CURRENT AFFAIRS

WEEKLY

WEEK -4 **JUNE, 2019**

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The current affairs articles are segregated from prelims and mains perspective, such separation is maintained in terms of structure of articles. Mains articles have more focus on analysis and prelims articles have more focus on facts.

However, this doesn't mean that Mains articles don't cover facts and PT articles can't have analysis. You are suggested to read all of them for all stages of examination.

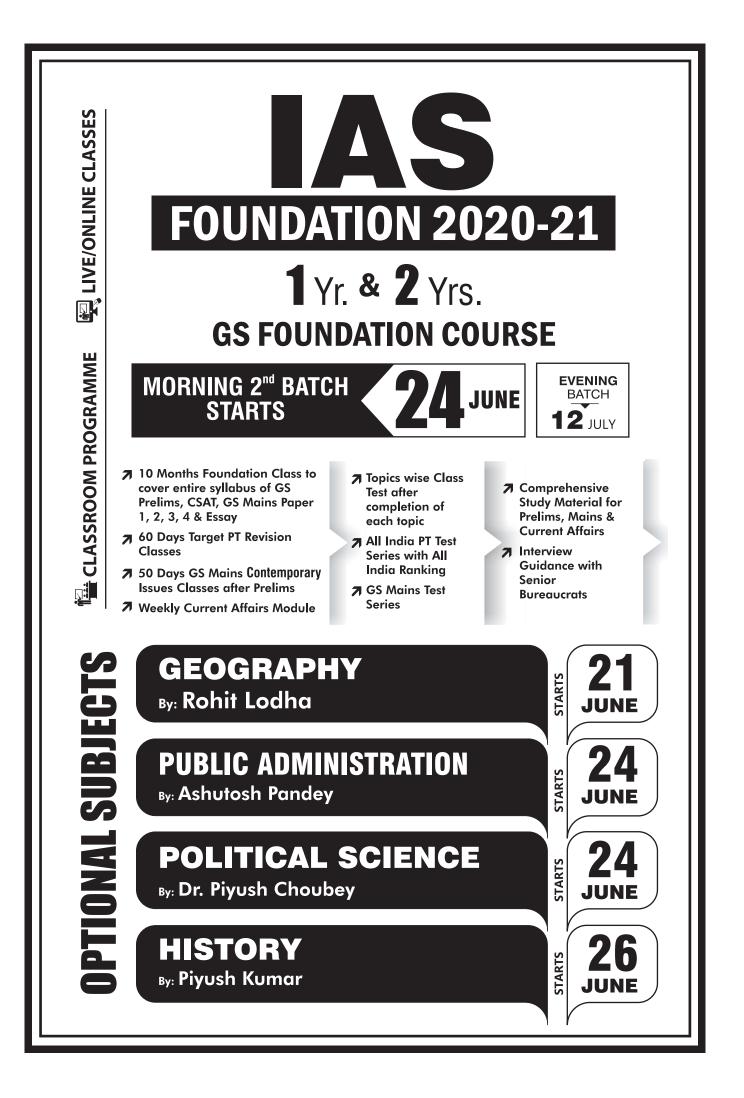# CURRENT AFFAIRS ANALYST
WEEK-4 (JUNE, 2019)

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SECTION: A
(MAINS)

CURRENT AFFAIRS

ROLE OF CREDIT RATING AGENCIES IN INDIAN ECONOMY, THEIR LACUNAS AND MEASURES TAKEN TO IMPROVE THEM

CONTEXT

- **SEBI has come out with new guidelines to improve the quality of disclosures made by credit rating agencies.**

⊙ ABOUT:

> **Basics of Credit Rating Agencies**
>
> - **Credit Rating**: In simple words, Credit Rating is about analysing a debtor's ability to repay the debt.
>
> - **Credit Rating Agencies**: Credit Rating Agencies (CRA) assess the creditworthiness of organisation and different entities. The entities that are rated by credit rating agencies comprise companies, state governments, non-profit organisations, countries, securities, special purpose entities, and local governmental bodies.
>
> - **How do they analyse**: Credit rating agencies take into consideration several factors like the financial statements, level and type of debt, lending and borrowing history, ability to repay the debt, and the past debts of the entity before rating their credit. Once a credit rating agency rates the entities, it provides additional inputs to the investor following which the investor analyses and takes a sound investment decision. Rating is denoted by a simple alphanumeric symbol, for e.g. AA+, A-, etc.
>
> - **Credit Rating Agencies in India:** There are a total of six credit agencies in India viz, CRISIL, CARE, ICRA, SMREA, Brickwork Rating, and India Rating and Research Pvt. Ltd. All the credit rating agencies in India are regulated by SEBI (Credit Rating Agencies) Regulations, 1999 of the Securities and Exchange Board of India Act, 1992.
>
> - **India's Credit Worthiness:** For the first time in 14 years, Moody's has upgraded India's rating to Baa2, a term that means that they consider the economy stable. Standard & Poor's and Fitch too have a 'stable' rating for the country — BBB+ and BBB-, respectively.

> **Some Important TERMS:**
>
> - **Provision:** A provision is an amount set aside for the probable, but uncertain, economic obligations of an enterprise
>
> - **Gross NPA:** Gross non-performing assets are a term used by financial institutions to refer to the sum of all the unpaid loans which are classified as non-performing loans.

> - **Net NPA:** Net non-performing assets are a term used by credit institutions to refer to the sum of the non-performing loans minus provision for bad and doubtful debts. It is the actual loss that the organization incurs after loan defaults.

Why are they Important?

- ⊙ A Credit Rating Agency plays an important catalytic role fostering the growth, stability and efficiency of global and domestic capital markets. A comprehensive analysis of a credit instrument and a subsequent impartial assessment of the credit risk of the instrument, offer numerous benefits to all parties in concern. Reasons for rating credit risk could be rationalised from the following perspectives:

- **Economy**

  - ➤ **Reducing NPAs:** India holds the dubious distinction of having the worst non-performing loan ratio among the world's major economies. The gross NPA of all listed banks jumped to Rs 10.39 trillion in the March 2018 quarter, from Rs 8.86 trillion in the December 2017 quarter. Ratings reduce uncertainty in giving credit. Less uncertainty means greater saver confidence, which encourages bond market growth and greater market efficiency and liquidity, and hence, reduced NPAs.

  - ➤ **Bond Market:** Credit Ratings facilitate the development of long-term fixed-rate local currency bond markets that contribute to the management of financial crises and country risk

  - ➤ **FDI:** Credit Ratings increases the degree of 'transparency' in the financial markets which attracts foreign investors to participate in the financial markets.

- **Investors / Savers**

  - ➤ **Default risk protection**: It is imperative for savers to find out from an independent third party the default risk of the fixed income investment prior to investing any money. In the absence of ratings, they will have to make their investment decision purely based on

reputation and historical financial information of the borrower that may have little bearing to future financial condition of the borrower.

➤ **Not all guarantees are safe:** Although various investments are sold using the word "guaranteed", the borrower itself cannot give a guarantee, only a financially strong third party can give a guarantee.

➤ **Enhance returns for Individual Investors:** Savers need to invest carefully to have sufficient money for the future for retirement, ill health, children's education, marriage etc. without loss of value of their money due to inflation

➤ **Compare risk and returns offered:** Credit Ratings clearly convey the default risks of various fixed income investment products offered to the public such as corporate debentures, Commercial Paper, Finance Company Fixed Deposits, Life Insurance Products, Certificates of Deposit, Promissory Notes, Preference Shares, etc.

● **Borrowers / Debt Issuers**

➤ **Reduce costs:** Corporates can lower their cost of funds (interest they pay) by borrowing directly from the public instead of borrowing from banks.

➤ **Increase the flexibility of funding sources:** Credit ratings can be used as a 'credit passport' to communicate the credit quality to the investors.

➤ **Enhance corporate image:** A rating would also enhance the corporate standing when dealing with existing and potential foreign clients and partner

● **Intermediary**

➤ Merchant bankers, underwriters and other intermediaries will find ratings valuable in the planning, pricing and placement of their clients' debt securities.

Lacunas in the Functioning of Credit Rating Agencies in India

◎ **Conflict of Interest:** Under Issuer Pay model, which is adopted in India, the entity that issues the instrument also pays the ratings agency for its services. This often leads to a situation of conflict of interest, with tremendous potential for rating biases.

◎ Entry Barrier: the credit rating market in India has high barriers to entry, which prevent competition that is vital to protecting the interests of investors.

◎ Rating shopping: It is the practice of an issuer choosing the rating agency that will either assign the highest rating or that has the most lax criteria for achieving a desired rating.

◎ Poor Rating Quality: Often ratings are provided on limited information. For e.g. If the issuer decides not to answer some determinant questions, the rating may be principally based on public information. Many rating agencies don't have enough manpower which often leads to poor quality. There have been a record 163 downgrades (negative change in credit worth) of debt instruments this year, according to data released by Prime Database this week.

◎ Independence of the ratings committee: Over the years, the membership of the ratings committee has shifted from external experts to employees of the ratings agency which has raised concerns about their independence.

Measures taken by SEBI for their better functioning

SEBI has been working hard to improve transparency and credibility among rating agencies.

◎ According to the new norms, credit rating agencies will have to inform investors about the liquidity situation of the companies they rate through parameters such as their cash balance, liquidity coverage ratio, access to emergency credit lines, asset-liability mismatch, etc.

◎ Rating agencies will have to disclose their own historical rating track record by informing clients about how often their rating of an entity has changed over a period of time.

◎ The agencies will have to publish information on how their performance in the rating of debt instruments compares with a benchmark created in consultation with SEBI.

◎ The Securities and Exchange Board of India has asked credit rating agencies in the country to, among other things, clearly state the "probability of default" of the instruments they rate for the benefit of investors.

◎ SEBI laid down a new standard framework for financial disclosure by credit rating agencies that it believes will enhance the quality of information made available by these agencies to investors.

◎ The suggestion to revise the method of computing default rates and the precise definition of terms that raters should use in describing a client's liquidity position — strong, adequate, stretched and poor — are aimed at sharpening disclosure and leaving little room for raters to be ambiguous.

Way Forward

◎ Rating agencies will have to come up with lucrative business models that put the interests of investors above those of borrowers. Such a change requires a policy framework that allows easier entry and innovation in the credit rating industry.

