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NATIONAL ECONOMIC AFFAIRS

Concessional Financing Scheme (CFS)

- The Union Cabinet has approved the first extension of Concessional Financing Scheme(CFS) to support Indian Entities bidding for strategically important infrastructure projects abroad.
- Under the CFS, the Govt. of India has been supporting Indian Entities bidding for strategically important infrastructure projects abroad since 2015-16.

About CFS Scheme:

- Under the Scheme, MEA selects the specific projects keeping in view strategic interest of India and sends the same to Department of Economic Affairs (DEA).
- The strategic importance of a project to deserve financing under this Scheme, is decided, on a case to case basis, by a Committee chaired by Secretary, DEA and with members from Department of Expenditure, Ministry of External Affairs, Department of Industrial Promotion and Policy (DIPP), Department of Commerce, Department of Financial Services and Ministry of Home Affairs. The Deputy National Security Adviser is also a member of this Committee. Once approved by the Committee, DEA issues a formal letter to EXIM Bank conveying approval for financing of the project under CFS.
- The Scheme is presently being operated through the Export-Import Bank of India, which raises resources from the market to provide concessional finance. Government of India (GoI) provides counter guarantee and interest equalization support of 2% to the EXIM Bank.
- The scheme envisages Government of India to provide counter guarantee and interest equalization of 2 % to EXIM Bank to offer concessional finance to any foreign Govt. or foreign Govt. owned or controlled entity, if any Indian entity, succeeds in getting contract for the execution of a project.
- Under the Scheme, EXIM Bank extends credit at a rate not exceeding LIBOR (avg. of six months) + 100 bps. The repayment of the loan is guaranteed by the foreign govt.

Analysis:

- Prior to the introduction of CFS, Indian entities were not able to bid for large projects abroad since the cost of financing was very high for them and bidders from other countries such as China, Japan, Europe and US were able to provide credit at superior terms, i.e., lower interest rate and longer tenures which works to the advantage of bidders from those countries.
- Also, by having projects of strategic interest to India executed by Indian entities, the CFS enables India to generate substantial backward linkage induced jobs, demand for material and machinery in India and also a lot of goodwill for India.

Revised MoA signed for Funding of Central Share of 99 Prioritized Irrigation Projects

- A revised Memorandum of Agreement (MoA) has been signed amongst Govt. of India (through MoWR, RD & GR), NABARD and National Water Development Agency (NWDA) for funding of central share of 99 prioritized irrigation projects under Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) through Long Term Irrigation Fund (LTIF).

■ The MoU will enable this Ministry to release Central Assistance to prioritized projects under PMKSY as per the requirements from time to time.

About LTIF:

■ To cater to the large fund requirement and ensure completion of the projects, the Union Finance Minister, during his Budget speech 2016-17, announced creation of dedicated Long Term Irrigation Fund (LTIF) in NABARD with an initial corpus of Rs. 20,000 crore for funding of Central and State share for the identified ongoing projects under PMKSY (AIBP and CAD).

■ Corpus would be raised by way of budgetary resources and market borrowings to fund fast tracking of implementation of incomplete major & medium irrigation projects.

About PMKSY:

■ The major objective of PMKSY is to achieve convergence of investments in irrigation at the field level, expand cultivable area under assured irrigation, improve on-farm water use efficiency to reduce wastage of water, enhance the adoption of precision-irrigation and other water saving technologies (More crop per drop), enhance recharge of aquifers and introduce sustainable water conservation practices by exploring the feasibility of reusing treated municipal waste water for peri-urban agriculture and attract greater private investment in precision irrigation system.

■ PMKSY has been conceived amalgamating ongoing schemes viz. Accelerated Irrigation Benefit Programme (AIBP) of the Ministry of Water Resources, River Development & Ganga Rejuvenation (MoWR,RD&GR), Integrated Watershed Management Programme (IWMP) of Department of Land Resources (DoLR) and the On Farm Water Management (OFWM) of Department of Agriculture and Cooperation (DAC).

■ The scheme will be implemented by Ministries of Agriculture, Water Resources and Rural Development. Ministry of Rural Development is to mainly undertake rain water conservation, construction of farm pond, water harvesting structures, small check dams and contour bunding etc. MoWR, RD &GR, is to undertake various measures for creation of assured irrigation source, construction of diversion canals, field channels, water diversion/lift irrigation, including development of water distribution systems.

