

Abhimanu

Weekly current affairs Series

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Abhimanu's IAS Study Group

Chandigarh

NATIONAL ECONOMIC AFFAIRS

'Business optimism' index, 2017

- As per Grant Thornton's International Business Report (IBR), India has slipped in 'business optimism' index to the 7th position in the September quarter, from the 2nd slot in the previous three months.

Highlights of the index:

- Indonesia is at the top, followed by Finland (2nd), the Netherlands (3rd), Philippines (4th), Austria (5th) and Nigeria (6th).
- Indian businesses have expressed low confidence over revenue expectations in the next 12 months.
- They also saw a drastic fall in confidence for profitability with 54 per cent showing optimism as against 69 per cent in the last quarter.
- Other parameters like expectations of increase in selling prices and exports have also suffered a slight fall in optimism in this quarter.
- There were clear signs of lag in the economy which caused the drop in ratings.
- According to IBR, India tops the chart in citing regulations and red tape and lack of ICT infrastructure as the biggest growth constraints with 69 per cent and 46 per cent voting for it respectively.
- Indian businesses also identified shortage of finance and lack of skilled workforce as pain points of India Inc taking the 2nd and the 3rd spot respectively.
- Globally, the overall position for business optimism remains relatively high at 49 per cent in the September quarter. This is down 2 pps on the June quarter, and follows five consecutive quarterly increases in business sentiment.

FEMA norms eased to spur investment from overseas

- The Reserve Bank of India (RBI) has simplified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, by putting all the 93 amendments under one notification, a move that will significantly make it easier for foreign investors to invest in the country.
- The Foreign Exchange Management Act (FEMA), introduced in 1999, was amended 93 times.

Important highlights of the notification:

- Now anyone who wants to invest in India, he will know in which company he can invest, who can invest, how they can invest, how the money should come in, what the reporting is. Earlier it was in a very disjointed manner in various places.
- The new notification combines two regulations on foreign investments — one which is popularly called investment in an Indian company or a partnership, or in a limited liability partnership, or FEMA 20, and the other — FEMA 24, which is investment in a partnership firm. Another significant change is the introduction of a late submission fee that could allow an investor to regularise any contravention due to non-reporting, by paying the fee.
- The person/entity responsible for filing the reports provided in regulation shall be liable for payment of late submission fee, as may be decided by the Reserve Bank, in consultation with the Central government, for any delays in reporting.

- It is going to impact in a very big manner because 60-70% of the contravention cases which RBI receives are due to delays in reporting
- In addition, any transfer of investment from non-resident Indians to any non-residents has been brought under the automatic route, subject to reporting.

The Main Features of the FEMA:

- It is consistent with full current account convertibility and contains provisions for progressive liberalisation of capital account transactions.
- It is more transparent in its application as it lays down the areas requiring specific permissions of the Reserve Bank/Government of India on acquisition/holding of foreign exchange.
- It classified the foreign exchange transactions in two categories, viz. capital account and current account transactions.
- It provides power to the Reserve Bank for specifying, in , consultation with the central government, the classes of capital account transactions and limits to which exchange is admissible for such transactions.
- It gives full freedom to a person resident in India, who was earlier resident outside India, to hold/own/transfer any foreign security/immovable property situated outside India and acquired when s/he was resident.
- This act is a civil law and the contraventions of the Act provide for arrest only in exceptional cases.
- FEMA does not apply to Indian citizen's resident outside India.

RBI release new outsourcing norms for NBFCs

- The Reserve Bank of India (RBI) proposed tough guidelines for outsourcing of work by NBFCs (non-banking financial companies) to safeguard borrowers from intimidation or harassment, either verbal or physical, by recovery agents.

Important highlights of the directions:

- To safeguard against risks, RBI proposed that NBFCs should not outsource core management and decision-making functions, including internal audit and KYC (know your customer) compliance.
- Financial institutions, including NBFCs are increasingly outsourcing some of their operations as a means to access specialist expertise, not available internally, and to reduce operational costs.
- NBFCs should ensure that their Direct Sales Agents/Direct Marketing Agents/Recovery Agents are "properly trained to handle with care and sensitivity", their responsibilities particularly aspects like soliciting customers, hours of calling and privacy, among others.
- The NBFC and their agents should not resort to intimidation or harassment of any kind either verbal or physical against any person in their debt collection efforts, including acts intended to humiliate publicly or intrude the privacy of the debtors' family members, referees and friends, making threatening and anonymous calls or making false and misleading representations.
- Further, NBFCs should not outsource core management functions including internal audit, compliance function and decision-making functions like determining compliance with KYC norms for opening deposit accounts.
- An NBFC intending to outsource any of its financial activities should put in place a comprehensive outsourcing policy, approved by its Board.
- Outsourcing of any activity by NBFC does not diminish its obligations, and those of its Board and senior management, who have the ultimate responsibility for the outsourced activity.
- While outsourcing the NBFCs should evaluate and guard against "strategic risks", "reputation risks", "compliance risk", "operational risk" and "legal risk", among others.
- The framework for outsourcing has been proposed after taking into consideration the need to put in place appropriate safeguards for addressing risks, and in compliance with the recommendations of the Financial Sector Legislative Reforms Commission (FSLRC).

