

Abhimanu

Weekly current affairs Series

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Abhimanu's IAS Study Group

Chandigarh

NATIONAL ECONOMIC AFFAIRS

Interest Subvention to banks on Short-Term crop loan to farmers

- The government has approved the Interest Subvention Scheme (ISS) for farmers for the year 2017-18.

The salient features of the scheme are as follows:

- The Central Government will provide interest subvention of 5 per cent per annum to all farmers for short term crop loan upto one year for loan upto Rs. 3 lakhs borrowed by them during the year 2016-17. Farmers will thus have to effectively pay only 4% as interest. In case farmers do not repay the short term crop loan in time they would be eligible for interest subvention of 2% as against 5% available above.
- The Central Government will give approximately Rs 18,276 crores as interest subvention for 2016-17.
- In order to give relief to small and marginal farmers who would have to borrow at 9% for the post harvest storage of their produce, the Central Government has approved an interest subvention of 2% i.e an effective interest rate of 7% for loans upto 6 months.
- To provide relief to the farmers affected by Natural Calamities, the interest subvention of 2% will be provided to Banks for the first year on the restructured amount.
- In case farmers do not repay the short term crop loan in time they would be eligible for interest subvention of 2% as against 5% available above.
- **Analysis:**
 - This could be to help the marginalized and the weaker sections of society.
 - In the agriculture sector, such schemes have been floated to enhance the loan repayment by farmers as government has further provided incentives to farmers who repay loans as per the schedule.
 - Also, government in order to boost the staggering sales of the low-cost housing segment has provided an incentive in the form of interest subvention.
 - With the interest subvention in hand, EMI of the borrower scales down by the % of interest subvention granted by the government. Consequently, the scheme proves to be advantageous both for the end-consumer as well as the sector as a whole.
 - Also, considering the economic scenario, the scope of the scheme is expanded for different sectors from time to time. For instance, in order to pull back the flagging shipments, government further incentivised the merchandise exports. The scope of the scheme had been widened not only with respect to the further interest rate subvention grant but also in terms of the number of businesses that form its part.

Basel-III norms

- It has been made mandatory for the banks to abide by the Basel-III regulatory norms by March 2019.
- Government is planning to extend the deadline of its implementation date from 2019.

About Basel norms:

- After economic crisis in 1973, World economy was going through tough Phase. In response to these and other disruptions in the international financial markets, the central bank governors of the G10 countries established a Committee on Banking Regulations and Supervisory Practices at the end of 1974 which is latterly renamed as Basel Committee on Banking Supervision..

- The Committee's decisions have no legal force. The Committee formulates minimum standards for the banking regulation and supervision of banks and expects individual countries to implement them with their own way. There are three reports are released by Basel committee as: Basel - I, Basel - II and Basel – III.

Basel – I:

- Also referred as: “The International Convergence of Capital Measurements and Capital Standards “. Under Basel - I, a capital measurement system commonly referred to as the Basel Capital Accord (1988 Accord) was approved by the G10 Governors and released to banks in July 1988 .
- This Capital Accord called for minimum Capital Adequacy Ratio to 8%.
- Capital Adequacy Ratio (CAR) = Total capital (Tier I + Tier II)/ Total Risk Weighted Assets
- According to RBI, CAR should be more than 9%.

Basel – II:

In response to the banking crises of the 1990s and the aforementioned criticisms of Basel - I, the Basel Committee decided in 1999 to propose a new, more comprehensive capital adequacy accord.

This accord, known formally as A Revised Framework on International Convergence of Capital Measurement and Capital Standards and informally as “Basel II”.

There are three pillars of Base –II:

- Minimum capital reserve requirements for the credit risk , market risk and operational risk
- Regulator-bank interaction, extending the rights of the regulator in bank supervision and dissolution
- Increase market discipline within a country's banking sector

Basel - III:

- Basel - III guidelines released in 2010.
- RBI set the time period for implementing Base – III from 1 April 2013 to 31st March 2019.
- Basel III added a recommendation for banks to maintain an amount of tier 1 capital equal to at least 6% of total risk-weighted assets and maintain a total capital adequacy ratio of 10.5%.
- Capital Conservation Buffer: Banks will be required to hold a capital conservation buffer of 2.5%. The aim of asking to build conservation buffer is to ensure that banks maintain a cushion of capital that can be used to absorb losses during periods of financial and economic stress.