ISSUES AND CHALLENGES OF SOWING BT BRINJAL AND (HT) BT COTTON

CONTEXT

- **The Ministry of Environment and Forest (MoEF) has sought a detailed report on the sowing of unapproved genetically modified (GM) cotton and brinjal in Maharashtra.**

- **Recently, more than 1,000 farmers have publicly sown unapproved transgenic cotton and brinjal in Akoli Jahangir village of Akot taluka in Akola district.**

- **Organized by the farmer's union Shetkari Sanghtana, the gathering was aimed at demanding introduction of Herbicide Tolerant (Ht) Bt cotton and Bt brinjal, which, farmers said, reduces the cost of production.**

⊙ ABOUT:

What are Genetically Modified (GM) crops?

- ⊚ GM is a technology that involves inserting DNA into the genome of an organism.

- ⊚ To produce a GM plant, new DNA is transferred into plant cells. Usually, the cells are then grown in tissue culture where they develop into plants. The seeds produced by these plants will inherit the new DNA.

- ⊚ One of the methods used to transfer DNA is to coat the surface of small metal particles with the relevant DNA fragment, and bombard the particles into the plant cells.

- ⊚ Another method is to use a bacterium or virus. The viruses and bacteria transfer their DNA into a host cell as a normal part of their life cycle. For GM plants, the bacterium most frequently used is called Agrobacterium tumefaciens. The gene of interest is transferred into the bacterium and the bacterial cells then transfer the new DNA to the genome of the plant cells.

What is BT Brinjal?

- ⊚ Bt Brinjal is a GM crop created by inserting Cry 1Ac gene from the soil bacterium Bacillus thuringiensis into Brinjal.

- ⊚ The insertion of the gene gives Brinjal plant resistance against lepidopteron insects like the Brinjal Fruit and Shoot Borer (Leucinodes orbonalis) and Fruit Borer (Helicoverpa armigera).

- ⊚ Upon ingestion of the Bt toxin by the insect, there would be disruption of digestive processes, ultimately resulting in the death of the insect.

What is Bt Cotton?

- ⊚ Bt cotton is an insect-resistant transgenic crop designed to combat the bollworm.

- ⊚ The first two generations of Bt have seen introduction of 'Cry1Ab' and 'Cry2Bc' genes from the soil bacterium, Bacillus thuringiensis (Bt), into the cotton seed, which make the crop resistant to the attack of pink bollworm.

What is (Ht)Bt cotton?

- ⊚ This is the third generation Bt cotton variety where there is an addition of 'Cp4-Epsps' gene from another soil bacterium, Agrobacterium tumefaciens, which produces a modified protein that allows the plant to withstand herbicide glyphosate.

- ⊚ Farmers are not able to spray glyphosate on normal cotton because the chemical does not distinguish between the crop and weed, but the herbicide tolerant Bt (HtBt) cotton remains unaffected by glyphosate.

⊙ BACKGROUND:

Important Committees and Recommendations in context of GM Crops:

- ⊚ **Task Force under the Chairmanship of Prof. M.S. Swaminathan, 2003:** The Task Force recommended the establishment by an Act of Parliament an autonomous, statutory and professionally led National Biotechnology Regulatory Authority.

- ⊚ **Parliamentary Standing Committee on Agriculture, in its new report, "Cultivation of Genetically Modified Food Crops —** Prospects and Effects made the following major recommendations:

  - ► The government must not allow field trials of GM crops till there is a strong, revamped, multi-disciplinary regulatory system in place. The Committee studied the regulatory system in different countries and found that the one in Norway is the best.

  - ► A thorough probe must be conducted into the permission given for the commercialisation of Bt Brinjal right from the beginning till a moratorium was imposed in 2010.

➤ The government should examine the research reports and assessment by independent scientists of Bt Brinjal by any agency other than the Genetic Engineering Approval Committee (GEAC), which gave approval on its own assessment, to avoid conflict of interest.

➤ Re-evaluation of all research findings in Bt cotton seeds in the light of studies that highlighted inexplicable changes in the organs and tissues of Bt-cotton seed-fed lambs.

➤ Mandatory labelling of products from GM crops.

➤ Unchecked import of GM products should be stopped

➤ Organic farming should be encouraged.

⊙ **High-powered panel on Doubling Farmers' Income (DFI):**

It made the following observations:

➤ Genetic Engineering is 'powerful' tool for developing future crop, but for now it should be adopted only for non-food crops.

➤ For transgenic food crops, questions on its safety must be addressed and settled first.

⊙ **Governments task force on biotechnology (2004) recommended:**

➤ No GM crop be allowed in biodiversity rich areas.

⊙ **Majority of SC appointed technical expert committee (in the PIL over GM crops), recommended:**

➤ A ban on genetically modifying those crops for which India is a center of origin or diversity. (Ex: Brinjal)

◎ **ANALYSIS:**

Advantages of GM crops:

⊙ **Crop Protection:**

➤ The initial objective for developing GM plants was to improve crop protection. GM crops have improved resistance to diseases, pest, insects and herbicides. They also have improved tolerance to cold/heat, drought and salinity.

➤ Insect resistance is achieved by incorporating into the food plant the gene for toxin production from the bacterium Bacillus thuringiensis (Bt).

➤ Virus resistance is achieved through the introduction of a gene from certain viruses which cause disease in plants.

➤ Herbicide tolerance is achieved through the introduction of a gene from a bacterium conveying resistance to some herbicides.

⊙ **Economic benefits:**

➤ GM crops can increase yield and thus income.

➤ Genetically modified foods have a longer shelf life. This improves how long they last and stay fresh during transportation and storage.

⊙ **Food Security:**

➤ Given the increased growth of global population and increased urbanisation, GM crops offer one of the promising solutions to meet the world's food security needs.

Issues with GM crops:

⊙ Human Health Risks:

➤ Potential impact on human health, including allergies and transfer of antibiotic resistance markers.

- Some studies revealing effect of GM Crops human health:
- A Scientific report from Argentina found a fourfold increase in birth defects and a threefold increase in childhood cnacers in HT soya areas.
- Studies hav eshown a storng correlation between growth of GM crops, the herbicides they promote, and diseases such as acute kidney injury, diabetes, autism, Alzhiemir's and cancers in the past 20 years in the U.S.
- Bayer's glufosinate, the herbicide linked with Indian HT mustard, is an acknowledged neurotoxin banned in the EU. The Supereme Court-appointed technical expert committee recommended a ban on any HT crop in India for this among several other reasons.

⊙ **Environmental concerns:**

➤ They can reduce species diversity. For example, Insect-resistant plants might harm insects that are not their intended target and thus result in destruction of that particular species.

➤ GM technology could also allow the transfer of genes from one crop to another, creating "super weeds", which will be immune to common control methods.

➤ Viral genes added to crops to confer resistance might be transferred to other viral pathogens, which can lead to new and more virulent virus strains.

⊙ **Economic Concerns:**

➤ Introduction of a GM crop to market is a lengthy and costly process.

⊙ It does not result in high yields as promised. For instance, the highest yields in mustard are from the

five countries which do not grow GM mustard — U.K., France, Poland, Germany and Czech Republic — and not from the GM-growing U.S. or Canada.

- Critics claim that patent laws give developers of the GM crops a dangerous degree of control over the food supply. The concern is over domination of world food production by a few companies

- **Ethical Concerns:**
  ➤ Violation of natural organisms' intrinsic values by mixing among species
  ➤ There have also been objections to consuming animal genes in plants

Concerns in related to GM crops in context of INDIA:

- According to critics, the current safety assessments are inadequate to catch most of the harmful effects from the GM crops. The regulatory regime in India with regard to the GM crops has never been assessed thoroughly with regard to the GM risk assessment in Indian conditions.

- There is lack of adequate machinery to test the GM crops imported. There is only a Food Lab in Kolkata under the Ministry of Health and which is not well-equipped.

- Conflict of interest: All the safety tests for regulatory approvals in India are conducted by the same party that applies for commercialization of GM crops.

- Concerns over transparency: GEAC's refusal to publicly release the safety testing data submitted for regulatory approval of BT Brinjal and GM Mustard, until GM opponents filed a Right to

Information petition has raised serious questions over transparency. The tendency to operate in secrecy has created a serious distrust on the government and the promoters of GM crops.

Way Forward:

- A major challenge today is to develop low-input, high-output agriculture. This cannot be achieved without technology. However, to assure technology does not undermine human and environmental health, there needs to be extensive research.

- The Indian government must take decisions on GM technologies on the basis of scientific evidence. It should adopt a participatory approach in order to bring together all stakeholders to develop regulatory protocols. This would ensure trust in the entire process.

- Any new technology adopted in the farming sector must be in the interest of the farmers without undermining the rights of consumers.

- The most important job lies on the promoters of GM technology to convince consumers, environmental activists and farmers that among various alternatives available for sustainable food production, GM technology is one of the best option to improve crop yields and address India's food security.

- The Food and Agriculture Organization (FAO) has rightly pointed out in 2004, "Science cannot declare any technology completely risk free. Genetically engineered crops can reduce some environmental risks associated with conventional agriculture, but will also introduce new challenges that must be addressed".

ANTI-HIJACKING ACT, 2016

CONTEXT

- NIA (National Investigation Agency) Special Court in Ahmedabad recently pronounced its judgment in the Jet Hijacking Case, making the accused Birju Kishor Salla the first convict under the recently passed, Anti-Hijacking Act of 2016.

⊙ ABOUT:

Anti-Hijacking Act, 2016

- It received President's assent on 13th May, 2016 and intends to give effect to the Convention for Suppression of Unlawful Seizure of Aircraft and for related matters.

- This act repeals the Anti-Hijacking act 1982 without affecting certain rights, privilege, obligations or any actions taken in pursuance of the said act or any legal proceedings and remedy, penalty, forfeiture and any such investigation, penalty, forfeiture or remedy may be imposed as if the said Act had not been repealed.

Why the new Anti-Hijacking Act of 2016?

- The Anti-Hijacking Act, 1982, was last amended in 1994.

- After the hijacking of Indian Airlines Flight IC-814 in December, 1999, it was felt necessary for providing the award of death penalty to perpetrators of the act of hijacking.

- The incident of 9/11, where aircrafts were used as weapons, also created the need to further amend the existing Act.

- This new act replaced the Anti-Hijacking Act, 1982, which the government considered obsolete in the face of emerging threats. The new Act aims to enforce The Hague Hijacking Convention and the 2010 Beijing Protocol Supplementary to the Convention.

- The Hague Convention (Convention for the Suppression of Unlawful Seizure of Aircraft) sets out the principle of aut dedere aut judicare, a state that is party to the Convention must prosecute an aircraft hijacker if no other state requests his or her extradition for prosecution.