About NBFCs:

- A non-banking financial company (NBFC) is a company registered under the Companies Act, 1956 and is engaged in the business of loans and advances, acquisition of shares/stock/bonds/debentures/securities

issued by government or local authority or other securities of like marketable nature, leasing, hire-purchase, insurance business, chit business, but does not include any institution whose principal business is that of agriculture activity, industrial activity, sale/purchase/construction of immovable property.

- A non-banking institution which is a company and which has its principal business of receiving deposits under any scheme or arrangement or any other manner, or lending in any manner is also a non-banking financial company (residuary non-banking company).

India's first mega coastal economic zone (CEZ)

- The Centre has given its nod for setting up India's first mega Coastal Economic Zone (CEZ) at the Jawaharlal Nehru Port near Navi Mumbai.
- According to the report, as many as 45 companies across various sectors such as telecom, automobile and information technology are expected to bid for around 490 acres of land to set up manufacturing units within the zone.
- The Union Cabinet had approved setting up of the 14 CEZs under the National Perspective Plan of the Sagarmala Programme.

What is a Coastal Economic Zone?

- The government is developing coastal economic zone in a bid to propel manufacturing, encourage port land development and create jobs.
- The rationale behind the project is to reduce logistics costs and time for movement of cargo and improve competitiveness of India's manufacturing sector at a global level.
- A total of Rs 15,000 crore will be invested in the first phase of the project. The phase is expected to create more than 1.5 lakh jobs. Each CEZ would be as large as 2,000 to 3,000 square kilometres.
- The CEZs will be economic zones comprising districts on the coast or having a significant linkage to ports.
- The government is keen on attracting large export-oriented companies which would in turn create smaller manufacturers around it to meet the need, according to the report.

Clusters and Locations

- The proposed CEZs will come up in Kachch, Suryapur and Saurashtra in Gujarat, northern Konkan and southern Konkan in Maharashtra, Dakshin Kanara in Karnataka, Malabar in Kerala, Mannar, southern Visakhapatnam–Chennai Industrial Corridor (VCIC) and Poompuhar in Tamil Nadu, northern and central VCIC in Andhra Pradesh, Kalinga in Odisha and Gaud in West Bengal.
- The zones will be further bifurcated in sectoral clusters focusing on manufacturing, petrochemicals, refining, energy, etc.
- States will have to transfer the land to the central government which could be a hurdle for smaller states such as Goa.
- States do not have contiguous land parcels and those large land acquisitions and compensation costs could delay the project.

Direct Benefit Transfer (DBT)

- A comprehensive review of the delivery of its 461 schemes by the Centre showed that there has been a saving of Rs 1,557 crore due to implementation of Direct Benefit Transfer (DBT) schemes.

About Direct Benefit transfer scheme:

- The Direct Benefits Transfer (DBT) simply involves transferring the subsidy amount and other benefits (called transfers) directly to the beneficiaries' bank accounts instead of providing it through government offices.
- Transfer means payment made by the government without receiving anything in return from the beneficiary. Subsidies, scholarships are the main example for transfers.

Advantages of DBT:

- The main advantage of the DBT is that leakages are avoided as the government directly provides the fund to the beneficiary. Money is sent into the bank account of the beneficiary.
- Another advantage of DBT is that it helps the government to better target the beneficiary. Here the facilitating mechanism is Aadhaar. Since Aadhaar is the universal ID, government can identify the beneficiary from his Aadhaar details while connecting it with DBT.

The DBT Mission: launch and expansion of the programme

- Though the DBT Mission was launched on January 1st, 2013 with the Planning Commission, later the DBT Mission and matters related to it were placed with Cabinet Secretariat from September 2015 onwards.
- Several programmes were added into the DBT platform including Scholarships to students and the NREGS wages.

Widening the coverage under DBT scheme

- The DBT scheme has extended the coverage of programmes. Several central sector programmes like NREGA were brought under the DBT later and now there are 74 schemes under it.
- Besides the extended coverage, definitions of DBT have also expanded over the years. Now, DBT not only encompasses direct transfer of cash benefits, but also in-kind benefit transfers and transfers to the service providers/enablers within the Scheme design.

NATIONAL POLITY

National Anti-profiteering Authority

- The government has decided to set up a National Anti-profiteering Authority or NAA under the new indirect tax regime, the Goods and Services Tax, to ensure benefits of tax reduction are passed on to the end consumers.

About NAA:

- The "anti-profiteering" measures enshrined in the GST law provide an institutional mechanism to ensure that the full benefits of input tax credits and reduced GST rates on supply of goods or services flow to the consumers. This institutional framework comprises the NAA, a Standing Committee, Screening Committees in every State and the Directorate General of Safeguards in the Central Board of Excise & Customs (CBEC).
- The National Anti-Profiteering Authority is an assurance to consumers of India. If any consumer feels that the benefit of tax rate cut is not being passed on, then he can complain to the authority.
- A five-member committee, headed by Cabinet secretary PK Sinha, revenue secretary Hasmukh Adhia, CBEC chairman Vanaja Sarna and chief secretaries from two states, has been tasked to select the chairman and the members of the authority.
- The anti-profiteering authority is envisaged as an interim body that will function only for two years from the date on which the chairman assumes charge.
- Under the anti-profiteering mechanism approved, there will be a statelevel 'screening committee' and a 'standing committee' at the national level.
- All the complaints of profiteering will first go to these bodies, those of local nature to the screening committee and national level to the standing committee.
- If these two bodies find merit in the complaints, they can refer them for further investigation to the directorate general of safeguards (DGS). The DGS would need to submit a report within three months to complete the investigation and send the report to the anti-profiteering authority. The authority will decide on

the methodology to evaluate if the benefits of lower taxes under GST including those arising due to seamless input tax credit have not been passed to the consumer.

