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NOVEMBER 2015
1 – 15 November
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POLITY AND GOVERNANCE

CHILD RIGHTS

The world celebrated International Child Rights Week (ICRW) from November 14 to 20. Child Rights Day is celebrated on 20th November in India. It is also celebrated as the Universal Children Day (International Child Rights Day) across the world to make people aware about the rights of their children.

Background:

- In 1954, the United Nations General Assembly recommended that all countries should introduce Universal Children’s Day to encourage fraternity and understanding between children all over the world and promote welfare of children.
- In 1959, the UN General assembly adopted the Declaration of the Rights of the Child and in 1989 it adopted the Convention on the Rights of the Child.

What is the need to safeguard child rights?

Glaring facts about the grim reality of Child rights:

- Sharp rise in crime against children – Crimes against children jumped over 50% in one year.
- Increasing urbanization has led to a rise in the disease burden among children (health issues like under nutrition, stunting and even high IMR) as well as crimes against them.
- Children in cities are not only victims to such violence but are in danger of becoming a part of organized crime rackets.
- Child labour - as per 2011 CENSUS, India has over 4 million working children in the age group of 5-14 years. Globally, 17 crore children are still working as child labourers and 85 million out of them are victims of worst forms of child prostitution and child slavery.
- Child Marriage – 41.3 % of girls in India are married by the age of 19 and become mothers soon after.
- Education – Education has become a business and privilege of the rich. It leads to exclusion of children from marginalized sections of the society.

What are children’s rights?

- Children’s rights are the basic human rights of children with particular attention to the rights of minors.
- Child rights include:
  - Right to Survival - to life, health, nutrition, name and nationality.
  - Right to Development - to education, care, leisure, recreation and cultural activities.
  - Right to Protection - from exploitation, abuse, trafficking and neglect.
  - Right to Participation - to expression, information, thought and religion.
- Child Rights opposes the child labour and child abuse, so that child’s development can be ensured.

Recent report released by Assam State Commission for Protections of Child Rights reveals that at least 80% of the state’s tea gardens have been flouting the Right to Education (RTE) Act. The survey found that majority of children in the tea gardens are often engaged in plucking leaves. They are made to work in factories and do not go to schools.
• **Malnutrition** - 40% of child malnutrition in the developing world is in India.

• **Child Sex Ratio** - The declining number of girls in the 0-6 age-group is cause for alarm. For every 1,000 boys there are only 918 females.

• **North-Eastern Region** – Children from the region are vulnerable to cross-border trafficking.

• Only 35% of births are registered, impacting name and nationality.

• One out of 16 children die before they attain the age of 1, and one out of 11 die before they are 5 years old.

• Children face so much stress during examinations and there is no helpline for them. Southern India has one of the highest suicide rates amongst the adolescent population.

• Parents lack knowledge, skills and strategies to discipline children. They lack time for their children.

• Growing up with violence and abuse seriously affects a child’s development, dignity, physical and psychological integrity.

**Way forward:**

To end the menace of Child labour, there is an urgent need to pass the Child Labour (Amendment) Bill, 2012.

- All forms of child labour should be prohibited up to the age 14 years.
- No child should be employed in the worst forms of child labour, such as begging and prostitution.
- Increase in fine amount and period of imprisonment.
- Enforcement agency employees should also be held responsible if children are found working in their jurisdiction.
- Child labour must be made a cognisable and non-bailable offence.
- Rehabilitation should be an integral part of the law.

India should ratify the international labour organization (ILO) convention to combat the worst forms of child labour.

There is a need for a uniform definition of child. Currently, different laws have different ages for defining a child.

Root causes of juvenile crimes, such as poverty, broken families, unregulated access to pornography and the failure of the child protection system must be addressed with effective measures.

**Constitutional provisions** to safeguard child rights in India:

- **Article 14** - Equality before the law.
- **Article 15** - The State shall not discriminate against any citizen. Nothing in this Article shall prevent the State from making any special provisions for women and children.
- **Article 21** - Right to Life
- **Article 21A** - (RTE) The State shall provide **free and compulsory education** to all children of the age of 6-14 years in such manner as the State may, by law, determine.
- **Article 23** - Prohibition of traffic in human beings and forced labour.
- **Article 24** - Prohibition of employment of children in factories.

The Constitution (86th Amendment) Act was notified on 13th December 2002, making free and compulsory education a Fundamental Right for all children in the age group of 6-14 years.

- **Article 39 (e) and 39(f)** – to prevent child labour
- **Article 45** - Provision for early childhood care and education to children below the age of 6 years.
- **Article 47** - Provisions regarding raising the level of nutrition and standard of living.

**Who is a child?**

- According to the **UNCRC** - A child means every human being below the age of 18 years.
- The **Child Labour (Prohibition and Regulation) Act, 1986** defines a child as a person who has not completed fourteen years of age.
- The **Factories Act, 1948** and **Plantation Labour Act 1951** states that a child is one that has not completed fifteen years of age.
- The **Juvenile Justice (Care and Protection of Children) Act, 2000** has changed the definition of child to any person who has not completed 18 years of age.
- The **POCSO Act 2012** defines a child as any person below eighteen years of age.
Laws to safeguard child rights:
- The Protection of Children from sexual offences (POCSO) Act 2012 is in place to address the heinous crimes of sexual abuse and sexual exploitation of children.
- Child labour (Prohibition and protection) Act 1986.
- Factories Act 1948
- The Immoral Traffic (prevention) Act, 1956
- Juvenile Justice( Care and Protection of Children) Act, 2010
- National Food Security Act,2013
- Prohibition of Child Marriage Act 2006
- Right to Free and Compulsory education Act 2009 etc.

Government initiatives for child protection and development

The National Commission for Protection of Child Rights (NCPCR) - The commission’s Mandate is to ensure that all Laws, Policies, Programmes, and Administrative Mechanisms are in consonance with the Child Rights perspective as enshrined in the Constitution of India and also the UN Convention on the Rights of the Child.

- Integrated Child Development Services (ICDS) scheme
  - To improve the nutritional and health status of children in the age-group 0-6 years.
  - To lay the foundation for proper psychological, physical and social development of the child.
  - To reduce the incidence of mortality, morbidity, malnutrition and school dropout.
- General grant in aid scheme in the field of women and child development
- Integrated Child Protection Scheme(ICPS)
  - It aims at building a protective environment for children in difficult circumstances.
  - The scheme will set up a child protection data management system to formulate and implement effective strategies and monitor their outcomes.
- Kishori Shakti Yojana
- Early Childhood Children Education Policy
- Beti Bacho, Beti Padhao initiative etc.

DRUG PRICING POLICY

- Recently government formed an inter-ministerial committee to look into the pricing of medicines, and especially in the market based pricing formula.
- The committee comprises of representatives from DIPP, Ministry of Health, National Pharmaceutical Pricing Authority (NPPA) and department of pharmaceutical.
- The committee will review the Drug Price Control Order (DPCO) 2013.

Background

Drug Price Control Order (DPCO) 2013
- DPCO (2013) came into force in May 2013, with an objective to improvise and endow with the basic health care and availability of basic medicines at affordable prices across the country. It was notified by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers.
It empowers the National Pharmaceutical Pricing Authority (NPPA) to regulate prices of 348 essential drugs.

As per the order, all strengths and dosages specified in the National List of Essential Medicines (NLEM) will be under price control.

The earlier DPCO order (1995) regulated drug prices based on the manufacturing costs but in this order ceiling price is linked to market price through market based pricing mechanism.

Supreme Court Verdict on Drug Pricing Policy:

- Supreme Court of India on 15 July 2015 termed the National Pharmaceutical Pricing Policy, 2012 and the Drug Price Control order (DRCO) 2013 as “unreasonable and irrational”.
- The apex court asked the Union Government to review its market-based drug pricing policy within six months.
- The court was hearing a PIL filed by NGO All India Drug Action Network alleging that the Market Based Pricing (MBP) was never used for any price regulatory purposes and this was making medicines costlier.

Issues Related to Drug Pricing Policy:

- Access to essential medicine for common people is only 35%.
- The profit margin for drug manufacturers and dealers were in the range of 10-1300 percent.
- The National List of Essential Medicines (NLEM) consisted of only 348 drugs leaving out many essential medicines from price control.
- Demand of inclusion of more life-saving medicines of diseases such as HIV-AIDS, cancer, diabetes and tuberculosis as well as those used in mental health, non-communicable diseases like asthma and rheumatoid arthritis in NLEM
- Simple average ceiling prices were higher than the market leader price in many cases which made the price control ineffective and even counterproductive.
- The market prices of all the medicines enlisted under the price control were not collected.
- All the doses of a drug were not covered.
- It has not covered the combinations so if a price controlled drug is combined with the non-price controlled drug it will come out of the price control.
- No action has been taken against the Companies which are not following orders of NPPA.
- 90% of the doctors are not prescribing generic drugs and so conceptualization of the programs such as JAN AUSHADHI is not very sound.
- Malpractices in the distribution network - for which bodies such as Indian Medical Association and pharmacist’s bodies are largely responsible.

Way Forward:

- Countries like Brazil provide free medicines and India too can walk on the same path gradually.
- Southern states like Tamil-Nadu have a model of public procurement –free medical system. It ensures that essential drugs are available free of cost to those seeking treatment in public health facilities. It is very efficient system and should be implemented across the country.
- Greater need to strengthen public system – need to increase public services to gain the confidence of people.
- Greater need to augment resources as there is dearth of doctors, nurses and other staff.
The Indian aviation sector has not witnessed the level of growth it should have and at present it is ranked 10th in the world.

The development of aviation sector has a potential multiplier effect on the economy. As per an ICAO study, the output multiplier and employment multiplier are 3.25 and 6.10 respectively.

The aim of the Government is to provide an eco-system and a level playing field to various aviation sub-sectors, i.e. Airlines, Airports, Cargo, Maintenance Repairs and Overhaul services, General Aviation, Aerospace manufacturing, Skill Development, etc.

Objectives of the Policy:

1. Ensure safe, secure and sustainable aviation industry through use of technology and effective monitoring.
2. Enhance regional connectivity through fiscal support and infrastructure
3. Enhance ease of doing business through deregulation, simplified procedures and e-governance.
4. Promote the entire aviation sector chain: cargo, MRO (maintenance, repairs and overhaul), general aviation, aerospace manufacturing and skill development.

