

# Abhimanu

Weekly current affairs Series

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Abhimanu's IAS Study Group  
Chandigarh

## NATIONAL ECONOMIC AFFAIRS

### Cabinet relaxes NELP, pre-NELP pact rules

- Union Cabinet approved the policy framework to streamline production sharing contracts signed in the pre-New Exploration Licensing Policy (NELP) and NELP periods.
- Key decisions under the framework include increasing the exploration period granted for blocks in the northeast and easing the sharing of royalties with the developers of the blocks.

#### About New Exploration Licensing Policy (NELP):

- The main objective was to attract significant risk capital from Indian and Foreign companies, state of part technologies, new geological concepts and best management practices to explore oil and gas resources in the country to meet rising demands of oil and gas.
- This policy, NELP was approved in 1997 and it became effective in February, 1999. Since then licenses for exploration are being awarded only through a competitive bidding system and National Oil Companies (NOCs) are required to compete on an equal footing with Indian and foreign companies to secure Petroleum Exploration Licences (PELs).
- Nine rounds of bids have so far been concluded under NELP, in which production sharing contracts for 254 exploration blocks have been signed.
- In 2016, this policy was replaced by new policy i.e., Hydrocarbon Exploration and Licensing Policy (HELP).

#### The salient features of NELP are as under:

- 100% FDI is allowed under NELP
- No mandatory state participation through ONGC/OIL or any carried interest of the Government.
- Blocks to be awarded through open international competitive bidding.
- ONGC and OIL to compete for obtaining the petroleum exploration licenses on a competitive basis instead of the existing system of granting them PELs on nomination basis.
- ONGC and OIL to get the same fiscal and contract terms as private companies.
- Freedom to the contractors for marketing of crude oil and gas in the domestic market.
- Royalty at the rate of 12.5% for the onland areas and 10% for offshore areas.
- Royalty to be charged at half the prevailing rate for deep water areas beyond 400 m bathymetry for the first 7 years after commencement of commercial production.
- Cess to be exempted for production from blocks offered under NELP.
- Companies to be exempted from payments of import duty on goods imported for petroleum operations.
- No signature, discovery or production bonuses.
- A Model Production Sharing Contract (MPSC) which is reviewed for every NELP round.
- Contracts to be governed in accordance with applicable Indian Laws.

### Cabinet approves Fair and Remunerative Price payable by sugar mills

- The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi, has given its approval for fixing the Fair and Remunerative Price (FRP) of sugarcane at Rs. 255/- per quintal (qt) for sugar season 2017-18.

- The approved FRP reflects an increase of 10.87% over the FRP of sugar season 2016-17.
- The FRP so approved shall be applicable for purchase of sugarcane from the farmers in the sugar season 2017-18 by the sugar mills. The move is a reflection of the Government's pro-farmer initiatives, keeping in mind the interest of sugarcane farmers and importance of the sugar industry.

#### **Analysis:**

- The sugar industry is an important agro-based industry that impacts the livelihood of about 50 million sugarcane farmers and around 5 lakh workers directly employed in sugar mills, apart from those employed in various ancillary activities including farm labour and transporters. This decision has been taken to provide appropriate price to the farmers for their cane.
- FRP of sugarcane has been determined on the basis of recommendations of Commission for Agricultural Costs and Prices (CACP) and after consultation with State Governments and other stake-holders.
- Recommended FRP has been arrived at by taking into account various factors such as cost of production, overall demand-supply situation, domestic and international prices, inter-crop price parity, terms of trade prices of primary by-products, and likely impact of FRP on general price level and resource use efficiency.
- During the last 3 years, in order to support the sugarcane farmers and to ensure that their dues are paid by the sugar mills, the Government of India introduced schemes such as SEFASU; Soft Loan, Incentive for Raw Sugar Export and Production Subsidy.
- Through these interventions, the funds made available to the mills were utilized for payment of the cane price arrears of the farmers. Direct credit into the farmers' bank accounts of their dues was also mandated.

## **FDI Confidence Index 2017**

- A.T. Kearney has released Foreign Direct Investment confidence index 2017. According to this index, India's reforms to enable a 'transparent' and an 'easy' business environment, have made it an attractive destination for foreign companies.

