

CURRENT AFFAIRS

WEEKLY

WEEK - 1 SEPTEMBER, 2019

MAINS

ECONOMY

- ⑦ RBI Dividend Payout to The Government

ENVIRONMENT

- ⑦ The Amazon Fire

INTERNATIONAL RELATIONS

- ⑦ India France

SECURITY

- ⑦ Chief of Defence Staff

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- EPFO to Restore Commutation of Pension ⑦
- SEBI's Norms for FPIS ⑦
- Sabka Vishwas Scheme ⑦
- Angikaar Campaign ⑦
- Child Well-Being Index ⑦
- Open Acreage Licensing Policy (OALP) ⑦
- RBI Annual Report ⑦
- Worldskills Kazan ⑦

ENVIRONMENT

- Government Releases Rs 47,436 Crore Fund for Afforestation ⑦
- Desertification ⑦
- 18 Endangered Sharks and Rays Afforded Protection ⑦
- Great Barrier Reef ⑦

INTERNATIONAL RELATIONS

- China's one Country two Systems Policy ⑦

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- Money Laundering in India ⑦
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- ⑦ Press Council of India
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- ⑦ Oxytocin Ban
- ⑦ AIDS
- ⑦ Antibiotic Resistance
- ⑦ Gravitational Lensing
- ⑦ Food Fortification

PRELIMS

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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 WEEKLY

WEEK-1 (SEPTEMBER, 2019)

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SECTION: A

(MAINS)

CURRENT AFFAIRS

RBI DIVIDEND PAYOUT TO THE GOVERNMENT

CONTEXT

- The Reserve Bank of India (RBI) had decided to transfer a sum of Rs.1,76,051 crore to the Government of India (Government) comprising of ₹1,23,414 crore of surplus for the year 2018-19 and Rs.52,637 crore of excess provisions identified as per the revised Economic Capital Framework (ECF).
- This marks the first time the RBI will be paying out such a huge amount, a one-off transfer. Earlier, the government had budgeted for Rs 90,000 crore from the RBI as dividend for this fiscal year.

◎ BACKGROUND

- **Economic capital** is a measure of risk in terms of capital. More specifically, it's the amount of capital that an institution needs to ensure that it stays solvent given its risk profile.
- The concept of **economic capital** has gained significance especially after the global financial crisis in 2008. The crisis forced many of international banks to **pump in liquidity** to **boost confidence** in the financial system.
- In general, the **Economic Capital Framework (ECF)** reflects the capital that an institution requires as a counter against unforeseen risks or events or losses in the future.
- As a result, in 2015, the RBI put in place a draft **Economic Capital Framework, or ECF**. It provided methodology for determining the appropriate level of risk provisions for the Bank.
- **The RBI and the Finance Ministry have been at loggerheads over how much should be transferred to the Centre for a while.**
- In order to resolve this contentious issue, in 2018, the RBI constituted an **Expert Committee to review the extant ECF** of the RBI under the Chairmanship of **Dr. Bimal Jalan**.
- Now, the Central Board accepted **all the recommendations** of the Committee and finalized the RBI's accounts for 2018-19 using the revised framework to determine risk provisioning and surplus transfer.

Issues due to transfer of surplus

- Traditionally, central banks have been factoring in risks such as **credit risk** — when there could be a potential default by an entity in which there has been an investment or exposure.
- There is also **interest rate risk** — when interest rates either move up or slide, depending on the price of which securities or bonds held by a central bank or banks can be impacted.
- There is also an **operational risk** — when there is a failure of internal processes.

- **Contingent risks** arising from its public policy role in fostering monetary and financial stability.
- There were increased risks to its **balance sheet**. A weak balance sheet could force the central bank to rely more on excessive seigniorage income, which would run in conflict to its price stability mandate.

Profits and Expenditures of RBI

- The RBI is a "full service" central bank which is supposed to manage the borrowings of the Government of India and of state governments; supervise or regulate banks and non-banking finance companies; and manage the currency and payment systems.
- While carrying out these functions or operations, it makes **profits**. Typically, the central bank's income comes from the returns it earns on its foreign currency assets, which could be in the form of bonds and treasury bills of other central banks or top-rated securities, and deposits with other central banks.
- It also earns interest on its holdings of local rupee-denominated government bonds or securities, and while lending to banks for very short tenures, such as overnight.
- Its **expenditure** is mainly on the printing of currency notes and on staff, besides the commission it gives to banks for undertaking transactions on behalf of the government across the country, and to primary dealers, including banks, for underwriting some of these borrowings.
- Generally, the central bank's **total expenditure is only about a seventh of its total net interest income**.
- This implies that it certainly **generates a large surplus** out of the excess of income over expenditure.

Profit Transfer Mechanism from RBI to Government

- The Government of India is the **sole owner** of India's central bank, the RBI.

- So, the RBI transfers the “**surplus**” – that is, the excess of income over expenditure – to the government, in accordance with **Section 47 (Allocation of Surplus Profits) of the Reserve Bank of India Act, 1934**.
- In 2018, the RBI paid out an interim dividend of Rs 10,000 crore.
- Then in February 2019, the government asked for an interim surplus as well as the amount retained by the RBI from surpluses of the previous two years.
- The current transfer is expected to help keep the fiscal deficit at the projected **3.4% of GDP for 2018-19**.

Boost to finances

At a board meeting on Monday, the RBI decided to hand over its entire 2018-19 surplus of ₹1.23 lakh cr. to the govt

In ₹ crore	2013-14	2014-15	2015-16	2016-17	2017-18
Income	64,617	79,256	80,870	61,818	78,281
Expenditure	11,934	13,356	14,990	31,155	28,277
Net surplus	52,683	65,900	65,880	30,663	50,004
Surplus given to centre	52,679	65,896	65,876	30,659	50,000
% of RBI's net profit	99.99	99.99	99.99	99.99	99.99

Recommendations of Bimal Jalan Committee

- RBI's economic capital:** A clearer distinction between the two components of economic capital (**realized equity and revaluation balances**) was recommended by the Committee as realized equity could be used for meeting all risks/ losses as they were primarily built up from retained earnings, while **revaluation balances** could be reckoned **only** as risk buffers against market risks as they represented unrealized valuation gains and hence were **not distributable**.
- Risk provisioning for market risk:** The Committee has recommended the adoption of Expected Shortfall (ES) methodology under stressed conditions (in place of the extant Stressed-Value at Risk) for measuring the RBI's market risk on which

there was growing consensus among central banks as well as commercial banks over the recent years.

- Size of Realized Equity:** The Committee recognized that the RBI's provisioning for monetary, financial and external stability risks is the country's savings for a 'rainy day' (a monetary/ financial stability crisis) which has been consciously maintained with the RBI in view of its role as the Monetary Authority and the Lender of Last Resort.
- Surplus Distribution Policy:** The Committee has recommended a surplus distribution policy which targets the level of realized equity to be maintained by the RBI, within the overall level of its economic capital vis-à-vis the earlier policy which targeted total economic capital level alone.
- In case of Contingency Reserve (built out of retained earnings), the committee said that it should be maintained within a band of 6.5% - 5.5% of the total assets.

International Practice

- Almost all central banks, the US Federal Reserve, Bank of England, Reserve Bank of Australia and Germany's Bundesbank are owned by their respective governments.
- They have to transfer their surplus or profits to the Treasury, or the equivalent of India's Finance Ministry.
- The UK has a formal Memorandum of Understanding on the financial relationship between the Treasury and the Bank of England.
- It lays down a clear framework for passing on 100% of net profits to the government.
- The US Fed too, transfers all its net earnings to the Treasury.

Conclusion

- The reserves of RBI represent the inter-generational equity built up over the years. It is agreed that the government being the sovereign, owns RBI and hence there is nothing wrong if it decides to tap the central bank's reserves. However, it is morally unacceptable that a particular government swallows these reserves to help meet its expenditure in a particular year.



Practice Question

- Discuss the reasons behind the constitution of Bimal Jalan Committee on Economic Capital Framework. Also analyze, how far its recommendations will resolve the conflict between the Reserve Bank of India and the Finance Ministry regarding the transfer of surplus from Central Bank to the Government.

RBI Dividend Payout to the Government

GS SCORE

Context

RBI decided to transfer a sum of **₹1.76 lakh crore to the Government** [₹1.23 lakh crore of **surplus** for the year 2018-19 + ₹52,637 crore of **excess provisions** identified as per the revised **Economic Capital Framework (ECF)**] → This is the highest ever transfer from RBI to the Government and it is in line with the recommendations of the Bimal Jalan Committee

Learning Aid

RECORD SURPLUS

Year	Surplus (Rs cr)
2012-13	33,010
2013-14	52,679
2014-15	65,896
2015-16	65,876
2016-17	30,659
2017-18	50,000
2018-19	1,23,414+52,637

➤ Largest surplus in history of RBI. Also, **first time RBI is transferring surplus reserves**

➤ Rupee intervention and open market operations helped RBI generate record earnings

➤ Bimal Jalan committee recommended that RBI maintain 5.5% to 6.5% of its assets as surplus

➤ At 6.5%, surplus reserves would be Rs 11,608cr; at 5.5%, figure would be Rs 52,637cr

➤ Board decided to maintain surplus at the lower end of recommendations

➤ Transfer of surplus had been a bone of contention between RBI and govt in the past

Why does RBI pay dividend to Govt?

RBI → a statutory body under the RBI Act, 1934

Sec.47 of the RBI Act states that profits made by RBI from its operations have to be transferred to the Centre

Background

The total reserves with the RBI in 2017-18 : ₹ 10 lakh crores

Govt stand was that the RBI reserve is quite high and accordingly demanded transfer of at least 1/3rd of its reserve assets

to enable it to infuse more capital into PSBs to meet the BASEL III guidelines

RBI was opposing this move on the grounds that it needed sufficient amount of reserves

to tide over unforeseen circumstances in future

Accordingly, the Govt appointed **Bimal Jalan Committee** to sort the issue out by **reviewing the Economic Capital Framework** and suggesting so as to how much reserves can be transferred to the Govt

RBI earns its profits from various sources like

Interest on its holdings of domestically issued government bonds or securities and on the loans given to the banks

Management commission on handling the borrowings of central and state governments

Returns on the foreign currency assets such as bonds and treasury bills of other central banks

Realised Equity

It's this part of the economic capital that is transferred to the govt normally

It is the total **realised profits** of the RBI

Economic Capital

Revaluation Reserves

It is the **unrealised and notional profits**

(which may arise from changes in the valuation of Gold, Foreign Currency or foreign securities)

According to Bimal Jalan Committee

The realised equity should be maintained at within a range of **5.5-6.5%** of the RBI's balance sheet

Only if realized equity is above its requirement (5.5 - 6.5 %), the entire net income should be transferable to the Govt

The available realized equity stood at **6.8%** of balance sheet

The Central Board of RBI decided to maintain the realized equity level at **5.5 % of balance sheet** and transfer ₹ 52 thousand crore of excess provisions identified as per the revised Economic Capital Framework (ECF)

The revised framework would allow the RBI's economic capital levels to lie

within the range of **24.5 % to 20.0 %** of balance sheet

Presently, the economic capital stood at **23.3 %** of balance sheet

Accordingly, the RBI decided to transfer its **entire net income** of Rs 1.23 lakh crores (2018-19) to the Govt

BOTTOMLINE

The reserves of RBI represent the inter-generational equity built up over the years. It is agreed that the government being the sovereign, owns RBI and hence there is nothing wrong if it decides to tap the central bank's reserves. However, it is morally unacceptable that a particular government swallows these reserves to help meet its expenditure in a particular year.

THE AMAZON FIRE

CONTEXT

- The Amazon rainforest has been on fire for the past month.