Salient Feature of the Policy:

Safety violations will be treated with zero-tolerance.

- A single-window system for all aviation related transactions, queries and complaints.
- DGCA will be authorised to impose fines and penalties.
- Recruitment rules have been relaxed.
- Regional Connectivity Scheme
- Revival of air strips as no-frills airports will be done at less than Rs.50 crore, mostly through AAI, which is a profitable company.
- To fly abroad government invites discussion on the proposal that airlines to acquire 300 Domestic Flying Credits (DFC) per annum instead of existing five years of flying and a fleet strength of 20 aircrafts.
- 'Open sky' Air Service Agreement on a reciprocal basis with SAARC countries.
- Increase in FDI in airlines from 49 percent to above 50 percent will be examined if the government decides to go in for open skies for countries lying within 5,000 km radius
- To encourage maintenance, repairs and overhaul (MRO) sector in India, government proposes to:
  a) Service Tax on output services of MRO will be zero-rated
  b) Aircraft maintenance tools and tool-kits will be exempt from customs duty
  c) Foreign MRO experts will be provided visas promptly
- Separate regulations for helicopters by April 1, 2016.
- The eligibility criteria lowered to facilitate easy entry of new players.
- Thirty percent of non-aeronautical revenue will be used to cross-subsidise aeronautical charges.
- Ministry of Civil Aviation and Ministry of Defence to ensure commercial aero-manufacturing is covered under defence off-set requirements.

WHY IN NEWS?

The Ministry of Civil Aviation (MoCA) has put out a new draft ‘National Civil Aviation Policy’, 2015. The ministry has given three weeks for comments and suggestions from various stake holders. The vision of this policy is to create an eco-system, to enable 30 crore domestic ticketing by 2022 which stands at around 7 crore in the year 2014-15. The policy in its mission statement mentions safe, secure, affordable and sustainable air travel with access to various parts of India and the world.

NCAP 2015 covers the following policy issues:

(a) Safety; (b) Regional connectivity; (c) 5/20 Rule; (d) Bilateral traffic rights; (e) Code-share agreements; (f) Maintenance, Repair and Overhaul; (g) Route Dispersal Guidelines; (h) Fiscal support; (i) Helicopters; (j) Scheduled Commuter Airlines; (k) Airports developed by State Govt., Private sector or in PPP mode; (l) Airports Authority of India; (m) Air Navigation Services; (n) Air-cargo; (o) Aeronautical ‘Make in India’; (p) Ground handling; (q) Sustainable aviation; (r) Aviation security, Immigration and Customs; (s) Ancillary Revenue; (t) Essential Services Maintenance Act, 1968; (u) Aviation education and skill development; (v) Charter operations.
• Government would negotiate with global OEMs to set up an aircraft assembly plant in India.

Criticism:
• The draft does not mention about the future of Air India. The government’s ownership of the national carrier negatively influences policy decisions and has cost the Indian tax payer billions of dollars. Clarity on what the government plans to do has a massive bearing in the industry.
• There should have been more emphasis on addressing the negative fiscal environment which airlines face such as sales tax on ATF, service tax on fares, airports charges and withholding tax on aircraft leases.

Additionally, two initiatives have been particularly criticised:

1. Regional Connectivity Scheme:
   • Experts have raised questions over the lack of clarity in the policy. It is not known whether the existing regional airline permit holders will be entitled to those benefits under the regional connectivity scheme.
   • This move would cap the prices on regional routes, which might be a negative for airline companies given the government intervention and price control.
   • The policy would suit the regional carriers more than the national ones, who in turn need more support on infrastructural and capital requirement than operational front.
   • It is yet another case of cross-subsidization where those flying from one big city to another will pay for cheap connectivity for their counterparts in smaller cities.
   • This step seems backward looking at a time when government is trying to decrease subsidy bills.
2. 5/20 Rule:
   • The policy provides no clarity on the 5/20 rule under which local airlines can fly overseas only after they have five years’ operational experience and a fleet of at least 20 aircraft. The government has sought more comments from stakeholders before taking the final call.
   • The policy has now proposed three options — abolish the norm, continue with it or link overseas flying rights with domestic flying credits.
   • New carriers like Vistara or AirAsia India have been pitching for abolition of the 5/20 norm

The Centre has proposed a regional connectivity scheme by offering concessions to the airlines incentivising them to fly on regional routes.
• The draft policy puts an airfare cap of Rs 2,500 for an hour’s flight on remote routes to be covered under the scheme.
• The Centre will fund 80 per cent of the airline’s losses and the rest will come from the states using viability gap funding (VGF) from regional connectivity fund (RCF).
• RCF will be set up by levying a two per cent cess on domestic and international airline tickets.
• For under-served regional airports, the states will provide concessions such as free land, reduced rates of power, water and other utilities, one per cent or less value-added tax on aviation fuel, among others.
• The Centre will also waive off service tax on tickets on regional routes and the aviation fuel drawn by airlines from such airports will be exempt from excise duty.
• These concessions will be made available to scheduled commuter airlines using aircraft with 100 seats or less.

SB Cess
The Swachh Bharat cess will be an additional levy, making the effective service tax rate 14.05% against the current 14%.

In budget 2015-16, the government had put the service tax collection target at over 2.09 lakh crore. It is expected that the Swachh Bharat cess would yield Rs 400 crore.

Benefits:
Given the impact of lack of cleanliness on public health leading to diseases such as malaria, dengue, diarrhea, jaundice, cholera etc., the cess will help in improving public health.

Cess also prepares the ground for sudden jump in service tax rate under the goods and services tax regime. The GST will bring down overall incidence of taxation down but tax rate on services will inevitably have to go up.
Benefits:

- The policy is broadly progressive and setting of low cost airports would help bring more cost efficiency in the aviation sector.
- The commitment and foresight in outlaying a comprehensive view on MRO, low cost carrier airports infrastructure, ground handling initiatives, tax measures, affordable tariff balancing will boost air travel and encourage sustainable growth of the industry.
- Regional connectivity, small town airports would help airlines to geographically increase the footprint.

The draft policy signals a positive intent to provide a direction and structural lift to the sector.

OVERUSE OF CESS:

Recently government announced two new cesses- a 0.5% cess on all services for Swacch Bharat initiative and a 2% cess on international air travel and flights between metros and big cities to build a regional connectivity fund (RCF). These new cesses add to numerous existing cesses such as higher education cess, clean energy cess etc.

Criticisms of Overuse of Cess:

- Use of cess is regressive in nature. It imposes an additional burden on poorest section of taxpayers.
- Use of instruments like cess and surcharge complicate the tax structure encouraging the practice of tax evasion.
- As cesses are levied on top of the battery of indirect and direct taxes, they feed directly into the costs of doing business in the country.
- Revenue raised through a cess or surcharge is excluded from the pool that is split between Centre and states (Article 270) and thus is against cooperative federalism.
- It raises the question over effective utilization of primary tax revenue.
- The collections made through cess do not effectively translate into matching outcomes, for e.g. road cess amounts to 23,000 crore a year, yet matching improvement is not seen in road infrastructure. CAG has pointed out that there is inadequate transparency and incomplete reporting in government accounts of the manner in which the money is spent.
- Also cesses seldom function as they should — as temporary taxes clearly earmarked for a specific purpose. Once imposed they are revised, hiked and shifted around, but seldom discontinued. The road cess has been around since 1998-99 and the education cess has recently completed a decade.

Way Forward:

- Government should focus on expanding the tax base and simplifying the tax structure to increase the revenues to fund new initiatives. Both the Direct Taxes Code of 2009 and the Economic Survey of 2014 have recommended that the Centre do away with ‘bad taxes’ such as cesses and surcharges.
- Swacch Bharat cess lacks clarity on the institutional structure under which resources are to be spent. For a cess to be effective it is important that it be ring fenced properly with total clarity of what the money collected under the cess will be used for.
- Imposition of cess for initiatives like Swacch Bharat takes away the moral incentive; instead the focus should be on imparting greater civic sense backed by grass root initiatives such as door to door garbage collection.

CSE 2013: 10. Discussion the rationale for introducing Good and services tax in India. Bring out critically the reasons for delay in roll out for its regime
SELF-CERTIFICATION

Background:
- The 2nd ARC had recommended adoption of self-certification provision for simplifying procedures.
- Rationalization of affidavits was first started in Punjab in 2010 which was aimed at reposing trust in citizens and moving away from affidavits in favour of self-attestation.
- The Prime Minister gave impetus to this campaign, and other state governments — Gujarat, Kerala, Madhya Pradesh, Rajasthan, Goa — have followed Punjab’s example.

Benefits:
- Affidavits impose cost on the citizens - buying stamp paper, locating a deed writer, payment to the Notary for attestation and the time and efforts consumed in these processes.
- In India, the total savings for the citizens could be to the extent of Rs. 8,000 crores approximately.
- Also, the time spent by Government Officials in attesting the documents can be used for other official purposes.

Legal Implications:
- As far as admissibility of documents is concerned there is no weightage of affidavits over self-declaration.
- Affidavit is a declaration, and as such, a declaration in itself is adequate for the purposes of law. The applicant continues to be responsible for the statement made.
- There appears to be no legal problem in adopting this practice. The Indian Penal Code contains a number of Sections such as 177, 193, 197, 198, 199 and 200 which specifically deal with the implications of any false information/evidence/disclosure/declaration made by the deponents.

WOMEN RIGHT TO ANCESTRAL PROPERTY

- The Hindu Succession Act, 1956, originally did not give daughters inheritance rights in ancestral property.
- They could only ask for a right to sustenance from a joint Hindu family. But this disparity was removed by an amendment to the Act on September 9, 2005.
- This ruling clarifies applicability of the amendment for the right of women seeking equal share in ancestral property.

Overall, limitations on women’s right to inheritance are:
1. Cannot ask for a share if the property if the property has been alienated or partitioned before the bill was introduced.
2. The amended provisions cannot have retrospective effect despite it being a social legislation. It is imperative for the father to have been alive when the amendment came into force.

Why do Women’s Land Rights Matter?