- The 2010 Protocol Supplementary, which made amendments and additions, came into effect on January 1, 2018, and had 27 signatories as of September 2018.

Threat counts as hijack

- The Act aims to punish not only an actual act of hijacking, but even a false threat that may appear genuine.

- It practically means that a hoax call that forces an aircraft to land at a place different from the place intended would be treated as hijacking and attracts similar punishment.

- The Act takes into account that armed possession of an aircraft may not be necessary for hijacking and that it may be hijacked remotely through a technological threat.

- Under section 3(1): "Whoever unlawfully and intentionally seizes or exercises control of an aircraft in service by force or threat thereof, or by coercion, or by any other form of intimidation, or by any technological means, commits the offence of hijacking".

- It adds that "a person shall also be deemed to have committed the offence of hijacking" if such a person "makes a threat to commit such offence or unlawfully and intentionally causes any person to receive such threat under circumstances which indicate that the threat is credible".

- Hijacking attempts, directing others to commit hijacking, being an accomplice and assisting another person to evade investigation are punishable as hijacking. Whether or not actual hijacking has even been attempted, if a person has agreed with one or more persons to commit such an offence and any act in furtherance of the intention has taken place, it shall be deemed as hijacking.

Punishment

- If hijacking leads to death of a passenger or a crew member, it is punishable with death. If not, the hijacking is punishable with life imprisonment.

- The Act of 2016 also provides for fine and confiscation of movable and immovable assets. The hijacker would also be charged with any other offence that takes place during the hijacking.

- It also provides for detention in custody for up to 30 days, and a bail application will not be entertained unless the public prosecutor is given a chance to oppose it. If opposed, the court would have to be reasonably satisfied that no offence of hijacking was committed.

⊙ ANALYSIS

Significance of the new act:

- The new legislation is a welcome move as India tightens its stand on dealing with hijacking

incidents. Hijacking has become a significant area of international aviation law causing great concern globally.

- India has showed its concern by updating its legislative machinery and by establishing an effective means of combating hijacking.

- This act was introduced for more vigilant for the safety and security of passengers in case of hijacking. It will help to overcome drawbacks of the existing crisis management system in dealing with cases of hijacking.

- It proposes to give powers to the agencies and forces for stern action against those making phone calls and doling out hoax threats.

- Standing Committee had endorsed the provision to award capital punishment to abettors and conspirators committing any act defined as hijacking.

- However, this committee had also opined that if death penalty was ensured for all hijacking offences, then the opportunity for negotiation or settlement to save the lives of passengers would be closed. It had also asked whether death penalty would serve as deterrence to hijackers on suicide missions.

Old Act vs. new Act

- The key new introductions are the death penalty, life sentence for hoax calls, and a wider definition for aircraft "in service".

- Under the old Act, an aircraft was considered "in service" between the time the doors shut and the time every passenger had disembarked. Under the new Act, "an aircraft shall be considered to be 'in service' from the beginning of the pre-flight preparation of the aircraft by ground personnel or by the crew for a specific flight until twenty-four hours after any landing".

- In case of forced landing, "the flight shall be deemed to continue until the competent authorities take over the responsibility for the aircraft".

- The new Act applies even if the offence is committed outside India but the aircraft is registered in India or leased to Indians, or the offender is Indian, or the offender is stateless but lives in India (such as an illegal Bangladeshi migrant), or the offence is committed against Indians.

Shortcomings

- The Act of 2016 has some shortcomings. The term 'aircraft' is identified as any aircraft, whether or not it is registered in India. But it excludes an aircraft that is used in customs or police service, which should have been included.

- Provision to cover 'hoax calls' with proportionate punishment should have been implemented. Hoax calls create panic, resulting in serious complications for passengers. They also cause a nightmare for security agencies that end up wasting resources and time to verify the authenticity of the call.

- Moreover, even the terms 'hostage' and 'security personnel' have not been defined in the Act. The Act, as stated above, only prescribes a punishment with death where the offence of hijacking results in the death of a hostage or security personnel. In the case of an intervention, especially an armed intervention by security personnel, there is a possibility of the death of other persons and consequential punishment needs to be prescribed.

- The Act also does not protect ground staff and security personnel at the airport. While an aircraft is on the ground or is being prepared for departure, a prospective hijacker may commit an Act of violence against the ground personnel. In its current form, the Act defines the punishment for Acts of violence connected with hijacking and covers only violence against passengers or airline crew. It therefore overlooks violence against ground staff or security personnel, which is equally necessary.

- The Act should also have considered providing extra-territorial status or immunity from jurisdiction for the benefit of the passengers and the crew in the state to which an aircraft may be hijacked. This type of rule, which should also apply to all cases of unscheduled landings in a foreign country, is urgently needed, particularly in the event of the unlawful seizure of an aircraft.

Way Forward

- First and foremost is to ensure to use the model of awareness to identify the threats in the environment around you and take the appropriate steps to take action.

- To ensure people are holistically protected from hijacking one need to look at home security measures as well.

- Quick reaction team and perimeter patrolling to be strengthened.

- Manning of all cargo gates and vehicle entry gates will be strengthened with strong armed support.

- Intensive checking of vehicles entering car parking area to preclude possibility of car bomb attacks.

Practice Question

- Critically examine the issues arising out of design and implementation the Anti-Hijacking Act, 2016.

NEED FOR A LAW ON PUBLIC PROCUREMENT IN INDIA

CONTEXT

- Recently, the Supreme Court expressed its anguish over array of litigations against the award of tenders which are being challenged in writ proceedings as a daily routine.

⊙ ABOUT

What is Public Procurement?

- In simple words, Public Procurement is the process by which the Government procures goods and services from the private entities and in return pays them in monetary terms for the goods and services rendered by them.

What is the basic underlying principle of India's Public Procurement regime?

- India's regulatory and institutional framework seeks to ensure responsibility, accountability and efficiency in the public procurement regime. The underlying principle is to procure materials/services of specified quality at the most competitive prices in a transparent and non-arbitrary manner.

⊙ ANALYSIS:

How does the government conduct public procurement?

- **Advertised Tender Enquiry:** This is the default mode of procurement. The tender is advertised on governmental websites, national newspapers, the Indian Trade Journal, the central public procurement portal and GeM, and also circulated to foreign embassies.

- **Limited Tender Enquiry:** Procurement is obtained through selected suppliers. A pre-selected list of vendors, prepared through a thorough screening process, is directly approached for bidding.

- Two-stage Bidding: Two bids (technical and financial) are invited from the procurers.

- Nomination-based Tenders.

- Procurements without Calling Tenders: This is typically undertaken for small value purchases of standard specifications.

- **Electronic Reverse Auction:** Presentation by bidders of successively more favourable bids during a scheduled period of time and automatic evaluation of bids.

- **Government to Government ("G2G"):** G2G deals involve the transfer/sale of a country's defence equipment, services, training, etc. to other foreign governments.

What is the Legal Framework adopted in India for Public Procurement?

- **Constitutional Provision**

  ➤ The Constitution of India authorises the Central and the State Governments to contract for goods and services in the name of the President of India or the Governor of the State (respectively), and directs autonomy in public spending. However, it does not stipulate any procurement policies or procedures.

  ➤ Article 282 provides for financial autonomy in public spending, there are no provisions to address any grievance.

- **Legal Provisions**

  ➤ A Public Procurement Bill was proposed in Lok Sabha in 2012, which could not be passed.

  ➤ This bill was revamped in 2015 and introduced in 2015. But it suffered the same fate as that of earlier bill.

  ➤ So, as of now, there is No Central Legislation in India that administers public procurement of goods and services.

  ➤ Only 5 states in India, i.e Tamil Nadu, Karnataka, Rajasthan, Andhra Pradesh and Assam have state public procurement legislation.

  ➤ **Competition Act, 2002:** Penalises anti-competitive activities such as bid rigging, collusive bidding, cartelisation, and abuse of dominance.

  ➤ **Right to Information Act, 2005:** Promotes transparency in government dealings by entitling Indian citizens to expeditiously procure information from the government through a "right to information" application.

  ➤ **Integrity pact under the GFR and CVC guidelines:** Addresses probity in procurement activities including through the appointment of an external monitor to mitigate corruption and ethical risks.

➤ Prevention of Corruption Act, 1988 and Prevention of Money Laundering Act, 2002: Penalise bribery and money-laundering and provide for confiscation of property derived from money-laundering and other illicit activities.

● **Supreme Court Directions**

➤ All contracts by the State should only be granted by public auction/tenders to ensure complete transparency and provide all eligible persons with the opportunity to participate in the auction;

➤ All official acts must be actuated by public interest, and should inspire public confidence;

➤ Generally, the State should not grant contracts by private negotiation (subject to certain exceptions based on the nature of the trade, emergency circumstances, single source supply, etc.); and

➤ Appearance of public justice is as important as doing justice (i.e. government actions should not only be fair but should also be seen to be fair, and nothing should be done which gives an impression of bias, favouritism or nepotism).

What are the issues in the Public Procurement System in India?

◉ **The absence of a comprehensive procurement Act**

➤ It has resulted in heterogeneous procedures and multiplicity of rules across the procuring entities. Many times, undertaking comprehensive actions against the stakeholders involved in unfair practices become challenging in the absence of a strong legislation

◉ **Lack of standard bid documents**

➤ In spite of the initiatives for standardizing the bid documents and code of contract following the international agencies such as IMF and the World Bank, there continues to be a multiplicity of bid documents across the entities in terms of addition/rephrase/repetition of clauses/provisions. Such ambiguities and contradictions in the bid documents stand against the principles of standardization, transparency, and accountability.

◉ **Delays in activities in procurement cycle**

➤ The procurement process is often delayed in the stage of need assessment, budget preparation, and approval. Similarly, unavailability of sufficient procurement professionals and non-realization of the required information usually appear responsible for the delay in preparing the technical specifications.

◉ **Unfair practices and corruption**

➤ Despite the procedural safeguards, corruption level in India is perceived to be high in recent years leading to low quality of public services which ultimately hampers the development process.

◉ **Presence of anti-competitive elements**

➤ The existence of anti-competitive practices by the bidders' community tends to hamper the procurement process by negating the best value of money. Competition issues in India mainly concern with collusive bidding, bid rigging, cartelization, and abuse of dominance.

◉ **Low participation of the domestic MSEs**

➤ Despite the MSEs provisions, the participation of domestic MSEs in the public procurement activities remains low in India. Apart from resource related entry barriers including anti-competitive elements, many MSEs do not also take part in public procurement due to a perception that government procuring entities often delay in releasing the contract payments.