Leverage Ratio: A leverage ratio is the relative amount of capital to total assets (not risk-weighted). This aims to put a cap on swelling of leverage in the banking sector on a global basis. 3% leverage ratio of Tier 1 will be tested before a mandatory leverage ratio is introduced in January 2018.

Insolvency and Bankruptcy Code (IBC)

- Reserve Bank of India's internal advisory committee (IAC) has identified 12 accounts, which account for 25% of non-performing assets of the Indian banking system for immediate resolution under the Insolvency and Bankruptcy Code (IBC).
- The gross bad debt in the banking system as on March was ₹7.11 lakh crore, which means the 12 accounts contribute to about ₹1.78 lakh crore.

About Insolvency and Bankruptcy Code (IBC):

- The new bankruptcy procedure, which lays down timeline to recover from defaulters unlike discretionary and opaque ways of the past, capping of bank loans to conglomerates, and the increasing realisation to minimise the asset-liability mismatch, is promising a new Indian banking landscape.
- To being with any creditor including banks can start bankruptcy proceedings against defaulters by filing a petition with the National Company Law Tribunal.
- After that, an insolvency professional with significant powers is appointed to take control of the defaulting company and assist the process.
- A creditors committee is formed to represent the interest of lenders and any other party that have been affected due to the default by the company.

- The committee should come up with a resolution plan (which may include selling off defaulted loans or liquidate the company outright). The resolution would require a nod from 75% of the creditors on the committee.
- The insolvency professional gets 180 days to come up with a feasible solution on the default issue. The timeline can be extended by another 90 days. If no solution is found within 270 days, a liquidator is appointed. The company can also opt for voluntary liquidation by a special resolution in a general meeting.

Analysis:

- India is a capital starved country and therefore it is essential that capital isn't frittered away on weak and unviable businesses. Quick resolution of bankruptcy can ensure this.
- Today, bankruptcy proceedings in India are governed by multiple laws — the Companies Act, SARFAESI Act, Sick Industrial Companies Act, and so on. The entire process of winding up is also very long-winded, with courts, debt recovery tribunals and the Board for Industrial and Financial Reconstruction all having a say in the process.
- The new Code streamlines and consolidates all these laws to make the process simpler. Industry anticipates that the change will provide an easy exit option for insolvent and sick firms. This code will enable quick and prompt action to be taken in the early stages of debt default by a firm, maximising the recovery amount. The creditors will not be stymied by red-tape and promoters will directly become accountable for any financial lapses.

NATIONAL POLITY

National Mission on Cultural Mapping of India

- In the year of commemoration of the birth centenary of Pandit Deen Dayal Upadhyay, Ministry of Culture, Government of India has launched the implementation of "National Mission on Cultural Mapping of India".
- The mission aims at converting the vast and widespread cultural canvas of India into an objective cultural map, designing a mechanism to fulfil the aspirations of the whole artist community of the nation and preserving the rich cultural heritage of this country in the form of a cultural repository of artists and art forms.
- This Mission encompasses data mapping, demography building formalising the processes and bringing all the cultural activities under one web based umbrella for better results.
- The Mission also seeks to open a direct channel of communication of artists with the Government and peer to peer communication among artists for talent honing and handholding of each other.
- This Mission is part of the 'Ek Bharat Shreshtha Bharat' umbrella.

About Ek Bharat Shreshtha Bharat:

- "Ek Bharat Shreshtha Bharat" was announced by Hon'ble Prime Minister on 31st October, 2015 on the occasion of the 140th birth anniversary of Sardar Vallabhbhai Patel
- Through this innovative measure, the knowledge of the culture, traditions and practices of different States & UTs will lead to an enhanced understanding and bonding between the States, thereby strengthening the unity and integrity of India.
- All States and UTs will be covered under the programme.

Objectives of Ek Bharat Shreshtha Bharat :

- To CELEBRATE the Unity in Diversity of our Nation and to maintain and strengthen the fabric of traditionally existing emotional bonds between the people of our Country;
- To PROMOTE the spirit of national integration through a deep and structured engagement between all Indian States and Union Territories through a year-long planned engagement between States;
- To SHOWCASE the rich heritage and culture, customs and traditions of either State for enabling people to understand and appreciate the diversity that is India, thus fostering a sense of common identity;
- TO ESTABLISH long-term engagements and
- TO CREATE an environment which promotes learning between States by sharing best practices and experiences.