■ Ministry of Agriculture will promote efficient water conveyance and precision water application devices like drips, sprinklers, pivots, rain-guns in the farm "(Jal Sinchan)", construction of micro-irrigation structures to supplement source creation activities, extension activities for promotion of scientific moisture conservation and agronomic measures

■ Programme architecture of PMKSY will be to adopt a 'decentralized State level planning and projectised execution' structure that will allow States to draw up their own irrigation development plans based on District Irrigation Plan (DIP) and State Irrigation Plan (SIP).

NATIONAL POLITY

Centre to table Bill to restore provisions of SC/ST Act

■ The Union cabinet approved a bill to restore key provisions of the Scheduled Caste and Scheduled Tribe (Prevention of Atrocities) Act that were struck down by the Supreme Court in March.

The Amendment Bill seeks to insert three new clauses after Section 18 of the original Act:

■ The first stipulates that for the purposes of the Act, "preliminary enquiry shall not be required for registration of a First Information Report against any person."

■ The second stipulates that the arrest of a person accused of having committed an offence under the Act would not require any approval.

- The third says that the provisions of Section 438 of the Code of Criminal Procedure — which deals with anticipatory bail — shall not apply to a case under this Act, "notwithstanding any judgment or order of any Court."

About SC/ST Act:

- The Scheduled Castes and Tribes (Prevention of Atrocities) Act is popularly known as POA, the SC/ST Act, the Prevention of Atrocities Act, or simply the Atrocities Act. The SC/ST Act was enacted on September 9, 1989. The rules for the Act were notified on March 31, 1995.
- The SC/ST Act lists 22 offences relating to various patterns or behaviours inflicting criminal offences and breaking the self-respect and esteem of the scheduled castes and tribes community. This includes denial of economic, democratic and social rights, discrimination, exploitation and abuse of the legal process.
- According to the SC/ST Act, the protection is provided from social disabilities such as denial of access to certain places and to use customary passage, personal atrocities like forceful drinking or eating of inedible food sexual exploitation, injury etc, atrocities affecting properties, malicious prosecution, political disabilities and economic exploitation.
- For speedy trial, Section 14 of the SC/ST Act provides for a Court of Session to be a Special Court to try offences under this Act in each district.
- The prime objective of the SC/ST Act is to deliver justice to marginalised through proactive efforts, giving them a life of dignity, self-esteem and a life without fear, violence or suppression from the dominant castes.

'Seva Bhoj Yojna'

- Union Ministry of Culture has launched- 'Seva Bhoj Yojna'– a scheme to reimburse central share of CGST and IGST on food, prasad, langar or bhandara offered by religious and charitable institutions.
- The 'Seva Bhoj Yojna' has a total outlay of Rs 325.00 crore for financial years 2018-19 and 2019-20.

About Seva Bhoj Yojana:

- The Charitable Religious Institutions such as Temples, Gurudwara, Mosque, Church, Dharmik Ashram, Dargah, Matth, Monasteries etc. which have been in existence for at least five years before applying for financial assistance/grant and who serve free food to at least 5000 people in a month and such institutions covered under Section 10(23BBA) of the Income Tax Act or Institutions registered as Society under Societies Registration Act (XXI of 1860) or as a Public Trust under any law for the time being in force of statuary religious bodies constituted under any Act or institutions registered under Section 12AA of Income Tax Act shall be eligible for grant under the scheme.
- Ministry of Culture will register the eligible charitable religious institutions for a time period ending with finance commission period and subsequently the registration may be renewed by the Ministry, subject to the performance evaluation of the institutions.
- The details of registered institutions will be available on an online portal for the viewership of public, GST authorities and entity / institution itself.
- The entity / institution will be permitted to submit the reimbursement claim of the GST and Central Government share of IGST to designated authority of GST Department at State level in the prescribed format during the validity of registration.
- It would be the responsibility of the institutions/entity to intimate the Ministry about any changes being made in Memorandum of Association, Office bearers or addition / deletion of the location of the free food services.
- All the eligible institutions should be registered with Darpan portal. All applications along with supporting documents received from the institutions in the Ministry shall be examined by the committee constituted for the purpose within 4 weeks and on the basis of the recommendation of the committee, competent authority in the Ministry shall register charitable religious institutions for reimbursing claim of CGST and Central Government share of IGST paid on above mentioned specific items.