◉ **Competency and skill of the procurement officials**

➤ India does not have an Independent Grievance Redressal Mechanism in the procurement system. At the first tier, an aggrieved bidder files complaints on the irregularities to the concerned officials of the procuring entity. However, the judgement lacks credibility as the authority is from the procuring entity itself that is responsible for causing grievance.

Conclusion

The present study assesses the public procurement system and recent reform initiatives in India and outlines the need for changes in the institutional framework. The current system appears to be complex due to heterogeneity in the requirements in the federal structure of the government functioning and absence of a comprehensive procurement Act. The system suffers from some serious drawbacks such as fragmented procedures and rules, lack of standard bid documents, unavailability of sufficient procurement professionals, lack of transparency, widespread corruption, and lack of independent grievance redressal mechanism. Hence, these need to be backed by legislative power, and Draft Bill 2015 should be enacted with revisions in certain areas.

ROLE OF EIA IN SUSTAINABLE DEVELOPMENT

CONTEXT

- The Chennai-Salem highway case has tested the judiciary's assessment of environmental and economic interests.

- The intended highway between Chennai and Salem will cover more than 250 km, and, once constructed, will cut its way through a slew of agricultural and reserve forest lands.

- The state failed to obtain an environmental clearance for the project before acquiring land.

⊙ ABOUT:

- The eight-lane highway is part of the "Bharatmala Pariyojana", a centrally sponsored highways programme, aimed chiefly as a corridor for more efficient freight movement.

- The project would have a deleterious impact on the forests, the surrounding water bodies and the wildlife of the region.

- The underlying issue, which is left unaddressed and for which the government has been criticized heavily over the past, is the utmost neglect towards the environment and the people in the government's new policies and practices.

- In the latest Environmental Performance Index (EPI), India figured in the bottom five countries. It went from 141 in 2016 to 177 in 2018 out of 180 countries.

⊙ BACKGROUND:

Sustainable development

- Our Common Future", defined the principle as an endeavor to ensure that any development "meets the needs of the present without compromising the ability of the future generations to meet their own needs.

- Environment Impact Assessment or EIA can be defined as the study to predict the effect of a proposed activity/project on the environment.

- A decision making tool, EIA compares various alternatives for a project and seeks to identify the one which represents the best combination of economic and environmental costs and benefits.

History of EIA in India

- The Indian experience with Environmental Impact Assessment began over 20 years back. It started in 1976-77 when the Planning Commission asked the Department of Science and Technology to examine the river-valley projects from an environmental angle.

- Till 1994, environmental clearance from the Central Government was an administrative decision and lacked legislative support.

- On 27 January 1994, the Union Ministry of Environment and Forests (MEF), Government of India, under the Environmental (Protection) Act 1986, promulgated an EIA notification making Environmental Clearance (EC) mandatory for expansion or modernization of any activity or for setting up new projects listed in Schedule 1 of the notification.

- Since then there have been 12 amendments made in the EIA notification of 1994.

- Certain activities permissible under the Coastal Regulation Zone Act, 1991 also require similar clearance. Additionally, donor agencies operating in India like the World Bank and the ADB have a different set of requirements for giving environmental clearance to projects that are funded by them

⊙ ANALYSIS

- The Supreme Court in Vellore Citizens' Welfare Forum (1996) read the idea of sustainable development as intrinsic to India's constitutional structure.

- The traditional concept that development and ecology are opposed to each other is no longer acceptable.

The EIA process

- The environment impact assessment consists of eight steps with each step equally important in determining the overall performance of the project.

- Typically, the EIA process begins with screening to ensure time and resources are directed at the proposals that matter environmentally and ends with some form of follow up on the implementation of the decisions and actions taken as a result of an EIA report.

The eight steps of the EIA process are presented in brief below:

- **Screening:** First stage of EIA, which determines whether the proposed project, requires an EIA and if it does, then the level of assessment required.

- **Scoping:** This stage identifies the key issues and impacts that should be further investigated. This stage also defines the boundary and time limit of the study.

- **Impact analysis:** This stage of EIA identifies and predicts the likely environmental and social impact of the proposed project and evaluates the significance.

- **Mitigation:** This step in EIA recommends the actions to reduce and avoid the potential adverse environmental consequences of development activities.

- **Reporting:** This stage presents the result of EIA in a form of a report to the decision-making body and other interested parties.

- **Review of EIA:** It examines the adequacy and effectiveness of the EIA report and provides the information necessary for decision-making.

- **Decision-making:** It decides whether the project is rejected, approved or needs further change.

- **Post monitoring:** This stage comes into play once the project is commissioned. It checks to ensure that the impacts of the project do not exceed the legal standards and implementation of the mitigation measures are in the manner as described in the EIA report.

Assessment of the EIA System in India:

- Apart from the flaws in the EIA provisions and process, the screening criterion exempts a major segment of activities from the requirement of EIA such as Small scale sector if investment is less than artificial limit.

Case Study: Sethusamudram Ship Channel

- India does not have a continuous navigable route around the peninsula running within her own territorial waters due to presence of a shallow patch called "Adam's Bridge" at Pamban where the navigable depth is only about 3m.

- Hence all the ships from west to east and from Tuticorin Port to the east have to go round Sri Lanka entailing an additional distance of more than 254-424 nautical miles and 21-36 hours of additional sailing time.

- The Ministry of Shipping in 1997, identified the Tuticorin Port Trust (TPT) as the nodal agency for the implementation of the Sethusamudram Ship Channel Project (SSCP).

- The Tuticorin Port Trust retained National Environmental Engineering Research Institute (NEERI), Nagpur, India to conduct the EIA study for the project.

Public Concerns regarding the project:

- The Bombay Natural History Society (BNHS), the largest NGO working in the field of bio-diversity and environmental conservation in India, has said the EIA report prepared by the NEERI is insufficient and a detailed study should be conducted in all seasons for at least a year.

- The India Meteorological Department has assigned the Palk Bay area as a "high risk area" for volcanic and cyclonic activity, this fact has not been addressed at all.

- The Gulf of Mannar supported by an USD 8.6 million conservation project from the GEF, and the Point Calimere flamingo reserve will be severely impacted.

- Coastal Action Network (CAN), an organisation fighting for the protection of coastal ecology and the livelihood of coastal communities claims "The report does not give details of the ecological destruction likely to be caused by the project. Apparently, no major studies have been carried out with special focus on the fauna of the Palk Bay.

- The PMO note commented that going ahead with the construction of this mega project without collecting information on the aspects of sedimentation due to cyclones and tsunamis could lead to major economic, technical and human problems in future that could border on a disaster.

- NEERI's suggestion that a trained pilot or environmental watcher should board the ships which cross the channel to watch out for marine mammals is not practical.

- Invasive species may be dispersed into these hitherto relatively protected seas with the bilge water of ships sailing through the Channel.

It is evident from the above partial list of concerns raised by the public and by the PMO that the EIA report by NEERI failed to take into or allay the concerns of the public.

Isn't EIA about sustainable development after all?

- Simply put EIA process can be viewed as an endeavour to answer a basic question: whether the identified impact will be positive, negative or uncertain?

- The term Sustainability has become a dreaded concept in the developing world.

- The main argument put forth by the advocates of high economic growth is that the task of elevating the majority of the public who are currently languishing in poverty should not be compromised under the excuse of sustainability.

- The argument of high economic growth by itself

can no longer be considered a cure all and when it has the potential to affect existing life supporting systems it becomes untenable.

Relevance of Precautionary Principle

◉ When an activity raises threats of harm to human health or the environment, pre-cautionary measures should be taken even if some cause and effect relationships are not fully established scientifically.

◉ In this context the proponent of an activity, rather than the public, should bear the burden of proof.

◉ The second question that is to be tackled in a developing society like India is how to ensure that we consider the values and preferences of the affected public and involve them in the decision making process.

Conclusions: The Way Ahead

◉ The project proponents should be guided adequately by the State Pollution Control Boards to effectively interact with all the stakeholders.

◉ There should be a system to empanel consultants after careful scrutiny of their credentials to carry out EIA studies

◉ The MEF expert committees shall be composed of qualified members subject to public scrutiny with adequate representation from the affected area

◉ Complete EIA reports shall be placed in the public domain for scrutiny.

◉ The modified environmental clearance procedure

involving the village panchayats shall be adopted to make the process more democratic and sustainable.

◉ Every decision on the issue of ecosystem disturbance shall be guided in spirit by the precautionary principle.

◉ A mechanism shall be instituted for periodical review and improvement of the environmental clearance procedure.

To Sum up:

◉ EIA has been identified as an important instrument for facilitating sustainability. However, to do so requires the integration of sustainability into EIA Theory and practice. The sustainability concept is a valid and important Environmental management perspective.

◉ However, many issues and obstacles need to be addressed further if the concept is to be translated into practical strategies.

◉ Sustainability can potentially infuse EIA with a clearer sense of direction, an ethical foundation, a mechanism for establishing priorities and assessing choices, and a means of linking EIA to other environmental management instruments.

◉ Conceptually, EIA and sustainability can be integrated, but frameworks should be refined, adapted to context, and linked to related initiatives. Sustainability should be explicitly incorporated into EIA legislation, guidelines, and institutional arrangements.

📰 Practice Question

◉ **Looking at all the changes made by the current government, it appears that the environmental clearance process is becoming a formality. The quality of assessment, compliance of clearance conditions and the involvement of local community through public hearings are being further weakened to ease the clearance process. Is this a sustainable EIA methodology? Critically evaluate the situation.**

INDIA-ISRAEL RELATIONS AND MIDDLE EAST – DYNAMISM AND REALISM

CONTEXT

- A June 6, 2019 vote in the UN Economic and Social Council (ECOSOC) on a decision introduced by Israel that objected to granting a Palestinian NGO named Shahed ('Witness') a consultative status at the ECOSOC, attracted widespread attention.

- India voted in favor of the decision proposed by Israel to deny the observer status to Shahed.

- Many in the diplomatic circles considered this move unprecedented, "rare", and that this vote could be the first sign of a gradual dilution of India's "decades-old position on the two-state theory".

⊙ ABOUT:

- This vote should be interpreted as important signaling from the part of Indian diplomacy. India had abstained at ECOSOC vote in 2015 on authorizing the application of another Palestinian NGO for consultative status.

- One needs to look at the broader historical and institutional context of this recent decision to assess its long-term significance for India's ties with Israel and Palestine.

- Over the last five years, India had already broken with its previous systematic voting stance on issues connected to Israel-Palestine by already abstaining on votes against Israel at the UNGA, UNHRC and at the UNESCO.

