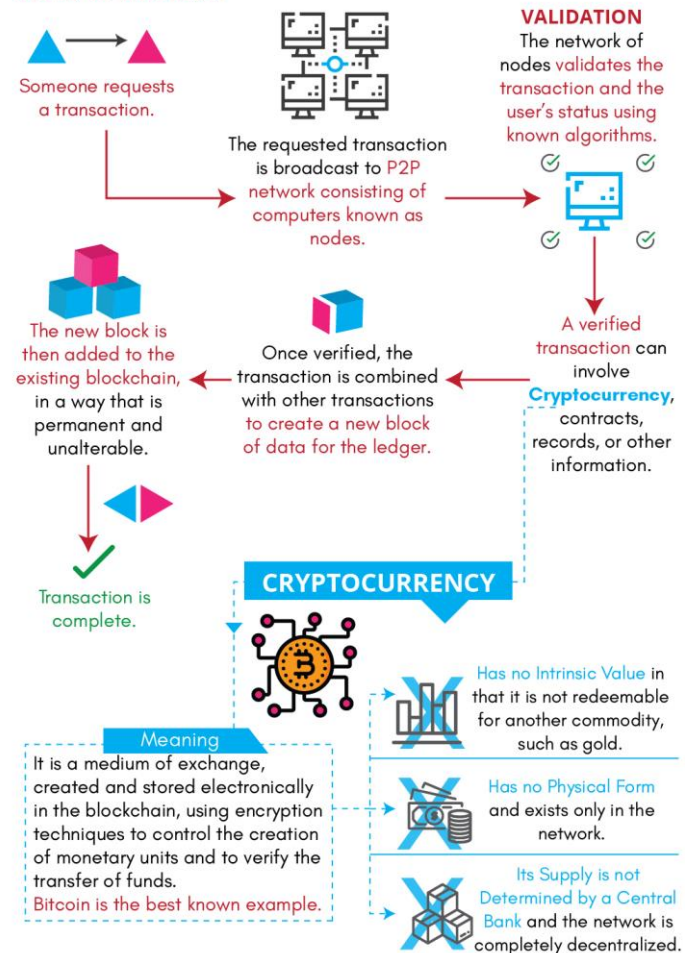
What is cryptocurrency?

- Cryptocurrency is a type of digital currency that uses cryptography for security and anti-counterfeiting measures.
- It is normally not issued by any central authority, making it immune to government interference or manipulation.
- The control of each cryptocurrency works through distributed ledger technology called **blockchain**.
- Examples include Bitcoin, Ethereum, Ripple etc.

Arguments in favour of the ban

- **Financial stability:** If they grow beyond a critical size, they can endanger financial stability as they raise concerns regarding consumer protection, market integrity and their use for speculation.
- **Investor protection:** Since cryptocurrencies are virtual and do not have a central repository, a digital cryptocurrency balance can be wiped out by a computer crash if a backup copy of the holdings does not exist.
- **Volatility in the prices:** For example: Bitcoin is currently trading below $7,000 as compared to its peak price of over $19,000, a loss of two-thirds of its value.
- **Security risks** such as Hacking, passwords being stolen, malware attacks etc. Cryptojacking is a form of cyber-attack in which a hacker hijacks a target's processing power in order to mine cryptocurrency on the hacker's behalf.
  - Theft of cryptocurrencies from exchanges soared in the first half of this year to three times the level seen for the whole of 2017.
- **Illegal activities**: It may be used for money laundering, tax evasion etc. In fact, anonymous nature and lack of a central regulator in cryptocurrency transactions can lead to funding of a host of illegal activities such as child pornography, drug dealing, gun supplies etc.
- **International examples**: Countries like China and South Korea etc. have also unleashed a regulatory crackdown.

How It Works:

Someone requests a transaction.

The requested transaction is broadcast to P2P network consisting of computers known as nodes.

VALIDATION
The network of nodes validates the transaction and the user's status using known algorithms.

A verified transaction can involve **Cryptocurrency**, contracts, records, or other information.

Once verified, the transaction is combined with other transactions to create a new block of data for the ledger.

The new block is then added to the existing blockchain, in a way that is permanent and unalterable.

Transaction is complete.

CRYPTOCURRENCY

Meaning
It is a medium of exchange, created and stored electronically in the blockchain, using encryption techniques to control the creation of monetary units and to verify the transfer of funds.
Bitcoin is the best known example.

Has no Intrinsic Value in that it is not redeemable for another commodity, such as gold.

Has no Physical Form and exists only in the network.

Its Supply is not Determined by a Central Bank and the network is completely decentralized.

What is Blockchain?
A databse or a ledger that maintains a continuously growing list of data records or transactions.

So, it's a Spreadsheet, like Excel?
In a way yes, but it has special qualities that make it better than traditional databases.

Shared Publicly: Servers, or nodes, maintain the entries (known as blocks) and every node sees the transaction data stored in the blocks when created.

Automated: The software is written so that conflicting or double transactions do not become written in the data set and transactions occur automatically.

Secure: The database is an immutable and irreversible record. Posts to the ledger cannot be revised or tampered with - not even by the operators of the database.

Trusted: Distributed nature of the network requires computer servers to reach a consensus, which allows for transactions to occur between unknown parties.

Decentralized: There is no central authority required to approve transactions and set rules.

Arguments against ban of cryptocurrencies

- **In sync with rapid changes in the payments industry:** such as emergence of private digital tokens and the rising costs of managing fiat paper/metallic money.
- **Potential benefits of blockchain technology** or the distributed ledger technology, which is the backbone of cryptocurrencies, for financial inclusion and enhancing the efficiency of the financial system.
- **Difficult to counterfeit** as compared to physical currency.
- **No transaction fees:** There aren't usually transaction fees for cryptocurrency exchanges because the miners are compensated by the network.
- **Shift of trade outside India:** It may lead to millions of dollars leaving the country to carry on trade in these currencies outside India
- **Benefits for customers:** The rise of cryptocurrencies offers ordinary people the rare opportunity to choose among multiple currencies in the marketplace. It also may help people gather funds for a cause.

> **Use of blockchain beyond cryptocurrency**
>
> It has the power to transform business processes and applications across sectors — from financial services to agriculture, from healthcare to education, among others. Some examples include:
>
> - **Blockchain-powered smart contracts** where every piece of information is recorded in a traceable and irreversible manner would enhance ease of doing business, augment the credibility, accuracy and efficiency of a contract and reduce the risk of frauds substantially.
> - **Property deals** which are still carried out on paper making them prone to disputes, can be benefitted through in-built transparency, traceability and efficiency in this system
> - **Financial services:** For example, Yes Bank adopted this technology to fully digitise vendor financing for one of its clients which enables timely processing of vendor payments without physical documents and manual intervention while tracking the status of transactions in real time. Even NITI Aayog is reportedly building a platform called 'IndiaChain' — a shared, India-specific blockchain infrastructure to leverage the trinity of Jan-Dhan-Yojana, Aadhaar and the mobile.
> - **Healthcare and pharmaceuticals:** It involves a lot of sensitive clinical data which demands a secure and reliable system.
> - **Insurance sector:** It may play a crucial part in health or agriculture insurance claims management by reducing the risk of insurance claim frauds.
> - **Education sector** to ensure time-stamped repository of pass-outs and job records of students to enable easier verification of candidates by the employees.

- **Prohibition is not the solution:** as people who are using cryptocurrency for illegal purposes may drive the trade underground where it will be purchased through cash or other untraceable commodities.

Way forward

In this age of digitisation, it is difficult to ban cryptocurrencies. For example, cryptocurrency exchanges have found a way around the ban by introducing currency-to-currency trading platforms, which essentially bypass the regulators. Hence, it's important we regulate instead of banning. Also, some more steps can be taken in this regard:

- **Upgrading the technology platforms** to be secure against fraud and data leak.
- Setting up some kind of **a global oversight** to guard against misuse of the new currency by anti-social elements, terrorists and enemy countries.
- **Educating the users** and greater interface with the tax authorities for introducing these currencies in future.
- **Promoting stability** in the sector, for e.g. – IBM is backing a new cryptocurrency pegged to the US dollar, in a partnership with US-based financial services provider which provides stability in this sector.

6.2. NET NEUTRALITY

Why in News?

The Telecom Commission, the highest decision-making body in the Department of Telecom has recently approved the principles of net neutrality recommended by TRAI last year.

What is Net Neutrality?

- The basic principles of net neutrality is that nobody owns the internet and it is free and open to all and that Internet Service Providers (ISPs) must treat all internet traffic equally without any regard to the type, origin or destination of the content or the means of its transmission.
- According to TRAI net neutrality principles, any form of discrimination or interference in the treatment of content, including practices like blocking, degrading, slowing down or granting preferential speeds or treatment to any content is prohibited.

Significance

- **Big victory for open internet movement:** specially coming at a time when USA recently repealed net neutrality rules.
- **Implications for future of internet in India:** India is expected to have more than 500 million internet users; hence the acceptance of net neutrality rules will have far reaching implications for the future of internet in India.
- **A Progressive move:** The government's decision is being seen as progressive as mobile operators, ISPs and social media companies cannot engage in, or seek, preferential treatment of content thus it will not allow any operator or ISP to create a monopoly on the internet.
- **Important for Innovation and Ease of doing business:** Net neutrality is crucial for innovation, competition and the end consumers that provide a level playing field to content providers and startups.
- **Exceptions to critical, new and emerging services:** such as autonomous driving, tele-medicine, disaster management, etc. which may require prioritized internet lanes and faster than normal speeds. A committee will look into the possible exceptions for critical services.