City Liveability Index

- Ministry of Urban Development has launched the 'City Liveability Index' for measuring the quality of life in 116 major cities including smart cities, capital cities and cities with a population of above one million each.
- The Ministry of Urban Development disbursed Rs.500 cr as incentive to 16 States that performed well in implementing urban reforms during 2016-17.
- Progress in respect of reforms like e-governance, Audit of accounts, Tax revision policies and extent of tax revenue collection, Energy and Water Audit, Establishing State Level Financial Intermediaries for resource mobilization, Credit Rating etc., was taken into account.

Highlight of the index:

- Andhra Pradesh topped the list scoring 96.06% marks.
- Others who received the incentive fund in order of merit were; Odisha (95.38%), Jharkhand (91.98%), Chattisgarh (91.37%), Madhya Pradesh (90.20%), Telangana (86.92%), Rajasthan (84.62%), Punjab (77.02%), Kerala (75.73%), Goa (75.38*), Mizoram (75.00%), Gujarat (73.80%), Chandigarh (72.73%), Uttar Pradesh (70.67%) and Maharashtra (70.52).
- Marks scored by these States were considered for deciding the quantum of incentive with high scorers getting more.
- Reform incentive fund for the next three financial years will be increased from the present allocation of Rs.900 cr to Rs.10,000 cr to promote next generation reforms that would make a substantial difference to urban governance and service delivery and resource mobilization by urban local bodies.

About Index:

- In this index, cities are assessed on a comprehensive set of 79 parameters to capture the extent and quality of infrastructure including availability of roads, education and health care, mobility, employment opportunities, emergency response, grievance redressal, pollution, availability of open and green spaces, cultural and entertainment opportunities etc.

Sardar Sarovar Dam

- Narmada Control Authority (NCA) has given the final go ahead to the Gujarat government to close the Sardar Sarovar Dam (SSD) gates, almost 56 years after the dam's foundation was laid in South Gujarat by the then Prime Minister M. Jawaharlal Nehru in 1961.
- NCA permitted increasing the dam's height by lowering of 30 gates and impounding of water in the reservoir upto its Full Reservoir Level (FRL) of EL 138.68 metres.

About Sardar Sarover:

- Sardar Sarovar Dam (SSD), on the Indian Narmada River, is located in the village of Kevadia in the state of Gujarat.
- It is one of the largest and most controversial interstate, multipurpose river valley infrastructure development projects in the country.
- The Sardar Sarovar Project (SSP) also consists of auxiliary works and a 1,450MW power complex.

- The Sardar Sarovar Project project India covering four major states - Maharashtra, Madhya Pradesh, Gujarat and Rajasthan. Dam's spillway discharging capacity (30.7 lakhs cusecs) would be third highest in the world.
- The scheme was conceived by the late Sardar Vallabhbhai Patel in 1946-1947.
- It occupies an area of 37,000ha with an average length of 214km and width of 1.7km. The river catchment area above the dam site is 88,000 square kilometres. It has a spillway discharging capacity of 87,000 cubic metres a second.
- Narmada is the fifth largest river in India, traversing 1,312km from the Amarkantak range in Madhya Pradesh to drain into the Arabian Sea at the Gulf of Cambay. The river has a basin area of 97,410 square kilometres.
- The SSP project has been under constant criticism since its early stages. Its construction was halted several times due to court stay orders and oppositions.
- Works could not start due to water sharing disputes among the concerned Maharashtra, Rajasthan, Gujarat and Madhya Pradesh states.
- The Narmada Water Dispute Tribunal (NWDT) was formed in October 1969 to resolve the issues and allocate the water shares. NWDT reached an agreement in 1979 and construction of the dam was started in April 1987. The construction was backed by funds from the World Bank.
- A group of local people opposed the project in 1989 under the Narmada Bachao Andolan (NBA, or Save the Narmada Movement). The World Bank withdrew the funding in 1993 following immense protests, resulting in delays to the project.

Narmada Control Authority:

- The Narmada Control Authority (NCA) has been setup under the final orders and decision of the Narmada Water Disputes Tribunal (NWDT) as a machinery for implementation of its directions and decision. The authority started functioning from 20th December, 1980.
- The authority is a body corporate with representatives of the four States of Madhya Pradesh, Gujarat, Maharashtra, Rajasthan and representatives of Govt. Of India.
- The authority is funded in equal proportions by all the four states. Secretary (Water Resources), Govt. of India is the ex-officio Chairman of the Authority, whereas the routine administration is the responsibility of Executive Member of the Authority.
- NCA presently has six subgroups. The Narmada Control Authority has its headquarters at Indore.