Economic security - Land is a crucial economic asset for women in poor rural communities: it is a key input for agricultural production; it can be used as collateral to access capital; and, it can generate income directly, if it were rented or sold. Land can provide women with economic security as they age, or in the event they become heads of households as a result of their husbands’ migration for work, abandonment or unfortunate death.
Social security - Land is also a valuable asset for the social access it provides: it can raise women’s status in their communities and can help shape women’s identity as producers and as productive and deserving members of their families and their communities. Secure rights to land are particularly important for women when their families or communities lack formal sources of social security or access to other social safety nets.

Relation between Women’s Land Rights and Desirable Social and Economic Outcomes:

- Women are less likely to report experiencing long-term physical and psychological domestic violence
- Their families’ nutrition is likely to improve
- Their children’s educational achievements are likely to improve
- Their fertility is likely to decrease and
- Women’s ability to participate in their households’ decision making is likely to increase

CSE 2005: Write short notes on the following (a) Equal rights for women in parental property.
INTERNATIONAL RELATIONS

INDIA-AFGHANISTAN RELATIONS

Bilateral relation:
- India and Afghanistan have a strong relationship based on historical and cultural links.
- In recent past, Indo-Afghan relations have been further strengthened by the Strategic Partnership Agreement signed between the two countries in 2011.
- As Afghanistan was preparing itself for three simultaneous political, security and economic transitions in 2014, India had allayed its fears about its future by making a long term commitment to the security and development of Afghanistan.

Why in news:
- On 13th November Afghanistan’s national security advisor, Hanif Atmar, who visited New Delhi,
  made a request that Afghanistan wanted India to step up supplies of lethal equipment for its military, battered by a resurgent Taliban that has claimed the lives of more than 4,000 soldiers, and led to loss of government control in large swaths of territory.

Background:
- India had promised, in a strategic partnership agreement signed in 2011 to assist in “the training, equipping and capacity-building programmes for the Afghan National Security Forces”.
- Since 2011, Afghan military commanders and intelligence officials have begun urging India to provide direct military assistance to the country’s fledgling armed forces following a series of skirmishes with Pakistani troops and Taliban.
- Previous government, however, stalled Afghan requests for military hardware, fearing they could derail its peace negotiations with Pakistan.

India’s concern:
- India however fears that it being sucked into a military relationship with Afghanistan that could enrage Pakistan—a country which has long worried that its northern neighbour could be used as a base for aggression by its historic eastern adversary.
- Pakistan has, in the past, alleged that India’s intelligence services are using Afghanistan to back secessionists in Balochistan, as well as jihadists fighting the Pakistani state.
- The possibility of Indian arms leaking to militant outfits remains rife. Use of these against India could be a major strategic and diplomatic blunder.
- India is also not happy with Afghanistan’s current regime’s soft stance towards China and Pakistan, and even Taliban.

CSE 2013: 18. The proposed withdrawal of International Security Assistance Force (ISAF) from Afghanistan in 2014 is fraught with major security implications for the countries of the region. Examine in light of the fact that India is faced with a plethora of challenges and needs to safeguard its own strategic interests.

ASEAN - DECLARATION ON CONDUCT

Background on DOC:
- South China Sea from many years became a conflict Zone among rim South China Sea countries (Vietnam, Brunei, Malaysia, etc.).
- To resolve this dispute, after several years of negotiations, in November 2002, members of Association of South East Asian Nations (ASEAN) and China signed the declaration on conduct (DOC).
• This agreement between ASEAN and China expresses the desire to “enhance favorable conditions for a peaceful and durable solution to differences and disputes among countries concerned.”
• In this declaration, ASEAN and China reaffirmed a commitment to international law (including the UN Convention on the Law of the Sea) and to the freedom of navigation in the South China Sea.
• All parties also agreed to “resolve their territorial and jurisdictional disputes by peaceful means, without resorting to the threat or use of force.” Further, the parties agreed to “exercise self-restraint” in taking actions that could “complicate or escalate disputes.”
• The DOC, in the views of many analysts, was essentially a compromise between the two positions of doing nothing and having a legally-binding agreement.

Why in News:
• On 4th November 2015, At 3rd ASEAN Defence Ministers Meeting (ADMM-plus), India by expressing “interest and concern” at the recent developments in the South China Sea, called for an early conclusion of the ‘Code of Conduct’ in the region for resolving disputes.
• India hopes that all parties to the disputes in the South China Sea region will abide by the 2002 Declaration on the Conduct of Parties in the South China Sea, ensure its effective implementation, and work together to ensure a peaceful resolution of disputes.

CSE 2012: What are India’s stakes in the South China Sea?

INDIA-AFRICA FORUM SUMMIT (IAFS)

Bilateral relations:
• The India-Africa Forum Summit (IAFS) is a celebration of the close partnership between Africa and India.
• It is an acknowledgement of our shared history as well as our future prospects. From both countries struggle against colonialism and apartheid, they have emerged to jointly accept the challenges of a globalizing world.
• Even as both combat with common threats - the threat from international terrorism; the scourge of poverty, disease, illiteracy and hunger; the challenge of climate change - and collectively promote the socio-economic advancement of all our people, it is believe that India and Africa traverse the same path, share the same values and cherish the same dreams.

Indo-Africa summit 2015:
• New Delhi hosted representatives of fifty four countries from the continent for the third India Africa Forum Summit (IAFS) from 26-29 October, 2015.
• It is believed that this is the most spectacular diplomatic exercise hosted by India since the 1983 Non Aligned Movement (NAM) summit; this meeting provides opportunity for India to rejuvenate relations with the continent.
• While India’s relations with African countries go back a millennium, in 2008 India began a structured engagement with Africa through the India Africa Forum Summit process.
• The second summit in 2011, at Addis Ababa, expanded this cooperation.
• The current summit is important in the context of the evolving development partnership, trade and investment ties and the scope for convergence on peace and security issues.
• The participation and the format of the Summit have been decided in consultation with the African Union Commission and the permanent representatives of the member states. This is the beginning of a process.
  o It is also agreed that the formal outcome documents of the Summit would be a Declaration and an Action Plan.
  o The draft Action Plan is under preparation and a draft has been circulated by the AU Commission to the member states.
  o The second document which will be a Declaration will address broader areas of cooperation and common views on regional and international issues including the fight against terrorism, climate change and WTO negotiations.
The areas on which both have agreed to focus in the Action Plan include human resources and institutional capacity building and education, science & technology, agricultural productivity and food security, industrial growth including small & medium enterprises and minerals, development in the health sector, development of infrastructure, ICT and establishment of judicial system with police and defence establishments under civilian control, etc.

Indo-Africa Partnership:

- India has forged a development partnership with the African countries. This development partnership is unique as it is based on a consultative model and is driven by African needs.
- The focus of the development partnership is on human resource development and capacity building in Africa.
- India has extended development assistance worth $ 7.4 billion through lines of credit given by the Export Import bank. Of this $6.8 billion has been approved and about $3.5 billion, nearly half, has been disbursed. These lines of credit have led to the completion of 137 projects in 41 countries across Africa.
- Apart from this, India had also pledged to set up nearly 100 Indian Africa Training Institutes across the continent.
- Both India and the African countries share the problem of access to modern means of energy. Almost two-thirds of Africa does not have access to modern energy. India has been involved in projects related to renewable energy such as solar energy in Africa.
- In Mozambique India helped set up the first solar panel production factory in the country. Moreover, the Mozambican technicians involved in the production process were trained in India.

China vs. India - India’s Advantages:

- African continent is increasingly becoming the next theatre of global attraction and competition because of natural resources, demography and socio-economic development.
- To harness the opportunity various countries including China have made huge investments in the continent.
- This growing Sino-Indian involvement has been economically beneficial and has resulted in widespread investment and development, with African leaders welcoming the competition.
- An increasing competition between India and China for new markets, agricultural land and access to natural resources.
- While China’s aggressive economic approach has caused it to achieve more influence in Africa than any other country, its dominance is slowly being impeded by India’s growing involvement in the region.
- India has focused on emphasizing its cultural and historical ties to enhance the development of its trade relations with resource-rich countries like Zimbabwe, Ethiopia and Sudan.
- The success of India’s soft power strategy has been evident in countries like Sudan, where Indian corporations have attained near complete control of the local oil and natural gas industry.
- The same trend is occurring in Zimbabwe where China’s dominance in the energy and resource sectors is being challenged by private and state-owned Indian enterprises.
- The US$ 4 billion takeover of Zimbabwean steelmaker Zicosteel, by
India’s Essar Group, was hailed by the Zimbabwean Government as the largest foreign direct investment deal in Zimbabwe in recent decades.

- The African nations are increasingly realizing that though Chinese investments are attractive, there are certain issues like:
  - Chinese companies instead of employing locals use Chinese workers.
  - It is also seen that these companies don’t pay much attention to environment protection.
  - Chinese loans come with strict conditions that only Chinese technology will be utilized.
    - These concerns have mainly been raised by civil society; however, many governments have also started looking beyond China.
    - India needs to harness this opportunity. India already enjoys the good will of African people due to historical ties and Indian company’s practices of employing local workers and skilling them.

CSE 2014: How does India see its place in the economic space of rising natural resource rich Africa?

NEPAL’S ENERGY DEAL WITH CHINA

- The agreement came after shortages caused by the blockade of land routes from India due to unrest over the Nepal’s new constitution by Madhesis (Maithili, Bhojpuri, Avadhi and Hindi-speaking Nepali’s)
- They want proportionate representation in Parliament and a separate province comprising all 21 Terai districts bordering UP and Bihar.

Importance of this deal to Nepal:

- China will immediately supply 1.2 million litres of kerosene to Nepal.
- In two separate agreements, China has promised to give a one-off 1000 metric tonnes of petroleum products as grant and signed a MoU for petroleum supply.
- Under this agreement, China will supply fuel at international rates, which Kathmandu might find cheaper than its imports from India. To begin with, China will fulfill at least a third of Nepal’s requirements.

Impact on India:

- Nepal’s decision to source petroleum products from China will not only end India’s monopoly in supplying fuel to Nepal but will also impact Indian Oil Corp (IOC) revenue.
- With the development likely to pull down petroleum export volumes, the fate of the two planned cross-border products pipelines also hangs in balance. This includes the 41-km Raxaul-Amlekhganj pipeline announced by the oil ministry as south Asia’s first trans-national petroleum pipeline (Nepal Oil Corporation (NOC) and IOC had signed this deal in August to construct a pipeline from IOC’s depot in Raxaul in Bihar to NOC’s depot in Amlekhganj.)
- This would also significantly impact India’s economic and strategic clout over Nepal.