- But the shift is not un-principled. The fact that, amid all the regional tensions, Indian migrants in the GCC countries alone generated remittances worth $40 billion in 2018 highlights the need for India to stabilize its interests in the region.

- India supported a UNGA vote against Donald Trump's unilateral declaration of Jerusalem as Israel's capital, judging that this decision went against international law and past UN Security Council resolutions.

⊙ BACKGROUND:

Two-state solution:

- The "two-state solution" would create an independent Israel and Palestine, and is the mainstream approach to resolving the conflict.

- The idea is that Israelis and Palestinians want to run their countries differently; Israelis want a Jewish state, and Palestinians want a Palestinian one.

- The geopolitical dynamics of the Middle East have been changing in an unprecedented manner over the past few years.

- The present article tries to examine India's initiatives in the region in the context of the emerging regional geo-strategic landscape.

⊙ ANALYSIS

- One needs to understand India's West Asia policy as a careful and constant balancing exercise rather than to discern possible tilts and realignments with specific countries or blocs in the region.

- Given the web of strategic linkages crisscrossing Eurasia, several regional and major powers have sought to increase their presence and influence in the region.

- Although their level of engagement has varied over the years yet their power rivalry and competition assume even greater significance due to Russia's ongoing confrontation with the 'West'.

- As in the case of India's careful balancing exercise in the dispute between the GCC and Iran, one should expect India to maintain a flexible position and to refrain from rigid rhetorical and policy commitments.

- The situation in West Asia is currently in flux and that India has been one of the rare extra-regional actors to have cultivated substantial ties with most relevant actors in the region.

- West Asia has been a sensitive and conflict prone region, especially since the early 20th century with the discovery of oil. It was also an enduring space for conflict during the Cold War. More recently, the phenomenon of the "Arab Spring" added another dimension to the existing geopolitical challenges in the region.

- The relationship between the two crucial regional players—Saudi Arabia and Iran—has worsened, making the situation even more complex. There have been allegations of Saudi-Iran proxy wars taking place in Syria, Iraq and Yemen.

- The increasing Iranian activism in the region and its rising capability, along with rapprochement with the West, has alarmed the Gulf Cooperation Council (GCC) states thus inhibiting the chances of any dialogue between the two sides. Intra GCC tensions have also surfaced in recent times.

- The escalation of conflict in West Asia has created anxiety among major oil importers in Asia, particularly India, China, Japan and South Korea.

- These Asian economic giants are heavily dependent upon the energy supplies from the Gulf region.

- There has been a concern among the Asian oil importers over the possibility of disruption in production and supplies of oil and gas in the face of growing unrest in the region.

India's interests are intertwined with the region:

- India has huge political, economic and security interests in the region. India's bilateral trade with the region is around US$ 172 billion.

- Not only is it heavily dependent on the region for energy supplies, there are over seven million Indian nationals living and working in the region.

- Their safety is a concern for India. The rise of terrorism and extremism in the region, particularly the ISIS, is also a security challenge for India.

- Thus, India is naturally concerned about the developments in the region which she refers to as her 'extended neighborhood'.

West Asian Turmoil and Implications for India

- With the issue of climate change becoming an important factor in the energy policies of several countries, the demand for oil from many of the developed countries began tapering off, being replaced by gas, which is a cleaner fuel.

- By the mid-2000s, demand for gas was seen as the fastest growing of the fossil fuels in the Organization for Economic Cooperation and Development (OECD) countries, with Japan being the largest consumer of gas among the Asian countries.

- As a result, the Gulf Cooperation Council (GCC) states who had been unwilling to pay Qatar its asking price for gas, led Doha to seek export markets beyond the region, where it secured much higher prices on long-term bilateral contracts.

Foreign 'balancing' policy

- India has sought to translate its engagement with the world to promote its internal development, and in turn pin this growth to strengthen its position in the international system.

- The four mainstays of Civilizational ethos shaping India's strategic intent - realism, co-existence, cooperation and partnership – highlight a more nuanced Indian approach.

- The emphasis on realism indicates the nuanced shift in ideology from non-alignment of the past, while retaining its core values.

- Similarly, coexistence and cooperation with neighbors highlight the compelling logic of geography to build a stable neighborhood for creating an environment of building stronger trade and economic linkages.

- This implies achieving peace and sustainable development in the region inflicted with instability and security challenges through building economic inter-dependence.

The underpinning strategy and way forward:

- One of the most important pillars for India's great power aspiration is widened strategic influence.

- New Delhi has to increase the bandwidth of its foreign policy and find more areas of mutual interest and strategic convergence in the Middle East without disrupting the balance it has created in the region in terms of both bilateral and multilateral engagements.

- So far India has been engaging with Saudi Arabia, Iran, and Israel simultaneously without making any political comments that could affect any bilateral engagements.

- Maintaining a close relationship with the Sunni monarchs of the Arab world without disrupting the relationship with Iran, and refraining from getting politically involved in any conflict in the region, could be seen as continuity in terms of India's engagement with the Middle East.

- However, there have also been major changes in the form of deepening strategic partnerships and accelerated economic and trade ties with the UAE and Saudi Arabia in recent years.

- The much hackneyed "balancing" policy of New Delhi in the region has so far made sure that India sets its priorities to ensure energy security and accelerate economic ties in the region.

- Nevertheless, the sectarian-based conflicts and the proxy wars that constantly weaken the Middle East's security and stability make it extremely complex for India to stabilize its interests in the region, much less venture into new domains of engagements.

Practice Question

- Recently, at UN Economic and Social Council India voted in favor of the decision proposed by Israel to deny the observer status to Shahed, a Palestine based NGO. Keeping India-Israel relations in mind, analyse the balancing policy of New Delhi in the West Asia region.

PROTEST IN HONG KONG

CONTEXT

- **More than a million people in Hong Kong marched against a controversial extradition bill that they fear will erode freedom in the semi-autonomous territory.**

⊙ ABOUT

Historical Background

- Hong Kong was a British colony from 1841, when China ceded the island to the British after the First Opium War - which had erupted over British traders smuggling opium into China.

- Britain handed Hong Kong back to China in 1997 as a 'special administrative region'. The territory has been ruled under the 'one country, two systems' formula agreed by then U.K. and Chinese leaders. Hong Kong citizens have more autonomy and freedom than their mainland counterparts, but the elective process is still partly controlled by China.

- At present, Hong Kong residents can only vote for pre-approved political candidates under Chinese law, making it impossible for a critic of Beijing to get on the ballot.

- Immediate Reason - The Extradition Bill proposed by Chief Executive:

- Critics fear bill will compromise Hong Kong's judicial system and prove the 'death knell' of 'one country, two systems'.

- Other major belief among the Hong Kongers, behind the protest is that since 1997 (since Hong Kong got the status status), China is consistently trying to erode the principle of one country, two systems.

⊙ ANALYSIS

Why authorities pushed for the new law

- The Hong Kong administration first proposed the changes in February, citing the case of local man who was wanted for the suspected murder of his pregnant girlfriend while the two were on holiday in Taiwan.

- Officials said he could not be sent back to Taiwan for trial because there was no formal extradition agreement between the two territories.

- Hong Kong's extradition arrangements are laid out in the Foreign Offenders Ordinance, which was negotiated in 1997 when the UK returned the territory to China.

- Taiwan, Macau and the mainland were not included in that agreement in what the Hong Kong Bar Association says was a "deliberate decision" on the part of the legislature given the "fundamentally different criminal justice system operating in the mainland.

What are the amendments?

- Hong Kong currently has bilateral extradition treaties with 20 countries including the UK, the US and Singapore, but the amendments put forward by the administration are being framed as a way to enable the sending of suspected offenders to places with which the territory has no formal extradition agreement on a case-by-case or one-off basis.

- Under the proposals, the chief executive, who is not elected but chosen by an election committee accountable to China, would have the authority to decide any request.

- It is to be noted that Chief Executive of Hong Kong could be considered as an Agent of Mainland China.

- The 70-member assembly (elected) or Legco would have no role in the process.

What are peoples' concerns?

- Hong Kong was returned to China under the concept of "one country, two systems".

- Article 4 of the Basic Law, the mini-constitution which governs post-colonial Hong Kong, promises to "safeguard the rights and freedoms of the residents of the Hong Kong Special Administrative Region and of other persons in the Region in accordance with law".

- People in Hong Kong have been particularly sensitive to issues involving judicial independence, which is seen as guaranteeing a measure of protection from the government on the mainland.

- "This bill not only 'erodes' those protections; it places protection of those rights it only belatedly recognised as critically important to most Hong Kongers squarely within the hands of unelected bureaucrats who have so far manifested a rather poor record of being able or willing to resist pressure from Beijing

- The deepening trade war between the US and China has also put the mainland's judicial system, which is said to have a near 100 percent conviction rate, under the spotlight.

China's Stand

- China has said it played no part in Hong Kong's decision to amend its extradition law, but it has indicated it supports the initiative.

- India's Concerns

- India is also a stakeholder in the issues because Hong Kong is home to India's wealthy business community.

Updates:

- Hong Kong's chief executive, Carrie Lam, indefinitely suspended the bill that would allow extraditions to mainland China.

- But she made it clear that the bill was being delayed, not withdrawn outright, as protesters have demanded.

- But leading opposition figures and protesters said a mere suspension of the bill would not satisfy the protesters, who had been planning another large demonstration.

- Hong Kongers are demanding complete scrapping of this controversial Bill

Conclusion

It is not the first time that the Hong Kongers are on streets to protest against the attempts made by Mainland China to erode the special status. But this time, the protestors are around 1 million, highest ever. Since the chief executive has clarified that bill is just suspended and not withdrawn, it is yet to be seen what course of action is adopted by the Hong Kong administration. There is also a possibility of western vested interest behind the colour revolutions in Hong Kong.

SECTION: B
(PRELIMS)

CURRENT AFFAIRS

HYPERSONIC TECHNOLOGY DEMONSTRATOR VEHICLE

◉ **CONTEXT:**
- **Recently, India conducted a successful first test flight of the indigenously developed Hypersonic Technology Demonstrator Vehicle (HSTDV). The only other countries that possess this technology are the USA, Russia and China. .**

◉ **ABOUT:**

More on news:

- The vehicle was test launched using the Agni 1 missile platform.
- In the test, a missile with the technology demonstrator vehicle mounted on it is launched.
- This test marked a landmark achievement in airborne ballistics and reusable rockets.
- A successful test could boost the development of a hypersonic cruise missile, the Brahmos II, which is currently under development with Scramjet technology.