◎ BACKGROUND

- The Amazon rainforest has been on fire for the past month, with Brazil declaring a state of emergency in the region.
- The number of fires in Brazil this year is the highest on record since 2013 and is up by 85% from last year alone.
- Fires like the current one lead to wholesale irreversible changes in the structure and composition of forest ecosystems, impoverishing both their biodiversity capital and capacity to generate critical forest ecosystem services, such as carbon retention and water cycling. They also severely degrade the livelihoods of local people who depend on these forests for a number of extractive assets.
- These droughts are clearly becoming far more frequent and more severe and are generating the conditions conducive for either man-made or natural wildfires that affect vast areas of previously unburnt Amazonian rainforests, which represent half of the world's remaining tropical forests and are home to 25 million people in Brazil alone.
- Many are now witnessing the worst fires in living memory, following long periods of consecutive days without rain. Major fires have also caused severe losses, burning dozens of houses, shops, churches and schools to the ground.
- While the Amazon rainforest is typically wet and humid, July and August -- the onset of the dry season -- are the region's driest months, with "activity" peaking by early September and stopping by mid-November.
- Fire is often used to clear out the land for farming or ranching. For that reason, the vast majority of the fires can be attributed to humans, cattle ranchers and loggers, who want to clear and utilize the land.
- Deforestation is largely due to land clearing for agricultural purposes, particularly cattle ranching but also soybean production. Since farmers need a massive amount of land for grazing, Twelve percent of what was once Amazonian forest – about 93 million acres – is now farmland.
- Ambitious infrastructure development plan that would turn the Amazon's many waterways into electricity generators. The Brazilian government has long wanted to build a series of big new hydroelectric dams, including on the Tapajós River, the Amazon's only remaining undammed river. But the indigenous Mundurucu people, who live near the Tapajós River.
- Roads, most of them dirt, already criss-cross the Amazon. The ill-designed road crossings – which feature perched culverts that disrupt water flow – also act as barriers to movement, preventing fish from finding places to feed, breed and take shelter.

◎ ANALYSIS

How did the Amazon fires start?

- Amazonian forests and other tropical rainforest regions were completely immune to fires because of the high moisture content of the undergrowth beneath the protection of the canopy tree cover. But the severe droughts of 1997-98, 2005, 2010, and currently a large number of wildfires across northern Brazil have forever changed this perception.
- These severe 'mega-droughts' in the Amazon were most likely driven by interacting large-scale climatic events, with the warming of the Atlantic increasingly outweighing the drying effects of El Niño Southern Oscillation (ENSO) events in the Pacific.
- Forest fires and climate change operate in a vicious circle. As the number of fires increase, greenhouse gas emissions do too. This makes the planet's overall temperature rise, the organization said. As the temperature increases, extreme weather events like major droughts happen more often.
- In addition to increasing emissions, deforestation contributes directly to a change in rainfall patterns in the affected region, extending the length of the dry season, further affecting forests, biodiversity, agriculture and human health.
- NASA released an AIRS Map showing the carbon monoxide associated with the fires in Brazil. The map shows a carbon monoxide plume bloom in the northwest Amazon region, move south and east, and then toward San Paolo.

- Fires release pollutants including particulate matter & toxic gases such as carbon monoxide, nitrogen oxides and non-methane organic compounds into the atmosphere.

What areas are affected?

- Satellite images showed fires in the Brazilian states of Amazonas, Rondonia, Para and Mato Grosso. The state of Amazonas is most affected.
- Effects of damage to the Amazon go far beyond Brazil and its neighbors. The area's rainforest generates more than 20% of the world's oxygen and is home to 10% of the world's known biodiversity. The Amazon is referred to as the "lungs of the planet" and plays a major role in regulating the climate. The world would drastically change if the rainforest were to disappear, with impacts on everything from farms to drinking water.

How can forest Fire Prevention be done?

- Check local regulations regarding permit requirements and "burn ban" restrictions. These are available from your municipality, fire department or department of natural resources. They may include:
 - ▶ Obtaining a burning permit for burning grass, brush, slash or other debris in or within a prescribed distance of forest land;
 - ▶ A campfire permit and the landowner's permission for an open campfire, cooking fire or bonfire in or near forest land;
 - ▶ A work permit for any work in forest land involving two or more people.
- Burn only natural vegetation or untreated wood products.
- Burn piles are at least 50 feet from structures and 500 feet from any forest slash.

- Clear the area around the burn pile of any flammable debris.
- Keep firefighting equipment handy - a connected water hose or at least five gallons of water and a shovel should be nearby.
- Don't burn if it's too windy to burn - if trees are swaying, flags are extended, or waves appear on open water.
- Be prepared to extinguish the fire if it becomes a nuisance.
- Attend the fire until it is completely out.
- Smoking should not be done while moving from one place to another in forest land. Make sure your butt is out - "dead out!"
- Power saws must have a proper muffler and be accompanied by a round point shovel or fire extinguisher.
- Cars, trucks and machinery must have proper exhaust systems when operated in or near forest land. Exhaust spark arresters are a requirement on certain machines.
- Know your local emergency telephone number if a fire becomes uncontrollable.

Conclusion

- This year's burning season across the Brazilian Amazon is yet another vivid reminder. The threats to the Amazon have never been louder and clearer, and Brazil should honor its national to global responsibility to ensure the effective protection of the world's largest tropical forest. The predicament of the Amazon and other major tropical forest regions has never been so uncertain. The last thing we needed in these difficult times was a stupefying short-sighted presidential administration that is hostile to all things related to a sustainable environment.



Practice Question

- Discuss the various reasons which caused the Amazons fires along with the preventive measures to be taken

Amazon Fire



CONTEXT

The Amazon rainforest has been on fire for the past month, with Brazil declaring a state of emergency in the region.



The number of fires in Brazil this year is the highest on record since 2013 and is up by 85% from last year alone

Possible reasons for the fires

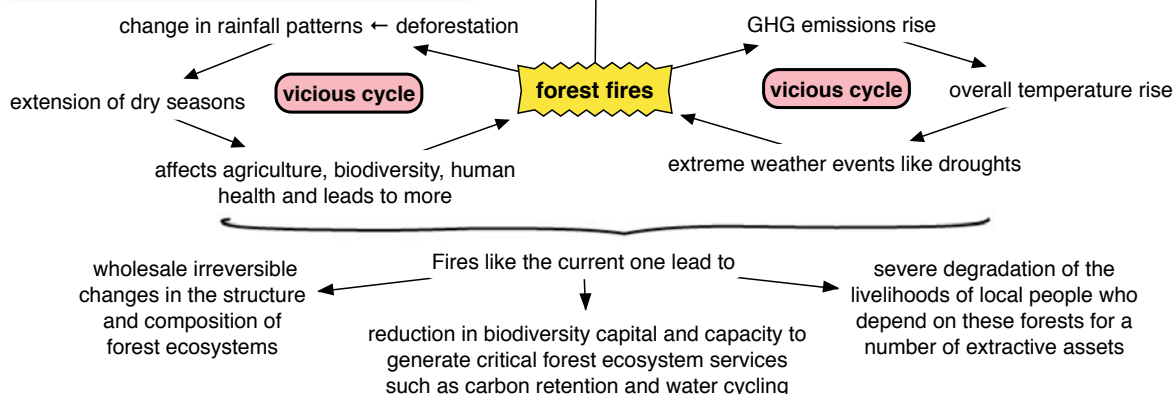
July and August are **relatively dry**, aiding in propagation of fires

vast majority of the fires can be attributed to **humans**

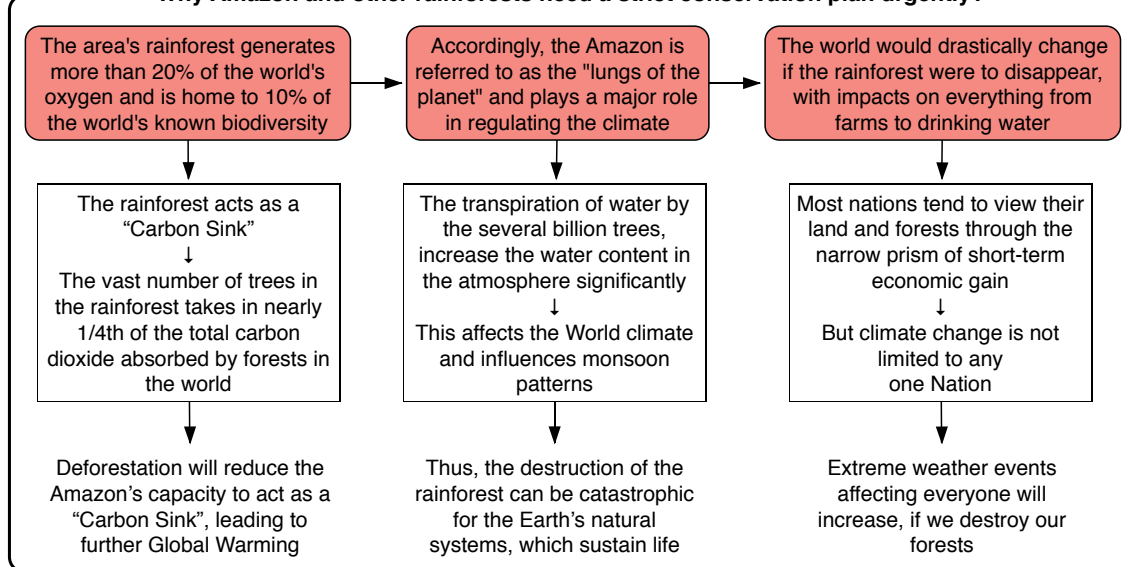
..... they do it to clear the land out to use it for farming or ranching

As a result, 12% of what was once Amazonian forest – about 93 million acres – is now farmland

release pollutants including particulate matter & toxic gases such as CO, nitrogen oxides and non-methane organic compounds into the atmosphere



Why Amazon and other rainforests need a strict conservation plan urgently?



The threats to the Amazon have never been louder and clearer, and Brazil should honour its global responsibility to ensure the effective protection of the world's largest tropical forest. The last thing we needed in these difficult times is a stupefying short-sighted presidential administration that is hostile to all things related to a sustainable environment.

INDIA FRANCE

CONTEXT

- France backed India getting a permanent seat in the UN Security Council as the two countries expressed their resolve towards freedom of navigation in the Indo-Pacific and said they were committed towards multilateralism.

◎ BACKGROUND

- India and France have traditionally close and friendly relations. In 1998, the two countries entered into **Strategic Partnership** which is emblematic of their convergence of views on a range of international issues apart from a close and growing bilateral relationship.
- The areas of **defence cooperation, space cooperation and civil nuclear cooperation** constitute the three principal pillars of our Strategic Partnership.
- Apart from these traditional fields of cooperation, there is also a growing and wide-ranging cooperation in other areas such as trade and investment, culture, science & technology and education.
- India and France support a multi-polar world order. France has continued to support India's claim for permanent membership of the Security Council and the reforms of the United Nations.

Existing Bilateral Partnership

- Institutional Dialogue relating to strategic areas** - India and France have a range of regular institutional dialogue - India-France Strategic Dialogue takes place between NSAs from both sides, **Joint Working Group on Counter Terrorism** (led at the level of Additional Secretary (CT), MEA), **Cyber Dialogue** (led at the level of Additional Secretary (IO), MEA), **Track 1.5 Dialogue** (led by Joint Secretary (PP&R), MEA) etc.
- Defence Cooperation** - Regular exchange of visits at the level of Services Chiefs takes place. The three services also have regular defence exercises; viz. **Exercise Shakti, Exercise Varuna, Exercise Garuda**. Apart from service-level staff talks, the two sides have a High Committee on Defence Cooperation (HCDC) which meets annually. **Rafale deal and P-75 Scorpene Project** are the current on-going projects.
- Space Cooperation** - India and France have a rich history of cooperation in the field of space going back to fifty years with ISRO and the French Space Agency, CNES carrying on various joint research programmes and launch of satellites. The jointly developed **Megha Tropiques satellite** which observes clouds and water vapours over the tropical region continues to be in good health

and providing valuable scientific data. A **joint Ka-band** propagation experiment is also under implementation.

- Civil Nuclear Cooperation** - A landmark agreement on **civil nuclear cooperation** was signed between India and France in 2008 during the visit of Prime Minister. Subsequently, the General Framework Agreement and the Early Works Agreement for the implementation of EPR for the **Jaitapur Nuclear Power Project (JNPP)** were signed. Regular negotiations are going on towards finalization of a **General Framework Agreement** on other project-related parameters.
- Economic Cooperation** - Both India and France have important bilateral investments and trade and commercial cooperation. A Joint Economic Committee exists at the level of Ministers of Commerce and Foreign Trade from both sides. Also several bilateral joint working groups in various fields like IT & Telecommunications, roads, sustainable Urban Development, Agriculture and Food Processing, Energy (**International solar alliance**) etc. exists.
- Cultural Cooperation** - It is estimated that the Indian community, including NRIs in mainland France number around 106,000, largely originating from French enclaves of Puducherry, Karaikal, Yanam, Mahe and Chandernagore. Thus, Indian culture enjoys wide admiration among the people of France.