Policy Framework for exploration and exploitation of Unconventional Hydrocarbons

- The Union Cabinet has approved the policy to permit exploration and exploitation of unconventional hydrocarbons such as Shale oil/gas, Coal Bed Methane (CBM) etc.
- It will be carried out under the existing Production Sharing Contracts (PSCs), CBM contracts and Nomination fields to encourage the existing Contractors in the licensed/leased area to unlock the potential of unconventional hydrocarbons in the existing acreages.
- With the approval of this policy, there will be complete shift from 'One hydrocarbon Resource Type' to 'Uniform Licensing Policy' which is presently applicable in Hydrocarbon Exploration & Licensing Policy (HELP) and Discovered Small Field (DSF) Policy.

Benefits:

- This policy will enable the realization of prospective hydrocarbon reserves in the existing Contract Areas which otherwise would remain unexplored and unexploited.
- With this policy dispensation, new investment in Exploration and Production (E&P) activities and chances of finding new hydrocarbon discoveries and resultant increased domestic production thereof is expected.
- Exploration and exploitation of additional hydrocarbon resources is expected to spur new investment, impetus to economic activities, additional employment generation and thus benefitting various sections of society.
- This will lead to induction of new, innovative and cutting-edge technology and forging new technological collaboration to exploit unconventional hydrocarbons.

Analysis:

- As per existing contractual regime of PSCs, existing Contractors are not allowed to explore and exploit CBM or other unconventional hydrocarbons in already allotted licensed/leased area. Similarly, CBM Contractors are not allowed to exploit any other hydrocarbon except CBM. Acreages held at present by various Contractors in PSCs and CBM blocks and National Oil Companies (NOCs) in nomination regime constitute a significant part of India's sedimentary basin.
- In preliminary studies, 'in place' probable Shale gas resources in the range of 100-200 TCF in 5 Indian sedimentary basins have been assessed by various international agencies. Presence of Shale oil/gas has a strong possibility in basins such as Cambay, Krishna- Godavari (KG), Cauvery etc. where mature organic rich Shale exist. An area of 72,027 sq. km. held under PSCs of Pre- New Exploration Licensing Policy (NELP)/NELP regime and 5269 sq. km area under CBM contracts has been opened up for simultaneous exploration and exploitation of conventional or unconventional hydrocarbons. With the approval of this policy, there will be complete shift from 'One hydrocarbon Resource Type' to 'Uniform Licensing Policy' which is presently applicable in Hydrocarbon Exploration & Licensing Policy (HELP) and Discovered Small Field (DSF) Policy.
- The fiscal and contractual terms of the policy provide for ring-fencing of Petroleum Operations and cost recovery of new hydrocarbon discoveries in PSC block. Additional 10% rate of Profit Petroleum/ Production Level Payment (PLP) in case of CBM contract, over and above the existing rate of Profit Petroleum/PLP is to be shared with Government on new discoveries. For nomination blocks, NOCs will be allowed to explore and exploit unconventional hydrocarbons under the existing fiscal and contractual terms of exploration/lease license.

Bidder Information Management System and Bhoomi Rashi - PFMS Linkage Portals

- The Minister for Road Transport & Highways, Shipping, Water Resources, River Development and Ganga Rejuvenation has launched Bidder Information Management System (BIMS) and Bhoomi Rashi and PFMS linkage - two IT initiatives of the Road Transport & Highways Ministry that are aimed at expediting pre-construction processes relating to bidding and land acquisition respectively.

About BIMS:

- BIMS is aimed at streamlining the process of pre-qualification of bidders for EPC Mode of contracts for National Highway works with enhanced transparency and objectivity.
- In EPC (engineering, procurement and construction) model, government pay private players to build infrastructure.
- The portal will work as a data base of information about bidders, covering basic details, civil works experience, cash accruals and network, annual turnover etc.
- The pre-qualification of bidders can be assessed from data already stored in the portal, so that technical evaluation can be carried out much faster.
- BIMS will be used by all the project implementation agencies of the Ministry for maintenance of technical information of civil works of contractors/ concessionaires, and for online technical evaluation of civil works bids.
- The bidders would be responsible for ensuring that their latest details are available on the BIMS portal.
- These details will be used by bidders to apply for any RFP for civil works on EPC mode that has been floated by the Ministry and its implementation agencies on the Central Public Procurement Portal (CPPP).
- The BIMS portal will be operated in conjunction with the CPPP portal for invitation of bids for civil works for EPC mode.
- It is estimated that BIMS portal will significantly reduce the procurement time for projects through an objective and transparent online evaluation system thereby leading to accelerated project implementation.