Features of HSTDV

- India's HSTDV was test-fired by the Defence Research and Development Organisation (DRDO) from the Integrated Test Range (ITR).
- HSTDV is an unmanned scramjet demonstration vehicle that can cruise up to a speed of mach 6 (or six times the speed of sound) and rise up to an altitude of 32 km in 20 seconds
- It has a range of uses, including missiles of the future, and energy-efficient, low cost and reusable satellite-launch vehicle.
- The HSTDV cruise vehicle is mounted on a solid rocket motor, which will take it to a required altitude, and once it attains certain mach numbers for speed, the cruise vehicle will be ejected out of the launch vehicle.
- The scramjet engine gets ignited automatically later. Besides its utility for long-range cruise missiles of the future, the dual-use technology will have multiple civilian applications too.
- The key areas of technological emphasis in this project include hypersonic propulsion, wind transmission with minimal drag loss, enhancing aerodynamics, and refining the scramjet engine.
- Various electro-optical tracking sensors, telemetry stations and radars tracked the vehicle through its course.

◉ **SIGNIFICANCE**
- It can be used to launch satellites at low cost & will help add to India's ballistic missile defence capabilities. This test puts India in an elite club of nations definitely
- Security-wise, a hypersonic cruise missile can be key in taking out hostile airborne attacks, giving the Air Force an edge in terms of launching offenses of their own.
- It is also a technological feat that can be incorporated into other areas such as sweeping surveillance tasks, all the while being energy efficient in operation.

> **About Scram-Jet technology**
> - In scram-jet technology, fuel combustion takes place in a chamber in missile at supersonic speeds while in a ram jet system, the system collects air it needs from atmosphere during flight at subsonic speeds and propellants burn in combustion chamber.

MARITIME INFORMATION SHARING WORKSHOP

◉ **CONTEXT:**
- **The Indian Navy has hosted a Maritime Information Sharing Workshop (MISW) under the aegis of the Information Fusion Centre — Indian Ocean Region (IFC-IOR) at Gurugram.**

⊙ **ABOUT:**

More on news:

- Over 41 delegates from 29 countries of the IOR and beyond participated in the two-day event.

- The aim was to acquaint participants about IFC-IOR and its information sharing mechanisms and promote sharing of best practices in this field.

- The workshop was meant to enhance coordination and to improve response to the myriad security and safety challenges that IOR faces.

- Themes such as maritime terrorism, piracy, human and drug trafficking, humanitarian assistance and disaster relief; and the legal perspective of combating were at the core of the workshop.

Information Fusion Centre –Indian Ocean Region

- It is an initiative of Indian Navy supported by the Government of India.

- It was launched in December 2018 for enhancing maritime safety and security in the Indian Ocean Region.

- It is collocated with Information Management and Analysis Centre which is jointly administered by the Indian Navy and Indian Coast Guard.

- It has so far established linkages with more than 16 countries and 13 international maritime security agencies.

- The information exchange at the IFC-IOR would be initially undertaken by virtual means, using telephone calls, faxes, emails and video conferencing over internet.

- Subsequently, to enable better interaction, quicker analysis of information and provide timely inputs, the IFC-IOR would host Liaison Officers from partner countries.

- IFC-IOR would also undertake conduct of exercises and training capsules in maritime information collation and sharing.

- The entire mechanism would comprise of ideology supported by following three pillars:-

  ◉ Confidence and capacity building amongst partner nations, thereby ensuring swift and accurate exchange of information pertaining to maritime security.

  ◉ Maintaining extensive and continuous linkages to ensure comprehensive MDA of the region thereby achieving transparency of maritime environment.

  ◉ Use of high tech including state of the art methods and analytic tools to undertake traffic analysis thereby ensuring that any emerging threats and trends are predicted in time.

⊙ **SIGNIFICANCE**

- IFC-IOR is established with the vision of strengthening maritime security in the region and beyond, by building a common coherent maritime situation picture and acting as a maritime information hub for the region.

- Establishment of IFC- IOR would ensure that the entire region is benefitted by mutual collaboration and exchange of information and understanding the concerns and threats which are prevalent in the region.

Genesis of Information Fusion Centre

- The Indian Ocean Region with its strategic location and as a home to a vast majority of world's population, can be considered as the economic highway that drives global commerce.

- Over 75% of the world's maritime trade and 50% of daily global oil consumption passing through the region that accounts for the greater importance of the region.

- The IOR is also a fragile environment, with threats such as maritime terrorism, piracy, human and contraband trafficking, illegal and unregulated fishing, arms running and poaching being prevalent.

- Hence, facilitating a conducive environment to undertake legitimate maritime activities in this region is a necessity.
- Collaborative efforts between maritime nations, is essential for safety and security of the region.
- To further collaborative efforts, a need has been felt to establish a dedicated centre for undertaking collation, fusion and dissemination of this data being exchanged with all partners.
- It is in this line that Indian Navy in Collaboration of Government of India has come up with the idea of International Fusion Centre for White Shipping Information.

BITCOIN

⊙ **CONTEXT**

- **It is found that the use of Bitcoin emits 22 mega-tonnes of carbon dioxide annually.**

What is Bitcoin?

- Bitcoin is a Virtual Digital Currency. It means it does not come in the form of paper notes or metal coins. Its uniqueness is that it is the first decentralized peer-to-peer payment network that is powered by its users with no central authority or middlemen.
- Bitcoin is nothing more than a mobile app or computer program that provides a personal Bitcoin wallet and allows a user to send and receive bitcoins with them. Behind the scenes, the Bitcoin network shares a public ledger called the "block chain". This ledger contains every transaction ever processed, allowing a user's computer to verify the validity of each transaction
- For a Bitcoin transfer to be executed and validated, a mathematical puzzle must be solved by an arbitrary computer in the global bitcoin network, which anyone can join. The puzzle solver is called Bitcoin Miner, who is rewarded with some amount of bitcoins.

How Does One Acquire Bitcoins?

- As payment for goods or services.
- Purchase bitcoins at a Bitcoin exchange.
- Exchange bitcoins with someone near you.
- Earn bitcoins through competitive mining.

What Are The Advantages Of Bitcoin?

- **Payment freedom** – It is possible to send and receive any amount of money instantly anywhere in the world at any time. No bank holidays. No borders. No imposed limits. Bitcoin allows its users to be in full control of their money.
- **Very low fees** – Bitcoin payments are currently processed with either no fees or extremely small fees. Users may include fees with transactions to receive priority processing, which results in faster confirmation of transactions by the network. In addition, services exist to assist merchants in processing transactions, converting bitcoins to fiat currency, and depositing funds directly into merchants' bank accounts daily. As these services are based on Bitcoin, they can be offered for much lower fees than with PayPal or credit card networks.
- **Attractive for micro-transactions** – Because the fees are so low, bitcoins can be used in transactions that are economically unattractive for most merchants, especially in developing countries.
- **Fewer risks for merchants** – Bitcoin transactions are secure, irreversible, and do not contain customers' sensitive or personal information. This protects merchants from

losses 3 caused by fraud or fraudulent chargebacks, and there is no need for payment card industry compliance. Merchants can easily expand to new markets where either credit cards are not available or fraud rates are unacceptably high. The net results are lower fees, larger markets, and fewer administrative costs.

• **Security and control** – Bitcoin users are in full control of their transactions; it is impossible for merchants to force unwanted or unnoticed charges as can happen with other payment methods. Bitcoin payments can be made without personal information tied to the transaction. This offers strong protection against identity theft. Bitcoin users can also protect their money with backup and encryption.

• **Transparent and neutral** – All information concerning the Bitcoin money supply itself is readily available on the block chain for anybody to verify and use in real-time. No individual or organization can control or manipulate the Bitcoin protocol because it is cryptographically secure. This allows the core of Bitcoin to be trusted for being completely neutral, transparent, and predictable

What are the disadvantages of Bitcoin?

• **Acceptance** – Many people are still unaware of Bitcoin. Every day, more businesses accept bitcoins because they want the advantages of doing so, but the list remains small and still needs to grow in order to benefit from network effects.

• **Volatility** – The total value of bitcoins in circulation and the number of businesses using Bitcoin are still very small. Therefore, relatively small events, trades, or business activities can significantly affect the price. In theory, this volatility will decrease as Bitcoin markets and the technology matures. Never before has the world seen a start-up digital currency, so it is difficult to forecast how it will play out.

• **Ongoing development** – Bitcoin software is still in beta with many incomplete features in active development. New tools, features, and services are being developed to make Bitcoin more secure and accessible to the masses. Some of these are still not ready for everyone. Most Bitcoin businesses are new and still offer no insurance. In general, Bitcoin is still maturing.

• **Harm to Environment**- Bitcoin mining employs massive computer hardware setups consisting of GPUs and ASICs, whose operation emits Giga Tonnes of Carbon Dioxide in the environment.

Scope of Bitcoin in India

• A country like India which has recently faced demonetization has developed great affection for cryptocurrencies in the recent past. It has been nearly five years since bitcoin made its debut in Indian Financial markets. In India, the transactions made through cryptocurrency are on the rise despite the notifications circulated by the finance ministry. This makes it clear that the upcoming future of bitcoin in India is dazzling. There are about 1548 cryptocurrencies currently operational in the market available as an alternative to Bitcoin.

• Since bitcoin is not available in the physical form, this virtual currency can be converted into physical form by listing it on various online exchange platforms. Taxing the cryptocurrency is another way to legalise this currency. It becomes clear that it is a risky investment option, but there is no harm in opting for a calculated risk.

REFORMS IN AGRO-ECONOMY

⊙ **CONTEXT:**

• **PM announces panel with CMs for deep reforms in agriculture.**

⊙ **ABOUT:**

• In the fifth meeting of the Governing Council of NITI Aayog, focus was on increasing investment in the agriculture sector, boosting exports, and addressing issues of water supply and conservation.

- The focus towards reviving the agrarian sector assumes significance as it has been witnessing low farm prices over the past few years leading to several large-scale farm protests.

Background

The fifth meeting of the Governing Council of the NITI Aayog comes in the backdrop of challenges on the economic front and rising unemployment rates (45-year high of 6.1 %).

Key Points discussed in the meeting:

- **Increasing Exports:**

  ◉ The meeting focused on the need to increase exports and explore untapped export potential in several states in order to drive economic growth and this will also provide a boost to both income and employment.

- **Need for structural reform in agriculture**

  ◉ Meeting emphasizes to focus on fisheries, animal husbandry, horticulture, fruits, and vegetables.