◎ ANALYSIS

Need for a stronger friendship

- For nearly four decades, successive French presidents had made repeated efforts to elevate the engagement with India to a higher level but Delhi was preoccupied with other major powers — US, Russia and China — and was burdened by its inherited Anglo-Saxon.
- Delhi could hardly appreciate the pivotal value of France, and more broadly that of Europe, in transforming India's international position.
- Thus this bilateral meet was significant as the relative harmony between the major powers witnessed after the Cold War was now becoming a distant memory and the growing tensions between the US on the one hand and China and Russia on the other is roiling the international waters.

- As they come to terms with the breakdown of the post-War order, India and France recognise the urgency of constructing coalitions that can provide a measure of stability in an increasingly unstable world.
 - France, which had sought strategic autonomy within the framework of its alliance with the US, and India, which has valued independent foreign policy, which are natural partners in building the new coalitions for an uncertain era.
 - The rapid rise of China — and the expanding gap in the national power indices in favour of Beijing — have altered the balance of power in India's neighbourhood.
 - During the Cold War, India had turned to the Soviet Union to ensure a stable regional balance.
 - In the last few years, Russia has been drawing steadily closer to China. That Russia has a broader and deeper economic and political relationship with China means the new entente between Moscow and Beijing can only make it harder for Delhi to rely on the former to balance the latter.
 - Delhi has been also affected by sweeping changes in the foreign, economic and national security policies unleashed by Trump. He has turned hostile to the WTO and walked away from many multilateral arrangements.
 - For many nations, including India and France, coping with the muscular assertiveness of China, the resurgence of Russia and the retrenchment of America become the central challenge of their foreign and security policies.
 - As they look for options in a world where the old political assurances look shaky, India and France see that strengthening bilateral cooperation and building coalitions with like-minded countries is critical for the protection of their long term interests.
- The two countries supported an inclusive peace and reconciliation process in Afghanistan which is Afghan-led, Afghan-owned and Afghan controlled, leading to a lasting political solution.
 - On Iran, they agreed that full compliance with the Joint Comprehensive Plan of Action (JCPOA) on the Iranian Nuclear Programme and the UN Security Council Resolution 2231 was needed to ensure regional and international peace and security and that current issues need to be resolved peacefully through dialogue.
 - The two nations also vowed to fight against violent and hateful content online as they affirmed their commitment to an open and reliable cyberspace.
 - India and France jointly call for reform of the United Nations Security Council that would enable India to gain a permanent seat on it.
 - They also reaffirmed their commitment to working expeditiously and constructively, together and with others towards the modernisation of the World Trade Organization.
 - Further, the two nations reaffirmed their determination to deepen the relations between the EU and India on strategic and multilateral issues as well as in trade, investment and innovation through "new ways and mechanisms", and decided to reactivate the high-level France-India economic and financial dialogue as quickly as possible.
 - France and India welcomed the decision to train medical support personnel for Indian astronauts, who will be part of India's manned space mission by 2022. The training will be carried out in France and in India.

Outcomes of PM Modi's visit to France

- Prime Minister Narendra Modi held wide-ranging talks with French President Emmanuel Macron on his visit to France, during which the two leaders discussed issues of bilateral and mutual interests to further boost the comprehensive strategic partnership. In a joint statement issued after talks

Conclusion

- France opens the pathway for deeper engagement with Europe on global issues. Since independence, India has experimented with different institutions — including the NAM and BRICS — to shape global norms. The new partnerships with France, Germany and other like-minded countries like Japan would hopefully turn out to be far more consequential for India's influence on the global stage.



Practice Question

- India has a new ally in France. Examine the statement in the light of recent India-France bilateral summit.

India France Relations**GS SCORE**
Learning Aid**CONTEXT**

India and France have traditionally close and friendly relations. In 1998, the two countries entered into **Strategic Partnership** which is emblematic of their convergence of views on a range of international issues apart from a close and growing bilateral relationship since then.

In this continuing bonhomie between the two nations, **France recently backed India getting a permanent seat in the UN Security Council** as the two countries expressed their resolve towards freedom of navigation in the **Indo-Pacific** and said they were committed towards **multilateralism**

Strategic importance of the relationship

For many nations, including India and France, coping with the muscular assertiveness of **China**, the resurgence of **Russia** and the retrenchment of **America** become the central challenge of their foreign and security policies

Rapid rise of China has altered the balance of power in India's neighbourhood

During the Cold War, India had turned to the Soviet Union to ensure a stable regional balance

But recently, Russia has been drawing steadily closer to China and this makes harder for India to rely on Russia to balance China

In these dynamics of the world order, both India and France are looking for options to protect their long term and strategic interests

They recognise the urgency of constructing coalitions that can provide a measure of stability in an increasingly unstable world

This makes India and France natural partners in building the new coalitions for an uncertain era

Sweeping changes in the foreign, economic and national security policies unleashed by Trump including hostility towards the WTO and walking away from many multilateral arrangements

India has always valued its independent foreign policy

Similarly, France had always sought strategic autonomy within the framework of its alliance with the US

economic cooperation

defence technologies

civil nuclear cooperation

space technology

Besides, the strategic angle, both countries have robust mechanisms of cooperation in various areas

institutional dialogues related to strategic areas

Highlights of PM Modi's recent visit to France

Supported an inclusive peace process in **Afghanistan** which is Afghan-led, Afghan-owned and Afghan controlled

On **Iran**, they agreed that current issues need to be resolved peacefully through dialogue

Decided to reactivate the high-level **France-India economic and financial dialogue** as quickly as possible



On Peace Processes

On Reforms in international bodies

On Bilateral Relations

Reaffirmed their commitment to working expeditiously and constructively towards the **modernisation of the WTO**

Joint call for **reform of the UNSC** that would enable India to gain a permanent seat on it

Reaffirmed their determination to deepen the relations between the **EU and India** on strategic and multilateral issues

BOTTOMLINE

Relations with Russia not being what it used to be earlier and rising assertiveness of China and USA, India needs **new strategic partners** for pursuing its strategic interests and goals

In this context, the **new partnerships with France, Germany and other like-minded countries like Japan** would hopefully turn out to be far more consequential for India's influence on the global stage

CHIEF OF DEFENCE STAFF

CONTEXT

- Prime Minister announced the creation of the post of Chief of Defence Staff, in one of the biggest military reforms in decades that seeks to ensure coordination among the army, air force and navy on modernization and synergize efforts in joint operations, training and intelligence.

◎ BACKGROUND

- The proposal for a CDS has been there for two decades. It was first made by the K. Subrahmanyam committee appointed after the Kargil conflict of 1999 to recommend higher military reforms.
- However, lack of consensus and apprehensions among services meant it never moved forward.
- In 2012, the Naresh Chandra committee recommended the appointment of a Permanent Chairman of Chiefs of Staff Committee (COSC) as a midway to allay apprehensions over the CDS.
- The CDS is also one of the 99 recommendations made by the Lt General D.B. Shekatkar (retd) Committee which submitted its report.

◎ ANALYSIS

Who is a CDS?

- The CDS is meant to be a single-point military advisor to the government, and to coordinate long-term planning, procurements, training and logistics of the three services.
- As future wars become short, swift and network-centric, coordination among the three services is crucial. Also as the stress on resources increases and defence budgets remain flat, the way forward is optimisation of resources by joint planning and training.
- The CDS, being above the three Service Chiefs, is expected to play this role by optimizing procurement, avoiding duplication among the services and streamlining the process.
- India being a nuclear weapons state, the CDS will also act as the military advisor to the Prime Minister on nuclear issues.

Need for CDS

- The fundamental reason for Integrated Commands is the imperative need for a single headquarters coordinating diverse elements in the same geographic space.
- The underlying rationale for appointing a CDS is to separate management and command of the Armed Forces.

Current status

- In the absence of a CDS, presently the senior most of the three Chiefs functions as the Chairman COSC.
- It is an additional role and the tenures have been very short.

Expected Role of a CDS

- The move that is aimed at creating a single point-of-contact in coordinating with the three armed services in day-to-day administrative functioning has been pending for two decades now.
- "Implementation committee" comprising senior officials would be formed to examine the role and charter of the Chief of Defence Staff (CDS) and the modalities for implementing the appointment.
- The CDS is expected to be particularly empowered when it comes to decisions on prioritizing modernization of the three forces. While the three services chiefs will continue with their current tasks, the CDS would be the main point of advice for the defence ministry on procurement.
- The scope of warfare is changing and is becoming technology driven; India should not have a "fragmented" approach.
- The CDS will provide an effective leadership to the three forces at the top level.
- Major task of the CDS will be to conceptualize and implement the transformation of the forces into theatre commands.
- CDS presents us with the opportunity to optimize defence economics and make expenditure more effective.
- Another big task for the CDS is to ask if the Armed Forces are making the best use of the national resources allocated to them.
- The appointment of the CDS will certainly change the civil-military balance, Thus, will address some of the grievances of the Armed Forces pertaining to their status vis-a-vis the civil services
- CDS can act as an arbitrator when the Chiefs of Staff express divergent views on an issue, such as the use of military resources in the battlefield.
- He can act as a link between the Strategic Forces Command that manages India's nuclear arsenal and the political leadership.

- He will be the representative of the forces in security-related committees, such as Defence Planning Committee or the Strategic Policy Group. There's no doubt that communication would become smooth with this arrangement.

Limitations of the proposed CDS Model

- It will depend on how government will implement it.
- The person appointed to the post will have significant impact on the future course and how CDS will be able to mitigate the inter-service differences.
- Also which service officer (Army, Navy or Air Force) will head CDS and his ranking/experience vis-a-vis other Service Chiefs will greatly decide the inter-service coordination.
- As and when the CDS is established, he will have equal voting rights as the service chiefs, and where two service chiefs don't agree. Now if a CDS is to be a "single point advisor", where is the question of two chiefs not agreeing?

How do other countries work?

- All major countries, especially the nuclear weapon states, have a CDS. The U.K. from which the Indian armed forces and the Defence Ministry are modelled on has a Permanent Secretary, equivalent to the Defence Secretary, and also a CDS.

- The U.K. Government guidelines state that the CDS is the professional head of the British armed forces and, as military strategic commander, is responsible for how operations are carried out. He is also the most senior military adviser to the Secretary of State for Defence and the Prime Minister.
- The Permanent Secretary is the government's principal civilian adviser on Defence, has primary responsibility for policy, finance and planning, and is also the Departmental Accounting Officer.