Crop burning issue

- Many farmers in Punjab, Haryana and northern Rajasthan have resorted to stubble burning this year as well. Punjab's Remote Sensing Centre has estimated over 19,000 incidents of paddy straw burning in the state till the end of October.
- The issue of stubble burning has come to fore after majority of the farmers shifted to the use of machinery for harvesting the paddy crop in October and November leaving behind 8-12 inches of paddy straw.
- Every year in Punjab, about 7 to 8 million metric tonnes of paddy residue is burnt openly. Toxic chemicals, which result in respiratory problems, are released in the atmosphere. Farmers burn the paddy stubble as it involves no cost. Burning fields also affects the quality of the soil, robbing it of vital nutrients.
- The national capital is the most affected by bad air quality as it lies close to Punjab and Haryana where paddy burning is a common phenomenon.
- Due to little economic value of stubble as animal feed and other general uses, farmers are prompted to burn it on the field instead of incurring a high cost on collecting it.
- Rice straw in Punjab and Haryana has high silica content and thus it is non-palatable to animals. If the stubble is used as fodder it impacts the quality of milk. The quantity of calcium in milk decreases by at least two percentage points if rice straw is used as fodder.

About Turbo Happy Seeder (THS):

- This is a tractor-mounted machine that basically cuts and lifts the standing stubble, drills the wheat seeds into the bare soil, and deposits the straw over the sown area as a mulch cover. The THS not only dispenses with the need for burning residue, but actually allows wheat to be planted even on fields containing straw.
- Moreover, the time savings are huge. Stubble burning causes moisture loss. So, the farmer has to give one irrigation and wait for seven or eight days until the field has the right amount of moisture. After that, he has to undertake ploughing through two rounds of disc harrow, cultivator and planking operations. Only on this finely-prepared seedbed can wheat sowing take place. But with THS, you can harvest paddy and sow wheat the same day.
- The THS, however, had a problem because it couldn't take care of the loose straw harvested by the combine. This residue — as opposed to the standing stubble — has to be uniformly spread on the field to enable efficient sowing of wheat. For this, PAU has developed a Super-Straw Management System (S-SMS), which is an attachment that can be fitted on any combine harvester. The S-SMS ensures that the loose straw thrown by the combine is also cut and spread evenly on the field. The concurrent use of THS and S-SMS technology appears to be the best bet for the moment.

Paradise Papers

- The Union Government has reconstituted Multi-Agency Group (MAG) to investigate cases relating to 'Paradise Papers' data disclosure which is also probing the Panama Papers leak.
- It will be led by Central Board of Direct Taxes (CBDT) Chairman and will have representatives from Enforcement Directorate, RBI and Financial Intelligence Unit.

What are the Paradise Papers?

- The Paradise Papers are a huge leak of financial documents that throw light on the top end of the world of offshore finance.
- The Paradise Papers name was chosen because of the idyllic profiles of many of the offshore jurisdictions whose workings are unveiled, including Bermuda, the HQ of the main company involved, Appleby.

Who is being exposed?

- The offshore financial affairs of hundreds of politicians, multinationals, celebrities and high-net-worth individuals, some of them household names, have been revealed. The papers also throw light on the legal firms, financial institutions and accountants working in the sector and on the jurisdictions that adopt offshore tax rules to attract money.

Where do the Paradise Papers come from?

- There are more than 1,400GB of data, containing about 13.4 million documents. Some 6.8 million come from the offshore legal service provider Appleby and corporate services provider Eterra. The two operated together under the Appleby name until Eterra became independent in 2016. Another six million documents come from corporate registries in some 19 jurisdictions, mostly in the Caribbean. A smaller amount comes from the Singapore-based international trust and corporate services provider, Asiaciti Trust. The leaked data covers seven decades, from 1950 to 2016.

What is Appleby?

- A law firm that helps corporations, financial institutions and high-net-worth individuals set up and register companies in offshore jurisdictions.
- Founded in Bermuda and with a history dating back to the 1890s, it has become one of the largest and best known of about 10 major companies involved in the specialist arena. The leak shows the US dominates Appleby's client register, with more than 31,000 US addresses for clients. There were more than 14,000 UK addresses and 12,000 in Bermuda.