India's efforts to keep the

WEB FREE

2016

February: Trai prohibits discrimminatory tariffs for data services; the ruling means the end of Facebook's Free Basics and Airtel Zero

March: DoT seeks Trai's recommendations on net neutrality

May: Trai comes out with a consultation paper on free data

December: Trai releases recommendations on provisioning of free data

2017

January: Telecom regulator issues a consultation paper on net neutrality

2015

January: DoT sets up a committee to giverecommendations on net neutrality

March: Trai comes out with a consultation paper on regulatory framework for over-the-top (OTT) services

May: DoT pannel releases its report on net neutrality

November: TRAI recommended its thoughts on Net Neutrality & upheld the basic principles that ISPs, TSPs (Telecom Service Providers) must treat all data packets the same, and not discriminate on the basis of content

- **Provides enforcement and monitoring mechanism:** Government has decided to form a multi-stakeholder body for monitoring and enforcement of Net neutrality.
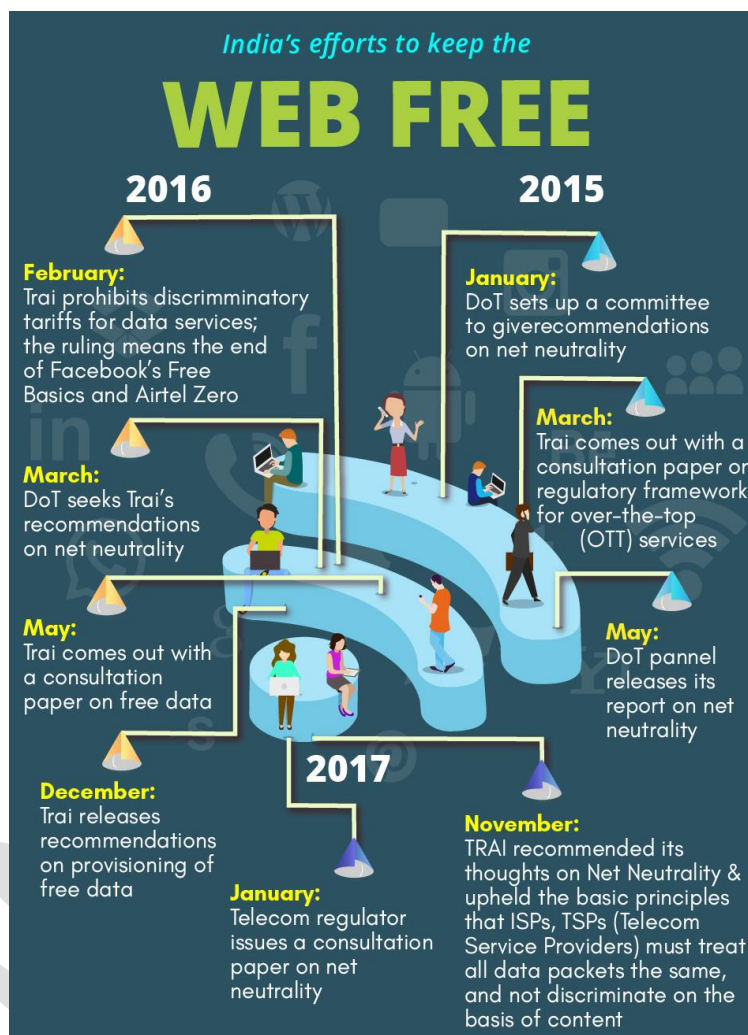
Way forward

- Internet must remain an open platform unhindered by any entity so that users and customers have a choice to access content of their liking.
- India must align with other like-minded countries to promote an open internet, for instance India recently signed an MoU with European Union to promote net neutrality.

6.3. WIPO TREATIES

Why in news?

The Union Cabinet has approved the proposal submitted by DIPP (Department of Industrial Policy & Promotion) regarding **accession to the WIPO Copyright Treaty and WIPO Performers and Phonograms Treaty.**

About WIPO Copyright Treaty

- It is a special agreement under the Berne Convention (for protection of literary and artistic works) that deals with the protection of works and the rights of their authors in the digital environment.
- It grants following rights:
  o the right of distribution
  o the right of rental
  o a broader right of communication to the public

WIPO (World Intellectual Property Organisation)

- It is one of the 15 specialized agencies of the United Nations with headquarters at Geneva, Switzerland.
- It aims to promote worldwide protection of both industrial property (inventions, trademarks, and designs) and copyrighted materials (literary, musical, photographic, and other artistic works).

- Any Contracting Party must comply with the substantive provisions the Protection of Literary and Artistic Works.
- The WCT mentions two subject matters to be protected by copyright: computer programs and compilations of data which constitute intellectual creations
- The term of protection must be at least 50 years for any kind of work.

About WIPO Performances and Phonograms Treaty

- It deals with the rights of two kinds of beneficiaries, particularly in the digital environment:
  o performers (actors, singers, musicians, etc.); and
  o producers of phonograms (persons or legal entities that take the initiative and have the responsibility for the fixation of sounds)
- It grants them these economic rights: the right of reproduction; the right of distribution; the right of rental; and the right of making available.
- The term of protection must be at least 50 years.

Benefits of accession to two treaties

- It extends coverage of copyright to the internet and digital environment and will instill confidence and allow distribution of creative works in digital environment.
- It is a **step towards achieving the objective laid in the National Intellectual Property Rights (IPR) Policy** 2016 which aims to get value for IPRs through commercialization by providing guidance and support regarding commercial opportunities of e-commerce.
- It will facilitate **international protection of domestic rights holders** by providing them level-playing field in other countries as India already extends protection to foreign works.
- It would facilitate **the fight against the menace of on-line piracy** by enabling recourse to legal remedies by authors, performers and producers of phonograms.

6.4. NEW SOURCE OF NEUTRINOS IN SPACE DISCOVERED

Why in news?

The IceCube observatory at the South Pole has discovered that a "blazar", a galaxy with a supermassive black hole at its centre, also produces neutrinos.

More on news

- Neutrinos are one of the most abundant particles in the universe.
- They are incredibly **difficult to detect** as they have very little interaction with matter.
- They **do not carry electric charge**.
- Because neutrinos are electrically neutral, they are not affected by the electromagnetic forces which act on electrons. Neutrinos are affected only by a "weak" sub-atomic force of much shorter range than electromagnetism, and are therefore able to pass through great distances in matter without being affected by it.
- Three types of neutrinos are known. Each type or "flavour" of neutrino is related to a charged particle-electron, muon and the tau.
- They can change from one flavor to another as they travel. This process is called neutrino oscillation and is an unusual quantum phenomenon.
- So far neutrinos had **only been observed originating from supernovae (exploding stars) and the sun.** They also come from the cosmic rays that come from beyond the solar system, and from the Big Bang from which our Universe originated.
- Neutrinos **can also be made artificially**. They are produced in radioactive decays and in nuclear reactors.

> **IceCube**
> - The IceCube experiment at the South Pole is a cubic kilometre in size and uses deep arctic ice as a target for the neutrinos.
> - Neutrinos can produce a charged particle when they occasionally do interact with the fundamental particles that make up ice.
> - In IceCube, this resulting particle travels through the ice and produces a trail of faint light.

6.5. NATIONAL VIRAL HEPATITIS CONTROL PROGRAM

Why in news?

Ministry of Health and Family welfare has recently launched the 'National Viral Hepatitis Control Program'.

Viral Hepatitis

- Hepatitis means **inflammation of the liver.** It is often caused by a virus and Hepatitis B and C, the two main types of the five different hepatitis infections (A, B, C, D, E) are responsible for 96% of overall hepatitis mortality.
- Viral Hepatitis **caused 1.34 million deaths in 2015**, a number comparable to deaths caused by tuberculosis and **higher than those caused by HIV.**

	Hepatitis B	Hepatitis C
How does it spread?	when blood, semen, or certain other body fluids from a person infected with the hepatitis B virus enters the body of someone who is not infected.	when blood from a person infected with the Hepatitis C virus enters the body of someone who is not infected.
Vaccine	Available	Not Available

- Viral hepatitis is a cause for major health care burden in India. Over five million Indians are infected & about one lakh die every year, due to hepatitis.
- India is among the 11 countries carrying nearly 50% of the global burden of chronic hepatitis.
- The challenge in eliminating chronic viral hepatitis is due to the **infected person being unaware of their chronic carrier status** and to the potential for them to continue to infect others for decades. Eventually the society is burdened with loss of productive workforce, and the health care system with expenses of treating liver failures, chronic liver diseases, and cancers.
  - At least 60% of liver cancer cases are due to late testing and treatment of viral hepatitis B and C.
- Prevention of hepatitis B virus (HBV) transmission from infected mothers to their new-borns is critical to HBV control and eventual eradication.

National Viral Hepatitis Control Program

- It aims to reduce morbidity and mortality due to viral hepatitis.
- The key strategies under the programme are:
  - Preventive and Promotive interventions with focus on **awareness generation.**
  - **Safe injection practices** and socio-cultural practices.
  - **Sanitation and hygiene** like safe drinking water supply, infection control and immunization.
  - Co-ordination and collaboration with different Ministries and departments.
  - **Increasing access to testing and management** of viral hepatitis.
  - Promoting diagnosis and providing treatment support for patients of hepatitis B &C through standardized testing and management protocols with focus on treatment of hepatitis B and C.
  - Building capacities at national, state, district levels and sub-district level up to Primary Health Centres (PHC) and health and wellness centres.
- It seeks to
  - Establish **National program management** unit at the Centre which will act as the hepatitis cell within the National Health Mission.
  - Establish **State program management unit** which will also be the state coordination unit in the first year and will act as the hepatitis cell within existing state health governance structure i.e. state health society.