CSE 2004: (d) Weak-spots in India-Nepal Relations.

INDIA AND BANGLADESH SIGN STANDARD OPERATING PROCEDURE (SOP)

India and Bangladesh signed the Standard Operating Procedure (SOP) in New Delhi on 15th November 2015, to operationalize the “Agreement on Coastal Shipping” signed between the two countries in June, 2015.

About the SOP:

- The SOP has been framed as per the terms and conditions of the Agreement on Coastal Shipping and both India and Bangladesh have agreed to its provisions.
• The Standard Operating Procedure will pave the way to promote coastal shipping between India and Bangladesh and would enhance bilateral trade between the two countries by bringing down the cost of transportation of EXIM cargo.
• The SOP contains provisions which stipulate that India and Bangladesh shall render same treatment to the other country’s vessels as it would have done to its national vessels used in international sea transportation.
• The two sides have also agreed upon the use of vessels of River Sea Vessel (RSV) category for Indo-Bangladesh coastal shipping.

Advantages of Agreement on Coastal Shipping:
• The opening of coastal shipping between India and Bangladesh would enable the movement of cargo to the North East through coastal shipping up to Chittagong and thereafter by road/inland waterways.
• It will enable the two countries to save logistics costs of export and import.
• The deep draft ports on the eastern coast of India can be ‘hub ports’ for the onward transportation of cargo to Bangladesh via the coastal mode through RSV category of vessels.
• The Indian ports will attract enhanced cargo and also the overall transportation cost to Bangladesh will get reduced.
• The Indian ports serving as trans-shipment ports for Bangladesh cargo will derive benefits by way of enhanced throughput as a result of Indo-Bangladesh coastal trade.

INDIA - U.K

The Prime Minister arrived in London on November 12th, 2015.

Major developments
• Vision of a forward-looking partnership between the UK and India that would play an indispensable role in creating economic growth, jobs and security for the people of both countries.
• £9.2 Billion of commercial deals between the UK and India announced during the visit. The UK has accounted for 8.56% of total foreign direct investment in India during the last 15 years. Indian companies employ 110,000 people in the UK.
• Both countries announced three UK-India city partnerships with Indore, Pune and Amravati to support India’s ambitious urban development goals through technical assistance, expertise sharing and business engagement.
• Both countries have launched a new Thames/Ganga partnership for healthy river systems. This partnership will consist of a collaborative programme of research and innovation to enable the sustainable management of water resources in the Ganga basin and a policy expert exchange in 2016 supported by the UK Water Partnership.
• Announcement of setting up of joint India-UK Vaccine Development collaboration between the Department of Biotechnology and Research Councils, UK.

INDIA CHINA - RIVER AND CULTURE

• Chinese Vice-President Li Yuanchao was on India’s visit and concluded agreements on river water management and cultural exchanges
• The 2013 memorandum of understanding on joint water management will be renewed, which helps India and China share data on multiple Himalayan rivers for better water management.
• Sharing of hydrological data during the flood season helps in emergency management and better planning in lower riparian rivers.
• The second agreement is on the cultural exhibition on the Gupta period to be held in 2016 in China. It was during this period that the Nalanda University prospered which later on hosted Xuanzang during his visit to India.
ALSO IN NEWS

INDIA-RUSSIA JOINT ARMY EXERCISE

Background of Defense Relations:

- Relations with Russia are a key pillar of India’s foreign policy, and Russia has been a longstanding time-tested partner of India.
- This relation gained more momentum since the signing of the “Declaration on the India-Russia strategic partnership” in October 2000.
- This strategic partnership has been built on 5 major components: politics, defence, civil nuclear energy, space and anti-terrorist operations. Defence relations between India and the Russian Federation have a historical perspective.
- The Soviet Union was an important supplier of defence equipment for several decades, and that relationship was inherited by Russia after the break-up of the Soviet Union. Today, the co-operation is not limited to a buyer-seller relationship but includes joint research and development, training, service to service contacts, including joint exercises.
- The last joint naval exercises took place in April 2007 in the Sea of Japan and joint airborne exercises were held in September 2007 in Russia.
- India and Russia have several major joint military programmes such as BrahMos, 5th generation fighter jet programme etc.

In News:
The seventh Indo-Russian joint training exercise INDRA-2015 commenced on 7th November 2015 at Mahajan field firing range in Bikaner (India) for 14 day period(from 7th to 20th November).

About the Exercises:
INDRA is a joint, bi-annual military exercises conducted by India and Russia starting in 2003. The exercise is tasked with boosting cooperation and interoperability between the Indian and Russian navies. Exercise INDRA-2015 is the seventh edition in a series of bilateral exercises under this banner. The joint exercise this year would focus on ‘Counter Terrorism Operations in Desert Terrain under a United Nations Mandate’.

INDIA AND TURKMENISTAN

Union Cabinet has given its approval for amending the Double Taxation Avoidance Convention (DTAC) signed between India and Turkmenistan in 1997 for the avoidance of double taxation and for the prevention of fiscal evasion with respect to taxes on income and on capital, through a Protocol.

The protocol provides for internationally accepted standards for effective exchange of information on tax matters including bank information and information without domestic tax interest.

The Protocol further provides for 'Limitation of Benefits' Article as an anti-abuse provision aimed at preventing misuse of the Convention.

INDIA – SOUTH KOREA - AIR SERVICE COOPERATION

- India-South Korea relations have come a long way since the establishment of their diplomatic relationship in 1973.
- Throughout the Cold War, the ideological differences largely deterred the two countries from realizing the full potential of the relationship.
- India’s growing emphasis on its ‘Look East Policy’ and South Korea’s ‘New Asia Diplomatic Initiative’ has helped elevate the relationship to one of strategic partnership.
• India has signed a Memorandum of Understanding with Republic of Korea (RoK) to enhance bilateral air service cooperation between the two countries and increase capacity entitlements for carriers on both sides to 19 flights per week from the existing six.
• Apart from the increase in seats, India and South Korea also agreed to give the go ahead to the carriers for more destinations.
• With the signing of the above MoU, the air connectivity between the two countries will be enhanced further and this is expected to boost economic and people-to-people cooperation.

ITALIAN MARINE CASE

There is continuous legal tussle between India and Italy over the case of two Italian marines accused of killing two Indian fishermen off the Kerala coast in February 2012.

Why in news?

On 10\textsuperscript{th} November 2015, the tribunal has been constituted under Annex VII of the United Nations Convention on the Law of the Sea (UNCLOS) with a five-member Arbitral Tribunal being constituted for arbitration between the two countries.

Background:

Italy appointed Professor Francesco Francioni on June 26 as one of the five arbitrators, India appointed Judge Patibandla Chandrasekhara Rao on July 24 as an arbitrator.

After consulting both sides during a meeting in Hamburg on September 30, 2015, the President of the International Tribunal for the Law of the Sea (ITLOS) appointed Judge Jin-Hyun Paik of Korea and Judge Patrick Robinson of Jamaica as arbitrators.

CHINA PARLIAMENT RATIFIES $100 BN AIIB

Asian Infrastructure Investment Bank (AIIB):

• The Asian Infrastructure Investment Bank (AIIB) is a multilateral development bank (MDB) conceived for the 21st century.
• The AIIB, a modern knowledge-based institution, will focus on the development of infrastructure and other productive sectors in Asia, including energy and power, transportation and telecommunications, rural infrastructure and agriculture development, water supply and sanitation, environmental protection, urban development and logistics, etc.

In news:

• China’s top legislature on 4\textsuperscript{th} November 2015 ratified the Asian Infrastructure Investment Bank (AIIB) agreement, which establishes the legal framework for the bank.
• With China being the largest shareholder, the ratification is a significant step closer to the AIIB’s formal establishment slated for the end of 2015.
• With an authorized capital of $100 billion, the AIIB will finance infrastructure projects like the construction of roads, railways, and airports in the Asia-Pacific Region.

Reasons for establishment (ratification to)/of AIIB:

• The AIIB will extend China’s financial reach and compete not only with the World Bank, but also with the Asian Development Bank, which is heavily dominated by Japan.
• China and other emerging economies, including BRICS, have long protested against their limited voice at other multilateral development banks, including the World Bank, International Monetary Fund and Asian Development Bank (ADB).
• China is grouped in the ‘Category II’ voting bloc at the World Bank while at the Asian Development Bank; China with a 5.5 per cent share is far outdone by America’s 15.7 per cent and Japan’s 15.6 per cent share.
MOU BETWEEN INDIA AND BELGIUM FOR ENERGY

Recently it found that, Belgium has acknowledged the growing importance of India’s global role both in political and economic spheres.

In news:

The Union Cabinet, chaired by Prime Minister, has approved a Memorandum of Understanding which has been signed between Indian and Belgian government authorities at the Federal and regional level for energy.

This Memorandum of Understanding will help in strengthening bilateral cooperation between the two countries.

Objective:

Both the countries will work towards developing new and renewable energy technologies in the field of solar energy (thermal and photovoltaic), Biomass, smart grid and wind energy among other sectors.
ECONOMY

MONETARY POLICY PANEL

The News:
- After four months of debate and discussion, the Reserve Bank of India and the Finance Ministry have overcome the stalemate on the proposed amendments to the Reserve Bank of India Act to reset the responsibility of deciding India’s monetary policy.

How is monetary policy framed right now?
- At present, monetary policy is formed by the Governor of RBI alone.
- The RBI governor does consult with Deputy Governors, board of directors, etc. but only the Governor’s signature is required for the approval, making him the final authority.

Past Attempts at Democratizing the Monetary Policy Making:
- In 2005, RBI governor started to consult with noted economists, industrial bodies (FICCI etc) and Credit Rating Agencies (CRISIL etc.)
- RBI’s annual reports put on the official website to bring in transparency.
- RBI started to publish quarterly reviews where RBI governor answer queries from media.
- Nonetheless, Monetary Policy remained the sole responsibility of the Governor, without any formal mechanism for ensuring participation and accountability.

Past Recommendations:
Previous Committees - Tarapore, Reddy, FSLRC and more recently Urjit Patel Committee have either directly or indirectly recommended that
- Monetary policy should be decided by a Committee rather than a single person.
- Decision should be based on majority voting.
- Minutes of such meetings should be put in public domain.