#### **Important Highlights:**

- While US topped the list, Germany and China were at the second and third respectively. United Kingdom and Canada make up the rest of top 5.
- Investors are bullish on Asia-Pacific but are monitoring political risks for abrupt changes to the business environment. For a third year in a row increasing geopolitical tensions topped investors' list of likely wild cards.
- Switzerland and Italy entered the top 10 for the first time in more than a decade, pushing out India and Singapore to 11th and 12th spots, respectively.
- Only four emerging markets appear among the top 25 countries for FDI intentions- China, India, Mexico and Brazil.
- In India, Reform efforts by the current government have improved the country's investment environment. This includes the national goods and service tax (GST) reform, the largest non-direct tax reform in India in recent years.
- India attracted the highest amount of announced greenfield investments in 2016, based on capex, for the second year in a row, with notable gains in manufacturing.

#### **About FDI Confidence Index:**

- The AT Kearney Foreign Direct Investment (FDI) Confidence Index, created in 1998, is an annual survey of the business executives that ranks countries which are likely to attract the most FDI in the next three years.
- The Index is calculated as a weighted average of the number of low, medium and high responses to questions on the possibility of making a direct investment in a market over the next three years.
- The Index is an annual analysis of how political, economic, and regulatory changes will likely affect FDI inflows into countries in the coming years. The Index is constructed using primary data from a proprietary survey administered to senior executives of the world's leading corporations. All companies participating in the survey have annual revenues of \$500 million or more.

## **Innovate India Platform**

- Atal Innovation Mission, NITI Aayog & MyGov (a citizen centric platform of the Government of India) have launched “Innovate India Platform”.

#### **About Portal:**

- Through the portal, users can view, comment, share, and rate the innovations crowdsourced on the this platform.
- They can view the leaderboard which is calculated based on the votes on each innovation. Citizens can also share their or other organisations’ innovation on the platform by logging into the MyGov website. These innovations can also be shared on various social media platforms such as WhatsApp, Facebook, and Twitter.
- This portal creates the much-needed innovations platform for registering both grassroots and deep-tech innovators at a national level.
- Those searching for a critical innovation can leverage the portal for the benefit of the economy as well as national social needs.

#### **About AIM:**

- Atal Innovation Mission (AIM) was launched by the NITI Aayog as an innovation promotion platform involving academics, entrepreneurs, and researchers utilizing national and international experience to promote the culture of innovation, R and D in India particularly in technology oriented areas.
- The AIM along with Self-Employment and Talent Utilization (SETU) are Government of India’s the leading ventures to promote a culture of innovation and entrepreneurship. The Atal Innovation Mission has two core functions:
- Entrepreneurship promotion through Self-Employment and Talent Utilization, wherein innovators would be supported and mentored to become successful entrepreneurs.
- Innovation promotion: to provide a platform where innovative ideas are generated
- To realize these two core objectives, AIM has different sub-components. Atal Incubation Centers, Atal Tinkering Laboratories, Atal Grand Challenge Awards and Scale up Support to Established Incubation Centers.
- Atal Incubation Centers are aimed at the creation and promotion of incubation centers across the country. AICs will promote startups in various sectors like manufacturing, transport, energy, health, education, agriculture, water, sanitation, etc., and would provide them with necessary infrastructural facilities and other value-added services. AIM gives a grant-in-aid of Rs 10 crore to each AIC for a maximum of five years to cover capital and operational expenditure cost.
- An incubation centre should be a legal entity to be registered in India as public, private or public-private partnership and must be in operation for a minimum of three years.
- The Scale-up Support to Established Incubation Centers’ aims to augment capacity of the established incubation centers in the country.

## **NATIONAL POLITY**

### **National mission for manuscripts (NMM)**

- The project National Mission for Manuscripts (NMM) was launched by the Ministry of Culture in the year 2003 with the objectives to survey, document, and conserve/preserve, digitize and publish the Indian Manuscripts and establish a digital manuscripts library at Indira Gandhi National Centre for the Arts (IGNCA).

- The budget allocation for the financial year 2018-19 has been increased to Rs. 1500.00 lakh against the budget allocation of Rs. 1200.00 lakh for the financial year 2017-18.