> **Other initiatives to combat Hepatitis in India**
> - India is committed to achieving Sustainable development goal (SDG) 3.3 which aims to combat viral hepatitis along with other diseases.
> - India is a signatory to a resolution endorsing **WHO Global Health Sector Strategy on Viral Hepatitis 2016-2021** towards ending viral hepatitis by 2030.
> - There are several components that exist in the different programs of government such as Immunization for hepatitis B under Universal Immunisation Programme; Swachh Bharat Mission; Safety of blood and blood products; Safe drinking water and sanitation, which are directly or indirectly related to the response to viral hepatitis.
> - National Viral Hepatitis Surveillance Programme

- o **Upgrade and strengthen the existing laboratories** in the state to perform the requisite diagnostic functions for testing of viral hepatitis. **Free drugs and diagnosis** for Hepatitis B and C will be provided under the programme.
- o **Establish 665 testing centres** in the public sector that can offer access to quality assured testing and diagnosis of hepatitis over 3 years.
- o **Establish at least 100 treatment sites** in the public sector that can offer access to quality assured management of Viral Hepatitis with focus on treatment of Hepatitis C over 3 years. It aims to treat a minimum of 3 lakh hepatitis C cases over a period of three years.

6.6. COLOURED X-RAY ON HUMAN

Why in news?

New Zealand scientists have performed the first-ever 3-D, colour X-ray on a human.

About colour X-ray

- The device is based on the traditional black-and-white X-ray and incorporates particle-tracking technology developed for CERN's Large Hadron Collider.
- The CERN technology called **Medipix** is like a camera detecting and counting individual sub-atomic particles as they collide with pixels while its shutter is open. This allows for high-resolution, high-contrast pictures.
- When X-rays travel through your body, they're absorbed by denser materials (bones) and pass right through softer ones (muscles and other tissues). The places where the X-rays couldn't pass through appear solid white.
- Instead of recording the X-rays as either passing right through the body or getting absorbed by the bone, this scanner is better as it records the precise energy levels of the X-rays as they hit each particle in your body. It then translates those measurements into different colours representing your bones, muscles, and other tissues.
- Thus, it clearly shows the difference between bone, muscle and cartilage and also the position and size of cancerous tumours as well.
- Other benefits include
  - o **More accurate diagnosis** as it would produce clearer and more accurate pictures.
  - o Future version may enable complete image of a human, which may help in **3D printing a lost limb or a malfunctioning organ**
  - o **Customised medical care to individual needs** as it would not just show fractures, surrounding tissues, blood and nerve supply but also structures exactly as they are.

6.7. 'P NULL' PHENOTYPE

Why in news?

A team of doctors from Mangaluru's Kasturba Medical College (KMC) has identified a rare blood group called "pp" or "P null" phenotype for the first time in India.

More about the news

- ABO and Rh are the common types of blood group systems. However, there are more than 200 minor blood group antigens known besides A, B and Rh.
- A blood type is considered rare if fewer than one in 1,000 people have it. A person is said to have rare blood group when he lacks the high frequency antigen or multiple common antigens.
- The 'P null' blood group has anti-PP1Pk antibody that has the potential to cause acute intravascular haemolytic reaction to incompatible blood transfusion. This antibody is also known to cause recurrent abortions in women.
- Finding compatible unit for such case is a near impossible task without a well-established rare donor panel, hence Rare donor registry should be maintained for managing such cases.

6.8. FORMALIN

Why in news?

Formalin is being used in the fishing industry to increase the shelf-life of fish.

Details

- Formalin (formaldehyde) is **an anti-decomposition agent.**
- It is a colorless flammable chemical used in pressed wood products, fabrics, insulation materials.
- It is also used as fungicide, germicide, and disinfectant.
- In mortuaries it is used as a preservative for bodies and organs to ensure the specimen doesn't decompose.
- Short term damages for formaldehyde are watery eyes, coughing, wheezing, nausea and skin irritation.
- International agency for research on cancer and US FDA both classify formaldehyde as a human carcinogen. It increases risk of leukaemia, blood cancer etc.
- The most common reasons for using formalin is the easy availability, unavailability of good quality ice at harvest centres, inadequate insulation during domestic transport and lack of warehousing facility for bulk storage of fish.

7. SOCIAL

7.1. MOB LYNCHING

Why in news?

Government has set up a high-level committee chaired by the Union Home Secretary **Rajiv Gauba** to make recommendations for checking incidents of mob lynching across the country.

Mob Lynching in India

- Mob Lynching or Mob violence is a **violent punishment or execution, without following due process of law, for real or alleged crimes**.
- India is perhaps **the only place in the world** where mobile messaging has led to such a widespread mass exodus and lynching.
- In September 2017, the Supreme Court had asked states to take strong measures to curb such instances of violence in the name of cow protection, but not much steps were taken to that effect.
- More recently, **Supreme Court** denounced the **horrendous acts of mobocracy** and gave certain directions to deal with such crimes.

    - o Appointment by states of senior police officers as nodal officers in districts,
    - o Identification of vulnerable and sensitive regions
    - o More efficient patrolling of highways in these areas
    - o Lodging of FIRs without delay
    - o Compensation schemes for victims and their families
    - o Designated fast track courts to try the culprits
    - o Prompt departmental action against police officers and administrative officials who fail to uphold the law.

    > **Need of a separate law**
    > - **No existing law**: Presently there is no law which criminalizes mob lynching as a separate crime.
    > - **Deterrence**: A dedicated law would help create enough deterrence against such heinous crime.
    > - **Ensure governance**: The killing of human being by a crowd out to enforce mob justice puts a dent on democratic society and questions governance capabilities of the state. Thus, it needs to be punished.
    > - **Deal with multi-dimensional challenges**: such as vigilantism, lynching due to spread of rumor etc.
    >
    > However, some experts feel that the lynch mob is a law and order challenge and there are enough provisions in IPC related to murder, attempt to murder, acts done by several persons in furtherance of common intention etc. to tackle such menace if implemented strongly and effectively.

    - o A **special law** to be framed by Parliament, creating a **separate offence of lynching**.

Issues with mob lynching

- **Against rule of law**: The process of adjudication takes place within the courts of justice, and not on the streets.
- **Against human rights**: The lynching by mob create an atmosphere where human beings are dehumanised, freedom of speech, expression and personal choices are endangered and plurality and diversity is not accepted.
- **Fuel communalism and casteism**: as in most cases, victims are the most vulnerable people of society - nomadic tribes, religious minorities, lower castes etc.
- **No database to analyse trends**: As per Ministry of Home Affairs there is no record keeping on public lynching. Thus, making it difficult to draw conclusions and possible solutions to the problem.
- **Rise in causes that fuel the tendency towards such incidents**
    - o Loss of **faith of people in the judicial/democratic system** of governance especially the poor and marginalized. So they are tempted to deliver instant justice in their own ways.
    - o **Socio-political framework**: it involves people with little or no education, deep fissures and mistrust, political patronage to achieve narrow political gains, rising intolerance and growing polarization.
    - o **Misinformation and propagandas spread through platforms like Facebook, WhatsApp:** For e.g. recent rumours regarding child lifters have incited many impulsive and unplanned acts of violence across the country.
    - o **The incapability/unwillingness of law enforcement agencies** to act against mob crimes further encourages it to take the law into their own hands frequently. Public officials and police departments

should be held accountable for showing incompetence rather than putting onus on social media platforms completely
- o **Dispersion of responsibility and guilt** unlike sense of responsibility in individual action.

Way forward

- **Setting example and ensuring prosecution and punishment**: Mob lynching points to a disruption that reflects the loss of trust in state capabilities in justice delivery. Thus, such reiterative brutality and assaults on personal liberty and the right to life needs to be suppressed and punished so that perpetrators know that they would not be able to get away with it.
- **Focus needed on social/attitudinal change**: through reaching out to local communities to keep peace and check trouble makers from spreading rumours, creating awareness regarding misuse of social media by mass campaigns with help of civil society etc.
- **Strengthening administration and governance to ensure public confidence in state institutions:** by strengthening local intelligence networks, swifter response from police, proactive flagging of rumors.
- **Holding Social media platforms accountable**: WhatsApp should change its platform to enable privacy in messages between individuals and tracking identity where forwarded message is to public.
- **Adopt innovative practices as adopted in various states**: For example
  - o **Telangana police** has trained a team of 500 police officers to tackle the fake news menace. These officers go to villages to spread awareness about social issues. Police personnel have also been added to local WhatsApp groups in villages to spot rumors that could lead to violence.
  - o The **West Bengal police** took to Twitter to dispel a rumor that government had sanctioned a five-day holiday on account of Eid, nixing attempts to incite communal tension.

7.2. THE TRAFFICKING OF PERSONS (PREVENTION, PROTECTION AND REHABILITATION) BILL, 2018

Why in news?

Lok Sabha has recently passed the Trafficking of Persons (Prevention, Protection and Rehabilitation) Bill, 2018.

What is human trafficking?

- **United Nations Convention against Transnational Organized Crime (UNTOC)** defines Trafficking in Persons as the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation.
- Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs.

Human Trafficking in India
- The most current available data from the National Crime Records Bureau (NCRB) indicate that there were more than 8,000 reported cases of human trafficking across India in 2016.
- West Bengal (having porous borders with Bangladesh and Nepal) has become a human trafficking hub as it registered more than one-third of the total number of victims in 2016.
- India is a source, transit as well as a consumer country in South-East Asian human-trafficking industry.

Steps taken to combat human trafficking
- India ratified the UNTOC in 2011.
- The Government of India applies the **Criminal Law (Amendment) Act 2013**, as well as Section 370 and 370A IPC provides stringent punishment for human trafficking; trafficking of children for exploitation in any form including physical exploitation; or any form of sexual exploitation, slavery, servitude or the forced removal of organs.
- Apart from this, there many other laws and provisions that protect people from exploitation, like-
  - o **Article 23 (1)** of Indian Constitution prohibits Trafficking in Human and forced labour,
  - o The Immoral Traffic (Prevention) Act, 1956 (ITPA) for prevention of trafficking for commercial sexual exploitation.
  - o Bonded Labour System (Abolition) Act, 1976,
  - o Protection of Children from Sexual offences (POCSO) Act, 2012 to protect children from sexual abuse and exploitation, etc.