Thus, it was long felt need to shift to a Committee System for deciding monetary policy.

However, some disagreements emerged in recent past, over the structure of Monetary Policy Committee, between the Government and the RBI, which has been overcome recently.

Monetary Policy Committee as envisaged in Ministry’s note for Cabinet’s approval-
- The Government will nominate two members and the RBI three members.
- Each of five members has one vote and the RBI Governor, chair of the committee, will have a casting vote in the event of a tie in situations such as the absence of a member.
- Inflation target for the RBI in each financial year will be determined by the Government in consultation with the RBI itself.

BANKRUPTCY LAW

Bankruptcy Law Reforms Committee (BLRC), headed by T K Vishwanathan submitted its report along with the proposed Insolvency and Bankruptcy Bill.
Why Improving Insolvency Regime is Important?

The present arrangement is very inefficient with at least four different legal routes available to the debtor and its creditors, each under a different law with option to invoke any law. Some of the laws include SICA, RDDBFI, SARFAESI etc.

Other important issue plaguing the system is delay. Any delay greatly erodes to value of debtor’s assets.

Insolvency regime is one of the weakest links in Doing Business in India as India stands on 136th rank in resolving insolvency.

Major Recommendations:

- It recommended for setting up an *insolvency regulator* to exercise regulatory oversight over insolvency professionals and agencies.
- It also recommended bankruptcy & insolvency processes for individuals with annual gross income of less than Rs 60,000 and aggregate assets of not more than Rs 20,000.
- The panel has recommended a *180-day period for insolvency resolution*.
- It lays down a *clear system for identification of financial distress and revival of companies*, with help of specialist insolvency professionals.

Challenges:

- The biggest challenge will be adhering to the timelines.
- Strengthening the adjudicating mechanism will be an important element
- It will require a pool of insolvency professionals, and trained judges who understand business issues. There is a clear lack of such experts.

**UDAY SCHEME FOR POWER SECTOR**

- The Government has launched *Ujwal DISCOM Assurance Yojana* (UDAY) to help power distribution companies tide over financial losses.
- India has power generating capacity of 270 gigawatts but due to DISCOMs being forced to sell power at a loss, they simply refuse to lift power production. As a result of which India is currently using only half of its power generation capacity.
- Without power, national priorities like ‘Make in India’, ‘Digital India’ and ‘24X7 affordable and accessible Power for All’ cannot succeed.

**DISCOM DEBT**

As part of the Ujwal Discom Assurance Yojna, states will have to take over 75% of the debt of discoms. These loans will not be included in calculation of the state’s fiscal deficit till 2016-17.

**Budgetary constraints placed on states**

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UDAY empowers DISCOMs with the opportunity to break even in the next 2-3 years. This is through **four initiatives**
• Improving operational efficiencies of DISCOMs;
• Reduction of cost of power;
• Reduction in interest cost of DISCOMs;
• Enforcing financial discipline on DISCOMs through alignment with State finances.

**States will issue bonds** in the market or directly to the banks / Financial Institutions (FIs) holding the DISCOM debt to the appropriate extent.

DISCOM debt not taken over by the State shall be converted by the Banks / FIs into loans or bonds with interest rate not more than the bank’s base rate plus 0.1%.

**Impacts:**

• **Operational efficiency will be improved** – provisions like compulsory smart metering, upgradation of transformers, use of efficient electrical appliances, etc., are expected to reduce the average AT&C loss (Aggregate Technical & Commercial losses) from around 22% to 15% and eliminate the gap between Average Revenue Realised and Average Cost of Supply by 2018-19.
• **Cost of power will be reduced** - by increased supply of cheaper domestic coal, coal linkage rationalization, liberal coal swaps from inefficient to efficient plants, coal price rationalization based on GCV (Gross Calorific Value), supply of washed and crushed coal, and faster completion of transmission lines.
• **States shall take over 75% of DISCOMs debt** - reducing the interest cost on debt to around 8-9%, from as high as 14-15%. This would not only improve the balance sheet but also improve profitability.

**Way Forward:**

• The permanent solution to this financial problem faced by DISCOMs lies in allowing them to charge **prices that reflect cost of delivery, including a return on capital**.
• This could be done in two ways:
  o Let the consumer pay the full price, as determined by state regulators, after which the state governments can directly transfer subsidy payments to selected groups.
  o To build the subsidy into the tariffs, but have an annual budgetary provision for subsidies, which is transferred to DISCOMs at periodic intervals.

What is essential is that UDAY is followed by meaningful tariff reforms to make distribution companies financially viable.

**FDI NORMS RELAXED**

The Government has **relaxed FDI norms in 15 sectors** including mining, defence, construction, real estate, civil aviation, broadcasting and LLPs to boost growth and drum up investment.

The government also raised FIPB approval limit to Rs 5,000 crore from Rs 3,000 crore.

**Highlights of Decision:**

• 100 per cent foreign direct investment (FDI) has been allowed in DTH, cable network and plantation crop.
• Overseas investment limit in uplinking of news and current affairs TV channels has been raised to 49 per cent from earlier 26 per cent.
• The government allowed 100 per cent FDI under automatic route in duty-free shops and Limited Liability Partnerships (LLP).
• In the construction development sector, minimum capitalisation norms and floor area restrictions have been removed. The government has also eased exit norms for foreign players in the sector.
• In the defence sector, 49 per cent foreign investment has been allowed under the automatic route and anything beyond through the Foreign Investment Promotion Board (FIPB) nod.
• Earlier, the investors were required to take approval of Cabinet Committee on Security for foreign investment above 49 per cent in defence sector.
• 100 per cent FDI allowed in plantation of rubber, coffee, cardamom, palm oil tree and olive oil tree.
• In single-brand retail, companies are now allowed to sell products through e-commerce.
• In regional air services allowed foreign investment up to 49 per cent under automatic route.

CSE 2008: (b) Assess the performance of India in attracting Foreign Direct Investment (FDI).
CSE 2010: (f) Bring out the sectoral and state-wise distribution patterns of Foreign Direct Investment (FDI) inflows into the country.

GOLD MONETIZATION SCHEME

• It is estimated that India has more than 20,000 tonnes of gold in its temples, households and other institutions, with total worth of approximately INR 60 lac Crores, which is 3-4 times the annual budget of India.
• India, presently, imports 800-1000 tonnes of gold each year and is the largest consumer of gold in the world.
• In spite of such a large quantity of gold present, mostly this gold is neither traded nor monetized.
• So, a scheme to monetize this idle gold was proposed in the budget 2015-16, where designated banks will accept deposits in the form of gold after verifying the purity of gold.

About The Scheme:
• Banks can accept a minimum of 30 g of raw gold in a gold savings account with no upper limit on the weight of gold that will be accepted.
• Interest will be paid on the gold deposited and also the appreciation of metal value. Earlier, people had to pay money for their safe custody in the form of locker charges.
• The designated banks will accept deposit under
  o The Short term (1-3 years) Bank Deposit
  o Medium term (5-7 years) Government Deposit and
  o Long term (12-15 years) Government Deposit Schemes.

Benefits for Depositors:
• Idle gold including coins and bars held by Resident Indians can earn interest apart from appreciation of value.
• Depositor’s gold will be securely maintained by the bank.
• Redemption is possible in physical gold or rupees.
• Earnings are exempt from capital gains tax, wealth tax and income tax.

Benefits for Economy:
• It will reduce dependence on import, hence will bring stability.
• Trade deficit will lower down thus improving CAD.
• Cost of gold for jewellery industry will reduce significantly.
WORLD BANK’S NEW CONDITIONS FOR PROJECT LOANS

Major changes:

- The World Bank has proposed Environmental and Social Standards (ESS) framework which **envisages new standards for environmental and social safeguards**, mainly in respect of labour and working conditions, while making many environmental safeguards “more stringent”.
- The framework also envisages **periodic project assessments reviewed by the Bank** which can issue measures and actionable instructions to comply with the ESS.
- The proposed ESS requires that **every borrowing country align its social and environmental laws with the World Bank system**.
- It bans child labour and forced labour and promotes fair treatment, non-discrimination, and equal opportunity for project workers in recruitment and hiring, compensation, working conditions and terms of employment with a grievance mechanism to raise workplace concerns.

India’s stand:

- India is against **periodic project assessment** as it can impose extremely high and unreasonable costs on the project authorities.
- The provisions envisaged in new framework can end up increasing the cost of doing business with the World Bank significantly.
- India is set to oppose this new ESS framework terming them as “more regressive” with the potential of making World Bank assisted projects **unviable**.
- India will argue that **it has very robust legal framework** on environment and social issues which will be sufficient to meet World Bank requirement.

CSE 2009: (b) Does India need the World Bank?

ALSO IN NEWS

BANK FOR INTERNATIONAL SETTLEMENT (BIS)

- BIS is a bank for central banks.
- It is located in Basel, Switzerland and has 60 member central banks, representing countries from around the world that together make up about 95% of world GDP.
- It was created in 1930 to administer the transaction of monies according to the Treaty of Versailles, i.e., as Agent General for Repatriation in Berlin.
- Role of BIS has been ever evolving from its creation to the present day, adapting to the dynamism in the world market.
- Broadly, BIS pursues its mission by
  - fostering discussion and facilitating collaboration among central banks;
  - supporting dialogue with other authorities that are responsible for promoting financial stability;
  - carrying out research and policy analysis on issues of relevance for monetary and financial stability;
  - acting as a prime counterparty for central banks in their financial transactions; and
  - Serving as an agent or trustee in connection with international financial operations.

Why in news?

- RBI governor Raghuram Rajan was elected as Vice Chairman of Bank for International Settlement.
GOVERNMENT CONSIDERS AFRICAN ROUTE TO HELP CENTRAL PSUS

- The Government is considering influencing African countries, especially those with very little private capital, by replicating Nehruvian post-independence industrial policy of India in those countries through PSUs.
- Under this policy, the Government wants African countries to reserve several sectors for State-owned enterprises (SOEs) so that the central PSUs can work in a competition-free environment for next 15-20 years by setting up subsidiaries or entering into joint ventures with SOEs.
- If this proposal goes through, it has the potential of not only helping profit making PSUs finding new markets and avoiding competition from private sector in India but can also turn the fates of many PSUs incurring losses.