Anti-profiteering authority

- The GST Council, chaired by Union Finance Minister has approved the anti-profiteering rules.
- As per this, a five-member anti-profiteering authority will be set up

Anti-profiteering authority:

- This authority will be set up to decide on levying penalty if businesses do not pass on the benefit of price reduction to consumers under the goods and services tax regime.
- The authority, to be headed by a retired secretary-level officer, can take suo motu action, besides acting on complaints of profiteering.
- As per the norms, the authority will have a sunset date of two years and will decide on penalty to be levied. It would ask the businesses to refund the price reduction on a proportionate basis to consumers
- Where the consumer cannot be identified, the amount would be credited to the consumer welfare fund.
- A search-cum-selection committee will be set up for finalising the members of the anti-profiteering authority.
- Besides the chairman, the four other members of the authority will be joint secretary-level officers who have been commissioners in central excise and service tax either at the Centre or states.
- As per the structure, the complaints of profiteering would first come to the Standing Committee comprising tax officials from states and the Centre. It would forward the complaint to the Directorate of Safeguards (DGS) for investigation, which is likely to take about 2-3 months to complete the inquiry.

- On completion of investigation, the report would be submitted to the anti-profiteering authority which would decide on the penalty.
- The Section 171 of the Central GST Act provides that any reduction in rate of tax on any supply of goods or services or the benefit of input tax credit will be passed on to the recipient by way of commensurate reduction in prices.
- An anti-profiteering authority that will be set up will have the power to debar an errant assessee from conducting business if he does not pass on lower prices on account of the GST to customers.
- The GST is set to be rolled out on July 1. The authority will cease to exist two years after its constitution.
- The authority can order a reduction in prices and ask companies to return money to customers. In case customers do not claim their money or are not identifiable, the money will go into a customer welfare fund. The authority can also impose a penalty.

National Council of Senior Citizens (NCSrC)

- Second Meeting of National Council of Senior Citizens (NCSrC) was organized by the Ministry of Social Justice and Empowerment in New Delhi.

About National Council of Senior Citizens (NCSrC):

- The Government has constituted the “National Council of Senior Citizens (NCSrC)” by renaming of the “National Council for Older Persons(NCOP)” in 2012.
- The Minister for Social Justice and Empowerment is the Chairman and Minister of State (Social Justice and Empowerment) is the Vice-Chairman of the Council.
- Members: The members of the Council includes Secretary (SJ&E), Joint Secretary (Social Defence), related central ministries such as Finance, Rural Development, Home Affairs, Law and Justice, Human Resource Development etc., National Commissions like NHRC, NCW etc., State Governments (on rotation), Oldest member of the Lok Sabha, Oldest member of the Rajya Sabha, along with representatives of Senior Citizens Associations, Pensioners’ Associations, eminent senior citizens working on issues related to senior citizens etc.

The mandate of the National Council of Senior Citizens is to advise the Central and State Governments on the entire gamut of issues related to the welfare of senior citizens and enhancement of their quality of life, with special reference to the following:-

- Policies, programmes and legislative measures;
- Promotion of physical and financial security, health and independent and productive living; and
- Awareness generation and community mobilization.

INTERNATIONAL AFFAIRS

Indian Prime minister visit to Spain

- Indian Prime minister Narendra Modi visited Spain in the last week of May 2017.

Main highlights of the visit

- India and Spain signed seven agreements, including on cyber security and technical cooperation in civil aviation, during Prime Minister Narendra Modi's visit to the European country.

- The two sides agreements on transfer of sentenced persons and visa waiver for holders of diplomatic passports.
- Five MoUs were signed between the two countries on cooperation in organ transplantation, cyber security, renewable energy, civil aviation and one between India's Foreign Service Institute and Diplomatic Academy of Spain.
- Modi, the first Indian prime minister to visit Spain since 1988.
- Spain is India's seventh largest trading partner in the European Union. Two-way trade totalled USD 5.27 billion in 2016.