- Human trafficking is a crime against the person because of the violation of the victim's right to movement through coercion and because of their commercial exploitation. It is the third largest organized crime in the world.

What increases vulnerability to human trafficking?

- **Political Instability:** It creates unstable conditions in which people may live in constant fear with limited options for survival or earning a living.
  - o It may also lead to **forced migration** leading to homelessness, unemployment, and other deprivations of which traffickers may take advantage.
- **Poverty**: Traffickers specifically target poor and marginalized communities to offer vulnerable individuals false opportunities to improve their circumstances. Parents are often forced to sell their children due to poverty.
- **Gender Inequality:** makes women more vulnerable to recruitment by traffickers.
- **Addictions:** Traffickers use substance dependency and addiction to keep control of the trafficked person. Some traffickers purposely supply drugs to vulnerable people to break down their resistance and coerce them into forced labour or sex.
- **Mental Health:** People with mental health issues face a variety of challenges including isolation, diminished capacity to consent or offer informed consent, and limited ability to assess risk and detect ill-intentions. Traffickers are skilled in detecting these vulnerabilities and manipulating them to their advantage.
- **Online Vulnerability:** Traffickers maintain an online presence to lure vulnerable adults and children with the goal of meeting them in person, to take and circulate explicit photos, and to coerce an individual to comply with their demands.

Salient Features of the Anti-trafficking Bill, 2018

- A **National Anti-Trafficking Bureau (NATB)** will be established for coordinating, monitoring and surveillance of trafficking cases. It will also deal with crimes having inter-state ramifications.
- **Anti-Trafficking Relief and Rehabilitation Committees** to be established at the national, state, and district levels. These Committees will be responsible for: (i) providing compensation to victims, (ii) repatriation of victims, and (iii) re-integration of victims in society, among others.
- **State Anti-Trafficking Officers:** He will be responsible for: (i) follow up action under the Bill, as per the instructions of the State Anti-Trafficking Committee, and (ii) providing relief and rehabilitation services. The state government will also appoint a Police Nodal Officer at the state and district levels.
- **Anti-Trafficking Units:** ATUs will deal with the prevention, rescue, and protection of victims and witnesses, and for the investigation and prosecution of trafficking offences. In districts where an ATU is not functional, this responsibility will be taken up by the local police station.
- **Protection and rehabilitation:** It requires the central or state government to set up Protection Homes. These would provide shelter, food, counselling, and medical services to victims.
- **Designated courts** will be established in each district to provide **time-bound (within an year) judgement.** The bill also provides penalties for various offences.

Analysis

- The bill provides a robust policy framework which ties together the approaches of prevention, rescue and rehabilitation and also introduced the concept of '**aggravated forms of trafficking**' such as begging, child-bearing, administering hormones, etc.
- The bill provides **protection to witness** as well as confidentiality through in-camera proceedings, video-conferencing etc along with a provision for time-bound trial.
- It seeks to build the **capacity of victims** by providing capital, infrastructure, education and skill development to empower them to access justice and to prevent further trafficking. This will be accomplished and strengthened through the intelligence apparatus to improve the collection, collation and dissemination of operational intelligence.
- However, there still remain certain issues that need to be rectified, like-
  - o It has **not been sent to the standing committee** as demanded by many.
  - o It is also believed that it is just rehash of existing laws as section 370 of IPC still exists. The creation of several anti-trafficking bureaucratic bodies will **create confusion in the enforcement** of these laws.

- Various vague phrases and provisions like "any propaganda material that promotes trafficking of person or exploitation of a trafficked person in any manner" provides scope for wider interpretations which may have impact on freedom of speech and expression.
- It has also been criticised for not being in accordance with the recommendations of the UN Human Rights Council.
- The provisions without safeguards could result in **harassment of transgenders**. The use of phrases such as 'administration of hormones' in the Bill can be used to target transgender persons, since many of them take hormones during their process of gender affirmation.
- Certain provisions such as confiscation of property will hurt those sex workers which are **voluntarily involved in the job**. The Bill promotes "rescue raids" by the police and **institutionalisation of victims** in the name of rehabilitation.

> **Recommended Guidelines on Human Rights and Human Trafficking by Human Rights Council of the UN**
> - **Promotion and protection of human rights**. Anti-trafficking measures should not adversely affect the human rights and dignity of persons and, in particular, the rights of those who have been trafficked, migrants, internally displaced persons, refugees and asylum-seekers.
> - **Identification of trafficked persons and traffickers**. A failure to identify a trafficked person correctly is likely to result in a further denial of that person's rights.
> - Effective and **realistic anti-trafficking strategies** must be based on accurate and current information, experience and analysis.
> - There is an urgent need to **harmonize legal definitions**, procedures and cooperation at the national and regional levels in accordance with international standards through an adequate legal framework.
> - An adequate law enforcement response to trafficking is dependent on the **cooperation of trafficked persons and other witnesse**s. Law enforcement **officials must also be sensitized** to the paramount requirement of ensuring the safety of trafficked persons.
> - Appropriate protection and support should be extended to all trafficked persons **without discrimination**.
> - Strategies aimed at preventing trafficking should take into account **root causes** like addressing issues like inequality, poverty and all forms of discrimination and prejudice.
> - **Child victims of trafficking** should be provided with appropriate assistance and protection and full account should be taken of their special rights and needs.
> - To overcome the problem of lack of awareness about **right to remedies** among the victims of trafficking, legal and other material assistance should be provided to trafficked persons to enable them to realize their right to adequate and appropriate remedies.
> - **States, intergovernmental and non-governmental** organizations are responsible for the actions of those working under their authority and are therefore under an obligation to take **effective measures to prevent** their nationals and employees from engaging in trafficking and related exploitation.
> - **International, multilateral and bilateral cooperation** can play an important role in combating trafficking activities. Such cooperation is particularly critical between countries involved in different stages of the trafficking cycle.

7.3. PROPOSED NATIONAL POLICY FOR DOMESTIC WORKERS

Why in News?

Discussions are underway regarding a policy for Domestic Workers as government recently came out with its proposed salient features.

Issues with the domestic workers

- **No accurate data on their exact number:** though 68th round of NSSO survey for employment and unemployment indicate 3.9 Million, unofficial numbers may be higher.
- **No legal framework currently recognizing their rights:** Though India has two laws which address the concerns of domestic workers and in a circuitous way regard them as 'workers' which include Unorganized Workers Social Security Act, 2008 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, neither of these identifies workers as rights bearing workers.
- **Indifferent attitude of State governments towards domestic workers:** states have failed to include domestic workers in their respective schedules of employment.
- **Vast Sector and still not considered an economic activity:** In purview of labour laws the work of domestic workers is not termed as a work- cooking, cleaning, babysitting, etc. are not recognized as work by state. They don't have access to basic social security benefits including Maternity leaves, Pension and insurance.

- **The Minimum Wages Act 1948 doesn't take domestic workers into account**: This results in poor grievance redressal in case of underpaid workers.
- **Includes Children below age of sixteen**: who are unable to enjoy their fundamental right under article 21A that guarantees them compulsory elementary education.
- India is a signatory to the **International Labor Organization's 189th convention,** known as the Convention on Domestic Workers, but has not ratified it yet.

Why need for a policy?

- **Domestic Workers lack an organized union:** they come under the unorganized sector, thus they don't act as a pressure group which disables them to highlight their grievances to the authorities.
- **Migrant Workers:** Most of these are from vulnerable communities – Adivasis, Dalits or landless OBCs and almost all of them are migrants who require work to survive. Overwhelming number of them are women.
- **Victims of abuse:** they are often mistreated and are verbally or physically abused and also many times face sexual harassment which creates an unsafe working environment.
- **Remain out of mainstream economy:** they are unable to utilize the benefits of rapid economic development and growth.

Salient Features for proposed National Policy for domestic workers

- Inclusion of domestic workers in the existing legislations.
- Registration of domestic workers.
- Right to form their own associations, trade unions.
- Right to have minimum wages, access to social security, protection from abuse, harassment, violence.
- Right to enhance their professional skills.
- Protection of domestic workers from abuse and exploitation.
- Domestic workers to have access to courts, tribunals, etc.
- Establishment of a mechanism for regulation of placement agencies.

> **Past efforts towards legislation for Domestic workers**
>
> The National Platform for Domestic Workers submitted a draft bill, the **Domestic Workers Regulation of Work and Social Security Bill, 2016** which called for the compulsory registration of the employer and the employee with the District Board for regulation of domestic workers.

> **Initiatives by states**
> - Many state governments like Rajasthan, Kerala, Punjab, Tamil Nadu and Tripura have included domestic workers in the schedule of Minimum Wages Act and workers are, therefore, entitled to file cases before the concerned authorities in case of any grievances in this regard.
> - **Mathadi board model** prevalent in Maharashtra: The Mathadi boards were set up to ensure fair wages were paid to workers carrying loads. This ensures that equal wages are paid for equal work.

Significance of proposal

- Aims to provide equitable salaries and fair employment terms, protection from abuse/harassment and violence and address their grievances and resolve disputes.
- States to set up a Board/Trust to register and regulate placement agencies for domestic workers. The board will make recommendations on working hours, minimum wages and leave entitlements, promoting equal pay for equal work.
- Clearly define part time, full time and live-in workers, employers and private placement agencies.
- Domestic workers would now be included in the Universal Social Security code that is being drafted by labour Ministry, which would provide them with benefits such as medical insurances, pensions, maternity and mandatory leave.
- It would be a step forward in formalization of domestic workers.