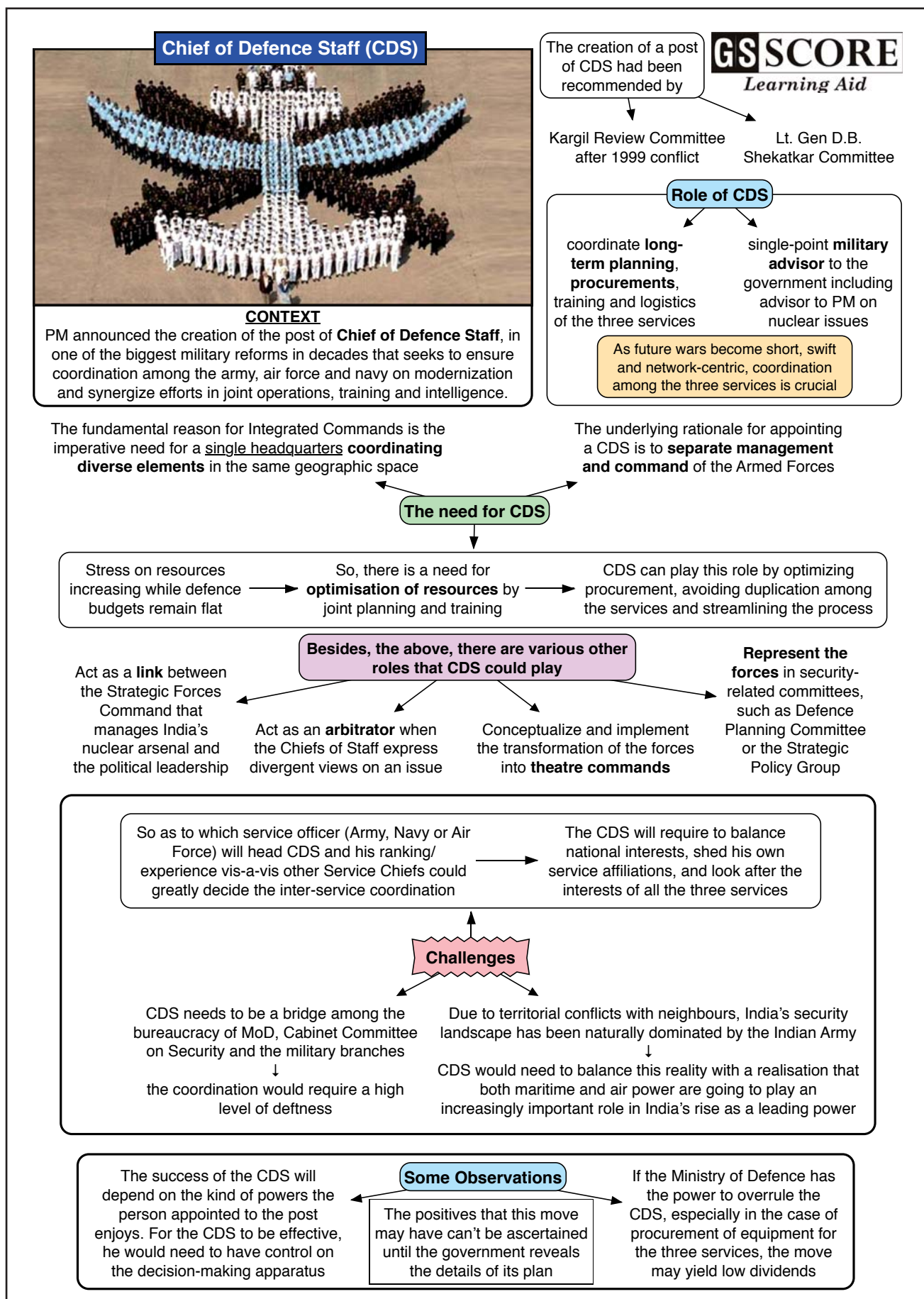
Way forward

- The appointment of a CDS, if successful, may lead to the development of theater commands in the future. Theaterisation has its advantages but the debate among the services on the need for such a move is far from over.
- The success of the CDS will depend on the kind of powers the person appointed to the post enjoys. For the CDS to be effective, he would need to have control on the decision-making apparatus.
- If the Ministry of Defence has the power to overrule the CDS, especially in the case of procurement of equipment for the three services, the move may yield low dividends.
- The positives that this move may have can't be ascertained until the government reveals the nuts and bolts of its plan.



Practice Question

- Examine how important is the post of CDS to increase the synchronization between all the defence forces



SECTION: B

(PRELIMS)

CURRENT AFFAIRS

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EPFO TO RESTORE COMMUTATION OF PENSION

◎ CONTEXT:

- The Central Board of Trustees (CBT) of the Employee Provident Fund has approved a proposal for the restoration of commuted value of the pension to the Pensioners after 15 years of drawing commutation under the EPS 1995 scheme.

◎ ABOUT:

- Provident Fund enables employees to contribute a part of their savings each month towards their pension fund. Over time, this amount gets accrued and can be accessed as a lump sum amount or in installments, at the end of their employment or at retirement.
- Commutation is defined as giving up part or all of the pension payable from retirement in exchange for an immediate lump sum.
- In simple terms, commutation means a lump sum payment in lieu of periodic payments of pension. In such a case, the amount of pension will be lower than the amount of pension without any commutation.
- For example, if the monthly pension is arrived at Rs 35,000 without commutation and if the employee goes for a certain commuted value, the pension gets reduced to say Rs 29,000.
- The provision for commutation of pension was withdrawn by the EPFO in 2009.
- Before 2009, under the commutation, monthly pension used to be cut by one-third for the next 15 years and the reduced amount would be given in lump sum. After the 15 years the pensioners were entitled to get the full pension.
- The amendment seeks to restore the original amount of pension after 15 years equal to the same amount as it would have been without commutation.
- Now, the Central Board of Trustees approved for the restoration commuted value of pension to pensioners after 15 years of drawing commutation.
- The move will provide relief to 6.3 lakh pensioners who had opted for commutation and got a lump sum amount at the time of retirement before 2009.

Employees' Provident Fund Organisation (EPFO)

- EPFO (Employees' Provident Fund Organization) is a **statutory body** incepted by the government of India.
- Being the country's largest social security organization, it mainly encourages **people to save for retirement**, among others.
- EPFO comes under the purview of **Ministry of Labor and Employment** and came into being in 1951.
- It covers every establishment in which **20 or more persons** are employed and certain organisations are covered, subject to certain conditions and exemptions even if they employ less than 20 persons each.

Structure

- The Act and all its Schemes are administered by a tri-partite Board called **Central Board of Trustees** (EPF). It has representatives of Government (both Central and State), Employers and Employees.
- The Central Board of Trustees (EPF) operates 3 schemes:
 - The Employees' Provident Funds Scheme 1952 (EPF)
 - The Employees' Pension Scheme 1995 (EPS)
 - The Employees' Deposit Linked Insurance Scheme 1976 (EDLI)
- The EPF Organisation (EPFO), is an Organization that is established to assist the Central Board of Trustees (EPF)

SEBI'S NORMS FOR FPIS

◎ **CONTEXT:**

- Securities and Exchange Board of India has liberalised norms for Foreign Portfolio Investors.

◎ **ABOUT:**

Issue

- The Union Budget 2019 imposed an additional surcharge on the Foreign Portfolio Investors (FPI). As a result, foreign investors started taking their investment flow out of India's capital market.
- More than Rs. 20,000 Crore has left Indian shores in the last few weeks.
- As a result, SEBI responded with the below measures on the recommendation of **HR Khanna Committee**.

Measures Taken:

- The registration process has been simplified by doing away with the broad eligibility criteria.
- They will now face fewer restrictions while selling their shares in off market (when stock exchange is not involved)
- Entities registered at an international Financial Service will be automatically classified as FPI.
- Central banks who are not members of Bank of International Settlements are also allowed to register as FPI.

Difference between Foreign Portfolio Investment (FPI) and Foreign Direct Investment (FDI)

- FPI consist of securities and other financial like Bonds, Mutual Funds held by an investor in another country. It does not provide direct ownership of the asset and is relatively liquid. They are basically short term investors.
- FDI lets an investor purchase a direct business interest in a foreign country. They are long term investments.

Securities and Exchange Board of India

- Securities and Exchange Board of India is a government established in 1988 authority which controls the securities market in India. Indian Parliament passed SEBI Act 1992 in 1992 India which made SEBI a statutory body. SEBI functions to fulfill the requirements of the following three categories.
 - Issuers –It provides a marketplace in which the issuers can increase finance properly.
 - Investors –It ensure safety and supply of precise and accurate information
 - Intermediaries –It enables a competitive professional market for intermediaries.
- The headquarters of SEBI is situated in Mumbai. The regional offices of SEBI are located in Ahmadabad, Kolkata, Chennai and Delhi.

ORGANISATIONAL STRUCTURE

- Securities and Exchange Board of India is administered by its board of members. The board of SEBI consist of:
 - The Chairman by nominated by Government of India
 - Two members from finance ministry

- One member from Reserve Bank of India
- Five members nominated by Union Government of India

OBJECTIVES

- To control activities of stock exchange
- To safeguard the rights of stockholders and also to guarantee the security of their investment
- To avoid fraudulence by harmonizing its statutory regulations and self-regulating business.
- To administer and develop guidelines for intermediaries

FUNCTIONS

- It manages the security markets in India
- It analysis the trading of stocks and safes the security market from the malpractices.
- It controls the stockbrokers and sub- stockbrokers
- It provides education regarding market to the investors to enhance their knowledge

SABKA VISHWAS SCHEME

◎ CONTEXT:

- Sabka Vishwas Scheme was announced in the Union Budget 2019. It has now been notified and will be operationalized from 1st September 2019.

◎ ABOUT:**Sabka Vishwas Scheme**

- It is a **Legacy Dispute Resolution Scheme**.
- The scheme targets those taxpayers who want to close their pending disputes related to **Service Tax and Excise Tax** (now subsumed under Goods and Services Tax). Hence, the term 'legacy'.
- This scheme offers amnesty (official pardon) to those who wish to disclose any previously undisclosed tax liability without any penalty or prosecution.
- The **two main components of the Scheme** are dispute resolution and amnesty.
 - The **dispute resolution component** is aimed at liquidating the legacy cases of Central Excise and Service Tax that are subsumed in GST and are pending in litigation at various forums.
 - The **amnesty component** of the Scheme offers an opportunity to the taxpayers to pay the outstanding tax and be free of any other consequence under the law. The most attractive aspect of the Scheme is that it provides substantial relief in the tax dues for all categories of cases as well as full waiver of interest, fine, penalty. In all these cases, there would be no other liability of interest, fine or penalty. There is also a complete amnesty from prosecution.
- The Scheme is especially tailored to free the large number of **small taxpayers** of their pending disputes with the tax administration.

Taxes subsumed into GST**At the Central level, the following taxes are being subsumed:**

- Central Excise Duty,
- Additional Excise Duty,

- Service Tax,
- Additional Customs Duty commonly known as Countervailing Duty, and
- Special Additional Duty of Customs.

At the State level, the following taxes are being subsumed:

- Subsuming of State Value Added Tax/Sales Tax,
- Entertainment Tax (other than the tax levied by the local bodies), Central Sales Tax (levied by the Centre and collected by the States),
- Octroi and Entry tax,
- Purchase Tax,
- Luxury tax, and
- Taxes on lottery, betting and gambling.

'ANGIKAAR CAMPAIGN'

◎ **CONTEXT:**

- HUA launches 'Angikaar campaign', to bring PMAY(U) beneficiaries into Ujjawala, Ayushman Bharat fold

◎ **ABOUT:**

- The Union Housing and Urban Affairs Ministry launched the 'Angikaar campaign', a move aimed at bringing beneficiaries of PMAY (urban) into the fold of other central schemes such as Ujjawala and Ayushman Bharat.
- HUA Secretary Durga Shanker Mishra said the campaign will officially be rolled out in all cities with PMAY(U) on October 2 commemorating 150th Gandhi Jayanti culminate on the occasion of Human Rights Day December 10.

PMAY(U):

- Launched by the Ministry of Housing and Urban Poverty Alleviation (MoHUPA), in Mission mode envisions provision of Housing for All by 2022, when the Nation completes 75 years of its Independence.

"angikaar" a campaign for change management

- Union Housing and Urban Affairs Minister Hardeep Singh Puri said the convergence would especially focus on Ujjwala for gas connection and Ayushman Bharat for health insurance to the beneficiaries of Pradhan Mantri Awas Yojana(U).
- According to the ministry, around 88 lakh houses have so far been approved against the demand of 1.12 crore.
- The 'Angikaar' aims at reaching out all the beneficiaries of the PMAY(U) in a phased manner.

More on the topic:

- The project includes **mass awareness programmes** as well as volunteers visiting the homes of the PMAY (U) beneficiaries to have them enrolled into Ujjwala scheme, for LPG connections, Ayushman Bharat health cards and Ujala, for LED lights.
- The campaign would include issues pertaining to cohesive community living, water and energy conservation, sustainable practices, rain water harvesting, tree plantation and convergence of different government programmes/schemes leading to **clean, green and safe living environment**.
- Various IEC activities for the campaign are being prepared for proposed launch. While completion of 3 Lakh houses to beneficiaries has been planned, so far over 1 lakh houses have been completed and almost all of them delivered.