Analysis:

- Relations between India and Spain have been cordial since the establishment of diplomatic relations in 1956. The first resident Ambassador of India was appointed in 1965.
- Bilateral Trade between India and Spain in 2015 stood at around \$ 3 billion; Spain's exports to India during the same period stood at \$ 1.0 billion and India's exports to Spain at \$ 2.2 billion. Spain is India's 7th largest trading partner in the European Union.
- Indian exports to Spain include organic chemicals, textiles and garments, iron and steel products, automotive components, marine products and leather goods. Indian imports consist largely of machines and mechanical appliances, vehicles and automobiles, plastic manufactures, electrical appliances, rubber and rubber products and olives/olive oil.
- The India-Spain Joint Economic Commission (JEC) was set up under the 1972 Trade and Economic Cooperation Agreement, and has met ten times since then.
- Cultural exchange is an important component of India-Spain bilateral relations. ICCR sponsors visits of cultural troupes for performances in various parts of Spain and offers five scholarships to Spanish students every year to study in India. Mission brings out a quarterly publication titled 'Hola Namaste' carrying articles on contemporary events in India.
- The Indian community forms a very small percentage of the immigrant population of Spain. Among the Asian communities, the Indian Diaspora is the third largest group, after Chinese and Pakistanis. The earliest Indian settlers were Sindhis who came from the subcontinent at the end of the 19th century and settled in the Canary Islands.

BIO International Convention

- The Biotechnology Innovation Organization (BIO) BIO 2017 was held in the San Diego Convention Centre, San Diego.
- India is also participating in this summit.

BIO International Convention

- The BIO International Convention is hosted by the Biotechnology Innovation Organization (BIO). BIO represents more than 1,100 biotechnology companies, academic institutions, state biotechnology centers and related organizations across the United States and in more than 30 other nations. BIO members are involved in the research and development of innovative healthcare, agricultural, industrial and environmental biotechnology products.

Analysis:

- The BIO International Convention helps BIO fulfill its mission to help grow the global biotech industry. Profits from the BIO International Convention are returned to the biotechnology industry by supporting BIO programs and initiatives.
- BIO works throughout the year to create a policy environment that enables the industry to continue to fulfill its vision of bettering the world through biotechnology innovation.
- The key benefits of attending the BIO International Convention are access to global biotech and pharma leaders via BIO One-on-One Partnering, exposure to industry though-leaders with over 1,500 education

sessions at your fingertips, and unparalleled networking opportunities with 16,000+ attendees from 76 countries. India is taking part in the BIO 2017.

India top remittance-receiving country in 2016

- United nation has released a report on remittance in 2016.

Highlight of the report:

- India was the top receiving country for remittances in 2016 at USD 62.7 billion, followed by China (USD 61 billion), the Philippines (USD 30 billion) and Pakistan (USD 20 billion).
- Indians working across the globe sent home USD 62.7 billion in 2016, making India the top remittance-receiving country surpassing China.
- About 200 million migrants globally sent more than USD 445 billion in 2016 as remittances to their families, helping to lift millions out of poverty.
- Remittance flows have grown over the last decade at a rate averaging 4.2 per cent annually, from USD 296 billion in 2007 to USD 445 billion in 2016.
- 80 per cent of remittances are received by 23 countries, led by India, China, the Philippines, Mexico and Pakistan.
- The top 10 sending countries account for almost half of annual flows, led by the US, Saudi Arabia and Russia.
- In the decade between 2007 and 2016, India surpassed China to become the top receiving country for remittances. In 2007, India was on the second spot, behind China, with USD 37.2 billion in remittances as compared to USD 38.4 billion for China.
- Asia is the highest originating region with 77 million migrants; with 48 million remaining within the region. Over the past decade, remittances to Asia and the Pacific increased by 87 per cent, reaching USD 244 billion, while migration grew by only 33 per cent in comparison.
- Asia remains the main remittance-receiving region, with 55 per cent of the global flows and 41 per cent of total migrants. It is projected that an estimated USD 6.5 trillion in remittances will be sent to low and middle-income countries between 2015 and 2030.
- Amount of money migrants send to their families in developing countries has risen by 51 per cent over the past decade - far greater than the 28 per cent increase in migration from these countries.
- Currently, about 200 million migrant workers support some 800 million family members globally. In 2017, an expected one-in-seven people globally will be involved in either sending or receiving more than USD 450 billion in remittances.