7.4. DEVELOPMENT INDUCED DISPLACEMENT OF TRIBALS

Why in news?

As per **Art 338**, NCST has directed Andhra Pradesh to improve on resettlement and rehabilitation of tribal families displaced by Indira Sagar Polavaram project.

Background

- Numerous big development projects have been seen as crucial for the overall development of the economy. For example, Dams are known as the '**temples of India**'.
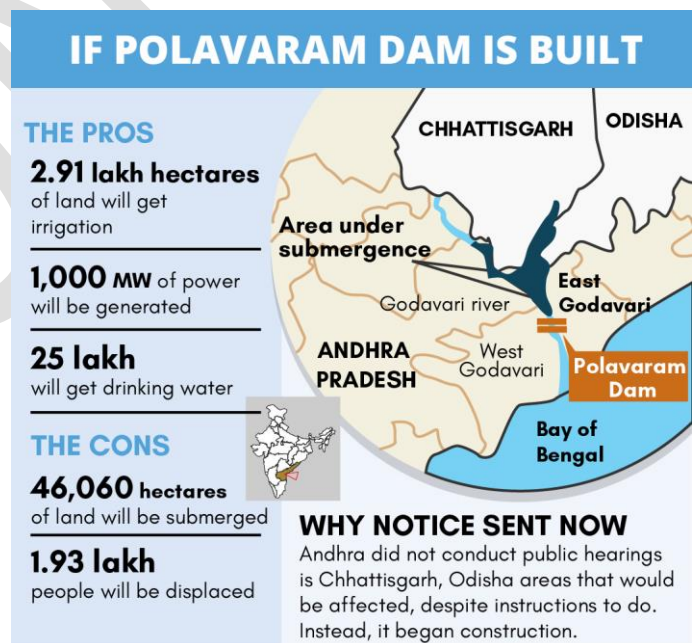
- Many of these projects have been set up in tribal areas and on the lands owned by tribals. These are the groups that have traditionally depended on the common property resource basically on forestland for their survival.
- '**Development induced displacement and resettlement** (DIDR)' can be defined as the forcing of communities and individuals out of their homes, often also their homelands, for the purposes of economic development. At the international level, it is viewed as a violation of human rights.
- Compensation and rehabilitation policies designed to mitigate effects of displacement are often unsuccessful. This is largely due to corruption of street level bureaucrats, underestimation of the value of resources, failure of planners to recognize the intricacies of the existing social and economic systems of the displaced and lack of involvement of displaced persons in the planning process.

Problems faced by the displaced families can be summarised as:

- The affected communities many a times are **not even consulted regarding the actions** and their consequences on them. For example, in case of Bargi Project over Narmada, it was told that 104 villages will be affected, while 162 villages got submerged leading to displacement of people.
- **Under-evaluation of Compensation:** Due to high level of corruption, illiteracy among the Tribals and various other reasons, the people are cheated as compensation is not enough in terms of the loss they ususlaly go through.
- **Inability to handle cash compensation:** Their money gets depleted quickly through fraud, from repayment of old debt, in liquor and other conspicuous consumption. A lifetime of livelihood security or shelter is squandered in months, sometimes weeks, condemning displaced persons to assured and irrevocable destitution.

Related Information

- The **National Commission for Scheduled Tribes (NCST)** was constituted consequent to the amendment of **Article 338** of the Constitution of India and insertion of a new **Article 338A vide the Constitution (Eighty-ninth Amendment) Act,** 2003 which, inter-alia, enjoins upon the Commission to oversee the implementation of various safeguards provided to Scheduled Tribes under the Constitution or under any other law for the time being in force or under any other order of the Government and to evaluate the working of such safeguards.
- **Article 338** provides for a Special Officer for Scheduled Castes, Scheduled Tribes to investigate all matters relating to the safeguards provided for the Scheduled Castes and Scheduled Tribes under this Constitution and report to the President upon the working of those safeguards at such intervals as the President may direct, and the President shall cause all such reports to be laid before each House of Parliament.
- A major legislation that deals with the issue of displacement and resettlement is Land acquisition, Rehabilitation, Resettlement Act 2013.
- Other laws for tribal development include Panchayats (Extension to Scheduled Areas) Act 1996 (PESA), Forest Rights Act 2006 and Fifth Schedule of the Constitution.

IF POLAVARAM DAM IS BUILT

THE PROS
2.91 lakh hectares of land will get irrigation

1,000 MW of power will be generated

25 lakh will get drinking water

THE CONS
46,060 hectares of land will be submerged

1.93 lakh people will be displaced

WHY NOTICE SENT NOW
Andhra did not conduct public hearings is Chhattisgarh, Odisha areas that would be affected, despite instructions to do. Instead, it began construction.

- **Failure to acquire cultivable land:** The problems associated with the absence of a comprehensive rehabilitation plan, of undervaluation of compensation and the inability to negotiate a money economy, combine as serious barriers for displaced land owners to secure alternate cultivable lands.
- **Traumatic, Forced and delayed relocation:** The driving objective of project authorities has not been to prepare and assist the families to relocate and to make a gradual and less painful transition to their new habitats. Instead the only objective is to vacate the submergence zone of what are perceived to be its human encumbrances**.**
- **Problems in resettlement sites:** Resettlement sites are often inhospitable in a number of ways (small houses, temporary structures, absence of basic facilities, schools and colleges, etc.) and their locations are selected

without reference to availability of livelihood opportunities, or the preferences of displaced persons themselves.

- **Multiple displacement:** Due to absence of coordination among offices, displacement takes place twice or thrice, for which the villagers are not even compensated.
- **Failure to provide alternative livelihood:** Land for land policy rarely operationalise and the authorities are unable to provide non-land based sustainable livelihood to the displaced.
- **Problems of host communities:** Unoccupied areas rarely exist and therefore resettlement takes place in existing settlements. This increases competition for few available resources and jobs. Therefore, the host communities rarely accept the displaced people.
- **Special vulnerabilities** due to class, caste, gender, age, etc is also observed during displacement. The displaced family's livelihood, their family, kinship systems, cultural identity and informal social networks are badly affected and disrupted. The condition of the women is even more traumatic. Lack of policy framework and social securities has made them insecure and psychologically very weak.

Recommendations for Rehabilitation and Resettlement of displaced people:

- **Agricultural land:** The state government should provide only land fit for agriculture to the displaced family within the command area of Irrigation Project with proper irrigation facilities.

> **Important Provisions of Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013**
>
> - The process for land acquisition involves a **Social Impact Assessment survey**, preliminary notification stating the intent for acquisition, a declaration of acquisition, and compensation to be given by a certain time. All acquisitions require rehabilitation and resettlement to be provided to the people affected by the acquisition.
> - The '**public purpose'** for which land can be acquired by the government is defined.
> - The Act also **provides for** schools and playgrounds, health centers, roads and electric connections and assured sources of safe drinking water for each family.
> - The **role of the gram sabha** has been clearly stressed and the government has to consult them.
> - **Compensation** for the owners of the acquired land shall be four times the market value in case of rural areas and twice in case of urban areas.
> - In case of acquisition of land for **use by private companies** or public private partnerships, consent of 80 per cent of the displaced people will be required. Purchase of large pieces of land by private companies will require provision of rehabilitation and resettlement.
> - The Act forbids land acquisition when such acquisition would include multi-crop irrigated area. However, such acquisition may be permitted on demonstrable last resort, which will be subjected to an aggregated upper limit for all the projects in a District or State as notified by the State Government. In addition to the above condition, wherever multi-crop irrigated land is acquired an equivalent area of cultivable wasteland shall be developed by the state for agricultural purposes.

  o While awarding compensation in respect of tribal people, **"land for land" policy** should be followed to the maximum extent.
  o The ceiling of 2.5. acres of land should be waived in case of ST people, and they should be provided equal or at least 2.5 acres of land within the Command Area in case of irrigation project such as Polavaram.
- **Means of livelihood:** The state government should also take care of the people without land holdings (who depended on minor forest produce for livelihood) by providing them adequate means of livelihood. The government may consider developing an industrial estate/hub adjoining the resettlement area to provide employment and economic opportunities to the displaced families.
- **Housings:** Government should immediately re-build the newly constructed houses which are destroyed by flash flood to mitigate the sufferings of displaced.
- **The compensation packages** need to be revised keeping in view the suggestions of the Supreme Court of India in the case of Mahanadi Coalfields Ltd.
- **Infrastructure:** In the resettlement colonies, focus/emphasis needs to be given for creation of social infrastructure like setting up of Colleges, University, Stadiums, Medical College on the pattern of AIIMs, Art and Music academies/centers, etc. in addition to their entitlement.
- **Advance Construction and compensation**: The State Government must ensure that R&R work is completed and compensation paid to the project affected as well as project displaced families at least four months prior to submergence or commissioning of the project or their displacement, whichever is earlier.

- **Overseeing the process:** The NCST strongly recommended that there should be a dedicated team of R&R officials to be stationed in rehabilitation area to oversee the developmental activities and other welfare measures for a period of at least 5 years from completion of the project.
- **Alternative solutions** such as **reviving traditional systems of water harvesting** (it has worked in various parts of Rajasthan and has changed the economy of farmers and also addressed drinking water problems in the region), **applying modern rainwater harvesting models** and **building small check dams**, precise irrigation methods, sustainable mining etc. can be adopted instead of bigger projects.

7.5. NATIONAL HEALTH STACK

Why in news?

NITI Aayog has unveiled the blue print of National Health Stack (NHS), a shared digital healthcare infrastructure.