  ◉ There is need to boost corporate investment, strengthen logistics and provide ample market support.

  ◉ The food processing sector should grow at a faster pace than food grain production.

  ◉ Scrapping of the Essential Commodities Act, 1955 because it is thought to be an "impediment in the free movement of commodities" given that the country is now mostly self-sufficient.

  ◉ Flagship schemes like PM-KISAN, should reach intended beneficiaries well within time.

- **Water Supply and Conservation**

  ◉ Promoting efficient water conservation practices with rain-water harvesting to be undertaken at the household and community level with proactive policy and investment support.

- Aside from addressing the issue of agriculture, PM also focused on a collective fight against poverty, unemployment, flood, pollution, corruption, and violence. PM also called for effective steps to tackle drought by adopting 'per-drop, more-crop' strategy.

- Meeting also underlined the need for states to focus on their core competencies and work towards increasing the GDP right from the district level so as "India can become a $5 trillion economy by 2024."

- PM also announces panel with CMs for deep reforms in agriculture, which would submit its report in the next few months.

- Additionally, with parts of India experiencing drought situation, some States asked for changes in the National Disaster Response Force and State Disaster Response Fund (SDRF) guidelines. They will work with MHA and Agriculture ministry to make changes.

COP-14 OF UNCCD

◉ **CONTEXT:**

- **For the first time ever India will be hosting the 14th session of Conference of Parties (COP-14) of United Nations Convention to Combat Desertification (UNCCD) in September 2019, to address the issue of land degradation and desertification.**

⊙ **ABOUT:**

Key Highlights of COP-14

- Presidency: India will be taking over the COP presidency from China for the next two years until the next COP is hosted in 2021.

- Participants: At least 5,000 delegates from nearly 197 countries will be participating in the event which will be held between rom 29th August to 14th September 2019 at India Expo Mart Limited, Greater Noida.

- Function: One of the primary functions of COP-14 is to review reports submitted by Conference of Parties to convention and detailing how they are carrying out their commitments.

- India's Land Degradation Problems: India faces a severe problem of land degradation (meaning the soil becoming unfit for cultivation). The Indian Space Research Organisation (ISRO) in its 2016 report found that over 29% of India's land (in 2011-2013) was degraded which was 0.57% increase from year 2003-2005.

India's Flagship Project:

- Ahead of COP-14, Prakash Javadekar, Union Minister of Environment, Forest and Climate Change (MoEFCC) has launched a flagship project which is a part of a larger international initiative called 'Bonn Challenge'.

- It is aimed at enhancing India's capacity for Forest Landscape Restoration (FLR). During the pilot phase of project (initial 3.5 years), it will be implemented in Haryana, Madhya Pradesh, Maharashtra, Nagaland and Karnataka. Initially, the project will be aimed at developing and adapting best practices and monitoring protocols for country, and building capacity within 5 pilot States. Later, it will eventually be scaled up across the country through subsequent phases of project. The project will be implemented by MoEFCC in partnership with International Union for Conservation of Nature (IUCN).

Bonn Challenge

- It is a global effort towards bringing 150 million hectares of world's degraded and deforested land under restoration by the year 2020 and 350 million hectares by 2030.

- At COP-13 (2015) in Paris, India also joined the voluntary Bonn Challenge pledge and had committed towards restoring 13 million hectares (MH) of degraded and deforested land by year 2020, and an additional 8 million hectares (MH) by 2030. India's pledge is one of the largest in Asia.

United Nations Conference to Combat Desertification

- Established in 1994, UNCCD is the sole legally binding international agreement linking environment and development to sustainable land management.

- The Convention addresses specifically the arid, semi-arid and dry sub-humid areas, known as the drylands, where some of the most vulnerable ecosystems and peoples can be found.

- The Convention's 197 parties work together to improve the living conditions for people in drylands, to maintain and restore land and soil productivity, and to mitigate the effects of drought. The UNCCD is particularly committed to a bottom-up approach, encouraging the participation of local people in combating desertification and land degradation.

- The UNCCD secretariat facilitates cooperation between developed and developing countries, particularly around knowledge and technology transfer for sustainable land management.

- The permanent Secretariat of the UNCCD was established during the first Conference of the parties (COP 1) held in Rome in 1997. It has been located in Bonn, Germany since January 1999.

CYCLONE VAYU

⊙ **CONTEXT:**
- **Cyclone Vayu hit Gujarat and ravaged port town.**

⊙ **ABOUT:**

What is Cyclone?

- Cyclone forms over different areas and revolve around low-pressure eye. Warm air rises and when it rises, it cools. Cool air cannot hold much moisture and so water gets squeezed out and clouds begins to form.

- If warm air rises quickly it creates updraft. Similarly, if the water in the clouds is build enough then it may fall into the ground in the form of rain and is known as downdraft. When they work together, a storm cell is created. This process continues, the cloud grows and we get a large thunderstorm cloud. These thunderstorm clouds are ready to diversify into other storms like tropical cyclone Vayu and tornadoes.

- Six factors responsible for the formation of cyclone: (1) Sufficient warm temperature at sea surface (2) Atmospheric instability (3) Impact area of Coriolis force so that low pressure can be develop (4) High humidity in the lower to middle levels of the troposphere (5) A pre-existing low-level focus or disturbance (6) Low vertical wind shear.

Impact of Cyclone Vayu on India

- It may cause a significant delay in the arrival of monsoon in some parts of the country.

- Coastal areas in Karnataka, Kerala, Konkan, Goa and Lakshadweep are also expected to receive fairly widespread rainfall.

Naming of Cyclones

North Atlantic Ocean and the eastern North pacific	Hurricanes
Western North Pacific around the Philippines, Japan and China	Typhoons
Western South Pacific and Indian Ocean	Tropical cyclones or only cyclones

Cyclone Prone area in India

- According to the meteorological department, there are 13 coastal states and Union Territories in India are Cyclone prone region.

- Four states like West Bengal, Andhra Pradesh, Odisha, Tamil Nadu-and one UT Puducherry on the east coast and Gujarat on the west coast are more vulnerable.

Cyclone Warning System in India

- The India Meteorological Department is the nodal agency, which is responsible for meteorological observations, weather forecasting and seismology.

- A cyclone in the Bay of Bengal is predicted by the Area Cyclone Warning Centres (ACWC) and in the Arabian Sea it is predicted by the Cyclone Warning Centre (CWC).

- Both ACWC and CWC sent their report to National Cyclone Warning Centre (NCWC).

Naming of Tropical Cyclones

- The World Meteorological Organisation (WMO) has devised a mechanism where countries submit a list of names from time to time. Names of cyclones are chosen from this pool. The practice of naming these tropical cyclones in the Bay and Arabian Sea began in September 2004.

- For tropical cyclones developing in the North Indian Ocean, countries like India, Sri Lanka, Bangladesh, Maldives, Myanmar, Oman, Pakistan and Thailand send their names to the Regional Tropical Cyclone Committee.

- At present, all eight countries have submitted eight names each for naming future cyclones. The name Vayu was chosen from this list containing 64 names and was suggested by India.

- As per the existing list, the next cyclone that forms over the Indian Ocean will be named Hikka (Maldives), followed by Kyarr (Myanmar), Maha (Oman), Bulbul (Pakistan), Pawan (Sri Lanka) and Amphan (Thailand). Once the list is exhausted, the committee would meet again and a fresh list will be prepared by the Regional Specialized Meteorological Centre (SMC).

Difference between Arabian Sea and Bay of Bengal Cyclones:

- Bay of Bengal gets higher rainfall, and because the sluggish winds around it keep temperatures relatively high. Warm air currents enhance this surface temperature and aid the formation of cyclones.

- Bay receives constant inflow of fresh water from the Ganga and Brahmaputra rivers. This means that its surface water keeps getting refreshed, making it impossible for the warm water to mix with the cooler water below, making it ideal for a depression. On the other hand, the Arabian Sea receives stronger winds that help dissipate the heat, and the lack of constant fresh water supply helps the warm water mix with the cool water, reducing the temperature.

Exception to the rule

- Bay of Bengal witnesses cyclones both pre-monsoon and post-monsoon.

- The post-monsoon period sees a higher number of cyclones than the pre-monsoon period. This is because summers and pre-monsoons see dry and hot air moving from north-western India towards the Bay of Bengal.

E-GOVERNANCE INITIATIVES FOR ST WELFARE SCHEMES

⊙ **CONTEXT:**
- **Tribal affairs ministry launches e-governance website DBT Tribal to track and fulfil welfare schemes.**

⊙ **ABOUT:**
- Ministry of Tribal Affairs has developed online portals namely DBT Tribal and NGO Grants Online Application & Tracking System for bringing in e-Governance in implementation of welfare schemes for Scheduled Tribes (STs) with greater efficiency and transparency.

DBT Tribal portal

- There are 3 main modules for Pre-Matric and Post-Matric Scholarship. Data sharing module is mainly meant for sharing beneficiary-data by States.

- In Communication module, the States have facility to upload documents, raise query and DBT data uploaded by States is used for faster release of funds. Monitoring module has facility of MIS reports & Dashboards.

- Ministry has further developed module for verification of students by Universities and Colleges under Fellowship scheme and Grievance Module for all stake holders including beneficiary students in 3 Central Sector schemes and Institutions.

NGO portal

- It has been developed for implementing scheme of Aid to Voluntary Organizations working for the welfare of STs, has been fully revamped & redesigned with simplified Application form, Inspection Report and Fund Processing module.

- The system has been automated and the NGOs simply need to follow specified steps to access grants.
- Other features include online grievance redressal, and it is integrated with NFS (National Fellowship), NOS (National Overseas Scholarship) and NSP (National Scholarship Portal).

Why were these initiatives launched?

- The Ministry of Tribal Affairs has been facing multiple challenges in its functioning. There is no established mechanism for collecting data from the States or collating it.
- By this initiative, states would provide data in different formats and different mechanisms ranging from printouts to various digital formats, making collation cumbersome and prone to errors and even manipulation.
- This order has helped tribal students to get their own bank accounts. DBT Tribal is expected to address these anomalies.
- The portal is also expected to help States share beneficiary data with the tribal affairs ministry through web services. It will send SMS/email notifications to institutions and States as well as the beneficiaries. The portal also has a provision for the states and the nodal department to upload utilisation certificates (of subsidies and other grants) and issue sanctioning orders.