UN approves creation of new office on counter-terrorism

- The UN General Assembly has approved the establishment of a new office to coordinate counter-terrorism efforts.
- The 193-member General Assembly adopted a consensus resolution creating the United Nations Office of Counter-Terrorism that will be headed by an Under-Secretary- General
- Under the new structure, the Counter-Terrorism Implementation Task Force Office (CTITF) and the UN Counter- Terrorism Centre (UNCCT), currently in the UN Department of Political Affairs (DPA) will be transferred to the new office, together with their existing staff and all associated regular and extra-budgetary resources.

Main Function of the office:

- Provide leadership on the General Assembly counter-terrorism mandates entrusted to the Secretary-General from across the United Nations system.
- Enhance coordination and coherence across the 38 Counter-Terrorism Implementation Task Force entities to ensure the balanced implementation of the four pillars of the UN Global Counter-Terrorism Strategy.
- Strengthen the delivery of United Nations counter-terrorism capacity-building assistance to Member States.

- Improve visibility, advocacy and resource mobilization for United Nations counter-terrorism efforts.
- Ensure that due priority is given to counterterrorism across the United Nations system and that the important work on preventing violent extremism is firmly rooted in the Strategy

Analysis:

- This step demonstrates the importance member states place on collective and coordinated action on terrorism, which remains the most complex threat faced by the international community.
- This reform of the UN counter- terrorism architecture will contribute to the world body's broader efforts to promote conflict prevention, sustainable peace and development.
- Terrorism poses a serious law and order problem and leads to disintegration of society. The incident of murder, torture, mutilation, kidnapping, arson and extortion create atmosphere of suspicion, fear and panic all around. Life becomes uncertain. The terrorists kill unarmed civilians including women and children.
- Organized crime and violence cause social disharmony. The inter relationship among various insurgent groups and their foreign linkages bring illegal money and encourages smuggling. Many insurgent groups collect certain percentage of money from the employees and businessmen on regular basis. Economic development of the area comes to an end. Our government has to make heavy expenditure to meet the challenges of terrorism.

Global Innovation Index 2017

- The World Intellectual Property Organisation (WIPO) has released its 10th edition of the 'Global Innovation Index (GII)'.

Highlight of the index:

- Globally, Switzerland topped the list followed by Sweden; Netherlands on the third spot; US (fourth); UK (fifth); Denmark (sixth); Singapore (seventh); Finland (eighth); Germany (ninth) and Ireland at 10th spot.
- India has moved up six places to 60th among 130 nations on the Global Innovation Index 2017. In Global Innovation Index (GII) 2016, India improved its innovation rank to reach 66th position from 81st (in 2015).
- The Task Force on Innovation had the mandate of assessing India's position as an innovative country, suggest measures to enhance the innovation ecosystem in India and thus improve India's ranking in GII. Recognising India's potential to reach great heights in innovation and creativity, a task force on innovation was set up on the direction of minister of Commerce and Industries .
- It highlighted the continual improvement of India in terms of investment, tertiary education, quality of its publications and universities, its ICT services exports and innovation clusters.
- Among India's neighbours, Sri Lanka took the 90th spot whereas Nepal was at 109th. Pakistan came in at 113 followed by Bangladesh at 114

About Index:

- The Global Innovation Index (GII), co-published by World-Intellectual Property Organization (WIPO), Cornell University and INSEAD with CII as a Knowledge Partner since inception, has been ranking world economies including India since 2007 according to their innovation capabilities and outcomes using 82 indicators among a host of other important parameters. It has established itself as both a leading reference on innovation and a 'tool for action' for policy makers.
- This index relied on detailed measures of innovation inputs and outputs – including 81 indicators providing comprehensive insights on the various areas of innovation, most notably institutions, human capital and research, infrastructure, market sophistication, business sophistication, knowledge and technology outputs, and creative outputs.
- The index provides a reliable measure for assessing and improving innovation and helping promote its role as a catalyst for growth and prosperity.

Economic and Social Council (ECOSOC)

- India has been re-elected to the UN's principal organ on economic, social and environmental issues for another three-year term.
- India was among 18 nations to win election to the Economic and Social Council (ECOSOC).
- India obtained 183 votes, the second highest after Japan in the Asia Pacific category. Election to fill the 18 vacancies in ECOSOC.
- Having obtained the required two-thirds majority, the nations elected members of ECOSOC for a three-year term beginning January 1 2018 are Belarus, Ecuador, El Salvador, France, Germany, Ghana, India, Ireland, Japan, Malawi, Mexico, Morocco, Philippines, Spain, Sudan, Togo, Turkey and Uruguay.