About NHS

- **Vision**: A centralized health record for all citizens of the country in order to streamline the health information and facilitate effective management of the same.
- **Scope**: The scope of the National Health Stack includes (and is not restricted) to the following subjects:
  o Induction of Private Hospitals and Private Practitioners into the Primary and Secondary healthcare ecosystem;
  o Focus on Non-Communicable Diseases (NCD); Disease Surveillance; Health Schemes Management Systems; Nutrition Management; School Health Schemes; Emergency Management; e-Learning Platform for health, Telehealth, Tele-radiology; Diagnostic Equipment; Health Call Centre(s) etc.
- It will be India's first futuristic nationally shared digital healthcare infrastructure usable by both the **Centre and states across public and private sectors**.
- It is a collection of **cloud-based services**.
- It will provide a mechanism through which every user participating in the system can be **uniquely identified**. The registrant may create a virtual health ID to preserve their privacy when interacting with other users or stakeholders in the system.
- It will be built in the context of **PM- RSSM (Pradhan Mantri Rashtriya Swasthya Suraksha Mission)**, but will be designed 'beyond RSSM' to support existing and future health initiatives, both public and private.

> **Pradhan Mantri Rashtriya Swasthya Suraksha Mission**
> - It was launched in 2003 with objectives of correcting regional imbalances in the availability of affordable/ reliable tertiary healthcare services and also to augment facilities for quality medical education in the country.
> - It has two components, viz-
>   o Setting up new AIIMS
>   o Upgradation of government medical colleges

Components of NHS

- **National Health Electronic Registries**: to create a single source of health data of the nation.
- **A Coverage and Claims platform**: to support large health protection schemes, enable horizontal and vertical expansion of RSSM by states and robust fraud detection.
- **A Federated Personal Health Records (PHR) Framework**: to solve twin challenges of access to their own health data by patients and availability of health data for medical research which is critical for advancing understanding of human health.
- **A National Health Analytics Platform**: to bring a holistic view combining information on multiple health initiatives and feed into smart policy making, for instance, through improved predictive analytics.
- **Other horizontal Components**: including, and not restricted to, unique Digital Health ID, Health Data Dictionaries and Supply Chain Management for Drugs, payment gateways etc shared across all health programs.

Benefits of the NHS

With the adoption of this technology approach, the government's policies on health and health protection can achieve:

- **Continuum of Care** as the Stack supports information flow across primary, secondary and tertiary healthcare
- Shift focus from **Illness to Wellness** to drive down future cost of health protection

- **Cashless Care** to ensure financial protection to the poor
- **Timely Payments** on Scientific Package Rates to service providers, a strong lever to participate in government-funded healthcare programs
- **Robust Fraud Detection** to prevent funds leakage
- **Improved Policy Making** through access to timely reporting on utilization and measurement of impact across health initiatives
- Enhanced Trust and Accountability through non-repudiable transaction audit trails

Criticism against proposed NHS

- Though the document assures consent-driven interaction, it does not elaborate on whether the health data fiduciaries will be government or private bodies.
- Having a health stack, the base of which is personal health data, throws up more questions about who owns, **who can access and control** such digital data.
- In case of **leak of sensitive health data**, a person might have to face significant financial and social harm. Insurance companies may also deny claim or raise claims based on health data.
- In the absence of a law, the **requirement for consent** will be the decision of a company or government department, which will be discretionary, arbitrary and without adequate democratic legitimacy.
- A digital technology architecture does not mean good data will be available as people (both patient and person recording the data) keep fudging depending upon their knowledge and political motives.

7.6. PUNJAB DRUG MENACE

Why in news?

- The Punjab Government has demanded to amend NDPS (Narcotic Drugs and Psychotropic Substance) Act to bring death penalty for first time offenders and has declared it mandatory for its employees to undergo screening for drug use.
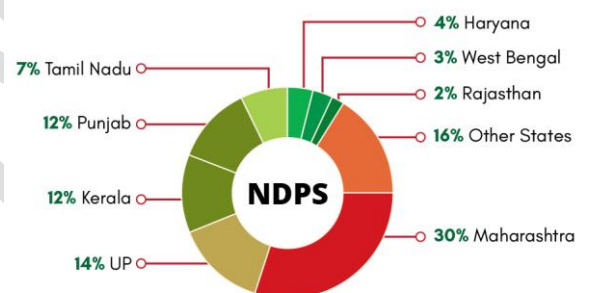
Facts about drug problem in Punjab:

- Doda/Phukki/left-over husk of Opium is consumed by farmers and workers of many states and at least 1/3rd rural population consumes it in Punjab. It does not come within drug addiction.
- According to PODS (Punjab Opioid Dependency Survey), in 2015 the state suffered from 90% Heroin addiction. Punjab's proximity to Afghanistan and Pakistan, with which it shares a border, has meant that it's a major transit route in the lucrative drug smuggling trade **(Golden Crescent).** That's one reason why heroin is so readily available here.
- The Narcotic terrorism is also an after effect of the violent separatist militancy which existed in the state in 1980s and 1990s.

Impacts of drug abuse

- **On Family:** The drug abuse problems may affect interpersonal relationships, instability in family, violence, child abuse, economic insecurity, deprivation of schooling and risk of sexually transmitted disease, including HIV infection.
- **On Health:** Health problems impair family life and productive employment, diminish the quality of life and may threaten survival.

NDPS CASES BY STATE

- 4% Haryana
- 3% West Bengal
- 2% Rajasthan
- 16% Other States
- 30% Maharashtra
- 14% UP
- 12% Kerala
- 12% Punjab
- 7% Tamil Nadu

TOTAL: 49,256 Cases

NDPS Act, 1985
- It was passed in 1985 in a bid to criminalize the cultivation, and possession of narcotic drugs.
- The death penalty was introduced in the Act in 1989, to deter narco-terrorism.
- The law also provides a mandatory minimum sentence of 10 years for offences involving commercial quantities of drugs. This determination assumes that people found with commercial quantities of drugs are drug traffickers.
- Under the law, proving possession alone is sufficient, the prosecution does not have to prove intent to lead to conviction. Since intent is harder to prove than a criminal act alone, strict liability ensures higher convictions.

- **On Crime:** Crime and drugs are inter-related in several ways. Firstly, illicit production, manufacture, distribution or possession of drugs may constitute a crime. Secondly, drugs may increase the likelihood of occurrence of other non-drug crimes such as the illegal use of guns, various forms of violence and terrorism. Thirdly, drugs may be used to make money, with subsequent money-laundering.
- **On Development:** The economic costs of drug abuse can be categorized as direct and indirect. Direct costs involve increased costs of police, courts, military, treatment programmes, welfare payments to drug addicts and their families, as well as increased security measures by businesses. Indirect economic costs include the displacement of legal industries; diminished control over the economy; spending money for drugs and inappropriate use of money gained from drug sales; and fiscal problems related to the inability to tax the drug economy.

Other recent steps taken by Punjab Government to fight drug menace

- **TASK FORCE:** Punjab government has set up a Special Task Force against drugs which has been given a mandate "to prepare and implement a comprehensive programme to eliminate drugs from the state."
- **COMMUNITY PROJECT:** A community participation programme called DAPO (Drug Abuse Prevention Officer) project has been started to raise awareness. The government has announced that all its employees and members of PRIs would be ex-officio DAPOs.
- **BUDDY PROJECT:** The project aims to create student awareness. The project involves teachers, students and parents and also aims to have teachers trained by a special team comprising STF officers, psychologists and education officers.
- **OOAT (**Outpatient Opioid Assisted Treatment): under this programme, the health department has opened 81 OOAT clinics for opium and heroin addicts since May. Addicts are given buprenorphine, an opioid substitute.
- Recently a ban has also been put on sale of syringes without a prescription.

Criticism against the new moves

- NDPS already had a section 31A introduced in 2001 which provided for mandatory death penalty to repeat offenders. It was watered down by a 2014 amendment to reflect a Bombay High Court judgment that held it "unconstitutional". The NDPS Act is itself notorious for being misused, making the inclusion of death sentence risky.
- Mandatory drug testing of employees will violate the fundamental right to life and personal liberty. Further, the government has around 3.5 lakh employees and it would be a tall order to get all of them tested.
- The test cannot establish whether a person is an addict or not. The test can only confirm the presence of narcotics in samples. For instance, a regular user of heroin may test negative if he or she has abstained for three-four days.
- It is well-known that the vast majority of drug addicts are unemployed youth. It is this segment of youth who need to be targeted for proactive and preventive measures and not government employees alone.

Way-Forward

- In large parts of India, the consumption of marijuana (by Shiva devotees during festivals) and opium (in Punjab and Rajasthan) has great **social acceptability**. Therefore, the policies must have a **reasonable distinction** between a recreational user and an addict.
- Worldwide, the tide of public opinion is slowly turning against the police-led, enforcement and punishment-based approach to drug control. The Global Commission on Drug Policy came out with a report in 2011 which **advocated complete decriminalisation**.
- Compulsive addicts must not be treated as despicable criminals, but as fellow human beings in need of care and counselling.
- Punjab should focus on cracking down on big suppliers. It should propose tighter controls at the border through which some of the narcotics enter.
- It should draw up a comprehensive health-based policy to deal with addiction, including an enumeration of addicts, the long-term follow-up of patients who manage to shake off the habit at government de-addiction centres, a rehab plan for such patients, plus education and awareness building from a young age.

7.7. INSTITUTIONS OF EMINENCE

Why in news?

The Ministry of Human Resource Development (HRD) has granted Institution of Eminence (IoE) status to six educational institutions including 3 from Public Sector and 3 from Private Sector.

Background

- None of the Indian universities had found a place in World University Rankings in 2017. Thus, in budget 2016, the government had committed to empower Higher Educational Institutions to help them become world class teaching and research institutions.
- In this context, the government had formed an Empowered Expert Committee (EEC) chaired by **N. Gopalaswami** to recommend 6 institutions as Institutions of Eminence.

What is IOE?

