

NEWS TODAY

RISING US-CHINA TENSION OVER WIDE RANGE OF ISSUES

- **Territorial Disputes in South China Sea (SCS):**
 - Recently, **ramping up support for Southeast Asian nations**, US said that it would treat China's pursuit of resources in SCS as illegal.
 - SCS has seen overlapping territorial claims by **Philippines, Vietnam, China, Brunei, Taiwan and Malaysia**.
 - **China claims more than 80% of SCS and uses "nine-dash line"** a geographical marker used to assert its claim. (see map)
 - China in response to US statement expressed firm opposition.
- **Hong Kong (HK) issue:**
 - China's new legislation for HK **empowers China to draft national security laws** for HK thus tightening its control over HK.
 - US ended trade preferences with HK and also **imposed sanctions** on Chinese officials, businesses and banks **that help China restrict Hong Kong's autonomy**.
 - ➔ Earlier, US used to treat Hong Kong, a semi-autonomous part of China, differently than Chinese mainland in trade, commerce and other areas.
- **Human Rights issue:** US announced **sanctions against Chinese politicians** who it says are responsible for human rights violations against **Muslim minorities in Xinjiang**. China, in response, also imposed **visa restrictions** on top US officials.



INDIA DEFENDS ITS EQUALISATION LEVY (EL) ON E-COMMERCE COMPANIES

- India's stand came in response to the **probe launched by US against India's Equalization Levy** on e-commerce firms under Section 301 of US Trade Act.
- EL is a **direct tax applied to non-resident e-commerce companies** in India. **6% EL is applicable on payments for digital advertisement services** received by non-resident companies without a permanent establishment (PE) in India, if this exceeded Rs 1 lakh a year.
- **2% EL on e-commerce operators** also came into effect from April 2020.

India's Stand:

- EL is **non-discriminatory** and it applies to **all non-resident e-commerce operators without PE** in India.
- **Threshold application for EL is low** and is aimed at exempting very small e-commerce operators globally.
- EL is **WTO-compliant**, and US should raise the issue at WTO rather than opting for a unilateral approach, inconsistent with multilateral trade rules.
- EL can also be seen as **additional safeguard against 'base erosion and profit shifting' (BEPS)**. It is to ensure fairness, healthy competition, and to exercise the ability of governments.
 - BEPS refers to the exploitation of gaps and mismatches in tax rules by MNCs to shift their profits to low-tax regimes.

MINISTRY OF FINANCE RELEASED RS.15187.50 CRORE GRANTS-IN-AID TO RURAL LOCAL BODIES (RLBs)

- This **forms part of Tied Grant as recommended by Fifteenth Finance Commission (FFC)** for FY 2020-21 and will be used by RLBs to facilitate taking up of various developmental work.
- FFC in its interim report for FY 2020-21 allocated **Rs.60,750 crore for RLBs, highest ever allocation** by FC in any single year.
- FFC recommended **Grants-in-aid to all tiers of Panchayati Raj** including the Traditional Bodies of Fifth and Sixth Schedule areas, in two parts:
 - **50% as Basic Grant** that are untied and **can be used by RLBs for location-specific felt needs**, except for salary or other establishment expenditure.
 - **50% as Tied Grant** to be used for basic services of sanitation and maintenance of open-defecation free status, and supply of drinking water, rain water harvesting and water recycling.
- Grants will be **distributed to all the tiers of panchayats** in following bands recommended by FFC
 - 70-85 % for village/gram panchayats
 - 10-25 % for block/intermediate panchayats
 - 5-15 % for district/zilla panchayats
 - In states having two-tier system, distribution will be: 70-85 % for village/gram panchayats and 15-30% for district/zilla panchayats.

GOPALAKRISHNAN COMMITTEE REPORT ON NON-PERSONAL DATA (NPD) GOVERNANCE FRAMEWORK RELEASED

- Committee was set up to:
 - study various issues relating to NPD.
 - make specific suggestions on regulation of NPD.

Key Highlights

- **NPD is defined** as any set of data which does not contain personally identifiable information i.e. no individual or living person can be identified by looking at such data.
- **3 categories of NPD:**
 - **Public NPD:** Data collected or generated by governments and its agencies. E.g.-land records, public health information, etc.
 - **Community NPD:** Any data identifiers about a set of people who have the same geographic location, religion, job, or other common social interests. E.g.- datasets collected by the municipal corporations and public electric utilities etc.
 - **Private NPD:** Data which are produced by individuals which can be derived from application of proprietary software or knowledge.
- **Assess sensitivity of NPD** based on national security or strategic interests; risk of collective harm to a group (collective privacy) etc.
- Suggests **requirement of consent** for anonymisation and usage of NPD.
- Defines **roles and stakeholders in the NPD ecosystem** like defining Data custodian, Data Principal, Data Trustees, etc.
- **Create Non-Personal Data Authority** with regulatory power.