#### **About National mission for manuscripts (NMM):**

- India possesses an estimate of ten million manuscripts, probably the largest collection in the world. These cover a variety of themes, textures and aesthetics, scripts, languages, calligraphies, illuminations and illustrations.
- The Mission has the mandate of identifying, documenting, conserving and making accessible the manuscript heritage of India. We see a national effort in the form of a mission for manuscripts as a logical, radical and urgent response to a very contemporary challenge- of reclaiming the inheritance contained in manuscripts, often in a poor state of preservation.
- National Mission for Manuscripts is a National level comprehensive initiative which caters to the need of conserving manuscripts and disseminating knowledge contained therein. NMM is working towards fulfilling its motto, 'conserving the past for the future'. It has emerged as a movement, undoubtedly the most popular and effective among all the heritage conservation initiatives in the country.

#### **What are Manuscripts?**

- A manuscript is a handwritten composition on paper, bark, cloth, metal, palm leaf or any other material dating back at least seventy-five years that has significant scientific, historical or aesthetic value. Lithographs and printed volumes are not manuscripts.
- Manuscripts are found in hundreds of different languages and scripts. Often, one language is written in a number of different scripts. For example, Sanskrit is written in Oriya script, Grantha script, Devanagari script and many other scripts.
- Manuscripts are distinct from historical records such as epigraphs on rocks, firmans, revenue records which provide direct information on events or processes in history. Manuscripts have knowledge content.
- **Sukanya Samridhi Yojana**
- Union Government has reduced minimum yearly deposit required under popular girl child savings scheme, Sukanya Samridhi Yojana to Rs 250 from Rs 1,000 earlier. This has been lowered to enable more people to enjoy benefits of this scheme.

#### **About Sukanya Samridhi Yojana:**

- A guardian can open only one account in the name of one girl child and a maximum two accounts in the name of two different girl children.
- A Sukanya Samridhi account can be opened in the name of a girl child till she attains the age of 10 years.
- Sukanya Samridhi accounts can be opened in post offices and in designated public banks.
- Deposits can be made up to 14 years from the date of opening of the account.
- After this period, the account will only earn interest according to applicable rates.
- The account can be closed after completion of 21 years.
- Deposits made into the Sukanya Samridhi account, the interest earned, and the maturity amount are tax-free.
- The minimum deposit that needs to be made every year into Sukanya Samridhi account is now Rs 250.
- The maximum amount that can be deposited into Sukanya Samridhi account on a yearly basis is Rs 1.50 lakh.
- Partial withdrawal from a Sukanya Samridhi account, up to 50% of the balance at the end of the preceding financial year, can be made after the account-holder attains the age of 18.

## **National Waterways Projects in the North East**

- The Minister of State for Shipping and Finance has informed that 20 National Waterways out of 111 are in North Eastern Region (NER). NW-2 (river Brahmaputra) from Dhubri to Sadiya (891 km) is operational for transport and cruise and cargo vessels are moving on it.

#### **Projects under implementation in NER:**

- Channelization of navigational route between Burhaburhi to Hatsingimari in Bangladesh Border – Pandu stretch through Water Resource Department, Govt. of Assam. The expected date of completion is by August 2018.
- Two more Ro-Ro routes have been identified between (i) Neamati to Kamlabari at an estimated cost of Rs. 215 cr. with length of 12.7 km by waterway (which otherwise takes 410 km of travel by road) to be operationalised by December 2018, and (ii) Maijan (Dibrugarh) to Sengajan at an estimated cost of Rs. 182 cr. and length of 24.7 km by waterway (which otherwise takes 640 km of travel by Road) to be operationalised by August 2019.
- Procurement of 2 Self-Propelled Cutter Suction Dredgers (SPCSDs) by February 2020.

## **About National Waterways Act:**

- The National Waterways Act was passed in 2016 by the Minister of Road Transport and Highways and Shipping after getting approval from Parliament.
- Under Entry 24 of the Union List of the Seventh Schedule of the Constitution, the central government can make laws on shipping and navigation on inland waterways which are classified as national waterways by Parliament by law.
- The act identifies additional 101 waterways as national waterways. The Schedule of the Act also specifies the extent of development to be undertaken on each waterway.
- The Act repeals the five Acts that declare the existing national waterways. These five national waterways are now covered under the Act.
- Inland waterways are recognised as a fuel efficient, cost effective and environment friendly mode of transport, it has received lesser investment as compared to roads and railways. Since inland waterways are lagging behind other modes of transport, the central government has evolved a policy for integrated development of inland waterways.