About ECOSOC:

- ECOSOC, one of the six main organs of the United Nations established by the UN Charter in 1946, is the principal body for coordination, policy review, policy dialogue and recommendations on economic, social and environmental issues, as well as for implementation of the internationally agreed development goals.
- The Council's 54 member Governments are elected by the General Assembly for overlapping three-year terms.
- Seats on the Council are allotted based on geographical representation with 14 allocated to African states, 11 to Asian states, 6 to Eastern European states, 10 to Latin American and Caribbean states, and 13 to Western European and other states.
- ECOSOC serves as the central mechanism for the activities of the United Nations system and its specialized agencies, and supervises the subsidiary and expert bodies in the economic, social and environmental fields.
- ECOSOC has undergone reforms in the last decade to strengthen the Council and its working methods, giving special attention to the integrated and coordinated implementation of, and follow-up to, the outcomes of all major United Nations conferences summits in the economic, social, environmental and related fields.

Functions

- ECOSOC engages a wide variety of stakeholders – policymakers, parliamentarians, academics, major groups, foundations, business sector representatives and registered non-governmental organizations – in a productive dialogue on sustainable development through a programmatic cycle of meetings.
- The work of the Council is guided by an issue-based approach, and there is an annual theme that accompanies each programmatic cycle, ensuring a sustained and focused discussion among multiple stakeholders.

United Nations TIR Convention

- India has become the 71st country to ratify the United Nations TIR (Transports Internationaux Routiers) Convention.
- The ratification is a part of India's multi-modal transport strategy that aims to integrate the economy with global and regional production networks through better connectivity.

TIR (Transports Internationaux Routiers) Convention

- The Customs Convention on International Transport of Goods under cover of TIR Carnets, 1975 (TIR Convention), is an international transit system under United Nations Economic Commission for Europe (UNECE).
- The convention facilitates seamless movement of goods within and amongst the parties to the Convention.
- Along with India, now there are 70 parties to the Convention, including the European Union.
- By joining the convention, the need for inspection of goods at intermediate borders as well as physical escorts in route shall be obviated due to reciprocal recognition of Customs controls.
- As per the Convention, Customs clearance can take place at internal Customs locations thereby avoiding clearances at Border Crossing Points and ports that may often be congested.
- Movement under the TIR can be allowed by checking only the seals and the external conditions of the load compartment or the container thereby reducing border delays, transport and transaction costs thereby leading to increased competitiveness and growth for the trade and transport sectors.

- Compliance with the Convention ensures enhanced security in the supply chain as only approved transporters and vehicles are allowed to operate in terms of the Convention.
- The TIR Carnet represents a guarantee for Customs duties and taxes and traffic in transit. Hence, there is no need for payment of such taxes and duties en route.
- The TIR carnet also serves as a Customs declaration, and hence it precludes the need to file multiple declarations satisfying national laws of the different transiting countries.
- Becoming a member of the Convention does not result in any direct financial implication for the Government of India as it pertains to India's accession to an international convention.

Analysis:

- The ratification of the international treaty is expected to boost India's status as a trade transit hub in Asia and also help counter the impact of China's OBOR (One Belt, One Road) project on India's prospects as an emerging power.
- The TIR procedures allow the movement of goods under customs control across the international borders with the need of paying duties and taxes.
- The multilateral convention is in effect a kind of transport agreement among participating nations and also serves as a strong foreign policy statement.
- As China moves ahead with OBOR project, India needs to play smartly to protect its economic strategic strengths. New Delhi is engaged with the US, Japan and Russia in three separate infrastructure projects that will help India grow. The most significant of the three is the North-South Corridor project in collaboration with Russia. The TIR Convention can be an instrument for movement of goods along the International "North-South" Transport (INSTC) Corridor, which India is developing along with Russia.
- Moreover, it would be helpful in boosting trade with the Central Asian Republics and other Commonwealth of Independent States (CIS), particularly using ports in Iran like the Chabahar port.

SCIENCE AND TECHNOLOGY

Nag Missile

- The Anti-Tank Guided Missile Nag was successfully flight tested in the desert ranges of Rajasthan.