CENTRAL EDUCATIONAL INSTITUTIONS (RESERVATION IN TEACHERS' CADRE) BILL, 2019

⊙ **CONTEXT:**

- **Cabinet approves "The Central Educational Institutions (Reservation in Teachers' Cadre) Bill, 2019". The New Bill will be introduced in the forthcoming session of Parliament.**

⊙ **ABOUT:**

Background:

- Last year, the University Grants Commission (UGC) announced that an individual department should be considered as the base unit to calculate the number of teaching posts to be reserved for the Scheduled Caste and Scheduled Tribe candidates.
- This decision was based on an order of the Allahabad High Court in 2017.
- However, the bill approved recently introduces a 200-point roster system, as against the 13-point system the Allahabad High Court had ordered.
- The 200-point roster system makes the university or other educational institution the unit for reservation of posts in direct recruitment in teachers' cadre, not the department.

Aim of the bill:

- This decision will address the long standing demands of persons belonging to SCs/STs/SEBCs and ensure their rights envisaged under the Constitution.
- It will also ensure providing of 10% reservation to EWS.
- Enhancing the education sector of the country.

Impact:

- A total of 7000 existing vacancies will be filled through direct recruitment in Teacher's Cadre across the country.
- Ensure compliance of the Constitutional Provisions of Articles 14, 16 and 21.
- Ensure full representation of Scheduled Castes/ Scheduled Tribes Socially and Educationally Backward Classes and Economically Weaker Sections in direct recruitment in teachers' cadres.

- Expected to improve the teaching standards in the higher educational institutions by attracting all eligible talented candidates belonging to SCs/STs/SEBCs/EWS.

Implications:

- The Bill will replace "The Central Educational Institutions (Reservation in Teachers' Cadre) Ordinance, 2019".

Implementation:

- It will consider the University/ College as one unit restoring earlier reservation system based on 200 point roster. No longer will 'Department / Subject' be treated as one unit.

- The unit for reservation of posts in direct recruitment in teachers' cadre will be the University/Educational Institutions and not the Department.

- The Cabinet decision will address the long standing demands of persons belonging to SCs/STs/SEBCs and ensure their rights envisaged under the Constitution.

- It will also ensure providing of 10% reservation to EWS.

> The Constitution (One Hundred and Twenty-Fourth Amendment) Bill, 2019 was introduced and passed by Parliament in January, 2019. The Bill seeks to provide for the advancement of economically weaker sections of citizens. The reservation of up to 10% for "economically weaker sections" in educational institutions and public employment will be in addition to the existing reservation.

ENCEPHALITIS SURGE IN BIHAR

⊙ **CONTEXT:**

- **Bihar has recorded more than 100 deaths of children, since January due to the spread of Acute Encephalities Syndrome.**

⊙ **ABOUT:**

Acute Encephalitis Syndrome (AES)

- AES affects central nervous system, mostly in children and young adults.

- It starts with high fever, then hampers neurological functions causing mental disorientation, seizure, confusion, delirium, and coma.

- The disease outbreak is usually reported during monsoons (June-October). But the incidence is also reported during April-June in Bihar.

Causes of AES

- It can be caused by virus, bacteria, fungi, and a range of agents.

- Japanese encephalitis (JE) virus is the most common cause of AES in India.

- The syndrome is also caused by scrub typhus, dengue, mumps, measles, Nipah and Zika virus.

- In several cases though the cause of AES remains clinically unidentified.

- The toxin, presented naturally in the litchi, responsible for the deaths is Hypoglycin A.

Spread

- AES Spreads through contaminated surfaces. Viruses enter through contaminated water. Once infected the patient can infect more individuals through their secretions and saliva.

- In Bihar, it has been reported that the victims might have ingested toxins from the affected litchi fruit.

Key Observations

- Most of the affected people belong to the lower economic strata of the society.
- Pigs are the primary host for JE viruses.
- Vero cell-derived purified inactivated JE vaccine-JENVAC, was the first vaccine in India that received manufacturing and marketing approvals from the Drug Controller General of India

Why are children at risk?

- Mortality rates in kids have been traced to be the highest amongst all those affected. The reason for this is the lack of nourishment. The Under-nourished children lack sufficient glucose reserve in the form of glycogen and the production of glucose from non-carbohydrate source is blocked midway leading to low blood sugar level. This sharp fall in blood glucose level causes severe brain malfunction.
- It is found that children who ate litchi during the day and went to bed on an empty stomach are at grave risk.

Status of AES in India

- According to National Vector Borne Diseases Control Programme (NVBDCP), 10,485 AES cases were diagnosed in 2018 with 632 deaths across 17 states.
- India records fatality rate at 6 per cent in AES, but the fatality rises to 25 per cent amongst children.
- Bihar, Assam, Jharkhand, Uttar Pradesh, Manipur, Meghalaya, Tamil Nadu, Karnataka, and Tripura are worst affected.
- Over the years, the scenario of AES in India has improved significantly in terms of research and health care facilities. Albeit the development of vaccine against JEV and minocycline under the clinical trials, AES cases in India has not restricted itself to the JE aetiology.

Solution

- 5% Dextrose infusion, in case of general low blood sugar level, and 10% dextrose infusion in case of acute low blood sugar level within few hours of illness onset will enable rapid recovery from the disease.

KIMBERLEY PROCESS

⊙ **CONTEXT:**
- **India has committed to play an active role to curb the circulation of conflict diamonds in the international market.**

⊙ **ABOUT:**

What is Kimberley Process and how does it work?

- It is an international certification scheme that regulates trade in rough diamonds.
- It aims to prevent the flow of conflict diamonds, while helping to protect legitimate trade in rough diamonds.
- The Kimberley Process Certification Scheme (KPCS) outlines the rules that govern the trade in rough diamonds.
- The KPCS has developed a set of minimum requirements that each participant must meet.
- The KP is not, strictly speaking, an international organisation: it has no permanent offices or permanent staff.
- It relies on the contributions – under the principle of 'burden-sharing' – of participants, supported by industry and civil society observers. Neither can the KP be considered as an international agreement from a legal perspective, as it is implemented through the national legislations of its participants.

- Its members are responsible for stemming 99.8 per cent of the global production of conflict diamonds.

- At present, KPCS has 55 members representing 82 countries including EU with 28 members.

Historical Background

- In 1998, certain rebel movements in Africa (Sierra Leone, Angola, Democratic Republic of Congo, Liberia) were selling, among other things, illegally obtained diamonds – known as Conflict Diamonds – to fund their wars against legitimate governments.

- With a view to find ways to stop trade in Conflict Diamonds, world's diamond industry, United Nations, Governments and leading NGOs came together and in November 2002 at Interlaken, Switzerland, where the final draft of the Kimberley Process measures was ratified by more than fifty countries.

- The KPCS came into effect from 1st January, 2003 and evolved into an effective mechanism for stopping the trade in Conflict Diamonds.

What is a Conflict Diamond?

- Conflict diamonds, also known as 'blood' diamonds, are rough diamonds used by rebel movements or their allies to finance armed conflicts aimed at undermining legitimate governments.

- Currently, the conflict diamonds trade constitute 2% of the total Global Diamond Trade.

How are Conflict Diamonds identified from Normal Diamonds?

- A number of researchers are working on different analytical techniques that could enable them to determine where an individual stone comes from.

- However, to date, there is no scientific consensus on the best methods.

- The Kimberley Process relies on administrative controls to track stones from mine to export, and subsequent trading.

- The Kimberley Process (KP) is investigating the possibility of detecting anomalies both from 'footprinting' (study of the overall characteristics of production/exports) and 'fingerprinting' (identification of individual stones) and how these methods might strengthen KP implementation.

> **Kimberley Process and India**
> - India is one of the founder members of Kimberley Process Certification Scheme and is the Chair of Kimberley Process for 2019 with the Russian Federation as Vice Chair.
> - Since 2003, India has been actively participating in the KPCS process and is a member of all Working Groups of KP (except for Working Group on Artisanal and Alluvial Production, WGAAP).
> - Department of Commerce is the nodal Department and Gem & Jewellery Export Promotion Council (GJEPC) is designated as the KPCS Importing and Exporting Authority in India.
> - GJEPC is responsible for issuing KP Certificates and is also the custodian of KP Certificates received in the country.
> - As per the Scheme, each shipment of rough diamonds being exported and imported by crossing an international border be transported in a tamper proof container and accompanied by a validated Kimberley Process Certificate. The shipment can only be exported to a co-participant country in the KPCS. No uncertified shipments of rough diamonds are permitted to enter a participant country.

WORLD DAY AGAINST CHILD LABOUR

⊙ **CONTEXT:**
- **World Day against Child Labour was celebrated on 12 June to highlight the plight of child labourers and what can be done to help them.**

⊙ **ABOUT:**
- This year's theme is "Children shouldn't work in fields, but on dreams" which focuses on the development of the children working in agriculture sector throughout the world.
- 2019 also marks 20 years since the adoption of the ILO's Worst Forms of Child Labour Convention, 1999.

Background and Targets

- The International Labour Organization (ILO) launched the World Day Against Child Labour in 2002 to focus attention on the global extent of child labour and the action and efforts needed to eliminate it.
- ILO says 152 million children are still in child labour, with 7 out of every 10 in agriculture.
- The Sustainable Development Goals (SDGs), adopted by world leaders in 2015, include a renewed global commitment to ending child labour.
- Specifically, target 8.7 of the SDGs calls on the global community to: "Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms."

Initiatives taken by the Indian government to prevent child labour

- In 1979, the central government formed the first statutory committee- the Gurupadswamy committe. One of their major observations was that the problem of child labour is inextricably linked to poverty.
- Taking into account the findings and recommendations of the Gurupadswamy committee, the union government enacted the Child Labour (Prohibition and & Regulation) Act in 1986. "Child" as defined, by this act, is a person who has not completed the age of 14 years.
- The act prohibited children from being employed in specified hazardous occupations and at the same time regulated their working condition in other non-hazardous occupations and processes.
- A landmark step in the endeavour to have a child labour free society was the enactment of the Child labour (Prohibition and Prevention) Amendment Act, 2016.
- It provides for a complete prohibition on the employment of children below 14 years in all occupations and processes and prohibits the employment of adolescents (14-18 years) in hazardous occupations and processes.
- The Juvenile Justice (Care and Protection) of Children Act of 2000 made it a crime, punishable with a prison term, for anyone to procure or employ a child in any hazardous employment or in bondage. This act provides punishment to those who act in contravention to the previous acts by employing children to work.
- From 2001, Sarva Shiksha Abhiyan is an effort to universalize elementary education by community-owner ship of the school system. It is a response to the demand for quality basic

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