About Bhoomi Rashi:

- Bhoomi Rashi, the portal developed by MoRTH and NIC, comprises the entire revenue data of the country, right down to 6.4 lakh villages.
- The entire process flow, from submission of draft notification by the State Government to its approval by the. Minister of State for RT&H and publication in e-Gazette, is online.
- The portal, created for expediting the process of publication of notifications for LA, is now being fully utilized for issuing the notifications, and more than 900 notifications have been issued using the portal so far.
- Bhoomi Rashi portal has been instrumental in reducing the time taken for approval and publication of notifications pertaining to land acquisition
- Integration of Public Financial Management System (PFMS) with Bhoomi Rashi is one of the key functionalities to facilitate payment related to compensation for land acquisition to all the beneficiaries directly through the Bhoomi Rashi system.
- PFMS is a web-based online software application developed and implemented by the Office of Controller General of Accounts (CGA). to facilitate sound public financial management system for Government of India (GoI)
- It provides various stakeholders with a real time, reliable and meaningful management information system and an effective decision support system, as part of the Digital India initiative of GoI.
- With integration of Bhoomi Rashi with PFMS, payment of Compensation by the Ministry to the beneficiaries will be just-in-time, and without any parking of funds.

All-women expedition to Mt. Manirang

- The Minister of State for Youth Affairs and Sports & Information and Broadcasting flagged off an all-women expedition to Mt. Manirang (6593Mt/21631 ft) in Himachal Pradesh.
- The expedition commemorates the silver jubilee of 1993 Women Everest expedition.
- It would sends a wonderful message to the society, that if given an opportunity, the girls can also rise to the challenges and make a mark for themselves.
- It also indicates that the children should be given an opportunity to decide as what they want to do in the future.

- Mount Manirang includes the girls from some states which have no snow or mountains and it shows the grit and determination of the girls to opt for such a challenge.

About Expedition:
- The 19-member expedition team to Mt. Manirang is being led by Ms Bimla Negi, a veteran mountaineer who was a member of the 1993 team.
- The team also includes nine members of the 1993 team in addition to young women mountaineers, who hail from different states of the country like Uttrakhand, West Bengal, Sikkim, Jharkhand, Maharashtra, Madhya Pradesh, Haryana, Gujarat, Manipur and Himachal Pradesh.
- The expedition is expected to make the summit attempt around 24th August, 2018.

About Everest Expedition 1993:
- The Indo-Nepalese women's Everest expedition in 1993 was the first all women expedition, launched by Indian Mountaineering foundation
- The historic expedition set up several world records at the time which included the largest number of persons (18) of a single expedition to climb Mount Everest, largest number of women (six) from a single country to climb Mount Everest.
- Ms. Santosh Yadav, member of the team, became the first woman in the world to climb Mount Everest, while Miss Dicky Dolma became the youngest women (19) years in the world to climb the highest peak in the world.

Scrub typhus is key encephalitis cause in eastern U.P

- As per recent findings by a team of experts, Scrub typhus is key encephalitis cause in eastern U.P. This finding is important, given that the mite-borne disease can be treated easily if doctors look for it early.

About Encephalitis:
- Encephalitis is a disease carried through mosquitoes, which breeds in unclean environments.
- Japanese encephalitis, transmitted through the culex mosquito, cripples the affected individual.
- The mosquito breeds amongst some animals especially pigs but also on pools of water besides other places.
- Culex also breeds in places which are difficult to eradicate: Gardens, parks and similar areas. Public accumulation of waste is fertile ground for breeding of the culex and its eggs and poor sanitation is key to a rampant unbroken cycle of the virus.
- The disease is curable through vaccinations but the poor healthcare system is a major impediment to its eradication.
- According to one report, India ranked 154 out of 195 countries in terms of access to healthcare, lagging far behind countries such as Bangladesh, Nepal, Ghana and Liberia. While India spends only 5 percent of its GDP on public healthcare, China spends 10.4 percent of its budget on healthcare.