About Nag missile:

- The Nag missile is indigenously developed under the Indian Ministry of Defence's integrated guided missile development programme (IGMDP), which also involved the development of four other missiles that are Agni, Akash, Trishul and Prithvi.
- Bharat Dynamics (BDL) produced imaging infrared seekers for the weapon.
- The first test of Nag was conducted in November 1990.
- User trials of the Nag anti-tank missile against static and moving targets were conducted in 2007 and 2008 respectively, while the development tests were concluded in August 2008.
- The Nag anti-armor guided weapon's airframe is built with lightweight and high-strength composite materials. The missile features top-attack capability and has high immunity to countermeasures.
- The missile is equipped with four foldable wings and has a length of 1.85m, diameter of 0.20m, wing span of 0.4m and weight of 43kg.

- A real-time image processor with fast and efficient algorithms is installed next to the guidance section to provide automatic target detection and tracking capabilities. The digital autopilot offers guidance, stability and control for the missile during the flight.
- Nag is also outfitted with an electric actuation system for flight control.
- A passive imaging infrared (IIR) homing seeker guides the missile to the target after its launch in all lighting conditions. The missile can be optionally offered with a millimetre wave active radar seeker.

Environmental Impact Survey

- UK based super market has released environmental impact survey. This survey highlights the individual contribution to the world's climate while also highlighting areas for improvement for each country.

Highlights of the survey:

- India was placed on the 75th position as its renewable energy makes up only 15.2 per cent of all energy used; only 2.2 per cent of waste water gets recycled and municipal waste of 0.34 kg per person is generated daily.
- Mozambique, the southern African country has topped this survey. Mozambique topped the list because almost all its energy use comes from green sources.
- Four other African countries – Ethiopia, Zambia, Kenya and Ghana – in the top seven for lowest environmental impact.
- Africa as a continent topped the charts and featured strongly in its use of green energy, low CO2 emissions and low levels of air pollution and waste production.
- Worst country for environmental impact: Trinidad and Tobago topped this list as the CO2 emissions, in the country, are at an average of 37.1 tonnes per person.
- The rankings were based on different measurements that make up the average individual human impact in each country, including energy consumption, air pollution, waste production and reliance on non-renewable energy.
- Mozambique's biggest neighbour South Africa, at 95th, ranks among the worst performers for its impact on the environment, faring marginally better though than first world nations such as Australia, Canada and the US.
- The rankings were based on different measurements that make up the average individual human impact in each country, including energy consumption, air pollution, waste production and reliance on non-renewable energy.

Exoplanets

- NASA's Kepler mission team has released a survey of 219 potential exoplanets — planets outside of our solar system — that had been detected by the space observatory launched in 2009 to scan the Milky Way galaxy.
- Ten of the new discoveries were orbiting their suns at a distance similar to the Earth's orbit around the sun, the so-called habitable zone that could potentially have liquid water and sustain life.

What are exoplanets?

- Planets outside our solar system are called exoplanets. Most of these are part of star systems.
- There are some "rogue" exoplanets, which are not attached to any star system.
- The first exoplanet, 51 Pegasi b, was discovered in 1995 by Michael Mayor and Didier Queloz.
- NASA has confirmed many exoplanet and among the confirmed ones there are 1,264 Ice Giants (a giant planet composed mainly of elements such as oxygen, carbon, nitrogen, and sulfur), 1,043 Gas Giants (planets mostly composed of gases such as hydrogen and helium), 781 Super-earths (planets larger than Earth, but smaller than Uranus or Neptune), 348 terrestrial exoplanets (aka rocky planets, they are composed of silicate rocks or metals) and 13 are yet to be classified.
- The search for exoplanets is also the search for alien life and habitable spaces beyond our star system. NASA's Kepler and K2 missions have identified several such candidates.

Current Affairs

- One of the factors that must be satisfied in order to be considered habitable is that exoplanets must orbit within a distance of their stars in which liquid water can exist on the planet's surface, receiving about as much sunlight as Earth.
- This distance is called the "Goldilocks" zone because it is neither too far or too close to the star that life becomes impossible.

QUICK FACTS

- According to UN report, top Remittance-Receiving Country In 2016: **India**
- World Summit on the Information Society Forum 2017 held in - **Switzerland**
- ASEAN Dengue Day is observed on : **15 June**
- 106th International Labour Conference, 2017 was held in - **Geneva**
- International Day for the Elimination of Sexual Violence in Conflict is observed on - **19 June**
- World Refugee Day is observed on - **20 June**
- India's first city to use robot to control unruly traffic- **Indore**
- First Indian woman to be a judge at the International Tribunal Law of the Sea (ITLOS)- **Dr Neeru Chadha**
- New Union Home Secretary - **Rajiv Gauba**