Pre-ponement of introduction of BS -VI grade auto fuels in NCT Delhi

- The Petroleum Ministry in consultation with Public Oil Marketing Companies (OMCs) has decided for preponement of BS-VI grade auto fuels in National Capital Territory (NCT) of Delhi from 1st April 2018 instead of 1st April 2020.
- This decision was taken into account the serious pollution levels in Delhi and adjoining areas and as part of government's concerted efforts to reduce reduce vehicular emissions and improve fuel efficiency with an aim to reduce the carbon footprints and keep a healthy environment.

What are BS norms?

- Bharat Stage emission standards, introduced in 2000, are emission standards that have been set up by the Central government to regulate the output of air pollutants from internal combustion engine equipment, including motor vehicles.
- The different norms are brought into force in accordance with the timeline and standards set up by the Central Pollution Control Board which comes under the Ministry of Environment and Forests and Climate Change.
- The move from BS-IV or Euro 4 to BS VI will require significant investment in technologies like Diesel Particle Filter (DPF) and Selective Catalytic Reduction (SCR). DPF, which comes under BS-V norms will now incorporated in BS-VI vehicles. In stage VI, selective catalytic reduction technology has to be optimized.

DPF (Diesel Particulate Filter)

- The diesel particulate filter (DPF) for removing particulate matter is a cylindrical object that has to be mounted inside the engine compartment.
- In India, where small cars are preferred, fitting DPF into the limited bonnet space would involve major redesign. The bonnet length may have to be increased, which would make vehicles breach the prevalent excise bracket for sub-4 metre cars.
- The DPF would further have to be optimised for Indian operating conditions
- In Indian conditions, low driving speed means it is difficult to achieve temperatures of 600°C required to burn the soot in DPF. Usually diesel is injected to increase temperatures but excess fuel can cause a fire.
- The injection rate has to be optimised, vehicles re- engineered keeping in mind safety.

SCR (Selective Catalytic Reduction)

- The selective catalytic reduction (SCR) module is used to reduce oxides of nitrogen. When the exhaust is moving, an aqueous urea solution (AUS 32) is injected into the system.

- AUS 32 contains ammonia, which reacts with and reduces the nitrogen. This means a container needs to be put on board the car for deploying the AUS 32.
- Separately, infrastructure also needs to be set up across the country for supply of AUS 32. The optimisation and fitment of this technology would again take three to four years.

Jal Marg Vikas Project (JMVP)

- The Inland Waterways Authority of India (IWAI) has awarded a contract for technical support services for the Multi-Modal Terminal at Haldia and new Navigation Lock at Farakka.
- These projects are part of the JMVP on National Waterway -I (River Ganga), being implemented with technical and financial assistance of the World Bank at an estimated cost of Rs 5,369 crore.
- The objective of this is to ensure adherence to timelines and budgeted costs of the project and full compliance with the other stated guidelines.

About Jal Marg Vikas Project:

- Jal Marg Vikas project (JMVP) is a National Waterways development project announced during the budget 2015-16 by the Government of India for national integration and to make the most of navigational challenges to bring prosperity to the country.
- It is a non- water consumptive transport project formulated with the aim of reducing rail & road congestion, reducing the carbon footprint and minimal resource depletion.
- Inland Waterways Authority of India (IWAI) – the apex statutory body created in 1986 for the development and regulation of inland waterways has been designated as the Project Implementing Agency by the ministry of shipping.

Phase 1 of JMVP:

The Jal Marg Vikas Project (JMVP) on NW-1 is being implemented with the financial and technical support of the World Bank. The Project entails development of fairway with 3 meters depth between Varanasi and Haldia (Phase-I) covering a distance of 1380 km at an estimated cost of Rs. 5369 crore with target for completion in six years. The following sub-projects of this Project have commenced:

- Construction of Phase – I (A) of the multimodal terminal at Varanasi at a cost of Rs. 169.70 crore.
- Construction of Phase – I of the multimodal terminal at Sahibganj at a cost of Rs. 280.90 crore.
- Construction of new navigation lock at Farakka at a cost of Rs. 359.19 crore.

Fish tourism circuit

- West Bengal government is preparing plans to set up a fish tourism circuit to attract country's fish-loving communities. The State Fisheries Development Corporation (SFDC) is preparing the blueprint for the tourism circuit.

About Fish tourism circuit:

- The circuit would centre around the hotels run by SFDC in places like Digha, Udaypur, Henry Island, Bishnupur, Jamunadighi and Siliguri.
- A typical tour would consist of a two days-one night package, with fish as the focal theme – be it food or sightseeing. And fish dishes to be served would comprise the traditional favourites of Bengalis as well as newly-introduced varieties in the state like chanos (also called milkfish), pompano, cobia (all marine fishes) and vannamei (a type of shrimp).
- The fish tourism circuit would begin functioning with tours to Digha.

Analysis:

- With plenty of coastline, lakes, ponds, rivers and other inland waterways, India is an ideal destination for all kinds of angling and fishing holidays. Over the last few decades, angling and fishing have emerged as famous

adventure activities in India. Expanded over a distance more than 7500 km long, the clean and clear Indian coastline offers excellent opportunities to the anglers who are looking for places to fish all year round. The clean water of raging rivers and their tributaries provide a perfect angling and fishing places surrounded with abundant natural beauty.