## **The Homoeopathy Central Council (Amendment) Bill, 2018**

- A bill seeking to replace the Central Council of Homoeopathy (CCH) with a board of governors and aimed at bringing accountability and quality in education system was passed by the Lok Sabha.

### **Important Highlights:**

- This bill amends the Homoeopathy Central Council Act, 1973 and replaces the Homoeopathy Central Council (Amendment) Ordinance, 2018 that was promulgated on May 18, 2018. The 1973 Act sets up the Central Council of Homoeopathy which regulates homoeopathic education and practice.
- **Supersession of the Central Council:** The Bill amends the 1973 Act to provide for the supersession of the Central Council. The Central Council will be reconstituted within one year from the date of its supersession. In the interim period, the central government will constitute a Board of Governors, which will exercise the powers of the Central Council.
- **The Board of Governors will consist of up to seven members including:** (i) persons of eminence in the field of homoeopathy education, and (ii) eminent administrators, appointed by the central government. The central government will select one of these members as the Chairperson of the Board. With regard to policy decisions, the directions of the central government will be final.
- **Permission for existing homoeopathy colleges:** The Bill states that: (i) if any person has established a homoeopathy medical college, or (ii) if an established homoeopathy medical college has opened new courses or increased its admission capacity before the passage of the Bill, it will have to seek permission from the central government within one year. If the person or homoeopathy medical college fails to seek such permission, then any medical qualification granted to a student from such medical college will not be recognised under the Act.

## **NCTE amendment Bill passed**

- The Lok Sabha has passed the National Council for Teacher Education (Amendment) Bill to grant retrospective recognition to Central/State institutions that are conducting teacher education courses without NCTE approval.

### **Key Features of Bill:**

- Retrospective recognition of certain teacher education institutions: The Bill seeks to grant retrospective recognition to institutions that have been notified by central government, funded by Central Government or State/UT government and but do not have recognition under the parent Act. Besides, these institutions must have offered teacher education courses on or after establishment of NCTE until academic year 2017-2018.
- Retrospective permission to start new courses: The Bill grants retrospective permission these institutions to start new course or training in teacher education to institutions.

### **What Is NCTE Act?**

- The NCTE Act came into force in the year 1995 and it applies to all parts of India, except the state of Jammu and Kashmir.
- The act formally oversees standards, procedures and processes in the Indian education system.
- This council functions for the central as well as state governments on all matters with regard to teachers' education and its main Secretariat is located in the Department of Teacher Education and National Council of Educational Research and Training (NCERT).

## **Shekatkar committee**

- The government recently reviewed the implementation of ambitious reform initiative for the Indian Army based on recommendations of a committee headed by Lt Gen (retd) DB Shekatkar.
- Shekatkar Committee was tasked with suggesting steps to enhance combat capability of the armed forces.

### **Some Recommendations taken up for implementation include:**

- Optimization of Signals Establishments to include Radio Monitoring Companies, Corps Air Support Signal Regiments, Air Formation Signal Regiments, Composite Signal Regiments and merger of Corps Operating and Engineering Signal Regiments.
- Restructuring of repair echelons in the Army to include Base Workshops, Advance Base Workshops and Static / Station Workshops in the field Army.
- Redeployment of Ordnance echelons to include Vehicle Depots, Ordnance Depots and Central Ordnance Depots apart from streamlining inventory control mechanisms.
- Better utilization of Supply and Transportation echelons and Animal Transport Units.
- Closure of Military Farms and Army Postal Establishments in peace locations.
- Enhancement in standards for recruitment of clerical staff and drivers in the Army.
- Improving the efficiency of the National Cadet Corps.

## **Trafficking of Persons (Prevention, Protection and Rehabilitation) Bill 2018**

- The Union Cabinet chaired by Prime Minister has approved the Trafficking of Persons (Prevention, Protection and Rehabilitation) Bill, 2018 for introduction in the Parliament.

### **The Bill broadly has the following features:-**

- Addresses the issue of trafficking from the point of view of prevention, rescue and rehabilitation.
- Aggravated forms of trafficking, which includes trafficking for the purpose of forced labour, begging, trafficking by administering chemical substance or hormones on a person for the purpose of early sexual maturity, trafficking of a woman or child for the purpose of marriage or under the pretext of marriage or after marriage etc.
- Punishment for promoting or facilitating trafficking of person which includes producing, printing, issuing or distributing unissued, tampered or fake certificates, registration or stickers as proof of compliance with

Government requirements; or commits fraud for procuring or facilitating the acquisition of clearances and necessary documents from Government agencies.