THE PROBLEM WITH MAKE IN INDIA

- Most of the new jobs are in construction sector which are low productivity jobs.
- India’s 85 percent of the workforce is in informal sector which is mostly unskilled.
- Most of the jobs in manufacturing and services sector are skill intensive while India’s natural comparative advantage lies in its vast pool of unskilled labour.
- Thus there exist a demand supply gap in terms of quality of work force required by these two sectors and available workforce.
- As per Economic Survey 2014-15, the cost of skill intensive model is that one or two generations of those who are currently unskilled will be left behind without the opportunities to advance.
- Another report from Citi group claims that increased use of automation will likely tilt the balance towards some developed economies and existing manufacturing hubs in emerging markets like China at the cost of new emerging markets like India.
- The increasing use of robotics in manufacturing has led to a renewed “onshoring” of production
- Also, the fragmentation and unbundling of global value chains, which have been responsible for the growth of manufacturing in many low-cost countries and burgeoning world trade in goods, is slowing.

Way Ahead:

- Skilling the workforce and improving the infrastructure.
- Make in India cannot succeed unless the cost of doing business is brought down in India.
- Government will have to continuously pursue various reforms to improve doing business environment in India.

INDIA’S NUMBER ONE RANK IN FDI

India received USD 31 billion, moving from fifth position last year to the top position now as the most attractive destination for FDI.

What does it mean for India?

Though there is general trend of decline for FDI in other destination, this ranking without fail shows that India’s effort for improving ease of doing business is getting recognized in the world market.

Recently, India also climbed 16 positions in World Competitive Index to be placed at 55.

These send a very positive signal to world’s investors that India is determined to provide a more friendly business environment and is putting effort for the same.
**INDIA WORLD’S 7TH MOST ‘VALUED NATION’ BRAND**

- India, moving up one position, is now 7th most valued ‘nation brand’ in the annual report on world’s most valuable nation brands compiled by Brand Finance.
- India is now valued at USD 2.1 billion with an increase of 32 per cent in its brand value.
- The nation brand valuation is based on five year forecasts of sales of all brands in each nation and follows a complex process. The Gross domestic product (GDP) is used as a proxy for total revenues.

**INDIA TO EMERGE AS LARGEST COTTON PRODUCER**

- India is set to become world’s largest cotton producer replacing China.
- This has happened because of cotton output in all the producing countries, barring India, has been anticipated to be lower than previous year.
- Cotton production in China and the U.S. has been estimated to be lower by 13.3 per cent and 17.7 per cent respectively.
- Global cotton production is estimated to be lower than by 8.6%.

**INNOVATION COUNCIL OF INDIAN RAILWAYS – ‘KAYAKALP’**

The Railway Budget Speech 2015-16 mentioned that every dynamic and thriving organization needs to innovate and re-invent its practices and hence this council has been setup for the purpose of business re-engineering and introducing a spirit of innovation in Railways.

Indian Railways, on one hand, has to fulfill its social obligation of providing affordable travel facilities to the public in different parts of the country while on the other hand, has to work as a commercial organisation earning profit. There is a need to balance these two requirements and function in a manner so that best services could be provided to the people at affordable prices and the Railways emerge as an effective engine of growth for the country’s economy.

The Council has been set up to further above stated twin goals.

**Why in news?**

- 4th meeting of Kayakalp was held in the chairmanship of Ratan Tata which discussed safety issues with an attempt to identify the causes of accidents because of manual failures.
- The meeting focused on approaches aimed at achieving greater hygiene and cleanliness in railway stations and facilities.
- The council also examined Indian Railways’ current customer focus and looked at ways to make it further customer friendly.

**WOMEN AND HOUSEHOLD WORK**

- Work done by women in their households is unpaid work.
- The status of non-earning is often confused with non-working.
- In reality, women are mostly employed in full-time work that involves household chores, and production of goods and services not sold in the market. They also perform a swathe of care-giving work besides the rearing of children.
- The major difference between this work and paid employment is financial compensation.
Why in news?

A recent study by McKinsey, titled “The Power of Parity: How equality for women could drive $2 trillion in global growth”. The study provides evidence that “stay-at-home” women directly damage a country’s GDP by billions. As per the report, India’s GDP could increase by 16 to 60% by the year 2025 if more women participate in the labour force.

Conclusion:

There have been voices demanding for attaching financial worth to household works done by women earlier also, but this study provides quantitative evidences of how “stay-at-home” women hampers the economy.
AYURVADIC PRAKRITI TO GET GENETIC PROOF

As per Ayurveda the Prakrati or the constitution of a person is based on three important characteristics called doshas which are:

- **Vata** - controls very basic body processes such as cell division, the heart, breathing, and the mind
- **Pitta** - control hormones and the digestive system
- **Kapha** - helps to keep up strength and immunity and to control growth.

In Ayurveda, a person’s treatment is based on her Prakriti which contains the particular variations of Vata, Pitta and Kapha for a particular individual.

- Recently a team of Indian scientists are trying to connect the relation between genes and Prakriti of a particular individual.
- Scientists are looking at principal components of variation and three of the most common variations could be Vata, Pitta and Kapha.
- With this, the researchers can conclude that India’s traditional medicine has a genetic basis and in a way is personalized medicine.
- Personalized medicine is an innovative approach to disease prevention and treatment that takes into account differences in people's genes, environments and lifestyles.

GSAT-15 COMMUNICATION SATELLITE PLACED IN ORBIT

**What is GSAT:**

- A GSAT is a series of geosynchronous satellite placed in geosynchronous orbit, with an orbital period the same as the Earth's rotation period.
- Such a satellite returns to the same position in the sky after each day.
- A special case of geosynchronous satellite is the geostationary satellite, which has a geostationary orbit – a circular orbit directly above the Earth’s equator.
- Geosynchronous satellites have the advantage of remaining permanently in the same area of the sky, as viewed from a particular location on Earth.
- Geostationary satellites have the special property of remaining permanently fixed in exactly the same position in the sky, meaning that ground-based antennas do not need to track them but can remain fixed in one direction. Such satellites are often used for communication purposes.

**GSAT-15:**

- GSAT-15, India's latest communications satellite, was launched successfully from Kourou in French Guiana in South America.
- It will be controlled by ISRO’s Master Control Facility (MCF) at Hassan in Karnataka.
- This Indian satellite has a design life of 12 years.
GSAT-15 carries a total of 24 communication transponders as well as a GPS-Aided GEO Augmented Navigation (GAGAN) payload.

How it will help India:

- The 3,164-kg spacecraft will replace the ageing INSAT-3A and INSAT-4B satellites that are in the same orbital slot when they expire.
- Its 24 transponders will mainly cater to public and private direct-to-home (DTH) broadcasters, VSAT operators and radio navigation services. (A majority of private operators use capacity leased on foreign spacecraft).
- The GAGAN payload will meet in-orbit redundancy requirement for Safety of Life (SOL) operations benefiting the civil aviation services and other users of augmented GPS-based systems in the country.
- Strengthening the satellite navigation infrastructure and sustaining the communication infrastructure in the country.

Also ISRO has planned to launch telecommunication satellites GSAT-17 and GSAT-18. The two satellites will be launched by Ariane 5 launch vehicles at the Guiana Space Centre, Europe’s spaceport in Kourou, French Guiana in 2016-2017. Both these satellites would be replacement for operational satellites providing services in multiple frequency bands.

**CSE 2008**: (b) What do you know about Indian National Satellite Systems? Describe its important features.

### NASA DETECTS ANOTHER POWERFUL GAMMA RAY EXPLOSION

**Background:**

NASA’s *swift* spacecraft has detected its 1,000th gamma-ray burst (GRB).

**What is GRB?**

- GRBs are believed to consist of a narrow beam of intense radiation released during a supernova or hypernova as a rapidly rotating, high-mass star collapses to form a neutron star, quark star, or black hole.
- They are the brightest electromagnetic events known to occur in the universe. Bursts can last from ten milliseconds to several hours.
- The initial burst is usually followed by a longer-lived "afterglow" emitted at longer wavelengths (*X*-ray, ultraviolet, optical, infrared, microwave and radio).

**Significance of GRB**

- Gamma-ray bursts can be an observational tool for cosmologists as it could help us to understand the form and evolution of the Universe.

### STRONG SOLAR WINDS STRIPPED MARS’ ATMOSPHERE: NASA

- According to NASA strong solar winds likely played a key role in the transition of the Martian climate from an early, warm and wet environment that might have supported life to the cold, arid planet Mars.
- NASA’s Mars Atmosphere and Volatile Evolution (*MAVEN*) mission data has enabled researchers to determine the rate at which the Martian atmosphere currently is losing gas to space via stripping by the solar wind.
Ancient regions on Mars bear signs of abundant water – such as features resembling valleys carved by rivers and mineral deposits that only form in the presence of liquid water.

What is a solar wind?

- The solar wind is a stream of energized, charged particles, primarily electrons and protons, flowing outward from the Sun, through the solar system at speeds as high as 900 km/s and at a temperature of 1 million degrees (Celsius).
- It is made of plasma, 4th state of matter. Its particles can escape the Sun's gravity because of their high energy.

How does it affect earth?

- They collide with the magnetic field of the Earth and cause it to change its shape. The particles then leak through the magnetic field of the Earth, particularly near the north and south poles.
- The effects of solar winds on the earth that are visible to naked eye are the Aurora Borealis (the Northern lights) at the North Pole and the Aurora Australis (the Southern Lights) at the South Pole.
- Astronauts and cosmonauts suffer serious radiation related health conditions if they are caught in the path of solar winds.
- Radiation from solar winds is known to cause chromosome damage and cancer, and these conditions may be fatal for humans in outer space.
- Radio and television communication and satellite based internet services are disrupted by solar winds. Military satellites are the affected the worst by solar winds.
- Geomagnetic storms caused by solar winds are very strong and can destabilize or destroy power grids.
- They also affect all navigation and communication systems especially for vessels at sea. Aircraft communications and instruments in the aircraft will be susceptible to faulty functioning during geomagnetic storms.
- The fiery tail seen attached to comets is the effect of solar winds visible to the naked eye.
**IMPRINT INDIA PROGRAM**

- President Pranab Mukherjee has launched **Impacting Research Innovation and Technology (Imprint) India** - a joint initiative of Indian Institutes of Technology (IITs) and Indian Institute of Science (IISc).
- **Imprint India** seeks to develop a roadmap for research to solve major engineering and technology challenges in 10 technology domains relevant for the country.
- The move will motivate **technical institutions** to conduct research in areas where the country is heavily dependent on foreign technology. These include health care, information and communication technology, energy, sustainable habitat, nano-technology hardware, water resources and river systems, advanced materials, manufacturing, security & defence, and environment & climate.
- The objectives of the initiative
  - identifying areas of relevance to society that require innovation
  - ensuring higher funding support for research into these areas
  - measuring the research’s impact on people’s standard of living.