- Right from the splendid Himalayan valleys, high altitude lakes, snow-fed streams to the wide coastal stretches of the Bay of Bengal and the Arabian Sea, the country has a wide range of adventurous setting to meet the growing demands and expectations of the anglers.
- India is home to a wide variety of fishes. Some of the preferred fishes among the fishing aficionados and anglers are Trout, Shark and the Mahseer. The Mahseer is the hardest finding species of fish in the world and is only found in India. Thus, most likely grab the attention and interest of majority of the fishing lovers and anglers. One can find all four of its varieties of Mahseer fish including the Silver, Golden, Back and Silver Grey Mahseers.

Ram Setu

- The Supreme Court has asked the Centre to clarify if it wants to remove the Ram Setu – the chain of limestone shoals connecting Tamil Nadu and Sri Lanka – or protect it. The court gave the government six weeks' time to file an affidavit on their stance.

Analysis:

- Ram Sethu, also known as Adam's Bridge, is a continuous stretch of limestone shoals that runs from Pamban Island near Rameshwaram in South India to Mannar Island off the northern coast of Sri Lanka.
- Geological evidence suggests that in the Ice Age, the stretch used to be a land connection between India and Sri Lanka.
- There are different geological theories behind the origin of the ridge, one of which even says that Sri Lanka was a part of Indian landmass and that the calcareous rectangular blocks are testimony of Lanka breaking away from the mainland about 1,25,000 years ago.
- Hindu believers hold it as the structure that Lord Rama and his army of apes and monkeys built to reach demon king Ravana's Lanka.
- The depth of the sea along the 30-km-long stretch varies between 3 feet and 30 feet, thus making navigation by sea-worthy vessels impossible in this stretch. Today, ships bound for India's eastern coast have to circle around the entire island of Sri Lanka to reach Tuticorin, Chennai, Vizag, Paradip and other ports.
- Therefore, a project titled Sethusamudram Shipping Canal Project was mooted by the Government of India and a feasibility study ordered in the 1990s. In 1997, the Government decided to go ahead with the project but only finalised it in 2005. It calculated that successful completion of the project would cut travelling by about 350 nautical miles and will save 10 to 30 hours' sailing time. Plans were also drawn up to develop 13 minor ports in India, and fishing harbours and other infrastructure in both India and Sri Lanka.
- The project involves creating a 83-km-long deepwater channel that will link Mannar with Palk Strait by extensive dredging and removal of the limestone shoals that constitute the Ram Sethu.
- The project has been condemned and opposed by a wide spectrum of the Indian people. Religious parties have come down on the plans to destroy something built by Lord Rama.
- Environmentalists have opposed it as they hold it would destroy and destabilise the aquatic flora and fauna of the area.
- There is another group which has criticised the project as economically unviable. According to them, while the canal will bring down sailing time for those ships which originate from Tuticorin or Kanyakumari by 10 to 30 hours, it will only lead to a 8-hour saving for those which originate in Europe, Africa or West Asia (these account for 65 per cent of ships sailing in these waters). Measured against the proposed tariff, they say, ships will lose more money by transiting through the canal. Lowering the tariff will make for miniscule return on investment (ROI), the levels of which are rejected even for public infrastructure projects.
- Also ships with tonnage up to 30,000 tonnes would be able to use the canal. Since most modern ships carry much higher loads, the project is doomed to fail, they feel.

National Green Tribunal

- The National Green Tribunal has issued a slew of directions to deal with the situation in Delhi, including banning construction and industrial activities and entry of trucks, while lambasting the Delhi government and civic bodies over the worsening air quality in Delhi and neighbouring states.
- The NGT also directed the authorities and the civic bodies to sprinkle water where PM 10 is found to be in excess of 600 micrograms per cubic metre.
- Green panel also imposed a ban on the entry of diesel trucks more than ten years old and said that no vehicle from outside or within Delhi will be permitted to transport any construction material.
- It further directed the authorities to implement EPCA's directions to improve ambient air quality while asking the civic bodies to constitute teams to ensure there is no burning of waste in Delhi-NCR.
- It had also ordered Punjab, UP and Haryana governments to spell out the steps have they taken to prevent crop burning in the states adjacent to the national capital.

About NGT:

- Principal Bench of the NGT has been established in the National Capital – New Delhi, with regional benches in Pune (Western Zone Bench), Bhopal (Central Zone Bench), Chennai (Southern Bench) and Kolkata (Eastern Bench).
- Each Bench has a specified geographical jurisdiction covering several States in a region. There is also a mechanism for circuit benches. For example, the Southern Zone bench, which is based in Chennai, can decide to have sittings in other places like Bangalore or Hyderabad.
- The Chairperson of the NGT is a retired Judge of the Supreme Court, Head Quartered in Delhi. Other Judicial members are retired Judges of High Courts.
- Each bench of the NGT will comprise of at least one Judicial Member and one Expert Member.
- Expert members should have a professional qualification and a minimum of 15 years' experience in the field of environment/forest conservation and related subjects.