Encephalitis in India:
- Due to various factors such as non-availability of expert doctors, manpower, lack of funds and red tape, it becomes difficult to provide professional healthcare to patients at government health facilities. As such, inviting social institutions and entrepreneurs to run such facilities on government lands provided at nominal cost would help provide professional healthcare service to poor and middle class patients.
- The offensive against encephalitis requires a major public health offensive that examines all breeding sites and intermediate hosts especially pigs.
- Medical entomologists have a crucial role to play in identifying local factors that could break the cycle of breeding.
- Public health surveillance is invaluable in clamping events that will decimate the burden of the infection. High risk individuals need to be vaccinated after counselling. While making such steps mandatory does not work, the value of human life must be weighed against unvaccinated individuals.

Restricted Area Permit (RAP) regime

- In a major move to boost tourism in Andaman, Indian government has decided to remove Restricted Area Permit (RAP) from 29 islands in Andaman for foreigners.
- So, now foreigners planning a trip to the Andaman & Nicobar Islands will no longer require RAP to visit 29 inhabited islands in the Union Territory; the restriction has been lifted till December 31, 2022. The RAP is notified under the Foreigners (Restricted Areas) Order, 1963.
- Lifting of RAP means that now people from the other countries can also visit Havelock, North Andaman, Smith Island, East Island, Curfew Island, Tillang Chong Island, Katchal, Nancowry, Ayes Island, Middle Andaman, Interview Island, Teressa, North Passage, Baratang, South Andaman, Neil Island, Flat Bay, North Sentinel Island, Little Andaman, Chowra, Great Nicobar, Stewart Island, Kamorta, Pulomilo, Strait Island, Long Island, Little Nicobar, Narcondam Island and Land Fall Island without any permit.
- However, Citizens of Afghanistan, China and Pakistan and foreign nationals having their origin in these countries would continue to require RAP to visit Andaman & Nicobar Islands. In such cases, RAP may be granted only after obtaining prior approval of the ministry of home affairs.
- For visiting Mayabunder and Diglipur, citizens of Myanmar will continue to require RAP which shall be issued only with the prior approval of the MHA.

What is Protected Area Permit (PAP) and Restricted Area Permit (RAP) regime?

- The Foreigners (Protected Areas) Order, 1958 requires non-Indian citizens to obtain a Protected Area Permit (PAP) to visit the protected/ restricted areas in India.
- This requirement is in addition to getting an Indian visa. In order to get the permit, the foreign nationals must meet certain requirements.
- Even Indian citizens who are not residents of those areas require an Inner Line Permit (ILP) to enter these places. The Inner Line Permit is, however, significantly easier to get.
- Citizens of Pakistan, Bangladesh, China and Myanmar can get the PAP only with the approval of the Union Ministry of Home Affairs
- The PAP is normally valid for a duration of 10 days, with the option of extension for another 7 days.
- Foreigners (Restricted Areas) Order 1968 states that a Restricted Area Permit (RAP) is required for non-Indians to visit certain areas in India.
- The Restricted Area Permit was earlier required to visit the whole of Andaman & Nicobar Islands, Lakshadweep and some parts of Sikkim.
- When the new relaxation by the government will come through, the permit would only be required in certain areas of Sikkim in the north east.

INTETRNATIONAL AFFAIRS

Asia-Pacific Institute for Broadcasting Development

- India has been elected as the president of the Asia-Pacific Institute for Broadcasting Development.

- India got the presidency of the organisation, servicing countries of the UN Economic and Social Commission for Asia and the Pacific (UN-ESCAP) in the field of electronic media development, for the first time by defeating Iran in the election that took place in Sri Lanka.

About Asia-Pacific Institute for Broadcasting Development (AIBD):

- The Asia-Pacific Institute for Broadcasting Development (AIBD), established in 1977 under the auspices of UNESCO, is a unique regional inter-governmental organisation servicing countries of the United Nations Economic and Social Commission for Asia and the Pacific (UN-ESCAP) in the field of electronic media development.
- It is hosted by the Government of Malaysia and the secretariat is located in Kuala Lumpur.
- The AIBD is mandated to achieve a vibrant and cohesive electronic media environment in the Asia-Pacific region through policy and resource development.
- The Institute seeks to fulfill this mandate by mobilizing the intellectual and technological resources available within the national broadcasting organizations of its member countries as well as regional and international bodies through a well-established infrastructure and networking mechanism which includes government agencies, non-governmental organizations, institutions of higher learning, the private sector and individual professionals.
- Full membership of the AIBD is confined to sovereign states and they are invited to designate the broadcasting authority of the country to be the beneficiary.
- The Institute enjoys a membership of 26 countries, 94 affiliates and 58 partners in Asia, Pacific, Europe and North America.