**15 YEARS OF HUMAN PRESENCE ON ISS**

- The International Space Station (ISS) has completed 15 years of continuous human presence.
- Expedition 1, the first station crew, docked inside the Soyuz TM-31 spacecraft on 2nd November 2000.¹

Significance:

- Human beings in the space station have worked on advancing scientific knowledge, demonstrating new technologies
- Making research breakthroughs that will enable long-duration human and robotic exploration into deep space

**CSE 2003: (b) In which year and by which countries was International Space Station (ISS) launched? How many countries are participating in this program? What are the unique studies being made in the station which could not be made so accurately on the earth?**

**CONFLICT BETWEEN GOOGLE AND EUROPEAN UNION (EU)**

A Commission formed by EU accused it of distorting search results to favour its shopping service, harming EU warned Google of a possible hefty fine at a level sufficient to ensure deterrence.

Google’s reply in its defence:

- Google said it should not be charged with abusing its dominance in Europe as it is providing a free search service.
- A finding of abuse of dominance requires a 'trading relationship' as confirmed by consistent case law. No trading relationship exists between Google and its users.

¹ Its first component launched into orbit in 1998 but the first Expedition arrived on 2 November 2000. Five different space agencies representing 15 countries built the $100-billion International Space Station and continue to operate it today. NASA, Russia’s Federal Space Agency (Roscosmos), the European Space Agency, the Canadian Space Agency and the Japan Aerospace Exploration Agency are the primary space agency partners on the project.
ADITYA- INDIA’S SCIENTIFIC MISSION TO STUDY THE SUN

- **Aditya**: India’s first dedicated scientific mission to study the sun.
- A joint venture between ISRO and physicists from leading institutes of the country.
- The mission aims to put a heavy satellite into what is called a halo orbit around a point between the Sun and the Earth. This point is at a distance of about 1.5 million km from the earth.

**Importance of mission:**

- Help in understand the origin of solar storms and also for constraining how the storms evolve and what path they take
- Help us to understand the corona and solar wind’s impact on environment
- Will yield information for space weather prediction and a possibility of Indians developing their own space weather prediction models.
SECURITY

GROUND ZERO SUMMIT, 2015

- Ground Zero Summit is the largest collaborative platform in Asia for Cyber security experts and researchers to address emerging cyber security challenges and demonstrate cutting-edge technologies. It is the exclusive platform in the region providing opportunities to establish and strengthen relationships between corporate, public sector undertakings (PSUs), government departments, security and defense establishments.
- The Summit gets its name from a piece of ancient Indian history. India is the ground where zero was discovered and zero is integral part of digital systems.
- It is being organized by the Indian Infosec Consortium (IIC), which is an independent not-for-profit organization formed by leading cyber experts.
- **Aim of the summit**: The summit was organized to deliberate upon various issues related to cyber security challenges emerging due to the latest technological developments.
- **The theme for the Summit - Digital India – ‘Securing Digital India’**

**Background:**

- The crimes related to cyber world can be multi-layered, multi-location, multi-lingual, multi-cultural and multi-legal, that’s why it is difficult to investigate and reach to the criminal.
- The cases related to cyber crime have increased by 70% in the year 2014 as compared to the year 2013.
- There is growing threat from online radicalisation.

**Cyber security is needed:**

- To ensure critical infrastructure system do not collapse under any situation
- To ensure Business continuity
- To ensure disaster recovery plans are tested regularly and upgraded
- For the success of government initiatives like Digital India, Make in India and Smart Cities.

**Snapshots of the Summit:**

- Various cyber crime case studies, trends and investigation challenges from the Law Enforcement perspective in India were discussed.
- The summit showcased indigenous cyber security products and technologies and Make in India Exhibition of Indian cyber security start-ups

**Way forward-**

**Indian Cyber Crime Coordination Centre (I-4C)**

- The government has initiated efforts to set up “Indian Cyber Crime Coordination Centre” (I-4C) on the basis of the recommendations of the Gulshan Rai committee.
- I-4C will help in monitoring and capacity building of cyber crimes, and will help law enforcement agencies in curtailing these crimes

**Repository of IT professionals:**

- The idea of a National Cyber Registry “as a repository of IT professionals” was mooted.
- The repository envisions identification of a talent pool and through sustained efforts could assist professionals to enhance respective domain knowledge.
CSE 2004: What are cyber crimes? How are these protected?

CSE 2005: Cyber-terrorism

CSE 2013: Cyber warfare is considered by some defense analysts to be a larger threat than even Al Qaeda or terrorism. What do you understand by Cyber warfare? Outline the cyber threats which India is vulnerable to and bring out the state of the country’s preparedness to deal with the same.

CYBER SECURITY IN SPACE

The Promising $330-billion space economy presents opportunities as well as threat due to increasing commercial interaction between different stakeholders including private commercial sector.

Space presents a double opportunity for hackers as Satellites are becoming trophy attacks for the hackers.

Threat from hacking -

- The amount of data being beamed between satellites supporting commercial networks on earth is growing rapidly, thus making them a ripe target for cyber-attacks. Satellite makers have reported attempts to add a virus to software, as well as multiple attempts to intercept data being sent back to earth.
- Space is primarily about intellectual property. Research and Development on this state-of-art extreme technology takes a long gestation time and causes huge financial liability – a cyber-attack to steal from an industry rival in terms of technology can be a huge time- and money saver.
- Companies and even countries have been known to exploit manufacturing strengths to gain access to satellites. For example - Recently, an agency received microcircuits made of material whose composition, under the microscope, was found to have been tampered with at a fundamental level. Had the attack not been detected, it would have interfered with a random number generator in a way that would have helped hackers to access the satellite, with worrying repercussions.

Impacts:

- It may result into pushing up the cost of commercial ventures and could be a potential brake on future investment.
- Beside Building and launch cost of a satellite Insurance premium is becoming third largest expense for the companies operating in space
- Intellectual property, even military and strategic information loss to a rival country can be potentially devastating.

Indian Perspective:

- This is new, emerging theatre of war and it is easy to paralyze satellite systems leading to repercussions on security and economy of our country.
- There were reports to suggest that Stuxnet was responsible for the power glitch leading to the failure of India’s INSAT-4B communications satellite. However, ISRO has flatly denied this possibility.

Way Forward:

- The success in the futuristic space endeavour will depend upon setting up a well-tuned, cyber secure and tamper proof cyber security system, which can provide surge capabilities to bolster India’s Space programme during critical period or in hostilities
CSE 2006: Outer Space Treaty

CSE 2014: International civil aviation laws provide all countries complete and exclusive severity over the airspace above the territory. What do you understand by airspace? What are the implications of these laws on the space above this airspace? Discuss the challenges which this poses and suggests ways to contain the threat.

POLICE REFORMS

Why in News?
Delhi government continues to fight for political control over Delhi Police and the 2010 Delhi Police Bill continues to gather dust in the home ministry.

History of police reforms in India:
The Police Act, 1861, was based on a draft put forward by the 1860 committee. It was authoritarian in nature, coming as it did in the aftermath of the 1857 Sepoy Mutiny.

This act remains in force at the Centre even today. Under this act the state government controls the police force. The Chief or Home Minister chooses the Commissioner of Police.

Supreme Court Directives
The 2006 SC directions included:

- Establishing a State Security Commission (SSC) as a watchdog with members from the government, judiciary and the civil society.
- The commission was supposed to frame policies which make sure that “state government does not exercise unwarranted influence or pressure on the state police”.
- The order asked for tenure of DGP and field officers to be fixed at two years.
- A police establishment board, instead of the government, would deal with transfers of policemen.
- It also asked for separation of investigation and law and order units for speedy probe.
- Making police an autonomous unit with accountability.
- Recruiting only persons of officer cadre to the investigation wing.
- Increasing the strength of police by 50 per cent.
- Setting up an independent prosecution wing and local courts for every 50,000 population.

In 2008, the SC constituted a monitoring committee headed by Justice KT Thomas to oversee the implementation of its directions.

The committee noted absolute lack of implementation and paucity of will on part of the states.

In 2015, a perusal of the acts passed by the 17 states shows that not much has changed. The composition of State Security Commission is not independent of political influence of the ruling government in almost all states.

Grounds of contention:

- Most states have avoided having the opposition leader in the commission and independent members have been kept away.
- Very few states have agreed to give powers of transfer to the Police Establishment Board.
- Most states have refused to give more than a one-year fixed tenure to DGP irrespective of superannuation with the exception of Gujarat, Kerala, Karnataka and Rajasthan.
- In a narrow sense of the term police is a state subject, but issues which transcend the state boundaries need a positive conception of the police force on reformist grounds.
Commissions and committees

Starting from the second Police Commission in 1902 headed by A.H.L. Fraser, there have been many commissions and committees formed to look into reforming the police in India.

Prominent among them are: Gore Committee on Police Training, the National Police Commission, The Ribeiro Committee on Police Reforms, The Padmanabhaiah Committee on Police Reforms (summary), Prakash Singh Vs Union of India – SC directives for Police Reforms and Soli Sorabjee Committee.

ULFA LEADER ANUP CHETIA HANDED OVER TO INDIA

- Anup Chetia is the founding leader of United Liberation Front of Asom (ULFA).
- He was extradited to India by Bangladesh where he was arrested in 1997 but due to lack of formal extradition treaty it took around two decades for his extradition.

Impact on India:

- His return to India will considerably weaken rebel ULFA leader Paresh Barua’s position.
- It would give a boost to India’s government talks with the ULFA faction led by Arabinda Rajkhowa as he is likely to endorse Rajkhowa’s position.