Powers:

The NGT has the power to hear all civil cases relating to environmental issues and questions that are linked to the implementation of laws listed in Schedule I of the NGT Act. These include the following:

- The Water (Prevention and Control of Pollution) Act, 1974;
- The Water (Prevention and Control of Pollution) Cess Act, 1977;
- The Forest (Conservation) Act, 1980;
- The Air (Prevention and Control of Pollution) Act, 1981;
- The Environment (Protection) Act, 1986;
- The Public Liability Insurance Act, 1991;
- The Biological Diversity Act, 2002.

This means that any violations pertaining only to these laws, or any order / decision taken by the Government under these laws can be challenged before the NGT. Importantly, the NGT has not been vested with powers to hear any matter relating to the Wildlife (Protection) Act, 1972, the Indian Forest Act, 1927 and various laws enacted by States relating to forests, tree preservation etc. Therefore, specific and substantial issues related to these laws cannot be raised before the NGT. You will have to approach the State High Court or the Supreme Court through a Writ Petition (PIL) or file an Original Suit before an appropriate Civil Judge of the taluk where the project that you intend to challenge is located.

Second Technology and Innovation Support Centre (TISC) in India

- The Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce & Industry, Government of India, has signed an Institutional agreement with Anna University to establish India's second Technology and Innovation Support Center (TISC) at the Centre for Intellectual Property Rights (CIPR), Anna University, Chennai, under the World Intellectual Property Organization's (WIPO) TISC program.
- India's first Technology and Innovation Support Center (TISC) will come up at Patent Information Centre, Punjab

About TISC program

- The Department of Industrial Policy and Promotion (DIPP) and World Intellectual Property Organization (WIPO) have signed an agreement to establish Technology and Innovation Support Centers (TISC)
- WIPO's Technology and Innovation Support Centers (TISC) program provides innovators in developing countries with access to locally based, high quality technology information and related services, helping them to exploit their innovative potential and to create, protect, and manage their intellectual property (IP) rights.

Services offered by TISCs may include:

- Access to online patent and non-patent (scientific and technical) resources and IP-related publications;
- Assistance in searching and retrieving technology information;
- Training in database search;
- On-demand searches (novelty, state-of-the-art and infringement);
- Monitoring technology and competitors;
- Basic information on industrial property laws, management and strategy, and technology commercialization and marketing.

INTERNATIONAL AFFAIRS

India to contribute USD 100 million to UN partnership fund

- India has pledged an additional USD 100 million towards the UN partnership fund, which significantly increases its support to sustainable development projects across the developing world. This contribution would be in addition to the USD 10.582 million India is contributing for various other UN programmes.
- The first project from the fund is being executed in partnership with seven Pacific Island countries. The fund has since then identified 15 more projects.
- Of the USD 5 million India contributed to the fund this year, USD 2 million would be utilised for reconstruction in Dominica and Antigua and Barbuda, which took a big hit from hurricanes, he said.
- A total of USD 398.98 million was pledged by about 20 countries during the conference session held on November 6.

About UN Partnership fund:

- The India-UN Development Partnership Fund is a dedicated facility within the United Nations Fund for South-South Cooperation established in 2017.
- It is supported and led by the Government of the Republic of India, managed by the United Nations Office for South-South Cooperation, and implemented in collaboration with the United Nations system.

- The India-UN Development Partnership Fund supports Southern-owned and led, demand-driven, and transformational sustainable development projects across the developing world, with a focus on least developed countries and Small Island developing states.
- United Nations agencies implement the Funds projects in close collaboration with partnering governments.

International Energy Agency (IEA) summit

- The 2017 IEA Ministerial Meeting was held in Paris. The focus of the meeting was on global energy challenges and how they can be overcome.

About International Energy Agency:

- Founded in 1974, the IEA was initially designed to help countries co-ordinate a collective response to major disruptions in the supply of oil, such as the crisis of 1973/4. While this remains a key aspect of its work, the IEA has evolved and expanded significantly.
- The IEA examines the full spectrum of energy issues including oil, gas and coal supply and demand, renewable energy technologies, electricity markets, energy efficiency, access to energy, demand side management and much more. Through its work, the IEA advocates policies that will enhance the reliability, affordability and sustainability of energy in its 29 member countries and beyond.
- Today, the IEA is at the heart of global dialogue on energy, providing authoritative analysis through a wide range of publications, including the flagship World Energy Outlook and the IEA Market Reports; data and statistics, such as Key World Energy Statistics and the Monthly Oil Data Service; and a series of training and capacity building workshops, presentations, and resources.

The four main areas of IEA focus are:

- Energy Security: Promoting diversity, efficiency, flexibility and reliability for all fuels and energy sources;
- Economic Development: Supporting free markets to foster economic growth and eliminate energy poverty;
- Environmental Awareness: Analysing policy options to offset the impact of energy production and use on the environment, especially for tackling climate change and air pollution; and
- Engagement Worldwide: Working closely with partner countries, especially major emerging economies, to find solutions to shared energy and environmental concerns.

India and IEA:

- India is the associate member of IEA. IEA and India benefit from a long, ongoing bilateral relationship built on co-operation in a broad range of areas including energy security, statistics, efficiency, market analysis, implementation agreements and technology.
- The co-operation was first formalised as early as 1998 with the signing of the Declaration of Cooperation covering important issues related to energy security and statistics. Since then the relationship has developed further through the endorsement of three Joint Statements, the last one in 2013.
- That Joint Statement covers areas of mutual interest to the IEA and India and helps facilitate co-operation at different levels and under various topics within the energy field. A priority area for co-operation is oil and gas security, and the IEA and the Ministry for Petroleum and Natural Gas signed a Memorandum of Understanding (MoU) in 2011.