- The confidentiality of victims/ witnesses and complainants by not disclosing their identity. Further the confidentiality of the victims is maintained by recording their statement through video conferencing (this also helps in trans-border and inter-State crimes).
- Time bound trial and repatriation of the victims - within a period of one year from taking into cognizance.
- Immediate protection of rescued victims and their rehabilitation. The Victims are entitled to interim relief immediately within 30 days to address their physical, mental trauma etc. and further appropriate relief within 60 days from the date of filing of charge sheet.
- Rehabilitation of the victim which is not contingent upon criminal proceedings being initiated against the accused or the outcome thereof.
- Rehabilitation Fund created for the first time. To be used for the physical, psychological and social well-being of the victim including education, skill development, health care/psychological support, legal aid, safe accommodation, etc.
- Designated courts in each district for the speedy trial of the cases.
- The Bill creates dedicated institutional mechanisms at District, State and Central Level. These will be responsible for prevention, protection, investigation and rehabilitation work related to trafficking. National Investigation Agency (NIA) will perform the tasks of Anti-Trafficking Bureau at the national level present under the MHA.
- Punishment ranges from rigorous minimum 10 years to life and fine not less than Rs. 1 lakh.
- In order to break the organized nexus, both at the national and international level, the Bill provides for the attachment & forfeiture of property and also the proceeds for crime.
- The Bill comprehensively addresses the transnational nature of the crime. The National Anti-Trafficking Bureau will perform the functions of international coordination with authorities in foreign countries and international organizations; international assistance in investigation; facilitate inter-State and trans-border transfer of evidence and materials, witnesses and others for expediting prosecution; facilitate inter-state and international video conferencing in judicial proceedings etc.

## Analysis:

- Trafficking in human beings is the third largest organized crime violating basic human rights. There is no specific law so far to deal with this crime. Accordingly, the Trafficking of Persons (Prevention, Protection and Rehabilitation) Bill, 2018 has been prepared. The Bill addresses one of the most pervasive yet invisible crimes affecting the most vulnerable persons especially women and children.
- The new law will make India a leader among South Asian countries to combat trafficking. Trafficking is a global concern also affecting a number of South Asian nations. Amongst them, India is now a pioneer in formulating a comprehensive legislation. UNODC and SAARC nations are looking forward to India to take lead by enacting this law.
- The Bill has been prepared in consultation with line Ministries, Departments, State Governments, NGOs and domain experts. A large number of suggestions received by the Ministry of WCD in hundreds of petitions have been incorporated in the Bill. The Draft Bill discussed in regional consultations held in Delhi, Kolkata, Chennai and Bombay with various stakeholders including over 60 NGOs. The Bill was examined and discussed by Group of Ministers also.

## West Bengal Assembly passes resolution to rename state as Bangla

- West Bengal state assembly has unanimously passed resolution to change state's name to 'Bangla' in all three languages – Bengali, Hindi and English.
- The move is aimed at climbing the alphabetical sequence of state names in which West Bengal appears last in the list now.



### **Background:**

- The Centre had in the past rejected the state government's proposal of having three names – Bangla (in Bengali), Bengal (in English) and Bangal (in Hindi).
- The Mamata Banerjee government's move to rename West Bengal as 'Paschim Bango' in 2011 was also turned down by the Centre.
- There were detailed discussions on the name change many times. Last time, it was discussed on August 29, 2016. The Union home ministry did not act on our proposal of changing the name for two years. Subsequently, I had personally requested the Union home minister."
- The name 'Bangla' was chosen as "it is the identity of Bengal".

### **Constitutional provision:**

- The name change will only become official when resolution gets approval from Union Home Ministry and Parliament passes Bill.
- The renaming of a state requires Parliamentary approval under Article 3 and 4 of the Constitution.
- A bill for renaming a state may be introduced in the Parliament on the recommendation of the President.
- Before the introduction of the bill, the President shall send the bill to the respective state assembly for expressing their views within a stipulated time. The views of the state assembly are not binding, neither on the President nor on the Parliament.
- On the expiry of the period, the bill will be sent to the Parliament for deliberation. The bill in order to take the force of a law must be passed by a simple majority.
- The bill is sent for approval to the President. After the approval of the said bill, the bill becomes a law and the name of the state stands modified.