NSCN FACTIONS MAKING INROADS IN ARUNACHAL

- The framework peace agreement signed by Union government with NSCN(IM) is troubling the government again.
- Two other factions of NSCN- the NSCN(Khole-Kitovi) and NSCN(Reformation) — were not part of the initiative.
- Ministry of Home Affairs, recently, extended the imposition of AFSPA in 3 districts of Arunachal Pradesh by another 6 months as these two breakaway factions were making inroads in the state.
- Also, various militant outfits — ULFA(I), NSCN-K, Kamtapur Liberation Organisation (KLO) and National Democratic Front of Bodoland (S) — have joined hands to form a new outfit called the United National Liberation Front of Western South East Asia (UNLFW).

AFSPA IN MEGHALAYA

Background:

- The Meghalaya High Court has asked the Centre to consider enforcing Armed Forces (Special Powers) Act, 1958 (AFSPA) in militancy-hit Garo Hills region in the state to help the administration restore the rule of law.
- The order of the full bench is significant coming in the wake of the recent kidnapping and killing of an Intelligence Bureau officer and businessman by A’chik Songna.

Legal basis for enforcing AFSPA:

The central government can enforce Armed Forces (Special Powers) Act, 1958 for the purpose of deployment of armed forces in the aid of civil administration in order to restore public order and maintain the law and order.

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2 The government has signed on 3 August 2015 a "historic peace agreement" with Nationalist Socialist Council of Nagaland (NSCN-IM), the Naga outfit named after its two leaders, Isak Chishi Swu and Thuingaleng Muivah, concluding talks that began in 1997.
An'pachakgipa Kotok militants and abduction of government official by Garo National Liberation Army (GNLA) militants.

- Though excessive, the direction of the Meghalaya High Court is not without legal effect. It has consequently led to a situation where the central government, which is responsible for deploying armed forces, is considering challenging the order in the Supreme Court.

**Why?**

- **AFSPA is not in force in Meghalaya** despite a series of violent acts by armed insurgent groups including the most dreaded Garo National Liberation Army (GNLA).
- But areas within **20 km of the state’s boundary with Assam are under the purview** of the Act. The Home Ministry has declared this 20-km belt “disturbed”, and armed forces deployed in Assam are permitted to go into this area in hot pursuit of rebel groups.
- The issue is revolving around the law and order situation in Meghalaya and judiciary considers that it is beyond the state’s capacity to tackle the situation. The court said: "... the police and civil authorities, despite the best of their efforts, are not able to control the incidents of kidnapping for ransom and killings on non-fulfilment of illegal demands and the native population is totally exposed to the influence of militancy, and the funds allocation by the Central Government has not helped in ameliorating the decline of law and order".

**Why not?**

- There is also a strong resentment and agitation in the state against the Meghalaya Preventive Detention Act (MPDA) and Meghalaya Maintenance of Public Order (MMPO) which, are allegedly, enforced to silence democratic protests.
- The power to extend the law to a “disturbed area” clearly falls outside the provenance of the judiciary – it is an assessment that can only be made by the state or central governments.
- Judiciary which should check executive powers and limit the application of exceptional laws like AFSPA and provide accountability for AFSPA-related violations, is entrenching its operation.

By recommending AFSPA’s extension to Garo Hills, the Meghalaya High Court has effectively compromised possible judicial review on this question in the future.

- The order is incompatible with international norms and practices. Application of AFSPA is in violation of basic human rights and breaches the sanctity of contemporary law and modern jurisprudence.
ENVIRONMENT

ILEDTHEWAY CAMPAIGN

It is a campaign of Indian government to save energy by switching to Led bulbs.

Tag line: To make India brighter and smarter

Why in news:

Union Minister for Power, Coal and New & Renewable Energy launched the micro site www.iledtheway.in.

Importance of this micro site:

• The micro site will attempt to reach out to all citizens in India and spread awareness about the nation-wide movement of #iLEDtheway, spearheaded by Energy Efficiency Services Limited (EESL).
• Through this micro site, consumers can take a pledge of switching to LED bulbs, which are safer, brighter and consume less energy.
• EESL has launched Domestic Efficient Lighting Programme (DELP) and has distributed over 2.4 crore LED bulbs to consumers under the scheme.
• Consumers who do not have access to the LED bulb distribution under the DELP scheme in their city/state, can pre-register for the scheme by sharing their contact details.
• The government aims to replace 77 crore conventional bulbs and CFLs with the LEDs under DELP and 3.5 crore street lights over 3-year period, making it the largest LED based lighting programme in the world.

CSE 2011

What is the difference between a CFL and an LED lamp?

1. To produce light, a CFL uses mercury vapour and phosphor while an LED lamp uses semi-conductor material.
2. The average life span of a CFL is much longer than that of an LED lamp. A CFL is less energy-efficient as compared to an LED lamp.

Which of the statements given above is/are correct?

(a) 1 only (b) 2 and 3 only (c) 1 and 3 only (d) 1, 2 and 3

BHARAT STAGE-VI FUEL(NORMS) ROLLOUT TARGET OF 2020

What are Bharat stage fuel norms?

• The auto emission norms are emission standards which are adopted by the government of a nation to check the air pollutants released from any internal combustion engine equipment, including motor vehicles.
• These norms were introduced in India in 2000, when the Bharat Stage norms were adopted by the then government, based on the European emission norms.
• Each stage specifies a certain limit on the pollutants released.
• This limit is controlled by the type of fuel made by oil companies and the upgradations and modifications made by the auto firms to their vehicles to control the pollutants released.
Why in news?

Recently Petroleum and Natural Gas Ministry confirmed that his Ministry aimed to implement introduction of the cleaner Bharat Stage-VI fuel in the country by 2020.

Current status of BS:

- BS-IV norms currently applicable in 33 cities where the required grade of fuel is available, the rest of the country follows BS-III standards.

<table>
<thead>
<tr>
<th>Standard</th>
<th>Reference</th>
<th>YEAR</th>
<th>Region</th>
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</thead>
<tbody>
<tr>
<td>India 2000</td>
<td>Euro 1</td>
<td>2000</td>
<td>Nationwide</td>
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<tr>
<td>Bharat Stage II</td>
<td>Euro 2</td>
<td>2001</td>
<td>NCR*, Mumbai, Kolkata, Chennai</td>
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<td></td>
<td></td>
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<td>NCR*, 13 Cities†</td>
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<tr>
<td>Bharat Stage III</td>
<td>Euro 3</td>
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</tr>
<tr>
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<td>Euro 4</td>
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<td>Euro 5</td>
<td>2017.04 (proposed)</td>
<td>Entire country</td>
</tr>
</tbody>
</table>

* National Capital Region (Delhi)
† Mumbai, Kolkata, Chennai, Bengaluru, Hyderabad, Ahmedabad, Pune, Surat, Kanpur, Lucknow, Sholapur, Jamshedpur and Agra

Issues with this notification:

- Auto firms have flagged their concerns as jumping directly to BS-VI would not offer enough time for the design changes to be instituted.
- These firms are also worried about the funds to get this done.
- Directly aping the Euro norms is also problematic, considering that driving conditions in India are different from Europe.

CSE 2010: (c) Bring out the salient features of the evolution and the current status of the ‘Bharat Stage’ vehicle emission norms in the country.

CARBON DIOXIDE LEVELS HIT RECORD HIGH: WMO

- Recently, WMO (World Meteorological Organization) reported that average levels of carbon dioxide exceeded 400 parts per million in the early months of 2015, a rise of 43 percent over pre-industrial levels.

Impact of this rise:

- If the levels stay where they are, it could cause extreme weather, hotter temperatures worldwide, rising sea levels, melting ice, and increased ocean acidity.
- This year is expected to be the world’s warmest year on record, in part because of the warming influence of a strong El Niño event in the Pacific Ocean, which is adding more warming on top of the long-term manmade trend from greenhouse gas emissions.

About WMO:

It is a specialized agency of the United Nation. It studies the behavior of the Earth’s atmosphere, its interaction with the oceans, the climate it produces and the resulting distribution of water resources.
CSE 2012: The increasing amount of carbon dioxide in the air is slowly raising the temperature of the atmosphere, because it absorbs

(a) The water vapour of the air and retains its heat.
(b) The ultraviolet part of the solar radiation.
(c) All the solar radiations.
(d) The infrared part of the solar radiation.

ANTARCTICA GAINING MORE ICE THAN IT’S LOSING: NASA

- Antarctica is currently gaining enough ice to outweigh the increased losses from the continent’s thinning glaciers, a new NASA study has found.
- The research challenges the conclusions of other studies, including the Intergovernmental Panel on Climate Change’s (IPCC) 2013 report, which says that Antarctica is overall losing land ice.

Its impact:
- This net gain in ice would mean that Antarctica would not be contributing to sea level rises, but could help offset some of the major ice losses in places from Greenland and glaciers worldwide.
- Currently, it is believed that ice loss in Antarctica contributes to roughly 8% of global sea level rise. This rise can be seen in recent high tides in coastal cities like Miami.

Major concerns:
- Authors of the study say the increasing loss of ice in the West Antarctic and the peninsula, plus slowing ice gains elsewhere on the continent, could mean that there will be overall losses of ice in the next 20 years.
- In fact, this may already be occurring, according to other researches which suggest the West Antarctic ice sheet is destabilizing, which would more than overcome the ice gains and could result in 3 meters of sea level rise.
- If this study is correct, and Antarctica is not contributing to this rise in sea level, that means scientists must be underestimating the impact from other sources of sea level rise-such as from melting from Greenland or the heating of the oceans.

Paris Climate change conference:

The twenty-first session of the Conference of the Parties (COP) and the eleventh session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) will take place from 30 November to 11 December 2015, in Paris, France.

In news:
- With the world expecting to sign a global climate deal in Paris next month (December), India on pre-COP (conference of parties) said that the crucial issue of post-2020 finance would be fundamental to the success of the climate summit.

Issues:
- The rich nations are supposed to contribute to the Green Climate Fund (GCF) - a multilateral fund to help poor and developing countries fight climate change - is currently revolved around nature of contribution and beneficiaries.
• The commitment to provide finance by developed countries should be based on their historical responsibilities and not only on their economic capacities.
• Rich nations want the emerging economies like India, Brazil and South Africa should also contribute to the GCF and the money should go to poorer countries. Thus the entire issue of the climate finance has become quite complex.
• Besides, the rich nations also want loans and existing overseas development assistance (ODA) as counted as the climate finance -- the points which have strongly been opposed by G77 plus China group.