UNESCO's 'creative cities network'

- Chennai has been included in the UNESCO Creative Cities Network for its rich musical tradition. Including Chennai, a total of 64 cities from 44 countries have joined the UNESCO Creative Cities Network. Jaipur and Varanasi are the other Indian cities that feature on the list.

About Creative Cities Network

The UNESCO Creative Cities Network (UCCN) was created in 2004 to promote cooperation with and among cities that have identified creativity as a strategic factor for sustainable urban development. The 116 cities which

currently make up this network work together towards a common objective: placing creativity and cultural industries at the heart of their development plans at the local level and cooperating actively at the international level.

By joining the Network, cities commit to sharing their best practices and developing partnerships involving the public and private sectors as well as civil society in order to:

- strengthen the creation, production, distribution and dissemination of cultural activities, goods and services;
- develop hubs of creativity and innovation and broaden opportunities for creators and professionals in the cultural sector;
- improve access to and participation in cultural life, in particular for marginalized or vulnerable groups and individuals;
- fully integrate culture and creativity into sustainable development plans.
- The Network covers seven creative fields: Crafts and Folk Arts, Media Arts, Film, Design, Gastronomy, Literature and Music.

The Creative Cities Network is a privileged partner of UNESCO, not only as a platform for reflection on the role of creativity as a lever for sustainable development but also as a breeding ground of action and innovation, notably for the implementation of the 2030 Agenda for Sustainable Development.

Belt and Road Initiative

- China recently counselled India to shed its objections to the China Pakistan Economic Corridor (CPEC) and take advantage of the Belt and Road Initiative (BRI), which had already drawn wide international support.
- India was among a handful of countries that had skipped attendance in Beijing of the Belt and Road Forum in May, objecting to the China Pakistan Economic Corridor (CPEC), which passed through Kashmir.

About Belt and road initiative:

- China's Belt and Road Initiative (BRI) aimed at improving China's "connectivity" with the rest of the world.
- It is intended to help close the development gap between wealthy Beijing and China's eastern states, and the underdeveloped west of China.
- The idea is to promote development and "economic cooperation" along five corridors out of China: land routes through Central Asia to Europe; to the Middle East, and Southeast Asia; and sea routes connecting Chinese ports to Europe and to the South Pacific.
- First mentioned by Mr Xi in speeches in 2013, the BRI's import has suffered a bit from its confusing branding.
- The initial English name 'One Belt, One Road', was changed in 2017 after foreigners consistently misunderstood it; and the confusion was not helped by the fact that the 'belt' refers to land routes (evoking the old Silk Road through central Asia) and the 'road' refers to shipping lanes from the ports of East Asia to the Middle East.

Analysis:

- The concept is vast and complex, a work in progress, and details are hazy. It will take years for its shape and implications to emerge.
- It's not a multilateral organisation, like the China-led Asian Infrastructure Investment Bank, nor a multilateral trade agreement like the defunct Trans-Pacific Partnership, but a plan for a series of bilateral projects, most yet to be figured out.
- BRI suits a range of Beijing's interests: it's designed to spur economic development in China's poor western provinces; it is a way of putting China's surplus capital and surplus capacity to productive use, and it is also a "geopolitical exercise" designed to weaken US power and boost Chinese influence throughout its region and beyond.
- An example of one significant BRI project that has multiple purposes is the creation of an overland route from Xinjiang in China's far west through Pakistan to its deep water Gwadar port on the Arabian Sea. US\$54 billion of infrastructure is planned for this stretch, despite some of the route passing through territory disputed by India and Pakistan.

- The Karakoram Mountains from the old Silk Road route of the Karakoram Highway, on the Pakistan side of the China-Pakistan border.
- This route gives China cargo overland access to the Arabian Sea, will spur investment in Xinjiang, and opens up a new route into China for energy imports from the Middle East - a route that is not vulnerable to US maritime power like its east coast sea lanes.

SCIENCE AND TECHNOLOGY

UN Summit on Conservation of Migratory Species

- The United Nations Environment Programme (UNEP) has announced that India will host next Convention on the Conservation of Migratory Species of Wild Animals (CMS) Conference of Parties 13 (CMS COP13) in year 2020.
- An announcement in this regard was made on the last day of the week-long 12th session of the Conference of the Parties to the Convention on the Conservation of Migratory Species of Wild Animals or CMS COP12, the only international treaty devoted exclusively to migratory animal species held in Philippines.

About Convention on the Conservation of Migratory Species of Wild Animals (CMS)

The Convention on the Conservation of Migratory Species of Wild Animals (CMS) aims to conserve terrestrial, marine and avian migratory species across their range. CMS provides a framework within which Parties may act to conserve migratory species and their habitats by:

- providing strict protection for the endangered migratory species listed in Appendix I of the Convention
- concluding multilateral Agreements (see below for examples) for the conservation and management of migratory species listed in Appendix II; and,
- Undertaking co-operative research activities.