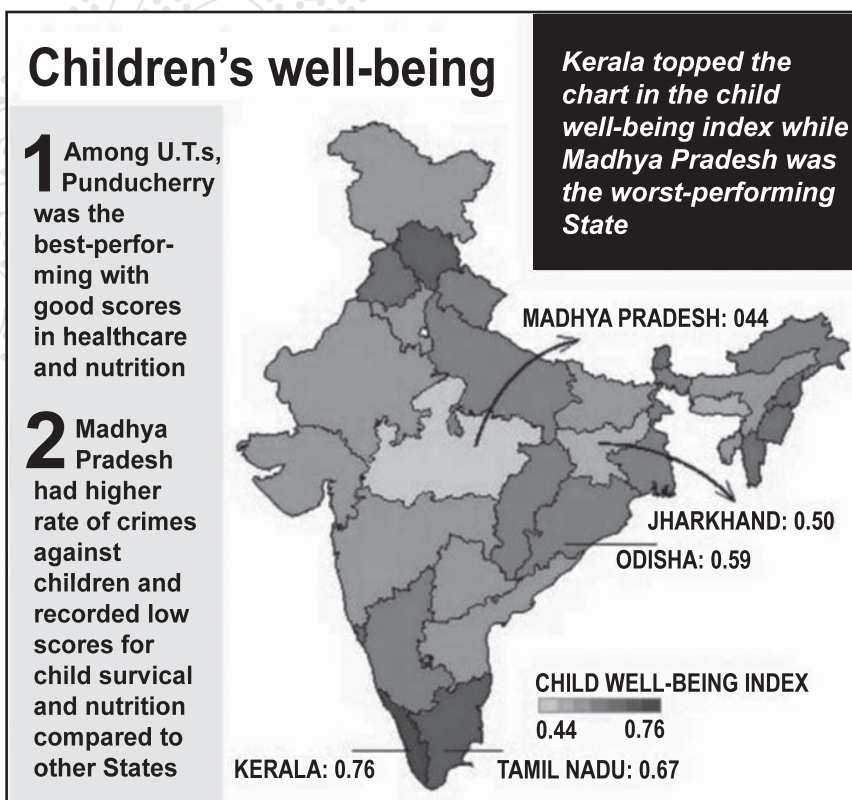
CHILD WELL-BEING INDEX

◎ CONTEXT:

- Report released by the non government organization World Vision India and research institute IFMR LEAD

◎ ABOUT:

- The India child well-being index is a crucial report that can be mined both by the Government and civil organisations to achieve the goal of child well-being and we will use this report effectively.
- This report provides insights on health, nutrition, education, and sanitation and child protection.
- The dimensions of the index include healthy individual development, positive relationships and protective contexts.
- Focusing on the three key dimensions, 24 indicators were selected to develop the computation of the child well-being index.
- The index captures the performance of each state and union territory on a composite child well-being score.
- Kerala, Tamil Nadu, Himachal Pradesh and Puducherry topped the charts in the child well-being index.
- Meghalaya, Jharkhand and Madhya Pradesh featured at the bottom.
- Among the union territories, Puducherry led the way and Dadra and Nagar Haveli featured at the other end.
- The report has called for states to look at their respective scores on the dimensions of child well-being and to prepare for priority areas of intervention with specific plans of action.
- The report also emphasised on triggering policy level changes, seek better budgetary allocations and initiate discussions with all stakeholders which can help in enhancing the quality of life of all children in the country.



OPEN ACREAGE LICENSING POLICY (OALP)

◎ CONTEXT:

- **Government offers seven oil and natural gas blocks for bidding under OALP-IV.**

◎ ABOUT

- Open Acreage Licensing Policy (OALP) gives an option to a company looking for exploring hydrocarbons to select the exploration blocks on its own, without waiting for the formal bid round from the Government.
- Under Open Acreage Licensing Policy (OALP), a bidder intending to explore hydrocarbons like oil and gas, coal bed methane, gas hydrate etc., may apply to the Government seeking exploration of any new block (not already covered by exploration).
- The Government will examine the Expression of Interest and justification. If it is suitable for award, Govt. will call for competitive bids after obtaining necessary environmental and other clearances.
- OALP was introduced vide a Cabinet decision of the Government as part of the new fiscal regime in exploration sector called HELP or Hydrocarbon Exploration and Licensing Policy, so as to enable a faster survey and coverage of the available geographical area which has potential for oil and gas discovery.
- What distinguishes OALP from New Exploration and Licensing Policy (NELP) is that under OALP, oil and gas acreages will be available round the year instead of cyclic bidding rounds as in NELP. Potential investors need not have to wait for the bidding rounds to claim acreages.
- Setting up of National Data Repository is one of the milestones achieved for Open Acreage Licensing Policy. To make India a favorable destination globally for Exploration of Crude Oil and Natural Gas, the Government plans to move to the OALP regime soon.
- It is well acknowledged that there is a need for a faster vehicle of awarding blocks in order to bring more area under exploration.
- As India has vast unexplored sedimentary basins, a strategy which facilitates a time bound full coverage has become a necessity. Moreover, even the OALP pre-supposes offering of data to the interested companies for them to submit their bids/ interest. Hence, availability of data is no longer an option, but a pre-condition.

RBI ANNUAL REPORT

◎ CONTEXT:

- **RBI has released annual report for FY19**

◎ ABOUT:

- The report, which is released every year, analyses the working and operations of the RBI and suggests measures to improve the economic performance.
- Release of the new economic capital framework under which RBI will transfer ₹1.76 trillion surplus to the government.
- Reviving consumption demand and private investment remains the top priority in the current fiscal.
- RBI, cautioned that a broad-based cyclical downturn is underway in several sectors—manufacturing, trade, hotels, transport, communication and broadcasting, construction, and agriculture.
- The delayed onset and skewed distribution of the south-west monsoon may pose downside risks to crop production and rural consumption demand.
- The central bank has forecast India's GDP to grow at 6.9% for FY20—in the range of 5.8-6.6% during the first half of the year and 7.3-7.5% in the second half.

- The annual report pointed out that throughout the year, protectionist policy pronouncements and actions dominated the global political arena.
- Another conduit through which trade wars and other sources of global spillovers impacted India during 2018-19 is the intertwining of the finance and confidence channels.
- Viable external financing can become an additional consideration for holding adequate precautionary buffers.
- One of the recommendations of Bimal Jalan committee report is that the central bank should align its accounting year to the April-March fiscal year for better understanding.

Why the Jump in Income?

- According to RBI, its net income from domestic sources more than doubled to Rs 1,18,078 crore in 2018-19 from Rs 50,880 crore in 2017-18, mainly on account the following factors
 - Coupon income due to an increase in the portfolio of rupee securities.
 - Net income on interest under LAF/MSF operations due to increase in net liquidity injection to the banking system and
 - Write back of excess risk provision from the contingency fund.

WORLD SKILLS KAZAN

◎ CONTEXT:

- **Blazing a trail of glory for India at the global stage, the Indian Team returned with the best-ever finish at the WorldSkills International Competition 2019 in Kazan, Russia by winning 19 medals and Medallions of Excellence.**

◎ ABOUT:

- The WorldSkills Competition, a flagship event of the WorldSkills International, **organised every two years**, is the **biggest vocational education and skills excellence event** in the world that truly reflects global industry.
- Also referred as **"Olympic Skills"** the Competition was held in Kazan from 22 - 27 August 2019.
- The **45th WorldSkills Competition** brought together more than 1,600 young professionals representing more than 60 countries competed in over 56 skills.
- The event was held at the KAZAN EXPO International Exhibition Centre where more than 1,500 Experts evaluated the Competitors' work.

WorldSkills India

- As part of Skill India mission, **WorldSkills India** is an initiative of the **National Skill Development Corporation (NSDC)** under the aegis of Ministry of Skill Development and Entrepreneurship (MSDE), Government of India.
- It aims to provide opportunities to the youth in the country to compete with, and learn from, their peers across the globe.
- Such initiatives help benchmark the skills to the international standards and improve the overall quality of vocational training in India.
- To inspire future competitors and all those who aspire to excel in their careers through vocational training.
- NSDC, through its WorldSkills India initiative, has been leading the country's participation at WorldSkills International competitions since 2011.
- The Indian contingent comprising 48 participants represented the country in 44 skills at the WorldSkills Kazan 2019.

GOVERNMENT RELEASES RS 47,436 CRORE FUND FOR AFFORESTATION

◎ CONTEXT:

- **CAMPA:** the fund manager to manage proper Afforestation.

◎ ABOUT:

- To promote forestry activities and boost afforestation across the nation, the central government on Thursday released a fund of Rs 47,436 crore.
- Union Minister for Environment, Forest and Climate Change, Prakash Javadekar handed over the CAMPA funds to various states.
- These funds are meant to be used by states to implement agro-forestry in non-forest land to compensate for felled forest.

More on the topic:

- State Governments will utilize this fund for the enhancement of forestry activities to achieve the objectives of the **Nationally-Determined Contributions (NDCs)**. The objective of the NDCs is to increase its forest and tree cover. This will help in an additional carbon sink equivalent to 2.5 to 3 billion tonnes of carbon dioxide by the year 2030.
- **The top four states** that received the highest CAMPA fund are Odisha, Chhattisgarh, Madhya Pradesh, and Jharkhand.
- **The fund will be utilised in important activities which will include** the Compensatory Afforestation, Catchment Area Treatment, Assisted Natural Regeneration, Forest Fire Prevention, Wildlife Management, and Control Operations, Soil and Moisture Conservation Works in the forest, Improvement of Wildlife Habitat, Management of Biological Diversity and Biological Resources, Research in Forestry and Monitoring of CAMPA works, etc.

CAMPA:

- The apex court of India ordered for establishment **of Compensatory Afforestation Fund and Compensatory Afforestation Fund Management and Planning Authority (CAMPA) in 2001.**
- CAMPA was established for the management of Compensatory afforestation fund. The is allocated in accordance with CAF Rules.
- The utilization of fund could be done only as per the provisions of the CAF Act and CAF Rules.
- **The Act envisages**
 - establishing the National Compensatory Afforestation Fund and a State Compensatory Afforestation Fund for each of the states;
 - receiving funds (from user agency) in national level and state level Funds for compensatory afforestation, net present value of forest and other project specific payments;
 - spending the monies thus collected primarily for afforestation to compensate for loss of forest cover, regeneration of forest ecosystem, wildlife protection and infrastructure development and
 - establishing the national and state level fund management authorities to manage respective Funds.

DESERTIFICATION

◎ CONTEXT:

- A major discussion on ways to reverse land degradation and its outcomes is being held at the 14th session of the Conference of the Parties (COP14) to UNCCD in Greater Noida, New Delhi, from September 2 to 13.

© ABOUT:

- India will host the **14th Conference of Parties (COP14)** of the **United Nations Convention to Combat Desertification (UNCCD)**.
- The event expects more than 3,000 participants from across the world to gather at India Mart and Expo, Greater Noida, from September 2-13.
- The participants will **include ministers from 196 countries**, representatives of national and local governments, city leaders, community groups, scientists, non-governmental organisations, the private sector and industry experts.
- Main agendas for COP14 **are reversing land degradation and its outcomes** while accelerating positive achievements for people and for ecosystems with a view to deliver on the **United Nations- mandated Sustainable Development Goals**.
- Land degradation working in tandem with climate change and biodiversity loss may force up to 700 million people to migrate by 2050.

Land degradation/ Desertification

- UNCCD defines desertification as “**land degradation in arid, semi-arid and dry sub-humid areas** resulting from **various factors**, including **climatic variations and human activities**”.
- Drylands affected by desertification not only lose their ability to support plant life, but also their ability to offer ecosystem services, such as management of water systems and storage of carbon use in global warming.
- Desertification has occurred throughout history. But what’s alarming is that **its pace has accelerated 30 to 35 times** the historical rate in the recent decades.
- With changing climate, prolonged droughts and increasing incidences of floods, landslides and frost heaving are in any case reducing the amount of productive land.
- At the same time, growing demand for food, fodder, fuel and raw materials is increasing the pressure on land and the competition for natural resources.
- Factors like deforestation, wetland drainage, overgrazing, unsustainable land use practices and the expansion of agricultural, industrial and urban areas are the other significant causes of land degradation

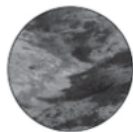
Desertification in India

- According to Desertification and Land Degradation of Selected Districts of India, an atlas published by the **Indian Space Research Organisation’s Space Application Centre (SAC)**, Ahmedabad in 2018, **some 96.40 million ha, or about 30 per cent of the country’s total area, is undergoing degradation**. This means almost **a quarter of India** is under desertification.
- Of India’s total geographical area of 328.72 million hectares (MHA), **96.4 MHA is under desertification**.
- In eight states—Rajasthan, Delhi, Goa, Maharashtra, Jharkhand, Nagaland, Tripura and Himachal Pradesh—around **40 to 70 per cent of land has undergone desertification**.
- More to it, 26 of 29 Indian states have reported an increase in the area undergoing desertification in the past 10 years.

Major Reasons

- Loss of soil cover, mainly due to **rainfall and surface runoff**, is one **of the biggest reasons** for desertification. It is responsible for **10.98 per cent of desertification in the country**.
- Water erosion is observed **in both hot and cold desert areas**, across various land covers and with varying levels of severity.
- The next big reason is wind erosion

Major reasons for desertification in India



Water erosion

Responsible for 10.98% desertification*

Loss of soil cover mainly due to rainfall and surface runoff. Water erosion is observed in both hot and cold desert areas, across various land covers and with varying severity levels.



Vegetation degradation

Responsible for 8.91% desertification

It includes deforestation, shifting cultivation and degradation in grazing, grassland and scrub land. Destruction of vegetation, most often by humans, accelerates desertification.