## **Rajasthan first State to implement biofuel policy**

- Rajasthan has become the first State in the country to implement the national policy on biofuels unveiled by the Centre in May this year.
- The policy lays emphasis on increasing production of oilseeds and establish a Centre for Excellence in Udaipur to promote research in the fields of alternative fuels and energy resources.

### **Salient Features:**

- The Policy categorises biofuels as "Basic Biofuels" viz. First Generation (1G) bioethanol & biodiesel and "Advanced Biofuels" - Second Generation (2G) ethanol, Municipal Solid Waste (MSW) to drop-in fuels, Third Generation (3G) biofuels, bio-CNG etc. to enable extension of appropriate financial and fiscal incentives under each category.
- The Policy expands the scope of raw material for ethanol production by allowing use of Sugarcane Juice, Sugar containing materials like Sugar Beet, Sweet Sorghum, Starch containing materials like Corn, Cassava, Damaged food grains like wheat, broken rice, Rotten Potatoes, unfit for human consumption for ethanol production.
- Farmers are at a risk of not getting appropriate price for their produce during the surplus production phase. Taking this into account, the Policy allows use of surplus food grains for production of ethanol for blending with petrol with the approval of National Biofuel Coordination Committee.
- With a thrust on Advanced Biofuels, the Policy indicates a viability gap funding scheme for 2G ethanol Bio refineries of Rs.5000 crore in 6 years in addition to additional tax incentives, higher purchase price as compared to 1G biofuels.
- The Policy encourages setting up of supply chain mechanisms for biodiesel production from non-edible oilseeds, Used Cooking Oil, short gestation crops.
- Roles and responsibilities of all the concerned Ministries/Departments with respect to biofuels has been captured in the Policy document to synergise efforts.

### **Expected Benefits:**

- **Reduce Import Dependency:** One crore lit of E10 saves Rs.28 crore of forex at current rates. The ethanol supply year 2017-18 is likely to see a supply of around 150 crore litres of ethanol which will result in savings of over Rs.4000 crore of forex.
- **Cleaner Environment:** One crore lit of E-10 saves around 20,000 ton of CO<sub>2</sub> emissions. For the ethanol supply year 2017-18, there will be lesser emissions of CO<sub>2</sub> to the tune of 30 lakh ton. By reducing crop burning & conversion of agricultural residues/wastes to biofuels there will be further reduction in Green House Gas emissions.
- **Health benefits:** Prolonged reuse of Cooking Oil for preparing food, particularly in deep-frying is a potential health hazard and can lead to many diseases. Used Cooking Oil is a potential feedstock for biodiesel and its use for making biodiesel will prevent diversion of used cooking oil in the food industry.
- **MSW Management:** It is estimated that, annually 62 MMT of Municipal Solid Waste gets generated in India. There are technologies available which can convert waste/plastic, MSW to drop in fuels. One ton of such waste has the potential to provide around 20% of drop in fuels.
- **Infrastructural Investment in Rural Areas:** It is estimated that, one 100klpd bio refinery will require around Rs.800 crore capital investment. At present Oil Marketing Companies are in the process of setting up twelve 2G bio refineries with an investment of around Rs.10,000 crore. Further addition of 2G bio refineries across the Country will spur infrastructural investment in the rural areas.
- **Employment Generation:** One 100klpd 2G bio refinery can contribute 1200 jobs in Plant Operations, Village Level Entrepreneurs and Supply Chain Management.
- **Additional Income to Farmers:** By adopting 2G technologies, agricultural residues/waste which otherwise are burnt by the farmers can be converted to ethanol and can fetch a price for these waste if a market is developed for the same. Also, farmers are at a risk of not getting appropriate price for their produce during the surplus production phase. Thus conversion of surplus grains and agricultural biomass can help in price stabilization.

## INTERNATIONAL AFFAIRS

### First Meeting of India-Bangladesh Joint Committee on Border Haats

- First meeting of India-Bangladesh Joint Committee on Border Haats was recently held in Agartala, Tripura.
- In the meeting both sides noted the positive impact of Border Haats on the livelihoods of the people living in areas adjoining the Haats. Extensive discussions were held on issues related to review of operations of the four functional Border Haats.