- IOE is a tag given to institutions which are either among Top 50 in the **National institution Ranking Framework** (in their category) or among Top 500 in internationally recognised rankings like the Times Higher Education World University Rankings and have a good mix of foreign and domestic students as well as faculty, have international standard infrastructure and are multi-disciplinary in their approach.

Benefits of declaration as IoE

- **Financial Assistance:** Each public Institution selected as 'Institution of Eminence' will get financial assistance up to Rs. 1000 Crore over the period of five years under this scheme.
- **Autonomy:** These Institutions shall be provided with greater autonomy to:
  - admit foreign students up to 30% of admitted students;
  - recruit foreign faculty upto 25% of faculty strength;
  - offer online courses upto 20% of its programmes;
  - enter into academic collaboration with top 500 in the world ranking Institutions without permission of UGC;
  - fix and charge fees from foreign students without restriction;
  - flexibility of course structure in terms of number of credit hours and years to take a degree;
  - complete flexibility in fixing of curriculum and syllabus, etc.
- **World Class Institutions:** They will get more opportunity to scale up their operations with more skills and quality improvement so that they become World Class Institutions in the field of education.
- **World Ranking:** It is expected that the above selected Institutions will come up in top 500 of the world ranking in 10 years and in top 100 of the world ranking eventually overtime.

Criticism of the Move

- The model for the Higher Education sector remains **dependent on state patronage**. Also, the entry into the **global education race** could now become an overriding concern.
- To gauge institutions principally by their prospective rankings, without regard for the relevance of outcomes, would be reductionist.

Overall findings of the Empowered Committee which recommended IOE tag:
- Most of the institutions which applied for IOE are new (less than 20 years old) and rely excessively on fees. They are "**yet to find their feet**" as younger private institutions having smaller alumni base lack "financial sustainability". To be within 500 in world ranking in the next 10 years is "a tall order" for them.
- '**Specialised institutions**' may be attracted to the IoE status only for the financial incentives involved.
- In state controlled universities, lack of finances are holding back hiring. Therefore, **faculty vacancies** continue to exist.
- The **existing framework** to apply for IOE is lacking in the sense that several eminent institutions like IIM Ahmedabad, TISS, etc. failed to fit. The management institutes should also be ranked separately.
- There should be more **flexibility and funds** for certain institutions such as Gandhigram Rural institute of Higher Education in Tamil Nadu.

National institution Ranking Framework
- This framework outlines a methodology to rank institutions across the country, launched in 2015.
- The methodology draws from the overall recommendations broad understanding arrived at by a Core Committee set up by Ministry of Human Resource Development, to identify the broad parameters for ranking various universities and institutions.
- The parameters broadly cover "Teaching, Learning and Resources," "Research and Professional Practices," "Graduation Outcomes," "Outreach and Inclusivity," and "Perception".

- There is **lack of transparency** in the selection process which may be cured by public sharing of benchmarks and guidelines.
- The **knowledge economy** does not consist of multi-disciplinary universities alone, but in current scenario universities seem to be the only one eligible for the IoE tag.
- Both in the interest of parity and for fear of losing opportunity, a separate category could be created to accommodate **sectoral institutions**, like the Indian Institutes of Management.

For more details please see Current Affairs February 2018 magazine.

8. CULTURE

8.1. STATUE OF RAMANUJACHARYA

Why in news?

A 216-foot tall statue of Vaishnavite saint Sri Ramanujacharya is set to be unveiled in Hyderabad soon.

About the statue

- It will become the **world's second tallest statue** and will be called as **Statue of Equality**, after the statue of the Great Buddha of Thailand (302 feet).
- It is **made of panchaloha** (an alloy of gold, silver, copper, brass and tin/lead) and its base depicts 36 elephants and 27-feet-high lotus petals.
- Near the statue will be another idol of the saint made of gold, weighing 120 kg for regular worshipping.

According to Vishishtadwaita (qualified monism)-
• The living entities are believed to be **qualitatively one** with the Supreme and at the same time **quantitatively different**. Ramanuja's assertion was that the quantitative difference means that the fragmentary parts of the Supreme are dependent on the Supreme but they cannot become the Supreme.
• According to this philosophy the living entities are individual personalities, so too is the Supreme also a personality-the Ultimate Personality.
• The **material world** is the energy of Godhead, and the subjective reality does not undergo any change of substance in the matter of material manifestation.
• About the end of the tenth century, the Visishtadvaita system of philosophy was well established in Southern India and the followers of this creed were in charge of important Vaishnavite temples.

About Ramanujacharya

- **Ramanujacharya,** or **Ilaiya Perumal is a** South Indian Brahman theologian and philosopher, the single most influential thinker of **devotional** Hinduism.
- He was a bhakti saint and also spread the message of equality. His philosophy became known as **vishishtadwaita** or **qualified non-dualism.** His philosophical foundations for devotionalism were influential to the Bhakti movement.
- His disciples were likely authors of texts such as the Shatyayaniya Upanishad. himself wrote influential texts, such as bhāsya on the Brahma Sutras and the Bhagavad Gita, all in Sanskrit.
- He provided an intellectual basis for the practice of bhakti (devotional worship) in three major commentaries: the Vedartha-Samgraha, the Shri-Bhashya and the Bhagavadgita-Bhashya.

8.2. THANJAVUR PAINTINGS

Why in news?

Raman Spectroscopy been is now being used to ascertain if gold or gemstones on Thanjavur paintings are fake or not.

More on news

- Thanjavur painting is a form of **miniature painting** that flourished during the late 18th and 19th centuries. However, its origin can be traced back to early 9th century.
- It is characterised by **bold drawing, techniques of shading and the use of pure and brilliant colours along with semi-precious stones, pearls and glass pieces.**

Raman Spectroscopy
• Raman spectroscopy is one of the vibrational spectroscopic techniques used to provide information on molecular vibrations and crystal structures.
• This technique uses a laser light source to irradiate a sample, and generates an infinitesimal amount of Raman scattered light, which is detected as a Raman spectrum.
Raman scattering (Raman effect)
• When light is scattered by matter, almost all of the scattering is an elastic process (Rayleigh scattering) due to which there is no change in energy.
• However, a very small percentage of scattering is an inelastic process (Raman scattering), thus a scattered light has different energy from incident light.

- The **conical crown** appearing in the miniature is a typical feature of the Tanjore painting.
- Gold is extensively used in Thanjavur paintings as the glitter makes it more attractive as well as prolongs the life of the painting.
- It has also been granted **Geographical identification tag**.

8.3. BEHDIENGKHLAM FESTIVAL

Why in news?

Behdiengkhlam festival was recently celebrated at Jowai, Jaintia Hills District in Meghalaya.

Details

- Behdiengkhlam is a traditional festival clebrated after sowing is done **seeking a good harvest** and to drive away plague and diseases. ("beh dien" means to drive away with sticks and "khlam" means plague or pestilence.)
- The festival is observed by **'Pnars'** who believe in the traditional faith of "Niamtre".
- During the festival young men symbolically drive away evil spirits by beating the roof of every house with bamboo poles.
- Women do not participate in the dancing, and have an important function of offering sacrificial food to the spirits of the forefathers.
- The main feature of the festival is the making of the **"Dein Khlam", "Symlend" and "Khnong",** which are rounded, polished and tall trunks of trees.
- The people also display their artistic skills by erecting 'rots' (tall bamboo structures decorated with colour paper and tinsel).
- As part of the celebration, a game similar to football called **dat la wakor** is also held with each team trying to score a goal with a wooden ball. The one to score first is the winner and it is also believed that the winner would have a bumper harvest.

> **The Jaintia tribe**
> - They are also known as **Syntengs and Pnars.**
> - They reside in the east part of Meghalaya and they are of an Austrio-Asiatic origin.
> - They are a **matrilineal society** as the children take the identity or family title solely from the mother.
> - Amongst the Jaintias, it is **the youngest daughter who inherits property** and has the obligation to take care and look after the family.
> - The tribe is famous for artistic weaving, wood-carving and cane and bamboo work.
> - Jaintia men wear Jymphong and dhoti while the women wrap several pieces of clothes so as to give a cylindrical shape. During functions they wear crowns of silver and gold with peak attached at the back of it.
> - Apart from Behdiengkhlam festival, the Laho Dance festivals also an important festivals of the Jaintias.

9. ETHICS

9.1. LOBBYING AND ETHICS

What is lobbying?

Lobbying is a deliberate attempt to influence political decisions through various forms of advocacy directed at policymakers on behalf of another person, organization or group. In India, there are no regulations on lobbying. However, periodic irregularities and corruption such as in Air Asia has put a question mark over the role of lobbying in democracy.

Ethical issues involved in lobbying

- **Paying a policy maker** to vote in a favorable way or rewarding him or her after a vote with valuable considerations. If this practice were allowed, people and organizations with money would always win the day. This also contradicts the criteria of disinterestedness and selflessness of a public servant.
- **The question of Fairness** arises when some lobbyists (such as those who have earlier served in public sector and have later joined private sectors) have easier access to lawmakers than others.
- **The virtue of impartiality** gets undermined as on the local level, policy makers are often lobbied by people they know socially and have friendship with.
- Lobbyists are advocates who **represent a particular side of an issue**, while lawmakers are the **chosen representatives** of the people. Therefore, their decisions must not be influenced in favour or on behalf of some particular people.
- In order to represent their clients' interests, lobbyists often **withhold significant information**. This hampers transparency and effectivity of the process.
- Unethical lobbying often creates conflict of interests and misuse of confidential information.

What framework should government provide for ethical lobbying?