Wind erosion

Responsible for 5.55% desertification

It denotes the spread of sand by various processes, even up to lofty altitudes of Himalayas. It removes the topsoil, which is rich in all plant nutrients and bacterial activities.



Salinity

Responsible for 1.12% desertification

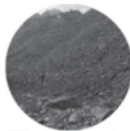
Occurs mostly in cultivated lands, especially in the irrigated areas. Soil salinity refers to the water soluble salt present in soil. Salinity can develop naturally, or human-induced.



Human-made/settlement

Responsible for 0.69% desertification

All land degradation processes which are included directly or indirectly by human intervention. It includes developmental activities such as mining and urbanisation.



Others

Responsible for 2.07% desertification

They include water logging, frost shattering, mass movement, barren and rocky land types.

Desertification and Land Degradation. Atlas of India 2016 by ISRO
*percentage figures for the period of 2011-13

United Nations Convention to Combat Desertification (UNCCD)

- Established in 1994, the **United Nations Convention to Combat Desertification (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 new UNCCD 2018-2030 Strategic Framework is the most comprehensive global commitment to achieve Land Degradation Neutrality (LDN) in order to restore the productivity of vast expanses of degraded land and reduce the impacts of drought on vulnerable populations.
- As the dynamics of land, climate and biodiversity are intimately connected, the UNCCD collaborates closely with the other two Rio Conventions; the Convention on Biological Diversity (CBD) and the United Nations Framework Convention on Climate Change (UNFCCC), to meet these complex challenges with an integrated approach and the best possible use of natural resources.

18 ENDANGERED SHARKS AND RAYS AFFORDED PROTECTION

◎ CONTEXT:

- Eighteen species of sharks and rays, threatened by the scale of international trade in their fins and meat, were included in Appendix II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)

◎ **ABOUT:**

- The decision to include the species in Appendix II was taken at the ongoing 18th Conference of the Parties (CoP18) of CITES in Geneva.
- The species included in the list are endangered shortfin and longfin mako shark, six species of giant guitarfish and 10 species of wedgefish.
- Of the giant guitarfish and wedgefish species on the listing, all except one of the wedgefish species are critically endangered.
- Warm-blooded makos are the fastest sharks in the sea and travel at speeds which most speedboats cannot compete with.
- Giant guitarfishes (named for their guitar-like shape), and wedgefishes are flat-bodied shark-like rays, adapted for living close to the seabed.
- More than half of sharks and their relatives are recognized as being threatened or near threatened with extinction and at least 100 million sharks are killed annually in commercial fisheries.
- An Appendix II listing is an important step, limiting trade to sustainable levels

About the International Fund for Animal Welfare (IFAW)

- The International Fund for Animal Welfare is a global non-profit helping animals and people thrive together.
- Experts and everyday people, working across seas, oceans and in more than 40 countries around the world.
- Rescue, rehabilitate and release animals, and we restore and protect their natural habitats.
- Partner with local communities, governments, non-governmental organizations and businesses.

GREAT BARRIER REEF

◎ **CONTEXT:**

- Australia has downgraded the outlook for Great Barrier Reef to ‘very poor’ for the first time.

◎ **ABOUT:**

- In the informal recycling sector where the lead acid batteries are recycled crudely and The long-term outlook for **Australia’s Great Barrier Reef** was **downgraded to “very poor”** for the first time by the official agency charged with managing the **world heritage site**.
- The **Great Barrier Reef Marine Park Authority** singled out **rising sea temperatures** due to climate change as the biggest threat to the giant organism.
- However the threats to the 2,300-kilometre (1,400-mile) reef were “**multiple, cumulative and increasing**” and, in addition to warming seas; **agricultural run-off and coral-eating crown of thorns starfish** are the rising threats.
- If the condition of Great Barrier Reef continues declining, it may lose its world heritage status.
- The Great Barrier Reef, located off Australia’s East Coast is the largest coral reef in the world

What is a world heritage site?

- World Heritage Sites are cultural and/or natural sites considered to be of ‘Outstanding Universal Value’, which have been inscribed on the World Heritage List by the World Heritage Committee.
- These places or buildings are thought to:
 - have special importance for everyone

- represent unique, or the most significant or best, examples of the world's cultural and/or natural heritage
- Outstanding Universal Value is considered to transcend national boundaries and to be of importance for future generations.
- World Heritage status is a high accolade that brings with it responsibilities and international scrutiny.
- The **United Nations Educational, Scientific and Cultural Organization (UNESCO)** seek to protect and preserve such sites through the Convention Concerning the Protection of the World Cultural and Natural Heritage. **This international treaty was drawn up in 1972.**

Coral reefs

- Coral reefs are large underwater structures composed of the skeletons of colonial marine invertebrates called coral.
- The **coral species that build reefs are known as hermatypic, or "hard," corals** because they extract calcium carbonate from seawater to create a hard, durable exoskeleton that protects their soft, sac-like bodies.
- Hard corals rely on **symbiotic algae (zooxanthellae) living within their tissues** for nutrition and energy to build their skeleton.
- Soft corals **look like colourful plants or graceful trees** and **are not reef-building** since they do not produce the hard calcified skeleton of many reef-building corals.
- These types of corals are **flexible organisms often resembling plants and trees and include** species such as sea fans and sea whips
- These types of corals are flexible organisms often resembling plants and trees and include species such as sea fans and sea whips.
- Each individual coral is referred to as a polyp. Coral polyps live on the calcium carbonate exoskeletons of their ancestors, adding their own exoskeleton to the existing coral structure.
- As the centuries pass, the coral reef gradually grows one tiny exoskeleton at a time, until they become massive features of the marine environment.

CHINA'S ONE COUNTRY TWO SYSTEMS POLICY

◎ CONTEXT:

- Protests in Hong Kong, now in its 13th consecutive week, have brought a decades-old policy of the People's Republic of China back into focus — One Country Two Systems.
- They want China to end its interference, while Beijing has likened the protesters to terrorists and have said that it won't tolerate any challenge to its sovereignty over Hong Kong.

◎ ABOUT

- One country, two systems" is a constitutional principle formulated by Deng Xiaoping, the Paramount Leader of the People's Republic of China (PRC), for the reunification of China during the early 1980s.
- He suggested that there would be only one China, but distinct Chinese regions such as Hong Kong and Macau could retain their own economic and administrative systems, while the rest of the PRC uses the socialism with Chinese characteristics system.
- Under the principle, each of the two regions could continue to have its own governmental system, legal, economic and financial affairs, including trade relations with foreign countries.

History

- The idea of two systems in one country resurfaced when Beijing started talks with Britain and Portugal, who were running Hong Kong and Macau, respectively.
- The British had taken control of Hong Kong in 1842 after the First Opium War. In 1898, the British government and the Qing dynasty of China signed the Second Convention of Peking, which allowed the British to take control of the islands surrounding Hong Kong, known as New Territories, on lease for 99 years.
- Similarly, on 1987, China and Portugal signed the Joint Declaration on the Question of Macau in which China made similar promises for the region of Macau after it was handed over to Beijing.

What triggered the current crisis?

- In recent years, there has been a growing outcry from Hong Kong's pro-democracy civil society against China's alleged attempts to erode the city's autonomy.
- This has created tensions between the city's youth and the local government, which is effectively chosen by Beijing.
- In 2018, the Hong Kong National Party, a localist party that has been critical of Beijing, was outlawed.
- Carrie Lam, the Chief Executive of Hong Kong, proposed the extradition Bill, which sought to extradite Hong Kongers to places with which the city doesn't have extradition agreements. Critics said it would allow the city government to extradite Beijing critics to mainland China where the judicial system is subservient to the ruling Communist Party.
- This triggered the protests, and they went on despite Ms. Lam's decision to suspend the Bill.
- The protesters, who often clashed with the police, now want the Bill to be formally withdrawn, Ms. Lam to resign, the arrested protesters to be released and the city's electoral system to be reformed.

MONEY LAUNDERING IN INDIA

◎ CONTEXT:

- The Enforcement Directorate is investigating the money laundering angle in the INX MEDIA case.

◎ ABOUT:

Money Laundering

- It is a process where the **proceeds of crime** are **transformed** into apparently **legitimate money** or other assets. In simple words, it can be defined as the act of making money that comes from one source to look like it comes from another source.
- INTERPOL's definition of money laundering is: "any act or attempted act to conceal or disguise the identity of illegally obtained proceeds so that they appear to have originated from legitimate sources".
- The most common types of criminals who need to launder money are drug traffickers, embezzlers, corrupt politicians and public officials, mobsters, terrorists and con artists.

Process of Money Laundering

- Money laundering is a single process however, its cycle can be broken down into three distinct stages namely, placement stage, layering stage and integration stage.
 - **Placement Stage:** It is the stage at which criminally derived funds are introduced in the financial system. At this stage, the launderer inserts the "dirty" money into a legitimate financial institution often in the form of cash bank deposits. This is the

riskiest stage of the laundering process because large amounts of cash are pretty conspicuous, and banks are required to report high-value transactions.

- **Layering Stage:** It is the stage at which complex financial transactions are carried out in order to camouflage the illegal source. At this stage, the launderer engages in a series of conversions or movements of the money in order to distant them from their source. In other words, the money is sent through various financial transactions so as to change its form and make it difficult to follow.
- **Integration stage:** It is the final stage at which the 'laundered' property is re-introduced into the legitimate economy. At this stage, the launderer might choose to invest the funds into real estate, luxury assets, or business ventures. At this point, the launderer can use the money without getting caught. It's very difficult to catch a launderer during the integration stage if there is no documentation during the previous stages.

Some of the most widely used methods used to implement the above stages are:

- **Structuring Deposits:** This is also known as **smurfing**, this is a method of placement whereby cash is broken into smaller deposits of money, used to defeat suspicion of money laundering and avoid anti-money laundering reporting requirements.
- **Shell companies:** These are fake companies that exist for no other reason than to launder money. They take in dirty money as "payment" for supposed goods or services but actually provide no goods or services; they simply create the appearance of legitimate transactions through fake invoices and balance sheets.
- **Third-Party Cheques:** Counter cheques or banker's drafts drawn on different institutions are utilized and cleared via various third-party accounts. Third party cheques and traveller's cheques are often purchased using proceeds of crime. Since these are negotiable in many countries, the nexus with the source money is difficult to establish.
- **Bulk cash smuggling:** This involves physically smuggling cash to another jurisdiction and depositing it in a financial institution, such as an offshore bank, with greater bank secrecy or less rigorous money laundering enforcement.

Prevention of Money Laundering – Global Initiatives

The Vienna Convention

- It was the first major initiative in the prevention of money laundering held in December 1988. This convention laid down the groundwork for efforts to combat money laundering by obliging the member states to criminalize the laundering of money from drug trafficking.

Basle Committee's Statement of Principles

- In December 1988, the Basle Committee on Banking Regulations and Supervisory Practices issued a statement of principles which aims at encouraging the banking sector to adopt common position in order to ensure that banks are not used to hide or launder funds acquired through criminal activities.

The Financial Action Task Force (FATF)

- The FATF is an inter-governmental body established at the G7 summit at Paris in 1989 with the objective to set standards and promote effective implementation of legal, regulatory and operational measures to combat money laundering and terrorist financing and other related threats to the integrity of the international financial system

United Nations Global Programme Against Money Laundering (Ungpml)

- GPML was established in 1997 with a view to increase effectiveness of international action against money laundering through comprehensive technical cooperation services offered to Governments.

Prevention of Money Laundering – Indian Initiatives

Legal Framework

- In India, before the enactment of **Prevention of Money Laundering Act, 2002 (PMLA)** the major statutes that incorporated measures to address the problem of money laundering were:
 - The Income Tax Act, 1961
 - The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA)
 - The Smugglers and Foreign Exchange Manipulators Act, 1976 (SAFEMA)
 - The Narcotic Drugs and Psychotropic Substances Act, 1985 (NDPSA)
 - The Benami Transactions (Prohibition) Act, 1988
 - The Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988
 - The Foreign Exchange Management Act, 2000, (FEMA)

Institutional Framework

- The **Directorate of Enforcement** was established in the year 1956 which is responsible for enforcement of the **Foreign Exchange Management Act, 1999 (FEMA)** and certain provisions under the **Prevention of Money Laundering Act**. Work relating to investigation and prosecution of cases under the PML has been entrusted to Enforcement Directorate.
- **Financial Intelligence Unit – India** was set by the Government of India in 2004 as the central national agency responsible for receiving, processing, analyzing and disseminating information relating to suspect financial transactions. FIU-IND is also responsible for coordinating and strengthening efforts of national and international intelligence, investigation and enforcement agencies in pursuing the global efforts against money laundering and related crimes. FIU-IND is an independent body reporting directly to the Economic Intelligence Council (EIC) headed by the Finance Minister.