#### Border Haats between India and Bangladesh:

- Border haat means makeshift bazaar/ market at a certain point on zero lines of the India-Bangladesh borders allowing villagers of both the countries to market and shop each other's products once a week.
- Border haats are in high demand by people on both sides, living in remote enclaves and hilly areas, as they find it difficult to buy and sell products needed in day-to-day life.
- The two nations started border trade in April 1972 – only months after Bangladesh became independent. However, it was cancelled a year later because of rampant smuggling along the 4,096 kilometers of border that the two countries share.

#### Analysis:

- North East India has had strong cultural, linguistic and historical trade links with Bangladesh, Myanmar, China and other countries in South East and East Asia. There was a lot of inter-dependence amongst these regions in the past and trade was thriving from ancient times. But in last century, Cross border trade suffered due to new political boundaries and regimes. Now all countries wanted to re-establish people to people connectivity.
- To achieve this, India is negotiating and signing various preferential trade agreements with its neighbours to increase people-to-people connectivity and more openness to cross-border trade.
- Such initiatives like the initiation of Border Haats (local markets) along the India-Bangladesh border has also shown a lot of promise towards economic development of border communities, formalizing informal trade, building trust and higher trade openness.
- But there are some problems faced by people in doing business in existing haats. Indian buyers expressed frustration over their Customs Department as they are often barred from buying Bangladeshi goods of their choice at the haat. Bangladeshi traders on the other hand remain frustrated with the small number of buyers from the Indian side.
- Physical connectivity remains as the primary reason for slow growth in trade in the border haats. Physical infrastructure in terms of paved pathways and bridges/culverts is of utmost necessity to the proper functioning of the haats. If the existing border infrastructure were upgraded, the volume of trade and business between Bangladesh and the northeastern states of India would increase by five to six times of the current level.
- The step to boost the country's trade with Bangladesh through setting up border haats has met limited success due to lack of proper attention by the two governments.
- The Border haats will not only contribute in reducing trade deficit between Bangladesh and India, but also significantly help in promoting people to people that is vital for strengthening Bangladesh-India relations in the years to come.

## **US gives India Strategic Trade Authorisation-I status**

- USA has granted Strategic Trade Authorisation (STA-1) status to India reflects its efforts to improve its own export-control regime, its adherence to multilateral export rules and its growing status as a US defence partner.

### **About STA:**

- STA is the licence exemption that allows a set of items on the Commerce Control List to be exported from the US under defined conditions without a transaction-specific licence, as per Descartes Customs Info.
- The STA exception is relevant to exports, re-exports and transfers for which a licence is required under the Export Administration Regulations – one of the two important US export control laws that affect the manufacturing, sales and distribution of technology.

### **Analysis:**

- STA Tier 1 treatment, comparable with NATO allies, will expand the scope of exports subject to the EAR that can be made to India without individual licences. This regulatory change will enhance the bilateral defence trade relationship and result in a greater volume of US exports to India.
- This will help India getting critical and latest technology from the US in the defence as well as certain other key areas.
- It is also a boost for the foundational Communications, Compatibility and Security Agreement (COMCASA), as per Hindustan Times.
- India and the United States share an interest in countering China's expanding economic and military weight and the United States has emerged as a top arms supplier to India, selling more than \$15 billion of weapons over the past decade as New Delhi modernizes its Soviet-era military.
- Looking at current exports from the US to India, 50% of those are eligible now under STA-1. This can free up \$2.1 billion in trade, make US exporters more competitive in the global marketplace, help provide India more advanced US technology.

- India is the only South Asian nation on the STA-1 list that has 36 countries. Other Asian countries designated as STA-1 are Japan and South Korea. Till recently, India was classified as an STA-2 country along with seven others.

## SCIENCE AFFAIRS

### DAC approves implementation of Strategic Partnership guidelines

- Defence Acquisition Council (DAC) has approved implementation of Strategic Partnership guidelines.
- It is considered as major step towards boosting private sector participation in domestic defence manufacturing.
- The policy had come into effect in but progress was delayed due to lack of specific guidelines.