A Secretariat, under the auspices of UNEP, provides administrative support to the Convention. The decision-making organ of the Convention is the Conference of the Parties (COP), which held its 6th Meeting in Cape Town in November 1999. A Standing Committee provides policy and administrative guidance between the regular meetings of the COP. A Scientific Council, consisting of experts appointed by individual member States and by the COP, gives advice on technical and scientific matters.

Etikoppaka toys

- Geographical Indication Registry has given the Geographical Indication (GI) tag to the traditional toys made by the artisans in the Etikoppaka village.
- The Etikoppaka toys are not only popular in Andhra Pradesh but also gained their popularity all over the country and abroad over the years.

About Etikoppaka Toys

- The toys are unique not only in shape and form but also the material used. They are made of wood and painted with natural dyes. There is no heavy metal or toxic content and that is why it is unique.
- The natural dyes are prepared from seeds, lacquer, bark, roots and leaves.
- The wood used is from 'Ankudi Karra' (Wrightia tinctoria) tree that is soft in nature and the art is also known as turned wood Lacquer craft.

- The Etikoppaka toys now join the elite products from Andhra Pradesh such as Kondapalli toys, Bobbili Veena, Tirupati laddu, Srikalahasthi Kalamkari, Uppada Jamdani sarees and Shadow puppets.

About Geographical indicators:

- GI (Geographical Indications) are signs used on goods that have a specific geographical origin and possess qualities or a reputation that are due to that place of origin.
- Agricultural products typically have qualities that derive from their place of production and are influenced by specific local factors, such as climate and soil. They may also highlight specific qualities of a product, which are due to human factors that can be found in the place of origin of the products, such as specific manufacturing skills and traditions.
- A geographical indication points to a specific place or region of production that determines the characteristic qualities of the product that originates therein. It is important that the product derives its qualities and reputation from that place.
- Place of origin may be a village or town, a region or a country. It is an exclusive right given to a particular community hence the benefits of its registration are shared by the all members of the community.
- Keeping in view the large diversity of traditional products spread all over the country, the registration under GI will be very important in future growth of the tribes / communities / skilled artisans associated in developing such products

Increase in domestic budget for fight against tuberculosis

- According to a report from the World Health Organisation (WHO), India's domestic budget for fighting tuberculosis showed a dramatic jump from about ₹700 crore in 2015 to ₹2,500 crore last year.
- Domestic resources accounted for 74% of the \$525 million that was spent in India last year.
- Typically most of India's budget to combat the bacterial infection used to be dominated by international funding. But, for the first time this has flipped.

Analysis:

- Tuberculosis (TB) has managed to remain a major global health problem, despite 100 years of research and more than 50 years of treatment being available. It still claims up to 1.5 million lives each year.
- Although there have been ongoing efforts that provide some hope in the fight against the disease, the TB drug pipeline remains thin and vaccine development slow as resistance grows.
- More than 9.6 million new TB cases were recorded in 2014. This prompted the Stop TB Partnership and the World Health Assembly to set a target of reducing TB-related deaths by 95% and cases by 90% by 2035. But new therapeutic and diagnostic interventions - including an effective vaccine - are urgently needed if these goals are to be achieved.
- There are several challenges that affect TB eradication. First, the TB burden has been aggravated by HIV co-infection. HIV compromises the immune response required to protect a person against TB. This increases vulnerability to the disease. The World Health Organisation's most recent global TB report shows that of the TB-related deaths in 2014, just fewer than 27% of patients were HIV-positive. This is a slight increase from 2012.
- A second challenge is drug resistance. First-line drug regimens have saved millions of lives but have been marred by non-compliance and inconsistent use. TB patients who fail to adhere to their drug regimens often develop drug resistant TB. This means they have to go onto second-line drugs which are more expensive and may take even longer to complete.
- Further resistance to second-line drugs leads to extensively drug-resistant TB (XDR-TB). This is more difficult to treat.
- Drug resistance has led to a number of patients not responding to current treatment protocols, which is why there is a dire need for more treatment options.
- The third challenge is that there is no adequate vaccine for adults. The only approved TB vaccine, Bacille Calmette-Guérin, introduced 95 years ago, reduces the risk of TB in children. But it does not help adults with

lung TB. An efficacious vaccine that provides a reliable protection against pulmonary TB is essential to eradicate TB.

- In the past ten years, there has been some progress in developing a vaccine. A new candidate, MVA85A, reached a phase 2b clinical trial.
- Although MVA85A failed the clinical end point trial due to limited efficacy, several lessons were gained from the study. These will be highly beneficial in guiding future vaccine development efforts.
- Currently over a dozen preventive vaccine candidates are progressing through the development pipeline, providing some hope in achieving the 2035 targets.

QUICK FACTS

- World Pneumonia Day is observed on: **November 12**
- 31st ASEAN Summit held in : **Philippines**
- India's Second TISC Established at : **Anna University, Chennai**
- 37th India International Trade Fair-2017 held in : **New Delhi**
- New President of NASSCOM: **Debjani Ghosh**
- Chairperson of World Hindu Congress 2018: **Tulsi Gabbard**