SECURITY COVER OF VIPS

- ◎ **CONTEXT:**
 - The Government recently downgraded the security cover of former PM Manomhan Singh, from Special Protection Group (SPG) to Z plus of the CRPF. The security cover of several other VIPs too has been downgraded.
- ◎ **ABOUT:**
 - There are largely six types of security covers: **X, Y, Y plus, Z, Z plus and SPG**.
 - While **SPG is meant only for the PM and his immediate family**, other categories can be provided to anyone about whom the Centre or state governments have inputs about facing a threat.
 - X category on an average entails just one gunman protecting the individual.
 - Y has one gunman for mobile security and one (plus four on rotation) for static security.
 - Y plus has two policemen on rotation for security and one (plus four on rotation) for residence security.
 - Z has six gunmen for mobile security and two (plus eight) for residence security.
 - Z plus has 10 security personnel for mobile security and two (plus eight) for residence security.

Special protection Group

- The SPG is a force raised specifically for the protection of **the PM, former PMs and their immediate family**.
- The elite force is highly trained in physical efficiency, marksmanship, combat and proximate protection tactics and is assisted by all central and state agencies to ensure fool proof security.
- SPG Special Agents assigned to the PM security detail wear black, Western-style formal business suits, with sunglasses, and carry a two-way encrypted communication earpiece, and concealed handguns

SPG Act

- The **SPG was set up in 1985** after the assassination of Prime Minister Indira Gandhi, and **Parliament passed the SPG Act in 1988** on recommendations of **Birbal Nath Committee** dedicating the group to protecting the Prime Minister of India.
- **At the time, the Act did not include former Prime Ministers**, and when V.P. Singh came to power in 1989 his government withdrew SPG protection to the outgoing PM Rajiv Gandhi.
- After Rajiv Gandhi was assassinated in 1991 **the SPG Act was amended, offering SPG protection to all former Prime Ministers and their families** for a period of **at least 10 years**.
- In 2003, the Vajpayee government also amended the SPG Act to bring the period of automatic protection down from 10 years to **"a period of one year from the date on which the former Prime Minister ceased to hold office"** and beyond one year based on the level of threat as decided by the Central Government.
- It functions under **Cabinet Secretariat of India**.

PRESS COUNCIL OF INDIA

◎ CONTEXT:

- The Press Council of India had described the ban on communication and free movement in Jammu and Kashmir as being in the interest of the integrity and sovereignty of the nation. While on the other hand, the ban has severely affected the functioning of the press in J&K.

◎ ABOUT:

- Press Council of India
- It was first set up in the year 1966 by the Parliament on the recommendations of the First Press Commission with the object of preserving the freedom of the press and of maintaining and improving the standards of press in India.
- The present Council functions under the **Press Council Act, 1978**.
- It is a **statutory, quasi judicial** authority functioning as a **watchdog of the press**, for the press and by the press.
- It **adjudicates the complaints against and by the press** for violation of ethics and for violation of the freedom of the press respectively.

Composition

- The Press Council is headed by a Chairman, who has by **convention**, been a **retired judge of the Supreme Court of India**.
- The Council consists **of 28 other members** of whom **20 represent the press** and are nominated by the press organisations/news agencies recognised and notified by the Council as all India bodies of categories such as editors, working journalists and owners and managers of newspaper and news agencies, **five members are nominated from**

the two Houses of Parliament and **three represent cultural, literary and legal fields** as nominees of the Sahitya Academy, University Grants Commission and the Bar Council of India.

- The members serve on the Council for a **term of three years**.
- A retiring member shall be **eligible for renomination for not more than one term**. (**max 2 consecutive terms**)

Funding

- The Council is **funded by the revenue collected by it as fee levied on the registered newspapers in the country** on the basis of their circulation.
- **No fee is levied on newspapers with circulation less than 5000 copies**. The deficit is made good by way of grant by the Central Government.

Functions

The important functions of the Council are:

- to help newspapers and news agencies to maintain their independence,
- to build up a code of conduct for newspapers, news agencies and journalists,
- to keep under review any development likely to restrict supply and dissemination of news of public interest and importance.
- To concern itself with the developments such as concentration of or other aspects of ownership of newspapers and news agencies which may effect the independence of the press.

Limitations

The powers of the PCI are restricted in two ways.

- The PCI has limited powers of enforcing the guidelines issued. It cannot penalize newspapers, news agencies, editors and journalists for violation of the guidelines.
- The PCI only overviews the functioning of press media. That is, it can enforce standards upon newspapers, journals, magazines and other forms of print media. It does not have the power to review the functioning of the electronic media like radio, television and internet media.

CODE OF CONDUCT FOR MPS AND MLAS

◎ CONTEXT:

- Panel to frame code of conduct for MLAs, MPs in 2 months.

◎ ABOUT

- Lok Sabha Speaker Om Birla has formed a committee of Speakers of state legislative bodies to frame a code of conduct over the next two months.
- Lawmakers will soon have to adhere to a code of conduct inside legislatures and Parliament.
- Code of conduct for legislators and parliamentarians is needed that would help in running our Houses more efficiently.
- The code of conduct should include stipulations that the members would not enter the well of the house, nor resort to sloganeering and disruptions or any other unruly behavior such as tearing papers and throwing them in the House.
- A democracy is not a democracy without the voice of opposition. But at the same time sloganeering and entering the well is not an expression of opposition. It is important to maintain decorum in the House.

- A need is felt to improve use of technology and overall efficiency in our legislatures.
- Germany, USA, UK, Canada, Pakistan has a Code of Conduct for members of the Senate.

Key recommendations:

- Prohibiting MPs from misusing the power and immunities they get.
- MP should avoid conflict between a private and a public interest.
- No parliamentarian should be allowed to vote on those questions in the House, in which he has a vested interest.
- Amend the Constitution to ensure a minimum of 110 days of sitting in a legislature having more than 100 members, and 90-50 days of sitting in Houses with less than 100 members depending on the size of the State involved.
- The filing by legislators of a statement of income, assets and liabilities, and an indication of changes in these figures over time.
- Punishment of members by admonition, reprimand, censure or withdrawal from the House in case of violations or breach of the code of conduct.
- Automatic suspension from the House of any member involved in offences of grave misconduct.

NATIONAL REGISTER OF CITIZENS (NRC)

◎ CONTEXT:

- The Assam National Register of Citizens (NRC) final list 2019 of certified Indian citizens in Assam has been released.

◎ ABOUT

- The NRC, which was first undertaken in Assam in 1951 and was being updated since 2015, is aimed at detecting and deleting so-called illegal immigrants from citizenship rolls.
- The register is meant to be a list of Indian citizens living in Assam. For decades, the presence of migrants, often called "bahiragat" or outsiders, has been a loaded issue here. Assam saw waves of migration, first as a colonial province and then as a border state in independent India.
- The first National Register of Citizens was compiled in 1951, after the Census was completed that year. The Partition of the subcontinent and communal riots had just triggered vast population exchanges at the border.
- Since 2015, the state has been in the process of updating the 1951 register. One of the stated aims of the exercise is to identify so-called "illegal immigrants" in the state, many of whom are believed to have poured into Assam after the Bangladesh War of 1971.
- In 1979, about eight years after the war, the state saw an anti-foreigners' agitation. Assamese ethnic nationalists claimed illegal immigrants had entered electoral rolls and were taking away the right of communities defined as indigenous to determine their political future.
- In 1985, the anti-foreigners' agitation led by the All Assam Students' Union came to an end with the signing of the Assam Accord.

Why is the NRC being updated now?

- The mechanism for detecting so-called foreigners had previously been delineated by the Illegal Migrants (Determination by Tribunals) Act of 1983. This was struck down by the Supreme Court in 2005, on a petition which argued that the provisions of the law were so stringent; they made the "detection and deportation of illegal migrants almost impossible".

- The court came into the picture after a non-governmental organisation called Assam Public Works filed a petition asking that so-called illegal migrants be struck off the electoral rolls.
- In 2013, the Supreme Court asked the Centre to finalise the modalities to update the new National Register of Citizens. The project was launched in earnest from 2015, monitored directly by the Supreme Court.

How do the authorities establish citizenship?

- Most individuals applying for inclusion into the NRC had to prove not only that their ancestors had lived in Assam pre-1971 but also their relationship with the ancestor.
- Then came the verification process. Documents were sent to the original issuing authorities while NRC officials conducted field verification. Once the data was submitted, the applicant's blood relations were plotted on a family tree.

What happens to the people left out of the final list?

- Those who do not make it to the final list will have to appear before the Foreigners' Tribunals of Assam.
- These quasi-judicial bodies were originally set up under the Illegal Migrants (Determination by Tribunal) Act of 1983.
- In anticipation of a fresh rush of cases after the final list, 1,000 more tribunals are being set up across the state.

Phases of NRC:

- The entire process of NRC Updating consists of following phases:
 - Legacy Data Publication Phase
 - Application Form Distribution & Receipt Phase
 - Verification Phase
 - Publication of NRC Part Draft
 - Complete NRC Draft Publication & Receipt of Claims and Objections Phase
 - Final NRC Publication.

WATER MANAGEMENT PRACTICES DISMAL IN STATES: NITI AAYOG

- ◎ **CONTEXT:**
 - Second-edition of Niti Aayog's Comprehensive Water Management Index (CWMI) 2019, released.
- ◎ **ABOUT:**
 - The Comprehensive Water Management Index (CWMI) by NITI Aayog, which measures the performance of states on a set of water indicators, comes at a time when various states across the country are facing a shortage in groundwater.
 - Even as states are making progress in water management, the overall performance remains well below what is required to adequately tackle India's water challenges.
 - The states must improve water management practices so that the country can provide its citizens with better quality of life, support economic growth and sustain its ecosystem.
 - The low-performing states, which include Uttar Pradesh, Bihar, Jharkhand, Odisha, Delhi, Rajasthan, Nagaland and Meghalaya, collectively account for around 48 per cent of the population, 40 per cent of agricultural produce and 35 per cent of economic output of India.

- The CWMI measures performance of states on a set of water indicators and nine themes — source augmentation and restoration of water bodies, source augmentation (groundwater), major and medium irrigation, watershed management, participatory irrigation practices, sustainable on-farm water use practices, rural drinking water, urban water supply and sanitation, and policy and governance.
- Gujarat, Andhra Pradesh, Madhya Pradesh and Himachal Pradesh continue to demonstrate strong water management practices.
- On the other hand, out of the 14 low performing states from the '15-'16, only Haryana, Goa, and Telangana have been able to cross the 50-point threshold.
- Delhi was assessed on the Index for the first time this year.
- None of the top 10 agricultural producers in India, except Gujarat and Madhya Pradesh, scored more than 60 points on the CWMI.
- The government will work on looking for solutions to desalinate water, make treated water available for industries and work on recharging groundwater.

OXYTOCIN BAN

◎ CONTEXT:

- The question of banning oxytocin has been referred to a three judge bench of the Supreme Court

◎ ABOUT

- The health ministry in April 2018 notified a ban on private firms from manufacturing and selling oxytocin, stating that it wanted to restrict the responsibility of supplying the drug to a Karnataka-based public sector manufacturer to avoid its misuse in the veterinary field.
- Then, the Delhi High Court quashed the above notification.
- As a result, the central government moved Supreme Court against the Delhi high court order.

Oxytocin

- It has also been dubbed the **hug hormone, cuddle chemical, moral molecule, and the bliss hormone** due to its effects on behavior, including its role in love and in female reproductive biological functions in reproduction.
- It is a hormone that is made in the brain, in the **hypothalamus**. It is transported to, and secreted by, the **pituitary gland**, which is located at the base of the brain.
- It acts both as a **hormone and as a brain neurotransmitter**.
- The release of oxytocin by the pituitary gland acts to regulate two female reproductive functions: Childbirth and Breast-feeding.
- It induces contractions of the uterine muscles and initiates labour for the child birth.

Issue

- It is misused by the dairy owners on milch animals to artificially extract milk.
- It is also used irrationally by farmers to enhance the size and appearance of the fruits and vegetables.

AIDS

◎ CONTEXT:

- Chief of International AIDS Vaccine Initiative (IAVI) has said that India is pivotal to the global fightback against AIDS.