IMPLEMENTATION GUIDELINES FOR ANIMAL HUSBANDRY INFRASTRUCTURE DEVELOPMENT FUND (AHIDF) RELEASED

• AHIDF worth Rs. 15,000 crores **will promote and incentivize Micro small and medium enterprises (MSMEs) and Private companies** for their involvement in processing and value addition infrastructure. It was **announced under AtmaNirbhar Bharat Package**.

Guidelines:

- **Objective:** To increase milk and meat processing capacity and product diversification, providing greater access to market, promote export and entrepreneurship, etc.
- **Eligible entities:** Farmer Producer Organizations, MSMEs, not-for-profit companies, Private Companies and individual entrepreneurs.
- **Implementing agency:** Department of Animal husbandry, dairy and fisheries.
- **Eligible activities:** Dairy processing, value added dairy product manufacturing, meat processing, etc.
- **Funding:** 10% money for project will be contributed by beneficiaries and balance 90% would be loan component by scheduled banks.
- **Interest subvention:** **3% interest subvention** will be provided to eligible beneficiaries.
- Credit guarantee would be provided to eligible projects. **Credit Guarantee Fund** of Rs. 750 crores to be managed by NABARD will be setup.
- Loan **would not be provided for acquisition of land**. Eligible entities are **responsible for obtaining statutory clearances**.
- **Expected benefits:**
 - Enhanced milk processing upto 40% from currently only **20-25% milk processing**.
 - **Direct and indirect livelihood creation for 35 lakh people**.

ALSO IN NEWS

<p>India's Trade Surplus</p>	<ul style="list-style-type: none"> • India posted a trade surplus of \$790 million in June, its first in over 18 years. • COVID-19 impacted both exports (weak global demand) and imports (weak domestic demand). • However, within exports, iron ore, agricultural and food products, chemicals and pharmaceuticals saw an improvement in demand. • Non-oil non-gold imports remained weak. Imports of key contributors to India's trade balance – petroleum, gold and electronics, declined. • A trade surplus would translate into a current account surplus in June quarter which should strengthen the Rupee.
<p>First container ship from Kolkata Port to Agartala via Chattogram port</p>	<ul style="list-style-type: none"> • This was done under Agreement on use of Chattogram and Mongla Ports for movement of India's transit cargo through Bangladesh. • It will provide alternative and shorter route to connect North East Region through Bangladesh. • Enhanced cooperation in shipping and inland water trade between India-Bangladesh: <ul style="list-style-type: none"> ➢ Under Protocol on Inland Water Transit and Trade, in addition to six existing Ports of Call, five more added in each country. ➢ Dredging of inland waterway routes is ongoing under an MoU. ➢ Cruise services commenced
<p>Jaigaon-Ahllay trade route</p>	<ul style="list-style-type: none"> • It is the new trade route commenced between India and Bhutan. • It will operate between Jaigaon in West Bengal and Ahllay in Bhutan, enabling smoother trade of goods and strengthening of sub-regional cooperation amid Chinese inroads into South Asia.
<p>India's Maternal Mortality Ratio (MMR)</p>	<ul style="list-style-type: none"> • According to Sample Registration System, MMR in India has declined to 113 in 2016-18 from 122 in 2015-17. <ul style="list-style-type: none"> ➢ MMR is number of maternal deaths per 1,00,000 live births. ➢ As per WHO, maternal death is the death of a woman while pregnant or within 42 days of termination of pregnancy, from any cause related to or aggravated by the pregnancy or its management. • High MMR states: Assam (215), Madhya Pradesh (173), Uttar Pradesh (197) • Low MMR states: Kerala (43), Telangana (63)
<p>National Initiative for School Heads' and Teachers' Holistic Advancement (NISHTHA)</p>	<ul style="list-style-type: none"> • Recently, on-line NISHTHA programme was launched due to COVID-19 pandemic. • NISHTHA, launched under Samagra Shiksha is a capacity building programme for "Improving Quality of School Education through Integrated Teacher Training". • It aims to build competencies among all the teachers and school principals at the elementary stage. • It aims to train 42 lakhs teachers.
<p>Indian Council of Agricultural Research (ICAR) 92nd Foundation Day</p>	<ul style="list-style-type: none"> • It is an autonomous organisation under Department of Agricultural Research and Education. • It was established in 1929 as registered society under the Societies Registration Act, 1860 in pursuance of report of the Royal Commission on Agriculture. • It is apex body for co-ordinating, guiding and managing research and education in agriculture including horticulture, fisheries and animal sciences in the entire country. • It played a pioneering role in ushering Green Revolution and subsequent developments in agriculture in India.
<p>Woolly whitefly</p>	<ul style="list-style-type: none"> • It is an invasive exotic pest of Caribbean-origin that feeds on various kinds of food (polyphagous). • It spread from the Caribbean Island through transportation of infested seedlings. • In 2019, it was recorded from guava plantations in Kozhikode district of Kerala, Ramanagara, Mandya and Bengaluru Rural districts of Karnataka and Coimbatore district of Tamil Nadu. • Recently, two types of ladybird beetles are found to be the biological weapons against this pest.

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