OECD has developed Principles for Transparency and Integrity in Lobbying which governments must follow:

- Provide a level playing field by granting all stakeholders fair and equitable access to the development and implementation of public policies.
- Guidelines on lobbying should be consistent with the wider policy and regulatory frameworks.
- Clearly define the terms 'lobbying' and 'lobbyist' when developing rules and guidelines on lobbying.
- Countries should provide an adequate degree of transparency to ensure that public officials, citizens and businesses can obtain sufficient information on lobbying activities.
- Enable stakeholders - including civil society organisations, businesses, the media and the general public - to scrutinise lobbying activities.
- Foster a culture of integrity in public organisations and decision making by providing clear rules and guidelines of conduct for public officials.
- Review the functioning of their rules and guidelines related to lobbying on a periodic basis.

Conclusion

Lobbying can provide decision-makers with valuable insights and data, as well as grant stakeholders access to the development and implementation of public policies. However, lobbying can also lead to undue influence, unfair competition and regulatory capture to the detriment of the public interest and effective public policies. A sound framework for transparency in lobbying is therefore crucial to safeguard the integrity of the public decision-making process.

10. MISCELLANEOUS

10.1. MISSION SATYANISHTHA

Why in news?

Mission Satyanishtha was launched recently by **Ministry of Railways.**

Details

- The mission aims at **sensitizing all railway employees** about the need to adhere to good ethics and to maintain high standards of integrity at work.
- The objectives of the Mission are:
  - o To train every employee to understand the need and value of ethics in Personal and Public life.
  - o To deal with ethical dilemmas in life and Public Governance.
  - o To help understand the policies of Indian Railways on ethics and integrity and the employee's role in upholding the same.
  - o To develop inner governance through tapping inner resources.

10.2. PUBLIC AFFAIRS INDEX

Why in news?

The Public Affairs Index (PAI) 2018 has been released recently.

More about the News

- **Kerala** has emerged as the best-governed state for the third consecutive year.
- **Bihar** is the last ranked state (30th).
- Four of five southern states are among top five on this metric.
- Among smaller states (with a population of less than 2 crores), Himachal Pradesh topped the list (overall rank 4) for second consecutive year and Meghalaya was ranked at the bottom (29th).

> **Public Affairs Index**
> - It is released by a Bengaluru based not for profit think tank called **Public Affairs Centre** which is headed by Dr K Kasturirangan.
> - It is a data driven platform to rank the 30 States (including Delhi) of India on **quality of governance**.
> - PAI 2018 comprises of **10 broad themes**, 30 focus subjects and a list of 100 indicators.
> - The broad themes include essential infrastructure, support to human development, social protection, women, law and order, environment, economic freedom etc.
> - PAI is largely based on **secondary data** and has been extracted from Union Government Ministries and Departments.

- This year's PAI also includes an index to measure **child-friendliness of states**. Kerala has topped this index too whereas Jharkhand is at bottom in this list.

10.3. E-GOVERNMENT INDEX 2018

Why in news?

Recently **United Nation's** e-government index 2018 was released in its report United Nations E-Government Survey 2018.

About UN e-government survey

- The UN releases this Survey **every two years** and this year's theme is '**Gearing E-Government to Support Transformation towards sustainable and resilient societies**'.
- It maps how digital technology and innovations are impacting the Public Sector and changing people's everyday life.
- The Survey includes the E-**Government Development Index (EGDI)** which assesses progress in e-government development at the national level. It is a composite index based on three indices:
  - o One-third is derived from a **Telecommunications Infrastructure Index** (**TII**) based on data provided by the International Telecommunications Union (ITU)
  - o One-third from a **Human Capital Index** (**HCI**) based on data provided by the UNESCO
  - o One-third from the **Online Service Index** (**OSI**) based on data collected from an independent survey questionnaire

- The **e-participation index (EPI)** is derived as a supplementary index to the UN E-Government Survey which focuses on e-information sharing, e-consultation with respect to policies and services, engagement in decision-making processes.
- **Denmark** is the world leader in E-Government index while **India is at 96th rank**. On e-participation index, India ranks 15th and has emerged as sub-region leader.
  - India's improvement signifies availability of more information online, its accessibility to more people, e-participation by people in policy formation and decision-making, more government services online such as with GST network one can now pay almost all taxes electronically, file returns, claim refunds, etc.
  - However, in many areas such as public health and land records etc. the progress has stopped. Many government departments still insist on physical forms and signatures, despite the near universalisation of an identity instrument like Aadhaar for authentication.
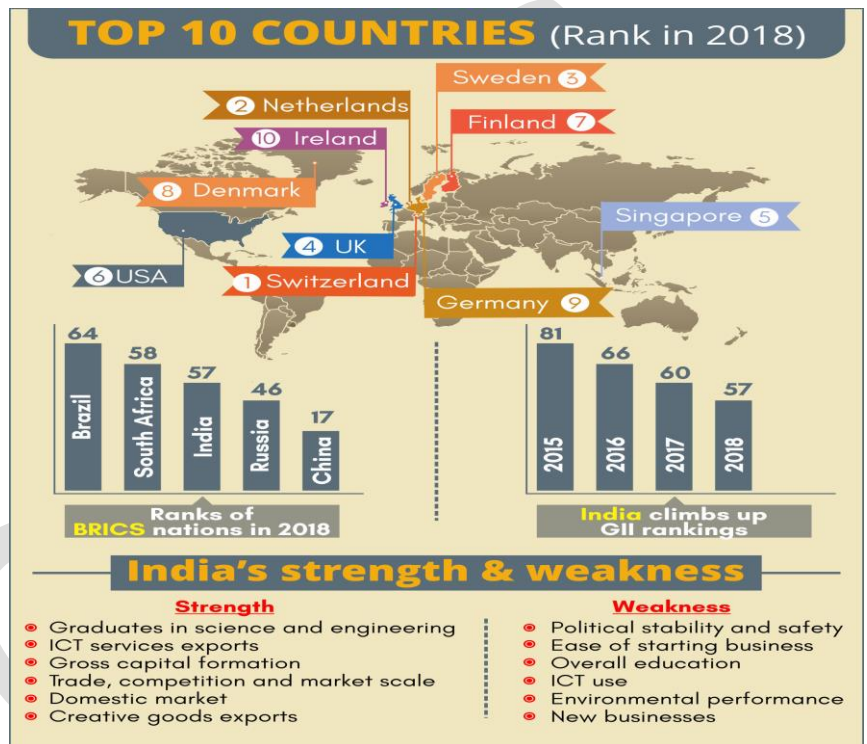
10.4. GLOBAL INNOVATION INDEX

Why in news?

The Global Innovation Index (GII) has ranked India as the 57th most innovative nation in the world.

More on news

- The GII is being developed jointly by Cornell University, Insead and the World Intellectual Property Organisation (WIPO) in Geneva.
- The GII ranks **126 economies** based on 80 indicators, ranging from intellectual property filing rates to mobile-application creation, education spending and scientific and technical publications.

TOP 10 COUNTRIES (Rank in 2018)

2 Netherlands
10 Ireland
8 Denmark
4 UK
6 USA
1 Switzerland
Sweden 3
Finland 7
Singapore 5
Germany 9

Ranks of BRICS nations in 2018:
Brazil 64, South Africa 58, India 57, Russia 46, China 17

India climbs up GII rankings:
2015 — 81, 2016 — 66, 2017 — 60, 2018 — 57

India's strength & weakness

Strength	Weakness
Graduates in science and engineering	Political stability and safety
ICT services exports	Ease of starting business
Gross capital formation	Overall education
Trade, competition and market scale	ICT use
Domestic market	Environmental performance
Creative goods exports	New businesses

10.5. REVENUE VILLAGE STATUS UNDER FRA

Why in News?
Recently, Uttar Pradesh government granted **revenue status** to its three forest villages.

More on News

- Three villages- Kaluwala, Sodhinagar and Bhagwatpur- inhabited by Tongia Scheduled Tribes in and around forests of Saharanpur District were given revenue village status under **Forests Rights Act, 2006 (FRA).** These villages will now come under Revenue department instead of Forest department.

Forest Villages

According to the FRA, forest villages are "the settlements which have been established inside the forests by the forest department of any State Government for forestry operations or which were converted into forest villages through the forest reservation process and includes forest settlement villages."

Revenue Village

A revenue village is a small administrative region which has a definite surveyed boundary for revenue purposes, and each village is a separate administrative unit with separate village accounts that is recognized by the district administration and may contain many smaller hamlets.

- **Section 3(1)(h) of FRA** provides for turning Forest villages into Revenue villages as one of the forest rights conferred on forest dwelling Scheduled Tribes and other traditional forest dwellers so that civic facilities reach these areas.
- According to Census 2011, there are officially 4526 forest villages with a total population of more than 22 lakhs which include tribal population of around 13.32 lakh.

Issues with Forest Villages

- **Land/habitations are recorded as forests and not as villages**
- **Outside the jurisdiction of any local Government:** Forest dwellers can't have access to various welfare schemes that are implemented at a basic level of revenue villages by Centre and State Governments. Only forest department undertake limited developmental works on forest land.
- **Lack of basic rights:** Residents of forest villages in some states don't have domicile certificate (that is issued by Revenue department) and are even deprived of even voting rights.

10.6. NEELKURINJI FLOWERS

Why in news?

The neelakurinji will bloom in the Anamalai hills near Munnar, a phenomenon that occurs once in 12 years.

About Neelakurinji Flowers

- Neelakurinji plant is a tropical plant species which is generally found in Asia and Australia.
- It belongs to the genus Strobilanthes which has around 450 species of which 146 are found in India and of them, about 43, in Kerala.
- The purple flower is a feast for butterflies, honeybees and other insects as it holds a large amount of nectar which especially attracts honeybee.
- Each shrub reproduces once in its lifetime and dies after flowering.
- These plants take another 12 years for the seeds to sprout again and grow up to 30 to 60 centimetres high.
- The Government in 2006 had formed the Kurinjimala sanctuary for the protection of the plants and the ecosystem.

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