© ABOUT:

- International AIDS Vaccine Initiative (IAVI) is **working on two trials** for a possible AIDS vaccine but neither has yet reached a stage when a date can be put to the availability of the vaccine.
- Its work on vaccine has improved understanding of the immune system and spawned many technologies that can help fight other diseases, including emerging threats such as Ebola and Zika.
- With neither a vaccine nor any cure in sight, **antiretroviral therapy (ART)** is the only option available for people living with HIV-AIDS.
- According to the World Health Organization, **standard ART** consists of a combination of at **least three antiretroviral drugs** to suppress the HIV virus and stop the progression of the disease.

Why India is crucial in battle against the virus

- India **has the third largest HIV epidemic** in the world, with 2.1 million people living with HIV.
- There are 2 million new AIDS infections every year, and about 66 per cent of the world population currently on antiretroviral therapy consumes drugs manufactured in India.
- India's epidemic is concentrated among key affected populations including sex workers and men who have sex with men.
- Despite **free antiretroviral treatment (ART)** being available, uptake remains low as many people face difficulty in accessing clinics.
- Globally, the ART market is valued at .48 billion (in 2018) and is expected to reach .83 billion by 2025.
- Indian pharmaceutical companies, with their ability to manufacture high-quality, affordable medicines are very important in this global battle.
- Sustained commitment of the Indian Government through **its National AIDS Control Programme** has been particularly effective at targeting high-risk groups such as men who have sex with men, sex workers and people who inject drugs.

National AIDS Control Programme (NACP)

- The National AIDS Control Programme (NACP), launched in 1992, is being implemented as a comprehensive programme for prevention and control of HIV/AIDS in India. Over time, the focus has shifted from raising awareness to behaviour change, from a national response to a more decentralized response and to increasing involvement of NGOs and networks of People living with HIV (PLHIV).
- The NACP I started in 1992 was implemented with an objective of slowing down the spread of HIV infections so as to reduce morbidity, mortality and impact of AIDS in the country.
- In November 1999, the second National AIDS Control Project (NACP II) was launched to reduce the spread of HIV infection in India, and (ii) to increase India's capacity to respond to HIV/AIDS on a long-term basis.
- NACP III was launched in July 2007 with the goal of Halting and Reversing the Epidemic over its five-year period.
- NACP IV, launched in 2012, aims to accelerate the process of reversal and further strengthen the epidemic response in India through a cautious and well defined integration process over the next five years.

NACP - IV – Objectives

- Reduce new infections by 50% (2007 Baseline of NACP III)
- Provide comprehensive care and support to all persons living with HIV/AIDS and treatment services for all those who require it.

UNAIDS '90-90-90' targets

- The targets propose that to end the HIV epidemic by 2030, 90% of persons living with HIV (PLWH) worldwide should know their diagnosis, 90% of diagnosed PLWH should be on antiretroviral therapy (ART) and 90% of PLWH on ART should be virally suppressed by 2020.

ANTIBIOTIC RESISTANCE

◎ **CONTEXT:**

- New Rs.9.3 crore study to check antibiotic resistance in Ganga.

◎ **ABOUT:**

- The government has commissioned a Rs. 9.3 crore study to assess the microbial diversity along the entire length of the Ganga and test if stretches of the 2,500 km long river contain microbes that may promote "**antibiotic resistance**".
- The project aims at indicating the type of contamination in the river and the threat to human health.
- The project, expected to last two years, will identify sources of **Eschericia coli**.

More on the topic:

- The project, expected to last two years, is to be undertaken by scientists at the Motilal Nehru Institute of Technology, Allahabad; the National Environmental Engineering Research Institute (NEERI), Nagpur; Sardar Patel Institute of Science & Technology, Gorakhpur, as well as start-up companies, Phixgen and Xcelris Labs.
- The latter two provide genome sequencing services, which in this case will involve mapping the genomes of the microbes sampled.

Aim of the research project:

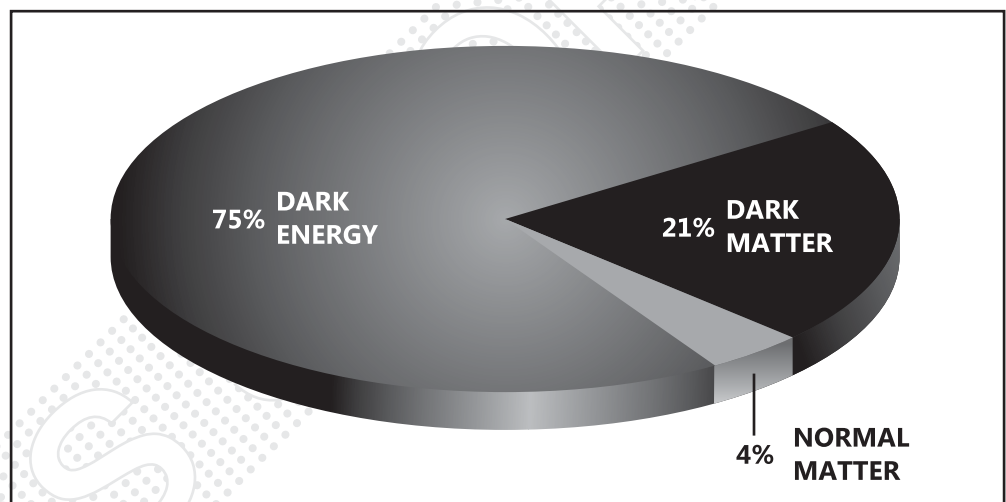
- India is one of the highest antibiotic consuming countries in the world. Though antibiotics have helped treat many diseases and save lives, their overuse and misuse have created a new menace — antibiotic resistance.
- According to a note by the **National Mission for Clean Ganga under the Jal Shakti Ministry** is to indicate the type of "contamination" (sewage and industrial) in the river and "threat to human health (antibiotic resistance surge)", identifying sources of **Eschericia coli**, a type of bacteria that lives in the gut of animals and humans.
- While largely harmless, some species have been linked to intestinal disease as well as aggravating antibiotic resistance.

There have been several studies that have looked at microbial diversity in the Ganga but these have been isolation.

- No study has looked at the "entire stretch" of the river, according to Atya Kapley, a scientist at NEERI and part of the project.
- In 2014, researchers from Newcastle University in the U.K. and IIT-Delhi sampled water and sediments at seven sites along the Ganga in different seasons. They reported in the peer-reviewed Environmental Science and Technology that levels of resistance genes that lead to "superbugs" were about 60 times greater during the pilgrimage months of May and June than at other times of the year.
- A 2017 report commissioned by the Union Department of Biotechnology and the U.K. Research Council underlined that India had some of the highest antibiotic resistance rates among bacteria that commonly cause infections.

GRAVITATIONAL LENSING

- ◎ **CONTEXT:**
 - A gravitational lens is a distribution of matter (such as a cluster of galaxies) between a distant light source and an observer that is capable of bending the light from the source as the light travels towards the observer. This effect is known as gravitational lensing.
- ◎ **ABOUT:**
 - Amount of bending is one of the predictions of Albert Einstein's general theory of relativity.
 - The phenomenon occurs when a huge amount of matter, such as a massive galaxy or cluster of galaxies, creates a gravitational field that distorts and magnifies the light from objects behind it, but in the same line of sight.
 - These large celestial objects will magnify the light from distant galaxies that are at or near the peak of star formation.
 - Gravitational lensing is useful to cosmologists because it is directly sensitive to the amount and distribution of dark matter.
 - Lensing can therefore help astronomers work out exactly how much dark matter there is in the Universe as a whole, and also how it is distributed.



FOOD FORTIFICATION

- ◎ **CONTEXT:**
 - To tackle the menace of Malnutrition, NITI Aayog seeks creation of roadmap by Department of Food and Public Distribution for taking the Rice Fortification Pilot Scheme Pan India.
- ◎ **ABOUT:**
 - The government, in February this year, had approved centre-sponsored pilot scheme on "Fortification of Rice and its Distribution under Public Distribution System".
 - Under this scheme rice is fortified with Iron, Folic Acid and Vitamin B-12. The Pilot Scheme had been approved for a period of three year beginning 2019-20.
 - Under the budget a total Rs 42.65 crore had been allocated.
 - Currently, the scheme focuses on 15 districts preferably 1 district per State during the initial phase of implementation.

- The operational responsibilities for implementation of the pilot scheme lie with states which fortifies the rice for distribution through Public Distribution System (PDS).
- This scheme will **now be implemented across the country**.

Need for rice fortification

- 67 % of population in India consumes rice (NSSO, 68th round).
- Rice forms a large source of calories and core component of agriculture and nutrition in most of India.
- Milling of rice removes the fat and micronutrient rich bran layers to produce the commonly consumed starch white rice.
- Polishing further removes 75-90% of Vitamin B- 1, Vitamin B-6, Vitamin-E and Niacin.

Food fortification in India

- Fortification is the **addition of key vitamins and minerals** such as iron, iodine, zinc, Vitamin A & D **to staple foods** such as rice, milk and salt to improve their nutritional content. These nutrients may or may not have been originally present in the food before processing.
- India's National Nutritional strategy, 2017, had listed food fortification as one of the interventions to address anaemia, vitamin A and iodine deficiencies apart from supplementation and dietary diversification.
- Malnutrition is a prominent issue in India — 38 per cent of children under five years are stunted i.e. too short for their age, 36 per cent are underweight and 21 per cent are wasted i.e. too thin for their height, which is a sign of acute under-nutrition.
- 59 per cent women and 53 per cent children are anaemic.
- The **Food Safety and Standards Authority of India (FSSAI)** made standards for fortification in the Food Safety and Standards (Fortification of Foods) Regulations, 2018, for five staples — **wheat, rice, milk, oil and salt**.
- The standards are given for **wheat and rice fortification with iron, folic acid, and vitamin B12**, the deficiency of which cause anaemia. Besides, **other B vitamins** are also added.
- Standards are provided for **oil and milk fortification with vitamin A and vitamin D**, the deficiency of which cause night blindness and rickets respectively; **and salt fortification** with iron along with iodine to prevent goitre.
- The food companies who wish to add micronutrients to these staples sold in the packages will also have to follow the standards set by FSSAI. If the product is fortified according to the standards, the package **will carry an F+ label**.
- The Union Ministries of Women and Child Development, Human Resource Development and Consumer Affairs, Food and Public Distribution have mandated the **distribution of fortified wheat flour, rice, oil and double fortified salt in their schemes** — Integrated Child Development Services (ICDS) and Mid-Day Meal (MDM) and Public Distribution System (PDS) respectively

Some of the important features of Food Safety and Standards (Fortification of Foods) Regulations, 2018 are as follows:

- It prescribes the standards of addition of micronutrients for the purpose of food fortification.
- The manufacturers of the fortified food are required to provide a quality assurance undertaking.
- Packaging and labelling of the fortified food **must state the food fortificant added, logo and the tagline "Sampoorna Poshan Swasth Jeevan"**.
- It should be in compliance to the Food Safety and Standards (Packaging and Labelling) Regulations, 2011.

Food Safety and Standards Authority of India (FSSAI)

- The Food Safety and Standards Authority of India (FSSAI) has been established **under Food Safety and Standards , 2006** which consolidates various acts & orders that have hitherto handled food related issues in various Ministries and Departments.
- FSSAI has been created **for laying down science based standards** for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption.

Highlights of the Food Safety and Standard Act, 2006

- Various central Acts like Prevention of Food Adulteration Act, 1954, Fruit Products Order, 1955, Meat Food Products Order, 1973, Vegetable Oil Products (Control) Order, 1947, Edible Oils Packaging (Regulation) Order 1988, Solvent Extracted Oil, De- Oiled Meal and Edible Flour (Control) Order, 1967, Milk and Milk Products Order, 1992 etc **have been repealed after commencement of FSS Act, 2006.**

- The Act aims to establish a **single reference point for all matters** relating to food safety and standards, by moving from multi- level, multi- departmental control to a single line of command.
- The Act thus **establishes an independent statutory Authority** – the **Food Safety and Standards Authority of India** with head office at Delhi.
- Food Safety and Standards Authority of India (FSSAI) and the State Food Safety Authorities enforce various provisions of the Act.

Establishment of the Authority

- **Ministry of Health & Family Welfare**, Government of India is the Administrative Ministry for the implementation of FSSAI.
- The Chairperson and Chief Executive Officer of Food Safety and Standards Authority of India (FSSAI) are appointed by Government of India.
- The Chairperson is in the rank of Secretary to Government of India.