SCIENCE AFFAIRS

Internet Corporation for Assigned Names and Numbers (ICANN)

- The nominating committee of Internet Corporation for Assigned Names and Numbers (ICANN) has selected Ajay Data, Founder & CEO of Data XGen Plus and a global leader in email linguistic services, as a new council member of Country Code Supporting Organisation (ccNSO).
- Ajay Data is the first Indian to have been selected as a member of ccNSO and will be representing India at a global level. He will be the custodian of Asia, Australia and Pacific Islands as a member of ccNSO.

About Internet Corporation for Assigned Names and Numbers

- It was founded in 1998.The two most critical Internet resources viz. the authoritative root zone server and Internet names & addresses system are managed by ICANN, which is under contract with the U.S. Department of Commerce.
- Therefore, ICANN is subjected to U.S Laws in all aspects. ICANN oversees the assignment of globally unique identifiers on the Internet, including domain names, Internet Protocol (IP) addresses, application port numbers in the transport protocols, and many other parameters.
- This creates a globally unified namespace that is essential for the global reach of the Internet. ICANN itself is governed by an international board of directors drawn from across the Internet technical, business, academic, and other non-commercial communities.
- Though ICANN is said to be an independent globally accountable governance system, yet it is not. Practically, ICANN's role is more or less dependent on the will and pleasure of the U.S. government and the relationship, according to existing contract documents, can be annulled any moment by the U.S. government.

India's first Blockchain district in Telangana

- Tech Mahindra and the Telangana government have signed an agreement to establish a Blockchain district in Hyderabad, a first-of-its-kind Centre of Excellence for Blockchain in India.
- Initially it would be a virtual cluster, connecting with the stakeholders working in the emerging technology. It would have a physical building at a later phase.
- In short, it will be "a cluster of buildings", which will house start-ups and other stakeholders working on the development of the platform.
- Tech Mahindra, as a founding member of the Blockchain district, will provide platform and technology assistance to all the incubators in the district.
- On its part, the Telangana government would provide regulatory and policy support to promote the growth of Blockchain.

What is blockchain technology?

- A blockchain is an anonymous online ledger that uses data structure to simplify the way we transact. Blockchain allows users to manipulate the ledger in a secure way without the help of a third party.
- A bank's ledger is connected to a centralised network. However, a blockchain is anonymous, protecting the identities of the users. This makes blockchain a more secure way to carry out transactions.
- The algorithm used in blockchain reduces the dependence on people to verify the transactions. This technology used for recording various transactions has the potential to disrupt the financial system.

How it works?

- Blockchain enables two entities that do not know each other to agree that something is true without the need of a third party.
- As opposed to writing entries into a single sheet of paper, a blockchain is a distributed database that takes a number of inputs and places them into a block. Each block is then 'chained' to the next block using a cryptographic signature.
- This allows blockchains to be used as a ledger which is accessible by anyone with permission to do so. If everyone in the process is pre-selected, the ledger is termed 'permissioned'. If the process is open to the whole world, the ledger is called unpermissioned."

Benefits of blockchain technology

- Disintermediation & trustless exchange : Two parties are able to make an exchange without the oversight or intermediation of a third party, strongly reducing or even eliminating counterparty risk.
- Empowered users : Users are in control of all their information and transactions.
- High quality data : Blockchain data is complete, consistent, timely, accurate, and widely available.
- Durability, reliability, and longevity : Due to the decentralized networks, blockchain does not have a central point of failure and is better able to withstand malicious attacks.
- Process integrity : Users can trust that transactions will be executed exactly as the protocol commands removing the need for a trusted third party.
- Transparency and immutability : Changes to public blockchains are publicly viewable by all parties creating transparency, and all transactions are immutable, meaning they cannot be altered or deleted.
- Ecosystem simplification : With all transactions being added to a single public ledger, it reduces the clutter and complications of multiple ledgers.
- Faster transactions: Interbank transactions can potentially take days for clearing and final settlement, especially outside of working hours. Blockchain transactions can reduce transaction times to minutes and are processed 24/7.
- Lower transaction costs : By eliminating third party intermediaries and overhead costs for exchanging assets, blockchains have the potential to greatly reduce transaction fees.