#### Strategic Partnership Guidelines

- Strategic Partnership model aims to revitalise defence industrial ecosystem and progressively build indigenous capabilities in the private sector to design, develop and manufacture complex weapon system for future needs of armed forces.
- The amplifying guidelines lay emphasis on incentivisation of transfer of niche technology and higher indigenous content.
- Strategic Partnership model has four segments — submarines, single engine fighter aircraft, helicopters and armoured carriers/main battle tanks — which would be specifically opened up for the private sector.
- Under this policy, one Indian private company would be selected in each of the four segments which would tie-up with shortlisted local Original Equipment Manufacturers (OEM) to manufacture the platforms in India under technology transfer.

#### About DAC:

- The objective of the Defence Acquisition Council is to ensure expeditious procurement of the approved requirements of the Armed Forces in terms of capabilities sought and time frame prescribed by optimally utilizing the allocated budgetary resources.
- The functions of the DAC include (i) in principle approval of 15 Years Long Terms Integrated Perspective Plan for Defence Forces (ii) accord of Acceptance of Necessity to acquisition proposals; (iii) categorization of the acquisition proposals relating to 'Buy', 'Buy & Make' and 'Make'; (iv) issues relating to Single vendor clearance; (v) decision regarding 'offset' provisions in respect of acquisition proposals above Rs. 300 crores; (iv) decisions regarding Transfer of Technology under 'Buy & Make' category of acquisition proposals; and (vii) Field Trial evaluation.

### Arsenic contamination in paddy is rising in Bengal

- According to recent study conducted by researchers at the School of Environmental Studies (SOES), Jadavpur University, reveals arsenic contamination in paddy is rising from ground water in West Bengal.

### **Important highlights:**

- It is not only rise in arsenic contamination of paddy plants from ground water in West Bengal, but also that concentration of 'arsenic accumulation' depends on the variety of paddy and its stage in the crop cycle.
- The study shows that arsenic uptake in the paddy plant reduces from root to grain, and that its concentration is related to the variety of the rice cultivated. The study was carried out on two commonly consumed rice varieties — Minikit and Jaya — and the latter was found to be more resistant to arsenic.
- The highest concentration was observed in the initial or vegetative state in the first 28 days. It reduced during the reproductive stage (29-56 days) and again increased in the ripening stage.
- About Arsenic:
- Arsenic is an odourless and tasteless metalloid widely distributed in the earth's crust. Arsenic and its compounds occur in crystalline, powder, amorphous or vitreous forms. It usually occurs in trace quantities in all rocks, soil, water and air. It is the 26th abundant element in the earth's crust.

### **Sources of Arsenic:**

- Natural – Leaching of ambient arsenic in groundwater from sediments containing arsenic bearing minerals; leaching and percolation of arsenic in soils.
- Anthropogenic – Agrochemicals, wood preservatives, industrial sources, mineral processing, acid mine drainage, burning of fossil fuels etc.

### **Health effects:**

- Arsenic occurs in inorganic and organic forms. Inorganic arsenic compounds (such as those found in water) are highly toxic while organic arsenic compounds (such as those found in seafood) are less harmful to health.
- The immediate symptoms of acute arsenic poisoning include vomiting, abdominal pain and diarrhoea. These are followed by numbness and tingling of the extremities, muscle cramping and death, in extreme cases.
- The first symptoms of long-term exposure to high levels of inorganic arsenic (e.g. through drinking-water and food) are usually observed in the skin, and include pigmentation changes, skin lesions and hard patches on the palms and soles of the feet (hyperkeratosis). These occur after a minimum exposure of approximately five years and may be a precursor to skin cancer.
- In addition to skin cancer, long-term exposure to arsenic may also cause cancers of the bladder and lungs. The International Agency for Research on Cancer (IARC) has classified arsenic and arsenic compounds as carcinogenic to humans, and has also stated that arsenic in drinking-water is carcinogenic to humans.
- Other adverse health effects that may be associated with long-term ingestion of inorganic arsenic include developmental effects, neurotoxicity, diabetes, pulmonary disease and cardiovascular disease. Arsenic-induced myocardial infarction, in particular, can be a significant cause of excess mortality. In China (Province of Taiwan), arsenic exposure has been linked to "blackfoot disease", which is a severe disease of blood vessels leading to gangrene. This disease has not been observed in other parts of the world however, and it is possible that malnutrition contributes to its development.
- Arsenic is also associated with adverse pregnancy outcomes and infant mortality, with impacts on child health<sup>1</sup>, and there is some evidence of negative impacts on cognitive development.